Safe Harbor Statement

This presentation contains forward-looking statements. In particular, statements regarding future economic performance, finances, and expectations and objectives of management constitute forward-looking statements. Forward-looking statements can be identified by the fact that they do not relate strictly to historical facts and generally contain words such as "believes," "expects," "may," "will," "should," "seeks," "approximately," "intends," "plans," "estimates," "anticipates," and other expressions that are predictions of or indicate future events and trends and that do not relate to historical matters. Although the forward-looking statements contained in this presentation are based upon information available at the time the statements are made and reflect management's good faith beliefs, forward-looking statements inherently involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements to differ materially from anticipated future results. Important factors that could cause actual results to differ materially from expectations include, among others: inability to attract new customers on a cost-effective basis; our inability to retain customers; intense competition; our reliance on retailers and reseller partnerships to sell our products; our reliance on vendors to manufacture the on-premise appliances and end-point devices we sell; our reliance on third parties for our network connectivity and co-location facilities; our reliance on third parties for some of our software development, quality assurance and operations; our reliance on third parties to provide the majority of our customer service and support representatives; our limited operating history; and interruptions to our service. You should not place undue reliance on these forward-looking statements, which speak only as of the date hereof. We do not undertake to update or revise any forward-looking statements after they are made, whether as a result of new information, future events, or otherwise, except as required by applicable law.

The forward-looking statements contained in this presentation are also subject to other risks and uncertainties, including those more fully described in our filings with the Securities and Exchange Commission, including the risk factors contained in our annual filing form 10K for the year ended January 31, 2018, filed with the SEC on April 2, 2018. The forward-looking statements in this presentation are based on information available to Ooma as of the date hereof, and Ooma disclaims any obligation to update any forward-looking statements, except as required by law.
Ooma is a cloud/SaaS provider of telecommunications and other connected services, with solutions for business, home, and mobile users.
Company Overview

Founded 2004
HQ: Sunnyvale, California
IPO in 2015, NYSE: OOMA
Multi-tenant SaaS platform
~950k Core Users
~90% Recurring revenue
~100% Recurring Revenue Retention
600+ employees/contractors
Investment Highlights

- Massive Connected Services Opportunity
- Unique Hybrid SaaS Platform Solution
- Disruptive Cloud Communications and Other Connected Services
- Efficient Integrated Go to Market Strategy
- Predictable SaaS Subscription Business/Financial Model

1: Core users include home user accounts and business user extensions.

Total Revenue (in millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
<th>F1Q18</th>
<th>F1Q19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual</td>
<td>$88.8</td>
<td>$104.5</td>
<td>$114.5</td>
<td>$27.6</td>
<td>$30.2</td>
</tr>
<tr>
<td>Quarterly</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Core User Recurring Revenue (in millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>FY16</th>
<th>FY17</th>
<th>FY18</th>
<th>F1Q18</th>
<th>F1Q19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual</td>
<td>$62.3</td>
<td>$78.2</td>
<td>$94.2</td>
<td>$21.8</td>
<td>$26.1</td>
</tr>
<tr>
<td>Quarterly</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Mega Trends Drive Our Business

Cloud Communications

“Traditional methods for voice are ripe for replacement.” - Macquarie

SMB SaaS

“SMBs are expanding the SaaS market opportunity for vendors.” - JPMorgan

IoT

“The Internet of Things represents huge potential ... need for more ... systems to deploy, manage and make use of ... devices.” - IDC
Disruptive Cloud Communications Opportunity

**Business**
- 62M Business Lines in North America
- 39% Internet/Cloud
- 61% Traditional

- 30% CAGR\(^1\)

**Home**
- 74M Home Lines in North America
- 40% Traditional
- 60% Internet/Cloud

- 2% CAGR\(^1\)

We Target Communications to Drive Adoption of the Ooma Platform

Unique SaaS Platform

- Multi-Tenant SaaS Platform
- Network
- User Configurable Services
- Portal
- App
- Connects to Many Endpoint Devices
- Linux Appliance, Router, USB, DECT/ULE Radio
- Mobile Services, Alerts and Control

Integrated, Managed Platform Enabling Both Communications and Other Connected Services
Competitive Advantages

- Proprietary PureVoice Technology
- Unique Applications that Create Customer Interest and Stickiness
- Plug-and-Play Solutions, Diagnostics and New Service Upgrades
- Disruptive Low Cost Calling Architecture
Customers Rate Ooma #1

Office

#1 Ranked by Readers
5 Years in a Row

Home

#1 Ranked by Readers
5 Years in a Row

1: 2011-2015
Ooma Ecosystem

Disruptive Quality and Value.

- Home Phone
- SMB Phone
- Enterprise UCaaS
- Home, Business Security

- Innovative features
- Mobile Integration
- DIY home security & monitoring
- Take action With Remote 911

- DIY setup & management
- Curated business features
- Private label for Resellers
- Enterprise-grade feature set
SMB Phone: Ooma Office

**Business Services**
- Virtual Receptionist
- Music-on-Hold
- Voicemail
- Call Transfers
- eFax
- Conferencing
- Call Forwarding
- Ring Groups
- Mobile Apps

**And More!**
- Suite of user configurable cloud PBX features
  - Curated for SMB needs
  - Up to 200 users
- Broadest Solution Available
  - Supports analog phones (using Ooma Base Station), IP phones, mobile phones, and analog fax
- Eliminates expensive specialist IT support
  - Admin and end-user portals
  - Wireless, no cabling required
  - Remote diagnostics
- Makes small businesses sound like big businesses
Small Businesses Are Switching From Traditional/Cable Phone Service

Previous Phone Service

<table>
<thead>
<tr>
<th>Service Type</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Traditional/Telco</td>
<td>43%</td>
</tr>
<tr>
<td>Cable</td>
<td>26%</td>
</tr>
<tr>
<td>No previous phone service</td>
<td>18%</td>
</tr>
<tr>
<td>Cloud</td>
<td>13%</td>
</tr>
</tbody>
</table>

Reasons For Purchasing Ooma Office

1. Cost Savings/Unlimited Nationwide calling
2. Easy to Install/Simple to Configure
3. Uses regular (existing) phones
4. Powerful Features
5. Great Voice Quality

Enterprise UCaaS: Ooma Enterprise

Enterprise Services

- Integrations
- Rich Telephony
- Contact Center
- Global Service
- Mobile Apps
- Collaboration
- High Availability
- Tailored Desk phone Experience
- Reporting

And More!

- Enterprise Targeted Solution
  - Rich, Enterprise-Grade Functionality
  - Scales to thousands of users
  - Distributed global footprint

- Enhanced Quality Of Service

- Bespoke Solutions
  - Custom applications
  - Differentiation for vertical markets
  - Flexible integration strategy

- White Label with Partners

IP Phones
Home Phone: Ooma Telo

Home Services
- Unlimited US Calling
- Voicemail
- Multi-ring
- Ring Groups
- Blacklisting
- 911 Alerts
- Instant 2nd Line
- Alexa Skills

And More!
- Free home phone service, just pay taxes and fees
  - Voicemail and mobile app
  - Safe “landline” 911, plus 911 text alerts
- Innovative Premier features
  - Blocking telemarketers
  - Instant second line
  - And a lot more
- Ideal for families with children, multi-generational households, homes with in-home businesses, second homes, and anyone who cares about safety
Homes Are Switching From Traditional/Cable Phone Service

Previous Phone Service

<table>
<thead>
<tr>
<th>Service</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>No Previous Service</td>
<td>6%</td>
</tr>
<tr>
<td>Cable</td>
<td>22%</td>
</tr>
<tr>
<td>Other VOIP</td>
<td>23%</td>
</tr>
<tr>
<td>Traditional/Telco</td>
<td>49%</td>
</tr>
</tbody>
</table>

Reasons For Purchasing Ooma Telo

1. Free Calling/No More Phone Bills
2. Uses Existing Home Phones
3. Easy Installation
4. Great Voice Quality
5. Bundled Calling Features/Premier Features

Home Security: Ooma Home

Security Services
- Remote 911
- Automatic Arm/Disarm
- Phone call Alerts
- Text & Push Notifications
- Facial Recognition
- Video Battery Backup
- Video On-board Memory
- DIY Installation

And More!

- Do-it-yourself home security that leverages the Ooma Telo
  - Proprietary sensors
  - Smart Home Integrations
- Rich notifications via phone call, SMS, email, Ooma Telo announcements
- Remote 911 for emergency response from anywhere
- Video with A.I. Facial Recognition
- Unique wireless technology supports greater distances, longer battery life, and security
Smart Home Growth Opportunity

Smart Home Security Market Growth*
North America

- Household Penetration:
  - 2018: $4.8Bn, 14%
  - 2022: $9.2Bn, 27%

18% CAGR

Ooma Opportunity

- Large, growing market
- Unique integrated solution
- Leverage existing platform/customers
- Disrupt expensive traditional security

*Source: https://www.statista.com/outlook/281/104/security/north-america#market-revenue
Integrated Growth Strategy

**Efficient Marketing**

TV / Traditional Media
- Broad Reach
- Low Cost
- Builds Brand Image

**Online**
Targeted Campaigns
- Directly
- Through Retailers

**Social / Word of Mouth**
72% Net Promoter Score

**Cost-Effective Sales**

Leading Retailers
- Walmart
- Best Buy
- Costco
- Amazon.com

Direct Sales

Resellers And Partners

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1: PC Magazine, 2017, for Ooma’s Small Business Solution
Growth Drivers

- SMB/Home Cloud Communications
- Enterprise UCaaS
- Security and Other Connected Services
- International Markets
Investment Highlights

- Massive Connected Services Opportunity
- Unique Hybrid SaaS Platform Solution
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Financial Overview
Consistent Revenue Growth

**Annual Revenue**

<table>
<thead>
<tr>
<th></th>
<th>FY 2016</th>
<th>FY 2017</th>
<th>FY 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Millions</td>
<td>$88.8</td>
<td>$104.5</td>
<td>$114.5</td>
</tr>
</tbody>
</table>

**Quarterly Revenue**

<table>
<thead>
<tr>
<th></th>
<th>F1Q18</th>
<th>F1Q19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Millions</td>
<td>$27.6</td>
<td>$30.2</td>
</tr>
</tbody>
</table>

1Q19 combined business and residential subscription revenue growth of 20% yr./yr.
Strong Office Revenue Growth

Annual Revenue

<table>
<thead>
<tr>
<th>FY 2016</th>
<th>FY 2017</th>
<th>FY 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>$10.0</td>
<td>$16.2</td>
<td>$24.9</td>
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</table>

Quarterly Revenue

<table>
<thead>
<tr>
<th>F1Q18</th>
<th>F1Q19</th>
</tr>
</thead>
<tbody>
<tr>
<td>$5.5</td>
<td>$7.7</td>
</tr>
</tbody>
</table>

1Q19 business subscription revenue growth of 53% yr./yr.
Residential Growth Continues

**Annual Revenue**

<table>
<thead>
<tr>
<th>Year</th>
<th>Revenue ($ Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2016</td>
<td>$68.0</td>
</tr>
<tr>
<td>FY 2017</td>
<td>$75.4</td>
</tr>
<tr>
<td>FY 2018</td>
<td>$81.8</td>
</tr>
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</table>

**Quarterly Revenue**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Revenue ($ Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>F1Q18</td>
<td>$19.8</td>
</tr>
<tr>
<td>F1Q19</td>
<td>$21.3</td>
</tr>
</tbody>
</table>

1Q19 Telo subscription revenue growth of 11% yr./yr.
ARPU is blended monthly average subscription & services revenue per core user. Excludes Business Promoter and Talkatone.
Annualized Exit Recurring Revenue

20% CAGR

<table>
<thead>
<tr>
<th>FY 2016</th>
<th>FY 2017</th>
<th>FY 2018</th>
<th>F1Q18</th>
<th>F1Q19</th>
</tr>
</thead>
<tbody>
<tr>
<td>$71.4</td>
<td>$85.2</td>
<td>$103.0</td>
<td>$88.3</td>
<td>$105.3</td>
</tr>
</tbody>
</table>

$ Millions, Residential and Business Subscription Revenue
Expanding Subscription & Services Revenue

- Business
- Residential
- Other

FY16 | FY17 | FY18
--- | --- | ---
$68.7 | $85.7 | $100.2
12% | 17% | 22%
79% | 75% | 72%

F1Q18 | F1Q19
--- | ---
$23.2 | $27.3
20.4% | 26.5%
73.5% | 69.2%

$ Millions, % of Total Subscription & Service Revenue, excluding Business Promoter
Increasing Gross Margin

<table>
<thead>
<tr>
<th>Year</th>
<th>Subscription/Services</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY16</td>
<td>54%</td>
<td>65%</td>
</tr>
<tr>
<td>FY17</td>
<td>58%</td>
<td>70%</td>
</tr>
<tr>
<td>FY18</td>
<td>61%</td>
<td>75%</td>
</tr>
<tr>
<td>F1Q18</td>
<td>69%</td>
<td>80%</td>
</tr>
<tr>
<td>F1Q19</td>
<td>69%</td>
<td></td>
</tr>
</tbody>
</table>

**Long-Term Target**

- Low: 65%
- High: 80%

**Growth Drivers**

- Mix of SMB Increases
- Upselling Premium Services
- Introduction of New Services
- Scale Efficiencies
## Strong Financial Position

<table>
<thead>
<tr>
<th></th>
<th>FY17</th>
<th>FY18</th>
<th>F1Q19</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash and Investments (no debt)</td>
<td>$53.2</td>
<td>$51.8</td>
<td>$49.7</td>
</tr>
<tr>
<td>Cash from Operations</td>
<td>$0.4</td>
<td>$3.2</td>
<td>$0.3</td>
</tr>
<tr>
<td>Capital Spending</td>
<td>$1.6</td>
<td>$2.5</td>
<td>$0.4</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>($1.4)</td>
<td>($0.2)</td>
<td>($0.5)</td>
</tr>
</tbody>
</table>
## Long-Term Target Model (Non-GAAP)

<table>
<thead>
<tr>
<th>% REVENUE</th>
<th>FY17</th>
<th>FY18</th>
<th>F1Q18</th>
<th>F1Q19</th>
<th>TARGET RANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subscription &amp; Services Gross Margin</td>
<td>69%</td>
<td>70%</td>
<td>69%</td>
<td>69%</td>
<td>75% - 80%</td>
</tr>
<tr>
<td>Total Gross Margin</td>
<td>58%</td>
<td>61%</td>
<td>59%</td>
<td>60%</td>
<td>65% - 70%</td>
</tr>
<tr>
<td>Sales &amp; marketing</td>
<td>31%</td>
<td>31%</td>
<td>31%</td>
<td>28%</td>
<td>20% - 25%</td>
</tr>
<tr>
<td>Research &amp; development</td>
<td>20%</td>
<td>22%</td>
<td>20%</td>
<td>25%</td>
<td>12% - 15%</td>
</tr>
<tr>
<td>General &amp; administrative</td>
<td>10%</td>
<td>9%</td>
<td>10%</td>
<td>10%</td>
<td>6% - 8%</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>(1%)</td>
<td>(0%)</td>
<td>0%</td>
<td>(2%)</td>
<td>20% - 25%</td>
</tr>
</tbody>
</table>

Note: Non-GAAP Excludes amortization of Intangibles and stock based compensation expenses
Thank you
## GAAP to Non-GAAP Reconciliation

<table>
<thead>
<tr>
<th>$ Thousands</th>
<th>FY2015</th>
<th>FY 2016</th>
<th>FY 2017</th>
<th>FY 2018</th>
<th>F1Q18</th>
<th>F1Q19</th>
</tr>
</thead>
<tbody>
<tr>
<td>GAAP Gross Profit</td>
<td>$35,477</td>
<td>$46,910</td>
<td>$59,329</td>
<td>$68,092</td>
<td>$16,033</td>
<td>$17,938</td>
</tr>
<tr>
<td>Add: Stock-based compensation expense and related taxes</td>
<td>36</td>
<td>437</td>
<td>1,038</td>
<td>1,129</td>
<td>322</td>
<td>202</td>
</tr>
<tr>
<td>Amortization of Intangibles</td>
<td>122</td>
<td>163</td>
<td>162</td>
<td>183</td>
<td>40</td>
<td>115</td>
</tr>
<tr>
<td>Non-GAAP Gross Profit</td>
<td>$35,635</td>
<td>$47,510</td>
<td>$60,529</td>
<td>$69,404</td>
<td>$16,395</td>
<td>$18,255</td>
</tr>
<tr>
<td>GAAP Sales and Marketing</td>
<td>$22,276</td>
<td>$28,534</td>
<td>$33,768</td>
<td>$37,302</td>
<td>$9,154</td>
<td>$8,895</td>
</tr>
<tr>
<td>Add: Stock-based compensation expense and related taxes</td>
<td>(41)</td>
<td>(611)</td>
<td>(1,455)</td>
<td>(1,857)</td>
<td>(531)</td>
<td>(348)</td>
</tr>
<tr>
<td>Amortization of Intangibles</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>[2]</td>
<td>[2]</td>
</tr>
<tr>
<td>Non-GAAP Sales and Marketing</td>
<td>$22,235</td>
<td>$27,923</td>
<td>$32,313</td>
<td>$35,443</td>
<td>$8,621</td>
<td>$8,523</td>
</tr>
<tr>
<td>GAAP Research and Development</td>
<td>$12,290</td>
<td>$18,502</td>
<td>$24,239</td>
<td>$29,328</td>
<td>$6,621</td>
<td>$8,522</td>
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<tr>
<td>Add: Stock-based compensation expense and related taxes</td>
<td>(169)</td>
<td>(1,683)</td>
<td>(3,619)</td>
<td>(4,046)</td>
<td>(1,086)</td>
<td>(906)</td>
</tr>
<tr>
<td>Amortization of Intangibles</td>
<td>(5)</td>
<td>(6)</td>
<td>(7)</td>
<td>(6)</td>
<td>(2)</td>
<td>(2)</td>
</tr>
<tr>
<td>Non-GAAP Research and Development</td>
<td>$12,116</td>
<td>$16,813</td>
<td>$20,613</td>
<td>$25,276</td>
<td>$5,533</td>
<td>$7,614</td>
</tr>
<tr>
<td>GAAP General and Administrative</td>
<td>$6,650</td>
<td>$12,561</td>
<td>$14,598</td>
<td>$15,186</td>
<td>$3,756</td>
<td>$4,452</td>
</tr>
<tr>
<td>Add: Stock-based compensation expense and related taxes</td>
<td>(180)</td>
<td>(1,922)</td>
<td>(3,754)</td>
<td>(4,086)</td>
<td>(1,079)</td>
<td>(953)</td>
</tr>
<tr>
<td>Amortization of Intangibles</td>
<td>(179)</td>
<td>(224)</td>
<td>(179)</td>
<td>(124)</td>
<td>(41)</td>
<td>(5)</td>
</tr>
<tr>
<td>Acquisition related costs</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(350)</td>
</tr>
<tr>
<td>Change in fair value of acquisition-related contingent consideration</td>
<td>(656)</td>
<td>281</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Non-GAAP General and Administrative</td>
<td>$5,635</td>
<td>$10,696</td>
<td>$10,665</td>
<td>$10,976</td>
<td>$2,636</td>
<td>$3,144</td>
</tr>
<tr>
<td>GAAP Operating (Loss)</td>
<td>($5,739)</td>
<td>($12,687)</td>
<td>($13,276)</td>
<td>($13,724)</td>
<td>($3,498)</td>
<td>($3,931)</td>
</tr>
<tr>
<td>Add: Stock-based compensation expense and related taxes</td>
<td>426</td>
<td>4,653</td>
<td>9,866</td>
<td>11,118</td>
<td>3,018</td>
<td>2,409</td>
</tr>
<tr>
<td>Amortization of Intangibles</td>
<td>306</td>
<td>393</td>
<td>348</td>
<td>313</td>
<td>83</td>
<td>146</td>
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<tr>
<td>Acquisition related costs</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>350</td>
</tr>
<tr>
<td>Change in fair value of acquisition-related contingent consideration</td>
<td>656</td>
<td>(281)</td>
<td>-</td>
<td>118</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Non-GAAP Operating Loss</td>
<td>($4,351)</td>
<td>($7,922)</td>
<td>($3,062)</td>
<td>($2,175)</td>
<td>($397)</td>
<td>($1,026)</td>
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