

The logo consists of the text "8x8" in white, bold, sans-serif font, centered within a solid red square. The background of the entire slide is a blurred night cityscape with bokeh light effects from streetlights and buildings.

**8x8**

# First Quarter Fiscal 2022 (Ended June 30, 2021)

August 4, 2021

# 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 and competition, business strategies, future operating performance and outlook, including the economic impacts of the COVID-19 pandemic and future financial results. 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 products 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 2022.
- 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.

See Appendix for Non-GAAP reconciliation and disclaimers.

# 8x8 By the Numbers

**1**

Platform for  
Customers

**2.1 Million**

Paid business  
users

**\$536 Million**

Total ARR\*

**58,000+**

Customers

**24%**

Total ARR Growth\*

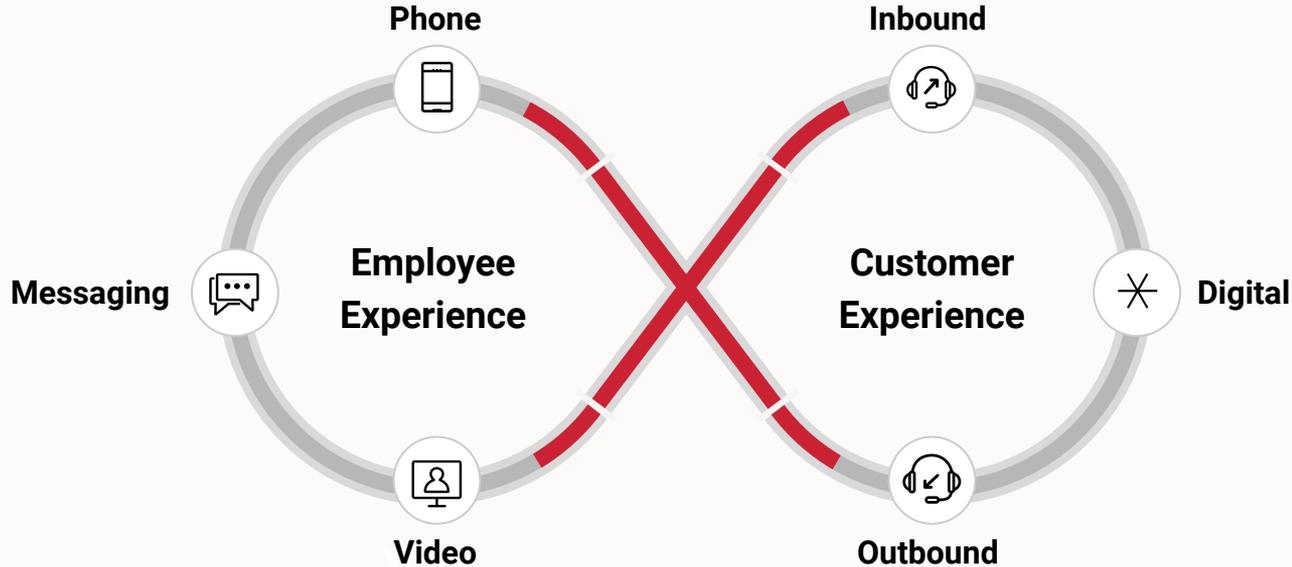
**250+**

Patents

# Powering All Personas Company-Wide

Capabilities

Platform



  
Analytics & AI

  
Integrations

  
CPaaS

Apps & Experiences

  
8x8 Work

  
Receptionist

  
Agent

  
Third-Party  
Apps

# Guidance vs. Financial Results

## Q1 Fiscal 2022

	Q1 F2022	
	Guidance (May 10, 2021)	Results (August 4, 2021)
<b>Total Revenue</b>	\$142.0 – 143.5m	\$148.3m
<b>% Growth Y/Y</b>	17 – 18%	22%
<b>Service Revenue</b>	\$132.5 – 133.5m	\$137.8m
<b>% Growth Y/Y</b>	16 – 17%	21%
<b>Non-GAAP Operating Margin*</b>	Positive	0.9%

# Q1 Fiscal 2022

## Financial Highlights

<b>Revenue</b>	Service Revenue <sup>1</sup>	\$138 million, 21% Y/Y growth
	Other Revenue <sup>2</sup>	\$11 million, 38% Y/Y growth
	Total Revenue	\$148 million, 22% Y/Y growth

<b>ARR</b>	Total ARR <sup>3</sup>	\$536 million, 24% Y/Y growth
	Small Business <sup>4</sup>	\$172 million, 7% Y/Y growth
	Mid-Market <sup>5</sup>	\$103 million, 22% Y/Y growth
	Enterprise <sup>6</sup>	\$262 million, 40% Y/Y growth

<sup>1</sup>Service revenue consists of subscriptions and platform usage revenue from our UCaaS, CCaaS and CPaaS offerings.

<sup>2</sup>Other Revenue is primarily comprised of product revenue from the sale of pre-configured phones, phone rentals, and professional services

<sup>3</sup>Annualized Recurring Subscriptions and Usage ("ARR") equals the sum of the most recent month of (i) recurring subscription amounts and (ii) platform usage charges for all CPaaS customers (subject to a minimum billings threshold for a period of at least six consecutive months), multiplied by 12.

<sup>4</sup>Small business ARR is defined as ARR from customers that generate < \$25K ARR.

<sup>5</sup>Mid-market ARR is defined as ARR from customers that generate \$25K to \$100K ARR.

<sup>6</sup>Enterprise ARR is defined as ARR from customers that generate > \$100K ARR.

ARR amounts may not sum due to rounding.

# Business Highlights

## Product Innovation

- Introduced XCaaS (eXperience Communications as a Service) for customer and employee engagement.
- Launched the industry's first and only financially-backed, platform-wide 99.999% SLA across an integrated cloud UCaaS and CCaaS solution.
- Released support for 500 active video meeting participants for 8x8 Work and JaaS (Jitsi as a Service).
- Extended 8x8 Voice for Microsoft Teams enhancements with presence synchronization for real-time visibility across an entire organization, including the contact center.

## Strategic Partnerships

- Formed a strategic channel partnership between 8x8 and Sandler Partners, America's fastest growing master agent and distributor of connectivity and cloud services. The partnership provides the 8x8 XCaaS platform to more than 9,000 technology partners.
- Enrolled Callstats into the Genesys AppFoundry for enabling next generation WebRTC monitoring.
- Enrolled in AWS Solution Providers Private Offers marketplace.

# Business Highlights (continued)

## Industry Recognition

- Named a Leader in the Aragon Research Globe for Unified Communications and Collaboration, 2021.
- Named a Leader in the Aragon Research Globe for Intelligent Contact Centers, 2021.
- Awarded Frost & Sullivan's Global Competitive Strategy Leadership Award for integrated employee and customer experience management solutions.

## Leadership Updates

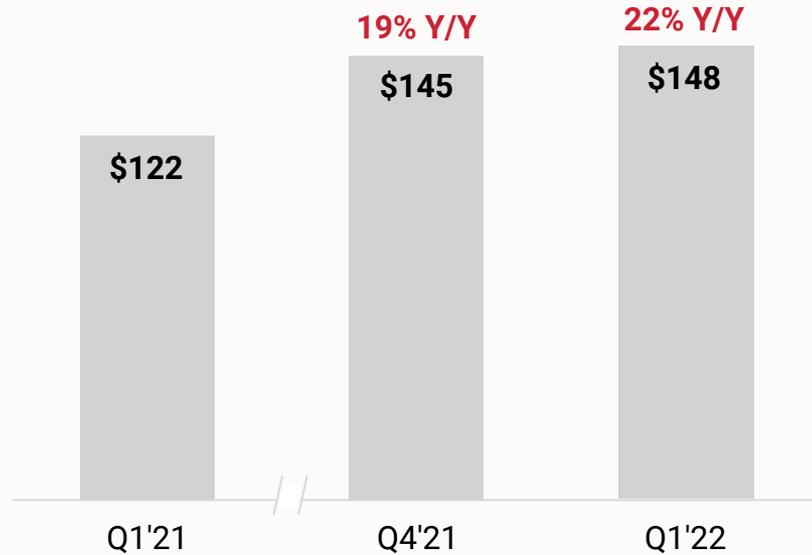
- Hired Walt Weisner to be our new Chief Customer Officer.
- Announced that Colin Carmichael has joined the Company as Chief Information Officer.

# Revenue

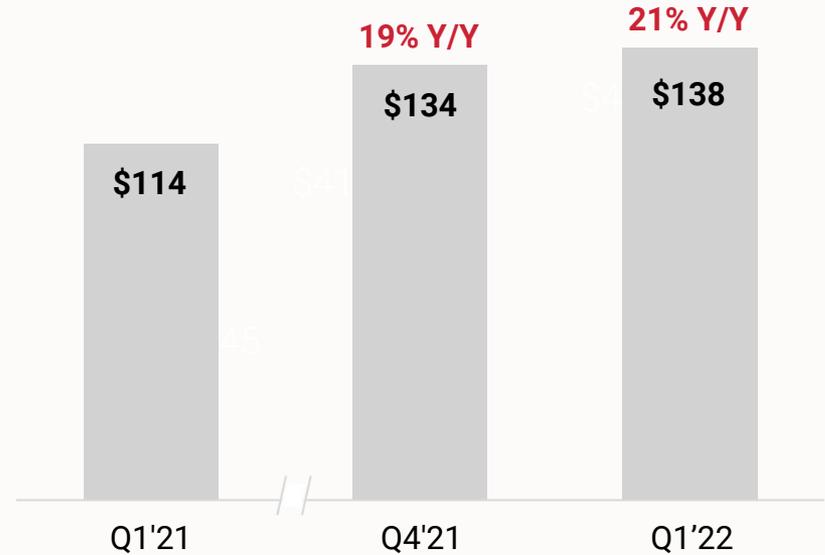
## Strong Revenue Growth at Scale

(\$ in millions)

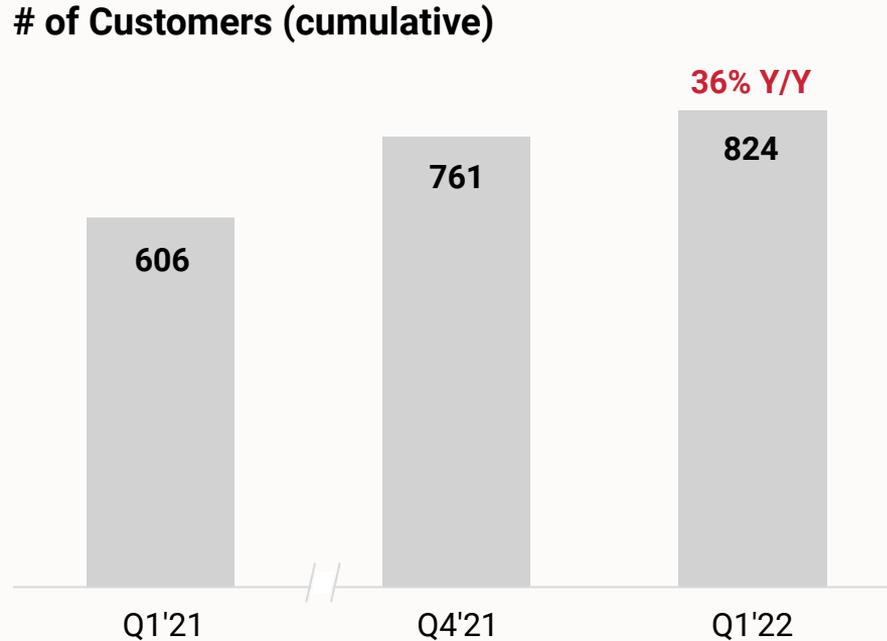
### Fiscal Q1 Total Revenue



### Fiscal Q1 Service Revenue



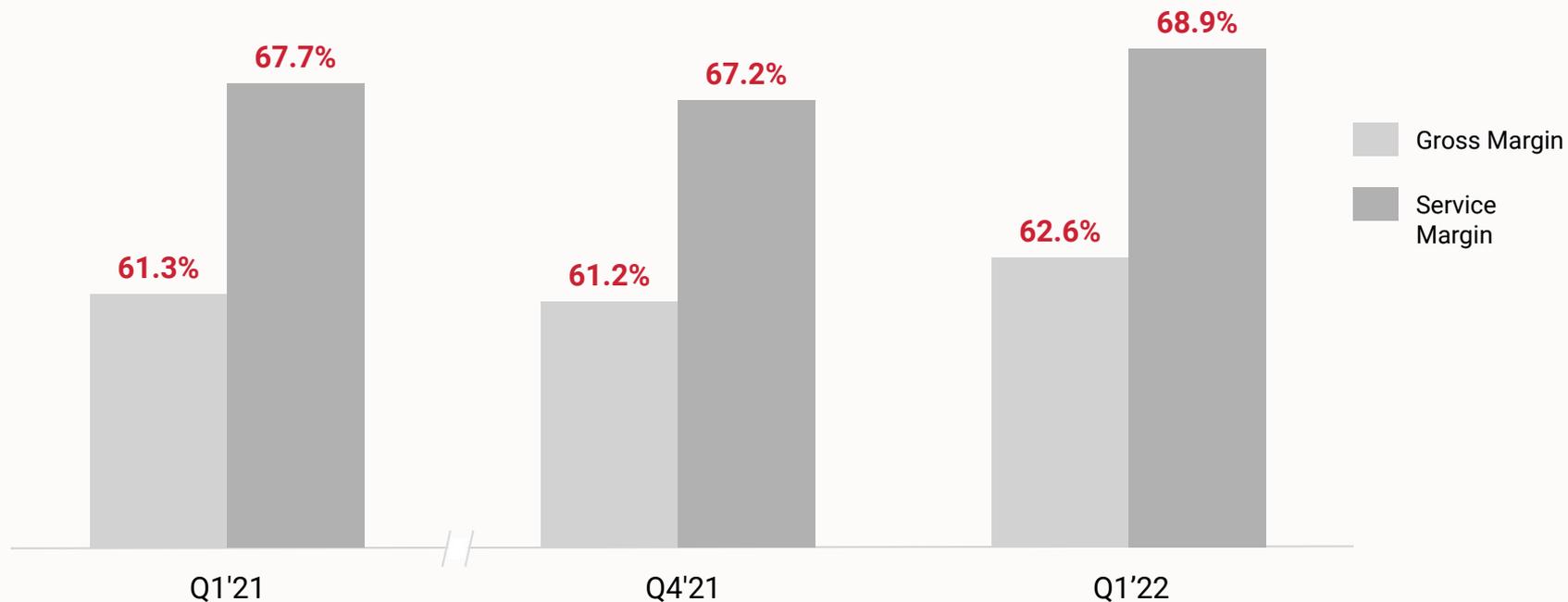
# Enterprise Customers >\$100K ARR



\* Annualized Recurring Subscriptions and Usage ("ARR") equals the sum of the most recent month of (i) recurring subscription amounts and (ii) platform usage charges for all CPaaS customers (subject to a minimum billings threshold for a period of at least six consecutive months), multiplied by 12.

# Non-GAAP Margins\*

## Gross Margin & Service Margin



# Press & Channel Awards and Recognition

**CRN**

CRN Tech Innovator Award for  
8x8 X Series, 2018

CRN Tech Innovator Award for  
8x8 Contact Center, 2019

UK Cloud Services Vendor  
of the Year, 2020

CRN 5-Star Partner Program, 2021

**AVANT**

AVANT Special Forces  
Summit – Top Vendor  
Sales Performance, 2019

AVANT International Vendor  
of the Year, 2020



Customer Experience Innovation  
Award – 8x8 Contact Center TMC's  
CUSTOMER Magazine, 2019

Unified Communications  
Excellence Award Internet  
Telephony Magazine, 2019



TBI UCaaS/CCaaS Provider  
Of The Year, 2018



TechTarget Network Innovation  
Award for 8x8 X Series, 2018

Archer Awards – North America –  
Best Channel Enablement  
Program, 2020



Intelisis Top Overall Supplier  
Award, 2019–2020



Channel Partners

Channel Partners  
and Channel Futures  
Influencer of the  
Year, 2020

# Press & Channel Awards and Recognition

## Gartner

Gartner UCaaS Magic Quadrant  
Leader, 2012–2020

Gartner CCaaS Magic Quadrant  
Challenger, 2015–2020

## FORRESTER®

Strong Performer in The Forrester  
Wave: Cloud Contact Centers, 2018

Strong Performer in The Forrester  
Wave: UCaaS, 2019



Aragon Research Globe for  
Unified Communications and  
Collaboration Leader, 2021

Aragon Research Globe for  
Intelligent Contact Center  
Leader, 2021



IDC Worldwide UCaaS MarketScape  
Leader for Enterprise, 2021

IDC Worldwide UCaaS MarketScape  
Leader for SMB, 2021

IDC Worldwide CPaaS MarketSpace  
Major Player, 2021



North American Integrated CCaaS  
and UCaaS Competitive Strategy  
and Innovation Award, 2018

Global Competitive Strategy  
Leadership Award, 2021



Ventana Research 13th Annual  
Digital Innovation Awards, 2020

# Guidance

## Q2 Fiscal 2022

	<b>Q2 F2022</b>
<b>Total Revenue</b>	\$147.5 – 149.0m
<b>% Growth Y/Y</b>	14 – 15%
<b>Service Revenue</b>	\$138.5 – 139.5m
<b>% Growth Y/Y</b>	15%
<b>Non-GAAP Operating Margin</b>	Positive

Guidance as of August 4, 2021. Refer to Forward Looking Statement for a discussion of factors that could cause actual results to differ from guidance.

# Guidance

## Full-Year Fiscal 2022

	Prior	New
<b>Total Revenue</b>	\$595.0 – 605.0m	\$604.0 – 612.0m
<b>% Growth Y/Y</b>	12 – 14%	13 – 15%
<b>Service Revenue</b>	\$555.0 – 565.0m	\$564.0 – 572.0m
<b>% Growth Y/Y</b>	12 – 14%	14 – 15%
<b>Non-GAAP Operating Margin</b>	Positive each quarter Exit (4Q) at ~2%	Positive each quarter Exit (4Q) at ~2%

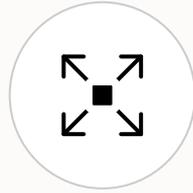
Guidance as of August 4, 2021. Refer to Forward Looking Statement for a discussion of factors that could cause actual results to differ from guidance.

# Investment Thesis



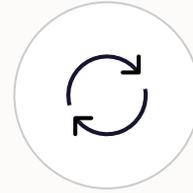
## Large Underpenetrated TAM

\$75B+ cloud communications market with strong secular tailwinds



## Compelling Land and Expand Model

~2.1M paid business users and large expansion opportunities



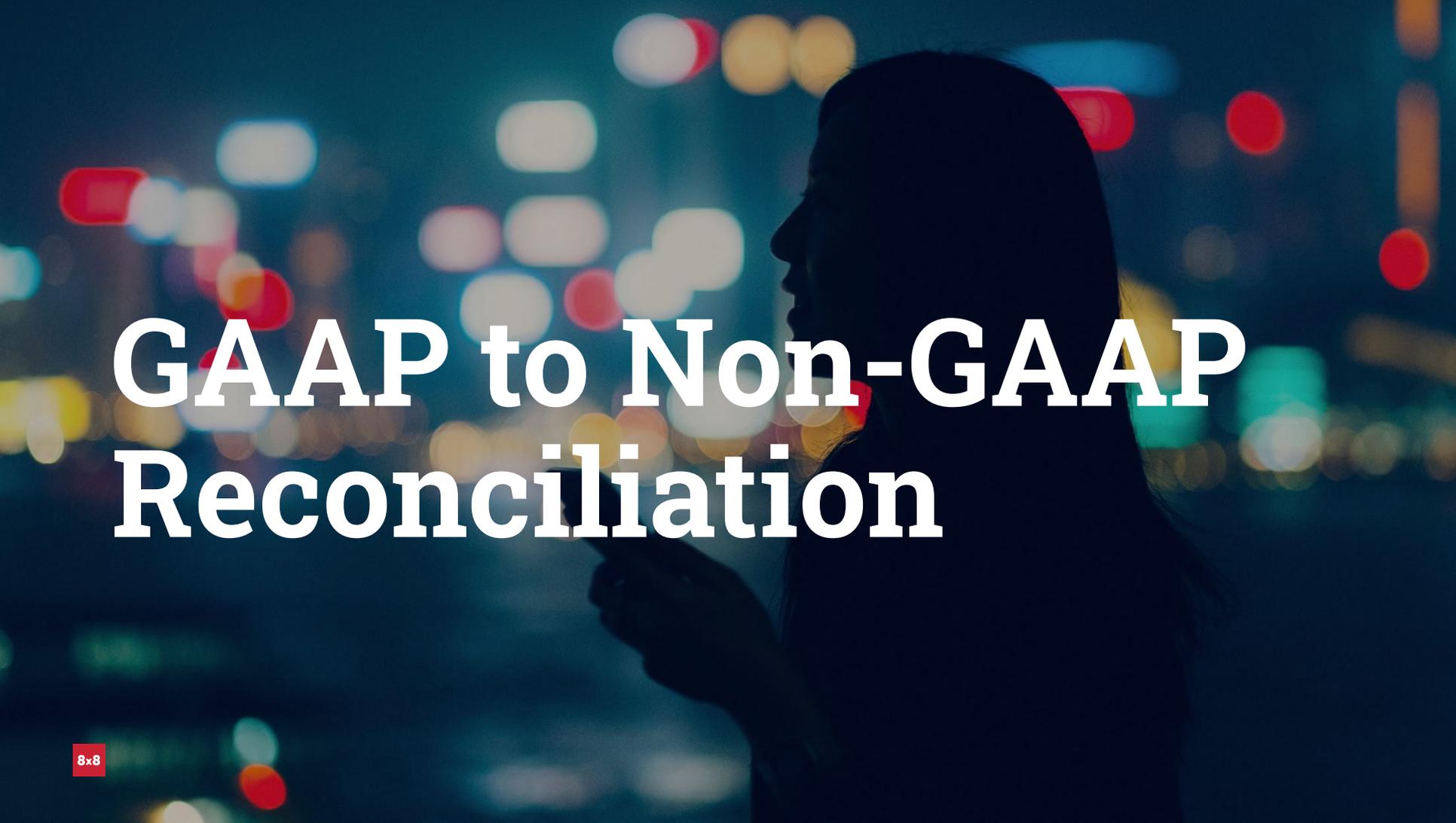
## Recurring Business Model

Predictable subscription business with operating leverage and positive cash flow



## Long-Term Profitable Growth

Improving margin profile to fund future growth levers



# GAAP to Non-GAAP Reconciliation

# 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.

# Non-GAAP Guidance

The Company does not reconcile its forward-looking estimates of non-GAAP Pre-Tax Profit (Loss) to the corresponding GAAP measures of GAAP Net Income (Loss) due to the significant variability of, and difficulty in making accurate forecasts and projections with regards to, the various expenses it excludes. For example, although future hiring and retention needs may be reasonably predictable, stock-based compensation expense depends on variables that are largely not within the control of nor predictable by management, such as the market price of 8x8 common stock, and may also be significantly impacted by events like acquisitions, the timing and nature of which are difficult to predict with accuracy. Similarly, impairments and other items are difficult to predict as they may depend on future events and external factors outside the Company's control. The actual amounts of these excluded items could have a significant impact on the Company's GAAP Pre-Tax Income (Loss). Accordingly, management believes that reconciliations of this forward-looking non-GAAP financial measure to the corresponding GAAP measure are not available without unreasonable effort. All projections are on a non-GAAP basis.

# Reconciliation of GAAP to Non-GAAP

## Cost of Service Revenue

(\$ in thousands, Unaudited)

Cost of Service Revenue:	Fiscal Quarter	
	Q1'21	Q1'22
GAAP cost of service revenue	\$40,996	\$46,010
Amortization of acquired intangible assets	(1,426)	(1,066)
Stock-based compensation expense and related employer payroll taxes	(1,855)	(2,040)
Severance and contract termination costs	(844)	5
Non-GAAP cost of service revenue	<b>\$36,871</b>	<b>\$42,909</b>
<i>Non-GAAP service revenue margin</i>	67.7%	68.9%

# Reconciliation of GAAP to Non-GAAP

## Cost of Other Revenue

(\$ in thousands, Unaudited)

Cost of Other Revenue:	Fiscal Quarter	
	Q1'21	Q1'22
GAAP cost of other revenue	\$11,137	\$13,746
Stock-based compensation expense and related employer payroll taxes	(837)	(1,135)
Legal and regulatory costs	-	5
Severance and contract termination costs	(30)	(21)
Non-GAAP cost of other revenue	<b>\$10,270</b>	<b>\$12,595</b>
<i>Non-GAAP other revenue margin</i>	<i>(34.7)%</i>	<i>(19.6)%</i>

# Reconciliation of GAAP to Non-GAAP

## Gross Margin

(\$ in thousands, Unaudited)

Gross Margin:	Fiscal Quarter	
	Q1'21	Q1'22
Non-GAAP cost of service revenue	\$36,871	\$42,909
Non-GAAP cost of other revenue	10,270	12,595
Non-GAAP cost of revenue	\$47,141	\$55,504
Non-GAAP gross margin	61.3%	62.6%

# Reconciliation of GAAP to Non-GAAP

## Sales and Marketing

(\$ in thousands, Unaudited)

Sales and Marketing Expense:	Fiscal Quarter	
	Q1'21	Q1'22
GAAP sales and marketing	\$60,150	\$75,915
Amortization of acquired intangible assets	(802)	(219)
Stock-based compensation expense and related employer payroll taxes	(5,969)	(14,700)
Legal and regulatory costs	(3)	-
Severance and contract termination costs	(496)	(622)
Non-GAAP sales and marketing	<b>\$52,880</b>	<b>\$60,374</b>
<i>Non-GAAP sales and marketing as percentage of revenue</i>	43.4%	40.7%

# Reconciliation of GAAP to Non-GAAP Research and Development

(\$ in thousands, Unaudited)

Research and Development Expense:	Fiscal Quarter	
	Q1'21	Q1'22
GAAP research and development	\$21,494	\$25,392
Stock-based compensation expense and related employer payroll taxes	(6,777)	(9,073)
Legal and regulatory costs	-	9
Severance and contract termination costs	(371)	(70)
Non-GAAP research and development	<b>\$14,346</b>	<b>\$16,258</b>
<i>Non-GAAP research and development as percentage of revenue</i>	<i>11.8%</i>	<i>11.0%</i>

# Reconciliation of GAAP to Non-GAAP

## General and Administrative

(\$ in thousands, Unaudited)

General and Administrative Expenses:	Fiscal Quarter	
	Q1'21	Q1'22
GAAP general and administrative	\$25,790	\$26,091
Stock-based compensation expense and related employer payroll taxes	(7,996)	(10,904)
Acquisition and integration costs	(143)	-
Legal and regulatory costs	(1,513)	532
Severance and contract termination costs	(863)	(871)
Non-GAAP general and administrative	<b>\$15,275</b>	<b>\$14,848</b>
<i>Non-GAAP general and administrative as a percentage of revenue</i>	<i>12.5%</i>	<i>10.0%</i>

# Reconciliation of GAAP to Non-GAAP

## Operating Margin

(\$ in thousands, Unaudited)

Operating Margin:	Fiscal Quarter	
	Q1'21	Q1'22
GAAP loss from operations	(\$37,760)	(\$38,827)
Amortization of acquired intangible assets	2,228	1,285
Stock-based compensation expense and related employer payroll taxes	23,434	37,852
Acquisition and integration costs	143	-
Legal and regulatory costs	1,516	(546)
Severance and contract termination costs	2,604	1,579
Non-GAAP operating profit (loss)	<b>(\$7,835)</b>	<b>\$1,343</b>
<i>Non-GAAP operating margin</i>	<i>(6.4)%</i>	<i>0.9%</i>



**For tips, updates and the latest information.**

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