

PRESS RELEASE 11 January 2018

## Preliminary results for Edgeware Q4 2017

Edgeware's net sales in the fourth quarter 2017 will amount to about SEK 68 million (85), which means the full year net sales will amount to about SEK 237 million (252).

The calculated EBIT for the fourth quarter will amount to about SEK 6 million (10), which means a full year calculated EBIT of about SEK 12 million (19). The gross margin for the quarter amounted to about 74 %. These preliminary numbers are not yet audited.

“Based on experience from previous years' seasonality and revenue split between the quarters, the fourth quarter has not developed in the way we had expected, explains *Joachim Roos*, CEO of Edgeware. We have seen lower spending levels among some of our largest customers compared to forecasts. In addition, year-end budget flushes have been lower than previous years.

We have been successful in growing our business in APAC, but sales have been below expectations in parts of AMERICAS and lower than last year in EMEA. We need to analyse how we sell into the different markets and take action to ensure that our investments in sales capacity will have positive effects. Our products are competitive and the newly developed features and additions to the company's portfolio are well received by existing and new customers.

We continue to have a strong belief in the underlying growth of the TV and video market. We remain confident that we can capture this market growth. Our competitive edge is strong and our gross margins healthy.”

The full fourth quarter and full year report for 2017 will be published on February 12, which is a few days earlier than previously announced.

Edgeware will host a telephone conference tomorrow, January 12 at 10.00 CET with CEO Joachim Roos and CFO Steeve Fuhr answering questions regarding the preliminary results.

Link to the webcast: <https://tv.streamfabriken.com/2018-01-12-press-conference>

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**About Edgeware**

Edgeware offers leading operators and content providers the solutions to deliver modern TV services on a huge scale and at a low cost. Edgeware's unique technology gives control and insight back to the content provider with an outstanding viewing experience. In recent years, Edgeware has experienced rapid growth, reaching sales of SEK 252 million in 2016. Edgeware is headquartered in Stockholm, Sweden, with a subsidiary in the US and offices in Hong Kong and Mexico. Edgeware also has sales and technical sales support staff in several locations in Europe, Asia and North and Latin America. For more information, visit <https://corporate.edgeware.tv/>.