

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2025

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File Number: 001-36089

RingCentral, Inc.
(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or other jurisdiction
of incorporation or organization)

94-3322844
(I.R.S. Employer
Identification No.)

20 Davis Drive
Belmont, California 94002
(Address of principal executive offices) (Zip Code)
(650) 472-4100
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock par value \$0.0001	RNG	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐
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. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of July 28, 2025, there were 80,738,182 shares of Class A Common Stock issued and outstanding and 9,804,538 shares of Class B Common Stock issued and outstanding.

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SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements that are based on our management's beliefs and assumptions and on information currently available to our management. The forward-looking statements are contained principally in, but not limited to, the sections entitled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations". Forward-looking statements include all statements that are not historical facts and can be identified by terms such as "anticipates", "believes", "could", "seeks", "estimates", "expects", "intends", "may", "plans", "potential", "predicts", "projects", "should", "will", "would" or similar expressions and the negatives of those terms. Forward-looking statements include, but are not limited to, statements about:

- our progress against short-term and long-term goals;
- our future financial performance;
- our anticipated growth, growth strategies and our ability to effectively manage that growth and effect these strategies;
- our success in our target markets and key verticals;
- anticipated trends, developments and challenges in our business and in the markets in which we operate, as well as general macroeconomic conditions and geopolitical conflicts;
- our ability to scale to our desired goals, particularly the implementation of new processes and systems and on-boarding new workers;
- the impact of competition in our industry and innovation by our competitors;
- our ability to anticipate and adapt to future changes in our industry;
- our ability to predict subscriptions revenues, formulate accurate financial projections, manage debt expense, and make strategic business decisions based on our analysis of market trends;
- our ability to anticipate market needs and develop new and enhanced products and solutions and subscriptions to meet those needs, and our ability to successfully monetize them;
- our ability to successfully incorporate artificial intelligence (AI) and machine learning powered features into our solutions;
- maintaining and expanding our customer base;
- maintaining, expanding and responding to changes in our relationships with other companies;
- maintaining and expanding our distribution channels, including our network of sales agents and resellers, our partners, and global service providers;
- our ability to sell, market, and support our solutions and services, domestically and internationally, and continue to sell and expand our business with enterprise customers and within our key vertical markets;
- our ability to realize increased purchasing leverage and economies of scale as we expand;
- the impact of seasonality on our business;
- the impact of any failure of our solutions or solution innovations, including our innovations relating to AI;
- our dependency on third-party vendors of hardware, software and services that we offer and sell to our customers and our ability to effectively offer customers an alternate solution;
- the potential effect on our business of litigation to which we may become a party;
- our liquidity and working capital requirements;
- the impact of changes in the regulatory environment including with respect to AI;
- our ability to protect our intellectual property and rely on open source licenses;
- our expectations regarding the growth and reliability of public cloud and internet infrastructure;
- the timing of acquisitions of, or making and exiting investments in, other entities, businesses or technologies;

- our ability to successfully and timely execute on, integrate, and realize the benefits of any acquisition, investment, strategic partnership, or other strategic transaction we may make or undertake;
- our capital expenditure projections;
- our capital allocation plans, including expected allocations of cash and timing for any share repurchases, debt repayments, and other investments;
- our Credit Agreement, including both the Term Loan and the Revolving Credit Facility (each as defined below);
- our ability to comply with the operational and financial covenants in our debt agreements;
- the estimates and estimate methodologies used in preparing our financial statements;
- the political environment and stability in the regions in which we or our subcontractors operate;
- the impact of economic downturns on us and our customers;
- our ability to protect our systems and our customer information from fraud, social engineering breaches, and cyber-attack;
- our ability to prevent the use of fraudulent payment methods for our solutions;
- our ability to retain key employees and to attract qualified personnel;
- our ability to successfully implement or otherwise achieve our anticipated cost reductions; and
- the impact of foreign currencies on our non-U.S. business as we expand our business internationally.

Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be significantly different from any future results, performance or achievements expressed or implied by the forward-looking statements. We discuss these risks in greater detail in the section entitled “Risk Factors” and elsewhere in this Quarterly Report on Form 10-Q. Given these uncertainties, you should not place undue reliance on these forward-looking statements. Also, forward-looking statements represent our management’s beliefs and assumptions only as of the date of this Quarterly Report on Form 10-Q. You should read this Quarterly Report on Form 10-Q completely and with the understanding that our actual future results may be significantly different from what we expect.

Except as required by law, we assume no obligation to update these forward-looking statements publicly, or to update the reasons actual results could differ significantly from those anticipated in these forward-looking statements, even if new information becomes available in the future.

PART I — FINANCIAL INFORMATION

Item 1. Financial Statements

RINGCENTRAL, INC. CONDENSED CONSOLIDATED BALANCE SHEETS (Unaudited, in thousands)

	June 30, 2025	December 31, 2024
Assets		
Current assets		
Cash and cash equivalents	\$ 168,113	\$ 242,811
Accounts receivable, net	391,151	386,252
Deferred and prepaid sales commission costs	176,099	182,615
Prepaid expenses and other current assets	64,890	59,444
Total current assets	800,253	871,122
Property and equipment, net	184,606	180,650
Operating lease right-of-use assets	37,128	46,463
Deferred and prepaid sales commission costs, non-current	293,543	325,198
Goodwill	85,482	82,986
Acquired intangibles, net	191,797	258,526
Other assets	12,650	14,928
Total assets	\$ 1,605,459	\$ 1,779,873
Liabilities, Temporary Equity, and Stockholders' Deficit		
Current liabilities		
Accounts payable	\$ 65,467	\$ 21,866
Accrued liabilities	276,750	283,799
Current portion of long-term debt, net	627,880	181,252
Deferred revenue	262,993	261,882
Total current liabilities	1,233,090	748,799
Long-term debt, net	632,903	1,347,881
Operating lease liabilities	19,336	29,733
Other long-term liabilities	7,268	4,930
Total liabilities	1,892,597	2,131,343
Commitments and contingencies (Note 8)		
Series A convertible preferred stock	199,449	199,449
Stockholders' deficit		
Common stock	9	9
Additional paid-in capital	1,265,365	1,215,377
Accumulated other comprehensive income (loss)	2,598	(8,881)
Accumulated deficit	(1,754,559)	(1,757,424)
Total stockholders' deficit	(486,587)	(550,919)
Total liabilities, temporary equity and stockholders' deficit	\$ 1,605,459	\$ 1,779,873

See accompanying notes to condensed consolidated financial statements

RINGCENTRAL, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited, in thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Revenues				
Subscriptions	\$ 598,728	\$ 567,058	\$ 1,188,840	\$ 1,124,545
Other	21,670	25,849	43,614	52,573
Total revenues	620,398	592,907	1,232,454	1,177,118
Cost of revenues				
Subscriptions	150,788	148,107	303,883	291,757
Other	28,162	28,563	55,517	55,392
Total cost of revenues	178,950	176,670	359,400	347,149
Gross profit	441,448	416,237	873,054	829,969
Operating expenses				
Research and development	77,539	79,750	159,522	160,278
Sales and marketing	263,585	269,487	538,483	542,217
General and administrative	63,361	72,359	127,746	143,732
Total operating expenses	404,485	421,596	825,751	846,227
Income (loss) from operations	36,963	(5,359)	47,303	(16,258)
Other income (expense), net				
Interest expense	(16,466)	(16,021)	(32,581)	(32,275)
Other income (expense)	(4,820)	9,803	(3,418)	11,747
Other expense, net	(21,286)	(6,218)	(35,999)	(20,528)
Gain (loss) before income taxes	15,677	(11,577)	11,304	(36,786)
Provision for income taxes	2,484	3,176	8,439	6,461
Net income (loss)	\$ 13,193	\$ (14,753)	\$ 2,865	\$ (43,247)
Net income (loss) per common share				
Basic	\$ 0.15	\$ (0.16)	\$ 0.03	\$ (0.47)
Diluted	\$ 0.14	\$ (0.16)	\$ 0.03	\$ (0.47)
Weighted-average number of shares used in computing net income (loss) per share				
Basic	90,710	92,745	90,861	92,944
Diluted	92,056	92,745	92,488	92,944

See accompanying notes to condensed consolidated financial statements

RINGCENTRAL, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Unaudited, in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Net income (loss)	\$ 13,193	\$ (14,753)	\$ 2,865	\$ (43,247)
Other comprehensive income (loss)				
Foreign currency translation adjustments	11,599	(812)	16,604	(4,053)
Unrealized (loss) gain on derivative instruments	(1,439)	872	(5,125)	7,223
Total other comprehensive income	10,160	60	11,479	3,170
Comprehensive income (loss)	<u>\$ 23,353</u>	<u>\$ (14,693)</u>	<u>\$ 14,344</u>	<u>\$ (40,077)</u>

See accompanying notes to condensed consolidated financial statements

RINGCENTRAL, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT
(Unaudited, in thousands)

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount				
Balance as of December 31, 2024	90,718	\$ 9	\$ 1,215,377	\$ (8,881)	\$ (1,757,424)	\$ (550,919)
Issuance of common stock in connection with Equity Incentive and Employee Stock Purchase plans, net of tax withholdings	1,556	—	(1,904)	—	—	(1,904)
Repurchases of common stock	(1,822)	—	(50,036)	—	—	(50,036)
Share-based compensation	—	—	70,671	—	—	70,671
Other comprehensive income	—	—	—	1,319	—	1,319
Net loss	—	—	—	—	(10,328)	(10,328)
Balance as of March 31, 2025	90,452	9	1,234,108	(7,562)	(1,767,752)	(541,197)
Issuance of common stock in connection with Equity Incentive and Employee Stock Purchase plans, net of tax withholdings	1,718	—	7,397	—	—	7,397
Repurchases of common stock	(1,212)	—	(32,185)	—	—	(32,185)
Share-based compensation	—	—	56,045	—	—	56,045
Other comprehensive income	—	—	—	10,160	—	10,160
Net income	—	—	—	—	13,193	13,193
Balance as of June 30, 2025	90,958	\$ 9	\$ 1,265,365	\$ 2,598	\$ (1,754,559)	\$ (486,587)

	Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Total Stockholders' Deficit
	Shares	Amount				
Balance as of December 31, 2023	93,467	\$ 9	\$ 1,204,781	\$ (8,223)	\$ (1,699,136)	\$ (502,569)
Issuance of common stock in connection with Equity Incentive and Employee Stock Purchase plans, net of tax withholdings	1,765	—	(2,020)	—	—	(2,020)
Issuance of common stock in connection with strategic partnership arrangement	255	—	7,972	—	—	7,972
Repurchases of common stock	(2,364)	—	(80,635)	—	—	(80,635)
Share-based compensation	—	—	80,268	—	—	80,268
Other comprehensive income	—	—	—	3,110	—	3,110
Net loss	—	—	—	—	(28,494)	(28,494)
Balance as of March 31, 2024	93,123	9	1,210,366	(5,113)	(1,727,630)	(522,368)
Issuance of common stock in connection with Equity Incentive and Employee Stock Purchase plans, net of tax withholdings	1,941	—	7,896	—	—	7,896
Repurchases of common stock	(2,534)	—	(78,854)	—	—	(78,854)
Share-based compensation	—	—	79,764	—	—	79,764
Other comprehensive income	—	—	—	60	—	60
Net loss	—	—	—	—	(14,753)	(14,753)
Balance as of June 30, 2024	92,530	\$ 9	\$ 1,219,172	\$ (5,053)	\$ (1,742,383)	\$ (528,255)

See accompanying notes to condensed consolidated financial statements

RINGCENTRAL, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited, in thousands)

	Six Months Ended June 30,	
	2025	2024
Cash flows from operating activities		
Net income (loss)	\$ 2,865	\$ (43,247)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	109,982	112,974
Share-based compensation	141,350	174,948
Amortization of deferred and prepaid sales commission costs	81,863	79,098
Amortization of debt discount and issuance costs	2,381	2,014
Loss on early extinguishment of debt	4,988	—
Reduction of operating lease right-of-use assets	12,706	10,153
Provision for bad debt	8,008	2,928
Other	(386)	(7,008)
Changes in assets and liabilities:		
Accounts receivable	(12,907)	(8,485)
Deferred and prepaid sales commission costs	(52,172)	(72,683)
Prepaid expenses and other assets	(2,461)	6,708
Accounts payable	43,443	(13,861)
Accrued and other liabilities	(11,984)	(31,131)
Deferred revenue	1,111	19,815
Operating lease liabilities	(11,711)	(9,048)
Net cash provided by operating activities	317,076	223,175
Cash flows from investing activities		
Purchases of property and equipment	(14,544)	(11,186)
Capitalized internal-use software	(27,971)	(26,515)
Cash paid for business combination, net of cash acquired	—	(26,291)
Net cash used in investing activities	(42,515)	(63,992)
Cash flows from financing activities		
Proceeds from issuance of stock in connection with stock plans	9,064	10,000
Payments for taxes related to net share settlement of equity awards	(3,571)	(4,124)
Payments for repurchases of common stock	(81,787)	(162,006)
Payments for the settlement of convertible notes	(161,326)	—
Repayments of principal on term loan	(60,000)	(10,000)
Repurchases of principal on senior notes	(53,903)	—
Payments for fees on long-term debt	(1,631)	(2,152)
Repayments for financing obligations	(633)	(2,244)
Payments for contingent consideration	—	(10,345)
Net cash used in financing activities	(353,787)	(180,871)
Effect of exchange rate changes	4,528	(1,179)
Net decrease in cash, cash equivalents, and restricted cash	(74,698)	(22,867)
Cash, cash equivalents, and restricted cash		
Beginning of period	242,811	222,195
End of period	\$ 168,113	\$ 199,328
Supplemental disclosure of cash flow data:		
Cash paid for interest, net of interest rate swap	\$ 30,041	\$ 31,054
Cash paid for income taxes, net of refunds	\$ 8,326	\$ 11,552
Non-cash investing and financing activities		
Equipment and capitalized internal-use software purchased and unpaid at period end	\$ 5,116	\$ 7,972
Common stock issued in connection with strategic partnership arrangement	\$ —	\$ 4,680

See accompanying notes to condensed consolidated financial statements

RINGCENTRAL, INC.
Notes to Condensed Consolidated Financial Statements (Unaudited)

Note 1. Description of Business and Summary of Significant Accounting Policies

Description of Business

RingCentral, Inc. (the “Company”) is a global leader in AI-powered business communications, contact center, conversational intelligence, video and hybrid event solutions. The Company was incorporated in California in 1999 and was reincorporated in Delaware on September 26, 2013.

Basis of Presentation and Consolidation

The Company’s unaudited condensed consolidated financial statements and accompanying notes reflect all adjustments (all of which are normal, recurring in nature and those discussed in these notes) that are, in the opinion of management, necessary for a fair presentation of the interim periods presented. All intercompany balances and transactions have been eliminated in consolidation. The results of operations for the interim periods presented are not necessarily indicative of the results to be expected for any subsequent quarter or for the entire year ending December 31, 2025. Certain information and note disclosures normally included in annual consolidated financial statements prepared in accordance with generally accepted accounting principles in the United States of America (“U.S. GAAP”) have been condensed or omitted under the rules and regulations of the Securities and Exchange Commission (“SEC”).

The unaudited condensed consolidated financial statements should be read in conjunction with the Company’s audited consolidated financial statements and related notes included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on February 26, 2025.

The Company’s significant accounting policies are described in Company’s Annual Report on Form 10-K for the year ended December 31, 2024. There have been no significant changes to these policies that have had a material impact on the condensed consolidated financial statements and related notes for the three and six months ended June 30, 2025.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. The significant estimates made by management affect revenues, the allowance for doubtful accounts, deferred and prepaid sales commission costs, goodwill, useful lives of intangible assets, share-based compensation, capitalization of internally developed software, return reserves, derivative instruments, provision for income taxes, uncertain tax positions, change in the fair value of contingent consideration, loss contingencies, sales tax liabilities and accrued liabilities. Management periodically evaluates these estimates and will make adjustments prospectively based upon the results of such periodic evaluations. Actual results may differ from these estimates.

Related Party Transactions

All contracts with related parties are executed in the ordinary course of business. There were no material related party transactions for the three and six months ended June 30, 2025 and 2024, and no material amounts payable to or amounts receivable from related parties as of June 30, 2025 and December 31, 2024.

Recent Accounting Pronouncements Not Yet Adopted

In December 2023, the FASB issued Accounting Standards Update No. 2023-09: *Income Taxes (Topic 740): Improvements to Income Tax Disclosures (ASU 2023-09)*, which requires public entities, on an annual basis, to provide disclosure of specific categories in the rate reconciliation, as well as disclosure of income taxes paid disaggregated by jurisdiction. ASU 2023-09 is effective for fiscal years beginning after December 15, 2024, with early adoption permitted. The Company is currently evaluating the impact of adopting ASU 2023-09 will have on its financial statement disclosures.

RINGCENTRAL, INC.
Notes to Condensed Consolidated Financial Statements (Unaudited)

In November 2024, the FASB issued Accounting Standards Update No. 2024-03: *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses (ASU 2024-03)*, which requires disaggregation of certain costs in a separate note to the financial statements, such as the amounts of employee compensation, depreciation and intangible asset amortization, included in each relevant expense caption in annual and interim consolidated financial statements. This ASU also requires disclosure of the total amount of selling expenses and our definition of selling expenses. ASU 2024-03 is effective for annual periods beginning after December 15, 2026 and for interim periods beginning after December 15, 2027 on a retrospective or prospective basis, with early adoption permitted. The Company is currently evaluating the impact of adopting ASU 2024-03 will have on its financial statement disclosures.

Note 2. Revenue

The Company derives its revenues primarily from subscriptions, sale of products, and professional services. Revenues are recognized when control is transferred to the customers, in an amount that reflects the consideration the Company expects to be entitled to in exchange for those services or products.

Disaggregation of revenue

Revenue by geographic location is based on the billing address of the customer. The following table provides information about disaggregated revenue by primary geographical markets:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Primary geographical markets				
North America	88 %	90 %	89 %	90 %
Others	12	10	11	10
Total revenues	100 %	100 %	100 %	100 %

The Company derived over 90% of subscription revenues from RingEX and RingCentral contact center solutions for the three and six months ended June 30, 2025 and 2024. For the three and six months ended June 30, 2025 and 2024, RingCentral contact center solutions represented over 10% of total revenues.

Deferred revenue

During the three and six months ended June 30, 2025, the Company recognized revenue of \$50.9 million and \$213.2 million, respectively, that was included in the corresponding deferred revenue balance at the beginning of the year.

Remaining performance obligations

The typical subscription term ranges from one month to five years. Contract revenue as of June 30, 2025 that has not yet been recognized was approximately \$2.6 billion. This excludes contracts with an original expected length of less than one year. Of these remaining performance obligations, the Company expects to recognize revenue of 54% of this balance over the next 12 months and 46% thereafter.

Other revenues

Other revenues are primarily comprised of product revenue from the sale of pre-configured phones, and professional services. Product revenues from the sale of pre-configured phones were \$12.7 million and \$12.6 million for the three months ended June 30, 2025 and 2024, respectively, and \$23.6 million and \$25.7 million for the six months ended June 30, 2025 and 2024, respectively.

RINGCENTRAL, INC.
Notes to Condensed Consolidated Financial Statements (Unaudited)

Note 3. Financial Statement Components

Cash and cash equivalents consisted of the following (in thousands):

	June 30, 2025	December 31, 2024
Cash	\$ 162,798	\$ 128,308
Money market funds	5,315	114,503
Total cash and cash equivalents	<u>\$ 168,113</u>	<u>\$ 242,811</u>

As of June 30, 2025 and December 31, 2024, the cash balance includes \$8.3 million and \$7.4 million, respectively, in restricted cash held as a bank deposit for the issuance of a foreign bank guarantee.

Accounts receivable, net consisted of the following (in thousands):

	June 30, 2025	December 31, 2024
Accounts receivable	\$ 305,858	\$ 300,805
Unbilled accounts receivable	100,425	100,578
Allowance for doubtful accounts	(15,132)	(15,131)
Accounts receivable, net	<u>\$ 391,151</u>	<u>\$ 386,252</u>

Prepaid expenses and other current assets consisted of the following (in thousands):

	June 30, 2025	December 31, 2024
Prepaid expenses	\$ 38,747	\$ 39,858
Inventory	1,146	1,243
Other current assets	24,997	18,343
Total prepaid expenses and other current assets	<u>\$ 64,890</u>	<u>\$ 59,444</u>

Property and equipment, net consisted of the following (in thousands):

	June 30, 2025	December 31, 2024
Computer hardware and software	\$ 267,919	\$ 252,961
Internal-use software development costs	345,001	314,944
Furniture and fixtures	8,597	8,965
Leasehold improvements	9,799	12,367
Total property and equipment, gross	631,316	589,237
Less: accumulated depreciation and amortization	(446,710)	(408,587)
Property and equipment, net	<u>\$ 184,606</u>	<u>\$ 180,650</u>

Total depreciation and amortization expense related to property and equipment was \$21.6 million for each of the three months ended June 30, 2025 and 2024, and \$43.3 million for each of the six months ended June 30, 2025 and 2024.

A summary of activity of the Company's carrying value of goodwill during the six months ended June 30, 2025 is presented in the following table (in thousands):

Balance as of December 31, 2024	\$ 82,986
Foreign currency translation adjustments	2,496
Balance as of June 30, 2025	<u>\$ 85,482</u>

RINGCENTRAL, INC.
Notes to Condensed Consolidated Financial Statements (Unaudited)

The carrying values of intangible assets are as follows (in thousands):

	Weighted-Average Remaining Useful Life	June 30, 2025			December 31, 2024		
		Cost	Accumulated Amortization	Acquired Intangibles, Net	Cost	Accumulated Amortization	Acquired Intangibles, Net
Customer relationships	3.7 years	\$ 52,344	\$ 30,295	\$ 22,049	\$ 51,312	\$ 25,833	\$ 25,479
Developed technology	1.4 years	780,143	610,395	169,748	779,794	546,747	233,047
Total acquired intangible assets		<u>\$ 832,487</u>	<u>\$ 640,690</u>	<u>\$ 191,797</u>	<u>\$ 831,106</u>	<u>\$ 572,580</u>	<u>\$ 258,526</u>

Amortization expense from acquired intangible assets for the three months ended June 30, 2025 and 2024 was \$33.4 million and \$34.7 million, respectively, and \$66.7 million and \$69.6 million for the six months ended June 30, 2025 and 2024, respectively. Amortization of developed technology is included in cost of revenues and amortization of customer relationships is included in sales and marketing expenses in the Condensed Consolidated Statements of Operations.

Estimated amortization expense for acquired intangible assets for the following fiscal years is as follows (in thousands):

2025 (remaining)	\$ 66,726
2026	110,986
2027	5,397
2028 onwards	8,688
Total estimated amortization expense	<u>\$ 191,797</u>

Accrued liabilities consisted of the following (in thousands):

	June 30, 2025	December 31, 2024
Accrued compensation and benefits	\$ 45,460	\$ 47,415
Accrued sales, use, and telecom related taxes	53,236	55,699
Accrued marketing and sales commissions	34,527	36,391
Operating lease liabilities, short-term	22,604	20,445
Other accrued expenses	120,923	123,849
Total accrued liabilities	<u>\$ 276,750</u>	<u>\$ 283,799</u>

Deferred and Prepaid Sales Commission Costs

Amortization expense for the deferred and prepaid sales commission costs was \$41.1 million and \$40.5 million for the three months ended June 30, 2025 and 2024, respectively, and \$81.9 million and \$79.1 million for the six months ended June 30, 2025 and 2024, respectively. There was no impairment loss in relation to the deferred commissions costs capitalized for the periods presented.

RINGCENTRAL, INC.
Notes to Condensed Consolidated Financial Statements (Unaudited)

Note 4. Fair Value of Financial Instruments

The Company measures and reports certain cash equivalents, including money market funds, derivative interest rate swap agreement, and contingent consideration at fair value in accordance with the provisions of the authoritative accounting guidance that addresses fair value measurements. This guidance establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable inputs be used when available. The hierarchy is broken down into three levels based on the reliability of the inputs as follows:

Level 1: Observable inputs that reflect unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2: Other inputs, such as quoted prices for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in inactive markets, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the asset or liability.

Level 3: Unobservable inputs that are supported by little or no market activity and that are based on management's assumptions, including fair value measurements determined by using pricing models, discounted cash flow methodologies or similar techniques.

The financial instruments carried at fair value were determined using the following inputs (in thousands):

	Fair Value at June 30, 2025	Level 1	Level 2	Level 3
Cash equivalents:				
Money market funds	\$ 5,315	\$ 5,315	\$ —	\$ —
Other assets:				
Interest rate swap derivatives	\$ 148	\$ —	\$ 148	\$ —
Other long-term liabilities:				
Interest rate swap derivatives	\$ 3,410	\$ —	\$ 3,410	\$ —
Contingent consideration	3,000	—	—	3,000

	Fair Value at December 31, 2024	Level 1	Level 2	Level 3
Cash equivalents:				
Money market funds	\$ 114,503	\$ 114,503	\$ —	\$ —
Other assets:				
Interest rate swap derivatives	\$ 2,367	\$ —	\$ 2,367	\$ —
Other long-term liabilities:				
Contingent consideration	\$ 3,000	\$ —	\$ —	\$ 3,000

The Company's other financial instruments, including accounts receivable, other current assets, accounts payable, accrued liabilities and other liabilities, are carried at cost, which approximates fair value due to the relatively short maturity of those instruments.

Fair Value of Long-Term Debt

As of June 30, 2025, the fair value of the 0% convertible senior notes due 2026 (the "2026 Convertible Notes") was approximately \$584.7 million. The fair value for the 2026 Convertible Notes was determined based on the quoted price for such notes in an inactive market on the last trading day of the reporting period and is considered as Level 2 in the fair value hierarchy.

As of June 30, 2025, the carrying amount of the \$400.0 million term loan (the "Term Loan") was \$310.0 million. As there are no embedded features or other variable features, the fair value of the Term Loan approximated its carrying value.

As of June 30, 2025, the fair value of the 8.50% senior notes due 2030 (the "2030 Senior Notes" and, together with the 2026 Convertible Notes, the "Notes") was approximately \$375.2 million. The fair value for the 2030 Senior Notes was

RINGCENTRAL, INC.
Notes to Condensed Consolidated Financial Statements (Unaudited)

determined based on the quoted price for such notes in an inactive market on the last trading day of the reporting period and is considered as Level 2 in the fair value hierarchy.

Fair Value of Derivative Instruments

The Company's interest rate swap derivative, which is considered as Level 2 in the fair value hierarchy, is valued using a discounted cash flow model that utilizes observable inputs including forward interest rate data at the measurement date.

Fair Value of Contingent Consideration

The contingent consideration as presented in the fair value table above is related to the Company's acquisition of Hopin in the third quarter of 2023, and represents the future potential earn-out payments based on the achievement of specified performance targets over multiple years, paid quarterly in cash. The fair value of the contingent consideration liability was determined using a Monte Carlo simulation that includes significant unobservable inputs including the discount rate and projected revenues over the earn-out period. This contingent liability was classified as level 3 within the fair value hierarchy. There were no changes in the estimated fair value of the contingent consideration during the three and six months ended June 30, 2025, compared to December 31, 2024.

Note 5. Long-Term Debt

The following table sets forth the net carrying amount of the Company's long-term debt (in thousands):

Debt Instrument	Maturity Date	June 30, 2025	December 31, 2024
2030 Senior Notes	August 15, 2030	\$ 350,000	\$ 400,000
Term Loan under Credit Agreement ⁽¹⁾	February 14, 2028	310,000	370,000
Revolving Credit Facility under Credit Agreement ⁽²⁾	February 14, 2028	—	—
2026 Convertible Notes	March 15, 2026	609,065	609,065
2025 Convertible Notes ⁽³⁾	March 1, 2025	—	161,326
Total principal amount		1,269,065	1,540,391
Less: unamortized debt discount and issuance costs on long-term debt		(8,282)	(11,258)
Less: current portion of long-term debt, net ⁽⁴⁾		(627,880)	(181,252)
Net carrying amount of long-term debt		<u>\$ 632,903</u>	<u>\$ 1,347,881</u>

(1) The Company has \$350.0 million available for drawdown under the Term Loan as of June 30, 2025.

(2) The Company has \$225.0 million available for borrowing under the Revolving Credit Facility as of June 30, 2025.

(3) The Company settled the remaining \$161.3 million principal of the 2025 Convertible Notes in cash on the original maturity date in March 2025.

(4) As of June 30, 2025, the current portion of long-term debt, net, consists of the \$607.9 million net carrying amount of the 2026 Convertible Notes and \$20.0 million in 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.
Notes to Condensed Consolidated Financial Statements (Unaudited)

The following table sets forth the future minimum principal payments for long-term debt as of June 30, 2025 (in thousands):

	2026 Convertible Notes	Term Loan	2030 Senior Notes	Total
2025 remaining	\$ —	\$ 10,000	\$ —	\$ 10,000
2026	609,065	20,000	—	629,065
2027	—	20,000	—	20,000
2028	—	260,000	—	260,000
2029 onwards	—	—	350,000	350,000
Total principal amount	<u>\$ 609,065</u>	<u>\$ 310,000</u>	<u>\$ 350,000</u>	<u>\$ 1,269,065</u>

2030 Senior Notes

In August 2023, the Company issued \$400.0 million aggregate principal amount of the 2030 Senior Notes in a private offering. The 2030 Senior Notes are senior unsecured obligations of the Company and bear interest at a fixed rate of 8.5% per annum payable semi-annually in arrears on February 15th and August 15th of each year. The 2030 Senior Notes are guaranteed by the Company's domestic subsidiaries and are subject to certain covenants and redemption provisions outlined in the indenture governing the 2030 Senior Notes (the "Senior Notes Indenture").

In June 2025, the Company repurchased \$50.0 million of principal on its 2030 Senior Notes for an aggregate repurchase price of \$53.9 million. This repurchase resulted in the recognition of a \$4.7 million loss on debt extinguishment, which includes the call premium and the write-off of related unamortized debt discount and issuance costs. The loss is recorded in Other income (expense), net in the Condensed Consolidated Statements of Operations.

As of June 30, 2025, the carrying value of the outstanding 2030 Senior Notes, net of unamortized debt discount and issuance costs, was \$344.4 million, and the Company was in compliance with all covenants under the Senior Notes Indenture. The effective interest rate on the 2030 Senior Notes was 8.9% as of June 30, 2025.

Credit Agreement

In February 2023, the Company entered into a credit agreement with certain lenders, from time to time party thereto and Bank of America, N.A., as administrative agent and as collateral agent (as amended, the "Credit Agreement"), providing for a \$200.0 million revolving credit facility (the "Revolving Credit Facility") and a \$400.0 million Term Loan. In the second quarter of 2023, the Company drew down the initial \$400.0 million Term Loan and used the proceeds to repurchase a portion of the Company's 0% convertible senior notes due 2025 (the "2025 Convertible Notes"). The credit facilities were subsequently amended in 2023 and 2024 to increase the Revolving Credit Facility to \$225.0 million and the Term Loan to \$750.0 million. The proceeds from the Revolving Credit Facility can be used for working capital and general corporate purposes, while the remaining \$350.0 million tranches of the Term Loan can be used to repurchase a portion of the Company's convertible notes and for working capital and general corporate purposes. The credit facilities are guaranteed by certain material domestic subsidiaries of the Company, and secured by substantially all of the personal property of the Company and such subsidiary guarantors. If on any date that is within 91 days prior to the final scheduled maturity date of the 2026 Convertible Notes (defined below), the 2026 Convertible Notes are in an aggregate principal amount outstanding that exceeds an amount equal to 50% of last twelve months EBITDA, calculated as set forth in the Credit Agreement, the maturity date of both the Revolving Credit Facility and Term Loan shall automatically be modified to be such date. As of June 30, 2025, \$350.0 million of the Term Loan remains available for draw until March 31, 2026, per the Credit Agreement as amended in the first quarter of 2025. Additionally, the \$225.0 million Revolving Credit Facility commitments remain available for draw until February 14, 2028, at which time the commitments will terminate, and all outstanding revolving loans under the facility will be due and payable. The Company will continue to pay a commitment fee on the daily unused amount of the Revolving Credit Facility and a quarterly ticking fee of up to 0.500% per annum on the daily unused amount of the Term Loan commitments until the earlier of the funding of the remaining Term Loan or the end of the Term Loan availability period. Any drawdown under the Credit Agreement would be subject to compliance with the restrictive covenants in the Senior Notes Indenture.

RINGCENTRAL, INC.
Notes to Condensed Consolidated Financial Statements (Unaudited)

Borrowings under the Credit Agreement bears interest, at the Company's option, at either: (a) the fluctuating rate per annum equal to the greatest of (i) the prime rate then in effect, (ii) the federal funds rate then in effect, plus 0.5% per annum, (iii) an adjusted term Secured Overnight Financing Rate ("SOFR") determined on the basis of a one-month interest period, plus 1.0% and (iv) 1.0%, in each case, plus a margin of between 0.75% and 2.0%; and (b) an adjusted term SOFR rate (based on one, three or six month interest periods), plus a margin of between 1.75% and 3.0%. The applicable margin in each case is determined based on the Company's total net leverage ratio and varies between tranches of Term Loans. Interest is payable quarterly in arrears with respect to borrowings bearing interest at the alternate base rate or on the last day of an interest period, but at least every three months, with respect to borrowings bearing interest at the term SOFR rate.

In June 2025, the Company made an early repayment of \$50.0 million in principal on its Term Loan, along with a \$5.0 million payment of scheduled quarterly principal, for a total cash principal payment of \$55.0 million. The early repayment resulted in the recognition of a \$0.3 million loss on debt extinguishment arising from the write-off of related unamortized debt discount and issuance costs. The loss is recorded in Other income (expense), net in the Condensed Consolidated Statements of Operations.

As of June 30, 2025, the carrying value of the Term Loan, net of unamortized debt discount and issuance costs, was \$308.5 million. As of June 30, 2025, the Company incurred \$11.4 million of debt issuance costs in connection with the Credit Agreement, of which \$7.5 million was capitalized in the Condensed Consolidated Balance Sheets and amortized primarily using the effective interest rate over the term of the Credit Agreement, while the remaining amount was expensed in the period incurred. As of June 30, 2025, the effective interest rate on the Term Loan was 6.9%. As of June 30, 2025, the Company was in compliance with all covenants under the Credit Agreement.

Convertible Notes

In March 2020, the Company issued \$1.0 billion of the 2025 Convertible Notes, and in September 2020, it issued \$650.0 million of the 2026 Convertible Notes. In March 2025, the Company repaid the remaining \$161.3 million of principal of the 2025 Convertible Notes in cash upon maturity. The 2026 Convertible Notes are senior, unsecured obligations that do not bear regular interest and the principal amount of the 2026 Convertible Notes does not accrete.

As of June 30, 2025, the carrying values of the 2026 Convertible Notes, net of unamortized debt issuance costs, was \$607.9 million, and the Company was in compliance with all covenants under the indenture governing the 2026 Convertible Notes ("2026 Convertible Notes Indenture").

Other Terms of the 2026 Convertible Notes

	2026 Convertible Notes
\$1,000 principal amount initially convertible into number of the Company's Class A Common Stock, par value \$0.0001	2.3583 shares
Equivalent initial approximate conversion price per share	\$ 424.03

During the three and six months ended June 30, 2025, the conditions allowing holders of the 2026 Convertible Notes to convert were not met. The 2026 Convertible Notes may be convertible thereafter if one or more of the conversion conditions specified in the 2026 Convertible Notes Indenture is satisfied during future measurement periods.

The following table sets forth the interest expense recognized related to long-term debt (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Contractual interest expense	\$ 14,603	\$ 14,718	\$ 28,941	\$ 29,676
Amortization of debt discount and issuance costs	1,250	1,011	2,381	2,014
Total interest expense related to long-term debt	<u>\$ 15,853</u>	<u>\$ 15,729</u>	<u>\$ 31,322</u>	<u>\$ 31,690</u>

RINGCENTRAL, INC.
Notes to Condensed Consolidated Financial Statements (Unaudited)

Note 6. Derivative Instruments

In May 2023, the Company entered into a five-year floating-to-fixed interest rate swap agreement with the objective of reducing exposure to the fluctuating interest rates associated with the Company's variable rate borrowing program by paying quarterly a fixed interest rate of 3.79%, plus a margin of 2% to 3%. The interest rate swap agreement became effective on June 30, 2023, and terminates on February 14, 2028, consistent with the duration of the maturity of the Term Loan.

The Company's interest rate swap agreement is designated as a cash flow hedge under ASC 815, Derivatives and Hedging ("ASC 815"). These hedges are highly effective in offsetting changes in the Company's future expected cash flows due to the fluctuation of the Company's variable rate debt. The Company monitors the effectiveness of its hedges on a quarterly basis. The Company does not hold its interest rate swap agreement for trading or speculative purposes. The Company recognizes its interest rate derivative designated as a cash flow hedge on a gross basis as an asset and a liability at fair value in the Condensed Consolidated Balance Sheets. The unrealized gains and losses on the interest rate swap agreement are included in other comprehensive income (loss) and are subsequently recognized in earnings within or against interest expense when the hedged interest payments are accrued.

As of June 30, 2025, the interest rate swap agreement had a notional amount of \$360.0 million, of which \$310.0 million remained designated as a cash flow hedge of the Company's floating-rate debt. The remaining \$50.0 million portion of the swap was dedesignated from hedge accounting during the three months ended June 30, 2025, following the early repayment of \$50.0 million of the Term Loan under the Credit Agreement.

As of June 30, 2025, the Company estimates the net amount related to the interest rate swaps under the interest rate swap agreement expected to be reclassified into earnings over the next 12 months is approximately \$0.1 million. During the three and six months ended June 30, 2025, the Company reclassified \$0.0 and \$0.5 million, respectively, from accumulated other comprehensive income (loss) to earnings as an offset and reduction to interest expense.

Note 7. Leases

The Company primarily leases facilities for office and data center space under non-cancelable operating leases for its U.S. and international locations. As of June 30, 2025, non-cancelable leases expire on various dates between 2025 and 2029.

Generally, the non-cancelable leases include one or more options to renew, with renewal terms that can extend the lease term from one to six years or more. The Company has the right to exercise or forego the lease renewal options. The lease agreements do not contain any material residual value guarantees or material restrictive covenants.

As of June 30, 2025 and December 31, 2024, the balance sheet components of leases were as follows (in thousands):

	June 30, 2025	December 31, 2024
Operating lease right-of-use assets ⁽¹⁾	\$ 37,128	\$ 46,463
Accrued liabilities	22,604	20,445
Operating lease liabilities	19,336	29,733
Total operating lease liabilities	\$ 41,940	\$ 50,178

(1) During the six months ended June 30, 2025, the Company recorded a non-cash impairment charge of \$1.3 million related to the abandonment of one of its leased operating facilities.

RINGCENTRAL, INC.
Notes to Condensed Consolidated Financial Statements (Unaudited)

The supplemental cash flow information related to operating leases for the six months ended June 30, 2025 and 2024 were as follows (in thousands):

	Six Months Ended June 30,	
	2025	2024
Operating cash flows resulting from operating leases:		
Cash paid for amounts included in the measurement of lease liabilities	\$ 13,153	\$ 10,524
New ROU assets obtained in exchange of lease liabilities:		
Operating leases	\$ 2,186	\$ 12,642

In July 2025, the Company exercised its option to renew its corporate headquarters located at 20 Davis Drive, Belmont, California, comprising approximately 84,148 rentable square feet. The renewal is for an additional five-year term, subject to specified conditions. Pursuant to the agreement, the Company's right to occupy the premises under the extended lease term will commence on August 1, 2026, and continue through July 31, 2031, unless earlier terminated in accordance with the terms of the lease.

Note 8. Commitments and Contingencies

Legal Matters

The Company is subject to certain legal proceedings described below, and from time to time may be involved in a variety of claims, lawsuits, investigations, and proceedings relating to contractual disputes, intellectual property rights, employment matters, regulatory compliance matters, and other litigation matters relating to various claims that arise in the normal course of business.

The Company determines whether an estimated loss from a contingency should be accrued by assessing whether a loss is deemed probable and can be reasonably estimated. The Company assesses its potential liability by analyzing specific litigation and regulatory matters using reasonably available information. The Company develops its views on estimated losses in consultation with inside and outside counsel, which involves a subjective analysis of potential results and outcomes, assuming various combinations of appropriate litigation and settlement strategies. Actual claims could settle or be adjudicated against the Company in the future for materially different amounts than the Company has accrued due to the inherently unpredictable nature of litigation. Legal fees are expensed in the period in which they are incurred.

CIPA Matter

On June 16, 2020, Plaintiff Meena Reuben ("Reuben") filed a complaint against the Company for a putative class action lawsuit in California Superior Court for San Mateo County. The complaint alleges claims on behalf of a class of individuals for whom, while they were in California, the Company allegedly intercepted and recorded communications between individuals and the Company's customers without the individual's consent, in violation of the California Invasion of Privacy Act ("CIPA") Sections 631 and 632.7. Reuben seeks statutory damages of \$5,000 for each alleged violation of Sections 631 and 632.7, injunctive relief, and attorneys' fees and costs, and other unspecified amount of damages. The parties participated in mediation on August 24, 2021. On September 16, 2021, Reuben filed an amended complaint. The Company filed a demurrer to the amended complaint on October 18, 2021, and a motion for judgment on the pleadings on January 23, 2023. The Court overruled the Company's demurrer and motion for judgment on the pleadings, and the parties then engaged in discovery. The Company filed a motion for summary judgment ("MSJ") on February 16, 2024. An evidentiary hearing was held on August 2, 2024 and a hearing on the MSJ was held on October 11, 2024, whereupon, the Court granted the Company's motion for summary judgement. The Court entered judgment in RingCentral's favor on November 5, 2024, and the plaintiff filed a notice of appeal on January 6, 2025. On July 21, 2025, the parties entered into a settlement agreement in which the Company agreed to pay the plaintiff in exchange for the dismissal of the action and appeal, and all claims and counterclaims alleged therein, with prejudice. The Company accrued the settlement amount during the quarter ended June 30, 2025, and recorded it as a general and administrative expense in the accompanying Condensed Consolidated Statement of Operations.

RINGCENTRAL, INC.
Notes to Condensed Consolidated Financial Statements (Unaudited)

Note 9. Stockholders' Deficit
Share Repurchase Programs

Under the Company's share repurchase programs, share repurchases may be made at the Company's discretion from time to time in open market transactions, privately negotiated transactions, or other means, including under plans complying with Rule 10b5-1 under the Securities Exchange Act of 1934, subject to a minimum cash balance. The programs do not obligate the Company to repurchase any specific dollar amount or to acquire any specific number of shares of its Class A Common Stock. The timing and number of any shares repurchased under the programs will depend on a variety of factors, including stock price, trading volume, and general business and market conditions.

The following tables summarizes the share repurchase activity of the Company's Class A Common Stock for the three months ended June 30, 2025 and 2024 (in thousands):

	Three Months Ended June 30,			
	2025		2024	
	Shares	Amount	Shares	Amount
Repurchases under share repurchase programs	1,256	\$ 32,185	2,463	\$ 78,738
Amounts for excise tax withholdings and broker's commissions	—	—	—	116
Total repurchases of common stock	1,256	\$ 32,185	2,463	\$ 78,854

The following tables summarizes the share repurchase activity of the Company's Class A Common Stock for the six months ended June 30, 2025 and 2024 (in thousands):

	Six Months Ended June 30,			
	2025		2024	
	Shares	Amount	Shares	Amount
Repurchases under share repurchase programs	3,078	\$ 82,149	4,824	\$ 159,085
Amounts for excise tax withholdings and broker's commissions	—	72	—	404
Total repurchases of common stock	3,078	\$ 82,221	4,824	\$ 159,489

As of June 30, 2025, approximately \$186.0 million remained authorized and available under the Company's share repurchase programs for future share repurchases. The Inflation Reduction Act of 2022 imposed a nondeductible 1% excise tax on the net value of certain stock repurchases made after December 31, 2022. During the three and six months ended June 30, 2025 and 2024, the Company included the applicable excise tax withholdings and/or broker's commissions in additional paid-in capital as part of the cost basis of repurchased stock. A corresponding liability for excise taxes payable was recorded in accrued liabilities on the Condensed Consolidated Balance Sheets.

On July 30, 2025, the Company's board of directors further increased their authorization to \$500.0 million, subject to certain limitations. This authorization does not expire.

The following table summarizes the number of shares of the Company's Class A Common Stock repurchased and settled under share repurchase programs (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Repurchases under share repurchase programs	1,256	2,463	3,078	4,824
Repurchases unsettled during period	(44)	(44)	(44)	(44)
Prior-period share repurchases settled during period	—	115	—	118
Total repurchases of common stock settled	1,212	2,534	3,034	4,898

RINGCENTRAL, INC.
Notes to Condensed Consolidated Financial Statements (Unaudited)

Note 10. Share-Based Compensation

A summary of share-based compensation expense recognized in the Condensed Consolidated Statements of Operations is as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Cost of revenues	\$ 4,243	\$ 7,883	\$ 10,403	\$ 15,916
Research and development	14,003	19,055	31,575	38,297
Sales and marketing	25,411	32,874	60,595	66,789
General and administrative	19,812	26,968	38,777	53,946
Total share-based compensation expense	<u>\$ 63,469</u>	<u>\$ 86,780</u>	<u>\$ 141,350</u>	<u>\$ 174,948</u>

A summary of share-based compensation expense by award type is as follows (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Employee stock purchase plan rights ("ESPP")	\$ 1,415	\$ 1,972	\$ 2,819	\$ 3,703
Performance stock units ("PSUs")	5,623	5,373	15,729	12,374
Restricted stock units ("RSUs")	56,431	79,435	122,802	158,871
Total share-based compensation expense	<u>\$ 63,469</u>	<u>\$ 86,780</u>	<u>\$ 141,350</u>	<u>\$ 174,948</u>

Equity Incentive Plans

As of June 30, 2025, a total of 16,014,550 shares remained available for grant under the Company's Amended and Restated 2013 Equity Incentive Plan (the "2013 Plan").

Employee Stock Purchase Plan

The Company's ESPP allows eligible employees to purchase shares of the Company's Class A Common Stock at a discounted price through payroll deductions.

As of June 30, 2025, there was a total of \$1.5 million of unrecognized share-based compensation expense, net of estimated forfeitures, related to the ESPP, which will be recognized on a straight-line basis over the remaining weighted-average vesting periods of approximately 0.4 years. As of June 30, 2025, a total of 7,095,902 shares were available for issuance under the ESPP.

Restricted and Performance Stock Units

A summary of activity of restricted and performance-based stock units as of June 30, 2025, and changes during the period then ended is presented in the following table:

	Number of RSUs/PSUs Outstanding (in thousands)	Weighted- Average Grant Date Fair Value Per Share	Aggregate Intrinsic Value (in thousands)
Outstanding as of December 31, 2024	8,306	\$ 42.09	\$ 290,799
Granted	3,073	28.79	
Released	(3,023)	43.55	
Canceled/Forfeited	(783)	36.40	
Outstanding as of June 30, 2025	<u>7,573</u>	<u>\$ 36.70</u>	<u>\$ 214,719</u>

RINGCENTRAL, INC.
Notes to Condensed Consolidated Financial Statements (Unaudited)

Restricted Stock Units

The 2013 Plan provides for the issuance of RSUs to employees, directors, and consultants. RSUs issued under the 2013 Plan generally vest over two or four years.

As of June 30, 2025, there was a total of \$189.6 million of unrecognized share-based compensation expense, net of estimated forfeitures, related to RSUs, which will be recognized on a straight-line basis over the remaining weighted-average vesting periods of approximately 1.9 years.

Performance Stock Units

The 2013 Plan provides for the issuance of PSUs. The PSUs granted under the 2013 Plan are contingent upon the achievement of predetermined market, performance, and service conditions. The Company uses a Monte Carlo simulation model to determine the fair value of its market condition PSUs. PSU expense is recognized using the graded vesting method over the requisite service period. For performance-based metrics, the compensation expense is based on a probability of achievement of the performance conditions. For market-based conditions, if the market conditions are not met but the service conditions are met, the PSUs will not vest; however, any stock-based compensation expense recognized will not be reversed.

For the majority of the PSUs granted, the number of shares of common stock to be issued at vesting will range from 0% to 200% of the target number based on the achievement of the different performance and market conditions over the respective measurement period. The PSUs generally vest over a two- or three-year period.

As of June 30, 2025, there was a total of \$26.8 million unrecognized share-based compensation expense, net of estimated forfeitures, related to these PSUs, which will be recognized over the remaining service period of approximately 1.1 years.

Employee Equity Compensation Plans

The Company's board of directors adopted employee equity bonus plans ("Plans"), which allow the recipients to earn fully vested shares of the Company's Class A Common Stock upon the achievement of quarterly service and/or performance conditions. During the three and six months ended June 30, 2025, the Company issued 354,280 and 715,497, respectively, under the employee equity bonus plans. The shares under these Plans are issued from the reserve of shares available for issuance under the 2013 Plan. The total requisite service period for these Plans is approximately 0.4 years.

The unrecognized share-based compensation expense as of June 30, 2025 was approximately \$3.9 million, which will be recognized over the remaining service period of 0.1 years. The shares issued under these Plans are issued from the reserve of shares available for issuance under the 2013 Plan.

Note 11. Income Taxes

The provision for income taxes was \$2.5 million and \$3.2 million for the three months ended June 30, 2025 and 2024, respectively, and \$8.4 million and \$6.5 million for the six months ended June 30, 2025 and 2024, respectively.

Beginning in 2022, the U.S. Tax Cuts and Jobs Act ("Tax Act") enacted on December 22, 2017 eliminated the option to deduct research and development expenditures for tax purposes in the period the expenses were incurred and instead required all U.S. and foreign research and development expenditures to be amortized over five and fifteen tax years, respectively. The One Big Beautiful Bill Act (or "OBBB Act"), enacted on July 4, 2025, revised these rules, permitting the deduction of certain U.S. research and development expenditures incurred in tax years beginning on or after January 1, 2025 but expenditures attributable to research and development conducted outside the U.S. must continue to be capitalized and amortized over fifteen years. The OBBB Act also provides the option to accelerate the amortization of any remaining unamortized U.S. research and development expenditures incurred in tax years beginning on or after January 1, 2022, and before January 1, 2025, over a one or two year period beginning with the first taxable year beginning after December 31, 2024. As the law was enacted after June 30, 2025, the effects of the OBBB are not reflected in our financial results for the quarter ended June 30, 2025. The Company is currently evaluating the provisions of the OBBB Act and assessing its potential effects on its financial position, results of operations, and cash flows, including the expected tax benefits that may arise from the implementation of this new law.

The Company has recorded current U.S. income tax expense of \$1.1 million and \$4.6 million for the three and six months ended June 30, 2025. The current U.S. income tax provision is primarily for federal and state taxes currently payable

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that we anticipate paying as a result of statutory limitations on our ability to offset expected taxable income with net operating loss carry forwards.

The realization of tax benefits of net deferred tax assets is dependent upon future levels of taxable income, of an appropriate character, in the periods the items are expected to be deductible or taxable. Based on the available objective evidence, except with respect to the U.K. deferred tax assets, the Company does not believe it is more likely than not that certain net deferred tax assets will be realizable. Accordingly, the Company continues to provide a full valuation allowance against the entire domestic net deferred tax assets as of June 30, 2025 and December 31, 2024. The Company intends to maintain the full valuation allowance on the U.S. net deferred tax assets until sufficient positive evidence exists to support a reversal of, or decrease in, the valuation allowance.

During the three and six months ended June 30, 2025, there were no material changes to the total amount of unrecognized tax benefits.

Note 12. Basic and Diluted Net Income (Loss) Per Share

Basic net income (loss) per share is computed by dividing the net income (loss) by the weighted-average number of shares of common stock outstanding during the period. Diluted net income (loss) per share is computed by giving effect to all potential shares of common stock, stock options, restricted stock units, performance stock units, ESPP, convertible notes, and convertible preferred stock, to the extent dilutive. For the three and six months ended June 30, 2024, all such common stock equivalents have been excluded from diluted net loss per share as the effect to net loss per share would be anti-dilutive.

The following table sets forth the computation of the Company's basic and diluted net income (loss) per share of common stock (in thousands, except per share data):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Numerator				
Net income (loss)	\$ 13,193	\$ (14,753)	\$ 2,865	\$ (43,247)
Denominator				
Weighted-average common shares outstanding for basic net income (loss) per share	90,710	92,745	90,861	92,944
Effect of dilutive securities:				
Shares of common stock issuable under equity incentive awards outstanding	603	—	884	—
Shares of common stock related to convertible preferred stock	743	—	743	—
Weighted-average common shares outstanding for diluted net income (loss) per share	92,056	92,745	92,488	92,944
Basic net income (loss) per share	<u>\$ 0.15</u>	<u>\$ (0.16)</u>	<u>\$ 0.03</u>	<u>\$ (0.47)</u>
Diluted net income (loss) per share	<u>\$ 0.14</u>	<u>\$ (0.16)</u>	<u>\$ 0.03</u>	<u>\$ (0.47)</u>

The following table summarizes the potentially dilutive common shares that were excluded from diluted weighted-average common shares outstanding because including them would have had an anti-dilutive effect (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Shares of common stock issuable under equity incentive plans outstanding	7,074	9,813	7,102	9,879
Shares of common stock related to convertible preferred stock	—	743	—	743
Potential common shares excluded from diluted net loss per share	<u>7,074</u>	<u>10,556</u>	<u>7,102</u>	<u>10,622</u>

Pursuant to the terms of the 2026 Convertible Notes Indenture, effective January 1, 2022, the Company made an irrevocable election to, upon conversions of the 2026 Convertible Notes, settle the principal portion of such converted 2026 Convertible Notes only in cash, with the conversion premium to be settled in cash or shares at the Company's election.

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The Company calculates the potential dilutive effect of the 2026 Convertible Notes under the if-converted method. Under this method, only the amounts settled in excess of the principal will be considered in diluted earnings per share, in line with the terms of the 2026 Convertible Notes Indenture.

Note 13. Restructuring Activities

During the three and six months ended June 30, 2025, the Company incurred restructuring costs of \$2.8 million and \$9.9 million, respectively, as part of the broader efforts to optimize the Company's cost structure. The restructuring costs primarily consisted of severance payments, employee benefits and related costs. The Company expects to substantially complete these actions in 2025, subject to local law and consultation requirements in certain countries. The Company may incur other charges or cash expenditures not currently contemplated due to unanticipated events that may occur as a result of or in connection with the implementation of these actions.

The following table summarizes the Company's restructuring costs that were recorded as an operating expense in the accompanying Condensed Consolidated Statement of Operations during the three and six months ended June 30, 2025 and 2024 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Cost of revenues	\$ 149	\$ 46	\$ 1,684	\$ 607
Research and development	1,202	323	2,896	1,773
Sales and marketing	925	449	3,913	2,611
General and administrative	537	380	1,410	789
Total restructuring costs	<u>\$ 2,813</u>	<u>\$ 1,198</u>	<u>\$ 9,903</u>	<u>\$ 5,780</u>

The following table summarizes the Company's restructuring liability that is included in accrued liabilities in the accompanying Condensed Consolidated Balance Sheets (in thousands):

Balance as of December 31, 2024	\$ 1,617
Restructuring costs	9,903
Cash payments	(10,159)
Balance as of June 30, 2025	<u>\$ 1,361</u>

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Note 14. Segment Information

The Chief Executive Officer, who functions as the chief operating decision maker (“CODM”), oversees the Company’s business activities at the consolidated level as a single operating and reportable segment. The factors used to identify the Company’s single operating segment include the organizational structure of the Company and the financial information available for evaluation by the CODM. The CODM uses consolidated net income (or loss) and operating margin to evaluate financial performance and make decisions regarding resource allocation, including setting target revenue growth and distributing the budget across cost of revenues, research and development, sales and marketing, and general and administrative expenses.

The following table presents selected financial information for the Company’s single operating segment for the three and six months ended June 30, 2025 and 2024 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Revenue	\$ 620,398	\$ 592,907	\$ 1,232,454	\$ 1,177,118
Less:				
Share-based compensation expense	63,469	86,780	141,350	174,948
Depreciation and amortization	54,921	56,323	109,982	112,974
Other segment items ⁽¹⁾	465,045	455,163	933,819	905,454
Income (loss) from operations	36,963	(5,359)	47,303	(16,258)
Operating margin as % of revenue	6.0 %	(0.9)%	3.8 %	(1.4)%
Other income (expense), net				
Interest expense	(16,466)	(16,021)	(32,581)	(32,275)
Other income (expense) ⁽²⁾	(4,820)	9,803	(3,418)	11,747
Other income (expense), net	(21,286)	(6,218)	(35,999)	(20,528)
Gain (loss) before income taxes	15,677	(11,577)	11,304	(36,786)
Provision for income taxes	2,484	3,176	8,439	6,461
Net income (loss)	<u>\$ 13,193</u>	<u>\$ (14,753)</u>	<u>\$ 2,865</u>	<u>\$ (43,247)</u>

(1) Other segment items mainly consist of personnel costs, third-party commissions, and advertising and marketing costs.

(2) Includes interest income of \$0.3 million and \$2.1 million for the three months ended June 30, 2025 and 2024, respectively, and \$1.6 million and \$4.5 million for the six months ended June 30, 2025 and 2024, respectively.

See the condensed consolidated financial statements for other financial information regarding the Company’s operating segment.

Refer to Note 2 - *Revenue* in the Notes to Condensed Consolidated Financial Statements in this Quarterly Report on Form 10-Q for additional information about revenue by geographic location.

Concentrations

Financial instruments that subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents and accounts receivable. Although the Company deposits its cash with multiple financial institutions, its deposits, at times, may exceed federally insured limits. The Company’s accounts receivable are primarily derived from sales by resellers and to direct customers. The Company maintains an allowance for doubtful accounts for estimated potential credit losses. As of June 30, 2025 and December 31, 2024, none of the Company’s customers accounted for more than 10% of the Company’s total accounts receivable. For the three and six months ended June 30, 2025 and 2024, none of the Company’s customers accounted for more than 10% of the Company’s total revenues or subscription revenues.

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Long-lived assets by geographic location are based on the location of the legal entity that owns the asset. As of June 30, 2025 and December 31, 2024, approximately 88% and 90% of the Company's consolidated long-lived assets were located in the U.S. No other single country outside of the U.S. represented more than 10% of the Company's consolidated long-lived assets as of June 30, 2025 and December 31, 2024.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our Condensed Consolidated Financial Statements and related notes appearing elsewhere in this Quarterly Report on Form 10-Q and our Annual Report on Form 10-K filed with the Securities and Exchange Commission (the "SEC") on February 26, 2025, under the Securities Exchange Act of 1934, as amended (the "Exchange Act"). As discussed in the section entitled "Special Note Regarding Forward-Looking Statements," the following discussion and analysis contains forward-looking statements that involve risks and uncertainties, as well as assumptions that, if they never materialize or prove incorrect, could cause our results to differ significantly from those expressed or implied by such forward-looking statements. Factors that could cause or contribute to these differences include, but are not limited to, those discussed below and elsewhere in this report, particularly in the section entitled "Risk Factors" included under Part II, Item 1A below.

Overview

Over the past 26 years, RingCentral has transformed business communications, leading the shift from on-premises legacy communications to the cloud. Today, the company has an AI-powered multi-product portfolio including Unified Communications as a Service ("UCaaS"), Contact Center as a Service ("CCaaS"), Video & Events, and RingSense AI solutions. RingCentral's core tenets include: a) Trust: We provide communications that businesses can trust with reliability, security, and privacy; b) Innovation: We execute through focused and strategic innovation, setting the bar in the industry for many market firsts; and c) Partnerships: We have a diverse set of strategic partners, global service providers, channel partners, and third-party developers.

RingCentral is designed for intelligent, connected, and effortless businesses communications, making employee and customer experiences more productive and efficient.

Our multi-product portfolio includes:

- **RingEX.** RingEX is our AI-powered Unified Communications as a Service platform available in 46 countries and phone number availability in 100 countries, enabling seamless collaboration across voice, messaging, and video.
- **RingCentral Contact Center.** RingCentral Contact Center is a collaborative contact center solution that delivers AI-powered omni-channel and workforce engagement solutions integrated with RingEX. RingCentral Contact Center brings together the powerful integration of CCaaS which leverages technology from NICE Ltd., along with RingEX, enabling an easy collaboration while delivering seamless omnichannel experiences across more than 30 digital and voice channels.
- **RingCX.** RingCX is our native CCaaS solution, that delivers an AI-powered customer experience across multiple voice and digital channels with deep CRM integrations and a broad ecosystem of integrated partner solutions.
- **AI Receptionist ("AIR").** AI Receptionist is an AI phone agent that answers questions by callers and routes calls to the right place. New features added to AIR include appointment booking with Google Calendar and Microsoft Outlook, support for new languages, and expanded country availability in the UK and Australia. Further, AIR Everywhere™ brings AI-powered call handling beyond RingEX to third-party telephony systems, both on-premises and cloud, making it accessible to everyone, and not limited to only RingCentral customers.
- **RingCentral Artificial Intelligence Solutions.** RingCentral provides multiple AI solutions for RingEX and RingCX, including AI Assistant and AIR, designed to improve employee productivity, elevate customer experience and automate routine tasks.
- **RingCentral for Microsoft Teams.** RingCentral seamlessly embeds into Microsoft Teams, providing reliable, global enterprise-grade phone, SMS, fax, and customer experience solutions—without requiring a Microsoft Teams Phone license.

- **RingCentral Events.** RingCentral Events is an all-in-one event platform for virtual and hybrid events. Event hosts can manage their end-to-end event experience with customization and branding to engage audiences. Leveraging AI, RingCentral Events can generate event related content for social media and promotion.

Our flagship cloud-based offerings, RingEX and RingCX, are subscription based and made available at different package and pricing tiers, varying by the specific functionalities, services, and number of users. We primarily generate revenues from the sale of subscriptions to our offerings. Our subscription plans have monthly, annual, or multi-year contractual terms. We believe that this flexibility in contract duration is important to meet the different needs of our customers. For the three and six months ended June 30, 2025 and 2024, subscriptions revenues accounted for over 90% of our total revenues. The remainder of our revenues are primarily comprised of product revenues from the sale of pre-configured phones and professional services. We do not develop or manufacture physical phones and only offer them as a convenience to our customers. We rely on third-party providers to develop and manufacture these devices and fulfillment partners to successfully serve our customers.

We use our direct sales force and indirect sales channels to market our multi-product portfolio. Our indirect sales channels who sell our solutions consist of:

- Regional and global network of resellers and distributors; and
- Global service providers and strategic partners who market and sell our RingEX, RingCX or other solutions, including co-branded solutions.

Our revenue has primarily been driven by our flagship RingEX, RingCentral Contact Center, RingCX, and other fees. Our revenue is derived from sales through our direct and indirect sales channels, including resellers and distributors, strategic partners and global service providers. As of June 30, 2025, we had customers from a range of industries, including financial services, education, healthcare, legal services, real estate, retail, technology, insurance, construction, hospitality, and state and local government, among others. For each of the three and six months ended June 30, 2025 and 2024, the vast majority of our total revenues were generated in the U.S. and Canada.

The growth of our business and our future success depend on many factors, including our ability to expand our customer base, expand our indirect sales channels, continue to innovate, grow revenues from our existing customer base, increase sales and revenues from our existing and new products, expand our distribution channels, and scale internationally.

We have been actively implementing various measures to enhance operational efficiencies, expand margins and free cash flows while optimizing our working capital requirements. These include stricter discipline in spending, including stock-based grants, increased productivity, efficiency gains, and optimizing our go-to-market strategies.

Macroeconomic Conditions and Other Factors

We are subject to risks and exposures caused by the current macroeconomic environment. Macroeconomic factors include persistent inflation, higher interest rates, change in government administrations, supply chain disruptions, the imposition of tariffs and other non-tariff trade barriers, decreased economic output, geopolitical conflict and fluctuations in currency exchange rates, all of which can cause uncertainty. The overall macroeconomic environment may affect buying behavior from our customers, potentially reducing demand for our products and adversely impacting our results. We have in the past and may in the future experience lower upsell and increased downsell of additional RingEX services within our existing base as customers slow hiring and rationalize their employee counts. We continuously monitor the impact of these circumstances on our business and financial results, as well as the overall global economy and geopolitical landscape. The implications of macroeconomic conditions on our business, results of operations, and overall financial position remains uncertain.

Key Business Metrics

In addition to United States generally accepted accounting principles (“U.S. GAAP”) and financial measures such as total revenues, gross margin, and cash flows from operations, we review a number of key business metrics to evaluate growth trends, measure our performance, and make strategic decisions. We discuss revenues and gross margin under “Results of Operations”, and cash flow from operations and free cash flows under “Liquidity and Capital Resources.” Other key business metrics are discussed below.

Annualized Exit Monthly Recurring Subscriptions

We believe that our Annualized Exit Monthly Recurring Subscriptions (“ARR”) is a leading indicator of our anticipated subscriptions revenues. We believe that trends in revenue are important to understanding the overall health of our business, and we use these trends in order to formulate financial projections and make strategic business decisions. Our ARR

equals our Monthly Recurring Subscriptions multiplied by 12. Our Monthly Recurring Subscriptions equals the monthly value of all customer recurring charges at the end of a given month. For example, our Monthly Recurring Subscriptions at June 30, 2025 was \$215.6 million. As such, our ARR at June 30, 2025 was \$2.59 billion compared to \$2.43 billion at June 30, 2024.

Net Monthly Subscription Dollar Retention Rate

We believe that our Net Monthly Subscription Dollar Retention Rate provides insight into our ability to retain and grow subscriptions revenue, as well as our customers' potential long-term value to us. We believe that our ability to retain our customers and expand their use of our solutions over time is a leading indicator of the stability of our revenue base and we use these trends in order to formulate financial projections and make strategic business decisions. 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 define 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, all divided by (ii) 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.

For example, if our Monthly Recurring Subscriptions were \$118 at the end of a quarterly period and \$100 at the beginning of the period, and \$20 at the end of the period from new customers we added during the period, then the Dollar Net Change would be equal to (\$0.67), or the amount equal to the difference of \$118 minus \$100 minus \$20, all divided by three months. Our Average Monthly Recurring Subscriptions would equal \$109, or the sum of \$100 plus \$118, divided by two. Our Net Monthly Subscription Dollar Retention Rate would then equal 99.4%, or approximately 99%, or one plus the quotient of the Dollar Net Change divided by the Average Monthly Recurring Subscriptions.

Our key business metrics for the five quarterly periods ended June 30, 2025 were as follows (dollars in billions, except percentages):

	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024	June 30, 2024
Net Monthly Subscription Dollar Retention Rate	>99%	>99%	>99%	>99%	>99%
Annualized Exit Monthly Recurring Subscriptions	\$ 2.59	\$ 2.53	\$ 2.49	\$ 2.48	\$ 2.43

Results of Operations

The following tables set forth selected condensed consolidated statements of operations data and such data as a percentage of total revenues. The historical results presented below are not necessarily indicative of the results that may be expected for any future period (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Revenues				
Subscriptions	\$ 598,728	\$ 567,058	\$ 1,188,840	\$ 1,124,545
Other	21,670	25,849	43,614	52,573
Total revenues	620,398	592,907	1,232,454	1,177,118
Cost of revenues				
Subscriptions	150,788	148,107	303,883	291,757
Other	28,162	28,563	55,517	55,392
Total cost of revenues	178,950	176,670	359,400	347,149
Gross profit	441,448	416,237	873,054	829,969
Operating expenses				
Research and development	77,539	79,750	159,522	160,278
Sales and marketing	263,585	269,487	538,483	542,217
General and administrative	63,361	72,359	127,746	143,732
Total operating expenses	404,485	421,596	825,751	846,227
Income (loss) from operations	36,963	(5,359)	47,303	(16,258)
Other income (expense), net				
Interest expense	(16,466)	(16,021)	(32,581)	(32,275)
Other income (expense)	(4,820)	9,803	(3,418)	11,747
Other expense, net	(21,286)	(6,218)	(35,999)	(20,528)
Gain (loss) before income taxes	15,677	(11,577)	11,304	(36,786)
Provision for income taxes	2,484	3,176	8,439	6,461
Net income (loss)	<u>\$ 13,193</u>	<u>\$ (14,753)</u>	<u>\$ 2,865</u>	<u>\$ (43,247)</u>

Percentage of Total Revenues*

	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Revenues				
Subscriptions	97 %	96 %	96 %	96 %
Other	3	4	4	4
Total revenues	100	100	100	100
Cost of revenues				
Subscriptions	24	25	25	25
Other	5	5	5	5
Total cost of revenues	29	30	29	29
Gross profit	71	70	71	71
Operating expenses				
Research and development	12	13	13	14
Sales and marketing	42	45	44	46
General and administrative	10	12	10	12
Total operating expenses	65	71	67	72
Income (loss) from operations	6	(1)	4	(1)
Other income (expense), net				
Interest expense	(3)	(3)	(3)	(3)
Other income (expense)	(1)	2	—	1
Other expense, net	(3)	(1)	(3)	(2)
Gain (loss) before income taxes	3	(2)	1	(3)
Provision for income taxes	—	1	1	1
Net income (loss)	2 %	(2)%	— %	(4)%

* Percentages may not add up due to rounding.

Comparison of the Three and Six Months Ended June 30, 2025 and 2024

Revenues

(in thousands, except percentages)	Three Months Ended June 30,				Six Months Ended June 30,			
	2025	2024	\$ Change	% Change	2025	2024	\$ Change	% Change
Revenues								
Subscriptions	\$ 598,728	\$ 567,058	\$ 31,670	6 %	\$ 1,188,840	\$ 1,124,545	\$ 64,295	6 %
Other	21,670	25,849	(4,179)	(16)	43,614	52,573	(8,959)	(17)
Total revenues	\$ 620,398	\$ 592,907	\$ 27,491	5 %	\$ 1,232,454	\$ 1,177,118	\$ 55,336	5 %
Percentage of revenues								
Subscriptions	97 %	96 %			96 %	96 %		
Other	3	4			4	4		
Total	100 %	100 %			100 %	100 %		

Subscriptions revenue. Subscriptions revenue increased by \$31.7 million, or 6%, for the three months ended June 30, 2025, and \$64.3 million, or 6%, for the six months ended June 30, 2025, as compared to the respective prior year period. The increase was due to the acquisition of new customers, sale of new products, upsells of RingEX and additional offerings to our existing customer base. Our sales are derived from our direct and indirect sales channels, including resellers, distributors, strategic partners and global service providers.

Other revenue. Other revenue decreased by \$4.2 million, or (16)%, for the three months ended June 30, 2025, and \$9.0 million, or (17)%, for the six months ended June 30, 2025, as compared to the respective prior year period, primarily due to the timing of performance of professional services, and lower pricing for professional services.

Although we expect to continue to add new customers for our products, including new product sales, and increase the usage of our products for existing customers, we will monitor the macroeconomic factors that could impact customer buying behavior and demand, including contract duration, timing of customer purchases, churn, upsell and down-sell, renewals, payment terms, and credit card declines, all of which could cause variability in our revenue.

Cost of Revenues and Gross Margin

(in thousands, except percentages)	Three Months Ended June 30,				Six Months Ended June 30,			
	2025	2024	\$ Change	% Change	2025	2024	\$ Change	% Change
Cost of revenues								
Subscriptions	\$ 150,788	\$ 148,107	\$ 2,681	2 %	\$ 303,883	\$ 291,757	\$ 12,126	4 %
Other	28,162	28,563	(401)	(1)	55,517	55,392	125	—
Total cost of revenues	<u>\$ 178,950</u>	<u>\$ 176,670</u>	<u>\$ 2,280</u>	1 %	<u>\$ 359,400</u>	<u>\$ 347,149</u>	<u>\$ 12,251</u>	4 %
Gross margins								
Subscriptions	75 %	74 %			74 %	74 %		
Other	(30)%	(10)%			(27)%	(5)%		
Total gross margin %	71 %	70 %			71 %	71 %		

Subscriptions cost of revenues and gross margin. Cost of subscriptions revenues increased by \$2.7 million, or 2%, for the three months ended June 30, 2025, as compared to the respective prior year period. The increase was primarily driven by a \$3.6 million increase in third-party costs to support our solution offerings, a \$2.0 million increase in headcount-related costs, and a \$1.9 million increase in infrastructure support costs. These increases were partially offset by a \$2.9 million reduction in share-based compensation expense due to disciplined new grant activity and a \$2.5 million decrease in the amortization of intangible assets.

Cost of subscriptions revenues increased by \$12.1 million, or 4%, for the six months ended June 30, 2025, as compared to the respective prior year period. The increase was primarily driven by a \$7.6 million increase in third-party costs to support our solution offerings, a \$6.4 million increase in infrastructure support costs, and a \$5.7 million increase in headcount-related costs. These increases were partially offset by a \$4.3 million reduction in share-based compensation expense due to disciplined new grant activity and a \$5.4 million decrease in amortization of intangible assets. Subscription gross margin remained relatively consistent period-over-period for the three and six months ended June 30, 2025.

Other cost of revenues and gross margin. Cost of other revenues remained relatively consistent period-over-period for the three and six months ended June 30, 2025. Other revenue gross margin fluctuated mainly due to the timing of performance of professional services.

Research and Development

(in thousands, except percentages)	Three Months Ended June 30,				Six Months Ended June 30,			
	2025	2024	\$ Change	% Change	2025	2024	\$ Change	% Change
Research and development	\$ 77,539	\$ 79,750	\$ (2,211)	(3)%	\$ 159,522	\$ 160,278	\$ (756)	— %
Percentage of total revenues	12 %	13 %			13 %	14 %		

Research and development expenses decreased by \$2.2 million, or (3)%, for the three months ended June 30, 2025, as compared to the respective prior year period. The decrease was primarily driven by a \$5.1 million reduction in share-based compensation expense due to disciplined new grant activity. This was partially offset by a \$1.9 million increase in headcount-related costs and a \$1.0 million increase in overhead expenses.

Research and development expenses decreased by \$0.8 million, or 0%, for the six months ended June 30, 2025, as compared to the respective prior year period. The decrease was primarily driven by a \$6.7 million reduction in share-based

compensation expense due to disciplined new grant activity. This was partially offset by a \$4.5 million increase in headcount-related costs, and a \$2.1 million increase in overhead expenses.

We believe that investment in our products, including new AI-first products, is important for our future growth, and our research and development expenses may fluctuate as a percentage of our total revenues from period to period depending on the timing of these expenses.

Sales and Marketing

(in thousands, except percentages)	Three Months Ended June 30,				Six Months Ended June 30,			
	2025	2024	\$ Change	% Change	2025	2024	\$ Change	% Change
Sales and marketing	\$ 263,585	\$ 269,487	\$ (5,902)	(2)%	\$ 538,483	\$ 542,217	\$ (3,734)	(1)%
Percentage of total revenues	42 %	45 %			44 %	46 %		

Sales and marketing expenses decreased by \$5.9 million, or (2)%, for the three months ended June 30, 2025, as compared to the respective prior year period. The decrease was primarily driven by a \$7.5 million reduction in share-based compensation due to disciplined new grant activity, a \$6.5 million decrease in personnel and contractor costs, primarily due to headcount reductions, and a \$1.8 million reduction in professional fees. These decreases were partially offset by a \$10.5 million increase in third-party commissions.

Sales and marketing expenses decreased by \$3.7 million, or (1)%, for the six months ended June 30, 2025, as compared to the respective prior year period. This decrease was primarily driven by a \$11.2 million decrease in personnel and contractor costs due to headcount reductions, a \$6.2 million reduction in share-based compensation due to disciplined new grant activity, and a \$3.6 million decrease in professional fees. These decreases were partially offset by a \$16.8 million increase in third-party commissions.

We expect to incur incremental sales and marketing expenses to support our growth while driving cost efficiencies by further optimizing our go-to-market strategies.

General and Administrative

(in thousands, except percentages)	Three Months Ended June 30,				Six Months Ended June 30,			
	2025	2024	\$ Change	% Change	2025	2024	\$ Change	% Change
General and administrative	\$ 63,361	\$ 72,359	\$ (8,998)	(12)%	\$ 127,746	\$ 143,732	\$ (15,986)	(11)%
Percentage of total revenues	10 %	12 %			10 %	12 %		

General and administrative expenses decreased by \$9.0 million, or (12)%, for the three months ended June 30, 2025, as compared to the respective prior year period. This decrease was primarily driven by a \$7.2 million reduction in share-based compensation due to disciplined new grant activity and a \$3.1 million decrease in professional fees. These decreases were partially offset by a \$2.2 million increase in overhead costs.

General and administrative expenses decreased by \$16.0 million, or (11)%, for the six months ended June 30, 2025, as compared to the respective prior year period. This decrease was primarily driven by a \$15.2 million reduction in share-based compensation due to disciplined new grant activity, and a \$4.5 million decrease in professional fees. These decreases were partially offset by a \$3.3 million increase in overhead costs.

We expect the general and administrative expenses to reflect the impact of our operational efficiency measures as we continue to realign our hiring strategies and rationalize our discretionary spending.

Other Expense, Net

(in thousands, except percentages)	Three Months Ended June 30,				Six Months Ended June 30,			
	2025	2024	\$ Change	% Change	2025	2024	\$ Change	% Change
Interest expense	\$ (16,466)	\$ (16,021)	\$ (445)	3 %	\$ (32,581)	\$ (32,275)	\$ (306)	1 %
Other income (expense)	(4,820)	9,803	(14,623)	nm	(3,418)	11,747	(15,165)	nm
Other expense, net	<u>\$ (21,286)</u>	<u>\$ (6,218)</u>	<u>\$ (15,068)</u>	nm	<u>\$ (35,999)</u>	<u>\$ (20,528)</u>	<u>\$ (15,471)</u>	nm

*nm – not meaningful

Interest expense. Interest expense remained relatively consistent period-over-period for the three and six months ended June 30, 2025.

Other income (expense). Other income decreased by \$14.6 million for the three months ended June 30, 2025, as compared to the respective prior year. The decrease was primarily driven by a \$7.7 million gain recognized in the prior-year period related to an amended agreement with a strategic partner. During the three months ended June 30, 2025, we recognized \$4.7 million expense associated with the repurchase of our 2030 Senior Notes.

Other income decreased by \$15.2 million for the six months ended June 30, 2025, as compared to the respective prior year. This decrease was primarily driven by a \$7.7 million gain recognized in the prior-year period related to an amended agreement with a strategic partner. During the three months ended June 30, 2025, we recognized \$4.7 million expense associated with the repurchase of our 2030 Senior Notes.

Other income and expense, net, can fluctuate in the future due to changes in interest rates on our money market funds, interest expense on our Credit Agreement, and fluctuations in currency exchange rates in the current macroeconomic environment.

Net Income (Loss)

Net income increased by \$27.9 million for the three months ended June 30, 2025, as compared to the respective prior year period. This improvement was largely due to a \$42.3 million increase in income from operations, driven by higher subscription revenues and lower operating expenses. The reduction in operating expenses reflects ongoing disciplined spending, including a \$23.3 million reduction in share-based compensation.

Net income increased by \$46.1 million for the six months ended June 30, 2025, as compared to the respective prior year period. This improvement was largely due to a \$63.6 million increase in income from operations, driven by higher subscription revenues and lower operating expenses. The reduction in operating expenses reflects ongoing disciplined spending, including a \$33.6 million reduction in share-based compensation.

Liquidity and Capital Resources

Liquidity is a measure of our ability to generate sufficient cash flows to meet the short-term and long-term cash requirements of our business operations, and debt obligations as they become due.

We finance our operations primarily through sales to our customers, which could be billed either monthly or annually one year in advance. For customers with annual or multi-year contracts and those who opt for annual invoicing, we generally invoice only one annual period in advance and revenue is deferred for such advanced billings. We also have access to additional liquidity from our Term Loan and Revolving Credit Facility. As of June 30, 2025, and December 31, 2024, we had cash and cash equivalents of \$168.1 million and \$242.8 million, respectively. These amounts include restricted cash of \$8.3 million and \$7.4 million, respectively, held as a bank deposit for issuance of a foreign bank guarantee.

Under our share repurchase programs, share repurchases may be made at our discretion from time to time in open market transactions, privately negotiated transactions, or other means, subject to a minimum cash balance. The programs do not obligate us to repurchase any specific dollar amount or to acquire any specific number of shares of our Class A Common Stock. The timing and number of any shares repurchased under the programs will depend on a variety of factors, including stock price, trading volume, and general business and market conditions. During the six months ended June 30, 2025, we repurchased and settled approximately 3.0 million shares of our Class A Common Stock, by paying an aggregate amount of approximately \$81.8 million under the plans previously authorized by our board of directors. As of June 30, 2025, approximately \$186.0 million remained authorized and available under our share repurchase programs for future share repurchases. On July 30, 2025, our board of directors further increased this authorization to \$500.0 million, subject to certain limitations. This authorization does not expire. Refer to Note 9, *Stockholders' Deficit* in Part I, Item 1 of this Quarterly Report on Form 10-Q for additional information.

The following table sets forth the future minimum principal payments for long-term debt as of June 30, 2025 (in thousands):

	2026 Convertible Notes	Term Loan	2030 Senior Notes	Total
2025 remaining	\$ —	\$ 10,000	\$ —	\$ 10,000
2026	609,065	20,000	—	629,065
2027	—	20,000	—	20,000
2028	—	260,000	—	260,000
2029 onwards	—	—	350,000	350,000
Total principal amount	<u>\$ 609,065</u>	<u>\$ 310,000</u>	<u>\$ 350,000</u>	<u>\$ 1,269,065</u>

During the first half of 2025, we made significant progress in reducing our outstanding debt by repaying \$271.3 million of the principal amount. In March 2025, we repaid the remaining \$161.3 million principal amount of our 2025 Convertible Notes upon maturity using cash and cash equivalents. In June 2025, we repaid \$55.0 million of principal on our Term Loan, including \$5.0 million scheduled quarterly payments. In June 2025, we further reduced our debt by making a \$53.9 million cash payment to repurchase \$50.0 million of principal on our 2030 Senior Notes. As of June 30, 2025, we have access to additional liquidity of \$350.0 million available under our delayed draw-down Term Loan and \$225.0 million available under our Revolving Credit Facility. Refer to Note 5, *Long-Term Debt*, in the accompanying Notes to the Condensed Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q for additional information regarding our Credit Agreement, the 2030 Senior Notes, and the 2026 Convertible Notes. We were in compliance with all debt covenants as of June 30, 2025. We believe that cash flows from our operations, combined with \$350.0 million of incremental capacity on our Term Loan and \$225.0 million on our Revolving Credit Facility, as well as our ability to raise cash through additional financing, will provide adequate liquidity to extinguish our 2026 Convertible Notes on a timely basis as contractually required.

We believe that cash flows from our operations, existing liquidity sources as well as capital resources and ability to raise cash through additional financing will satisfy our future cash requirements and obligations for at least the next 12 months. Our future capital requirements will depend on many factors, including revenue growth and costs incurred to support customer growth, acquisitions and expansions, operating expenses, and capital equipment required to support our headcount and in support of our co-location data center facilities, our interest payments for both our Term Loan and 2030 Senior Notes, and the repayment of our 2026 Convertible Notes. Our capital expenditures in future periods are expected to grow in line with our business. We continually evaluate our capital needs and may decide to raise additional capital to fund the growth of our business for general corporate purposes through public or private equity offerings or through additional debt financing. The timing and amount of any such financing requirements will depend on a number of factors, including the maturity dates of our existing debt. We may from time to time seek to refinance certain of our outstanding debt through issuances of new notes or convertible debt, term loans, exchange transactions or debt repurchases. Such issuances, exchanges or repurchases, if any, will depend on prevailing market conditions, our ability to negotiate acceptable terms, our liquidity position and other factors. We may also from time to time seek to early repay or repurchase our debt through cash purchases and/or exchanges for equity or debt, in open-market purchases, privately negotiated transactions or otherwise. Such early repayments or repurchases, if any, will be upon such terms and at such prices as we may determine, and will depend on prevailing market conditions, our liquidity requirements, contractual restrictions and other factors. Refer to risk factors in Part II, Item 1A of this Quarterly Report on Form 10-Q for discussion of risks relating to our liquidity and capital resources.

The table below provides selected cash flow information for the periods indicated (in thousands):

	Six Months Ended June 30,	
	2025	2024
Net cash provided by operating activities	\$ 317,076	\$ 223,175
Net cash used in investing activities	(42,515)	(63,992)
Net cash used in financing activities	(353,787)	(180,871)
Effect of exchange rate changes	4,528	(1,179)
Net decrease in cash and cash equivalents	\$ (74,698)	\$ (22,867)

Net Cash Provided By Operating Activities

Cash provided by operating activities is driven by the timing of customer collections, as well as the amount and timing of disbursements to our vendors, the amount of cash we invest in personnel, sales, marketing, innovation and infrastructure costs to support the anticipated growth of our business, and payments under strategic arrangements.

Net cash provided by operating activities was \$317.1 million for the six months ended June 30, 2025. The cash flow from operating activities was driven by timing of cash receipts from customers and global service providers, offset by cash payments for personnel-related costs and payments to vendors along with interest payments on our debt obligations. The improvement also reflects a \$63.6 million increase in income from operations, driven by higher subscription revenues and lower operating expenses.

Net cash provided by operating activities for the six months ended June 30, 2025 increased by \$93.9 million, as compared to the respective prior year period. This change reflects working capital impacts resulting from the timing of payments and collections.

Net Cash Used In Investing Activities

Our primary investing activities consist of our capital expenditures and expenditures for internal-use software, business acquisitions, and cash paid for intellectual property assets.

Net cash used in investing activities was \$42.5 million for the six months ended June 30, 2025, driven by capital expenditures, which included personnel-related costs associated with the development of internal-use software.

Net cash used in investing activities for the six months ended June 30, 2025 decreased by \$21.5 million, as compared to the respective prior year period. The decrease was primarily driven by \$26.3 million in cash paid for business combinations during the six months ended June 30, 2024. This was partially offset by a \$4.8 million increase in capital expenditures, including personnel-related costs associated with the development of internal-use software.

Net Cash Used In Financing Activities

Our primary financing activities include utilizing cash to repurchase Class A Common Stock under our share repurchase programs, servicing and repaying debt, paying contingent consideration, proceeds from issuance under our stock plans, paying taxes related to these plans, and meeting our existing financing commitments.

Net cash used in financing activities was \$353.8 million for the six months ended June 30, 2025. The increase was primarily driven by the cash settlement of \$161.3 million upon the maturity of our 2025 Convertible Notes, \$60.0 million of principal repayments on our Term Loan, and a \$53.9 million cash payment to repurchase \$50.0 million of principal on our 2030 Senior Notes. Additional cash outflows included \$81.8 million used to repurchase and retire approximately 3.0 million shares of our Class A Common Stock under our share repurchase program, and \$3.6 million for taxes associated with our stock plans. These outflows were partially offset by \$9.1 million in proceeds from issuance of stock in connection with our stock plans.

Net cash used in financing activities for the six months ended June 30, 2025 increased by \$172.9 million, as compared to the respective prior year period. The increase was primarily driven by a \$161.3 million cash outflow related to the settlement of our 2025 Convertible Notes upon maturity, a \$50.0 million increase in principal repayments on our Term Loan, and a \$53.9 million cash payment to repurchase \$50.0 million of principal on our 2030 Senior Notes. These increases were partially offset by an \$80.2 million decrease in payments for the repurchase and retirement of our Class A Common Stock, and a \$10.3 million decrease in contingent consideration payments.

Non-GAAP Free Cash Flow

To supplement our statements of cash flows presented on a U.S. GAAP basis, we use a non-GAAP measure of cash flows to analyze cash flow generated from our operations. We define free cash flow, a non-GAAP financial measure, as U.S. GAAP net cash provided by (used in) operating activities adjusted for capitalized expenditures that include purchases of property and equipment and capitalized internal-use software. We believe information regarding free cash flow provides useful information to management and investors in understanding the strength of liquidity and available cash. A limitation of the use of free cash flow is that it does not represent the total increase or decrease in our cash balance for the period. Free cash flow should not be considered in isolation or as an alternative to cash flows from operations, and should be considered alongside our other U.S. GAAP-based financial liquidity performance measures, such as net cash provided by operating activities and our other U.S. GAAP financial results.

The following table presents a reconciliation of free cash flow to net cash provided by operating activities, the most directly comparable U.S. GAAP measure, for each of the periods presented (in thousands):

	Six Months Ended June 30,	
	2025	2024
Net cash provided by operating activities	\$ 317,076	\$ 223,175
Capitalized expenditures	(42,515)	(37,701)
Non-GAAP free cash flow	\$ 274,561	\$ 185,474

Remaining Performance Obligations

We have generally signed new customer contracts with typical subscription terms ranging from one month to five years. At any point in the contract term, there can be amounts allocated to services that we have not yet contractually performed, which constitute our remaining performance obligations. Until we meet our performance obligations, we do not recognize them as revenues in our condensed consolidated financial statements. Our remaining performance obligations exclude contracts with an original expected length of less than one year. Contract revenue as of June 30, 2025 that has not yet been recognized was approximately \$2.6 billion.

Deferred Revenue

Deferred revenue primarily consists of the unearned portion of monthly or annual invoiced fees for our subscriptions, which we recognize as revenue in accordance with our revenue recognition policy. For customers with multi-year contracts, we generally invoice for monthly or only one annual subscription period in advance. Therefore, our deferred revenue balance does not capture the full contract value of multi-year contracts. Accordingly, we believe that deferred revenue is not a reliable indicator of future revenues and we do not utilize deferred revenue as a key management metric internally.

Contractual Obligations and Commitments

Except as set forth below, and in Notes 3, 5, 7 and 8 in the accompanying notes to the Condensed Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q, there were no significant changes in our commitments under contractual obligations, as disclosed in our Annual Report on Form 10-K for the year ended December 31, 2024.

Contingencies

We are and may be in the future subject to certain legal proceedings and from time to time may be involved in a variety of claims, lawsuits, investigations, and proceedings relating to contractual disputes, intellectual property rights, employment matters, regulatory compliance matters, and other matters relating to various claims that arise in the normal course of business. We record a provision for a liability when we believe that it is both probable that a liability has been incurred, and the amount can be reasonably estimated. Significant judgment is required to determine both probability and the estimated amount of loss. Such legal proceedings are inherently unpredictable and subject to significant uncertainties, some of which are beyond our control. Should any of these estimates and assumptions change or prove to be incorrect, it could have a significant impact on our results of operations, financial position, and cash flows.

Off-Balance Sheet Arrangements

During the six months ended June 30, 2025 and 2024, we did not have any relationships with unconsolidated organizations or financial partnerships, such as structured finance or special purpose entities that would have been established for the purpose of facilitating off-balance sheet arrangements or other contractually narrow or limited purposes.

Critical Accounting Policies and Estimates

Use of Estimates

The preparation of condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. The significant estimates made by management affect revenues, the allowance for doubtful accounts, deferred and prepaid sales commission costs, goodwill, useful lives of intangible assets, share-based compensation, capitalization of internally developed software, return reserves, derivative instruments, provision for income taxes, uncertain tax positions, change in the fair value of contingent consideration, loss contingencies, sales tax liabilities and accrued liabilities. Management periodically evaluates these estimates and will make adjustments prospectively based upon the results of such periodic evaluations. Actual results may differ from these estimates.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to market risk in the ordinary course of our business. Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market risk exposure is primarily a result of fluctuations in foreign currency exchange rates and interest rates. We do not hold or issue financial instruments for trading purposes.

Foreign Currency Risk

The majority of our sales and contracts are denominated in U.S. dollars, and therefore our net revenue is not currently subject to significant foreign currency risk. As part of our international operations, we charge customers in British Pounds, European Union (“EU”) Euro, Canadian Dollars and Australian Dollars, among others. Fluctuations in foreign currency exchange rates and volatility in the market due to global economic conditions could cause variability in our subscriptions revenues, total revenues, annualized exit monthly recurring subscriptions revenues and operating results. Our operating expenses are generally denominated in the currencies of the countries in which our operations are located, which are primarily in the U.S., and to a lesser extent in Canada, Europe, and Asia-Pacific. The functional currency of our foreign subsidiaries is generally the local currency. Our consolidated results of operations and cash flows are, therefore, subject to fluctuations due to changes in foreign currency exchange rates. To date, we have not entered into any hedging arrangements with respect to foreign currency risk. During the three and six months ended June 30, 2025, a hypothetical 10% change in foreign currency exchange rates applicable to our business would not have had a material impact on our condensed consolidated financial statements. As

our international operations continue to expand, risks associated with fluctuating foreign currency rates may increase. We will continue to reassess our approach to managing these risks.

Interest Rate Risk

As of June 30, 2025, we had cash and cash equivalents of \$168.1 million. We invest our cash and cash equivalents in short-term money market funds. The carrying amount of our cash equivalents reasonably approximates fair values. Due to the short-term nature of our money-market funds, we believe that exposure to changes in interest rates will not have a material impact on the fair value of our cash equivalents. Interest income may further fluctuate in the future due to interest rate volatility in the current macroeconomic environment. For the three and six months ended June 30, 2025, a hypothetical 10% increase or decrease in overall interest rates would not have had a material impact on our interest income.

As of June 30, 2025, we had \$609.1 million outstanding from our 2026 Convertible Notes. We carry the 2026 Convertible Notes at face value less unamortized discount on our balance sheet, and we present the fair value for required disclosure purposes only. The 2026 Convertible Notes have a zero percent fixed annual interest rate and, therefore, we have no economic exposure to changes in interest rates. The fair value of the 2026 Convertible Notes is exposed to interest rate risk. Generally, the fair value of our fixed interest rate 2026 Convertible Notes will increase as interest rates decline and decrease as interest rates increase. In addition, the fair values of the 2026 Convertible Notes are affected by our stock price. The fair value of the 2026 Convertible Notes will generally increase as our Class A common stock price increases and will generally decrease as our Class A common stock price decrease in value.

As of June 30, 2025, we had no amounts outstanding under our Revolving Credit Facility and \$310.0 million principal outstanding under our Term Loan under our Credit Agreement. Borrowings under our Credit Agreement bears interest under a floating rate mechanism, which exposes us to interest-rate risk. To address this risk, we entered into a five-year floating-to-fixed interest rate swap agreement with the objective of reducing exposure to the fluctuating interest rates associated with our variable rate borrowing program by paying a fixed interest rate of 3.79%, plus a margin of 2% to 3%. The interest rate swap agreement became effective on June 30, 2023, and terminates on February 14, 2028, consistent with the duration of the maturity of the Term Loan. From time to time, we may elect to dedesignate certain cash flow hedging relationships as a result of changes in the repricing terms or partial repayments of its outstanding long-term debt. As of June 30, 2025, our interest rate swap agreement is designated as cash flow hedge and highly effective in offsetting changes in our future expected cash flows due to the fluctuation of our variable rate debt.

As of June 30, 2025, we had \$350.0 million outstanding under our 2030 Senior Notes. The 2030 Senior Notes have fixed annual interest rates, and therefore we do not have economic interest rate exposure on these debt obligations. However, the fair values of our 2030 Senior Notes are exposed to interest rate risk. Generally, the fair value of the 2030 Senior Notes will increase as interest rates fall and decrease as interest rates rise.

Inflation Risk

We do not believe that inflation has had a material effect on our business, results of operations, or financial condition. Nonetheless, if our costs in connection with the operation of our business were to become subject to significant inflationary pressures, we may not be able to fully offset such higher costs through price increases. Our inability or failure to do so could have a material adverse effect on our business, financial condition and results of operations.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and our Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as of June 30, 2025. The term “disclosure controls and procedures,” as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act, means controls and other procedures of a company that are designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by a company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the Company’s management, including its principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure. Based on the evaluation of our disclosure controls and procedures as of June 30, 2025, our Chief Executive Officer and Chief Financial Officer concluded that, as of such date, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

There was no change in our internal control over financial reporting that occurred during the period covered by this Quarterly Report on Form 10-Q that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Limitations on Effectiveness of Controls and Procedures

In designing and evaluating our disclosure controls and procedures, management recognizes that any disclosure controls and procedures, no matter how well designed and operated, can provide only reasonable, not absolute, assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply its judgment in evaluating the benefits of possible controls and procedures relative to their costs.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings

Information with respect to this item may be found in Note 8, *Commitments and Contingencies*, in the accompanying notes to the Condensed Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q under “Legal Matters”, which is incorporated herein by reference.

Item 1A. Risk Factors

This Quarterly Report on Form 10-Q contains forward-looking statements that are subject to risks and uncertainties that could cause actual results to differ materially from those projected. These risks and uncertainties include, but are not limited to, the risk factors set forth below. The risks and uncertainties described in this Quarterly Report on Form 10-Q are not the only ones we face. Additional risks and uncertainties not presently known to us or that we currently believe are immaterial may also affect our business. See the section entitled “Special Note Regarding Forward-Looking Statements” of this Quarterly Report on Form 10-Q for a discussion of the forward-looking statements that are qualified by these risk factors. If any of these known or unknown risks or uncertainties actually occurs and have a material adverse effect on us, our business, financial condition and results of operations could be seriously harmed.

Summary Risk Factors

An investment in our Class A Common Stock involves a high degree of risk, and the following is a summary of key risk factors when considering an investment. This is only a summary. You should read this summary together with the more detailed description of each risk factor contained in the subheadings further below and other risks.

- We have incurred significant losses and negative cash flows in the past and we may not be able to achieve or sustain profitability in the future.
- Our quarterly and annual results of operations have fluctuated in the past and may continue to do so in the future. As a result, we may fail to meet or to exceed the expectations of research analysts or investors, which could cause our stock price to fluctuate.
- If we are unable to develop, license, or acquire new services or applications on a timely and cost-effective basis, our business, financial condition, and results of operations may be materially and adversely affected.
- If we are unable to attract new customers to our subscriptions or upsell to those customers on a cost-effective basis, our business will be materially and adversely affected.
- We rely and may in the future rely significantly on our channel partners and global service providers to market and sell our subscriptions; our failure to effectively develop, manage, and maintain our indirect sales channels could materially and adversely affect our revenues.
- Increased customer turnover, or costs we incur to retain and upsell our customers, could materially and adversely affect our financial performance.
- Economic and political conditions may harm our industry, business and results of operations.
- We face intense competition in our markets and may lack sufficient financial or other resources to compete successfully.
- We face significant risks in our efforts to sell and market to medium-sized and larger businesses for sales of our subscriptions and, if we do not manage these efforts effectively, our business and results of operations could be materially and adversely affected.
- If we fail to continue to develop our brand or our reputation is harmed, our business may suffer.
- We depend largely on the continued services of our senior management and other highly-skilled employees, and if we are unable to hire, retain, manage and motivate our employees, we may not be able to grow effectively and our business, results of operations and financial condition could be adversely affected.
- We may expand through acquisitions of and investments in other companies, each of which may divert our management’s attention, result in additional dilution to our stockholders, increase expenses, disrupt our operations, and harm our results of operations.

- Interruptions or delays in service whether caused by our third-party data center hosting facilities, other third-party providers, internal process failures, human errors, internal bugs or otherwise could impair the delivery of our subscriptions, require us to issue credits or pay penalties and harm our business.
- A security incident, such as a cyber-attack, information security breach, or denial of service event could delay or interrupt service to our customers, harm our reputation or business, impact our subscriptions, and subject us to significant liability.
- The AI technology and features incorporated into our solutions include new and evolving technologies that may present both legal and business risks.
- We rely on third-party vendors and competitors to deliver video, contact center and SMS services to customers, and changes in these relationships could have a material adverse effect on our business, results of operations and financial condition.
- Our subscriptions are subject to regulation, and future legislative or regulatory actions could adversely affect our business and expose us to liability in the U.S. and internationally.
- We may require additional capital or need to restructure our existing debt to pursue our business objectives and to respond to business opportunities, challenges or unforeseen circumstances. If capital is not available to us, our business, results of operations, and financial condition may be adversely affected.
- Servicing our debt, including the Notes and Credit Agreement, may require a significant amount of cash, and we may not have sufficient cash flow from our business or the ability to raise the funds necessary to settle conversions of the 2026 Convertible Notes in cash, repurchases of the Notes as required following a fundamental change or change of control, as applicable, or to repay all of our indebtedness at maturity.
- Our Credit Agreement imposes operating and financial restrictions on us.
- For as long as the dual class structure of our common stock as contained in our charter documents is in effect, voting control will be concentrated with a limited number of stockholders that held our stock prior to our initial public offering, including primarily our founders and their affiliates, and limiting other stockholders' ability to influence corporate matters.
- Our Series A Convertible Preferred Stock has certain rights that are preferential to the rights of our common stock, which could adversely affect our liquidity and financial condition.

Risks Related to Our Business and Our Industry

We have incurred significant losses and negative cash flows in the past and we may not be able to achieve or sustain profitability in the future.

We have incurred substantial net losses since our inception. We have historically spent and expect to continue to spend considerable amounts of time and money to develop new business communications solutions and enhanced versions of our existing business communications solutions to position us for future growth. Additionally, we have incurred substantial losses and expended significant resources upfront to market, promote and sell our solutions and expect to continue to do so in the future. We also expect to continue to invest for future growth, including for advertising, customer acquisition, technology infrastructure, storage capacity, services development, regulatory compliance, and international expansion. In addition, as a public company, we incur significant accounting, legal, and other expenses.

In order to achieve net income in the future, we will need to do one or more of the following: increase our revenues, manage our cost structure, and/or avoid significant liabilities. Revenue growth has slowed and in the future, revenues may decline, or we may incur significant losses for a number of possible reasons, including general macroeconomic conditions, increasing competition (including competitive pricing pressures), a decrease in customer demand or the growth of the markets in which we compete, in particular the UCaaS, CCaaS and software-as-a-service (“SaaS”) markets, shifts in our product mix, or if we fail for any reason to continue to capitalize on growth opportunities, including those related to our AI-based initiatives. Additionally, we may encounter unforeseen operating expenses, difficulties, complications, delays, service delivery, and quality problems and other unknown factors that may result in losses in future periods. If these losses exceed our expectations or our revenue growth expectations are not met in future periods, our financial performance will be harmed and our stock price could be volatile or decline.

Our quarterly and annual results of operations have fluctuated in the past and may continue to do so in the future. As a result, we may fail to meet or to exceed the expectations of research analysts or investors, which could cause our stock price to fluctuate.

Our quarterly and annual results of operations have varied historically from period to period, and we expect that they will continue to fluctuate due to a variety of factors, many of which are outside of our control, including:

- our ability to expand and retain existing customers, resellers, partners, and global service providers (“GSPs”), and expand our existing customers’ user base, and attract new customers;
- our ability to realize the benefits of our existing strategic partnerships, GSP relationships, and other strategic and GSP relationships that we may enter into in the future;
- our ability to introduce and effectively market and sell new solutions, including both solutions that we develop or license, and solutions we purchase for resale from third parties;
- the actions of our competitors, including pricing changes or the introduction of new solutions;
- our ability to effectively manage our growth, achieve net income profitability, and generate and grow our U.S. GAAP operating cash flow and non-GAAP free cash flow;
- our ability to successfully penetrate the market for larger businesses and key verticals;
- our ability to upsell our customers to our existing and new products and services;
- our ability to limit and manage down sell and churn;
- our dependency on third-party vendors and competitors of AI, hardware, software and services that we resell to our customers, in particular, NICE Ltd. (“NICE”) and Zoom Communications, Inc. (“Zoom”), and our ability to effectively offer customers an alternate solution;
- the mix of monthly, annual and multi-year subscriptions at any given time;
- the timing, cost, and effectiveness of our advertising and marketing efforts;
- the timing, operating cost, and capital expenditures related to the operation, maintenance and expansion of our business;
- our ability to execute our operating plans successfully while reducing costs and optimizing operating margin;
- our ability to accurately forecast revenues and appropriately plan our expenses;
- our ability to successfully and timely execute on, integrate, and realize the benefits of any acquisition, investment, strategic partnership, or other strategic transaction we may make or undertake;
- service outages or actual or perceived information security breaches or incidents caused by us or the third parties upon which we rely and any related impact on our reputation;
- our ability to realize our deferred tax assets;
- costs associated with defending and resolving intellectual property infringement and other claims;
- changes in tax laws, regulations, or accounting rules;
- our ability to effectively manage and repay our existing and any future debt;
- our ability to repurchase shares of Class A Common Stock;
- the retention of our senior management and other key employees, their ability to execute on our business plan and the loss of services of senior management or other key employees, whether in the past or in the future;
- the impact of foreign currencies on our business as we continue to expand our business internationally; and
- the impact of worldwide economic, political, industry, and market conditions, including the ongoing conflicts in the Middle East, any potential worsening or expansion of these or other conflicts and wars, the imposition of tariffs and other non-tariff trade barriers, and U.S.-China relations.

Any one of the factors above, or the cumulative effect of some or all of the factors referred to above, may result in significant fluctuations in our quarterly and annual results of operations. This variability and unpredictability could result in our failure to meet our publicly announced guidance or the expectations of securities analysts or investors for any period, which could cause our stock price to decline. In addition, a significant percentage of our operating expenses is fixed in nature and is

based on forecasted revenues trends. Accordingly, in the event of revenue shortfalls, we may not be able to mitigate the negative impact on net income (loss) and margins in the short term. If we fail to meet or exceed the expectations of research analysts or investors, the market price of our shares could fall substantially, and we could face costly lawsuits, including securities class-action suits.

If we are unable to develop, license, or acquire new services or applications on a timely and cost-effective basis, our business, financial condition, and results of operations may be materially and adversely affected.

The cloud-based business communications industry is characterized by rapid development of and changes in customer requirements, frequent introductions of new and enhanced services, and continuing and rapid technological advancement. We cannot predict the effect of technological changes or the introduction of new, disruptive technologies on our business, and the market for cloud-based business communications may develop in a manner different than we expect, and our solutions could fail to achieve market acceptance. Our continued growth depends on continued use of voice, video communications, messaging and contact center solutions by businesses, as compared to email and other data-based methods. In addition, to compete successfully, we must anticipate and adapt to technological changes and evolving industry standards, and continue to design, develop, manufacture, and sell new and enhanced services that provide increasingly higher levels of performance and reliability. Currently, we derive a majority of our revenues from subscriptions to RingEX (formerly RingCentral MVP), and we expect this will continue for the foreseeable future. However, our future success may also depend on our ability to introduce and sell new services, features, and functionality, such as RingCX, AI Receptionist, RingSense and RingCentral Events that enhance or are beyond the subscriptions we currently offer, as well as to improve usability and support and increase customer satisfaction. For example, we and our peers and competitors continue to invest significantly in AI (including machine learning and large language models). There are significant risks involved in deploying AI and there can be no assurance that using AI in our platforms and products will enhance or be beneficial to our business. Our failure to develop solutions that satisfy customer preferences in a timely and cost-effective manner may harm our ability to compete effectively, renew our subscriptions with existing customers, increase our subscription revenues from our existing customers, and create or increase demand for our subscriptions and may materially and adversely impact our results of operations.

The introduction of new services by competitors, including those that incorporate AI and machine learning, or the development of entirely new technologies to replace existing offerings could make our solutions outdated, obsolete or adversely affect our business and results of operations. Announcements of future releases and new services and technologies by our competitors or us could cause customers to defer purchases of our existing subscriptions, which also could have a material adverse effect on our business, financial condition or results of operations. We may experience difficulties with software development, operations, design, or marketing that could delay or prevent our development, introduction, or implementation of new or enhanced services and applications. We have in the past experienced delays in the planned release dates of new features and upgrades and have discovered defects in new services and applications after their introduction. We cannot assure you that new features or upgrades will be released according to schedule, or that, when released, they will not contain defects or bugs. Either of these situations could result in adverse publicity, loss of revenues, delay in market acceptance, or claims by customers brought against us, all of which could harm our reputation, business, results of operations, and financial condition. Moreover, the development of new or enhanced services or applications will require substantial investment, and we must continue to invest a significant amount of resources in our research and development efforts to develop these services and applications to remain competitive. We do not know whether these investments will be successful. If customers do not widely adopt any new or enhanced services and applications, we may not be able to realize a return on our investment. If we are unable to develop, license, or acquire new or enhanced services and applications on a timely and cost-effective basis, or if such new or enhanced services and applications do not achieve market acceptance, our business, financial condition, and results of operations may be materially and adversely affected.

If we are unable to attract new customers to our subscriptions or upsell to those customers on a cost-effective basis, our business will be materially and adversely affected.

In order to grow our business, we must continue to attract new customers, retain existing customers, and expand the number of users in, and services provided to, our existing customer base on a cost-effective basis. Significant increases in the pricing of one or more of our advertising channels would increase our advertising costs or may cause us to choose less expensive and perhaps less effective channels to promote our services. As we add to or change the mix of our advertising and marketing strategies, we may need to expand into channels with significantly higher costs than our current programs, which could materially and adversely affect our results of operations. In addition, a global slowdown of economic activity may disrupt our sales channels and our ability to attract new customers, which may require us to adjust our advertising and marketing programs or make further investments in these programs. We will incur advertising and marketing expenses in advance of when we anticipate recognizing any revenues generated by such expenses, and we may fail to otherwise experience an increase in revenues or brand awareness as a result of such expenditures. We have made in the past, and may make in the future, significant

expenditures and investments in new advertising campaigns, and we cannot assure you that any such investments will lead to the cost-effective acquisition of additional customers. If we are unable to maintain effective advertising programs, our ability to attract new customers could be materially and adversely affected, our advertising and marketing expenses could increase substantially, and our results of operations may suffer.

Some of our potential customers learn about us through leading search engines. While we employ search engine optimization and search engine marketing strategies, our ability to maintain and increase the number of visitors directed to our website is not entirely within our control. If search engine companies modify their search algorithms in a manner that reduces the prominence of our listing, or if our competitors' search engine optimization efforts are more successful than ours, or if search engine companies restrict or prohibit us from using their services, fewer potential customers may click through to our website. In addition, the cost of purchased listings has increased in the past and may increase in the future. A decrease in website traffic or an increase in search costs could materially and adversely affect our customer acquisition efforts and our results of operations.

We rely and may in the future rely significantly on our channel partners and global service providers to market and sell our subscriptions; our failure to effectively develop, manage, and maintain our indirect sales channels could materially and adversely affect our revenues.

Our future success depends on our continued ability to establish and maintain a network of channel relationships and strategic partnerships, including GSPs. A substantial portion of our revenues is derived from our network of sales agents, brokers, and resellers, which we refer to collectively as channel partners. Governmental regulations and contractual restrictions with telecom carriers may also restrict the ability of our channel partners to resell our products and services in some countries. We generally do not have long-term contracts with these channel partners, and the loss of or reduction in sales through these third parties could materially reduce our revenues. Our competitors may in some cases be effective in causing our current or potential channel partners to favor their services or prevent or reduce sales of our subscriptions.

We have also entered into certain agreements with our strategic partners and GSPs to sell and market certain of our solutions. However, there can be no guarantee that our strategic partners, GSPs and/or any of their respective channel partners will be successful in marketing or selling our solutions or that they will not cease marketing or selling our solutions in the future. Further, certain strategic partners have failed in the past, and may fail in the future, to meet their minimum contractual seat and/or revenue commitments, including recoupment of advance payments. We have in the past, and may in the future, renegotiate the terms of our GSP relationships and strategic partnership agreements, including converting strategic partners from exclusive to non-exclusive partners.

In addition, we are in the process of adjusting our channel partner go-to-market strategy, to better enable a resale/wholesale model, which requires significant changes to our systems and processes. These system and process changes could result in longer time to implement our strategy which could have an impact on our revenue.

If we fail to maintain relationships with our channel partners, GSPs and strategic partners or fail to develop new and expanded relationships in existing or new markets, or if our networks of indirect channel relationships are not successful in their sales efforts, sales of our subscriptions may decrease and our operating results would suffer. In addition, we may not be successful in managing, training, and providing appropriate incentives to our existing resellers and other channel partners, GSPs and strategic partners, and they may not be able to commit adequate resources in order to successfully sell our solutions.

Increased customer turnover, or costs we incur to retain and upsell our customers, could materially and adversely affect our financial performance.

Although we have entered into long-term subscription contracts with larger customers, those customers with month to month contracts with us may terminate their subscriptions at any time without penalty or early termination charges and customers under contract may not renew. We cannot accurately predict the rate of customer terminations or average monthly subscription cancellations or failures to renew, which we refer to as turnover. Our customers with subscription agreements have no obligation to renew their subscriptions for our service after the expiration of their initial subscription period, which is typically between one and three years, and a substantial portion of our large contracts are up for renewal every year. In the event that these customers do renew their subscriptions, they may choose to renew for fewer users, shorter contract lengths, or for a less expensive subscription plan or edition. We cannot predict the renewal rates or types for customers that have entered into subscription contracts with us.

Customer turnover, as well as reductions in the number of users or pricing tier(s) for which a customer subscribes, each could have a significant impact on our results of operations, as does the cost we incur in our efforts to retain our customers

and encourage them to renew and upgrade their subscriptions and increase their number of users. Our turnover rate could increase in the future if customers are not satisfied with our services, including third-party services and products that we integrate or sell as separate items to our customers, the value proposition of our services, the pricing of our services relative to similar services of our competitors, the customer support we provide, or our ability to otherwise meet their needs and expectations. Turnover and reductions in the number of users for whom a customer subscribes may also increase due to factors beyond our control, including the failure or unwillingness of customers to pay their monthly subscription fees due to financial constraints. In addition, the impact of global economic conditions, including concerns about heightened inflation, fluctuating interest rates, the imposition of tariffs and other non-tariff trade barriers, and any economic downturn, could cause financial hardship for our customers, decrease technology spending, materially and negatively impact our customers' willingness to enter into or renew subscriptions with us, cause our customers to seek a decrease in the number of users or solutions for which they subscribe, or impact our ability to collect, in a timely manner, monies due from the customer. For example, to address customer hardships, we may work with customers to provide greater flexibility to manage challenges they are facing in their own businesses, but we cannot be assured that they will not reduce their number of users or terminate their subscriptions altogether. Due to turnover and reductions in the number of users for whom a customer subscribes, we must acquire new customers, or acquire new users within our existing customer base, on an ongoing basis simply to maintain our existing level of customers and revenues. If a significant number of customers terminate, reduce, or fail to renew their subscriptions, or do not pay their subscription fees, we may be required to incur significantly higher marketing and/or sales expenditures than we currently anticipate in order to compensate for this higher turnover by increasing the number of new customers or upselling existing customers, and such additional marketing and/or sales expenditures could harm our business and results of operations.

Our future success also depends in part on our ability to execute upon our multi-product strategy to sell additional subscriptions and additional functionalities to our current customers. Any increase in the costs necessary to upgrade, expand and retain existing customers could materially and adversely affect our financial performance. If our efforts to convince customers to add users and, in the future, to purchase additional functionalities are not successful, our business may suffer. In addition, such increased costs could cause us to increase our subscription rates, which could increase our turnover rate.

Economic and political conditions may harm our industry, business and results of operations.

The success of our activities is affected by general economic and political conditions, including, among others, inflation rate fluctuations, interest rates, supply chain constraints, consumer confidence, volatile equity capital markets, tax rates, economic uncertainty, political instability, changes in laws, foreign currency exchange rates, and trade barriers and sanctions. Such economic volatility could adversely affect our business, financial condition, results of operations and cash flows, and future market disruptions could negatively impact us. A significant portion of our revenues comes from small and medium-sized businesses, which have been, and may continue to be, adversely affected by the macroeconomic conditions and uncertainties to a greater extent than larger enterprises with greater financial resources. Unfavorable economic conditions could increase our operating costs and, because our typical contracts with customers lock in our price for a few years and/or may have elasticity clauses, our profitability could be negatively affected. For example, uncertainty as to the impact of the imposition of tariffs on certain countries by the current U.S. administration, as well as any potential retaliatory measures by impacted trade partners, could adversely impact trade relations, result in higher costs and thereby decrease the purchasing power of our customers, which could put increased pressure on supply chains and create general market instability. Geopolitical destabilization could impact global currency exchange rates, supply chains, trade and movement of resources, the price of commodities such as energy, as well as demand for our products and services, which may adversely affect the technology spending of our customers and potential customers. Geopolitical conflicts, including the effects of the ongoing conflicts in the Middle East, any potential worsening or expansion of these conflicts and wars, and U.S.-China relations, are heightening these risks.

The policies pursued by the current U.S. administration could lead to changes in economic conditions or economic uncertainties in the United States and globally. Any such changes or uncertainties, including in international trade relations, legislation and regulations (including those related to taxation and importation), or economic and monetary policies, could result in heightened diplomatic tensions or political and civil unrest, among other potential impacts, and have a material adverse effect on the global economy as a whole and/or our business, or may require us to significantly modify one or more of our current business practices.

Some of our international agreements provide for payment denominated in local currencies, and the majority of our local costs are denominated in local currencies. Fluctuations in the value of the U.S. dollar versus foreign currencies has in the past, and may in the future, impact our operating results when translated into U.S. dollars. Thus, our results of operations and cash flows are subject to fluctuations due to changes in foreign currency exchange rates, particularly changes in the Euro, British Pound Sterling, Bulgarian Lev, Chinese Yuan, Indian Rupee, Canadian Dollar, Australian Dollar, and Singapore Dollar, and may be adversely affected in the future due to changes in foreign currency exchange rates. Certain changes in exchange

rates have and may in the future negatively affect our revenues, expenses, and other operating results as expressed in U.S. dollars.

We face intense competition in our markets and may lack sufficient financial or other resources to compete successfully.

The cloud-based business communications and collaboration solutions industry is highly competitive. We face intense competition from other providers of UCaaS, CCaaS, Communications Platform as a Service (“CPaaS”), messaging, video, fax, virtual events, AI (including quality management, sales assistant and other AI driven functionalities), virtual assistant, work-force management/optimization and other communication products and services. Our competitors include traditional on-premises, hardware business communications providers, cloud, hybrid and hosted communications providers, GSPs and each of their channel partners, resellers, distributors and agents who offer proprietary or other third-party cloud business communications products and services. As a result, several of the companies with whom we have commercial relationships, such as our GSPs, OEM resellers, and channel partners, also offer, market and sell competing products and services.

Our competitors include but are not limited to: 8x8, Inc., Dialpad, Inc., LogMeIn, Inc., Microsoft Corporation, Nextiva, Inc., Twilio Inc., Ericsson, Zoom, Amazon.com, Inc., AT&T Inc., BT Group plc, TELUS Corporation, Vodafone Group Plc, Deutsche Telekom, Avaya LLC, Mitel Networks Corporation, Cisco Systems, Inc., Alphabet Inc., Meta Platforms, Inc., Oracle Corporation, and Salesforce Inc., Five9, Inc., NICE (including LiveVox Holdings, Inc.), Genesys Telecommunications Laboratories, Inc., Talkdesk, Inc., Verint Systems Inc., Calabrio, Inc., yellow.ai, ON24, Inc., Cvent Holding Corp., Gong.io Inc., Alianza, Inc., and Outreach Corporation.

Many of our current and potential competitors have longer operating histories, significantly greater resources and/or name recognition, more diversified offerings, greater international presence, and larger customer bases than we have. As a result, these competitors may have greater credibility with our existing and potential customers. In addition, certain of our competitors have partnered with, or been acquired by, and may in the future partner with or acquire, other competitors to offer services, leveraging their collective competitive positions, which makes it more difficult to compete with them and could significantly and adversely affect our results of operations. Demand for our platform is also sensitive to price. Many factors, including our marketing, user acquisition and technology costs, and our current and future competitors’ pricing and marketing strategies, can significantly affect our pricing strategies. Our competitors may be able to adopt more aggressive pricing policies and promotions and devote greater resources to the development, promotion and sale of their services than we can to ours. Some of our competitors have in the past and may choose in the future to sacrifice revenues and/or profitability to gain market share by offering their services at lower prices or for free, or offering alternative pricing models, such as “freemium” pricing or free “service credits.” Our competitors may also offer bundled service arrangements that provide more complete service offerings with other functionality that we do not offer (such as broadband), thereby making them more attractive to potential customers despite the technical merits or advantages of our platform. Competition could result in a decrease to our prices, increase customer acquisition costs, slow our growth, increase our customer turnover, reduce our sales, or decrease our market share, any or all of which could materially and adversely affect our revenues and growth.

We face significant risks in our efforts to sell and market to medium-sized and larger businesses for sales of our subscriptions and, if we do not manage these efforts effectively, our business and results of operations could be materially and adversely affected.

As we continue to sell and market to medium-sized and larger businesses, we expect to incur higher costs and longer sales cycles and we may be less effective at predicting if and when we will complete these sales. In these markets, the decision to purchase our subscriptions generally requires the approval of more technical personnel and management levels within a potential customer’s organization, and therefore, these types of sales require us to invest more time educating these potential customers about the benefits of our subscriptions. In addition, larger customers may demand more features, integration services, customization, more complex contract negotiations, and may require highly skilled sales and support personnel. Our investment in marketing our subscriptions to these potential customers may not be successful, which could significantly and adversely affect our results of operations and our overall ability to grow our customer base. Furthermore, many medium-sized and larger businesses that we sell and market to may already purchase business communications solutions from our larger competitors or, due to economic conditions or otherwise, reduce their technology spending or reduce the number of new employees for whom they purchase our solutions or reduce the number of existing employees using our solution (i.e., down-sell). As a result of these factors, these medium and large sales opportunities may require us to devote greater research and development resources and sales support to individual customers, and invest in hiring and retaining highly skilled personnel, resulting in increased costs and could likely lengthen our typical sales cycle, which could strain our sales and support resources. Moreover, these larger transactions may require us to delay recognizing the associated revenues we derive from these customers until any technical or implementation requirements have been met.

If we fail to continue to develop our brand or our reputation is harmed, our business may suffer.

We believe that continuing to strengthen our current brand will be critical to achieving widespread acceptance of our subscriptions and will require continued focus on active marketing efforts. The demand for and cost of online and traditional advertising has been increasing and may continue to increase. Accordingly, we may need to increase our investment in, and devote greater resources to, advertising, marketing, and other efforts to create and maintain brand loyalty among users. Brand promotion activities may not yield increased revenues, and even if they do, any increased revenues may not offset the expenses incurred in building our brand. In addition, if we do not handle customer complaints effectively, our brand and reputation may suffer, we may lose our customers' confidence, and they may choose to terminate, reduce or not to renew their subscriptions. Many of our customers also participate in social media and online blogs about Internet-based software solutions, including our subscriptions, and our success depends in part on our ability to minimize negative and generate positive customer feedback through such online channels where existing and potential customers seek and share information. Any unfavorable publicity or perception of our platform, including from our AI products and features, could also adversely affect our reputation and our ability to attract and retain customers. Our reputation and business may be harmed by news or social media coverage, including but not limited to coverage that presents, or relies on, inaccurate, misleading, incomplete, or otherwise damaging information. If we fail to sufficiently invest in, promote and maintain our brand, our business could be materially and adversely affected.

We depend largely on the continued services of our senior management and other highly-skilled employees, and if we are unable to hire, retain, manage and motivate our employees, we may not be able to grow effectively and our business, results of operations and financial condition could be adversely affected.

Our future performance depends on the continued services and contributions of our senior management and other key employees to execute on our business plan, and to identify and pursue opportunities and services innovations. The loss of services of senior management or other key employees, whether in the past or in the future, could significantly delay or prevent the achievement of our business, financial, developmental and strategic objectives. In particular, we depend to a considerable degree on the vision, skills, experience, and effort of our co-founder, Chairman and Chief Executive Officer, Vladimir Shmunis, who has provided our strategic direction for over 25 years and has built and maintained what we believe is an attractive workplace culture. Any future changes resulting from the hiring or departure of executives could disrupt our business and could impact our ability to preserve our culture, which could negatively affect our ability to recruit and retain personnel. Our executive officers and other senior management personnel work for us on an "at-will" basis and any of them may therefore terminate employment with us at any time with limited or no advance notice. The replacement of any current or future senior management personnel could involve significant time and costs, and any such loss could significantly delay or prevent the achievement of our business objectives.

Our future success also depends on our ability to continue to attract and retain highly skilled personnel. Despite many recent layoffs in the technology industry and at the company, we believe that there is, and will continue to be, intense competition for highly skilled technical and other personnel with experience in our industry in the San Francisco Bay Area, where our headquarters is located, in Denver, Colorado, where we have an office and where a significant portion of our U.S. sales, customer support and our network operations are located, and in other locations where we have employees. In addition, changes to U.S. immigration policies, particularly to H-1B and other visa programs, and restrictions on travel could restrain the flow of technical and professional talent into the U.S. and may inhibit our ability to hire qualified personnel. Similar risks exist with respect to immigration regulations in other countries where we operate, may operate in the future or have employees or contractors. We must provide competitive compensation packages and a high-quality work environment to hire, retain, and motivate employees. If we are unable to retain and motivate our existing employees and attract qualified personnel to fill key positions, we may be unable to manage our business effectively, including the development, marketing, and sale of existing and new subscriptions, which could have a material adverse effect on our business, financial condition, and results of operations. To the extent we hire personnel from competitors, we may be subject to allegations that they have been improperly solicited or divulged proprietary or other confidential information. Volatility in, or lack of performance of, our stock price may also affect our ability to attract and retain key personnel.

We may expand through acquisitions of and investments in other companies, each of which may divert our management's attention, result in additional dilution to our stockholders, increase expenses, disrupt our operations, and harm our results of operations.

Our business strategy may, from time to time, include acquiring or investing in new or complementary services, technologies or businesses, strategic investments and partnerships, or other strategic transactions. We cannot assure you that we will successfully identify suitable acquisition candidates or transaction counterparties, securely or effectively integrate or manage disparate technologies, lines of business, personnel and corporate cultures, realize our business strategy or the expected return on our investment, including recoupment or write-down of our investments in the partnership, or manage a

geographically dispersed company. Any such acquisition, investment, strategic partnership, or other strategic transaction could materially and adversely affect our results of operations. The process of negotiating, effecting, and realizing the benefits from acquisitions, investments, strategic partnerships, and strategic transactions is complex, expensive and time-consuming, and may cause an interruption of, or loss of momentum in, development and sales activities and operations of both companies, and we may incur substantial cost and expense, as well as divert the attention of management. Our inability to successfully acquire and, thereafter, operate and integrate newly acquired businesses or newly formed strategic partnerships appropriately, effectively, and in a timely manner could impair our ability to take advantage of future growth opportunities and other advances in technology, as well as our revenues and gross margins.

Acquisitions, investments, strategic partnerships, and other strategic transactions involve additional significant risks and uncertainties, including:

- unanticipated costs;
- difficulties in maintaining and effectively servicing the customers acquired in the transaction;
- the potential loss of key employees of any acquired businesses;
- the potential adverse effect on our cash position to the extent that we use cash for some or all of the transaction consideration;
- the potential significant increase of our interest expense, leverage, and debt service requirements if we incur additional debt to pay for an acquisition, investment, strategic partnership, or other strategic transaction;
- the potential issuance of securities that would dilute our stockholders' percentage ownership;
- the potential to incur large and immediate write-offs and restructuring and other related expenses;
- the assumption of contingent or other liabilities;
- the potential liability or expenses associated with new types of data stored, existing security obligations or liabilities, unknown weaknesses in our solutions, insufficient security measures in place, and compromise of our networks via access to our systems from assets not previously under our control;
- the inability to maintain uniform standards, controls, policies, and procedures;
- the inability to set up the necessary processes and systems to efficiently operate our partnerships and GSP relationships; and
- general technology, people and go-to-market integration risks.

Our inability to manage any of these risks successfully could harm our operations and our overall business.

Interruptions or delays in service whether caused by our third-party data center hosting facilities, other third-party providers, internal process failures, human errors, internal bugs or otherwise could impair the delivery of our subscriptions, require us to issue credits or pay penalties and harm our business.

We currently serve our North American customers from geographically disparate data center hosting facilities in North America, where we lease space from Equinix, Inc., and other providers, and we serve our European customers from third-party data center hosting facilities in Europe. We also use third-party co-location facilities located in various international regions to serve our customers in these regions. Certain of our solutions are hosted by third-party data center facilities including Amazon Web Services, Inc. and Google Cloud Platform. Damage to, or failure of, these facilities, the communications network providers with whom we or they contract, or with the systems by which our communications providers allocate capacity among their customers, including us, or software errors, have in the past and could in the future result in interruptions in our services. Additionally, in connection with the addition of new data centers or expansion or consolidation of our existing data center facilities, we may move or transfer our data and our customers' data to other data centers. Despite precautions that we take during this process, any unsuccessful data transfers may impair or cause disruptions in the delivery of our subscriptions. We also resell third-party products and services, in particular, solutions from NICE and Zoom and, any interruptions of their service may impact our customers. In addition, our services may have or be prone to errors, defects, or bugs that could result in unanticipated interruptions of service. For example, in January 2025, we experienced an interruption in service due to an internal system error that impacted our customers for a limited number of hours, and we may in the future experience interruptions that impact our customers. Interruptions in our subscriptions have in the past and may in the future reduce our revenues, require us to issue credits or pay penalties, subject us to claims and litigation, cause customers to terminate their subscriptions and adversely affect our renewal rates and our ability to attract new and retain existing customers. Our ability to attract and retain customers depends on our ability to provide customers with a highly reliable subscription and even minor interruptions in our subscriptions could harm our brand and reputation and have a material adverse effect on our business.

As part of our current disaster recovery arrangements, our North American, European, and Asia Pacific infrastructure and our North American, European, and Asia Pacific customers' data is currently replicated in near real-time at data center facilities in the U.S., Europe, and Asia Pacific, respectively. We do not control the operation of these facilities or of our other data center facilities, and they are vulnerable to damage or interruption from natural disasters, floods, fires, public health crises, power loss, telecommunications failures, and similar events. They may also be subject to human error, break-ins, sabotage, acts of vandalism, cybersecurity incidents, including ransomware or denial-of-service attacks, an act of terrorism and similar misconduct. Even with the disaster recovery arrangements in place, our subscriptions could be interrupted.

We may also be required to transfer our servers to new data center facilities in the event that we are unable to renew our leases on acceptable terms, if at all, or the owners of the facilities decide to close their facilities, and we may incur significant costs and possible subscription interruption in connection with doing so. In addition, any financial difficulties, such as bankruptcy or foreclosure, faced by our third-party data center operators, or any of the service providers with which we or they contract may have negative effects on our business, the nature and extent of which are difficult to predict. Additionally, if our data centers are unable to keep up with our increasing needs for capacity, our ability to grow our business could be materially and adversely impacted.

A security incident, such as a cyber-attack, information security breach, or denial of service event, could delay or interrupt service to our customers, harm our reputation or business, impact our subscriptions, and subject us to significant liability.

Our operations depend on our ability to protect our production and corporate information technology services from interruption or damage from various threats, including cyber-attacks, denial-of-service events and other system and network disruptions, social engineering, unauthorized entry, insider threats, rogue employees or contractors, computer malware or other means of causing security breaches or incidents. Although we require our employees to undertake privacy and cybersecurity training, we have from time to time been subject to communications fraud, social engineering tactics, cyber-attacks by malicious actors, and denial of service and other disruptive events, and we may be subject to similar attacks in the future, particularly as the frequency and sophistication of cyber-attacks increases. We cannot assure you that our backup systems, regular data backups, security controls, personnel training, and other procedures currently in place, or that may be in place in the future, will prevent significant damage, system failure, service outages, data incidents, data loss, unauthorized access, loss of use, interruption, or increased charges from our technology vendors.

The amount of data we store for our customers and users increases as our business grows. We host services, which includes hosting customer data, in co-located data centers and in multiple public cloud services. Our solutions allow users to store files, tasks, calendar events, messages and other data on our services indefinitely or as may be directed by our customers, at least until termination of the agreement. We also maintain sensitive data related to our technology and business, and that of our employees, strategic partners, GSPs, channel partners, and customers, including intellectual property, proprietary business information and personal information (also called personal data) on our own systems and in multiple vendors' cloud services. As a result of maintaining larger volumes of data and user files and/or as a result of our continued movement up market, or movement into new customer markets and acquisition of larger and more recognized customers, we may become more of a target for hackers, nation states, and other malicious actors.

In addition, we use third-party vendors who, in some cases, have access to our data and our employees', partners', and customers' data. We employ layered security measures and have a means of working with third parties who report vulnerabilities to us. Despite the implementation of security measures by us or our vendors, our computing devices, infrastructure, or networks, or our vendors' computing devices, infrastructure, or networks have in the past, and may in the future, be vulnerable to hackers, computer viruses, worms, ransomware, other malware, employee theft or misuse, phishing, denial-of-service attacks, or similar disruptive problems that are caused by or through a security weakness or vulnerability in our or our vendors' infrastructure, network, or business practices or our or our vendors' customers, employees, business partners, consultants, or other Internet users who attempt to obtain unauthorized access to our or our vendors' corporate or personal systems, networks, or devices. Security weaknesses or vulnerabilities in our, our vendors', or our customers' infrastructure, networks, or business practices could lead to increased costs, liability claims, including contractual liability claims relating to security obligations in agreements with our partners and our customers, fines, claims, investigations and other proceedings, reduced revenue, or harm to our reputation or competitive position. In addition, even if vulnerabilities are not exploited or targeted, we could incur increased costs and capital expenditures in any efforts we undertake to strengthen our security controls or remediate security vulnerabilities.

We currently require a substantial number of our employees to work in one of our offices, nevertheless, we have implemented remote working protocols and offer work-issued devices to substantially all employees, whether working in an office or remotely. Actions of employees while working remotely may have significant effects on the security of our infrastructure, networks, and the information we process, such as by increasing the risk of compromise to systems or data

arising from employees' combined personal and private use of devices, accessing our networks or information using wireless networks that we do not control, or the ability to transmit or store information outside of our network. Our employees' or third parties' intentional, unintentional, or inadvertent actions may increase our vulnerability to or expose us to security threats, such as ransomware or other malware and phishing attacks, and we may remain responsible for or otherwise face liability in connection with unauthorized access to, loss, unavailability alteration, destruction, acquisition, disclosure or other processing of information we or our vendors, business partners, or consultants process or otherwise maintain. Additionally, political and geopolitical uncertainty and actions, such as the conflicts in the Middle East, may create heightened risks to us and our vendors, business partners, and consultants of cyber-attacks from nation-state actors or their affiliated entities, including attacks that could materially disrupt our systems and operations, supply chain, and ability to produce, sell and distribute our services. Also, cyber-attacks, including on the supply chain (including our software supply chain), continue to increase in frequency and magnitude, and we cannot provide assurances that our preventative efforts, or those of our suppliers, have been or will be successful.

We rely on encryption and authentication technology to provide secure transmission of and access to confidential information, including customer credit card numbers, debit card numbers, direct debit information, customer communications, and files uploaded by our customers. Advances in computer capabilities, new cryptographic discoveries, software or hardware bugs or vulnerabilities, social engineering activities, the introduction of ransomware or other malicious code, or other developments may result in a compromise or breach of the technology we use to protect our data and our customer data, or of the data itself. We also have incorporated AI-powered features into our solutions and may continue to incorporate additional AI features and technologies into our solutions in the future. Our use of AI features and technologies may create additional cybersecurity risks or increase cybersecurity risks, including risks of security breaches and incidents. Further, AI technologies may be used in connection with certain cybersecurity attacks, resulting in heightened risks of security breaches and incidents.

Additionally, third parties have in the past successfully induced, and may attempt in the future to induce using social engineering or other methods, employees, consultants, or customers into disclosing sensitive information, such as usernames, provisioning data, customer proprietary network information ("CPNI") or other information in order to gain access to our customers' user accounts or data, or to our systems or data. CPNI includes information such as the phone numbers called by a customer, the frequency, duration, and timing of such calls, and any services purchased by the consumer, such as call waiting, call forwarding, and caller ID, in addition to other information that may appear on a customer's bill. Third parties may also attempt to induce employees, consultants, or customers into disclosing information regarding our and our customers' intellectual property, personal data and other confidential information. The techniques used to obtain unauthorized access, to perform hacking, phishing and social engineering, or to sabotage systems change and evolve frequently and may not be recognized until launched against a target, may be new and previously unknown or little-known, or may not be detected or understood until well after such actions are conducted. We may be unable to anticipate these techniques and may be unsuccessful in implementing appropriate preventative measures, and any security breach or other incident may be difficult to detect and may take longer than expected to remediate or otherwise address. Any system failure or disruption or security breach or incident that causes interruptions or data loss in our operations or in the computer systems of our customers or leads to the misappropriation, loss, unavailability, or unauthorized use, disclosure, or other processing of our or our customers' confidential or personal information could result in significant liability to us, loss of our intellectual property, cause our subscriptions to be perceived as not being secure, cause considerable harm to us and our reputation (including requiring notification to customers, regulators, or the media), and deter current and potential customers from using our subscriptions. Any of these events could have a material adverse effect on our business, results of operations, and financial condition.

It is critical to our business that our sensitive information and that of our employees, strategic partners, GSPs, channel partners and customers remains secure and that our customers perceive that this information is secure. Information security incidents have in the past, and may in the future, result in unauthorized access to, loss or unavailability of, or unauthorized disclosure or other processing of such information. Any actual or perceived cybersecurity breach or incident could expose us to litigation, indemnity obligations, government notification and investigations or other proceedings, contractual liability, and other possible liabilities, and could result in negative publicity, which could harm our reputation and reduce our customers' confidence in the effectiveness of our solutions, which could materially and adversely affect our business and operating results. A security breach or incident could also expose us to increased costs, including remediation costs, disruption of operations, or increased cybersecurity protection costs, that may have a material adverse effect on our business. In addition, an actual or perceived security breach or incident of or impacting our customers' systems can also result in exposure of credentials, unauthorized access to accounts, exposure of their information and data (including CPNI), and fraudulent calls on their accounts, which can have impacts to us similar to those described above. Any actual or perceived security breach or incident of or impacting our partners' or vendors' systems can result in similar impacts.

Additionally, due to the nature of our solutions, we are unable to maintain complete control over data security or the implementation of measures that reduce the risk of a data security incident. For example, our customers may accidentally

disclose their passwords or store them on a mobile device that is lost or stolen, creating the perception that our systems are not secure against third-party access. Additionally, our third-party contractors in the Philippines, U.S., Georgia, and elsewhere may have access to customer data. While our agreements with our third-party contractors restrict their use or disclosure of any customer data, if these or other third-party vendors violate applicable laws or our policies, this may put our customers' information at risk and could have a material and adverse effect on our business.

Laws, regulations, and enforcement activities relating to security and privacy continue to evolve. For example, in 2023, the SEC adopted cybersecurity risk management and disclosure rules, which require the disclosure of information pertaining to cybersecurity incidents and cybersecurity risk management, strategy, and governance. Additionally, the EU has implemented new and revised laws and regulations relating to cybersecurity. For example, the Digital Operational Resiliency Act went into effect on January 17, 2025. It aims to establish a universal framework for managing and mitigating information and communication technology risk that will apply to financial-sector entities and their third-party cloud service providers.

We have incurred and expect to continue to incur significant expenses in our efforts to prevent and address security incidents. Determining whether a security breach or incident is notifiable or reportable may not be straightforward and may be costly and could lead to negative publicity, loss of customer or partner confidence in the effectiveness of our security measures, diversion of management's attention, governmental investigations, and the expenditure of significant capital and other resources to respond to or alleviate problems caused by the actual or perceived security breach or incident. We may find it necessary for various reasons, such as a need to support changes to applicable laws or to support our expansion of sales into new geographic areas or into new industry markets, to change or enhance our cybersecurity measures, which may make it more expensive to operate in certain jurisdictions and may increase the risk of our non-compliance with evolving laws and regulations.

While we maintain cybersecurity insurance, our insurance may be insufficient to cover all liabilities incurred by privacy or security incidents. We also cannot be certain that our insurance coverage will be sufficient for data handling or data security liabilities actually incurred, that insurance will continue to be available to us on economically reasonable terms, or at all, or that an insurer will not deny coverage as to any future claim. The successful assertion of one or more large claims against us that exceed available insurance coverage, or the occurrence of changes in our insurance policies, including premium increases or the imposition of large deductible or co-insurance requirements, could have a material adverse effect on our business, including our financial condition, operating results, and reputation.

The AI technology and features incorporated into our solutions include new and evolving technologies that may present both legal and business risks.

We have incorporated a number of AI-powered features into our solutions. We use internally developed and third-party developed machine learning and AI technologies and we are making further investments in expanding our AI capabilities. AI technologies are complex and rapidly evolving, and we face significant competition from other companies as well as an evolving legal and regulatory landscape. The successful integration of new and emerging AI technologies, such as generative AI, automated speech recognition, text-to-speech and natural language processing into our platforms and solutions will require additional investment, and the development of new approaches and processes, which will be costly and increase our expenses.

Further, the incorporation of AI-powered features into our solutions will subject us to new or enhanced governmental or regulatory scrutiny, privacy, data protection, intellectual property, and information security laws, litigation, including class action suits, confidentiality or security risks, ethical concerns, or other complications that could harm our business, reputation, financial condition or results of operations. Certain privacy laws extend rights to consumers (such as the right to delete certain personal data) and regulate automated decision making, which may add compliance requirements or challenges to our use of AI technologies. These obligations have in the past and may in the future make it harder for us to conduct our business using AI, lead to regulatory fines or penalties, subject us to litigation, require us to change our business practices, or prevent or limit our use of AI technologies. For example, the FTC has required some companies to turn over (or disgorge) valuable insights or trainings generated through the use of AI technologies where they allege the company has violated privacy and consumer protection laws. If we cannot use AI technologies or that use is restricted, our business may be less efficient, or we may be at a competitive disadvantage. Additionally, intellectual property ownership and license rights, including copyright, surrounding AI technologies are new, evolving, and have not been fully addressed by federal or state laws or by U.S. courts, and the manner in which we and our third-party developers configure and use AI technologies may expose us to claims of copyright infringement or other intellectual property misappropriation. In addition, the cost to comply with such laws or regulations could be significant and would increase our operating expenses, which could harm our business, reputation, financial condition and results of operations.

Relatedly, large language models, or LLMs, can generate written content that contains bias, factual errors, misrepresentations, offensive language, or inappropriate statements. While we attempt to use LLMs in a way that mitigates

these risks, there is no guarantee that we will be successful and these risks could harm our business, reputation, financial condition and results of operations.

In addition, the use of AI involves significant technical complexity and requires specialized expertise, and competition for specialized personnel in the AI industry is intense. Any disruption or failure in our or our third-party developers' AI systems or infrastructure could result in delays or errors in our operations, which could harm our business, reputation, financial condition and results of operations.

The use of AI by our workforce may present risks to our business.

Our workforce is exposed to and uses AI technologies for certain tasks related to our business. We have guidelines and policies specifically directed at the use of AI tools in the workplace. Nevertheless, the use of these AI tools, whether authorized or unauthorized, by our workforce, poses potential risks relating to the protection of data, including cybersecurity risk, exposure of our proprietary confidential information to unauthorized recipients, and the misuse of our or third-party intellectual property. Use of AI technology by our workforce, even if consistent with our guidelines, may result in allegations or claims against us related to violation of third-party intellectual property or other rights, unauthorized access to or use of proprietary information, and failure to comply with open source software requirements. In addition, our employees use AI tools for various design and engineering tasks such as writing code and building content, and these tools may produce inaccurate responses that could lead to errors in our decision-making, solution development or other business activities, which could have a negative impact on our business, operating results and financial condition. Our ability to mitigate these risks will depend on our provision of effective training, monitoring and enforcement of appropriate policies, guidelines and procedures, and compliance by our workforce.

We rely on third-party competitors to deliver video, contact center and SMS services to customers, and changes in these relationships could have a material adverse effect on our business, results of operations and financial condition.

We currently use and/or provide third-party technology and integrations from Zoom, NICE, Bandwidth.com, Inc., Microsoft Corporation and other companies to provide some of our solutions to our customers, including video, contact center and SMS solutions. We use, or in the future, may use and rely on technologies of other third-parties to deliver features and functionalities. We cannot assure you that we will be able to renew our agreements with any of these third-party providers and any of these service providers could elect or attempt to stop providing us with access to their services. In addition, these third-party providers may terminate or breach their contracts with us, or allow these contracts to expire. If any of these service providers cease to provide us with their services, fails to provide these services to us on a cost-effective basis or at reasonable levels of quality and security, ceases operations, or otherwise terminates or discontinues these services, it could have a material adverse effect on our business and results of operations. Our inability to continue to offer these third-party solutions to our customers and/or our inability to effectively offer or migrate these customers to our own alternative or other third-party alternative solutions may have a material adverse effect on our business, results of operations and financial condition.

U.S. mobile carriers are now requiring businesses using SMS on over-the-top providers, including all CPaaS and UCaaS providers, such as RingCentral, to register with The Campaign Registry ("TCR"), to ensure text messages are compliant with wireless carrier guidelines, as well as to reduce spam. These new rules affect our customers, and we have built integrations with TCR to facilitate those registrations for our customers. TCR registration and related vetting can be cumbersome and costly and may cause customer churn, especially for SMB customers that have more limited person-to-person SMS needs. Additionally, SMS aggregators and wireless carriers sometimes block legitimate SMS traffic without prior notice, which may negatively impact our customers. Bandwidth, RingCentral's SMS aggregator, currently blocks any and all SMS sent by phone numbers that have not been registered with TCR and associated with an approved messaging campaign. Despite our ongoing efforts to minimize the impact on our customers, our potential inability to provide SMS to affected customers may have a material adverse effect on our business, results of operations and financial condition.

Our international operations and customer base may expose us to significant risks.

We have significant operations directly or through third parties in many countries outside of the U.S. and Canada, including, the U.K., China, the Philippines, Germany, Georgia, Bulgaria, Spain, Australia, India, and France. We also sell our solutions to customers in several countries in Europe, as well as in the Asia Pacific region, and we may continue to grow our international presence in the future. The future success of our business will depend, in part, on our ability to expand our operations and customer base worldwide, as well as our ability to acquire and maintain international customers in a cost effective manner. Operating in international markets requires significant resources and management attention and will subject us to regulatory, economic, and political risks that are different from those in the U.S. Due to our relatively limited experience with international operations and developing and managing sales and distribution channels in international markets, our

international expansion efforts may not be successful. In addition, we will face risks in doing business internationally that could materially and adversely affect our business, including:

- our ability to comply with differing and evolving technical and environmental standards, telecommunications regulations, and certification requirements outside the U.S.;
- difficulties and costs associated with staffing and managing foreign operations, including managing compliance with foreign labor laws and regulations;
- new and different sources of competition;
- our ability to effectively price our subscriptions in competitive international markets;
- potentially greater difficulty collecting accounts receivable and longer payment cycles;
- the need to adapt and localize our subscriptions and product offerings for specific countries and local regulators;
- the need to offer customer care, product information, websites, and other marketing collateral in various native languages;
- the need to contract and bill in various native languages, currencies, and under a variety of different legal systems;
- reliance on third parties over which we have limited control, including those that market and resell our subscriptions in international markets;
- availability of reliable broadband connectivity and wide area networks in targeted areas for expansion;
- lower levels of adoption of credit or debit card usage for Internet related purchases by foreign customers and compliance with various foreign regulations related to credit or debit card processing and data protection requirements;
- export controls and economic sanctions, foreign trade restrictions, travel restrictions, and changes in diplomatic and trade relationships, including tariffs and other non-tariff barriers, such as quotas and local content rules;
- our ability to comply with different and evolving laws, rules, and regulations, including the European General Data Protection Regulation (the “GDPR”), and other data privacy and data protection laws, and regulations;
- compliance with various anti-bribery and anti-corruption laws such as the Foreign Corrupt Practices Act and U.K. Bribery Act of 2010;
- more limited protection for intellectual property rights in some countries;
- adverse tax consequences;
- fluctuations in currency exchange rates;
- exchange control regulations, which might restrict or prohibit our conversion of other currencies into U.S. dollars;
- restrictions on the transfer of funds;
- deterioration of political relations between the U.S. and other countries where we have personnel who support our business, particularly China, India, Bulgaria, Spain, and the Philippines; and
- political or social unrest, economic instability, conflict or war in such countries.

Our failure to manage any of these risks successfully could harm our future international operations and our overall business.

If we are unable to effectively process local number and toll-free number portability provisioning, and/or our customers are unable to register with TCR in a timely manner, our growth may be negatively affected.

We support local number and toll-free number portability, which allows our customers to transfer to us and thereby retain their existing phone numbers when subscribing to our services. Transferring numbers is a manual process that can take up to 15 business days or longer to complete. A new customer of our subscriptions must maintain both our subscription and the customer’s existing phone service during the number transferring process. Any delay that we experience in transferring these numbers typically results from the fact that we depend on third-party GSPs to transfer these numbers, a process that we do not control, and these third-party GSPs may refuse or substantially delay the transfer of these numbers to us. Local number

portability is considered an important feature by many potential customers, and if we fail to reduce any related delays, we may experience increased difficulty in acquiring new customers. Moreover, the FCC requires Internet voice communications providers to comply with specified number porting timeframes when customers leave our subscription for the services of another provider. Several international jurisdictions have imposed similar number portability requirements on subscription providers like us. If we or our third-party GSPs are unable to process number portability requests within the requisite timeframes, we could be subject to fines and penalties. Additionally, in the U.S., both customers and GSPs may seek relief from the relevant state public utility commission, the FCC, or in state or federal court for violation of local number portability requirements.

U.S. mobile carriers are now requiring businesses using SMS on over-the-top providers, including all CPaaS and UCaaS providers, such as RingCentral, to register with TCR, to ensure text messages are compliant with wireless carrier guidelines, as well as to reduce spam. These new rules affect our customers, and we have built integrations with TCR to facilitate registrations for our customers. TCR registration and related vetting can be cumbersome and costly and may cause customer churn, especially for SMB customers that have more limited person-to-person SMS needs. Additionally, SMS aggregators and wireless carriers sometimes block legitimate SMS traffic without prior notice, which may negatively impact our customers. Bandwidth.com, Inc., RingCentral's SMS aggregator, currently blocks any and all SMS sent by phone numbers that have not been registered with TCR and associated with an approved messaging campaign. Despite our ongoing efforts to minimize the impact on our customers, our potential inability to provide SMS to affected customers may have a material adverse effect on our business, results of operations and financial condition.

Our business could suffer if we cannot obtain or retain direct inward dialing numbers or are prohibited from obtaining local or toll-free numbers or if we are limited to distributing local or toll-free numbers to only certain customers.

Our future success depends on our ability to procure large quantities of local and toll-free direct inward dialing numbers ("DIDs") in the U.S. and foreign countries in desirable locations at a reasonable cost and without restrictions. Our ability to procure and distribute DIDs depends on factors outside of our control, such as applicable regulations, the practices of the communications GSPs that provide DIDs, the cost of these DIDs, and the level of demand for new DIDs. For instance, France implemented new rules requiring service providers to obtain DIDs directly from regulatory authorities. Further, due to their limited availability, there are certain popular area code prefixes that we generally cannot obtain. Our inability to acquire DIDs for our operations would make our subscriptions less attractive to potential customers in the affected local geographic areas. In addition, future growth in our customer base, together with growth in the customer bases of other providers of cloud-based business communications, has increased, which increases our dependence on needing sufficiently large quantities of DIDs.

If we experience excessive fraudulent activity or cannot meet evolving credit card association merchant standards, we could incur substantial costs and lose the right to accept credit cards for payment, which could cause our customer base, new sales, and revenues to decline significantly.

Most of our customers authorize us to bill their credit card accounts directly for service fees that we charge. If customers pay for our subscriptions with stolen credit cards, we could incur substantial third-party vendor costs for which we may not be reimbursed. Further, our customers provide us with credit card billing information online or over the phone, and we do not review the physical credit cards used in these transactions, which increases our risk of exposure to fraudulent activity. We also incur charges, which are referred to in the industry as chargebacks, from the credit card companies from claims that a customer did not authorize the specific credit card transaction to purchase our subscription. If the number of chargebacks becomes excessive, we could be assessed substantial fines or be charged higher transaction fees, and we could lose the right to accept credit cards for payment. In addition, credit card issuers may change merchant and/or service provider standards, including data protection standards, required to utilize their services from time to time. We have established and implemented measures intended to comply with the Payment Card Industry Data Security Standard ("PCI DSS"). If we fail to maintain compliance with such standards or fail to meet new standards, the credit card associations could fine us or terminate their agreements with us, and we would be unable to accept credit cards as payment for our subscriptions. If we fail to maintain compliance with current service provider standards, such as the PCI DSS, or fail to meet new standards, customers may choose not to use our services. If such a failure to comply with relevant standards occurs, we may also face legal liability if we are found to not comply with applicable laws that incorporate, by reference or by adoption of substantially similar provisions, merchant or service provider standards, including the PCI DSS. Our subscriptions may also be subject to fraudulent usage, including but not limited to revenue share fraud, domestic traffic pumping, subscription fraud, premium text message scams, and other fraudulent schemes. This usage can result in, among other things, substantial bills from our vendors, for which we would be responsible, for terminating fraudulent call traffic. In addition, third parties may have attempted in the past, and may attempt in the future, to induce employees, sub-contractors, or consultants into disclosing customer credentials and other account information using social engineering and other methods, which can result in unauthorized access to customer accounts

and customer data, unauthorized use of customers' services, charges to customers for fraudulent usage and costs that we must pay to GSPs. Although we have implemented multiple fraud prevention, detection controls and personnel trainings, we cannot assure you that these controls will be adequate to protect against fraud. Substantial losses due to fraud or our inability to accept credit card payments could cause our paid customer base to significantly decrease, which would have a material adverse effect on our results of operations, financial condition, and ability to grow our business.

Failures in Internet infrastructure or interference with broadband access could cause current or potential users to believe that our systems are unreliable, possibly leading our customers to switch to our competitors or to avoid using our subscriptions.

Unlike traditional communications services, our subscriptions depend on our customers' high-speed broadband access to the Internet. Increasing numbers of users and increasing bandwidth requirements may degrade the performance of our services and applications due to capacity constraints and other Internet infrastructure limitations. As our customer base grows and their usage of our services increases, we will likely be required to make additional investments in network capacity to maintain adequate data transmission speeds, the availability of which may be limited, or the cost of which may be on terms unacceptable to us. If adequate capacity is not available to us as our customers' usage increases, our network may be unable to achieve or maintain sufficiently high reliability or performance. In addition, if Internet access service providers have outages or deteriorations in their quality of service, our customers will not have access to our subscriptions or may experience a decrease in the quality of our services. Frequent or persistent interruptions could cause current or potential users to believe that our systems or services are unreliable, leading them to switch to our competitors or to avoid our subscriptions, and could permanently harm our reputation and brands.

In addition, users who access our subscriptions and applications through mobile devices, such as smartphones and tablets, must have a high-speed connection, such as Wi-Fi®, 4G, 5G, or LTE, to use our services and applications. Currently, this access is provided by companies that have significant and increasing market power in the broadband and Internet access marketplace, including incumbent phone companies, cable companies, and wireless companies. Some of these providers offer solutions and subscriptions that directly compete with our own offerings, which can potentially give them a competitive advantage. Also, these providers could take measures that degrade, disrupt or increase the cost of user access to third-party services, including our offerings, by restricting or prohibiting the use of their infrastructure to support or facilitate third-party services or by charging increased fees to third parties or the users of third-party services, any of which would make our subscriptions less attractive to users, and reduce our revenues.

Interruptions in our services caused by undetected errors, failures, or bugs in our services and/or human error could harm our reputation, result in significant costs to us, and impair our ability to sell our subscriptions.

Our services may have errors or defects that customers identify after they begin using them that could result in unanticipated interruptions of service. Internet-based services frequently contain undetected errors and bugs when first introduced or when new versions or enhancements are released. While the substantial majority of our customers are small and medium-sized businesses, the use of our services in complicated, large-scale network environments may increase our exposure to undetected errors, failures, or bugs in our services. Further, human error in maintaining our system could also lead to unanticipated service interruptions. Although we test our services to detect and correct errors and defects before their general release, we have, from time to time, experienced significant interruptions in our services as a result of such technical and/or human errors or defects and may experience future interruptions of service if we fail to detect and correct these errors and defects. For example, in January 2025, we experienced an interruption in service due to an internal system error that impacted our customers for a limited number of hours, and we may in the future experience interruptions that impact our customers. The costs incurred in correcting such defects or errors may be substantial and could harm our results of operations. In addition, we rely on hardware purchased or leased and software licensed from third parties to offer our services.

Any defects in, or unavailability of, our or third-party software or hardware that cause interruptions of our services could, among other things:

- cause a reduction in revenues or a delay in market acceptance of our services;
- require us to pay penalties or issue credits or refunds to our customers, channel partners, strategic partners, or GSPs, or expose us to claims for damages;
- cause us to lose existing customers and make it more difficult to attract new customers;
- divert our development resources or require us to make extensive changes to our software, which would increase our expenses and slow innovation;

- increase our technical support costs;
- harm our reputation and brand; and
- result in litigation and regulatory action against the company.

Potential problems with our information systems could interfere with our business and operations.

We rely on our information systems and those of third parties for processing customer orders, distribution of our subscriptions, billing our customers, processing credit card transactions, customer relationship management, supporting financial planning and analysis, accounting functions and financial statement preparation, and otherwise running our business. Information systems may experience interruptions, including interruptions of related services from third-party providers, which may be beyond our control. Such business interruptions could cause us to fail to meet customer requirements. All information systems, both internal and external, are potentially vulnerable to damage or interruption from a variety of sources, including without limitation, computer viruses, security breaches and incidents, energy blackouts, natural disasters, terrorism, war, telecommunication failures, employee or other theft, and third-party provider failures. In addition, since telecommunications billing is inherently complex and requires highly sophisticated information systems to administer, our internally developed billing system may experience errors or we may improperly operate the system, which could result in the system incorrectly calculating the fees owed by our customers for our subscriptions or related taxes and administrative fees. Any such errors in our customer billing could harm our reputation and cause us to violate truth in billing laws and regulations. Our current internally developed billing system requires us to process an increasing number of invoices manually, which could result in billing errors. Any errors or disruption in our information systems and those of the third parties upon which we rely could have a significant impact on our business. In addition, we may implement further and enhanced information systems in the future to meet the demands resulting from our growth and to provide additional capabilities and functionality. The implementation of new systems and enhancements is frequently disruptive to the underlying business of an enterprise, and can be time-consuming and expensive, increase management responsibilities, and divert management attention.

Growth may place significant demands on our management and our infrastructure.

We continue to experience growth in our business. This growth has placed and may continue to place significant demands on our management, organizational structure, and our operational and financial infrastructure, particularly as we try to become more profitable and financially and operationally efficient. As our operations continue to scale and become more complex, we may need to increase our sales and marketing efforts and may add additional sales and marketing personnel in various regions worldwide and improve and upgrade our systems and infrastructure to attract, service, and retain an increasing number of customers. For example, we expect the volume of simultaneous calls and video conferences to increase significantly as our customer base grows. Our network hardware and software may not be able to accommodate this additional simultaneous call volume. The expansion of our systems and infrastructure could require us to commit substantial financial, operational, and technical resources in advance of an increase in the volume of business, with no assurance that the volume of business will increase. Any such additional capital investments will increase our cost base.

Continued growth could also strain our ability to maintain reliable service levels for our customers, resellers, partners, and GSPs, develop and improve our operational, financial and management controls, enhance our billing and reporting systems and procedures, and recruit, train and retain highly skilled personnel. In addition, our existing systems, processes, and controls may not prevent or detect all errors, omissions, or fraud. We may also experience difficulties in managing improvements to our systems, processes, and controls or in connection with third-party software licensed to help us with such improvements. Any future growth, particularly further international expansion and our transition to a multi-product company, could add complexity to our organization, require effective communication and coordination throughout our organization, and result in additional costs. To manage any future growth effectively, we must continue to improve and expand our information technology and financial, operating, security and administrative systems and controls, and our business continuity and disaster recovery plans and processes. Additionally, our productivity and the quality of our solutions and services may be adversely affected if we do not integrate and train our new employees quickly and effectively. If we fail to achieve the necessary level of efficiency in our organization as we grow, our business, results of operations and financial condition could be materially and adversely affected.

Support for smartphones and tablets are an integral part of our solutions. If we are unable to develop robust mobile applications that operate on the mobile platforms that our customers use, our business and results of operations could be materially and adversely affected.

Our solutions allow our customers to use and manage our cloud-based business communications solution on smart devices. As new smart devices and operating systems are released, we may encounter difficulties supporting these devices and services. We also need to devote significant resources to the creation, support, and maintenance of our mobile applications. In

addition, if we experience difficulties in the future integrating our mobile applications into smart devices or if problems arise with our relationships with providers of mobile operating systems, such as those of Apple Inc. or Alphabet Inc., our future growth and our results of operations could suffer.

Third-party application stores may also impose new requirements, including, for example, updates to their terms of access or policies on how we or our channel partners must collect, use and share data. Compliance with any such requirements could be costly or burdensome, and could prevent us from timely updating our current solutions or uploading new solutions. If we fail to comply with these requirements, we could lose access to, or be required to remove our mobile applications from, third-party application stores.

The occurrence of a catastrophic disaster could damage our facilities or the facilities of our contractors, which could cause us to curtail our operations.

Our corporate headquarters and other offices and many of our data centers, co-location and research and development facilities, and third-party customer service call centers are located in the U.S. (including in the state of California), Spain, Georgia, Bulgaria, and several countries in Asia, including China, the Philippines, India, and Australia. Many of these locations are near known earthquake fault zones, which are vulnerable to damage from earthquakes and tsunamis, or are in areas subject to hurricanes and typhoons. We and our contractors are also vulnerable to other types of disasters, such as power loss, fire, floods, pandemics, cyber-attack, war (including ongoing geopolitical tensions related to the ongoing conflicts in the Middle East), political unrest, and terrorist attacks and similar events that are beyond our control. If any disasters or geopolitical conflicts were to occur or worsen, our ability to operate our business could be seriously impaired, and we may endure system interruptions, reputational harm, loss of intellectual property, delays in our subscriptions development, lengthy interruptions in our services, breaches of data security, and loss of critical data, all of which could harm our future results of operations. In addition, we do not carry earthquake insurance and we may not have adequate insurance to cover our losses resulting from other disasters or other similar significant business interruptions. Any significant losses that are not recoverable under our insurance policies could seriously impair our business and financial condition.

Risks Related to Our Reliance on Third Parties

We rely on third parties, including third parties in countries outside the U.S., for a significant portion of our software development and design, quality assurance, operations, and customer support.

We currently depend on various third parties for some of our software development efforts, quality assurance, operations, and customer support services, including third parties in countries outside the U.S. Specifically, we have outsourced a significant portion of our software development and design, quality assurance, and operations activities to third-party contractors that have employees and consultants principally in Tbilisi, Georgia.

In addition, we outsource a significant portion of our customer support, inside sales, network operation control functions, and general and administrative activities to third-party contractors located in Manila, the Philippines. For example, we offer customer support from third-party contractors located in the Philippines through both our online account management website and our toll-free customer support number in multiple languages. The ability to support our customers may be disrupted by natural disasters, inclement weather conditions, civil and political unrest, strikes, and other adverse events in the Philippines.

Furthermore, as we continue to expand our operations internationally, we may need to make further significant expenditures and investments in our customer service and support to adequately address the complex needs of international customers, such as support in additional foreign languages. We also use third parties to deliver onsite professional services to our customers in deploying our solutions. If these vendors do not deliver timely and high-quality services to our customers, our reputation could be damaged, and we could lose customers. In addition, third-party professional services vendors may not be available when needed, which would adversely impact our ability to deliver on our customer commitments. Our dependence on third-party contractors, including those in countries outside the U.S., creates a number of risks, in particular, the risk that we may not maintain service quality, control, or effective management with respect to these business operations.

We also rely on purchased or leased hardware and software licensed from third parties, in particular, NICE and Zoom, in order to offer our subscriptions, and in some cases, we integrate third-party licensed software components into our platform. Any errors or defects in third-party hardware or software could result in errors or a failure of our subscriptions which could harm our business.

We anticipate that we will continue to depend on our third-party relationships in order to grow our business for the foreseeable future. If we are unsuccessful in maintaining existing and, if needed, establishing new relationships with third parties, our ability to efficiently operate existing services or develop new services and provide adequate customer support could be impaired, and, as a result, our competitive position or our results of operations could suffer.

To deliver our subscriptions, we rely on third parties for our network connectivity and for certain of the features in our subscriptions.

We currently use the infrastructure of third-party network service providers, including Inteliquent, Inc., Lumen Technologies, Inc. and Bandwidth.com, Inc. in North America and several others internationally, to deliver our subscriptions over their networks. Our third-party network service providers provide access to their Internet protocol (“IP”) networks and public switched telephone networks, and provide call termination and origination services, including 911 emergency calling in the U.S. and equivalent services internationally, and local number portability for our customers. We expect that we will continue to rely heavily on third-party network service providers to provide these subscriptions for the foreseeable future.

If any of these network service providers stop providing us with access to their infrastructure, fail to provide these services to us on a cost-effective basis or at reasonable levels of quality and security, cease operations, or otherwise terminate these services, the delay caused by qualifying and switching to another third-party network service provider, if one is available, could have a material adverse effect on our business and results of operations.

Finally, if problems occur with any of these third-party network service providers, it may cause outages, errors or poor call quality in our subscriptions, and we could encounter difficulty identifying the source of the problem. The occurrence of outages, errors or poor call quality in our subscriptions, whether caused by our systems or a third-party network or service provider, may result in the loss of our existing customers, delay or loss of market acceptance of our subscriptions, termination of our relationships and agreements with our channel partners, strategic partners, or GSPs, or liability for failure to meet service level agreements which may require us to issue service credits or pay damages, and may seriously harm our business and results of operations.

We rely on third-party software that may be difficult to replace or which could cause errors or failures of our subscriptions.

We rely on software licensed from certain third parties in order to offer our solutions. In some cases, we integrate third-party licensed software components into our platform. This software may not continue to be available at reasonable prices or on commercially reasonable terms, or at all. Any loss of the right to use any of this software could significantly increase our expenses and otherwise result in delays in the provisioning of our solutions until equivalent technology is either developed by us, or, if available, is identified, obtained, and integrated. Any errors or defects in third-party software could result in errors or a failure of our solutions, which could harm our business.

We rely on third parties to fulfill various aspects of our E-911 service. If these third parties do not provide our customers with reliable, high-quality service, our reputation will be harmed, and we may lose customers.

We contract with third parties to provide emergency services calls in the U.S., Canada, the U.K., and other jurisdictions in which we provide access to emergency services dialing, including assistance in routing emergency calls and terminating emergency services calls. Our domestic providers operate a national call center that is available 24 hours a day, seven days a week, to receive certain emergency calls and maintain PSAP databases for the purpose of deploying and operating E-911 services. We rely on providers for similar functions in other jurisdictions in which we provide access to emergency services dialing. On mobile devices, we rely on the underlying cellular or wireless carrier to provide emergency services dialing. Interruptions in service from our vendors could cause failures in our customers’ access to E-911/999/112 services and expose us to liability and damage our reputation.

If these third parties do not provide reliable, high-quality service, or the service is not provided in compliance with regulatory requirements, our reputation and our business will be harmed. In addition, industry consolidation among providers of services to us may impact our ability to obtain these services or increase our costs for these services.

We currently depend on a limited number of phone device suppliers and fulfillment agents to configure and deliver the phones that we sell.

We rely on a limited number of suppliers to provide phones that we offer for sale to our customers that use our services, and we rely on a limited number of fulfillment agents to configure and deliver the phones that we sell to our customers. Accordingly, we could be adversely affected if such third parties fail to maintain competitive phones or

configuration services or fail to continue to make them available on attractive terms, or at all. Further, our vendor-supplied phones have lead times of up to several months for delivery to our fulfillment agents and are built to forecasts that may be imprecise. We may, from time to time, have either excess or insufficient product inventory.

If our fulfillment agents are unable to deliver phones of acceptable quality, or if there is a reduction or interruption in their ability to deliver the phones in a timely manner including due to the end of life of any particular unit, our ability to bring services to market, the reliability of our services and our relationships with customers or our overall reputation in the marketplace could suffer, which could cause us to lose revenue. We expect that it could take several months to effectively transition to new third-party manufacturers or fulfillment agents.

In addition, hard phones must interoperate with our back-end servers and systems, which contain complex specifications and utilize multiple protocol standards and software applications. If any of our suppliers changes the operation of their phones or implements new or updated firmware releases for their phones, we will be required to undertake development and testing efforts to ensure that the new phones interoperate with our system. If our vendor-supplied phones do not interoperate effectively with our system, our customers' ability to use our subscriptions could be delayed or orders for our subscriptions could be canceled, which would harm our business, financial condition, and results of operations.

Risks Related to Regulatory Matters

Our subscriptions are subject to regulation, and future legislative or regulatory actions could adversely affect our business and expose us to liability in the U.S. and internationally.

Federal Regulation

RingCentral's voice products are regulated by the Federal Communications Commission ("FCC") as interconnected VoIP services, and RingCentral provides other communications services, such as videoconferencing and fax, that may also be subject to FCC regulation. As a communications service provider, we are subject to existing or potential FCC regulations relating to privacy and data protection, disability access, porting of numbers, cooperation with law enforcement, emergency dialing, wiretapping, outage reporting, call authentication, anti-fraud measures, robocalling and robotexting and junk faxes, Federal Universal Service Fund ("USF") contributions, and other requirements and regulations. The FCC reclassification of our interconnected VoIP services as Telecommunications Services could result in additional federal and state regulatory obligations. If we do not comply with FCC rules and regulations, we could be subject to enforcement actions, fines, loss of authorizations, and possibly restrictions on our ability to provide our services. Any enforcement action by the FCC, which may be a public process, could result in significant fines, hurt our reputation in the industry, and/or have a material adverse impact on our revenues. In some cases, actions by our customers, vendors or agents could result in liability for RingCentral under federal and/or state laws or regulations, either through enforcement by regulatory agencies, state attorneys general, or through private actions. Some of our practices have been and may in the future be challenged under electronic communications privacy laws, such as when we process customer information in connection with providing our services, including AI-powered services, and subject us to litigation (including class-action claims).

State Regulation

State regulation of our interconnected VoIP services is generally preempted by the FCC. RingCentral's interconnected VoIP services are considered to be nomadic, because they can be used from any broadband connection. However, a number of states, including California, require us to register as a VoIP provider, contribute to state USF, assess and remit state and local telecom fees, and pay other surcharges and annual fees that fund various state programs. Where permitted, we may pass these fees and surcharges onto our customers, which may result in our subscriptions becoming more expensive or require us to absorb these costs. Additionally, we may be subject to state laws and regulations relating to privacy and data protection, disability access, emergency dialing, wiretapping, outage reporting, and other requirements and regulations. Failure to comply with any current or future state regulations that apply to our business could result in substantial fines and penalties and could harm our business.

International Regulation

RingCentral provides communications services in over forty countries. We are subject to foreign laws and regulations relating to communications, digital services, call authentication, wiretapping, metering and billing, consumer protection, data protection, security, AI, emergency calling, anti-fraud measures, and other requirements. Any foreign regulations could impose

substantial compliance costs on us, restrict our ability to compete, and impact our ability to provide service in certain markets. Some jurisdictions restrict the resale of certain communications services, which may impact our go-to-market strategy and affect our revenues. Failure to comply with any current or future foreign laws or regulations that apply to our business, could result in substantial fines and penalties, cause us to have to restructure our product offerings, exit certain markets, or raise the price of our products, and could harm our business.

We process, store, and use personal information and other data, which subjects us and our customers to a variety of evolving international statutes, governmental regulation, industry standards and self-regulatory schemes, contractual obligations, and other legal obligations related to privacy and data protection, which may increase our costs, decrease adoption and use of our solutions and subscriptions, and expose us to liability.

In the course of providing our services, RingCentral collects, stores, transmits, and discloses (collectively, “processes”) many types of personal data, including sensitive personal data. RingCentral’s processing of personal data is subject to a myriad of obligations and restrictions flowing from laws, regulations, industry standards, and contracts.

Data protection laws in the U.S. and abroad give consumers and businesses rights to control the processing of personal data, including the right to opt-out of the sale, sharing, or certain uses of their data and to which countries their data may be transferred. In the U.S., we could be subject to enforcement actions if the FTC or state attorneys general have reason to believe we have engaged in unfair or deceptive privacy or data security practices. Sector specific laws applicable to personal health data, including HIPAA, personal data processed on behalf of financial institutions, data about minors, and personal data processed in the course of providing communications services impose compliance costs and create regulatory risks. Omnibus privacy laws applicable abroad and in an increasing number of U.S. states may apply to RingCentral’s processing in those jurisdictions. In addition, many data protection laws outside the United States prohibit or impose burdens on the transfer of personal data to countries, including the U.S., that have been deemed not to provide adequate privacy protections. Our obligations under these laws and regulations may be unclear, compliance can be costly, and penalties for non-compliance can be substantial. Furthermore, if third parties we work with, such as vendors or developers, make misrepresentations, violate applicable laws and regulations or our policies, such misrepresentations and violations have in the past and may in the future also put our users’ data at risk and could in turn have an adverse effect on our business. Increasingly, jurisdictions in which RingCentral does business are regulating digital services and emerging technologies such as AI in ways that go beyond traditional privacy and data protection legislation. The impact of this regulatory activity on the overall industry, business models and our operations are uncertain and could result in changed or new operational and administrative costs that could have an adverse effect on our business, financial condition, and results of operations.

If we experience or suspect a data security incident, we may incur significant costs associated with investigation, mitigation, remediation, and customer notifications. We may be unable to maintain complete control over data security, e.g., our customers may accidentally disclose their passwords. Additionally, if our third-party contractors experience a data security incident, or violate applicable laws or our policies, such incidents or violations may also put our customers’ information at risk, create the perception that our systems are not secure, and in turn have a material and adverse effect on our business.

Regulation of personal information is evolving, and new laws could further impact how we handle personal information and/or could require us to incur additional compliance costs, either or both of which could have an adverse impact on our operations. The scope and status of these obligations and restrictions is uncertain, changing, subject to differing interpretations, and may be inconsistent from jurisdiction to jurisdiction. As implementation and enforcement of these existing and new laws and regulations progress, we could experience additional costs associated with increased compliance burdens and contractual obligations, be required to localize certain personal data, and/or be at risk for increased regulatory fines or damages. Failure by us, our vendors, or our agents to comply with obligations and restrictions related to data privacy, data protection, and security in any jurisdiction in which we operate has in the past and may in the future subject us to lawsuits, including class action suits, and could subject us to regulatory investigations, substantial fines, sanctions, civil and criminal penalties, damages (including statutory damages), consent decrees, injunctions, adverse publicity, reputational damage, and other losses. For example, plaintiffs have become increasingly more active in bringing privacy-related and AI claims and class claims against companies, including us. Some of these claims allow for the recovery of statutory damages on a per violation basis, and, if viable, carry the potential for monumental statutory damages, depending on the volume of data and the number of violations. Further, our actual compliance, our customers’ perception of our compliance, costs of compliance with such regulations, and obligations and customer concerns regarding their own compliance obligations (whether factual or in error) may limit the use and adoption of our subscriptions and reduce overall demand. Even the perception of privacy-related concerns, whether or not valid, may inhibit market adoption of our subscriptions in certain industries.

Risks Related to Intellectual Property

Accusations of infringement of third-party intellectual property rights could materially and adversely affect our business.

There has been substantial litigation in the areas in which we operate regarding intellectual property rights. We have in the past received, and may in the future receive, notices of claims of infringement, misappropriation or misuse of other parties' proprietary rights. Accusations and lawsuits like these, whether against us or our customers, resellers, GSPs, strategic partners, or others, may require significant time and expense to defend, may negatively affect customer relationships, may divert management's attention away from other aspects of our operations and, upon resolution, may have a material adverse effect on our business, results of operations, financial condition, and cash flows. We have agreed and will continue to agree to indemnify others for expenses and liability resulting from claimed intellectual property infringement by our solutions. In the past, we have settled infringement and misappropriation litigation brought against us; however, we cannot assure you that we will be able to settle any future claims or, if we are able to settle any such claims, that the settlement will be on terms favorable to us. Our broad range of technology may increase the likelihood that third parties will claim that we or those we indemnify, infringe third party intellectual property rights. If we, or any of our solutions, were found to be infringing on the intellectual property rights of any third party, we could be subject to liability for such infringement, which could be material. We could also be prohibited from using or selling certain subscriptions, prohibited from using certain processes, required to pay license fees for the technology, or required to redesign certain subscriptions, each of which could have a material adverse effect on our business and results of operations.

Certain technology necessary for us to provide our subscriptions may be protected by the intellectual property rights of others either now or in the future and we would have to negotiate a license for the use of that technology. We may not be able to negotiate such a license at a price that is acceptable to us or at all.

Our inability to obtain licenses to third party technology may:

- result in the loss of a substantial number of existing customers or prohibit the acquisition of new customers;
- cause us to pay license fees for intellectual property we are deemed to have infringed;
- cause us to incur costs and devote valuable technical resources to redesigning our subscriptions;
- cause our cost of revenues to increase;
- cause us to manage or defend legal disputes, including litigation which may result in incremental cost, liabilities, reputational damage and distraction to our management team;
- cause us to accelerate expenditures to preserve existing revenues;
- cause existing or new vendors to require pre-payments or letters of credit;
- materially and adversely affect our brand in the marketplace and cause a substantial loss of goodwill;
- cause us to change our business methods or subscriptions;
- cause us to remove, cease to offer, and/or modify certain features and functions from our products;
- require us to cease certain business operations or offering certain subscriptions or features; and
- lead to our bankruptcy or liquidation.

Our limited ability to protect our intellectual property rights could materially and adversely affect our business.

We rely, in part, on patent, trademark, copyright, and trade secret law to protect our intellectual property in the U.S. and abroad. We typically enter into confidentiality agreements with our employees, consultants, third-party contractors, customers, and vendors in an effort to control access to, use of, and distribution of our technology, software, documentation, and other information. These agreements may not effectively prevent unauthorized use or disclosure of confidential information and may not provide an adequate remedy in the event of such unauthorized use or disclosure, and it may be possible for a third party to legally reverse engineer, copy, or otherwise obtain and use our technology without authorization. In addition, improper disclosure of trade secret information by our current or former employees, consultants, third-party contractors, customers, or vendors to the public or others who could make use of the trade secret information would likely preclude that information from being protected as a trade secret.

We also rely, in part, on patent law to protect our intellectual property in the U.S. and internationally. As of June 30, 2025, our intellectual property portfolio included 490 issued patents, including patents acquired from strategic partnership

transactions, which expire between 2025 and 2043. As of June 30, 2025, we also had 82 patent applications pending examination in the U.S. and 27 patent applications pending examination in foreign jurisdictions, all of which are related to U.S. applications. We cannot predict whether such pending patent applications will result in issued patents or whether any issued patents will effectively protect our intellectual property. Even if a pending patent application results in an issued patent, the patent may be invalidated or may be circumvented by others. Further, we have in the past and may in the future “prune” our patent portfolio by not continuing to renew some of our patents in some jurisdictions or may decide to divest some of our patents.

The unlicensed use of our brand, including through the registration of domain names, by third parties could harm our reputation, cause confusion among our customers and impair our ability to market our solutions and subscriptions. We have registered numerous trademarks and service marks and have applied for registration of additional trademarks and service marks and have acquired a large number of domain names in and outside the U.S. to establish and protect our brand names as part of our intellectual property strategy. If our applications receive objections or are successfully opposed by third parties, it will be difficult for us to prevent third parties from using our brand without our permission. Moreover, successful opposition to our applications might encourage third parties to make additional oppositions or commence trademark infringement proceedings against us, which could be costly and time consuming to defend against. If we are not successful in protecting our trademarks, our trademark rights may be diluted and subject to challenge or invalidation, which could materially and adversely affect our brand.

Despite our efforts to implement our intellectual property strategy, we may not be able to protect or enforce our proprietary rights in the U.S. or internationally (where effective intellectual property protection may be unavailable or limited). Also, our competitors may independently develop technologies that are similar or superior to our technology, duplicate our technology in a manner that does not infringe our intellectual property rights or design around any of our patents. Furthermore, detecting and policing unauthorized use of our intellectual property is difficult and resource-intensive. Moreover, litigation may be necessary in the future to enforce our intellectual property rights, to determine the validity and scope of the proprietary rights of others, or to defend against claims of infringement or invalidity. Such litigation, whether successful or not, could result in substantial costs and diversion of management time and resources and could have a material adverse effect on our business, financial condition, and results of operations.

Our use of open source technology could impose limitations on our ability to commercialize our subscriptions.

We use open source software in our platform on which we deliver our services. While we use tools designed to help us monitor and comply with the licenses of third-party open source software and protect our valuable proprietary source code, we may inadvertently use third-party open source software. There is a risk that the owners of the copyrights in such software may claim that such licenses impose unanticipated conditions or restrictions on our ability to provide our services. If such owners prevail in such claim, we could be required to make the source code for our proprietary software (which contains our valuable trade secrets) generally available to third parties, including competitors, at no cost, to seek licenses from third parties in order to continue offering our subscriptions, to re-engineer our technology, or to discontinue offering our subscriptions in the event re-engineering cannot be accomplished on a timely basis or at all, any of which could cause us to discontinue offering our products, harm our reputation, result in customer losses or claims, increase our costs, or otherwise materially and adversely affect our business and results of operations.

Risks Related to Our Indebtedness

We may require additional capital or need to restructure our existing debt to pursue our business objectives and to respond to business opportunities, challenges or unforeseen circumstances. If capital is not available to us, our business, results of operations, and financial condition may be adversely affected.

We intend to continue to make expenditures and investments to support the growth of our business and may require additional capital to pursue our business objectives and respond to business opportunities, challenges, or unforeseen circumstances. Accordingly, we may need to engage in equity or debt financing activities to secure additional funds or restructure our existing debt. However, additional funds may not be available or we may not be able to restructure our existing debt when we need to on terms that are acceptable to us, or at all. Volatility in equity capital markets may materially and adversely affect our ability to fund our business through public or private sales of equity securities or debt restructuring. Fluctuating interest rates and/or instability in the banking and finance industries may reduce our access to debt capital. Our current debt agreements do contain and any future debt financing that we secure in the future may include restrictive covenants, which may make it more difficult for us to obtain additional capital and to pursue business opportunities. In addition, the restrictive covenants in the Credit Agreement, Senior Notes Indenture and any additional credit facilities or debt agreements we

may secure in the future may restrict us from being able to conduct our operations in a manner appropriate for our business and may restrict our growth, which could have an adverse effect on our business, financial condition, or results of operations.

We cannot assure you that we will be able to comply with any such restrictive covenants. In the event that we are unable to comply with these covenants in the future, we would seek an amendment or waiver of the covenants. We cannot assure you that any such waiver or amendment would be granted. In such event, we may be required to repay any or all of our existing borrowings, and we cannot assure you that we will be able to borrow under our existing credit agreements, or obtain alternative funding arrangements on commercially reasonable terms, or at all.

In addition, volatility in the credit markets may have an adverse effect on our ability to obtain debt financing. The conversion of our outstanding convertible notes and any future issuances of other equity or any future issuances of equity or convertible debt securities could result in significant dilution to our existing stockholders, and any new equity or convertible debt securities we issue could have rights, preferences, and privileges superior to those of holders of our Class A Common Stock. If we are unable to obtain adequate financing or financing on terms satisfactory to us, when we require it, our ability to continue to pursue our business objectives and to respond to business opportunities, challenges, or unforeseen circumstances could be significantly limited, and our business, results of operations, financial condition and prospects could be materially and adversely affected.

Servicing our debt, including the Notes and the Credit Agreement, may require a significant amount of cash, and we may not have sufficient cash flow from our business or the ability to raise the funds necessary to settle conversions of the 2026 Convertible Notes in cash, repurchases of the Notes as required following a fundamental change or change of control, as applicable, or to repay all of our indebtedness at maturity.

As of June 30, 2025, we had \$609.1 million principal amount of our 0% convertible senior notes due 2026 (the “2026 Convertible Notes”) outstanding and \$350.0 million principal amount of our 8.500% senior notes due 2030 (the “2030 Senior Notes” and, together with the 2026 Convertible Notes, the “Notes”) outstanding. As of June 30, 2025, we had no amounts outstanding under our Revolving Credit Facility and \$310.0 million principal outstanding under our Term Loan. Subject to certain conditions, we may borrow additional amounts under the Credit Agreement, as amended, including up to \$225.0 million under our existing Revolving Credit Facility, and up to \$350.0 million of Term Loan commitments available for draw until March 31, 2026.

The 2026 Convertible Notes contain a conversion feature that allows holders to convert their 2026 Convertible Notes into shares of our Class A Common Stock as set forth in the indenture governing our 2026 Convertible Notes (the “2026 Convertible Notes Indenture”). In the event the conditional conversion feature of the 2026 Convertible Notes is triggered, holders of the 2026 Convertible Notes will be entitled under the 2026 Convertible Notes Indenture to convert such 2026 Convertible Notes at any time during specified periods at their option. If one or more holders elect to convert their 2026 Convertible Notes, we would be required to settle a portion or all of our conversion obligation in cash, which could adversely affect our liquidity.

In addition, holders of the Notes will have the right to require us to repurchase all or a portion of such Notes upon the occurrence of a fundamental change or change of control, as applicable, before the applicable maturity date at a repurchase price as set forth in the indenture governing the 2030 Senior Notes (the “Senior Notes Indenture”) or the 2026 Convertible Notes Indenture, as applicable, plus any accrued and unpaid interest or special interest thereon, if any, as set forth in the applicable Notes Indenture. In addition, upon conversion of the 2026 Convertible Notes, we will be required to make cash payments in respect of such 2026 Convertible Notes being converted, as set forth in the 2026 Convertible Notes Indenture. Moreover, we will be required to repay the Notes of the applicable series in cash at their respective maturity unless earlier converted, redeemed or repurchased, as applicable. However, even though we entered into the Credit Agreement, we cannot assure you that we will have enough available cash on hand or be able to obtain financing at the time we are required to make repurchases of such Notes surrendered therefor or pay cash with respect to (i) such 2026 Convertible Notes being converted or (ii) such series of Notes at their respective maturity.

Our ability to make required cash payments in connection with conversions of the 2026 Convertible Notes, repurchases of the Notes as required following a fundamental change or change of control, as applicable, to make scheduled payments of the principal of, to pay interest on or to refinance our indebtedness, including the Notes and any amounts borrowed under the Credit Agreement, depends on our future performance, which is subject to economic, financial, competitive, and other factors beyond our control. Our business may not generate cash flow from operations in the future sufficient to service our debt and make necessary capital expenditures. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as selling assets, restructuring debt, or obtaining additional debt financing or equity capital on terms that may be onerous or highly dilutive. Our ability to refinance any future indebtedness will depend on the capital markets and our

financial condition at such time. We may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on our debt obligations. Additionally, if expectations around our ability to effectively manage and repay our debt obligations are not met in future periods, our financial performance will be harmed and our stock price could be volatile or decline. The Credit Agreement and the Senior Notes Indenture also contain, and any of our future debt agreements may also contain, restrictive covenants that may prohibit us from adopting some or any of these alternatives. For example, the Senior Notes Indenture contains restrictive covenants that may limit our ability, and the ability of our subsidiary guarantors, to, among other things, create liens on certain assets to secure debt, grant a subsidiary guarantee of certain debt without also providing a guarantee of the 2030 Senior Notes, and consolidate or merge with or into, or sell or otherwise dispose of all or substantially all of our assets to, another person, and the Credit Agreement contains negative covenants that restrict our and our subsidiaries' ability to incur indebtedness, create liens, make investments, dispose of assets and make certain restricted payments. Our failure to comply with these covenants could result in an event of default under our indebtedness which, if not cured or waived, could result in the acceleration of our debt and termination of the commitments under the Credit Agreement.

In addition, our indebtedness, combined with our other financial obligations and contractual commitments, could have other important consequences. For example, it could:

- require a portion of our cash flows to be dedicated to debt service payments instead of other purposes, thereby reducing the amount of cash flows available to fund acquisitions, for working capital and capital expenditures, and for other general corporate purposes;
- make us more vulnerable to adverse changes in general U.S. and worldwide economic, industry, and competitive conditions and adverse changes in government regulations;
- limit our flexibility in planning for, or reacting to, changes in our business and industry;
- place us at a disadvantage compared to our competitors who have less debt;
- limit our ability to obtain additional financing to fund acquisitions, for working capital and capital expenditures, and for other general corporate purposes;
- make an acquisition of our company less attractive or more difficult; and
- limit our ability to repurchase capital stock or manage shareholder dilution.

Any of these factors could harm our business, results of operations, and financial condition. In addition, if we incur additional indebtedness, the risks related to our business and our ability to service or repay our indebtedness would increase.

Our Credit Agreement imposes operating and financial restrictions on us.

On February 14, 2023, we entered into a Credit Agreement among us, the lenders from time to time party thereto and Bank of America, N.A., as administrative agent and as collateral agent (as amended, the "Credit Agreement"). As of June 30, 2025, we had no amounts outstanding under our Revolving Credit Facility, \$310.0 million principal outstanding under our Term Loan, and \$350.0 million of Term Loan Commitments available for draw until March 31, 2026. Any drawdown under the Credit Agreement is subject to compliance with the restrictive covenants contained in the Senior Notes Indenture.

Our Credit Agreement contains covenants that limit our ability and the ability of certain of our subsidiaries to:

- incur and guarantee additional debt;
- incur liens;
- make acquisitions and other investments;
- dispose of assets;
- pay dividends and make other distributions in respect of, or redeem or repurchase, capital stock;
- prepay, redeem or repurchase certain subordinated debt;
- enter into transactions with affiliates;
- with respect to such subsidiaries, enter into agreements restricting their ability to pay dividends or make other distributions; and
- consolidate, merge or sell all or substantially all of our or such subsidiaries' assets.

Further, the Credit Agreement contains financial covenants that require compliance with a maximum total net leverage ratio and minimum interest coverage ratio, in each case tested at the end of each fiscal quarter. These covenants may adversely affect our ability to finance our operations, meet or otherwise address our capital needs, pursue business opportunities or react to market conditions, or otherwise restrict our activities or business plans. In addition, our obligations to repay principal and interest on our indebtedness could make us vulnerable to economic or market downturns.

A breach of any of these covenants could result in an event of default under the Credit Agreement. As of June 30, 2025, we were in compliance with all covenants under the Credit Agreement; however, if an event of default occurs, the lenders may elect to terminate their commitments and accelerate our obligations under the Credit Agreement. Any such acceleration could result in an event of default under the Notes. We might not be able to repay our debt or borrow sufficient funds to refinance it on terms that are acceptable to us or at all. Refer to Note 5 – *Long-Term Debt* in the accompanying notes to the Condensed Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q for additional information.

Risks Related to Our Class A Common Stock and Our Charter Provisions

The market price of our Class A Common Stock is likely to be volatile and could decline.

The stock market in general, and the market for SaaS and other technology-related stocks in particular, has been highly volatile. As a result, the market price and trading volume for our Class A Common Stock has been and may continue to be highly volatile, and investors in our Class A Common Stock may experience a decrease in the value of their shares, including decreases unrelated to our operating performance or prospects. Factors that could cause the market price of our Class A Common Stock to fluctuate significantly include:

- our operating and financial performance and prospects and the performance of other similar companies including our strategic partners and GSPs;
- our quarterly or annual earnings or those of other companies in our industry;
- conditions that impact demand for our subscriptions;
- the public's reaction to our press releases, financial guidance, and other public announcements, and filings with the SEC;
- changes in earnings estimates or recommendations by securities or research analysts who track our Class A Common Stock;
- actual or perceived security breaches, or other privacy or cybersecurity incidents;
- market and industry perception of our success, or lack thereof, in pursuing our growth strategy;
- strategic actions by us or our competitors, such as acquisitions or restructurings;
- changes in government and other regulations;
- arrival and departure of key personnel;
- sales of common stock by us, our investors, or members of our management team;
- repurchases of Class A Common Stock by the Company; and
- changes in general market, economic, and political conditions in the U.S. and global economies or financial markets.

Any of these factors may result in large and sudden changes in the trading volume and market price of our Class A Common Stock and may prevent investors from being able to sell their shares at or above the price they paid for their shares of our Class A Common Stock. Following periods of volatility in the market price of a company's securities, stockholders often file securities class-action lawsuits against such company. Our involvement in a class-action lawsuit could divert our senior management's attention and, if adversely determined, could have a material and adverse effect on our business, reputation, financial condition, and results of operations.

For as long as the dual class structure of our common stock as contained in our charter documents is in effect, voting control will be concentrated with a limited number of stockholders that held our stock prior to our initial public offering, including primarily our founders and their affiliates, and limiting other stockholders' ability to influence corporate matters.

Our Class B Common Stock, par value \$0.0001 per share (“Class B Common Stock” and, together with our Class A Common Stock, our “common stock”), has 10 votes per share, and our Class A Common Stock has one vote per share. Additionally, our Series A Convertible Preferred Stock has voting power measured on an as-converted to Class A Common Stock basis. As of June 30, 2025, stockholders who hold shares of Class B Common Stock, including our founders and certain executive officers, and their affiliates, together hold approximately 54% of the voting power of our outstanding capital stock, and our founders, including our Chairman and Chief Executive Officer, together hold a majority of such voting power. As a result, for as long as the dual class structure remains in place, a small number of stockholders who acquired their shares prior to the completion of our initial public offering will continue to have significant influence over the management and affairs of our company and over the outcome of many matters submitted to our stockholders for approval, including the election of directors and significant corporate transactions, such as a merger, consolidation or sale of substantially all of our assets.

In addition, because of the ten-to-one voting ratio between our Class B Common Stock and Class A Common Stock, the holders of Class B Common Stock collectively will continue to control many matters submitted to our stockholders for approval even if their stock holdings represent less than 50% of the outstanding shares of our capital stock. This concentrated control will limit your ability to influence corporate matters for the foreseeable future, and, as a result, the market price of our Class A Common Stock could be adversely affected.

Future transfers by holders of Class B Common Stock will generally result in those shares converting to Class A Common Stock, which may have the effect, over time, of increasing the relative voting power of those holders of Class B Common Stock who retain their shares in the long term. If, for example, Mr. Shmunis retains a significant portion of his holdings of Class B Common Stock for an extended period of time, he could, in the future, control a majority of the combined voting power of our capital stock. As a board member, Mr. Shmunis owes fiduciary duties to our stockholders and must act in good faith in a manner he reasonably believes to be in the best interests of our stockholders. As a stockholder, Mr. Shmunis is generally entitled to vote his shares in his own interests, which may not always be in the interests of our stockholders generally.

We have never paid cash dividends and do not anticipate paying any cash dividends on our common stock.

We currently do not plan to declare dividends on shares of our common stock in the foreseeable future and plan to, instead, retain any earnings to finance our operations and growth. In addition, the Revolving Credit Facility contains restrictive covenants that limit our ability to pay dividends. Because we have never paid cash dividends and do not anticipate paying any cash dividends on our common stock in the foreseeable future, the only opportunity to achieve a return on an investor’s investment in our company will be if the market price of our Class A Common Stock appreciates and the investor sells its shares at a profit. There is no guarantee that the price of our Class A Common Stock that will prevail in the market will ever exceed the price that an investor pays.

The holders of Series A Convertible Preferred Stock are generally entitled to vote with the holders of our Class A Common Stock, which reduces the relative voting power of holders of our Class A Common Stock, and the holders of Series A Convertible Preferred Stock have certain separate consent rights.

The holders of our Series A Convertible Preferred Stock are generally entitled to vote with the holders of our Class A Common Stock on an as-converted basis, which reduces the relative voting power of the holders of our Class A Common Stock. However, the approval of the holders of at least a majority of the outstanding shares of Series A Convertible Preferred Stock (voting together as a separate class) is required in order for us to take certain actions, including certain actions that, among other things, would have an adverse effect, in any material respect, on the rights, preferences, privileges or voting power of the Series A Convertible Preferred Stock or the holders thereof. As a result, the holders of Series A Convertible Preferred Stock may in the future have the ability to influence the outcome of certain matters affecting our governance and capitalization.

Our Series A Convertible Preferred Stock has certain rights that are preferential to the rights of our common stock, which could adversely affect our liquidity and financial condition.

The holders of our Series A Convertible Preferred Stock have the right to receive dividends and distributions of assets on any liquidation, dissolution or winding up of our business before any payment may be made to holders of our common stock. In addition, upon the occurrence of certain change of control events, all shares of Series A Convertible Preferred Stock will automatically be redeemed by us for a price equal to \$1,000 per share. These dividend and redemption obligations could impact our liquidity and reduce the amount of cash flows available for working capital, capital expenditures, growth opportunities, acquisitions, and other general corporate purposes. Our obligations to the holders of our Series A Convertible Preferred Stock could also limit our ability to obtain additional financing, which could have an adverse effect on our financial condition. The preferential rights could also result in divergent interests between the holders of our Series A Convertible Preferred Stock and holders of our common stock.

We cannot guarantee that our stock repurchase programs will be fully implemented or that they will enhance long-term stockholder value.

Our board of directors has authorized a share repurchase program. We plan to fund repurchases under this program from our future cash flow generation, as well as from additional potential sources of cash. Under this program, share repurchases may be made at our discretion from time to time in open market transactions, privately negotiated transactions, or other means. This program does not obligate us to repurchase any specific dollar amount or to acquire any specific number of shares of our Class A Common Stock. During the six months ended June 30, 2025, we repurchased approximately \$82.1 million of our Class A Common Stock under this program. The timing and number of any future shares repurchased under this program will be determined by our management and will depend on a variety of factors, including stock price, trading volume, and general business and market conditions. Our board of directors will review this program periodically and may authorize adjustments of its terms, if appropriate. As a result, there can be no guarantee around the timing or volume of our share repurchases. This program could affect the price of our Class A Common Stock, increase volatility and diminish our cash reserves. This program may be suspended or terminated at any time and, even if fully implemented, may not enhance long-term stockholder value. Refer to Part II, Item 2 of this Quarterly Report on Form 10-Q for additional information.

Anti-takeover provisions in our certificate of incorporation and bylaws and under Delaware corporate law could make an acquisition of us more difficult, limit attempts by our stockholders to replace or remove our current management and limit the market price of our Class A Common Stock.

Provisions in our certificate of incorporation and bylaws may have the effect of delaying or preventing a change of control or changes in our management. Our certificate of incorporation and bylaws include provisions that:

- authorize our board of directors to issue, without further action by the stockholders (subject to certain consent rights of the holders of Series A Convertible Preferred Stock), up to 100,000,000 shares of undesignated preferred stock, 200,000 share of which are currently designated as Series A Convertible Preferred Stock;
- require that, once our outstanding shares of Class B Common Stock represent less than a majority of the combined voting power of our common stock, any action to be taken by our stockholders be effected at a duly called annual or special meeting and not by written consent; specify that special meetings of our stockholders can be called only by our board of directors, the Chairman of our board of directors, or our Chief Executive Officer;
- establish an advance notice procedure for stockholder proposals to be brought before any meeting of stockholders, including proposed nominations of persons for election to our board of directors;
- prohibit cumulative voting in the election of directors;
- provide that vacancies or other unfilled seats on our board of directors may be filled only by a majority of directors then in office, even though less than a quorum;
- state that the approval of the holders of a supermajority of the voting power of our outstanding shares of capital stock is required to amend certain provisions of our bylaws and our certificate of incorporation; and
- reflect two classes of common stock, as discussed above.

These provisions may frustrate or prevent any attempts by our stockholders to replace or remove our current management by making it more difficult for stockholders to replace members of our board of directors, which is responsible for appointing the members of our management. In addition, because we are incorporated in Delaware, we are governed by the provisions of Section 203 of the Delaware General Corporation Law, which generally prohibits a Delaware corporation from engaging in any of a broad range of business combinations with any “interested” stockholder for a period of three years following the date on which the stockholder became an “interested” stockholder without obtaining specified approvals.

If research analysts do not publish research or reports about our business, or if they issue unfavorable commentary or downgrade our Class A Common Stock, our stock price and trading volume may decline.

The trading market for our Class A Common Stock will depend in part on the research and reports that research analysts publish about us and our business. If we do not maintain adequate research coverage or if one or more analysts who covers us downgrades our stock or publishes inaccurate or unfavorable research about our business, the price of our Class A Common Stock may decline. If one or more of the research analysts ceases coverage of our company or fails to publish reports on us regularly, demand for our Class A Common Stock may decrease, which could cause our stock price or trading volume to decline.

Risks Related to Taxation and Accounting Matters

Changes in effective tax rates, or adverse outcomes resulting from examination of our income or other tax returns, could adversely affect our results of operations and financial condition.

Our future effective tax rates could be subject to volatility or adversely affected by a number of factors, including:

- changes in the valuation of our deferred tax assets and liabilities;
- expiration of, or lapses in, the research and development tax credit laws;
- expiration or non-utilization of net operating loss carryforwards;
- tax effects of share-based compensation;
- expansion into new jurisdictions;
- potential challenges to and costs related to implementation and ongoing operation of our intercompany arrangements;
- changes in tax laws and regulations and accounting principles, or interpretations or applications thereof; and
- certain non-deductible expenses as a result of acquisitions.

Any changes in our effective tax rate could adversely affect our results of operations.

Changes in U.S. and foreign tax laws could have a material adverse effect on our business, cash flow, results of operations or financial conditions.

We are subject to tax laws, regulations, and policies of the U.S. federal, state, and local governments and of comparable taxing authorities in foreign jurisdictions. Changes in tax laws, including recently enacted U.S. federal tax legislation commonly referred to as the One Big Beautiful Bill Act (the “OBBA Act”), as well as other factors, could cause us to experience fluctuations in our tax obligations and effective tax rates and otherwise adversely affect our tax positions and/or our tax liabilities. We are currently evaluating the full impact of the OBBA Act on us. In addition, certain jurisdictions, such as the United Kingdom and France, have enacted a digital services tax on revenues derived from digital activities in those jurisdictions, and other jurisdictions have enacted or are considering enacting similar laws in the future, including in response to new or additional U.S. tariffs.

Many countries, including the United States, and organizations such as the Organisation for Economic Cooperation and Development (the “OECD”) are also actively considering changes to existing tax laws or have proposed or enacted new laws that could increase our tax obligations in countries where we do business or cause us to change the way we operate our business. For example, in 2021, the OECD announced the OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting, which agreed to a two-pillar solution to address tax challenges arising from the digitalization of the economy. On December 20, 2021, the OECD released Pillar Two Model Rules (“Pillar Two”) that provide for a global minimum tax rate of 15% for certain large multinational companies. Pillar Two has been implemented into the domestic laws of the European Union (the “EU”) Member States, among other jurisdictions, and is being considered for implementation by other countries. The Pillar Two legislative changes, when enacted by various countries in which we do business, are not anticipated to have a material impact on our tax liabilities. Additionally, on June 28, 2025, the G7 released a joint statement that it had reached an understanding with the United States for a side-by-side system based on certain accepted principles, including that U.S.-parented groups, such as ours, would be exempt from certain provisions of Pillar Two. We will continue to monitor legislative and regulatory developments to assess the potential impacts that Pillar Two and any retaliatory taxes or actions may have on our business, operating results and financial condition. Any further developments or changes in U.S. federal or state, or

international tax laws or tax rulings could adversely affect our effective tax rate and our operating results. There can be no assurance that our effective tax rates, tax payments, tax credits, or incentives will not be adversely affected by these or other developments or changes in law.

We may be subject to liabilities on past sales for taxes, surcharges, and fees and our operating results may be harmed if we are required to collect such amounts in jurisdictions where we have not historically done so.

We believe we collect state and local sales taxes and use, excise, utility user, and ad valorem taxes, fees, or surcharges in all relevant jurisdictions in which we generate sales, based on our understanding of the applicable laws in those jurisdictions. Such taxes, fees and surcharge laws and rates vary greatly by jurisdiction, and the application of such taxes to e-commerce businesses, such as ours, is complex and continuing to develop. There is uncertainty as to what constitutes sufficient “in state presence” for a state to levy taxes, fees, and surcharges for sales made over the Internet, and after the U.S. Supreme Court’s ruling in *South Dakota v. Wayfair*, U.S. states may require an online retailer with no in-state property or personnel to collect and remit sales tax on sales to the state’s residents, which may permit wider enforcement of sales tax collection requirements. Therefore, the application of existing or future laws relating to indirect taxes to our business, or the audit of our business and operations with respect to such taxes or challenges of our positions by taxing authorities, could result in increased tax liabilities for us or our customers, which could materially and adversely affect our results of operations and our relationships with our customers. Further, we have in the past and may in the future be audited by federal, state, and local tax authorities which could lead to liabilities for past unpaid taxes, fines, and penalties.

We may be unable to use some or all of our net operating loss and research credit carryforwards, which could materially and adversely affect our reported financial condition and results of operations.

As of December 31, 2024, we had federal net operating loss carryforwards (“NOLs”) of \$1.4 billion, which do not expire. Additionally, we have state NOLs of \$1.2 billion that began to expire in 2024. We also have federal research tax credit carryforwards that will begin to expire in 2028. Realization of these NOLs and research tax credit carryforwards depends on future income, and there is a risk that our existing carryforwards could expire unused and be unavailable to offset future income tax liabilities, which could materially and adversely affect our reported financial condition and results of operations.

In addition to the potential carryforward limitations described above, under Sections 382 and 383 of the Internal Revenue Code of 1986 (the “Code”), as amended, our ability to utilize NOLs or other tax attributes, such as research tax credits, in any taxable year may be limited if we experience an “ownership change.” An “ownership change” generally occurs if one or more stockholders or groups of stockholders, who each own at least 5% of our stock, increase their collective ownership by more than 50 percentage points over their lowest ownership percentage within a rolling three-year period. Similar rules may apply under state tax laws. In addition, in June 2024, California enacted legislation that limits the use of NOLs and tax credits for taxable years beginning on or after January 1, 2024, and before January 1, 2027, which may adversely affect our company if we earn taxable income in the impacted tax years.

No material deferred tax assets have been recognized on our Condensed Consolidated Balance Sheets related to these NOLs, as they are fully offset by a valuation allowance. If we have previously had, or have in the future, one or more Section 382 “ownership changes,” including in connection with our initial public offering or another offering, or if we do not generate sufficient taxable income, we may not be able to utilize a material portion of our NOLs, even if we achieve profitability. If we are limited in our ability to use our NOLs in future years in which we have taxable income, we will pay more taxes than if we were able to fully utilize our NOLs. This could materially and adversely affect our reported financial condition and results of operations.

If our internal control over financial reporting is not effective, it may adversely affect investor confidence in our company.

Pursuant to Section 404 of the Sarbanes-Oxley Act, our independent registered public accounting firm, KPMG LLP, is required to and has issued an attestation report as of December 31, 2024. While management concluded internal control over financial reporting was at a reasonable assurance level as of December 31, 2024, there can be no assurance that material weaknesses will not be identified in the future. A “material weakness” is a deficiency, or a combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected on a timely basis. During the evaluation and testing process, if we identify one or more material weaknesses in our internal control over financial reporting, we will be unable to assert that our internal controls are effective. As a result, we may need to undertake various actions, such as implementing new internal controls and procedures and hiring accounting or internal audit staff. Our remediation efforts may not enable us to avoid a material weakness in the future.

If our independent registered public accounting firm is unable to express an opinion on the effectiveness of our internal controls, we could lose investor confidence in the accuracy and completeness of our financial reports, which could cause the price of our Class A Common Stock to decline, and we may be subject to investigation or sanctions by the SEC.

The nature of our business requires the application of complex revenue and expense recognition rules and the current legislative and regulatory environment affecting generally accepted accounting principles is uncertain. Significant changes in current principles could affect our financial statements going forward and changes in financial accounting standards or practices may cause adverse, unexpected financial reporting fluctuations and harm our operating results.

The accounting rules and regulations that we must comply with are complex and subject to interpretation by the Financial Accounting Standards Board (the “FASB”), the SEC and various bodies formed to promulgate and interpret appropriate accounting principles. Recent actions and public comments from the FASB and the SEC have focused on the integrity of financial reporting and internal controls. In addition, many companies’ accounting policies are being subject to heightened scrutiny by regulators and the public. Further, the accounting rules and regulations are continually changing in ways that could materially impact our financial statements.

We cannot predict the impact of future changes to accounting principles or our accounting policies on our financial statements going forward, which could have a significant effect on our reported financial results and could affect the reporting of transactions completed before the announcement of the change. While we are not aware of any specific event or circumstance that would require a material update to our estimates, judgments or assumptions, this may change in the future. In addition, if we were to change our critical accounting estimates, including those related to the recognition of subscription revenue and other revenue sources, our operating results could be significantly affected.

Our estimates or judgments relating to our critical accounting policies may be based on assumptions that change or prove to be incorrect, which could cause our results of operations to fall below expectations of securities analysts and investors, resulting in a decline in the market price of our Class A common stock.

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. The significant estimates made by management affect revenues, the allowance for doubtful accounts, valuation of long-term investments, deferred and prepaid sales commission costs, goodwill, useful lives of intangible assets, share-based compensation, capitalization of internally developed software, return reserves, provision for income taxes, uncertain tax positions, loss contingencies, sales tax liabilities, and accrued liabilities. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, as described in the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations.” The results of these estimates form the basis for making judgments about the recognition and measurement of certain assets and liabilities and revenue and expenses that is not readily apparent from other sources. Our accounting policies that involve judgment include those related to revenues the allowance for doubtful accounts, valuation of long-term investments, deferred and prepaid sales commission costs, goodwill, useful lives of intangible assets, share-based compensation, capitalization of internally developed software, return reserves, provision for income taxes, uncertain tax positions, loss contingencies, sales tax liabilities, and accrued liabilities. If our assumptions change or if actual circumstances differ from those in our assumptions, our results of operations could be adversely affected, which could cause our results of operations to fall below the expectations of securities analysts and investors, resulting in a decline in the market price of our Class A common stock.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

The following table summarizes the share repurchase activity of our Class A Common Stock for the three months ended June 30, 2025 (in thousands, except per-share amounts):

Period	Total number of shares purchased ⁽¹⁾	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs ⁽¹⁾	Approximate dollar value of shares that may yet be purchased under the program ⁽¹⁾
Balance as of March 31, 2025				\$ 218,150
April 1, 2025 to April 30, 2025	519,869	\$ 23.54	519,869	205,950
May 1, 2025 to May 31, 2025	—	\$ —	—	205,950
June 1, 2025 to June 30, 2025	736,480	\$ 27.15	736,480	185,965
Balance as of June 30, 2025	<u>1,256,349</u>		<u>1,256,349</u>	<u>\$ 185,965</u>

(1) On July 30, 2025, our board of directors further increased this authorization to \$500.0 million, subject to certain limitations. The authorizations under these programs do not expire. Refer to Note 9, *Stockholders' Deficit* in the accompanying notes to the Condensed Consolidated Financial Statements included in Part I, Item 1, of this Quarterly Report on Form 10-Q for additional information.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

None.

Item 5. Other Information

Securities Trading Plans of Directors and Executive Officers

During our last fiscal quarter, the following director adopted a “Rule 10b5-1 trading arrangement,” as defined in Regulation S-K Item 408, as follows:

On May 22, 2025, Robert Theis, a member of our board of directors, adopted a Rule 10b5-1 trading arrangement providing for the sale from time to time of up to 5,610 shares of Class A common stock. The number of shares that may be sold under the trading arrangement may also be increased by the number of shares of the company’s Class A common stock, if any (not yet determinable), that are awarded to Mr. Theis under the company’s non-employee director compensation program during the term of the trading arrangement. The trading arrangement is intended to satisfy the affirmative defense in Rule 10b5-1(c). The duration of the trading arrangement is until January 8, 2027 or earlier if all transactions under the trading arrangement are completed.

No other directors or officers, as defined in Rule 16a-1(f), have adopted and/or terminated a “Rule 10b5-1 trading arrangement” or a “non-Rule 10b5-1 trading arrangement,” each as defined in Regulation S-K Item 408, during the last fiscal quarter.

Chief Financial Officer Transition

We are providing the following disclosures in lieu of filing a Current Report on Form 8-K relating to Item 5.02 (Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers):

On August 5, 2025, the Company announced the appointment of Vaibhav Agarwal as the Chief Financial Officer of the Company, effective immediately. Mr. Agarwal will succeed Abhey Lamba who resigned from his position as Chief Financial Officer on August 5, 2025. Mr. Lamba's departure is not the result of any disagreement with the Company or its board of directors regarding its financial results, accounting principles, financial statement disclosures, or any matter relating to the Company's operations, policies or practices.

Mr. Agarwal, age 49, has served as our Chief Transformation Officer since February 2025 and Deputy Chief Financial Officer since May 2022. He previously served as interim Chief Financial Officer in November 2024 and from January 2022 to May 2022, as Chief Accounting Officer from April 2019 to February 2025, and as Corporate Controller from July 2016 to April 2019. Mr. Agarwal is a Chartered Accountant from India and a Certified Public Accountant (Inactive) in California.

In connection with his appointment as Chief Financial Officer, Mr. Agarwal signed a supplemental offer letter (the "Supplemental Offer Letter") that provides for the immediate grant of time-based restricted stock units that cover shares of the Company's Class A common stock having an aggregate value of \$2,000,000 (the "Equity Grant"). The Equity Grant will vest as follows: provided Mr. Agarwal remains a service provider of the Company through the applicable vesting date, one-quarter of the Equity Grant will vest on September 1, 2027 and, thereafter, one-eighth of the Equity Grant will vest in equal quarterly installments on each quarterly vesting date (first trading day on or after March 1, June 1, September 1 and December 1 of each year). The other material terms of Mr. Agarwal's compensation will remain unchanged. The foregoing description is a summary of the material terms of the Supplemental Offer Letter, does not purport to be complete, and is qualified in its entirety by reference to the Supplemental Offer Letter, a copy of which is filed hereto as [Exhibit 10.2](#).

The Company has previously entered into its standard form of indemnification agreement with Mr. Agarwal, a copy of which is filed as [Exhibit 10.8](#) to the Company's Annual Report on Form 10-K for the year ended December 31, 2024. Other than the indemnification agreement described in the preceding sentence, Mr. Agarwal has no direct or indirect material interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K promulgated under the Securities Exchange Act of 1934, as amended, nor are any such transactions currently proposed. There are no family relationships between Mr. Agarwal and any director or executive officer of the Company.

Mr. Lamba will continue to serve as an executive advisor and provide transition services, as required, to the Company through December 31, 2025 pursuant to the terms of a transition agreement and release with the Company (the "Consulting Agreement"). Mr. Lamba will be paid approximately \$290,000 per month for his services and upon providing a supplemental release of claims, subject to certain payment terms. All of Mr. Lamba's unvested equity awards were cancelled as of August 5, 2025. The foregoing description is a summary of the material terms of the Consulting Agreement, does not purport to be complete, and is qualified in its entirety by reference to the Consulting Agreement, a copy of which is filed hereto as [Exhibit 10.3](#).

Item 6. Exhibits.

The exhibits listed in the accompanying Exhibit Index are filed or incorporated by reference as part of this Quarterly Report on Form 10-Q.

EXHIBIT INDEX

Exhibit Number	Description	Incorporated by Reference From Form	Incorporated by Reference From Exhibit Number	Date Filed
10.1+	2025 Merit Focal Letter by and between the Registrant and Vaibhav Agarwal, dated May 20, 2025.	Filed herewith		
10.2+	Supplemental Offer Letter by and between the Registrant and Vaibhav Agarwal, dated August 4, 2025.	Filed herewith		
10.3+	Consulting Agreement by and between the Registrant and Abhey Lamba, dated August 5, 2025.	Filed herewith		
31.1	Certification of the Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act.	Filed herewith		
31.2	Certification of the Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act.	Filed herewith		
32.1*	Certification of the Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act.	Furnished herewith		
32.2*	Certification of the Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act.	Furnished herewith		
101	The following financial information from RingCentral Inc.'s Quarterly Report on Form 10-Q for the quarter ended June 30, 2025 formatted in Inline XBRL (Extensible Business Reporting Language) includes: (i) the Condensed Consolidated Balance Sheets, (ii) the Condensed Consolidated Statements of Operations, (iii) the Condensed Consolidated Statements of Comprehensive Loss, (iv) the Condensed Consolidated Statements of Stockholders' Deficit, (v) the Condensed Consolidated Statements of Cash Flows, and (vi) Notes to the Condensed Consolidated Financial Statements.	Filed herewith		
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).	Filed herewith		

+ Indicates a management or compensatory plan

* The certifications furnished in Exhibits 32.1 and 32.2 hereto are deemed to accompany this Quarterly Report on Form 10-Q and will not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended. Such certifications will not be deemed to be incorporated by reference into any filings under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except to the extent that the registrant specifically incorporates it by reference.

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 thereunto duly authorized.

RingCentral, Inc.

Date: August 7, 2025

By: /s/ Vaibhav Agarwal
Vaibhav Agarwal
Chief Financial Officer
(Principal Financial Officer)

Date: August 7, 2025

By: /s/ Tarun Arora
Tarun Arora
Chief Accounting Officer
(Principal Accounting Officer)

May 20, 2025

To: Vaibhav Agarwal

Re: 2025 Merit Focal Letter

Dear Vaibhav,

It is my pleasure to offer you a full-time position with RingCentral, Inc. (“**Company**”) as Executive Vice President, Deputy Chief Financial Officer and Chief Transformation Officer, reporting directly to me (Kira Makagon).

Base Salary. Your initial annualized base salary will be **\$500,000**, which will be paid on a semi-monthly basis, subject to applicable withholdings.

Bonus. On a quarterly basis, you will be eligible to receive a management-by-objective bonus (“**MBO**”) in the target gross amount of **100%** of your quarterly base salary (**\$125,000** per quarter; **\$500,000** per year) based upon the achievement of performance objectives reasonably determined by the Company.

Equity Award. Subject to approval by the Board (or a sub-committee of the Board), you will be granted 63,343 restricted stock units that cover shares of the Company’s Class A common stock (“**RSUs**”) with an initial value of \$1,500,000 (the “**Initial Value**”) (the “**Equity Grant**”)¹. The initial Equity Grant RSUs will be granted to you only if you remain an employee of the Company through the grant date. Your Equity Grant RSUs shall be subject to the terms of the Company’s 2013 Equity Incentive Plan (the “**2013 Plan**”) and an RSU agreement between you and the Company (together with the 2013 Plan, the “**Equity Documents**”). Your Equity Grant RSUs shall vest over an approximately 2-year period as follows: provided you remain a service provider of the Company on each applicable vesting date, one-eighth (1/8) of the Equity Grant will vest in equal quarterly installments on each of May 20, 2025, August 20, 2025, and November 20, 2025, and, beginning with the first quarter of 2026, for the quarters thereafter, on each Quarterly RSU Vesting Date, provided you remain a service provider of the Company through the applicable vesting date. The “**Quarterly RSU Vesting Dates**” are the first trading day on or after March 1, June 1, September 1 and December 1 of each year. No right to any stock is earned or accrued until such time that vesting occurs, nor does the grant confer any right to continue vesting or employment.

Performance-Based Equity Award. Subject to approval by the Board (or a sub-committee of the Board), you will be also granted 52,786 Performance-Based RSUs with an initial value of \$1,250,000 (the “**Performance Equity Grant RSUs**”)². Your Performance Equity Grant RSUs shall be subject to two (2) separate one-year performance measurement periods (i.e. one for each of the 2025 and 2026 fiscal years). For each performance period, one-half (1/2) of the Performance Equity Grant RSUs shall be eligible to be earned, based on actual achievement of the performance based metrics (“**Performance Metrics**”). For each performance period, the number of Performance Equity Grant RSUs earned (if any) (the “**Eligible Shares**”) shall vest as follows: provided you remain a service provider of the Company, (A) one-half (1/2) of the total number of Eligible Shares (based on fiscal 2025 performance) shall vest on March 1, 2026 and (B) one-half (1/2) of the total number of Eligible Shares (based on fiscal 2026 performance)

¹ The 63,343 RSUs granted to you is equal the Initial Value divided by the average closing price of a share of the Company’s Class A common stock (as quoted on the New York Stock Exchange) during the trading days that occur during April 2025.

² The 52,786 Performance-Based RSUs granted to you is calculated in the same manner as your RSU Equity Grant and also be subject to the Equity Documents.

shall vest on March 1, 2027, with all vesting contingent on the achievement of the Performance Metrics. The Performance Metrics shall be reasonably determined by the Company annually and/or, in the case of Performance Metrics which apply to the Company's overall achievement, as determined by the Board. The Performance Equity Grant RSUs shall be subject to an achievement scale, with accelerators and decelerators for over and under-performance, as well as a minimum floor and maximum accelerator achievement, which achievement scale shall be the same (or substantially the same) as the achievement scale(s) applicable to other senior executives.³ For fiscal years 2025 and 2026, the Performance Metrics and achievement scale shall be determined by the Board (or a sub-committee thereof).

No right to any stock is earned or accrued until such time that vesting occurs, nor does the grant of any equity confer any right to continue vesting or employment.

Benefits. You will be eligible to participate in the Company's employee benefits plans generally available to the Company's employees subject to their terms, including any eligibility requirements. You will be provided with Company-wide paid holiday days and paid-time off in accordance with the Company's paid time off policy, as may be amended from time to time.

Location of Work & Travel. The parties acknowledge and agree that you will be required to work primarily in the office at the Company's headquarters (currently in Belmont, CA). Normal / reasonable executive travel is expected as part of the role.

Severance and Change of Control Equity Acceleration. You will continue to be a Section 16 officer and an "Eligible Employee" under the Company's CoC and Severance Policy and entitled to the terms and conditions covering double-trigger equity acceleration upon a Change of Control and severance as described therein.

<https://www.sec.gov/Archives/edgar/data/1384905/000138490523000053/rng-20230930x10qxex101.htm>

Restrictions on Employment. By signing this offer letter, you represent and warrant that you are not party to any agreement or subject to any policy that would prevent or restrict your from engaging in activities competitive with the activities of your former employer or from directly or indirectly soliciting any employee, client or customer to leave the employ of, or transfer its business away from, your former employer, or if you are subject to such an agreement or policy, you have complied and will comply with it, and your employment with the Company does not violate any such agreement or policy. You further confirm that you will not remove or take any documents or proprietary data or materials of any kind, electronic or otherwise, from your current or former employer to the Company without written authorization from your current or former employer. If you have any questions about the ownership of particular documents or other information, discuss such questions with your former employer before removing or copying the documents or information. Moreover, you agree that, during the term of your employment with the Company, you will not engage in any other employment, occupation, consulting or other business activity directly related to the business in which the Company is now involved or become involved during the term of your employment, nor will you engage in any other activities that conflict with your obligations to the Company.

³ If there is a Change in Control (as defined in the CoC and Severance Policy) prior to December 31, 2025, both your 2025 and 2026 Eligible Shares will be calculated at 100% of the initial value of the Performance Equity Grant RSUs. If there is a Change in Control (as defined in the CoC and Severance Policy) after December 31, 2025, the number of Eligible Shares for fiscal year 2025 will be determined based on actual achievement of the Performance Metrics for the 2025 fiscal year and the number of 2026 Eligible Shares will be calculated at 100% of the initial value of the 2026 Performance Equity Grant RSUs. If there is a Change in Control (as defined in the CoC and Severance Policy) after December 31, 2026, the number of Eligible Shares for fiscal year 2026 will be determined based on actual achievement of the Performance Metrics for the 2026 fiscal year.

At-Will Employment. Your employment with the Company is “at will.” This means that you may terminate your employment with the Company at any time for any reason. Likewise, the Company may terminate your employment or this offer any time and for any reason. Subject to the Severance and Change of Control Equity Acceleration provision (if and as applicable), the Company may modify job titles, job duties, compensation, and benefits from time to time in its sole discretion. As a RingCentral employee, you are subject to all of our employment policies.

Prior Agreements. This letter, together with the Equity Documents and Confidential Information and Invention Assignment Agreement, supersedes and replaces any prior understandings or agreements, whether oral, written, or implied, between you and the Company regarding the matters described in this letter. Notwithstanding the foregoing, any and all other prior equity or equity based grants made to you by the Company (including, without limitation, regular RSUs or performance based RSUs) (including, without limitation, all applicable grant documents and letter agreements reflecting or evidence same) shall survive this letter and continue unaffected in accordance with their respective terms (including, without limitation, the 2013 Plan) (including, without limitation, any and all vesting schedules and performance metrics).

Choice of Law. The validity, interpretation, construction, and performance of this letter, all acts and transactions pursuant hereto, and the rights and obligations of the parties shall be governed, construed, and interpreted in accordance with the laws of the state of California without giving effect to principles of conflicts of law. Any disputes arising from this letter shall be decided only in a state or federal court sitting in San Mateo County, California, which the parties expressly agree shall be the exclusive venue for any such action.

Electronic Delivery. The Company or you may, in its or your sole discretion, decide to deliver any documents, notices, consents or other communications related to this Agreement by email or any other electronic means. The parties hereby consent to (i) conduct business electronically, (ii) receive such documents, notices, consents or other communications by such electronic delivery, and (iii) sign documents electronically and agree to participate through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

Sincerely, ACCEPTED:

/s/ Kira Makagon /s/ Vaibhav Agarwal

Kira Makagon Vaibhav Agarwal

EXHIBIT A

Subject to any payment delay necessary to comply with Section 409A (as defined below), your benefits under this letter that would be considered Deferred Compensation (as defined below) will be paid on, or, in the case of installments, will not commence until, the sixty-first (61st) day following your separation from service. If you die before all amounts have been paid, such unpaid amounts will be paid to your designated beneficiary, if living, or otherwise to your personal representative in a lump-sum payment (less any withholding taxes) as soon as possible following your death.

It is the intent of this letter that all payments and benefits hereunder comply with or be exempt from the requirements of Section 409A of the Internal Revenue Code of 1986, as amended, and the final regulations and any guidance promulgated thereunder and any applicable state law requirements ("Section 409A") so that none of the payments and benefits to be provided under this letter will be subject to the additional tax imposed under Section 409A, and any ambiguities or ambiguous terms herein will be interpreted to be exempt or so comply. Each payment and benefit payable under this letter is intended to constitute a separate payment for purposes of Section 1.409A-2(b)(2) of the Treasury Regulations. You and the Company agree to work together in good faith to consider amendments to this letter and to take such reasonable actions which are necessary, appropriate or desirable to avoid imposition of any additional tax or income recognition prior to actual payment to you under Section 409A. Notwithstanding anything to the contrary in this letter, no separation pay or benefits to be paid or provided to you, if any, pursuant to this letter that, when considered together with any other severance payments or separation benefits, are considered deferred compensation under Section 409A (together, "Deferred Compensation") or otherwise would be exempt from Section 409A pursuant to Treasury Regulation Section 1.409A-1(b)(9) will be paid or otherwise provided until you have a "separation from service" within the meaning of Section 409A.

Further, if at the time of your termination of employment, you are a "specified employee" within the meaning of Section 409A, payment of such Deferred Compensation will be delayed to the extent necessary to avoid the imposition of the additional tax imposed under Section 409A, which generally means that you will receive payment on the first payroll date that occurs on or after the date that is six (6) months and one (1) day following your termination of employment, or your death, if earlier (the "Six-Month Delay").

All subsequent Deferred Compensation, if any, will be payable in accordance with the payment schedule applicable to each payment or benefit. Notwithstanding anything herein to the contrary, if you die following your termination but prior to the six (6) month anniversary of your termination, then any payments delayed in accordance with this paragraph will be payable in a lump sum as soon as administratively practicable after the date of your death and all other Deferred Compensation will be payable in accordance with the payment schedule applicable to each payment or benefit.

August 4, 2025

To: Vaibhav Agarwal

Re: Supplemental Offer Letter

Dear Vaibhav,

In recognition of your valuable contributions to the Company over the past several years, we are pleased to reward your achievements as more fully described in this Supplemental Offer Letter.

Title: You are being promoted to Chief Financial Officer effective August 5, 2025.

Cash Compensation: Your annualized base salary and management by objective bonus (“MBO”) will be unchanged and are more fully described in your 2025 Merit Focal Letter dated May 20, 2025 (“2025 Focal Letter”).

Equity Award. Subject to approval by the Board (or a sub-committee of the Board), you will be granted restricted stock units that cover shares of the Company’s Class A common stock (“RSUs”) with an initial value of \$2,000,000 (the “**Initial Value**”) (the “**Equity Grant**”)¹. The initial Equity Grant RSUs will be granted to you only if you remain an employee of the Company through the grant date. Your Equity Grant RSUs shall be subject to the terms of the Company’s 2013 Equity Incentive Plan (the “**2013 Plan**”) and an RSU agreement between you and the Company (together with the 2013 Plan, the “**Equity Documents**”). Your Equity Grant RSUs shall vest over an approximately 4-year period as follows: provided you remain a service provider of the Company on each applicable vesting date, one-quarter (1/4) of the Equity Grant will vest on September 1, 2027 and, thereafter, one-eighth (1/8) of the Equity Grant will vest in equal quarterly installments on each Quarterly RSU Vesting Date. The “**Quarterly RSU Vesting Dates**” are the first trading day on or after March 1, June 1, September 1 and December 1 of each year. No right to any stock is earned or accrued until such time that vesting occurs, nor does the grant confer any right to continue vesting or employment.

Prior Agreements. This letter, together with the Equity Documents and Confidential Information and Invention Assignment Agreement, supersedes and replaces any prior understandings or agreements, whether oral, written, or implied, between you and the Company regarding the matters specifically described in this Supplemental Offer Letter. Notwithstanding the foregoing, (1) any and all other prior equity or equity based grants made to you by the Company (including, without limitation, regular RSUs or performance based RSUs) (including, without limitation, all applicable grant documents and letter agreements reflecting or evidence same) shall survive this letter and continue unaffected in accordance with their respective terms (including, without limitation, the 2013 Plan) (including, without limitation, any and all vesting schedules and performance metrics); and (2) all of the terms and conditions of the 2025 Focal Letter and any other Company agreements, policies and the like signed by, or applicable to you shall continue to apply in their entirety.

We are excited about the future of RingCentral and look forward to your continued success.

Sincerely, ACCEPTED:

/s/ Vlad Shmunis /s/ Vaibhav Agarwal

Vlad Shmunis Vaibhav Agarwal

¹ The RSUs granted to you is equal the Initial Value divided by the average closing price of a share of the Company’s Class A common stock (as quoted on the New York Stock Exchange) during the trading days that occur during July 2025.

EXHIBIT A

Subject to any payment delay necessary to comply with Section 409A (as defined below), your benefits under this letter that would be considered Deferred Compensation (as defined below) will be paid on, or, in the case of installments, will not commence until, the sixty-first (61st) day following your separation from service. If you die before all amounts have been paid, such unpaid amounts will be paid to your designated beneficiary, if living, or otherwise to your personal representative in a lump-sum payment (less any withholding taxes) as soon as possible following your death.

It is the intent of this letter that all payments and benefits hereunder comply with or be exempt from the requirements of Section 409A of the Internal Revenue Code of 1986, as amended, and the final regulations and any guidance promulgated thereunder and any applicable state law requirements ("Section 409A") so that none of the payments and benefits to be provided under this letter will be subject to the additional tax imposed under Section 409A, and any ambiguities or ambiguous terms herein will be interpreted to be exempt or so comply. Each payment and benefit payable under this letter is intended to constitute a separate payment for purposes of Section 1.409A-2(b)(2) of the Treasury Regulations. You and the Company agree to work together in good faith to consider amendments to this letter and to take such reasonable actions which are necessary, appropriate or desirable to avoid imposition of any additional tax or income recognition prior to actual payment to you under Section 409A. Notwithstanding anything to the contrary in this letter, no separation pay or benefits to be paid or provided to you, if any, pursuant to this letter that, when considered together with any other severance payments or separation benefits, are considered deferred compensation under Section 409A (together, "Deferred Compensation") or otherwise would be exempt from Section 409A pursuant to Treasury Regulation Section 1.409A-1(b)(9) will be paid or otherwise provided until you have a "separation from service" within the meaning of Section 409A.

Further, if at the time of your termination of employment, you are a "specified employee" within the meaning of Section 409A, payment of such Deferred Compensation will be delayed to the extent necessary to avoid the imposition of the additional tax imposed under Section 409A, which generally means that you will receive payment on the first payroll date that occurs on or after the date that is six (6) months and one (1) day following your termination of employment, or your death, if earlier (the "Six-Month Delay").

All subsequent Deferred Compensation, if any, will be payable in accordance with the payment schedule applicable to each payment or benefit. Notwithstanding anything herein to the contrary, if you die following your termination but prior to the six (6) month anniversary of your termination, then any payments delayed in accordance with this paragraph will be payable in a lump sum as soon as administratively practicable after the date of your death and all other Deferred Compensation will be payable in accordance with the payment schedule applicable to each payment or benefit.

Transition Agreement and Release

This Transition Agreement and Release ("Agreement") is made between Abhey Lamba ("Lamba") and RingCentral, Inc., a Delaware corporation ("RingCentral" or "Company") (collectively, Lamba and the Company are the "Parties"). In addition, the terms of the state specific addendum attached as Exhibit A apply to this Agreement to the extent that Lamba worked for the Company in an identified state. The Parties acknowledge and agree as follows:

1. **Resignation. Termination of Employment Relationship.** Lamba has irrevocably resigned from his position as Chief Financial Officer, Principal Financial Officer and all other positions with RingCentral, Inc. and all of its subsidiaries and affiliates (the "Company Group") effective as of August 5, 2025 but has agreed to continue to provide transition consulting services, as requested by the Company, as an Executive Advisor, through December 31, 2025 (the "Transition Period"). As of August 5, 2025 (the "Separation Date"), Lamba's employment relationship with the Company is terminated. During the Transition Period, Lamba's relationship with the Company will be that of an independent contractor and nothing in this Agreement should be construed to create a partnership, joint venture, or employer-employee relationship. Notwithstanding any other term in this Agreement, on August 5, 2025, the Company shall pay Lamba all his earned wages through August 5, 2025.
2. **Separation Consideration.** In exchange for the execution and effectiveness of this Agreement, the provision of the transition consulting services, and the execution and effectiveness of the Supplemental Release as referenced below (and attached as Exhibit B) (the "Supplemental Release"), the Company will deliver by wire transfer to an account or accounts designated by Lamba:
 - a. Within 15 days of the date this Agreement is fully executed, \$292,000;
 - b. By the 15th day of each month from September 2025 through December 2025, an additional \$292,000 per month; and
 - c. On December 31, 2025, provided Lamba signs and delivers the Supplemental Release as discussed below, a final payment of \$292,000.

Additionally, if Lamba timely elects to continue his group health insurance benefits as discussed in Section 5 below, the Company shall pay directly to the Company's COBRA administrator Lamba's COBRA premiums for coverage through December 31, 2025, provided that the Company's obligation to pay Lamba's COBRA premiums shall cease if, and at such time, as Lamba obtains substantially similar health coverage from a future employer, and further providing, that Lamba shall notify the Company in writing if, and at such time, that Lamba obtains substantially similar health coverage at a future employer.

The foregoing payments constitute the "Separation Consideration." The Company shall not terminate this Agreement for any reason, except for cause, providing the Company has first notified Lamba in writing of all the reasons that cause exists and provides Lamba at least 15 days to cure, and if Lamba cures, then cause shall not exist, and further providing that during the 15-day cure period, the Company's Audit Committee Chair or his designee shall be available for consultations with Lamba and the Company's Audit Committee Chair shall be responsible for determining whether cause exists after the expiration of the 15-day cure period. Lamba may terminate this Agreement at any time upon 15 days written notice.

Lamba acknowledges that the Separation Consideration is separate consideration for Lamba's promises, agreements, and representations in this Agreement and in the Supplemental Release and is in addition to anything of value to which Lamba is already entitled. For the avoidance of doubt, Lamba acknowledges that without this Agreement and the Supplemental Release, Lamba is otherwise not entitled to the Separation Consideration.

3. **Equity.** All of Lamba's unvested equity awards under the 2013 Equity Incentive Plan (the "Plan"), any equity grant agreements, any equity awards described in his offer letter dated November 4, 2024 (i.e., Initial Equity Award, Initial Performance-Based Equity Award, Sign-On Equity Grant, Sign-On RSUs and Sign-On PSUs), or any other compensation or benefit plan, will be irrevocably canceled in their entirety on the date that Lamba signs this Agreement. For the avoidance of doubt, all of Lamba's equity vesting shall terminate and cease as of August 5, 2025.
 4. **Acknowledgments.** Lamba agrees: (a) except for wages owed, the Company has paid Lamba all wages, bonuses, and other forms of compensation due to Lamba for work performed on behalf of the Company through the date he signs this Agreement; (b) the Separation Consideration represents full satisfaction of any and all payments or benefits to which Lamba is or may become entitled to under any agreements between Lamba and the Company and constitutes full and complete payment of any amounts and benefits to which Lamba may be entitled pursuant to the Company's Change of Control and Severance Policy; (c) except as otherwise provided in this Agreement, Lamba is not entitled to receive compensation, fringe benefits, separation benefits or any other employee benefits of any kind from the Company on or after the Separation Date; (d) Lamba has reported all workplace injuries; Lamba has had the opportunity to provide the Company with written notice of any concerns regarding suspected ethical and compliance issues on the part of the Company or any other Releasee; Lamba does not have a pending claim against the Company or any Releasee, including, but not limited to, for sexual assault; sexual harassment; or unlawful workplace harassment or discrimination, failure to prevent an act of workplace harassment or discrimination, or an act of retaliation against a person for reporting or opposing harassment or discrimination; or any other pending claims that are released under this Agreement, whether or not filed in a court or government agency proceeding, in an alternative dispute resolution forum, or through the Company's internal complaint process.
 5. **Benefits.** Lamba's participation in all benefits of employment, including, but not limited to, stock vesting, bonuses, vacation, and paid time off, cease as of the Separation Date. Lamba's group health insurance benefits, if any, shall cease on the last day of the month of the Separation Date in accordance with the terms of the applicable plans, subject to Lamba's right to continue coverage under COBRA, including pursuant to Section 2, and similar state benefit continuation laws.
 6. **Expense Reimbursements.** Any requests for reimbursements for authorized expenses incurred through the Separation Date, along with supporting documentation must be submitted to the Company within 10 days of the Separation Date. The Company will process reimbursement for these expenses pursuant to its regular business practice.
 7. **Return of Company Property.** Within 10 days of the Separation Date, except as specified by the Company and necessary to provide the transition consulting services, Lamba will return via overnight courier service to the Company all property belonging to the Company, including, but not limited to, Confidential Information (as defined in the Confidential Information and Invention Assignment Agreement), that Lamba had in Lamba's possession at any time, including, but not limited to: Company files, notes, drawings, records, business plans and forecasts, financial information, specifications, computer-recorded information, computers, laptops, credit cards, entry cards, identification badges and keys; and any materials of any kind that contain or embody any
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proprietary or confidential information of the Company (and all reproductions). Lamba agrees that on December 31, 2025, he will return to the Company all property that was retained as necessary to provide the transition consulting services. Lamba agrees not to retain after the dates specified in the preceding sentence any tangible or electronic copies of any such Company property in Lamba's possession or control. Lamba agrees that Lamba will not copy, disseminate, delete, or alter any information created or stored in any Company issued computer, laptop or other electronic device before returning such property to the Company.

8. **Proprietary Information, Non-Interference and Dispute Resolution Obligations.** During the remaining period of employment and after Lamba's Separation Date, and separate and apart from this Agreement, Lamba acknowledges and agrees to comply with Lamba's continuing obligations under Lamba's Confidential Information and Inventions Assignment Agreement ("Confidentiality Agreement"), a copy of which is attached as Exhibit C,. Notwithstanding the foregoing, the Company agrees that, pursuant to the California section of Confidentiality Agreement, Exhibit A, the non-compete clauses contained in §6 of the Confidentiality Agreement do not apply to Lamba and that there are no other non-compete clauses that apply to Lamba. Proprietary information, confidential information and trade secrets protected in this or any other agreement or release that the Company has presented to Lamba is hereby amended to exclude information protected under, and disparaging communications referenced below are subject to, the Protected Rights described in section 19 below ("Excluded Information"), and the Company will not seek to enforce or pursue penalties or claims for damages based on conduct involving Excluded Information.
 9. RESERVED.
 10. **Non-Disparagement.** Subject to the "Protected Rights" section below, Lamba shall not make any disparaging statements concerning the Company or its activities, or concerning or relating in any way to the Releasees, or the Company's products or services, where such comment or statement could adversely affect the conduct of the Company's business or reputation. The Company, its board of directors and officers shall not make any disparaging statements concerning or relating in any way to Lamba.
 11. **Cooperation.** Lamba agrees to make himself reasonably available to and answer questions from the Company's incoming CFO on a reasonable basis and to execute any documents reasonably necessary to remove Lamba as an officer, director or any other position with the Company. Further, Lamba agrees to voluntarily cooperate with the Company if Lamba has knowledge of facts relevant to any threatened or pending litigation against the Company by making himself reasonably available for interviews with the Company's counsel, for preparing for and providing deposition testimony, and for preparing for and providing trial testimony, providing that Lamba's cooperation pursuant to this section shall not unreasonably interfere with Lamba's future employment or consulting work.
 12. **Release.** In exchange for the Separation Consideration and other promises contained in this Agreement, Lamba agrees, on behalf of Lamba's self, heirs, executors, administrators, successors, and assigns, to release, waive, acquit, and forever discharge, to the extent permitted by law, the Company and all members of the Company Group and their current and former officers, directors, employees, agents, investors, attorneys, shareholders, administrators, affiliates, benefit plans, plan administrators, professional employer organization or co-employer, insurers, trustees, parent entities, divisions, subsidiaries, predecessor and successor corporations, and assigns ("Releasees"), of and from all claims, liabilities, demands, causes of action, costs, expenses, attorneys' fees, damages, indemnities and obligations of every kind and nature, in law, equity, or otherwise, known and unknown, suspected and unsuspected, disclosed and undisclosed, that Lamba had, now has, or may have arising out of or related to agreements, events, acts or conduct at any time prior to and including the date Lamba signs this Agreement. This release includes, but is not limited to, all claims and demands directly or indirectly arising out
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of or connected with Lamba's employment with the Company or the termination of that employment; related to salary, bonuses, commissions, stock, stock options, any ownership interests in the Company, any equity compensation, vacation pay, fringe benefits, expense reimbursements, separation pay, or any other term or condition of employment or form of compensation or wages; for attorneys' fees or costs; under tort law or contract law (both express and implied) for wrongful discharge, constructive discharge, termination in violation of public policy, fraud, defamation, assault, battery, unfair business practices, personal injury, false imprisonment, negligence, negligent or intentional infliction of emotional distress, negligent or intentional misrepresentation, negligent or intentional interference with contract or prospective economic advantage, invasion of privacy, breach of contract, breach of the implied covenant of good faith and fair dealing, and conversion; for discrimination, harassment, retaliation, and failure to accommodate in violation of any federal, state, or local statute, including, but not limited to, the Rehabilitation Act of 1973, the Civil Rights Act of 1866, Title VII of the Civil Rights Act of 1964, the Civil Rights Act of 1991, the Lilly Ledbetter Fair Pay Act, the Americans with Disabilities Act, the Employee Retirement Income Security Act of 1974 ("ERISA"), the Uniformed Services Employment and Reemployment Rights Act, the Worker Adjustment and Retraining Notification Act, the Equal Pay Act, the Family Medical Leave Act ("FMLA"), the Immigration Reform and Control Act, any amendments to the foregoing, and any other federal, state, or local constitution, law, regulation, or ordinance; and any and all claims for any other allegedly unlawful behavior, the existence of which is specifically denied by the Company.

The Company represents and warrants that (i) the Company knows of no claims of any kind that it or any of its officers or directors have against Lamba and (ii) the Company has no intention of suing or otherwise bringing a claim or arbitration demand against Lamba.

13. **Exceptions to Release.** Notwithstanding the above or any other term in this Agreement, Lamba's release contained in this Agreement does not release and is not intended to release claims (a) for unemployment or workers' compensation benefits, (b) for vested rights under ERISA-covered retirement or health benefit plans as applicable on the date Lamba signs this Agreement, (c) that may arise after Lamba signs this Agreement, (d) for reimbursement of approved business expenses under the Company's expense reimbursement policies, (e) which cannot be released by private agreement, (f) arising out of this Agreement, (g) to or for indemnification, a defense and/or to be held harmless to the maximum extent provided for, by or in any law, corporate document, contract, or otherwise, including, without limitation, the December 2, 2024 Indemnification Agreement between Lamba and the Company, which is attached as Exhibit D; and (h) under any insurance policy now or previously in force, including, without limitation, under any director's and officer's, employment practices liability and/or errors and omissions insurance policies.
 14. **Covenant Not to Sue.** Lamba promises not to file any lawsuit or arbitration proceeding based on any claims released by this Agreement. The Company promises not to file any lawsuit or arbitration proceeding based on any claims covered by its representation and warranty in Section 12.
 15. **No Admission of Liability.** This Agreement is not an admission or evidence of any wrongdoing or liability on the part of the Releasees.
 16. **Applicable Time Periods.** The Company has advised Lamba to consult with an attorney prior to signing this Agreement and Lamba affirms that Lamba was represented by an attorney in his negotiation of this Agreement. As an express condition to being entitled to receive and be paid any Separation Consideration, Lamba has until August 5, 2025 at 7:00 a.m. California time (the "Agreement Deadline"), to review, sign and deliver this Agreement. Lamba has until December 31, 2025 at 10:00 a.m. California time (the "Supplemental Release Deadline") to sign and deliver the Supplemental Release and may sign it at any time on or after December 15, 2025. If Lamba does not sign the Supplemental Release, then the Company's only recourse for Lamba's failure to do
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so is to withhold payment of the December 31, 2025 \$292,000 payment. This Agreement will become effective on the date it has been signed by both Parties (the "Effective Date").

17. **Choice of Law.** This Agreement will be deemed to have been entered into and will be construed and enforced in accordance with the laws of the state of Delaware. Lamba acknowledges and affirms that Lamba has been individually represented by legal counsel in negotiating the terms of this Agreement, including, but not limited to, this Section 17. Lamba represents and confirms advised him as existence of California Labor Code Section 925 and its protections as to the law applicable to, any claim or controversy arising in California. Lamba acknowledges and confirms the Company has instructed him to consult counsel regarding the terms of this Agreement, and Lamba states that he has in fact consulted counsel (i) as to the negotiation of the terms and (ii) its designation of Delaware law as the law applying to any dispute that may result from, arise out of, be in connection with or relating to this Agreement and Lamba's obligations thereunder, Lamba's employment with or separation from the Company (including claims or controversies arising in California). All disputes arising out of or relating to this Agreement shall be resolved exclusively in the federal and state courts in and for San Mateo County, California.
 18. **Tax Consequences.** The Company makes no representations with respect to the tax consequences of the payments and any other consideration provided to Lamba or made on Lamba's behalf under the terms of this Agreement. Lamba agrees and understands that Lamba is responsible for payment, if any, of personal local, personal state, and/or personal federal taxes on the payments provided hereunder by the Company and any penalties or assessments thereon. Lamba further agrees to indemnify and hold the Releasees harmless from any claims, demands, deficiencies, penalties, interest, assessments, executions, judgments, or recoveries by any government agency against the Company for any amounts claimed due on account of (a) Lamba's failure to pay or delayed payment of personal federal or personal state taxes, or (b) damages sustained by the Company by reason of any such claims, including attorneys' fees and costs.
 19. **Protected Rights.** Lamba understands that nothing in this Agreement shall in any way limit or prohibit Lamba from engaging in any Protected Activity. Protected Activity includes: (i) filing and/or pursuing a charge, complaint, or report with, or otherwise communicating, cooperating, or participating in any investigation or proceeding that may be conducted by any federal, state or local government agency or commission, including the Securities and Exchange Commission, the Equal Employment Opportunity Commission, the Occupational Safety and Health Administration, and the National Labor Relations Board ("Government Agencies"); and/or (ii) discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that Lamba has reason to believe is unlawful. Notwithstanding the foregoing, Lamba agrees to take all reasonable precautions to prevent any unauthorized use or disclosure of any Company trade secrets, proprietary information, or confidential information that does not involve unlawful acts in the workplace or the activity otherwise protected herein. Lamba further understands that Protected Activity does not include the disclosure of any Company attorney-client privileged communications or attorney work product. In addition, pursuant to the Defend Trade Secrets Act of 2016, Lamba is notified that an individual will not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that (i) is made in confidence to a federal, state, or local government official (directly or indirectly) or to an attorney solely for the purpose of reporting or investigating a suspected violation of law, or (ii) is made in a complaint or other document filed in a lawsuit or other proceeding, if (and only if) such filing is made under seal. In addition, an individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the individual's attorney and use the trade secret information in the court proceeding, if the individual files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order. Finally, nothing in this Agreement constitutes a waiver of any rights Lamba may have under the Sarbanes-Oxley Act or Section 7 of the National Labor Relations Act ("NLRA"). For purposes of clarity, nothing in this Agreement shall be interpreted to impair or limit
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Lamba's participation in any legally protected activities, such as (i) forming, joining, or supporting labor unions, (ii) bargaining collectively through representatives of employees' choosing, (iii) discussing wages, benefits, or terms and conditions of employment, and (iv) discussing, or raising complaints about, working conditions for the purpose of mutual aid or protection of Lamba or the Company's other current or former employees, to the extent such activities are protected by Section 7 of the NLRA.

20. **Section 409A.** The Company intends that all payments and benefits provided under this Agreement or otherwise are exempt from, or comply with, the requirements of Section 409A of the Code and any guidance promulgated thereunder (collectively, "Section 409A") so that none of the payments or benefits will be subject to the additional tax imposed under Section 409A, and any ambiguities herein will be interpreted in accordance with this intent. No payment or benefits to be paid to Lamba, if any, under this Agreement or otherwise, when considered together with any other severance payments or separation benefits that are considered deferred compensation under Section 409A (together, the "Deferred Payments") will be paid or otherwise provided until Lamba has a "separation from service" within the meaning of Section 409A. If, at the time of Lamba's termination of employment, Lamba is a "specified employee" within the meaning of Section 409A, Deferred Payments will be delayed to the extent necessary to avoid the imposition of the additional tax imposed under Section 409A, which generally means that Lamba will receive payment on the first payroll date that occurs on or after the date that is 6 months and 1 day following his or her termination of employment. It is the Company's intent that all Separation Consideration Payments are short-term deferrals and that there will be no Deferred Payments. Each payment, installment, and benefit payable under this Agreement is a separate payment for purposes of U.S. Treasury Regulation Section 1.409A-2(b)(2). In no event will the Company or any subsidiary of the Company reimburse any Lamba for any taxes that may be imposed on him or her, including as a result of Section 409A.
21. **Authority.** Lamba and the Company represent and warrant that Lamba and the Company, as applicable, have all necessary authority to enter into this Agreement and that Lamba and the Company, as applicable, have not transferred any interest in any claims to any other third party.
22. **Entire Agreement; Attorney's Fees.** This Agreement, including all Exhibits, constitutes the complete, final and exclusive embodiment of the entire agreement and understanding between Lamba and the Company with regard to its subject matter and Lamba's separation from the Company. This Agreement is entered into without reliance on any promise or representation, written or oral, other than those expressly contained herein or in the Exhibits, and supersedes any other such promises, warranties, or representations. This Agreement may not be modified or amended except in a writing signed by Lamba and a duly authorized representative of the Company. The Parties agree that should any part of this Agreement be found to be void or unenforceable by a court or arbitrator, that determination will not affect the remainder of this Agreement, and a court or arbitrator shall have the power to interpret and reform any void or unenforceable provision so as to comply with legal requirements and the intent of the Parties. Each Party shall be solely responsible for all of its attorney's fees and expenses, provided that the Company shall reimburse Lamba for his reasonable attorneys' fees and expenses incurred that are related to his resignation and this Agreement.
23. **No Mitigation; Statements to Third Parties.** Lamba shall have no duty to mitigate any breach of this Agreement by the Company or any of its affiliates and all payments and benefits required to be made by this Agreement shall be made or provided in full without regard to any payments or other benefits Lamba may receive from future employment, consulting work or otherwise. In the event any third party inquires about Lamba, the Company shall state only that Lamba served as its Chief Financial Officer from December 2, 2024, until August 5, 2025, and that Company policy prohibits the Company from providing any further information about Lamba.
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24. **Voluntary Execution of Agreement.** Lamba understands and agrees that Lamba executed this Agreement voluntarily and without any duress or undue influence on the part or behalf of the Company or any third party, with the full intent of releasing all of Lamba's claims against the Company and any of the other Releasees. Lamba acknowledges that:

- a. Lamba has read this Agreement;
- b. Lamba has a right to consult with an attorney regarding this Agreement, and has been represented in the preparation, negotiation, and execution of this Agreement by an attorney of Lamba's own choice or has elected not to retain an attorney;
- c. Lamba understands the terms and consequences of this Agreement and of the releases it contains;
- d. Lamba is fully aware of the legal and binding effect of this Agreement; and
- e. Lamba has not relied upon any representations or statements made by the Company that are not specifically set forth in this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the respective dates set forth below.

RingCentral, Inc.

/s/ John Marlow

John Marlow
Chief Administrative Officer

Date: 8/5/2025

In exchange for Separation Consideration and other promises contained in this Agreement, Lamba is entering into this Agreement voluntarily, deliberately, and with all information needed to make an informed decision to enter this Agreement. The Company has provided Lamba with the opportunity to ask any questions regarding this Agreement and provided notice of and an opportunity to retain an attorney, or Lamba already is represented by an attorney.

By signing Lamba's name below via DocuSign, Lamba is (a) accepting the terms and conditions of this Agreement; and (b) agreeing that Lamba's typed name is Lamba's electronic signature and to use an electronic signature to demonstrate Lamba's acceptance of this Agreement. Lamba's electronic signature is as legally binding as an ink signature.

/s/ Abhey Lamba
Abhey Lamba

Date: 8/5/2025

**EXHIBIT A:
STATE SPECIFIC ADDENDUM TO SEPARATION AGREEMENT AND RELEASE**

**APPLIES TO INDIVIDUALS WHO LIVED OR WORKED IN THE FOLLOWING STATES: ALABAMA, CALIFORNIA,
HAWAII, ILLINOIS, MASSACHUSETTS, MINNESOTA, MONTANA, NEVADA, NEW JERSEY, NORTH DAKOTA,
OREGON, SOUTH DAKOTA, WASHINGTON, OR WEST VIRGINIA**

1. **ALABAMA**. If during employment with the Company, Lamba lived or worked in Alabama, the following language is added to the end of the non-disparagement section:

The non-disparagement obligation in this agreement does not prevent Lamba from exercising the right to (a) communicate with a law enforcement officer acting within the line and scope of the officer's law enforcement duties that a violation of the law has occurred or is occurring; (b) communicate with a government regulator acting within the line and scope of the regulator's regulatory duties that a violation of the law has occurred or is occurring; (c) respond to a lawfully served judicial, grand jury, or other lawful subpoena; (d) testify in a judicial or administrative proceeding in response to a lawfully served subpoena or an order of a court of competent jurisdiction; (e) confer with the obligated party's attorney for the purpose of obtaining legal advice or representation; (f) respond to lawful discovery in a judicial or administrative action; provided the disparaging statement is either ordered by a court of competent jurisdiction or made in compliance with a protective order entered by the same court; (g) prosecute or defend a civil action between or among parties to a covered contract; provided the party making the disparaging statement attempts to and, if permitted by law, does file the disparaging statement and any related pleading under seal or in compliance with a protective order entered by a court of competent jurisdiction in the civil action; or (h) exercise federally protected statutory rights, including, but not limited to, the exercise of rights under the National Labor Relations Act or the Civil Rights Act of 1964, as amended.

2. **CALIFORNIA**. If during employment with the Company, Lamba lived or worked in California, the following additions apply:

The following language is added to the end of the release:

Lamba is releasing all rights under Section 1542 of the California Civil Code, which reads as follows:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, AND THAT, IF KNOWN BY HIM OR HER WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.

The following is added to the section on exceptions to the release.

Lamba is not waiving the right to indemnity for necessary expenditures or losses (e.g., reimbursement of business expenses) incurred on behalf of the Company as provided in Section 2802 of the California Labor Code.

The following is added to the section on protected rights:

Nothing in this Agreement, including but not limited to, the acknowledgments, return of property, proprietary information, confidentiality, release, promise not to sue, cooperation, non-disparagement, and arbitration and class action waiver provisions prevents Lamba from discussing or disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that Lamba has reason to believe is unlawful or waives Lamba's right to testify in an administrative, legislative, or judicial proceeding concerning alleged criminal conduct or alleged sexual harassment on the part of the Company, or on the part of the agents or employees of the Company, when Lamba has been required or requested to attend such a proceeding pursuant to a court order, subpoena, or written request from an administrative agency or the legislature.

3. **HAWAII**. If during employment with the Company, Lamba lived or worked in Hawaii, the following is added to the section on protected rights:

Nothing in this agreement, including but not limited to, the acknowledgments, return of property, proprietary information, confidentiality, release, promise not to sue, cooperation, non-disparagement, and arbitration and class action waiver provisions shall be construed to prevent disclosing or discussing sexual harassment or sexual assault occurring in the workplace, at work-related events, between employees, or between an employer and an employee.

4. **ILLINOIS**. If during employment with the Company, Lamba lived or worked in Illinois, the following is added to the section on protected rights:

Nothing in this Agreement, including but not limited to, the acknowledgments, return of property, proprietary information, confidentiality, release, promise not to sue, cooperation, non-disparagement, and arbitration and class action waiver provisions is intended to or will be used in any way to limit Lamba's right to make truthful statements or disclosures regarding unlawful employment practices or precludes Lamba from testifying in an administrative, legislative, or judicial proceeding concerning alleged criminal conduct or alleged unlawful employment practices regarding the Company, its agents, or employees, when Lamba has been required or requested to do so pursuant to a court order, subpoena, or written request from an administrative agency or the legislature.

5. **MASSACHUSETTS**. If during employment with the Company, Lamba lived or worked in Massachusetts, the following statutes are added to the list of statutes in the release and Arbitration Agreement: the Massachusetts Fair Employment Practices Act, the Massachusetts Payment of Wages Law, the Massachusetts Minimum Fair Wages Law, the Massachusetts Civil Rights Act, the Massachusetts Equal Rights Act, the Massachusetts Equal Pay Act, the Massachusetts Labor and Industries Act, the Massachusetts Privacy Act, the Massachusetts Independent Contractor statute, the Massachusetts Earned Sick Time Law, and the anti-discrimination provisions of the Massachusetts Paid Family and Medical Leave Act.

6. **MINNESOTA**. If during employment with the Company, Lamba lived or worked in Minnesota, Lamba has 15 days to revoke the agreement instead of 7. In addition, the Agreement shall not become effective until the 15-day revocation period expires, provided Lamba does not revoke.

7. **MONTANA**. If during employment with the Company, Lamba lived or worked in Montana, the following language is added to the end of the release:

Lamba is releasing all rights under Montana Code Annotated Section 28-1-1602, which provides:

A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN THE CREDITOR'S FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH, IF KNOWN BY THE CREDITOR, MUST HAVE MATERIALLY AFFECTED THE CREDITOR'S SETTLEMENT WITH THE DEBTOR. Lambda understands that Lambda is referred to in this statute as the "creditor" and the Company is referred to as the "debtor."

8. **NEVADA**. If during employment with the Company, Lambda lived or worked in Nevada, the following language is added to the section on protected rights:

Nothing in this Agreement, including but not limited to, the acknowledgments, return of property, proprietary information, confidentiality, release, promise not to sue, cooperation, non-disparagement, and arbitration and class action waiver provisions precludes Lambda from testifying in an administrative, legislative, or judicial proceeding concerning alleged criminal conduct or alleged unlawful employment practices regarding the Company, its agents, or employees, when Lambda has been required or requested to do so pursuant to a court order, subpoena, or written request from an administrative agency or the legislature.

9. **NEW JERSEY**. If during employment with the Company, Lambda lived or worked in New Jersey, the following statutes are added to the list of statutes in the release and Arbitration Agreement: the New Jersey Conscientious Lambda Protection Act, the New Jersey Law Against Discrimination, the New Jersey Family Leave Act, and the Diane B. Allen Equal Pay Act.

In addition, the following is added to the section on protected rights:

Nothing in this Agreement including but not limited to the acknowledgments, return of property, proprietary information, confidentiality, release, promise not to sue, cooperation, non-disparagement, and arbitration and class action waiver provisions shall have the purpose or effect of requiring Lambda to conceal the details relating to any claim of discrimination, harassment, or retaliation, provided that Lambda does not reveal proprietary information consisting of non-public trade secrets, business plans, and customer information.

10. **NORTH DAKOTA**. If during employment with the Company, Lambda lived or worked in North Dakota, the following language is added to the release:

Lambda expressly waives any and all rights under any state or local statute, executive order, regulation, common law and/or public policy relating to unknown claims, including but not limited to North Dakota Century Code § 9-13-02.

11. **OREGON**. If during employment with the Company, Lambda lived or worked in Oregon, the following is added to the section on protected rights:

Nothing in this Agreement, including but not limited to, the acknowledgments, return of property, proprietary information, confidentiality, release, promise not to sue, cooperation, non-disparagement, and arbitration and class action waiver provisions shall have the purpose or effect of preventing Lambda from disclosing factual information or discussing conduct that constitutes unlawful discrimination; harassment; sexual harassment, abuse, assault, or other criminal conduct; or retaliation; or prevents Lambda from disclosing the amount or fact of any settlement. Lambda acknowledges receiving a copy of the Company's policy containing procedures and practices for the reduction and prevention of discrimination, including sexual assault.

12. **SOUTH DAKOTA**. If during employment with the Company, Lamba lived or worked in South Dakota, the following language is added to the release:

Lamba expressly waives any and all rights under any state or local statute, executive order, regulation, common law and/or public policy relating to unknown claims, including but not limited to South Dakota Codified Laws Section 20-7-11.

13. **WASHINGTON**. If during employment with the Company, Lamba lived or worked in the State of Washington, the following is added to the section on protected rights:

Nothing in this Agreement, including but not limited to, the acknowledgments, return of property, proprietary information, confidentiality, release, promise not to sue, cooperation, non-disparagement, and arbitration and class action waiver provisions prevents Lamba from discussing or disclosing conduct, or the existence of a settlement involving conduct, that Lamba reasonably believed to be illegal discrimination, illegal harassment, illegal retaliation, a wage and hour violation, or sexual assault, or that is recognized as illegal under state, federal, or common law, or that is recognized as against a clear mandate of public policy, where the conduct occurred at the workplace, at work-related events coordinated by or through the employer, between employees, or between an employer and an employee, whether on or off the employment premises; provided, however, that Lamba remains subject to the obligation to keep confidential the amount paid in settlement of any claim.

14. **WEST VIRGINIA**. If during employment with the Company, Lamba lived or worked in West Virginia, the following language is added to the agreement in the indicated places:

- “The West Virginia Human Rights Act” is added to the list of statutes in the release and Arbitration Agreement,
 - A reference to “The toll-free number for the West Virginia Bar Association is 1-866-989-8227” is added to the section on applicable time periods,
 - “This confidentiality obligation does not apply to communications between Lamba and (i) the West Virginia Human Rights Commission and (ii) similarly situated employees” is added to the end of section on confidentiality, and
 - “The method and/or factors used or considered in arriving at the amount of consideration offered” is included with the information provided for a group termination program. In addition, all employees in West Virginia receive the information about group termination programs.
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EXHIBIT B:
CONFIDENTIAL INFORMATION AND INVENTIONS ASSIGNMENT AGREEMENT

CONFIDENTIAL INFORMATION, PROTECTIVE COVENANTS, AND ASSIGNMENT AGREEMENT

This Confidential Information, Protective Covenants, and Assignment Agreement (“**Agreement**”) is entered into by and between the individual identified in the signature block below as the Employee (“**Employee**”, “**I**” or “**me**”) and RingCentral, Inc. (“**RingCentral**”), for the benefit of RingCentral and any Affiliate (defined below) that I become employed with or perform services for or that otherwise has a protectable interest covered by this Agreement (collectively, the “**Company**”), collectively the “**Parties**.”

As a condition of my employment (new or continued), and in exchange for good and valuable consideration that includes my employment, access to Confidential Information (defined below), and such other consideration as may be provided for in this Agreement or provided to me as consequence of this Agreement, the sufficiency of which I acknowledge, and *subject to any state-specific modification under Appendix A that may apply to me*, I agree as follows:

1. Protected Interests. The Company’s current line of business is the development and provision of software-as-a-service (“**SaaS**”) solutions that enable businesses to communicate, collaborate and connect. I acknowledge that the Company has a protectable interest in the forgoing line of business and that the Company’s line of business and products and/or services is likely to change over time. I agree that through my position of employment I will naturally be informed of such changes without any need for amendment or modification of this Agreement. My skills, education, and/or experience are such that my compliance with the restrictions provided for in this Agreement will not place an unreasonable burden on me or prevent me from earning a living, and I agree that this Agreement is narrowly tailored to protect the Company’s legitimate protectable interests.

2. Duty of Loyalty. In reliance upon my promises in this Agreement, I will be placed or retained in a position of special trust and confidence by the Company where I will be entrusted with certain trade secrets and other Confidential Information of the Company and will be given access to and/or involvement in certain key business relationships that the Company has invested significant time and resources in developing for its benefit. While employed by a Company entity, I will have a duty of loyalty to the Company that includes the obligation:

(a) to devote my best efforts to my employment duties, (b) to promptly notify the Company of business opportunities related to the Company’s line of business without pursuing them independently for personal gain without the written authorization of the Company, (c) to avoid competing with the Company, assisting others in their efforts to compete with the Company, or otherwise engaging in conduct or associations that create a conflict of interest, and (d) to avoid knowingly interfering with key business relationships (such as customers, employees, and suppliers) for the benefit of any person or entity who is engaged in, or preparing to engage in a competing business enterprise. I agree that during the term of my employment with the Company, I will not engage in or undertake any other employment, occupation, consulting relationship, or commitment that is related to the business or affairs in which the Company is now involved or becomes involved or has plans to become involved, nor will I engage in any other activities that conflict with my obligations to the Company.

3. At-Will Employment. I understand that my employment with the Company is “at will.” This means that I may terminate my employment with the Company at any time for any reason. Likewise, the Company may terminate my employment at any time and for any reason. Only the CEO of the Company has the authority to make any agreement to alter the at-will nature of my employment and then only in writing.

4. Representations and Warranties

4.1. I acknowledge that it is my responsibility to ensure that I am not subject to any legally binding obligations to another party that would prohibit me from being employed with the Company or performing the duties of the position I am being employed by the Company to perform, and I represent that I am subject to no such legal impediments to my employment. I agree that during my employment with the Company, I will not improperly use, incorporate, disclose, or induce the Company to use any proprietary information or trade secrets of any former employer or other person or entity with which I have an obligation to keep in confidence. I further agree that I will not bring onto the Company's premises or transfer onto the Company's technology systems any unpublished document, proprietary information, or trade secrets belonging to any such third party unless disclosure to, and use by, the Company has been consented to in writing by such third party.

4.2 I undertake not to use any former employer's proprietary or confidential information, including any trade secrets, during my employment at the Company. I further agree that if I have signed a confidentiality agreement or similar type of agreement with any former employer or other entity, I will comply with the terms of any such agreement to the extent that its terms are lawful under applicable law. I represent and warrant that after undertaking a careful search (including searches of my computers, cell phones, electronic devices, and documents), I have returned all property and confidential information belonging to all prior employers (and/or other third parties I have performed services for in accordance with the terms of my applicable agreement). Moreover, to the extent allowed by law, I agree to fully indemnify the Company, its directors, officers, agents, employees, investors, shareholders, administrators, affiliates, divisions, subsidiaries, predecessor and successor corporations, and assigns for all verdicts, judgments, settlements, and other losses incurred by any of them resulting from my breach of my obligations under any agreement with a third party to which I am a party or obligation to which I am bound, as well as any reasonable attorneys' fees and costs if the plaintiff is the prevailing party in such an action.

4.3. If I have been engaged to provide services to the Company for a period of time prior to the date of this Agreement (a "Prior Engagement Period"), I acknowledge and agree that the Company's rights and remedies related to Confidential Information, Third Party Confidential Information, and Intellectual Property, each defined below, created by this Agreement will apply with equal force and authority to all Confidential Information, Third Party Confidential Information, and Intellectual Property, with which I have involvement while engaged by the Company, irrespective of whether my engagement with the Company was during a Prior Engagement Period or after executing this Agreement. I hereby waive and release and agree not to assert any claims or rights that would be contrary to the foregoing.

5. Confidentiality Obligations.

5.1. "Confidential Information" refers to any item of information, or compilation of information, in any form (tangible or intangible), related to the Company's business and of value to it that I first gain knowledge of or access to as a consequence of employment with the Company if the Company has not made it public or authorized public disclosure of it and it is not readily available through lawful and proper means to the public or others in the industry who have no obligation to keep it confidential.

a. Confidential Information shall be presumed to include, but is not limited to, the following nonpublic items of information in the following categories: Company's customer and prospective customer lists, customer contact names and contact information (including, but not limited to, customers of the Company on which I called or with which I may become acquainted during the term of my employment), customer pricing variables and criteria (including proposals and analysis related to same); technical data, trade secrets, proprietary information, or know-how, including, but not limited to, research, product plans, or other information regarding the Company's products or services and markets therefor, software, source

code, coding, developments, inventions, discoveries, ideas, concepts, processes, formulas, technology, designs, images, drawings, graphical user interfaces, engineering, hardware configuration information, network infrastructure or design thereof, systems, tools, databases (whether or not protected by copyright) disclosed by the Company either directly or indirectly in writing, electronically, orally or by drawings or inspection of premises, parts, equipment, or other Company property; domain names, website content and designs, data compilations and analysis, sales figures, finances, and other business information; information entrusted to me in confidence as part of my job duties regarding other employees, consultants and service providers including: compensation information and expectations, skills, knowledge, ability to create or fulfill certain functions, products and services, work experiences, and professional abilities, strengths and weaknesses; and, information provided to the Company in confidence by third parties that the Company is obligated to keep confidential by law or through contractual commitments (such as personal identifying information like social security numbers, or a third-party's specifications for a project) ("**Third-Party Confidential Information**").

b. Confidential Information shall not include information which I can establish, through contemporaneous records or other means: (i) is publicly known or is widely and readily available to the public or others within the industry through lawful and proper means (using the standard for proper and improper means applicable under the Uniform Trade Secrets Act), or (ii) was in my rightful possession, without confidentiality obligations, and through sources independent from the Company, prior to the time it was disclosed or made available to me by the Company as shown by my then-contemporaneous written records. Due to its special value and utility as a compilation, a confidential compilation (like a customer list) will remain protected as Confidential Information even if some items of information within the list are in the public domain. Private exchanges or disclosures of otherwise Confidential Information to parties the Company is doing business with for business purposes shall not cause the information to lose its protected status under this Agreement.

5.2. Nondisclosure. I agree that during my employment and for so long thereafter as the information qualifies as Confidential Information under this Agreement, I will not engage in any use or disclosure of Confidential Information that is unlawful, contrary to honest commercial practice, or not authorized by the Company and undertaken for the benefit of the Company, nor will I solicit or cause a third party to do so.¹ This obligation specifically prohibits, among other things, the use or disclosure of Confidential Information for the benefit of a competitor or on behalf of any person or entity preparing to compete with the Company, and includes use or disclosure of information on social media. I will not reverse engineer, decompile object code, disassemble, or derive source code, underlying ideas, algorithms, structure, or organizational form of Company's technology, or solicit or cause a third party to do so. I will comply with all Company policies and directives concerning the use, storage, and transfer of Confidential Information. These obligations do not prohibit my use of generally available knowledge, skill and education that is not specific to the Company or its business relationships but is instead knowledge generic to the industry or my profession. Unless prohibited by law from doing so, I will notify the Company as quickly as possible after being served with a subpoena, order, or other legal mandate requiring the production of Confidential Information so that the Company can take reasonable steps to protect its interests and will cooperate with the same. I will not retain, copy, recreate, or transfer to any third party any Confidential Information after employment ends without written Company authorization to do so. However, nothing in this Section 5 shall prohibit Protected Conduct (described in Section 11 below).

6. Protective Covenants. As a result of this Agreement and my employment I will be entrusted with Confidential Information, customer contact and goodwill, and/or special access to key business relationships that may give me an unfair competitive advantage following employment that could cause irreparable harm to the Company. Accordingly, ***subject to any modifications applicable to me under***

¹ If (and only if) it is required by controlling state law for the restriction to be enforceable, the post-employment restriction on my use of Confidential Information that does not constitute either a trade secret or Third-Party Confidential Information will expire three years after my employment ends. Trade secret information will have no such time limit and will remain protected for as long as the information would qualify as a trade secret absent this Agreement. Third Party Confidential Information will remain protected for as long as the agreements and any applicable laws and regulations related to such information (such as regulations concerning privacy of personal identifying information) provide.

Appendix A, I agree to the following reasonable limitations (collectively referred to as the “**Protective Covenants**”) on my conduct following the date my employment with the Company ends (my “**Termination Date**”):

6.1. Noncompete. For a period of twelve (12) months after my Termination Date, I will not provide services to or be associated with a Competitor in any role or position (as an employee, director, owner, consultant or otherwise) that would involve Competitive Activity, within the Restricted Area, without the Company’s written approval in advance. This paragraph is my “**Noncompete**” covenant.

6.2. Customer Nonsolicit. For a period of twelve (12) months after my Termination Date, I will not, directly or through assistance to others, participate in soliciting a Covered Customer for the benefit of a Competitor, or for the purpose of causing or encouraging the Covered Customer to cease or reduce the extent to which the customer does business with the Company, without the Company’s written approval in advance. This paragraph is my “**Customer Nonsolicit**” covenant.

6.3. Employee Nonsolicit. For a period of twelve (12) months after my Termination Date, I will not, for the benefit of a Competitor, directly or through assistance to others, participate in soliciting a Covered Employee to leave the employment of the Company or assist a Competitor in efforts to hire a Covered Employee away from the Company without the Company’s written approval in advance. This paragraph is my “**Employee Nonsolicit**” covenant.

6.4. Supplier Nonsolicit. For a period of twelve (12) months after my Termination Date, I will not knowingly interfere with the Company’s business relationships with its Covered Suppliers by soliciting or knowingly taking any action that would cause a Covered Supplier to cease or reduce doing business with the Company, without the Company’s written approval in advance. This paragraph is my “**Supplier Nonsolicit**” covenant.

6.5. Related Terms and Definitions. For purposes of this Agreement, the following will apply:

a. “**Competitor**” refers to a person or entity who is engaged in (or is planning or preparing to engage in) the Company’s line of business, and/or is in the business or producing or providing products or services that displace the business opportunities for the Company’s products and/or services, or that otherwise compete with them.

b. “**Competitive Activity**” refers to business-related activity on behalf of a Competitor that involves (i) providing, supervising, or managing services that are the same as or similar in function or purpose to those I provided, supervised, or managed for the Company in the Look Back Period, (ii) assisting in the creation, development, or improvement of a product or service that displaces or otherwise competes with the products and/or services of the Company, (iii) accepting, participating in, or otherwise engaging in business with Covered Customer, or (iv) undertaking any other duties or responsibilities that would be likely (whether intentional or not) to require or result in the use or disclosure of Confidential Information for the benefit of a Competitor.

c. “**Covered Customer**” means a customer of the Company with whom I had material contact in the Look Back Period. Material contact will be presumed present if in the Look Back Period I (or persons under my supervision) had contact with the customer, or I was provided Confidential Information about the customer, or I received commissions or other beneficial credit for business conducted with the customer. Customers will be presumed to include active customer prospects as of the Termination Date that I have material contact with and will not be limited to the end user or purchaser of the Company’s products or services but shall also be understood to include customer representatives like brokers or other intermediaries who control the decision to do business with the Company.

d. “**Covered Employee**” means an employee that I worked with, gained knowledge of, or was provided Confidential Information about as a result of my employment with Company during the Look Back Period.

e. **“Covered Supplier”** means any person or entity such as a key supplier or similar participant in a business relationship with the Company that the Company relies upon and would have difficulty replacing without significant disruption to its business and/or risk of irreparable harm, and that I had material contact with or was provided Confidential Information about in the Look Back Period.

f. **“Look Back Period”** means the period of my employment with the Company (including any period of employment with a predecessor entity acquired by the Company) within the two (2) years preceding the Termination Date.

g. **“Restricted Area”** refers to: each market area or territory assigned to me in the Look Back Period (using the city, county, state or other designation used in the ordinary course of the Company’s business), if any are so assigned; the county(ies) and state(s) where I am employed and engaged to provide services for the Company (including but not limited to the county and state where I reside) during the Look Back Period; the counties where I conduct business for the Company in the Look Back Period; the geographic area that falls within a 50 mile radius of any sites, facilities, or locations where Company provides its goods or services that I have any material involvement with, manage, or supervise; and, each additional county and state within the United States where the Company does business, or has demonstrable plans to do business, that I have material involvement with or am provided Confidential Information about, in the Look Back Period. References to a state or county include their recognized equivalents under federal law. If the Restricted Area is not clear to me upon my Termination Date, I will seek clarification from the Company’s Legal Department within 14 days after the Termination Date and I agree not to dispute any uncertainty I may have regarding the scope of the Restricted Area if I do not do so.

h. **“Soliciting.”** It will be presumed that to “solicit” or “soliciting” and their derivations mean to interact with another person or entity with the purpose or foreseeable result being to cause, motivate or induce the person or entity to engage in some responsive action, irrespective of who first initiated contact. It shall not include general advertising (such as “help wanted” ads) that are not targeted at the Company’s employees or customers. My Employee Nonsolicit, Customer Nonsolicit, and Supplier Nonsolicit covenants are understood to be reasonably and logically limited by geography to those locations where the subjects are located and available for solicitation and no further geographic limitation is necessary to make these restrictions reasonable. However, if a different form of geographic limitation is necessary to make one of these restrictions enforceable then the restriction(s) that need it for enforceability shall be considered limited to the Restricted Area.

i. **Limitations.** Notwithstanding anything in this Agreement to the contrary, nothing prohibits me from owning a non-controlling interest consisting of two percent (2%) or less of any class of securities in any publicly traded company or passive investments through an independently controlled fund such as a mutual fund, provided that I am not a controlling person of, or a member of a group that controls, such business, and further provided that I do not otherwise participate in any conduct prohibited under this Agreement. In addition, nothing herein shall be construed to prohibit my employment in a separately operated subsidiary or other business unit of a company that would not be a Competitor but for common ownership with a Competitor so long as I provide written assurances regarding the non-competitive nature of my position that are satisfactory to the Company upon request. If I am a licensed attorney, nothing in this Agreement shall be construed or applied to prohibit me from engaging in the practice of law after my employment with the Company ends in accordance with ABA Model Rule of Professional Conduct 5.6. Irrespective of where I sign this Agreement or where I perform my services for the Company, I understand that the post-employment restrictions in the Protective Covenants (inclusive of the Noncompete) will not be applicable to me in the event California is my primary place of residence or work.

j. **Fairness Extension.** If I breach one of the post-employment restrictions in this Agreement for which there is a specific time limitation, the post-employment period of the breached restriction will be extended for an additional period of time equal to the time that elapses from commencement of the breach to the later of (i) the definitive termination of such breach or (ii) the final resolution of any litigation arising from such breach; provided, however, that this extension of time shall be capped so that the extension of time itself does not exceed the length of time originally proscribed for the restriction or a maximum of one year, and if this extension would make the restriction unenforceable under controlling law, it will not be applied. This shall be referred to as the “Fairness Extension.

k. **New Employer Notice.** I will provide notice of the restrictions in this Agreement to any prospective employer who makes an offer of employment to me prior to accepting such offer to ensure the employment offered does not violate this Agreement. I consent to the Company communicating its

opinion regarding the application of this Agreement and its restrictions to any such prospective employer or other third party and will not assert any claim or cause of action based on such a communication.

7. Intellectual Property. I understand that, among other things, I am employed to use my inventive and creative capacities for the benefit of the Company. Accordingly, the wages that I receive as an employee of the Company are inclusive and are the agreed upon and sufficient consideration for my agreement regarding Intellectual Property provided for below.

7.1 Assignment of Intellectual Property. References in this Agreement to “Intellectual Property” or “IP” refers to inventions, original works of authorship and other copyright eligible material, notes, records, drawings, designs, logos, improvements, modifications, developments, discoveries, concepts, ideas, know-how, and trade secrets conceived, discovered, authored, invented, developed or reduced to practice by me, solely or in collaboration with others, and all rights in them or to their use. I hereby fully, finally, and irrevocably assign to the Company all rights, title, and interest in and to all items of Intellectual Property that I conceive, create, develop or discover during my employment with the Company (past, present, and future) that either: (i) relate to the Company’s line of business or its actual or demonstrably anticipated research and development, (ii) were developed or discovered with the assistance of trade secrets, confidential information, tools, equipment, personnel or other resources of the Company, or (iii) are suggested by, relate to, or result from any work performed by me for the Company; and nothing in this Agreement shall be construed to create or require the assignment of an invention that cannot be lawfully assigned through an employment agreement as a condition of employment under controlling law (collectively “Company IP”).² I agree that this assignment includes a present conveyance to the Company of ownership of Intellectual Property not yet in existence. I further acknowledge that all original works of authorship that are made by me (solely or jointly with others) within the scope of and during the period of my employment with the Company and that are protectable by copyright are “works made for hire,” as that term is defined in the United States Copyright Act, and also considered Company IP. I agree to cooperate fully with any requests by the Company relating to assignment, filing, prosecution, litigation, protection, or divestiture of Company IP. I understand and agree that the decision whether or not to monetize or commercialize or market any Company IP is within the Company’s sole discretion and for the Company’s sole benefit, and that no royalty or other consideration will be due to me as a result of the Company’s efforts to monetize or commercialize any such Intellectual Property.

7.2 Prior Inventions and Other Intellectual Property Claims. In the event that I claim to own rights in any invention or other Intellectual Property related to the Company’s business or its line of business, that I claim should be excluded from assignment to the Company under this Agreement because the IP was conceived, created, developed or discovered by me prior to my employment with the Company or for some other reason, I will identify it in “**Appendix B – Prior Invention and Other Intellectual Property Claims**” at the time I execute this Agreement, and in any attached pages thereto. Any such submission in or attached to Appendix B will provide a description of the IP without revealing any trade secrets and will identify the date the item of IP was first conceived, created, developed, or discovered by me. In the event no such Appendix B description is submitted by me, I represent that I have no such claims and will assert no such claims.

7.3 License Regarding IP Not Assigned. In the event I, or any person operating within my supervision or control, incorporates an item of IP that I retain ownership or control, or claim to have ownership or control of, into any product or service of the Company, I grant the Company and its assigns a nonexclusive, perpetual, irrevocable, fully paid-up, royalty-free, worldwide license to the use and control of the IP that is so incorporated and any derivatives thereof (“Licensed Works”), and agree to assert no claim to royalties, rights of control or attribution, or other Moral Rights (defined below), in

² I acknowledge notice of the following laws of this nature: Cal. Lab. Code, § 2870; Del. Code Title 19 § 805; Illinois 765 ILCS 1060/1-3; Kan. Stat. Section 44-130; Minn. Statutes, 13A, Section 181.78; New Jersey Statutes Title 34. Labor and Workmen’s Compensation 34 § 1B-265; NY Labor Law § 203-f; N. Car. General Statutes, Art. 10A, Chapter 66, Commerce and Business, § 66-57.1; Utah Code § 34-39-1 through 34-39-3; Wash. Rev. Code, Title 49 RCW: Labor Regulations, Chapter 49.44.140); and I acknowledge that additional notices concerning the substance of some of these state laws limiting invention assignment are provided to me in Appendix A.

same. The foregoing applies to any incorporated IP that is not assigned to the Company through this Agreement, irrespective of why it is not assigned (whether due to express exclusion under this Agreement or by force of law or any other circumstance).

7.4. Moral Rights. Any assignment to the Company of Intellectual Property includes all rights of attribution, paternity, integrity, modification, disclosure and withdrawal, and any other rights throughout the world that may be known as or referred to as “moral rights,” “artist’s rights,” “droit moral,” or the like (collectively, “**Moral Rights**”). To the extent that Moral Rights cannot be assigned under applicable law, I hereby waive and agree not to enforce any and all Moral Rights, including, without limitation, any limitation on subsequent modification, to the extent permitted under applicable law.

7.5 Maintenance of Records. I agree to keep and maintain adequate, current, accurate, and authentic written records of all Intellectual Property made by me (solely or jointly with others) during the term of my employment with the Company. The records will be in the form of notes, sketches, drawings, electronic files, reports, or any other format that may be specified by the Company. As between Company and myself, the records are and will be available to and remain the sole property of the Company at all times.

7.6 Further Assurances. I agree to assist the Company, or its designee, at the Company’s expense, in every proper way to secure the Company’s rights in the Company IP in any and all countries, including the disclosure to the Company of all pertinent information and data with respect thereto, the execution of all applications, specifications, oaths, assignments, and all other instruments that the Company shall deem proper or necessary in order to apply for, register, prosecute, obtain, maintain, defend, and enforce such rights, and in order to deliver, assign and convey to the Company, its successors, assigns, and nominees the sole and exclusive rights, title, and interest in and to all Company IP, and testifying in a suit or other proceeding relating to such Intellectual Property. I further agree that my cooperation obligations regarding Company IP under this Agreement shall continue after the termination of this Agreement.

7.7 Attorney-in-Fact. I agree that, if the Company is unable, because of my unavailability, mental or physical incapacity, or for any other reason, to secure my signature with respect to any Company IP, including, without limitation, for the purpose of applying for or pursuing any application for any United States or foreign patents, industrial designs, trademarks, or copyright registrations covering the Intellectual Property assigned to the Company under this Agreement, then I hereby irrevocably designate and appoint the Company and its duly authorized officers and agents as my agent and attorney-in-fact, to act for and on my behalf to execute and file any papers and oaths, and to do all other lawfully permitted acts with respect to such Intellectual Property to further the prosecution and issuance of patents, industrial designs, or copyright registrations with the same legal force and effect as if executed by me. This power of attorney shall be deemed coupled with an interest and shall be irrevocable.

8. Company Property. All records related to the Company’s business activities and business development efforts created in the course of the Company’s business (such as contact lists, investment opportunity or prospect lists, calendars, and notes), whether made by me or others, and wherever stored (in email, text messages, cell phones, computers or otherwise) are the property of the Company (“**Company Records**”). I understand that “**Electronic Media Equipment**” includes, but is not limited to, computers, external storage devices, thumb drives, handheld electronic devices, telephone equipment, and other electronic media devices. I understand that “**Electronic Media Systems**” includes, but is not limited to, computer servers, messaging and email systems or accounts, and web-based services (including cloud-based information storage accounts), whether provided for my use directly by the Company or by third-party providers on behalf of the Company. I recognize that access or use of Company computer systems to compete or prepare to compete is unauthorized access and strictly prohibited.

8.1. I understand that anything that I created or worked on for the Company while working for the Company belongs solely to the Company and that I cannot remove, retain, save, or use such information without the Company's express written permission. Accordingly, upon separation from employment with the Company or upon the Company's request at any other time, I will immediately deliver to the Company, and will not keep in my possession, recreate, or deliver to anyone else, any and all Company property, including, but not limited to, Confidential Information, Third Party Confidential Information, all Company equipment including all Company Electronic Media Equipment, all tangible embodiments of the Intellectual Property, all electronically stored information and passwords to access such property, Company credit cards, records, documentations, user manuals, data, notes, notebooks, lab books, reports, files, software, code, coding, tools, proposals, lists, correspondence, specifications, drawings, blueprints, sketches, slides, materials, photographs, charts, any other documents and property, and reproductions of any of the foregoing items, including, without limitation, those Intellectual Property records maintained by me in accordance with this Agreement.

8.2. In connection with my obligation to return information to the Company, I agree that I will not copy, save, disseminate, delete, or alter any information, including personal information voluntarily created or stored, contained upon my Electronic Media Equipment before I return the Electronic Media Equipment and Electronic Media Systems to the Company. In addition, if I have used any personal Electronic Media Equipment or personal Electronic Media Systems to create, receive, store, review, prepare or transmit any information that relates to the Company, including but not limited to, Confidential Information, I agree to make a prompt and reasonable search for such information in good faith, including reviewing any personal Electronic Media Equipment or personal Electronic Media Systems to locate such information and if I locate such information I agree to notify the Company of that fact and then provide the Company with a computer-useable copy of all such Company information from those equipment and systems; and I agree to cooperate reasonably with the Company to verify that the necessary copying is completed (including upon request providing a sworn declaration confirming the return of property and deletion of information), and, upon confirmation of compliance by the Company, I agree to delete and expunge all information that relates to the Company as directed by the Company.

8.3 Upon request from the Company, I agree to sign and deliver to the Company a certification under oath in a form acceptable to the Company confirming my compliance with all of my obligations under this Section. I agree that my failure or refusal to do so will entitle the Company to an inference that I have violated or intend to violate the confidentiality provisions set forth in this Agreement. Upon request from the Company, I will provide the Company reasonable means to access and verify that no Company Records and/or Confidential Information have been retained by me on personal computers, cell phones, email, or cloud storage accounts, or in any other place that is subject to my control without the Company's authorization after employment ends. Nothing herein prohibits me from retaining records provided to me by the Company concerning my own compensation, benefits, and agreements with Company.

9. Survival and Severability. This Agreement shall, in accordance with its terms, remain in effect after, and be unaffected by any change in position, title, duties, compensation, or other terms and conditions of my employment, or the termination of my employment (where a clause indicates it creates post-employment obligations). The provisions of this Agreement are severable. The existence of a cause of action by me against Company shall not constitute a defense to enforcement of my obligations under this Agreement. If an authorized "Adjudicator" (arbitrator, arbitration panel, or court) determines that a covenant herein cannot be enforced as written in some part (such as time, scope of activity, or geography), the parties agree to the Adjudicator's temporary or permanent enforcement of the restrictions to such lesser extent as would make the obligation reasonable and enforceable, and/or to the reformation of the restriction to make it enforceable. If, despite the foregoing, any provision contained in this Agreement is determined to be void, illegal or unenforceable, in whole or in part, then the other provisions contained herein shall remain in full force and effect as if the offending provision were never contained in the Agreement. In the event this Agreement is found to be void or unenforceable in whole or in any part deemed material by the Company, any prior existing agreement between me and the Company may be

revived at the election of the Company upon notice to me from the Company so that the Company's protected interests remain protected. Presumptions provided for in this Agreement can only be overcome through clear and convincing evidence by the party opposing the presumption, and a presumption will not apply if its application would make the clause where it would be applied unenforceable.

10. Special Remedies. A violation of this Agreement by me would cause not only actual and compensable damage, but also irreparable harm and continuing injury to the Company for which there would not be an adequate remedy at law. Accordingly, if I should breach or threaten to breach this Agreement, the Company shall be entitled to equitable remedies in the form of temporary and permanent injunctive relief to enforce this Agreement in addition to, and not in lieu of, any and all other legal remedies to which it would otherwise be entitled. Where permissible, no bond will be required if an injunction is sought to enforce any of the covenants set forth herein; provided, however, that if a bond is deemed necessary for issuance of injunctive relief to enforce my obligations, a bond of \$1,000 shall be presumed sufficient. In addition to, and not in lieu of injunctive relief to prevent further violations, the Company will have the right to recover from me a sum equal to thirty percent (30%) of the annual compensation of any Covered Employee that the Company loses as a result of (in whole or in part) my breach of the Employee Nonsolicit. Company shall be deemed the prevailing party for all purposes if any relief is granted to it, irrespective of whether some relief requested by the Company is also denied. In the event that the Company pursues legal action to enforce the terms of this Agreement due to a breach or threatened breach by me, the Company shall be entitled to recover from me all costs and expenses, including without limitation, reasonable attorney's fees and expenses (including expert witness and investigation fees, and court costs) incurred by the Company in connection with such litigation, in addition to any and all other rights and remedies; provided, however, that if controlling law would convert the foregoing provision into a reciprocal obligation whereby either prevailing party could recover attorney's fees and expenses, then each party will bear its own attorney's fees and expenses.

11. Protected Conduct. Nothing in this Agreement prohibits me from opposing or reporting to the relevant law-enforcement agency (such as the Securities and Exchange Commission (SEC), Department of Labor, or Occupational Safety and Health Commission) an event that I reasonably and in good faith believe is a violation of law, obligates me to inform the Company before or after making such a report, prohibits me from cooperating in an investigation conducted by such a government agency, limits or affects my right to disclose or discuss sexual harassment or sexual assault disputes, or prohibits me from providing truthful testimony in a legal proceeding. Nothing in this Agreement or in any other Company agreement, policy, directive, or representation prohibits or impedes me, or any employee or former employee of the Company, from communicating directly with the SEC under the protection of SEC Rule 21F-17. If I have initiated communication with the SEC relating to a possible securities law or rule violation, nothing in this Agreement prohibits or impedes my ability to continue to communicate directly with the SEC or requires me to first seek consent, written or oral, from the Company before doing so. Further, nothing in this Agreement prohibits or impedes me from testifying in any SEC proceeding or, if eligible under applicable law, interferes with my right, if any, to receive an award from the government for information provided to the SEC. I acknowledge notice that under the Defend Trade Secrets Act (DTSA) no individual may be held criminally or civilly liable under Federal or State trade secret law for a trade secret disclosure that complies with 18 USC §1833(b); such as a disclosure (a) made in confidence to a Federal, State, or local government official, directly or indirectly, or to an attorney; and made solely for the purpose of reporting or investigating a suspected violation of law; or, (b) made in a complaint or other document filed in a lawsuit or other adjudicatory legal proceeding, if such filing is made under seal. Also, under this law an individual pursuing a legal claim for retaliation by an employer for reporting a suspected violation of the law may disclose a trade secret to his/her attorney and use it in documents filed in the adjudicatory proceeding under seal provided he/she does not engage in disclosure except pursuant to order of the adjudicator. Nothing in this Agreement prohibits me from using information acquired through lawful means regarding the wages, benefits, or other terms and conditions of employment of individuals employed by the Company for any purpose protected under the National Labor Relations Act (such as the right of employees to self-organization, to form, join, or assist labor organizations, or to engage in other

concerted activities for their mutual aid or protection), unless the information is entrusted to me in confidence by Company as part of my job duties or I am employed in a supervisor or management level position. The forgoing is collectively referred to as “**Protected Conduct**.” This Protected Conduct provision shall not be construed to protect, invite, permit, or limit liability for illegal activity such as breaking and entering, illegal computer access (hacking) or theft of Company property.

12. Beneficiaries, Successors, and Assigns. “Affiliate” refers to any entity under common ownership or control with RingCentral, or a successor thereof, within the meaning of Rule 405 of the Securities Act of 1933. This Agreement shall automatically inure the benefit of, and may be enforced by the Company, Affiliates, and their successors, and assigns, who have a protectable interest covered by the Agreement. If my employment is transferred from the undersigned Company entity to an Affiliate, the Affiliate will assume the same position and rights as the original employer Company under this Agreement without the need for any further agreement by me. I agree to the assignment of this Agreement by Company and all rights and obligations hereunder, including, but not limited to, an assignment in connection with any merger, sale, transfer, or acquisition consummated by Company, its parent, or any of their Affiliates, or relating to all or part of their assets. My obligations under this Agreement are personal in nature and may not be assigned by me to someone else.

13. Complete Terms, Modification and Waiver. The Parties are not relying upon any representations, agreements, terms, or conditions not contained within this document in making the decision to enter into it. This Agreement, together with any applicable agreement to arbitrate, is the full and complete agreement of the Parties with regard to the matters covered in it. The Company’s rights under this Agreement can only be waived or modified in a writing executed by an officer of the Company, including but not limited to, the Company’s Chief Administrative Officer or Chief Human Resources Officer, and cannot be waived orally or through the Company’s failure to take action to enforce this Agreement or any comparable agreement against me or any other person.

14. Choice of Law and Venue. The laws of the state where I am primarily employed with the Company will control the interpretation and application of this Agreement without regard to any conflicts of law principles of any other state to the contrary; provided, however, the Federal Arbitration Act, U.S.C. § 1 et seq. shall control as to all arbitration rights. Any disputes arising from or related to this Agreement will be resolved in accordance with the Parties’ arbitration agreement in effect at the time the dispute arises where such is applicable with the understanding that the Parties’ arbitration agreement may allow for temporary or provisional remedies in a court of law, pending final resolution through arbitration, to prevent irreparable harm or frustration of the purposes of this Agreement before an arbitration can be conducted.

15. All Duties and Rights Preserved / Right to Consult Attorney. This Agreement creates obligations that supplement, but do not replace or diminish the obligations I would otherwise have to the Company as an employee placed in a fiduciary position of special trust and confidence regarding its trade secrets and Confidential Information. Nothing in this Agreement modifies or places a limitation on the Parties’ right to end the employment relationship or otherwise alters the at-will nature of the Parties’ employment relationship. I understand that I have the right to consult with an attorney before entering into this Agreement and have been advised to do so.

16. Counterparts, Electronic Signature and Effective Date. This Agreement may be executed in two or more counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument. Counterparts may be executed and delivered via facsimile, electronic mail, or other electronic means. I may decline the use of an electronic signature and instead elect to sign a paper copy of this Agreement by hand in ink. The Company will accept this Agreement as executed upon my acceptance to it either electronically or by hand. The effective date of this Agreement shall be the date signed by me below unless entering into this Agreement was or is a condition of my initial employment in which case the terms of this Agreement are effective on the first day of my employment.



By signing via DocuSign below, I am (a) accepting the terms and conditions of the Confidential Information, Protective Covenants, and Assignment Agreement ("Agreement") above; and (b) acknowledging and authorizing the use of an electronic signature to accept the terms of this Agreement. My electronic signature is intended to show my acceptance of this Agreement and is as legally binding as an ink signature.

EMPLOYEE

RINGCENTRAL, INC.

/s/ Abhey Lamba

By: /s/ John Marlow

Abhey Lamba

RingCentral, Inc

Date: 12/02/2024

APPENDIX A

State-Specific Modifications

Alabama. *If Alabama law controls, then:* The Employee Nonsolicit covenant shall only apply to Covered Employees who are in a position uniquely essential to the management, organization, or service of the business (such as an employee involved in management or significant customer sales or servicing). Covered Customers shall be modified to cover only those Customers who are current customers when my employment ends.

California. Irrespective of where I sign this Agreement or where I perform my services for the Company, I understand that the post-employment restrictions in the Protective Covenants (inclusive of the Noncompete) will not be applicable to me (except as provided below) in the event that California is my primary place of residence or primary place of work. *If I primarily reside or work for the Company in California, then:* Nothing in this Agreement will require me to adjudicate outside of California a claim arising in California or be applied so as to deprive me of the substantive protection of California law with respect to a controversy arising in California. Accordingly, the Noncompete, Customer Nonsolicit, and Supplier Nonsolicit will not apply to me, and the Employee Nonsolicit will not apply to me to the extent it would restrain me from engaging in a lawful profession, trade, or business of any kind (as this standard is applied under Cal. Bus. & Prof. Code §16600). Conduct involving misappropriation of Company trade secrets will remain prohibited and nothing in this Agreement shall be construed to limit or eliminate any rights or remedies the Company would have against me under trade secret law, unfair competition law, or other laws applicable in California absent this Agreement. Nothing in the Agreement shall be construed to prohibit me from disclosing information about unlawful acts in the workplace, such as harassment or discrimination or any other conduct that I have reason to believe is unlawful. In accordance with Cal. Lab. Code, § 2870, the invention assignment obligation in the Agreement will not require the assignment of my rights in an invention for which no equipment, supplies, facility, or trade secret information of Company was used and which was developed entirely on my own time, unless (a) the invention relates at the time of conception or reduction to practice of the invention, (i) to the business of Company, or (ii) to the Company's actual or demonstrably anticipated research or development, or (b) the invention results from any work performed by me for Company. The jury trial waiver will not apply to me.

Colorado. *If I primarily reside and work for the Company in Colorado, then:* Nothing in this Agreement will require me to adjudicate outside of Colorado the enforceability of a covenant not to compete or require that another state's law other than Colorado law govern the enforceability of a covenant not to compete that applies to me. I agree that the defined Competitive Activity is activity that would (by its nature) involve or lead to the compromise of trade secrets. I also understand that Covered Customers and Covered Suppliers will be limited to those with respect to which I am provided trade secrets in the course of my employment. Accordingly, the Noncompete, Customer Nonsolicit, and Supplier Nonsolicit covenants are each reasonable and necessary for the protection of Company trade secrets. The Noncompete and Supplier Nonsolicit covenants in this Agreement will not be applicable to me unless I earn (or am expected to earn, if employed less than a calendar year) an amount of "Annualized Cash Compensation" equivalent to or greater than the "Threshold Amount" for highly compensated workers as these quoted terms are defined under Col. Rev. Stat. § 8-2-113. The Customer Nonsolicit covenant will not be applicable to me unless my earnings (or expected earnings if employed less than a calendar year) are at least sixty percent of the Threshold Amount. The Threshold Amount is \$101,250 as of August 10, 2022, and will be adjusted annually thereafter by the Colorado Division of Labor Standards. I acknowledge that I received notice of the covenants not to compete in this Agreement and their terms in a separate document before I accepted my offer of employment, or, if a current employee at the time I enter into this Agreement, at least fourteen (14) days before the earlier of the effective date of the Agreement or the effective date of any additional compensation or change in the terms or conditions of my employment that provides consideration for the covenants not to compete. If I am a

current employee at the time I enter into this Agreement, the effective date of this Agreement shall be no earlier than fourteen (14) days after I received notice of the covenants not to compete in this Agreement and their terms. The Confidential Information restrictions in this Agreement do not prohibit a worker's disclosure of information that arises from the worker's general training, knowledge, skill, or experience, whether gained on the job or otherwise, information that is

readily ascertainable to the public, or information that a worker otherwise has a right to disclose as legally protected conduct. Nothing in this Agreement or Company policy limits or prevents a worker from disclosing information about workplace health and safety practices or hazards.

District of Columbia. *If the law of the District of Columbia controls and (a) I spend more than half my work time working for the Company in the District of Columbia, or (b) I am based in the District of Columbia and do not spend the majority of my work time working in another jurisdiction, then:* The Noncompete restriction will not apply to me unless I earn (or am anticipated to earn) at least \$150,000 in compensation from the Company in a consecutive 12-month period (the earnings "Threshold"), and it will cease to apply to me 365 days after my employment with the Company ends irrespective of anything in the Agreement to the contrary. The Threshold amount will be adjusted beginning Jan. 1, 2024, in proportion to the annual average increase, if any, in the Consumer Price Index for All Urban Consumers in the Washington Metropolitan Statistical Area published by the Bureau of Labor Statistics of the United States Department of Labor for the previous calendar year. Nothing in this Agreement or any Company policy restricts me from having additional outside employment or contract work so long as the outside work does not violate my duty of loyalty or create a conflict of interest. I will notify the Company prior to accepting any outside employment or contract work so it can be evaluated for compliance with this Agreement and Company policy. If I earn (or am anticipated to earn) the Threshold amount, then I acknowledge receipt of the following notice: *"The District's Ban on Non-Compete Agreements Amendment Act of 2020 limits the use of non-compete agreements. It allows employers to request non-compete agreements from highly compensated employees, as that term is defined in the Ban on Non-Compete Agreements Amendment Act of 2020, under certain conditions. The Company has determined that you are a highly compensated employee. For more information about the Ban on Non-Compete Agreements Amendment Act of 2020, contact the District of Columbia Department of Employment Services (DOES)."* I acknowledge that I have received a copy of the Agreement, including the Appendix, at least 14 calendar days before I began working for the Company, if a new hire, or, at least 14 days before I was required to sign the Agreement, if already employed by a Company entity at the time asked to sign the Agreement.

Georgia. *If Georgia law controls, then:* The definition of the Restricted Area referred to in the Agreement shall be understood to be the territory where I am working at the time of termination and I stipulate that the provisions of the Agreement provide me with adequate means to reasonably determine the maximum scope of the restraints placed upon me at the time of my employment termination. The Employee Nonsolicit will be limited to the Restricted Area. The definition of Confidential Information shall exclude data or information (A) which has been voluntarily disclosed to the public by the Company, except where such public disclosure has been made by the me without authorization from the Company; (B) which has been independently developed and disclosed by others; or (C) which has otherwise entered the public domain through lawful means. The jury trial waiver will not apply to me.

Illinois. *If Illinois law controls, then:* As independently adequate consideration for the Restrictive Covenants, the Restrictive Covenants will not be or become applicable unless or until I have, after executing this Agreement, either (i) been employed with a Company entity for two (2) years, (ii) received long term incentive plan benefits with a value exceeding \$1,000, or (iii) received \$1,000 (less taxes and withholdings) as additional special consideration, which shall supplement and not replace or eliminate the value and sufficiency of the remaining professional and financial benefits of my position. I acknowledge that the forgoing is adequate consideration for the Restrictive Covenants, and that I had 14 days or more to consider the Agreement before being required to sign it and if I signed it before the expiration of the 14-day period, I

did so of my own volition and waive the remainder of the 14-day consideration period. I am not entering into or bound by the Noncompete covenant unless or until my actual or expected annualized rate of earnings with the Company exceed \$75,000 per year (or \$80,000 per year beginning on January 1, 2027, \$85,000 per year beginning on January 1, 2032, and \$90,000 per year beginning on January 1, 2037), nor am I entering into or bound by the Employee Nonsolicit and Customer Nonsolicit covenants unless or until my actual or expected annualized rate of earnings with the Company exceed \$45,000 per year (or \$47,500 per year beginning on January 1, 2027,

\$50,000 per year beginning on January 1, 2032, and \$52,500 per year beginning on January 1, 2037). In accordance with Illinois 765 ILCS 1060/1-3, the invention assignment obligation in the Agreement will not require the assignment of my rights in an invention for which no equipment, supplies, facilities, or trade secret information of Company was used and which was developed entirely on my own time, unless (a) the invention relates (i) to the business of Company, or (ii) to the Company's actual or demonstrably anticipated research or development, or (b) the invention results from any work performed by me for Company.

Indiana. *If Indiana law controls, then:* The Employee Nonsolicit covenant is modified to provide that the Covered Employee must also be an employee who is entrusted with Confidential Information.

Kansas. *If Kansas law controls, then:* In accordance with Kan. Stat. Section 44-130, the invention assignment obligation in the Agreement will not require the assignment of my rights in an invention for which no equipment, supplies, facility or trade secret information of Company was used and which was developed entirely on my own time, unless: (1) the invention relates directly to the business of Company or to the Company's actual or demonstrably anticipated research or development; or (2) the invention results from any work performed by me for Company.

Louisiana. *If Louisiana law controls, then:* The Restricted Area shall include the following parishes: Acadia, Allen, Ascension, Assumption, Avoyelles, Beauregard, Bienville, Bossier, Caddo, Calcasieu, Caldwell, Cameron, Catahoula, Claiborne, Concordia, Desoto, East Baton Rouge, East Carroll, East Feliciana, Evangeline, Franklin, Grant, Iberia, Iberville, Jackson, Jefferson Davis, Jefferson, Lafayette, Lafourche, LaSalle, Lincoln, Livingston, Madison, Morehouse, Natchitoches, Orleans, Ouachita, Plaquemines, Pointe Coupee, Rapides, Red River, Richland, Sabine, St. Bernard, St. Charles, St. Helena, St. James, St. John the Baptist, St. Landry, St. Martin, St. Mary, St. Tammany, Tangipahoa, Tensas, Terrebonne, Union, Vermillion, Vernon, Washington, Webster, West Baton Rouge, West Carroll, West Feliciana, Winn; and, if my assigned territory includes states beyond Louisiana then the Restricted Area will also include the names of the counties (and equivalents) within the states assigned to me which are named in the list available at: https://en.wikipedia.org/wiki/List_of_counties_by_U.S._state_and_territory; and, the Noncompete, Customer Nonsolicit, and Supplier Nonsolicit shall all be limited to the above-described Restricted Area.

Maine. *If Maine law controls, then:* If I am executing this Agreement upon hire into a new position, I acknowledge receiving a copy of this Agreement prior to receiving a formal offer of employment from the Company and have been given at least three business days to consider the Agreement before signing it. My Noncompete covenant will not take effect until one year of employment is completed or a period of six months from the date this Agreement is signed has transpired, whichever is later. And, the Noncompete covenant shall not apply if I earn at or below 400% of the federal poverty level.

Maryland. *If Maryland law controls, then:* The Noncompete obligation will not be applicable if in my position with the Company I earn equal to or less than \$15 per hour, or \$31,200 annually. However, my obligation not to take and use for a Competitor a client list or other proprietary client-related information will apply irrespective of what I earn.

Massachusetts. *If Massachusetts law controls, then:* In consideration of my agreement to be bound by the Noncompete covenant, the Company agrees to pay me on a pro-rata basis fifty (50) percent of my highest

annualized base salary paid by the Company within the two (2) years preceding the termination of my employment with the Company (hereinafter “Garden Leave Payments”) if the Company elects to keep the Noncompete covenant in effect after my Termination Date. Garden Leave Payments, less all legally required and voluntarily authorized deductions, shall be paid consistent with how I was paid during my employment, for the duration of the Noncompete covenant unless the Company waives the Noncompete covenant. Nothing under this Agreement shall obligate the Company to pay any portion of a Consolidated Omnibus Budget Reconciliation Act of 1985 as amended (“COBRA”) premium during the Garden Leave period. No Garden Leave Payments will be owed to me during any period of Noncompete covenant breach or any extension of the Noncompete covenant beyond the originally proscribed one year period under the “Equitable Extension” clause below. The Company will not be obligated to make Garden Leave Payments if (a) the Company chooses, in its sole discretion, to waive in writing the Noncompete covenant at or before the Termination Date, (b) I am terminated without Cause or laid off, and/or (c) the Noncompete covenant is otherwise not enforceable or kept in force against me. The Company may discontinue Garden Leave Payments in the event of a breach by me, and the Noncompete will remain in effect if this occurs. For purposes of enforcing the Noncompete covenant only, “Cause” exists if I have (i) committed, admitted committing, or plead guilty to a felony or crime involving moral turpitude, fraud, theft, misappropriation, or dishonesty, (ii) violated a material term of this Agreement or Company policy, (iii) engaged in insubordination, or failed or refused to perform assigned duties of my position (other than due to physical or mental illness) despite reasonable opportunity to perform, (iv) failed to exercise reasonable care and diligence in the exercise of my duties for the Company, or (iv) engaged in conduct or omissions that I knew, or should have known (with the exercise of reasonable care), would cause, or be likely to cause, harm to the Company or its reputation in the business community. The Noncompete covenant and Garden Leave Payments shall not apply to me if I am: classified as non-exempt under the Fair Labor Standards Act; 18 years or younger; or an undergraduate or graduate student in an internship or other short-term employment relationship while enrolled in college or graduate school. The Fairness Extension will not apply to the Noncompete covenant. If signing this Agreement as a newly hired employee, I acknowledge that I received a copy prior to receiving a formal employment offer or at least ten (10) business days before commencement of my employment by the Company or was provided at least ten (10) business days to sign the agreement, whichever came first. If signing this Agreement as an incumbent employee, I acknowledge that I was provided at least ten (10) business days to consider the Agreement before being required to sign it. The Employee Nonsolicit will also prohibit me from hiring a Covered Employee during the restricted period. I have been advised that I have the right to consult with legal counsel before signing this Agreement.

Minnesota. *If I primarily reside and work for the Company in Minnesota, then:* The Noncompete covenant will not apply to me. With respect to claims or controversies arising under Minnesota Statutes chapter 181.987 (referencing “Covenants Not To Compete”), nothing in this Agreement will require me to adjudicate outside of Minnesota a claim arising in Minnesota or deprive me of the substantive protection of Minnesota law with respect to a controversy arising in Minnesota. If I am executing this Agreement as a newly hired employee, I acknowledge that I was provided with notice of this Agreement when offered employment and was aware that execution of an agreement with noncompete and nonsolicit restrictions was a requirement of employment when I accepted the Company’s offer. In accordance with Minn. Statutes, 13A, Section 181, the invention assignment obligation in the Agreement will not require the assignment of my rights in an invention for which no equipment, supplies, facility or trade secret information of Company was used and which was developed entirely on my own time, and (1) which does not relate (a) directly to the business of Company or (b) to the Company’ actual or demonstrably anticipated research or development, or (2) which does not result from any work performed by me for Company.

Missouri. *If Missouri law controls, then:* The Employee Nonsolicit covenant will be modified so that it will not apply if I am an employee who provides only secretarial or clerical services, and it shall also prohibit me from hiring a Covered Employee during the restricted period.

Nebraska. *If Nebraska law controls, then:* The Noncompete covenant and Supplier Nonsolicit covenants shall not apply to me after my employment ends. The Customer Nonsolicit clause will be revised to provide only that I will not solicit, sell to, divert, serve, accept, or receive competing business from any customer or active prospective customer of Company that I personally, alone or in combination with others, handled, serviced, or solicited at any time during the Look Back Period.

Nevada. *If Nevada law controls, then:* The Noncompete covenant will not be applicable until I have either been employed with a Company entity for sixty (60) days or received \$3,000 in wages from Company. And, the Protective Covenants shall be amended to provide that nothing in them prohibits me from providing service to a former customer that I did not solicit if the customer voluntarily chooses to seek services from me without any contact instigated by me, and I am otherwise in compliance with the limitation of the Noncompete covenant as to time, geographical area and scope of activity to be restrained. In addition, no Protective Covenant that would qualify as a “Noncompetition covenant” under Nevada law (Chapter 613 of NRS) will apply to me if I am paid solely on an hourly wage basis, exclusive of any tips or gratuities.

New Hampshire. *If New Hampshire law controls, then:* The Noncompete obligation shall not be applicable to me if I earn an hourly rate less than or equal to two hundred percent (200%) of the federal minimum wage or tipped minimum wage pursuant to RSA 279.21.

New York. *If New York law controls, then:* The Customer Nonsolicit covenant is modified to provide that a customer of Company that becomes a customer solely as a result of the contact and business development efforts that I engaged in with the customer prior to and independent from my employment with Company will not be considered a “Covered Customer.”

North Carolina. *If North Carolina law controls, then:* The definition of “Look Back Period” is modified to provide that the Look Back Period will be reduced from two years to one year.

Oklahoma. *If Oklahoma law controls, then:* With the exception of the Employee Nonsolicit, the Protective Covenants shall be limited in their application so that they permit me to engage in the same business as that conducted by the Company or in a similar business as long as I do not directly solicit the sale of goods, services or a combination of goods and services from established customers of the Company and thereby interfere with the Company’s business relationship with its established customers. Established customers are those persons and entities who did business with the Company in the Look Back Period or made an agreement to do business with the Company in the Look Back Period.

Oregon. *If Oregon law controls, then:* The Noncompete covenant will not apply to me if as of the date my employment ends: (a) the total amount of my gross salary and commissions, calculated on an annual basis do not exceed \$100,533, adjusted annually for inflation pursuant to the Consumer Price Index for All Urban Consumers, West Region (All Items), as published by the Bureau of Labor Statistics of the United States Department of Labor immediately preceding the calendar year of the employee’s termination, or (b) I do not otherwise qualify under O.R.S. § 653.295; unless, the Company exercises its option when my employment ends to compensate me at the rate provided for under O.R.S. § 653.295 (7) during the restricted period. If I am executing this Agreement as a newly hired employee or as part of a promotion or other material advancement, I acknowledge that I was notified in a written offer from the Company received two weeks before the commencement of employment in my new position that a noncompetition agreement was a condition of my employment in the new position.

Virginia. *If Virginia law controls, then:* The Noncompete covenant shall not apply to me if my average weekly earnings calculated as provided for under Code of Virginia §40.1-28.7:7 (the “Virginia Act”), are less than the average weekly wage of the Commonwealth as determined pursuant to subsection B of §65.2-500 or I otherwise qualify as a “low-wage employee” under the Virginia Act, and nothing that constitutes a “covenant not to compete” as defined by the Virginia Act will restrict me from providing a

service to a customer or client of Company if I do not initiate contact with or solicit the customer or client. The parties agree that the Protective Covenants are reasonably limited in nature and do not prohibit employment with a competing business in a non-competitive position.

Washington. *If I am a Washington based employee, then:* The choice of law in the Agreement shall not be applied to the extent it deprives me of the protections or benefits of the Wash. Rev. Code § 49.62.005–900 (2020) (the “Washington Act”), and the Agreement shall not be applied so as to require me to adjudicate a covenant covered by the Washington Act outside the state of Washington. The Customer Nonsolicit and Employee Nonsolicit are modified to only prohibit solicitation by me (a) of any Covered Employee of the Company to leave employment with the Company, and (b) of any Covered Customer who is a current customer of the Company as of my Termination Date to cease or reduce the extent to which it is doing business with the Company; in accordance with the definition of an enforceable “Nonsolicitation agreement” under Washington Act. The Noncompete and Supplier Nonsolicit covenants will only be enforceable against me if as of the date enforcement is sought or my last day of employment (whichever is earlier) my earnings from the Company in the prior year (or portion thereof for which I was employed), when annualized, exceed the inflation-adjusted equivalent of one hundred thousand dollars per year (\$100,000/yr) as of Jan. 1, 2020, using the adjustment for inflation standard identified in the Washington Act. The Fairness Extension will be capped so that it does not cause the Noncompete or Supplier Nonsolicit covenant to extend for more than 18 months after the Termination Date. In the event my employment is terminated as a result of a layoff, the Noncompete and Supplier Nonsolicit covenants will not be enforced by Company unless Company agrees at the time of my layoff to provide me with the payments required by Washington Act to keep such covenants in effect. Nothing in the Agreement prohibits disclosure or discussion of conduct I reasonably believe to be illegal discrimination, illegal harassment, illegal retaliation, a wage and hour violation, or sexual assault, or that is recognized as against a clear mandate of public policy, or the disclosure of the existence of a settlement involving any such event or conduct. In accordance with Wash. Rev. Code, Title 49 RCW: Labor Regulations, Chapter 49.44.140, the invention assignment obligation in the Agreement will not require the assignment of my rights in an invention for which no equipment, supplies, facility, or trade secret information of Company was used and which was developed entirely on my own time, unless (a) the invention relates (i) directly to the business of Company, or (ii) to the Company' actual or demonstrably anticipated research or development, or (b) the invention results from any work performed by me for Company.

Wisconsin. *If Wisconsin law controls, then:* The Employee Nonsolicit covenant is modified to provide that the Covered Employee must also be an employee who is entrusted with Confidential Information that could be used to the Company's competitive disadvantage, and the Fairness Extension shall not be applicable.

Acknowledgement of Special Consideration for Some Incumbent Employees Only. If I am an existing employee of the Company, and I reside in the state of Connecticut, Hawaii, Kansas, Kentucky, Minnesota, Montana, North Carolina, New Mexico, Pennsylvania, South Carolina, Washington or West Virginia, at the time I enter into this Agreement then I acknowledge that the Company is providing me mutually agreed upon, fair and reasonable consideration for my obligations under this Agreement through a special payment or other material item of benefit to me described in a separate offer letter that came with the presentation of this Agreement to me and the description of that consideration is incorporated into this Agreement. This consideration shall supplement and not replace or eliminate the value and sufficiency of any additional consideration provided for in this Agreement, referred to in any offer letter or promotion, or otherwise provided to me as a consequence of entering into this Agreement. The above-referenced consideration is sufficient to make this Agreement fully binding and enforceable, and I agree not to assert otherwise.

If I reside in a state other than one of the states identified above, I understand that no state-specific modification will apply to me; provided, however, that it is intent of the Parties that the Agreement and its restrictions shall only be construed and applied to the extent that such enforcement would not violate controlling law that governs the Parties' relationship.

APPENDIX B

Prior Invention and Other Intellectual Property Claims

To the extent that I (the Employee) wish to assert a claim to an invention or other item of Intellectual Property that should be excluded from assignment in accordance with Section 7.2 of the Agreement, I have described it below or in a document attached to this Appendix B. If I have attached a document, I will indicate how many pages have been attached below. I understand that by not describing a claim below or in attached pages, I am representing to the Company that I have no such claims.

Description of claim:

Identify the number of pages attached if any: ____.

EXHIBIT C: SUPPLEMENTAL RELEASE

This Supplemental Release is made between Abhey Lamba ("Lamba") and RingCentral, Inc. ("Company") (collectively, the "Parties"). All capitalized terms not defined herein shall have the meaning set forth in the Separation Agreement and Release signed by Lamba on August 5, 2025 (the "Separation Agreement").

1. Consideration. In further consideration for the Separation Consideration provided under the Separation Agreement, Lamba hereby extends Lamba's release and waiver of claims to any claims that may have arisen between the date that Lamba signed the Separation Agreement and the date this Supplemental Release is executed by Lamba arising from any omissions, acts, facts, or damages that have occurred up until and including the date Lamba signs this Supplemental Release.

2. RESERVED

3. Incorporation of Terms of Agreement. The Parties further acknowledge that the terms of the Separation Agreement shall apply to this Supplemental Release and are incorporated herein in full to the extent that they are not inconsistent with the express terms of this Supplemental Release.

4. RESERVED

5. Supplemental Release Effective Date. Lamba understands that this Supplemental Release shall be null and void (i) if executed by Lamba before December 15, 2025 or (ii) if not executed by Lamba by December 31, 2025. This Supplemental Release will become effective on the date it is signed by both parties (the "Supplemental Release Effective Date").

6. Voluntary Execution of Agreement. Lamba understands and agrees that Lamba executed this Supplemental Release voluntarily and without any duress or undue influence on the part or behalf of the Company or any third party, with the full intent of releasing all of Lamba's claims against the Company and any of the other Releasees. Lamba acknowledges that:

- (a) Lamba has read this Supplemental Release;
 - (b) Lamba has a right to consult with an attorney regarding this Supplemental Release, and has been represented in the preparation, negotiation, and execution of this Supplemental Release by an attorney of Lamba's own choice or has elected not to retain an attorney;
 - (c) Lamba understands the terms and consequences of this Supplemental Release and of the releases it contains;
 - (d) Lamba is fully aware of the legal and binding effect of this Supplemental Release; and
 - (e) Lamba has not relied upon any representations or statements made by the Company that are not specifically set forth in this Supplemental Release.
-

IN WITNESS WHEREOF, the Parties have executed this Supplemental Release on the respective dates set forth below.

RingCentral, Inc.

John Marlow
Chief Administrative Officer

Date: _____

In exchange for Separation Consideration and other promises contained in this Supplemental Release, Lamba is entering into this Supplemental Release voluntarily, deliberately, and with all information needed to make an informed decision to enter this Supplemental Release. The Company has provided Lamba with the opportunity to ask any questions regarding this Supplemental Release and provided notice of and an opportunity to retain an attorney, or Lamba already is represented by an attorney.

By signing Lamba's name below via DocuSign, Lamba is (a) accepting the terms and conditions of the Supplemental Release; and (b) agreeing that Lamba's typed name is Lamba's electronic signature and to use an electronic signature to demonstrate Lamba's acceptance of the Supplemental Release. Lamba's electronic signature is as legally binding as an ink signature.

Abhey Lamba

Date: _____

EXHIBIT D: INDEMNIFICATION AGREEMENT

RINGCENTRAL, INC.

INDEMNIFICATION AGREEMENT

This Indemnification Agreement (this "**Agreement**") is dated as of December 2, 2024, and is between RingCentral, Inc., a Delaware corporation (the "**Company**"), and Abhey Lamba ("**Indemnitee**").

RECITALS

A. Indemnitee's service to the Company substantially benefits the Company.

B. Individuals are reluctant to serve as directors or officers of corporations or in certain other capacities unless they are provided with adequate protection through insurance or indemnification against the risks of claims and actions against them arising out of such service.

C. Indemnitee does not regard the protection currently provided by applicable law, the Company's governing documents and any insurance as adequate under the present circumstances, and Indemnitee may not be willing to serve as a director or officer without additional protection.

D. In order to induce Indemnitee to continue to provide services to the Company, it is reasonable, prudent and necessary for the Company to contractually obligate itself to indemnify, and to advance expenses on behalf of, Indemnitee as permitted by applicable law.

E. This Agreement is a supplement to and in furtherance of the indemnification provided in the Company's certificate of incorporation and bylaws, and any resolutions adopted pursuant thereto, and this Agreement shall not be deemed a substitute therefor, nor shall this Agreement be deemed to limit, diminish or abrogate any rights of Indemnitee thereunder.

The parties therefore agree as follows:

1. Definitions.

(a) A "**Change in Control**" shall be deemed to occur upon the earliest to occur after the date of this Agreement of any of the following events:

(i) *Acquisition of Stock by Third Party.* Any Person (as defined below) becomes the Beneficial Owner (as defined below), directly or indirectly, of securities of the Company representing fifteen percent (15%) or more of the combined voting power of the Company's then outstanding securities;

(ii) *Change in Board Composition.* During any period of two consecutive years (not including any period prior to the execution of this Agreement), individuals who at the beginning of such period constitute the Company's board of directors, and any new directors (other than a director designated by a person who has entered into an agreement with the Company to effect a transaction described in Sections 1(a)(i), 1(a)(iii) or 1(a)(iv)) whose election by the board of directors or nomination for election by the Company's stockholders was approved by a vote of at least two-thirds of the directors then still in office who either were directors at the beginning of the period or whose election or nomination for election was previously so approved, cease for any reason to constitute at least a majority of the members of the Company's board of directors;

(iii) *Corporate Transactions.* The effective date of a merger or consolidation of the Company with any other entity, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior to such merger or consolidation

continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity) more than 50% of the combined voting power of the voting securities of the surviving entity outstanding immediately after such merger or consolidation and with the power to elect at least a majority of the board of directors or other governing body of such surviving entity;

(iv) *Liquidation.* The approval by the stockholders of the Company of a complete liquidation of the Company or an agreement for the sale or disposition by the Company of all or substantially all of the Company's assets; and

(v) *Other Events.* Any other event of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A (or in response to any similar item on any similar schedule or form) promulgated under the Securities Exchange Act of 1934, as amended, whether or not the Company is then subject to such reporting requirement.

For purposes of this Section 1(a), the following terms shall have the following meanings:

(1) **"Person"** shall have the meaning as set forth in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended; *provided, however*, that **"Person"** shall exclude (i) the Company, (ii) any trustee or other fiduciary holding securities under an employee benefit plan of the Company, and (iii) any corporation owned, directly or indirectly, by the stockholders of the Company in substantially the same proportions as their ownership of stock of the Company.

(2) **"Beneficial Owner"** shall have the meaning given to such term in Rule 13d-3 under the Securities Exchange Act of 1934, as amended; *provided, however*, that **"Beneficial Owner"** shall exclude any Person otherwise becoming a Beneficial Owner by reason of (i) the stockholders of the Company approving a merger of the Company with another entity or (ii) the Company's board of directors approving a sale of securities by the Company to such Person.

(b) **"Corporate Status"** describes the status of a person who is or was a director, trustee, general partner, managing member, officer, employee, agent or fiduciary of the Company or any other Enterprise.

(c) **"DGCL"** means the General Corporation Law of the State of Delaware.

(d) **"Disinterested Director"** means a director of the Company who is not and was not a party to the Proceeding in respect of which indemnification is sought by Indemnitee.

(e) **"Enterprise"** means the Company and any other corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise of which Indemnitee is or was serving at the request of the Company as a director, trustee, general partner, managing member, officer, employee, agent or fiduciary.

(f) **"Expenses"** include all reasonable and actually incurred attorneys' fees, retainers, court costs, transcript costs, fees and costs of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, and all other disbursements or expenses of the types customarily incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in, or otherwise participating in, a Proceeding. Expenses also include (i) Expenses incurred in connection with any appeal resulting from any Proceeding, including without limitation the premium, security for, and other costs relating to any cost bond, supersedeas bond or other appeal bond or their equivalent, and (ii) for purposes of Section 12(d), Expenses incurred by Indemnitee in connection with the interpretation, enforcement or defense of Indemnitee's rights under this Agreement or under any directors' and officers' liability insurance policies maintained by the Company. Expenses, however, shall not include amounts paid in settlement by Indemnitee or the amount of judgments or fines against Indemnitee.

(g) **“Independent Counsel”** means a law firm, or a partner or member of a law firm, that is experienced in matters of corporation law and neither presently is, nor in the past five years has been, retained to represent (i) the Company or Indemnatee in any matter material to either such party (other than as Independent Counsel with respect to matters concerning Indemnatee under this Agreement, or other indemnitees under similar indemnification agreements), or (ii) any other party to the Proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term **“Independent Counsel”** shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnatee in an action to determine Indemnatee’s rights under this Agreement.

(h) **“Proceeding”** means any threatened, pending or completed action, suit, arbitration, mediation, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing or proceeding, whether brought in the right of the Company or otherwise and whether of a civil, criminal, administrative or investigative nature, including any appeal therefrom and including without limitation any such Proceeding pending as of the date of this Agreement, in which Indemnatee was, is or will be involved as a party, a potential party, a non-party witness or otherwise by reason of (i) the fact that Indemnatee is or was a director or officer of the Company, (ii) any action taken by Indemnatee or any action or inaction on Indemnatee’s part while acting as a director or officer of the Company, or (iii) the fact that he or she is or was serving at the request of the Company as a director, trustee, general partner, managing member, officer, employee, agent or fiduciary of the Company or any other Enterprise, in each case whether or not serving in such capacity at the time any liability or Expense is incurred for which indemnification or advancement of expenses can be provided under this Agreement.

(i) Reference to **“other enterprises”** shall include employee benefit plans; references to **“fines”** shall include any excise taxes assessed on a person with respect to any employee benefit plan; references to **“serving at the request of the Company”** shall include any service as a director, officer, employee or agent of the Company which imposes duties on, or involves services by, such director, officer, employee or agent with respect to an employee benefit plan, its participants or beneficiaries; and a person who acted in good faith and in a manner he or she reasonably believed to be in the best interests of the participants and beneficiaries of an employee benefit plan shall be deemed to have acted in a manner **“not opposed to the best interests of the Company”** as referred to in this Agreement.

2. **Indemnity in Third-Party Proceedings.** The Company shall indemnify Indemnatee in accordance with the provisions of this Section 2 if Indemnatee is, or is threatened to be made, a party to or a participant in any Proceeding, other than a Proceeding by or in the right of the Company to procure a judgment in its favor. Pursuant to this Section 2, Indemnatee shall be indemnified to the fullest extent permitted by applicable law against all Expenses, judgments, fines and amounts paid in settlement actually and reasonably incurred by Indemnatee or on his or her behalf in connection with such Proceeding or any claim, issue or matter therein, if Indemnatee acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Company and, with respect to any criminal action or proceeding, had no reasonable cause to believe that his or her conduct was unlawful.

3. **Indemnity in Proceedings by or in the Right of the Company.** The Company shall indemnify Indemnatee in accordance with the provisions of this Section 3 if Indemnatee is, or is threatened to be made, a party to or a participant in any Proceeding by or in the right of the Company to procure a judgment in its favor. Pursuant to this Section 3, Indemnatee shall be indemnified to the fullest extent permitted by applicable law against all Expenses actually and reasonably incurred by Indemnatee or on Indemnatee’s behalf in connection with such Proceeding or any claim, issue or matter therein, if Indemnatee acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the Company. No indemnification for Expenses shall be made under this Section 3 in respect of any claim, issue or matter as to which Indemnatee shall have been adjudged by a court of competent jurisdiction to be liable to the Company, unless and only to the extent that the Delaware Court of Chancery or any court in which the Proceeding was brought shall determine upon application that, despite the adjudication of liability but in view of all the

circumstances of the case, Indemnatee is fairly and reasonably entitled to indemnification for such expenses as the Delaware Court of Chancery or such other court shall deem proper.

4. **Indemnification for Expenses of a Party Who is Wholly or Partly Successful.** To the extent that Indemnatee is a party to or a participant in and is successful (on the merits or otherwise) in defense of any Proceeding or any claim, issue or matter therein, the Company shall indemnify Indemnatee against all Expenses actually and reasonably incurred by Indemnatee or on Indemnatee's behalf in connection therewith. For purposes of this section, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

5. **Indemnification for Expenses of a Witness.** To the extent that Indemnatee is, by reason of his or her Corporate Status, a witness in any Proceeding to which Indemnatee is not a party, Indemnatee shall be indemnified to the extent permitted by applicable law against all Expenses actually and reasonably incurred by Indemnatee or on Indemnatee's behalf in connection therewith.

6. **Additional Indemnification.**

(a) Notwithstanding any limitation in Sections 2, 3 or 4, the Company shall indemnify Indemnatee to the fullest extent permitted by applicable law if Indemnatee is, or is threatened to be made, a party to or a participant in any Proceeding (including a Proceeding by or in the right of the Company to procure a judgment in its favor) against all Expenses, judgments, fines and amounts paid in settlement actually and reasonably incurred by Indemnatee or on his or her behalf in connection with the Proceeding or any claim, issue or matter therein.

(b) For purposes of Section 6(a), the meaning of the phrase "*to the fullest extent permitted by applicable law*" shall include, but not be limited to:

(i) the fullest extent permitted by the provision of the DGCL that authorizes or contemplates additional indemnification by agreement, or the corresponding provision of any amendment to or replacement of the DGCL; and

(ii) the fullest extent authorized or permitted by any amendments to or replacements of the DGCL adopted after the date of this Agreement that increase the extent to which a corporation may indemnify its officers and directors.

7. **Exclusions.** Notwithstanding any provision in this Agreement, the Company shall not be obligated under this Agreement to make any indemnity in connection with any Proceeding (or any part of any Proceeding):

(a) for which payment has actually been made to or on behalf of Indemnatee under any statute, insurance policy, indemnity provision, vote or otherwise, except with respect to any excess beyond the amount paid;

(b) for an accounting or disgorgement of profits pursuant to Section 16(b) of the Securities Exchange Act of 1934, as amended, or similar provisions of federal, state or local statutory law or common law, if Indemnatee is held liable therefor (including pursuant to any settlement arrangements);

(c) for any reimbursement of the Company by Indemnatee of any bonus or other incentive-based or equity-based compensation or of any profits realized by Indemnatee from the sale of securities of the Company, as required in each case under the Securities Exchange Act of 1934, as amended (including any such reimbursements that arise from an accounting restatement of the Company pursuant to Section 304 of the Sarbanes-Oxley Act of 2002 (the "*Sarbanes-Oxley Act*"), or the payment to the Company of profits arising from the purchase and sale by Indemnatee of securities in violation of Section 306 of the

Sarbanes-Oxley Act), if Indemnatee is held liable therefor (including pursuant to any settlement arrangements);

(d) initiated by Indemnatee, including any Proceeding (or any part of any Proceeding) initiated by Indemnatee against the Company or its directors, officers, employees, agents or other indemnitees, unless (i) the Company's board of directors authorized the Proceeding (or the relevant part of the Proceeding) prior to its initiation, (ii) the Company provides the indemnification, in its sole discretion, pursuant to the powers vested in the Company under applicable law, (iii) otherwise authorized in Section 12(d) or (iv) otherwise required by applicable law; or

(e) if prohibited by applicable law.

8. **Advances of Expenses.** The Company shall advance the Expenses incurred by Indemnatee in connection with any Proceeding prior to its final disposition, and such advancement shall be made as soon as reasonably practicable, but in any event no later than 30 days, after the receipt by the Company of a written statement or statements requesting such advances from time to time (which shall include invoices received by Indemnatee in connection with such Expenses but, in the case of invoices in connection with legal services, any references to legal work performed or to expenditure made that would cause Indemnatee to waive any privilege accorded by applicable law shall not be included with the invoice). Advances shall be unsecured and interest free and made without regard to Indemnatee's ability to repay such advances. Indemnatee hereby undertakes to repay any advance to the extent that it is ultimately determined that Indemnatee is not entitled to be indemnified by the Company. This Section 8 shall not apply to the extent advancement is prohibited by law and shall not apply to any Proceeding (or any part of any Proceeding) for which indemnity is not permitted under this Agreement, but shall apply to any Proceeding (or any part of any Proceeding) referenced in Section 7(b) or 7(c) prior to a determination that Indemnatee is not entitled to be indemnified by the Company.

9. **Procedures for Notification and Defense of Claim.**

(a) Indemnatee shall notify the Company in writing of any matter with respect to which Indemnatee intends to seek indemnification or advancement of Expenses as soon as reasonably practicable following the receipt by Indemnatee of notice thereof. The written notification to the Company shall include, in reasonable detail, a description of the nature of the Proceeding and the facts underlying the Proceeding. The failure by Indemnatee to notify the Company will not relieve the Company from any liability which it may have to Indemnatee hereunder or otherwise than under this Agreement, and any delay in so notifying the Company shall not constitute a waiver by Indemnatee of any rights.

(b) If, at the time of the receipt of a notice of a Proceeding pursuant to the terms hereof, the Company has directors' and officers' liability insurance in effect that may be applicable to the Proceeding, the Company shall give prompt notice of the commencement of the Proceeding to the insurers in accordance with the procedures set forth in the applicable policies. The Company shall thereafter take all commercially-reasonable action to cause such insurers to pay, on behalf of Indemnatee, all amounts payable as a result of such Proceeding in accordance with the terms of such policies.

(c) In the event the Company may be obligated to make any indemnity in connection with a Proceeding, the Company shall be entitled to assume the defense of such Proceeding with counsel approved by Indemnatee, which approval shall not be unreasonably withheld, conditioned or delayed, upon the delivery to Indemnatee of written notice of its election to do so. After delivery of such notice, approval of such counsel by Indemnatee and the retention of such counsel by the Company, the Company will not be liable to Indemnatee for any fees or expenses of counsel subsequently incurred by Indemnatee with respect to the same Proceeding. Notwithstanding the Company's assumption of the defense of any such Proceeding, the Company shall be obligated to pay the fees and expenses of Indemnatee's separate counsel to the extent (i) the employment of separate counsel by Indemnatee is authorized by the Company, (ii) counsel for the Company or Indemnatee shall have reasonably concluded that there is a conflict of interest between the Company and Indemnatee in the conduct of any such defense such that Indemnatee needs to be separately represented,

(iii) the Company is not financially or legally able to perform its indemnification obligations or (iv) the Company shall not have retained, or shall not continue to retain, counsel to defend such Proceeding. Regardless of any provision in this Agreement, Indemnitee shall have the right to employ counsel in any Proceeding at Indemnitee's personal expense. The Company shall not be entitled, without the consent of Indemnitee, to assume the defense of any claim brought by or in the right of the Company.

(d) Indemnitee shall give the Company such information and cooperation in connection with the Proceeding as may be reasonably appropriate.

(e) The Company shall not be liable to indemnify Indemnitee for any settlement of any Proceeding (or any part thereof) without the Company's prior written consent, which shall not be unreasonably withheld, conditioned or delayed.

(f) The Company shall not settle any Proceeding (or any part thereof) in a manner that imposes any penalty or liability on Indemnitee without Indemnitee's prior written consent, which shall not be unreasonably withheld, conditioned or delayed.

10. Procedures upon Application for Indemnification.

(a) To obtain indemnification, Indemnitee shall submit to the Company a written request, including therein or therewith such documentation and information as is reasonably available to Indemnitee and as is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification following the final disposition of the Proceeding. Any delay in providing the request will not relieve the Company from its obligations under this Agreement, except to the extent such failure is prejudicial.

(b) Upon written request by Indemnitee for indemnification pursuant to Section 10(a), a determination with respect to Indemnitee's entitlement thereto shall be made in the specific case (i) if a Change in Control shall have occurred, by Independent Counsel in a written opinion to the Company's board of directors, a copy of which shall be delivered to Indemnitee or (ii) if a Change in Control shall not have occurred, (A) by a majority vote of the Disinterested Directors, even though less than a quorum of the Company's board of directors, (B) by a committee of Disinterested Directors designated by a majority vote of the Disinterested Directors, even though less than a quorum of the Company's board of directors, (C) if there are no such Disinterested Directors or, if such Disinterested Directors so direct, by Independent Counsel in a written opinion to the Company's board of directors, a copy of which shall be delivered to Indemnitee or (D) if so directed by the Company's board of directors, by the stockholders of the Company. If it is determined that Indemnitee is entitled to indemnification, payment to Indemnitee shall be made within twenty days after such determination. Indemnitee shall cooperate with the person, persons or entity making the determination with respect to Indemnitee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information that is not privileged or otherwise protected from disclosure and that is reasonably available to Indemnitee and reasonably necessary to such determination. Any costs or expenses (including attorneys' fees and disbursements) actually and reasonably incurred by Indemnitee in so cooperating with the person, persons or entity making such determination shall be borne by the Company, to the extent permitted by applicable law.

(c) In the event the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 10(b), the Independent Counsel shall be selected as provided in this Section 10(c). If a Change in Control shall not have occurred, the Independent Counsel shall be selected by the Company's board of directors, and the Company shall give written notice to Indemnitee advising him or her of the identity of the Independent Counsel so selected. If a Change in Control shall have occurred, the Independent Counsel shall be selected by Indemnitee (unless Indemnitee shall request that such selection be made by the Company's board of directors, in which event the preceding sentence shall apply), and Indemnitee shall give written notice to the Company advising it of the identity of the Independent Counsel so selected. In either event, Indemnitee or the Company, as the case may be, may, within ten days after such written notice of selection shall have been given, deliver to the Company or to Indemnitee, as the case may be,

a written objection to such selection; *provided, however*, that such objection may be asserted only on the ground that the Independent Counsel so selected does not meet the requirements of “Independent Counsel” as defined in Section 1 of this Agreement, and the objection shall set forth with particularity the factual basis of such assertion. Absent a proper and timely objection, the person so selected shall act as Independent Counsel. If such written objection is so made and substantiated, the Independent Counsel so selected may not serve as Independent Counsel unless and until such objection is withdrawn or a court has determined that such objection is without merit. If, within 30 days after the later of (i) submission by Indemnitee of a written request for indemnification pursuant to Section 10(a) hereof and (ii) the final disposition of the Proceeding, the parties have not agreed upon an Independent Counsel, either the Company or Indemnitee may petition a court of competent jurisdiction for resolution of any objection which shall have been made by the Company or Indemnitee to the other’s selection of Independent Counsel and for the appointment as Independent Counsel of a person selected by the court or by such other person as the court shall designate, and the person with respect to whom all objections are so resolved or the person so appointed shall act as Independent Counsel under Section 10(b) hereof. Upon the due commencement of any judicial proceeding pursuant to Section 12(a) of this Agreement, the Independent Counsel shall be discharged and relieved of any further responsibility in such capacity (subject to the applicable standards of professional conduct then prevailing).

(d) The Company agrees to pay the reasonable fees and expenses of any Independent Counsel and to fully indemnify such counsel against any and all Expenses, claims, liabilities and damages arising out of or relating to this Agreement or its engagement pursuant hereto.

11. Presumptions and Effect of Certain Proceedings.

(a) In making a determination with respect to entitlement to indemnification hereunder, the person, persons or entity making such determination shall, to the fullest extent not prohibited by law, presume that Indemnitee is entitled to indemnification under this Agreement, and the Company shall, to the fullest extent not prohibited by law, have the burden of proof to overcome that presumption.

(b) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of *nolo contendere* or its equivalent, shall not (except as otherwise expressly provided in this Agreement) of itself adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal Proceeding, that Indemnitee had reasonable cause to believe that his or her conduct was unlawful.

(c) For purposes of any determination of good faith, Indemnitee shall be deemed to have acted in good faith to the extent Indemnitee relied in good faith on (i) the records or books of account of the Enterprise, including financial statements, (ii) information supplied to Indemnitee by the officers of the Enterprise in the course of their duties, (iii) the advice of legal counsel for the Enterprise or its board of directors or counsel selected by any committee of the board of directors or (iv) information or records given or reports made to the Enterprise by an independent certified public accountant, an appraiser, investment banker or other expert selected with reasonable care by the Enterprise or its board of directors or any committee of the board of directors. The provisions of this Section 11(c) shall not be deemed to be exclusive or to limit in any way the other circumstances in which Indemnitee may be deemed to have met the applicable standard of conduct set forth in this Agreement.

(d) Neither the knowledge, actions nor failure to act of any other director, officer, agent or employee of the Enterprise shall be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement.

12. Remedies of Indemnitee.

(a) Subject to Section 12(e), in the event that (i) a determination is made pursuant to Section 10 of this Agreement that Indemnitee is not entitled to indemnification under this Agreement, (ii) advancement of Expenses is not timely made pursuant to Section 8 or 12(d) of this Agreement, (iii) no

determination of entitlement to indemnification shall have been made pursuant to Section 10 of this Agreement within 90 days after the later of the receipt by the Company of the request for indemnification or the final disposition of the Proceeding, (iv) payment of indemnification pursuant to this Agreement is not made (A) within twenty days after a determination has been made that Indemnitee is entitled to indemnification or (B) with respect to indemnification pursuant to Sections 4, 5 and 12(d) of this Agreement, within 30 days after receipt by the Company of a written request therefor, or (v) the Company or any other person or entity takes or threatens to take any action to declare this Agreement void or unenforceable, or institutes any litigation or other action or proceeding designed to deny, or to recover from, Indemnitee the benefits provided or intended to be provided to Indemnitee hereunder, Indemnitee shall be entitled to an adjudication by a court of competent jurisdiction of his or her entitlement to such indemnification or advancement of Expenses. The Company shall not oppose Indemnitee's right to seek any such adjudication in accordance with this Agreement.

(b) Neither (i) the failure of the Company, its board of directors, any committee or subgroup of the board of directors, Independent Counsel or stockholders to have made a determination that indemnification of Indemnitee is proper in the circumstances because Indemnitee has met the applicable standard of conduct, nor (ii) an actual determination by the Company, its board of directors, any committee or subgroup of the board of directors, Independent Counsel or stockholders that Indemnitee has not met the applicable standard of conduct, shall create a presumption that Indemnitee has or has not met the applicable standard of conduct. In the event that a determination shall have been made pursuant to Section 10 of this Agreement that Indemnitee is not entitled to indemnification, any judicial proceeding commenced pursuant to this Section 12 shall be conducted in all respects as a *de novo* trial, on the merits, and Indemnitee shall not be prejudiced by reason of that adverse determination. In any judicial proceeding commenced pursuant to this Section 12, the Company shall, to the fullest extent not prohibited by law, have the burden of proving Indemnitee is not entitled to indemnification or advancement of Expenses, as the case may be.

(c) To the fullest extent not prohibited by law, the Company shall be precluded from asserting in any judicial proceeding commenced pursuant to this Section 12 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court that the Company is bound by all the provisions of this Agreement. If a determination shall have been made pursuant to Section 10 of this Agreement that Indemnitee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding commenced pursuant to this Section 12, absent (i) a misstatement by Indemnitee of a material fact, or an omission of a material fact necessary to make Indemnitee's statements not materially misleading, in connection with the request for indemnification, or (ii) a prohibition of such indemnification under applicable law.

(d) To the extent not prohibited by law, the Company shall indemnify Indemnitee against all Expenses that are incurred by Indemnitee in connection with any action for indemnification or advancement of Expenses from the Company under this Agreement or under any directors' and officers' liability insurance policies maintained by the Company to the extent Indemnitee is successful in such action, and, if requested by Indemnitee, shall (as soon as reasonably practicable, but in any event no later than 30 days, after receipt by the Company of a written request therefor) advance such Expenses to Indemnitee, subject to the provisions of Section 8.

(e) Notwithstanding anything in this Agreement to the contrary, no determination as to entitlement to indemnification shall be required to be made prior to the final disposition of the Proceeding.

13. **Contribution.** To the fullest extent permissible under applicable law, if the indemnification provided for in this Agreement is unavailable to Indemnitee, the Company, in lieu of indemnifying Indemnitee, shall contribute to the amounts incurred by Indemnitee, whether for Expenses, judgments, fines or amounts paid or to be paid in settlement, in connection with any claim relating to an indemnifiable event under this Agreement, in such proportion as is deemed fair and reasonable in light of all of the circumstances of such Proceeding in order to reflect (i) the relative benefits received by the Company and Indemnitee as a result of the events and transactions giving rise to such Proceeding; and (ii) the relative fault of Indemnitee

and the Company (and its other directors, officers, employees and agents) in connection with such events and transactions.

14. **Non-exclusivity.** The rights of indemnification and to receive advancement of Expenses as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the Company's certificate of incorporation or bylaws, any agreement, a vote of stockholders or a resolution of directors, or otherwise. To the extent that a change in Delaware law, whether by statute or judicial decision, permits greater indemnification or advancement of Expenses than would be afforded currently under the Company's certificate of incorporation and bylaws and this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change, subject to the restrictions expressly set forth herein or therein. Except as expressly set forth herein, no right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. Except as expressly set forth herein, the assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other right or remedy.

15. **No Duplication of Payments.** The Company shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable hereunder (or for which advancement is provided hereunder) if and to the extent that Indemnitee has otherwise actually received payment for such amounts under any insurance policy, contract, agreement or otherwise.

16. **Insurance.** To the extent that the Company maintains an insurance policy or policies providing liability insurance for directors, trustees, general partners, managing members, officers, employees, agents or fiduciaries of the Company or any other Enterprise, Indemnitee shall be covered by such policy or policies to the same extent as the most favorably-insured persons under such policy or policies in a comparable position.

17. **Subrogation.** In the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

18. **Services to the Company.** Indemnitee agrees to serve as a director or officer of the Company or, at the request of the Company, as a director, trustee, general partner, managing member, officer, employee, agent or fiduciary of another Enterprise, for so long as Indemnitee is duly elected or appointed or until Indemnitee tenders his or her resignation or is removed from such position. Indemnitee may at any time and for any reason resign from such position (subject to any other contractual obligation or any obligation imposed by operation of law), in which event the Company shall have no obligation under this Agreement to continue Indemnitee in such position. This Agreement shall not be deemed an employment contract between the Company (or any of its subsidiaries or any Enterprise) and Indemnitee. Indemnitee specifically acknowledges that any employment with the Company (or any of its subsidiaries or any Enterprise) is at will, and Indemnitee may be discharged at any time for any reason, with or without cause, with or without notice, except as may be otherwise expressly provided in any executed, written employment contract between Indemnitee and the Company (or any of its subsidiaries or any Enterprise), any existing formal severance policies adopted by the Company's board of directors or, with respect to service as a director or officer of the Company, the Company's certificate of incorporation or bylaws or the DGCL. No such document shall be subject to any oral modification thereof.

19. **Duration.** This Agreement shall continue until and terminate upon the later of (a) ten years after the date that Indemnitee shall have ceased to serve as a director or officer of the Company or as a director, trustee, general partner, managing member, officer, employee, agent or fiduciary of any other Enterprise, as applicable; or (b) one year after the final termination of any Proceeding, including any appeal,

then pending in respect of which Indemnatee is granted rights of indemnification or advancement of Expenses hereunder and of any proceeding commenced by Indemnatee pursuant to Section 12 of this Agreement relating thereto.

20. **Successors.** This Agreement shall be binding upon the Company and its successors and assigns, including any direct or indirect successor, by purchase, merger, consolidation or otherwise, to all or substantially all of the business or assets of the Company, and shall inure to the benefit of Indemnatee and Indemnatee's heirs, executors and administrators. The Company shall require and cause any successor (whether direct or indirect by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company, by written agreement, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

21. **Severability.** Nothing in this Agreement is intended to require or shall be construed as requiring the Company to do or fail to do any act in violation of applicable law. The Company's inability, pursuant to court order or other applicable law, to perform its obligations under this Agreement shall not constitute a breach of this Agreement. If any provision or provisions of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever: (i) the validity, legality and enforceability of the remaining provisions of this Agreement (including without limitation, each portion of any section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and shall remain enforceable to the fullest extent permitted by law; (ii) such provision or provisions shall be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (iii) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any section of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested thereby.

22. **Enforcement.** The Company expressly confirms and agrees that it has entered into this Agreement and assumed the obligations imposed on it hereby in order to induce Indemnatee to serve as a director or officer of the Company, and the Company acknowledges that Indemnatee is relying upon this Agreement in serving as a director or officer of the Company.

23. **Entire Agreement.** This Agreement constitutes the entire agreement between the parties hereto with respect to the subject matter hereof and supersedes all prior agreements and understandings, oral, written and implied, between the parties hereto with respect to the subject matter hereof; *provided, however*, that this Agreement is a supplement to and in furtherance of the Company's certificate of incorporation and bylaws and applicable law.

24. **Modification and Waiver.** No supplement, modification or amendment to this Agreement shall be binding unless executed in writing by the parties hereto. No amendment, alteration or repeal of this Agreement shall adversely affect any right of Indemnatee under this Agreement in respect of any action taken or omitted by such Indemnatee in his or her Corporate Status prior to such amendment, alteration or repeal. No waiver of any of the provisions of this Agreement shall constitute or be deemed a waiver of any other provision of this Agreement nor shall any waiver constitute a continuing waiver.

25. **Notices.** All notices and other communications required or permitted hereunder shall be in writing and shall be mailed by registered or certified mail, postage prepaid, sent by facsimile or electronic mail or otherwise delivered by hand, messenger or courier service addressed:

(a) if to Indemnatee, to Indemnatee's address or electronic mail address as shown on the signature page of this Agreement or in the Company's records, as may be updated in accordance with the provisions hereof; or

(b) if to the Company, to the attention of the Chief Executive Officer or General Counsel of the Company at 20 Davis Drive, Belmont, CA 94002, or at such other current address as the Company shall have furnished to Indemnitee, with a copy (which shall not constitute notice) to Mark Baudler, Wilson Sonsini Goodrich & Rosati, P.C., 650 Page Mill Road, Palo Alto, California 94304.

Each such notice or other communication shall for all purposes of this Agreement be treated as effective or having been given (i) if delivered by hand, messenger or courier service, when delivered (or if sent *via* a nationally-recognized overnight courier service, freight prepaid, specifying next-business-day delivery, one business day after deposit with the courier), or (ii) if sent *via* mail, at the earlier of its receipt or five days after the same has been deposited in a regularly-maintained receptacle for the deposit of the United States mail, addressed and mailed as aforesaid, or (iii) if sent *via* facsimile, upon confirmation of facsimile transfer or, if sent *via* electronic mail, upon confirmation of delivery when directed to the relevant electronic mail address, if sent during normal business hours of the recipient, or if not sent during normal business hours of the recipient, then on the recipient's next business day.

26. **Applicable Law and Consent to Jurisdiction.** This Agreement and the legal relations among the parties shall be governed by, and construed and enforced in accordance with, the laws of the State of Delaware, without regard to its conflict of laws rules. The Company and Indemnitee hereby irrevocably and unconditionally (i) agree that any action or proceeding arising out of or in connection with this Agreement shall be brought only in the Delaware Court of Chancery, and not in any other state or federal court in the United States of America or any court in any other country, (ii) consent to submit to the exclusive jurisdiction of the Delaware Court of Chancery for purposes of any action or proceeding arising out of or in connection with this Agreement, (iii) appoint, to the extent such party is not otherwise subject to service of process in the State of Delaware, The Corporation Trust Company, Wilmington, Delaware as its agent in the State of Delaware as such party's agent for acceptance of legal process in connection with any such action or proceeding against such party with the same legal force and validity as if served upon such party personally within the State of Delaware, (iv) waive any objection to the laying of venue of any such action or proceeding in the Delaware Court of Chancery, and (v) waive, and agree not to plead or to make, any claim that any such action or proceeding brought in the Delaware Court of Chancery has been brought in an improper or inconvenient forum.

27. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute one and the same Agreement. This Agreement may also be executed and delivered by facsimile signature and in counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute one and the same Agreement. Only one such counterpart signed by the party against whom enforceability is sought needs to be produced to evidence the existence of this Agreement.

28. **Captions.** The headings of the paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

(signature page follows)

The parties are signing this Indemnification Agreement as of the date stated in the introductory sentence.

RINGCENTRAL, INC.

/s/ John Marlow
(Signature)

John Marlow
(Print name)

Chief Administrative Officer
(Title)

ABHEY LAMBA

/s/ Abhey Lamba
(Signature)

Abhey Lamba
(Print name)

20 Davis Drive
(Street Address)

Belmont, CA 94002
(City, State and ZIP)

(Signature page to Indemnification Agreement)

**Certification of Principal Executive Officer
pursuant to
Exchange Act Rules 13a-14(a) and 15d-14(a),
as adopted pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002**

I, Vladimir Shmunis, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of RingCentral, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

/s/ Vladimir Shmunis

Vladimir Shmunis
Chief Executive Officer and Chairman
(Principal Executive Officer)

Date: August 7, 2025

**Certification of Principal Financial Officer
pursuant to
Exchange Act Rules 13a-14(a) and 15d-14(a),
as adopted pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002**

I, Vaibhav Agarwal, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of RingCentral, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2025

/s/ Vaibhav Agarwal

Vaibhav Agarwal
Chief Financial Officer
(Principal Financial Officer)

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of RingCentral, Inc. (the “Company”) on Form 10-Q for the quarterly period ended June 30, 2025 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Vladimir Shmunis, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 7, 2025

/s/ Vladimir Shmunis

Vladimir Shmunis
Chief Executive Officer and Chairman
(Principal Executive Officer)

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of RingCentral, Inc. (the “Company”) on Form 10-Q for the quarterly period ended June 30, 2025 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Vaibhav Agarwal, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 7, 2025

/s/ Vaibhav Agarwal

Vaibhav Agarwal
Chief Financial Officer
(Principal Financial Officer)