We’re on a mission to empower media creators with innovative technology solutions to entertain, inform, educate and enlighten the world.
WELCOME

WHIT RAPPOLE
VP Corporate Development & Investor Relations
The following non-GAAP measures & operational metrics will be used in the presentation:

**Non-GAAP Measures**
- Adjusted EBITDA
- Adjusted EBITDA Margin
- Free Cash Flow
- Non-GAAP Gross Profit
- Non-GAAP Gross Margin
- Non-GAAP Operating Expenses
- Non-GAAP Net Income
- Non-GAAP Net Income Per Share
- LTM Adjusted EBITDA

**Operational Metrics**
- Cloud Enabled Software Subscriptions
- Recurring Revenue
- LTM Recurring Revenue %
- Annual Contract Value ("ACV")
- Revenue Backlog

Reconciliations of all non-GAAP measures used in this presentation that are required to be reconciled to their comparable GAAP measures and definitions of the operational metrics used in this presentation are included in Appendix of this presentation Avid believes the non-GAAP measures and the operational metrics provided in this presentation provide helpful information to investors with respect to evaluating the Company's performance. However, these non-GAAP measures and operational metrics may vary from how other companies present such measures. Non-GAAP measures should be considered in addition to, not as a substitute for or superior to, financial measures determined in accordance with GAAP.

The presentation also includes expectations for future Adjusted EBITDA, Non-GAAP Net Income per Share and Free Cash Flow, which are forward-looking non-GAAP financial measures. Reconciliations of these forward-looking non-GAAP measures are not included in this presentation or elsewhere, due to the high variability and difficulty in making accurate forecasts and projections of some of the information excluded from the estimation of the non-GAAP results, together with some of the excluded information not being ascertainable or accessible at this time. As a result, the Company is unable to quantify certain amounts that would be required to be included in the most directly comparable GAAP financial measure without unreasonable efforts.
Certain information provided in this presentation includes forward-looking statements within the meaning of the Securities Act of 1933 and the Securities Exchange Act of 1934, which are made pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Examples of forward-looking statements include statements regarding our future financial performance or position, results of operations, business strategy, plans and objectives of management for future operations, and other statements that are not historical fact. You can identify forward-looking statements by their use of forward-looking words such as "may", "will", "anticipate", "expect", "believe", "estimate", "intend", "plan", "should", "seek", or other comparable terms.

Readers of this presentation should understand that these forward-looking statements are not guarantees of performance or results. Forward-looking statements provide our current expectations and beliefs concerning future events and are subject to risks, uncertainties, and factors relating to our business and operations, all of which are difficult to predict and could cause our actual results to differ materially from the expectations expressed in or implied by such forward-looking statements. 

These risks, uncertainties, and factors include, but are not limited to: risks related to the impact of the coronavirus (COVID-19) outbreak on our business, suppliers, consumers, customers and employees; our liquidity; our ability to execute our strategic plan including our cost saving strategies, and to meet customer needs; our ability to retain and hire key personnel; our ability to produce innovative products in response to changing market demand, particularly in the media industry; our ability to successfully accomplish our product development plans; competitive factors; history of losses; fluctuations in our revenue based on, among other things, our performance and risks in particular geographies or markets; our higher indebtedness and ability to service it and meet the obligations thereunder; restrictions in our credit facilities; our move to a subscription model and related effect on our revenues and ability to predict future revenues; fluctuations in subscription and maintenance renewal rates; elongated sales cycles; fluctuations in foreign currency exchange rates; seasonal factors; adverse changes in economic conditions; variances in our revenue backlog and the realization thereof; risks related to the availability and prices of raw materials, including any negative effects caused by inflation, weather conditions, or health pandemics; disruptions or inefficiencies in our supply chain and/or operations, including from the COVID-19 outbreak; the costs, disruption, and diversion of management’s attention due to the COVID-19 outbreak; the possibility of legal proceedings adverse to our Company; and other risks described in our reports filed from time to time with the U.S. Securities and Exchange Commission. Moreover, the business may be adversely affected by future legislative, regulatory or other changes, including tax law changes, as well as other economic, business and/or competitive factors. The risks included above are not exhaustive. We caution readers not to place undue reliance on any forward-looking statements includes in this press release which speak only as to the date of this press release. We undertake no responsibility to update or revise any forward-looking statements, except as required by law.
AGENDA

10:00am EDT

Welcome › WHIT RAPPOLE, VP CORPORATE DEVELOPMENT & INVESTOR RELATIONS
Company Strategy › JEFF ROSICA, CHIEF EXECUTIVE OFFICER & PRESIDENT
Innovation & Technology › KEVIN RILEY, CHIEF TECHNOLOGY OFFICER & SVP
Audio & Music › DANA RUZICKA, GENERAL MANAGER AUDIO & MUSIC SOLUTIONS & SVP
Video Post & Storage › TIM CLAMAN, GENERAL MANAGER VIDEO POST & STORAGE SOLUTIONS & SVP

BREAK

Media Platform & Cloud › LIOR NETZER, GENERAL MANAGER MEDIA PLATFORM & CLOUD SOLUTIONS & SVP
Commercial Strategy › TOM CORDINER, CHIEF REVENUE OFFICER & SVP
CX & Customer Success › KATHY-ANNE McMANUS, CHIEF CUSTOMER EXPERIENCE OFFICER & SVP
Financial Strategy & Outlook › KEN GAYRON, CHIEF FINANCIAL OFFICER & EVP
Q&A › EXECUTIVE TEAM

1:00pm EDT

Closing › JEFF ROSICA & KEN GAYRON
If you *enjoy* the movies, *watch* television or *listen* to music—you’re experiencing **AVID** tools and solutions at work
Many award-winning artists & media creators, the leading studios and major broadcasters all rely on AVID to create content.
AVID BY THE NUMBERS

SUBSCRIPTION + MAINTENANCE REVENUE
$206.0M
+14.4% YoY

SUBSCRIPTION REVENUE
$83.7M
+68.0% YoY

ADJUSTED EBITDA
$72.1M
+51.6% YoY

FREE CASH FLOW
$52.0M
+6,800% YoY

E-COMMERCE REVENUE
$77.7M
+25.1% YoY

REVENUE BY TYPE

2018

LTM Q1’2021

REVENUE BY GEO

RECURRING REVENUE %

Unless otherwise noted, all data is for LTM (Last 12 Months) period ending Q1’2021, with YoY comparison to 12 months ending Q1’2020. Paid cloud-enabled software subscriptions as of March 31, 2021.
INVESTMENT THESIS

1. Market leading media technology provider of innovative software and solutions with sticky customer relationships

2. Big shifts in media markets driving technology refreshes and customer requirements that play well into Avid’s unique strengths

3. Period of accelerating subscription growth with expected continued growth from creatives plus new growth coming from enterprises

4. Early stages of the transition to SaaS & cloud for the media industry, with Avid holding an early mover advantage

5. Increasing need for better interoperability between software tools in rapidly expanding market of tens of millions creative pros

6. Positive performance trajectory delivering continued strong improvement in revenue growth, profitability and free cash flow
### Key Customers

<table>
<thead>
<tr>
<th>Broadcast &amp; Cable</th>
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</thead>
<tbody>
<tr>
<td>• News &amp; Sports</td>
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<tr>
<td>• Program Production</td>
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<tr>
<td>• Digital &amp; Social Media</td>
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<table>
<thead>
<tr>
<th>TV &amp; Film Production</th>
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<tbody>
<tr>
<td>• Studios</td>
</tr>
<tr>
<td>• Audio &amp; Video Post-Production</td>
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<tr>
<td>• Production Companies</td>
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<table>
<thead>
<tr>
<th>Music</th>
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<tbody>
<tr>
<td>• Music Creators</td>
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<tr>
<td>• Recording Studios</td>
</tr>
<tr>
<td>• Live Sound</td>
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</table>

<table>
<thead>
<tr>
<th>Pro Video</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Corporate, Retail, Religion</td>
</tr>
<tr>
<td>• Governments and Institutions</td>
</tr>
<tr>
<td>• Independent Video Creators</td>
</tr>
</tbody>
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<thead>
<tr>
<th>Education</th>
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<tbody>
<tr>
<td>• Institutions</td>
</tr>
<tr>
<td>• Instructors</td>
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<tr>
<td>• Students</td>
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### Why We Win

<table>
<thead>
<tr>
<th>Broadcast &amp; Cable</th>
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<tbody>
<tr>
<td>• Deeply embedded at leading broadcasters globally</td>
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<tr>
<td>• Open, tightly-integrated platform providing end-to-end solutions</td>
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<tr>
<td>• Leading customers on journey to cloud &amp; distributed production</td>
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<table>
<thead>
<tr>
<th>TV &amp; Film Production</th>
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</thead>
<tbody>
<tr>
<td>• Leading video and audio creation software for TV &amp; film</td>
</tr>
<tr>
<td>• Unique solution integration with MediaCentral and NEXIS</td>
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<tr>
<td>• Subscription/SaaS provides secure solution for distributed teams</td>
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<table>
<thead>
<tr>
<th>Music</th>
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<tbody>
<tr>
<td>• Leading music production software demanded by top creatives</td>
</tr>
<tr>
<td>• Tight integration with I/O, HW acceleration and control surfaces</td>
</tr>
<tr>
<td>• Attractive subscription offering with range of price points</td>
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<table>
<thead>
<tr>
<th>Pro Video</th>
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<tbody>
<tr>
<td>• Media industry-standard video editing solution available for pros</td>
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<tr>
<td>• Offer solutions with basic workflow and media management</td>
</tr>
<tr>
<td>• Attractive subscription offering with range of price points</td>
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<table>
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<tr>
<th>Education</th>
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<tbody>
<tr>
<td>• Longstanding position with leading schools to train students on the professional-level tools they need to succeed in the market</td>
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<tr>
<td>• Focused education go-to-market and learning partner program</td>
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</table>
INDUSTRY-TRUSTED SOFTWARE AND SOLUTIONS

**CREATIVE SOFTWARE**
The industry’s preferred suite of powerful creative software tools for creating high-quality audio and video content

**ENTERPRISE SOFTWARE**
Media’s leading cloud-enabled, secure and open platform for media production workflows to create content more efficiently

**INTEGRATED SOLUTIONS**
Integrated hardware + software solutions that offer advanced capabilities and help uniquely position the company’s offering
KEY MARKET & BUSINESS DRIVERS

**Strong market demand for more high-quality, rich media content**

- Growth in content outlets and competition: more channels, more shows and more music creates more customers/users
- Subscription-based streaming business model drives strong and continuous demand for original and fresh content
- Need for greater efficiencies at “content factories” is driving desire for automation, AI/ML, and data to help streamline

**Democratization of media creation, distribution and monetization**

- Music is being transformed by streaming services—opening up opportunities for artists to get their music heard and monetized
- Media “gate keepers” are far less prevalent in the business today, making it easier for creators to get their work seen and heard
- Far fewer barriers for creators to get access to the tools they need—today’s tools are more accessible and easier to use

**Major market shifts are driving tech refreshes and key investments**

- High demand for better tools enabling distributed teams and supporting “work from anywhere” post-COVID
- Business demands for more flexibility and efficiency driving Cloud/SaaS, and hybrid-cloud deployments
- Trend towards immersive audio—led by Dolby—is driving retooling of TV, film & music creation workflows
EXPANDING OUR MARKET AND GROWTH OPPORTUNITIES

Pursuing attractive market opportunities in the growing music creation segment, professional video market and the wider media content and data storage product category through technology innovation and go-to-market expansion moves.

TODAY’S ADDRESSABLE MARKET
- 3M Users
- $6B TAM
- 2-4% CAGR

FUTURE ADDRESSABLE MARKET
- 30M+ Users
- $13B+ TAM
- 8% CAGR

DRIVING MULTIPLE TIERS OF SUBSCRIPTION GROWTH

• Heavy focus on driving the **continued growth of creative tools** subscriptions

• Recent launch of **enterprise subscriptions** providing an **additional growth** driver

• Beginning stage of **new growth engine** with **Cloud/SaaS** solutions offering
EVOLVING OUR ORGANIZATION FOR THE NEXT GROWTH PHASE

• Sharpening focus on each of our product areas
  – Audio & Music Solutions
  – Video Post & Storage Solutions
  – Media Platform & Cloud Solutions

• Accelerating innovation and technology to deliver subscription and Cloud/SaaS growth

• Evolving go-to-market & commercial strategy

• Improving customer experience and success of our clients and users with Avid solutions
SOLUTION-FOCUSED BUSINESS AREAS
Driving next phase of Avid’s strategic growth with focused business leaders

**Audio & Music**

**Core Offering**
- Audio/music creation software
- Audio I/O, hardware acceleration and control surfaces
- Live sound consoles

**Target Markets**
- Audio post sound for film & TV
- Music creation, recording/mixing
- Live event sound production

**Video Post & Storage**

**Core Offering**
- Video creation & editing software
- High-performance collaborative storage solutions, on-prem & cloud
- Editorial management software

**Target Markets**
- Film & TV post-production
- Broadcast program production
- Professional video

**Media Platform & Cloud**

**Core Offering**
- Media production and content management software
- Cloud/SaaS media production
- Video servers and graphics

**Target Markets**
- Broadcast and cable news
- Sports production
- Content/media management
INCREASE INNOVATION FOCUS

Uniquely positioned to capitalize on key industry shifts

• Making key technology investments to drive even greater innovation in support of growth plans

• Accelerating our journey to the cloud and further strengthening our market position in leading the media industry’s transition

• Technology to enhance value creation
  – Digital transformation
  – Subscription licensing
  – Cloud/SaaS platform
  – Customer experience
EVOLVE COMMERCIAL STRATEGY
Building a highly effective and efficient go-to-market

- Driving continuous evolution of the go-to-market to enable Subscription & SaaS across the direct, channel and eCommerce routes to market

- Leveraging global scale and commercial engine to support continued building of Recurring Revenue
  - Driving favorable economics from enterprise subscription offerings
  - Better engagement with and enablement of the channel is delivering greater success
  - Protecting maintenance revenue during the subscription transition
ENHANCE CUSTOMER EXPERIENCE
Driving value through an improved customer experience

• Taking a greater outside-in customer perspective
• Digital transformation to better support growth
• Improving UX/UI to support market expansion
• Investing in customer success management to deliver improved value and retention
• More efficient and effective customer care
• Enhanced learning services as part of the subscription offering
IMPROVE BUSINESS OPERATIONS
More efficient business better prepared to drive growth

- Started 2021 with a streamlined business, positioned to deliver profitable growth
- Successfully managed through pandemic and delivered strong profitability and cash generation
- Investing in digital transformation to support strategic growth and business efficiencies
- Continued management focus on delivering improving profitability and Free Cash Flow
STRATEGIC VISION | AVID 2025

- Predominately a Subscription and SaaS company
- Significantly larger and stronger competitive position in the music creation space
- Undisputed leadership in high-end television/film entertainment and news/sports production
- Strong competitive position established in the mid-market ‘pro video’ content creation space
- Recognized by ‘next gen’ creators as the top brand and leading set of creative tools

Aspirational Financial Goals in 2025

- $375M+ in Subscription & SaaS revenue, making up a majority of total revenue
- 80%+ Recurring Revenue
- Adj. EBITDA Margin of 27%+ and Free Cash Flow Conversion of >80%
INNOVATION & TECHNOLOGY

KEVIN RILEY
Chief Technology Officer & SVP
TECHNOLOGY & INNOVATION FOCUS AREAS

- Work From Anywhere
- SaaS & Subscription
- Cyber Security
- Digital Age Experiences
- Next-Gen Silicon
- Multi-Platform Delivery
- Optimized Audio & Video
- Cloud & IP Networking
- AI and Data Analytics
- APIs & Automation
AVID IS TAKING THE INDUSTRY TO CLOUD

Why Cloud? Why Now?

- Accelerated timelines and compressed budgets require **on-demand infrastructure**
- Distributed production and virtual collaboration requires **real-time, global reach**
- AI enabled automation and smart assist fuels acceleration and reduces complexity → **AI and big data live in the cloud**
- Production complexity is increasing at a rate that **only cloud** compute, storage and networking can match

Why Avid?

- We have well established, **sticky customer relationships**
- We have the **trust of our customers** to partner on their journey
- We have **unique, foundational IP and assets** that are directly leverageable
- We have introduced:
  - SaaS for cloud creation and production
  - SaaS for collaboration and social
  - Cloud for asset management

THE TIME IS NOW, WE ARE IDEALLY POSITIONED, AND WE HAVE STARTED THE MIGRATION
Enabling the tipping point of hyperscale production in the cloud

**Security Is an Essential Enabler**

- Identity, provenance and encryption enable trust in distributed cloud environments
- Media and metadata are the key assets and reside in Avid solutions
- Uniquely positioned to unify security across audio and video domains as creative worlds converge
- Strategy: deliver essential security features backed by security services for end-to-end assurance

**Unlocking AI and Big Data**

- Avid solutions are the gatekeepers of the data
- Ideally positioned to enable AI and big data
- We are cloud-connecting our portfolio to unlock data across on-premises, cloud, remote, and on-the-go
- Focusing on codecs, automation, smart-assist and asset management
- Strategy: leverage our know-how, trust and position to drive an industry framework for AI deployment

AVID INNOVATION ENGINE, CLOUD-READY ASSETS & ENTERPRISE DIGITAL TRANSFORMATION

Accelerate the industry to cloud creating a new SaaS & Subscription trajectory
TECHNOLOGY IN SUPPORT OF VALUE CREATION

Enabling subscription and SaaS business scale

Digital Transformation

- Transact business at scale with machine speed
- Business optimization
- Go-to-market expansion
- Business insights

Subscription Licensing

- Frictionless onboarding and upsell
- Self-service
- Expanded licensing offers
- Accelerated user onboarding

Cloud Platforms

- Unlock new offers with high profitability
- Accelerated offer deployment
- On-demand, always available
- Superior cloud economics

Avid ©2021
CAPITALIZING ON THE INFLECTION POINT

Business Shifts
- On-demand
- Mobile
- Secure
- Simplified

Technology Shifts
- Silicon
- Cloud
- AI/Big Data
- Automation

Industry Leadership
- Pervasive customer base
- Established trust
- Strong innovation engine
- Foundational components

We are at this point in time

Move the Industry

Accelerate Growth

Create Value

Avid is uniquely positioned
AUDI0 & MUSIC

DANA RZICKA
General Manager Audio & Music Solutions & SVP
Avid is the undisputed leader in professional audio with significant room for growth in adjacent product categories and new customer segments.

**DOZENS** of industry awards recognized as tool of choice for audio professionals around the globe

**INDUSTRY LEADER**

**PRO Tools** is used on the world's most popular, and Grammy®-winning music productions

**MUSIC CREATION**

**PRO Tools** is the DAW behind the world's biggest, award-winning films and TV shows

**AUDIO POST**

**S6L** systems are the preferred choice for the biggest festivals, theatrical productions and performance venues

**LIVE SOUND**

**OVERALL MARKET OPPORTUNITY**

$1.7B+
TOTAL ADDRESSABLE

8-9%
AVID SHARE

5%
OVERALL MARKET GROWTH

**REVENUE COMPOSITION 2020**

Source: MiDiA (2020) and Avid
RIDING CONTINUOUS WAVE OF INNOVATION

With major new product introductions, software subscription and smart hardware capabilities across all product categories
PRO TOOLS SOFTWARE AT THE CORE

Fast-growing software subscription business with significant room for expansion

First & Avid Link

2.8 Million
51% YoY Growth
Pro Tools | First & Sibelius | First downloads

+ 2 Million
Unique Avid Link users

208,000
Paid subscriptions
Q1 2021

55% YoY Growth

Commercial Conversion Engine

Acquire
New customers via digital, freemium & trials

Expand
ARPU via software and peripheral cross sell

Maximize
And nurture lifetime value with cloud & other services
FUELING AN END-TO-END ECOSYSTEM

Positioning Avid for ARPU growth through innovative creative tools, community, marketplace and cloud services uniquely tailored for the serious audio and music creator.

- **Avid Artist Community**
  - 45% YoY growth with 720K+ public members of the creative community

- **Avid tools & peripherals**
  - Intelligently-integrated hardware uniquely boosts creativity and productivity

- **Avid Marketplace**
  - +25% YoY growth in marketplace plugin billings

- **AvidPlay & Media Composer**
  - +20% QoQ growth of streaming music released in the highest quality or in Dolby Atmos®

Pro Tools

Intelligently-integrated hardware uniquely boosts creativity and productivity.

- 45% YoY growth with 720K+ public members of the creative community

- +25% YoY growth in marketplace plugin billings

- +20% QoQ growth of streaming music released in the highest quality or in Dolby Atmos®
A CLOSER LOOK: MUSIC CREATION
Spanning aspiring music creators to established top tier pros & artists, growth from new customer acquisition down market and category expansion

ACQUIRING NEW USERS

- Film and television post-production, professional music studios, and high budget individual producers
  - Estimated annual spend of $475M*
- Professional and aspirational creatives
  - Estimated annual spend of $570M*
  - Average individual spend > $200 per year
- Light hobbyist and introductory creatives
  - Estimated annual spend of $700M*
  - Average individual spend < $100 per year

PRODUCT CATEGORY EXPANSION

For every $1 spent on DAW software like Pro Tools, electronic musicians spend another $3 on plugins, virtual instruments, sounds & samples, and cloud services

Avid is uniquely positioned to fulfill the needs and aspirations of the serious music creator

Sources: IABM-DC (2020) and MIDiA Creator Tools (2020).
* Avid estimated split among user tiers
A CLOSER LOOK: AUDIO POST

Avid solutions deliver end-to-end workflow and integration uniquely suited for the rigors of TV / film / streaming production, growth driven by increased demand for highly-produced content and ever more stringent delivery requirements.

Increased content creation

Rising consumer demand drives increasing original content production by leading streaming services.

Leading Content Streaming Provider Metrics

- **32% CAGR**
- **Hours of First Run Original Content Produced**

New standards and delivery formats

Heightened competition between providers drives:
- **Ever tighter delivery deadlines**
- **Higher-quality requirements**
- **Differentiated localized experience**

**Immersive audio formats are supported by streamers**

**Netflix Originals are now dubbed in 30+ languages**

Sources: IHS Markit
A CLOSER LOOK: LIVE SOUND PRODUCTION

House of worship, theater and installed sound to top-tiered touring artists and festivals, poised for resurgence in 2H 2021 after temporary pause related to COVID-19

"Live Nation has booked twice as many shows for 2022 as it did in 2019" — Live Nation CEO Michael Rapino via NME

"Two main stages, six headliners, the best line up of acts 2021 will see, and 200,000 fans are going to celebrate the best music," said Melvin Benn of the sold out Reading and Leeds Festival. "The acts are desperate to play, the kids are desperate to come."

"I feel very passionate about the chance we have for normalcy right now with the vaccine," says Brad Paisley about his summer tour.
**KEY TAKEAWAYS**

Avid is well positioned for continued growth across music creation, audio post-production and live sound

- Unparalleled brand position in professional market space
- Uniquely differentiated end-to-end solution
- Strong momentum in software subscription with significant room for growth

### KEY GROWTH DRIVERS

<table>
<thead>
<tr>
<th>Grow new customer acquisition down market with “serious music creators”</th>
<th>Further expand cross sell of plugins, VIs, sounds &amp; samples and cloud services</th>
<th>Continue to serve growing TV / film / streaming space with specialized solutions</th>
<th>Well positioned for market rebound in live and event sound</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image1.png" alt="Photo of a person playing a guitar" /></td>
<td><img src="image2.png" alt="Screenshot of a VIs software" /></td>
<td><img src="image3.png" alt="Image of a human silhouette with data visualizations" /></td>
<td><img src="image4.png" alt="Image of a person adjusting sound equipment" /></td>
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</table>
Avid is the undisputed market leader in collaborative editing software and storage for film, television entertainment, news and sports, which positions us for profitable growth in adjacent categories and segments.

**VIDEO POST & STORAGE SOLUTIONS SUMMARY**

**INDUSTRY LEADER**

Heritage of category creating **innovation**

Strong **brand**, trusted **workflows**, marquee **customers** all over the world

**2020 REVENUE MIX**

- Video Software
- Storage
- Video Hardware

**FILM & TV ENTERTAINMENT**

Media Composer is the most trusted, most acclaimed video editing solution for professional Film, TV Entertainment, News and Sports

**NEWS AND SPORTS**

Avid NEXIS is the undisputed market leader in shared storage for collaborative video editing teams, scaling from small workgroups to the largest media enterprises

**STORAGE & WORKFLOW**

**MARKET OPPORTUNITY (2021E)**

- **$6.7B** STORAGE MARKET ($M) ~7% GROWTH (’19-’25) CAGR
- **$2.2B** ALL VIDEO NLE SOFTWARE ($M) ~6% GROWTH (’19-’25) CAGR

* Sources: Coughlin and Associates, 2020; Avid; Frost & Sullivan, 2020
Insatiable demand for professional content with intense competition for viewers positions Avid for accelerated growth as production rebounds from the pandemic.

**MARKET CONDITIONS POINT TO GROWTH**

- Increasing **consumption** of professional media
- Intense **competition** for subscribers
- Production **disruptions** due to pandemic

**Opportunities for Avid**

- Rebound in facility investments during 2021
- Increased need for additional creative software licenses
- Growing demand for subscription licenses
- Adoption of work from anywhere and distributed workflows

Viewers watched an average of 24 minutes more video content per day in 2020*

~600M SVOD subscriptions will be added by streamers 2012-2026 (65% growth)**

Feature film and scripted TV programming worldwide was delayed by the pandemic in 2020

---

* Activate Consulting (2020) US viewing habits  **Source: Digital TV Research (2021)
VIDEO POST PRODUCTION OPPORTUNITY

Avid is positioned for growth with expansion of video post production, picture and sound, and hybrid cloud workflows

✓ Strong market share and embedded position with professional film and television content creators – individual creatives, facilities, studios
✓ Media Composer sits at the core of post production workflows
  ✓ Recent expansion into finishing and mastering workflows for OTT original content
✓ Majority of revenue & users on perpetual/maintenance, but market is quickly adopting subscription
✓ Expansive market opportunity with distributed workflows and picture and sound interoperability
  ✓ Edit On Demand for cloud-based collaborative editing

Post & Broadcast NLE Market Opportunity*

~$300M

17%  
AVID SHARE

~4%  
CAGR

Source: Frost & Sullivan, 2020
Avid Media Composer subscriptions have been growing rapidly through new customer acquisition and transition from perpetual and maintenance.

**+18,000**
12 month subscription growth

Q1 2021

**136% YoY**
subscription revenue growth

**62,000**
Paid subscriptions

Q1 2021

**41%**
YoY growth

**DRIVEN BY NEW INNOVATION**

- **Media Composer | Enterprise**
  - Customize roles for teams

- **Avid | Edit On Demand**
  - Video editing in the cloud

- **Media Composer | Distributed Processing**
  - Speeds up your production
PRO VIDEO OPPORTUNITY

There is a huge opportunity to leverage Avid’s aspirational brand and proven technology further down-market in the massive $1.9B Pro Video segment.

**FILM & TELEVISION**
- Professional film and television post production
- Users tend to be specialists, focusing on one discipline
- Users value depth of toolset and workflow efficiency

**PRO VIDEO**
- Professional video creation outside of Media & Entertainment
- Target segments: Corporations, Government, Houses of Worship, Education
- Users are “jacks of all trades” who value all-in-one tool set

**HOBBYISTS**
- Users who create videos as a hobby, sharing them on social media
- Annual spend on software subscriptions is large but highly fragmented
- Powerful, free mobile apps are more than adequate for most

---

* Avid estimate based on Frost & Sullivan (2020)
VIDEO CREATION TOOLS – GROWTH STRATEGY

Readily accessible paths to increased ARPU and rapid expansion of user base

Increased ARPU by migrating high-end customers to higher value models with premium features and paid options

Cultivating aspiring professional video creatives via freemium mobile app with easy path to commercial offers and more aggressive programs for education

Infusing Avid’s proven collaborative workflows with Work From Anywhere capabilities, while driving efficiency with unique Picture & Sound workflows with Avid Pro Tools

Significantly expand user base by extending further down-market into adjacent Pro Video segment

Avid Media Composer

MOBILE APPS

COLOR GRADING & FINISHING

AUDIO POST

PRO VIDEO APP

AUDIO POST

MOBILE APPS
Avid is uniquely positioned to expand workflow efficiencies by enabling concurrent working between picture and sound teams while automating mundane tasks.

**SUPPORTING PICTURE & SOUND WORKFLOWS**

- Enable concurrent collaboration*
- Simplify turnover from picture to sound
- Automate revisions
- Enhance audio toolset in Media Composer
- Enrich data exchange

**PICTURE**

Avid Media Composer

**WORKFLOWS**

**SOUND**

Avid Pro Tools

**AUDI SOURCES**

**REVIONS**

**MIX/STEMS**

**MASTERING**

**TURNOVER**

**Increasing** ARPU with “enterprise” versions of Media Composer and Pro Tools that offer unique valuable capabilities for post production.

**Reinforces** Avid’s #1 position in high-end post production with uniquely differentiated workflows.
Avid leads the industry with collaborative workflows powered by Avid NEXIS high performance shared storage solutions

Avid enjoys a large installed base to build on

- More than 5,000 NEXIS systems sold during the last five years
- Approaching 1 Exabyte of storage installed at customer sites worldwide

Avid NEXIS drives profitable recurring revenue

- Maintenance renewals, system upgrades, and system expansions

Avid’s NEXIS file system provides ultra high performance for media workflows

- Patented software runs on commodity hardware, now ported to cloud

Avid NEXIS supports an open ecosystem of third party solutions

- Creative tools from Adobe, Blackmagic Design, Apple and Autodesk are fully supported

Avid NEXIS | Cloud enables collaborative teams in the cloud

- Flexible SaaS solutions that enable real-time video editing in the cloud
AVID NEXIS CLOUD

Avid is building on our large, profitable on-premises installed base by adding hybrid cloud software subscriptions

✓ Avid NEXIS | Cloud powers Edit On Demand
✓ Available as a software subscription for “bring your own cloud” deployments
✓ Deployed in lighthouse accounts throughout the world
✓ We plan to introduce hybrid cloud bundles providing a flexible migration path to the cloud
✓ $2.1B TAM for cloud storage for post and archiving in 2025E, 35%+ CAGR*
KEY TAKEAWAYS
Avid is well positioned for profitable growth in video creation tools and storage

- Leading brand, large installed base, and marquee customers in media & entertainment
- Strong momentum in software subscriptions with significant room for growth
- Adjacent opportunities for expansion: hybrid cloud storage and pro video

MAJOR GROWTH DRIVERS

- Pent-up demand for professional content will drive rebound in content production during 2021
- Accelerating expansion of software subscriptions for individuals, teams, and enterprises
- Conversion from Avid’s large on-prem installed base to hybrid cloud storage subscriptions
- Opportunity to extend further down-market into the large, growing Pro Video segment
2021 Avid Investor Day

WE’LL RETURN SHORTLY!
MEDIA PLATFORM
& CLOUD

LIOR NETZER
General Manager Media Platform & Cloud Solutions & SVP
MEDIA & CLOUD SOLUTION SUMMARY

Avid is the market leader and is well positioned to lead the industry transition to cloud.

**INSTALL BASE**
- 2,200+ Systems Deployed
- 200+ Studio & Broadcast Clients
- 750+ News Clients

**ON-PREM MARKET OPPORTUNITY**
- $1.2B+ ON-PREM ADDRESSABLE
- ~7% AVID SHARE
- ~3-5% ON-PREM MARKET GROWTH

**NEW CLOUD OPPORTUNITY**
- $1.3B+ CLOUD ADDRESSABLE
- 20+% CLOUD MARKET GROWTH

**REVENUE COMPOSITION 2020**
- On Demand Cloud
- Video Servers
- Graphics
- Media Management Software

**MARKET GROWTH**
- 20+%

**ADDRESSABLE MARKET**
- $1.3B+

**Customer loyalty**

**Portfolio maturity**

**Growing momentum in Hybrid Cloud**

**Largest customer install base**

**Compelling subscription model**

**IABM-DC (2020)**
ZOOMING IN ON THE TRANSITION TO CLOUD & SAAS

OUR CUSTOMER’S JOURNEY

TODAY

Traditional on prem perpetual deployments

Hybrid on prem / cloud deployments

TRANSITION ZONE

Existing business / technology curve

TIME

FUTURE

Subscription based cloud deployed

New business / technology curve

Evidence of Transition
• Post production in cloud
• Cloud-first buying decisions
• COVID remote-work acceleration
KEY MARKET TRENDS

100% of those surveyed answered that **total cost of ownership** is the most significant purchase decision factor.

85% of broadcast and media companies **having employed or planning to employ cloud-based workflows**.

88% of those surveyed stated that **cybersecurity** is essential for their operations.

80% of those surveyed reported that **enhancing newsroom operations** is strategic for their future.

67% of those surveyed reported that **DR & business continuity** is 4th-biggest investment area.

---

Many of our customers work on-premises today...
WITH AN IT-CENTRIC PLATFORM APPROACH

...and MediaCentral is empowering them to create more efficiently...
MEDIA SOLUTIONS OPPORTUNITY

Avid’s pervasive and loyal install base transitioning from support & maintenance contracts to subscription & SaaS

Current State

✓ Total addressable market >$1B on-premises
✓ Now moving to subscription based, innovative, open and secure, content management and production solutions
✓ Workloads to move to cloud and seamlessly sync to on-premises systems
✓ Avid’s central value proposition of distributed production workflows are becoming a key success factor and MediaCentral platform

Future State (5 years)

• Use our production data to enable enterprises, teams and individuals to be more productive and efficient leveraging AI & ML
• Individual collaborators will have tools to connect and participate in larger ecosystem workflows
CLOUD & SAAS OPPORTUNITY

COVID-19 has accelerated the transition to cloud, reducing customer reservations and hesitancy

Current State

- 85% of broadcast and media companies having employed or planning to employ cloud-based workflows
- While early in our journey, with first mover advantage, we offer customers cloud-based SaaS workflows in Edit, Media management and Storage
- We are building a shared multi-tenant collaborative Cloud Platform that is “Trusted by Design” to deliver new customer-valued cloud workflow offerings
- Avid faces mix of traditional competition and new cloud native providers

Future State (5 years)

- A multi-cloud strategy, with Avid working effectively with each of the main cloud vendors and support multi-cloud ecosystems
- Media industry will have adopted cloud first for new installation, to streamline production value chains, deliver content faster, reduce workflow TCO, improve collaboration and adopt consumption economics

Avid Customer Association 2020 survey
EDIT ON DEMAND
Remote collaboration for post-production creative teams

✓ Breakthrough service model that optimizes & aligns clients spend with production schedules

✓ Turnkey cloud-based post-production environment for secure remote collaboration

✓ Familiar industry-leading Media Composer and Avid NEXIS shared bins/projects workflow

✓ Simple pricing, ability to elastically scale over course of project lifecycles
Our deep & advantaged workflow integration with the MediaCentral Platform, differentiates Avid’s offerings

**GRAPHICS (Maestro)**
- **Current State**
  - With broadcasters competing over eyeballs, graphics is one of the most effective storytelling tools, allowing them to stand out from the competition.
  - We are moving to a software-based subscription solution enabling a future SaaS and cloud offerings.
  - Exiting lower margin hardware products.
- **Future State (5 years)**
  - Move to software-based and cloud solutions accompanied by more flexible subscription-based business models.
  - Industry will adopt fully remote and virtualized real-time graphics solutions, with deeper workflow integrations.

**VIDEO SERVERS (FastServe)**
- **Current State**
  - Our ingest and playout solutions are the ins and outs into our end-to-end media production solutions, now starting to move to cloud as well.
  - Our hybrid approach will support a faster growth of Cloud based media production by providing the optimized real-time delivery of high-quality media to the cloud.
  - Exiting lower margin hardware products.
- **Future State (5 years)**
  - Further integration with the MediaCentral platform gives Avid unique and differentiated knowledge of data flows, allowing it to use AI and ML to enhance workflows.
MEDIA AND CLOUD

In summary

Double-down on distributed, remote and secure workflows

Attach to high growth market segments using cloud and SaaS

Build SaaS / cloud platform solution and platform for Avid overall

Maintain leadership position in E2E media and news workflows
COMMERCIAL STRATEGY

TOM CORDINER
Chief Revenue Officer & SVP
OVERALL COMMERCIAL STRATEGY

Grow subscription and recurring revenue

• Growing subscription across all customer types and routes-to-market
  A. Enterprise direct
  B. Channel partners
  C. eCommerce/B2C

• Nurture and grow Long-Term Agreements (LTA) with customers & partners – focus on subscription offerings

• Protect maintenance through transition to subscription

% OF REVENUE (LTM 3/31)

Direct sales enterprise customers
31% (36% in '18)

Channel partners buying in larger quantities largely for reselling
48% (52% in '18)

Individuals buying in traditional B2C fashion, typically 1-2 products
21% (13% in '18)
GLOBAL SCALE ENABLING SUBSCRIPTION REVENUE GROWTH

WORLDWIDE:
- Total revenue: $368.4M
- Subscription revenue: $83.7M, 68% YoY growth

AMERICAS
- Total revenue: $170.5M
- Subscription revenue: $53.2M, 66% YoY growth

EMEA
- Total revenue: $146.8M
- Subscription revenue: $24.0M, 92% YoY growth

APAC
- Total revenue: $51.2M
- Subscription revenue: $6.5M, 25% YoY growth

LTM March '21 revenue
Leveraging strong market position to realize maximum customer value

BUILDING RECURRING REVENUE STREAMS

- **Subscriptions**
  - Continued creative tool momentum
  - Enterprise subscription via MediaCentral Flex adoption

- **Maintenance**
  - Managed migration of software maintenance to long-term enterprise subscription
  - Grow remaining hardware maintenance

- **Long-Term Agreements**
  - Enterprise Agreements
  - Enterprise subscription
  - Strategic Purchasing Agreements

**LTM Recurring Revenue**

Note: Long-Term Agreement portion of Recurring Revenue excludes the subscription and maintenance portion
SIGNIFICANT CUSTOMER SUBSCRIPTION & SAAS ADOPTION

Subscription, Cloud and SaaS

[Logos of various companies and organizations]
Grow subscription and Enterprise Agreements

- **Enterprise commercial objectives**
  - Drive uptake in subscription, SaaS and Long-Term Agreements
  - Creating stickier revenue streams and greater wallet share
  - Improve subscription license deployments and customer loyalty via customer success management

- **LTA – Enterprise Agreements and enterprise subscription**
  - Longer-term revenue commitment, delivering more predictable annual deployment costs for customers
  - Opportunity for incremental subscription licenses
FAVORABLE ECONOMICS OF MOVING ENTERPRISE CUSTOMERS TO SUBSCRIPTION

Customer A

Change in Booking Annual Value

- European broadcaster
- MediaCentral Flex

Customer B

Change in Booking Annual Value

- US local TV station
- Media Composer & MediaCentral Flex
**CHANNEL SALES STRATEGY**
Grow subscription and Strategic Purchasing Agreements

- **Channel commercial objectives**
  - Drive subscription and recurring revenue focus with new partner recruitment, modernized program and digital enablement
  - Outsourcing of sub-scale markets to lower and variabilize Avid go-to-market costs

- **Long-term Strategic Purchasing Agreements**
  - Annual or multi-year commitments
  - Four-tier program to cater for all market segments and partner models

**Channel Recurring Revenue as a % of Total Avid Revenue**

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
<th>LTM Q1’21</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>18.1%</td>
<td>24.1%</td>
<td>29.5%</td>
<td>33.6%</td>
<td>33.6%</td>
</tr>
</tbody>
</table>

**Strategic Purchasing Agreement Booking Annual Value**

<table>
<thead>
<tr>
<th></th>
<th>12/31/18</th>
<th>12/31/19</th>
<th>12/31/20</th>
<th>3/31/2021</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$55.9M</td>
<td>$70.2M</td>
<td>$79.4M</td>
<td>$80.7M</td>
</tr>
</tbody>
</table>

**Channel Subscription Revenue**

<table>
<thead>
<tr>
<th></th>
<th>2020Q1</th>
<th>2020Q2</th>
<th>2020Q3</th>
<th>2020Q4</th>
<th>2021Q1</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$1M</td>
<td>$2M</td>
<td>$3M</td>
<td>$4M</td>
<td>$5M</td>
</tr>
</tbody>
</table>

- Pro Tools
- Media Composer
- Sibelius
- Enterprise & Cloud
• **eCommerce commercial objectives**
  - Fuel subscription revenue growth via high margin creative tools sales

• **Support subscription growth for creative individuals and teams**
  - 77% of Q121 eCommerce revenues were creative tools subscriptions
  - Attractive customer acquisition costs and lifetime value
  - Subscription revenues grew 30% YoY, fueled by robust growth in paid search and SEO

• **Future evolution**
  - B2B eCommerce growth, personalization, localization
  - Site search, digital advertising

21% **YoY Conversion Rate Lift**

18% **YoY Reduction in Bounce Rate**
OPTIMIZING MAINTENANCE

Maximizing the value of support contracts

• Hardware products maintenance
  – Significant improvement in renewals rates coming out of COVID, due to dedicated worldwide renewals teams and new commercial leadership
  – Focus on price increases and hardware maintenance growth and renewal rates

• Software products maintenance
  – Rapid conversion of maintenance contracts to higher ARPU enterprise subscription revenues
  – Future evolution to automated quoting platform for all renewals
COMMERCIAL STRATEGY SUMMARY

• Grow subscription and recurring revenue
• Accelerate new EA and enterprise subscription, plus Cloud/SaaS term agreements
• Drive strategic revenue and optimize maintenance
• Continue to improve enterprise selling efficiency
• Leverage channel scale and build out digital go-to-market engines
• Enhance demand generation and pipeline growth strategies to enter new markets
CX & CUSTOMER SUCCESS

KATHY-ANNE McMANUS
Chief Customer Experience Officer & SVP
CUSTOMER EXPERIENCE
CREATING VALUE

License utilization
Expansion opportunities
Increased adoption
Referrals
Renewals
Company reputation
Net promoter score
Customer journey
OUTSIDE-IN CUSTOMER PERSPECTIVE
Customer journeys and customer personas

Assessed
voice of Avid, customers & market

Developed understanding of all customer touchpoints

Envisioned the ideal customer experience

Our ongoing capabilities for the future

Desirable
Valuable
Fun
Frictionless
Accessible
Easy to Use

Desirable
Valuable
Fun
Frictionless
Accessible
Easy to Use
DIGITAL TRANSFORMATION
Customer-centric, collaborative, creative and cloud-focused

Compelling Digital Solutions
Visionary, Innovative & Open
Cloud & Mobile ◆ Unified UX/UI ◆ Empower Collaboration ◆ Solve Problems

Modern Business Models
Flexible, Adaptable, Subscription & SaaS Enabled
Enhance Value to Customers ◆ Increase Enterprise Value of Avid

Superior Customer Experience
Customer-Centric, Customer Success Focused
Frictionless ◆ Transparent ◆ Digital First ◆ Omnichannel ◆ Metric Driven

More Efficient Operations
Modernized, Digital Inside & Out
Digitally Transformed Operations ◆ Faster Clock-speed ◆ Lower Costs

Investments enable us to scale and fuel our subscription & SaaS business model
IMPROVING OUR UX/UI MATURITY

Unifying & improving the user experience across our digital ecosystem

Align our entire organization

Define UX metrics

Raise our user research maturity

Build up our UX capability and culture

Ensure Avid understands our user experience and how their work contributes

Ongoing priority of UX improvements to delight and attract new users to support market expansion
CUSTOMER SUCCESS MGMT: VALUE & RETENTION
Increasing adoption | ensuring customer satisfaction | growing the relationship

VALUE TO CUSTOMERS

• Maximizing customer time-to-value while ensuring a positive experience
• Alignment to customer business objectives, expectations and outcomes
• Continual proactive engagement on the customer journey
• Smooth, frictionless, unhindered engagement
• Metrics and data-driven

VALUE TO AVID

• Accelerating our subscription growth, focus on recurring revenue and transition to cloud/SaaS
• Responsible for adoption, nurturing, retention and customer satisfaction
• Guide renewal, up-sell and cross-sell
• Maximize retention and ensure expansions
• Leading requirements for great customer experiences

Explore & Buy  Onboard & Implement  Adopt & Support  Renew & Expand
LEARNING SERVICES: ADOPTION & GROWTH
Elevating experience | creating product value | driving community

NEW AVID LEARNING CENTRAL
Subscription offering

NEW AVID LEARNING ACADEMY
Avid | First K-12 program

NEW CONTENT PARTNERSHIPS
Dolby and Seneca

NEW AVID CERTIFIED SUPPORT REPRESENTATIVE
Remote & live online

Empowering our customers, elevating the experience, driving more value & adoption through a continuous learning engagement
CUSTOMER CARE: ENABLING THE EXPERIENCE
Differentiating service engagement | creating efficiencies

ENTERPRISE
HIGHLY PERSONALIZED

CHANNEL
HIGHLY ENGAGED

INDIVIDUAL CREATIVES
HIGHLY AUTOMATED

CRITICAL
SITUATION PROCESS

Five9
Cloud Contact Center Software

NEAR-SHORE OSP

AVID SHORTS

STABILITY & STANDARD CX

CHATBOT ASSIST

ALL SEGMENTS
CUSTOMER EXPERIENCE DRIVES VALUE

Delivering the right customer experience builds loyalty, creates advocacy and drives up customer lifetime value.
FINANCIAL STRATEGY & OUTLOOK

KEN GAYRON
Chief Financial Officer & EVP
FINANCIAL SUMMARY
Avid has delivered strong growth in strategic subscription & maintenance revenue and in profitability metrics

($M, except for per share)

**Subscription & Maintenance Revenue**
- CAGR 12.2%
  - 2019: $176
  - 2020: $197
  - 2021G: $217 - $225

**Adjusted EBITDA**
- CAGR 14.9%
  - 2019: $56
  - 2020: $59
  - 2021G: $69 - $79

**Free Cash Flow**
- CAGR 102.3%
  - 2019: $47 - $55
  - 2020: $34
  - 2021G: $12

**Non-GAAP Net Income per Share**
- CAGR 50.8%
  - 2019: $0.51
  - 2020: $0.65
  - 2021G: $1.05 - $1.27

2021G = 2021 guidance range. See Appendix for non-GAAP reconciliations
CONTINUING STRONG GROWTH IN SUBSCRIPTIONS

Cloud-enabled software subscriptions growing for all creative software and improving mix of annual paid upfront

Subscriptions by Product (000s)

- 2018: 125
- 2019: 188
- 2020: 296
- Q1'20: 218
- Q1'21: 324

CAGR 53.8%

YoY Growth

- 2018: +55%
- 2019: +41%
- 2020: +38%
- Q1'20: +49%

Subscriptions Mix by Term/Billing

- Annual/Annual: 8%
- Annual/Monthly: 64%
- Monthly/Monthly: 28%

% of Total
ACCELERATING SUBSCRIPTION REVENUE GROWTH

Subscription Revenue

Subscriptions for enterprise solutions are driving the next stage of subscription growth.

- Subscription revenue was over 26% of total revenue in Q1’21 up from 9% in 2018.
- Subscription revenue reached ~$100M annual run rate in Q1’21.
- Subscription revenue is expected to exceed 50% of total revenue by early 2024.

YoY Growth % of Total Revenue
- 2018: 78.4% (8.7%)
- 2019: 25.9% (11.0%)
- 2020: 61.2% (20.2%)
- Q1’20: 50.4% (16.1%)
- Q1’21: 78.2% (26.4%)

Creative Product Subscription Revenue vs. Enterprise Product Subscription Revenue
**Creative Subscriptions & Maintenance ASU**

**Subscriptions**

+54% CAGR

Strong subscription growth added 187k of subscriptions in past 2 years

---

**Active Maintenance Contracts on Creative Software**

(5%) CAGR

Moderate decline of (18k) in active maintenance contracts over same period

---

**Subscriptions & Active Maintenance Contracts**

+23% CAGR

Yields healthy organic growth in total paid users
Subscription & maintenance revenue continues to grow at double-digit rate with growth reaching 19.6% in Q1’21.

Maintenance on hardware remains a significant portion of total maintenance revenue.
While the transition to subscription is progressing, some users continue to prefer perpetual licenses, providing a solid revenue and cash stream.

Software revenue growth has accelerated in recent periods, as subscription scales.
Total revenue rebounded from impact of COVID, with +9.2% YoY growth in Q1’21

Mix shift to software licenses and maintenance from 51% in 2019 to 65% in Q1 2021 is driving improvement in gross margin

2021G = 2021 guidance range. See Appendix for non-GAAP reconciliations
OPERATING EXPENSE EFFICIENCY

Total Operating Expenses (Non-GAAP)

2018: $212M, 51.2%
2019: $207M, 50.2%
2020: $180M, 49.8%
2021E: ~$190M, ~48.5%

Research & Development (Non-GAAP)

2018: $62M, 14.9%
2019: $61M, 14.9%
2020: $55M, 15.3%
2021E: ~$62M

Sales & Marketing (Non-GAAP)

2018: $100M, 24.2%
2019: $98M, 23.8%
2020: $85M, 23.5%
2021E: ~$85M

General & Administrative (Non-GAAP)

2018: $50M, 12.1%
2019: $47M, 11.5%
2020: $40M, 11.0%
2021E: ~$43M

2021E = 2021 estimate consistent with the guidance range. See Appendix for non-GAAP reconciliations.
Strong Free Cash Flow and YoY growth, with Free Cash Flow approaching 70% of Adjusted EBITDA in 2021.
SIGNIFICANTLY REDUCED LEVERAGE
Creates options for future capital deployment

Strong Free Cash Flow and YoY growth in Adjusted EBITDA have improved credit metrics

The January 2021 refinancing further reduces leverage, and provides additional financial flexibility and liquidity to support strategy and growth plans

Improving Leverage

(1) Pro forma for term loan refinance completed on January 5, 2021 which reduced total debt by $21 million and total cash by $27 million.
(2) Net leverage is (total debt – cash and cash equivalents) / LTM Adjusted EBITDA
(3) Leverage at 12/31/21E assumes midpoint of FCF guidance, scheduled amortization of term loan and forgiveness of full amount of PPP loan in 2021

Note: See Appendix for reconciliation of LTM Adjusted EBITDA
<table>
<thead>
<tr>
<th>($M, except per share)</th>
<th>Q2 2021 Guidance</th>
<th>Full-Year 2021 Guidance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Low</td>
<td>High</td>
</tr>
<tr>
<td>Revenue</td>
<td>$88.5</td>
<td>$94.5</td>
</tr>
<tr>
<td>Subscription &amp; Maintenance Revenue</td>
<td>$51</td>
<td>$55</td>
</tr>
<tr>
<td>Non-GAAP Net Income per Share (1)</td>
<td>$0.19</td>
<td>$0.27</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>$13</td>
<td>$17</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

(1) Assumes 46.7M shares for Q2 2021 and 46.6M shares for FY 2021
## KEY LONG-TERM MODEL ASSUMPTIONS

Significant achievement against 2019 Investor Day plan and metrics

<table>
<thead>
<tr>
<th>Key Metric</th>
<th>Achievement to 2019 Investor Day</th>
<th>2022 to 2025 Organic Model Assumptions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue Growth</td>
<td>☑</td>
<td>High single digit in 2022 with incremental improvement through 2025 with recurring revenue mix in mid 70% range in 2022 improving to low 80s in 2025</td>
</tr>
<tr>
<td>Subscription &amp; Maintenance Growth</td>
<td>☑</td>
<td>High teens growth in 2022 through 2025 with subscription revenue growing to 60%+ of total revenue in 2025</td>
</tr>
<tr>
<td>Non-GAAP Gross Margin %</td>
<td>☑</td>
<td>Mid 60% range in 2022, approaching 69% to 70% by 2025</td>
</tr>
<tr>
<td>OPEX % of Revenue</td>
<td>☑</td>
<td>High 40’s range in 2022 with incremental improvement through 2025</td>
</tr>
<tr>
<td>Adj, EBITDA % of Revenue</td>
<td>☑</td>
<td>High teens/low 20’s in 2022 improving to mid to high 20’s in 2025</td>
</tr>
<tr>
<td>EBITDA to FCF Conversion</td>
<td>☑</td>
<td>Mid 70%’s in 2022 improving to low/mid 80%’s in 2025</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>☑</td>
<td>Mid $60M's in 2022 improving to mid $130M's in 2025</td>
</tr>
</tbody>
</table>
| CapEx                             | ☑                                 | $M high teens; 2.5% to 4.5% of revenue
Investments to scale subscription/SaaS, CapEx to be higher in 2022-23 |
| Non-GAAP Cash Taxes               | ☑                                 | Cash tax rate not to exceed 8% due to NOLs                                                            |

We do not consider our five-year operating model for 2022 through 2025 to be financial guidance, and we do not intend to provide any updates with respect to such outlook.
KEY LONG-TERM MODEL TARGETS

2021G = 2021 Guidance; 2021E = 2021 estimate consistent with guidance. We do not consider our five-year operating model for 2022F through 2025F to be financial guidance, and we do not intend to provide any updates with respect to such outlook. Additional capital deployment could drive an incremental Non-GAAP Net Income per Share of $0.62 and Free Cash Flow per share of $1.05 in 2025F.
Deployment Priorities to Build Shareholder Return

- Organic reinvestment
- Maintain responsible leverage
- Strategic, accretive M&A
- Consider share repurchases

Free Cash Flow per Share

Target: 25% CAGR

- $2.70
- $1.10
- $3.75

Long Term Model Free Cash Flow

- 2021E
- 2022F
- 2023F
- 2024F
- 2025F

Cumulative deployable capital:

- $700M

Net leverage: 2.5x

2021E = 2021 estimate consistent with guidance. We do not consider our five-year operating model for 2022F through 2025F to be financial guidance, and we do not intend to provide any updates with respect to such outlook.
# RECONCILIATION OF NON-GAAP MEASURES

## Non-GAAP Gross Margin and Non-GAAP Operating Expenses

**AVID TECHNOLOGY, INC.**

Reconciliations of GAAP Financial Measures to Non-GAAP Financial Measures

( unaudited – in thousands)

### Year Ended December 31, Last Twelve Months (LTM)

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
<th>Q1 2021</th>
<th>Q1 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>GAAP revenue</td>
<td>$94,364</td>
<td>$86,453</td>
<td>$360,466</td>
<td>$411,788</td>
<td>$413,282</td>
<td>$368,377</td>
</tr>
<tr>
<td><strong>Non-GAAP Gross Profit</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GAAP gross profit</td>
<td>$61,416</td>
<td>$53,151</td>
<td>$228,320</td>
<td>$249,075</td>
<td>$239,164</td>
<td>$236,585</td>
</tr>
<tr>
<td>Amortization of intangible assets</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>3,738</td>
<td>7,800</td>
<td>-</td>
</tr>
<tr>
<td>Stock-based compensation</td>
<td>$440</td>
<td>$200</td>
<td>$1,339</td>
<td>$7,800</td>
<td>$1,579</td>
<td>$321</td>
</tr>
<tr>
<td><strong>Non-GAAP Gross Profit</strong></td>
<td>$61,856</td>
<td>$53,351</td>
<td>$229,659</td>
<td>$253,430</td>
<td>$247,285</td>
<td>$238,164</td>
</tr>
<tr>
<td>GAAP Gross Margin</td>
<td>65.1%</td>
<td>61.5%</td>
<td>63.3%</td>
<td>60.5%</td>
<td>57.9%</td>
<td>64.2%</td>
</tr>
<tr>
<td><strong>Non-GAAP Gross Margin</strong></td>
<td>65.6%</td>
<td>61.7%</td>
<td>63.7%</td>
<td>61.5%</td>
<td>59.8%</td>
<td>64.7%</td>
</tr>
</tbody>
</table>

### Three Months Ended March 31,

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>GAAP revenue</td>
<td>$350,146</td>
<td>$411,788</td>
<td>$413,282</td>
<td>$413,282</td>
<td>$413,282</td>
<td>$413,282</td>
<td>$413,282</td>
</tr>
<tr>
<td><strong>Non-GAAP Operating Expenses</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GAAP operating expenses</td>
<td>$58,270</td>
<td>$53,603</td>
<td>$196,753</td>
<td>$216,972</td>
<td>$225,480</td>
<td>$194,020</td>
<td>$204,810</td>
</tr>
<tr>
<td>Less Amortization of intangible assets</td>
<td>(105)</td>
<td>(94)</td>
<td>(111)</td>
<td>(695)</td>
<td>(1,450)</td>
<td>(420)</td>
<td>(428)</td>
</tr>
<tr>
<td>Less Stock-based compensation</td>
<td>(2,977)</td>
<td>(1,909)</td>
<td>(9,325)</td>
<td>(7,311)</td>
<td>(5,937)</td>
<td>(10,393)</td>
<td>(7,581)</td>
</tr>
<tr>
<td>Less Restructuring costs, net</td>
<td>(1,079)</td>
<td>(1,135)</td>
<td>(5,046)</td>
<td>(631)</td>
<td>(5,148)</td>
<td>(5,075)</td>
<td>(218)</td>
</tr>
<tr>
<td>Less Restatement costs</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>18</td>
<td>(826)</td>
<td>-</td>
<td>10</td>
</tr>
<tr>
<td>Less Acquisition, integration and other costs</td>
<td>(369)</td>
<td>183</td>
<td>(832)</td>
<td>(1,446)</td>
<td>(361)</td>
<td>(1,384)</td>
<td>(1,112)</td>
</tr>
<tr>
<td>Less Efficiency program costs</td>
<td>(48)</td>
<td>(131)</td>
<td>(1,333)</td>
<td>(250)</td>
<td>(9%)</td>
<td>(1,248)</td>
<td>(378)</td>
</tr>
<tr>
<td>Less COVID-19 related expenses</td>
<td>(2)</td>
<td>(186)</td>
<td>(278)</td>
<td>-</td>
<td>(6%)</td>
<td>(186)</td>
<td></td>
</tr>
<tr>
<td><strong>Non-GAAP Operating Expenses</strong></td>
<td>$48,295</td>
<td>$51,319</td>
<td>$179,530</td>
<td>$206,627</td>
<td>$211,664</td>
<td>$174,506</td>
<td>$204,810</td>
</tr>
<tr>
<td>GAAP Operating Expense Margin</td>
<td>53.9%</td>
<td>62.0%</td>
<td>54.6%</td>
<td>52.7%</td>
<td>54.6%</td>
<td>52.7%</td>
<td>54.4%</td>
</tr>
<tr>
<td><strong>Non-GAAP Operating Expense Margin</strong></td>
<td>49.1%</td>
<td>59.4%</td>
<td>49.8%</td>
<td>50.2%</td>
<td>51.2%</td>
<td>47.4%</td>
<td>51.9%</td>
</tr>
</tbody>
</table>

These non-GAAP measures reflect how Avid manages its businesses internally. Avid’s non-GAAP measures may vary from how other companies present non-GAAP measures. Non-GAAP financial measures are not based on a comprehensive set of accounting rules or principles. This non-GAAP information supplements, and is not intended to represent a measure of performance in accordance with, disclosures required by generally accepted accounting principles, or GAAP. Non-GAAP financial measures should be considered in addition to, not as a substitute for or superior to, financial measures determined in accordance with GAAP.

Non-GAAP R&D, S&M and G&A expenses exclude same items as Non-GAAP Operating Expenses.
## RECONCILIATION OF NON-GAAP MEASURES

### AVID TECHNOLOGY, INC.

Reconciliations of GAAP Financial Measures to Non-GAAP Financial Measures

( unaudited – in thousands)

<table>
<thead>
<tr>
<th></th>
<th>Year Ended December 31,</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2021</td>
<td>2020</td>
<td>2019</td>
<td>2018</td>
<td>Q1 2021</td>
<td>Q1 2020</td>
</tr>
<tr>
<td>Non-GAAP Operating Income and Adjusted EBITDA</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GAAP net income (loss)</td>
<td>4,391</td>
<td>(5,857)</td>
<td>11,062</td>
<td>7,601</td>
<td>(10,674)</td>
<td>21,310</td>
</tr>
<tr>
<td>Interest and other expense</td>
<td>5,673</td>
<td>5,283</td>
<td>19,133</td>
<td>29,578</td>
<td>23,087</td>
<td>19,523</td>
</tr>
<tr>
<td>Provision for income taxes</td>
<td>482</td>
<td>122</td>
<td>1,372</td>
<td>(5,076)</td>
<td>1,271</td>
<td>1,732</td>
</tr>
<tr>
<td>GAAP operating income (loss)</td>
<td>10,546</td>
<td>(452)</td>
<td>31,567</td>
<td>32,103</td>
<td>13,684</td>
<td>42,565</td>
</tr>
<tr>
<td>Amortization of intangible assets</td>
<td>105</td>
<td>96</td>
<td>1,372</td>
<td>4,433</td>
<td>9,250</td>
<td>420</td>
</tr>
<tr>
<td>Stock-based compensation</td>
<td>3,417</td>
<td>2,109</td>
<td>10,664</td>
<td>7,958</td>
<td>6,258</td>
<td>11,972</td>
</tr>
<tr>
<td>Restructuring costs, net</td>
<td>1,074</td>
<td>145</td>
<td>5,046</td>
<td>631</td>
<td>5,148</td>
<td>5,975</td>
</tr>
<tr>
<td>Restatement costs</td>
<td>-</td>
<td>-</td>
<td>(18)</td>
<td>826</td>
<td>-</td>
<td>(10)</td>
</tr>
<tr>
<td>Acquisition, integration and other costs</td>
<td>369</td>
<td>(183)</td>
<td>832</td>
<td>1,146</td>
<td>361</td>
<td>1,384</td>
</tr>
<tr>
<td>Efficiency program costs</td>
<td>48</td>
<td>131</td>
<td>1,331</td>
<td>250</td>
<td>94</td>
<td>1,248</td>
</tr>
<tr>
<td>COVID-19 related expenses</td>
<td>2</td>
<td>186</td>
<td>278</td>
<td>-</td>
<td>94</td>
<td>186</td>
</tr>
<tr>
<td>Non-GAAP Operating Income</td>
<td>$ 15,561</td>
<td>$ 2,032</td>
<td>$ 50,129</td>
<td>$ 46,803</td>
<td>$ 35,621</td>
<td>$ 63,658</td>
</tr>
<tr>
<td>Depreciation</td>
<td>2,119</td>
<td>2,142</td>
<td>8,505</td>
<td>9,202</td>
<td>11,891</td>
<td>8,982</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>$ 17,680</td>
<td>$ 4,174</td>
<td>$ 58,634</td>
<td>$ 56,005</td>
<td>$ 47,512</td>
<td>$ 72,140</td>
</tr>
<tr>
<td>GAAP net income margin</td>
<td>4.7%</td>
<td>(6.8%)</td>
<td>3.1%</td>
<td>1.8%</td>
<td>-2.6%</td>
<td>5.8%</td>
</tr>
<tr>
<td>Adjusted EBITDA Margin</td>
<td>18.7%</td>
<td>4.8%</td>
<td>16.3%</td>
<td>13.6%</td>
<td>11.5%</td>
<td>19.6%</td>
</tr>
</tbody>
</table>

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# Reconciliation of GAAP Financial Measures to Non-GAAP Financial Measures

## (unaudited - in thousands)

### Year Ended December 31, Last Twelve Months (LTM)

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
<th>Q1 2021</th>
<th>Q1 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-GAAP Net Income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GAAP net income (loss)</td>
<td>4,391</td>
<td>(5,857)</td>
<td>11,062</td>
<td>7,601</td>
<td>(10,674)</td>
<td>21,310</td>
</tr>
<tr>
<td>Amortization of intangible assets</td>
<td>105</td>
<td>96</td>
<td>411</td>
<td>4,433</td>
<td>9,250</td>
<td>420</td>
</tr>
<tr>
<td>Stock-based compensation</td>
<td>3,417</td>
<td>2,109</td>
<td>10,664</td>
<td>7,958</td>
<td>6,258</td>
<td>11,972</td>
</tr>
<tr>
<td>Restructuring costs, net</td>
<td>1,074</td>
<td>1,45</td>
<td>5,046</td>
<td>631</td>
<td>5,418</td>
<td>5,975</td>
</tr>
<tr>
<td>Restatement costs</td>
<td>-</td>
<td>-</td>
<td>18</td>
<td>826</td>
<td>-</td>
<td>(10)</td>
</tr>
<tr>
<td>Acquisition, integration and other costs</td>
<td>369</td>
<td>(183)</td>
<td>832</td>
<td>1,446</td>
<td>361</td>
<td>1,384</td>
</tr>
<tr>
<td>Efficiency program costs</td>
<td>48</td>
<td>131</td>
<td>1,331</td>
<td>250</td>
<td>94</td>
<td>1,248</td>
</tr>
<tr>
<td>COVID-19 related expenses</td>
<td>2</td>
<td>186</td>
<td>278</td>
<td>-</td>
<td>-</td>
<td>94</td>
</tr>
<tr>
<td>Loss on extinguishment of debt</td>
<td>3,748</td>
<td>7</td>
<td>7,371</td>
<td>-</td>
<td>3,741</td>
<td>7,378</td>
</tr>
<tr>
<td>Tax impact of non-GAAP adjustments</td>
<td>(149)</td>
<td>(10)</td>
<td>(18)</td>
<td>(18)</td>
<td>-</td>
<td>(10)</td>
</tr>
<tr>
<td><strong>Non-GAAP Net Income (loss)</strong></td>
<td>13,005</td>
<td>(3,376)</td>
<td>29,128</td>
<td>(10,537)</td>
<td>45,509</td>
<td>14,299</td>
</tr>
<tr>
<td>Weighted-average common shares outstanding - basic</td>
<td>44,559</td>
<td>43,254</td>
<td>43,822</td>
<td>42,649</td>
<td>41,662</td>
<td>44,146</td>
</tr>
<tr>
<td>Weighted-average common shares outstanding - diluted</td>
<td>46,204</td>
<td>(10,076)</td>
<td>44,875</td>
<td>43,495</td>
<td>41,662</td>
<td>44,146</td>
</tr>
<tr>
<td><strong>Non-GAAP Earnings Per Share - basic</strong></td>
<td>0.29</td>
<td>(0.08)</td>
<td>0.66</td>
<td>0.52</td>
<td>0.25</td>
<td>0.33</td>
</tr>
<tr>
<td><strong>Non-GAAP Earnings Per Share - diluted</strong></td>
<td>0.28</td>
<td>(0.08)</td>
<td>0.66</td>
<td>0.51</td>
<td>0.25</td>
<td>0.33</td>
</tr>
</tbody>
</table>

### Free Cash Flow

<table>
<thead>
<tr>
<th></th>
<th>2021</th>
<th>2020</th>
<th>2019</th>
<th>2018</th>
<th>Q1 2021</th>
<th>Q1 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Free Cash Flow</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GAAP net cash provided by (used in) operating activities</td>
<td>12,313</td>
<td>(5,605)</td>
<td>39,555</td>
<td>19,414</td>
<td>15,822</td>
<td>57,473</td>
</tr>
<tr>
<td>Capital expenditures</td>
<td>(1,254)</td>
<td>(1,479)</td>
<td>(5,622)</td>
<td>(7,185)</td>
<td>(9,936)</td>
<td>(5,467)</td>
</tr>
<tr>
<td><strong>Free Cash Flow</strong></td>
<td>11,059</td>
<td>(7,084)</td>
<td>33,863</td>
<td>12,229</td>
<td>5,986</td>
<td>52,006</td>
</tr>
<tr>
<td><strong>Free Cash Flow conversion of Adjusted EBITDA</strong></td>
<td>62.6%</td>
<td>(169.7%)</td>
<td>57.8%</td>
<td>22.2%</td>
<td>12.4%</td>
<td>72.1%</td>
</tr>
</tbody>
</table>

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DEFINITIONS OF OPERATIONAL METRICS

- Cloud-enabled software subscriptions as of the end of a quarter represent the number of paid subscription licenses under an active contract as of that date, excluding any licenses that may be receiving service under an active contract but that are not paid for at that time by the customer, whether due to a promotion, cancellation or otherwise. For comparison purposes, subscription numbers for previous quarters have been adjusted from previously published numbers to (i) include multi-year and multi-seat licenses, and (ii) exclude certain terminated subscription licenses.

- Recurring Revenue is defined as the sum of subscription revenue, maintenance revenue and revenue under our long-term contractual agreements.

- LTM Recurring Revenue % is Recurring Revenue divided by Total Net Revenue for the most recent four quarters.

- Annual Contract Value is defined, as of a given date, as the sum of the following three components: (i) the annual value of all long-term contractual agreements in effect on such date, calculated by dividing the total value of each contract (excluding expected maintenance revenue included in (ii) below and expected subscription revenue included in (iii) below) divided by the total number of years of such contract, (ii) maintenance revenue for the quarter ended on such date, multiplied by four, and (iii) subscription revenue for the quarter ended on such date, multiplied by four.

- Revenue Backlog consists of firm orders received and includes both (i) orders where the customer has been invoiced in advance of our performance obligations being fulfilled and (ii) orders for future product deliveries or services that have not yet been invoiced by us.