

Q4 2023 RESULTS CALL

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Use of Non-GAAP Financial Measures

This Presentation includes non-GAAP financial measures. Cellebrite believes that these non-GAAP measures are useful to investors for two principal reasons. First, Cellebrite believes these measures may assist investors in comparing performance over various reporting periods on a consistent basis by removing from operating results the impact of items that do not reflect core operating performance. Second, these measures are used by Cellebrite's management to assess its performance. Cellebrite believes that the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating ongoing operating results and trends. These non-GAAP measures should not be considered in isolated from, or as an alternative to, financial measures determined in accordance with GAAP. Other companies may calculate these non-GAAP financial measures differently, and therefore such financial measures may not be directly comparable to similarly titled measures of other companies. A reconciliation of each of these non-GAAP financial measures to their most comparable GAAP measure is set forth in a table included at the end of this Presentation and is also available in our earnings release for the quarter on our website at investors.cellebrite.com.

In regard to forward looking non-GAAP guidance, we are not able to reconcile the forward-looking Adjusted EBITDA measure to the closest corresponding GAAP measure without unreasonable efforts because we are unable to predict the ultimate outcome of certain significant items including, but not limited to, fair value movements, share-based payments for future awards, tax expense, depreciation and amortization expense, and certain financing and tax items.

Forward-Looking Statements

This presentation includes "forward looking statements" within the meaning of the "safe harbor" provisions of the United States Private Securities Litigation Reform Act of 1995. Forward looking statements may be identified by the use of words such as "forecast," "intend," "seek," "target," "anticipate," "will," "appear," "approximate," "foresee," "might," "possible," "potential," "believe," "could," "predict," "should," "could," "continue," "expect," "estimate," "may," "plan," "outlook," "future" and "project" and other similar expressions that predict, project or indicate future events or trends or that are not statements of historical matters. Such forward looking statements include estimated financial information. Such forward looking statements with respect to revenues, earnings, performance, strategies, prospects, and other aspects of Cellebrite's business are based on current expectations that are subject to risks and uncertainties. A number of factors could cause actual results or outcomes to differ materially from those indicated by such forward looking statements. These factors include, but are not limited to: Cellebrite's ability to keep pace with technological advances and evolving industry standards; Cellebrite's material dependence on the purchase, acceptance and use of its solutions by law enforcement and government agencies; real or perceived errors, failures, defects or bugs in Cellebrite's DI solutions; Cellebrite's failure to maintain the productivity of sales and marketing personnel, including relating to hiring, integrating and retaining personnel; intense competition in all of Cellebrite's markets; the inadvertent or deliberate misuse of Cellebrite's solutions; failure to manage its growth effectively; Cellebrite's ability to introduce new solutions and add-ons; its dependency on its customers renewing their subscriptions; the low volume of business Cellebrite conducts via e-commerce; risks associated with the use of artificial intelligence; the risk of requiring additional capital to support the growth of its business; risks associated with higher costs or unavailability of materials used to create its hardware product components; fluctuations in foreign currency exchange rates; lengthy sales cycle for some of Cellebrite's solutions; near term declines in new or renewed agreements; risks associated with inability to retain qualified personnel and senior management; the security of Cellebrite's operations and the integrity of its software solutions; risks associated with the negative publicity related to Cellebrite's business and use of its products; risks related to Cellebrite's intellectual property; the regulatory constraints to which Cellebrite is subject; risks associated with different corporate governance requirements applicable to Israeli companies and risks associated with being a foreign private issuer and an emerging growth company; market volatility in the price of Cellebrite's shares; changing tax laws and regulations; risks associated with joint ventures, partnerships and strategic initiatives; risks associated with Cellebrite's significant international operations; risks associated with Cellebrite's failure to comply with anti-corruption, trade compliance, anti-money-laundering and economic sanctions laws and regulations; risks relating to the adequacy of Cellebrite's existing systems, processes, policies, procedures, internal controls and personnel for Cellebrite's current and future operations and reporting needs; and other factors, risks and uncertainties set forth in the section titled "Risk Factors" in Cellebrite's annual report on Form 20-F filed with the SEC on April 27, 2023 and in other documents filed by Cellebrite with the U.S. Securities and Exchange Commission, which are available free of charge at www.sec.gov. You are cautioned not to place undue reliance upon any statements, which speak only as of the date made, in this communication or elsewhere. Cellebrite undertakes no obligation to update its forward-looking statements, whether as a result of new information, future developments or otherwise, should circumstances change, except as otherwise required by securities and other applicable laws.

01

**RESULTS
HIGHLIGHTS**

02

**GROWTH
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**STRATEGIC PRIORITIES &
CUSTOMER SUCCESS**

04

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FINANCIAL REVIEW

RESULTS HIGHLIGHTS

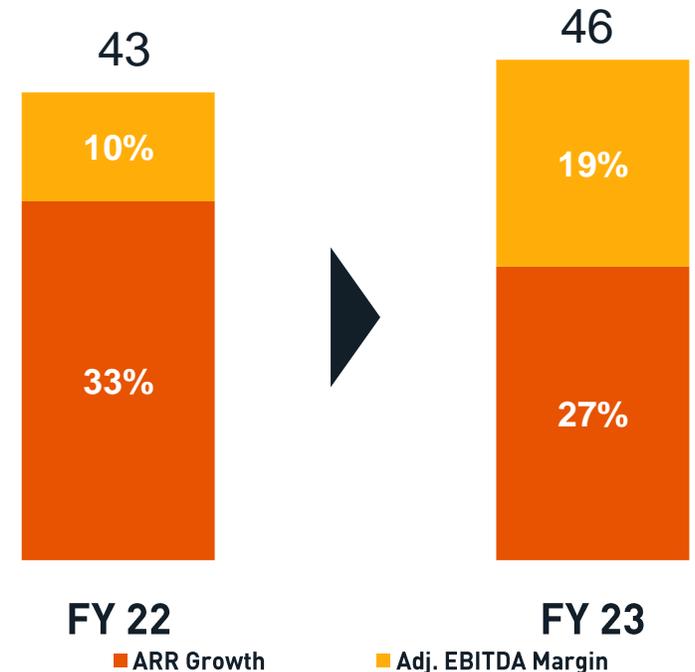
\$74M Q4 22 **\$93M +26%** Total Revenue – Q4 23

\$62M Q4 22 **\$79M +26%** Subscription Revenue – Q4 23

\$249M DEC 22 **\$316M +27%** ARR – DEC 23

\$16M Q4 22 **22%** **\$23M** **24%** Adj. EBITDA & Adj. EBITDA %* – Q4 23

Rule of X



GROWTH PROSPECTS



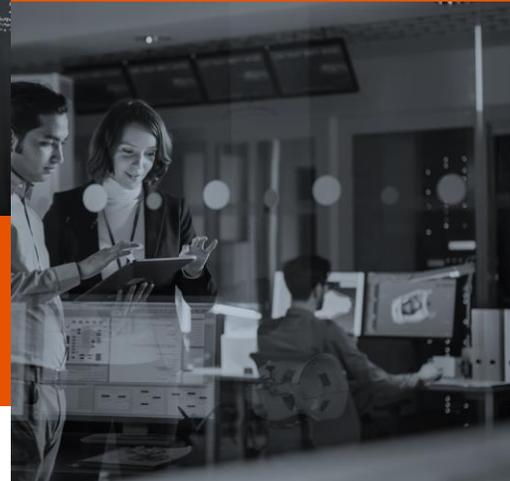
HEALTHY MARKET ENVIRONMENT

CUSTOMER RELATIONSHIPS



PLATFORM

TECHNOLOGY



TEAM



STRATEGIC PRIORITIES & CUSTOMER SUCCESS

LEADERSHIP IN DIGITAL FORENSICS UNITS

Western Europe: National police

- Extends advanced solutions out into the field

Nordic Region: National police

- Inseyets upgrade to support richer data and access to more devices

GROWTH WITHIN INVESTIGATIVE UNITS

United States: State-based military agency

- Deployed Pathfinder and our software for advanced lawful access as part of an initiative aimed at combating human trafficking

United States: Leading diversified media company

- New customer needed a a defensible, repeatable process for collecting relevant, targeted data from geographically dispersed employees in order to upgrade its eDiscovery and corporate investigation activities

United States: Large city police department

- Building out a dedicated digital forensics center
- Multiple Cellebrite solutions including Guardian

STRATEGIC MOVES IN THE PRIVATE SECTOR

LEADING WITH CLOUD

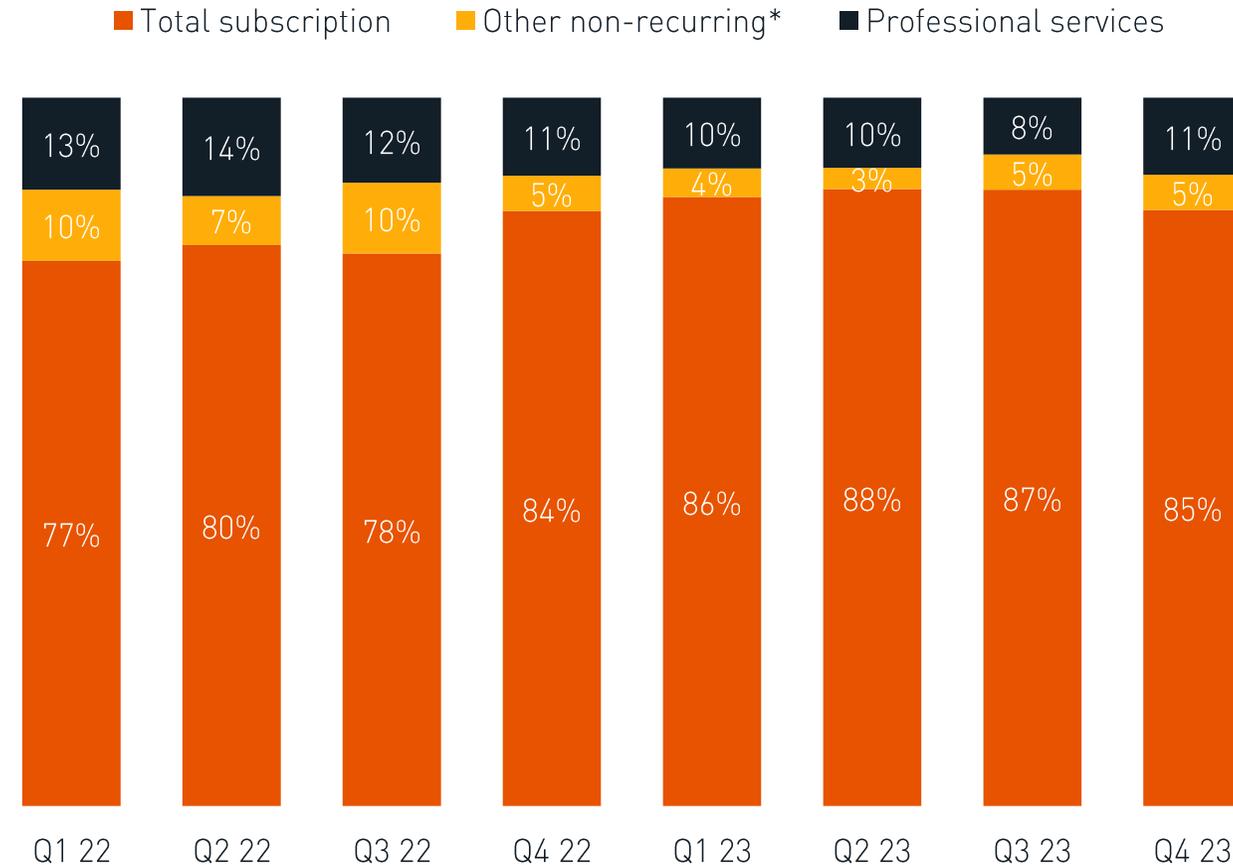
OUTLOOK & SUMMARY

- ✦ **Expectation for another year of solid ARR and revenue expansion with good potential for incremental improvement in our operating profitability**
- ✦ **Operation Find Them All**
- ✦ **We move into 2024 with confidence that we have great people, products, partners and programs and we are excited about our prospects for making 2024 another successful year**

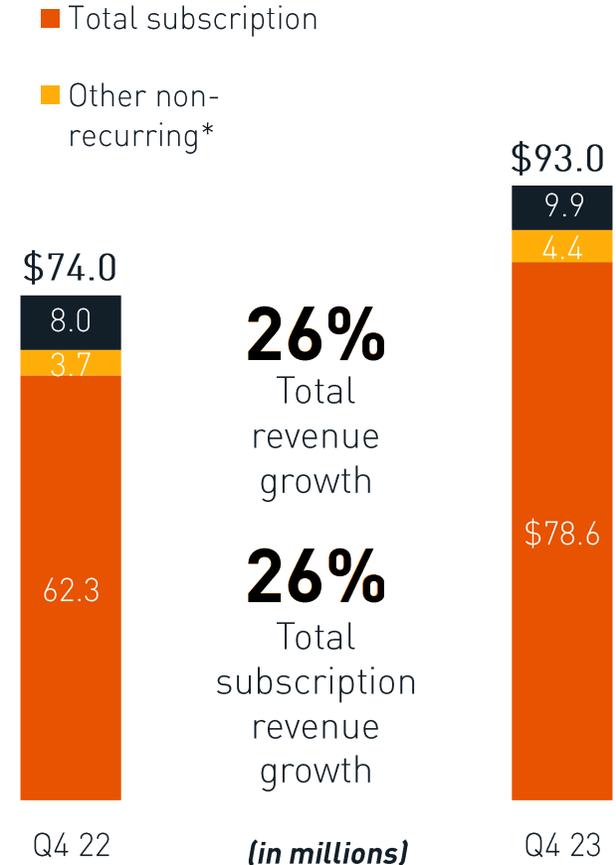
FINANCIAL REVIEW



REVENUE GROWTH DRIVEN BY SUBSCRIPTION



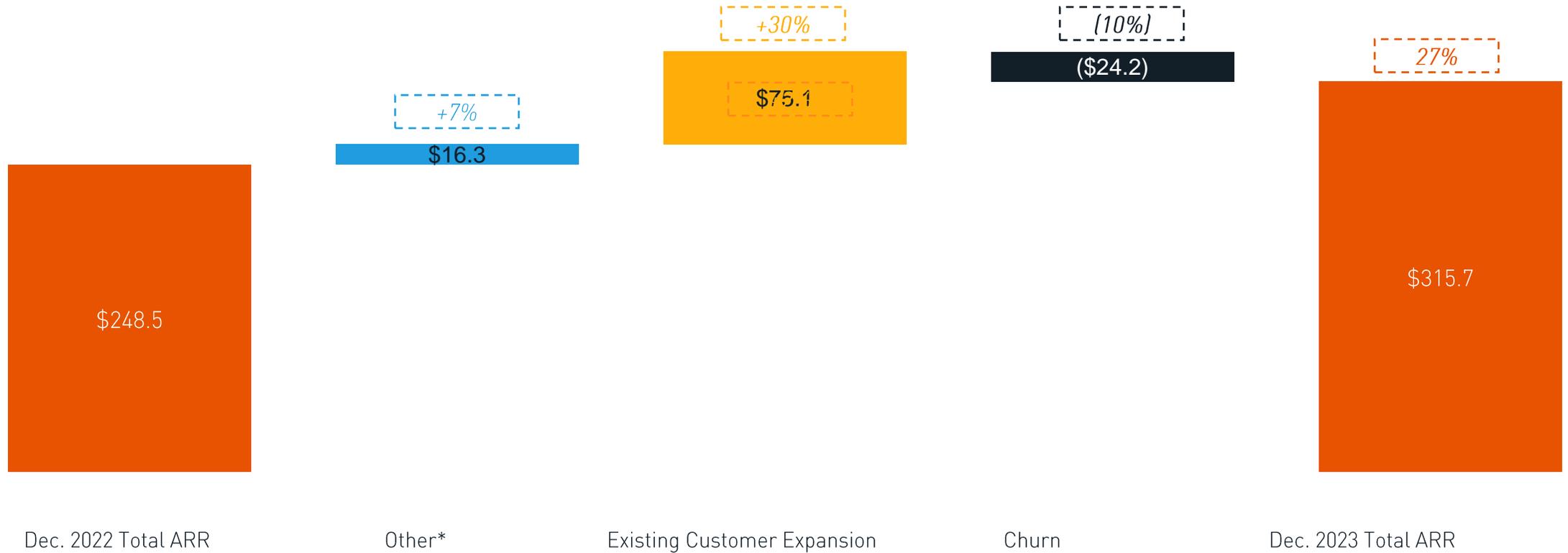
Note: Numbers may not total 100% due to rounding.



Note: Numbers may not total due to rounding.

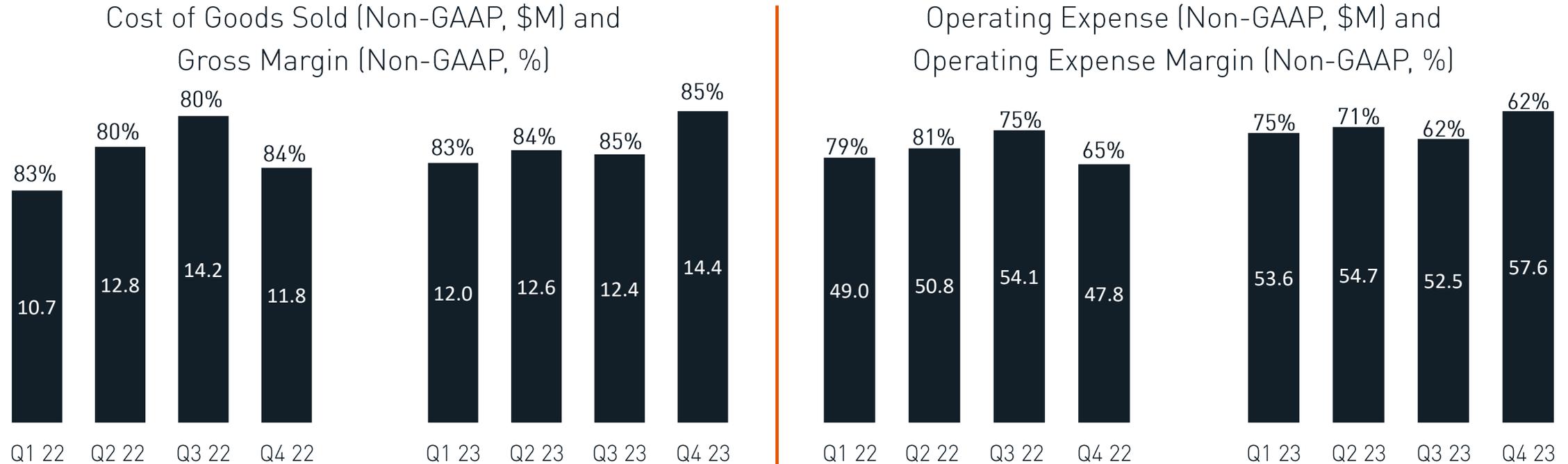
*Other non-recurring revenue is composed of hardware sales, usage fees and perpetual licenses, and was previously referred to “Perpetual license and other.” Changing the name for this type of revenue reflects that perpetual license revenue has declined to relatively insignificant levels with hardware sales now representing the majority of this type of revenue.

ARR GROWTH DRIVEN BY EXISTING CUSTOMER EXPANSION



* Other represents new logo land, price increase & transition to subscription

GROSS MARGIN AND OPERATING COSTS



1,004
Headcount Dec-22



1,008
Headcount Dec-23

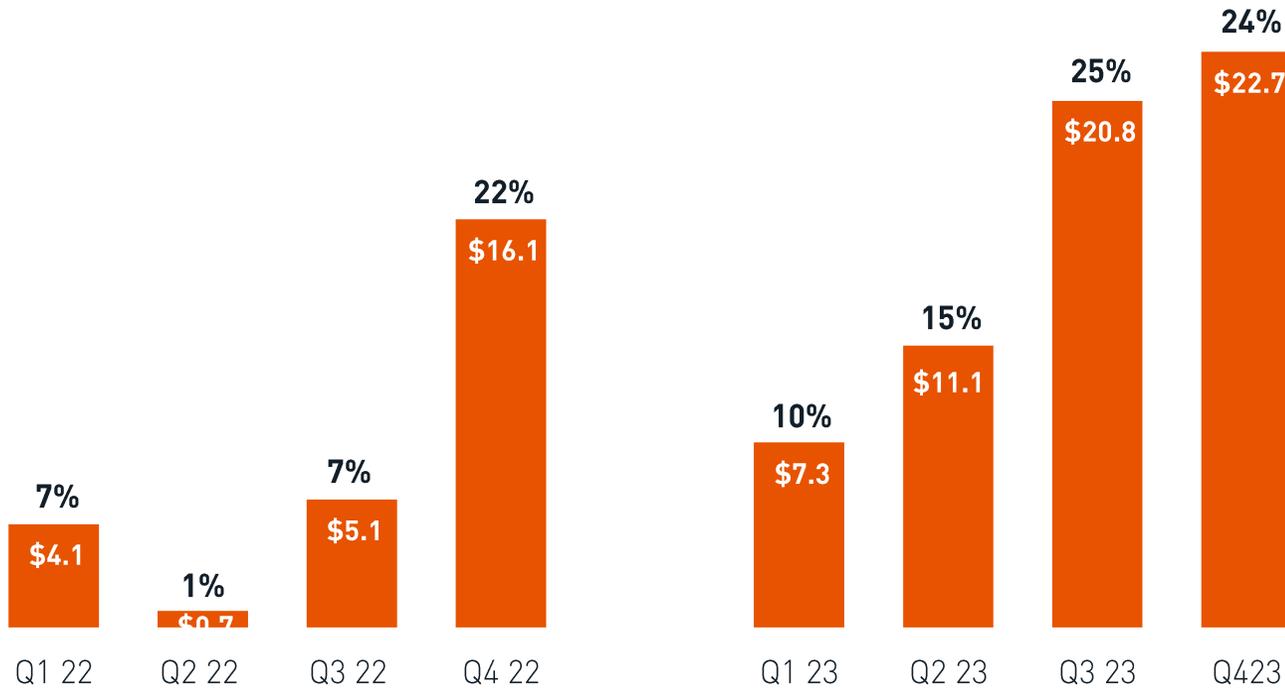


~1,150
Target Headcount Dec-24

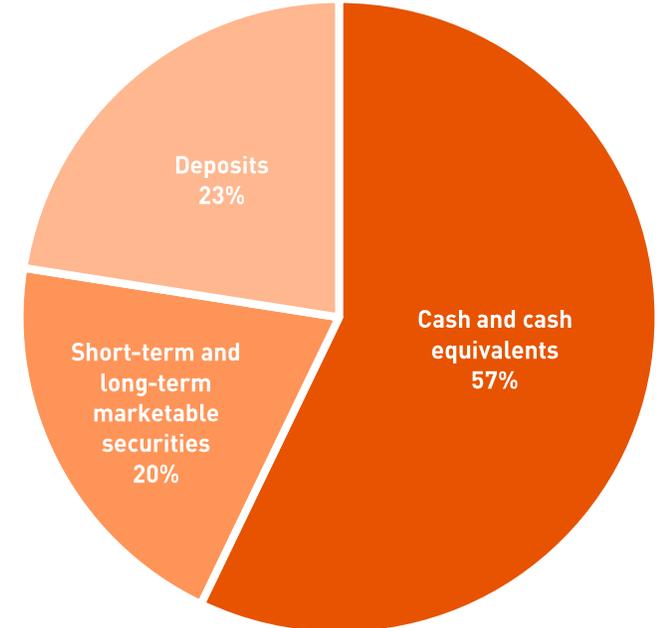
Note: non-GAAP metrics and key performance indicators defined in the appendix along with a reconciliation between the non-GAAP metric and its most applicable GAAP measure.

ADJUSTED EBITDA & CASH POSITION

Adjusted EBITDA (Non-GAAP, \$M) and Adjusted EBITDA Margin (Non-GAAP, %)



Cash Position
\$331.8M (12/31/23)
 +\$48.5M from Q3 23 | +126.0M from Q4 22



Note: non-GAAP metrics and key performance indicators defined in the appendix along with a reconciliation between the non-GAAP metric and its most applicable GAAP measure.

FINANCIAL FORECAST

	2023A	Q1 '24 EXPECTATIONS (AS OF 2/15/24)	FY '24 EXPECTATIONS (AS OF 2/15/24)
ARR	\$316M	\$325M - \$335M	\$380M - \$400M
ARR Growth (y/y)	+27%	+24% - +28%	+20% - +27%
Revenue	\$325M	\$83M - \$88M	\$370M - \$380M
Revenue Growth (y/y)	+20%	+17% - +24%	+14% - +18%
Adjusted EBITDA*	\$61.9M	\$12M - \$15M	\$70M - \$80M
Adjusted EBITDA Margin*	19.1%	15% - 17%	19% - 21%

* Non-GAAP

Note: non-GAAP metrics and key performance indicators defined in the appendix along with a reconciliation between the non-GAAP metric and its most applicable GAAP measure

Q & A

APPENDIX

Q4 '23 & FY24

(U.S Dollars in
thousands)

FINANCIAL SUMMARY

	For the three months ended		For the Year ended	
	December 31,		December 31,	
	2023	2022	2023	2022
Revenue	93,013	74,018	325,110	270,651
Gross profit	78,097	61,887	271,879	219,905
Gross margin	84.0 %	83.6 %	83.6 %	81.3 %
Operating income	14,999	9,674	33,237	1,044
Operating margin	16.1 %	13.1 %	10.2 %	0.4 %
Cash flow from operating activities	43,828	35,743	102,058	20,577
Non-GAAP Financial Data:				
Operating income	20,982	14,428	55,282	19,538
Operating margin	22.6 %	19.5 %	17.0 %	7.2 %
Adjusted EBITDA	22,726	16,114	61,946	25,906
Adjusted EBITDA margin	24.4 %	21.8 %	19.1 %	9.6 %

COST OF REVENUE AND GROSS PROFIT

	December 31,		December 31,	
	2023	2022	2023	2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Cost of revenues	\$ 14,916	\$ 12,131	\$ 53,231	\$ 50,746
Less:				
Share based compensation	498	345	1,733	1,284
Acquisition related costs	13	—	52	—
Non-GAAP cost of revenues	\$ 14,405	\$ 11,786	\$ 51,446	\$ 49,462

	For the three months ended December 31,		For the year ended December 31,	
	2023	2022	2023	2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Gross profit	\$ 78,097	\$ 61,887	\$ 271,879	\$ 219,905
Share based compensation	498	345	1,733	1,284
Acquisition related costs	13	—	52	—
Non-GAAP gross profit	\$ 78,608	\$ 62,232	\$ 273,664	\$ 221,189

RECONCILIATION Q4 '23 AND FY '24

(U.S Dollars in
thousands)

RECONCILIATION Q4 '23 AND FY '24

(U.S Dollars in
thousands)

OPERATING EXPENSE & OPERATING INCOME

	For the three months ended		For the year ended	
	December 31,		December 31,	
	2023	2022	2023	2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Operating expenses	\$ 63,098	\$ 52,213	\$ 238,642	\$ 218,861
Less:				
Issuance expenses	—	—	(345)	—
Share based compensation	4,562	3,442	17,265	12,424
Amortization of intangible assets	871	834	3,347	2,826
Acquisition related costs	39	133	(7)	1,960
Non-GAAP operating expenses	<u>\$ 57,626</u>	<u>\$ 47,804</u>	<u>\$ 218,382</u>	<u>\$ 201,651</u>

	For the three months ended		For the year ended	
	December 31,		December 31,	
	2023	2022	2023	2022
	Unaudited	Unaudited	Unaudited	Unaudited
Operating income	\$ 14,999	\$ 9,674	\$ 33,237	\$ 1,044
Issuance expenses	—	—	(345)	—
Share based compensation	5,060	3,787	18,998	13,708
Amortization of intangible assets	871	834	3,347	2,826
Acquisition related costs	52	133	45	1,960
Non-GAAP operating income	<u>\$ 20,982</u>	<u>\$ 14,428</u>	<u>\$ 55,282</u>	<u>\$ 19,538</u>

RECONCILIATION Q4 '23 AND FY '24

(U.S Dollars in
thousands)

NET INCOME & EPS

	For the three months ended		For the year ended	
	December 31,		December 31,	
	2023	2022	2023	2022
	Unaudited	Unaudited	Unaudited	Unaudited
Net (loss) income	\$ (14,647)	\$ 7,078	\$ (81,100)	\$ 120,805
One time tax income	—	—	—	(2,368)
Issuance expenses	—	—	(345)	—
Share based compensation	5,060	3,787	18,998	13,708
Amortization of intangible assets	871	834	3,347	2,826
Acquisition related costs	52	133	45	1,960
Tax (income) expense	(252)	516	633	(384)
Finance expense (income) from financial derivatives	30,915	2,967	119,348	(116,863)
Non-GAAP net income	<u>\$ 21,999</u>	<u>\$ 15,315</u>	<u>\$ 60,926</u>	<u>\$ 19,684</u>
Non-GAAP Earnings per share:				
Basic	\$ 0.12	\$ 0.08	\$ 0.31	\$ 0.10
Diluted	\$ 0.11	\$ 0.08	\$ 0.28	\$ 0.10
Weighted average shares outstanding:				
Basic	194,440,674	184,952,107	190,154,549	182,693,375
Diluted	207,110,826	192,786,615	206,194,081	195,393,558

ADJUSTED EBITDA

	For the three months ended		For the year ended	
	December 31,		December 31,	
	2023	2022	2023	2022
	Unaudited	Unaudited	Unaudited	Unaudited
Net (loss) income	\$ (14,647)	\$ 7,078	\$ (81,100)	\$ 120,805
Financial expense (income), net	27,344	572	108,800	(119,716)
Tax expense (income)	2,302	2,024	5,537	(45)
Issuance expenses	—	—	(345)	—
Share based compensation	5,060	3,787	18,998	13,708
Amortization of intangible assets	871	834	3,347	2,826
Acquisition related costs	52	133	45	1,960
Depreciation expenses	1,744	1,686	6,664	6,368
Adjusted EBITDA	<u>\$ 22,726</u>	<u>\$ 16,114</u>	<u>\$ 61,946</u>	<u>\$ 25,906</u>

RECONCILIATION Q4 '23 AND FY '24

(U.S Dollars in
thousands)

DEFINITIONS

- 1. Annual Recurring Revenue:** Annual recurring revenue (ARR) is defined as the annualized value of active term-based subscription license contracts and maintenance contracts related to perpetual licenses in effect at the end of that period. Subscription license contracts and maintenance contracts for perpetual licenses are annualized by multiplying the revenue of the last month of the period by 12.
- 2. Subscription Revenue:** Is defined as revenue from recurring, term-based license contracts and ongoing services related to core offerings. Subscription revenue is recognized ratably over the subscription term with a portion of revenue, related to the term-based license, recognized upfront.
- 3. Net Retention:** Dollar-based net retention rate is calculated by dividing customer annual recurring revenue by base revenue. We define base revenue as annual recurring revenue we recognized from all customers with a valid license at the end of the equivalent quarter of the previous year. We define our customer revenue as the annual recurring revenue we recognized on the date of measurement from the same customer base included in our measure of base revenue, including recurring revenue resulting from additional sales to those customers.

THANK YOU