

]pexip[

Capital Markets Day 2021

December 9, 2021



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Game-Changing Pandemic



Climate Consciousness

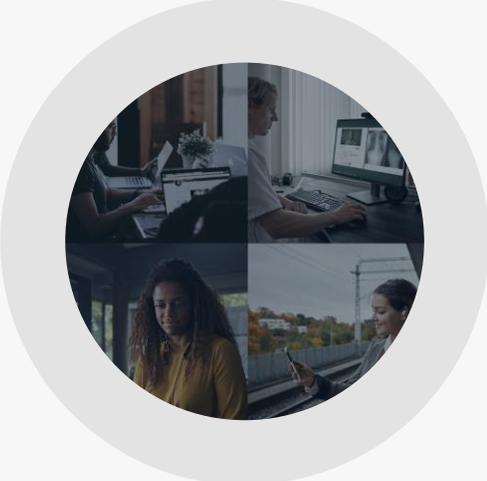
A stylized globe of the Earth is centered in the image, rendered in a golden-brown hue. The globe is surrounded by a complex network of white and blue lines and dots, suggesting a global network or data flow. The background is a dark blue gradient with faint, glowing particles and lines, creating a futuristic, digital atmosphere. The text "Geopolitical Complexity" is overlaid in the center in a clean, white, sans-serif font.

Geopolitical Complexity

Cyber Vulnerability

Mega Trends Shaping Pexip's Business and Product Strategy

- addressing the needs of our customers



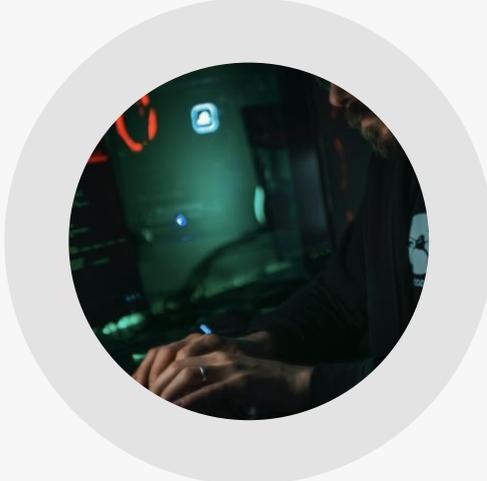
Game Changing
Pandemic



Climate
Consciousness



Geopolitical
Complexity



Cyber
Vulnerability



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Powering the Video Economy

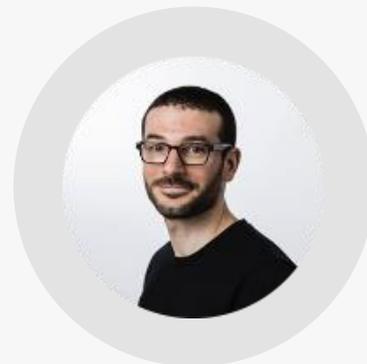
Presenters



Michel Sagen
Chair of the Board



Øystein Dahl Hem
Interim CEO and CFO



Nico Cormier
Chief Technology Officer



Åsmund O. Fodstad
President Global Sales & Marketing



Ingrid Woodhouse
Chief People Officer

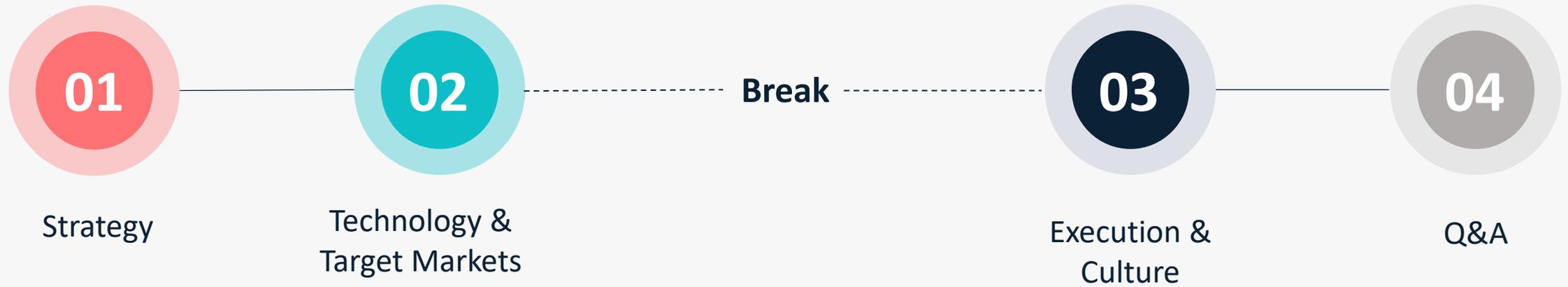


Jordan Owens
Vice President Architecture



Peter McCarthy
Vice President Public Sector Sales

Agenda



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Strategy

Presenter: Øystein Dahl Hem



Pexip is a global technology company

535+ Employees in 35 countries

4,400 Enterprise and public sector customers

300+ Channel partners

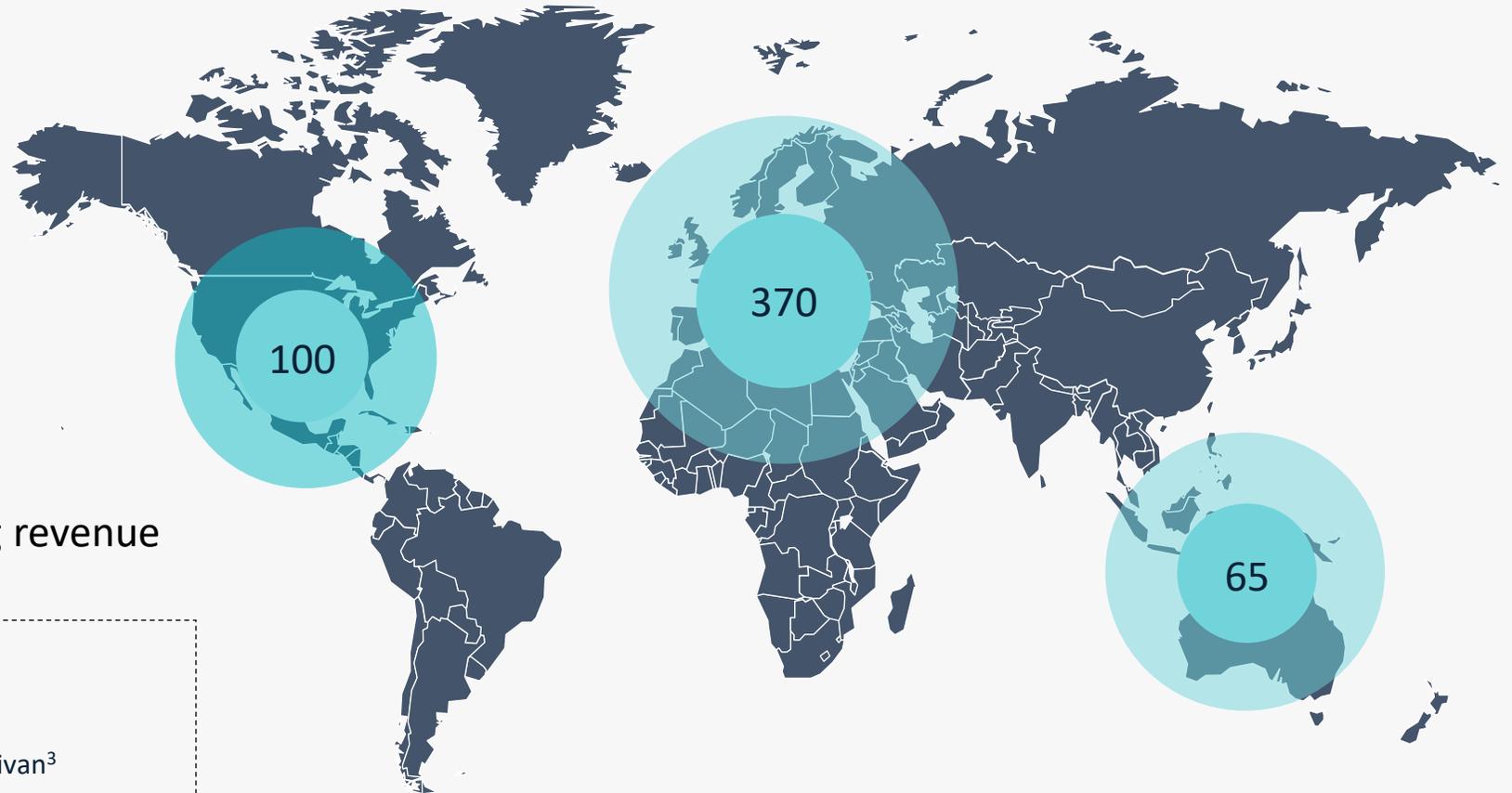
100% Net revenue retention rate

2021 \$100,000,000+ annual recurring revenue

Challenger in Gartner Magic Quadrant¹

Ranked #1 in Wainhouse user survey²

Entrepreneurial company of the year by Frost & Sullivan³



1) Gartner Quadrant for Meeting Solutions 2020, by Mike Fasciani, Tom Eagle, Adam Preset, Brian Dohert

2) Wainhouse Research; Brand Perception Ratings Overview – Video Meeting Solutions, 1 February 2019. NPS, collected from 2,002 users

3) Frost & Sullivan Entrepreneurial Company of the Year Award 2020, the Global Video Conferencing Industry, Author: Robert Arnold, Principal Analyst and Program Manager

Pexip represents the Norwegian video communication heritage



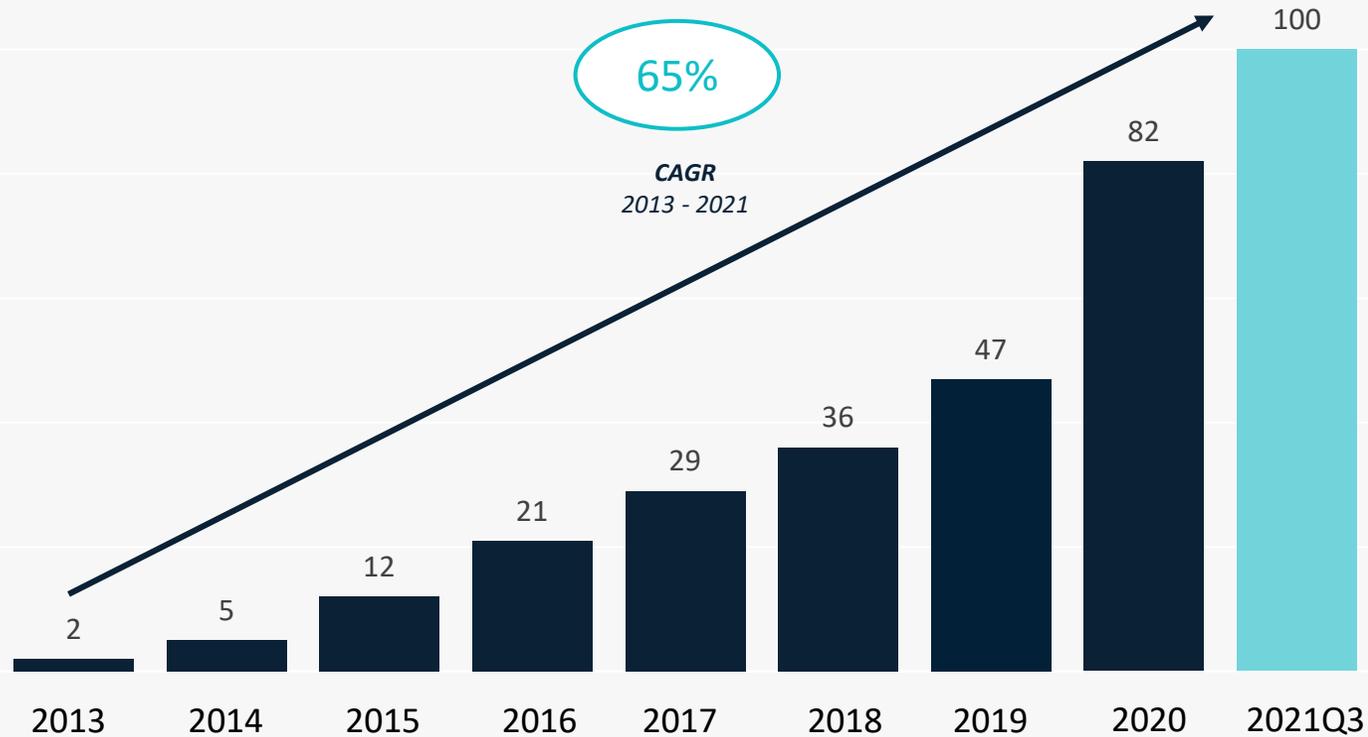
Pexip represents knowledge, talent and culture built up over 30 years

1) At the time of acquisition

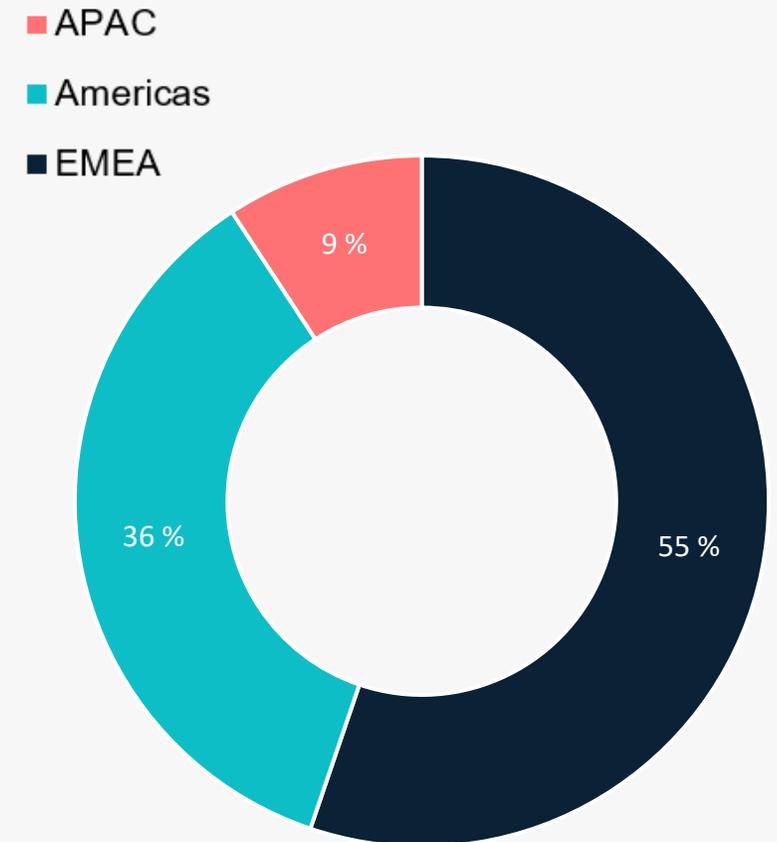
Solid and strong business momentum

100% reinvested in sales, marketing, products & engineering

Booked annual recurring revenue (“ARR”) portfolio
per year end, USDM



ARR per geography



Proud to serve the most demanding organizations

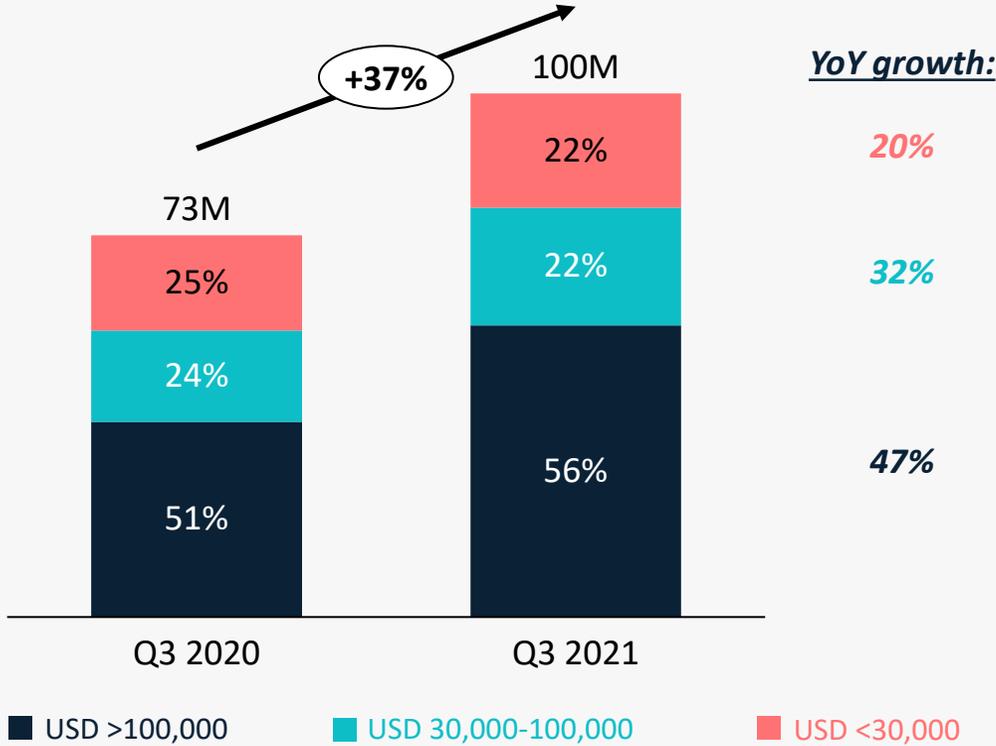
Selected by a range of large organizations



Currently ~15% of Fortune 500¹ as customers

Large organizations driving growth

Share of ARR by account size in ARR, USD



1) Fortune 500 and Global 500

COVID-19 fueled the hyper adoption of video

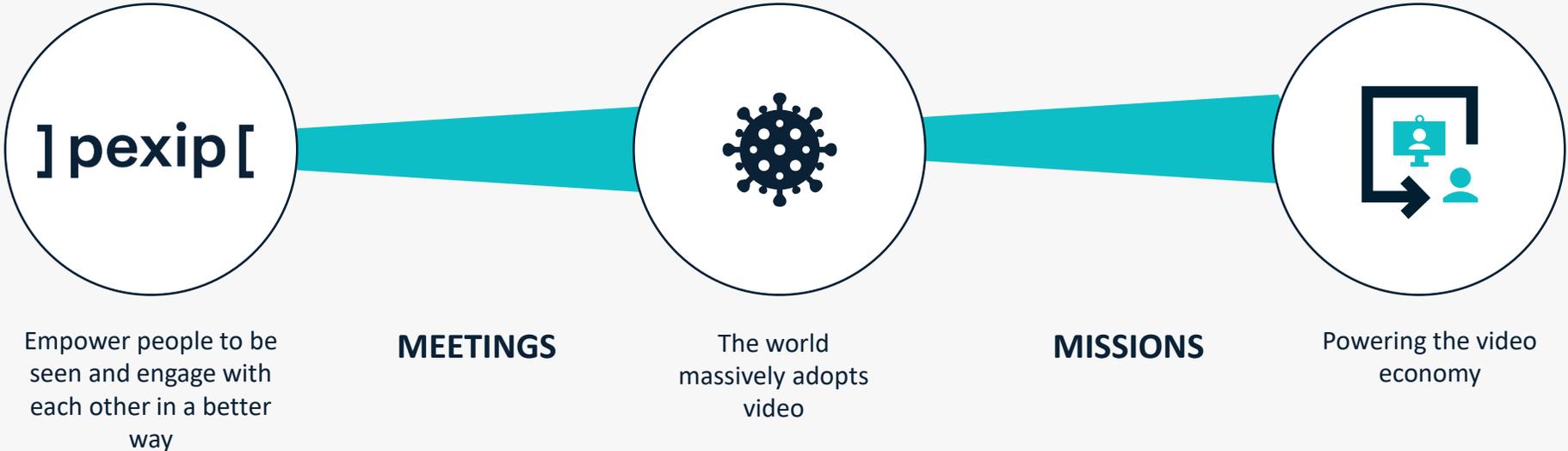
3 Years

Global adoption acceleration
Digitization of customer
interactions*

5.4x

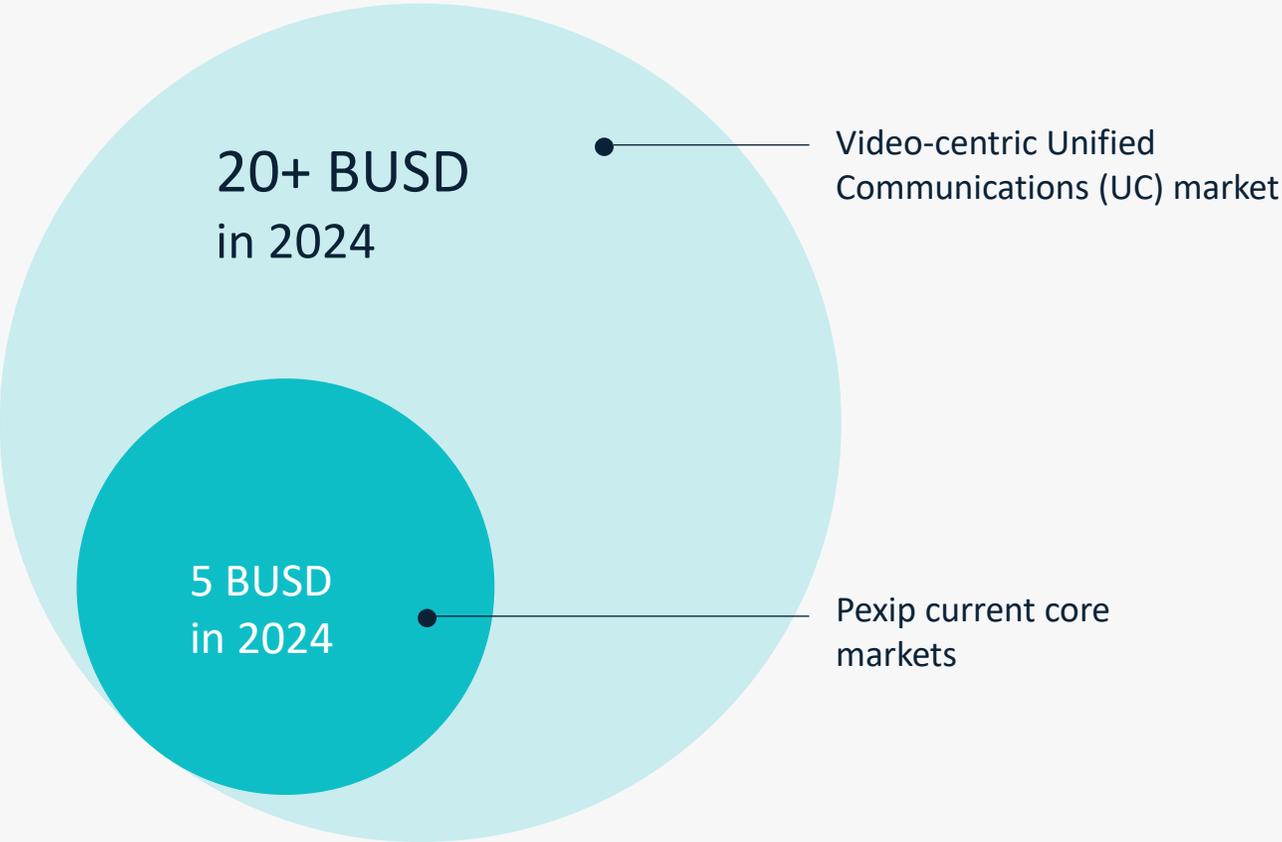
From 13% to 70% end-user video
adoption over the period in
the western world

Enabling business innovation

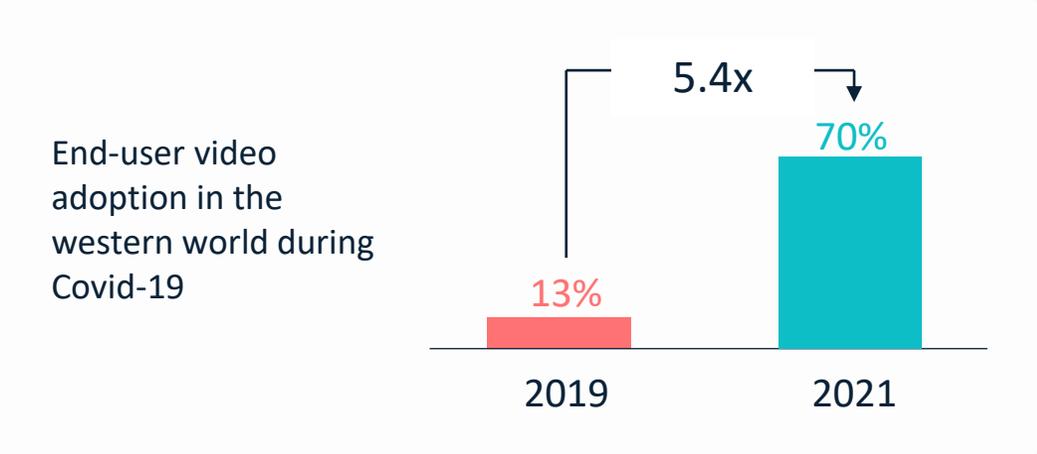


Pexip's core markets represent a massive market opportunity

Pexip intends to have a leadership position in a 5 BUSD segment by 2024



Well-positioned to benefit from mass adoption of video communication



1) 2020 estimate
Source: McKinsey, Wainhouse, company estimates

Unique technology drives our success in three core markets



Video infrastructure

including interoperability to Microsoft Teams and Google Meet



Critical video meetings

for secure environments

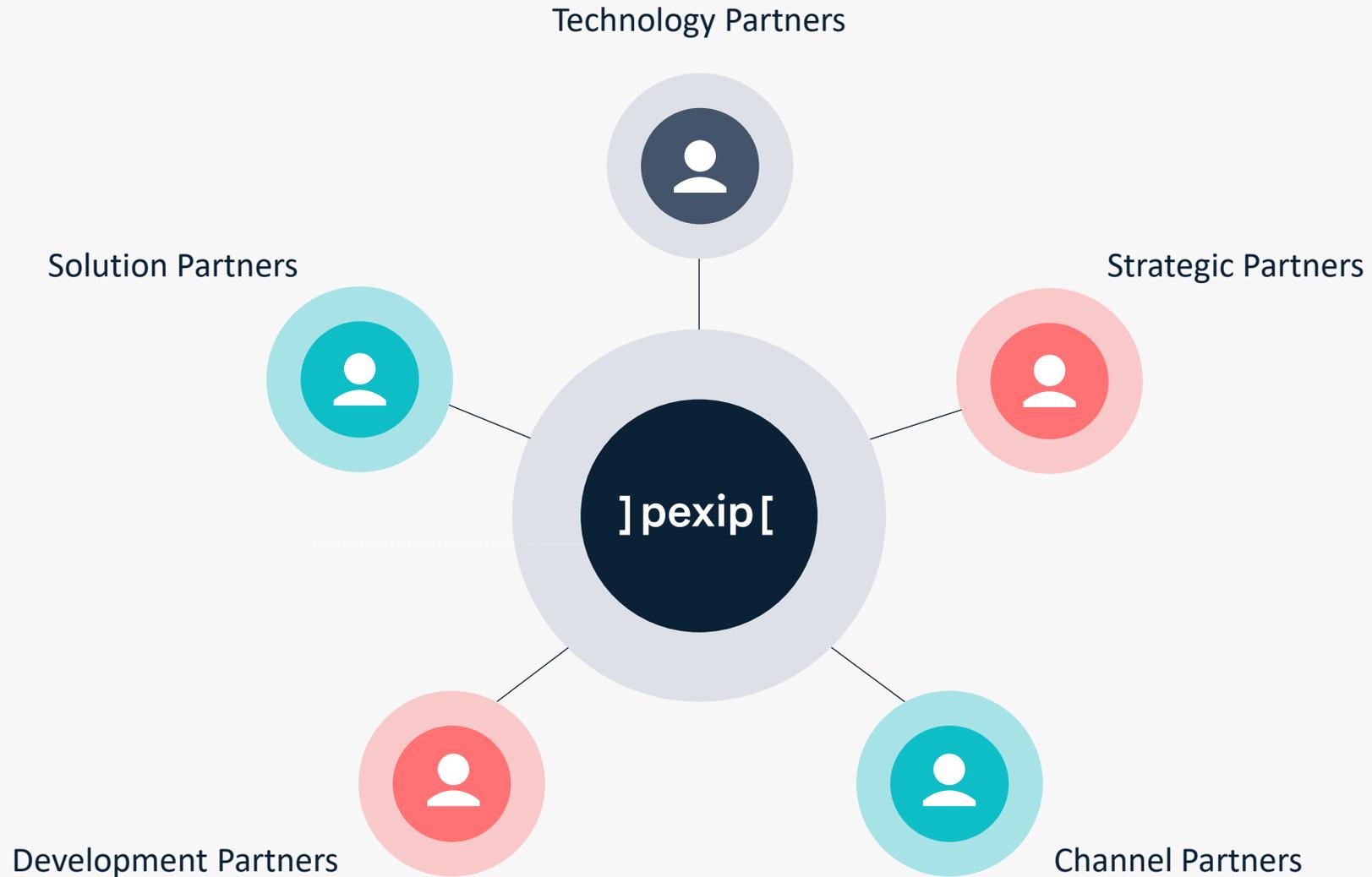


Video enablement

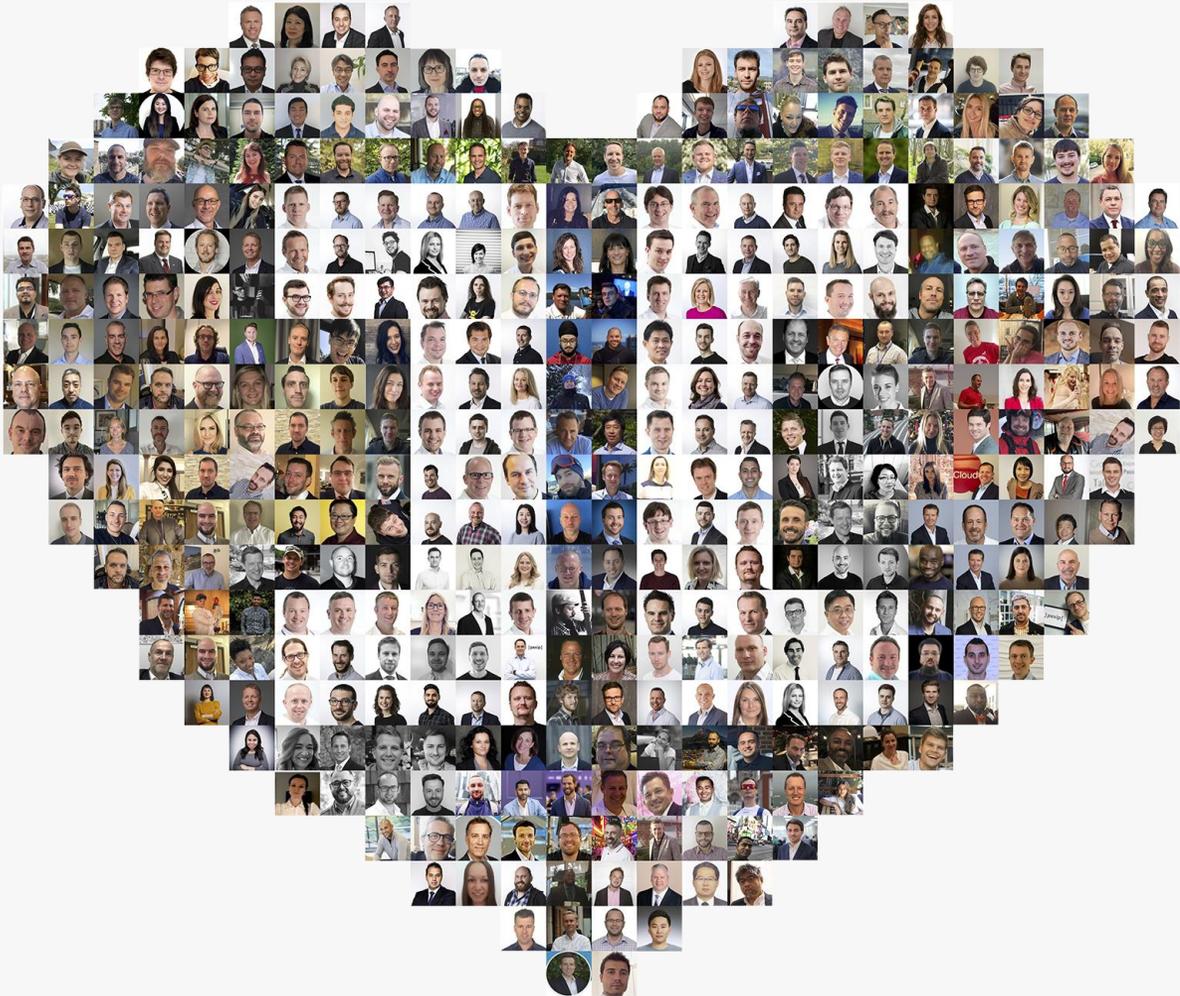
for healthcare, judiciary, government, retail and finance



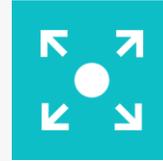
A strong and growing ecosystem of partners



Outstanding team with a great culture



Professional & Fun



Freedom & Responsibility

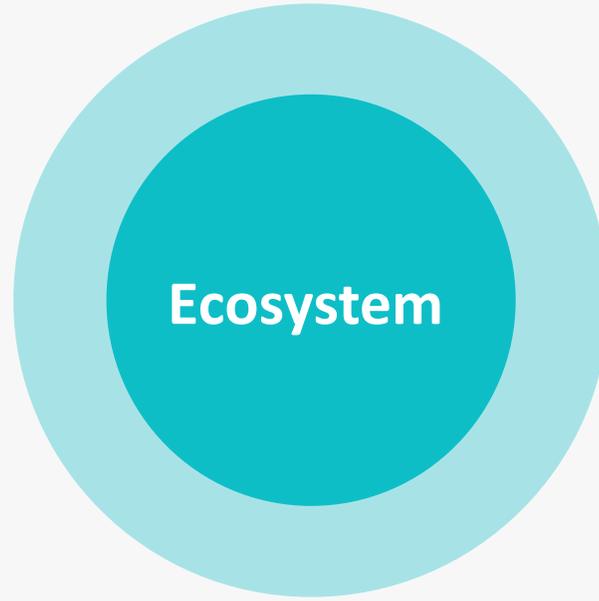
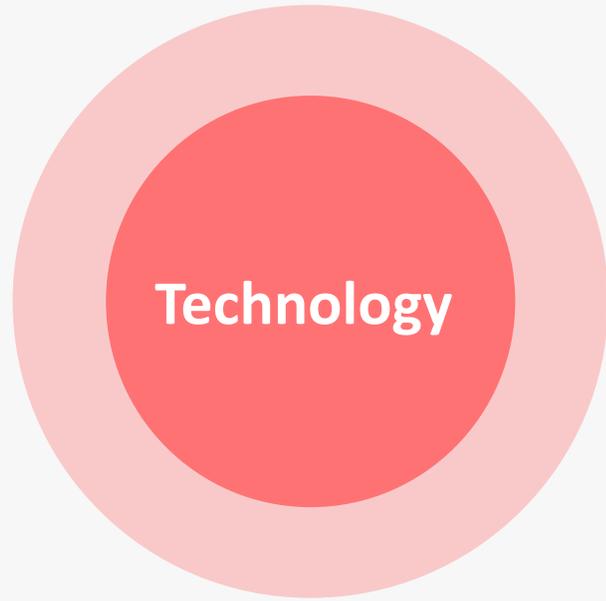


No Bullshit



One Team

Why we win

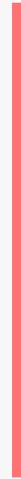


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Technology

Presenter: Nico Cormier





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Study on the Effect of Delay on Human Voice Perception

“ if delays can be kept below 150ms, most applications, both speech and non-speech, will experience essentially transparent interactivity ”

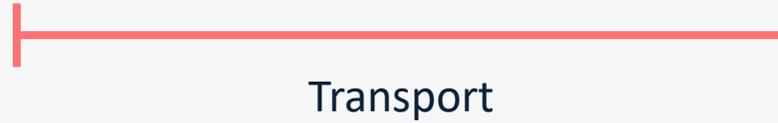
150ms - the magic number for innovation in our industry



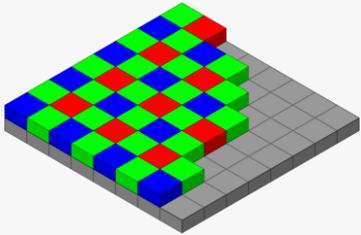
150ms



Transport - a significant chunk of 150ms



Compute – where the magic happens



Capture



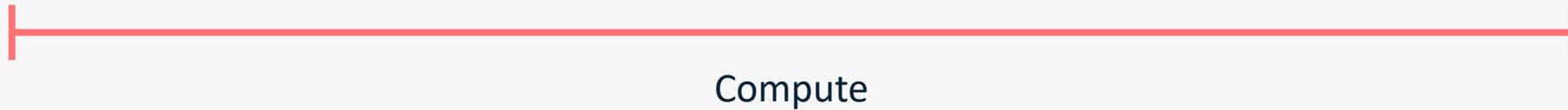
AI

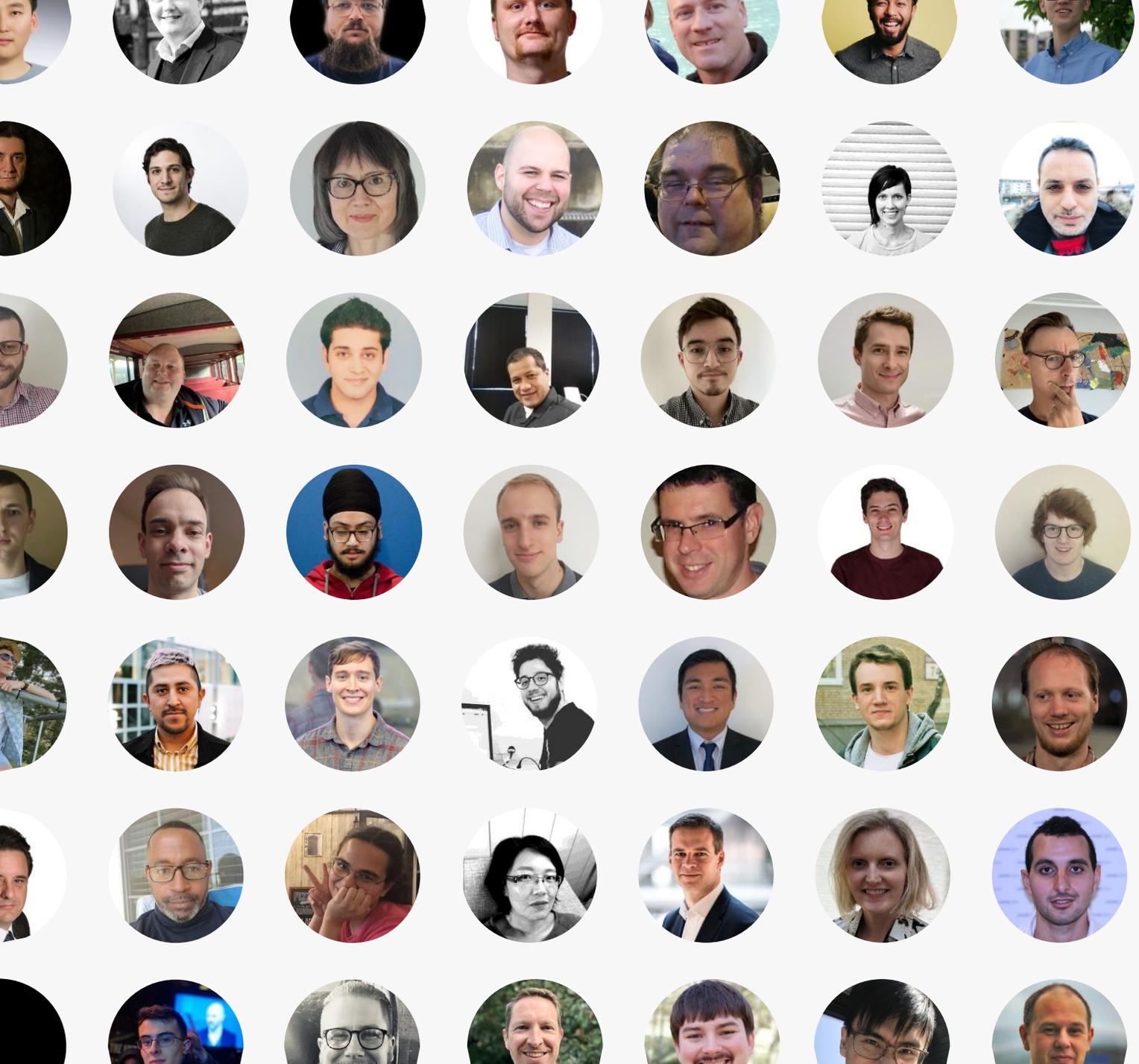


Compression Algorithms



Render





180 R&D engineers

- experts in signal processing
- 34 nationalities; 20-30% relocations
- 3-4% turn-over

52 patents in real time video processing
and highly distributed real time systems

One strong engineering
culture



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Core Transcoding



Agnostic Infrastructure



Built as-a-platform

1

Core Transcoding

Switching

Compute done on end-user device
Heavyweight client architecture



Core Transcoding

Compute done in the network
Lightweight client architecture



1

Core Transcoding – implications & benefits



Download application

Limited to one protocol

AI and compression on the end-user device

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Lightweight, no download experience

Unique interoperability

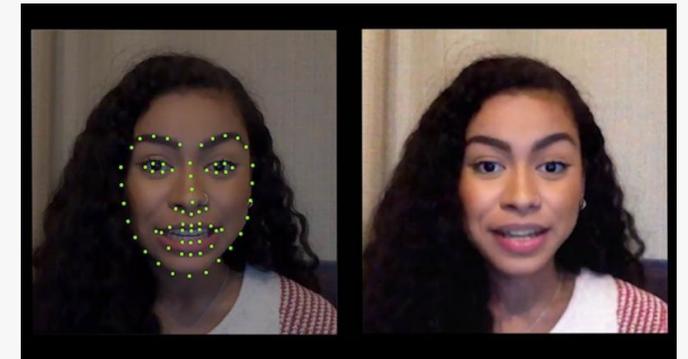
AI and compression in the network

1 Core Transcoding – implications & benefits



Mixed reality and augmented reality on low power devices. 8 hours with AI on Pexip vs 30 minutes for competition

AI in the network on any device/browser with no download



Sustainability thanks to lower bandwidth usage, extended equipment lifetime and improved battery life

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Core Transcoding



Agnostic Infrastructure



Built as-a-platform

Proprietary Shared SaaS

Tightly bound to a single cloud
Runs only on the public internet
Customers' data mingled together



Agnostic Infrastructure

Runs on all cloud providers and on-prem
Can by-pass the internet
Customer controls data exposure



Agnostic Infrastructure – privacy and security benefits



JITC
Certified



Security and Privacy

- Compliant with GDPR and ISO 27001
- All media encrypted by default
- HIPAA compliance for US Healthcare
- Highest US military security certifications
- JITC-certified, FIPS 140-2 and 508 compliance

Secure and Reputable data centres

- SOC2, SSAE16 and ISO 27001
- Cloud data stored in Norway
- Media maintained in regions

Sovereign cloud

- Fedramp (USA)
- CCN-STIC (Spain)
- CSPN (France)
- BSI (Germany)

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Core Transcoding



Agnostic Infrastructure



Built as-a-platform

3

Built as a platform

Built as an end-user application

Technology and applications tightly coupled
Very limited branding/customization



Built as a “technology inside” platform

Decoupled technology and applications
License technology allowing total customization

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Target markets

Presenters: Nico Cormier, Åsmund O. Fodstad

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Unique technology powers our success in three core markets



Video infrastructure

with interoperability to Microsoft Teams and Google Meet



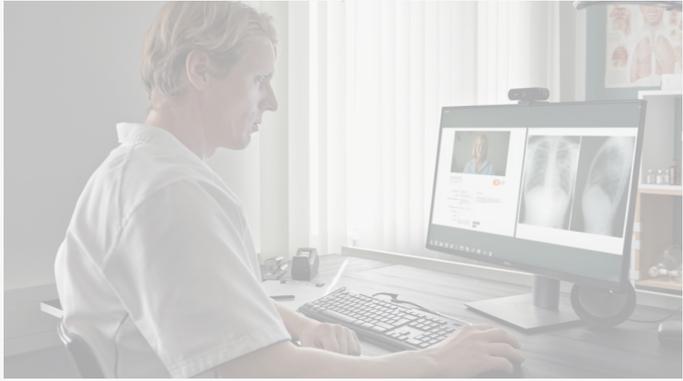
Critical video meetings

for secure environments



Video enablement

for healthcare, judiciary, government, retail and finance





Enterprise Room Connector

Pexip upgrades existing rooms to the cloud

Customer is moving to a SaaS and has incompatible meeting room equipment.

Equipment registers against the Pexip cloud, making them easy to manage, able to dial into meetings (such as Teams or Meet) and upgrades their experience with AI

1

Core Transcoding used to connect incompatible protocols

Core transcoding allows Pexip to talk all protocols

- Translate any real time media signal on the fly
- Leverage our media and protocol expertise
- Added end user value with AI
- Consumable both as a SaaS or self-hosted







London
Stock Exchange



Foreign &
Commonwealth
Office



Standards-based Video Infrastructure

Why Pexip?

1

Core Transcoding allows us to transcode on the fly incompatible protocols and support brand both new and upgrade old equipment

2

Agnostic compute allows customers to consume ERC as a SaaS (shared) or self-hosted

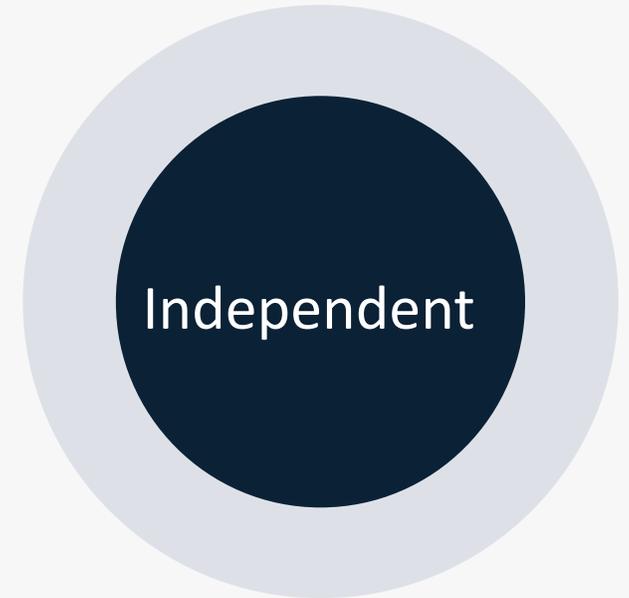
3

Certified by MSFT and Google. Tight commercial, GTM and engineering relationship

4

GTM with Microsoft, Google and channel partners

Future opportunity





Unique technology powers our success in three core markets



Video infrastructure

with interoperability to Microsoft Teams and Google Meet



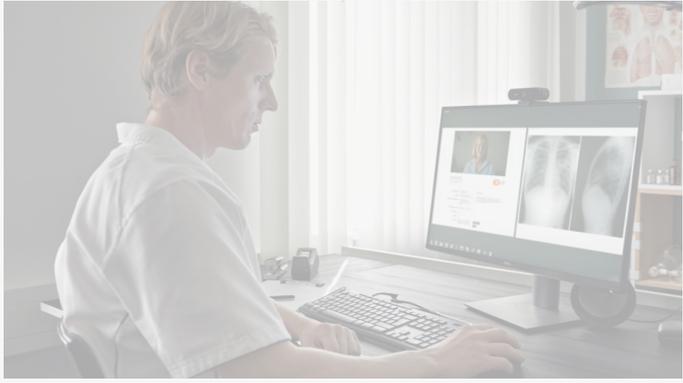
Critical video meetings

for secure environments



Video enablement

for healthcare, judiciary, government, retail and finance





Pexip for Critical Meetings

Video meetings for environments with stringent privacy & security

Customer is government or large organizations with clear focus on privacy

Pexip provides a self-hosted (on-prem & cloud native) platform optimised for critical video meetings

Agnostic infrastructure guarantees complete privacy



Agnostic Infrastructure

Runs on all cloud providers and on-prem

Can by-pass the internet

Customer controls data exposure

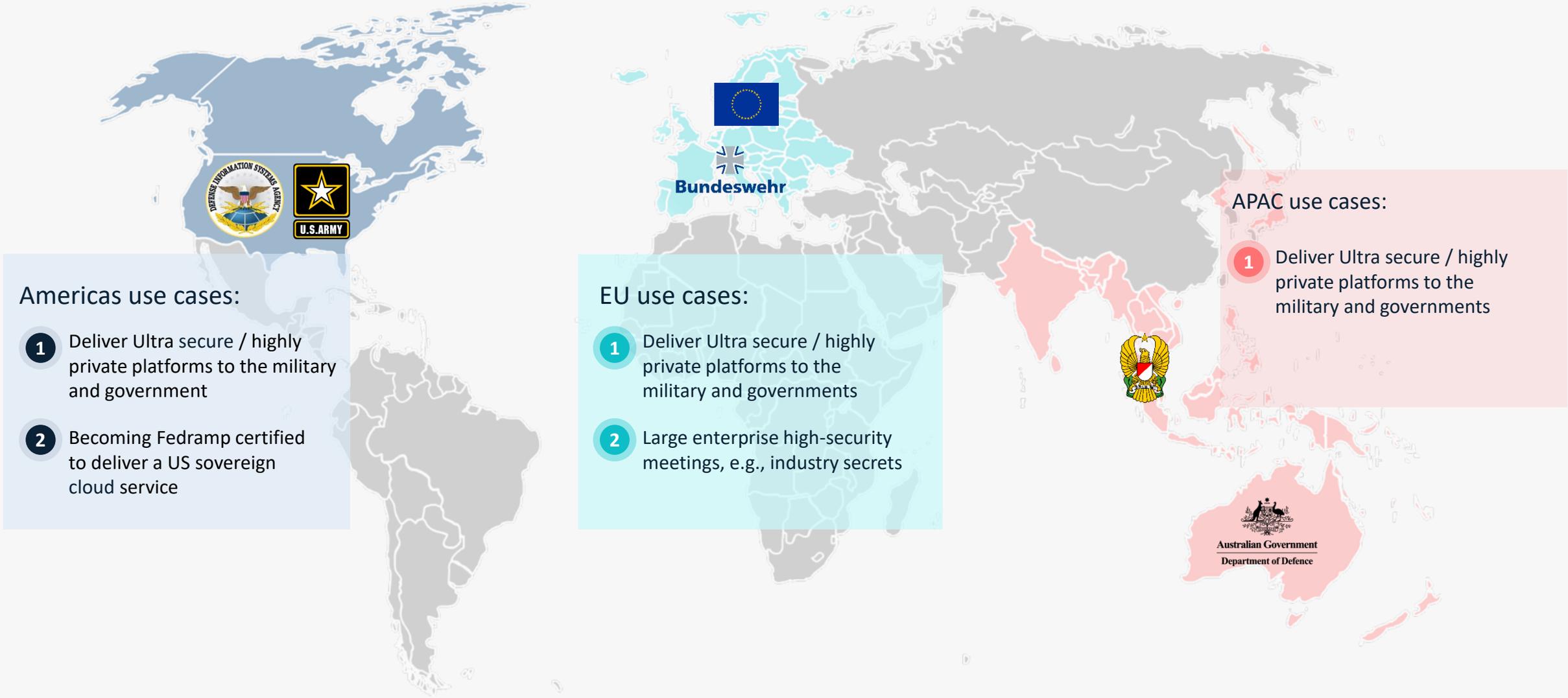
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The growing market for critical infrastructure

“By 2024, 80% of critical infrastructure organizations will abandon their existing siloed security solutions providers in order to bridge cyber-physical and IT risks by adopting hyper-converged solutions.”



Pexip is finding great success in ultra secure meetings segment





Critical video meetings

What do we deliver to CIO/IT

1

Core Transcoding allows us to support brand both new and upgrade old equipment

2

Agnostic compute allows customers for total privacy

3

Branding & Customisation. Meetings your way. Your brand. Your customer experience.

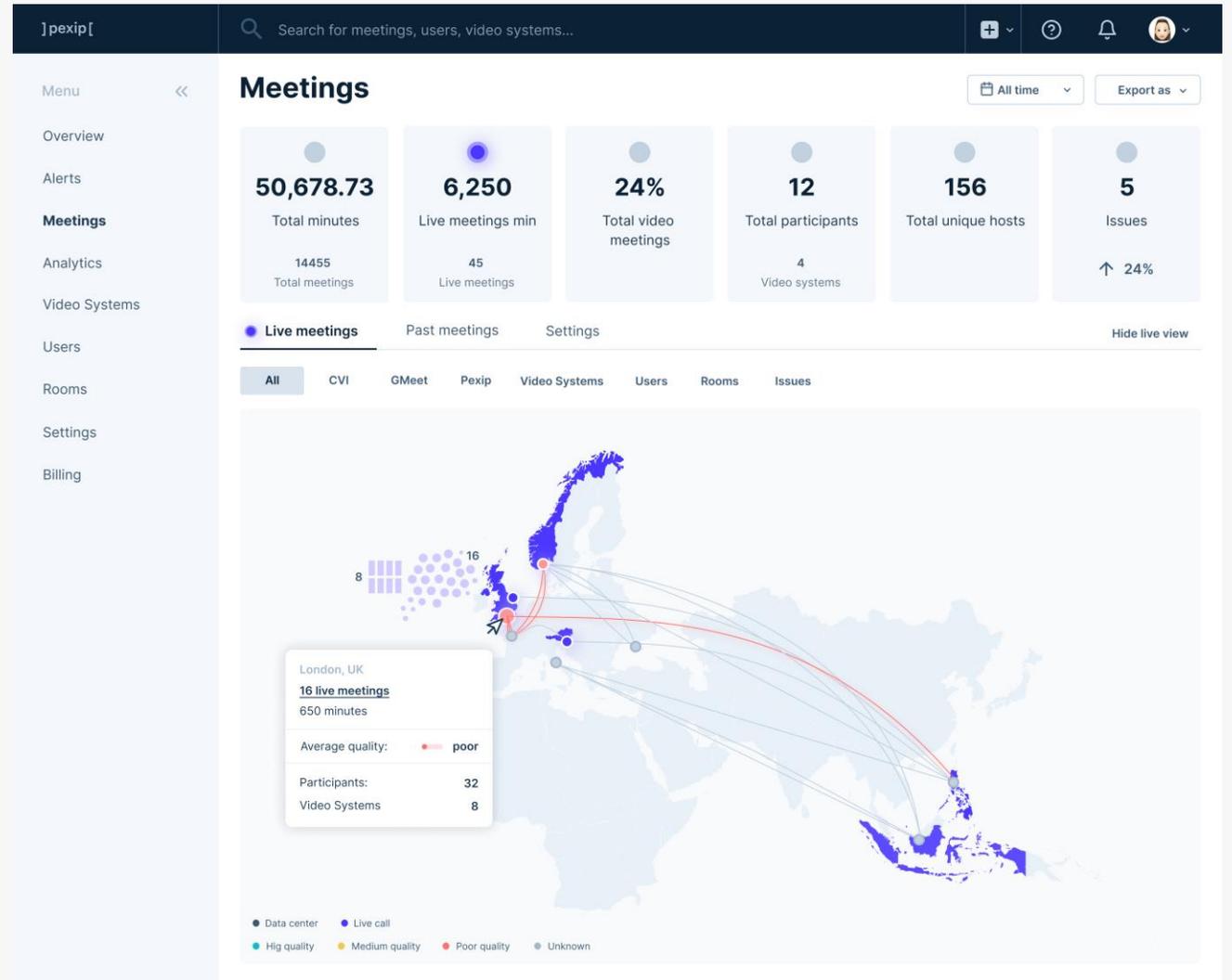
4

Security. In and beyond the meeting. From encryption and data sharing to certification requirements and rigorous testing.



Critical video meetings

What do we deliver to CIO/IT





Critical video meetings

What do we deliver to end users

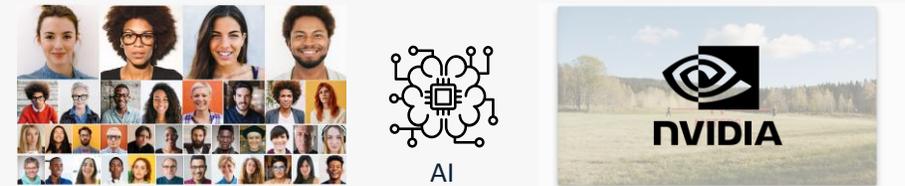
1



2

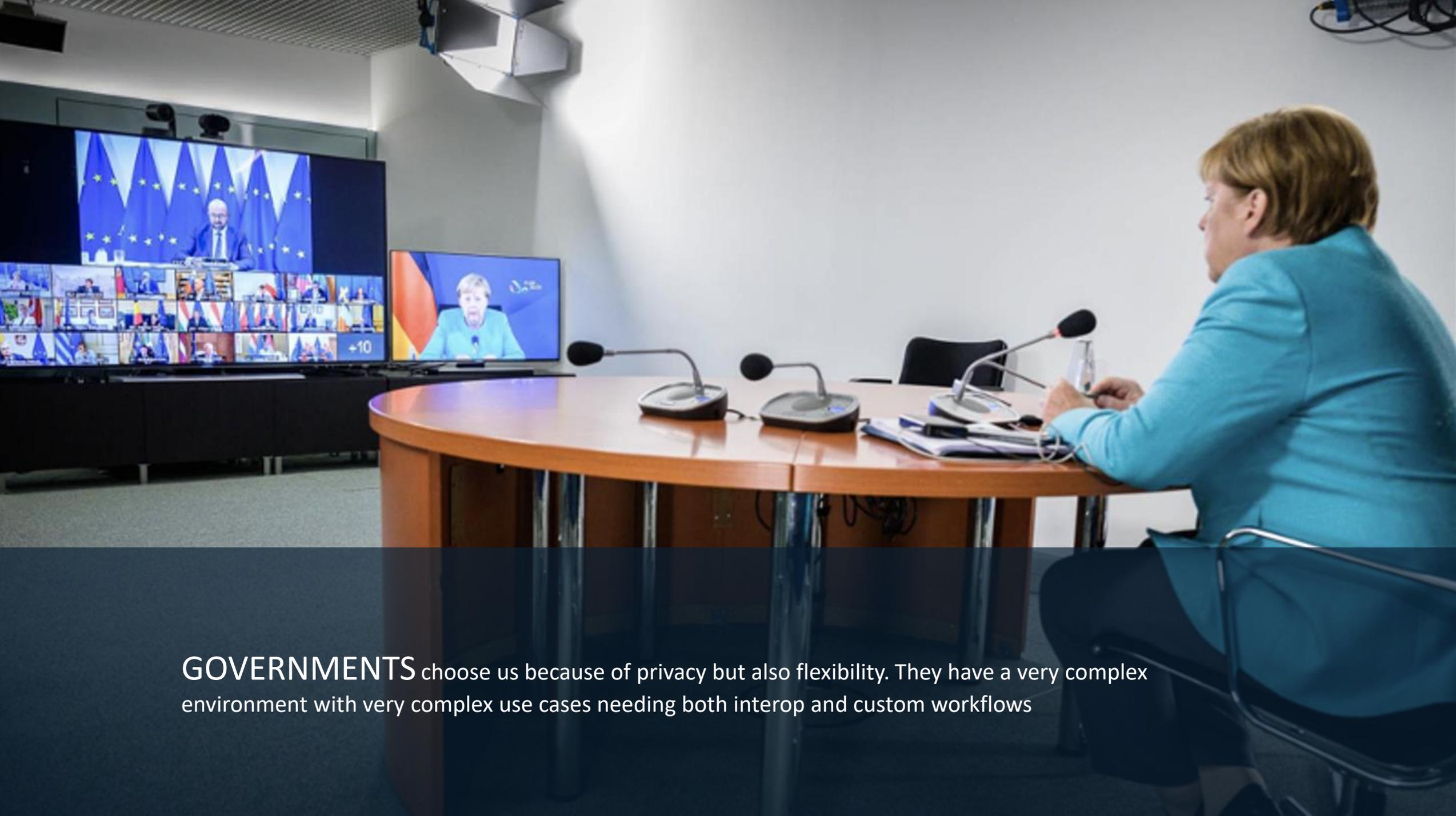


3



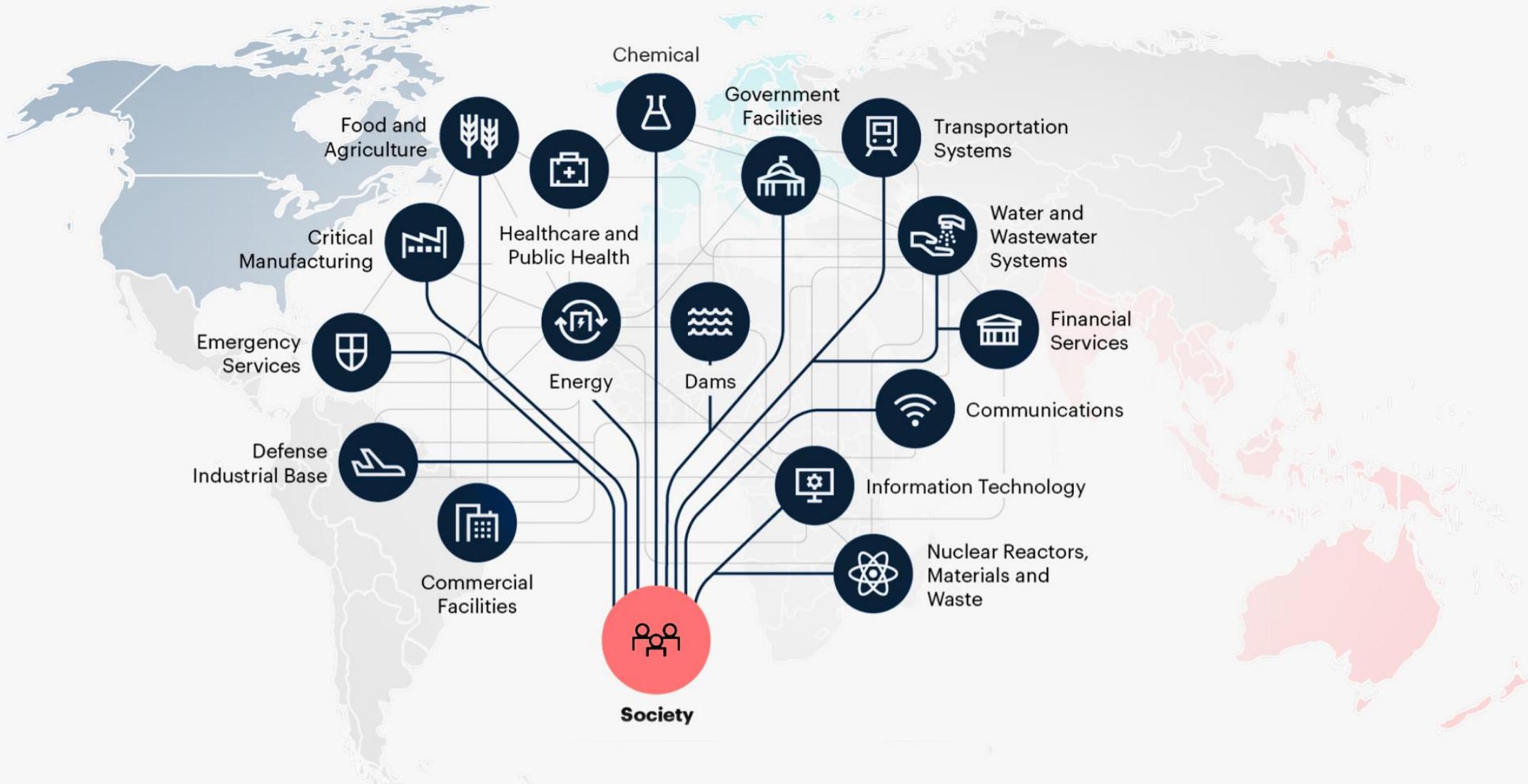
4





GOVERNMENTS choose us because of privacy but also flexibility. They have a very complex environment with very complex use cases needing both interop and custom workflows

Future opportunity





Unique technology powers our success in three core markets



Video infrastructure

with interoperability to Microsoft Teams and Google Meet



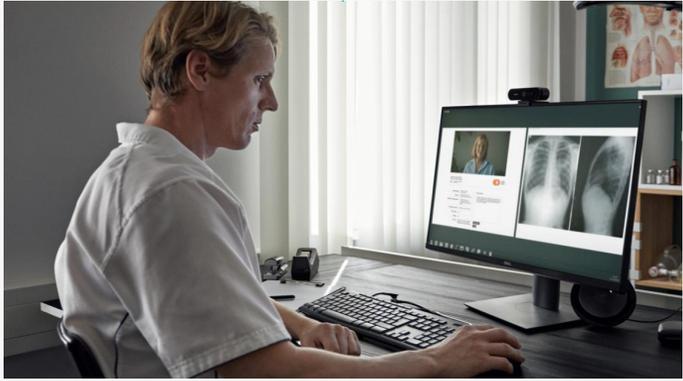
Critical video meetings

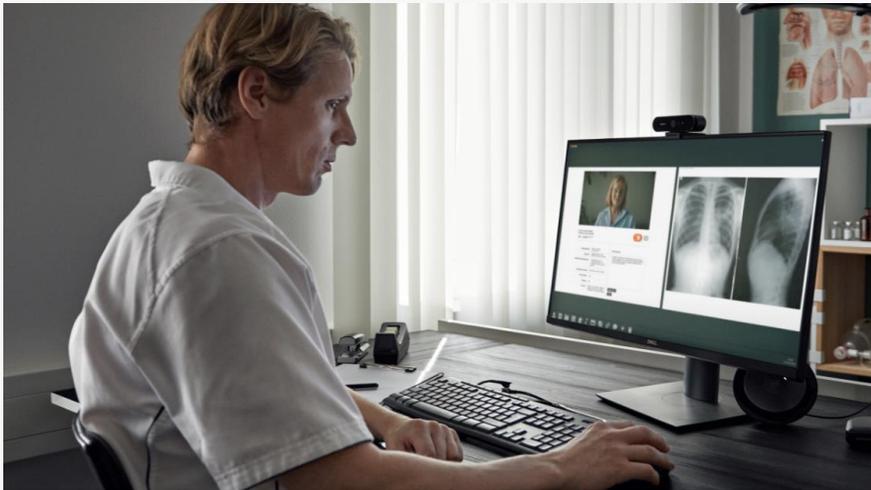
for secure environments



Video enablement

for healthcare, judiciary, government, retail and finance





Pexip for Video Enablement

Help digitalizing critical services

Customer is a Healthcare provider, Justice court or large organizations in Retail or Finance –

Pexip delivers a video enablement platform tailored for delivering these customers' services over video

Leveraging key technological differentiators



Agnostic Infrastructure

Runs on all cloud providers and on-prem
Can by-pass the internet
Customer controls data exposure

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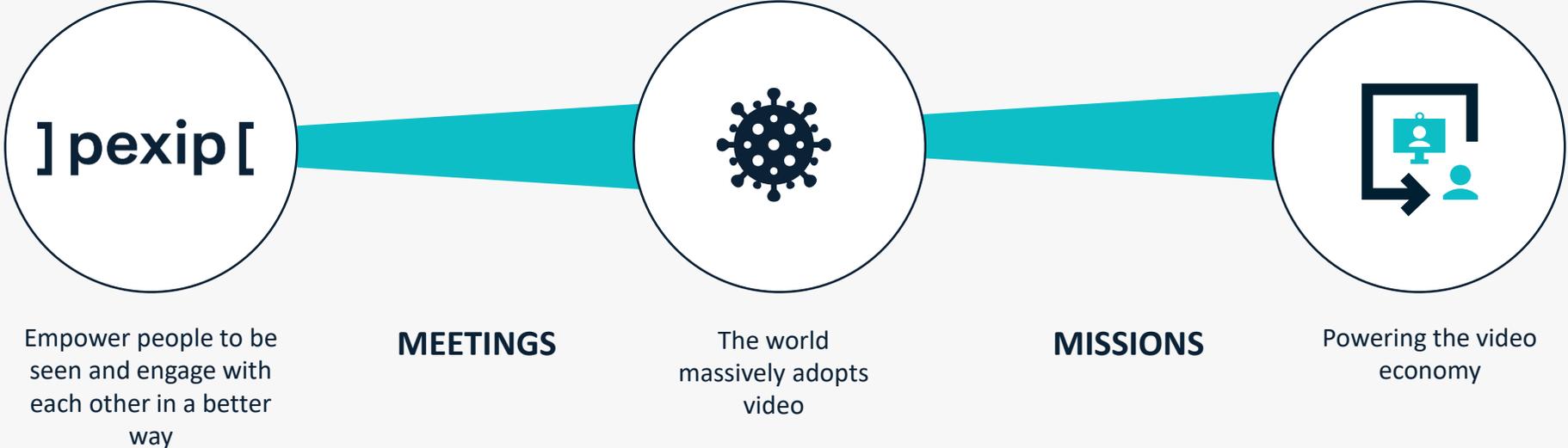


Built as-a-platform

Decoupled technology and applications
License technology allowing total customization
Vanilla experience easily customizable

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Enabling business innovation



Virtual Hearings

Online Public services



Online retail

Telehealth

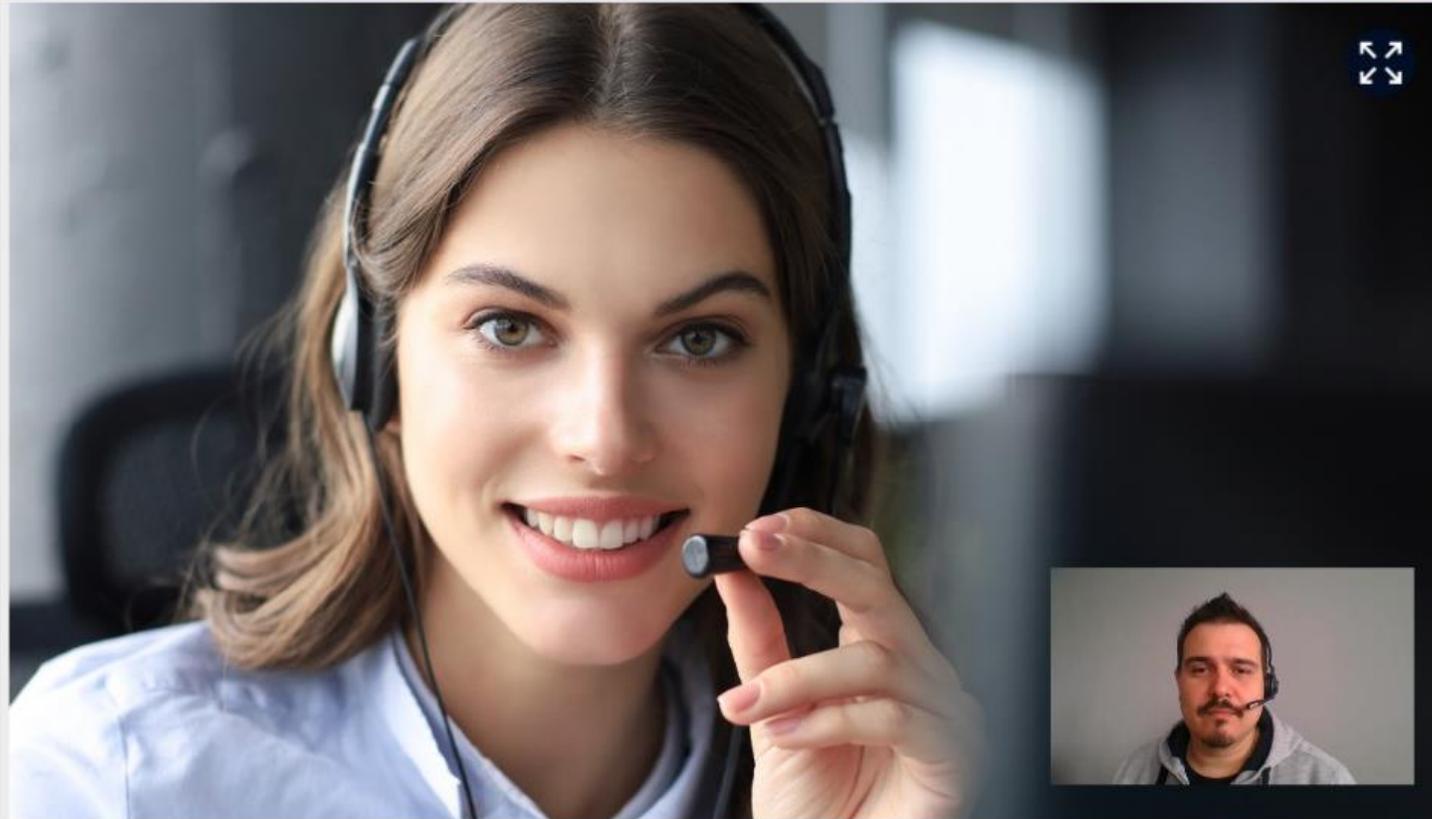
Web banking

medcom



**Bundesagentur
für Arbeit**

Betreuer(in) um 15:49 Uhr
Wir können das Formular gerne
gemeinsam ausfüllen. Ich gebe
Ihnen dazu meinen Bildschirm frei.



Schreiben Sie eine Nachricht



Success results & customer feedback



“Customers are very happy to be able to attend appointments from home. Above all the screen-sharing feature is very much appreciated. It allows them to work on documents with a staff member”

Lucas Albrecht, Product Manager
Mein Videotermin, Federal Employment Agency



HMCTS – Judicial sector

(Her Majesty's Courts and Tribunals Service)



Core requirement:

- Increase efficiency in the courts system
- Save specific court cost, reduce back log and minimize society cost
- Enable hearings that otherwise could not take place
- Virtualize the entire Court service workflow
- Support for both Virtual and hybrid

True to life experience

Virtualized the existing Court flow and integrated into existing scheduling and Gov authentication system through API's

Tailored interfaces

Fully branded to increase trust and comfort level

Accessibility

Service accessible for anyone without any software install (mobile or Web)

Security and compliance

In country deployment for privacy and compliance
Security and compliant with industry standards

Scalability

Scalable on demand with fully virtualized architecture

Virtual Hearings for Crown & Magistrates' courts



Central Briefing
or Court room



Multiple User Roles with
defined access rights



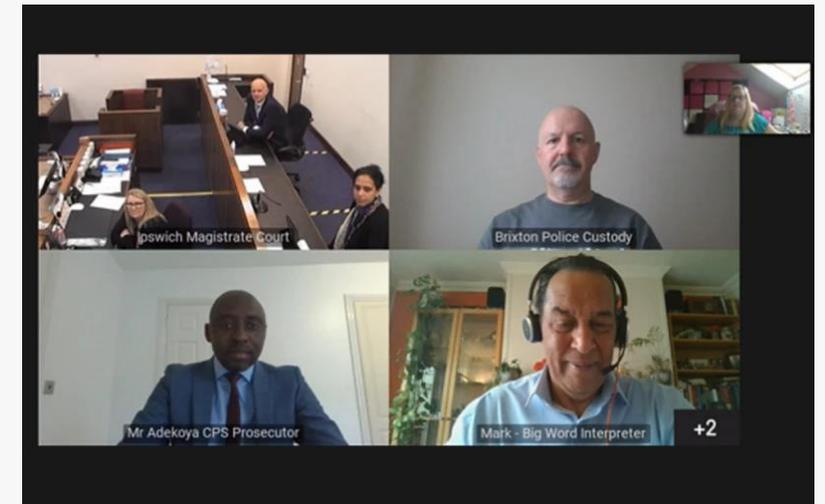
Multiple Room Types,
configurable sub-rooms or
discussions rooms



Workflow Automation Rules &
Configurations for users and
rooms



Fully secure and
supported on the Infinity
platform





Ørsted



Simply
Video

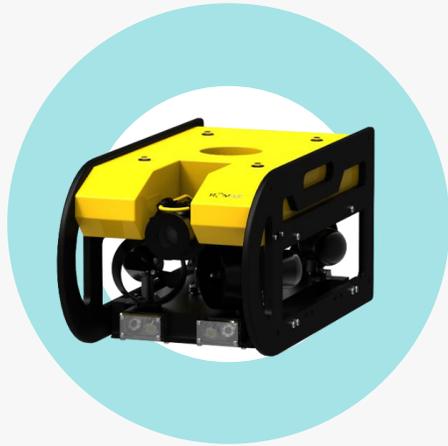
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Remote engineering



Drones



Underwater ROV



Microscopes



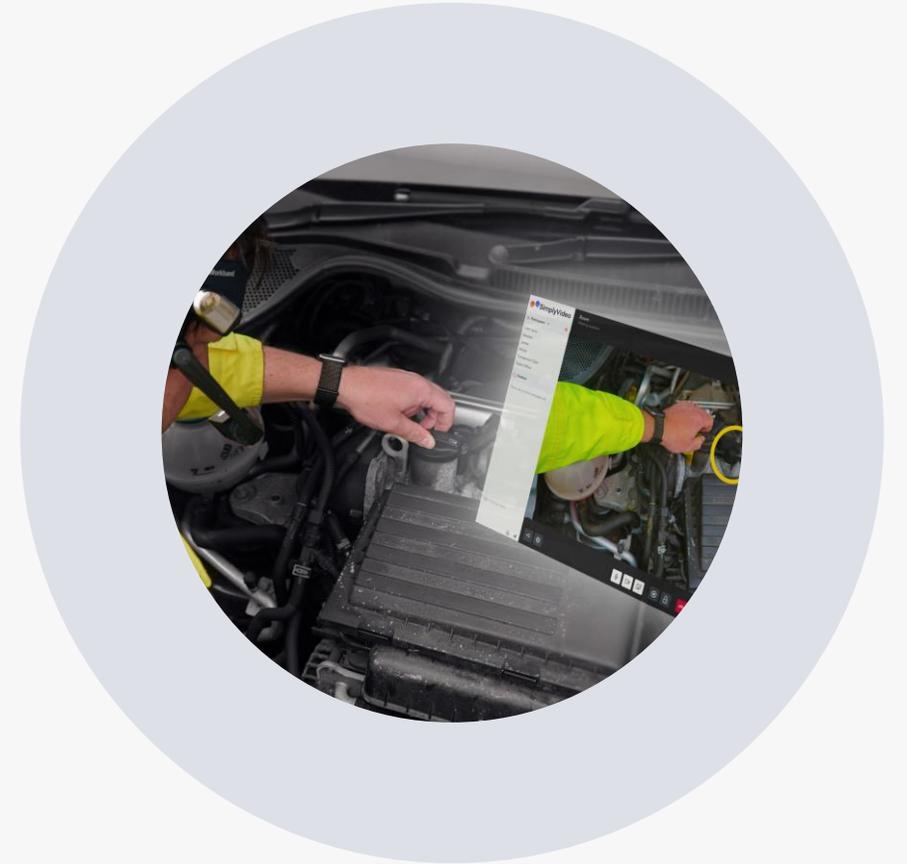
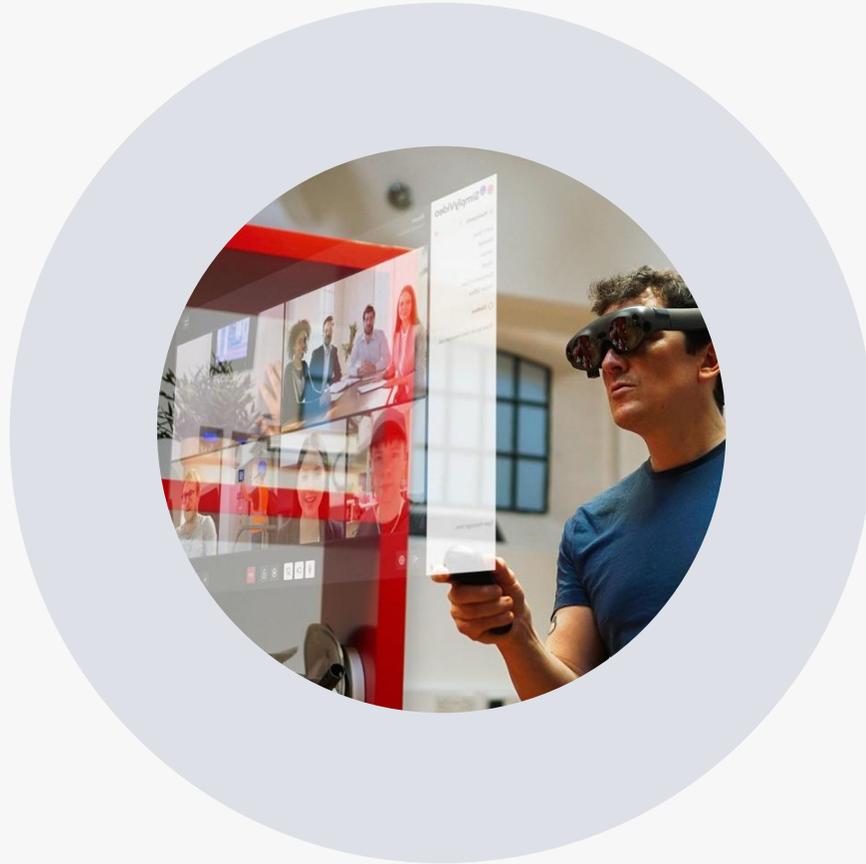
Thermal Imaging



Medical Cameras

Assisted and Mixed Reality

Remote Expert
Remote Inspection
Remote Audit
Training
Health & Safety
Telehealth
Remote Sales



Virtual Hearings

Online Public services



Online retail

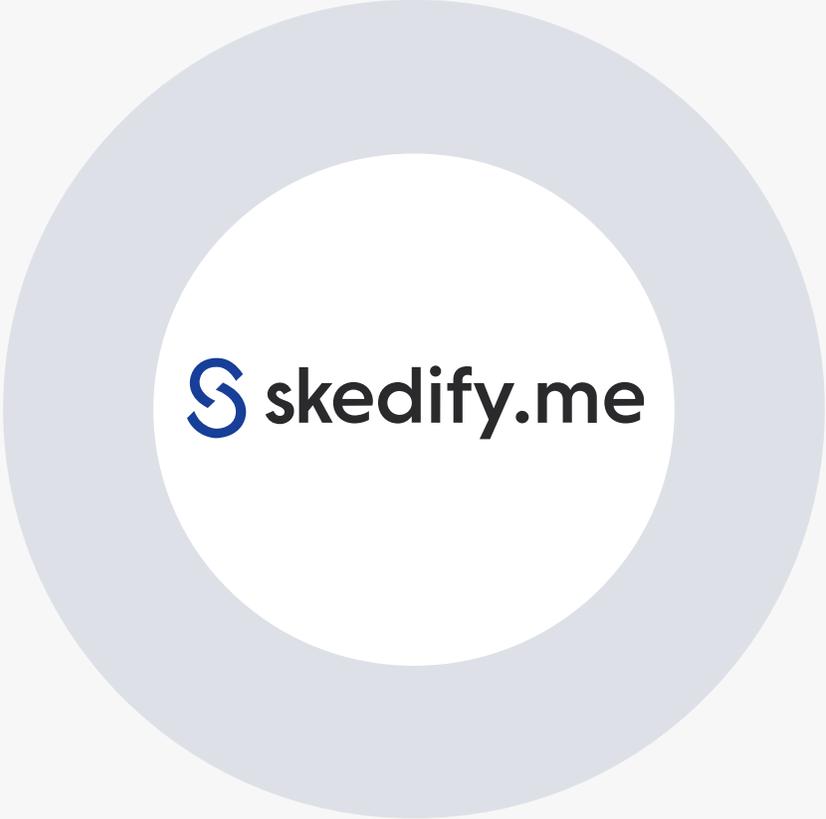
Telehealth

Web banking

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acquires

S skedify.me

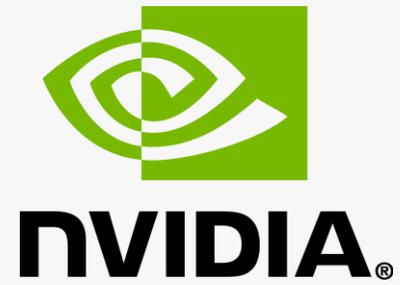
The logo for skedify.me is centered within a large, light gray circular ring. It consists of a blue stylized 'S' icon followed by the text 'skedify.me' in a black, sans-serif font.

skedify.me

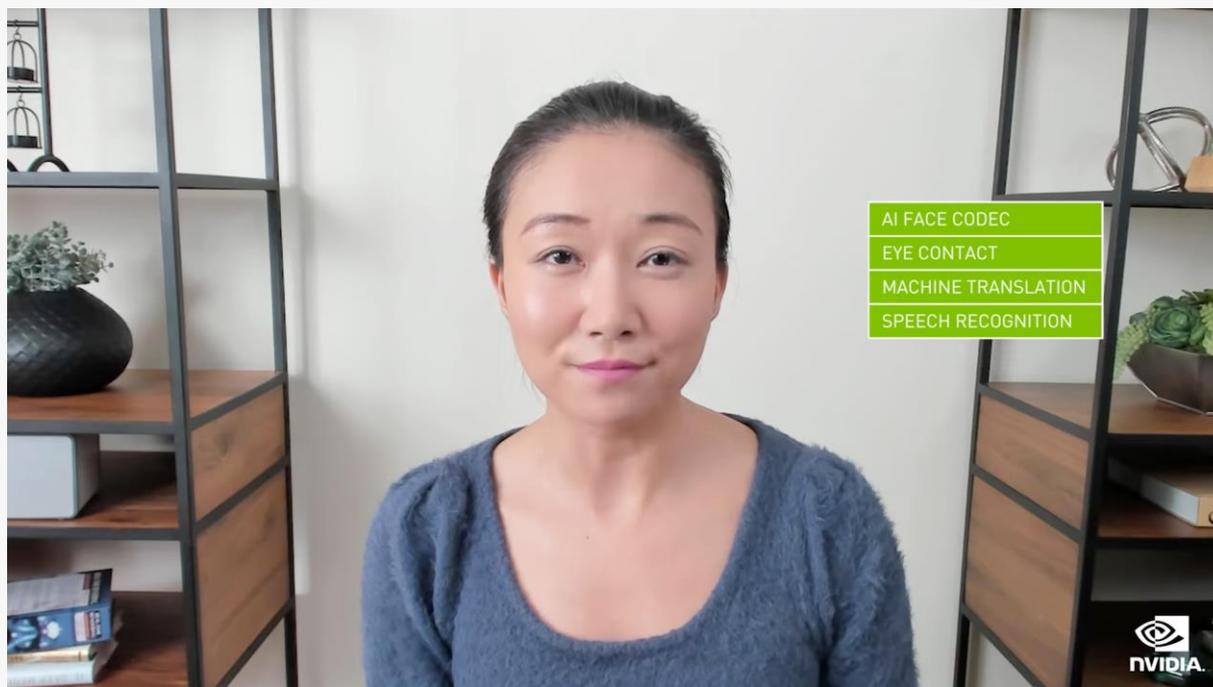
Sales Engagement Platform

- Easy to schedule 'meet your expert' web plugins
- Primarily towards finance and retail
- Extensive CRM & CMS integrations





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Video Effects SDK

- Super resolution
- Artifact reduction
- Video noise removal
- Virtual background

Augmented Reality SDK

- Face tracking
- Face landmark tracking
- Face mesh
- Body pose estimation
- Eye contact
- Audio2Face

Audio Effects SDK

- Noise removal
- Room echo removal

NVIDIA Jarvis SDK

Conversational AI (transcription and translation)

Video Enablement

Why Pexip?

1

Complex environment means a lot of existing incompatible equipment/protocols/integrations

2

Agnostic Infrastructure translates into total privacy for data and data flows. Esp towards Healthcare – either by passing entirely the internet or operating in a sovereign way

3

Built-as-a-Platform allow us to provide the right level of customisation

a

API & SDKs allows customers to build in no time their own apps – with a time to market lower than competition

b

Guest experience experience is the best in the industry with no download required. Works on all versions of browsers and support for poor network conditions

c

AI on any devices allows for adding real value to these use cases: gaze correction, smart transcription, live captioning, etc...

Virtual Hearings

Online Public services



Online retail

Telehealth

Web banking

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Core Transcoding



Agnostic Infrastructure



Built as-a-platform

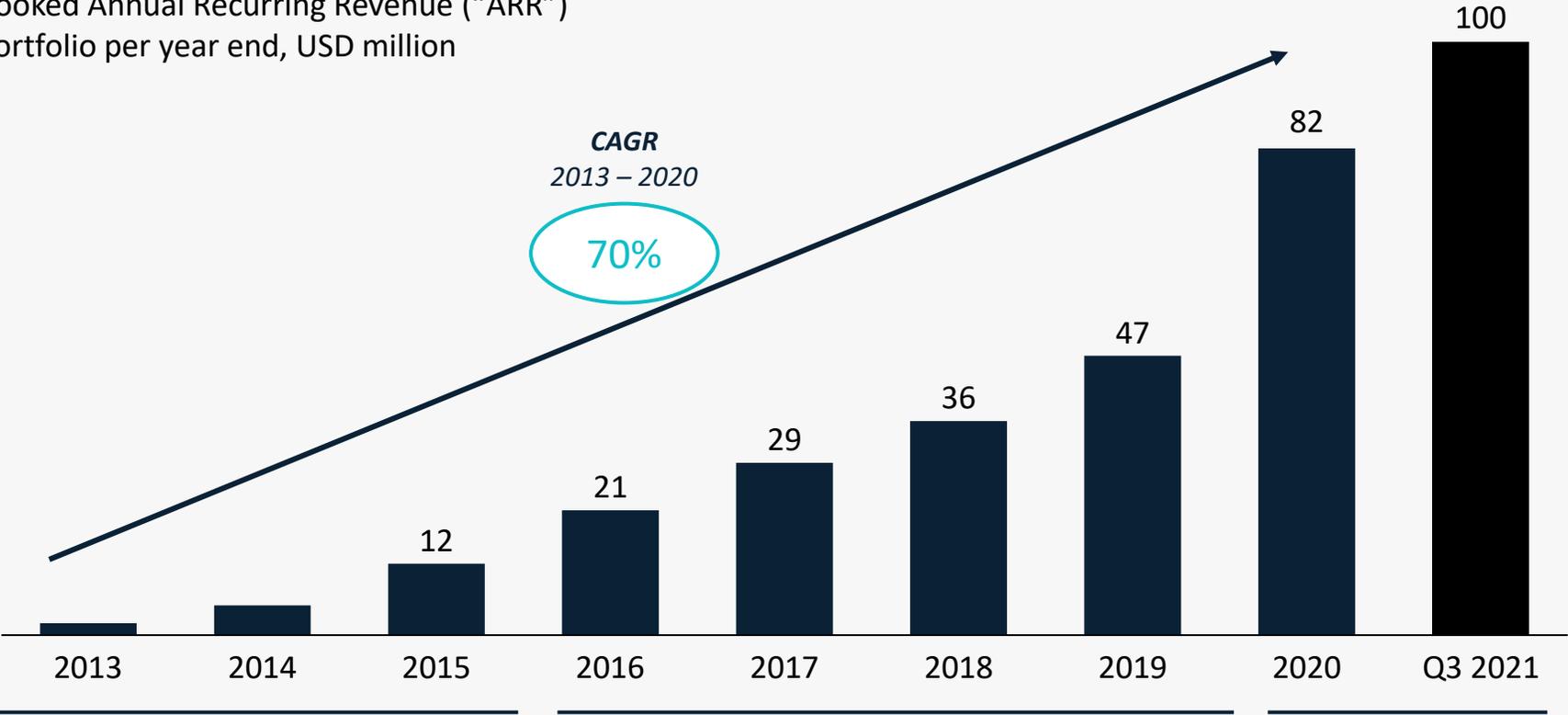
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Execution and culture

Presenters: Øystein Hem, Ingrid Woodhouse

Pexip has successfully solved the complex video needs of large organizations since its inception

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



- Investing raised capital for growth in 2020 and 2021
- Accelerated ARR growth and normalized investment level in 2022 improving profitability
- Return to profitable growth from 2023+

Total funding ~25 MUSD
2011-2015

Cash-flow positive and profitable growth
2016-2020

Raised 120 MUSD to
accelerate

Strong underlying performance in three core focus areas

	 Video infrastructure	 Critical video meetings	 Video enablement	Other areas
Market size 2024E MUSD	~700	~1,000	~3,000	N/A
ARR¹ MUSD	58	10	18	14
ARR growth LTM¹ Percent of ARR	54%	160%	90%	-37%
Churn LTM¹ Percent of ARR	7%	5%	3%	26%
Typical customer size² USD 1,000 ARR	50-150k	100-300k	400-600k	6-10k

1) From end of Q3 2020 to End of Q3 2021

2) Revenue mid-point

Source: Wainhouse, Gartner, company estimates

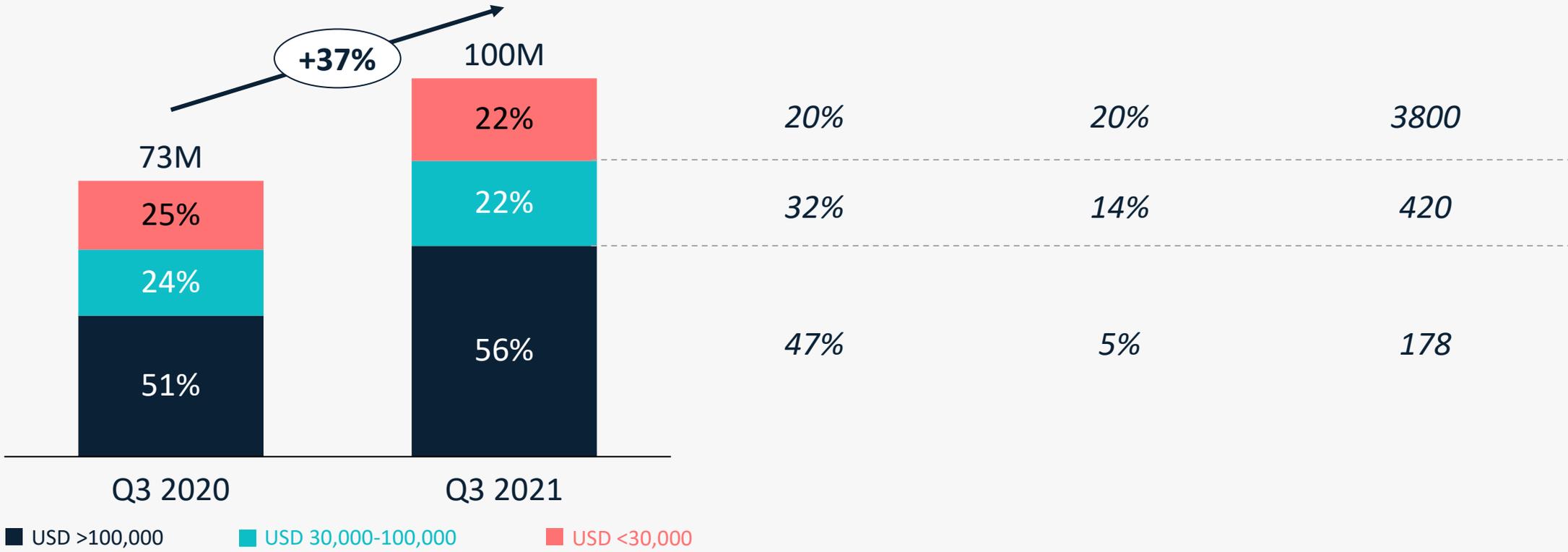
Customer size development show strong performance among large customers

Share of ARR by account size in ARR USD

YoY growth Percent

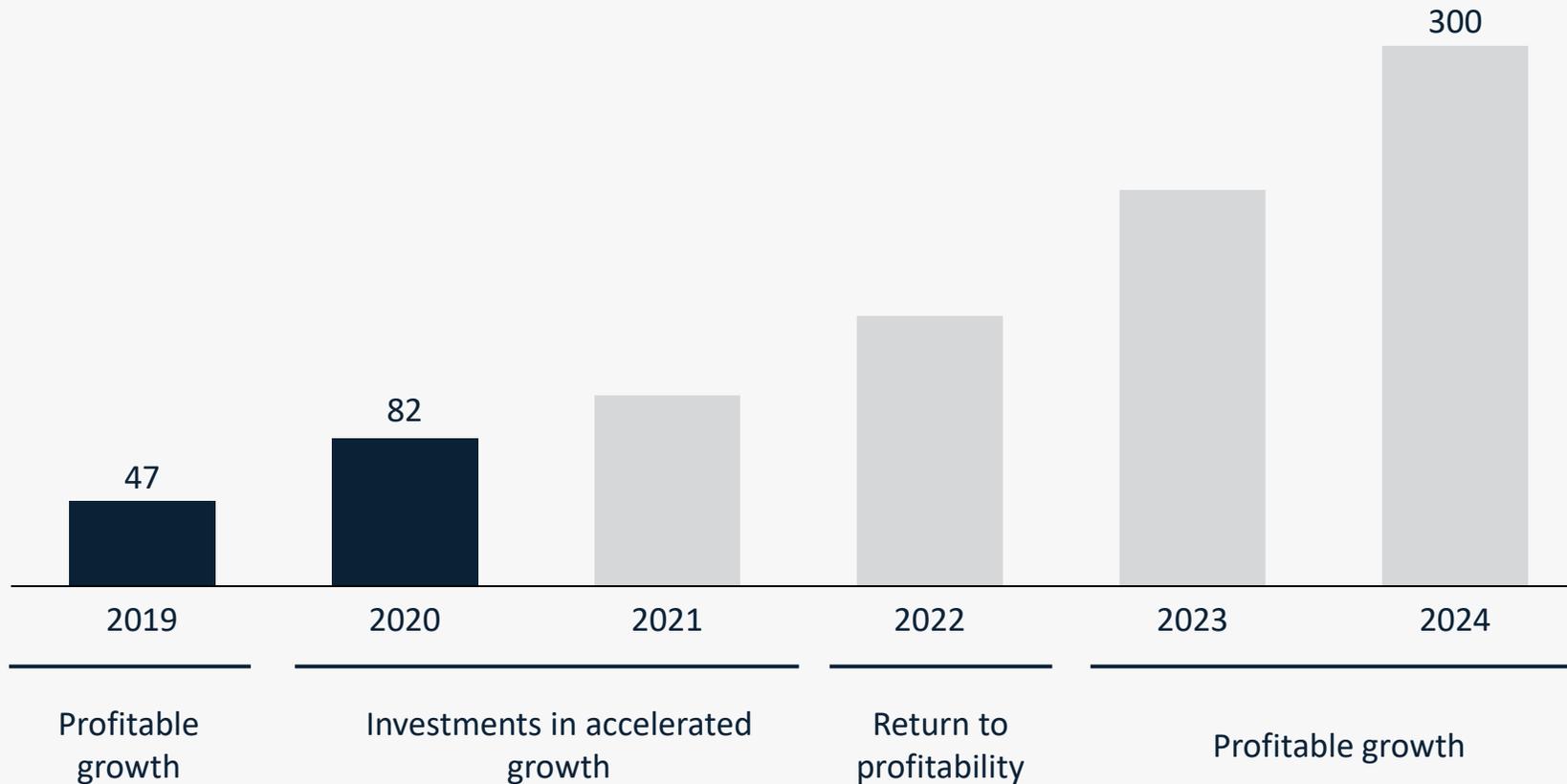
Churn LTM Percent p.a.

Number of customers



Approaching the next phase of investment plan

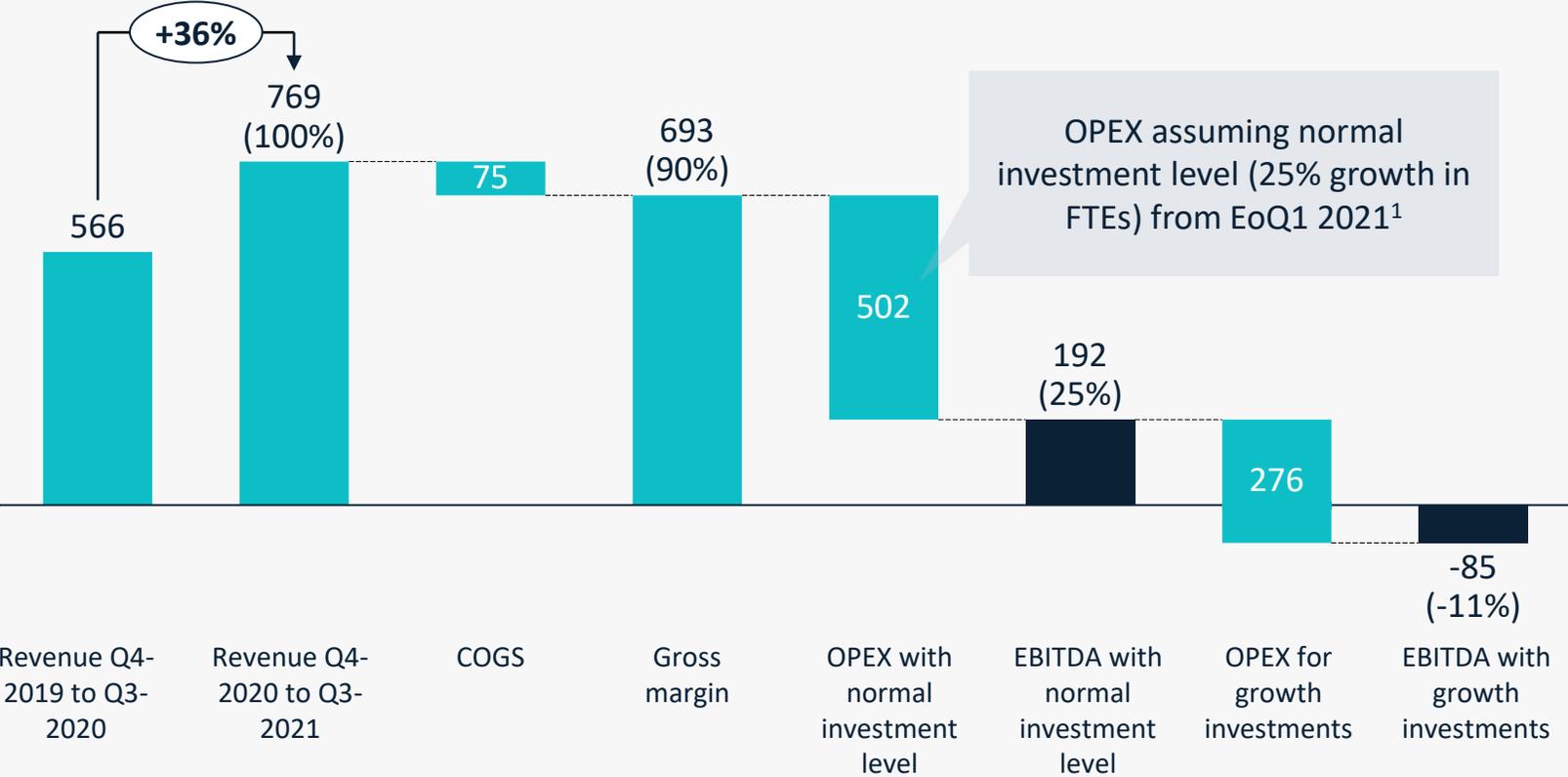
Booked Annual Recurring Revenue (“ARR”) portfolio per year end, USD million



- Investing raised capital for growth in 2020 and 2021
- Accelerated ARR growth and normalized investment level in 2022 improving profitability
- Return to profitable growth during 2023

Robust underlying profitability in line with long-term ambition of growth + EBITDA above 50%

Illustrative EBITDA build-up
 NOK million last twelve months (Percent of revenue)



- Last twelve months revenue growth of 36%, gross margin of 90% and EBITDA of 25% excluding accelerated growth investments
- Invested NOK 276 million in growth investments, while with limited revenue impact so far, that are essential to accelerate growth in a high-growth market

Note: Adjusting OPEX to employee staffing, assuming salary and other OPEX is scalable to number of employees. A normal long-term investment level would grow employees in Pexip to 300 in Q3 2021 from 215 in Q1 2020.

Long term operating model

Percent of revenue

Business drivers	2019	2020	Last twelve months
Revenue growth	30% ¹	83%	36%
Gross margin	95%	94%	90%
Salary costs	51%	59%	79%
Other OPEX	23%	27%	22%
EBITDA	21%	8%	-11%



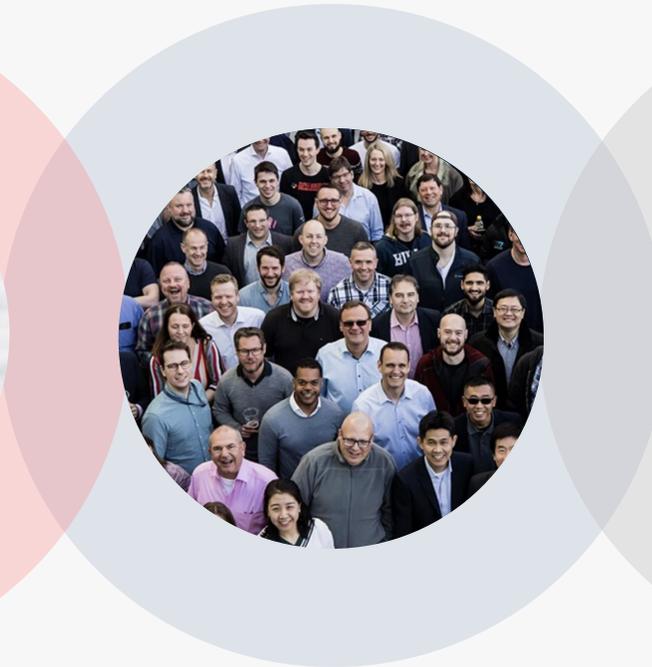
Long-term model
>25%
88-92%
45-50%
15-18%
>25%



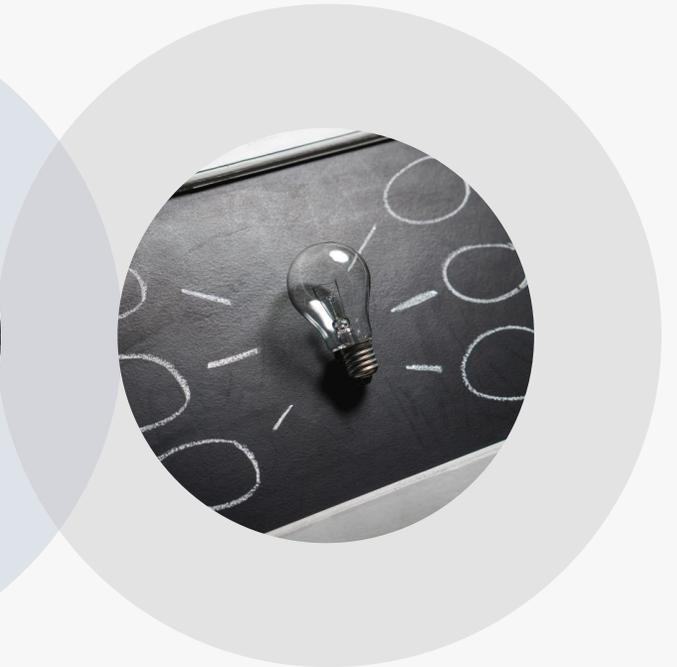
Purpose



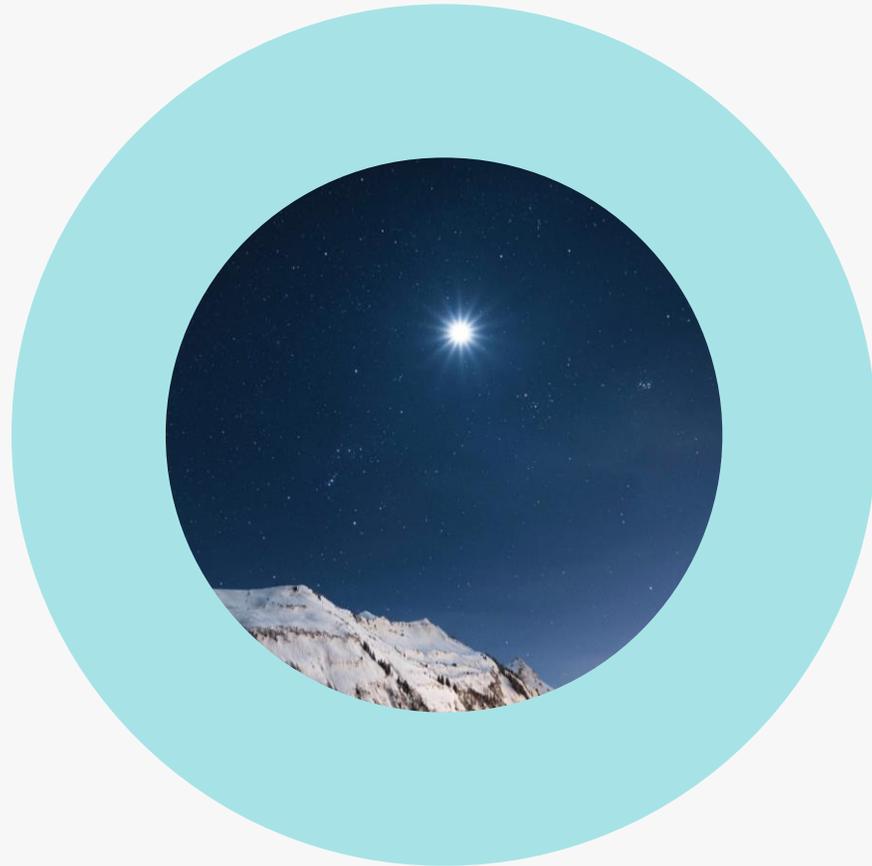
Culture



People

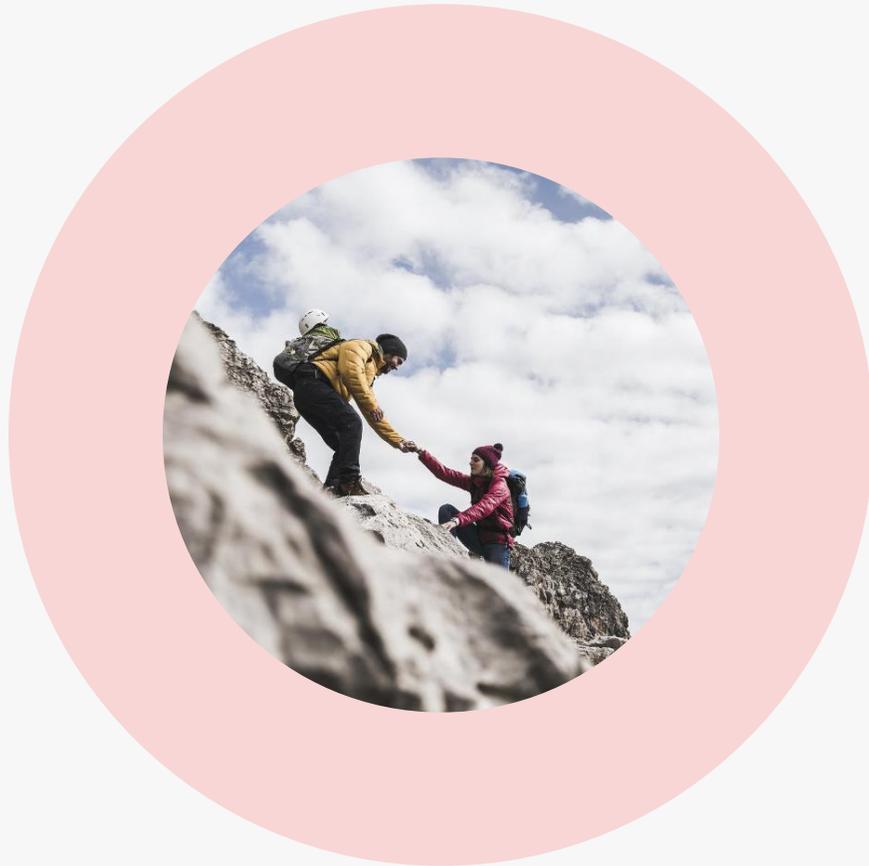


Organization



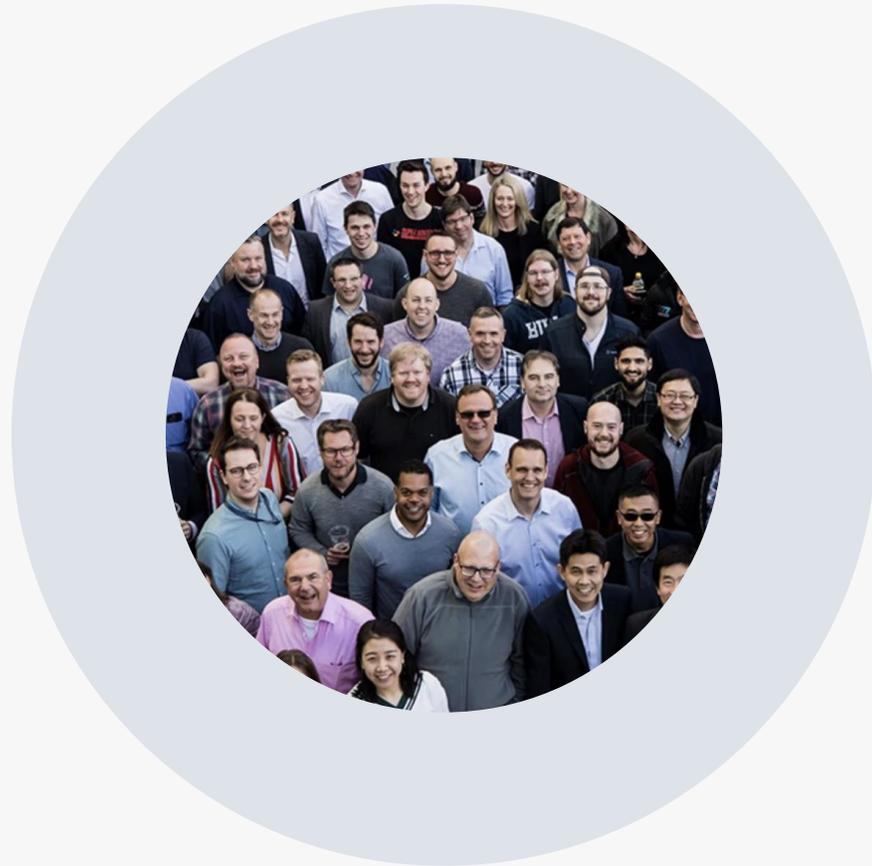
Purpose

- Communication
- Guiding Star
- One Team



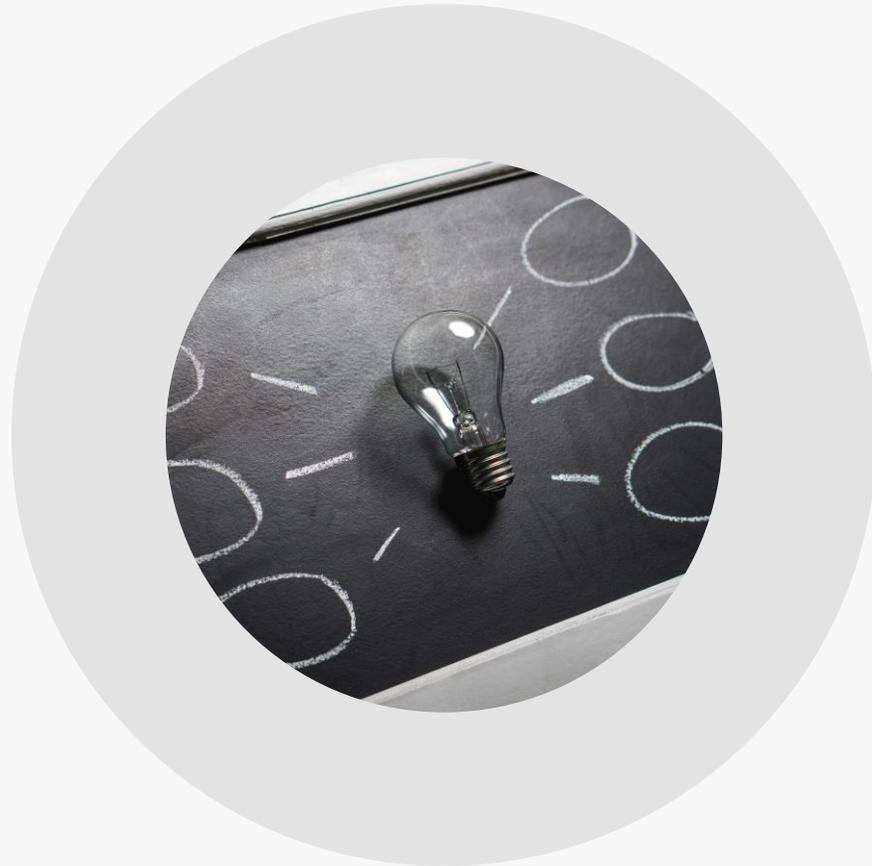
Culture

- Innovation
- Excellence
- Collaboration
- Ownership



People

- Thorough Recruiting
- Quality Growth
- Strong Foundation



Organization

- Agile Organization
- Flat Structure
- Continuous Learning

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Massive USD 5 billion market opportunity in Pexip's core focus areas: video infrastructure, critical video meetings and video enablement – further opportunity to expand in adjacent markets over time

Strong underlying performance in core focus areas, already accounting for more than 85% of ARR

Core focus areas have higher growth and average revenue per customer and lower churn than average

Will start improving profitability in 2022 and be profitable again during 2023

Long-term track record, proven culture of execution and unique technology leadership underpin long-term guidance of 25% revenue growth and 25% EBITDA margin, as well as our target to reach 300 million dollars in ARR by the end of 2024

Summary

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Q&A

