

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): August 20, 2024

FIVE9, INC.

(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction
of incorporation)

001-36383
(Commission File No.)

94-3394123
(I.R.S. Employer
Identification No.)

**3001 Bishop Drive, Suite 350
San Ramon, CA 94583**
(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: (925) 201-2000

Not Applicable

(Former name or former address if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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, par value \$0.001 per share	FIVN	The NASDAQ Global Market

Indicated by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging Growth Company

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.

Item 2.05 Costs Associated with Exit or Disposal Activities.

On August 20, 2024, Five9, Inc. (the “Company”) announced a reduction in force plan (the “Plan”) as part of the Company’s broader efforts to drive balanced, profitable growth, further supporting our positive, long-term outlook and focus on increasing shareholder value.

The Plan is expected to reduce the Company’s global full-time employees by approximately 7%. The Company estimates the aggregate costs associated with the Plan to be approximately \$12 million to \$15 million, primarily consisting of notice period payments, severance payments, employee benefits and related costs, all of which are cash expenditures. The Company expects to incur these expenses primarily in the third and fourth quarters of 2024.

The estimate of the charges that the Company expects to incur in connection with the Plan, and the timing thereof, are subject to a number of assumptions, including local law requirements in various jurisdictions, and actual amounts may differ materially from estimates. In addition, the Company may incur other charges not currently contemplated due to unanticipated events that may occur, including in connection with the implementation of the Plan.

The actions associated with the Plan are expected to be substantially complete by the end of 2024.

In addition, the projected cost savings associated with the Plan were incorporated into the Q3 and 2024 guidance the Company issued on August 8, 2024. The \$12 million to \$15 million aggregate costs associated with the Plan were not included in the Q3 and 2024 GAAP EPS guidance issued on August 8, 2024. The Company intends to exclude these costs from its non-GAAP financial measures.

Item 8.01 Other Events.

On August 20, 2024, the Company’s Chief Executive Officer, Mike Burkland, sent an email to employees about the Plan, which is attached to this Current Report on Form 8-K as Exhibit 99.1, and is incorporated herein by reference.

Forward-Looking Statements

This Current Report on Form 8-K contains certain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding the Plan, the estimated total charges and the timing thereof in connection with the Plan, the impact of the Plan on the Company’s results of operations and workforce, the Company’s long-term outlook and goal of balanced profitable growth, the expected timing for completion of the actions associated with Plan, and the information regarding the projected cost savings and their impact, that are based on the Company’s current expectations and involve numerous risks and uncertainties that may cause these forward-looking statements to be inaccurate. Risks that may cause these forward-looking statements to be inaccurate include, among others: (i) our ability to realize the anticipated benefits of the Plan; (ii) the risk that the restructuring costs and charges for the Plan may be greater than anticipated or that the timing of such charges may change; (iii) the risk that our restructuring efforts may be distracting to employees and management and harm our internal programs and ability to attract and retain the highly skilled employees we need to support our business; (iv) potential disruptions to our business or operations as we execute on the Plan; (v) the risk that our restructuring efforts may harm our revenue, business, operations and reputation with or ability to serve our clients or partners; (vi) the risk that the Plan and the expense reductions therefrom may not generate the intended benefits to the extent or as quickly as anticipated; (vii) the impact of adverse economic conditions, including the impact of macroeconomic deterioration, including continued inflation, increased interest rates, supply chain disruptions, decreased economic output and fluctuations in currency rates, the impact of the Russia-Ukraine conflict, the impact of the conflict in Israel, and other factors, may continue to harm our business; (viii) if we are unable to attract new clients or sell additional services and functionality to our existing clients, our revenue and revenue growth will be harmed; (ix) if our existing clients terminate their subscriptions or reduce their subscriptions and related usage, or fail to grow subscriptions at the rate they have in the past or that we might expect, our revenues and gross margins will be harmed and we will be required to spend more money to grow our client base; (x) because a significant percentage of our revenue is derived from existing clients, downturns or upturns in new sales will not be immediately reflected in our operating results and may be difficult to discern; (xi) if we fail to manage our technical operations infrastructure, our existing clients may experience service outages, our new clients may experience delays in the deployment of our solution and we could be subject to, among other things, claims for credits or damages; (xii) we have established, and are continuing to increase, our network of technology solution distributors and resellers to sell our solution; our failure to effectively develop, manage, and maintain this network could materially harm our revenues; (xiii) our quarterly and annual results may fluctuate significantly, including as a result of the timing and success of new product and feature introductions by us, may not fully reflect the underlying performance of our business and may result in decreases in the price of our common stock; (xiv) if we are unable to attract and retain highly skilled leaders and other employees, our business and results of operations may be adversely affected; (xv) our historical growth may not be indicative of our future growth, and even if we continue to grow rapidly, we may fail to manage our growth effectively; (xvi) failure to adequately retain and expand our sales force will impede our growth; (xvii) further development of our AI solutions may not be successful and may result in reputational harm and our future operating results could be materially harmed; (xviii) the AI technology and features incorporated into our solution include new and evolving technologies that may

present both legal and business risks, may not be accepted by our customers, and may not result in sales that exceed lost revenue opportunities due to any decline in agent seats due to the use of AI solutions; (xix) the use of AI by our workforce may present risks to our business; (xx) the contact center software solutions market is subject to rapid technological change, and we must develop and sell incremental and new cloud contact center solutions, which we refer to as our solution, in order to maintain and grow our business; (xi) our growth depends in part on the success of our strategic relationships with third parties and our failure to successfully maintain, grow and manage these relationships could harm our business; (xxii) the markets in which we participate involve a high number of competitors that is continuing to increase, and if we do not compete effectively, our operating results could be harmed; (xxiii) we continue to expand our international operations, which exposes us to significant macroeconomic and other risks; (xiv) security breaches and improper access to, use of, or disclosure of our data or our clients' data, or other cyber attacks on our systems, could result in litigation and regulatory risk, harm our reputation, our business or financial results; (xxv) we may acquire other companies, or technologies, or be the target of strategic transactions, or be impacted by transactions by other companies, which could divert our management's attention, result in additional dilution to our stockholders or use a significant amount of our cash resources and otherwise disrupt our operations and harm our operating results; (xxvi) our proposed acquisition of Acqueon may not close, including if we are unable to obtain regulatory clearance in the U.S., (xxvii) we sell our solution to larger organizations that require longer sales and implementation cycles and often demand more configuration and integration services or customized features and functions that we may not offer, any of which could delay or prevent these sales and harm our growth rates, business and operating results; (xxviii) we rely on third-party telecommunications and internet service providers to provide our clients and their customers with telecommunication services and connectivity to our cloud contact center software and any failure by these service providers to provide reliable services could cause us to lose clients and subject us to claims for credits or damages, among other things; (xxix) we have a history of losses and we may be unable to achieve or sustain profitability; (xxx) our stock price has been volatile, may continue to be volatile and may decline, including due to factors beyond our control; (xxxi) we may not be able to secure additional financing on favorable terms, or at all, to meet our future capital needs; (xxxii) failure to comply with laws and regulations could harm our business and our reputation; (xxxiii) we may not have sufficient cash to service our convertible senior notes and repay such notes, if required, and other risks attendant to our convertible senior notes and increased debt levels; and (xxxiv) the other risks detailed from time-to-time under the caption "Risk Factors" and elsewhere in our Securities and Exchange Commission filings and reports, including, but not limited to, our most recent annual report on Form 10-K and quarterly reports on Form 10-Q. Such forward-looking statements speak only as of the date hereof and readers should not unduly rely on such statements. We undertake no obligation to update the information contained in this Current Report on Form 8-K, including in any forward-looking statements.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit No.</u>	<u>Description</u>
99.1	Email to employees.
104	The cover page from this Current Report on Form 8-K, formatted in Inline XBRL.

To: All Employees
From: Mike Burkland
Subject: Company Update
Timing: 8/20 1:05pm PT

IMPORTANT CONFIDENTIAL INTERNAL COMMUNICATION

Dear Five9ers,

As you know, we recently announced in our earnings call that we reduced our revenue guidance for 2024 and will focus on improving profitability through managing expenses.

Sadly, we have made the very difficult decision to say painful goodbyes to some of our team members, which affects approximately 7% of our global full-time employees. Employees whose positions are being eliminated will be notified by end of day Pacific Time today, and our priority right now is supporting them through this transition.

As we thoughtfully made these decisions with care, we were guided by our Five9 values of being respectful, honest, and transparent. As such, we will offer severance to all employees displaced by these changes, as well as job transition assistance. On behalf of our leadership team, I want to extend my heartfelt gratitude and respect to our team members who have been an important part of our journey.

Looking forward, Five9 is focused on driving shareholder value by increasing revenue, improving profitability, investing in our key strategic initiatives, and delivering for our customers.

I have enormous confidence in Five9 and each of you as we continue to align and execute as one team.

Thank you for your continued commitment to Five9.

Mike