

**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 June 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 August 1, 2025 was 154,491,495

## TABLE OF CONTENTS

	Page
PART I	FINANCIAL INFORMATION
Item 1.	<a href="#">Consolidated Financial Statements (unaudited)</a>
	<a href="#">Condensed Consolidated Balance Sheets as of June 30, 2025 (unaudited) and December 31, 2024 (audited)</a> 4
	<a href="#">Condensed Consolidated Statements of Operations for the three and six months ended June 30, 2025 and 2024 (unaudited)</a> 6
	<a href="#">Condensed Consolidated Statements of Comprehensive Loss for the three and six months ended June 30, 2025 and 2024 (unaudited)</a> 7
	<a href="#">Condensed Consolidated Statement of Stockholders' Equity for the three and six months ended June 30, 2025 and 2024 (unaudited)</a> 8
	<a href="#">Condensed Consolidated Statement of Cash Flows for the six months ended June 30, 2025 and 2024 (unaudited)</a> 10
	<a href="#">Notes to Condensed Consolidated Interim Financial Statements (unaudited)</a> 12
Item 2.	<a href="#">Management's Discussion and Analysis of Financial Condition and Results of Operations</a> 34
Item 3.	<a href="#">Quantitative and Qualitative Disclosures About Market Risk</a> 56
Item 4.	<a href="#">Controls and Procedures</a> 56
PART II	OTHER INFORMATION
Item 1.	<a href="#">Legal Proceedings</a> 57
Item 1A.	<a href="#">Risk Factors</a> 57
Item 2.	<a href="#">Unregistered Sales of Equity Securities and Use of Proceeds</a> 58
Item 3.	<a href="#">Defaults Upon Senior Securities</a> 58
Item 4.	<a href="#">Mine Safety Disclosures</a> 58
Item 5.	<a href="#">Other Information</a> 58
Item 6.	<a href="#">Exhibits</a> 61
	<a href="#">Signatures</a> 67

---

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

	June 30, 2025	December 31, 2024
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$ 35,446	\$ 33,059
Marketable securities	35,756	48,275
Trade receivables	21,241	19,978
Prepaid expenses and other current assets	12,306	9,481
Deferred contract acquisition and fulfillment costs, current	9,670	10,765
<b>Total current assets</b>	<b>114,419</b>	<b>121,558</b>
<b>LONG-TERM ASSETS:</b>		
Marketable securities	4,132	3,379
Property and equipment, net	14,279	16,190
Other assets, noncurrent	3,438	2,983
Deferred contract acquisition and fulfillment costs, noncurrent	10,778	13,605
Operating lease right-of-use assets	11,242	12,308
Intangible assets, net	89	212
Goodwill	11,070	11,070
<b>Total noncurrent assets</b>	<b>55,028</b>	<b>59,747</b>
<b>TOTAL ASSETS</b>	<b>\$ 169,447</b>	<b>\$ 181,305</b>
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES:</b>		
Current portion of long-term loans	\$ 4,423	\$ 3,110
Trade payables	9,188	3,265
Employees and payroll accruals	14,083	15,399
Accrued expenses and other current liabilities	12,466	14,262
Operating lease liabilities, current	2,734	2,504
Deferred revenue, current	55,075	63,123
<b>Total current liabilities</b>	<b>97,969</b>	<b>101,663</b>
<b>LONG-TERM LIABILITIES:</b>		
Deferred revenue, noncurrent	47	67
Long-term loans, net of current portion	26,616	29,153
Operating lease liabilities, noncurrent	15,032	15,263
Other liabilities, noncurrent	12,829	10,772
<b>Total long-term liabilities</b>	<b>54,524</b>	<b>55,255</b>
<b>TOTAL LIABILITIES</b>	<b>\$ 152,493</b>	<b>\$ 156,918</b>

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)**

	<b>June 30, 2025</b>	<b>December 31, 2024</b>
<b>COMMITMENTS AND CONTINGENCIES (NOTE 8)</b>		
<b>STOCKHOLDERS' EQUITY:</b>		
Preferred stock, \$0.0001 par value per share, 20,000,000 shares authorized as of June 30, 2025 and December 31, 2024; 0 shares issued and outstanding as of June 30, 2025, and December 31, 2024	—	—
Common stock \$0.0001 par value per share, 1,000,000,000 shares authorized as of June 30, 2025 and December 31, 2024; 168,169,249 and 161,980,907 shares issued as of June 30, 2025 and December 31, 2024, respectively; 153,601,650 and 152,057,148 outstanding as of June 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 June 30, 2025 and December 31, 2024, respectively	(17,396)	(7,801)
Additional paid-in capital	508,106	500,024
Accumulated other comprehensive income	3,906	959
Accumulated deficit	(477,679)	(468,810)
<b>Total stockholders' equity</b>	<b>16,954</b>	<b>24,387</b>
<b>TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY</b>	<b>\$ 169,447</b>	<b>\$ 181,305</b>

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)

	<b>Three Months Ended June 30,</b>		<b>Six Months Ended June 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
<b>Revenue:</b>				
Subscription	\$ 42,384	\$ 41,014	\$ 87,290	\$ 82,184
Professional services	2,078	3,018	4,156	6,629
<b>Total revenue</b>	<b>44,462</b>	<b>44,032</b>	<b>91,446</b>	<b>88,813</b>
<b>Cost of revenue:</b>				
Subscription	9,642	10,861	20,129	22,262
Professional services	3,601	4,495	7,362	9,267
<b>Total cost of revenue</b>	<b>13,243</b>	<b>15,356</b>	<b>27,491</b>	<b>31,529</b>
<b>Gross profit</b>	<b>31,219</b>	<b>28,676</b>	<b>63,955</b>	<b>57,284</b>
<b>Operating expenses:</b>				
Research and development	11,568	12,029	23,656	24,034
Sales and marketing	11,519	11,780	23,442	23,592
General and administrative	10,889	13,417	21,191	25,498
<b>Total operating expenses</b>	<b>33,976</b>	<b>37,226</b>	<b>68,289</b>	<b>73,124</b>
<b>Operating loss</b>	<b>2,757</b>	<b>8,550</b>	<b>4,334</b>	<b>15,840</b>
Financial expense (income), net	4,569	(1,010)	2,766	488
<b>Loss before provision for income taxes</b>	<b>7,326</b>	<b>7,540</b>	<b>7,100</b>	<b>16,328</b>
Provision for income taxes	424	2,464	1,769	4,772
<b>Net loss</b>	<b>7,750</b>	<b>10,004</b>	<b>8,869</b>	<b>21,100</b>
Net loss per share attributable to common stockholders, basic and diluted	\$ 0.05	\$ 0.07	\$ 0.06	\$ 0.14
Weighted-average shares used in computing net loss per share attributable to common stockholders, basic and diluted	153,536,740	147,607,504	153,771,875	145,939,847

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 June 30,</u>		<u>Six Months Ended June 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Net loss	\$ 7,750	\$ 10,004	\$ 8,869	\$ 21,100
Other comprehensive income (loss):				
Net unrealized gains (losses) on cash flow hedges	3,872	(662)	2,948	(1,335)
Net unrealized losses on available-for-sale marketable securities	(13)	(23)	(1)	(95)
Other comprehensive income (losses)	<u>3,859</u>	<u>(685)</u>	<u>2,947</u>	<u>(1,430)</u>
Comprehensive loss	<u>\$ 3,891</u>	<u>\$ 10,689</u>	<u>\$ 5,922</u>	<u>\$ 22,530</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 April 1, 2025	154,247,031	\$ 16	11,098,868	\$(10,119)	\$ 502,644	\$ 47	\$ (469,929)	\$ 22,659
Stock-based compensation	—	—	—	—	4,004	—	—	4,004
Repurchase of common stock	(3,468,731)	—	3,468,731	(7,277)	—	—	—	(7,277)
Issuance of common stock upon exercise of stock options, and vesting of restricted stock units	2,823,350	1	—	—	1,458	—	—	1,459
Other comprehensive income	—	—	—	—	—	3,859	—	3,859
Net loss	—	—	—	—	—	—	(7,750)	(7,750)
Balance as of June 30, 2025	<u>153,601,650</u>	<u>\$ 17</u>	<u>14,567,599</u>	<u>\$(17,396)</u>	<u>\$ 508,106</u>	<u>\$ 3,906</u>	<u>\$ (477,679)</u>	<u>\$ 16,954</u>

	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 April 1, 2024	146,346,306	\$ 14	7,685,190	\$(4,881)	\$ 478,292	\$ 302	\$ (448,591)	\$ 25,136
Stock-based compensation	—	—	—	—	9,038	—	—	9,038
Repurchase of common stock	(66,605)	—	66,605	(85)	—	—	—	(85)
Issuance of common stock upon exercise of stock options, and vesting of restricted stock units	2,925,215	1	—	—	76	—	—	77
Other comprehensive losses	—	—	—	—	—	(685)	—	(685)
Net loss	—	—	—	—	—	—	(10,004)	(10,004)
Balance as of June 30, 2024	<u>149,204,916</u>	<u>\$ 15</u>	<u>7,751,795</u>	<u>\$(4,966)</u>	<u>\$ 487,406</u>	<u>\$ (383)</u>	<u>\$ (458,595)</u>	<u>\$ 23,477</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 January 1, 2025	152,057,148	\$ 15	9,923,759	\$ (7,801)	\$ 500,024	\$ 959	\$ (468,810)	\$ 24,387
Stock-based compensation	—	—	—	—	8,447	—	—	8,447
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	6,188,342	2	—	—	2,724	—	—	2,726
Other comprehensive income	—	—	—	—	—	2,947	—	2,947
Net loss	—	—	—	—	—	—	(8,869)	(8,869)
Balance as of June 30, 2025	<u>153,601,650</u>	<u>\$ 17</u>	<u>14,567,599</u>	<u>\$ (17,396)</u>	<u>\$ 508,106</u>	<u>\$ 3,906</u>	<u>\$ (477,679)</u>	<u>\$ 16,954</u>

	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	—	—	—	—	15,621	—	—	15,621
Repurchase of common stock	(66,605)	—	66,605	(85)	—	—	—	(85)
Issuance of common stock upon exercise of stock options, and vesting of restricted stock units	6,682,604	1	—	—	150	—	—	151
Other comprehensive losses	—	—	—	—	—	(1,430)	—	(1,430)
Net loss	—	—	—	—	—	—	(21,100)	(21,100)
Balance as of June 30, 2024	<u>149,204,916</u>	<u>\$ 15</u>	<u>7,751,795</u>	<u>\$ (4,966)</u>	<u>\$ 487,406</u>	<u>\$ (383)</u>	<u>\$ (458,595)</u>	<u>\$ 23,477</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)

	<b>Six Months Ended June 30,</b>	
	<b>2025</b>	<b>2024</b>
<b>Cash flows from operating activities:</b>		
Net loss	\$ (8,869)	\$ (21,100)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	2,279	2,585
Stock-based compensation expenses	8,624	15,429
Amortization of deferred contract acquisition and fulfillment costs	5,746	5,731
Non-cash interest income, net	(194)	(593)
Losses (Gain) on foreign exchange	(487)	132
Changes in operating assets and liabilities:		
Decrease (Increase) in trade receivables	(1,263)	1,196
Increase in prepaid expenses and other current assets and other assets, noncurrent	(98)	(34)
Increase in deferred contract acquisition and fulfillment costs	(2,001)	(2,497)
Increase in trade payables	6,101	3,447
Increase (decrease) in accrued expenses and other current liabilities	(1,552)	1,967
Decrease in employees and payroll accruals	(1,316)	(903)
Increase (Decrease) in other liabilities, noncurrent	1,643	(33)
Decrease in deferred revenue	(8,068)	(7,195)
Operating lease right-of-use assets and lease liabilities, net	1,065	(883)
<b>Net cash provided by (used in) operating activities</b>	<b>1,610</b>	<b>(2,751)</b>
<b>Cash flows from investing activities:</b>		
Investment in available-for-sale marketable securities	(30,436)	(19,392)
Proceeds from maturities of available-for-sale marketable securities	42,484	21,482
Purchases of property and equipment	(423)	(327)
<b>Net cash provided by investing activities</b>	<b>11,625</b>	<b>1,763</b>
<b>Cash flows from financing activities:</b>		
Repayment of long-term loans	(1,531)	(1,313)
Proceeds from exercise of stock options	2,849	177
Cash settlement of equity classified share-based payment awards	(3,089)	—
Payment of debt issuance costs	—	(10)
Repurchase of common stock	(9,595)	(85)
Change in prepayments for repurchase of common stock	31	(65)
<b>Net cash used in financing activities</b>	<b>(11,335)</b>	<b>(1,296)</b>
Effect of exchange rate changes on cash, cash equivalents and restricted cash	487	(132)
Net increase (decrease) in cash, cash equivalents and restricted cash	2,387	(2,416)
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>\$ 35,546</u>	<u>\$ 34,368</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)

	<b>Six Months Ended June 30,</b>	
	<b>2025</b>	<b>2024</b>
<b><u>Supplemental disclosure of non-cash activity:</u></b>		
Purchase of property, equipment and internal-use software in credit	\$ 35	\$ 19
Capitalized stock-based compensation cost	\$ —	\$ 309
Pending proceeds from option exercises	\$ 93	\$ 51
<b><u>Supplemental disclosure of cash flow information</u></b>		
Cash paid for income taxes, net	\$ 1,595	\$ 2,242
Cash paid for interest	\$ 1,122	\$ 1,382
<b><u>Reconciliation of cash, cash equivalents, and restricted cash to the consolidated balance sheet</u></b>		
Cash and cash equivalents	\$ 35,446	\$ 34,268
Restricted cash included in other assets, noncurrent	100	100
Total cash, cash equivalents, and restricted cash	\$ 35,546	\$ 34,368

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

**KALTURA, INC. AND SUBSIDIARIES**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**U.S. dollars in thousands (except share and per share data)**  
**(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 June 30, 2025, and the Company’s consolidated results of operations, stockholders’ equity, and cash flows for the three and six months ended June 30, 2025 and 2024. The results for the three and six months ended June 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**  
**U.S. dollars in thousands (except share and per share data)**  
**(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 June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Customer A (M&T)	*)—	11.00 %	10.00 %	10.80 %

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

***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 six months ended June 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**  
U.S. dollars in thousands (except share and per share data)  
(unaudited)

**NOTE 3: REVENUES FROM CONTRACTS WITH CUSTOMERS***Disaggregation of Revenue*

The following tables present disaggregated revenue by category:

	<b>Three Months Ended June 30, 2025</b>			
	<b>Enterprise, Education and Technology</b>		<b>Media and Telecom</b>	
	<b>Amount</b>	<b>Percentage of revenue</b>	<b>Amount</b>	<b>Percentage of revenue</b>
Subscription	\$ 32,574	98.0 %	\$ 9,810	87.4 %
Professional services	668	2.0 %	1,410	12.6 %
	\$ 33,242	100 %	\$ 11,220	100 %

	<b>Three Months Ended June 30, 2024</b>			
	<b>Enterprise, Education and Technology</b>		<b>Media and Telecom</b>	
	<b>Amount</b>	<b>Percentage of revenue</b>	<b>Amount</b>	<b>Percentage of revenue</b>
Subscription	\$ 29,771	96.1 %	\$ 11,243	86.0 %
Professional services	1,194	3.9 %	1,824	14.0 %
	\$ 30,965	100 %	\$ 13,067	100 %

	<b>Six Months Ended June 30, 2025</b>			
	<b>Enterprise, Education and Technology</b>		<b>Media and Telecom</b>	
	<b>Amount</b>	<b>Percentage of revenue</b>	<b>Amount</b>	<b>Percentage of revenue</b>
Subscription	\$ 66,181	97.8 %	\$ 21,109	88.7 %
Professional services	1,477	2.2 %	2,679	11.3 %
	\$ 67,658	100 %	\$ 23,788	100 %

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

**Six Months Ended June 30, 2024**

	<b>Enterprise, Education and Technology</b>		<b>Media and Telecom</b>	
	<b>Amount</b>	<b>Percentage of revenue</b>	<b>Amount</b>	<b>Percentage of revenue</b>
Subscription	\$ 60,426	95.3 %	\$ 21,758	85.6 %
Professional services	2,979	4.7 %	3,650	14.4 %
	<u>\$ 63,405</u>	<u>100 %</u>	<u>\$ 25,408</u>	<u>100 %</u>

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

**Three Months Ended June 30,**

	<b>2025</b>		<b>2024</b>	
	<b>Amount</b>	<b>Percentage of revenue</b>	<b>Amount</b>	<b>Percentage of revenue</b>
United States ("US")	\$ 24,182	54.4 %	\$ 23,547	53.5 %
Europe, the Middle East and Africa ("EMEA")	16,987	38.2 %	16,884	38.3 %
Other	3,293	7.4 %	3,601	8.2 %
	<u>\$ 44,462</u>	<u>100 %</u>	<u>\$ 44,032</u>	<u>100 %</u>

**Six Months Ended June 30,**

	<b>2025</b>		<b>2024</b>	
	<b>Amount</b>	<b>Percentage of revenue</b>	<b>Amount</b>	<b>Percentage of revenue</b>
US	\$ 48,372	52.9 %	\$ 46,737	52.6 %
EMEA	35,755	39.1 %	34,404	38.7 %
Other	7,319	8.0 %	7,672	8.7 %
	<u>\$ 91,446</u>	<u>100 %</u>	<u>\$ 88,813</u>	<u>100 %</u>

***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 June 30, 2025, the aggregate amount of the transaction price allocated to remaining performance obligations was \$188,124, which consists of both billed consideration in the amount of \$55,122 and unbilled consideration in the amount of \$133,002 that the Company expects to recognize as revenue but that was not yet recognized on the balance sheet. The Company expects to recognize 61% of its remaining performance obligations as revenue over the next 12 months and the remainder over the next four years.

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

**Costs to Obtain a Contract**

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

	<u>Three Months Ended June 30,</u>		<u>Six Months Ended June 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Beginning balance	\$ 20,603	\$ 22,860	\$ 22,202	\$ 24,210
Additions to deferred contract acquisition costs during the period	897	1,634	2,001	2,804
Amortization of deferred contract acquisition costs	(2,627)	(2,492)	(5,330)	(5,012)
Ending balance	<u>\$ 18,873</u>	<u>\$ 22,002</u>	<u>\$ 18,873</u>	<u>\$ 22,002</u>
Deferred contract acquisition costs, current	\$ 8,807	\$ 9,146	\$ 8,807	\$ 9,146
Deferred contract acquisition costs, noncurrent	<u>10,066</u>	<u>12,856</u>	<u>10,066</u>	<u>12,856</u>
Total deferred costs to obtain a contract	<u>\$ 18,873</u>	<u>\$ 22,002</u>	<u>\$ 18,873</u>	<u>\$ 22,002</u>

**Costs to Fulfill a Contract**

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

	<u>Three Months Ended June 30,</u>		<u>Six Months Ended June 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
Beginning balance	\$ 1,918	\$ 3,323	\$ 2,167	\$ 3,740
Amortization of deferred costs to fulfill a contract	(343)	(415)	(592)	(832)
Ending balance	<u>\$ 1,575</u>	<u>\$ 2,908</u>	<u>\$ 1,575</u>	<u>\$ 2,908</u>
Deferred fulfillment costs, current	863	1,238	863	1,238
Deferred fulfillment costs, noncurrent	<u>712</u>	<u>1,670</u>	<u>712</u>	<u>1,670</u>
Total deferred costs to fulfill a contract	<u>\$ 1,575</u>	<u>\$ 2,908</u>	<u>\$ 1,575</u>	<u>\$ 2,908</u>

**NOTE 4: MARKETABLE SECURITIES**

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

	<b>June 30, 2025</b>			
	<u>Amortized Cost</u>	<u>Gross Unrealized Gains</u>	<u>Gross Unrealized Losses</u>	<u>Fair Value</u>
<b>Available-for-sale – matures within one year:</b>				
Corporate bonds	\$ 20,403	\$ 14	\$ (5)	\$ 20,412
U.S. Treasury	9,957	10	(2)	9,965
Commercial paper	2,785	—	—	2,785
Agency bonds	1,906	1	(1)	1,906
Municipal bonds	688	—	—	688
	<u>35,739</u>	<u>25</u>	<u>(8)</u>	<u>35,756</u>
<b>Available-for-sale – matures after one year:</b>				
Corporate bonds	2,043	5	—	2,048
Agency bonds	2,026	—	—	2,026
Municipal bonds	58	—	—	58
	<u>4,127</u>	<u>5</u>	<u>—</u>	<u>4,132</u>
Total	<u>\$ 39,866</u>	<u>\$ 30</u>	<u>\$ (8)</u>	<u>\$ 39,888</u>

	Amortized Cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
<b>Available-for-sale – matures within one year:</b>				
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
	48,254	37	(16)	48,275
<b>Available-for-sale – matures after one year:</b>				
Corporate bonds	2,423	—	—	2,423
U.S. Treasury	954	2	—	956
	3,377	2	—	3,379
<b>Total</b>	<b>\$ 51,631</b>	<b>\$ 39</b>	<b>\$ (16)</b>	<b>\$ 51,654</b>

As of June 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 all of the gross unrealized losses of the Company's marketable securities have been in a continuous loss position for less than 12 months. There were no gains or losses from available-for-sale marketable securities that were reclassified out of accumulated other comprehensive loss during the periods presented.

**KALTURA, INC. AND SUBSIDIARIES**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**U.S. dollars in thousands (except share and per share data)**  
**(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 June 30, 2025 and December 31, 2024 by level within the fair value hierarchy:

Description	Fair Value Hierarchy	Fair Value Measurements As Of	
		June 30, 2025	December 31, 2024
<b>Measured at fair value on a recurring basis:</b>			
<b>Assets:</b>			
<b>Cash equivalents:</b>			
Money market funds	Level 1	\$ 21,719	\$ 12,212
<b>Short-term marketable securities:</b>			
Corporate bonds	Level 2	\$ 20,412	\$ 27,309
U.S. Treasury	Level 2	\$ 9,965	\$ 16,956
Commercial paper	Level 2	\$ 2,785	\$ 1,941
Agency bonds	Level 2	\$ 1,906	\$ 2,069
Municipal bonds	Level 2	\$ 688	\$ —
<b>Long-term marketable securities:</b>			
Corporate bonds	Level 2	\$ 2,048	\$ 2,423
U.S. Treasury	Level 2	\$ 2,026	\$ 956
Municipal bonds	Level 2	\$ 58	\$ —
<b>Prepaid expenses and other current assets:</b>			
Restricted bank deposits	Level 2	\$ 3,507	\$ 3,507
Options and forward contracts designated as hedging instruments	Level 2	\$ 3,884	\$ 960
<b>Other assets, noncurrent:</b>			
Restricted bank deposit	Level 2	\$ 1,103	\$ 1,020
<b>Liabilities:</b>			
<b>Derivative instruments liability included in accrued expenses and other current liabilities:</b>			
Options and forward contracts designated as hedging instruments	Level 2	\$ —	\$ 24

**KALTURA, INC. AND SUBSIDIARIES**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**U.S. dollars in thousands (except share and per share data)**  
**(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 \$38,554 and \$35,718 as of June 30, 2025 and December 31, 2024, respectively. The fair value of the Company's outstanding contracts amounted to an asset of \$3,884 and \$960, and a liability of \$0 and \$24 as of June 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 \$817, \$1,143, \$145 and \$811 were reclassified from accumulated other comprehensive income (loss) during the three and six months ended June 30, 2025 and 2024, respectively. Such gains 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 six months ended June 30, 2025 and 2024 were as follows:

<b>Condensed Statement of Operations Location:</b>	<b>Three Months Ended June 30, 2025</b>	<b>Three Months Ended June 30, 2024</b>	<b>Six Months Ended June 30, 2025</b>	<b>Six Months Ended June 30, 2024</b>
Cost of revenue	\$ (102)	\$ (21)	\$ (140)	\$ (122)
Research and development	(435)	(75)	(606)	(418)
Sales and marketing	(90)	(21)	(138)	(108)
General and administrative	(174)	(28)	(243)	(163)
Financial expense (income), net	(16)	—	(16)	—
<b>Total</b>	<b>\$ (817)</b>	<b>\$ (145)</b>	<b>\$ (1,143)</b>	<b>\$ (811)</b>

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

**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:

	<b>Three Months Ended June 30, 2025</b>	<b>Three Months Ended June 30, 2024</b>	<b>Six Months Ended June 30, 2025</b>	<b>Six Months Ended June 30, 2024</b>
Operating lease cost	\$ 694	\$ 685	\$ 1,597	\$ 1,369
Short-term lease cost	—	—	—	—
Variable lease cost	60	36	119	70
<b>Total</b>	<b>\$ 754</b>	<b>\$ 721</b>	<b>\$ 1,716</b>	<b>\$ 1,439</b>

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

	<b>Three Months Ended June 30, 2025</b>	<b>Three Months Ended June 30, 2024</b>	<b>Six Months Ended June 30, 2025</b>	<b>Six Months Ended June 30, 2024</b>
Cash paid for operating leases	\$ 993	\$ 877	\$ 1,179	\$ 1,264

As of June 30, 2025, the weighted-average discount rate is 4.71% and the weighted-average remaining term is 6.90 years. Maturities of the Company's operating lease liabilities as of June 30, 2025 were as follows:

<b>Year Ending December 31,</b>	
2025 (Remainder)	1,664
2026	3,352
2027	2,921
2028	2,550
2029	2,550
2030	2,550
2031 and thereafter	4,675
<b>Total operating lease payments</b>	<b>20,262</b>
Less: imputed interest	2,496
<b>Total operating lease liabilities</b>	<b>\$ 17,766</b>

**KALTURA, INC. AND SUBSIDIARIES**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
U.S. dollars in thousands (except share and per share data)  
(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, 2026. The following table presents details of the aggregate future non-cancelable purchase commitments under such agreements as of June 30, 2025:

**Year Ending December 31,**

2025 (Remainder)	16,056
2026	29,177
Total purchase commitment	<u>\$ 45,233</u>

*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>June 30, 2025</u>	<u>December 31, 2024</u>
Prepaid expenses	\$ 3,984	\$ 4,085
Derivative instrument	3,884	960
Restricted bank deposits	3,507	3,507
Other current assets	931	929
	<u>\$ 12,306</u>	<u>\$ 9,481</u>

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

***Property and Equipment, net***

Composition of property and equipment is as follows:

	<b>June 30, 2025</b>	<b>December 31, 2024</b>
<b>Cost:</b>		
Computers and peripheral equipment	\$ 1,991	\$ 1,780
Office furniture and equipment	2,245	2,211
Leasehold improvements	7,127	7,127
Internal use software	13,755	13,755
	<u>25,118</u>	<u>24,873</u>
Accumulated depreciation	(10,839)	(8,683)
Depreciated cost	<u>\$ 14,279</u>	<u>\$ 16,190</u>

Depreciation expenses for the three months ended June 30, 2025 and 2024, and for the six months ended June 30, 2025 and 2024 were \$1,082, \$1,161, \$2,156 and \$2,343, respectively.

***Other assets, noncurrent***

	<b>June 30, 2025</b>	<b>December 31, 2024</b>
Restricted cash	\$ 100	\$ 100
Severance pay fund	1,990	1,577
Restricted deposit	1,103	1,020
Other	245	286
	<u>\$ 3,438</u>	<u>\$ 2,983</u>

***Accrued expenses and other current liabilities***

	<b>June 30, 2025</b>	<b>December 31, 2024</b>
Accrued expenses	\$ 6,673	\$ 6,366
Accrued taxes	4,889	5,638
Derivative instruments	—	24
Other current liabilities	904	2,234
	<u>\$ 12,466</u>	<u>\$ 14,262</u>

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

***Other liabilities, noncurrent***

	<u>June 30, 2025</u>	<u>December 31, 2024</u>
Accrued taxes, noncurrent	\$ 10,226	\$ 8,599
Deferred tax liability	485	463
Other	2,118	1,710
	<u>\$ 12,829</u>	<u>\$ 10,772</u>

**NOTE 10: GOODWILL AND INTANGIBLE ASSETS**

There was no goodwill activity during the periods presented.

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

	<u>June 30, 2025</u>		<u>December 31, 2024</u>	
	<b>Weighted average remaining useful life (in years)</b>	<b>Balance</b>		<b>Balance</b>
<b><u>Gross carrying amount:</u></b>				
Technology	—	\$ 4,700	\$	4,700
Customer relationship	1.75	1,822		2,419
		<u>6,522</u>		<u>7,119</u>
<b><u>Accumulated amortization and impairments:</u></b>				
Technology		(4,700)		(4,603)
Customer relationship		(1,733)		(2,304)
		<u>(6,433)</u>		<u>(6,907)</u>
Intangible assets, net		<u>\$ 89</u>	\$	<u>212</u>

During the three months ended June 30, 2025 and 2024, and the six months ended June 30, 2025 and 2024, the Company recorded amortization expenses in the amount of \$12, \$118, \$123 and \$237, respectively, included in cost of revenue and sales and marketing expenses in the consolidated statements of operations.

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

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

	<b>Year Ending December 31,</b>	
2025 (Remainder)		27
2026	\$	50
2027		12
	\$	89

**NOTE 11: INCOME TAXES**

The Company recognized an income tax expense of \$424, \$2,464, \$1,769 and \$4,772 for the three and six months ended June 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 (8)%, (33)%, (36)% and (29)% for the three and six months ended June 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 net deferred tax assets. The residual deferred tax liability is from indefinite life goodwill intangibles and included under other liabilities, noncurrent in the balance sheet. 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:

	<b>Three Months Ended June 30,</b>		<b>Six Months Ended June 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
<b>Numerator:</b>				
Net loss	\$ 7,750	\$ 10,004	\$ 8,869	\$ 21,100
<b>Denominator:</b>				
Weighted-average shares used in computing net loss per share attributable to common stockholders, basic and diluted	153,536,740	147,607,504	153,771,875	145,939,847
Net loss per share attributable to common stockholders, basic and diluted	\$ 0.05	\$ 0.07	\$ 0.06	\$ 0.14

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

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:

	<b>As of June 30,</b>	
	<b>2025</b>	<b>2024</b>
Outstanding stock options and RSUs	28,870,136	35,790,142
Total	28,870,136	35,790,142

**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.

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

**Three Months Ended June 30, 2025**

	<b>Enterprise, Education and Technology</b>	<b>Media and Telecom</b>	<b>Total</b>
Revenue	\$ 33,242	\$ 11,220	\$ 44,462
Cost of revenue			
Production costs	4,021	3,376	7,397
Compensation	2,551	1,230	3,781
Depreciation and amortization	226	536	762
Other segment items	577	726	1,303
Total cost of revenue	7,375	5,868	13,243
Gross profit	25,867	5,352	31,219
Operating expenses			33,976
Financial income, net			4,569
Provision for income taxes			424
Net loss			\$ 7,750

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

**Three Months Ended June 30, 2024**

	<b>Enterprise, Education and Technology</b>	<b>Media and Telecom</b>	<b>Total</b>
Revenue	\$ 30,965	\$ 13,067	\$ 44,032
Cost of revenue			
Production costs	4,218	3,661	7,879
Compensation	2,665	1,709	4,374
Depreciation and amortization	339	599	938
Other segment items	811	1,354	2,165
Total cost of revenue	8,033	7,323	15,356
Gross profit	22,932	5,744	28,676
Operating expenses			37,226
Financial income, net			(1,010)
Provision for income taxes			2,464
Net loss			\$ 10,004

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

	<b>Six Months Ended June 30, 2025</b>		
	<b>Enterprise, Education and Technology</b>	<b>Media and Telecom</b>	<b>Total</b>
Revenue	\$ 67,658	\$ 23,788	\$ 91,446
Cost of revenue			
Production costs	8,197	6,883	15,080
Compensation	5,206	2,578	7,784
Depreciation and amortization	550	1,071	1,621
Other segment items	1,270	1,736	3,006
Total cost of revenue	15,223	12,268	27,491
Gross profit	52,435	11,520	63,955
Operating expenses			68,289
Financial income, net			2,766
Provision for income taxes			1,769
Net loss			\$ 8,869

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

	<b>Six Months Ended June 30, 2024</b>		
	<b>Enterprise, Education and Technology</b>	<b>Media and Telecom</b>	<b>Total</b>
Revenue	\$ 63,405	\$ 25,408	\$ 88,813
Cost of revenue			
Production costs	9,033	7,214	16,247
Compensation	5,605	3,647	9,252
Depreciation and amortization	682	1,197	1,879
Other segment items	1,597	2,554	4,151
Total cost of revenue	16,917	14,612	31,529
Gross profit	46,488	10,796	57,284
Operating expenses			73,124
Financial income, net			488
Provision for income taxes			4,772
Net loss			\$ 21,100

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.

**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.

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

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.

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 June 30, 2025, the current rate of interest under the Credit Facilities was equal to a rate per annum of 6.90%, consisting of 4.30% (the 3-month SOFR rate as of June 26, 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 June 30, 2025, the Company met these covenants.

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

**Year Ending December 31,**

2025 (Remainder)	1,969
2026	29,313
	<b>\$ 31,282</b>

The carrying amounts of the loans approximate their fair value.

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

**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	(1,353,625)	\$ 1.99	—	\$ 516
Forfeited	(756,826)	\$ 4.67	—	—
Outstanding and exercisable as of June 30, 2025	<u>14,210,563</u>	<u>\$ 3.34</u>	<u>4.44</u>	<u>\$ 3,786</u>

***RSUs***

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

	<u>RSUs Outstanding</u>	<u>Weighted Average Grant Date Fair Value per Share</u>
Outstanding as of December 31, 2024	12,331,745	\$1.56
RSUs granted	9,063,300	\$2.54
RSUs vested	(4,834,717)	\$1.72
RSUs forfeited <sup>(1)</sup>	(1,900,755)	\$1.56
Unvested and Outstanding as of June 30, 2025	<u>14,659,573</u>	<u>\$2.11</u>

(1) During the six months ended June 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.

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

***Stock-Based Compensation Expense***

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

	<b>Three Months Ended June 30,</b>		<b>Six Months Ended June 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
Cost of revenue	\$ 119	\$ 263	\$ 247	\$ 547
Research and development	760	1,158	1,609	2,329
Sales and marketing	383	729	815	1,499
General and administrative	2,829	6,752	5,953	11,054
<b>Total expenses</b>	<b>\$ 4,091</b>	<b>\$ 8,902</b>	<b>\$ 8,624</b>	<b>\$ 15,429</b>

As of June 30, 2025, there was \$28,108 of total unrecognized compensation cost 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:

	<b>June 30, 2025</b>
Outstanding options	14,210,563
Outstanding RSUs	14,659,573
Shares reserved under 2021 Plan	5,620,485
<b>Total</b>	<b>34,490,621</b>

***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 June 30, 2025, the Company repurchased 3,468,731 shares of common stock at a weighted average price of \$2.07 per share (excluding broker and transaction fees of \$104). As of June 30, 2025, the Company had remaining authorization under the Repurchase Program to repurchase common stock up to an aggregate amount of \$6,900, subject to satisfying required conditions under the Companies Law and Companies Regulations.

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

**NOTE 16: SELECTED STATEMENTS OF OPERATIONS DATA**

	<u>Three Months Ended June 30,</u>		<u>Six Months Ended June 30,</u>	
	<u>2025</u>	<u>2024</u>	<u>2025</u>	<u>2024</u>
<b>Financial income:</b>				
Interest income	\$ 737	\$ 790	\$ 1,632	\$ 1,608
Foreign currency translation adjustments, net	—	1,068	—	—
	<u>737</u>	<u>1,858</u>	<u>1,632</u>	<u>1,608</u>
<b>Financial expenses:</b>				
Foreign currency translation adjustments, net	4,464	—	2,892	497
Bank fees	44	34	83	68
Interest expense	602	702	1,210	1,406
Other	196	112	213	125
	<u>5,306</u>	<u>848</u>	<u>4,398</u>	<u>2,096</u>
Financial expense (income), net	<u>\$ 4,569</u>	<u>\$ (1,010)</u>	<u>\$ 2,766</u>	<u>\$ 488</u>

**NOTE 17: ACCUMULATED OTHER COMPREHENSIVE INCOME**

The following tables summarize the changes in accumulated other comprehensive income (loss) by component, net of tax (AOCI), during the six months ended June 30, 2025 and 2024:

	<u>Net Unrealized Gains (Losses) on Available-for-Sale Securities Instruments</u>	<u>Net Unrealized Gains (Losses) on Derivatives Designated as Hedging Instruments</u>	<u>Total</u>
Balance as of December 31, 2024	\$ 23	\$ 936	\$ 959
Other comprehensive income (loss) before reclassifications	(1)	4,091	4,090
Net realized losses reclassified from accumulated other comprehensive income	—	(1,143)	(1,143)
Other comprehensive income (loss)	(1)	2,948	2,947
Balance as of June 30, 2025	<u>\$ 22</u>	<u>\$ 3,884</u>	<u>\$ 3,906</u>

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

	<b>Net Unrealized Gains (Losses) on Available- for-Sale Securities Instruments</b>	<b>Net Unrealized Gains (Losses) on Derivatives Designated as Hedging Instruments</b>	<b>Total</b>
Balance as of December 31, 2023	\$ 49	\$ 998	\$ 1,047
Other comprehensive loss before reclassifications	(95)	(523)	(618)
Net realized losses reclassified from accumulated other comprehensive income	—	(812)	(812)
Other comprehensive loss	(95)	(1,335)	(1,430)
Balance as of June 30, 2024	<u>\$ (46)</u>	<u>\$ (337)</u>	<u>\$ (383)</u>

**NOTE 18: SUBSEQUENT EVENTS**

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. In connection with the Plan, the Company expects to incur net pre-tax charges of approximately \$687, primarily for severance and related costs, all of which are expected to be expensed in the third quarter of 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 expect to incur pre-tax charges of approximately \$0.7 million, primarily for severance and related costs, all of which are expected to be expensed in the third quarter of 2025. All of these charges are expected to result in cash expenditures. The 2025 Reorganization Plan is expected to be substantially completed in the third quarter of 2025.

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 six months ended June 30, 2025 and 2024.

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
	(in thousands)			
<b>Revenue</b>				
Enterprise, Education & Technology	\$ 33,242	\$ 30,965	\$ 67,658	\$ 63,405
Media & Telecom	11,220	13,067	23,788	25,408
Total Revenue	\$ 44,462	\$ 44,032	\$ 91,446	\$ 88,813
<b>Gross Profit</b>				
Enterprise, Education & Technology	25,867	22,932	52,435	46,488
Media & Telecom	5,352	5,744	11,520	10,796
Total Gross Profit	\$ 31,219	\$ 28,676	\$ 63,955	\$ 57,284

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 June 30, 2025 and 2024, our Net Dollar Retention Rate was 101% and 98%, respectively. We grew our Annualized Recurring Revenue (as defined below) by 3% in the three months ended June 30, 2025, compared to the three months ended June 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 June 30, 2025, our Net Dollar Retention Rate was 101%. 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:

	<b>Three Months Ended June 30,</b>	
	<b>2025</b>	<b>2024</b>
	<b>(in thousands, except percentages)</b>	
Annualized Recurring Revenue	\$ 170,364	\$ 165,167
Net Dollar Retention Rate	101 %	98 %
Remaining Performance Obligations	\$ 188,124	\$ 177,751

### ***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 June 30, 2025, our Remaining Performance Obligations was \$188.1 million, which consists of both billed consideration in the amount of \$55.1 million and unbilled consideration in the amount of \$133.0 million that we expect to invoice and recognize in future periods.

We expect to recognize 61% of our Remaining Performance Obligations as revenue over the next 12 months and the remainder 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 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:

	<b>Three Months Ended June 30,</b>		<b>Six Months Ended June 30,</b>	
	<b>2025</b>	<b>2024</b>	<b>2025</b>	<b>2024</b>
	<b>(in thousands)</b>			
Net loss	\$ (7,750)	\$ (10,004)	\$ (8,869)	\$ (21,100)
Financial expense (income), net <sup>(a)</sup>	4,569	(1,010)	2,766	488
Provision for income taxes	424	2,464	1,769	4,772
Depreciation and amortization	1,094	1,279	2,279	2,585
EBITDA	(1,663)	(7,271)	(2,055)	(13,255)
Non-cash stock-based compensation expense	4,091	8,902	8,624	15,429
Strategic initiatives <sup>(b)</sup>	1,632	—	1,632	—
War related costs <sup>(c)</sup>	—	1	—	22
Adjusted EBITDA	\$ 4,060	\$ 1,632	\$ 8,201	\$ 2,196

- (a) The three months ended June 30, 2025 and 2024, and the six months ended June 30, 2025 and 2024 include \$602, \$702, \$1,210 and \$1,406, respectively, of interest expenses and \$737, \$790, \$1,632 and \$1,608, respectively of interest income.
- (b) Strategic initiatives for the three and six months ended June 30, 2025 relate to professional, consulting and other costs associated with strategic initiatives of \$1,632.
- (c) The three and six months ended June 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 Operation

### *Revenue*

#### *Subscription*

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

#### *Professional Services*

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

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

### *Cost of Revenue*

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

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

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

Cost of revenue decreased in absolute dollars in the three and six months ended June 30, 2025 from the three and six months ended June 30, 2024. For the three months ended June 30, 2025 and 2024, and for the six months ended June 30, 2025 and 2024, our cost of revenue was \$13,243, \$15,356, \$27,491 and \$31,529, 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 June 30, 2025 and 2024, our gross margins were 70% (77% for subscriptions and (73)% for professional services) and 65% (74% for subscriptions and (49)% for professional services), respectively. For the six months ended June 30, 2025 and 2024, our gross margins were 70% (77% for subscriptions and (77)% for professional services) and 64% (73% for subscriptions and (40)% for professional services), respectively.

For our EE&T segment, gross margins for the three months ended June 30, 2025 and 2024, were 78% (84% for subscription and (226)% for professional services), and 74% (81% for subscription and (87)% for professional services), respectively. For the six months ended June 30, 2025 and 2024, our gross margins for our EE&T segment were 78% (84% for subscriptions and (192)% for professional services) and 73% (80% for subscriptions and (56)% for professional services), respectively.

For our M&T segment, gross margins for the three months ended June 30, 2025 and 2024 were 48% (55% for subscriptions and (1)% for professional services) and 44% (55% for subscriptions and (24)% for professional services), respectively. For the six months ended June 30, 2025 and 2024, our gross margins for our M&T segment were 48% (56% for subscription and (14)% for professional services) and 42% (54% for subscription and (26)% for professional services), respectively.

### ***Research and Development***

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

### ***Sales and Marketing Expenses***

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

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

### ***General and Administrative Expenses***

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

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

***Financial Expenses (Income), Net***

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

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

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

***Provision for Income Taxes***

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

## Results of Operations

The following 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 June 30,		Period-over-Period Change		Six Months Ended June 30,		Period-over-Period Change	
	2025	2024	Dollar	Percentage	2025	2024	Dollar	Percentage
	(in thousands, except percentages)				(in thousands, except percentages)			
<b>Revenue:</b>								
Enterprise, Education & Technology	\$ 33,242	\$ 30,965	\$ 2,277	7 %	\$ 67,658	\$ 63,405	\$ 4,253	7 %
Media & Telecom	11,220	13,067	(1,847)	(14)%	23,788	25,408	(1,620)	(6)%
Total revenue	44,462	44,032	430	1 %	91,446	88,813	2,633	3 %
Cost of revenue	13,243	15,356	(2,113)	(14)%	27,491	31,529	(4,038)	(13)%
Total gross profit	31,219	28,676	2,543	9 %	63,955	57,284	6,671	12 %
<b>Operating expenses:</b>								
Research and development expenses	11,568	12,029	(461)	(4)%	23,656	24,034	(378)	(2)%
Sales and marketing expenses	11,519	11,780	(261)	(2)%	23,442	23,592	(150)	(1)%
General and administrative expenses	10,889	13,417	(2,528)	(19)%	21,191	25,498	(4,307)	(17)%
Total operating expenses	33,976	37,226	(3,250)	(9)%	68,289	73,124	(4,835)	(7)%
Loss from operations	2,757	8,550	(5,793)	(68)%	4,334	15,840	(11,506)	(73)%
Financial expense (income), net	4,569	(1,010)	5,579	(552)%	2,766	488	2,278	467 %
Loss before provision for income taxes	7,326	7,540	(214)	(3)%	7,100	16,328	(9,228)	(57)%
Provision for income taxes	424	2,464	(2,040)	(83)%	1,769	4,772	(3,003)	(63)%
Net loss	\$ 7,750	\$ 10,004	\$ (2,254)	(23)%	\$ 8,869	\$ 21,100	\$ (12,231)	(58)%

## Segments

We manage and report operating results through two reportable segments:

- **Enterprise, Education & Technology** (75% and 70% of revenue for the three months ended June 30, 2025 and 2024, respectively, and 74% and 71% for the six months ended June 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** (25% and 30% of revenue for the three months ended June 30, 2025 and 2024, respectively, and 26% and 29% for the six months ended June 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 June 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 June 30,		Period-over-Period Change	
	2025	2024	Dollar	Percentage
<b>(in thousands, except percentages)</b>				
<b>Enterprise, Education &amp; Technology revenue:</b>				
Subscription revenue	\$ 32,574	\$ 29,771	\$ 2,803	9 %
Professional services revenue	668	1,194	(526)	(44)%
<b>Total Enterprise, Education &amp; Technology revenue</b>	<b>\$ 33,242</b>	<b>\$ 30,965</b>	<b>\$ 2,277</b>	<b>7 %</b>
<b>Enterprise, Education &amp; Technology gross profit:</b>				
Subscription gross profit	\$ 27,378	\$ 23,975	\$ 3,403	14 %
Professional services gross loss	(1,511)	(1,043)	(468)	(45)%
<b>Total Enterprise, Education &amp; Technology gross profit</b>	<b>\$ 25,867</b>	<b>\$ 22,932</b>	<b>\$ 2,935</b>	<b>13 %</b>

#### Enterprise, Education & Technology Revenue

EE&T revenue increased by \$2.3 million, or 7%, to \$33.2 million for the three months ended June 30, 2025, from \$31.0 million for the three months ended June 30, 2024. The increase is mainly attributable to a \$1.3 million increase in revenue from new customers, and \$1.0 million from existing customers.

EE&T subscription revenue increased by \$2.8 million, or 9%, to \$32.6 million for the three months ended June 30, 2025, from \$29.8 million for the three months ended June 30, 2024.

EE&T professional services revenue decreased by \$0.5 million, or 44%, to \$0.7 million for the three months ended June 30, 2025, from \$1.2 million for the three months ended June 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 \$2.9 million, or 13%, to \$25.9 million for the three months ended June 30, 2025, from \$22.9 million for the three months ended June 30, 2024. This increase was mainly due to the increase in revenue and reduction in production costs, which is a result of improved efficiency.

EE&T subscription gross profit increased by \$3.4 million, or 14%, to \$27.4 million for the three months ended June 30, 2025, from \$24.0 million for the three months ended June 30, 2024.

EE&T professional services gross loss increased by \$0.5 million, or 45%, to \$1.5 million for the three months ended June 30, 2025, from \$1.0 million for the three months ended June 30, 2024.

### Media & Telecom

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

	Three Months Ended June 30,		Period-over-Period Change	
	2025	2024	Dollar	Percentage
(in thousands, except percentages)				
<b>Media &amp; Telecom revenue:</b>				
Subscription revenue	\$ 9,810	\$ 11,243	\$ (1,433)	(13)%
Professional services revenue	1,410	1,824	(414)	(23)%
<b>Total Media &amp; Telecom revenue</b>	<b>\$ 11,220</b>	<b>\$ 13,067</b>	<b>\$ (1,847)</b>	<b>(14)%</b>
<b>Media &amp; Telecom gross profit:</b>				
Subscription gross profit	\$ 5,364	\$ 6,177	\$ (813)	(13)%
Professional services gross loss	(12)	(433)	421	97%
<b>Total Media &amp; Telecom gross profit</b>	<b>\$ 5,352</b>	<b>\$ 5,744</b>	<b>\$ (392)</b>	<b>(7)%</b>

#### Media & Telecom Revenue

M&T revenue decreased by \$1.8 million, or 14%, to \$11.2 million for the three months ended June 30, 2025, from \$13.1 million for the three months ended June 30, 2024. The decrease is mainly due to a \$1.9 million decrease in revenue from existing customers.

M&T subscription revenue decreased by \$1.4 million, or 13%, to \$9.8 million for the three months ended June 30, 2025, from \$11.2 million for the three months ended June 30, 2024.

M&T professional services revenue decreased by \$0.4 million, or 23%, to \$1.4 million for the three months ended June 30, 2025, from \$1.8 million for the three months ended June 30, 2024.

#### Media & Telecom Gross Profit

M&T gross profit decreased by \$0.4 million, or 7%, to \$5.4 million for the three months ended June 30, 2025, from \$5.7 million for the three months ended June 30, 2024. This decrease was mainly due to the decrease in the revenue.

M&T subscription gross profit decreased by \$0.8 million, or 13%, to \$5.4 million for the three months ended June 30, 2025, from \$6.2 million for the three months ended June 30, 2024.

M&T professional services gross loss decreased by \$0.4 million, or 97%, to \$0.0 million for the three months ended June 30, 2025, from \$0.4 million for the three months ended June 30, 2024.

## Operating Expenses

### Research and Development expenses

	Three Months Ended June 30,		Period-over-Period Change	
	2025	2024	Dollar	Percentage
	(in thousands, except percentages)			
Employee compensation	\$ 8,015	\$ 8,277	\$ (262)	(3)%
Subcontractors and consultants	1,513	1,691	(178)	(11)%
IT related	1,200	1,248	(48)	(4)%
Other	840	813	27	3 %
Total research and development expenses	\$ 11,568	\$ 12,029	\$ (461)	(4)%

Research and development expenses decreased by \$0.5 million, or 4%, to \$11.6 million for the three months ended June 30, 2025, from \$12.0 million for the three months ended June 30, 2024. The decrease was primarily due to a \$0.3 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. Additional impact is related to the impact of expired hedging transactions. The hedging positions, which were executed at more favorable ILS/USD exchange rates than those prevailing during the period, resulted in a positive offset to payroll-related expenses denominated in ILS. 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 June 30,		Period-over-Period Change	
	2025	2024	Dollar	Percentage
	(in thousands, except percentages)			
Employee compensation & commission	\$ 9,049	\$ 9,387	\$ (338)	(4)%
Marketing expenses	1,042	1,039	3	0 %
Travel and entertainment	395	318	77	24 %
Other	1,033	1,036	(3)	0 %
Total sales and marketing expenses	\$ 11,519	\$ 11,780	\$ (261)	(2)%

Sales and marketing expenses decreased by \$0.3 million, or 2%, to \$11.5 million for the three months ended June 30, 2025, from \$11.8 million for the three months ended June 30, 2024. The decrease was primarily driven by a \$0.3 million reduction 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*

	<b>Three Months Ended June 30,</b>		<b>Period-over-Period Change</b>	
	<b>2025</b>	<b>2024</b>	<b>Dollar</b>	<b>Percentage</b>
	<b>(in thousands, except percentages)</b>			
Employee compensation	\$ 6,653	\$ 10,286	\$ (3,633)	(35)%
Professional fees and insurance	1,088	1,151	(63)	(5)%
Subcontractors and consultants	286	388	(102)	(26)%
Travel and entertainment	259	193	66	34 %
Corporate adjustments	1,632	—	1,632	NM
Other	971	1,399	(428)	(31)%
<b>Total general and administrative expenses</b>	<b>\$ 10,889</b>	<b>\$ 13,417</b>	<b>\$ (2,528)</b>	<b>(19)%</b>

General and administrative expenses decreased by \$2.5 million, or 19%, to \$10.9 million for the three months ended June 30, 2025, from \$13.4 million for the three months ended June 30, 2024. The decrease was primarily due to a decrease of \$3.6 million in compensation costs, mainly driven by expense acceleration recognized in the comparative period associated with the cancellation of unvested market-based equity awards granted to the Chief Executive Officer. It also reflects lower stock-based compensation costs, largely driven by the full recognition of high fair value options and RSUs granted in December 2021, which were fully expensed prior to 2025. These decreases were partially offset by a \$1.6 million increase in corporate adjustment costs mainly due to professional, consulting and other costs associated with strategic initiatives.

***Financial expense (income), net***

Financial expense (income), net decreased by \$5.6 million, or 552%, to \$4.6 million expense for the three months ended June 30, 2025, from \$1.0 million income for the three months ended June 30, 2024. The decrease was primarily due to \$5.5 million related to exchange rate differences.

***Provision for Income Taxes***

Provision for income taxes decreased by \$2.0 million or 83%, to \$0.4 million for the three months ended June 30, 2025, from \$2.5 million for the three months ended June 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 six months ended June 30, 2025 and 2024**

**Enterprise, Education & Technology**

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

	<b>Six Months Ended June 30,</b>		<b>Period-over-Period Change</b>	
	<b>2025</b>	<b>2024</b>	<b>Dollar</b>	<b>Percentage</b>
<b>(in thousands, except percentages)</b>				
<b>Enterprise, Education &amp; Technology revenue:</b>				
Subscription revenue	\$ 66,181	\$ 60,426	\$ 5,755	10 %
Professional services revenue	1,477	2,979	(1,502)	(50)%
<b>Total Enterprise, Education &amp; Technology revenue</b>	<b>\$ 67,658</b>	<b>\$ 63,405</b>	<b>\$ 4,253</b>	<b>7 %</b>
<b>Enterprise, Education &amp; Technology gross profit:</b>				
Subscription gross profit	\$ 55,266	\$ 48,160	\$ 7,106	15 %
Professional services gross loss	(2,831)	(1,672)	(1,159)	(69)%
<b>Total Enterprise, Education &amp; Technology gross profit</b>	<b>\$ 52,435</b>	<b>\$ 46,488</b>	<b>\$ 5,947</b>	<b>13 %</b>

**Enterprise, Education & Technology Revenue**

Total EE&T revenue increased by \$4.3 million, or 7%, to \$67.7 million for the six months ended June 30, 2025, from \$63.4 million for the six months ended June 30, 2024. The increase is mainly attributable to a \$2.2 million increase in revenue from new customers and \$2.1 million increase in revenue from existing customers.

EE&T subscription revenue increased by \$5.8 million, or 10%, to \$66.2 million for the six months ended June 30, 2025, from \$60.4 million for the six months ended June 30, 2024.

EE&T professional services revenue decreased by \$1.5 million, or 50%, to \$1.5 million for the six months ended June 30, 2025 from \$3.0 million for the six months ended June 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 \$5.9 million, or 13%, to \$52.4 million for the six months ended June 30, 2025, from \$46.5 million for the six months ended June 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 \$7.1 million, or 15%, to \$55.3 million for the six months ended June 30, 2025, from \$48.2 million for the six months ended June 30, 2024.

EE&T professional services gross loss increased by \$1.2 million, or 69%, to a gross loss of \$2.8 million for the six months ended June 30, 2025, from a gross loss of \$1.7 million for the six months ended June 30, 2024.

### *Media & Telecom*

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

	Six Months Ended June 30,		Period-over-Period Change	
	2025	2024	Dollar	Percentage
	<b>(in thousands, except percentages)</b>			
<b>Media &amp; Telecom revenue:</b>				
Subscription revenue	\$ 21,109	\$ 21,758	\$ (649)	(3)%
Professional services revenue	2,679	3,650	(971)	(27)%
<b>Total Media &amp; Telecom revenue</b>	<b>\$ 23,788</b>	<b>\$ 25,408</b>	<b>\$ (1,620)</b>	<b>(6)%</b>
<b>Media &amp; Telecom gross profit:</b>				
Subscription gross profit	11,896	11,760	\$ 136	1 %
Professional services gross loss	(376)	(964)	588	61 %
<b>Total Media &amp; Telecom gross profit</b>	<b>\$ 11,520</b>	<b>\$ 10,796</b>	<b>\$ 724</b>	<b>7 %</b>

### *Media & Telecom Revenue*

M&T revenue decreased by \$1.6 million, or 6%, to \$23.8 million for the six months ended June 30, 2025, from \$25.4 million for the six months ended June 30, 2024. The decrease is mainly attributable to a decrease in revenue from existing customers.

M&T subscription revenue decreased by \$0.6 million, or 3%, to \$21.1 million for the six months ended June 30, 2025, from \$21.8 million for the six months ended June 30, 2024.

M&T professional services revenue decreased by \$1.0 million, or 27%, to \$2.7 million for the six months ended June 30, 2025, from \$3.7 million for the six months ended June 30, 2024.

### *Media & Telecom Gross Profit*

M&T gross profit increased by \$0.7 million, or 7%, to \$11.5 million for the six months ended June 30, 2025, from \$10.8 million for the six months ended June 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 \$0.1 million, or 1%, to \$11.9 million for the six months ended June 30, 2025, from \$11.8 million for the six months ended June 30, 2024.

M&T professional services gross loss decreased by \$0.6 million, or 61%, to \$0.4 million for the six months ended June 30, 2025, from \$1.0 million for the six months ended June 30, 2024.

## Operating Expenses

### Research and Development expenses

	Six Months Ended June 30,		Period-over-Period Change	
	2025	2024	Dollar	Percentage
	(in thousands, except percentages)			
Employee compensation	\$ 16,305	\$ 16,554	\$ (249)	(2)%
Subcontractors and consultants	3,067	3,458	(391)	(11)%
IT related	2,420	2,508	(88)	(4)%
Other	1,864	1,514	350	23 %
Total research and development expenses	\$ 23,656	\$ 24,034	\$ (378)	(2)%

Research and development expenses decreased by \$0.4 million, or 2%, to \$23.7 million for the six months ended June 30, 2025, from \$24.0 million for the six months ended June 30, 2024. The decrease was primarily due to a \$0.4 million decrease in subcontractor and consultant costs, primarily attributable to reduced use of outsourced resources, and a \$0.2 million decrease in compensation expenses, largely driven by the full recognition of high fair value RSUs granted in December 2021, which were fully expensed prior to 2025

### Sales and Marketing expenses

	Six Months Ended June 30,		Period-over-Period Change	
	2025	2024	Dollar	Percentage
	(in thousands, except percentages)			
Employee compensation & commission	\$ 18,399	\$ 19,089	\$ (690)	(4)%
Marketing expenses	1,879	1,738	141	8 %
Travel and entertainment	734	572	162	28 %
Other	2,430	2,193	237	11 %
Total sales and marketing expenses	\$ 23,442	\$ 23,592	\$ (150)	(1)%

Sales and marketing expenses slightly decreased by \$0.2 million, or 1%, to \$23.4 million for the six months ended June 30, 2025, from \$23.6 million for the six months ended June 30, 2024.

### General and Administrative expenses

	Six Months Ended June 30,		Period-over-Period Change	
	2025	2024	Dollar	Percentage
	(in thousands, except percentages)			
Employee compensation	\$ 13,956	\$ 18,341	\$ (4,385)	(24)%
Professional fees and insurance	2,162	2,133	29	1 %
Subcontractors and consultants	603	581	22	4 %
Travel and entertainment	483	395	88	22 %
Unused cloud hosting commitment expense	—	1,312	(1,312)	NM
Corporate adjustments	1,632	—	1,632	NM
Other	2,355	2,736	(381)	(14)%
Total general and administrative expenses	\$ 21,191	\$ 25,498	\$ (4,307)	(17)%

General and administrative expenses decreased by \$4.3 million, or 17%, to \$21.2 million for the six months ended June 30, 2025, from \$25.5 million for the six months ended June 30, 2024. The decrease was primarily due to a \$4.4 million reduction 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, partially offset by a \$1.6 million increase in corporate adjustment costs, mainly due to professional, consulting, and other costs associated with strategic initiatives.

#### Financial Expense (Income), net

Financial expense (income), net increased by \$2.3 million, or 467%, to \$2.8 million expenses for the six months ended June 30, 2025, from \$0.5 million expenses for the six months ended June 30, 2024. The increase was primarily due to an increase of \$2.4 million related to exchange rate differences partially offset by \$0.2 million of higher interest income associated with our investments.

#### Provision for Income Taxes

Provision for income taxes decreased by \$3.0 million, or 63%, to \$1.8 million for the six months ended June 30, 2025, from \$4.8 million for the six months ended June 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 June 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 June 30, 2025, the Company repurchased 3,468,731 shares of common stock at a weighted average price of \$2.07 per share (excluding broker and transaction fees of \$0.1 million). As of June 30, 2025, the Company had remaining authorization under the 2025 Repurchase Program to repurchase common stock up to an aggregate amount of approximately \$6.9 million, subject to satisfying required conditions under the Companies Law and Companies Regulations. See Part II, Item 2 “Purchases of Equity Securities by the Issuer or Affiliated Purchaser” of this Quarterly Report on Form 10-Q for further information.

### ***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 2024 Repurchase Program, which updated the aggregate amount of permitted Restricted Payments (as defined in the Credit Agreement; which term includes, among others, repurchases of the Company's outstanding common stock) and conditions for making such payments.

In March 2025, the Company entered into another amendment to the Credit Agreement, in connection with the 2025 Repurchase Program, 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.

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 June 30, 2025, the current rate of interest under the Credit Facilities was equal to a rate per annum of 6.90%, consisting of 4.30% (the 3-month SOFR rate as of June 26, 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.

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 June 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 June 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 June 30, 2025, we had approximately \$31.0 million of borrowings outstanding under the Term Loan Facility.

### ***Cash Flows***

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

	<b>Six Months Ended June 30,</b>	
	<b>2025</b>	<b>2024</b>
	<b>(in thousands)</b>	
Net cash provided by (used in) operating activities	\$ 1,610	\$ (2,751)
Net cash provided by investing activities	11,625	1,763
Net cash used in financing activities	(11,335)	(1,296)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	487	(132)
Net increase (decrease) in cash, cash equivalents, and restricted cash	<u>2,387</u>	<u>(2,416)</u>
Cash, cash equivalents, and restricted cash at beginning of period	33,159	36,784
Cash, cash equivalents and restricted cash at end of period	<u>\$ 35,546</u>	<u>\$ 34,368</u>

### ***Operating Activities***

Net cash flows provided by operating activities increased by \$4.4 million for the six months ended June 30, 2025, as compared to the six months ended June 30, 2024.

Net cash provided by operating activities of \$1.6 million for the six months ended June 30, 2025, was primarily due to \$8.9 million incremental net loss, adjusted for non-cash charges of \$16.0 million, and net cash outflows of \$5.5 million due to changes in our operating assets and liabilities. Non-cash charges primarily consisted of depreciation and amortization of \$2.3 million, stock-based compensation expenses of \$8.6 million and amortization of deferred contract acquisitions and fulfillment costs of \$5.7 million partially offset by non-cash interest income, net of \$0.2 million. The main drivers of net cash outflows were derived from the changes in operating assets and liabilities and were related to a decrease in deferred revenue of \$8.1 million, an increase in trade receivables of \$1.3 million, an increase in deferred contract acquisition and fulfillment cost of \$2.0 million, an aggregate decrease in employees accruals, and accrued expenses and other liabilities of \$1.2 million and an increase of \$0.1 million in prepaid expenses and other current assets and other assets, partially offset by, an increase in trade payables of \$6.1 million and net change in operating right-of-use asset and lease liability of \$1.1 million.

Net cash used in operating activities of \$2.8 million for the six months ended June 30, 2024, was primarily due to \$21.1 million incremental net loss, adjusted for non-cash charges of \$23.2 million, and net cash outflows of \$4.9 million due to changes in our operating assets and liabilities. Non-cash charges primarily consisted of depreciation and amortization of \$2.6 million, stock-based compensation expenses of \$15.4 million and amortization of deferred contract acquisitions and fulfillment costs of \$5.7 million. The main drivers of net cash outflows were derived from the changes in operating assets and liabilities and were related to an increase in deferred contract acquisition and fulfillment cost of \$2.5 million, decrease in deferred revenue of \$7.2 million and net change in operating right-of-use asset and lease liability of \$0.9 million, offset by an increase in trade receivables of \$1.2 million, an increase in trade payables of \$3.4 million and an aggregate decrease in employees accruals, and accrued expenses and other liabilities of \$1.1 million.

#### *Investing Activities*

Net cash flows provided by investing activities increased by \$9.9 million for the six months ended June 30, 2025 as compared to the six months ended June 30, 2024.

Net cash provided by investing activities of \$11.6 million for the six months ended June 30, 2025 was related to proceeds from maturities of available-for-sale marketable securities of \$42.5 million, partially offset by purchases of marketable securities of \$30.4 million and \$0.4 million of capital expenditures.

Net cash provided by investing activities of \$1.8 million for the six months ended June 30, 2024 was related to proceeds from maturities of available-for-sale marketable securities of \$21.5 million, offset by investment in available-for-sale marketable securities of \$19.4 million and \$0.3 million of capital expenditures.

#### *Financing Activities*

Net cash flows used in financing activities increased by \$10.0 million for the six months ended June 30, 2025 as compared to the six months ended June 30, 2024.

Net cash used in financing activities of \$11.3 million for the six months ended June 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 \$1.5 million, partially offset by \$2.8 million due to proceeds from the exercise of stock options.

Net cash used in financing activities of \$1.3 million for the six months ended June 30, 2024 was primarily due to repayment of long-term loans of \$1.3 million, \$0.1 million repurchase of common stock and \$0.1 million payments on account of 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 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 six months ended June 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 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 Quarterly Report on 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 six months ended June 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 six months ended June 30, 2025, of \$0.4 million and \$0.8 million, respectively due to the NIS (after considering cash-flow hedges) and \$1.6 million and \$2.6 million, respectively due to the Euros.

### ***Interest Rate Risk***

As of June 30, 2025, we had outstanding floating rate debt obligations of \$31.0 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 for the three and six months ended June 30, 2025.

### ***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.

On August 4, 2025, our Board of Directors approved the 2025 Reorganization Plan, designed to realign the Company's operations to further increase efficiency and productivity. The 2025 Reorganization Plan includes, among other things, downsizing approximately 10% of our then current workforce and adapting our organizational structure, roles, and responsibilities accordingly. The 2025 Reorganization Plan was based on our estimates, assumptions and forecasts, which are subject to known and unknown risks and uncertainties, including assumptions regarding cost savings, cash burn rate and gross profit improvements. Accordingly, we may not be able to fully realize the cost savings, enhanced liquidity and other benefits anticipated from the 2025 Reorganization Plan. Additionally, implementation of our 2025 Reorganization Plan and any other cost-saving initiatives may be costly and disruptive to our business, the expected costs and charges may be greater than we have forecasted, and the estimated cost savings may be lower than we have forecasted. In addition, our initiatives could result in personnel attrition beyond our planned reduction in headcount or reduce employee morale, which could in turn adversely impact productivity, including through a loss of continuity, loss of accumulated knowledge and/or inefficiency during transitional periods, or our ability to attract highly skilled employees. Unfavorable publicity about us or the 2025 Reorganization Plan could result in reputational harm and could diminish confidence in our brand and business. The 2025 Reorganization Plan may require a significant amount of management's and other employees' time and focus, which may divert attention from effectively operating and growing our business.

**Item 2. Unregistered Sales of Equity Securities and Use of Proceeds****Purchases of Equity Securities by the Issuer or Affiliated Purchaser**

The following table presents information with respect to the Company's purchases of its common stock during the three months ended June 30, 2025:

Period	Total Number of Shares Purchased (1)	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (in Thousands)
April 1, 2025 to April 30, 2025	1,505,827	\$ 1.93	1,505,827	\$ 11,165
May 1, 2025 to May 31, 2025	1,135,743	\$ 2.20	1,135,743	\$ 8,667
June 1, 2025 to June 30, 2025	827,161	\$ 2.14	827,161	\$ 6,900
Total	3,468,731	\$ 2.07	3,468,731	\$ 6,900

(1) 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 \$5.0 million. As of January 31, 2025, the Company had approximately \$2.1 million of remaining repurchase authority under the 2024 Repurchase Program. 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, 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.

#### ***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.**

(a) On August 4, 2025, the Company's Board of Directors approved the 2025 Reorganization Plan, which includes, among other things, downsizing approximately 10% of the Company's current workforce and adapting the Company's organizational structure, roles, and responsibilities accordingly. The total cost reduction from the downsizing 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 and support the Company's growth and profitability initiatives. In connection with the 2025 Reorganization Plan, the Company expects to incur pre-tax charges of approximately \$0.7 million, primarily for severance and related costs, all of which are expected to be expensed in the third quarter of 2025. All of these charges are expected to result in cash expenditures. The 2025 Reorganization Plan is expected to be substantially completed in the third quarter of 2025.

(b) During the three months ended June 30, 2025, no directors or officers of the Company adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," as each term is defined in Item in Item 408(a) of Regulation S-K.

**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				Filed/Furnished Herewith
		Form	File No.	Exhibit	Filing Date	
3.1	<a href="#">Amended and Restated Certificate of Incorporation of Kaltura, Inc.</a>	8-K	001-40644	3.1	07/23/2021	
3.2	<a href="#">Certificate of Designations of Series A Junior Participating Preferred Stock of Kaltura, Inc.</a>	8-K	001-40644	3.2	08/08/2022	
3.3	<a href="#">Amended and Restated Bylaws of Kaltura, Inc.</a>	8-K	001-40644	3.2	07/23/2021	
4.1	<a href="#">Specimen Common Stock Certificate of Kaltura, Inc.</a>	S-1/A	333-253699	4.1	03/23/2021	
4.2	<a href="#">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.</a>	S-1/A	333-253699	4.2	03/23/2021	
10.1	<a href="#">Kaltura Severance Plan dated as of June 27, 2025</a>	8-K	001-40644	10.1	06/27/2025	
31.1	<a href="#">Certification of Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a).</a>					*
31.2	<a href="#">Certification of Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a).</a>					*
32.1	<a href="#">Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350.</a>					**
32.2	<a href="#">Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350.</a>					**
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.

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

KALTURA, INC.

Date: August 7, 2025

By:

\_\_\_\_\_  
/s/ Ron Yekutiel

**Ron Yekutiel**  
**Chairman, President and Chief Executive Officer**  
*(Principal Executive Officer)*

Date: August 7, 2025

By:

\_\_\_\_\_  
/s/ John Doherty

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

## CERTIFICATION

I, Ron Yekutieli, 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: August 7, 2025

By: \_\_\_\_\_ /s/ Ron Yekutieli

**Ron Yekutieli**  
**Chairman, President and Chief Executive Officer**  
*(Principal Executive Officer)*

## 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: August 7, 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 June 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: August 7, 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 June 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: August 7, 2025

By: \_\_\_\_\_ /s/ John Doherty  
**John Doherty**  
**Chief Financial Officer**  
*(Principal Financial and Accounting Officer)*