

Vimeo, Inc.
Q1 2025 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)

	2023	2024					2025
	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1
Revenue	\$ 417.2	\$ 104.9	\$ 104.4	\$ 104.6	\$ 103.2	\$ 417.0	\$ 103.0
Cost of revenue (exclusive of depreciation shown separately below)	91.6	23.4	22.7	21.7	22.9	90.7	24.1
Gross profit	325.6	81.5	81.7	82.9	80.3	326.3	79.0
Gross margin	78%	78%	78%	79%	78%	78%	77%
Operating expenses:							
Research and development expense	107.1	28.1	27.0	26.6	27.7	109.4	31.2
Sales and marketing expense	151.5	32.3	27.7	28.8	31.1	119.9	33.4
General and administrative expense	49.2	18.0	19.1	19.7	19.8	76.6	20.1
Depreciation	2.0	0.1	0.2	0.1	—	0.4	—
Amortization of intangibles	2.8	0.3	0.3	0.3	0.3	1.4	0.3
Total operating expenses	312.6	78.9	74.2	75.5	79.0	307.6	85.1
Operating income (loss)	13.0	2.6	7.5	7.4	1.3	18.7	(6.1)
Interest expense	(1.0)	—	—	—	—	—	—
Other income, net	12.9	3.8	3.9	3.6	3.7	15.0	2.6
Earnings (loss) before income taxes	24.9	6.4	11.3	11.0	5.0	33.7	(3.5)
Income tax provision	(2.9)	(0.3)	(1.2)	(1.7)	(3.5)	(6.7)	(0.4)
Net earnings (loss)	\$ 22.0	\$ 6.1	\$ 10.1	\$ 9.3	\$ 1.5	\$ 27.0	\$ (3.9)
Weighted average diluted shares	165.3	169.0	168.6	168.3	171.8	169.5	161.3
Diluted earnings (loss) per share	\$ 0.13	\$ 0.04	\$ 0.06	\$ 0.05	\$ 0.01	\$ 0.16	\$ (0.02)
Stock-based compensation expense by function:							
Cost of revenue	\$ 1.0	\$ 0.1	\$ 0.2	\$ 0.2	\$ 0.2	\$ 0.8	\$ 0.2
Research and development expense	15.8	3.8	3.9	2.8	3.2	13.7	3.3
Sales and marketing expense	9.7	1.8	0.8	1.5	1.8	6.0	2.3
General and administrative expense	(14.4)	1.2	3.5	3.7	3.9	12.3	3.1
Total stock-based compensation expense	\$ 12.0	\$ 7.0	\$ 8.4	\$ 8.3	\$ 9.1	\$ 32.7	\$ 9.0

VIMEO INC.

Disaggregated Revenue and Operating Metrics (Unaudited)

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

	2023					2024					2025	
	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1	
Disaggregated Revenue												
Self-Serve (a)	\$ 61,534	\$ 61,107	\$ 60,489	\$ 60,311	\$243,441	\$ 59,107	\$ 58,374	\$ 58,356	\$ 56,296	\$232,133	\$ 56,112	
Vimeo Enterprise (b)	11,572	12,899	15,220	16,808	56,499	18,467	20,051	21,675	22,998	83,191	24,424	
OTT (c)	14,346	12,819	14,136	13,528	54,829	13,059	12,641	12,358	12,432	50,490	12,243	
Add-Ons (d)	10,068	9,713	11,447	10,861	42,089	10,804	10,190	9,508	9,055	39,557	8,582	
Other (e)	6,062	5,297	4,961	4,036	20,356	3,473	3,120	2,667	2,375	11,635	1,673	
Total revenue	<u>\$103,582</u>	<u>\$101,835</u>	<u>\$106,253</u>	<u>\$105,544</u>	<u>\$417,214</u>	<u>\$104,910</u>	<u>\$104,376</u>	<u>\$104,564</u>	<u>\$103,156</u>	<u>\$417,006</u>	<u>\$103,034</u>	
Operating Metrics												
Self-Serve (a):												
Bookings (f)	\$ 60,883	\$ 63,309	\$ 56,359	\$ 56,751	\$237,302	\$ 57,671	\$ 58,644	\$ 53,583	\$ 54,709	\$224,607	\$ 61,113	
Subscribers (g)	1,472.2	1,425.4	1,390.5	1,372.6	1,372.6	1,341.6	1,298.1	1,269.1	1,221.5	1,221.5	1,189.3	
ARPU (h) (i)	\$ 168	\$ 169	\$ 170	\$ 173	\$ 170	\$ 175	\$ 178	\$ 181	\$ 180	\$ 179	\$ 189	
Vimeo Enterprise (b):												
Bookings (f)	\$ 13,531	\$ 18,205	\$ 18,050	\$ 21,649	\$ 71,435	\$ 19,935	\$ 23,433	\$ 25,092	\$ 30,180	\$ 98,640	\$ 22,620	
Subscribers (g)	2.5	2.8	3.0	3.3	3.3	3.7	3.7	3.8	4.0	4.0	4.1	
ARPU (h) (i)	\$ 19,831	\$ 19,672	\$ 20,848	\$ 20,953	\$ 20,269	\$ 21,203	\$ 21,977	\$ 23,043	\$ 23,493	\$ 22,755	\$ 24,624	
OTT (c):												
Bookings (f)	\$ 8,896	\$ 7,732	\$ 11,403	\$ 8,723	\$ 36,754	\$ 9,593	\$ 7,492	\$ 11,092	\$ 9,208	\$ 37,385	\$ 9,066	
Subscribers (g)	2.9	2.9	3.0	3.0	3.0	3.0	2.9	3.1	3.1	3.1	3.2	
ARPU (h) (i)	\$ 20,110	\$ 17,767	\$ 19,017	\$ 17,923	\$ 18,697	\$ 17,331	\$ 17,107	\$ 16,363	\$ 15,814	\$ 16,406	\$ 15,696	

- (a) Self-Serve relates to our subscription plans sold directly online.
- (b) Vimeo Enterprise relates to our video offering designed for teams and organizations, which includes the same capabilities of Self-Serve plus enterprise-grade features such as advanced security, custom user permissions, single-sign on for employees, interactive video tools, and marketing software integrations. Vimeo Enterprise is sold through our sales force and is often an upgrade from Vimeo's Self-Serve as the number of users or use cases in an organization grows.
- (c) OTT relates to 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. Revenue and operating metrics derived from OTT had previously been included in Other.
- (d) Add-Ons relates to add-on services tied to our online subscriptions 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 derived from Add-Ons had previously been included in Self-Serve & Add-Ons.
- (e) Other primarily includes Magisto and Livestream.
- (f) Bookings consist of fixed fees for software-as-a-service ("SaaS") services, measured at the end of the relevant period, that subscribers have committed to pay during their subscription period, which is generally 12 months, less refunds and chargebacks during the same period.
- (g) 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 customer with a subscription plan as a subscriber regardless of the number of users. In the case of customers who maintain subscriptions across Self-Serve, Vimeo Enterprise, and OTT, Vimeo counts one subscriber for each of the components in which they maintain one or more subscriptions. Vimeo does not count users or team members who have access to a subscriber's account as additional subscribers.
- (h) 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 calendar days in that year.
- (i) 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.

VIMEO INC.

Reconciliation of GAAP to Non-GAAP Measures

(\$ in millions; rounding differences may occur)

	2023	2024					2025
	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1
Reconciliation of net earnings (loss) to Adjusted EBITDA:							
Net earnings (loss)	\$ 22.0	\$ 6.1	\$ 10.1	\$ 9.3	\$ 1.5	\$ 27.0	\$ (3.9)
Add back:							
Income tax provision	2.9	0.3	1.2	1.7	3.5	6.7	0.4
Other income, net	(12.9)	(3.8)	(3.9)	(3.6)	(3.7)	(15.0)	(2.6)
Interest expense	1.0	—	—	—	—	—	—
Operating income (loss)	\$ 13.0	\$ 2.6	\$ 7.5	\$ 7.4	\$ 1.3	\$ 18.7	\$ (6.1)
Operating Income (Loss) Margin (a)	3%	2%	7%	7%	1%	4%	(6)%
Add back:							
Stock-based compensation expense	12.0	7.0	8.4	8.3	9.1	32.7	9.0
Depreciation	2.0	0.1	0.2	0.1	—	0.4	—
Amortization of intangibles	2.8	0.3	0.3	0.3	0.3	1.4	0.3
Contingent consideration fair value adjustments	(0.4)	—	—	—	—	—	—
Restructuring costs	4.9	2.2	—	—	—	2.2	1.5
Adjusted EBITDA (b)	\$ 34.4	\$ 12.2	\$ 16.3	\$ 16.1	\$ 10.7	\$ 55.3	\$ 4.8
Adjusted EBITDA Margin (c)	8%	12%	16%	15%	10%	13%	5%
Computation of Free Cash Flow:							
Net cash provided by (used in) operating activities	\$ 37.8	\$ 5.6	\$ 19.7	\$ 20.8	\$ 10.8	\$ 56.9	\$ (2.1)
Add: Restructuring costs	5.2	1.4	0.6	0.2	—	2.2	0.9
Add: Contingent consideration	1.7	—	—	—	—	—	—
Less: Capital expenditures	(0.1)	(0.2)	—	—	—	(0.2)	(0.1)
Less: Internal-use software development costs	—	—	—	—	—	—	(2.0)
Free Cash Flow (d)	\$ 44.5	\$ 6.9	\$ 20.3	\$ 21.0	\$ 10.8	\$ 58.8	\$ (3.4)

(a) Operating Income (Loss) Margin is Operating income (loss), divided by revenue.

(b) Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization ("Adjusted EBITDA") is defined as operating (loss) income excluding: (1) stock-based compensation expense; (2) depreciation; (3) amortization of intangible assets; (4) gains and losses recognized on changes in the fair value of contingent consideration arrangements; and (5) restructuring costs associated with exit or disposal activities such as a reduction in force or reorganization. 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. The above items are excluded from our Adjusted EBITDA measure because these items are either non-cash or non-recurring in nature. 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 provided by, or used in, operating activities excluding restructuring costs and contingent consideration payments included in operating activities, less cash used for capitalized software development costs and capital expenditures. We believe Free Cash Flow is useful to investors as a liquidity measure because it measures our ability to generate or use cash.