

Oslo, 6th June 2020

Pexip to acquire Videonor's base of enterprise customers

Video communications company, Pexip, and video service provider, Videonor, have agreed that Pexip will take over the ownership and management of Videonor's portfolio of enterprise customers. The agreement will ensure that the customers in question have access to a broader range of video conferencing services suited to enterprise needs. As the majority of these customers are in Norway, the agreement will provide additional revenue growth for Pexip, as well as an even greater market share in Norway.

The agreement is expected to give Pexip an increase in Annual Recurring Revenue (ARR) of between 2 and 3 million USD after completion of the migration. This comes in addition to the ARR for Q2 reported on 2nd July 2020.

"Norway is an important market for Pexip because of the extensive and sophisticated use of video conferencing. We are excited about the opportunity this agreement gives us to broaden our customer base and gain even more Pexip ambassadors in Norway," says Odd Sverre Østlie, CEO of Pexip.

"We have had a partnership with Pexip over several years and we believe that this agreement will benefit both companies, and our customers. With Pexip's unique technology platform, our enterprise customers will now have access to a more complete solution that will closer meet their business needs," said Øyvind Reed, CEO of Videonor.

Telenor is both an owner of Videonor and a channel partner of both Pexip and Videonor.

"We look forward to developing an even closer relationship with Pexip in the years to come, allowing us to deliver leading-edge video solutions to our customers," said Ove Fredheim, SVP Head of Enterprise Division of Telenor Norge AS

The agreement will come into effect from 6th July 2020 and the migration of customers is expected to take 6 - 12 months. Videonor's compensation will be based on the amount of income and customer loyalty transferred to Pexip over the next two years. No further details of the agreement will be provided due to commercial sensitivity.

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