

March 8, 2022



Yext, Inc. Announces Fourth Quarter and Full Year Fiscal 2022 Results

- Customer Count Increased 15% Year-over-Year to Over 2,700**
- Fourth Quarter Revenue Increased 9% Year-Over-Year to \$100.9 Million**
- Full Year Fiscal 2022 Revenue Increased 10% Year-over-Year to \$390.6 Million**
- Unearned Revenue Increased 16% Year-over-Year to \$223 Million**
- ARR Increased 10% Year-over-Year to \$390 Million**
- Cash and Cash Equivalents Increased to \$261 Million**
- Issues Guidance for First Quarter and Full Year Fiscal 2023**

NEW YORK, March 8, 2022 /PRNewswire/ -- Yext, Inc. (NYSE: YEXT), the AI Search Company, today announced its results for the three months ended January 31, 2022, or the Company's fourth quarter of fiscal 2022, and the fiscal year ended January 31, 2022.



Fourth Quarter Fiscal 2022 Highlights:

- **Revenue** of \$100.9 million, a 9% increase, compared to \$92.2 million reported in the fourth quarter fiscal 2021.
- **Gross Profit** of \$76.4 million, an 8% increase, compared to \$70.6 million reported in the fourth quarter fiscal 2021. Gross margin of 75.7%, compared to 76.6% reported in the fourth quarter fiscal 2021.
- **Net Loss and Non-GAAP Net Loss/ Income:**
 - Net loss of \$23.1 million, compared to the net loss of \$18.3 million in the fourth quarter fiscal 2021.
 - Non-GAAP net loss of \$4.1 million, compared to the non-GAAP net income of \$0.1 million in the fourth quarter fiscal 2021.
- **Net Loss Per Share and Non-GAAP Net Loss/ Income Per Share:**
 - Net loss per share of \$0.18 in the fourth quarter fiscal 2022, compared to net loss per share of \$0.15 in the fourth quarter fiscal 2021.
 - Non-GAAP net loss per share of \$0.03 in the fourth quarter fiscal 2022. Non-GAAP net income per share in the fourth quarter fiscal 2021 was break-even on a basic and diluted basis.
- **Weighted-Average Shares Outstanding:**
 - Net loss per share and non-GAAP net loss per share were each based on 130.3 million weighted-average basic shares outstanding for the fourth quarter fiscal 2022.
 - Net loss per share and non-GAAP net income per share were based on 123.0 million weighted-average basic shares outstanding for the fourth quarter fiscal 2021.
 - Net loss per share and non-GAAP net income per share were based on 123.0 million and 129.4 million weighted-average diluted shares outstanding,

respectively, for the fourth quarter fiscal 2021.

- **Balance Sheet:** Cash and cash equivalents of \$261 million as of January 31, 2022. Unearned revenue of \$223 million as of January 31, 2022, compared to \$192 million as of January 31, 2021.
- **Remaining Performance Obligations ("RPO"):** RPO of \$405 million as of January 31, 2022. RPO expected to be recognized over the next 24 months of \$379 million with the remaining balance expected to be recognized thereafter. RPO does not include amounts under contract subject to certain accounting exclusions.
- **Cash Flow:** Net cash provided by operating activities was \$29.1 million for the three months ended January 31, 2022, compared to net cash provided by operating activities of \$24.9 million for the three months ended January 31, 2021.

Full Year Fiscal 2022 Highlights:

- **Revenue** of \$390.6 million, a 10% increase, compared to \$354.7 million reported in the fiscal year ended January 31, 2021.
- **Gross Profit** of \$292.3 million, a 9% increase, compared to \$268.3 million reported in the fiscal year ended January 31, 2021. Gross margin of 74.8%, compared to 75.6% reported in the fiscal year ended January 31, 2021.
- **Net Loss and Non-GAAP Net Loss:**
 - Net loss of \$93.3 million, compared to the net loss of \$94.7 million in the fiscal year ended January 31, 2021.
 - Non-GAAP net loss of \$19.8 million, compared to the non-GAAP net loss of \$22.4 million in the fiscal year ended January 31, 2021.
- **Net Loss Per Share and Non-GAAP Net Loss Per Share:**
 - Net loss per share of \$0.73 in the fiscal year ended January 31, 2022, compared to net loss per share of \$0.79 in the fiscal year ended January 31, 2021.
 - Non-GAAP net loss per share of \$0.15 in the fiscal year ended January 31, 2022, compared to non-GAAP net loss per share of \$0.19 in the fiscal year ended January 31, 2021.
 - Net loss per share and non-GAAP net loss per share were based on 127.8 million and 119.7 million weighted-average basic shares outstanding for the fiscal years ended January 31, 2022 and 2021, respectively.
- **Cash Flow:** Cash provided by operating activities of \$21.8 million for the fiscal year ended January 31, 2022, compared to cash provided by operating activities of \$1.2 million for the fiscal year ended January 31, 2021.

Readers are encouraged to review the tables labeled "Reconciliation of GAAP to Non-GAAP Financial Measures" at the end of this release.

Recent Business Highlights:

- Chairman Michael Walrath to succeed Howard Lerman as Chief Executive Officer.
- Chief Accounting Officer Darryl Bond to succeed Steven Cakebread as Chief Financial Officer.
- Chief Strategy Officer Marc Ferrentino promoted to President and Chief Operating Officer.
- Recognized in G2 and Software Reviews industry reports.
- Became first federated AI search integration in the Freshworks Marketplace.
- Named "Best Use of Artificial Intelligence" by the Drum B2B Awards.

- Named "Best Overall Software as a Service (SaaS) in Marketing" by the APPEALIE Awards.
- Named a WordPress VIP Featured Technology Partner.
- Introduced consumer authorization, answers developer tools, advanced listings controls, and connectors updates to further enable AI search across the enterprise.
- Recognized with three awards for Built In's 2022 Best Places To Work.
- Earned Best Place to Work for LGBTQ+ Equality designation with a top score in Human Rights Campaign's 2022 Corporate Equality Index.
- Customer count, which excludes our small business and third-party reseller customers, increased 15% year-over-year to over 2,700 as of January 31, 2022.
- Annual recurring revenue, or ARR, increased 10% year-over-year to \$390 million as of January 31, 2022, compared to \$354 million as of January 31, 2021.

Financial Outlook:

Yext is also providing the following guidance for its first fiscal quarter ending April 30, 2022 and the fiscal year ending January 31, 2023.

- First Quarter Fiscal 2023 Outlook:
 - Revenue is projected to be in the range of \$96.3 million to \$97.3 million.
 - Non-GAAP net loss per share is projected to be \$0.08 to \$0.07 which assumes 131.9 million weighted-average basic shares outstanding.
- Full Year Fiscal 2023 Outlook:
 - Revenue is projected to be in the range of \$403.3 million to \$407.3 million.
 - Non-GAAP net loss per share is projected to be \$0.19 to \$0.17 which assumes 134.3 million weighted-average basic shares outstanding.

Conference Call Information

Yext will host a conference call today at 4:30 PM Eastern Time (1:30 PM Pacific Time) to discuss its financial results with the investment community. A live webcast of the call will be available on the Yext Investor Relations website at <http://investors.yext.com>. A live dial-in is available domestically at (877) 883-0383 and internationally at (412) 902-6506, passcode 0894305.

A replay will be available domestically at (877) 344-7529 or internationally at (412) 317-0088, passcode 8571442, until March 15, 2022.

About Yext

Yext (NYSE: YEXT) is the AI Search Company and is on a mission to transform the enterprise with AI search.

With the explosion of information and data online, search has never been more important. However, while the world of consumer search has innovated over time, enterprise search has not. In fact, the majority of enterprise search is powered by outdated keyword search technology that only scans for keywords and delivers a list of hyperlinks rather than actually answering questions.

Yext, the AI Search Company, offers a modern, AI-powered Answers Platform that understands natural language so that when people ask questions about a business online they get direct answers – not links.

Brands like Verizon, Vanguard, Subway and Marriott — as well as organizations like the U.S. State Department and World Health Organization — trust Yext to radically improve their business with answers-led AI search.

Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995

This release includes forward-looking statements including, but not limited to, statements regarding our revenue, non-GAAP net loss and shares outstanding for our first quarter and full year fiscal 2023 in the paragraphs under "Financial Outlook" above, statements regarding the impact of the COVID-19 pandemic on our business and results of operations and other statements regarding our expectations regarding the growth of our company, our market opportunity, product roadmap, sales efficiency efforts and our industry. In some cases, you can identify forward-looking statements by terminology such as "may," "will," "should," "could," "expect," "plan," "anticipate," "believe," "estimate," "predict," "intend," "potential," "might," "would," "continue," or the negative of these terms or other comparable terminology. Actual events or results may differ from those expressed in these forward-looking statements, and these differences may be material and adverse.

We have based the forward-looking statements contained in this release primarily on our current expectations and projections about future events and trends that we believe may affect our business, financial condition, results of operations, strategy, short- and long-term business operations, prospects, business strategy and financial needs. Our actual results could differ materially from those stated or implied in forward-looking statements due to a number of factors, including, but not limited to, the impact of the COVID-19 pandemic and its variants on U.S. and global markets, our business, operations, financial results, cash flow, demand for our products, sales cycles, and customer acquisition and retention; our ability to renew and expand subscriptions with existing customers especially enterprise customers and attract new customers generally; our ability to successfully expand and compete in new geographies and industry verticals; our ability to expand and scale our sales force; our ability to expand our service and application provider network; our ability to develop new product and platform offerings to expand our market opportunity, including with Yext Answers; our ability to release new products and updates that are adopted by our customers; our ability to manage our growth effectively; weakened or changing global economic conditions; the number of options exercised by our employees and former employees; and the accuracy of the assumptions and estimates underlying our financial projections. For a detailed discussion of these and other risk factors, please refer to the risks detailed in our filings with the Securities and Exchange Commission, including, without limitation, our most recent Quarterly Report on Form 10-Q and Annual Report on Form 10-K, which are available at <http://investors.yext.com> and on the SEC's website at <https://www.sec.gov>. Further information on potential risks that could affect actual results will be included in other filings we make with the SEC from time to time. Moreover, we operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this release. We cannot assure you that the results, events and circumstances reflected in the forward-looking statements will be achieved or occur, and actual results, events or circumstances could differ materially from those described in the forward-looking statements.

The forward-looking statements made in this release relate only to events as of the date on which such statements are made. We undertake no obligation to update any forward-looking

statements after the date hereof or to conform such statements to actual results or revised expectations, except as required by law.

Non-GAAP Measurements

In addition to disclosing financial measures prepared in accordance with U.S. generally accepted accounting principles (GAAP), this press release and the accompanying tables include non-GAAP cost of revenue, non-GAAP gross profit, non-GAAP gross margin, non-GAAP operating expenses (sales and marketing, research and development, general and administrative), non-GAAP operating expenses (sales and marketing, research and development, general and administrative) as a percentage of revenue, non-GAAP loss from operations, non-GAAP operating margin, non-GAAP net income (loss), non-GAAP net income (loss) per share, non-GAAP net income (loss) as a percentage of revenue, which are referred to as non-GAAP financial measures.

These non-GAAP financial measures are not calculated in accordance with GAAP as they have been adjusted to exclude the effects of stock-based compensation expenses. Non-GAAP gross margin, non-GAAP operating expenses (sales and marketing, research and development, general and administrative) as a percentage of revenue, non-GAAP operating margin, and non-GAAP net income (loss) as a percentage of revenue are calculated by dividing the applicable non-GAAP financial measure by revenue. Non-GAAP net income (loss) per share is defined as non-GAAP net income (loss) on a per share basis. See "Reconciliation of GAAP to Non-GAAP Financial Measures" for a discussion of the applicable weighted-average shares outstanding.

We believe these non-GAAP financial measures provide investors and other users of our financial information consistency and comparability with our past financial performance and facilitate period-to-period comparisons of our results of operations. With respect to non-GAAP gross margin, non-GAAP operating expenses (sales and marketing, research and development, general and administrative) as a percentage of revenue, non-GAAP operating margin and non-GAAP net loss/ income as a percentage of revenue, we believe these non-GAAP financial measures are useful in evaluating our profitability relative to the amount of revenue generated, excluding the impact of stock-based compensation expense. We also believe non-GAAP financial measures are useful in evaluating our operating performance compared to that of other companies in our industry, as these metrics eliminate the effects of stock-based compensation, which may vary for reasons unrelated to overall operating performance.

We use these non-GAAP financial measures in conjunction with traditional GAAP measures as part of our overall assessment of our performance, including the preparation of our annual operating budget and quarterly forecasts, and to evaluate the effectiveness of our business strategies. Our definition may differ from the definitions used by other companies and therefore comparability may be limited. In addition, other companies may not publish this or similar metrics. Thus, our non-GAAP financial measures should be considered in addition to, not as a substitute for, nor superior to or in isolation from, measures prepared in accordance with GAAP.

These non-GAAP financial measures may be limited in their usefulness because they do not present the full economic effect of our use of stock-based compensation. We compensate for these limitations by providing investors and other users of our financial information a reconciliation of the non-GAAP financial measure to the most closely related GAAP financial

measures. However, we have not reconciled the non-GAAP guidance measures disclosed under "Financial Outlook" to their corresponding GAAP measures because certain reconciling items such as stock-based compensation and the corresponding provision for income taxes depend on factors such as the stock price at the time of award of future grants and thus cannot be reasonably predicted. Accordingly, reconciliations to the non-GAAP guidance measures is not available without unreasonable effort. We encourage investors and others to review our financial information in its entirety, not to rely on any single financial measure and to view non-GAAP net loss/ income and non-GAAP net loss/ income per share in conjunction with net loss and net loss per share.

Operating Metrics

This press release also includes certain operating metrics that we believe are useful in providing additional information in assessing the overall performance of our business.

Customer count is defined as the total number of customers with contracts executed as of the last day of the reporting period and a unique administrative account identifier on the Yext platform. We believe that customer count provides insight into our ability to grow our enterprise and mid-market customer base. As such, customer count excludes third-party reseller customers and small businesses customers as well as customers only receiving free trials.

Annual recurring revenue, or ARR, is defined as the annualized recurring amount of all contracts executed as of the last day of the reporting period. The recurring amount of a contract is determined based upon the terms of a contract and is calculated by dividing the amount of a contract by the term of the contract and then annualizing such amount. The calculation assumes no subsequent changes to the existing subscription and excludes amounts related to overages above the contractual minimum commitment. Contracts include portions of professional services contracts that are recurring in nature. ARR is independent of historical revenue, unearned revenue, remaining performance obligations or any other GAAP financial measure over any period. It should be considered in addition to, not as a substitute for, nor superior to or in isolation from, these measures and other measures prepared in accordance with GAAP. We believe ARR provides insight into the performance of our recurring revenue business model while mitigating for fluctuations in billing and contract terms.

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

	<u>January 31, 2022</u>	<u>January 31, 2021</u>
Assets		
Current assets:	\$	\$
Cash and cash equivalents	261,210	230,411
Accounts receivable, net of allowances of \$2,042 and \$2,528, respectively	101,607	97,455
Prepaid expenses and other current assets	13,538	17,993
Costs to obtain revenue contracts, current	33,998	30,325
Total current assets	<u>410,353</u>	<u>376,184</u>
Property and equipment, net	74,604	80,344
Operating lease right-of-use assets	97,124	104,844
Costs to obtain revenue contracts, non-current	27,286	22,692
Goodwill	4,572	4,842
Intangible assets, net	217	767
Other long term assets	6,179	6,316
	<u>\$</u>	<u>\$</u>
Total assets	<u>620,335</u>	<u>595,989</u>
Liabilities and stockholders' equity		
Current liabilities:	\$	\$
Accounts payable, accrued expenses and other current liabilities	48,432	54,186
Unearned revenue, current	223,427	191,810
Operating lease liabilities, current	18,845	14,165
Total current liabilities	<u>290,704</u>	<u>260,161</u>
Operating lease liabilities, non-current	113,776	123,584
Other long term liabilities	3,985	5,009
Total liabilities	<u>408,465</u>	<u>388,754</u>
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$0.001 par value per share; 50,000,000 shares authorized at January 31, 2022 and 2021; zero shares issued and outstanding at January 31, 2022 and 2021	—	—
Common stock, \$0.001 par value per share; 500,000,000 shares authorized at January 31, 2022 and 2021; 137,662,320 and 130,494,513 shares issued at January 31, 2022 and 2021, respectively; 131,156,986 and 123,989,179 shares outstanding at January 31, 2022 and 2021, respectively	137	130
Additional paid-in capital	834,429	733,933
Accumulated other comprehensive (loss) income	(187)	2,422
Accumulated deficit	(610,604)	(517,345)
Treasury stock, at cost	(11,905)	(11,905)
Total stockholders' equity	<u>211,870</u>	<u>207,235</u>
	<u>\$</u>	<u>\$</u>
Total liabilities and stockholders' equity	<u>620,335</u>	<u>595,989</u>

YEXT, INC.
Condensed Consolidated Statements of Operations and Comprehensive Loss
(In thousands, except share and per share data)
(Unaudited)

	Three months ended		Fiscal year ended January	
	January 31,		31,	
	2022	2021	2022	2021
	\$	\$	\$	\$
Revenue	100,932	92,194	390,577	354,661
Cost of revenue	24,575	21,597	98,299	86,404
Gross profit	<u>76,357</u>	<u>70,597</u>	<u>292,278</u>	<u>268,257</u>
Operating expenses:				
Sales and marketing	58,175	57,202	230,467	228,417
Research and development	18,007	14,505	68,350	58,146
General and administrative	22,136	18,033	83,420	76,026
Total operating expenses	<u>98,318</u>	<u>89,740</u>	<u>382,237</u>	<u>362,589</u>
Loss from operations	(21,961)	(19,143)	(89,959)	(94,332)
Interest income	7	8	22	532
Interest expense	(141)	(139)	(544)	(614)
Other (expense) income, net	(483)	364	(1,501)	(181)
Loss from operations before income taxes	<u>(22,578)</u>	<u>(18,910)</u>	<u>(91,982)</u>	<u>(94,595)</u>
(Provision for) benefit from income taxes	(532)	599	(1,277)	(97)
Net loss	<u>\$ (23,110)</u>	<u>\$ (18,311)</u>	<u>\$ (93,259)</u>	<u>\$ (94,692)</u>
Net loss per share attributable to common stockholders, basic and diluted	\$ (0.18)	\$ (0.15)	\$ (0.73)	\$ (0.79)
Weighted-average number of shares used in computing net loss per share attributable to common stockholders, basic and diluted	<u>130,328,155</u>	<u>122,954,330</u>	<u>127,814,447</u>	<u>119,690,378</u>
Other comprehensive (loss) income:				
Foreign currency translation adjustment	\$ (1,370)	\$ 2,362	\$ (2,609)	\$ 2,782
Total comprehensive loss	<u>\$ (24,480)</u>	<u>\$ (15,949)</u>	<u>\$ (95,868)</u>	<u>\$ (91,910)</u>

YEXT, INC.
Condensed Consolidated Statements of Cash Flows
(In thousands)
(Unaudited)

	Fiscal year ended January 31,	
	2022	2021
Operating activities:		
Net loss	\$ (93,259)	\$ (94,692)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization expense	16,783	10,612
Bad debt expense	1,253	2,547
Stock-based compensation expense	73,480	72,294
Amortization of operating lease right-of-use assets	9,296	12,203
Other, net	582	(489)
Changes in operating assets and liabilities:		
Accounts receivable	(6,106)	(17,990)
Prepaid expenses and other current assets	4,238	(5,463)
Costs to obtain revenue contracts	(9,113)	2,429
Other long term assets	(231)	(1,630)
Accounts payable, accrued expenses and other current liabilities	(494)	(1,976)
Unearned revenue	33,262	12,702
Operating lease liabilities	(6,644)	8,937
Other long term liabilities	(1,198)	1,720
Net cash provided by operating activities	<u>21,849</u>	<u>1,204</u>
Investing activities:		
Capital expenditures	(13,418)	(65,111)
Net cash used in investing activities	<u>(13,418)</u>	<u>(65,111)</u>
Financing activities:		
Proceeds from exercise of stock options	19,228	16,464
Payments of deferred financing costs	(263)	(869)
Proceeds, net from employee stock purchase plan withholdings	5,652	6,953
Net cash provided by financing activities	<u>24,617</u>	<u>22,548</u>
Effect of exchange rate changes on cash and cash equivalents	(2,249)	3,594
Net increase (decrease) in cash and cash equivalents	30,799	(37,765)
Cash and cash equivalents at beginning of period	230,411	268,176
Cash and cash equivalents at end of period	<u>\$ 261,210</u>	<u>\$ 230,411</u>

YEXT, INC.
Reconciliation of GAAP to Non-GAAP Financial Measures
(In thousands)
(Unaudited)

Three months ended January 31, 2022			
	GAAP	Stock-Based Compensation Expense	Non-GAAP
Costs and expenses			
Cost of revenue	\$ 24,575	\$ (1,502)	\$ 23,073
Sales and marketing	\$ 58,175	\$ (6,861)	\$ 51,314
Research and development	\$ 18,007	\$ (5,369)	\$ 12,638
General and administrative	\$ 22,136	\$ (5,293)	\$ 16,843

Three months ended January 31, 2022			
	GAAP	Stock-Based Compensation Expense	Non-GAAP
Costs and expenses as a percentage of revenue			
Cost of revenue	24%	(1)%	23%
Sales and marketing	58%	(7)%	51%
Research and development	18%	(5)%	13%
General and administrative	22%	(5)%	17%

Three months ended January 31, 2021			
	GAAP	Stock-Based Compensation Expense	Non-GAAP
Costs and expenses			
Cost of revenue	\$ 21,597	\$ (1,671)	\$ 19,926
Sales and marketing	\$ 57,202	\$ (7,430)	\$ 49,772
Research and development	\$ 14,505	\$ (4,967)	\$ 9,538
General and administrative	\$ 18,033	\$ (4,337)	\$ 13,696

Three months ended January 31, 2021			
	GAAP	Stock-Based Compensation Expense	Non-GAAP
Costs and expenses as a percentage of revenue			
Cost of revenue	23%	(1)%	22%
Sales and marketing	62%	(8)%	54%
Research and development	16%	(6)%	10%
General and administrative	20%	(5)%	15%

Note: Numbers rounded for presentation purposes.

YEXT, INC.
Reconciliation of GAAP to Non-GAAP Financial Measures
(In thousands)
(Unaudited)

Fiscal year ended January 31, 2022			
Costs and expenses	GAAP	Stock-Based Compensation Expense	Non-GAAP
Cost of revenue	\$ 98,299	\$ (7,099)	\$ 91,200
Sales and marketing	\$ 230,467	\$ (26,496)	\$ 203,971
Research and development	\$ 68,350	\$ (20,654)	\$ 47,696
General and administrative	\$ 83,420	\$ (19,231)	\$ 64,189

Fiscal year ended January 31, 2022			
Costs and expenses as a percentage of revenue	GAAP	Stock-Based Compensation Expense	Non-GAAP
Cost of revenue	25%	(2)%	23%
Sales and marketing	59%	(7)%	52%
Research and development	18%	(6)%	12%
General and administrative	21%	(5)%	16%

Fiscal year ended January 31, 2021			
Costs and expenses	GAAP	Stock-Based Compensation Expense	Non-GAAP
Cost of revenue	\$ 86,404	\$ (5,724)	\$ 80,680
Sales and marketing	\$ 228,417	\$ (32,581)	\$ 195,836
Research and development	\$ 58,146	\$ (17,071)	\$ 41,075
General and administrative	\$ 76,026	\$ (16,918)	\$ 59,108

Fiscal year ended January 31, 2021			
Costs and expenses as a percentage of revenue	GAAP	Stock-Based Compensation Expense	Non-GAAP
Cost of revenue	24%	(1)%	23%
Sales and marketing	64%	(9)%	55%
Research and development	16%	(4)%	12%
General and administrative	21%	(4)%	17%

Note: Numbers rounded for presentation purposes.

YEXT, INC.
Reconciliation of GAAP to Non-GAAP Financial Measures
(In thousands)
(Unaudited)

	<u>Three months ended January 31,</u>		<u>Fiscal year ended January 31,</u>	
	<u>2022</u>	<u>2021</u>	<u>2022</u>	<u>2021</u>
<u>Gross profit</u>				
	\$	\$	\$	\$
GAAP gross profit	76,357	70,597	292,278	268,257
Plus: Stock-based compensation expense	1,502	1,671	7,099	5,724
Non-GAAP gross profit	<u>\$ 77,859</u>	<u>\$ 72,268</u>	<u>\$ 299,377</u>	<u>\$ 273,981</u>
<u>Gross margin</u>				
GAAP gross margin	75.7%	76.6%	74.8%	75.6%
Plus: Stock-based compensation expense	1.4%	1.8%	1.8%	1.7%
Non-GAAP gross margin	<u>77.1%</u>	<u>78.4%</u>	<u>76.6%</u>	<u>77.3%</u>
<u>Operating expenses</u>				
	\$	\$	\$	\$
GAAP operating expenses	98,318	89,740	382,237	362,589
Less: Stock-based compensation expense	(17,523)	(16,734)	(66,381)	(66,570)
Non-GAAP operating expenses	<u>\$ 80,795</u>	<u>\$ 73,006</u>	<u>\$ 315,856</u>	<u>\$ 296,019</u>
<u>Operating expenses as a percentage of revenue</u>				
GAAP operating expenses as a percentage of revenue	97%	97%	98%	102%
Less: Stock-based compensation expense	(17)%	(18)%	(17)%	(19)%
Non-GAAP operating expenses as a percentage of revenue	<u>80%</u>	<u>79%</u>	<u>81%</u>	<u>83%</u>
<u>Loss from operations</u>				
	\$	\$	\$	\$
GAAP loss from operations	(21,961)	(19,143)	(89,959)	(94,332)
Plus: Stock-based compensation expense	19,025	18,405	73,480	72,294
Non-GAAP loss from operations	<u>\$ (2,936)</u>	<u>\$ (738)</u>	<u>\$ (16,479)</u>	<u>\$ (22,038)</u>
<u>Operating margin (Loss from operations as a percentage of revenue)</u>				
GAAP operating margin	(22)%	(21)%	(23)%	(27)%
Plus: Stock-based compensation expense	19%	20%	19%	21%
Non-GAAP operating margin	<u>(3)%</u>	<u>(1)%</u>	<u>(4)%</u>	<u>(6)%</u>

Note: Numbers rounded for presentation purposes.

YEXT, INC.
Reconciliation of GAAP to Non-GAAP Financial Measures
(In thousands, except share and per share data)
(Unaudited)

	Three months ended January 31,	
	2022	2021
GAAP net loss	\$ (23,110)	\$ (18,311)
Plus: Stock-based compensation expense	19,025	18,405
	<u>\$ (4,085)</u>	<u>\$ 94</u>
Non-GAAP (net loss) income		
GAAP net loss per share attributable to common stockholders, basic and diluted	\$ (0.18)	\$ (0.15)
Stock-based compensation expense per share	0.15	0.15
Non-GAAP net (loss) income per share attributable to common stockholders, basic and diluted (1)	<u>\$ (0.03)</u>	<u>\$ 0.00</u>
Weighted-average number of shares used in computing net loss per share attributable to common stockholders, basic and diluted	<u>130,328,155</u>	<u>122,954,330</u>
Weighted-average number of shares used in computing non-GAAP net (loss) income per share attributable to common stockholders		
Basic	<u>130,328,155</u>	<u>122,954,330</u>
Diluted	<u>130,328,155</u>	<u>129,435,323</u>

(1) - For the three months ended January 31, 2021, non-GAAP net income per share attributable to common stockholders was \$0.00 on both a basic and diluted basis, as calculated based on 122,954,330 weighted-average basic shares outstanding and 129,435,323 weighted-average diluted shares outstanding.

	Three months ended January 31,	
	2022	2021
GAAP net loss as a percentage of revenue	(22.9)%	(19.9)%
Plus: Stock-based compensation expense	18.9%	20.0%
Non-GAAP net (loss) income as a percentage of revenue	<u>(4.0)%</u>	<u>0.1%</u>

	Fiscal year ended January 31,	
	2022	2021
GAAP net loss	\$ (93,259)	\$ (94,692)
Plus: Stock-based compensation expense	73,480	72,294
Non-GAAP net loss	<u>\$ (19,779)</u>	<u>\$ (22,398)</u>
GAAP net loss per share attributable to common stockholders, basic and diluted	\$ (0.73)	\$ (0.79)
Stock-based compensation expense per share	0.58	0.60
Non-GAAP net loss per share attributable to common stockholders, basic and diluted	<u>\$ (0.15)</u>	<u>\$ (0.19)</u>
Weighted-average number of shares used in computing net loss per share attributable to common stockholders, basic and diluted	<u>127,814,447</u>	<u>119,690,378</u>

	Fiscal year ended January 31,	
	2022	2021
GAAP net loss as a percentage of revenue	(23.9)%	(26.7)%
Plus: Stock-based compensation expense	18.8%	20.4%
Non-GAAP net loss as a percentage of revenue	<u>(5.1)%</u>	<u>(6.3)%</u>

Note: Numbers rounded for presentation purposes.

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