

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 10-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE FISCAL YEAR ENDED DECEMBER 31, 2024

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE TRANSITION PERIOD FROM TO

Commission File Number: 001-40644

Kaltura, Inc.
(Exact name of Registrant as specified in its Charter)

Delaware
(State or other jurisdiction of
incorporation or organization)
860 Broadway
3rd Floor
New York, New York
(Address of principal executive offices)

20-8128326
(I.R.S. Employer
Identification No.)

10003
(Zip Code)

Registrant's telephone number, including area code: (646) 290-5445

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, \$0.0001 par value per share	KLTR	The Nasdaq Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act:

None
(Title of class)

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes No

Indicate by check mark whether the Registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input checked="" type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input checked="" type="checkbox"/>
		Emerging growth company	<input checked="" type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to § 240.10D-1(b).

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). YES NO

At June 30, 2024, the last business day of the registrant's most recently completed second fiscal quarter, the aggregate market value of the voting and non-voting common equity held by non-affiliates of the registrant was approximately \$155.4 million. Solely for purposes of this disclosure, shares of common stock held by executive officers, directors and certain stockholders of the registrant as of such date have been excluded because such holders may be deemed to be affiliates.

The number of shares of the registrant's common stock, par value \$0.0001, outstanding as of February 13, 2025 was 154,138,268.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the registrant's definitive Proxy Statement relating to its 2025 Annual Meeting of Stockholders, to be filed with the SEC within 120 days after the end of the fiscal year ended December 31, 2024, are incorporated herein by reference in Part III.

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FORWARD-LOOKING STATEMENTS

This Annual Report on Form 10-K contains forward-looking statements. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). All statements other than statements of historical facts contained in this Annual Report on Form 10-K may be forward-looking statements. In some cases, you can identify forward-looking statements by terms such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “targets,” “projects,” “contemplates,” “believes,” “estimates,” “forecasts,” “predicts,” “potential” or “continue” or the negative of these terms or other similar expressions or terminology. Forward-looking statements contained in this Annual Report on Form 10-K include, but are not limited to, statements regarding our future results of operations and financial position, industry and business trends, technological development, projections of demand, growth prospects, product development, competitive pressure, cost savings, stock-based compensation, revenue recognition, business strategy, plans and market growth, the economic climate and its impact on us, and other financial and market matters.

The forward-looking statements in this Annual Report on Form 10-K are only predictions. We have based these forward-looking statements largely on our current assumptions, expectations and projections about future events and financial trends that we believe may affect our business, financial condition and results of operations. Forward-looking statements involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including, but not limited to, the important factors discussed in Part I, Item 1A, “Risk Factors” in this Annual Report on Form 10-K for the fiscal year ended December 31, 2024. The forward-looking statements in this Annual Report on Form 10-K are based upon information available to us as of the date of this Annual Report on Form 10-K, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain and investors are cautioned not to unduly rely upon these statements.

You should read this Annual Report on Form 10-K and the documents that we reference in this Annual Report on Form 10-K and have filed as exhibits to this Annual Report on Form 10-K with the understanding that our actual future results, levels of activity, performance and achievements may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements. These forward-looking statements speak only as of the date of this Annual Report on Form 10-K. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained in this Annual Report on Form 10-K, whether as a result of any new information, future events or otherwise.

As used in this Annual Report on Form 10-K, unless otherwise stated or the context requires otherwise, references to “Kaltura,” the “Company,” “we,” “us,” and “our,” refer to Kaltura, Inc. and its subsidiaries on a consolidated basis.

INDUSTRY AND MARKET DATA

Unless otherwise indicated, information contained in this Annual Report on Form 10-K concerning our industry and the markets in which we operate is based on information from independent industry and research organizations, other third-party sources, and management estimates. Certain of these publications, studies and reports were published before the COVID-19 pandemic and before the resulting effects on the global economy in general and video solutions market in particular, and the current worsening economic climate, and therefore do not reflect any impact of the COVID-19 pandemic or the effects of the worsening economic climate on any specific market or globally. Management estimates are derived from publicly available information released by independent industry analysts and third-party sources, as well as data from our internal research, and are based on assumptions made by us upon reviewing such data and our familiarity or knowledge of such industry and markets, which we believe to be reasonable. Although we believe the data from these third-party sources is reliable, we have not independently verified any third-party information and such data may include forward looking statements, projections, predictions, estimations and assessments within the meaning referenced above by these third-party sources. In addition, projections, assumptions, and estimates of the future performance of the industry in which we operate and our future performance are necessarily subject to uncertainty and risk due to a variety of factors, including those described in Part I, Item 1A. “Risk Factors” and the section titled “Forward-Looking Statements.” These and other factors could cause results to differ materially from those expressed in the estimates made by the independent parties and by us.

In particular, certain information identified in this Annual Report on Form 10-K is contained in the following independent industry publications or reports by Forrester Research, Inc. (“Forrester”) and Gartner, Inc. (“Gartner”)⁽¹⁾:

- Gartner, Magic Quadrant™ for Enterprise Video Content Management, September 2013, October 2014, November 2015, November 2016 and November 2018.
- Gartner, Critical Capabilities for Enterprise Video Content Management, March 2019.
- Gartner, Market Guide for Enterprise Video Content Management, September 2020.
- Gartner, Magic Quadrant for Meeting Solutions, October 2020.
- Gartner, Magic Quadrant for Meeting Solutions, October 2021.
- Gartner, Critical Capabilities for Meeting Solutions, October 2021.
- Gartner, Market Guide for Event Technology Platforms, May 2022.
- Gartner, Market Guide for Meeting Solutions, October 2022.
- Gartner, Market Guide for Event Technology Platforms, June 2023.
- Gartner, Market Finder and Use Case Guide for Meetings and Virtual Events, August 2023.
- Gartner, Market Guide for Meeting Solutions, November 2023.
- Gartner Peer Insights: Enterprise Video Content Management⁽²⁾; Meeting Solutions⁽³⁾; Event Management Technology⁽⁴⁾
- Gartner, Magic Quadrant for Event Technology Platforms, March 2024
- Gartner, Critical Capabilities for Event Technology Platforms, March 2024
- Gartner, Competitive Landscape: Video Platform Services, December 2024
- Gartner, Market Guide for Meeting Solutions, January, 2025
- Forrester, The Forrester Wave™: B2B Marketing Events Management Solutions, Q1 2021.
- Forrester, The B2B Event Management Technology Landscape, Q4 2022.
- The Forrester Wave™: B2B Event Management Technology, Q1 2023.

(1) Gartner's Magic Quadrant and Critical Capabilities references are provided for historical purposes only and do not reflect current market recognition.

- (2) <https://www.gartner.com/reviews/market/enterprise-video-content-management/vendor/kaltura/product/kaltura-video-platform>
- (3) <https://www.gartner.com/reviews/market/meeting-solutions/vendor/kaltura/product/kaltura-video-communications-and-collaboration-suite>
- (4) <https://www.gartner.com/reviews/market/event-technology-platforms/vendor/kaltura?ref=solrcvp&refval=394436571>

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Additionally, the data presented in this Annual Report on Form 10-K regarding customers by industry is based on market capitalization as of January 29, 2025, as reported by companiesmarketcap.com and [big4 accountingfirms.com](https://big4accountingfirms.com).

SUMMARY RISK FACTORS

Our business is subject to numerous risks and uncertainties, including those described in Part I, Item 1A. “Risk Factors” in this Annual Report on Form 10-K. You should carefully consider these risks and uncertainties when investing in, or taking other decisions with respect to, our common stock. The principal risks and uncertainties affecting our business include the following:

- We may not be able to successfully assess or mitigate the current volatile economic climate and its direct and indirect impact on our business and operations, or to correctly predict the duration and depth of the current instability of the global economy and take the right or sufficient measures to address it;
- Political, economic, and military conditions in Israel could materially and adversely affect our business;
- Our dependency on existing customer demand and exposure to changes in demand by our customers, loss of one or more of our significant customers, or any other reduction in the amount of revenue we derive from any such customer makes it difficult to evaluate our current business and future prospects and may adversely affect our business, financial condition, results of operations and growth prospects;
- We have a history of losses and may not be able to achieve or maintain profitability;
- Our future success depends on the growth and expansion of the markets for our offerings, which are constantly evolving and may develop more slowly or differently than we expect, and on our ability to adapt and respond effectively to evolving market conditions;
- If we are not able to keep pace with technological and competitive developments and develop or otherwise introduce new products and solutions and enhancements to our existing offerings, our offerings may become less marketable, less competitive or obsolete, and our business, financial condition and results of operations may be adversely affected;
- We may face risks associated with our use of certain artificial intelligence (“AI”) and machine learning models, including generative artificial intelligence (“generative AI” or “Gen AI”, collectively with AI, the “AI Technologies”), and compliance with the evolving regulatory framework and customers’ requirements around AI development and use;
- If we do not maintain the interoperability of our offerings across devices, operating systems and third-party applications that we do not control, and if we are not able to maintain and expand our relationships with third-party technology partners to integrate our offerings with their products and solutions (and vice-versa), our business, financial condition and results of operations may be adversely affected;
- Part of our Application Programming Interfaces (APIs) and other components in our offerings are licensed to the public under an open-source license, which could negatively affect our ability to monetize our offerings and protect our intellectual property rights;
- The markets in which we compete are nascent and highly fragmented, and we may not be able to compete successfully against current and future competitors, which could harm our business, financial condition and results of operations could be harmed;
- If we are unable to increase sales of our subscriptions to new customers, expand the offerings to which our existing customers subscribe or the value of their subscriptions, or have them renew their subscriptions in terms that are economically beneficial to us, our future revenue and results of operations would be adversely affected;
- Political, economic, and military conditions in Ukraine, Russia and other countries following the Russian invasion to Ukraine, geopolitical instability and hostilities in the Middle East and Gulf region and their possible impact on global trade and financial markets, or such and other conditions in other regions in which we operate, or changes in the business environment in those regions, could materially and adversely affect our business;
- We recognize a significant portion of revenue from subscriptions over the term of the relevant subscription period, and as a result, downturns or upturns in sales are not immediately reflected in full in our results of operations;
- Increased breaches of network or information technology security along with an increase in cyber-attack activities, increases the risk that we shall be subject to cybersecurity threats that could have an adverse effect on our business;

- Data privacy, data protection and digital resilience laws are rapidly evolving and present increasing compliance challenges. Additionally, if we or our third-party service providers experience a security breach, data loss or other compromise, including if unauthorized parties obtain access to our customers' data, our reputation may be harmed, demand for our platform, products and solutions may be reduced, and we may incur significant liabilities;
- If we fail to meet contractual commitments under our customer agreements, we could be obligated to provide credits for future service, face contract termination with refunds of prepaid amounts, be charged penalties, or could experience a decrease in customer renewals in future periods, any of which would lower our revenue and adversely affect our business, financial condition and results of operations;
- We rely on third parties, including third parties outside the United States, for some of our software development, quality assurance, operations, and customer support;
- We depend on our management team and other key employees, and the loss of one or more of these employees or an inability to attract and retain highly skilled employees could adversely affect our business;
- Failure to effectively develop and expand our marketing and sales capabilities or to maintain or expand our international business could harm our ability to increase our customer base and achieve broader market acceptance of our offerings;
- We expect our revenue mix to vary over time, which could negatively impact our gross margin and results of operations;
- Our international operations and expansion expose us to risk;
- A portion of our revenue is generated by sales to government entities, which subjects us to specific challenges and risks;
- If we are unable to consummate acquisitions at acceptable rate or prices or achieve our expected goals, and to enter into other strategic transactions and relationships that support our long-term strategy, our growth rate and the trading price of our common stock could be negatively affected;
- A real or perceived bug, defect, security vulnerability, error, or other performance failure involving our platform, products or solutions could cause us to lose revenue, damage our reputation, and expose us to liability;
- Failure to protect our proprietary technology, or to obtain, maintain, protect and enforce sufficiently broad intellectual property rights therein could substantially harm our business, financial condition and results of operations;
- Our failure to raise additional capital or generate the significant capital necessary to expand our operations and invest in new offerings could reduce our ability to compete and could adversely affect our business; and
- Significant changes or developments in U.S. laws or policies, including possible changes in U.S. trade policies and tariffs and the reaction of other countries to these policies, may have a material adverse effect on our business, results of operations, and financial condition.

PART I

Item 1. Business.

Overview

We, Kaltura, Inc. (“Kaltura,” “we,” “us,” or “our”), are a market-leading provider of live, real-time, and on-demand video offerings for enterprises, with a mission to create and power AI-infused hyper-personalized video experiences that boost customer and employee engagement and success.

Video is everywhere. It has become a driving force for online interactions and engagement, and has revolutionized how we communicate, work, learn, and entertain. For businesses, video sits at the heart of digital transformation, with organizations increasingly embracing video solutions to better engage with customers and employees. Moreover, the recent rise of generative AI enables real-time, automatic production of highly personalized and contextually relevant content, including video and rich media, which we believe would materially boost the creation, consumption, and business impact of video experiences. With the expected continued growth in rich content in organizations, the potential need for content management solutions and advanced digital experiences is expected to grow.

Founded in 2006, Kaltura was amongst the first pioneers to recognize the great potential of adding video to enterprise workflows and to offer a system for enterprise video content management and online video publishing. We have since expanded to also power virtual events and webinars and Cloud TV with our Video Experience Cloud. Our Video Experience Cloud includes a platform for enterprise and TV content management and a wide array of Gen AI-infused video-first products, including Video Portals, LMS and CMS Video Extensions, Virtual Events and Webinars, Virtual Classrooms, and TV Streaming Applications.

Our platform and products engage millions of end-users at home, at work, and at school, boosting both customer and employee experiences, including marketing, sales, and customer success; teaching, learning, training and certification; communication and collaboration; and entertainment, and monetization. We power a large and loyal blue-chip customer base of large, and small and medium enterprises (SMEs), across diverse industries, including 27% of Fortune 100 companies, over 50% of US R1 schools, and top-tier telecommunications companies and media companies.

From the onset, our differentiated approach has been to treat video as a data type, not as an application, and accordingly to provide a unified and flexible enterprise-grade API-first platform that enables tightly integrated live, real-time, and on-demand video experiences across business workflows. We believe Kaltura’s platform offering is superior to siloed point solutions, which are not deeply integrated or interoperable, and as such are typically less effective, less efficient, and more costly. Our platform is designed to foster deeper engagement and deliver greater business outcomes, whether that means boosting employee knowledge, engagement, collaboration and productivity; driving marketing funnel conversion and successfully attracting and engaging customers and prospects; providing improved customer care; or offering more engaging entertainment experiences that yield greater monetization.

During the COVID-19 pandemic, many enterprises and educational institutions rapidly expanded their use of video solutions, fueling accelerated adoption of video solutions. While the enterprise video market saw demand deceleration when pandemic-related restrictions subsequently eased and certain geopolitical and macroeconomic challenges ensued, the demand for high-quality, secure, and flexible video tools remains robust. We believe demand is gradually starting to regrow, along with an even greater need of organizations to converge their numerous disparate video experiences to run more effectively on single horizontal platforms like Kaltura’s.

Furthermore, we believe that recently introduced Gen AI capabilities supercharge the value of video experiences by helping to facilitate real-time, unique, hyper-personalized and hyper-contextualized video-first experiences for every end user. We believe this is a groundbreaking revolution in our industry, and that Kaltura is well-positioned to benefit from it in light of the vast video content that we already manage for our customers, our deep integrations into workflows, and our cross-enterprise deployments across a wide range of products, and employee and customer use-cases.

As we look ahead, we see opportunities to strengthen our valuable existing relationships through additional upsells and cross-sells, to attract new customers to use our existing products and services, and to also continue and grow our product and services portfolio and expand into additional adjacent markets. We believe this combination of innovation, operational adaptability, and strong customer relationships will enable us to maintain our leadership in the dynamic video technology market and deliver growing, sustainable value for our shareholders.

Market Segments

We have expanded throughout the years to operate today in three enterprise video market segments:

- Enterprise Video Content Management and Online Video Platforms
- Cloud TV Software
- Virtual Events and Webinars

We believe that we are well-positioned to continue expanding our business in these growing market segments as well as continue to effectively penetrate new ones and are continually exploring new ways to innovate our business.

- **Enterprise Video Content Management (EVCN) and Online Video Platforms (OVP)**
 - The EVCN and OVP market segment is comprised of video-first solutions designed to enable organizations to capture, create, manage, analyze, edit, optimize, distribute, publish, monetize, and engage with on-demand and live video streaming, at scale.
 - Key Projected Growth Drivers:
 - The advent of mobile devices and cloud-based services, increased bandwidth capacity, a shift towards remote work and learning, and a demographic shift to generations that favor video over other data types are expected to increase content creation and consumption.
 - Gen AI-infused experiences are expected to boost content creation, consumption, and impact, and to increasingly replace labor-intensive production services.
- **Cloud TV Software**
 - The Cloud TV Software market segment is comprised of solutions that power large scale, cloud-based over-the-top (OTT) television streaming services across devices (set-top-boxes, smart TVs, and connected devices) and monetization schemas (subscription, transaction, and advertising-based). This includes both a backend platform for content and user management, and front-end applications for end-user engagement.
 - Key Projected Growth Drivers:
 - Customer migration from legacy IPTV systems to OTT, and from on-premises to cloud, is expected to continue.
 - Gen AI-infused content curation and end-user TV experiences are expected to improve cost efficiencies and to boost engagement and monetization.
- **Virtual Events and Webinars**
 - The Virtual Events and Webinars market segment is comprised of both synchronous and asynchronous video-first solutions that are used to host virtual and hybrid events and webinars at varying scales, from small group meetings to large multi-day conferences.
 - Key Projected Growth Drivers:
 - Events have increasingly become full or partial virtual experiences, in order to expand reach, reduce costs and increase sustainability, and to increase engagement before, during, and after the events.
 - Gen AI-infused experiences are expected to reduce event production costs and to drive adoption, engagement, impact, and return on investment.

Use Cases

Our platform and products support millions of end users worldwide at home, work, and school, through our enterprise customers who rely on Kaltura to power a broad range of use cases, spanning across both customer and employee experiences. Main use cases include:

- **Marketing, Sales and Customer Success:** including, for example, live webinar programs for lead generation, large-scale virtual or hybrid events, video publishing in websites and social media, customer video portal, and personalized video messaging.
- **Teaching, Learning, Training and Certification:** including, for example, lecture capture, virtual classrooms, online learning and training libraries and portals for onboarding, training, compliance programs, micro-learning, and certification pathways.
- **Communication and Collaboration:** including, for example, intranet knowledge sharing portals and content hubs, social enterprise platforms, virtual events, and employee town halls.
- **Entertainment and Monetization:** including, for example, live and on-demand Cloud TV services (SVOD, TVOD, and AVOD), live broadcasting, content syndication and publishing, and user-generated content portals.

We distinguish in our financial reporting between revenue and gross profit from Subscription and Professional Services that are attained from customers who use us to address the Entertainment & Monetization use case (“Media & Telecom” reporting segment, or “M&T”), to those that are attained from customers who are using us to address all other use cases (“Enterprise, Education, and Technology” reporting segment, or “EE&T”).

Key Market Trends

The nature of video experiences has transformed in recent years. Several major trends have played a role in this evolution:

- **Shift to Remote Work and Education:** Organizations worldwide continue to adopt remote and hybrid work and learning arrangements, relying heavily on video to create comprehensive digital experiences at scale. The need for high-quality remote and hybrid solutions has further increased as businesses reduce travel budgets and seek to lower their carbon footprint and further adapt to the remote experiences culture of their audiences. As a result, we have observed a growing demand for integrated video workflows, analytics, and engagement tools that can accommodate diverse use cases from employee collaboration and corporate training, to academic instruction and online events.
- **Events are No Longer just In-Person:** Marketers and event organizers are increasingly incorporating virtual and hybrid formats into their engagement strategies. Video remains at the core of these experiences, and we experience a corresponding rise in demand for detailed engagement analytics and hyper-personalized content. As organizations seek to connect with audiences both on-site and remotely, comprehensive virtual event solutions that provide high-quality interactivity and robust performance metrics become increasingly essential.
- **Growing Importance of Employer Branding:** Companies are intensifying their focus on employer branding, both externally to customers and prospects, and internally to recruit and retain talent. This convergence of external marketing and internal communications requires the same level of production quality and user experience for all audiences. As a result, video-based solutions for communications and branding must be flexible, scalable, and consistent in look and feel across different channels.
- **Focus on First Party Data:** With increasing privacy regulations and evolving consumer expectations, we believe that first-party data has and will increasingly become a strategic asset. Organizations are investing in platforms such as video experience platforms that help them gather and leverage their own user data rather than relying on third-party sources. These capabilities are built to enable deeper audience insights, more effective personalization, and stronger control over compliance and data governance, and better control the organization's secured environments and resources.

- **Increased Demand for Vendor Consolidation:** Many businesses are seeking to streamline operations and maximize value by consolidating their technology vendors. While cost savings remain an important motivator, organizations are also focused on improving overall efficiency, performance, and agility. Companies increasingly look for comprehensive platforms that address multiple digital transformation needs, such as webinars, virtual events, corporate communications, and live streaming, within a single ecosystem. This approach is intended to reduce complexity, simplify vendor management, and support more cohesive long-term digital strategies.
- **Generative Artificial Intelligence on the Rise:** The emergence of generative AI has opened new avenues for automating workflows, increasing productivity, and lowering costs across industries and departments. Real-time, automated production of highly personalized, contextually relevant video and other rich media has the potential to substantially boost both the creation and consumption of video experiences. As organizations are expected to produce more rich content, we anticipate growing demand for robust content management solutions and advanced digital experiences. Generative AI has particularly gained popularity among marketing teams, who are leveraging AI-driven tools in a wide range of video-based campaigns. We believe the expanded adoption of Gen AI will continue to influence both technology investments and the strategic direction of video-centric solutions.
- **Rise of Over-The-Top (OTT) Video:** Television content delivery continues its migration to internet-based (OTT) services, allowing providers to bypass traditional broadcast models and reach consumers directly. At the same time, enterprises, smaller organizations, and even individuals can now produce and distribute video content locally and globally. This shift has driven demand for high-performance, user-friendly, highly customizable platforms that support live and on-demand video, advanced monetization models, and a seamless cross-device viewer experience.

Challenges That Organizations Who Want to Use Video Currently Face

As video continues to grow as a primary medium for communication, collaboration, learning, marketing, and entertainment, many organizations will have to navigate new complexities. In a challenging economic environment, organizations are under pressure to deliver measurable results with reduced budgets and to reinvent themselves amid a fast-evolving Gen AI landscape. Without cohesive video-centric strategies and robust analytics to support those activities, these efforts often fall short of achieving the desired engagement and return on spend. The following are some of the challenges that we have observed organizations frequently encounter:

- **Limited integration of video into existing processes, tools and systems:** Most video solutions are standalone applications that are not sufficiently integrated into existing workflows and applications. Without deep integration, video experiences do not fulfill their full potential and often fall short of delivering on their intended business impact. For example, marketing departments are under pressure to deliver measurable leads and conversions with increasingly smaller marketing budgets and a pressured B2B marketing funnel. Without deeply integrating video experiences into the lead generation workflows, customer and campaign data, and MARTECH systems, marketing efforts may fail to drive the desired customer engagement and return on investment.
- **Dealing with a large number of single purpose and often redundant video applications:** Many organizations are working with multiple vendors who offer point solutions for seemingly separable use cases. This also often includes utilizing different providers for on-demand, live, and real-time video, instead of meshing these experiences together. These organizations may suffer from limited functionality, a lack of cohesiveness and inconsistent user experience, disjointed workflows, content silos, and fragmented analytics that lack a holistic view of user behavior. All of this reduces usability and user engagement, adds unnecessary complexities and costs, and lowers return-on-investment, efficiency and productivity.
- **Still offering mostly non-personalized lean-back viewing experiences:** Many video-based experiences remain “lean-back”, offering minimal engagement and limited data capture. Without personalized interactions and advanced analytics, organizations may struggle to derive meaningful insights or nurture deeper employee and customer relationships. To that end, while the introduction of new Gen AI technology can dramatically boost personalization, organizations often find it difficult to adopt new capabilities and insert them deeply into their workflows.
- **Being vulnerable to mission-critical risks and liabilities:** Security, availability, resilience and data protection remain top concerns for any enterprise, and even more so for organizations that are operating in regulated sectors.

Video is a complex and demanding data type, and many video solutions fail to fully adhere to the most stringent compliance and governance requirements, resulting not just in limited functionality and adoption, and in unnecessary complexities and costs, but also in greater risks compared to enterprise-grade solutions.

How Kaltura Addresses Organizations' Video Challenges

Customers trust Kaltura to power their video experiences for the following main reasons:

- **Advanced, Flexible and Modular Video Content Management:** Our API-first architecture and hundreds of APIs, comprehensive software development kits (“SDK”) and Experience Components, and vast ecosystem of integration partners provide to organizations of all sizes across diverse industries the leading content management capabilities with a very high degree of integration, customization and flexibility. We believe this is key to successfully addressing business challenges and needs, security requirements, cost-efficiencies, and user-experiences. For example, in the case of marketing this enables us to deeply integrate into marketing workflows and with third party marketing products, and through that to boost the marketing funnel. To that end, it is noteworthy that Kaltura’s design approach to foster flexibility, modularity, and ecosystem collaboration stems not only from its sound business rationale, but also from our founding values of openness, flexibility, and collaboration. Since our inception we have wholeheartedly believed that video is a great equalizer, connecting people of diverse backgrounds, languages, industries, and accessibility needs, and that by enabling organizations to deeply integrate it into workflows, we help them achieve their own business goals and objectives.
- **A Single Platform for All Video Experiences:** Kaltura’s extensive and diverse product portfolio is designed to address a broad spectrum of employee and customer experience use cases, while also meeting the distinct needs of multiple functional decision-makers - including Chief Marketing Officers, Chief Information Officers, Chief Technology Officers, and Chief Learning Officers - through a single, consolidated platform. This integrated approach avoids fragmentation of workflows, siloing of content, complexities, and redundant costs, fostering consistency and cost efficiency. Moreover, by owning the entire employee and customer journey we can collect their complete data, generate comprehensive insights, and maximize engagement and business results. This is even more crucial in the age of Gen AI, where having access to the complete data across the entire employee and customer journeys can yield the best insights and business outcomes. For example, in the same aforementioned case of marketing – our offerings span from interactive videos embedded in corporate websites and CMS integrations, to video-driven marketing events and portals, through customer education programs like academies and enablement hubs. This enables us to collect all of the user data and offer consistent engagement throughout their lifecycle, including effective hyper-personalized experiences with the use of evolving Gen AI technologies.
- **Heightened Engagement, Interactivity, and Personalization:** Our offerings include a wide array of “lean forward” experiences that promote engagement and interactivity. Our Gen AI-powered capabilities and developments, are building on our advanced content management, deep workflow integrations, and enterprise-wide data collection to offer hyper-personalized and hyper-contextualized immersive digital experiences, while designed to address enterprise-grade data integrity and privacy requirements, and adhere to our customers' AI policies.
- **Built for Enterprise:** Our cloud-native architecture is designed to serve millions of concurrent viewers, supported by high-availability infrastructure, helping facilitate robust mission-critical performance at scale. We meet global data security and privacy requirements through secure deployment options and regional data sovereignty, as well as by adhering to international compliance schemes and certifications such as ISO and SOC 2. In addition, we strive to address the needs of all users by integrating accessibility features that align with recognized global standards, reflecting our commitment to inclusivity. These capabilities also enable us to successfully cater to heavily regulated industries - such as healthcare, government, and financial services. We believe our extensive experience in executing large-scale, highly secure video projects allows us to help organizations achieve meaningful business results without compromising on security, privacy, resilience, and accessibility requirements.

Market Recognition of Kaltura

Our products received multiple awards and industry recognition in 2024, reflecting our continued effort to foster innovation and customer satisfaction. These include:

Industry Recognition

- **Gartner’s Market Guide for Meeting Solutions (2025):**⁽¹⁾ Kaltura recognized in this report as a “Representative Vendor”
- **Gartner’s Magic Quadrant and Gartner’s Critical Capabilities for Event Technology Platforms (2024):**⁽²⁾ Kaltura recognized in these reports.

Awards

- **Digiday Technology Awards (2024):** Best Video Management Platform (Winner).
- **MarTech Awards (2024):** Best Overall Event Solution Provider, Best Virtual Event Platform (North America).
- **Eventex Awards (2023–2024):** Best Webinar Software (Winner, 2023), Best Audience Engagement Technology (Gold, 2024), Best Event Technology (Silver, 2024), Best Virtual Event Platform (Silver, 2024).
- **Event Technology Awards (US & Canada, 2024):** Best Virtual / Hybrid Event Platform (Winner).
- **G2 (2024):** Multiple “Leader” recognitions, including Mid-Market and Americas segments.
- **Frost & Sullivan's Radar for Media & Entertainment 2024:** Named one of top 5 solutions worldwide, highlighting our flexible architecture, modularity and scalability.
- **‘FEED Special Recognition in AI’ (2024):** The magazine’s 2024 Honor List for Kaltura’s Media and Telecom new GenAI features for Streaming Services.

Recognition by Gartner

In 2025, we were recognized in the 2025 Gartner Market Guide for Meeting Solutions.⁽³⁾ In 2024, we were recognized in the 2024 Gartner Magic Quadrant for Event Technology Platforms⁽⁴⁾, the 2024 Gartner Critical Capabilities for Event Technology Platforms⁽⁵⁾, and in Gartner 2024 Competitive Landscape: Video Platform Services.⁽⁶⁾

In 2023, we were recognized in Gartner 2023 Market Guide for Event Technology Platforms,⁽⁷⁾ the 2023 Gartner Market Guide for Meeting Solutions,⁽⁸⁾ and the Market Finder and Use Case Guide for Meetings and Virtual Events.⁽⁹⁾

¹ Gartner® Market Guide for Meeting Solutions, By Christopher Trueman, Lacy Lei, Adam Prese, 28 January, 2025

² Gartner® Magic Quadrant™ for Event Technology Platforms, Christy Ferguson et al., 18 March 2024, and Gartner®, Critical Capabilities for Event Technology Platforms, Christy Ferguson et al., 20 March 2024

³ Gartner's Magic Quadrant and Critical Capabilities references are provided for historical purposes only and do not reflect current market recognition

⁴ Gartner® Magic Quadrant™ for Event Technology Platforms, Christy Ferguson et al., 18 March 2024

⁵ Gartner®, Critical Capabilities for Event Technology Platforms, Christy Ferguson et al., 20 March 2024

⁶ Gartner®, Competitive Landscape: Video Platform Services, Amol Nerlekar, 18 December 2024

⁷ Gartner®, Market Guide for Event Technology Platforms, Christy Ferguson et al., 5 June 2023 (This research has already archived)

⁸ Gartner®, Market Guide for Meeting Solutions, Tapan Upmanyu et al., 21 November 2023 (This research has already archived)

⁹ Gartner®, Market Finder and Use Case Guide for Meetings and Virtual Events, Christopher Trueman et al., 16 August 2023

In 2021, we were recognized as a Visionary in the 2021 Gartner® Magic Quadrant™ for Meeting Solutions,⁽¹⁰⁾ and we ranked 4th in the ‘External Presentation’ (4.44/5) Use Case, and 5th in the ‘Learning and Training’ (4.32/5), and ‘Webinar’ (4.16/5) Use Cases in the Gartner 2021 Critical Capabilities for Meeting Solutions Report.⁽¹¹⁾

2020 and before

We were also recognized as a Representative Vendor in the 2020 Gartner Market Guide for Enterprise Video Content Management.⁽¹²⁾ We have been included in Gartner research reports on this since 2013, where we were listed as a Leader for 5 consecutive times in the Magic Quadrant for Enterprise Video Content Management report⁽¹³⁾ and ranked highest score in all 4 Use Cases in the last-published Critical Capabilities for Enterprise Video Content Management report.⁽¹⁴⁾ Gartner discontinued publication of this Magic Quadrant for Enterprise Video Content Management report in 2018 and of the correlating Critical Capabilities report in 2019.

Past Recognition by Forrester

In March 2023, we were recognized as a Contender in The 2023 Forrester Wave™: B2B Event Management Technology. In November 2022, we were recognized as a Notable Vendor in The 2022 Forrester B2B Event Management Technology Landscape. In March 2021, we were also cited as a Strong Performer in The 2021 Forrester Wave™: B2B Marketing Events Management Solutions.

Customer Recognition

We have also received customer recognition. As of January 29, 2025, we received a rating of 4.2/5 from 5 reviews for Event Technology Platforms⁽¹⁵⁾, and 4.5/5 from 62 reviews for Meeting Solutions⁽¹⁶⁾ and 4.5/5 from 29 reviews for Enterprise Video Content Management⁽¹⁷⁾ by customers on Gartner® Peer Insights™.

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¹⁰ Gartner®, Magic Quadrant for Meeting Solutions, Mike Fasciani et al., 7 October 2021 (This research has already archived)

¹¹ Gartner®, Critical Capabilities for Meeting Solutions, Tom Eagle et al., 7 October 2021

¹² Gartner®, Market Guide for Enterprise Video Content Management, Stephen Emmott et al., 28 September 2020 (This research has already archived)

¹³ Gartner®, Magic Quadrant™ for Enterprise Video Content Management, Stephen Emmott et al., 28 November 2018 (This research has already archived)

¹⁴ Gartner®, Critical Capabilities for Enterprise Video Content Management, Stephen Emmott et al., 29 March 2019 (This research has already archived)

¹⁵ Gartner®, Peer Insights™, Kaltura in Event Technology Platforms, <https://www.gartner.com/reviews/market/event-technology-platforms/vendor/kaltura/product/kaltura-events>

¹⁶ Gartner®, Peer Insights™, Kaltura in Meeting Solutions, <https://www.gartner.com/reviews/market/meeting-solutions/vendor/kaltura/product/kaltura-video-communications-and-collaboration-suite>

¹⁷ Gartner®, Kaltura in Enterprise Video Content Management, <https://www.gartner.com/reviews/market/enterprise-video-content-management/vendor/kaltura/product/kaltura-video-platform>

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Customers and Industries

As of December 31, 2024, we served approximately 850 customers¹⁸, including several of the world’s leading brands across multiple industries, such as technology, higher education and K-12, regulated industries (banking, government, healthcare, and life sciences), professional and commercial services (consulting, manufacturing, retail, real estate, and nonprofit organization), and media and telecommunications. We serve 27 of the U.S. Fortune 100, and more than 50% of the top U.S. research universities (R1 Research Institutions). Additionally, our solutions power major global TV initiatives. Most of our customers leverage several Kaltura products for a range of use cases across their organization.



Our customers are global, spanning 53 countries, and during the year ended December 31, 2024, our technology reached end users in over 200 countries. For the year ended December 31, 2024, approximately 53% of our revenue was generated from customers in the Americas, 38% from customers in EMEA and 9% from customers in APAC. We have sold our products to customers of all sizes, selling to large global enterprises as well as more recently to small and medium enterprises (“SMEs”).

As of December 31, 2024, our customer base included 290 customers with annualized recurring revenue (“ARR”) greater than \$100,000 and 30 customers with ARR greater than \$1.0 million.

The following are our main target industries, and their main use cases with our offerings:

- **Technology**
 - Major technology companies such as cloud service providers, enterprise and consumer software providers, semiconductor manufacturers, and EdTech vendors use Kaltura for deep video integrations into their applications, large-scale virtual events, marketing programs, customer engagement, learning and development, employee experience, and partner training and certification.
 - We serve approximately 30% of the top 50 global technology companies.
- **Higher Education and K-12**
 - Leading research universities, community colleges, and K-12 school systems use Kaltura for virtual classrooms, lecture capture, interactive video learning deeply integrated into Learning Management Systems and university systems, serving student and faculty in online and on-site classes, as well as career development, marketing and alumni relations.
 - We serve more than 50% of R1 schools in the U.S.

¹⁸ As previously disclosed, in 2024, we updated our customer count methodology to treat subdivisions of the same legal entity (for example, divisions of a parent company or separate campuses that are part of the same state university system), as well as Value-add Resellers (“VARs”) (meaning resellers that directly manage the relationship with the customer) and the customers they manage, to be a single customer. The change in methodology results in a decrease to our reported customer count as compared to the calculation under our prior methodology.

- **Regulated Industries**

- Organizations within highly regulated sectors such as banking, government, healthcare, and life sciences - rely on Kaltura to meet stringent security and compliance requirements across various use cases, including customer interactions, partner training, corporate communications, learning and development, and knowledge sharing. We also cater to vertical-specific solutions such as Wealth Management and Patient and Partners Engagement digital experiences.
- We serve approximately 24% of the top 50 financial services and insurance institutions, 6 out of the 10 largest pharma and healthcare providers, and various government entities globally.

- **Professional and Commercial Services**

- We define professional and commercial services to include industries such as consulting, manufacturing, retail, real estate, and nonprofit organizations. These entities leverage Kaltura for internal communications, training, customer engagement, partner enablement, and marketing campaigns.
- Our customer base includes three of the Big Four accounting firms and 4 out of the 10 largest Automotive Manufacturers.

- **Media & Telecom**

- Telecom operators, media networks, and OTT streaming platforms utilize Kaltura for large-scale live streaming, content management, multi-device viewing, and advanced monetization.
- Kaltura works with top global telcos and leading media and entertainment companies to deliver direct to consumer and end to end television services globally.

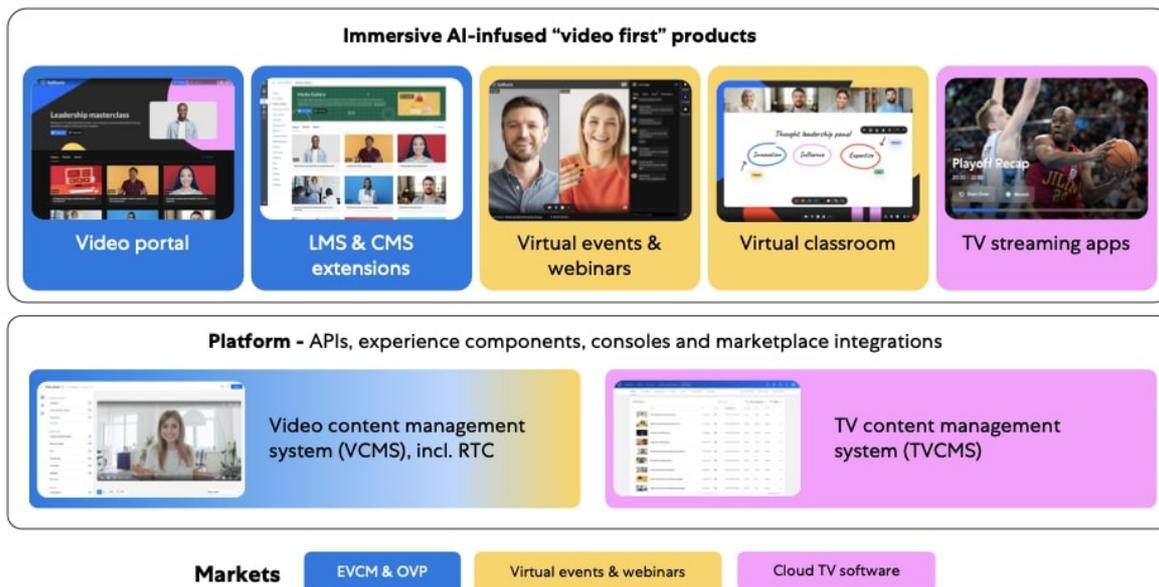
Growth Strategies

We intend to drive growth by executing on the following key strategies:

- **Grow Our Existing Customers:** Most of our customers use multiple Kaltura products, and many do so across multiple use-cases and buyers. We plan to sell more to our existing customers by providing them more products and capabilities (existing and new) and addressing additional use cases. For example, in 2024 we continued expanding our customers use-cases from internal in-house use for their employees (e.g. employee training and communication), to also external (e.g. customer and prospect marketing, and partner training). We expect to see continued increase in usage of our products, by way of more video creation and consumption and more end-users. We expect our customers will consolidate around a single video vendor to grow and believe that Kaltura is ideally situated to be that single vendor. For the years ended December 31, 2024 and 2023, our Net Dollar Retention Rate (as defined below in Part II, Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations") was 100% and 101%, respectively.
- **Secure New Customers Within our Current Markets:** Kaltura is already trusted by top large enterprises, leading education institutions, and prominent Media & Telecom companies. We believe we have a significant opportunity to expand our presence in these markets, especially with Global 2000 companies. We have a well-tuned sales and marketing operation, which we expect will drive both geographic and vertical expansion.
- **Expand our Product Offering for our Existing Markets:** We plan to continue leveraging our flexible and extendable platform to expand our product portfolio to include more advanced capabilities and power more use cases. For example, since 2020, we have introduced our Events & Webinars and Virtual Classroom products, and a set of new TV applications for viewers using TVs, PCs, tablets, and mobile devices. We have recently also launched a suite of Gen AI capabilities which we believe will start impacting revenues in 2025.
- **Expand into New Markets:** We are continuing to pursue our plan to gradually expand down market from large enterprises to also power SMEs through making our products more self-operated, and advancing our inside-sales marketing, sales, and operations practices. We also plan to expand in the future into new markets by introducing new industry solutions, for example for the financial services and healthcare markets.

- **Accelerate through Partnerships and Mergers & Acquisitions:** We plan to increase the breadth of partnerships with our technology partners, further allowing us to provide the most comprehensive video solutions to our customers. Additionally, we intend to continue to explore potential M&A initiatives that could enhance our capabilities, increase our market share in markets we already operate in, or open up new markets.

Product



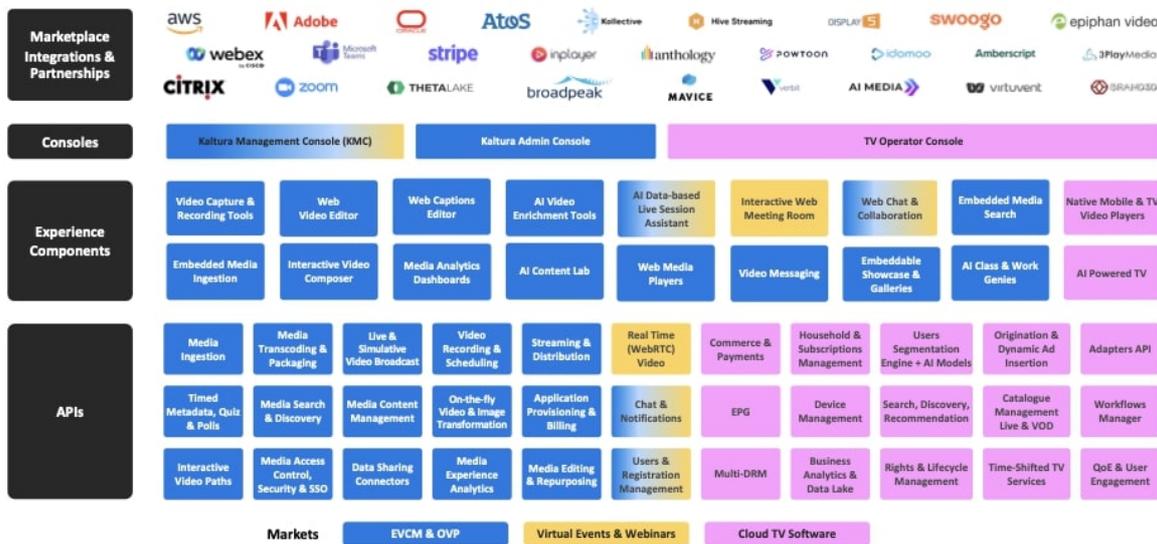
Kaltura’s Video Experience Cloud is designed to meet the variety of customers’ needs to effectively engage employees and customers through video-first and TV experiences, and boost business results. It includes a cloud-native video and TV content management platform that serves as a foundation for our broader suite of immersive Gen AI-infused “video-first” products, including Video Portals, LMS & CMS Video Extensions, Virtual Events & Webinars, Virtual Classrooms, and TV Streaming Applications.

Our platform and products are highly modular, scalable, and interoperable, stemming from our API-first architecture and our hundreds of APIs, SDKs, and modular Experience Components (embeddable Kaltura components with an end-user interface). Our unified, flexible underlying architecture is designed to allow our customers to heavily customize and deeply integrate our products into their workflows and systems, to consolidate around Kaltura as a single vendor to power all employee and customer video use cases, to best benefit from the emerging capabilities of Gen AI-infused video experiences, and to scale up successfully with the required stability, compliance, and security.

While certain offerings focus on specific market segments and/or use cases, many of our products cut across them, enabling customers to uniformly address workflows that run the gamut from internal employee training to external customer and prospect engagement, to large-scale consumer-facing TV offerings, under a single, integrated infrastructure.

The following provides information on our foundational platform, and on the products that run over it to address a wide range of video-centric requirements.

Platform for Video & TV Content Management: APIs & SDKs, Experience Components, Consoles and Marketplace Integrations



Kaltura’s platform includes video and TV content management systems that are comprised of APIs & SDKs, Experience Components, consoles, and Marketplace integrations. They are designed to streamline the creation, management, and delivery of enterprise video and TV experiences. Key capabilities include:

- **Development tools:** Comprehensive APIs and SDKs that enable developers to build custom video-first workflows and embed video functionalities into existing workflows, applications, and websites.
- **Embeddable Experience Components:** Modular end-user facing building blocks that can be tailored and customized to match branding guidelines, user experience requirements, and specific operational needs.
- **Consoles and Marketplace Integrations:** Administrative interfaces and third-party integrations that support efficient deployment and management of video content across diverse ecosystems.
- **Video Content Management System (VCMS):** A comprehensive solution for digital asset management, designed for a secure, enterprise-grade environment. It addresses the entire lifecycle of video content, from creation and transcoding through storage, search, distribution, publishing, engagement, analytics, and monetization, designed to enable organizations to deliver both live, on-demand, and real-time-communication video experiences, interactive functionalities, and advanced analytics.
 - **Key Capabilities:** VCMS provides centralized media management for storing, categorizing, and distributing video assets, underpinned by enterprise-grade security features aimed at supporting global data privacy and regulatory requirements. Its API-first architecture, SDKs, and configurable Experience Components (as detailed in the picture above) facilitate seamless embedding of video workflows, across applications and websites. The solution also supports live events, VOD, and WebRTC-enabled communications, allowing businesses to manage and optimize a wide array of video experiences.
 - **Key Use Cases:** VCMS is designed to power media management and immersive video experience in a broad variety of use cases and applications. Its flexibility and scalability make it suitable for organizations of any size, and it is often deeply integrated into broader technology ecosystems or commercial products.

- **Key Gen AI-Infused Features:** VCMS includes Gen AI-infused capabilities such as automated content summarization, in-video quiz generation, automated intelligent video editing, and Gen-AI enhanced search, discoverability and user engagement. These features seek to provide data-driven insights and targeted content experiences, helping organizations to realize more value from their content and create new personalized video experiences.
- **Differentiators:** We believe VCMS is differentiated by its highly scalable architecture, deeply flexible integration options, and introduction of evolving Gen AI capabilities, which together enable customers to centralize and streamline their video-first experiences across their various business functions.
- **TV Content Management System (TVCMS):** A large-scale cloud-based OTT solution designed to enable personalized, always-on television experiences across millions of concurrent viewers. It supports a variety of distribution and monetization models, and offers a scalable, flexible, and cost-effective infrastructure for TV operators, media companies, and other direct-to-consumer services.
 - **Key Capabilities:** TVCMS powers cloud-native telco-grade on-demand and live-linear TV services across many device types (set-top-boxes, smart TVs, and connected devices). It provides a diverse and flexible set of monetization options, including SVOD (Subscription Video on Demand), TVOD (Transactional Video on Demand), and AVOD (Advertising Video on Demand). It also incorporates ‘super-aggregation’ capabilities that unify multiple content sources into a single cohesive viewer experience, with robust analytics that provides insights into user behavior.
 - **Key Use Cases:** TVCMS is designed to power large-scale streaming services and operator-managed TV platforms. Its scalability, combined with the ability to aggregate content from multiple sources, makes it suitable for providers looking to deliver a seamless, personalized experience to diverse audiences and across multiple devices, leveraging multiple business models.
 - **Key Gen AI-Infused Features:** TVCMS leverages Gen AI-based personalization designed to deliver content recommendations based on individual preferences and consumption patterns, which can be utilized by our customers according to their respective policies. Furthermore, automated Gen AI-based metadata enrichment streamlines and enhances content curation, discoverability, localization, and monetization.
 - **Differentiators:** We believe TVCMS is differentiated by its robust scalability, multi-format monetization support, and AI-powered personalization. Furthermore, we have vast experience in seamlessly and smoothly migrating customers from legacy IPTV providers to our modern Cloud TV offering. Together, these advantages allow our customers to manage, distribute, and monetize large-scale content libraries efficiently while delivering a high-quality, customized viewing experience.

Immersive “Video First” Products

- **Video Portal (with Video Messaging):** An enterprise-grade hub designed to centralize video creation, management, and collaboration. By integrating with existing corporate systems, it aims to provide secure, customizable user experiences for both internal and customer-facing communication.
 - **Key Capabilities:** Our Video Portal offers modular components for departmental content distribution and deep white-labeling, ensuring alignment with corporate branding. It integrates with Single Sign-On (SSO), intranet portals, marketing tools, and other enterprise applications, providing customizable workflows for video messaging and collaboration. Enterprise-grade security and compliance features are built in, supporting data privacy requirements.
 - **Key Use Cases:** This solution is used for corporate communications, employee training, customer engagement, marketing initiatives, and user-generated content workflows. Its modularity and integrations make it suitable for organizations seeking to unify various video-based activities under a single platform.
 - **Key Gen AI-Infused Features:** Gen AI-driven tools offered in the Video Portal can assist in generating automated transcripts, editing content, and tagging metadata for improved search and discovery. These features aim to reduce production overhead, enable more personalized viewing experiences, and provide insights into user engagement.

- **Differentiators:** We believe Video Portal is differentiated by its flexible design system, comprehensive security measures, and availability of Gen AI-infused video workflows. These capabilities help organizations increase productivity and user engagement while maintaining strict data governance across multiple departments and use cases.
- **LMS & CMS Video Extensions:** Solutions that embed video creation, management, engagement, and analytics directly into widely used learning management systems (“LMS”) and content management systems (“CMS”).
 - **Key Capabilities:** : Our extensions integrate with leading platforms such as Blackboard, Canvas, Moodle, SharePoint, Adobe Experience Manager, and automate content ingestion and interaction with Zoom, Cisco Webex, and Microsoft Teams. Powered by our VCMS, these integrations aim to streamline and centralize media storage and unified analytics that track user engagement across multiple environments. Secure workflows simplify content creation, distribution, and moderation.
 - **Key Use Cases:** These extensions support both academic and corporate settings. In education, they facilitate interactive lectures, flipped classrooms, and online assessments. In enterprise scenarios, they enable training, onboarding, internal communications, and marketing. By embedding video directly into existing platforms, organizations can streamline workflows without disrupting familiar user interfaces.
 - **Key Gen AI-Infused Features:** Gen AI-infused functionalities include interactive elements such as interactive in-video quiz generation, and automated speech recognition for accessibility. These tools are designed to help improve user engagement, knowledge comprehension and reduce manual processes.
 - **Differentiators:** We believe LMS & CMS Video Extensions are differentiated by their ability to enhance productivity and user engagement through seamlessly integrating secure, Gen AI-infused video capabilities into everyday workflows, according to the customers taste and needs. This approach supports institutional branding, accessibility, and compliance requirements and designed to enable a richer, more efficient learning and communication experience.
- **Virtual Events & Webinars:** A comprehensive solution designed to create, manage, promote, and host virtual and hybrid events of any scale, from product launches and training sessions to large conferences and sales kickoffs.
 - **Key Capabilities:** Our offering includes event management tools for scheduling, participant registration, hybrid in-person check-in, pre-event engagement and promotion, during-event live experiences and audience interactions, and post-event VOD catchup, audience follow-up, and online community engagement. Advanced security settings aim to safeguard sensitive content, while customizable design elements allow deep white-labeling and branding throughout the event lifecycle. Analytics provide insights into real-time and post-event audience behavior, helping measure return on investment.
 - **Key Use Cases:** Organizations leverage Virtual Events & Webinars for corporate communications, press briefings, virtual conferences, marketing programs, and educational programs. The ability to handle both private and public events, coupled with scalability and data-driven performance metrics, makes this solution adaptable to diverse organizational needs.
 - **Key Gen AI-Infused Features:** Gen AI-infused tools include a Realtime Event Assistant that was designed to analyzes live sessions and audience mood and suggests interactive elements (Q&A, polls, chats, gamification) to increase attendee engagement. Automated recommendations and personalized notifications can further enhance event participation. Personalized agenda and content paths are aimed to create unique hyper-personalized user experiences that drive more value from the event content during and post-event.
 - **Differentiators:** We believe Virtual Events & Webinars is differentiated by its robust security, customizable interfaces, and Gen AI-driven engagement features offering, which collectively can enable organizations to extend the impact of their events and gain valuable audience insights.
- **Virtual Classroom:** A cloud-based WebRTC environment designed for academic institutions, corporate training, continued-education programs, and customer-success teams, offering interactive features aimed at improving learning and development effectiveness and learner engagement.

- **Key Capabilities:** Our Virtual Classroom provides persistent, browser-based rooms that preserve pre-set content and configurations. It includes interactive tools, such as whiteboards, polls, and breakout rooms, reactions, high-quality media playback, and interactive presentations. It fosters collaboration while session recording and moderation enhance oversight and replay value. It includes post-session learner engagement and participation analytics, and integrations with learning management systems (LMS) that help maintain a unified user experience.
- **Key Use Cases:** This solution addresses higher education, K-12, continued-education programs, corporate training, employee onboarding, and customer and partner education programs. Its flexible design supports a range of learning formats, from small group tutorials to large-scale online courses and compliance sessions.
- **Key Gen AI-Infused Features:** Automated Gen-AI based captioning and transcription designed to address global accessibility requirements, Gen AI-based background replacement and audio quality improvement as well as a real-time interaction assistant aims to help instructors deliver highly engaging and compliant learning experiences.
- **Differentiators:** We believe the Virtual Classroom’s ease of integration, Gen-AI infused engagement and interactivity capabilities, and built-in accessibility tools address a broad spectrum of teaching and training scenarios, enabling institutions and enterprises to deliver engaging, effective learning experiences at scale.
- **TV Streaming Apps:** Multi-platform applications designed to deliver engaging, personalized viewing experiences across set-top-boxes, smart TVs, and connected devices, supporting live and on-demand content across a variety of integrated experiences and business models.
 - **Key Capabilities:** TV Streaming Apps feature tools like Hero Rail, Maxi Player, Zapper, and Voice Search, making it easier for users to discover and navigate content. They also support fast channel zapping, multi-DRM protection, and integrations for “super-aggregation”, enabling diverse and centralized content delivery. Multiple monetization models, ranging from subscription and ad-supported (FAST/AVOD) to transactional and pay-per-view TV provide flexible revenue strategies.
 - **Key Use Cases:** Service providers, operators, and content aggregators employ TV Streaming Apps to launch or expand direct-to-consumer streaming services, manage multi-channel TV solutions, and reach audiences on a variety of devices.
 - **Key Gen AI-Infused Features:** Gen AI-infused personalization designed to offer user-specific content recommendations, while enriched metadata improves search and discovery. Analytics can help optimize viewer engagement and refine monetization approaches through data-driven decision-making.
 - **Differentiators:** We believe our TV Streaming Apps enable content providers to quickly scale their offerings, deliver compelling user experiences, and tap into new revenue opportunities, supported by the combined power of multi-device distribution and AI-driven personalization.

Recently Introduced Gen AI Capabilities

During 2024 we developed, launched and offered several Gen AI-based offerings that are not yet contributing material revenue, but in our view represent a potential for meaningful increased future growth. These capabilities expand upon our existing video technology stack by providing new ways to enrich content, personalize user experiences, and automate manual processes. We believe their appeal may grow as organizations increasingly seek secure, Gen AI-based solutions that align with stringent data governance and privacy requirements. Below is an overview of some of these capabilities and developments:

- **Gen AI-Powered Content Lab:** Designed to help users elevate and repurpose their video content. It offers automated video quizzes, text summaries, chaptering, and clip creation, allowing organizations to automatically transform existing videos into powerful, reusable assets. By making it simpler to enhance engagement, improve discoverability, and tailor content to different audiences, we believe the AI Content Lab can drive increased value from existing media libraries and help organizations realize more value from their content, at greater affordability and with faster time to market.

- **Gen AI-Powered ‘Work Genie’:** A video-first organizational knowledge agent that is designed to deliver hyper-personalized insights and interactive content paths to employees, customers, and partners by referencing only verified internal knowledge bases.
- This approach is intended to facilitate reliable, context-specific information while helping businesses maintain data security. We believe the demand for Gen AI-powered workflows that respect strict privacy, and regulatory standards will continue to grow.
- **Gen AI-Powered ‘Class Genie’:** A video-first personal tutor, tailored for educational institutions. It is designed to operate exclusively within an institution’s validated content repositories, providing hyper-personalized learning pathways such as video snippets, flashcards, quizzes, and podcasts. By attempting to eliminate misinformation and focusing on customized educational experiences, we believe Class Genie can greatly improve learning outcomes and engagement.
- **Gen AI-Powered TV Experience:** Tailored to enable metadata generation and management, including captions, translations, dubbing, and highlights. Additionally, it includes a user-controlled conversation interface designed to leverage enriched metadata, such as mood, sub-genres, and contextual tags, to deliver highly personalized recommendations. We believe these enhancements can deepen viewer engagement and help media providers differentiate their offerings in a competitive streaming market.
- **Gen AI-Powered ASR (Automatic Speech Recognition):** Provides video captioning, transcription and translations, aiming to boost accessibility and compliance while also improving the overall user experience. By automating the captioning process, we can reduce operational overhead, improve cost-efficiencies and broaden content reach to a variety of audiences.
- **Gen AI-Powered Email Notifications Engine:** Provides automated customized outreach for event-related engagements, designed to enable more targeted follow-ups and improve attendee participation. By streamlining communications, we believe organizations can bolster the success of virtual and hybrid events.
- **Gen AI-Powered Realtime Event Assistant:** Designed to analyze live sessions in real time, monitor chat interactions, gauge audience sentiment, and suggest interactive activities (e.g., polls, Q&A, gamification) to heighten engagement. This functionality can help organizations gather immediate feedback and adapt content on the fly.
- **Gen AI-Powered Noise Cancellation:** Reduces background noise to enhance audio clarity, supporting more professional and polished online presentations, webinars, and virtual events.
- **Gen AI-Powered Real-Time Background Replacement:** Provides users with a more polished and compliant on-screen presence by removing or replacing the background during live video or recorded sessions.

While these new Gen AI capabilities launched in 2024 have not contributed material revenue to date, we believe they may serve as important growth drivers as customers increasingly adopt Gen AI-based applications. We intend to continue refining and expanding these solutions in response to evolving market demands and regulatory considerations, although there can be no assurance of their adoption level and eventual financial impact.

Technology

Our business has been driven by constant innovation while anticipating trends ahead of other participants in the market. We believe we are one of the first organizations to have recognized the importance and mission-critical nature of video experiences in enterprises.

Kaltura's offerings natively support, and integrate with each other, live broadcast, real-time communications, and VOD playback, and address their entire lifecycle. They also support other digital media types such as audio files (e.g., podcasts) and images, including PDFs. They provide video-first and TV-based employee and customer experiences that are built upon robust content management capabilities, deep integration into workflows and Gen AI-infused hyper-personalized and hyper-contextualized engaging and interactive experiences.

We believe that the sustainable differentiation and success of our Video Cloud stems from the unique “Lego-like” modular approach that we have followed ever since our inception.

We have built our platform and products from the bottom up with an API-first approach that enables deep integrations, customizations, and interoperability across products and user cases. Coupled with our robust software development kits (“SDKs”) and highly configurable Experience Components customers can tailor workflows, maintain custom branding, and embed video features deeply into nearly any of their workflows, applications, and environments. Moreover, our technology stack has been built to address large enterprise needs from day one, supporting large-scale mission critical deployments with high reliability, performance, compliance, accessibility, and security.

The following are key attributes of our technology:

- **API-First Architecture & Flexibility:** Our API-first architecture provides heightened flexibility, modularity, and customizability, enabling customers to integrate deeply into any workflow or application. Our embeddable Experience Components and robust SDKs provide extensive white-labeling and brand control capabilities. This approach supports the development of customized and vertical-specific solutions and is designed to maintain robust security controls and unified analytics at scale. We believe this architecture allows us to address diverse business needs across industries and use cases, from small departmental deployments to enterprise-wide implementations.
- **Extensibility & Integrations:** We have a large ecosystem of partners and offer integrations with leading technological platforms and service providers across a range of functions, including for example internal networking, content production, event services, and marketing automation. Built on robust APIs, SDKs, and Experience Components, our architecture is designed to meet stringent data security and privacy requirements for heavily regulated sectors. This extensibility is intended to help organizations seamlessly adapt our solutions to their existing infrastructure and workflows and customize their experience with a handful available add-ons.
- **Global Infrastructure & Scalable Architecture:** We employ a cloud-native, virtualized design that leverages multi-CDN technology to serve global audiences securely and reliably. To address data sovereignty requirements, we offer multiple hosting options, including shared and dedicated SaaS regions as well as on-premises, air-gapped deployments. This flexibility, combined with robust data privacy controls, comprehensive monitoring and strict SLAs, helps ensure high availability and minimal downtime, even in heavily regulated markets worldwide. While most of our customers utilize our public cloud Software-as-a-Service (“SaaS”) offering provided globally in shared or dedicated regions, certain customers, particularly in heavily regulated industries, opt for managed, hybrid, private, or air-gapped deployment models.
- **Security, Privacy and Compliance:** We use encryption at rest and in transit, tokenization, and hold-your-own-key capabilities. Our comprehensive security controls include multi-factor authentication (“MFA”), web application firewalls (“WAF”), and distributed denial-of-service (“DDoS”) protection. We maintain certifications under ISO/IEC 27001, ISO 27701, ISO 27799, ISO 22301, and SOC 2 Type 2, and are self-certified under the EU-U.S. Data Privacy Framework (“DPF”), including UK and Swiss extensions.
- **Best Practice Development Processes:** We employ an enterprise-grade secure software development lifecycle (“SSDLC”) adhering to ISO, CIS, NIST, and OWASP standards. Ongoing monitoring, automated testing, and vulnerability management help maintain code quality and security.
- **Responsible Data and AI Practices:** Our platform and products collect and analyze data based on direct user interactions with video content, often referred to as “first-party data”, rather than relying on information gathered or licensed from external entities. By operating on first-party data, we believe our platform enables organizations to comply with increasingly stringent privacy regulations that restrict the use of third-party data. This approach provides deeper insights into audience engagement, allowing customers to refine their strategies while mitigating compliance risks. As a result, organizations can strengthen user relationships and increase the overall value derived from their video initiatives. As for Kaltura’s AI principles, our approach emphasizes accountability, transparency, fairness, and continuous improvement. We do not use customer data to train third-party AI models. AI capabilities are incorporated to enhance content enrichment and repurposing without compromising security or privacy.

We believe these combined elements, namely, flexibility & extensibility, scalability & security, best-practice development processes, and responsible data & AI practices, strengthen our sustainable competitive advantages, and support our ability to continue and deliver best-in-class video products and services.

In our operations, we handle personal information and other sensitive data related to users of our services, our employees, contractors, and other third parties. As a result, we are subject to various data privacy and protection laws, which continue to evolve and may pose significant compliance challenges.

For more information on the legal framework and associated risks, see Part I, Item 1A. “Risk Factors—Risks Related to Information Technology, Intellectual Property and Data Privacy and Security.”

Partner Ecosystem

We have established an extensive ecosystem of technology provider and system integrator partners that integrate with our offerings to extend our platform and products’ capabilities. These partnerships make available to our customers Kaltura-certified partner solutions that provide, for example, enhanced content creation, transcription, network optimization, encoding, analytics, lecture capture, and content delivery. We also partner with agencies and system integrators that at times deliver certified Kaltura services to joint customers. We offer our partners solutions through our marketplace, where we feature a range of plugins and out-of-the-box integrations with our technology. The partner ecosystem enables our customers to discover and more easily integrate new technologies that enhance their existing Kaltura offerings, and ultimately increase their overall satisfaction and retention. We believe that our partner ecosystem will continue to expand in 2025.

Competition

We believe our Platform and Products position us well to compete with other video solution providers. Our key competitors vary based on market segment:

- **EVCM & OVP:** Microsoft, AWS, and Vimeo
- **Virtual Events & Webinars:** Microsoft, Zoom, and ON24
- **Cloud TV Software:** Comcast, Synamedia and MediaKind

We believe the principal competitive factors in our markets include, but are not limited to:

- Breadth, depth, and scale of products, APIs and developer tools;
- Ability to support all types of video interactions, including live, real-time, and on-demand, as well as non-video digital assets;
- Ability to cater to numerous use-cases with interoperable products and unified analytics;
- Ability to provide engaging, interactive, and personalized experiences;
- Ability to innovate quickly;
- Ease of customization and integration with other products;
- Support of various deployment options (including regional and dedicated environments);
- Data capabilities, including advanced analytics and Gen AI;
- High-availability and global presence;
- Enterprise-grade reliability, security, and scalability;
- Quality of service and customer satisfaction;
- Total cost of ownership and time to value;
- Brand recognition; and
- Corporate culture.

We believe that our combination of advanced Gen AI-infused video-first and TV capabilities, robust API-first secure architecture, embeddable Experience Components, and flexible products and deployment options sets us apart in a competitive landscape. Our focus on enterprise governance and security, exemplified by stringent data protection features, dedicated environments, and global availability, enables customers to adopt video-centric workflows at scale with confidence.

Our products and Experience Components generate valuable first-party data that enrich our comprehensive analytics and business insights, helping organizations drive engagement, streamline operations, and achieve faster time to value. In addition, our broad product portfolio is designed to serve the converging needs of live, on-demand, and real-time communications, and to support customers' plans to consolidate around one vendor across products and use cases, to power both employee and customer experiences. Moreover, we believe such consolidation can help customers make the most out of hyper-personalized and hyper-contextualized Gen AI-infused experiences. We believe our brand reputation, track record of innovation, and commitment to responsible Gen AI further reinforce our differentiated position, equipping us to address evolving market demands and to deliver long-term value to our customers and shareholders.

Sales and Marketing

We market and sell our offerings primarily to medium to large enterprises, across a diverse array of industries including technology, education, regulated industries, professional and commercial services, and media & telecommunications. While most of our offerings apply to customers of all industries, some of them are more tailored for specific industries such as education, media & telecom, and financial services/wealth management.

When our offerings are used for internal events, communication, collaboration, training, or learning, the primary buyers are chief technology officers ("CTOs"), chief information officers ("CIOs"), and heads of learning and development. In the case of marketing-related use cases (e.g., webinars and external events), the primary buyers are chief marketing officers ("CMOs"). Furthermore, we offer our application programming interfaces ("APIs") and developer tools to all our target markets, either as standalone offerings or bundled with our other solutions. Buyers for these API and developer tool offerings are typically CTOs.

We currently serve customers in 53 countries. Our key markets include the United States, United Kingdom, Germany, and France. Other markets include: Switzerland, the Netherlands, the Nordics, Italy, Spain, Singapore, Hong Kong, and Australia.

Our primary go-to-market strategy is direct sales, where our account executives and customer success managers cultivate and maintain long-term strategic relationships with enterprise customers. We define our "enterprise customers" as customers with more than 5,000 employees and/or that pay us more than \$60,000 in annualized recurring revenue ("ARR"). We consider subdivisions of the same legal entity (for example, divisions of a parent company or separate campuses that are part of the same state university system) as well as Value-add Resellers ("VARs") (meaning resellers that directly manage the relationship with the customer) and the customers they manage, to be a single customer. These customers represented in 2024 more than 96% of our subscription revenue. In addition, we have a small, dedicated sales and accounts team that manages commercial and small to medium business ("SMB") accounts. These are customers with less than 5,000 employees and/or that pay us less than \$60,000 ARR. These customers represented in 2024 less than 4% of our subscription revenue.

Our sales and accounts team focuses on both new customer acquisition and existing customer expansion, supported by customer success managers who drive adoption, usage, and overall customer satisfaction.

Business Development and Channels: We have established strategic partnerships with some of the world's top tech firms, integrators and value-add resellers, to cater to their advanced needs and to establish co-sell, re-sell and OEM relationships. In 2024 we reaccelerated our focus on cultivating channel sales partnerships for co-sell and sell-through initiatives. This effort began to yield preliminary heightened results, and we expect channel sales to continue expanding over time.

Our marketing efforts are designed to enhance brand awareness and generate sales leads through thought leadership, participation in industry events, industry analyst and media coverage, customer referrals, community engagement, and company-hosted conferences and regional customer user-groups, such as "Kaltura Connect". Additionally, we utilize digital marketing campaigns and make free trials available for many of our products to encourage product engagement and expedite the sales cycle.

Intellectual Property and Data Privacy

Intellectual property is an important aspect of our business, and we seek protection for our intellectual property rights we deem as appropriate. To establish and protect our proprietary rights, we rely on a combination of patent, copyright, trade secret and trademark laws, know-how and continuing innovation, and contractual restrictions such as confidentiality agreements, licenses, and intellectual property assignment agreements.

As of December 31, 2024, we owned eight issued U.S. patents and ten non-U.S. patents. The issued U.S. patents are expected to expire between 2025 and 2035.

We have registered certain of our domain names, trademarks and service marks in the United States and in certain locations outside the United States. As part of our brand protection strategy, we filed trademark registrations in the United States and in some other jurisdictions. As of December 31, 2024, we owned five registered trademarks in the United States and nine registered trademarks in foreign jurisdictions, including the European Union and Brazil, that we consider material to the marketing of our products, including the “Kaltura” name and logo.

We generally seek to enter into confidentiality agreements and proprietary rights agreements with our employees and consultants and to control access to, and distribution of, our proprietary information. However, we cannot guarantee that all applicable parties have executed such agreements. Such agreements can also be breached, and we may not have adequate remedies for such breach.

Intellectual property laws, procedures, and restrictions provide only limited protection, and any of our intellectual property rights may be challenged, invalidated, circumvented, infringed, misappropriated or otherwise violated. Furthermore, the laws of certain countries do not protect intellectual property and proprietary rights to the same extent as the laws of the United States, and we therefore may be unable to protect our proprietary technology in certain jurisdictions. Moreover, our platform and many of our products and services incorporate software components licensed to the general public under open-source software licenses. We also obtain some components from software developed and released by contributors to independent open-source components of our platform. Open-source licenses grant licensees broad permissions to use, copy, modify and redistribute certain components of our platform. As a result, open-source development and licensing practices can limit the value of our proprietary software assets.

Despite our efforts to protect our proprietary rights, unauthorized parties may attempt to copy, obtain or circumvent and use our technology to develop products and services with the same functionality as our platform. Policing unauthorized use of our technology is difficult. Our competitors could also independently develop technologies like ours, and our intellectual property rights may not be broad enough for us to prevent competitors from selling products and services incorporating those technologies. Some competitors and other third parties may pursue offensive patent registration and litigation practices to try to block or monetize our and our customers' use of our technologies. For more information regarding the risks relating to intellectual property, see Part I, Item 1A. “Risk Factors—Risks Related to Information Technology, Intellectual Property and Data Privacy and Security.”

Human Capital Resources

As of December 31, 2024, we had 563 employees operating across 24 countries and 5 continents.

We embrace hybrid work arrangements and provide competitive compensation and equity incentive plans to attract and retain top talent.

We are passionately committed to our founding values of openness, flexibility, and collaboration. We also believe that they are integral to delivering transformative video solutions, and that ‘videofying’ the world brings about increased democratization, pluralism, and equality.

We strive to maintain an inclusive culture, emphasizing equality, well-being, and a sense of shared purpose. Our culture embraces our employees’ differences in age, race, gender and gender identity, sexual orientation and nationality, and it is our policy that employment decisions not be made on the basis of these or any other legally protected characteristics.

We aim to provide our employees with a competitive salary and benefits that will enable them to achieve a good quality of life and plan for the future, and keep them inspired and motivated to drive innovation and out-of-the-box thinking. In addition to competitive base salaries and cash compensation, we maintain equity incentive plans to attract, retain and reward personnel through share-based compensation awards.

Except for certain of our employees in Brazil, our employees are not represented by a labor union in respect to their employment or covered by a collective bargaining agreement.

We have not experienced any work stoppages and largely consider our relationship with our employees to be good and mutually beneficial.

Seasonality

Historically, we have experienced seasonality in bookings and collections from customers within the education market, with a pattern of higher sales and new academic customers in the second and third quarters of the year as a result of school procurement periods, resulting in lower sequential sales and customer growth in other quarters of the year. We also experience increased usage by these customers during periods when school is in session, leading to higher cost of revenue during the first and fourth quarters of the year.

Because the agreements for certain of our solutions do not limit usage or increase pricing for usage in excess of a specified amount, these additional costs may not result in a corresponding increase in revenue.

Additional Information

Kaltura, Inc. was incorporated as a Delaware corporation in October 2006. We completed our initial public offering of our common stock in July 2021.

Our website is www.kaltura.com. At our Investor Relations website, investors.kaltura.com, we make available free of charge a variety of information for investors, including our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and any amendments to those reports, as soon as reasonably practicable after we electronically file that material with or furnish it to the SEC. The information found on our website is not part of this or any other report we file with, or furnish to, the SEC.

Item 1A. Risk Factors.

Our business involves a high degree of risk. You should carefully consider the risks and uncertainties described below, together with all of the other information in this Annual Report on Form 10-K. The occurrence of any of the events described below could harm our business, operating results, financial condition, liquidity, or prospects. In any such event, the market price of our common stock could decline, and you may lose all or part of your investment. Additional risks and uncertainties not presently known to us, or that we currently deem immaterial, may also impair our business. See "Forward-Looking Statements."

Risks Related to Our Business and Industry

We may not be able to successfully assess or mitigate the current volatile economic climate and its direct and indirect impact on our business and operations, including our customers and vendors, or to correctly predict the duration and depth of the current instability of the global economy and take the right or sufficient measures to address it, and as a result our business, financial condition, results of operations and prospects would be adversely affected.

The nature of our activities and our global presence and operations expose us to global and local macro and micro effects, including the effects of global economic trends such as the current global economic volatility, rising inflation, rising interest rates, price increases, armed conflicts in various regions including the Middle East and Eastern Europe, political changes and their impact on the economic markets, decrease in our customers' spend or available budget that causes decline in demand, up-sales or subscription renewals, and other adverse effects that might have direct or indirect effects on our business and results of operations that are hard to predict, monitor or assess. Such developments have caused and may continue to cause uncertainties and high volatility with respect to our estimated or expected results of operations, may develop differently from our estimations and expectations, and could have an adverse effect on our business, results of operations and financial condition.

In addition, the current economic climate has resulted in, among other things, longer sale cycles and increased price driven competition, including through initiation of bid processes, which has adversely affected our ability to retain our existing customers and our ability to generate renewals and up-sales. We expect these trends to continue in the near-term. If we are unable to retain our existing customer base or to obtain new customers at reasonable prices, our revenue could be eroded or might even decline, and as a result our business, financial condition, results of operations and prospects will be adversely affected.

Our dependency on existing customers' demand and exposure to change in demand by our customers, including due to reasons not under our control, makes it difficult to evaluate our current business and future prospects and may increase the risk that we will not be successful.

Our total revenue for the years ended December 31, 2024 and 2023 was \$178.7 million and \$175.2 million, respectively, representing an annual growth rate of 2%. You should not rely on the revenue growth of any prior period as an indication of our future performance. As we operate in new and rapidly changing markets, widespread adoption and use of our platform, products and solutions is critical to our future growth and success. We believe our revenue growth will depend on a number of factors, including, among other things, our ability to:

- attract new customers and maintain our relationships with, and increase revenue from, our existing customers;
- provide excellent customer and end user experiences;
- maintain the security and reliability of our platform, products and solutions;
- introduce and grow adoption of our offerings in new markets outside the United States;
- hire, integrate, train and retain skilled personnel;
- adequately expand our sales force and distribution channels;
- continually enhance and improve our platform, products and solutions, including the features, integrations and capabilities we offer, and develop or otherwise introduce new products and solutions, and keep pace with the technological developments predominantly around AI-based technologies and use cases;
- obtain, maintain, protect and enforce intellectual property protection for our platform and technologies;
- expand into new technologies, industries and use cases;
- expand and maintain our partner ecosystem;
- comply with existing and new applicable laws and regulations, including those related to AI, data privacy and security;
- price our offerings effectively and determine appropriate contract terms;
- determine the most appropriate investments for our limited resources;
- successfully compete against established companies and new market entrants;
- increase awareness of our brand on a global basis; and
- timely and efficiently adapt to changes in customer demand, trends, global and local macro and micro economic conditions, new technologies or offerings by our competitors or other market disruptions.

If we are unable to accomplish any of these objectives, our revenue could be impaired or decline in future periods. Many factors may contribute to declines in our growth rate, including slower market penetration, increased competition, slowing demand for our offerings, a failure by us to capitalize on growth opportunities, the maturation of our business, failure to deliver under our commitments or to satisfy customer expectations, global or regional economic downturns, including as a result of the continuing geopolitical tensions and active armed conflicts, and failure to adapt to such downturns, among others. While market demand for our offerings was growing at a robust rate prior to the COVID-19 pandemic, we have since experienced a slowdown as the effects of the COVID-19 pandemic have weakened and as a result of the current volatile economic climate. As a result, it is difficult to evaluate our current business and future prospects and any of the risks highlighted herein or other adverse circumstances may increase the risk that we will not be successful. If our business, operations and financial results decline as a result of any of the factors described above, investors' perceptions of our business and the market price of our common stock could be adversely affected.

In addition, our ability to forecast our future results of operations is subject to a number of uncertainties, including our ability to effectively plan for and model future growth. We have encountered in the past, and may encounter in the future, risks and uncertainties frequently experienced by growing companies in rapidly changing industries that may prevent us from achieving the objectives outlined above. If we fail to achieve the necessary level of efficiency in our organization, or if we are not able to accurately forecast future growth and other changes that might impact our business, such as changes in our existing customers' budgets, our business would be adversely affected. Moreover, if the assumptions that we use to plan our business, such as customer demand for our new AI-driven offerings or applicable growth and decline trends, are incorrect, or change in reaction to changes in our market, or if we are unable to maintain consistent revenue or revenue growth, the market price of our common stock could be volatile, and it may be difficult to achieve and maintain profitability.

The loss of one or more of our significant customers, or any other reduction in the amount of revenue we derive from any such customer, would adversely affect our business, financial condition, results of operations and growth prospects.

Our future success is dependent on our ability to establish and maintain successful relationships with a diverse set of customers. We currently derive a significant portion of our revenue from a limited number of customers. Our top ten customers in the aggregate accounted for approximately 30.8%, 28.9% and 27.8% of our revenue for the years ended December 31, 2024, 2023 and 2022, respectively. For the years ended December 31, 2024 and December 31, 2023, Vodafone accounted for approximately 10.7% and 10.2% of our revenue, respectively. In the year ended December 31, 2022, no individual customer accounted for more than 10% out of our total revenue. While the identity of the customers may vary from period to period, it is likely that we will continue to derive a significant portion of our revenue from a limited number of customers in the future and, in some cases, the portion of our revenue attributable to individual customers may increase. The loss of one or more significant customers or a reduction in the amount of revenue we derive from any such customer could significantly and adversely affect our business, financial condition, and results of operations. Customers may choose not to renew their subscriptions or may otherwise reduce the breadth of the offerings to which they subscribe for any number of reasons. See “—If our existing customers do not renew their subscriptions, or if they renew on terms that are less economically beneficial to us, it could have an adverse effect on our business, financial condition and results of operations.” We are also subject to the risk that any such customer will experience financial difficulties that prevent them from making payments to us on a timely basis or at all.

We have a history of losses and may not be able to achieve or maintain profitability.

We have incurred losses in each year since our incorporation in 2006, including net losses of \$31.3 million, \$46.4 million, and \$68.5 million in the years ended December 31, 2024, 2023 and 2022, respectively. As a result, we had an accumulated deficit of \$468.8 million as of December 31, 2024. We intend to continue to expend substantial financial and other resources on, among other things:

- extending our product leadership by investing in the development of Gen AI based new capabilities, in our API and Developer Tools offerings, in our products for any Enterprise, and in our specialized solutions for the industry verticals we currently address (Education and Media and Telecom), and continuing to develop new products and expand into additional vertical industries;
- increasing sales within our existing customer base through increased usage of our platform and the cross-selling of additional products and solutions;
- augmenting our current offerings by increasing the breadth of our technology partnerships and exploring potential transactions that may enhance our capabilities or increase the scope of our technology footprint;
- continuing to grow our international operations;
- repurchases of our common stock, to the extent permitted under Delaware law;
- exploring additional organic and inorganic growth paths; and
- general administration, including legal, accounting, and other expenses related to our operation as a public company.

These efforts may prove more expensive than we currently anticipate, and we may not succeed in increasing our revenue sufficiently, or at all, or managing our business and operations more efficiently to offset these expenses. For example, our investments in AI-based initiatives introduced at the end of 2024 may not generate expected revenues if customers delay or underutilize these offerings, which in turn may further impact our ability to achieve profitability.

Moreover, to the extent we are successful in increasing our customer base, we may also incur increased losses because the costs associated with acquiring customers are generally incurred up front, while the subscription revenue is generally recognized ratably over the subscription term. This will be particularly true as we acquire new customers for our Media and Telecom specialized industry solutions, which entail significant non-recurring up-front costs as compared to our other offerings.

If our revenue does not increase or if the management of our resources do not sufficiently offset the expected increases in our operating expenses and the effects of the current economic volatility, we will not achieve profitability in future periods and our net losses may increase. Revenue growth may slow or revenue may decline for a number of possible reasons, many of which are beyond our control, including slowing demand for our platform, products or solutions, decline in renewals and higher churn rate, increasing competition, or any of the other factors discussed in this Risk Factors section. Any failure to increase our revenue as we grow our business or to manage our expenditures more effectively could prevent us from achieving profitability at all or on a consistent basis, which would cause our business, financial condition, and results of operations to suffer and the market price of our common stock to decline.

The markets for our offerings are new and evolving and may develop more slowly or differently than we expect. Our future success depends on the growth and expansion of these markets and our ability to adapt and respond effectively to evolving market conditions.

The markets in which we operate are relatively new and rapidly evolving. Accordingly, it is difficult to predict customer adoption, renewals and demand, the entry of new competitive products, the success of existing competitive products, and the future growth rate, expansion, longevity, and size of the markets for our platform, products, and solutions. The expansion of these new and evolving markets depends on a number of factors, including the cost, performance, and perceived value associated with the technologies that we and others in our industry develop. For example, customers may be slow to implement our new AI offerings, including due to budgetary or compliance constraints. Further if we or other companies in our industry experience security incidents, loss of customer data, or disruptions in delivery or service, the market for these applications as a whole, including the demand for our offerings, may be negatively affected. If video products and solutions such as ours do not continue to achieve market acceptance, or there is a reduction in demand caused by decreased customer acceptance, technological challenges, weakening economic conditions, privacy, data protection and data security concerns, governmental regulation, competing technologies and products, or decreases in information technology spending or otherwise, the market for our offerings might not continue to develop or might develop more slowly than we expect, which could adversely affect our business, financial condition, results of operations and growth prospects.

Our results of operations are likely to fluctuate from quarter to quarter and year to year, which could adversely affect the trading price of our common stock.

Our results of operations, including our revenue, cost of revenue, gross margin, operating expenses, cash flow, and deferred revenue, have fluctuated from quarter to quarter and year to year in the past and may continue to vary significantly in the future so that period-to-period comparisons of our results of operations may not be meaningful. Accordingly, our financial results in any one quarter should not be relied upon as indicative of future performance. Our quarterly financial results may fluctuate as a result of a variety of factors, many of which are outside of our control, may be difficult to predict, and may not fully reflect the underlying performance of our business. Factors that may cause fluctuations in our quarterly financial results include:

- our ability to attract new customers and increase revenue from our existing customers;
- the loss of existing customers;
- subscription renewals, and the timing and terms of such renewals;
- fluctuations in customer usage from period to period, including as a result of seasonality in our customers' underlying businesses, which create variability in our cost of revenue;
- customer satisfaction with our products, solutions, platform capabilities and customer support;
- mergers and acquisitions or other factors resulting in the consolidation of our customer base;
- mix of our revenue;
- our ability to gain new partners and retain existing partners;
- fluctuations in stock-based compensation expense;

- decisions by potential customers to purchase competing offerings or develop in-house technologies and solutions as alternatives to our offerings;
- changes in the spending patterns of our customers;
- the amount and timing of operating expenses related to the maintenance and expansion of our business and operations, including investments in research and development, sales and marketing, and general and administrative resources;
- our increasing reliance on public cloud infrastructure, which will result in higher variable costs compared to our own data centers;
- network outages;
- developments or disputes concerning our intellectual property or proprietary rights, our platform, products or solutions, or third-party intellectual property or proprietary rights;
- negative publicity about our company, our offerings or our partners, including as a result of actual or perceived breaches of, or failures relating to, privacy, data protection or data security;
- the timing of expenses related to the development or acquisition of technologies or businesses and potential future charges for impairment of goodwill from acquired companies;
- general economic, industry, and market conditions, such as the current volatile economic climate;
- changes in AI-related regulations, privacy and digital resilience or unexpected complexities in launching new AI-driven products;
- the impact of political uncertainty or unrest or outbreak or worsening of hostilities or armed conflicts;
- changes in our pricing policies or those of our competitors;
- fluctuations in the growth rate of the markets that our offerings address;
- seasonality in the underlying businesses of our customers, including budgeting cycles, purchasing practices and priorities and usage patterns;
- the business strengths or weakness of our customers;
- our ability to collect timely or at all on invoices or receivables;
- the cost and potential outcomes of future litigation or other disputes;
- future accounting pronouncements or changes in our accounting policies;
- our overall effective tax rate, including impacts caused by any reorganization in our corporate tax structure and any new legislation or regulatory developments;
- our ability to successfully expand our business in the United States and internationally;
- fluctuations in the mix of on-premise and SaaS/PaaS deployments;
- fluctuations in foreign currency exchange rates;
- fluctuations in the geographical mix of our revenue that may impact our gross margin;
- the timing and success of new products and solutions introduced by us or our competitors, or any other change in the competitive dynamics of our industry, including consolidation among competitors, customers or partners or technology disruption;
- the impact of any changes in the trade policies of the countries in which we operate or do business; and
- the impact of any pandemic, epidemic, outbreak of infectious disease or other global health crises on our business, the businesses of our customers and partners and general economic conditions.

Historically, we have also experienced seasonality in bookings and collections from customers within the education market, with a pattern of higher sales and new academic customers in the second and third quarters of the year as a result of school procurement periods, resulting in lower sequential sales and customer growth in other quarters of the year. We also experience increased usage by these customers during periods when school is in session, leading to higher cost of revenue during the first and fourth quarters of the year. Because the agreements for certain of our solutions do not limit usage or increase pricing for usage in excess of a specified amount, these additional costs may not result in a corresponding increase in revenue.

Operating on public cloud infrastructure and the redundancy in cloud infrastructure to satisfy different local data privacy regimes have increased our variable costs, which may lead to higher overall costs.

The impact of one or more of the foregoing or other factors may cause our results of operations to vary significantly. Such fluctuations make forecasting more difficult and could cause us to fail to meet the expectations of investors and securities analysts, which could cause the trading price of our common stock to fall substantially, resulting in the loss of all or part of your investment, and subject us to costly lawsuits, including securities class action suits. Additionally, the rapid growth we have experienced in recent years may have masked the full effects of seasonal factors on our business to date, and as such, these factors may have a greater effect on our results of operations in future periods.

We may discover significant deficiencies or material weaknesses in our internal control over financial reporting which, if not remediated, could cause us to fail to timely and accurately report our financial results and result in restatements of our consolidated financial statements, and could cause stockholders to lose confidence in our financial reporting and our stock price to suffer.

We are a public reporting company subject to the rules and regulations established from time to time by the SEC and the Nasdaq Stock Market LLC (“Nasdaq”). These rules and regulations require, among other things, that we establish and periodically evaluate procedures with respect to our internal control over financial reporting. Reporting obligations as a public company are likely to place a considerable strain on our financial and management systems, processes and controls, as well as on our personnel.

In addition, as a public company, we are required to document and test our internal control over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act so that our management can certify as to the effectiveness of our internal control over financial reporting. This assessment will need to include disclosure of any material weaknesses identified in our internal control over financial reporting. A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of a company’s annual and interim financial statements will not be detected or prevented in a timely manner. As an emerging growth company, our independent registered public accounting firm will not be required to formally attest to the effectiveness of our internal control over financial reporting pursuant to Section 404 until our annual report for any fiscal year following such date that we are no longer an emerging growth company.

We need to continue to dedicate internal resources, engage outside consultants, adopt a detailed work plan to assess and document the adequacy of internal control over financial reporting, continue steps to improve control processes as appropriate, validate through testing whether such controls are functioning as documented, and implement a continuous reporting and improvement process for internal control over financial reporting. Despite our efforts, there is a risk that neither we nor our independent registered public accounting firm, as applicable, will be able to conclude that our internal control over financial reporting is effective as required by Section 404. We previously identified and disclosed a material weakness in our internal control over financial reporting in our Annual Report on Form 10-K for the year ended December 31, 2021. This material weakness has since been remediated, but we may discover additional significant deficiencies or material weaknesses in our internal control over financial reporting in the future, which we may not successfully remediate in a timely manner or at all. Any failure to remediate any significant deficiencies or material weaknesses identified by us or to implement required new or improved controls, or difficulties encountered in their implementation, could cause us to fail to meet our reporting obligations or result in material misstatements in our financial statements. If we identify one or more material weaknesses, it could result in an adverse reaction in the financial markets due to a loss of confidence in the reliability of our financial statements and adversely affect our stock price.

If we are not able to keep pace with technological and competitive developments and develop or otherwise introduce new products and solutions and enhancements to our existing offerings, our offerings may become less marketable, less competitive or obsolete, and our business, financial condition and results of operations may be adversely affected.

The markets in which we compete are characterized by rapid technological change, frequent introductions of new products, services, features and capabilities, and evolving industry standards and regulatory requirements. Our ability to grow our customer base and increase our revenue will depend in significant part on our ability to develop or otherwise introduce new products and solutions; develop or otherwise introduce new features, integrations, capabilities, and other enhancements to our existing offerings on a timely basis; interoperate across an increasing range of devices, operating systems, and third-party applications; and determine the right focus and prioritization, both in terms of our products roadmap and business focus. The success of any new products or solutions, or enhancements to our existing offerings, will depend on a number of factors including, but not limited to, the timeliness and effectiveness of our research and product development activities and go-to-market strategy, our ability to identify the appropriate technological development paths, our ability to anticipate customer needs and achieve market acceptance, our ability to manage the risks associated with new product releases, the effective management of development and other spending in connection with the product development process, and the availability of other newly developed products and technologies by our competitors and by any other third parties that may introduce disruptive technologies.

In addition, in connection with our product development efforts, we may introduce significant changes to our existing products or solutions, or develop or otherwise introduce new and unproven products or solutions, integrate new technologies such as AI models, including technologies with which we have little or no prior development or operating experience. This risk is amplified as we invest more heavily in AI-based technologies that rely on advanced algorithms and third-party large language models, potentially exposing us to new, and potentially novel, trade secret misappropriation or intellectual property disputes. These new products, solutions and updates may not perform as expected, may fail to engage our customer base or other end users of our products, or may otherwise create a lag in adoption of such new products. New products may initially suffer from performance and quality issues that may negatively impact our ability to market and sell such products to new and existing customers or harm our reputation. We have in the past experienced bugs, errors, or other defects or deficiencies in new products and product updates and delays in releasing new products, deployment options, and product enhancements and may have similar experiences in the future. As a result, some of our customers may either defer purchasing our offerings until the next upgrade is released or switch to a competitor if we are not able to keep up with technological developments. To keep pace with technological and competitive developments we have in the past invested, and may in the future invest, in the acquisition of complementary businesses, technologies, services, products, and other assets that expand our offerings. We may make these investments without being certain that they will result in products or enhancements that will be accepted by existing or prospective customers or that will achieve market acceptance or successfully integrate with our existing products. The short- and long-term impact of any major change to our offerings, or the introduction of new products or solutions, is particularly difficult to predict. If new or enhanced offerings fail to engage our customer base or other end users of our products, or do not perform as expected, we may fail to generate sufficient revenue, operating margin, or other value to justify our investments in such products, any of which may adversely affect our reputation and negatively affect our business in the short-term, long-term, or both. If we are unable to successfully enhance our existing offerings to meet evolving customer requirements, increase adoption and use cases of our offerings, develop, or otherwise introduce new products and solutions and quickly resolve security vulnerabilities or other errors or defects, or if our efforts in any of these areas are more expensive or involved than we expect, our business, financial condition, and results of operations would be adversely affected.

We may face risks associated with our use of certain AI and machine learning model technologies and compliance with the evolving regulatory framework around AI development and use.

As part of our development roadmap, we are developing, integrating and interfacing certain AI-based solutions, applications and features as part of our future offering. The underlying AI algorithms, digital processing or software, analyze and processes video and audio content, processes, and use of our products by developers, administrators and users, while performing intellectual processes characteristic of intelligent beings, such as deep learning, natural language processing, reasoning, discovering meaning, generalizing, processing, summarizing and representing knowledge, planning, and learning from past experience. The technologies and solutions pursued by us include also generative AI, namely, a type of artificial intelligence technology that can produce various types of content or data, such as text, images, videos, audio, synthetic data or other media, using generative models. Artificial intelligence and machine learning are rapidly evolving fields of study, and bear risks associated with the introduction of new technologies and the lack of learning curve and technology maturity. Thus, the Company cannot assure nor guarantee the accuracy of any output generated therefrom or other results obtained from use thereof. Given the probabilistic nature of machine learning and AI, use of such AI processing and tools may in some situations result in an inaccurate output.

If our solutions (including those of our vendors and subcontractors) fail to perform as intended, our business, financial condition, and results of operations would be adversely affected. In addition, although the Company does not retain or use any of its customers' contents or metadata provided or uploaded by them or otherwise generated from their use of the Company's AI tools, nor does the Company use its customers' data or content for the creation of any AI-output for other users of the Company's systems and solutions, the processing of its customers' data may nonetheless result in the creation of residual know how, experience and information, statistical models, and training of deep learning, algorithms, simulations, statistics, predictability and other AI features and capabilities. If we fail to establish processes, policies, rules and contractual frameworks to avoid misuse or unauthorized use of our customers data, or to establish and secure the Company's rights with respect to its own developments, technologies and AI products and tools, or if evolving regulation of AI and machine learning model technologies would develop differently from our standards and policies, and as a consequence we may suffer claims for intellectual property infringement, misuse or abuse, then our business, financial condition, and results of operations would be adversely affected.

The regulatory framework around the development and use of machine learning, AI and automated decision making is rapidly evolving, and many federal, state and foreign government bodies and agencies have introduced and/or are currently considering additional laws and regulations. For example, in the United States, the Trump administration has rescinded an executive order relating to the safe and secure development of AI Technologies that was previously implemented by the Biden administration. The Trump administration then issued a new executive order that, among other things, requires certain agencies to develop and submit to the president action plans to “sustain and enhance America’s global AI dominance,” and to specifically review and, if possible, rescind rulemaking taken pursuant to the rescinded Biden executive order. Thus, the Trump administration may continue to rescind other existing federal orders and/or administrative policies relating to AI Technologies or may implement new executive orders and/or other rule making relating to AI Technologies in the future. Any such changes at the federal level could require us to expend significant resources to modify our products, services, or operations to ensure compliance or remain competitive.

U.S. legislation related to AI Technologies has also been introduced at the federal level and is advancing at the state level. For example, the California Privacy Protection Agency is currently in the process of finalizing regulations under the California Consumer Privacy Act (“CCPA”) regarding the use of automated decision-making. California also enacted seventeen new laws in 2024 that further regulate use of AI Technologies and provide consumers with additional protections around companies’ use of AI Technologies, such as requiring companies to disclose certain uses of generative AI. Other states have also passed AI-focused legislation, such as Colorado’s Artificial Intelligence Act, which will require developers and deployers of “high-risk” AI systems to implement certain safeguards against algorithmic discrimination, and Utah’s Artificial Intelligence Policy Act, which establishes disclosure requirements and accountability measures for the use of generative AI in certain consumer interactions. Such additional regulations may impact our ability to develop, use, procure and commercialize AI Technologies in the future.

In Europe, on August 1, 2024, the EU Artificial Intelligence Act (the “EU AI Act”) entered into force, and establishes a comprehensive, risk-based governance framework for AI in the EU market. The majority of the substantive requirements will apply from August 2, 2026. The EU AI Act will apply to companies that develop, use and/or provide artificial intelligence in the EU and, depending on the artificial intelligence use case, includes requirements around transparency, conformity assessments and monitoring, risk assessments, human oversight, security, accuracy, general purpose artificial intelligence and foundation models, with fines for breaches of up to 7% of worldwide annual turnover. Once fully applicable, the EU AI Act will have a material impact on the way artificial intelligence is regulated in the EU, and together with developing guidance and/or decisions in this area, may affect our use of artificial intelligence and our ability to provide and to improve our services, require additional compliance measures and changes to our operations and processes, result in increased compliance costs and potential increases in civil claims against us.

Both in the United States and internationally, AI usage and development are the subject of evolving review by various governmental and regulatory agencies, including the SEC and the FTC, and changes in laws, rules, directives and regulations governing the use of AI may adversely affect the ability of our business to use or rely on AI. Implementation standards and enforcement practices are likely to remain uncertain for the foreseeable future, and we cannot yet determine the impact future laws, regulations, standards, or perception of their requirements may have on our business. Any actual or perceived failure to comply with evolving regulatory frameworks around the development and use of AI could adversely affect our business, operations and financial condition.

If we do not maintain the interoperability of our offerings across devices, operating systems, and third-party applications that we do not control, and if we are not able to maintain and expand our relationships with third-party technology partners to integrate our offerings with their products and solutions, our business, financial condition, and results of operations may be adversely affected.

Our success depends in part on our ability to integrate our platform, products, and solutions with a variety of network, hardware, and software platforms, and we need to continuously modify and enhance our offerings to adapt to changes in hardware, software, networking, browser and database technologies. Several of our competitors own, develop, operate, or distribute operating systems, application stores, cloud hosting services and other software applications, and/or have material business relationships with companies that own, develop, operate, or distribute operating systems, application stores, cloud hosting services and other software that our offerings rely on to operate. Moreover, some of our competitors have inherent advantages developing products and services that more tightly integrate with their software and hardware platforms or those of their business partners.

Third-party products and services are constantly evolving, and we may not be able to modify our offerings to ensure their compatibility with those of other third parties following development changes. In addition, some of our competitors may be able to disrupt the operations or compatibility of our offerings with their products or services, or exert strong business influence on our ability to, and terms on which we, operate and distribute our offerings. For example, certain of our offerings directly compete with several large technology companies that we rely on to ensure the interoperability of our offerings with their products or services. As our respective products evolve, we expect this level of competition to increase. Should any of our competitors modify their products or standards in a manner that degrades the functionality of our offerings or gives preferential treatment to competitive products or services, whether to enhance their competitive position or for any other reason, or if they deploy encryption, cybersecurity ringfencing protections or other interface limitations, we may not be able to offer the functionality that our customers need or may be offered by such competitor, which would negatively impact our ability to generate revenue and adversely affect our business. Furthermore, any losses or shifts in the market position of the providers of these third-party products and services could require us to identify and develop integrations with new third-party technologies. Such changes could consume substantial resources and may not be effective or timely available. Any expansion into new geographies or verticals may also require us to integrate our offerings with new third-party technologies, products, services and regulatory requirements, and invest in developing new relationships with these providers. If we are unable to respond to changes in a cost-effective manner, our offerings may become less marketable, less competitive, or obsolete, and our business, financial condition and results of operations may be negatively impacted.

In addition, a significant percentage of our customers choose to integrate our platform, products, and solutions with certain capabilities of third-party publishers and software providers using application programming interfaces, or APIs. The functionality and popularity of our platform, products and solutions depends, in part, on their ability to integrate with a wide variety of third-party applications and software. Third-party providers of applications may change the features of their applications and software, restrict our access to their applications and software or alter the terms governing use of their applications and access to those applications and software in an adverse manner. Such changes could functionally limit or eliminate our or our customers' ability to use these third-party applications and software in conjunction with our offerings, or may require us to obtain royalty-bearing licenses, which could negatively impact customer demand, our competitive position and adversely affect our business.

Further, we have created mobile applications and mobile versions of our offerings to respond to the increasing number of people who access the internet and cloud-based software applications through mobile devices, including smartphones and handheld tablets or laptop computers. If these mobile applications do not perform well, our business may suffer. We are also dependent on third-party application stores that may prevent us from timely updating our offerings, building new features, integrations, capabilities, or other enhancements, or charging for access. Certain of these companies are now, or may in the future become, competitors of ours, and could stop allowing or supporting access to our offerings, could allow access for us only at an unsustainable cost, or could make changes to the terms of access in order to make our offerings less desirable or harder to access, for competitive reasons, which would also have a negative impact on our business.

A version of our Media Services is licensed to the public under an open source license, which could negatively affect our ability to monetize our offerings and protect our intellectual property rights.

We make a version of our Media Services, Kaltura Community Edition (“Kaltura CE”), available to the public at no charge under an open source license, the Affero General Public License version 3.0 (“AGPL”). Although Kaltura CE does not include many widely used Kaltura applications, it can be used on a self-hosted basis as a standalone video platform. The AGPL grants licensees broad freedom to view, use, copy, modify and redistribute the source code of Kaltura CE.

Anyone can download a free copy of this version of our platform from the internet, and we neither know who all of our AGPL licensees are, nor have visibility into how Kaltura CE is being used by licensees, so our ability to detect violations of the open source license is extremely limited. Additionally, even if we become aware of any violations, open source licenses, including the AGPL, have not been widely interpreted by courts, leading to uncertainty surrounding any ability to enforce such licenses.

The AGPL is a “copyleft” license, requiring that any redistribution by licensees of Kaltura CE, or any modifications or adaptations to Kaltura CE, be made pursuant to the AGPL as well. This leads some commercial enterprises to consider AGPL-licensed software to be unsuitable for commercial use. However, the AGPL would not prevent a commercial licensee from taking this open source version of our platform under AGPL and using it solely for internal purposes for free. AGPL also would not prevent a commercial licensee from taking this open source version of our platform under AGPL and using it to compete in our markets by providing it to others for free.

This competition can develop without the degree of overhead and lead time required by traditional proprietary software companies, due to the permissions allowed under AGPL. It is also possible for competitors to develop their own software based on Kaltura CE. Although this software would also need to be made available for free under the AGPL, it could reduce the demand for and put pricing pressure on our offerings. We cannot guarantee that we will be able to compete successfully against current and future competitors, some of which may have greater resources than we have, or that competitive pressure or the availability of new open source software will not result in price reductions, reduced operating margins, and loss of market share. Any of the foregoing could harm our business, financial condition, results of operations and cash flows.

The markets in which we compete are nascent and highly fragmented, and we may not be able to compete successfully against current and future competitors, some of whom have greater financial, technical, and other resources than we do. If we do not compete successfully, our business, financial condition and results of operations could be harmed.

The markets in which we compete, including Enterprise Video Content Management (EVCN) and Online Video Platforms (OVP), Virtual Events and Webinars, and Cloud TV Software, are evolving rapidly and remain highly fragmented. Many of our current and potential competitors are larger organizations with significantly greater financial, technical, and marketing resources, broader customer bases, and stronger brand recognition than we have. These factors may enable them to compete more aggressively on pricing, invest in more extensive research and development, or bundle additional products and services alongside their video offerings. In addition, new market entrants and continued industry consolidation can further intensify competition, creating fewer but larger competitors with enhanced capabilities. We believe our ability to compete successfully depends on a variety of factors, some of which are beyond our control, including:

- Breadth, depth, and scale of products, APIs and developer tools;
- Ability to support all types of video interactions, including live, real-time, and on-demand, as well as non-video digital assets;
- Ability to cater to numerous use-cases with interoperable products and unified analytics;
- Ability to provide engaging, interactive, and personalized experiences;
- Ability to innovate quickly;
- Ease of customization and integration with other products;
- Support of various deployment options (including regional and dedicated environments);
- Data capabilities, including advanced analytics and Gen AI;
- High-availability and global presence;
- Enterprise-grade reliability, security, and scalability;
- Quality of service and customer satisfaction;
- Total cost of ownership and time to value;
- Brand recognition; and
- Corporate culture.

If we fail to address these competitive pressures or if we cannot keep pace with rapid technological changes, customer demands, or evolving regulatory requirements, our business, financial condition, and results of operations could be materially and adversely affected. We may also be forced to reduce our prices or alter our product strategy in response to competitive pressures, which could negatively impact our margins and growth prospects.

Our continued success will depend on our ability to provide differentiated, high-value solutions and to deepen our relationships with customers across diverse industry segments. However, there can be no assurance that we will be able to maintain our current market position or grow our share in these rapidly evolving and competitive markets.

Additionally, we compete with home-grown, start-up, and open source technologies across the categories described above. With recent changes in workplace structures and flexible work policies, and the introduction of new technologies and the entrance of new market participants in response to these trends, competition has intensified, and we expect it to continue in the future. Established companies are also developing their own video platforms, products, and solutions within their own core product lines, and may continue to do so in the future. Established companies may also acquire or establish product integration, distribution, or other cooperative relationships with our current competitors. New competitors or alliances among competitors may emerge from time to time and rapidly acquire significant market share due to various factors such as their greater brand name recognition, larger existing user or customer base, consumer preferences for their offerings, a larger or more effective sales organization and greater financial, technical, marketing, and other resources and experience. Furthermore, with the recent increase in large merger and acquisition transactions in the technology industry, which has recently intensified due to the distressed and unstable economic climate, in particular with respect to transactions involving cloud-based technologies, there is a greater likelihood that we will compete with other larger technology companies in the future. Companies resulting from these potential consolidations may create more compelling product offerings and be able to offer more attractive pricing options, making it more difficult for us to compete effectively. Furthermore, if a sole-source technology provider on which we rely is acquired or otherwise experiences a change of control, we may be prevented from using, selling, supporting or having access to such technology. Additionally, we may also consider pursuing a business combination or other strategic transaction with another entity, such as to take advantage of market trends or in response to industry challenges. Alternatively, we could be identified as an acquisition target by one of our existing or potential competitors or other third parties. Such transactions may not be successful, may not achieve the expected results and may impose financial or operational burdens on the Company, which in turn may adversely impact our business, financial condition, results of operations and prospects. In addition, your ownership and voting power may be diluted in connection with an acquisition or other strategic transaction. For more information regarding the possible implications of and risks associated with such transactions, see Part I, Item 1A. “Risk Factors — If we are unable to consummate acquisitions at our desired rate and at acceptable prices, and to enter into other strategic transactions and relationships that support our long-term strategy, our growth rate and the trading price of our common stock could be negatively affected. These transactions and relationships also subject us to certain risks.” and, in addition, “Risk Factors — Your ownership and voting power may be diluted by the issuance of additional shares of our common stock in connection with financings, acquisitions, investments, our equity incentive plans or otherwise.”

Potential customers may also prefer to purchase from companies with which they have an existing relationship rather than a new supplier, regardless of product performance or features. Furthermore, we expect that our industry will continue to attract new companies, including smaller emerging companies, which could introduce new offerings. We may also expand into new markets and encounter additional competitors in such markets. These competitive pressures in the markets in which we operate, or our failure to compete effectively, may result in price reductions, fewer customers, reduced revenue, gross profit and gross margins, increased net losses and loss of market share. Any failure to effectively address these factors could significantly and adversely affect our business, financial condition, and results of operations.

The failure to effectively develop and expand our marketing and sales capabilities could harm our ability to increase our customer base and achieve broader market acceptance of our offerings.

Our ability to increase our customer base and achieve broader market acceptance of our platform, products and solutions will depend to a significant extent on our ability to effectively and efficiently manage and expand our sales and marketing operations. A key factor in our marketing capabilities is qualified sales personnel and sales representatives. Identifying and training such personnel is time-consuming and resource-intensive, and they may not be fully trained and productive for a significant amount of time or thereafter could be found lacking appropriate skills or qualification. We have dedicated and may continue to dedicate significant resources to our marketing programs. Our business will be harmed if our efforts do not generate a correspondingly significant increase in revenue. We will not achieve anticipated revenue growth targets if we are unable to develop and retain talented sales personnel, if our new sales personnel are unable to achieve desired productivity levels in a reasonable period of time, or if our sales and marketing programs are not effective.

In addition, because we rely primarily on a direct sales model, our customer acquisition costs are higher than those of organizations that rely primarily on a self-service model, which may limit our ability to cut costs in response to changing economic and competitive conditions.

In addition to our direct sales force, we also leverage reseller relationships and marketplace platforms to help market and sell our offerings to customers around the world, particularly in areas in which we have a limited presence. These relationships subject us to certain risks. Our resellers may prioritize selling their own offerings that compete with ours, or one of our competitors may be effective in causing a reseller or potential reseller to favor that competitor's offerings or otherwise prevent or reduce sales of our offerings. In addition, recruiting and retaining qualified resellers and training them in our technology, offerings and culture, requires significant time and resources, and our efforts may not be successful. If we decide to further develop and expand our indirect sales channels, we must continue to scale and improve our processes and procedures to support these channels, including investing in systems and training. Many resellers may not be willing to invest the time and resources required to train their staff to effectively market and sell our offerings.

In addition, though most of our sales are, and have historically been, made through our direct sales organization, certain of our offerings may be purchased directly from our website, which we believe allows us to reduce our cost of customer acquisition, drive additional opportunities to our direct sales team, reach smaller customers, and broaden our target market. This self-service model requires us to incur sales and marketing expenses often prior to generating corresponding revenue. As this operation was launched only recently, we cannot guarantee that this model will succeed in generating revenue in excess of the corresponding sales and marketing expenses, or that it will be effective in helping us achieve our other objectives, any of which would adversely affect our business, financial condition, and results of operations.

The sales prices of our offerings may change, which may reduce our revenue and gross profit and adversely affect our financial results.

The sales prices for our offerings may be subject to change for a variety of reasons, including competitive pricing pressures, discounts, anticipation of the introduction of new products, promotional programs, general economic conditions, or our marketing, user acquisition and technology costs and, as a result, we anticipate that we will need to change our pricing model from time to time. In the past, we have sometimes adjusted our prices for individual customers in certain situations, and expect to continue to do so in the future. Moreover, demand for our offerings is price-sensitive. Competition continues to increase in the market segments in which we operate, and we expect competition to further increase in the future, in particular as a result of the volatile economic climate, thereby leading to increased pricing pressures. Larger competitors with more diverse offerings may reduce the price of offerings that compete with ours or may bundle them with other offerings and provide for free. Similarly, certain competitors may use marketing strategies that enable them to acquire users more rapidly or at a lower cost than us, or both, and we may be unable to attract new customers or grow and retain our customer base based on our historical pricing. Additionally, currency fluctuations in certain countries and regions may negatively impact actual prices that customers and resellers are willing to pay in those countries and regions. As we develop and introduce new offerings, as well as features, integrations, capabilities, and other enhancements, we may need to, or choose to, revise our pricing. There can be no assurance that we will not be forced to engage in price-cutting initiatives or to increase our marketing and other expenses to attract customers in response to competitive or other pressures. Any decrease in the sales prices for our products, without a corresponding decrease in costs, increase in volume or increase in revenue from our other offerings, would adversely affect our revenue and gross profit. This is particularly true with respect to our Events product and TV Solution, which generally entail significantly higher up-front costs compared to our other offerings. We cannot assure you that we will be able to maintain our prices and gross profits at levels that will allow us to achieve and maintain profitability.

If we are unable to increase sales of our subscriptions to new customers, expand the offerings to which our existing customers subscribe, or expand the value of our existing customers' subscriptions, our future revenue and results of operations will be adversely affected.

Our success depends on our ability to sell our subscriptions to new customers and to expand within our existing customer base by selling subscriptions for additional offerings to our existing customers and expanding the value of existing customers' subscriptions, and to do so in a cost-effective manner. Our ability to sell new subscriptions and expand the number and value of existing subscriptions depends on a number of factors, including the prices of our offerings and their functionality, the prices of products offered by our competitors, and the budgets of our customers. We serve customer needs with multiple tiers of subscriptions that differ based on product depth and functionality. We also offer an initial trial period for certain of our offerings. To the extent prospective customers utilize this trial period without becoming, or lead others not to become, paying customers, our expenses may increase as a result of associated hosting costs, and our ability to grow our business may be adversely affected. We also offer an open source version of our Media Services called Kaltura CE. Our open source version is intended to increase the visibility and familiarity of our platform among the developer communities. We invest in developers and developer communities through multiple channels, including the introduction of new open source projects. There is no guarantee that such events will translate into new customers, or that open source users will convert to paying subscribers.

If our existing customers do not renew their subscriptions, or if they renew on terms that are less economically beneficial to us, it could have an adverse effect on our business, financial condition, and results of operations.

We expect to derive a significant portion of our revenue from renewals of existing subscriptions. Our customers have no contractual obligation to renew their subscriptions after the completion of their subscription term. Subscriptions for most of our offerings are offered on either an annual or multi-year basis. Our subscriptions also generally include committed usage amounts. As a result, we cannot provide assurance that customers will renew their subscriptions for a similar contract period or with the same or greater product depth, number of users, functionality or other terms that are equally or more economically beneficial to us, if they renew at all.

Our customers' renewals may decline or fluctuate as a result of a number of factors, including their satisfaction with our products and our customer support, the frequency and severity of product outages, our product uptime or latency, the pricing of our offering in relation to competing offerings, additional new features, integrations, capabilities or other enhancements that we offer, updates to our products as a result of updates by technology partners, and customers or users no longer having a need for our offerings. Renewal rates have been, and may in the future also be, impacted by general economic conditions or other factors that reduce customers' spending levels. For example, many educational institutions and other customers in the public sector depend substantially on government funding, and any general decrease, delay, or other change in the availability of such funding could cause current and prospective customers to decide not to renew their subscriptions or to reduce the scope of their subscriptions at the end of the applicable subscription term, any of which could cause us to lose customers and revenue. If our customers do not renew their subscriptions or renew on terms less economically favorable to us, our revenue may decline or grow less quickly than anticipated, which would adversely affect our business, financial condition, and results of operations.

We rely on third parties, including third parties outside the United States, for some of our software development, quality assurance, operations, and customer support.

We currently depend on various third parties for some of our software development efforts, quality assurance, operations, and customer support services. Specifically, we outsource some of our software development and design, quality assurance, and operations activities to third-party contractors that have employees and consultants located in Europe (including Poland, Czech Republic, Ukraine and Belarus) and other locations. Our dependence on third-party contractors creates a number of risks, in particular, the risk that we may not maintain development quality, control, or effective management with respect to these business operations. In addition, poor relations between the United States and Russia, economic sanctions and export control restrictions imposed by the United States, the European Union ("EU"), the United Kingdom ("UK") and other countries targeting Russia, Belarus, and the embargoed areas of Ukraine, including as a result of the Russian invasion of Ukraine, and any further escalation of political tensions or economic instability in the area could have an adverse impact on our third-party software development in Ukraine and Belarus. In particular, increased tensions between the United States, the North Atlantic Treaty Organization including the UK and the EU member states and Russia as a result of the invasion of Ukraine by Russia, have increased the threat of armed conflict, cyberwarfare and economic instability that could disrupt or delay the operations of our resources in those countries, disrupt or delay our communications with such resources or the flow of funds to support their operations, or otherwise render our resources unavailable.

Moreover, some of our personnel and third party service providers reside in Ukraine and are subject to the impacts of the ongoing war, including risk of injury or death, destruction of infrastructures, lack of electricity, connectivity and basic living conditions, or be subject to Russian occupation. We anticipate that, absent any adverse developments, we will continue to engage with third party service providers and maintain those relationships in order to grow our business for the foreseeable future. If we are unsuccessful in maintaining existing and, where needed, establishing new relationships with third parties, our ability to efficiently operate existing services or develop new services and provide adequate customer support could be impaired or become more expensive, and, as a result, our competitive position or our results of operations could suffer.

Currency exchange rate fluctuations affect our results of operations, as reported in our financial statements.

We are exposed to foreign exchange rate fluctuations that could materially and adversely impact our financial results. We report our financial results in U.S. dollars, and the majority of our revenue and trade receivables is denominated in U.S. dollars, with the remainder primarily in euros. Euro exchange rate fluctuations may affect the reported revenue and trade receivables amount in U.S. dollars. If the U.S. dollar appreciates against the euro, the value of our euro-denominated revenue and account receivables decreases, negatively impacting our financial results. These fluctuations can also result in foreign exchange gains or losses, affecting our cash flows and financial expenses (income) in our financial statements.

In addition, a significant portion of our expenses—including cost of revenue, research and development, sales and marketing, and general and administrative costs for our Israeli operations — is incurred in New Israeli Shekels (“NIS”).

An appreciation of the NIS against the U.S. dollar would increase our operating costs, negatively impacting our profitability. Furthermore, if the NIS depreciates, but the inflation rate in Israel rises faster than the depreciation, the cost of our operations in Israel could still increase in U.S. dollar terms.

We cannot predict future exchange rate trends, and our ability to hedge against currency fluctuations may be limited.

We recognize a significant portion of revenue from subscriptions over the term of the relevant subscription period, and as a result, downturns or upturns in sales are not immediately reflected in full in our results of operations.

The majority of our revenues are derived from SaaS and PaaS subscriptions, and we recognize a significant portion of our subscription revenue over the term of the relevant subscription period. As a result, much of the subscription revenue we report each fiscal quarter is the recognition of deferred revenue from subscription contracts entered into during previous fiscal quarters. Consequently, a decline in new or renewed subscriptions in any one fiscal quarter will not be fully or immediately reflected in revenue in that fiscal quarter and will negatively affect our revenue in future fiscal quarters. Accordingly, the effect of significant downturns in new or renewed sales of our subscriptions is not reflected in full in our results of operations until future periods.

If we fail to meet contractual commitments under our customer agreements, we could be subject to contractual penalties, litigation, and other liabilities, and could experience an increase in contract terminations or decrease in contract renewals in future periods, which would lower our revenue, increase our costs, and otherwise adversely affect our business, financial condition, and results of operations.

Our customer agreements typically contain service-level commitments, indemnification and other liabilities. If we are unable to meet the stated service-level commitments, including failure to meet the uptime and response time requirements under our customer agreements, we may be contractually obligated to provide these customers with service credits or damages, or customers could elect to terminate and receive refunds for prepaid amounts related to unused subscriptions, either of which could significantly affect our revenue in the periods in which the failure occurs and the credits are applied or refunds paid out. In addition, customer terminations or any reduction in renewals resulting from service-level failures could significantly affect both our current and future revenue.

In addition, the agreements we enter into with our TV Solution customers typically provide for committed delivery schedules and milestones with which we are required to comply in connection with the deployment of our offerings. The deployment process for our TV Solution offering is often complex, and our ability to comply with our obligations under these agreements depends on a variety of factors both within and outside of our control, including the timely performance of front-end software developers and other third-parties. If we fail to meet our committed delivery schedules and milestones, we could be subject to contractual penalties, including liquidated damages, as well as breach of contract claims, which could result in litigation and cause us to incur additional costs, including in the form of additional damages or settlement payments. Affected customers may also elect to terminate their agreements with us.

Furthermore, any service-level failures or failure to meet committed delivery schedules and milestones could also create negative publicity and damage our reputation, which may discourage prospective customers from adopting our offerings. In addition, if we modify the terms of our contractual commitments in future customer agreements in a manner customers perceive to be unfavorable, demand for our offerings could be reduced. The occurrence of these or any of the events discussed above could have a significant adverse effect on our business, financial condition, results of operations and cash flow, as well as our ability to grow our business.

We depend on our management team and other key employees, and the loss of one or more of these employees or an inability to attract and retain highly skilled employees could adversely affect our business.

Our future success depends, in part, on our ability to continue to attract and retain highly skilled personnel. The loss of the services of any of our key personnel, the inability to attract or retain qualified personnel, or delays in hiring required personnel, particularly in engineering and sales, may seriously and adversely affect our business, financial condition, and results of operations. Although we have entered into employment offer letters with our key personnel, their employment is for no specific duration and constitutes at-will employment. We are also substantially dependent on the continued service of our existing engineering personnel because of the complexity of our products.

Our future performance also depends on the continued services and continuing contributions of our senior management team, which includes Ron Yekutiel, our co-founder, Chief Executive Officer and President, to execute on our business plan and to identify and pursue new opportunities and product innovations. The loss of services of our senior management team, particularly our Chief Executive Officer, could significantly delay or prevent the achievement of our development and strategic objectives, which could adversely affect our business, financial condition, and results of operations.

Additionally, the industry in which we operate is generally characterized by significant competition for skilled personnel, as well as high employee attrition. There is a shortage in personnel with the relevant know-how and experience for the development of our Video Products and Media Services, particularly for DevOps, engineering, research and development, sales, and support positions, and we may not be successful in attracting, integrating, and retaining qualified personnel to fulfill our current and future needs. Many of the companies against which we compete for personnel have greater financial resources, scale and branding than we do, and it may be more difficult for us to attract and retain qualified personnel predominately in Israel, where most of our research and development positions are located, and in New York, where our headquarters is located. These competitors may also actively seek to hire our existing personnel away from us, even if such employee has entered into a non-compete agreement. We may be unable to enforce these agreements under the laws of the jurisdictions in which our employees work. For example, Israeli labor courts have required employers seeking to enforce non-compete undertakings of a former employee to demonstrate that the competitive activities of the former employee will harm one of a limited number of material interests of the employer that have been recognized by the courts, such as the protection of a company's confidential information or other intellectual property, taking into account, among other things, the employee's tenure, position, and the degree to which the non-compete undertaking limits the employee's freedom of occupation. We may not be able to make such a demonstration. Also, to the extent we hire personnel from competitors, we may be subject to allegations that they have been improperly solicited or that they have divulged their former employers' proprietary or other confidential information or incorporated such information into our products, which could include claims that such former employers therefore own or otherwise have rights to their inventions or other work product developed while employed by us.

In addition, in making employment decisions, particularly in the internet and high-technology industries, job candidates often consider the value of the equity they are to receive in connection with their employment. Employees may be more likely to leave us if the shares they own or the shares underlying their equity incentive awards have significantly appreciated or significantly reduced in value. Many of our employees may receive significant proceeds from sales of our equity in the public markets, which may reduce their motivation to continue to work for us and could lead to employee attrition. If we fail to attract new personnel, or fail to retain and motivate our current personnel, our business, financial condition, results of operations and growth prospects could be adversely affected.

If we are not able to maintain and enhance awareness of our brand, especially among developers and IT operators, as well as new departments such as marketing, our business, financial condition, and results of operations may be adversely affected.

We believe that developing and maintaining widespread awareness of our brand, especially with developers and IT operators, in addition to new departments such as marketing, is critical to achieving widespread acceptance of our platform, products and solutions and attracting new users and customers.

Brand promotion activities may not generate user or customer awareness or increase revenue, and even if they do, any increase in revenue may not offset the expenses we incur in building our brand. If we fail to successfully promote and maintain our brand, we may fail to attract and retain users and customers necessary to realize a sufficient return on our brand-building efforts, and may fail to achieve the widespread brand awareness that is critical for broad customer adoption of our offerings.

Our corporate culture has contributed to our success, and if we cannot maintain this culture as we grow, we could lose the innovation, creativity, and entrepreneurial spirit we have worked to foster, which could adversely affect our business.

We believe that our corporate culture, which is based on openness, flexibility, and collaboration, has been and will continue to be a key contributor to our success. Furthermore, in the current labor market, especially in Israel, we believe corporate culture is a critical element in the hiring and retention of personnel, and is an essential factor for us to successfully attract, hire and retain highly skilled personnel. If we do not continue to maintain our corporate culture as we grow, we may be unable to foster the innovation, creativity, and entrepreneurial spirit we believe we need to support our growth. The growth and expansion of our business and our transition from a private company to a public company may result in changes to our corporate culture, which could adversely affect our business, including our ability to recruit and retain qualified personnel.

Our failure to offer high quality customer support would have an adverse effect on our business, reputation, and results of operations.

Our customers depend on our customer success managers to resolve issues and realize the full benefits relating to our platform, products, and solutions. If we do not succeed in helping our customers quickly resolve post-deployment issues or provide effective ongoing support and education, our ability to renew subscriptions with, or sell subscriptions for additional offerings to, existing customers, or expand the value of existing customers' subscriptions, would be adversely affected and our reputation with potential customers could be damaged. In addition, most of our existing customers are large enterprises with complex information technology environments and, as a result, require significant levels of support. If we fail to meet the requirements of these customers, it may be more difficult to grow sales or maintain our relationships with them.

Additionally, while growing our base of customer success managers is a key component of our growth strategy, it can take several months to recruit, hire, and train qualified engineering-level customer support employees, and we may not be able to hire such resources fast enough to keep up with demand. To the extent that we are unsuccessful in hiring, training, and retaining adequate support resources, our ability to provide adequate and timely support to our customers, and our customers' satisfaction with our platform, products, and solutions, will be adversely affected. Any failure by us to provide and maintain high-quality customer support services would have an adverse effect on our business, reputation, and results of operations.

We expect our revenue mix to vary over time, which could negatively impact our gross margin and results of operations.

We expect our revenue mix to vary over time due to a number of factors. Our gross margins and results of operations could be negatively impacted by changes in revenue mix and costs resulting from any number of factors, including entry into new markets; growth in lower margin markets, such as the markets for our Events product and TV Solution, and the timing and aggregate usage of our solutions by such customers; entry into markets with different pricing and cost structures; increased usage of certain products and solutions that we offer to customers without usage caps; pricing discounts; and increased price competition. Any one of these factors or the cumulative effects of certain of these factors may result in significant fluctuations in our gross margin and results of operations. This variability and unpredictability could result in our failure to meet internal expectations or those of securities analysts or investors for a particular period. If we fail to meet or exceed such expectations for these or any other reasons, the market price of our common stock could decline.

The length of our sales cycle can be unpredictable, particularly with respect to sales to large customers, and our sales efforts may require considerable time and expense.

Our results of operations may fluctuate, in part, because of the length and variability of the sales cycle of our subscriptions and the difficulty in making short-term adjustments to our operating expenses. Our results of operations depend in part on sales to new large customers and increasing sales to our existing customers, which are primarily large organizations.

The length of our sales cycle, from initial contact with a prospective customer to subscribing to one or more of our offerings, can vary substantially from customer to customer for a number of reasons, including deal complexity (particularly for customers that purchase our TV Solutions), certification by new customers or due to new customers' requirements, setup time and our customers' needs to satisfy their own internal requirements and processes.

As a result, it can be difficult to predict exactly when, or even if, we will make a sale to a potential customer, or when and if we can increase sales to our existing customers. As a result, large individual sales have, in some cases, occurred in quarters subsequent to those we anticipated, or have not occurred at all. Because a substantial proportion of our expenses are relatively fixed in the short-term, our results of operations will suffer if revenue falls below our expectations in a particular quarter, which could cause the market price of our common stock to decline.

Our international operations and expansion expose us to risk.

Our platform, products and solutions address the needs of customers and end users around the world, and we see continued international expansion as a significant opportunity. For the years ended December 31, 2024, 2023 and 2022, we generated approximately 47%, 48% and 46% of our revenue, respectively, from customers outside the United States. Our customers, end users, employees and partners are located in a number of different jurisdictions worldwide, and we expect our operations to become more globally diversified. Our current international operations involve, and future initiatives will also involve, a variety of risks, including:

- unexpected changes in practices, tariffs, export quotas, custom duties, trade disputes, tax laws and treaties, particularly due to economic tensions and trade negotiations or other trade restrictions;
- potential changes in the foreign affairs and trade policies of the countries in which we operate or do business, including the imposition of significant increases in tariffs on goods imported into the United States and corresponding retaliatory actions by the countries with which the United States trades;
- different labor regulations, especially in the European Union, where labor laws are generally more advantageous to employees as compared to the United States, including deemed hourly wage and overtime regulations in these locations;
- exposure to many evolving stringent and potentially inconsistent laws and regulations relating to privacy, data protection, and information security, particularly in the European Union;
- changes in a specific country's or region's political or economic conditions, including in connection with the Russian invasion of Ukraine, the armed conflict in the Middle East and Red Sea area involving Israel, Hamas, Hezbollah and the Houthi movement, and political or armed tension in other regions;
- risks resulting from changes in currency exchange rates;
- challenges inherent to efficiently managing an increased number of employees over large geographic distances, including the need to implement appropriate systems, policies, benefits and compliance programs;
- difficulties in maintaining our corporate culture with a dispersed workforce;
- risks relating to the implementation of exchange controls, including restrictions promulgated by the United States Department of the Treasury's Office of Foreign Assets Control ("OFAC"), the Bureau of Industry and Security (BIS) at the United States Department of Commerce, and other similar trade protection regulations and measures in the United States, EU, UK, or in other jurisdictions;
- reduced ability to timely collect amounts owed to us by our customers in countries where our recourse may be more limited;
- slower than anticipated availability and adoption of cloud infrastructures by international businesses, which would increase our on-premise deployments;
- limitations on our ability to reinvest or transfer earnings from operations derived from one country to fund the capital needs of our operations in other countries;
- limited or unfavorable—including greater difficulty in enforcing—intellectual property protection;
- exposure to liabilities under anti-corruption and anti-money laundering laws, including the U.S. Foreign Corrupt Practices Act of 1977, as amended, and similar applicable laws and regulations in other jurisdictions; and
- risks resulting from a pandemic, epidemic, or outbreak of infectious disease, such as resurgence of COVID-19 or its variants, including uncertainty regarding what measures the U.S. or foreign governments will take in response.

If we are unable to address these difficulties and challenges or other problems encountered in connection with our international operations and expansion, we might incur unanticipated liabilities or we might otherwise suffer harm to our business generally.

If we are not successful in sustaining and expanding our international business, we may incur additional losses and our revenue growth could be adversely affected.

Our future results depend, in part, on our ability to sustain and expand our penetration of the international markets in which we currently operate and to expand into additional international markets. Our ability to expand internationally will depend upon our ability to deliver functionality and foreign language translations that reflect the needs of the international customers that we target and to successfully navigate the risks inherent in operating a business internationally, as discussed above. While we will need to invest significant resources in such expansion, it is possible that returns on such investments will not be achieved in the near future or at all in these less familiar competitive environments. In addition, we currently leverage reseller relationships to assist with marketing and selling our offerings, particularly in jurisdictions in which we have a limited presence. If we are unable to identify resellers or other partners or negotiate favorable terms, our international growth may be limited or more costly than we anticipate.

A portion of our revenue is generated by sales to government entities, which are subject to a number of challenges and risks.

Sales to government and semi-government entities are subject to a number of risks. Selling to government entities can be highly competitive, expensive, and time-consuming, often requiring significant upfront time and expense without any assurance that these efforts will generate a sale. Government certification requirements for products like ours may change, thereby restricting our ability to sell into the U.S. federal government, U.S. state governments, or non-U.S. government sectors until we have attained the revised certification. Government demand and payment for our offerings may be affected by public sector budgetary cycles and funding authorizations, with funding reductions or delays adversely affecting public sector demand for our products. Additionally, any actual or perceived privacy, data protection, or data security incident, or even any perceived defect with regard to our practices or measures in these areas, may negatively impact public sector demand for our products.

Additionally, we rely on certain partners to provide technical support services to certain of our government entity customers to resolve any issues relating to our products. If our partners do not effectively assist our government entity customers in deploying our products, succeed in helping our government entity customers quickly resolve post-deployment issues, or provide effective ongoing support, our ability to sell additional products to new and existing government entity customers would be adversely affected and our reputation could be damaged.

Government entities may have statutory, contractual, or other legal rights to terminate contracts with us for convenience or due to a default, and any such termination may adversely affect our future results of operations. Governments routinely investigate and audit government contractors' administrative processes, and any unfavorable audit could result in the government refusing to continue buying our subscriptions, a reduction of revenue, or fines or civil or criminal liability if the audit uncovers improper or illegal activities, which could adversely affect our results of operations in a material way.

Furthermore, sales to government entities may be subject or become subject to global trade compliance restrictions, that restrict the execution of a transaction even after being awarded a contract, or limit our ability to upsell or renew existing transactions. The imposition of such restrictions may cause costly and lengthy marketing efforts or restrict us from performing under our contracts, including the collection of amounts owed to us, all of which could materially and adversely affect our results of operations.

Moreover, if we fail to timely respond to newly imposed restrictions or implement effective control over such sales, such failure could result in fines or civil, administrative or criminal liability which would adversely affect our reputation, business and financial results.

If we are unable to consummate acquisitions at our desired rate and at acceptable prices, and to enter into other strategic transactions and relationships that support our long-term strategy, our growth rate and the trading price of our common stock could be negatively affected. These transactions and relationships also subject us to certain risks.

As part of our business strategy, we may acquire or make investments in complementary companies, products, or technologies, and enter into other strategic transactions and relationships in the ordinary course. For example, expanding our AI capabilities is a current focus, and we may pursue targeted acquisitions or investments in specialized verticals or AI-centric companies as part of our strategy to enhance our product offerings.

Our ability to grow our revenues, earnings, and cash flow depends in part upon our ability to identify and successfully acquire and integrate businesses at acceptable prices, realize anticipated synergies and make appropriate investments that support our long-term strategy. We may not be able to consummate acquisitions at rates similar to the past, which could adversely impact our growth rate and the trading price of our common stock. Promising acquisitions, investments and other strategic transactions are difficult to identify and complete for a number of reasons, including high valuations, competition among prospective buyers, the availability of affordable funding in the capital markets, the need to satisfy applicable closing conditions and obtain applicable antitrust and other regulatory approvals on acceptable terms and cultural and other differences posing significant challenges hindering successful post-merger integration. In addition, competition for acquisitions, investments and other strategic transactions may result in higher purchase prices or other terms less economically favorable to us. Changes in accounting or regulatory requirements or instability in the credit markets or economic climate could also adversely impact our ability to consummate these transactions on acceptable terms or at all.

In addition, even if we are able to consummate acquisitions and enter into other strategic transactions and relationships, these transactions and relationships involve a number of financial, accounting, managerial, operational, legal, compliance and other risks and challenges, including the following, any of which could negatively affect our growth rate and the trading price of our common stock, and may have a material adverse effect on our business, financial condition and results of operations:

- Any business, technology, product, or solution that we acquire or invest in could under-perform relative to our expectations and the price that we paid or not perform in accordance with our anticipated timetable, including if customers do not adopt related offerings at the rate we project, or we could fail to operate or integrate any such business or deploy any such technology, product, or solution profitably.
- We may incur or assume significant debt in connection with our acquisitions and other strategic transactions and relationships, which could also cause a deterioration of our credit ratings, result in increased borrowing costs and interest expense and diminish our future access to the capital markets.
- Acquisitions and other strategic transactions and relationships could cause our financial results to differ from our own or the investment community's expectations in any given period, or over the long-term.
- Pre-closing and post-closing earnings charges could adversely impact operating results in any given period, and the impact may be substantially different from period to period.
- Acquisitions and other strategic transactions and relationships could create demands on our management, operational resources, and financial and internal control systems that we are unable to effectively address.
- We could experience difficulty in integrating personnel, operations and financial and other controls and systems and retaining key employees and customers.
- We may be unable to achieve cost savings or other synergies anticipated in connection with an acquisition or other strategic transaction or relationship.
- We may assume unknown liabilities, known contingent liabilities that become realized, known liabilities that prove greater than anticipated, internal control deficiencies or exposure to regulatory sanctions resulting from the acquired company's or investee's activities and the realization of any of these liabilities or deficiencies may increase our expenses, adversely affect our financial position and/or cause us to fail to meet our public financial reporting obligations.
- In connection with acquisitions and other strategic transactions and relationships, we often enter into post-closing financial arrangements such as purchase price adjustments, earn-out obligations, and indemnification obligations, which may have unpredictable financial results.
- As a result of our acquisitions, we have recorded significant goodwill and other assets on our balance sheet and if we are not able to realize the value of these assets, or if the fair value of our investments declines, we may be required to incur impairment charges.
- We may have interests that diverge from those of our strategic partners and we may not be able to direct the management and operations of the strategic relationship in the manner we believe is most appropriate, exposing us to additional risk.

- Investing in or making loans to early-stage companies often entails a high degree of risk, and we may not achieve the strategic, technological, financial or commercial benefits we anticipate; we may lose our investment or fail to recoup our loan; or our investment may be illiquid for a greater-than-expected period of time.

Risks Related to Information Technology, Intellectual Property and Data Privacy and Security

A real or perceived bug, defect, security vulnerability, error, or other performance failure involving our platform, products or solutions could cause us to lose revenue, damage our reputation, and expose us to liability.

We rely on computer systems, hardware, software, technology infrastructure and online sites and networks for both internal and external operations that are critical to our business, including our platform, products and solutions (collectively, “IT Systems”). We own and manage some of these IT Systems but also rely on third parties for a range of IT Systems and related products and services.

Our IT Systems, and those of third parties providers we rely on, are inherently complex and, despite testing and quality control, have in the past and may in the future contain bugs, defects, security vulnerabilities, misconfigurations, errors, or other performance failures, especially when first introduced and when upgraded with additional new features and capabilities, or otherwise not perform as intended. Any such bug, defect, security vulnerability, misconfiguration, error, or other performance failure could cause damage to our reputation, loss of customers or revenue, remediation costs, order cancellations, service terminations, and lack of market acceptance of our offerings. As the use of our offerings among new and existing customers expands, particularly to more sensitive, secure, or mission critical uses, we may be subject to increased scrutiny, potential reputational risk, or potential liability should our offerings fail to perform as contemplated in such deployments. We have in the past and may in the future need to issue corrective releases of our software to fix these defects, errors, or performance failures, which could require us to allocate significant research and development and customer support resources to address these problems. Despite our efforts, such corrections may take longer to develop and release than we or our customers anticipate and expect.

Any limitation of liability provision contained in an agreement with a customer, user, third-party vendor, service provider, or partner may not be enforceable, adequate or effective as a result of existing or future applicable law or judicial decisions and may not function to limit our liability arising from regulatory enforcement or other specific circumstances. The sale and support of our offerings entail the risk of liability claims, which could be substantial in light of the use of our offerings in enterprise-wide environments. Furthermore, our ability to include such limitation of liability provisions may be limited and such provisions, even if included, could include various exclusions. In addition, our insurance against any such liability may not be adequate to cover a potential claim, and may be subject to exclusions, or subject us to the risk that the insurer will deny coverage as to any future claim or exclude from our coverage such claims in policy renewals, increase our fees or deductibles or impose co-insurance requirements. Any such bugs, defects, security vulnerabilities, misconfigurations, errors, or other performance failures in IT Systems, including as a result of denial of claims by our insurer or the successful assertion of claims by others against us that exceed available insurance coverage, or the occurrence of changes in our insurance policies, including increases or the imposition of large deductible or co-insurance requirements, could have a material adverse effect on our business, including our financial condition, results of operations and reputation.

If we or our third-party service providers experience a security breach, data loss or other compromise, including if unauthorized parties obtain access to our customers’ data, our reputation may be harmed, demand for our platform, products and solutions may be reduced, and we may incur significant liabilities.

Our IT Systems, and those of third-party providers we rely on, involve the collection, storage, processing, transmission, and other use of data, including certain proprietary, confidential, sensitive, and personal information of ours and our customers (collectively, “Confidential Information”).

Cyberattacks are expected to accelerate on a global basis in frequency and magnitude as threat actors are becoming increasingly sophisticated in using techniques and tools—including artificial intelligence—that circumvent security controls, evade detection and remove forensic evidence. As a result, we face numerous and evolving cybersecurity risks that threaten the confidentiality, integrity and availability of Confidential Information and our IT Systems, business platform, products and solutions. Additionally, the use of AI, Gen-AI and large language models (“LLMs”), including those of third parties, is expected to pose new or unknown cybersecurity risks and challenges, including increasing data leakage risks.

Any security breach, data loss, or other compromise, including those resulting from a cybersecurity attack, social engineering, phishing attack, human or technological error, or any unauthorized access, unauthorized usage (including malfeasance by insiders), malware (including ransomware), malicious code embedded in open-source software, or misconfigurations, bugs or other vulnerabilities in commercial software that is integrated into our (or our suppliers' or service providers') IT Systems, products or services, virus or similar breach or disruption could result in the loss or destruction of or unauthorized access to, or use, alteration, disclosure, or acquisition of, Confidential Information, damage to our reputation, litigation (such as class actions), regulatory investigations and enforcement actions, reputational harm, loss of existing or future customers, imposition of fines, or other liabilities. These attacks may come from diverse threat actors, such as individual hackers, hacktivists, criminal groups, and state-sponsored organizations. For example, ransomware attacks, including those from organized criminal threat actors, nation-states, and nation-state supported actors, are becoming increasingly prevalent and severe, and can lead to significant interruptions in our operations, loss of data and income, reputational loss, diversion of funds, and may result in fines, litigation and unwanted media attention. Extortion payments may alleviate the negative impact of a ransomware attack, but we may be unwilling or unable to make such payments due to, for example, applicable laws or regulations prohibiting payments

If our security measures are breached as a result of third-party action, employee error or negligence, a defect or bug in our offerings or those of our third-party service providers, malfeasance or otherwise and, as a result, someone obtains unauthorized access to any data, including our Confidential Information or that of our customers, or other persons, or any of these types of information is lost, destroyed, or used, altered, disclosed, or acquired without authorization, our reputation may be damaged, our business may suffer, we may be subject to regulatory investigations, and we could incur significant liability, including significant incident response, system restoration or remediation and future compliance costs and penalties or fines under applicable data privacy and security laws and regulations. Even the perception of inadequate security may damage our reputation and negatively impact our ability to win new customers and retain and receive timely payments from existing customers. We experience cyber-attacks and other security incidents of varying degrees from time to time, though none which individually or in the aggregate has led to third parties gaining access to our or our customers data, or to costs or consequences which have materially impacted our operations or business. Moreover, there can be no assurance that our cybersecurity risk management program and processes, including our policies, controls or procedures, effectively protect our IT Systems and Confidential Information. Additionally, there can be no assurance that our cybersecurity measures and tools will not be circumvented or penetrated by attackers or would keep pace with the constantly evolving threats in a timely manner. We are unable to comprehensively apply patches or confirm that measures are in place to mitigate all such vulnerabilities, or that patches will be applied before vulnerabilities are exploited by a threat actor. We could be required to expend significant capital and other resources to protect against and address any data security incident or breach, which may not be covered or fully covered by our insurance and which may involve payments for investigations, forensic analyses, regulatory compliance, breach notification, legal advice, public relations advice, system repair or replacement, data recovery or other services. The successful assertion of one or more large claims against us that exceeds our available insurance coverage, or results in changes to our insurance policies (including premium increases or the imposition of large deductible or co-insurance requirements), could have an adverse effect on our business. In addition, we cannot be sure that our existing insurance coverage will continue to be available on economically reasonable terms or at all or that our insurers will not deny coverage as to any future claim.

In addition, we do not directly control content that our customers store or use in our products. If our customers use our products for the transmission or storage of Confidential Information about individuals and our security measures are or are believed to have been breached as a result of third-party action, employee error, malfeasance or otherwise, our reputation could be damaged, our business may suffer, and we could incur significant liability, including related to breach notification and incident response.

We engage third-party vendors and service providers to store and otherwise process some of our and our customers' data, including Confidential Information. Our vendors and service providers, including providers of open source platforms, may also be the targets of cyberattacks, malicious software, phishing schemes, and fraud.

Our ability to monitor our vendors and service providers' data security is limited, and, in any event, third parties may be able to circumvent those security measures, resulting in the unauthorized access to, misuse, acquisition, disclosure, loss, alteration, or destruction of our and our customers' data, including Confidential Information and other information about individuals. Any such unauthorized access could materially adversely affect our business, operating results, and financial condition.

Data security breaches could also expose us to liability under various laws and regulations across jurisdictions and increase the risk of litigation and governmental or regulatory investigation.

Due to concerns about data security and integrity, a growing number of legislative and regulatory bodies have adopted breach notification and other requirements in the event that information subject to such laws is accessed by unauthorized persons and additional regulations regarding security of such data are possible. We may need to notify governmental authorities and affected individuals with respect to such incidents. For example, laws in the EU and UK and all 50 U.S. states may require businesses to provide notice to individuals whose personal information has been disclosed as a result of a data security breach. Complying with such numerous and complex regulations in the event of a data security breach would be expensive and difficult, and failure to comply with these regulations could subject us to regulatory scrutiny and additional liability. We may also be contractually required to notify customers or other counterparties of a security incident, including a data security breach. Regardless of our contractual protections, any actual or perceived data security breach, or breach of our contractual obligations, could harm our reputation and brand, expose us to potential liability or require us to expend significant resources on data security and in responding to any such actual or perceived breach.

Techniques used to sabotage or obtain unauthorized access to systems or networks are constantly evolving and, leveraging more sophisticated techniques and tools (including artificial intelligence) and, in some instances, are not identified until after they have been launched against a target. We and our service providers may be unable to anticipate these techniques, react in a timely manner, or implement adequate preventative and mitigating measures.

If we or our cybersecurity solutions providers are unable to efficiently and effectively maintain and upgrade our system safeguards, we may incur unexpected costs and certain of our systems may become more vulnerable to unauthorized access or disruption. Any of the foregoing could have a material adverse effect on our business, including our financial condition, results of operations and reputation.

Our expanded use of AI and generative AI technologies, including their incorporation into our offerings, may expose us to increased liability and new regulatory, compliance, and ethical risks.

We recently launched or enhanced AI-driven offerings, including Work Genie and Class Genie, that rely on generative models or other advanced algorithms. The continuous development, maintenance and operation of our AI-driven offerings is expensive and complex, and may involve unforeseen difficulties including material performance problems, undetected defects or errors. For instance, the underlying model can experience decay (also known as “model drift”) in which its performance and accuracy decreases over time without further human intervention to correct such decay. These AI tools may also inadvertently produce inaccurate or biased outputs, leading to reputational harm or potential claims by customers. Our efforts to develop AI-driven offerings could increase our operating costs. Our ability to develop AI-driven offerings may be limited by our access to processing infrastructure or training data, as we do not license data from third parties nor train our models on third parties' or customers' data, and additionally, we may be dependent on third-party providers for processing infrastructure resources such as cloud facilities providers and others. Nonetheless, the expansion of AI based usage and offering, may create a need for additional data sources for training, which in turn could require us to explore more alternatives and accommodate the risks associated therewith, such as such data source integrity and freedom from third party rights or bias information.

We may also experience difficulties in enforcing the intellectual property rights in output generated by generative AI. The United States Copyright Office has previously denied copyright protection for content generated by AI, and the United States Patent and Trademark Office has similarly stated that an AI tool cannot be an “inventor” of a patent, rendering it impossible to obtain patent protection for inventions created solely by AI. The Supreme Court of the United Kingdom has reached a similar conclusion, stating that AI systems cannot be named as an “inventor” for UK patent law purposes. In addition, if we are deemed to not have sufficient rights to the data we use to train our generative AI, we may be subject to litigation by the owners of the content or other materials that comprise such data, similar to the litigation that is currently pending in various U.S. courts against other developers of generative AI, and in which the outcome of such litigation is uncertain.

Further, the market for AI-driven offerings is rapidly evolving and important assumptions about the characteristics of targeted markets, pricing, sales cycles, cost, performance, and perceived value associated with our offerings may be inaccurate. We cannot be sure that the market will continue to grow or that it will grow in ways we anticipate. In addition, market acceptance and consumer perceptions of products and services that incorporate AI is uncertain. Our failure to successfully develop and commercialize our products or services involving AI could negatively impact our stock and finances.

Moreover, the regulatory environment around AI is rapidly evolving, with new measures under discussion or adoption in the U.S., EU (including the EU AI Act), UK, and elsewhere.

See “Risk Factors – Risks Related to Our Business and Industry”- “We may face risks associated with our use of certain AI and machine learning model technologies and compliance with the evolving regulatory framework around AI development and use”.

If our plan to acquire or invest in AI-focused or niche vertical businesses is not successful, our future growth could be limited and our operating results could suffer.

We may pursue targeted acquisitions or investments in specialized verticals or AI-centric companies as part of our 2025 strategy to expand our product offerings.

These transactions may involve significant costs, management distractions, or integration challenges, including merging complex AI technologies with our existing platform. Furthermore, the expected synergies or revenue opportunities may fail to materialize if customers do not adopt the new solutions at the rate we project. Any failure to successfully integrate acquired teams, realize anticipated operational efficiencies, or obtain sufficient returns on these acquisitions could limit our growth, weaken our financial performance, and harm our competitive position.

Incorrect implementation or use of, or our customers’ failure to update, our software could result in customer dissatisfaction and negatively affect our business, financial condition, results of operations and growth prospects.

Our platform, products and solutions are often operated in large-scale, complex information technology environments. Our customers require training and experience in the proper use of, and the benefits that can be derived from, our offerings in order to maximize their potential. If users of our offerings do not implement, use, or update them correctly or as intended, actual or perceived inadequate performance and/or security vulnerabilities may result. Because our customers rely on our software to manage a wide range of operations, the incorrect implementation or use of, or our customers’ failure to update, our software, or our failure to train customers on how to use our software productively, may result in customer dissatisfaction and negative publicity, which may adversely affect our reputation and brand. Our failure to effectively provide training and implementation services to our customers could result in lost opportunities for follow-on sales to these customers and decrease subscriptions by new customers, which would adversely affect our business, financial condition, results of operations and growth prospects.

Insufficient investment in, or interruptions or performance problems associated with, our technology and infrastructure, including in connection with our ongoing expansion of our use of public cloud infrastructure, and our reliance on technologies from third parties, may adversely affect our business operations and financial results.

Customers of our offerings need to be able to access our platform at any time, without interruption or degradation of performance. Commencing in the third quarter of 2020, we accelerated our plans to move from our own data centers to public cloud infrastructure with the goal of providing improved stability, reliability, scalability and elasticity for our offerings. This transition is complex and time-consuming and involves risks inherent in the conversion to a new system, including potential loss of information and disruption to our normal operations. Furthermore, as a result of the application of certain data privacy and security regulations, we have also established a multi-region architecture to adhere to our customers’ requirements and applicable domestic laws. We may discover deficiencies in our design, implementation or maintenance of our new cloud-based systems that could adversely affect our business, financial condition, and results of operations. For example, we experienced an initial period of unstable service during the first few months of this transition, causing us to fall below the service-level commitments in our customer agreements. Though service has since stabilized, we cannot guarantee that we will not experience similar instability in the future, including as a result of our multi-region and multi-cloud architecture. Furthermore, we cannot yet know the ultimate impact of this or any similar future event on our customer relationships, and it is possible customers may be less inclined to renew their subscriptions following the expiration of their current terms.

In addition, third-party cloud providers run their own platforms that we access, and we are, therefore, vulnerable to their service interruptions and any changes in their product offerings.

Any limitation on the capacity of our third-party hosting services could impede our ability to onboard new customers or expand the usage of our existing customers, which could adversely affect our business, financial condition, and results of operations. In addition, any incident affecting our third-party hosting services’ infrastructure that may be caused by cyber-attacks, computer viruses, malware, systems failures or other technical malfunctions, natural disasters, fire, flood, severe storm, earthquake, power loss, telecommunications failures, terrorist or other attacks, protests or riots, and other similar events beyond our control could negatively affect our cloud-based offerings.

It is also possible that our customers and regulators would seek to hold us accountable for any breach of security affecting a third-party cloud provider's infrastructure and we may incur significant liability in investigating such an incident and responding to any claims, investigations, or proceedings made or initiated by those customers, regulators, and other third parties. We may not be able to recover a material portion of such liabilities from any of our third-party cloud providers.

It may also become increasingly difficult to maintain and improve our performance, especially during peak usage times, as our software becomes more complex and the usage of our software increases. Moreover, our insurance may not be adequate to cover such liability and may be subject to exclusions. Any of the above circumstances or events may adversely affect our business, financial condition, and results of operations.

In addition, our website and internal technology infrastructure may experience performance issues due to a variety of factors, including infrastructure changes, human or software errors, website or third-party hosting disruptions, capacity constraints, technical failures, natural disasters, or fraud, denial-of-service, or other security attacks.

Our use and distribution of open source software may increase this risk, as open source licensors generally do not provide warranties or other contractual protections regarding infringement claims or the quality of the code, including with respect to security vulnerabilities or bugs. If our website is unavailable or our customers are unable to order subscriptions or services or download our offerings within a reasonable period of time or at all, our business could be adversely affected. We expect to continue to make significant investments to maintain and improve website performance and to enable rapid releases of new features, integrations, capabilities, and other enhancements for our offerings. To the extent that we do not effectively upgrade our systems as needed and continually develop our technology to accommodate actual and anticipated changes in technology, our business, financial condition, and results of operations may be adversely affected.

In the event that our service agreements with our third-party hosting services are terminated, or there is a lapse of service, elimination of services or features that we utilize, interruption of internet service provider connectivity or damage to our providers' facilities, we could experience interruptions in access to our platform as well as significant delays and additional expense in arranging or creating new facilities and services and/or re-architecting our cloud-based offerings for deployment on a different cloud infrastructure service provider, which could adversely affect our business, financial condition and results of operations. Upon the termination or expiration of such service agreements, we cannot guarantee that adequate third-party hosting services will be available to us on commercially acceptable terms or within adequate timelines from the same or different hosting services providers or at all.

We also rely on cloud technologies from third parties in order to operate critical functions of our business, including financial management services, relationship management services, and lead generation management services. If these services become unavailable due to extended outages or interruptions or because they are no longer available on commercially reasonable terms or prices, our expenses could increase, our ability to manage our finances could be interrupted, our processes for managing sales of our products and supporting our customers could be impaired, and our ability to generate and manage sales leads could be weakened until equivalent services are identified, obtained, and implemented. Even if such services are available, we may not be able to identify, obtain and implement such services in time to avoid disruption to our business, and such services may only be available on a more costly basis or otherwise less favorable terms. Any of the foregoing could have a material adverse effect on our business, including our financial condition, results of operations and reputation.

Failure to protect our proprietary technology, or to obtain, maintain, protect, and enforce sufficiently broad intellectual property rights therein, could substantially harm our business, financial condition, and results of operations.

Our success depends to a significant degree on our ability to protect our proprietary technology, methodologies, know-how, and brand. We rely on a combination of trademarks, copyrights, patents, trade secret laws, contractual restrictions, and other intellectual property laws and confidentiality procedures to establish and protect our proprietary rights. However, we make a version of our Media Services, Kaltura CE, available to the public at no charge under an open source license, contribute other source code to open source projects under open source licenses, and release internal software projects under open source licenses, and anticipate continuing to do so in the future. Because the source code for Kaltura CE and any other software we contribute to open source projects or distribute under open source licenses is publicly available, our ability to monetize and protect our intellectual property rights with respect to such source code may be limited or, in some cases, lost entirely. Our competitors or other third parties could access such source code and use it to create software and service offerings that compete with ours. While software can, in some cases, be protected under copyright law, in order to bring a copyright infringement lawsuit in the United States, the copyright must first be registered. We have chosen not to register any copyrights, and rely on trade secret protection in addition to unregistered copyrights to protect our proprietary software. Accordingly, the remedies and damages available to us for unauthorized use of our software may be limited.

Further, the steps we take to protect our intellectual property and proprietary rights may be inadequate.

We may not be able to register our intellectual property rights in all jurisdictions where we conduct or anticipate conducting business, may experience conflicts with third parties who contest our applications to register our intellectual property, and may choose to register intellectual property rights providing insufficient coverage.

Even if registered or issued, we cannot guarantee that our trademarks, patents, copyrights or other intellectual property or proprietary rights will be of sufficient scope or strength to provide us with any meaningful protection or commercial advantage. Furthermore, in such case our copyrights, patents or other intellectual property rights would be made public without assuring adequate protection. We will not be able to protect our intellectual property and proprietary rights if we are unable to enforce our rights or if we do not detect infringement, misappropriation, dilution or other unauthorized use or violation thereof. If we fail to defend and protect our intellectual property rights adequately, our competitors and other third parties may gain access to our proprietary technology, information and know-how, reverse-engineer our software, and infringe upon or dilute the value of our brand, and our business may be harmed.

In addition, obtaining, maintaining, defending, and enforcing our intellectual property rights might entail significant expense. Any patents, trademarks, copyrights, or other intellectual property rights that we have or may obtain may be challenged by others or invalidated through administrative process or litigation. Even if we continue to seek patent protection in the future, we may be unable to obtain further patent protection for our technology. In addition, any patents issued in the future may not provide us with competitive advantages, may be designed around by our competitors, or may be successfully challenged by third parties. Furthermore, legal standards relating to the validity, enforceability and scope of protection of intellectual property rights are uncertain.

We may be unable to prevent third parties from acquiring domain names or trademarks that are similar to, infringe upon, dilute, or diminish the value of our trademarks and other proprietary rights. Additionally, our trademarks may be opposed, otherwise challenged or declared invalid, unenforceable or generic, or determined to be infringing on or dilutive of other marks. We may not be able to protect our rights in these trademarks, which we need in order to build name recognition with customers. If third parties succeed in registering or developing common law rights in such trademarks and we are not successful in challenging such third-party rights, or if our trademark rights are successfully challenged, we may not be able to use our trademarks to commercialize our products in certain relevant jurisdictions.

Despite our precautions, it may be possible for unauthorized third parties to copy our products and use information that we regard as proprietary to create offerings that compete with ours. Effective patent, trademark, copyright, and trade secret protection may not be available to us in every country in which our products are available. The laws of some countries may not be as protective of intellectual property rights as those in the United States, and mechanisms for enforcement of intellectual property rights may be inadequate. As we continue to expand our international activities, our exposure to unauthorized copying and use of our products and proprietary information will likely increase. Accordingly, despite our efforts, we may be unable to prevent third parties from infringing upon, diluting, misappropriating or otherwise violating our intellectual property rights. We have devoted substantial resources to the development of our technology, business operations and business plans. We attempt to protect our intellectual property and proprietary information, including trade secrets, by implementing administrative, technical, and physical practices, including source code access controls, to secure our proprietary information. We also seek to enter into confidentiality, non-compete, proprietary, and inventions assignment agreements with our employees, consultants, and contractors, and enter into confidentiality agreements with other parties, such as licensees and customers. However, such agreements may not be self-executing, and there can be no guarantee that all applicable parties have executed such agreements or will adhere thereto. No assurance can be given that these practices or agreements will be effective in controlling access to and distribution of our proprietary information, or in providing adequate remedies in the event of unauthorized access or distribution, especially in certain states and countries that are less willing to enforce such agreements or otherwise provide protection for trade secrets. Further, these agreements may not prevent our competitors from independently developing technologies that are substantially equivalent or superior to our products, and in such cases we would not be able to assert trade secret rights against such parties. We also employ individuals who were previously employed at other companies in our field, and our efforts to ensure that such individuals do not use the proprietary information or know-how of others in their work for us may not prevent others from claiming that we or our employees or independent contractors have used or disclosed intellectual property, including trade secrets or other proprietary information, of a former employer or other third parties. Litigation may be necessary to defend against any such claims. If we are unsuccessful in defending against any such claims, we may be liable for damages or prevented from using certain intellectual property, which in turn could materially adversely affect our business, financial condition, or results of operations; even if we are successful in defending against such claims, litigation could result in substantial costs and distract management and other employees.

In order to protect our intellectual property and proprietary rights and to monitor for and take action against any infringement, misappropriation or other violations thereof, we may be required to spend significant resources.

Litigation may be necessary to enforce and protect our trade secrets and other intellectual property and proprietary rights, which could be costly, time-consuming, and distracting to management, and could result in the impairment or loss of portions of our intellectual property. Further, our efforts to enforce our intellectual property and proprietary rights may be met with defenses, counterclaims, and countersuits attacking the ownership, scope, validity, and enforceability of such rights. Our inability to protect our proprietary technology or our brand against unauthorized copying or use, as well as any costly litigation or diversion of our management's attention and resources, could delay further sales or the implementation of our offerings or impair their functionality, delay introductions of new offerings, result in our substituting inferior or more costly technologies into our offerings, or injure our reputation. Any of the foregoing could materially and adversely affect our business, financial condition, results of operations and growth prospects.

We could incur substantial costs and otherwise suffer harm as a result of any claim of infringement, misappropriation or other violation of another party's intellectual property or proprietary rights.

In recent years, there has been significant litigation involving patents and other intellectual property and proprietary rights in the software industry. We do not currently have a large patent portfolio, which could prevent us from deterring patent infringement claims, as we may not be able credibly to threaten patent infringement counter-claims. Our competitors and others may now and in the future have significantly larger and more mature patent portfolios than we have. Even a large patent portfolio may not serve as a deterrent to litigation by certain third parties, some of whose sole or primary business is to assert patent claims and some of whom have sent letters to and/or filed suit alleging infringement against us or some of our customers. We could incur substantial costs in prosecuting or defending any intellectual property litigation. If we sue to enforce our rights or are sued by a third party claiming that our offerings infringe, misappropriate, or violate their rights, the litigation could be expensive and could divert management attention and resources away from our core business operations. In addition, there could be public announcements of the results of hearings, motions or other interim proceedings or developments, and if securities analysts or investors perceive these results to be negative, it could have a material adverse effect on the price of our common stock.

Any intellectual property litigation to which we might become a party, or for which we are required to provide indemnification, may require us to do one or more of the following:

- cease selling or using offerings that incorporate or are otherwise covered by the intellectual property rights that we allegedly infringe, misappropriate, or otherwise violate;
- make substantial payments for legal fees, settlement payments or other costs or damages, including potentially punitive or treble damages if we are found liable for willful infringement;
- obtain a license to sell or use the relevant technology, which may not be available on reasonable terms or at all, may be non-exclusive and thereby allow our competitors and other parties access to the same technology, and may require the payment of substantial licensing, royalty, or other fees; or
- redesign the allegedly infringing offerings to avoid infringement, misappropriation, or other violation, which could be costly, time-consuming, or impossible.

If we are required to make substantial payments or undertake or suffer any of the other actions and consequences noted above as a result of any intellectual property infringement, misappropriation or violation claims against us or any obligation to indemnify our customers for such claims, such payments, actions, and consequences could materially and adversely affect our business, financial condition, results of operations and growth prospects.

We may become subject to claims for remuneration or royalties for assigned service invention rights by our employees and consultants, which could result in litigation and would adversely affect our business.

A significant portion of our intellectual property has been developed by our employees and consultants in the course of their engagement with us. Under the Israeli Patent Law, 5727-1967 (the "Patent Law"), inventions conceived by an employee during the scope of his or her employment relationship with a company are regarded as "service inventions," which belong to the employer, absent a specific agreement stating otherwise. The Patent Law also provides that absent an agreement providing otherwise, the Israeli Compensation and Royalties Committee (the "Committee"), a body constituted under the Patent Law, shall determine whether the employee is entitled to remuneration for his or her inventions.

Case law clarifies that the right to receive consideration for “service inventions” can be waived by the employee and that such waiver does not necessarily have to be explicit. The Committee will examine, on a case-by-case basis, the general contractual framework between the parties, using interpretation rules of the general Israeli contract laws.

Further, the Committee has not yet determined one specific formula for calculating this remuneration, but rather uses the criteria specified in the Patent Law. Although we generally seek to enter into assignment-of-invention agreements with our employees and consultants pursuant to which such individuals assign to us all rights to any inventions created in the scope of their employment or engagement with us, we cannot guarantee that all such agreements are self-executing or have been entered into by all applicable individuals. Even when such agreements include provisions regarding the assignment and waiver of rights to additional compensation in respect of inventions created within the course of their employment or consulting relationship with us, including in respect of service inventions, we cannot guarantee that such provisions will be upheld by Israeli courts, as a result of uncertainty under Israeli law with respect to the efficacy of such provisions. We may face claims demanding remuneration in consideration for assigned inventions, which could require us to pay additional remuneration or royalties to our current and former employees and consultants, or be forced to litigate such claims, which could negatively affect our business.

Indemnity provisions in various agreements potentially expose us to substantial liability for intellectual property infringement, misappropriation, violation, and other losses.

Our agreements with customers and other third parties may include indemnification provisions under which we agree to indemnify them for losses suffered or incurred as a result of claims of intellectual property infringement, misappropriation or violation, damages caused by us to property or persons, or other liabilities relating to or arising from our software, services, or other contractual obligations. Large indemnity payments could adversely affect our business, financial condition, and results of operations. Although we normally seek to contractually limit our liability with respect to such indemnity obligations, we do not and may not in the future have a cap on our liability in certain agreements, which could result in substantial liability. Substantial indemnity payments under such agreements could harm our business, financial condition, and results of operations. Any dispute with a customer or other third party with respect to such obligations could have adverse effects on our relationship with that customer, other existing customers and new customers, and other parties, and could harm our reputation, business, financial condition, and results of operations.

Our use of open-source software could negatively affect our ability to sell our offerings and subject us to possible litigation.

Our offerings incorporate open source software, and we expect to continue to incorporate open-source software in our offerings in the future. Few of the licenses applicable to open-source software have been interpreted by courts, and there is a risk that these licenses could be construed in a manner that could impose unanticipated conditions or restrictions on our ability to commercialize our offerings. Some open-source licenses may subject us to certain requirements, including requirements that we offer additional portions of our solutions for reduced or no cost, that we make publicly available at no charge the source code for modifications or derivative works we create based upon, incorporating, linking to or using the open-source software (which could include valuable proprietary code), and that we license such modifications or derivative works under the terms of applicable open-source licenses. If an author or other third party that distributes such open-source software were to allege that we had not complied with the conditions of one or more of these licenses, we could be required to incur significant legal expenses defending against such allegations and could be subject to significant damages, enjoined from the sale of our offerings that contain the open-source software and required to comply with onerous conditions or restrictions on these offerings, which could disrupt the distribution and sale of these offerings. In addition, there have been claims challenging the ownership rights in open-source software against companies that incorporate open-source software into their products, and the licensors of such open-source software provide no warranties or indemnities with respect to such claims. In any of these events, we and our customers could be required to seek licenses from third parties in order to continue offering our platform, products, and solutions, which may not be available on reasonable terms or at all, and to re-engineer our offerings or discontinue the sale of our offerings in the event re-engineering cannot be accomplished on a timely basis or at all.

We are subject to stringent and changing laws, regulations, standards, and contractual obligations related to privacy, data protection, and data security. Our actual or perceived failure to comply with such obligations could adversely affect our business.

We receive, collect, store, process, transfer, share and otherwise use or host information about individuals and/or that constitutes “personal data,” “personal information,” “personally identifiable information,” or similar terms under applicable data privacy laws (collectively, “Personal Information”), including data relating to users of our offerings, our employees and contractors, and other persons.

We have legal and contractual obligations regarding the protection of confidentiality and appropriate use of certain data, including Personal Information and other sensitive information about individuals. We are subject to numerous federal, state, local, and international laws, directives, and regulations regarding privacy, data protection, and data security and the collection, storing, sharing, use, processing, transfer, disclosure, disposal, and protection of Personal Information and other data, the scope of which are changing, subject to differing interpretations, and may be inconsistent among jurisdictions or conflict with other legal and regulatory requirements. We are also subject to certain contractual obligations to customers and other third parties related to privacy, data protection and data security. The regulatory framework for privacy, data protection and data security worldwide is, and is likely to remain for the foreseeable future, uncertain, complex and lacking worldwide unified standards, and it is possible that these or other actual or alleged obligations may be interpreted and applied in a manner that we do not anticipate or that is inconsistent from one jurisdiction to another and may conflict with other legal obligations or our practices. Further, any significant change to applicable laws, regulations or industry practices regarding the collection, use, retention, hosting, security, processing, transfer or disclosure of Personal Information, or their interpretation, or any changes regarding the manner in which the consent of users or other data subjects for the collection, use, retention, security, processing, transfer or disclosure of such Personal Information must be obtained, could increase our costs and require us to modify our services and features, possibly in a material manner, which we may be unable to complete, and may limit our ability to receive, collect, store, host, process, transfer, and otherwise use user data or develop new services and features. Further, there has been a substantial increase in legislative activity and regulatory focus on data privacy and security in the United States and elsewhere, including in relation to cybersecurity incidents. In addition, some such requirements place restrictions on our ability to process Personal Information across our business or across country borders.

In the United States, the FTC and many state attorneys general are interpreting federal and state consumer protection laws to impose standards for the online collection, use, dissemination, and security of data. Such standards require us to publish statements that describe how we handle Personal Information and choices individuals may have about the way we handle their Personal Information. If such information that we publish is considered untrue or inaccurate, we may be subject to government claims of unfair or deceptive trade practices, which could lead to significant liabilities and consequences. Moreover, according to the FTC, violating consumers' privacy rights or failing to take appropriate steps to keep consumers' Personal Information secure may constitute unfair acts or practices in or affecting commerce in violation of Section 5(a) of the Federal Trade Commission Act.

State consumer protection laws provide similar causes of action for unfair or deceptive practices. Further, data privacy advocates and industry groups have regularly proposed and sometimes approved, and may propose and approve in the future, self-regulatory standards with which we must legally comply or that contractually apply to us.

Our communications with our clients are subject to certain laws and regulations, including the Controlling the Assault of Non-Solicited Pornography and Marketing Act (the "CAN-SPAM Act"), the Telephone Consumer Protection Act (the "TCPA"), and the Telemarketing Sales Rule and analogous state laws, that could expose us to significant damages awards, fines and other penalties that could materially impact our business. For example, the TCPA imposes various consumer consent requirements and other restrictions in connection with certain telemarketing activity and other communication with consumers by phone, fax or text message. The CAN-SPAM Act and the Telemarketing Sales Rule and analogous state laws also impose various restrictions on marketing conducted use of email, telephone, fax or text message. As laws and regulations, including FTC enforcement, rapidly evolve to govern the use of these communications and marketing platforms, the failure by us, our employees or third parties acting at our direction to abide by applicable laws and regulations could adversely impact our business, financial condition and results of operations or subject us to fines or other penalties.

Various other U.S. federal privacy laws are relevant to our business, including the Family Educational Rights and Privacy Act ("FERPA") and the Children's Online Privacy Protection Act ("COPPA"). While we are not directly subject to FERPA or COPPA, our contracts with certain educational institution customers impose obligations on us related to FERPA and COPPA. Any actual or perceived failure to comply with these laws could result in a costly investigation or litigation resulting in potentially significant liability, injunctions and other consequences, loss of trust by our users, and a material and adverse impact on our reputation and business.

In addition, many state legislatures have adopted legislation that regulates how businesses operate online, including measures relating to privacy, data security, and data breaches. For example, the CCPA, provides data privacy rights for California residents and imposes operational requirements on covered companies, such as obligations to provide disclosures to California residents and receive and respond to data privacy rights requests. An amendment to the CCPA created a state agency to oversee implementation and enforcement efforts, potentially resulting in further uncertainty and requiring us to incur additional costs and expenses in an effort to comply. The CCPA marked the beginning of a trend toward more stringent data privacy legislation in the United States, which could also increase our potential liability and adversely affect our business, with "copycat" laws or other similar laws being passed or proposed in numerous states across the country.

This legislation may add additional complexity, variation in requirements, restrictions, and potential legal risk, require additional investment in resources to compliance programs, could impact strategies and availability of previously useful data and could result in increased compliance costs and/or changes in business practices and policies.

In addition, some laws may require us to notify governmental authorities and/or affected individuals of data breaches involving certain personal information or other unauthorized or inadvertent access to or disclosure of such information. We may need to notify governmental authorities and affected individuals with respect to such incidents. For example, laws in all 50 U.S. states may require businesses to provide notice to consumers whose personal information has been disclosed as a result of a data breach. These laws are not consistent with each other, and compliance in the event of a widespread data breach may be difficult and costly. We also may be contractually required to notify consumers or other counterparties of a security incident, including a breach. Regardless of our contractual protections, any actual or perceived security incident or breach, or breach of our contractual obligations, could harm our reputation and brand, expose us to potential liability or require us to expend significant resources on data security and in responding to any such actual or perceived breach.

In addition, in the EU and the UK, we are subject to the European Union General Data Protection Regulation (the “EU GDPR”) and to the United Kingdom General Data Protection Regulation and UK Data Protection Act 2018 (collectively, the “UK GDPR”) (the EU GDPR and UK GDPR together referred to as the “GDPR”). The GDPR imposes comprehensive data privacy compliance obligations in relation to our collection, use, sharing, disclosure and other processing of personal data relating to an identified or identifiable individual or “personal information” (or “personal data”), including a principle of accountability and the obligation to demonstrate compliance through policies, procedures, training and audit.

Among other requirements, the GDPR regulates the transfer of personal information outside of the European Economic Area (“EEA”) and the UK to third countries that have not been found to provide adequate protection for such personal information, including the United States.

We are certified under the EU-US Data Privacy Framework (“DPF”) and currently rely on the DPF and on the UK Extension to the DPF to transfer certain personal information from the EEA and the UK, accordingly, to the United States to the extent the transfer is made to a DPF certified entity.

We also rely on the EU standard contractual clauses (“SCCs”) and the UK Addendum to the SCCs, as relevant, to transfer personal information outside the EEA and the UK with respect to both intragroup and third party transfers. We expect the existing legal complexity and uncertainty regarding international personal information transfers to continue. In particular, we expect the European Commission approval of the DPF for data transfers to certified entities in the United States to be challenged and further interpreted and developed, and international transfers to the United States and to other jurisdictions more generally to continue to be subject to enhanced scrutiny by regulators. As the regulatory guidance and enforcement landscape in relation to data transfers continue to develop, we could suffer additional costs, complaints and/or regulatory investigations or fines; we may have to stop using certain tools and vendors, implement alternative data transfer mechanisms and/or take additional compliance and operational measures; and/or it could otherwise affect the manner in which we provide our services, and could adversely affect our business, operations and financial condition.

Since we are subject to the supervision of relevant data protection authorities under both the EU GDPR and the UK GDPR, we could be fined under each of these regimes independently in respect of the same breach. Penalties for certain breaches are up to the greater of €20 million / GBP 17.5 million or 4% of global annual turnover for the preceding financial year for the most serious violations. The GDPR also provides for a right to compensation for material or non-material damage claimed by individuals. In addition to the foregoing, a breach of the GDPR could result in regulatory investigations, reputational damage, orders to cease or change our processing of our data, enforcement notices and/or assessment notices (for a compulsory audit).

We are also subject to evolving EU and UK privacy laws on cookies, tracking technologies and e-marketing. Recent European court and regulator decisions are driving increased attention to cookies and tracking technologies. If the trend of increasing enforcement by regulators of the strict approach to opt-in consent for all but essential use cases, as seen in recent guidance and decisions continues, this could lead to additional costs, require systems changes, limit the effectiveness of our marketing and personalization activities, divert the attention of our technology personnel, adversely affect our margins, increase costs and subject us to additional liabilities. There can be no assurances that we will be successful in our efforts to comply with such laws; violations of such laws could result in regulatory investigations, fines, orders to cease or change our use of such technologies, as well as civil claims including class actions, and reputational damage.

We rely on software and services licensed from other parties. The loss of software or services from third parties could increase our costs and limit the features available in our platform, products, and solutions.

Components of our offerings include various types of software and services licensed from unaffiliated parties. If any of the software or services we license from others or functional equivalents thereof were either no longer available to us, updated or supported, or no longer offered on commercially reasonable terms, we would be required to either redesign the offerings that include such software or services to function with software or services available from other parties or develop these components ourselves, which we may not be able to do without incurring increased costs, experiencing delays in our product launches and the release of new offerings, or at all. Furthermore, we might be forced to temporarily limit the features available in our current or future products and solutions. If we fail to maintain or renegotiate any of these software or service licenses, we could face significant delays and diversion of resources in attempting to license and integrate functional equivalents. We and our customers may also be subject to suits by parties claiming infringement, misappropriation or other violation of third-party intellectual property or proprietary rights due to the reliance by our solutions on such third-party software and services, such third-party software and services may contain bugs or other errors that cause our own offerings to malfunction, and our agreements with such third parties may not contain any, or adequate, warranties, indemnities or other protective provisions on our behalf. Any of the foregoing could materially and adversely affect our business, financial condition, and results of operations.

Risks Related to our Debt, Liquidity and Capitalization

Our failure to raise additional capital or generate the significant capital necessary to expand our operations and invest in new offerings could reduce our ability to compete and could adversely affect our business.

Historically, we have funded our operations and capital expenditures primarily through net cash provided by operating activities, equity issuances and borrowings under our long-term debt arrangements. Although we currently anticipate that our net cash provided by operating activities, cash on hand and availability under our Revolving Credit Facility (as defined below) will be adequate to meet our operating, investing, and financing needs for at least the next twelve months, we may require additional financing. We evaluate financing opportunities from time to time, and our ability to obtain financing will depend, among other things, on our development efforts, business plans, operating performance, and condition of the capital markets at the time we seek financing.

We cannot assure you that additional financing will be available to us on favorable terms when required, or at all. Moreover, due to the volatile economic climate and increased inflation and interest rates, the net cash derived from our operations may be reduced while the availability of new financing may be limited, costly or unavailable. If we raise additional funds through the issuance of equity or equity-linked or debt securities, those securities may have rights, preferences, or privileges senior to the rights of our common stock, and our stockholders may experience dilution.

If we need additional capital and cannot raise it on acceptable terms, we may not be able to, among other things:

- develop or enhance our platform, products, or solutions;
- continue to expand our research and development and sales and marketing organizations;
- acquire complementary technologies, products, or businesses;
- expand operations in the United States or internationally;
- hire, train, and retain employees; or
- respond to competitive pressures or unanticipated working capital requirements.

Our failure to have sufficient capital to do any of these things could adversely affect our business, financial condition and results of operations, and our ability to execute our growth strategy.

Our indebtedness could adversely affect our ability to raise additional capital to fund operations, limit our ability to react to changes in the economy or our industry and prevent us from meeting our financial obligations.

As of December 31, 2024, we had approximately \$32.3 million of borrowings outstanding under the Term Loan Facility (as defined below) and \$25.0 million available for additional borrowings under the Revolving Credit Facility (as defined below). If we cannot generate sufficient cash flow from operations to service our debt, we may need to further refinance our debt, dispose of assets, or issue equity to obtain necessary funds.

We do not know whether we will be able to do any of this on a timely basis, on terms satisfactory to us, or at all. Our indebtedness could have important consequences, including:

- our ability to obtain additional debt or equity financing for working capital, capital expenditures, debt service requirements, acquisitions and general corporate or other purposes may be limited;
- a portion of our cash flows from operations will be dedicated to the payment of principal and interest on the indebtedness and will not be available for other purposes, including operations, capital expenditures and future business opportunities;
- certain of our borrowings are at variable rates of interest, exposing us to the risk of increased interest rates;
- our ability to adjust to changing market conditions may be limited and may place us at a competitive disadvantage compared to less-leveraged competitors;
- we may be vulnerable during a downturn in general economic conditions or in our business, or may be unable to carry on capital spending that is important to our growth; and
- if, due to the volatile economic climate and increased inflation and interest rates, the net cash derived from our operations decreases and the cost of financing increases, and we fail to pursue adequate measures to adapt to those changes, we may fail to satisfy our financial covenants under the Term Loan Facility and Revolving Credit Facility, or otherwise lack the financial resources or financing required to pursue our annual operation plan.

In addition, the Credit Agreement (as defined below) contains, and any agreements evidencing or governing other future indebtedness may also contain, certain restrictive covenants that limit or otherwise restrict our ability, among other things, to:

- create, issue, incur, assume, become liable in respect of or suffer to exist any debt or liens;
- consummate any merger, consolidation or amalgamation, or liquidate, wind up or dissolve, or dispose of all or substantially all of our or their respective property or business;
- dispose of property or, in the case of our subsidiaries, issue or sell any shares of such subsidiary's capital stock;
- repay, prepay, redeem, purchase, retire, or defease subordinated debt;
- declare or pay dividends or make certain other restricted payments;
- make certain investments;
- enter into transactions with affiliates;
- enter into new lines of business; and
- make certain amendments to our or their respective organizational documents or certain material contracts.

Our ability to comply with these covenants and restrictions may be affected by events and factors beyond our control, including, among other things, the impact of the current volatile economic climate. We may not be able to generate sufficient recurring revenue or cash flow or maintain sufficient liquidity to meet the financial covenants or pay the principal and interest under our Credit Facilities when required. For example, in 2023, we experienced an event of default relating to our calculation of our Annualized Recurring Revenue (as defined in the Credit Agreement) for the fiscal quarter ended September 30, 2023, which was subsequently waived by the lending banks. If we fail to make payments under our Credit Facilities or otherwise experience an event of default thereunder, the lending banks would be permitted to take certain actions, including terminating all outstanding commitments and declaring all amounts due under our Credit Facilities to be immediately due and payable, including all outstanding borrowings, accrued and unpaid interest thereon, and prepayment premiums with respect to such borrowings and any terminated commitments. In addition, the lenders would have the right to exercise remedies under the credit agreement, including with respect to the collateral we granted to them, which includes substantially all of our assets. The occurrence of any of these events could have a material adverse effect on our business, financial condition, and results of operations. Furthermore, our future working capital, borrowings, or equity financing could be unavailable to repay or refinance the amounts outstanding under our Credit Facilities.

In the event of a liquidation, our lenders would be repaid all outstanding principal and interest prior to distribution of assets to unsecured creditors, and the holders of our common stock would receive a portion of any liquidation proceeds only if all of our creditors, including our lenders, were first repaid in full.

Risks Related to Other Legal, Regulatory and Tax Matters

We are subject to various governmental export control, trade and economic sanctions, and import laws and regulations that could impair our ability to compete in international markets or subject us to liability if we violate these controls.

In some cases, our software is subject to export control laws and regulations, including the Export Administration Regulations administered by the U.S. Department of Commerce, the Israeli Control of Products and Services Decree (Engagement in Encryption), 5735-1974, and the Israeli Law of Regulation of Security Exports, 5767-2007, and our business must also be conducted in compliance with applicable trade and economic sanctions laws and regulations, including those administered and enforced by OFAC, the U.S. Department of State, the U.S. Department of Commerce, the United Nations Security Council and other relevant regulators and sanctions authorities in our countries of operation (collectively, “Trade Controls”). As such, a license may be required to export or re-export our products, or provide related services, to certain countries and end users, as well as for certain end uses. Further, our offerings that incorporate encryption functionality may be subject to special controls applying to encryption items and/or certain reporting requirements. We have certain customer and third party relationships in Russia, Belarus and Ukraine. In response to the Russian invasion of Ukraine, the U.S. government, the European Union, the United Kingdom and other countries and jurisdictions in which we operate, have imposed enhanced export and import controls and economic sanctions targeting Russia and Belarus, including for example, certain industry sectors, products and professional services related to Russia, and have also designated certain individuals and entities as subject to blocking or asset freeze measures, which may restrict dealings with those designated persons or entities owned or controlled by such persons, and may impose additional Trade Controls in the future. Consequently, we have reassessed those relationships and took measures to comply with these Trade Controls. These Trade Controls are evolving and undergoing constant changes as the war continues, which may require reassessment, changes in or cessation of our dealings with Russia and other regimes in the region or elsewhere. It is not possible to assess the full impact of those developments. These and any additional Trade Controls, as well as any responses from Russia, could adversely impact our operations and negatively impact our business in the region.

Our global operations expose us to the risk of violating, or being accused of violating, Trade Controls.

While we have procedures in place designed to comply with Trade Controls, we cannot guarantee that these procedures will be successfully followed or keep pace with the ongoing regulatory changes or that the relevant regulators shall apply the same interpretation, judgement and standards as we do, and failure to comply could subject us to both civil and criminal penalties, including substantial fines, disgorgement of profits, possible incarceration of responsible individuals for willful violations, possible loss of our export or import privileges, and reputational harm.

Further, the process for obtaining necessary licenses may be time-consuming or unsuccessful, potentially causing delays in sales or losses of sales opportunities.

Trade Controls are complex and dynamic regimes, and monitoring and ensuring compliance can be challenging, particularly given that our offerings are widely distributed throughout the world and are available for download without registration. Although we have no knowledge that our activities have resulted in violations of Trade Controls, any failure by us or our partners to comply with applicable laws and regulations would have negative consequences for us, including reputational harm, government investigations, and penalties. Investigations of alleged violations can be expensive and disruptive.

In addition, various countries regulate the export or import of certain encryption technology, including through export or import permit and license requirements, and have enacted laws that could limit our ability to distribute our offerings or the ability of our customers or end users to implement our offerings in those countries. Changes in our offerings or changes in export and import regulations in such countries may create delays in the introduction of our offerings into international markets, prevent our end-customers with international operations from deploying our offerings globally or, in some cases, prevent or delay the export or import of our offerings to certain countries, governments, or persons altogether. Any change in export or import laws or regulations, Trade Controls or related legislation, shift in the enforcement or scope of existing export, import or Trade Controls laws or regulations, or change in the countries, governments, persons, or technologies targeted by such export, import or Trade Controls laws or regulations, could result in decreased use of our offerings by, or in our decreased ability to export or sell our offerings to, existing or potential customers with international operations.

Any decreased use of our offerings or limitation on our ability to export to or sell our offerings in international markets could adversely affect our business, financial condition and results of operations, and our ability to execute our growth strategy.

Changes in laws and regulations related to the internet, changes in the internet infrastructure itself, or increases in the cost of internet connectivity and network access may diminish the demand for our offerings and could harm our business.

The future success of our business depends upon the continued use of the internet as a primary medium for commerce, communication, and business applications. Federal, state, or foreign governmental bodies or agencies have in the past adopted, and may in the future adopt, laws or regulations affecting the use of the internet as a commercial medium. The adoption of any laws or regulations that could reduce the growth, popularity, or use of the internet, including laws or practices limiting internet neutrality, could decrease the demand for our offerings, increase our cost of doing business, and adversely affect our results of operations. Changes in these laws or regulations could require us to modify our offerings, or certain aspects of our offerings, in order to comply with these changes. In addition, government agencies or private organizations have imposed and may impose additional taxes, fees, or other charges for accessing the internet or commerce conducted via the internet. These laws or charges could limit the growth of internet-related commerce or communications generally or result in reductions in the demand for internet-based products such as ours. In addition, the use of the internet as a business tool could be harmed due to delays in the development or adoption of new standards and protocols to handle increased demands of internet activity, security, reliability, cost, ease-of-use, accessibility, and quality of service. Further, our platform depends on the availability and quality of our customers' and end users' access to the internet.

On June 11, 2018, the repeal of the Federal Communications Commission's (the "FCC"), "net neutrality" rules took effect and returned to a "light-touch" regulatory framework. The prior rules were designed to ensure that all online content is treated the same by internet service providers and other companies that provide broadband services. Additionally, on September 30, 2018, California enacted the California internet Consumer Protection and Net Neutrality Act of 2018, making California the fourth state to enact a state-level net neutrality law since the FCC repealed its nationwide regulations, mandating that all broadband services in California must be provided in accordance with state net neutrality requirements. The U.S. Department of Justice has sued to block the law going into effect, and California has agreed to delay enforcement until the resolution of the FCC's repeal of the federal rules. A number of other states are considering legislation or executive actions that would regulate the conduct of broadband providers. We cannot predict whether the FCC order or state initiatives will be modified, overturned, or vacated by legal action of the court, federal legislation, or the FCC. With the repeal of net neutrality rules in effect, we could incur greater operating expenses, which could harm our results of operations.

As the internet continues to experience growth in the number of users, frequency of use, and amount of data transmitted, the internet infrastructure that we and our customers and end users rely on may be unable to support the demands placed upon it. The failure of the internet infrastructure that we or our customers and end users rely on, even for a short period of time, could adversely affect our business, financial condition, and results of operations. In addition, the performance of the internet and its acceptance as a business tool has been harmed by "viruses," "worms" and similar malicious programs and the internet has experienced a variety of outages and other delays as a result of damage to portions of its infrastructure. If the use of the internet is adversely affected by these issues, demand for our offerings could decline.

Internet access is frequently provided by companies that have significant market power and the ability to take actions that degrade, disrupt, or increase the cost of user access to our offerings. As demand for online media increases, there can be no assurance that internet and network service providers will continue to price their network access services on reasonable terms. The distribution of online media requires delivery of digital content files and providers of network access and distribution may change their business models and increase their prices significantly, which could slow the widespread adoption of such services. We could incur greater operating expenses and our customer acquisition and retention could be negatively impacted if network operators:

- implement usage-based pricing;
- discount pricing for competitive products;
- otherwise materially change their pricing rates or schemes;
- charge us to deliver our traffic at certain levels or at all;
- throttle traffic based on its source or type;
- implement bandwidth caps or other usage restrictions; or

- otherwise try to monetize or control access to their networks.

In order for our services to be successful, there must be a reasonable price model in place to allow for the continuous distribution of digital media files.

We have limited or no control over the extent to which any of these circumstances may occur, and if network access or distribution prices rise, our business, financial condition and results of operations would likely be adversely affected.

Our business may be adversely affected by third-party claims, including by governmental bodies, regarding the content and advertising distributed through our offerings.

We rely on our customers to secure the rights to redistribute content over the internet, and we do not screen the content that is distributed through our offerings. There is no assurance that our customers have licensed all rights necessary for distribution, including internet distribution. Other parties may claim certain rights in the content of our customers.

In the event that our customers do not have the necessary distribution rights related to content, we may be required to cease distributing such content, or we may be subject to lawsuits and claims of damages for infringement of such rights. If these claims arise with frequency, the likelihood of our business being adversely affected would rise significantly. In some cases, we may have rights to indemnification or claims against our customers if they do not have appropriate distribution rights related to specific content items, however there is no assurance that we would be successful in any such claim.

We do not screen the content that is distributed through our offerings. Content may be distributed through our platform that is illegal or unlawful under international, federal, state, or local laws or the laws of other countries. We may face lawsuits, claims or even criminal charges for such distribution, and we may be subject to civil, regulatory, or criminal sanctions and damages for such distribution. Any such claims or investigations could adversely affect our business, financial condition, and results of operations.

Actions by governments to restrict access to our offerings in their countries or to require us to disclose or provide access to information in our possession could harm our business, financial condition, and results of operations.

Our business depends on the ability of our customers and end users to access the internet, and our offerings could be blocked or restricted in some countries for various reasons.

Further, it is possible that governments of one or more foreign countries may seek to limit access to, or certain features of, our offerings in their countries, or impose other restrictions that may affect the availability of our offerings, or certain features of our offerings, in their countries for an extended period of time or indefinitely. For example, Russia and China are among a number of countries that have recently blocked certain online services, including Amazon Web Services (which is one of our cloud hosting providers), making it very difficult for such services to access those markets. In addition, governments in certain countries may seek to restrict or prohibit access to our offerings if they consider us to be in violation of their laws (including data privacy laws) and may require us to disclose or provide access to information in our possession. If we fail to anticipate developments in the law or fail for any reason to comply with relevant law, our offerings could be further blocked or restricted and we could be exposed to significant liability that could harm our business.

In the event that access to our offerings is restricted, in whole or in part, in one or more countries, or our competitors are able to successfully penetrate geographic markets that we cannot access, our ability to add new customers or renew or expand the value of our existing customers' subscriptions may be adversely affected, which could have a material adverse effect on our business, financial condition and results of operations.

Failure to comply with anti-bribery, anti-corruption, anti-money laundering laws, and similar laws, could subject us to penalties and other adverse consequences.

We are subject to the U.S. Foreign Corrupt Practices Act of 1977, as amended (the "FCPA"), the U.S. domestic bribery statute contained in 18 U.S.C. § 201, the U.S. Travel Act, the USA PATRIOT Act, the United Kingdom Bribery Act 2010, the Proceeds of Crime Act 2002, Chapter 9 (sub-chapter 5) of the Israeli Criminal Law, 5737-1977, the Israeli Prohibition on Money Laundering Law, 5760-2000 and other anti-bribery and anti-money laundering laws in countries in which we conduct our activities. Anti-corruption and anti-bribery laws have been enforced aggressively in recent years and are interpreted broadly to generally prohibit companies, their employees, and their third-party intermediaries from authorizing, offering, or providing, directly or indirectly, improper payments or benefits to recipients in the public or private sector.

We sometimes leverage third parties to sell our offerings and conduct our business abroad.

We and our third-party intermediaries may have direct or indirect interactions with officials and employees of government agencies or state-owned or affiliated entities and may be held liable for the corrupt or other illegal activities of these third-party business partners and intermediaries, our employees, representatives, contractors, partners, and agents, even if we do not explicitly authorize such activities. As we increase our international sales and business operations, our risks under these laws are likely to increase. We have policies and procedures designed to promote compliance with anti-bribery, anti-corruption, and anti-money laundering laws. However, we cannot assure you that our employees and agents will not take actions in violation of applicable law, for which we may be ultimately held responsible.

Any actual or alleged violation of the FCPA or other applicable anti-bribery, anti-corruption or anti-money laundering laws could result in whistleblower complaints, sanctions, settlements, prosecution, enforcement actions, fines, damages, adverse media coverage, investigations, loss of export privileges, severe criminal or civil sanctions, or suspension or debarment from U.S. government contracts, any of which would adversely affect our reputation, as well as our business, financial condition, results of operations and growth prospects. Responding to any investigation or action would likely result in a materially significant diversion of management's attention and resources and significant defense costs and other professional fees. In addition, the U.S. government may seek to hold us liable for successor liability for FCPA violations committed by companies in which we invest or that we acquire.

Changes in financial accounting standards or practices may cause adverse, unexpected financial reporting fluctuations and affect our results of operations.

The accounting rules and regulations that we must comply with are complex and subject to interpretation by the Financial Accounting Standards Board (the "FASB"), the SEC and various bodies formed to promulgate and interpret appropriate accounting principles. Recent actions and public comments from the FASB and the SEC have focused on the integrity of financial reporting and internal controls. In addition, many companies' accounting policies are being subject to heightened scrutiny by regulators and the public. Further, the accounting rules and regulations are continually changing in ways that could materially impact our financial statements.

We cannot predict the impact of future changes to accounting principles or our accounting policies on our financial statements going forward, which could have a significant effect on our reported financial results and could affect the reporting of transactions completed before the announcement of the change. In addition, if we were to change our critical accounting estimates, including those related to the recognition of subscription revenue and other revenue sources, our operating results could be significantly affected.

Significant changes or developments in U.S. laws or policies, including changes in U.S. trade policies and tariffs and the reaction of other countries to these policies, may have a material adverse effect on our business, results of operations, or financial condition.

Significant changes or developments in U.S. laws and policies, such as laws and policies surrounding international trade, foreign affairs, manufacturing and development and investment in the territories and countries where we or our customers operate, can materially adversely affect our business, results of operations, and financial condition. The U.S. government has recently imposed significant tariffs on imports from certain jurisdictions and indicated the likely imposition of or significant increase in tariffs on goods imported into the United States from many other jurisdictions in the near future, which could lead to corresponding punitive actions by the countries with which the U.S. trades. Any changes or potential changes in trade policies in the United States and the potential corresponding actions by other countries in which we do business could adversely and materially affect our business, results of operations, and financial condition.

Changes in U.S. and foreign tax laws could have a material adverse effect on our business, cash flow, results of operations, or financial conditions.

We are subject to taxation in several countries, including the United States and Israel; changes in tax laws or tax rulings, changes in interpretations of existing tax laws, challenges to our tax positions could adversely affect our business, results of operations, and financial condition. As such, we are subject to tax laws, regulations, and policies of the U.S. federal, state, and local governments and of comparable taxing authorities in foreign jurisdictions. Changes in tax laws or tax rates in these jurisdictions could cause us to experience fluctuations in our tax obligations and effective tax rates in the future and otherwise adversely affect our tax positions and/or our tax liabilities. For example, the Inflation Reduction Act of 2022 enacted in the United States introduced, among other changes, a 15% corporate minimum tax on certain United States corporations and a 1% excise tax on certain stock redemptions by United States corporations. To the extent that these or other changes have a negative impact on us or our consumers, including as a result of related uncertainty, these changes may materially and adversely impact our business, financial condition, results of operations and cash flow.

There can be no assurance that our effective tax rates, tax payments, tax credits, or incentives will not be adversely affected by changes in tax laws in various jurisdictions. In addition, the Organization for Economic Cooperation and Development (“OECD”), with the support of the G20, initiated the base erosion and profit shifting (“BEPS”) project in 2013 in response to concerns that changes were needed to international tax laws. In November 2015, the G20 finance ministers adopted final BEPS reports designed to prevent, among other things, the artificial shifting of income to low-tax jurisdictions, and legislation to adopt and implement the standards set forth in such reports has been enacted or is currently under consideration in a number of jurisdictions. In May 2019, the OECD published a “Programme of Work,” which was divided into two pillars.

Pillar One focused on the allocation of group profits among taxing jurisdictions based on a market-based concept rather than the historical “permanent establishment” concept. Pillar Two, among other things, introduced a global minimum tax. In October 2021, 137 member jurisdictions of the G20/OECD Inclusive Framework on BEPS joined the “Statement on a Two-Pillar Solution to Address the Tax Challenges Arising from the Digitalisation of the Economy” which sets forth the key terms of such Two-Pillar Solution, including a reallocation of taxing rights among market jurisdictions under Pillar One and a global minimum tax rate of 15% under Pillar Two. The agreement reached by 137 of the 140 members of the OECD’s Inclusive Framework on BEPS targeted law enactment to take effect in 2023 with applicability from fiscal years beginning on or after December 31, 2023. On December 20, 2021, the OECD published model rules to implement the Pillar Two rules with commentary to those rules released in March 2022 and administrative guidance published in February 2023 and July 2022. The model rules, commentary and guidance allow the OECD’s Inclusive Framework members to begin implementing the Pillar Two rules in accordance with the agreement reached in October 2021. Numerous countries have enacted, or are in the process of enacting, legislation to implement Pillar Two model rules. As the Two-Pillar Solution is subject to implementation by each member country, the timing and ultimate impact of any such changes on our tax obligations is uncertain. These changes, if and when enacted, by various countries in which we do business may increase our taxes in these countries. The foregoing tax changes and other possible future tax changes may have an adverse impact on us, our business, financial condition, results of operations and cash flow.

Recently, the Trump administration has proposed a number of changes to the U.S. tax system. Many aspects of these proposals are unclear or undeveloped and we are unable to predict which, if any, U.S. tax reform proposals will be enacted into law, and what effects any enacted legislation might have on our effective tax rate and tax obligations. In addition, the Trump administration has indicated that the United States may impose retaliatory measures with respect to jurisdictions that have, or are likely to, put in place tax rules that are extraterritorial or disproportionately affect U.S. companies.

The likelihood of these changes being enacted or implemented is unclear. We are currently unable to predict whether such changes will occur and, if so, the ultimate impact on our business.

Unanticipated changes in effective tax rates or adverse outcomes resulting from examination of our income or other tax returns could expose us to greater than anticipated tax liabilities.

The tax laws applicable to our business, including the laws of the United States, Israel, and other jurisdictions, are subject to interpretation, and certain jurisdictions may aggressively interpret their laws in an effort to raise additional tax revenue. We are subject to the continuous examination of our income tax returns by the U.S. Internal Revenue Service and other tax authorities, and we may be audited in Israel.

The taxing authorities of the jurisdictions in which we operate may challenge our methodologies for valuing developed technology or intercompany arrangements or our revenue recognition policies, which could increase our worldwide effective tax rate and adversely affect our financial position and results of operations. It is possible that these taxing authorities may disagree with certain positions we have taken, and any adverse outcome of such a review or audit could have a negative effect on our business, financial condition, and results of operations. Further, the determination of our worldwide provision for income taxes and other tax liabilities requires significant judgment by management, and there are transactions where the ultimate tax determination is uncertain. Although we believe that our estimates are reasonable, the ultimate tax outcome may differ from the amounts recorded in our consolidated financial statements and may materially affect our financial results in the period or periods for which such determination is made.

Our corporate structure and intercompany arrangements are subject to the tax laws of various jurisdictions, and we could be obligated to pay additional taxes, which would adversely affect our results of operations.

Based on our current corporate structure, we are subject to taxation in several jurisdictions around the world with increasingly complex tax laws, the application of which can be uncertain. The amount of taxes we pay in these jurisdictions could increase substantially as a result of changes in the applicable tax principles, including increased tax rates, new tax laws or revised interpretations of existing tax laws and precedents.

The authorities in the jurisdiction in which we operate and do business could review our tax returns or require us to file tax returns in jurisdictions in which we are not currently filing, and could impose additional tax, interest, and penalties. These authorities could also claim that various withholding requirements apply to us or our subsidiaries, assert that benefits of tax treaties are not available to us or our subsidiaries, or challenge our methodologies for valuing developed technology or intercompany arrangements, including our transfer pricing methodologies. We may take certain tax positions, and the relevant taxing authorities may determine that the manner in which we operate our business does not achieve the intended tax consequences. If such a disagreement were to occur, and our position was not sustained, we could be required to pay additional taxes, interest, and penalties. Any increase in the amount of taxes we pay or that are imposed on us could increase our worldwide effective tax rate and adversely affect our business, financial condition, and results of operations.

We could be required to collect additional sales, use, value added, digital services or other similar taxes or be subject to other liabilities that may increase the costs our clients would have to pay for our offerings and adversely affect our results of operations.

We collect sales, value added and other similar taxes in a number of jurisdictions. One or more U.S. states or foreign countries may seek to impose incremental or new sales, use, value added, digital services, or other tax collection obligations on us. Further, an increasing number of U.S. states have considered or adopted laws that seek to impose tax collection obligations on out-of-state companies. The Supreme Court of the United States has ruled that online sellers can be required to collect sales and use tax despite not having a physical presence in the state of the customer. As a result, U.S. states and local governments may adopt, or begin to enforce, laws requiring us to calculate, collect, and remit taxes on sales in their jurisdictions, even if we have no physical presence in that jurisdiction. U.S. state and local taxing authorities have differing rules and regulations that are subject to varying interpretations, which makes the applicability of these sales and use taxes to our business uncertain and complex. A successful assertion by one or more U.S. states requiring us to collect taxes where we presently do not do so, or to collect more taxes in a jurisdiction in which we currently do collect some taxes, could result in substantial liabilities, including taxes on past sales, as well as interest and penalties. Furthermore, certain jurisdictions, such as the United Kingdom and France, have recently introduced a digital services tax, which is generally a tax on gross revenue generated from users or customers located in those jurisdictions, and other jurisdictions have enacted or are considering enacting similar laws.

A successful assertion that we should have been or should currently be collecting additional sales, use, value added, digital services or other similar taxes in a particular jurisdiction could, among other things, result in substantial tax payments (potentially including interest and penalties), create significant administrative burdens for us, discourage potential customers from subscribing to our platform due to the incremental cost of any such sales or other related taxes, or otherwise adversely affect our business.

Our ability to use our net operating loss carryforwards to offset future taxable income may be subject to certain limitations.

As of December 31, 2024 we had U.S. federal net operating loss carryforwards of approximately \$225 million and U.S. state net operating loss carryforwards of approximately \$183 million, which may be utilized against future income taxes. Limitations imposed by the applicable jurisdictions on our ability to utilize net operating loss carryforwards, including with respect to the net operating loss carryforwards of companies that we have acquired or may acquire in the future, could cause us to become an income tax payer earlier than we would otherwise become if such limitations were not in effect and could cause such net operating loss carryforwards to expire unused, in each case reducing or eliminating the benefit of such net operating loss carryforwards.

Future changes in our stock ownership could result in an ownership change that subjects us to limitations on our ability to utilize net operating loss forwards to offset future income. Furthermore, we may not be able to generate sufficient taxable income to utilize our net operating loss carryforwards before they expire.

If any of these events occur, we may not derive some or all of the expected benefits from our net operating loss carryforwards. Also, any available net operating loss carryforwards would have value only to the extent there is income in the future against which such net operating loss carryforwards may be offset. For these reasons, we may not be able to realize a tax benefit from the use of our net operating loss carryforwards, whether or not we attain profitability. We have recorded a full valuation allowance related to our carryforwards due to the uncertainty of the ultimate realization of the future benefits of those assets.

Risks Related to Our Operations in Israel

Political, economic, and military conditions in Israel could materially and adversely affect our business.

We have offices near Tel Aviv, Israel where our primary research and development, human resources, and certain other finance and administrative activities are based. In addition, a number of our officers and directors are residents of Israel. As of December 31, 2024, we had 341 full-time employees in Israel. Accordingly, political, economic, and military conditions in Israel and the surrounding region may directly affect our business and operations. Since the establishment of the State of Israel in 1948, a number of armed conflicts have taken place between Israel and its neighboring countries, as well as terrorist acts committed within Israel by hostile elements. In recent years, Israel has been engaged in sporadic armed conflicts with Hamas, an Islamist terrorist group that controls the Gaza Strip, with Hezbollah, an Islamist terrorist group that controls large portions of southern Lebanon, and with Iranian-backed military forces in Syria. In addition, Iran has threatened to attack Israel and may be developing nuclear weapons. Some of these hostilities were accompanied by missiles being fired against civilian targets in various parts of Israel, including areas in which our employees, and some of our consultants are located, and negatively affected business conditions in Israel. In October 2023, Hamas terrorists infiltrated Israel's southern border from the Gaza Strip and conducted a series of attacks on civilian and military targets. Hamas also launched extensive rocket attacks on the Israeli population within the State of Israel. These attacks resulted in extensive deaths, injuries and kidnapping of civilians and soldiers. Following the attack, Israel's security cabinet declared war against Hamas and a military campaign against this terrorist organization commenced. Following the attack by Hamas on Israel's southern border, Hezbollah in Lebanon also launched missile, rocket and shooting attacks against Israeli military sites, troops and Israeli towns in northern Israel. In response to these attacks, the Israeli army has carried out a number of targeted strikes on sites belonging to Hezbollah in southern Lebanon, which was followed by ground operation. Although the parties have entered into a ceasefire agreement, there is no assurance that the situation shall become stable. Furthermore, following Hamas' attack on Israel and Israel's security cabinet declaration of war against Hamas, the Houthi movement, which controls parts of Yemen, launched a number of attacks on marine vessels traversing the Red Sea, which marine vessels were thought to either be in route towards Israel or to be partly owned by Israeli businessmen, and launched missile, rocket and shooting attacks against Israeli military sites, troops and Israeli towns, which were responded by air strikes counter attacks by the Israeli Air Force. Iran also took part in the armed conflict and mutual strikes have been launched. Iran, the Houthi movement and Israel has unofficially entered into a ceasefire in conjunction with the Gaza Strip and Lebanon frontiers ceasefire, however, the situation remains unstable and it is hard to predict the future developments or further escalations. Additionally, Hamas terrorists in the West Bank launched several terrorists attacks on Israeli civilians, which triggered an escalation of military actions to prevent those attacks in certain areas of the West Bank. It is possible that other terrorist organizations, including Palestinian military organizations in the West Bank, as well as other hostile countries, will join the hostilities. In addition the overthrow of the Assad regime and installation of a new Syrian government has created further instability in the region and left the geopolitical and security situation in Syria and the country's potential role in the armed conflicts in the region uncertain. It is currently not possible to predict the duration or severity of the ongoing conflicts or their effect on our business, operations and financial conditions. The ongoing conflicts are rapidly evolving and developing, and could disrupt our business and operations. Any hostilities, armed conflicts, terrorist activities involving Israel and/or the United States or the interruption or curtailment of trade between Israel and its trading partners, or the interruption or curtailment of maritime trade and transportation in the Gulf Area, or any political instability in the Middle East, Gulf Area or other regions could adversely affect business conditions and our results of operations and could make it more difficult for us to raise capital. Specifically, our operations could be disrupted by the obligations of our personnel to perform military service. In connection with the Israeli security cabinet's declaration of war against Hamas and possible hostilities with other organizations, several hundred thousand Israeli military reservists were drafted to perform immediate military service. Certain of our officers and employees in Israel have been called, and additional employees may be called, for service in the current or future wars or other armed conflicts with Hamas and others, and such persons may be absent for an extended period of time. As a result, our operations may be disrupted by such absences, which disruption may materially and adversely affect our business and results of operations. Parties with whom we do business have sometimes declined to travel to Israel during periods of heightened unrest or tension, forcing us to make alternative arrangements when necessary in order to meet our business partners face to face. In addition, the political and security situation in Israel may result in parties with whom we have agreements involving performance in Israel claiming that they are not obligated to perform their commitments under those agreements pursuant to force majeure provisions in such agreements.

Continued hostilities between Israel and its neighbors and any future armed conflict, terrorist activity or political instability in the region could adversely affect our operations in Israel and adversely affect the market price of our common stock. An escalation of tensions or violence might result in a significant downturn in the economic or financial condition of Israel, which could have a material adverse effect on our operations in Israel and our business.

Our commercial insurance does not cover losses that may occur as a result of events associated with war and terrorism. Although the Israeli government currently covers the reinstatement value of direct damages that are caused by terrorist attacks or acts of war, we cannot assure you that this government coverage will be maintained or that it will sufficiently cover our potential damages. Any losses or damages incurred by us could have a material adverse effect on our business. Any armed conflicts or political instability in the region would likely negatively affect business conditions and could adversely affect our results of operations.

Further, in the past, the State of Israel and Israeli companies have been subjected to economic boycotts. Several countries still restrict business with the State of Israel and with Israeli companies. These restrictive laws and policies may have an adverse impact on our operating results, financial condition, or the expansion of our business. A campaign of boycotts, divestment and sanctions has been undertaken against Israel, which could also adversely impact our business.

Israel's most recent general elections were held on November 1, 2022. Uncertainty surrounding future elections and/or the results of such elections in Israel may continue and the political situation in Israel may further deteriorate. In addition, prior to the Hamas attack in October 2023, the Israeli government pursued changes to Israel's judicial system. In response to the foregoing developments, certain individuals, organizations and institutions, both within and outside of Israel, have voiced concerns that such proposed changes, if adopted, may negatively impact the business environment in Israel including due to reluctance of foreign investors to invest or transact business in Israel as well as to increased currency fluctuations, downgrades in credit ratings, increased interest rates, increased volatility in security markets, and other changes in macroeconomic conditions. Such proposed changes may also lead to political instability or civil unrest. To the extent that any of these negative developments materialize, they may individually or in the aggregate adversely affect the Israeli economy and, in turn, our business, financial condition, results of operations and growth prospects.

Certain tax benefits that are available to us require us to continue to meet various conditions and may be terminated or reduced in the future, which could increase our costs and taxes.

Some of our operations in Israel may entitle us to certain tax benefits under the Law for the Encouragement of Capital Investments, 5719-1959, or the Investment Law. If we do not meet the requirements for maintaining these benefits, they may be reduced or cancelled and the relevant operations would be subject to Israeli corporate tax at the standard rate, which is set at 23% in 2021 and thereafter. In addition to being subject to the standard corporate tax rate, we could be required to refund any tax benefits that we have already received, plus interest and penalties thereon. Even if we continue to meet the relevant requirements, the tax benefits that our current "Preferred Enterprise" is entitled to may not be continued in the future at their current levels or at all. If these tax benefits were reduced or eliminated, the amount of taxes that we pay would likely increase, as all of our operations would consequently be subject to corporate tax at the standard rate, which could adversely affect our results of operations. Additionally, if we increase our activities outside of Israel, for example, by way of acquisitions, our increased activities may not be eligible for inclusion in Israeli tax benefits programs.

Risks Related to Ownership of our Common Stock

The market price for our common stock may be volatile or may decline regardless of our operating performance, and you may not be able to resell your shares at or above the price at which you purchased your shares.

The market price of our common stock may be highly volatile and may fluctuate or decline substantially as a result of a variety of factors, many of which are beyond our control, including:

- actual or anticipated changes or fluctuations in our results of operations;
- the guidance we may provide to analysts and investors from time to time, and any changes in, or our failure to perform in line with, such guidance;
- announcements by us or our competitors of new offerings or new or terminated contracts, commercial relationships, or capital commitments;
- industry or financial analyst or investor reaction to our press releases, other public announcements, and filings with the SEC;
- rumors and market speculation involving us or other companies in our industry;
- future sales or expected future sales of our common stock;
- changes in the amounts or frequency of stock repurchases;

- investor perceptions of us and the industries in which we operate;
- price and volume fluctuations in the overall stock market from time to time;
- changes in operating performance and stock market valuations of other technology companies generally, or those in our industry in particular;
- failure of industry or financial analysts to maintain coverage of us, the issuance of new or updated reports or recommendations by any analysts who follow our company, or our failure to meet the expectations of investors;
- actual or anticipated developments in our business or our competitors' businesses or the competitive landscape generally;
- litigation involving us, other companies in our industry or both, or investigations by regulators into our operations or those of our competitors;
- developments or disputes concerning our intellectual property or proprietary rights or our solutions, or third-party intellectual or proprietary rights;
- announced or completed acquisitions of businesses or technologies, or other strategic transactions by us or our competitors;
- actual or perceived breaches of, or failures relating to, data privacy, data protection or data security;
- new laws or regulations or new interpretations of existing laws or regulations applicable to our business;
- actual or anticipated changes in our management or our board of directors;
- general economic conditions and slow or negative growth of our target markets; and
- other events or factors, including those resulting from war, incidents of terrorism or responses to these events.

Furthermore, the stock market has experienced extreme volatility that in some cases has been unrelated or disproportionate to the operating performance of particular companies.

These and other factors may cause the market price and demand for our common stock to fluctuate substantially, which may limit or prevent investors from readily selling their shares of common stock and may otherwise negatively affect the liquidity of our common stock. In addition, in the past, when the market price of a stock has been volatile, holders of that stock have sometimes instituted securities class action litigation against the company that issued the stock. If any of our stockholders were to bring a lawsuit against us, we could incur substantial costs defending the lawsuit. Such a lawsuit could also divert the time and attention of our management from our business.

An active public trading market may not be sustained.

An active public trading market for our common stock may not be sustained. The lack of an active market may impair your ability to sell your shares at the time you wish to sell them or at a price that you consider reasonable.

The market price of our common stock may decline and you may not be able to resell your shares of our common stock at or above the price at which you purchased your shares, or at all. The lack of an active trading market may also reduce the fair value of your shares. An inactive market may also impair our ability to raise capital by selling shares of our common stock and may impair our ability to acquire other companies or technologies by using our common stock as consideration.

Our principal stockholders continue to have significant influence over us.

Our principal stockholders each holding more than 5% of our outstanding common stock collectively beneficially owned a majority of our outstanding common stock as of December 31, 2024. These stockholders or their affiliates will be able to exert significant influence over us and, if acting together, will be able to control matters requiring stockholder approval, including the election of directors and approval of significant corporate transactions, including a merger, consolidation, or sale of all or substantially all of our assets and the issuance or redemption of equity interests in certain circumstances. The interests of these stockholders may not always coincide with, and in some cases may conflict with, our interests and the interests of our other stockholders.

For instance, these stockholders could attempt to delay or prevent a change in control of our company, even if such change in control would benefit our other stockholders, which could deprive our stockholders of an opportunity to receive a premium for their common stock. This concentration of ownership may also affect the prevailing market price of our common stock due to investors' perceptions that conflicts of interest may exist or arise. As a result, this concentration of ownership may not be in your best interests.

Future sales of substantial amounts of our common stock in the public markets, or the perception that such sales might occur, could reduce the price that our common stock might otherwise attain.

Future sales of a substantial number of shares of our common stock in the public market, particularly sales by our directors, executive officers, and significant stockholders, or the perception that these sales could occur, could adversely affect the market price of our common stock and may make it more difficult for you to sell your common stock at a time and price that you deem appropriate. As of February 13, 2025, we had 154,138,268 shares of our common stock outstanding. All shares of our common stock may be resold in the public market immediately without restriction, unless restricted as a result of securities laws or purchased or held by one of our affiliates, in which case the resale of such securities will generally be subject to volume limitations and other requirements under Rule 144 of the Securities Act.

We have registered the offer and sale of all common stock that we may issue from time to time under our equity compensation plans. Once we register these shares, they will be freely tradable in the public market.

The market price of our common stock may drop significantly when we register the sale of our stockholders' remaining shares of our common stock or if there is an expectation that such a registration of shares will occur. A decline in the trading price of our common stock might impede our ability to raise capital through the issuance of additional shares of our common stock or other equity securities and may impair your ability to sell shares of our common stock at a price higher than the price you paid for them or at all.

Your ownership and voting power may be diluted by the issuance of additional shares of our common stock in connection with financings, acquisitions, investments, our equity incentive plans or otherwise.

We have 845,861,732 shares of common stock authorized but unissued, based on the number of shares of our common stock outstanding as of February 13, 2025. Subject to compliance with applicable rules and regulations, we may issue common stock or securities convertible into common stock from time to time for the consideration and on the terms and conditions established by our board of directors in its sole discretion, whether in connection with a financing, acquisition, investment, our equity incentive plans or otherwise.

As of December 31, 2024, we had 16,321,014 shares of our common stock issuable upon the exercise of outstanding options at a weighted average exercise price of \$3.29 per share, 16,302,264 of which were vested as of such date, 12,331,745 shares of our common stock issuable upon the vesting of restricted stock units and 4,423,347 additional shares of our common stock reserved for future issuance under our 2021 Incentive Award Plan. Any additional shares of common stock that we issue, including under our 2021 Incentive Award Plan or other equity incentive plans that we may adopt in the future, or in connection with the exercise of outstanding warrants, would dilute the percentage ownership and voting power held by existing stockholders. In the future, we may also issue additional securities if we need to raise capital, including, but not limited to, in connection with acquisitions, which could constitute a material portion of our then-outstanding shares of common stock. Any such issuance could substantially dilute the ownership and voting power of our existing stockholders and cause the market price of our common stock to decline.

We cannot guarantee we will conduct share repurchases in any specified amounts or particular frequency.

On June 11, 2024, we announced that our Board has authorized a share repurchase program of up to \$5.0 million of our common stock. Under the program, we may make repurchases, from time to time, through open market purchases, block trades, in privately negotiated transactions, accelerated stock repurchase transactions, or by other means. The volume, timing, and manner of any repurchases will be determined at our discretion, subject to general market conditions, as well as the our management of capital, general business conditions, other investment opportunities, regulatory requirements and other factors. The repurchase program does not obligate us to repurchase any specific amount of common stock, has no time limit, and may be modified, suspended, or discontinued at any time without notice at the discretion of the Board of Directors. Repurchases under this authorization could affect our stock price and increase its volatility, and the existence of this authorization could cause our stock price to be higher than it would be in the absence of such authorization and could potentially reduce the market liquidity for our stock. There can be no assurance that any stock repurchases will enhance stockholder value because the market price of our common stock may decline below the levels at which we repurchased shares of stock.

We may issue shares of preferred stock in the future, which could make it difficult for another company to acquire us or could otherwise adversely affect holders of our common stock, which could depress the price of our common stock.

Our Certificate of Incorporation authorizes us to issue one or more series of preferred stock. Our board of directors have the authority to determine the preferences, limitations, and relative rights of the shares of preferred stock and to fix the number of shares constituting any series and the designation of such series, without any further vote or action by our stockholders. Our preferred stock could be issued with voting, liquidation, dividend, and other rights superior to the rights of our common stock. The potential issuance of preferred stock may delay or prevent a change in control of our company, discouraging bids for our common stock at a premium to the market price, and materially and adversely affect the market price and the voting and other rights of the holders of our common stock.

Anti-takeover provisions in our governing documents and under Delaware law could make an acquisition of our company more difficult, limit attempts by our stockholders to replace or remove our current management, and depress the market price of our common stock.

We are a Delaware corporation, and the anti-takeover provisions of Delaware law impose various impediments to the ability of a third party to acquire control of us, even if a change of control would be beneficial to our existing stockholders. In addition, our Certificate of Incorporation and Bylaws contain provisions that could have the effect of rendering more difficult, delaying or preventing an acquisition deemed undesirable by our board of directors, including transactions in which stockholders might otherwise receive a premium for their shares. Among others, our Certificate of Incorporation and Bylaws include the following provisions:

- the delegation to our board of directors of the exclusive right to expand the size of our board of directors and to elect directors to fill a vacancy created by any such expansion or the resignation, death or removal of a director, which will prevent stockholders from being able to fill vacancies on our board of directors;
- the division of our board of directors into three classes, with each class serving staggered three-year terms, which may delay the ability of stockholders to change the membership of a majority of our board of directors;
- limitations on convening special stockholder meetings, which could make it difficult for our stockholders to adopt desired governance changes;
- advance notice procedures, which apply for stockholders to nominate candidates for election as directors or to bring matters before an annual meeting of stockholders, which may discourage or deter a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise attempting to obtain control of our company;
- a prohibition on stockholder action by written consent, which means that our stockholders will only be able to take action at a meeting of stockholders;
- a forum selection clause, which means certain litigation against us can only be brought in Delaware;
- no authorization of cumulative voting, which limits the ability of minority stockholders to elect director candidates;
- directors will only be able to be removed for cause and only by the affirmative vote of two-thirds of the then outstanding voting power of our capital stock;
- certain amendments to our Certificate of Incorporation and Bylaws will require the approval of two-thirds of the then outstanding voting power of our capital stock;
- the affirmative vote of two-thirds of the then-outstanding voting power of our capital stock, voting as a single class, will be required for stockholders to amend or adopt any provision of our Bylaws; and
- the authorization of undesignated or "blank check" preferred stock, the terms of which may be established and shares of which may be issued without further action by our stockholders, which could be used to significantly dilute the ownership and voting rights of a hostile acquirer.

These provisions, alone or together, could delay or prevent hostile takeovers and changes in control or changes in our management. In addition, as a Delaware corporation, we are also subject to Section 203 of the Delaware General Corporation Law (“DGCL”), which prevents stockholders holding more than 15% of our outstanding common stock from engaging in certain business combinations unless (i) prior to the time such stockholder became an interested stockholder, the board approved the transaction that resulted in such stockholder becoming an interested stockholder, (ii) upon consummation of the transaction that resulted in such stockholder becoming an interested stockholder, the interested stockholder owned 85% of the common stock or (iii) following board approval, the business combination receives the approval of the holders of at least two-thirds of our outstanding common stock not held by such interested stockholder.

Any provision of our Certificate of Incorporation, Bylaws or Delaware law that has the effect of delaying, preventing, or deterring a change in control could limit the opportunity for our stockholders to receive a premium for their shares of our common stock. Even in the absence of a takeover attempt, the existence of these provisions may adversely affect the prevailing market price of our common stock if they are viewed by investors as discouraging future takeover attempts or other transactions that may be in the best interests of our stockholders or that may otherwise enable them to obtain a greater return on their investment, which may impair your ability to sell shares of our common stock at a price greater than the price you paid for them or at all.

Our Certificate of Incorporation provides that the Court of Chancery of the State of Delaware will be the sole and exclusive forum for substantially all disputes between us and our stockholders, and federal district courts will be the sole and exclusive forum for Securities Act claims, which could limit our stockholders’ ability to obtain a favorable judicial forum for disputes with us or our directors, officers, or employees.

Our Certificate of Incorporation provides that, unless we consent to the selection of an alternative forum, the Court of Chancery of the State of Delaware is the sole and exclusive forum for: (a) any derivative action or proceeding brought on our behalf; (b) any action asserting a claim of breach of fiduciary duty owed by any of our directors, officers, employees or other agents to us or to our stockholders; (c) any action asserting a claim arising pursuant to the DGCL, our Certificate of Incorporation or Bylaws (as either may be amended and/or restated), or as to which the DGCL confers exclusive jurisdiction on the Court of Chancery of the State of Delaware; or (d) any action asserting a claim governed by the internal affairs doctrine. Under our Certificate of Incorporation, this exclusive forum provision will not apply to claims which are vested in the exclusive jurisdiction of a court or forum other than the Court of Chancery of the State of Delaware, or for which the Court of Chancery of the State of Delaware does not have subject matter jurisdiction. For instance, the provision would not apply to actions arising under federal securities laws, including suits brought to enforce any liability or duty created by the Securities Act, Exchange Act, or the rules and regulations thereunder. Our Certificate of Incorporation further provides that, unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States of America shall, to the fullest extent permitted by law, be the sole and exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. The choice of forum provisions may limit a stockholder’s ability to bring a claim in a judicial forum that it finds favorable for disputes with us or our directors, officers, employees, or other agents, which may discourage such lawsuits against us and our directors, officers, employees, and other agents. Alternatively, if a court were to find the choice of forum provisions contained in our Certificate of Incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could adversely affect our business, financial condition, and results of operations.

Our Certificate of Incorporation provides that the doctrine of “corporate opportunity” will not apply with respect to any director or stockholder who is not employed by us or our subsidiaries.

The doctrine of corporate opportunity generally provides that a corporate fiduciary may not develop an opportunity using corporate resources, acquire an interest adverse to that of the corporation or acquire property that is reasonably incident to the present or prospective business of the corporation or in which the corporation has a present or expectancy interest, unless that opportunity is first presented to the corporation and the corporation chooses not to pursue that opportunity. The doctrine of corporate opportunity is intended to preclude officers or directors or other fiduciaries from personally benefiting from opportunities that belong to the corporation. Our Certificate of Incorporation, to the fullest extent permitted from time to time by Delaware law, renounces any interest or expectancy that we otherwise would have in, and all rights to be offered an opportunity to participate in, any business opportunity that from time to time may be presented to any director or stockholder who is not employed by us or our subsidiaries (each such person, an “exempt person”). In addition, to the fullest extent permitted by law, if an exempt person acquires knowledge of a potential transaction or other business opportunity which may be a corporate opportunity for itself or himself or its or his affiliates or for us or our subsidiaries, such exempt person will have no duty to communicate or offer such transaction or business opportunity to us or any of our subsidiaries and such exempt person may take any such opportunity for themselves or offer it to another person or entity.

As a result, certain of our stockholders, directors and their respective affiliates will not be prohibited from operating or investing in competing businesses. We therefore may find ourselves in competition with certain of our stockholders, directors, or their respective affiliates, and we may not have knowledge of, or be able to pursue, transactions that could potentially be beneficial to us. Accordingly, we may lose a corporate opportunity or suffer competitive harm, which could negatively impact our business and growth prospects.

Our management team has limited experience managing a public company, and the requirements of being a public company may strain our resources, divert management’s attention, and affect our ability to attract and retain qualified board members.

As a public company listed in the United States, we will incur significant additional legal, accounting, and other expenses. In addition, changing laws, regulations, and standards relating to corporate governance and public disclosure, including regulations implemented by the SEC and Nasdaq, may increase legal and financial compliance costs, and make some activities more time consuming. These laws, regulations and standards are subject to varying interpretations, and as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies.

Most members of our management team have little experience managing a publicly traded company, interacting with public company investors, and complying with the increasingly complex laws pertaining to public companies.

Our management team may not successfully or efficiently manage our operation as a public company that is subject to significant regulatory oversight and reporting obligations under the federal securities laws and the continuous scrutiny of securities analysts and investors. Furthermore, we are committed to maintaining high standards of corporate governance and public disclosure, and our efforts to establish the corporate infrastructure required of a public company and to comply with evolving laws, regulations and standards are likely to divert management’s time and attention away from revenue-generating activities to compliance activities, which may prevent us from implementing our business strategy and growing our business. Moreover, we may not be successful in implementing these requirements. If we do not effectively and efficiently manage our operation as a public company and continue to develop and implement the right processes and tools to manage our changing enterprise and maintain our culture, our ability to compete successfully and achieve our business objectives could be impaired, which could negatively impact our business, financial condition, and results of operations.

Additionally, as a public company, we may from time to time be subject to proposals by stockholders urging us to take certain corporate actions. If activist stockholder activity ensues, we may be required to incur additional costs to retain the services of professional advisors, management time and attention will be diverted from our core business operations, and perceived uncertainties as to our future direction, strategy or leadership may cause us to lose potential business opportunities and impair our brand and reputation, any of which could materially and adversely affect our business, financial condition, and results of operations.

In addition to increasing our legal and financial compliance costs, the additional rules and regulations described above might also make it more difficult for us to obtain certain types of insurance, including director and officer liability insurance, and we might be forced to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be more difficult for us to attract and retain qualified persons to serve on our board of directors, on committees of our board of directors or as members of our senior management team.

We are an “emerging growth company” and “smaller reporting company”, and we cannot be certain if the reduced disclosure requirements applicable to us will make our common stock less attractive to investors.

For so long as we remain an “emerging growth company” as defined in the JOBS Act, we may take advantage of certain exemptions from various requirements that are applicable to public companies that are not “emerging growth companies.” These provisions include, among other exemptions, that:

- we are required to have only two years of Management’s Discussion and Analysis of Financial Condition and Results of Operations disclosure;
- we are not required to engage an auditor to report on our internal controls over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act;
- we are not required to comply with any requirement that may be adopted by the PCAOB regarding mandatory audit firm rotation or a supplement to the auditor’s report providing additional information about the audit and the financial statements (i.e., an auditor discussion and analysis);

- we are not required to submit certain executive compensation matters to stockholder advisory votes, such as “say-on-pay,” “say-on-frequency” and “say-on-golden parachutes;” and
- we are not required to disclose certain executive compensation related items such as the correlation between executive compensation and performance and comparisons of the chief executive officer’s compensation to median employee compensation.

We may take advantage of these exemptions until the last day of our fiscal year following the fifth anniversary of the closing of our IPO or such earlier time that we are no longer an emerging growth company. We will cease to be an emerging growth company if (i) we have \$1.235 billion or more in annual revenue in any fiscal year, (ii) the market value of our common stock held by non-affiliates is at least \$700 million as of the end of our most recently completed second fiscal quarter, or (iii) we issue more than \$1.0 billion of non-convertible debt over a three-year period. We have elected to take advantage of certain of the reduced reporting and other obligations described above and intend to take advantage of reduced reporting requirements in the future for so long as we are able to do so. The JOBS Act also permits an emerging growth company like us to delay the adoption of certain accounting standards until those standards would otherwise apply to private companies. We have elected to use this extended transition period for complying with new or revised accounting standards until the earlier of the date we (x) are no longer an emerging growth company, or (y) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. As a result, our consolidated financial statements and the reported results of operations contained therein may not be directly comparable to those of other public companies.

In addition, as of December 31, 2024, we are a “smaller reporting company” as defined under the rules promulgated under the Exchange Act. We will remain a smaller reporting company until the fiscal year following the determination that either (i) the value of our voting and non-voting common shares held by non-affiliates is \$250 million or more measured on the last business day of our second fiscal quarter, or (ii) if our annual revenues for the full fiscal year are less than \$100 million, the value of our voting and non-voting common shares held by non-affiliates is \$700 million or more measured on the last business day of our second fiscal quarter. Smaller reporting companies are able to provide simplified executive compensation disclosure and have certain other reduced disclosure obligations, including, among other things, being required to provide only two years of audited financial statements and not being required to provide disclosures about market risks.

We cannot predict if investors will find our common stock less attractive because we may rely on these exemptions. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our stock price may decline or be more volatile.

We do not anticipate paying dividends on our common stock in the foreseeable future. As a result, your ability to achieve a return on your investment will depend on appreciation in the price of our common stock.

We have never declared or paid any cash dividends on our common stock and do not anticipate paying any cash dividends on our common stock in the foreseeable future. We anticipate that we will retain all of our available funds and any future earnings for use in the operation and expansion of our business and the repayment of outstanding debt. Any future determination as to the payment of cash dividends will be at the discretion of our board of directors and will depend on, among other things, our business prospects, financial condition, results of operations, current and anticipated cash needs and availability, industry trends and other factors that our board of directors may consider to be relevant. Furthermore, because we are a holding company, our ability to pay dividends on our common stock will depend on our receipt of cash distributions and dividends from our direct and indirect wholly owned subsidiaries. In addition, our ability to pay cash dividends is currently restricted by the terms of the agreement governing our Credit Facilities. Our ability to pay cash dividends on our common stock in the future may also be limited by the terms of any preferred securities we may issue or financial and other covenants in any instruments or agreements governing any additional indebtedness we may incur in the future. Consequently, investors who purchase shares of our common stock may be unable to realize a return on their investment except by selling sell such shares after price appreciation, which may never occur. Our inability or decision not to pay dividends, particularly when others in our industry have elected to do so, could also adversely affect the market price of our common stock.

The current uncertainty in the global economy and financial and stock markets may depress our stock price, which may cause stockholders, activists and others to take advantage of the distressed stock price and pursue aggressive actions that may not be in the interests of all stockholders.

The current uncertainty in the global economy and financial and stock markets, by itself or coupled with our dependency on existing customers’ demand and exposure to change in demand by our customers, including as a result of reasons beyond our control, as well as other risk factors described herein, may have an adverse effect on our business, operations, financial results and prospects. As a result of this or any of the other factors described above, investors’ perceptions of our business and the market price of our common stock could be adversely affected.

Those circumstances may encourage certain stockholders, activists and others to take advantage of the distressed stock price and market conditions to pursue aggressive or hostile actions that may not be in the interests of all of our stockholders.

General Risk Factors

Unfavorable conditions in our industry or the global economy or reductions in information technology spending could limit our ability to grow our business and negatively affect our results of operations.

Our results of operations may vary based on the impact of changes in our industry and the global economy on us and our customers. Current or future economic uncertainties or downturns could adversely affect our business, financial condition and results of operations. Negative conditions in the general economy both in the United States and abroad, including conditions resulting from changes in gross domestic product growth, financial, and credit market fluctuations, political turmoil, natural catastrophes, any pandemic, epidemic or outbreak of infectious disease, warfare, protests and riots, and terrorist attacks on the United States, Europe, Middle East, the Asia Pacific region, or elsewhere, could cause a decrease in business investments by our customers and potential customers, including spending on information technology, and negatively affect the growth of our business. Any limitations on travel and doing business in person may negatively affect our customer success efforts, sales and marketing efforts, challenge our ability to enter into customer contracts in a timely manner, slow down our recruiting efforts, or create operational or other challenges, any of which could adversely affect our business, financial condition and results of operations. A disruption in the operations of our customers and technology partners, including as a result of travel restrictions and/or business shutdowns, such as the disruptions experienced in connection with the COVID-19 pandemic, could negatively impact our business, financial condition, and results of operations. To the extent our offerings are perceived by customers and potential customers as discretionary, our revenue may be disproportionately affected by delays or reductions in general information technology spending. Also, customers may choose to develop in-house software as an alternative to using our offerings. Moreover, competitors may respond to market conditions by lowering prices. We cannot predict the timing, strength or duration of any economic slowdown, instability or recovery, generally or within any particular industry. If the economic conditions of the general economy or markets in which we operate do not improve, or worsen from present levels, our business, financial condition and results of operations could be adversely affected.

From time to time we may provide estimates of market opportunity and forecasts of market growth. These estimates may prove to be inaccurate, and even if the markets in which we compete achieve the forecasted growth, our business could fail to grow at similar rates, or at all.

Any estimates of market opportunity and forecasts of market growth that we provide may prove to be inaccurate. Market opportunity estimates and growth forecasts are subject to significant uncertainty and are based on assumptions and estimates that may not prove to be accurate, including as a result of any of the risks described in this Annual Report on Form 10-K.

In addition, the variables that go into the calculation of our market opportunity are subject to change over time, and there is no guarantee that any particular number or percentage of addressable users or companies covered by our market opportunity estimates will purchase our offerings or generate any particular level of revenue for us. In addition, our ability to expand in any of our target markets depends on a number of factors, including the cost, performance, and perceived value associated with our platform and those of our competitors. Even if the markets in which we compete meet our size estimates and growth forecasts, our business could fail to grow at similar rates, or at all. Our growth is subject to many factors, including our success in implementing our business strategy, which is subject to many risks and uncertainties. Accordingly, any forecasts of market growth that we provide should not be taken as indicative of our future growth.

If industry or financial analysts do not publish research or reports about our business, or if they issue inaccurate or unfavorable research regarding our common stock, the market price and trading volume of our common stock could decline.

The trading market for our common stock is influenced by the research and reports that industry or financial analysts publish about us and our business. We do not control these analysts or the content and opinions included in their reports. As a recently public company, we may be slow to attract research coverage and the analysts who publish information about our common stock will have had relatively little experience with our company, which could affect their ability to accurately forecast our results and make it more likely that we fail to meet their estimates. In the event we obtain industry or financial analyst coverage, if any of the analysts who cover us issues an inaccurate or unfavorable opinion regarding our company, the market price of our common stock would likely decline. In addition, the share prices of many companies in the technology industry have declined significantly after those companies have failed to meet, or significantly exceed, the financial guidance they have publicly announced or the expectations of analysts and investors.

If our financial results fail to meet, or significantly exceed, our announced guidance or the expectations of analysts or investors, analysts could downgrade our common stock or publish unfavorable research about us. If one or more of these analysts cease coverage of our company or fail to publish reports on us regularly, our visibility in the financial markets could decrease, which in turn could cause the market price or trading volume of our common stock to decline.

Our disclosure controls and procedures may not prevent or detect all errors or acts of fraud.

We are subject to the periodic reporting requirements of the Exchange Act. We designed our disclosure controls and procedures to provide reasonable assurance that information we must disclose in reports we file or submit under the Exchange Act is accumulated and communicated to management, and recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. We believe that any disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met.

These inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by an unauthorized override of the controls. Accordingly, because of the inherent limitations in our control system, misstatements due to error or fraud may occur and not be detected.

If our estimates or judgments relating to our critical accounting policies are based on assumptions that change or prove to be incorrect, our results of operations could fall below the expectations of securities analysts and investors, resulting in a decline in the trading price of our common stock.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in our consolidated financial statements and accompanying notes. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, as discussed in Part II, Item 7. “Management’s Discussion and Analysis of Financial Condition and Results of Operations” included elsewhere in this Annual Report on Form 10-K, the results of which form the basis for making judgments about the carrying values of assets, liabilities, equity, revenue, and expenses that are not readily apparent from other sources.

Our results of operations may be adversely affected if our assumptions change or if actual circumstances differ from those in our assumptions, which could cause our results of operations to fall below our publicly announced guidance or the expectations of securities analysts and investors, resulting in a decline in the market price of our common stock.

Increased attention to environmental, social and governance (“ESG”) matters may require us to incur additional costs or otherwise adversely impact our business.

Increased attention to climate change; diversity, equity, and inclusion; and other ESG issues, as well as societal expectations regarding voluntary ESG initiatives and disclosures, may result in increased costs (including but not limited to increased costs related to compliance, stakeholder engagement, and contracting), impact our reputation, or otherwise affect our business performance. In addition, organizations that provide information to investors on corporate governance and related matters have developed ratings processes for evaluating companies on ESG matters. Such ratings are used by some investors to inform their investment or voting decisions. Unfavorable or lack of ESG ratings could lead to negative investor sentiment toward us and/or our industry, which could have a negative impact on our access to and costs of capital. To the extent ESG matters negatively impact our reputation, we may also not be able to compete as effectively to recruit or retain employees.

We may take certain actions, including the establishment of ESG-related goals or targets, to improve the ESG profile of our Company and/or offerings and/or respond to stakeholder demand; however, such actions may be costly, lengthy, or be subject to numerous conditions that are outside our control, and we cannot guarantee that such actions will have the desired effect. Moreover, while we may create and publish voluntary disclosures regarding ESG matters from time to time, many of the statements in those voluntary disclosures are based on hypothetical expectations and assumptions that may or may not be representative of current or actual risks or events or forecasts of expected risks or events, including the costs associated therewith. Such expectations and assumptions are necessarily uncertain and may be prone to error or subject to misinterpretation given the long timelines involved and the lack of an established single approach to identifying, measuring and reporting on many ESG matters. Such disclosures may also be at least partially reliant on third-party information that we have not independently verified or cannot be independently verified. In addition, we expect there will likely be increasing levels of regulation, disclosure-related and otherwise, with respect to ESG matters, and increased regulation will likely lead to increased compliance costs as well as scrutiny that could heighten all of the risks identified in this risk factor.

Such ESG matters may also impact our suppliers or customers, which may adversely impact our business, financial condition, or results of operations.

Item 1B. Unresolved Staff Comments.

Not applicable.

Item 1C. Cybersecurity

Cybersecurity Risk Management and Strategy

Kaltura has developed and implemented a cybersecurity risk management program, intended to protect the confidentiality, integrity, and availability of our critical systems and information.

We aim to be proactive in our approach to cybersecurity, with our practices informed by the National Institute of Standards and Technology Cybersecurity Framework (NIST CSF). This approach aids us in identifying and managing cyber risks in a manner that aligns with our business operations. While the NIST CSF serves as a guiding framework to help us identify, assess, and manage cybersecurity risks, this does not imply we adopt a blanket adherence to its standards and requirements in all respects. Our cybersecurity risk management program is further informed by the industry-recognized certifications we have obtained through comprehensive third-party evaluations, including ISO/IEC 27001:2022, ISO 27701, ISO 27799, ISO 22301, SOC 2 Type 2, and SOC 3.

Our cybersecurity risk management program is integrated into the broader scope of Kaltura's enterprise risk management framework, including processes for managing risks, from legal and compliance to strategic, operational, and financial threats, through shared methodologies, reporting channels, and governance processes.

Key elements of our cybersecurity risk management program encompass:

- a. Risk Assessments: A risk assessment process to identify and evaluate material cybersecurity threats to our systems, data, products, services, and overall IT environment.
- b. Security Team Expertise: Our security team, led by our Chief Information Security Officer (CISO), who oversees our cybersecurity risk assessments, the implementation of security controls, and the coordination of our incident response efforts.
- c. External Collaboration: We engage with external service providers, where appropriate, for assessing and testing our security processes and controls.
- d. Cybersecurity Awareness Training: Security awareness and training programs for our employees.
- e. Incident Response Preparedness: Our incident response plan outlines our approach to addressing and responding to cybersecurity incidents and to findings, vulnerabilities and incidents that could lead to or allegedly be suspected as cybersecurity incidents.
- f. Third-Party Risk Management: A process for evaluating and managing the risks associated with our service providers, suppliers, and vendors who access our critical systems and data.

We have not identified risks from known cybersecurity threats, including as a result of any prior cybersecurity incidents, that have materially affected us or are reasonably likely to materially affect us.

We face risks from cybersecurity threats that, if realized, are reasonably likely to materially affect us, including our operations, business strategy, results of operations, or financial condition.

See “Risk Factors – Risks Related to Information Technology, Intellectual Property and Data Privacy and Security” - “A real or perceived bug, defect, security vulnerability, error, or other performance failure involving our platform, products or solutions could cause us to lose revenue, damage our reputation, and expose us to liability.” and “If we or our third-party service providers experience a security breach, data loss or other compromise, including if unauthorized parties obtain access to our customers’ data, our reputation may be harmed, demand for our platform, products and solutions may be reduced, and we may incur significant liabilities.”

Cybersecurity Governance

Cybersecurity risk is a critical aspect of our Board of Directors' risk oversight function. The Board has entrusted the Audit Committee with the oversight of cybersecurity and other IT-related risks. This committee monitors the execution of our cybersecurity risk management program.

Regular briefings are provided to the Audit Committee by management, regarding the cybersecurity risk landscape and any significant cybersecurity incidents. These updates are then relayed to the full Board as deemed necessary by the Audit Committee. Our management team also receives regular internal briefings.

Board members are regularly educated on cybersecurity issues through presentations from our Chief Information Security Officer (CISO) and internal security team. External experts may also be consulted to provide additional insights or reports when necessary.

Our management team, including the CISO, Data Privacy Officer (DPO), CCO (Chief Customer Officer) and Chief Product Officer (CPO), is responsible for the assessment and mitigation of cybersecurity threats and overseeing both our internal security personnel and external cybersecurity consultants. Our management team's cumulative experience includes decades working in cybersecurity and information security, including in the government and public and private companies, and overseeing risk management generally. Among other things, our CISO is a graduate of the Technion's Information Security Program as a Technion Certified CISO and brings vast experience as former Security Specialist in the U.S. Department of State, Senior Lead Information Security Architect at one of the Israeli leading banks, and Head of Cyber Architecture, Engineering and Research Group at one of the leading Israeli Aerospace and Defense companies. The team reporting to our CISO further includes experienced specialists in the area of Cyber Forensics and Counterterrorism and Network Security Engineers holding B.S. Computer Science Degrees and other relevant certifications.

Our management team takes steps to stay informed about and monitor efforts to prevent, detect, mitigate, and remediate cybersecurity risks and incidents through various means, which may include: briefings from internal security personnel; threat intelligence and other information obtained from governmental, public or private sources, including external consultants engaged by us; and alerts and reports produced by security tools deployed in our IT environment.

Item 2. Properties.

Our headquarters are located in New York, NY, where we lease approximately 13,815 square feet of office space. The lease expires in July 2027. We also lease approximately 5,926 square meters (approximately 63,784 square feet) of office space in Bnei-Brak, Israel, where our primary research and development, human resources, and certain other finance and administrative activities, among others, are based. The lease for our Israeli center expires in November 2027 with two extension options of five years each. We also subscribe for co-working office spaces in Singapore and London.

We lease all of our current facilities and do not own real estate property. We believe that our current facilities are adequate to meet our current needs for the immediate future.

Item 3. Legal Proceedings.

From time to time, we are involved in various legal proceedings arising from the normal course of business activities. We are not presently a party to any litigation the outcome of which, we believe, if determined adversely to us, would individually or taken together have a material adverse effect on our business, operating results, cash flows or financial condition. Defending such proceedings is costly and can impose a significant burden on management and employees.

We may receive unfavorable preliminary or interim rulings in the course of litigation, and there can be no assurances that favorable final outcomes will be obtained.

Item 4. Mine Safety Disclosures.

Not applicable.

PART II

Item 5. Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.

Market Information

On July 21, 2021, our common stock began trading on the Nasdaq Global Select Market under the symbol “KLTR.” Prior to that time, there was no public market for our common stock.

Holder

As of February 13, 2025, there were 1,385 holders of record of our common stock. The number of record holders does not include persons who hold shares of our common stock in nominee or “street name” accounts through brokers.

Dividend Policy

We have never declared or paid any cash dividends on our common stock and do not anticipate paying any cash dividends on our common stock in the foreseeable future. We anticipate that we will retain all of our available funds and any future earnings for use in the operation and expansion of our business and to make payments on our outstanding debt. Any future determination as to the payment of cash dividends will be at the discretion of our board of directors and will depend on, among other things, our business prospects, financial condition, results of operations, current and anticipated cash needs and availability, industry trends and other factors that our board of directors may consider to be relevant. Furthermore, because we are a holding company, our ability to pay dividends on our common stock will depend on our receipt of cash distributions and dividends from our direct and indirect wholly owned subsidiaries. In addition, our ability to pay cash dividends is currently restricted by the terms of the agreement governing our Credit Facilities.

Recent Sales of Unregistered Securities; Purchases of Equity Securities by the Issuer or Affiliated Purchaser

The following table presents information with respect to the Company’s purchases of its common stock during the three months ended December 31, 2024:

Period	Total Number of Shares Purchased (1)	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (in Thousands)
October 1, 2024 to October 31, 2024	388,596	\$ 1.34	388,596	\$ 2,299
November 1, 2024 to November 30, 2024	86,544	\$ 1.74	86,544	\$ 2,157
December 1, 2024 to December 31, 2024	4,500	\$ 2.00	4,500	\$ 2,148
Total	479,640		479,640	

(1) On June 11, 2024, the Company’s board of directors authorized a stock repurchase program of the Company’s outstanding common stock for up to \$5 million of the Company’s common stock (the “Repurchase Program”). Under the Repurchase Program, the Company may make repurchases, from time to time, through open market purchases, block trades, in privately negotiated transactions, accelerated stock repurchase transactions, or by other means.

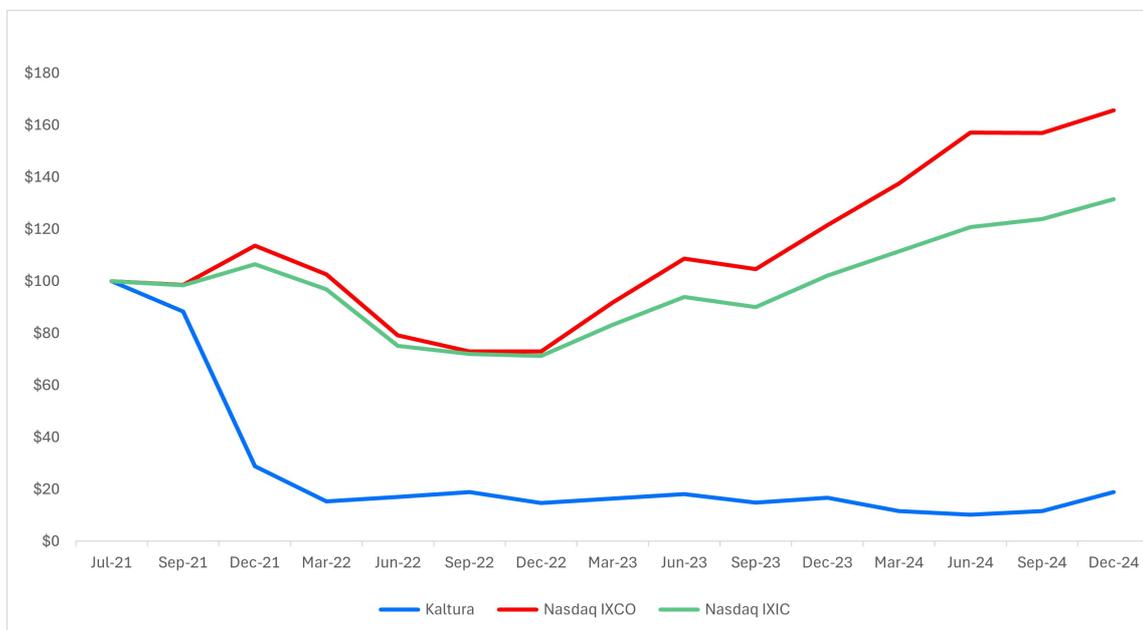
The Company may also, from time to time, enter into Rule 10b5-1 plans to facilitate repurchases under this authorization. The volume, timing, and manner of any repurchases will be determined at the Company’s discretion, subject to general market conditions, as well as the Company’s management of capital, general business conditions, other investment opportunities, regulatory requirements and other factors.

The Repurchase Program does not obligate the Company to repurchase any specific amount of common stock, has no time limit, and may be modified, suspended, or discontinued at any time without notice at the discretion of the Board of Directors.

Performance Graph

The following graph and table illustrate the total return from July 21, 2021 through December 31, 2024 for (i) our common stock, (ii) the Nasdaq Composite Index, and (iii) the Nasdaq Computer & Data Processing Index. The graph and the table assume that \$100 was invested on July 21, 2021 in each of our common stock, the Nasdaq Composite Index, and the Nasdaq Computer & Data Processing Index, and that any dividends were reinvested.

The graph uses the closing market price on July 21, 2021 of \$12.00 per share as the initial value of our common stock. The stock price performance of the following graph is not necessarily indicative of future stock price performance. The comparisons reflected in the graph and table are not intended to forecast the future performance of our stock and may not be indicative of our future performance.



Use of Proceeds

On July 23, 2021, we completed our IPO, in which we issued and sold 15,000,000 shares of our common stock at a price to the public of \$10.00 per share. On August 6, 2021, we issued and sold an additional 2,250,000 shares of our common stock at a price of \$10.00 per share in connection with the underwriters' exercise in full of their option to purchase additional shares of our common stock. All shares sold were registered pursuant to a registration statement on Form S-1 (File No. 333- 253699), as amended (the "Registration Statement"), declared effective by the SEC on July 20, 2021. We used \$22.5 million of our net proceeds from the IPO to repay the outstanding principal balance under our Revolving Credit Facility. Such payment was not made directly or indirectly to (i) any of our officers or directors or their associates, (ii) any persons owning 10% or more of any class of our equity securities or (iii) any of our affiliates. Other than the foregoing, there has been no material change in the expected use of the net proceeds from our IPO as described in the Prospectus.

Item 6. [Reserved]

Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations.

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our consolidated financial statements and related notes appearing elsewhere in this Annual Report on Form 10-K. This discussion contains forward-looking statements based upon current plans, expectations and beliefs involving risks and uncertainties. Our actual results may differ materially from those anticipated in these forward-looking statements as a result of various factors, including those set forth in Part I, Item 1A, “Risk Factors” and other factors set forth in other parts of this Annual Report on Form 10-K.

This section of our Annual Report on Form 10-K discusses our financial condition and results of operations for the fiscal years ended December 31, 2024 and 2023, and year-to-year comparisons between fiscal 2024 and fiscal 2023. A discussion of our financial condition and results of operations for the fiscal year ended December 31, 2022 and year-to-year comparisons between fiscal 2023 and fiscal 2022 can be found in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in Part II, Item 7 of our Annual Report on Form 10-K for the fiscal year ended December 31, 2023, filed on February 22, 2024

Overview

We are Kaltura, Inc. (“Kaltura,” “we,” “us,” or “our”), a market-leading provider of live, real-time, and on-demand video offerings for enterprises, with a mission to “create and power AI-infused hyper-personalized video experiences for organizations, that boost customer and employee engagement and success”.

Founded in 2006, we pioneered the concept of leveraging video as a core data type within organizational workflows. Today, our Video Experience Cloud includes our platforms for Enterprise Video Content Management System (including Real-Time Conferencing, Live Streaming and Lecture Capture) and TV Content Management System. These platforms power our AI-infused, video-first products: Video Portals, LMS & CMS Video Extensions, Virtual Events & Webinars, Virtual Classroom, and TV Streaming Applications.

As video usage continues to accelerate across communication, work, and learning environments, organizations are increasingly deploying sophisticated video solutions to further engage with their customers, partners, and employees. The introduction of generative AI (“Gen AI”) further amplifies this demand and is expected to have a substantial impact on our business by enabling the automatic production of hyper-personalized and contextually relevant video experiences in real time. We believe this powerful new tool will expand opportunities for increased video creation, consumption, and monetization, and drives a need for advanced video content management solutions.

We generate revenue primarily from the sale of Software-as-a-Service (“SaaS”) subscriptions, and we also derive revenue from platform usage license subscriptions and associated professional services. Our sales typically target medium to large enterprises, educational institutions, technology providers, and media and telecom companies. Our professional services revenue is generally driven by implementation and support services for new and existing customers.

We organize our business into two reporting segments: (i) Enterprise, Education, and Technology (“EE&T”); and (ii) Media and Telecom (“M&T”). Accordingly, our financial reporting distinguishes between revenue and gross profit from Subscription and Professional Services from customers who use our products and services to address Entertainment & Monetization use cases, reported in our M&T segment, and those that are attained from customers who are using us to address all other use cases, reported in our “EE&T segment”. These segments share a common underlying platform consisting of our API-based architecture, as well as unified product development, operations, and administrative resources.

- **Enterprise, Education and Technology (“EE&T”):** In the EE&T segment, subscription revenue is primarily generated on a per full-time equivalent or platform usage-license basis for all of our products, in addition to revenue derived from associated professional services. This segment encompasses customers utilizing Kaltura’s solutions across Customer Experience and Employee Experience and use cases - including Marketing, Sales & Customer Success; Teaching, Learning, Training & Certification; and Communication & Collaboration. Contracts in this segment typically range from 12 to 24 months, with billing generally executed on an annual basis.

- Media & Telecom (“M&T”):** The M&T segment includes revenue from our Entertainment & Monetization use cases, along with the associated professional services. For customers of our telecom TV Content Management System (TVCMS) and TV Streaming Applications, revenue is recognized primarily on a per end-subscriber basis, while media customers leveraging our Online Video Platform (OVP) are billed on a platform usage-license basis. Contracts in this segment generally extend for two to five years, with billing performed on either a quarterly or annual basis. Implementation of TV offerings typically requires six to 12 months, with upfront resource requirements generally higher than those for our other offerings. Consequently, there is an extended period from initial booking to go-live, accompanied by a higher proportion of professional services revenue relative to overall revenue. Additionally, a greater share of revenue in this segment is derived from customers licensing our offerings through private cloud and on-premise deployments, which has an impact on our gross margin.

Reflected below is a summary of reportable segment revenue and reportable segment gross profit for the years ended December 31, 2024, 2023 and 2022.

	For the Year Ended December 31,		
	2024	2023	2022
	(in thousands)		
Revenue			
Enterprise, Education & Technology	\$ 128,704	\$ 125,154	\$ 120,190
Media & Telecom	50,013	50,018	48,621
Total Revenue	\$ 178,717	\$ 175,172	\$ 168,811
Gross Profit			
Enterprise, Education & Technology	96,928	91,624	83,812
Media & Telecom	22,178	20,610	23,128
Total Gross Profit	\$ 119,106	\$ 112,234	\$ 106,940

We employ a “land and expand” strategy with the aim of having our customers increase their usage of our offerings and/or purchase additional offerings over time. For the years ended December 31, 2024 and 2023, our Net Dollar Retention Rate was 100% and 101%, respectively. We also grew our Annualized Recurring Revenue (as defined below), by 6% in the year ended December 31, 2024, compared to the year ended December 31, 2023, demonstrating our ability to land new customers with higher spending levels and increase revenue from our existing customers.

For any given year, a large majority of our revenue comes from existing customers, with whom we are in active dialogue and tend to have visibility into their expected usage of our offerings.

As part of our go-to-market strategy, we focus on direct sales to larger enterprise, education, and media & telecom customers while also investing in channel partnerships, and in 'inside sales' for smaller customers. We believe ongoing demand for secure, scalable, and deeply integrated video solutions—further amplified by the rise of Gen AI—positions us for future growth. Our strategy remains centered on broadening our product suite, expanding our customer base across industries, and increasing recurring revenue from existing clients.

Key Factors Affecting Our Performance

Expansion of our Platform

We believe our platform is ideally suited for expansion across solutions, industries, and use cases. For example, in 2020, we entered the real-time conferencing market with the introduction of our Virtual and Hybrid Events, Webinars, and Online Learning products, focusing on learning, training, events, and marketing. Since then, we expanded the capabilities of our Virtual & Hybrid Events product to support a broader range of event types and use cases, fitted them to also address low-touch and self-serve sales and introduced a set of Gen AI-powered capabilities designed to increase productivity in creating content and setting up events and to foster user engagement. We plan to continue enhancing our platform’s capabilities—including by further integrating Gen AI features that enable automatic video creation, advanced personalization, and real-time analytics. Our robust API-first architecture supports deep integration into multiple workflows, which we believe is critical for driving adoption and delivering enhanced value for our customers.

Acquiring New Customers

We remain focused on acquiring customers across our key verticals (technology, education, regulated industries, professional and commercial services, and media & telecom). Our approach includes direct enterprise sales for larger customers, as well as channel partnerships and more self-serve or inside sales-led motions to capture small and medium enterprises (“SMEs”). We believe that increasing brand awareness and continued product innovation will help us attract new customers across geographies and industries. We also continue to provide our self-serve offering that can be purchased completely online, which also serves as a demand generation engine for our low-touch and enterprise offerings. We believe this will enable us to efficiently acquire smaller customers across all industries over time – expanding beyond enterprises into SMEs, beyond universities into K-12 schools, beyond tier 1 media and telecom companies to tier 2 and 3 media and telecom companies, and beyond providing Media Services to large technology companies to also addressing smaller technology firms and startups.

Increasing Revenue from Existing Customers

Many of our customers run multiple Kaltura products for various use cases, ranging from employee training and collaboration to external marketing and virtual events. By cross-selling and upselling additional solutions—such as our newly introduced Gen AI-powered capabilities and expanded application suites—we aim to drive higher usage and expand overall revenue. Sustained customer adoption and usage growth are also supported by strong integration, ongoing support, and a commitment to evolving security and compliance requirements. We are focused on increasing sales within our existing customer base through increased usage of our platform and the cross-selling of additional products and solutions. For the year ended December 31, 2024, our Net Dollar Retention Rate was 100%. In order for us to increase revenue within our customer base, we will need to maintain engineering-level customer support and continue to introduce new products and features as well as innovative new use cases that are tailored to our customers' needs.

Continued Investment in Growth

Although we have invested significantly in our business to date, we believe that we still have a significant market opportunity ahead of us. We intend to continue to make investments to support the growth and expansion of our business and to increase revenue. We believe there is a significant opportunity to continue our growth. We expect that our cost of revenue and operating expenses will fluctuate.

Key Financial and Operating Metrics

We measure our business using both financial and operating metrics. We use these metrics to assess the progress of our business, make decisions on where to allocate capital, time, and technology investments, and assess the near-term and long-term performance of our business. The key financial and operating metrics we use are:

	For the Year Ended December 31,		
	2024	2023	2022
	(in thousands, except percentages)		
Annualized Recurring Revenue	\$ 173,900	\$ 164,723	\$ 159,238
Net Dollar Retention Rate	100 %	101% ^(a)	100 %
Remaining Performance Obligations	\$ 203,379	\$ 185,305	\$ 171,660

- (a) The Net Dollar Retention Rate for the year ended December 31, 2023 has been recast to reflect the update to our customer count methodology, as discussed further below, which has resulted in an adjustment of 1 percentage point to the reported Net Dollar Retention Rate for such period. The Net Dollar Retention Rate for the year ended December 31, 2022 was not impacted by this update.

Annualized Recurring Revenue

We use Annualized Recurring Revenue (“ARR”) as a measure of our revenue trend and an indicator of our future revenue opportunity from existing recurring customer contracts. We calculate ARR by annualizing our recurring revenue for the most recently completed fiscal quarter. Recurring revenues are generated from SaaS and PaaS subscriptions, as well as term licenses for software installed on the customer’s premises (“On-Prem”). For the SaaS and PaaS components, we calculate ARR by annualizing the actual recurring revenue recognized for the latest fiscal quarter. For the On-Prem components for which revenue recognition is not ratable across the license term, we calculate ARR for each contract by dividing the total contract value (excluding professional services) as of the last day of the specified period by the number of days in the contract term and then multiplying by 365. Recurring revenue excludes revenue from one-time professional services and setup fees. ARR is not adjusted for the impact of any known or projected future customer cancellations, upgrades or downgrades, or price increases or decreases.

The amount of actual revenue that we recognize over any 12-month period is likely to differ from ARR at the beginning of that period, sometimes significantly. This may occur due to new bookings, cancellations, upgrades or downgrades, pending renewals, professional services revenue, foreign exchange rate fluctuations and acquisitions or divestitures. ARR should be viewed independently of revenue as it is an operating metric and is not intended to be a replacement or forecast of revenue. Our calculation of ARR may differ from similarly titled metrics presented by other companies.

Net Dollar Retention Rate

Our Net Dollar Retention Rate, which we use to measure our success in retaining and growing recurring revenue from our existing customers, compares our recognized recurring revenue from a set of customers across comparable periods. We calculate our Net Dollar Retention Rate for a given period as the recognized recurring revenue from the latest reported fiscal quarter from the set of customers whose revenue existed in the reported fiscal quarter from the prior year (the numerator), divided by recognized recurring revenue from such customers for the same fiscal quarter in the prior year (denominator). For annual periods, we report Net Dollar Retention Rate as the arithmetic average of the Net Dollar Retention Rate for all fiscal quarters included in the period.

As previously disclosed, in 2024 we updated our customer count methodology, which is used to calculate our Net Dollar Retention Rate, to treat subdivisions of the same legal entity (for example, divisions of a parent company or separate campuses that are part of the same state university system), as well as Value-add Resellers (“VARs”) (meaning resellers that directly manage the relationship with the customer) and the customers they manage, to be a single customer. Our calculation of Net Dollar Retention Rate for any fiscal period includes the positive recognized recurring revenue impacts of selling new services to existing customers and the negative recognized recurring revenue impacts of contraction and attrition among this set of customers. Our Net Dollar Retention Rate may fluctuate as a result of a number of factors, including the growing level of our revenue base, the level of penetration within our customer base, expansion of products and features, and our ability to retain our customers. Our calculation of Net Dollar Retention Rate may differ from similarly titled metrics presented by other companies

Remaining Performance Obligations

Remaining Performance Obligations represents the amount of contracted future revenue that has not yet been delivered, including both subscription and professional services revenues. Remaining Performance Obligations consists of both deferred revenue and contracted non-cancelable amounts that will be invoiced and recognized in future periods. As of December 31, 2024, our Remaining Performance Obligations was \$203.4 million, which consists of both billed consideration in the amount of \$63.2 million and unbilled consideration in the amount of \$140.2 million that we expect to invoice and recognize in future periods. We expect to recognize 58% of our Remaining Performance Obligations as revenue over the next 12 months and the remainder over the next four years.

Non-GAAP Financial Measures

In addition to our results determined in accordance with GAAP, we believe that EBITDA and Adjusted EBITDA, non-GAAP financial measures, are useful in evaluating the performance of our business.

We define EBITDA as net profit (loss) before interest expense, net, provision for income taxes and depreciation and amortization expenses. Adjusted EBITDA is defined as EBITDA (as defined above), adjusted for the impact of certain non-cash and other items that we believe are not indicative of our core operating performance, such as non-cash stock-based compensation expenses, facility exit and transition costs, restructuring charges, other non-recurring operating expenses and costs related to conflicts in Israel.

EBITDA and Adjusted EBITDA are supplemental measures of our performance, are not defined by or presented in accordance with GAAP, and should not be considered in isolation or as an alternative to net profit (loss) or any other performance measure prepared in accordance with GAAP. EBITDA and Adjusted EBITDA are presented because we believe that they provide useful supplemental information to investors and analysts regarding our operating performance and are frequently used by these parties in evaluating companies in our industry. By presenting EBITDA and Adjusted EBITDA, we provide a basis for comparison of our business operations between periods by excluding items that we do not believe are indicative of our core operating performance. We believe that investors' understanding of our performance is enhanced by including these non-GAAP financial measures as a reasonable basis for comparing our ongoing results of operations. Additionally, our management uses Adjusted EBITDA as a supplemental measure of our performance because it assists us in comparing the operating performance of our business on a consistent basis between periods, as described above.

Although we use EBITDA and Adjusted EBITDA, as described above, EBITDA and Adjusted EBITDA, have significant limitations as analytical tools. Some of these limitations include:

- such measures do not reflect our cash expenditures, or future requirements for capital expenditures or contractual commitments;
- such measures do not reflect changes in, or cash requirements for, our working capital needs;
- such measures do not reflect the interest expense, or the cash requirements necessary to service interest or principal payments on our debt;
- such measures do not reflect our tax expense or the cash requirements to pay our taxes;
- although depreciation and amortization expense and non-cash stock-based compensation expense are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future and such measures do not reflect any cash requirements for such replacements; and
- other companies in our industry may calculate such measures differently than we do, thereby further limiting their usefulness as comparative measures.

Due to these limitations, EBITDA and Adjusted EBITDA should not be considered as measures of discretionary cash available to us to invest in the growth of our business. We compensate for these limitations by relying primarily on our GAAP results and using these non-GAAP measures only supplementally. Adjusted EBITDA includes an adjustment for non-cash stock-based compensation expenses. It is reasonable to expect that this item will occur in future periods. However, we believe this adjustment is appropriate because the amount recognized can vary significantly from period to period, does not directly relate to the ongoing operations of our business, and complicates comparisons of our internal operating results between periods and with the operating results of other companies over time. Each of the normal recurring adjustments and other adjustments described above help to provide management with a measure of our core operating performance over time by removing items that are not related to day-to-day operations. Nevertheless, because of the limitations described above, management does not view EBITDA, or Adjusted EBITDA in isolation and also uses other measures, such as revenue, operating loss, and net loss, to measure operating performance.

The following table reconciles EBITDA and Adjusted EBITDA to the most directly comparable GAAP financial performance measure, which is net loss:

	Year Ended December 31,		
	2024	2023	2022
	(in thousands)		
Net loss	\$ (31,315)	\$ (46,366)	\$ (68,495)
Financial expenses (income), net ^(a)	(434)	(1,200)	4,248
Provision for income taxes	7,650	8,911	7,868
Depreciation and amortization	5,064	4,717	2,707
EBITDA	(19,035)	(33,938)	(53,672)
Non-cash stock-based compensation expense	26,264	29,980	23,645
Facility exit and transition costs ^(b)	—	154	524
Restructuring ^(c)	—	973	1,238
War related costs ^(d)	44	331	—
Adjusted EBITDA	\$ 7,273	\$ (2,500)	\$ (28,265)

- (a) The year ended December 31, 2024, 2023 and 2022 includes \$2.7 million, \$3.2 million and \$2.3 million, respectively, of interest expenses, and \$3.4 million, \$2.7 million and \$1.0 million, respectively, of interest income.
- (b) Facility exit and transition costs for the years ended December 31, 2023 and December 31, 2022 include losses from sale of fixed assets and other costs associated with moving to our temporary office in Israel.
- (c) The year ended December 31, 2023, includes employee termination benefits incurred in connection with the 2023 Reorganization Plan and the year ended December 31, 2022 includes employee termination benefits incurred in connection with the 2022 Restructuring Plan.
- (d) The years ended December 31, 2024 and 2023 include costs related to conflicts in Israel. These costs are attributable to the temporary relocation of key employees from Israel for business continuity purposes, the purchase of emergency equipment for key employees, charitable donations to communities directly impacted by the war, and office fixes and modifications.

Components of Results of Operations

Revenue

Subscription

Our revenues are mainly comprised of revenue from SaaS and PaaS subscriptions. SaaS and PaaS subscriptions provide access to our Video Experience Cloud which powers all types of video experiences: live, real-time, and on-demand video. We provide access to our platform either as a cloud-based service, which represent most of our SaaS and PaaS subscriptions, or, less commonly, as a term license to software installed on the customer's premises. Revenue from SaaS and PaaS subscriptions is recognized ratably over the time of the subscription, beginning from the date on which the customer is granted access to our Video Experience Cloud. Revenue from the sale of a term license is recognized at a point in time in which the license is delivered to the customer. Revenue from post-contract services ("PCS") included in On-Prem deals is recognized ratably over the period of the PCS.

Professional Services

Our revenue also includes professional services, which consist of consulting, integration and customization services, technical solution services and training related to our video experience. In some of our arrangements, professional services are accounted for as a separate performance obligation, and revenue is recognized upon rendering of the service.

In some of our SaaS and PaaS subscriptions, we determined that the professional services are solely set up activities that do not transfer goods or services to the customer and therefore are not accounted for as a separate performance obligation and are recognized ratably over the time of the subscription.

Cost of Revenue

Cost of subscription revenue consists primarily of employee-related costs including payroll, benefits and stock-based compensation expense for operations and customer support teams, costs of cloud hosting providers and other third-party service providers, amortization of capitalized software development costs and acquired technology and allocated overhead costs.

Cost of professional services consists primarily of personnel costs of our professional services organization, including payroll, benefits, and stock-based compensation expense, allocated overhead costs and other third-party service providers.

The costs associated with providing professional services are significantly higher as a percentage of related revenue than the costs associated with delivering our subscriptions due to the labor costs of providing professional services. As such, the implementation and professional services costs relating to an arrangement with a new customer are more significant than the costs to renew an existing customer's license and support arrangement.

Cost of revenue decreased in absolute dollars from the year ended December 31, 2023 to the year ended December 31, 2024. For the years ended December 31, 2024 and 2023, our cost of revenue was \$59,611 and \$62,938, respectively.

Gross Margins

Gross margin has improved year-over-year since 2020, and while it has and will continue to vacillate between quarters, we expect it to continue the growth trend in the coming years. Gross margins have been, and will continue to be, affected by a variety of factors, including the average sales price of our products and services, volume growth, the mix of revenue between software licenses, maintenance and support, professional services, onboarding of new media and telecom customers, hosting of major virtual events, and changes in cloud infrastructure and personnel costs. In particular, the gross margins in the M&T segment are lower than in the EE&T segment because of resources required for implementing solutions for TV experiences, which generally exceed those of other offerings. This results in a longer period for M&T from initial booking to go-live and a higher proportion of professional services revenue as a percentage of overall revenue. Additionally, a higher proportion of M&T revenue comes from customers who choose to license our offerings through private cloud and on-premise deployments, which also impacts our M&T gross margin. Going forward, we expect to see a gradual improvement in gross margins for both EE&T and M&T, driven by enhanced efficiencies in both production and professional services costs.

For the years ended December 31, 2024, 2023 and 2022, our gross margins were 67% (75% for subscription and (55)% for professional services), 64% (73% for subscription and (51)% for professional services) and 63% (74% for subscription and (33)% for professional services), respectively.

For our EE&T segment, gross margins for the years ended December 31, 2024, 2023 and 2022 were 75% (82% for subscription and (97)% for professional services), 73% (79% for subscription and (78)% for professional services) and 70% (78% for subscription and (63)% for professional services), respectively.

For our M&T segment, gross margins for the years ended December 31, 2024, 2023 and 2022 were 44% (55% for subscription and (25)% for professional services), 41% (55% for subscription and (35)% for professional services) and 48% (63% for subscription and (13)% for professional services), respectively.

Research and Development

Our research and development expenses consist primarily of costs incurred for personnel-related expenses for our technical staff, including salaries and other direct personnel-related costs. Additional expenses include consulting and professional fees for third-party development resources and software subscriptions. We expect our research and development expenses to gradually decrease as a percentage of revenue. Subsequent costs incurred for the development of future upgrades and enhancements, which are expected to result in additional functionality, may qualify for capitalization under internal-use software and therefore may cause research and development expenses to fluctuate.

Sales and Marketing Expenses

Our sales and marketing expenses consist primarily of personnel related costs for our sales and marketing functions, including salaries and other direct personnel-related costs, such as sales commissions.

Additional expenses include marketing program costs and amortization of acquired customer relationships intangible assets. We expect our sales and marketing expenses to be relatively stable as a percentage of revenue.

General and Administrative Expenses

Our general and administrative expenses consist primarily of personnel-related costs for our executive, finance, human resources, information technology, and legal functions, including salaries and other direct personnel-related costs. We expect our general and administrative expenses to gradually decrease as a percentage of revenue.

We allocate overhead costs such as rent, utilities, and supplies to all departments based on relative headcount to each operating expense category.

Financial Expenses (Income), Net

Financial expenses (income), net consists of interest expense accrued or paid on our indebtedness, net of interest income earned on our cash balances and marketable securities. Financial expenses (income), net also includes foreign exchange gains and losses and bank fees.

We expect interest expenses to vary each reporting period depending on the amount of outstanding indebtedness and prevailing interest rates.

We expect interest income will vary in each reporting period depending on our average cash and marketable securities balances during the period and applicable interest rates.

Provision for Income Taxes

We are subject to taxes in the United States as well as other tax jurisdictions or countries in which we conduct business. Earnings from our non-U.S. activities are subject to local country income tax and may be subject to current U.S. income tax. Due to cumulative losses, we maintain a valuation allowance against our deferred tax assets. We consider all available evidence, both positive and negative, in assessing the extent to which a valuation allowance should be applied against our deferred tax assets. Realization of our U.S. deferred tax assets depends upon future earnings, the timing and amount of which are uncertain. Our effective tax rate is affected by tax rates in foreign jurisdictions and the relative amounts of income we earn in those jurisdictions, as well as non-deductible expenses, such as share-based compensation, and changes in our valuation allowance.

Results of Operations

The following table summarizes key components of our results of operations for the periods presented. The period-to-period comparisons of our historical results are not necessarily indicative of the results that may be expected in the future.

	Year Ended December 31,		Period-over-Period Change	
	2024	2023	Dollar	Percentage
Revenue:	(in thousands, except percentages)			
Enterprise, Education & Technology	\$ 128,704	\$ 125,154	\$ 3,550	3 %
Media & Telecom	\$ 50,013	\$ 50,018	\$ (5)	0 %
Total revenue	178,717	175,172	3,545	2 %
Cost of revenue	59,611	62,938	(3,327)	(5)%
Total gross profit	119,106	112,234	6,872	6 %
Operating expenses:				
Research and development expenses	49,430	52,400	(2,970)	(6)%
Sales and marketing expenses	47,766	48,798	(1,032)	(2)%
General and administrative expenses	46,009	48,718	(2,709)	(6)%
Restructuring	—	973	(973)	(100)%
Total operating expenses	143,205	150,889	(7,684)	(5)%
Loss from operations	24,099	38,655	(14,556)	(38)%
Financial Income, net	(434)	(1,200)	766	(64)%
Loss before provision for income taxes	23,665	37,455	(13,790)	(37)%
Provision for income taxes	7,650	8,911	(1,261)	(14)%
Net loss	\$ 31,315	\$ 46,366	\$ (15,051)	(32)%

Comparison of the Years Ended December 31, 2024 and 2023

Segments

We currently manage and report operating results through two reportable segments.

- **Enterprise, Education & Technology** (72% and 71% of revenue for the year ended December 31, 2024 and 2023, respectively): Our EE&T segment represents revenues from all of our products, industry solutions for education customers, and Media Services (except for M&T customers), as well as associated professional services for those offerings.
- **Media & Telecom** (28% and 29% of revenue for the year ended December 31, 2024 and 2023, respectively): Our M&T segment primarily represents revenues from our TV Solution and Media Services sold to media and telecom customers.

Enterprise, Education & Technology

The following table presents our EE&T segment revenue and gross profit (loss) for the years indicated:

	Year Ended December 31,		Period-over-Period Change	
	2024	2023	Dollar	Percentage
(in thousands, except percentages)				
Enterprise, Education & Technology revenue:				
Subscription	\$ 124,215	\$ 120,600	\$ 3,615	3 %
Professional services	4,489	4,554	(65)	(1)%
Total Enterprise, Education & Technology revenue	\$ 128,704	\$ 125,154	\$ 3,550	3 %
Total Enterprise, Education & Technology gross profit (loss):				
Subscription	\$ 101,284	\$ 95,168	\$ 6,116	6 %
Professional services	(4,356)	(3,544)	(812)	23 %
Total Enterprise, Education & Technology gross profit	\$ 96,928	\$ 91,624	\$ 5,304	6 %

Enterprise, Education & Technology Revenue

Total EE&T revenue increased by \$3.6 million, or 3%, to \$128.7 million for the year ended December 31, 2024, from \$125.2 million for the year ended December 31, 2023. The increase is mainly attributable to a \$2.1 million increase in revenue from new customers, and a \$1.5 million increase from existing customers.

EE&T subscription revenue increased by \$3.6 million, or 3%, to \$124.2 million for the year ended December 31, 2024, from \$120.6 million for the year ended December 31, 2023.

EE&T professional services revenue decreased by \$0.1 million, or 1%, to \$4.5 million for the year ended December 31, 2024, from \$4.6 million for the year ended December 31, 2023.

Enterprise, Education & Technology Gross Profit

EE&T gross profit increased by \$5.3 million, or 6%, to \$96.9 million for the year ended December 31, 2024, from \$91.6 million for the year ended December 31, 2023. This increase was mainly due to a \$3.6 million increase in revenue, and reduction in production costs, which is a result of improved efficiency.

EE&T subscription gross profit increased by \$6.1 million, or 6%, to \$101.3 million for the year ended December 31, 2024, from \$95.2 million for the year ended December 31, 2023.

EE&T professional services gross loss increased by \$0.8 million, or 23%, to \$4.4 million for the year ended December 31, 2024, from a gross loss of \$3.5 million for the year ended December 31, 2023.

Media & Telecom

The following table presents our M&T segment revenue and gross profit for the periods indicated:

	Year Ended December 31,		Period-over-Period Change	
	2024	2023	Dollar	Percentage
(in thousands, except percentages)				
Media & Telecom revenue:				
Subscription	\$ 43,466	\$ 42,150	\$ 1,316	3 %
Professional services	6,547	7,868	(1,321)	(17)%
Total Media & Telecom revenue	\$ 50,013	\$ 50,018	\$ (5)	0 %
Media & Telecom gross profit (loss):				
Subscription	\$ 23,845	\$ 23,358	\$ 487	2 %
Professional services	(1,667)	(2,748)	1,081	(39)%
Total Media & Telecom gross profit	\$ 22,178	\$ 20,610	\$ 1,568	8 %

Media & Telecom Revenue

M&T revenue remained unchanged, totaling \$50.0 million for both the year ended December 31, 2024 and the year ended December 31, 2023.

M&T subscription revenue increased by \$1.3 million, or 3%, to \$43.5 million for the year ended December 31, 2024, from \$42.2 million for the year ended December 31, 2023 the increase is mainly attributable to \$1.3 million increase in revenue from existing customers.

M&T professional services revenue decreased by \$1.3 million, or 17%, to \$6.5 million for the year ended December 31, 2024, from \$7.9 million for the year ended December 31, 2023. The decrease is mainly attributable to the completion of setup for certain customers in the year ended December 31, 2023, for which professional services revenue was recognized at that time.

Media & Telecom Gross Profit

M&T gross profit increased by \$1.6 million, or 8%, to \$22.2 million for the year ended December 31, 2024, from \$20.6 million for the year ended December 31, 2023. The increase is primarily driven by reduced compensation costs resulting from improved efficiency in production and operations, as well as an increase in subscription revenue, which typically carries higher gross margins.

M&T subscription gross profit increased by \$0.5 million, or 2%, to \$23.8 million for the year ended December 31, 2024, from \$23.4 million for the year ended December 31, 2023.

M&T professional services gross loss decreased by \$1.1 million, or 39%, to a gross loss of \$1.7 million for the year ended December 31, 2024, from a gross loss of \$2.7 million for the year ended December 31, 2023.

Operating Expenses

Research and Development Expenses

	Year Ended December 31,		Period-over-Period Change	
	2024	2023	Dollar	Percentage
	(in thousands, except percentages)			
Employee compensation	\$ 34,413	\$ 36,748	\$ (2,335)	(6)%
Subcontractors and consultants	7,043	6,633	410	6 %
IT related	4,847	5,806	(959)	(17)%
Other	3,127	3,213	(86)	(3)%
Total research and development expenses	\$ 49,430	\$ 52,400	\$ (2,970)	(6)%

Research and development expenses decreased by \$3.0 million, or 6%, to \$49.4 million for the year ended December 31, 2024, from \$52.4 million for the year ended December 31, 2023. The decrease was primarily due to a \$2.3 million decrease in compensation expenses which mainly related to lower headcount, and a \$1.0 million decrease in IT related expenses, partially offset by a \$0.4 million increase in subcontractors and consultants expenses mainly as a result of outsourcing part of the efforts related to specific projects.

Sales and Marketing Expenses

	Year Ended December 31,		Period-over-Period Change	
	2024	2023	Dollar	Percentage
	(in thousands, except percentages)			
Employee compensation & commission	\$ 39,182	\$ 39,154	\$ 28	0 %
Marketing expenses	3,366	3,951	(585)	(15)%
Travel and entertainment	1,123	1,480	(357)	(24)%
Other	4,095	4,213	(118)	(3)%
Total sales and marketing expenses	\$ 47,766	\$ 48,798	\$ (1,032)	(2)%

Sales and marketing expenses decreased by \$1.0 million, or 2%, to \$47.8 million for the year ended December 31, 2024, from \$48.8 million for the year ended December 31, 2023. The decrease was primarily due to a \$0.6 million decrease in other marketing expenses mainly due to improved efficiency in managing the marketing budget and a \$0.4 million decrease in travel expenses.

General and Administrative Expenses

	Year Ended December 31,		Period-over-Period Change	
	2024	2023	Dollar	Percentage
	(in thousands, except percentages)			
Employee compensation	\$ 32,284	\$ 35,871	\$ (3,587)	(10)%
Professional fees and insurance	4,329	4,510	(181)	(4)%
IT related	2,381	2,278	103	5 %
Human resources related	1,328	1,913	(585)	(31)%
Subcontractors and consultants	1,413	1,074	339	32 %
Travel and entertainment	751	741	10	1 %
Unused cloud hosting commitment expense	1,312	—	1,312	NM
Other	2,211	2,331	(120)	(5)%
Total general and administrative expenses	\$ 46,009	\$ 48,718	\$ (2,709)	(6)%

General and administrative expenses decreased by \$2.7 million or 6% , to \$46.0 million for the year ended December 31, 2024, from \$48.7 million for the year ended December 31, 2023. The decrease was primarily due to a \$3.6 million decrease in compensation expense mainly resulting from the departure of several senior executives whose market-based equity awards were canceled. The cancellation of these equity awards led to a reversal and reduction in stock-based compensation expenses. This decrease was partially offset by the cancellation of the CEO's market-based equity awards, which resulted in an acceleration of expenses, and \$1.3 million of unused one-time expense associated with terminating commitments with a cloud hosting service provider.

Restructuring

There were no restructuring expenses during the year ended December 31, 2024.

Financial Expenses (Income), net

Financial income, net decreased by \$0.8 million, or 64%, to \$0.4 million, for the year ended December 31, 2024, from \$1.2 million for the year ended December 31, 2023. The change was mainly related to lower income attributed to foreign currency translation adjustments, net, partially offset by higher interest income on our marketable securities and money market funds and lower interest expenses on our Credit Facilities (see below).

Provision for Income Taxes

Provision for income taxes decreased by \$1.3 million, or 14%, to \$7.7 million for the year ended December 31, 2024, from \$8.9 million for the year ended December 31, 2023, primarily due to a decreased tax liability related to income generated by our subsidiaries organized under the laws of Israel and the United Kingdom.

Liquidity and Capital Resources

Overview

Since our inception, we have financed our operations primarily through net cash provided by operating activities, equity issuances, and borrowings under our long-term debt arrangements. Our primary requirements for liquidity and capital are to finance working capital, capital expenditures and general corporate purposes. Our principal sources of liquidity are expected to be our cash on hand and borrowings available under our Revolving Credit Facility. As of December 31, 2024, we had no balance outstanding under the Revolving Credit Facility and the total revolving commitment of \$25.0 million is available for future borrowings.

We believe that our net cash provided by operating activities, cash on hand, and availability under our Revolving Credit Facility will be adequate to meet our operating, investing, and financing needs for at least the next 12 months.

Our future capital requirements will depend on many factors, including our revenue growth, the timing and extent of investments to support such growth, the expansion of sales and marketing activities, increases in general and administrative costs and many other factors as described under Part I, Item 1A. “Risk Factors” and “—Key Factors Affecting Our Performance.” In addition, our cash and cash equivalents are maintained at financial institutions in amounts that exceed federally insured limits.

In the event of failure of any of the financial institutions where we maintain our cash and cash equivalents, there can be no assurance that we will be able to access uninsured funds in a timely manner or at all.

If necessary, we may borrow funds under our Revolving Credit Facility to finance our liquidity requirements, subject to customary borrowing conditions. To the extent additional funds are necessary to meet our long-term liquidity needs as we continue to execute our business strategy, we anticipate that they will be obtained through the incurrence of additional indebtedness, additional equity financings or a combination of these potential sources of funds; however, such financing may not be available on favorable terms, or at all. In particular, the current global economic volatility, rising inflation and interest rates, price increases, decrease in our customers' spend or available budget, and the ongoing conflict between Russia and Ukraine, have resulted in, and may continue to result in, significant disruption of global financial markets, reducing our ability to access capital. Our ability to access capital may also be impacted by political, economic, and military conditions in Israel, including the current security situation or any escalation of conflicts with Israel, and in other regions in which we operate, or changes in the business environment in those regions. If we are unable to raise additional funds when desired, our business, financial condition and results of operations could be adversely affected.

Repurchase Program

On June 11, 2024, the Company's board of directors authorized a stock repurchase program of the Company's outstanding common stock for up to \$5.0 million of the Company's common stock (the “Repurchase Program”). Under the Repurchase Program, the Company may make repurchases, from time to time, through open market purchases, block trades, in privately negotiated transactions, accelerated stock repurchase transactions, or by other means. The Company may also, from time to time, enter into Rule 10b5-1 plans to facilitate repurchases under this authorization. The volume, timing, and manner of any repurchases will be determined at the Company's discretion, subject to general market conditions, as well as the Company's management of capital, general business conditions, other investment opportunities, regulatory requirements and other factors. The Repurchase Program does not obligate the Company to repurchase any specific amount of common stock, has no time limit, and may be modified, suspended, or discontinued at any time without notice at the discretion of the Board of Directors.

During the year ended December 31, 2024, the Company repurchased 2,238,569 shares of common stock at an weighted average price of \$1.27 per share (excluding broker and transaction fees of \$67,157). As of December 31, 2024, the Company had remaining authorization under the Repurchase Program to repurchase common stock up to an aggregate amount of \$2,148,055, subject to satisfying required conditions under the Companies Law and Companies Regulations.

Credit Facilities

In January 2021, we entered into a new credit agreement (as amended, the “Credit Agreement”) with one of our existing lenders, which provides for a new senior secured term loan facility in the aggregate principal amount of \$40.0 million (the “Term Loan Facility”) and a new senior secured revolving credit facility in the aggregate principal amount of \$10.0 million (the “Revolving Credit Facility” and, together with the Term Loan Facility, the “Credit Facilities”), which thereafter were extended and amended to align our business needs and other developments. In December 2023, we refinanced all amounts outstanding under the then-existing Credit Agreement, and entered into a new amendment to the credit agreement (the “Fifth Amendment”) with an existing lender, which provides for an additional term loan facility of \$3.5 million in addition to the existing \$31.5 million in term loans outstanding immediately prior to the Fifth Amendment. Commitments under the Revolving Credit Facility decreased to \$25.0 million.

In July 2024, we entered into an amendment to the Credit Agreement with an existing lender, in connection with our Repurchase Program, which updated the aggregate amount of permitted Restricted Payments (as defined in the Credit Agreement, which term includes, among others, the repurchase of the Company's outstanding common stock) and conditions for making such payments.

The amount available for borrowing under the Revolving Credit Facility is limited to a borrowing base, which is equal to the product of (a) 500% (which will automatically reduce to 350% on the date the Term Loan Facility is repaid in full), multiplied by (b) monthly Recurring Revenue for the most recently ended monthly period, multiplied by (c) the Retention Rate (in each case, as defined in the Credit Agreement).

The Revolving Credit Facility includes a sub-facility for letters of credit in the aggregate availability amount of \$10.0 million and a swingline sub-facility in the aggregate availability amount of \$5.0 million, each of which reduces borrowing availability under the Revolving Credit Facility.

Borrowings under the Credit Facilities bear interest, determined as follows: (a) SOFR loans accrue interest at a rate per annum equal to Term SOFR (as defined in the Credit Agreement) plus 0.10% per annum plus a margin of 2.50% (the Adjusted Term SOFR (as defined in the Credit Agreement) is subject to a 1.00% floor), and (b) ABR loans accrue interest at a rate per annum equal to the ABR plus a margin of 1.50% (ABR is equal to the highest of (i) the prime rate and (ii) the Federal Funds Effective Rate plus 0.50%, subject to a 2.00% floor). As of December 31, 2024, the current rate of interest under the Credit Facilities was equal to a rate per annum of 6.93%, consisting of 4.33% (the 3-month SOFR rate as of December 31, 2024), 0.10% credit spread adjustment and the margin of 2.50%.

We are required to prepay amounts outstanding under the Term Loan Facility with 100% of the net cash proceeds of any indebtedness incurred by us or any of our subsidiaries other than certain permitted indebtedness. In addition, we are required to prepay amounts outstanding under the Credit Facilities with the net cash proceeds of any Asset Sale or Recovery Event (each as defined in the Credit Agreement), subject to certain limited reinvestment rights.

Amounts outstanding under the Credit Facilities may be voluntarily prepaid at any time and from time to time, in whole or in part, without premium or penalty.

All voluntary prepayments (other than ABR loans borrowed under the Revolving Credit Facility) must be accompanied by accrued and unpaid interest on the principal amount being prepaid and customary “breakage” costs, if any, with respect to prepayments of SOFR loans.

The Term Loan Facility is payable in consecutive quarterly installments on the last day of each fiscal quarter in an amount equal to (i) \$0.4 million for installments payable on December 31, 2023 (deferred to January 9, 2024), through September 30, 2024 (ii) \$0.7 million for installments payable on December 31, 2024 (\$0.2 million of the amount deferred to January 2025), through September 30, 2025, (iii) \$1.3 million for installments payable on and after December 31, 2025. The remaining unpaid balance on the Term Loan Facility is due and payable on December 21, 2026, together with accrued and unpaid interest on the principal amount to be paid to, but excluding, the payment date.

Our obligations under the Credit Facilities are currently guaranteed by Kaltura Europe Limited, and are required to be guaranteed by all of our future direct and indirect subsidiaries other than certain excluded subsidiaries and immaterial foreign subsidiaries. Our obligations and those of Kaltura Europe Limited are, and the obligations of any future guarantors are required to be, secured by a first priority lien on substantially all of our respective assets.

The Credit Agreement contains a number of covenants that, among other things and subject to certain exceptions, restrict our ability, and the ability of our subsidiaries, to:

- create, issue, incur, assume, become liable in respect of or suffer to exist any debt or liens;
- consummate any merger, consolidation or amalgamation, or liquidate, wind up or dissolve, or dispose of all or substantially all of our or their respective property or business;
- dispose of property or, in the case of our subsidiaries, issue or sell any shares of such subsidiary’s capital stock;
- repay, prepay, redeem, purchase, retire or defease subordinated debt;
- declare or pay dividends or make certain other restricted payments;
- make certain investments;
- enter into transactions with affiliates;

- enter into new lines of business; and
- make certain amendments to our or their respective organizational documents or certain material contracts.

The Credit Agreement also contains certain financial covenants that require us to maintain (i) a minimum amount of Consolidated Adjusted EBITDA (as defined in the Credit Agreement) as of the last day of each fiscal quarter (which minimum amount increased through the fiscal quarter ended December 31, 2024) (the “Adjusted EBITDA Covenant”), and (ii) Liquidity (as defined in the Credit Agreement) of at least \$20 million as of the last day of any calendar month.

On July 22, 2024, we revised the Credit Agreement to modify the definition of “Liquidity” to include certain additional cash and cash equivalents. We were in compliance with these covenants as of December 31, 2024.

The Credit Agreement also contains certain customary representations and warranties and affirmative covenants, and certain reporting obligations. In addition, the lenders under the Credit Facilities will be permitted to accelerate all outstanding borrowings and other obligations, terminate outstanding commitments and exercise other specified remedies upon the occurrence of certain events of default (subject to certain grace periods and exceptions), which include, among other things, payment defaults, breaches of representations and warranties, covenant defaults, certain cross-defaults and cross-accelerations to other indebtedness, certain events of bankruptcy and insolvency, certain judgments and Change of Control events (as defined in the Credit Agreement).

As of December 31, 2024, we had no balance outstanding under the Revolving Credit Facility and the total revolving commitment of \$25.0 million remains available for future borrowings. As of December 31, 2024, we had approximately \$32.3 million of borrowings outstanding under the Term Loan Facility.

Cash Flows

The following table summarizes our cash flows for the periods presented:

	Year Ended December 31,	
	2024	2023
	(in thousands)	
Net cash provided by (used in) operating activities	\$ 12,233	\$ (8,303)
Net cash used in investing activities	(12,414)	(1,583)
Net cash provided by (used in) financing activities	(3,534)	109
Effect of exchange rate changes on cash, cash equivalents and restricted cash	90	728
Net increase in cash, cash equivalents, and restricted cash	(3,625)	(9,049)
Cash, cash equivalents, and restricted cash at beginning of period	36,784	45,833
Cash, cash equivalents and restricted cash at end of period	<u>\$ 33,159</u>	<u>\$ 36,784</u>

Operating Activities

Net cash flows provided by operating activities increased by \$20.5 million for the year ended December 31, 2024, as compared to the year ended December 31, 2023.

Net cash provided by operating activities of \$12.2 million for the year ended December 31, 2024, was primarily due to \$31.3 million in incremental net loss, adjusted for non-cash charges of \$41.6 million, and net cash of \$2.1 million due to changes in our operating assets and liabilities. Non-cash charges primarily consisted of depreciation and amortization of \$5.1 million, stock-based compensation expenses of \$26.3 million and amortization of deferred contract acquisitions and fulfillment costs of \$11.4 million. The main drivers of net cash inflows that were derived from the changes in operating assets and liabilities were related to an increase of \$5.4 million in accrued expenses and other current liabilities, a decrease in trade receivables of \$3.3 million, an increase of \$2.7 million in employees and payroll accruals and an increase of \$0.5 million in deferred revenue, partially offset by an increase in deferred contract acquisition costs of \$7.5 million, an increase of \$1 million in prepaid expenses and other current assets and a decrease in trade payables of \$0.5 million.

Net cash used in operating activities of \$8.3 million for the year ended December 31, 2023, was primarily due to \$46.4 million in incremental net loss, adjusted for non-cash charges of \$45.3 million, and net cash of \$6.6 million due to changes in our operating assets and liabilities. Non-cash charges primarily consisted of depreciation and amortization of \$4.7 million, stock-based compensation expenses of \$30.0 million and amortization of deferred contract acquisitions and fulfillment costs of \$11.7 million. The main drivers of net cash outflows that were derived from the changes in operating assets and liabilities were related to an addition to deferred contract acquisition costs of \$6.6 million, decrease in trade payables of \$5.9 million and an aggregate decrease of \$1.8 million in employees accruals, accrued expenses and other current liabilities, partially offset by a decrease in trade receivables of \$5.5 million, increase in deferred revenue of \$1.6 million, and an increase in prepaid expenses and other assets of \$0.6 million.

Investing Activities

Net cash flows used in investing activities increased by \$10.8 million to \$12.4 million for the year ended December 31, 2024 as compared to the year ended December 31, 2023.

Net cash used in investing activities of \$12.4 million for the year ended December 31, 2024 was related to investment in available-for-sale marketable securities of \$50.9 million and \$0.5 million in capital expenditures, offset by maturities of available-for-sale marketable securities of \$39.0 million.

Net cash used in investing activities of \$1.6 million for the year ended December 31, 2023 was related to investment in available-for-sale marketable securities of \$47.7 million, \$2.6 million in capital expenditures, \$1.5 million of capitalized internal use software and investment in restricted bank deposits of \$1.8 million, partially offset by maturities of available-for-sale marketable securities of \$52.0 million.

Financing Activities

Net cash flows used in financing activities increased by \$3.6 million for the year ended December 31, 2024 as compared to the year ended December 31, 2023.

Net cash used in financing activities of \$3.5 million for the year ended December 31, 2024 was primarily due to repurchase of common stock of \$2.9 million and \$2.2 million of loan repayments partially offset by proceeds from the exercise of stock options of \$1.6 million.

Net cash provided by financing activities of \$0.1 million for the year ended December 31, 2023 was primarily due to proceeds from long-term loans, net of debt issuance cost of \$3.5 million and proceeds from option exercises of \$1.4 million, partially offset by \$4.5 million of loan repayments.

Contractual Obligations and Commitments

The following table summarizes our contractual obligations and commitments as of December 31, 2024:

	Payments Due by Period		
	(in thousands)		
	Less than 1 year	1-3 years	More than 3 years
Debt obligations ¹	\$ 5,501	\$ 31,233	
Operating lease obligations ²	3,119	8,301	8,525
Purchase obligations ³	28,727	28,576	
Total	<u>\$ 37,347</u>	<u>\$ 68,110</u>	<u>\$ 8,525</u>

(1) Represents borrowings outstanding under our Term Loan Facility as of December 31, 2024, together with estimated interest payments thereon based on the interest rates in effect for such indebtedness as of December 31, 2024. See “—Liquidity and Capital Resources - Credit Facilities.”

(2) Represents the lease payments under our operating leases in the U.S. and Israel. The operating lease payments for our lease in Israel assume our exercise of the first extension option for an additional five years. See Note 7, Leases, to the audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K for additional information.

(3) Consists of minimum purchase commitments mainly for our use of certain cloud and other services with third-party providers with a term of 12 months or longer. Obligations under contracts that we can cancel without a significant penalty are not included in the table above.

We reported other liabilities of \$12.8 million in our consolidated balance sheet at December 31, 2024, which principally consists of unrecognized tax benefits. See Note 11, Income Taxes, to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K for further information. We have excluded these liabilities from the contractual obligations table above. A variety of factors could affect the timing of payments for the liabilities related to unrecognized tax benefits. Therefore, we cannot reasonably estimate the timing of such payments.

Critical Accounting Policies and Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates, judgments and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. Our management believes that the estimates, judgment and assumptions used are reasonable based upon information available at the time they are made. These estimates, judgments and assumptions can affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the consolidated financial statements, and the reported amounts of revenue and expenses during the reporting periods. Actual results could differ from those estimates.

We believe that the accounting policies described below require management's most difficult, subjective or complex judgments. Judgments or uncertainties affecting the application of these policies may result in materially different amounts being reported under different conditions or using different assumptions. Accordingly, we believe these are the most critical to aid in fully understanding and evaluating our financial condition and results of operations. See Note 2, Significant Accounting Policies, to the audited consolidated financial statements included elsewhere in this Annual Report on Form 10-K for additional information regarding these and our other significant accounting policies.

Revenue Recognition

Revenue is recognized when the customer obtains control of promised goods or services in an amount that reflects the consideration that we expect to receive in exchange for those goods or services. We apply judgment in identifying and evaluating terms and conditions in contracts that may impact revenue recognition. Contracts that contain multiple performance obligations require an allocation of the transaction price to each performance obligation based on a relative standalone selling price ("SSP"). When applicable, we allocate the transaction price between the separate performance obligations according to their SSP, which is based on the price at which the performance obligation is sold separately. If the SSP is not observable through past transactions, we estimate the SSP taking into account available information, including, but not limited to, pricing practices, market conditions, and the economic life of the software.

Income Taxes

We are subject to income taxes in Israel, the U.S., and other foreign jurisdictions. Significant judgement is required in determining the provision for income taxes, including evaluating uncertainties in the application of accounting principles and complex tax laws. We recognize and measure benefits for uncertain tax positions using a two-step approach. The first step is to determine whether it is more likely than not that a tax position will be sustained upon examination, including the resolution of any related appeals or litigation based on the technical merits of that position. The second step is to measure a tax position that meets the more-likely-than-not threshold to determine the amount of benefit to be recognized in the financial statements. We evaluate uncertain tax positions on a quarterly basis, based upon a number of factors, including changes in facts or circumstances, changes in tax law, correspondence with tax authorities during the course of audits, and effective settlement of audit issues.

Recent Accounting Pronouncements

Please see Note 2, Significant Accounting Policies, to our consolidated financial statements included elsewhere in this Annual Report on Form 10-K for information regarding recent accounting pronouncements.

Jumpstart Our Business Startups Act of 2012

Under the JOBS Act, an "emerging growth company" can take advantage of an extended transition period for complying with new or revised accounting standards. This provision allows an "emerging growth company" to delay the adoption of new or revised accounting standards that have different transition dates for public and private companies until those standards would otherwise apply to private companies.

We meet the definition of an “emerging growth company” and have elected to use this extended transition period for complying with new or revised accounting standards until the earlier of the date we (x) are no longer an emerging growth company, or (y) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. As a result, our consolidated financial statements and the reported results of operations contained therein may not be directly comparable to those of other public companies.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk.

We are exposed to market risk from changes in exchange rates, interest rates and inflation. All of these market risks arise in the ordinary course of business, as we do not engage in speculative trading activities. The following analysis provides additional information regarding these risks.

Foreign Currency and Exchange Risk

Our revenue and expenses are primarily denominated in U.S. dollars. Our functional currency is the U.S. dollar. Our sales are mainly denominated in U.S. dollars and Euros. A significant portion of our operating costs are in Israel, consisting principally of salaries and related personnel expenses, and facility expenses, which are denominated in NIS.

These foreign currency exposures give rise to market risk associated with exchange rate movements of the U.S. dollar against the NIS and Euros. Furthermore, we anticipate that a significant portion of our expenses will continue to be denominated in NIS as well as that a significant portion of our revenue will continue to be denominated in Euros.

To reduce the impact of foreign currency exchange risks associated with forecasted future cash flows and certain existing assets and liabilities and the volatility in our consolidated statements of operations, we established a hedging program in March 2022. Currently, our hedging activity relates to U.S. dollar/NIS exchange rate exposure. We do not intend to enter into derivative instruments for trading or speculative purposes. We account for our derivative instruments as either assets or liabilities and carry them at fair value in the consolidated balance sheets. The accounting for changes in the fair value of the derivative depends on the intended use of the derivative and the resulting designation. Our hedging activities are expected to reduce but not eliminate the impact of currency exchange rate movements.

A hypothetical 10% change in foreign currency exchange rates applicable to our business would have had an impact on our results for the year ended December 31, 2024, of \$1.4 million due to NIS (after considering cash-flow hedges) and \$5.1 million due to Euros.

Interest Rate Risk

As of December 31, 2024, we had outstanding floating rate debt obligations of \$32.3 million (consisting of the outstanding principal balance under our credit facilities). Accordingly, fluctuations in market interest rates may increase or decrease our interest expense which will, in turn, increase or decrease our net income and cash flow. We seek to manage exposure to adverse interest rate changes through our normal operating and financing activities. At this time, we do not use derivative instruments to mitigate our interest rate risk. A hypothetical 10% change in interest rates during the periods presented would have resulted in a change to interest expense of \$0.3 million for the year ended December 31, 2024.

Impact of Inflation

While it is difficult to accurately measure the impact of inflation due to the imprecise nature of the estimates required, we do not believe inflation has had a material effect on our historical results of operations and financial condition. However, if our costs were to become subject to significant inflationary pressures, we may not be able to fully offset higher costs through price increases or other corrective measures, and our inability or failure to do so could adversely affect our business, financial condition, and results of operations.

Item 8. Financial Statements and Supplementary Data

KALTURA, INC.

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Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Kaltura, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Kaltura, Inc. and subsidiaries (the Company) as of December 31, 2024 and 2023, the related consolidated statements of operations, comprehensive loss, stockholders' equity and cash flows for each of the three years in the period ended December 31, 2024, and the related notes (collectively referred to as the “consolidated financial statements”). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ KOST FORER GABBAY & KASIERER
A Member of EY Global

We have served as the Company's auditor since 2007.
Tel-Aviv, Israel
February 20, 2025

KALTURA, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(U.S. dollars in thousands, except share and per share data)

	December 31,	
	2024	2023
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 33,059	\$ 36,684
Marketable securities	48,275	32,692
Trade receivables	19,978	23,312
Prepaid expenses and other current assets	9,481	8,410
Deferred contract acquisition and fulfillment costs, current	10,765	10,636
Total current assets	121,558	111,734
LONG-TERM ASSETS:		
Marketable securities	3,379	5,844
Property and equipment, net	16,190	20,113
Other assets, noncurrent	2,983	3,100
Deferred contract acquisition and fulfillment costs, noncurrent	13,605	17,314
Operating lease right-of-use assets	12,308	13,872
Intangible assets, net	212	689
Goodwill	11,070	11,070
Total noncurrent assets	59,747	72,002
TOTAL ASSETS	\$ 181,305	\$ 183,736
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Current portion of long-term loans	3,110	1,612
Trade payables	3,265	3,629
Employees and payroll accruals	15,399	12,651
Accrued expenses and other current liabilities	14,262	17,279
Operating lease liabilities	2,504	2,374
Deferred revenue, current	63,123	62,364
Total current liabilities	101,663	99,909
NONCURRENT LIABILITIES:		
Deferred revenue, noncurrent	67	369
Long-term loans, net of current portion	29,153	33,047
Operating lease liabilities, noncurrent	15,263	17,796
Other liabilities, noncurrent	10,772	2,295
Total noncurrent liabilities	55,255	53,507
TOTAL LIABILITIES	\$ 156,918	\$ 153,416

KALTURA, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(U.S. dollars in thousands, except share and per share data)

	December 31,	
	2024	2023
COMMITMENTS AND CONTINGENCIES (NOTE 8)		
STOCKHOLDERS' EQUITY:		
Preferred stock, \$0.0001 par value per share, 20,000,000 shares authorized as of December 31, 2024, and 2023; 0 shares issued and outstanding as of December 31, 2024, and 2023	—	—
Common stock \$0.0001 par value per share, 1,000,000,000 shares authorized as of December 31, 2024 and 2023; 161,980,907 and 150,274,107, shares issued as of December 31, 2024 and 2023, respectively; 152,057,148 and 142,588,917 outstanding as of December 31, 2024 and 2023, respectively	15	14
Treasury stock – 9,923,759 and 7,685,190 shares of common stock, \$0.0001 par value per share, as of December 31, 2024 and 2023, respectively	(7,801)	(4,881)
Additional paid-in capital	500,024	471,635
Accumulated other comprehensive income	959	1,047
Accumulated deficit	(468,810)	(437,495)
Total stockholders' equity	24,387	30,320
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 181,305	\$ 183,736

The accompanying notes are an integral part of the consolidated financial statements.

KALTURA, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(U.S. dollars in thousands, except share and per share data)

	Year Ended December 31,		
	2024	2023	2022
Revenue:			
Subscription	\$ 167,681	\$ 162,750	\$ 152,480
Professional services	11,036	12,422	16,331
Total revenue	178,717	175,172	168,811
Cost of revenue:			
Subscription	42,552	44,224	40,099
Professional services	17,059	18,714	21,772
Total cost of revenue	59,611	62,938	61,871
Gross profit	119,106	112,234	106,940
Operating expenses:			
Research and development	49,430	52,400	57,387
Sales and marketing	47,766	48,798	59,280
General and administrative	46,009	48,718	45,414
Restructuring	—	973	1,238
Total operating expenses	143,205	150,889	163,319
Operating loss	24,099	38,655	56,379
Financial expenses (Income), net	(434)	(1,200)	4,248
Loss before provision for income taxes	23,665	37,455	60,627
Provision for income taxes	7,650	8,911	7,868
Net loss	\$ 31,315	\$ 46,366	\$ 68,495
Net loss per share	\$ 0.21	\$ 0.34	\$ 0.53
Weighted-average shares used in computing net loss per share	147,925,797	138,237,017	130,366,385

The accompanying notes are an integral part of the consolidated financial statements.

KALTURA, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(U.S. dollars in thousands)

	Year Ended December 31,		
	2024	2023	2022
Net loss	\$ 31,315	\$ 46,366	\$ 68,495
Other comprehensive loss:			
Net unrealized gains (losses) on cash flow hedges	(62)	1,118	(120)
Net unrealized gains (losses) on available-for-sale marketable securities	(26)	230	(181)
Other comprehensive income (loss)	(88)	1,348	(301)
Comprehensive loss	<u>\$ 31,403</u>	<u>\$ 45,018</u>	<u>\$ 68,796</u>

The accompanying notes are an integral part of the consolidated financial statements.

KALTURA, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
U.S. dollars in thousands (except share data)

	Common stock		Treasury stock		Additional paid-in capital	Accumulated other comprehensive income (loss)	Accumulated deficit	Total stockholders' equity
	Number	Amount	Number	Amount				
Balance as of December 31, 2021	126,925,104	\$ 13	7,685,190	\$ (4,881)	\$ 412,776	\$ —	\$ (322,634)	\$ 85,274
Stock-based compensation expenses	—	—	—	—	23,941	—	—	23,941
Issuance of common stock upon exercise of stock options, and release of restricted stock units	7,026,070	—	—	—	2,927	—	—	2,927
Exercise of warrants to common stock	613,255	—	—	—	—	—	—	—
Other comprehensive loss	—	—	—	—	—	(301)	—	(301)
Net loss	—	—	—	—	—	—	(68,495)	(68,495)
Balance of December 31, 2022	134,564,429	\$ 13	7,685,190	\$ (4,881)	\$ 439,644	\$ (301)	\$ (391,129)	\$ 43,346
Stock-based compensation expenses	—	—	—	—	30,756	—	—	30,756
Issuance of common stock upon exercise of stock options, and release of restricted stock units	8,024,488	1	—	—	1,235	—	—	1,236
Other comprehensive income	—	—	—	—	—	1,348	—	1,348
Net loss	—	—	—	—	—	—	(46,366)	(46,366)
Balance as of December 31, 2023	142,588,917	\$ 14	7,685,190	\$ (4,881)	\$ 471,635	\$ 1,047	\$ (437,495)	\$ 30,320
Stock-based compensation expenses	—	—	—	—	26,632	—	—	26,632
Repurchase of common stock	(2,238,569)	—	2,238,569	(2,920)	—	—	—	(2,920)
Issuance of common stock upon exercise of stock options, and release of restricted stock units	11,706,800	1	—	—	1,757	—	—	1,758
Other comprehensive loss	—	—	—	—	—	(88)	—	(88)
Net loss	—	—	—	—	—	—	(31,315)	(31,315)
Balance as of December 31, 2024	152,057,148	\$ 15	9,923,759	\$ (7,801)	\$ 500,024	\$ 959	\$ (468,810)	\$ 24,387

The accompanying notes are an integral part of the consolidated financial statements.

KALTURA, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
U.S. dollars in thousands

	Year ended December 31,		
	2024	2023	2022
Cash flows from operating activities:			
Net loss	\$ (31,315)	\$ (46,366)	\$ (68,495)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:			
Depreciation and amortization	5,064	4,717	2,707
Stock-based compensation expenses	26,264	29,980	23,645
Amortization of deferred contract acquisition and fulfillment costs	11,447	11,669	10,865
Non-cash interest income, net	(1,219)	(1,023)	(146)
Loss on sale of property and equipment	—	—	185
Losses (Gain) on foreign exchange	(90)	(728)	1,424
Changes in operating assets and liabilities:			
Decrease (Increase) in trade receivables	3,334	5,475	(11,277)
Decrease (Increase) in prepaid expenses and other current assets and other assets, noncurrent	(949)	648	429
Increase in deferred contract acquisition and fulfillment costs	(7,497)	(6,561)	(11,558)
Increase (Decrease) in trade payables	(534)	(5,884)	3,132
Increase (decrease) in accrued expenses and other current liabilities	5,376	797	(1,937)
Increase (Decrease) in employees and payroll accruals	2,748	(2,233)	(3,743)
Increase (Decrease) in other liabilities, noncurrent	(14)	443	(51)
Increase in deferred revenue	458	1,626	7,465
Operating lease right-of-use assets and lease liabilities, net	(840)	(863)	527
Net cash provided by (used in) operating activities	12,233	(8,303)	(46,828)
Cash flows from investing activities:			
Investment in available-for-sale marketable securities	(50,874)	(47,708)	(60,165)
Proceeds from maturities of available-for-sale marketable securities	38,981	51,976	18,985
Purchases of property and equipment	(521)	(2,607)	(1,218)
Capitalized internal-use software development costs	—	(1,493)	(4,759)
Investment in restricted bank deposit	—	(1,751)	(2,600)
Net cash used in investing activities	(12,414)	(1,583)	(49,757)
Cash flows from financing activities:			
Proceeds from long-term loans	—	3,500	—
Repayment of long-term loans	(2,187)	(4,500)	(3,000)
Principal payments on finance leases	—	—	(136)
Proceeds from exercise of stock options	1,620	1,383	2,732
Payment of debt issuance costs	(17)	(274)	(125)
Repurchase of common stock	(2,920)	—	—
Payments on account of repurchase of common stock	(30)	—	—
Net cash provided by (used in) financing activities	(3,534)	109	(529)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	90	728	(1,424)
Net decrease in cash, cash equivalents and restricted cash	\$ (3,625)	\$ (9,049)	\$ (98,538)
Cash, cash equivalents and restricted cash at the beginning of the year	36,784	45,833	144,371
Cash, cash equivalents and restricted cash at the end of the year	\$ 33,159	\$ 36,784	\$ 45,833

The accompanying notes are an integral part of the consolidated financial statements

KALTURA, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
U.S. dollars in thousands

	Year ended December 31,		
	2024	2023	2022
<u>Supplemental disclosure of non-cash activity:</u>			
Purchase of property, equipment, internal-use software, and intangible asset in credit	\$ 213	\$ 43	\$ 355
Lease liabilities arising from right-of-use assets	\$ —	\$ —	\$ 23,712
Capitalized stock-based compensation cost	\$ 645	\$ 845	\$ 296
Pending proceeds from option exercises	\$ 217	\$ 79	\$ 227
Lease incentive recognized as leasehold improvements	\$ —	\$ 4,924	\$ 1,711
<u>Supplemental disclosure of cash flow information</u>			
Cash paid for income taxes, net	\$ 3,774	\$ 4,294	\$ 8,873
Cash paid for interest	\$ 2,692	\$ 2,953	\$ 2,301
<u>Reconciliation of cash, cash equivalents, and restricted cash to the consolidated balance sheet</u>			
Cash and cash equivalents	\$ 33,059	\$ 36,684	\$ 44,625
Restricted cash included in other assets, noncurrent	100	100	1,208
Total cash, cash equivalents, and restricted cash	\$ 33,159	\$ 36,784	\$ 45,833

The accompanying notes are an integral part of the consolidated financial statements

KALTURA, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
U.S. dollars in thousands (except share and per share data)

NOTE 1: GENERAL

Kaltura, Inc. (together with its subsidiaries, the “Company”) was incorporated in October 2006 and commenced operations in January 2007. The Company’s business operations are allocated between two main segments, Enterprise, Education, and Technology (“EE&T”) and Media and Telecom (“M&T”). The Company has developed a platform for video creation, management, and collaboration. The Company’s platform enables companies, educational institutions, and other organizations to cost-effectively launch advanced online video experiences, including for Over-the-top (“OTT”) Television, Cloud TV, web video publishing, video-based teaching, learning, and training, video-based marketing, and video-based collaboration. The Company’s core offerings consist of various Software-as-a-Service (“SaaS”) products and solutions and a Platform-as-a-Service (“PaaS”).

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

The consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (“U.S. GAAP”).

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates, judgments and assumptions that affect the amounts reported in the consolidated financial statements and accompanying notes. The Company evaluates on an ongoing basis its assumptions, including those related to contingencies, income tax uncertainties, incremental borrowing rate for operating leases, fair value of financial assets and liabilities, including fair value of derivatives, fair value and useful life of intangible assets, as well as in estimates used in applying the revenue recognition policy. The Company bases these estimates on historical and anticipated results, trends and various other assumptions that it believes are reasonable under the circumstances, including assumptions as to future events. Actual results could differ from those estimates.

Financial Statements in U.S. Dollars

The currency of the primary economic environment in which the operations of Kaltura Inc. and its subsidiaries are conducted is the U.S. dollar; thus, the dollar is the functional currency of Kaltura Inc. and its subsidiaries.

Accordingly, monetary accounts maintained in currencies other than the U.S. dollar are remeasured into U.S. dollars in accordance with Statement of the Accounting Standard Codification (“ASC”) 830 “Foreign Currency Matters” (“ASC 830”). All transaction gains and losses of the remeasured monetary balance sheet items are reflected in the statements of operations as financial income or expenses, as appropriate.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiaries. Intercompany transactions and balances have been eliminated upon consolidation.

Cash and Cash Equivalents

Cash equivalents are short term, highly liquid investments that are readily convertible to cash with original maturities of three months or less, at the date acquired.

Restricted Cash

Restricted cash is primarily invested in deposits held to maturity, stated at cost, which also approximates their fair value, and are used as security for the Company’s liabilities. These deposits are used mainly as security for rent payments, and the Company’s credit cards. Restricted cash is presented in the balance sheet as part of other assets, noncurrent.

Marketable Securities

The Company accounts for investments in marketable securities in accordance with ASC No. 320, “Investments - Debt Securities”. Management determines the appropriate classification of its investments at the time of purchase and reevaluates such determinations at each balance sheet date. The Company classifies all of its debt securities as available-for-sale. Available-for-sale debt securities are carried at fair value, with the unrealized gains and losses, net of tax, reported in accumulated other comprehensive income (loss) in shareholders’ equity.

KALTURA, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
U.S. dollars in thousands (except share and per share data)

Realized gains and losses on sale of investments are included in financial expenses (income), net and are derived using the specific identification method for determining the cost of securities sold.

The amortized cost of debt securities is adjusted for amortization of premiums and accretion of discounts to maturity. Such amortization together with interest on securities is included in financial income, net.

The Company periodically evaluates its available-for-sale debt securities for impairment. If the amortized cost of an individual security exceeds its fair value, the Company considers its intent to sell the security or whether it is more likely than not that it will be required to sell the security before recovery of its amortized basis. If either of these criteria are met, the Company writes down the security to its fair value and records the impairment charge in financial expenses (income), net in the Consolidated Statements of Operations. If neither of these criteria are met, the Company determines whether credit loss exists. Credit loss is estimated by considering changes to the rating of the security by a rating agency, any adverse conditions specifically related to the security, as well as other factors.

Trade Receivables

Trade receivables are recorded at the invoiced amount and includes also amounts for which revenue has been recognized but not invoiced. The allowance for credit losses is based on the Company's assessments of factors that may affect a customer's ability to pay. The Company regularly reviews the adequacy of the allowance for credit losses based on a combination of factors, including an assessment of the current customer's aging balance, the nature and size of the customer, the financial condition of the customer, and the amount of any receivables in dispute. There were no material write-offs for allowance of doubtful accounts recognized in the periods presented. The Company does not have any off-balance sheet credit exposure related to its customers.

Derivatives and Hedging

Derivatives are recognized at fair value as either assets or liabilities in the consolidated balance sheets in accordance with ASC Topic 815, "Derivatives and Hedging." The gain or loss of derivatives that are designated and qualify as hedging instruments in a cash flow hedge, is recorded under accumulated other comprehensive income (loss) and reclassified into earnings in the same period or periods during which the hedged transaction affects earnings. Derivatives are classified within Level 2 of the fair value hierarchy as the valuation inputs are based on quoted prices and market observable data of similar instruments.

Property and Equipment, net

Property and equipment are stated at cost, net of accumulated depreciation. Depreciation is calculated using the straight-line method over the estimated useful lives of the assets:

	Years
Computers and peripheral equipment	3
Office furniture and equipment	7-15
Leasehold improvements	Over the shorter of the related lease period or the life of the asset

Impairment of Long-Lived Assets

The long-lived assets of the Company are reviewed for impairment in accordance with ASC 360, "Property, Plant and Equipment" ("ASC 360"), whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The recoverability of assets to be held and used is measured by a comparison of the carrying amount of an asset to the future undiscounted cash flows expected to be generated by the assets. If such assets are considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceeds the fair value of the assets. There were no impairment charges to long-lived assets during the periods presented.

KALTURA, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
U.S. dollars in thousands (except share and per share data)

Intangible Assets, net

Intangible assets consist primarily of customer relationships, technology and trade name. The intangible assets are amortized over their estimated useful lives in proportion to the economic benefits realized. Intangible assets consist primarily of customer relationships, technology, and trade name.

Amortization for the intangible assets was recognized over the following periods:

	Years
Customer relationships	7-9
Technology	5-8

Goodwill

Goodwill represents the excess of the purchase price over the fair value of net assets acquired in business combinations using the acquisition method of accounting, which requires that the assets acquired and liabilities assumed be recorded at the date of acquisition at their respective fair values.

Goodwill is subject to an impairment test at the reporting unit level at least annually in the fourth quarter, or more frequently if events or changes in circumstances indicate that goodwill may be impaired. The Company identified two reporting units - EE&T and M&T. Goodwill impairment is deemed to exist if the net book value of a reporting unit exceeds its estimated fair value. An impairment loss is recognized in an amount equal to the excess. There were no impairment charges to goodwill during the periods presented.

Leases

The Company determines if an arrangement is a lease at inception. The Company currently does not have any finance leases.

Operating lease right-of-use ("ROU") assets and liabilities are recognized at the present value of the future lease payments at the lease commencement date. The Company combines its lease payments and fixed payments for non-lease components and account for them together as a single lease component. Operating lease ROU assets also include any prepaid lease payments and lease incentives. Certain lease agreements include rental payments adjusted periodically for the consumer price index ("CPI"). The ROU and lease liability were calculated using the initial CPI and will not be subsequently adjusted, unless the liability is reassessed for other reasons. Payments for variable lease costs are expensed as incurred and not included in the operating lease ROU assets and liabilities. For short-term leases with a term of 12 months or less, operating lease ROU assets and liabilities are not recognized and the Company records lease payments in the Consolidated Statements of Operations on a straight-line basis over the lease term.

The interest rate used to determine the present value of the future lease payments is the Company's incremental borrowing rate, because the interest rate implicit in the Company's leases is not readily determinable. The Company's incremental borrowing rate is estimated to approximate the interest rate on a collateralized basis with similar terms and payments, and in economic environments where the leased asset is located. Many of the Company's lease agreements provide one or more options to renew. When determining lease terms, the Company uses the non-cancellable period of the leases and do not assume renewals unless it is reasonably certain that the Company will exercise that option. Operating lease expense is recognized on a straight-line basis over the lease term.

Severance Pay

The majority of Kaltura Israel's agreements with its employees in Israel are in accordance with section 14 of the Israeli Severance Pay Law. Upon contribution of the full amount of the employee's monthly salary and release of the policy to the employee, no additional legal obligation exists between the parties and no additional payments are made by the Company to the employee; therefore, related assets and liabilities are not presented in the balance sheet.

For Kaltura Israel employees who are not subject to section 14, the Company calculated the liability for severance pay pursuant to the Severance Pay Law based on the most recent salary of these employees multiplied by the number of years of employment as of the balance sheet date. Kaltura Israel's liability for these employees is fully provided for via monthly deposits with severance pay funds, insurance policies and an accrual. The value of these deposits is recorded as an asset on the Company's balance sheet in other assets, noncurrent.

KALTURA, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
U.S. dollars in thousands (except share and per share data)

Severance expenses recorded in Kaltura Israel for the years ended December 31, 2024, 2023 and 2022 amounted to \$2,902, \$3,194 and \$3,976, respectively.

The Company's employees in the U.S. receive severance benefits in the event of an involuntary termination that increase in accordance with their tenure and base salary. The Company accounts for post-employment benefits in accordance with ASC Topic No. 712, Compensation – Nonretirement Post-employment Benefits. These benefits, primarily severance, are not accrued until the amount can be reasonably estimated.

Severance expenses recorded in Kaltura U.S. for the years ended December 31, 2024, 2023 and 2022, amounted to \$343, \$2 and \$71, respectively.

Israeli Employees Defined Contribution Plan

The Company has established a pension contribution plan with respect to Kaltura Israel's employees. Under the plan, Kaltura Israel contributed up to 6.5% of each employee's monthly salary toward the plan. Employees are entitled to amounts accumulated in the plan upon reaching retirement age, subject to any applicable law.

Defined contribution pension plan expenses for the years ended December 31, 2024, 2023 and 2022 amounted to \$2,316, \$2,397 and \$3,099, respectively.

Revenue Recognition

The Company recognizes revenue under Accounting Standards Codification Topic 606, Revenue from Contracts with Customers (“ASC 606”). Under ASC 606, the Company recognizes revenue when its customer obtains control of promised goods or services in an amount that reflects the consideration that the Company expects to receive in exchange for those goods or services. The Company applies judgment in identifying and evaluating terms and conditions in contracts which may impact revenue recognition. To determine the appropriate amount of revenue to be recognized as it fulfills its obligations under each of its agreements, the Company performs the following steps:

1. Identify the contract with a customer

The Company considers the terms and conditions of contracts with customers and its customary business practices in identifying contracts under ASC 606. The Company determines it has a contract with a customer when the contract is approved, each party's rights regarding the services to be transferred can be identified, payment terms for the services can be identified, it has been determined that the customer has the ability and intent to pay, and the contract has commercial substance. The Company applies judgment in determining the customer's ability and intent to pay, which is based on a variety of factors, including the customer's historical payment experience or, in the case of a new customer, credit and financial information pertaining to the customer. The Company engages in formal, written, and binding contracts with its customers that create enforceable rights and obligations between the parties and state each party's rights regarding the license and services to be transferred and the terms of payment. The Company evaluates the probability of collection of the consideration that it is entitled to receive in exchange for the subscriptions and professional services it transfers to the customer. The Company records trade receivables and related contract liabilities for non-cancelable contracts with customers when the right to consideration is unconditional.

2. Identify the performance obligations in the contract

Performance obligations promised in a contract are identified based on the goods or services that will be transferred to the customer that are both capable of being distinct, whereby the customer can benefit from the goods or service either on its own or together with other resources that are readily available from the Company or from third-parties, and are distinct in the context of the contract, whereby the transfer of the goods or services is separately identifiable from other promises in the contract.

The Company provides subscriptions and post-contract services (“PCS”) to its Video Experience Cloud, which powers live, real-time, and on-demand video experiences. The Company provides access to its platform either as a cloud-based service (“SaaS” or “PaaS”) or, less commonly, as a license to software installed on the customer's premises (“On-Prem”) all together defined as subscriptions in the statement of operations.

Professional Services (“PS”) consist of integration, configuration and customization activities. In some of the Company's arrangements, PS are accounted for as a separate performance obligation. However, in some of the Company's SaaS and PaaS arrangements the Company determined that the PS are solely set up activities that do not transfer goods or services to the customer and therefore are not accounted for as a separate performance obligation.

KALTURA, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
U.S. dollars in thousands (except share and per share data)

3. Determine the transaction price

The transaction price is determined based on the consideration which the Company is expected to be entitled to in exchange for transferring the promised goods or services to the customer. This transaction price is exclusive of amounts collected on behalf of third parties, such as sales tax and value-added tax. The Company rarely provides its customers with price concessions.

The Company's contracts usually include a fixed amount of consideration, as well as variable consideration for overage usage that, in most cases, is not considered probable at the inception of the contract. Revenue accounted for as variable consideration for overages usage is recognized when the uncertainty is resolved, usually when the customer exceeds its committed usage threshold (i.e., overages are consumed) and the overages are invoiced.

The Company rarely has contracts for which the difference between the payment date and the revenue recognition timing is more than 12 months. The primary purpose of the Company's payment terms is to provide customers with a simple and predictable way to purchase the Company's subscriptions, not to provide customers with financing.

In addition, the Company has elected to apply the practical expedient for financing component for transactions in which the difference between the payment date and the revenue recognition timing is up to 12 months.

4. Allocate the transaction price to performance obligations in the contract

If the contract contains a single performance obligation, the entire transaction price is allocated to the single performance obligation. Contracts that contain multiple performance obligations require an allocation of the transaction price to each performance obligation based on a relative standalone selling price ("SSP").

When applicable, the Company allocates the transaction price between the separate performance obligations according to their SSP, which is based on the price at which the performance obligation is sold separately. If the SSP is not observable through past transactions, the Company estimates the SSP taking into account available information, including, but not limited to, pricing practices, market conditions, and the economic life of the software.

5. Recognize revenue when or as the Company satisfies a performance obligation

Revenue is recognized at the time the related performance obligation is satisfied by transferring the promised good or service to the customer. Revenue is recognized when control of the good or services is transferred to the customer, in an amount that reflects the consideration expected to be received in exchange for those services. A customer obtains control of a good or service if it has the ability to direct the use of and obtain substantially all of the remaining benefits from the good or service.

Revenue from SaaS and PaaS subscriptions is recognized ratably over the time of the subscription, beginning from the date in which the customer is granted access to the subscription. Revenue from the sale of a term license in On-Prem deals is recognized at a point in time in which the license is delivered to the customer.

Revenue from post-contract services included in On-Prem projects is recognized ratably over the time of the PCS.

Revenue from PS that is accounted for as a separate performance obligation is recognized upon rendering of the service.

Contract Costs

Some of the sales commissions and bonuses earned by the Company's employees and management are considered incremental and recoverable costs of obtaining a contract with a customer. Sales commissions and bonuses for new contracts are deferred and then amortized consistently with the pattern of revenue recognition for each performance obligation for contracts for which the commissions were earned, mainly on a straight-line basis, over a period of benefit that the Company has estimated to be mainly five years. This period of benefit was determined by taking into consideration the technology's useful life.

Sales bonuses for renewal contracts are deferred and then amortized on a straight-line basis over the related contractual renewal period.

The Company classifies deferred costs as current or noncurrent based on the timing of when the Company expects to recognize the expense.

KALTURA, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
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Amortization of sales commissions are consistent with the pattern of revenue recognition of each performance obligation and are included in sales and marketing expense in the consolidated statements of operations.

The Company periodically reviews these deferred contract acquisition costs to determine whether events or changes in circumstances have occurred that could impact the period of benefit. There were no impairment losses recorded during the periods presented.

The Company capitalizes costs incurred to fulfill its contracts when the costs relate directly to a contract and are expected to generate resources that will be used to satisfy the performance obligation under the contract and are expected to be recovered through revenues generated under the contract. Costs to fulfill contracts are expensed to cost of revenue on a straight-line basis over a period of five years which reflects the technological useful life.

Cost of Revenue

Cost of subscription revenue consists primarily of employee-related costs including payroll, benefits and stock-based compensation expense for operations and customer support teams, production costs mainly consist of cloud hosting providers and other third-party service providers, amortization of capitalized software development costs and acquired technology and allocated overhead costs.

Cost of professional services consists primarily of personnel costs of our professional services organization, including payroll, benefits, and stock-based compensation expense, allocated overhead costs and other third-party service providers.

Research and Development Costs

Research and development costs are charged to the statements of operations as incurred, except to the extent that such costs are associated with internal-use software that qualifies for capitalization.

Internal-Use Software

Costs incurred to develop internal-use software are capitalized and amortized over the estimated useful life of the software, which is generally five years. In accordance with ASC Topic, 350-40, "Internal-Use Software," capitalization of costs to develop internal-use software begins when preliminary development efforts are successfully completed, the Company has committed project funding and it is probable that the project will be completed and the software will be used as intended. Costs related to the maintenance of internal-use software are expensed as incurred.

The Company periodically reviews internal-use software costs to determine whether the projects will be completed, placed in service, removed from service or replaced by other internally developed or third-party software. If the asset is not expected to provide any future benefit, the asset is retired, and any unamortized cost is expensed. Capitalized internal-use software costs are recorded under property and equipment, net.

When events or changes in circumstances require, the Company assesses the likelihood of recovering the cost of internal-use software. If the net book value is not expected to be fully recoverable, internal-use software would be impaired to its fair value. During the year ended December 31, 2024 the Company did not capitalize software development costs. During the years ended December 31, 2023 and 2022, the Company capitalized \$1,660 and \$5,115 of software development costs, respectively. No impairment was recorded for the years ended December 31, 2024, 2023 and 2022.

Advertising Costs

Advertising costs are expensed as incurred and include marketing activities, demand generation, events, public relations and brand-building activities. Advertising costs for the years ended December 31, 2024, 2023 and 2022, amounted to \$3,366, \$3,951 and \$5,767, respectively, and are included in sales and marketing expenses in the consolidated statements of operations.

Stock-Based Compensation

The Company accounts for stock-based compensation in accordance with ASC 718, "Compensation - Stock Compensation" ("ASC 718"). ASC 718 requires companies to estimate the fair value of equity-based payment awards on the date of grant using an option-pricing model. The value of the portion of the award is recognized as an expense over the requisite service periods in the Company's consolidated statements of operations.

KALTURA, INC. AND SUBSIDIARIES
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Service-Based Awards

The Company grants stock option awards and restricted stock units (“RSUs”), that vest only based upon the satisfaction of a service condition. For RSUs with performance conditions, expenses are recognized when it is probable that the performance condition will be achieved. The probability of achievement is assessed periodically to determine whether the performance metric continues to be probable. When there is a change in the probability of achievement, any cumulative effect of the change is recognized in the period of the change and the remaining unrecognized compensation will be amortized prospectively over the respective vesting period. The Company selected the Black-Scholes option-pricing model as the most appropriate fair value method for its option awards. The option-pricing model requires a number of assumptions, of which the most significant are the fair value of its common stock, the expected stock price volatility, expected option term, risk-free interest rates and expected dividend yield.

The assumptions used to determine the fair value of the option awards represent management’s best estimates. These estimates involve inherent uncertainties and the application of management’s judgment. For RSUs, the Company determines the grant-date fair value of the RSUs as the fair value of the Company’s common stock on the grant date.

The Company recognizes compensation cost for options and stock awards that have a graded vesting schedule and contain only service condition on a straight-line basis over the requisite service period for the entire award. Forfeitures are accounted for as they occur instead of estimating the number of awards expected to be forfeited.

Market-Based Awards

The Company has granted three of its executives stock options that vest only upon the satisfaction of market-based conditions. The market-based conditions reflect specific prices for the Company’s common stock, which must be exceeded for each tranche of the grant to vest.

For market-based awards, the Company determined the grant-date fair value utilizing a Monte Carlo simulation model, which incorporates various assumptions including expected stock price volatility, risk-free interest rates, expected exercise behavior for vested options, expected date of a qualifying event and expected form and timing of a liquidity event. The Company estimated the volatility of the common stock on the date of grant based on the weighted average historical stock price volatility of comparable publicly-traded companies. Because the option does not qualify as “plain vanilla” per SEC Staff Accounting Bulletin 107, the expected term cannot be estimated based on the simplified model described in the Bulletin. In order to address the term, the Monte Carlo simulation model includes an assumption about the price level at which vested options are expected to be exercised (the “Sub Optimal Exercise” factor). The risk-free interest rate is based on the U.S. Treasury yield curve in effect at the time of grant. The rate used is based on the expected term of the option.

The Company recognizes compensation expenses for the value of its market-based awards based on the accelerated attribution method over the estimated requisite service period of each of the awards. The Company has determined that there is no explicit or implicit service period for the awards, and therefore the requisite service period is based on the derived service period. The derived service period is the term calculated in the Monte Carlo valuation model as described above. The derived service period is the median duration of the simulated price paths in which the option tranche vests, which is determined by the above assumptions.

Business Combination

The Company accounted for business combination in accordance with ASC 805, “Business combinations”. ASC 805 requires recognition of assets acquired, liabilities assumed, and any non-controlling interest at the acquisition date, measured at fair values as of that date. Any excess of the fair value of net assets acquired over purchase price and any subsequent changes in estimated contingencies are to be recorded in earnings.

Acquisition related costs are expensed to the statement of operations in the period incurred.

Income Taxes

The Company accounts for income taxes in accordance with ASC 740, “Income Taxes”. This codification prescribes the use of the asset and liability method whereby deferred tax asset and liability account balances are determined based on differences between financial reporting and tax bases of assets and liabilities and for carry-forward tax losses.

Deferred taxes are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. The Company provides a valuation allowance, if necessary, to reduce deferred tax assets to their estimated realizable value if it is more likely than not that some portion or all of the deferred tax asset will not be realized.

KALTURA, INC. AND SUBSIDIARIES
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The Company accounts for uncertain tax positions in accordance with the provisions of ASC 740, "Income Taxes". Accounting guidance addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the consolidated financial statements, under which a company may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position.

The tax benefits recognized in the consolidated financial statements from such a position should be measured based on the largest benefit that has a greater than fifty percent likelihood of being realized upon ultimate settlement. Accordingly, the Company reports a liability for unrecognized tax benefits resulting from uncertain tax positions taken or expected to be taken in a tax return (see also Note 11).

Net Loss per Share Attributable to Common Stockholders

The Company's basic net loss per share is calculated by dividing net loss by the weighted-average number of shares of common stock outstanding for the period, without consideration of potentially dilutive securities. The diluted net loss per share is calculated by giving effect to all potentially dilutive securities outstanding for the period using the treasury share method or the if-converted method based on the nature of such securities. Diluted net loss per share is the same as basic net loss per share in periods when the effects of potentially dilutive shares of common stock are anti-dilutive.

Concentration of Credit Risks

Financial instruments that potentially subject the Company to concentrations of credit risk consist principally of cash and cash equivalents, marketable securities, restricted cash and trade receivables.

The majority of the Company's and its subsidiaries' cash and cash equivalents and restricted cash are invested with major banks in Israel, the United Kingdom and the United States. Such investments in the United States may be in excess of insured limits and are not insured in other jurisdictions. However, in general, these investments may be redeemed upon demand and therefore bear minimal risk.

The Company's trade receivables are geographically dispersed and derived from sales to customers mainly in the United States, Europe and Asia. Concentration of credit risk with respect to trade receivables is limited by credit limits, ongoing credit evaluation and account monitoring procedures.

Major customer data as a percentage of total revenues:

The following table sets forth a customer that represented 10% or more of the Company's total revenue in each of the periods set forth below:

	Year ended		
	December 31,		
	2024	2023	2022
Customer A (Media and Telecom)	10.73 %	10.22 % *)	—

*) Represents an amount that is lower than 10% of the Company's total revenue.

Fair Value of Financial Instruments

ASC 820, "Fair Value Measurements and Disclosures", defines fair value as the price that would be received to sell an asset or paid to transfer a liability (i.e., the "exit price") in an orderly transaction between market participants at the measurement date.

In determining fair value, the Company uses various valuation approaches. ASC 820 establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. Observable inputs are inputs that market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the Company.

Unobservable inputs are inputs that reflect the Company's assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances.

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As a basis for considering such assumptions, ASC 820 establishes a three-tier value hierarchy, which prioritizes the inputs used in the valuation methodologies in measuring fair value:

Level 1 - Valuations based on quoted prices in active markets for identical assets that the Company has the ability to access. Valuation adjustments and block discounts are not applied to Level 1 instruments. Since valuations are based on quoted prices that are readily and regularly available in an active market, valuation of these products does not entail a significant degree of judgment.

Level 2 - Valuations based on one or more quoted prices in markets that are not active or for which all significant inputs are observable, either directly or indirectly.

Level 3 - Valuations based on inputs that are unobservable and significant to the overall fair value measurement.

The carrying amounts of cash and cash equivalents, restricted cash, trade receivables, prepaid expenses and other current assets, employees and payroll accruals, trade payables, accrued expenses and other current liabilities, current portion of long-term loans and current portion of long-term lease approximate their fair value due to the short-term maturities of such instruments.

Legal Contingencies

From time to time, the Company or one of its subsidiaries become involved in legal proceedings or is subject to claims arising in its ordinary course of business. Such matters are generally subject to many uncertainties and outcomes and are not predictable with assurance. Specifically, the Company might be subject to contractual penalties, including liquidated damages, as well as breach of contract claims, which could result in litigation and cause the Company to incur additional costs, including in the form of additional damages or settlement payments. The Company accrues for contingencies when the loss is probable and it can reasonably estimate the amount of any such loss.

Recently Adopted Pronouncements

In November 2023, the Financial Accounting Standards Board (FASB) issued Accounting Standard Update (“ASU”) No. 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures, which requires to disclose significant segment expenses and other segment items on an annual and interim basis and provide in interim periods all disclosures about a reportable segment’s profit or loss and assets that are currently required annually.

The new standard is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted. The Company adopted this guidance during the year ended December 31, 2024. See Note 13 Reportable Segments and Geographical Information in the accompanying notes to the consolidated financial statements for further detail.

Recent Accounting Guidance Not Yet Adopted

In December 2023, the Financial Accounting Standards Board issued Accounting Standards Update (“ASU”) 2023-09, “Income Taxes - Improvements to Income Tax Disclosures” requiring enhancements and further transparency to certain income tax disclosures, most notably the tax rate reconciliation and income taxes paid. This ASU is effective for fiscal years beginning after December 15, 2024 on a prospective basis and retrospective application is permitted. The Company is currently evaluating the impact of the adoption of this standard.

In November 2024, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2024-03, “Income Statement — Reporting Comprehensive Income — Expense Disaggregation Disclosures”, which requires disclosure, on an annual and interim basis, of disaggregated information about certain income statement expense line items. The ASU does not change the expense captions presented on the face of the income statement; rather, it mandates the disaggregation of certain expense captions into specified categories within the footnotes to the financial statements. This ASU is effective for fiscal years beginning after December 15, 2026, and for interim periods within fiscal years beginning after December 15, 2027. The Company is currently evaluating the impact of adopting this standard.

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NOTE 3: REVENUES FROM CONTRACTS WITH CUSTOMERS

The following tables present disaggregated revenue by category:

	Year Ended December 31, 2024			
	Enterprise, Education and Technology		Media and Telecom	
	Amount	Percentage of revenue	Amount	Percentage of revenue
Subscription	\$ 124,215	96.5 %	\$ 43,466	86.9 %
Professional services	4,489	3.5 %	6,547	13.1 %
	<u>\$ 128,704</u>	<u>100 %</u>	<u>\$ 50,013</u>	<u>100 %</u>

	Year Ended December 31, 2023			
	Enterprise, Education and Technology		Media and Telecom	
	Amount	Percentage of revenue	Amount	Percentage of revenue
Subscription	\$ 120,600	96.4 %	\$ 42,150	84.3 %
Professional services	4,554	3.6 %	7,868	15.7 %
	<u>\$ 125,154</u>	<u>100 %</u>	<u>\$ 50,018</u>	<u>100 %</u>

	Year Ended December 31, 2022			
	Enterprise, Education and Technology		Media and Telecom	
	Amount	Percentage of revenue	Amount	Percentage of revenue
Subscription	\$ 113,551	94.5 %	\$ 38,929	80.1 %
Professional services	6,639	5.5 %	9,692	19.9 %
	<u>\$ 120,190</u>	<u>100 %</u>	<u>\$ 48,621</u>	<u>100 %</u>

Contract Balances

Contract liabilities consist of deferred revenue. Revenue is deferred when the Company invoices in advance of performance under a contract. The current portion of the deferred revenue balance is recognized as revenue during the 12-month period after the balance sheet date.

The noncurrent portion of the deferred revenue balance is recognized as revenue following the 12-month period after the balance sheet date.

Substantially all the revenue that was included in the deferred revenue, current as of January 1, 2024, was recognized as revenue during 2024.

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Remaining Performance Obligations

Remaining performance obligations represent the amount of contracted future revenue that has not yet been recognized, including both deferred revenue and contracted amounts that will be invoiced and recognized as revenue in future periods. As of December 31, 2024, the aggregate amount of the transaction price allocated to remaining performance obligations was \$203,379, which consists of both billed consideration in the amount of \$63,190 and unbilled consideration in the amount of \$140,189 that the Company expects to recognize as revenue and was not yet recognized on the balance sheet. The Company expects to recognize 58% of its remaining performance obligations as revenue in the year ending December 31, 2025, and the remainder over the next four years.

Costs to Obtain a Contract

The following table represents a roll forward of costs to obtain a contract:

	December 31,		
	2024	2023	2022
Beginning balance	\$ 24,210	\$ 26,928	\$ 26,274
Additions to deferred contract acquisition costs during the period	8,142	7,237	10,037
Amortization of deferred contract acquisition costs	(10,149)	(9,955)	(9,383)
Ending balance	<u>\$ 22,203</u>	<u>\$ 24,210</u>	<u>\$ 26,928</u>
Deferred contract acquisition costs, current	\$ 9,770	\$ 9,063	\$ 8,979
Deferred contract acquisition costs, noncurrent	12,433	15,147	17,949
Total deferred costs to obtain a contract	<u>\$ 22,203</u>	<u>\$ 24,210</u>	<u>\$ 26,928</u>

Costs to Fulfill a Contract

The following table represents a roll forward of costs to fulfill a contract:

	December 31,		
	2024	2023	2022
Beginning balance	\$ 3,740	\$ 5,522	\$ 5,426
Additions to deferred costs to fulfill a contract during the period	—	—	1,578
Amortization of deferred costs to fulfill a contract	(1,573)	(1,782)	(1,482)
Ending balance	<u>\$ 2,167</u>	<u>\$ 3,740</u>	<u>\$ 5,522</u>
Deferred fulfillment costs, current	\$ 995	\$ 1,573	\$ 1,780
Deferred fulfillment costs, noncurrent	1,172	2,167	3,742
Total deferred costs to fulfill a contract	<u>\$ 2,167</u>	<u>\$ 3,740</u>	<u>\$ 5,522</u>

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NOTE 4: MARKETABLE SECURITIES

The following is a summary of available-for-sale marketable securities as of December 31, 2024 and December 31, 2023, respectively:

	December 31, 2024			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Available-for-sale – matures within one year:				
Corporate bonds	\$ 27,301	\$ 16	\$ (9)	\$ 27,308
U.S. Treasury	16,938	20	(1)	16,957
Commercial paper	1,945	—	(4)	1,941
Agency bonds	2,070	1	(2)	2,069
	<u>\$ 48,254</u>	<u>\$ 37</u>	<u>\$ (16)</u>	<u>\$ 48,275</u>
Available-for-sale – matures after one year:				
Corporate bonds	\$ 2,423	\$ —	\$ —	\$ 2,423
U.S. Treasury	954	2	—	956
	<u>\$ 3,377</u>	<u>\$ 2</u>	<u>\$ —</u>	<u>\$ 3,379</u>
	December 31, 2023			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Available-for-sale – matures within one year:				
Corporate bonds	\$ 6,985	\$ 4	\$ —	\$ 6,989
U.S. Treasury	8,795	17	—	8,812
Commercial paper	8,855	—	(5)	8,850
Agency bonds	8,037	9	(5)	8,041
	<u>\$ 32,672</u>	<u>\$ 30</u>	<u>\$ (10)</u>	<u>\$ 32,692</u>
Available-for-sale – matures after one year:				
Corporate bonds	\$ 2,944	\$ 14	\$ —	\$ 2,958
U.S. Treasury	2,869	17	—	2,886
	<u>\$ 5,813</u>	<u>\$ 31</u>	<u>\$ —</u>	<u>\$ 5,844</u>

As of December 31, 2024 and December 31, 2023 the Company did not record an allowance for credit losses for its available-for-sale marketable debt securities and all of the gross unrealized losses of the Company's marketable securities have been in a continuous loss position for less than 12 months. There were no gains or losses from available-for-sale marketable securities that were reclassified out of accumulated other comprehensive loss during the periods presented.

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NOTE 5: FAIR VALUE MEASUREMENTS

In accordance with ASC 820, the Company measures its cash equivalents and marketable securities at fair value using the market approach valuation technique. Cash equivalents and marketable securities are classified within Level 1 or Level 2 because these assets are valued using quoted market prices or alternative pricing sources and models utilizing market observable inputs. Foreign currency derivative contracts are classified within the Level 2 value hierarchy, as the valuation inputs are based on quoted prices and market observable data of similar instruments.

Description	Fair Value Hierarchy	Fair Value Measurements As Of	
		December 31, 2024	December 31, 2023
Measured at fair value on a recurring basis:			
Assets:			
Cash equivalents:			
Money market funds	Level 1	\$ 12,212	\$ 18,745
Short-term marketable securities:			
Corporate bonds	Level 2	\$ 27,309	\$ 6,989
U.S. Treasury	Level 2	\$ 16,956	\$ 8,812
Commercial paper	Level 2	\$ 1,941	\$ 8,850
Agency bonds	Level 2	\$ 2,069	\$ 8,041
Long-term marketable securities:			
Corporate bonds	Level 2	\$ 2,423	\$ 2,958
U.S. Treasury	Level 2	\$ 956	\$ 2,886
Prepaid expenses and other current assets:			
Restricted bank deposits	Level 2	\$ 3,507	\$ 3,397
Options and forward contracts designated as hedging instruments	Level 2	\$ 960	\$ 998
Other assets, noncurrent:			
Restricted bank deposit	Level 2	\$ 1,020	\$ 1,025
Liabilities:			
Derivative instruments liability included in accrued expenses and other current liabilities:			
Options and forward contracts designated as hedging instruments	Level 2	\$ 24	\$ —

NOTE 6: DERIVATIVES AND HEDGING

The Company enters into forward contracts to hedge certain forecasted payroll costs denominated in NIS against exchange rate fluctuations of the U.S. dollar for a period of up to twelve months. The Company recorded the cash flows associated with these derivatives under operating activities. The Company does not use derivative instruments for trading or speculative purposes.

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Notional Amount of Foreign Currency Contracts

The Company had outstanding contracts designated as hedging instruments in the aggregate notional amount of \$35,718, \$15,093 as of December 31, 2024 and December 31, 2023, respectively. The fair value of the Company's outstanding contracts amounted to an asset of \$960 and \$998 as of December 31, 2024 and December 31, 2023, respectively and a liability of \$24 as of December 31, 2024. These assets and liabilities were recorded under prepaid expenses and other current assets and accrued expenses and other current liabilities.

Effect of Foreign Currency Contracts on the Consolidated Statements of Operations

The effect of foreign currency contracts on the consolidated statements of operations during the year ended December 31, 2024, 2023 and 2022 was as follows:

Statement of Operations Location:	Year Ended December 31, 2024	Year Ended December 31, 2023	Year Ended December 31, 2022
Cost of revenue	\$ (123)	\$ 326	\$ 230
Research and development	(426)	1,182	727
Sales and marketing	(113)	278	190
General and administrative	(170)	427	249
Restructuring	—	28	22
Total	\$ (832)	\$ 2,241	\$ 1,418

Gain of \$832 and Losses of \$2,241 and \$1,418 was reclassified from accumulated other comprehensive income (loss) during the year ended December 31, 2024, 2023 and 2022, respectively. Such losses was reclassified from accumulated other comprehensive income (loss) when the related expenses were incurred.

NOTE 7: LEASES

The Company leases its office facilities under agreements that expire at various dates through July 2032.

Components of operating lease expense were as follows:

	Year Ended December 31, 2024	Year Ended December 31, 2023	Year Ended December 31, 2022
Operating lease cost	\$ 2,697	\$ 2,875	\$ 2,827
Short-term lease cost	—	154	417
Variable lease cost	176	89	20
Total	\$ 2,873	\$ 3,118	\$ 3,264

Supplementary cash flow information related to operating leases was as follows:

	Year Ended December 31, 2024	Year Ended December 31, 2023	Year Ended December 31, 2022
Cash paid for operating leases	\$ 3,906	\$ 3,353	\$ 1,845

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As of December 31, 2024, the weighted-average discount rate is 4.6% and the weighted-average remaining term is 7.2 years. Maturities of the Company's operating lease liabilities as of December 31, 2024 were as follows:

Year Ending December 31,	
2025	3,119
2026	3,181
2027	2,749
2028	2,371
2029	2,371
2030 and thereafter	6,154
Total operating lease payments	19,945
Less: imputed interest	2,178
Total operating lease liabilities	<u>\$ 17,767</u>

8: COMMITMENTS AND CONTINGENCIES *Commitments*

The Company has entered into various non-cancelable agreements with third-party providers for use of mainly cloud and other services, under which it committed to minimum and fixed purchases through the year ending December 31, 2026.

The following table presents details of the aggregate future non-cancelable purchase commitments under such agreements as of December 31, 2024:

Year ended December 31,	
2025	28,727
2026	28,576
Total purchase commitment	<u>\$ 57,303</u>

During the year ended December 31, 2024, the Company had accelerated expenses in the amount of \$1,312 related to its minimum commitment with one of its cloud hosting service due to the Company's decision not to utilize the provider's cloud service. Such expenses were recorded under general and administrative expenses in the consolidated statement of operations.

Litigation

The Company is occasionally a party to claims or litigation in the normal course of the business. The Company does not believe that it is a party to any pending legal proceeding that is likely to have a material adverse effect on its business, financial condition, or results of operations.

NOTE 9: CONSOLIDATED BALANCE SHEET COMPONENTS

Prepaid expenses and other current assets

Prepaid expenses and other current assets consisted of the following:

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	December 31,	
	2024	2023
Prepaid expenses	\$ 4,085	\$ 2,656
Restricted bank deposits	3,507	3,397
Derivative instrument	960	998
Other current assets	929	1,359
	<u>\$ 9,481</u>	<u>\$ 8,410</u>

Property and Equipment, net

Composition of property and equipment is as follows:

	December 31,	
	2024	2023
<u>Cost:</u>		
Computers and peripheral equipment	\$ 1,780	\$ 4,055
Office furniture and equipment	2,211	2,183
Leasehold improvements	7,127	7,267
Internal use software	13,755	13,755
	<u>24,873</u>	<u>27,260</u>
Accumulated depreciation	(8,683)	(7,147)
Depreciated cost	<u>\$ 16,190</u>	<u>\$ 20,113</u>

Depreciation expenses for the years ended December 31, 2024, 2023 and 2022 were \$4,586, \$4,162 and \$2,042, respectively. In 2024, the Company disposed of fully depreciated fixed assets totaling \$3,050.

Other assets, noncurrent

	December 31,	
	2024	2023
Restricted cash	\$ 100	\$ 100
Severance pay fund	1,577	1,685
Restricted deposit	1,020	1,025
Other	286	290
	<u>\$ 2,983</u>	<u>\$ 3,100</u>

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Accrued expenses and other current liabilities

	December 31,	
	2024	2023
Accrued expenses	\$ 6,366	\$ 4,353
Accrued taxes	5,638	11,755
Derivative instruments	24	—
Other current liabilities	2,234	1,171
	<u>\$ 14,262</u>	<u>\$ 17,279</u>

Other liabilities, noncurrent

	December 31,	
	2024	2023
Accrued taxes	\$ 8,599	\$ —
Deferred tax	463	418
Other	1,710	1,877
	<u>\$ 10,772</u>	<u>\$ 2,295</u>

NOTE 10: GOODWILL AND INTANGIBLE ASSETS, NET

The carrying amounts and accumulated amortization expenses of the intangible assets, as of December 31, 2024, and December 31, 2023, were as follows:

	December 31, 2024	
	Weighted average remaining useful life (in years)	Balance
<u>Gross carrying amount:</u>		
Technology	0.25	\$ 4,700
Customer relationship	2.25	\$ 2,419
		<u>\$ 7,119</u>
<u>Accumulated amortization and impairments:</u>		
Technology		\$ (4,603)
Customer relationship		\$ (2,304)
		<u>\$ (6,907)</u>
Intangible assets, net		<u>\$ 212</u>

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	December 31, 2023	
	Weighted average remaining useful life (in years)	Balance
<u>Gross carrying amount:</u>		
Technology	1.25	\$ 4,700
Customer relationship	3.25	2,419
		7,119
<u>Accumulated amortization and impairments</u>		
Technology		(4,177)
Customer relationship		(2,253)
Tradename		—
		(6,430)
Intangible assets, net		\$ 689

During the year ended December 31, 2024, 2023 and 2022, the Company recorded amortization expenses in the amount of \$477, \$555 and \$665, respectively, included in cost of revenue, sales and marketing expenses in the consolidated statements of operations.

The estimated future amortization expense of intangible assets as of December 31, 2024, is as follows:

	December 31,
2025	148
2026	50
2027	14
	\$ 212

Goodwill was \$11,070 at December 31, 2024 and December 31, 2023 with \$9,381 allocated to the M&T segment and \$1,689 to the EE&T segment. There were no changes in the carrying amount of goodwill for the year ended December 31, 2024.

NOTE 11: INCOME TAXES

The Company's subsidiaries are separately taxed under the domestic tax laws of the jurisdiction of incorporation of each entity.

Loss (income) before taxes on income is comprised as follows:

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	Year Ended December 31,		
	2024	2023	2022
Domestic	\$ 32,758	\$ 45,625	\$ 66,346
Foreign	(9,093)	(8,170)	(5,719)
Loss before taxes on income	<u>\$ 23,665</u>	<u>\$ 37,455</u>	<u>\$ 60,627</u>

The provision for income taxes is as follows:

	Year Ended December 31,		
	2024	2023	2022
Current provision:			
Federal	\$ —	\$ —	\$ —
State	69	83	88
Foreign	7,536	8,410	7,780
	<u>7,605</u>	<u>8,493</u>	<u>7,868</u>
Deferred provision:			
Federal	18	171	—
State	27	247	—
Foreign	—	—	—
	<u>45</u>	<u>418</u>	<u>—</u>
Total provision for income taxes	<u>\$ 7,650</u>	<u>\$ 8,911</u>	<u>\$ 7,868</u>

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. As of December 31, 2024 and 2023, the Company has provided a full valuation allowance in respect of deferred tax assets. Management currently believes that it is more likely than not that the deferred tax regarding the tax loss carry forwards and other temporary differences will not be realized in the foreseeable future in the U.S.

Significant components of the Company's deferred tax assets are as follows:

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	December 31,	
	2024	2023
Deferred tax assets:		
Net operating losses carryforward	\$ 60,192	\$ 69,160
Disallowed business interest expense	3,944	4,023
Capitalized R&D costs	34,645	26,126
Reserves & accruals	1,804	1,486
Deferred revenue	481	378
Lease liability	625	829
Stock based compensation	9,357	5,823
Intercompany payable	—	5,498
Other assets	70	77
Deferred tax assets before valuation allowance	111,118	113,400
Valuation allowance	(100,318)	(101,237)
Total deferred tax assets, net of valuation allowance	\$ 10,800	\$ 12,163
Deferred tax liabilities:		
Intangible Assets	(1,151)	(970)
Deferred contract acquisition and fulfillment costs	(6,711)	(7,686)
Internal use software	(2,401)	(2,988)
Operating lease right-of-use assets	(542)	(742)
Other	(458)	(195)
Total gross deferred tax liabilities	\$ (11,263)	\$ (12,581)
Total net deferred tax liabilities	\$ (463)	\$ (418)

As of December 31, 2024, the U.S. parent company had a net U.S. operating loss carry forward (“NOLs”) for federal income tax purposes of approximately \$225,328 and U.S. state NOLs of approximately \$183,372. Out of the operating losses attributed to the U.S. parent company, \$132,311 were generated before January 1, 2018, and are subject to the 20-year carryforward period. The remaining \$93,017 can be carried forward indefinitely but are subject to the 80% taxable income limitation.

Utilization of the U.S. net operating losses above may be subject to substantial annual limitations due to the “change in ownership” provisions of the Internal Revenue Code of 1986 and similar state provisions. The annual limitation may result in the expiration of substantial net operating losses before utilization (the 80% limitation was waived for NOLs utilized in 2019 and 2020 under the CARES Act).

The Company has analyzed the impact of Section 382 on its NOLs through 2024 and believes that the NOLs are not materially limited by Section 382. However, any future changes of ownership could impact the Company’s ability to utilize NOLs.

A reconciliation of the Company's theoretical income tax expense to actual income tax expense is as follows:

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	Year Ended December 31,		
	2024	2023	2022
Loss before tax as reported at the consolidated statement of operations	\$ 23,665	\$ 37,455	\$ 60,627
Statutory tax rate	21 %	21 %	21 %
Theoretical tax benefit	\$ (4,970)	\$ (7,866)	\$ (12,732)
Non-deductible expenses and other permanent differences	259	1,026	154
Stock based compensation	1,639	2,403	2,193
Change in valuation allowance	(919)	16,842	9,745
State taxes, net of federal benefit	(2,083)	(2,898)	4,946
Income tax at rate other than the U.S. statutory tax rate	11,454	1,613	3,045
Exchange rate differences	(4,812)	(511)	332
Return to provision adjustments	6,406	(1,321)	—
Other	676	(377)	185
Total tax expenses	\$ 7,650	\$ 8,911	\$ 7,868

On December 22, 2017, the U.S. enacted the Tax Cuts and Jobs Act, a comprehensive tax law that included significant changes to the taxation of business entities. These changes include several key tax provisions, among others: (i) a permanent reduction to the statutory federal corporate income tax rate from 35% to 21% effective for tax years beginning after December 31, 2017; (ii) a partial limitation on the tax deductibility of business interest expenses; (iii) a shift of the U.S. taxation of multinational corporations from a tax on worldwide income to a territorial system (along with certain rules designed to prevent erosion of the U.S. income tax base) and (iv) a one-time deemed repatriation tax on accumulated offshore earnings held in cash and illiquid assets, with the latter taxed at a lower rate. In addition, beginning in 2022, U.S. companies are required to capitalize and amortize research and experimental expenditures ratably over a five-year period. Any such expenditures attributable to research conducted outside of the U.S. must be capitalized and amortized over a 15-year period.

The Israeli corporate tax rate was 23% for the years ended December 31, 2024, 2023 and 2022. However, the effective tax rate payable by a company that derives income from a “Benefited Enterprise” or a “Preferred Enterprise” (as discussed below) may be considerably less. Capital gains derived by an Israeli company are generally subject to the prevailing corporate tax rate.

Tax benefits by virtue of the Law for the Encouragement of Capital Investments, 1959 (“the Investment Law”):

Until tax year 2014, Kaltura Israel utilized various tax benefits by virtue of the “Benefited Enterprise” status granted to its enterprise, pursuant to the Investment Law.

Kaltura Israel elected benefits under the alternative track of benefits according to which it was exempt from income tax in the first two years (from the date Kaltura Israel earned taxable income).

If a dividend is distributed out of tax exempt income earned by a Benefited Enterprise the amount distributed will be subject to corporate tax at the rate that would have otherwise been applicable on the Benefited Enterprise income. Dividends paid out of income attributed to a Beneficiary Enterprise are generally subject to withholding tax at source at the rate of 15% or such lower rate as may be provided in an applicable tax treaty.

As of December 31, 2024, approximately \$518 was derived from tax exempt profits earned by Kaltura Israel's “Beneficiary Enterprise.”

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The Company and its Board of Directors have determined that such tax-exempt income will not be distributed as dividends and intends to reinvest the amount of its tax-exempt income earned by Kaltura Israel. Accordingly, no provision for deferred income taxes has been provided on income attributable to Kaltura Israel's "Beneficiary Enterprise" as such income is essentially permanently reinvested.

If Kaltura Israel's retained tax-exempt income is distributed, the income would be taxed at the applicable corporate tax rate as if it had not elected the alternative tax benefits under the Investment Law and an income tax liability of up to \$130 would be incurred as of December 31, 2024.

In 2011, new legislation amending the Investment Law was adopted. Under this new legislation, a unified corporate tax rate applied to all qualifying income generated by a "Preferred Company" through its Preferred Enterprise (as such terms are defined in the Investment Law) as of January 1, 2011.

Industrial Companies under the Preferred Enterprise status according to the new law as amended in July 2013, and starting January 1, 2014 are entitled to a uniform reduced corporate tax rate of 9% in areas in Israel designated as Development Zone A and 16% elsewhere in Israel.

The 2011 Amendment also provided transitional provisions to address companies already enjoying current benefits under the Investment Law. Under the transition provisions, the Company decided to irrevocably implement the new law, effective January 1, 2015.

Dividends distributed from income which is attributed to a "Preferred Enterprise" will be subject to withholding tax at source at the rate of 20% or such lower rate as may be provided in an applicable tax treaty.

Kaltura Israel's income from other sources is subject to tax at the regular Corporate Income rate.

The Company indefinitely reinvests earnings from its foreign subsidiaries and therefore no deferred tax liability has been recognized on the basis difference created by such earnings. The Company has not provided foreign withholding taxes for any undistributed earnings of its foreign subsidiaries.

Generally, in U.S. federal and state taxing jurisdictions, tax periods in which certain loss and credit carryovers are generated remain open for audit until such time as the limitation period ends for the year in which such losses or credits are utilized. Kaltura Israel received final tax assessments through 2018 while the rest of the Company's subsidiaries did not have any final tax assessments as of December 31, 2024.

A reconciliation of the opening and closing amounts of total unrecognized tax benefits is as follows:

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		<u>Unrecognized Tax Benefits</u>
Balance as of December 31, 2021	\$	4,494
Decreases related to prior years' tax positions		(313)
Increases related to current years' tax positions		1,145
Balance as of December 31, 2022	\$	5,326
Decreases related to prior years' tax positions		—
Increases related to current years' tax positions		1,815
Balance as of December 31, 2023		7,141
Decreases related to prior years' tax positions		(353)
Increases related to current years' tax positions		5,968
Balance as of December 31, 2024	\$	12,756

The total amount of unrecognized tax benefits that would affect the effective tax rate, if recognized, was \$12,756 and \$7,141 as of December 31, 2024 and 2023.

The Company recognizes interest and penalties related to uncertain tax positions in income tax expense. As of December 31, 2024 and 2023, the Company had accrued \$571 and \$373 for the payment of interest and penalties relating to unrecognized tax benefits, respectively.

In addition, the Company is subject to the continuous examination of its income tax returns by the IRS and other tax authorities. The Company's federal and state income tax returns for years 2010 and forward remain open to examination. In the Company's foreign jurisdictions – Israel and the United Kingdom – the tax years subsequent to 2020 remain open to examination.

The Company believes that an adequate provision has been made for any adjustments that may result from tax examinations. However, the outcome of tax audits cannot be predicted with certainty. If any issues addressed in the Company's tax audits are resolved in a manner not consistent with management's expectations, the Company could be required to adjust its provision for income taxes in the period such resolution occurs. The Company currently does not expect uncertain tax positions to change significantly over the next 12 months, except in the case of settlements with tax authorities, the likelihood and timing of which is difficult to estimate.

NOTE 12: NET LOSS PER SHARE ATTRIBUTABLE TO COMMON STOCKHOLDERS

The following table sets forth the computation of basic and diluted net loss per share attributable to common stockholders for the periods presented:

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	Year Ended December 31,		
	2024	2023	2022
Numerator:			
Net loss	\$ 31,315	\$ 46,366	\$ 68,495
Denominator:			
Weighted-average shares used in computing net loss per share attributable to common stockholders, basic and diluted	147,925,797	138,237,017	130,366,385
Net loss per share attributable to common stockholders, basic and diluted	\$ 0.21	\$ 0.34	\$ 0.53

Instruments potentially exercisable for common stock that were excluded from the computation of diluted net loss per share attributable to common stockholders for the periods presented because including them would have been anti-dilutive are as follows:

	Year Ended December 31,		
	2024	2023	2022
Outstanding stock options and RSUs	28,652,759	34,132,323	33,457,465
Total	28,652,759	34,132,323	33,457,465

NOTE 13: REPORTABLE SEGMENTS AND GEOGRAPHICAL INFORMATION

Reportable segments

ASC 280, Segment Reporting, establishes standards for reporting information about operating segments. Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision maker in deciding how to allocate resources and in assessing performance. The Company's chief operating decision maker is its Chief Executive Officer ("CODM"). The Company's CODM does not regularly review asset information by segments and, therefore, the Company does not report asset information by segment.

The Company organizes its operations in two segments: Enterprise, Education and Technology and Media and Telecom. The Enterprise, Education and Technology segment represents products related to industry solutions for education customers, and media services (except for Media and Telecom customers). The Media and Telecom segment primarily represents TV solutions that are sold to media and telecom operators.

The measurement of the reportable operating segments is based on the same accounting principles applied in these financial statements, which includes certain corporate overhead allocations.

**Year Ended
December 31, 2024**

	Enterprise, Education and Technology	Media and Telecom	Total
Revenue	\$ 128,704	\$ 50,013	\$ 178,717
<u>Cost of revenue</u>			
Production costs	\$ 16,693	\$ 13,973	\$ 30,666
Compensation	10,868	6,464	17,332
Depreciation and amortization	1,354	2,370	3,724
Other segment items	2,861	5,028	7,889
<u>Total cost of revenue</u>	31,776	27,835	59,611
Gross profit	96,928	22,178	119,106
Operating expenses			143,205
Financial income, net			(434)
Provision for income taxes			7,650
Net loss			<u>\$ 31,315</u>

**Year Ended
December 31, 2023**

	Enterprise, Education and Technology	Media and Telecom	Total
Revenue	\$ 125,154	\$ 50,018	\$ 175,172
<u>Cost of revenue</u>			
Production costs	\$ 18,528	\$ 14,771	\$ 33,299
Compensation	11,080	8,876	19,956
Depreciation and amortization	1,022	2,389	3,411
Other segment items	2,900	3,372	6,272
<u>Total cost of revenue</u>	33,530	29,408	62,938
Gross profit	91,624	20,610	112,234
Operating expenses			150,889
Financial income, net			(1,200)
Provision for income taxes			8,911
Net loss			<u>\$ 46,366</u>

**Year Ended
December 31, 2022**

	Enterprise, Education and Technology	Media and Telecom	Total
Revenue	\$ 120,190	\$ 48,621	\$ 168,811
Cost of revenue			
Production costs	18,284	11,385	29,669
Compensation	14,117	10,134	24,251
Depreciation and amortization	765	687	1,452
Other segment items	3,212	3,287	6,499
Total cost of revenue	36,378	25,493	61,871
Gross profit	83,812	23,128	106,940
Operating expenses			163,319
Financial income, net			4,248
Provision for income taxes			7,868
Net loss			<u>\$ 68,495</u>

Other segment items include costs related to subcontractors and consultants, allocated rent, IT expenses and other general costs.

Geographical information

Revenue by location is determined by the billing address of the customer. Total revenue from external customers on the basis of the Company's geographical areas are as follows:

	Year Ended December 31,		
	2024	2023	2022
United States ("US")	\$ 94,855	\$ 91,319	\$ 91,923
Europe, the Middle East and Africa ("EMEA")	68,396	65,831	58,026
Other	15,466	18,022	18,862
	<u>\$ 178,717</u>	<u>\$ 175,172</u>	<u>\$ 168,811</u>

No other individual country accounted for more than 10% of the Company's revenue for all periods presented.

The following table presents long-lived assets as of December 31, 2024 and 2023, based on geographical areas which consist of property and equipment, net and operating lease right-of-use assets:

	December 31,	
	2024	2023
US	\$ 10,141	\$ 13,913
Israel	18,253	19,916
Rest of world	104	156
	<u>\$ 28,498</u>	<u>\$ 33,985</u>

NOTE 14: LONG-TERM LOAN

In January 2021, the Company entered into a new credit agreement (the "Credit Agreement") with an existing lender, which provides for a new senior secured term loan facility in the aggregate principal amount of \$40,000 (the "Term Loan Facility") and a new senior secured revolving credit facility in the aggregate principal amount of \$10,000 (the "Revolving Credit Facility" and, together with the Term Loan Facility, the "Credit Facilities"), which subsequently and has been amended according to the Company's needs and other developments. In May 2023, the Company entered into an amendment

(the “Fourth Amendment”) to the then-existing Credit Agreement to replace the London Interbank Offered Rate (“LIBOR”) with the Secured Overnight Financing Rate (“SOFR”) as the benchmark rate under the Credit Agreement. Prior to the Fourth Amendment, borrowings under the Credit Agreement would bear interest, at the Company’s election, at (a) the Eurodollar Rate (as defined in the Credit Agreement as in effect prior to the Fourth Amendment) plus a margin of 3.50% or (b) Alternative Base Rate (“ABR”) (as defined in the Credit Agreement) plus a margin of 2.50%.

In December 2023, the Company entered into a new amendment to the then-existing Credit Agreement (the “Fifth Amendment”), which provides for a new term loan facility in the aggregate principal amount of \$35,000. Commitments under the Revolving Credit Facility decreased to \$25,000.

In July 2024, the Company entered into a new amendment to the then-existing Credit Agreement in connection with our Repurchase Program (as defined below), which updated the aggregate amount of permitted Restricted Payments (as defined in the Credit Agreement; which term includes, among others, repurchase of the Company’s outstanding common stock) and conditions for making such payments (see Note 15 for further information).

Following the effectiveness of the Fifth Amendment, borrowings under the Credit Facilities bear interest, determined as follows: (a) SOFR loans accrue interest at a rate per annum equal to Term SOFR (as defined in the Credit Agreement) plus 0.10% per annum plus a margin of 2.50% (the Adjusted Term SOFR (as defined in the Credit Agreement) is subject to a 1.00% floor), and (b) ABR loans accrue interest at a rate per annum equal to the ABR plus a margin of 1.50% (ABR is equal to the highest of (i) the prime rate and (ii) the Federal Funds Effective Rate plus 0.50%, subject to a 2.00% floor). As of December 31, 2024, the current rate of interest under the Credit Facilities was equal to a rate per annum of 6.93%, consisting of 4.33% (the 3-months SOFR rate as of December 31, 2024), 0.10% credit spread adjustment and the margin of 2.50%.

The Term Loan Facility is payable in consecutive quarterly installments on the last day of each fiscal quarter in an amount equal to (i) \$438 for installments payable on December 31, 2023 (deferred to January 9, 2024), through September 30, 2024 (ii) \$656 for installments payable on December 31, 2024 (\$218 of the amount deferred to January 2025), through September 30, 2025, (iii) \$1,313 for installments payable on and after December 31, 2025. The remaining unpaid balance on the Term Loan Facility is due and payable on December 21, 2026, together with accrued and unpaid interest on the principal amount to be paid to, but excluding, the payment date. Amounts outstanding under the Credit Facilities may be voluntarily prepaid at any time and from time to time, in whole or in part, without premium or penalty.

Under the terms of the Credit Facilities, the Company is obligated to maintain compliance with certain financial covenants as defined therein. As of December 31, 2024, the Company met these covenants.

The aggregate principal annual maturities according to the Credit Facilities agreements are as follows:

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Year ended December 31,

2025	3,281
2026	29,313
	\$ 32,594

The carrying amounts of the loans approximate their fair value.

NOTE 15: STOCKHOLDERS' EQUITY

Common Stock

The shares of common stock confer upon their holders the right to receive notice to participate and vote in general stockholders meetings of the Company, and the right to receive dividends, if declared, and to participate in the distribution of the surplus assets of the Company upon liquidation of the Company, as more fully described in the Company's Certificate of Incorporation.

In connection with the IPO, the Company amended and restated its Certificate of Incorporation to change the authorized common stock to 1,000,000,000 shares of common stock, all with a par value of \$0.0001 per share.

The Company has the following common stock reserved for future issuance as of December 31, 2024:

	December 31, 2024
Outstanding options	16,321,014
Outstanding RSUs	12,331,745
Shares reserved under 2021 Plan	4,423,347
Total	33,076,106

Equity Incentive Plans

Under the Company's 2007 U.S. and Israeli Stock Option Plans ("the 2007 Plans"), options were granted to officers, directors, employees, advisors and consultants of the Company or its subsidiaries.

In 2017, the Company adopted a new equity incentive plan, the "2017 Equity Incentive Plan" (the "2017 Plan" and together with the 2007 Plans, the "Old Plans"), and extended the term of the 2007 Israeli Stock Option Plan and the term of the options already granted thereunder for an additional ten-year period.

Each option granted under the Old Plans is exercisable until the earlier of ten years (or 20 years if granted under the 2007 Israeli Stock Option Plan) from the date of the grant of the option. The options vest primarily over a four-year period. Any options that are forfeited or not exercised before expiration become available for future grants.

In December 2020, the Company granted to three of its officers, market-based options at an exercise price of \$13.34 per share.

The options vest based on the achievement of specific share price targets such that 25% of the award will vest upon the fair market value of a share of common stock increasing fifty percent (50%) above the exercise price; an additional 25% of such award will vest upon the fair market value of a share increasing one-hundred percent (100%) above the exercise price; an additional 25% will vest upon the fair market value of a share increasing one-hundred and fifty percent (150%) above the exercise price; and the remaining 25% of the award will vest upon the fair market value increasing two-hundred percent (200%) above the exercise price. During the year ended December 31, 2024, the Company canceled the market-based options to its officers.

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Following the Company's IPO, no additional awards will be granted under the Old Plans. However, the Old Plans will continue to govern the terms and conditions of the outstanding awards previously granted under the Old Plans.

Effective upon the effectiveness of the registration statement for the IPO, the Company adopted the 2021 Incentive Award Plan (the "2021 Plan", and together with the Old Plans, the "Plans"). The 2021 Plan provides for the grant of stock options, stock appreciation rights, restricted stock, RSUs, and other stock or cash-based awards to the Company's officers, directors, employees, advisors, and consultants. The number of shares of common stock initially reserved for issuance under the 2021 Plan was 8,500,000 shares. In addition, certain shares of common stock subject to awards under the Old Plans, such as those subject to expirations, terminations, exercise and tax-related withholding, or failures to vest, will become available for issuance under the 2021 Plan.

The number of shares of common stock available for issuance under the 2021 Plan will also include an annual increase on the first day of each fiscal year beginning on January 1, 2022, equal to the lesser of:

- 5% of the aggregate number of shares of common stock outstanding on the final day of the immediately preceding calendar year; and
- Such smaller number of shares of common stock as is determined by the Board of Directors.

Under the 2021 Plan, the exercise price of options granted is generally at least equal to the fair market value of the Company's common stock on the date of grant. The term of the options generally may not exceed ten years. Additionally, the exercise price of any options granted to a 10% stockholder shall not be less than 110% of the fair market value of the common stock on the date of grant, and the term of such option grant shall not exceed five years.

On January 1, 2024, the number of shares of common stock authorized for issuance under the 2021 Plan automatically increased by 7,129,446 shares pursuant to the terms of the 2021 Plan.

During 2024, the Company granted to its officers RSUs under the 2021 Plan which shall vest based upon achievement of certain performance targets set forth in the 2024 Executive Compensation Plan, and additional RSUs that vest in quarterly installments over a period of up to three years commencing as of January 1, 2024 with the first quarterly vesting date on April 1, 2024, subject to continued employment through the vesting dates.

Stock Options

A summary of the Company's stock option activity with respect to options granted under the Plans is as follows:

	<u>Number of Options</u>	<u>Weighted Average exercise price</u>	<u>Weighted remaining contractual term (years)</u>	<u>Aggregate Intrinsic Value</u>
Outstanding as of January 1, 2024	22,933,058	\$ 4.99	6.29	\$ 5,378
Granted	—	—		
Exercised	(1,796,434)	\$ 0.99		\$ 1,449
Forfeited	(4,815,610)	\$ 12.26		
Outstanding as of December 31, 2024	<u>16,321,014</u>	<u>\$ 3.29</u>	<u>4.34</u>	<u>\$ 5,212</u>
Exercisable options at end of the year	<u>16,302,264</u>	<u>\$ 3.29</u>	<u>4.33</u>	<u>\$ 5,212</u>

No stock options were granted during the years ended December 31, 2024, 2023 and 2022. The total grant-date fair value of the service-based awards that vested during the years ended December 31, 2024, 2023 and 2022, was \$6,679,

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\$11,409 and \$12,763, respectively. The aggregate intrinsic value of options exercised during the years ended December 31, 2024, 2023 and 2022, was \$1,449, \$3,169 and \$5,272, respectively.

RSUs

The following table summarizes the RSU activity for the year ended December 31, 2024:

	RSUs Outstanding	Weighted Average Grant Date Fair Value per Share
Outstanding as of December 31, 2023	11,199,265	\$2.24
RSUs granted	13,616,089	\$1.45
RSUs vested	(9,910,366)	\$2.09
RSUs forfeited	(2,573,243)	\$1.91
Unvested and Outstanding as of December 31, 2024	12,331,745	\$1.56

Stock-Based Compensation Expense

The stock-based compensation expense by line item in the accompanying consolidated statement of operations is summarized as follows:

	Year Ended December 31,		
	2024	2023	2022
Cost of revenue	\$ 1,002	\$ 1,128	\$ 1,376
Research and development	4,775	4,734	4,268
Sales and marketing	2,701	3,187	3,711
General and administrative	17,786	20,931	14,290
Total expenses	\$ 26,264	\$ 29,980	\$ 23,645

As of December 31, 2024, there were \$13,995 of total unrecognized compensation cost related to non-vested stock-based compensation arrangements granted under the Plans. These costs are expected to be recognized over a weighted-average period of approximately 1.5 years.

Stock Repurchase Program

On June 11, 2024, the Company's board of directors authorized a stock repurchase program of the Company's outstanding common stock for up to \$5,000 of the Company's common stock (the "Repurchase Program"). Under the Repurchase Program, the Company may make repurchases, from time to time, through open market purchases, block trades, in privately negotiated transactions, accelerated stock repurchase transactions, or by other means. The Company may also, from time to time, enter into Rule 10b5-1 plans to facilitate repurchases under this authorization. The volume, timing, and manner of any repurchases will be determined at the Company's discretion, subject to general market conditions, as well as the Company's management of capital, general business conditions, other investment opportunities, regulatory requirements and other factors. The Repurchase Program does not obligate the Company to repurchase any specific amount of common stock, has no time limit, and may be modified, suspended, or discontinued at any time without notice at the discretion of the Board of Directors.

During the year ended December 31, 2024, the Company repurchased 2,238,569 shares of common stock at an weighted average price of \$1.27 per share (excluding broker and transaction fees of \$67). As of December 31, 2024, the Company had remaining authorization under the Repurchase Program to repurchase common stock up to an aggregate amount of \$2,148, subject to satisfying required conditions under the Companies Law and Companies Regulations.

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NOTE 16: SELECTED STATEMENT OF OPERATIONS DATA

	Year Ended December 31,		
	2024	2023	2022
Financial income:			
Interest income	\$ 3,355	\$ 2,735	\$ 962
Foreign currency translation adjustments, net	175	2,169	—
	<u>3,530</u>	<u>4,904</u>	<u>962</u>
Financial expenses:			
Bank fees	135	153	160
Interest expense	2,682	3,178	2,301
Foreign currency translation adjustments, net	—	—	1,959
Other	279	373	790
	<u>3,096</u>	<u>3,704</u>	<u>5,210</u>
Financial expenses (income), net	<u>\$ (434)</u>	<u>\$ (1,200)</u>	<u>\$ 4,248</u>

NOTE 17: ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

The following table summarizes the changes in accumulated other comprehensive loss by component, net of tax, during the years ended December 31, 2024, December 31, 2023 and December 31, 2022:

	Net Unrealized Income (Losses) on Available- for-Sale Securities Instruments	Net Unrealized Income (Losses) on Derivatives Designated as Hedging Instruments	Total
Balance as of December 31, 2023	\$ 49	\$ 998	\$ 1,047
Other comprehensive income before reclassifications	(26)	770	744
Net realized income reclassified from accumulated other comprehensive income	—	(832)	(832)
Other comprehensive loss	(26)	(62)	(88)
Balance as of December 31, 2024	<u>\$ 23</u>	<u>\$ 936</u>	<u>\$ 959</u>

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	Net Unrealized Income (Losses) on Available- for-Sale Securities Instruments	Net Unrealized Income (Losses) on Derivatives Designated as Hedging Instruments	Total
Balance as of December 31, 2022	\$ (181)	\$ (120)	\$ (301)
Other comprehensive loss before reclassifications	230	(1,155)	(925)
Net realized losses reclassified from accumulated other comprehensive income	—	2,273	2,273
Other comprehensive loss	230	1,118	1,348
Balance as of December 31, 2023	<u>\$ 49</u>	<u>\$ 998</u>	<u>\$ 1,047</u>

	Net Unrealized Losses on Available-for-Sale Securities Instruments	Net Unrealized Income (Losses) on Derivatives Designated as Hedging Instruments	Total
Balance as of December 31, 2021	\$ —	\$ —	\$ —
Other comprehensive loss before reclassifications	(181)	(1,643)	(1,824)
Net realized losses reclassified from accumulated other comprehensive income	—	1,523	1,523
Other comprehensive loss	(181)	(120)	(301)
Balance as of December 31, 2022	<u>\$ (181)</u>	<u>\$ (120)</u>	<u>\$ (301)</u>

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure.

None.

Item 9A. Controls and Procedures.

Limitations on Effectiveness of Controls and Procedures

In designing and evaluating our disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and our Chief Financial Officer, evaluated, as of the end of the period covered by this Annual Report on Form 10-K, the effectiveness of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act. Based on that evaluation, our Chief Executive Officer and our Chief Financial Officer have concluded that, as of December 31, 2024, such disclosure controls and procedures were effective at the reasonable assurance level.

Management's Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act. Our management conducted an assessment of the effectiveness of our internal control over financial reporting based on the criteria set forth in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”). Based on this assessment, our management concluded that our internal control over financial reporting was effective as of December 31, 2024.

Our independent registered accounting firm will not be required to opine on the effectiveness of our internal control over financial reporting pursuant to Section 404 until we are no longer an “emerging growth company” as defined in the JOBS Act.

Changes in internal control over financial reporting

There were no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended December 31, 2024, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 9B. Other Information.

(a) On February 19, 2025, the Company and Ron Yekutieli, the Company’s Chairman, Chief Executive Officer and President, entered into amendments (each, a “Yekutieli Amendment” and collectively, the “Yekutieli Amendments”) to (i) the Employment Agreement, dated as of May 1, 2012, as amended, by and between Kaltura Ltd. and Mr. Yekutieli (the “Yekutieli Employment Agreement”), (ii) the Consulting Agreement, dated as of January 1, 2018, as amended, by and between the Company and Mr. Yekutieli and (iii) the Consulting Agreement, dated as of May 1, 2014, as amended, by and between Kaltura Europe Limited and Mr. Yekutieli.

Pursuant to the Yekutiel Amendments, under the Company's 2025 Executive Compensation Plan, Mr. Yekutiel will receive up to \$510,000 (out of which an amount of \$233,750 shall be paid in NIS based on \$1.00/NIS3.7 exchange rate, namely, NIS 864,875) upon achievement of 100% of certain performance targets set forth in the 2025 Executive Compensation Plan, and be eligible to earn additional annual "stretch" bonuses of up to \$191,250 (out of which an amount of \$63,750 shall be paid in NIS based on \$1.00/NIS3.7 exchange rate, namely, NIS 235,875), which shall be paid in cash upon achievement of such performance targets above 100% attainment, subject to and in accordance with the satisfaction of the aforementioned performance targets. Following the end of the applicable year, the Compensation Committee of the Board of Directors of the Company will evaluate the achievement of the performance targets and determine the amounts of the annual bonuses that will be paid to Mr. Yekutiel.

Further, under the 2025 Executive Compensation Plan and the Company's 2021 Incentive Award Plan (the "2021 Plan"), Mr. Yekutiel received 2,105,263 restricted stock units (the "LTI RSUs"). The LTI RSUs vest in quarterly installments over a three-year period commencing as of January 6, 2025, with the first quarterly vesting date on April 1, 2025, subject to continued employment through the vesting date. In the event of a termination of service of Mr. Yekutiel without Cause or by Mr. Yekutiel for Good Reason (each as defined in the applicable award agreement) during the twelve (12) month period immediately following a Change in Control (as defined in the 2021 Plan), the LTI RSUs held by him will become vested in full on the date of such termination.

In addition, under the Yekutiel Amendment to Mr. Yekutiel Employment Agreement, effective as of January 1, 2025, Mr. Yekutiel's annual base salary shall be increased by NIS 172,536 to an aggregate amount of NIS 832,140.

Additionally, the Yekutiel Amendments also apply a revised advance termination notice period set forth in the 2021 Plan.

On February 19, 2025, the Company and John Doherty, the Company's Chief Financial Officer, entered into an amendment (the "Doherty Amendment") to the Employment Agreement, dated as of January 15, 2024, as amended, by and between Kaltura, Inc. and Mr. Doherty.

Pursuant to the Doherty Amendment, under the Company's 2025 Executive Compensation Plan, Mr. Doherty will receive up to \$470,000 upon achievement of 100% of certain performance targets set forth in the 2025 Executive Compensation Plan, and be eligible to earn additional annual "stretch" bonuses of up to \$176,250, which shall be paid in cash upon achievement of such performance targets above 100% attainment, subject to and in accordance with the satisfaction of the aforementioned performance targets. Following the end of the applicable year, the Compensation Committee of the Board of Directors of the Company will evaluate the achievement of the performance targets and determine the amounts of the annual bonuses that will be paid to Mr. Doherty.

Further, under the 2025 Executive Compensation Plan and the "2021 Plan", Mr. Doherty received 526,316 "LTI RSUs", on January 6, 2025. The LTI RSUs vest in quarterly installments over a three-year period commencing as of January 1, 2025, with the first quarterly vesting date on April 1, 2025, subject to continued employment through the vesting date. In the event of a termination of service of Mr. Doherty without Cause or by Mr. Doherty for Good Reason (each as defined in the applicable award agreement) during the twelve (12) month period immediately following a Change in Control (as defined in the 2021 Plan), the LTI RSUs held by him will become vested in full on the date of such termination.

On February 19, 2025, the Company and each of Eynav (Navi) Azaria, the Company's Chief Product Officer, and Natan Israeli, the Company's Chief Customer Officer, entered into amendments (each, an "Amendment" and collectively, the "Amendments") to (i) the Employment Agreement, dated as of December 22, 2020, as amended, by and between Kaltura Ltd. and Mr. Azaria, and (ii) the Employment Agreement, dated as of November 26, 2020, as amended, by and between Kaltura Ltd. and Mr. Israeli. Pursuant to the Amendments, under the Company's 2025 Executive Compensation Plan, (i) Mr. Azaria will receive up to \$224,000 (which shall be paid in NIS based on \$1.00/NIS3.7 exchange rate, namely, NIS 828,800) upon achievement of 100% of certain performance targets set forth in the 2025 Executive Compensation Plan, and be eligible to earn additional annual "stretch" bonuses of up to \$84,000 (which shall be paid in NIS based on \$1.00/NIS3.7 exchange rate, namely, NIS 310,800), which shall be paid in cash upon achievement of such performance targets above 100% attainment, subject to and in accordance with the satisfaction of the aforementioned performance targets.

Following the end of the applicable year, the Compensation Committee of the Board of Directors of the Company will evaluate achievement of the performance targets and determine the amounts of the annual bonuses that will be paid to Mr. Azaria; and (ii) Mr. Israeli will receive up to \$223,000 (which shall be paid in NIS based on \$1.00/NIS3.7 exchange rate, namely, NIS 825,100) upon achievement of 100% of certain performance targets set forth in the 2025 Executive Compensation Plan, and be eligible to earn additional annual “stretch” bonuses of up to \$84,000 (which shall be paid in NIS based on \$1.00/NIS3.7 exchange rate, namely, NIS 310,800), which shall be paid in cash upon achievement of such performance targets above 100% attainment, subject to and in accordance with the satisfaction of the aforementioned performance targets. Following the end of the applicable year, the Compensation Committee of the Board of Directors of the Company will evaluate the achievement of the performance targets and determine the amounts of the annual bonuses that will be paid to Mr. Israeli.

Further, under the 2025 Executive Compensation Plan and the “2021 Plan”, each of Mr. Azaria and Mr. Israeli received 605,263 “LTI RSUs”, on January 6, 2025. The LTI RSUs vest in quarterly installments over a three-year period commencing as of January 1, 2025 with the first quarterly vesting date on April 1, 2025, subject to continued employment through the vesting date. In the event of a termination of service of Mr. Azaria or Israeli, respectively, without Cause or for Good Reason (each as defined in the applicable award agreement) during the twelve (12) month period immediately following a Change in Control (as defined in the 2021 Plan), the LTI RSUs held by each of them will become vested in full on the date of such termination.

In addition, the Amendments also apply a revised advanced termination notice period set forth in the 2021 Plan.

The foregoing descriptions of the Amendments are not complete and are qualified in their entirety by reference to the full and complete terms contained in the respective Amendment, copies of which are filed as Exhibits 10.20, 10.21 and 10.22 respectively, to this Annual Report on Form 10-K and are incorporated herein by reference.

(b) During the three months ended December 31, 2024, no directors or officers of the Company adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as each term is defined in Item 408(a) of Regulation S-K.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not Applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance.

The following table provides information regarding our executive officers and members of our board of directors as of the date of this Annual Report on Form 10-K:

Name	Age	Position
Executive Officers		
Ron Yekutiel	52	Chairman, Chief Executive Officer, President and Director
John Doherty	59	Chief Financial Officer
Eynav Azaria	51	Chief Product and Engineering Officer
Natan Israeli	53	Chief Customer Officer
Non-Employee Directors		
Richard Levandov	70	Director
Dr. Shay David	52	Director
Ronen Faier	54	Director
Dr. Naama Halevi Davidov	53	Director
Eyal Manor	51	Director

Executive Officers

Ron Yekutiel is one of our co-founders and has served as our Chief Executive Officer and as Chairman of our board of directors since October 2006 and as President from January 15, 2024. Prior to Kaltura, Mr. Yekutiel co-founded VisualGate Systems Inc., a video surveillance company, in 2003, and co-founded and lead GPSoft Ltd and the Destinator business unit in Paradigm Advanced Technologies Inc., a GPS navigation and tracking company, in 2001. Mr. Yekutiel serves as a member of the board of directors of Kaltura Asia Pte Ltd., an affiliate of Kaltura, Inc., and as a member of the board of directors of various private companies. He received a Master of Business Administration with honors from the Wharton School of the University of Pennsylvania in 2005. Mr. Yekutiel has been named one of “100 most intriguing entrepreneurs” by Goldman Sachs, and one of the “top 25 visionaries, innovators, and producers” by the Producers Guild of America. He was also featured as one of eight “top web innovators” in Esquire magazine. Mr. Yekutiel has served an advisor to numerous startup companies, including as a mentor in the Microsoft and Oracle accelerator programs. Mr. Yekutiel was selected to serve on our board of directors because of the perspective and experience he provides as our co-founder and Chief Executive Officer, as well as his extensive experience with technology companies.

John Doherty has served as our Chief Financial Officer since March 2024. Prior to that, Mr. Doherty served as Chief Financial Officer and Chief Operating Officer for Magic Leap, Inc., an augmented reality technology company, from 2020 to 2024, and as Chief Financial Officer of InterXion Holding N.V., a data center services provider, from 2018 to 2020. In addition, Mr. Doherty held a variety of financial roles at Verizon Communications Inc., over a 30-year period, most recently serving as Senior Vice President of Corporate Development and President and Chief Investment Officer of Verizon Ventures from 2013 to 2018, where he helped steer significant strategic transactions and corporate restructurings. Mr. Doherty currently also serves on the Board of Directors of Guam-based Pacific Telecom. Mr. Doherty holds a degree in economics from Stonybrook University and has attended the MBA program at Baruch College as well as Wharton’s Executive Education program in Finance and Strategic Planning. *The Deal* named him The Most Admired Corporate Deal Maker in Telecommunications in 2013, 2014, and 2016. *Institutional Investor* ranked Mr. Doherty as the top IR executive across the telecommunications industry in 2011 and 2012.

Eynav Azaria served as our Chief Revenue Officer from August 2022 until June 2024 and has been serving as our Chief Product and Engineering Officer since July 1, 2024. He has also been an executive officer since January 2024. He is known as a thought leader in the areas of digital transformation, AI, and analytics, and has advised companies on using data and insights to drive success. Prior to joining Kaltura, Mr. Azaria served as Chief Executive Officer of Panorama Software Inc., a business intelligence software company, from 2004 to 2020.

Before joining Panorama, Mr. Azaria was Chief Operating Officer for BrowseUp Ltd., and before that he served as campaign manager for the Israeli Labor Party and former prime minister, Mr. Ehud Barak. Mr. Azaria also served as the CEO of the International Center for Peace in the Middle East. Mr. Azaria is a member of the board of trustees of the Afeka Engineering College in Israel and serves as an advisory board member of the Israeli Export Institute.

Natan Israeli has served as our Chief Customer Officer since November 2020 and as an executive officer since January 2024. Prior to joining Kaltura, throughout 2020 Mr. Israeli was the CEO for Ambar A.M. Enterprise Ltd., that was active in the Israeli energy and infrastructure industries. His responsibilities included identifying potential clients and projects, managing negotiations, finding and recruiting partners and leading and consulting on business development, and strategy for the implementation of advanced technologies. Prior to that Mr. Israeli served for three decades in the Israeli Air Force (IAF) as an officer and helicopter pilot. His last position was head of all IAF Human Resources from 2016 to 2020, in which capacity he was responsible for tens of thousands of people. Prior to that, Mr. Israeli held various other senior positions with the IAF, including the IAF's CIO and head of its information systems from 2012 to 2014.

Non-Employee Directors

Richard Levandov has served as a member of our board of directors since 2007. Mr. Levandov has over 30 years of experience as a technology venture capitalist, operator and entrepreneur, most recently as a partner at Avalon Ventures from 2007 to date. Mr. Levandov is active in the Boston, New York City, San Francisco and Seattle venture and entrepreneurial communities. As a past judge on the MIT 100k business plan competition he remains very active in various organizations on both U.S. coasts, promoting the creation of new disruptive enterprises. He received a Bachelor of Science from Binghamton University in 1976. Mr. Levandov was selected to serve on our board of directors because of his extensive experience in the venture capital industry.

Dr. Shay David is one of our co-founders and has served as a member of our board of directors since October 2006. Dr. David previously held various roles with us, including President and General Manager of Media and Telecom from 2016 to 2019, and Chief Revenue Officer from 2012 to 2015. He co-founded Retrain.ai, an artificial intelligence company, in August 2020 and has served as its Chief Executive Officer and Chairman of the board of directors since its founding. He was a post-doctoral fellow at Yale Law School from 2007 to 2008, and received a Ph.D. in Science and Technology from Cornell University in 2008, a Master of Arts from New York University in 2003 and a Bachelor of Science in Computer Science Philosophy from Tel Aviv University in 2001. Dr. David was selected to serve on our board of directors because of the perspective and experience he provides as our co-founder and his extensive experience in the media and technology fields.

Ronen Faier has served on our board of directors since July 2021. Mr. Faier has also served as a director of Monday.com (NASDAQ: MNDY) since 2021 and a director of Cato Networks since February 2023. Mr. Faier served as the Interim CEO of SolarEdge Technologies, Inc., an energy management company from August 2024 through December 2024 and as their Chief Financial Officer from January 2011 through June 2024. Prior to his role at SolarEdge, Mr. Faier served in various executive positions at publicly traded technology companies such as SanDisk Corporation, a semiconductor manufacturing company, Msystems Ltd., a semiconductor memory devices manufacturing company and VocalTec Communications, Inc., a telecom equipment provider. Mr. Faier is a Certified Public Accountant in Israel. He received a Master's of Business Administration with honors from Tel Aviv University in 2000 and a Bachelor of Arts in Accounting and Economics from the Hebrew University of Jerusalem in 1996. Mr. Faier holds a CPA (Israel) license. Mr. Faier was selected to serve on our board of directors because of his extensive financial and public company experience.

Dr. Naama Halevi Davidov has served on our board of directors since July 2021. Dr. Halevi Davidov has served as a member of the board of directors of Kornit Digital Ltd. (NASDAQ: KRNT) since August 2023. Dr. Halevi Davidov is currently the Chief Financial Officer of a cybersecurity company in stealth mode. Additionally, Dr. Halevi Davidov served from May 2022 through August 2024 as the Chief Financial Officer of XM Cyber Ltd., a global cybersecurity company. Prior to this role, Dr. Halevi Davidov served as a consultant to several technology companies including Simply Ltd. (formerly named JuyTunes), Gloat Ltd. and Healthy.IO. Dr. Halevi Davidov served as our Chief Financial Officer from November 2012 to August 2017. Dr. Halevi Davidov also serves on the board of our subsidiary, Kaltura Asia Pte Ltd. since February 2015. Dr. Halevi Davidov is a Certified Public Accountant in Israel. She received a Ph.D. in Strategy from Tel Aviv University in 2012, a Master's in Business Administration from Tel Aviv University in 2002 and Bachelor of Arts in Accounting and Economics from Tel Aviv University in 2000. Dr. Halevi Davidov was selected to serve on our board of directors because of her extensive knowledge of, and experience with, corporate financial strategy.

Eyal Manor has served on our board of directors since January 2023. Mr. Manor has served as Chief Product & Engineering Officer at Twilio from 2021 to 2023, overseeing CPaaS and Segment's CDP.

Prior to that, from 2016 to November 2021 Mr. Manor served as Vice President & General Manager at Google Cloud, where he led a portfolio of technologies, including Kubernetes, Serverless Developer Platforms, Marketplace, and other products. In his previous roles with Google, Mr. Manor was VP of Engineering at YouTube and spearheaded the development of advertising products. Before joining Google, Mr. Manor founded Voice and Video SaaS streaming startup and was in an IAF Research Group. Mr. Manor graduated from Tel Aviv University in 1994. Mr. Manor was selected to serve on our board of directors because of his vast experience in building successful SaaS products and innovative platform technologies.

Family Relationships

There are no family relationships among any of our directors or executive officers.

Code of Business Conduct and Ethics

We have adopted a written code of business conduct and ethics that applies to our directors, officers and employees, including our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. Our code of business conduct and ethics is available under the Corporate Governance section of our website at investors.kaltura.com. In addition, we intend to post on our website all disclosures that are required by law or the Nasdaq rules concerning any amendments to, or waivers from, any provision of the code. The reference to our website address does not constitute incorporation by reference of the information contained at or available through our website, and you should not consider it to be a part of this Annual Report on Form 10-K.

The remaining information required by this item will be included under the headings “Election of Directors,” “Corporate Governance,” and, if applicable, “Delinquent Section 16(a) Reports” in our definitive proxy statement for our 2025 Annual Meeting of Stockholders, and such required information is incorporated herein by reference.

Item 11. Executive Compensation.

The information required by this item will be included under the headings “Executive Compensation” and, if applicable, “Compensation Committee Interlocks and Insider Participation” in our definitive proxy statement for our 2025 Annual Meeting of Stockholders, and such information is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters.

The information required by this item will be included under the headings “Securities Authorized for Issuance Under Equity Compensation Plans” and “Security Ownership of Certain Beneficial Owners and Management” in our definitive proxy statement for our 2025 Annual Meeting of Stockholders, and such information is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence.

The information required by this item will be included under the headings “Certain Relationships and Related Person Transactions,” “Corporate Governance” and “Director Independence” in our definitive proxy statement for our 2025 Annual Meeting of Stockholders, and such information is incorporated herein by reference.

Item 14. Principal Accountant Fees and Services.

The information required by this item will be included under the heading “Independent Registered Public Accounting Firm Fees and Other Matters” in our definitive proxy statement for our 2025 Annual Meeting of Stockholders, and such information is incorporated herein by reference.

PART IV

Item 15. Exhibits and Financial Statement Schedules

(a)(1) Financial Statements

See Item 8 herein.

(a)(2) Financial Statement Schedules.

All financial statement schedules have been omitted because they are not applicable, not required or the information required is shown in the financial statements or the notes thereto.

(a)(3) Exhibits.

The following is a list of exhibits filed as part of this Annual Report on Form 10-K.

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed/
		Form	File No.	Exhibit	Filing Date	Furnished Herewith
3.1	Amended and Restated Certificate of Incorporation of Kaltura, Inc.	8-K	001-40644	3.1	7/23/2021	
	Certificate of Designations of Series A Junior Participating Preferred Stock of Kaltura, Inc.	8-K	001-40644	3.1	08/08/2022	
3.2						
3.3	Amended and Restated Bylaws of Kaltura, Inc.	8-K	001-40644	3.2	7/23/2021	
4.1	Specimen Stock Certificate of Kaltura, Inc.	S-1/A	333-253699	4.1	3/23/2021	
4.2	Sixth Amended and Restated Investor Rights Agreement, dated as of July 22, 2016, by and among Kaltura, Inc. and each of the investors listed on Exhibit A thereto, as amended.	S-1/A	333-253699	4.2	3/23/2021	
4.3	Description of Capital Stock.	10-K	001-40644	4.4	2/25/2022	
10.1	Credit Agreement, dated as of January 14, 2021, by and among Kaltura, Inc., the several banks and other financial institutions or entities from time to time party thereto, Silicon Valley Bank, as the Issuing Lender and the Swingline Lender, and SVB, as Administrative Agent.	S-1/A	333-253699	10.1	3/26/2021	
10.2	First Amendment to Credit Agreement, dated as of June 29, 2021, by and among Kaltura, Inc. (the "Borrower"), the subsidiaries of the Borrower party thereto, the several banks and other financial institutions or entities party thereto, and Silicon Valley Bank, as the Administrative Agent, the Issuing Lender and the Swingline Lender.	S-1/A	333-253699	10.1	7/12/2021	
10.3	Second Amendment to Credit Agreement, dated as of December 20, 2021, by and among Kaltura, Inc. (the "Borrower"), the subsidiaries of the Borrower party thereto, the several banks and other financial institutions or entities party thereto, and Silicon Valley Bank, as the Administrative Agent, the Issuing Lender and the Swingline Lender.	10-K	001-40644	10.3	2/25/2022	
10.4	Third Amendment to Credit Agreement, dated as of April 19, 2022, by and among Kaltura, Inc. (the "Borrower"), the subsidiaries of the Borrower party thereto, the several banks and other financial institutions or entities party thereto, and Silicon Valley Bank, as the Administrative Agent, the Issuing Lender and the Swingline Lender.	10-Q	001-40644	10.1	11/08/2023	

10.5	Fourth Amendment to Credit Agreement, dated as of May 23, 2023, by and among Kaltura, Inc. (the "Borrower"), the subsidiaries of the Borrower party thereto, the several banks and other financial institutions or entities party thereto, and Silicon Valley Bank, a Division of First-Citizens Bank & Trust Company, as the Administrative Agent, the Issuing Lender and the Swingline Lender.	10-Q	001-40644	10.2	11/08/2023
10.6	Fifth Amendment to Credit Agreement, dated as of December 21, 2023, by and among Kaltura, Inc. (the "Borrower"), the subsidiaries of the Borrower party thereto, the several banks and other financial institutions or entities party thereto, and Silicon Valley Bank, as the Administrative Agent, the Issuing Lender and the Swingline Lender.	8-K	001-40644	10.1	12/27/2023
10.7	Sixth Amendment to Credit Agreement, dated as of July 22, 2024, the subsidiaries of the Borrower party thereto, the several banks and other financial institutions or entities party thereto, and Silicon Valley Bank, as the Administrative Agent, the Issuing Lender and the Swingline Lender.	10-Q	001-40644	4.3	08/08/2024
10.8	Guarantee and Collateral Agreement, dated as of January 14, 2021, by and among Kaltura, Inc., the other Grantors referred to therein, and Silicon Valley Bank, as administrative agent.	S-1/A	333-253699	10.2	3/26/2021
10.9	Debenture, dated as of January 14, 2021, by and among Kaltura Europe Limited and Kaltura, Inc., as Original Chargors, and Silicon Valley Bank, as Administrative Agent, as supplemented.	S-1/A	333-253699	10.3	3/26/2021
10.10†	Kaltura, Inc. 2007 Israeli Share Option Plan and form of option agreements thereunder.	S-1/A	333-253699	10.4	3/23/2021
10.11†	Kaltura, Inc. 2007 Stock Option Plan and form of option agreements thereunder.	S-1/A	333-253699	10.5	3/23/2021
10.12†	Kaltura, Inc. 2017 Equity Incentive Plan and form of option agreements thereunder.	S-1/A	333-253699	10.6	3/23/2021
10.13†	Kaltura, Inc. 2021 Incentive Award Plan.	S-1/A	333-253699	10.7	3/23/2021
10.14†	Form of Stock Option Award Agreement under the Kaltura, Inc. 2021 Incentive Award Plan.	S-1/A	333-253699	10.8	3/23/2021
10.15†	Form of Restricted Stock Unit Award Agreement under the Kaltura, Inc. 2021 Incentive Award Plan.	S-1/A	333-253699	10.9	3/23/2021
10.16†	Employment Agreement, dated as of May 1, 2012, by and between Kaltura Ltd. and Ron Yekutieli, as amended.	8-K	001-40644	10.1	04/05/2022
10.17†	Consulting Agreement by and between Kaltura, Inc. and Ron Yekutieli, effective January 1, 2018, as amended.	8-K	001-40644	10.2	04/05/2022
10.18†	Consulting Agreement by and between Kaltura Europe Limited and Ron Yekutieli, effective May 1, 2014, as amended.	8-K	001-40644	10.3	04/05/2022
10.19†#	Amendment to Employment Agreement, dated as of February 20, 2024, by and between Kaltura Ltd and Ron Yekutieli	10-K	001-40644	10.20	02/22/24
10.20†#	Amendment to Consulting Agreement, dated as of February 20, 2024, by and between Kaltura Inc and Ron Yekutieli	10-K	001-40644	10.21	02/22/24
10.21†#	Amendment to Consulting Agreement, dated as of February 20, 2024, by and between Kaltura Europe Limited and Ron Yekutieli	10-K	001-40644	10.22	02/22/24
10.22†#	Amendment to Employment Agreement, dated as of February 19, 2025, by and between Kaltura Ltd and Ron Yekutieli				*

10.23†#	Amendment to Consulting Agreement, dated as of February 19, 2025, by and between Kaltura Inc and Ron Yekutiel					*
10.24†#	Amendment to Consulting Agreement, dated as of February 19, 2025, by and between Kaltura Europe Limited and Ron Yekutiel					*
10.25†	Letter of Agreement with Yaron Garmazi, dated January 14, 2024.	8-K	001-40644	10.2		01/16/2024
10.26†	Incentive Award Cancellation Agreement with Yaron Garmazi, dated February 13, 2024	10-K	001-40644	10.24		02/22/24
10.27†	Letter of Agreement with Michal Tsur dated January 14, 2024.	10-K	001-40644	10.25		02/22/24
10.28†	Incentive Award Cancellation Agreement with Michal Tsur dated February 13, 2024	10-K	001-40644	10.26		02/22/24
10.29†#	Employment Agreement, dated as of December 22, 2020, by and between Kaltura Ltd. and Eynav Azaria, as amended.	10-K	001-40644	10.27		02/22/24
10.30†#	Amendment to Employment Agreement, dated as of February 19, 2025, by and between Kaltura Ltd. and Eynav Azaria.					*
10.31†#	Employment Agreement, dated as of November 26, 2020, by and between Kaltura Ltd. and Natan Israeli as amended.	10-K	001-40644	10.28		02/22/24
10.32†#	Amendment to Employment Agreement, dated as of February 19, 2025, by and between Kaltura Ltd. and Natan Israeli.					*
10.33†#	Offer Letter for John Doherty, dated January 15, 2024.	8-K	001-40644	10.1		01/16/2024
10.34†#	Amendment to Offer Letter for John Doherty, dated February 19, 2025.					*
10.35†	Kaltura, Inc. Non-Employee Director Compensation Policy.	S-1/A	333-253699	10.17		3/23/2021
10.36†	Form of RSU Award Agreement Under 2021 Incentive Award Plan - For Israeli Participants	10-K	001-40644	10.19		02/25/2022
10.37†	Form of Stock Option Award Agreement Under 2021 Incentive Award Plan - For Israeli Participants	10-K	001-40644	10.20		02/25/2022
10.38†	Form of Indemnification Agreement between Kaltura, Inc. and its directors and officers.	S-1/A	333-253699	10.18		3/23/2021
19.1	Insider Trading Compliance Policy					*
21.1	List of Subsidiaries of Kaltura, Inc.					*
23.1	Consent of Kost Forer Gabbay & Kasierer, a member of Ernst & Young Global, Independent Registered Public Accounting Firm.					*
31.1	Certification of Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a).					*
31.2	Certification of Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a).					*
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350.					**
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350.					**
97.1	Policy For Recovery of Erroneously Awarded Compensation	10-K	001-40644	97.1		02/22/2024
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document					*

101.SCH	Inline XBRL Taxonomy Extension Schema Document	*
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document	*
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document	*
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document	*
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document	*
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)	*

* Filed herewith.

** Furnished herewith.

† Indicates management contract or compensatory plan.

Certain schedules (or similar attachments) have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The registrant undertakes to furnish supplemental copies of any of the omitted schedules (or similar attachments) to the SEC upon request.

Item 16. Form 10-K Summary

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

KALTURA, INC.

Date: February 20, 2025

By:

/s/ Ron Yekutiel

Ron Yekutiel

Chairman, President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant in the capacities and on the dates indicated.

Name	Title	Date
<u>/s/ Ron Yekutiel</u> Ron Yekutiel	Chairman, President and Chief Executive Officer and Director <i>(principal executive officer)</i>	February 20, 2025
<u>/s/ John Doherty</u> John Doherty	Chief Financial Officer <i>(principal financial officer and principal accounting officer)</i>	February 20, 2025
<u>/s/ Richard Levandov</u> Richard Levandov	Director	February 20, 2025
<u>/s/ Shay David</u> Dr. Shay David	Director	February 20, 2025
<u>/s/ Ronen Faier</u> Ronen Faier	Director	February 20, 2025
<u>/s/ Naama Halevi Davidov</u> Dr. Naama Halevi Davidov	Director	February 20, 2025
<u>/s/ Eyal Manor</u> Eyal Manor	Director	February 20, 2025

Amendment
of the
Employment Agreement

This AMENDMENT (“**Amendment**”) to that certain individual Employment Agreement (as defined below), is made and entered into this 19th day of February, 2025, by and between **Kaltura Ltd.**, a company organized under the laws of the State of Israel and having an office and principal place of business at Allied Tower, 9 Ben-Gurion Road, Bnei-Brak, Israel 5126014 (the “**Company**”) and **Mr. Ron Yekutiel** (the “**Employee**”).

Each of the above is referred to as a “**Party**” and collectively referred to as the “**Parties**”.

WHEREAS, the Parties have entered into an individual employment agreement dated May 1st, 2012, in connection with the Employee’s employment by the Company, as from time to time amended (the said agreement, together with all the exhibits, attachments and addendums thereto, and any amendments hereto or thereto in accordance with the provisions thereof or hereof, shall be referred to herein as the “**Employment Agreement**”); and

WHEREAS, the Parties wish to amend the Employment Agreement in accordance with the terms herewith;

NOW, THEREFORE, in consideration of the premises and mutual agreements and covenants contained in this Amendment and other good and valuable consideration (the receipt and adequacy of which are hereby mutually acknowledged), each of the Parties hereby agree as follows:

1. Definitions and Interpretation

- 1.1. Capitalized terms used but not otherwise defined herein have the respective meanings set forth in the Employment Agreement. All capitalized terms used but not defined hereinabove or in the Employment Agreement, shall have the meaning ascribed for them as in the recitals or as hereinbelow defined.
- 1.2. The preface to this Amendment constitutes an indivisible and integral part thereof.
- 1.3. The provisions of this Amendment are in addition to, and in amendment of, the provisions of the Employment Agreement and in the event of any discrepancy or inconsistency between the provisions of the Employment Agreement and the provisions of this Amendment, the provisions of this Amendment shall prevail. Any reference in the Employment Agreement or herein to “this Agreement” shall mean the Employment Agreement as amended by this Amendment.

2. Base Salary

- 2.1. Commencing as of January 1st, 2025, the Employee’s annual Base Salary shall be increased by a gross amount of NIS equal to \$46,631 (in accordance with \$1.00/NIS3.7 exchange rate as was affixed by the Company for the purposes of your Employment Agreement, regardless such rate at the Effective Date of this Amendment), namely from a monthly Base Salary of gross NIS 54,967 to a **monthly Base Salary of gross NIS 69,345** per month, effective January 1st, 2025. To dispel doubt, (i) the new Base Salary NIS amount as so affixed by the Company shall be deemed for all purposes as the amount by which your NIS gross Base Salary has been increased, and it shall not be linked or subject to any further NIS/USD exchange rate

changes; and (ii) the monthly car allowance at the gross amount of NIS 7,480 shall remain unchanged.

- 2.2. All allowances, benefits, rights, and deductions associated with your Base Salary under the Employment Agreement or Law shall apply to your Base Salary as amended herein, except for the car allowance amount referred to above which shall remain unchanged.
- 2.3. The Employee agrees and acknowledges that due to the Employee's senior managerial position in the Company, the special personal trust involved in the position in which the Employee shall be employed, and the inability to monitor the Employee's actual work hours, the Hours of Work and Rest Law, 1951 (the "**Hours of Work and Rest Law**") shall not apply to the Employee. The Employee acknowledges that the set amount of the Base Salary (namely, the Monthly Salary as defined in the Employment Agreement) as increased hereby, as well as all other compensation and benefits provided to the Employee by the Company, as agreed upon between the Employee and the Company, reflect the requirements of the position to work additional and irregular hours and days. Accordingly, the Employee shall not be entitled to claim or receive payments or any additional pay for work performed at overtime hours, nights, weekends, or at any other times in which the Hours of Work and Rest Law requires payment of special payments (to employees who are not in a position such as the position of the Employee).

3. **Bonus**

- 3.1. The Employee's entitlement to an annual Bonus for the calendar year of 2025 shall be determined, for such year only, on the basis of the Employee's and the Company's attainment of certain goals and objectives defined by the Company, which are set forth in the Employee's annual bonus plan according to the Company's 2025 Executive Compensation Plan as approved by its Compensation Committee on or about January 6, 2025, a summary of which is enclosed as **Annex A** hereof, and as shall further be determined and approved by Kaltura, Inc.'s (the parent company of the Company) Compensation Committee ("**Compensation Committee**") and Kaltura, Inc.'s Board of Directors ("**Board**") with respect to the 2025 individual OKRs and performance targets and goals (the "**2025 Executive Compensation Plan**").

Accordingly, subject to the successive Subsections of this Section 3, the 2025 annual Bonus shall be as follows:

- 3.1.1. The potential maximum annual Bonus with respect to 100% attainment, satisfaction and performance against the 2025 Executive Compensation Plan's targets and thresholds (namely, Individual Objectives and Company Financial Goals KPIs and OKRs) as elaborated in the 2025 Executive Compensation Plan, shall equal under this Agreement the gross amount of USD 233,750, namely, gross **NIS 864,875** (herein, the "**Base OTB**").
- 3.1.2. The potential maximum annual additional stretch bonus for overachievement against such goals (>100%) (the "**Stretch Bonus**"), is still subject to the determination and approval of the metrics by the Compensation Committee and the Board. Based on past year's metrics, if approved for 2025, the potential Stretch Bonus under this Agreement is expected to equal the gross amount of up to USD 63,750, namely, gross **NIS 235,875** (which amount is the product of a Stretch Bonus of 137.5% of the total Base OTB of the Employee under all instruments pursuant to the 2025 Executive Compensation Plan, divided by three); however, the final amount shall be determined by the Compensation Committee and the Board at their sole discretion.

3.2. All Bonus payments, if any, shall be subject to all mandatory withholdings and deductions, and shall be deemed to be quoted in gross figures.

4. **Additional Benefits**

4.1. Subject to the approval of the Compensation Committee of the Board of Directors of Kaltura, Inc., and the terms and conditions stipulated below, the Company anticipates granting the Employee **2,105,263** RSUs as stipulated in the 2025 Executive Compensation Plan (herein, "**LTI RSUs**").

4.2. The LTI RSUs, if awarded, will be governed by the terms and conditions of the Company's 2021 Plan, the respective provisions of the 2025 Executive Compensation Plan and applicable award agreements.

Subject to the above, if and to the extent the Employee shall be granted LTI RSUs, then the grant thereof shall be subject to the following:

4.2.1. **Grant Date**: effective as of the effective date of the Compensation Committee's approval of the 2025 Executive Compensation Plan, namely, January 6, 2025.

4.2.2. **Vesting**: Three-year quarterly, commencing retroactively from January 1st, 2025, subject to the Employee's continued employment with, or services to, the Company or any of its affiliates or subsidiaries through the applicable vesting date unless determined otherwise under any applicable Corporate Transaction and/or Double Trigger provisions as stipulated in the 2021 Plan and/or any other agreements with the Employee (including the Employment Agreement).

4.2.3. **Contingencies**: the LTI RSUs award shall be made pursuant to the 2021 Plan, the 2025 Executive Compensation Plan, and the appropriate award agreement to be executed by the Employee and countersigned by Kaltura, Inc., and to the execution and delivery of all required agreements and instruments pursuant to the 2021 Plan and Kaltura, Inc.'s policies.

4.2.4. **Double Trigger**: The LTI RSUs award agreement shall include the double trigger accelerated vesting mechanism as set forth in the 2021 Plan and the agreements and Compensation Committee resolutions applicable to the Employee.

5. **Notice Period for Termination**

5.1. The term of the Notice Period for the Employee's termination of employment or resignation under this Agreement (herein, "**Notice Period**") shall be extended as follows:

5.1.1. In the event of termination of the Term of Employment by the Company without Cause, the Employee shall be entitled to receive from the Company a 180-day advance written notice of termination (the "**Notice Period**") or a payment in lieu thereof (the In Lieu Payment as defined in Section 5.1.3 below); as the Company may elect at its sole and absolute discretion.

5.1.2. In the event of resignation by the Employee, the Employee shall provide the Company a 180-day advance written notice of Termination ("**Resignation Notice Period**"), regardless of any employment-at-will provisions that may apply, where in such case, the Company may elect, at its sole discretion, to waive the Employee's employment during such notice period (or any part thereof) and pay the Employee an In Lieu Payment in redemption thereof as set forth in Section 5.1.3 below.

- 5.1.3. During the Notice Period, whether notice has been given by the Employee or by the Company, the Employee shall continue to work unless instructed otherwise by the Company and shall cooperate with the Company in handing over his roles and responsibilities to his successor.

Notwithstanding the above, the Company shall be entitled, but not obligated, at any time prior to the expiration of the Notice Period or Resignation Notice Period, as the case may be, at its sole discretion, either: (i) to waive the Employee's actual work during such period, in which event the Company shall continue to pay and award to the Employee all the payments, rights, and benefits under the Employment Agreement payable to the Employee during the remainder of the Notice Period or Resignation Notice Period (namely, unpaid Monthly Salary (including the allowances accrued thereupon or associated therewith), unused paid time off, unpaid expense reimbursements, and earned but unpaid Performance Based Compensation from prior fiscal years); or (ii) to immediately terminate the Employment Agreement and the employment relationship thereunder at any time prior to the expiration of the Notice Period or Resignation Notice Period, as the case may be, and pay the Employee all accrued obligation for such 180-days' Notice Period from the surrender of the notice through the supposed date of termination but for the cash conversion in lieu of the Notice Period, namely, unpaid Monthly Salary (including the allowances accrued thereupon or associated therewith), unused paid time off, unpaid expense reimbursements, and earned but unpaid Performance Based Compensation from prior fiscal years; all, until the lapse of the notice period but for the cash conversion in lieu thereof) (collectively, the "**In Lieu Payment**").

- 5.1.4. In the event of a Corporate Transaction that triggers the "double-trigger" mechanisms included in the Employment Agreement and/or in the 2021 Kaltura, Inc. Incentive Award Plan and Israeli Sub-Plan (the "**2021 Plan**") and/or any previous incentive award plan of the Company applicable to the Employee, including termination or resignation for Good Reasons in such circumstances, the Employee shall also be entitled to the respective portion of the Performance Based Compensation for the employment period at the current year at which the Termination occurs until the Effective Date of Termination plus the respective advance written notice period (i.e., either the Employee's notice period due to resignation for Good Reason or the Company's Notice Period due to termination by the Company, both, under the double-trigger mechanism, regardless redemption thereof through In Lieu Payment), even if such period shall end at the subsequent calendar/fiscal year (the "**MBO Entitlement Period**"). Except as specifically agreed otherwise, the measurement of the MBO KPIs attainment for the individual and Company goals with respect to the MBO Entitlement Period, and the calculation and payment of the respective Performance Based Compensation in respect thereof, shall be made upon the settlement of accounts at the Effective Date of Termination or In Lieu Payment, as applicable, based on the Company's estimation of the then expected Company's target results and proforma financial statements. In such a case, the respective Performance Based Compensation amount shall be so affixed by the Company at its sole discretion regardless of the actual results de facto, and in the absent of any manifest error, the Company's calculation shall be deemed as final non-appealable calculation of the respective Performance Based Compensation amount.

- 5.2. To dispel doubt, the above shall not derogate anything from:

- 5.2.1. Any specific special terms relating to termination for Cause, and in any event of discrepancy or inconsistency between the provisions of such special termination terms for Cause and the standard regular provisions as set forth herein, the special provisions regarding Cause event shall prevail; and
- 5.2.2. Any specific special terms referring to (i) Relocation as defined under the Kaltura, Inc. Relocation Policy and Executives Relocation Policy as approved by the Compensation Committee on November 1st, 2024, and the Board of Directors on November 20, 2024, to the extent applicable; (ii) Corporate Transactions, Change in Control, and “double trigger” mechanisms included and defined in the Employment Agreement (if included), the 2021 Plan and any previous incentive award plan of the Company applicable to the Employee; and (iii) any other particular arrangements; *provided, however*, that the terms under subsections (i), (ii) and (iii) above are more beneficiary to the Employee than the terms hereof. Accordingly, in any event of discrepancy or inconsistency between the provisions of such special terms and arrangements and the standard regular provisions as set forth in Section 5.1 herein, the employee-favorable conditions shall apply and the special provisions shall prevail inasmuch as they award more beneficial terms in such circumstances.

6. **Miscellaneous**

- 6.1. The Employment Agreement is hereby amended as expressly set out in this Amendment above, and all references and provisions relating to the subject matters of this Amendment, shall be read and interpreted in line with this Amendment and in a manner that will give full force and effect thereto, whether or not specified so herein. This Amendment shall be read together with the Employment Agreement as one agreement and, save as expressly amended by this Amendment, the Employment Agreement shall remain unaltered and in full force and effect.
- 6.2. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment as of the date first hereinabove set forth:

Kaltura Ltd.

Employee

By: _____
Name: Sigal Srur
Title: Chief Human Resources Officer

By: _____
Ron Yekutiel

Attachments

Annex A - 2025 Executive Compensation Plan

Ron Yekutieli - 2025 Amendment to IL Employment Agmt - 2-11-2025

Amendment
of the
Consultancy Agreement

This AMENDMENT (“**Amendment**”) to that certain Consultancy Agreement (as defined below), is made and entered into this 19th day of February, 2025, by and between **Kaltura, Inc.**, a Delaware corporation of 860 Broadway, 3rd Floor, New York, NY 10003, USA (the “**Company**” or the “**Client**”) and Mr. Ron Yekutiel (the “**Consultant**”).

Each of the above is referred to as a “**Party**” and collectively referred to as the “**Parties**”.

WHEREAS, the Parties have entered into a Consultancy agreement dated January 1st, 2018, in connection with the grant of certain management consulting services by the Consultant to the Company, as from time to time amended (the said agreement, together with all the exhibits, attachments and addendums thereto, and any amendments hereto or thereto in accordance with the provisions thereof or hereof, shall be referred to herein as the “**Consultancy Agreement**”); and

WHEREAS, the Parties wish to amend the Consultancy Agreement in accordance with the terms herewith;

NOW, THEREFORE, in consideration of the premises and mutual agreements and covenants contained in this Amendment and other good and valuable consideration (the receipt and adequacy of which are hereby mutually acknowledged), each of the Parties hereby agree as follows:

1. Definitions and Interpretation

- 1.1. Capitalized terms used but not otherwise defined herein have the respective meanings set forth in the Consultancy Agreement. All capitalized terms used but not defined hereinabove or in the Consultancy Agreement, shall have the meaning ascribed for them as in the recitals or as hereinbelow defined.
- 1.2. The preface to this Amendment constitutes an indivisible and integral part thereof.
- 1.3. The provisions of this Amendment are in addition to, and in amendment of, the provisions of the Consultancy Agreement and in the event of any discrepancy or inconsistency between the provisions of the Consultancy Agreement and the provisions of this Amendment, the provisions of this Amendment shall prevail. Any reference in the Consultancy Agreement or herein to “this Agreement” shall mean the Consultancy Agreement as amended by this Amendment.

2. Bonus

- 2.1. The Employee’s entitlement to an annual Bonus for the calendar year of 2025 shall be determined, for such year only, on the basis of the Employee’s and the Company’s attainment of certain goals and objectives defined by the Company, which are set forth in the Employee’s annual bonus plan according to the Company’s 2025 Executive Compensation Plan as approved by its Compensation Committee on or about January 6, 2025, a summary of which is enclosed as **Annex A** hereof, and as shall further be determined and approved by Kaltura, Inc.’s (the parent company of the Company) Compensation Committee (“**Compensation Committee**”) and Kaltura, Inc.’s Board of Directors (“**Board**”) with respect to the 2025 individual OKRs and performance targets and goals (the “**2025 Executive Compensation Plan**”).

Accordingly, subject to the successive Subsections of this Section 2, the 2025 annual Bonus shall be as follows:

- 2.1.1. The potential maximum annual Bonus with respect to 100% attainment, satisfaction and performance against the 2025 Executive Compensation Plan's targets and thresholds (namely, Individual Objectives and Company Financial Goals KPIs and OKRs) as elaborated in the 2025 Executive Compensation Plan, shall equal under this Agreement the gross amount of **USD 42,500** (herein, the "**Base OTB**").
- 2.1.2. The potential maximum annual additional stretch bonus for overachievement against such goals (>100%) (the "**Stretch Bonus**"), is still subject to the determination and approval of the metrics by the Compensation Committee and the Board. Based on past year's metrics, if approved for 2025, the potential Stretch Bonus under this Agreement is expected to equal the gross amount of up to **USD 63,750** (which amount is the product of a Stretch Bonus of 137.5% of the total Base OTB of the Employee under all instruments pursuant to the 2025 Executive Compensation Plan, divided by three); however, the final amount shall be determined by the Compensation Committee and the Board at their sole discretion.
- 2.2. All Bonus payments, if any, shall be subject to all mandatory withholdings and deductions, and shall be deemed to be quoted in gross figures.

3. **Notice Period for Termination**

- 3.1. The term of the Notice Period for the Consultant's termination of service by either Party under this Consultancy Agreement (herein, "**Notice Period**") shall be extended as follows:
 - 3.1.1. In the event of termination of the Agreement by the Company without Cause, the Consultant shall be entitled to receive from the Company a 180-day advance written notice of termination (the "**Notice Period**") or a payment in lieu thereof (the In Lieu Payment as defined in Section 3.1.3 below); as the Company may elect at its sole and absolute discretion.
 - 3.1.2. In the event of termination of the Agreement by the Consultant, the Consultant shall provide the Company a 180-day advance written notice of Termination ("**Consultant's Termination Notice Period**"), regardless of any service-at-will provisions that may apply, where in such case, the Company may elect, at its sole discretion, to waive the Consultant's grant of Services during such notice period (or any part thereof) and pay the Consultant an In Lieu Payment in redemption thereof as set forth in Section 3.1.3 below.
 - 3.1.3. During the Notice Period, whether notice has been given by the Consultant or by the Company, the Consultant shall continue to render the Services unless instructed otherwise by the Company and shall cooperate with the Company in transferring the rendering and performance of the Services to his successor.

Notwithstanding the above, the Company shall be entitled, but not obligated, at any time prior to the expiration of the Notice Period or Consultant's Termination Notice Period, as the case may be, at its sole discretion, either: (i) to waive the Consultant's actual grant of Services during such period, in which event the Company shall continue to pay and award to the Consultant all the payments, rights, and benefits under the Agreement payable to the

Consultant during the remainder of the Notice Period or Consultant's Termination Notice Period (namely, unpaid Monthly Fee, unpaid expense reimbursements, and earned but unpaid performance Bonus from prior fiscal years); or (ii) to immediately terminate the Agreement at any time prior to the expiration of the Notice Period or Consultant's Termination Notice Period, as the case may be, and pay the Consultant all accrued obligation for such 180-days' Notice Period from the surrender of the notice through the supposed date of termination but for the cash conversion in lieu of the Notice Period, namely, unpaid Monthly Fee, unpaid expense reimbursements, and earned but unpaid performance Bonus from prior fiscal years; all, until the lapse of the notice period but for the cash conversion in lieu thereof) (collectively, the "**In Lieu Payment**").

3.1.4. In the event of a Corporate Transaction that triggers the "double-trigger" mechanisms included in the Consultancy Agreement and/or in the 2021 Kaltura, Inc. Incentive Award Plan (the "**2021 Plan**") and/or any previous incentive award plan of the Company applicable to the Consultant, including termination by either Party for Good Reasons in such circumstances, the Consultant shall also be entitled to the respective portion of the performance Bonus for the service period at the current year at which the Termination occurs until the Effective Date of Termination plus the respective advance written notice period (i.e., either the Consultant's notice period for Good Reason or the Company's Notice Period due to termination by the Company, both, under the double-trigger mechanism, regardless redemption thereof through In Lieu Payment), even if such period shall end at the subsequent calendar/fiscal year (the "**MBO Entitlement Period**"). Except as specifically agreed otherwise, the measurement of the MBO KPIs attainment for the individual and Company goals with respect to the MBO Entitlement Period, and the calculation and payment of the respective performance Bonus in respect thereof, shall be made upon the settlement of accounts at the Effective Date of Termination or In Lieu Payment, as applicable, based on the Company's estimation of the then expected Company's target results and proforma financial statements. In such a case, the respective performance Bonus amount shall be so affixed by the Company at its sole discretion regardless of the actual results de facto, and in the absent of any manifest error, the Company's calculation shall be deemed as final non-appealable calculation of the respective performance Bonus amount.

3.2. To dispel doubt, the above shall not derogate anything from:

3.2.1. Any specific special terms relating to termination for Cause, and in any event of discrepancy or inconsistency between the provisions of such special termination terms for Cause and the standard regular provisions as set forth herein, the special provisions regarding Cause event shall prevail; and

3.2.2. Any specific special terms referring to (i) Relocation as defined under the Company's Relocation Policy and Executives Relocation Policy as approved by the Company's Compensation Committee on November 1st, 2024, and the Company's Board of Directors on November 20, 2024, to the extent applicable; (ii) Corporate Transactions, Change in Control, and "double trigger" mechanisms included and defined in the Consultancy Agreement (if included), the 2021 Plan and any previous incentive award plan of the Company applicable to the Consultant; and (iii) any other particular arrangements; *provided, however*, that the terms under subsections (i), (ii) and (iii) above are more beneficiary to the Consultant than the terms hereof. Accordingly, in any event of discrepancy or inconsistency between the provisions of such special terms and arrangements and the standard regular

provisions as set forth in Section 3.1 herein, the Consultant-favorable conditions shall apply and the special provisions shall prevail inasmuch as they award more beneficial terms in such circumstances.

4. **Miscellaneous**

- 4.1. The Consultancy Agreement is hereby amended as expressly set out in this Amendment above, and all references and provisions relating to the subject matters of this Amendment, shall be read and interpreted in line with this Amendment and in a manner that will give full force and effect thereto, whether or not specified so herein. This Amendment shall be read together with the Consultancy Agreement as one agreement and, save as expressly amended by this Amendment, the Consultancy Agreement shall remain unaltered and in full force and effect.
- 4.2. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment as of the date first hereinabove set forth:

Kaltura, Inc.

Consultant

By: _____
Name: Sigal Srur
Title: Chief Resources Officer

By: _____
Ron Yekutiel

Attachments

Annex A - 2025 Executive Compensation Plan

Amendment
of the
Consultancy Agreement

This AMENDMENT (“**Amendment**”) to that certain Consultancy Agreement (as defined below), is made and entered into this 19th day of February, 2025, by and between **Kaltura, Europe Ltd.**, a company incorporated and registered in England and Wales with company number 8012257, whose registered office is at 4th floor, Northumberland House, 303-306 High Holborn, London WC1V 7JZ, England (the “**Company**”) and Mr. Ron Yekutieli (the “**Consultant**”).

Each of the above is referred to as a “**Party**” and collectively referred to as the “**Parties**”.

WHEREAS, the Parties have entered into a Consultancy agreement on or about July 1, 2016 (effective as of May 1st, 2014), in connection with the grant of certain management consulting services by the Consultant to the Company, as from time to time amended (the said agreement, together with all the exhibits, attachments and addendums thereto, and any amendments hereto or thereto in accordance with the provisions thereof or hereof, shall be referred to herein as the “**Consultancy Agreement**”); and

WHEREAS, the Parties wish to amend the Consultancy Agreement in accordance with the terms herewith;

NOW, THEREFORE, in consideration of the premises and mutual agreements and covenants contained in this Amendment and other good and valuable consideration (the receipt and adequacy of which are hereby mutually acknowledged), each of the Parties hereby agree as follows:

1. Definitions and Interpretation

- 1.1. Capitalized terms used but not otherwise defined herein have the respective meanings set forth in the Consultancy Agreement. All capitalized terms used but not defined hereinabove or in the Consultancy Agreement, shall have the meaning ascribed for them as in the recitals or as hereinbelow defined.
- 1.2. The preface to this Amendment constitutes an indivisible and integral part thereof.
- 1.3. The provisions of this Amendment are in addition to, and in amendment of, the provisions of the Consultancy Agreement and in the event of any discrepancy or inconsistency between the provisions of the Consultancy Agreement and the provisions of this Amendment, the provisions of this Amendment shall prevail. Any reference in the Consultancy Agreement or herein to “this Agreement” shall mean the Consultancy Agreement as amended by this Amendment.

2. Bonus

- 2.1. The Employee’s entitlement to an annual Bonus for the calendar year of 2025 shall be determined, for such year only, on the basis of the Employee’s and the Company’s attainment of certain goals and objectives defined by the Company, which are set forth in the Employee’s annual bonus plan according to the Company’s 2025 Executive Compensation Plan as approved by its Compensation Committee on or about January 6, 2025, a summary of which is enclosed as **Annex A** hereof, and as shall further be determined and approved by Kaltura, Inc.’s (the parent company of the Company) Compensation Committee (“**Compensation Committee**”) and Kaltura,

Inc.'s Board of Directors ("**Board**") with respect to the 2025 individual OKRs and performance targets and goals (the "**2025 Executive Compensation Plan**").

Accordingly, subject to the successive Subsections of this Section 2, the 2025 annual Bonus shall be as follows:

- 2.1.1. The potential maximum annual Bonus with respect to 100% attainment, satisfaction and performance against the 2025 Executive Compensation Plan's targets and thresholds (namely, Individual Objectives and Company Financial Goals KPIs and OKRs) as elaborated in the 2025 Executive Compensation Plan, shall equal under this Agreement the gross amount of **USD 233,750** (herein, the "**Base OTB**").
- 2.1.2. The potential maximum annual additional stretch bonus for overachievement against such goals (>100%) (the "**Stretch Bonus**"), is still subject to the determination and approval of the metrics by the Compensation Committee and the Board. Based on past year's metrics, if approved for 2025, the potential Stretch Bonus under this Agreement is expected to equal the gross amount of up to **USD 63,750** (which amount is the product of a Stretch Bonus of 137.5% of the total Base OTB of the Employee under all instruments pursuant to the 2025 Executive Compensation Plan, divided by three); however, the final amount shall be determined by the Compensation Committee and the Board at their sole discretion.
- 2.2. All Bonus payments, if any, shall be subject to all mandatory withholdings and deductions, and shall be deemed to be quoted in gross figures.

3. Notice Period for Termination

- 3.1. The term of the Notice Period for the Consultant's termination of service by either Party under this Consultancy Agreement (herein, "**Notice Period**") shall be extended as follows:
 - 3.1.1. In the event of termination of the Agreement by the Company without Cause, the Consultant shall be entitled to receive from the Company a 180-day advance written notice of termination (the "**Notice Period**") or a payment in lieu thereof (the In Lieu Payment as defined in Section 3.1.3 below); as the Company may elect at its sole and absolute discretion.
 - 3.1.2. In the event of termination of the Agreement by the Consultant, the Consultant shall provide the Company a 180-day advance written notice of Termination ("**Consultant's Termination Notice Period**"), regardless of any service-at-will provisions that may apply, where in such case, the Company may elect, at its sole discretion, to waive the Consultant's grant of Services during such notice period (or any part thereof) and pay the Consultant an In Lieu Payment in redemption thereof as set forth in Section 3.1.3 below.
 - 3.1.3. During the Notice Period, whether notice has been given by the Consultant or by the Company, the Consultant shall continue to render the Services unless instructed otherwise by the Company and shall cooperate with the Company in transferring the rendering and performance of the Services to his successor.

Notwithstanding the above, the Company shall be entitled, but not obligated, at any time prior to the expiration of the Notice Period or Consultant's Termination Notice Period, as the case may be, at its sole discretion, either: (i) to waive the Consultant's actual grant of Services during such period, in which event the Company shall continue to pay and award to the Consultant

all the payments, rights, and benefits under the Agreement payable to the Consultant during the remainder of the Notice Period or Consultant's Termination Notice Period (namely, unpaid Monthly Fee, unpaid expense reimbursements, and earned but unpaid performance Bonus from prior fiscal years); or (ii) to immediately terminate the Agreement at any time prior to the expiration of the Notice Period or Consultant's Termination Notice Period, as the case may be, and pay the Consultant all accrued obligation for such 180-days' Notice Period from the surrender of the notice through the supposed date of termination but for the cash conversion in lieu of the Notice Period, namely, unpaid Monthly Fee, unpaid expense reimbursements, and earned but unpaid performance Bonus from prior fiscal years; all, until the lapse of the notice period but for the cash conversion in lieu thereof) (collectively, the "**In Lieu Payment**").

3.1.4. In the event of a Corporate Transaction that triggers the "double-trigger" mechanisms included in the Consultancy Agreement and/or in the 2021 Kaltura, Inc. Incentive Award Plan (the "**2021 Plan**") and/or any previous incentive award plan of the Company applicable to the Consultant, including termination by either Party for Good Reasons in such circumstances, the Consultant shall also be entitled to the respective portion of the performance Bonus for the service period at the current year at which the Termination occurs until the Effective Date of Termination plus the respective advance written notice period (i.e., either the Consultant's notice period for Good Reason or the Company's Notice Period due to termination by the Company, both, under the double-trigger mechanism, regardless redemption thereof through In Lieu Payment), even if such period shall end at the subsequent calendar/fiscal year (the "**MBO Entitlement Period**"). Except as specifically agreed otherwise, the measurement of the MBO KPIs attainment for the individual and Company goals with respect to the MBO Entitlement Period, and the calculation and payment of the respective performance Bonus in respect thereof, shall be made upon the settlement of accounts at the Effective Date of Termination or In Lieu Payment, as applicable, based on the Company's estimation of the then expected Company's target results and proforma financial statements. In such a case, the respective performance Bonus amount shall be so affixed by the Company at its sole discretion regardless of the actual results de facto, and in the absent of any manifest error, the Company's calculation shall be deemed as final non-appealable calculation of the respective performance Bonus amount.

3.2. To dispel doubt, the above shall not derogate anything from:

3.2.1. Any specific special terms relating to termination for Cause, and in any event of discrepancy or inconsistency between the provisions of such special termination terms for Cause and the standard regular provisions as set forth herein, the special provisions regarding Cause event shall prevail; and

3.2.2. Any specific special terms referring to (i) Relocation as defined under the Kaltura, Inc. (the Company's parent company) Relocation Policy and Executives Relocation Policy as approved by Kaltura Inc.'s Compensation Committee on November 1st, 2024, and Kaltura Inc.'s Board of Directors on November 20, 2024, to the extent applicable; (ii) Corporate Transactions, Change in Control, and "double trigger" mechanisms included and defined in the Consultancy Agreement (if included), the 2021 Plan and any previous incentive award plan of Kaltura Inc. applicable to the Consultant; and (iii) any other particular arrangements; *provided, however*, that the terms under subsections (i), (ii) and (iii) above are more beneficiary to the Consultant than the terms hereof. Accordingly, in any event of discrepancy or

inconsistency between the provisions of such special terms and arrangements and the standard regular provisions as set forth in Section 3.1 herein, the Consultant-favorable conditions shall apply and the special provisions shall prevail inasmuch as they award more beneficial terms in such circumstances.

4. **Miscellaneous**

- 4.1. The Consultancy Agreement is hereby amended as expressly set out in this Amendment above, and all references and provisions relating to the subject matters of this Amendment, shall be read and interpreted in line with this Amendment and in a manner that will give full force and effect thereto, whether or not specified so herein. This Amendment shall be read together with the Consultancy Agreement as one agreement and, save as expressly amended by this Amendment, the Consultancy Agreement shall remain unaltered and in full force and effect.
- 4.2. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment as of the date first hereinabove set forth:

Kaltura Europe Ltd.

Consultant

By: _____
Name: Sigal Srur
Title: Chief Human Resources Officer

By: _____
Ron Yekutiel

Attachments

Annex A - 2025 Executive Compensation Plan

Amendment
of the
Employment Agreement

This AMENDMENT (“**Amendment**”) to that certain individual Employment Agreement (as defined below), is made and entered into this 19th day of February, 2025, by and between **Kaltura Ltd.**, a company organized under the laws of the State of Israel and having an office and principal place of business at Allied Tower, 9 Ben-Gurion Road, Bnei-Brak, Israel 5126014 (the “**Company**”) and Mr. **Eynav (Navi) Azaria** (the “**Employee**”).

Each of the above is referred to as a “**Party**” and collectively referred to as the “**Parties**”.

WHEREAS, the Parties have entered into an individual employment agreement dated December 22, 2020, in connection with the Employee’s employment by the Company, as from time to time amended (the said agreement, together with all the exhibits, attachments and addendums thereto, and any amendments hereto or thereto in accordance with the provisions thereof or hereof, shall be referred to herein as the “**Employment Agreement**”); and

WHEREAS, the Parties wish to amend the Employment Agreement in accordance with the terms herewith;

NOW, THEREFORE, in consideration of the premises and mutual agreements and covenants contained in this Amendment and other good and valuable consideration (the receipt and adequacy of which are hereby mutually acknowledged), each of the Parties hereby agree as follows:

1. Definitions and Interpretation

- 1.1. Capitalized terms used but not otherwise defined herein have the respective meanings set forth in the Employment Agreement. All capitalized terms used but not defined hereinabove or in the Employment Agreement, shall have the meaning ascribed for them as in the recitals or as hereinbelow defined.
- 1.2. The preface to this Amendment constitutes an indivisible and integral part thereof.
- 1.3. The provisions of this Amendment are in addition to, and in amendment of, the provisions of the Employment Agreement and in the event of any discrepancy or inconsistency between the provisions of the Employment Agreement and the provisions of this Amendment, the provisions of this Amendment shall prevail. Any reference in the Employment Agreement or herein to “this Agreement” shall mean the Employment Agreement as amended by this Amendment.

2. Bonus

- 2.1. The Employee’s entitlement to an annual Bonus for the calendar year of 2025 shall be determined, for such year only, on the basis of the Employee’s and the Company’s attainment of certain goals and objectives defined by the Company, which are set forth in the Employee’s annual bonus plan according to the Company’s 2025 Executive Compensation Plan as approved by its Compensation Committee on or about January 6, 2025, a summary of which is enclosed as **Annex A** hereof, and as shall further be determined and approved by Kaltura, Inc.’s (the parent company of the Company) Compensation Committee (“**Compensation Committee**”) and Kaltura,

Inc.'s Board of Directors ("**Board**") with respect to the 2025 individual OKRs and performance targets and goals (the "**2025 Executive Compensation Plan**").

Accordingly, subject to the successive Subsections of this Section 5, the 2025 annual Bonus shall be as follows:

- 2.1.1. The potential maximum annual Bonus with respect to 100% attainment, satisfaction and performance against the 2025 Executive Compensation Plan's targets and thresholds (namely, Individual Objectives and Company Financial Goals KPIs and OKRs) as elaborated in the 2025 Executive Compensation Plan, shall equal the gross amount of USD 224,000, namely, **NIS 828,800** (herein, the "**Base OTB**").
- 2.1.2. The potential maximum annual additional stretch bonus for overachievement against such goals (>100%) (the "**Stretch Bonus**"), is still subject to the determination and approval of the metrics by the Compensation Committee and the Board. Based on past year's metrics, if approved for 2025, the potential Stretch Bonus is expected to equal the gross amount of up to USD 84,000, namely, **NIS 310,800** (based on a Stretch Bonus of 137.5% of Base OTB); however, the final amount shall be determined by the Compensation Committee and the Board at their sole discretion.
- 2.2. All Bonus payments, if any, shall be subject to all mandatory withholdings and deductions, and shall be deemed to be quoted in gross figures.

3. **Additional Benefits**

- 3.1. Subject to the approval of the Compensation Committee of the Board of Directors of Kaltura, Inc., and the terms and conditions stipulated below, the Company anticipates granting the Employee **605,263** RSUs as stipulated in the 2025 Executive Compensation Plan (herein, "**LTI RSUs**").
- 3.2. The LTI RSUs, if awarded, will be governed by the terms and conditions of the Company's 2021 Plan, the respective provisions of the 2025 Executive Compensation Plan and applicable award agreements.

Subject to the above, if and to the extent the Employee shall be granted LTI RSUs, then the grant thereof shall be subject to the following:

- 3.2.1. **Grant Date**: effective as of the effective date of the Compensation Committee's approval of the 2025 Executive Compensation Plan, namely, January 6, 2025.
- 3.2.2. **Vesting**: Three-year quarterly, commencing retroactively from January 1st, 2025, subject to the Employee's continued employment with, or services to, the Company or any of its affiliates or subsidiaries through the applicable vesting date unless determined otherwise under any applicable Corporate Transaction and/or Double Trigger provisions as stipulated in the 2021 Plan and/or any other agreements with the Employee (including the Employment Agreement).
- 3.2.3. **Contingencies**: the LTI RSUs award shall be made pursuant to the 2021 Plan, the 2025 Executive Compensation Plan, and the appropriate award agreement to be executed by the Employee and countersigned by Kaltura, Inc., and to the execution and delivery of all required agreements and instruments pursuant to the 2021 Plan and Kaltura, Inc.'s policies.
- 3.2.4. **Double Trigger**: The LTI RSUs award agreement shall include the double trigger accelerated vesting mechanism as set forth in the 2021 Plan and the

agreements and Compensation Committee resolutions applicable to the Employee.

4. **Notice Period for Termination**

4.1. The term of the Notice Period for the Employee's termination of employment or resignation under this Agreement (herein, "**Notice Period**") shall be extended as follows:

- 4.1.1. In the event of termination of the Term of Employment by the Company without Cause, the Employee shall be entitled to receive from the Company a 120-day advance written notice of termination (the "**Notice Period**") or a payment in lieu thereof (the In Lieu Payment as defined in Section 5.1.3 below); as the Company may elect at its sole and absolute discretion.
- 4.1.2. In the event of resignation by the Employee, the Employee shall provide the Company a 90-day advance written notice of Termination ("**Resignation Notice Period**"), regardless of any employment-at-will provisions that may apply, where in such case, the Company may elect, at its sole discretion, to waive the Employee's employment during such notice period (or any part thereof) and pay the Employee an In Lieu Payment in redemption thereof as set forth in Section 5.1.3 below.
- 4.1.3. During the Notice Period, whether notice has been given by the Employee or by the Company, the Employee shall continue to work unless instructed otherwise by the Company and shall cooperate with the Company in handing over his roles and responsibilities to his successor.

Notwithstanding the above, the Company shall be entitled, but not obligated, at any time prior to the expiration of the Notice Period or Resignation Notice Period, as the case may be, at its sole discretion, either: (i) to waive the Employee's actual work during such period, in which event the Company shall continue to pay and award to the Employee all the payments, rights, and benefits under the Employment Agreement payable to the Employee during the remainder of the Notice Period or Resignation Notice Period (namely, unpaid Monthly Salary (including the allowances accrued thereupon or associated therewith), unused paid time off, unpaid expense reimbursements, and earned but unpaid Performance Based Compensation from prior fiscal years); or (ii) to immediately terminate the Employment Agreement and the employment relationship thereunder at any time prior to the expiration of the Notice Period or Resignation Notice Period, as the case may be, and pay the Employee all accrued obligation for such 180-days' Notice Period from the surrender of the notice through the supposed date of termination but for the cash conversion in lieu of the Notice Period, namely, unpaid Monthly Salary (including the allowances accrued thereupon or associated therewith), unused paid time off, unpaid expense reimbursements, and earned but unpaid Performance Based Compensation from prior fiscal years; all, until the lapse of the notice period but for the cash conversion in lieu thereof) (collectively, the "**In Lieu Payment**").

- 4.1.4. In the event of a Corporate Transaction that triggers the "double-trigger" mechanisms included in the Employment Agreement and/or in the 2021

Kaltura, Inc. Incentive Award Plan and Israeli Sub-Plan (the “**2021 Plan**”) and/or any previous incentive award plan of the Company applicable to the Employee, including termination or resignation for Good Reasons in such circumstances, the Employee shall also be entitled to the respective portion of the Performance Based Compensation for the employment period at the current year at which the Termination occurs until the Effective Date of Termination plus the respective advance written notice period (i.e., either the Employee’s notice period due to resignation for Good Reason or the Company’s Notice Period due to termination by the Company, both, under the double-trigger mechanism, regardless redemption thereof through In Lieu Payment), even if such period shall end at the subsequent calendar/fiscal year (the “**MBO Entitlement Period**”). Except as specifically agreed otherwise, the measurement of the MBO KPIs attainment for the individual and Company goals with respect to the MBO Entitlement Period, and the calculation and payment of the respective Performance Based Compensation in respect thereof, shall be made upon the settlement of accounts at the Effective Date of Termination or In Lieu Payment, as applicable, based on the Company’s estimation of the then expected Company’s target results and proforma financial statements. In such a case, the respective Performance Based Compensation amount shall be so affixed by the Company at its sole discretion regardless of the actual results de facto, and in the absent of any manifest error, the Company’s calculation shall be deemed as final non-appealable calculation of the respective Performance Based Compensation amount.

4.2. To dispel doubt, the above shall not derogate anything from:

4.2.1. Any specific special terms relating to termination for Cause, and in any event of discrepancy or inconsistency between the provisions of such special termination terms for Cause and the standard regular provisions as set forth herein, the special provisions regarding Cause event shall prevail; and

4.2.2. Any specific special terms referring to (i) Relocation as defined under the Kaltura, Inc. Relocation Policy and Executives Relocation Policy as approved by the Compensation Committee on November 1st, 2024, and the Board of Directors on November 20, 2024, to the extent applicable; (ii) Corporate Transactions, Change in Control, and “double trigger” mechanisms included and defined in the Employment Agreement (if included), the 2021 Plan and any previous incentive award plan of the Company applicable to the Employee; and (iii) any other particular arrangements; *provided, however*, that the terms under subsections (i), (ii) and (iii) above are more beneficiary to the Employee than the terms hereof. Accordingly, in any event of discrepancy or inconsistency between the provisions of such special terms and arrangements and the standard regular provisions as set forth in Section 5.1 herein, the employee-favorable conditions shall apply and the special provisions shall prevail inasmuch as they award more beneficial terms in such circumstances.

5. Miscellaneous

5.1. The Employment Agreement is hereby amended as expressly set out in this Amendment above, and all references and provisions relating to the subject matters of this Amendment, shall be read and interpreted in line with this Amendment and in a manner that will give full force and effect thereto, whether or not specified so herein. This Amendment shall be read together with the Employment Agreement as one agreement and, save as expressly amended by this Amendment, the Employment Agreement shall remain unaltered and in full force and effect.

5.2. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment as of the date first hereinabove set forth:

Kaltura Ltd.

By: _____
Name: Sigal Srur
Title: Chief Human Resources Officer

Employee

By: _____
Eynav Azaria

Attachments

Annex A - 2025 Executive Compensation Plan

Amendment
of the
Employment Agreement

This AMENDMENT (“**Amendment**”) to that certain individual Employment Agreement (as defined below), is made and entered into this 19th day of February, 2025, by and between **Kaltura Ltd.**, a company organized under the laws of the State of Israel and having an office and principal place of business at Allied Tower, 9 Ben-Gurion Road, Bnei-Brak, Israel 5126014 (the “**Company**”) and Mr. **Natan Israeli** (the “**Employee**”).

Each of the above is referred to as a “**Party**” and collectively referred to as the “**Parties**”.

WHEREAS, the Parties have entered into an individual employment agreement dated November 26, 2020, in connection with the Employee’s employment by the Company, as from time to time amended (the said agreement, together with all the exhibits, attachments and addendums thereto, and any amendments hereto or thereto in accordance with the provisions thereof or hereof, shall be referred to herein as the “**Employment Agreement**”); and

WHEREAS, the Parties wish to amend the Employment Agreement in accordance with the terms herewith;

NOW, THEREFORE, in consideration of the premises and mutual agreements and covenants contained in this Amendment and other good and valuable consideration (the receipt and adequacy of which are hereby mutually acknowledged), each of the Parties hereby agree as follows:

1. Definitions and Interpretation

- 1.1. Capitalized terms used but not otherwise defined herein have the respective meanings set forth in the Employment Agreement. All capitalized terms used but not defined hereinabove or in the Employment Agreement, shall have the meaning ascribed for them as in the recitals or as hereinbelow defined.
- 1.2. The preface to this Amendment constitutes an indivisible and integral part thereof.
- 1.3. The provisions of this Amendment are in addition to, and in amendment of, the provisions of the Employment Agreement and in the event of any discrepancy or inconsistency between the provisions of the Employment Agreement and the provisions of this Amendment, the provisions of this Amendment shall prevail. Any reference in the Employment Agreement or herein to “this Agreement” shall mean the Employment Agreement as amended by this Amendment.

2. Bonus

- 2.1. The Employee’s entitlement to an annual Bonus for the calendar year of 2025 shall be determined, for such year only, on the basis of the Employee’s and the Company’s attainment of certain goals and objectives defined by the Company, which are set forth in the Employee’s annual bonus plan according to the Company’s 2025 Executive Compensation Plan as approved by its Compensation Committee on or about January 6, 2025, a summary of which is enclosed as **Annex A** hereof, and as shall further be determined and approved by Kaltura, Inc.’s (the parent company of the Company) Compensation Committee (“**Compensation Committee**”) and Kaltura,

Inc.'s Board of Directors ("**Board**") with respect to the 2025 individual OKRs and performance targets and goals (the "**2025 Executive Compensation Plan**").

Accordingly, subject to the successive Subsections of this Section 5, the 2025 annual Bonus shall be as follows:

- 2.1.1. The potential maximum annual Bonus with respect to 100% attainment, satisfaction and performance against the 2025 Executive Compensation Plan's targets and thresholds (namely, Individual Objectives and Company Financial Goals KPIs and OKRs) as elaborated in the 2025 Executive Compensation Plan, shall equal the gross amount of USD 223,000, namely, **NIS 825,100** (herein, the "**Base OTB**").
- 2.1.2. The potential maximum annual additional stretch bonus for overachievement against such goals (>100%) (the "**Stretch Bonus**"), is still subject to the determination and approval of the metrics by the Compensation Committee and the Board. Based on past year's metrics, if approved for 2025, the potential Stretch Bonus is expected to equal the gross amount of up to USD 84,000, namely, **NIS 310,800** (based on a Stretch Bonus of 137.5% of Base OTB); however, the final amount shall be determined by the Compensation Committee and the Board at their sole discretion.
- 2.2. All Bonus payments, if any, shall be subject to all mandatory withholdings and deductions, and shall be deemed to be quoted in gross figures.

3. **Additional Benefits**

- 3.1. Subject to the approval of the Compensation Committee of the Board of Directors of Kaltura, Inc., and the terms and conditions stipulated below, the Company anticipates granting the Employee **605,263** RSUs as stipulated in the 2025 Executive Compensation Plan (herein, "**LTI RSUs**").
- 3.2. The LTI RSUs, if awarded, will be governed by the terms and conditions of the Company's 2021 Plan, the respective provisions of the 2025 Executive Compensation Plan and applicable award agreements.

Subject to the above, if and to the extent the Employee shall be granted LTI RSUs, then the grant thereof shall be subject to the following:

- 3.2.1. **Grant Date**: effective as of the effective date of the Compensation Committee's approval of the 2025 Executive Compensation Plan, namely, January 6, 2025.
- 3.2.2. **Vesting**: Three-year quarterly, commencing retroactively from January 1st, 2025, subject to the Employee's continued employment with, or services to, the Company or any of its affiliates or subsidiaries through the applicable vesting date unless determined otherwise under any applicable Corporate Transaction and/or Double Trigger provisions as stipulated in the 2021 Plan and/or any other agreements with the Employee (including the Employment Agreement).
- 3.2.3. **Contingencies**: the LTI RSUs award shall be made pursuant to the 2021 Plan, the 2025 Executive Compensation Plan, and the appropriate award agreement to be executed by the Employee and countersigned by Kaltura, Inc., and to the execution and delivery of all required agreements and instruments pursuant to the 2021 Plan and Kaltura, Inc.'s policies.
- 3.2.4. **Double Trigger**: The LTI RSUs award agreement shall include the double trigger accelerated vesting mechanism as set forth in the 2021 Plan and the

agreements and Compensation Committee resolutions applicable to the Employee.

4. **Notice Period for Termination**

4.1. The term of the Notice Period for the Employee's termination of employment or resignation under this Agreement (herein, "**Notice Period**") shall be extended as follows:

- 4.1.1. In the event of termination of the Term of Employment by the Company without Cause, the Employee shall be entitled to receive from the Company a 120-day advance written notice of termination (the "**Notice Period**") or a payment in lieu thereof (the In Lieu Payment as defined in Section 5.1.3 below); as the Company may elect at its sole and absolute discretion.
- 4.1.2. In the event of resignation by the Employee, the Employee shall provide the Company a 90-day advance written notice of Termination ("**Resignation Notice Period**"), regardless of any employment-at-will provisions that may apply, where in such case, the Company may elect, at its sole discretion, to waive the Employee's employment during such notice period (or any part thereof) and pay the Employee an In Lieu Payment in redemption thereof as set forth in Section 5.1.3 below.
- 4.1.3. During the Notice Period, whether notice has been given by the Employee or by the Company, the Employee shall continue to work unless instructed otherwise by the Company and shall cooperate with the Company in handing over his roles and responsibilities to his successor.

Notwithstanding the above, the Company shall be entitled, but not obligated, at any time prior to the expiration of the Notice Period or Resignation Notice Period, as the case may be, at its sole discretion, either: (i) to waive the Employee's actual work during such period, in which event the Company shall continue to pay and award to the Employee all the payments, rights, and benefits under the Employment Agreement payable to the Employee during the remainder of the Notice Period or Resignation Notice Period (namely, unpaid Monthly Salary (including the allowances accrued thereupon or associated therewith), unused paid time off, unpaid expense reimbursements, and earned but unpaid Performance Based Compensation from prior fiscal years); or (ii) to immediately terminate the Employment Agreement and the employment relationship thereunder at any time prior to the expiration of the Notice Period or Resignation Notice Period, as the case may be, and pay the Employee all accrued obligation for such 180-days' Notice Period from the surrender of the notice through the supposed date of termination but for the cash conversion in lieu of the Notice Period, namely, unpaid Monthly Salary (including the allowances accrued thereupon or associated therewith), unused paid time off, unpaid expense reimbursements, and earned but unpaid Performance Based Compensation from prior fiscal years; all, until the lapse of the notice period but for the cash conversion in lieu thereof) (collectively, the "**In Lieu Payment**").

- 4.1.4. In the event of a Corporate Transaction that triggers the "double-trigger" mechanisms included in the Employment Agreement and/or in the 2021 Kaltura, Inc. Incentive Award Plan and Israeli Sub-Plan (the "**2021 Plan**")

and/or any previous incentive award plan of the Company applicable to the Employee, including termination or resignation for Good Reasons in such circumstances, the Employee shall also be entitled to the respective portion of the Performance Based Compensation for the employment period at the current year at which the Termination occurs until the Effective Date of Termination plus the respective advance written notice period (i.e., either the Employee's notice period due to resignation for Good Reason or the Company's Notice Period due to termination by the Company, both, under the double-trigger mechanism, regardless redemption thereof through In Lieu Payment), even if such period shall end at the subsequent calendar/fiscal year (the "**MBO Entitlement Period**"). Except as specifically agreed otherwise, the measurement of the MBO KPIs attainment for the individual and Company goals with respect to the MBO Entitlement Period, and the calculation and payment of the respective Performance Based Compensation in respect thereof, shall be made upon the settlement of accounts at the Effective Date of Termination or In Lieu Payment, as applicable, based on the Company's estimation of the then expected Company's target results and proforma financial statements. In such a case, the respective Performance Based Compensation amount shall be so affixed by the Company at its sole discretion regardless of the actual results de facto, and in the absent of any manifest error, the Company's calculation shall be deemed as final non-appealable calculation of the respective Performance Based Compensation amount.

4.2. To dispel doubt, the above shall not derogate anything from:

4.2.1. Any specific special terms relating to termination for Cause, and in any event of discrepancy or inconsistency between the provisions of such special termination terms for Cause and the standard regular provisions as set forth herein, the special provisions regarding Cause event shall prevail; and

4.2.2. Any specific special terms referring to (i) Relocation as defined under the Kaltura, Inc. Relocation Policy and Executives Relocation Policy as approved by the Compensation Committee on November 1st, 2024, and the Board of Directors on November 20, 2024, to the extent applicable; (ii) Corporate Transactions, Change in Control, and "double trigger" mechanisms included and defined in the Employment Agreement (if included), the 2021 Plan and any previous incentive award plan of the Company applicable to the Employee; and (iii) any other particular arrangements; *provided, however*, that the terms under subsections (i), (ii) and (iii) above are more beneficiary to the Employee than the terms hereof. Accordingly, in any event of discrepancy or inconsistency between the provisions of such special terms and arrangements and the standard regular provisions as set forth in Section 5.1 herein, the employee-favorable conditions shall apply and the special provisions shall prevail inasmuch as they award more beneficial terms in such circumstances.

5. **Miscellaneous**

5.1. The Employment Agreement is hereby amended as expressly set out in this Amendment above, and all references and provisions relating to the subject matters of this Amendment, shall be read and interpreted in line with this Amendment and in a manner that will give full force and effect thereto, whether or not specified so herein. This Amendment shall be read together with the Employment Agreement as one agreement and, save as expressly amended by this Amendment, the Employment Agreement shall remain unaltered and in full force and effect.

5.2. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment as of the date first hereinabove set forth:

Kaltura Ltd.

By: _____
Name: Sigal Srur
Title: Chief Human Resources Officer

Employee

By: _____
Natan Israeli

Attachments

Annex A - 2025 Executive Compensation Plan

Amendment
of the
Employment Agreement

This AMENDMENT (“**Amendment**”) to that certain individual Employment Agreement (as defined below), is made and entered into this 19th day of February, 2025, by and between **Kaltura, Inc.**, a Delaware corporation of 860 Broadway, 3rd Floor, New York, NY 10003, USA (the “**Company**”) and Mr. **John Doherty** (the “**Employee**”).

Each of the above is referred to as a “**Party**” and collectively referred to as the “**Parties**”.

WHEREAS, the Parties have entered into an individual employment agreement by virtue of an Offer Letter dated January 15, 2024, in connection with the Employee’s employment by the Company, as from time to time amended (the said agreement, together with all the exhibits, attachments and addendums thereto, and any amendments hereto or thereto in accordance with the provisions thereof or hereof, shall be referred to herein as the “**Employment Agreement**”); and

WHEREAS, the Parties wish to amend the Employment Agreement in accordance with the terms herewith;

NOW, THEREFORE, in consideration of the premises and mutual agreements and covenants contained in this Amendment and other good and valuable consideration (the receipt and adequacy of which are hereby mutually acknowledged), each of the Parties hereby agree as follows:

1. Definitions and Interpretation

- 1.1. Capitalized terms used but not otherwise defined herein have the respective meanings set forth in the Employment Agreement. All capitalized terms used but not defined hereinabove or in the Employment Agreement, shall have the meaning ascribed for them as in the recitals or as hereinbelow defined.
- 1.2. The preface to this Amendment constitutes an indivisible and integral part thereof.
- 1.3. The provisions of this Amendment are in addition to, and in amendment of, the provisions of the Employment Agreement and in the event of any discrepancy or inconsistency between the provisions of the Employment Agreement and the provisions of this Amendment, the provisions of this Amendment shall prevail. Any reference in the Employment Agreement or herein to “this Agreement” shall mean the Employment Agreement as amended by this Amendment.

2. Bonus

- 2.1. The Employee’s entitlement to an annual Bonus for the calendar year of 2025 shall be determined, for such year only, on the basis of the Employee’s and the Company’s attainment of certain goals and objectives defined by the Company, which are set forth in the Employee’s annual bonus plan according to the Company’s 2025 Executive Compensation Plan as approved by its Compensation Committee on or about January 6, 2025, a summary of which is enclosed as **Annex A** hereof, and as shall further be determined and approved by the Company’s Compensation Committee and the Board of Directors with respect to the 2025 individual OKRs and performance targets and goals (the “**2025 Executive Compensation Plan**”).

Accordingly, subject to the successive Subsections of this Section 2, the 2025 annual Bonus shall be as follows:

- 2.1.1. The potential maximum annual Bonus with respect to 100% attainment, satisfaction and performance against the 2025 Executive Compensation Plan's targets and thresholds (namely, Individual Objectives and Company Financial Goals KPIs and OKRs) as elaborated in the 2025 Executive Compensation Plan, shall equal the gross amount of USD **470,000** (herein, the "**Base OTB**").
- 2.1.2. The potential maximum annual additional stretch bonus for overachievement against such goals (>100%) (the "**Stretch Bonus**"), is still subject to the determination and approval of the metrics by the Compensation Committee and the Board of the Company. Based on past year's metrics, if approved for 2025, the potential Stretch Bonus is expected to equal the gross amount of up to USD **176,250** (based on a Stretch Bonus of 137.5% of Base OTB); however, the final amount shall be determined by the Compensation Committee and the Board at their sole discretion.
- 2.2. All Bonus payments, if any, shall be subject to all mandatory withholdings and deductions, and shall be deemed to be quoted in gross figures. In addition, all Bonus payments in currencies other than US Dollar will be adjusted in accordance with the specific payment currency and US Dollar exchange rate that shall prevail as of the payment calculation date in accordance with the Company's policies and procedures.

3. **Additional Benefits**

- 3.1. Subject to the approval of the Compensation Committee of the Board of Directors of Kaltura, Inc., and the terms and conditions stipulated below, the Company anticipates granting the Employee **526,316** RSUs as stipulated in the 2025 Executive Compensation Plan (herein, "**LTI RSUs**").
- 3.2. The LTI RSUs, if awarded, will be governed by the terms and conditions of the Company's 2021 Plan, the respective provisions of the 2025 Executive Compensation Plan and applicable award agreements.

Subject to the above, if and to the extent the Employee shall be granted LTI RSUs, then the grant thereof shall be subject to the following:

- 3.2.1. **Grant Date**: effective as of the effective date of the Compensation Committee's approval of the 2025 Executive Compensation Plan, namely, January 6, 2025.
- 3.2.2. **Vesting**: Three-year quarterly, commencing retroactively from January 1st, 2025, subject to the Employee's continued employment with, or services to, the Company or any of its affiliates or subsidiaries through the applicable vesting date unless determined otherwise under any applicable Corporate Transaction and/or Double Trigger provisions as stipulated in the 2021 Plan and/or any other agreements with the Employee (including the Employment Agreement).
- 3.2.3. **Contingencies**: the LTI RSUs award shall be made pursuant to the 2021 Plan, the 2025 Executive Compensation Plan, and the appropriate award agreement to be executed by the Employee and countersigned by Kaltura, Inc., and to the execution and delivery of all required agreements and instruments pursuant to the 2021 Plan and Kaltura, Inc.'s policies.
- 3.2.4. **Double Trigger**: The LTI RSUs award agreement shall include the double trigger accelerated vesting mechanism as set forth in the 2021 Plan and the agreements and Compensation Committee resolutions applicable to the Employee.

4. Termination Accrued Obligations

Section 12 of your Employment Agreement shall be amended as follows:

4.1. The first paragraph of Section 12 shall be supplemented as follows:

*“**Term & Termination** – Your employment with the Company will commence on the Effective Date, for an indefinite period until the termination thereof by either party in accordance with the terms hereof or as shall further be set forth in the definitive employment agreement (the “**Term**” or “**Term of Employment**”). You may terminate your employment with the Company at any time and for any reason whatsoever, by providing the Company a 60-day advanced written notice of termination (“**Advanced Termination Notice**”) regardless of any employment-at-will provisions that may apply, and likewise, in the event of termination of the Term by the Company without Cause (as such term is defined herein or shall be defined in the definitive employment agreement), you shall also be entitled to receive from the Company an Advanced Termination Notice or payment of the monthly Base Salary in lieu thereof (without perquisites), as the Company may elect at its sole and absolute discretion. If your employment ends for any reason, you shall be entitled to payment of (i) your unpaid Base Salary through the date of termination; (ii) all of your accrued, but unused paid time off; (iii) any unpaid expense reimbursements incurred by you as of the date of termination; and (iv) any earned but unpaid Performance Based Compensation from a prior fiscal year ((i) through (iv), the “**Accrued Obligations**”). During the Advanced Termination Notice period, whether notice has been given by the Employee or by the Company, the Employee shall continue to work unless instructed otherwise by the Company and shall cooperate with the Company in handing over his roles and responsibilities to his successor. The Company shall be entitled, but not obligated, at any time prior to the expiration of the Advanced Termination Notice period, at its sole discretion, either: (i) to waive the Employee’s actual work during such period, in which event the Company shall continue to pay and award to the Employee all the payments, rights, and benefits under the Employment Agreement payable to the Employee during the remainder of the Advanced Termination Notice period (namely, the Accrued Obligations for such period); or (ii) to immediately terminate the Employment Agreement and the employment relationship thereunder at any time prior to the expiration of the Advanced Termination Notice period and pay the Employee all Accrued Obligation for such period from the surrender of the notice through the supposed date of termination but for the cash conversion in lieu of the Advanced Termination Notice period.”*

4.2. At the end of Section 12, after the words “... the “**Accrued Obligations**”).”, the following paragraph shall be inserted as part of said Section 12:

*“In the event of a Corporate Transaction that triggers the “double-trigger” mechanisms included in the Employment Agreement and/or in the 2021 Kaltura, Inc. Incentive Award Plan (the “**2021 Plan**”), including termination or resignation for Good Reasons in such circumstances, then in addition to the Accrued Obligations the Employee shall also be entitled to the respective portion of the Performance Based Compensation for the employment period at the current year at which the Termination occurs until the Effective Date of Termination plus the respective advance written notice period (i.e., either the Employee’s Advanced Termination Notice period due to resignation for Good Reason or the Company’s Advanced Termination Notice period due to termination by the Company, both, under the double-trigger mechanism, regardless redemption thereof through the payment of all the payments,*

rights, benefits and Accrued Obligations under the Employment Agreement payable to the Employee during the remainder of the Advanced Termination Notice, even if such period shall end at the subsequent calendar/fiscal year (the “**MBO Entitlement Period**”). Except as specifically agreed otherwise, the measurement of the MBO KPIs attainment for the individual and Company goals with respect to the MBO Entitlement Period, and the calculation and payment of the respective Performance Based Compensation in respect thereof, shall be made upon the settlement of accounts at the Effective Date of Termination or the payment of the Accrued Obligations, as applicable, based on the Company’s estimation of the then expected Company’s target results and proforma financial statements. In such a case, the respective Performance Based Compensation amount shall be so affixed by the Company at its sole discretion regardless of the actual results de facto, and in the absent of any manifest error, the Company’s calculation shall be deemed as final non-appealable calculation of the respective Performance Based Compensation amount.

To dispel doubt, the above shall not derogate anything from:

- 12.1 Any specific special terms relating to termination for Cause, and in any event of discrepancy or inconsistency between the provisions of such special termination terms for Cause and the standard regular provisions as set forth herein, the special provisions regarding Cause event shall prevail; and
- 12.2 Any specific special terms referring to (i) Corporate Transactions, Change in Control, and “double trigger” mechanisms included and defined in the Employment Agreement (if included) and the 2021 Plan; and (ii) any other particular arrangements; provided, however, that the terms under subsections (i) and (ii) above are more beneficiary to the Employee than the terms hereof. Accordingly, in any event of discrepancy or inconsistency between the provisions of such special terms and arrangements and the standard regular provisions as set forth in this Section 12, the employee-favorable conditions shall apply and the special provisions shall prevail inasmuch as they award more beneficial terms in such circumstances.”

5. **Miscellaneous**

- 5.1. The Employment Agreement is hereby amended as expressly set out in this Amendment above, and all references and provisions relating to the subject matters of this Amendment, shall be read and interpreted in line with this Amendment and in a manner that will give full force and effect thereto, whether or not specified so herein. This Amendment shall be read together with the Employment Agreement as one agreement and, save as expressly amended by this Amendment, the Employment Agreement shall remain unaltered and in full force and effect.
- 5.2. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment as of the date first hereinabove set forth:

Kaltura, Inc.

By: _____
Name: Sigal Srur
Title: Chief Human Resources Officer

Employee

By: _____
John Doherty

Attachments

Annex A - 2025 Executive Compensation Plan

Kaltura, Inc.

Insider Trading Compliance Policy

(As of February 24, 2023)

This Insider Trading Compliance Policy (this “*Policy*”) of Kaltura, Inc. (the “*Company*”) consists of seven sections:

- Section I provides an overview;
- Section II sets forth the policies of the Company prohibiting insider trading;
- Section III explains insider trading;
- Section IV consists of procedures that have been put in place by the Company to prevent insider trading;
- Section V sets forth additional transactions that are prohibited by this Policy;
- Section VI explains Rule 10b5-1 trading plans; and
- Section VII refers to the execution and return of a certificate of compliance.

I. Summary

Preventing insider trading is necessary to comply with securities laws and to preserve the reputation and integrity of the Company as well as that of all persons affiliated with the Company. “Insider trading” occurs when any person purchases or sells a security while in possession of inside information relating to the security or the issuer of the security. As explained in Section III below, “inside information” is information that is both “material” and “non-public.” Insider trading is a crime. The penalties for violating insider trading laws include imprisonment, disgorgement of profits, civil fines, and significant criminal fines. Insider trading is also prohibited by this Policy, and violation of this Policy may result in Company-imposed sanctions, including termination of employment for cause.

This Policy applies to all officers, directors and employees of the Company. Individuals subject to this Policy are responsible for ensuring that members of their households also comply with this Policy. This Policy also applies to any entities controlled by individuals subject to the Policy, including any corporations, limited liability companies, partnerships or trusts (such entities, together with all officers, directors and employees of the Company, are referred to as the “*Covered Persons*”), and transactions by these entities should be treated for the purposes of this Policy and applicable securities laws as if they were for the individual’s own account. This Policy extends to all activities within and outside an individual’s Company duties. Every officer, director and employee must review this Policy. Questions regarding the Policy should be directed to the Company’s General Counsel.

II. Statement of Policies Prohibiting Insider Trading

No officer, director or employee shall purchase or sell any type of security while in possession of material, non-public information relating to the security, whether the issuer of such security is the Company or any other company. For example, if a director, officer or employee learns material, non-public information about another company with which the Company does business, including a business partner or collaborator, that person may not trade in such other company's securities until the information becomes public or is no longer material. Further, no Covered Person shall purchase or sell any security of any other company in the Company's industry or the industry of a company that is the subject of a potential strategic transaction with the Company, while in possession of material, non-public information that was obtained in the course of the Covered Person's employment or service with the Company.

These prohibitions do not apply to the following "*permitted transactions*":

- purchases of the Company's securities by a Covered Person from the Company or sales of the Company's securities by a Covered Person to the Company;
- exercises of stock options or other equity awards or the surrender of shares to the Company in payment of the exercise price or in satisfaction of any tax withholding obligations in a manner permitted by the applicable equity award agreement, or vesting of equity-based awards, that in each case do not involve a market sale of the Company's securities (the "cashless exercise" of a Company stock option through a broker does involve a market sale of the Company's securities, and therefore would not qualify under this exception);
- *bona fide* gifts of the Company's securities, unless the person making the gift knows, or is reckless in not knowing, that the recipient intends to sell the securities while the donor is in possession of material, non-public information about the Company; or
- purchases or sales of the Company's securities made pursuant to any binding contract, specific instruction or written plan entered into outside of a black-out period and while the purchaser or seller, as applicable, was unaware of any material, non-public information and which contract, instruction or plan (i) meets all of the requirements of the affirmative defense provided by Rule 10b5-1 ("*Rule 10b5-1*") promulgated under the Securities Exchange Act of 1934, as amended (the "*1934 Act*"), (ii) was pre-cleared in advance pursuant to this Policy and (iii) has not been amended or modified in any respect after such initial pre-clearance without such amendment or modification being pre-cleared in advance pursuant to this Policy. For more information about Rule 10b5-1 trading plans, see Section VI below.

In addition, no officer, director or employee shall directly or indirectly communicate (or "*tip*") material, non-public information to anyone outside of the Company (except in accordance with the Company's policies regarding the protection or authorized external disclosure of Company information) or to anyone within the Company other than on a need-to-know basis.

III. Explanation of Insider Trading

“*Insider trading*” refers to the purchase or sale of a security while in possession of “material,” “non-public” information relating to the security or its issuer.

“*Securities*” include stocks, bonds, notes, debentures, options, warrants and other convertible securities, as well as derivative instruments.

“*Purchase*” and “*sale*” are defined broadly under the federal securities law. “*Purchase*” includes not only the actual purchase of a security, but any contract to purchase or otherwise acquire a security. “*Sale*” includes not only the actual sale of a security, but any contract to sell or otherwise dispose of a security. These definitions extend to a broad range of transactions, including conventional cash-for-stock transactions, conversions, the exercise of stock options, and acquisitions and exercises of warrants or puts, calls or other derivative securities.

It is generally understood that insider trading includes the following:

- trading by insiders while in possession of material, non-public information;
- trading by persons other than insiders while in possession of material, non-public information, if the information either was given in breach of an insider’s fiduciary duty to keep it confidential or was misappropriated; and
- communicating or tipping material, non-public information to others, including recommending the purchase or sale of a security while in possession of such information.

A. What Facts are Material?

The materiality of a fact depends upon the circumstances. A fact is considered “material” if there is a substantial likelihood that a reasonable investor would consider it important in making a decision to buy, sell or hold a security, or if the fact is likely to have a significant effect on the market price of the security. Material information can be positive or negative and can relate to virtually any aspect of a company’s business or to any type of security, debt or equity.

Examples of material information include (but are not limited to) information about:

- corporate earnings or earnings forecasts;
- possible mergers, acquisitions, tender offers or dispositions;
- major new products or product developments;
- important business developments such as developments regarding strategic collaborations or joint ventures;
- significant incidents involving cybersecurity or data protection;
- management or control changes;
- significant financing developments including pending public sales or offerings of debt or equity securities;

- defaults on borrowings;
- cybersecurity incidents;
- bankruptcies; and
- significant litigation or regulatory actions.

Moreover, material information does not have to be related to a company's business. For example, the contents of a forthcoming newspaper column that is expected to affect the market price of a security can be material.

A good general rule of thumb: **When in doubt, do not trade.**

B. What is Non-Public?

Information is "non-public" if it is not available to the general public. In order for information to be considered public, it must be widely disseminated in a manner making it generally available to investors through such media as Dow Jones, Business Wire, Reuters, The Wall Street Journal, Associated Press, or United Press International, a broadcast on widely available radio or television programs, publication in a widely available newspaper, magazine or news web site, a Regulation FD-compliant conference call, or public disclosure documents filed with the Securities and Exchange Commission ("**SEC**") that are available on the SEC's web site.

The circulation of rumors, even if accurate and reported in the media, does not constitute effective public dissemination. In addition, even after a public announcement, a reasonable period of time must lapse in order for the market to react to the information. Generally, one should allow two full trading days following publication as a reasonable waiting period before such information is deemed to be public. If, for example, the Company were to make an announcement on a Monday prior to 9:30 a.m. Eastern time, the information would be deemed public after the close of trading on Tuesday. If an announcement were made on a Monday after 9:30 a.m. Eastern time, the information would be deemed public after the close of trading on Wednesday. If you have any question as to whether information is publicly available, please direct an inquiry to the General Counsel.

C. Who is an Insider?

"Insiders" include officers, directors and employees of a company and anyone else who has material non-public information about a company. Insiders have independent fiduciary duties to their company and its stockholders not to trade on material, non-public information relating to the company's securities. All officers, directors and employees of the Company should consider themselves insiders with respect to material, non-public information about the Company's business, activities and securities.

Individuals subject to this Policy are responsible for ensuring that members of their households also comply with this Policy. This Policy also applies to any entities controlled by individuals subject to the Policy, including any corporations, partnerships or trusts, and

transactions by these entities should be treated for the purposes of this Policy and applicable securities laws as if they were for the individual's own account.

D. Trading by Persons Other than Insiders

Insiders may be liable for communicating or tipping material, non-public information to a third party ("*tippee*"), and insider trading violations are not limited to trading or tipping by insiders. Persons other than insiders also can be liable for insider trading, including tippees who trade on material, non-public information tipped to them or individuals who trade on material, non-public information that has been misappropriated.

Tippees inherit an insider's duties and are liable for trading on material, non-public information illegally tipped to them by an insider. Similarly, just as insiders are liable for the insider trading of their tippees, so are tippees who pass the information along to others who trade. In other words, a tippee's liability for insider trading is no different from that of an insider. Tippees can obtain material, non-public information by receiving overt tips from others or through, among other things, conversations at social, business, or other gatherings.

E. Penalties for Engaging in Insider Trading

Penalties for trading on or tipping material, non-public information can extend significantly beyond any profits made or losses avoided, both for individuals engaging in such unlawful conduct and their employers. The SEC and Department of Justice have made the civil and criminal prosecution of insider trading violations a top priority. Enforcement remedies available to the government or private plaintiffs under the federal securities laws include:

- SEC administrative sanctions;
- securities industry self-regulatory organization sanctions;
- civil injunctions;
- damage awards to private plaintiffs;
- disgorgement of all profits;
- civil fines for the violator of up to three times the amount of profit gained or loss avoided;
- civil fines for the employer or other controlling person of a violator (i.e., where the violator is an employee or other controlled person) of up to the greater of \$2,479,282 (subject to adjustment for inflation) or three times the amount of profit gained or loss avoided by the violator;
- criminal fines for individual violators of up to \$5,000,000 (\$25,000,000 for an entity); and
- jail sentences of up to 20 years.

In addition, insider trading could result in serious sanctions by the Company, including dismissal. Insider trading violations are not limited to violations of the federal securities laws. Other federal and state civil or criminal laws, such as the laws prohibiting mail and wire fraud

and the Racketeer Influenced and Corrupt Organizations Act (RICO), also may be violated in connection with insider trading.

F. Size of Transaction and Reason for Transaction Do Not Matter

The size of the transaction or the amount of profit received does not have to be significant to result in prosecution. The SEC has the ability to monitor even the smallest trades, and the SEC performs routine market surveillance. Brokers and dealers are required by law to inform the SEC of any possible violations by people who may have material, non-public information. The SEC aggressively investigates even small insider trading violations.

G. Examples of Insider Trading

Examples of insider trading cases include:

- actions brought against corporate officers, directors, and employees who traded in a company's securities after learning of significant confidential corporate developments;
- friends, business associates, family members and other tippees of such officers, directors, and employees who traded in the securities after receiving such information;
- government employees who learned of such information in the course of their employment; and
- other persons who misappropriated, and took advantage of, confidential information from their employers.

The following are illustrations of insider trading violations. These illustrations are hypothetical and, consequently, not intended to reflect on the actual activities or business of the Company or any other entity.

Trading by Insider

An officer of X Corporation learns that earnings to be reported by X Corporation will increase dramatically. Prior to the public announcement of such earnings, the officer purchases X Corporation's stock. The officer, an insider, is liable for all profits as well as penalties of up to three times the amount of all profits. The officer also is subject to, among other things, criminal prosecution, including up to \$5,000,000 in additional fines and 20 years in jail. Depending upon the circumstances, X Corporation and the individual to whom the officer reports also could be liable as controlling persons.

Trading by Tippee

An officer of X Corporation tells a friend that X Corporation is about to publicly announce that it has signed an agreement for a major acquisition. This tip causes the friend to purchase X Corporation's stock in advance of the announcement. The officer is jointly liable with his friend for all of the friend's profits, and each is liable for all civil

penalties of up to three times the amount of the friend's profits. The officer and his friend are also subject to criminal prosecution and other remedies and sanctions, as described above.

H. Prohibition of Records Falsification and False Statements

Section 13(b)(2) of the 1934 Act requires companies subject to the Act to maintain proper internal books and records and to devise and maintain an adequate system of internal accounting controls. The SEC has supplemented the statutory requirements by adopting rules that prohibit (1) any person from falsifying records or accounts subject to the above requirements and (2) officers or directors from making any materially false, misleading, or incomplete statement to any accountant in connection with any audit or filing with the SEC. These provisions reflect the SEC's intent to discourage officers, directors and other persons with access to the Company's books and records from taking action that might result in the communication of materially misleading financial information to the investing public.

IV. **Statement of Procedures Preventing Insider Trading**

The following procedures have been established, and will be maintained and enforced, by the Company to prevent insider trading. Every officer, director and designated employee is required to follow these procedures.

A. Pre-Clearance of All Trades by All Officers, Directors and Certain Employees

To provide assistance in preventing inadvertent violations of applicable securities laws and to avoid the appearance of impropriety in connection with the purchase and sale of the Company's securities, **all transactions in the Company's securities (including without limitation, acquisitions and dispositions of Company stock (including by gift), the exercise of stock options and the sale of Company stock issued upon exercise of stock options) by officers, directors and such other employees as are designated from time to time by the Board of Directors, the Chief Executive Officer, Chief Financial Officer or the General Counsel as being subject to this pre-clearance process (each, a "Pre-Clearance Person") must be pre-cleared** by the General Counsel. Pre-clearance does not relieve anyone of his or her responsibility under SEC rules. For the avoidance of doubt, any designation by the Board of Directors of the employees who are subject to pre-clearance may be updated from time to time by the Chief Executive Officer, the Chief Financial Officer or the General Counsel.

A request for pre-clearance may be oral or in writing (including without limitation by e-mail), should be made at least two (2) business days in advance of the proposed transaction and should include the identity of the Pre-Clearance Person, the type of proposed transaction (for example, an open market purchase, a privately negotiated sale, an option exercise, etc.), the proposed date of the transaction and the number of shares, options or other securities to be involved. In addition, unless otherwise determined by the General Counsel, the Pre-Clearance Person must execute a certification (in the form approved by the General Counsel) that he, she or it is not aware of material, non-public information about the Company. The General Counsel

shall have sole discretion to decide whether to clear any contemplated transaction, provided that the Chief Financial Officer shall have sole discretion to decide whether to clear transactions by the General Counsel or persons or entities subject to this policy as a result of their relationship with the General Counsel. All trades that are pre-cleared must be effected within five business days of receipt of the pre-clearance unless a specific exception has been granted by the General Counsel (or the Chief Financial Officer, in the case of the General Counsel or persons or entities subject to this policy as a result of their relationship with the General Counsel). A pre-cleared trade (or any portion of a pre-cleared trade) that has not been effected during the five business day period must be pre-cleared again prior to execution. Notwithstanding receipt of pre-clearance, if the Pre-Clearance Person becomes aware of material, non-public information or becomes subject to a black-out period before the transaction is effected, the transaction may not be completed.

B. Black-Out Periods

No officer, director or other employee designated from time to time by the Board of Directors, the Chief Executive Officer, the Chief Financial Officer or the General Counsel as being subject to quarterly black-out periods shall purchase or sell any security of the Company during the period beginning at 11:59 p.m., Eastern time, on the 14th calendar day before the end of any fiscal quarter of the Company and ending upon the completion of the second full trading day after the public release of earnings data for such fiscal quarter or during any other trading suspension period declared by the Company, except for purchases and sales made pursuant to the permitted transactions described in Section II. For example, if the Company's fourth fiscal quarter ends at 11:59 p.m., Eastern time, on December 31, the corresponding black-out period would begin at 11:59 p.m., Eastern time, on December 17. For the avoidance of doubt, any designation by the Board of Directors of the employees who are subject to quarterly black-out periods may be updated from time to time by the Chief Executive Officer, Chief Financial Officer or General Counsel.

Exceptions to the black-out period policy may be approved only by the General Counsel (or, in the case of an exception for the General Counsel or persons or entities subject to this policy as a result of their relationship with the General Counsel, the Chief Financial Officer or, in the case of exceptions for directors or persons or entities subject to this policy as a result of their relationship with a director, the Board of Directors).

From time to time, the Company, through the Board of Directors, the Company's disclosure committee, the Chief Financial Officer or the General Counsel, may recommend that officers, directors, employees or others suspend trading in the Company's securities because of developments that have not yet been disclosed to the public. Subject to the exceptions noted above, all of those affected should not trade in the Company's securities while the suspension is in effect, and should not disclose to others that the Company has suspended trading.

C. Post-Termination Transactions

If an individual is in possession of material, non-public information when his or her service terminates, that individual may not trade in the Company's securities until that information has become public or is no longer material.

D. Information Relating to the Company

1. *Access to Information*

Access to material, non-public information about the Company, including the Company's business, earnings or prospects, should be limited to officers, directors and employees of the Company on a need-to-know basis. In addition, such information should not be communicated to anyone outside the Company under any circumstances (except in accordance with the Company's policies regarding the protection or authorized external disclosure of Company information) or to anyone within the Company on an other than need-to-know basis.

In communicating material, non-public information to employees of the Company, all officers, directors and employees must take care to emphasize the need for confidential treatment of such information and adherence to the Company's policies with regard to confidential information.

2. *Inquiries From Third Parties*

Inquiries from third parties, such as industry analysts or members of the media, about the Company should be directed to the Chief Financial Officer or the General Counsel.

E. Limitations on Access to Company Information

The following procedures are designed to maintain confidentiality with respect to the Company's business operations and activities.

All officers, directors and employees should take all steps and precautions necessary to restrict access to, and secure, material, non-public information by, among other things:

- maintaining the confidentiality of Company-related transactions;
- conducting their business and social activities so as not to risk inadvertent disclosure of confidential information. Review of confidential documents in public places should be conducted so as to prevent access by unauthorized persons;
- restricting access to documents and files (including computer files) containing material, non-public information to individuals on a need-to-know basis (including maintaining control over the distribution of documents and drafts of documents);
- promptly removing and cleaning up all confidential documents and other materials from conference rooms following the conclusion of any meetings;
- disposing of all confidential documents and other papers, after there is no longer any business or other legally required need, through shredders when appropriate;

- restricting access to areas likely to contain confidential documents or material, non-public information;
- safeguarding laptop computers, mobile devices, tablets, memory sticks, CDs and other items that contain confidential information; and
- avoiding the discussion of material, non-public information in places where the information could be overheard by others such as in elevators, restrooms, hallways, restaurants, airplanes or taxicabs.

Personnel involved with material, non-public information, to the extent feasible, should conduct their business and activities in areas separate from other Company activities.

V. Additional Prohibited Transactions

The Company has determined that there is a heightened legal risk and/or the appearance of improper or inappropriate conduct if the persons subject to this Policy engage in certain types of transactions. Therefore, officers, directors and employees shall comply with the following policies with respect to certain transactions in the Company securities:

A. Short Sales

Short sales of the Company's securities evidence an expectation on the part of the seller that the securities will decline in value, and therefore signal to the market that the seller has no confidence in the Company or its short-term prospects. In addition, short sales may reduce the seller's incentive to improve the Company's performance. For these reasons, short sales of the Company's securities are prohibited by this Policy. In addition, Section 16(c) of the 1934 Act absolutely prohibits Section 16 reporting persons (i.e., directors, certain officers and the Company's 10% stockholders) from making short sales of the Company's equity securities, *i.e.*, sales of shares that the insider does not own at the time of sale, or sales of shares against which the insider does not deliver the shares within 20 days after the sale.

B. Options

A transaction in options is, in effect, a bet on the short-term movement of the Company's stock and therefore creates the appearance that an officer, director or employee is trading based on inside information. Transactions in options, whether traded on an exchange, on any other organized market or on an over-the-counter market, also may focus an officer's, director's or employee's attention on short-term performance at the expense of the Company's long-term objectives. Accordingly, transactions in puts, calls or other derivative securities involving the Company's equity securities, on an exchange, on any other organized market or on an over-the-counter market, are prohibited by this Policy.

C. Hedging Transactions

Purchasing financial instruments, such as prepaid variable forward contracts, equity swaps, collars, and exchange funds, or otherwise engaging in transactions that hedge or offset, or

are designed to hedge or offset, any decrease in the market value of the Company's equity securities, may cause an officer, director, or employee to no longer have the same objectives as the Company's other stockholders. Therefore, all such transactions involving the Company's equity securities, whether such securities were granted as compensation or are otherwise held, directly or indirectly, are prohibited by this Policy.

D. Purchases of the Company's Securities on Margin; Pledging the Company's Securities to Secure Margin or Other Loans

Purchasing on margin means borrowing from a brokerage firm, bank or other entity in order to purchase the Company's securities (other than in connection with a cashless exercise of stock options through a broker under the Company's equity plans). Margin purchases of the Company's securities are prohibited by this Policy. Pledging the Company's securities as collateral to secure loans is prohibited. This prohibition means, among other things, that you cannot hold the Company's securities in a "margin account" (which would allow you to borrow against your holdings to buy securities).

E. Partnership Distributions

Nothing in this Policy is intended to limit the ability of a venture capital partnership or other similar entity with which a director is affiliated to distribute Company securities to its partners, members or other similar persons. It is the responsibility of each affected director and the affiliated entity, in consultation with their own counsel (as appropriate), to determine the timing of any distributions, based on all relevant facts and circumstances and applicable securities laws.

VI. Rule 10b5-1 Trading Plans

A. Overview

Rule 10b5-1 presents an opportunity for insiders to establish arrangements to sell (or purchase) Company stock without the restrictions of trading windows and black-out periods, even when there is undisclosed material information. Rule 10b5-1 will protect directors, officers and employees from insider trading liability under Rule 10b5-1 for transactions under a previously established contract, plan or instruction to trade in the Company's stock entered into and conducted in good faith and in accordance with the terms of Rule 10b5-1 (a "**Trading Plan**") and will be exempt from the trading restrictions set forth in this Policy. Each such Trading Plan, and any proposed modification or termination thereof, must be submitted to and pre-approved by the General Counsel, or such other person as the Board of Directors may designate from time to time (the "**Authorizing Officer**"), who may impose such conditions on the implementation and operation of the Trading Plan as the Authorizing Officer deems necessary or advisable. However, compliance of the Trading Plan to the terms of Rule 10b5-1 and the execution of transactions pursuant to the Trading Plan are the sole responsibility of the person initiating the Trading Plan, not the Company or the Authorizing Officer.

Trading Plans do not exempt individuals from complying with Section 16 reporting obligations or short-swing profit rules or liability. Furthermore, Trading Plans only provide an “affirmative defense” in the event there is an insider trading lawsuit. It does not prevent someone from bringing a lawsuit.

A director, officer or employee may enter into a Trading Plan only in good faith and only when he or she is not in possession of material, non-public information, and only during a trading window period outside of the trading black-out period. Although transactions effected under a Trading Plan will not require further pre-clearance at the time of the trade, any transaction (including the quantity and price) made pursuant to a Trading Plan of a Section 16 reporting person must be reported to the Company promptly on the day of each trade to permit the Company’s filing coordinator to assist in the preparation and filing of a required Form 4. However, the ultimate responsibility, and liability, for timely filing remains with the Section 16 reporting person. The Company reserves the right from time to time to suspend, discontinue or otherwise prohibit any transaction in the Company’s securities, even pursuant to a previously approved Trading Plan, if the Authorizing Officer or the Board of Directors, in its discretion, determines that such suspension, discontinuation or other prohibition is in the best interests of the Company. Any Trading Plan submitted for approval hereunder should explicitly acknowledge the Company’s right to prohibit transactions in the Company’s securities. Failure to discontinue purchases and sales as directed shall constitute a violation of the terms of this Section VI and result in a loss of the exemption set forth herein.

Officers, directors and employees may adopt Trading Plans with brokers that outline a pre-set plan for trading of the Company’s stock, including the exercise of options. Trades pursuant to a Trading Plan generally may occur at any time. However, the Trading Plan must include a minimum “cooling-off period” between the establishment of a Trading Plan and commencement of any transactions under such plan for:

- Section 16 reporting persons that extends to the later of 90 days after adoption or modification of a Trading Plan or two business days after filing the Form 10-K or Form 10-Q covering the fiscal quarter in which the Trading Plan was adopted or modified, as applicable, up to a maximum of 120 days; and
- employees who are not Section 16 reporting persons and any other persons, other than the Company, that extends 30 days after adoption or modification of a Trading Plan.

Individuals may not adopt more than one Trading Plan at a time except under the limited circumstances permitted by Rule 10b5-1 and subject to pre-approval by the Authorizing Officer.

For clarity, the requirements of this Section VI.A do not apply to any Trading Plan entered into by a venture capital partnership or other similar entity with which a director is affiliated. It is the responsibility of each such venture capital partnership or other entity, in consultation with their own counsel (as appropriate), to comply with applicable securities laws in connection with any Trading Plan.

B. Terminations of and Modifications to Trading Plans

Terminations of Trading Plans should occur only in unusual circumstances. Effectiveness of any termination or modification of a Trading Plan will be subject to the prior review and approval of the Authorizing Officer. Termination is effected upon written notice to the broker.

A person acting in good faith may modify a prior Trading Plan so long as such modifications are made outside of a quarterly trading black-out period and at a time when the Trading Plan participant does not possess material, non-public information. Modifications to a Trading Plan are subject to pre-approval by the Authorizing Officer and modifications of a Trading Plan that change the amount, price, or timing of the purchase or sale of the securities underlying a Trading Plan will trigger a new cooling-off period (as described in Section VI.A above).

Under certain circumstances, a Trading Plan *must* be terminated. This may include circumstances such as the announcement of a merger or the occurrence of an event that would cause the transaction either to violate the law or to have an adverse effect on the Company. The Authorizing Officer or administrator of the Company's stock plans is authorized to notify the broker in such circumstances, thereby insulating the insider in the event of termination.

C. Discretionary Plans

Although non-discretionary Trading Plans are preferred, discretionary Trading Plans, where the discretion or control over trading is transferred to a broker, are permitted if pre-approved by the Authorizing Officer.

The Authorizing Officer of the Company must pre-approve any Trading Plan, arrangement or trading instructions, etc., involving potential sales or purchases of the Company's stock or option exercises, including but not limited to, blind trusts, discretionary accounts with banks or brokers, or limit orders. The actual transactions effected pursuant to a pre-approved Trading Plan will not be subject to further pre-clearance for transactions in the Company's stock once the Trading Plan or other arrangement has been pre-approved.

D. Reporting (if Required)

If required, an SEC Form 144 will be filled out and filed by the individual/brokerage firm in accordance with the existing rules regarding Form 144 filings. A footnote at the bottom of the Form 144 should indicate that the trades "are in accordance with a Trading Plan that complies with Rule 10b5-1 and was adopted on ____." For Section 16 reporting persons, Form 4s should be filed before the end of the second business day following the date that the broker, dealer or plan administrator informs the individual that a transaction was executed, provided that the date of such notification is not later than the third business day following the trade date. The Form 4 must indicate that the transaction was made pursuant to a Trading Plan.

E. Options

Exercises of options for cash may be executed at any time. “Cashless exercise” option exercises through a broker are not permitted during black-out periods. However, the Company will permit same day sales under Trading Plans. If a broker is required to execute a cashless exercise in accordance with a Trading Plan, then the Company must have exercise forms attached to the Trading Plan that are signed, undated and with the number of shares to be exercised left blank. Once a broker determines that the time is right to exercise the option and dispose of the shares in accordance with the Trading Plan, the broker will notify the Company in writing and the administrator of the Company’s stock plans will fill in the number of shares and the date of exercise on the previously signed exercise form. The insider should not be involved with this part of the exercise.

F. Trades Outside of a Trading Plan

During an open trading window, trades differing from Trading Plan instructions that are already in place are allowed as long as the Trading Plan continues to be followed.

G. Public Disclosure

The Company reserves the right to publicly disclose, announce, or respond to inquiries from the media regarding the adoption, modification, or termination of a Trading Plan and non-Rule 10b5-1 trading arrangements, or the execution of transactions made under a Trading Plan.

H. Prohibited Transactions

The transactions prohibited under Section V of this Policy, including among others short sales and hedging transactions, may not be carried out through a Trading Plan or other arrangement or trading instruction involving potential sales or purchases of the Company’s securities.

I. Limitation on Liability

None of the Company, the Chief Executive Officer, the Chief Financial Officer, General Counsel, the Authorizing Officer, the Company’s other employees or any other person will have any liability for any delay in reviewing, or refusal of, a Trading Plan submitted pursuant to this Section VI or a request for pre-clearance submitted pursuant to Section IV of this Policy. Notwithstanding any review of a Trading Plan pursuant to this Section VI or pre-clearance of a transaction pursuant to Section IV of this Policy, none of the Company, the Chief Financial Officer, General Counsel, the Authorizing Officer, the Company’s other employees or any other person assumes any liability for the legality or consequences of such Trading Plan or transaction to the person engaging in or adopting such Trading Plan or transaction.

VII. Execution and Return of Certification of Compliance

After reading this Policy and on an annual basis, all officers, directors and employees should execute and return to the General Counsel the Certification of Compliance form attached hereto as “Attachment A.”

CERTIFICATION OF COMPLIANCE

RETURN BY [_____] [*insert return deadline*]

TO: _____, General Counsel

FROM: _____

RE: INSIDER TRADING COMPLIANCE POLICY OF KALTURA, INC.

I have received, reviewed and understand the above-referenced Insider Trading Compliance Policy and undertake, as a condition to my present and continued employment with (or, if I am not an employee, affiliation with) Kaltura, Inc., to comply fully with the policies and procedures contained therein.

[I hereby certify, to the best of my knowledge, that during the calendar year ending December 31, 20[___], I have complied fully with all policies and procedures set forth in the above-referenced Insider Trading Compliance Policy.]¹

SIGNATURE DATE

TITLE

¹ NTD: This language should be excluded from an initial certification.

Subsidiaries of Kaltura, Inc.

Name	State or Other Jurisdiction of Incorporation or Organization
Kaltura Asia Pte. Ltd.	Singapore
Kaltura Brasil Internet Video Software e Servicos Limitada	Brazil
Kaltura Europe Ltd.	United Kingdom
Kaltura Germany GmbH	Germany
Kaltura Portugal Unipessoal LDA	Portugal
Kaltura Ltd.	Israel

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the Registration Statements on Form S-8 (Nos. 333-258261, 333-263262, 333-270081 and 333-277353) of Kaltura, Inc., pertaining to the Kaltura, Inc. 2007 Israeli Share Option Plan, Kaltura, Inc. 2007 Stock Option Plan, Kaltura, Inc. 2017 Equity Incentive Plan and Kaltura, Inc. 2021 Incentive Award Plan, of our report dated February 20, 2025, with respect to the consolidated financial statements of Kaltura, Inc. included in this Annual Report (Form 10-K) for the year ended December 31, 2024.

February 20, 2025
Tel-Aviv, Israel

/s/ Kost Forer Gabbay & Kasierer
A Member of EY Global

[US-DOCS\157383947.2]

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report on Form 10-K of Kaltura, Inc. (the "Company") for the year ended December 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- a. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- b. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 20, 2025

By: _____ /s/ Ron Yekutiel

Ron Yekutiel
Chairman, President and Chief Executive Officer
(Principal Executive Officer)

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report on Form 10-K of Kaltura, Inc. (the "Company") for the year ended December 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- a. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- b. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 20, 2025

By:

/s/ John Doherty

John Doherty

Chief Financial Officer

(Principal Financial and Accounting Officer)