

## **Video Communications Company, Pexip, Announces Continued Strong Sales Growth for Q2 2020**

**Delivers 64% year-on-year growth in Annual Recurring Revenue - the best Q2 in Pexip's history**

Oslo, Norway, 2 July 2020

**The video communications provider, Pexip, today reported an increase in ARR of USD 9.1 million during the quarter, which is 3.8X the corresponding figure in Q2 2019, of USD 2.4 million, and the best Q2 in the company's history. This resulted in a contract base measured in Annual Recurring Revenue (ARR) of USD 65.8 million, giving a year-on-year growth in ARR of 64%. The company is tracking ahead of its plan to reach USD 300 million in ARR by 2025.**

The company experienced a stronger momentum in net new sales in Q2 2020 with approx. 3/4 of the year-on-year growth originating from net new customers. The remaining 1/4 originated from increased sales to existing customers, giving a Net Retention Rate in Q2 of 118% (based on ARR) for the previous 12 months, up from 113% in the previous quarter.

In Q1 2020, Pexip reported a significant increase in sales to existing customers as companies expanded their use of video communication in response to Covid-19. This positive impact on sales from increased usage amongst existing customers continued into Q2 2020 and was amplified by a larger share of revenues coming from net new business than in Q1 2020.

"In Q2 we saw a strong increase in net new sales. We also continued to increase our Net Retention Rate, demonstrating that we are successfully helping our existing customers make the most of their investments, ensuring customer satisfaction. We believe that our unique user experience and range of deployment options, combined with our focus on stringent data protection, position us well for continued success," said Odd Sverre Østlie, CEO of Pexip.

"As a result of the Covid-19 situation, more organizations than ever have been exposed to a new way of working, granting their employees access to video communication tools to enable them to work from home. We have seen video quickly become an integrated part of daily work routines and I believe this represents a lasting change - with a hybrid model emerging, where employees combine working from the office utilizing professional video systems, with the possibility to work from home on laptops and mobile devices. Pexip is ideally positioned to meet the needs of large organizations experiencing this "new normal", and, as a result, I believe this will have a positive effect on our business going forward, as well as benefiting the environment and leading to a better work-life balance for many", said Michel Sagen, Chairman of the Board of Pexip.

## **About Pexip**

Pexip simplifies complex video conferencing to empower teams to meet, regardless of location or technology. Our scalable, cloud-native platform enables high-quality video meetings, interoperability with Microsoft and Google solutions, and video system device registration. Customers can deploy Pexip on their own privately hosted servers, in their own cloud subscription of choice (Azure, Google Cloud or AWS), as a hybrid, or as a service. With a diverse set of APIs, Pexip can be customized to fit customers' unique needs. The solution is sold through 300 channel partners in 75 countries and used in more than 190 countries.

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