

8x8

Earnings Results First Quarter Fiscal 2021 (Ended June 30, 2020)

July 30, 2020

Forward Looking Statements

This presentation includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and Section 21E of the Securities Exchange Act of 1934. These statements relate to the release of new products, market demand for products, changing industry trends, business strategies, future operating performance and outlook, including the economic impacts of COVID-19 pandemic and future profitability. These forward-looking statements are predictions only, and actual events or results may differ materially from such statements depending on a variety of factors. These factors include, but are not limited to:

- Customer adoption and demand for our X-Series product line may be lower than we anticipate.
- Impact of economic downturns on us and our customers, including from the COVID-19 pandemic.
- Competitive dynamics of the UCaaS, CCaaS, CPaaS, video and other markets in which we compete may change in ways we are not anticipating.
- Third parties may assert ownership rights in our IP, which may limit or prevent our continued use of the core technologies behind our solutions.
- We may not achieve our target service revenue growth rate, or the revenue, earnings, bookings or other amounts we forecast in our guidance, for a particular quarter or for the full fiscal year of 2021, including revenue contributions from our acquisition of Wavecell Pte. Ltd.
- Our customer churn rate may be higher than we anticipate.
- Our Investments we make in marketing, channel and value-added resellers (VARs), e-commerce, new products, may not result in revenue growth.

For a discussion of such risks and uncertainties, which could cause actual results to differ from those contained in the forward-looking statements, see “Risk Factors” in the Forms 10-K and 10-Q filed by 8x8, Inc. with the Securities and Exchange Commission. All forward-looking statements are qualified in their entirety by this cautionary statement, and 8x8, Inc. undertakes no obligation to update publicly any forward-looking statement for any reason, except as required by law, even as new information becomes available or other events occur in the future.

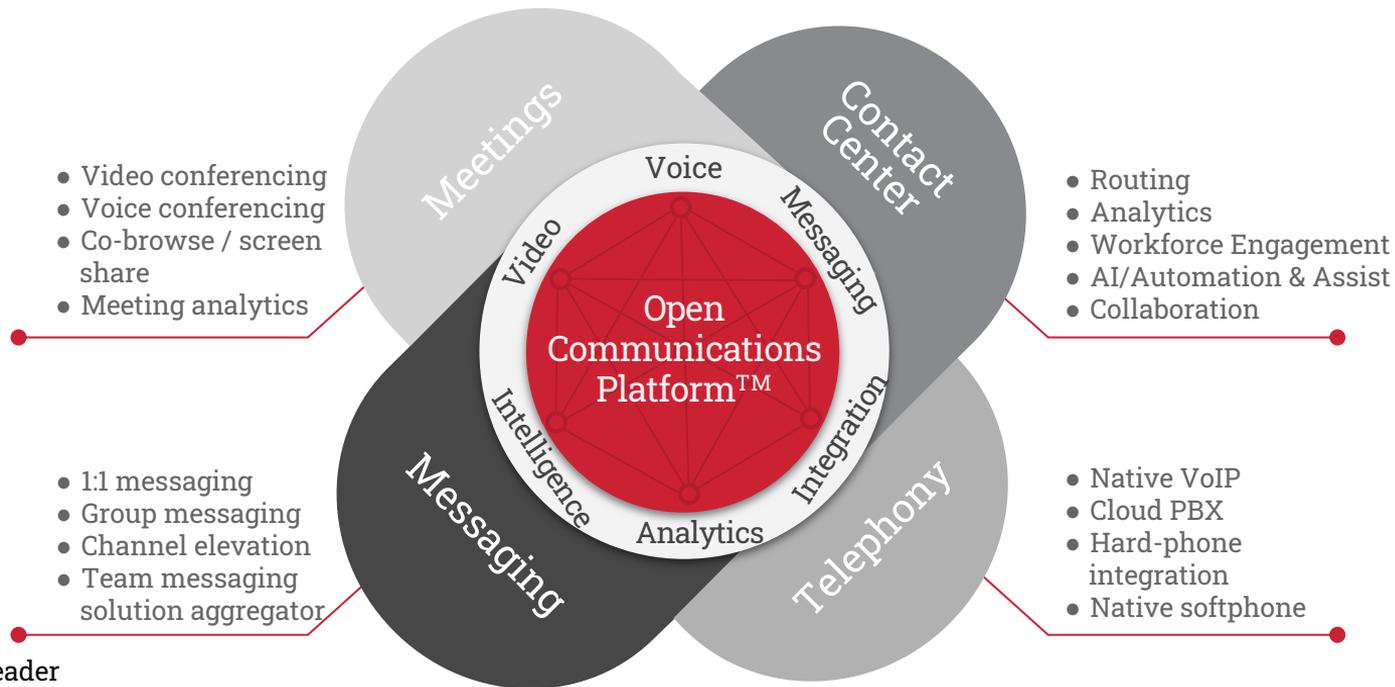
Non-GAAP Measures

This presentation contains certain financial information that has not been prepared in accordance with Generally Accepted Accounting Principles (GAAP). Management uses these non-GAAP financial measures internally in analyzing the Company’s financial results and believes they are useful to investors, as a supplement to GAAP measures, in evaluating the Company’s ongoing operational performance. This information should not be considered a substitute for any measures derived in accordance with GAAP.

8x8 - A Leader in Cloud Communications Services

About 8x8 Inc.

- 1,600+ employees
- 15 offices in 8 countries
- 1M+ business users in 160 countries
- 16 global data centers
- 11 Support locations
- +230 patents awarded
- NYSE: EGHT



Gartner UCaaS Magic Quadrant Leader
Gartner, 2012-2019

Gartner CCaaS Magic Quadrant Challenger
Gartner, 2015-2019

Financial Results vs. Guidance | Q1 Fiscal 2021

	Q1 F2021	
	Guidance (May 12, 2020)	Results (July 30, 2020)
Total Revenue	\$120.0 – 121.0m	\$121.8m
% Growth Y/Y	24-25%	26.0%
Service Revenue	\$112.5 – 113.5m	\$114.2m
% Growth Y/Y	25-26%	27.1%
Pre-Tax Loss (Non-GAAP)	(~\$12.0m)	(\$7.6m)

Q1 Fiscal 2021 | Business Highlights

Strong and Growing Large Deals With Annual Recurring Revenue (ARR) Greater than \$100,000:

- 606 customers with Annual Recurring Revenue (ARR) > \$100,000, 35% year-over-year growth
- Closed 38 new customer deals with ARR > \$100,000. These deals represented 43% of new bookings for the quarter.

Annual Recurring Revenue (ARR):

- Total ending ARR was \$432.2M and grew 30% year-over-year
- Small business customers with revenue <\$50M comprised 55% of ending (ARR) and grew 16% year-over-year
- Mid-market customers with revenue between \$50M - \$1B comprised 26% of ending (ARR) and grew 40% year-over-year
- Enterprise customers with revenue >\$1B comprised 19% of ending (ARR) and grew 72% year-over-year

Average Annual Service Revenue Per Customer*:

- Small business customers with revenue <\$50M grew 1% year-over-year to \$4,623
- Mid-market customers with revenue between \$50M - \$1B grew 15% year-over-year to \$41,963
- Enterprise customers with revenue >\$1B grew 11% year-over-year to \$167,000

Q1 Fiscal 2021 | Business Highlights (continued ...)

Continued Contact Center Traction with Customer:

- 7 of top 10 new bookings were bundled deals
- Contact center new bookings represented 32% of total new bookings and grew 194% year-over-year
- Expanded **8x8 Virtual Agent** conversational AI to include integration to Amazon Aurora and Google Firebase for advanced analytics
- Launched ability to send and receive automated SMS messages from within our **8x8 Intelligent Interactive Voice Response (IVR)** chatbot for instant mobile communication

Channel Momentum:

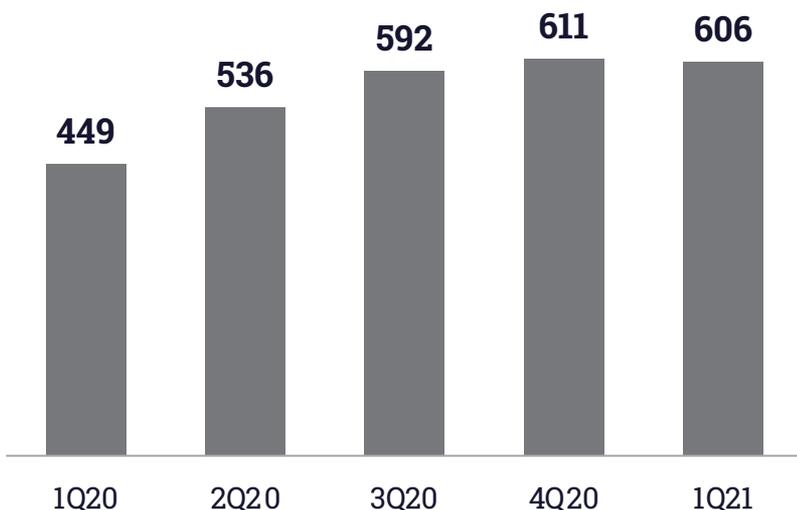
- Channel Bookings grew 47% year-over-year and represented 62% of new bookings
- 9 of top 10 new bookings from channel partners
- 1,092 active channel partners including 24 Master Agents
- Announced the global expansion of 8x8 Open Channel Program in North America, Europe and the Asia Pacific region
- Added Value-Added Resellers (VARs) to the program, including Lantana Communications and ScanSource partners including Allegiant Networks, Gage Telecom, Shamrock Communications and Stack 8 Technologies

Q1 Fiscal 2021 | Business Highlights (continued ...)

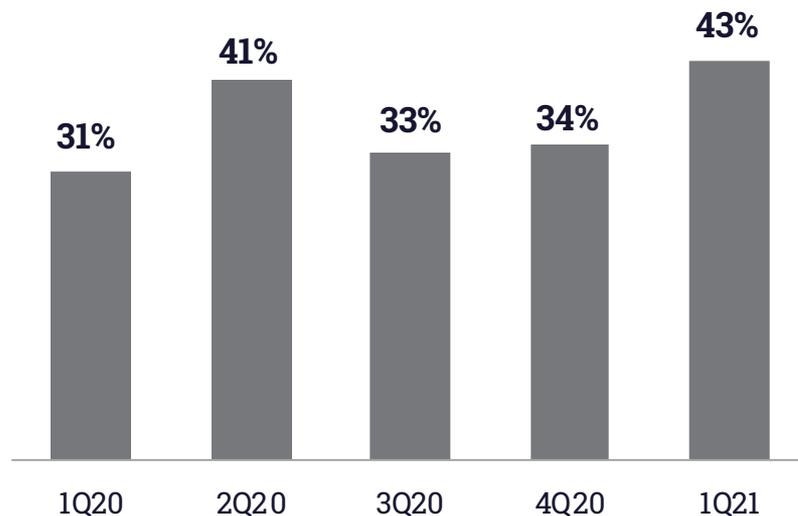
- Launched **8x8 Open Communications Platform**, an enterprise communications platform, combining voice, team chat, meetings, and contact centers solutions with shared intelligent communications services like AI-driven expert routing and predictive analytics.
- Launched **8x8 Voice for Microsoft Teams**, an enterprise-grade cloud telephony solution that seamlessly integrates with Microsoft Teams to deliver superior voice quality, global calling plans, native contact center support, seamless integration with third-party enterprise applications and call analytics from a desktop or mobile device.
- Launched **Communications Platform-as-a-Service (CPaaS)** programmable applications and APIs, including SMS and 8x8 Video, along with its delivery capabilities beyond the Asia Pacific region to organizations in the US and the UK.
- Expanded partnership with **Aryaka** to resell managed Software Defined Wide Area Networking (SD-WAN) service with 8x8's UCaaS and CCaaS offerings.
- Awarded **Ventana Research 13th Annual Digital Innovation Award** for 8x8 Open Communications Platform.

New Bookings | Customers >\$100K ARR (Annual Recurring Revenue*)

of Customers (cumulative)



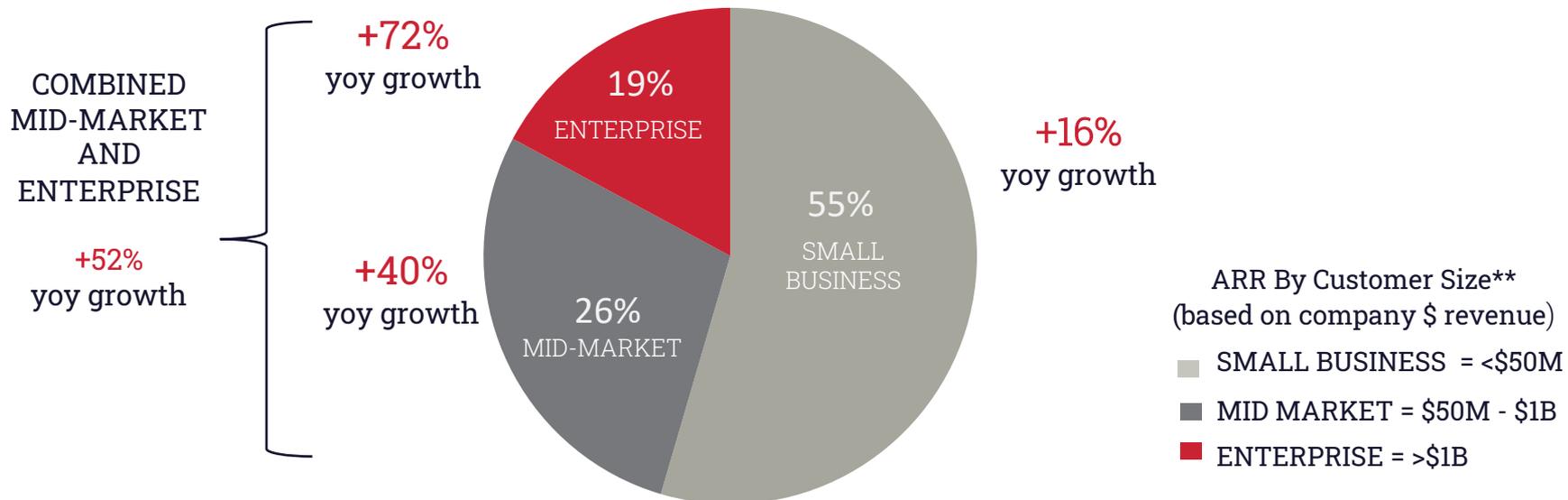
% of New Bookings



*Annual Recurring Revenue (ARR) = annualized subscription revenue and the annualized platform usage revenue for all CPaaS customers who meet a minimum revenue threshold for a period of at least 6 consecutive months

Annual Recurring Revenue (ARR*) | By Customer Size

Total ARR Growth of +30% YOY with Strong Growth & Contribution From Mid-Market & Enterprise Customers



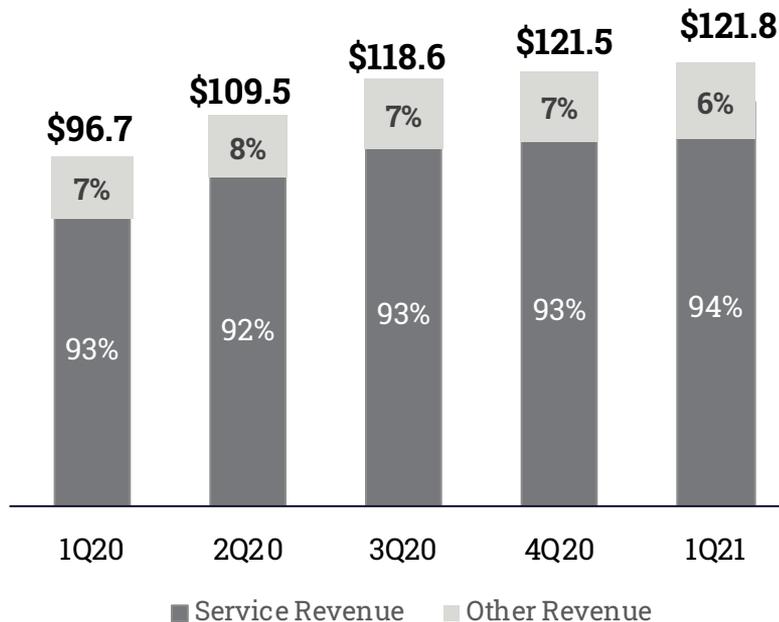
* Annual Recurring Revenue (ARR) = annualized subscription revenue and the annualized platform usage revenue for all CPaaS customers who meet a minimum revenue threshold for a period of at least 6 consecutive months

** Customer revenue size based on 3rd party sources

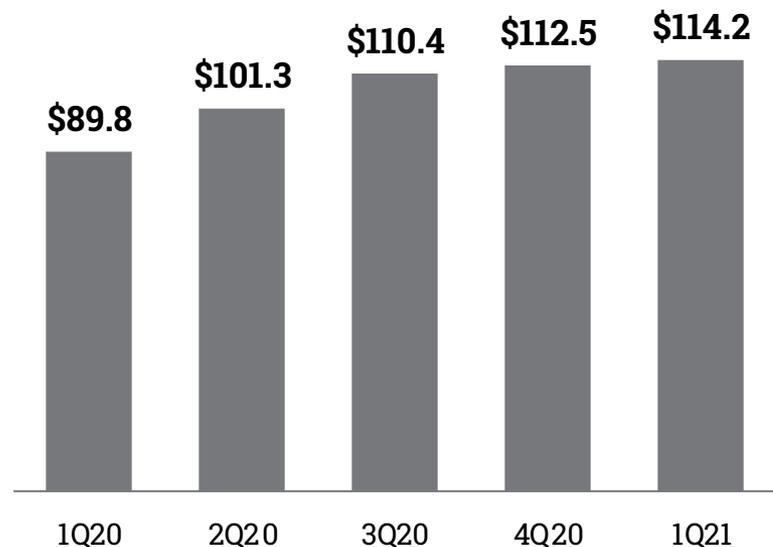
Revenue | Strong Continued Increases

(\$ in millions)

Total Revenue



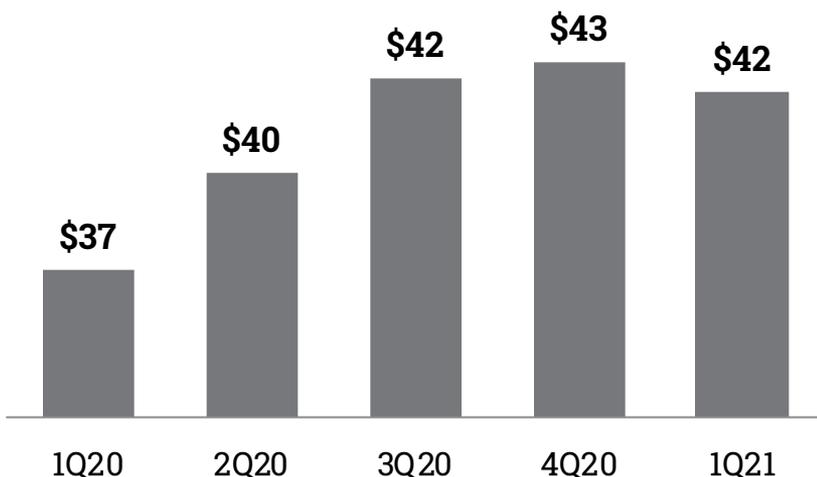
Service Revenue



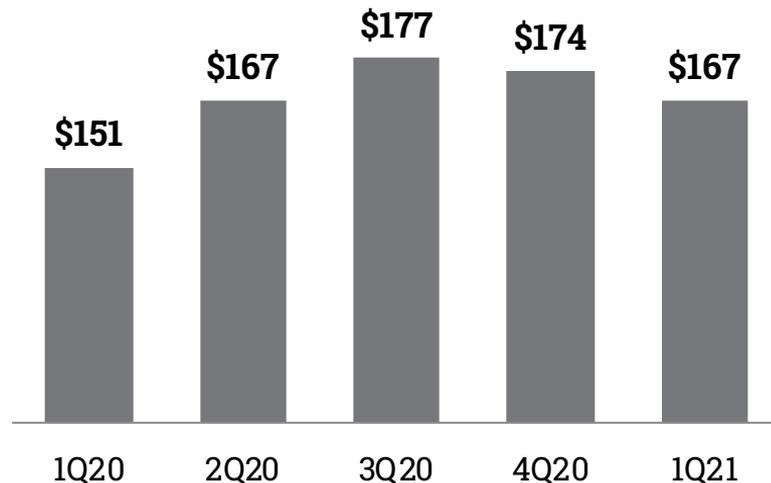
Revenue Per Customer | Increasingly Attractive Economics

Unit Level Customer Economics ... With Particular Strength in Larger Customers

Mid-Market



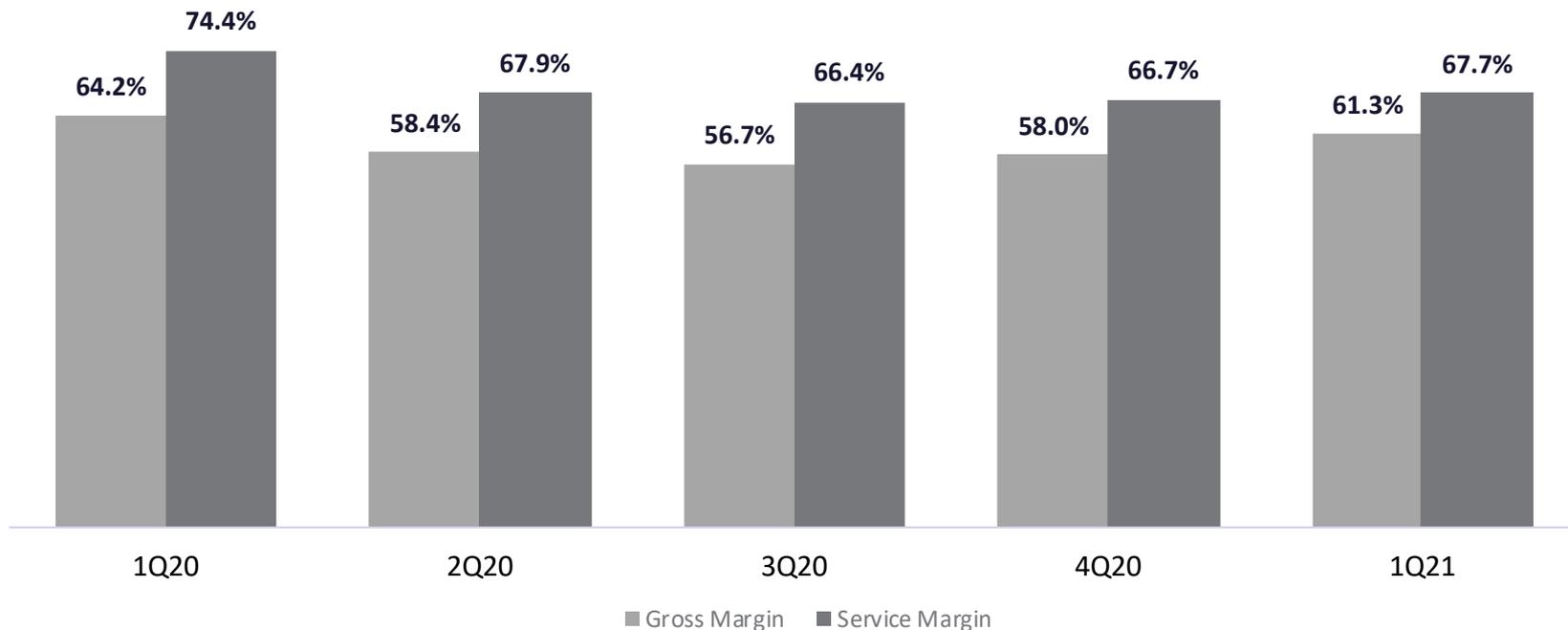
Enterprise



Average Annual Service Revenue Per Customer (in thousands)

Note: Mid-Market defined as customers with annual revenues from \$50M to \$1B and Enterprise defined as customers with annual revenue over \$1B as defined by company size. Post-reclassification of Professional Services for all quarters in fiscal 2020.

Gross Margin | Non-GAAP Margins*

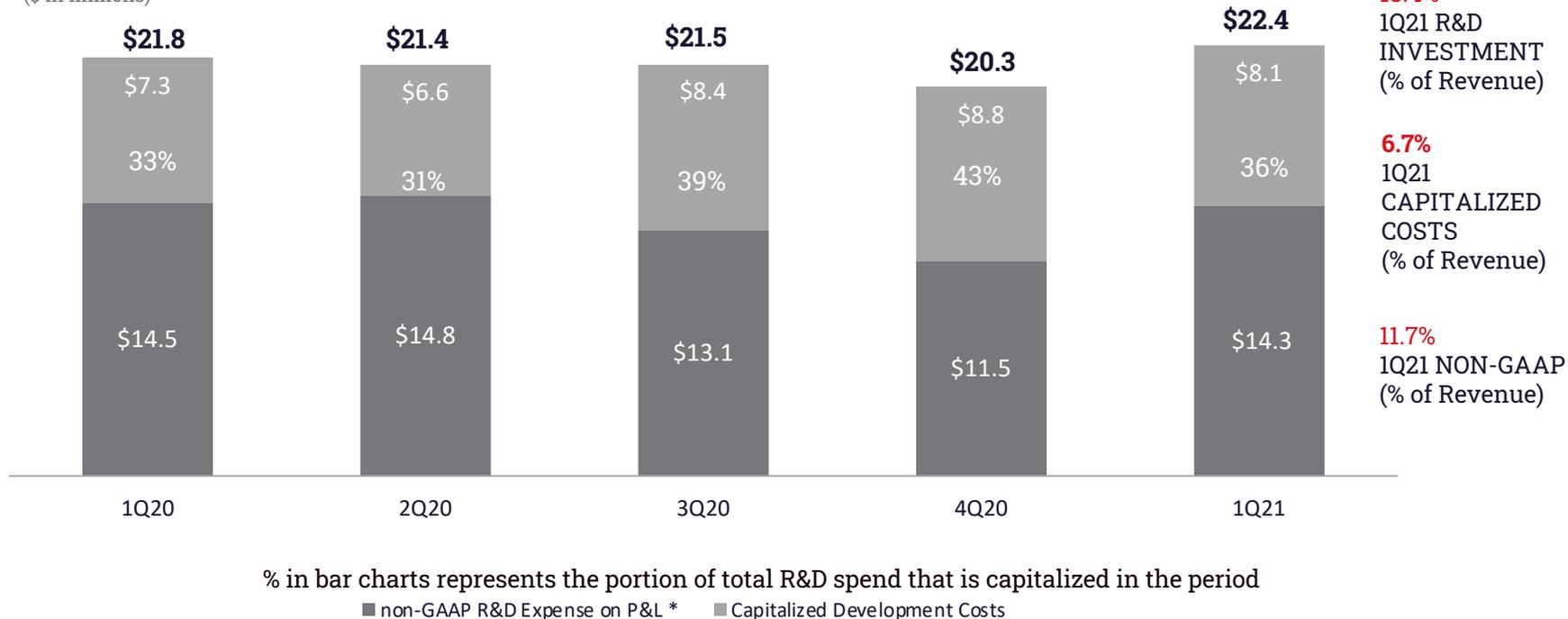


* For a reconciliation of GAAP to Non-GAAP metrics, refer to the Appendix for additional information. Post-reclassification of Professional Services for all quarters in fiscal 2020.

Single Technology Platform | 8x8 R&D Innovation

Strong Continued Innovation With Large Total R&D Investment

(\$ in millions)



* For a reconciliation of GAAP to Non-GAAP metrics, refer to the Appendix

8x8 Fiscal Q1 2021 Earnings Results

Guidance | Q2 Fiscal 2021

	Q2 F2021
	Guidance (July 30, 2020)
Total Revenue	\$125.5 – 126.5m
% Growth Y/Y	15-16%
Service Revenue	\$117.3 – 118.3m
% Growth Y/Y	16-17%
Pre-Tax Loss (Non-GAAP)	(~\$7.5m)

Investment Highlights

Compelling TAM

\$60+ billion market in early innings of cloud migration

Unique Tech Platform

single cloud technology platform

Complete Cloud Offering

integrated voice, video, chat, contact center, and enterprise-class APIs

Attractive Economics

solid customer land and expand

Strong SaaS Model

subscription revenue and visibility

Multiple Growth Drivers

channel & global expansion, cross-selling of platform, analytics

Thank you.

8x8

Communications.
Transformed.



APPENDIX

Reconciliation of GAAP to Non-GAAP | Cost of Service Revenue

(\$ in thousands, Unaudited)

Cost of Service Revenue:	Three Months Ended June 30,	
	2020	2019
GAAP cost of service revenue	\$40,996	\$25,300
Amortization of acquired intangible assets	(\$1,426)	(\$1,310)
Stock-based compensation expense and related taxes	(\$1,855)	(\$997)
Severance and related termination costs	(\$844)	\$—
Non-GAAP cost of service revenue	\$36,871	\$22,993
<i>Non-GAAP cost of service revenue as a percentage of service revenue</i>	32.3%	25.6%

Reconciliation of GAAP to Non-GAAP | Cost of Other Revenue

(\$ in thousands, Unaudited)

Cost of Other Revenue:	Three Months Ended June 30,	
	2020	2019
GAAP cost of other revenue	\$11,137	\$12,391
Stock-based compensation expense and related taxes	(\$837)	(\$734)
Severance and related termination costs	(\$30)	\$—
Non-GAAP cost of other revenue	\$10,270	\$11,657
<i>Non-GAAP cost of other revenue as a percentage of other revenue</i>	134.7%	170.5%

Reconciliation of GAAP to Non-GAAP | Research and Development

(\$ in thousands, Unaudited)

Research and Development Expense:	Three Months Ended June 30,	
	2020	2019
GAAP research and development	\$21,494	\$18,331
Stock-based compensation expense and related taxes	(\$6,777)	(\$3,864)
Acquisition and integration costs	\$—	(\$11)
Severance and related termination costs	(\$371)	\$—
Non-GAAP research and development	\$14,346	\$14,456
<i>Non-GAAP research and development as a percentage of revenue</i>	<i>11.8%</i>	<i>15.0%</i>

Reconciliation of GAAP to Non-GAAP | Sales and Marketing

(\$ in thousands, Unaudited)

Sales and Marketing Expense:	Three Months Ended June 30,	
	2020	2019
GAAP sales and marketing	\$60,150	\$53,599
Amortization of acquired intangible assets	(\$802)	(\$214)
Stock-based compensation expense and related taxes	(\$5,969)	(\$3,921)
Legal and nonrecurring regulatory costs	(\$3)	\$—
Severance and related termination costs	(\$496)	\$—
Non-GAAP sales and marketing	\$52,880	\$49,464
<i>Non-GAAP sales and marketing as a percentage of revenue</i>	43.4%	51.2%

Reconciliation of GAAP to Non-GAAP | General and Administrative

(\$ in thousands, Unaudited)

General and Administrative Expenses:	Three Months Ended June 30,	
	2020	2019
GAAP general and administrative	\$25,790	\$19,607
Stock-based compensation expense and related taxes	(\$7,996)	(\$4,081)
Acquisition and integration costs	(\$143)	(\$1,222)
Legal and non-recurring regulatory costs	(\$1,513)	\$455
Severance and related termination costs	(\$863)	(\$1,177)
Non-GAAP general and administrative	\$15,275	\$13,582
<i>Non-GAAP general and administrative as a percentage of revenue</i>	12.5%	14.0%

Reconciliation of GAAP to Non-GAAP | Net Loss / Per Share

(\$ in thousands, Unaudited)

Net Loss:	Three Months Ended June 30,	
	2020	2019
GAAP net loss	(\$41,913)	(\$34,265)
Adjustments:		
Amortization of acquired intangible assets	\$2,228	\$1,524
Stock-based compensation expense and related taxes	\$23,434	\$13,597
Acquisition and integration costs	\$143	\$1,233
Legal and non-recurring regulatory costs	\$1,516	(\$455)
Severance and related termination costs	\$2,604	\$1,177
Debt amortization expense	\$4,126	\$3,173
Provision for income taxes	\$228	\$148
Non-GAAP net loss before taxes	(\$7,634)	(\$13,868)
Non-GAAP tax expense	\$228	\$148
Non-GAAP net loss after taxes	(\$7,862)	(\$14,016)
Net Loss Per Share:	2020	2019
GAAP net loss per share - Basic and Diluted	\$ (0.40)	\$ (0.36)
Non-GAAP net loss before taxes per share - Basic and Diluted	\$ (0.07)	\$ (0.14)

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