

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

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the quarterly period ended September 30, 2025

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)

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

860 Broadway
3rd Floor
New York, New York
(Address of principal executive offices)

10003
(Zip Code)

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

N/A

(Former name, former address and former fiscal year, if changed since last report)

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

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 is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

The number of shares of the registrant's common stock, par value \$0.0001, outstanding as of November 5, 2025 was 156,334,157.

TABLE OF CONTENTS

	Page
PART I	FINANCIAL INFORMATION
Item 1.	Consolidated Financial Statements (unaudited)
	Condensed Consolidated Balance Sheets as of September 30, 2025 (unaudited) and December 31, 2024 (audited)
	Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2025 and 2024 (unaudited)
	Condensed Consolidated Statements of Comprehensive Loss for the three and nine months ended September 30, 2025 and 2024 (unaudited)
	Condensed Consolidated Statement of Stockholders' Equity for the three and nine months ended September 30, 2025 and 2024 (unaudited)
	Condensed Consolidated Statement of Cash Flows for the nine months ended September 30, 2025 and 2024 (unaudited)
	Notes to Condensed Consolidated Interim Financial Statements (unaudited)
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations
Item 3.	Quantitative and Qualitative Disclosures About Market Risk
Item 4.	Controls and Procedures
PART II	OTHER INFORMATION
Item 1.	Legal Proceedings
Item 1A.	Risk Factors
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds
Item 3.	Defaults Upon Senior Securities
Item 4.	Mine Safety Disclosures
Item 5.	Other Information
Item 6.	Exhibits
	Signatures

FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q 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 Quarterly Report on Form 10-Q 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 Quarterly Report on Form 10-Q include, but are not limited to, statements regarding our future results of operations and financial position, industry and business trends, projections of demand, growth prospects, product development, competitive pressure, cost savings, stock-based compensation, revenue recognition, expected impacts of reorganization plans, business strategy, plans, market growth, the economic climate and its impact on us, and other financial and market matters.

The forward-looking statements in this Quarterly Report on Form 10-Q 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 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 "GenAI") and compliance with the evolving regulatory framework 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;
- EU legislation, such as the EU AI Act and EU Data Act increases compliance and financial uncertainty, and may impact our contractual, operational and pricing models, and our future forecasts, any of which could lower our revenue and adversely affect our business, financial condition and results of operation.
- 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 promote and expand our operations and invest in new offerings could reduce our ability to compete and could adversely affect our business;
- Significant changes or developments in U.S. or international laws or policies, including possible changes in trade policies and tariffs, may have a material adverse effect on our business, results of operations, and financial condition; and
- The other important factors discussed in Part I, Item 1A, “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2024, filed with the Securities and Exchange Commission (the “SEC”) on February 20, 2025.

The forward-looking statements in this Quarterly Report on Form 10-Q are based upon information available to us as of the date of this Quarterly Report on Form 10-Q, 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 Quarterly Report on Form 10-Q and the documents that we reference in this Quarterly Report on Form 10-Q and have filed as exhibits to this Quarterly Report on Form 10-Q 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 Quarterly Report on Form 10-Q. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained in this Quarterly Report on Form 10-Q, whether as a result of any new information, future events or otherwise.

As used in this Quarterly Report on Form 10-Q, 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.

PART I—FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

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

	September 30, 2025	December 31, 2024
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	\$ 41,513	\$ 33,059
Marketable securities	30,688	48,275
Trade receivables	20,258	19,978
Prepaid expenses and other current assets	11,055	9,481
Deferred contract acquisition and fulfillment costs, current	8,957	10,765
Total current assets	112,471	121,558
LONG-TERM ASSETS:		
Marketable securities	11,898	3,379
Property and equipment, net	13,288	16,190
Other assets, noncurrent	3,601	2,983
Deferred contract acquisition and fulfillment costs, noncurrent	9,440	13,605
Operating lease right-of-use assets	10,780	12,308
Intangible assets, net	76	212
Goodwill	11,070	11,070
Total noncurrent assets	60,153	59,747
TOTAL ASSETS	\$ 172,624	\$ 181,305
LIABILITIES AND STOCKHOLDERS' EQUITY		
CURRENT LIABILITIES:		
Current portion of long-term loans	\$ 5,030	\$ 3,110
Trade payables	4,862	3,265
Employees and payroll accruals	14,128	15,399
Accrued expenses and other current liabilities	12,858	14,262
Operating lease liabilities, current	2,800	2,504
Deferred revenue, current	61,052	63,123
Total current liabilities	100,730	101,663
LONG-TERM LIABILITIES:		
Deferred revenue, noncurrent	41	67
Long-term loans, net of current portion	25,328	29,153
Operating lease liabilities, noncurrent	14,616	15,263
Other liabilities, noncurrent	14,174	10,772
Total long-term liabilities	54,159	55,255
TOTAL LIABILITIES	\$ 154,889	\$ 156,918

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

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

	September 30, 2025	December 31, 2024
COMMITMENTS AND CONTINGENCIES (NOTE 8)		
STOCKHOLDERS' EQUITY:		
Preferred stock, \$0.0001 par value per share, 20,000,000 shares authorized as of September 30, 2025 and December 31, 2024; 0 shares issued and outstanding as of September 30, 2025, and December 31, 2024	—	—
Common stock, \$0.0001 par value per share, 1,000,000,000 shares authorized as of September 30, 2025 and December 31, 2024; 170,031,443 and 161,980,907 shares issued as of September 30, 2025 and December 31, 2024, respectively; 155,463,844 and 152,057,148 shares outstanding as of September 30, 2025 and December 31, 2024, respectively	17	15
Treasury stock – 14,567,599 and 9,923,759 shares of common stock, \$0.0001 par value per share, as of September 30, 2025 and December 31, 2024, respectively	(17,396)	(7,801)
Additional paid-in capital	512,124	500,024
Accumulated other comprehensive income	3,297	959
Accumulated deficit	(480,307)	(468,810)
Total stockholders' equity	17,735	24,387
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	\$ 172,624	\$ 181,305

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

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Revenue:				
Subscription	\$ 41,976	\$ 42,085	\$ 129,266	\$ 124,267
Professional services	1,890	2,210	6,046	8,841
Total revenue	43,866	44,295	135,312	133,108
Cost of revenue:				
Subscription	9,844	10,437	29,973	32,699
Professional services	3,295	4,317	10,656	13,584
Total cost of revenue	13,139	14,754	40,629	46,283
Gross profit	30,727	29,541	94,683	86,825
Operating expenses:				
Research and development	11,481	12,427	35,137	36,460
Sales and marketing	11,047	11,830	34,489	35,421
General and administrative	8,899	9,750	30,090	35,250
Restructuring	804	—	804	—
Total operating expenses	32,231	34,007	100,520	107,131
Operating loss	1,504	4,466	5,837	20,306
Financial expense (income), net	(85)	(2,160)	2,682	(1,672)
Loss before provision for income taxes	1,419	2,306	8,519	18,634
Provision for income taxes	1,209	1,304	2,978	6,076
Net loss	2,628	3,610	11,497	24,710
Net loss per share attributable to common stockholders, basic and diluted	\$ 0.02	\$ 0.02	\$ 0.07	\$ 0.17
Weighted-average shares used in computing net loss per share attributable to common stockholders, basic and diluted	154,775,938	149,306,274	154,110,240	147,074,320

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

KALTURA, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE LOSS
(U.S. dollars in thousands, except for share data)
(unaudited)

	<u>Three Months Ended September 30,</u>		<u>Nine Months Ended September 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Net loss	\$ 2,628	\$ 3,610	\$ 11,497	\$ 24,710
Other comprehensive income (loss):				
Net unrealized gains (losses) on cash flow hedges	(638)	567	2,309	(768)
Net unrealized gains on available-for-sale marketable securities	29	113	29	18
Other comprehensive income (losses)	<u>(609)</u>	<u>680</u>	<u>2,338</u>	<u>(750)</u>
Comprehensive loss	<u>\$ 3,237</u>	<u>\$ 2,930</u>	<u>\$ 9,159</u>	<u>\$ 25,460</u>

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

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

	Common stock		Treasury stock		Additional paid-in capital	Accumulated other comprehensive income	Accumulated deficit	Total stockholders' equity
	Number	Amount	Number	Amount				
Balance as of July 1, 2025	153,601,650	\$ 17	14,567,599	\$ (17,396)	\$ 508,106	\$ 3,906	\$ (477,679)	\$ 16,954
Stock-based compensation	—	—	—	—	3,975	—	—	3,975
Issuance of common stock upon exercise of stock options, and vesting of restricted stock units	1,862,194	—	—	—	43	—	—	43
Other comprehensive losses	—	—	—	—	—	(609)	—	(609)
Net loss	—	—	—	—	—	—	(2,628)	(2,628)
Balance as of September 30, 2025	155,463,844	\$ 17	14,567,599	\$ (17,396)	\$ 512,124	\$ 3,297	\$ (480,307)	\$ 17,735

	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 July 1, 2024	149,204,916	\$ 15	7,751,795	\$ (4,966)	\$ 487,406	\$ (383)	\$ (458,595)	\$ 23,477
Stock-based compensation	—	—	—	—	5,715	—	—	5,715
Repurchase of common stock	(1,692,324)	—	1,692,324	(2,148)	—	—	—	(2,148)
Issuance of common stock upon exercise of stock options, and vesting of restricted stock units	2,133,409	—	—	—	27	—	—	27
Other comprehensive income	—	—	—	—	—	680	—	680
Net loss	—	—	—	—	—	—	(3,610)	(3,610)
Balance as of September 30, 2024	149,646,001	\$ 15	9,444,119	\$ (7,114)	\$ 493,148	\$ 297	\$ (462,205)	\$ 24,141

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

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

	Common stock		Treasury stock		Additional paid-in capital	Accumulated other comprehensive income	Accumulated deficit	Total stockholders' equity
	Number	Amount	Number	Amount				
Balance as of January 1, 2025	152,057,148	\$ 15	9,923,759	\$ (7,801)	\$ 500,024	\$ 959	\$ (468,810)	\$ 24,387
Stock-based compensation	—	—	—	—	12,422	—	—	12,422
Cash settlement of equity classified share based payment awards	—	—	—	—	(3,089)	—	—	(3,089)
Repurchase of common stock	(4,643,840)	—	4,643,840	(9,595)	—	—	—	(9,595)
Issuance of common stock upon exercise of stock options, and vesting of restricted stock units	8,050,536	2	—	—	2,767	—	—	2,769
Other comprehensive income	—	—	—	—	—	2,338	—	2,338
Net loss	—	—	—	—	—	—	(11,497)	(11,497)
Balance as of September 30, 2025	155,463,844	\$ 17	14,567,599	\$ (17,396)	\$ 512,124	\$ 3,297	\$ (480,307)	\$ 17,735

	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 January 1, 2024	142,588,917	\$ 14	7,685,190	\$ (4,881)	\$ 471,635	\$ 1,047	\$ (437,495)	\$ 30,320
Stock-based compensation	—	—	—	—	21,336	—	—	21,336
Repurchase of common stock	(1,758,929)	—	1,758,929	(2,233)	—	—	—	(2,233)
Issuance of common stock upon exercise of stock options, and vesting of restricted stock units	8,816,013	1	—	—	177	—	—	178
Other comprehensive losses	—	—	—	—	—	(750)	—	(750)
Net loss	—	—	—	—	—	—	(24,710)	(24,710)
Balance as of September 30, 2024	149,646,001	\$ 15	9,444,119	\$ (7,114)	\$ 493,148	\$ 297	\$ (462,205)	\$ 24,141

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

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

	Nine Months Ended September 30,	
	2025	2024
Cash flows from operating activities:		
Net loss	\$ (11,497)	\$ (24,710)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	3,383	3,834
Stock-based compensation expenses	12,675	21,065
Amortization of deferred contract acquisition and fulfillment costs	8,528	8,550
Non-cash interest income, net	(239)	(713)
Gain on foreign exchange	(544)	(285)
Changes in operating assets and liabilities:		
Decrease (Increase) in trade receivables	(280)	666
Decrease (Increase) in prepaid expenses and other current assets and other assets, noncurrent	407	(73)
Increase in deferred contract acquisition and fulfillment costs	(2,809)	(4,367)
Increase in trade payables	1,780	2,182
Increase (decrease) in accrued expenses and other current liabilities	(1,161)	2,742
Decrease in employees and payroll accruals	(1,271)	(646)
Increase (Decrease) in other liabilities, noncurrent	2,840	(27)
Increase (Decrease) in deferred revenue	(2,097)	559
Operating lease right-of-use assets and lease liabilities, net	1,178	(857)
Net cash provided by operating activities	10,893	7,920
Cash flows from investing activities:		
Investment in available-for-sale marketable securities	(50,225)	(37,745)
Proceeds from maturities of available-for-sale marketable securities	59,631	33,982
Purchases of property and equipment	(534)	(421)
Net cash provided by (used in) investing activities	8,872	(4,184)
Cash flows from financing activities:		
Repayment of long-term loans	(2,188)	(1,750)
Proceeds from exercise of stock options	2,986	245
Cash settlement of equity classified share-based payment awards	(3,089)	—
Payment of debt issuance costs	—	(10)
Repurchase of common stock	(9,595)	(2,233)
Change in prepayments for repurchase of common stock	31	(117)
Net cash used in financing activities	(11,855)	(3,865)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	544	285
Net increase in cash, cash equivalents and restricted cash	8,454	156
Cash, cash equivalents and restricted cash at the beginning of the period	33,159	36,784
Cash, cash equivalents and restricted cash at the end of the period	<u>\$ 41,613</u>	<u>\$ 36,940</u>

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

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

	<u>Nine Months Ended September 30,</u>	
	<u>2025</u>	<u>2024</u>
<u>Supplemental disclosure of non-cash activity:</u>		
Purchase of property, equipment and internal-use software in credit	\$ 31	\$ 51
Capitalized stock-based compensation cost	\$ —	\$ 464
Pending proceeds from option exercises	\$ —	\$ 8
<u>Supplemental disclosure of cash flow information</u>		
Cash paid for income taxes, net	\$ 1,500	\$ 3,432
Cash paid for interest	\$ 1,706	\$ 2,080
<u>Reconciliation of cash, cash equivalents, and restricted cash to the consolidated balance sheet</u>		
Cash and cash equivalents	\$ 41,513	\$ 36,840
Restricted cash included in other assets, noncurrent	100	100
Total cash, cash equivalents, and restricted cash	\$ 41,613	\$ 36,940

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

KALTURA, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(unaudited)

NOTE 1: GENERAL***Description of Business***

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: BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***Basis of Presentation and Consolidation***

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”), and applicable rules and regulations of the Securities and Exchange Commission (the “SEC”) regarding interim financial reporting.

The consolidated balance sheet as of December 31, 2024 was derived from the audited consolidated financial statements as of that date, but does not include all of the disclosures, including certain notes required by U.S. GAAP on an annual reporting basis. Certain information and note disclosures normally included in the financial statements prepared in accordance with U.S. GAAP have been condensed or omitted pursuant to such rules and regulations. Therefore, these unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and the related notes thereto as of and for the year ended December 31, 2024, included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on February 20, 2025.

In management’s opinion, the unaudited condensed consolidated financial statements have been prepared on the same basis as the annual consolidated financial statements with normal recurring adjustments necessary for the fair presentation of the Company’s financial position as of September 30, 2025, and the Company’s consolidated results of operations, stockholders’ equity, and cash flows for the three and nine months ended September 30, 2025 and 2024. The results for the three and nine months ended September 30, 2025, are not necessarily indicative of the results to be expected for the full year ending December 31, 2025, or any other future interim or annual period.

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.

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.

KALTURA, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(unaudited)

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 customers that represented 10% or more of the Company's total revenue in each of the periods set forth below:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Customer A (M&T)	10.36 %	10.80 %	10.14 %	10.80 %

Significant Accounting Policies and Estimates

The Company's significant accounting policies are discussed in Note 2 of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2024, which was filed with the SEC on February 20, 2025. There have been no significant changes to these policies during the nine months ended September 30, 2025 except as noted below.

Recently Adopted Pronouncements

As an "emerging growth company," the Jumpstart Our Business Startups Act ("JOBS Act") allows the Company to delay adoption of new or revised accounting pronouncements applicable to public companies until such pronouncements are made applicable to private companies. The Company has elected to use this extended transition period under the JOBS Act. The adoption dates discussed below reflect this election.

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 issued 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.

KALTURA, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(unaudited)

In July 2025, the Financial Accounting Standards Board issued ASU 2025-05, "Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets". The standard amends ASC 326-20 to provide a practical expedient (for all entities) and an accounting policy election (for all entities, other than public business entities that elect the practical expedient) related to the estimation of expected credit losses for current accounts receivable and current contract assets that arise from transactions accounted for under ASC 606. The standard should be applied prospectively, and is effective for annual periods, including interim reporting periods, beginning after December 15, 2025, with early adoption permitted. The Company is currently evaluating the impact of the adoption of this standard.

In September 2025, the Financial Accounting Standards Board issued ASU 2025-06, "Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software" ("ASU 2025-06"), to modernize the accounting guidance for the costs to develop software for internal use. The standard applies to costs incurred to develop or obtain software for internal use. ASU 2025-06 amends the existing standard that refers to various stages of a software development project to align better with current software development methods, such as agile programming. Under the new standard, entities will commence capitalizing eligible costs when (i) management has authorized and committed to funding the software project, and (ii) it is probable that the project will be completed and the software will be used to perform the function intended. The new standard also supersedes the guidance related to costs incurred to develop a website. ASU 2025-06 guidance is effective for annual periods beginning after December 15, 2027. The guidance can be applied on a prospective basis, a modified basis for in-process projects or on a retrospective basis. The Company is currently evaluating the impact of the adoption of this standard.

NOTE 3: REVENUES FROM CONTRACTS WITH CUSTOMERS

Disaggregation of Revenue

The following tables present disaggregated revenue by category:

	Three Months Ended September 30, 2025			
	Enterprise, Education and Technology		Media and Telecom	
	Amount	Percentage of revenue	Amount	Percentage of revenue
Subscription	\$ 31,835	98.4 %	\$ 10,141	88.2 %
Professional services	530	1.6 %	1,360	11.8 %
	\$ 32,365	100 %	\$ 11,501	100 %

	Three Months Ended September 30, 2024			
	Enterprise, Education and Technology		Media and Telecom	
	Amount	Percentage of revenue	Amount	Percentage of revenue
Subscription	\$ 31,495	97.4 %	\$ 10,590	88.6 %
Professional services	846	2.6 %	1,364	11.4 %
	\$ 32,341	100 %	\$ 11,954	100 %

KALTURA, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(unaudited)

Nine Months Ended September 30, 2025

	Enterprise, Education and Technology		Media and Telecom	
	Amount	Percentage of revenue	Amount	Percentage of revenue
Subscription	\$ 98,016	98.0 %	\$ 31,250	88.6 %
Professional services	2,007	2.0 %	4,039	11.4 %
	<u>\$ 100,023</u>	<u>100 %</u>	<u>\$ 35,289</u>	<u>100 %</u>

Nine Months Ended September 30, 2024

	Enterprise, Education and Technology		Media and Telecom	
	Amount	Percentage of revenue	Amount	Percentage of revenue
Subscription	\$ 91,920	96.0 %	\$ 32,347	86.6 %
Professional services	3,826	4.0 %	5,015	13.4 %
	<u>\$ 95,746</u>	<u>100 %</u>	<u>\$ 37,362</u>	<u>100 %</u>

The following tables summarize revenue by region based on the billing address of customers:

Three Months Ended September 30,

	2025		2024	
	Amount	Percentage of revenue	Amount	Percentage of revenue
United States ("US")	\$ 23,649	53.9 %	\$ 23,899	54.0 %
Europe, the Middle East and Africa ("EMEA")	16,888	38.5 %	16,157	36.5 %
Other	3,329	7.6 %	4,239	9.5 %
	<u>\$ 43,866</u>	<u>100 %</u>	<u>\$ 44,295</u>	<u>100 %</u>

KALTURA, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(unaudited)

	Nine Months Ended September 30,			
	2025		2024	
	Amount	Percentage of revenue	Amount	Percentage of revenue
US	\$ 72,021	53.2 %	\$ 70,752	53.2 %
EMEA	52,643	38.9 %	50,561	38.0 %
Other	10,648	7.9 %	11,795	8.8 %
	\$ 135,312	100 %	\$ 133,108	100 %

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 September 30, 2025, the aggregate amount of the transaction price allocated to remaining performance obligations was \$159,330, which consists of both billed consideration in the amount of \$61,093 and unbilled consideration in the amount of \$98,237 that the Company expects to recognize as revenue but that was not yet recognized on the balance sheet. The Company expects to recognize 60% of its remaining performance obligations as revenue over the next 12 months 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:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Beginning balance	\$ 18,873	\$ 22,002	\$ 22,202	\$ 24,210
Additions to deferred contract acquisition costs during the period	808	2,027	2,809	4,833
Amortization of deferred contract acquisition costs	(2,635)	(2,512)	(7,965)	(7,526)
Ending balance	\$ 17,046	\$ 21,517	\$ 17,046	\$ 21,517
Deferred contract acquisition costs, current	\$ 8,109	\$ 9,171	\$ 8,109	\$ 9,171
Deferred contract acquisition costs, noncurrent	8,937	12,346	8,937	12,346
Total deferred costs to obtain a contract	\$ 17,046	\$ 21,517	\$ 17,046	\$ 21,517

KALTURA, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(unaudited)

Costs to Fulfill a Contract

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

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Beginning balance	\$ 1,575	\$ 2,908	\$ 2,167	\$ 3,740
Amortization of deferred costs to fulfill a contract	(224)	(385)	(816)	(1,217)
Ending balance	<u>\$ 1,351</u>	<u>\$ 2,523</u>	<u>\$ 1,351</u>	<u>\$ 2,523</u>
Deferred fulfillment costs, current	\$ 848	\$ 1,103	\$ 848	\$ 1,103
Deferred fulfillment costs, noncurrent	503	1,420	503	1,420
Total deferred costs to fulfill a contract	<u>\$ 1,351</u>	<u>\$ 2,523</u>	<u>\$ 1,351</u>	<u>\$ 2,523</u>

NOTE 4: MARKETABLE SECURITIES

The following is a summary of available-for-sale marketable securities as of September 30, 2025 and December 31, 2024, respectively:

	September 30, 2025			
	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
Available-for-sale – matures within one year:				
Corporate bonds	\$ 19,869	\$ 25	\$ (2)	\$ 19,892
U.S. Treasury	6,969	13	—	6,982
Commercial paper	1,375	—	—	1,375
Agency bonds	1,686	3	—	1,689
Municipal bonds	750	—	—	750
	<u>30,649</u>	<u>41</u>	<u>(2)</u>	<u>30,688</u>
Available-for-sale – matures after one year:				
Corporate bonds	6,312	16	(2)	6,326
Agency bonds	1,512	1	—	1,513
U.S. Treasury	4,061	—	(2)	4,059
	<u>11,885</u>	<u>17</u>	<u>(4)</u>	<u>11,898</u>
Total	<u>\$ 42,534</u>	<u>\$ 58</u>	<u>\$ (6)</u>	<u>\$ 42,586</u>
	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>
Total	<u>\$ 51,631</u>	<u>\$ 39</u>	<u>\$ (16)</u>	<u>\$ 51,654</u>

As of September 30, 2025 and December 31, 2024, the Company did not record an allowance for credit losses for its available-for-sale marketable debt securities and the vast majority 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 income during the periods presented.

KALTURA, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(unaudited)

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.

The following table sets forth the Company's assets and liabilities that were measured at fair value as of September 30, 2025 and December 31, 2024 by level within the fair value hierarchy:

Description	Fair Value Hierarchy	Fair Value Measurements As Of	
		September 30, 2025	December 31, 2024
Measured at fair value on a recurring basis:			
Assets:			
Cash equivalents:			
Money market funds	Level 1	\$ 23,549	\$ 12,212
Short-term marketable securities:			
Corporate bonds	Level 2	\$ 19,892	\$ 27,309
U.S. Treasury	Level 2	\$ 6,982	\$ 16,956
Commercial paper	Level 2	\$ 1,375	\$ 1,941
Agency bonds	Level 2	\$ 1,689	\$ 2,069
Municipal bonds	Level 2	\$ 750	\$ —
Long-term marketable securities:			
Corporate bonds	Level 2	\$ 6,326	\$ 2,423
U.S. Treasury	Level 2	\$ 4,059	\$ 956
Agency bonds	Level 2	\$ 1,513	\$ —
Prepaid expenses and other current assets:			
Restricted bank deposits	Level 2	\$ 3,507	\$ 3,507
Options and forward contracts designated as hedging instruments	Level 2	\$ 3,247	\$ 960
Other assets, noncurrent:			
Restricted bank deposit	Level 2	\$ 1,125	\$ 1,020
Liabilities:			
Derivative instruments liability included in accrued expenses and other current liabilities:			
Options and forward contracts designated as hedging instruments	Level 2	\$ —	\$ 24

KALTURA, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(unaudited)

NOTE 6: DERIVATIVES AND HEDGING

The Company enters into forward contracts to hedge certain forecasted payroll costs denominated in new Israeli shekel ("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.

Notional Amount of Foreign Currency Contracts

The Company had outstanding contracts designated as hedging instruments in the aggregate notional amount of \$26,803 as of September 30, 2025 and \$35,718 as of December 31, 2024. The fair value of the Company's outstanding contracts amounted to an asset of \$3,247 and \$960, and a liability of \$0 and \$24 as of September 30, 2025 and December 31, 2024, respectively. These assets and liabilities were recorded under prepaid expenses and other current assets and accrued expenses and other current liabilities, respectively. Gains of \$1,213 and Losses of \$110 were reclassified from accumulated other comprehensive income during the three months ended September 30, 2025, and 2024, respectively. Gains of \$2,355 and \$702 were reclassified from accumulated other comprehensive income during the nine months ended September 30, 2025 and 2024, respectively. These gains and losses were reclassified from accumulated other comprehensive income when the related expenses were incurred.

Effect of Foreign Currency Contracts on the Condensed Consolidated Statements of Operations

The effect of foreign currency contracts on the condensed consolidated statements of operations during the three and nine months ended September 30, 2025 and 2024 were as follows:

<u>Condensed Statement of Operations Location:</u>	<u>Three Months Ended September 30, 2025</u>	<u>Three Months Ended September 30, 2024</u>	<u>Nine Months Ended September 30, 2025</u>	<u>Nine Months Ended September 30, 2024</u>
Cost of revenue	\$ (138)	\$ 16	\$ (278)	\$ (106)
Research and development	(638)	57	(1,244)	(361)
Sales and marketing	(153)	13	(290)	(95)
General and administrative	(256)	18	(499)	(145)
Restructuring	(33)	—	(33)	—
Financial expense (income), net	5	6	(11)	5
Total	<u>\$ (1,213)</u>	<u>\$ 110</u>	<u>\$ (2,355)</u>	<u>\$ (702)</u>

NOTE 7: LEASES

The Company leases its office facilities under non-cancelable agreements that expire at various dates through November 2027. The Company has a lease agreement for offices in Israel which includes two extension options for five years each. The Company estimates that it is reasonably certain that it will exercise the option for the first extension period. Therefore, for the purposes of determining the amount of the expense and the value of the right of use asset and lease liability according to ASC 842, the Company determined that the lease term would end in November 2032.

Components of operating lease expense were as follows:

KALTURA, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(unaudited)

	Three Months Ended September 30, 2025	Three Months Ended September 30, 2024	Nine Months Ended September 30, 2025	Nine Months Ended September 30, 2024
Operating lease cost	\$ 725	\$ 702	\$ 2,322	\$ 2,071
Short-term lease cost	—	—	—	—
Variable lease cost	76	49	195	119
Total	\$ 801	\$ 751	\$ 2,517	\$ 2,190

Supplementary cash flow information related to operating leases was as follows:

	Three Months Ended September 30, 2025	Three Months Ended September 30, 2024	Nine Months Ended September 30, 2025	Nine Months Ended September 30, 2024
Cash paid for operating leases	\$ 1,054	\$ 1,068	\$ 2,233	\$ 2,233

As of September 30, 2025, the weighted-average discount rate is 4.72% and the weighted-average remaining term is approximately 6.66 years. Maturities of the Company's operating lease liabilities as of September 30, 2025 were as follows:

Year Ending December 31,

2025 (Remainder)	\$ 844
2026	3,400
2027	2,970
2028	2,601
2029	2,601
2030	2,601
2031 and thereafter	4,768
Total operating lease payments	19,785
Less: imputed interest	2,369
Total operating lease liabilities	<u>\$ 17,416</u>

KALTURA, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(unaudited)

NOTE 8: COMMITMENTS AND CONTINGENCIES

Purchase 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, 2027. The following table presents details of the aggregate future non-cancelable purchase commitments under such agreements as of September 30, 2025:

<u>Year Ending December 31,</u>		
2025 (Remainder)	\$	9,482
2026		29,102
2027		107
Total purchase commitment	\$	38,691

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: CONDENSED CONSOLIDATED BALANCE SHEET COMPONENTS

Prepaid expenses and other current assets

Prepaid expenses and other current assets consisted of the following:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
Prepaid expenses	\$ 3,230	\$ 4,085
Derivative instrument	3,247	960
Restricted bank deposits	3,507	3,507
Other current assets	1,071	929
	<u>\$ 11,055</u>	<u>\$ 9,481</u>

KALTURA, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(unaudited)

Property and Equipment, net

Composition of property and equipment is as follows:

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
Cost:		
Computers and peripheral equipment	\$ 2,078	\$ 1,780
Office furniture and equipment	2,248	2,211
Leasehold improvements	7,127	7,127
Internal use software	13,755	13,755
	<u>25,208</u>	<u>24,873</u>
Accumulated depreciation	(11,920)	(8,683)
Depreciated cost	<u>\$ 13,288</u>	<u>\$ 16,190</u>

Depreciation expenses for the three months ended September 30, 2025 and 2024, and for the nine months ended September 30, 2025 and 2024 were \$1,091, \$1,134, \$3,247 and \$3,477, respectively.

Other assets, noncurrent

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
Restricted cash	\$ 100	\$ 100
Severance pay fund	2,138	1,577
Restricted deposit	1,125	1,020
Other	238	286
	<u>\$ 3,601</u>	<u>\$ 2,983</u>

Accrued expenses and other current liabilities

	<u>September 30, 2025</u>	<u>December 31, 2024</u>
Accrued expenses	\$ 6,325	\$ 6,366
Accrued taxes	5,145	5,638
Derivative instruments	—	24
Other current liabilities	1,388	2,234
	<u>\$ 12,858</u>	<u>\$ 14,262</u>

KALTURA, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(unaudited)

Other liabilities, noncurrent

	September 30, 2025	December 31, 2024
Accrued taxes, noncurrent	\$ 11,404	\$ 8,599
Deferred tax liability	496	463
Other	2,274	1,710
	\$ 14,174	\$ 10,772

NOTE 10: GOODWILL AND INTANGIBLE ASSETS

There were no impairment charges to goodwill during the periods presented.

The carrying amounts and accumulated amortization expenses of the intangible assets, as of September 30, 2025 and December 31, 2024, were as follows:

	September 30, 2025		December 31, 2024	
	Weighted average remaining useful life (in years)	Balance	Balance	
<u>Gross carrying amount:</u>				
Technology	—	\$ 4,700	\$	4,700
Customer relationship	1.50	1,822		2,419
		6,522		7,119
<u>Accumulated amortization and impairments:</u>				
Technology		(4,700)		(4,603)
Customer relationship		(1,746)		(2,304)
		(6,446)		(6,907)
Intangible assets, net		\$ 76	\$	212

During the three months ended September 30, 2025 and 2024, and the nine months ended September 30, 2025 and 2024, the Company recorded amortization expenses in the amount of \$13, \$120, \$136 and \$357, respectively, included in cost of revenue and sales and marketing expenses in the consolidated statements of operations.

The estimated future amortization expense of intangible assets as of September 30, 2025, is as follows:

	Year Ending December 31,	
2025 (Remainder)	\$	13
2026		51
2027		12
	\$	76

KALTURA, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(unaudited)

NOTE 11: INCOME TAXES

The Company recognized an income tax expense of \$1,209, \$1,304, \$2,978 and \$6,076 for the three and nine months ended September 30, 2025 and 2024, respectively. The tax expense for these periods was primarily attributable to pre-tax foreign earnings. The Company's effective tax rates of (85)%, (33)%, (35)% and (29)% for the three and nine months ended September 30, 2025 and 2024, respectively, differ from the U.S. statutory tax rate primarily due to U.S. losses for which there is no benefit and the tax rate differences between the U.S. and foreign countries.

The Company has a full valuation allowance on its deferred tax assets. Deferred tax liability is from indefinite life goodwill intangibles. 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.

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:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Numerator:				
Net loss	\$ 2,628	\$ 3,610	\$ 11,497	\$ 24,710
Denominator:				
Weighted-average shares used in computing net loss per share attributable to common stockholders, basic and diluted	154,775,938	149,306,274	154,110,240	147,074,320
Net loss per share attributable to common stockholders, basic and diluted	\$ 0.02	\$ 0.02	\$ 0.07	\$ 0.17

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:

	As of September 30,	
	2025	2024
Outstanding stock options and RSUs	26,730,843	32,080,690

KALTURA, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(unaudited)

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 ("CODM") is its Chief Executive Officer. 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 and mass broadcasting and entertainment. 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.

	Three Months Ended September 30, 2025		
	Enterprise, Education and Technology	Media and Telecom	Total
Revenue	\$ 32,365	\$ 11,501	\$ 43,866
Cost of revenue			
Production costs	4,191	3,032	7,223
Compensation	2,711	1,015	3,726
Depreciation and amortization	228	542	770
Other segment items	693	727	1,420
Total cost of revenue	7,823	5,316	13,139
Gross profit	24,542	6,185	30,727
Operating expenses			32,231
Financial expense (income), net			(85)
Provision for income taxes			1,209
Net loss			\$ 2,628

KALTURA, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(unaudited)

Three Months Ended September 30, 2024

	Enterprise, Education and Technology	Media and Telecom	Total
Revenue	\$ 32,341	\$ 11,954	\$ 44,295
Cost of revenue			
Production costs	4,140	3,360	7,500
Compensation	2,689	1,726	4,415
Depreciation and amortization	337	591	928
Other segment items	636	1,275	1,911
Total cost of revenue	7,802	6,952	14,754
Gross profit	24,539	5,002	29,541
Operating expenses			34,007
Financial expense (income), net			(2,160)
Provision for income taxes			1,304
Net loss			\$ 3,610

KALTURA, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(unaudited)

Nine Months Ended September 30, 2025

	Enterprise, Education and Technology	Media and Telecom	Total
Revenue	\$ 100,023	\$ 35,289	\$ 135,312
Cost of revenue			
Production costs	12,388	9,915	22,303
Compensation	7,917	3,592	11,509
Depreciation and amortization	778	1,614	2,392
Other segment items	1,963	2,462	4,425
Total cost of revenue	23,046	17,583	40,629
Gross profit	76,977	17,706	94,683
Operating expenses			100,520
Financial expense (income), net			2,682
Provision for income taxes			2,978
Net loss			\$ 11,497

KALTURA, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(unaudited)

Nine Months Ended September 30, 2024

	Enterprise, Education and Technology	Media and Telecom	Total
Revenue	\$ 95,746	\$ 37,362	\$ 133,108
Cost of revenue			
Production costs	13,173	10,574	23,747
Compensation	8,293	5,373	13,666
Depreciation and amortization	1,019	1,788	2,807
Other segment items	2,235	3,828	6,063
Total cost of revenue	24,720	21,563	46,283
Gross profit	71,026	15,799	86,825
Operating expenses			107,131
Financial expense (income), net			(1,672)
Provision for income taxes			6,076
Net loss			\$ 24,710

Other segment items include costs related to subcontractors and consultants, allocated rent, IT expenses and other general costs.

Geographical information

See Note 3 for disaggregated revenue by geographic region.

KALTURA, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(unaudited)

NOTE 14: LONG-TERM LOAN

In January 2021, the Company refinanced all amounts outstanding under the then-existing loan agreements, terminated all outstanding commitments, and 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 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, while the 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).

In March 2025, the Company entered into another amendment to the Credit Agreement, also in connection with the Company's repurchase programs, which provided for, among other things, an increase to the aggregate amount of permitted Restricted Payments and updates to the conditions for making such payments.

On October 20, 2025, after the balance sheet date, the Company entered into an amendment to the Credit Agreement, which provided for, among other things, an increase to the aggregate amount of permitted Restricted Payments and updates to the conditions for making such payments to facilitate the Company's repurchases of securities.

Following the effectiveness of the Fifth Amendment, borrowings under the Credit Facilities are subject to 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 September 30, 2025, the current rate of interest under the Credit Facilities was equal to a rate per annum of 6.60%, consisting of 4.00% (the 3-month SOFR rate as of September 30, 2025), 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, and (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 covenants as defined therein. As of September 30, 2025, the Company met these covenants.

KALTURA, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(unaudited)

The aggregate principal annual maturities according to the Credit Facilities agreements are as follows:

Year Ending December 31,		
2025 (Remainder)	\$	1,313
2026		29,313
	<u>\$</u>	<u>30,626</u>

The carrying amounts of the loans approximate their fair value.

NOTE 15: STOCKHOLDERS' EQUITY AND EQUITY INCENTIVE PLANS

Equity Incentive Plans

On January 1, 2025, the number of shares of common stock authorized for issuance under the 2021 Incentive Award Plan (the "2021 Plan") automatically increased by 7,602,857 shares pursuant to the terms of the 2021 Plan.

Stock Options

A summary of the Company's stock option activity with respect to options granted under the 2021 Plan 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, 2025	16,321,014	\$ 3.29	4.34	\$ 5,212
Granted	—	—	—	—
Exercised	(1,382,875)	\$ 1.98	—	\$ 528
Forfeited	(866,080)	\$ 4.62		
Outstanding and exercisable as of September 30, 2025	<u>14,072,059</u>	<u>\$ 3.34</u>	<u>4.20</u>	<u>\$ 1,351</u>

KALTURA, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(unaudited)

RSUs

The following table summarizes the RSU activity with respect to the 2021 Plan for the nine months ended September 30, 2025:

	RSUs Outstanding	Weighted Average Grant Date Fair Value per Share
Outstanding as of December 31, 2024	12,331,745	\$1.56
RSUs granted	9,063,300	\$2.54
RSUs vested	(6,667,661)	\$1.79
RSUs forfeited ⁽¹⁾	(2,068,600)	\$1.58
Invested and Outstanding as of September 30, 2025	<u>12,658,784</u>	<u>\$2.14</u>

(1) During the nine months ended September 30, 2025 the Company's Board of Directors approved the cash settlement of 1,661,000 RSUs for its officers based on the Company's closing stock price on March 19, 2025. These RSUs were vested upon achieving specific performance targets outlined in the 2024 Executive Compensation Plan. The total amount approved for cash settlement was \$3,089.

Stock-Based Compensation Expense

The stock-based compensation expense by line item in the accompanying consolidated statement of operations is summarized as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Cost of revenue	\$ 112	\$ 259	\$ 359	\$ 807
Research and development	715	1,268	2,324	3,597
Sales and marketing	367	684	1,182	2,183
General and administrative	2,857	3,424	8,810	14,478
Total expenses	<u>\$ 4,051</u>	<u>\$ 5,635</u>	<u>\$ 12,675</u>	<u>\$ 21,065</u>

As of September 30, 2025, there were \$23,834 of total unrecognized compensation costs related to non-vested stock-based compensation arrangements granted under the Company's equity incentive plans. These costs are expected to be recognized over a weighted-average period of approximately two years.

Shares Reserved for Future Issuance

The Company has the following common stock reserved for future issuance under the 2021 Plan:

	September 30, 2025
Outstanding options	14,072,059
Outstanding RSUs	12,658,784
Shares reserved under 2021 Plan	<u>5,897,584</u>
Total	<u>32,628,427</u>

KALTURA, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(unaudited)

Stock Repurchase Program

In June 2024, the Company's Board of Directors authorized a stock repurchase program of the Company's outstanding common stock (the "2024 Repurchase Program"), which provided for repurchases up to a total of \$5,000 thereunder. Subsequently, in March 2025, the Board approved a new repurchase program (the "2025 Repurchase Program"), providing for repurchases up to a total of \$15,000 thereunder, which superseded the 2024 Repurchase Program. Under the 2025 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 2025 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 three months ended September 30, 2025, the Company did not repurchase any shares of common stock.

NOTE 16: SELECTED STATEMENTS OF OPERATIONS DATA

	<u>Three Months Ended September 30,</u>		<u>Nine Months Ended September 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Financial income:				
Interest income	\$ 751	\$ 845	\$ 2,383	\$ 2,453
Foreign currency translation adjustments, net	—	2,144	—	1,647
	<u>751</u>	<u>2,989</u>	<u>2,383</u>	<u>4,100</u>
Financial expenses:				
Foreign currency translation adjustments, net	21	—	2,913	—
Bank fees	31	35	114	103
Interest expense	527	725	1,737	2,131
Other	87	69	301	194
	<u>666</u>	<u>829</u>	<u>5,065</u>	<u>2,428</u>
Financial expense (income), net	<u>\$ (85)</u>	<u>\$ (2,160)</u>	<u>\$ 2,682</u>	<u>\$ (1,672)</u>

KALTURA, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(unaudited)

NOTE 17: ACCUMULATED OTHER COMPREHENSIVE INCOME

The following table summarizes the changes in accumulated other comprehensive income by component, net of tax (AOCI), during the nine months ended September 30, 2025 and 2024:

	Net Unrealized Gains on Available-for-Sale Securities Instruments	Net Unrealized Gains (Losses) on Derivatives Designated as Hedging Instruments	Total
Balance as of December 31, 2024	\$ 23	\$ 936	\$ 959
Other comprehensive income before reclassifications	29	4,664	4,693
Net realized losses reclassified from accumulated other comprehensive income	—	(2,355)	(2,355)
Other comprehensive income	29	2,309	2,338
Balance as of September 30, 2025	<u>\$ 52</u>	<u>\$ 3,245</u>	<u>\$ 3,297</u>
	Net Unrealized Gains on Available-for-Sale Securities Instruments	Net Unrealized Gains (Losses) on Derivatives Designated as Hedging Instruments	Total
Balance as of December 31, 2023	\$ 49	\$ 998	\$ 1,047
Other comprehensive income (loss) before reclassifications	18	(66)	(48)
Net realized losses reclassified from accumulated other comprehensive income	—	(702)	(702)
Other comprehensive income (loss)	18	(768)	(750)
Balance as of September 30, 2024	<u>\$ 67</u>	<u>\$ 230</u>	<u>\$ 297</u>

NOTE 18: RESTRUCTURING ACTIVITIES

Restructuring Plan

On August 4, 2025, the Board of Directors of the Company approved a cost-reduction and re-organization plan that includes, among other things, downsizing approximately 10% of the Company's workforce (the "Plan"). The Plan is focused on realigning the Company's operations to further increase efficiency and productivity

During the three and nine months ended September 30, 2025, in connection with the Plan, the Company recorded expenses of \$804, all for one-time employee termination benefits.

Restructuring Accruals

The following table is a reconciliation of the beginning and ending restructuring liability for the nine months ended September 30, 2025, related to the Plan:

KALTURA, INC. AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

(unaudited)

	Enterprise, Education and Technology	Media and Telecom	Total
Balance as of December 31, 2024	\$ —	\$ —	\$ —
Accrual and accrual adjustments	447	357	804
Cash payments	(260)	(213)	(473)
Balance as of September 30, 2025	<u>\$ 187</u>	<u>\$ 144</u>	<u>\$ 331</u>

The restructuring liability for severance and termination benefits is reflected in "Employees and payroll accruals" in the condensed consolidated balance sheet as of September 30, 2025.

NOTE 19: SUBSEQUENT EVENTS

E-Self Acquisition

On November 5, 2025, the Company entered into a stock purchase agreement (the "Stock Purchase Agreement"), by and among the Company, Kaltura Ltd, a company organized under the laws of the State of Israel and a wholly owned subsidiary of the Company ("Acquirer"), E-Self.AI Ltd., a company organized under the laws of the State of Israel ("E-Self" or "Target"), certain E-Self shareholders (the "Company Shareholders"), and Shareholder Representative Services LLC, a Colorado limited liability company, solely in its capacity as the representative, agent and attorney-in-fact of the Company Securityholders (the "Securityholders' Agent"). Pursuant to the Stock Purchase Agreement, among other things, and subject to the satisfaction or waiver of the conditions set forth therein, Acquirer will purchase from the Company Shareholders all of the issued and outstanding share capital of E-Self for a purchase price consisting of (i) total cash consideration of up to \$20,000, consists of \$7,500 payable upon closing and \$12,500 payable in three installments of \$4,167 each, contingent upon the achievement of certain performance milestones (the "Cash Consideration"), and (ii) total equity consideration of up to 4,690,025 newly issued shares of the Company's common stock, representing approximately 3% of the Company's outstanding shares of common stock as of November 5, 2025, payable in three equal consecutive installments at the first, second and third Closing Date anniversary subject to certain retention provisions with respect to the founders and key employees (the "Transaction").

The Transaction is expected to close in the fourth quarter of 2025, subject to the satisfaction or waiver of customary closing conditions, including, among others, receipt of regulatory approvals.

Stock Repurchase Agreement

On November 7, 2025, the Company entered into a stock purchase agreement with Special Situations Investing Group II, LLC (the "Sellers"), pursuant to which the Company has repurchased 14,443,739 shares of Common Stock from the Sellers at a purchase price of \$16,610, representing a price per share of \$1.15 for each of the Company's share of common stock, calculated on the basis of 25% discount over the average daily VWAP over the 30-day period ending on November 5, 2025.

Item 2. 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 condensed consolidated financial statements and related notes appearing elsewhere in this Quarterly Report on Form 10-Q and our Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on February 20, 2025 (the “2024 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” of our 2024 10-K and elsewhere in this Quarterly Report on Form 10-Q.

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 (“TVCMS”). 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.

In August 2025, our Board of Directors approved a reorganization plan (the “2025 Reorganization Plan”) that included, among other things, downsizing approximately 10% of our workforce and adapting our organizational structure, roles, and responsibilities accordingly. The total cost reduction from the downsizing in connection with the 2025 Reorganization Plan on an annualized basis is expected to be approximately \$8.5 million. The 2025 Reorganization Plan is focused on realigning the Company’s operations to further increase efficiency and productivity, following the adoption of enhanced AI-based technologies aimed to increase efficiency and productivity throughout the Company’s operations, align the Company’s business strategy in light of uncertainties in the current macro-economic climate, and support the Company’s growth and profitability initiatives. In connection with the 2025 Reorganization Plan, we incurred pre-tax charges of \$0.8 million, during the three months ended 30 September, 2025, primarily for severance and related costs.

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 & Technology:** 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:** The M&T segment includes revenue from our Entertainment & Monetization use cases, along with the associated professional services. For customers of our telecom TVCMS and TV Streaming Applications, revenue is recognized primarily on a per end-subscriber basis, while media customers leveraging our Online Video Platform 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 three and nine months ended September 30, 2025 and 2024.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
	(in thousands)			
Revenue				
Enterprise, Education & Technology	\$ 32,365	\$ 32,341	\$ 100,023	\$ 95,746
Media & Telecom	11,501	11,954	35,289	37,362
Total Revenue	\$ 43,866	\$ 44,295	\$ 135,312	\$ 133,108
Gross Profit				
Enterprise, Education & Technology	\$ 24,542	\$ 24,539	\$ 76,977	\$ 71,026
Media & Telecom	6,185	5,002	17,706	15,799
Total Gross Profit	\$ 30,727	\$ 29,541	\$ 94,683	\$ 86,825

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. Our Net Dollar Retention Rate (as defined below) measures our success in retaining and growing recurring revenue from our existing customers over a given period. For the three months ended September 30, 2025 and 2024, our Net Dollar Retention Rate was 97% and 101%, respectively. Our Annualized Recurring Revenue (as defined below) grew slightly in three months ended September 30, 2025, compared to three months ended September 30, 2024, 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 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. Our strong integration, ongoing support, and a commitment to evolving security and compliance requirements also helps us support sustained customer adoption and usage growth. 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 three months ended September 30, 2025, our Net Dollar Retention Rate was 97%. 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 over time.

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:

	Three Months Ended September 30,	
	2025	2024
	(in thousands, except percentages)	
Annualized Recurring Revenue	\$ 169,094	\$ 168,879
Net Dollar Retention Rate	97 %	101 %

	As of September	
	2025	2024
	(in thousands)	
Remaining Performance Obligations ⁽¹⁾	\$ 159,330	\$ 166,194

(1) Remaining Performance Obligations as of September 30, 2024 reflect a reassessment of the historical treatment of certain customer contracts that contain “termination for convenience” clauses, which has resulted in a negative adjustment of \$21,652.

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. 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 for purposes of calculating our Net Dollar Retention Rate. 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 September 30, 2025, our Remaining Performance Obligations was \$159.3 million, which consists of both billed consideration in the amount of \$61.1 million and unbilled consideration in the amount of \$98.2 million that we expect to invoice and recognize in future periods.

We expect to recognize 60% of our Remaining Performance Obligations as revenue over the next 12 months and the over the next four years, in each case, in accordance with our revenue recognition policy.

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 financial expenses (income), 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, war-related expenses, restructuring charges and certain professional consulting and other expenses associated with strategic initiatives.

EBITDA and Adjusted EBITDA are supplemental measure 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:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
	(in thousands)			
Net loss	\$ (2,628)	\$ (3,610)	\$ (11,497)	\$ (24,710)
Financial expense (income), net ^(a)	(85)	(2,160)	2,682	(1,672)
Provision for income taxes	1,209	1,304	2,978	6,076
Depreciation and amortization	1,104	1,254	3,383	3,834
EBITDA	(400)	(3,212)	(2,454)	(16,472)
Non-cash stock-based compensation expense	4,051	5,635	12,675	21,065
Strategic initiatives ^(b)	(301)	—	1,331	—
War related costs ^(d)	—	—	—	22
Restructuring ^(c)	804	—	804	—
Adjusted EBITDA	\$ 4,154	\$ 2,423	\$ 12,356	\$ 4,615

- (a) The three months ended September 30, 2025 and 2024, and the nine months ended September 30, 2025 and 2024, include \$527, \$725, \$1,737 and \$2,131 respectively, of interest expenses and \$751, \$845, \$2,383 and \$2,453, respectively of interest income.

- (b) Strategic initiatives for the three and nine months ended September 30, 2025 relate to professional, consulting and other costs associated with strategic initiatives. The three and nine months ended September 30, 2025 include vendor credit and discounted pricing for expenses recognized during the three months ended June 30, 2025.
- (c) The three and nine months ended September 30, 2025 include one-time employee termination benefits incurred in connection with the Reorganization Plan.
- (d) The nine months ended September 30, 2024 include costs related to conflicts in Israel, attributable to temporary relocation of key employees from Israel for business continuity purposes, purchase of emergency equipment for key employees for business continuity purposes, and charitable donation to communities directly impacted by the war.

Components of Our Results of Operations

Revenue

Subscriptions

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.

For the three months ended September 30, 2025 and 2024, and for the nine months ended September 30, 2025 and 2024, our cost of revenue was \$13,139, \$14,754, \$40,629 and \$46,283, respectively.

Gross Margins

Gross margins have improved year-over-year since 2020, and while this measure 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 three months ended September 30, 2025 and 2024, our gross margins were 70% (77% for subscriptions and (74)% for professional services) and 67% (75% for subscriptions and (95)% for professional services), respectively. For the nine months ended September 30, 2025 and 2024, our gross margins were 70% (77% for subscriptions and (77)% for professional services) and 65% (74% for subscriptions and (54)% for professional services), respectively.

For our EE&T segment, gross margins for the three months ended September 30, 2025 and 2024, were 76% (82% for subscription and (317)% for professional services), and 76% (82% for subscription and (154)% for professional services), respectively. For the nine months ended September 30, 2025 and 2024, our gross margins were 77% (83% for subscriptions and (225)% for professional services) and 74% (81% for subscriptions and (78)% for professional services), respectively.

For our M&T segment, gross margins for the three months ended September 30, 2025 and 2024 were 54% (58% for subscriptions and 20% for professional services) and 42% (55% for subscriptions and (59)% for professional services), respectively. For the nine months ended September 30, 2025 and 2024, our gross margins were 50% (57% for subscription and (2)% for professional services) and 42% (54% for subscription and (35)% 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 expense (income), net

Financial expense (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 expense (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 tables summarize 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.

	Three Months Ended September 30,		Period-over-Period Change		Nine Months Ended September 30,		Period-over-Period Change	
	2025	2024	Dollar	Percentage	2025	2024	Dollar	Percentage
	(in thousands, except percentages)				(in thousands, except percentages)			
Revenue:								
Enterprise, Education & Technology	\$ 32,365	\$ 32,341	\$ 24	0 %	\$ 100,023	\$ 95,746	\$ 4,277	4 %
Media & Telecom	11,501	11,954	(453)	(4)%	35,289	37,362	(2,073)	(6)%
Total revenue	43,866	44,295	(429)	(1)%	135,312	133,108	2,204	2 %
Cost of revenue	13,139	14,754	(1,615)	(11)%	40,629	46,283	(5,654)	(12)%
Total gross profit	30,727	29,541	1,186	4 %	94,683	86,825	7,858	9 %
Operating expenses:								
Research and development expenses	11,481	12,427	(946)	(8)%	35,137	36,460	(1,323)	(4)%
Sales and marketing expenses	11,047	11,830	(783)	(7)%	34,489	35,421	(932)	(3)%
General and administrative expenses	8,899	9,750	(851)	(9)%	30,090	35,250	(5,160)	(15)%
Restructuring	804	—	804	NM	804	—	804	NM
Total operating expenses	32,231	34,007	(1,776)	(5)%	100,520	107,131	(6,611)	(6)%
Loss from operations	1,504	4,466	(2,962)	(66)%	5,837	20,306	(14,469)	(71)%
Financial expense (income), net	(85)	(2,160)	2,075	(96)%	2,682	(1,672)	4,354	(260)%
Loss before provision for income taxes	1,419	2,306	(887)	(38)%	8,519	18,634	(10,115)	(54)%
Provision for income taxes	1,209	1,304	(95)	(7)%	2,978	6,076	(3,098)	(51)%
Net loss	\$ 2,628	\$ 3,610	\$ (982)	(27)%	\$ 11,497	\$ 24,710	\$ (13,213)	(53)%

Segments

We manage and report operating results through two reportable segments.

- **Enterprise, Education & Technology** (74% and 73% of revenue for the three months ended September 30, 2025 and 2024, respectively, and 74% and 72% for the nine months ended September 30, 2025 and 2024): 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** (26% and 27% of revenue for the three months ended September 30, 2025 and 2024, respectively, and 26% and 28% for the nine months ended September 30, 2025 and 2024): Our M&T segment primarily represents revenues from our TV Solution and Media Services sold to media and telecom customers.

Comparison of the three months ended September 30, 2025 and 2024
Enterprise, Education & Technology

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

	Three Months Ended September 30,		Period-over-Period Change	
	2025	2024	Dollar	Percentage
	(in thousands, except percentages)			
Enterprise, Education & Technology revenue:				
Subscription revenue	\$ 31,835	\$ 31,495	\$ 340	1 %
Professional services revenue	530	846	(316)	(37)%
Total Enterprise, Education & Technology revenue	\$ 32,365	\$ 32,341	\$ 24	0 %
Enterprise, Education & Technology gross profit:				
Subscription gross profit	\$ 26,222	\$ 25,841	\$ 381	1 %
Professional services gross loss	(1,680)	(1,302)	(378)	29 %
Total Enterprise, Education & Technology gross profit	\$ 24,542	\$ 24,539	\$ 3	0 %

Enterprise, Education & Technology Revenue

Total EE&T revenue grew slightly to \$32.4 million for the three months ended September 30, 2025, from \$32.3 million for the three months ended September 30, 2024. The slight increase is mainly attributable to a \$1.0 million increase in revenue generated from new customers, offset by \$1.0 million decrease in revenue from existing customers.

EE&T subscription revenue increased by \$0.3 million, or 1%, to \$31.8 million for the three months ended September 30, 2025, from \$31.5 million for the three months ended September 30, 2024.

EE&T professional services revenue decreased by \$0.3 million, or 37%, to \$0.5 million for the three months ended September 30, 2025, from \$0.8 million for the three months ended September 30, 2024.

Enterprise, Education & Technology Gross Profit

EE&T gross profit grew slightly, to \$24.5 million for the three months ended September 30, 2025, from \$24.5 million for the three months ended September 30, 2024.

EE&T subscription gross profit increased by \$0.4 million, or 1%, to \$26.2 million for the three months ended September 30, 2025, from \$25.8 million for the three months ended September 30, 2024. This Increase was mainly due to the increase in revenue.

EE&T professional services gross loss increased by \$0.4 million, or 29%, to a gross loss of \$1.7 million for the three months ended September 30, 2025, from a gross loss of \$1.3 million for the three months ended September 30, 2024. The Increase was primarily due to a reduction in professional services revenue.

Media & Telecom

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

	Three Months Ended September 30,		Period-over-Period Change	
	2025	2024	Dollar	Percentage
	(in thousands, except percentages)			
Media & Telecom revenue:				
Subscription revenue	\$ 10,141	\$ 10,590	\$ (449)	(4)%
Professional services revenue	1,360	1,364	(4)	0 %
Total Media & Telecom revenue	\$ 11,501	\$ 11,954	\$ (453)	(4)%
Media & Telecom gross profit:				
Subscription gross profit	\$ 5,910	\$ 5,807	\$ 103	2 %
Professional services gross profit (loss)	275	(805)	1,080	134 %
Total Media & Telecom gross profit	\$ 6,185	\$ 5,002	\$ 1,183	24 %

Media & Telecom Revenue

M&T revenue decreased by \$0.5 million, or 4%, to \$11.5 million for the three months ended September 30, 2025, from \$12.0 million for the three months ended September 30, 2024. The decrease is mainly attributable to a \$0.5 million decrease in revenue from existing customers.

M&T subscription revenue decreased by \$0.4 million, or 4%, to \$10.1 million for the three months ended September 30, 2025, from \$10.6 million for the three months ended September 30, 2024.

M&T professional services revenue decreased slightly, to \$1.4 million for the three months ended September 30, 2025, from \$1.4 million for the three months ended September 30, 2024.

Media & Telecom Gross Profit

M&T gross profit increased by \$1.2 million, or 24%, to \$6.2 million for the three months ended September 30, 2025, from \$5.0 million for the three months ended September 30, 2024.

M&T subscription gross profit increased by \$0.1 million, or 2%, to \$5.9 million for the three months ended September 30, 2025, from \$5.8 million for the three months ended September 30, 2024.

M&T professional services gross profit increased by \$1.1 million, or 134%, to a gross profit of \$0.3 million for the three months ended September 30, 2025, from a gross loss of \$0.8 million for the three months ended September 30, 2024. The increase in professional services gross profit was primarily driven by reductions in headcount and subcontractor costs following organizational changes implemented at the end of 2024 and in August 2025.

Operating Expenses

Research and Development expenses

	Three Months Ended September 30,		Period-over-Period Change	
	2025	2024	Dollar	Percentage
	(in thousands, except percentages)			
Employee compensation	\$ 7,922	\$ 8,650	\$ (728)	-8 %
Subcontractors and consultants	1,516	1,753	(237)	-14 %
IT related	1,107	1,194	(87)	-7 %
Other	936	830	106	13 %
Total research and development expenses	\$ 11,481	\$ 12,427	\$ (946)	-8 %

Research and development expenses decreased by \$0.9 million, or 8%, to \$11.5 million for the three months ended September 30, 2025, from \$12.4 million for the three months ended September 30, 2024. The decrease was primarily due to a \$0.7 million decrease in compensation expenses, mainly due to stock-based compensation, largely driven by the full recognition of high fair value RSUs granted in December 2021, which were fully expensed prior to 2025. An additional \$0.2 million decrease in subcontractor and consultant costs was primarily attributable to reduced use of outsourced resources.

Sales and Marketing expenses

	Three Months Ended September 30,		Period-over-Period Change	
	2025	2024	Dollar	Percentage
	(in thousands, except percentages)			
Employee compensation & commission	\$ 9,061	\$ 9,729	\$ (668)	(7)%
Marketing expenses	746	832	(86)	(10)%
Travel and entertainment	173	246	(73)	(30)%
Other	1,067	1,023	44	4 %
Total sales and marketing expenses	\$ 11,047	\$ 11,830	\$ (783)	(7)%

Sales and marketing expenses decreased by \$0.8 million, or 7%, to \$11.0 million for the three months ended September 30, 2025, from \$11.8 million for the three months ended September 30, 2024. The decrease was primarily due to a \$0.7 million decrease in compensation expenses, mainly due to lower headcount and full recognition of high fair value RSUs granted in December 2021, which were fully expensed prior to 2025 and by a \$0.1 million decrease in marketing expenses mainly due to more efficient advertising expense management.

General and Administrative expenses

	Three Months Ended September 30,		Period-over-Period Change	
	2025	2024	Dollar	Percentage
	(in thousands, except percentages)			
Employee compensation	\$ 6,816	\$ 6,876	\$ (60)	(1)%
Professional fees and insurance	596	1,115	(519)	-47 %
Subcontractors and consultants	169	337	(168)	-50 %
Travel and entertainment	169	195	(26)	(13)%
Strategic initiatives	(301)	—	(301)	NM
Other	1,450	1,227	223	18 %
Total general and administrative expenses	\$ 8,899	\$ 9,750	\$ (851)	(9)%

General and administrative expenses decreased by \$0.9 million, or 9%, to \$8.9 million for the three months ended September 30, 2025, from \$9.8 million for the three months ended September 30, 2024. The decrease was primarily driven by a \$0.5 million reduction in professional fees and insurance costs and a \$0.3 million decrease strategic initiatives cost. The decrease mainly reflects supplier credits recognized in the third quarter of 2025, as well as one-time charges that were recorded in the comparable period of 2024.

Financial Income, net

Financial Income, net decreased by \$2.1 million, to \$0.1 million for the three months ended September 30, 2025, from \$2.2 million for the three months ended September 30, 2024. The decrease was primarily due to \$2.2 million related to exchange rate differences.

Provision for Income Taxes

Provision for income taxes decreased by \$0.1 million, or 7%, to \$1.2 million for the three months ended September 30, 2025, from \$1.3 million for the three months ended September 30, 2024, primarily due to decreased tax liability related to income generated by our subsidiaries organized under the laws of Israel and the United Kingdom

Comparison of the nine months ended September 30, 2025 and 2024
Enterprise, Education & Technology

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

	Nine Months Ended September 30,		Period-over-Period Change	
	2025	2024	Dollar	Percentage
	(in thousands, except percentages)			
Enterprise, Education & Technology revenue:				
Subscription revenue	\$ 98,016	\$ 91,920	\$ 6,096	7 %
Professional services revenue	2,007	3,826	(1,819)	(48)%
Total Enterprise, Education & Technology revenue	\$ 100,023	\$ 95,746	\$ 4,277	4 %
Enterprise, Education & Technology gross profit:				
Subscription gross profit	\$ 81,488	\$ 74,001	\$ 7,487	10 %
Professional services gross loss	(4,511)	(2,975)	(1,536)	52 %
Total Enterprise, Education & Technology gross profit	\$ 76,977	\$ 71,026	\$ 5,951	8 %

Enterprise, Education & Technology Revenue

Total EE&T revenue increased by \$4.3 million, or 4%, to \$100.0 million for the nine months ended September 30, 2025, from \$95.7 million for the nine months ended September 30, 2024. The increase is mainly attributable to a \$2.0 million increase in revenue from new customers and \$2.2 million increase in revenue from existing customers.

EE&T subscription revenue increased by \$6.1 million, or 7%, to \$98.0 million for the nine months ended September 30, 2025, from \$91.9 million for the nine months ended September 30, 2024.

EE&T professional services revenue decreased by \$1.8 million, or 48%, to \$2.0 million for the nine months ended September 30, 2025 from \$3.8 million for the nine months ended September 30, 2024. The decrease in professional services revenue mainly reflects the transition of certain development projects to ongoing support and maintenance, now recognized as subscription revenue.

Enterprise, Education & Technology Gross Profit

EE&T gross profit increased by \$6.0 million, or 8%, to \$77.0 million for the nine months ended September 30, 2025, from \$71.0 million for the nine months ended September 30, 2024. This increase was mainly due to a \$4.3 million increase in revenue and reduction in production costs, which is a result of improved efficiency.

EE&T subscription gross profit increased by \$7.5 million, or 10%, to \$81.5 million for the nine months ended September 30, 2025, from \$74.0 million for the nine months ended September 30, 2024.

EE&T professional services gross loss increased by \$1.5 million, or 52%, to a gross loss of \$4.5 million for the nine months ended September 30, 2025, from a gross loss of \$3.0 million for the nine months ended September 30, 2024.

Media & Telecom

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

	Nine Months Ended September 30,		Period-over-Period Change	
	2025	2024	Dollar	Percentage
	(in thousands, except percentages)			
Media & Telecom revenue:				
Subscription revenue	\$ 31,250	\$ 32,347	\$ (1,097)	(3)%
Professional services revenue	4,039	5,015	(976)	(19)%
Total Media & Telecom revenue	\$ 35,289	\$ 37,362	\$ (2,073)	(6)%
Media & Telecom gross profit:				
Subscription gross profit	\$ 17,806	\$ 17,567	\$ 239	1 %
Professional services gross loss	(100)	(1,768)	1,668	94 %
Total Media & Telecom gross profit	\$ 17,706	\$ 15,799	\$ 1,907	12 %

Media & Telecom Revenue

M&T revenue decreased by \$2.1 million, or 6%, to \$35.3 million for the nine months ended September 30, 2025, from \$37.4 million for the nine months ended September 30, 2024. The decrease is mainly attributable to revenue from existing customers.

M&T subscription revenue decreased by \$1.1 million, or 3%, to \$31.3 million for the nine months ended September 30, 2025, from \$32.3 million for the nine months ended September 30, 2024.

M&T professional services revenue decreased by \$1.0 million, or 19%, to \$4.0 million for the nine months ended September 30, 2025, from \$5.0 million for the nine months ended September 30, 2024.

Media & Telecom Gross Profit

M&T gross profit increased by \$1.9 million, or 12%, to \$17.7 million for the nine months ended September 30, 2025, from \$15.8 million for the nine months ended September 30, 2024. This increase was mainly due to reduction in production and other costs, which is a result of improved efficiency.

M&T subscription gross profit increased by \$0.2 million, or 1%, to \$17.8 million for the nine months ended September 30, 2025, from \$17.6 million for the nine months ended September 30, 2024.

M&T professional services gross loss decreased by \$1.7 million, or 94%, to \$0.1 million for the nine months ended September 30, 2025, from \$1.8 million for the nine months ended September 30, 2024. The decrease in professional services gross loss was primarily driven by reductions in headcount and subcontractor costs following organizational changes implemented at the end of 2024 and in August 2025.

Operating Expenses

Research and Development expenses

	Nine Months Ended September 30,		Period-over-Period Change	
	2025	2024	Dollar	Percentage
	(in thousands, except percentages)			
Employee compensation	\$ 24,227	\$ 25,205	\$ (978)	(4)%
Subcontractors and consultants	4,582	5,211	(629)	(12)%
IT related	3,527	3,703	(176)	(5)%
Other	2,801	2,341	460	20 %
Total research and development expenses	\$ 35,137	\$ 36,460	\$ (1,323)	(4)%

Research and development expenses decreased by \$1.3 million, or 4%, to \$35.1 million for the nine months ended September 30, 2025, from \$36.5 million for the nine months ended September 30, 2024. The decrease was primarily due to a \$1.0 million decrease in compensation expenses, mainly due to stock-based compensation, largely driven by the full recognition of high fair value RSUs granted in December 2021, which were fully expensed prior to 2025, partially offset due to higher headcount and to a \$0.6 million decrease in subcontractor and consultant costs, primarily attributable to reduced use of outsourced resources.

Sales and Marketing expenses

	Nine Months Ended September 30,		Period-over-Period Change	
	2025	2024	Dollar	Percentage
	(in thousands, except percentages)			
Employee compensation & commission	\$ 27,460	\$ 28,818	\$ (1,358)	(5)%
Marketing expenses	2,625	2,570	55	2 %
Travel and entertainment	906	818	88	11 %
Other	3,498	3,215	283	9 %
Total sales and marketing expenses	\$ 34,489	\$ 35,421	\$ (932)	(3)%

Sales and marketing expenses decreased by \$0.9 million, or 3%, to \$34.5 million for the nine months ended September 30, 2025, from \$35.4 million for the nine months ended September 30, 2024. The decrease was primarily due to a \$1.4 million decrease in compensation expenses mainly due to lower headcount and full recognition of high fair value RSUs granted in December 2021, which were fully expensed prior to 2025.

General and Administrative expenses

	Nine Months Ended September 30,		Period-over-Period Change	
	2025	2024	Dollar	Percentage
	(in thousands, except percentages)			
Employee compensation	\$ 20,772	\$ 25,217	\$ (4,445)	(18)%
Professional fees and insurance	2,758	3,249	(491)	(15)%
Subcontractors and consultants	772	918	(146)	(16)%
Travel and entertainment	652	590	62	11 %
Unused cloud hosting commitment expense	—	1,312	(1,312)	NM
Strategic initiatives	1,331	—	1,331	NM
Other	3,805	3,964	(159)	(4)%
Total general and administrative expenses	\$ 30,090	\$ 35,250	\$ (5,160)	(15)%

General and administrative expenses decreased by \$5.2 million, or 15%, to \$30.1 million for the nine months ended September 30, 2025, from \$35.3 million for the nine months ended September 30, 2024. The decrease was primarily due to a \$4.4 million decrease in compensation costs mainly driven by expense acceleration recognized in the comparative period in connection with the cancellation of unvested market-based equity awards granted to the Chief Executive Officer, and by lower stock-based compensation costs, largely reflecting the full recognition of high fair value options and RSUs granted in December 2021, which were fully expensed prior to 2025. The decrease also reflects a \$1.3 million one-time expense in 2024 associated with the termination of commitments with a cloud hosting service provider. These were partially offset by a \$1.3 million increase in strategic initiatives costs, mainly due to professional, consulting, and other costs associated with strategic initiatives.

Financial expense (income), net

Financial expense (income), net changed by \$4.4 million to \$2.7 million expense for the nine months ended September 30, 2025, from \$1.7 million income for the nine months ended September 30, 2024. The change was primarily due to an increased expense of \$4.6 million related to exchange rate differences partially offset by \$0.4 million lower interest expense resulting from principal repayments made during the period.

Provision for Income Taxes

Provision for income taxes decreased by \$3.1 million, or 51%, to \$3.0 million for the nine months ended September 30, 2025, from \$6.1 million for the nine months ended September 30, 2024 primarily due to 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 September 30, 2025, 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” of our 2024 10-K, and “—Key Factors Affecting Our Performance.” above. 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, including due to uncertainty around U.S. and foreign tariffs and other trade barriers, rising inflation and uncertainty with respect to interest rates, price increases and supply chain issues, and various other factors, has 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

In 2024, the Company’s Board of Directors authorized a stock repurchase program of the Company’s outstanding common stock (the “2024 Repurchase Program”), which provided for repurchases up to a total of \$5.0 million thereunder. Subsequently, in March 2025, the Board approved a new repurchase program (the “2025 Repurchase Program”), providing for repurchases up to a total of \$15.0 million thereunder, which superseded the 2024 Repurchase Program. Under the 2025 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 2025 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 three months ended September 30, 2025, the Company did not repurchase any shares of common stock.

On November 7, 2025, the Company entered into a stock purchase agreement with Special Situations Investing Group II, LLC (the “Sellers”), pursuant to which the Company has repurchased 14,443,739 shares of Common Stock from the Sellers at a purchase price of \$16,610,300, representing a price per share of \$1.15 for each of the Company’s share of common stock, calculated on the basis of 25% discount over the average daily VWAP over the 30-day period ending on November 5, 2025.

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 (as defined herein), which updated the aggregate amount of permitted Restricted Payments (as defined in the Credit Agreement; which term include, among others, repurchase of the Company's outstanding common stock) and conditions for making such payments.

In March 2025 and October 2025, the Company entered into additional amendments to the Credit Agreement, each of which provided for, among other things, an increase to the aggregate amount of permitted Restricted Payments and updates to the conditions for making such payments to facilitate the Company's repurchases of securities.

On October 20, 2025, after the balance sheet date, the Company entered into an amendment to the Credit Agreement, which provided for, among other things, an increase to the aggregate amount of permitted Restricted Payments and updates to the conditions for making such payments to facilitate the Company's repurchases of securities.

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).

Following the effectiveness of the Fifth Amendment, borrowings under the Credit Facilities are subject to 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) Alternative Base Rate ("ABR") loans (as defined in the Credit Agreement) 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 September 30, 2025, the current rate of interest under the Credit Facilities was equal to a rate per annum of 6.60%, consisting of 4.00% (the 3-month SOFR rate as of September 30, 2025), 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, and (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. 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.

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, 2023) (the "Adjusted EBITDA Covenant"), and (ii) Liquidity (as defined in the Credit Agreement) of at least \$20.0 million as of the last day of any calendar month. We were in compliance with these covenants as of September 30, 2025.

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 September 30, 2025, 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 September 30, 2025, we had approximately \$30.6 million of borrowing under the Term Loan Facility.

Cash Flows

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

	Nine Months Ended September 30,	
	2025	2024
	(in thousands)	
Net cash provided by operating activities	\$ 10,893	\$ 7,920
Net cash provided by (used in) investing activities	8,872	(4,184)
Net cash used in financing activities	(11,855)	(3,865)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	544	285
Net increase in cash, cash equivalents, and restricted cash	8,454	156
Cash, cash equivalents, and restricted cash at beginning of period	33,159	36,784
Cash, cash equivalents and restricted cash at end of period	\$ 41,613	\$ 36,940

Operating Activities

Net cash flows provided by operating activities increased by \$3.0 million for the nine months ended September 30, 2025, as compared to the nine months ended September 30, 2024.

Net cash provided by operating activities of \$10.9 million for nine months ended September 30, 2025, was primarily due to a \$11.5 million net loss, adjusted for non-cash charges of \$23.8 million, and net cash outflows of \$1.4 million due to changes in operating assets and liabilities. Non-cash charges primarily consisted of depreciation and amortization of \$3.4 million, stock-based compensation expenses of \$12.7 million and amortization of deferred contract acquisitions and fulfillment costs of \$8.5 million partially offset by non-cash interest income, net of \$0.2 million and gain on foreign exchange of \$0.5 million. The changes in operating assets and liabilities were related to an increase in deferred contract acquisition and fulfillment costs of \$2.8 million, a decrease in deferred revenue of \$2.1 million and an increase in trade receivables of \$0.3 million, partially offset by an increase in trade payables of \$1.8 million, a net change in operating right-of-use asset and lease liability of \$1.2 million, a total increase in employee accruals, accrued expenses, and other liabilities of \$0.4 million and a decrease of \$0.4 million in prepaid expenses and other current assets and other assets.

Net cash provided by operating activities of \$7.9 million for nine months ended September 30, 2024, was primarily due to a \$24.7 million net loss, offset for non-cash adjustments totaling \$32.5 million, and net cash inflows of \$0.2 million due to changes in operating assets and liabilities. Non-cash charges primarily consisted of depreciation and amortization of \$3.8 million, stock-based compensation expenses of \$21.1 million and amortization of deferred contract acquisitions and fulfillment costs of \$8.6 million. Changes in operating assets and liabilities primarily consisted of an increase in trade payables of \$2.2 million, a total increase in employee accruals, accrued expenses, and other liabilities of \$2.1 million, a decrease in trade receivables of \$0.7 million and an increase in deferred revenue of \$0.6 million. These trends were partially offset by an increase in deferred contract acquisition and fulfillment costs of \$4.4 million and a net change in operating right-of-use assets and lease liabilities of \$0.9 million.

Investing Activities

Net cash provided by investing activities increased by \$13.1 million for the nine months ended September 30, 2025, as compared to the nine months ended September 30, 2024.

Net cash provided by investing activities amounted to \$8.9 million for the nine months ended September 30, 2025. This was primarily due to proceeds from maturities of available-for-sale marketable securities of \$59.6 million, partially offset by purchases of marketable securities of \$50.2 million and \$0.5 million of capital expenditures.

Net cash used in investing activities amounted to \$4.2 million for the nine months ended September 30, 2024. This was primarily due to proceeds from maturities of available-for-sale marketable securities of \$34.0 million.

Financing Activities

Net cash flows used in financing activities increased by \$8.0 million for the nine months ended September 30, 2025 as compared to the nine months ended September 30, 2024.

Net cash used in financing activities of \$11.9 million for the nine months ended September 30, 2025 was primarily due to repurchase of common stock of \$9.6 million, cash settlement of equity classified share-based payment awards of \$3.1 million and repayment of long-term loans of \$2.2 million, partially offset by \$3.0 million of proceeds from the exercise of stock options.

Net cash used in financing activities of \$3.9 million for the nine months ended September 30, 2024 was primarily due to repayment of long-term loans of \$1.8 million, \$2.3 million repurchase of common stock, offset by \$0.2 million due to proceeds from the exercise of stock options

Contractual Obligations and Commitments

Our principal commitments consist of obligations under operating and finance leases, purchase obligations with third-party providers for the use of cloud hosting and other services and outstanding debt. There were no material changes to our commitments and contractual obligations during the nine months ended September 30, 2025 from the commitments and contractual obligations disclosed in Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations," of our 2024 10-K. For further information on our commitments and contractual obligations, refer also to Note 7, Note 8 and Note 14 of the notes to our unaudited condensed consolidated financial statements included in Part I, Item 1 of this Form 10-Q.

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.

Our critical accounting policies and estimates were disclosed in Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations," of our 2024 10-K. There have been no significant changes to these policies and estimates during the nine months ended September 30, 2025.

Item 3. 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 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. 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 three and nine months ended September 30, 2025, of \$0.2 million and \$1.0 million, respectively due to NIS (after considering cash-flow hedges) and \$1.1 million and \$3.7 million, respectively due to Euros.

Interest Rate Risk

As of September 30, 2025, we had outstanding floating rate debt obligations of \$30.4 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 \$0.1 million and \$0.2 million for the three and nine months ended September 30, 2025, respectively.

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 4. 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 and supervision of our Chief Executive Officer and our Chief Financial Officer, have evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on such evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in internal control over financial reporting

There were no changes in our internal control over financial reporting identified in connection with the evaluation required by Rule 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the period covered by this Quarterly Report on Form 10-Q that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. 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 1A. Risk Factors.

Except as set forth below, there have been no material changes from the risk factors previously disclosed in our 2024 10-K.

We are subject to stringent and changing laws, regulations, standards, and contractual obligations related to privacy and data (including 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.

EU data-related laws apply to some of our offerings, including the EU Data Act, with the majority of its provisions came into effect on September 12, 2025 and established new requirements for providers of data processing services (including cloud and SaaS, among other service models) into the EU. The EU Data Act requires providers to facilitate customers switching to other providers or solutions and porting their data within certain timeframes; remove technical, contractual, and commercial obstacles to service switching; and include certain mandatory terms in customer contracts, amongst other requirements. Failure to comply with the EU Data Act can result in regulatory enforcement and fines, civil claims, and reputational damage. The EU Data Act, together with developing guidance in this area, may require changes to our customer contracts, operations, and business practices, increase our compliance costs, require adjustments to our financial measurements and reporting practices, and adversely affect our financial condition, business, and operations. We are continuing to monitor the application and impact of the EU Data Act as further guidance, practice and enforcement trends emerge.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Purchases of Equity Securities by the Issuer or Affiliated Purchaser

During the three months ended September 30, 2025, the Company did not repurchase any shares of common stock.

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. Other than as reported in Part I, Item 5, “Market for Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities” in our 2024 10-K, there has been no material change in the expected use of the net proceeds from our IPO as described in the Registration Statement.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

During the three months ended September 30, 2025, the following directors and 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:

Director/Sec. 16 Officer	Action	Date Adopted	Total Shares to be Sold		Termination Date
			Rule 10b5-1*	Non-Rule 10b5-1**	
Eyal Manor	Adopt	12-Aug-25	325,564	—	08-Nov-26
Eynav Azaria	Adopt	15-Sep-25	1,286,029	—	29-May-26

* Intended to satisfy the affirmative defense of Rule 10b5-1(c)

** Not intended to satisfy the affirmative defense of Rule 10b5-1(c)

Item 6. Exhibits

The documents listed below are incorporated by reference or are filed with this Quarterly Report on Form 10-Q, in each case as indicated below.

Exhibit Number	Exhibit Description	Incorporated by Reference			Filing Date	Filed/Furnished Herewith
		Form	File No.	Exhibit		
3.1	Amended and Restated Certificate of Incorporation of Kaltura, Inc.	8-K	001-40644	3.1	07/23/2021	
3.2	Certificate of Designations of Series A Junior Participating Preferred Stock of Kaltura, Inc.	8-K	001-40644	3.1	08/08/2022	
3.3	Amended and Restated Bylaws of Kaltura, Inc.	8-K	001-40644	3.2	07/23/2021	
4.1	Specimen Common Stock Certificate of Kaltura, Inc.	S-1/A	333-253699	4.1	03/23/2021	
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	03/23/2021	
10.1	Amendment to Credit Agreement, dated as of October 20, 2025, by and among the Company, the subsidiaries of the Company 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.					*
10.2	Separation Agreement with Mr. John Doherty, dated October 6, 2025.	8-K	001-40644		10.1	10/6/2025
10.3	Consultancy Agreement with Mr. John Doherty, dated October 6, 2025.	8-K	001-40644		10.2	10/6/2025

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.	**
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 (as formatted as Inline XBRL and contained in Exhibit 101)	*

* Filed herewith.

** Furnished herewith.

EIGHTH AMENDMENT TO CREDIT AGREEMENT

This Eighth Amendment to Credit Agreement (this “*Amendment*”) dated and effective as of October 20, 2025 by and among **KALTURA, INC.**, a Delaware corporation (the “*Borrower*”), the Subsidiaries of the Borrower party hereto (the “*Guarantors*”), the several banks and other financial institutions or entities party hereto (the “*Lenders*”), and **SILICON VALLEY BANK, A DIVISION OF FIRST-CITIZENS BANK & TRUST COMPANY (“SVB”)**, as the Administrative Agent (SVB, in such capacity, the “*Administrative Agent*”), the Issuing Lender and the Swingline Lender.

WITNESSETH:

WHEREAS, the Borrower, the Administrative Agent, the Issuing Lender and the Swingline Lender are parties to that certain Credit Agreement dated as of January 14, 2021, as amended by that certain First Amendment to Credit Agreement dated as of June 29, 2021, as further amended by that certain Second Amendment to Credit Agreement dated as of December 20, 2021, as further amended by that certain Third Amendment to Credit Agreement dated as of April 19, 2022, as further amended by that certain Fourth Amendment to Credit Agreement dated as of May 23, 2023, as further amended by that certain Fifth Amendment to Credit Agreement dated as of December 21, 2023, as further amended by that certain Sixth Amendment to Credit Agreement dated as of July 22, 2024, and as further amended by that certain Seventh Amendment to Credit Agreement dated as of March 24, 2025 (as the same may be further amended, modified, supplemented or restated and in effect from time to time, the “*Credit Agreement*”); and

WHEREAS, the Borrower has requested that the Lenders and the Administrative Agent agree to modify and amend certain terms and conditions of the Credit Agreement subject to the terms and conditions of this Amendment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Capitalized Terms. All capitalized terms used herein and not otherwise defined shall have the same meaning herein as in the Credit Agreement.
2. Amendment to Section 7.6 of the Credit Agreement. Section 7.6(f) of the Credit Agreement is hereby deleted in its entirety and replaced with the following:

“(f) the Group Members may make Restricted Payments not otherwise permitted by one of the foregoing clauses of this Section 7.6; provided that (i) the aggregate amount of all such Restricted Payments made pursuant to this clause (f) shall not exceed \$45,000,000 in the aggregate, (ii) immediately after giving effect to any such Restricted Payment, Liquidity shall be at least \$57,500,000, and (iii) no Default or Event of Default has occurred and is continuing or would arise as a result of the making of any such Restricted Payment;”

To dispel doubt, (i) the Liquidity requirement pursuant to the amended Section 7.6 of the Credit Agreement above, shall not apply to nor shall change the \$20,000,000 Minimum Liquidity covenant in Section 7.1(b) of the Credit Agreement, and (ii) “Restricted Payments” shall not include payments of

cash to settle “Awards” in accordance with the Borrower’s 2021 Incentive Award Plan as in effect on March 24, 2025.

3. Conditions Precedent to Effectiveness. The effectiveness of this Amendment shall be subject to the prior or concurrent satisfaction of each of the following conditions precedent (the date on which such conditions are satisfied, the “*Eighth Amendment Effective Date*”):

- (a) Amendment. The Administrative Agent shall have received this Amendment duly executed and delivered by the Administrative Agent, the Loan Parties and the Lenders;
- (b) Approvals. All Governmental Approvals and consents and approvals of, or notices to, any other Person (including the holders of any Capital Stock issued by any Loan Party) required in connection with the execution, delivery and performance of this Amendment, shall have been obtained and be in full force and effect.
- (c) No Material Adverse Effect. There shall not have occurred since December 31, 2022 any event or condition that has had or that could reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect.
- (d) No Default. No Default or Event of Default shall have occurred and be continuing on the Eighth Amendment Effective Date.
- (e) Payment of Fees and Expenses. The Lenders and the Administrative Agent shall have received all amounts required to be paid pursuant to Section 5.
- (f) Representations and Warranties. Immediately after giving effect to this Amendment, each of the representations and warranties set forth in this Amendment, the Credit Agreement, as amended by this Amendment, and after giving effect hereto, and the other Loan Documents to which it is a party (i) that is qualified by materiality shall be true and correct, and (ii) that is not qualified by materiality, shall be true and correct in all material respects, in each case, on and as of such date as if made on and as of such date, except to the extent any such representation and warranty expressly relates to an earlier date, in which case such representation and warranty shall have been true and correct in all material respects (or all respects, as applicable) as of such earlier date.

For purposes of determining compliance with the conditions specified in this Section 3, each Lender that has executed this Amendment shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter either sent (or made available) by the Administrative Agent to such Lender for consent, approval, acceptance or satisfaction, or required thereunder to be consented to or approved by or acceptable or satisfactory to such Lender, unless an officer of the Administrative Agent responsible for the transactions contemplated by the Loan Documents shall have received notice from such Lender prior to the Eighth Amendment Effective Date specifying such Lender’s objection thereto and either such objection shall not have been withdrawn by notice to the Administrative Agent to that effect on or prior to the Eighth Amendment Effective Date or, if any extension of credit on the Eighth Amendment Effective Date has been requested, such Lender shall not have made available to the Administrative Agent on or prior to the Eighth Amendment Effective Date such Lender’s Revolving Percentage of such requested extension of credit.

4. Representations and Warranties. Each Loan Party hereby represents and warrants to the Administrative Agent and the Lenders, effective as of the Eighth Amendment Effective Date, as follows:

- (a) This Amendment is, and each other Loan Document to which it is or will be a party, when executed and delivered by each Loan Party that is a party thereto, will be the legally valid and binding obligation of such Loan Party, enforceable against such Loan Party in accordance with its respective terms, except as enforcement may be limited by equitable principles (whether enforcement is sought by proceedings in equity or at law) or by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or limiting creditors' rights generally.
- (b) Immediately after giving effect to this Amendment, the representations and warranties set forth in this Amendment, the Credit Agreement, as amended by this Amendment and after giving effect hereto, and the other Loan Documents to which it is a party (i) that is qualified by materiality shall be true and correct, and (ii) that is not qualified by materiality, shall be true and correct in all material respects, in each case, on and as of such date as if made on and as of such date, except to the extent any such representation and warranty expressly relates to an earlier date, in which case such representation and warranty shall have been true and correct in all material respects (or all respects, as applicable) as of such earlier date.
- (c) The execution and delivery by each Loan Party of this Amendment and the other Loan Documents executed and delivered in connection herewith, and the performance by Loan Parties of their obligations hereunder and thereunder and by the Borrower of its obligations under the Credit Agreement, as amended by this Amendment, (i) have been duly authorized by all necessary organizational action on the part of such Loan Party and (ii) does not (A) violate any provisions of the Operating Documents of such Loan Party or (B) constitute a violation by such Loan Party of any material Requirement of Law or Contractual Obligation of such Loan Party.
- (d) No Default or Event of Default has occurred and is continuing as of the Eighth Amendment Effective Date.

5. Payment of Costs and Fees. The Borrower shall pay to the Administrative Agent all reasonable and documented out-of-pocket costs, expenses, and fees and charges of every kind in connection with the preparation, negotiation, execution and delivery of this Amendment and any documents and instruments relating hereto (which costs include, without limitation, the reasonable fees and expenses of any attorneys retained by the Administrative Agent).

6. Choice of Law, etc. This Amendment and the rights of the parties hereunder, shall be determined under, governed by, and construed in accordance with the internal laws (and not the conflict of law rules) of the State of New York. The provisions of Section 10.14 (Submission to Jurisdiction; Waivers) of the Credit Agreement are incorporated herein by reference *mutatis mutandis* with the same force and effect as if expressly written herein

7. Counterpart Execution. This Amendment may be executed in any number of counterparts, all of which when taken together shall constitute one and the same instrument, and any of the parties hereto may execute this Amendment by signing any such counterpart. Delivery of an executed counterpart of this Amendment by telefacsimile or other electronic method of transmission shall be equally as effective as delivery of an original executed counterpart of this Amendment.

8. Effect on Loan Documents.

- (a) The Credit Agreement, as amended hereby, and each of the other Loan Documents, as amended hereby, shall be and remain in full force and effect in accordance with their respective terms and hereby are ratified and confirmed in all respects. Each Loan Party hereby further ratifies and reaffirms the validity and enforceability of all of the Liens heretofore granted pursuant to terms and subject to the conditions set forth in the Guarantee and Collateral Agreement, the other Security Documents or any other Loan Document to the Administrative Agent on behalf and for the benefit of the Secured Parties, as collateral security for the obligations under the Loan Documents in accordance with their respective terms, and acknowledges that all of such Liens, and all collateral heretofore pledged as security for such obligations, continues to be and remain collateral for such obligations from and after the date hereof. Each Loan Party hereby further ratifies and reaffirms the validity and enforceability of the appointment of the Administrative Agent as attorney-in-fact under each applicable Loan Document all pursuant to terms and subject to the conditions set forth therein. The execution, delivery, and performance of this Amendment shall not operate, except as expressly set forth herein, as a modification or waiver of any right, power, or remedy of the Administrative Agent or any Lender under the Credit Agreement, the Guarantee and Collateral Agreement or any other Loan Document. Nothing herein contained shall be construed as a substitution or novation of the Obligations outstanding under the Credit Agreement, the Loan Documents or instruments securing the same. The amendments, consents, modifications and other agreements herein are limited to the specifics hereof (including facts or occurrences on which the same are based), shall not apply with respect to any facts or occurrences other than those on which the same are based, shall not excuse any non-compliance with the Loan Documents as amended herein, and shall not operate as a consent or waiver to any matter under the Loan Documents as amended herein. Except for the amendments to the Credit Agreement expressly set forth herein, the Credit Agreement, the Guarantee and Collateral Agreement and other Loan Documents shall remain unchanged and in full force and effect. To the extent any terms or provisions of this Amendment conflict with those of the Credit Agreement or other Loan Documents, the terms and provisions of this Amendment shall control.
- (b) To the extent that any terms and conditions in any of the Loan Documents shall contradict or be in conflict with any terms or conditions of the Credit Agreement after giving effect to this Amendment, such terms and conditions are hereby deemed modified or amended accordingly to reflect the terms and conditions of the Credit Agreement as modified or amended hereby.
- (c) This Amendment is a Loan Document.

9. Entire Agreement. This Amendment, and terms and provisions hereof, the Credit Agreement and the other Loan Documents constitute the entire understanding and agreement between the parties hereto with respect to the subject matter hereof and supersedes any and all prior or contemporaneous amendments or understandings with respect to the subject matter hereof, whether express or implied, oral or written.

10. Severability. In case any provision in this Amendment shall be invalid, illegal or unenforceable, such provision shall be severable from the remainder of this Amendment and the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Amendment to be duly executed and delivered by their proper and duly authorized officers as of the day and year first above written.

BORROWER:

KALTURA, INC.

By: 

Name: Ron Yekutieli

Title: President & CEO

[Signature Page to Eighth Amendment to Credit Agreement]

GUARANTOR :

Executed as a deed by)
Kaltura Europe Limited)
acting by)

.....
Director



in the presence of:)

Witness Signa'ture' ""

Name: En•' Maayan

Address: § 1076 Hoff St. Petah Tikva

Occupation: ISRAEL

ADMINISTRATIVE AGENT, ISSUING
LENDER, SWINGLINE LENDER AND A
LENDER:

FIRST-CITIZENS BANK & TRUST
COMPANY

By: Mike McCarthy_____

Name: Mike McCarthy_____

Title: Vice President_____

CERTIFICATION

I, John Doherty, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Kaltura, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 10, 2025

By:

/s/ John Doherty
John Doherty
Chief Financial Officer
(Principal Financial and Accounting 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 Quarterly Report on Form 10-Q of Kaltura, Inc. (the "Company") for the period ended September 30, 2025 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:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 10, 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 Quarterly Report on Form 10-Q of Kaltura, Inc. (the "Company") for the period ended September 30, 2025, 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:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 10, 2025

By:

/s/ John Doherty

John Doherty
Chief Financial Officer
(Principal Financial and Accounting Officer)