

8x8, Inc.
Consolidated Statements of Operations (GAAP)

	FY2023				FY2024				FY25	Fiscal Years		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	FY2022	FY2023	FY2024
	30-Jun 2022	30-Sep 2022	31-Dec 2022	31-Mar 2023	30-Jun 2023	30-Sep 2023	31-Dec 2023	31-Mar 2024	30-Jun 2024	31-Mar 2022	31-Mar 2023	31-Mar 2024
Service revenue	\$ 179,161	\$ 178,556	\$ 175,765	\$ 176,562	\$ 175,238	\$ 177,782	\$ 175,069	\$ 172,490	\$ 172,801	\$ 602,357	\$ 710,044	\$ 700,579
Other revenue	8,459	8,833	8,635	7,967	8,049	7,217	5,937	6,923	5,346	35,773	33,894	28,126
Total revenue	187,620	187,389	184,400	184,529	183,287	184,999	181,006	179,413	178,147	638,130	743,938	728,705
Cost of service revenue	53,547	51,038	47,335	46,951	46,276	49,144	48,983	48,557	49,496	195,909	198,871	192,960
Cost of other revenue	13,126	11,000	10,176	8,302	8,398	7,958	7,177	8,412	7,691	51,649	42,604	31,945
Total cost of revenue	66,673	62,038	57,511	55,253	54,674	57,102	56,160	56,969	57,187	247,558	241,475	224,905
Gross profit	120,947	125,351	126,889	129,276	128,613	127,897	124,846	122,444	120,960	390,572	502,463	503,800
Operating expenses:												
Research and development	34,955	36,019	35,062	36,455	35,292	34,207	32,787	33,930	32,137	112,387	142,491	136,216
Sales and marketing	83,527	80,487	79,021	68,848	68,505	68,687	66,997	67,755	67,106	314,223	311,883	271,944
General and administrative	29,219	31,411	27,158	20,213	26,226	27,586	23,419	34,978	23,091	118,103	108,001	112,209
Impairment of long-lived assets	—	2,424	3,729	227	—	—	11,034	—	—	—	6,380	11,034
Total operating expenses	147,701	150,341	144,970	125,743	130,023	130,480	134,237	136,663	122,334	544,713	568,755	531,403
Loss from operations	(26,754)	(24,990)	(18,081)	3,533	(1,410)	(2,583)	(9,391)	(14,219)	(1,374)	(154,141)	(66,292)	(27,603)
Other expense, net	1,116	13,950	(7,912)	(11,198)	(12,473)	(5,258)	(11,310)	(7,306)	(8,240)	(21,629)	(4,044)	(36,347)
Loss before provision (benefit) for income taxes	(25,638)	(11,040)	(25,993)	(7,665)	(13,883)	(7,841)	(20,701)	(21,525)	(9,614)	(175,770)	(70,336)	(63,950)
Provision (benefit) for income taxes	405	599	37	1,766	1,444	(389)	521	2,066	676	(387)	2,807	3,642
Net loss	\$ (26,043)	\$ (11,639)	\$ (26,030)	\$ (9,431)	\$ (15,327)	\$ (7,452)	\$ (21,222)	\$ (23,591)	\$ (10,290)	\$ (175,383)	\$ (73,143)	\$ (67,592)
Net loss per share:												
Basic and diluted	\$ (0.22)	\$ (0.10)	\$ (0.23)	\$ (0.08)	\$ (0.13)	\$ (0.06)	\$ (0.17)	\$ (0.19)	\$ (0.08)	\$ (1.55)	\$ (0.63)	\$ (0.56)
Weighted average number of shares:												
Basic and diluted	119,721	116,013	113,201	114,924	116,777	120,757	122,556	124,324	125,999	113,354	115,959	121,106
					-0.048939641							
Interest expense	\$ (625)	\$ (4,883)	\$ (7,607)	\$ (9,906)	\$ (8,970)	\$ (8,929)	\$ (8,878)	\$ (8,575)	\$ (8,894)	\$ (2,271)	\$ (23,020)	\$ (35,352)
Amortization of debt discount and issuance costs	(831)	(1,169)	(1,136)	(1,118)	(1,108)	(1,132)	(1,157)	(1,075)	(1,062)	(20,404)	(4,254)	(4,472)
Gain (loss) on warrants remeasurement	—	1,293	(771)	(104)	(250)	2,781	(1,297)	942	1,747	—	417	2,176
Gain (loss) on debt extinguishment	—	16,106	2,144	296	(1,766)	—	—	—	—	—	18,545	(1,766)
Gain (loss) on sale of assets	—	—	1,757	(5)	—	—	—	(179)	—	(68)	1,821	(179)
Gain (loss) on foreign exchange	2,475	2,124	(2,616)	(991)	(804)	1,565	(1,841)	48	(982)	908	993	(1,032)
Other income	97	479	317	630	425	457	1,863	1,533	951	206	1,454	4,278
Other expense, net	\$ 1,116	\$ 13,950	\$ (7,912)	\$ (11,198)	\$ (12,473)	\$ (5,258)	\$ (11,310)	\$ (7,306)	\$ (8,240)	\$ (21,629)	\$ (4,044)	\$ (36,347)
Net loss	\$ (26,043)	\$ (11,639)	\$ (26,030)	\$ (9,431)	\$ (15,327)	\$ (7,452)	\$ (21,222)	\$ (23,591)	\$ (10,290)	\$ (175,383)	\$ (73,143)	\$ (67,592)
Other comprehensive income (loss), net of tax												
Unrealized gain (loss) on investments in securities	(94)	(5)	(31)	(54)	290	7	(16)	(1)	(5)	(571)	(184)	280
Foreign currency translation adjustment	(8,384)	(8,548)	10,244	1,858	1,441	(4,320)	5,987	(2,014)	(354)	(3,149)	(4,830)	1,094
Comprehensive loss	\$ (34,521)	\$ (20,192)	\$ (15,817)	\$ (7,627)	\$ (13,596)	\$ (11,765)	\$ (15,251)	\$ (25,606)	\$ (10,649)	\$ (179,103)	\$ (78,157)	\$ (66,218)

8x8, Inc.
Consolidated Balance Sheets

	FY2023				FY2024				FY2025
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1
	30-Jun 2022	30-Jun 2022	31-Dec 2022	31-Mar 2023	30-Jun 2023	30-Sep 2023	30-Dec 2023	31-Mar 2024	30-Jun 2024
ASSETS									
Current assets:									
Cash and cash equivalents	\$ 92,686	\$ 100,512	\$ 92,960	\$ 111,400	\$ 122,229	\$ 144,030	\$ 168,513	\$ 116,262	\$ 130,764
Restricted cash, current	590	511	511	511	165	521	356	356	461
Short-term investments	48,945	30,411	37,445	26,228	15,946	4,744	1,035	1,048	—
Accounts receivable, net	55,441	58,345	53,811	62,307	64,951	61,063	63,042	58,979	59,205
Deferred sales commission costs, current	36,510	36,350	37,401	38,048	38,247	37,610	36,996	35,933	34,625
Other current assets	38,545	37,537	32,449	34,630	32,930	33,967	32,528	35,258	32,723
Total current assets	272,717	263,666	254,577	273,124	274,468	281,935	302,470	247,836	257,778
Property and equipment, net	73,876	68,717	60,915	57,871	54,538	53,508	55,661	53,181	51,400
Operating lease, right-of-use assets	59,859	54,201	55,269	52,444	50,438	50,396	38,546	35,924	35,933
Intangible assets, net	122,737	117,490	112,236	107,112	102,013	96,914	91,816	86,717	81,618
Goodwill	265,029	262,393	265,578	266,863	266,386	265,732	267,453	266,574	266,399
Restricted cash, non-current	818	818	818	818	818	462	462	105	—
Long-term investments	—	—	—	—	—	—	—	—	—
Deferred sales commission costs, non-current	76,083	71,647	70,530	67,644	64,699	60,440	56,317	52,859	49,199
Other assets, non-current	18,028	17,009	16,184	15,934	15,103	14,336	13,993	12,783	13,412
Total assets	\$ 889,147	\$ 855,941	\$ 836,107	\$ 841,810	\$ 828,463	\$ 823,723	\$ 826,718	\$ 755,979	\$ 755,739
LIABILITIES AND STOCKHOLDERS' EQUITY									
Current liabilities:									
Accounts payable	\$ 42,584	\$ 43,844	\$ 40,632	\$ 46,802	\$ 42,537	\$ 49,391	\$ 49,493	\$ 48,862	\$ 51,727
Accrued and other liabilities	84,344	81,633	77,393	73,740	78,862	71,700	73,232	78,102	75,369
Operating lease liabilities, current	14,424	12,648	12,537	11,504	11,469	11,623	11,763	11,295	11,564
Deferred revenue, current	34,064	30,860	34,207	34,909	40,410	33,223	32,778	34,325	33,701
Convertible senior notes, current	—	—	—	62,932	63,039	63,153	63,260	—	—
Total current liabilities	175,416	168,985	164,769	229,887	236,317	229,090	230,526	172,584	172,361
Operating lease liabilities, non-current	71,806	68,437	68,358	65,623	62,850	61,926	59,417	56,647	55,179
Deferred revenue, non-current	11,023	10,465	10,480	10,615	10,618	10,231	10,128	7,810	7,659
Convertible senior notes, non-current	494,444	286,682	264,443	196,821	197,048	197,303	197,561	197,796	198,033
Term loan	—	230,049	231,202	231,993	209,534	210,303	211,092	211,894	212,718
Other liabilities, non-current	2,936	6,541	6,828	6,965	7,227	4,460	8,322	7,290	5,201
Total liabilities	755,625	771,159	746,080	741,904	723,594	713,313	717,046	654,021	651,151
Commitments and contingencies									
Stockholders' equity:									
Preferred stock: \$0.001 par value, 5,000,000 shares authorized, none issued and outstanding at both March 31, 2024 and 2023	—	—	—	—	—	—	—	—	—
Common stock: \$0.001 par value, 300,000,000 shares authorized	120	111	113	115	119	122	123	125	128
Additional paid-in capital	895,602	867,063	888,123	905,635	924,190	941,493	956,005	973,895	987,171
Accumulated other comprehensive loss	(16,391)	(24,944)	(14,731)	(12,927)	(11,196)	(15,509)	(9,538)	(11,553)	(11,912)
Accumulated deficit	(745,809)	(757,448)	(783,478)	(792,917)	(808,244)	(815,696)	(836,918)	(860,509)	(870,799)
Total stockholders' equity	133,522	84,782	90,027	99,906	104,869	110,410	109,672	101,958	104,588
Total liabilities and stockholders' equity	\$ 889,147	\$ 855,941	\$ 836,107	\$ 841,810	\$ 828,463	\$ 823,723	\$ 826,718	\$ 755,979	\$ 755,739

8x8, Inc.
Consolidated Statements of Cash Flows

	Three Months	Three Months	Three Months	Three Months	Three Months	Year Ended	Year Ended
	Ended	Ended	Ended	Ended	Ended	March 31,	March 31,
	30-Jun	30-Sep	31-Dec	31-Mar	30-Jun	31-Mar	31-Mar
	2023	2023	2023	2024	2024	2023	2024
	Q1 FY24	Q2 FY24	Q3 FY24	Q4 FY24	Q1 FY25	FY'23	FY'24
Cash flows from operating activities:							
Net loss	\$ (15,327)	\$ (7,452)	\$ (21,222)	\$ (23,591)	\$ (10,290)	\$ (73,143)	\$ (67,592)
Adjustments to reconcile net loss to net cash provided by operating activities:							
Depreciation	2,126	1,964	2,043	2,168	1,908	10,464	8,301
Amortization of intangible assets	5,099	5,099	5,098	5,099	5,099	21,078	20,395
Amortization of capitalized internal-use software costs	5,282	4,779	4,357	4,068	3,758	20,739	18,486
Impairment of capitalized software	—	—	—	—	—	3,729	—
Amortization of debt discount and issuance costs	1,109	1,131	1,157	1,075	1,062	4,254	4,472
Amortization of deferred sales commission costs	10,019	10,080	10,051	10,031	9,838	38,195	40,181
Allowance for credit losses	490	503	670	573	334	1,892	2,236
Operating lease expense, net of accretion	2,507	2,602	2,948	2,877	3,165	12,030	10,934
Impairment of right-of-use assets	—	—	11,034	—	—	2,651	11,034
Stock-based compensation expense	18,195	14,522	14,118	15,075	12,801	89,536	61,910
Loss (gain) on debt extinguishment	1,766	—	—	—	—	(18,545)	1,766
Loss (gain) on remeasurement of warrants	250	(2,781)	1,297	(942)	(1,747)	(417)	(2,176)
Gain on sale of assets	—	—	—	179	—	(1,821)	179
Other	(184)	236	(622)	1,250	581	101	680
Changes in assets and liabilities:							
Accounts receivable, net	(3,397)	3,696	(2,487)	2,941	(732)	(8,450)	753
Deferred sales commission costs	(7,209)	(4,859)	(5,027)	(5,784)	(4,803)	(31,086)	(22,879)
Other current and non-current assets	2,327	(3,633)	720	(1,762)	(658)	2,150	(2,348)
Accounts payable and accruals	(2,084)	(850)	(1,537)	289	(1,413)	(24,403)	(4,182)
Deferred revenue	5,504	(7,574)	(202)	(893)	(755)	(168)	(3,165)
Net cash provided by operating activities	26,473	17,463	22,396	12,653	18,148	48,786	78,985
Cash flows from investing activities:							
Purchases of property and equipment	(186)	(2,846)	(13,826)	(309)	(382)	(2,991)	(2,650)
Proceeds from sale of intangible assets	—	(1,372)	(783)	—	—	1,000	—
Capitalized internal-use software costs	(3,488)	(3,954)	(3,471)	(3,376)	(3,025)	(11,896)	(14,289)
Purchases of investments	(3,093)	(3,081)	—	—	—	(53,308)	(6,174)
Purchase of cost investment	—	—	—	—	(771)	—	—
Sales of investments	—	—	—	—	—	8,296	—
Maturities of investments	13,559	14,350	3,750	—	1,048	66,199	31,659
Acquisition of businesses, net of cash acquired	—	—	—	—	—	(1,250)	—
Net cash provided by (used in) investing activities	6,792	5,943	(504)	(3,685)	(3,130)	6,050	8,546
Cash flows from financing activities:							
Finance lease payments	—	—	—	—	—	—	—
Tax-related withholding of common stock	—	—	—	—	—	—	—
Proceeds from issuance of common stock under employee stock plans	—	2,365	—	2,519	—	4,679	4,884
Repurchase of capped calls	—	—	—	—	—	244	—
Repayment of principal on term loan	(25,000)	—	—	—	—	—	(25,000)
Net proceeds from term loan	—	—	—	—	—	234,806	—
Repayment and exchange of convertible senior notes	—	—	—	(63,295)	—	(217,299)	(63,295)
Proceeds from issuance of convertible notes	—	—	—	—	—	—	—
Repurchase of common stock	—	—	—	—	—	(60,214)	—
Other financing activities	—	—	—	—	(352)	—	—
Net cash provided by (used in) financing activities	(25,000)	2,365	—	(60,776)	(352)	(37,784)	(83,411)
Effect of exchange rate changes on cash	2,218	(3,970)	2,426	(800)	(164)	(5,037)	(126)
Net increase (decrease) in cash and cash equivalents	10,483	21,801	24,318	(52,608)	14,502	12,015	3,994
Cash, cash equivalents and restricted cash, beginning of year	112,729	123,212	145,013	169,331	116,723	100,714	112,729
Cash, cash equivalents and restricted cash, end of year	\$ 123,212	\$ 145,013	\$ 169,331	\$ 116,723	\$ 131,225	\$ 112,729	\$ 116,723
Supplemental and non-cash disclosures:							
Interest paid	\$ 4,919	\$ 12,880	\$ 6,864	\$ 10,911	\$ 6,707	\$ 22,162	\$ 35,574
Income taxes paid	\$ 336	\$ 2,782	\$ 2,326	\$ 530	\$ 479	\$ 1,530	\$ 5,974
Payables and accruals for property and equipment	\$ 37	\$ —	\$ 3,861	\$ 3,868	\$ 3,574	\$ 38	\$ 3,868
Warrants issued in connection with term loan	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 5,915	\$ —
Shares issued in connection with term loan and convertible senior notes	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 5,084	\$ —
Issuance of 2028 convertible senior notes in exchange of 2024 convertible senior notes	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 201,914	\$ —

8x8 Inc.
Reconciliation of Non-GAAP to GAAP Metrics

	FY23				FY24				FY25	Fiscal Years		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	2022	2023	2024
	Jun 30, 2022	Sep 30, 2022	Dec 31, 2022	Mar 31, 2023	Jun 30, 2023	Sep 30, 2023	Dec 31, 2023	Mar 31, 2024	Jun 30, 2024	Mar 31, 2022	Mar 31, 2023	Mar 31, 2024
Cost of Revenue:												
GAAP cost of service revenue (as a percentage of service revenue)	\$ 53,547	\$ 51,038	\$ 47,335	\$ 46,951	\$ 46,276	\$ 49,144	\$ 48,983	\$ 48,557	\$ 49,496	\$ 195,909	\$ 198,871	\$ 192,960
Amortization of acquired intangible assets	(2,369)	(2,140)	(2,125)	(2,118)	(2,118)	(2,118)	(2,118)	(2,115)	(2,117)	(5,127)	(8,752)	(8,469)
Stock-based compensation expense and related employer payroll taxes	(2,696)	(2,457)	(2,148)	(2,031)	(2,224)	(1,743)	(1,694)	(1,767)	(1,608)	(9,163)	(9,332)	(7,428)
Acquisition and integration costs	—	—	—	—	—	—	—	—	—	—	—	—
Legal and regulatory costs	—	—	(85)	—	—	—	—	—	—	—	(85)	—
Severance, transition and contract exit costs	(897)	(281)	(348)	736	(206)	(82)	(444)	(180)	(522)	(1,611)	(790)	(912)
Non-GAAP cost of service revenue (as a percentage of service revenue)	\$ 47,585	\$ 46,160	\$ 42,629	\$ 43,538	\$ 41,728	\$ 45,201	\$ 44,727	\$ 44,495	\$ 45,249	\$ 180,008	\$ 179,912	\$ 176,151
GAAP service revenue margin (as a percentage of service revenue)	\$ 125,614	\$ 127,518	\$ 128,430	\$ 129,611	\$ 128,962	\$ 128,638	\$ 126,086	\$ 123,933	\$ 123,305	\$ 406,448	\$ 511,173	\$ 507,619
Non-GAAP service revenue margin (as a percentage of service revenue)	\$ 131,576	\$ 132,396	\$ 133,136	\$ 133,024	\$ 133,510	\$ 132,581	\$ 130,342	\$ 127,995	\$ 127,552	\$ 422,349	\$ 530,132	\$ 524,428
GAAP cost of other revenue (as a percentage of other revenue)	\$ 13,126	\$ 11,000	\$ 10,176	\$ 8,302	\$ 8,398	\$ 7,958	\$ 7,177	\$ 8,412	\$ 7,691	\$ 51,649	\$ 42,604	\$ 31,945
Stock-based compensation expense and related employer payroll taxes	(1,147)	(937)	(902)	(634)	(651)	(468)	(459)	(442)	(419)	(5,046)	(3,620)	(2,020)
Acquisition and integration costs	—	—	—	—	—	—	—	—	—	—	—	—
Legal and regulatory costs	—	—	—	—	—	—	—	—	—	—	—	—
Severance, transition and contract exit costs	(533)	(244)	(517)	(389)	(22)	(28)	(74)	(31)	(100)	(998)	(1,683)	(155)
Non-GAAP cost of other revenue (as a percentage of other revenue)	\$ 11,446	\$ 9,819	\$ 8,757	\$ 7,279	\$ 7,725	\$ 7,462	\$ 6,644	\$ 7,939	\$ 7,172	\$ 45,605	\$ 37,301	\$ 29,770
GAAP other revenue margin (as a percentage of other revenue)	\$ (4,667)	\$ (2,167)	\$ (1,541)	\$ (335)	\$ (349)	\$ (741)	\$ (1,240)	\$ (1,489)	\$ (2,345)	\$ (15,876)	\$ (8,710)	\$ (3,819)
Non-GAAP other revenue margin (as a percentage of other revenue)	\$ (2,987)	\$ (986)	\$ (122)	\$ 688	\$ 324	\$ (245)	\$ (707)	\$ (1,016)	\$ (1,826)	\$ (9,832)	\$ (3,407)	\$ (1,644)
GAAP gross margin (as a percentage of total revenue)	\$ 120,947	\$ 125,351	\$ 126,889	\$ 129,276	\$ 128,613	\$ 127,897	\$ 124,846	\$ 122,444	\$ 120,960	\$ 390,572	\$ 502,463	\$ 503,800
Non-GAAP gross margin (as a percentage of total revenue)	\$ 128,589	\$ 131,410	\$ 133,014	\$ 133,712	\$ 133,834	\$ 132,336	\$ 129,635	\$ 126,979	\$ 125,726	\$ 412,517	\$ 526,725	\$ 522,784

8x8 Inc.
Reconciliation of Non-GAAP to GAAP Metrics

	FY23				FY24				FY25	Fiscal Years		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	2022	2023	2024
	Jun 30, 2022	Sep 30, 2022	Dec 31, 2022	Mar 31, 2023	Jun 30, 2023	Sep 30, 2023	Dec 31, 2023	Mar 31, 2024	Jun 30, 2024	Mar 31, 2022	Mar 31, 2023	Mar 31, 2024
Operating Expenses:												
GAAP research and development (as a percentage of total revenue)	\$ 34,955	\$ 36,019	\$ 35,062	\$ 36,455	\$ 35,292	\$ 34,207	\$ 32,787	\$ 33,930	\$ 32,137	\$ 112,387	\$ 142,491	\$ 136,216
Stock-based compensation expense and related employer payroll taxes	(8,193)	(7,773)	(7,183)	(6,789)	(7,438)	(5,345)	(5,190)	(5,469)	(4,657)	(34,113)	(29,938)	(23,442)
Acquisition and integration costs	—	—	—	—	(213)	115	—	—	—	—	—	(98)
Legal and regulatory costs	—	—	—	—	—	—	—	—	—	—	—	—
Severance, transition and contract exit costs	(37)	(107)	(1,167)	(1,310)	(311)	(902)	(585)	(313)	(39)	(1,054)	(2,621)	(2,111)
Non-GAAP research and development (as a percentage of total revenue)	\$ 26,725	\$ 28,139	\$ 26,712	\$ 28,356	\$ 27,330	\$ 28,075	\$ 27,012	\$ 28,148	\$ 27,441	\$ 77,220	\$ 109,932	\$ 110,565
GAAP sales and marketing (as a percentage of total revenue)	\$ 83,527	\$ 80,487	\$ 79,021	\$ 68,848	\$ 68,505	\$ 68,687	\$ 66,997	\$ 67,755	\$ 67,106	\$ 314,223	\$ 311,883	\$ 271,944
Amortization of acquired intangible assets	(3,106)	(3,107)	(3,106)	(3,007)	(2,982)	(2,982)	(2,982)	(2,980)	(2,981)	(3,190)	(12,326)	(11,926)
Stock-based compensation expense and related employer payroll taxes	(8,280)	(6,883)	(6,653)	(3,536)	(5,254)	(4,176)	(3,894)	(3,400)	(3,258)	(49,060)	(25,352)	(16,724)
Acquisition and integration costs	—	—	—	1,105	—	—	—	—	—	—	1,105	—
Legal and regulatory cost	—	—	—	—	—	—	—	—	—	—	—	—
Severance, transition and contract exit costs	(391)	(330)	(2,351)	(3,974)	(169)	(234)	(342)	(1,720)	(125)	(3,315)	(7,046)	(2,465)
Non-GAAP sales and marketing (as a percentage of total revenue)	\$ 71,750	\$ 70,167	\$ 66,911	\$ 59,436	\$ 60,100	\$ 61,295	\$ 59,779	\$ 59,655	\$ 60,742	\$ 258,658	\$ 268,264	\$ 240,829
GAAP general and administrative (as a percentage of total revenue)	\$ 29,219	\$ 31,411	\$ 27,158	\$ 20,213	\$ 26,226	\$ 27,586	\$ 23,419	\$ 34,978	\$ 23,091	\$ 118,103	\$ 108,001	\$ 112,209
Stock-based compensation expense and related employer payroll taxes	(7,923)	(6,763)	(4,354)	(3,352)	(4,108)	(3,695)	(3,653)	(4,787)	(3,651)	(40,844)	(22,392)	(16,243)
Acquisition and integration costs	(624)	(1,554)	(555)	6,181	(130)	(422)	(102)	(145)	(123)	(9,717)	3,448	(799)
Legal and regulatory cost	62	207	(57)	(898)	(1,468)	(3,879)	(98)	(10,072)	(548)	2,722	(686)	(15,517)
Severance, transition and related exit costs	(755)	730	(1,130)	(1,044)	(546)	(388)	(978)	(1,074)	(1,335)	(4,213)	(2,199)	(2,986)
Non-GAAP general and administrative (as a percentage of total revenue)	\$ 19,979	\$ 24,031	\$ 21,062	\$ 21,100	\$ 19,974	\$ 19,202	\$ 18,588	\$ 18,900	\$ 17,434	\$ 66,051	\$ 86,172	\$ 76,664
GAAP Operating Expenses (as a percentage of total revenue)	\$ 147,701	\$ 147,917	\$ 141,241	\$ 125,516	\$ 130,023	\$ 130,480	\$ 123,203	\$ 136,663	\$ 122,334	\$ 544,713	\$ 562,375	\$ 520,369
Amortization of acquired intangible assets	(3,106)	(3,107)	(3,106)	(3,007)	(2,982)	(2,982)	(2,982)	(2,980)	(2,981)	(3,190)	(12,326)	(11,926)
Stock-based compensation expense and related employer payroll taxes	(24,396)	(21,419)	(18,190)	(13,677)	(16,800)	(13,216)	(12,737)	(13,656)	(11,566)	(124,017)	(77,682)	(56,409)
Acquisition and integration costs	(624)	(1,554)	(555)	7,286	(343)	(307)	(102)	(145)	(123)	(9,717)	4,553	(897)
Legal and regulatory cost	62	207	(57)	(898)	(1,468)	(3,879)	(98)	(10,072)	(548)	2,722	(686)	(15,517)
Severance, transition and contract exit costs	(1,183)	293	(4,648)	(6,328)	(1,026)	(1,524)	(1,905)	(3,107)	(1,499)	(8,582)	(11,866)	(7,562)
Non-GAAP Operating Expenses (as a percentage of total revenue)	\$ 118,454	\$ 122,337	\$ 114,685	\$ 108,892	\$ 107,404	\$ 108,572	\$ 105,379	\$ 106,703	\$ 105,617	\$ 401,929	\$ 464,368	\$ 428,058
Operating Profit (Loss):												
GAAP loss from operations (as a percentage of total revenue)	\$ (26,754)	\$ (24,990)	\$ (18,081)	\$ 3,533	\$ (1,410)	\$ (2,583)	\$ (9,391)	\$ (14,219)	\$ (1,374)	\$ (154,141)	\$ (66,292)	\$ (27,603)
Amortization of acquired intangible assets	5,475	5,247	5,231	5,125	5,100	5,100	5,100	5,095	5,098	8,317	21,078	20,395
Stock-based compensation expense and related employer payroll taxes	28,239	24,813	21,240	16,342	19,675	15,427	14,890	15,865	13,593	138,226	90,634	65,857
Acquisition and integration costs	624	1,554	555	(7,286)	343	307	102	145	123	9,717	(4,553)	897
Legal and regulatory costs	(62)	(207)	142	898	1,468	3,879	98	10,072	548	(2,722)	771	15,517
Severance, transition and contract exit costs	2,613	232	5,513	5,981	1,254	1,634	2,423	3,318	2,121	11,191	14,339	8,629
Impairment of long-lived assets	—	2,424	3,729	227	—	—	11,034	—	—	—	6,380	11,034
Non-GAAP operating profit (as a percentage of total revenue)	\$ 10,135	\$ 9,073	\$ 18,329	\$ 24,820	\$ 26,430	\$ 23,764	\$ 24,256	\$ 20,276	\$ 20,109	\$ 10,588	\$ 62,357	\$ 94,726

8x8 Inc.
Reconciliation of Non-GAAP to GAAP Metrics

	FY23				FY24				FY25	Fiscal Years		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	2022	2023	2024
	Jun 30, 2022	Sep 30, 2022	Dec 31, 2022	Mar 31, 2023	Jun 30, 2023	Sep 30, 2023	Dec 31, 2023	Mar 31, 2024	Jun 30, 2024	Mar 31, 2022	Mar 31, 2023	Mar 31, 2024
Other Income (Expenses):												
GAAP other income (expense), net (as a percentage of total revenue)	\$ 1,116	\$ 13,950	\$ (7,912)	\$ (11,198)	\$ (12,473)	\$ (5,258)	\$ (11,310)	\$ (7,306)	\$ (8,240)	\$ (21,629)	\$ (4,044)	\$ (36,347)
Legal and regulatory costs	—	—	—	—	—	—	—	(550)	—	—	—	(550)
Amortization of debt discount and issuance cost	831	1,169	1,136	1,118	1,108	1,132	1,157	1,075	1,062	20,404	4,254	4,472
(Gain) loss on debt extinguishment	—	(16,106)	(2,144)	(295)	1,766	—	—	—	—	—	(18,545)	1,766
(Gain) loss on warrants remeasurement	—	(1,293)	771	105	250	(2,781)	1,297	(942)	(1,747)	—	(417)	(2,176)
(Loss) gain on sale of assets	—	—	(1,757)	5	—	—	—	179	—	—	(1,821)	179
Other income	(116)	(116)	(116)	(116)	(117)	(117)	(120)	(110)	(116)	(387)	(464)	(464)
Non-GAAP other income and expense (as a percentage of total revenue)	\$ 1,831	\$ (2,396)	\$ (10,022)	\$ (10,381)	\$ (9,466)	\$ (7,024)	\$ (8,976)	\$ (7,654)	\$ (9,041)	\$ (1,612)	\$ (21,037)	\$ (33,120)
Net Income (Loss):												
GAAP net loss (as a percentage of total revenue)	\$ (26,043)	\$ (11,639)	\$ (26,030)	\$ (9,431)	\$ (15,327)	\$ (7,452)	\$ (21,222)	\$ (23,591)	\$ (10,290)	\$ (175,383)	\$ (73,143)	\$ (67,592)
Amortization of acquired intangible assets	5,475	5,247	5,231	5,125	5,100	5,100	5,100	5,095	5,099	8,317	21,078	20,395
Stock-based compensation expense and related employer payroll taxes	28,239	24,813	21,240	16,342	19,675	15,427	14,890	15,865	13,593	138,226	90,634	65,857
Acquisition and integration costs	624	1,554	555	(7,286)	343	307	102	145	123	9,717	(4,553)	897
Legal and regulatory costs	(62)	(207)	142	898	1,468	3,879	98	9,522	548	(2,722)	771	14,967
Severance, transition and contract exit costs	2,613	232	5,513	5,981	1,254	1,634	2,423	3,318	2,121	11,191	14,339	8,629
Impairment of long-lived assets	—	2,424	3,729	227	—	—	11,034	—	—	—	6,380	11,034
Amortization of debt discount and issuance cost	831	1,169	1,136	1,118	1,108	1,132	1,157	1,075	1,062	20,404	4,254	4,472
(Gain) loss on debt extinguishment	—	(16,106)	(2,144)	(295)	1,766	—	—	—	—	—	(18,545)	1,766
(Gain) loss on warrants remeasurement	—	(1,293)	771	105	250	(2,781)	1,297	(942)	(1,747)	—	(417)	(2,176)
(Loss) gain on sale of assets	—	—	(1,757)	5	—	—	—	179	—	—	(1,821)	179
Other income	(116)	(116)	(116)	(116)	(117)	(117)	(120)	(110)	(116)	(387)	(464)	(464)
Income tax expense effects, net	—	—	—	—	—	—	—	—	—	—	—	—
Non-GAAP net income (as a percentage of total revenue)	\$ 11,561	\$ 6,078	\$ 8,270	\$ 12,673	\$ 15,520	\$ 17,129	\$ 14,759	\$ 10,556	\$ 10,393	\$ 9,363	\$ 38,513	\$ 57,964
Interest expense	625	4,883	7,607	9,906	8,970	8,929	8,878	8,575	8,894	2,271	23,020	35,352
Provision for income taxes	405	599	37	1,766	1,444	(389)	521	2,066	676	(387)	2,807	3,642
Depreciation	2,789	2,834	2,432	2,409	2,126	1,964	2,043	2,168	1,908	11,374	10,464	8,301
Amortization of capitalized internal-use software costs	5,964	5,529	4,904	4,341	5,282	4,779	4,358	4,067	3,758	28,863	20,739	18,486
Other expense (income), net	(2,456)	(2,487)	2,415	477	496	(1,905)	98	(1,471)	147	(727)	(1,983)	(2,782)
Adjusted EBITDA (as a percentage of total revenue)	\$ 18,888	\$ 17,436	\$ 25,665	\$ 31,572	\$ 33,838	\$ 30,507	\$ 30,657	\$ 25,961	\$ 25,776	\$ 50,757	\$ 93,560	\$ 120,963
Shares used in computing net loss per share amounts:												
Basic	119,721	116,013	113,201	114,924	116,777	120,757	122,556	124,324	125,999	113,354	115,959	121,106
Diluted	121,756	116,186	113,711	117,442	118,445	122,624	124,253	125,962	127,433	116,982	117,443	122,560
GAAP net loss per share - Basic and Diluted	(0.22)	(0.10)	(0.23)	(0.08)	(0.13)	(0.06)	(0.17)	(0.19)	(0.08)	(1.55)	(0.63)	(0.56)
Non-GAAP net income per share - Basic	0.10	0.05	0.07	0.11	0.13	0.14	0.12	0.08	0.08	0.08	0.33	0.48
Non-GAAP net income per share - Diluted	0.09	0.05	0.07	0.11	0.13	0.14	0.12	0.08	0.08	0.08	0.33	0.47

8x8 Inc.
Non-GAAP Income Statement

	FY23				FY24				FY25	Fiscal Years		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	2022	2023	2024
	6/30/22	9/30/22	12/31/22	3/31/23	6/30/23	9/30/23	12/31/23	3/31/24	6/30/24	3/31/22	3/31/23	3/31/24
Service revenue	\$ 179,161	\$ 178,556	\$ 175,765	\$ 176,562	\$ 175,238	\$ 177,782	\$ 175,069	\$ 172,490	\$ 172,801	\$ 602,357	\$ 710,044	\$ 700,579
Other revenue	8,459	8,833	8,635	7,967	8,049	7,217	5,937	6,923	5,346	35,773	33,894	28,126
Total revenue	187,620	187,389	184,400	184,529	183,287	184,999	181,006	179,413	178,147	638,130	743,938	728,705
Cost of service revenue	47,585	46,160	42,629	43,538	41,728	45,201	44,727	44,495	45,249	180,008	179,912	176,151
Cost of other revenue	11,446	9,819	8,757	7,279	7,725	7,462	6,644	7,939	7,172	45,605	37,301	29,770
Total cost of revenue	59,031	55,979	51,386	50,817	49,453	52,663	51,371	52,434	52,421	225,613	217,213	205,921
Gross profit	128,589	131,410	133,014	133,712	133,834	132,336	129,635	126,979	125,726	412,517	526,725	522,784
Operating expenses:												
Research and development	26,725	28,139	26,712	28,356	27,330	28,075	27,012	28,148	27,441	77,220	109,932	110,565
Sales and marketing	71,750	70,167	66,911	59,436	60,100	61,295	59,779	59,655	60,742	258,658	268,264	240,829
General and administrative	19,979	24,031	21,062	21,100	19,974	19,202	18,588	18,900	17,434	66,051	86,172	76,664
Total operating expenses	118,454	122,337	114,685	108,892	107,404	108,572	105,379	106,703	105,617	401,929	464,368	428,058
Loss from operations	10,135	9,073	18,329	24,820	26,430	23,764	24,256	20,276	20,109	10,588	62,357	94,726
Other expense, net	1,831	(2,396)	(10,022)	(10,381)	(9,466)	(7,024)	(8,976)	(7,654)	(9,041)	(1,612)	(21,037)	(33,120)
Loss before provision (benefit) for income taxes	11,966	6,677	8,307	14,439	16,964	16,740	15,280	12,622	11,068	8,976	41,320	61,606
Provision (benefit) for income taxes	405	599	37	1,766	1,444	(389)	521	2,066	676	(387)	2,807	3,642
Net loss	\$ 11,561	\$ 6,078	\$ 8,270	\$ 12,673	\$ 15,520	\$ 17,129	\$ 14,759	\$ 10,556	\$ 10,392	\$ 9,363	\$ 38,513	\$ 57,964
Shares used in computing net loss per share amounts:												
Basic	119,721	116,013	113,201	114,924	116,777	120,757	122,556	124,324	125,999	113,354	115,959	121,106
Diluted	121,756	116,186	113,711	117,442	118,445	122,624	124,253	125,962	127,433	116,982	117,443	122,560
Non-GAAP net income per share - Basic	0.10	0.05	0.07	0.11	0.13	0.14	0.12	0.08	0.08	0.08	0.33	0.48
Non-GAAP net income per share - Diluted	0.09	0.05	0.07	0.11	0.13	0.14	0.12	0.08	0.08	0.08	0.33	0.47