Five9

Q3 2026 Investor Presentation

Five9 (NASDAQ: FIVN)

November 5, 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.

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Transaction Overview: Five9 to Acquire Level AI

Overview

- **Transaction:** Five9 has entered into a definitive agreement to acquire Level AI, an AI-native platform for the entire customer journey
- **Augments key AI capabilities:** Accelerates the expansion and enhancement of our AI platform, with Voice of the Customer, Agent Assist, AQM and AI Workers
- **Known technology, efficient integration:** Partners since 2022 with Level AI's applications available through the Five9 CX Marketplace and integrated with the Five9 platform
- **Expands reach:** Standalone AI capabilities will extend our reach to enterprises on other CX platforms and to our 4,000+ existing customers
- **Faster innovation:** AI-native team to deepen our talent bench and accelerate our long-term roadmap

Financial Impact

- **Consideration:** $325 million in cash, funded with cash on hand
- **Scale and growth:** ~$20 million of standalone ARR, growing ~50% YoY with similar level of growth anticipated over the next 12 months, excluding synergies
- **Profitability:** Anticipate approximately 1 point adjusted EBITDA margin dilution in 2027, with Level AI at EBITDA breakeven in ~6 months and margin accretive in 2028
- **Valuation:** attractive value with additional upside from bringing its products to market through our sales force

Board Support and Timing

- Unanimously approved by Five9's Board of Directors
- Not subject to HSR; expected to close in 2026, subject to customary closing conditions

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Q3'26 Results and Key Metrics

Metric	Result	YoY Growth (%)	QoQ Growth (%)	% of Total Revenue
Revenues				
Total Revenue	**$323M**	**13%**	**3%**	**100%**
Subscription(1)		**16%**		**83%**
Telecom(1)				**11%**
Professional Services(1)				**6%**
Profitability				
Adjusted Gross Profit	**$199M**	**11%**	**4%**	**62%**
Adjusted EBITDA	**$81M**	**13%**	**16%**	**25%**
Operating Cash Flow	**$58M**	**(1%)**	**39%**	**18%**
Free Cash Flow	**$43M**	**13%**	**185%**	**13%**
Operational				
LTM Subscription DBRR	**109%**			
LTM Subscription + Telecom DBRR	**107%**			

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 the 2026 IDC MarketScape: Worldwide Agentic Contact Center-as-a-Service	**IDC MarketScape: Worldwide Agentic CCaaS**	**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
Leader in the 2026 Gartner® Magic Quadrant™ for CCaaS for the ninth time	**Gartner® Magic Quadrant™ for CCaaS**	**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)
Recognized by Opus Research for pragmatic, enterprise-ready AI approach that blends innovation, governance, and scalability	**2025 Conversational AI Award**	**2025 Artificial Intelligence Excellence Awards**	Five9 AI Agents named winner for Innovative AI Products
Recognized for strong customer sentiment, business success and a focused approach to intelligent CX	**MetriRank 2026**	**Frost Radar™ Leader 2026 Customer Platform**	Recognized for delivering AI-driven innovation and growth in modern cloud contact centers
Named to CRN's AI 100 list for software, highlighting innovation in AI Agents and AI-powered CX	**2025 & 2026 AI 100**	**2025 Products of the Year**	Category winner in Unified Communications and Collaboration

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TAM Expansion Driven by AI



Source: Company estimates; Gartner estimates
Note: TAM as of 9/30/2026 based on Company estimates, Gartner estimates

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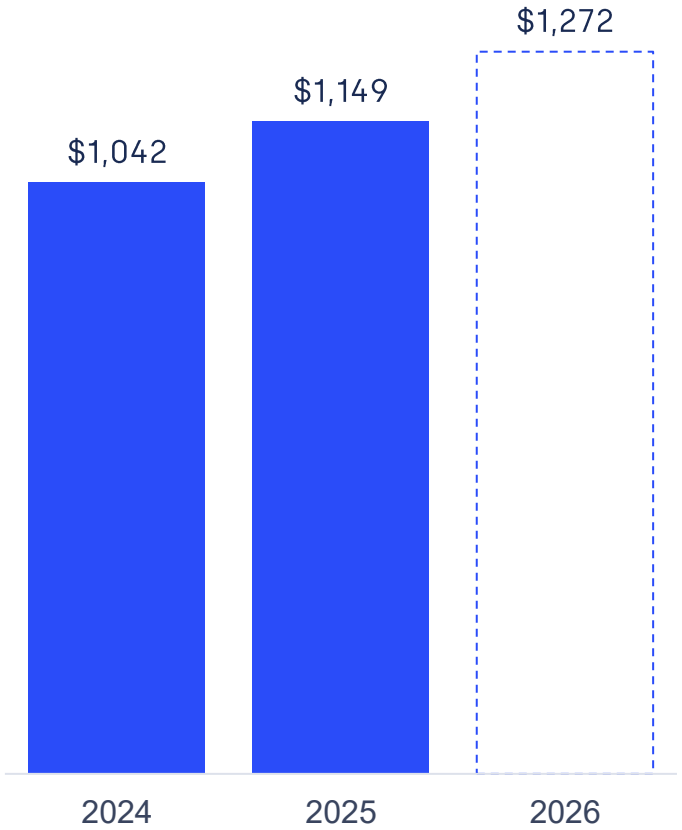
Consistent Revenue Growth

Quarterly Revenue ($M)



	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26	Q3'26
YoY Growth	*12%*	*8%*	*8%*	*9%*	*10%*	*13%*

Annual Revenue ($M)



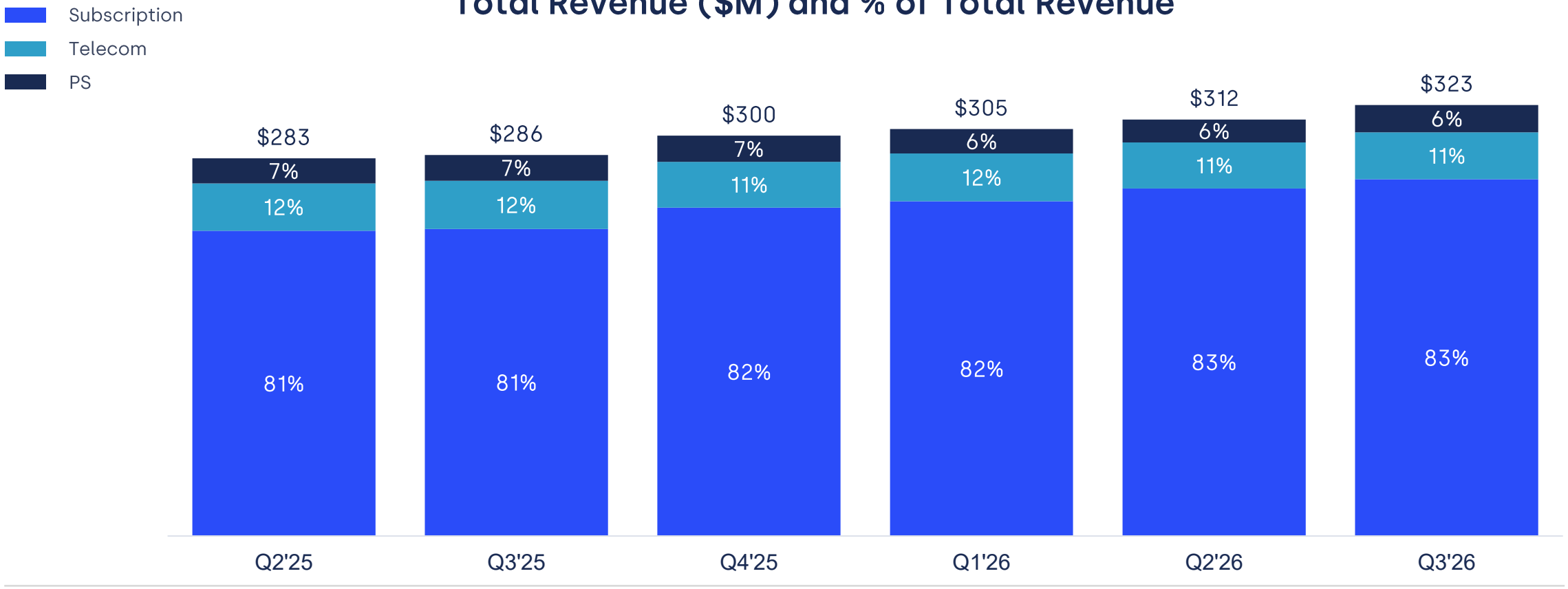
	2024	2025	2026 Guidance Midpoint
	14%	*10%*	*11%*

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Subscription Continuing to Increase YoY as a % of Total Revenue

Total Revenue ($M) and % of Total Revenue



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

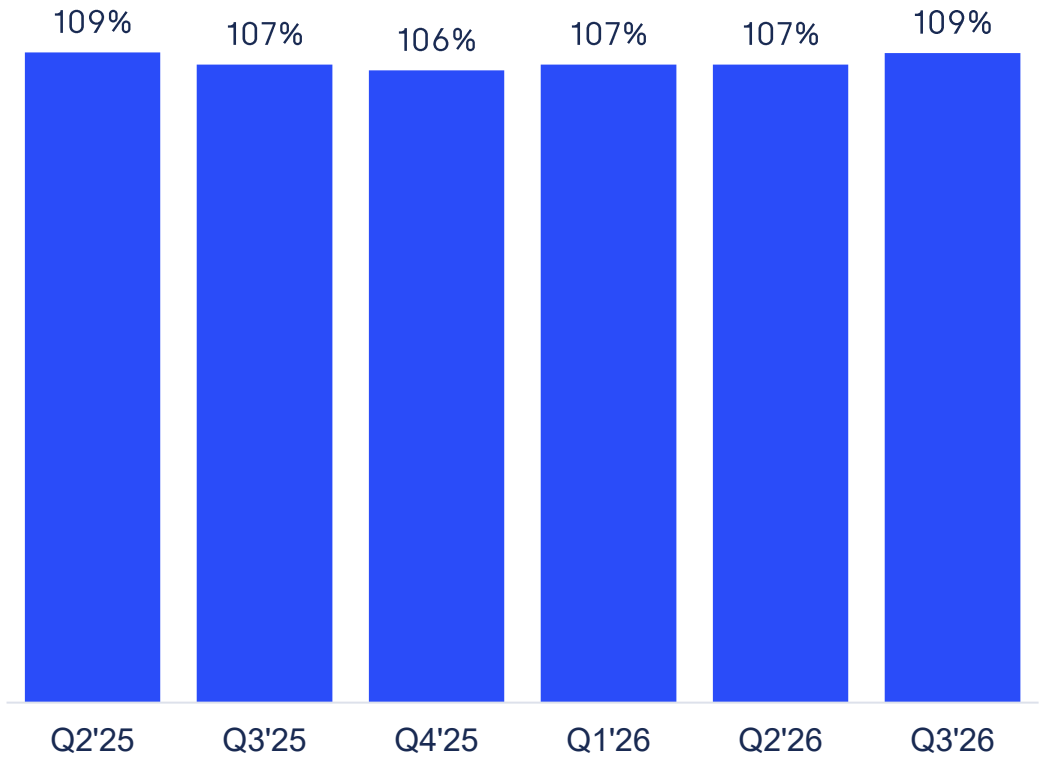
Note: Non-GAAP and adjusted metrics exclude depreciation, intangibles amortization, stock-based compensation and unusual expense items. See appendix for reconciliation of non-GAAP measures to most comparable GAAP measure.
Percent of revenue represents approximate figures due to rounding.

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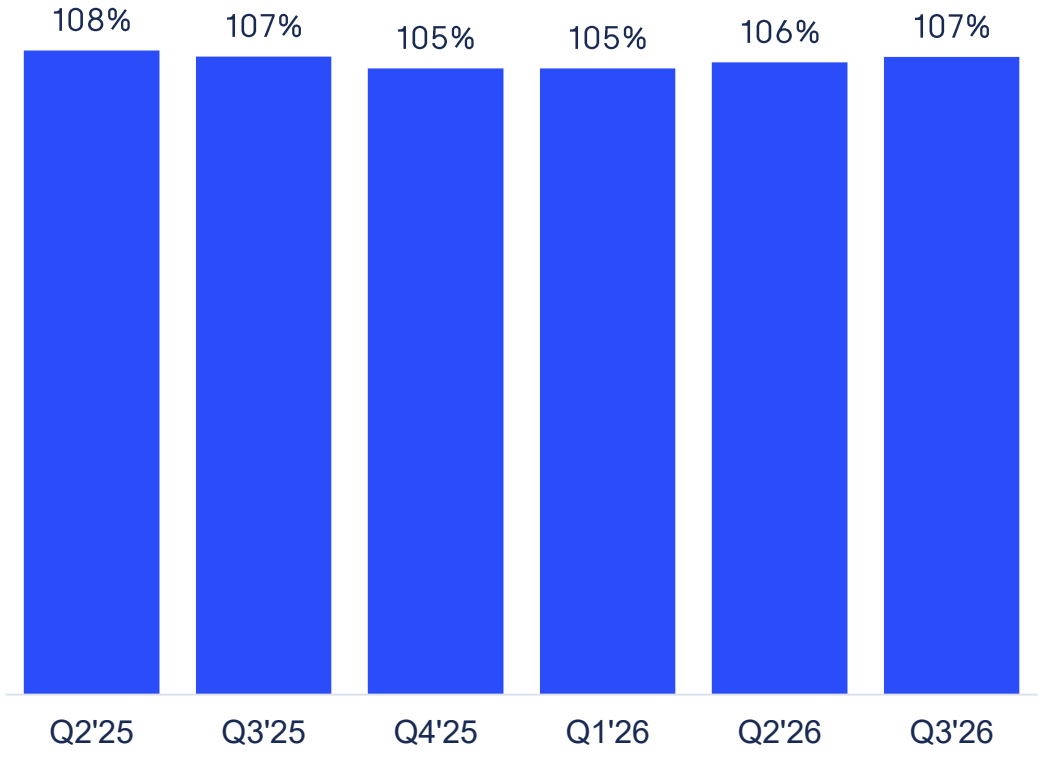
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High Customer Retention

LTM Subscription Dollar-Based Retention Rate



LTM Subscription + Telecom Dollar-Based Retention Rate

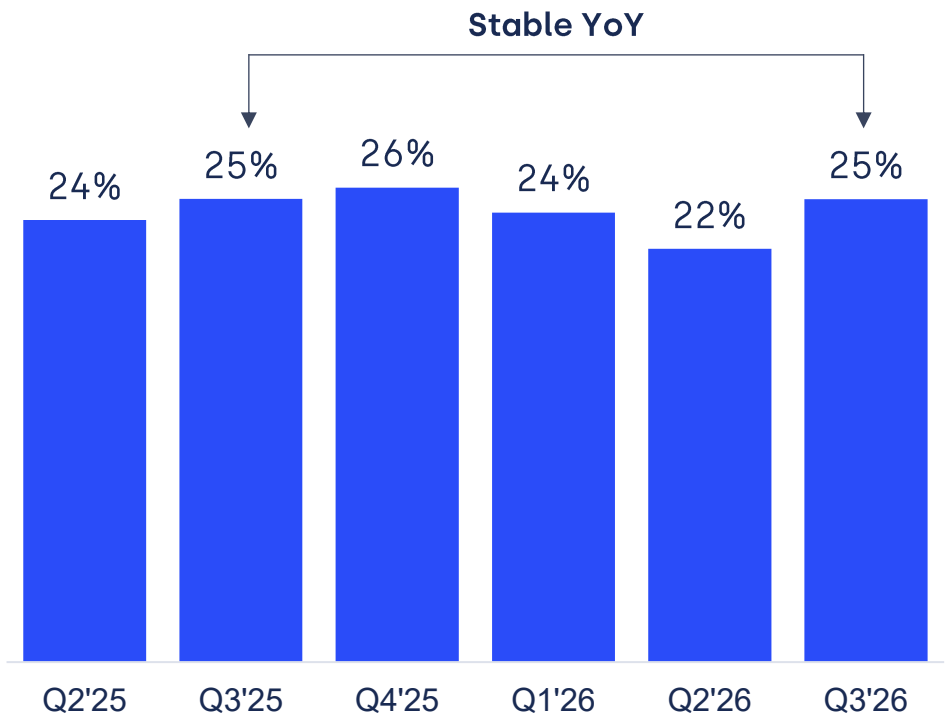


Note: LTM Dollar-Based Retention Rates based on last 12 months at the end of each respective quarter.

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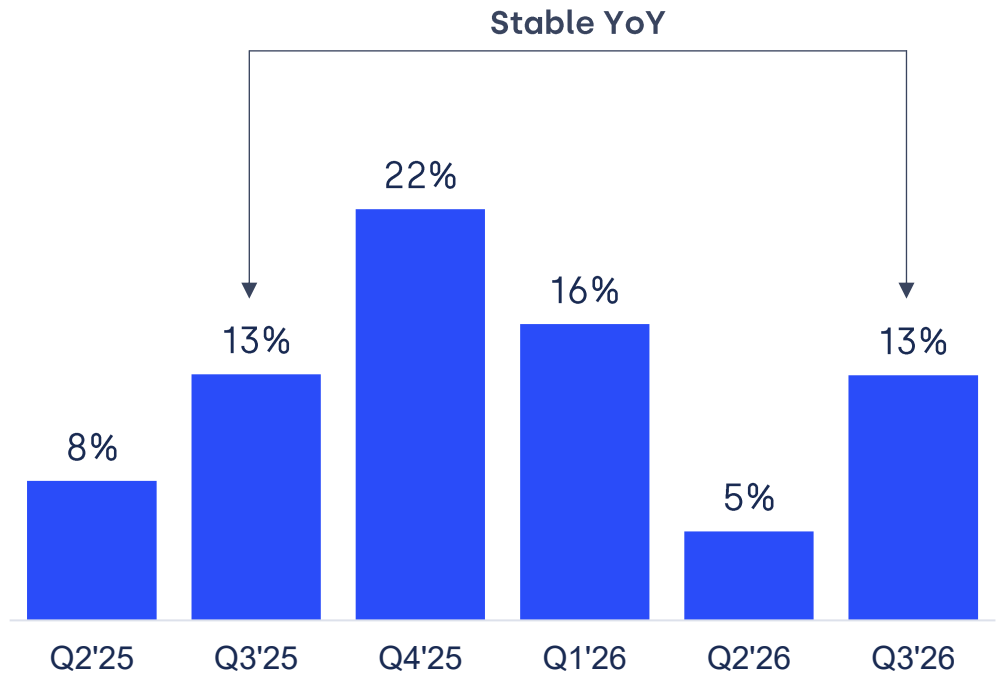
Operational Efficiency and Profitable Growth

Adjusted EBITDA Margin



Free Cash Flow Margin

DSO of 38 days in Q3'26

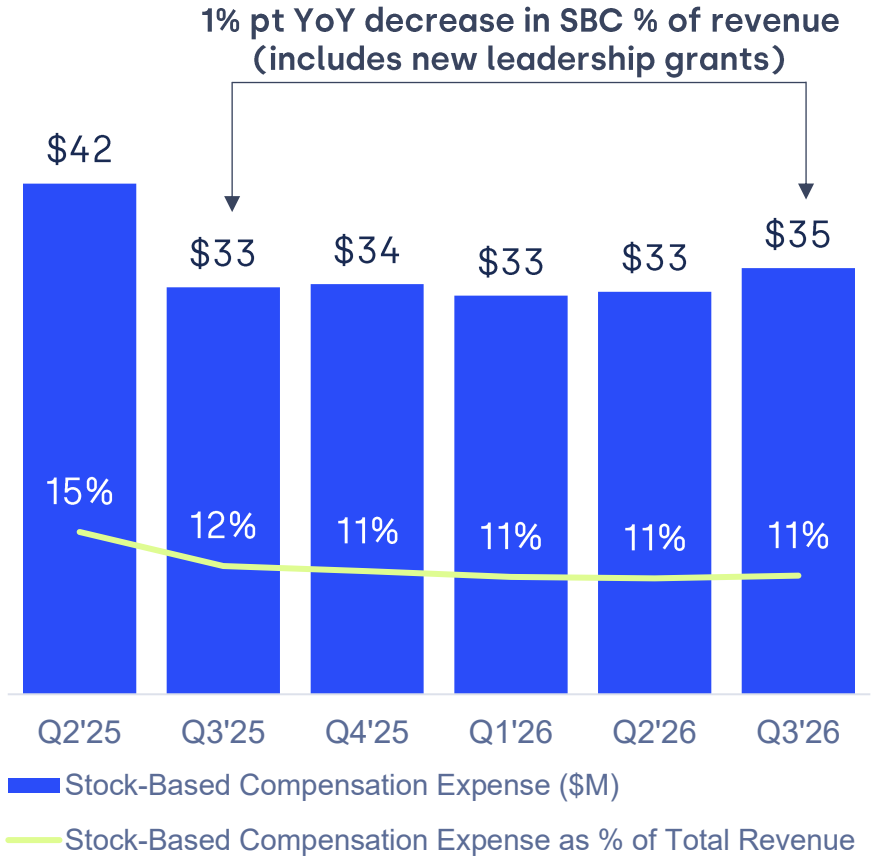


Note: Non-GAAP and adjusted metrics exclude depreciation, intangibles amortization, stock-based compensation and unusual expense items. See appendix for reconciliation of non-GAAP measures to most comparable GAAP measure.

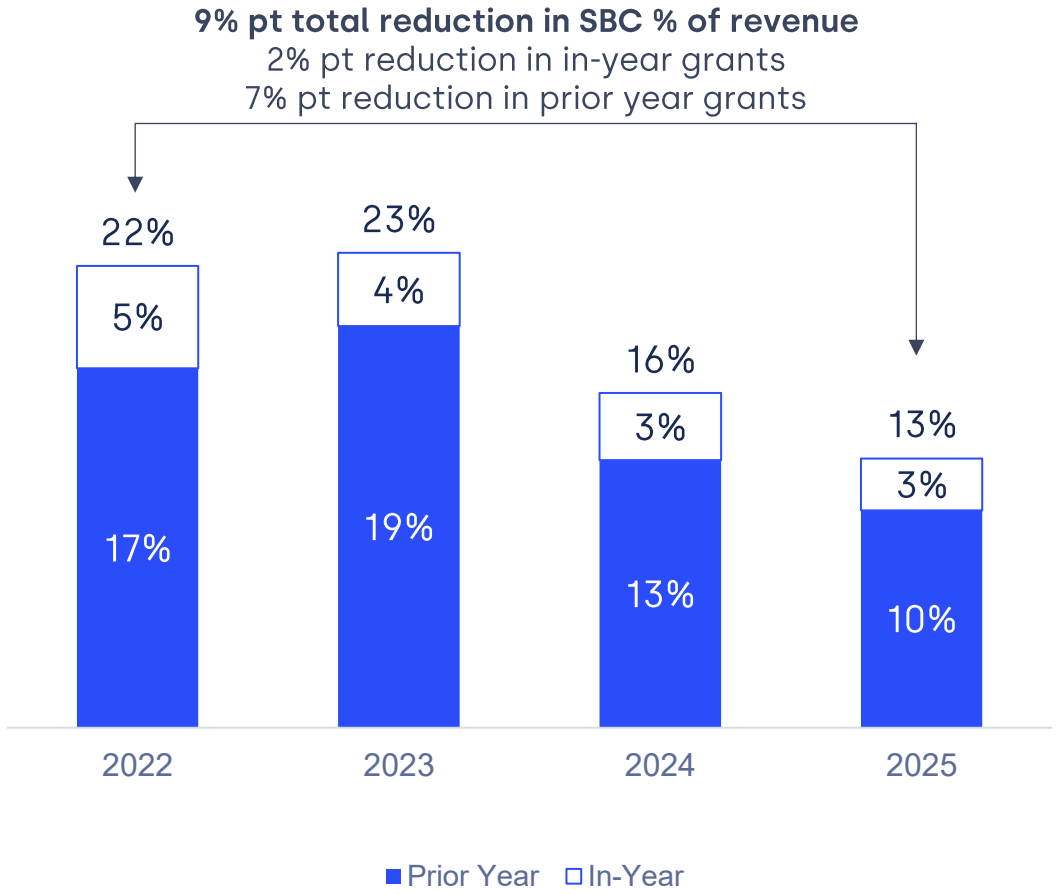
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YoY Reduction in Stock-Based Comp (SBC) Expense as a % of Revenue

SBC Expense ($M and % of Revenue)



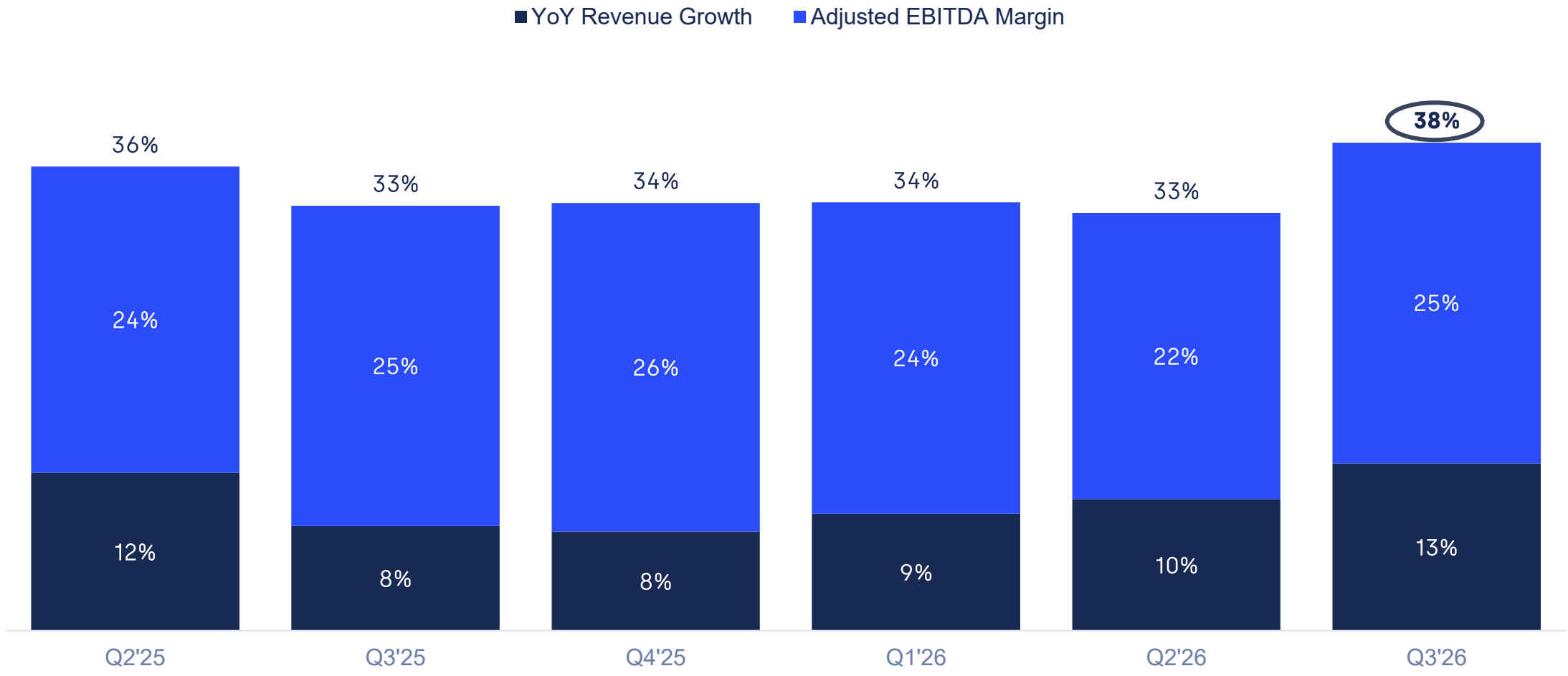
SBC Expense Prior Year vs. In-Year Grants (% of Revenue)



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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.

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Q4'26 and 2026 Guidance

Issued on November 5, 2026

Does not include any contribution from the pending acquisition of Level AI

	Q4'26	2026
Revenue	$328.0M – $334.0M	$1.269B – $1.275B
GAAP Net Income Per Diluted Share	$0.28 – $0.36	$0.75 – $0.83
Non-GAAP Net Income Per Diluted Share	$0.88 – $0.92	$3.17 – $3.21
Diluted Shares – GAAP	78.0M	77.1M
Diluted Shares – Non-GAAP	78.0M	77.1M
Taxes	$2.6M – $2.8M	$6.9M – $7.1M
Purchase of PP&E	$10M – $12M	$38M – $40M

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 Q3'26	Medium-Term Model (In 2027)	Key Assumptions
Revenue (YoY Growth)		**Revenue (YoY Growth)**	
Total Revenue	13%	10% - 15%	• Stable macro conditions • Potential further upside with AI
Profit & Expenses (% of Revenue)		**Profit & Expenses (% of Revenue)**	
Adjusted Gross Margin	62%	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	9%	10% - 11%	
G&A	6%	6% - 7%	
Adjusted EBITDA	25%	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.
Issued on May 1, 2025.

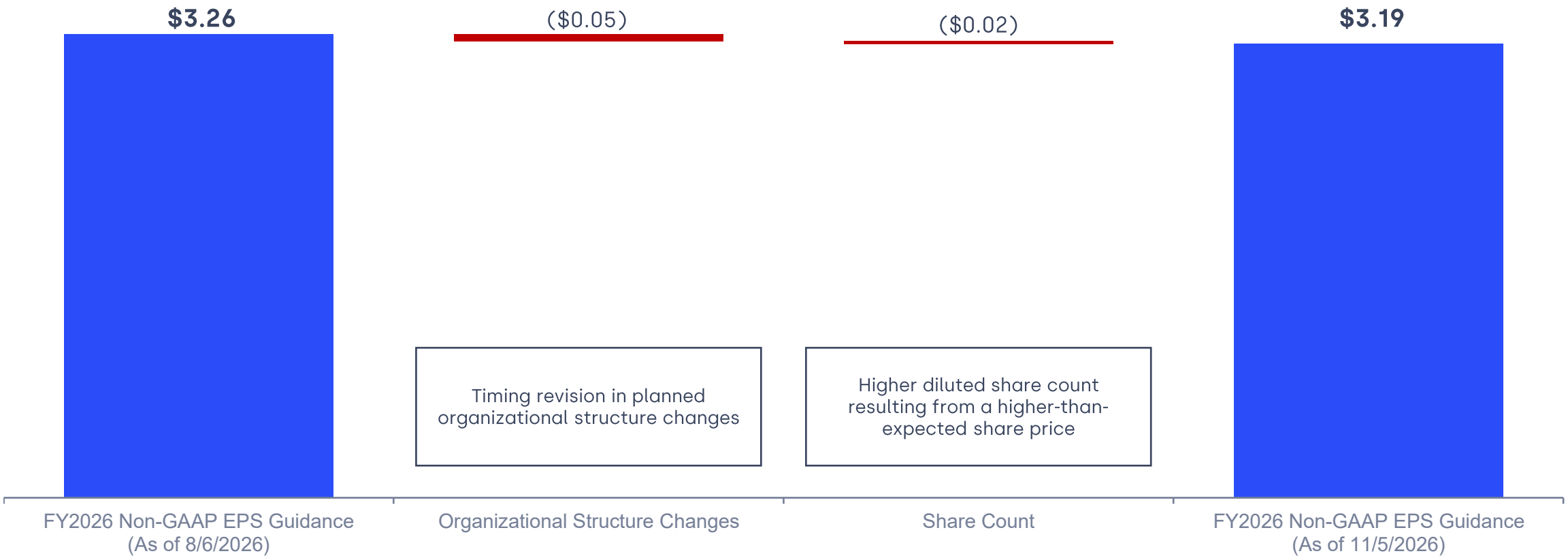
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Appendix

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FY2026 Non-GAAP EPS Bridge: Aug'26 Guidance to Nov'26 Guidance



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.

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Balance Sheet Summary

$M	Quarter Ended September 30, 2026 (unaudited)	December 31, 2025
Cash, cash equivalents and marketable investments	$697.7	$696.9
Working capital	773.9	746.7
Total assets	1,917.2	1,790.1
Total debt[1]	738.2	735.5
Total stockholders' equity	838.2	785.8

[1] Total principal amount of debt of $747.5M as of September 30, 2026 will become due in March 2029.

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GAAP to Adjusted Gross Profit Reconciliation

Q2'25 – Q3'26

$ in thousands, except percentages *(Unaudited)*	Quarter Ended					
	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26	Q3'26
GAAP gross profit	$ 155,404	$ 157,280	$ 166,438	$ 170,527	$ 166,744	$ 172,729
% GAAP gross margin	54.9%	55.0%	55.4%	55.9%	53.4%	53.4%
Stock-based compensation	7,296	6,852	6,504	6,307	5,794	5,690
Depreciation & amortization	12,161	13,381	14,421	15,374	17,385	17,716
Acquisition and related transaction costs and one-time integration costs	—	2	4	14	30	—
Costs related to reduction in force plans	1,565	—	—	—	—	1,306
Lease amortization for finance leases	2,119	2,108	2,100	2,090	2,033	1,922
Adjusted gross profit	$ 178,545	$ 179,623	$ 189,467	$ 194,312	$ 191,986	$ 199,363
% adjusted gross margin	63.0%	62.8%	63.1%	63.6%	61.4%	61.7%

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GAAP Net Income to Adjusted EBITDA Reconciliation

Q2'25 – Q3'26

$ in thousands, except percentages *(Unaudited)*	Quarter Ended					
	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26	Q3'26
GAAP net income	$ 1,154	$ 17,973	$ 19,713	$ 18,412	$ 3,367	$ 14,498
Non-GAAP adjustments:						
Stock-based compensation	41,859	33,339	33,625	32,664	32,980	34,927
Depreciation and amortization	14,649	15,772	16,853	17,842	19,919	20,105
Interest expense	3,820	3,087	3,054	3,142	3,507	3,549
Interest income and other	(7,917)	(5,660)	(6,288)	(5,212)	(5,838)	(4,914)
Acquisition and related transaction costs and one-time integration costs	1,489	1,620	2,155	1,683	1,794	2,005
Costs related to reduction in force plans	7,766	403	—	—	—	4,324
Office closure lease termination costs	95	—	—	—	—	—
Impairment charge related to consolidation of corporate headquarters	—	—	—	—	8,382	—
Lease amortization for finance leases	2,311	2,300	2,292	2,282	2,225	2,114
One-time expenses related to strategic consulting services for operational review	—	—	—	—	—	—
Other cost-reduction and productivity initiatives	974	1,851	1,728	(3)	—	—
One-time expenses related to advisory services for long-term strategy and growth	—	—	—	1,175	1,921	565
One-time expenses related to advisory services for research and development transformation	—	—	—	—	—	2,242
Legal fees related to the securities class action	368	392	873	347	854	664
Provision for (benefit from) income taxes	1,382	643	3,317	2,151	941	1,151
Adjusted EBITDA	$ 67,950	$ 71,720	$ 77,322	$ 74,483	$ 70,052	$ 81,230
% adjusted EBITDA margin	24.0%	25.1%	25.7%	24.4%	22.4%	25.1%

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GAAP to Non-GAAP COR and OpEx Reconciliation

Q2'25 – Q3'26

$ in thousands, except percentages *(Unaudited)*	Quarter Ended					
	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26	Q3'26
GAAP COR	$ 127,865	$ 128,552	$ 133,844	$ 134,792	$ 145,700	$ 150,574
% of revenue	45.1 %	45.0 %	44.6 %	44.1 %	46.6 %	46.6 %
Stock-based compensation	(7,296)	(6,852)	(6,504)	(6,307)	(5,794)	(5,690)
Depreciation & amortization	(12,161)	(13,381)	(14,421)	(15,374)	(17,385)	(17,716)
Acquisition and related transaction costs and one-time integration costs	—	(2)	(4)	(14)	(30)	—
Costs related to reduction in force plans	(1,565)	—	—	—	—	(1,306)
Lease amortization for finance leases	(2,119)	(2,108)	(2,100)	(2,090)	(2,033)	(1,922)
Non-GAAP COR	$ 104,724	$ 106,209	$ 110,815	$ 111,007	$ 120,458	$ 123,940
% of revenue	37.0 %	37.2 %	36.9 %	36.4 %	38.6 %	38.3 %
GAAP R&D	$ 39,912	$ 35,218	$ 36,104	$ 39,676	$ 42,068	$ 41,232
% of revenue	14.1 %	12.3 %	12.0 %	13.0 %	13.5 %	12.8 %
Stock-based compensation	(8,829)	(6,896)	(7,349)	(7,515)	(7,257)	(6,297)
Depreciation & amortization	(799)	(731)	(833)	(838)	(887)	(929)
Acquisition and related transaction costs and one-time integration costs	(742)	(1,170)	(1,538)	(1,486)	(1,678)	(849)
Costs related to reduction in force plans	(1,931)	(25)	—	—	—	(877)
Lease amortization for finance leases	(192)	(192)	(192)	(192)	(192)	(192)
One-time expenses related to advisory services for research and development transformation	—	—	—	—	—	(2,242)
Non-GAAP R&D	$ 27,419	$ 26,204	$ 26,192	$ 29,645	$ 32,054	$ 29,846
% of revenue	9.7 %	9.2 %	8.7 %	9.7 %	10.3 %	9.2 %

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GAAP to Non-GAAP OpEx Reconciliation

Q2'25 – Q3'26

$ in thousands, except percentages *(Unaudited)*	Quarter Ended					
	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26	Q3'26
GAAP S&M	$ 80,668	$ 71,657	$ 76,636	$ 79,489	$ 79,703	$ 80,715
% of revenue	28.5 %	25.1 %	25.5 %	26.0 %	25.5 %	25.0 %
Stock-based compensation	(13,355)	(8,401)	(8,879)	(8,564)	(8,668)	(8,339)
Depreciation & amortization	(27)	(11)	(10)	(5)	(5)	(6)
Costs related to reduction in force plans	(3,319)	(182)	—	—	—	(1,805)
One-time expenses related to advisory services for long-term strategy and growth	—	—	—	—	(746)	(565)
Non-GAAP S&M	$ 63,967	$ 63,063	$ 67,747	$ 70,920	$ 70,284	$ 70,000
% of revenue	22.6 %	22.1 %	22.6 %	23.2 %	22.5 %	21.7 %

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GAAP to Non-GAAP OpEx Reconciliation

Q2'25 – Q3'26

$ in thousands, except percentages	Quarter Ended					
(Unaudited)	Q2'25	Q3'25	Q4'25	Q1'26	Q2'26	Q3'26
GAAP G&A	$ 36,385	$ 34,362	$ 33,902	$ 32,869	$ 42,996	$ 36,498
% of revenue	12.8 %	12.0 %	11.3 %	10.8 %	13.8 %	11.3 %
Stock-based compensation	(12,379)	(11,190)	(10,893)	(10,278)	(11,261)	(14,601)
Depreciation & amortization	(1,662)	(1,649)	(1,589)	(1,625)	(1,642)	(1,454)
Acquisition and related transaction costs and one-time integration costs	(746)	(448)	(613)	(183)	(86)	(1,156)
Costs related to reduction in force plans	(952)	(196)	—	—	—	(336)
Office closure lease termination costs	(95)	—	—	—	—	—
Impairment charge related to consolidation of corporate headquarters	—	—	—	—	(8,382)	—
Other cost-reduction and productivity initiatives	(974)	(1,851)	(1,728)	3	—	—
One-time expenses related to advisory services for long-term strategy and growth	—	—	—	(1,175)	(1,175)	—
Legal fees related to the securities class action	(368)	(392)	(873)	(347)	(854)	(664)
Non-GAAP G&A	$ 19,209	$ 18,636	$ 18,206	$ 19,264	$ 19,596	$ 18,287
% of revenue	6.8 %	6.5 %	6.1 %	6.3 %	6.3 %	5.7 %

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GAAP to Non-GAAP Net Income Reconciliation

$ in thousands, except per share data *(Unaudited)*	Three Months Ended		Nine Months Ended	
	Sep 30, 2026	Sep 30, 2025	Sep 30, 2026	Sep 30, 2025
GAAP net income	$ 14,498	$ 17,973	$ 36,277	$ 19,703
Non-GAAP adjustments:				
Stock-based compensation	34,927	33,339	100,571	114,443
Intangibles amortization	3,389	3,464	10,208	11,028
Amortization of discount and issuance costs on convertible senior notes	947	933	2,740	3,614
Exit costs related to closure and relocation of Russian operations	132	105	49	(440)
Acquisition and related transaction costs and one-time integration costs	2,005	1,620	5,481	4,090
Costs related to reduction in force plans	4,324	403	4,324	8,169
Office closure lease termination costs	—	—	—	95
Impairment charge related to consolidation of corporate headquarters	—	—	8,382	—
One-time expenses related to strategic consulting services for operational review	—	—	—	1,265
Other cost-reduction and productivity initiatives	—	1,851	(3)	2,825
One-time expenses related to advisory services for long-term strategy and growth	565	—	3,660	—
One-time expenses related to advisory services for research and development transformation	2,242	—	2,242	—
Legal fees related to the securities class action	664	392	1,865	901
Deferred taxes - tax adjustments from an acquisition	—	524	—	524
Income tax expense effects (1)	—	—	—	—
Non-GAAP net income	$ 63,693	$ 60,604	$ 175,796	$ 166,217
GAAP net income per share:				
Basic	$ 0.19	$ 0.23	$ 0.48	$ 0.26
Diluted	$ 0.19	$ 0.21	$ 0.47	$ 0.22
Non-GAAP net income per share:				
Basic	$ 0.85	$ 0.78	$ 2.32	$ 2.17
Diluted	$ 0.82	$ 0.78	$ 2.29	$ 2.15
Shares used in computing GAAP net income per share:				
Basic	75,047	77,528	75,666	76,716
Diluted	77,258	87,295	76,690	88,413
Shares used in computing non-GAAP net income per share:				
Basic	75,047	77,528	75,666	76,716
Diluted	77,258	77,883	76,690	77,200

(1) 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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Capital Expenditure and Free Cash Flow

Q2'25 – Q3'26

$ in thousands *(Unaudited)*	Q2'25	Q3'25	Q4'25	12 mo ended 12/31/2025	Q1'26	Q2'26	Q3'26
Net cash provided by operating activities	$ 35,061	$ 59,196	$ 83,566	$ 226,207	$ 63,916	$ 42,082	$ 58,361
(Refer to cash flows from operating activities in cash flow stmt)							
Capital expenditure							
Purchases of property and equipment	3,494	10,504	6,241	24,963	5,265	17,626	5,056
(Refer to cash flows from investing activities in cash flow stmt)							
Capitalization of software development costs	9,998	10,391	10,014	39,135	9,210	9,263	9,999
Equipment purchased and unpaid at period-end:							
Beginning balance	9,330	13,058	11,414	11,890	6,428	6,754	8,390
Ending balance	13,058	11,414	6,428	6,428	6,754	8,390	13,877
(Refer to non-cash investing and financing activities in cash flow stmt)							
Change in equipment purchased and unpaid during period	3,728	(1,644)	(4,986)	(5,462)	326	1,636	5,487
Total capital expenditure	$ 17,220	$ 19,251	$ 11,269	$ 58,636	$ 14,801	$ 28,525	$ 20,542
Free cash flow (Non-GAAP) (operating cash flow less capex paid in cash and capitalized software)	$ 21,569	$ 38,301	$ 67,311	$ 162,109	$ 49,441	$ 15,193	$ 43,306

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GAAP to Non-GAAP Net Income Reconciliation

Guidance[1]

Does not include any contribution from the pending acquisition of Level AI

$ in thousands, except per share data
(Unaudited)

	Three Months Ending December 31, 2026		Twelve Months Ending December 31, 2026	
	Low	High	Low	High
GAAP net income	$ 21,935	$ 28,055	$ 58,182	$ 64,266
Non-GAAP adjustments:				
Stock-based compensation[2]	37,500	35,500	138,072	136,072
Intangibles amortization	3,363	3,363	13,570	13,570
Amortization of discount and issuance costs on convertible senior notes	949	949	3,689	3,689
Exit costs related to closure and relocation of Russian operations	—	—	49	49
Acquisition and related transaction costs and one-time integration costs[3]	2,432	1,432	7,912	6,912
Costs related to a reduction in force plan	—	—	4,324	4,324
Impairment charge related to consolidation of corporate headquarters	—	—	8,382	8,382
Other cost-reduction and productivity initiatives	—	—	(3)	(3)
One-time expenses related to advisory services for long-term strategy and growth	1,091	1,091	4,751	4,751
One-time expenses related to advisory services for research and development transformation	1,208	1,208	3,450	3,450
Legal fees related to the securities class action	—	—	1,865	1,865
Income tax expense effects[4]	—	—	—	—
Non-GAAP net income	$ 68,478	$ 71,598	$ 244,243	$ 247,327
GAAP net income per share:				
Basic	$ 0.29	$ 0.37	$ 0.77	$ 0.85
Diluted	$ 0.28	$ 0.36	$ 0.75	$ 0.83
Non-GAAP net income per share:				
Basic	$ 0.90	$ 0.95	$ 3.23	$ 3.27
Diluted	$ 0.88	$ 0.92	$ 3.17	$ 3.21
Shares used in computing GAAP net income per share:				
Basic	75,700	75,700	75,700	75,700
Diluted	78,000	78,000	77,100	77,100
Shares used in computing non-GAAP net income per share:				
Basic	75,700	75,700	75,700	75,700
Diluted	78,000	78,000	77,100	77,100

(1) Represents guidance discussed on November 5, 2026. Reader shall not construe presentation of this information after November 5, 2026 as an update or reaffirmation of such guidance.
(2) Stock-based compensation expenses are based on a range of probable significance, assuming market price for our common stock that is approximately consistent with current levels.
(3) Acquisition and 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

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