

Pexip Q1 2023 report – Profitable and cash flow positive

Oslo, Norway, May 4, 2023 - Pexip Holding ASA ("Pexip" or "The Company", Oslo Børs Ticker: PEXIP), today presented its quarterly results for the first quarter of 2023, showing revenue of NOK 260.6 million and an EBITDA of NOK 35.1 million.

“We entered Q1 2023 with a leaner, more focused organization. Pexip’s top priority has been on focusing on our target markets and increasing our technology differentiators in those. This makes us a relevant partner to several large technology players in our space, and our new strategic partnership with Poly is a testament to that.” said Trond K. Johannessen, Pexip CEO.

Q1 development continues to provide momentum to reach the financial targets set for 2023. Within Secure Spaces there was a USD 0.6 million growth in Q1 and significant renewals in the quarter have gone well. The FedRAMP authorization further strengthens Pexip’s existing security accreditation and authorization posture, and provides confidence in the targeted growth within secure, customized solutions. Within interoperability and infrastructure solutions, the strategic partnerships with both Microsoft and Poly show that Pexip’s focused approach in key markets make Pexip an attractive partner in the industry. The new organization and improved cost base provide further support in the Company targets and Pexip reiterates the 2023 targets of cash flow positive operations and an EBITDA of NOK 100- 150 million for the whole year.

Q1 2023 – Key figures

Pexip’s subscription base measured in Annual Recurring Revenue (ARR) amounted to USD 98.3 million in Q1 2023, representing a year-on-year decline of 7% from USD 105.6 million in Q1 2022. The development in year-on-year ARR continue to be affected by the large US Government customer not renewing the contract as the program lost its funding, as well as decline in legacy areas.

Key highlights for the quarter include:

- Q1 2023 revenue of 260.6 million, up 17% y-o-y. Pexip’s subscription base measured in ARR was USD 98.3 million in Q1 2023. EBITDA was NOK 35.1 million, up 87 million since Q1 2022.
- Cash flow of NOK 46.6 million, with a cash position of NOK 465.9 million.
- Continued solid momentum within secure, customized solutions with Secure Spaces ARR growing USD 0.6 million in Q1, including securing a number of large renewals.
- Pexip has entered into a strategic partnership with Poly to provide Poly’s new video infrastructure solutions.
- Announced major innovation in Microsoft Teams interoperability, SIP Guest Join, allowing Pexip-powered SIP endpoints to join any Teams meeting with a Teams-like experience.
- The Pexip Government Cloud has achieved FedRAMP® Authorization. The FedRAMP approval strengthens Pexip’s existing security accreditation and authorization posture.

Analyst consensus estimates

Every quarter ahead of the earnings announcement, Pexip collects earnings estimates from the equity analysts currently covering the Company. The consensus estimates and the methodology used in preparation of the consensus estimates are published on the Company’s IR webpages here:

<https://investor.pexip.com/consensus>

Q1 results presentation

The first quarter results for 2023 will be presented by video webcast today, Thursday, May 4, at 08:00 CEST. The presentation will be held by Trond K. Johannessen (CEO), Øystein Hem (CFO) and Åsmund Fodstad (Chief Revenue Officer) The presentation will be held in English and conducted as a webcast. Questions can be submitted to IR@pexip.com in advance of the presentation or live during the presentation.

Please join the webcast via the following link: <https://www.pexip.com/events/q1-2023-results-presentation>

A recorded version of the presentation will also be available after the webcast is concluded.

For questions, please contact:

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About Pexip | [pexip.com](https://www.pexip.com)

We are a video technology company. Our solution powers everything from business meetings to ultra-secure government meetings, from personalized banking to doctor's appointments to court proceedings. Video creates trusted connections, builds brands, and brings transformational ideas to life. Organizations today use Pexip to protect meetings and personalize and elevate the video experience everywhere – no matter the technology. Pexip (PEXIP) is listed on the Oslo Stock Exchange. Visit us at www.pexip.com or on [LinkedIn](#)

This information is considered to be inside information pursuant to the EU Market Abuse Regulation and is subject to the disclosure requirements pursuant to Section 5 -12 of the Norwegian Securities Trading Act.

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