

Corporate Overview and Q4'24 Financial Results

Safe Harbor and Non-GAAP Measures

This presentation includes forward-looking statements within the meaning of the federal securities laws. These statements relate to, among other things, our business strategy and goals, growth of the market for our services, our future financial and operating results, including our GAAP and non-GAAP guidance, the assumptions underlying our guidance, plans to reduce expenses and share-based compensation, leverage targets, and expected contributions and benefits from new products.

Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate and the forward-looking statements based on these assumptions could be incorrect. Our operations involve risks and uncertainties, many of which are outside our control, and any one of which, or a combination of which, could materially affect our results of operations and whether the forward-looking statements ultimately prove to be correct.

Actual results and trends in the future may differ materially from those suggested or implied by the forward-looking statements depending on a variety of factors including those that are described in greater detail in our most recent Form 10-K filed with the Securities and Exchange Commission, and in our other filings with the Securities and Exchange Commission from time to time. All future written and oral forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the previous statements. We undertake no obligation to update any forward-looking statements that may be made to reflect events or circumstances that occur, or that we become aware of, after the date of this presentation.

In this presentation, we provide certain historical non-GAAP financial measures, which are reconciled to their directly comparable GAAP financial measures. These reconciliations are presented in the Appendix at the end of this presentation. We also provide other measures such as software subscriptions, annualized exit monthly recurring subscriptions (ARR), mid-market and enterprise ARR, and enterprise ARR.

We provide guidance on forecasted non-GAAP operating margin, non-GAAP tax rates, non-GAAP EPS, and free cash flow and free cash flow margin. Reconciliations of our forecasted non-GAAP operating margin and free cash flow to the most directly comparable GAAP financial measure is presented in the Reconciliation slides at the end of this presentation. We have not reconciled our forecasted non-GAAP EPS to its respective forecasted GAAP measure because we do not provide guidance on it. We do not provide guidance on forecasted GAAP EPS because of the inherent uncertainty and complexity involved in forecasting the intercompany remeasurement gain (loss), gain (loss) associated with investments, gain (loss) on early debt conversions, and provision (benefit) from income taxes, which could be significant reconciling items between the non-GAAP and respective GAAP measures. The intercompany remeasurement gain (loss) is affected by the movement in various exchange rates relative to the U.S. Dollar, which is difficult to predict and subject to constant change. We do not provide guidance on gain (loss) associated with investments as it is based on future share prices, which are difficult to predict and subject to inherent uncertainties. We do not provide guidance on gain (loss) on debt early conversions as it is based on future conversion requests, future share prices, and interest rates, which are difficult to predict and are subject to inherent uncertainties. We do not provide guidance on forecasted GAAP tax rates as we do not forecast discrete tax items as they are difficult to predict. The provision (benefit) from income taxes, excluding discrete items, is expected to have an immaterial impact to our GAAP EPS. We utilized a projected long-term tax rate in our computation of the non-GAAP income tax provision. For fiscal 2025, we have determined the projected non-GAAP tax rate to be 22.5%. Accordingly, a reconciliation of the non-GAAP financial measure guidance to the corresponding GAAP measure is not available without unreasonable effort.



Vlad Shmunis
Founder, Chairman & CEO



Kira Makagon
President & COO



Abhey Lamba
Chief Financial Officer



RingCentral

**Your Business
Voice Matters™**



**Voice continues to be
a dominant and
preferred mode
for customer communications**



**Voice is an untapped
opportunity for AI
to automate and create
unique customer experiences**

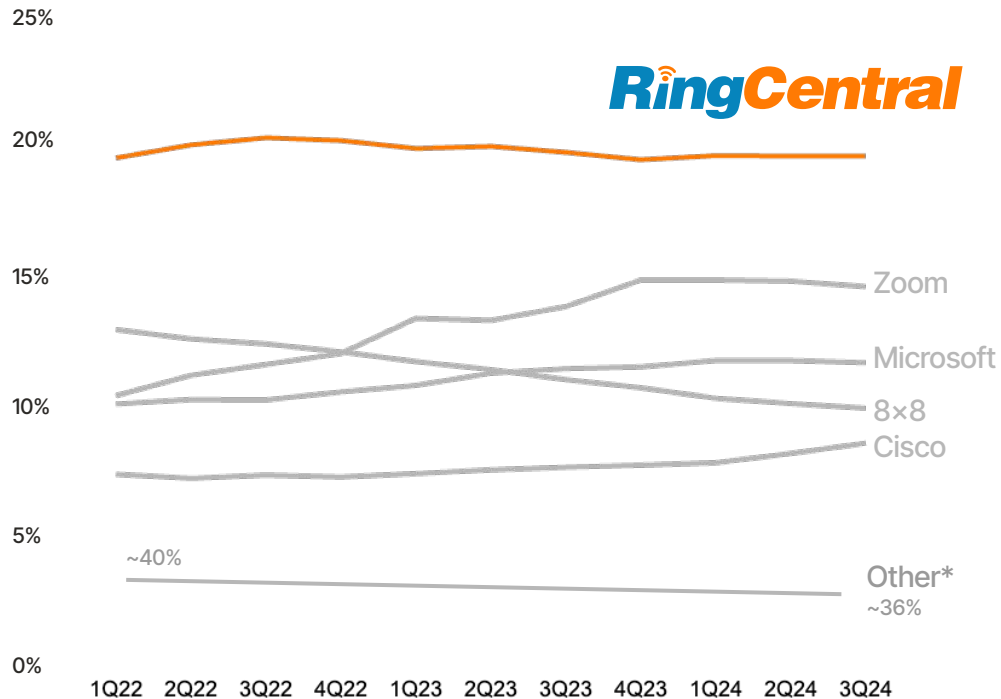
Our Vision

An AI-powered platform that
drives **meaningful** customer and
employee conversations

Intelligent + Connected + Effortless

RingCentral is a Business Communications Leader

Consistent #1 Market Share in UCaaS



10 Years in Row

Leader in Gartner 2024 Magic Quadrant for UCaaS Worldwide



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Operating at Scale

#1 in UCaaS

Market Share¹

46

Countries where
RingEX is available

~7K

Full time employees²

\$2.49B

Q4'24 Annualized
Recurring Revenue

\$250M+

Committed to
Innovation³

\$500M+

Annual Free Cash Flow⁴

Unless otherwise noted, company metrics as of Q4'24

1. Synergy Research Group, Worldwide Subscribers + Seats for 1Q 2022 to 3Q 2024, January 8, 2025

2. Includes FTEs and full time contractors

3. Reflects non-GAAP research and development spend plus capitalized software for twelve months ending December 31, 2024.

4. Represents 2025E free cash flow guidance as of February 20, 2025. Free cash flow is a non-GAAP financial measure; see appendix for reconciliation to the most comparable GAAP metrics.

4Q'24

Financial Highlights

Profitable Growth

\$615M

Total Revenue

Above guidance ↑

Increasing Efficiency

21.3%

Operating Margin

Above guidance ↑

Growing Free Cash Flow

\$112M

Free Cash Flow

Quarterly record ★

2024

Financial Highlights

Total Revenue

\$2.4B

Up 9% y/y

Operating Margin

21.0%

Up 2 points y/y

Free Cash Flow

\$403M

Up 24% y/y

Stock-Based
Compensation

14.4%

Down 5 pts y/y

Multi-Product Portfolio

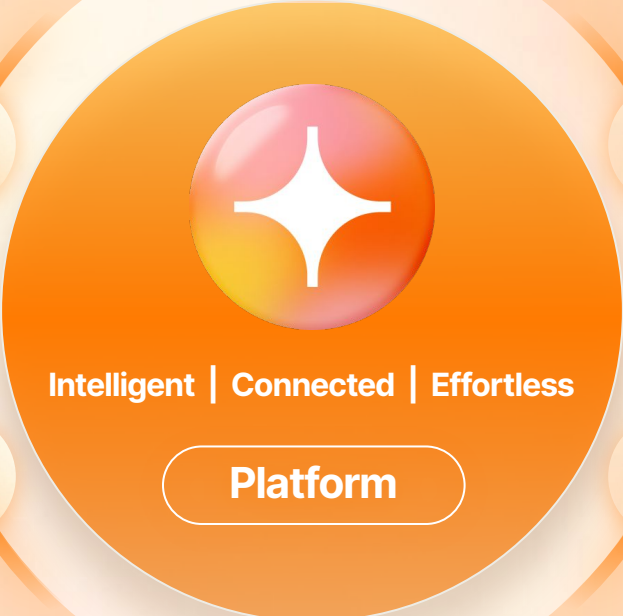
RingEX

- Cloud Business Phone System
- SMS, Fax
- Team Messaging
- AI Receptionist (AIR) 🌟
- AI Assistant 🌟



Events & Video

- Events
- Webinars
- Video Meetings
- Rooms



RingCX

- Omnichannel
- 🌟 AI Quality Management
- 🌟 Agent Assist/Supervisor Assist
- Intelligent Virtual Agent* (IVA)
- Workforce Engagement Mngmt* (WEM)

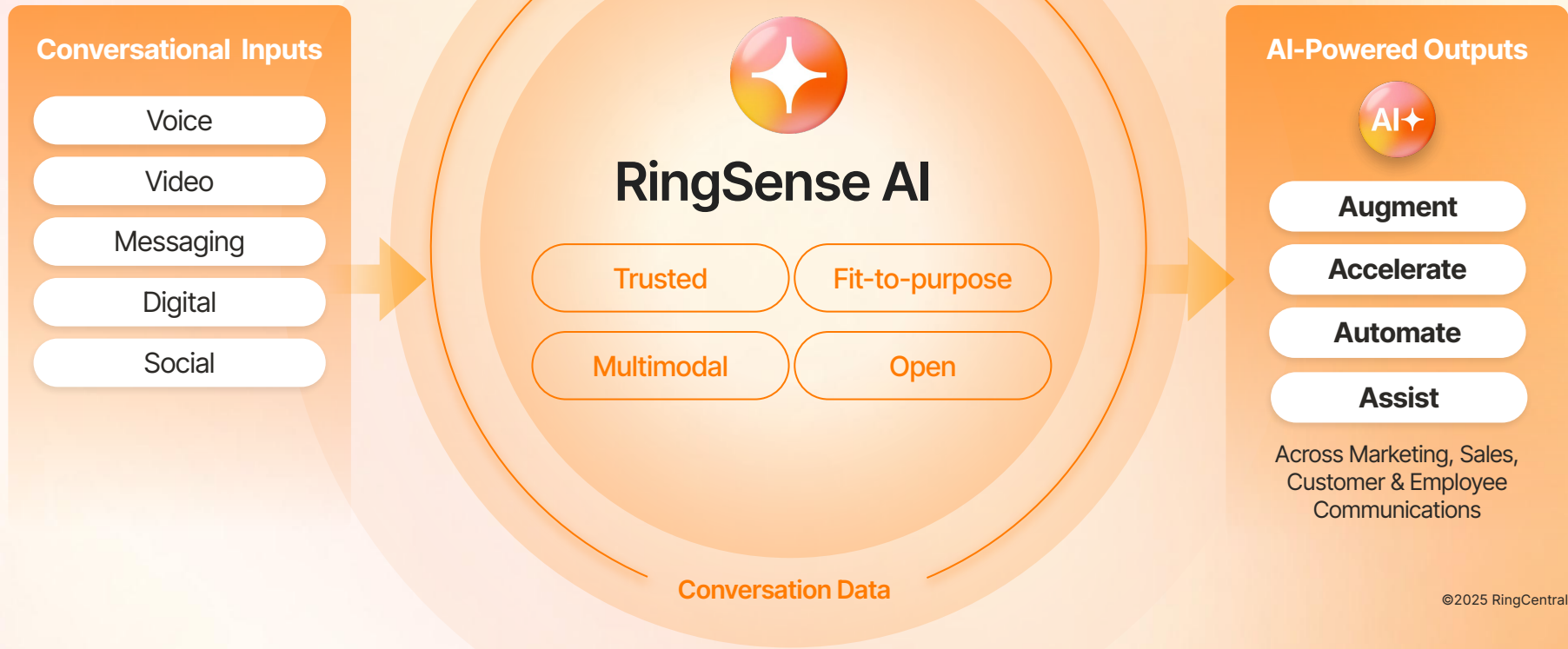


RingSense

- Conversation Intelligence
- AI Coaching
- AI Call Scoring
- CRM automation

* partner provided

RingSense: Infusing AI Across our Portfolio



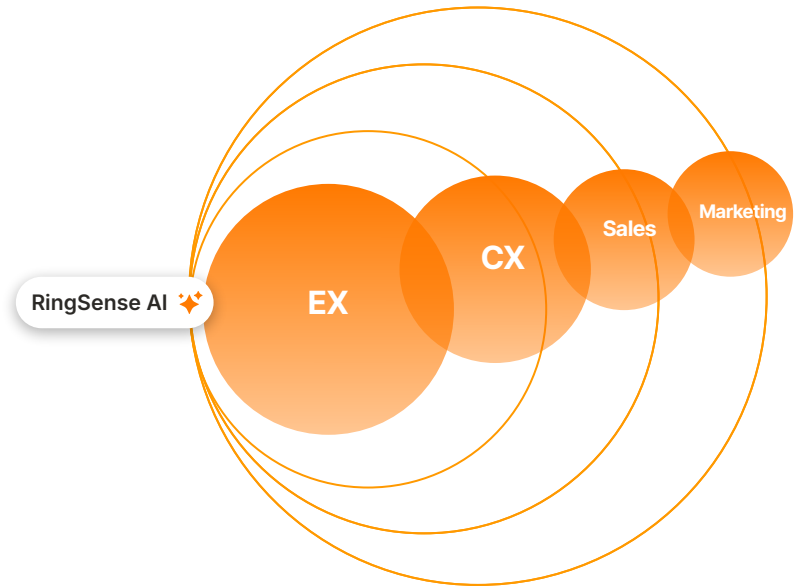
Our Multi-Product Portfolio Opportunity

EX + CX + AI Cross Sell Example

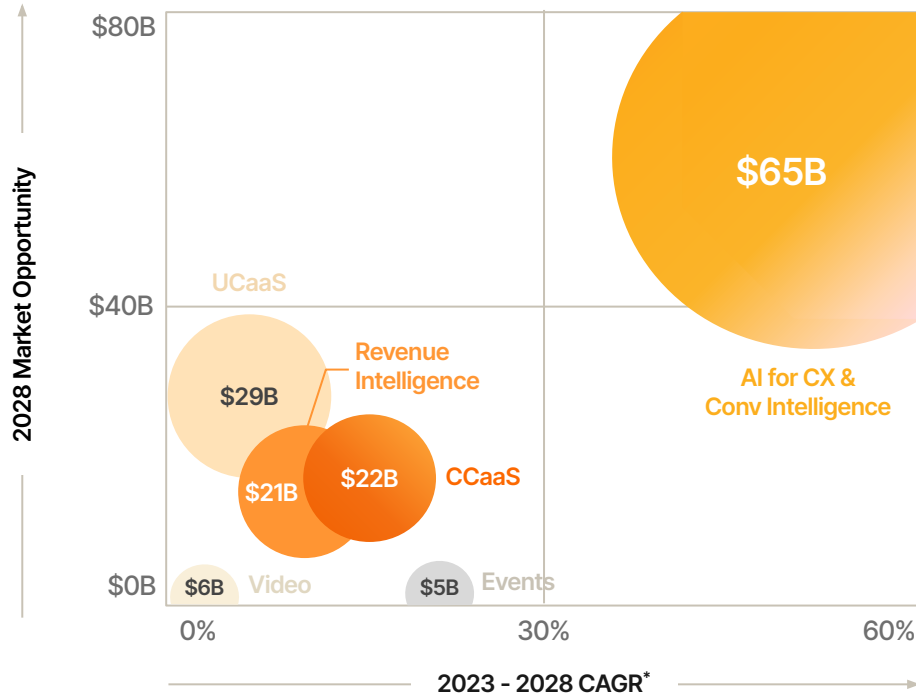
"We chose RingCentral as our UCaaS/CCaaS provider after a thorough evaluation of multiple solutions. A key factor in our decision was the straightforward management of AI learning modules. Additionally, RingCentral's open API framework and seamless integration capabilities—particularly with platforms like Salesforce, ServiceNow—stood out as critical advantages."



With Free and Monetizable AI Options Across Each Solution



~\$150B TAM market opportunity



Multi Product Focus to Unlock TAM

- RingEX
- RingCX
- RingSense
- Events
- Conv. Intelligence

AI Emerging

- CX Growth Driven by AI
- AI in Voice is emerging opportunity

2025 Update

Our Strategic Priorities

01 Build upon our leadership in UCaaS and infuse AI across our entire portfolio

02 Expand TAM through our multi-product portfolio, led by RingCX and AI

03 Drive profitable growth and improve customer engagement across our entire business

AI Solutions for RingEX

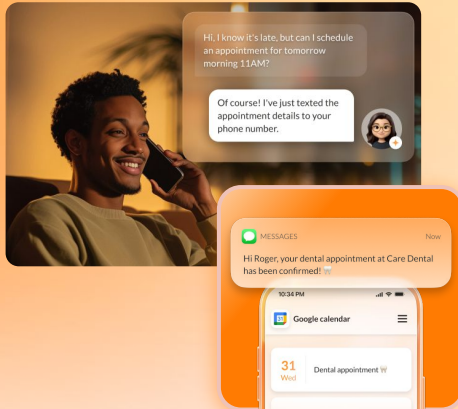
Infusing AI across our portfolio

Before

Beta

AI Receptionist

AI Phone Agent



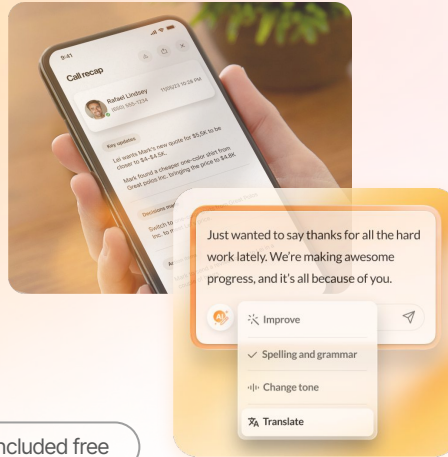
Paid add-on

During

GA

AI Assistant

AI for Personal Productivity



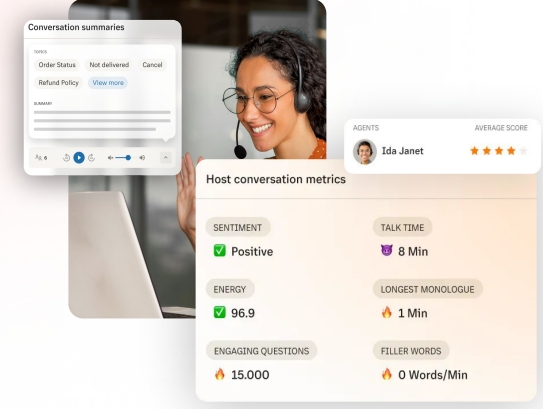
Included free

After

GA

RingSense for EX

AI for Business Productivity



Paid add-on

NEW

AI Receptionist (AIR)

Creates a new category with an AI phone agent that uses generative AI to automatically answer customer inquiries and transfer calls.

Key Capabilities

- ✓ Handles routine customer inquiries
- ✓ Smart call routing to right person or department
- ✓ Delivers SMS confirmation details
- ✓ Provides call transcripts and analytics
- ✓ Offers customizable voice and language options
- ✓ AI-powered appointment scheduling coming soon

Hi there, I can help schedule appointments, answer questions, or route you to our team.



Early AIR Customers are Finding Success



Home Security Company

Triaged over 1600 calls a month via AIR as their main business line.

Impressed by the highly accurate responses, FAQ feature, and transcript reviews.



Legal Firm

Matched clients to designated lawyers instantly via name-based routing.

53% of calls include connecting calls to employees through directory.



Media Firm

Used AIR as an AI SDR by connecting it to their advertising/toll free number.

60% of calls include AIR answering common questions.



Repair Company

Connected customers to the right repair specialist based on appliance fixing needs.

74% of calls include contextual call transfers.



Customer reduces costs with AI Receptionist

“

Handling call transfers across 67 locations used to slow us down. IVRs weren't flexible. Live agents were costly and hard to scale while maintaining quality. RingCentral AI Receptionist changed that. It now answers calls, understands caller intent, and transfers them to the right person instantly. After a successful pilot, we're rolling it out across all our locations. We're reducing costs significantly, while maintaining service quality, reducing missed calls and errors. It's like having a 24/7 receptionist at a fraction of the cost."



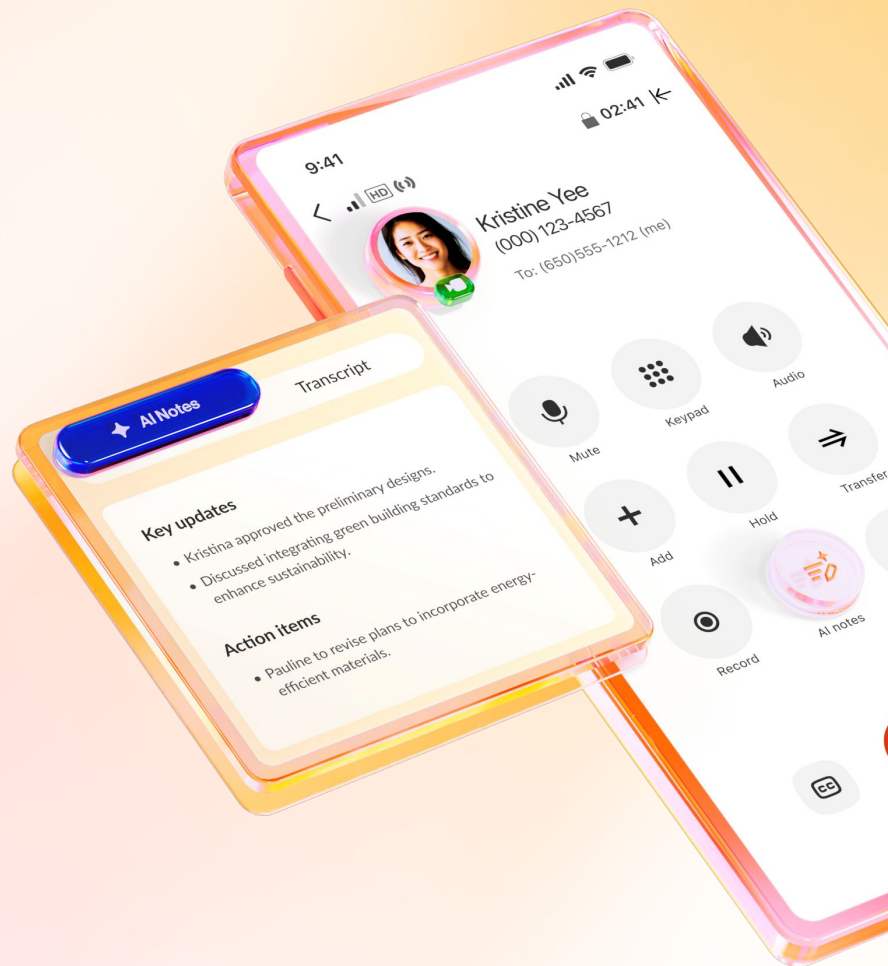


AI assistant for personal productivity

AI assistant supercharges productivity for RingEX users and include at no additional charge

Key Capabilities

- ✓ Real time call note taking
- ✓ Messaging recaps
- ✓ Polished and edit texts
- ✓ Summarized action items



AI Assistant Customer Examples

“BDRs are saving time because they no longer have to worry about writing a summary of what was discussed.”

TRINITY

“Our agents are able to be 100% present during those calls.”

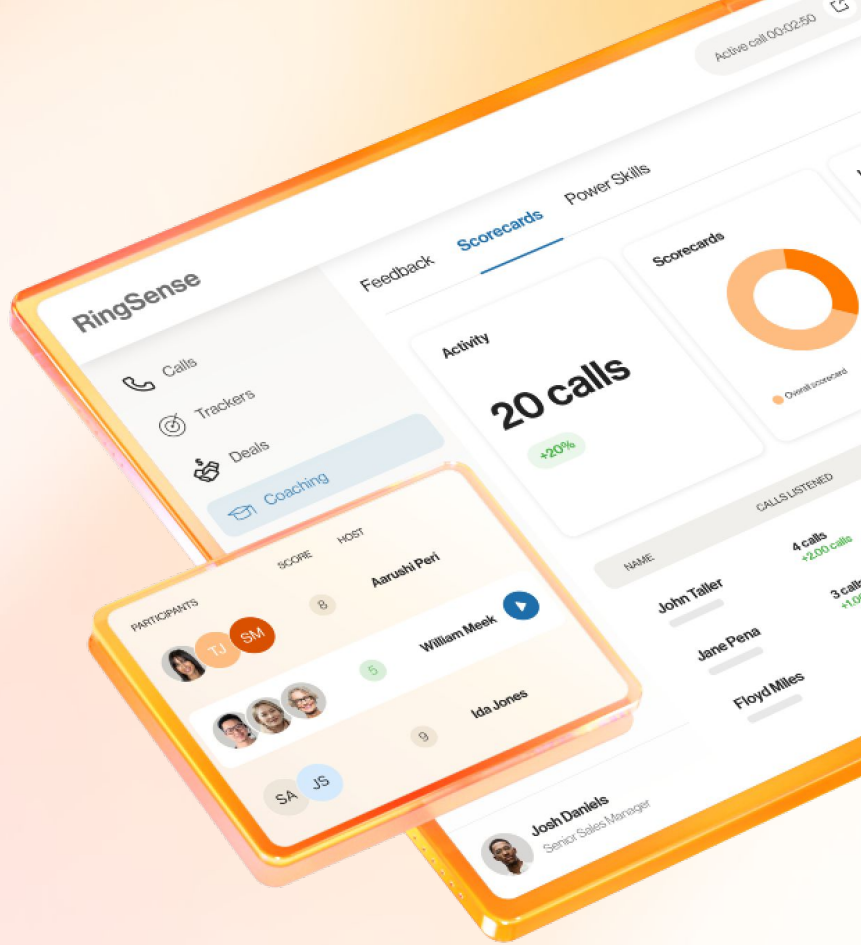
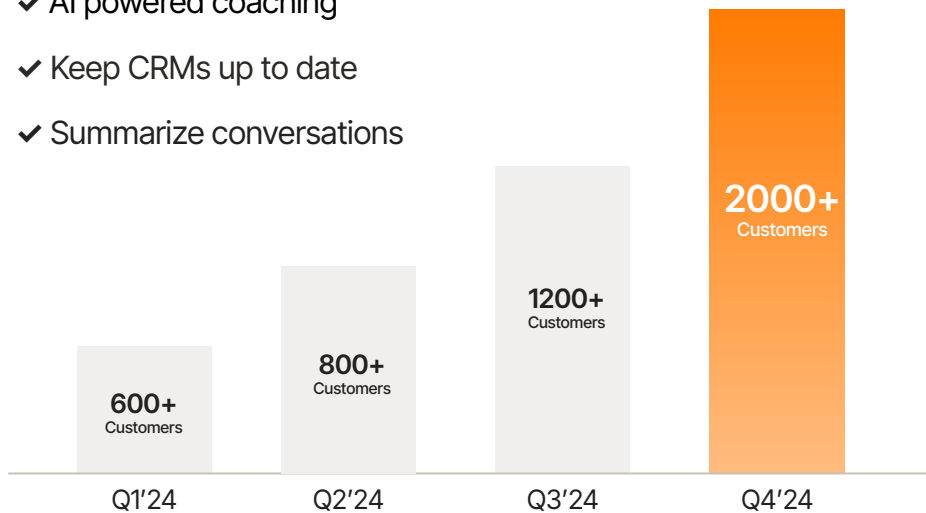
 **ENVISION RADIOLOGY**



RingSense for RingEX customer momentum

Key Capabilities

- ✓ AI powered coaching
- ✓ Keep CRMs up to date
- ✓ Summarize conversations



RingSense Customer Examples

"Implementing AI-powered note-taking for our team meetings and strategy sessions has been a game-changer for the Pistons operations. Previously, we worried about missing crucial details, especially during fast-paced, pre-game preparations. It has significantly enhanced our ability to stay organized and aligned."



"The peace of mind that RingSense provides in such a critical situation is truly invaluable. When integrating a newly acquired company, the ability to assure all stakeholders that compliance standards are being met across the board is priceless. RingSense has been instrumental in facilitating this smooth transition and maintaining our high standards of regulatory compliance."

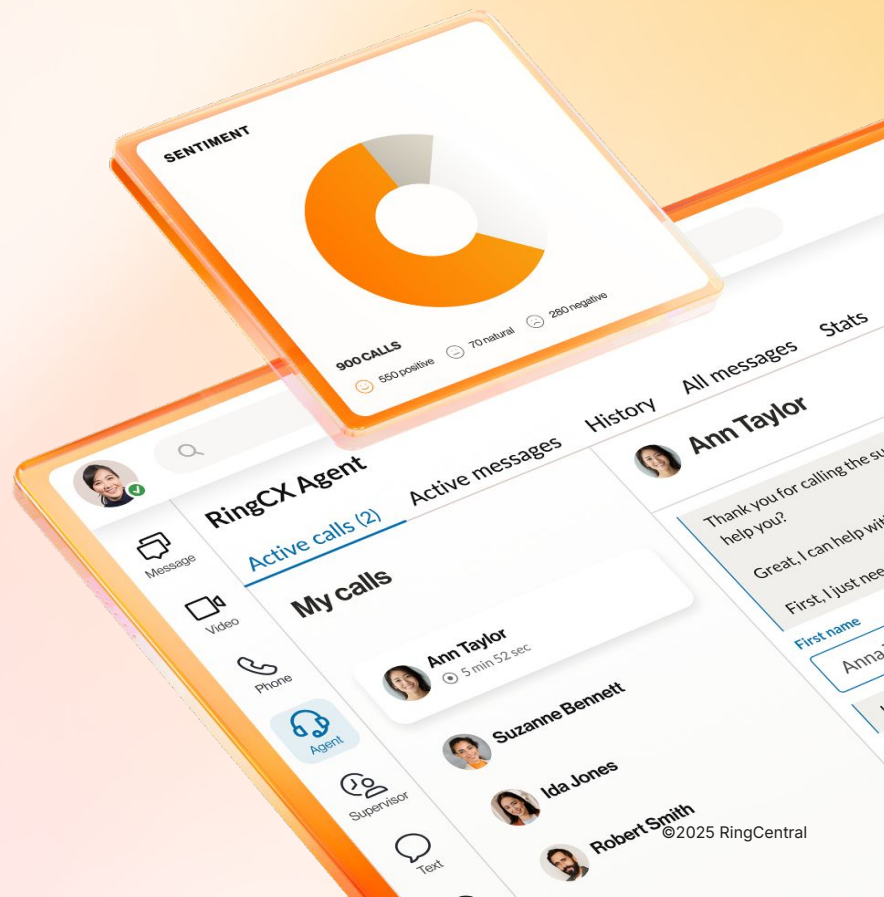
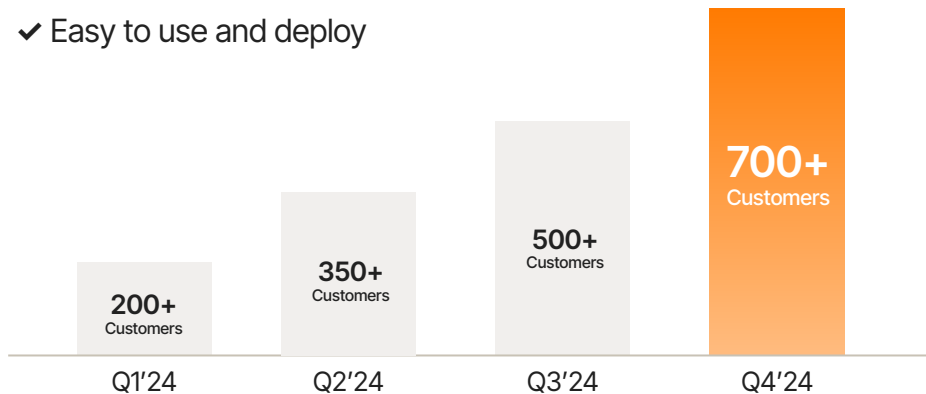




Fast growth of RingCX adoption in its first year

Key Capabilities

- ✓ AI-first omnichannel contact center
- ✓ Natively integrated with RingEX
- ✓ Easy to use and deploy



RingCX Customer Examples

“Genpact selected RingEX and RingCX to foster greater collaboration amongst both employees and clients, who are spread across many time zones. Importantly, RingCX will replace several cloud contact center solutions as Genpact looks to continuously improve their platforms. Another key reason why Genpact selected RingCentral was for its ability to deliver fully-compliant UCaaS and CCaaS solutions across all 22 telecommunications circles in India.”



“Thanks to RingCX, we're able to deliver new services that benefit both our healthcare provider partners and the individuals under our care. Everyone is delighted with the results. We're saving our partners valuable time and resources while, more importantly, enhancing the overall experience for those we serve.”



50%+

Attach rate of
AI Quality Management
sold with **RingCX**

Why?

- ✓ Gauges agent performance
- ✓ Measures customer sentiment
- ✓ Includes powerful conversation analytics
- ✓ Provides single view for supervisors
- ✓ Ensure positive customer experience

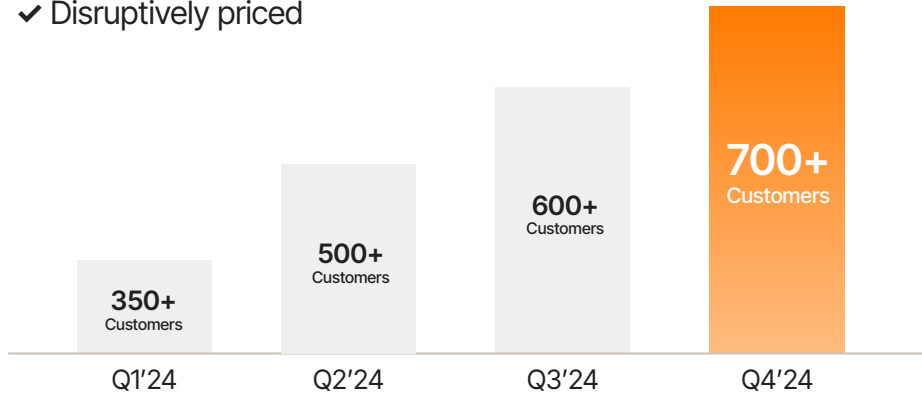


RingCentral Events

RingCentral Events customer momentum

Key Capabilities

- ✓ Virtual, hybrid, in-person events
- ✓ Highly personalized
- ✓ Disruptively priced



RingCentral Events Examples

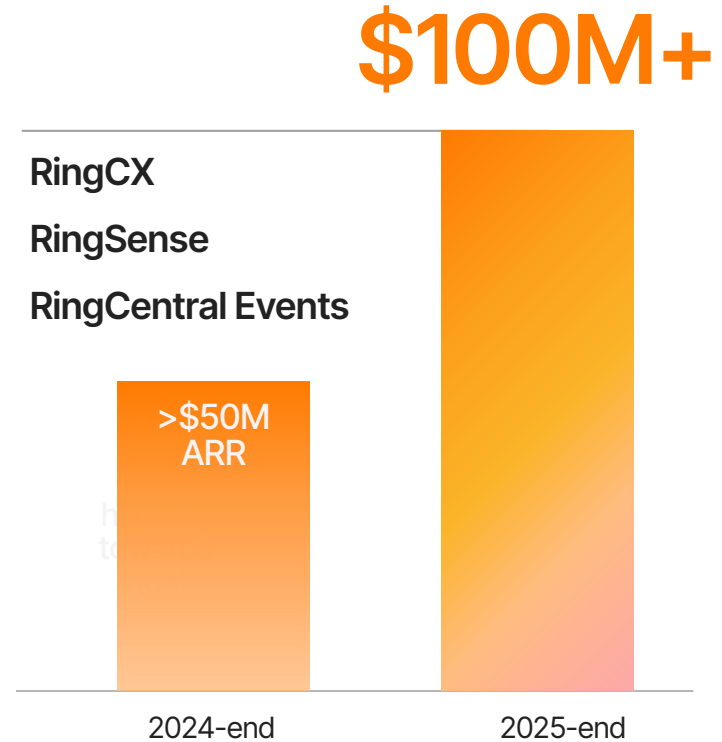
"We're getting so much value from RingCentral Events– the ability to host bigger and more complex online events than ever, higher engagement from attendees than ever, and more qualified leads from virtual events than ever. We couldn't be happier with this platform."



Recent Customer Wins



On track to achieve
\$100M+ ARR
from new products
by end of 2025



Powerful Routes to Market

VAR Channel 16,000+

Strategic Partners



Global Service Providers

Resold by Many Top Service Providers



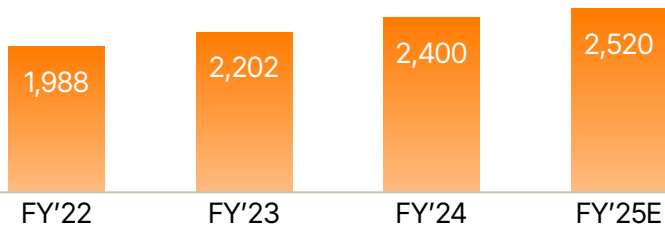
Selected RingEX & RingCX to Power UCaaS and CCaaS



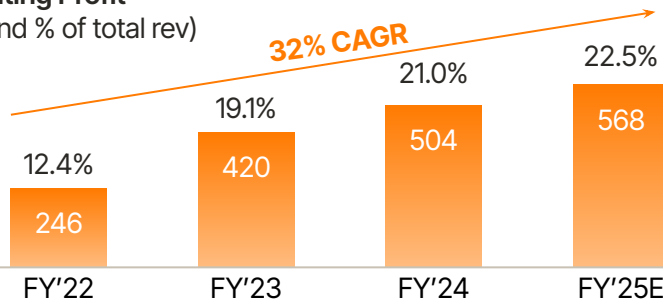
**Executing on Our
Strategic Priorities
Drives a Strong
Financial Profile**

Strong Financial Profile...

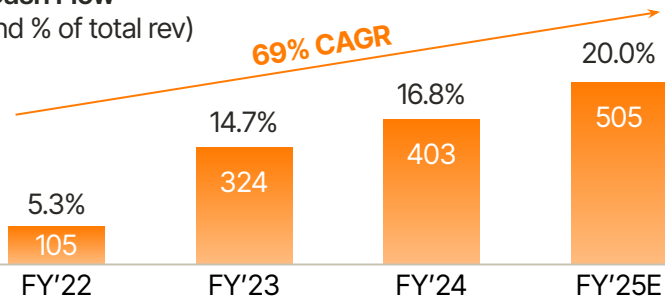
Total Revenue (\$M)



Operating Profit (\$M and % of total rev)



Free Cash Flow (\$M and % of total rev)



Continued operating income improvement driven by:

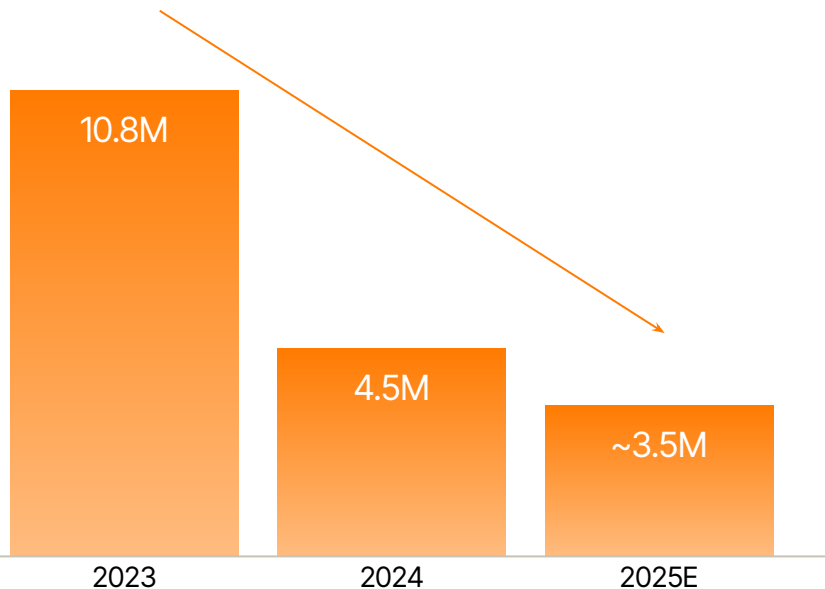
- ✓ Operating leverage
- ✓ Continued expense discipline
- ✓ Greater S&M efficiency
- ✓ Leveraging AI and automation to drive productivity

(1) 2025E represents midpoint of guidance for total revenue, operating profit and free cash flow as of February 20, 2025.

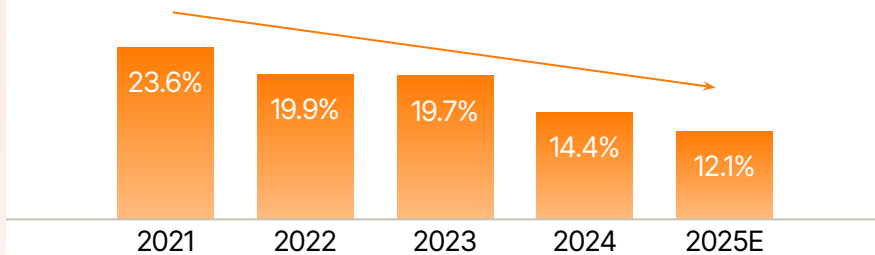
(2) Operating profit is non-GAAP. Non-GAAP operating profit, non-GAAP operating margin and free cash flow are non-GAAP financial measures, see appendix for reconciliation to the most comparable GAAP metrics.

...While Reducing SBC & Share Count...

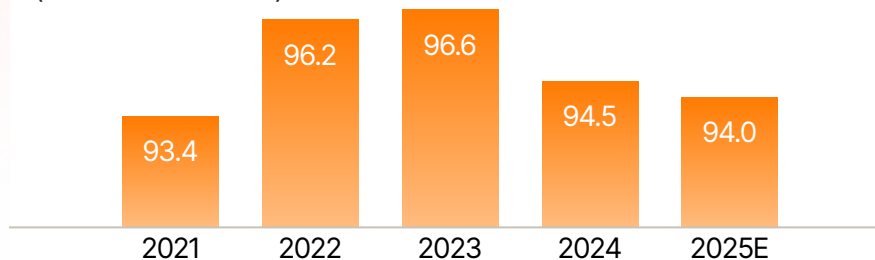
Net Shares Granted
(in millions of shares)



Stock-Based Compensation
(% of total revenue)



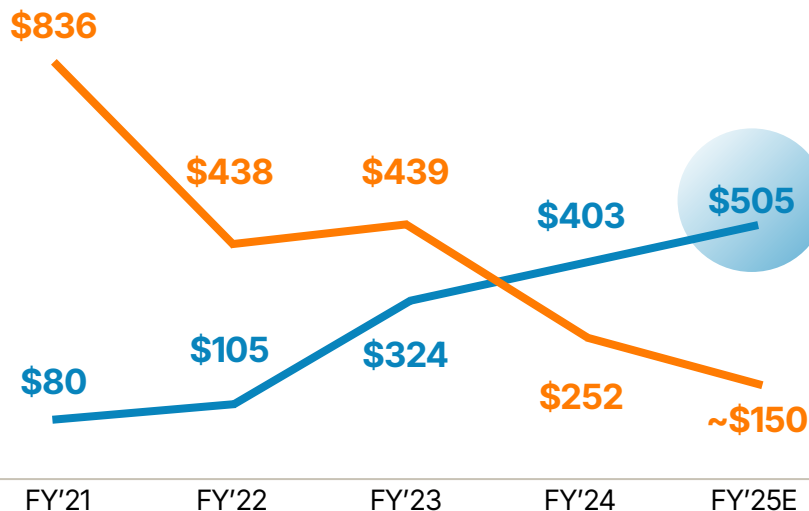
Fully Diluted Share Count
(in millions of shares)



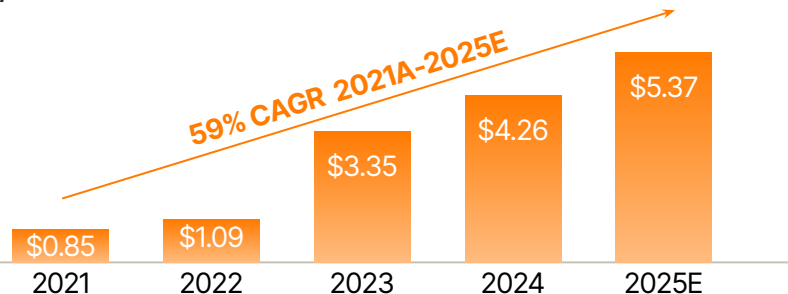
... Results in Expanding Profitability

FCF vs. Shares Granted (\$)¹
(\$ in million)

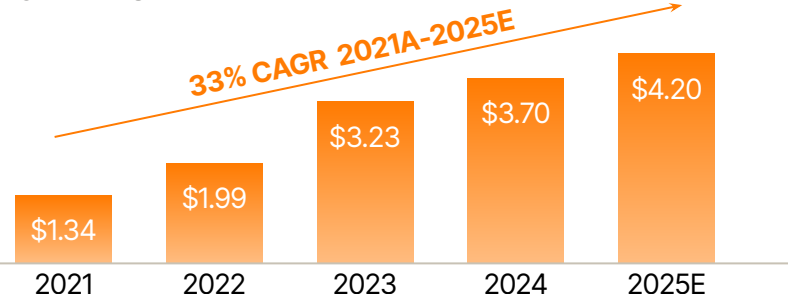
— Levered FCF (\$) — Shares Granted (\$)



FCF/share



Non-GAAP EPS

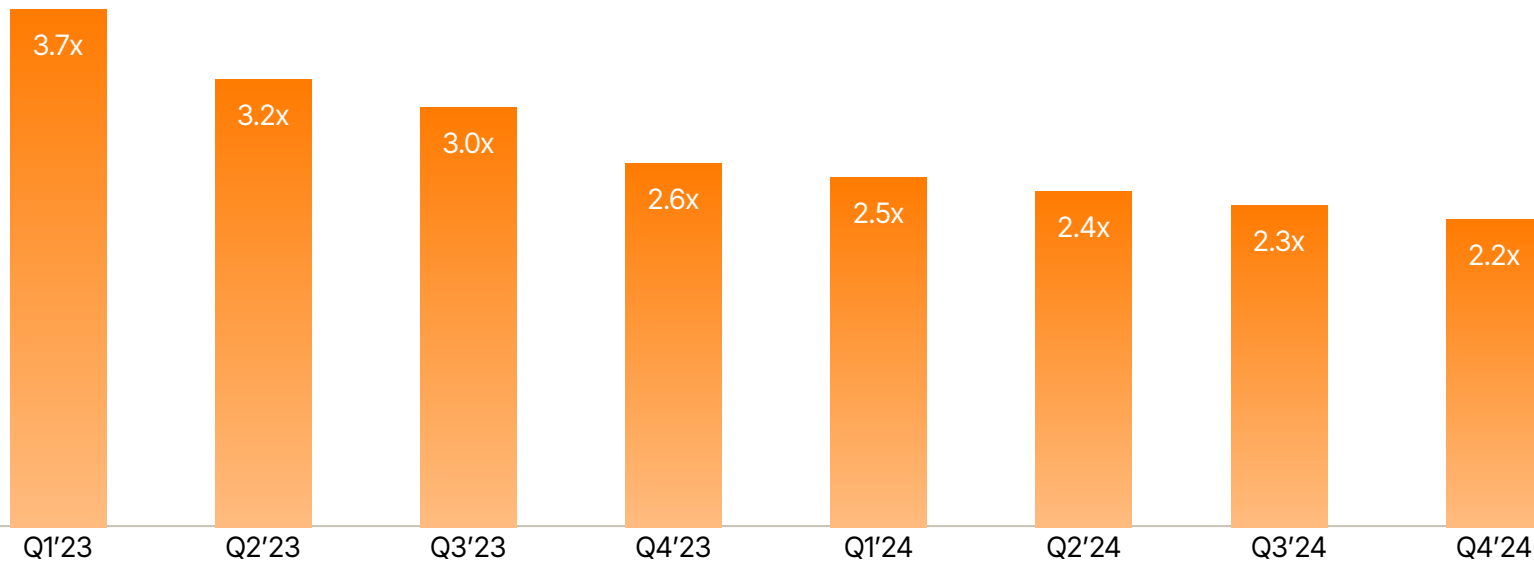


(1) 2025E represents midpoint of guidance for FCF (\$), estimate of Shares Granted (\$), fully diluted share count, and non-GAAP EPS as of February 20, 2025.

Strong Balance Sheet

Improving leverage ratio allows flexibility around capital allocation

Net Debt to Adj. EBITDA



Near-term Maturities Addressed with Cash + Existing Liquidity⁽¹⁾

We are targeting to reduce our gross debt from \$1.5 billion today to \$1 billion by the end of 2026

We believe we can extinguish our 2025 convertible notes in 1Q25 and have the capacity to also address the entirety of our remaining 2026 convertible notes on a timely basis as is contractually required.

Available Liquidity of ~\$1.3 billion

- **\$243M** Cash and Cash Equivalents at 12/31/24
- **\$350M** Term Loan A commitment at 12/31/24
- **\$225M** Revolving Credit Facility at 12/31/24
- **\$505M** Free Cash Flow in 2025E

Credit Ratings

- Fitch – BB (Outlook Positive)
- Moody's – Baa3 (Stable Outlook)
- S&P – BB (Stable Outlook)

FitchRatings

MOODY'S
INVESTORS SERVICE

S&P Global

⁽¹⁾ Amounts reflect outstanding balances of the 2025 Convertible Notes, 2026 Convertible Notes, Term Loan under Credit Agreement, and 2030 Senior Notes at December 31, 2024. 2025E free cash flow reflects midpoint of guidance as of February 20, 2025. See Forms 10K and 10Q for additional detail.

FY 2025 Guidance

Subscriptions Revenue Growth Y/Y

Subscriptions Revenue Growth Y/Y (CC)

Total Revenue Growth Y/Y

Total Revenue Growth Y/Y (CC)

GAAP Operating Margin

Stock-based compensation

Non-GAAP Operating Margin⁽¹⁾

Non-GAAP EPS

Fully Diluted Share Count

Net cash provided by operating activities

Less: Capitalized expenditures

Free Cash Flow

FY 2025

Up 5% to 7%

Up 6% to 8%

Up 4% to 6%

Up 5% to 7%

4.5% to 5.2%

\$300 to \$310 million

~22.5%

\$4.13 to \$4.27

93.5 to 94.5 mil.

\$585 to \$595 mil.

\$85 mil.

\$500 to \$510 mil

⁽¹⁾ See appendix for reconciliation to GAAP measure.

Q1 2025 Guidance

	Q1 2025
Subscriptions Revenue	\$587 to \$592 mil.
Subscriptions Revenue Growth Y/Y	5% to 6%
<i>Subscriptions Revenue Growth Y/Y (CC)</i>	<i>6% to 7%</i>
Total Revenue	\$607 to \$612 mil.
Total Revenue Growth Y/Y	4% to 5%
<i>Total Revenue Growth Y/Y (CC)</i>	<i>4% to 5%</i>
GAAP Operating Margin	0.6% to 1.7%
Stock-based Compensation	\$81 to \$84 mil.
Non-GAAP Operating Margin ⁽¹⁾	21.0% to 21.5%
Non-GAAP EPS	\$0.93 to \$0.97
Fully Diluted Share Count	93.0 mil. to 93.5 mil.

⁽¹⁾ See appendix for reconciliation to GAAP measure.

Appendix

Q4 2024 Financial Highlights

		\$ Metric	Y/Y Growth
Revenue	Subscriptions Revenue	\$589.7M	8%
	Other Revenue	\$24.8M	4%
	Total Revenue	\$614.5M	8%
ARR	Total	\$2,489M	7%
	Customer ARR by Size ¹		
	<i>Mid-Market and Enterprise</i>	\$1,557M	7%
	<i>Enterprise</i>	\$1,073M	7%

1) Our reported results also include our annualized exit monthly recurring subscriptions, mid-market and enterprise annualized exit monthly recurring subscriptions, enterprise annualized exit monthly recurring subscriptions, and net monthly subscription dollar retention rate. We define our annualized exit monthly recurring subscriptions as our monthly recurring subscriptions multiplied by 12. Our monthly recurring subscriptions equal the monthly value of all customer recurring charges contracted at the end of a given month. We believe this metric is a leading indicator of our anticipated subscriptions revenue. We calculate mid-market and enterprise annualized exit monthly recurring subscriptions in the same manner as we calculate our annualized exit monthly recurring subscriptions, except that only customer subscriptions from customers generating \$25,000 or more in annual recurring revenue are included. We calculate enterprise annualized exit monthly recurring subscriptions in the same manner as we calculate our annualized exit monthly recurring subscriptions, except that only customer subscriptions from customers generating \$100,000 or more in annual recurring revenue are included. We define our net monthly subscription dollar retention rate as (i) one plus (ii) the quotient of dollar net change divided by average monthly recurring subscriptions. We calculate dollar net change as the quotient of (i) the difference of our monthly recurring subscriptions at the end of a period minus our monthly recurring subscriptions at the beginning of a period minus our monthly recurring subscriptions at the end of the period from new customers we added during the period, (ii) all divided by the number of months in the period. We define our average monthly recurring subscriptions as the average of the monthly recurring subscriptions at the beginning and end of the measurement period.

Net debt to adjusted EBITDA

(\$millions)	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24	Q4'24
Adj. EBITDA	\$65.5	\$72.7	\$87.0	\$92.7	\$112.3	\$125.0	\$127.8	\$138.0	\$142.8	\$145.8	\$149.0	\$152.8
<i>LTM Adj. EBITDA</i>				317.9	364.7	416.9	457.8	503.1	533.6	554.4	575.7	590.4
Total Debt				1,638.4	1,639.5	1,578.8	1,801.3	1,545.5	1,541.4	1,537.3	1,533.2	1,529.1
Total Cash				270.0	274.8	225.4	432.4	222.2	203.1	199.3	212.7	242.8
Net Debt				1,368.4	1,364.7	1,353.4	1,368.9	1,323.3	1,338.3	1,338.0	1,320.5	1,286.3
Net Debt to Adj. EBITDA				4.3x	3.7x	3.2x	3.0x	2.6x	2.5x	2.4x	2.3x	2.2x

Debt Profile as of December 31, 2024

Debt Instrument	Maturity Date	December 31, 2024	December 31, 2023
2030 Senior Notes	August 15, 2030	\$ 400,000	\$ 400,000
Term Loan under Credit Agreement ⁽¹⁾	February 14, 2028	370,000	390,000
Revolving Credit Facility under Credit Agreement ⁽²⁾	February 14, 2028	—	—
2026 Convertible Notes	March 15, 2026	609,065	609,065
2025 Convertible Notes	March 1, 2025	161,326	161,326
Total principal amount		1,540,391	1,560,391
Less: unamortized debt discount and issuance costs on long-term debt		(11,258)	(14,909)
Less: current portion of long-term debt, net ⁽³⁾		(181,252)	(20,000)
Net carrying amount of long-term debt		\$ 1,347,881	\$ 1,525,482

43 (1) The Company has \$350.0 million available for drawdown under the Term Loan as of December 31, 2024.

(2) The Company has \$225.0 million available for borrowing under the Revolving Credit Facility as of December 31, 2024.

(3) The current portion of long-term debt, net as of December 31, 2024 relates to \$161.3 million net carrying amount from the 2025 Convertible Notes, and \$20.0 million of expected principal payments due on the Term Loan. The Term Loan requires quarterly principal payments of 1.25% of the \$400.0 million principal amount drawn, with balance due at maturity.

RINGCENTRAL, INC.
RECONCILIATION OF OPERATING INCOME (LOSS)
GAAP MEASURES TO NON-GAAP MEASURES
(Unaudited, in thousands)

	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
Revenues				
Subscriptions	\$ 589,677	\$ 547,373	\$2,297,192	\$2,100,329
Other	24,835	23,898	103,203	102,100
Total revenues	<u>614,512</u>	<u>571,271</u>	<u>2,400,395</u>	<u>2,202,429</u>
Cost of revenues reconciliation				
GAAP Subscriptions cost of revenues	150,673	143,386	593,294	557,050
Share-based compensation	(5,619)	(7,206)	(23,647)	(28,302)
Amortization of acquired intangibles	(31,307)	(37,136)	(130,535)	(147,460)
Third-party relocation and other costs	(129)	(31)	(178)	(136)
Restructuring costs	(62)	(181)	(634)	(818)
Non-GAAP Subscriptions cost of revenues	<u>113,556</u>	<u>98,832</u>	<u>438,300</u>	<u>380,334</u>
GAAP Other cost of revenues	27,501	26,838	112,213	107,241
Share-based compensation	(1,796)	(2,374)	(7,791)	(9,266)
Amortization of acquired intangibles	(86)	(22)	(151)	(88)
Restructuring costs	48	—	(700)	(58)
Non-GAAP Other cost of revenues	<u>25,667</u>	<u>24,442</u>	<u>103,571</u>	<u>97,829</u>
Gross profit and gross margin reconciliation				
Non-GAAP Subscriptions	80.7 %	81.9 %	80.9 %	81.9 %
Non-GAAP Other	(3.4)%	(2.3)%	(0.4)%	4.2 %
Non-GAAP Gross profit	77.3 %	78.4 %	77.4 %	78.3 %
Operating expenses reconciliation				
GAAP Research and development	84,901	84,886	329,323	335,851
Share-based compensation	(19,218)	(23,869)	(78,862)	(95,673)
Third-party relocation and other costs	(3,229)	(899)	(5,506)	(5,863)
Restructuring costs	(386)	(176)	(3,215)	(4,437)
Non-GAAP Research and development	<u>62,068</u>	<u>59,942</u>	<u>241,740</u>	<u>229,858</u>
As a % of total revenues non-GAAP	10.1 %	10.5 %	10.1 %	10.4 %
GAAP Sales and marketing	277,255	272,628	1,096,448	1,068,050
Share-based compensation	(33,322)	(37,232)	(137,350)	(154,295)
Amortization of acquired intangibles	(2,055)	(995)	(5,853)	(3,524)
Third-party relocation and other costs	—	(14)	(332)	(115)
Restructuring costs	(1,246)	(3,665)	(5,885)	(8,758)
Non-GAAP Sales and marketing	<u>240,632</u>	<u>230,722</u>	<u>947,028</u>	<u>901,358</u>
As a % of total revenues non-GAAP	39.2 %	40.4 %	39.5 %	40.9 %
GAAP General and administrative	58,545	88,576	266,447	333,048
Share-based compensation	(21,624)	(42,692)	(98,998)	(146,550)
Third-party relocation and other costs	4,860	(2,094)	169	(7,411)
Restructuring costs	(363)	(3,421)	(2,201)	(6,277)
Non-GAAP General and administrative	<u>41,418</u>	<u>40,369</u>	<u>165,417</u>	<u>172,810</u>
As a % of total revenues non-GAAP	6.7 %	7.1 %	6.9 %	7.8 %

RINGCENTRAL, INC.
RECONCILIATION OF OPERATING INCOME (LOSS)
GAAP MEASURES TO NON-GAAP MEASURES
(Unaudited, in thousands)

	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
Income (loss) from operations reconciliation				
GAAP income (loss) from operations	15,637	(45,043)	2,670	(198,811)
Share-based compensation	81,579	113,373	346,648	434,086
Amortization of acquired intangibles	33,448	38,153	136,539	151,072
Third-party relocation and other costs	(1,502)	3,038	5,847	13,525
Restructuring costs	2,009	7,443	12,635	20,368
Non-GAAP Income from operations	<u>131,171</u>	<u>116,964</u>	<u>504,339</u>	<u>420,240</u>
Non-GAAP Operating margin	21.3 %	20.5 %	21.0 %	19.1 %
Depreciation and amortization				
Non-GAAP Adjusted EBITDA	<u>152,775</u>	<u>138,028</u>	<u>590,409</u>	<u>503,108</u>
As a % of total revenues non-GAAP	24.9 %	24.2 %	24.6 %	22.8 %

RINGCENTRAL, INC.
RECONCILIATION OF NET INCOME (LOSS)
GAAP MEASURES TO NON-GAAP MEASURES
(In thousands, except per share data) (Unaudited)

	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
Net income (loss) income reconciliation				
GAAP net loss	\$ (7,188)	\$ (47,243)	\$ (58,288)	\$ (165,240)
Share-based compensation	81,579	113,373	346,648	434,086
Amortization of acquired intangibles	33,448	38,153	136,539	151,072
Third-party relocation and other costs, net	(4,806)	3,038	(5,155)	3,016
Restructuring costs	2,009	7,443	12,635	20,368
Amortization of debt discount and issuance costs	1,160	1,101	4,272	4,566
Loss associated with investments	—	—	458	1,745
Gain on early extinguishment of debt	—	(10,510)	—	(53,401)
Intercompany remeasurement loss (gain)	2,474	(428)	3,294	(1,645)
Income tax expense effects	(17,649)	(21,952)	(90,517)	(82,271)
Non-GAAP net income	<u>\$ 91,027</u>	<u>\$ 82,975</u>	<u>\$ 349,886</u>	<u>\$ 312,296</u>
Reconciliation between GAAP and non-GAAP weighted average shares used in computing basic and diluted net income (loss) per common share:				
Weighted average number of shares used in computing basic net loss per share	90,678	94,018	92,110	94,912
Effect of dilutive securities	<u>2,567</u>	<u>1,989</u>	<u>2,373</u>	<u>1,714</u>
Non-GAAP weighted average shares used in computing non-GAAP diluted net income per share	<u>93,245</u>	<u>96,007</u>	<u>94,483</u>	<u>96,626</u>
Diluted net (loss) income per share				
GAAP net loss per share	<u>\$ (0.08)</u>	<u>\$ (0.50)</u>	<u>\$ (0.63)</u>	<u>\$ (1.74)</u>
Non-GAAP net income per share	<u>\$ 0.98</u>	<u>\$ 0.86</u>	<u>\$ 3.70</u>	<u>\$ 3.23</u>

RINGCENTRAL, INC.
RECONCILIATION OF CASH FLOWS FROM OPERATING ACTIVITIES
GAAP MEASURES TO NON-GAAP FREE CASH FLOW MEASURES
(Unaudited, in thousands)

	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
Net cash provided by operating activities	\$ 132,882	\$ 113,844	\$ 483,276	\$ 399,662
Capitalized expenditures	(21,053)	(19,984)	(80,528)	(75,740)
Non-GAAP free cash flow	\$ 111,829	\$ 93,860	\$ 402,748	\$ 323,922
Non-GAAP free cash flow margin	18.2 %	16.4 %	16.8 %	14.7 %

RINGCENTRAL, INC.
RECONCILIATION OF FORECASTED OPERATING MARGIN AND FREE CASH FLOW
GAAP MEASURES TO NON-GAAP MEASURES
(Unaudited, in millions)

	Q1 2025		FY 2025	
	Low Range	High Range	Low Range	High Range
GAAP income from operations	3	10	112	133
GAAP operating margin	0.6%	1.7%	4.5%	5.2%
Share-based compensation	84	81	310	300
Amortization of acquired intangibles	35	35	135	135
Restructuring costs	6	6	6	6
Non-GAAP income from operations	127	131	562	573
Non-GAAP operating margin	21.0 %	21.5 %	22.5 %	22.5 %

	FY 2025	
	Low Range	High Range
GAAP net cash provided by operating activities	\$ 585	\$ 595
Capitalized expenditures	(85)	(85)
Non-GAAP free cash flow	\$ 500	\$ 510