bandwidth

2Q26 Earnings Results

July 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 performance for the quarter ending September 30, 2026 and year ending December 31, 2026, 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 artificial 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.

2Q26 Earnings Themes

1

Increasing AI interactions

→ Proprietary infrastructure, trust capabilities, Maestro adoption and software attachment continue to strengthen differentiation

2

Customer wins

→ Driving momentum across a wide range of AI-native companies, Global 2000 enterprises, hyperscalers and software platforms

3

Generating long-term shareholder value

→ Innovating in ways to strengthen our competitive position and yield growing financial results

bandwidth

A trusted global communications leader orchestrating AI, voice, and messaging across cloud communications

Providing Global Comms at Scale Across Three Customer Categories

Global Voice Plans

Powering hyperscalers and global cloud platforms across Contact Center, CRM, and Unified Communications

Enterprise Voice

Powering mission-critical, AI-driven communications for Global 2000 enterprises elevating customer experience

Programmable Messaging

Powering customer engagement and notifications across messaging channels

Trusted Infrastructure In The Enterprise AI Tech Stack

USAGE MODEL EXPANDS WITH AI VOICE ADOPTION	***More interactions from AI agents*** *AI-driven workflows increase platform usage*	+	***Higher value per interaction*** *Additional call legs and software services*

ENTERPRISE AI TECH STACK

- AI Voice Applications
- Enterprise Systems and Workflows
- **Bandwidth Communications Cloud**
- Global Communications Ecosystem

Deeply embedded in governed workflows
- Trust, compliance, and integrations built into the network

Orchestration layer for AI-driven communications
- Maestro connects AI agents across enterprise systems

Control and observability for high-value interactions
- Source of truth, visibility, auditability at enterprise scale

Bandwidth's Competitive Edge

got moat?

bandwidth

Global Communications Infrastructure

Owned network and regulatory licenses across ~70 countries, covering 90% of the global economy

→ *Structural margin advantage and durable barriers to entry*

AI Voice Orchestration Platform

Maestro enables enterprises to deploy and scale AI voice agents with ultra-low latency, reliability, scalability—with trust and compliance embedded

→ *Accelerating software services revenue*

Durable Customer Loyalty

Trusted platform for hyperscalers and global enterprises

→ *Sustained 99%+ customer name retention*

2Q26 TTM Financial Highlights

$828m	$594m	$103m	$67m
Total revenue	Cloud communications revenue[1]	Adjusted EBITDA	Free cash flow
▲16%[2]	▲11%[3]	▲12%	▲18%
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] Normalized to remove the benefit of political campaign revenue of $3m and $46m recognized for the twelve months ended June 30, 2026 and 2025, respectively.
[3] Normalized to remove the benefit of political campaign revenue of $1m and $17m recognized for the twelve months ended June 30, 2026 and 2025, respectively.
Note: See Appendix for definitions and calculations for metrics presented in this slide.

Strong Customer Retention

99%

Customer Name Retention

113%[1]

Adjusted Net Retention Rate

12 years

Top 20 Customer Median Tenure

[1] Adjusted Net Retention Rate excludes the benefit of political campaign revenue of $3m and $46m recognized for the twelve months ended June 30, 2026 and 2025, respectively.
Note: See Appendix for definitions of Adjusted Net Retention Rate and other metrics presented in this slide.

$1m+ Strategic Customer Wins in 2Q26

5 Customer wins $1m+ signed in 2Q26

100% included Maestro or AI services

US HEALTHCARE

Large Midwest healthcare system

Selected Bandwidth's Communications Cloud and Maestro orchestration platform to modernize and enable future cloud and AI services.

GLOBAL INSURANCE SERVICES

European appliance care insurer

Selected Bandwidth to consolidate across multiple markets, creating a trusted foundation for AI-driven customer engagement.

GLOBAL FINANCIAL SERVICES

Global electronic brokerage

Added global voice to existing messaging services, unifying communications with Bandwidth across highly regulated markets.

DIGITAL MARKETING

Global hyperscaler

Launched key digital services internationally on Bandwidth, reinforcing our role as mission-critical infrastructure for hyperscalers.

US MESSAGING

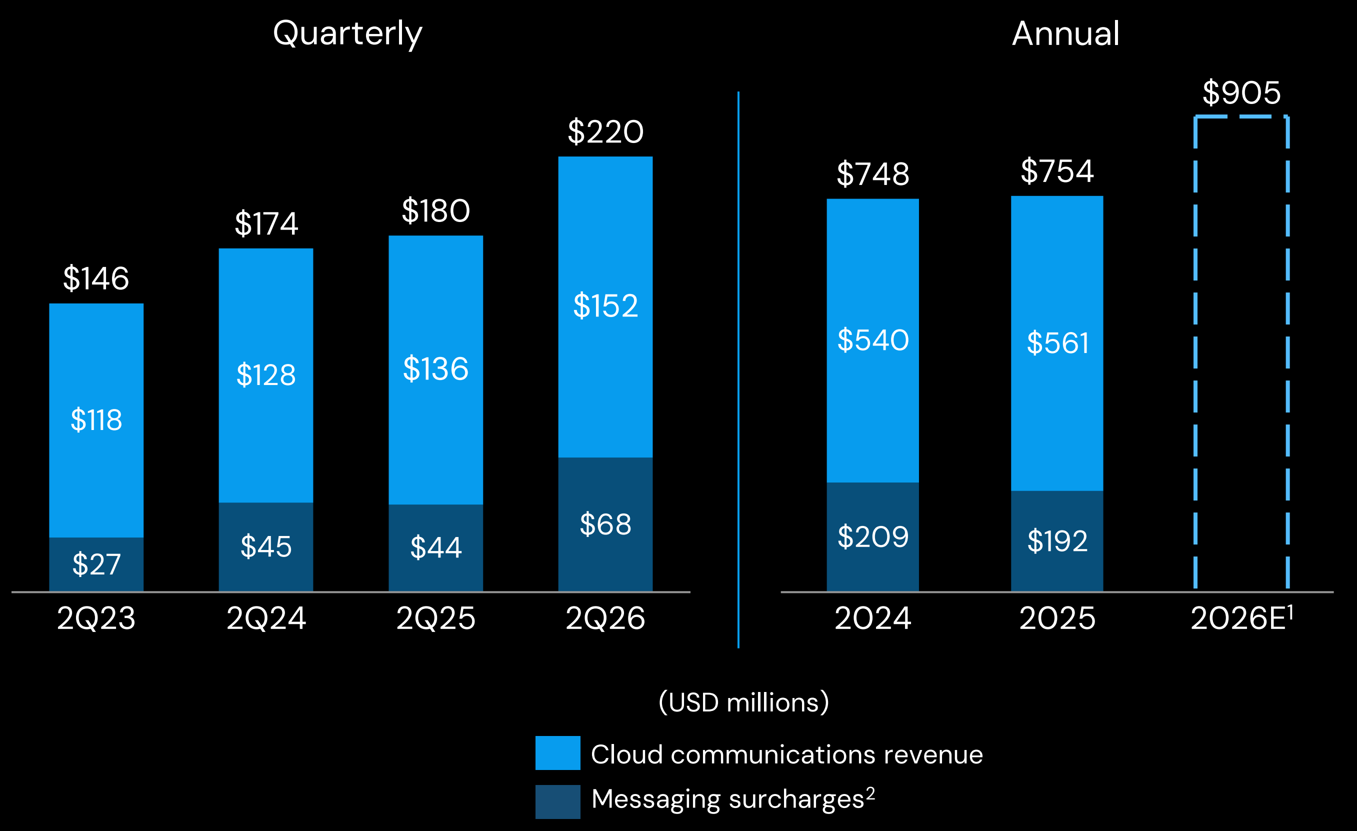
Large U.S. messaging platform

Consolidated messaging channels onto our platform to improve scale, deliverability, and operational performance.

Revenue Performance

▲22%
2Q26 Total revenue growth y/y

▲12%
2Q26 Cloud communications revenue growth y/y



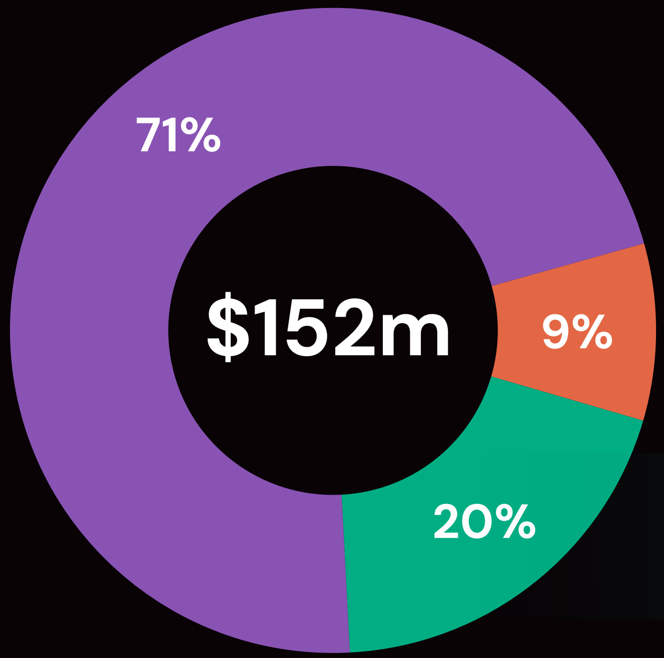
[1] Represents midpoint of guidance provided in the Financial Outlook section of the July 29, 2026 earnings press release.
[2] Messaging surcharges is defined as pass-through messaging surcharges levied by carriers on Application to Person (A2P) text messages.

Note: Totals may not sum due to rounding.

Cloud Communications Revenue by Customer Category

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

% of Cloud Communications revenue



Global Voice Plans ▲ 10% y/y

Enterprise Voice ▲ 8% y/y

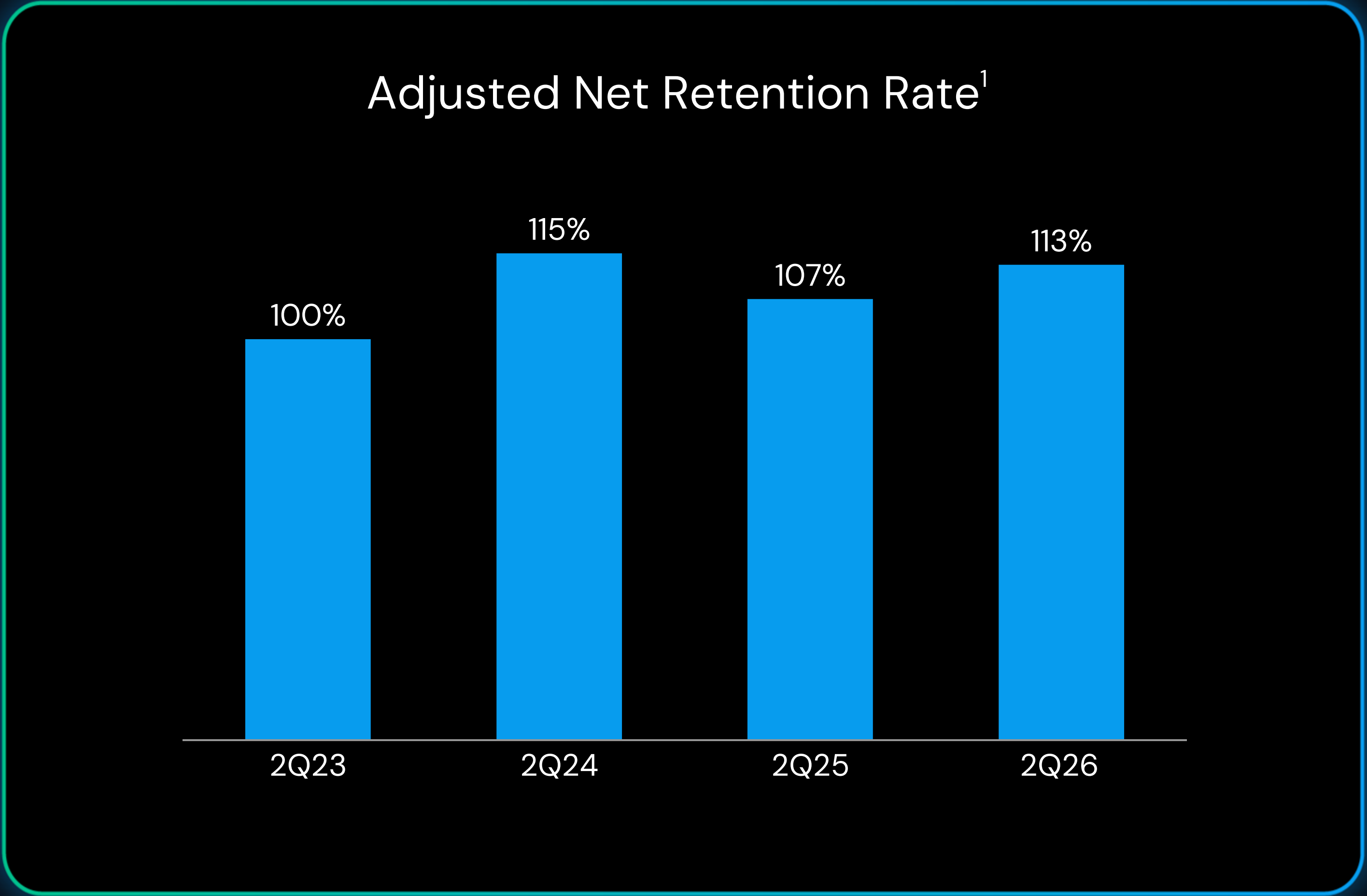
Programmable Messaging ▲ 22%[1] y/y

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

Customer Metrics

$256k
Average annual customer revenue

▲11%
Average annual customer revenue growth y/y

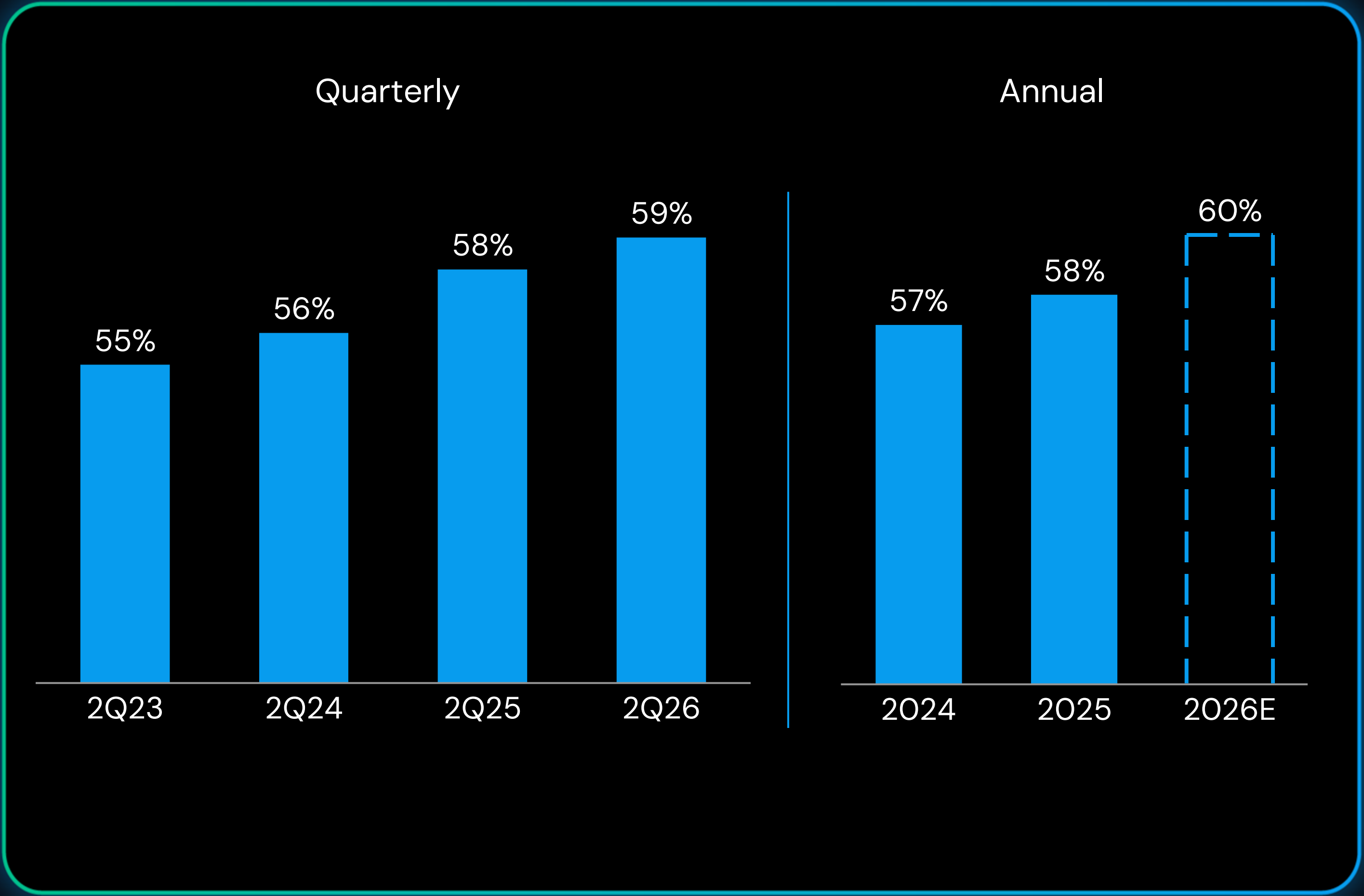


[1] Adjusted Net retention rate excludes political campaign revenue benefits recognized during the corresponding periods presented.
Note: See Appendix for definitions of Average annual customer revenue and other metrics presented on this slide.

Non-GAAP Gross Margin Performance

▲14%

2Q26 Non-GAAP Gross Profit growth y/y

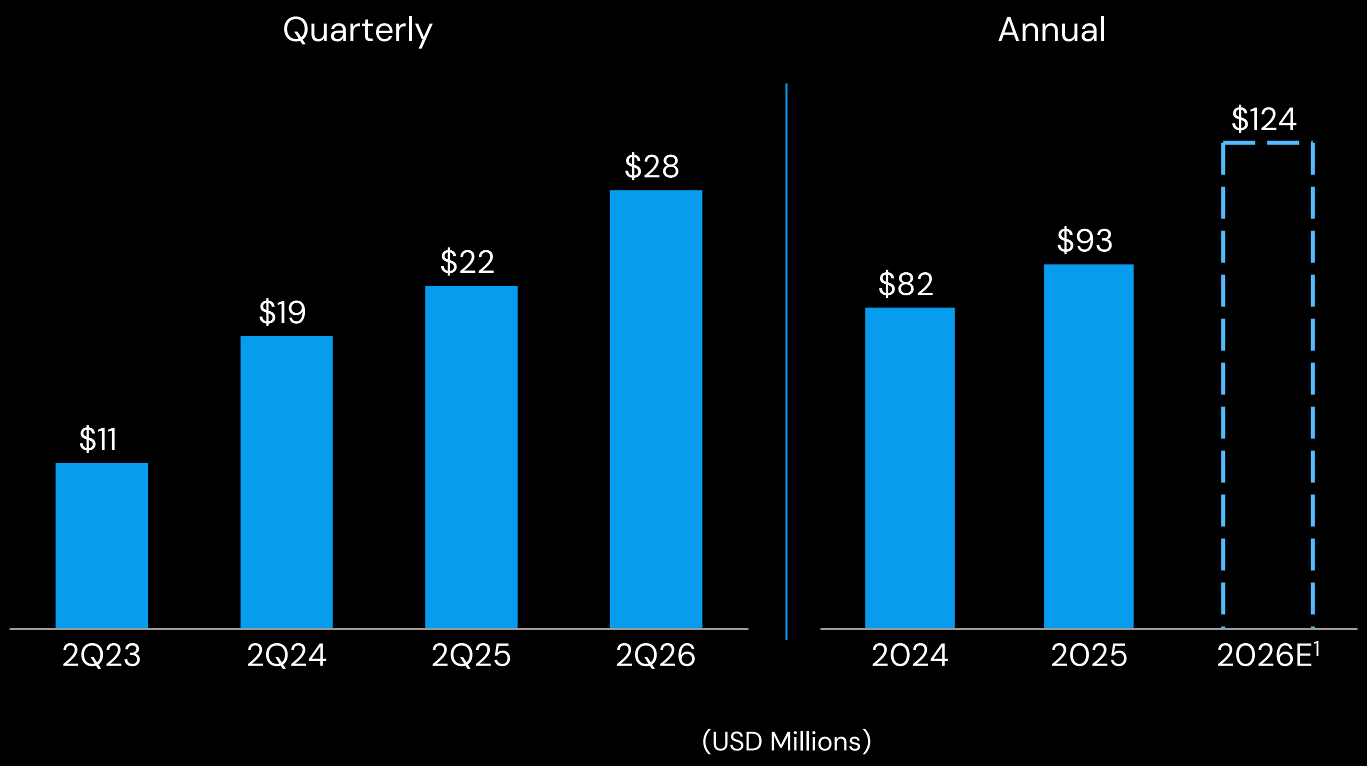


Note: Non-GAAP Gross Profit and Non-GAAP Gross Margin are Non-GAAP financial measures. See Appendix for Non-GAAP definitions and reconciliations.

Adjusted EBITDA Performance

18%
2Q26 Adjusted EBITDA margin

▲27%
2Q26 Adjusted EBITDA growth y/y

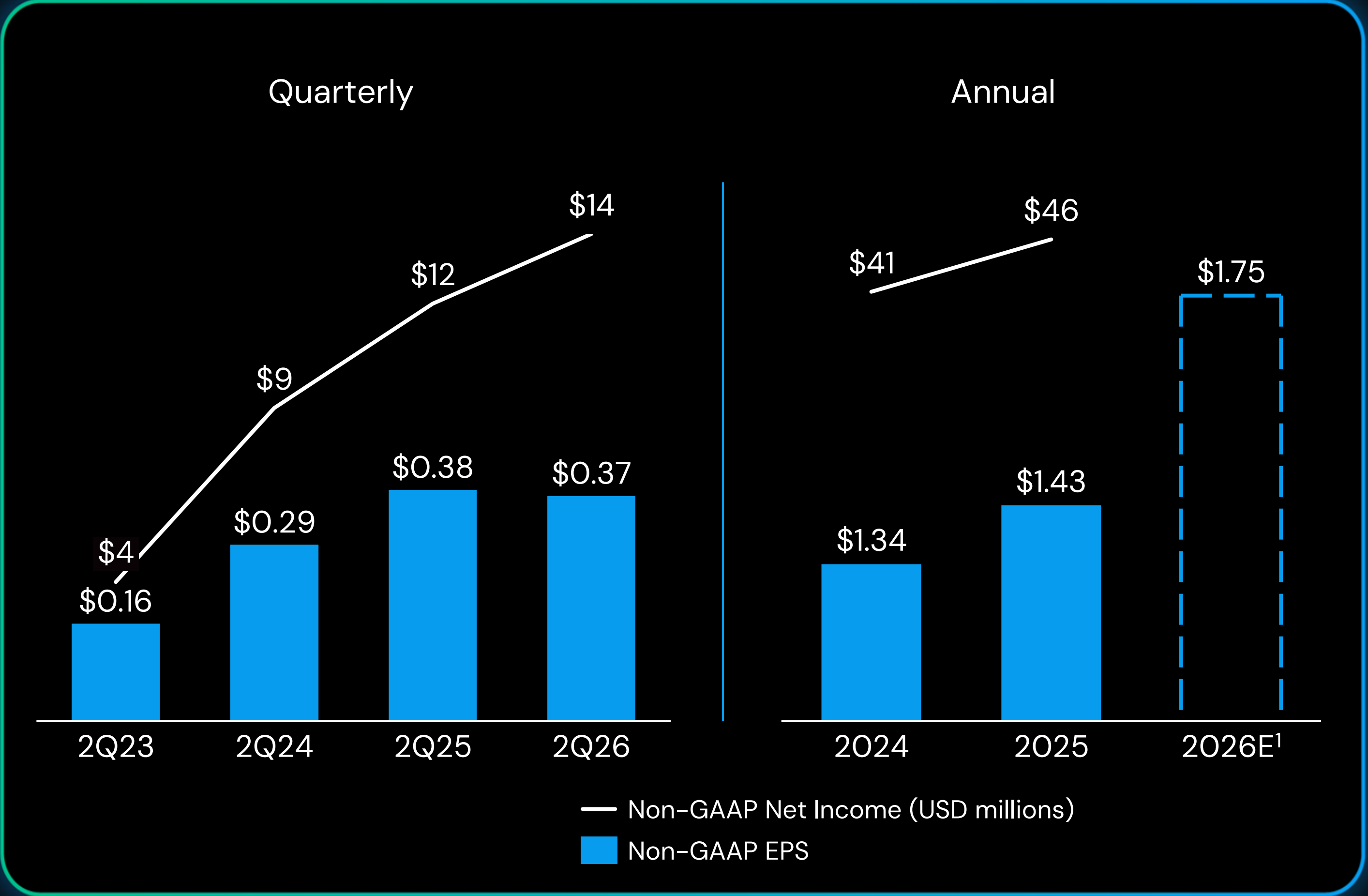


[1] Represents midpoint of guidance provided in the Financial Outlook section of the July 29, 2026 earnings press release. Bandwidth has not reconciled full year 2026 guidance related to Adjusted EBITDA to GAAP Net income or loss, because stock-based compensation cannot be reasonably calculated or predicted 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

▲15%
2Q26 Non-GAAP Net Income growth y/y

Higher 2Q26 fully diluted shares count

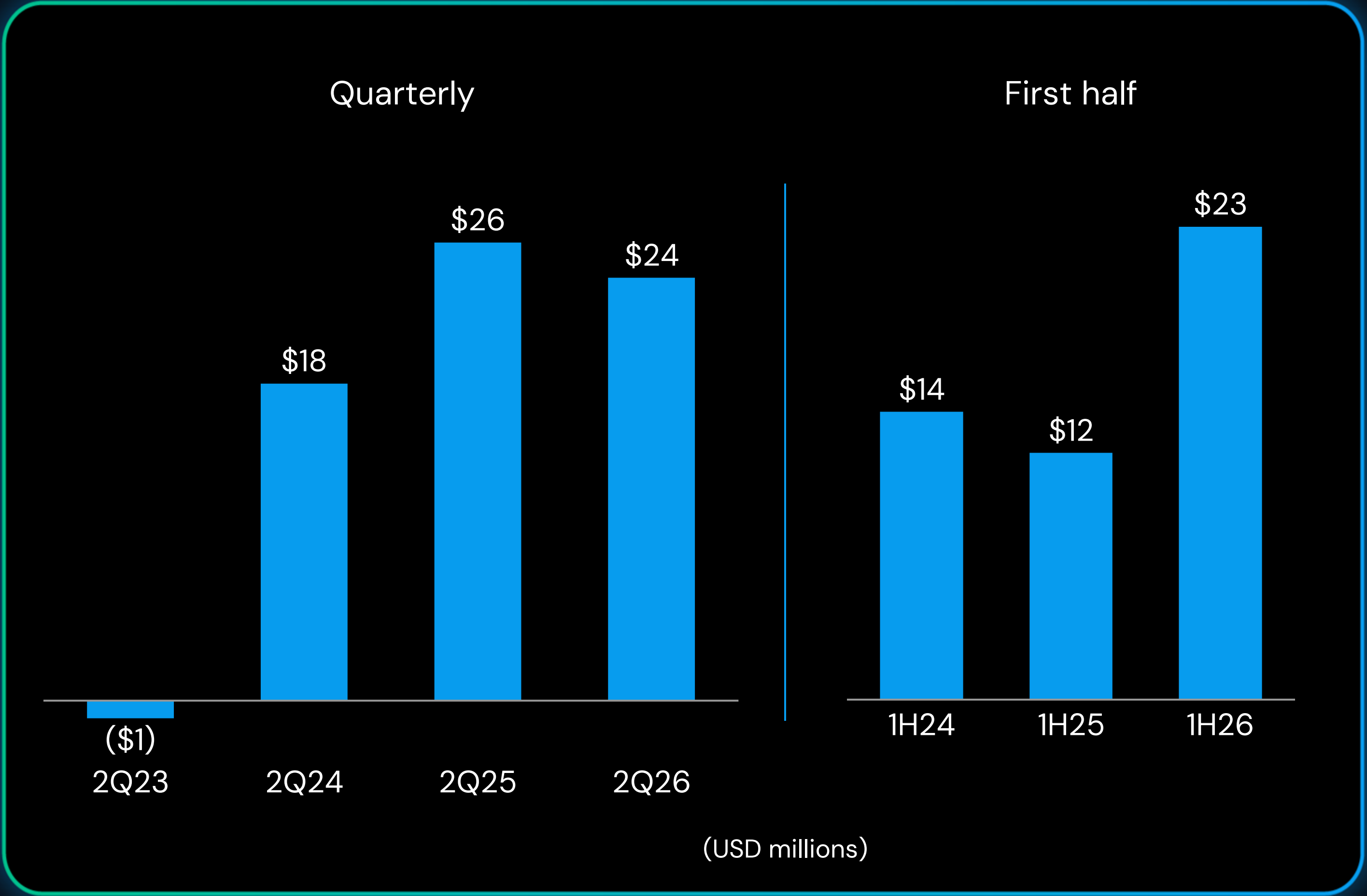


[1]Represents midpoint of guidance provided in the Financial Outlook section of the July 29, 2026 earnings press release.
Note: Non-GAAP Net Income and Non-GAAP EPS are Non-GAAP financial measures. See Appendix for Non-GAAP definitions and reconciliations.

Free Cash Flow Performance

▲ 16%
2Q26 Free cash flow margin

▲ 88%
1H26 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.

Disciplined Capital Allocation

First half 2026 capital allocation activities

$316m

Raised

0.00% coupon, 6-year convertible notes

$230m

Debt Retired

89% of 2028 notes repurchased at a discount to par

$50m

Revolver Repaid

Credit facility fully retired

$20m

Share Buybacks

~577k shares repurchased at an average price of $34.67

+100%

Dilution Managed

Capped call raises the effective conversion premium from 37.5% to +100%, with zero net dilution until the stock doubles

3Q26 and Full Year 2026 Outlook

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

▲33%
Adjusted EBITDA growth y/y 2026 guidance[1]

	3Q 2026	FY 2026
Revenue	$231m - $235m	$900m - $910m
Adjusted EBITDA[2]	$32m - $34m	$123m - $125m
Non-GAAP EPS[2,3]	$0.45 - $0.49	$1.71- $1.79

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

- Interest income of $0.5 - $1.0m
- Depreciation of $38 - $42m
- Adjusted tax rate of 20% – 22%
- Average diluted share count of approximately ~39m
- Capital Expenditures of $24 - $26m

[1] Represents midpoint of guidance provided in the Financial Outlook section of the July 29, 2026 earnings press release.
[2] Bandwidth has not reconciled its third 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 40.5 million in 3Q 2026 and estimated weighted average diluted share count of approximately 39.0 million in full year 2026.

2Q26 Earnings Results Key Takeaways

FINANCIAL PERFORMANCE

Revenue
$220m

Adj. EBITDA
$28m

Results exceeded our expectations

Record quarterly revenue of $220m, (up 22% y/y); Adjusted EBITDA of $28m (up 27% y/y); and record 18.3% EBITDA margin and $24m of free cash flow.

FREE CASH FLOW GENERATION

$24m 2Q FCF

88% 1H26 FCF growth y/y

Generated $23m of first-half free cash flow, up from $12m in 1H25, demonstrating that innovation in AI voice infrastructure and our global platform is driving stronger cash generation.

GUIDANCE RAISED

Revenue
$905m

Adj. EBITDA
$124m

Full-year 2026 outlook increased

Full-year guidance raised to revenue of $905m at the midpoint (up 20% y/y); Adjusted EBITDA to $124m at the midpoint (up 33% y/y); and 20% EBITDA margin.

CAPITAL ALLOCATION

Diversified

Balance sheet fortified for AI innovation

$316m convertible notes offering completed; $116m used to retire 2028 notes, totaling $230m debt repaid in 1H26; $15m in share repurchases, totaling $20m in 1H26.

CUSTOMER MOMENTUM

5 $1m+ wins

Five $1m+ deals in 2Q

Every 2Q $1m+ customer deal included Maestro™ or AI services spanning healthcare, insurance, financial services, hyperscalers, and messaging.

AI LEADERSHIP

Innovation

Bandwidth Build opens the AI-native era

Launched Bandwidth Build while expanding Maestro, trust capabilities, and our global Communications Cloud to support AI-driven communications.

bandwidth

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
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
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
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
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
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
Non-GAAP Gross Margin[1]	54%	55%	55%	55%	55%	57%	56%	58%	58%	57%	59%	58%	58%	57%	58%	59%	59%
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
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
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
Adjusted EBITDA Margin[2]	4%	9%	11%	15%	10%	12%	15%	17%	16%	15%	17%	16%	17%	17%	17%	17%	18%
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
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
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)
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
Average Annual Customer Revenue	172	176	177	178	178	190	198	212	226	226	228	230	231	232	232	244	256
Net Retention Rate	109%	106%	104%	101%	101%	107%	111%	117%	122%	122%	116%	112%	105%	98%	98%	102%	107%
Adjusted Net Retention Rate	102%	100%	103%	109%	109%	113%	115%	115%	112%	112%	109%	107%	107%	107%	107%	110%	113%

[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
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**
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
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
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
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)
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)
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**
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**

[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 charges 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 six months ended June 30, 2026, non-recurring items not indicative of ongoing operations and other include ($1.4) million of foreign exchange charges primarily related to balance sheet revaluations and $0.2 million of losses on disposals of property, plant and equipment.
[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
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
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)
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
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
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
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
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**
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
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
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**

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
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**
Gross Margin %	**40%**	**40%**	**39%**	**38%**	**39%**	**38%**	**37%**	**38%**	**36%**	**37%**	**41%**	**40%**	**38%**	**38%**	**39%**	**37%**	**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
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
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
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**
Non-GAAP Gross Margin %[1]	**54%**	**55%**	**55%**	**55%**	**55%**	**57%**	**56%**	**58%**	**58%**	**57%**	**59%**	**58%**	**58%**	**57%**	**58%**	**59%**	**59%**
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**
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)
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
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
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
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
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)
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**
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
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)
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**

[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 and $68.0M in 2Q26.
[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 charges 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 six months ended June 30, 2026, non-recurring items not indicative of ongoing operations and other include ($1.4) million of foreign exchange charges primarily related to balance sheet revaluations and $0.2 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.