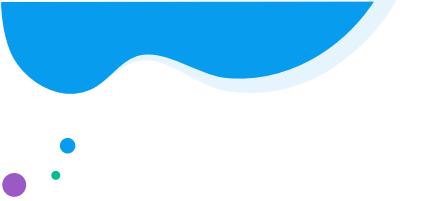




# Investor Presentation

August 2022



# Legal disclaimer

This presentation contains forward-looking statements. All statements contained in this presentation other than statements of historical facts, including, without limitation, 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, 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, risks that the anticipated benefits of the acquisition of Voxbone may not be fully realized or may take longer to realize than expected, 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 latest Form 10-K filed with the Securities and Exchange Commission and any subsequent reports that we file with the Securities and Exchange Commission. 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. This presentation also includes certain guidance on non-GAAP financial measures. These non-GAAP financial measures are in addition to, and not as a substitute for or superior to measures of financial performance prepared in accordance with GAAP. There are a number of limitations related to the use of these non-GAAP financial measures versus their nearest GAAP equivalents. For example, other companies may calculate non-GAAP financial measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of the Company’s non-GAAP financial measures as tools for comparison. The Company provides a reconciliation of certain non-GAAP measures to the most directly comparable GAAP measures, which are available in the earnings press release for the relevant period and in the appendix of this presentation.



**A global cloud communications leader**  
powering **enterprise digital transformation**  
through **software APIs**  
and our **global network**

# Bandwidth at a glance

\$83B

Global  
TAM

36%

Revenue growth  
3-year CAGR

60+

Communication  
services in 60+  
countries



Worldwide CPaaS Leader  
in 2021 IDC MarketScape

Google



zoom

RingCentral®

Uber

Trusted by top enterprise brands

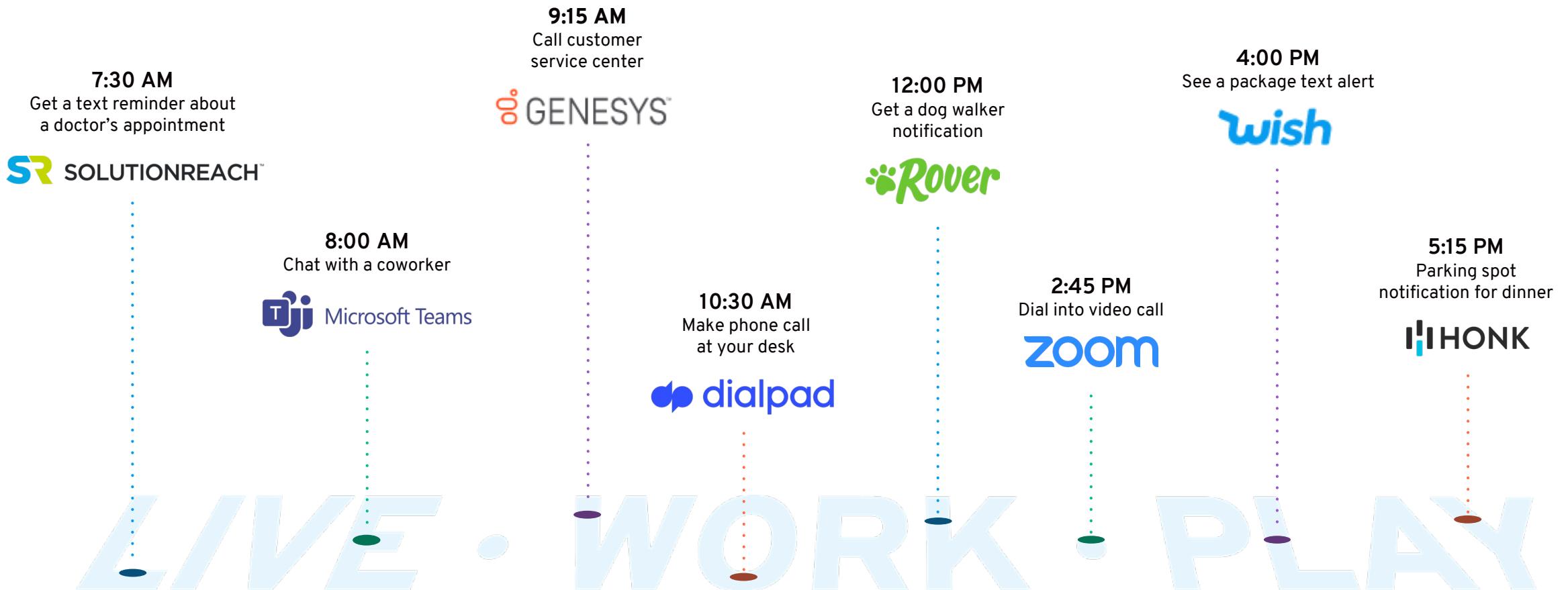


Led by Co-  
Founder/CEO  
David Morken



HQ in Raleigh, NC  
United States

# Bandwidth APIs power the digital communications revolution...



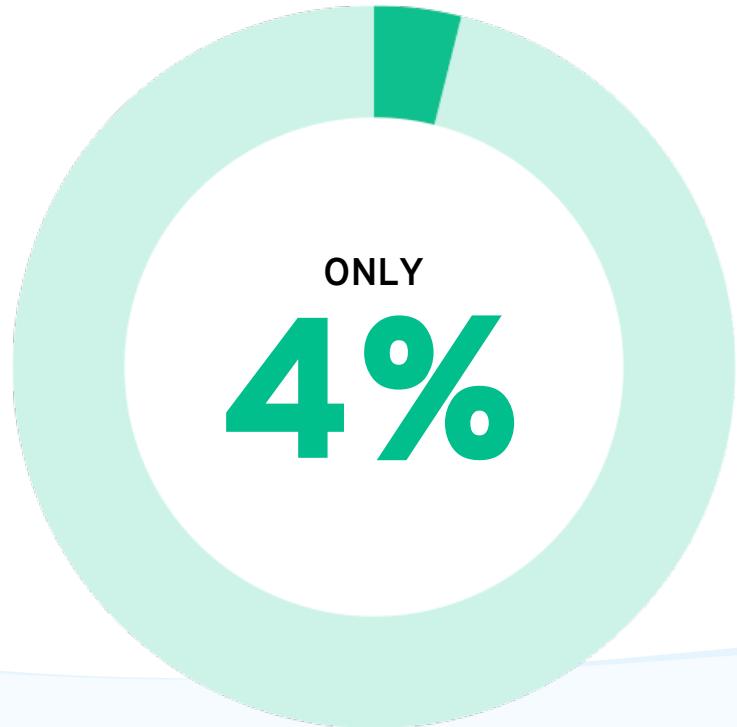
 bandwidth

# Our vast software API library powers next-gen, global use cases

Bandwidth's communication **software** is easy to embed, comes with a broad set of pre-defined use cases, and is easily customizable



**...and it's only just begun**

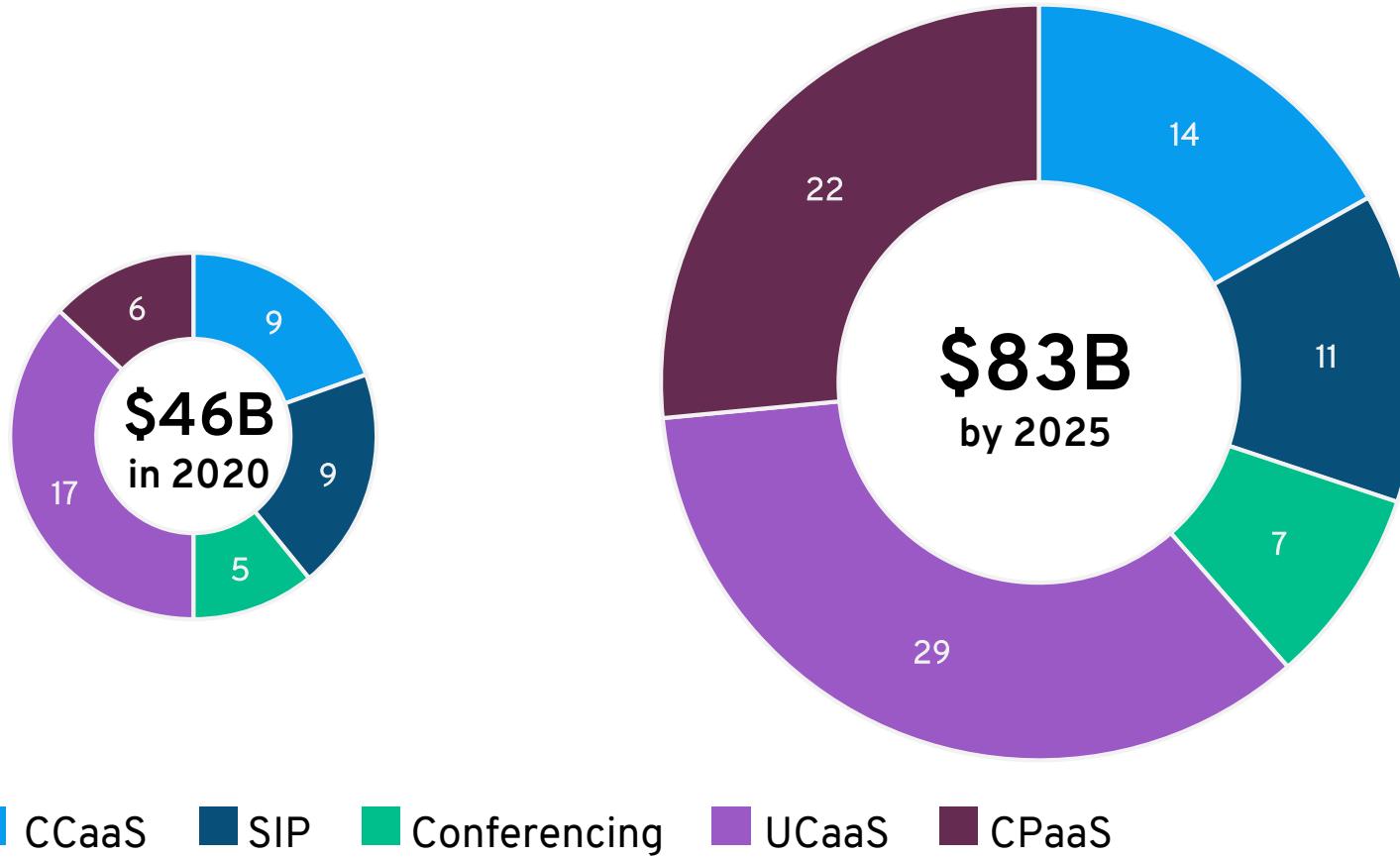


of global business phones  
are in the cloud\*



of global call center  
agents are in the cloud\*

# Large and expanding TAM



## Sources:

UCaaS and Conferencing from Gartner Unified Communications Worldwide Forecast (September 2021); CPaaS from IDC Worldwide Communications Platform-as-a-Service Forecast (September 2021);

CCaaS from IDC Worldwide Contact Center Applications Software Forecast (June 2020); SIP from OMDIA SIP Trunking Services Worldwide Forecast (September 2021)

# Uniquely positioned in the CPaaS Market

Software-driven APIs  
backed by the power of our  
global network platform

## Pure-Play CPaaS Providers



## Legacy Network Operators



# An open software platform built for digital transformation



# Opportunities across 4 key customer categories



## Work Communications

UCaaS, Conferencing,  
Collaboration

 Microsoft  ZOOM

 RingCentral®  LogMeIn®



## Contact Center Platforms

CCaaS

 GENESYS™  Five9™

 NICE • inContact



## Brand to Customer Engagement

SaaS & Apps

 lumahealth  Rently

 ServiceTitan®



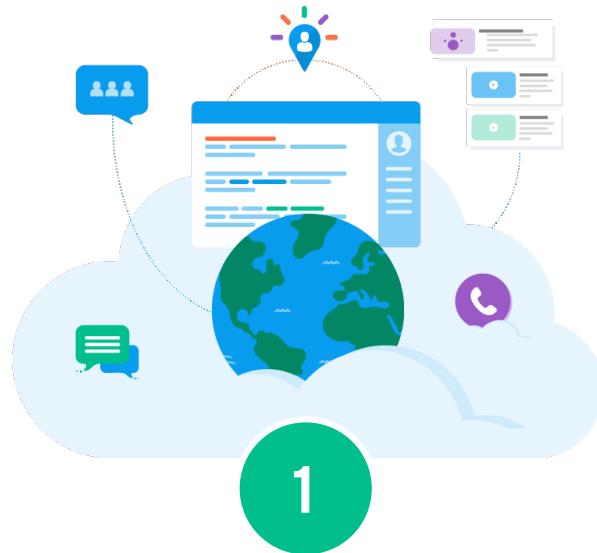
## Global Enterprises

 INCLUSA  Uber

 DocuSign  DOOSAN

 bandwidth

# 3-Prong Growth Strategy Capitalizes On the Global Move to the Cloud



## Grow existing customers

Cross-selling and up-selling our global footprint and powerful APIs



## Win direct enterprise customers

Become the platform of choice for seamless migration for cloud communications



## Be the best CPaaS platform

to scale global digital customer engagement

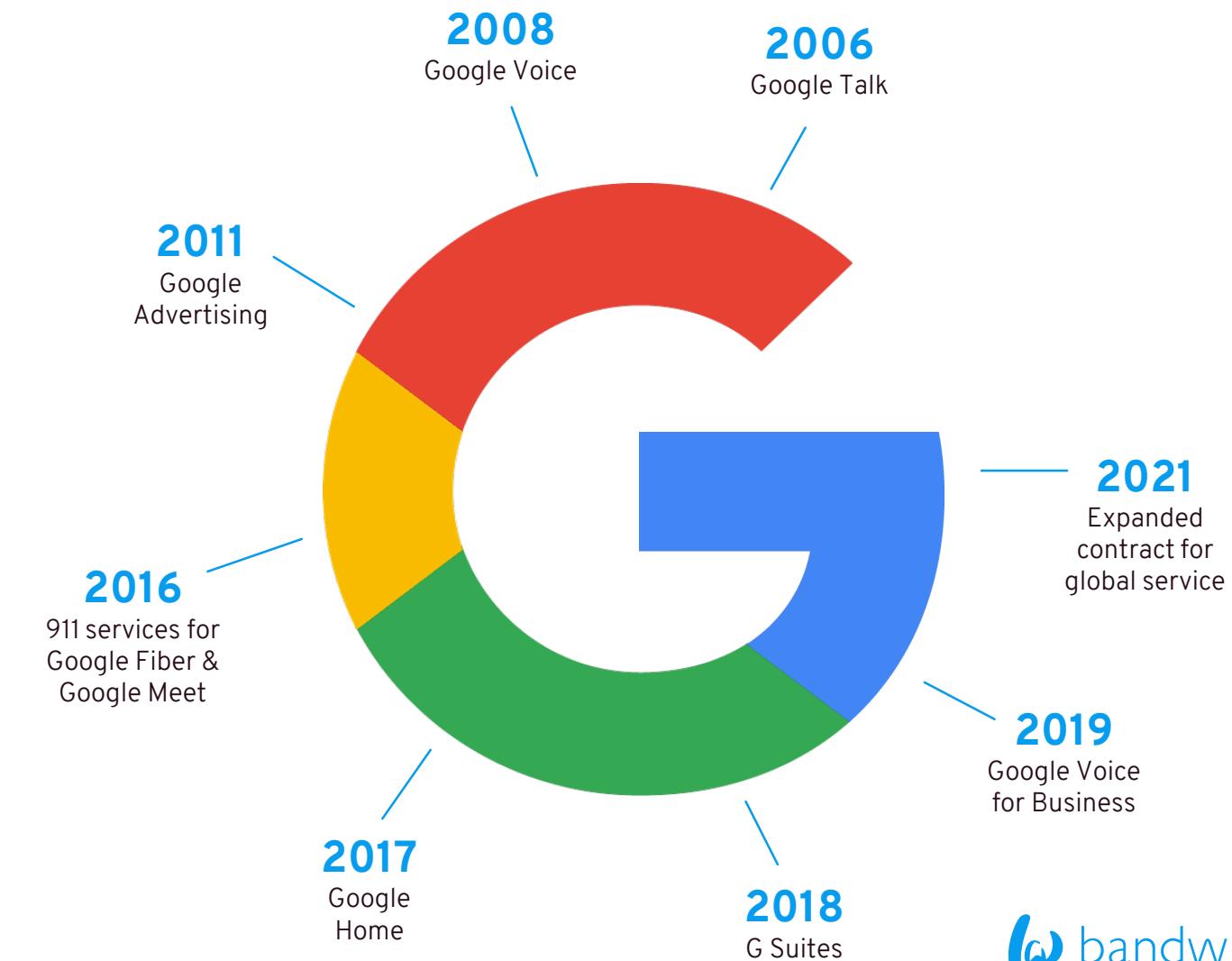


# Powering the global digital innovators

A long standing  
relationship with...



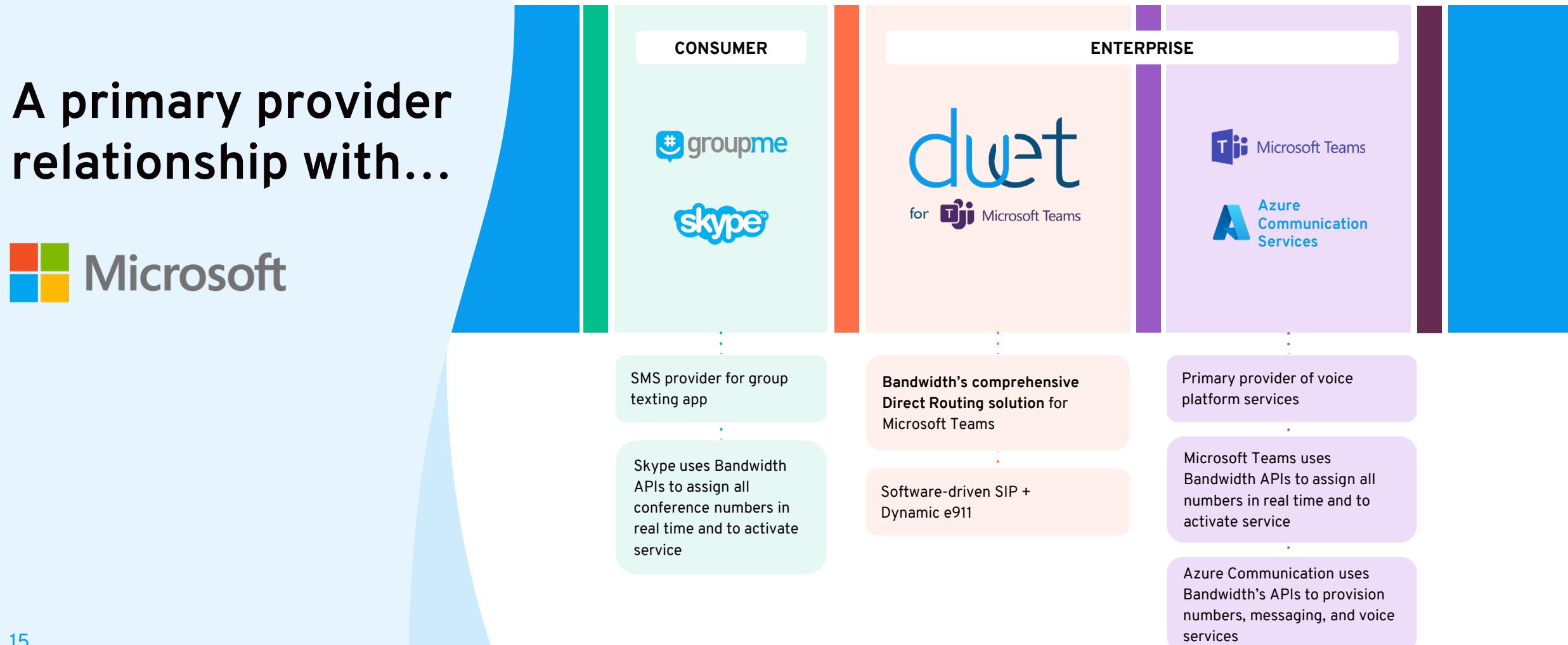
Co-creating to add offerings and enter new markets for 16 years!





# A primary provider relationship with...

Co-creating cloud communications **for a decade**; powering innovation today in multiple ways



# Solving for unique challenges with...

a Fortune 100 financial services company



## SITUATION

Their CCaaS platform and their fraud identification platform could not properly integrate call information.



## SOLUTION

Integrating Bandwidth helps them access and manipulate call flow and automate processes, ultimately creating a better CX and better ROI vs. the bundled CCaaS telecom package.

# In the cloud communications revolution, All roads lead to Bandwidth

Cloud communications  
adoption is growing

Digital transformation  
is complex

Global scale  
is crucial



A Global Software  
Platform  
and Network

Future-Proofing  
Digital Communications

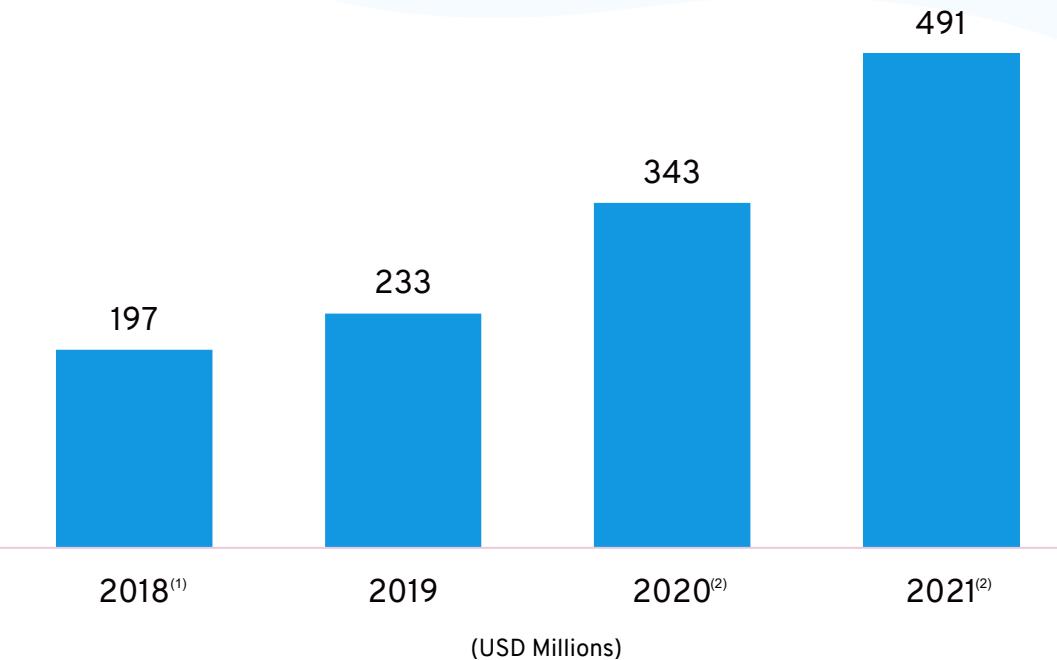
20+ Years of  
Domain Expertise

 bandwidth

# Financial Information

+36%  
CAGR  
2018 - 2021  
Revenue

## Years of continuous growth

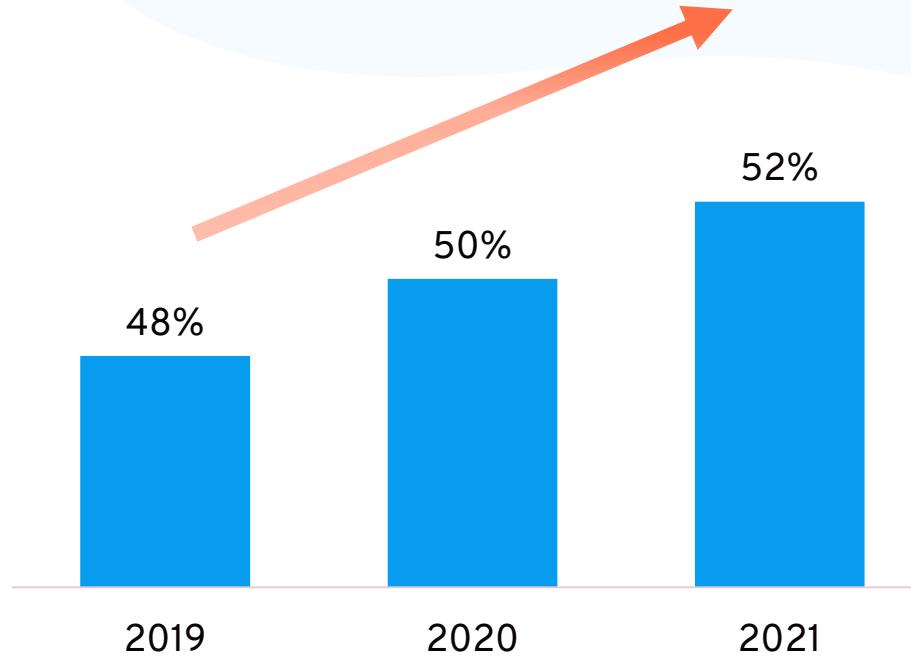


(1) Revenue in 2018 is normalized to exclude a one-time settlement from Verizon in the amount of \$6.3M.

(2) Voxbone acquisition which closed on November 2, 2020, contributed revenue of \$84M across 10 months in 2021 and \$18M revenue across two months in 2020.

Global footprint,  
expanding scale  
and network  
ownership drive  
margin expansion

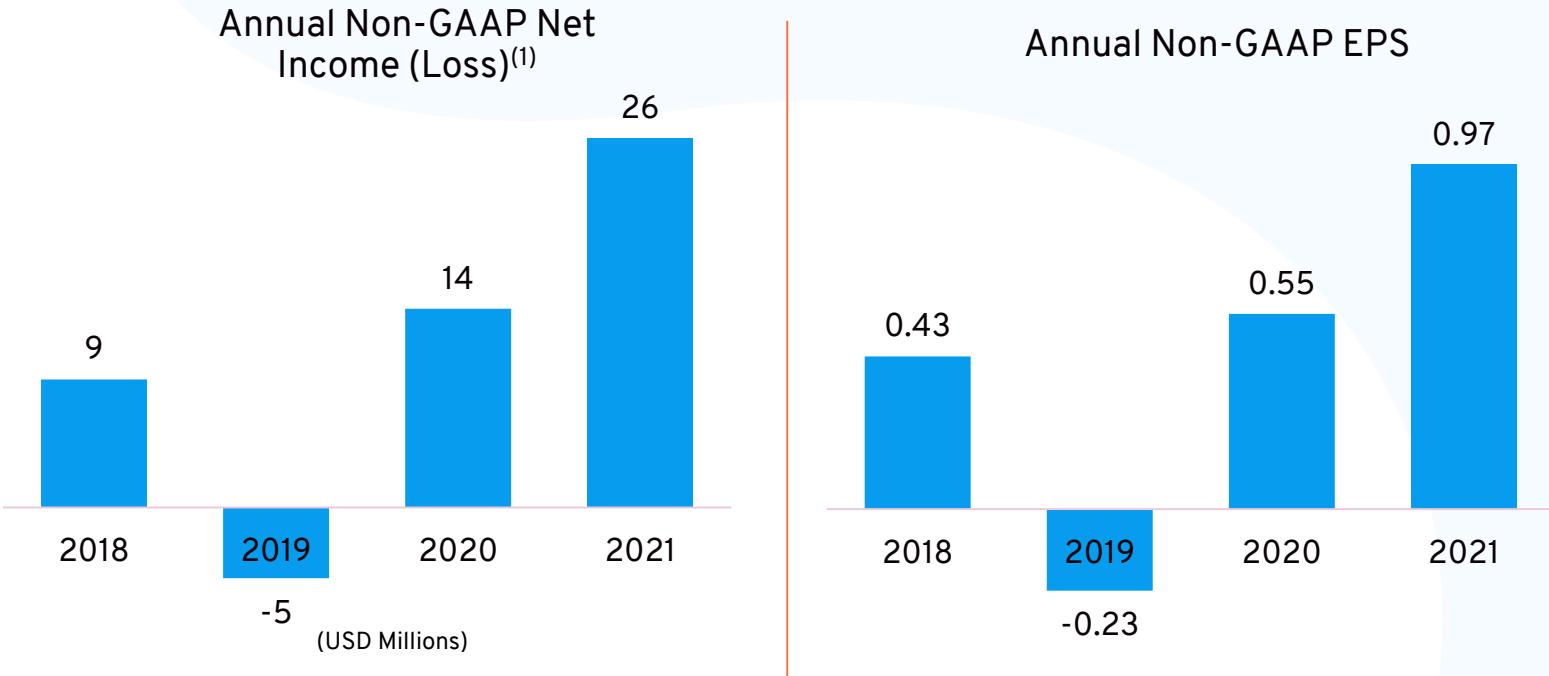
## Expanding Non-GAAP Gross Margin



Note: We define Non-GAAP gross profit as gross profit after adding back depreciation, amortization of acquired intangible assets related to acquisitions and stock-based compensation. We calculate Non-GAAP gross margin by dividing adjusted gross profit by revenue less pass through messaging surcharges, expressed as a percentage of revenue. See Appendix for GAAP to Non-GAAP reconciliation.

Committed to  
investing in our  
future with  
profitable  
discipline

# Profitability Performance



(1) We define Non-GAAP Net Income (Loss) net income adjusted for certain items affecting period to period comparability. Non-GAAP net income excludes stock-based compensation, amortization of acquired intangible assets, amortization of debt discount and issuance costs for convertible debt, acquisition related expenses, impairment charges of intangibles assets, loss (gain) on disposal of property and equipment, net cost associated with early lease terminations and leases without economic benefit, estimated tax impact of above adjustments, income tax (benefit) provision resulting from excess tax benefits associated with the exercise of stock options, vesting of restricted stock units and equity compensation, and expense resulting from recording the valuation allowance on our deferred tax assets ("DTA"). See Appendix for non-GAAP reconciliation.



# The Bandwidth Platform: Where the future of global communications is built.

Positioned to enable the cloud communications revolution  
around the world better than anyone else.



bandwidth



# Appendix

# GAAP to Non-GAAP Reconciliation – Net Income

USD millions, except per share amounts

	FY18	FY19	FY20	FY21
<b>Net income (Loss)</b>	<b>17.9</b>	<b>2.5</b>	<b>(44.0)</b>	<b>(27.4)</b>
Stock-based compensation	3.3	6.6	9.9	14.5
Amortization of acquired intangibles	0.5	0.5	3.7	19.1
Amortization of debt discount and issuance costs for convertible debt	-	-	15.6	26.7
Acquisition-related expenses	-	-	14.5	-
Loss on disposal of property and equipment	0.2	0.5	0.3	0.8
Estimated tax effects of adjustments <sup>(1)</sup>	(12.9)	(15.4)	14.3	(8.1)
<b>Non-GAAP net income (Loss)</b>	<b>9.0</b>	<b>(5.3)</b>	<b>14.2</b>	<b>25.7</b>
<b>Net income (loss) per share</b>				
Basic	0.96	0.11	(1.83)	(1.09)
Diluted	0.85	0.10	(1.83)	(1.09)
<b>Non-GAAP net income (loss) per share</b>				
Basic	0.49	(0.23)	0.59	1.02
Diluted	0.43	(0.23)	0.55	0.97
<i>Non-GAAP weighted average number of shares outstanding</i>				
<b>Non-GAAP basic shares</b>	<b>18.6</b>	<b>22.6</b>	<b>24.1</b>	<b>25.1</b>
Convertible debt conversion	-	-	1.0	1.0
Stock options issued and outstanding	2.4	-	0.4	0.2
Nonvested RSUs outstanding	0.2	-	0.4	0.2
<b>Non-GAAP diluted shares</b>	<b>21.1</b>	<b>22.6</b>	<b>25.9</b>	<b>26.5</b>

(1) The Non-GAAP tax-effect adjustments are calculated based on statutory tax rates, net of valuation allowance adjustments, in the jurisdictions where Bandwidth has tax filings.

Note: Totals may not sum due to rounding.

# GAAP to Non-GAAP Reconciliation – Gross Profit

USD millions, except per share amounts

	FY19	FY20	FY21
<b>Gross Profit</b>	<b>104.2</b>	<b>153.9</b>	<b>213.8</b>
<b>Gross Margin %</b>	<b>45%</b>	<b>45%</b>	<b>44%</b>
Depreciation	6.6	10.0	12.6
Stock-based compensation	0.2	0.3	0.4
Amortization of acquired intangible	-	1.4	8.5
<b>Non-GAAP Gross Profit</b>	<b>111.3</b>	<b>165.7</b>	<b>235.3</b>
<b>Non-GAAP Gross Margin %<sup>(1)</sup></b>	<b>48%</b>	<b>50%</b>	<b>52%</b>

(1) Calculated by dividing Non-GAAP gross profit by revenue less pass-through surcharges of \$1.3M in FY19, \$11.2M in FY20, and \$41.3M in FY21.

Note: Totals may not sum due to rounding.