



CXApp Inc. (Nasdaq: CXAI) Announces Record NRR Growth for Q1'24 & Launch of CXAI VU in collaboration with Google Cloud

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Key SaaS Metrics trending significantly upward from 2023 CXAI VU AI-based Analytics Platform launch with Google Cloud

PALO ALTO, CA / ACCESSWIRE / May 23, 2024 / [CXApp Inc.](#) (NASDAQ: CXAI), the global technology leader in employee workplace experiences announced record Net Retention Rate (NRR) of 108% in the first quarter of 2024 and positive trending of key SaaS metrics. This growth is tied to renewals and expansions of seven large Fortune 1000 logos in Q1 across all five verticals- financial services, technology, consumer, healthcare and entertainment.

The Company also announced today the launch of its AI-based Analytics Platform CXAI VU in collaboration with Google Cloud via a separate press release.

The CXAI technology platform represents a shift towards an AI-centric approach in workplace innovation. CXAI seamlessly integrates customer experience (CX) with artificial intelligence (AI) focused around the employee to deliver solutions that transform the way work happens, making workspaces more intuitive and efficient leading to happier and more engaged employees.

[Khurram Sheikh](#), Chairman and CEO of CXApp Inc, expressed confidence in the Company's performance: "We continue to make great progress in shaping the future of work with our record NRR rate this quarter following our record ARR growth in 2023. Our existing customers have reposed confidence in the CXAI technology platform and our roadmap. We are solving real problems in the work environment for them, and they are now planning to scale up with our AI-first solutions across their enterprise footprint. The revolutionary AI-based Analytics platform **CXAI VU** we announced today is a direct result of the interactions with our esteemed clients that will dramatically improve workplace efficiency and employee engagement".

Financial Performance

1. Between January 1st - March 31st, 2024 we had record increase in NRR to 108% that was accomplished primarily by renewing and expanding seven of our large Fortune 1000 across all five verticals.
2. Our **subscription-based recurring** revenue was **87%** of the total revenue, a metric which has been trending upward quarter after quarter and this quarter marks the highest ever in our history, increased 6 points from last quarter.
3. Our **gross margin** for the quarter was **82%** which is an attractive figure that has increased over the last four quarters as our subscription revenues have increased.
4. CXAI's strategy of '**land & expand**' continues to be a key contributor to growing subscription revenues with our existing customer base and with the new CXAI VU analytics product offering we are looking to ramp up product expansions.
5. We have continued to optimize the operational cost structure leveraging our investments in AI and headcount rationalization resulting in a net **20%** operating expense reduction from Q4'23 to Q1'24.

Khurram Sheikh concluded "Q1 was a great start to our business in 2024 and given that AI is transformative to all markets, we are extremely optimistic on the transformation in the workplace experience market using our leading-edge AI platform. We are mission-focused on defining a new category in enterprise software: **Employee Experiences**. We have an amazing customer base diversified globally and across all major sectors ready for massive scale-up with our next generation CXAI platform."

We invite stakeholders, potential clients, and the media to join us on this exciting journey into the future of work. Sign up for our email list to stay updated on CXAI announcements and discover how our partnership with Google Cloud is setting new standards for workplace innovation. For more information on how to engage with CXAI, including upcoming events, webinars, or demonstrations, please visit our website www.cxapp.com

The release is for informational purposes only and is neither an offer to purchase, nor a solicitation of an offer to sell, subscribe for or buy, any securities, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law.

About CXAI Inc

CXAI Inc., is the global technology leader in employee workplace experiences. The Company is headquartered in the SF Bay Area and operates the CXAI SaaS platform that is anchored on the intersection of customer experience (CX) and artificial intelligence (AI) providing digital transformation for the workplace for enhanced experiences across people, places and things.

CXAI's customers include major Fortune 1000 Global Companies in the technology, financial services, consumer, healthcare, and media entertainment verticals.

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Forward-Looking Statements

This press release includes "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1995. The expectations, estimates, and projections of the Company may differ from its actual results and consequently, you should not rely on these forward-looking statements as predictions of future events. Words such as "expect," "estimate," "project," "budget," "forecast," "anticipate," "intend," "plan," "may," "will," "could," "should," "believes," "predicts," "potential," "continue," or the negative or other variations thereof and similar expressions are intended to identify such forward-looking statements. These forward-looking statements include, without limitation, expectations with respect to future performance of the Company, including projected financial information (which is not audited or reviewed by the Company's auditors), and the future plans, operations and opportunities for the Company and other statements that are not historical facts. These statements are based on the current expectations of the Company's management and are not predictions of actual performance. These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from the expected results. Factors that may cause such differences include, but are not limited to: the impact of the COVID-19 pandemic on our business, operations, results of operations and financial condition, including liquidity for the foreseeable future; the demand for the Company's services together with the possibility that the Company may be adversely affected by other economic, business, and/or competitive factors or changes in the business environment in which the Company operates; changes in consumer preferences or the market for the Company's services; changes in applicable laws or regulations; the availability or competition for opportunities for expansion of the Company's business; difficulties of managing growth profitably; the loss of one or more members of the Company's management team; loss of a major customer and other risks and uncertainties included from time to time in the Company's reports (including all amendments to those reports) filed with the SEC. The Company cautions that the foregoing list of factors is not exclusive. You should not place undue reliance upon any forward-looking statements, which speak only as of the date made. The Company does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in its expectations or any change in events, conditions, or circumstances on which any such statement is based, except as required by law. These forward-looking statements should not be relied upon as representing the Company's assessments as of any date subsequent to the date of this communication.

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