



TWILIO SIGNS DEFINITIVE AGREEMENT TO ACQUIRE SEGMENT

October 12, 2020



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This presentation also contains estimates and other statistical data made by independent parties and by the Company relating to market size and growth and other industry data. These data involve a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. The Company has not independently verified the statistical and other industry data generated by independent parties and contained in this presentation and, accordingly, it cannot guarantee their accuracy or completeness. In addition, projections, assumptions and estimates of its future performance and the future performance of the markets in which the Company competes are necessarily subject to a high degree of uncertainty and risk due to a variety of factors. These and other factors could cause results or outcomes to differ materially from those expressed in the estimates made by the independent parties and by Twilio.

This presentation also includes certain non-GAAP financial measures. These non-GAAP financial measures are in addition to, and not as a substitute for or superior to measures of financial performance prepared in accordance with GAAP. There are a number of limitations related to the use of these non-GAAP financial measures versus their nearest GAAP equivalents. For example, other companies may calculate non-GAAP financial measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of the Company's non-GAAP financial measures as tools for comparison. The Company has provided a reconciliation of those measures to the most directly comparable GAAP measures, which is available in the appendix.

For further information with respect to Twilio, we refer you to our most recent quarterly report on Form 10-Q filed with the SEC. In addition, we are subject to the information and reporting requirements of the Securities Exchange Act of 1934 and, accordingly, file periodic reports, current reports, proxy statements and other information with the SEC. The final prospectus and these periodic reports, current reports, proxy statements and other information are available for review at the SEC's website at <http://www.sec.gov>.



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TRANSACTION OVERVIEW

STRATEGIC RATIONALE

- Provides a single view of a customer across channels for more effective engagement
- Forms foundational data element fueling Twilio's Engagement Cloud
- Enables businesses to delight their customers with personalized, timely, and impactful communication

TRANSACTION CONSIDERATION

- \$3.2 billion in Twilio Class A common stock, on a fully diluted and cash free debt free basis
- Represents ~6% pro forma ownership

EXPECTED CLOSING

- Expected to close in Twilio's Q4 FY20
- Subject to satisfaction of customary closing conditions



Twilio's Vision is to Build the World's Leading Customer Engagement Platform



**The Leading
Customer Engagement Platform**

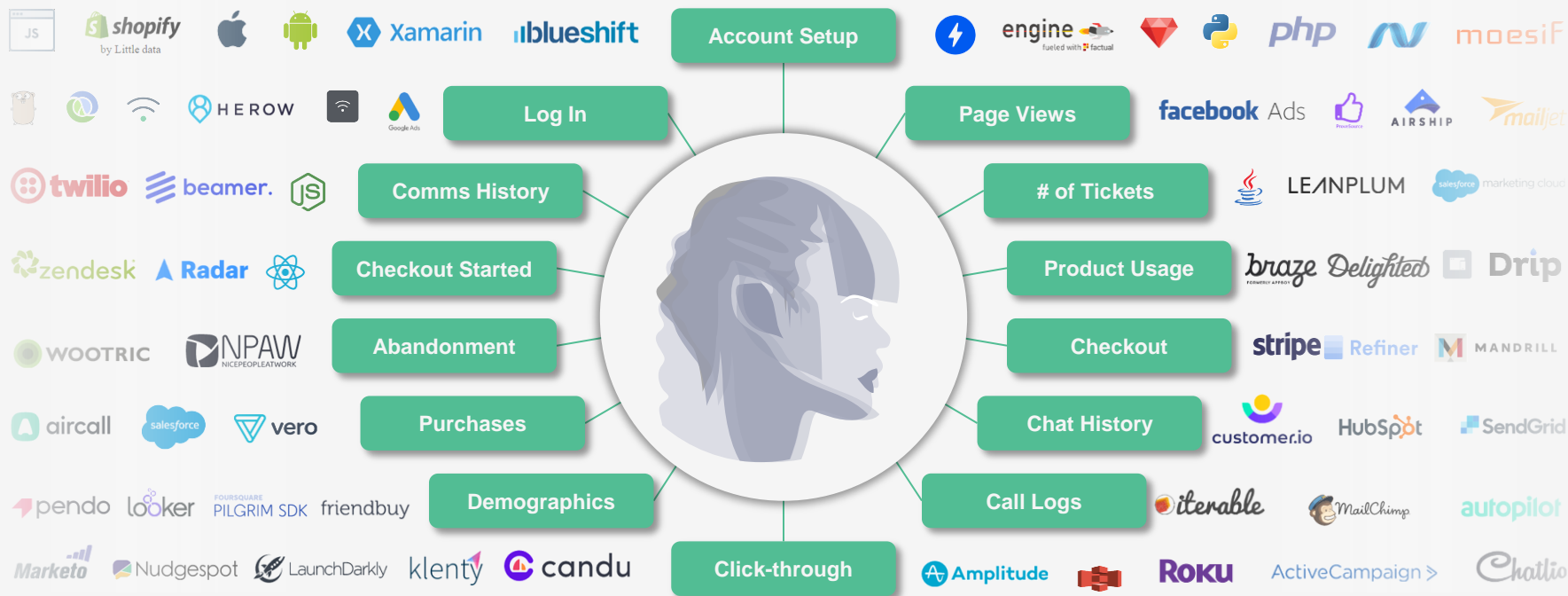


**The Leading
Customer Data Platform**

Understanding Customer Data is Key to Achieving this Vision



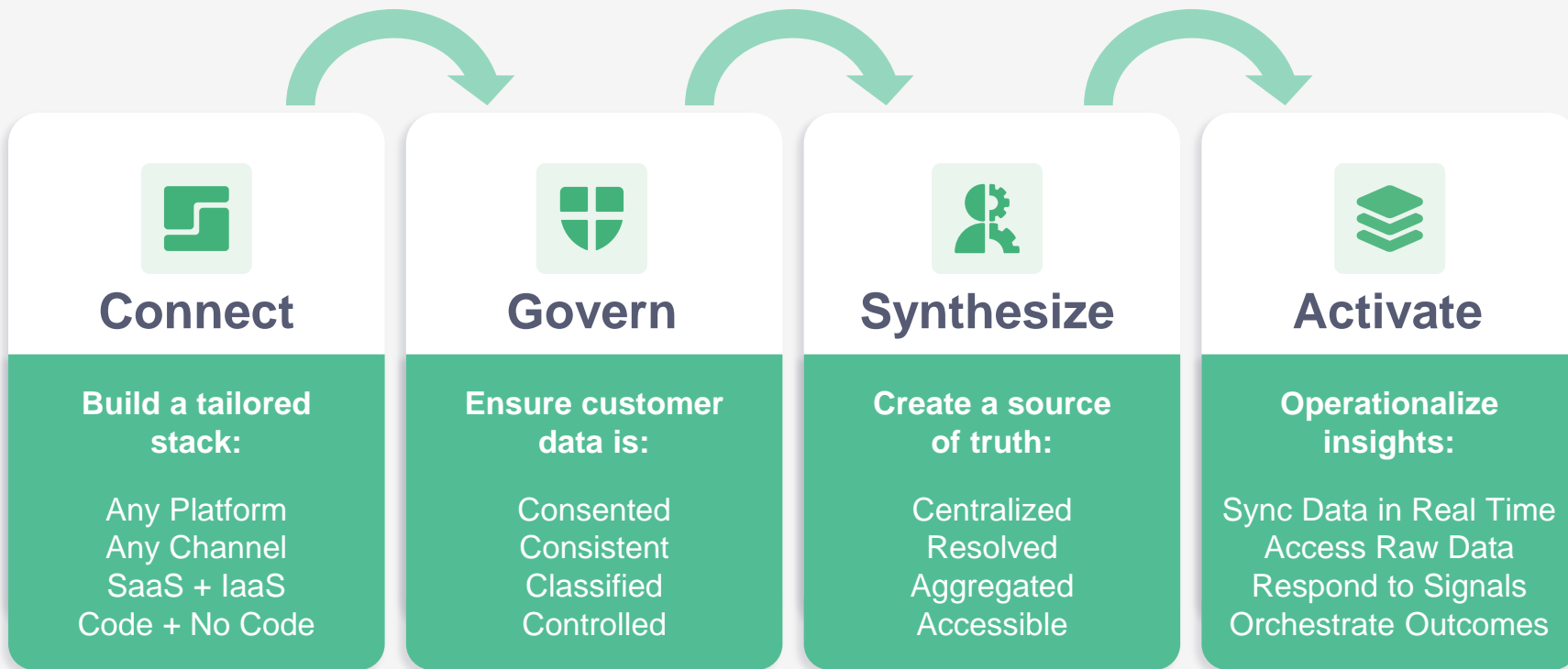
EVERY BUSINESS NEEDS A COMPLETE VIEW OF THEIR CUSTOMER...



...BUT DATA IS SILOED ACROSS MANY DISPARATE SYSTEMS

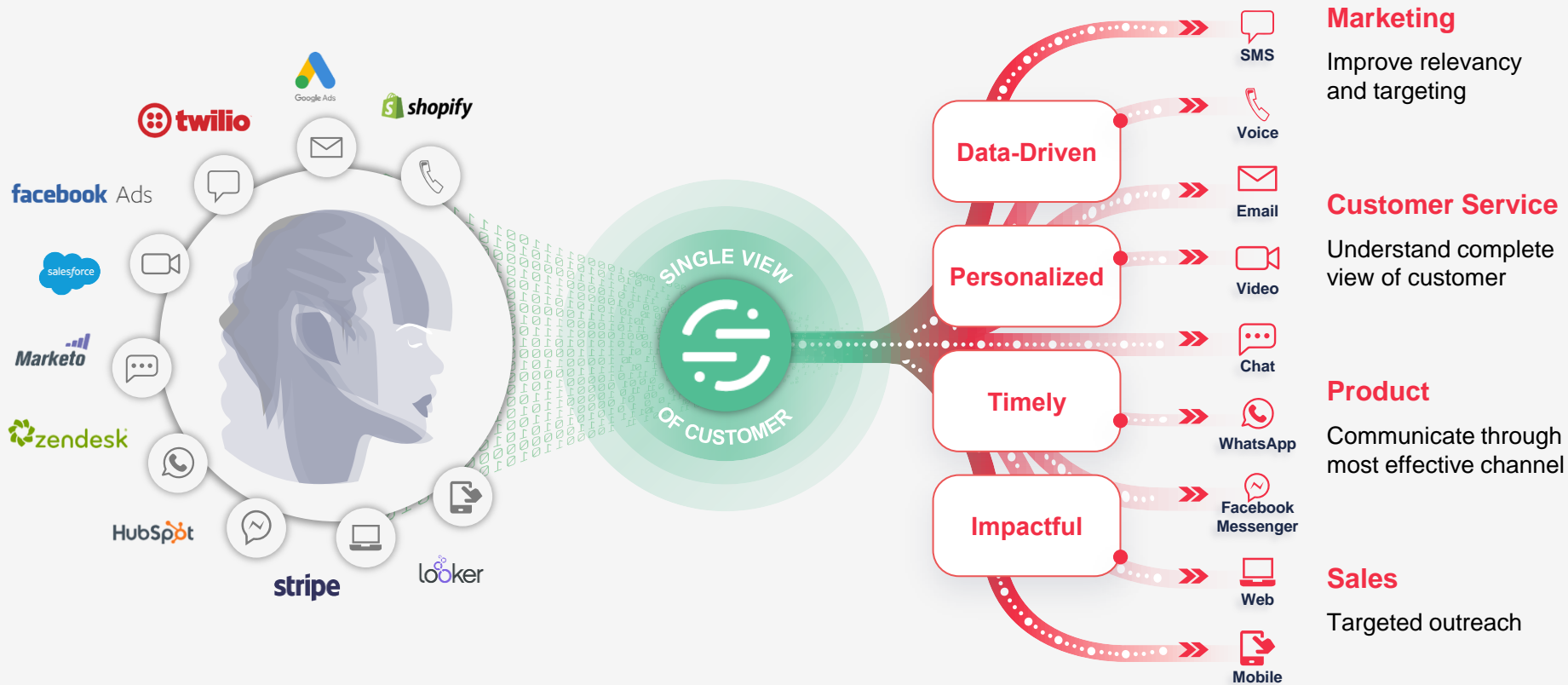


SEGMENT: UNIFYING CUSTOMER DATA ACROSS TOUCH POINTS





EMPOWERING BUSINESSES TO DRIVE BETTER ENGAGEMENT

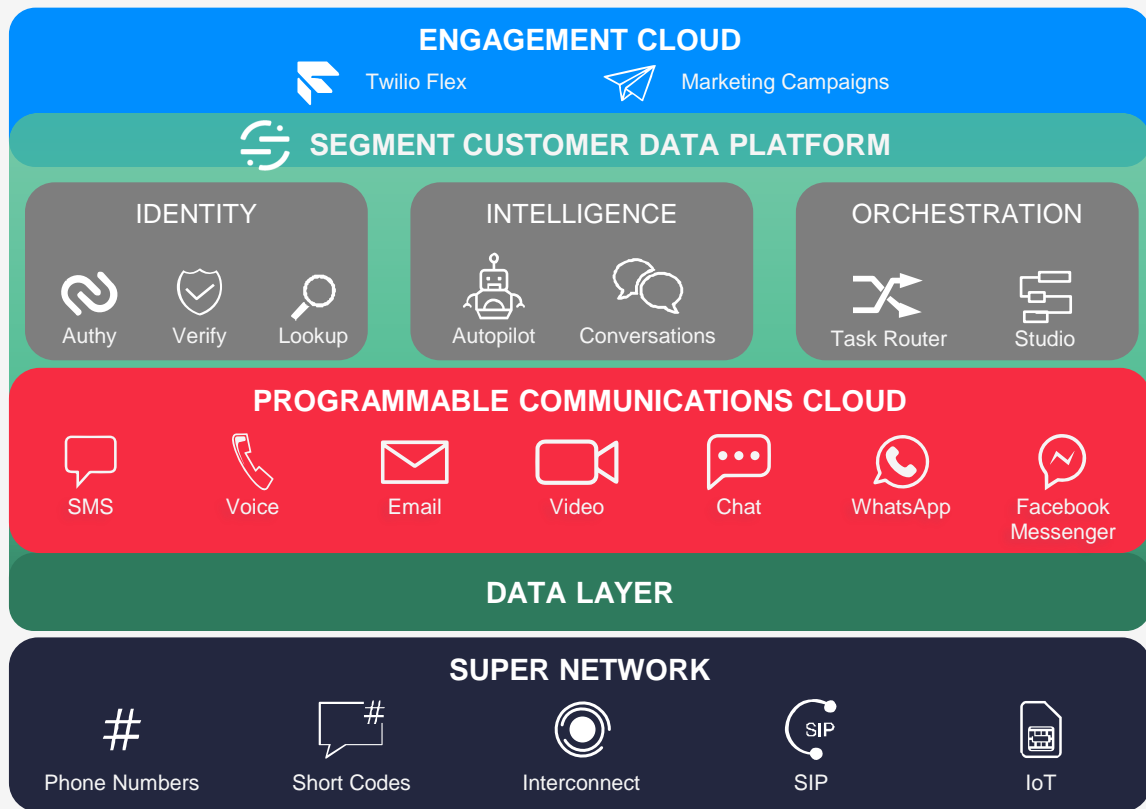




EFFECTIVE ENGAGEMENT LEADS TO MORE COMMUNICATION



LAYING THE NEXT FOUNDATIONAL ELEMENT OF THE ENGAGEMENT CLOUD



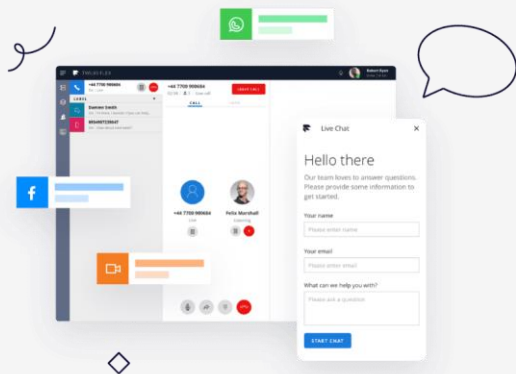
Creating ability to delight customers

Layering data to power communications and make each interaction more effective

Started with Communications



ACCELERATING TRANSFORMATION OF THE CONTACT CENTER



Twilio Flex

AI-powered self-service

Omni-channel customer support

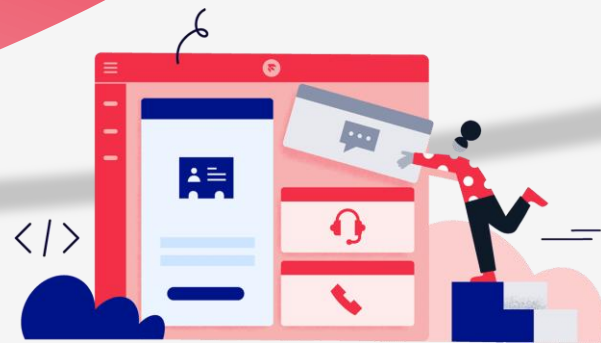
Proactive customer engagement



360 degree view of customer

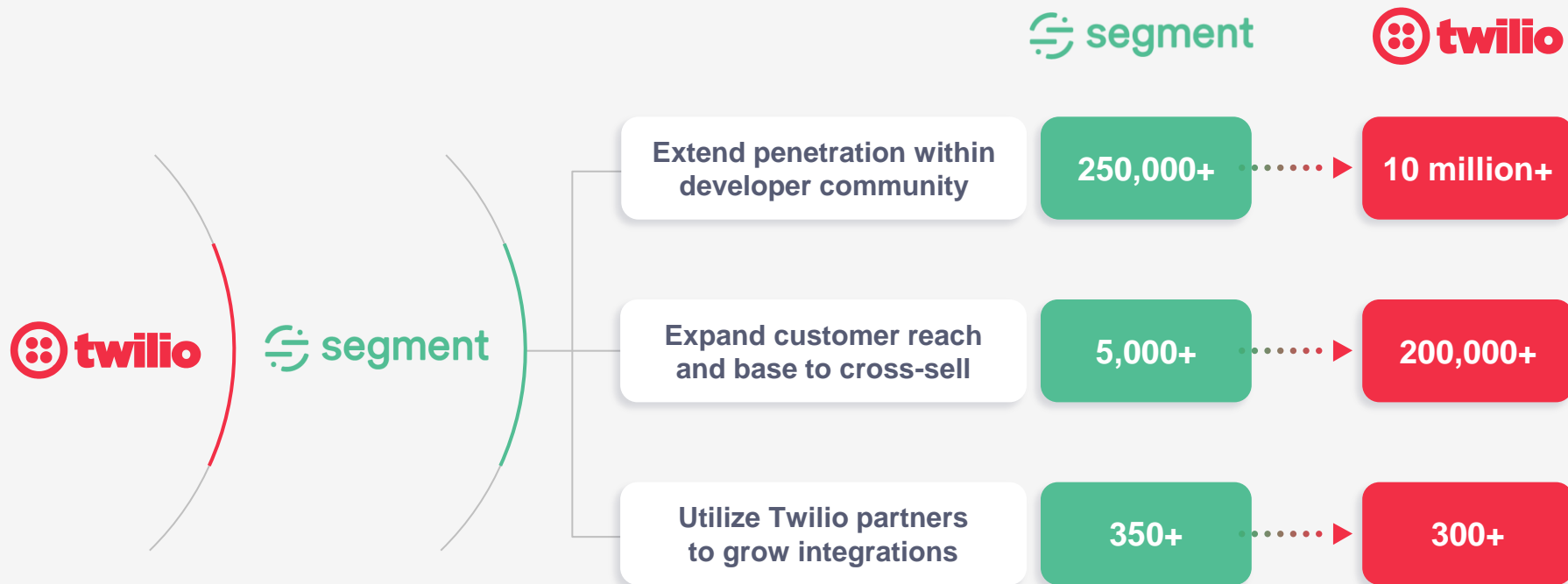
Capturing actions across channels

Creating personas



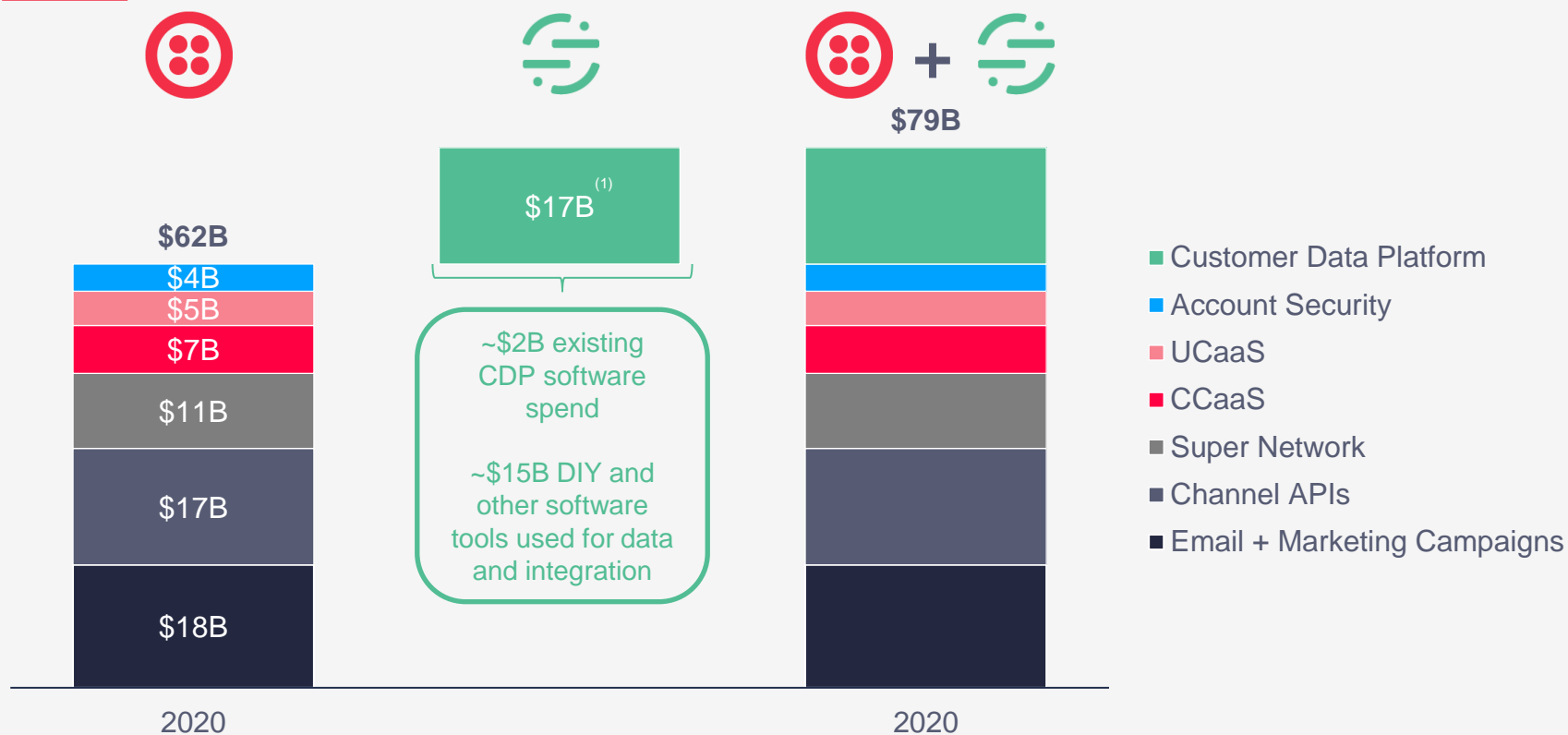


UNIQUELY POSITIONED TO EXPAND SEGMENT'S REACH





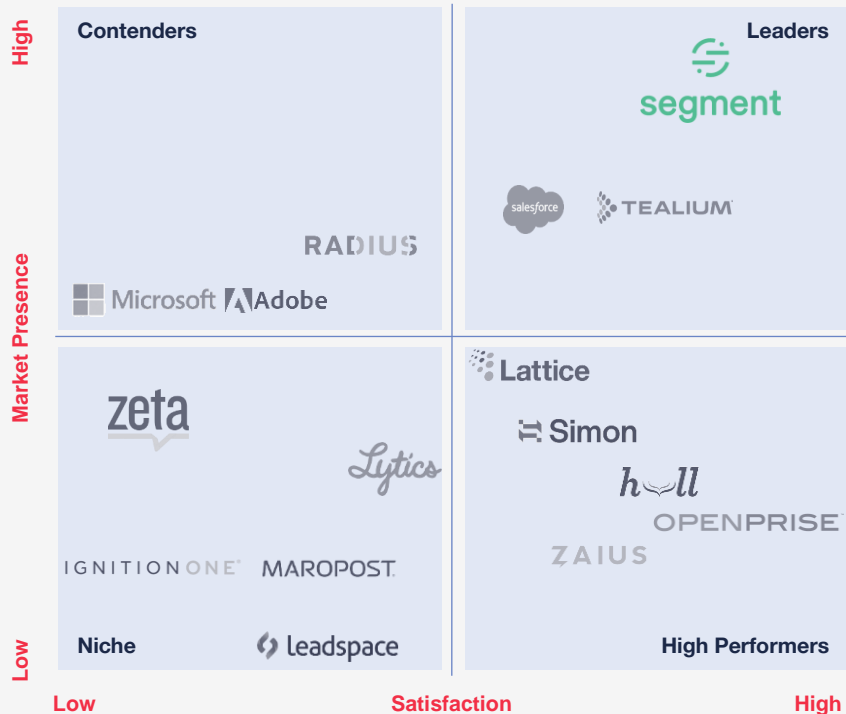
SIGNIFICANT EXPANSION IN TOTAL ADDRESSABLE MARKET





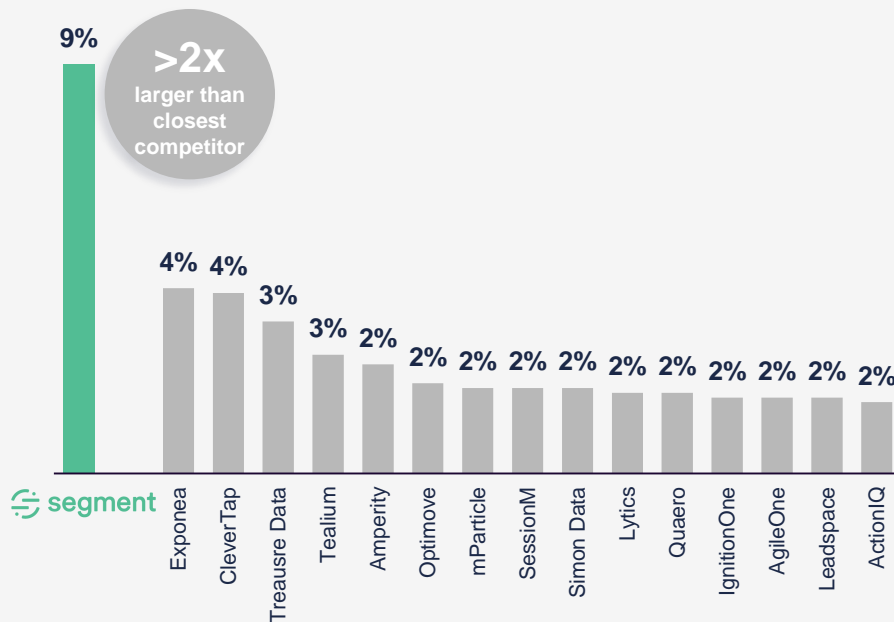
STRONG MARKET LEADERSHIP

G2 Recognizes Segment as the CDP Leader



Source: G2 Grid for Customer Data Platform (CDP)

IDC Worldwide Customer Data Platform Market Share, 2019



Source: IDC Customer Data Platform (CDP) Market Share, issued in March 2020



WE SHARE A COMMON DNA



Shared Values

Deeply Understand Customers

Empower Others to Create

Constantly Innovate



Shared Vision

Delight Customers

Improve Engagement

Promote Relevancy



Shared Model

Developer-first

Low Friction

Enterprise-relevant



COMPELLING FINANCIAL PROFILE

High Growth (50%+), scaled business

~75% non-GAAP gross margins

Subscription revenue model with 1 year+ contracts

Similar multiple paid to SendGrid in 2019



SUCCESSFUL TRACK RECORD IN M&A

PLATFORM EXPANSION



ADDITIONAL CAPABILITIES



IoT



Brazil Expansion



IoT



WFO



Super Network



Programmable Video



2FA

At Acquisition

Today

31%

Revenue Growth
in 2018 y/y ⁽¹⁾

36%

Revenue Growth
in H1 2020 y/y

113%

Dollar-Based
Net Expansion

119%

Dollar-Based
Net Expansion

CUSTOMER ENGAGEMENT | PRODUCT EXPANSION | TECHNOLOGY CAPABILITIES | INTERNATIONAL GROWTH

(1) Management Case Projections in fairness opinion



Thank you