

Subject Companies:
Vimeo Holdings, Inc.
Vimeo, Inc.
Registration No. 333-251656
Date: March 24, 2021

vimeo

Investor Day

March 24, 2021

Safe Harbor Statement

Forward-Looking Statements. This presentation and the accompanying oral presentation may contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. The use of words such as "estimates," "expects," "will," "plans" and "believes," among others, generally identify forward-looking statements. These forward-looking statements include, among others, statements relating to: Vimeo's future financial performance, business prospects and strategy and anticipated trends in the online video market. These forward-looking statements are based on management's current expectations and assumptions about future events, which are inherently subject to uncertainties, risks and changes in circumstances that are difficult to predict.

Actual results could differ materially from those contained in these forward-looking statements for a variety of reasons, including, among others: changes in regulatory landscape, in particular changes in laws that might increase the liability of online intermediaries for user-generated content; reputational damage caused by problematic user content or our decisions to remove (or not remove) it; changes in policies implemented by third party platforms upon which we rely for traffic and distribution of mobile apps; increased competition in the online video category; our ability to convert visitors into uploaders and uploaders into paying subscribers; our ability to retain paying subscribers by maintaining and improving our value proposition; our ability to provide video storage and streaming in a cost-effective manner; our ability to successfully scale our enterprise business; our ability to protect sensitive data from unauthorized access; our ability to expand successfully into international markets; the impact of the outbreak of the COVID-19 coronavirus on our business; and adverse changes in economic conditions.

Certain of these and other risks and uncertainties are discussed in our parent company's (IAC) SEC filings, including the registration statement on Form S-4 filed on December 23, 2020, as amended. You may access these documents for free by visiting EDGAR on the SEC website at www.sec.gov. Other unknown or unpredictable factors that could also adversely affect our business, financial condition and results of operations may arise from time to time.

In light of these risks and uncertainties, these forward-looking statements may not prove to be accurate. Accordingly, you should not place undue reliance on these forward-looking

statements, which only reflect the views of IAC and Vimeo management as of the date of this presentation.

Market and Industry Data. This presentation also contains estimates and other statistical data made by independent parties and by Vimeo relating to market size and growth and other data about Vimeo's industry and business. These data involve a number of assumptions and limitations, and you are cautioned not to give undue weight to such estimates. Vimeo has not independently verified the statistical and other industry data generated by independent parties and contained in this presentation, and accordingly cannot guarantee their accuracy or completeness.

The views, information, or opinions of third parties expressed in this presentation are solely those of the individuals involved and do not represent the opinions of any other party.

Vimeo Metrics. Except as where otherwise noted, Vimeo financials and metrics are for fiscal years 2019 and 2020 and include Livestream, Magisto and Enterprise. We do not undertake any obligation to update, alter or otherwise revise any metrics or forward-looking statements after the date of this presentation, except as required by law.

Non-GAAP Metrics. This presentation contains certain non-GAAP financial information including Adjusted EBITDA and Gross Margin. These non-GAAP financial measures are in addition to, and not a substitute for or superior to, measures of financial performance prepared in accordance with GAAP. We provide the definitions of these items and their reconciliation to the most directly comparable GAAP measures at the end of this presentation.

Safe Harbor Statement

No Offer or Solicitation / Additional Information and Where To Find It. This communication is for informational purposes only and does not constitute an offer to sell or the solicitation of an offer to buy any securities, or a solicitation of any vote or approval, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

This communication is being made in respect of a proposed separation of Vimeo from the remaining businesses of IAC through the spin-off (the "Spin-off") of Holdings, a new Vimeo holding company, and a merger of Vimeo with a subsidiary of Holdings (the "Merger").

In connection with the Spin-off and the Merger, IAC and Holdings intend to file relevant materials with the Securities and Exchange Commission (the "SEC"), and have filed a joint registration statement on Form S-4 that includes a preliminary proxy statement of IAC and a preliminary consent solicitation statement of Vimeo. The information in the preliminary proxy statement/consent solicitation statement/prospectus is not complete and may be changed. IAC will deliver the definitive proxy statement and Vimeo will deliver the definitive consent solicitation statement to their respective stockholders as required by applicable law. This communication is not a substitute for any proxy statement, consent solicitation statement or any other document that may be filed with the SEC in connection with the Spin-off or the Merger.

INVESTORS AND SECURITY HOLDERS OF IAC AND VIMEO ARE URGED TO READ THE DEFINITIVE PROXY STATEMENT/CONSENT SOLICITATION STATEMENT/PROSPECTUS AND OTHER DOCUMENTS FILED WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED SPIN-OFF AND MERGER.

Investors and security holders will be able to obtain these materials (when they are available) and other documents filed with the SEC free of charge at the SEC's website, www.sec.gov. Copies of documents filed with the SEC by IAC (when they become available) may be obtained free of charge on IAC's website at www.iac.com.

Participants in the Solicitation. IAC, Vimeo, Holdings and IAC's directors and executive officers may be deemed to be participants in the solicitation of proxies from IAC's stockholders in favor of the proposed Spin-off and the solicitation of consents from Vimeo's stockholders in favor of the proposed Merger under the rules of the SEC. Information about IAC's directors and executive officers is available in the joint registration statement on Amendment No. 1 to Form S-4 which was filed with the SEC by IAC and Holdings on February 2, 2021. Additional information regarding participants in the solicitations and a description of their direct and indirect interests will be included in the proxy statement/consent solicitation statement/prospectus and the other relevant documents filed with the SEC when they become available.

Speakers

The Video Software Opportunity

Anjali Sud
CEO



Our All-in-One Solution

Mark Kornfilt
President & CFO



Customer Conversations

Josh Normand
SVP, Sales



Company Priorities

Anjali Sud
CEO



Financial Performance & Outlook

Narayan Menon
CFO



Analyst Q&A

Anjali Sud & Narayan Menon



Intro video



20th Century

Video is art & entertainment

Hollywood Studios
AV Pros



Early 2000's

Video is social and democratized

Self-made creators
Consumers



Right Now

Video is essential for every business

SMBs
Enterprises



**Professional quality
video for all.**

We believe that we can empower every professional, team and organization to use video, with tools that are far easier and more effective than ever before.



“Our first town hall was a pivotal moment. We reached more store associates than we had in a decade of in-person events.”

Peter Strella
Rite Aid



“My team is recording and sharing product demos internally. It adds a personal touch that you just can’t replicate with email or a chatroom message.”

Trevor Wolf
Mailchimp



“Video has transformed our business. We’ve grown our reach exponentially, far beyond the four walls of our studios.”

Lauren Roxborough
Y7 Studio



“We don’t have the time or money to outsource marketing videos, so being able to create them quickly and beautifully was a game changer for us.”

Hilah Stahl
Spoak Decor

The world's leading all-in-one video solution



Large Market

\$70B

Video solutions market in 2024 (est.)



Validated Momentum

44%

2020 Revenue growth



Consumer Scale

200M+

Registered free users



Self-Propelling Funnel

60%

Subscribers start as free users



Defensible Position

16+

Years as an industry leader

Every professional, team and organization in the world can be a Vimeo customer

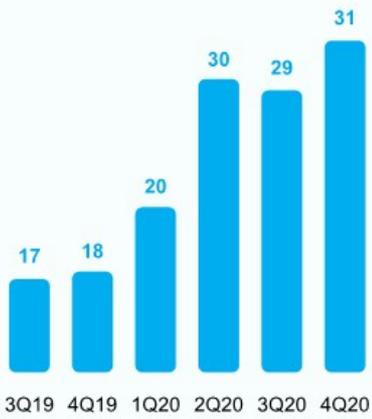
1M+
Enterprises

300M+
SMBs

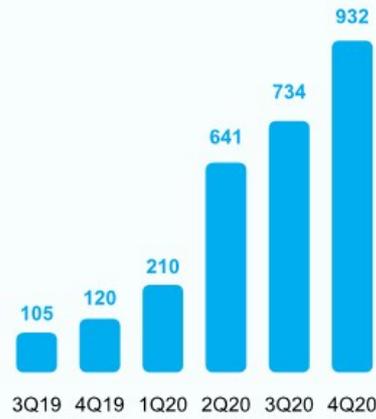
We are here →

1.5M+
subs

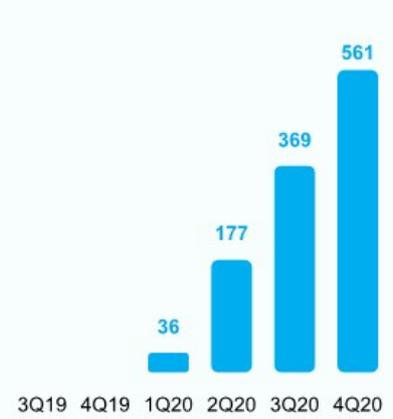
We built a solution that removes friction



Videos Uploaded
(millions)

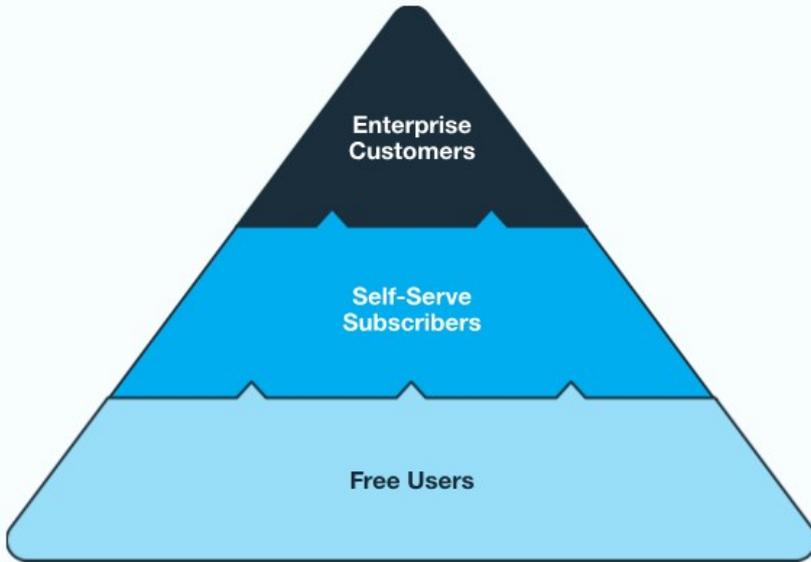


Live Streams
(thousands)



Videos Created
(thousands)

Enterprise software at consumer scale



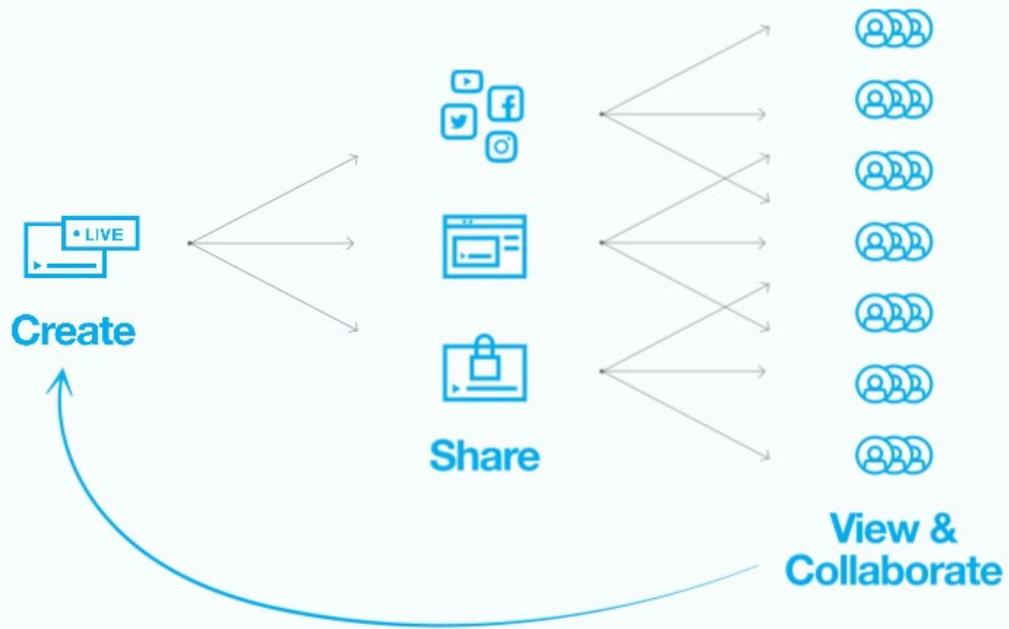
65%

Enterprise customers start as free and self-serve users

60%

Self-serve subscribers start as free users

Virtuous cycle of expanding user adoption



Differentiated value, defensible position



Technology

Player, encoding,
live streaming, AI



Cross-Platform

Reach audiences
everywhere



Breadth

All-in-one video solution
across VOD and Live



Scale

200M+ free users
1 trillion video events



Brand

Consumer UX
16+ years brand equity



Community

Video pros,
agencies & creatives

Our All-in-One Solution

Mark Kornfilt

President & Chief Product Officer



Video Tools for Creators

- Showcase a portfolio
- Host, review and publish videos



The Rise of Video for Business

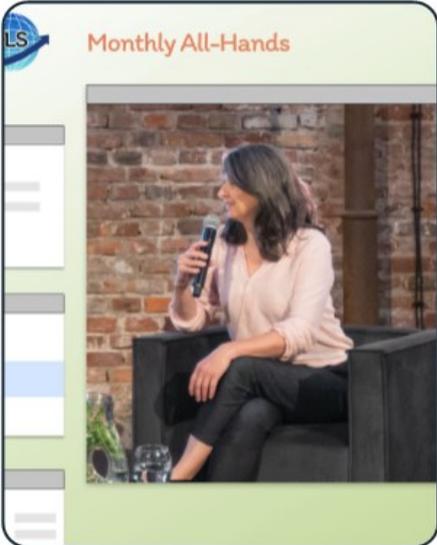
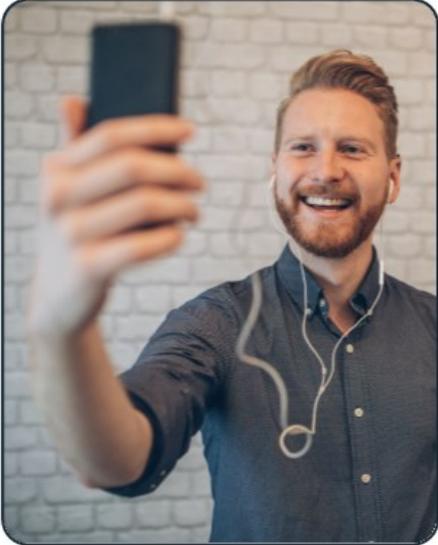
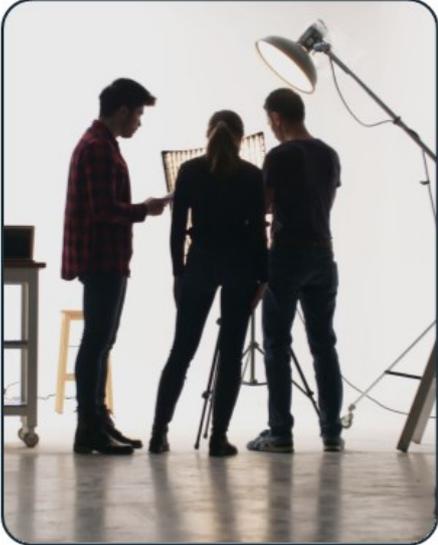
Enterprises

- Secure Video Portal
- Training and Onboarding
- Customer Service Videos
- Town Halls
- Video Messaging

SMBs

- Virtual Events
- Monetizing Content
- Video Storefront
- Lead Generation
- Brand Marketing
- Video Ads

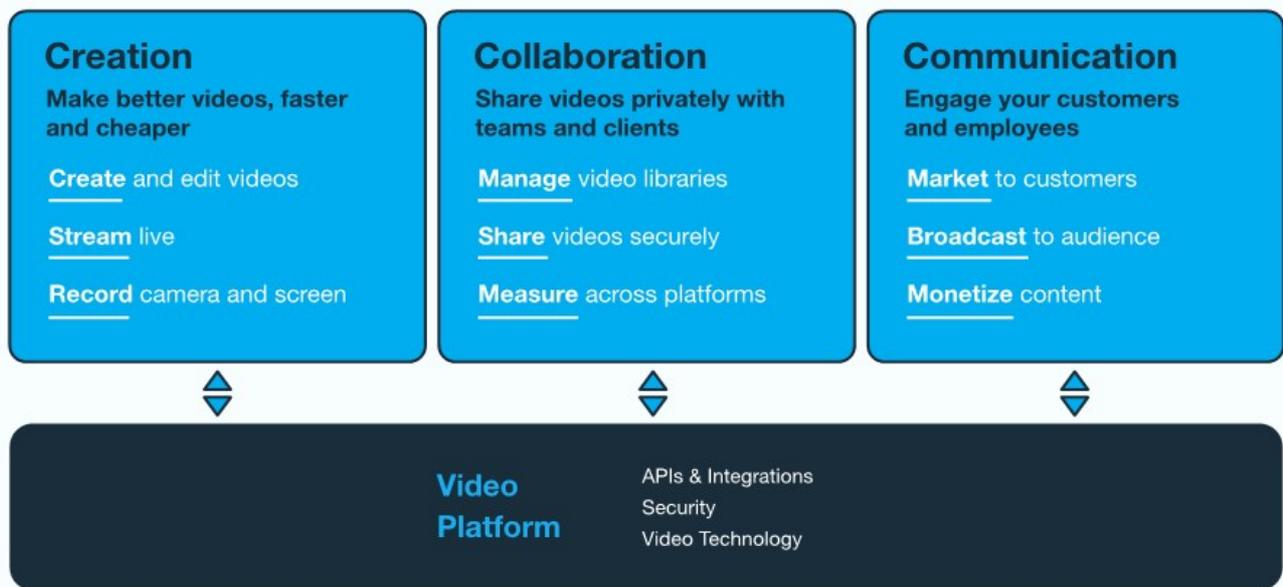
Professional quality video is too hard



Our 16 years of video innovation are our foundation. In the last 3 years, we have transformed our offering.



Our solution was built to enable any business, of any size, to grow with video.



SMBs Deep Dive

Company

WHAT THEY'RE TRYING TO SOLVE

Stand out from competition and acquire new customers

WHAT VIMEO REPLACES

Images and text

USE-CASES

- Social marketing videos
- Product explainers
- Brand announcements
- E-learning

Buyer

PERSONA

Solopreneur, owner/CEO or small marketing team

HOW THEY FIND US

Organic and paid traffic

HOW THEY BUY

Starts on free product, upgrades to paid product

Case Study

Spoak Decor

Making their business stand out with video

Why Vimeo

- Simple, affordable and easy to use tools
- All-in-one solution
- Drive tangible ROI

How They Use Vimeo

- Video creation from templates
- Embed tools
- Social distribution
- Analytics

Success with Video

- 35X higher engagement on video assets than static assets
- 30% more registrations

The logo for Spoak Decor, featuring the word "spoak." in a lowercase, brown, sans-serif font. The letter "o" is stylized with a small circle above it, resembling a wheel or a decorative element. The logo is centered on a light beige background.

Enterprises Deep Dive

Company

WHAT THEY'RE TRYING TO SOLVE

Improve employee and customer communication

WHAT VIMEO REPLACES

Enterprise video platform and point solutions

USE-CASES

- Training and onboarding
- Internal town halls
- Video portal
- Video messaging
- Virtual events and webinars

Buyer

PERSONA

Head of IT, CTO, Head of Communications, Head of HR, CMO

HOW THEY FIND US

SEO, existing self-serve user

HOW THEY BUY

Sold through Vimeo's sales force

Case Study

Rite Aid

Uniting its team with video-first communications

Why Vimeo

- Centralized video solution
- Scalable, reliable video delivery
- Simple UX that employees want to use

How They Use Vimeo

- Live streaming
- Audience engagement tools
- Internal company video portal
- SSO and advanced team permissioning

Success with Video

- Average watch time of 58 minutes
- Uses Vimeo for multiple use cases: town halls, trainings, marketing launches



Powerful Go-to-Market

SALES

Enterprise Solutions

Security
Service-level Agreements
Dedicated support

SELF-SERVE

Plus

\$7/mo

250GB every year
Single user

Player customization
Privacy controls
Limited video creation

Pro

\$20/mo

1TB every year
3 team members

Everything in Plus +
Video creation
Review and approval
Private team projects
Customizable Showcase sites

Business

\$50/mo

5TB total storage
10 team members

Everything in Pro +
Creation with custom branding
Player calls-to-action
Lead generation
Showcase SEO
Google Analytics

Premium

\$75/mo

7TB total storage
Unlimited live viewers

Everything in Business +
Unlimited live events
Live stream to multiple destinations
Live Q&A, graphics and polls
Audience chat

Free

5GB total storage
Basic embedding features
Basic video analytics

Our Key Product Tenets Differentiate us for the Long Term



Simplicity



All-in-One



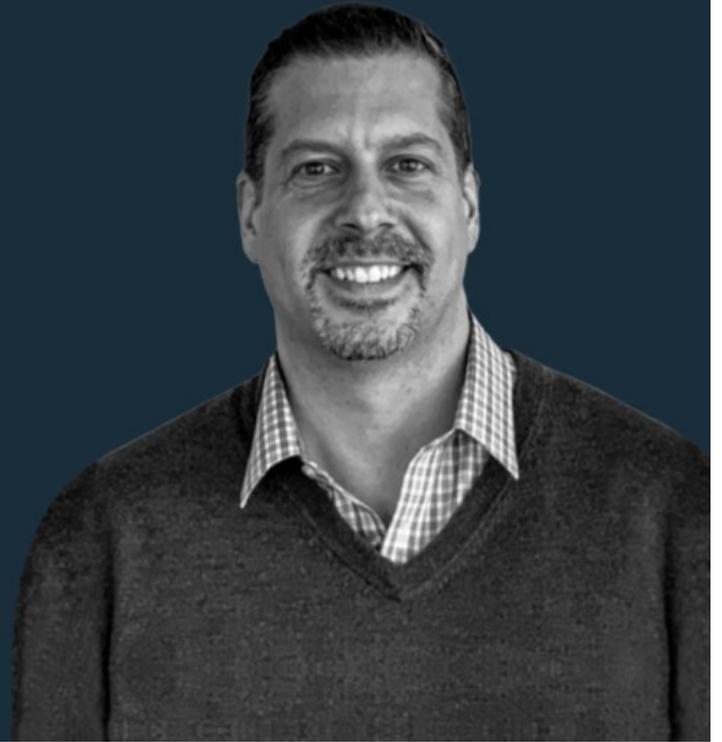
Quality



Integrated

Customer Conversations

Josh Normand
SVP, Sales



Company Priorities

Anjali Sud
CEO



Our Principles

Start with Users

Understand our users' goals, and make them your own. Solve for what users need, not what they ask for.

Ask Why

Respectfully challenge ideas and embrace open debate. Validate intuitions with evidence.

Aim High

Be willing to take risks to deliver outsized impact. Greatness only comes from making bold decisions.

Own It

Commit to targets. Take the initiative, follow through and own the outcome. If processes are slowing you down, introduce better ones.

Be Real

Seek feedback and give it generously. Be direct. Be candid. Most of all, be you.

Our leadership



Anjali Sud
CEO



Mark Kornfilt
President & CPO



Narayan Menon
CFO



Michael Cheah
General Counsel



Courtney Sanchez
COO



Harris Beber
CMO



Josh Normand
SVP, Sales

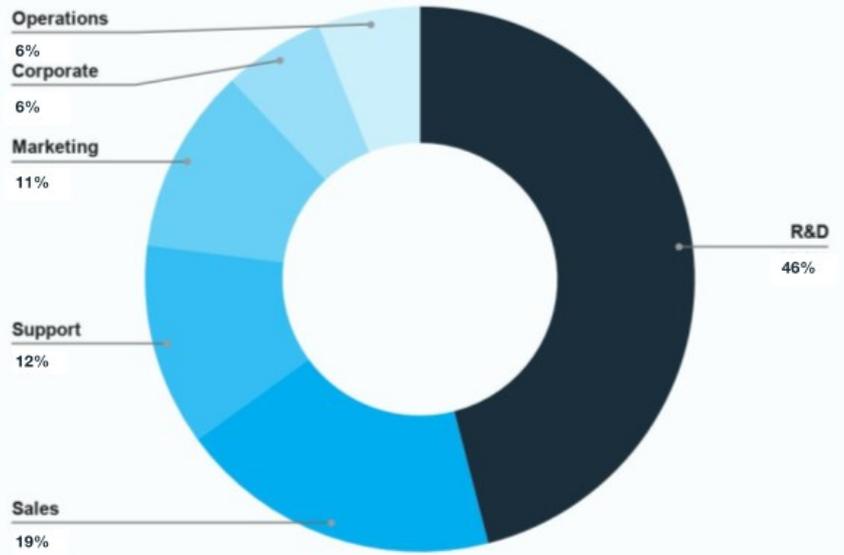


Kathleen Barrett
SVP, Enterprise & Creator Success

Our team

700+

Employees globally



2021 Priorities

Expand in the Enterprise



Make Video a Daily Habit



Scale Salesforce Globally



Organization-wide Expansion

Simplify Video for SMBs



Free Adoption



Product Innovation



Power Video Everywhere

Financials

Narayan Menon
CFO



Business Highlights



**Large
Market**

\$70B

Video solutions
market in 2024
(est.)



**Strong
Growth**

54%

Q4'20
Revenue growth



**Excellent Unit
Economics**

4.8x

Q4'20
LTV/CAC



**Land &
Expand**

113%

Q4'20
Enterprise NRR



**Predictable
Revenue Model**

80%+

Q4'20
Subs on annual plans

Detailed portfolio overview

SALES

Enterprise Solutions

Security
Service-level Agreements
Dedicated support

SELF-SERVE

Plus

\$7/mo

250GB every year
Single user

Player customization
Privacy controls
Limited video creation

Pro

\$20/mo

1TB every year
3 team members

Everything in Plus +
Video creation
Review and approval
Private team projects
Customizable Showcase sites

Business

\$50/mo

5TB total storage
10 team members

Everything in Pro +
Creation with custom branding
Player calls-to-action
Lead generation
Showcase SEO
Google Analytics

Premium

\$75/mo

7TB total storage
Unlimited live viewers

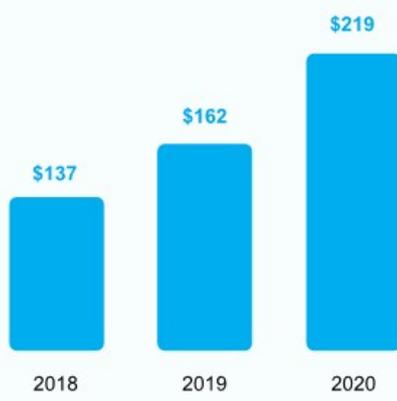
Everything in Business +
Unlimited live events
Live stream to multiple destinations
Live Q&A, graphics and polls
Audience chat

Free

5GB total storage
Basic embedding features
Basic video analytics

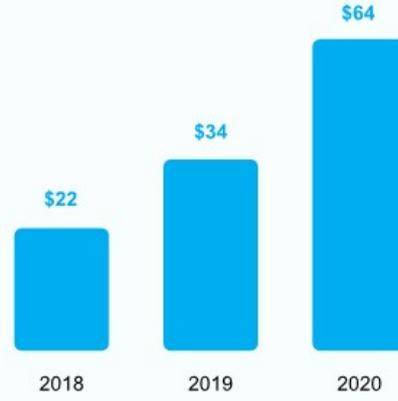
Revenue growth has accelerated

(In millions)



Self-Serve Revenue

2020 Revenue growth of 35%



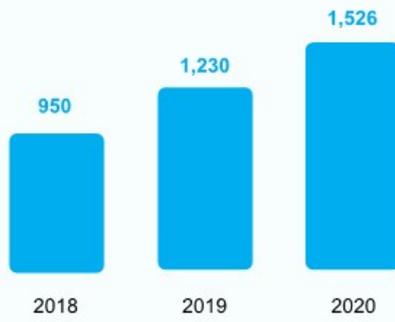
Enterprise Revenue

2020 Revenue growth of 89%

Note: Legacy hardware revenue included in Self-Serve

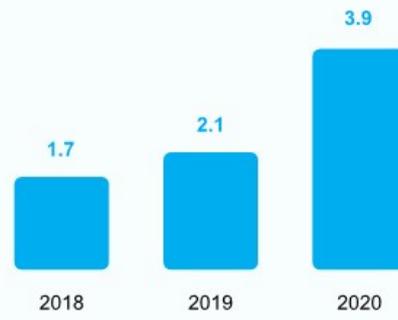
Our subscriber base has grown significantly

(In thousands)



Self-Serve Subscribers

- 2020 Subscriber growth rate of 24%
- Growth accelerated in 2020 after adjusting for Magisto acquisition in 2019



Enterprise Subscribers

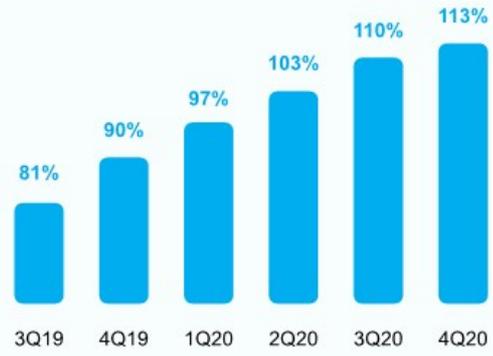
- 2020 Subscriber growth rate of 87%
- Year-over-year growth rate increased in each quarter during 2020

Subscribers have consistently increased spend



Self-Serve Average Revenue Per User

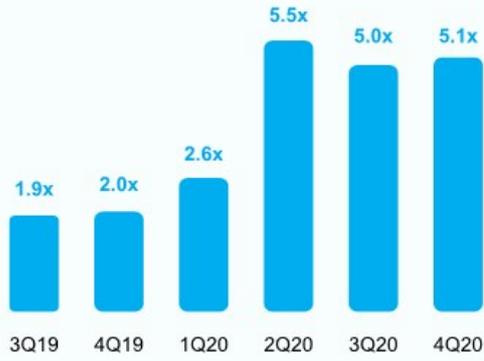
40% ARPU growth from 2017 to 2020 driven by mix shift to higher tier plans and launch of new tiers



Enterprise Net Revenue Retention

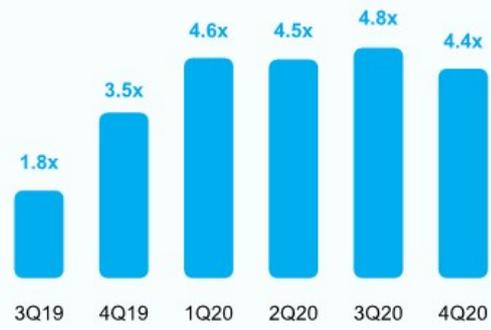
Over 100% NRR driven by higher usage and product expansion

A clear playbook to drive efficient acquisition



Self-Serve LTV/CAC

2021 Priorities: Creation, mobile app, live streaming, partnerships



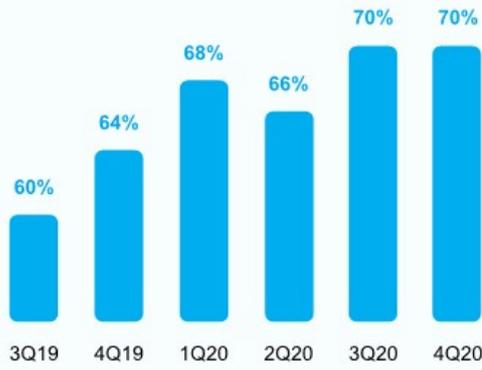
Enterprise LTV/CAC

2021 Priorities: Expand corporate video use cases, international expansion

Note: LTV/CAC based on Non-GAAP S&M Expense

And strong unit economics drove higher EBITDA

(In millions)



Gross Margin

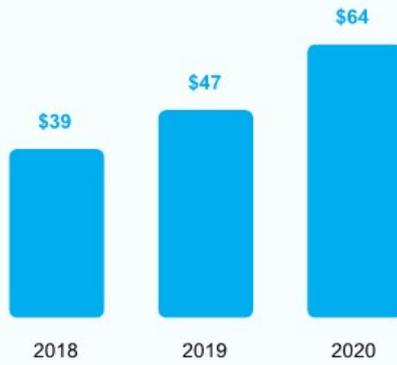


Adjusted EBITDA

Note: Excludes Stock Based Compensation, Depreciation & Amortization

We are continuing to invest for growth

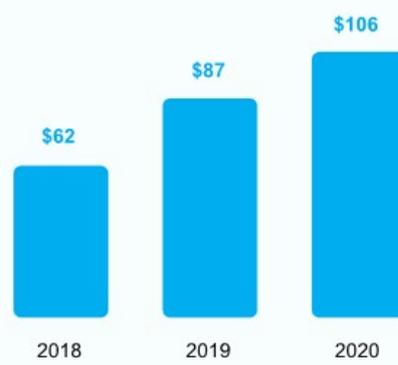
(In millions)



Research & Development Spend

2021 investment priorities:

- Innovation in virtual events
- Enterprise use case expansion
- Simplifying video creation
- Partnerships & ecosystem development



Sales & Marketing Spend

2021 investment priorities:

- Sales force expansion
 - International expansion
 - SEO & organic acquisition
 - Mobile acquisition
-

Growth and profitability accelerated in 2020

	2019	2020	Y/Y Growth	Medium Term Goals (5+ Years) ⁽¹⁾
Ending Subscribers	1.2M	1.5M	24%	~15% CAGR
ARPU	\$180	\$205	14%	~15% CAGR
Revenue	\$196M	\$283M	44%	30%+ CAGR
Gross Margin	60%	69%	819 bps	75%+
Adj. EBITDA	(\$45M)	(\$14M)	\$31M	
Adj. EBITDA Margin	(23%)	(5%)	1,796 bps	20%+

(1) Ex-acquisitions

And in summary

- 1 Strong tailwinds in a ~\$70B video solutions market
- 2 Platform strength and technology vision
- 3 Excellent unit economics and margin profile
- 4 Disciplined approach to M&A and investments
- 5 Strong balance sheet with \$300M cash & \$100M revolver*

*As of February 2021

Reconciliations

Reconciliation of Net Loss to Adjusted EBITDA	3Q19	4Q19	1Q20	2Q20	3Q20	4Q20	2018	2019	2020
Net loss	(15.9)	(14.9)	(20.3)	(14.8)	(9.8)	(5.8)	(45.9)	(75.6)	(50.6)
Add back (Deduct):									
Income tax provision (Benefit)	0.1	0.1	0.6	(0.1)	0.2	0.2	0.1	0.3	0.8
Other expense (income), net	0.0	0.1	0.1	0.2	(0.1)	(0.2)	0.0	6.4	(0.1)
Interest expense—related party	2.4	2.5	2.5	2.4	2.2	2.1	6.2	8.5	9.1
Operating loss	(13.4)	(12.3)	(17.2)	(12.3)	(7.5)	(3.7)	(39.6)	(60.3)	(40.8)
Add back:									
Stock-based compensation expense	1.9	0.5	2.0	4.0	3.5	2.1	4.5	5.3	11.7
Depreciation	0.0	0.1	0.1	0.1	0.1	0.2	1.2	0.5	0.5
Amortization of intangibles	3.1	3.1	3.1	2.9	6.6	2.1	6.3	9.7	14.7
Adjusted EBITDA	(8.3)	(8.5)	(12.0)	(5.3)	2.7	0.7	(27.5)	(44.8)	(13.9)
Reconciliation of Gross Margin									
Cost of Revenue (GAAP)	20.7	19.8	18.4	22.9	22.9	25.0	69.4	77.7	89.1
Less: Stock-based compensation expense	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	(0.1)
Non-GAAP Cost of Revenue	20.7	19.8	18.4	22.9	22.8	24.9	69.4	77.7	89.0
Revenue	52.1	54.6	57.0	67.3	75.1	83.8	159.6	196.0	283.2
Less: Cost of Revenue (GAAP)	(20.7)	(19.8)	(18.4)	(22.9)	(22.9)	(25.0)	(69.4)	(77.7)	(89.1)
GAAP Gross Profit	31.4	34.8	38.6	44.4	52.3	58.8	90.3	118.3	194.1
As a % of Revenue	60%	64%	68%	66%	70%	70%	57%	60%	69%
Revenue	52.1	54.6	57.0	67.3	75.1	83.8	159.6	196.0	283.2
Less: Non-GAAP Cost of Revenue	(20.7)	(19.8)	(18.4)	(22.9)	(22.8)	(24.9)	(69.4)	(77.7)	(89.0)
Non-GAAP Gross Profit	31.4	34.8	38.6	44.5	52.3	58.9	90.3	118.4	194.2
As a % of Revenue	60%	64%	68%	66%	70%	70%	57%	60%	69%

\$ in millions, rounding differences may occur

Definitions

Adjusted EBITDA — is operating income excluding: (1) stock-based compensation expense; (2) depreciation; and (3) acquisition-related items consisting of amortization of intangible assets and impairments of goodwill and intangible assets, if applicable.

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.

Gross Margin — is revenue less cost of revenue, divided by revenue.

Subscribers — are the number of users who have an active subscription to one of Vimeo's paid plans measured at the end of the relevant period (including the addition of subscribers related to Magisto's mobile app-based video creation and editing tools, which was acquired on May 28, 2019).

LTV/CAC — is an efficiency measure for acquiring new subscribers. Lifetime value (LTV) is calculated by estimating a subscriber's total expected lifetime revenue, which includes assumptions for future renewals and upgrades based on historical data, and multiplying that by the current gross margin. Customer acquisition cost (CAC) is calculated by dividing total sales and marketing expenses in a period by the number of new subscribers acquired.

Net Revenue Retention (NRR) — is a metric we track for our enterprise subscribers that is calculated by taking the sum of (a) annualized subscription revenue for enterprise subscribers at the end of the period that also existed twelve months prior and (b) the variable revenue attributed to these same subscribers over the preceding twelve months and dividing that by the annualized subscription revenue for all subscribers that existed twelve months prior plus the variable revenue attributed to this same set of subscribers over the twelve months prior to that date.

Customer videos

Analyst Q&A

Thank You
