

## Risk Factors Comparison 2025-02-26 to 2024-02-22 Form: 10-K

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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 ~~anticipate continuing to incur losses for at least the foreseeable future, and we may therefore~~ 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 rely on third parties, including third parties in countries outside the U. S., primarily in Georgia and the Philippines for a significant portion of our software development, quality assurance, operations, and customer support. • Global economic conditions may harm our industry, business and results of operations, including the effects of the ongoing war between Russia and Ukraine and related international sanctions against Russia, the ongoing war between Israel and Hamas, and relations between the United States and China. • Our historically rapid growth and the quickly changing markets in which we operate make it difficult to evaluate our current business and future prospects, which may increase the risk of investing in our stock. • Our future operating results will rely in part upon the successful execution of our relationships with our strategic partners and global service providers, including Avaya, Amazon, Atos, ALE, Mitel (Unify), Charter Communications, Vodafone, DT, Optus, and other partners and resellers, some or all of which may not be successful. • We face intense competition in our markets and may lack sufficient financial or other resources to compete successfully. • We rely and may in the future rely significantly on our strategic partners, agents, brokers, resellers, and global service providers to sell our subscriptions; our failure to effectively develop, manage, and maintain our indirect sales channels could materially and adversely affect our revenues. • To deliver our subscriptions, we rely on third parties for our network connectivity and for certain of the features in our subscriptions. • Interruptions or delays in service from our third-party data center hosting facilities, co-location facilities and other third-party providers could impair the delivery of our subscriptions, require us to issue credits or pay penalties and harm 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. • 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. • We depend largely on the continued services of our senior management and other highly-skilled employees, and if we are unable to hire **develop**, retain **license**, manage and motivate our ~~or~~ employees, we may not be able to grow **acquire new services or applications on a timely and cost-effectively-- effective and basis**, our business, results of operations and financial condition could, **and results of operations may be materially and** adversely affected. • Increased customer turnover, or costs we incur to retain and upsell our customers, could materially and adversely affect our financial performance. • 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 imposes operating and financial restrictions on us. • Servicing our debt, including the Notes, 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 Convertible Notes in cash, repurchases of the Notes as required following a fundamental change or change of control, as applicable, or to pay repay all of our indebtedness at maturity. • Our Credit Agreement imposes operating and financial restrictions on us. • The Senior-capped call transactions may affect the value of the 2026 Convertible Notes and Indenture contains restrictive covenants that may limit our ability Class A Common Stock and we are subject to counterparty risk engage in activities that may be in our long-term best interest. • 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, preferences and privileges that are not held by, and are preferential to the rights of, our common stockholders stock, which could adversely affect our liquidity and financial condition. Risks Related to Our Business and Our Industry 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. We expect In order to achieve net income in continue to incur losses for at least the foreseeable future and, we will have need to do one or more of the following: generate and sustain increased revenues to achieve future profitability. Achieving profitability will require us to 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 in the future 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. For example, as we prioritize our RingCX solution, we expect a near-term headwind to revenue growth but higher profitability in the future. 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, such as our previous write-down charges relating to our strategic partnership with Avaya. 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 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 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 downsell-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. and Zoom Communications, Inc., 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 or partnership 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 accurately forecast revenues and appropriately plan our expenses; • 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 timing and cost of developing or acquiring technologies, services or businesses, and our ability to successfully manage any such acquisitions; • our ability to execute our operating plans successfully while reducing costs and optimizing operating margin; • our ability to generate and grow our non-GAAP adjusted, unlevered free cash flow; • 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 effects of the ongoing conflicts in the Middle East, any potential worsening or expansion of these or other conflicts and war wars between Russia and Ukraine and related international sanctions against Russia, the ongoing war between Israel and

Hammas, 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.

**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 more slowly than we anticipate, or** 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 and, video communications, **messaging and contact center solutions** by businesses, as compared to email and other data- based methods, and future demand for and adoption of **Internet voice and video communications systems and services.** 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 various third parties for some of our..... **establishing new relationships with third parties, our ability to introduce and sell** efficiently operate existing services or develop new services and provide adequate customer support could be impaired, and **features**, as a result, our competitive position or our results of operations could suffer. A portion of our software development, quality assurance, and **functionality** network operations workforce is located in Ukraine and Israel, where there are armed conflicts. In the past, we depended on third- party partners in Russia and Ukraine for software development, quality assurance and operations. Following Russia's invasion of Ukraine, our former third- party partner in Russia ceased its operations and a substantial proportion of its affected personnel relocated to other countries such as Georgia **RingCX**, **RingSense** Spain, and Bulgaria. We **RingCentral Events that enhance or** are **beyond** working with our third- party contractor in Ukraine and in Georgia to relocate their personnel to Spain, Bulgaria, and other countries; and we have had to further relocate and in the future may need to relocate some of these personnel to still other countries; however, we cannot assure you that we can permanently relocate them- **the subscriptions** in a cost effective manner, or at all. In addition, we **currently offer** have discontinued our partner operations in Ukraine, which has disrupted our development efforts and our release of new features. We have incurred, and may in the future further incur, increased costs associated with managing or assisting in relocating our partners' personnel or engaging with alternative third- party contractors or hiring employees outside of Russia and Ukraine, which could negatively impact our operating results and financial condition. We also have engineering operations located in Israel, which continues to be affected by the war between Israel and Hamas. This ongoing and evolving conflict, 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 the **there** war between Russia **can be no assurance that using AI in our platforms** and Ukraine **products**, such as success may also depend on our **AI- powered product** ability to introduce and sell new services, features **RingSense**, **will** and functionality that **enhance or be beneficial to our business** are beyond the subscriptions we currently offer, as well as to improve usability and support and increase customer satisfaction. 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 create make or our solutions outdated** heighten global security concerns, **obsolete or adversely affect our business** increase the risk of cyber- attacks, and **results** have a lasting impact on regional and global economies, **all 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 **and or** results of operations. We operate globally and, as a result, our business, revenues and profitability are impacted by global macroeconomic conditions. The success of our activities is affected by general economic and market conditions, including, among others, inflation rate fluctuations, interest rates, supply chain constraints, lower consumer confidence, volatile equity capital markets, tax rates, economic uncertainty, political instability, changes in laws, instability in the banking and financial system, and trade barriers and sanctions. Recently, inflation and interest rates in the U. S. have risen to levels not seen in several years, which has increased and may continue to increase our **experience difficulties with software development, operating operations** costs. In addition, such economic volatility **design, or marketing that could delay** adversely affect our- **or prevent** business, financial condition, results of operations and cash flows, and future market disruptions could negatively impact us. Further, any U. S. federal government shutdown resulting from failing to pass budget appropriations, adopt continuing funding resolutions, and other budgetary decisions limiting or **our development** delaying government spending, **introduction** may negatively impact U. S. or global economic conditions, including corporate and consumer spending, and liquidity of capital markets. Unfavorable economic conditions could increase our- **or implementation of new** operating costs and, because our- **or enhanced** typical contracts with customers lock in our price for a few years such that we are generally unable to make corresponding increases in contract pricing, our profitability could be negatively affected. 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 **applications** potential customers. Geopolitical conflicts, including the effects of the ongoing war between Russia and Ukraine and related international sanctions against Russia, the ongoing war between Israel and Hamas, and U. S.-China relations, are heightening these risks. 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 may 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, and Canadian Dollar, and may be adversely affected in the future due to changes in foreign currency exchange rates. While we have limited currency exchange exposure to the Georgian, Israeli, and Philippine currencies, we expect exchange rates with respect to these and other currencies to continue to be more volatile than previously normal as a result of the ongoing armed conflict in Israel and other regions. Certain changes in exchange rates have and may continue to negatively affect our revenues, expenses, and other operating results as expressed in U. S. dollars in the future. We have grown rapidly since 2009, when we introduced RingCentral MVP, our flagship product **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 have encountered and expect to continue to..... to impact our partner programs, we cannot assure you that **this would new features or upgrades will be released according to schedule, or that, when released, they will not contain defects or bugs**. The Either of these situations could -based 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 communications, results of operations, and collaboration solutions industry is 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**, and we expect competition to increase in the future. We **do not know whether these investments** face intense competition from other providers of business communications and collaboration systems and solutions. Our competitors include traditional on-premises, hardware business communications providers such as ALE, Avaya, Cisco Systems, Mitel, NEC Corporation, Siemens Enterprise Networks, LLC, their resellers, agents and others, as well **will be successful** as companies such as Microsoft Corporation and Cisco Systems, Inc. **If customers do not widely adopt any new**, and their resellers that license their software. In addition, certain of our **or enhanced** global service providers and strategic partners, such as AT & T, BT, TELUS, Vodafone, DT, Amazon, Avaya, Atos, ALE, and Mitel (Unify) market and sell our solutions, but they are also competitors for business communications services, selling and **applications** marketing their own solutions as well as, **we** in some cases, other third-party solutions. Some of these companies may have significantly greater resources than us and currently, or may in the future, develop and / or host their own solutions through the cloud. Such competitors may not be successful in **able to realize a return on or our users investment. If we are unable to develop, license, or acquire new or enhanced services and applications on a timely and cost-effective basis**, in the future, to purchase additional functionalities are **or if such new or enhanced services and applications do not successfully achieve market acceptance**, our business, **financial condition, and results of operations may be materially and adversely affected** suffer. In addition, such increased costs could cause us to increase our subscription rates, which could increase our turnover rate. 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. We use and periodically adjust the mix of advertising and marketing programs to promote our services. 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** and selling our solutions to their customers and may **need** ultimately be able to transition some **expand into channels with significantly higher costs than or our current programs** all of those customers onto their competing solutions, 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** and growth. We also face competition from other companies and established communications providers that resell on-premises hardware, software, cloud and hosted solutions, such **expenses** as 8x8, Inc., Amazon.com, Inc., Dialpad, Inc., LogMeIn, Inc., Microsoft Corporation, Nextiva, Inc., Twilio Inc., Vonage Holdings Corp., and **we may fail to** Zoom Video Communications, Inc., which has introduced a voice solution. Established communications providers, such as AT & T, Verizon Communications Inc., T-Mobile, and Comcast Corporation in the U. S., TELUS and others **otherwise experience** in Canada, Telefonica Spain, DT, and **an increase in revenues or** BT, Vodafone Group plc, and **brand awareness** others in the U. K., that resell on-premises hardware, software, and hosted solutions, compete with us in business communications and currently, or may in the future, develop and / or host their own cloud solutions. We may also face competition from other large Internet companies, such as Alphabet Inc. (Google Voice), Meta Platforms, Inc., Oracle Corporation, and Salesforce.com, Inc., any of which might launch its own cloud-based business communications services or acquire other cloud-based business communications companies in the future. We also compete against providers of communications platform as a **result of** service solutions and messaging software platforms with APIs such **expenditures** as Twilio Inc. **We have made in the past**, and Slack Technologies **may make in the future**, Inc. (acquired by Salesforce significant expenditures and investments in new advertising campaigns, Inc.), on which **and we cannot assure you that any such investments will lead to the cost-effective acquisition of additional** customers can build diverse solutions by integrating cloud communications into business applications. **If we are unable** We face competition with

respect to this solution from contact center and **maintain effective advertising programs, our ability to attract new** customer **customers could be materially** relationship management providers such as Amazon.com, Inc., Avaya, Five9, Inc., NICE InContact (including LiveVox Holdings, Inc.), Genesys Telecommunications Laboratories, Inc., Talkdesk, Inc., Vonage Holdings Corp., Salesforce.com, Inc., and **adversely affected** Twilio Inc. We also face competition from digital engagement vendors such as eGain Corporation, LivePerson, Inc., among others named above that may offer similar features. Many of our current **advertising and marketing expenses could increase substantially** potential competitors have longer operating histories, significantly greater resources and **our name recognition, more diversified offerings, international presence, and larger customer bases than we have. As a result** **results of operations**, these competitors may have greater credibility with **suffer. Some of** our existing and potential customers and may be better able to withstand **learn about us through leading search engines. While we employ search engine optimization and an extended period search engine marketing strategies, our ability to maintain and increase the number of downward pricing pressure 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, **certain the cost of purchased listings has increased in the past** our competitors have partnered with, or been acquired by, and may **increase** in the future partner with. **A decrease in website traffic** or acquire, other competitors to offer services, leveraging their collective competitive positions, which makes it more difficult to compete with them and **an increase in search costs** could significantly **materially** and adversely affect our **customer acquisition efforts and our** results of operations. Demand for our platform is also..... sales, or decrease our market share. 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, many of which sell or may in the future decide to sell their own business communications services or business communications services from other providers. Governmental regulators **regulations** and contractual restrictions with telecom carriers may also restrict the ability of our channel partners and resellers 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. Furthermore, while some of our strategic partners and global service providers, such as AT & T, BT, TELUS, Vodafone, DT, Avaya, Atos, ALE, and Mitel (Unify) also sell and market our solutions on an exclusive or non-exclusive basis, they may also sell and market competing business communications. Some of these companies have significantly greater resources than us and currently, or may in the future, develop and/or host their own or third-party cloud solutions. Such competitors may cease marketing or selling our solutions to their customers and may ultimately be able to transition some or all of those customers onto their competing solutions, which could materially and adversely affect our revenues and growth. We have also entered into certain agreements with our strategic partners and **GSPs global service providers** to sell and market certain of our solutions. However, there can be no guarantee that our strategic partners, **GSPs global service providers** 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** In addition, from time to time, we have had disagreements with certain of our strategic partners. Further, certain 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** The Company has in the past, and may in the future, renegotiate the terms of **its 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 transforming generally** our channel partner go-to-market strategy, **with increasing to better** enablement ---- **enable** of 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 **our strategic partners and global service providers and / or any of their respective channel partners are not successful in marketing and selling our solutions or cease to market and sell our solutions, our revenues and growth could be significantly and adversely affected. If we fail to maintain relationships with our channel partners, GSPs global service providers 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 global service providers and strategic partners, and they may not be able to commit adequate resources in order to successfully sell our solutions. 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 currently use 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, the they infrastructure 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 network service 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 providers-- 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 Lumen Technologies, the failure or unwillingness of customers to pay their monthly subscription fees due to financial constraints. Ine- In addition, the impact of global economic conditions, including concerns about heightened inflation, fluctuating interest rates, 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 and- an Bandwidth ongoing basis simply to maintain our existing level of customers and revenues. eom- 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. Ine- In addition, such increased costs could cause us to increase our subscription rates, which could increase our turnover rate. in North America- The success of our activities is affected by general economic and several political conditions, including, among others internationally, to deliver our subscriptions over their networks- 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. Our third- 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 - party network- 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. 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 service services providers provide access to, which may adversely affect their-- the Internet protocol technology spending of our customers and potential customers. Geopolitical conflicts, including the effects of the ongoing war between Russia and Ukraine and related international sanctions against Russia, 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 recent U. S. presidential election 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 ( "IP" including those related to taxation and importation ) 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- or economic and monetary policies, could result in heightened diplomatic tensions our- or political customers. We expect that we will continue to rely heavily on third- party network service providers to provide these subscriptions for the foreseeable future. Through our wholly- owned local exchange carrier subsidiary, RCLEC, Inc. ("RCLEC"), we also obtain certain connectivity and civil unrest, among network services directly from incumbent local exchange carriers ("ILECS") and from other potential impacts competitive local exchange carriers ("CLECs") in certain geographic markets at lower prices than we pay for such services through third- party network service providers. However, RCLEC also uses the infrastructure of third- party network service providers to deliver its services and the ILECs may favor themselves and their affiliates and may not provide network services to us at lower prices than we could obtain through third- party CLECs, or at all. If we are unable to continue to reduce our pricing as a result of obtaining network services through our subsidiary, we may be forced to rely on other third- party network service providers and be unable to effectively lower our cost of service. Historically, our reliance on third- party networks has reduced our operating flexibility and ability to make timely service changes and control quality of service, and we expect that this will continue 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 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 currently-currency use-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 continue due to use third 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. The cloud - party service-based business communications and collaboration solutions industry is highly competitive. We face intense competition from other providers to deliver certain features of UCaaS our subscriptions. For example, CCaaS although we introduced our own video and web conferencing solution in April 2020 and have migrated many of our customers to RingCentral Video, there are still several existing customers who continue to use Zoom Video Communications, Inc. for HD video and web conferencing and screen sharing features, Bandwidth.com for texting capabilities, and NICE inContact, Inc. for contact center capabilities. In the future, we may not continue to have long-term contracts with any or all of these third-party providers. In the same way, our customers may from time to time require that we resell them third-party software, hardware and services that we do not regularly offer. Therefore, in some instances, we are required to obtain these software, hardware and services from third-party providers. Any of these service providers could elect or attempt to stop providing us with access to their services or our contracts with these third-party providers may terminate, expire, or be breached. If any of these service providers ceases 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, the delay caused by qualifying and switching to another third-party service provider, if one is available, or building a proprietary replacement solution could have a material adverse effect on our business and results of operations. Furthermore, we are no longer offering or selling RingCentral Meetings to new customers and are instead offering our own RingCentral Video solution, and, in light of our settlement with Zoom, we believe that we will be able to migrate all or substantially all of our customers to RingCentral Video. Nevertheless, it is possible that not all existing customers will migrate to RingCentral Video. Therefore, our inability to offer and sell RingCentral Meetings, or to successfully transfer existing customers to our own solution, may cause some prospective customers not to purchase our services and/or existing customers not to renew their contracts for our services or to renew for a fewer number of seats. Relatedly, U. S. mobile carriers are now requiring businesses using SMS on over-the-top providers, including all Communications Platform as a Service ("CPaaS"), messaging, video, fax, virtual events, AI (including quality management, sales assistant and UCaaS 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 RingCentral our GSPs, OEM resellers, and channel partners, also offer, market and sell competing products and services. Our competitors include but are not limited to register with The Campaign Registry: 8x8, Inc., Dialpad, Inc., LogMeIn, Inc., Microsoft Corporation, Nextiva, Inc., Twilio Inc., Ericsson ("TCR Vonage"), Zoom Communications, Inc., Amazon.com, Inc., AT & T Inc., BT Group plc, TELUS Corporation, Vodafone Group Plc, Deutsche Telekom, Avaya LLC ("Avaya"), Mitel Networks Corporation ("Mitel"), Cisco Systems, Inc. ("WebEx"), Alphabet Inc. ("Google Voice"), Meta Platforms, Inc., Oracle Corporation, and Salesforce.com, Inc., Five9, Inc., NICE Ltd. (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 ensure text messages 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 results in increased costs and financial condition could likely lengthen our typical sales cycle, which could strain our sales and support resources. Moreover, Our ability to mitigate these larger transactions may require us to delay recognizing risks will depend on our continued effective training, monitoring and enforcement of appropriate policies, guidelines and procedures governing the associated revenues use of AI technology, and compliance by our workforce. If we derive from these customers until any technical fail to continue to develop our brand or implementation requirements have been met 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 have 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. If we fail to sufficiently invest in, promote and maintain our brand, our business could be materially and adversely affected. Our future performance depends on If we experience excessive fraudulent activity or cannot meet evolving credit card association merchant standards, we could incur substantial costs and lose the right continued services and are 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. **Our business strategy.** Although we have entered into long-term subscription contracts with larger customers, those customers with month-to-month contracts with us may, from terminate their subscriptions at any time without penalty to time, include acquiring or early termination charges investing in new or complementary services, technologies or businesses, strategic investments and partnerships, or other strategic transactions. We cannot accurately predict the rate assure you that we will successfully identify suitable acquisition candidates or transaction counterparties, securely or effectively integrate or manage disparate technologies, lines of customer terminations business, personnel and corporate cultures, realize or our average monthly subscription cancellations 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 compliant-- company with wireless carrier guidelines. 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 to reduce spam-divert the attention of management. These of Our inability to successfully acquire and, thereafter, operate and integrate newly acquired businesses our- 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 in the, strategic partnership partnerships; and other strategic transactions involve additional significant risks and uncertainties, including: • unanticipated costs and liabilities; • the potential of disputes with our partners and resellers, including arbitration or litigation resulting from a breach or alleged breach of either party's contractual obligation, which may result in cost, distraction and potential liabilities and reputational damage; • difficulties in integrating new solutions and subscriptions, software, businesses, operations, and technology infrastructure in an efficient and effective manner; • difficulties in maintaining and effectively servicing the customer customers relations acquired in the transaction; • the potential loss of key employees of any acquired businesses; • the diversion of the attention of our senior management from the operation of our daily business; • 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 rules affect types of data stored, existing security obligations our- or customers liabilities, unknown weaknesses in our solutions, insufficient security measures in place, and we have built integrations with TCR compromise of our networks via access to facilitate our systems from assets not previously under our control; • those-- the inability to maintain uniform standards 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-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- person SMS needs market integration risks. Our inability In the future, customers who are not registered with TCR may not be able to manage send or receive SMS using our service. Additionally, SMS aggregators and wireless carriers sometimes block legitimate SMS traffic without prior notice, which may negatively impact our customers. Finally, if problems occur with any of these risks successfully third-party network or service providers..... a failure of our solutions, which could harm our operations and our overall 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. ("AWS"), NICE inContact, Inc., and Google Cloud Platform. In addition, RCLEC uses third-party co-location facilities to provide us with network services at several locations. 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 Ltd. and Zoom Communications, Inc. 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 may reduce our revenues, may

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 **and, European, and Asia Pacific** infrastructure and our North American **and, European, and Asia Pacific** customers' data is currently replicated in near real-time at data center facilities in the U. S. **and, Europe, and Asia Pacific**, respectively. We do not control the operation of these facilities or of our other data center facilities ~~or RLEC's co-location facilities~~, and they are vulnerable to damage or interruption from **earthquakes, natural disasters**, floods, fires, **public health crises**, power loss, telecommunications failures, and similar events. They may also be subject to human error, ~~or to break-ins, sabotage, acts of vandalism,~~ **cybersecurity incidents, including ransomware or denial-of-service attacks, an act of terrorism** and similar misconduct. ~~Despite precautions taken at these facilities, the occurrence of a natural disaster, public health crisis or pandemic, human error, cybersecurity incident, including ransomware or denial-of-service attack, an act of terrorism or other unanticipated problems at these facilities could result in lengthy interruptions in our subscriptions.~~ 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 ~~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; difficulties in understanding and complying with local laws, regulations, and customs in foreign jurisdictions, including with respect to foreign labor laws and regulations, which may adversely affect our ability to manage our headcount and cost of our foreign work force; restrictions on travel to or from countries in which we operate or inability to access certain areas; 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; U.S. government and applicable foreign trade restrictions, including those which may impose restrictions, including prohibitions, on the exportation, re-exportation, sale, shipment or other transfer of programming, technology, components, and / or services to foreign persons; 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, rules 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.~~ 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 global service providers**, 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; ~~and~~ • harm our reputation and brand **;**. Our operations depend on our ability..... attacks increases. For example, an **and** • increase in cyber- attack activity,..... 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 segments 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..... contractual liability claims relating to security obligations --- **litigation** in agreements with our partners and **regulatory** our customers, fines, claims, investigations and other proceedings, reduced revenue, or harm to our reputation or competitive position. In addition, even if not targeted, in strengthening our security controls or in remediating security vulnerabilities, we could incur increased costs and capital expenditures. We have implemented remote working protocols and offer work- issued devices to certain employees, but the actions- **action against** of employees while working remotely may have a greater effect on the security of our infrastructure, networks, and the information, including personally identifiable information, we process, including for example 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 company - controlled information outside of our secured..... compliance with such changing laws and regulations. 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** grow in size, scope, and **become more** complexity --- **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 Our future performance depends on the continued services **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** and- **an increase in** contributions of our senior management and other-- **the volume of key employees to execute on our business plan**, and to identify and pursue opportunities and..... terminate employment with us at any time with no **assurance that the volume** advance notice. The replacement of any current **business will increase. Any such additional capital investments will increase** or our future senior **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** personnel could involve significant time and costs- **enhance** and any such loss could significantly delay or **our billing and reporting systems and procedures, and recruit, train** 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 a significant portion of our U. S. sales and customer support office and our network operations center is located, and in other locations where we maintain offices, and in some or all of the other locations where we have employees. In addition, **our existing systems** changes to U. S. immigration policies, **processes** particularly to H-1B and other visa programs, and **controls** restrictions on travel could restrain the flow of technical and professional talent into the U. S. and may inhibit **not prevent our** or ability to hire qualified personnel **detect all errors, omissions, or fraud**. Similar risks exist **We may also experience difficulties in managing improvements to our systems, processes, and controls or in connection** with respect to immigration regulations in other countries..... not satisfied with our services, including 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 and products that we integrate or sell as separate items to our customers, the value proposition of our services, 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 and the impact of a slowing economy. In addition, the impact of the global economic conditions, including concerns about heightened inflation and an associated economic downturn, and instability in the banking and financial system, 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, but we cannot be **adversely affected if** 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 **integrate** pay their subscription fees, we may be required to incur significantly higher marketing and **train or our** sales expenditures than we currently anticipate in order to increase the number of new customers **employees quickly and effectively. If we fail to achieve the necessary level of efficiency in or our** to upsell existing customers **organization as we grow**, 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 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 **condition** performance. If our efforts to **convince.....**, 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, such as Google, Yahoo!, and Microsoft Bing. 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. A significant portion of our revenues today come from small and medium-sized businesses, which may have fewer financial resources to weather an economic downturn. A significant portion of our revenues today come from small and medium-sized businesses. These customers may be materially and adversely affected by economic downturns to a greater extent than larger, more established businesses. These businesses typically have more limited financial resources, including capital-borrowing capacity, than larger entities. Any economic downturn could decrease technology spending and the number of employees of small and medium sized businesses in ways that adversely affect demand for our offerings, could increase churn or down-sell and harm our business and results of operations. As the majority of our customers pay for our subscriptions through credit and debit cards, weakness in certain segments of the credit markets and in the U. S. and global economies has resulted in and may in the future result in increased numbers of rejected credit and debit card payments, which could materially affect our business by increasing customer cancellations and impacting our ability to engage new small and medium-sized customers. If small and medium-sized businesses experience financial hardship as a result of a weak economy, industry consolidation or for any other reason, the overall demand for our subscriptions could be materially and adversely affected. We face significant risks in our strategy to target 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 target more of our sales efforts to medium-sized and larger businesses, we expect to incur higher costs and longer sales cycles and we may be less effective at predicting when we will complete these sales. In these market segments, 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 target for sales 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 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. 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**, and we may 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 unable-vulnerable to various third parties for some of our software development efforts, quality assurance, operations, and customer-customer**, such as support in additional foreign languages. We also use third parties to deliver onsite professional services to our customers, including third parties in countries outside deploying our solutions. If these-- the vendors do not deliver timely U.S. Specifically, we have outsourced some of our software development and high-design, quality assurance services to our customers, our reputation could be damaged, and we could lose customer operations activities to third-party contractors that have employees and consultants in Tbilisi, Georgia. In addition, we outsource a portion of third-party professional services vendors may not be available when needed, which would adversely impact our ability to deliver on our customer commitments support, inside sales, network operation control functions, and general and administrative activities to third-party contractors located in Manila, the Philippines. 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 Ltd and Zoom Communications, Inc., 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 develop, license, or acquire new services and provide adequate customer support could be impaired, and, as a result, or our applications-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 timely and cost-effective basis, our- or at reasonable levels business, financial condition, and results of quality and security, cease operations may be materially, or otherwise terminate these services, the delay caused by qualifying and switching to another third adversely affected. The cloud-based business communications industry-party network service provider, if one is available characterized by rapid development of and changes in customer requirements, frequent introductions of new and enhanced services..... of our existing subscriptions, which also could have a material adverse effect on our business and, financial condition or results of operations. Finally, if problems occur with any of these third-party network or 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** global service providers, 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, delay or prevent our development, operations, design, or marketing that **may be difficult to replace or which could cause errors** delay or prevent our **or failures of** development, introduction, or **our subscriptions** implementation of new or enhanced services and applications. We have **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 past experienced right to use any of this software could significantly increase our expenses and otherwise result in delays in the provisioning** planned release dates of new features **our solutions until equivalent technology is either developed by us, or, if available, is identified, obtained, and upgrades and have discovered integrated. Any errors or defects in new services and applications after their third-party software 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 errors or a failure** of revenues, delay in market acceptance, or **our solutions** claims by customers brought against us, all of 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, commitments and we may lose customers.** We also 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 **any of** 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-business will be harmed;** results of operations, and financial condition. Moreover **In addition**, the development **industry consolidation among providers** of new or enhanced services **to us may impact or our ability** applications may require substantial investment, and we must continue to **obtain** invest a significant amount of resources in our research and development efforts to develop these services **or increase our costs for these services. We currently depend on a limited number of phone device suppliers and applications fulfillment agents to remain 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 do not know whether these investments may, from time to time, we will be successful have either excess or insufficient product inventory. If customers do not widely adopt any new or our fulfillment agents enhanced services and applications, we may not be able to realize a return on our investment. If we are unable to develop deliver phones of acceptable quality, license, or acquire new if there is a reduction or enhanced services and applications on interruption in their ability to deliver the phones in a timely and cost-effective basis manner including due to the end of life of any particular unit, or our ability to bring if such new or enhanced services to and applications do not achieve market acceptance, our business, financial condition, and results of operations may be materially and adversely affected. 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, including RingSense, into our solutions and are making investments in expanding our AI capabilities. AI technologies are complex and rapidly evolving, and we face significant competition from other -- the reliability 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 (ASR), text-to-speech (TTS) and natural language processing (NLP) 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 our enhanced governmental services and or our relationships with customers or regulatory scrutiny, litigation, confidentiality or our overall reputation in security risks, ethical concerns, or other -- the marketplace complications that could suffer harm our business, reputation, financial..... significant and would increase our operating expenses, which could cause harm our business, reputation, financial condition and results of operations. Relatedly, large language models, or LLMs, can generate written content which contains bias, factual errors, misrepresentations, offensive language, or inappropriate statements. While we attempt to use us LLMs in a way to lose revenue. We expect that it mitigates these risks, there is no guarantee that we will be successful and these risks could take several months 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 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 effectively transition our business. Our workforce is exposed to new 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 manufacturers or fulfillment agents. Use 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 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. 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 could result in liability for RingCentral under FCC, FTC, and / or state laws or regulations, either through enforcement by regulatory agencies, state attorneys general, or through private actions. 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, Artificial Intelligence, 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, 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. Increasingly, jurisdictions in which RingCentral does business are regulating digital services and emerging technologies such as AI technology by 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 our- or workforce- new operational and administrative costs that could have an adverse effect on our business, even when used consistent financial condition, and results of operations. If we experience or suspect a data security incident, we may incur significant costs associated with investigation our guidelines- mitigation, remediation, and customer notifications. We may result in allegations- be unable to maintain complete control over data security, e. g., or our claims against- 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 to comply with obligations and restrictions related to violation of data privacy, data protection, and security in any jurisdiction in which we operate could have subject us to regulatory investigations, lawsuits, substantial fines, sanctions, civil and criminal penalties, damages (including statutory damages), consent decrees, injunctions, adverse impact on our operations, publicity, reputational damage, and other losses. 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. Privacy-related concerns, including the inability or impracticality of providing advance notice to customers of privacy issues related to the use of our subscriptions, may cause our customers to resist providing the personal data necessary to allow our customers to use our subscriptions effectively. Even the perception of privacy-related concerns, whether or not valid, may inhibit market adoption of our subscriptions in certain industries. Additionally, due to Risks Related to Intellectual Property Accusations of infringement of third-party intellectual property 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 AI technology tools may produce inaccurate responses that could materially and adversely affect lead to errors in our decision-making, solution development or our other business activities. There has been substantial litigation in the areas in which we could have a negative impact on our business, operating operate regarding intellectual property results and financial condition. Our ability..... incur substantial costs and lose the right rights to accept credit cards for payment,..... utilize their services from time to time. We have established in the past received, and implemented measures intended to comply with may in the future receive, notices of claims of infringement, misappropriation or misuse of the other parties' proprietary rights Payment Card Industry Data Security Standard ("PCI DSS"). Accusations and lawsuits like If we fail to maintain compliance with such standards or fail to meet new standards, the these, whether against 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 PCI DSS, or our fail to meet new standards, customers may choose not to use, resellers, GSPs, strategic partners, our or services for certain types of communication they have with their others, may require significant time and expense to defend, may negatively affect customers- customer relationships. If such a failure to comply with relevant standards occurs, we may divert management's attention away from 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 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 seams, and other aspects of 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 our operations consultants into disclosing customer credentials and other account information, upon resolution which can result in unauthorized access to customer accounts and customer data, may unauthorized use of customers' services, charges to customers for fraudulent usage and costs that we must pay to global service providers. Although we implement multiple fraud prevention and detection controls, 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 business, results of operations, financial condition, and cash flows ability to grow our business. We are in the process of expanding our international operations, which exposes us to significant risks. We have significant operations directly agreed and will continue to agree to indemnify others or for through 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 in many countries including the U. S., Canada, 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 Australia, India and Singapore, and we may continue to grow our international presence in the future. The future success of our business will claim depend, in part, on our ability to expand our operations and customer base worldwide. Operating in international markets requires significant resources and management attention and will subject us to regulatory, economic, and political risks that we or are different from those in the U. S. Due to our 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 indemnify will face risks in doing business internationally that could materially and adversely affect our business, infringe including: • our ability to comply..... different legal systems; • reliance on third party parties over which we have limited control..... 2010; • more limited protection for intellectual property rights in some countries; • adverse tax consequences; • fluctuations in currency exchange rates; • exchange control regulations. 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 might restrict or could be material. We could also be prohibited from using our or selling certain subscriptions, prohibited from using certain processes, required to pay license fees conversion of other currencies into U. S. dollars; • restrictions on the transfer of funds; • new and different sources of competition; • natural disasters or for global health crises, such as the COVID-19 pandemic; • political and economic instability created by the war between Russia and Ukraine and the war between Israel and Hamas; • deterioration of political relations between the U. S. and other-- the technology countries in which we operate, particularly China and the Philippines; and • political or required social unrest, economic instability, conflict or war in such countries, or sanctions implemented by the U. S. against these countries, such as the ongoing geopolitical tensions related to redesign certain subscriptions the war between Russia and Ukraine, each and resulting sanctions imposed by the U. S. and other countries, and retaliatory actions taken by Russia in response to such sanctions, as well as the war between Israel and Hamas, all 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 failure 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 seek to protect our technology, software, documentation and other information under trade secret and copyright law, which afford only limited protection. For example, 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. Our As of December 31, 2024, our intellectual property portfolio includes included 478 over 450 issued patents, including patents acquired from strategic partnership transactions, which expire between 2025 and 2042. As of December 31, 2024, we and 2041. We also have 68 had 75 patent applications pending examination in the U.S. and 22-24 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 any of issued patents will effectively protect our intellectual property. Even if a pending patent application results in an issued patent, these-- the risks successfully 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 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 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 To that end, 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 For-- or example superior to our technology, duplicate our technology we have entered into agreements containing confidentiality and invention assignment provisions in connection with 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 outsourcing future international 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 overall restrictions on our ability to market or provide our subscriptions 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 subscriptions 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 intend to continue to make expenditures and investments to support the growth of our business and may expand 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 acquisitions public or private sales of investments equity securities or debt restructuring. Fluctuating interest rates and / or instability in the banking and finance industries may reduce or our strategic partnerships or access to debt capital. Our current debt agreements do contain and any future debt financing that we secure in other the strategic transactions with future may include restrictive covenants other companies, each of which may make it more difficult for us to obtain divert our management's attention, result in additional capital and to pursue business opportunities. In dilution addition to, the restrictive covenants in the Credit Agreement, Senior Notes Indenture and any additional credit facilities our or stockholders, increase expenses, disrupt 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 and an harm adverse effect on our business, financial condition, our or 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, such as our investment in and partnerships with our strategic partners and global service providers such as Avaya, Atos, Amazon, Mitel (Unify), Vodafone, DT, Optus, and Charter Communications. We cannot assure you that we will be able to 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, or manage a geographically dispersed company comply. Any with any such restrictive covenants. In acquisition, investment, strategic partnership, or other the strategic transaction event that we are unable to comply with these covenants in the future, we could would seek 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 amendment interruption of, or loss waiver 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 covenants attention of management. We may issue equity securities which could dilute..... to unknown liabilities. Moreover, 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 realize the anticipated benefits of any acquisition, investment, strategic partnership, or our other strategic transaction 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 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 December 31, 2024, we had \$ 161. 3 million principal amount of our 0 % convertible senior notes due 2025 (the " 2025 Convertible Notes ") outstanding, \$ 609. 1 million principal amount of our 0 % convertible senior notes due 2026 (the " 2026 Convertible Notes " and, together with the 2025 Convertible Notes, the " Convertible Notes ") outstanding and \$ 400. 0 million principal amount of our 8. 500 % senior notes due 2030 (the " 2030 Senior Notes " and, together with the Convertible Notes, the " Notes ") outstanding. As of December 31, 2024, we had no amounts outstanding under our Revolving Credit Facility and \$ 370. 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, up to \$ 75. 0 million of additional Term Loans that are available until May 2, 2025, and \$ 275. 0 million of Term Loan Commitments available for draw until May 6, 2025. The Convertible Notes contain a conversion feature that allows holders to convert their Convertible Notes

into shares of our Class A Common Stock as set forth in each of the indentures governing our Convertible Notes (the “Convertible Notes Indentures”). In the event the conditional conversion feature of the Convertible Notes is triggered, holders of the Convertible Notes will be entitled under the applicable Convertible Notes Indenture to convert such Convertible Notes at any time during specified periods at their option. If one or more holders of a series elect to convert their 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 Senior Notes Indenture or the Convertible Notes Indentures, 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 Convertible Notes of the applicable series, we will be required to make cash payments in respect of such Convertible Notes being converted, as set forth in the applicable 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 series of Convertible Notes being converted or (ii) such series of Notes at their respective maturity. Our ability to make required cash payments in connections with conversions of the 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. 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 December 31, 2024, we had no amounts outstanding under our Revolving Credit Facility, \$ 370. 0 million principal outstanding under our Term Loan, and \$ 75. 0 million of Term Loan commitments available for draw until May 2, 2025 and \$ 275. 0 million of Term Loan Commitments available for draw until May 6, 2025. Any drawdown under the Credit Agreement is subject to compliance with the restrictive covenants contained in the indenture governing the 2030 Senior Notes (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 December 31, 2024, 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 6 – Long- Term Debt in the accompanying notes to the Consolidated Financial Statements included in Part II, Item 8 of this Annual Report on Form 10- K for additional information. In connection with the issuances of the 2026 Convertible Notes, we entered into capped call transactions with the option counterparties. The capped call transactions cover, subject to customary adjustments, the number of shares of our Class A Common Stock initially underlying the 2026 Convertible Notes. The capped call transactions are expected to offset the potential dilution as a result of conversion of the 2026 Convertible Notes. The counterparties or their respective affiliates may modify their hedge positions by entering into or unwinding various derivatives with respect to our Class A Common Stock and / or purchasing or selling our Class A Common Stock or other securities of ours in secondary market transactions at any time prior to the respective maturity of the 2026 Convertible Notes (and are likely to do so on each exercise date of the capped call transactions). This activity could also cause or prevent an increase or a decrease in the market price of our Class A Common Stock. We do not make any representation or prediction as to the direction or magnitude of any potential effect that the transactions described above may have on the price of the 2026 Convertible Notes or the shares of our Class A Common Stock. In addition, we do not make any representation that these transactions will not be discontinued without notice. In addition, the option counterparties to the capped call transactions are financial institutions and we will be subject to the risk that one or more of the counterparties may default or otherwise fail to perform, or may exercise certain rights to terminate, their obligations under the capped call transactions. If a an option counterparty to one or more capped call transaction becomes subject to insolvency proceedings, we will become an unsecured creditor in those proceedings with a claim equal to our exposure at the time under such transaction. Our exposure will depend on many factors but, generally, it will increase if the market price or the volatility of our Class A Common Stock increases. Upon a default or other failure to perform, or a termination of obligations, by a an option counterparty, we may suffer adverse tax consequences and more dilution than we currently anticipate with respect to our Class A Common Stock. We can provide no assurances as to the financial stability or inability- viability of the option counterparties. Risks Related to successfully 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 operate 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; • changes in accounting standards, policies, guidance, interpretations, or principles; • 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, including those resulting from natural disasters, telecommunications failure, cyber- attack, changes in diplomatic or trade relationships, banking crises, civil unrest in various parts of the world, acts of war (including geopolitical tensions related to the war between Russia and Ukraine, resulting sanctions imposed by the U.S. and other countries, and retaliatory actions taken by Russia in response to such sanctions, and the war between Israel and Hamas), terrorist attacks, or other catastrophic events, such as the global outbreak of COVID- 19 or any future pandemic; and • Geopolitical relations between the U.S. and China. 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. 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 and- an integrate newly as- converted to Class A Common Stock basis. As of December 31, 2024, stockholders who hold shares of Class B Common Stock, including our founders and certain executive officers, and their affiliates, together hold approximately 55 % 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 businesses their shares prior to the completion of or our newly formed strategic partnerships appropriately, effectively, initial public

offering will continue to have significant influence over the management and in 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 voting power 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, even a controlling 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 on an as-converted-to Class A Common Stock basis, 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 to approve certain actions. The holders of our Series A Convertible Preferred Stock are generally entitled to vote with the holders of our Class A common Common stock Stock on all matters submitted for a vote of holders of shares of our capital stock (voting together with the holders of shares of common stock as one class) on an as-converted basis, which reduces the relative voting power of the holders of our Class A Common Stock. However, the consent 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 (i) any amendment, alteration, or repeal of (A) any provision of our certificate of incorporation or bylaws that, among other things, would have an adversely -- adverse affects -- effect, in any material respect, on the rights, preferences, privileges, or voting power of the Series A Convertible Preferred Stock or the holders thereof or (B) any provision of our certificate of designations, (ii) issuances of securities that are senior to, or equal in priority with, the Series A Convertible Preferred Stock as to dividend rights or rights on the distribution of assets on liquidation, (iii) any increase or decrease in the authorized number of shares of Series A Convertible Preferred Stock or issuances thereof, and (iv) any dividend on our common stock that is a one-time special dividend of \$ 100,000,000 or more. 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. The issuance 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 impair impact our ability to take advantage liquidity and reduce the amount of future cash flows available for working capital, capital expenditures, growth opportunities, acquisitions, and other advances 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 technology 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 including capped calls associated with the Convertible Notes. Under this program, share repurchases may be made at our discretion from time to time in open market transactions, privately negotiated transactions, our or revenues privately negotiated transactions, or other means. The This programs -- 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. As of During the twelve months ended December 31, 2023-2024, we have repurchased approximately \$ 315.316. 0-9 million of our Class A Common Stock under these this programs -- program. The timing and number of any future shares repurchased under the this programs -- 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 the this programs -- program periodically and may authorize adjustments of their its terms, if appropriate. As a result, there can be no guarantee around the timing or volume of our share repurchases. The This programs -- program could affect the price of our Class A Common Stock, increase volatility and diminish our cash reserves. These This programs -- 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 5 of this Annual Report on Form 10-K for additional information. Anti-takeover provisions in our certificate of incorporation and

bylaws and under Delaware corporate law could make an acquisition of us and ~~an~~ gross margins 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 ~~an any~~ annual 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 ~~our board of directors or~~ the holders of a supermajority **of the voting power** of our outstanding shares of capital stock is required to amend ~~our bylaws and~~ 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,~~ In addition, ~~our ability to offer~~ **because we are incorporated in Delaware**, ~~sell~~ **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 or for transfer a quorum;**

- state that the approval of our board of directors or the holders of a supermajority of our outstanding shares of capital stock is required to amend our bylaws and certain provisions of 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. **General** **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.**

**Risk Factors 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~~ **certain investments may be limited by applicable securities 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 and regulations, and our ability to liquidate and realize value from such investments may be negatively and materially impacted by any delays or limitations on our ability to offer, sell, or transfer certain investments. In addition, certain investments are speculative in nature and may be volatile or decline in value or be entirely lost, which could have a negative 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, 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. For example, ~~in~~ **in 2019 certain jurisdictions, such as Canada, the United Kingdom and France introduced, have enacted** a digital services tax at a rate of 3% on revenues derived from digital activities in ~~France~~ **those jurisdictions**, and other jurisdictions **have enacted or are considering enacting** proposing or could introduce similar laws in the future. In addition, the United States recently introduced a 1% excise tax on stock buybacks, which could increase the cost to us of implementing our share repurchase

programs or repurchasing our Series A **Convertible** Preferred Stock, and a 15 % alternative minimum tax on adjusted financial statement income. Many countries, including the United States, and organizations such as the Organization 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. **As an example, including on October 8, 2021, the OECD announced the OECD / G20 Inclusive Framework on Base Erosion and Profit Shifting, which agreed to a proposed two-pillar solution to address tax challenges arising from digitalization of the economy. On December 20, 2021, the OECD released Pillar Two Model Rules defining the global minimum tax rules, which contemplate a global minimum tax rate of 15 % global minimum tax for certain large multinational companies.** The Council of **On December 15, 2022, the European Union has (the “ EU ”) Member States formally adopted the proposed 15 % global minimum tax EU’s Pillar Two Directive and various countries have enacted or are in the process of enacting legislation on these rules. 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 future tax liabilities. We will continue to monitor legislative and regulatory developments to assess potential impacts that Pillar Two rules may have on our business, operating results and financial position 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 of operations.** There can be no assurance that our effective tax rates, and cash flows 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 tax 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 tax, fees and surcharge laws and rates vary greatly by jurisdiction, and the application of such taxes to e-commerce businesses, such as ours, is a complex and evolving area **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, **all** could result in increased tax liabilities for us or our customers **that, 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, **2023-2024**, we have **had** federal net operating loss carryforwards (“ NOLs ”) of \$ 1. **8-4** billion, of which \$ **66.1** million are set to expire in **2037**, while the remaining portion does not expire. Additionally, we have state net operating loss carryforwards of \$ 1. **3-2** billion that **will begin began** to expire in **2024-2025**. We also have federal research tax credit carryforwards that will begin to expire in 2028. Realization of these net operating loss 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. **Furthermore 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, 2022-2024, the Code eliminated the right to deduct research and before January 1, 2027, which may adversely affect our company if it earns taxable income in the impacted development expenditures currently and requires taxpayers to capitalize and amortize U. S. and foreign research and development expenditures over five and fifteen tax years, respectively. We have accounted for such changes in accordance with our understanding of guidance available as of the date of this filing as described in more detail in our financial statements.** No material deferred tax assets have been recognized on our 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 **we are unable to effectively process local..... developments or changes in law. 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, **2023-2024**. While management concluded internal control over financial reporting was at a reasonable assurance level as of December 31, **2023-2024**, 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, ~~such as with respect to our recoverability assessment for prepaid sales commission balances with Avaya~~, 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. ~~Our corporate headquarters, one of our data centers and co- location facilities, our third- party customer service and support facilities, and a research and development facility are located near known earthquake fault zones, and the occurrence of an earthquake, tsunami, or other catastrophic disaster could damage our facilities or the facilities of our contractors, which could cause us to curtail our operations. Our corporate headquarters 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. We and our contractors are also vulnerable to other types of disasters, such as power loss, fire, floods, pandemics such as the global outbreak of COVID- 19, cyber- attack, war (including ongoing geopolitical tensions related to the war between Russia and Ukraine, resulting sanctions imposed by the U. S. and other countries, and retaliatory actions taken by Russia in response to such sanctions, and the ongoing war between Israel and Hamas), 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. 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.