

**Vimeo, Inc.**  
**Q4 2022 Earnings**  
**Supplemental Financial Information and Operating Metrics**

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## VIMEO INC.

### Financial Results (Unaudited)

(in millions, except per share amounts; rounding differences may occur)

	2020	2021					2022				
	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31
Revenue	\$ 283.2	\$ 89.4	\$ 96.0	\$ 100.1	\$ 106.1	\$ 391.7	\$ 108.4	\$ 111.0	\$ 108.1	\$ 105.6	\$ 433.0
Cost of revenue (exclusive of depreciation shown separately below)	89.1	25.0	25.8	25.2	26.6	102.5	26.8	26.9	25.2	24.7	103.6
Gross profit	194.1	64.5	70.3	74.9	79.5	289.1	81.6	84.1	82.9	80.9	329.4
Gross profit margin	69%	72%	73%	75%	75%	74%	75%	76%	77%	77%	76%
Operating expenses:											
Research and development expense	64.2	21.5	27.1	26.7	30.4	105.6	34.4	35.7	34.4	23.1	127.7
Sales and marketing expense	105.6	32.1	40.2	37.8	42.6	152.7	43.2	43.1	43.6	40.6	170.4
General and administrative expense	49.8	14.5	21.5	20.6	28.5	85.1	28.6	29.7	26.5	22.2	107.0
Depreciation	0.5	0.1	0.2	0.3	0.3	0.9	0.4	1.5	0.1	0.1	2.2
Amortization of intangibles	14.7	1.9	1.6	1.1	1.3	5.8	1.3	1.3	1.2	1.2	5.1
Total operating expenses	234.9	70.1	90.6	86.4	103.1	350.2	107.9	111.4	105.8	87.4	412.4
Operating loss	(40.8)	(5.6)	(20.3)	(11.5)	(23.6)	(61.0)	(26.3)	(27.3)	(22.9)	(6.5)	(82.9)
Interest expense	—	(0.1)	(0.1)	(0.1)	(0.1)	(0.4)	(0.1)	(0.1)	(0.1)	(0.1)	(0.5)
Interest expense - related party	(9.1)	(0.7)	—	—	—	(0.7)	—	—	—	—	—
Other income (expense), net (a)	0.1	10.1	0.1	(0.1)	0.1	10.2	0.3	1.2	2.2	2.1	5.8
(Loss) earnings before income taxes	(49.8)	3.7	(20.3)	(11.7)	(23.6)	(51.9)	(26.0)	(26.2)	(20.8)	(4.6)	(77.7)
Income tax (provision) benefit	(0.8)	(0.4)	(0.1)	—	(0.4)	(0.8)	(0.5)	(0.3)	(0.6)	(0.5)	(1.9)
Net (loss) earnings	\$ (50.6)	\$ 3.3	\$ (20.4)	\$ (11.7)	\$ (24.0)	\$ (52.8)	\$ (26.6)	\$ (26.5)	\$ (21.4)	\$ (5.1)	\$ (79.6)
Weighted average diluted shares (b)	159.4	159.4	159.4	160.1	160.7	159.9	161.3	161.5	161.5	161.6	161.5
Diluted (loss) earnings per share	\$ (0.32)	\$ 0.02	\$ (0.13)	\$ (0.07)	\$ (0.15)	\$ (0.33)	\$ (0.16)	\$ (0.16)	\$ (0.13)	\$ (0.03)	\$ (0.49)
Stock-based compensation expense by function:											
Cost of revenue	\$ 0.1	\$ —	\$ 0.2	\$ 0.2	\$ 0.1	\$ 0.5	\$ 0.2	\$ 0.2	\$ 0.3	\$ 0.3	\$ 1.0
Research and development expense	2.9	1.7	5.7	3.9	4.8	16.1	4.7	6.7	7.9	1.1	20.4
Sales and marketing expense	0.6	0.3	1.5	1.2	1.7	4.7	0.9	2.4	3.0	3.6	10.0
General and administrative expense	8.1	2.9	7.3	5.7	7.7	23.6	8.4	9.3	8.2	7.0	32.9
Total stock-based compensation expense	\$ 11.7	\$ 4.9	\$ 14.7	\$ 10.9	\$ 14.4	\$ 44.9	\$ 14.2	\$ 18.7	\$ 19.4	\$ 12.1	\$ 64.3

(a) Q1 2021 and Q3 2021 include a gain of \$10.2 million and a loss of \$0.1 million, respectively, related to the sale of Vimeo's retained interest in its former hardware business.

(b) Weighted average dilutive shares outstanding for periods before Q2 2021 reflect Vimeo's outstanding shares immediately after the completion of Vimeo's separation from the remaining businesses of IAC/InterActiveCorp. Approximately 4.9 million common shares outstanding have been excluded from the computation of weighted average shares outstanding for EPS purposes because they are subject to satisfaction of certain vesting conditions, the details of which can be found in our filings with the SEC. For additional information on the separation, see our Annual Report on Form 10-K for the year ended December 31, 2022 filed with the SEC on February 27, 2023.

## VIMEO INC.

### Disaggregated Revenue and Operating Metrics (Unaudited)

(in thousands, except ARPU; rounding differences may occur)

	2020					2021					2022				
	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31
<b>Disaggregated Revenue and Operating Metrics</b>															
Self-Serve & Add-Ons (a):															
Bookings (b)	\$ 49,427	\$ 62,144	\$ 58,706	\$ 63,871	\$234,148	\$ 71,476	\$ 81,948	\$ 74,143	\$ 73,896	\$301,463	\$ 76,275	\$ 80,891	\$ 70,044	\$ 70,102	\$297,312
Revenue	\$ 37,525	\$ 43,999	\$ 50,665	\$ 57,260	\$189,449	\$ 61,385	\$ 67,383	\$ 71,443	\$ 75,048	\$275,259	\$ 76,091	\$ 78,246	\$ 76,737	\$ 73,652	\$304,726
Subscribers (c)	1,065.3	1,181.7	1,259.1	1,332.4	1,332.4	1,411.9	1,465.9	1,513.4	1,554.7	1,554.7	1,566.7	1,565.8	1,539.1	1,505.0	1,505.0
Average Revenue per User ("ARPU") (d) (e)	145	158	165	176	161	181	188	190	194	191	198	200	196	192	199
Vimeo Enterprise (f):															
Bookings (b)	\$ 1,169	\$ 3,477	\$ 3,981	\$ 5,572	\$ 14,199	\$ 5,551	\$ 7,358	\$ 7,492	\$ 10,166	\$ 30,567	\$ 8,360	\$ 10,575	\$ 11,639	\$ 16,207	\$ 46,781
Revenue	\$ 354	\$ 1,036	\$ 1,837	\$ 3,009	\$ 6,236	\$ 4,173	\$ 5,344	\$ 5,997	\$ 7,722	\$ 23,236	\$ 9,101	\$ 9,795	\$ 9,960	\$ 10,415	\$ 39,271
Subscribers (c)	0.1	0.3	0.5	0.7	0.7	1.0	1.2	1.4	1.6	1.6	1.8	1.9	2.1	2.2	2.2
ARPU (d) (e)	15,411	19,372	18,087	19,338	15,727	19,838	19,373	17,937	20,162	19,683	21,611	21,220	19,847	19,191	20,321
Other (g):															
Bookings (b)	\$ 17,340	\$ 19,158	\$ 18,950	\$ 18,273	\$ 73,721	\$ 17,868	\$ 18,593	\$ 17,620	\$ 18,484	\$ 72,565	\$ 18,636	\$ 15,881	\$ 14,527	\$ 17,971	\$ 67,015
Revenue	\$ 19,089	\$ 22,299	\$ 22,628	\$ 23,517	\$ 87,533	\$ 23,864	\$ 23,319	\$ 22,650	\$ 23,350	\$ 93,183	\$ 23,162	\$ 22,936	\$ 21,436	\$ 21,497	\$ 89,031
Subscribers (c)	205.8	212.8	200.0	197.3	197.3	174.7	160.8	146.4	138.7	138.7	120.9	114.8	102.0	93.3	93.3
ARPU (d) (e)	370	429	436	471	430	520	558	585	650	555	724	781	784	873	767

- (a) Self-Serve & Add-Ons relates to our subscription plans sold directly online, and any add-on services tied to those online subscriptions. This includes our Starter, Standard, and Advanced subscription plans, and add-on services such as bandwidth charges which are sold through our sales force to subscribers of one of our plans if they exceed a certain threshold of bandwidth. Revenue and operating metrics derived from add-on services such as bandwidth charges had previously been included in Sales-Assisted.
- (b) Bookings consists of fixed fees for SaaS services, measured at the end of the relevant period, that subscribers have paid or committed to pay during their subscription period or 12 months, whichever is shorter, less refunds and chargebacks during the same period.
- (c) Subscribers is the number of users who have an active subscription to one of Vimeo's paid plans measured at the end of the relevant period. Vimeo counts each account with a subscription plan as a subscriber. In the case of customers who maintain accounts across Self-Serve & Add-Ons, Vimeo Enterprise, and Other, Vimeo counts them as one subscriber for each of the components in which they maintain a subscription. Vimeo does not count team members who have access to a subscriber's account as additional subscribers.
- (d) Average Revenue per User ("ARPU") is the annualized revenue for the relevant period divided by Average Subscribers. For periods that are less than a full year, annualized revenue is calculated by dividing the revenue for that particular period by the number of calendar days in the period and multiplying this value by the number of days in that year.
- (e) Average Subscribers is the sum of the number of Subscribers at the beginning and at the end of the relevant measurement period divided by two.
- (f) Vimeo Enterprise relates to our video offering designed for teams and organizations, which includes the same capabilities of our Self-Serve & Add-Ons plus enterprise-grade features such as advanced security, custom user permissions, single-sign on for employees, interactive video, and marketing software integrations. Vimeo Enterprise is sold through our sales force and is often an upgrade from Vimeo's Self-Serve & Add-Ons as the number of users or use cases in an organization grows. Revenue and operating metrics derived from Vimeo Enterprise had previously been included in Sales-Assisted.
- (g) Other relates to products and services we offer outside of Self-Serve & Add-Ons and Vimeo Enterprise, primarily our over-the-top ("OTT") video monetization solution that allows customers to launch and run their own video streaming channel directly to their audience through a branded web portal, mobile apps and Internet-enabled TV apps. Other also includes Magisto, Livestream, WIREWAX, and Wibbitz. Revenue and operating metrics derived from OTT, WIREWAX, Wibbitz, and portions of Livestream had previously been included in Sales-Assisted. Revenue and operating metrics derived from Magisto and portions of Livestream had previously been included in Self-Serve.

VIMEO INC.

Reconciliation of GAAP to Non-GAAP Measures

(\$ in millions, except per share and per user amounts; rounding differences may occur)

	2020	2021					2022				
	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31
<b>Reconciliation of net (loss) earnings to Adjusted EBITDA:</b>											
Net (loss) earnings	\$ (50.6)	\$ 3.3	\$ (20.4)	\$ (11.7)	\$ (24.0)	\$ (52.8)	\$ (26.6)	\$ (26.5)	\$ (21.4)	\$ (5.1)	\$ (79.6)
Add back:											
Income tax provision (benefit)	0.8	0.4	0.1	—	0.4	0.8	0.5	0.3	0.6	0.5	1.9
Other (income) expense, net	(0.1)	(10.1)	(0.1)	0.1	(0.1)	(10.2)	(0.3)	(1.2)	(2.2)	(2.1)	(5.8)
Interest expense-related party	9.1	0.7	—	—	—	0.7	—	—	—	—	—
Interest expense	—	0.1	0.1	0.1	0.1	0.4	0.1	0.1	0.1	0.1	0.5
Operating loss	<u>\$ (40.8)</u>	<u>\$ (5.6)</u>	<u>\$ (20.3)</u>	<u>\$ (11.5)</u>	<u>\$ (23.6)</u>	<u>\$ (61.0)</u>	<u>\$ (26.3)</u>	<u>\$ (27.3)</u>	<u>\$ (22.9)</u>	<u>\$ (6.5)</u>	<u>\$ (82.9)</u>
Operating Loss Margin (a)	(14)%	(6)%	(21)%	(12)%	(22)%	(16)%	(24)%	(25)%	(21)%	(6)%	(19)%
Add back:											
Stock-based compensation expense	11.7	4.9	14.7	10.9	14.4	44.9	14.2	18.7	19.4	12.1	64.3
Depreciation	0.5	0.1	0.2	0.3	0.3	0.9	0.4	1.5	0.1	0.1	2.2
Amortization of intangibles	14.7	1.9	1.6	1.1	1.3	5.8	1.3	1.3	1.2	1.2	5.1
Contingent consideration	—	—	—	—	—	—	—	(0.7)	—	\$ (0.5)	\$ (1.1)
Restructuring costs	—	—	—	—	—	—	—	—	4.2	\$ —	\$ 4.2
Adjusted EBITDA (b)	<u>\$ (13.9)</u>	<u>\$ 1.3</u>	<u>\$ (3.8)</u>	<u>\$ 0.8</u>	<u>\$ (7.6)</u>	<u>\$ (9.4)</u>	<u>\$ (10.4)</u>	<u>\$ (6.4)</u>	<u>\$ 2.1</u>	<u>\$ 6.5</u>	<u>\$ (8.2)</u>
Adjusted EBITDA Margin (c)	(5)%	1%	(4)%	1%	(7)%	(2)%	(10)%	(6)%	2%	6%	(2)%
<b>Computation of Free Cash Flow:</b>											
Net cash provided by (used in) operating activities	\$ 13.9	\$ —	\$ 18.2	\$ 9.4	\$ (11.6)	\$ 16.0	\$ (26.8)	\$ (22.0)	\$ 10.0	\$ 1.7	\$ (37.1)
Add: Restructuring costs	—	—	—	—	—	—	—	—	3.5	0.4	3.9
Less: Capital expenditures	(0.8)	(0.1)	(0.1)	(0.1)	(0.1)	(0.4)	(0.5)	(0.1)	—	(0.1)	(0.8)
Free Cash Flow (d)	<u>\$ 13.0</u>	<u>\$ (0.2)</u>	<u>\$ 18.1</u>	<u>\$ 9.4</u>	<u>\$ (11.8)</u>	<u>\$ 15.5</u>	<u>\$ (27.3)</u>	<u>\$ (22.1)</u>	<u>\$ 13.4</u>	<u>\$ 1.9</u>	<u>\$ (34.0)</u>

- (a) Operating Loss Margin is Operating loss, divided by revenue.
- (b) Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization ("Adjusted EBITDA") is defined as operating loss excluding: (1) stock-based compensation expense; (2) depreciation; (3) acquisition-related items consisting of (i) amortization of intangible assets, (ii) impairments of goodwill and intangible assets, if applicable, and (iii) gains and losses recognized on changes in the fair value of contingent consideration arrangements; and (4) restructuring costs associated with exit or disposal activities such as a reduction in force. We believe this measure is useful for analysts and investors as this measure allows a more meaningful comparison between our performance and that of our competitors. Stock-based compensation, depreciation, and acquisition-related items are excluded from our Adjusted EBITDA measure because these items are either non-cash or non-recurring in nature. The above items are collectively referred to as "Adjusted EBITDA Non-GAAP Adjustments." Adjusted EBITDA has certain limitations because it excludes the impact of these expenses.
- (c) Adjusted EBITDA Margin is Adjusted EBITDA, divided by revenue.
- (d) Free Cash Flow is defined as net cash used in, or provided by, operating activities less cash used for capital expenditures, contingent consideration arrangements included in operating activities and restructuring costs. We believe Free Cash Flow is useful to investors as a liquidity measure because it measures our ability to generate or use cash.