



Second Quarter 2025 Earnings Commentary

Business Update - Dusan SenkypI, Chief Executive Officer

Welcome to our second quarter 2025 earnings commentary. I'm pleased to share our results and strategic progress. This commentary is posted on our investor relations website. In addition, I encourage you to review our press release and 10-Q, which contain more detail on our second quarter results.

The following commentary reflects management's views as of today, August 6, 2025 only, and will include forward-looking statements. Actual results may differ materially from those expressed or implied in the company's forward-looking statements. Groupon undertakes no obligation to update these forward-looking statements as a result of new information or future events. Additional information about risks and other factors that could potentially impact the company's financial results are included in its earnings press release and in its filings with the SEC, including its quarterly report on Form 10-Q.

The commentary will also discuss the following non-GAAP financial measures: Adjusted EBITDA and Free Cash Flow. In Groupon's press release and their filings with the SEC, each of which is posted on its Investor Relations website, you will find additional disclosures regarding these non-GAAP measures, including reconciliations of these measures to the most comparable measures under U.S. GAAP.

Second Quarter 2025 Performance Highlights

I'm pleased to share another strong quarter of accelerating growth demonstrating the effectiveness of our transformation strategy.

Global Billings grew 12% year-over-year, marking another quarter of year-over-year Billings growth acceleration. This acceleration in growth was driven by strong performance in our core Local category with North America Local Billings +20% year-over-year and International Local Billings, excluding Italy and Giftcloud, +15% year-over-year.

Combined, the core Local category, excluding Italy and Giftcloud, grew +19% and made up nearly 90% of Billings, validating the scalability of our marketplace transformation playbook and keeping our target in sight to accelerate Global Billings growth to over 20% by 2027.

We generated strong positive free cash flow of \$25 million, demonstrating our ability to drive profitable growth while investing in marketing, our platform and our team. The acceleration in

topline along with the significant improvement in our cash generation underscores the financial discipline embedded in our transformation approach.

Moving to the balance sheet, we announced the refinancing of the majority of our 2026 and 2027 Convertible Notes, a proactive and opportunistic transaction that meaningfully simplifies our capital structure. By refinancing our near-term maturities with long-dated, flexible, and attractively priced capital, we're eliminating constraints and putting Groupon in a position to play offense. The strong support from investors reflects growing confidence in our strategy and the progress we're making.

The momentum we're seeing is the result of systematic improvements across every layer of our marketplace stack. When supply quality improves, conversion rates follow. Higher conversion rate enables more efficient customer acquisition. As we grow our active customers, merchants see stronger performance and invest more deeply in our platform. This is what marketplace flywheels look like when they start spinning faster. While it is still early and we see opportunities to drive more improvements across our marketplace, our Q2 results demonstrate we are progressing strongly on the right path, with leading indicators pointing toward another quarter of strong growth ahead.

Demand-Side Health: Accelerating Growth at Scale

Q2 2025 delivered our strongest performance marketing results since the pandemic with double digit growth alongside improving returns on investment. We are pleased to see that our performance marketing can scale efficiently and we're expecting an even bigger quarter from performance channels in Q3.

In addition, we are seeing an acceleration in mobile-first customer acquisition, with app installs growing strong double digits year-over-year in North America. This matters because app users demonstrate higher lifetime value and purchase frequency. We are investing here as we see an opportunity to grow app install campaigns with the same measured discipline that we have shown on our other performance channels.

Two particularly exciting developments in emerging channels to highlight:

1. Off a very small base, we are seeing strong growth in traffic from AI-powered search, growing ~50% month-over-month. While it is very early days in the shift of queries to AI-powered search, we believe that Groupon has several great opportunities, including but not limited to our supply of unique local inventory, and we are heavily focused on making our platform a destination for AI traffic to find quality local experiences at unbeatable value.
2. In Q2, we made meaningful progress in scaling our influencer marketing capabilities with triple digit growth year-over-year off a very small base. We secured a high-visibility collaboration with a prominent brand ambassador, expanded our partnerships with influencer agencies to activate a broader network of micro-influencers, and initiated direct relationships with creators to drive more targeted engagement. Looking ahead to

the second half, we plan to deepen these efforts by broadening our influencer roster and strengthening ambassador partnerships to increase brand reach and support top-of-funnel growth across key social media platforms.

Beyond performance channels, after a deliberate decision to allocate close to zero capital to upper-funnel marketing over the last 2 years, we are preparing to launch a small brand campaign this fall. While we still have significant work ahead to level up our marketplace experience, we have reached the point in our transformation where we believe the platform can effectively receive and convert brand-driven traffic. Groupon has strong brand awareness and I'm excited to see how brand activation dollars can further fuel our performance machine.

What's particularly encouraging is we're achieving these results on the demand side while being still relatively early in our transformation journey — these compelling results signal significant upside ahead and merit continued investment to fuel growth as we continue to scale Groupon's demand flywheel with modern infrastructure.

Supply-Side Excellence: The Foundation of Marketplace Health

The momentum we are seeing on our demand-side is built on the foundation of systematic supply improvements that moves us one step closer to our mission of becoming a trusted destination for quality local experiences at unbeatable value. Our supply transformation follows a deliberate playbook: geographic and vertical focus, quality over quantity, salesforce efficiency and merchant success.

Our hyperlocal strategy continues to deliver strong results, where our top city project continues to accelerate year-over-year growth while maintaining rigorous quality standards. We beat our target in Q2 for adding quality net new merchants and also doubled the velocity at which we are improving our existing deals quarter-over-quarter.

Our North America enterprise brands delivered an exceptionally strong quarter in Q2, with 26 brands generating over \$1 million in quarterly billings, representing 53% year-over-year growth. We continue to add net new enterprise brands while also expanding within existing enterprise relationships.

Looking at our key verticals, North America Things To Do delivered strong double-digit growth for the sixth consecutive quarter, demonstrating market leadership during the crucial summer season. We saw particular strength in our core summer micro-categories, including amusement parks, water parks, and multi-attraction & tour passes. We also saw strength in our collection of indoor local activities, including a growing portfolio of cinema deals. North America Beauty & Wellness returned to growth after several quarters of decline driven by micro-categories such as massage and scalp care, offset by headwinds in weight loss. We're also seeing compelling results in other micro-categories such as airport parking where our platform can provide significant value to consumers and merchants. As we look to further scale our hyperlocal

strategy, we have identified over 200 micro-categories in North America Local where we believe we can execute our marketplace playbook.

To reiterate how the supply-side improvements create a virtuous cycle in our marketplace: better inventory drives higher conversion rates, which enables more efficient customer acquisition, which attracts higher-quality merchants who want access to our engaged customer base.

Platform Velocity: Technology as a Growth Multiplier

Our technology transformation is shifting from foundational investments and platform stability to product releases that meaningfully improve customer and merchant experience. While there are still several foundational projects on the roadmap, the measurable business impact we're seeing from our platform investments gives us confidence to continue our efforts to modernize our platform and allocate resources to product development.

Our customer experience is focused on UX improvements across all key customer touchpoints, with a specific focus on search infrastructure as both a customer interface and an AI-accessible data layer. Search conversion rates improved 15% year-over-year in Q2, with enhanced search functionality that includes real-time query suggestions, improved relevance, and intelligent filtering. We're building toward a vision where our structured, location-aware experience data optimised for discoverability serves dual purposes: powering exceptional experiences on groupon.com while also enabling AI platforms to seamlessly discover and recommend our local inventory. We believe this positions us well as AI-powered search grows and AI traffic looks for quality local experiences at unbeatable value.

Work continues on our new mobile app, representing our next frontier for delivering a modern unified customer experience. Currently at 10% iOS rollout, we're seeing encouraging signals on several fronts. While we're systematically addressing conversion gaps versus our legacy app, the new platform will serve as our foundation for future customer experience innovation. As commented last quarter, we calibrated our approach to rolling out the new mobile app to balance our commitment to modernize our platform against the platform stability risk through the transition.

Looking ahead, our product roadmap centers on three core beliefs: exceptional experiences will define competitive advantage, AI-driven capabilities will become fundamental expectations, and personalization at scale will drive local commerce engagement and lifetime value.

Changes to Groupon Leadership Team

At Groupon, we continue to drive a transformation of our business that demands bold thinking, operational discipline, and a leadership team that can deliver results across functions. As we build toward our next chapter of growth, I'm excited to share an important update to our leadership structure that reflects our continued commitment to execution excellence and developing leaders from within.

Effective September 1, 2025, Jiri Ponrt will assume the role of Chief Operating Officer (COO), and Rana Kashyap will become our next Chief Financial Officer (CFO).

Jiri and Rana both joined Groupon during a pivotal time for the business in early 2023. Since then, they've played critical roles in advancing our transformation—stabilizing the company, rebuilding the foundation, accelerating growth, and helping us shift to offense. They've forged a close partnership, taken on increasing responsibility, and led with strength and clarity while serving as culture carriers across the organization.

While on paper Jiri's title has been CFO, in reality his role extends far beyond finance and today encompasses HR, Legal, and several critical elements of our financial IT infrastructure. His appointment as COO recognizes the scope of his contributions and positions him as a key partner to me as we take our organization to the next level and drive cross-functional operational excellence across our business.

As Jiri transitions to his new role, I'm equally excited to announce that Rana Kashyap, our current SVP of Finance, will become Groupon's next CFO.

Rana currently leads FP&A, Treasury, Investor Relations, and Corporate Development & Strategy. Previously at Groupon, he led high-impact initiatives that created significant shareholder value, improved our commercial go-to-market motion, and strengthened our strategic positioning in the marketplace. Rana has a deep understanding of our business drivers, a strategic lens to capital allocation, and an unwavering commitment to our mission. He has earned the trust of our board, our investors, and our teams and is ready to step into the CFO role.

These changes are part of a broader leadership model we're building that deliberately cultivates successors, expands scope for high-impact leaders, and ensures we are preparing the organization to execute on the large opportunity before us.

Please join me in congratulating them on their new roles and I'm excited to continue working alongside them as we move Groupon forward.

Building the Next Generation Local Experience Marketplace

Groupon's transformation has delivered compelling results to date—close to 20% Billings growth in our core local category and positive free cash flow generation—but we're still in the early innings of a much larger opportunity. We see a multi-year opportunity ahead to build a hyperlocal experience marketplace that combines trust, curation, quality and unbeatable value with the network effects and unit economics of modern marketplaces. The marketplace playbook, platform investments, and operational discipline we are building provide the infrastructure to capture sustained, accelerating growth in a large and underserved \$1 trillion local commerce market.

Our competitive positioning reflects several assets that are difficult to replicate. We're assembling an A+ team that embraces AI, thinks big and moves fast. The team is highly aligned with shareholders and focused on creating long-term value. Our brand recognition and long standing merchant relationships provide scale in local markets. We maintain leading market positions in high-growth verticals like Things To Do and Beauty & Wellness. Perhaps most importantly, our curated inventory of largely unique local deals creates differentiated content and customer experiences—these aren't commodity offerings available anywhere.

The AI revolution creates compelling opportunities across our entire business model. While we are still very early in this shift, we are actively exploring the use of AI in various workstreams at Groupon and believe effective utilization of AI could provide both revenue opportunities and productivity enhancements across our business.

Turning to our financial profile, our business model supports a financial plan that accelerates topline growth while delivering improving returns to the bottom line. While billings is currently growing faster than revenue due to strategic take-rate compression, we remain confident that these growth rates will converge over time. As revenue scales, we expect that Adjusted EBITDA will grow faster than topline growth as we expect to maintain our contribution margins over 50% and keep our SG&A costs stable. With a negative working capital cycle, we expect Free Cash Flow to grow faster than Adjusted EBITDA.

To help frame the opportunity ahead, we are planning to host an investor event later this year or early next year that will review the significant value creation potential we see over the long-term. This will be an opportunity for us to reintroduce the Groupon investment opportunity to a broader set of investors.

Finally, I want to express my gratitude to the Groupon team whose dedication and hard work have made this progress possible.

Financial Update - Jiri Ponrt, Chief Financial Officer

Before reviewing our second quarter results, let me start by briefly reflecting on the journey of the past two and a half years. When I joined Groupon, the Company was facing significant challenges: double-digit declines in billings and revenue, negative adjusted EBITDA, negative cash flow, and substantial doubts surrounding our ability to continue as a going concern.

Fast forward nine quarters, and I'm proud to say we've come a long way. Thanks to the relentless efforts of our team and the tough decisions we've made along the way, we are now able to present the following results.

I want to thank the team and investors for their support throughout this transformation—it has made a real difference. As I shift my focus towards driving operational excellence across the business, I'm confident that Rana, my successor as CFO, is the right person to help lead Groupon's finance team in this next chapter.

Second Quarter 2025 Summary Financial Results¹

	Q2 2025	% Change YoY
Billings	\$417M	+12%
Revenue	\$126M	+1%
Revenue as a % of billings	30 %	
Gross Profit	\$114M	+2%
Gross Profit as a % of revenue	91 %	
Marketing	\$41M	+13%
Selling, general, and administrative	\$71M	(8)%
Adjusted EBITDA ¹	\$16M	(6)%
Adjusted EBITDA ¹ margin	12 %	
Free Cash Flow ¹	\$25M	+133%

In the second quarter, we delivered Global Billings of \$417 million, an increase of approximately 12% year-over-year, a strong acceleration over our first quarter results and above our expectations. Revenue was \$125.7 million, a increase of 1% year-over-year. Revenue as a percentage of Gross Billings was 30%, a decrease of 320 basis points year-over-year driven by lower revenue as a percentage of Gross Billings in North America Local, offset partially by the mix shift towards Local categories which carry a higher revenue as a percentage of gross billings versus Travel and Goods.

¹ Adjusted EBITDA and Free Cash Flow are non-GAAP financial measures. See the appendix for a reconciliation to the most comparable U.S. GAAP financial measure, "Net income (loss) from continuing operations" and "Net cash provided by (used in) operating activities from continuing operations".

Moving on, our Gross Profit as a percentage of Revenue was 91%, consistent with the prior quarter and continues to stay within the range of our expectations.

Marketing expense for the second quarter was \$41 million, or 36% of Gross Profit. We continue to see attractive returns in our performance marketing channels and are leaning in more heavily here to drive continued growth.

Turning to operating expenses, second quarter SG&A was \$71 million, down 8% year-over-year and includes \$9 million in stock-based compensation and \$2 million in depreciation & amortization. Quarter-over-quarter, our SG&A was up almost \$1 million or 1%. Excluding stock-based compensation and depreciation & amortization, the quarter-over-quarter change was up \$1 million.

Looking forward, we expect SG&A, excluding stock-based compensation and depreciation & amortization, to stay relatively stable compared to Q2. We continue to see opportunities to allocate capital towards attractive growth investments. On the other side, we continue to see opportunities for additional efficiencies across our business. With approximately 58% contribution margins in Q2, we expect to be able to leverage this fixed cost base and grow Adjusted EBITDA margins as we inflect revenue to accelerating year-over-year growth.

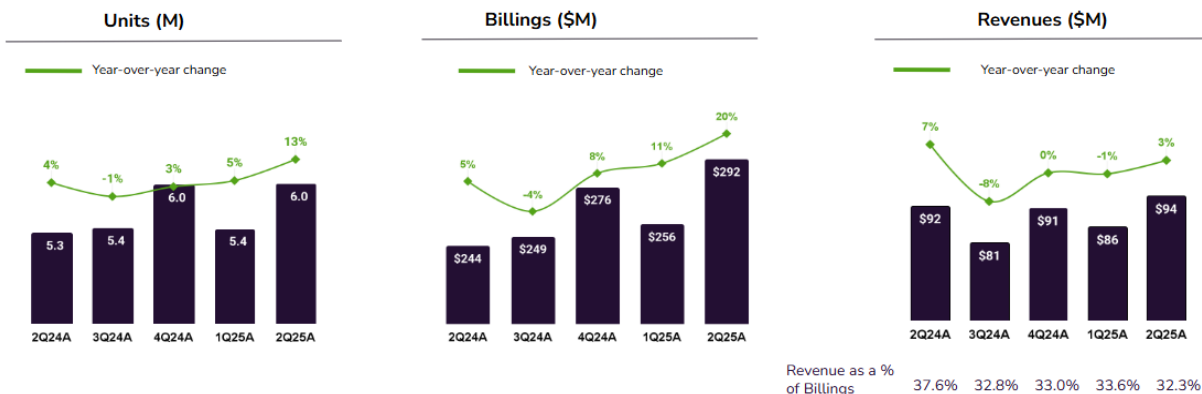
Adjusted EBITDA was positive \$16 million, in line with our expectations.

Second quarter operating cash flow was positive \$28 million and Free Cash Flow was positive \$25 million, an improvement of \$14 million versus last year. The strong cash flow performance in Q2 was driven by strong year-over-year billings growth and favorable merchant payment timing.

Given the quarter-to-quarter variability in Change in Net Working Capital due to timing, we believe that it is more useful for investors to judge our Free Cash Flow on a trailing twelve month basis. In Q2, our trailing twelve month Free Cash Flow was positive \$65 million.

We ended the quarter with \$263 million in Cash and Cash Equivalents, up \$34 million versus the year-end cash balance as we benefited from both a strong first half Free Cash Flow performance and received proceeds from the sale of a non-core asset, Giftcloud. Please note that our cash position excludes \$34 million of Restricted Cash, which primarily relates to collateral posted against our outstanding letters of credit and reported on our balance sheet in Prepaid Expenses and Other Current Assets.

North America Local



Diving deeper into our performance, North America Local is our largest business at 70% of Billings and 75% of Revenue in Q2.

In the second quarter, we saw a continued acceleration in our North America Local business with our growth in Billings increasing to 20%, driven by 13% unit growth and an increase in average order value. Units were driven by a 12% growth in Local Active customers.

Revenue was up 3%, which lagged our Billings performance as we saw a 530 basis point decrease in our Revenue as a % of Billings. Approximately 50% of the drop was due to higher redemption rates, with the balance 50% attributed to lower deal margins and other factors, such as promotional discounts.

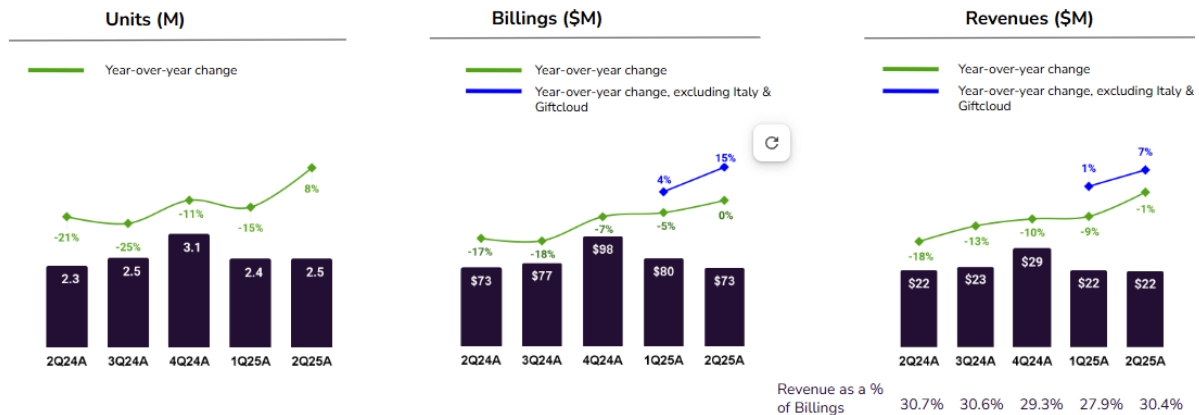
Additional color on each factor impacting take rates:

1. Higher redemption rates is a great sign for the long-term health of our marketplace. The most important variable that determines whether or not a first time customer turns into a repeat customer is whether or not that customer redeems their Groupon experience. As a result, we are actively taking steps to encourage redemption. On the other side, this does result in a short term headwind to our financial results as higher redemption rates cause us to recognize a lower percentage of variable consideration. We strongly believe this is the right long-term strategy for our business.
2. Deal Margins. Driven by higher relative growth rates, we are seeing a mix shift into Enterprise brands and Things To Do, two areas which carry typically lower take rates but drive high quality inventory and strong performance.

We are going to continue to run the business with a focus on building a long-term healthy marketplace. Long-term targets for Revenue as a % of Billings will depend on how we decide to evolve our marketplace and vertical mix.

Looking ahead, for Q3 we continue to observe headwinds to Revenue as a % of Billings driven by the same factors that impacted our business in Q2. That said, we do expect some moderation in the headwind related to higher redemption rates.

International Local



Turning to International Local, our second biggest business after North America Local, at 17% of Billings and 17% of Revenue in Q2.

In Q2, our International Local business saw another quarter of progress and improved financial performance. Excluding Italy and Giftcloud, International Local Billings grew 15% in Q2.

All four of our major International Local markets - UK, Germany, France, and Spain - delivered double-digit Billings growth in the quarter, validating our marketplace transformation strategy. The remaining countries in International make up approximately the size of 1 of our big 4 countries. As we scale up our efforts, we will look to deploy a similar approach into our smaller markets step-by-step.

Turning to revenues, second quarter revenues (excluding Italy and Giftcloud) increased 7%. In International Local, we are seeing more stability in take rates than in North America Local.

Balance Sheet Updates

On July 2, 2025, we closed a financing transaction and issued \$244 million of 2030 Notes, consisting of (i) \$20 million 2030 Notes issued in exchange for \$20 million of our outstanding 2026 Notes and (ii) \$224 million 2030 Notes issued in exchange for \$150 million of our outstanding 2027 Notes.

The 2030 Notes are senior, unsecured obligations of the Company, accrue interest at a rate of 4.875% per annum and are convertible into shares at a conversion price of \$54.04. In addition, we entered into a supplemental indenture on our 2027 Notes, which deletes in their entirety substantially all of the negative covenants and related provisions from the 2027 Notes Indenture, and releases all of the liens on the collateral securing the obligations under the 2027 Notes.

Moving to non-core assets, in Q2, we closed our agreement to sell Giftcloud and received cash consideration of \$17.1 million. As a reminder, Giftcloud is a UK-based B2B digital reward platform that Groupon acquired in 2018 and had been identified as a non-core asset being evaluated for monetization.

While there is strong strategic rationale to dispose of a non-core business, simplify our operations and concentrate resources onto our biggest opportunities, Giftcloud generated revenue and Adjusted EBITDA that is no longer reported in our financial results starting in early April.

At this stage, the Company's main non-core asset is its remaining stake in SumUp. Management continues to evaluate the opportunity to monetization our investment in SumUp.

Finally, an update on Italy.

As reported in previous quarters, the Company is litigating two income tax assessments by the Italian Tax Authority relating to the tax years 2012 and 2017. The combined amount assessed by the Italian Tax Authorities for both matters is approximately \$169 million.

On August 5, 2025, the Company reached an agreement with the Italian Tax Authorities to resolve both matters. Under the agreement, the assessed amount would be reduced to \$25 million, of which the Company has already paid \$10 million USD in provisional payments. The total additional cash that would be owed under the agreement is approximately \$15 million.

The agreement remains non-binding while it undergoes a review and approval process carried out by statutory authorities in Italy. While the timing is uncertain and could change, if approved, the earliest we expect the agreement to be finalized is in Q4.

Although the Company has not admitted to any liability, it is pleased with the potential outcome, as the agreement would resolve the matter and avoid the costs and uncertainties associated with prolonged additional litigation of these matters.

For more information on these matters and the terms of the agreement, please see our 10-Q.

Guidance² and Closing Thoughts

As of August 6, 2025, management is issuing the following Guidance:

As of August 06, 2025	Q3 2025 Guidance		2025 Guidance	
	Low-end	High-end	Low-end	High-end
Billings	+9%	+12%	+7%	+9%
Revenue	\$117M +2%	\$120M +5%	\$497M +1%	\$505M +3%
Adjusted EBITDA	\$12M	\$16M	\$70M	\$75M
Free Cash Flow	Negative		At Least \$50M	

Looking ahead, our priorities remain clear and disciplined. Our primary focus remains accelerating year-over-year Global Billings towards our 2027 target of +20%. We continue to see strong momentum on Billings and are raising our full year Billings outlook from +3-5% to +7-9% and set Q3 Billing guide at +9-12%. We remain confident that overtime revenue acceleration will follow the trajectory of Billings and expect year-over-year take rate compression to start moderating in the second half.

We are maintaining Adjusted EBITDA within our guidance range, which we believe strikes the right balance between providing additional capital to fuel accelerating long-term growth and our commitment to deliver healthy profitability and free cash flow.

We're particularly focused on improving purchase frequency and driving customer lifetime value on the demand side, while executing on our hyperlocal marketplace strategy on the supply side. This approach reflects our conviction that building marketplace scale and customer engagement today creates the foundation for accelerating profitability tomorrow.

We are pleased at the performance of our cash flow year to date and this strength gives us confidence to raise our free cash flow outlook. Given the timing of our working capital cycles, we expect to see negative free cash flow in Q3 before turning positive again in Q4. Please note, this outlook does not contemplate any impact to free cash flow from a potential settlement on the Italian Tax matter. The exact timing of any resulting payment remains uncertain, given that the agreement underlying that resolution remains subject to statutory approvals.

This disciplined approach to capital allocation will unlock greater value for all participants in our marketplace and accelerate Groupon's growth trajectory in the quarters ahead. I would like to thank all our stakeholders for their continued support and commitment throughout this journey.

² We do not provide a reconciliation for non-GAAP estimates on a forward-looking basis where we are unable to provide a meaningful calculation or estimation of reconciling items and the information is not available without unreasonable effort. This is due to the inherent difficulty of forecasting the timing or amount of various items that would impact the most directly comparable forward-looking U.S. GAAP financial measure that have not yet occurred, are out of the Company's control and/or cannot be reasonably predicted. Forward-looking non-GAAP financial measures provided without the most directly comparable U.S. GAAP financial measures may vary materially from the corresponding U.S. GAAP financial measures.

Note on Forward-Looking Statements

This Quarterly Report contains forward-looking statements within the meaning of Section 27A of the Securities Act and Section 21E of the Exchange Act, including statements regarding our future results of operations and financial position, business strategy and plans and our objectives for future operations and future liquidity. The words "may," "will," "should," "could," "expect," "anticipate," "believe," "estimate," "intend," "continue" and other similar expressions are intended to identify forward-looking statements. We have based these forward-looking statements largely on current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives, and financial needs. These forward-looking statements involve risks and uncertainties that could cause our actual results to differ materially from those expressed or implied in our forward-looking statements. Such risks and uncertainties include, but are not limited to, our ability to execute and achieve the expected benefits of our go-forward strategy; execution of our business and marketing strategies; volatility in our operating results; challenges arising from our international operations, including fluctuations in currency exchange rates, tax, legal and regulatory developments in the jurisdictions in which we operate, including whether our Italian subsidiary's agreement with Italian tax authorities (to resolve certain Italian tax matters) is approved, and geopolitical instability resulting from the conflicts in Ukraine and the Middle East; global economic uncertainty, including as a result of inflationary pressures; any impact from U.S. and international financial reform legislation and regulations, and any potential trade protection measures, such as new or incremental tariffs; retaining and adding high quality merchants and third-party business partners; retaining existing customers and adding new customers; competing successfully in our industry; providing a strong mobile experience for our customers; managing refund risks; retaining and attracting members of our executive and management teams and other qualified employees and personnel; customer and merchant fraud; payment-related risks; our reliance on email, Internet search engines and mobile application marketplaces to drive traffic to our marketplace; cybersecurity breaches; maintaining and improving our information technology infrastructure; reliance on cloud-based computing platforms; completing and realizing the anticipated benefits from acquisitions, dispositions, joint ventures and strategic investments; lack of control over minority investments; managing inventory and order fulfillment risks; claims related to product and service offerings; protecting our intellectual property; maintaining a strong brand; the impact of future and pending litigation; compliance with domestic and foreign laws and regulations, including the CARD Act, GDPR, CPRA, and other privacy-related laws and regulations of the Internet and e-commerce; classification of our independent contractors, agency workers, or employees; our ability to remediate our material weakness over internal control over financial reporting; risks relating to information or content published or made available on our websites or service offerings we make available; exposure to greater than anticipated tax liabilities; adoption of tax laws; our ability to use our tax attributes; impacts if we become subject to the Bank Secrecy Act or other anti-money laundering or money transmission laws or regulations; our ability to raise capital if necessary; risks related to our access to capital and outstanding indebtedness, including our 2030 Notes, 2026 Notes and 2027 Notes; our Common Stock, including volatility in our stock price and financial markets; a potential economic slowdown; our ability to realize the anticipated benefits from the capped call transactions relating to our 2026 Notes; and those risks and other factors discussed in Part I, Item 1A. Risk Factors of our Annual Report on Form 10-K for the year ended December 31, 2024 and Part II, Item 1A. Risk Factors on our Quarterly Report on Form 10-Q for the quarters ended March 31, 2025 and June 30, 2025, as well as in our Condensed Consolidated Financial Statements, related notes, and the other financial information appearing elsewhere in this report and our other filings with the SEC. Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to

time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we make. Neither the Company nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. We undertake no obligation to publicly update any forward-looking statements for any reason after the date of this report to conform these statements to actual results or to future events or circumstances. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements.

Appendix - Non-GAAP Reconciliations

Adjusted EBITDA³ - Quarterly (in thousands)

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

	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025
Income (loss) from continuing operations	\$ (9,412)	\$ 14,522	\$ (50,118)	\$ 8,027	\$ 20,593
Adjustments:					
Stock-based compensation ⁽¹⁾	6,418	8,890	9,052	7,694	8,782
Depreciation and amortization	7,824	6,895	6,504	5,611	4,423
Restructuring and related charges ⁽²⁾	(379)	896	453	137	(46)
(Gain) on sale of assets	(5,044)	—	—	—	—
(Gain) on sale of business	—	—	—	—	(10,650)
Foreign VAT assessments ⁽³⁾	3,302	3,672	—	—	—
Other (income) expense, net ⁽⁴⁾	4,483	(22,429)	44,449	(7,571)	(18,466)
Provision (benefit) for income taxes	9,287	2,321	8,321	1,428	10,927
Total adjustments	25,891	245	68,779	7,299	(5,030)
Adjusted EBITDA	\$ 16,479	\$ 14,767	\$ 18,661	\$ 15,326	\$ 15,563

- (1) Stock-based compensation excludes expense related to the liability-classified 2024 Executive PSUs. Refer to Item 1, Note 8, *Stockholders' Equity (Deficit) and Compensation Arrangements* for more information.
- (2) The Company recognized credits during the three months ended June 30, 2025, as well as during the three and six months ended June 30, 2024. See Item 1, Note 10, *Restructuring and Related Charges* for additional information.
- (3) The Foreign VAT assessments adjustment excludes related interest expense of \$0.1 million for the three months ended December 31, 2024, \$0.9 million for the three months ended September 30 2024 and \$0.8 million for the three months ended June 30, 2024 as the interest expense is included within Other (income) expense, net.
- (4) Includes \$1.6 million related to a loss on extinguishment of exchanged debt in connection with the Exchange and Subscription agreements for the year ended December 31, 2024.

³ See Q2 2025 earnings press release posted on our Investor Relations website for additional information regarding non-GAAP financial measures

Free Cash Flow⁴ - Quarterly (in thousands)

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 from continuing operations.

	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025
Net cash provided by (used in) operating activities from continuing operations	\$ 15,300	\$ (16,258)	\$ 66,963	\$ (22)	\$ 28,419
Purchases of property and equipment and capitalized software from continuing operations	(4,474)	(3,408)	(3,742)	(3,737)	(3,230)
Free cash flow	\$ 10,826	\$ (19,666)	\$ 63,221	\$ (3,759)	\$ 25,189
Net cash provided by (used in) investing activities from continuing operations	\$ 4,303	\$ (3,442)	\$ (3,742)	\$ (3,737)	\$ 10,761
Net cash provided by (used in) financing activities	\$ (1,721)	\$ (691)	\$ 14,861	\$ (454)	\$ (2,684)

Supplemental Information - Quarterly (in thousands)

	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025
Selling, general and administrative	\$ 77,212	\$ 71,327	\$ 72,462	\$ 69,840	\$ 70,669
Stock-based compensation in SG&A ¹	6,373	8,847	9,014	7,659	8,700
Depreciation and amortization in SG&A	4,048	3,837	3,859	3,418	2,400

- (1) Stock-based compensation excludes expense related to the liability-classified 2024 Executive PSUs. Refer to Item 1, Note 8, *Stockholders' Equity (Deficit) and Compensation Arrangements* for more information.

⁴ See Q2 2025 earnings press release posted on our Investor Relations website for additional information regarding non-GAAP financial measures