

**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): February 26, 2024

FIVE9, INC.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other jurisdiction
of Incorporation)

001-36383
(Commission
File Number)

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

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

Telephone: (925) 201-2000
(Registrant's Telephone Number, Including Area Code)

N/A
(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

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR 230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR 240.12b-2).

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 8.01 Other Events.

On February 26, 2024, Five9, Inc. (the “Company”) issued a press release announcing the Company’s intention to offer, subject to market conditions and other factors, \$600 million aggregate principal amount of its Convertible Senior Notes due 2029 (the “Notes”) in a private placement to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933 (the “Offering”). A copy of the press release is filed as Exhibit 99.1 hereto and is incorporated herein by reference.

In connection with the Offering, the Company is disclosing certain information to prospective investors in (i) a preliminary offering memorandum, dated February 26, 2024 (the “Preliminary Offering Memorandum”), regarding the Company’s discussions with one or more financial institutions, which may include the initial purchasers in the offering of the Notes or their affiliates, regarding a potential revolving credit facility (the “Revolving Credit Facility”), which would provide for revolving borrowings in an aggregate principal amount of up to \$200 million outstanding at any one time and (ii) an investor presentation (the “Investor Presentation”), regarding the Company’s estimated total addressable market (“TAM”). Excerpts from the Preliminary Offering Memorandum and Investor Presentation are filed herewith, in the general forms presented in the Preliminary Offering Memorandum and the Investor Presentation, as Exhibit 99.2 to this Current Report on Form 8-K, which 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 contemplated Revolving Credit Facility and the Company’s estimated TAM, 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) the Company may not be able to secure additional financing, including the contemplated Revolving Credit Facility, on favorable terms, or at all, to meet its future capital needs, and the initial purchasers in the Offering may not participate; (ii) prevailing market conditions; (iii) the impact of adverse economic conditions, including the impact of macroeconomic deterioration, including continuing 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, that may continue to harm the Company’s business; (iv) the Company’s estimated TAM is based on numerous assumptions and projections, which may prove to be inaccurate, and the estimated TAM may not develop or grow as expected; (v) the Company may not be successful in growing its business at the rate implied by the estimated TAM, may not be able to develop and gain market acceptance for products required to address different markets included in the estimated TAM, or the Company may fail to compete effectively within one or more markets included in the estimated TAM; and (vi) the other risks detailed from time-to-time under the caption “Risk Factors” and elsewhere in the Company’s Securities and Exchange Commission filings and reports, including, but not limited to, the Company’s most recent annual report on Form 10-K. Such forward-looking statements speak only as of the date hereof and readers should not unduly rely on such statements. The Company undertakes no obligation to update the information contained in this press release, including in any forward-looking statements.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit</u>	<u>Description</u>
99.1	Press Release issued by the Company on February 26, 2024
99.2	Excerpts from Preliminary Offering Memorandum, dated February 26, 2024, and Investor Presentation
104	The cover page from this Current Report on Form 8-K, formatted in Inline XBRL.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

FIVE9, INC.

Dated: February 27, 2024

By: /s/ Barry Zwarenstein
Name: Barry Zwarenstein
Title: Chief Financial Officer

FIVE9 ANNOUNCES PROPOSED \$600 MILLION CONVERTIBLE NOTES OFFERING

SAN RAMON, Calif.—(BUSINESS WIRE)—Feb. 26, 2024— Five9, Inc. (NASDAQ: FIVN), the Intelligent CX Platform provider, today announced its intention to offer, subject to market conditions and other factors, \$600 million aggregate principal amount of convertible senior notes due 2029 (the “notes”) in a private placement to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the “Act”). Five9 also expects to grant the initial purchasers of the notes a 13-day option to purchase up to an additional \$90 million aggregate principal amount of the notes.

The notes will be senior, unsecured obligations of Five9, and interest will be payable semi-annually in arrears. The notes will be convertible into cash, shares of Five9’s common stock (“common stock”), or a combination thereof, at Five9’s election. The interest rate, initial conversion rate and other terms of the notes are to be determined upon pricing of the offering. The notes will also be redeemable at the option of Five9 after a specified date if certain conditions are met.

Five9 expects to use a portion of the net proceeds of the offering of the notes to pay the cost of the capped call transactions described below and to repurchase a portion of its outstanding 0.500% convertible senior notes due 2025 (the “2025 notes”) (such transactions, the “2025 note repurchases”). The remainder of the net proceeds from the offering would be used for working capital and other general corporate purposes. The terms of any 2025 note repurchases will depend on factors, including the trading price of the 2025 notes at the time of such 2025 note repurchases. Five9 also expects that holders of the 2025 notes that sell their 2025 notes to Five9 may enter into or unwind various derivatives with respect to Five9’s common stock and/or purchase or sell shares of Five9’s common stock in the market to hedge their exposure in connection with these transactions. These activities could increase (or reduce the size of any decrease in) the market price of Five9’s common stock or the notes. These activities could affect the market price of Five9’s common stock concurrently with the pricing of the notes, and could also result in higher effective conversion prices for the notes.

In connection with the pricing of the notes, Five9 expects to enter into capped call transactions with one or more of the initial purchasers and/or their respective affiliates and/or other financial institutions (the “option counterparties”). The capped call transactions are expected generally to reduce potential dilution to Five9’s common stock upon any conversion of the notes and/or offset any potential cash payments Five9 is required to make in excess of the principal amount of converted notes, as the case may be, with such reduction and/or offset subject to a cap based on the cap price. The cap price of the capped call transactions will be determined upon pricing of the notes. If the initial purchasers exercise their option to purchase additional notes, Five9 expects to enter into additional capped call transactions with the option counterparties.

Five9 expects that, in connection with establishing their initial hedges of the capped call transactions, the option counterparties or their respective affiliates will purchase shares of Five9's common stock and/or enter into various derivative transactions with respect to Five9's common stock concurrently with, or shortly after, the pricing of the notes. These activities could increase (or reduce the size of any decrease in) the market price of Five9's common stock or the notes at that time.

In addition, Five9 expects that the option counterparties or their respective affiliates may modify their hedge positions by entering into or unwinding various derivative transactions with respect to Five9's common stock and/or by purchasing or selling shares of Five9's common stock or other securities of Five9 in secondary market transactions following the pricing of the notes and prior to the maturity of the notes (and are likely to do so (x) during any observation period related to a conversion of notes and (y) following any repurchase of notes by Five9 if it elects to unwind a corresponding portion of the capped call transactions in connection with such repurchase). These activities could cause or avoid an increase or a decrease in the market price of Five9's common stock or the notes, which could affect the ability of noteholders to convert the notes and, to the extent the activity occurs following conversion or during any observation period related to a conversion of the notes, could affect the amount and value of the consideration that noteholders will receive upon conversion of the notes.

In connection with the issuance of the 2025 notes, Five9 entered into capped call transactions (the "existing capped call transactions") with certain financial institutions (the "existing option counterparties"). If Five9 repurchases any of the 2025 notes, it expects to enter into agreements with the existing option counterparties to terminate a portion of the existing capped call transactions in a notional amount corresponding to the amount of 2025 notes purchased. In connection with the termination of any of these transactions, Five9 expects the existing option counterparties or their respective affiliates to sell shares of Five9's common stock and/or unwind various derivatives to unwind their hedge in connection with those transactions. This activity could decrease (or reduce the size of any increase in) the market price of Five9's common stock at that time and it could decrease (or reduce the size of any increase in) the market value of the notes. In connection with the termination of the existing option transactions, Five9 will receive payments in amounts that depend in part on the market price of Five9's common stock over a valuation period following the pricing of the notes.

The notes will be offered only to persons reasonably believed to be qualified institutional buyers pursuant to Rule 144A under the Act. Neither the notes nor the shares of common stock issuable upon conversion of the notes, if any, have been, nor will be, registered under the Act or the securities laws of any other jurisdiction and may not be offered or sold in the United States absent registration or an applicable exemption from such registration requirements.

This announcement is neither an offer to sell nor a solicitation of an offer to buy any of these securities and shall not constitute an offer, solicitation, or sale in any jurisdiction in which such offer, solicitation, or sale is unlawful.

Forward-Looking Statements

This news release contains certain forward-looking statements, including statements regarding our proposed offering of the notes, our intention to enter into the related capped call transactions and the 2025 note repurchases, and the use of proceeds from the notes offering, that are based on our 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) whether we will be able to consummate the offering; (ii) the final terms of the offering and the capped call transactions; (iii) the satisfaction of customary closing conditions with respect to the offering of the notes; (iv) prevailing market conditions; (v) the anticipated use of net proceeds of the offering of the notes which could change as a result of market conditions or for other reasons; (vi) whether the capped call transactions will become effective; (vii) the impact of adverse economic conditions, including the impact of macroeconomic deterioration, including continuing 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, that may continue to harm our business; and (viii) 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. 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 press release, including in any forward-looking statements, except as may be required by law.

About Five9

The Five9 Intelligent CX Platform provides a comprehensive suite of solutions for orchestrating fluid customer experiences. Our cloud-native, multi-tenant, scalable, reliable, and secure platform includes contact center; omni-channel engagement; Workforce Engagement Management; extensibility through more than 1,000 partners; and innovative, practical AI, automation and journey analytics that are embedded as part of the platform. Five9 brings the power of people, technology, and partners to more than 3,000 organizations worldwide.

Source: Five9, Inc.

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Source: Five9, Inc.

**EXCERPTS FROM THE PRELIMINARY OFFERING MEMORANDUM DATED
FEBRUARY 26, 2024 AND INVESTOR PRESENTATION**

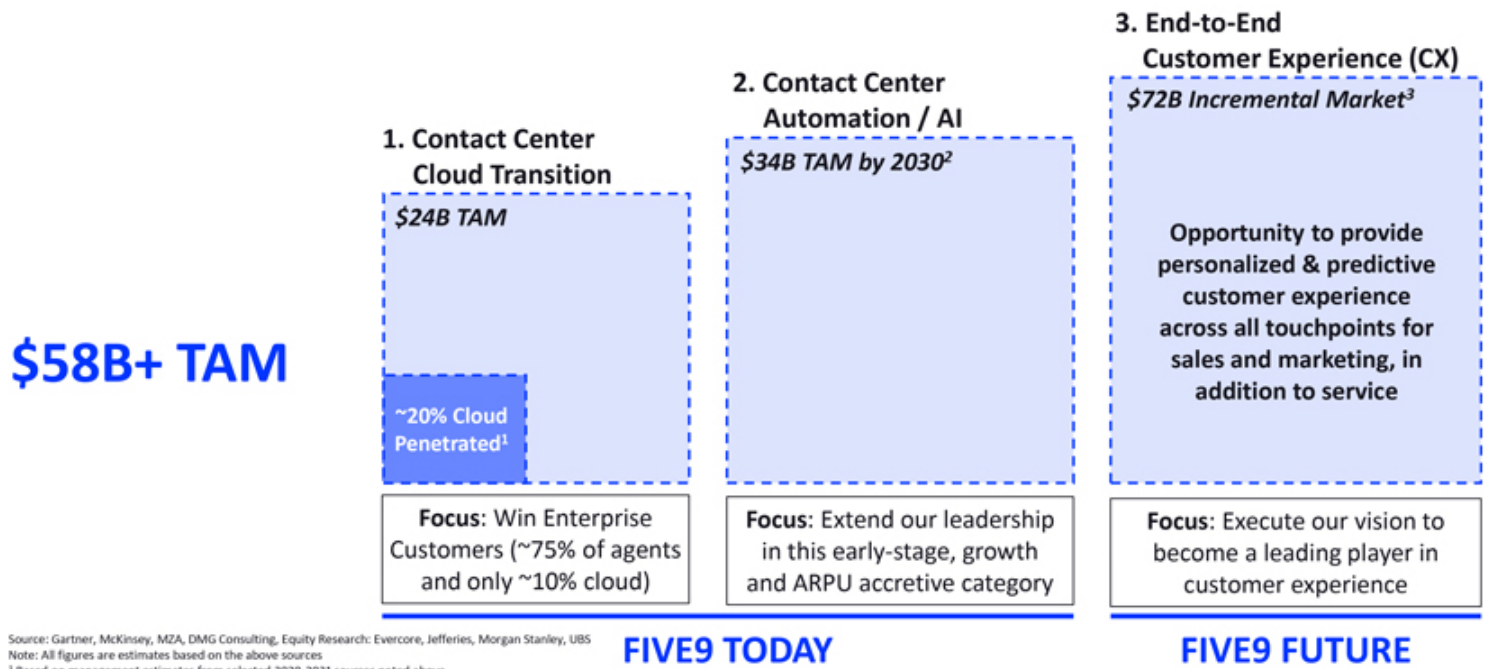
Excerpt from Preliminary Offering Memorandum Dated February 26, 2024

We are in discussions with one or more financial institutions, which may include the initial purchasers in this offering or their affiliates, regarding a potential revolving credit facility (the “Revolving Credit Facility”), which would provide for revolving borrowings in an aggregate principal amount of up to \$200 million outstanding at any one time. It has not been determined whether the Revolving Credit Facility will be secured or unsecured. To the extent that the Revolving Credit Facility is secured, we anticipate that it will be secured by a first priority security interest in substantially all of our assets. Proceeds are expected to be available to us for general corporate purposes, including to fund working capital requirements and to fund all or a portion of the purchase price for potential acquisitions that we may identify in the future. We have not designated any specific uses and have no current agreements with respect to any acquisition or strategic transaction.

The Revolving Credit Facility is not a committed facility and is subject to agreement among us and the prospective lenders. While we anticipate entering into a credit agreement providing for the Revolving Credit Facility following the closing of this offering, there can be no assurances that we will be able to obtain the Revolving Credit Facility on acceptable terms, or at all.

Excerpt from the Investor Presentation

We Are In the Early Innings of a Significant Opportunity



Source: Gartner, McKinsey, MZA, DMG Consulting, Equity Research: Evercore, Jefferies, Morgan Stanley, UBS
 Note: All figures are estimates based on the above sources
¹ Based on management estimates from selected 2020-2021 sources noted above
² Represents predicted value of savings from transition to virtual agents within the \$210B+ contact center labor market as of 2017
³ Estimated as of 2022 according to Gartner Market Share Analysis report and excludes the existing estimated TAM of \$24Bn for the contact center market
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