

**LIMELIGHT NETWORKS, INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(In thousands, except per share data)

	<b>June 30, 2021</b>	<b>March 31, 2021</b>	<b>December 31, 2020</b>
	<b>(Unaudited)</b>	<b>(Unaudited)</b>	
<b>ASSETS</b>			
Current assets:			
Cash and cash equivalents	\$ 44,065	\$ 35,620	\$ 46,795
Marketable securities	75,471	81,308	76,928
Accounts receivable, net	24,867	29,151	31,675
Income taxes receivable	57	102	68
Prepaid expenses and other current assets	14,557	14,784	15,588
Total current assets	159,017	160,965	171,054
Property and equipment, net	42,406	46,863	46,418
Operating lease right of use assets	8,929	9,521	10,150
Marketable securities, less current portion	40	40	40
Deferred income taxes	1,604	1,577	1,530
Goodwill	77,642	77,421	77,753
Other assets	6,147	6,742	7,233
Total assets	\$ 295,785	\$ 303,129	\$ 314,178
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>			
Current liabilities:			
Accounts payable	\$ 12,459	\$ 8,029	\$ 4,587
Deferred revenue	524	844	933
Operating lease liability obligations	1,977	2,233	2,465
Income taxes payable	388	322	253
Other current liabilities	16,877	19,264	17,560
Total current liabilities	32,225	30,692	25,798
Convertible senior notes, net	121,371	121,200	100,945
Operating lease liability obligations, less current portions	10,358	10,781	11,265
Deferred income taxes	306	360	279
Deferred revenue, less current portion	272	226	220
Other long-term liabilities	369	476	479
Total liabilities	164,901	163,735	138,986
Commitments and contingencies			
Stockholders' equity:			
Convertible preferred stock, \$0.001 par value; 7,500 shares authorized; no shares issued and outstanding	-	-	-
Common stock, \$0.001 par value; 300,000 shares authorized; 126,705, 125,248 and 123,653 shares issued and outstanding at June 30, 2021, March 31, 2021 and December 31, 2020, respectively	127	125	124
Additional paid-in capital	550,205	545,516	556,512
Accumulated other comprehensive loss	(7,965)	(8,462)	(7,511)
Accumulated deficit	(411,483)	(397,785)	(373,933)
Total stockholders' equity	130,884	139,394	175,192
Total liabilities and stockholders' equity	\$ 295,785	\$ 303,129	\$ 314,178

**LIMELIGHT NETWORKS, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(In thousands, except per share data)  
(Unaudited)

	Three Months Ended					Six Months Ended		
	June 30, 2021	March 31, 2021	Percent Change	June 30, 2020	Percent Change	June 30, 2021	June 30, 2020	Percent Change
Revenue	\$ 48,348	\$ 51,195	-6%	\$ 58,546	-17%	\$ 99,543	\$ 115,558	-14%
Cost of revenue:								
Cost of services (1)	32,976	33,021	0%	29,389	12%	66,021	60,502	9%
Depreciation - network	5,929	5,679	4%	5,360	11%	11,608	10,510	10%
Total cost of revenue	<u>38,905</u>	<u>38,700</u>	1%	<u>34,749</u>	12%	<u>77,629</u>	<u>71,012</u>	9%
Gross profit	9,443	12,495	-24%	23,797	-60%	21,914	44,546	-51%
Gross profit percentage	19.5%	24.4%		40.6%		22.0%	38.5%	
Operating expenses:								
General and administrative (1)	7,515	12,948	-42%	8,187	-8%	20,412	16,069	27%
Sales and marketing (1)	5,784	9,835	-41%	10,929	-47%	15,631	22,823	-32%
Research & development (1)	5,187	6,113	-15%	5,572	-7%	11,315	11,189	1%
Depreciation and amortization	549	540	2%	323	70%	1,089	665	64%
Restructuring charges	2,155	6,873	NM	-	NM	9,028	-	NM
Total operating expenses	<u>21,190</u>	<u>36,309</u>	-42%	<u>25,011</u>	-15%	<u>57,475</u>	<u>50,746</u>	13%
Operating loss	(11,747)	(23,814)	NM	(1,214)	NM	(35,561)	(6,200)	NM
Other income (expense):								
Interest expense	(1,305)	(1,286)	NM	(71)	NM	(2,591)	(82)	NM
Interest income	42	45	NM	6	NM	87	31	NM
Other, net	(440)	(214)	NM	(312)	NM	(655)	(421)	NM
Total other expense	<u>(1,703)</u>	<u>(1,455)</u>	NM	<u>(377)</u>	NM	<u>(3,159)</u>	<u>(472)</u>	NM
Loss before income taxes	(13,450)	(25,269)	NM	(1,591)	NM	(38,720)	(6,672)	NM
Income tax expense	248	260	NM	136	NM	507	311	NM
Net loss	<u>\$ (13,698)</u>	<u>\$ (25,529)</u>	NM	<u>\$ (1,727)</u>	NM	<u>\$ (39,227)</u>	<u>\$ (6,983)</u>	NM
Net loss per share:								
Basic	<u>\$ (0.11)</u>	<u>\$ (0.21)</u>		<u>\$ (0.01)</u>		<u>\$ (0.31)</u>	<u>\$ (0.06)</u>	
Diluted	<u>\$ (0.11)</u>	<u>\$ (0.21)</u>		<u>\$ (0.01)</u>		<u>\$ (0.31)</u>	<u>\$ (0.06)</u>	
Weighted average shares used in per share calculation:								
Basic	126,050	124,290		120,230		125,170	119,597	
Diluted	126,050	124,290		120,230		125,170	119,597	

(1) Includes share-based compensation (see supplemental table for figures)

**LIMELIGHT NETWORKS, INC.**  
**SUPPLEMENTAL FINANCIAL DATA**  
(In thousands)  
(Unaudited)

	<u>Three Months Ended</u>			<u>Six Months Ended</u>	
	<u>June 30, 2021</u>	<u>March 31, 2021</u>	<u>June 30, 2020</u>	<u>June 30, 2021</u>	<u>June 30, 2020</u>
<b>Share-based compensation:</b>					
Cost of services	\$ 458	\$ 246	\$ 792	\$ 704	\$ 1,555
General and administrative	1,874	6,028	2,257	7,902	4,498
Sales and marketing	395	563	1,322	958	2,550
Research and development	614	371	880	985	1,712
Restructuring and transition related charges	917	1,354	-	2,271	-
Total share-based compensation	<u>\$ 4,258</u>	<u>\$ 8,562</u>	<u>\$ 5,251</u>	<u>\$ 12,820</u>	<u>\$ 10,315</u>
<b>Depreciation and amortization:</b>					
Network-related depreciation	\$ 5,929	\$ 5,679	\$ 5,360	\$ 11,608	\$ 10,510
Other depreciation and amortization	549	540	323	1,089	665
Total depreciation and amortization	<u>\$ 6,478</u>	<u>\$ 6,219</u>	<u>\$ 5,683</u>	<u>\$ 12,697</u>	<u>\$ 11,175</u>
Net increase (decrease) in cash, cash equivalents and marketable securities:	<u>\$ 2,608</u>	<u>\$ (6,795)</u>	<u>\$ (3,221)</u>	<u>\$ (4,187)</u>	<u>\$ (135)</u>
<b>End of period statistics:</b>					
Approximate number of active clients	533	527	560	533	560
Number of employees and employee equivalents	459	510	627	459	627

**LIMELIGHT NETWORKS, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(In thousands)  
(Unaudited)

	Three Months Ended			Six Months Ended	
	June 30, 2021	March 31, 2021	June 30, 2020	June 30, 2021	June 30, 2020
<b>Operating activities</b>					
Net loss	\$ (13,698)	\$ (25,529)	\$ (1,727)	\$ (39,227)	\$ (6,983)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:					
Depreciation and amortization	6,478	6,219	5,683	12,697	11,175
Share-based compensation	4,258	8,562	5,251	12,820	10,315
Foreign currency remeasurement loss (gain)	257	(71)	257	186	(140)
Deferred income taxes	(71)	(10)	59	(81)	15
Gain on sale of property and equipment	(107)	-	-	(107)	-
Accounts receivable charges	381	466	155	847	313
Amortization of premium on marketable securities	573	609	-	1,182	-
Non-cash interest expense	201	199	-	400	-
Changes in operating assets and liabilities:					
Accounts receivable	3,903	2,059	(10,798)	5,962	(11,083)
Prepaid expenses and other current assets	(7)	446	986	439	(447)
Income taxes receivable	46	(36)	10	10	13
Other assets	513	399	1,121	912	1,747
Accounts payable and other current liabilities	1,523	5,209	1,045	6,732	6,937
Deferred revenue	(273)	(84)	313	(357)	63
Income taxes payable	68	73	-	141	2
Other long term liabilities	(108)	(3)	(15)	(111)	(11)
Net cash provided by (used in) operating activities	<u>3,937</u>	<u>(1,492)</u>	<u>2,340</u>	<u>2,445</u>	<u>11,916</u>
<b>Investing activities</b>					
Purchases of marketable securities	(20,537)	(10,874)	-	(31,411)	-
Sale and maturities of marketable securities	25,818	5,897	-	31,715	-
Purchases of property and equipment	(2,986)	(6,628)	(8,085)	(9,614)	(14,948)
Proceeds from sale of property and equipment	107	-	-	107	-
Net cash provided by (used in) investing activities	<u>2,402</u>	<u>(11,605)</u>	<u>(8,085)</u>	<u>(9,203)</u>	<u>(14,948)</u>
<b>Financing activities</b>					
Payment of debt issuance costs	(30)	-	-	(30)	-
Payment of employee tax withholdings related to restricted stock vesting	(427)	(671)	(1,430)	(1,098)	(2,945)
Proceeds from employee stock plans	2,613	2,847	3,954	5,460	6,092
Net cash provided by financing activities	<u>2,156</u>	<u>2,176</u>	<u>2,524</u>	<u>4,332</u>	<u>3,147</u>
Effect of exchange rate changes on cash and cash equivalents	(50)	(254)	-	(304)	(250)
<b>Net increase (decrease) in cash and cash equivalents</b>	<u>8,445</u>	<u>(11,175)</u>	<u>(3,221)</u>	<u>(2,730)</u>	<u>(135)</u>
<b>Cash and cash equivalents, beginning of period</b>	<u>35,620</u>	<u>46,795</u>	<u>21,421</u>	<u>46,795</u>	<u>18,335</u>
<b>Cash and cash equivalents, end of period</b>	<u>\$ 44,065</u>	<u>\$ 35,620</u>	<u>\$ 18,200</u>	<u>\$ 44,065</u>	<u>\$ 18,200</u>

**LIMELIGHT NETWORKS, INC.**  
**Reconciliation of U.S. GAAP Net Loss to Non-GAAP Net Income (Loss)**  
(In thousands)  
(Unaudited)

	Three Months Ended						Six Months Ended			
	June 30, 2021		March 31, 2021		June 30, 2020		June 30, 2021		June 30, 2020	
	Amount	Per Share	Amount	Per Share	Amount	Per Share	Amount	Per Share	Amount	Per Share
U.S. GAAP net loss	\$ (13,698)	\$ (0.11)	\$ (25,529)	\$ (0.21)	\$ (1,727)	\$ (0.01)	\$ (39,227)	\$ (0.31)	\$ (6,983)	\$ (0.06)
Share-based compensation	3,341	0.03	2,644	0.02	5,251	0.04	5,985	0.05	10,315	0.09
Non-cash interest expense	201	0.00	199	0.00	-	-	400	0.00	-	-
Restructuring and transition related charges	2,155	0.02	11,700	0.09	-	-	13,855	0.11	-	-
Non-GAAP net (loss) income	<u>\$ (8,001)</u>	<u>\$ (0.06)</u>	<u>\$ (10,986)</u>	<u>\$ (0.09)</u>	<u>\$ 3,524</u>	<u>\$ 0.03</u>	<u>\$ (18,987)</u>	<u>\$ (0.15)</u>	<u>\$ 3,332</u>	<u>\$ 0.03</u>
Weighted average basic shares used in per share calculation		126,050		124,290		120,230		125,170		119,597

**LIMELIGHT NETWORKS, INC.**  
**Reconciliation of U.S. GAAP Net Loss to EBITDA to Adjusted EBITDA**  
(In thousands)  
(Unaudited)

	Three Months Ended			Six Months Ended	
	June 30, 2021	March 31, 2021	June 30, 2020	June 30, 2021	June 30, 2020
U.S. GAAP net loss	\$ (13,698)	\$ (25,529)	\$ (1,727)	\$ (39,227)	\$ (6,983)
Depreciation and amortization	6,478	6,219	5,683	12,697	11,175
Interest expense	1,305	1,286	71	2,591	82
Interest and other (income) expense	398	169	306	568	390
Income tax expense	248	260	136	507	311
EBITDA	\$ (5,269)	\$ (17,595)	\$ 4,469	\$ (22,864)	\$ 4,975
Share-based compensation	3,341	2,644	5,251	5,985	10,315
Restructuring and transition related charges	2,155	11,700	-	13,855	-
Adjusted EBITDA	<u>\$ 227</u>	<u>\$ (3,251)</u>	<u>\$ 9,720</u>	<u>\$ (3,024)</u>	<u>\$ 15,290</u>

**Limelight Networks, Inc.**  
**2021 Guidance**

	<u>July 2021</u>	<u>April 2021</u>	<u>Actual 2020</u>
Revenue	\$220 to \$230 million	\$220 to \$230 million	\$230.2 million
GAAP Basic EPS	\$(0.35) to \$(0.25)	\$(0.35) to \$(0.25)	\$(0.16)
Non-GAAP EPS	\$(0.15) to \$(0.05)	\$(0.15) to \$(0.05)	\$(0.01)
Adjusted EBITDA	\$20 to \$30 million	\$20 to \$30 million	\$24.5 million
Capital expenditures	\$15 to \$20 million	\$20 to \$25 million	\$25.1 million