Q2 2026 Investor Presentation

Five9 (NASDAQ: FIVN)

August 6, 2026

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This presentation contains statistical data that we obtained from industry publications and reports generated by third parties. Although we believe that the publications and reports are reliable, we have not independently verified this statistical data and accordingly, we cannot guarantee their accuracy or completeness.

Q2'26 Results and Key Metrics

Metric	Result	YoY Growth (%)	% of Total Revenue
Revenues			
Total Revenue	$312M	10%	100%
Subscription[1]		14%	83%
Telecom[1]			11%
Professional Services[1]			6%
Profitability			
Adjusted Gross Profit	$192M	8%	61%
Adjusted EBITDA	$70M	3%	22%
Operating Cash Flow	$42M	20%	13%
Free Cash Flow	$15M	(30%)	5%
Operational			
LTM Subscription DBRR	107%		
LTM Subscription + Telecom DBRR	106%		

Supplemental metric disclosure is available on the Investor Relations section of Five9's website at https://investors.five9.com/

Note: Non-GAAP and adjusted metrics exclude depreciation, intangibles amortization, stock-based compensation and unusual expense items. See appendix for reconciliation of non-GAAP measures to most comparable GAAP measure.
(1) Percent of revenue represents approximate figures due to rounding.

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Industry Recognition in CCaaS + AI

Leader in first-ever European CCaaS MarketScape	IDC MarketScape European CCaaS	IDC
Leader in the 2025 Gartner® Magic Quadrant™ for CCaaS for the eighth time	Gartner® Magic Quadrant™ for CCaaS	Gartner
Recognized by Opus Research for pragmatic, enterprise-ready AI approach that blends innovation, governance, and scalability	2025 Conversational AI Award	opusresearch
Recognized for strong customer sentiment, business success and a focused approach to intelligent CX	MetriRank 2026	metrigy MetriRank 2025
Named to CRN's AI 100 list for software, highlighting innovation in AI Agents and AI-powered CX	2025 & 2026 AI 100	THE CHANNEL CO. CRN

Aragon Research	2025 + 2026 Globe Leader	Recognized by Aragon Research as a leader for driving innovation in AI Agent platforms, blending real-time orchestration, LLMs, and low-code design for smarter, faster CX
metrigy METRISTAR Top Provider 2025	MetriStar Top Provider 2026	Five9 stands out for its CCaaS platform for interaction analytics as well as the Top Customer Sentiment Award earned for workforce engagement management (WEM)
AI Artificial Intelligence Excellence Award 2025	2025 Artificial Intelligence Excellence Awards	Five9 AI Agents named winner for Innovative AI Products
FROST & SULLIVAN	Frost Radar™ Leader 2026 Customer Platform	Recognized for delivering AI-driven innovation and growth in modern cloud contact centers
THE CHANNEL CO. CRN	2025 Products of the Year	Category winner in Unified Communications and Collaboration

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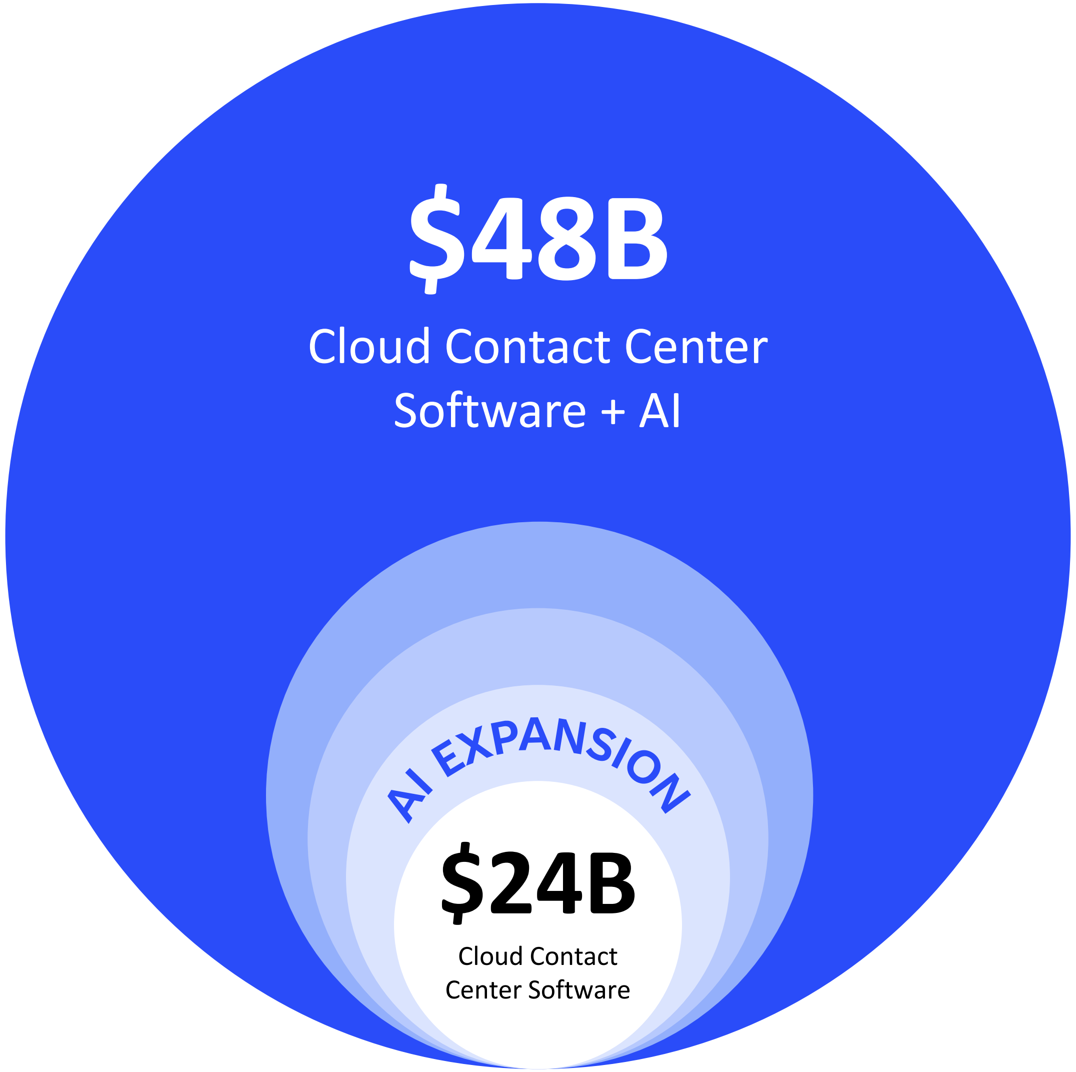
TAM Expansion Driven by AI



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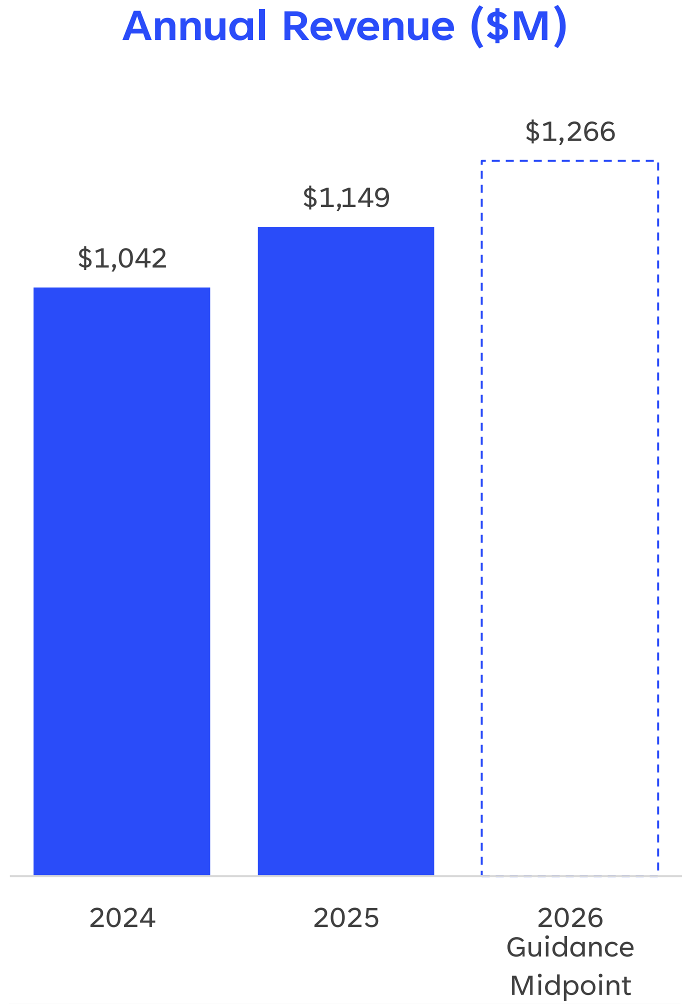
Source: Company estimates; Gartner estimates
Note: TAM as of 6/30/2026 based on Company estimates, Gartner estimates

Consistent Revenue Growth



	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26	2024	2025	2026 Guidance Midpoint
YoY Growth	*13%*	*12%*	*8%*	*8%*	*9%*	*10%*	*14%*	*10%*	*10%*

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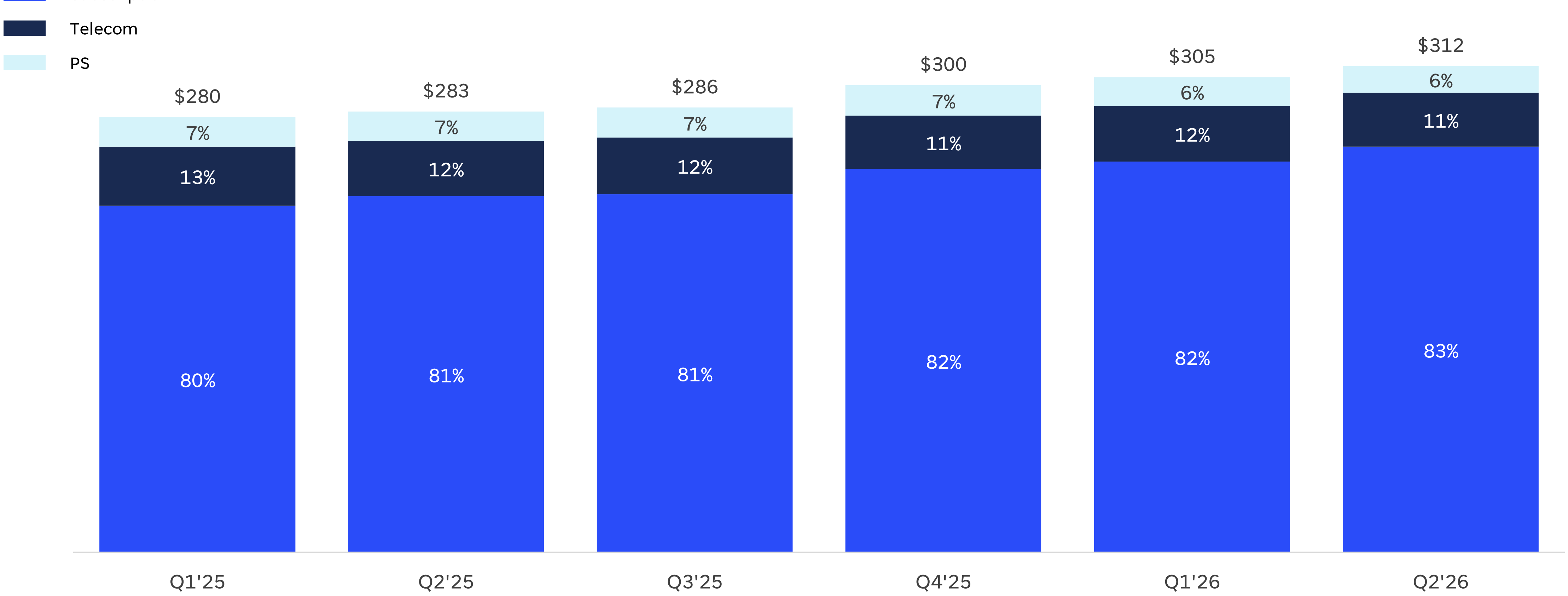
Subscription Increasing as a Percentage of Total Revenue

Total Revenue ($M) and % of Total Revenue



	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26
Adjusted Gross Margin	*62%*	*63%*	*63%*	*63%*	*64%*	*61%*

Note: Non-GAAP and adjusted metrics exclude depreciation, intangibles amortization, stock-based compensation and unusual expense items. See appendix for reconciliation of non-GAAP measures to most comparable GAAP measure.
Percent of revenue represents approximate figures due to rounding.

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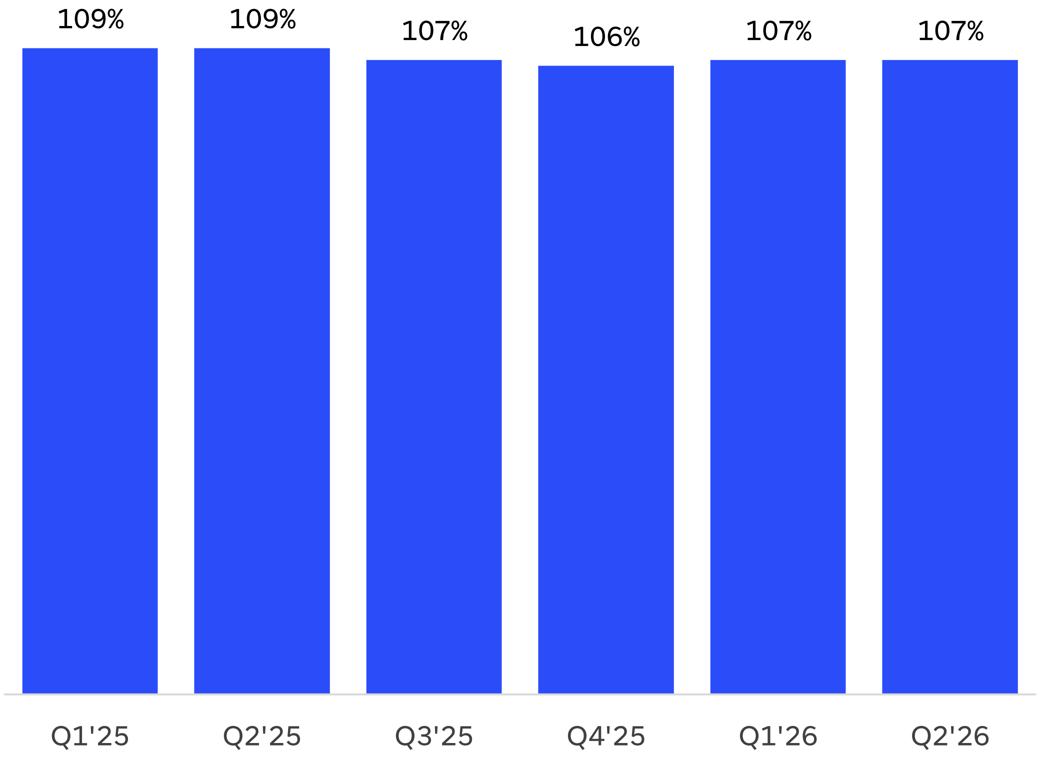
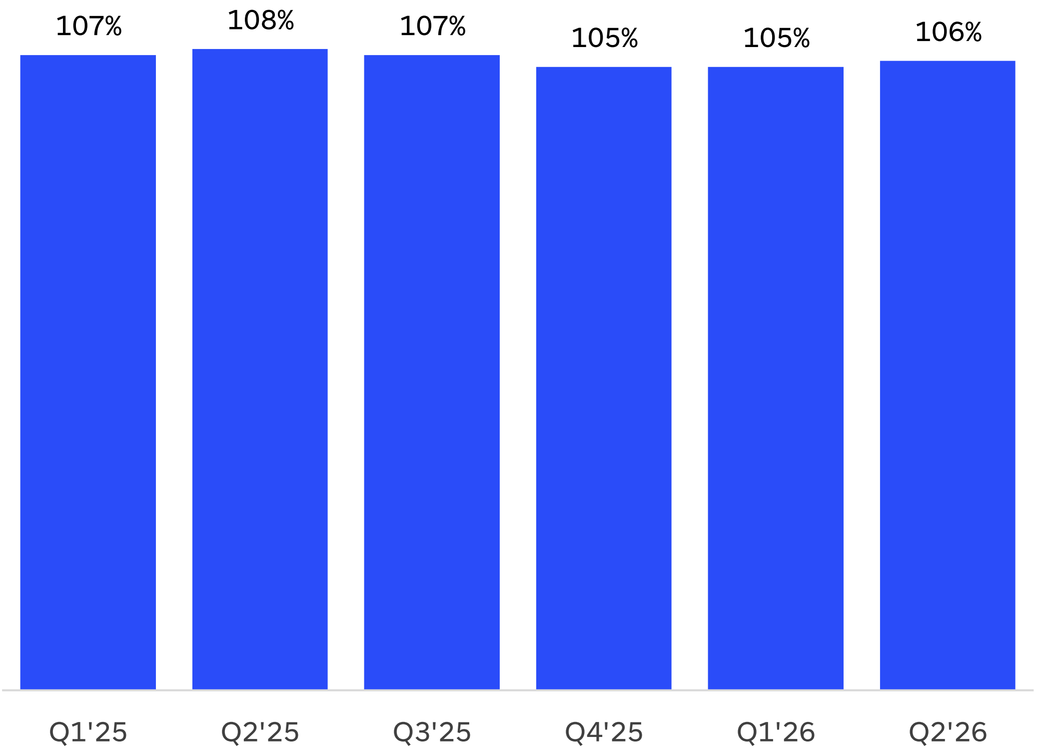
High Customer Retention

LTM Subscription Dollar-Based Retention Rate



LTM Subscription + Telecom Dollar-Based Retention Rate



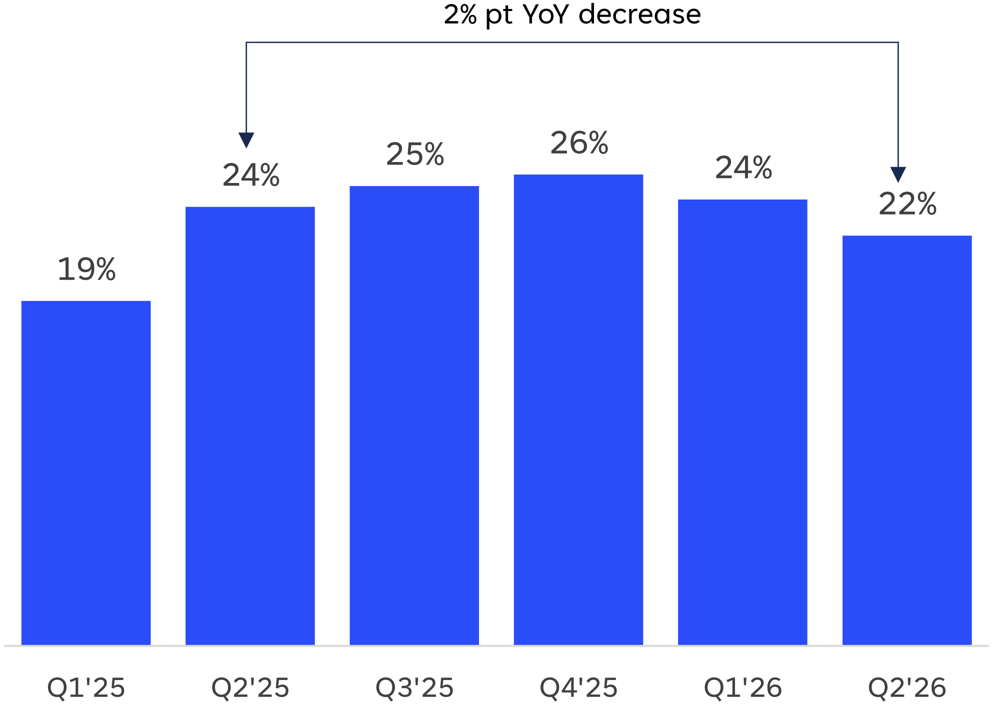
Note: LTM Dollar-Based Retention Rates based on last 12 months at the end of each respective quarter.

Operational Efficiency and Profitable Growth

Drivers of Q2’26 FCF Margin

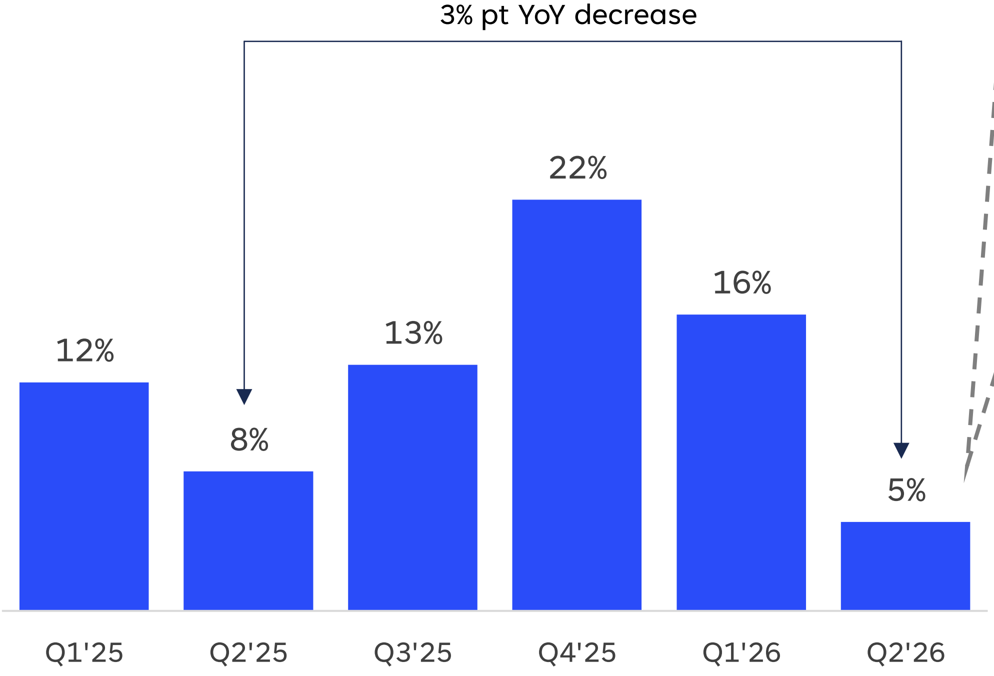
- Seasonally lowest quarter of the year
- Variability from the transition to annual customer payments
- Acceleration of capital expenditures

Adjusted EBITDA Margin



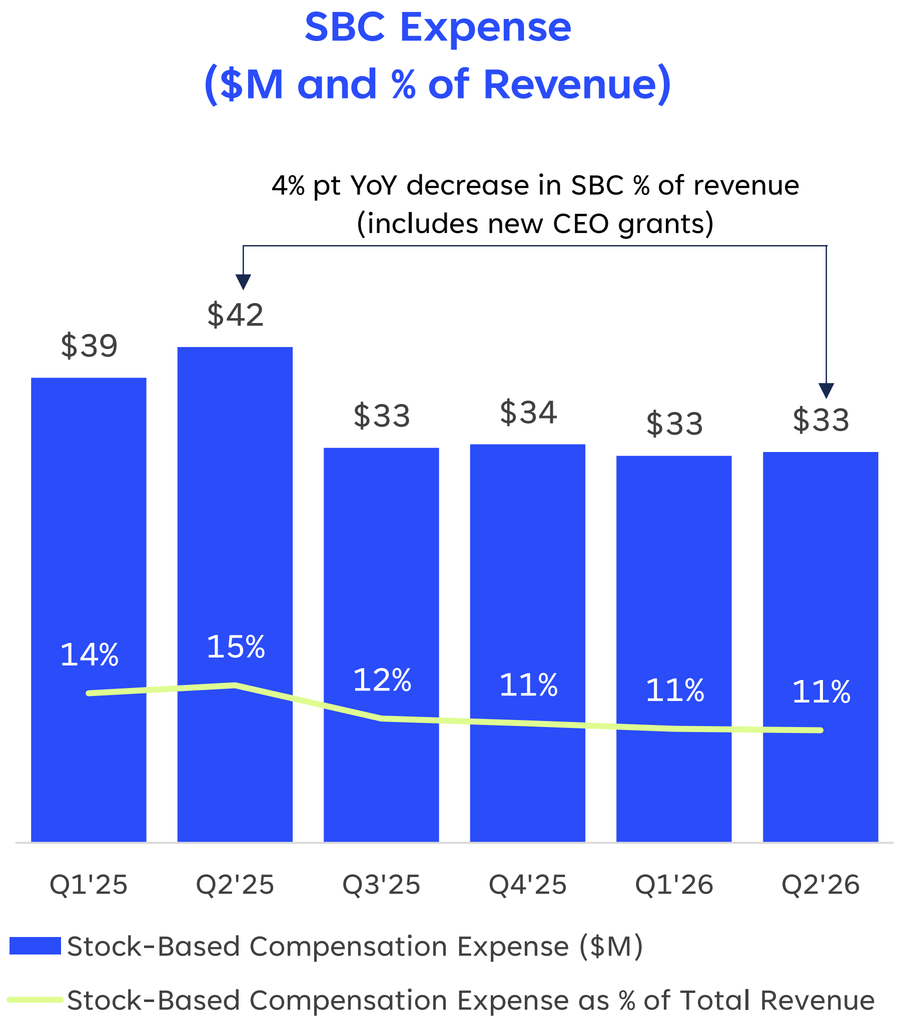
Free Cash Flow Margin

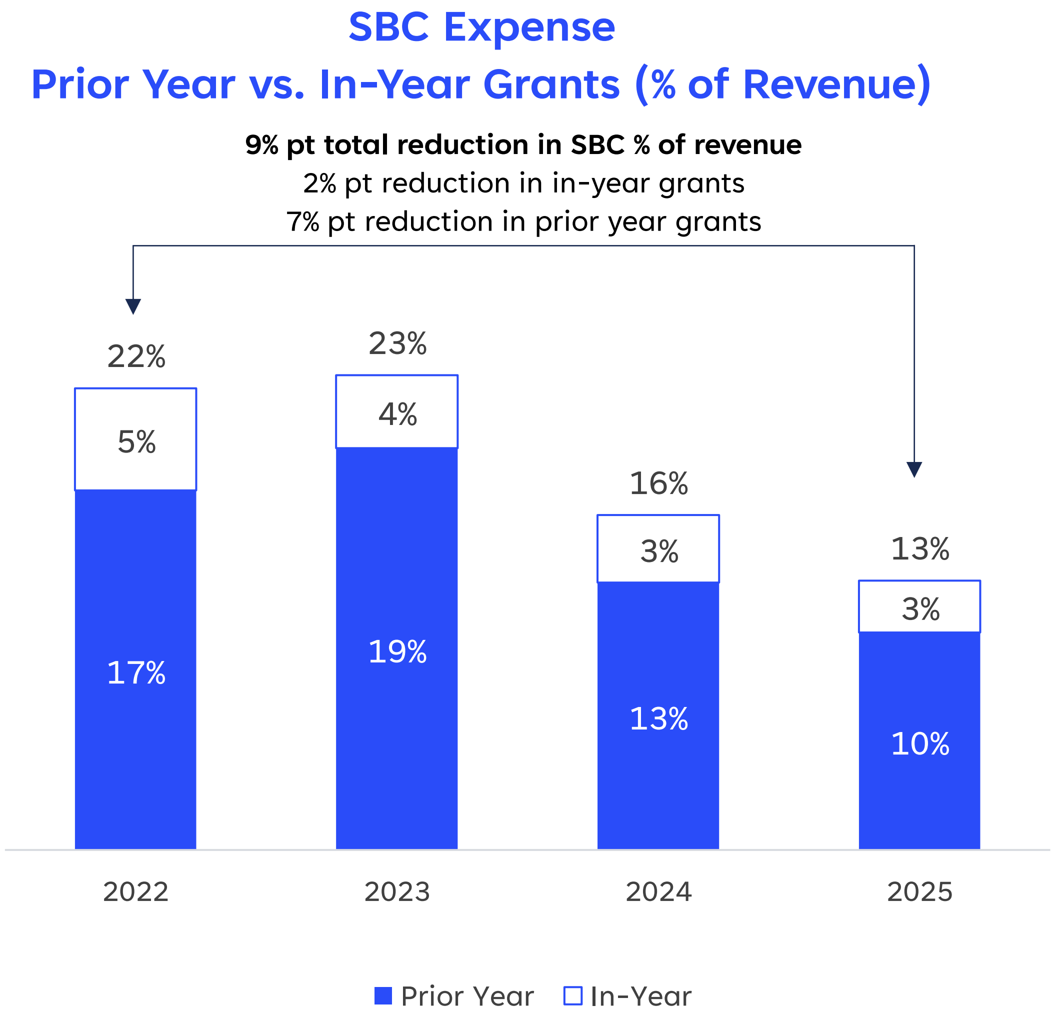
DSO of 35 days in Q2’26



Note: Non-GAAP and adjusted metrics exclude depreciation, intangibles amortization, stock-based compensation and unusual expense items. See appendix for reconciliation of non-GAAP measures to most comparable GAAP measure.

YoY Reduction and Improvement in Stock-Based Compensation (SBC) Expense





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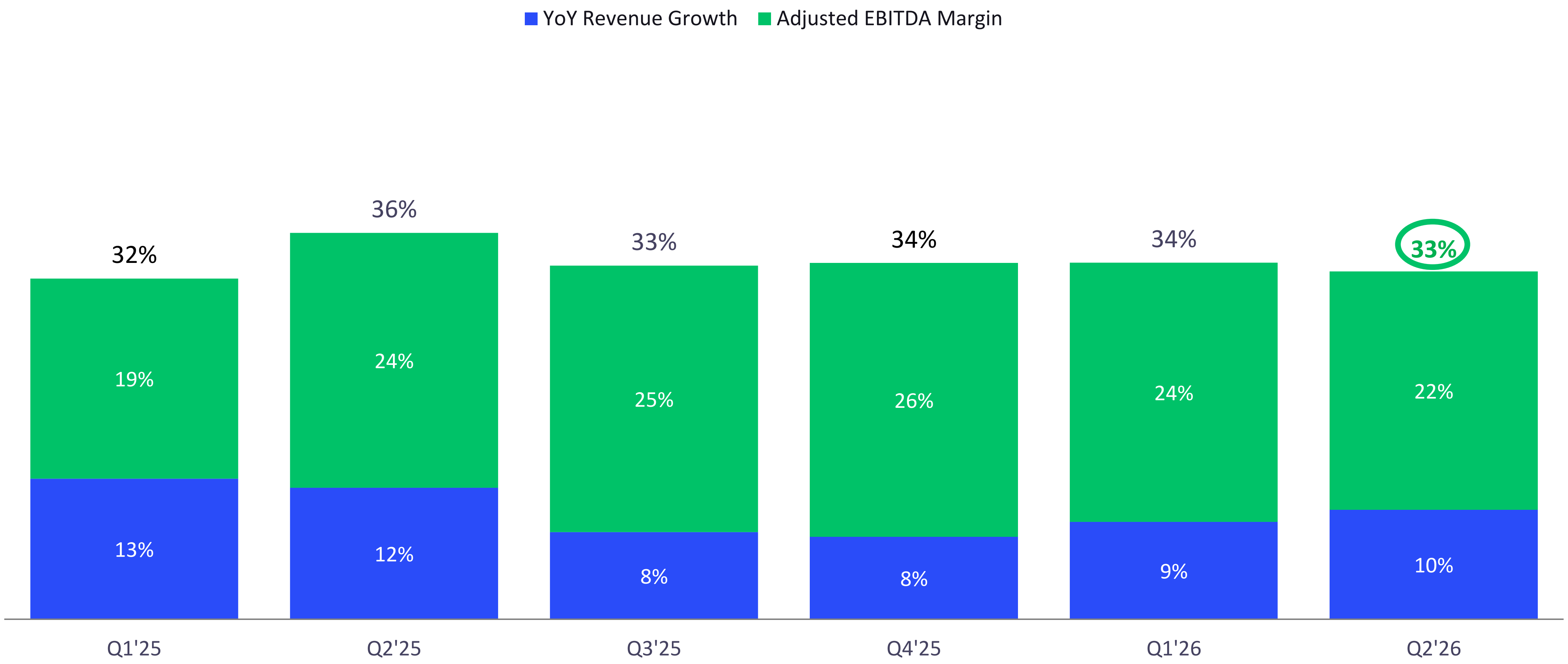
Continuing to Drive Balanced Growth



Note: Non-GAAP and adjusted metrics exclude depreciation, intangibles amortization, stock-based compensation and unusual expense items. See appendix for reconciliation of non-GAAP measures to most comparable GAAP measure.

Q3’26 and 2026 Guidance
Issued on August 6, 2026

	Q3’26	2026
Revenue	$316.0M – $322.0M	$1.260B – $1.272B
GAAP Net Income Per Diluted Share	$0.09 – $0.16	$0.71 – $0.82
Non-GAAP Net Income Per Diluted Share	$0.77 – $0.81	$3.22 – $3.30
Diluted Shares – GAAP	85.4M	85.8M
Diluted Shares – Non-GAAP	76.0M	76.3M
Taxes	$1.5M – $1.7M	$7.3M – $7.5M
Purchase of PP&E	$17M – $19M	$42M – $46M

Note: Refer to the “GAAP to Non-GAAP Net Income Reconciliation – Guidance” table in the appendix for more details, including important assumptions upon which such guidance is based; Non-GAAP and adjusted metrics exclude depreciation, intangibles amortization, stock-based compensation and unusual expense items.

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Medium-Term Operating Model

	Today Q2'26	Medium-Term Model (In 2027)	Key Assumptions
Revenue (YoY Growth)		**Revenue (YoY Growth)**	
Total Revenue	10%	10% - 15%	• Stable macro conditions • Potential further upside with AI
Profit & Expenses (% of Revenue)		**Profit & Expenses (% of Revenue)**	
Adjusted Gross Margin	61%	66% - 68%+	• Subscription margin expansion and increasing subscription revenue mix
S&M	22%	22% - 23%	• Cost discipline • Economies of scale • Key strategic investments in go-to-market and innovation
R&D	10%	10% - 11%	
G&A	6%	6% - 7%	
Adjusted EBITDA	22%	25% - 30%+	• Rule of 40+ in 2027
Stock-Based Compensation	11%	Ongoing decline as % of revenue	• Lagging indicator • Increased discipline

Note: Non-GAAP and adjusted metrics exclude depreciation, intangibles amortization, stock-based compensation and unusual expense items. See appendix for reconciliation of non-GAAP measures to most comparable GAAP measure.
Medium-term model assumes stable macroeconomic conditions in 2026 and 2027.

Appendix

Balance Sheet Summary

$ in Millions	Quarter Ended June 30, 2026 (unaudited)	Quarter Ended December 31, 2025
Cash, cash equivalents and marketable investments	$ 654.1	$ 696.9
Working capital	722.1	746.7
Total assets	1,830.1	1,790.1
Total debt(1)	737.3	735.5
Total stockholders’ equity	784.8	785.8

(1) Total principal amount of debt in the amount of $747.5M as of June 30, 2026 will become due in March 2029.

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GAAP to Adjusted Gross Profit Reconciliation

Q1’25 – Q2’26

$ in thousands, except percentages *(Unaudited)*	Quarter Ended					
	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26
GAAP gross profit	$ 153,732	$ 155,404	$ 157,280	$ 166,438	$ 170,527	$ 166,744
% GAAP gross margin	*55.0%*	*54.9%*	*55.0%*	*55.4%*	*55.9%*	*53.4%*
Depreciation & amortization	11,883	12,161	13,381	14,421	15,374	17,385
Stock-based compensation	7,184	7,296	6,852	6,504	6,307	5,794
Acquisition and related transaction costs and one-time integration costs	—	—	2	4	14	30
Lease amortization for finance leases	1,816	2,119	2,108	2,100	2,090	2,033
Costs related to reduction in force plans	—	1,565	—	—	—	—
Adjusted gross profit	$ 174,615	$ 178,545	$ 179,623	$ 189,467	$ 194,312	$ 191,986
% adjusted gross margin	*62.4%*	*63.0%*	*62.8%*	*63.1%*	*63.6%*	*61.4%*

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GAAP Net Income to Adjusted EBITDA Reconciliation

Q1'25 – Q2'26

$ in thousands, except percentages	Quarter Ended					
(Unaudited)	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26
GAAP net income	$ 576	$ 1,154	$ 17,973	$ 19,713	$ 18,412	$ 3,367
Non-GAAP adjustments:						
Depreciation and amortization	14,490	14,649	15,772	16,853	17,842	19,919
Stock-based compensation	39,245	41,859	33,339	33,625	32,664	32,980
Interest expense	4,115	3,820	3,087	3,054	3,142	3,507
Interest income and other	(10,303)	(7,917)	(5,660)	(6,288)	(5,212)	(5,838)
Provision for (benefit from) income taxes	184	1,382	643	3,317	2,151	941
Acquisition and related transaction costs and one-time integration costs	982	1,489	1,620	2,155	1,683	1,794
Lease amortization for finance leases	2,008	2,311	2,300	2,292	2,282	2,225
Costs related to reduction in force plans	—	7,766	403	—	—	—
Office closure lease termination costs	—	95	—	—	—	—
Impairment charges related to consolidation of corporate headquarter	—	—	—	—	—	8,382
One-time expenses related to strategic consulting services for operational review	1,265	—	—	—	—	—
Other cost-reduction and productivity initiatives	—	974	1,851	1,728	(3)	—
One-time expenses related to advisory services for long-term strategy	—	—	—	—	1,175	1,921
Legal fees related to the securities class action	141	368	392	873	347	854
Adjusted EBITDA	$ 52,703	$ 67,950	$ 71,720	$ 77,322	$ 74,483	$ 70,052
% adjusted EBITDA margin	18.8%	24.0%	25.1%	25.7%	24.4%	22.4%

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GAAP to Non-GAAP COR and OpEx Reconciliation

Q1’25 – Q2’26

$ in thousands, except percentages *(Unaudited)*	Quarter Ended					
	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26
GAAP COR	$ 125,973	$ 127,865	$ 128,552	$ 133,844	$ 134,792	$ 145,700
% of revenue	45.0 %	45.1 %	45.0 %	44.6 %	44.1 %	46.6 %
Depreciation & amortization	(11,883)	(12,161)	(13,381)	(14,421)	(15,374)	(17,385)
Stock-based compensation	(7,184)	(7,296)	(6,852)	(6,504)	(6,307)	(5,794)
Acquisition and related transaction costs and one-time integration costs	—	—	(2)	(4)	(14)	(30)
Exit costs related to closure and relocation of Russian operations	—	—	—	—	—	—
Lease amortization for finance leases	(1,816)	(2,119)	(2,108)	(2,100)	(2,090)	(2,033)
Costs related to reduction in force plans	—	(1,565)	—	—	—	—
Non-GAAP COR	$ 105,090	$ 104,724	$ 106,209	$ 110,815	$ 111,007	$ 120,458
% of revenue	37.6 %	37.0 %	37.2 %	36.9 %	36.4 %	38.6%
GAAP R&D	$ 41,100	$ 39,912	$ 35,218	$ 36,104	$ 39,676	$ 42,068
% of revenue	14.7 %	14.1 %	12.3 %	12.0 %	13.0 %	13.5 %
Depreciation & amortization	(680)	(799)	(731)	(833)	(838)	(887)
Stock-based compensation	(8,690)	(8,829)	(6,896)	(7,349)	(7,515)	(7,257)
Acquisition and related transaction costs and one-time integration costs	(466)	(742)	(1,170)	(1,538)	(1,486)	(1,678)
Exit costs related to closure and relocation of Russian operations	—	—	—	—	—	—
Lease amortization for finance leases	(192)	(192)	(192)	(192)	(192)	(192)
Costs related to reduction in force plans	—	(1,931)	(25)	—	—	—
Non-GAAP R&D	$ 31,072	$ 27,419	$ 26,204	$ 26,192	$ 29,645	$ 32,054
% of revenue	11.1 %	9.7 %	9.2 %	8.7 %	9.7 %	10.3 %

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GAAP to Non-GAAP OpEx Reconciliation

Q1’25 – Q2’26

$ in thousands, except percentages	Quarter Ended					
(Unaudited)	Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26
GAAP S&M	$ 82,855	$ 80,668	$ 71,657	$ 76,636	$ 79,489	$ 79,703
% of revenue	29.6 %	28.5 %	25.1 %	25.5 %	26.0 %	25.5 %
Depreciation & amortization	(36)	(27)	(11)	(10)	(5)	(5)
Stock-based compensation	(11,574)	(13,355)	(8,401)	(8,879)	(8,564)	(8,668)
Acquisition and related transaction costs and one-time integration costs	—	—	—	—	—	—
Costs related to reduction in force plans	—	(3,319)	(182)	—	—	—
One-time expenses related to advisory services for long-term strategy	—	—	—	—	—	(746)
Non-GAAP S&M	$ 71,245	$ 63,967	$ 63,063	$ 67,747	$ 70,920	$ 70,284
% of revenue	25.5 %	22.6 %	22.1 %	22.6 %	23.2 %	22.5 %

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GAAP to Non-GAAP OpEx Reconciliation

Q1’25 – Q2’26

$ in thousands, except percentages (Unaudited)	Quarter Ended Q1'25	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26
GAAP G&A	$ 35,205	$ 36,385	$ 34,362	$ 33,902	$ 32,869	$ 42,996
% of revenue	12.6 %	12.8 %	12.0 %	11.3 %	10.8 %	13.8 %
Depreciation & amortization	(1,891)	(1,662)	(1,649)	(1,589)	(1,625)	(1,642)
Stock-based compensation	(11,797)	(12,379)	(11,190)	(10,893)	(10,278)	(11,261)
Acquisition and related transaction costs and one-time integration costs	(516)	(746)	(448)	(613)	(183)	(86)
Costs related to reduction in force plans	—	(952)	(196)	—	—	—
Office closure lease termination costs	—	(95)	—	—	—	—
One-time expenses related to strategic consulting services for operational review	(1,265)	—	—	—	—	—
Other cost-reduction and productivity initiatives	—	(974)	(1,851)	(1,728)	3	—
One-time expenses related to advisory services for long-term strategy	—	—	—	—	(1,175)	(1,175)
Legal fees related to the securities class action	(141)	(368)	(392)	(873)	(347)	(854)
Impairment charges related to consolidation of corporate headquarter	—	—	—	—	—	(8,382)
Non-GAAP G&A	$ 19,595	$ 19,209	$ 18,636	$ 18,206	$ 19,264	$ 19,596
% of revenue	7.0 %	6.8 %	6.5 %	6.1 %	6.3 %	6.3 %

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GAAP to Non-GAAP Net Income Reconciliation

$ in thousands, except per share data
(Unaudited)

	Three Months Ended	
	Jun 30, 2026	Jun 30, 2025
GAAP net income	$ 3,367	$ 1,154
Non-GAAP adjustments:		
Stock-based compensation	32,980	41,859
Intangibles amortization	3,409	3,464
Amortization of discount and issuance costs on convertible senior notes	913	1,273
Exit costs related to closure and relocation of Russian operations	(80)	(169)
Acquisition and related transaction costs and one-time integration costs	1,794	1,489
Office closure lease termination costs	—	95
Impairment charge related to consolidation of corporate headquarters	8,382	—
Costs related to reduction in force plans	—	7,766
One-time expenses related to strategic consulting services for operational review	—	—
Other cost-reduction and productivity initiatives	—	974
One-time expenses related to advisory services for long-term strategy and growth	1,921	—
Legal fees related to the securities class action	854	368
Non-GAAP net income	$ 53,540	$ 58,273
GAAP net income per share:		
Basic	$ 0.04	$ 0.02
Diluted	$ 0.04	$ 0.01
Non-GAAP net income per share:		
Basic	$ 0.71	$ 0.76
Diluted	$ 0.70	$ 0.76
Shares used in computing GAAP net income per share:		
Basic	75,452	76,654
Diluted	85,479	88,523
Shares used in computing non-GAAP net income per share:		
Basic	75,452	76,654
Diluted	76,067	76,919

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Capital Expenditure and Free Cash Flow (Q1’25 – Q2’26)

$ in thousands *(Unaudited)*	Q1'25	Q2'25	Q3'25	Q4'25	12 mo ended 12/31/2025	Q1'26	Q2'26
Net cash provided by operating activities	$ 48,384	$ 35,061	$ 59,196	$ 83,566	$ 226,207	$ 63,916	$ 42,082
(Refer to cash flows from operating activities in cash flow stmt)							
Capital expenditure							
Purchases of property and equipment	4,724	3,494	10,504	6,241	24,963	5,265	17,626
(Refer to cash flows from investing activities in cash flow stmt)							
Capitalization of software development costs	8,732	9,998	10,391	10,014	39,135	9,210	9,263
Equipment purchased and unpaid at period-end:							
Beginning balance	11,890	9,330	13,058	11,414	11,890	6,428	6,754
Ending balance	9,330	13,058	11,414	6,428	6,428	6,754	8,390
(Refer to non-cash investing and financing activities in cash flow stmt)							
Change in equipment purchased and unpaid during period	(2,560)	3,728	(1,644)	(4,986)	(5,462)	326	1,636
Total capital expenditure	$ 10,896	$ 17,220	$ 19,251	$ 11,269	$ 58,636	$ 14,801	$ 28,525
Free cash flow (Non-GAAP) (operating cash flow less capex paid in cash and capitalized software)	$ 34,928	$ 21,569	$ 38,301	$ 67,311	$ 162,109	$ 49,441	$ 15,193

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GAAP to Non-GAAP Net Income Reconciliation

Guidance(1)

$ in thousands, except per share data

(Unaudited)

	Three Months Ended September 30, 2026		Twelve Months Ended December 31, 2026	
	Low	High	Low	High
GAAP net income	$ 8,031	$ 14,071	$ 61,167	$ 70,271
Non-GAAP adjustments:				
Stock-based compensation (2)	37,825	35,825	139,969	137,969
Intangibles amortization	3,404	3,404	13,585	13,585
Amortization of discount and issuance costs on convertible senior notes	946	946	3,687	3,687
Exit costs related to closure and relocation of Russian operations	—	—	(83)	(83)
Acquisition and related transaction costs and one-time integration costs (3)	2,602	1,602	8,061	7,061
Other cost-reduction and productivity initiatives	—	—	(3)	(3)
One-time expenses related to advisory services for long-term strategy and growth	2,423	2,423	5,518	5,518
One-time expenses related to advisory services for research and development transformation	2,890	2,890	3,400	3,400
Impairment charge related to consolidation of corporate headquarters	—	—	8,382	8,382
Legal fees related to the securities class action	400	400	2,001	2,001
Income tax expense effects (4)	$ —	$ —	$ —	$ —
Non-GAAP net income	$ 58,521	$ 61,561	$ 245,684	$ 251,788
GAAP net income per share:				
Basic	$ 0.11	$ 0.19	$ 0.81	$ 0.93
Diluted	$ 0.09	$ 0.16	$ 0.71	$ 0.82
Non-GAAP net income per share:				
Basic	$ 0.78	$ 0.82	$ 3.25	$ 3.33
Diluted	$ 0.77	$ 0.81	$ 3.22	$ 3.30
Shares used in computing GAAP net income per share:				
Basic	74,700	74,700	75,500	75,500
Diluted	85,400	85,400	85,800	85,800
Shares used in computing non-GAAP net income per share:				
Basic	74,700	74,700	75,500	75,500
Diluted	76,000	76,000	76,300	76,300

(1) Represents guidance discussed on 8/6/2026. Reader shall not construe presentation of this information after 8/6/2026 as an update or reaffirmation of such guidance.
(2) Stock-based compensation expense are based on a range of probable significance, assuming market price for our common stock that is approximately consistent with current levels.
(3) Acquisition-related transaction costs and one-time integration costs are based on a range of probable significance for completed acquisitions, and no new acquisitions assumed.
(4) Non-GAAP adjustments do not have a material impact on our worldwide income tax provision due to the tax treatment of the non-GAAP adjustments reported, and our domestic valuation allowance position.

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Thank you