



Fourth Quarter and Fiscal Year 2025 Earnings Commentary

Business Update - Dusan Senkypl, Chief Executive Officer

Welcome to our fourth quarter and full year 2025 earnings commentary. This commentary is posted on our investor relations website. In addition, I encourage you to review our press release and 10-K, which contain more detail on our fourth quarter and full year results.

The following commentary reflects management's views as of today, March 10, 2026 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 annual report on Form 10-K.

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.

Fourth Quarter and Full Year 2025 Performance Highlights

2025 was a milestone year for Groupon. For the first time in a decade, we returned to both Billings and Revenue growth, while meaningfully improving our operational discipline, financial position, and the underlying health of our marketplace.

Full year Global Billings grew +7% to approximately \$1.67 billion. We delivered a second consecutive year of positive Free Cash Flow and exited the year with approximately \$296 million in cash. These outcomes reflect genuine improvement in how this business operates.

North America Local and International Local, excluding Giftcloud, together represent approximately 90% of Billings and each grew double-digits for the full year. Global active customers reached 16.2 million at year-end, up more than 5% year-over-year, with North America Local active customers growing +12% year-over-year. Conversion rates improved across every customer-facing surface — our mobile app, mobile web, and desktop web — and every geography. Our product and engineering organization exited the year shipping more, faster, and with better quality than at any point in the past several years. We have been raising

the bar on talent and adding leaders to our management ranks, including a new Chief People Officer and a new SVP of Operations & Consumer AI, that we expect will contribute meaningfully to our next phase of growth.

For the fourth quarter, Global Billings grew +4% year-over-year. North America grew +6% and International declined slightly, impacted by the sale of Giftcloud; excluding Giftcloud and Italy, International Billings grew approximately +10%.

The quarter came in below our Billings, Revenue, and Adjusted EBITDA guidance ranges. Q4 Adjusted EBITDA was \$20.9 million, up \$2.2 million versus the prior year period. Q4 Free Cash Flow was \$53 million, or approximately \$68 million excluding a \$15 million Italian tax payment made in December.

We did not finish Q4 the way we planned. The shortfall was not broadly distributed – it was concentrated in two specific areas: Enterprise channel deceleration in North America and underperformance in our organic and owned marketing channels. Both are well-understood, both have clear root causes, and both have direct action plans underway. I will walk through each in the sections that follow.

Despite the Q4 shortfall, the underlying momentum in this business is real and we are clear on the steps we need to take to drive growth. Our strategy is to build the definitive local experience marketplace by combining curated, largely unique local inventory with a technology platform that makes discovery and transaction frictionless for both consumers and merchants. We win because of three compounding advantages: supply depth and quality that is difficult to replicate, a growing base of high-intent customers, and a platform that is increasingly able to personalize the connection between the two. We continue to have confidence in our ability to accelerate Global Billings growth towards our long-term target of 20%.

Demand

Our paid performance channels delivered another strong quarter of year-over-year growth, with improving return on investment. Paid channels grew to our largest traffic channel in Q4, slightly ahead of direct. The rising composition of paid highlights the push that the major platforms are making to convert more organic real estate to paid ad units. Given this macro context, improving the efficiency of paid while returning the non-paid channels to growth is a central focus of our demand-side work in 2026. As we make progress on this plan, we expect the contribution profit trajectory to improve alongside topline growth.

Turning to non-paid traffic. While our direct business was healthy in Q4, our organic and managed channels missed plan. Taken together, organic and managed channels accounted for the entire Q4 plan shortfall on the demand side. We are addressing this on two fronts.

First, to better operate our managed channels, we are launching a new customer data platform which will enable more precise, intent-based CRM orchestration, better segmentation, and

smarter retargeting. We call the project "more intent, less noise." In Q4, we launched the platform in a small international market as a pilot and after showing a measurable uplift, we moved forward to rolling it out in North America in mid-February, with the rest of International planned in the coming weeks. With the technical platform in place, we expect the changes in how we handle our customer interactions to improve the efficiency and contribution of owned channels meaningfully across 2026.

Second, we are investing in organic discoverability across both traditional search and AI-native platforms. In Q4, we made strong progress in North America organic, with Revenues growing year-over-year as we entered the new year, a positive signal that our content and catalog investments were gaining traction. We are also seeing early improvements in International organic traffic with the rollout of our new mobile website. However, in mid-January, a Google algorithm update negatively impacted our organic traffic and pressured some of the progress we made in Q4. We are actively working to understand the full scope of the impact and have taken steps to adapt our content and catalog structure in response.

We are restructuring our deal catalog and deal pages to be legible to large language models and AI agents. AI-driven search traffic has been growing and we are positioning Groupon as an authoritative source for local deal discovery as that channel scales.

Our customer base continued to grow in Q4. Global active customers reached 16.2 million at year-end, up more than 5% year-over-year. North America active customers grew +7% year-over-year, supported by new customer adds up nearly +9% year-over-year in Q4. International active customers grew for the first time since before the exit of Italy, an encouraging signal that the demand-side investments we made in North America over the past two years are now beginning to replicate internationally.

Purchase frequency declined year-over-year, a direct consequence of the pace at which we are adding new customers. New customers in their first twelve months purchase at lower frequency than customers who have been on the platform for multiple years. As the composition of our active base shifts toward these newer cohorts, the blended metric declines even as underlying cohort behavior remains stable.

The priority on the demand side in 2026 is to complement a scaled performance marketing engine with capabilities that drive incremental growth through owned channels. As we deliver on our 2026 plan, we expect non-paid channel performance to improve relative to paid channels. We are early in this work, but the foundation is in place.

Supply

Supply performance in Q4 tells a story of two diverging trajectories: Small-Medium Business (SMB) and Enterprise.

Our SMB-driven hyperlocal merchant base continued to accelerate in Q4, with Revenues from SMBs in North America growing high-single digits year-over-year, an improvement versus Q3, Q2, and Q1. All seven North America sub-regions grew year-over-year. This broad-based sequential improvement reflects the compounding effect of deeper supply investment, tighter category management, and the better conversion environment our product improvements have created.

This is the marketplace flywheel working as designed. Better supply quality and depth drives higher conversion, which enables more efficient customer acquisition, which attracts higher quality merchants who want access to our growing engaged customer base. Chicago is our clearest city-level demonstration of this dynamic, with Q4 growth at double-digits, driven by a strong growth in active customers and demand for premium services, ranging from specialized wellness treatments to high-value leisure activities.

The counterpoint to the strength we saw in the SMB channel was our Enterprise channel. In North America, our Enterprise channel, which was growing strongly through the first half of 2025, saw the deceleration that started in Q3 continue into Q4. The deceleration reflected a weak pipeline of new brand additions and idiosyncratic issues across a handful of existing merchant relationships. Enterprise is an important component of our marketplace mix; enterprise deals are also efficient drivers of new customer acquisition and incremental traffic. The Q4 enterprise slowdown had second-order effects on our demand-side metrics that we are working to reverse.

We moved quickly to address the Enterprise execution gaps. In Q4, we reorganized the Enterprise channel to align it with our vertical-focused category structure, which we believe will improve both deal quality and go-to-market accountability. We made leadership changes and are actively building out the team under new leadership. We are refining our merchant proposition to include offering closed-loop inventory, where early results are encouraging.

Enterprise recovery will take time. We expect Q1 to remain under pressure, but expect the organizational changes we have made can get the channel back to the strong performance we expect.

Turning to International, International Local sustained its momentum in Q4. Excluding Giftcloud and Italy, International Local Billings grew approximately +16% year-over-year, consistent with the trajectory we saw in Q2 and Q3. Our four major International markets continued to perform strongly.

Turning to category performance. Health, Beauty and Wellness was a strong performer in Q4, delivering another quarter of improving growth driven by strength in massage, spa services, and premium wellness treatments. Beauty benefits from a merchant base that responds well to our hyperlocal supply model. The performance in Q4 reinforces our confidence in the category's continued growth trajectory and its role as a durable driver of our North America business.

Things To Do decelerated in Q4 connected to weakness in the Enterprise channel for Local Activities. Although Tours & Attractions continued to grow strong double digits, it is a seasonally smaller composition of our Things to Do business in Q4. We enter 2026 with strong supply positioning and are confident in our ability to continue to drive attractive double-digit growth rates in Things To Do as we head into the spring and summer season.

Beyond our core categories, Hotels, Live Events, and Food and Drink represent meaningful market opportunities but remain early-stage in our ability to drive meaningful and durable growth. We continue to invest in vertical-specific supply, product, and go-to-market capabilities led by dedicated General Managers.

Supply remains the engine of this marketplace. The broad-based SMB acceleration we saw in Q4, sustained across all seven North America regions and our major International markets, gives us confidence that the core supply channel of our marketplace is healthy and that our playbook is working. Rebuilding Enterprise momentum is the clear priority for 2026, and we are approaching it with the same focused execution that has driven our SMB progress. We expect supply to be a source of strength as we move through the year.

Product & Engineering

Our platform migration reached a significant milestone in Q4 with the roll-out of our new mobile application, reaching 100% of new iOS users in North America in January and today serving 50% of all iOS North America mobile application users. We expect all iOS North America mobile app users to be migrated to the new platform by the end of the quarter.

Our new mobile app and website represents a complete rebuild of our core consumer platform, a multi-year undertaking that required sustained investment and focus. Completing this ramp is meaningful not just as a technical milestone but as a foundation for the next phase of our growth agenda. The platform gives us the development velocity to ship improvements faster, and early results show that new users on the updated platform are generating stronger monetization per user than on the legacy app. For existing users, we are managing the transition carefully to preserve continuity of experience while delivering the benefits of the new platform over time. With the North America iOS transition nearing completion, we are moving to Android and International Markets. We expect to complete the migration of all surfaces in all regions in 2026.

Conversion rates improved across every surface and every geography in Q4, continuing and extending the trend we have seen build throughout the year. In the US, improvement was broad-based across App, Touch, and Web, and International showed the same directional pattern. At the start of fiscal year 2024, conversion rates were declining on most surfaces. We reversed that trajectory through more than fifteen discrete product improvements shipped across the year spanning location intelligence, payment friction reduction, and discovery and relevance enhancements.

It is worth being precise about what is driving this improvement. Part of the conversion gain reflects better product execution. Part of it also reflects a shift in traffic quality: the visitors reaching our platform are fewer in absolute number but increasingly higher-intent, as the major platforms deliver more targeted traffic while retaining lower-intent users deeper in their own ecosystems. Both dynamics are real. Higher-intent traffic converts better and generates more value per visit. Our product work is designed to make the most of every visitor we get, and the results reflect that.

Despite strong conversion gains, growth in the underlying demand our platform generates has been more moderate, reflecting the traffic volume headwinds. The gap between conversion improvement and overall growth is the central challenge our 2026 product agenda is designed to address.

As we shift from conversion-first to growth-first focus, we expect to deliver meaningful improvements in 2026 in how customers discover relevant deals through the launch of our new search & relevance engine. Our Customer Data Platform, now live in North America, enables personalized customer journeys that we expect will improve session frequency and move more newly acquired customers toward repeat purchase. We are restructuring our deal catalog and deal pages to be legible to large language models and AI agents, ensuring Groupon is well-positioned as AI-driven discovery becomes a more significant source of customer intent. We are targeting technical readiness for AI agent-initiated transactions by mid 2026.

Output from our product and engineering organization continued to improve in Q4. Development cycles are faster, release quality is higher, and cross-functional collaboration between product, engineering, and supply is more effective than at any point since the current management team took over. We are also identifying an increasing number of opportunities across our business where AI has the potential to drive efficiency gains and enhance experiences for both customers and merchants. The platform we have built gives us the foundation to move quickly on these opportunities as they mature.

Looking Ahead and Shifting to an AI-Native Operating Model

2025 proved we can grow this business and demonstrated real structural progress. Q4 is a reminder that we have specific execution risks that are not yet resolved.

Looking ahead to 2026, our number one strategic priority is to shift the business toward an AI-native operating model. We believe the next generation of local experience discovery and transaction will be driven by autonomous, agentic systems that can evaluate options and execute transactions on behalf of consumers. The platforms that position early for this shift will capture disproportionate value, and we intend to position Groupon on the right side of it.

We recently set a new baseline for agentic AI-first leadership that we expect every leader at Groupon to demonstrate by the end of the second quarter. In engineering, development squads have materially increased their productivity through AI tools, and we expect continued

improvements in the months ahead. We are developing our proprietary AI personalization layer, designed to understand each user's intent and context in real-time. And we are building the infrastructure to make our inventory discoverable and transactable by AI agents and platforms. Our standard is simple: AI work needs to convert into measurable marketplace outcomes, better customer experiences, a stronger merchant proposition, and improved unit economics.

To provide focused Board-level oversight of this transition, today we announced the formation of a dedicated Artificial Intelligence Committee of the Board of Directors, making Groupon one of the first publicly traded consumer marketplaces to establish a board-level committee dedicated to artificial intelligence. The Committee will oversee Groupon's AI strategy, responsible AI practices, technical resilience, and organizational readiness. To chair the Committee, we appointed Amit Shah as a new independent Director. Shah is the Founder and CEO of Instally AI, a fast growing enterprise AI company, and a seasoned public-company executive who previously served as President of 1-800-Flowers.com and as a director of Blue Apron Holdings. His experience leading digital transformation at the intersection of commerce, platforms, and emerging technologies is directly relevant to the work ahead.

Turning to our growth outlook. Our 2025 full-year results delivered our third consecutive year of improving revenue growth, and we expect to continue to improve our revenue growth in 2026. That said, the pace of growth improvement in 2026 will be more moderate than the trajectory we were building toward. The headwinds I described in organic, owned, and enterprise channels are addressable, and we have clear action plans against each, but the fixes will take time to compound. Our guidance reflects that reality.

The same platform dynamics pressuring our organic channels are reshaping how consumers discover and transact in local commerce. As the major platforms retain users deeper in their ecosystems and convert organic real estate to paid units, AI-driven discovery is emerging as a new and potentially significant channel for consumer intent. We are investing to position Groupon to capture that shift, restructuring our inventory for AI agent discoverability and targeting technical readiness for agent-initiated transactions by mid-2026, while maintaining our commitment to positive free cash flow.

Taking a step back, we remain confident in our long-term target to accelerate Global Billings growth to over 20%. The market for online experiences remains a secular growth opportunity with significant under-penetration compared to categories like hotels and airfare. We believe AI-driven discovery and agentic transaction will accelerate online penetration in local experiences, and Groupon is well positioned to capture that growth.

Groupon is a fundamentally different company today than it was three years ago. We enter 2026 with approximately \$296 million in cash, a second consecutive year of positive Free Cash Flow, a product platform capable of delivering at speed, and a core marketplace that is growing. We have the cash, the technology, and the strategy required to win. However, our work is far from finished. We are still in the early innings of a massive opportunity to become the trusted destination for discovering high-quality local services and experiences at unbeatable value.

To help frame the long term value creation opportunity, we're planning to host an investor event in the second half of 2026. This will be an opportunity to provide deeper insight into our strategy, showcase the progress we've made and articulate our path to becoming the trusted destination for quality local experiences at unbeatable value.

Finally, I want to express my gratitude to the Groupon team whose dedication, intensity and execution excellence have made this progress possible. The best teams win, and I'm increasingly confident we're building a team that can compete and win in this massive market opportunity.

Thank you for your continued interest in Groupon.

Financial Update - Rana Kashyap, Chief Financial Officer

Fourth Quarter 2025 Summary Financial Results¹

	Q4 2025	% Change YoY
Billings	\$446M	+4%
Revenue	\$133M	+2%
Revenue as a % of billings	30 %	
Gross Profit	\$120M	+2%
Gross Profit as a % of revenue	90 %	
Marketing	\$49M	+14%
Contribution Profit	\$71M	(6)%
Selling, general, and administrative	\$65M	(10)%
Adjusted EBITDA ¹	\$21M	+12%
Adjusted EBITDA ¹ margin	16 %	
Free Cash Flow ¹	\$53M	(16)%

In the fourth quarter, we delivered Global Billings of \$446 million, an increase of approximately 4% year-over-year but below our expectations. Revenue was \$133 million, an increase of 2% year-over-year but below our expectations. Revenue as a percentage of Billings was 30%, a decrease year-over-year of 60 basis points, a continued improvement in the year-over-year trend and in-line with our expectations.

Gross profit as a percentage of Revenue was 90%, which continues to stay within the range of our expectations.

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".

Marketing expense for the fourth quarter was \$49 million, or 37% of Revenue and higher than our expectations. We continue to see attractive returns in our performance marketing channels but had lower than expected Revenues from our non-paid channels.

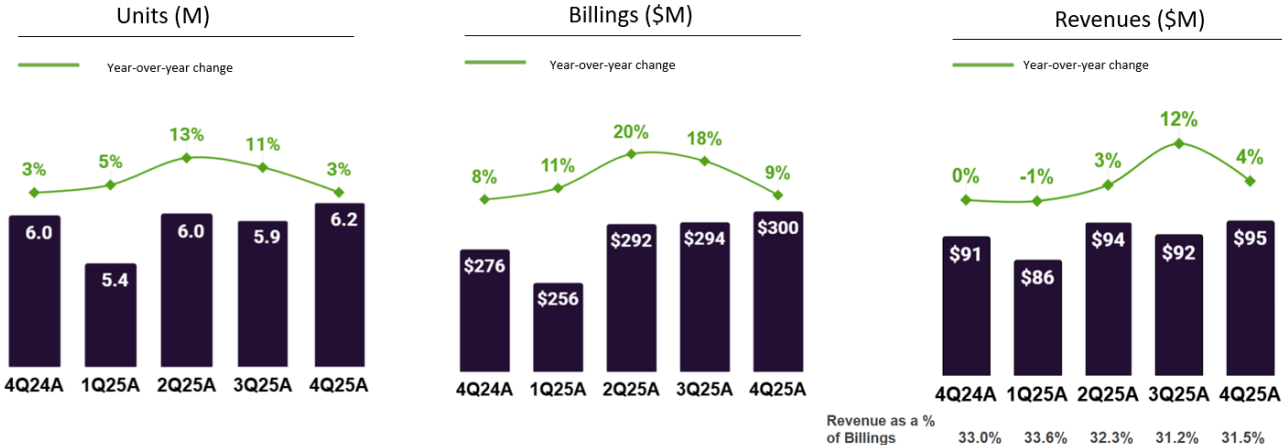
Contribution profit was \$71 million, a decrease of approximately 6% year-over-year and below our expectations. The decline reflects the channel mix dynamics Dusan described, with paid channels carrying a higher share of demand at lower contribution margins than our organic and owned channels.

Turning to operating expenses, fourth quarter SG&A was \$65 million, down 10% year-over-year and includes \$10 million in stock-based compensation and \$2 million in depreciation & amortization. Excluding stock-based compensation and depreciation & amortization, the year-over-year change was ahead of our expectations, down \$7 million, or 12%, due to lower technology expenses.

Adjusted EBITDA was positive \$21 million, slightly below our expectations.

Fourth quarter operating cash flow from continuing operations was positive \$57 million and Free Cash Flow was positive \$53 million, a decline of \$10 million versus last year. Included in Q4 Free Cash Flow is a \$15 million payment we made in December to settle our longstanding Italian tax matter. Excluding the Italian Tax settlement payment, Q4 Free Cash Flow was \$68 million, an increase of \$5 million year-over-year driven by tailwinds to net working capital due to timing of merchant payments.

North America Local



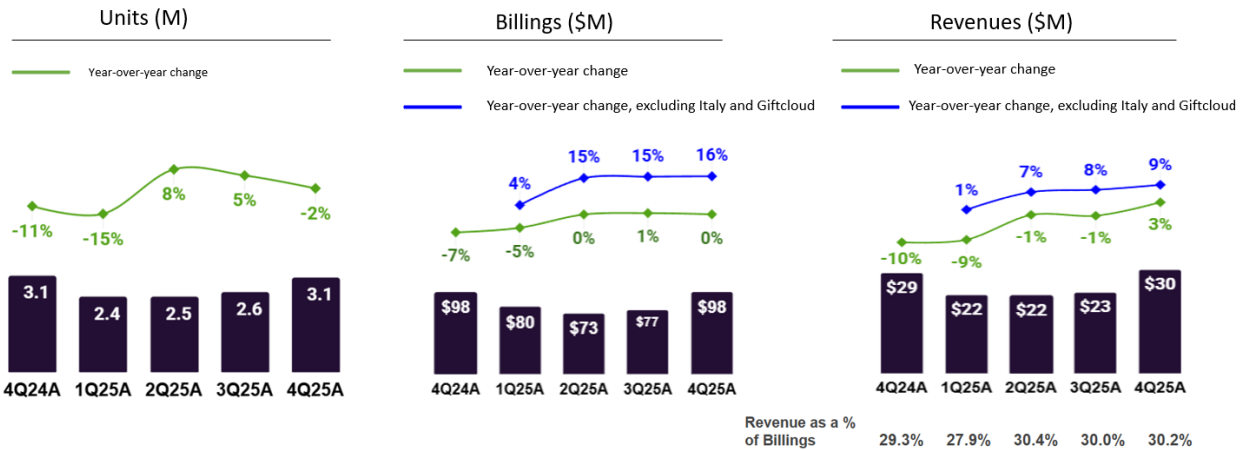
Diving deeper into our performance, North America Local is our largest business at 67% of Global Billings and 71% of Global Revenue in Q4.

In the fourth quarter, North America Local Billings grew 9%, a fifth straight quarter of positive Billings growth. Growth was driven by 3% unit growth and an increase in average order value.

Units were driven by a 12% growth in Local Active customers, partially offset by lower purchase frequency.

Revenue was up 4% which lagged our Billings performance. Year-over year, Revenue as percentage of Billings declined approximately -150 bps due primarily to increased promotional spend and to a lesser extent, higher redemption rates.

International Local



Turning to International Local, our second biggest business after North America Local, at 22% of Global Billings and 22% of Revenue in Q4.

Excluding Giftcloud and Italy, our International Local business grew by 16% in Q4 and above our expectations. All four of our major International Local markets - UK, Germany, France and Spain - delivered double-digit Billings growth for the third straight quarter. The remaining countries in International make up approximately the size of 1 of our big 4 countries. Turning to Revenues, fourth quarter Revenues, excluding Giftcloud and Italy, increased 9%, above our expectations.

Full year 2025 performance¹

	Year ended 2025	% Change YoY
Billings	\$1,666M	+7%
Revenue	\$498M	+1%
Revenue as a % of billings	30 %	
Gross Profit	\$453M	+2%
Gross Profit as a % of revenue	90 %	
Marketing	\$166M	+15%
Contribution Profit	\$287M	(4)%
Selling, general, and administrative	\$274M	(7)%
Adjusted EBITDA ¹	\$69M	—%
Adjusted EBITDA margin	14 %	
Free Cash Flow ¹	\$50M	+23%

For the full year, Global Billings was \$1.7 billion and Revenue \$498 million, both up 7% and 1% year-over-year, respectively. For the first time in a decade we have returned to positive Billings and Revenue growth and expect this trend to continue into 2026. Revenue as a percentage of Billings was 30%, a decrease versus last year of -170 bps due to higher redemption rates, increased promotional spend, and lower deal margins.

Marketing expense was \$166 million, up 15% and 33% of Revenue. We continue to see attractive returns in our performance marketing channels but had lower than expected Revenues from our non-paid channels.

Contribution profit was \$287 million, a decrease of 4% from the prior year.

SG&A was \$274 million, down 7% from the prior year. SG&A excluding stock-based compensation and depreciation & amortization was down \$26 million year-over-year, or -10%, due to lower technology expenses, partially offset by higher payroll costs.

We've also continued our strong profitability and cash generation performance. We delivered \$69 million in Adjusted EBITDA, consistent with our performance last year.

We generated positive Free Cash Flow of \$50 million, up \$9 million from the prior year. Excluding Italy tax payments made over the course of the year, Free Cash Flow was \$75 million.

¹Adjusted 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".

Capital Allocation & Balance Sheet Updates

We ended the year with \$296 million in Cash and cash equivalents. Please note that our cash position excludes \$30 million of restricted cash, which primarily relates to collateral posted against our outstanding letters of credit and reported on our Consolidated Balance Sheet in Prepaid expenses and other current assets.

Current year Free Cash Flow is \$50 million. Coming off two straight years of positive Free Cash Flow, we believe we can continue to finance the organic growth opportunities at Groupon through our P&L and maintain a healthy level of Free Cash Flow generation.

In 2018, our Board authorized us to repurchase up to \$300 million of our Common Stock. As of quarter end, we have \$245 million of Common Stock remaining available for purchase under that program.

As part of our capital allocation program, we have the flexibility of an existing share repurchase authorization. Our first priority remains investing in the organic growth opportunities in front of us. Going forward, we expect to be opportunistic in executing against this authorization, taking into account our cash generation, investment priorities, market conditions and the trading price of our shares.

Additionally, we continue to hold a minority stake in SumUp, a privately held European fintech company, which represents a valuable non-core asset. Should we have the opportunity to generate liquidity from this investment, we would have additional capital to be deployed in our capital allocation program.

Guidance¹ and Closing Thoughts

We are entering 2026 from a position of financial strength, with a strong cash position, an expectation to generate another year of strong free cash flow and an intent to shift our business to an AI-Native operating model.

As of March 10, 2026, management is issuing the following Guidance:

As of March 10, 2026	Q1 2026 Guidance		2026 Guidance	
	Low	High-end	Low	High
Billings	flat	+2%	+3%	+5%
Revenue	\$117M	\$120M	\$513M	\$523M
	flat	+2%	+3%	+5%
Adjusted EBITDA	\$13M	\$15M	\$70M	\$75M
Free Cash Flow	Negative		At Least \$60M	

To give more color on the Q1 and full year 2026 guide:

- Our outlook assumes continued Core Local momentum and take rate stabilization.
- Marketing is expected to grow slower than in 2025, allowing us to grow contribution profit while continuing to invest in paid performance channels.
- SG&A is expected to remain roughly flat year-over-year, reflecting continued cost discipline across the organization.
- Free Cash Flow improvement is driven by higher Adjusted EBITDA and the absence of the Italy tax payment that impacted our 2025 results, partially offset by a lower working capital benefit as the rate of Billings growth moderates compared to the prior year.

Following the resolution of the previously disclosed tax assessment matter related to Groupon S.r.l., we recently decided to resume local voucher operations in Italy and expect to commence operations sometime in the second quarter. As a reminder, Italy generated approximately \$1 million of revenue a month at the time we ceased operations and we expect the resumption to generate a materially lower level of sales at the outset. Therefore, we currently do not expect the reentry to Italy will have a material impact on our 2026 financial outlook.

Looking ahead, we remain focused on executing against our financial commitments while continuing to invest in the initiatives that will drive durable, long-term growth. As Dusan noted, Groupon is a fundamentally different company today than it was three years ago — we have fixed the plumbing, returned to growth, and established a path to consistent, sustainable Free

¹ 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.

Cash Flow generation. Our work is far from finished, but we have the technology, the cash, and the strategy to continue making progress. We are grateful for the continued support of our shareholders and the dedication of our team as we build toward the next phase of Groupon's growth.

Note on Forward-Looking Statements

The statements contained in this release that refer to plans and expectations for the next quarter, the full year or the future are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended ("Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended ("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 foreign tax matters, and geopolitical instability; 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 and other trade policies; 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; the risks associated with our use and integration of AI and machine learning technologies; 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; 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 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, as well as in our Consolidated Financial Statements, related notes, and the other financial information appearing elsewhere in our report and our other filings with the SEC. Moreover, we operate in a very competitive and rapidly changing environment, including with respect to emerging technologies such as AI, machine learning, and data analytics. 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 our 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 EBITDA² - 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:

	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025
Income (loss) from continuing operations	\$ (50,118)	\$ 8,027	\$ 20,593	\$ (117,782)	\$ 8,081
Adjustments:					
Stock-based compensation ⁽¹⁾	9,052	7,694	8,782	11,109	10,189
Depreciation and amortization	6,504	5,611	4,423	4,301	4,267
Restructuring and related charges (credits)	453	137	(46)	(64)	(61)
(Gain) on sale of assets	—	—	—	—	—
(Gain) on sale of business	—	—	(10,650)	—	—
Foreign VAT assessments ⁽²⁾	—	—	—	—	—
Loss on extinguishment of debt	1,631	—	—	99,925	—
Other (income) expense, net ⁽³⁾	42,818	(7,571)	(18,466)	(1,197)	(3,595)
Provision (benefit) for income taxes	8,321	1,428	10,927	21,248	2,022
Total adjustments	68,779	7,299	(5,030)	135,322	12,822
Adjusted EBITDA	\$ 18,661	\$ 15,326	\$ 15,563	\$ 17,540	\$ 20,903

- (1) Stock-based compensation excludes expense related to the liability-classified 2024 Executive PSUs. Refer to Item 8, Note 12, *Compensation Arrangements*, for additional information.
- (2) The Foreign VAT assessments adjustment excludes related interest expense of \$0.1 million for the three months ended December 31, 2024 as the interest expense is included within Other (income) expense, net.
- (3) Includes \$6.0 million gain on sale for the three months ended December 31, 2025 related to proceeds received in the sale of the Company's noncontrolling minority investment in TodayTix. Refer to Item 8, Note 6, *Investments*, for additional information.

² See Q4 2025 earnings press release posted on our Investor Relations website for additional information regarding non-GAAP financial measures

Free Cash Flow³ - 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.

	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025
Net cash provided by (used in) operating activities from continuing operations	66,963	(22)	28,419	(20,506)	56,607
Purchases of property and equipment and capitalized software from continuing operations	(3,742)	(3,737)	(3,230)	(4,082)	(3,575)
Free cash flow	63,221	(3,759)	25,189	(24,588)	53,032
Net cash provided by (used in) investing activities from continuing operations	(3,742)	(3,737)	10,761	(3,024)	2,423
Net cash provided by (used in) financing activities	14,861	(454)	(2,684)	(3,275)	(1,097)

Supplemental Information - Quarterly (in thousands)

	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025
Selling, general and administrative	\$ 72,462	\$ 69,840	\$ 70,669	\$ 68,264	\$ 64,955
Stock-based compensation in SG&A ¹	9,014	7,659	8,700	10,900	10,087
Depreciation and amortization in SG&A	3,859	3,418	2,400	2,400	2,334

- (1) Stock-based compensation excludes expense related to the liability-classified 2024 Executive PSUs. Refer to Item 8, Note 12, *Compensation Arrangements*, for additional information.

³ See Q4 2025 earnings press release posted on our Investor Relations website for additional information regarding non-GAAP financial measures