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3Q26 Earnings Results

October 29, 2026

Legal Disclaimer

This presentation includes forward-looking statements. All statements contained in this presentation other than statements of historical facts, including, without limitation, future financial and business, the success of our product offerings and our platform, and the value proposition of our products, are forward-looking statements. The words "anticipate," "assume," "believe," "continue," "estimate," "expect," "intend," "guide," "may," "will" and similar expressions and their negatives are intended to identify forward-looking statements. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives and financial needs. These forward-looking statements are subject to a number of risks and uncertainties, including, without limitation, risks related to our rapid growth and ability to sustain our revenue growth rate, competition in the markets in which we operate, market growth, our ability to innovate and manage our growth, our ability to successfully leverage the use of super intelligence in our business operations and in our service offerings, our ability to expand effectively into new markets, macroeconomic conditions both in the U.S. and globally, legal, reputational and financial risks which may result from ever-evolving cybersecurity threats, our ability to operate in compliance with applicable laws, as well as other risks and uncertainties set forth in the "Risk Factors" section of our latest Form 10-K filed with the Securities and Exchange Commission (the "SEC") and any subsequent reports that we file with the SEC. Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, we cannot guarantee future results, levels of activity, performance, achievements or events and circumstances reflected in the forward-looking statements will occur. We are under no obligation to update any of these forward-looking statements after the date of this presentation to conform these statements to actual results or revised expectations, except as required by law. You should, therefore, not rely on these forward-looking statements as representing our views as of any date subsequent to the date of this presentation.

This presentation also includes certain guidance on non-GAAP financial measures. These non-GAAP financial measures are in addition to, and not as a substitute for or superior to measures of financial performance prepared in accordance with GAAP. There are a number of limitations related to the use of these non-GAAP financial measures versus their nearest GAAP equivalents. For example, other companies may calculate non-GAAP financial measures differently or may use other measures to evaluate their performance, all of which could reduce the usefulness of the Company's non-GAAP financial measures as tools for comparison. The Company provides a reconciliation of certain non-GAAP measures to the most directly comparable GAAP measures, which are available in the earnings press release for the relevant period and in the appendix of this presentation.

Market data and industry information used throughout this presentation are based on management's knowledge of the industry and the good faith estimates of management. Management also relied, to the extent available, upon management's review of independent industry surveys and publications and other publicly available information prepared by a number of third party sources. The market data and industry information used in this presentation involves a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. Although we believe that these sources are reliable, we cannot guarantee the accuracy or completeness of this information, and we have not independently verified this information. While we believe the estimated market position, market opportunity and market size information included in this presentation are generally reliable, such information, which is derived in part from management's estimates and beliefs, is inherently uncertain and imprecise. No representations or warranties are made by the Company or any of its affiliates as to the accuracy of any such statements or projections. Projections, assumptions and estimates of our future performance and the future performance of the industry in which we operate are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described above. These and other factors could cause results to differ materially from those expressed in our estimates and beliefs and in the estimates prepared by independent parties.

3Q26 Financials

$234m	$158m	$35m	$33m
Total revenue	Cloud communications revenue[1]	Adjusted EBITDA	Free cash flow
▲22%[2]	▲12%[3]	▲43%	▲151%
Total revenue growth y/y	Cloud communications revenue growth y/y	Adjusted EBITDA growth y/y	Free cash flow growth y/y

[1] Cloud communications revenue is total revenue less pass-through messaging surcharge revenue.
[2] Includes the benefit of political campaign revenue of $11m recognized for the quarter ended September 30, 2026.
[3] Includes the benefit of political campaign revenue of $3m recognized for the quarter ended September 30, 2026.
Note: See Appendix for definitions and calculations for metrics presented in this slide.

$1m+ Strategic Customer Wins in 3Q26

4 Customer wins $1m+ signed in 3Q26

99%+ Customer Name Retention

13 years Top 20 Customer Median Tenure

FINANCIAL SERVICES

All-digital banking platform

Selected Bandwidth's owned network and Maestro orchestration platform to modernize its contact center and enable low-latency SI interactions.

CONSUMER TECHNOLOGY

Fast-growing personal privacy platform

Expanded its use of Bandwidth's voice infrastructure and APIs to support SI-powered call screening and additional services.

ENTERPRISE COMMUNICATIONS

Major U.S. connectivity solutions provider

Adopted Bandwidth's platform voice solution to leverage its network infrastructure while retaining existing phone numbers.

GLOBAL COMMUNICATIONS

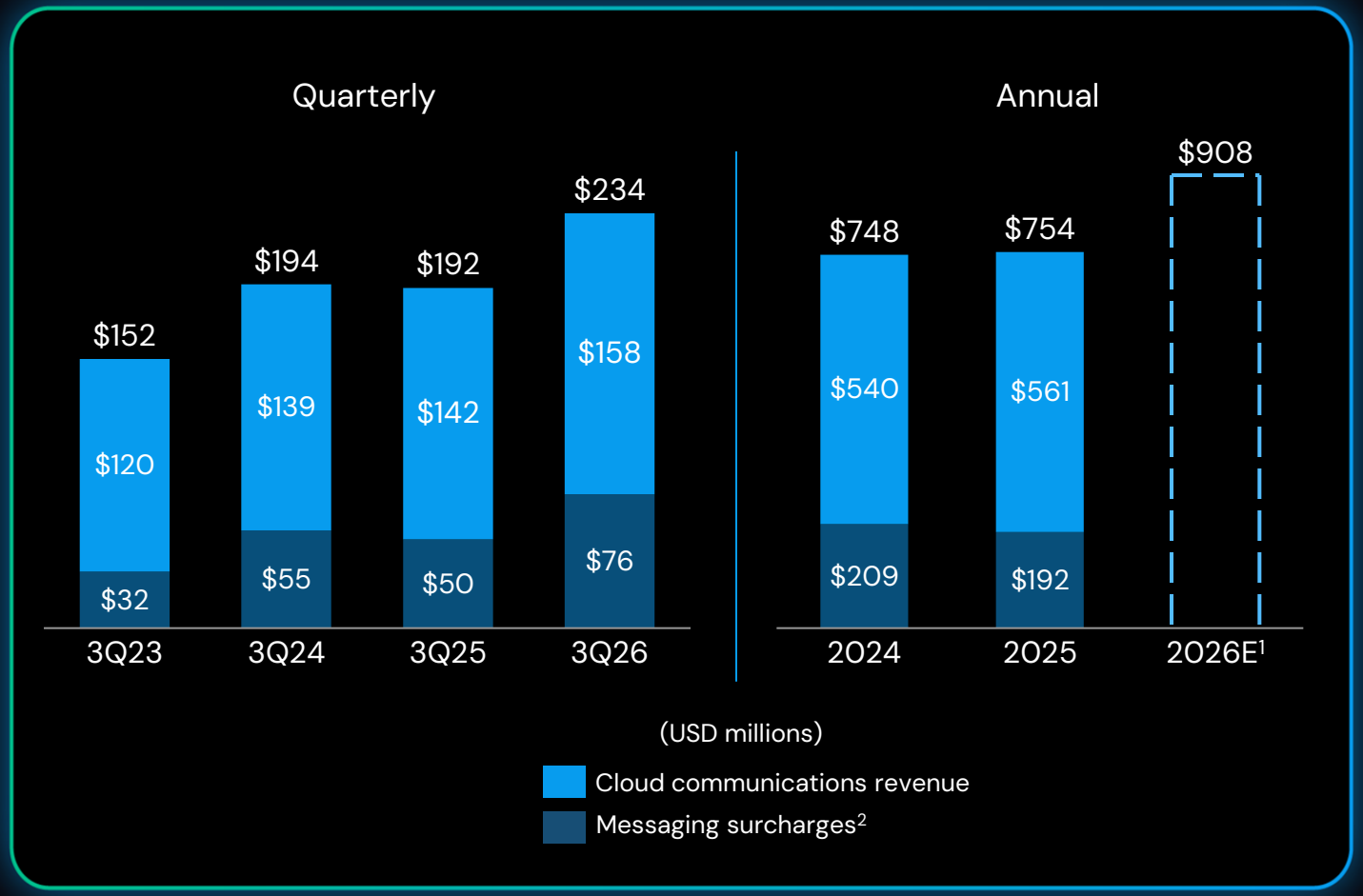
Specialized communications provider

Selected Bandwidth's global network and routing capabilities to expand international calling services.

Revenue Performance

▲22%
3Q26 Total revenue growth y/y

▲12%
3Q26 Cloud communications revenue growth y/y

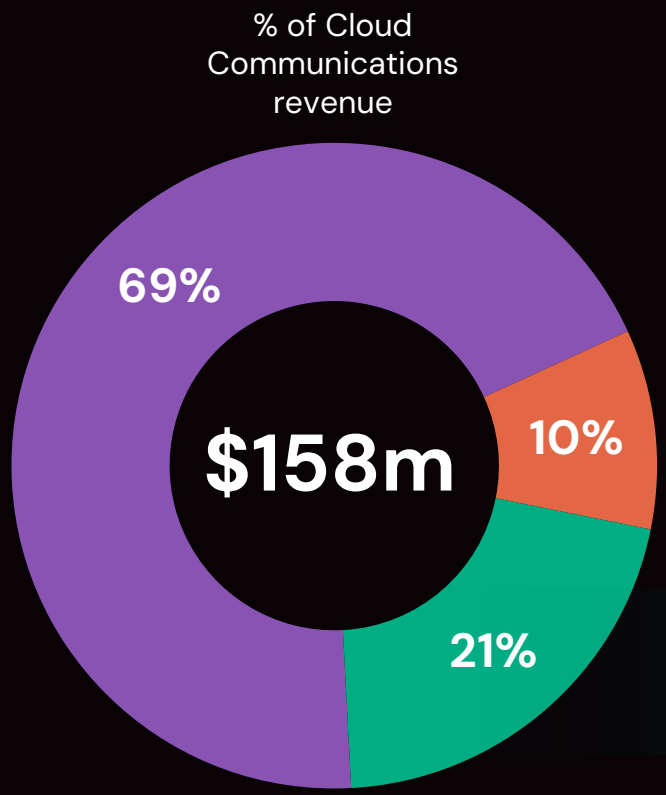


[1] Represents midpoint of guidance provided in the Financial Outlook section of the October 29, 2026 earnings press release.
[2] Messaging surcharges is defined as pass-through messaging surcharges levied by carriers on Application to Person (A2P) text messages.

Note: Totals may not sum due to rounding.

Cloud Communications Revenue by Customer Category

All three customer categories increasingly require **SI-ready communications infrastructure**



Global Voice Plans ▲ 8% y/y

Enterprise Voice ▲ 15% y/y

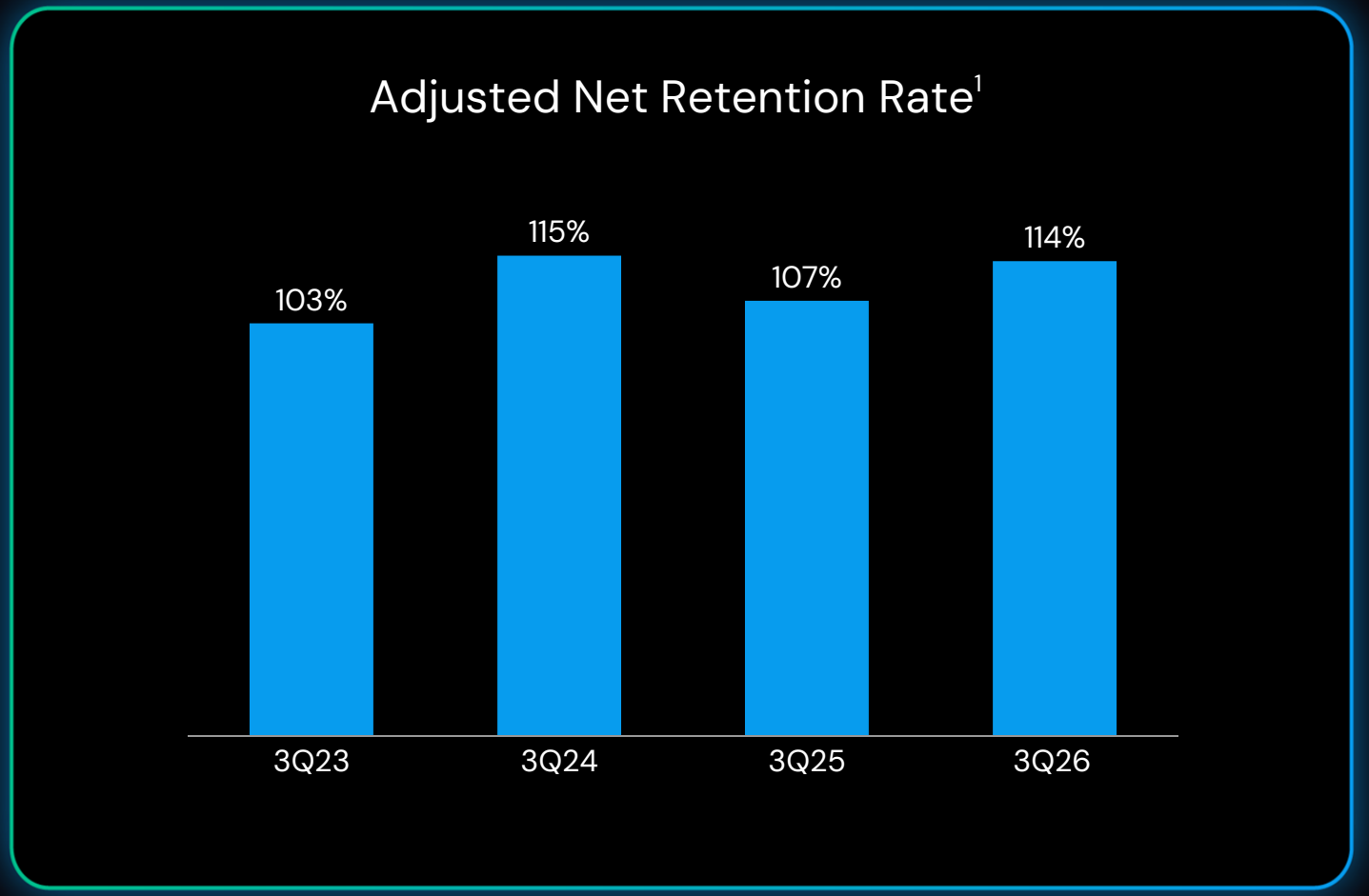
Programmable Messaging ▲ 26%[1] y/y

[1] Includes the benefit of political campaign revenue of $3m recognized during the quarter ended September 30, 2026.

Customer Metrics

$273k
Average annual customer revenue

▲18%
Average annual customer revenue growth y/y

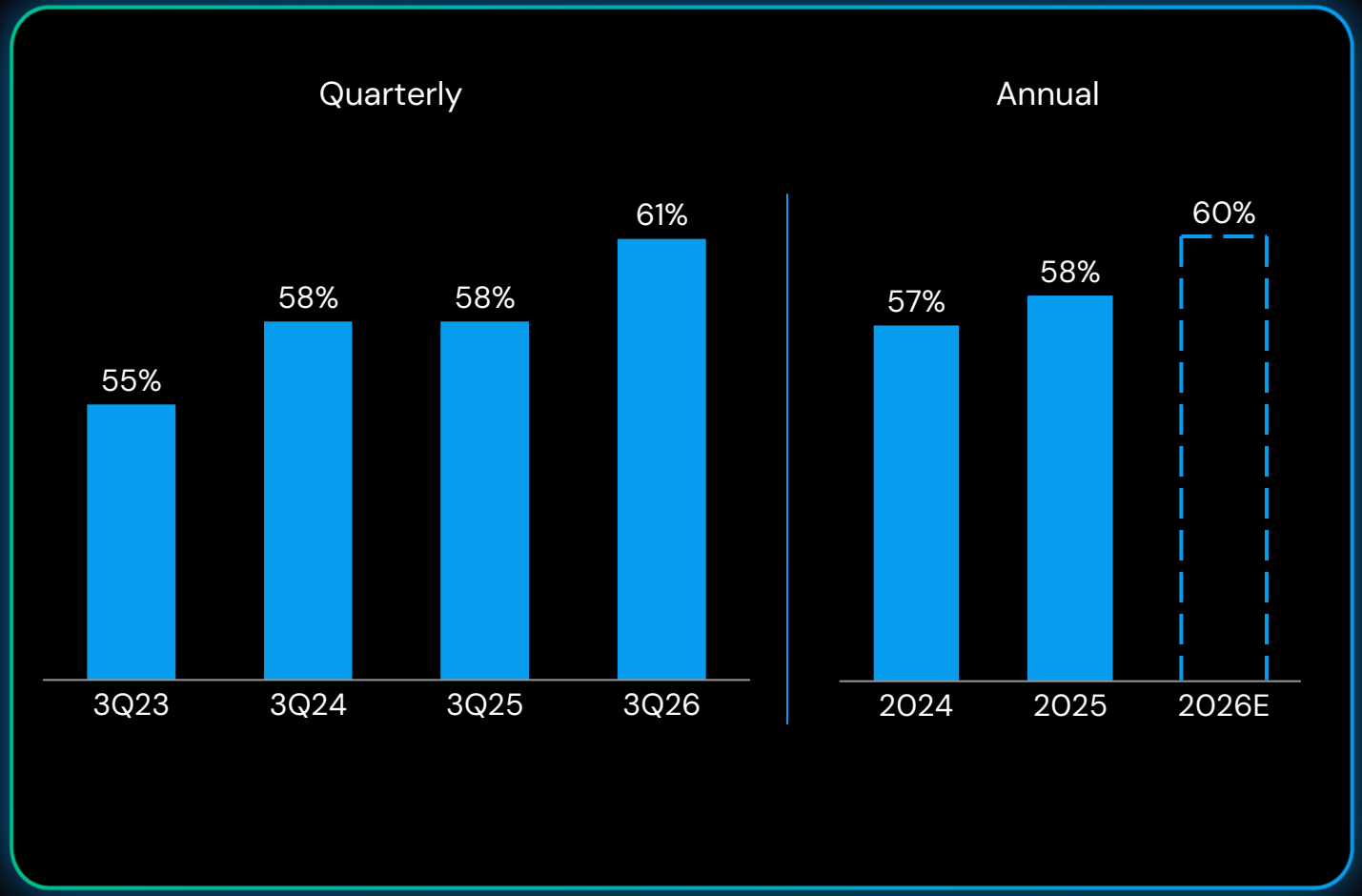


[1] Adjusted Net retention rate excludes political campaign revenue benefits recognized during the corresponding periods presented.
Note: See Appendix for definitions of Average annual customer revenue and other metrics presented on this slide.

Non-GAAP Gross Margin Performance

▲18%

3Q26 Non-GAAP Gross Profit growth y/y



Note: Non-GAAP Gross Profit and Non-GAAP Gross Margin are Non-GAAP financial measures. See Appendix for Non-GAAP definitions and reconciliations.

Adjusted EBITDA Performance

22%
3Q26 Adjusted EBITDA margin

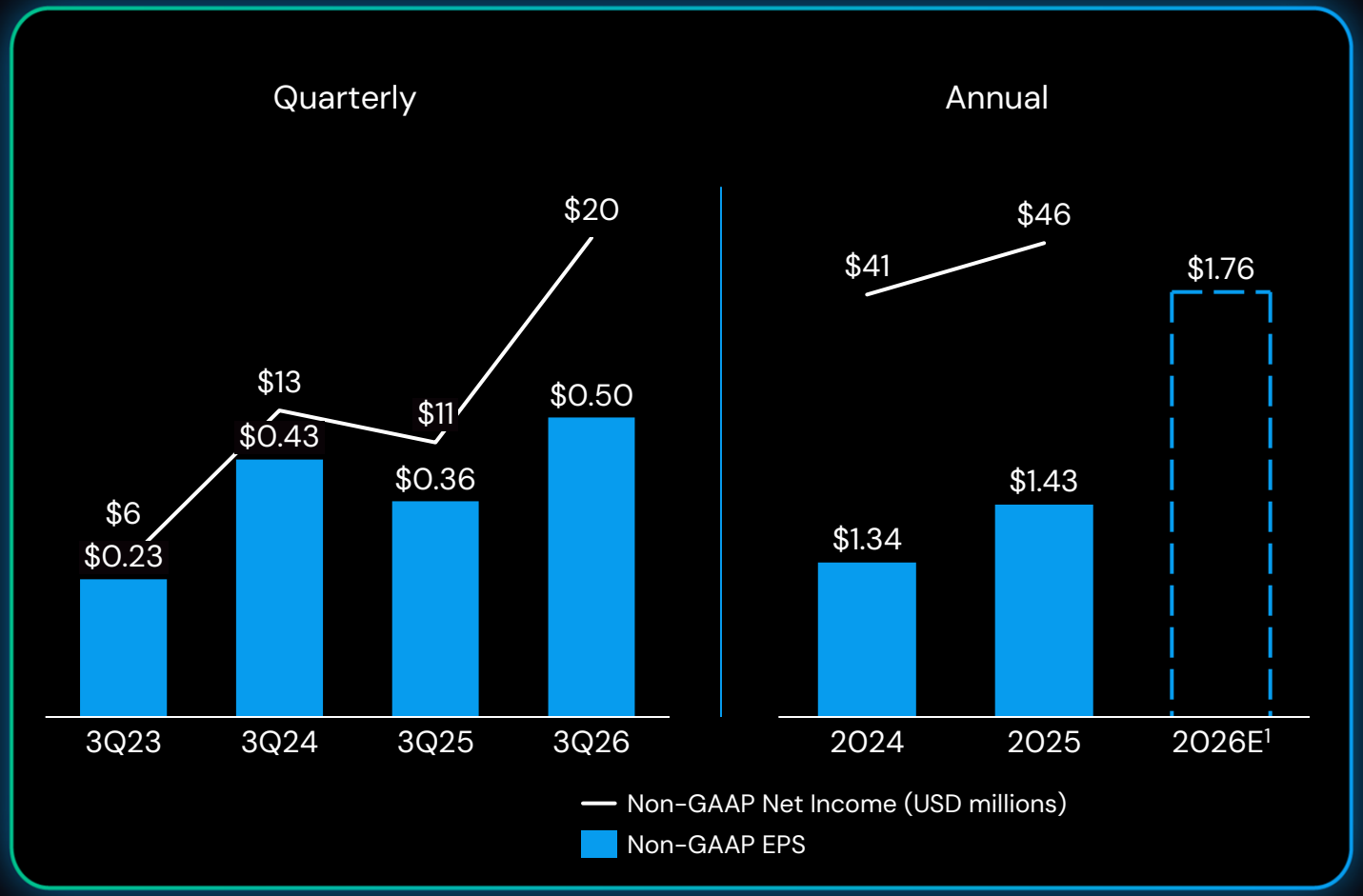
▲43%
3Q26 Adjusted EBITDA growth y/y



[1] Represents midpoint of guidance provided in the Financial Outlook section of the October 29, 2026 earnings press release. Bandwidth has not reconciled full year 2026 guidance related to Adjusted EBITDA to GAAP Net income or loss, because stock-based compensation cannot be reasonably calculated or predicted at this time.
Note: Adjusted EBITDA and Adjusted EBITDA Margin are Non-GAAP financial measures. See Appendix for Non-GAAP definitions and reconciliations.

Non-GAAP Net Income and EPS Performance

▲73%
3Q26 Non-GAAP Net Income growth y/y



[1]Represents midpoint of guidance provided in the Financial Outlook section of the October 29, 2026 earnings press release.
Note: Non-GAAP Net Income and Non-GAAP EPS are Non-GAAP financial measures. See Appendix for Non-GAAP definitions and reconciliations.

Free Cash Flow Performance

▲ 21%
3Q26 Free cash flow margin

▲ 120%
YTD26 Free cash flow growth y/y



Note: Free cash flow and Free cash flow margin are Non-GAAP financial measures. See Appendix for Non-GAAP definitions and reconciliations.

3Q26 Earnings Results Key Takeaways

RECORD PERFORMANCE

Revenue
$234m

Adj. EBITDA
$35m

Record results and margin expansion

Revenue up 22% y/y and Adj. EBITDA up 43% y/y, with a record 22% EBITDA margin and 60.6% Non-GAAP gross margin.

RECORD FREE CASH FLOW

$33m 3Q FCF

120% YTD26 free cash flow growth

Generated $56m in YTD free cash flow, up from $25m in YTD25, reflecting strong profitability and cash conversion.

GUIDANCE

Revenue
$908m

Adj. EBITDA
$125m

Raised 2026 guidance midpoints across all measures

Revenue and Adj. EBITDA midpoints imply 20% and 34% y/y growth, respectively, with non-GAAP EPS guidance also raised. Expect double-digit cloud communications revenue growth in 2027.

CAPITAL ALLOCATION

Disciplined

Strengthening the balance sheet

Repurchased $21m of 2028 convertible notes at a discount and deployed $10m toward share repurchases, bringing YTD share buybacks to $30m.

CUSTOMER WINS

4 $1m+ wins

Continued momentum in strategic customer wins

Third-quarter wins span financial services, consumer technology and global communications, reflecting demand for Bandwidth's cloud communications and SI capabilities.

SI LEADERSHIP

Enabling the SI era

Structural advantages in the SI era

Network ownership, usage-based economics and SI's reliance on communications infrastructure position Bandwidth as the trusted infrastructure layer for SI communications.

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4Q26 and Full Year 2026 Outlook

▲20%
Total revenue growth y/y 2026 guidance[1]

▲34%
Adjusted EBITDA growth y/y 2026 guidance[1]

	4Q 2026	FY 2026
Revenue	$242m - $247m	$905m - $910m
Adjusted EBITDA[2]	$36m - $37m	$124m - $125m
Non-GAAP EPS[2,3]	$0.52 - $0.58	$1.73- $1.79

Full year 2026 guidance is based upon the following estimates and assumptions:

- Interest income of $0.6 - $1.1m
- Depreciation of $39 - $41m
- Adjusted tax rate of 20% – 22%
- Average diluted share count of approximately ~39m
- Capital Expenditures of $24 - $26m

[1] Represents midpoint of annual guidance provided in the Financial Outlook section of the October 29, 2026 earnings press release.
[2] Bandwidth has not reconciled its fourth quarter and full year 2026 guidance related to Adjusted EBITDA to GAAP net income or loss and Non-GAAP net earnings or loss to GAAP net earnings or loss and Non-GAAP earnings or loss per share to GAAP earnings or loss, because stock-based compensation cannot be reasonably calculated or predicted at this time. Accordingly, a reconciliation is not available without unreasonable effort.
[3] Assumes weighted average diluted share count of approximately 40.3 million in 4Q 2026 and estimated weighted average diluted share count of approximately 38.7 million in full year 2026.

Thank you!

Historical Metrics

USD millions, except for Average Annual Customer Revenue in USD thousands

	1Q23	2Q23	3Q23	4Q23	FY23	1Q24	2Q24	3Q24	4Q24	FY24	1Q25	2Q25	3Q25	4Q25	FY25	1Q26	2Q26	3Q26
Total Revenue	137.8	145.9	152.0	165.4	601.1	171.0	173.6	193.9	210.0	748.5	174.2	180.0	191.9	207.7	753.8	208.8	219.9	234.0
Cloud communications	114.4	118.4	120.2	125.8	478.9	128.5	128.4	138.8	144.1	539.8	133.5	135.9	141.8	150.3	561.4	150.2	151.9	158.5
Messaging surcharges	23.4	27.5	31.8	39.6	122.2	42.5	45.2	55.1	65.9	208.7	40.8	44.2	50.1	57.4	192.4	58.6	68.0	75.6
Total Gross Profit	55.7	59.0	59.5	62.1	236.2	65.5	64.8	73.1	76.5	280.0	71.5	71.7	73.8	78.1	295.1	77.9	78.5	84.8
Non-GAAP Gross Profit	61.3	65.3	65.7	69.0	261.4	72.6	71.8	80.1	83.4	307.9	78.6	79.4	81.7	86.3	326.0	89.3	90.2	96.1
Non-GAAP Gross Margin[1]	54%	55%	55%	55%	55%	57%	56%	58%	58%	57%	59%	58%	58%	57%	58%	59%	59%	61%
Net Income (loss)	3.6	(3.9)	(5.1)	(10.9)	(16.3)	(9.2)	4.1	0.4	(1.8)	(6.5)	(3.7)	(4.9)	(1.2)	(3.0)	(12.9)	4.1	2.4	5.2
Non-GAAP Net Income	1.2	4.4	6.3	10.8	22.8	7.8	8.7	12.8	11.6	40.9	11.1	11.8	11.5	11.5	45.9	12.5	13.6	19.9
Adjusted EBITDA	5.1	10.6	13.8	18.8	48.2	15.9	18.7	24.0	23.4	82.1	22.2	21.9	24.3	24.8	93.3	26.0	27.8	34.8
Adjusted EBITDA Margin[2]	4%	9%	11%	15%	10%	12%	15%	17%	16%	15%	17%	16%	17%	17%	17%	17%	18%	22%
Cash and Investments[3]	123.5	122.6	139.1	153.5	153.5	147.2	76.4	79.9	83.8	83.8	41.7	68.1	80.4	111.3	111.3	50.3	174.4	175.8
Net cash (used in) provided by operating activities	(6.4)	3.1	23.0	19.3	39.0	2.5	24.4	20.5	36.5	83.9	(3.1)	31.7	22.2	38.6	89.5	8.8	28.8	37.7
Net cash used in investing in capital assets[4]	(4.5)	(4.3)	(4.8)	(6.2)	(19.9)	(6.9)	(6.1)	(6.2)	(6.2)	(25.4)	(10.2)	(6.1)	(9.1)	(7.5)	(32.9)	(9.4)	(5.0)	(4.7)
Free Cash Flow	(10.9)	(1.2)	18.2	13.0	19.1	(4.4)	18.3	14.2	30.3	58.5	(13.3)	25.6	13.1	31.1	56.6	(0.6)	23.7	33.0
Average Annual Customer Revenue	172	176	177	178	178	190	198	212	226	226	228	230	231	232	232	244	256	273
Net Retention Rate	109%	106%	104%	101%	101%	107%	111%	117%	122%	122%	116%	112%	105%	98%	98%	102%	107%	113%
Adjusted Net Retention Rate	102%	100%	103%	109%	109%	113%	115%	115%	112%	112%	109%	107%	107%	107%	107%	110%	113%	114%

[1] Calculated by dividing Non-GAAP gross profit by Cloud communications revenue.
[2] Calculated by dividing adjusted EBITDA by Cloud communications revenue.
[3] Cash and Investments excludes restricted cash.
[4] Represents the acquisition cost of property, plant and equipment and capitalized development costs for software for internal use.

Note: Totals may not sum due to rounding.

GAAP to Non-GAAP Reconciliation – Net Income

USD millions, except per share amounts

	1Q23	2Q23	3Q23	4Q23	FY23	1Q24	2Q24	3Q24	4Q24	FY24	1Q25	2Q25	3Q25	4Q25	FY25	1Q26	2Q26	3Q26
Net income (loss)	**3.6**	**(3.9)**	**(5.1)**	**(10.9)**	**(16.3)**	**(9.2)**	**4.1**	**0.4**	**(1.8)**	**(6.5)**	**(3.7)**	**(4.9)**	**(1.2)**	**(3.0)**	**(12.9)**	**4.1**	**2.4**	**5.2**
Stock-based compensation and related payroll taxes	7.4	8.0	6.9	14.7	37.0	12.3	11.4	11.4	13.2	48.4	13.6	12.5	12.3	13.9	52.3	13.0	15.4	14.6
Amortization of acquired intangibles	4.3	4.3	4.3	4.3	17.3	4.4	4.3	4.4	4.4	17.5	4.3	4.6	4.6	4.6	18.1	7.6	7.6	7.5
Amortization of debt discount and issuance costs for convertible debt	0.6	0.5	0.5	0.5	2.0	0.5	0.4	0.3	0.3	1.5	0.3	0.3	0.3	0.3	1.1	0.2	0.2	0.5
Net cost associated with early lease terminations and leases without economic benefit	–	–	1.2	2.8	4.0	1.2	0.9	0.4	0.0	2.4	–	–	–	–	–	–	–	–
Net gain on extinguishment of debt	(12.8)	–	–	–	(12.8)	–	(10.3)	–	–	(10.3)	(1.1)	–	–	–	(1.1)	(7.3)	(5.2)	(0.8)
Gain on business interruption insurance recoveries	–	(4.0)	–	–	(4.0)	–	–	–	–	–	–	–	–	–	–	–	–	–
Non-recurring items not indicative of ongoing operations and other[1]	0.6	0.2	0.1	0.4	1.2	0.1	0.0	(1.0)	0.3	(0.6)	0.5	0.3	1.2	0.8	2.8	(0.4)	(0.7)	–
Estimated tax effects of adjustments	(2.4)	(0.7)	(1.5)	(0.9)	(5.5)	(1.4)	(2.1)	(3.2)	(4.8)	(11.5)	(2.7)	(0.9)	(5.7)	(5.1)	(14.5)	(4.8)	(6.1)	(7.2)
Non-GAAP net income	**1.2**	**4.4**	**6.3**	**10.8**	**22.8**	**7.8**	**8.7**	**12.8**	**11.6**	**40.9**	**11.1**	**11.8**	**11.5**	**11.5**	**45.9**	**12.5**	**13.6**	**19.9**
Interest expense on convertible notes[2]	0.3	0.3	0.3	0.3	1.3	0.3	0.3	0.3	0.3	1.1	0.3	0.2	0.2	0.2	1.0	0.2	0.1	–
Numerator used to compute Non-GAAP diluted net income per share	**1.5**	**4.7**	**6.7**	**11.1**	**24.0**	**8.1**	**9.0**	**13.0**	**11.8**	**42.0**	**11.4**	**12.1**	**11.7**	**11.7**	**46.9**	**12.7**	**13.7**	**19.9**

[1] Non-recurring items not indicative of ongoing operations and other include (i) $0.4 million of expense resulting from early termination of undrawn SVB credit facility for the year ended December 31, 2023, (ii) a $1.0 million gain on the sale of an intangible asset for the year ended December 31, 2024, (iii) $1.3 million of foreign exchange losses primarily related to balance sheet revaluations, $0.5 million in nonrecurring litigation expenses, and $0.1 million of losses on sale of business for the year ended December 31, 2025, and (iv) $0.9 million, $0.4 million, and $0.8 million of losses on disposals of property, plant and equipment during the years ended December 31 2025, 2024 and 2023, respectively. For the nine months ended September 30, 2026, non-recurring items not indicative of ongoing operations and other include ($1.7) million of foreign exchange gains primarily related to balance sheet revaluations, $0.2 million of losses on prepaid contract and related implementation costs, and $0.4 million of losses on disposals of property, plant and equipment, respectively.

[2] Non-GAAP net income is increased for interest expense as part of the calculation for diluted Non-GAAP earnings per share.

Note: Totals may not sum due to rounding.

GAAP to Non-GAAP Reconciliation - Earnings Per Share

USD millions, except per share amounts

	1Q23	2Q23	3Q23	4Q23	FY23	1Q24	2Q24	3Q24	4Q24	FY24	1Q25	2Q25	3Q25	4Q25	FY25	1Q26	2Q26	3Q26
Net income (loss) per share																		
Basic	0.14	(0.15)	(0.20)	(0.42)	(0.64)	(0.35)	0.15	0.02	(0.06)	(0.24)	(0.13)	(0.16)	(0.04)	(0.10)	(0.43)	0.13	0.07	0.16
Diluted	(0.28)	(0.15)	(0.20)	(0.42)	(0.64)	(0.35)	(0.17)	0.01	(0.06)	(0.24)	(0.13)	(0.16)	(0.04)	(0.10)	(0.43)	(0.08)	(0.07)	0.13
Non-GAAP net income per Non-GAAP share																		
Basic	0.05	0.17	0.25	0.42	0.89	0.30	0.32	0.47	0.41	1.50	0.38	0.40	0.38	0.37	1.53	0.40	0.42	0.62
Diluted	0.05	0.16	0.23	0.38	0.83	0.27	0.29	0.43	0.37	1.34	0.36	0.38	0.36	0.35	1.43	0.38	0.37	0.50
Weighted average number of common shares outstanding																		
Basic shares	25.4	25.6	25.6	25.8	25.6	26.5	27.1	27.4	27.9	27.2	29.0	29.9	30.3	30.8	30.0	31.7	32.1	32.2
Diluted shares	29.3	25.6	25.6	25.8	25.6	26.5	29.5	28.6	27.9	27.2	29.0	29.9	30.3	30.8	30.0	33.0	33.5	40.1
Non-GAAP basic shares	**25.4**	**25.6**	**25.6**	**25.8**	**25.6**	**26.5**	**27.1**	**27.4**	**27.9**	**27.2**	**29.0**	**29.9**	**30.3**	**30.8**	**30.0**	**31.7**	**32.1**	**32.2**
Convertible debt conversion	3.8	3.3	3.3	3.3	3.4	3.3	2.4	1.8	1.8	2.3	1.7	1.5	1.5	1.5	1.5	1.3	1.4	4.4
Nonvested RSU and Stock Options issued and outstanding	0.1	0.0	0.0	0.0	0.0	0.8	1.3	1.2	2.0	1.9	0.8	0.0	0.5	1.4	1.3	0.9	3.6	3.5
Non-GAAP diluted shares	**29.4**	**28.9**	**29.0**	**29.2**	**29.1**	**30.6**	**30.8**	**30.4**	**31.6**	**31.4**	**31.4**	**31.4**	**32.3**	**33.7**	**32.9**	**33.8**	**37.0**	**40.1**

Note: Totals may not sum due to rounding.

GAAP to Non-GAAP Reconciliation – Gross Profit, Adjusted EBITDA, Free Cash Flow

USD millions, except per share amounts

	1Q23	2Q23	3Q23	4Q23	FY23	1Q24	2Q24	3Q24	4Q24	FY24	1Q25	2Q25	3Q25	4Q25	FY25	1Q26	2Q26	3Q26
Gross Profit	**55.7**	**59.0**	**59.5**	**62.1**	**236.2**	**65.5**	**64.8**	**73.1**	**76.5**	**280.0**	**71.5**	**71.7**	**73.8**	**78.1**	**295.1**	**77.9**	**78.5**	**84.8**
Gross Margin %	**40%**	**40%**	**39%**	**38%**	**39%**	**38%**	**37%**	**38%**	**36%**	**37%**	**41%**	**40%**	**38%**	**38%**	**39%**	**37%**	**36%**	**36%**
Depreciation	3.5	4.2	4.1	4.5	16.3	4.8	4.7	4.7	4.4	18.5	4.7	5.2	5.3	5.5	20.7	5.8	6.1	5.9
Amortization of acquired intangible assets	1.9	2.0	2.0	1.9	7.8	2.0	1.9	2.0	1.9	7.8	1.9	2.0	2.1	2.1	8.1	5.1	5.1	5.0
Stock-based compensation and related payroll taxes	0.2	0.2	0.2	0.6	1.1	0.4	0.4	0.4	0.5	1.6	0.5	0.5	0.5	0.6	2.2	0.5	0.5	0.3
Non-GAAP Gross Profit	**61.3**	**65.3**	**65.7**	**69.0**	**261.4**	**72.6**	**71.8**	**80.1**	**83.4**	**307.9**	**78.6**	**79.4**	**81.7**	**86.3**	**326.0**	**89.3**	**90.2**	**96.1**
Non-GAAP Gross Margin %[1]	**54%**	**55%**	**55%**	**55%**	**55%**	**57%**	**56%**	**58%**	**58%**	**57%**	**59%**	**58%**	**58%**	**57%**	**58%**	**59%**	**59%**	**61%**
Net Income (loss)	**3.6**	**(3.9)**	**(5.1)**	**(10.9)**	**(16.3)**	**(9.2)**	**4.1**	**0.4**	**(1.8)**	**(6.5)**	**(3.7)**	**(4.9)**	**(1.2)**	**(3.0)**	**(12.9)**	**4.1**	**2.4**	**5.2**
Income tax (benefit) provision	(3.1)	0.2	(0.2)	0.2	(3.0)	(0.2)	(0.3)	(0.7)	(1.2)	(2.4)	(0.1)	0.1	(2.3)	(1.5)	(3.7)	(1.5)	(2.8)	(1.9)
Interest expense (income), net	0.9	0.3	(0.1)	(0.4)	0.8	(0.6)	0.7	1.0	0.8	1.9	0.5	0.5	0.5	0.5	2.0	0.7	1.0	0.2
Depreciation	4.6	5.5	6.6	7.7	24.4	8.1	8.0	8.0	7.7	31.7	8.2	8.8	9.2	9.5	35.7	9.8	10.1	10.0
Amortization	4.3	4.3	4.3	4.3	17.3	4.4	4.3	4.4	4.4	17.5	4.3	4.6	4.6	4.6	18.1	7.6	7.6	7.5
Stock-based compensation and related payroll taxes	7.4	8.0	6.9	14.7	37.0	12.3	11.4	11.4	13.2	48.4	13.6	12.5	12.3	13.9	52.3	13.0	15.4	14.6
Net cost associated with early lease terminations and leases without economic benefit	–	–	1.2	2.8	4.0	1.2	0.9	0.4	–	2.4	–	–	–	–	–	–	–	—
Net gain on extinguishment of debt	(12.8)	–	–	–	(12.8)	–	(10.3)	–	–	(10.3)	(1.1)	–	–	–	(1.1)	(7.3)	(5.2)	(0.8)
Gain on business interruption insurance recoveries	–	(4.0)	–	–	(4.0)	–	–	–	–	–	–	–	–	–	–	–	–	—
Non-recurring items not indicative of ongoing operations and other[2]	0.2	0.2	0.1	0.4	0.8	0.1	–	(1.0)	0.3	(0.6)	0.5	0.3	1.2	0.8	2.8	(0.4)	(0.7)	—
Adjusted EBITDA	**5.1**	**10.6**	**13.8**	**18.8**	**48.2**	**15.9**	**18.7**	**24.0**	**23.4**	**82.1**	**22.2**	**21.9**	**24.3**	**24.8**	**93.3**	**26.0**	**27.8**	**34.8**
Net cash (used in) provided by operating activities	(6.4)	3.1	23.0	19.3	39.0	2.5	24.4	20.5	36.5	83.9	(3.1)	31.7	22.2	38.6	89.5	8.8	28.8	37.7
Net cash used in investing in capital assets[3]	(4.5)	(4.3)	(4.8)	(6.2)	(19.9)	(6.9)	(6.1)	(6.2)	(6.2)	(25.4)	(10.2)	(6.1)	(9.1)	(7.5)	(32.9)	(9.4)	(5.0)	(4.7)
Free cash flow	**(10.9)**	**(1.2)**	**18.2**	**13.0**	**19.1**	**(4.4)**	**18.3**	**14.2**	**30.3**	**58.5**	**(13.3)**	**25.6**	**13.1**	**31.1**	**56.6**	**(0.6)**	**23.7**	**33.0**

[1] Calculated by dividing Non-GAAP gross profit by revenue less pass-through surcharges of $23.4M in 1Q23, $27.5M in 2Q23, $31.8M in 3Q23, $39.6M in 4Q23, $42.5M in 1Q24, $45.2M in 2Q24, $55.1M in 3Q24, $65.9M in 4Q24, $40.8M in 1Q25, $44.2M in 2Q25, $50.1M in 3Q25, $57.4M in 4Q25, $58.6M in 1Q26, $68.0M in 2Q26, and $75.6M in 3Q26.

[2] Non-recurring items not indicative of ongoing operations and other include (i) a $1.0 million gain on the sale of an intangible asset for the year ended December 31, 2024, (ii) $1.3 million of foreign exchange losses primarily related to balance sheet revaluations, $0.5 million in nonrecurring litigation expenses, and $0.1 million of losses on sale of business for the year ended December 31, 2025, and (iii) $0.9 million, $0.4 million, and $0.8 million of losses on disposals of property, plant and equipment during the years ended December 31 2025, 2024 and 2023, respectively. For the nine months ended September 30, 2026, non-recurring items not indicative of ongoing operations and other include ($1.7) million of foreign exchange gains primarily related to balance sheet revaluations, $0.2 million of losses on prepaid contract and related implementation costs, and $0.4 million of losses on disposals of property, plant and equipment, respectively.[3] Represents the acquisition cost of property, plant and equipment and capitalized development costs for software for internal use.

Note: Totals may not sum due to rounding.

Definitions

Adjusted EBITDA: From continuing operations, adjusted to reflect the addition or elimination of certain statement of operations items including, but not limited to: income tax (benefit) provision, interest (income) expense, net, depreciation and amortization expense, acquisition related expenses, stock-based compensation and related payroll taxes, impairment of intangible assets, (gain) loss on sale of business, net cost associated with early lease terminations and leases without economic benefit, net (gain) loss on extinguishment of debt, gain on business interruption insurance recoveries, and non-recurring items not indicative of ongoing operations and other.

Adjusted EBITDA margin: Adjusted EBITDA margin is calculated by dividing adjusted EBITDA by cloud communications revenue, which excludes pass-through messaging surcharge revenue.

Average annual customer revenue: Average annual customer revenue is the trailing twelve month revenue divided by the average number of active customers from the current quarter and number of active customers from the same quarter of the prior year.

Adjusted Net Retention Rate: To calculate Adjusted Net Retention Rate, we first identify the cohort of customers that generated revenue in the same quarter of the prior year. Revenue attributable to political campaign activity recognized during the corresponding periods is excluded from the calculation. Adjusted Net Retention Rate is obtained by dividing the revenue generated from that adjusted cohort in a quarter by the revenue generated from that same adjusted cohort in the corresponding quarter in the prior year. The Adjusted Net Retention Rate reported in a quarter is then obtained by averaging the result from that quarter with the corresponding results from each of the prior three quarters. Customers of acquired businesses are included in the subsequent year's calendar quarter of acquisition.

Cloud communications revenue: Total revenue less pass-through messaging surcharge revenue.

Customer name retention rate: Customer name retention rate (CNRR) is defined as the percentage of customers with $100k or greater revenue in the prior twelve month period that remain customers in the current twelve month period.

Free cash flow: Free cash flow represents net cash provided by or used in operating activities less net cash used in the acquisition of property, plant and equipment and capitalized development costs of software for internal use.

Free cash flow margin: Free cash flow margin is calculated by dividing free cash flow by cloud communications revenue, which excludes pass-through messaging surcharge revenue.

Messaging surcharge revenue: Revenue derived from fees imposed by certain carriers within the messaging ecosystem, which are subsequently invoiced and passed through to customers.

Net Retention Rate ("NRR"): To calculate the net retention rate, we first identify the cohort of customers that generated revenue in the same quarter of the prior year. The net retention rate is obtained by dividing the revenue generated from that cohort in a quarter, by the revenue generated from that same cohort in the corresponding quarter in the prior year. The net retention rate reported in a quarter is then obtained by averaging the result from that quarter by the corresponding results from each of the prior three quarters. Customers of acquired businesses are included in the subsequent year's calendar quarter of acquisition.

Non-GAAP Gross Profit: Gross profit after adding back the following items: depreciation, amortization of acquired intangible assets related to acquisitions and stock-based compensation and related payroll taxes.

Non-GAAP Gross Margin: Non-GAAP Gross Margin is calculated by dividing non-GAAP gross profit by cloud communications revenue, which excludes pass-through messaging surcharge revenue.

Non-GAAP Net Income: Net income or loss adjusted for certain items affecting period to period comparability. Non-GAAP net income excludes stock-based compensation and related payroll taxes, amortization of acquired intangible assets related to acquisitions, amortization of debt discount and issuance costs for convertible debt, acquisition related expenses, impairment charges of intangibles assets, net cost associated with early lease terminations and leases without economic benefit, (gain) loss on sale of business, net (gain) loss on extinguishment of debt, gain on business interruption insurance recoveries, non-recurring items not indicative of ongoing operations and other, and estimated tax impact of above adjustments, net of valuation allowances.