

**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)

May 29, 2020

YEXT, INC.

(Exact name of registrant as specified in its charter)

Delaware

(State or other jurisdiction of incorporation)

001-38056

(Commission File Number)

20-8059722

(IRS Employer
Identification No.)

**1 Madison Ave, 5th Floor
New York, NY 10010**

(Address of principal executive offices, including zip code)

(212) 994-3900

(Registrant's telephone number, including area code)

Not Applicable

(Former name or former address, if changed since last report)

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))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value \$0.001 per share	YEXT	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter). 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 May 29, 2020, Yext, Inc. (the "Company"), as tenant under lease and sublease agreements (together the "Existing Leases"), entered into a Surrender Agreement (the "Surrender Agreement") with 1 Madison Office Fee LLC, as landlord under the Existing Leases (the "Landlord") with respect to approximately 95,000 square feet of office space at 1 Madison Avenue, New York, New York (the "Premise"), which currently serves as the Company's worldwide corporate headquarters. Pursuant to the Surrender Agreement, the Company agreed to surrender to the Landlord the Existing Leases and the Premise on August 31, 2020 ("Surrender Date"), as such date may be extended pursuant to the express provisions of the Surrender Agreement, and the term of the Existing Leases will expire on such date. The Company has agreed to pay to the Landlord all rent and additional charges due and payable under the Existing Leases through and including the Surrender Date. In the event the Company does not surrender any portion of the Premise on or before the Surrender Date, the Company will be subject to holdover rent provisions. Letters of credit in the amount of approximately \$5.3 million previously securing the Company's obligations under the Existing Leases will secure the Company's obligations under the Surrender Agreement. Such letters of credit will be returned within a period of time after the surrender of the Premise according to the terms of the Existing Leases.

The foregoing description of the Surrender Agreement does not purport to be complete and is qualified in its entirety by reference to the Surrender Agreement, a complete copy of which is included in Exhibit 10.1 to this Form 8-K.

Item 2.02. Results of Operations and Financial Condition

On June 4, 2020, Yext, Inc. (the "Company") issued a press release announcing its financial results for the first fiscal quarter ended April 30, 2020. A copy of the Company's press release is attached hereto as Exhibit 99.1.

The information in this Item 2.02 (including Exhibit 99.1) shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Description
10.1	Surrender Agreement, dated as of May 29, 2020, between Yext, Inc. and 1 Madison Office Fee LLC
99.1	Press release dated June 4, 2020
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

YEXT, INC.

By: /s/ Steven Cakebread

Steven Cakebread
Chief Financial Officer
(Principal Financial Officer)

Date: June 4, 2020

SURRENDER AGREEMENT

SURRENDER AGREEMENT (this "Agreement"), dated as of the 29th day of May, 2020 (the "Effective Date"), between 1 MADISON OFFICE FEE LLC, a Delaware limited liability company, having an office at c/o SL Green Realty Corp., 420 Lexington Avenue, New York, New York 10170, as landlord under the Original Lease (as hereinafter defined) and as sublandlord under the Sublease (as hereinafter defined) (hereinafter called "Landlord"), and YEXT, INC., a Delaware corporation, having an office at One Madison Avenue, Fifth Floor, New York, New York 10010, as tenant under the Original Lease and as subtenant under the Sublease (hereinafter called "Tenant").

WITNESSETH:**WHEREAS:**

1. Landlord, as landlord, and Tenant, as tenant, entered into that certain Agreement of Lease dated as of May 24, 2012 (the "Original Lease") for a portion of the fifth floor consisting of 36,823 rentable square feet (the "Original Premises") in the building known as and located at 1 Madison Avenue, New York, New York (the "Building"), each as more particularly described in the Original Lease;
2. Credit Suisse (USA) Inc. ("CS"), as landlord, and Tenant, as tenant, entered into that certain Lease dated as of May 15, 2014 (the "Original Sublease") as amended by that certain First Amendment to Lease dated as of July 1, 2014 (the "First Amendment"; the First Amendment, together with the Original Sublease, the "Sublease") for a portion of the fifth floor consisting of 58,164 square feet (the "Sublease Premises") in the Building, each as more particularly described in the Sublease (notwithstanding the title of the Original Sublease as a "Lease" and the First Amendment as a "First Amendment of Lease" and all references to CS as "landlord" and Tenant as "tenant" thereunder, the parties acknowledge that the Sublease is a sublease of a portion of that certain premises in the Building leased by CS pursuant to that certain Second Amendment and Restatement of Lease dated as of April 29, 2005, as amended, by and between CS, as tenant, and Landlord, as landlord, and, notwithstanding anything to the contrary contained herein or in the Sublease, all references to Landlord in this Agreement shall be deemed to mean 1 Madison Office Fee LLC, as landlord under the Original Lease and as sublandlord under the Sublease, and all references to Tenant in this Agreement shall be deemed to mean Yext, Inc., as tenant under the Original Lease and as subtenant under the Sublease);
3. CS, as assignor, and Landlord, as assignee, entered into that certain Assignment and Assumption Agreement, effective as of February 1, 2020, whereby CS assigned all of its right, title and interest in and to the Sublease to Landlord;
4. the Original Lease and the Sublease (collectively, the "Existing Leases") are scheduled to expire on December 31, 2020 (the "Expiration Date"), unless sooner terminated in accordance with the provisions thereof; and

5. Landlord and Tenant now desire to terminate the Existing Leases and the term and estate thereby granted and for Tenant to surrender possession of the Original Premises and the Sublease Premises (collectively, the "Premises") to Landlord in accordance with the terms hereinafter provided.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, it is agreed as follows:

FIRST. The parties acknowledge that Tenant currently leases the Original Premises and subleases the Sublease Premises (and is unable to fully occupy the same as of the Effective Date due to a COVID-19 Occurrence (as hereinafter defined)). On August 31, 2020 (the "Surrender Date"), Tenant shall surrender to Landlord the Existing Leases and the term and estate thereby granted (Tenant acknowledges and agrees that it does not have any right to extend or renew the Existing Leases) together with the Premises thereby demised, with the intent and purpose that the estate of Tenant in and to the Premises shall be extinguished in its entirety and the term of the Existing Leases shall expire on the Surrender Date with the same force and effect as if the Surrender Date were the original Expiration Date under the Existing Leases, subject, however to the terms of the Existing Leases (as modified herein) and this Agreement. Tenant shall remain obligated to pay to Landlord: (i) all Fixed Annual Rent with respect to the Original Premises pursuant to Section 3.01 and Exhibit B of the Original Lease, (ii) all Fixed Rent with respect to the Sublease Premise pursuant to Section 3.02 of the Original Sublease, as amended and restated in Section 3 of the First Amendment, (iii) all Additional Rent with respect to the Original Premises pursuant to the terms of the Original Lease (including, without limitation, pursuant to Article 32 of the Original Lease), (iv) all Additional Charges due and payable with respect to the Sublease Premises pursuant to the terms of the Sublease (including, without limitation, Tax Payments and Operating Payments) and (v) any other charges due under the Existing Leases, that have accrued and will accrue through and including the Surrender Date pursuant to the express terms of the Existing Leases (the amounts set forth in clauses (i) through (v), inclusive, shall hereinafter be collectively referred to as "Rent"). As of the Surrender Date, Tenant shall deliver to Landlord possession of the Premises "broom-clean", in materially the "as is" condition existing as of the Effective Date, subject to ordinary wear and tear, damage from casualty/condemnation and any repair obligations pursuant to the Existing Leases (it being understood and agreed that, as of the Effective Date, Tenant is not currently in full occupancy of the Premises and is unable to comply with Tenant's repair obligations under the Existing Leases due to a COVID-19 Occurrence), and free of all occupants and of all rights of any other party obtained through Tenant, as tenant, subtenant, sub-subtenant or other occupant, as though the Surrender Date were the Expiration Date under the Existing Leases. Notwithstanding anything to the contrary contained herein or in the Existing Leases, (A) Tenant shall not make any alterations, additions or improvements to the Premises following the date hereof, and (B) Tenant may, but shall not be required to, remove Tenant's Property (as hereinafter defined) repair or restore any portion of the Premises in connection with the removal of any Tenant's Property or otherwise, and Tenant shall not be required to pay any costs and/or expenses that may be associated with, or incurred by Landlord in connection with, the removal, disposition or storage of Tenant's Property by Landlord, or for any repairs or restoration in connection therewith (it being agreed that any Tenant's Property remaining in the Premises on or after the Surrender Date

shall become the property of Landlord and may, at Landlord's sole cost and expense, be disposed of by Landlord in its discretion without any payment to Tenant). Notwithstanding anything to the contrary contained in the Existing Leases, Tenant agrees that it shall indemnify and save Landlord harmless against all costs, claims, loss or liability to the extent arising from a delay by Tenant in so surrendering the Premises within forty-five (45) days after the Surrender Date, including, without limitation, any claims made by any succeeding tenant to the extent arising as a result of such delay and including any consequential damages and/or lost opportunities, except if and to the extent that any such delay by Tenant in surrendering the Premises in the condition required hereunder is attributable to (X) any actual delay in Tenant's move-out caused solely by Landlord or any party under Landlord's control (a "Landlord Condition"), including any failure by Landlord to make the freight elevator(s) and the loading dock available to Tenant for Tenant's move-out and/or (Y) an event of Unavoidable Delay (as defined in the Original Lease) which is generally affecting tenants in the area of the Building and/or preventing tenants in the Building from timely vacating and/or surrendering their respective premises as of the Surrender Date (including, without limitation, due to a COVID-19 Occurrence; *provided, however*, that Tenant shall be required to pay Holdover Rent (as hereinafter defined) from and after the Surrender Date in accordance with, and subject to, the terms of Article Second of this Agreement. Notwithstanding anything to the contrary contained in the Existing Leases, Tenant shall be permitted to utilize the Building's freight elevator(s) and loading dock during business hours on business days in connection with its move-out of the Premises and Building at no cost to Tenant, but Tenant shall be obligated to pay Landlord's then established rates for Tenant's use of the freight elevator(s) and/or loading dock during any overtime periods if Tenant elects to conduct its move-out during overtime periods (Landlord hereby agreeing that Tenant may move-out of the Premises and Building during business hours on business days). Tenant shall not be required to pay Landlord any other termination fee in connection with the surrender of the Premises on the Surrender Date pursuant to the terms of this Agreement.

Tenant hereby represents and warrants to Landlord, its successors and assigns, that (i) except for Tenant, the Premises are free of all occupants and of all rights in any other party, as tenant, subtenant, sub-subtenant or other occupant ("Occupancies"), (ii) Tenant has not created or suffered any Occupancies in and/or to the Premises through and including the Effective Date, (iii) all personal property, fixtures, trade fixtures, furniture and equipment ("Tenant's Property") in the Premises are not subject to any lien, encumbrance, chattel mortgage, title retention or security agreement as a result of any action taken or suffered by or on behalf of Tenant and no action has been taken or suffered by or on behalf of Tenant as a result of which either the Premises or any such property shall or might be subject thereto. Tenant covenants and agrees that it shall not at any time hereafter create, suffer or permit the creation of any such Occupancies, rights or encumbrances in or to the Premises (except, subject to the terms of the Existing Leases, to any affiliate or in connection with any assignment in connection with a merger by Tenant or acquisition of Tenant or the equity of Tenant). Tenant further covenants and agrees that it shall not at any time hereafter make any alterations, additions or improvements in or to the Premises. Tenant hereby agrees to indemnify, defend (with counsel reasonably acceptable to Landlord) and hold Landlord harmless from and against all claims, demands, judgments, obligations, liabilities, costs, fees (including reasonable attorneys' fees) and expenses

of any kind or nature whatsoever that shall be incurred or suffered by Landlord arising solely and exclusively out of any breach by Tenant of the foregoing representations and warranties.

Effective as of the Surrender Date, Tenant and Landlord do hereby mutually release each other, their past and present members, partners and shareholders and each of their respective direct and indirect principals, officers, directors, shareholders, employees, attorneys and agents, and their respective successors and assigns of and from any and all claims, damages, obligations, liabilities, actions and causes of action, of every kind and nature whatsoever arising under or in connection with the Existing Leases from and after the Surrender Date, except that nothing herein contained shall be deemed to constitute a release or discharge: (a) of Tenant or Landlord with respect to any obligation or liability accrued or incurred under the Existing Leases and outstanding and unsatisfied on the Surrender Date or any provision expressly provided to survive the expiration or termination of the Existing Leases (except that any final reconciliations and/or true-ups of the payment of Additional Rent shall survive the Surrender Date, to the extent applicable), (b) of Tenant or Landlord with respect to claims by the other party against such party for contribution or indemnification or both arising out of third-party claims against the other party arising prior to, on or after the Surrender Date as a result of an event occurring or condition existing prior to or on the Surrender Date, (c) of Landlord with respect to any indemnity expressly detailed in the Existing Leases to survive the expiration or termination of the Existing Leases, and (d) of Landlord and/or Tenant with respect to any obligation or liability accrued or incurred under this Agreement. Notwithstanding anything to the contrary set forth herein, the foregoing release shall not extend to any claim(s) arising out of or in connection with Tenant's failure to surrender the Premises as of the Surrender Date, and the foregoing release of Tenant shall be conditioned on Tenant's surrender of the Premises in the condition required hereunder on or prior to the Surrender Date. Notwithstanding anything to the contrary contained herein, (i) Tenant hereby acknowledges and agrees that, following the date hereof, Tenant shall promptly commence (and thereafter diligently prosecute) the process of moving out of the Premises (so long as Tenant is not legally restricted or prevented from doing so) and (ii) if there is a legal restriction or legal prevention imposed upon Tenant from moving out of the Premises (and imposed upon other tenants from moving out of their respective premises) in connection with the COVID-19 outbreak affecting the City of New York or State of New York that is in effect as of the Surrender Date, then the Surrender Date shall be extended on a day-for-day basis until Tenant is no longer legally restricted or prevented as described above.

The provisions of this Article First shall survive the expiration or sooner termination of the Existing Leases, as amended hereby.

SECOND. Notwithstanding anything to the contrary contained herein or in the Existing Leases, if Tenant fails to surrender any portion of the Premises in the condition required hereunder on or before the Surrender Date (time being of the essence), (a) Tenant shall be deemed to be holding over in the entire Premises, and shall pay the sums due pursuant to Section 12.01 of the Original Lease for Rent due after the termination of the Original Lease together with the sums due pursuant to Section 7.10 of the Sublease for holdover rental due after the termination of the Sublease (such amounts shall collectively hereinafter be referred to as "Holdover Rent"), and shall be subject to all of Landlord's rights and remedies set forth in the

Existing Leases, and Landlord may pursue against Tenant any and all remedies available to it under the Existing Leases, this Agreement, at law or in equity and (b) Landlord shall have the right, but not the obligation, to institute a holdover proceeding with respect to the entire Premises at any time following the Surrender Date, and Tenant shall not assert any defense or counterclaim to such holdover proceeding (except with respect to a Landlord Condition and/or any COVID-19 Occurrence). Notwithstanding the foregoing, if, as of the Surrender Date, (A) Tenant is legally prohibited from moving out of the Premises due to a COVID-19 Occurrence and Tenant shall not then be occupying any portion of the Premises for the conduct of its business due to such COVID-19 Occurrence and/or (B) a Landlord Condition shall actually prevent Tenant from moving out of the Premises, Tenant shall not be required to pay Holdover Rent, but shall instead continue to pay all Rent in accordance with the terms of the Existing Leases, until such date as such COVID-19 Occurrence and/or Landlord Condition, as applicable, shall be lifted or cease. Effective as of the date that shall occur five (5) Business Days after the applicable COVID-19 Occurrence and/or Landlord Condition is lifted or shall cease, Tenant shall commence paying Holdover Rent in accordance with the terms of this Article Second until Tenant vacates the Premises as required hereunder.

THIRD. Neither the cancellation of the Existing Leases hereunder nor the surrender of the Premises pursuant to this Agreement shall release Tenant from its liability for any obligations accruing: (a) under this Agreement, or (b) under the Existing Leases through and including the Surrender Date or such later date that Tenant shall surrender the Premises in the condition required hereunder. Tenant acknowledges and agrees that (i) the Existing Leases are in full force and effect, that to Tenant's knowledge, Landlord is not in default in performance of any covenant, agreement or condition contained therein and, to Tenant's knowledge, Tenant is not currently aware that it has any offsets or defenses against Landlord and (ii) no consideration has been paid or is payable by Landlord or Tenant in connection with the transactions which are the subject of this Agreement. Landlord acknowledges and agrees that (i) the Existing Leases are in full force and effect and that, to Landlord's knowledge, Tenant is not in default in performance of any covenant, agreement or condition contained therein beyond notice and the expiration of any applicable cure period and (ii) no consideration has been paid or is payable by Landlord or Tenant in connection with the transactions which are the subject of this Agreement.

FOURTH. Tenant represents and warrants that it dealt with no broker or agent in connection with this Agreement other than SL Green Leasing LLC and Newmark Knight Frank ("Tenant's Broker"). Tenant agrees to indemnify, defend and save Landlord harmless from and against any claims for fees or commissions, including, without limitation, attorneys' fees, by anyone (including, without limitation, Tenant's Broker) other than SL Green Leasing LLC with whom Tenant has dealt in connection with this Agreement. Landlord represents and warrants that it dealt with no broker or agent in connection with this Agreement other than SL Green Leasing LLC and Tenant's Broker. Landlord agrees to indemnify, defend and save Tenant harmless from and against any claims for fees or commissions, including, without limitation, attorneys' fees, by anyone (including, without limitation, SL Green Leasing LLC) other than Tenant's Broker with whom Landlord has dealt in connection with this Agreement. The provisions of this Article Fourth shall survive the expiration or sooner termination of the Existing Leases, as amended hereby.

FIFTH. Tenant acknowledges that Tenant's obligations under the Sublease are secured by a letter of credit in the amount of \$3,722,496.00 and Tenant's obligations under the Original Lease are secured by a letter of credit in the amount of \$1,564,977.50 (collectively, the "Security Letters") and agrees that the Security Letters shall also secure Tenant's obligations under this Agreement. Landlord shall only use or apply the Security Letters as expressly proved in the Existing Leases and/or this Agreement, and provided that Tenant shall be in compliance with its obligations under the Existing Leases and this Agreement, Landlord shall return the Security Letters to Tenant as and when required pursuant to the Existing Leases.

SIXTH. Tenant hereby acknowledges and agrees that Tenant shall not be entitled to make any claim for rent abatement or any claim for actual or constructive eviction resulting from a COVID-19 Occurrence. For purposes hereof, a "COVID-19 Occurrence" shall mean the occurrence of any mandatory or voluntary closure of the Building, the Premises or Tenant's conduct of business at the Premises which is suspended, delayed, interfered with or where Tenant is otherwise barred from operating as a result of the COVID-19 outbreak in the City of New York or State of New York or as a result of any governmental orders, pre-emption, rules, regulations or the like in connection with such COVID-19 outbreak.

SEVENTH. All capitalized terms used herein shall have the meanings set forth in the Original Lease and/or the Sublease, as applicable, unless otherwise expressly defined herein. If and to the extent any of the provisions of this Agreement conflict or are otherwise inconsistent with the Existing Leases, this Agreement shall govern and control. This Agreement represents the entire understanding between the parties with regard to the matters addressed herein and may only be modified by written agreement executed by both parties hereto. All prior understandings or representations between the parties hereto, oral or written, with regard to the matters addressed herein, other than the Existing Leases (as modified by this Agreement), are hereby merged herein. Tenant acknowledges that neither Landlord nor any representative or agent of Landlord has made any representation or warranty, express or implied, except as specifically set forth in this Agreement. If any provision of this Agreement or its application to any person or circumstances is invalid or unenforceable to any extent, the remainder of this Agreement, or the applicability of such provision to other persons or circumstances, shall be valid and enforceable to the fullest extent permitted by law and shall be deemed to be separate from such invalid or unenforceable provisions and shall continue in full force and effect, but only to the extent that the fundamental agreements contained herein remain satisfied notwithstanding any such invalidity or unenforceability. This Agreement shall be construed without regard to any presumption or other rule requiring construction against the party causing this Agreement to be drafted.

EIGHTH. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

NINTH. This Agreement may be executed in multiple counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument, and an executed counterpart delivered by ".pdf", facsimile or email shall be binding upon the parties.

[Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have hereunto set their hands and seals as of the day and year first above written.

LANDLORD:

1 MADISON OFFICE FEE LLC

By: /s/ Steven Durels
Name: Steven Durels
Title: EVP

TENANT

YEXT, INC.

By: /s/ Darryl Bond
Name: Darryl Bond
Title: Chief Accounting Officer

Yext, Inc. Announces First Quarter Fiscal 2021 Results

- First Quarter Revenue Increased 24% Year-over-Year to \$85.4 Million
- Customer Count Increased 36% Year-over-Year to Nearly 2,100
- Structured Facts in the Yext Knowledge Graph Increased 43% to Over 295 Million
- Issues Guidance for Second Quarter Fiscal 2021
- Cash and Cash Equivalents of \$249 Million as of April 30, 2020
- Announced Global Technology Strategic Relationship with Adobe

NEW YORK, June 4, 2020 /PRNewswire/ -- Yext, Inc. (NYSE: YEXT), the Search Experience Cloud company, today announced its results for the three months ended April 30, 2020, or the Company's first quarter of fiscal 2021.

"We have seen the rise of questions on the internet accelerate the digital transformation of every business, particularly in the last couple of months," said Howard Lerman, Founder and Chief Executive Officer of Yext. "Our platform is mission-critical to providing accurate and timely official answers to urgent questions. Given the large TAM opportunity and strong demand for our Yext Answers product, we are continuing to position Yext as The Official Answers Company. We have transitioned to a 'Lead with Answers' sales motion, and our 90-Day Yext Answers Free Trial will allow any company to quickly see ROI and how important site search is to their customers' digital experiences."

Last week, Yext announced it is the first search technology partner to join the Adobe Exchange program at the premier level, the top tier of Adobe's technology partner program. "We're thrilled to work more closely with Adobe, the behemoth in the digital experience space, to extend Yext's Search Experience Cloud to an even wider pool of marketers," said Lerman. "Now, every Adobe rep in the world can refer Yext Answers to their customers, and Yext can show customers how Answers will deliver lower support costs, higher revenue conversion, and deep customer insights on their websites."

First Quarter Fiscal 2021 Highlights:

- **Revenue** of \$85.4 million, a 24% increase compared to the \$68.7 million reported in the first quarter fiscal 2020.
- **Gross Profit** of \$64.2 million, a 23% increase compared to the \$52.2 million reported in the first quarter fiscal 2020. Gross margin of 75.2% compared to 76.0% reported in first quarter fiscal 2020.
- **Net Loss and Non-GAAP Net Loss:**
 - Net loss of \$29.2 million compared to the net loss of \$19.0 million in the first quarter fiscal 2020. The increased net loss was driven primarily by higher operating expenses, due to an overall increase in employee-related costs, as well as an increase in lease expenses, primarily as a result of our new lease arrangement for our corporate headquarters in New York, NY which commenced in May 2019.
 - Non-GAAP net loss of \$11.9 million compared to the non-GAAP net loss of \$5.7 million in the first quarter fiscal 2020. The increase in non-GAAP net loss was primarily attributable to the higher operating expenses as described above.
- **Net Loss Per Share and Non-GAAP Net Loss Per Share:**
 - Net loss per share of \$0.25 in the first quarter fiscal 2021 compared to net loss per share of \$0.18 in the first quarter fiscal 2020.
 - Non-GAAP net loss per share of \$0.10 in the first quarter fiscal 2021 compared to non-GAAP net loss per share of \$0.05 in the first quarter fiscal 2020.
 - Net loss per share and non-GAAP net loss per share were based on 116.6 million and 106.5 million weighted-average basic shares outstanding for the first quarter fiscal 2021 and fiscal 2020, respectively.

- **Balance Sheet:** Cash and cash equivalents of \$248.8 million as of April 30, 2020. Unearned revenue of \$152.6 million as of April 30, 2020, a 22% increase compared to \$125.4 million as of April 30, 2019.
- **Remaining Performance Obligations ("RPO"):** RPO of \$293.8 million as of April 30, 2020. RPO expected to be recognized over the next 24 months of \$277.8 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 used in operating activities was \$0.7 million for the first quarter fiscal 2021 compared to net cash provided by operating activities of \$0.8 million for the same period of fiscal 2020.

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:

- Announced global technology partnership with Adobe. Yext is joining the Adobe Exchange program at the premier level, the top tier of Adobe's technology partner program. Adobe content management system clients can choose to upgrade their search experience with Yext's innovative site search product, Answers.
- Offered our new site search product, Yext Answers, for a 90-day free trial.
- Launched No Wrong Answers integrated marketing campaign to help more organizations across industries transform their websites with Yext Answers and provide consumers with official answers.
- Announced collaborations with the States of New Jersey and Alabama to launch a comprehensive information hub, powered by Yext Answers, that centralizes accurate information and updates about the COVID-19 pandemic.
- Announced collaboration with the United States Department of State on an official COVID-19 travel alert and advisory information hub, powered by Yext Answers.
- Announced collaboration with the World Health Organization (WHO) to integrate Yext Answers on its COVID-19 webpage.
- Customer count, which excludes our small business and third-party reseller customers, increased 36% year-over-year to nearly 2,100.
- Executed a new credit agreement which provides a revolving loan facility of up to \$50.0 million.
- Appointed Seth Waugh, CEO of the PGA of America, to its Board of Directors, effective March 3, 2020.

Financial Outlook:

Yext is also providing the following guidance for its second fiscal quarter ending July 31, 2020.

- Second Quarter Fiscal 2021 Outlook:
 - Revenue is projected to be in the range of \$84 million to \$86 million.
 - Non-GAAP net loss per share is projected to be \$0.13 to \$0.11 which assumes 118.5 million weighted-average basic shares outstanding.

With the uncertainty surrounding the ongoing impact of the COVID-19 pandemic, we are withdrawing our previously issued full year fiscal 2021 guidance.

Conference Call Information

Yext will host a conference call today at 4:30 P.M. Eastern Time (1:30 P.M. 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 6370206.

A replay will be available domestically at (877) 344-7529 or internationally at (412) 317-0088, passcode 10143690, until midnight (ET) June 11, 2020.

About Yext

The ultimate source for official answers about a business online should be the business itself. However, when consumers ask questions on company websites, too often they are left in the dark with wrong answers. Yext (NYSE: YEXT), the Search Experience Cloud, solves this problem by organizing a business's facts so it can provide official answers to consumer questions — wherever people search. Starting with the company website, then extending across search engines and voice assistants, businesses around the world, like Taco Bell, Marriott, and Jaguar Land Rover—as well as organizations like the U.S. State Department—trust Yext to radically improve the search experience on their websites and across the entire search ecosystem.

Yext's mission is to help businesses and organizations around the world deliver official answers everywhere people search. Yext has been named a Best Place to Work by Fortune and Great Place to Work®, as well as a Best Workplace for Women. Yext is headquartered in New York City with offices in Amsterdam, Berlin, Chicago, Dallas, Geneva, London, Miami, Milan, Paris, San Francisco, Shanghai, Tokyo, and the Washington, D.C. area—and work-from-home offices all around the world.

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 second quarter fiscal 2021 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 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 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 existing customers and attract new customers generally; our ability to successfully expand and compete in new geographies and industry verticals; our ability to maintain 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; changes to our real estate strategy, in particular the timing of our exit of our existing global headquarters in New York, New York and the timing and size of our capital expenditures related to new facilities; weakened 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 net loss, non-GAAP net loss per share and non-GAAP net loss margin. Non-GAAP net loss, non-GAAP net loss per share and non-GAAP net loss margin are financial measures that are not calculated in accordance with GAAP. We define these non-GAAP net loss financial measures as our GAAP net loss as adjusted to exclude the effects of stock-based compensation expenses. Non-GAAP net loss per share is defined as non-GAAP net 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. Non-GAAP net loss margin is defined as non-GAAP net loss divided by revenue. 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 net loss margin, we believe this metric is useful in evaluating our profitability relative to the amount of revenue generated, excluding the impact of stock-based compensation expense. We also believe these 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, to evaluate the effectiveness of our business strategies and to communicate with our Board of Directors concerning our financial performance. 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 non-GAAP net loss to net loss, non-GAAP net loss per share to net loss per share and non-GAAP net loss margin to net loss margin, 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 and non-GAAP net loss per share in conjunction with net loss and net loss per share.

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YEXT, INC.

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

	April 30, 2020	January 31, 2020
Assets		
Current assets:		
Cash and cash equivalents	\$ 248,796	\$ 256,076
Accounts receivable, net of allowances of \$1,741 and \$995, respectively	47,308	80,583
Prepaid expenses and other current assets	17,202	12,730
Costs to obtain revenue contracts, current	28,143	28,423
Total current assets	341,449	377,812
Restricted cash	—	12,100
Property and equipment, net	49,033	26,200
Operating lease right-of-use assets	114,101	111,973
Costs to obtain revenue contracts, non-current	22,694	26,051
Goodwill	4,494	4,534
Intangible assets, net	1,148	1,343
Other long term assets	3,871	3,607
Total assets	\$ 536,790	\$ 563,620
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable, accrued expenses and other current liabilities	\$ 55,799	\$ 59,482
Unearned revenue, current	152,565	176,806
Operating lease liabilities, current	8,796	8,640
Total current liabilities	217,160	244,928
Operating lease liabilities, non-current	123,109	115,187
Other long term liabilities	2,610	2,293
Total liabilities	342,879	362,408
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$0.001 par value per share; 50,000,000 shares authorized at April 30, 2020 and January 31, 2020; zero shares issued and outstanding at April 30, 2020 and January 31, 2020	—	—
Common stock, \$0.001 par value per share; 500,000,000 shares authorized at April 30, 2020 and January 31, 2020; 124,029,508 and 122,335,709 shares issued at April 30, 2020 and January 31, 2020, respectively; 117,524,174 and 115,830,375 shares outstanding at April 30, 2020 and January 31, 2020, respectively	124	122
Additional paid-in capital	659,262	636,008
Accumulated other comprehensive loss	(1,693)	(360)
Accumulated deficit	(451,877)	(422,653)
Treasury stock, at cost	(11,905)	(11,905)
Total stockholders' equity	193,911	201,212
Total liabilities and stockholders' equity	\$ 536,790	\$ 563,620

YEXT, INC.

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

	Three months ended April 30,	
	2020	2019
Revenue	\$ 85,351	\$ 68,708
Cost of revenue	21,184	16,473
Gross profit	64,167	52,235
Operating expenses:		
Sales and marketing	58,520	46,398
Research and development	14,378	9,906
General and administrative	20,458	15,191
Total operating expenses	93,356	71,495
Loss from operations	(29,189)	(19,260)
Interest income	468	906
Interest expense	(137)	(53)
Other expense, net	(84)	(206)
Loss from operations before income taxes	(28,942)	(18,613)
(Provision for) benefit from income taxes	(282)	(346)
Net loss	\$ (29,224)	\$ (18,959)
Net loss per share attributable to common stockholders, basic and diluted	\$ (0.25)	\$ (0.18)
Weighted-average number of shares used in computing net loss per share attributable to common stockholders, basic and diluted	116,606,835	106,453,558
Other comprehensive (loss) income:		
Foreign currency translation adjustment	\$ (1,333)	\$ 314
Unrealized gain on marketable securities, net	—	35
Total comprehensive loss	\$ (30,557)	\$ (18,610)

YEXT, INC.

Condensed Consolidated Statements of Cash Flows
(In thousands)
(Unaudited)

	Three months ended April 30,	
	2020	2019
Operating activities:		
Net loss	\$ (29,224)	\$ (18,959)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:		
Depreciation and amortization	2,045	1,941
Bad debt expense	759	40
Stock-based compensation expense	17,372	13,216
Amortization of operating lease right-of-use assets	3,457	1,578
Other, net	190	(32)
Changes in operating assets and liabilities:		
Accounts receivable	32,395	22,195
Prepaid expenses and other current assets	(5,064)	60
Costs to obtain revenue contracts	3,465	(365)
Other long term assets	(479)	(1,913)
Accounts payable, accrued expenses and other current liabilities	(4,650)	(6,338)
Unearned revenue	(24,161)	(9,708)
Operating lease liabilities	2,679	(1,242)
Other long term liabilities	559	346
Net cash (used in) provided by operating activities	(657)	819
Investing activities:		
Maturities of marketable securities	—	24,697
Capital expenditures	(21,275)	(831)
Net cash (used in) provided by investing activities	(21,275)	23,866
Financing activities:		
Proceeds from common stock offering, net of underwriting discounts and commissions	—	147,000
Payments of common stock deferred offering issuance costs	—	(208)
Proceeds from exercise of stock options	1,879	5,000
Payments of deferred financing costs	(394)	(163)
Proceeds, net from employee stock purchase plan withholdings	1,483	1,868
Net cash provided by financing activities	2,968	153,497
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(416)	(174)
Net (decrease) increase in cash, cash equivalents and restricted cash	(19,380)	178,008
Cash, cash equivalents and restricted cash at beginning of period	268,176	91,755
Cash, cash equivalents and restricted cash at end of period	\$ 248,796	\$ 269,763
Supplemental reconciliation of cash, cash equivalents and restricted cash within the condensed consolidated balance sheets:		
(in thousands)	April 30, 2020	April 30, 2019
Cash and cash equivalents	\$ 248,796	\$ 257,663
Restricted cash	—	12,100
Total cash, cash equivalents and restricted cash	\$ 248,796	\$ 269,763

YEXT, INC.

Reconciliation of GAAP to Non-GAAP Financial Measures
(In thousands)
(Unaudited)

	Three months ended April 30, 2020		
	GAAP	Stock-Based Compensation Expense	Non-GAAP
Cost and expenses:			
Cost of revenue	\$ 21,184	\$ (1,233)	\$ 19,951
Gross profit	\$ 64,167	\$ 1,233	\$ 65,400
Sales and marketing	\$ 58,520	\$ (7,781)	\$ 50,739
Research and development	\$ 14,378	\$ (3,943)	\$ 10,435
General and administrative	\$ 20,458	\$ (4,415)	\$ 16,043
Loss from operations	\$ (29,189)	\$ 17,372	\$ (11,817)
Net loss	\$ (29,224)	\$ 17,372	\$ (11,852)
Net loss margin	(34.2)%	20.3 %	(13.9)%

	Three months ended April 30, 2019		
	GAAP	Stock-Based Compensation Expense	Non-GAAP
Cost and expenses:			
Cost of revenue	\$ 16,473	\$ (818)	\$ 15,655
Gross profit	\$ 52,235	\$ 818	\$ 53,053
Sales and marketing	\$ 46,398	\$ (6,840)	\$ 39,558
Research and development	\$ 9,906	\$ (2,572)	\$ 7,334
General and administrative	\$ 15,191	\$ (2,986)	\$ 12,205
Loss from operations	\$ (19,260)	\$ 13,216	\$ (6,044)
Net loss	\$ (18,959)	\$ 13,216	\$ (5,743)
Net loss margin	(27.6)%	19.2 %	(8.4)%

YEXT, INC.

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

	Three months ended April 30,	
	2020	2019
Net loss	\$ (29,224)	\$ (18,959)
Stock-based compensation expense	17,372	13,216
Non-GAAP net loss	\$ (11,852)	\$ (5,743)
Net loss per share attributable to common stockholders, basic and diluted	\$ (0.25)	\$ (0.18)
Stock-based compensation expense per share	0.15	0.13
Non-GAAP net loss per share attributable to common stockholders, basic and diluted	\$ (0.10)	\$ (0.05)
Weighted-average number of shares used in computing net loss per share attributable to common stockholders, basic and diluted	116,606,835	106,453,558