

 bandwidth

+

 voxbone



On today's call



David Morken
Co-Founder, CEO,
& Chairman



Jeff Hoffman
CFO

Forward-looking statements:

This presentation contains certain forward-looking statements . All statements contained in this presentation other than statements of historical facts, including, without limitation, statements regarding our ability to consummate the acquisition with Voxbone, future financial and business performance, attractiveness of our product offerings and platform and the value proposition of our products, are forward-looking statements. The words “anticipate,” “believe,” “continue,” “estimate,” “expect,” “intend,” “guide,” “may,” “will” and similar expressions and their negatives are intended to identify forward-looking statements. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives and financial needs. These forward-looking statements are subject to a number of risks and uncertainties, including, without limitation, our ability to consummate the acquisition with Voxbone, risks related to our rapid growth and ability to sustain our revenue growth rate, competition in the markets in which we operate, market growth, our ability to innovate and manage our growth, our ability to expand effectively into new markets, our ability to operate in compliance with applicable laws, as well as other risks and uncertainties set forth in the “Risk Factors” section of our Form 10-K for the year ended December 31, 2019, filed with the Securities and Exchange Commission and any subsequent reports that we file with the Securities and Exchange Commission after December 31, 2019. Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, we cannot guarantee future results, levels of activity, performance, achievements or events and circumstances reflected in the forward-looking statements will occur. We are under no obligation to update any of these forward-looking statements after the date of this presentation to conform these statements to actual results or revised expectations, except as required by law. You should, therefore, not rely on these forward-looking statements as representing our views as of any date subsequent to the date of this presentation.

October 12, 2020

TWO CLOUD COMMUNICATIONS LEADERS:

One united, global vision

A new global leader for enterprise-grade CPaaS



Overview

Bandwidth announces plans to acquire international cloud communications leader Voxbone.

Two leading U.S. and international cloud platforms come together to supercharge enterprise communications **across 60+ countries representing 93% of global GDP.**

Global enterprises will benefit from a unified software platform and network for the rapid launch and hyper-scale of communications applications and experiences.

Voxbone will continue to operate as it does today while the leaders of both teams plan the future together.

Local coverage worldwide for enterprise communications.

A sharedmission

We share a sharp focus on transforming enterprise communication and connecting the world.



Bandwidth

Develop and deliver the power to communicate



Voxbone

Helping enterprises communicate locally and globally



Together

we can reach farther and serve together

A perfect fit

Bandwidth and Voxbone have aligned:

Focus:

To transform the way businesses communicate, connecting the world.

Approach:

Our software platforms are built for scale. And we know that network ownership is the best way to give enterprises the quality, control, and scale they need.

Influence:

As network owners, we use our industry knowledge and access to shape the future of communications. We champion the needs of customers, and offer insights that we believe incumbents are unable to provide.

Values:

We've built cultures around accomplishing the mission and serving others. That has empowered us to solve hard, technical problems that matter most to our customers.

Enterprises use our software to easily access our all-IP voice network, enjoying unrivaled quality, control, and scale.

A shared approach

Modern software development platforms focused on communications

Bandwidth and Voxbone focus on using software platforms to transform communications:

- API-first mentality
- Advanced phone number management capabilities
- Insight into quality and deliverability
- Integrations with category leaders (Teams, Genesys, and more)
- Unapologetic focus on voice



APIs

Established US network & EU network

~800 employees

~\$298M revenue²

Google, RingCentral, Microsoft, Zoom, Cisco



Voice, messaging, emergency

Network ownership

Enterprise-grade quality

60+ countries (EU/APAC/CALA footprint)

Phone number APIs

~200 employees

>\$85M revenue¹

Uber, 8x8, Zoom



Together, we're
supercharging
enterprise cloud
communications

¹estimated 2020 total revenue

²estimated 2020 total revenue guidance provided on July 30, 2020. Updated guidance will be provided with Q3 earnings results on October 29, 2020.

Years of acceleration into
rapidly growing market

Instant global scale

CPaaS spend outside of North America accounts for 60% of IDC's
\$17.7B CPaaS forecast for 2024*



Combined company will have coverage in **60+ countries**

Bandwidth and Voxbone will transform enterprise communication

Together, we will...

Provide global connectivity
for cloud communications
leaders

Together, Bandwidth and Voxbone:

Power 11 of the 12 leaders across UCaaS, CCaaS, and Meeting Solutions Gartner Magic Quadrants, and are the backbone behind 100% of the UCaaS Magic Quadrant.

Advance pace of all of the remote-work market leaders in UCaaS and CCaaS.

Create a global cloud communications platform for enterprise leaders.

All packaged in a simple API.

100% of the UCaaS Magic Quadrant

100%

11 of the 12 leaders across UCaaS, CCaaS, and Meeting Solutions Gartner Magic Quadrants

Accelerate cloud migrations for the world's largest enterprises

Expanded SIP and E911 (emergency services) integrations for BYOC with Microsoft Teams, Genesys, and more.

Software-enabled migrations for faster, easier deployments, and customized call routing control.

UCaaS and CCaaS partnerships that enable real-time number porting and instant rollback if needed.

Transaction overview

Deal structure

Total purchase price of €446 million EUR. Paid in cash \$400 million USD with remainder in Bandwidth Class A common stock.

Expected to close on October 31, 2020.

Financial impact

Voxbone's 2020 revenue is expected to be more than \$85 million, up more than 25% y/y, and upon close, is expected to be accretive to Bandwidth's non-GAAP gross margin and non-GAAP net income.

Financial reporting

Bandwidth to report Q3 financial results, guidance for Q4 and anticipated acquisition impact will be provided on October 29th after market close.



Two cloud communication leaders

One global platform

 bandwidth