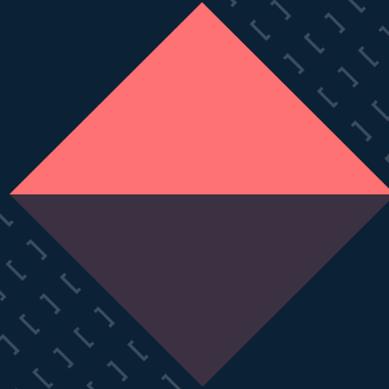


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Quarterly Presentation Q1 2022

May 12, 2022



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Pexip at a glance

2011
Company founded

550
Employees in 34 countries

300+
Partners in 75 countries

4,400
Enterprise and public sector customers

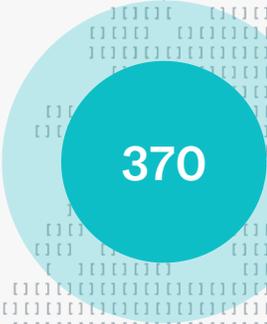
\$106 million
Annual Recurring Revenue 2021

Challenger in Gartner Magic Quadrant¹
Strong Position in Frost & Sullivan FrostRadar²

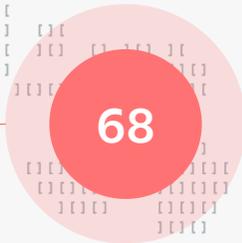
● Washington DC
New York



● Oslo, London, Stockholm, Paris, Copenhagen,
Düsseldorf, Ghent, Utrecht

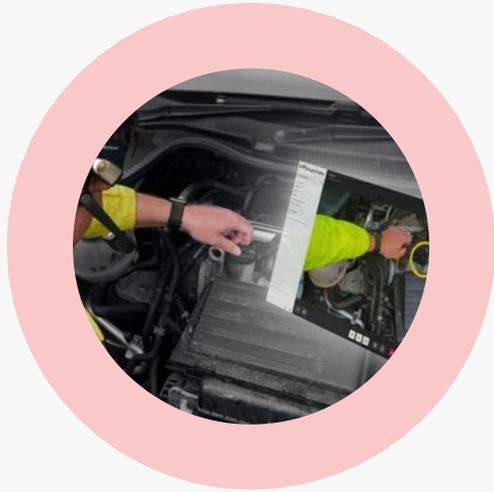


● Sydney
Tokyo
Singapore



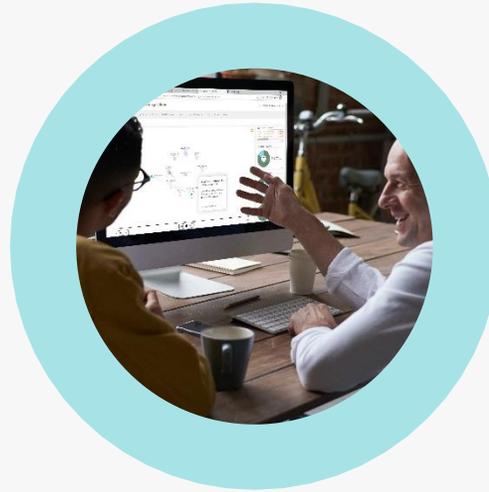
1) Gartner Quadrant for Meeting Solutions 2021, by Mike Fasciani, Tom Eagle, Adam Preset, Brian Doherty
2) Source: Frost & Sullivan, Frost Radar for Cloud meetings and Team Collaboration Services 2021, January 2022

Pexip has a unique patented core technology platform



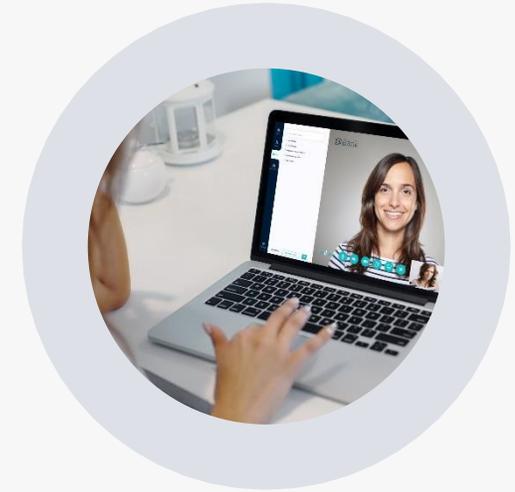
Core transcoding architecture

- Processing happens in the network and not on the device
- Facilitates interoperability across platforms and devices
- Works well with devices that run on batteries or have limited processing capacity (thin clients)



Agnostic infrastructure: Works on all platforms

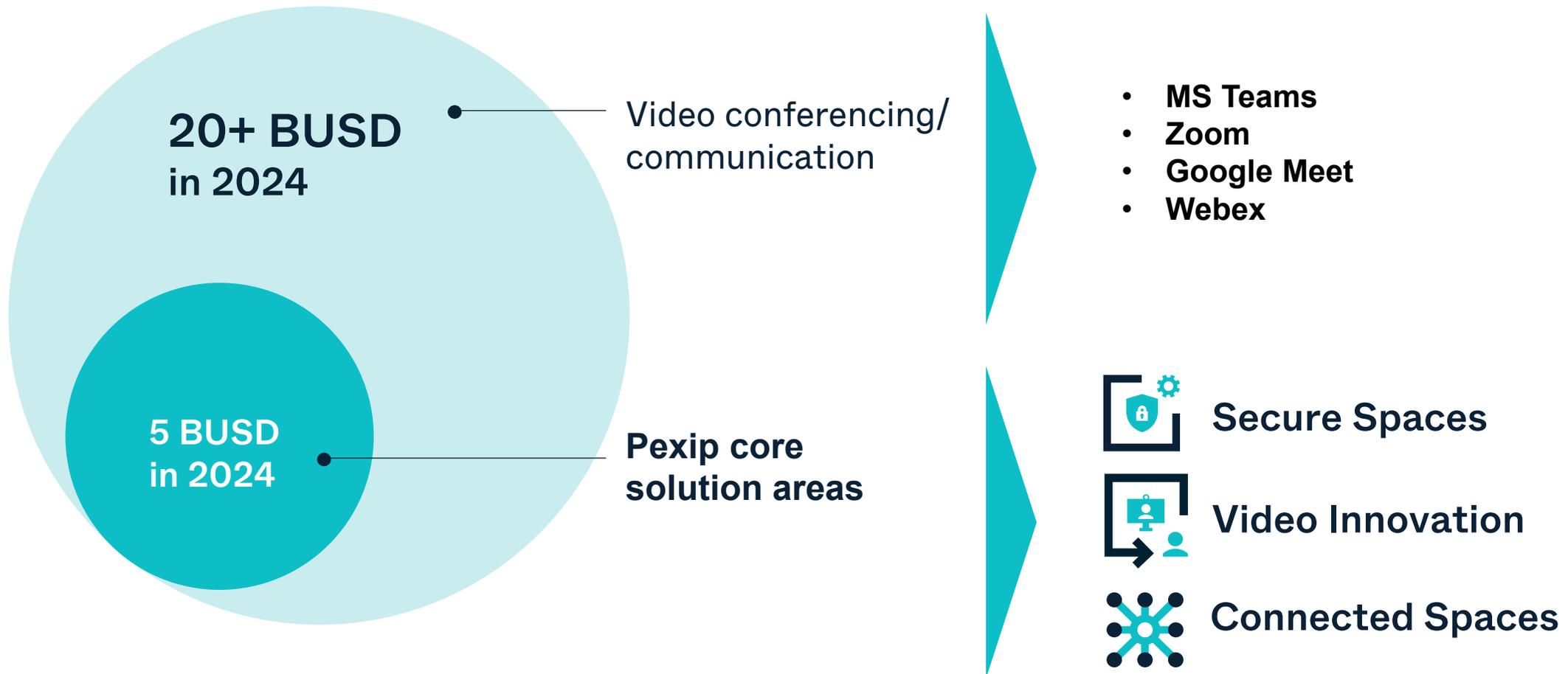
- Enables complete control of data & business continuity
- Perfect for organizations with a need to bypass the internet or operate with a sovereign cloud



Built as a platform: Highly customizable

- Enables complete customization & durability
- Ideal for new applications of video in sectors such as healthcare, video banking and virtual courts

Pexip's focused and clearly differentiated approach addresses a massive market opportunity



Pexip is focused on addressing customer needs in three core solution areas



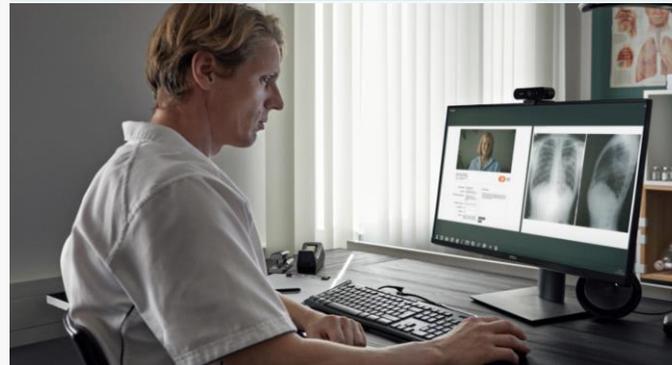
Secure Spaces

When complete privacy and control over data is required



Video Innovation

When an embedded or custom video solution is required



Connected Spaces

When you have several video solutions that need to work together



Q1 highlights and key areas of focus

Growth y-o-y

- ARR up 21% y-o-y to USD 106 million
- Revenue up 24% y-o-y to NOK 223 million

Growth Q1

- Quarterly actual delta ARR of USD -0.8 million and underlying USD 1.2 million

Results & cash

- EBITDA of NOK -52 million or negative 23% margin
- Extraordinary high cash outflow due to share buyback and portfolio purchases

Sales update

- Strong momentum for Secure Spaces
- Continue to win in Public Sector segment
- Closed first customers through Microsoft Azure marketplace

Focus and target

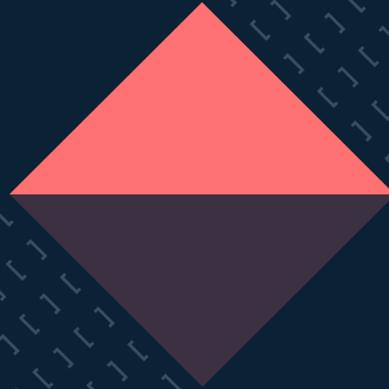
- Key focus going forward on accelerating return to profitability
- Target positive EBITDA Q4 and FY 2023

Organization & costs

- Organization to be adjusted and right-sized to realize growth opportunities and reduce overall cost level
- Improvement program initiated

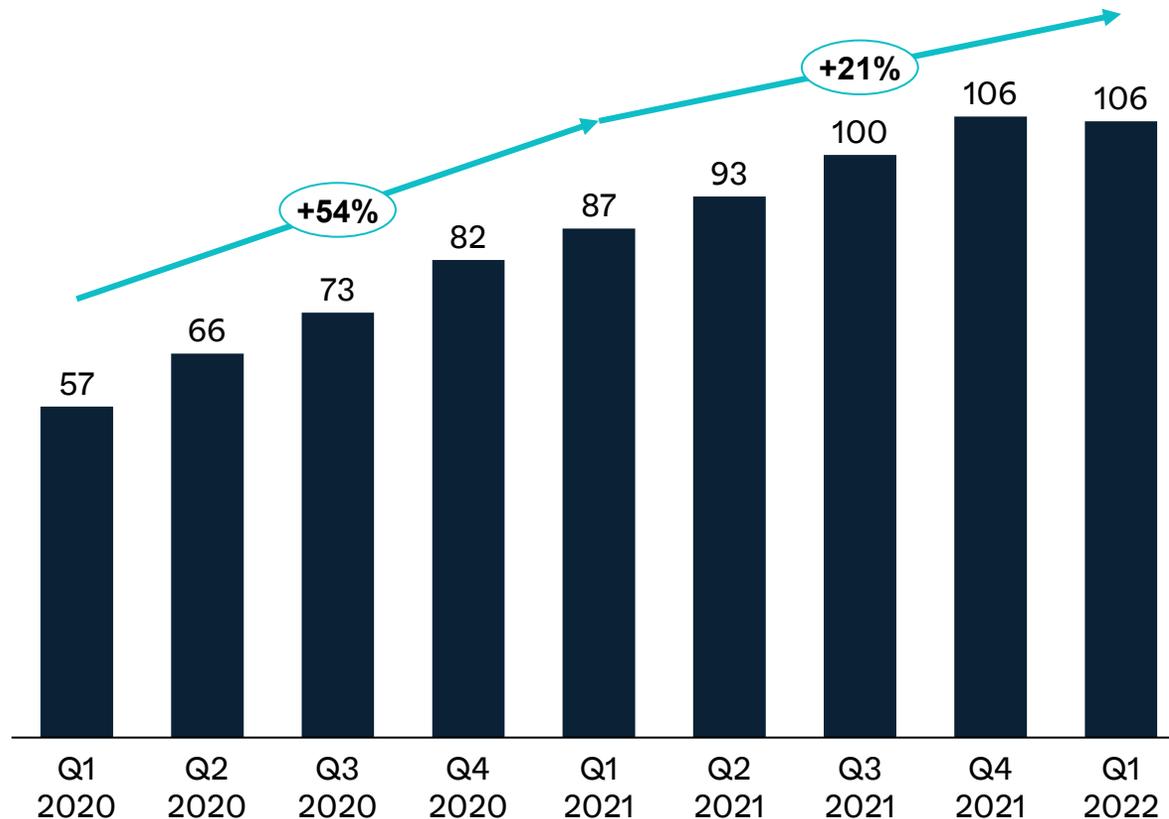
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Q1 2022 Sales Development



21% y-o-y increase in Annual Recurring Revenue

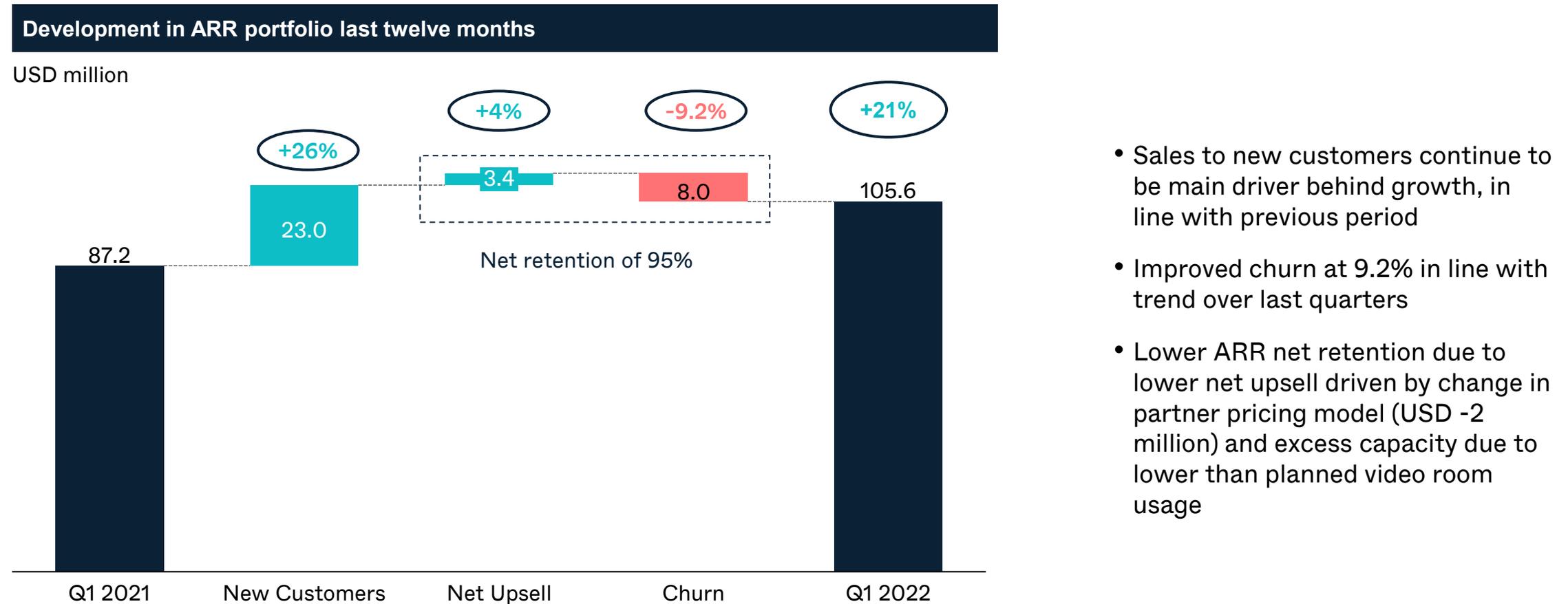
USD million



Booked Annual Recurring Revenue (ARR) development

- **ARR of USD 105.6 million at the end of Q1 2022**
 - USD 0.8 million below Q4 2021
- **Underlying ARR is USD 1.2 million higher, adjusting for negative USD 2.0 million one-off booking from change in pricing model with a single partner contract**
 - Expect this change to drive more than USD 4 million ARR growth during 2022
- **Continued positive development on churn**
 - At 9.2% p.a. compared to 9.7% p.a. at the end of last quarter
- **Lack of acceleration on new sales and lower upsell due to:**
 - Strategic re-focus to three core solution areas in early stage of execution
 - Lack of hardware endpoint deliveries to customers delaying projects
 - Lower net upsell due to strong growth in capacity last two years
 - Limited impact of situation in Ukraine

New customers represent the main driver for ARR growth



New win: Central European Ministry of Justice



Secure Spaces
for secure environments

- Pexip is providing a secure meeting platform to a Central European Ministry of Justice
- The solution is to be deployed as an on-premise installation with the Pexip Infinity platform at the core
- Pexip was chosen for its data privacy and interoperability capabilities for a range of different video systems

Future opportunity to expand into court hearings, with Pexip's recently launched **Virtual Courts** solution

Upsell: US Department of Veterans Affairs



Video Innovation
for healthcare, judiciary,
government, retail and
finance

- Chose Pexip for custom development and branding options
- 97% YOY Growth on Pexip platform
- 2.3M Veterans served via Pexip (FY21)
- 9.5M Video Telehealth Calls (FY21)



New win: DLA Piper



Connected Spaces

including interoperability to Microsoft Teams and Google Meet



- DLA Piper is a global law firm with lawyers located in more than 40 countries throughout the Americas, Europe, the Middle East, Africa and Asia Pacific, positioning us to help clients with their legal needs around the world
- The customer chose Pexip to enable high-quality interoperability with Teams, and its cloud-based video endpoint infrastructure, in close partnership with Microsoft
- Pexip is delivering its cloud-based Enterprise Room Connector through its partner NTT, a global technology and business solutions provider

New win: Västra Götaland Region



Secure Spaces

Trust Pexip with your most important communications while maintaining complete control of your data and your meeting.



Video Innovation

Transform your video interactions with a digital-first approach for a more engaging client, patient, and customer experience.



Connected Spaces

Simplify video collaboration for any meeting room, modernize your existing hardware, and seamlessly connect employees, teams, and organizations

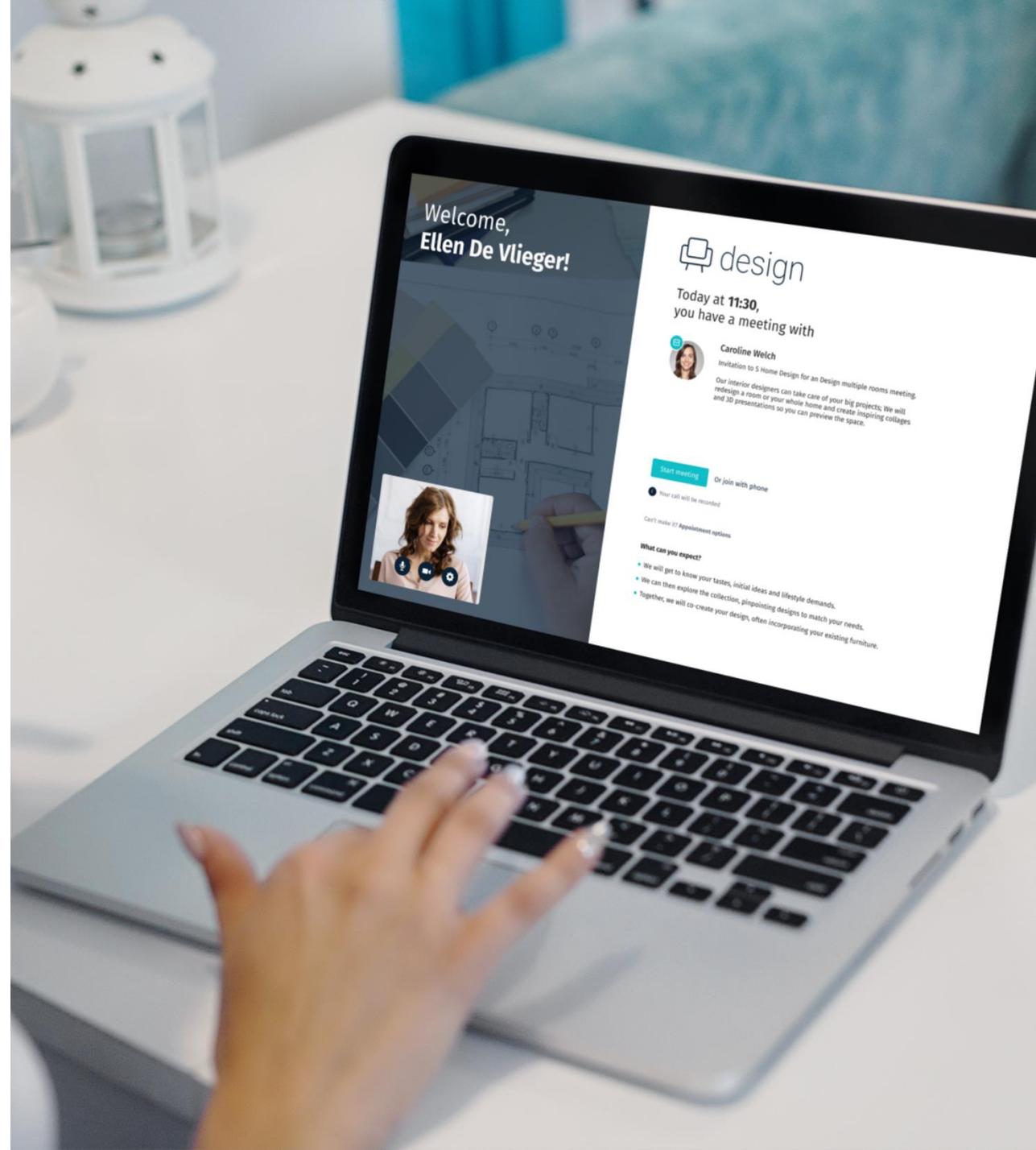


- This Swedish municipality has approximately 55,000 employees with over 550 dedicated videoconferencing systems
- They chose Pexip for applications in all 3 solutions areas, including Microsoft Teams interoperability (Connected Spaces), confidential meetings (Secure Spaces) and integration with their healthcare journal system (Video innovation)

Launched Pexip Engage

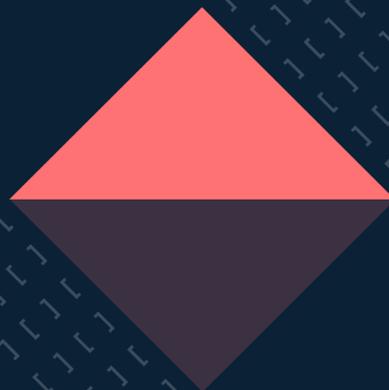
Video Innovation

- Key solution in the Video Innovation space
- Launch completes Skedify acquisition from Q4 2021
- Already gaining traction with customers, building on established Skedify customer base



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Q1 2022 Financial Results



Q1 2022 Financial results

Profit and Loss

NOK million

P&L item	Q1 2021	Q1 2022	Development Percent
Revenue	179.7	222.5	24%
Cost of sale	15.0	25.8	72%
Salary and personell expenses	175.6	188.1	7%
Other operating expenses	42.4	60.4	42%
EBITDA	-53.1	-51.8	-2%
<i>EBITDA margin</i>	<i>-30%</i>	<i>-23%</i>	<i>+7 p.p.</i>
Depreciation and amortization	16.9	23.3	38%
Operating loss	-70.0	-75.1	7%

Comments

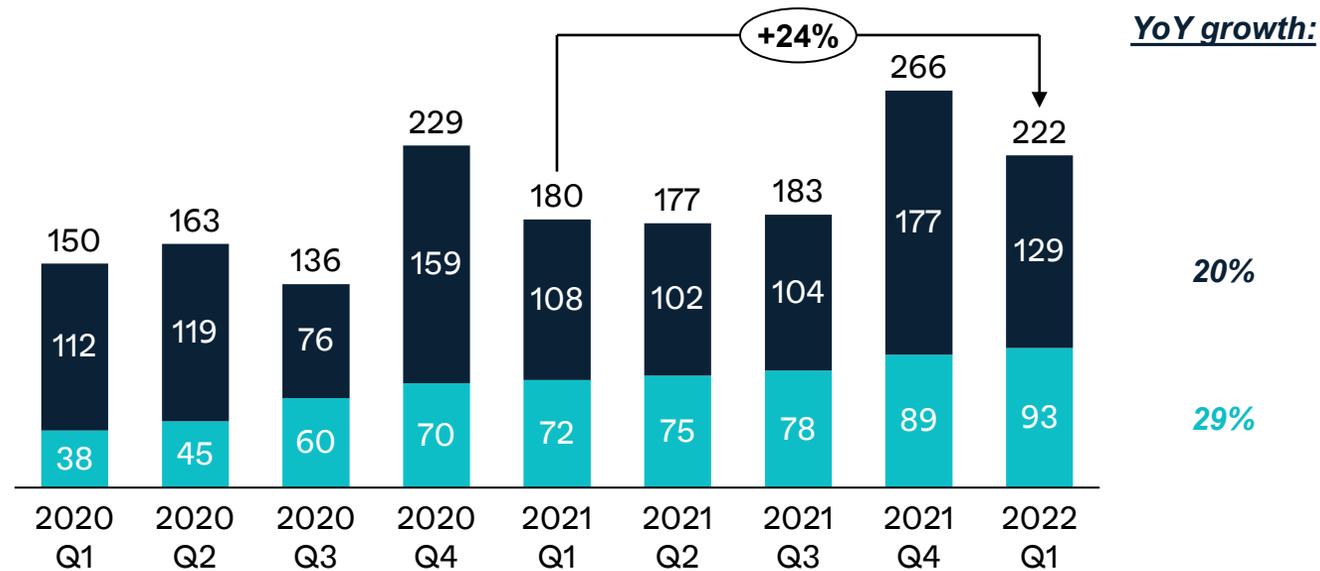
- 24% increase in year-on-year revenue in line with ARR increase
- Increased Cost of Sale from increased cloud service share of revenues, in addition to strengthening the robustness of the service platform
- Lower growth in employee benefit expenses, in part to normalization of share option related costs compared to the high level in Q1 2021
- EBITDA in line with Q1 2021 in NOK, 7 p.p. improvement in EBITDA margin

+24% revenue increase in line with ARR development

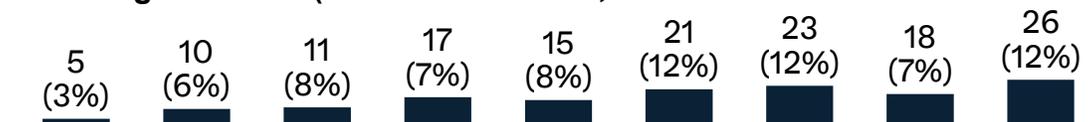
Quarterly revenue development

NOK million

■ Self-hosted Software
■ Pexip as-a-Service



Cost of goods sold (Percent of revenue)



Comments

Operating revenues – Pexip as-a-Service

- Overall growth of 29% year-on-year to NOK 93 million
- Development in line with ARR development

Operating revenues – Self-hosted Software

- Overall increase of 20% year-on-year to NOK 129 million
- Software revenue mainly recognized at time of delivery, which leads to quarterly variations in revenue recognition. This drives seasonal variation of software revenue

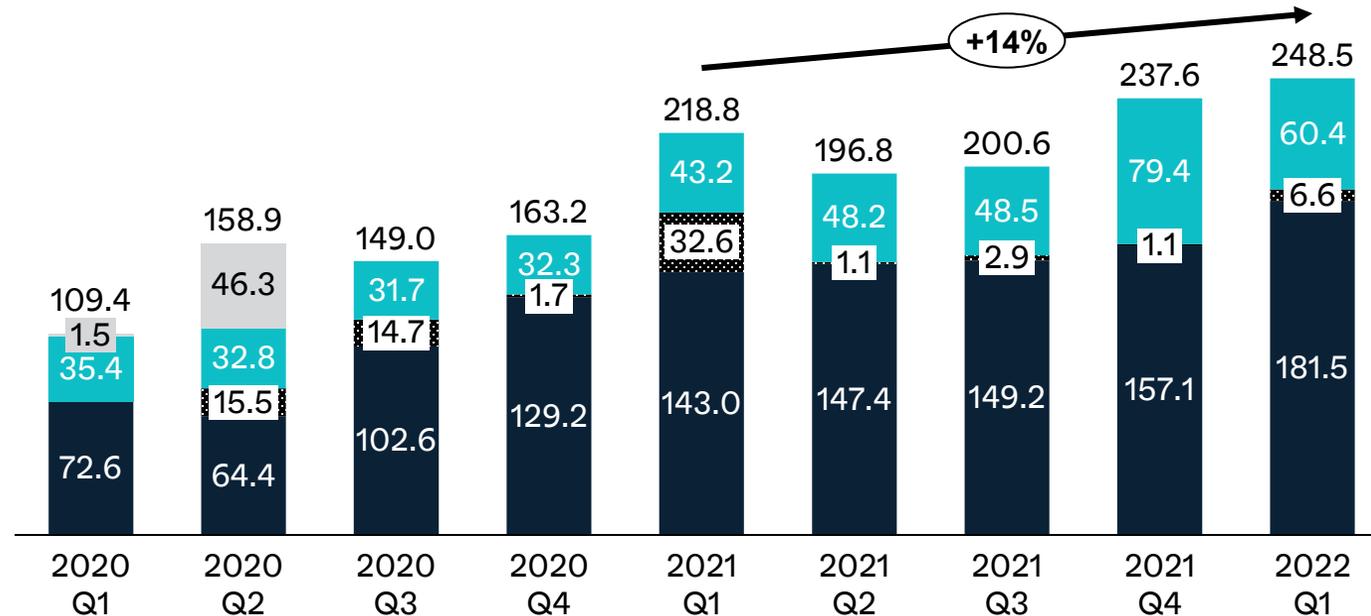
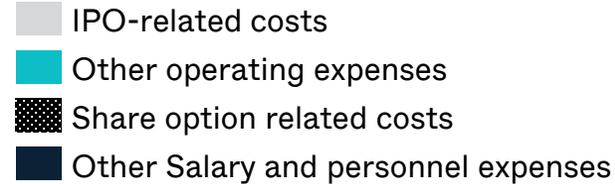
Gross margin

- Gross margin in line with Q2 and Q3 2021, while below Q4 2021 due to lower self-hosted software revenues
- Higher usage of video meeting rooms contributing to higher cost of goods sold

Increase in operating expenses from higher headcount and activity level

Quarterly OPEX development

NOK million



Comments

Other Operating expenses

- Increase in external services from legal costs related to M&A, audit costs and R&D development
- Higher travel and event costs compared to Q1 2021

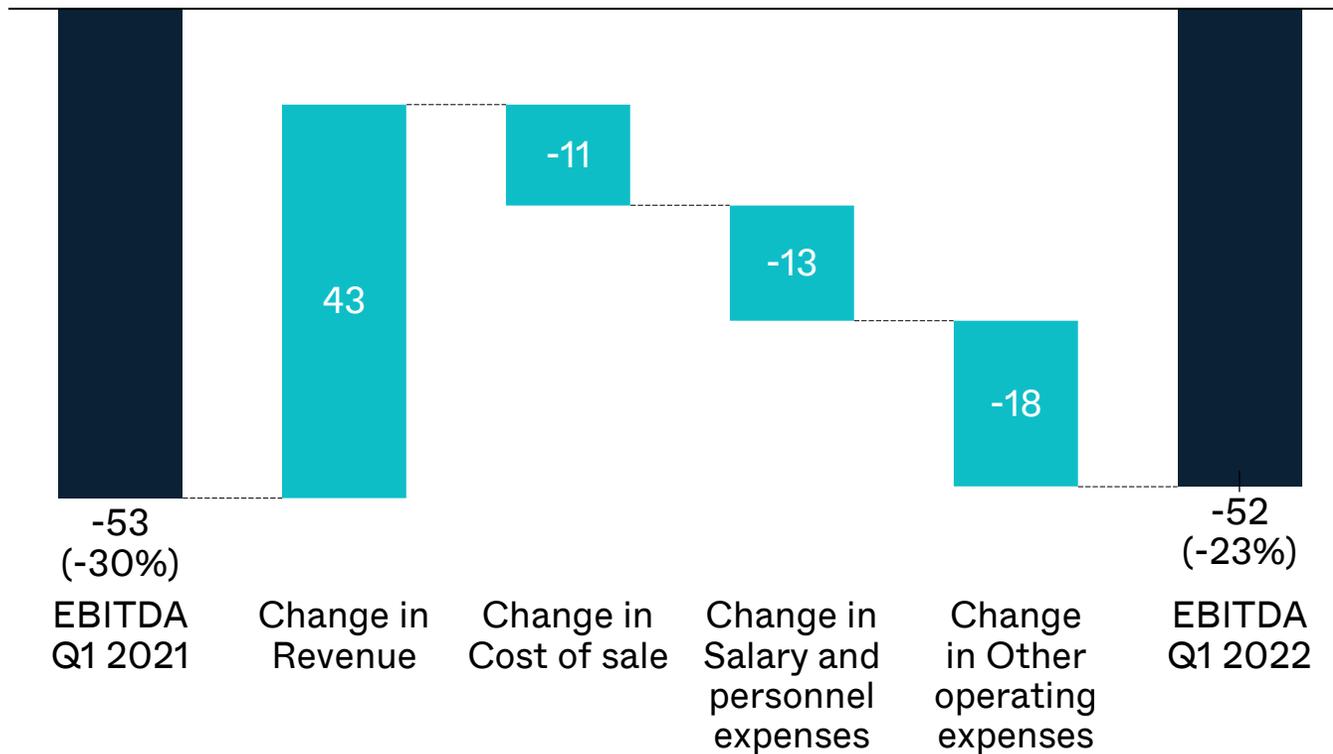
Salary and personnel expenses

- 27% growth in Salary and personnel expenses excluding option related costs
 - 32% growth in headcount main driver of increase in salary and personnel expenses
 - 551 employees at the end of Q1 2022, of which 310 in Sales and Marketing
- NOK 6.6 million in accounting cost from employee share option programs - fluctuation in share price giving variation in accrued employer tax costs across quarter

Flat development in EBITDA - focus going forward on return to profitability

Significant investments in sales-related headcount, impacting EBITDA

NOK million



Comments

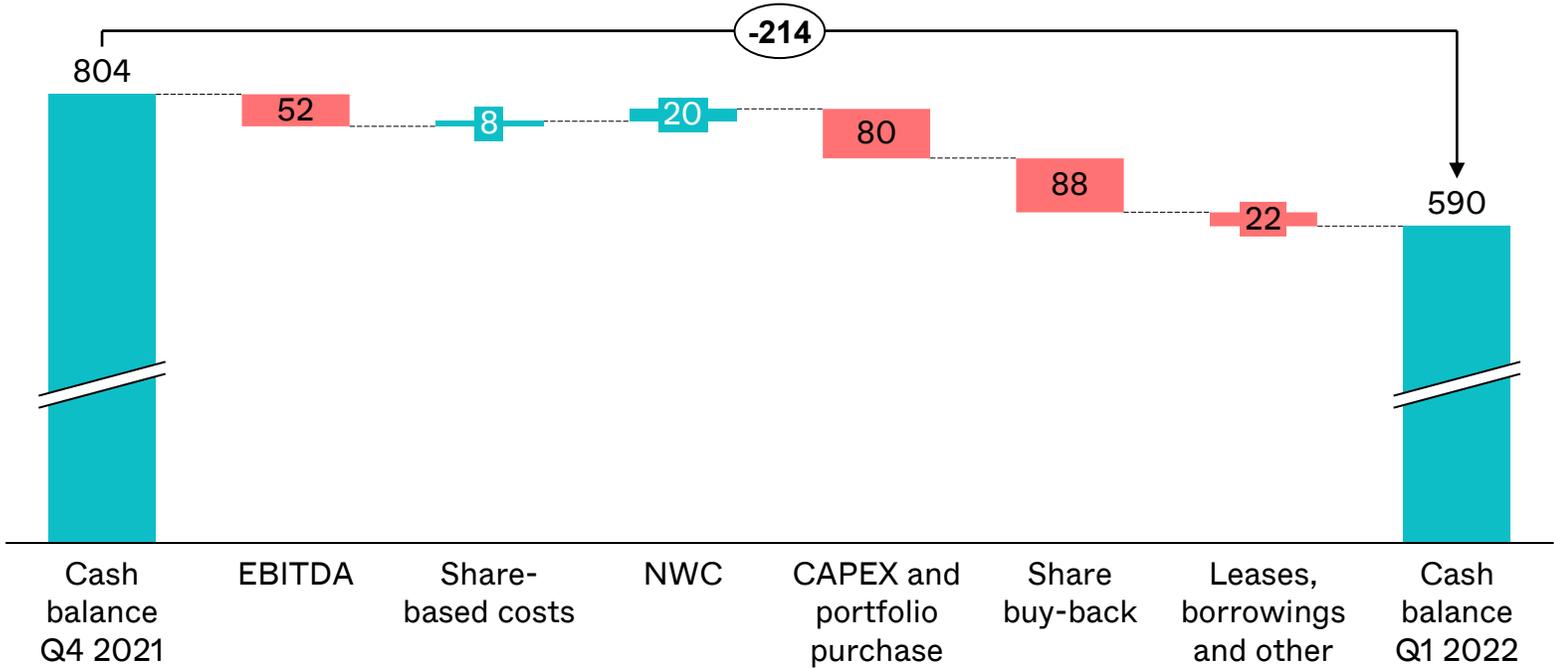
- Gross margin growth of NOK 32 million
- Growth in OPEX of NOK 31 million due to headcount growth and activity increase
- Improved EBITDA-margin

Last-twelve-month EBITDA of NOK -123 million (-14% margin)

Extraordinary high cash outflow due to share buyback and portfolio acquisitions

Cash flow bridge Q1 2022

NOKm



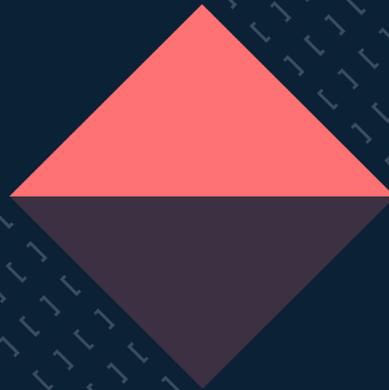
Comments

- Operational cash flow of negative NOK 31 million driven by a negative EBITDA with a seasonal improvement in working capital
- Extraordinary non-recurring cash outflow of NOK 147 million in Q1
 - Share buyback of NOK 88 million in March 2022
 - Portfolio buyback announced in Q4, as well as final settlement on 2020 Videonor portfolio acquisition of combined NOK 59 million
- Share buy-back cover expected exposure for share-based incentives for next two years without further dilution

Current cash reserves considered sufficient to drive growth and return to profitability

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Outlook



CEO observations

- The pandemic has changed the market landscape and created both challenges and new opportunities for Pexip
- Pexip has a robust strategy coupled with a strong and differentiated market position
- Pexip needs to adapt its organization to be able to better execute on the defined strategy, capitalize on the identified growth opportunities and reduce the overall cost level
- We need to increase focus and efforts within high-growth opportunities and at the same time reduce costs in other areas
- We will return to profitable growth, a formula that has been followed successfully in the past
- We will provide more details in the Q2 presentation in August

Outlook

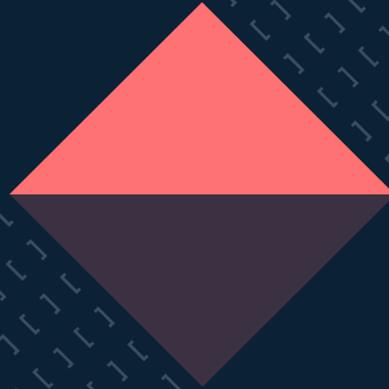
- Significant ARR growth potential next three years and beyond through executing on focused strategy to be a leader in core solution areas and market segments; total market potential of USD 5 billion
- Target reducing overall cost level to accelerate return to profitability
- Return to ARR growth expected in Q2 2022 at a level in line with Q1 underlying growth
- Targeting positive EBITDA in Q4 2022 and for the full year 2023

Upcoming dates

AUG 11	Half-yearly Report and Presentation
NOV 10	Q3 2022 Report and Presentation
FEB 14	Q4 2022 Report and Presentation

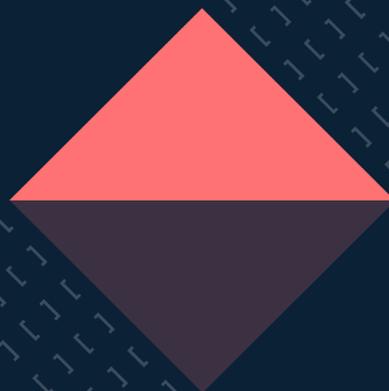
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Q&A



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Appendix

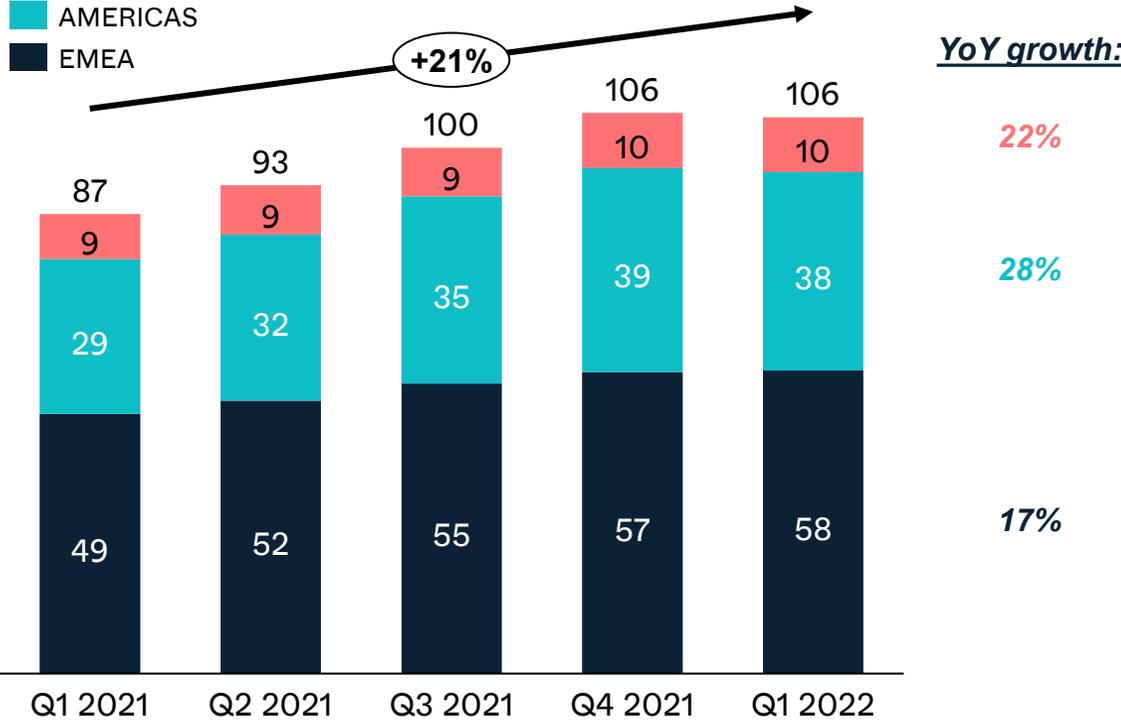


Balanced growth across geographies and products

ARR per geo

USD million

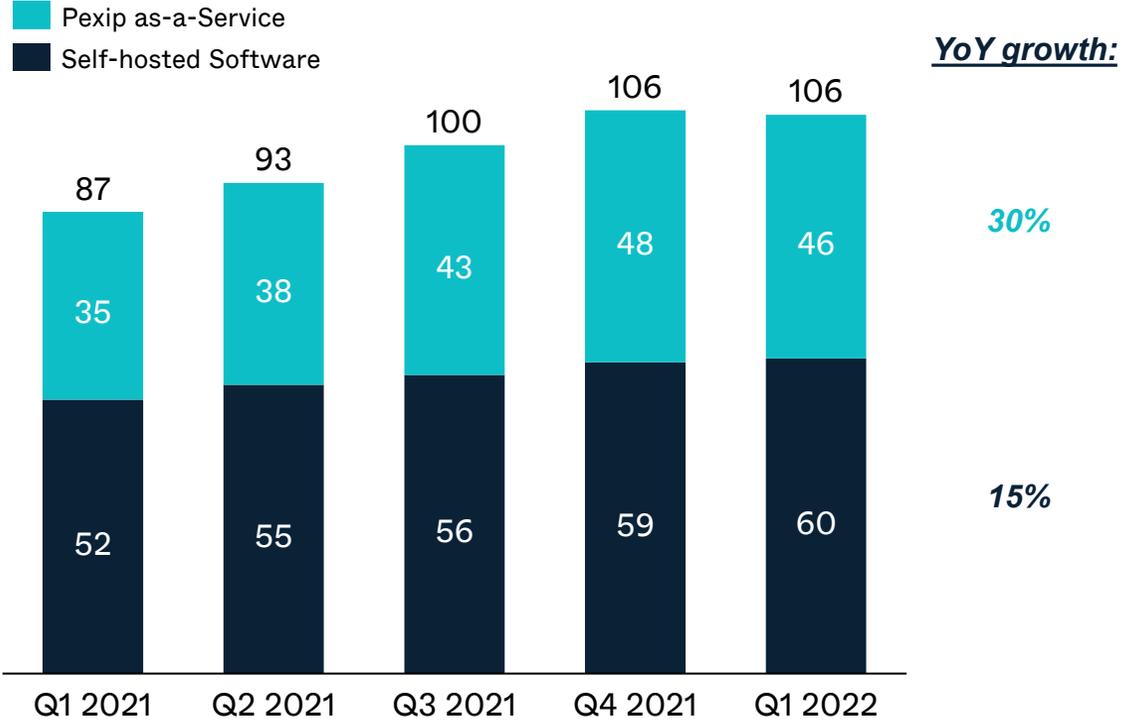
- APAC
- AMERICAS
- EMEA



ARR per product

USD million

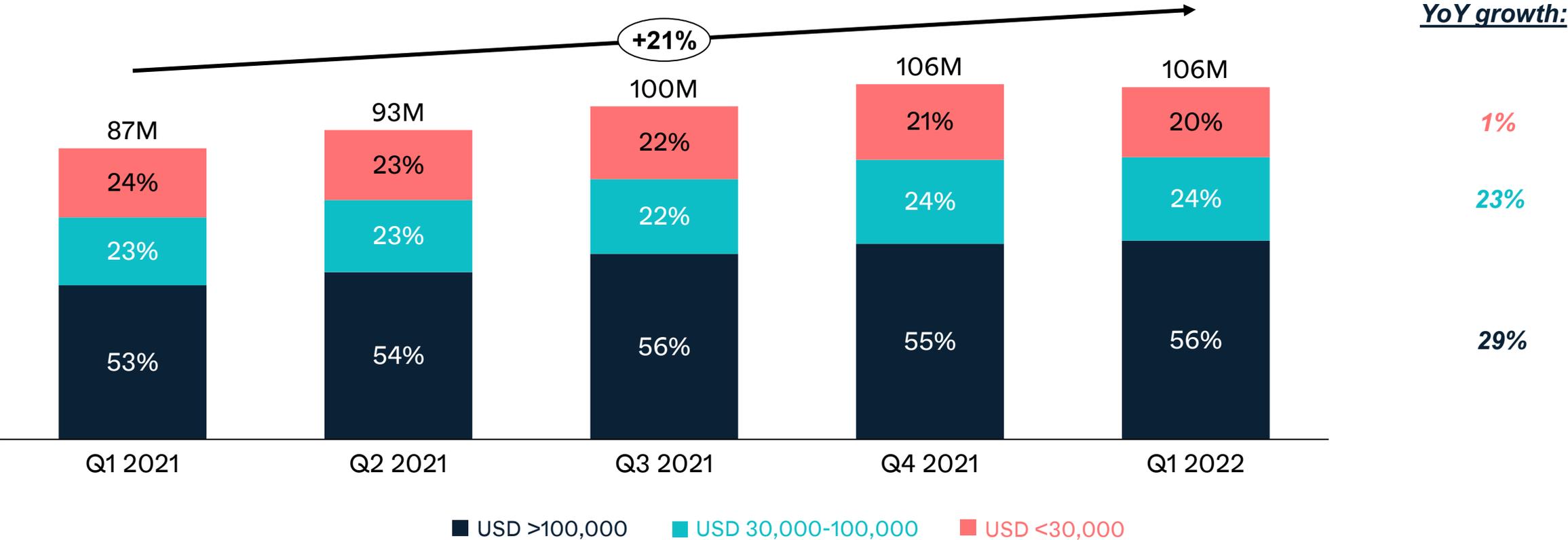
- Pexip as-a-Service
- Self-hosted Software



Large organizations is the largest growing segment

Large organizations driving growth

Share of ARR by account size in ARR, USD



Significant market potential in core solution areas



Secure Spaces
for secure environments

MUSD 11 in ARR
+106% y-o-y



Video Innovation
for healthcare, judiciary, government,
retail and finance

MUSD 21 in ARR
+38% y-o-y



Connected Spaces
including interoperability to Microsoft
Teams and Google Meet

MUSD 62 in ARR
+21% y-o-y