

EDGIO, INC.**Use of Non-GAAP Financial Measures**

To evaluate our business, we consider and use non-generally accepted accounting principles ("Non-GAAP") net loss, EBITDA, and Adjusted EBITDA as supplemental measures of operating performance. These measures include the same adjustments that our management takes into account when it reviews and assesses operating performance on a period-to-period basis. We consider Non-GAAP net loss to be an important indicator of our overall business performance. We define Non-GAAP net loss to be U.S. GAAP net loss, adjusted to exclude share-based compensation, non-cash interest expense, restructuring charges, acquisition and legal related expenses, amortization of intangible assets, and impairment charges. We believe that EBITDA provides a useful metric to investors to compare us with other companies within our industry and across industries. We define EBITDA as U.S. GAAP net loss, adjusted to exclude interest expense, interest and other (income) expense, income tax expense, and depreciation and amortization. We define Adjusted EBITDA as EBITDA adjusted to exclude share-based compensation, restructuring charges, and acquisition and legal related expenses. We use Adjusted EBITDA as a supplemental measure to review and assess operating performance. Our management uses these Non-GAAP financial measures because, collectively, they provide valuable information on the performance of our on-going operations, and they also enable us to compare against our peer companies and against other companies in our industry and adjacent industries. We believe these measures also provide similar insights to investors, and enable investors to review our results of operations "through the eyes of management."

Furthermore, our management uses these Non-GAAP financial measures to assist them in making decisions regarding our strategic priorities and areas for future investment and focus. The terms Non-GAAP net loss, EBITDA and Adjusted EBITDA are not defined under U.S. GAAP, and are not measures of operating income, operating performance or liquidity presented in accordance with U.S. GAAP. Our Non-GAAP net loss, EBITDA and Adjusted EBITDA have limitations as analytical tools, and when assessing our operating performance, Non-GAAP net loss, EBITDA and Adjusted EBITDA should not be considered in isolation, or as a substitute for net income (loss) or other consolidated income statement data prepared in accordance with U.S. GAAP. Some of these limitations include, but are not limited to:

- Non-GAAP net loss, EBITDA, and Adjusted EBITDA do not reflect our cash expenditures or future requirements for capital expenditures or contractual commitments;
- These measures do not reflect changes in, or cash requirements for, our working capital needs;
- Non-GAAP net loss, EBITDA, and Adjusted EBITDA do not reflect the cash requirements necessary for litigation costs, including provision for litigation and litigation expenses;
- These measures do not reflect the interest expense, or the cash requirements necessary to service interest or principal payments, on our debt;
- These measures do not reflect income taxes or the cash requirements for any tax payments;
- Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will be replaced sometime in the future, and EBITDA, and Adjusted EBITDA do not reflect any cash requirements for such replacements;
- While share-based compensation is a component of operating expense, the impact on our financial statements compared to other companies can vary significantly due to such factors as the assumed life of the options and the assumed volatility of our common stock; and
- Other companies may calculate Non-GAAP net loss, EBITDA, and Adjusted EBITDA differently than we do, limiting their usefulness as comparative measures.

We compensate for these limitations by relying primarily on our U.S. GAAP financial results and using Non-GAAP net loss, EBITDA, and Adjusted EBITDA only as supplemental support for management's analysis of business performance. Non-GAAP net loss, EBITDA, and Adjusted EBITDA are calculated as follows for the periods presented in thousands.

Reconciliation of Non-GAAP Financial Measures

In accordance with the requirements of Item 10(e) of Regulation S-K, we are presenting the most directly comparable U.S. GAAP financial measures and reconciling the unaudited Non-GAAP financial metrics to the comparable U.S. GAAP measures. Per share amounts may not foot due to rounding.

Forward-looking non-GAAP financial measures are presented without reconciliations of such forward-looking non-GAAP measures because the GAAP financial measures are not accessible on a forward-looking basis and reconciling information is not available without unreasonable effort due to the inherent difficulty in forecasting and quantifying certain amounts that are necessary for such reconciliations, including adjustments reflected in our reconciliation of historic non-GAAP financial measures, the amounts of which, based on historical experience, could be material.

Edgio, Inc.
Consolidated Balance Sheet
(In thousands, except per share data)

	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021	December 31, 2020
		Unaudited	Unaudited	Unaudited		Unaudited	Unaudited	Unaudited	
ASSETS									
Current assets:									
Cash and cash equivalents	\$ 55,275	\$ 59,306	\$ 55,175	\$ 27,175	\$ 41,918	\$ 39,585	\$ 44,065	\$ 35,620	\$ 46,795
Marketable securities	18,734	11,444	22,158	34,751	37,367	36,201	75,471	81,308	76,928
Accounts receivable, net	84,627	102,963	92,084	45,417	33,528	36,487	21,317	25,336	29,074
Income taxes receivable	105	59	58	63	61	62	57	102	68
Prepaid expenses and other current assets	36,374	35,799	43,583	22,570	17,810	19,805	15,945	16,893	15,989
Total current assets	195,115	209,571	213,058	129,976	130,684	132,140	156,855	159,259	168,854
Property and equipment, net	73,467	105,528	116,828	41,398	40,511	42,091	46,253	49,879	49,088
Operating lease right of use assets	5,290	6,680	7,124	6,064	6,338	7,683	8,929	9,521	10,150
Deferred income taxes	2,338	2,745	2,866	1,822	1,893	1,693	1,604	1,577	1,530
Goodwill	169,156	171,065	163,489	113,463	114,511	105,221	77,642	77,421	77,753
Intangible assets, net	91,661	67,738	72,655	13,827	14,613	23,680	-	-	-
Other assets	5,353	7,820	7,374	4,819	5,525	6,012	6,187	6,782	7,273
Total assets	\$ 542,380	\$ 571,147	\$ 583,394	\$ 311,369	\$ 314,075	\$ 318,520	\$ 297,470	\$ 304,439	\$ 314,648
LIABILITIES AND STOCKHOLDERS' EQUITY									
Current liabilities:									
Accounts payable	\$ 52,776	\$ 38,155	\$ 19,455	\$ 14,712	\$ 10,624	\$ 12,761	\$ 11,869	\$ 7,504	\$ 4,370
Deferred revenue	9,286	7,048	5,596	3,000	4,034	8,064	681	1,151	1,318
Operating lease liability obligations	4,557	4,396	4,755	1,754	1,861	1,966	1,977	2,233	2,465
Income taxes payable	3,133	433	262	215	873	443	388	322	253
Financing obligations	6,346	6,314	5,865	4,740	4,648	4,854	3,756	3,721	3,381
Other current liabilities	76,160	86,645	74,984	20,650	19,511	18,035	16,958	19,277	17,581
Total current liabilities	152,258	142,991	110,917	45,071	41,551	46,123	35,629	34,208	29,368
Convertible senior notes, net	122,631	122,416	122,202	121,991	121,782	121,576	121,371	121,200	100,945
Operating lease liability obligations, less current portions	9,181	10,511	11,352	9,209	9,616	10,045	10,358	10,781	11,265
Deferred income taxes	596	95	100	303	308	308	306	360	279
Deferred revenue, less current portion	2,949	2,938	1,530	282	116	307	272	226	220
Financing obligations, less current portion	13,784	14,243	14,292	9,202	7,851	5,425	1,440	854	-
Other long-term liabilities	1,658	710	716	721	777	453	369	476	479
Total liabilities	303,057	293,904	261,109	186,779	182,001	184,237	169,745	168,105	142,556
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	222	222	220	138	134	134	127	125	124
Common stock contingent consideration	16,300	16,300	16,900	-	-	-	-	-	-
Additional paid-in capital	807,507	800,697	793,969	590,249	576,807	571,268	550,205	545,516	556,512
Accumulated other comprehensive loss	(11,665)	(13,462)	(11,413)	(9,004)	(8,345)	(8,491)	(7,965)	(8,462)	(7,511)
Accumulated deficit	(573,041)	(526,514)	(477,391)	(456,793)	(436,522)	(428,628)	(414,642)	(400,845)	(377,033)
Total stockholders' equity	239,323	277,243	322,285	124,590	132,074	134,283	127,725	136,334	172,092
Total liabilities and stockholders' equity	\$ 542,380	\$ 571,147	\$ 583,394	\$ 311,369	\$ 314,075	\$ 318,520	\$ 297,470	\$ 304,439	\$ 314,648
Shares issued and outstanding	222,232	221,583	219,706	138,178	134,337	133,812	126,705	125,248	123,653

Edgio, Inc.
Consolidated Statements of Operations
(In thousands, except per share data)
(Unaudited)

	Twelve Months Ended					Three Months Ended					Nine Months Ended			Six Months Ended			Twelve Months Ended		
	Three Months Ended					Three Months Ended					Three Months Ended			Three Months Ended			Three Months Ended		
	December 31, 2022	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022	September 30, 2022	June 30, 2022	December 31, 2021	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021	September 30, 2021	June 30, 2021	December 31, 2020				
Revenue	\$ 338,598	\$ 108,841	\$ 110,832	\$ 63,586	\$ 55,339	\$ 229,757	\$ 118,925	\$ 201,115	\$ 57,178	\$ 47,994	\$ 46,285	\$ 49,658	\$ 143,937	\$ 95,943	\$ 223,990				
Cost of revenue:																			
Cost of services (1)	202,887	64,356	67,140	38,718	32,673	138,531	71,391	122,687	30,876	29,892	30,669	31,250	91,811	61,919	121,926				
Depreciation - network	28,171	4,629	10,903	6,791	5,848	23,542	12,639	24,106	5,876	6,116	6,239	5,874	18,230	12,114	21,787				
Total cost of revenue	231,058	68,985	78,043	45,509	38,521	162,073	84,030	146,793	36,752	36,008	36,908	37,124	110,041	74,033	143,713				
Gross profit	107,540	39,856	32,789	18,077	16,818	67,684	34,895	54,322	20,426	11,986	9,377	12,534	33,896	21,910	80,277				
Gross profit percentage	31.8%	36.6%	29.6%	28.4%	30.4%	29.5%	29.3%	27.0%	35.7%	25.0%	20.3%	25.2%	23.5%	22.8%	35.8%				
Operating expenses:																			
General and administrative (1)	88,150	23,367	22,138	26,812	15,833	64,783	42,645	40,091	9,147	10,532	7,515	12,897	30,944	20,412	31,284				
Sales and marketing (1)	48,803	15,894	14,448	10,834	7,627	32,909	18,461	29,960	8,341	5,987	5,784	9,848	21,619	15,631	42,945				
Research & development (1)	83,652	29,441	32,462	12,171	9,577	54,211	21,749	21,669	5,149	5,205	5,187	6,128	16,520	11,315	21,680				
Depreciation and amortization	14,741	6,258	5,943	1,032	1,032	8,483	2,540	2,794	976	730	549	540	1,818	1,089	1,591				
Restructuring charges (1)	20,030	10,894	4,070	4,368	698	9,136	5,066	13,425	2,627	1,770	2,155	6,873	10,798	9,028	-				
Total operating expenses	255,376	85,854	79,061	55,693	34,767	169,522	90,461	107,939	26,240	24,224	21,190	36,286	81,699	57,475	97,500				
Operating loss	(147,836)	(45,998)	(46,272)	(37,616)	(17,949)	(101,838)	(55,566)	(53,617)	(5,814)	(12,238)	(11,813)	(23,752)	(47,803)	(35,565)	(17,223)				
Other income (expense):																			
Interest expense	(6,094)	(1,660)	(1,546)	(1,458)	(1,431)	(4,434)	(2,888)	(5,423)	(1,432)	(1,345)	(1,338)	(1,308)	(3,991)	(2,646)	(3,960)				
Interest income	510	310	140	33	27	200	60	134	30	17	42	45	104	87	69				
Other, net	(4,179)	(1,315)	(1,005)	(1,146)	(713)	(2,864)	(1,859)	(1,106)	(242)	(209)	(440)	(214)	(864)	(655)	(368)				
Total other expense	(9,763)	(2,665)	(2,411)	(2,571)	(2,117)	(7,098)	(4,687)	(6,395)	(1,644)	(1,537)	(1,736)	(1,477)	(4,751)	(3,214)	(4,259)				
Loss before income taxes	(157,599)	(48,663)	(48,683)	(40,187)	(20,066)	(108,936)	(60,253)	(60,012)	(7,458)	(13,775)	(13,549)	(25,229)	(52,554)	(38,779)	(21,482)				
Income tax (benefit) expense	(21,080)	(2,137)	440	(19,589)	206	(18,943)	(19,383)	1,154	436	211	248	260	718	507	645				
Net loss	\$ (136,519)	\$ (46,526)	\$ (49,123)	\$ (20,598)	\$ (20,272)	\$ (89,993)	\$ (40,870)	\$ (61,166)	\$ (7,894)	\$ (13,986)	\$ (13,797)	\$ (25,489)	\$ (53,272)	\$ (39,266)	\$ (22,127)				
Net loss per share:																			
Basic	\$ (0.75)	\$ (0.21)	\$ (0.22)	\$ (0.14)	\$ (0.15)	\$ (0.53)	\$ (0.28)	\$ (0.48)	\$ (0.06)	\$ (0.11)	\$ (0.11)	\$ (0.21)	\$ (0.42)	\$ (0.31)	\$ (0.18)				
Diluted	\$ (0.75)	\$ (0.21)	\$ (0.22)	\$ (0.14)	\$ (0.15)	\$ (0.53)	\$ (0.28)	\$ (0.48)	\$ (0.06)	\$ (0.11)	\$ (0.11)	\$ (0.21)	\$ (0.42)	\$ (0.31)	\$ (0.18)				
Weighted-average shares used in per share calculation:																			
Basic	182,381	222,026	220,194	151,776	135,528	169,166	143,652	127,789	134,023	126,791	126,050	124,290	125,710	125,170	121,196				
Diluted	182,381	222,026	220,194	151,776	135,528	169,166	143,652	127,789	134,023	126,791	126,050	124,290	125,710	125,170	121,196				

(1) Includes share-based compensation and acquisition and legal related expenses (see supplemental table for figures)

Edgio, Inc.
Consolidated Statements of Cash Flows
(In thousands)

	(Unaudited)								
	Twelve Months Ended	Nine Months Ended	Six Months Ended	Three Months Ended	Twelve Months Ended	Nine Months Ended	Six Months Ended	Three Months Ended	Twelve Months Ended
	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021	December 31, 2020
Operating activities									
Net loss	\$ (136,519)	\$ (89,993)	\$ (40,870)	\$ (20,272)	\$ (61,166)	\$ (53,272)	\$ (39,286)	\$ (25,489)	\$ (22,127)
Adjustments to reconcile net loss to net cash provided by (used in) operating activities:									
Depreciation and amortization	42,912	32,025	15,179	6,880	26,900	20,048	13,203	6,414	23,378
Share-based compensation	30,593	22,656	14,303	7,012	20,480	16,477	12,820	8,562	15,717
Foreign currency remeasurement loss (gain)	3,003	614	683	242	142	(66)	186	(71)	214
Deferred income taxes	(22,137)	(19,117)	(19,280)	(2)	(414)	(198)	(81)	(10)	(94)
Loss (gain) on sale of property and equipment	433	(47)	(10)	-	(247)	(219)	(107)	-	6
Accounts receivable charges	2,413	671	278	272	1,082	1,047	847	466	801
Amortization of premium on marketable securities	439	526	484	280	1,879	1,597	1,182	609	606
Realized loss on marketable securities	-	-	-	-	-	-	-	-	(3)
Noncash interest expense	849	634	420	209	811	604	400	199	1,938
Impairment of Investment	1,275	-	-	-	-	-	-	-	-
Noncash capital contributions from parent	5,484	3,189	447	-	-	-	-	-	-
Noncash restructuring charges	3,522	-	-	-	-	-	-	-	-
Changes in operating assets and liabilities, net of amounts acquired:									
Accounts receivable	(4,843)	(22,391)	(10,284)	(12,161)	(3,021)	(5,947)	6,911	3,273	4,370
Prepaid expenses and other current assets	(6,902)	(3,475)	(5,183)	(2,728)	1,535	1,625	652	840	(5,887)
Income taxes receivable	75	(721)	(555)	(2)	(47)	4	10	(36)	19
Other assets	2,036	(200)	1,006	466	3,961	2,017	912	399	2,762
Accounts payable and other current liabilities	58,448	51,537	26,713	3,813	8,742	7,761	6,654	5,304	(1,737)
Deferred revenue	4,281	4,754	1,905	(868)	(496)	4,353	(585)	(162)	151
Income taxes payable	2,084	(424)	(603)	(655)	645	210	141	73	71
Other long term liabilities	882	(57)	(57)	(55)	300	(26)	(111)	(3)	167
Net cash (used in) provided by operating activities	(11,672)	(19,819)	(15,424)	(17,569)	1,086	(3,985)	3,748	368	20,352
Investing activities									
Purchases of marketable securities	(36,948)	(19,781)	(8,179)	(6,839)	(62,076)	(44,838)	(31,411)	(10,874)	(88,754)
Sale and maturities of marketable securities	55,166	45,191	22,871	9,087	99,760	84,000	31,715	5,897	11,172
Purchases of property and equipment	(35,541)	(30,212)	(23,856)	(5,863)	(22,060)	(16,197)	(11,532)	(7,582)	(27,490)
Proceeds from sale of property and equipment	69	47	10	-	247	219	107	-	2
Cash acquired in (used for) acquisition of business	29,826	29,829	29,829	(163)	(30,968)	(30,968)	-	-	-
Net cash provided by (used in) investing activities	12,572	25,074	20,675	(3,778)	(15,097)	(7,784)	(11,121)	(12,559)	(105,070)
Financing activities									
Proceeds from issuance of debt, net	-	-	-	-	-	-	-	-	121,600
Purchase of capped calls	-	-	-	-	-	-	-	-	(16,413)
Payment of debt issuance costs	-	-	-	-	(30)	(30)	(30)	-	(859)
Proceeds from financing obligations	13,479	12,604	5,502	1,602	9,385	3,540	2,415	-	3,381
Repayment of financing obligations	(4,956)	(3,807)	(2,832)	(1,336)	(4,207)	(2,597)	(1,800)	(906)	-
Payment of employee tax withholdings related to restricted stock vesting	(4,270)	(3,371)	(1,809)	(1,285)	(1,626)	(1,315)	(1,098)	(671)	(4,878)
Proceeds from employee stock plans	9,998	9,361	8,771	7,986	6,185	5,460	5,460	2,847	10,068
Net cash provided by financing activities	14,251	14,787	9,632	6,967	9,707	5,058	4,947	1,270	112,899
Effect of exchange rate changes on cash and cash equivalents	(1,794)	(2,654)	(1,626)	(363)	(573)	(499)	(304)	(254)	279
Net increase (decrease) in cash and cash equivalents	13,357	17,388	13,257	(14,743)	(4,877)	(7,210)	(2,730)	(11,175)	28,460
Cash and cash equivalents, beginning of year	41,918	41,918	41,918	41,918	46,795	46,795	46,795	46,795	18,335
Cash and cash equivalents, end of year	\$ 55,275	\$ 59,306	\$ 55,175	\$ 27,175	\$ 41,918	\$ 39,585	\$ 44,065	\$ 35,620	\$ 46,795
Supplement disclosure of cash flow information									
Cash paid during the year for interest	\$ 4,928	\$ 4,748	\$ 2,446	\$ 2,282	\$ 4,638	\$ 4,547	\$ 2,320	\$ 2,280	\$ 108
Cash paid during the year for income taxes, net of refunds	\$ 1,132	\$ 1,202	\$ 1,002	\$ 868	\$ 928	\$ 714	\$ 440	\$ 229	\$ 626
Common stock issued in connection with acquisition of businesses	\$ 183,585	\$ 186,196	\$ 186,146	\$ -	\$ 18,433	\$ 18,433	\$ -	\$ -	\$ -
Common stock contingent consideration related to business combination	\$ 16,300	\$ 16,300	\$ 16,900	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Common stock issued for employee compensation arrangements	\$ 9,419	\$ 9,419	\$ 9,419	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Property and equipment included in accounts payable and other current liabilities	\$ 3,179	\$ 1,323	\$ 1,139	\$ 2,026	\$ 1,020	\$ 1,316	\$ 1,788	\$ 3,414	\$ 1,732
Noncash additions to financing receivables	\$ 12,589	\$ 11,865	\$ 10,489	\$ 2,779	\$ 13,325	\$ 9,495	\$ 3,615	\$ 2,100	\$ 3,381
Noncash additions to short-term financing liabilities	\$ 3,043	\$ 2,919	\$ 2,627	\$ 774	\$ 4,687	\$ 3,731	\$ 1,954	\$ 1,246	\$ 2,696
Noncash additions to long-term financing liabilities	\$ 9,546	\$ 8,946	\$ 7,862	\$ 2,005	\$ 8,638	\$ 5,764	\$ 1,661	\$ 854	\$ 685

Edgio, Inc.
Supplemental Financial Data
(In thousands)
(Unaudited)

	Twelve Months Ended		Three Months Ended				Nine Months Ended		Six Months Ended		Twelve Months Ended		Three Months Ended		Nine Months Ended		Six Months Ended		Twelve Months Ended	
	December 31, 2022	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022	September 30, 2022	June 30, 2022	December 31, 2021	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021	September 30, 2021	June 30, 2021	December 31, 2020					
Share-based compensation:																				
Cost of services	\$ 2,443	\$ 854	\$ 855	\$ 326	\$ 408	\$ 1,589	\$ 734	\$ 1,385	\$ 243	\$ 438	\$ 458	\$ 246	\$ 1,142	\$ 704	\$ 1,998					
General and administrative	8,659	2,190	2,200	2,166	2,103	6,469	4,269	12,514	2,311	2,301	1,874	6,028	10,203	7,902	7,611					
Sales and marketing	3,836	552	727	1,376	1,181	3,284	2,557	2,513	915	640	395	563	1,598	958	3,519					
Research and development	15,655	4,341	4,571	3,423	3,320	11,314	6,743	2,435	788	662	614	371	1,647	985	2,589					
Restructuring charges	-	-	-	-	-	-	-	1,633	(254)	(384)	917	1,354	1,887	2,271	-					
Total share-based compensation	\$ 30,593	\$ 7,937	\$ 8,353	\$ 7,291	\$ 7,012	\$ 22,656	\$ 14,303	\$ 20,480	\$ 4,003	\$ 3,657	\$ 4,258	\$ 8,562	\$ 16,477	\$ 12,820	\$ 15,717					
Acquisition and legal related charges:																				
Cost of services	\$ 1,885	\$ 709	\$ 1,106	\$ 70	\$ -	\$ 1,176	\$ 70	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -					
General and administrative	30,540	4,013	6,898	14,522	5,107	26,527	19,629	2,640	199	2,263	-	-	2,441	-	-					
Sales and marketing	385	93	292	-	-	292	-	-	-	-	-	-	-	-	-					
Research and development	4,367	1,370	2,975	22	-	2,997	22	-	-	-	-	-	-	-	-					
Total acquisition and legal related charges	\$ 37,177	\$ 6,185	\$ 11,271	\$ 14,614	\$ 5,107	\$ 30,992	\$ 19,721	\$ 2,640	\$ 199	\$ 2,263	\$ -	\$ -	\$ 2,441	\$ -	\$ -					
Depreciation and amortization:																				
Network-related depreciation	\$ 28,171	\$ 4,629	\$ 10,903	\$ 6,791	\$ 5,848	\$ 23,542	\$ 12,639	\$ 24,106	\$ 5,876	\$ 6,116	\$ 6,239	\$ 5,874	\$ 18,230	\$ 12,114	\$ 21,787					
Other depreciation and amortization	1,789	181	1,026	336	246	1,608	582	1,746	249	409	549	540	1,497	1,089	1,591					
Amortization of intangible assets	12,952	6,077	4,917	1,172	786	6,875	1,958	1,048	727	321	-	-	321	-	-					
Total depreciation and amortization	\$ 42,912	\$ 10,887	\$ 16,846	\$ 8,299	\$ 6,880	\$ 32,025	\$ 15,179	\$ 26,900	\$ 6,852	\$ 6,846	\$ 6,788	\$ 6,414	\$ 20,048	\$ 13,203	\$ 23,378					
End of period statistics:																				
Approximate number of active clients	954	954	994	1,000	577	994	1,000	570	570	581	533	527	581	533	527					
Number of employees and employee equivalents	980	980	1,057	1,094	556	1,057	1,094	552	552	529	459	510	529	459	618					

Edgio, Inc.
 Reconciliation of U.S. GAAP Net Loss to Non-GAAP Net (Loss) Income
 (in thousands)
 (Unaudited)

	Twelve Months Ended		Three Months Ended						Nine Months Ended		Six Months Ended		Twelve Months Ended																	
	December 31, 2022		September 30, 2022		June 30, 2022		March 31, 2022		September 30, 2022		June 30, 2022		December 31, 2021		September 30, 2021		June 30, 2021		March 31, 2021		September 30, 2021		June 30, 2021		December 31, 2020					
	Amount	Per Share	Amount	Per Share	Amount	Per Share	Amount	Per Share	Amount	Per Share	Amount	Per Share	Amount	Per Share	Amount	Per Share	Amount	Per Share	Amount	Per Share	Amount	Per Share	Amount	Per Share	Amount	Per Share	Amount	Per Share		
U.S. GAAP net loss	\$ (136,519)	\$ (0.75)	\$ (46,526)	\$ (0.21)	\$ (49,123)	\$ (0.22)	\$ (20,598)	\$ (0.14)	\$ (20,272)	\$ (0.15)	\$ (89,993)	\$ (0.53)	\$ (40,870)	\$ (0.28)	\$ (61,166)	\$ (0.48)	\$ (7,894)	\$ (0.06)	\$ (13,986)	\$ (0.11)	\$ (13,797)	\$ (0.11)	\$ (25,489)	\$ (0.21)	\$ (53,272)	\$ (0.42)	\$ (39,286)	\$ (0.31)	\$ (22,127)	\$ (0.18)
Share-based compensation	30,593	0.17	7,937	0.04	8,353	0.04	7,291	0.05	7,012	0.05	22,656	0.13	14,303	0.10	18,847	0.15	4,257	0.03	4,041	0.03	3,341	0.03	7,208	0.06	14,590	0.12	10,549	0.08	15,717	0.13
Noncash interest expense	849	0.00	215	0.00	214	0.00	211	0.00	209	0.00	634	0.00	420	0.00	811	0.01	207	0.00	204	0.00	201	0.00	199	0.00	604	0.00	400	0.00	1,938	0.02
Restructuring charges	20,030	0.11	10,894	0.05	4,070	0.02	4,368	0.03	698	0.01	9,136	0.05	5,066	0.04	13,888	0.11	2,890	0.02	1,770	0.01	2,155	0.02	7,136	0.06	11,061	0.09	9,291	0.07	-	-
Acquisition and legal related expenses	37,177	0.20	6,185	0.03	11,271	0.05	14,614	0.10	5,107	0.04	30,992	0.18	19,721	0.14	2,640	0.02	199	0.00	2,263	0.02	-	-	-	-	2,444	0.02	-	-	-	-
Amortization of intangible assets	12,952	0.07	6,077	0.03	4,917	0.02	1,172	0.01	786	0.01	6,875	0.04	1,958	0.01	1,048	0.01	727	0.01	321	0.00	-	-	-	-	321	0.00	-	-	-	-
Impairment of private company investment	1,275	0.01	1,275	0.01	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Non-GAAP net (loss) income	\$ (33,643)	\$ (0.18)	\$ (13,943)	\$ (0.06)	\$ (20,298)	\$ (0.09)	\$ 7,058	\$ 0.05	\$ (6,460)	\$ (0.05)	\$ (19,700)	\$ (0.12)	\$ 598	\$ 0.00	\$ (24,132)	\$ (0.19)	\$ 386	\$ 0.00	\$ (5,387)	\$ (0.04)	\$ (8,100)	\$ (0.06)	\$ (10,846)	\$ (0.09)	\$ (24,255)	\$ (0.19)	\$ (19,046)	\$ (0.15)	\$ (14,811)	\$ (0.12)
Weighted-average basic shares used in per share calculation:	182,381		222,026		220,194		151,776		135,528		169,166		143,652		127,789		134,023		126,791		126,050		124,290		125,710		125,170		121,196	

Edgio, Inc.
Reconciliation of U.S. GAAP Net Loss to EBITDA to Adjusted EBITDA
(In thousands)
(Unaudited)

	Twelve Months Ended	Three Months Ended				Nine Months Ended	Six Months Ended	Twelve Months Ended	Three Months Ended				Nine Months Ended	Six Months Ended	Twelve Months Ended
	December 31, 2022	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022	September 30, 2022	June 30, 2022	December 31, 2021	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021	September 30, 2021	June 30, 2021	December 31, 2020
U.S. GAAP net loss	\$ (136,519)	\$ (46,526)	\$ (49,123)	\$ (20,598)	\$ (20,272)	\$ (89,993)	\$ (40,870)	\$ (61,166)	\$ (7,894)	\$ (13,986)	\$ (13,797)	\$ (25,489)	\$ (53,272)	\$ (39,286)	\$ (22,127)
Depreciation and amortization	42,912	10,887	16,846	8,299	6,880	32,025	15,179	26,900	6,852	6,846	6,788	6,414	20,048	13,203	23,378
Interest expense	6,094	1,660	1,546	1,458	1,431	4,434	2,888	5,423	1,432	1,345	1,338	1,308	3,991	2,646	3,960
Interest and other expense	3,669	1,005	865	1,113	686	2,664	1,799	972	212	192	398	169	760	568	299
Income tax (benefit) expense	(21,080)	(2,137)	440	(19,589)	206	(18,943)	(19,383)	1,154	436	211	248	260	718	507	645
EBITDA	\$ (104,924)	\$ (35,111)	\$ (29,426)	\$ (29,317)	\$ (11,069)	\$ (69,813)	\$ (40,387)	\$ (26,717)	\$ 1,038	\$ (5,392)	\$ (5,025)	\$ (17,338)	\$ (27,755)	\$ (22,362)	\$ 6,155
Share-based compensation	30,593	7,937	8,353	7,291	7,012	22,656	14,303	18,847	4,257	4,041	3,341	7,208	14,599	10,549	15,717
Restructuring charges	20,030	10,894	4,070	4,368	698	9,136	5,066	13,688	2,890	1,770	2,155	7,136	11,061	9,291	-
Acquisition and legal related expenses	37,177	6,185	11,271	14,614	5,107	30,992	19,721	2,640	199	2,263	-	-	2,441	-	-
Adjusted EBITDA	\$ (17,124)	\$ (10,095)	\$ (5,732)	\$ (3,044)	\$ 1,748	\$ (7,029)	\$ (1,297)	\$ 8,458	\$ 8,384	\$ 2,682	\$ 471	\$ (2,994)	\$ 337	\$ (2,522)	\$ 21,872

Edgio, Inc.
Reconciliation of U.S. GAAP Financial Measures to Non-GAAP Financial Measures
(in thousands)
(Unaudited)

	Twelve Months Ended		Three Months Ended			Nine Months Ended		Six Months Ended		Twelve Months Ended			Nine Months Ended		Six Months Ended		Twelve Months Ended	
	December 31, 2022	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022	September 30, 2022	June 30, 2022	December 31, 2021	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021	September 30, 2021	June 30, 2021	December 31, 2020			
GAAP gross profit	\$ 107,540	\$ 39,856	\$ 32,789	\$ 18,077	\$ 16,818	\$ 67,684	\$ 34,895	\$ 54,322	\$ 20,426	\$ 11,986	\$ 9,377	\$ 12,534	\$ 33,896	\$ 21,910	\$ 80,277			
Share-based compensation expense	2,443	854	855	326	408	1,589	734	1,385	243	438	458	246	1,142	704	1,998			
Acquisition and legal related charges	1,895	709	1,106	70	-	1,176	70	-	-	-	-	-	-	-	-			
Non-GAAP gross profit	\$ 111,868	\$ 41,419	\$ 34,750	\$ 18,473	\$ 17,226	\$ 70,449	\$ 35,699	\$ 55,707	\$ 20,669	\$ 12,424	\$ 9,835	\$ 12,780	\$ 35,038	\$ 22,614	\$ 82,275			
Non-GAAP gross margin	38.1%	38.1%	31.4%	29.1%	31.1%	30.7%	30.0%	27.7%	25.9%	24.3%	25.7%	24.3%	23.6%	26.7%				
GAAP general and administrative expense	\$ 88,150	\$ 23,367	\$ 22,138	\$ 26,812	\$ 15,833	\$ 64,783	\$ 42,645	\$ 40,091	\$ 9,147	\$ 10,532	\$ 7,515	\$ 12,897	\$ 30,944	\$ 20,412	\$ 31,284			
Share-based compensation expense	8,659	2,190	2,200	2,166	2,103	6,469	4,259	12,514	2,311	2,301	1,874	6,028	10,203	7,902	7,611			
Acquisition and legal related charges	30,540	4,013	6,898	14,522	5,107	26,527	19,629	2,640	199	2,263	-	2,441	-	-				
Non-GAAP general and administrative expense	\$ 48,951	\$ 17,164	\$ 13,040	\$ 10,124	\$ 8,623	\$ 31,787	\$ 18,747	\$ 24,937	\$ 6,637	\$ 5,968	\$ 5,641	\$ 6,869	\$ 18,300	\$ 12,510	\$ 23,673			
GAAP sales and marketing expense	\$ 48,803	\$ 15,894	\$ 14,448	\$ 10,834	\$ 7,627	\$ 32,909	\$ 18,461	\$ 29,960	\$ 8,341	\$ 5,987	\$ 5,784	\$ 9,848	\$ 21,619	\$ 15,631	\$ 42,945			
Share-based compensation expense	3,836	552	727	1,376	1,181	3,284	2,557	2,513	915	640	395	563	1,598	958	3,519			
Acquisition and legal related charges	385	93	292	-	-	292	-	-	-	-	-	-	-	-				
Non-GAAP sales and marketing expense	\$ 44,582	\$ 15,249	\$ 13,429	\$ 9,458	\$ 6,446	\$ 29,333	\$ 15,904	\$ 27,447	\$ 7,426	\$ 5,347	\$ 5,389	\$ 9,285	\$ 20,021	\$ 14,673	\$ 39,426			
GAAP research and development expense	\$ 83,652	\$ 29,441	\$ 32,462	\$ 12,171	\$ 9,577	\$ 54,211	\$ 21,749	\$ 21,669	\$ 5,149	\$ 5,205	\$ 5,187	\$ 6,128	\$ 16,520	\$ 11,315	\$ 21,680			
Share-based compensation expense	15,655	4,341	4,571	3,423	3,320	11,314	6,743	2,435	788	662	614	371	1,647	985	2,589			
Acquisition and legal related charges	4,367	1,370	2,975	22	-	2,997	22	-	-	-	-	-	-	-				
Non-GAAP research and development expense	\$ 63,630	\$ 23,730	\$ 24,916	\$ 8,728	\$ 6,257	\$ 39,900	\$ 14,984	\$ 19,234	\$ 4,361	\$ 4,543	\$ 4,573	\$ 5,757	\$ 14,873	\$ 10,330	\$ 19,091			
GAAP depreciation and amortization	\$ 14,741	\$ 6,258	\$ 5,943	\$ 1,508	\$ 1,032	\$ 8,483	\$ 2,540	\$ 2,794	\$ 976	\$ 730	\$ 549	\$ 540	\$ 1,818	\$ 1,089	\$ 1,591			
Amortization of intangibles	(12,952)	(6,077)	(4,917)	(1,172)	(786)	(6,875)	(1,958)	(1,048)	(727)	(321)	-	-	(321)	-				
Non-GAAP depreciation and amortization	\$ 1,789	\$ 181	\$ 1,026	\$ 336	\$ 246	\$ 1,608	\$ 582	\$ 1,746	\$ 249	\$ 409	\$ 549	\$ 540	\$ 1,497	\$ 1,089	\$ 1,591			
GAAP operating loss	\$ (147,836)	\$ (45,998)	\$ (46,272)	\$ (37,616)	\$ (17,949)	\$ (101,838)	\$ (55,566)	\$ (53,617)	\$ (5,814)	\$ (12,238)	\$ (11,813)	\$ (23,752)	\$ (47,803)	\$ (35,565)	\$ (17,223)			
Share-based compensation expense	30,593	7,937	8,353	7,291	7,012	22,656	14,303	18,847	4,257	4,041	3,341	7,208	14,590	10,549	15,717			
Amortization of intangibles	12,952	6,077	4,917	1,172	786	6,875	1,958	1,048	727	321	-	-	321	-				
Acquisition and legal related charges	37,177	6,185	11,271	14,614	5,107	30,992	19,721	2,640	199	2,263	-	2,441	-	-				
Restructuring charges	20,030	10,894	4,070	4,368	698	9,136	5,066	13,688	2,890	1,770	2,155	7,136	11,061	9,291				
Non-GAAP operating (loss) income	\$ (47,084)	\$ (14,905)	\$ (17,661)	\$ (10,171)	\$ (4,346)	\$ (32,179)	\$ (14,518)	\$ (17,394)	\$ 2,259	\$ (3,843)	\$ (6,317)	\$ (9,408)	\$ (19,390)	\$ (15,725)	\$ (1,506)			
GAAP pre-tax loss	\$ (157,599)	\$ (48,683)	\$ (48,683)	\$ (40,187)	\$ (20,066)	\$ (108,936)	\$ (60,253)	\$ (60,12)	\$ (7,458)	\$ (13,775)	\$ (13,549)	\$ (25,229)	\$ (52,554)	\$ (38,779)	\$ (21,482)			
Share-based compensation expense	30,593	7,937	8,353	7,291	7,012	22,656	14,303	18,847	4,257	4,041	3,341	7,208	14,590	10,549	15,717			
Amortization of intangibles	12,952	6,077	4,917	1,172	786	6,875	1,958	1,048	727	321	-	-	321	-				
Acquisition and legal related charges	37,177	6,185	11,271	14,614	5,107	30,992	19,721	2,640	199	2,263	-	2,441	-	-				
Restructuring charges	20,030	10,894	4,070	4,368	698	9,136	5,066	13,688	2,890	1,770	2,155	7,136	11,061	9,291				
Noncash interest expense	849	215	214	211	209	634	420	811	207	204	201	199	604	400	1,938			
Impairment of private company investment	1,275	1,275	-	-	-	-	-	-	-	-	-	-	-	-				
Non-GAAP pre-tax (loss) income	\$ (54,723)	\$ (16,080)	\$ (19,858)	\$ (12,531)	\$ (6,254)	\$ (38,643)	\$ (18,785)	\$ (22,978)	\$ 822	\$ (5,176)	\$ (7,852)	\$ (10,886)	\$ (23,537)	\$ (18,539)	\$ (3,827)			
GAAP net loss	\$ (136,519)	\$ (46,526)	\$ (49,123)	\$ (20,598)	\$ (20,272)	\$ (89,993)	\$ (40,870)	\$ (61,166)	\$ (7,894)	\$ (13,986)	\$ (13,797)	\$ (25,489)	\$ (53,272)	\$ (39,286)	\$ (22,127)			
Share-based compensation expense	30,593	7,937	8,353	7,291	7,012	22,656	14,303	18,847	4,257	4,041	3,341	7,208	14,590	10,549	15,717			
Amortization of intangibles	12,952	6,077	4,917	1,172	786	6,875	1,958	1,048	727	321	-	-	321	-				
Acquisition and legal related charges	37,177	6,185	11,271	14,614	5,107	30,992	19,721	2,640	199	2,263	-	2,441	-	-				
Restructuring charges	20,030	10,894	4,070	4,368	698	9,136	5,066	13,688	2,890	1,770	2,155	7,136	11,061	9,291				
Noncash interest expense	849	215	214	211	209	634	420	811	207	204	201	199	604	400	1,938			
Impairment of private company investment	1,275	1,275	-	-	-	-	-	-	-	-	-	-	-	-				
Non-GAAP net (loss) income	\$ (33,643)	\$ (13,943)	\$ (20,298)	\$ 7,058	\$ (6,460)	\$ (19,700)	\$ 598	\$ (24,132)	\$ 386	\$ (5,387)	\$ (8,100)	\$ (10,946)	\$ (24,255)	\$ (19,046)	\$ (4,472)			
Non-GAAP fully weighted-average basic shares	182,381	222,026	220,194	151,776	135,528	169,166	143,652	127,789	134,023	126,791	126,050	124,290	125,710	125,170	121,196			
Non-GAAP fully weighted-average diluted shares	182,381	222,026	220,194	151,776	135,528	169,166	143,652	127,789	134,023	126,791	126,050	124,290	125,710	125,170	121,196			
Non-GAAP net (loss) income per Non-GAAP basic share	\$ (0.18)	\$ (0.06)	\$ (0.09)	\$ 0.05	\$ (0.05)	\$ (0.12)	\$ 0.00	\$ (0.19)	\$ 0.00	\$ (0.04)	\$ (0.06)	\$ (0.09)	\$ (0.19)	\$ (0.15)	\$ (0.04)			
Non-GAAP net (loss) income per Non-GAAP diluted share	\$ (0.18)	\$ (0.06)	\$ (0.09)	\$ 0.05	\$ (0.05)	\$ (0.12)	\$ 0.00	\$ (0.19)	\$ 0.00	\$ (0.04)	\$ (0.06)	\$ (0.09)	\$ (0.19)	\$ (0.15)	\$ (0.04)			

Edgio, Inc.
Reconciliation of U.S. GAAP Gross Profit to U.S. Non-GAAP Gross Profit to Cash Gross Profit
(In thousands)
(Unaudited)

	Twelve Months Ended	Three Months Ended				Nine Months Ended	Six Months Ended	Twelve Months Ended	Three Months Ended				Nine Months Ended	Six Months Ended	Twelve Months Ended
	December 31, 2022	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022	September 30, 2022	June 30, 2022	December 31, 2021	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021	September 30, 2021	June 30, 2021	December 31, 2020
GAAP gross profit	\$ 107,540	\$ 39,856	\$ 32,789	18,077	16,818	\$ 67,684	\$ 34,895	\$ 54,322	\$ 20,426	\$ 11,986	9,377	12,534	\$ 33,896	\$ 21,910	\$ 80,277
Share-based compensation expense	2,443	854	855	326	408	1,589	734	1,385	243	438	458	246	1,142	704	1,998
Acquisition and legal related charges	1,885	709	1,106	70	-	1,176	70	-	-	-	-	-	-	-	-
Non-GAAP gross profit	<u>\$ 111,868</u>	<u>\$ 41,419</u>	<u>\$ 34,750</u>	<u>\$ 18,473</u>	<u>\$ 17,226</u>	<u>\$ 70,449</u>	<u>\$ 35,699</u>	<u>\$ 55,707</u>	<u>\$ 20,669</u>	<u>\$ 12,424</u>	<u>\$ 9,835</u>	<u>\$ 12,780</u>	<u>\$ 35,038</u>	<u>\$ 22,614</u>	<u>\$ 82,275</u>
Non-GAAP gross margin	33.0%	38.1%	31.4%	29.1%	31.1%	30.7%	30.0%	27.7%	36.1%	25.9%	21.2%	25.7%	24.3%	23.6%	36.7%
Depreciation	\$ 28,171	\$ 4,629	\$ 10,903	6,791	5,848	\$ 23,542	\$ 12,639	\$ 24,106	\$ 5,876	\$ 6,116	6,239	5,874	\$ 18,230	\$ 12,114	\$ 21,787
Cash gross profit	<u>\$ 140,039</u>	<u>\$ 46,048</u>	<u>\$ 45,653</u>	<u>\$ 25,264</u>	<u>\$ 23,074</u>	<u>\$ 93,991</u>	<u>\$ 48,338</u>	<u>\$ 79,813</u>	<u>\$ 26,545</u>	<u>\$ 18,540</u>	<u>\$ 16,074</u>	<u>\$ 18,654</u>	<u>\$ 53,268</u>	<u>\$ 34,728</u>	<u>\$ 104,062</u>
Cash gross margin	41.4%	42.3%	41.2%	39.7%	41.7%	40.9%	40.6%	39.7%	46.4%	38.6%	34.7%	37.6%	37.0%	36.2%	46.5%

EDGIO, INC.
Additional capital expenditure data
(In thousands)
(Unaudited)

	Twelve Months Ended		Three Months Ended			Nine Months Ended		Six Months Ended		Twelve Months Ended		Three Months Ended		Nine Months Ended		Six Months Ended		Twelve Months Ended	
	December 31, 2022	December 31, 2022	September 30, 2022	June 30, 2022	March 31, 2022	September 30, 2022	June 30, 2022	December 31, 2021	December 31, 2021	September 30, 2021	June 30, 2021	March 31, 2021	September 30, 2021	June 30, 2021	December 31, 2020				
Purchases of property and equipment	\$35,541	\$5,329	\$6,356	\$17,993	\$5,863	\$30,212	\$23,856	\$22,060	\$5,863	\$4,665	\$3,950	\$7,582	\$16,197	\$11,532	\$27,490				
Proceeds from financing obligations	\$13,479	\$875	\$7,102	\$3,900	\$1,602	\$13,479	\$12,604	\$9,385	\$5,845	\$1,125	\$2,415	\$0	\$3,540	\$2,415	\$3,381				
As % of revenue																			
Purchases of property and equipment	10%	5%	6%	28%	11%	13%	20%	11%	10%	10%	9%	15%	11%	12%	12%				
Proceeds from financing obligations	4%	1%	6%	6%	3%	6%	11%	5%	10%	2%	5%	0%	2%	3%	2%				

Note: Due to the adoption of lease accounting for Open Edge, we do not recognize the revenue on our income statement. Under this practice, the equipment we purchase for ISPs is recorded as capital expenditure. When a PoP is activated, we will record the payment from the ISPs on the cash flow statement as "Proceeds from financing obligations". In essence, this payment is an offset to capital expenditure and we have provided the components to provide transparency in the capital expenditure needs of our business.