



The Trusted Communication Platform

Investors Presentation

November 2021

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INVESTOR PRESENTATION

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NON-GAAP FINANCIAL MEASURE AND RELATED INFORMATION

This presentation includes reference to Adjusted Gross Margin, Adjusted EBITDA and Adjusted Earnings Per Share (EPS), i.e. financial measures that are not prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). Adjusted Gross Margin is defined as of any date of calculation, the consolidated revenues of Kaleyra and its subsidiaries, net of the cost of goods sold calculated from the unaudited consolidated financial statements of such party and its subsidiaries, plus (i) the amortization of acquired intangible assets running through cost of goods sold. Adjusted EBITDA is defined as of any date of calculation, the consolidated earnings of Kaleyra and its subsidiaries, before finance income and finance cost (including bank charges), tax, depreciation and amortization calculated from the unaudited consolidated financial statements of such party and its subsidiaries, plus (i) transaction expenses, (ii) without duplication of clause (i), severance or change of control payments, (iii) any expenses related to company restructuring, (iv) the Adjusted EBITDA for pre-acquisition period of subsidiaries, (v) any compensation expenses relating to stock options, restricted stock units, restricted stock or similar equity interests as may be issued by Kaleyra or any of its subsidiaries to its or their employees and (vi) any provision for the write down of assets. Adjusted EPS is calculated by dividing the adjusted net income (loss) by the weighted number of shares outstanding. Adjusted net income (loss) is defined as of any date of calculation, the net income (loss) of Kaleyra and its subsidiaries, plus: (i) transaction expenses, (ii) without duplication of clause (i), severance or change of control payments, (iii) any expenses related to company restructuring, (iv) any compensation expenses relating to stock options, restricted stock units, restricted stock or similar equity interests as may be issued by Kaleyra or any of its subsidiaries to its or their employees, (v) any provision for the write down of assets, (vi) the amortization of acquired intangible assets and (vii) the amortization of debt discount and issuance costs of convertible financial instruments. The pre-2019 pro forma earnings of Kaleyra, which is an Italian company, and its subsidiaries, which include subsidiaries outside of the U.S., may not be prepared in conformance with Article 11 of Regulation S-X of the U.S. Securities and Exchange Commission (the "SEC"). Kaleyra's management believes that these non-GAAP measures of Kaleyra's financial results will provide useful information to investors regarding certain financial and business trends relating to Kaleyra's anticipated financial condition and results of operations. Investors should not rely on any single financial measure to evaluate Kaleyra's anticipated business. Certain of the financial metrics in this presentation can be found in Kaleyra's Form 10-K for the fiscal year ended December 31, 2020, filed with the "SEC" on March 16, 2021, and in Kaleyra's Form 10-Q for the quarter ended September 30, 2021 filed with the "SEC" on November 9, 2021, and the reconciliation of Adjusted Gross Margin, Adjusted EBITDA and Adjusted EPS can be found on slide 23-25 of this presentation.

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Overview

Brand-to-consumer relationships require many channels, and consumers often face coverage gaps when engaging with brands.

9 out of 10 consumers want an omnichannel experience
with seamless service between communication methods.*

This experience is hard for businesses to create.



The solution is omnichannel communication.

Kaleyra bridges the gaps between businesses and their customers through powerful communication tools.

Kaleyra solves the need of building consistent customer relationships wherever and whenever consumers interact with the brand.

Kaleyra is
The Trusted
Communication Platform as a Service,
or *The Trusted CPaaS*, in short.



Some of our customers

AirAsia

INTESA  SANPAOLO

Flipkart 

zomato

nexi



 Rakuten Viber

TATA img

Some of our top-notch partnerships and integrations

Google



ORACLE

VISA



aws partner network

Globally recognized for excellent products, customer service, and security



Recognized among Top Five
Established Leaders

in CPaaS Competitor Leaderboard



Recognized as Representative Vendor

in Market Guide for Communications Platform
as a Service



Future
Digital
Awards

Gold Winner

Best RCS Provider
Telco Innovation Awards 2021





Trusted CpaaS



**Global
Footprint with
Localized
Servicing**



**Enterprise
Focused**



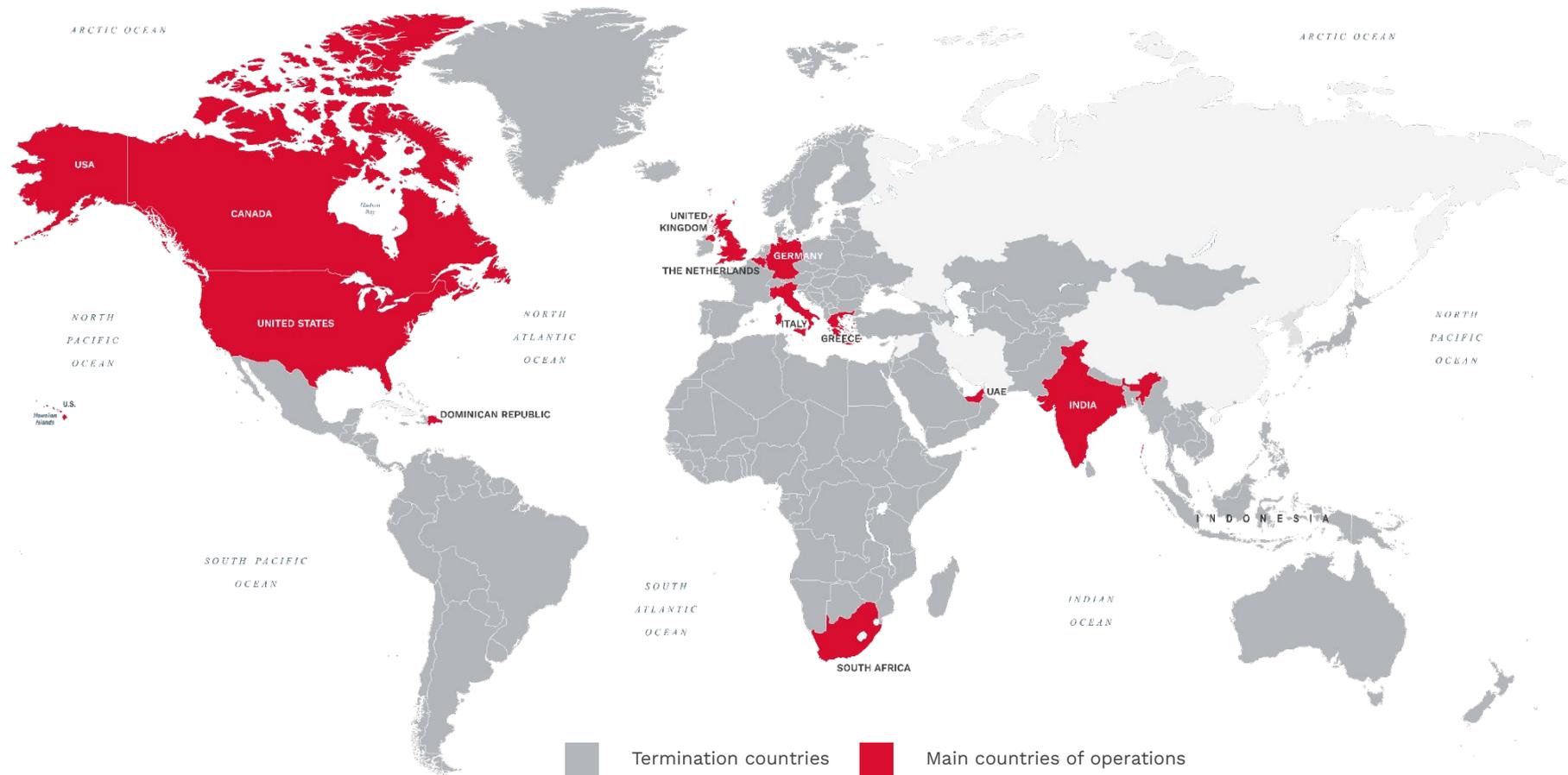
**High Quality,
Security, and
Reliability**



**Track Record in
Transactional
Communications**



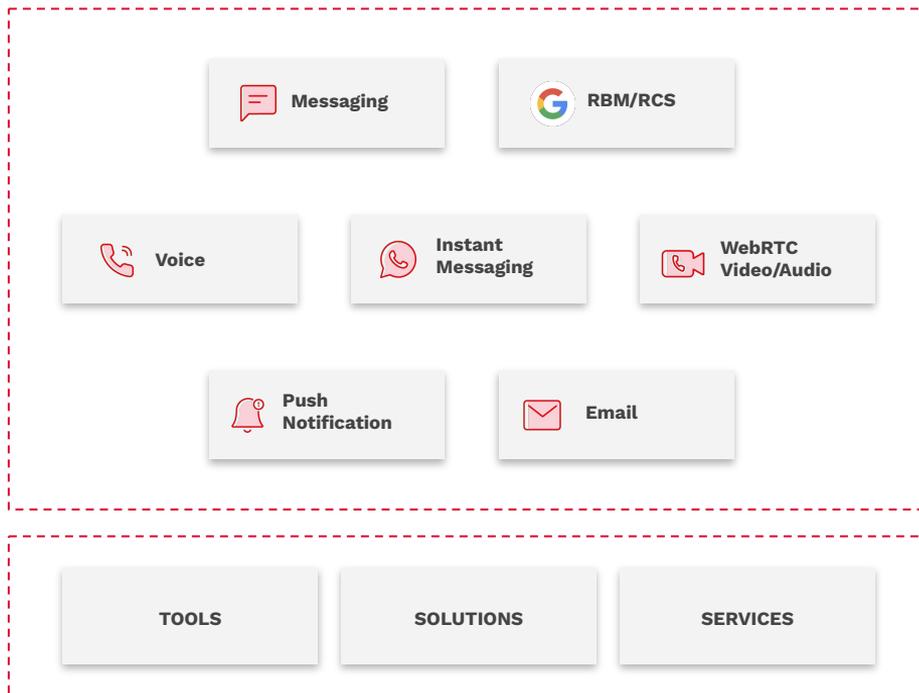
**Experience With
Highly-regulated
Sectors**



Our Platform

Mobile business communication services

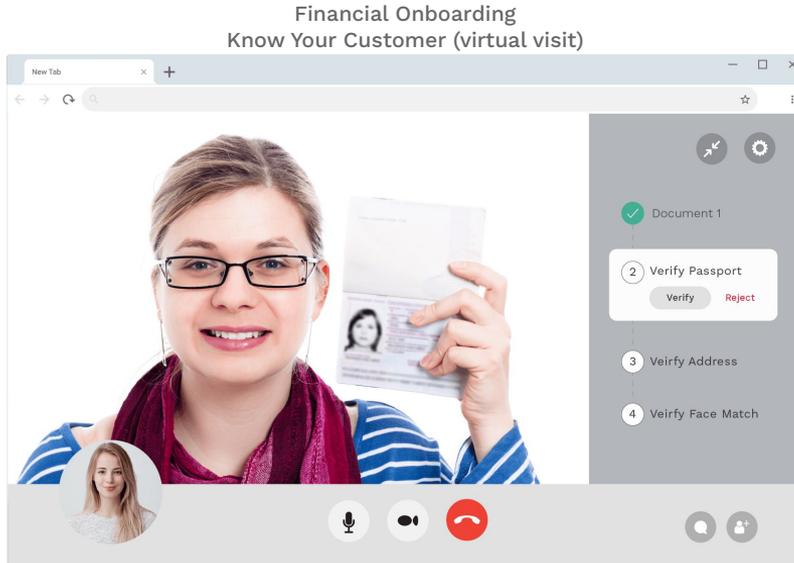
Kaleyra offers a wide variety of **mobile communications channels, tools, solutions, and services** that large businesses can access through APIs or a user-friendly web interface.



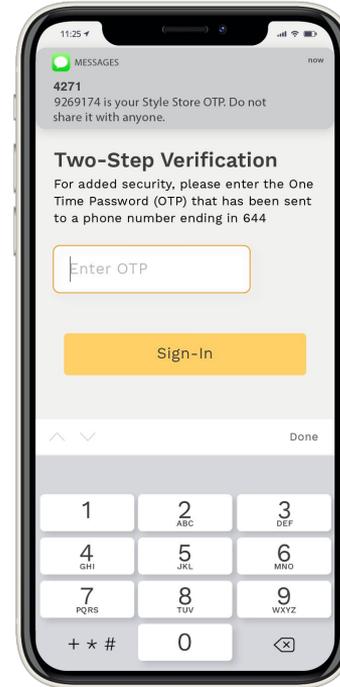
CPaaS: multiple use cases in many industries

Whether it's for One-Time Passwords, transactional alerts, promotional communications, video applications, or making phone calls to customers, **almost every enterprise makes use of communication services.**

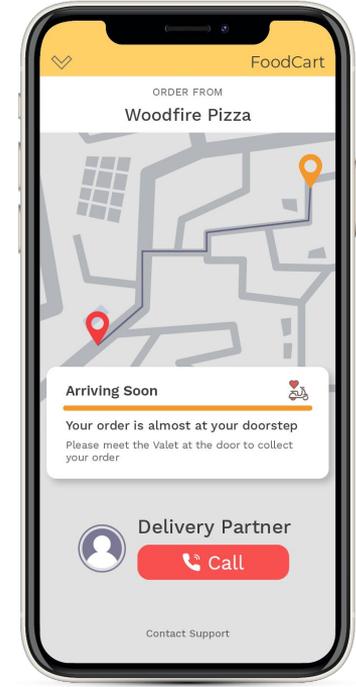
We cater to businesses across **many verticals** including **financial services, e-commerce, retail, healthcare, travel, and education.**



E- Commerce
(One-Time Password)



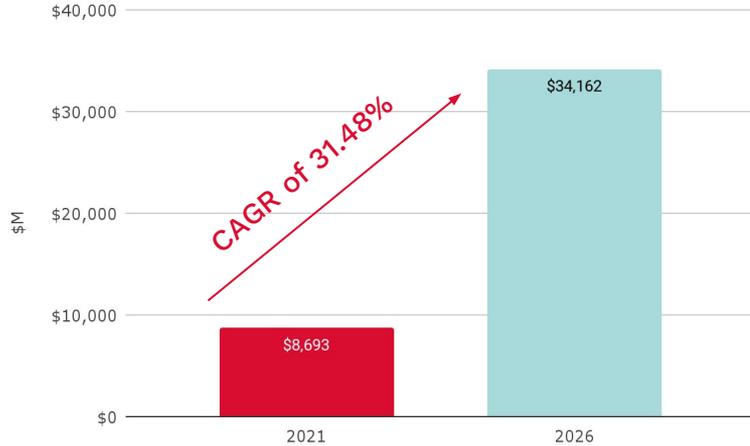
Food Delivery
(Click-to-Call)



Kaleyra's total addressable market

CPaaS market

is expected to reach \$34,162 (\$m) in 2026
from \$8,693 (\$m) in 2021

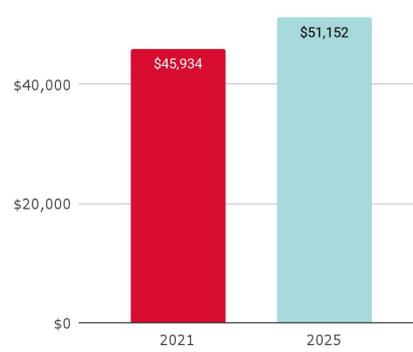


Average Expected CAGR: + 31.48%

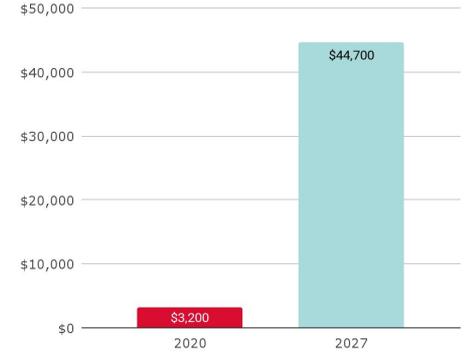
Sources:
- Juniper Research 2021
- Market Study Report, 2020



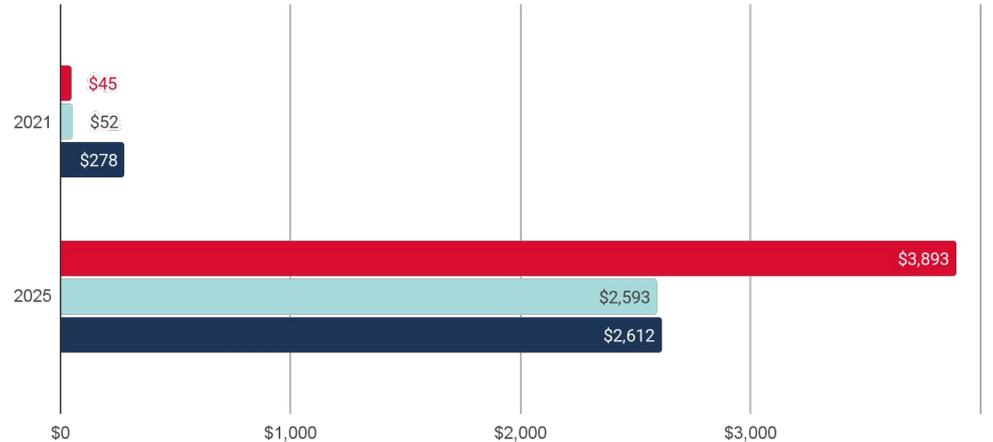
A2P Messaging Market Revenue (\$m)



Web Real-Time Communication Market (\$m)



RCS Market Revenue | OTT Messaging CPaaS Market Revenue | Voice CPaaS Market Revenue



Financial Overview

Q3 2021*

(*) Financial information is including the consolidation of mGage and Bandyer from the date of closing of the plan of merger (June 1, 2021 and July 8, 2021, respectively)

Kaleyra's Q3 2021 at a glance

Q3 2021 data

13.5B

Messages

1.5B

Voice Calls

3,800+

Global Customers

1,600+

Network Operator
Connections

540

Employees
Worldwide

17

Global Offices
(APAC - EU - Americas)

Customer Highlights for Fiscal Quarter Ended September 30th

- **64.9% of revenue** came from customers which have **been on the platform for at least one year**
- **47.1% of revenue** is related to the top 10 customers with a **churn rate of zero in the last year**
- Revenue by country breakdown: **US (30.1%), India (26.1%), Italy (24.5%), South America (11.0%) and Other European and Asian Countries (8.3%)**
- Only one customer accounting for more than **10% of revenue**

Financial highlights - Q3 2021

\$84.0M
+120% period
over period

Revenue

- Transformational increase in revenue
- Global revenue footprint and well-balanced portfolio across geographies
- Organic growth of +30% period over period
- Solid customer-base revenue with zero churn rate on the top 10 customers
- Over 47% of quarterly growth from existing customers

25.0%
vs. 20.0% prior
year comparable
period

Adj. Gross Margin⁽¹⁾

- Largest period over period percentage increase (+174% vs Q3 2020) as a public company
- Main drivers of gross margin expansion are the organic growth of Kaleyra legacy business and the effects of the business combination with mGage

\$8.0M
vs. \$2.2M prior
year comparable
period

Adj. EBITDA⁽¹⁾

- Backs out \$7.1M of stock-based compensation and \$2.9M of transaction and one-off costs
- Triple-digit increase of 273% period over period
- Adj. EBITDA is \$8.0M compared to \$2.2M of prior year comparable period, the increase is mainly due to the effects of the business combination with mGage and synergies

\$83.4M net
current assets vs.
\$(3.7)M net
current liabilities
year end 2020

Current assets vs. current liabilities

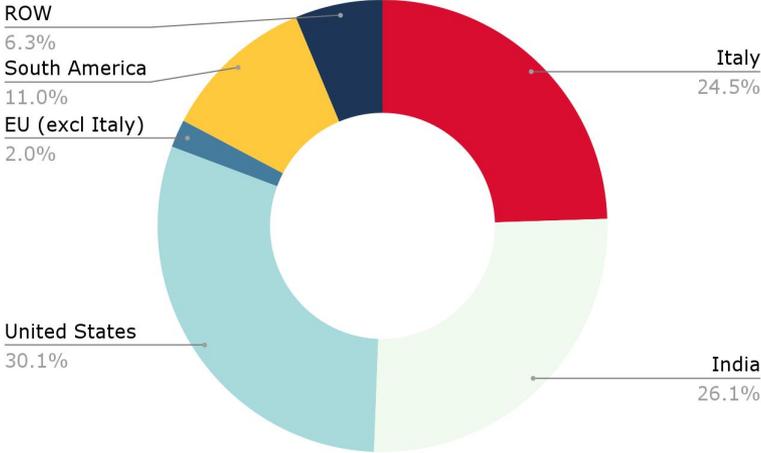
- Warrants buy-back through cash disbursement of \$5.5M
- \$13.3M cash-paid consideration for the acquisition of Bandyer with \$1.7M in escrow
- Significant amount of cash & equivalents, restricted cash and short term investments (\$108M) in order for the Group to be focused on organic and external growth

Main KPIs

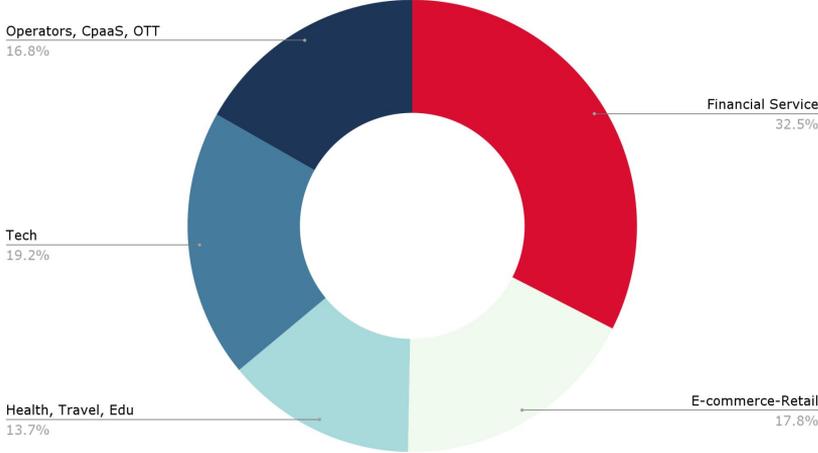


Kaleyra's global and diversified customer base

Q3 2021 Geographic Mix



Q3 2021 Revenue Split



Appendix

Quarterly consolidated statements of operations

The following table shows the quarterly condensed consolidated statements of operations prepared in accordance with US GAAP.

<i>(\$ in millions, except share and per share data)</i>	Q3 FY 2021	Q3 FY 2020	PoP Change	PoP % Change
Revenue	\$84.0	\$38.3	\$45.8	120%
Cost of revenue	\$64.4	\$30.8	\$33.7	109%
Gross profit	\$19.6	\$7.5	\$12.1	161%
Research and development	\$7.2	\$2.3	\$4.9	217%
Sales and marketing	\$7.3	\$3.4	\$3.8	112%
General and administrative	\$12.6	\$6.4	\$6.2	96%
Total operating expenses	\$27.1	\$12.1	\$14.9	123%
Loss from operations	(\$7.5)	(\$4.6)	\$2.8	61%
Other expense, net	(\$3.6)	(\$1.0)	\$2.7	272%
Loss before income taxes	(\$11.1)	(\$5.6)	\$5.5	98%
Income tax expense (benefit)	\$0.8	(\$0.3)	\$1.0	391%
Net Loss	(\$11.9)	(\$5.3)	\$6.5	122%
Net Loss per common share basic and diluted	(\$0.29)	(\$0.19)	\$0.10	53%
Weighted average shares, basic and diluted	41,554,876	28,330,869		

Consolidated Balance Sheets

(\$ in millions)	(Unaudited) as of 09/30/2021	(Audited) as of 12/31/2020	YoY Change
Cash and cash equivalents	\$70.3	\$33.0	113%
Restricted cash	\$1.7	-	NM
Short-term investments	\$36.4	\$4.8	653%
Trade receivables, net	\$82.7	\$43.7	90%
Deferred cost	\$0.3	-	NM
Prepaid expenses	\$3.4	\$1.4	138%
Other current assets	\$4.4	\$2.1	107%
TOTAL CURRENT ASSETS	\$199.4	\$85.0	134%
Property and equipment, net	\$17.2	\$6.7	156%
Intangible assets, net	\$130.1	\$7.6	NM
Goodwill	\$110.7	\$16.7	564%
Deferred tax assets	-	\$0.7	-100%
Other long-term assets	\$0.4	\$1.8	-78%
TOTAL ASSETS	\$457.8	\$118.5	286%

Note: Figures derived from US GAAP financials, except as otherwise indicated.

(\$ in millions)	(Unaudited) as of 09/30/2021	(Audited) as of 12/31/2020	YoY Change
Accounts payable	\$74.7	\$51.8	44%
Debt for forward share purchase agreements	-	\$0.5	-100%
Notes payable due to related parties	-	\$7.5	-100%
Lines of credit	\$5.5	\$5.3	4%
Current portion of bank and other borrowings	\$10.5	\$10.8	-3%
Deferred revenue	\$11.1	\$3.7	202%
Payroll and payroll related accrued liabilities	\$5.5	\$3.3	66%
Other current liabilities	\$8.9	\$6.0	48%
TOTAL CURRENT LIABILITIES	\$116.0	\$88.8	31%
Long-term portion of bank and other borrowings	\$26.6	\$32.0	-17%
Long-term portion of notes payable	\$189.6	\$2.7	NM
Long-term portion of employee benefit obligation	\$2.2	\$1.9	14%
Deferred tax liabilities	\$2.4	-	NM
Other long-term liabilities	\$2.0	\$0.6	232%
TOTAL LIABILITIES	\$338.8	\$125.9	169%
Common stock	\$0.0	\$0.0	33%
Additional paid-in capital	\$246.2	\$93.6	163%
Treasury stock	(\$30.4)	(\$30.4)	0%
Accumulated other comprehensive loss	(\$2.3)	(\$2.8)	-19%
Accumulated deficit	(\$94.5)	(\$67.8)	39%
TOTAL STOCKHOLDERS' EQUITY (DEFICIT)	\$119.0	(\$7.4)	NM
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	\$457.8	\$118.5	286%

Quarterly non-GAAP adjusted gross margin reconciliation

The following table shows the reconciliation of the unaudited Non-GAAP Adjusted Gross Margin as reported in the investors presentation. The unaudited figures have been derived from financials prepared in accordance with US GAAP.

<i>Item (\$ Thousands)</i>	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021
GAAP Consolidated Gross Profit	\$ 4,731	\$ 4,353	\$ 7,505	\$ 7,847	\$ 6,324	\$ 10,463	\$ 19,611
GAAP Consolidated Gross Profit Margin %	14.1%	14.0%	19.6%	17.7%	15.9%	19.4%	23.3%
Amortization of acquired intangibles	\$ 160	\$ 156	\$ 158	\$ 159	\$ 160	\$ 674	\$ 1,360
Non-GAAP Consolidated Gross Profit	\$ 4,891	\$ 4,509	\$ 7,663	\$ 8,006	\$ 6,484	\$ 11,137	\$ 20,971
Non-GAAP Consolidated Gross Profit Margin %	14.5%	14.5%	20.0%	18.1%	16.3%	20.6%	25.0%

Amortization of acquired intangible assets in Q3 2021 is mainly driven by the acquisitions of mGage and Bandyer.

Note: Management uses non-GAAP financial measures to evaluate period-to-period comparisons. Management believes these measures provide useful information about the Company's operating results and financial performance. These non-GAAP financial measures are not measures prepared in accordance with GAAP and might not be consistent with similar measures used by other companies. These non-GAAP financial measures shall not be considered as an alternative to any other measures of performance prepared under generally accepted accounting principles.

Quarterly non-GAAP adjusted EBITDA reconciliation

The following table shows the reconciliation of the unaudited Non-GAAP Adjusted EBITDA as reported in the investors presentation. The unaudited figures have been derived from financials prepared in accordance with US GAAP.

Item (\$ Thousands)	Q1 FY 2020	Q2 FY 2020	Q3 FY 2020	Q4 FY 2020	Q1 FY 2021	Q2 FY 2021	Q3 FY 2021
Net Income (Loss)	(\$ 8,823)	(\$ 8,128)	(\$ 5,333)	(\$ 4,527)	(\$ 10,358)	(\$ 4,487)	(\$ 11,859)
Other Income, Net	(\$ 42)	(\$ 11)	(\$ 38)	(\$ 21)	(\$ 45)	(\$ 47)	(\$ 66)
Financing Expense	\$ 41	\$ 518	\$ 468	\$ 448	\$ 719	\$ 908	\$ 3,542
Currency Effects	(\$ 168)	\$ 415	\$ 548	\$ 558	(\$ 355)	\$ 191	\$ 162
Income Taxes	(\$ 589)	(\$ 313)	(\$ 263)	(\$ 1,110)	\$ 34	(\$ 7,408)	\$ 766
Income (Loss) from Operations	(\$ 9,581)	(\$ 7,519)	(\$ 4,618)	(\$ 4,652)	(\$ 10,005)	(\$ 10,843)	(\$ 7,455)
Depreciation & Amortization	\$ 638	\$ 631	\$ 638	\$ 865	\$ 909	\$ 2,551	\$ 5,516
GAAP EBITDA	(\$ 8,943)	(\$ 6,888)	(\$ 3,980)	(\$ 3,787)	(\$ 9,096)	(\$ 8,292)	(\$ 1,939)
Stock-based compensation, preference shares and others	\$ 6,273	\$ 4,825	\$ 5,219	\$ 3,975	\$ 5,455	\$ 5,987	\$ 7,058
Transaction and one-off costs	\$ 2,420	\$ 1,774	\$ 911	\$ 1,419	\$ 2,497	\$ 4,467	\$ 2,894
Non-GAAP Adjusted EBITDA	(\$ 250)	(\$ 289)	\$ 2,150	\$ 1,607	(\$ 1,144)	\$ 2,162	\$ 8,013

Note: Management uses non-GAAP financial measures to evaluate period-to-period comparisons. Management believes these measures provide useful information about the Company's operating results and financial performance. These non-GAAP financial measures are not measures prepared in accordance with GAAP and might not be consistent with similar measures used by other companies. These non-GAAP financial measures shall not be considered as an alternative to any other measures of performance prepared under generally accepted accounting principles.

Quarterly non-GAAP adjusted Earnings Per Share (EPS) reconciliation

The following table shows the reconciliation of the unaudited Non-GAAP Adjusted Gross Margin as reported in the investors presentation. The unaudited figures have been derived from financials prepared in accordance with US GAAP.

Item (\$ Thousands, except per share data)	Q1 2020	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021
GAAP Net income (Loss)	(\$ 8,823)	(\$ 8,128)	(\$ 5,333)	(\$ 4,527)	(\$ 10,358)	(\$ 4,487)	(\$ 11,859)
Transaction and one-off costs	\$ 2,420	\$ 1,774	\$ 911	\$ 1,419	\$ 2,497	\$ 4,467	\$ 2,894
Stock-based compensation, preference shares and other	\$ 6,273	\$ 4,825	\$ 5,219	\$ 3,975	\$ 5,455	\$ 5,987	\$ 7,058
Amortization of acquired intangibles	\$ 417	\$ 401	\$ 401	\$ 399	\$ 398	\$ 1,775	\$ 4,185
Amortization of issuance costs for convertible debt	-	-	-	-	-	\$ 196	\$ 409
Estimated tax effects of adjustments (1)	(\$ 570)	(\$ 260)	(\$ 307)	(\$ 1,142)	\$ 27	(\$ 617)	\$ 702
Discrete tax items	-	-	-	-	-	(\$ 6,817)	\$ 231
Total adjustments	\$ 8,540	\$ 6,740	\$ 6,224	\$ 4,651	\$ 8,377	\$ 4,991	\$ 15,479
Non-GAAP Net income (Loss)	(\$ 283)	(\$ 1,388)	\$ 891	\$ 124	(\$ 1,981)	\$ 504	\$ 3,620
GAAP Net loss per share							
Earnings (Loss) per share (basic)	(0.44)	(0.39)	(0.19)	(0.15)	(0.34)	(0.13)	(0.29)
Earnings (Loss) per share (diluted)	(0.44)	(0.39)	(0.19)	(0.15)	(0.34)	(0.13)	(0.29)
Non-GAAP net loss per share							
Non-GAAP earnings (loss) per share (basic)	(0.01)	(0.07)	0.03	0.00	(0.07)	0.01	0.09
Non-GAAP earnings (loss) per share (diluted)	(0.01)	(0.07)	0.02	0.00	(0.07)	0.01	0.07

(1) The Non-GAAP estimated tax effects of adjustments is determined by using the Effective Tax Rate (ETR) calculated for the three-months period, excluding discrete tax items.

Note: Management uses non-GAAP financial measures to evaluate period-to-period comparisons. Management believes these measures provide useful information about the Company's operating results and financial performance. These non-GAAP financial measures are not measures prepared in accordance with GAAP and might not be consistent with similar measures used by other companies. These non-GAAP financial measures shall not be considered as an alternative to any other measures of performance prepared under generally accepted accounting principles.

Share count of Kaleyra Common Stock

KLR (NYSE) shares of Common Stock as of September 30, 2021:

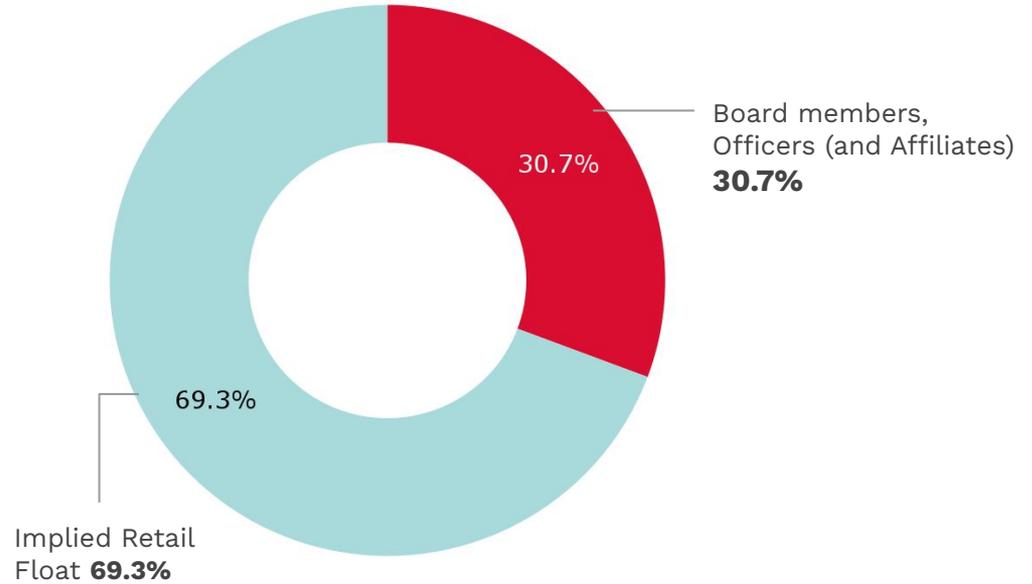
- issued and outstanding: 41,682,771

Note:

Shares beneficially owned by management (other than Directors and Officers) are included in the Implied Retail Float

At September 30, 2021

● BOD members, Officers (and Affiliates) ● Implied Retail Float





Thank You

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investors@kaleyra.com



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Investor Contact:

Tom Colton or Matt Glover
Gateway Investor Relations
949-574-3860
KLR@gatewayir.com