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Q2 & First Half 2025

Interim Report

Highlights

- Q2 2025 revenue of NOK 281 million, up 6% y-o-y. Pexip's subscription base measured in ARR was USD 119.0 million at the end of Q2 2025, up 11% y-o-y.
- Growth driven by Secure and Custom where ARR grew 27% year-on-year, with key wins in Defense, Healthcare and Government. Connected Spaces ARR grew 2% year-on-year.
- EBITDA excluding other gains and losses amounted to NOK 57.3 million, up from NOK 36.0 million in the same quarter last year. EBITDA including other gains and losses amounted to NOK 56.5 million, up from NOK 33.0 million in the same quarter last year.
- Free cash flow of NOK 32.1 million in the quarter, down from NOK 67.7 million in Q2 2024, with a cash and money market fund position of NOK 544.2 million and no material interest-bearing debt exiting Q2 2025. Paid dividend of NOK 259.8 million and bought back shares for NOK 58.0 million in Q2 2025. Have completed share buyback program in Q3 2025 for NOK 99.9 million by the time of this report.

“We continue to see strong momentum in Secure and Custom video, with growth of 27% year-on-year. This is driven by an increased focus and awareness of the importance of sovereign IT systems and end to end control. Pexip is uniquely positioned to provide this for video communication with our cutting edge self-hosted platform and proven ability to deliver.”



Trond K. Johannessen
Chief Executive Officer

Key Figures

		Q2 2025	Q2 2024	YTD 2025	YTD 2024
Revenue	<i>NOK million</i>	281.1	265.6	629.1	557.6
Cost of Sale	<i>NOK million</i>	18.6	27.1	47.5	54.1
Salary and Personnell expenses	<i>NOK million</i>	165.3	163.8	333.9	325.3
Other operating expenses	<i>NOK million</i>	39.9	38.7	77.9	77.7
Adjusted EBITDA	<i>NOK million</i>	57.3	36.0	169.8	100.5
Other gains/losses	<i>NOK million</i>	(0.8)	(3.0)	1.8	(9.8)
EBITDA	<i>NOK million</i>	56.5	33.0	171.6	90.7
EBITDA-margin	%	20%	12%	27%	16%
Free cash flow	<i>NOK million</i>	32.1	67.7	253.0	168.2
Reported profit for the period	<i>NOK million</i>	43.9	7.0	110.2	52.4
Earnings per share	<i>NOK per share</i>	0.42	0.07	1.07	0.52
ARR USD million, end of period	<i>USD million</i>	119.0	107.1		
Number of employees end of period	#	285	295		

Operational Review

Q2 2025 summary

Pexip's subscription base measured in Annual Recurring Revenue (ARR) amounted to USD 119.0 million at the end of Q2 2025, representing a year-on-year increase of 11%. Pexip grew its overall ARR base by USD 3.5 million in the quarter.

Connected spaces ARR amounted to USD 68.4 million at the end of Q2 2025, up 2% from Q2

2024. The net revenue retention rate, reflecting the percentage of retained revenue from existing customers, was 97% in Q2 2025.

Secure and Custom ARR amounted to USD 50.6 million at the end of Q2 2025, up 27% from Q2 2024. The net revenue retention rate was 100% in Q2 2025.

Key Wins

European Defense organization

A large European Defense organization has chosen Pexip for Secure Meetings. The solution consists of more than 10 independent video platforms, which can flexibly be connected to each other. They chose Pexip for its NATO compliance, ability to support a wide range of video equipment and ease of operations.

US Health network

Pexip was selected to provide its video platform for one of the largest healthcare organizations in the United States. They chose Pexip for its ability to integrate with their existing call center platform, and augment this with modern and customizable video calls.

Global consulting firm

One of the top global consulting firms has chosen Pexip's Connect for Zoom Rooms in order to better connect their close to 2,000 Zoom Room video rooms to Microsoft Teams meetings. Pexip was chosen for its improved user experience.

Financial Review

(Figures in brackets = same period prior year or relevant balance sheet date).

Income statement

Q2 2025

Consolidated revenue amounted to NOK 281.1 million in Q2 2025 (NOK 265.6 million in Q2 2024), representing a 6% increase year-on-year. The increase is a result of the ARR increase over the last year, with some adverse effects mostly tied to deal timing which positively impacted Q1 2025.

Pexip operates in two main product areas. Pexip self-hosted software, which mainly consists of sales from software licenses and related maintenance contracts, and Pexip as-a-Service, which consists of sales from Pexip's public cloud service. Self-hosted software revenue accounted for NOK 131.9 million in Q2 2025 (NOK 130.9, +1%). The increase is due to increased sales, while partly negatively impacted by a weaker USD to NOK exchange rate and timing differences from ongoing contracts across Q1 2025 and Q2 2025. Revenue from Pexip as-a-Service was NOK 149.2 million in Q2 2025 (NOK 134.6 million, +11%).

EMEA was the largest sales area with NOK 125.2 million in revenue (NOK 124.9 million, +0%), followed by Americas, accounting for NOK 124.5 million (NOK 115.7 million, +8%), and Asia-Pacific (APAC), accounting for NOK 31.4 million (NOK 25.0 million, 26%).

Cost of sale consists mainly of network, data center and hosting for the Pexip as-a-Service, as well as 3rd party commissions and software licenses. Cost of sale amounted to NOK 18.6 million in Q2 2025 (NOK 27.1 million), reflecting a gross margin of 93% (90%). The reduction is related to one-time rebates received from cloud vendors, as well as overall efficiency improvements.

Operating expenses consist mainly of salary and personnel expenses and other operating expenses. Salary and personnel expenses amounted to NOK 165.3 million in Q2 2025 (NOK 163.8 million), which is 59% of the quarterly revenue (62%). The increase is mostly related to higher share option related costs due to the share price appreciation in Q2 2025,

while fixed salary is somewhat down. Pexip had 285 employees employed at the end of Q2 2025 (295).

Other operating expenses amounted to NOK 39.9 million (NOK 38.7 million), which reflects a level of 14% of the quarterly revenue (15%), and with a stable cost level across the various cost categories.

Other gains and losses amounted to a loss of NOK 0.8 million (loss of NOK 3.0 million). The losses are related to restructuring.

Earnings before interest, tax, depreciation, and amortization (EBITDA) excluding Other gains and losses was NOK 57.3 million (NOK 36.0 million), up NOK 21.3 million from Q2 2024, reflecting a 20% margin (14%). EBITDA including other gains and losses amounted to NOK 56.5 million in Q2 2025 (NOK 33.0 million), reflecting a 20% EBITDA margin (12%).

Depreciation and amortization costs were NOK 11.7 million in Q2 2025 (NOK 19.5 million). The reduction is a result of lower depreciation of intangible assets.

Net financial income was a gain of NOK 11.4 million (loss of NOK 1.0 million). Pexip had financial income of NOK 7.0 million related to interest on cash holdings (NOK 6.4 million), while the net impact of foreign exchange differences gave a gain of NOK 5.3 million (loss of NOK 6.6 million).

Profit before tax was NOK 56.2 million (NOK 12.5 million). Profit after tax was NOK 43.9 million (NOK 7.0 million).

First half 2025

Consolidated revenue amounted to NOK 629.1 million first half 2025 (NOK 557.6 million in first half 2024), representing a 13% increase year-on-year. The increase is a result of the ARR increase over the last year.

Self-hosted software revenue accounted for NOK 332.3 million in the first half of 2025 (NOK 297.6, +12%). The increase is due to increased sales. Revenue from Pexip as-a-Service was NOK 296.8 million in the first half of 2025 (NOK 260.0 million, +14%).

EMEA was the largest sales area with NOK 289.8 million in revenue (NOK 258.2 million, +12%), followed by Americas, accounting for NOK 281.1 million (NOK 251.9 million, +12%), and Asia-Pacific (APAC), accounting for NOK 58.1 million (NOK 47.4 million, 23%).

Cost of sale consists mainly of network, data center and hosting for the Pexip as-a-Service, as well as 3rd party commissions and software licenses. Cost of sale amounted to NOK 47.5 million in the first half of 2025 (NOK 54.1 million), reflecting a gross margin of 92% (90%). The reduction is related to one-time rebates received from cloud vendors, as well as overall efficiency improvements.

Operating expenses consist mainly of salary and personnel expenses and other operating expenses. Salary and personnel expenses amounted to NOK 333.9 million in the first half of 2025 (NOK 325.3 million). The increase is mostly related to higher share option related costs due to the share price appreciation in Q2 2025 and some share options settled in cash, while fixed salary is somewhat down.

Other operating expenses amounted to NOK 77.9 million (NOK 77.7 million), with a stable cost level across the various cost categories.

Other gains and losses amounted to a gain of NOK 1.8 million (loss of NOK 9.8 million). The gains are related to an insurance contract gain while the 2024 losses were related to restructuring.

Earnings before interest, tax, depreciation, and amortization (EBITDA) excluding Other gains and losses was NOK 169.8 million (NOK 100.5 million), up NOK 69.3 million from first half 2024, reflecting a 27% margin (18%). EBITDA including other gains and losses amounted to NOK 171.6 million in first half of 2025 (NOK 90.7 million), reflecting a 27% EBITDA margin (16%).

Depreciation and amortization costs were NOK 25.8 million in the first half of 2025 (NOK 39.3 million). The

reduction is a result of lower depreciation of intangible assets.

Net financial income was a loss of NOK 2.5 million (gain of NOK 21.5 million). Pexip had financial income of NOK 14.7 million related to interest on cash holdings (NOK 13.0 million), while the net impact of foreign exchange differences gave a loss of NOK 15.4 million (gain of NOK 10.2 million).

Profit before tax was NOK 143.3 million (NOK 72.9 million). Profit after tax was NOK 110.2 million (NOK 52.4 million).

Financial position

Pexip continues to have a very robust financial position as the company has a solid cash buffer, no material interest bearing debt and a positive cash flow. **Total assets** amounted to NOK 1,893 million (NOK 2,225 million at the end of 2024), and **total equity** amounted to NOK 1,385 million (NOK 1,608 million).

Current assets amounted to NOK 726 million (NOK 988 million at the end of 2024). **Cash and cash equivalents** decreased to NOK 333 million (NOK 422 million) and Financial assets (money market funds) increased to NOK 211 million (NOK 206 million). Combined cash and money market funds decreased to NOK 544 million (NOK 628 million). **Trade and other receivables** decreased to NOK 148 million (NOK 333 million), while **Contract Assets** increased to NOK 8 million (NOK 7 million).

Non-current assets amounted to NOK 1,168 million (NOK 1,237 million at the end of 2024). **Contract costs** decreased to NOK 299 million (NOK 325 million), with NOK 9 million from net negative additions and NOK 17 million from foreign exchange translation differences in the subsidiary companies.

Total liabilities were at NOK 509 million (NOK 617 million). NOK 2 million are borrowings (NOK 2 million).

Current liabilities decreased to NOK 436 million (NOK 532 million at the end of 2024), with the decrease being mainly related to a decrease in contract liabilities and trade and other payables.

Non-current liabilities amounted to NOK 72 million (NOK 85 million at the end of 2024), from a reduction in lease liabilities and deferred tax liabilities.

Cash flow

Q2 2025

Net cash flow from operating activities was NOK 43.6 million in Q2 2025 (NOK 77.8 million in Q2 2024) compared to an EBITDA of NOK 56.5 million. In addition, the Company had a positive fair value adjustment on its money market funds of NOK 2.7 million (NOK 1.0 million). The reduction compared to 2024 is due to a working capital increase, partly offsetting the large working capital reduction in Q1 2025.

Cash flow from investing activities was negative NOK 9.7 million for Q2 2025 (negative NOK 207.2 million). Investments in own software development is NOK 8.6 million compared to NOK 6.5 million in Q2 2024, while the cash flow in 2024 was impacted by the investment into high-liquidity money market funds.

Cash flow from financing activities was negative NOK 321.9 million in Q2 2025 (negative NOK 115.7 million). The main cash outflow was related to the dividend of NOK 259.8 million and the share buyback of NOK 56.5 million.

In total, Pexip had a free cash flow of NOK 32.1 million (NOK 67.7 million) including net change in money market funds. The combined cash and money market fund position was NOK 544.2 million at the end of Q2 2025 (NOK 586.5 million at the end of Q2 2024).

First half 2025

Net cash flow from operating activities was NOK 271.6 million in the first half of 2025 (NOK 190.1 million in the first half of 2024) compared to an EBITDA of NOK 171.6 million. In addition, the Company had a positive fair value adjustment on its money market funds of NOK 5.3 million (NOK 1.0 million). The increase compared to 2024 is due to improved profitability and better working capital development.

Cash flow from investing activities was negative NOK 16.4 million for the first half of 2025 (negative NOK 216.0 million). Investments in own software development is NOK 14.5 million compared to NOK 14.0 million in the first half of 2024.

Cash flow from financing activities was negative NOK 324.8 million in the first half of 2025 (negative NOK 120.0 million). The main cash outflow was related

to the dividend of NOK 259.8 million and the share buyback of NOK 56.5 million.

Subsequent events

There were no subsequent events after June 30, 2025.

Risk and uncertainty

Risk management in Pexip is based on the principle that risk evaluation is an integral part of all business activities and is a part of the annual strategy review. Pexip has developed its approach to risk assessment and risk mitigation within financial reporting and information security, where Pexip holds ISO 27001 and 27701 certifications as external recognition of its approach.

Pexip is exposed to several risk factors related to operational and market activities, customer relationships and third parties, laws, regulations, and compliance, financial and market, among others. The Risk and Risk Management section in the 2024 Annual Report contains detailed descriptions and mitigating actions.

The beginning of 2025 has seen increased uncertainty in trade policies across countries and some instability in currency exchange rates. As a company operating in multiple countries, this may have an impact on Pexip's business although software and services are not product categories that so far have been impacted. The Company is continuously monitoring the situation and will seek to adapt to any changes in trade regulations.

Pexip has not identified any further significant risk exposures beyond the ones described in the 2024 Annual Report.

Outlook

Pexip believes that the market for enterprise-grade video communication will continue to increase due to the increased adoption and usage of video communication, and increased awareness of sustainability. Pexip has unique video technology with capabilities within security, interoperability, and flexible deployments. This makes the company well-positioned as enterprises and public sector organizations continue to adopt hybrid working models. Furthermore, Pexip believes in the increased use of video in organizations' workflows with their clients/customers, creating additional new and significant market opportunities. In particular, the use of video for mission-critical, high-

security meetings has increased. This is the foundation of the focused strategy Pexip is executing, pursuing market-leading positions in Secure and Custom Video and Connected Spaces.

Pexip's near-term financial targets are to consistently deliver above 10% growth in annual recurring revenues and have an EBITDA margin above 20% with a high cash conversion. The company aims to do this by focusing on niches where Pexip has a unique competitive advantage and a path to become the clear market leader. Long-term the company aims to deliver Rule of 40 performance, with a combined ARR growth rate and EBITDA margin excluding other gains and losses of 40% or more. The company's outlook is to end on an ARR of USD 120-123 million in Q3 2025 from USD 119.0 million at the end of Q2 2025.

These forward-looking statements are not guarantees or predictions of future performance, and involve known and unknown risks, uncertainties, and other factors, many of which are beyond our control, and which may cause actual results to differ materially from those expressed in the statements contained in this section. Readers are cautioned not to put undue reliance on forward-looking statements.

SIGNATURE PAGE

Board of Directors

Oslo, August 13, 2025

Board of Directors and CEO of Pexip Holding ASA



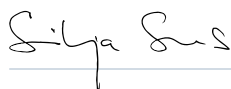
Kjell Skappel
Chair of the Board



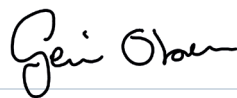
Irene Kristiansen
Board Member



Phillip Austern
Board Member



Silvija Seres
Board Member



Geir Langfeldt Olsen
Board Member



Trond K. Johannessen
CEO

Consolidated Statement of Profit or Loss

Period April 1 - June 30

	Notes	Second Quarter		Year	
(NOK 1,000)		Q2 2025	Q2 2024	YTD 2025	YTD 2024
Revenue	3	281 124	265 582	629 070	557 560
Cost of sale		18 637	27 053	47 470	54 108
Salary and personnel expenses		165 309	163 837	333 946	325 260
Other operating expenses		39 875	38 662	77 894	77 722
Other gains and losses		830	3 038	-1 809	9 785
EBITDA		56 473	32 992	171 570	90 685
Depreciation and amortization		11 683	19 543	25 762	39 345
Operating profit or loss		44 790	13 449	145 807	51 340
Financial income		7 072	6 439	14 676	13 013
Financial expenses		-954	-837	-1 822	-1 720
Net gain and loss on foreign exchange differences		5 269	-6 598	-15 391	10 239
Financial income/(expenses) - net		11 387	-996	-2 537	21 532
Profit or loss before income tax		56 177	12 454	143 270	72 872
Income tax expense		12 301	5 422	33 026	20 433
Profit or loss for the year		43 876	7 031	110 244	52 440
Profit or loss is attributable to:					
Owners of Pexip Holding ASA		43 876	7 031	110 244	52 440
<i>Earnings per share</i>					
Basic earnings per share		0.42	0.07	1.07	0.52
Diluted earnings per share		0.41	0.50	1.03	0.50

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Statement of Comprehensive Income

Period April 1 - June 30

	Second Quarter		Year	
(NOK 1,000)	Q2 2025	Q2 2024	YTD 2025	YTD 2024
Profit or loss for the year	43 876	7 031	110 244	52 440
<i>Items that may be reclassified to profit or loss:</i>				
Exchange difference on translation of foreign operations	-9 075	9 425	-25 627	9 425
Total comprehensive income for the year	34 801	16 456	84 618	61 865
Total comprehensive income is attributable to:				
Owners of Pexip Holding ASA	34 801	16 456	84 618	61 865

The above consolidated statement of comprehensive income should be read in conjunction with the accompanying notes.

Consolidated Statement of Financial Position

Date as of June 30

(NOK 1,000)	Notes	06/30/2025	12/31/2024
ASSETS			
Non-current assets			
Property, plant and equipment		17 994	20 124
Right-of-use assets		44 402	51 793
Goodwill		598 998	598 998
Other intangible assets		96 199	95 749
Deferred tax asset		106 152	140 225
Contract costs	4	299 095	325 086
Receivables		556	554
Other assets		4 279	4 841
Total non-current assets		1 167 675	1 237 369
Current assets			
Trade and other receivables		147 744	332 832
Contract assets		7 723	6 737
Other current assets		26 054	19 778
Financial Investments	5	211 324	206 066
Cash and cash equivalents		332 919	422 100
Total current assets		725 764	987 514
TOTAL ASSETS		1 893 439	2 224 882
EQUITY AND LIABILITIES			
Equity			
Total equity		1 384 747	1 607 952
Non-current liabilities			
Borrowings		1 723	1 984
Lease liabilities		36 656	43 510
Deferred tax liabilities		33 980	39 755
Other payables		5	28
Total non-current liabilities		72 363	85 277
Current liabilities			
Trade and other payables		129 452	156 534
Contract liabilities		291 026	354 892
Current tax liabilities		-549	2 104
Borrowings		2	
Lease liabilities		16 398	18 123
Total current liabilities		436 329	531 653
Total liabilities		508 693	616 930
TOTAL EQUITY AND LIABILITIES		1 893 439	2 224 882

Consolidated Statement of Changes in Equity

(NOK 1,000)	Share capital	Share premium	Other reserves	Translation differences	Retained earnings	Total equity
Balance at January 1, 2024	1 523	2 115 938	56 186	14 977	-633 803	1 554 823
Profit or loss for the year					117 905	117 905
Other comprehensive income for the year				20 301		20 301
Total comprehensive income for the year				20 301	117 905	138 206
Buy/sell treasury share	4		605			609
Dividend paid to company's shareholders		-111 745				-111 745
Share-based payments			26 060			26 060
Balance at December 31, 2024	1 527	2 004 193	82 851	35 277	-515 898	1 607 952
Balance at January 1, 2025	1 527	2 004 193	82 851	35 277	-515 898	1 607 952
Profit or loss for the period					110 244	110 244
Other comprehensive income for the year				-25 627		-25 627
Total comprehensive income for the year				-25 627	110 244	84 618
Buy/sell treasury share	20		-55 681			-55 661
Dividend paid to company's shareholders		-259 799				-259 799
Share-based payments			8 326			8 326
Balance at June 30, 2025	1 547	1 744 393	35 496	9 651	-405 654	1 385 435
Balance at January 1, 2024	1 523	2 115 938	56 186	14 977	-633 803	1 554 823
Profit or loss for the period					52 440	52 440
Other comprehensive income for the year				9 425		9 425
Total comprehensive income for the year				9 425	52 440	61 865
By/sell treasury share	4					4
Dividend paid to company's shareholders		-111 745				-111 745
Share-based payments			14 611			14 611
Balance at June 30, 2024	1 527	2 004 193	70 797	24 402	-581 364	1 519 557

Consolidated Statement of Cash Flows

Period January 1 - June 30

	Second Quarter		Year to date	
(NOK 1,000)	Q2 2025	Q2 2024	YTD 2025	YTD 2024
Cash flow from operating activities				
Profit or loss before income tax	56 177	12 454	143 270	72 872
<i>Adjustments for</i>				
Depreciation, amortization and net impairment losses	11 683	19 543	25 762	39 345
Non-cash - share based payments	6 549	4 572	7 637	14 006
Interest income/expenses - net	-3 207	-5 642	-7 428	-11 242
Net exchange differences	-7 296	-9 999	2 977	-6 837
Fair value on Financial Assets at fair value through profit and loss	-2 735	-1 030	-5 257	-1 030
Other adjustments	10	3 818	-1 694	3 806
<i>Change in operating assets and liabilities</i>				
Change in trade, other receivables and other assets	57 664	69 111	175 319	48 366
Change in trade, other payables and contract liabilities	-74 181	-20 321	-74 144	20 405
Interest received	4 014	6 465	9 094	12 944
Income taxes paid/refunded	-5 017	-1 148	-3 911	-2 495
Net cash inflow/outflow from operating activities	43 662	77 823	271 627	190 141
Cash flow from investing activities				
Payment for property, plant and equipment	-1 033	-959	-2 062	-2 205
Payment of software development cost	-8 630	-6 500	-14 451	-14 000
Proceeds from sale of property, plant and equipment	6	255	142	255
Payment for financial assets at fair value through profit or loss*	-	-200 000	-	-200 000
Net cash inflow/outflow from investing activities	-9 657	-207 204	-16 370	-215 950
Cash flow from financing activities				
Dividend paid to company's shareholder	-259 799	-111 745	-259 799	-111 745
Proceeds from borrowings	40	301	104	301
Repayment of borrowings	-26	-28	-90	-395
Principal element of lease payments	-4 638	-3 975	-7 534	-7 019
Interest paid	-936	-822	-1 795	-1 701
Proceeds from release of Treasury shares	1 472	609	2 324	609
Aquisition of treasury shares	-57 985		-57 985	
Net cash inflow/outflow from financing activities	-321 872	-115 660	-324 775	-119 950
Net increase/(decrease) in cash and cash equivalents	-287 867	-245 043	-69 518	-145 759
Cash and cash equivalents start of the period	621 890	628 074	422 100	522 692
Effects of exchange rate changes on cash and cash equivalents	-1 103	2 446	-19 662	8 546
Cash and cash equivalents end of the period	332 919	385 477	332 919	385 477

Note 1 - General

Pexip Holding ASA is the parent company of the Pexip Group. The Group includes the parent company Pexip Holding ASA and its wholly owned subsidiary Pexip AS, which have the wholly owned subsidiaries Pexip Inc, Pexip Ltd, Pexip Australia Pty Ltd, Pexip Japan GK, Pexip Singapore Pte Ltd, Pexip Germany GmbH, Pexip France SAS, Pexip Netherlands B.V, Pexip Belgium NV, Pexip Italy S.R.L and Pexip Spain SL. The Group's head office is located at Lilleakerveien 2a, 0283 OSLO, Norway. Pexip Holding ASA is listed on the Oslo Stock Exchange (Norway) under the ticker PEXIP.

The consolidated condensed interim financial statements comprise the financial statements of the Parent Company and its subsidiaries as of June 30, 2025, authorised for issue by the board of directors on August 13, 2025.

The condensed interim financial statements are unaudited.

Note 2 - Basis of preparation

The condensed interim financial statements for the three months ending on June 30, 2025, have been prepared according to IAS 34 Interim Financial reporting. This quarterly report does not include the complete set of accounting principles and disclosures and should be read in conjunction with the Annual Financial Statement for 2024. All accounting principles applied in preparing this interim financial statement are consistent with the annual report as of 2024. The Group has not early adopted any new standards, interpretations or amendments issued but not yet effective.

Rounding differences may occur.

Note 3 - Revenue and segment information

(NOK 1,000)

The Group has one segment, sale of collaboration services. The market for Pexip's software and services is global. The chief decision maker will therefore follow up revenue and profitability on a global basis. This is consistent with the internal reporting submitted to the chief operating decision maker, defined as the Management Group. The Management Group is responsible for allocating resources and assessing performance as well as making strategic decisions.

Principles of revenue recognition are stated in accounting principles to consolidated financial statements, section 2.3.5 *Revenue from contracts with customers*.

Disaggregation of revenue

In the following table, revenue is disaggregated by primary service line, geography and timing of revenue recognition. In presenting the geographic information, revenue has been based on the geographic location of customers.

Second quarter 2025

	EMEA ¹⁾	Americas	APAC ²⁾	Total
Pexip as-a-Service	66 340	73 202	9 673	149 215
Self-hosted Software	58 847	51 315	21 747	131 909
Total revenue	125 187	124 517	31 420	281 124

Second quarter 2024

	EMEA ¹⁾	Americas	APAC ²⁾	Total
Pexip as-a-Service	65 077	61 134	8 423	134 633
Self-hosted Software	59 849	54 524	16 576	130 949
Total revenue	124 925	115 658	24 999	265 582

Full year (YTD) 2025

	EMEA ¹⁾	Americas	APAC ²⁾	Total
Pexip as-a-Service	133 180	143 898	19 703	296 782
Self-hosted Software	156 630	137 246	38 413	332 289
Total revenue	289 810	281 145	58 116	629 070

Full year (YTD) 2024

	EMEA ¹⁾	Americas	APAC ²⁾	Total
Pexip as-a-Service	126 854	116 783	16 338	259 975
Self-hosted Software	131 366	135 161	31 058	297 586
Total revenue	258 220	251 944	47 396	557 560

	Second quarter	Second quarter
	2025	2024
Timing of revenue recognition		
Products and services transferred at a point in time	87 437	102 257
Products and services transferred over time	193 687	163 325
Total revenue	281 124	265 582

	Year to date	Year to date
	2025	2024
Timing of revenue recognition		
Products and services transferred at a point in time	262 908	238 219
Products and services transferred over time	366 162	319 342
Total revenue	629 070	557 560

¹⁾ Europe, Middle East and Africa

²⁾ Asia Pacific (East and South Asia, Southeast Asia and Oceania)

Information about major customers

The Group conducts its sales through channel partners. No channel partner represents more than 10% of the Group's revenue. Of the Group's total channel partner base as of 30 June 2025, the five largest represent approximately 31% (27% in Q2 2024) of total revenue in Q2 2025, and the ten largest represent about 46% (43% in Q2 2024) of total revenue. Of the Group's total YTD channel partner base per end of Q2 2025, the five largest represent approximately 30% of total revenue (26% per Q2 2024), and the ten largest represent approximately 47% (40% per Q2 2024).

Non-current assets

The following geographic information of non-current assets is based on the geographic location of the assets.

	6/30/2025	6/30/2024
Norway	162 370	203 743
Europe (other than Norway)	136 925	102 433
Americas	127 987	133 160
APAC	30 408	29 973
Total non-current operating assets	457 691	469 309

Non-current assets for this purpose consist of property, plant and equipment, right-of-use assets, other intangible assets and contract costs.

Note 4 - Contract costs

(NOK 1,000)

The decrease of contract costs in Q2 relates to negative net additions of million NOK -3,9 and changes in foreign currencies in foreign operations of million NOK -2,8. Total commission costs activated in the second quarter in 2025 was 20.9 million NOK (24.6 million NOK in Q2 2024). Depreciated cost in the quarter was 24.8 compared to 24.1 in Q2 2024, which is mostly reflected in salary and personell expenses.

Contract costs Q2 movements	2025	2024
Balance at April 1	305 805	307 381
Additions	20 933	24 651
Depreciated during the year	-24 818	-24 112
Translation differences	-2 825	-3 311
Balance at June 30	299 095	304 608

Contract costs YTD movements	2025	2024
Balance at January 1	325 086	299 000
Additions	41 512	44 768
Depreciated during the year	-50 033	-47 259
Translation differences	-17 470	8 099
Balance at June 30	299 095	304 608

Note 5 - Treasury shares

(NOK 1,000)

	Q2 2025	Q4 2024
Total outstanding shares	104 429 671	104 429 671
Number of Treasury shares	1 269 305	2 588 729
Total external shares	103 160 366	101 840 942

	Q2 2025	YTD 2025
Weighted average number of ordinary external shares	103 698 679	103 080 098
Effect of dilutive potential ordinary shares	2 649 829	3 448 738
Weighted average number of ordinary external shares inkl dilutions	106 348 508	106 528 836

Note 6 - Reclassification of comparable numbers in the cash flow statement

Pexip has reclassified the presentation of the investment in money market fund done in May 2024 from cash to financial investment. This reclassification was first done in the Q4 2024 Financial report.

The following cash flow line items are reclassified from Q2 2024 report:

	Second quarter 2024			Year to date 2024		
	Q2 2024 report	Q2 2025 report	change	Q2 2024 report	Q2 2025 report	change
Items within cash flow from operating activities						
Fair value on Financial Assets at fair value through profit and loss	-	-1 030	-1 030	-	-1 030	-1 030
Total effect on cash flow from operating activities	-	-1 030	-1 030		-1 030	-1 030
Items within cash flow from investing activities						
Payment for financial assets at fair value through profit or loss	-	-200 000	-200 000	-	-200 000	-200 000
Total effect on cash flow from investing activities	-	-200 000	-200 000	-	-200 000	-200 000
Net increase/(decrease) in cash and cash equivalents	-44 013	-245 043	-201 030	55 269	-145 759	-201 030
Cash and cash equivalents end of the period	586 506	385 477	-201 030	586 506	385 477	-201 030

Appendix — Alternative performance measures (APMs)

Revenue - Pexip as a service	Revenue from Pexip as a service is the revenue stream for all Pexip products that are delivered to customers as Software as a service. The customer is given access to Pexip Products on a subscription basis.
Revenue - Self hosted Software	Self-Hosted software revenue is revenue from delivering of software licenses to customers, either on a termed subscription or as a perpetual license. This also includes maintenance and installation services or other related consultancy services.
ARR - Contracted Annual Recurring Revenue	Annualized sales from all active subscriptions/contracts and ordered subscriptions with a future start date where the subscription is time-limited and recurring in nature. This corresponds to Pexip's order backlog.
Delta Annual Recurring Revenue (DARR)	The difference in ARR from one period to another
NRR - Net Revenue Retention Rate	The percentage of annual recurring revenue retained from customers' existing in the prior year, including upsell, downsell and churn.
FVTPL	Fair Value through profit or loss

Appendix — Alternative performance measures (APMs)

The Group uses the following terms in the definition of APMs in this Report:

EBITDA	Profit/(loss) for the period before net financial items, income tax expense, depreciation, and amortization and impairment.
	This number can be directly read out of the Consolidated statement of profit or loss.
Adjusted EBITDA	EBITDA adjusted for cost that are not related to the ordinary business and that are non-recurring costs.

Second Quarter	2025	2024	Change	Change in %
EBITDA	56 473	32 992	23 481	71%
Other gains and losses	830	3 038	-2 208	-73%
Adjusted EBITDA for the quarter	57 303	36 030	21 273	59%
Year to date	2025	2024	Change	Change in %
EBITDA	171 570	90 685	80 884	89%
Other gains and losses	-1 809	9 785	-11 594	-118%
Adjusted EBITDA Year to Date	169 761	100 471	69 290	69%

EBITDA-margin EBITDA in percentage of revenue in the same period.

Second Quarter	2025	2024	Change	Change in %
EBITDA	56 473	32 992	23 481	71%
Revenue	281 124	265 582	15 542	6%
EBITDA Margin	20%	12%	8%	62%
Year to date	2025	2024	Change	Change in %
EBITDA	171 570	90 685	80 884	89%
Revenue	629 070	557 560	71 510	13%
EBITDA Margin	27%	16%	11%	68%

EBITDA margin excl other gains and losses Adjusted EBITDA as a percentage of revenues in the same period.

Second Quarter	2025	2024	Change	Change in %
Adjusted EBITDA	57 303	36 030	21 273	59%
Revenue	281 124	265 582	15 542	6%
EBITDA margin excl other gains and losses	20%	14%	7%	50%
Year to date	2025	2024	Change	Change in %
Adjusted EBITDA	169 761	100 471	69 290	69%
Revenue	629 070	557 560	71 510	13%
EBITDA margin excl other gains and losses	27%	18%	9%	50%

Gross Profit Revenue less cost of goods sold

Second Quarter	2025	2024	Change	Change in %
Revenue	281 124	265 582	15 542	6%
Cost of Goods sold	18 637	27 053	-8 416	-31%
Gross Profit	262 487	238 529	23 958	10%
Year to date	2025	2024	Change	Change in %
Revenue	629 070	557 560	71 510	13%
Cost of Goods sold	47 470	54 108	-6 638	-12%
Gross Profit	581 601	503 452	78 149	16%

Gross Margin Gross Profit as a percentage of revenues in the same period.

Second Quarter	2025	2024	Change	Change in %
Gross Profit	262 487	238 529	23 958	10%
Revenue	281 124	265 582	15 542	6%
Gross Margin	93%	90%	4%	4%

Year to date	2025	2024	Change	Change in %
Gross Profit	581 601	503 452	78 149	16%
Revenue	629 070	557 560	71 510	13%
Gross Margin	92%	90%	2%	2%

Free cash flow

The sum of operating cash flow, investing cash flow tied to the operations of the company and principal lease payments. This represents the free cash flow from the business, excluding potential equity or debt financing cash flows as well as potential cash flows related to company acquisitions/divestitures or financial investments. Fair value changes to money market funds held for short-term cash needs is included similar to interest income from cash in bank.

The numbers can be derived out from the cash flow statement

Second Quarter	2025	2024	Change	Change in %
Operating cash flow	43 662	77 823	-34 161	-44%
Investing Cash flow	-9 657	-207 204	197 547	-95%
Principal element of lease payments	-4 638	-3 975	-663	17%
Fair value adjustment of financial investments at FVTPL	2 735	1 030	1 705	166%
Net cash investment of Financial investments at FVTPL	-	200 000	-200 000	-100%
Free cash flow	32 102	67 673	-35 572	-53%

Year to date	2025	2024	Change	Change in %
Operating cash flow	271 627	190 141	81 486	43%
Investing Cash flow	-16 370	-215 950	199 580	-92%
Principal element of lease payments	-7 534	-7 019	-515	7%
Fair value adjustment of financial investments at FVTPL	5 257	1 030	4 228	411%
Net cash investment of Financial investments at FVTPL	-	200 000	-200 000	-100%
Free cash flow	252 980	168 201	84 779	50%

Net debt

Net debt consist of both Non current and Current interest bearing liabilities less Financial Investments and Cash and Cash equivalents. The numbers can be derived from the balance sheet statement.

	2025	2024	Change	Change in %
Non Current Lease liability	36 656	43 510	-6 855	-16%
Non Current Borrowings	1 723	1 984	-261	-13%
Current Lease liabilities	16 398	18 123	-1 725	-10%
Current Borrowings	2	-	2	0%
Total interest bearing Liabilities	54 778	63 617	-8 839	-14%
Cash in bank	332 919	422 100	-89 180	-21%
Financial Investments	211 324	206 066	5 257	100%
Net debt	-489 465	-564 549	75 084	-13%

Declaration in Accordance with 5-5 of the Securities Trading Act

We confirm that the financial statements for the period January 1 to June 30, 2025, have, to the best of our knowledge, been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, liabilities, financial position and profit or loss of the company and the Group.

We also hereby declare that the annual report provides a true and fair view of the financial performance and position of the company, as well as a description of the principal risks and uncertainties facing the company.

Oslo, August 13, 2025

Board of Directors and CEO of Pexip Holding ASA



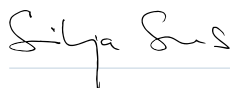
Kjell Skappel
Chair of the Board



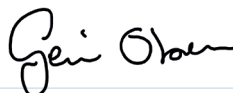
Irene Kristiansen
Board Member



Phillip Austern
Board Member



Silija Seres
Board Member



Geir Langfeldt Olsen
Board Member



Trond K. Johannessen
CEO

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