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# INVESTOR PRESENTATION

APRIL 23, 2020



# SAFE HARBOR STATEMENT

Certain statements in this presentation relates to future results that are forward-looking statements as defined in the Private Securities Litigation Reform Act of 1995. This presentation contains statements involving risks and uncertainties, including statements relating to Limelight Networks' market opportunity, solutions, services, and feature functionalities, revenues, gross profit, earnings, adjusted EBITDA, capital expenditures, free cash flow, and future business prospects. Actual results may differ materially and reported results should not be considered as an indication of future performance. Factors that could cause actual results to differ are included in the Limelight Networks' Annual Report on Form 10K and our periodic reports on Form 10Q.

In addition, the statements in this presentation represent Limelight Networks' expectations as of today. We anticipate that subsequent events and developments may cause these expectations and beliefs to change. However, while we may elect to update these forward-looking statements at some point in the future, we specifically disclaim any obligation to do so. These forward-looking statements should not be relied upon as representing our expectations or beliefs as of any date subsequent to the date of this presentation.

# OUR MISSION

We are passionate about connecting people to the world around them.

We **remove the barriers** that stand between our customers' end users and their entertainment, their news, their community, their educational resources.

Our **platform** supports the highest quality user experience today and accelerates the next generation of real-time, interactive and immersive content. We position our customers' content and applications right next to their end users at the **network edge** for the most dynamic, real-time interactions no matter where the end users live, work or play.

We sweat the details, so our customers don't have to.

# WHY LIMELIGHT?



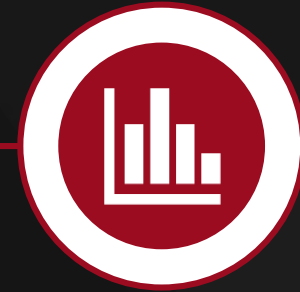
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OPPORTUNITY



UNIQUE VALUE  
PROPOSITION



IMPROVING  
PERFORMANCE



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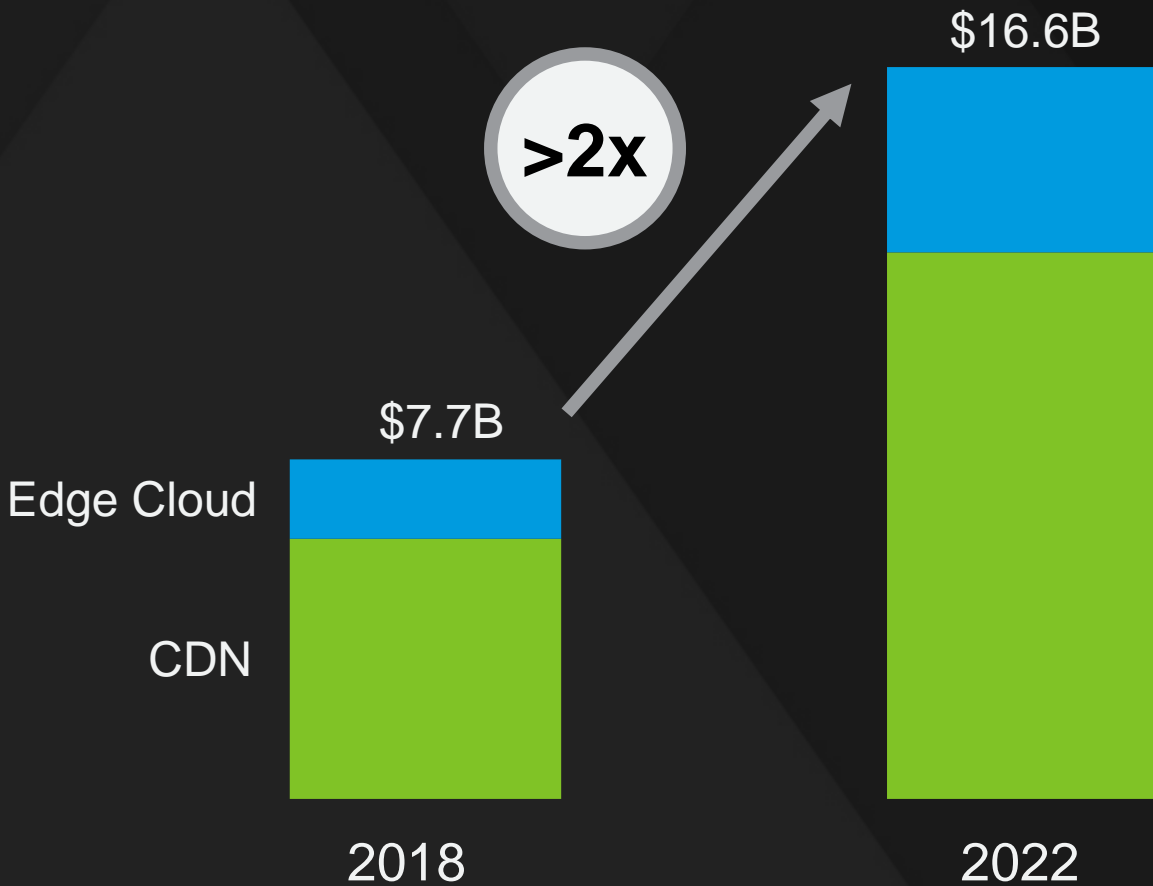
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# THE IMMEDIATE OPPORTUNITY IS SIGNIFICANT

## KEY DRIVERS



Source: IDC



Explosive growth - live video will grow **15-fold** from 2016 to 2021



IOT – **75B** connected devices by 2025



5G – **1B** 5G connected devices by 2025



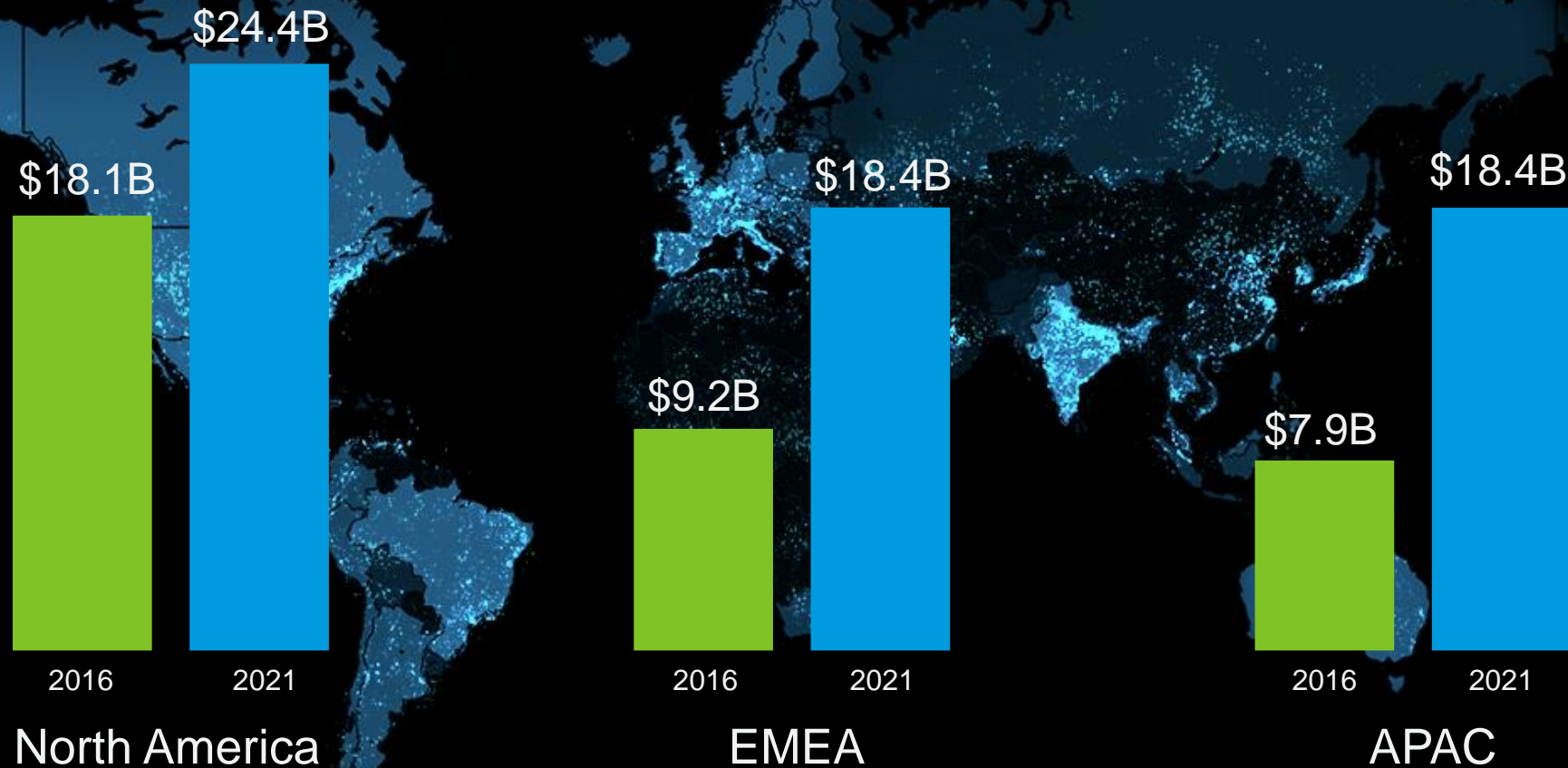
Cloud – Latency / bandwidth critical for **over 30%** of workload deployments, by 2021



Edge computing market **\$6.7B by 2022, 35% CAGR**

# OTT VIDEO – RAPIDLY GOING GLOBAL

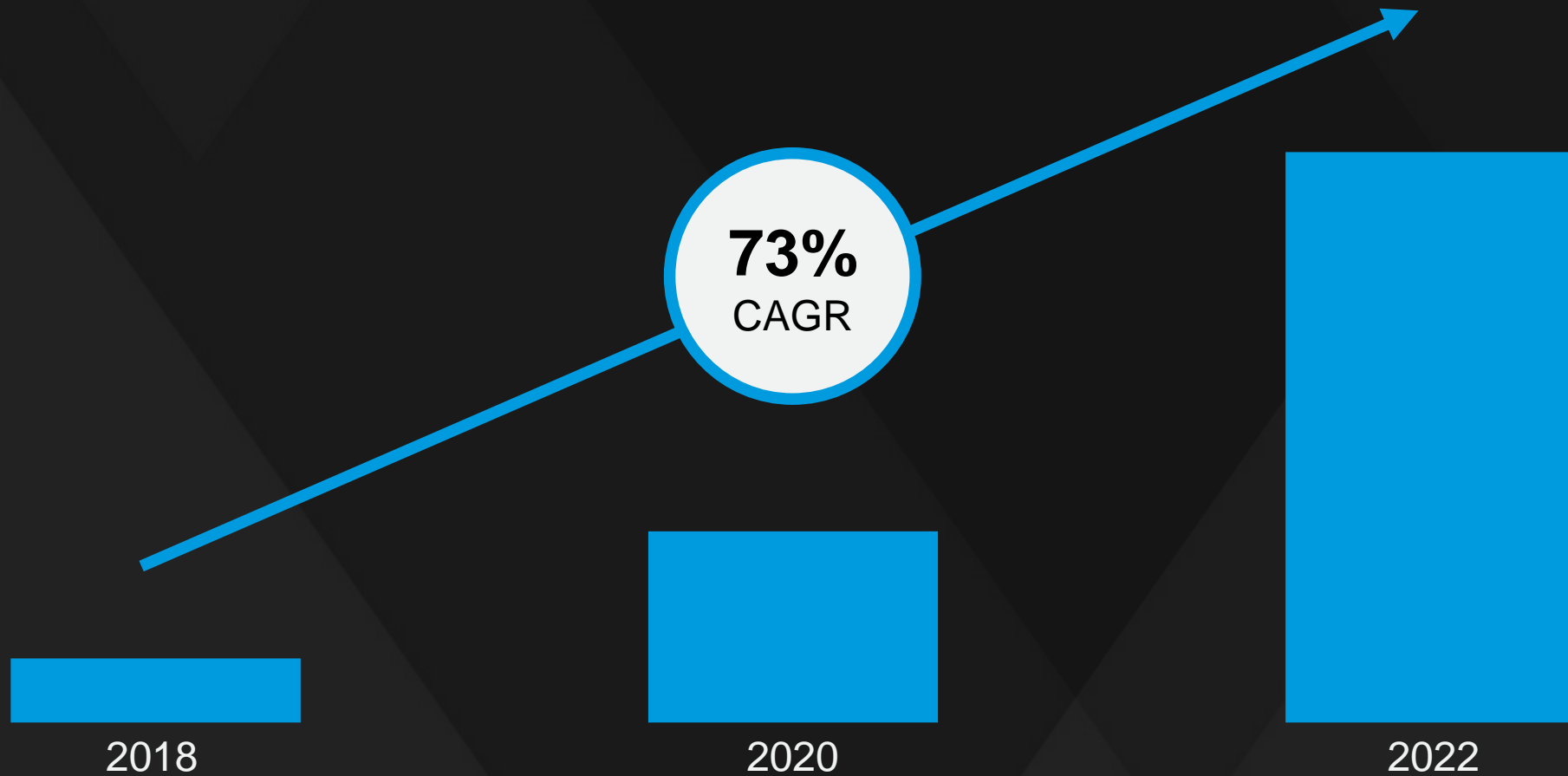
GLOBAL OTT TV AND VIDEO REVENUE BY REGION



Source: Broadband TV News

# OTT VIDEO – INCREASINGLY LIVE

LIVE INTERNET VIDEO TRAFFIC EXPECTED TO GROW 15-FOLD BETWEEN 2018 AND 2022

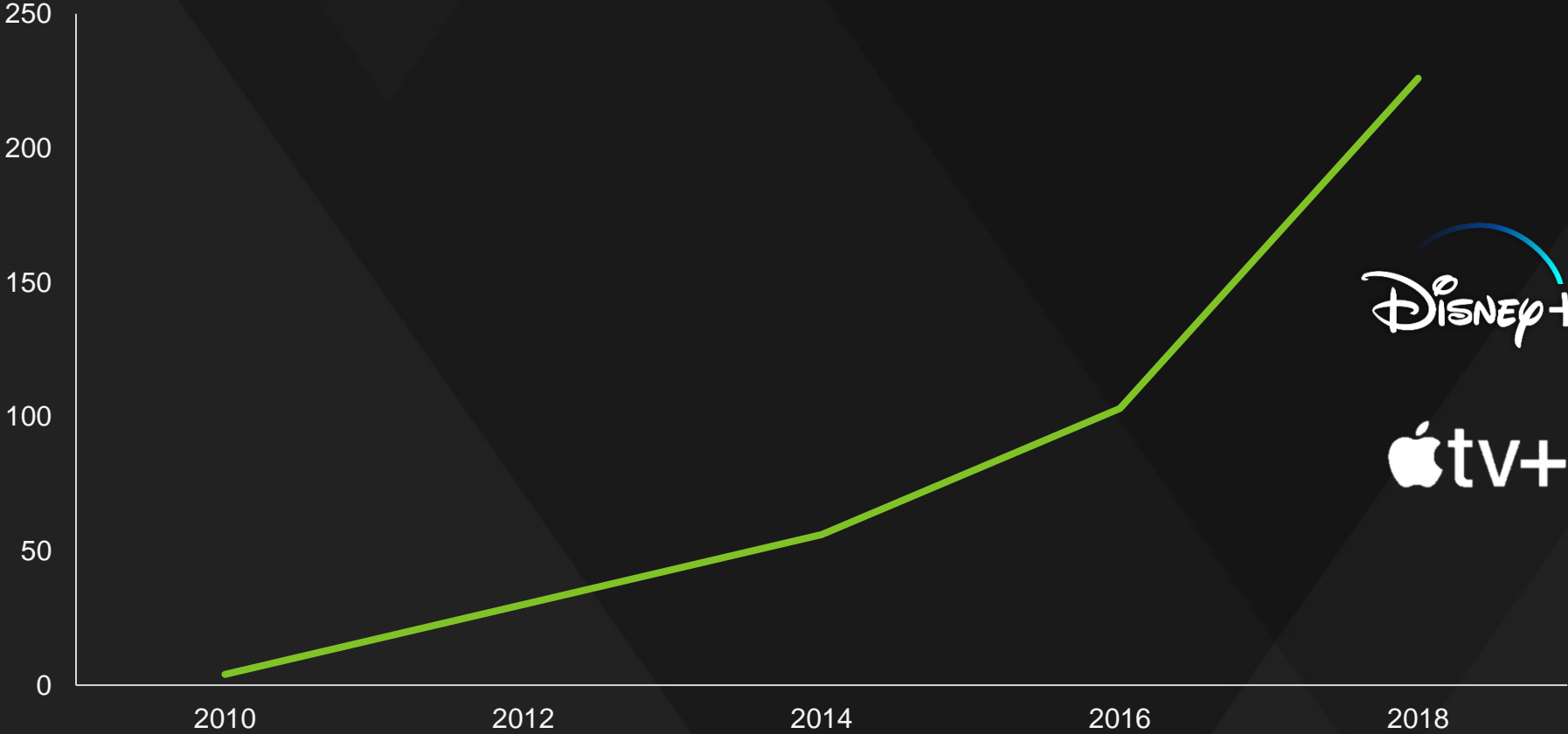


Source: Cisco



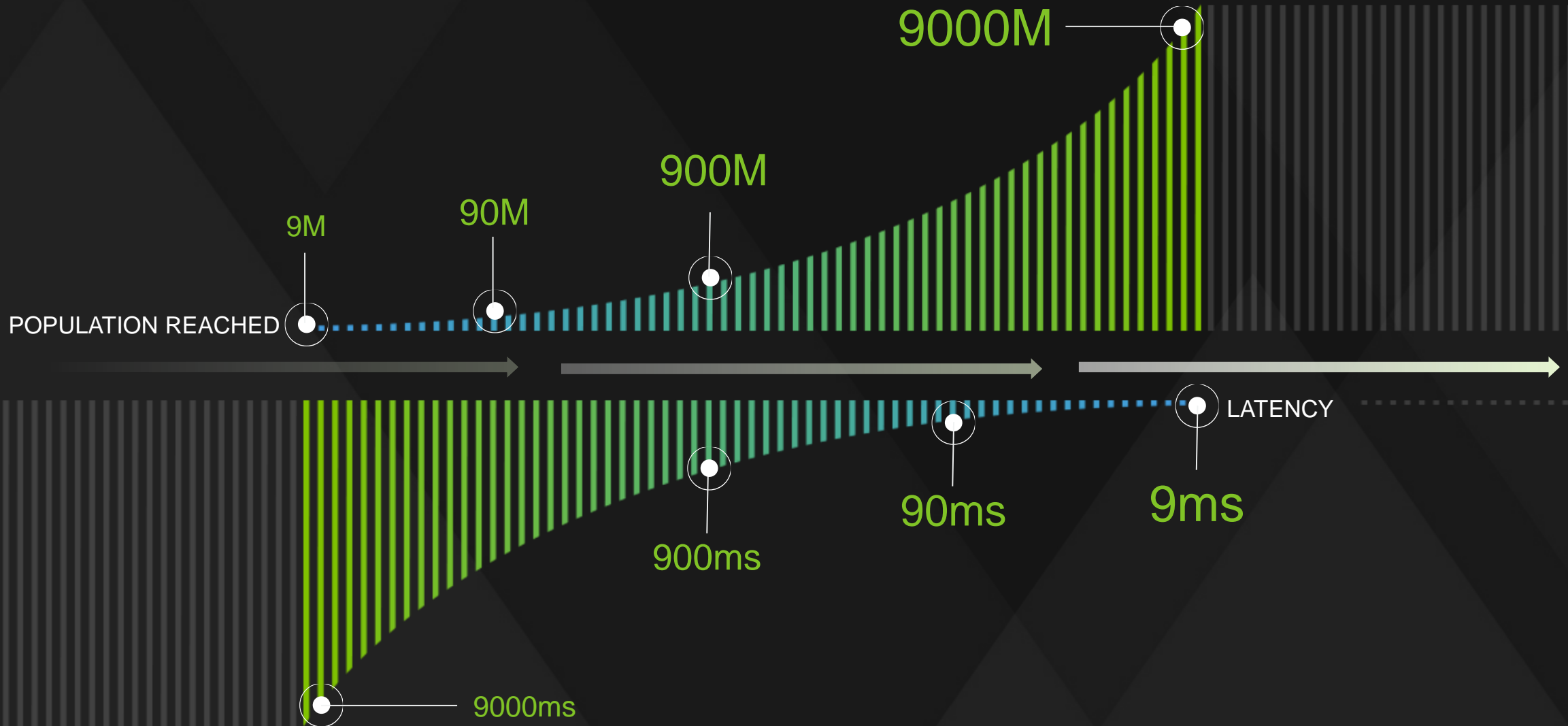
# PROLIFERATION OF OTT VIDEO OFFERINGS

Cumulative Number of OTT Platforms Launched



Source: KPMG, Parks Associates

# IMPLICATION: NEED TO REACH MORE, FASTER





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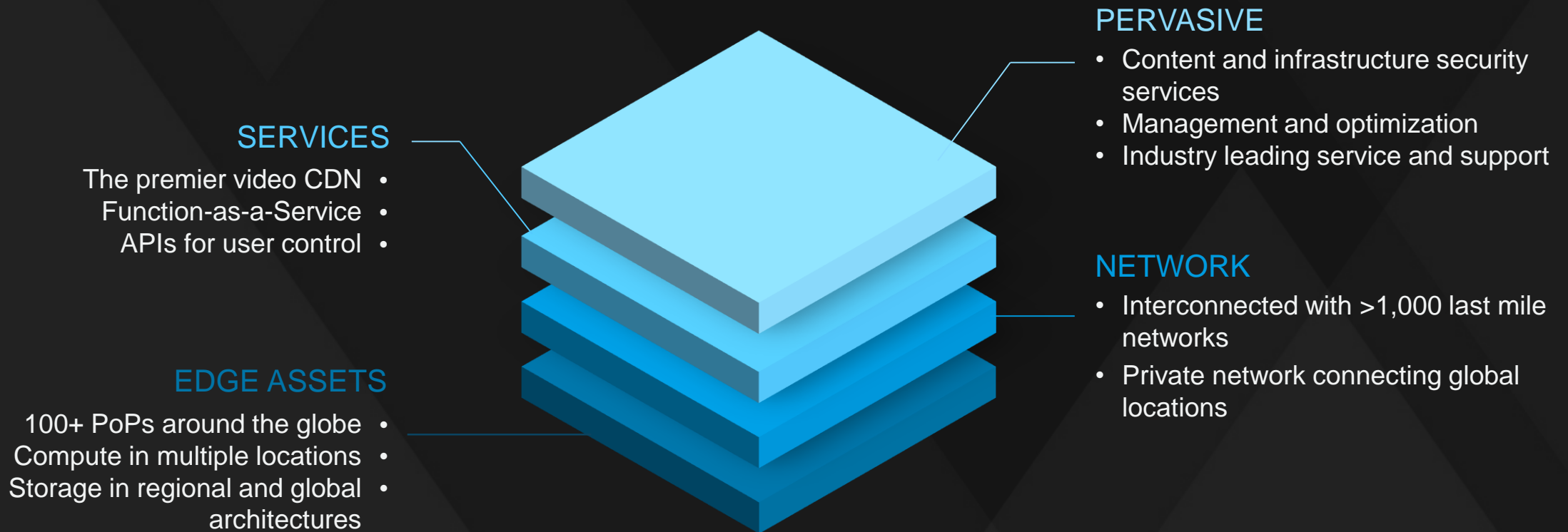


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# WHAT'S NEEDED: LIMELIGHT EDGE PLATFORM



**CDN, COMPUTE, STORE & SECURE = EDGE CLOUD**

# GLOBAL SCALE AND REACH

**~70+**

Tbps Egress  
Capacity

**130+**

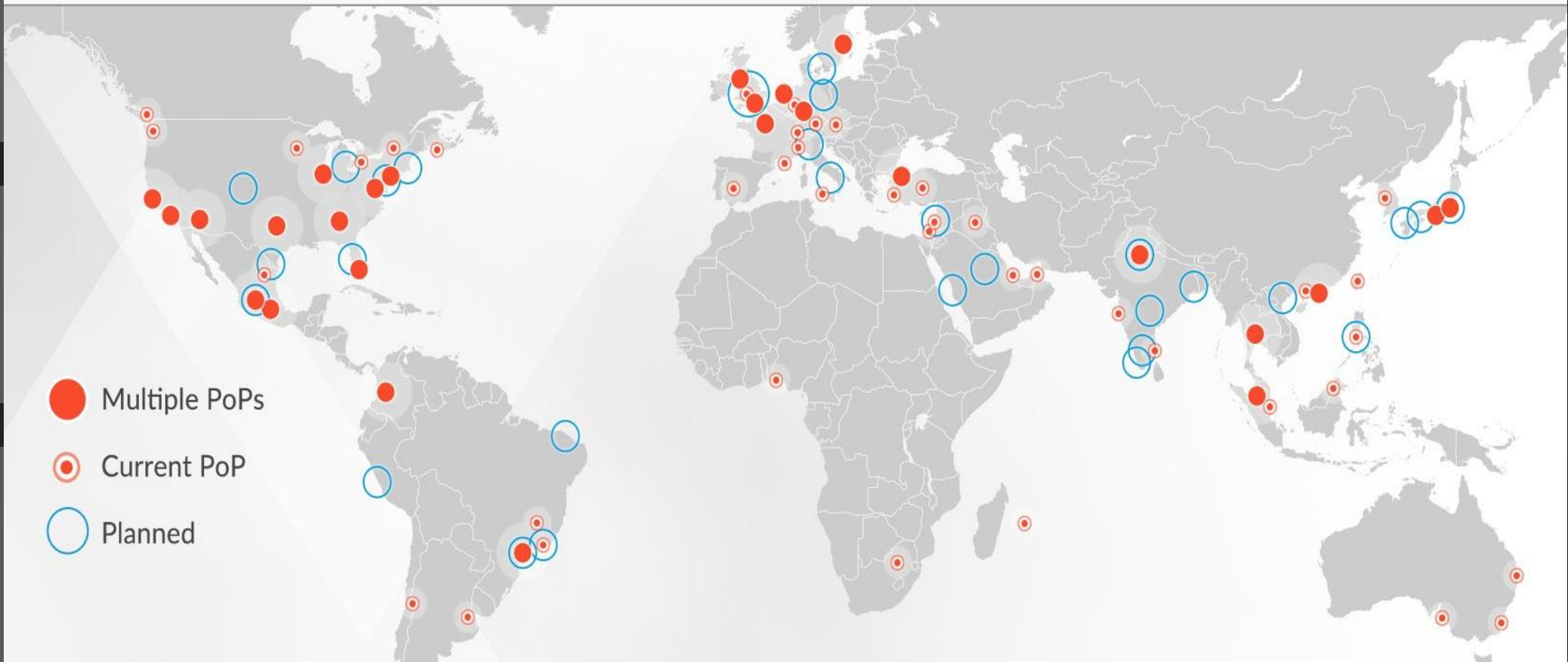
Delivery  
Locations

**~1,000**

Connected  
ISP Networks

Limelight's Global Private Network

ASN 22822



# WE ENABLE THE LEADING OTT PROVIDERS

From the early days...

...to now

NETFLIX

You  
Tube

prime video

sky

VUDU

DIRECTV

BBC

ESPN+

STARZ

mlbam

THE CW

HBO

WALT DISNEY

BT

PLUTO TV

AMC

DAZN

COMCAST  
NBCUNIVERSAL

abc

msnbc

# FUTURE WITH THE LIMELIGHT EDGE

## Limelight Realtime Distributed Edge Platform

### SERVICES

#### Process

- Analyze
- Rate & Bill
- Notify
- Communicate

#### Secure

- Protect
- Predict
- Isolate

#### Deliver

- Intelligent Distribution

### Use Cases

Gaming

Gambling

Entertainment

IOT

Medical

Autonomous Vehicles

Video Security

Legacy IT Applications

+Many more



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# OPERATIONAL PERFORMANCE

**100%**

YoY increase in total capacity

**>120%**

YoY increase in average server capacity

**83+**

Point increase in Net Promoter Score since 2013

**>60%**

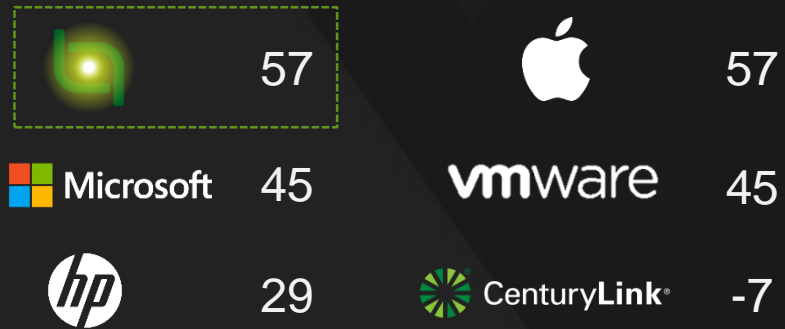
YoY increase in number of POPs worldwide

Note: As of December 31, 2019

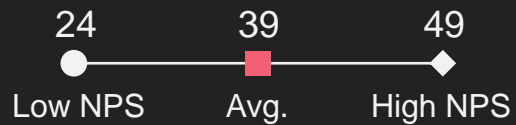
# LEADING CUSTOMER SATISFACTION

## NPS Benchmarks

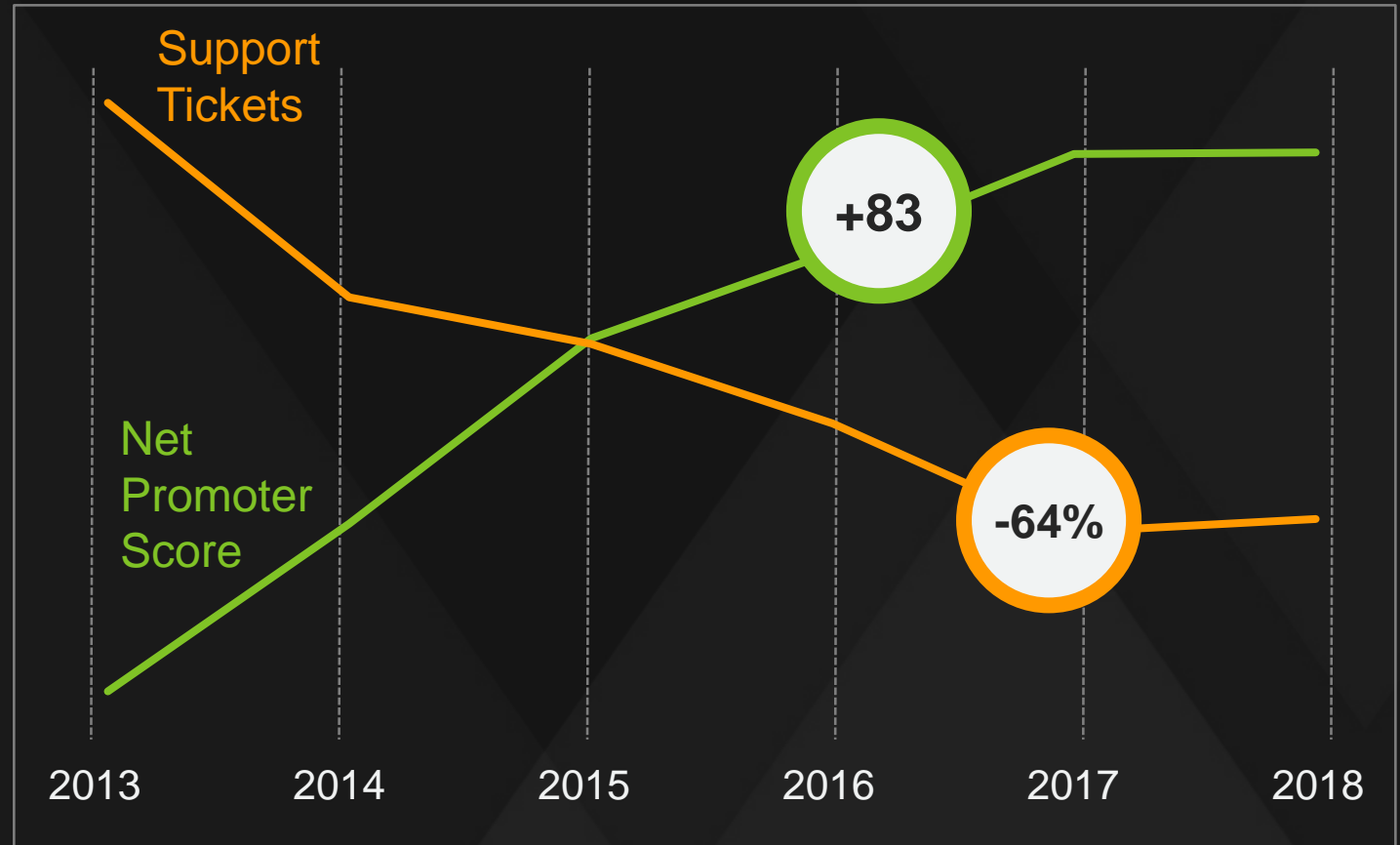
LLNW matches up favorably against other tech brands:



LLNW exceeds top range for streaming media industry:



## LLNW NPS vs. Support Tickets



Source: Temkin Group, Customer Guru. As of October 2019

# 2019 PERFORMANCE – TALE OF TWO HALVES

\$ millions, except per share data

|                     |         |         | 2H2019 Growth |      |
|---------------------|---------|---------|---------------|------|
|                     | 1H 2019 | 2H 2019 | Sequential    | YoY  |
| Revenue             | \$89    | \$111   | 25%           | 19%  |
| GAAP EPS            | -\$0.14 | \$0.00  | 100%          | 100% |
| Non-GAAP EPS        | -\$0.08 | \$0.06  | 175%          | 100% |
| Adjusted EBITDA     | \$0.8   | \$17    | 2,001%        | 40%  |
| Capital Expenditure | \$16    | \$18    | 11%           | 85%  |

# ON TRACK FOR UPWARD-REVISED 2020 GUIDANCE

\$ millions, except per share data

|                     | 1Q 2019 | 1Q 2020 | YoY    | Comments                                  |
|---------------------|---------|---------|--------|---|
| Revenue             | \$43    | \$57    | 32%    | Strategic alignment with video and Edge   |
| Gross Profit        | \$16    | \$21    | 29%    | Continue to expand infrastructure         |
| Operating Expenses  | \$25    | \$26    | 4%     | Business showing tremendous leverage      |
| GAAP EPS            | -\$0.07 | -\$0.04 | 41%    | Leverage flowing through to EPS           |
| Non-GAAP EPS        | -\$0.04 | \$0.00  | 96%    | Minimal adjustments for Non-GAAP EPS      |
| Adjusted EBITDA     | -\$1    | \$6     | 1,008% | On track to fund growth and capital needs |
| Capital Expenditure | \$5     | \$7     | 37%    | Infrastructure expansion                  |



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# PATH TO LONG TERM TARGETS

\$ millions

|   | <u>FY19</u>     | <u>1Q20</u>    | <u>FY2020<br/>Guidance</u> | <u>LT<br/>Targets</u> | <u>KEY DRIVERS</u>  |
|---|-----------------|----------------|----------------------------|-----------------------|---|
| Revenue<br>YoY Revenue Growth               | \$200.63<br>3%  | \$57.01<br>32% | \$225-235<br>12-17%        | 15%                   | <ul style="list-style-type: none"> <li>• Base business plus organic initiatives</li> </ul>  |
| Operating Profit/(Loss)<br>Operating Margin | (15.73)<br>-8%  | (4.99)<br>-9%  | NA                         | NA                    | <ul style="list-style-type: none"> <li>• Strong revenue growth</li> <li>• Disciplined increase in COGS expense</li> <li>• Effective management of operating expenses</li> </ul> |
| Adj EBITDA<br>Adj EBITDA Margin             | 18.12<br>9%     | 5.57<br>10%    | \$25-35<br>11-16%          | >25%                  | <ul style="list-style-type: none"> <li>• Strong revenue growth</li> <li>• Disciplined increase in COGS expense</li> <li>• Effective management of operating expenses</li> </ul> |
| Capex<br>Capex as % of Revenue              | 34.70<br>17%    | 6.86<br>12%    | \$25-30<br>11-13%          | 10%                   | <ul style="list-style-type: none"> <li>• R&amp;D efficiency reducing Capex dependence</li> <li>• Strong revenue growth</li> <li>• Leverage in business model</li> </ul>         |
| Free Cash Flow<br>FCF as % of Revenue       | (32.96)<br>-16% | 2.71<br>5%     | NA                         | >15%                  | <ul style="list-style-type: none"> <li>• Strong revenue growth</li> <li>• Leverage in business model</li> </ul>   |

# KEY TAKEAWAYS



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