

Investor Presentation and Company Overview

As of Fiscal 2023 Second Quarter-ended July 31, 2022

10/18/2022

Forward-looking Statements

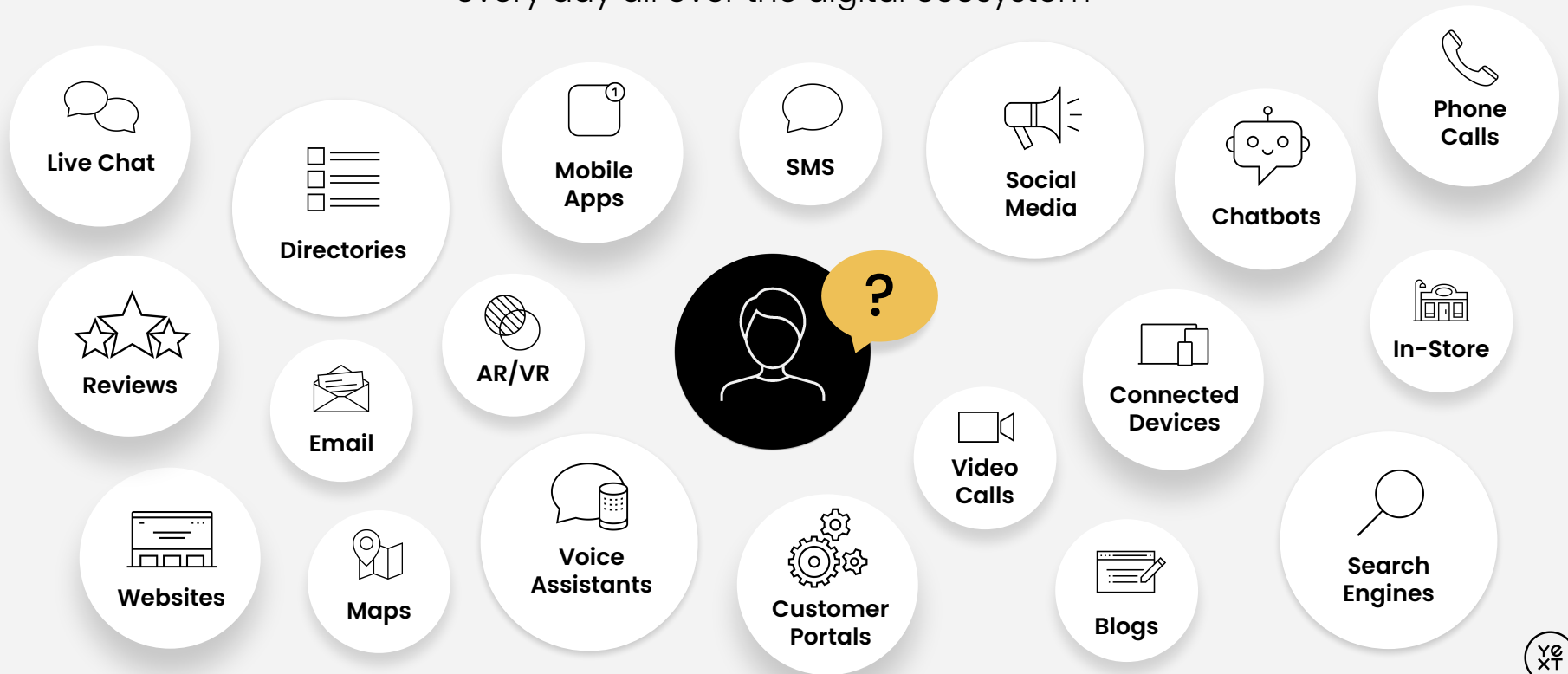
This presentation and the accompanying oral presentation contain forward-looking statements that involve substantial risk and uncertainties, which include, but are not limited to, statements regarding our future results of operations and financial position, including our expectations regarding future growth, demand for our products and solutions and our future revenue; financial targets; business strategy; plans and objectives for expansion and future operations; our focus on and the growth and adoption of our Answers Platform; our licensing and pricing models; our assessments of our competitive advantages and the strength of our solutions and products; the effectiveness of our go-to-market and growth strategies, including the positioning of our solutions and products, assessments of new and existing customers' reasons for selecting our solutions and products, and anticipated benefits from our strategic partnerships; new enhancements to our existing products and services or plans for future products; the expected performance or benefits of our offerings; our customer base; estimates of our potential addressable market and growth opportunities and our ability to address those opportunities; and our expectations regarding revenue mix, our ability to grow our business, the drivers of growth and the benefits of our investments. Actual outcomes and results may differ materially from those contemplated by these forward-looking statements due to uncertainties, risks, and changes in circumstances, including but not limited to those related to: our future financial performance, including our expectations regarding our revenue, cost of revenue, gross profit or gross margin, operating expenses (which include changes in sales and marketing, research and development and general and administrative expenses), and our ability to achieve and maintain future profitability; our ability to continue to deliver and improve our offerings and develop new offerings; customer acceptance and purchase of our new and existing offerings and the expansion and adoption of our Answers Platform; our inability to realize value from investments in the business; our ability to maintain and expand our user and customer base; the impact of the COVID-19 pandemic and variants on the macroeconomic environment, on our business, operations, hiring and financial results, and on businesses and spending priorities of our customers and partners; the impact of our licensing model on the use and adoption of our software; the impact of our pricing model strategies on our business; the impact of foreign currency exchange rate and interest rate fluctuations on our results; our international expansion strategy; our operating results and cash flows; the sufficiency of our capital resources; our ability to successfully execute our go-to-market strategy and expand in new and existing markets, and our ability to forecast customer retention and expansion; and general market, political, economic and business conditions. Additional risks and uncertainties that could cause actual outcomes and results to differ materially are included in our filings with the Securities and Exchange Commission (the "SEC"), including our Annual Report on Form 10-K for the fiscal year ended April 30, 2022 and other subsequent reports filed with the SEC. SEC filings are available on the Investor Relations section of Yext's website at investor.yext.com and the SEC's website at www.sec.gov. Yext assumes no obligation to, and does not currently intend to, update any such forward-looking statements, except as required by law. In addition to GAAP financial information, this presentation and the accompanying oral presentation include certain non-GAAP financial measures. See the Appendix for a reconciliation of all historical non-GAAP financial measures to their nearest GAAP equivalent.



Yext Overview

The Answers Problem

Customers, employees, and partners are asking questions about your business every day all over the digital ecosystem



Yext collects and organizes your content, then leverages the Answers Platform to create a seamless digital experience

Collect

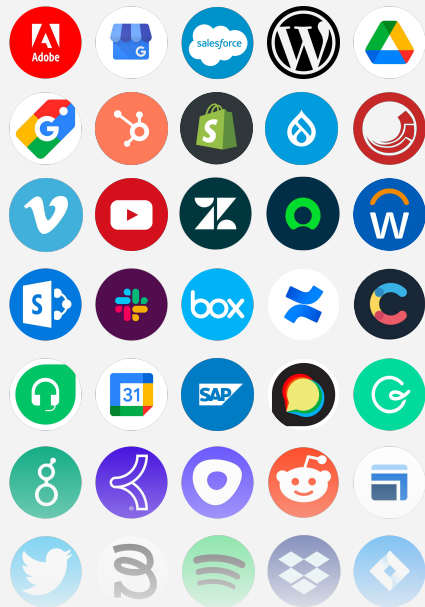
Information from across the enterprise

Organize

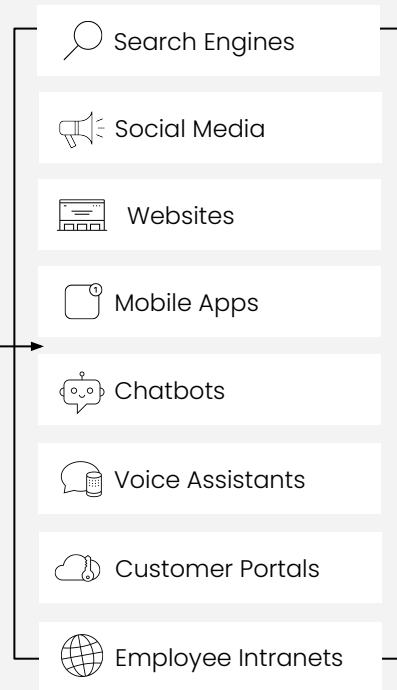
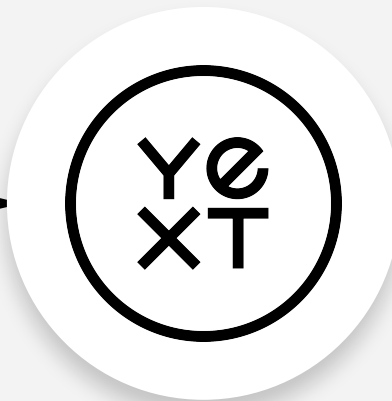
Content into a knowledge graph

Deliver

Relevant, actionable answers — everywhere



and more



Trusted by thousands of businesses for over 15 years

Food & Hospitality



Telecommunications



Retail & CPG/DTC



Public Sector



Healthcare



Financial Services



High Tech



Alliances



Top brands see incredible results with Yext

SAMSUNG

45%

Increase in Net Promoter Score (NPS)

COX

51%

Increase in Conversion Rate

FedEx
Express

97%

Increase in 5-star Reviews

CASIO

3x

Higher Conversion Rate

Häagen-Dazs

75%

Growth in Website Clicks

 **OhioHealth**

78%

Increase in Click-Through Rate

People's United Bank

70%

Reduction in Unnecessary Support Call Volume

FAZOLI'S

3.6x

Growth in Online Sales

 **Cherry Creek**
MORTGAGE

262%

Increase in Website Clicks


VILLA RESTAURANT GROUP

186%

Increase in Website Clicks

 **The Prisoner**
WINE CO.

107%

Increase in Online Transactions

cicis

75%

Increase in Organic Mobile Traffic

3

42%

Reduction in Online Support Contacts

FIRST first financial bank

27%

Clickthrough Rate in Search Results

 **Steward**

51%

Increase in Listings Clicks

The Answers Platform & Solutions

The Answers Platform

An API-first, composable approach to building digital experiences

PLATFORM INFRASTRUCTURE:

AI & Machine Learning

App Directory

Users, Roles, & Permissions

Global Serving Regions & CDN

Cloud Security & Compliance



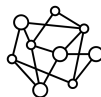
Listings



Pages



Reviews



Knowledge
Graph



Search

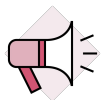


Connectors



Analytics

Solutions for every business need



Marketing

More Conversions

70% of consumers are willing to spend more with a brand that delivers a great digital experience across channels*



Support

Lower Costs

64% of consumers prefer to resolve their issues independently without having to contact support*



Commerce

Higher Customer Loyalty

75% of consumers are more likely to stay loyal to a brand that provides a consistent digital experience across channels*



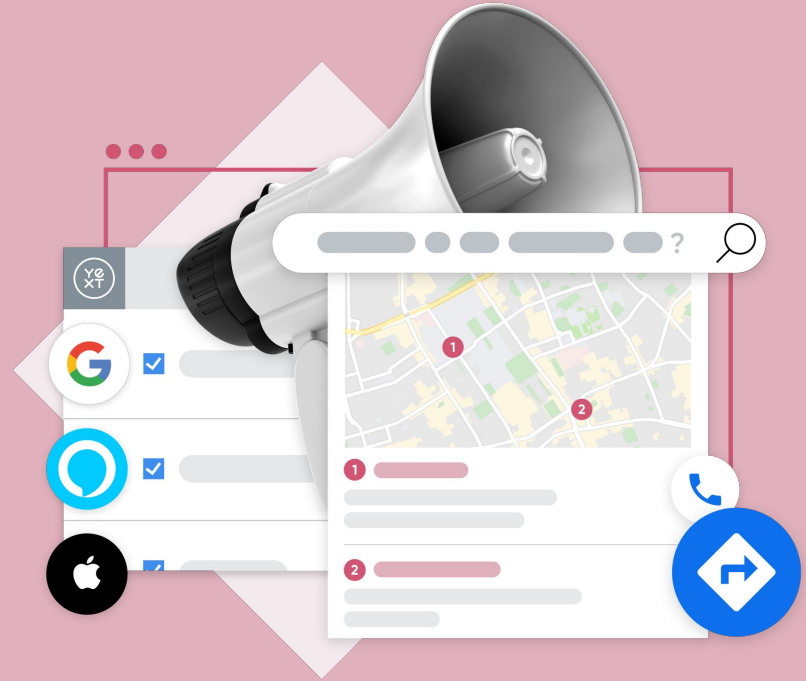
Workplace

Increased Efficiency

82% of employees feel more satisfied and productive when they have fast, reliable access to relevant information*

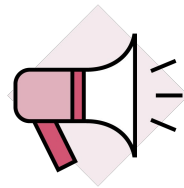
Marketing Solutions

Answer questions at every stage of the customer journey



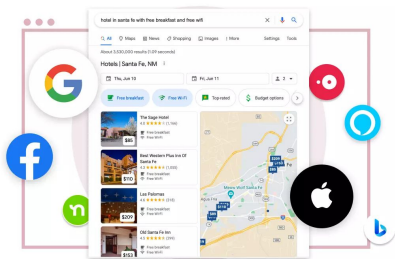
Marketing Solutions

Answer questions at every stage of the customer journey.



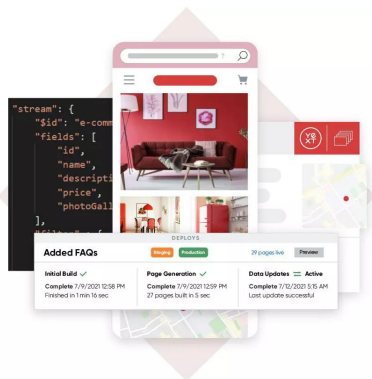
Location Listings

3rd-party listings on over 250 global publishers



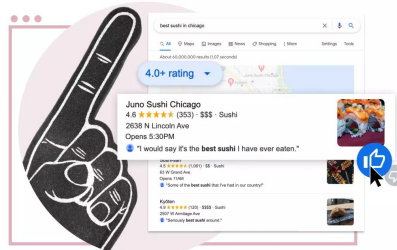
Location Pages

Landing pages built for conversion and scale



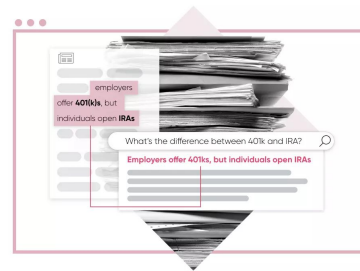
Reputation Management

A centralized dashboard for customer feedback



Site Search

AI-powered search for your website or apps



Support Solutions

Answer every customer and agent question



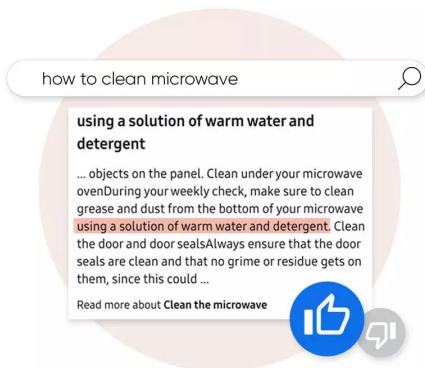
Support Solutions

Answer every customer and agent question.



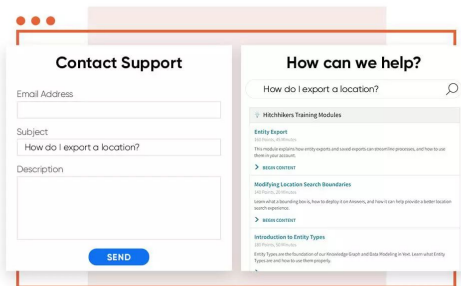
Help Site Search

AI-powered search for your public help site



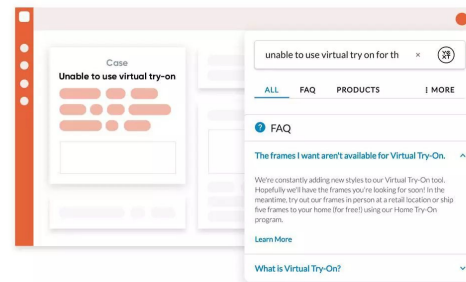
Case Form Deflection

Recommended content to prevent case submissions



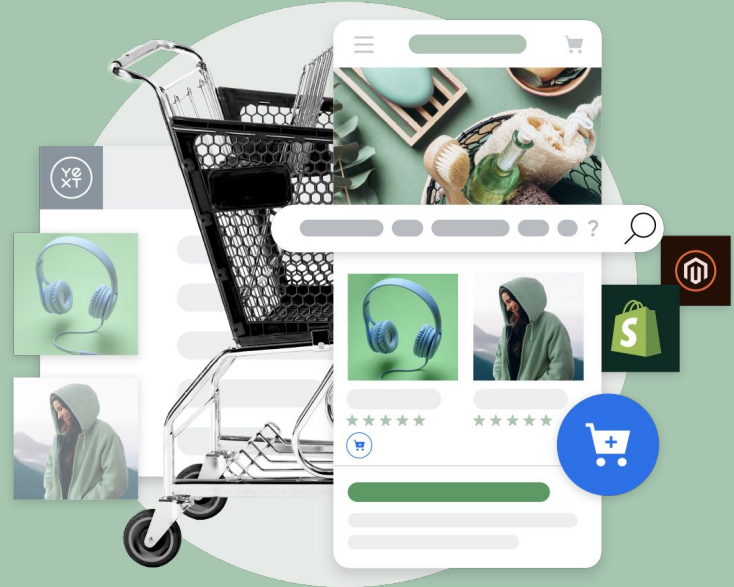
Agent Desktop Search

AI-powered search for your internal agent portal



Commerce Solutions

Answer questions at every stage of the customer journey



Commerce Solutions

Answer questions at every stage of the customer journey



Landing Pages

Landing pages built for conversion and scale



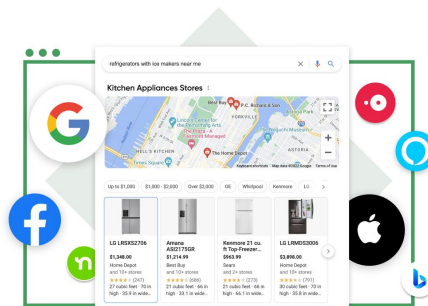
eCommerce Search

AI-powered product discovery suite for your eCommerce store



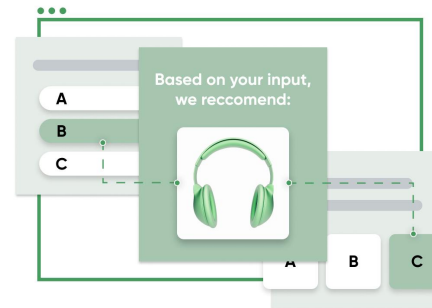
Where to Buy

Product locator that helps customers find products in-store and online



Guided Buying Flow

AI-powered Product Finder Quizzes that recommend products and drive sales



Financials



Balance Sheet

(In thousands, except
share and per share data)
(Unaudited)

	July 31, 2022	January 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	\$ 187,906	\$ 261,210
Accounts receivable, net of allowances of \$2,065 and \$2,042, respectively	53,422	101,607
Prepaid expenses and other current assets	18,107	13,538
Costs to obtain revenue contracts, current	30,865	33,998
Total current assets	290,300	410,353
Property and equipment, net	69,190	74,604
Operating lease right-of-use assets	90,867	97,124
Costs to obtain revenue contracts, non-current	21,382	27,286
Goodwill	4,310	4,572
Intangible assets, net	205	217
Other long term assets	4,070	6,179
Total assets	\$ 480,324	\$ 620,335



Balance Sheet (Cont.)

(In thousands, except
share and per share data)
(Unaudited)

	July 31, 2022	January 31, 2022
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable, accrued expenses and other current liabilities	\$ 47,335	\$ 48,432
Unearned revenue, current	165,889	223,427
Operating lease liabilities, current	18,100	18,845
Total current liabilities	231,324	290,704
Operating lease liabilities, non-current	106,703	113,776
Other long term liabilities	3,351	3,985
Total liabilities	341,378	408,465
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$0.001 par value per share; 50,000,000 shares authorized at July 31, 2022 and January 31, 2022; zero shares issued and outstanding at July 31, 2022 and January 31, 2022	—	—
Common stock, \$0.001 par value per share; 500,000,000 shares authorized at July 31, 2022 and January 31, 2022; 140,562,586 and 137,662,320 shares issued at July 31, 2022 and January 31, 2022, respectively; 123,833,157 and 131,156,986 shares outstanding at July 31, 2022 and January 31, 2022, respectively	140	137
Additional paid-in capital	871,700	834,429
Accumulated other comprehensive loss	(5,608)	(187)
Accumulated deficit	(656,434)	(610,604)
Treasury stock, at cost	(70,852)	(11,905)
Total stockholders' equity	138,946	211,870
Total liabilities and stockholders' equity	\$ 480,324	\$ 620,335



Income Statement

(In thousands, except
share and per share data)
(Unaudited)

	Three months ended July 31,		Six months ended July 31,	
	2022	2021	2022	2021
Revenue	\$ 100,869	\$ 98,124	\$ 199,671	\$ 190,116
Cost of revenue	27,082	26,615	51,810	48,469
Gross profit	73,787	71,509	147,861	141,647
Operating expenses:				
Sales and marketing	54,105	58,578	114,884	113,744
Research and development	18,819	18,500	36,121	32,357
General and administrative	20,384	20,843	41,879	39,190
Total operating expenses	93,308	97,921	192,884	185,291
Loss from operations	(19,521)	(26,412)	(45,023)	(43,644)
Interest income	185	4	210	10
Interest expense	(129)	(158)	(272)	(290)
Other expense, net	138	(741)	267	(827)
Loss from operations before income taxes	(19,327)	(27,307)	(44,818)	(44,751)
(Provision for) benefit from income taxes	(664)	(285)	(1,012)	(472)
Net loss	\$ (19,991)	\$ (27,592)	\$ (45,830)	\$ (45,223)
Net loss per share attributable to common stockholders, basic and diluted	\$ (0.16)	\$ (0.22)	\$ (0.36)	\$ (0.36)
Weighted-average number of shares used in computing net loss per share attributable to common stockholders, basic and diluted	124,234, 226	126,906, 937	127,631, 877	126,152, 602
Other comprehensive (loss) income:				
Foreign currency translation adjustment	\$ (2,007)	\$ (8)	\$ (5,421)	\$ 347
Total comprehensive loss	\$ (21,998)	\$ (27,600)	\$ (51,251)	\$ (44,876)



Cash Flow Statement

(In thousands)
(Unaudited)

	Six months ended July 31,	
	2022	2021
Operating activities:		
Net loss	\$ (45,830)	\$ (45,223)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization expense	8,702	7,933
Bad debt expense	491	909
Stock-based compensation expense	34,168	35,000
Amortization of operating lease right-of-use assets	4,547	4,619
Other, net	975	371
Changes in operating assets and liabilities:		
Accounts receivable	45,808	37,618
Prepaid expenses and other current assets	(4,716)	1,681
Costs to obtain revenue contracts	7,583	(8,442)
Other long term assets	956	15
Accounts payable, accrued expenses and other current liabilities	242	(711)
Unearned revenue	(54,154)	(26,337)
Operating lease liabilities	(5,991)	(5,634)
Other long term liabilities	(86)	650
Net cash (used in) provided by operating activities	(7,305)	2,449



Cash Flow Statement (Cont.)

(In thousands)
(Unaudited)

	Six months ended July 31,	
	2022	2021
Investing activities:		
Capital expenditures	(3,875)	(10,555)
Net cash used in investing activities	(3,875)	(10,555)
Financing activities:		
Proceeds from exercise of stock options	525	14,439
Repurchase of common stock	(58,722)	—
Payments of deferred financing costs	(283)	(263)
Proceeds, net from employee stock purchase plan withholdings	1,912	3,409
Net cash (used in) provided by financing activities	(56,568)	17,585
Effect of exchange rate changes on cash and cash equivalents	(5,556)	600
Net (decrease) increase in cash and cash equivalents	(73,304)	10,079
Cash and cash equivalents at beginning of period	261,210	230,411
Cash and cash equivalents at end of period	\$ 187,906	\$ 240,490



Supplemental Information

(In thousands)
(Unaudited)

	July 31,		Variance	
	2022	2021	Dollars	Percent
<u>Annual Recurring Revenue</u>				
Direct Customers	\$ 312,129	\$ 297,861	\$ 14,268	5%
Third-Party Reseller Customers	74,857	79,953	(5,096)	(6)%
Total Annual Recurring Revenue	\$ 386,986	\$ 377,814	\$ 9,172	2%

	Jul. 31, 2022	Apr. 30, 2022	Jan. 31, 2022	Oct. 31, 2021	Jul. 31, 2021
<u>Annual Recurring Revenue Trend</u>					
Direct Customers	\$ 312,129	\$ 310,312	\$ 312,132	\$ 308,197	\$ 297,861
Third-Party Reseller Customers	74,857	76,671	78,353	78,457	79,953
Total Annual Recurring Revenue	\$ 386,986	\$ 386,983	\$ 390,485	\$ 386,654	\$ 377,814

Note: Numbers rounded for presentation purposes and may not sum.

Appendix

Non-GAAP

Financial Metrics



Non-GAAP Reconciliation

(In thousands, except share and per share data)
(Unaudited)

Three months ended July 31, 2022

<u>Costs and expenses</u>	GAAP	Stock-Based Compensation Expense	Non-GAAP
	\$		
Cost of revenue	27,082	\$ (1,341)	\$ 25,741
Sales and marketing	\$ 54,105	\$ (6,149)	\$ 47,956
Research and development	\$ 18,819	\$ (4,202)	\$ 14,617
General and administrative	\$ 20,384	\$ (4,390)	\$ 15,994

Six months ended July 31, 2022

<u>Costs and expenses</u>	GAAP	Stock-Based Compensation Expense	Non-GAAP
Cost of revenue	\$ 51,810	\$ (2,723)	\$ 49,087
Sales and marketing	\$ 114,884	\$ (12,525)	\$ 102,359
Research and development	\$ 36,121	\$ (8,722)	\$ 27,399
General and administrative	\$ 41,879	\$ (10,198)	\$ 31,681

Three months ended July 31, 2021

<u>Costs and expenses</u>	GAAP	Stock-Based Compensation Expense	Non-GAAP
	\$		
Cost of revenue	\$ 26,615	\$ (2,312)	\$ 24,303
Sales and marketing	\$ 58,578	\$ (7,377)	\$ 51,201
Research and development	\$ 18,500	\$ (5,828)	\$ 12,672
General and administrative	\$ 20,843	\$ (4,885)	\$ 15,958

Six months ended July 31, 2021

<u>Costs and expenses</u>	GAAP	Stock-Based Compensation Expense	Non-GAAP
Cost of revenue	\$ 48,469	\$ (3,757)	\$ 44,712
Sales and marketing	\$ 113,744	\$ (12,878)	\$ 100,866
Research and development	\$ 32,357	\$ (9,816)	\$ 22,541
General and administrative	\$ 39,190	\$ (8,549)	\$ 30,641



Non-GAAP Reconciliation

(In thousands)
(Unaudited)

	<u>Three months ended July 31,</u>		<u>Six months ended July 31,</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>Gross profit</u>				
GAAP gross profit	\$ 73,787	\$ 71,509	\$ 147,861	\$ 141,647
Plus: Stock-based compensation expense	1,341	2,312	2,723	3,757
Non-GAAP gross profit	<u>\$ 75,128</u>	<u>\$ 73,821</u>	<u>\$ 150,584</u>	<u>\$ 145,404</u>
<u>Operating expenses</u>				
GAAP operating expenses	\$ 93,308	\$ 97,921	\$ 192,884	\$ 185,291
Less: Stock-based compensation expense	(14,741)	(18,090)	(31,445)	(31,243)
Non-GAAP operating expenses	<u>\$ 78,567</u>	<u>\$ 79,831</u>	<u>\$ 161,439</u>	<u>\$ 154,048</u>
<u>Loss from operations</u>				
GAAP loss from operations	\$ (19,521)	\$ (26,412)	\$ (45,023)	\$ (43,644)
Plus: Stock-based compensation expense	16,082	20,402	34,168	35,000
Non-GAAP loss from operations	<u>\$ (3,439)</u>	<u>\$ (6,010)</u>	<u>\$ (10,855)</u>	<u>\$ (8,644)</u>



Non-GAAP Reconciliation

(In thousands, except share and per share data)
(Unaudited)

	Three months ended July 31,		Six months ended July 31,	
	2022	2021	2022	2021
GAAP net loss	\$ (19,991)	\$ (27,592)	\$ (45,830)	\$ (45,223)
Plus: Stock-based compensation expense	16,082	20,402	34,168	35,000
Non-GAAP net loss	\$ (3,909)	\$ (7,190)	\$ (11,662)	\$ (10,223)
GAAP net loss per share attributable to common stockholders, basic and diluted	\$ (0.16)	\$ (0.22)	\$ (0.36)	\$ (0.36)
Stock-based compensation expense per share	0.13	0.16	0.27	0.28
Non-GAAP net loss per share attributable to common stockholders, basic and diluted	\$ (0.03)	\$ (0.06)	\$ (0.09)	\$ (0.08)
Weighted-average number of shares used in computing net loss per share attributable to common stockholders, basic and diluted	124,234,226	126,906,937	127,631,877	126,152,602



Non-GAAP Reconciliation

(In thousands)
(Unaudited)

<u>Constant Currency Revenue</u>	Three months ended July 31,		Growth Rates
	2022	2021	
Revenue (GAAP)	\$ 100,869	\$ 98,124	3%
Effects of foreign currency rate fluctuations	2,782		
Revenue on a constant currency basis (Non-GAAP)	\$ 103,651		6%

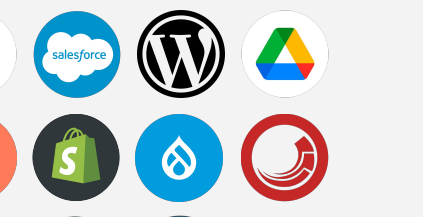
	Six months ended July 31,		Growth Rates
	2022	2021	
Revenue (GAAP)	\$ 199,671	\$ 190,116	5%
Effects of foreign currency rate fluctuations	4,168		
Revenue on a constant currency basis (Non-GAAP)	\$ 203,839		7%

Appendix

Company

Connectors

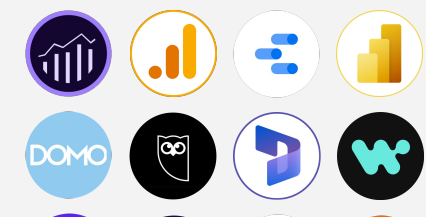
Quickly add content to your knowledge graph



and more

Apps

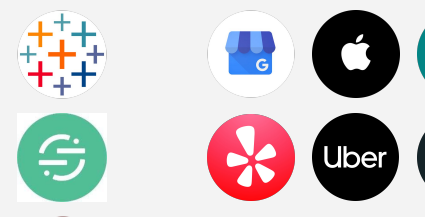
Seamlessly integrate with your existing tech stack



and more

Publishers

Sync data to a global network of 250+ publishers



and more

and more



Yext has delivered answers around the globe since 2006

More than

500

Million Facts

Managed Worldwide

Founded in 2006

192 Countries

With Active Licenses

16

Issued
US Patents

YEXT
LISTED
NYSE



- 1  New York (HQ)*
- 2  Berlin
- 3  Chicago
- 4  DC Metro
- 5  Hyderabad
- 6  London
- 7  Milan
- 8  Munich
- 9  Paris
- 10  San Francisco
- 11  Tokyo

