



# Legal Disclaimer

## INVESTOR PRESENTATION

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This presentation contains forward-looking statements within the meaning of U.S. federal securities laws regarding the proposed transactions. Such forward-looking statements include, but are not limited to, statements regarding the expectations, hopes, beliefs, intentions, plans, prospects, financial results or strategies regarding the proposed transactions and the future held by the Kaleyra and GigCapital management teams. 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 GigCapital and/or Kaleyra management in light of their respective experience and their perception of historical trends, current conditions and expected future developments and their potential effects on us as well as other factors we believe are appropriate in the circumstances. There can be no assurance that future developments affecting Kaleyra or GigCapital will be those anticipated. These forward-looking statements involve a number of risks, uncertainties (some of which are beyond the control of the parties) 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. We undertake 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.

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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 audited consolidated financial statements of such party and its subsidiaries (prepared in accordance with Italian GAAP, except for the subsidiaries, that have been prepared under local GAAP), plus (i) transaction expenses of Kaleyra and GigCapital, (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 the post-combination company or any of its subsidiaries to their employees and (v) any provision for the write down of assets. The 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 SEC. We are not able to forecast net income on a forward-looking basis without unreasonable efforts due to the high variability and difficulty in predicting certain items that affect GAAP net income including as a result of preparation using GAAP rather than Italian and other local GAAP as we have done historically, and therefore have not provided a reconciliation for forward-looking adjusted EBITDA. Adjusted EBITDA is being used to determine whether conditions have been achieved that would result in the issuance of the earnout. GigCapital management also believes that this non-GAAP measure of Kaleyra's financial results will provide useful information to management and 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.

## ADDITIONAL INFORMATION ABOUT THE TRANSACTION AND WHERE TO FIND IT

In connection with the proposed business combination and related transactions, if a definitive agreement is reached, GigCapital will file preliminary and definitive proxy statements with the SEC and will mail a definitive proxy statement and other relevant documents to its stockholders. Investors and security holders of GigCapital are advised to read, when available, the preliminary proxy statement, and amendments thereto, and the definitive proxy statement in connection with GigCapital's solicitation of proxies for its stockholders' meeting to be held to approve the proposed business combination because the proxy statements will contain important information about the proposed business combination and related transactions and the parties to such arrangements. The definitive proxy statement will be mailed to stockholders of GigCapital as of a record date to be established for voting on the proposed business combination and related transactions. Stockholders will also be able to obtain copies of the proxy statement, without charge, once available, at the SEC's website at [www.sec.gov](http://www.sec.gov).

## PARTICIPANTS IN THE SOLICITATION



Kaleyra, GigCapital, and their respective directors, executive officers and other members of their management and employees, may, under SEC rules, be deemed to be participants in the solicitation of proxies of GigCapital stockholders in connection with the proposed business combination and related transactions. Information concerning the interests of Kaleyra's and GigCapital's participants in the solicitation, which may, in some cases, be different than those of Kaleyra's and GigCapital's equity holders generally, will be available in the proxy statement relating to the proposed business combination to be filed by GigCapital with the SEC. The past performance of the members of the Kaleyra management team, GigCapital management team, Kaleyra, GigCapital, or any of their affiliates is not a guarantee of success with respect to the proposed business combination and related transactions. You should not rely on the historical record of the performance of Kaleyra management, GigCapital management, or any of their affiliates' performance as indicative of our future performance when evaluating the proposed business combination and related transactions.

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# Presenters

80+ Years of Entrepreneurial & Operational Experience







 



**DARIO CALOGERO**  
 Founder, Chairman  
 Chief Executive Officer







 

**TERRY HSIAO**  
 Head of Strategy

**DR. AVI KATZ**  
 Founder, Chairman

# Transaction Summary

## Transaction

- GigCapital, a publicly-traded special purpose acquisition company, combines with Kaleyra
- Combined company will apply to continue the listing of its common stock on the NYSE as KLR
- Transaction is expected to close in the second half of 2019

## Valuation & Consideration

- Pro forma Enterprise Value of \$192.1 million based on a price of \$10.14 per share
- Attractive valuation of 1.5x 2019E revenue of \$126.7 million & 1.2x 2020E revenue of \$161.2 million, representing a discount of 64% in 2019E & 67% in 2020E to the average of comparable companies
- Existing Kaleyra employees and shareholders will receive:
  - \$15 million in cash
  - 9.6 million common shares
- No minimum cash condition to close

## Earnout

- Additional equity consideration to Kaleyra shareholders & management in the event business performance exceeds certain thresholds
  - 2.28m shares payable to Kaleyra shareholders & management in the event 2019 revenue & adjusted EBITDA increase over 2018 by 30% and 45%, respectively
  - 2.28m shares payable to Kaleyra shareholders & management in the event 2020 revenue and adjusted EBITDA increase over fiscal year 2019 by 30% and 45%, respectively
- For achievement above 80% of the earnout target, the earnout shall be paid on a two-to-one basis (i.e. if 27% growth is achieved, Kaleyra shareholders and management would receive 95% of the earnout. No earnout shares will be granted if growth is below 24%)
- Gig sponsors also have a portion of their equity ownership subject to earnout

## Post Close Mgmt & Board

- Kaleyra's management will continue to operate the business post-close
- The Board of Directors of 7 members will be chaired by Dr. Avi Katz and have equal members from Kaleyra and GIG including Kaleyra CEO, Dario Calogero

Note: Represents 0% redemption

# Pro-Forma Capitalization & Ownership

## Pro-Forma Capitalization & EV Build

Pro-Forma enterprise value of \$192.1 million, implying 1.5x 2019E revenue and 1.2x 2020E revenue  
 Existing Kaleyra shareholders and employees to receive \$15.0 million cash consideration and will be issued 9.6 million shares at close representing 33.1% pro-forma ownership in the company  
 Transaction expected to close and start trading 2H 2019  
 Kaleyra's balance sheet consists of ~\$6 million in cash and \$24 million in debt

### Pro-Forma Enterprise Value Build (\$ in MM)

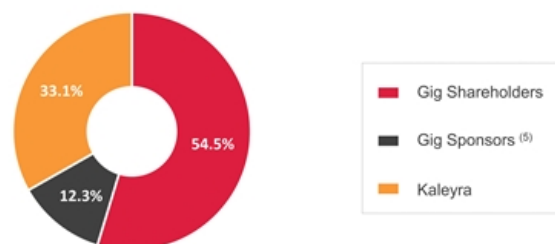
Share Price <sup>(2)</sup>	\$10.14
Pro-Forma Shares Outstanding <sup>(1)</sup>	29.1
Implied Equity Value	\$294.9
Net Cash <sup>(3)</sup>	\$102.8
Total Enterprise Value	\$192.1

Public Comparables	Multiple	Discount to Comparables
EV / FY 2019E Revenue	1.5x	(64.0%)
EV / FY 2020E Revenue	1.2x	(66.9%)

Source: S&P Capital IQ as of 2/22/2019 market close  
 Note: Represents 0% redemptions.

- (1) Pre Earnout figures & excludes any future shares issued in Management Equity Incentive Plan. Includes issuances of 1/10<sup>th</sup> of a share for each right at the closing. Excludes all unexercised out-of-the-money warrants  
 (2) Price per share is an estimated trust value per share at close (Beginning of 2H 2019)  
 (3) Includes \$6 million in existing Kaleyra cash and \$24 million in existing debt on the balance sheet, out of which ~\$6 million due in 2019  
 (4) Uses of cash subject to change based on the level of Public Stockholder Redemptions (illustrated above is assumed 0% redemption)  
 (5) GigCapital sponsors shares representing less than 1% of the total pro-forma post closing ownership are subject to earn-out

## Pro-Forma Summary of Ownership Post Close<sup>(1)</sup>



## Sources & Uses

Sources		Uses <sup>(4)</sup>	
GigCapital Cash in Trust	\$145.8	Cash to Balance Sheet	\$120.8
		Cash Consideration	\$15.0
<b>Total Cash Sources</b>	<b>\$145.8</b>	Transaction Expenses	\$10.0
		<b>Total Cash Uses</b>	<b>\$145.8</b>

# Company Overview

Kaleyra provides a cloud communication platform for enterprises

## COMPANY OVERVIEW



<p><b>Global Presence</b> Europe, Asia, Middle East, USA</p>	<p><b>235</b> Employees <b>60+</b> Employees For New Products</p>	<p><b>3,000+</b> Customers Globally</p>	<p><b>2 Billion</b> Voice Calls in 2019E</p>
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## MOST COMMON TRANSACTIONS

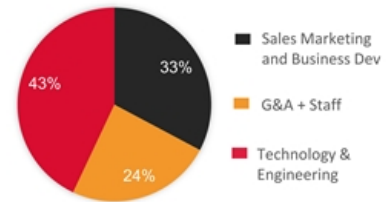


Note: Total Revenue presented as Italian GAAP

## TOTAL REVENUE



## EMPLOYEE BREAKDOWN | 2018



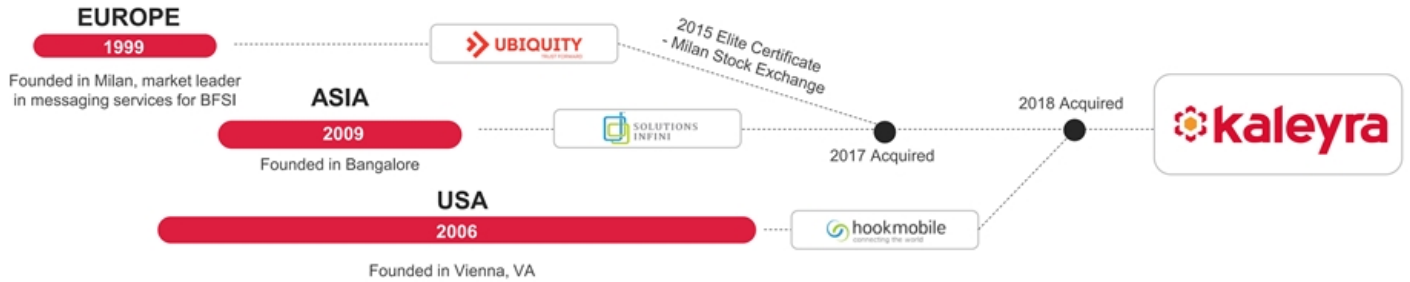
# Company Overview

## Kaleyra's History of Organic & Acquired Growth + GigCapital

A trusted team sharing a common goal to build the world's most trusted CPaaS platform

Speed and access to capital is a competitive advantage

Global business relationships with a desire to expand faster than the growth in the market



Palo Alto, CA  
**\$145 Million IPO in December 2017**

Trusted Team with Public Company Track Record; 400% return on GigPeak from 2007 formation to sale in 2017

Global M&A Experience; 10 acquisitions to build GigPeak

Extensive Network From Silicon Valley & beyond; Chose Kaleyra out of 400+ opportunities reviewed

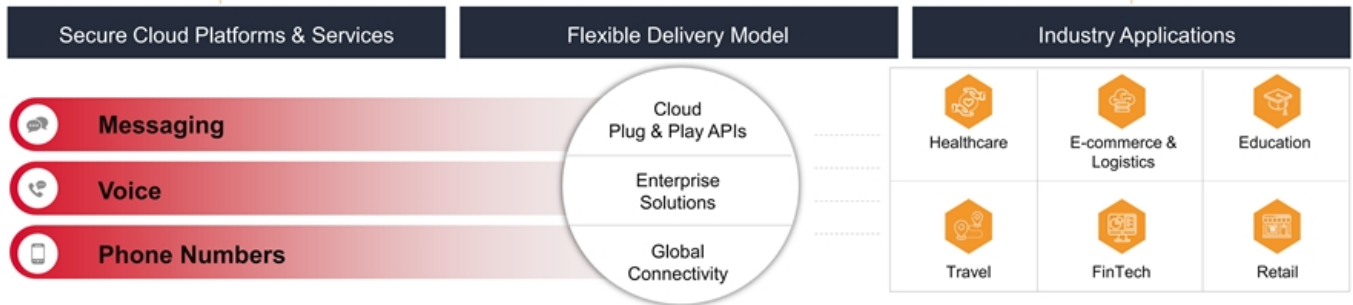
Senior U.S. Wall Street Relationships; GigPeak had 8 research analysts covering the Company upon sale

# Company Overview

## Trusted Cloud Communications

Kaleyra provides an end-to-end platform to deliver identity authentication, mobile marketing campaigns, banking services authorizations, etc. and connectivity to enterprises worldwide

Reliable, fully redundant, secure, flexible and scalable cloud platform ensuring application communication



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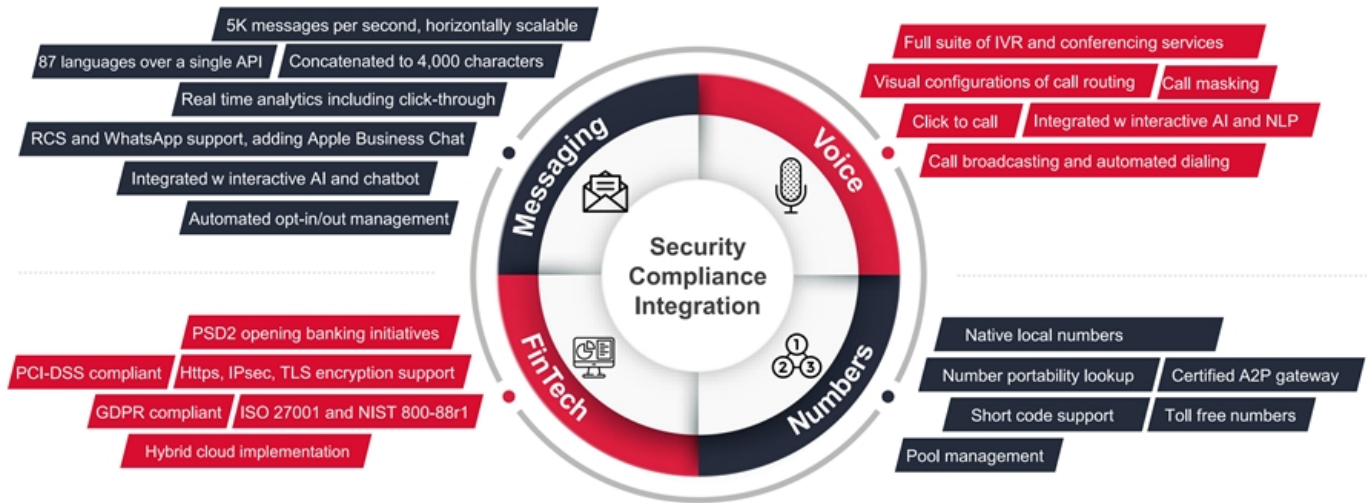
# Company Overview

Global & Diversified Customers

FinTech	E-commerce	Travel	Retail	Education
		Uber		
	JABONG			
	Flipkart			
Allianz  Bank Financial Advisors		<i>AirAsia</i>		
		UCPA		

# Company Overview

## Why We Win

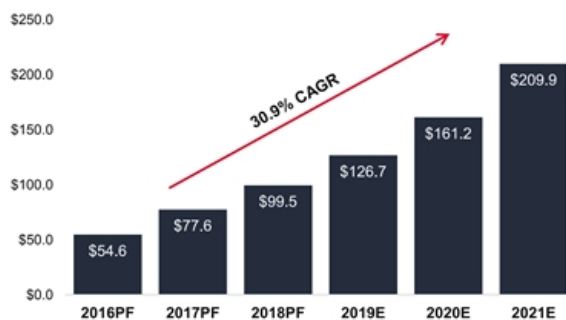


# Company Overview

Attractive Financial Profile: Strong Growth and Flexibility

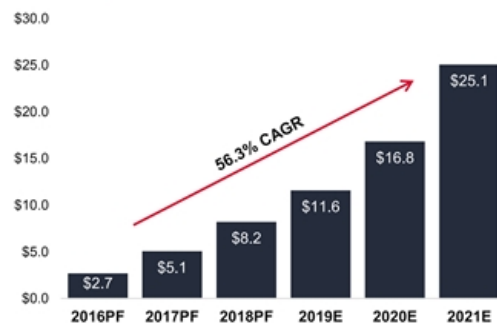
Kaleyra demonstrates strong historical top line growth and profitability with a robust pipeline for future growth via new product roadmap, M&A, and industry tailwinds

Consolidated Revenue | \$ in Millions



<b>Growth %</b>	41.9%	28.3%	27.3%	27.3%	30.2%
<b>Gross Margin %</b>	21.0%	21.7%	23.6%	25.5%	29.5%

Adjusted EBITDA | \$ in Millions



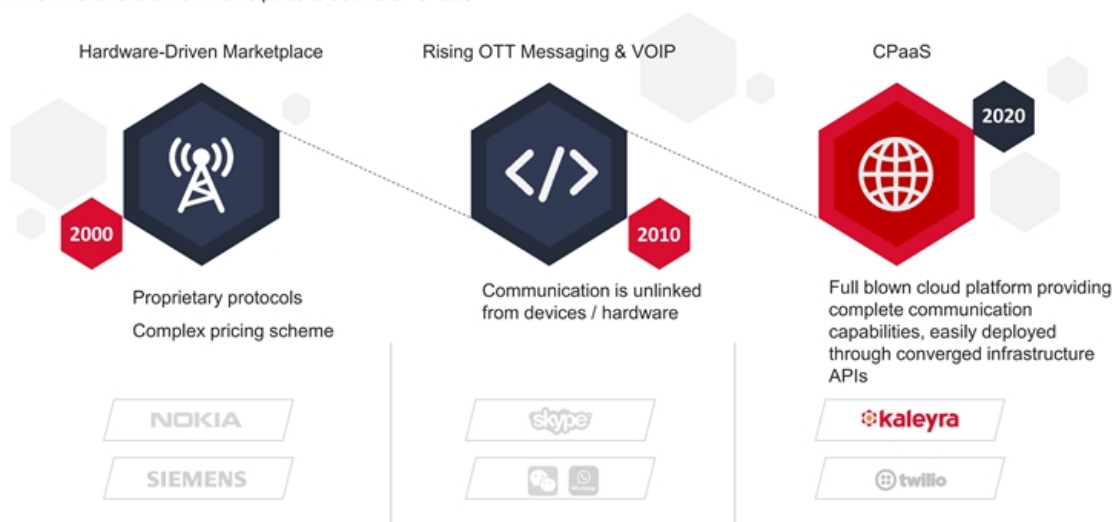
<b>Growth %</b>	88.1%	62.4%	41.0%	45.2%	49.1%
<b>Margin %</b>	6.5%	8.2%	9.1%	10.4%	11.9%

Note: Please see page 5 for detail on transaction earnout tied to revenue and EBITDA  
 Note: All figures in Italian GAAP

# Industry Overview

## Evolution of Communications Software

Software and CPaaS are substantially disrupting telecom services  
Dramatic shift from hardware-driven marketplace to software / CPaaS



# Industry Overview

High Growth, Large Total Addressable Market

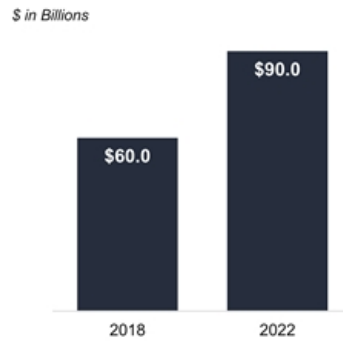
The global voice and messaging CPaaS market is transitioning from a hyper growth, start-up phase to a critical-mass phase utilizing three layers of cloud services including: Networking Connectivity, APIs and Applications

## Total CPaaS Market <sup>(1)</sup>

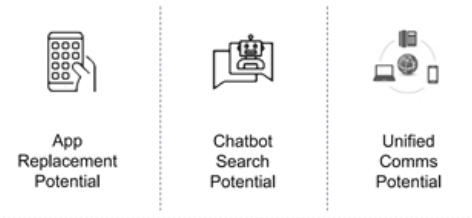


(1) Source – 451 Market Monitor (2018)  
 (2) Source – GSMA (2018)

## SMS Business Messaging Revenue <sup>(2)</sup>



## \$150 Billion According to GSMA



## Artificial Intelligence

Applications in:

- Business
- Government
- Health
- Transport
- Enabling IoT

# Growth Strategy

Organic



## Integrations

Grow existing global product team and accelerate joint product management

Key technology integrations with industry leading ISV's

## Product Evolution

Enhance R&D capabilities and cloud infrastructure

Further develop RCS

Industry applications in security, productivity and social



## Geographic Expansion

Second Payment Services Directives ("PSD2") provides major European expansion opportunities from Milan HQ

India presence provides platform to expand further into Asia region

US growth opens up Latin America and Canada markets



# Growth Strategy

## Accretive Acquisitions



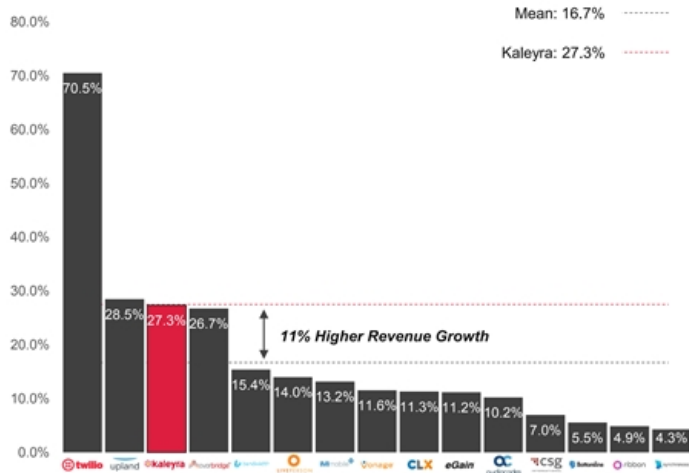
Target	Geography	Product Add-On	Size (Revenue)	Gross Margin
Target 1	Americas	Conferencing / Voice API	\$15 - 20 Million	75%
Target 2	Americas	Chat Bot SMB	\$15 - 20 Million	50%
Target 3	Americas	Pure CPaaS	\$20 - 25Million	45%
Target 4	Americas	Pure CPaaS	\$5 - 6 Million	40%
Target 5	Americas	CPaaS Enablement	\$5 - 6 Million	75%
Target 6	Americas	Messaging Enabled Payments	\$6 - 8 Million	75%

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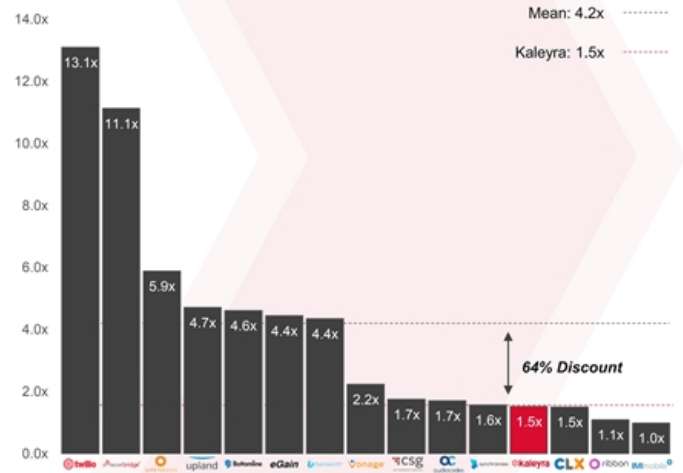
# Benchmarking Analysis

Small-Cap CPaaS & UCaaS (2019E)

## 2018PF – 2019E Revenue Growth



## EV / 2019E Revenue

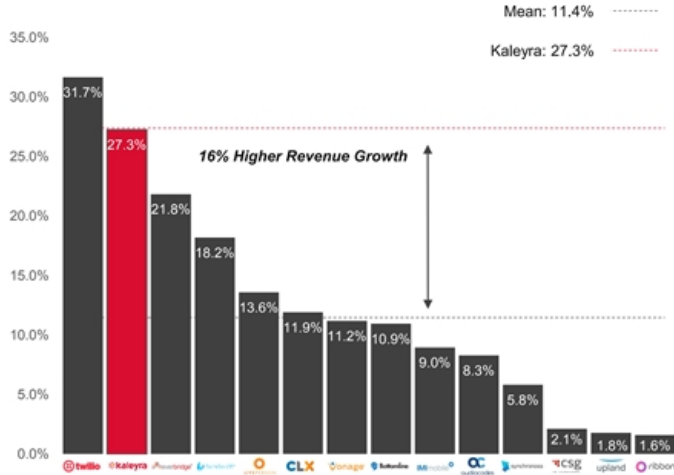


Source: S&P Capital IQ as of 2/22/2019 market close

# Benchmarking Analysis

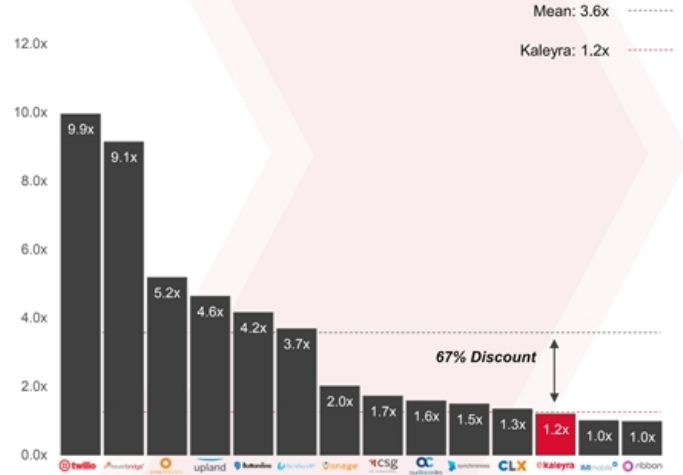
Small-Cap CPaaS & UCaaS (2020E)

## 2019E – 2020E Revenue Growth



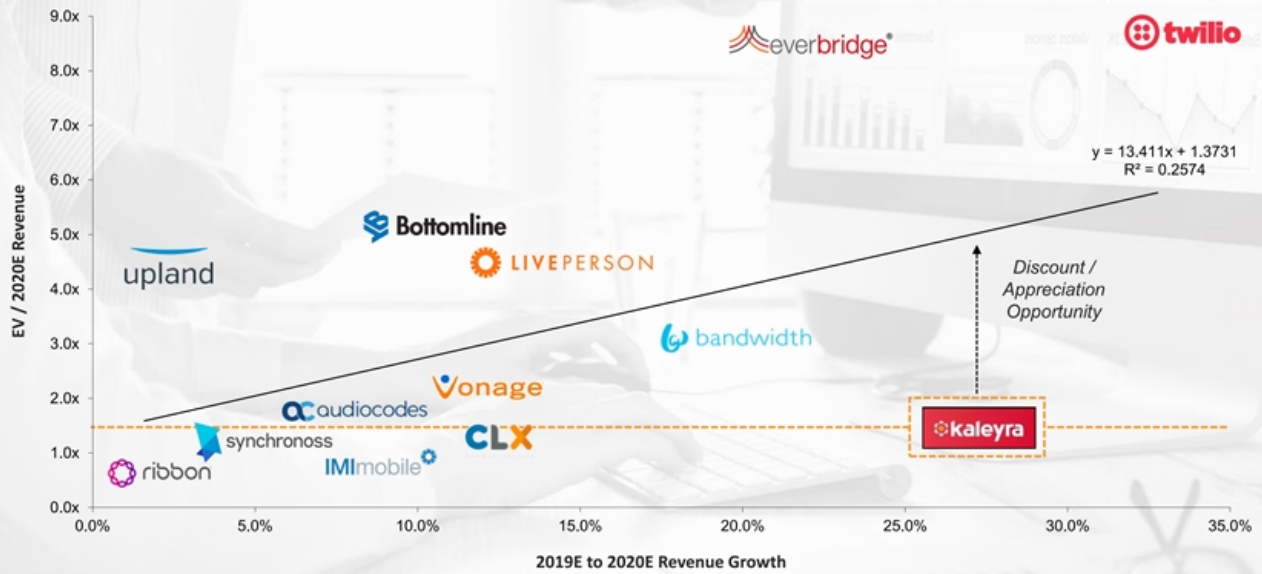
Source: S&P Capital IQ as of 2/22/2019 market close  
Note: eGain was excluded due to availability of analyst estimates for 2020

## EV / 2020E Revenue



# Benchmarking Analysis

## Regression Analysis



Source: S&P Capital IQ  
Note: eGain was excluded due to availability of analyst estimates for 2020

# Investment Summary

## › Compelling Products

- Kaleyra offers the next generation of business combination products, optimally delivered to each of their clients
- Security, compliance, and integration built in from first line of code

## › Blue Chip Customer Partners

- Kaleyra serves its customers with some of the most stringent performance and reliability standards, representing a high barrier to entry
- The Company adds critical functionality customers rely upon, making us long term partners

## › Large & Growing TAM

- CPaaS market is expected to grow at a ~30% CAGR through 2022
- Security and AI solutions will continue to drive growth and engagement

## › Attractive Financials & Growth

- Kaleyra has delivered above-market growth in an emerging market
- Disciplined management has produced meaningful growth and profitability

## › Proven Management Team

- Kaleyra's clients are industry leaders and demand the best
- Kaleyra will be able to enhance its experience profile with the addition of GigCapital sitting on the board

## › Multiple Levers for Future Growth

- Robust pipeline via new product roadmap, M&A, and industry tailwinds
- Well positioned within global voice and messaging CPaaS market currently transitioning from a hyper growth, start-up phase to a critical mass phase





# Appendix

# EBITDA Reconciliation

The following table shows the reconciliation of the Pro-forma Adjusted EBITDA as reported in the investors presentation. The figures have been prepared in accordance with Italian GAAP, except for the subsidiaries, that have been prepared under local GAAP

Unaudited Pro-Forma Adj. EBITDA   ( <i>\$ in millions</i> )	2016PF	2017PF	2018PF
Earnings (GAAP as Described Above)	\$0.9	\$1.6	\$4.0
Finance Income & Finance Costs	\$0.1	\$0.2	\$0.3
Taxes	\$0.7	\$0.8	\$2.1
Depreciation & Amortization	\$1.4	\$1.6	\$2.1
Pro-Forma EBITDA	\$3.1	\$4.1	\$8.5
Write Down of Assets	-	\$0.6	-
Costs & Income Net Related to Previous Years	-	\$0.6	(\$0.1)
Tax Grant	(\$0.4)	(\$0.2)	(\$0.2)
Pro-Forma Adjusted EBITDA	\$2.7	\$5.1	\$8.2



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