

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

Form 8-K

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

Date of Report (Date of earliest event reported): February 27, 2024

FIVE9, INC.

(Exact Name of Registrant as Specified in Charter)

Delaware
(State or Other jurisdiction
of Incorporation)

001-36383
(Commission
File Number)

94-3394123
(I.R.S. Employer
Identification No.)

3001 Bishop Drive, Suite 350
San Ramon, CA 94583
(Address of Principal Executive Offices) (ZIP Code)

Telephone: (925) 201-2000
(Registrant's Telephone Number, Including Area Code)

N/A
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value \$0.001 per share	FIVN	The NASDAQ Global Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR 230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR 240.12b-2).

Emerging Growth Company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 8.01 Other Events.

On February 27, 2024, Five9, Inc. issued a press release announcing that it had priced its offering of \$650 million aggregate principal amount of Convertible Senior Notes due 2029 in a private placement to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended. A copy of the press release is filed as Exhibit 99.1 hereto and is incorporated herein by reference.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

<u>Exhibit</u>	<u>Description</u>
99.1	Press Release issued by the Company on February 27, 2024
104	The cover page from this Current Report on Form 8-K, formatted in Inline XBRL

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

FIVE9, INC.

Dated: February 28, 2024

By: /s/ Barry Zwarenstein

Name: Barry Zwarenstein

Title: Chief Financial Officer



Five9 Announces Pricing of Upsized \$650 Million Convertible Notes Offering

SAN RAMON, CALIF. – February 27, 2024 – Five9, Inc. (NASDAQ: FIVN), the Intelligent CX Platform provider, today announced the pricing of \$650.0 million aggregate principal amount of 1.00% convertible senior notes due 2029 (the “notes”) in a private placement to qualified institutional buyers pursuant to Rule 144A under the Securities Act of 1933, as amended (the “Act”). The offering size was increased from the previously announced offering size of \$600.0 million aggregated principal amount of the notes. Five9 also granted the initial purchasers of the notes a 13-day option to purchase up to an additional \$97.5 million aggregate principal amount of the notes.

The sale of the notes to the initial purchasers is expected to settle on March 1, 2024, subject to customary closing conditions, and is expected to result in approximately \$633.5 million (or, if the initial purchasers fully exercise their option to purchase additional notes, approximately \$728.8 million) in net proceeds to Five9 after deducting the initial purchasers’ discount and estimated offering expenses payable by Five9.

The notes will be senior, unsecured obligations of Five9, and interest will be payable semi-annually in arrears on March 15 and September 15 of each year, beginning on September 15, 2024. The notes will mature on March 15, 2029, unless earlier converted, redeemed or repurchased. Five9 may not redeem the notes prior to March 22, 2027; on or after March 22, 2027 and prior to December 15, 2028, Five9 may redeem the notes, at its option and subject to certain conditions, as detailed below.

Five9 expects to use approximately \$304.9 million of the net proceeds of the offering of the notes to repurchase \$313.1 million aggregate principal amount of its outstanding 0.500% convertible senior notes due 2025 (the “2025 notes”) (such transactions, the “2025 note repurchases”). Five9 also expects to use approximately \$81.3 million of the net proceeds of the offering of the notes to pay the cost of the capped call transactions described below. The remainder of the net proceeds from the offering will be used for working capital and other general corporate purposes. Five9 expects that holders of the 2025 notes that sell their 2025 notes to Five9 may enter into or unwind various derivatives with respect to Five9’s common stock and/or purchase or sell shares of Five9’s common stock in the market to hedge their exposure in connection with these transactions. These activities could increase (or reduce the size of any decrease in) the market price of Five9’s common stock or the notes.

The initial conversion rate for the notes is 12.5918 shares of common stock per \$1,000 principal amount of notes (which is equivalent to an initial conversion price of approximately \$79.42 per share). Prior to the close of business on the business day immediately preceding December 15, 2028, the notes will be convertible at the option of the noteholders only upon the satisfaction of specified conditions and during certain periods. Thereafter, until the close of business on the second scheduled trading day immediately preceding the maturity date, the notes will be convertible at the option of the noteholders at any time regardless of these conditions. Conversions of the notes will be settled in cash, shares of Five9’s common stock or a combination thereof, at Five9’s election. The initial conversion price represents a premium of approximately 30% to the \$61.09 per share last reported sale price of Five9’s common stock on the Nasdaq Global Market on February 27, 2024.

Five9 may redeem all or any portion of the notes (subject to certain limitations), at its option, on or after March 22, 2027 and prior to December 15, 2028, at a cash redemption price equal to 100% of the principal amount thereof, plus any accrued and unpaid interest, if the last reported sale price of Five9's common stock has been at least 130% of the conversion price then in effect for at least 20 trading days (whether or not consecutive) during any 30 consecutive trading day period (including the last trading day of such period) ending on, and including, the trading day immediately preceding the date on which Five9 provides written notice of redemption.

Holders of notes may require Five9 to repurchase their notes upon the occurrence of certain events that constitute a fundamental change under the indenture governing the notes at a cash repurchase price equal to 100% of the principal amount thereof, plus any accrued and unpaid interest to, but excluding, the fundamental change repurchase date. In connection with certain corporate events or if Five9 issues a notice of redemption, Five9 will, under certain circumstances, increase the conversion rate for holders who elect to convert their notes in connection with such corporate event or holders of called notes that elect to convert such notes during the relevant redemption period, as applicable.

In connection with the pricing of the notes, Five9 entered into capped call transactions with one of the initial purchasers and other financial institutions (the "option counterparties"). The capped call transactions are expected generally to reduce potential dilution to Five9's common stock upon any conversion of the notes and/or offset any potential cash payments Five9 is required to make in excess of the principal amount of converted notes, as the case may be, with such reduction and/or offset subject to a cap based on the cap price. The cap price of the capped call transactions will initially be \$122.18 per share, which represents a premium of 100% over the last reported sale price of Five9's common stock of \$61.09 per share on February 27, 2024, and is subject to certain adjustments under the terms of the capped call transactions. If the initial purchasers exercise their option to purchase additional notes, Five9 expects to enter into additional capped call transactions with the option counterparties.

Five9 expects that, in connection with establishing their initial hedges of the capped call transactions, the option counterparties or their respective affiliates will purchase shares of Five9's common stock and/or enter into various derivative transactions with respect to Five9's common stock concurrently with, or shortly after, the pricing of the notes. These activities could increase (or reduce the size of any decrease in) the market price of Five9's common stock or the notes at that time.

In addition, Five9 expects that the option counterparties or their respective affiliates may modify their hedge positions by entering into or unwinding various derivative transactions with respect to Five9's common stock and/or by purchasing or selling shares of Five9's common stock or other securities of Five9 in secondary market transactions following the pricing of the notes and prior to the maturity of the notes (and are likely to do so (x) during any observation period relating to a conversion of the notes and (y) following any repurchase of notes by Five9 if Five9 elects to unwind a corresponding portion of the capped call transactions in connection with such repurchase). These activities could cause or avoid an increase or a decrease in the market price of Five9's common stock or the notes, which could affect the ability of noteholders to convert the notes and, to the extent the activity occurs during any observation period related to a conversion of the notes, could affect the number of shares and value of the consideration that noteholders will receive upon conversion of the notes.

In connection with the issuance of the 2025 notes, Five9 entered into capped call transactions (the "existing capped call transactions") with certain financial institutions (the "existing capped call counterparties"). In connection with the 2025 note repurchases, Five9 has entered into agreements with the existing capped call counterparties to terminate a portion of the existing capped call transactions in a notional amount corresponding to the amount of the 2025 note repurchases. In connection with the termination of these transactions, Five9 expects the existing capped call counterparties or their respective affiliates to sell shares of Five9's common stock and/or unwind various derivatives during an unwind period following the pricing of the notes to unwind their hedge in connection with those transactions, which could decrease, or reduce the size of any increase in, the

market price of Five9's common stock during such unwind period. In connection with the termination of the existing capped call transactions, Five9 will receive payments from the existing capped call counterparties that depend in part on the market price of Five9's common stock over the unwind period.

The notes were and will be offered only to persons reasonably believed to be qualified institutional buyers pursuant to Rule 144A under the Act. Neither the notes nor the shares of common stock issuable upon conversion of the notes, if any, have been, nor will be, registered under the Act or the securities laws of any other jurisdiction and may not be offered or sold in the United States absent registration or an applicable exemption from such registration requirements.

This announcement is neither an offer to sell nor a solicitation of an offer to buy any of these securities and shall not constitute an offer, solicitation, or sale in any jurisdiction in which such offer, solicitation, or sale is unlawful.

Forward-Looking Statements

This news release contains certain forward-looking statements, including statements regarding our proposed offering of the notes, the anticipated effects of the related capped call transactions and the 2025 note repurchases and the related unwind of the corresponding portion of the existing capped call transactions, and the use of proceeds from the notes offering, that are based on our current expectations and involve numerous risks and uncertainties that may cause these forward-looking statements to be inaccurate. Risks that may cause these forward-looking statements to be inaccurate include, among others: (i) whether we will be able to consummate the offering, (ii) the satisfaction of customary closing conditions with respect to the offering of the notes, (iii) prevailing market conditions, (iv) the anticipated use of net proceeds of the offering of the notes which could change as a result of market conditions, changes in our business or for other reasons, (v) whether the capped call transactions will become effective, (vi) the impact of adverse general economic conditions, including the impact of macroeconomic deterioration, including continuing inflation, increased interest rates, supply chain disruptions, decreased economic output and fluctuations in currency rates, the impact of the Russia-Ukraine conflict, the impact of the conflict in Israel, and other factors, that may continue to harm our business; and (vii) the other risks detailed from time-to-time under the caption "Risk Factors" and elsewhere in our Securities and Exchange Commission filings and reports, including, but not limited to, our most recent annual report on Form 10-K. Such forward-looking statements speak only as of the date hereof and readers should not unduly rely on such statements. We undertake no obligation to update the information contained in this press release, including in any forward-looking statements.

About Five9

The Five9 Intelligent CX Platform provides a comprehensive suite of solutions for orchestrating fluid customer experiences. Our cloud-native, multi-tenant, scalable, reliable, and secure platform includes contact center; omni-channel engagement; Workforce Engagement Management; extensibility through more than 1,000 partners; and innovative, practical AI, automation and journey analytics that are embedded as part of the platform. Five9 brings the power of people, technology, and partners to more than 3,000 organizations worldwide.

Investor Relations Contacts:

Five9, Inc.
Barry Zwarenstein
Chief Financial Officer
925-201-2000 ext. 5959
IR@five9.com

The Blueshirt Group for Five9, Inc.
Lauren Sloane

Lauren@blueshirtgroup.com

Source: Five9, Inc.