

YEXT, INC.
Condensed Consolidated Balance Sheets
(In thousands, except share and per share data)
(unaudited)

	<u>April 30, 2019</u>	<u>January 31, 2019</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 257,663	\$ 91,755
Marketable securities	26,442	51,021
Accounts receivable, net of allowances of \$236 and \$256, respectively	32,841	55,341
Prepaid expenses and other current assets	14,057	14,135
Costs to obtain revenue contracts, current	18,637	17,817
Total current assets	<u>349,640</u>	<u>230,069</u>
Restricted cash	12,100	—
Property and equipment, net	11,093	11,077
Operating lease right-of-use assets	33,424	—
Costs to obtain revenue contracts, non-current	17,852	18,366
Goodwill	4,583	4,660
Intangible assets, net	1,788	1,960
Other long term assets	2,818	996
Total assets	<u>\$ 433,298</u>	<u>\$ 267,128</u>
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable, accrued expenses and other current liabilities	\$ 35,671	\$ 44,236
Unearned revenue, current	125,370	135,544
Operating lease liabilities, current	2,005	—
Total current liabilities	<u>163,046</u>	<u>179,780</u>
Operating lease liabilities, non-current	34,582	—
Other long term liabilities	1,510	2,799
Total liabilities	<u>199,138</u>	<u>182,579</u>
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$0.001 par value per share; 50,000,000 shares authorized at April 30, 2019 and January 31, 2019; zero shares issued and outstanding at April 30, 2019 and January 31, 2019	—	—
Common stock, \$0.001 par value per share; 500,000,000 shares authorized at April 30, 2019 and January 31, 2019; 117,505,451 and 108,678,234 shares issued at April 30, 2019 and January 31, 2019, respectively; 111,000,117 and 102,172,900 shares outstanding at April 30, 2019 and January 31, 2019, respectively	117	109
Additional paid-in capital	567,095	398,882
Accumulated other comprehensive loss	(1,079)	(1,428)
Accumulated deficit	(320,068)	(301,109)
Treasury stock, at cost	(11,905)	(11,905)
Total stockholders' equity	<u>234,160</u>	<u>84,549</u>
Total liabilities and stockholders' equity	<u>\$ 433,298</u>	<u>\$ 267,128</u>

YEXT, INC.

Condensed Consolidated Statements of Operations and Comprehensive Loss
(In thousands, except share and per share data)
(unaudited)

	Three months ended April 30,	
	2019	2018
Revenue	\$ 68,708	\$ 50,988
Cost of revenue	16,473	12,800
Gross profit	52,235	38,188
Operating expenses:		
Sales and marketing	46,398	35,827
Research and development	9,906	7,729
General and administrative	15,191	11,538
Total operating expenses	71,495	55,094
Loss from operations	(19,260)	(16,906)
Interest income	906	357
Interest expense	(53)	(37)
Other expense, net	(206)	(170)
Loss from operations before income taxes	(18,613)	(16,756)
(Provision for) benefit from income taxes	(346)	(285)
Net loss	\$ (18,959)	\$ (17,041)
Net loss per share attributable to common stockholders, basic and diluted	\$ (0.18)	\$ (0.18)
Weighted-average number of shares used in computing net loss per share attributable to common stockholders, basic and diluted	106,453,558	94,942,773
Other comprehensive income (loss):		
Foreign currency translation adjustment	\$ 314	\$ (93)
Unrealized gain (loss) on marketable securities	35	(2)
Total comprehensive loss	\$ (18,610)	\$ (17,136)

YEXT, INC.

Condensed Consolidated Statements of Cash Flows

(In thousands)

(unaudited)

	Three months ended April 30,	
	2019	2018
Operating activities:		
Net loss	\$ (18,959)	\$ (17,041)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	1,941	1,576
Provision for bad debts	40	76
Stock-based compensation expense	13,216	7,993
Deferred income taxes	3	(22)
Amortization of deferred financing costs	47	34
Amortization of (discount) premium on marketable securities	(82)	39
Amortization of operating lease right-of-use assets	1,578	—
Changes in operating assets and liabilities:		
Accounts receivable	22,195	20,293
Prepaid expenses and other current assets	60	(379)
Costs to obtain revenue contracts	(365)	(836)
Other long term assets	(1,913)	(79)
Accounts payable, accrued expenses and other current liabilities	(6,338)	(3,074)
Unearned revenue	(9,708)	(6,908)
Operating lease liabilities	(1,242)	—
Other long term liabilities	346	(263)
Net cash provided by operating activities	819	1,409
Investing activities:		
Maturities of marketable securities	24,697	13,223
Capital expenditures	(831)	(1,572)
Net cash provided by investing activities	23,866	11,651
Financing activities:		
Proceeds from common stock offering, net of underwriting discounts and commissions	147,000	—
Payments of deferred offering costs	(208)	—
Proceeds from exercise of stock options	5,000	4,948
Payments of deferred financing costs	(163)	—
Proceeds, net from employee stock purchase plan withholdings	1,868	1,221
Net cash provided by financing activities	153,497	6,169
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(174)	(193)
Net increase in cash, cash equivalents and restricted cash	178,008	19,036
Cash, cash equivalents and restricted cash at beginning of period	91,755	34,367
Cash, cash equivalents and restricted cash at end of period	\$ 269,763	\$ 53,403

YEXT, INC.

Reconciliation of GAAP to Non-GAAP Financial Measures
(in thousands)
(unaudited)

	Three months ended April 30, 2019		
	GAAP	Stock-Based Compensation Expense	Non-GAAP
Cost and expenses:			
Cost of revenue	\$ 16,473	\$ (818)	\$ 15,655
Gross profit	\$ 52,235	\$ 818	\$ 53,053
Sales and marketing	\$ 46,398	\$ (6,840)	\$ 39,558
Research and development	\$ 9,906	\$ (2,572)	\$ 7,334
General and administrative	\$ 15,191	\$ (2,986)	\$ 12,205
Loss from operations	\$ (19,260)	\$ 13,216	\$ (6,044)
Net loss	\$ (18,959)	\$ 13,216	\$ (5,743)
Net loss margin	(27.6)%	19.2%	(8.4)%

	Three months ended April 30, 2018		
	GAAP	Stock-Based Compensation Expense	Non-GAAP
Cost and expenses:			
Cost of revenue	\$ 12,800	\$ (566)	\$ 12,234
Gross profit	\$ 38,188	\$ 566	\$ 38,754
Sales and marketing	\$ 35,827	\$ (3,770)	\$ 32,057
Research and development	\$ 7,729	\$ (1,556)	\$ 6,173
General and administrative	\$ 11,538	\$ (2,101)	\$ 9,437
Loss from operations	\$ (16,906)	\$ 7,993	\$ (8,913)
Net loss	\$ (17,041)	\$ 7,993	\$ (9,048)
Net loss margin	(33.4)%	15.7%	(17.7)%

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Reconciliation of GAAP to Non-GAAP Financial Measures
(in thousands, except share and per share data)
(unaudited)

	Three months ended April 30,	
	2019	2018
Net loss	\$ (18,959)	\$ (17,041)
Stock-based compensation expense	13,216	7,993
Non-GAAP net loss	\$ (5,743)	\$ (9,048)
Net loss per share attributable to common stockholders, basic and diluted	\$ (0.18)	\$ (0.18)
Stock-based compensation expense per share	0.13	0.08
Non-GAAP net loss per share attributable to common stockholders, basic and diluted	\$ (0.05)	\$ (0.10)
Weighted-average number of shares used in computing net loss per share attributable to common stockholders, basic and diluted	106,453,558	94,942,773