Groupon, Inc.
Condensed Consolidated Balance Sheets
(in thousands, except share and per share amounts)
(unaudited)

	March 31, 2024	December 31, 2023
Assets		
Current assets:		
Cash and cash equivalents	$ 158,717	$ 141,563
Accounts receivable, net	49,469	50,373
Prepaid expenses and other current assets	63,538	63,647
Assets held-for-sale	5,172	—
Total current assets	276,896	255,583
Property, equipment and software, net	25,793	30,530
Right-of-use assets - operating leases, net	2,696	2,197
Goodwill	178,685	178,685
Intangible assets, net	4,879	11,404
Investments	74,823	74,823
Deferred income taxes	11,445	11,639
Other non-current assets	5,309	6,095
Total assets	$ 580,526	$ 570,956
Liabilities and equity (deficit)		
Current liabilities:		
Short-term borrowings	$ —	$ 42,776
Accounts payable	8,892	15,016
Accrued merchant and supplier payables	191,886	209,423
Accrued expenses and other current liabilities	96,528	101,939
Total current liabilities	297,306	369,154
Convertible senior notes, net	226,862	226,470
Operating lease obligations	1,451	2,382
Other non-current liabilities	13,482	13,262
Total liabilities	539,101	611,268
Commitment and contingencies		
Stockholders' equity (deficit)		
Common Stock, par value $0.0001 per share, 100,500,000 shares authorized; 49,272,332 shares issued and 38,978,215 shares outstanding at March 31, 2024; 42,147,266 shares issued and 31,853,149 shares outstanding at December 31, 2023	5	4
Additional paid-in capital	2,419,282	2,337,565
Treasury stock, at cost, 10,294,117 shares at March 31, 2024 and December 31, 2023	(922,666)	(922,666)
Accumulated deficit	(1,462,158)	(1,449,887)
Accumulated other comprehensive income (loss)	6,705	(5,647)
Total Groupon, Inc. stockholders' equity (deficit)	41,168	(40,631)
Noncontrolling interests	257	319
Total equity (deficit)	41,425	(40,312)
Total liabilities and equity (deficit)	$ 580,526	$ 570,956

Groupon, Inc.
Condensed Consolidated Statements of Operations
(in thousands, except share and per share amounts)
(unaudited)

	Three Months Ended March 31,	
	2024	**2023**
Revenue	$ 123,084	$ 121,611
Cost of revenue	12,527	16,900
Gross profit	110,557	104,711
Operating expenses:		
Marketing	28,809	24,848
Selling, general and administrative	74,282	101,634
Restructuring and related charges	96	8,794
Total operating expenses	103,187	135,276
Income (loss) from operations	7,370	(30,565)
Other income (expense), net	(12,682)	3,070
Income (loss) before provision (benefit) for income taxes	(5,312)	(27,495)
Provision (benefit) for income taxes	6,194	1,118
Net income (loss)	(11,506)	(28,613)
Net (income) loss attributable to noncontrolling interests	(765)	(534)
Net income (loss) attributable to Groupon, Inc.	$ (12,271)	$ (29,147)
Basic and diluted net income (loss) per share:	$ (0.33)	$ (0.95)
Basic and diluted weighted average number of shares outstanding:	37,709,971	30,676,145

Groupon, Inc.
Condensed Consolidated Statements of Cash Flows
(in thousands) (unaudited)

	Three Months Ended March 31,	
	2024	2023
Operating activities		
Net income (loss)	$ (11,506)	$ (28,613)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization of property, equipment and software	8,071	12,387
Amortization of acquired intangible assets	1,606	2,118
Stock-based compensation	2,374	2,363
Foreign currency (gains) losses, net	9,797	(4,087)
Change in assets and liabilities:		
Accounts receivable	515	8,319
Prepaid expenses and other current assets	3,564	3,493
Right-of-use assets - operating leases	750	4,008
Accounts payable	(6,087)	(32,073)
Accrued merchant and supplier payables	(16,082)	(29,467)
Accrued expenses and other current liabilities	(2,298)	782
Operating lease obligations	(2,489)	(8,239)
Payment for early lease termination	(1,832)	(9,601)
Other, net	3,506	2,290
Net cash provided by (used in) operating activities	(10,111)	(76,320)
Investing activities		
Purchases of property and equipment and capitalized software	(3,709)	(9,544)
Proceeds from sale of assets	116	1,088
Acquisitions of intangible assets and other investing activities	(338)	(557)
Net cash provided by (used in) investing activities	(3,931)	(9,013)
Financing activities		
Payments of borrowings under revolving credit agreement	(42,776)	(27,300)
Proceeds from Rights Offering, net of issuance costs	79,619	—
Other financing activities	(1,502)	(1,897)
Net cash provided by (used in) financing activities	35,341	(29,197)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(494)	(148)
Net increase (decrease) in cash, cash equivalents and restricted cash	20,805	(114,678)
Cash, cash equivalents and restricted cash, beginning of period [1]	167,638	281,696
Cash, cash equivalents and restricted cash, end of period [1]	$ 188,443	$ 167,018

(1) The following table provides a reconciliation of Cash, cash equivalents and restricted cash shown above to amounts reported within the Condensed Consolidated Balance Sheets as of March 31, 2024, December 31, 2023, March 31, 2023 and December 31, 2022 (in thousands)

	March 31, 2024	December 31, 2023	March 31, 2023	December 31, 2022
Cash and cash equivalents	$ 158,717	$ 141,563	$ 163,757	$ 281,279
Restricted cash included in prepaid expenses and other current assets	29,726	26,075	3,261	417
Cash, cash equivalents and restricted cash	$ 188,443	$ 167,638	$ 167,018	$ 281,696

Groupon, Inc.
Supplemental Financial and Operating Metrics
(dollars and units in thousands; TTM active customers in millions)
(unaudited)

	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q1 2024 Y/Y Growth	Q1 2024 FX Effect	Q1 2024 Y/Y Growth excluding FX [3]
North America Segment:								
Gross billings [1]:								
Local	$ 221,746	$ 231,950	$ 260,425	$ 257,192	$ 231,053	4.2 %		
Travel	20,649	21,630	19,811	18,856	26,911	30.3		
Goods	23,759	22,256	18,749	24,223	14,968	(37.0)		
Total gross billings	$ 266,154	$ 275,836	$ 298,985	$ 300,271	$ 272,932	2.5 %		
Revenue:								
Local	$ 81,379	$ 85,475	$ 88,558	$ 91,550	$ 86,460	6.2 %		
Travel	2,815	5,579	2,577	3,583	4,596	63.3		
Goods	5,065	4,780	3,801	4,790	3,078	(39.2)		
Total revenue	$ 89,259	$ 95,834	$ 94,936	$ 99,923	$ 94,134	5.5 %		
Gross profit:								
Local	$ 69,992	$ 74,463	$ 77,588	$ 80,720	$ 77,826	11.2 %		
Travel	1,830	4,647	1,763	2,830	3,640	98.9		
Goods	4,120	3,983	3,123	3,934	2,662	(35.4)		
Total gross profit	$ 75,942	$ 83,093	$ 82,474	$ 87,484	$ 84,128	10.8 %		
Contribution profit [2]	$ 60,639	$ 68,646	$ 63,484	$ 63,046	$ 62,346	2.8 %		
International Segment:								
Gross billings:								
Local	$ 93,800	$ 87,688	$ 93,645	$ 105,664	$ 85,033	(9.3)	(2.1)	(11.4) %
Travel	14,215	9,934	9,294	9,510	8,700	(38.8)	(0.5)	(39.3)
Goods	22,256	20,000	16,923	20,883	14,481	(34.9)	(0.8)	(35.7)
Total gross billings	$ 130,271	$ 117,622	$ 119,862	$ 136,057	$ 108,214	(16.9)	(1.7)	(18.6) %
Revenue:								
Local	$ 25,265	$ 27,374	$ 26,900	$ 32,004	$ 24,750	(2.0)	(2.2)	(4.2) %
Travel	2,841	2,172	1,584	1,857	1,755	(38.2)	(0.4)	(38.6)
Goods	4,246	3,729	3,054	3,932	2,445	(42.4)	(0.7)	(43.1)
Total revenue	$ 32,352	$ 33,275	$ 31,538	$ 37,793	$ 28,950	(10.5)	(1.9)	(12.4) %
Gross profit:								
Local	$ 22,642	$ 24,959	$ 24,367	$ 29,672	$ 22,832	0.8	(2.3)	(1.5) %
Travel	2,469	1,916	1,346	1,644	1,559	(36.9)	(0.3)	(37.2)
Goods	3,658	2,997	2,491	3,510	2,038	(44.3)	(0.6)	(44.9)
Total gross profit	$ 28,769	$ 29,872	$ 28,204	$ 34,826	$ 26,429	(8.1)	(2.0)	(10.1) %
Contribution profit	$ 19,224	$ 22,052	$ 18,296	$ 24,772	$ 19,402	0.9 %		
Consolidated Results of Operations:								
Gross billings:								
Local	$ 315,546	$ 319,638	$ 354,070	$ 362,856	$ 316,086	0.2	(0.7)	(0.5) %
Travel	34,864	31,564	29,105	28,366	35,611	2.1	(0.1)	2.0
Goods	46,015	42,256	35,672	45,106	29,449	(36.0)	(0.4)	(36.4)
Total gross billings	$ 396,425	$ 393,458	$ 418,847	$ 436,328	$ 381,146	(3.9)	(0.5)	(4.4) %
Revenue:								
Local	$ 106,644	$ 112,849	$ 115,458	$ 123,554	$ 111,210	4.3	(0.5)	3.8 %
Travel	5,656	7,751	4,161	5,440	6,351	12.3	(0.2)	12.1
Goods	9,311	8,509	6,855	8,722	5,523	(40.7)	(0.3)	(41.0)
Total revenue	$ 121,611	$ 129,109	$ 126,474	$ 137,716	$ 123,084	1.2	(0.5)	0.7 %
Gross profit:								
Local	$ 92,634	$ 99,422	$ 101,955	$ 110,392	$ 100,658	8.7	(0.6)	8.1 %
Travel	4,299	6,563	3,109	4,474	5,199	20.9	(0.2)	20.7
Goods	7,778	6,980	5,614	7,444	4,700	(39.6)	(0.3)	(39.9)
Total gross profit	$ 104,711	$ 112,965	$ 110,678	$ 122,310	$ 110,557	5.6	(0.5)	5.1 %
Contribution profit	$ 79,863	$ 90,698	$ 81,780	$ 87,818	$ 81,748	2.4 %		
Net cash provided by (used in) operating activities	$ (76,320)	$ (42,310)	$ (13,855)	$ 54,500	$ (10,111)	86.8 %		
Free cash flow	$ (85,864)	$ (44,563)	$ (17,975)	$ 51,132	$ (13,820)	83.9 %		

	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Active customers: [4]					
North America	10.9	10.6	10.4	10.3	10.2
International	7.3	6.9	6.6	6.2	5.9
Total active customers	18.2	17.5	17.0	16.5	16.1
North America Units:					
Local	5,142	5,083	5,426	5,832	5,102
Goods	933	807	706	966	574
Travel	86	84	79	85	108
Total North America units	6,161	5,974	6,211	6,883	5,784
International Units:					
Local	3,328	2,862	3,306	3,536	2,888
Goods	886	746	550	684	404
Travel	84	53	49	55	49
Total International units	4,298	3,661	3,905	4,275	3,341
Consolidated Units:					
Local	8,470	7,945	8,732	9,368	7,990
Goods	1,819	1,553	1,256	1,650	978
Travel	170	137	128	140	157
Total consolidated units	10,459	9,635	10,116	11,158	9,125
Headcount:					
Sales [5]	746	706	659	655	628
Other	2,032	1,945	1,763	1,558	1,430
Total headcount	2,778	2,651	2,422	2,213	2,058

(1) Represents the total dollar value of customer purchases of goods and services.

(2) Represents gross profit less marketing expense.

(3) Represents the change in financial measures that would have resulted had average exchange rates in the reporting periods been the same as those in effect in the prior year periods.

(4) Reflects the total number of unique user accounts that have made a purchase during the TTM either through one of our online marketplaces or directly with a merchant for which we earned a commission.

(5) Includes merchant sales representatives, as well as sales support personnel.

Groupon, Inc.
Non-GAAP Reconciliation Schedules
(in thousands, except share and per share amounts)
(unaudited)

The following is a quarterly reconciliation of Adjusted EBITDA to the most comparable U.S. GAAP performance measure, Net income (loss):

	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Net income (loss)	$ (28,613)	$ (12,004)	$ (40,806)	$ 28,489	$ (11,506)
Adjustments:					
Stock-based compensation	2,363	7,519	3,889	710	2,374
Depreciation and amortization	14,505	13,243	12,568	10,902	9,677
Restructuring and related charges (1)	8,794	(689)	2,228	(2,327)	96
Other (income) expense, net (2)	(3,070)	4,805	39,525	(16,086)	12,682
Provision (benefit) for income taxes	1,118	2,323	817	5,250	6,194
Total adjustments	23,710	27,201	59,027	(1,551)	31,023
Adjusted EBITDA	$ (4,903)	$ 15,197	$ 18,221	$ 26,938	$ 19,517

(1) Includes a settlement of $4.25 million related to Uptake for the three months ended December 31, 2023

(2) Includes a $25.8 million remeasurement of our investment in SumUp during the three months ended September 30, 2023.

The following is a reconciliation of Non-GAAP net income (loss) attributable to common stockholders to Net income (loss) attributable to common stockholders and a reconciliation of Non-GAAP net income (loss) per share to Diluted net income (loss) per share for the three months ended March 31, 2024 and 2023.

	Three Months Ended March 31,	
	2024	**2023**
Net income (loss) attributable to common stockholders	$ (12,271)	$ (29,147)
Less: Net income (loss) attributable to noncontrolling interest	(765)	(534)
Net income (loss)	(11,506)	(28,613)
Less: Provision (benefit) for income taxes	6,194	1,118
Income (loss) before provision (benefit) for income taxes	(5,312)	(27,495)
Stock-based compensation	2,374	2,363
Amortization of acquired intangible assets	1,606	2,118
Restructuring and related charges	96	8,794
Intercompany foreign currency losses (gains), foreign currency translation adjustments reclassified into earnings and other	11,871	(4,532)
Non-cash interest expense on convertible senior notes	391	384
Non-GAAP income (loss) before provision (benefit) for income taxes	11,026	(18,368)
Less: Non-GAAP provision (benefit) for income taxes	7,859	977
Non-GAAP net income (loss)	3,167	(19,345)
Net (income) loss attributable to noncontrolling interest	(765)	(534)
Non-GAAP net income (loss) attributable to common stockholders	$ 2,402	$ (19,879)
Weighted-average shares of Common Stock - diluted	37,709,971	30,676,145
Impact of dilutive securities	2,683,945	—
Weighted-average shares of Common Stock - non-GAAP	40,393,916	30,676,145
Diluted net income (loss) per share	$ (0.33)	$ (0.95)
Impact of non-GAAP adjustments and related tax effects	0.39	0.30
Non-GAAP diluted net income (loss) per share	$ 0.06	$ (0.65)

Free cash flow is a non-GAAP liquidity measure. The following is a reconciliation of free cash flow to the most comparable U.S. GAAP liquidity measure, Net cash provided by (used in) operating activities.

	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Net cash provided by (used in) operating activities	$ (76,320)	$ (42,310)	$ (13,855)	$ 54,500	$ (10,111)
Purchases of property and equipment and capitalized software	(9,544)	(2,253)	(4,120)	(3,368)	(3,709)
Free cash flow	$ (85,864)	$ (44,563)	$ (17,975)	$ 51,132	$ (13,820)
Net cash provided by (used in) investing activities	$ (9,013)	$ (2,483)	$ (5,469)	$ 15,568	$ (3,931)
Net cash provided by (used in) financing activities	$ (29,197)	$ (2,939)	$ 1,183	$ (4,737)	$ 35,341