Briefing on Vonage

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September 26, 2022
Briefing on Vonage

This presentation contains forward-looking statements. Such statements are based on our current expectations and are subject to risks and uncertainties that could materially affect our business and results. Please read our earnings reports and our most recent annual report for a better understanding of these risks and uncertainties and please see the last page in this presentation for further information about forward-looking statements. Any forward-looking statements made during this presentation speaks only as of the date of this presentation and Ericsson expressly disclaim a duty to provide updates to these forward-looking statements, and the estimates and assumptions associated with them.
Meeting with you today

Agenda

- Vonage overview and the market opportunity
- Vonage Platform and Product Portfolio
- The Developer Experience
- A Global Network Platform for open innovation
- Q&A

Rory Read
Chief Executive Officer
Vonage

- CEO since July 2020
- Prior to Vonage: executive leadership roles at Dell Technologies, including:
  - COO, Dell Technologies
  - Chief Integration Officer, $67 billion Dell / EMC merger
  - CEO and President, Virtustream/EVP Dell Boomi
- Before Dell, CEO, President and Board Member of AMD and COO and President at Lenovo
- IBM, 23 years in various leadership roles
- Hartwick College, Magna cum Laude, B.S., Information Sciences

Savinay Berry
EVP, Product & Engineering
Vonage

- Joined Vonage in March 2021
- Leads global engineering, and product management, driving:
  - Product & technology strategy and implementation
  - Innovation of the Vonage Communications Platform (VCP) and its portfolio of solutions
- Prior to Vonage:
  - SVP, Cloud Services, OpenText
  - Held various product and engineering leadership roles at Dell EMC, Intuit and Empowered Inc.
- B.S. and M.S., Electrical and Computer Engineering; Northwestern University, M.B.A.
# Fast facts about Vonage

<table>
<thead>
<tr>
<th>2001</th>
<th>2,300+</th>
<th>$1.4B+</th>
<th>$1M+</th>
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<tbody>
<tr>
<td>Company founded</td>
<td>Employees worldwide</td>
<td>2021 annual revenue</td>
<td>Registered developers</td>
</tr>
<tr>
<td>Headquarters: Holmdel, NJ</td>
<td></td>
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<table>
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<tr>
<th>200+</th>
<th>100+</th>
<th>25B+</th>
<th>120K+</th>
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<tbody>
<tr>
<td>Patents</td>
<td>Number of countries where we have customers</td>
<td>Minutes &amp; messages terminated annually</td>
<td>Business customers</td>
</tr>
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</table>
Successful transformation to a leading cloud communications platform

VCP now ~80% of total revenues
Through a three-phase transformation strategy

**Step 1: Business Optimization**
- Significant cost savings and strategic reinvestment
- Align go-to-market with product strengths
- Reinvest in highest growth opportunities
- Transform organization/processes to drive best CX

**Step 2: Execution Excellence**
- Align go-to-market with product strengths
- Reinvest in highest growth opportunities
- Transform organization/processes to drive best CX

**Step 3: Product Leadership**
- Deliver best-in-class products for our targeted segments
- Build out orchestration, security and scalability
- Increase product value-add and differentiation

**2020 - 2021**

**2022 - 2023**
Build out network capabilities and expand on the Vonage Communications Platform with Ericsson

**2023 - 2024**
Vonage management team with significant operational experience

Rory Read  
Chief Executive Officer  
Dell Technologies, AMD, Lenovo & IBM

Savinay Berry  
EVP of Product and Engineering  
OpenText, Dell EMC, Intuit & Empowered Inc.

Joy Corso  
Chief Marketing Officer  
Virtustream, AMD, Raytheon, Fidelity Investments

Jay Bellissimo  
Chief Operating Officer  
IBM & PwC

Vinod Lala  
Chief Strategy Officer  
Guggenheim Partners & Deutsche Bank

Sanjay Macwan  
Chief Information Security Officer  
NBCUniversal, AT&T

Randy Rutherford  
Chief Legal Officer  
Day Pitney LLP

Stephen Lasher  
Chief Financial Officer  
IBM

 Joined in 2020-2021
Vonage Business Overview

120k+
Business customer base across multiple sectors/sizes

1 million+
Registered developers globally

2,300+
Team members

Pivot to business in 2013

VCP
Vonage Communications Platform

$1.1B
Total Revenue

24%
Svc Revenue Growth %*

CPaaS (API)
Communications APIs

$591M
Total Revenue

42%
Revenue Growth %

UCaaS & CCaaS
Cloud PBX and contact center

$529M
Total Revenue

7%
Svc Revenue Growth %*

Founded in 2001

Consumer VoIP
High tenure residential customer base

$289M
Total Revenue

-13%
Revenue Growth %*

*Refers to service revenue growth. Service Revenue = Total Revenues minus primarily circuit access, equipment and pass-thru USF regulatory fees
VCP is uniquely positioned to address the largest Cloud TAM covering UCaaS, CCaaS and CPaaS

Vonage Communications Platform (VCP)

UCaaS & CCaaS

Unified Communications as a Service (UCaaS) provides metal PBX phone system replacement along with collaboration tools.

Contact Center as a Service (CCaaS) CCaaS provides cloud contact center.

CPaaS/ API

Communications Platform as a Service (CPaaS) is the platform on which developers can program communication functions into their applications via programmable Communications APIs.
Broad customer base across industries and geographies

<table>
<thead>
<tr>
<th>Industry</th>
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<tbody>
<tr>
<td>Healthcare</td>
</tr>
<tr>
<td>Technology</td>
</tr>
<tr>
<td>Travel/Transportation</td>
</tr>
<tr>
<td>Finance</td>
</tr>
<tr>
<td>Retail/Ecommerce</td>
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MEDITECH
Docplanner Group
doxy.me
TELADOC.
PUBG
glassdoor
KICKSTARTER
airbnb
hotelbeds
DHL
Uber
Allstate
AXIO
Remitly
Revolut
carousell
Aramex

VONAGE

The Princeton Review
CAMBLY
Insight ADVANCE
THE TREVOR PROJECT
RSPCA
SIEMENS
carousell
AbeInBev
Domino's
Vonage Vision

Accelerate the world’s ability to **connect**

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Vonage Strategy

Power our customers’ **communications, conversations, and engagement** through our global VCP platform, delivering **best in class, secure and scalable cloud solutions** across APIs, unified communications, contact center and conversational commerce.
VCP is shaping a fast-developing cloud communications market...

Communications are profoundly changing

Creating complex communication needs of multiple groups across the business

- Sales
- Marketing
- Service & Support

• Remote everything
• Omni-channel customer engagement
• On-prem to cloud shift
• Intelligent customer service
• Superior connectivity

VCP is well positioned to address those needs

<>/
CPaaS

UCaaS

CCaaS

SMS / Messages
Voice
Auth
Video
Conversational Commerce

Telephony
Meetings
Collaboration
Connectivity

AI / Chatbots
Omni-channel
Analytics
driving a large and fast-growing TAM

Cloud Communications TAM growing from $41B in 2021 to $73B in 2025

- **CPaaS**
- **CCaaS**
- **UCaaS**

<table>
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<tr>
<th>Year</th>
<th>CPaaS</th>
<th>CCaaS</th>
<th>UCaaS</th>
<th>New 5G APIs</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021</td>
<td>8</td>
<td>7</td>
<td>26</td>
<td>22</td>
</tr>
<tr>
<td>2025</td>
<td>14</td>
<td>37</td>
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<td>28%</td>
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16% CAGR

VCP uniquely positioned and has leading industry recognition

- **CPaaS Universe 2022** - Leader Top Rankings in CX & Solutions Capability
- **CCaaS Radar 2022**, EMEA Leader
- **CCaaS Radar 2021**, North America Strong Performer
- **UCaaS MarketScape 2021**, Major Player - Enterprise Major Player - SMB

*Source: IDC & Gartner; CPaaS 2021 metrics; UCaaS & CCaaS is 2022 metrics*
The Cloud & 5G communications wave has just begun

Convergence of technology waves is changing how the world connects

- 6+ billion smartphones globally
- 2.3 trillion texts sent annually
- 4.4 billion 5G subscribers by 2027
- 49 billion mobile payment transactions by 2023
- 100 zeta-bytes of data in the cloud by 2025
- 319 billion emails sent and received daily

Source: IDC and industry research analysts
Accelerating the World’s Ability to Connect

BEFORE
Transactional Notification Experiences

ACCELERATING TODAY
Seamless Conversational Experiences

IMAGINE THE FUTURE
360° Immersive Engagements

Limited data and experience integration across applications

Customer cross engagement accelerating through seamless data integration

Engagement platform with integration of data and applications from physical and virtual worlds
Combined Vonage & Ericsson strategy creates near-term opportunities

Vonage’s Leading Global Communications Platform

1.1M+ developers
(2nd largest CPaaS developer community)

120k+ Enterprise customers

API Platform, 780 engineers

Ericsson Global Leader in 5G

5G leader

Scale - 26,000 R&D specialists

Leading network exposure

Near-term Growth Initiatives Enabled by the Vonage and Ericsson Combination
Synergistic opportunities, beneficial to our partners and customers, that are in the incubation stage

White-labeling:
UCaaS and CCaaS differentiated cloud-based offering targeted towards Ericsson CSP customers

CSP Strategic Partnerships:
Opening up new markets with direct, preferred, and exclusive CSP connections

APIs enhanced by 5G network capabilities:
Expose 5G APIs to unlock new use cases like AR/VR, field service in industrial IoT etc.
Product
Vonage Communications Platform (VCP) is uniquely positioned to address engagement needs for global businesses.
Vonage Communications Platform as a Service (CPaaS)

API-based programmable communications platform / Communications Platform as a Service enables developers and their enterprises to embed SMS, video, chat and voice capabilities directly into their existing applications, workflows and systems.

Vonage Unified Communications as a Service (UCaaS)

offers businesses a cloud replacement for legacy, often on-premise phone/PBX systems and integrates calling, messaging and video from any device.

Contact Center as a Service
integrates a company’s customer-facing communication channels — voice, messaging, video, conferencing, and social chat — into a single communication platform — to provide service and support for a business customers.
Today’s communication APIs & services already create substantial value in a fast-growing market

Vonage provides 25b+ messages and minutes per year. Uber, DHL, AirBnb and beyond

SMS, e.g. Two Factor Authentication

Voice, e.g. Private Voice Communication

Messaging, e.g. Programmable messaging

Video, e.g. video conferencing, etc.

Unified Communications as a Service, e.g., business phone systems, video conferencing

Contact Center as a Service, e.g., call center queries, account updates, phone, messaging and video support

Addressable market in USD b (APIs, U/CCaaS)

New 5G APIs

2021

UCaaS 8

CCaaS 7

CPaaS / API 26

2025

UCaaS 37

CCaaS 14

CPaaS / API 22

Source: IDC & Gartner; CPaaS 2021 metrics; UCaaS & CCaaS is 2022 metrics
Vonage’s global technology footprint

**Reach**
- **800+** Global Carriers
- **200+** Countries
- **170+** Number Types

**People/Skills**
- **800+** Product/Technology/Operations Employees

**Global R&D**
- San Francisco
- Tel Aviv
- London
- NJ / NYC
- Bangalore
- Madrid
- Wroclaw
- Atlanta

**Scale**
- **16** AWS Regions
- **50** Availability Zones
- **25B+** Messages & Minutes Annually
Vonage is a Leader in the API Platform Market (CPaaS)

Omdia Universe: Selecting a CPaaS Platform Provider, Pamela Clark-Dickson, May, 25, 2022

Vonage should appear on your shortlist if:

- You want to work with a vendor that has parlayed its pioneering role in the development of CPaaS to grow into a market-leading position as a full-service global CPaaS provider and as a provider of adjacent platforms (CCaaS, UCaaS, and conversational commerce).

- You are an enterprise that is seeking to explore new types of 5G-based use cases for customer care and internal communications.
Developer experience at Vonage enabling our high growth CPaaS business

Vonage Communications Platform

Developers

Self service

Vonage API Dashboard

Try our APIs
- Send an SMS
- Make a Voice call
- Verify user
- Look up a number
- Create a Meeting
- Send a WhatsApp message

Try our sandbox for voice, Facebook Messenger, and WhatsApp

Platform status summary
- Partial outage

Developer.vonage.com
Illustrative Use Cases

**UCaaS**
Voice, SMS, Video, Messaging
Business phone system with integrated voice, messaging & video

**CCaaS**
Voice, SMS, Video, Messaging
Customer Service and support solution with integrated voice, messaging & video

- **SMS**
  - Docplanner Group
  - Doctor appointment reminder

- **Voice**
  - Uber
  - Call rideshare driver

- **Video**
  - doxy.me
  - In-app video Telemedicine visit

- **Messages**
  - DHL
  - In-app delivery message
New 5G Network APIs supporting advanced B2C & B2B use cases

<table>
<thead>
<tr>
<th>Cloud gaming</th>
<th>Connected vehicle</th>
<th>Connected education</th>
<th>Remote patient monitoring</th>
<th>Tele-operated driving</th>
<th>Remote broadcast and production</th>
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<tbody>
<tr>
<td>Games rendered in:</td>
<td>Delivering: • A/V • applications • updates</td>
<td>Interactive: • video courses • VR classrooms</td>
<td>Real-time: • diagnosis • treatments • preventive intervention</td>
<td>Remote: • monitoring • assistance • driving</td>
<td>Live media: • production • multi-channel distribution</td>
</tr>
<tr>
<td>cloud • computer • smart TV • mobile</td>
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Aiming to create the leading Global Network Platform

- Ambition: Leading global network platform for open innovation
- Ensure monetization
- New value for full ecosystem
- Put the power of the network at the fingertips of developers – linking communication and network APIs (e.g. 5G network slicing)
- Enabling the next wave of premium and new communication experiences (e.g., high quality video, XR)
- Operators are the foundation for high performance networks and new capabilities
Our Differentiation

- Fast-growing markets where we are well positioned
- Global reach with significant scale accelerated by Ericsson deal
- The Vonage Communications Platform (VCP) is a single platform driving better connections, conversations and engagement
- Strong market recognition of product leadership
- Large, diverse client & developer base across industries
- VCP on top of 5G will build and deliver the experiences of the future
- Ericsson and Vonage will create the leading global network platform for open innovation
Thank You
Q&A

Join by phone