



Fellow Shareholders,

FY25 was a transformative year for Zoom. As I reflect on the past twelve months, I am incredibly proud of how we evolved our mission, refined our strategy, and strengthened our value

proposition for our customers to position ourselves for long-term success. We sharpened our focus as an AI-first open work platform, while significantly expanding our capabilities across communication and collaboration, customer experience, and employee engagement. Amid ongoing macroeconomic pressures, we executed with agility—dialing up innovation and delivering value to both our customers and shareholders. On the Q4 earnings call, I shared these three key strategic priorities:

- Expand AI capabilities to drive customer value
- Rapidly innovate within Zoom Workplace
- Scale growth businesses such as Contact Center and Workvivo

These priorities are guiding Zoom now and as we look ahead, building upon the progress achieved in FY25.

Expanding AI capabilities to drive customer value

Since its release in September 2023, Zoom AI Companion has rapidly become an indispensable part of our platform, driving customer value and competitive differentiation. At Zoomtopia in October 2024, we shared that more than four million accounts have AI Companion enabled—and that number has grown significantly since. More importantly, AI usage is taking hold at an accelerated pace; in Q4 the number of Monthly Active Users¹ increased 68% quarter over quarter, up from 59% in Q3. This trend underscores the rising demand for practical, integrated AI solutions designed to boost productivity, drive revenue, reduce costs, and enable people to focus on their most important work.

Zoom was among the first to adopt a federated, multi-model approach to AI, untethering from any one technology. This flexible approach enables us to dynamically select the most suitable model for each task, delivering the highest quality for customers while optimizing for cost efficiency. We were also early in

committing to developing our AI technology without training on customer content, staying true to our deeply-held belief that trust is paramount and the best way to drive adoption of our products.

During our Zoomtopia conference in San Jose, we showcased breakthrough innovation and unveiled AI Companion 2.0, marking a step change in the evolution of Zoom's AI capabilities. This release built upon the success of popular AI Companion features like meeting summaries and in-meeting questions, and leverages the deep contextual advantages of Zoom's system of engagement to synthesize information and take action on the user's behalf. New capabilities in memory, reasoning, orchestration, and integrations with leading productivity suites represent a thoughtful and deliberate evolution from a task-specific assistant towards being truly agentic.

Our innovation engine and ambitious roadmap continue to expand Zoom's total addressable market and directly address customers' pain points. The Custom AI Companion, our first paid AI add-on in Workplace, is designed to automate workplace tasks through powerful, customizable agents. This allows organizations to tailor AI to their unique needs by connecting with their existing data and integrating seamlessly with third-party tools to drive intelligent, agentic actions. We also announced verticalized AI solutions for Healthcare and Education, and Zoom Workplace for Frontline—all on track to be generally available in FY26. These purpose-built offerings are natural extensions of our core collaboration suite and are designed to unlock growth in industries undergoing rapid transformation driven by AI automation.

Rapidly innovating within Zoom Workplace

Zoom Workplace continued to evolve in FY25, with AI infused across Zoom Phone, Meetings, Team Chat, Whiteboard and more. In Q1 we rolled out a refreshed user interface, expanded integrations, and new workflow automation capabilities. The redesigned interface streamlines the user experience, positioning Team Chat as a centralized hub for asynchronous communications—with intuitive access and seamless interoperability across all Zoom collaboration tools. In Q2 we took a major step forward in our platform vision with the launch of Zoom Docs, a powerful AI-native offering that extends our presence across more touchpoints in the productivity lifecycle. Zoom Docs enables users to transform information from across

¹ Monthly Active Users represents the number of unique users using at least one feature of Zoom AI Companion in the previous 28 days.

the platform into a range of actionable, collaborative content. Adoption has been strong; in Q4 usage more than doubled quarter over quarter. We believe these advancements have made Zoom Workplace better than ever at helping teams working from anywhere get more of their best work done.

Scaling growth businesses

Zoom Contact Center continued its rapid ascent in FY25. In Q3 Zoom surpassed 1,250 total Contact Center customers and closed our largest deal by seats sold to date with Agencia Tributaria, the Spanish equivalent of the IRS. We continued to build on that strong momentum in Q4, growing the number of Contact Center customers with over \$100k in ARR by more than 100% year over year and landing our largest ARR deal yet with a prominent Fortune 100 U.S. technology company.

AI has been a key driver behind these wins, as shown by the growing traction of our higher-tier CX solutions. These SKUs are powered by generative AI, delivering real-time assistance through features like AI Expert Assist, Quality Management, and Workforce Management. Meanwhile, we've boosted Zoom Virtual Agent with advanced reasoning capabilities, enabling it to handle complex conversations while maintaining context, further enhancing our differentiated value proposition for customers looking to future-proof their customer experience.

Workvivo has emerged as a key growth driver, delivering record results and accelerating across all regions in the back half of FY25. In Q4 Workvivo customer count grew 89% year over year, and landed several seven-figure ARR deals with global brands like Delta and a Fortune 10 company, among others. Our exclusive migration partnership with Meta contributed to this strong momentum. By deeply integrating Workvivo into Zoom Workplace, we're creating a seamless experience where communication, culture, and collaboration come together—a key advantage as companies look to boost engagement in flexible work environments and extend reach beyond knowledge workers to the frontline.

Disciplined execution driving shareholder value

Despite FX headwinds and pressures in key industries, FY25 total revenue grew 3% with Enterprise revenue growing 5%, both of which accelerated in the second half. In FY25 Online

Average Monthly Churn reached a new low—a clear sign of how deeply our platform approach is resonating with customers.

We've maintained a disciplined focus on driving top-line growth while improving operational efficiency. In FY25 operating cash flow rose 22% to over \$1.9 billion and we delivered a 5.8-point expansion in GAAP operating margin, driven by increased focus on prioritizing investments and controlling share-based compensation. We continue to invest in AI, drive ongoing data center efficiencies, and optimize go-to-market strategies, fueling innovation and positioning Zoom for sustainable long-term growth.

As our cash flow continues to grow and our balance sheet remains robust, we are focused on ensuring our external capital deployment is just as efficient and value-driven as our internal investment strategies. In FY25 we authorized an incremental \$1.2 billion share repurchase to supplement our existing \$1.5 billion buyback program, demonstrating our continued confidence in Zoom's long-term growth trajectory. Our strong cash flow generation allows us to invest in long-term value creation through targeted investments in innovation, ongoing buybacks and selective M&A opportunities.

Reinforcing our values and looking ahead

As I reflect on FY25 with gratitude, I'm incredibly proud of Zoom's continued positive and meaningful impact on the global community. Amid ongoing macroeconomic uncertainty, we remain anchored in our enduring culture of delivering happiness to our customers and employees, and our core value of Care. I am confident that our AI-first platform strategy has significantly strengthened our position over the past year. Looking ahead, we see tremendous opportunity as customers seek modern, integrated solutions to drive productivity, engagement, and exceptional customer experiences. With second-to-none product innovation, a maturing go-to-market engine, and strong financial discipline, Zoom is well positioned as we execute on our key priorities and look to drive sustainable growth and value for shareholders.

Looking Forward,



Eric S. Yuan
Zoom Founder, CEO, and Stockholder

About Zoom

Zoom's mission is to provide an AI-first work platform for human connection. Reimagine teamwork with Zoom Workplace — Zoom's open collaboration platform with AI Companion empowers teams to be more productive. Together with Zoom Workplace, Zoom's Business Services for sales, marketing, and customer experience teams, including Zoom Contact Center, strengthen customer relationships throughout the customer lifecycle. Founded in 2011, Zoom is publicly traded (NASDAQ:ZM) and headquartered in San Jose, California. Get more information at zoom.com.

Forward-Looking Statements

This stockholder letter contains express and implied "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, including statements regarding Zoom's growth and product strategy, business aspirations, ability to leverage new technologies and products for future growth, strategies for driving operational and financial efficiencies, and its market position. By their nature, these statements are subject to numerous uncertainties and risks, including factors beyond our control, that could cause actual results, performance or achievement to differ materially and adversely from those anticipated or implied in the statements, including: declines in new customers, renewals or upgrades, or decline in demand for our platform, difficulties in evaluating our prospects and future results of operations given our limited operating history, competition from other providers of communications platforms, the effect of macroeconomic conditions on our business, including inflation and market volatility, lengthened sales cycles with large organizations, delays or outages in services from our co-located data centers, failures in internet infrastructure or interference with broadband access, compromised security measures, including ours and those of the third parties upon which we rely, risks relating to our development and use of AI technologies, and global security concerns and their potential impact on regional and global economies and supply chains. Additional risks and uncertainties that could cause actual outcomes and results to differ materially from those contemplated by the forward-looking statements are included under the caption "Risk Factors" and elsewhere in this Fiscal 2025 Annual Report as well as under the caption "Risk Factors" and elsewhere in our most recent filings with the Securities and Exchange Commission (the "SEC"). Forward-looking statements speak only as of the date the statements are made and are based on information available to Zoom at the time those statements are made and/or management's good faith belief as of that time with respect to future events. Zoom assumes no obligation to update forward-looking statements to reflect events or circumstances after the date they were made, except as required by law.