



kaleyra

The Trusted CPaaS

Investors Presentation
February 2021

INVESTOR PRESENTATION

This communication is for informational purposes only. The information contained herein does not purport to be all-inclusive. The data contained herein is derived from various internal and external sources. No representation is made as to the reasonableness of the assumptions made within or the accuracy or completeness of any projections, modelling or back-testing or any other information contained herein. Any data on past performance, modelling or back-testing contained herein is no indication as to future performance. Kaleyra, Inc. ("Kaleyra" or, the "Company") assumes no obligation to update the information in this communication. This presentation is not an offer to buy or the solicitation of an offer to sell Kaleyra securities.

FORWARD LOOKING STATEMENTS

This presentation contains forward-looking statements within the meaning of U.S. federal securities laws. Such forward-looking statements include, but are not limited to, statements regarding the expectations, hopes, beliefs, intentions, plans, prospects or strategies regarding the future business plans of Kaleyra's management team and the Company's financial results. Any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. In addition, any statements that refer to projections, forecasts or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. The words "anticipate," "believe," "continue," "could," "estimate," "expect," "intends," "may," "might," "plan," "possible," "potential," "predict," "project," "should," "would" and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. The forward-looking statements contained in this presentation are based on certain assumptions of Kaleyra's management in light of its experience and perception of historical trends, current conditions and expected future developments and their potential effects on Kaleyra as well as other factors Kaleyra's management believes are appropriate in the circumstances. There can be no assurance that future developments affecting Kaleyra will be those anticipated. These forward-looking statements involve a number of risks, uncertainties (some of which are beyond the control of Kaleyra) or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. Should one or more of these risks or uncertainties materialize, or should any of the assumptions being made prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. Kaleyra undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

Certain industry and market data information in this presentation is based on the estimates of Kaleyra's management. Kaleyra's management obtained the industry, market and competitive position data used throughout this presentation from internal estimates and research as well as from industry publications and research, surveys and studies conducted by third parties. Kaleyra's management believes these estimates to be accurate as of the date of this presentation. However, this information may prove to be inaccurate because of the method by which management obtained some of the data for its estimates or because this information cannot always be verified due to the limits on the availability and reliability of raw data, the voluntary nature of the data gathering process.

NON-GAAP FINANCIAL MEASURE AND RELATED INFORMATION

This presentation includes reference to Adjusted EBITDA, a financial measure that is not prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). Adjusted EBITDA is defined as of any date of calculation, the consolidated pro forma 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. 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 this non-GAAP measure 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, 2019, filed with the "SEC" on April 22, 2020, and in Kaleyra's Form 10-K for the year ended December 31, 2020 that will be filed with the "SEC" no later than March 16, 2021, and the reconciliation of Adjusted EBITDA can be found on slide 25 of this presentation.

TRADEMARKS AND INTELLECTUAL PROPERTY

All trademarks, service marks, and trade names of Kaleyra and its subsidiaries or affiliates used herein are trademarks, service marks, or registered trademarks of Kaleyra as noted herein. Any other product, company names, or logos mentioned herein are the trademarks and/or intellectual property of their respective owners.

We're a
Communication Platform as a Service,
or **CPaaS**, for short.



Founded in 1999 and
listed on the NYSE in 2019.

Mobile business communication services...

Companies need to
communicate with
their customers:

**Kaleyra is the
trusted partner to
make it happen.**



Kaleyra offers a wide variety of **mobile communications channels**, that developers and enterprises can access through APIs or a user-friendly web interface.



Messaging



WhatsApp



Voice



Chatbot



Numbers



Conversations



Flow Builder



Look Up



Email



Contact Center



**Push
Notifications**



Verify



Video



WebRTC

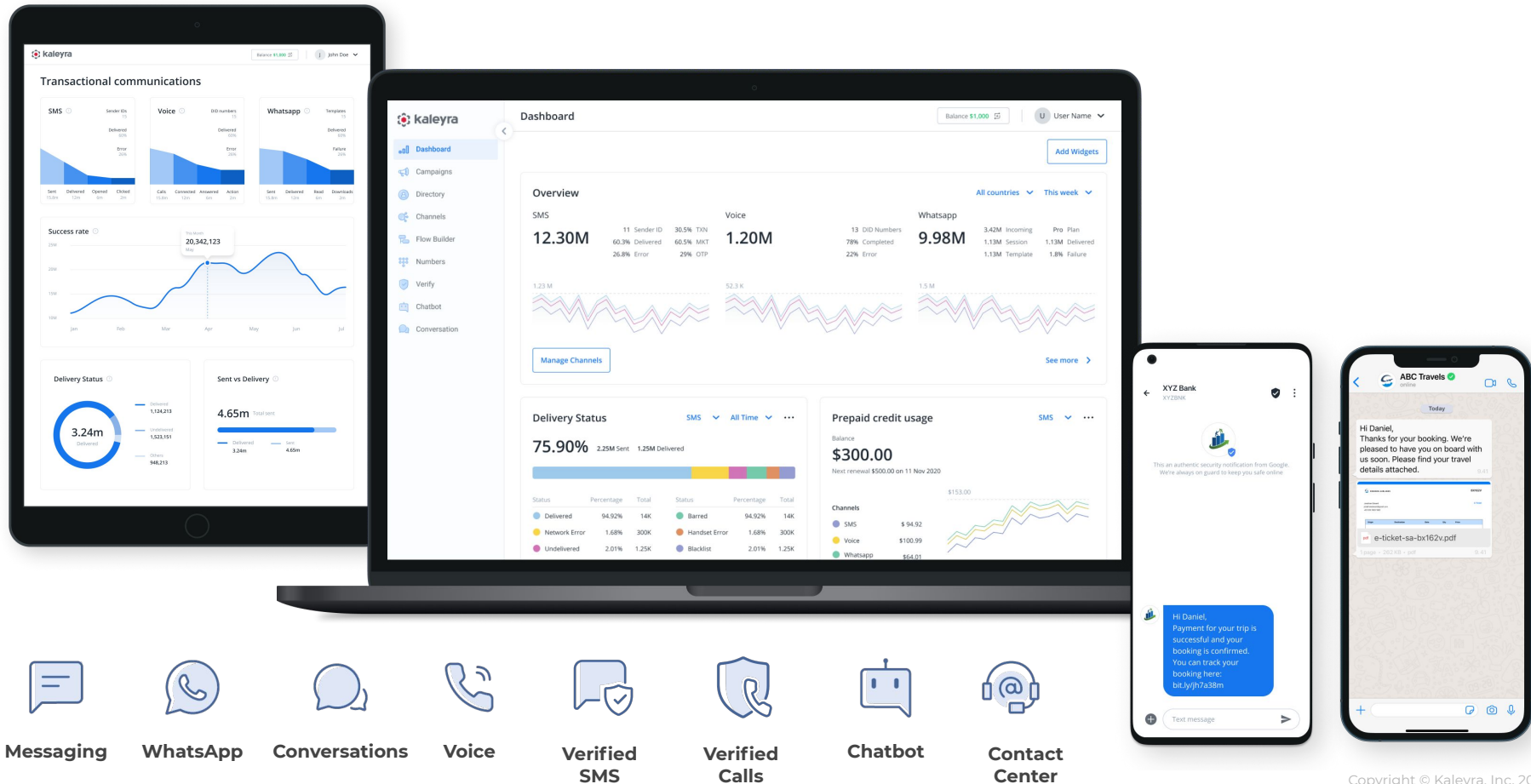


Verified SMS



Verified Calls

... through APIs or a user-friendly web interface



CPaaS: multiple use cases in many industries



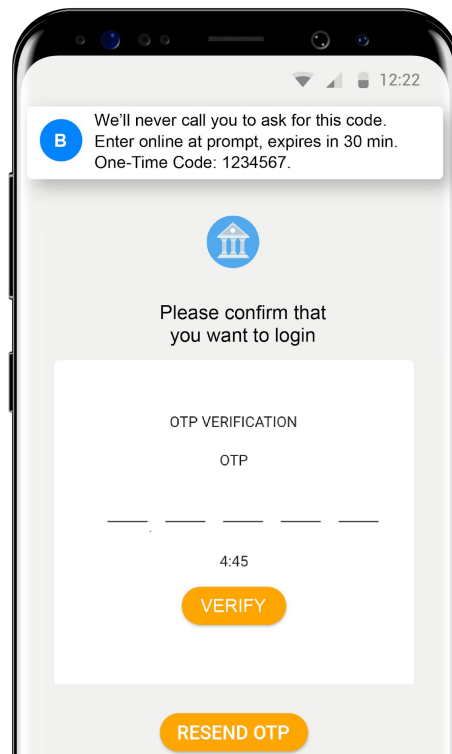
Whether it's for OTPs, transactional alerts, promotional communications, video applications, or making phone calls to customers, **almost any enterprise makes use of communication services.**

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

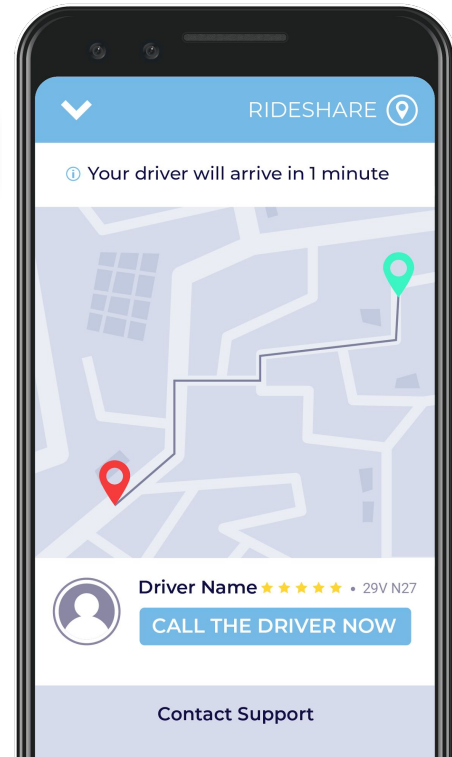
Healthcare (virtual visit)

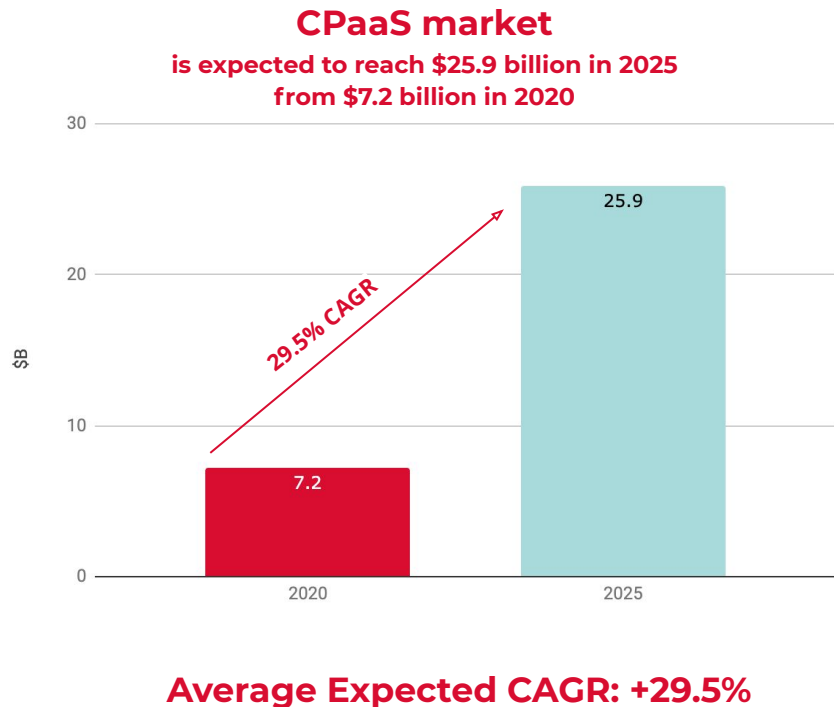


Financial Services (OTP)



Travel (Click-to-Call)





Source: Juniper Research, *CPaaS-2020-2025-Deep-Dive-Data-and-Forecasting*

How the adjacent markets will evolve

A2P Messaging Market⁽¹⁾

The size of the global A2P messaging market will grow from \$61B in 2019 to \$78B in 2022

Contact Centers Market⁽²⁾

CCaaS experiences robust growth that achieves a revenue CAGR of 29% over the 2019-2024 forecast period (\$5 billion to \$17.9 billion).

Chatbots Usage⁽³⁾

Chatbots interactions to reach \$2.8 billion by 2023, as Conversational AI becomes the future of Healthcare, increasing from an estimated \$21 million in 2018, with an average annual growth of 167%. Healthcare to represent 10% of all chatbot interactions across key verticals such as banking, eCommerce and social media by 2023.

Video Conferencing Market⁽⁴⁾

The global video conferencing market size was \$5.32 billion in 2019 and is projected to reach \$10.92 billion by 2027, exhibiting a CAGR of 9.7% during the forecast period.

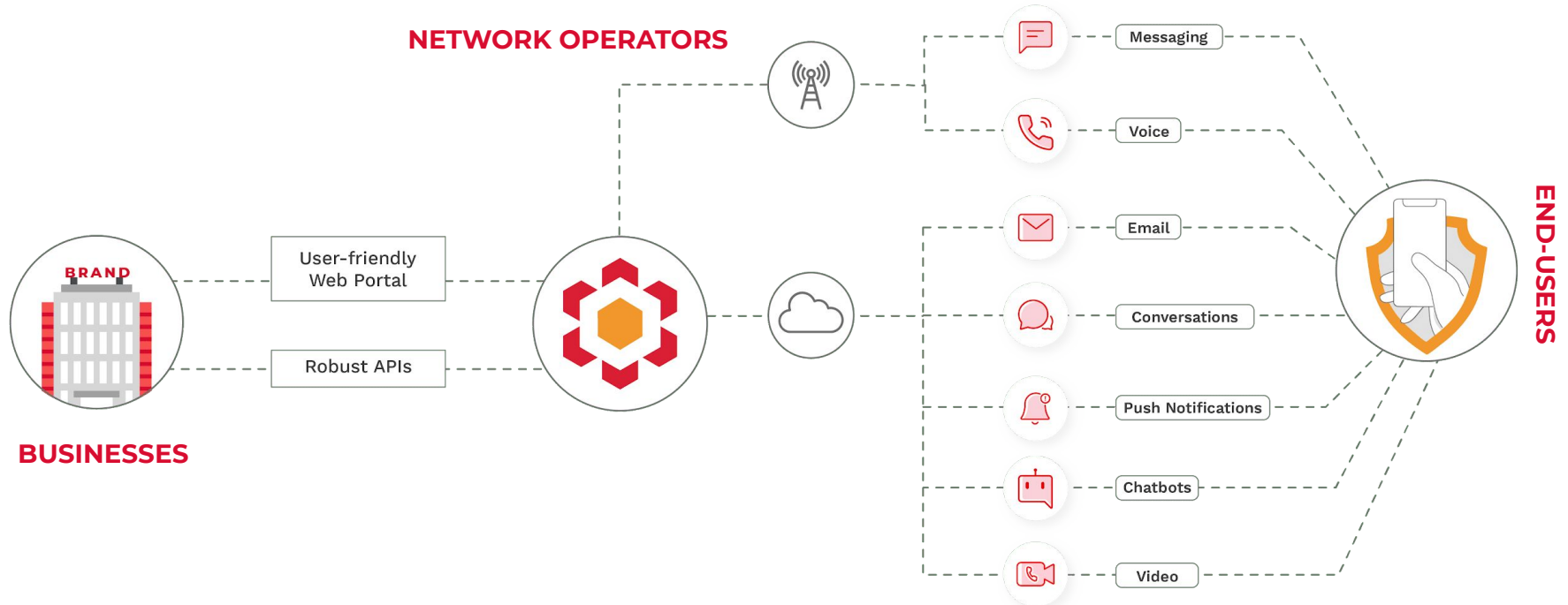
(1) Statista estimates, Credence Research (2020)

(2) Gartner, Forecast Analysis: Contact Centers, Worldwide (2021)

(3) Source: Juniper Research (2020)

(4) Source: Fortune Business Insights (2020)

A CPaaS **reduces the immense complexity of cloud communications** by establishing connections between businesses and network operators/carriers. Indeed, building a network of carriers is difficult and takes years of negotiations. Thanks to CPaaS, businesses access a variety of communication tools without building expensive back-end infrastructure.





Cloud And On-premise

In line with customers' needs, Kaleyra continues investing in its data centers while enabling **public cloud** (99.99% uptime), **hybrid cloud**, **private cloud** and **on-premise deployments**



Connectivity

Kaleyra is a network operator itself, "OLO" (Other Licensed Operator). It has over **1600 network connections** and **210 direct carrier connections** to ensure high quality, unmatched pricing, and delivery efficiency



High Deliverability

Intelligent **high-priority routing** assures unparalleled speed/throughput, consistency and pricing



Scalability

With the ability to transmit high volumes of messages and easily handle traffic spikes, Kaleyra answers to the requests of global customers for **scalability and flexibility**



APIs or UI based, for developers and business users

Platform functionality is available through easy-to-use, frequently-updated **APIs** along with error logs; or through a **user-friendly web interface**.

24/7 Global support*

- Average Support Response Time: 30 mins
- 99% Call Answer Rate
- Dedicated support to the top 150 customers
- Detailed technical documentation



Included in 2020

Market Guide for
Communications Platform as a Service



**Future
Digital
Awards**

Gold Winner

CPaaS Provider of the Year (EMEA)
Digital Services Provider Awards 2020



**Future
Digital
Awards**

Gold Winner

Best RCS Provider
Telco Innovation Awards 2021



”

An excellent company to work with, fantastic team of relationship managers, help is never too far when you are working with Kaleyra. We have been working with Kaleyra for 3 years now and every time there is help needed, they have provided us with excellent and quality services.



”

I have been using for 8 months to integrate the sms service for my bookings in the android app. I was amazed to see that with only one line of code, sms was working. I tried Whatsapp and audio call features.



Q4 2020 data

7.1B

Messages

1.4B

Voice Calls

3,500+

Global Customers

13

Global Offices
(APAC - EU - US)

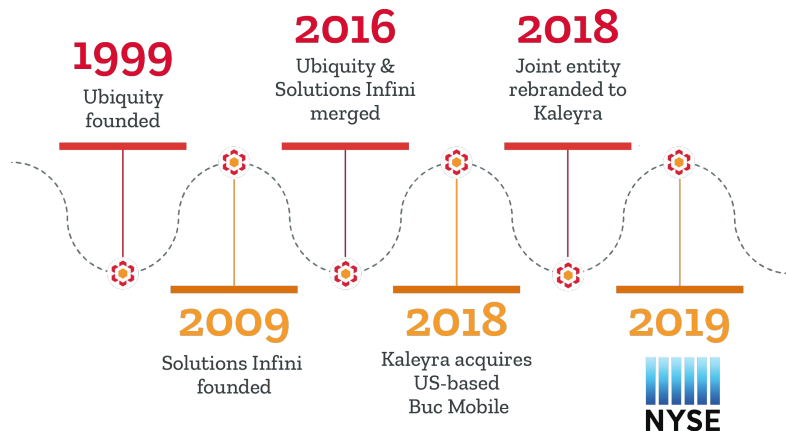
350+

Employees
Worldwide

1,600+

Network Operator
Connections

Our history



Main news of 2020

- APR - **Kaleyra launches k-lab**, a Dedicated Innovation Lab to Develop Mobile CX Solutions for the Financial Services Industry
- JUL - Kaleyra Expands Connectivity Service Footprint with Several of the **Largest OTT Internet Media** and App Services Companies
- SEPT - Kaleyra Launches **Verified Calls Services for Google**
- NOV - Kaleyra Announces Two New Agreements with Top Financial Institutions (**Mastercard**) from k-lab Initiatives

Customer Highlights for Fiscal Quarter Ended Dec. 31st, 2020* - The highest ever Quarter for Kaleyra

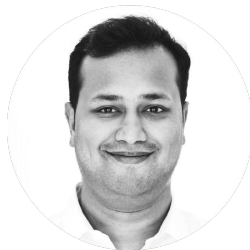
- 89.5% of revenue** came from customers which have **been on the Platform for at least one year**
- 51.9% of revenue** is related to the top 10 customers with a **churn rate of zero in the last year**
- Revenue by country breakdown: **Italy (41.4%), India (27.4%), US (15.6%)** and **Other European and Asian Countries (15.6%)**
- No individual customer accounting for more than **10% of revenue**
- Over 3,500 customers**
- Partnerships with**





Dario Calogero

Chief Executive Officer



Ashish Agarwal

Chief Technology Officer



Giacomo Dall'Aglia

Chief Financial Officer



Aniketh Jain

Chief Revenue Officer



Filippo Monastra

Chief of Staff



Soren Schafft

General Manager, Connectivity and Industry Solutions



Nicola Junior Vitto

Chief Product Officer





Avi Katz, Ph.D.

Chairman



Dario Calogero

Director



Emilio Hirsch, Ph.D.

Director



Esse Effe, S.p.A.



Matteo Lodrini

Director



John Mikulsky

Director



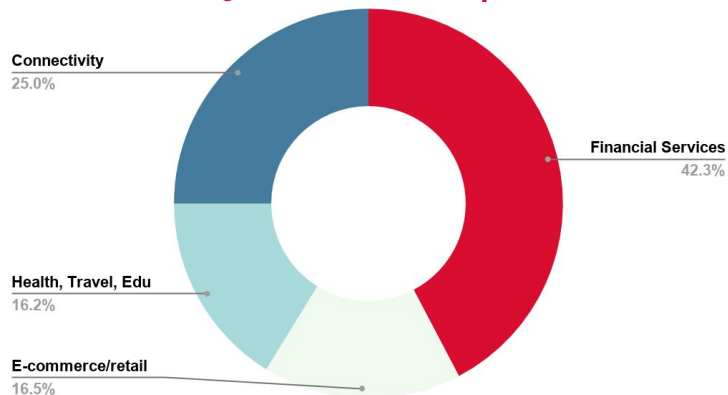
Neil Miotto

Director

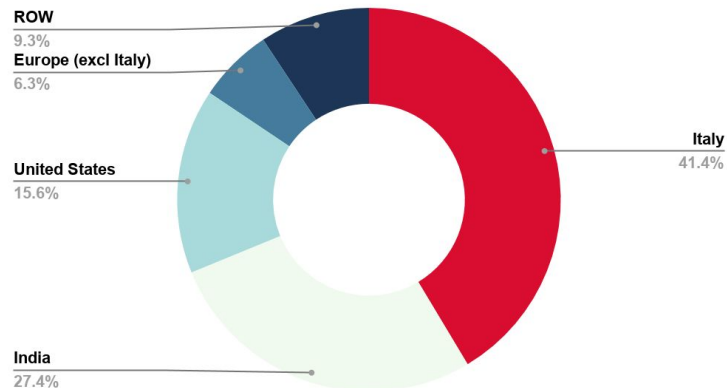


- The **highest ever quarter** for Kaleyra, totalling \$44.3M in revenue
- **Highly predictable revenue** with 65%+ of KLR's growth in Q4 2020 coming from its existing customers
- No individual customer accounting for more than 10% of revenue
- About 48% of revenue generated in Europe, 27% from India and 16% from the US

Q4 2020 Revenue Split



Q4 2020 Geographic Mix



Some of our customers



FINANCIAL OVERVIEW

\$44.3M
+24% period
over period

Revenue*

- Highest ever quarterly revenue
- Overperforming the guidance previously disclosed to the market
- Over 65% of quarterly growth from existing customers

18%
vs. 23% prior
year
comparable
period

Gross Margin*

- Recovering from the effect of the COVID-19 pandemic, despite soft lockdown in some geographies
- Benefit from the renegotiation of agreements in premium services in Italy
- Increased penetration in the US connectivity market

\$1.6M
vs. \$5.6M prior
year
comparable
period

Adj. EBITDA⁽¹⁾

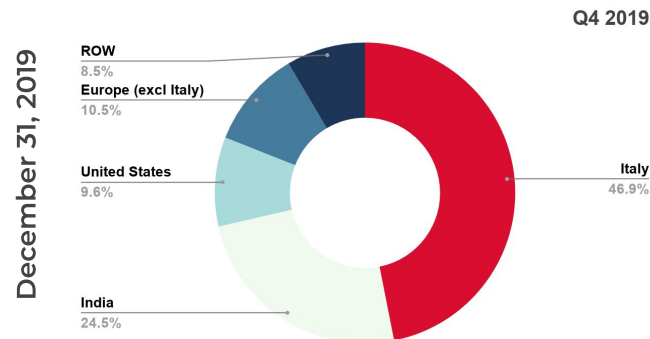
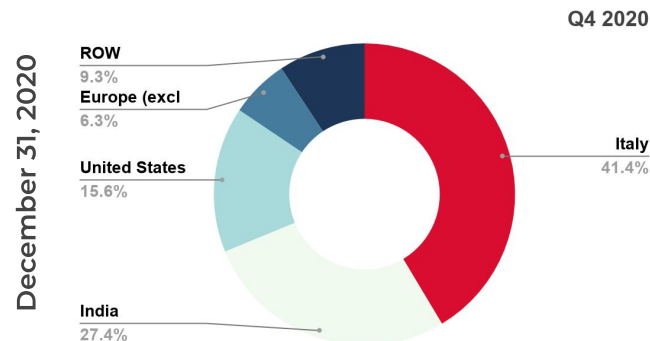
- Backs out \$4.0M of stock-based compensation and \$1.4M of transaction and one-off costs
- Includes \$1.5M initial public company compliance costs not included in Q4 2019
- Comparable Adj. EBITDA was \$3.1M before public company compliance costs, considering also about \$1.3M in personnel cash-costs to strengthen our growth

\$30.2M
-19% vs year
end 2019

Reduction in Total liabilities*

- A portion of the new sources procured on the market have been used to settle almost all the liabilities deriving from the business combination (deSPAC process);
- Now the Group can be focused on organic and external growth

Revenue by Geography



2020 YE FINANCIAL INFORMATION

\$147.4M
+14% year over year

Revenue*

- Overperforming the guidance previously disclosed to the market
- Over 80% of annual growth from existing customers
- Addition of a large new enterprise customer
- Strong and consistent annual revenue growth

17%
vs. 20% prior year

Gross Margin*

- Recovering from the effect of the COVID-19 pandemic
- Benefit from the renegotiation of agreements in premium services in Italy
- Increased penetration in the US connectivity market

\$3.2M
vs. \$11.1M prior year

Adj. EBITDA⁽¹⁾

- Backs out \$20.3M of stock-based compensation and others and \$6.5M of transaction and one-off costs
- Includes \$4.3M initial public company compliance costs not included in YE 2019
- Comparable Adj. EBITDA was \$7.5M before public costs, considering also about \$6.3M in personnel cash-costs to strengthen our growth

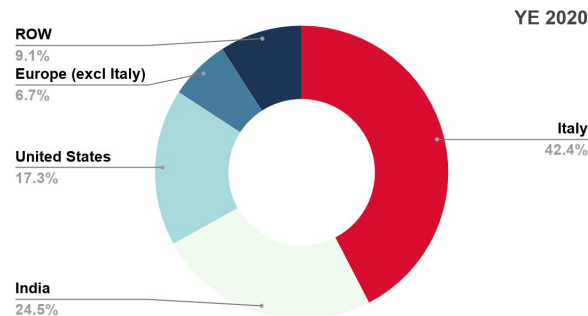
\$30.2M
-19% vs year end 2019

Reduction in Total liabilities*

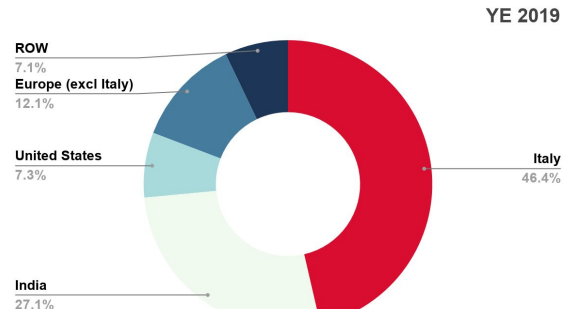
- A portion of the new sources procured on the market have been used to settle almost all the liabilities deriving from the business combination (deSPAC process);
- Now the Group can be focused on organic and external growth

Revenue by Geography

December 31, 2020



December 31, 2019



**7.1
Billion**
+7.6% vs prior
period

Messages

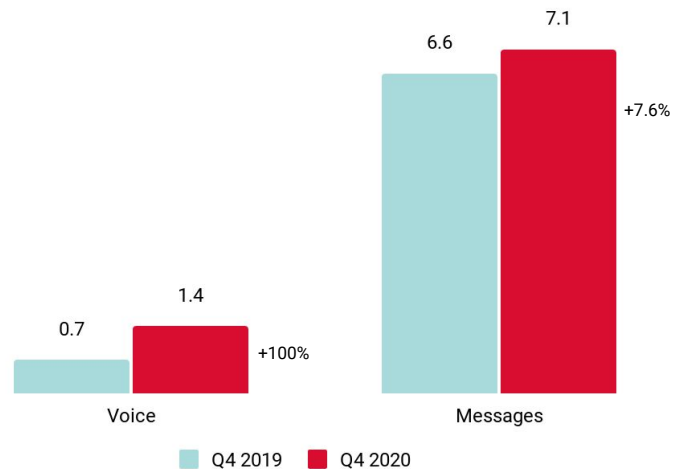
- An increase in Enterprise business, partially offset by a change in the geographic mix in Connectivity business

**1.4
Billion**
+100% vs prior
period

Voice Calls

- Increase in volumes in the Indian region, the growth in data returning to a situation pre-COVID-19
- Voice service carries higher gross margins than messaging

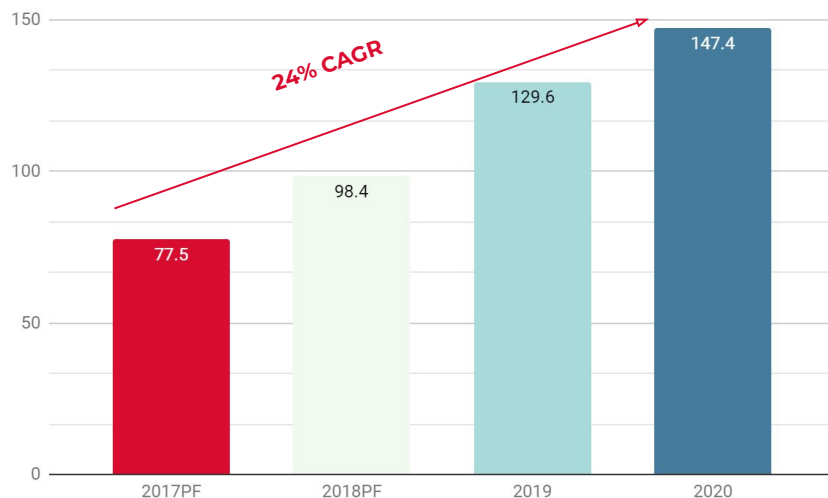
Volumes by Service (billions)



STRONG GROWTH IN REVENUE

Strong historical top line growth with a robust pipeline for future growth via new product roadmap, M&A and industry tailwinds

Consolidated Revenue* | \$ in Millions



	2018PF	2019	2020
YoY Growth %	27%	32%	14%
Gross Margin %	20%	20%	17%

Adjusted EBITDA | \$ in Millions

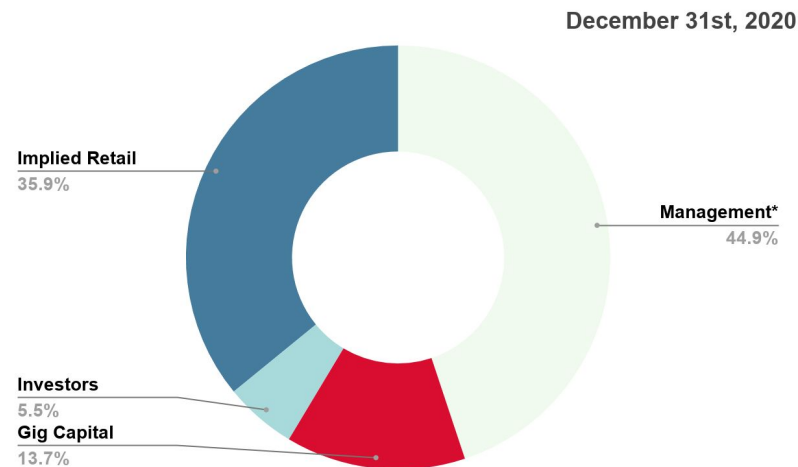
Adjusted EBITDA amounted to \$4.2 million, \$7.4 million, \$11.1 million and \$3.2 million as of December 31, 2017PF, 2018PF, 2019 and 2020, respectively.

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

- PF refers to Pro Forma adjusted for subsidiaries acquired, the consolidated financials of such party and its subsidiaries and related finance and transaction fees.
- Revenue represented on a pro forma basis to include the impact of organic growth only (excludes the impact of acquisitions).

Ownership Summary: December 31, 2020

<u>Ownership</u>	<u>Shares</u>	<u>Percent</u>
Management and Affiliates	13,602,949	44.9%
GigCapital Sponsors and Affiliates	4,136,832	13.7%
Investors Associated with DeSPAC process	1,666,930	5.5%
<u>Implied Retail Float</u>	<u>10,881,976</u>	<u>35.9%</u>
Shares Outstanding	30,288,687	100.0%



(*) assuming no shares selling by the management of Kaleyra

APPENDIX

ANNUAL AND QUARTERLY CONSOLIDATED STATEMENTS OF OPERATIONS*

The following table shows the audited financial year consolidated statements of operations prepared in accordance with US GAAP.

(\$ in Million)	Q4 FY 2020	Q4 FY 2019	2020	2019
Revenue	\$44.3	\$35.6	\$147.4	\$129.6
Cost of revenue	\$36.4	\$27.6	\$122.9	\$103.2
Gross profit	\$7.8	\$8.1	\$24.4	\$26.4
Research and development	\$2.3	\$1.4	\$9.7	\$5.3
Sales and marketing	\$2.7	\$1.6	\$12.9	\$6.0
General and administrative	\$7.5	\$6.8	\$28.2	\$17.4
Loss of equity investments	\$0.0	\$0.0	\$0.0	\$0.0
Total operating expenses	\$12.5	\$9.8	\$50.8	\$28.8
Loss from operations	(\$4.7)	(\$1.8)	(\$26.4)	(\$2.4)
Other financial expense, net	(\$1.0)	(\$0.3)	(\$2.7)	(\$0.8)
Loss before income taxes	(\$5.6)	(\$2.1)	(\$29.1)	(\$3.2)
Income tax expense (benefit)	(\$1.1)	\$1.6	(\$2.3)	\$2.3
Net Loss	(\$4.5)	(\$3.6)	(\$26.8)	(\$5.5)
Net Loss per common share basic and diluted	(\$0.2)	(\$0.3)	(\$1.1)	(\$0.5)
Weighted average shares, basic and diluted	29,690,742	14,322,326	24,652,004	11,603,381

BALANCE SHEET*

(\$ in Million)	(Audited) as of 12/31/2019	(Unaudited) as of 12/31/2020	YoY Change
Cash and cash equivalents	\$16.1	\$33.0	NM
Restricted cash	\$20.9	\$0.0	(100%)
Short-term investments	\$5.1	\$4.8	(5%)
Trade receivables, net	\$39.5	\$43.7	10%
Prepaid expenses	\$0.6	\$1.4	NM
Other current assets	\$4.2	\$2.1	(49%)
TOTAL CURRENT ASSETS	\$86.5	\$85.0	(2%)
Property and equipment, net	\$3.4	\$6.7	98%
Intangible assets, net	\$9.4	\$7.6	(19%)
Goodwill	\$17.0	\$16.7	(2%)
Deferred tax assets	\$0.0	\$0.7	100%
Other long-term assets	\$1.2	\$1.8	49%
TOTAL ASSETS	\$117.4	\$118.5	1%

* Unaudited financial information

(\$ in Million)	(Audited) as of 12/31/2019	(Unaudited) as of 12/31/2020	YoY Change
Accounts payable	\$63.3	\$51.8	(18%)
Debt for forward share purchase agreements	\$34.0	\$0.5	(99%)
Notes payable	\$1.7	\$0.0	(100%)
Notes payable due to related parties	\$9.4	\$7.5	(20%)
Lines of credit	\$3.6	\$5.3	45%
Current portion of bank and other borrowings	\$7.6	\$10.8	43%
Deferred revenue	\$1.4	\$3.7	162%
Preference shares	\$0.7	\$0.0	(100%)
Preference shares due to related parties	\$1.8	\$0.0	(100%)
Payroll and payroll related accrued liabilities	\$1.0	\$3.3	NM
Other current liabilities	\$1.4	\$6.0	NM
TOTAL CURRENT LIABILITIES	\$125.9	\$88.8	(30%)
Long-term portion of bank and other borrowings	\$16.1	\$32.0	98%
Long-term portion of notes payable	\$0.0	\$2.7	100%
Long-term portion of notes payable due to related parties	\$7.5	\$0.0	(100%)
Long-term portion of employee benefit obligation	\$1.4	\$1.9	35%
Deferred tax liabilities	\$2.0	\$0.0	NM
Other long-term liabilities	\$3.2	\$0.6	(81%)
TOTAL LIABILITIES	\$156.2	\$125.9	(19%)
Common stock	\$0.0	\$0.0	50%
Additional paid-in capital	\$2.1	\$93.6	NM
Treasury stock	\$0.0	(\$30.4)	(100%)
Accumulated other comprehensive (loss) income	\$0.1	(\$2.8)	NM
Accumulated deficit	(\$41.0)	(\$67.8)	65%
TOTAL STOCKHOLDERS' EQUITY (DEFICIT)	(\$38.8)	(\$7.4)	(81%)
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	\$117.4	\$118.5	1%

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

ANNUAL AND QUARTERLY 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 (\$ M)	Q1 FY 2019	Q2 FY 2019	Q3 FY 2019	Q4 FY 2019	Total FY 2019	Q1 FY 2020	Q2 FY 2020	Q3 FY 2020	Q4 FY 2020	Total FY 2020
GAAP Net Income (Loss)	(\$ 1.4)	(\$ 1.3)	\$ 0.8	(\$ 3.6)	(\$ 5.5)	(\$ 8.8)	(\$ 8.1)	(\$ 5.3)	(\$ 4.5)	(\$ 26.8)
Other Income, Net	(\$ 0.1)	(\$ 0.0)	(\$ 0.0)	(\$ 0.0)	(\$ 0.1)	(\$ 0.0)	(\$ 0.0)	(\$ 0.0)	(\$ 0.0)	(\$ 0.1)
Financing Expense	(\$ 0.1)	\$ 0.1	\$ 0.1	\$ 0.2	\$ 0.4	\$ 0.0	\$ 0.5	\$ 0.5	\$ 0.4	\$ 1.5
Currency Effects	\$ 0.3	(\$ 0.1)	\$ 0.3	\$ 0.1	\$ 0.5	(\$ 0.2)	\$ 0.4	\$ 0.5	\$ 0.6	\$ 1.4
Income Taxes	\$ 0.1	\$ 0.5	\$ 0.2	\$ 1.6	\$ 2.3	(\$ 0.6)	(\$ 0.3)	(\$ 0.3)	(\$ 1.1)	(\$ 2.3)
Income (Loss) from Operations	(\$ 1.2)	(\$ 0.8)	\$ 1.4	(\$ 1.8)	(\$ 2.4)	(\$ 9.6)	(\$ 7.5)	(\$ 4.6)	(\$ 4.7)	(\$ 26.4)
Depreciation & Amortization	\$ 0.7	\$ 0.7	\$ 0.7	\$ 0.7	\$ 2.6	\$ 0.6	\$ 0.6	\$ 0.6	\$ 0.9	\$ 2.8
EBITDA	(\$ 0.5)	(\$ 0.2)	\$ 2.0	(\$ 1.1)	\$ 0.2	(\$ 8.9)	(\$ 6.9)	(\$ 4.0)	(\$ 3.8)	(\$ 23.6)
Stock-based compensation, preference shares and others	\$ 0.3	\$ 0.1	\$ 0.1	\$ 1.6	\$ 2.1	\$ 6.3	\$ 4.8	\$ 5.2	\$ 4.0	\$ 20.3
Transaction and one-off costs	\$ 0.6	\$ 1.7	\$ 1.4	\$ 4.6	\$ 8.3	\$ 2.4	\$ 1.8	\$ 0.9	\$ 1.4	\$ 6.5
Company restructuring	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.5	\$ 0.5	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0
Adjusted EBITDA	\$ 0.3	\$ 1.7	\$ 3.5	\$ 5.6	\$ 11.1	(\$ 0.3)	(\$ 0.3)	\$ 2.2	\$ 1.6	\$ 3.2
Costs not comparable to previous year (1)	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 1.0	\$ 1.1	\$ 0.7	\$ 1.5	\$ 4.3
Adjusted EBITDA comparable to PY	\$ 0.3	\$ 1.7	\$ 3.5	\$ 5.6	\$ 11.1	\$ 0.7	\$ 0.8	\$ 2.8	\$ 3.1	\$ 7.5

(1) These costs represent public company costs that were not incurred in 2019. Most of these costs are expected to occur going forward.

Note: Management uses non-GAAP financial measures such as Adjusted EBITDA 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.



Thank You

For further details, scan this QR code:



investors@kaleyra.com



Copyright © Kaleyra, Inc. 2021