
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM 8-K

CURRENT REPORT

**Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported):
July 28, 2021

LIMELIGHT NETWORKS, INC.

(Exact name of Registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

001-33508
(Commission
File Number)

20-1677033
(I.R.S. Employer
Identification Number)

1465 North Scottsdale Road Suite 400
Scottsdale, AZ 85257
(Address, including zip code, of principal executive offices)

(602) 850-5000
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of exchange on which registered
Common stock, par value \$0.001 per share	LLNW	NASDAQ

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement.

On July 28, 2021, Limelight Networks, Inc. (the “Company”), entered into an Agreement and Plan of Merger (the “Merger Agreement”) with Moov Corporation, a California corporation (the “Moov”), Mojo Merger Sub I, Inc., a California corporation and a wholly-owned subsidiary of the Company (“Merger Sub I”), Mojo Merger Sub II, LLC, a California limited liability company and a wholly-owned subsidiary of the Company (“Merger Sub II” and together with Merger Sub I, the “Merger Subs”), and Fortis Advisors LLC, a Delaware limited liability company, solely in its capacity as the representative of the Moov securityholders (the “Securityholders’ Representative”).

Pursuant to the terms of the Merger Agreement, Merger Sub I will merge with and into Moov (the “First Merger”) and Merger Sub I will cease to exist and Moov will become a wholly-owned subsidiary of the Company, and immediately following the First Merger, Moov will merge with and into Merger Sub II (the “Second Merger” and collectively with the First Merger, the “Merger”), and upon consummation of the Second Merger, Moov will cease to exist and Merger Sub II will survive as a wholly-owned subsidiary of the Company.

Upon consummation of the transactions contemplated by the Merger Agreement (the “Closing”), all outstanding shares of Moov capital stock, options to purchase Moov capital stock, warrants to purchase Moov capital stock, convertible securities and other outstanding equity interests will be cancelled in exchange for aggregate consideration of approximately \$55,000,000, subject to customary adjustments for transactions of this nature, in the form of cash in the aggregate amount of \$32,500,000 and shares of common stock of the Company, par value \$0.001 per share (the “Common Stock”) in the aggregate amount of \$22,500,000 (the “Stock Consideration”); *provided*, that (a) shares of Moov capital stock held by unaccredited stockholders, and vested options to purchase Moov capital stock will receive cash in lieu of the Stock Consideration, (b) in-the-money unvested options to purchase Moov capital stock held by employees of the Company who remain or become employees of the Company or any of its subsidiaries following the Closing will be assumed by the Company or substituted with a corresponding unvested stock option of the Company to purchase shares of Common Stock, and (c) all out-of-the money unvested options to purchase Company capital stock will be cancelled for no consideration. The number of shares to be issued in connection with the Stock Consideration will be calculated based on a volume-weighted average price per share of the Common Stock over the preceding 20-day trading period ending on the third trading day immediately prior to the date of the closing of the transaction (the “Closing”).

In addition, an incentive equity pool of \$30,000,000 of restricted stock units will be paid to employees who are to remain employees of the Company as follows:

- \$10 million is based on a four-year service vesting period; and
- \$20 million is based on achieving certain revenue growth targets, utilization metrics, and customer retained revenue metrics over the same four-year period.

The Merger Agreement contains customary representations and warranties and covenants. A portion of the merger consideration will be held in escrow to secure the indemnification obligations of the Moov securityholders. The Closing is subject to customary closing conditions and is expected to occur in the third quarter of 2021.

The Company intends to issue the shares of common stock described herein in reliance upon the exemptions from registration afforded by Section 4(a)(2) and Rule 506 promulgated under the Securities Act of 1933, as amended.

The foregoing summary of the Merger Agreement and the transactions contemplated thereby do not purport to be complete and is subject to, and qualified in its entirety by, the full text of the Merger Agreement, which will be filed as an exhibit to be filed following the Closing of Limelight’s Quarterly Report on Form 10-Q for the quarter ending September 30, 2021.

Forward Looking Statements

This Current Report on Form 8-K may be deemed to contain forward-looking statements, which are subject to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, including the expected completion of the transactions contemplated by the Merger Agreement and the time frame in which this will occur. Statements regarding future events are based on the parties’ current expectations and are necessarily subject to associated risks related to, among other things, that conditions to the Closing may not be satisfied, the potential impact on the business of the Company due to the announcement of the acquisition, the occurrence of any event, change or other circumstances that could give rise to the termination of the Merger Agreement, and general economic conditions. Therefore, actual results may differ materially and adversely from those expressed in any forward-looking statements. For information regarding other related risks, see the “Risk Factors” section of the Company’s most recent annual reports on Form 10-K and quarterly reports on Form 10-Q. The forward-looking statements included herein are made only as of the date hereof, and the Company undertakes no obligation to revise or update any forward-looking statements for any reason.

Item 3.02 Unregistered Sales of Equity Securities.

The information set forth under Item 1.01 of this Current Report on Form 8-K is incorporated herein by reference.

Item 7.01 Regulation FD.

On July 28, 2021, the Company issued a press release announcing the Acquisition, which is furnished herewith as Exhibit 99.1.

The information disclosed under this Item 7.01 shall not be deemed “filed” for any purpose, including for the purposes of Section 18 of the United States Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that section. The information in this Item 7.01 shall not be deemed incorporated by reference into any filing under the Exchange Act or the United States Securities Act of 1933, as amended, regardless of any general incorporation language in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit	Description
99.1	Limelight Networks, Inc. Press Release dated July 28, 2021 (furnished herewith).

Limelight Announces Acquisition of Layer0 to Accelerate Growth in Edge Application Delivery

SCOTTSDALE, Ariz., July 28, 2021 – Limelight Networks, Inc. (Nasdaq: LLNW), a leading provider of edge cloud services, today announced that it has entered into a definitive agreement to acquire Moov Corporation, which does business as Layer0. This acquisition is a significant step in advancing Limelight's strategy as an edge enabled SaaS solutions provider and will drive growth in revenue, margins and EBITDA. Layer0 provides development, deployment and monitoring tools that deliver sub-second web apps and APIs through an all-in-one Jamstack platform.

The acquisition will combine the benefits of Limelight's world class global edge network with Layer0's edge orchestration, application acceleration, and developer workflow capabilities to create a leading-edge solution while diversifying Limelight's client mix and services. With this acquisition, several leading brands will be added to the existing list of impressive global companies served by Limelight such as Coach, United Airlines, Revolve Fashion, Shoe Carnival, Kate Spade, Sharper Image, and several top 50 US banks. Together, Limelight and Layer0 will offer clients a unique solution set that delivers unmatched performance. The acquisition will allow developers the ability to access the edge platform to preview content and deploy their applications instantaneously, while incorporating basic security needs such as web application firewall, DDoS and threat detection.

"We are excited to announce the acquisition of Layer0. The technology and development capabilities we are gaining will allow us to meaningfully accelerate our ability to transition Limelight to a leading edge SaaS provider," said Bob Lyons, President and Chief Executive Officer of Limelight. "Together we will be able to drive better performance for our clients web applications, while improving developer productivity with our seamless end to end solution. We look forward to sharing additional details on these solutions on our earnings call and even more in depth at our upcoming strategy session on August 24th."

"Layer0 was founded and led by engineers whose mission is to make the web instant and simple to manage," said Ajay Kapur, Co-Founder and Chief Executive Officer of Layer0. "Developers want to deploy and run websites at the edge. Limelight has one of the best edge networks in the world. We are thrilled to join the team and deliver the best 'developer's edge network' in the market."

Under the terms of the definitive agreement, Limelight will acquire Layer0 for approximately \$32.5 million in cash and \$22.5 million worth of common stock, subject to customary adjustments for transactions of this nature. The per share portion of the stock consideration will be based on the volume-weighted average price of a share of common stock over the twenty (20) consecutive trading day period ended on and including the third trading day immediately prior to the date of the Closing. Limelight will also establish a retention pool of \$30 million worth of restricted stock units to be granted to the Layer0 team, with one-third of those RSUs subject to service-based vesting and the remainder subject to the achievement of certain financial and operational metrics.

The transaction is subject to certain customary closing conditions and is expected to close in August 2021.

Investor Conference Call

Limelight management will host its quarterly earnings conference call on Thursday, July 29, 2021 at 4:30 p.m. ET / 1:30 p.m. PT and will discuss this transaction in further detail at that time.

Forward-Looking Statements

This press release contains forward-looking statements that involve risks and uncertainties. These statements include, among others, statements regarding our expectations regarding revenue, gross margin, non-GAAP net income (loss), capital expenditures, timing of expected completion of the acquisition, and our future prospects. Our expectations and beliefs regarding these matters may not materialize. The potential risks and uncertainties that could cause actual results or outcomes to differ materially from the results or outcomes predicted include, among other things, conditions to the closing of the acquisition may not be satisfied, the potential impact on the business of Limelight due to the announcement of the acquisition, the occurrence of any event, change or other circumstances that could give rise to the termination of the acquisition agreement, general economic conditions, reduction of demand for our services from new or existing clients, unforeseen changes in our hiring patterns, adverse outcomes in litigation, and experiencing expenses that exceed our expectations. A detailed discussion of these factors and other risks that affect our business is contained in our SEC filings, including our most recent reports on Forms 10-K and 10-Q, particularly under the heading "Risk Factors." Copies of these filings are available online on our investor relations website at investors.limelightnetworks.com and on the SEC website at www.SEC.gov. All information provided in this release and in the attachments is as of July 28, 2021, and we undertake no duty to update this information in light of new information or future events, unless required by law.

About Limelight

Limelight Networks, Inc. (NASDAQ: LLNW) is an industry-leader in edge access and content delivery services that provides powerful tools and a customer-first approach to optimize and deliver digital experiences at the edge. We are a trusted partner to the world's biggest brands and serve their global customers with experiences such as livestream sporting events, global movie launches, video games or file downloads for new phone apps. Limelight offers one of the largest, best-optimized private networks coupled with a global team of industry experts to provide edge services that are fast, secure and reliable. For more information, visit www.limelight.com, and follow us on [Twitter](#), [Facebook](#) and [LinkedIn](#).

Copyright (C) 2021 Limelight Networks, Inc. All rights reserved. All product or service names are the property of their respective owners.

Source: Limelight Networks

CONTACT:

Limelight Networks, Inc.
Dan Boncel, 602-850-4810
ir@llnw.com

Ticker Slug:

Ticker: LLNW

Exchange: NASDAQ

###