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As filed with the Securities and Exchange Commission on May 7, 2024

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Quarterly Period Ended March 31, 2024
Or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from__________to__________

Commission File No. 001-39356

IAC Inc.

(Exact name of registrant as specified in its charter)

Delaware	**84-3727412**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

555 West 18th Street, New York, New York 10011
(Address of registrant's principal executive offices)
(212) 314-7300
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of exchange on which registered
Common stock, par value $0.0001	IAC	The Nasdaq Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act:
None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐	Non-accelerated filer	☐	Smaller reporting company	☐	Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of May 3, 2024, the following shares of the registrant's common stock were outstanding:

Common Stock	80,304,683
Class B common stock	5,789,499
Total	86,094,182

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PART I
FINANCIAL INFORMATION

Item 1. *Consolidated Financial Statements*

IAC INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEET
(Unaudited)

	March 31, 2024	December 31, 2023
	(In thousands, except par value amounts)	
ASSETS		
Cash and cash equivalents	$ 1,506,988	$ 1,297,445
Marketable securities	136,459	148,998
Accounts receivable, net	463,785	536,650
Other current assets	203,924	257,499
Total current assets	2,311,156	2,240,592
Capitalized software, buildings, land, equipment and leasehold improvements, net	424,534	455,281
Goodwill	2,878,872	3,024,266
Intangible assets, net of accumulated amortization	830,263	874,705
Investment in MGM Resorts International	3,055,601	2,891,850
Long-term investments	402,085	411,216
Other non-current assets	457,099	473,267
TOTAL ASSETS	$ 10,359,610	$ 10,371,177
LIABILITIES AND SHAREHOLDERS' EQUITY		
LIABILITIES:		
Current portion of long-term debt	$ 34,375	$ 30,000
Accounts payable, trade	83,842	105,514
Deferred revenue	128,246	143,449
Accrued expenses and other current liabilities	608,998	671,527
Total current liabilities	855,461	950,490
Long-term debt, net	1,982,128	1,993,154
Deferred income taxes	210,727	164,612
Other long-term liabilities	461,830	474,540
Redeemable noncontrolling interests	32,622	33,378
Commitments and contingencies		
SHAREHOLDERS' EQUITY:		
Common Stock, $0.0001 par value; authorized 1,600,000 shares; 84,638 and 84,465 shares issued and 80,288 and 80,115 shares outstanding at March 31, 2024 and December 31, 2023, respectively	8	8
Class B common stock, $0.0001 par value; authorized 400,000 shares; 5,789 shares issued and outstanding at March 31, 2024 and December 31, 2023	1	1
Additional paid-in-capital	6,346,106	6,340,312
Retained earnings	45,954	923
Accumulated other comprehensive loss	(6,893)	(10,942)
Treasury stock, 4,350 shares at March 31, 2024 and December 31, 2023	(252,441)	(252,441)
Total IAC shareholders' equity	6,132,735	6,077,861
Noncontrolling interests	684,107	677,142
Total shareholders' equity	6,816,842	6,755,003
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$ 10,359,610	$ 10,371,177

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

IAC INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF OPERATIONS
(Unaudited)

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
	(In thousands, except per share data)	
Revenue	$ 929,680	$ 1,084,271
Operating costs and expenses:		
Cost of revenue (exclusive of depreciation shown separately below)	271,964	342,929
Selling and marketing expense	343,925	403,297
General and administrative expense	212,669	273,076
Product development expense	86,999	84,787
Depreciation	36,573	61,172
Amortization of intangibles	36,728	54,606
Total operating costs and expenses	988,858	1,219,867
Operating loss	(59,178)	(135,596)
Interest expense	(39,718)	(38,172)
Unrealized gain on investment in MGM Resorts International	163,751	704,840
Other income, net	34,805	23,749
Earnings before income taxes	99,660	554,821
Income tax provision	(54,688)	(139,502)
Net earnings	44,972	415,319
Net loss attributable to noncontrolling interests	59	2,456
Net earnings attributable to IAC shareholders	$ 45,031	$ 417,775
Per share information attributable to IAC common stock and Class B common stock shareholders:		
Basic earnings per share	$ 0.52	$ 4.72
Diluted earnings per share	$ 0.51	$ 4.57
Stock-based compensation expense by function:		
Cost of revenue	$ 493	$ 19
Selling and marketing expense	1,641	1,743
General and administrative expense	24,954	22,844
Product development expense	1,819	4,335
Total stock-based compensation expense	$ 28,907	$ 28,941

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

IAC INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF COMPREHENSIVE OPERATIONS
(Unaudited)

	Three Months Ended March 31,	
	2024	2023
	(In thousands)	
Net earnings	$ 44,972	$ 415,319
Other comprehensive income (loss), net of income taxes:		
Change in foreign currency translation adjustment	218	919
Change in net unrealized gains (losses) on interest rate swaps	3,697	(2,287)
Change in unrealized gains and losses on available-for-sale marketable debt securities	(22)	(26)
Total other comprehensive income (loss), net of income taxes	3,893	(1,394)
Comprehensive income, net of income taxes	48,865	413,925
Components of comprehensive loss (income) attributable to noncontrolling interests:		
Net loss attributable to noncontrolling interests	59	2,456
Change in foreign currency translation adjustment attributable to noncontrolling interests	154	(116)
Comprehensive loss attributable to noncontrolling interests	213	2,340
Comprehensive income attributable to IAC shareholders	$ 49,078	$ 416,265

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

IAC INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY
Three Months Ended March 31, 2024 and 2023
(Unaudited)

	Redeemable Noncontrolling Interests	Common Stock, $0.0001 par value $	Common Stock, $0.0001 par value Shares	Class B common stock, $0.0001 par value $	Class B common stock, $0.0001 par value Shares	Additional Paid-in-Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive (Loss) Income	Treasury Stock	Total IAC Shareholders' Equity	Noncontrolling Interests	Total Shareholders' Equity
							(In thousands)					
Balance at December 31, 2023	$ 33,378	$ 8	84,465	$ 1	5,789	$ 6,340,312	$ 923	$ (10,942)	$ (252,441)	$ 6,077,861	$ 677,142	$ 6,755,003
Net (loss) earnings	(9)	—	—	—	—	—	45,031	—	—	45,031	(50)	44,981
Other comprehensive income (loss), net of income taxes	—	—	—	—	—	—	—	4,047	—	4,047	(154)	3,893
Stock-based compensation expense	—	—	—	—	—	19,510	—	—	—	19,510	11,019	30,529
Issuance of common stock pursuant to stock-based awards, net of withholding taxes	—	—	173	—	—	(8,123)	—	—	—	(8,123)	—	(8,123)
Issuance of Angi Inc. common stock pursuant to stock-based awards, net of withholding taxes	—	—	—	—	—	(1,858)	—	2	—	(1,856)	(1,408)	(3,264)
Purchase of Angi Inc. treasury stock	—	—	—	—	—	(6,700)	—	—	—	(6,700)	—	(6,700)
Adjustment of noncontrolling interests to redemption amount	(505)	—	—	—	—	505	—	—	—	505	—	505
Adjustment to the liquidation value of Vivian Health preferred shares	—	—	—	—	—	2,442	—	—	—	2,442	(2,442)	—
Other	(242)	—	—	—	—	18	—	—	—	18		18
Balance at March 31, 2024	$ 32,622	$ 8	84,638	$ 1	5,789	$ 6,346,106	$ 45,954	$ (6,893)	$ (252,441)	$ 6,132,735	$ 684,107	$ 6,816,842
Balance at December 31, 2022	$ 27,235	$ 8	$ 84,184	$ 1	$ 5,789	$ 6,295,080	$ (265,019)	$ (13,133)	$ (85,323)	$ 5,931,614	$ 640,920	$ 6,572,534
Net (loss) earnings	(254)	—	—	—	—	—	417,775	—	—	417,775	(2,202)	415,573
Other comprehensive (loss) income, net of income taxes	—	—	—	—	—	—	—	(1,510)	—	(1,510)	116	(1,394)
Stock-based compensation expense	—	—	—	—	—	16,063	—	—	—	16,063	13,870	29,933
Issuance of common stock pursuant to stock-based awards, net of withholding taxes	—	—	73	—	—	(1,850)	—	—	—	(1,850)	—	(1,850)
Issuance of Angi Inc. common stock pursuant to stock-based awards, net of withholding taxes	—	—	—	—	—	(4,699)	—	2	—	(4,697)	2,287	(2,410)
Purchase of IAC treasury stock	—	—	—	—	—	—	—	—	(91,729)	(91,729)	—	(91,729)
Adjustment of noncontrolling interests to redemption amount	208	—	—	—	—	(208)	—	—	—	(208)	—	(208)
Adjustment to the liquidation value of Vivian Health preferred shares	—	—	—	—	—	1,812	—	—	—	1,812	(1,812)	—
Other	—	—	—	—	—	31	—	—	—	31	—	31
Balance at March 31, 2023	$ 27,189	$ 8	$ 84,257	$ 1	$ 5,789	$ 6,306,229	$ 152,756	$ (14,641)	$ (177,052)	$ 6,267,301	$ 653,179	$ 6,920,480

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

IAC INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENT OF CASH FLOWS
(Unaudited)

	Three Months Ended March 31,	
	2024	**2023**
	(In thousands)	
Cash flows from operating activities:		
Net earnings	$ 44,972	$ 415,319
Adjustments to reconcile net earnings to net cash provided by operating activities:		
Unrealized gain on investment in MGM Resorts International	(163,751)	(704,840)
(Gains) losses on sales of businesses and investments in equity securities (including downward adjustments), net	(25,941)	2,451
Deferred income taxes	44,975	127,154
Amortization of intangibles	36,728	54,606
Depreciation	36,573	61,172
Stock-based compensation expense	28,907	28,941
Provision for credit losses	16,139	24,826
Non-cash lease expense (including right-of-use asset impairments)	14,794	58,656
Unrealized decrease (increase) in the estimated fair value of a warrant	10,231	(5,940)
Other adjustments, net	(6)	(4,076)
Changes in assets and liabilities, net of effects of acquisitions and dispositions:		
Accounts receivable	56,084	43,023
Other assets	44,493	26,978
Operating lease liabilities	(17,338)	(19,723)
Accounts payable and other liabilities	(89,548)	(107,356)
Income taxes payable and receivable	8,800	8,610
Deferred revenue	17,942	15,366
Net cash provided by operating activities	64,054	25,167
Cash flows from investing activities:		
Capital expenditures	(15,712)	(21,863)
Net proceeds from the sales of businesses and investments	159,678	1,179
Net proceeds from sales of assets	12,660	29,388
Proceeds from maturities of marketable debt securities	137,500	137,500
Purchases of marketable debt securities	(123,104)	(98,520)
Other, net	1,199	4,290
Net cash provided by investing activities	172,221	51,974
Cash flows from financing activities:		
Principal payments on Dotdash Meredith Term Loans	(7,500)	(7,500)
Withholding taxes paid on behalf of IAC employees on net settled stock-based awards	(8,248)	(2,236)
Withholding taxes paid on behalf of Angi Inc. employees on net settled stock-based awards	(3,214)	(1,379)
Purchases of Angi Inc. treasury stock	(6,860)	—
Purchases of IAC treasury stock	—	(84,720)
Other, net	(152)	(140)
Net cash used in financing activities	(25,974)	(95,975)
Total cash provided (used)	210,301	(18,834)
Effect of exchange rate changes on cash and cash equivalents and restricted cash	(741)	322
Net increase (decrease) in cash and cash equivalents and restricted cash	209,560	(18,512)
Cash and cash equivalents and restricted cash at beginning of period	1,306,241	1,426,069
Cash and cash equivalents and restricted cash at end of period	$ 1,515,801	$ 1,407,557

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

IAC INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 1—THE COMPANY AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

IAC today is comprised of category leading businesses, including Dotdash Meredith, Angi Inc. and Care.com, as well as others ranging from early stage to established businesses.

As used herein, “IAC,” the “Company,” “we,” “our,” “us” and other similar terms refer to IAC Inc. and its subsidiaries (unless the context requires otherwise).

Total Home Roofing, LLC Sale

On November 1, 2023, Angi Inc. completed the sale of 100% of its wholly-owned subsidiary, Total Home Roofing, LLC ("Roofing"), and has reflected it as a discontinued operation in its standalone financial statements. Roofing does not meet the threshold to be reflected as a discontinued operation at the IAC level. During the fourth quarter of 2023, IAC moved Roofing to Emerging & Other and prior period financial information has been recast to conform to this presentation. Following IAC's move of Roofing to Emerging & Other, Angi Inc. has three operating segments: (i) Ads and Leads, (ii) Services and (iii) International (includes Europe and Canada).

Basis of Presentation

The Company prepares its consolidated financial statements (referred to herein as "financial statements") in accordance with United States ("U.S.") generally accepted accounting principles ("GAAP"). The financial statements include the accounts of the Company, all entities that are wholly-owned by the Company and all entities in which the Company has a controlling financial interest. All intercompany transactions and balances between and among the Company and its subsidiaries have been eliminated.

The unaudited interim financial statements have been prepared in accordance with GAAP for interim financial information and with the rules and regulations of the Securities and Exchange Commission ("SEC"). Accordingly, they do not include all of the information and notes required by GAAP for complete annual financial statements. In the opinion of management, the unaudited interim financial statements include all normal recurring adjustments considered necessary for a fair presentation. Interim results are not necessarily indicative of the results that may be expected for the full year. The unaudited interim financial statements should be read in conjunction with the annual audited financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023.

Accounting Estimates

Management of the Company is required to make certain estimates, judgments and assumptions during the preparation of its financial statements in accordance with GAAP. These estimates, judgments and assumptions impact the reported amounts of assets, liabilities, revenue and expenses and the related disclosure of assets and liabilities. Actual results could differ from these estimates.

On an ongoing basis, the Company evaluates its estimates, judgments and assumptions, including those related to: the fair values of cash equivalents and marketable debt and equity securities; the carrying value of accounts receivable, including the determination of the allowance for credit losses; the determination of the customer relationship period for certain costs to obtain a contract with a customer; the recoverability of right-of-use assets ("ROU assets"); the useful lives and recoverability of capitalized software, buildings, equipment and leasehold improvements and definite-lived intangible assets; the recoverability of goodwill and indefinite-lived intangible assets; the fair value of equity securities without readily determinable fair values; the fair value of interest rate swaps; contingencies; unrecognized tax benefits; the liability for potential refunds and customer credits; the valuation allowance for deferred income tax assets; pension and postretirement benefit expenses, including actuarial assumptions regarding discount rates, expected returns on plan assets, inflation and healthcare costs; and the fair value of and forfeiture rates for stock-based awards, among others. The Company bases its estimates, judgments and assumptions on historical experience, its forecasts and budgets and other factors that the Company considers relevant.

Interest Rate Swaps

In March 2023, Dotdash Meredith entered into interest rate swaps for a total notional amount of $350 million, which synthetically converted a portion of the Dotdash Meredith Term Loan B from a variable rate to a fixed rate to manage interest rate risk exposure, beginning on April 3, 2023. Dotdash Meredith designated the interest rate swaps as cash flow hedges and applies hedge accounting to these contracts in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 815, *Derivatives and Hedging*. As cash flow hedges, the interest rate swaps are recognized at fair value on the balance sheet as either assets or liabilities, with the changes in fair value recorded in "Accumulated other comprehensive loss" in the balance sheet and reclassified into “Interest expense” in the statement of operations in the periods in which the interest rate swaps affect earnings. Dotdash Meredith assessed hedge effectiveness at the time of entering into these agreements and determined these interest rate swaps are expected to be highly effective. Dotdash Meredith evaluates the hedge effectiveness of the interest rate swaps quarterly, or more frequently, if necessary, by verifying (i) that the critical terms of the interest rate swaps continue to match the critical terms of the hedged interest payments and (ii) that it is probable the counterparties will not default. If the two requirements are met, the interest rate swaps are determined to be effective and all changes in the fair value of the interest rate swaps are recorded in "Accumulated other comprehensive loss." The cash flows related to interest settlements of the hedged monthly interest payments are classified as operating activities in the statement of cash flows, consistent with the interest expense on the related Dotdash Meredith Term Loan B. See "Note 3—Long-term Debt" for additional information.

General Revenue Recognition

The Company accounts for a contract with a customer when it has approval and commitment from all authorized parties, the rights of the parties and payment terms are identified, the contract has commercial substance and collectability of consideration is probable. Revenue is recognized when control of the promised services or goods is transferred to the Company's customers and in an amount that reflects the consideration the Company expects to be entitled to in exchange for those services or goods.

The Company's disaggregated revenue disclosures are presented in "Note 5—Segment Information."

Deferred Revenue

Deferred revenue consists of payments that are received or are contractually due in advance of the Company's performance obligation. The Company’s deferred revenue is reported on a contract-by-contract basis at the end of each reporting period. The Company classifies deferred revenue as current when the remaining term or expected completion of its performance obligation is one year or less. The current and non-current deferred revenue balances were $128.2 million and $0.2 million, respectively, at March 31, 2024, and $143.4 million and $0.1 million, respectively, at December 31, 2023. During the three months ended March 31, 2024, the Company recognized $79.2 million of revenue that was included in the deferred revenue balance at December 31, 2023. The deferred revenue balance at March 31, 2024 also reflects the reduction of $33.2 million related to the sale of Mosaic Group in the first quarter of 2024. During the three months ended March 31, 2023, the Company recognized $95.6 million of revenue that was included in the deferred revenue balance at December 31, 2022. The current and non-current deferred revenue balances were $157.1 million and $0.2 million, respectively, at December 31, 2022. Non-current deferred revenue is included in "Other long-term liabilities" in the balance sheet.

Practical Expedients and Exemptions

For contracts that have an original duration of one year or less, the Company uses the practical expedient available under ASC Topic 606, *Revenue from Contracts with Customers* ("ASC 606"), applicable to such contracts and does not consider the time value of money.

In addition, as permitted under the practical expedient available under ASC 606, the Company does not disclose the value of unsatisfied performance obligations for (i) contracts with an original expected length of one year or less, (ii) contracts with variable consideration that is tied to sales-based or usage-based royalties, allocated entirely to unsatisfied performance obligations, or to a wholly unsatisfied promise accounted for under the series guidance, and (iii) contracts for which the Company recognizes revenue at the amount which it has the right to invoice for services performed.

The Company also applies the practical expedient to expense sales commissions as incurred where the anticipated customer relationship period is one year or less.

Certain Risks and Concentrations—Services Agreement with Google (the "Services Agreement")

The Company and Google are parties to an amended Services Agreement, which automatically renewed effective March 31, 2023 and now expires on March 31, 2025. The Company earns certain other advertising revenue from Google that is not attributable to the Services Agreement. A meaningful portion of the Company’s net cash from operating activities that it can freely access is attributable to revenue earned pursuant to the Services Agreement and other revenue earned from Google.

For the three months ended March 31, 2024 and 2023, total revenue earned from Google was $131.4 million and $172.9 million, respectively, representing 14% and 16%, respectively, of the Company's revenue. The total revenue earned from the Services Agreement for the three months ended March 31, 2024 and 2023 was $102.9 million and $138.8 million, respectively, representing 11% and 13%, respectively, of the Company's total revenue. The related accounts receivable totaled $45.7 million and $52.2 million at March 31, 2024 and December 31, 2023, respectively.

The revenue attributable to the Services Agreement is earned by Ask Media Group and the Desktop business, which comprise the Search segment. For the three months ended March 31, 2024 and 2023, revenue earned from the Services Agreement was $85.4 million and $120.3 million, respectively, within Ask Media Group and $17.4 million and $18.5 million, respectively, within the Desktop business.

The Services Agreement requires that the Company comply with certain guidelines promulgated by Google. Google may generally unilaterally update its policies and guidelines without advance notice. These updates may be specific to the Services Agreement or could be more general and thereby impact the Company as well as other companies. These policy and guideline updates have in the past and could in the future require modifications to, or prohibit and/or render obsolete certain of our products, services and/or business practices, which have been and could be costly to address or negatively impact revenue and have had and in the future could have an adverse effect on our financial condition and results of operations.

Recent Accounting Pronouncements

Recent Accounting Pronouncements Adopted by the Company

There were no recently issued accounting pronouncements adopted by the Company during the three months ended March 31, 2024.

Recent Accounting Pronouncements Not Yet Adopted by the Company

Accounting Standards Update ("ASU") 2023-07—Segment Reporting (Topic 280)—Improvements to Reportable Segment Disclosures

In November 2023, the FASB issued ASU No. 2023-07*,* which is intended to provide users of financial statements with more decision-useful information about reportable segments of a public business entity, primarily through enhanced disclosures of significant segment expenses. This ASU requires annual and interim disclosures of significant expenses that are regularly provided to the chief operating decision maker ("CODM") and included within each reported measure of segment profit or loss and an amount and description of its composition of other segment items. The provisions of this ASU also require entities to include all annual disclosures required by Topic 280 in the interim periods and permits entities to include multiple measures of a segment's profit or loss if such measures are used by the CODM to assess segment performance and determine allocation of resources, provided that at least one of those measures is determined in a way that is consistent with the measurement principles under GAAP. The amendments in ASU 2023-07 apply retrospectively and are effective for fiscal years beginning after December 15, 2023 and interim periods after December 15, 2024. Early adoption is permitted. The Company does not plan to early adopt and is currently assessing the impact of adopting the updated guidance on the financial statements.

ASU 2023-09—Income Taxes (Topic 740)—Improvements to Income Tax Disclosures

In December 2023, the FASB issued ASU No. 2023-09, which establishes required categories and a quantitative threshold to the annual tabular rate reconciliation disclosure and disaggregated jurisdictional disclosures of income taxes paid. The guidance's annual requirements are effective for the Company beginning with the December 31, 2025 reporting period. Early adoption is permitted and prospective disclosure should be applied, however, retrospective disclosure is permitted. The Company is currently assessing the pronouncement and its impact on its income tax disclosures, but it does not impact the Company's results of operations, financial condition or cash flows.

Reclassifications

Certain prior year amounts have been reclassified to conform to the current year presentation.

NOTE 2—FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS

Marketable Securities

At March 31, 2024 and December 31, 2023, the fair value of marketable securities are as follows:

	March 31, 2024	December 31, 2023
	(In thousands)	
Available-for-sale marketable debt securities	$ 136,459	$ 148,998
Total marketable securities	$ 136,459	$ 148,998

Marketable securities are carried at fair value. The Company has no investments in marketable equity securities, following the change in classification of its investment in MGM Resorts International ("MGM") to an equity method investment in the fourth quarter of 2023, described below. At March 31, 2023, the Company had two investments in marketable equity securities, other than its investment in MGM, including one investment that was fully impaired in the first quarter of 2023 due to the investee declaring bankruptcy and another investment that was sold in the third quarter of 2023. The Company recorded net unrealized pre-tax losses for these investments of $1.2 million during the three months ended March 31, 2023. The unrealized pre-tax losses related to these investments are included in "Other income, net" in the statement of operations.

At March 31, 2024 and December 31, 2023, current available-for-sale marketable debt securities are as follows:

	March 31, 2024				December 31, 2023			
	Amortized cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value	Amortized cost	Gross Unrealized Gains	Gross Unrealized Losses	Fair Value
	(In thousands)							
Treasury discount notes	$ 136,460	$ 1	$ (2)	$ 136,459	$ 148,971	$ 27	$ —	$ 148,998
Total available-for-sale marketable debt securities	$ 136,460	$ 1	$ (2)	$ 136,459	$ 148,971	$ 27	$ —	$ 148,998

The contractual maturities of debt securities classified as current available-for-sale at March 31, 2024 and December 31, 2023 were within one year. There were no investments in available-for-sale marketable debt securities that had been in a continuous unrealized loss position for longer than twelve months at March 31, 2024 and December 31, 2023.

Investment in MGM Resorts International

	March 31, 2024	December 31, 2023
	(In thousands)	
Investment in MGM	$ 3,055,601	$ 2,891,850

At March 31, 2024, the Company owns 64.7 million common shares of MGM which represents 20.6% of MGM's common shares outstanding. During the fourth quarter of 2023, due to MGM's ongoing share repurchase program, which increased the Company's ownership interest passively, the Company determined that the equity method of accounting applied and elected to account for its investment in MGM pursuant to the fair value option. Prior to the fourth quarter of 2023, the Company's investment in MGM was accounted for as an equity security with a readily determinable fair value, with changes in fair value recognized through income each period. Since the Company has always marked its investment in MGM to fair value through income each period the election of the fair value option results in no change from its historical accounting for this investment. The fair value of the investment in MGM is remeasured each reporting period based upon MGM's closing stock price on the New York Stock Exchange on the last trading day in the reporting period and any unrealized pre-tax gains or losses are included in the statement of operations. For the three months ended March 31, 2024 and 2023, the Company recognized an unrealized pre-tax gain of $163.8 million and $704.8 million, respectively, on its investment in MGM. The cumulative unrealized net pre-tax gain through March 31, 2024 is $1.8 billion. A $2.00 increase or decrease in the share price of MGM would result in an unrealized gain or loss, respectively, of $129.4 million. At May 3, 2024, the fair value of the Company's investment in MGM was $2.66 billion.

The following table presents MGM's summarized financial information for the three months ended March 31, 2024. As noted above, the Company has elected to account for its investment in MGM pursuant to the fair value option. By electing the fair value option, the Company's investment in MGM is remeasured each reporting period with any changes recognized through income based on MGM's closing stock price. As a result, the value of our investment and the financial impacts in any given period are not necessarily correlated with the income statement information presented below.

	Three Months Ended March 31, 2024
	(In thousands)
Revenues	$ 4,383,470
Expenses	$ 3,899,968
Net income	$ 299,726
Net income attributable to MGM	$ 217,476

Long-term Investments

Long-term investments consist of:

	March 31, 2024	December 31, 2023
	(In thousands)	
Equity securities without readily determinable fair values	$ 396,981	$ 404,848
Other	5,104	6,368
Total long-term investments	$ 402,085	$ 411,216

Equity Securities without Readily Determinable Fair Values

The following table presents a summary of unrealized pre-tax gains and losses recorded in "Other income, net" in the statement of operations as adjustments to the carrying value of equity securities without readily determinable fair values held at March 31, 2024 and 2023.

	Three Months Ended March 31,	
	2024	2023
	(In thousands)	
Downward adjustments including impairments (gross unrealized pre-tax losses)	$ (7,867)	$ (822)
Total	$ (7,867)	$ (822)

The cumulative upward and downward adjustments (including impairments) to the carrying value of equity securities without readily determinable fair values held at March 31, 2024 were $37.8 million and $133.8 million, respectively.

Realized and unrealized pre-tax gains and losses for the Company's investments without readily determinable fair values for the three months ended March 31, 2024 and 2023 are as follows:

	Three Months Ended March 31,	
	2024	2023
	(In thousands)	
Realized pre-tax gains, net, for equity securities sold	$ 4,434	$ 7
Unrealized pre-tax losses, net, on equity securities held	(7,867)	(822)
Total pre-tax losses, net recognized	$ (3,433)	$ (815)

All pre-tax gains and losses on equity securities without readily determinable fair values, realized and unrealized, are recognized in "Other income, net" in the statement of operations.

Fair Value Measurements

The Company categorizes its financial instruments measured at fair value into a fair value hierarchy that prioritizes the inputs used in pricing the asset or liability. The three levels of the fair value hierarchy are:

- Level 1: Observable inputs obtained from independent sources, such as quoted market prices for identical assets and liabilities in active markets.
- Level 2: Other inputs, which are observable directly or indirectly, such as quoted market prices for similar assets or liabilities in active markets, quoted market prices for identical or similar assets or liabilities in markets that are not active and inputs that are derived principally from or corroborated by observable market data. The fair values of the Company's Level 2 financial assets are primarily obtained from observable market prices for identical underlying securities that may not be actively traded. Certain of these securities may have different market prices from multiple market data sources, in which case an average market price is used.
- Level 3: Unobservable inputs for which there is little or no market data and require the Company to develop its own assumptions, based on the best information available in the circumstances, about the assumptions market participants would use in pricing the assets or liabilities.

The following tables present the Company's financial instruments that are measured at fair value on a recurring basis:

	March 31, 2024			
	Level 1	Level 2	Level 3	Total Fair Value Measurements
	(In thousands)			
Assets:				
Cash equivalents:				
Money market funds	$ 901,889	$ —	$ —	$ 901,889
Treasury discount notes	—	273,747	—	273,747
Time deposits	—	19,288	—	19,288
Marketable securities:				
Treasury discount notes	—	136,459	—	136,459
Investment in MGM	3,055,601	—	—	3,055,601
Other non-current assets:				
Warrant	—	—	39,400	39,400
Interest rate swaps[a]	—	3,914	—	3,914
Total	$ 3,957,490	$ 433,408	$ 39,400	$ 4,430,298

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[a] Interest rate swaps relate to the $350 million notional amount entered into to hedge Dotdash Meredith's Term Loan B. The related asset at March 31, 2024 and liability at December 31, 2023 are included in "Other non-current assets" and "Other long-term liabilities," respectively, in the balance sheet. See "Note 1—The Company and Summary of Significant Accounting Policies" and "Note 3—Long-term Debt" for additional information. The fair value of interest rate swaps was determined using discounted cash flows derived from observable market prices, including swap curves, which are Level 2 inputs.

	December 31, 2023			
	Level 1	Level 2	Level 3	Total Fair Value Measurements
	(In thousands)			
Assets:				
Cash equivalents:				
Money market funds	$ 910,849	$ —	$ —	$ 910,849
Treasury discount notes	—	87,251	—	87,251
Time deposits	—	19,497	—	19,497
Marketable securities:				
Treasury discount notes	—	148,998	—	148,998
Investment in MGM	2,891,851	—	—	2,891,851
Other non-current assets:				
Warrant	—	—	49,631	49,631
Total	$ 3,802,700	$ 255,746	$ 49,631	$ 4,108,077
Liabilities:				
Other long-term liabilities				
Interest rate swaps[a]	$ —	$ (907)	$ —	$ (907)

The following table presents the changes in the Company's financial instruments that are measured at fair value on a recurring basis using significant unobservable inputs (Level 3):

	Three Months Ended March 31,	
	2024	2023
	Warrant	Warrant
	(In thousands)	
Balance at January 1	$ 49,631	$ 46,799
Total net (losses) gains:		
Fair value adjustments included in earnings	(10,231)	5,940
Balance at March 31	$ 39,400	$ 52,739

Warrant

The Company owns preferred shares of Turo Inc. ("Turo"), a peer-to-peer car sharing marketplace, which is accounted for as an equity security without a readily determinable fair value, as the preferred shares are not common stock equivalents. As part of the Company's original investment in Turo preferred shares, the Company received a warrant that is recorded at fair value each reporting period using an option pricing model with any change in fair value included in "Other income, net" in the statement of operations. The warrant is measured using significant unobservable inputs and is classified in the fair value hierarchy table as Level 3. The warrant is included in "Other non-current assets" in the balance sheet.

Assets measured at fair value on a nonrecurring basis

The Company's non-financial assets, such as goodwill, intangible assets, ROU assets, capitalized software, buildings, equipment and leasehold improvements, are adjusted to fair value only when an impairment is recognized. The Company's financial assets, comprising equity securities without readily determinable fair values, are adjusted to fair value when observable price changes for similar or identical securities are identified or an impairment is recognized. Such fair value measurements are based predominantly on Level 3 inputs.

ROU Assets and Related Leasehold Improvements, Furniture and Equipment

During the first quarter of 2023, Dotdash Meredith recorded impairment charges of $70.0 million related to certain unoccupied leased office space due to the continued decline in the commercial real estate market consisting of impairments of $44.7 million and $25.3 million of an ROU asset and related leasehold improvements, furniture and equipment, respectively.

The impairment charges related to ROU assets are included in "General and administrative expense" and the impairment charges related to leasehold improvements, furniture and equipment are included in "Depreciation" in the statement of operations. The impairment charges represent the amount by which the carrying value of the asset group exceeded its estimated fair value, calculated using a discounted cash flow approach using sublease market assumptions of the expected cash flows and discount rate. The impairment charges were allocated between the ROU assets and related leasehold improvements, furniture and equipment of the asset group based on their relative carrying values.

Financial instruments measured at fair value only for disclosure purposes

The total fair value of the outstanding long-term debt, including the current portion, is estimated using observable market prices or indices for similar liabilities, which are Level 2 inputs, and was approximately $1.95 billion at both March 31, 2024 and December 31, 2023.

NOTE 3—LONG-TERM DEBT

Long-term debt consists of:

	March 31, 2024	December 31, 2023
	(In thousands)	
Dotdash Meredith Debt		
Dotdash Meredith Term Loan A ("Dotdash Meredith Term Loan A") due December 1, 2026	$ 310,625	$ 315,000
Dotdash Meredith Term Loan B ("Dotdash Meredith Term Loan B") due December 1, 2028	1,221,875	1,225,000
Total Dotdash Meredith long-term debt	1,532,500	1,540,000
Less: current portion of Dotdash Meredith long-term debt	34,375	30,000
Less: original issue discount	4,259	4,470
Less: unamortized debt issuance costs	7,979	8,423
Total Dotdash Meredith long-term debt, net	1,485,887	1,497,107
ANGI Group Debt		
3.875% ANGI Group Senior Notes due August 15, 2028 ("ANGI Group Senior Notes"); interest payable each February 15 and August 15	500,000	500,000
Less: unamortized debt issuance costs	3,759	3,953
Total ANGI Group long-term debt, net	496,241	496,047
Total long-term debt, net	$ 1,982,128	$ 1,993,154

Dotdash Meredith Term Loans and Dotdash Meredith Revolving Facility

On December 1, 2021, Dotdash Meredith entered into a credit agreement ("Dotdash Meredith Credit Agreement"), which provides for (i) the five-year $350 million Dotdash Meredith Term Loan A, (ii) the seven-year $1.25 billion Dotdash Meredith Term Loan B (and together with the Dotdash Meredith Term Loan A, the "Dotdash Meredith Term Loans") and (iii) a five-year $150 million revolving credit facility ("Dotdash Meredith Revolving Facility"). The Dotdash Meredith Term Loan A bears interest at an adjusted term secured overnight financing rate ("Adjusted Term SOFR") as defined in the Dotdash Meredith Credit Agreement plus an applicable margin depending on Dotdash Meredith's most recently reported consolidated net leverage ratio, as defined in the Dotdash Meredith Credit Agreement. The adjustment to the secured overnight financing rate is fixed at 0.10% for the Dotdash Meredith Term Loan A. The Dotdash Meredith Term Loan B has a varying adjustment of 0.10%, 0.15% or 0.25% based upon the duration of the borrowing period. At March 31, 2024 and December 31, 2023, the Dotdash Meredith Term Loan A bore interest at Adjusted Term SOFR plus 2.25%, or 7.68% and 7.69%, respectively, and the Dotdash Meredith Term Loan B bore interest at Adjusted Term SOFR, subject to a minimum of 0.50%, plus 4.00%, or 9.43% and 9.44%, respectively. Interest payments are due at least quarterly through the terms of the Dotdash Meredith Term Loans.

In March 2023, Dotdash Meredith entered into interest rate swaps on the Dotdash Meredith Term Loan B for a total notional amount of $350 million with a maturity date of April 1, 2027. The interest rate swaps synthetically converted $350 million of the Dotdash Meredith Term Loan B for the duration of the interest rate swaps from a variable rate to a fixed rate of approximately 7.92% ((i) the weighted average fixed interest rate of approximately 3.82% on the interest rate swaps plus (ii) the adjustment to the secured overnight financing rate of 0.10% plus (iii) the base rate of 4.00%), beginning on April 3, 2023.

The interest rate swaps are expected to be highly effective. See "Note 4—Accumulated Other Comprehensive Loss" for the net unrealized gains and losses before reclassifications in "Accumulated other comprehensive loss" and realized gains reclassified into "Interest expense" for the three months ended March 31, 2024 and 2023. At March 31, 2024, approximately $3.9 million is expected to be reclassified into interest expense within the next twelve months as realized gains. The related asset of $3.9 million and liability of $0.9 million are included in "Other non-current assets" and “Other long-term liabilities” in the balance sheet at March 31, 2024 and December 31, 2023, respectively.

The Dotdash Meredith Term Loan A requires quarterly principal payments of approximately $4.4 million through December 31, 2024, $8.8 million through December 31, 2025 and approximately $13.1 million thereafter through maturity. The Dotdash Meredith Term Loan B requires quarterly payments of $3.1 million through maturity. The Dotdash Meredith Term Loan B may require additional annual principal payments as part of an excess cash flow sweep provision, the amount of which, in part, is governed by the applicable net leverage ratio and further subject to the excess cash flow exceeding $80 million as defined in the Dotdash Meredith Credit Agreement. No such payment was required related to the period ended December 31, 2023.

There were no outstanding borrowings under the Dotdash Meredith Revolving Facility at March 31, 2024 and December 31, 2023. The annual commitment fee on undrawn funds is based on Dotdash Meredith's consolidated net leverage ratio, as defined in the Dotdash Meredith Credit Agreement, most recently reported and was 40 basis points at both March 31, 2024 and December 31, 2023. Any borrowings under the Dotdash Meredith Revolving Facility would bear interest, at Dotdash Meredith's option, at either a base rate or Adjusted Term SOFR, plus an applicable margin, which is based on Dotdash Meredith's consolidated net leverage ratio.

As of the last day of any calendar quarter, if either (i) $1.00 or more of loans under the Dotdash Meredith Revolving Facility or Dotdash Meredith Term Loan A are outstanding, or (ii) the outstanding face amount of undrawn letters of credit, other than cash collateralized letters of credit at 102% of face value, exceeds $25 million, subject to certain increases for qualifying material acquisitions, then Dotdash Meredith will not permit the consolidated net leverage ratio, which permits netting of up to $250 million in cash and cash equivalents, as of the last day of such quarter to exceed 5.5 to 1.0. The Dotdash Meredith Credit Agreement also contains covenants that would limit Dotdash Meredith’s ability to pay dividends, incur incremental secured indebtedness, or make distributions or certain investments in the event a default has occurred or if Dotdash Meredith’s consolidated net leverage ratio exceeds 4.0 to 1.0, subject to certain available amounts as defined in the Dotdash Meredith Credit Agreement. This ratio was exceeded for both test periods ended March 31, 2024 and December 31, 2023. The Dotdash Meredith Credit Agreement also permits the Company to, among other things, contribute cash to Dotdash Meredith which will provide additional liquidity to ensure that Dotdash Meredith does not exceed certain consolidated net leverage ratios for any test period, as further defined in the Dotdash Meredith Credit Agreement. In connection with these capital contributions, Dotdash Meredith may make distributions to the Company in amounts not more than any such capital contributions, provided that no default has occurred and is continuing. Such capital contributions and subsequent distributions impact the consolidated net leverage ratios of Dotdash Meredith. In March 2024 and 2023, the Company contributed $55 million and $135 million, respectively, to Dotdash Meredith, which Dotdash Meredith subsequently distributed back to the Company in April 2024 and 2023, respectively. In addition, Dotdash Meredith distributed $105 million back to the Company in January 2024 related to the Company's contribution in December 2023.

The obligations under the Dotdash Meredith Credit Agreement are guaranteed by certain of Dotdash Meredith's wholly-owned subsidiaries and are secured by substantially all of the assets of Dotdash Meredith and certain of its subsidiaries.

ANGI Group Debt

ANGI Group, LLC ("ANGI Group"), a direct wholly-owned subsidiary of Angi Inc., issued the ANGI Group Senior Notes on August 20, 2020. These notes may be redeemed at the redemption prices, plus accrued and unpaid interest thereon, if any, as set forth in the indenture governing the notes.

The indenture governing the ANGI Group Senior Notes contains a covenant that would limit ANGI Group’s ability to incur liens for borrowed money in the event a default has occurred or ANGI Group’s secured leverage ratio exceeds 3.75 to 1.0 provided that ANGI Group is permitted to incur such liens under certain permitted credit facilities indebtedness notwithstanding the ratio, all as defined in the indenture. At March 31, 2024, there were no limitations pursuant thereto.

NOTE 4—ACCUMULATED OTHER COMPREHENSIVE LOSS

The following tables present the components of accumulated other comprehensive loss, net of income tax.

	Three Months Ended March 31, 2024			
	Foreign Currency Translation Adjustment	Unrealized (Losses) Gains On Interest Rate Swaps	Unrealized Gains (Losses) On Available-For-Sale Marketable Debt Securities	Accumulated Other Comprehensive (Loss) Income
	(In thousands)			
Balance at January 1	$ (10,266)	$ (696)	$ 20	$ (10,942)
Other comprehensive (loss) income before reclassifications	(1,064)	5,040	(22)	3,954
Amounts reclassified to earnings	1,436	(1,343)	—	93
Net current period other comprehensive income (loss)	372	3,697	(22)	4,047
Accumulated other comprehensive loss allocated to noncontrolling interests during the period	2	—	—	2
Balance at March 31	$ (9,892)	$ 3,001	$ (2)	$ (6,893)

	Three Months Ended March 31, 2023			
	Foreign Currency Translation Adjustment	Unrealized Losses On Interest Rate Swaps	Unrealized Gains (Losses) On Available-For-Sale Marketable Debt Securities	Accumulated Other Comprehensive Loss
	(In thousands)			
Balance at January 1	$ (13,186)	$ —	$ 53	$ (13,133)
Other comprehensive income (loss)	803	(2,287)	(26)	(1,510)
Net current period other comprehensive income (loss)	803	(2,287)	(26)	(1,510)
Accumulated other comprehensive loss allocated to noncontrolling interests during the period	2	—	—	2
Balance at March 31	$ (12,381)	$ (2,287)	$ 27	$ (14,641)

The amounts reclassified out of foreign currency translation adjustment into earnings for the three months ended March 31, 2024 relate to the substantial liquidation of an international subsidiary.

At March 31, 2024 and 2023, there was $0.9 million of deferred income tax provision and $0.7 million of deferred income tax benefit, respectively, related to unrealized gains and losses on interest rate swaps. At March 31, 2024, there was no deferred income tax provision or benefit related to net unrealized gains and losses on available-for-sale marketable debt securities and less than $0.1 million of deferred income tax provision at March 31, 2023.

NOTE 5—SEGMENT INFORMATION

Our reportable segments currently consist of Dotdash Meredith (Print and Digital), Angi Inc. (Ads and Leads, Services and International) and Search. Our CODM regularly reviews certain financial information by operating segment to determine allocation of resources and assess its performance. Segment profitability is determined by and presented on an Adjusted EBITDA basis consistent with the CODM’s view of profitability of its businesses, which excludes certain expenses that are required in accordance with GAAP. While not considered a reportable segment, Emerging & Other comprises various operating segments that do not meet the quantitative thresholds that require presentation as separate reportable segments.

The following table presents revenue by reportable segment:

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
	(In thousands)	
Revenue		
Dotdash Meredith		
Digital	$ 209,324	$ 184,797
Print	185,900	207,016
Intersegment eliminations[a]	(4,684)	(4,231)
Total Dotdash Meredith	390,540	387,582
Angi Inc.		
Domestic:		
Ads and Leads	249,585	293,506
Services	20,451	32,059
Total Domestic	270,036	325,565
International	35,354	29,932
Total Angi Inc.	305,390	355,497
Search	108,473	152,475
Emerging & Other	126,541	192,403
Intersegment eliminations[b]	(1,264)	(3,686)
Total	$ 929,680	$ 1,084,271

(a) Intersegment eliminations primarily relates to Digital performance marketing commissions earned for the placement of magazine subscriptions for Print.

(b) Intersegment eliminations primarily relates to advertising sold by Dotdash Meredith to other IAC owned businesses and Ads and Leads revenue earned from sales to Roofing within Emerging & Other, prior to its sale on November 1, 2023.

The following table presents the revenue of the Company's reportable segments disaggregated by type of service:

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
	(In thousands)	
Dotdash Meredith		
Digital:		
Advertising revenue	$ 132,899	$ 111,817
Performance marketing revenue	51,544	50,055
Licensing and other revenue	24,881	22,925
Total Digital revenue	209,324	184,797
Print:		
Subscription revenue	77,991	85,637
Advertising revenue	42,473	47,850
Project and other revenue	28,554	28,109
Newsstand revenue	26,286	32,246
Performance marketing revenue	10,596	13,174
Total Print revenue	185,900	207,016

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	Three Months Ended March 31,	
	2024	2023
	(In thousands)	
Intersegment eliminations[(a)]	(4,684)	(4,231)
Total Dotdash Meredith revenue	$ 390,540	$ 387,582
Angi Inc.		
Domestic:		
Ads and Leads:		
Consumer connection revenue	$ 160,531	$ 212,935
Advertising revenue	77,137	67,181
Membership subscription revenue	11,778	13,199
Other revenue	139	191
Total Ads and Leads revenue	249,585	293,506
Services revenue	20,451	32,059
Total Domestic revenue	270,036	325,565
International:		
Consumer connection revenue	29,669	24,745
Service professional membership subscription revenue	5,382	5,058
Advertising and other revenue	303	129
Total International revenue	35,354	29,932
Total Angi Inc. revenue	$ 305,390	$ 355,497
Search		
Advertising revenue:		
Google advertising revenue	$ 103,519	$ 140,734
Non-Google advertising revenue	4,442	10,973
Total advertising revenue	107,961	151,707
Other revenue	512	768
Total Search revenue	$ 108,473	$ 152,475
Emerging & Other		
Subscription revenue	$ 64,187	$ 86,400
Marketplace revenue	57,592	58,419
Roofing revenue	—	38,372
Media production and distribution revenue	1,539	3,615
Advertising revenue:		
Non-Google advertising revenue	2,717	2,899
Google advertising revenue	258	263
Total advertising revenue	2,975	3,162
Service and other revenue	248	2,435
Total Emerging & Other revenue	$ 126,541	$ 192,403

Revenue by geography is based on where the customer is located. Geographic information about revenue and long-lived assets is presented below:

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
	(In thousands)	
Revenue:		
United States	$ 806,159	$ 952,672
All other countries	123,521	131,599
Total	$ 929,680	$ 1,084,271

	March 31, 2024	December 31, 2023
	(In thousands)	
Long-lived assets (excluding goodwill and intangible assets):		
United States	$ 706,900	$ 743,914
All other countries	9,367	10,964
Total	$ 716,267	$ 754,878

The following tables present operating (loss) income and Adjusted EBITDA by reportable segment:

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
	(In thousands)	
Operating (loss) income		
Dotdash Meredith		
Digital	$ (180)	$ (17,887)
Print	(5,121)	(5,756)
Other[(c)(d)]	(15,528)	(87,591)
Total Dotdash Meredith	(20,829)	(111,234)
Angi Inc.		
Ads and Leads	19,821	13,480
Services	(7,501)	(12,452)
Other[(c)]	(15,117)	(14,939)
International	5,513	3,030
Total Angi Inc.	2,716	(10,881)
Search	4,356	10,770
Emerging & Other	(8,010)	11,856
Corporate	(37,411)	(36,107)
Total	$ (59,178)	$ (135,596)

(c) Other comprises unallocated corporate expenses.

(d) Dotdash Meredith Other operating loss for the three months ended March 31, 2023 includes impairment charges of $70.0 million related to unoccupied leased office space, of which $25.3 million is presented in "Depreciation" in the statement of operations and, therefore, is excluded from Adjusted EBITDA. Impairment charges related to unoccupied leased office space included in Adjusted EBITDA are $44.7 million for the three months ended March 31, 2023. See "Note 2—Financial Instruments and Fair Value Measurements" for additional information.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Unaudited)

	Three Months Ended March 31,	
	2024	2023
	(In thousands)	
Adjusted EBITDA[e]:		
Dotdash Meredith		
Digital	$ 36,959	$ 24,403
Print	2,947	11,334
Other[c][d]	(9,664)	(58,854)
Total Dotdash Meredith	30,242	(23,117)
Angi Inc.		
Ads and Leads	41,221	39,851
Services	10	(2,168)
Other[c]	(11,921)	(12,354)
International	6,652	4,354
Total Angi Inc.	35,962	29,683
Search	4,377	10,791
Emerging & Other	(4,206)	15,599
Corporate	(23,345)	(23,833)
Total	$ 43,030	$ 9,123

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[e] The Company's primary financial and GAAP segment measure is Adjusted EBITDA, which is defined as operating income excluding: (1) stock-based compensation expense; (2) depreciation; and (3) acquisition-related items consisting of (i) amortization of intangible assets and impairments of goodwill and intangible assets, if applicable, and (ii) gains and losses recognized on changes in the fair value of contingent consideration arrangements, if applicable.

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(Unaudited)

We consider operating (loss) income to be the financial measure calculated and presented in accordance with GAAP that is most directly comparable to our segment reporting performance measure, Adjusted EBITDA. The following tables reconcile operating (loss) income for the Company's reportable segments and net earnings attributable to IAC shareholders to Adjusted EBITDA:

	Three Months Ended March 31, 2024				
	Operating (Loss) Income	Stock-based Compensation Expense	Depreciation	Amortization of Intangibles	Adjusted EBITDA[e]
			(In thousands)		
Dotdash Meredith					
Digital	$ (180)	$ 2,200	$ 4,857	$ 30,082	$ 36,959
Print	(5,121)	446	2,537	5,085	2,947
Other[c]	(15,528)	4,703	1,161	—	(9,664)
Total Dotdash Meredith	(20,829)	7,349	8,555	35,167	30,242
Angi Inc.					
Ads and Leads	19,821	4,465	16,935	—	41,221
Services	(7,501)	1,381	6,130	—	10
Other[c]	(15,117)	3,196	—	—	(11,921)
International	5,513	355	784	—	6,652
Total Angi Inc.	2,716	9,397	23,849	—	35,962
Search	4,356	—	21	—	4,377
Emerging & Other	(8,010)	410	1,833	1,561	(4,206)
Corporate[f]	(37,411)	11,751	2,315	—	(23,345)
Total	(59,178)	$ 28,907	$ 36,573	$ 36,728	$ 43,030
Interest expense	(39,718)				
Unrealized gain on investment in MGM Resorts International	163,751				
Other income, net	34,805				
Earnings before income taxes	99,660				
Income tax provision	(54,688)				
Net earnings	44,972				
Net loss attributable to noncontrolling interests	59				
Net earnings attributable to IAC shareholders	$ 45,031				

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[f] Includes stock-based compensation expense for stock-based awards granted to employees of Corporate, Search and all Emerging & Other businesses other than Vivian Health in the three months ended March 31, 2024 and 2023. The three months ended March 31, 2023 also excludes stock-based compensation granted to employees of Roofing within Emerging & Other, which was sold on November 1, 2023.

IAC INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Unaudited)

	Three Months Ended March 31, 2023				
	Operating (Loss) Income	Stock-based Compensation Expense	Depreciation	Amortization of Intangibles	Adjusted EBITDA[(e)]
			(In thousands)		
Dotdash Meredith					
Digital	$ (17,887)	$ 1,695	$ 5,244	$ 35,351	$ 24,403
Print	(5,756)	146	2,635	14,309	11,334
Other[(c)(d)]	(87,591)	3,250	25,487	—	(58,854)
Total Dotdash Meredith	(111,234)	5,091	33,366	49,660	(23,117)
Angi Inc.					
Ads and Leads	13,480	5,491	18,218	2,662	39,851
Services	(12,452)	4,209	6,075	—	(2,168)
Other[(c)]	(14,939)	2,585	—	—	(12,354)
International	3,030	427	897	—	4,354
Total Angi Inc.	(10,881)	12,712	25,190	2,662	29,683
Search	10,770	—	21	—	10,791
Emerging & Other	11,856	517	942	2,284	15,599
Corporate[(f)]	(36,107)	10,621	1,653	—	(23,833)
Total	(135,596)	$ 28,941	$ 61,172	$ 54,606	$ 9,123
Interest expense	(38,172)				
Unrealized gain on investment in MGM Resorts International	704,840				
Other income, net	23,749				
Earnings before income taxes	554,821				
Income tax provision	(139,502)				
Net earnings	415,319				
Net loss attributable to noncontrolling interests	2,456				
Net earnings attributable to IAC shareholders	$ 417,775				

NOTE 6—PENSION AND POSTRETIREMENT BENEFIT PLANS

The following table presents the components of net periodic benefit (credit) cost for the Dotdash Meredith pension and postretirement benefit plans:

	Three Months Ended March 31,					
	2024			2023		
	Pension		Postretirement	Pension		Postretirement
	Domestic	International	Domestic	Domestic	International	Domestic
			(In thousands)			
Service cost	$ 51	$ —	$ —	$ 53	$ —	$ 1
Interest cost	729	4,787	51	871	4,777	58
Expected return on plan assets	(564)	(4,787)	—	(501)	(4,771)	—
Actuarial (gain) loss recognition	(263)	—	—	240	—	—
Net periodic benefit (credit) cost	$ (47)	$ —	$ 51	$ 663	$ 6	$ 59

The Company froze and terminated the domestic funded pension plan as of December 31, 2022. The last of the required customary regulatory approvals of the termination of this plan was received in February 2024. The Company expects to complete the termination and settlement of this plan in the second half of 2024.

The following table summarizes the weighted average expected return on plan assets used to determine the net periodic benefit (credit) cost at March 31, 2024 following the remeasurements, and December 31, 2023, respectively:

	March 31, 2024	December 31, 2023
	Pension	
	Domestic	Domestic
Expected return on plan assets	5.21 %	4.48 %

The components of net periodic benefit (credit) cost, other than the service cost component, are included in "Other income, net" in the statement of operations.

NOTE 7—INCOME TAXES

At the end of each interim period, the Company estimates the annual expected effective income tax rate and applies that rate to its ordinary year-to-date earnings or loss. The income tax provision or benefit related to significant, unusual, or extraordinary items, if applicable, that will be separately reported or reported net of their related tax effects are individually computed and recognized in the interim period in which they occur. In addition, the effect of changes in enacted tax laws or rates, tax status, judgment on the realizability of a beginning-of-the-year deferred tax asset in future years or unrecognized tax benefits is recognized in the interim period in which the change occurs.

The computation of the annual expected effective income tax rate at each interim period requires certain estimates and assumptions including, but not limited to, the expected pre-tax income (or loss) for the year, projections of the proportion of income (and/or loss) earned and taxed in foreign jurisdictions, permanent and temporary differences and the likelihood of the realization of deferred tax assets generated in the current year. The accounting estimates used to compute the provision or benefit for income taxes may change as new events occur, more experience is acquired, additional information is obtained or the Company's tax environment changes. To the extent that the expected annual effective income tax rate changes during a quarter, the effect of the change on prior quarters is included in income tax provision or benefit in the quarter in which the change occurs.

For the three months ended March 31, 2024, the Company recorded an income tax provision of $54.7 million, which represents an effective income tax rate of 55%, which is higher than the statutory rate of 21% due primarily to the nondeductible portion of goodwill in the sale of Mosaic Group, nondeductible compensation expense, and state taxes, partially offset by research credits and the realization of a capital loss. For the three months ended March 31, 2023, the Company recorded an income tax provision of $139.5 million, which represents an effective income tax rate of 25%, which is higher than the statutory rate of 21% due primarily to state taxes and nondeductible compensation expense, partially offset by research credits.

The Company's income taxes are routinely under audit by federal, state, local and foreign authorities as a result of previously filed separate company and consolidated tax returns for periods prior to the June 30, 2020 separation of IAC from Match Group (the "Match Separation") and for its tax returns filed on a standalone basis following the Match Separation. These audits include questioning the timing and the amount of income and deductions and the allocation of income and deductions among various tax jurisdictions. The Company is not currently under audit by the Internal Revenue Service. Returns filed in various other jurisdictions are open to examination for tax years beginning with 2013. Income taxes payable include unrecognized tax benefits considered sufficient to pay assessments that may result from the examination of prior year tax returns. The Company considers many factors when evaluating and estimating its tax positions and tax benefits, which may not accurately anticipate actual outcomes and, therefore, may require periodic adjustment. Although management currently believes changes in unrecognized tax benefits from period to period and differences between amounts paid, if any, upon resolution of issues raised in audits and amounts previously provided will not have a material impact on the liquidity, results of operations, or financial condition of the Company, these matters are subject to inherent uncertainties and management’s view of these matters may change in the future.

The Company recognizes interest and, if applicable, penalties related to unrecognized tax benefits in the income tax provision. At March 31, 2024 and December 31, 2023, accruals for interest and penalties are not material.

At March 31, 2024 and December 31, 2023, unrecognized tax benefits, including interest and penalties, were $20.8 million and $19.6 million, respectively. Unrecognized tax benefits, including interest and penalties, at March 31, 2024 increased by $1.2 million due primarily to research credits. If unrecognized tax benefits at March 31, 2024 are subsequently recognized, $19.7 million, net of related deferred tax assets and interest, would reduce income tax expense. The comparable amount at December 31, 2023 was $18.6 million. The Company believes that it is reasonably possible that its unrecognized tax benefits could decrease by $0.4 million by March 31, 2025 due to expected settlements and statute expirations, all of which would reduce the income tax provision.

NOTE 8—EARNINGS PER SHARE

The Company treats its common stock and Class B common stock as one class of stock for net earnings per share ("EPS") purposes as both classes of stock participate in earnings, dividends and other distributions on the same basis. The restricted stock award granted to our Chief Executive Officer ("CEO") on November 5, 2020 is a participating security and the Company calculates basic EPS using the two-class method since those restricted shares are unvested and have a non-forfeitable dividend right in the event the Company declares a cash dividend on common shares and participate in all other distributions of the Company in the same manner as all other IAC common shares. Diluted EPS is calculated, on the most dilutive basis, which excludes awards that would be anti-dilutive, including the restricted stock award granted to our CEO.

Undistributed earnings allocated to the participating security is subtracted from earnings in determining earnings attributable to holders of IAC common stock and Class B common stock for basic EPS. Basic EPS is computed by dividing net earnings attributable to holders of IAC common stock and Class B common stock by the weighted-average number of shares of common stock and Class B common stock outstanding during the period.

For the calculation of diluted EPS, net earnings attributable to holders of IAC common stock and Class B common stock is adjusted for the impact from our public subsidiary's dilutive securities, if applicable, and the reallocation of undistributed earnings allocated to the participating security by the weighted-average number of common stock and Class B common stock outstanding plus dilutive securities during the period.

The numerator and denominator of basic and diluted EPS computations for the Company’s common stock and Class B common stock are calculated as follows:

	Three Months Ended March 31,	
	2024	2023
	(In thousands, except per share data)	
Basic EPS:		
Numerator:		
Net earnings	$ 44,972	$ 415,319
Net loss attributable to noncontrolling interests	59	2,456
Net earnings attributed to unvested participating security	(1,571)	(14,156)
Net earnings attributable to IAC common stock and Class B common stock shareholders	$ 43,460	$ 403,619
Denominator:		
Weighted average basic IAC common stock and Class B common stock shares outstanding[(a)]	82,972	85,534
Earnings per share:		
Earnings per share attributable to IAC common stock and Class B common stock shareholders	$ 0.52	$ 4.72

IAC INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Continued)
(Unaudited)

	Three Months Ended March 31,	
	2024	2023
	(In thousands, except per share data)	
Diluted EPS:		
Numerator:		
Net earnings	$ 44,972	$ 415,319
Net loss attributable to noncontrolling interests	59	2,456
Net earnings attributed to unvested participating security	(1,521)	(13,720)
Impact from public subsidiaries' dilutive securities[b]	—	—
Net earnings attributable to IAC common stock and Class B common stock shareholders	$ 43,510	$ 404,055
Denominator:		
Weighted average basic IAC common stock and Class B common stock shares outstanding[a]	82,972	85,534
Dilutive securities[b][c]	2,886	2,819
Denominator for earnings per share—weighted average shares[b][c]	85,858	88,353
Earnings per share:		
Earnings per share attributable to IAC common stock and Class B common stock shareholders	$ 0.51	$ 4.57

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[a] On November 5, 2020, IAC's CEO was granted a stock-based award in the form of 3.0 million shares of restricted common stock. The number of shares that ultimately vests is subject to the satisfaction of growth targets in IAC's stock price over the 10-year service condition of the award. These restricted shares have a non-forfeitable dividend right in the event the Company declares a cash dividend on its common shares and participate in all other distributions of the Company in the same manner as all other IAC common shares. Accordingly, the two-class method of calculating EPS is used. While the restricted shares are presented as outstanding shares in the balance sheet, these shares are excluded from the weighted average shares outstanding in calculating basic EPS and the allocable portion of net earnings are also excluded. Fully diluted EPS reflects the impact on earnings and fully diluted shares in the manner that is most dilutive.

[b] IAC has the option to settle certain Angi Inc. stock-based awards in its shares. The impact on net earnings relates to the settlement of Angi Inc.'s dilutive securities in IAC common shares. For the three months ended March 31, 2024 and 2023, these Angi Inc. equity awards were anti-dilutive.

[c] If the effect is dilutive, weighted average common shares outstanding include the incremental shares that would be issued upon the assumed exercise of stock options and subsidiary denominated equity and vesting of restricted common stock, and restricted stock units ("RSUs"). For the three months ended March 31, 2024 and 2023, 3.4 million and 3.3 million, respectively, of potentially dilutive securities were excluded from the calculation of diluted EPS because their inclusion would have been anti-dilutive.

NOTE 9—FINANCIAL STATEMENT DETAILS

Cash and Cash Equivalents and Restricted Cash

The following table provides a reconciliation of cash and cash equivalents and restricted cash reported within the balance sheet to the total amounts shown in the statement of cash flows:

	March 31, 2024	December 31, 2023	March 31, 2023	December 31, 2022
	(In thousands)			
Cash and cash equivalents	$ 1,506,988	$ 1,297,445	$ 1,398,836	$ 1,417,390
Restricted cash included in other current assets	8,560	8,539	1,081	1,165
Restricted cash included in other non-current assets	253	257	7,640	7,514
Total cash and cash equivalents and restricted cash as shown on the statement of cash flows	$ 1,515,801	$ 1,306,241	$ 1,407,557	$ 1,426,069

Restricted cash included in "Other current assets" in the balance sheet at March 31, 2024 and December 31, 2023 and primarily consists of cash held in escrow related to the funded pension plan in the United Kingdom. and cash held related to insurance programs at Care.com. Restricted cash included in "Other non-current assets" in the balance sheet at March 31, 2024 and December 31, 2023 consists of deposits related to leases.

Restricted cash included in "Other current assets" in the balance sheet at March 31, 2023 and December 31, 2022 primarily consists of cash held related to insurance programs at Care.com. Restricted cash included in "Other non-current assets" in the balance sheet at March 31, 2023 and December 31, 2022 primarily consists of cash held in escrow related to the funded pension plan in the U.K as well as a check endorsement guarantee at Roofing within Emerging & Other and deposits related to leases.

Credit Losses

The following table presents the changes in the allowance for credit losses for the three months ended March 31, 2024 and 2023, respectively:

	2024	2023
	(In thousands)	
Balance at January 1	$ 32,379	$ 50,971
Current period provision for credit losses	16,139	24,826
Write-offs charged against the allowance	(22,076)	(29,308)
Recoveries collected	1,435	1,489
Other	17	(466)
Balance at March 31	$ 27,894	$ 47,512

Accumulated Amortization and Depreciation

The following table provides the accumulated depreciation and amortization within the balance sheet:

Asset Category	March 31, 2024	December 31, 2023
	(In thousands)	
Capitalized software, buildings, equipment and leasehold improvements	$ 385,568	$ 374,256
Intangible assets	$ 648,477	$ 636,645

Other income, net

	Three Months Ended March 31,	
	2024	2023
	(In thousands)	
Net realized gain (loss) on sales of businesses, investments and upward (downward) adjustments to the carrying value of equity securities without readily determinable fair values[(a)]	$ 25,941	$ (1,301)
Interest income	21,597	16,930
Unrealized (decrease) increase in the estimated fair value of a warrant	(10,232)	5,940
Foreign exchange (losses) gains, net	(1,741)	509
Unrealized loss related to marketable equity securities	—	(1,150)
Other	(760)	2,821
Other income, net	$ 34,805	$ 23,749

(a) Includes a pre-tax gain of $29.2 million on the sale of assets of Mosaic Group (within Emerging & Other), which was accounted for as a sale of a business, in the three months ended March 31, 2024.

NOTE 10—CONTINGENCIES

In the ordinary course of business, the Company is a party to various lawsuits. The Company establishes accruals for specific legal matters when it determines that the likelihood of an unfavorable outcome is probable and the loss is reasonably estimable. Management has also identified certain other legal matters where it believes an unfavorable outcome is not probable and, therefore, no accrual is established. Although management currently believes that resolving claims against the Company, including claims where an unfavorable outcome is reasonably possible, and for which the Company cannot estimate a loss or range of loss, will not have a material impact on the liquidity, results of operations, or financial condition of the Company, these matters are subject to inherent uncertainties and management's view of these matters may change in the future. The Company also evaluates other contingent matters, including uncertain income tax positions and non-income tax contingencies, to assess the likelihood of an unfavorable outcome and estimated extent of potential loss. It is possible that an unfavorable outcome of one or more of these lawsuits or other contingencies could have a material impact on the liquidity, results of operations, or financial condition of the Company. See "Note 7—Income Taxes" for information related to uncertain income tax positions.

NOTE 11—RELATED PARTY TRANSACTIONS

IAC and Angi Inc.

Allocation of CEO Compensation and Certain Expenses

Joseph Levin, CEO of IAC and Chairman of Angi Inc., was appointed CEO of Angi Inc. on October 10, 2022. As a result, for the three months ended March 31, 2024 and 2023, IAC allocated $2.2 million and $2.3 million, respectively, in costs to Angi Inc. (including salary, benefits, stock-based compensation and costs related to the CEO's office). These costs were allocated from IAC based upon time spent on Angi Inc. by Mr. Levin. Management considers the allocation method to be reasonable. The allocated costs also include costs directly attributable to Angi Inc. that were initially paid for by IAC and billed by IAC to Angi Inc.

On April 8, 2024, Jeffrey W. Kip, President of Angi Inc., was appointed to succeed Joseph Levin as CEO of Angi Inc. Mr. Levin will remain Chairman of the Angi Inc. board of directors.

The Combination and Related Agreements

The Company and Angi Inc., in connection with the transaction resulting in the formation of Angi Inc. in 2017, which is referred to as the "Combination," entered into a contribution agreement; an investor rights agreement; a services agreement; a tax sharing agreement; and an employee matters agreement, which collectively govern the relationship between IAC and Angi Inc.

IAC and Vimeo Inc. ("Vimeo")

In connection with the spin-off of Vimeo from IAC, the parties entered in several agreements to govern their relationship following the completion of the transaction, certain of which remain in effect and are as follows: a separation agreement, a tax matters agreement and an employee matters agreement. Following the completion of the transaction, Vimeo and IAC entered into certain commercial agreements, including lease agreements. The Company and Vimeo are related parties because Mr. Diller is the beneficial owner of more than 10% of the voting interests in both IAC and Vimeo.

The Company charged Vimeo rent pursuant to lease agreements of $0.9 million for both the three months ended March 31, 2024 and 2023. The Company had an outstanding receivable of $0.3 million at both March 31, 2024 and December 31, 2023 due from Vimeo pursuant to the lease agreements. These amounts are included in "Other non-current assets" in the balance sheet.

IAC and Expedia Group

At March 31, 2024, the Company and Expedia Group each had a 50% ownership interest in two aircraft that may be used by both companies. Members of the aircraft flight crews are employed by an entity in which the Company and Expedia Group each have a 50% ownership interest. The Company and Expedia Group have agreed to share costs relating to flight crew compensation and benefits pro-rata according to each company's respective usage of the aircraft, for which they are separately billed by the entity described above. The Company and Expedia Group are related parties because Mr. Diller serves as Chairman and Senior Executive of both IAC and Expedia Group. For the three months ended March 31, 2024 and 2023, total payments made to this entity by the Company were not material.

In addition, Expedia Group may use certain aircraft owned 100% by a subsidiary of the Company on a cost basis. For the three months ended March 31, 2024 and 2023, the payments made by Expedia Group to the Company pursuant to this arrangement were not material.

Item 2. ***Management's Discussion and Analysis of Financial Condition and Results of Operations***

GENERAL

Management Overview

IAC today is comprised of category leading businesses, including Dotdash Meredith, Angi Inc. and Care.com, as well as others ranging from early stage to established businesses.

As used herein, "IAC," the "Company," "we," "our" or "us" and similar terms refer to IAC Inc. and its subsidiaries (unless the context requires otherwise).

For a more detailed description of the Company's operating businesses, see "Description of IAC Businesses" included in "Item 1—Business" to the Company's Annual Report on Form 10-K for the year ended December 31, 2023.

Defined Terms and Operating Metrics:

Unless otherwise indicated or as the context otherwise requires, certain terms used in this quarterly report, which include the principal operating metrics we use in managing our business, are defined below:

IAC Businesses (for additional information see "Note 5—Segment Information" to the financial statements included in "Item 1—Consolidated Financial Statements"):

- **Dotdash Meredith** - one of the largest digital and print publishers in America. Nearly 200 million people trust us to help them make decisions, take action and find inspiration. Dotdash Meredith's over 40 iconic brands include People, Better Homes & Gardens, Verywell, FOOD & WINE, The Spruce, allrecipes, Byrdie, REAL SIMPLE, Investopedia and Southern Living. Dotdash Meredith has two operating segments: (i) Digital, which includes its digital, mobile and licensing operations; and (ii) Print, which includes its magazine subscription and newsstand operations;

- **Angi Inc.** - a publicly traded company that connects quality home service professionals with consumers across more than 500 different categories, from repairing and remodeling homes to cleaning and landscaping. On November 1, 2023, Angi Inc. completed the sale of 100% of its wholly-owned subsidiary, Total Home Roofing, LLC ("Roofing"), and has reflected it as a discontinued operation in its standalone financial statements. Roofing does not meet the threshold to be reflected as a discontinued operation at the IAC level. During the fourth quarter of 2023, IAC moved Roofing to Emerging & Other and prior period financial information has been recast to conform to this presentation. Following IAC's move of Roofing to Emerging & Other, Angi Inc. has three operating segments: (i) Ads and Leads, (ii) Services and (iii) International (includes Europe and Canada). At March 31, 2024, the Company's economic interest and voting interest in Angi Inc. were 84.3% and 98.2%, respectively;

- **Search** - consists of **Ask Media Group**, a collection of websites providing general search services and information, and **Desktop,** which includes our direct-to-consumer downloadable desktop applications and our business-to-business partnership operations; and

- **Emerging & Other** - consists of:

  - **Care.com**, a leading online destination for families to connect with caregivers for their children, aging parents, pets and homes and for caregivers to connect with families seeking care services. Care.com's brands include *Care For Business*, Care.com offerings to enterprises and *HomePay*;

  - **Mosaic Group**, a leading developer and provider of global subscription mobile applications. The assets of Mosaic Group were sold on February 15, 2024, which was accounted for as a sale of a business, for approximately $160 million;

  - **Roofing (previously included within the Angi Inc. segment)**, a provider of roof replacement and repair services, for periods prior to its sale on November 1, 2023; and

- **Vivian Health**, **IAC Films and The Daily Beast.**

Dotdash Meredith

- **Digital Revenue -** includes advertising revenue, performance marketing revenue and licensing and other revenue.
    - *Advertising revenue* - primarily includes revenue generated from display advertisements sold both directly through our sales team and via programmatic exchanges.
    - *Performance marketing revenue* - primarily includes revenue generated through affiliate commerce, affinity marketing channels and performance marketing commissions. Affiliate commerce commission revenue is generated when Dotdash Meredith refers users to commerce partner websites resulting in a purchase or transaction. Affinity marketing programs market and place magazine subscriptions for both Dotdash Meredith and third-party publisher titles. Performance marketing commissions are generated on a cost-per-click or cost-per-action basis.
    - *Licensing and Other revenue* - primarily includes revenue generated through brand and content licensing agreements. Brand licensing generates royalties from multiple long-term trademark licensing agreements with retailers, manufacturers, publishers and service providers. Content licensing royalties are earned from our relationship with Apple News + as well as other content distribution relationships.
- **Print Revenue** - primarily includes subscription, advertising, newsstand and performance marketing revenue.
- **Total Sessions** - represents unique visits to all sites that are part of Dotdash Meredith's network and sourced from Google Analytics.
- **Core Sessions** - represents a subset of Total Sessions that comprises unique visits to Dotdash Meredith's most significant (in terms of investment) owned and operated sites as follows:

People	InStyle	Simply Recipes
allrecipes	FOOD & WINE	Serious Eats
Investopedia	Martha Stewart	EatingWell
Better Homes & Gardens	Byrdie	Parents
Verywell Health	REAL SIMPLE	Verywell Mind
The Spruce	Southern Living	Health
TRAVEL + LEISURE		

Angi Inc.

- **Ads and Leads Revenue** - primarily comprises domestic revenue from consumer connection revenue for consumer matches, revenue from service professionals under contract for advertising and membership subscription revenue from service professionals and consumers.
- **Services Revenue -** primarily comprises domestic revenue from pre-priced offerings by which the consumer requests services through an Angi Inc. platform and Angi Inc. connects them with a service professional to perform the service.
- **International Revenue -** primarily comprises revenue generated within the International segment (consisting of businesses in Europe and Canada), including consumer connection revenue for consumer matches and membership subscription revenue from service professionals and consumers.
- **Service Requests** - are (i) fully completed and submitted domestic service requests for connections with Ads and Leads service professionals, (ii) contacts to Ads and Leads service professionals generated via the service professional directory from unique users in unique categories (such that multiple contacts from the same user in the same category in the same day are counted as one Service Request) and (iii) requests to book Services jobs in the period.

- **Monetized Transactions** - are (i) Service Requests that are matched to a paying Ads and Leads service professional in the period and (ii) completed and in-process Services jobs in the period; a single Service Request can result in multiple monetized transactions.

- **Transacting Service Professionals** ("Transacting SPs") - are the number of (i) Ads and Leads service professionals that paid for consumer matches or advertising and (ii) Services service professionals that performed a Services job, during the most recent quarter.

Operating Costs and Expenses:

- **Cost of revenue (exclusive of depreciation) -** consists primarily of traffic acquisition costs, which include (i) payments made to partners who direct traffic to our Ask Media Group websites and who distribute our business-to-business customized browser-based applications and (ii) the amortization of fees paid to Apple and Google related to the distribution of apps and the facilitation of in-app purchases. Traffic acquisition costs include payment of amounts based on revenue share and other arrangements. Cost of revenue also includes production, distribution and editorial costs at Dotdash Meredith, compensation expense (including stock-based compensation expense) and other employee-related costs, content costs, roofing material and third-party contactor costs associated with Roofing arrangements for periods prior to its sale on November 1, 2023, hosting fees, credit card processing fees, and payments made to care providers for *Care For Business*.

- **Selling and marketing expense -** consists primarily of advertising expenditures, which include online marketing expenditures, including fees paid to search engines, social media sites, other online marketing platforms, app platforms and partner-related payments to those who direct traffic to the brands within our Angi Inc. segment, offline marketing expenditures, which primarily consists of costs related to television advertising, compensation expense (including stock-based compensation expense) and other employee-related costs for sales force and marketing personnel, subscription acquisition costs related to Dotdash Meredith, outsourced personnel and consulting costs and service guarantee expense at Angi Inc.

- **General and administrative expense -** consists primarily of compensation expense (including stock-based compensation expense) and other employee-related costs for personnel engaged in executive management, finance, legal, tax, human resources and customer service functions, rent expense and facilities cost (including impairments of right-of-use assets or "ROU assets"), fees for professional services, provision for credit losses and software license and maintenance costs. The customer service function at Angi Inc. and Care.com includes personnel who provide support to its service professionals and caregivers, respectively, and consumers.

- **Product development expense** - consists primarily of compensation expense (including stock-based compensation expense) and other employee-related costs and third-party contractor costs that are not capitalized for personnel engaged in the design, development, testing and enhancement of product offerings and related technology and software license and maintenance costs.

Long-term debt (for additional information see "Note 3—Long-term Debt" to the financial statements included in "Item 1—Consolidated Financial Statements"):

- **Dotdash Meredith Term Loan A** - due December 1, 2026. At March 31, 2024 and December 31, 2023, the outstanding balance of the Dotdash Meredith Term Loan A was $310.6 million and $315 million, respectively, and bore interest at an adjusted term secured overnight financing rate ("Adjusted Term SOFR") plus 2.25%, or 7.68% and 7.69%, respectively. The Dotdash Meredith Term Loan A has quarterly principal payments.

- **Dotdash Meredith Term Loan B** - due December 1, 2028. At March 31, 2024 and December 31, 2023, the outstanding balance of the Dotdash Meredith Term Loan B was $1.22 billion and $1.23 billion, respectively, and bore interest at Adjusted Term SOFR, subject to a minimum of 0.50%, plus 4.00%, or 9.43% and 9.44%, respectively. The Dotdash Meredith Term Loan B has quarterly principal payments.

- **Dotdash Meredith Revolving Facility** - Dotdash Meredith's $150 million revolving credit facility expires on December 1, 2026. At March 31, 2024 and December 31, 2023, there were no outstanding borrowings under the Dotdash Meredith Revolving Facility.

- **ANGI Group Senior Notes -** on August 20, 2020, ANGI Group, LLC ("ANGI Group"), a direct wholly-owned subsidiary of Angi Inc., issued $500 million of its 3.875% Senior Notes due August 15, 2028, with interest payable February 15 and August 15 of each year.

Non-GAAP financial measure:

- **Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization ("Adjusted EBITDA")** - is a non-GAAP financial measure. See "Principles of Financial Reporting" for the definition of Adjusted EBITDA and a reconciliation of net earnings attributable to IAC shareholders to operating loss to Adjusted EBITDA for the three months ended March 31, 2024 and 2023.

Certain Risks and Concentrations—Services Agreement with Google (the "Services Agreement")

The Company and Google are parties to an amended Services Agreement, which automatically renewed effective March 31, 2023 and now expires on March 31, 2025. Google has made changes to the policies under the Services Agreement and has also made industry-wide changes that have in the past and could in the future require modifications to, or prohibit and/or render obsolete certain of our products, services and/or business practices, which have been and could be costly to address or negatively impact revenue and have had and in the future could have an adverse effect on our financial condition and results of operations.

See "Note 1—The Company and Summary of Significant Accounting Policies" to the financial statements included in "Item 1—Consolidated Financial Statements" for additional information on the Services Agreement with Google.

Results of Operations for the Three Months Ended March 31, 2024 Compared to the Three Months Ended March 31, 2023

The following discussion should be read in conjunction with "Item 1—Consolidated Financial Statements."

Revenue

	Three Months Ended March 31,			
	2024	2023	2024 Change	
			$ Change	% Change
	(Dollars in thousands)			
Dotdash Meredith				
Digital	$ 209,324	$ 184,797	$ 24,527	13%
Print	185,900	207,016	(21,116)	(10)%
Intersegment eliminations	(4,684)	(4,231)	(453)	(11)%
Total Dotdash Meredith	390,540	387,582	2,958	1%
Angi Inc.				
Domestic				
Ads and Leads	249,585	293,506	(43,921)	(15)%
Services	20,451	32,059	(11,608)	(36)%
Total Domestic	270,036	325,565	(55,529)	(17)%
International	35,354	29,932	5,422	18%
Total Angi Inc.	305,390	355,497	(50,107)	(14)%
Search	108,473	152,475	(44,002)	(29)%
Emerging & Other	126,541	192,403	(65,862)	(34)%
Intersegment eliminations	(1,264)	(3,686)	2,422	66%
Total	$ 929,680	$ 1,084,271	$ (154,591)	(14)%

	Three Months Ended March 31,			
	2024	2023	2024 Change	
			Change	% Change
Operating metrics:				
Dotdash Meredith				
Digital				
Total Sessions (in millions)	2,750	2,842	(92)	(3)%
Core Sessions (in millions)	2,273	2,102	171	8 %
Angi Inc.				
Service Requests (in thousands)	4,126	6,004	(1,878)	(31)%
Monetized Transactions (in thousands)	5,511	6,451	(940)	(15)%
Transacting SPs (in thousands)	192	206	(14)	(7)%

- Dotdash Meredith revenue increased 1% to $390.5 million due to an increase of $24.5 million, or 13%, from Digital, partially offset by a decrease of $21.1 million, or 10%, from Print.
  - The Digital increase was due primarily to increases of $21.1 million, or 19%, in Advertising Revenue, $2.0 million, or 9%, in Licensing and Other Revenue and $1.5 million, or 3% in Performance Marketing Revenue. The increase in Advertising Revenue was driven primarily by an increase in premium advertising sold through the Dotdash Meredith sales team in the Beauty, Technology and Health and Pharmaceutical categories and higher programmatic revenue as a result of an 8% increase in Core Sessions. The increase in Licensing and Other Revenue was due primarily to improved performance from content syndication partners. The increase in Performance Marketing Revenue was due primarily to an increase in affiliate commerce commission revenue, partially offset by a decrease in Performance Marketing revenue in the Finance category.
  - The Print decrease was due primarily to decreases of $7.6 million, or 9%, in subscription revenue, $6.0 million, or 18%, in newsstand revenue and $5.4 million, or 11%, in advertising revenue. The decreases in subscription revenue, newsstand revenue and advertising revenue are all due, in part, to a reduction in the number of issues sold in the current year compared to the prior year and the ongoing migration from Print to Digital.
- Angi Inc. revenue decreased 14% to $305.4 million driven by decreases of $43.9 million, or 15%, from Ads and Leads and $11.6 million, or 36%, from Services, partially offset by an increase of $5.4 million, or 18% from International.
  - The Ads and Leads decrease was due primarily to a decrease of $52.4 million, or 25%, in consumer connection revenue, partially offset by an increase of $10.0 million, or 15%, in advertising revenue. The decrease in consumer connection revenue was due primarily to declines in Monetized Transactions as a result of fewer Transacting SPs resulting from a reduction in unprofitable sales and changes to demand channels to increase lead quality to enhance the user experience for both homeowners and service professionals and to improve profitability through greater matching efficiency and bidding optimization as evidenced by a higher ratio of Monetized Transactions per Service Request. The increase in advertising revenue was primarily driven by continued growth in sales.
  - The Services decrease was due primarily to lower Service Requests as a result of certain efforts described in Ads and Leads above. In addition, the decrease in revenue reflects the residual impact from contracts entered into prior to January 1, 2023 and recognized as gross revenue in the first quarter of 2023. Effective January 1, 2023, Angi Inc. modified the Services terms and conditions resulting in net revenue reporting.
  - The International increase was driven by a larger service professional network and higher revenue per service professional.
- Search revenue decreased 29% to $108.5 million due to a decrease of $42.4 million, or 32%, from Ask Media Group resulting from a reduction in marketing from affiliate partners driving fewer visitors to ad supported search and content websites.
- Emerging & Other revenue decreased 34% to $126.5 million due primarily to the inclusion of $38.4 million in revenue from Roofing in the prior year period, which was sold on November 1, 2023, and a decrease of $22.6 million in revenue ($17.9 million in 2024 compared to $40.5 million in 2023) from Mosaic Group due to the sale of its assets on February 15, 2024.

Cost of revenue (exclusive of depreciation shown separately below)

	Three Months Ended March 31,			
	2024	2023	2024 Change	
			$ Change	% Change
	(Dollars in thousands)			
Cost of revenue (exclusive of depreciation shown separately below)	$ 271,964	$ 342,929	$ (70,965)	(21)%
As a percentage of revenue	29%	32%		

Cost of revenue in 2024 decreased from 2023 due to decreases of $32.1 million from Emerging & Other, $23.1 million from Search, $11.3 million from Dotdash Meredith and $4.4 million from Angi Inc.

- The Emerging & Other decrease was due primarily to the inclusion in the prior year period of $25.1 million in expense from Roofing, which was sold on November 1, 2023, a decrease in expense of $3.1 million from Mosaic Group due to the sale of its assets on February 15, 2024, and a decrease in compensation expense of $2.9 million at Care.com due to a reduction in headcount.

- The Search decrease was due primarily to a decrease in traffic acquisition costs of $23.8 million at Ask Media Group due primarily to a decrease in the proportion of revenue earned from affiliate partners who direct traffic to our websites.

- The Dotdash Meredith decrease was due primarily to a decrease of $10.1 million from Print due primarily to a decrease of $11.9 million in production and distribution costs (postage, printing, paper and content) resulting from a reduction in circulation of certain publications and decreases in paper costs and freight surcharges.

- The Angi Inc. decrease was due primarily to a decrease of $5.9 million from Services due primarily to a $5.3 million decrease in payments to third-party professional service providers primarily reflecting the residual impact from contracts entered into prior to January 1, 2023.

Selling and marketing expense

	Three Months Ended March 31,			
	2024	2023	2024 Change	
			$ Change	% Change
	(Dollars in thousands)			
Selling and marketing expense	$ 343,925	$ 403,297	$ (59,372)	(15)%
As a percentage of revenue	37%	37%		

Selling and marketing expense in 2024 decreased from 2023 due to decreases of $42.6 million from Angi Inc., $14.5 million from Search and $13.5 million from Emerging & Other, partially offset by an increase of $9.1 million from Dotdash Meredith.

- The Angi Inc. decrease was due primarily to a decrease of $40.3 million from Ads and Leads due primarily to decreases of $31.9 million and $7.5 million in advertising expense and compensation expense, respectively. The decrease in advertising expense was due primarily to improved efficiency. The decrease in compensation expense was due primarily to a reduction in headcount.

- The Search decrease was due primarily to a decrease of $13.4 million in online marketing spend at Ask Media Group.

- The Emerging & Other decrease was due primarily to the inclusion in the prior year period of $6.8 million in expense from Roofing, which was sold on November 1, 2023, and a decrease in expense of $6.4 million from Mosaic Group. The decrease from Mosaic Group was due primarily to a decrease in advertising expense of $8.2 million, partially offset by an increase of $2.1 million in severance expense including related payroll taxes, both due to the sale of its assets on February 15, 2024.

- The Dotdash Meredith increase was due primarily to an increase of $11.7 million from Digital, partially offset by a decrease of $2.2 million from Print.

    - The Digital increase was due primarily to increases in online marketing spend and compensation expense of $6.8 million and $3.3 million, respectively. The increase in compensation expense was due primarily to an increase in headcount.

◦ The Print decrease was due primarily to a decrease of $4.0 million in subscription acquisition costs, partially offset by an increase of $1.0 million in compensation expense. The decrease in subscription acquisition costs was driven by lower commission payments made to third-party agents that sell magazine subscriptions resulting from the shift from print to digital subscriptions. The increase in compensation expense was due primarily to an increase in severance expense.

General and administrative expense

	Three Months Ended March 31,			
	2024	2023	2024 Change	
			$ Change	% Change
	(Dollars in thousands)			
General and administrative expense	$ 212,669	$ 273,076	$ (60,407)	(22)%
As a percentage of revenue	23%	25%		

General and administrative expense in 2024 decreased from 2023 due primarily to decreases of $48.2 million from Dotdash Meredith and $11.1 million from Angi Inc.

- The Dotdash Meredith decrease was due primarily to the inclusion in the first quarter of 2023 of an impairment charge at Other (unallocated corporate costs) of $44.7 million of an ROU asset related to unoccupied lease space and the inclusion in the first quarter of 2024 of a $2.3 million gain recognized on the sale of an aircraft. See "Note 2—Financial Instruments and Fair Value Measurements" to the financial statements included in "Item 1—Consolidated Financial Statements" for additional information about the impairment charge.

- The Angi Inc. decrease was due primarily to decreases of $7.4 million from Ads and Leads and $4.3 million from Services.

  ◦ The Ads and Leads decrease was due primarily to decreases of $7.7 million in the provision for credit losses and $3.0 million in legal-related expenses, partially offset by an impairment charge recognized in the first quarter of 2024 of $2.0 million of an ROU asset related to Angi Inc. reducing its real estate footprint. The decrease in the provision for credit losses was due primarily to lower revenue and improved collection rates.

  ◦ The Services decrease was due primarily to a decrease of $3.7 million in compensation expense due primarily to a $2.9 million decrease in stock-based compensation as a result of a reduction in headcount.

Product development expense

	Three Months Ended March 31,			
	2024	2023	2024 Change	
			$ Change	% Change
	(Dollars in thousands)			
Product development expense	$ 86,999	$ 84,787	$ 2,212	3%
As a percentage of revenue	9%	8%		

Product development expense in 2024 increased from 2023 due primarily to an increase of $2.2 million from Dotdash Meredith.

- The Dotdash Meredith increase was due primarily to an increase of $2.8 million in compensation expense at Digital due to an increase in headcount.

Depreciation

	Three Months Ended March 31,			
	2024	2023	2024 Change	
			$ Change	% Change
	(Dollars in thousands)			
Depreciation	$ 36,573	$ 61,172	$ (24,599)	(40)%
As a percentage of revenue	4%	6%		

Depreciation in 2024 decreased from 2023 due primarily to a decrease of $24.8 million at Dotdash Meredith due primarily to the inclusion of an impairment charge of $25.3 million recognized in the first quarter of 2023 related to leasehold improvements and furniture and equipment resulting from unoccupied leased space. See "Note 2—Financial Instruments and Fair Value Measurements" to the financial statements included in "Item 1—Consolidated Financial Statements" for additional information about the impairment charge.

Operating (loss) income

	Three Months Ended March 31,			
	2024	2023	2024 Change	
			$ Change	% Change
	(Dollars in thousands)			
Dotdash Meredith				
Digital	$ (180)	$ (17,887)	$ 17,707	99%
Print	(5,121)	(5,756)	635	11%
Other	(15,528)	(87,591)	72,063	82%
Total Dotdash Meredith	(20,829)	(111,234)	90,405	81%
Angi Inc.				
Domestic				
Ads and Leads	19,821	13,480	6,341	47%
Services	(7,501)	(12,452)	4,951	40%
Other	(15,117)	(14,939)	(178)	(1)%
Total Domestic	(2,797)	(13,911)	11,114	80%
International	5,513	3,030	2,483	82%
Total Angi Inc.	2,716	(10,881)	13,597	NM
Search	4,356	10,770	(6,414)	(60)%
Emerging & Other	(8,010)	11,856	(19,866)	NM
Corporate	(37,411)	(36,107)	(1,304)	(4)%
Total	$ (59,178)	$ (135,596)	$ 76,418	56%
As a percentage of revenue	(6)%	(13)%		

NM = Not meaningful

Operating loss decreased $76.4 million, or 56%, due primarily to an increase in Adjusted EBITDA of $33.9 million, described below, and decreases of $24.6 million in depreciation and $17.9 million in amortization of intangibles. The decrease in depreciation was due primarily to the impairment of leasehold improvements and furniture and equipment at Dotdash Meredith of $25.3 million related to unoccupied lease space recognized in the first quarter of 2023. The decrease in the amortization of intangibles was due primarily to lower expense at Dotdash Meredith and Angi Inc. due in part to certain intangible assets becoming fully amortized, partially offset by an increase in expense as a result of a change in classification of two Dotdash Meredith Digital trade name indefinite-lived intangible assets to definite-lived intangible assets, effective January 1, 2024.

At March 31, 2024, there was $268.5 million of unrecognized compensation cost, net of estimated forfeitures, related to all equity-based awards, which is expected to be recognized over a weighted average period of approximately 3.8 years.

Adjusted EBITDA

	Three Months Ended March 31,			
	2024	2023	2024 Change	
			$ Change	% Change
	(Dollars in thousands)			
Dotdash Meredith				
Digital	$ 36,959	$ 24,403	$ 12,556	51%
Print	2,947	11,334	(8,387)	(74)%
Other	(9,664)	(58,854)	49,190	84%
Total Dotdash Meredith	30,242	(23,117)	53,359	NM
Angi Inc.				
Domestic				
Ads and Leads	41,221	39,851	1,370	3%
Services	10	(2,168)	2,178	NM
Other	(11,921)	(12,354)	433	4%
Total Domestic	29,310	25,329	3,981	16%
International	6,652	4,354	2,298	53%
Total Angi Inc.	35,962	29,683	6,279	21%
Search	4,377	10,791	(6,414)	(59)%
Emerging & Other	(4,206)	15,599	(19,805)	NM
Corporate	(23,345)	(23,833)	488	2%
Total	$ 43,030	$ 9,123	$ 33,907	372%
As a percentage of revenue	5%	1%		

For a reconciliation of net earnings attributable to IAC shareholders to operating loss to Adjusted EBITDA, see "Principles of Financial Reporting." For a reconciliation of operating (loss) income to Adjusted EBITDA for the Company's reportable segments, see "Note 5—Segment Information" to the financial statements included in "Item 1—Consolidated Financial Statements."

- Dotdash Meredith Adjusted EBITDA increased $53.4 million to $30.2 million from a loss of $23.1 million due to a decrease in Adjusted EBITDA losses of $49.2 million from Other (unallocated corporate costs) and an increase in Adjusted EBITDA of $12.6 million from Digital, partially offset by a decrease in Adjusted EBITDA of $8.4 million from Print.
    - The Other (unallocated corporate costs) Adjusted EBITDA loss decrease was due primarily to the inclusion in the first quarter of 2023 of an impairment charge of $44.7 million of an ROU asset related to unoccupied lease space and the inclusion in the first quarter of 2024 of a $2.3 million gain recognized on the sale of an aircraft.
    - The Digital Adjusted EBITDA increase was due primarily to higher revenue and continued operating leverage.

  - The Print Adjusted EBITDA decrease was due primarily to revenue declines, partially offset by lower operating expenses.

- Angi Inc. Adjusted EBITDA increased $6.3 million to $36.0 million due to increases in Adjusted EBITDA of $2.3 million from International, $2.2 million from Services and $1.4 million from Ads and Leads.

  - The International Adjusted EBITDA increase was due primarily to an increase in revenue.

  - The Services Adjusted EBITDA increase was due primarily to lower operating expenses due to a reduced overall cost base as a result of exiting complex and less profitable offerings.

  - The Ads and Leads Adjusted EBITDA increase was due primarily to lower selling and marketing expense due to improved marketing efficiency and lower general administrative expense due to decreases in the provision for credit losses and legal-related expenses, partially offset by lower revenue and an impairment charge recognized in the first quarter of 2024 of $2.0 million of an ROU asset related to Angi Inc. reducing its real estate footprint.

- Search Adjusted EBITDA decreased 59% to $4.4 million due primarily to lower revenue, partially offset by lower traffic acquisition costs and selling and marketing expense.

- Emerging & Other Adjusted EBITDA decreased $19.8 million to a loss of $4.2 million due primarily to $16.5 million in severance expense and transaction-related costs related to the sale of assets of Mosaic Group on February 15, 2024 and lower profits from Care.com.

Interest expense

	Three Months Ended March 31,			
	2024	2023	2024 Change	
			$ Change	% Change
	(Dollars in thousands)			
Interest expense	$ (39,718)	$ (38,172)	$ (1,546)	4%

Interest expense in 2024 increased from 2023 due primarily to an increase in interest rates from 8.77% and 6.94% at March 31, 2023 to 9.43% and 7.68% at March 31, 2024 on the Dotdash Meredith Term Loan B and Dotdash Meredith Term Loan A, respectively.

Unrealized gain on investment in MGM Resorts International ("MGM")

	Three Months Ended March 31,			
	2024	2023	2024 Change	
			$ Change	% Change
	(Dollars in thousands)			
Unrealized gain on investment in MGM Resorts International	$ 163,751	$ 704,840	$ (541,089)	(77)%

During the fourth quarter of 2023, due to MGM's ongoing share repurchase program, which increased the Company's ownership interest passively, the Company determined that the equity method of accounting applied and elected to account for its investment in MGM pursuant to the fair value option. Prior to the fourth quarter of 2023, the Company's investment in MGM was accounted for as an equity security with a readily determinable fair value, with changes in fair value recognized through income each period. Since the Company has always marked its investment in MGM to fair value through income each period the election of the fair value option results in no change to the historical accounting for this investment.

For the three months ended March 31, 2024 and 2023, the Company recognized unrealized pre-tax gains of $163.8 million and $704.8 million, respectively, on its investment in MGM and were due to changes in the stock price of MGM's common stock as reported on the New York Stock Exchange. Based on the number of MGM common shares outstanding at March 31, 2024, the Company owns approximately 20.6% of MGM.

Other income, net

	Three Months Ended March 31,	
	2024	2023
	(Dollars in thousands)	
Net realized gain (loss) on sales of businesses, investments and upward (downward) adjustments to the carrying value of equity securities without readily determinable fair values[(a)]	$ 25,941	$ (1,301)
Interest income	21,597	16,930
Unrealized (decrease) increase in the estimated fair value of a warrant	(10,232)	5,940
Foreign exchange (losses) gains, net	(1,741)	509
Unrealized loss related to marketable equity securities	—	(1,150)
Other	(760)	2,821
Other income, net	$ 34,805	$ 23,749
$ Change	$ 11,056	
% Change	47 %	

(a) Includes a pre-tax gain of $29.2 million on the sale of assets of Mosaic Group (within Emerging & Other), which was accounted for as a sale of a business, in the three months ended March 31, 2024.

Income tax provision

	Three Months Ended March 31,			
	2024	2023	2024 Change	
			$ Change	% Change
	(Dollars in thousands)			
Income tax provision	$ (54,688)	$ (139,502)	$ 84,814	61%
Effective income tax rate	55%	25%		

For further details of income tax matters, see "Note 7—Income Taxes" to the financial statements included in "Item 1. Consolidated Financial Statements."

In 2024, the effective income tax rate is higher than the statutory rate of 21% due primarily to the nondeductible portion of the goodwill in the sale of Mosaic Group, nondeductible compensation expense, and state taxes, partially offset by research credits and the realization of a capital loss.

In 2023, the effective income tax rate is higher than the statutory rate of 21% due primarily to state taxes and nondeductible compensation expense, partially offset by research credits.

Net loss attributable to noncontrolling interests

	Three Months Ended March 31,			
	2024	2023	2024 Change	
			$ Change	% Change
	(Dollars in thousands)			
Net loss attributable to noncontrolling interests	$ 59	$ 2,456	$ (2,397)	(98)%

Net loss attributable to noncontrolling interests in 2024 and 2023 primarily represents the publicly-held interest in Angi Inc.'s losses.

PRINCIPLES OF FINANCIAL REPORTING

The Company reports Adjusted EBITDA as a supplemental measure to U.S. generally accepted accounting principles ("GAAP"). This measure is considered our primary segment measure of profitability and one of the metrics by which we evaluate the performance of our businesses and our internal budgets are based and may also impact management compensation. We believe that investors should have access to, and we are obligated to provide, the same set of tools that we use in analyzing our results. This non-GAAP measure should be considered in addition to results prepared in accordance with GAAP, but should not be considered a substitute for or superior to GAAP results. The Company endeavors to compensate for the limitations of the non-GAAP measure presented by providing the comparable GAAP measure with equal or greater prominence and descriptions of the reconciling items, including quantifying such items, to derive the non-GAAP measure. We encourage investors to examine the reconciling adjustments between the GAAP and non-GAAP measure, which we discuss below.

Definition of Non-GAAP Measure

Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization ("Adjusted EBITDA") is defined as operating income excluding: (1) stock-based compensation expense; (2) depreciation; and (3) acquisition-related items consisting of (i) amortization of intangible assets and impairments of goodwill and intangible assets, if applicable, and (ii) gains and losses recognized on changes in the fair value of contingent consideration arrangements, if applicable. 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. Adjusted EBITDA has certain limitations because it excludes the impact of these expenses.

The following table reconciles net earnings attributable to IAC shareholders to operating loss to Adjusted EBITDA:

	Three Months Ended March 31,	
	2024	2023
	(In thousands)	
Net earnings attributable to IAC shareholders	$ 45,031	$ 417,775
Add back:		
Net loss attributable to noncontrolling interests	(59)	(2,456)
Income tax provision	54,688	139,502
Other income, net	(34,805)	(23,749)
Unrealized gain on investment in MGM Resorts International	(163,751)	(704,840)
Interest expense	39,718	38,172
Operating loss	(59,178)	(135,596)
Add back:		
Stock-based compensation expense	28,907	28,941
Depreciation	36,573	61,172
Amortization of intangibles	36,728	54,606
Adjusted EBITDA	$ 43,030	$ 9,123

For a reconciliation of operating (loss) income to Adjusted EBITDA for the Company's reportable segments, see "Note 5—Segment Information" to the financial statements included in "Item 1—Consolidated Financial Statements."

Non-Cash Expenses That Are Excluded from Our Non-GAAP Measure

Stock-based compensation expense consists of expense associated with awards that were granted under various IAC stock and annual incentive plans and expense related to awards issued by certain subsidiaries of the Company. These expenses are not paid in cash and we view the economic costs of stock-based awards to be the dilution to our share base; we also include the related shares in our fully diluted shares outstanding for GAAP earnings per share using the treasury stock method. The Company is currently settling all stock-based awards on a net basis; IAC remits the required tax-withholding amounts for net-settled awards from its current funds.

Depreciation is a non-cash expense relating to our capitalized software, buildings, equipment and leasehold improvements and is computed using the straight-line method to allocate the cost of depreciable assets to operations over their estimated useful lives, or, in the case of leasehold improvements, the lease term, if shorter.

Amortization of intangible assets and impairments of goodwill and intangible assets are non-cash expenses related primarily to acquisitions. At the time of an acquisition, the identifiable definite-lived intangible assets of the acquired company, such as advertiser relationships, technology, licensee relationships, trade names, content, customer lists and user base, service professional relationships and subscriber relationships, are valued and amortized over their estimated lives. Value is also assigned to acquired indefinite-lived intangible assets, which comprise trade names and trademarks, and goodwill that are not subject to amortization. An impairment is recorded when the carrying value of an intangible asset or goodwill exceeds its fair value. We believe that intangible assets represent costs incurred by the acquired company to build value prior to acquisition and the related amortization and impairments of intangible assets or goodwill, if applicable, are not ongoing costs of doing business.

Gains and losses recognized on changes in the fair value of contingent consideration arrangements are accounting adjustments to report liabilities for the portion of the purchase price of acquisitions, if applicable, that is contingent upon the financial performance and/or operating targets of the acquired company at fair value that are recognized in "General and administrative expense" in the statement of operations. These adjustments can be highly variable and are excluded from our assessment of performance because they are considered non-operational in nature and, therefore, are not indicative of current or future performance or the ongoing cost of doing business.

FINANCIAL POSITION, LIQUIDITY AND CAPITAL RESOURCES

Financial Position

	March 31, 2024	December 31, 2023
	(In thousands)	
Angi Inc. cash and cash equivalents:		
United States	$ 348,609	$ 354,341
All other countries	14,728	9,703
Total Angi Inc. cash and cash equivalents	363,337	364,044
Dotdash Meredith cash and cash equivalents:		
United States	253,817	243,801
All other countries	14,931	17,779
Total Dotdash Meredith cash and cash equivalents	268,748	261,580
IAC (excluding Angi Inc. and Dotdash Meredith) cash and cash equivalents and marketable securities:		
United States	828,617	642,613
All other countries	46,286	29,208
Total cash and cash equivalents	874,903	671,821
Marketable securities (United States)	136,459	148,998
Total IAC (excluding Angi Inc. and Dotdash Meredith) cash and cash equivalents and marketable securities	1,011,362	820,819
Total cash and cash equivalents and marketable securities	$ 1,643,447	$ 1,446,443
Dotdash Meredith Debt:		
Dotdash Meredith Term Loan A	$ 310,625	$ 315,000
Dotdash Meredith Term Loan B	1,221,875	1,225,000
Total Dotdash Meredith long-term debt	1,532,500	1,540,000
Less: current portion of Dotdash Meredith long-term debt	34,375	30,000
Less: original issue discount	4,259	4,470
Less: unamortized debt issuance costs	7,979	8,423
Total Dotdash Meredith long-term debt, net	1,485,887	1,497,107
ANGI Group Debt:		
ANGI Group Senior Notes	500,000	500,000
Less: unamortized debt issuance costs	3,759	3,953
Total ANGI Group long-term debt, net	496,241	496,047
Total long-term debt, net	$ 1,982,128	$ 1,993,154

The Company's international cash can be repatriated without significant tax consequences.

For a detailed description of interest rate swaps and long-term debt, see "Note 1—The Company and Summary of Significant Accounting Policies" and "Note 3—Long-term Debt" to the financial statements included in "Item 1. Consolidated Financial Statements."

Cash Flow Information

In summary, IAC's cash flows are as follows:

	Three Months Ended March 31,	
	2024	2023
	(In thousands)	
Net cash provided by (used in):		
Operating activities	$ 64,054	$ 25,167
Investing activities	$ 172,221	$ 51,974
Financing activities	$ (25,974)	$ (95,975)

Net cash provided by operating activities attributable to continuing operations consists of net earnings adjusted for non-cash items and the effect of changes in working capital. Non-cash adjustments include the unrealized gain on the investment in MGM, deferred income taxes, depreciation, non-cash lease expense (including ROU impairments), amortization of intangibles, stock-based compensation expense, net (gains) losses on sales of businesses and investments in equity securities, provision for credit losses and unrealized decrease (increase) in the estimated fair value of a warrant.

2024

Adjustments to net earnings consist primarily of an unrealized gain on the investment in MGM of $163.8 million and net gains on sales of businesses and investments in equity securities of $25.9 million primarily related to the sale of assets at Mosaic Group in February 2024, partially offset by deferred taxes of $45.0 million, amortization of intangibles of $36.7 million, depreciation of $36.6 million, stock-based compensation expense of $28.9 million, provision of credit losses of $16.1 million, non-cash lease expense of $14.8 million and an unrealized decrease in the estimated fair value of a warrant of $10.2 million. The increase from changes in working capital include a decrease in accounts receivable of $56.1 million, a decrease in other assets of $44.5 million, an increase in deferred revenue of $17.9 million and an increase in income taxes payable and receivable of $8.8 million, partially offset by decreases in accounts payable and other liabilities of $89.5 million and operating lease liabilities of $17.3 million. The decrease in accounts receivable is due primarily to a decrease in revenue in the first quarter of 2024 relative to the fourth quarter of 2023 at Dotdash Meredith and a decrease at Mosaic Group due to cash receipts prior to the sale of its assets, partially offset by an increase at Angi Inc., due primarily to timing of cash receipts. The decrease in other assets is due primarily to receipt of pre-acquisition income tax refunds at Dotdash Meredith, payment received related to insurance coverage for previously incurred legal fees at Angi Inc. and a decrease in prepaid hosting services at Angi Inc., Dotdash Meredith and Corporate. The increase in deferred revenue is due primarily to timing of annual subscription renewals at Care.com. The increase in income taxes payable and receivable is due to income tax accruals in excess of payments, primarily due to the sale of assets of Mosaic Group. The decrease in accounts payable and other liabilities is due primarily to decreases in accrued employee compensation, due primarily to payment of 2023 bonuses in 2024 and a decrease in accrued payroll due to timing of payments, and accrued traffic acquisition costs and related payables at Search and Dotdash Meredith. The decrease in operating lease liabilities is due to cash payments on leases net of interest accretion.

Net cash provided by investing activities includes net proceeds from the sales of businesses and investments of $159.7 million, including $155 million from the sale of assets of Mosaic Group, maturities of marketable debt securities of $137.5 million and net proceeds from the sales of assets of $12.7 million, principally from the sale of an aircraft at Dotdash Meredith, partially offset by $123.1 million for the purchases of marketable debt securities and capital expenditures of $15.7 million primarily related to investments of $12.7 million in capitalized software at Angi Inc. to support its products and services.

Net cash used in financing activities includes withholding taxes paid on behalf of IAC employees, excluding Angi Inc., for stock-based awards that were net settled of $8.2 million, principal payments on Dotdash Meredith Term Loan A and Dotdash Meredith Term Loan B of $7.5 million, the repurchase of 2.9 million shares of Angi Inc. Class A common stock, on a settlement date basis, for $6.9 million at an average price of $2.37 per share and withholding taxes paid on behalf of Angi Inc. employees for stock-based awards that were net settled of $3.2 million.

2023

Adjustments to net earnings consist primarily of an unrealized gain on the investment in MGM of $704.8 million and an unrealized increase in the estimated fair value of a warrant of $5.9 million, partially offset by deferred taxes of $127.2 million, depreciation of $61.2 million, non-cash lease expense of $58.7 million, amortization of intangibles of $54.6 million, stock-based compensation expense of $28.9 million, provision of credit losses of $24.8 million and net losses on sales of business and investments in equity securities of $2.5 million. The decrease from changes in working capital include decreases in accounts payable and other liabilities of $107.4 million and operating lease liabilities of $19.7 million, partially offset by a decrease in accounts receivable of $43.0 million, a decrease in other assets of $27.0 million and an increase in deferred revenue of $15.4 million. The decrease in accounts payable and other liabilities is due primarily to a decreases in accrued employee compensation, due primarily to payment of 2022 bonuses in 2023, a decrease in accrued payroll due to timing of payments and restructuring related severance payments at Dotdash Meredith, and decreases in accounts payable at Dotdash Meredith, due primarily to a decrease in spend in the first quarter of 2023 relative to the fourth quarter of 2022 and timing of payments, and at Care.com, due primarily to timing of payments. The decrease in operating lease liabilities is due to cash payments on leases net of interest accretion. The decrease in accounts receivable is due primarily to a decrease in revenue in the first quarter of 2023 relative to the fourth quarter of 2022 at Dotdash Meredith, partially offset by an increase at Angi Inc., due primarily to timing of cash receipts for credit card transactions. The decrease in other assets is due, in part, to a decrease in prepaid hosting services at Angi Inc., Dotdash Meredith and Corporate. The increase in deferred revenue is due primarily to timing of annual subscription renewals at Care.com.

Net cash provided by investing activities includes maturities of marketable debt securities of $137.5 million and net proceeds from the sales of assets of $29.4 million, including $28.9 million related to the sale of a building at Dotdash Meredith, partially offset by $98.5 million for the purchases of marketable debt securities and capital expenditures of $21.9 million primarily related to investments of $11.3 million in capitalized software at Angi Inc. to support its products and services and payment of $8.1 million related to the acquisition of the formerly leased land under IAC's New York City headquarters building. The purchase of the land was completed in April 2023.

Net cash used in financing activities includes the repurchase of 1.7 million shares of IAC common stock, on a settlement date basis, for $84.7 million at an average price of $51.16 per share, principal payments on Dotdash Meredith Term Loan A and Dotdash Meredith Term Loan B of $7.5 million, withholding taxes paid on behalf of IAC employees, excluding Angi Inc., for stock-based awards that were net settled of $2.2 million and withholding taxes paid on behalf of Angi Inc. employees for stock-based awards that were net settled of $1.4 million.

Liquidity and Capital Resources

Investment in MGM

At March 31, 2024, the Company owns 64.7 million common shares of MGM. Based on the number of MGM common shares outstanding at March 31, 2024, the Company owns 20.6% of MGM.

Investment in Turo

At March 31, 2024, IAC's aggregate percentage ownership in Turo is approximately 29%, on an as-converted basis. The Company has a warrant in Turo that expires on July 23, 2024 and has the option to gross or net settle the instrument. The Company is currently assessing its options and, if gross settled, the Company expects to use approximately $200 million in cash.

Share Repurchase Authorizations and Activity

At May 3, 2024, IAC had 3.7 million shares remaining in its share repurchase authorization.

During the three months ended March 31, 2024, Angi repurchased 2.8 million shares of its Class A common stock, on a trade date basis, at an average price of $2.37 per share, or $6.7 million in aggregate. During the fourth quarter of 2023, Angi Inc. announced its intent to utilize the remaining 14.0 million shares in its stock repurchase authorization. From April 1, 2024 through May 3, 2024, Angi Inc. repurchased an additional 3.1 million shares of its common stock, on a trade date basis, at an average price of $2.22 per share, or $6.8 million in aggregate. At May 3, 2024, Angi Inc. had 4.7 million shares remaining in its share repurchase authorization.

IAC and Angi Inc. may purchase their shares pursuant to their authorizations over an indefinite period of time in the open market and in privately negotiated transactions, depending on those factors management deems relevant at any particular time, including, without limitation, market conditions, price and future outlook.

Contractual Obligations

At March 31, 2024, there have been no material changes to the Company's contractual obligations since the disclosures for the year ended December 31, 2023, included in the Company's Annual Report on Form 10-K.

Capital Expenditures

The Company anticipates that it will need to make capital expenditures in connection with the development and expansion of its operations. The Company's 2024 capital expenditures are expected to be lower than its 2023 capital expenditures of $141.4 million by approximately 40% to 50%, due primarily to the acquisition of the formerly leased land under IAC's New York City headquarters building in 2023, partially offset by an increase related to capitalized software at Angi Inc.

Liquidity Assessment

On a consolidated basis, the Company generated positive cash flows from operating activities of $64.1 million for the three months ended March 31, 2024; excluding the positive cash flows from operating activities of $56.2 million and $22.3 million generated by Dotdash Meredith and Angi Inc., respectively, the Company generated negative cash flows from operating activities of $14.4 million.

At March 31, 2024, the Company's consolidated cash, cash equivalents and marketable securities, excluding MGM, were $1.6 billion, of which $363.3 million and $268.7 million was held by Angi Inc. and Dotdash Meredith, respectively. The Company's consolidated debt includes approximately $1.5 billion, which is a liability of Dotdash Meredith Inc., and $500.0 million, which is a liability of ANGI Group, a subsidiary of Angi Inc. The Dotdash Meredith Credit Agreement contains covenants that would limit Dotdash Meredith's ability to pay dividends, incur incremental secured indebtedness, or make distributions or certain investments in the event a default has occurred or if Dotdash Meredith's consolidated net leverage ratio exceeds 4.0 to 1.0, subject to certain available amounts as defined in the Dotdash Meredith Credit Agreement. This ratio was exceeded for the test period ended March 31, 2024. The Dotdash Meredith Credit Agreement also permits IAC to, among other things, contribute cash to Dotdash Meredith which will provide additional liquidity to ensure that Dotdash Meredith does not exceed certain consolidated net leverage ratios for any test period, as further defined in the Dotdash Meredith Credit Agreement. In connection with these capital contributions, Dotdash Meredith may make distributions to IAC in amounts not more than any such capital contributions, provided that no default has occurred and is continuing. Such capital contributions and subsequent distributions impact the consolidated net leverage ratios of Dotdash Meredith. In the three months ended March 31, 2024, IAC contributed $55 million to Dotdash Meredith, which Dotdash Meredith subsequently distributed back to IAC in April 2024. In addition, Dotdash Meredith distributed $105 million back to IAC in January 2024 related to the Company's contribution in December 2023. Angi Inc. is an independent public company with its own public shareholders and board of directors and has no obligation to provide the Company with funds. As a result, the Company cannot freely access the cash of Angi Inc. and its subsidiaries.

The Company's liquidity could be negatively affected by a decrease in demand for its products and services due to economic or other factors.

The Company believes Angi Inc.'s and Dotdash Meredith's existing cash, cash equivalents and expected positive cash flows from operations, and the Company's existing cash and cash equivalents and expected positive cash flows from operations, excluding Angi Inc. and Dotdash Meredith, will be sufficient to fund their respective normal operating requirements, including capital expenditures, debt service, the payment of withholding taxes paid on behalf of employees for net-settled stock-based awards and investing and other commitments for the next twelve months. The Company may need to raise additional capital through future debt or equity financing to make acquisitions and investments. Additional financing may not be available on terms favorable to the Company, or at all, and may also be impacted by any disruptions in the financial markets. The indebtedness at Dotdash Meredith and Angi Inc. could further limit the Company's ability to raise additional financing.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Equity Price Risk

At March 31, 2024, the Company owns 64.7 million common shares of MGM. During the fourth quarter of 2023, due to MGM's ongoing share repurchase program, which increased the Company's ownership interest passively, the Company determined that the equity method of accounting applied and elected to account for its investment in MGM pursuant to the fair value option. Prior to the fourth quarter of 2023, the Company's investment in MGM was accounted for as an equity security with a readily determinable fair value, with changes in fair value recognized through income each period. Since the Company has always marked its investment in MGM to fair value through income each period the election of the fair value option results in no change from its historical accounting for this investment. For the three months ended March 31, 2024 and 2023, the Company recognized an unrealized gain of $163.8 million and $704.8 million, respectively, on its investment in MGM.

The cumulative unrealized net pre-tax gain through March 31, 2024 is $1.8 billion. At March 31, 2024 and December 31, 2023, the carrying value of the Company's investment in MGM, which includes the cumulative unrealized pre-tax gains, was $3.1 billion and $2.9 billion, or approximately 29% and 28% of the Company's consolidated total assets, respectively. A $2.00 increase or decrease in the share price of MGM would result in an unrealized gain or loss, respectively, of $129.4 million. At May 3, 2024, the fair value of the Company's investment in MGM was $2.66 billion. The Company's results of operations and financial condition have in the past been and may in the future be materially impacted by increases or decreases in the price of MGM common shares, which are traded on the New York Stock Exchange.

Interest Rate Risk

At March 31, 2024, the principal amount of the Company's outstanding debt totals $2.03 billion, of which $1.53 billion is the Dotdash Meredith Term Loans, which bear interest at a variable rate, and $500 million is the ANGI Group Senior Notes, which bear interest at a fixed rate.

In March 2023, Dotdash Meredith entered into interest rate swaps on the Dotdash Meredith Term Loan B for a total notional amount of $350 million with a maturity date of April 1, 2027. The interest rate swaps synthetically converted $350 million of the Dotdash Meredith Term Loan B for the duration of the interest rate swaps from a variable rate to a fixed rate to manage interest rate risk exposure beginning on April 3, 2023 and applies hedge accounting to these contracts. See "Note 1—The Company and Summary of Significant Accounting Policies" and "Note 3—Long-term Debt" to the financial statements included in "Item 1—Consolidated Financial Statements" for more information. The fair value of the interest rate swaps is determined using discounted cash flows derived from observable market prices, including swap curves, and represents what Dotdash Meredith would pay or receive to terminate the swap agreements. Dotdash Meredith intends to continue to meet the conditions for hedge accounting, however, if these interest rate swaps were not highly effective in offsetting cash flows attributable to the hedged risk, the changes in the fair value of the interest rate swaps used as hedges could have a significant impact on future results of operations.

During the three months ended March 31, 2024, adjusted term secured overnight financing rate ("Adjusted Term SOFR") for the Dotdash Meredith Term Loans decreased an average of approximately two basis points relative to December 31, 2023. Had Adjusted Term SOFR been unchanged during the first quarter of 2024, the impact of this decrease would have had a nominal effect on interest expense. At March 31, 2024, the outstanding balance of $1.22 billion related to the Dotdash Meredith Term Loan B bore interest at Adjusted SOFR, subject to a minimum of 0.50%, plus 4.00%, or 9.43%, and the outstanding balance of $310.6 million related to the Dotdash Meredith Term Loan A bore interest at Adjusted Term SOFR plus 2.25%, or 7.68%. If Adjusted Term SOFR were to increase or decrease by 100 basis points, the annual interest expense on the Dotdash Meredith Term Loans, net of the impact related to the $350 million in notional amount of interest rate swaps, would increase or decrease by $11.8 million.

If market rates decline relative to interest rates on the ANGI Group Senior Notes, the Company runs the risk that the related required interest payments will exceed those based on market rates. A 100-basis point increase or decrease in the level of interest rates would, respectively, decrease or increase the fair value of the fixed-rate debt by $19.3 million. Such potential increase or decrease in fair value is based on certain simplifying assumptions, including an immediate increase or decrease in the level of interest rates with no other subsequent changes for the remainder of the period, nor changes in the credit profile.

Item 4. *Controls and Procedures*

As required by Rule 13a-15(b) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), management, including our Chairman and Senior Executive, Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), conducted an evaluation, as of the end of the period covered by this quarterly report, of the effectiveness of the Company's disclosure controls and procedures as defined by Rule 13a-15(e) under the Exchange Act. Based on this evaluation, our Chairman and Senior Executive, CEO and CFO concluded that the Company's disclosure controls and procedures were effective as of the end of the period covered by this quarterly report.

The Company monitors and evaluates on an ongoing basis its internal control over financial reporting in order to improve its overall effectiveness. In the course of these evaluations, the Company modifies and refines its internal processes as conditions warrant.

During the quarter ended March 31, 2024, there have been no changes to our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

PART II
OTHER INFORMATION

Item 1. *Legal Proceedings*

Overview

In the ordinary course of business, IAC and its subsidiaries may become parties to litigation involving property, personal injury, contract, intellectual property and other claims, as well as stockholder derivative actions, class action lawsuits and other matters. The amounts that may be recovered in such matters may be subject to insurance coverage. The litigation matter described below involves issues or claims that may be of particular interest to IAC's stockholders, regardless of whether such matter may be material to IAC's financial position or operations based upon the standard set forth in the rules of the Securities and Exchange Commission.

Shareholder Litigation Arising Out of the MTCH Separation

This shareholder class action pending in Delaware state court is described in detail under the captions Part I-Item 3-Legal Proceedings of our annual report on Form 10-K for the fiscal year ended December 31, 2023 (pages 34-35). See In re Match Group, Inc. Derivative Litigation, No. 2020-0505 (Delaware Chancery Court). This lawsuit alleges that the terms of the MTCH Separation (as defined on page 25 of this quarterly report) are unfair to the former Match Group public shareholders and unduly beneficial to IAC as a result of undue influence by IAC and Mr. Diller over the then Match Group directors who unanimously approved the transaction and asserts a variety of claims. As previously reported, the Delaware Chancery Court granted the defendants' motion to dismiss the action in September 2022, and the plaintiffs appealed to the Delaware Supreme Court. Following oral argument on the plaintiffs' appeal, in May 2023, the Delaware Supreme Court issued an order directing the parties to submit supplemental briefing on the correct legal standard governing judicial review of the MTCH Separation, namely whether review under the more deferential business-judgment rule is triggered when such a transaction has been approved by *either* a committee of independent directors *or* a majority vote of the minority stockholders. Supplemental briefing was completed in September 2023 and the court heard further oral argument from the parties in December 2023.

On April 4, 2024, the Delaware Supreme Court issued its decision, holding: (i) that in order to be subject to review under the more deferential business-judgment rule, rather than "entire fairness" review, the MTCH Separation transaction must have been approved by *both* a committee of independent directors *and* a majority vote of the Match Group minority shareholders, (ii) that the Delaware Chancery Court correctly ruled that the plaintiffs had pleaded sufficient facts to call into question the independence of one of the three members of the special committee that had negotiated and approved the transaction, (iii) that the Delaware Chancery Court had incorrectly ruled that the plaintiffs had nevertheless failed to call into question the independence of the special committee as a whole, because all members of the committee must be independent in order for the committee as a whole to be independent, and (iv) that the Delaware Chancery Court had correctly dismissed the plaintiffs' derivative claims for lack of standing, leaving only their direct claims for adjudication. The Delaware Supreme Court remanded the case to the Delaware Chancery Court for further proceedings, and the case will now proceed to discovery.

IAC believes that the allegations in this litigation are without merit and will continue to defend vigorously against them.

Item 1A. *Risk Factors*

Cautionary Statement Regarding Forward-Looking Information

This quarterly report on Form 10-Q contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. The use of words such as "anticipates," "estimates," "expects," "plans" and "believes," among others, generally identify forward-looking statements. These forward-looking statements include, among others, statements relating to: IAC's future financial performance, IAC's business prospects and strategy, anticipated trends and prospects in the industries in which IAC's businesses operate and other similar matters. These forward-looking statements are based on IAC management's expectations and assumptions about future events as of the date of this quarterly report, 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: (i) our ability to market our products and services in a successful and cost-effective manner, (ii) the display of links to websites offering our products and services in a prominent manner in search results, (iii) changes in our relationship with (or policies implemented by) Google, (iv) our ability to compete with generative artificial intelligence technology and the related disruption to marketing technologies, (v) the failure or delay of the markets and industries in which our businesses operate to migrate online and the continued growth and acceptance of online products and services as effective alternatives to traditional products and services, (vi) our continued ability to develop and monetize versions of our products and services for mobile and other digital devices, (vii) adverse economic events or trends that adversely impact advertising spending levels, (viii) the ability of our Digital business to successfully expand the digital reach of our portfolio of publishing brands, (ix) our continued ability to market, distribute and monetize our products and services through search engines, digital app stores, advertising networks and social media platforms, (x) risks related to our Print business (declining revenue, increased paper and postage costs, reliance on a single supplier to print our magazines and potential increases in pension plan obligations), (xi) our ability to establish and maintain relationships with quality and trustworthy service professionals and caregivers, (xii) the ability of Angi Inc. to expand its pre-priced offerings, while balancing the overall mix of service requests and directory services on Angi platforms, (xiii) the ability of Angi Inc. to continue to generate leads for service professionals given changing requirements applicable to certain communications with consumers, (xiv) our ability to access, collect and use personal data about our users and subscribers, (xv) our ability to engage directly with users, subscribers, consumers, service professionals and caregivers on a timely basis, (xvi) the ability of our Chairman and Senior Executive, certain members of his family and our Chief Executive Officer to exercise significant influence over the composition of our board of directors, matters subject to stockholder approval and our operations, (xvii) risks related to our liquidity and indebtedness (the impact of our indebtedness on our ability to operate our business, our ability to generate sufficient cash to service our indebtedness and interest rate risk), (xviii) our inability to freely access the cash of Dotdash Meredith and/or Angi Inc. and their respective subsidiaries, (xix) dilution with respect to investments in IAC and Angi Inc., (xx) our ability to compete, (xxi) adverse economic events or trends (particularly those that adversely impact consumer confidence and spending behavior), either generally and/or in any of the markets in which our businesses operate, as well as geopolitical conflicts, (xxii) our ability to build, maintain and/or enhance our various brands, (xxiii) our ability to protect our systems, technology and infrastructure from cyberattacks and to protect personal and confidential user information (including credit card information), as well as the impact of cyberattacks experienced by third parties, (xxiv) the occurrence of data security breaches and/or fraud, (xxv) increased liabilities and costs related to the processing, storage, use and disclosure of personal and confidential user information, (xxvi) the integrity, quality, efficiency and scalability of our systems, technology and infrastructure (and those of third parties with whom we do business) and (xxvii) changes in key personnel.

Certain of these and other risks and uncertainties are discussed in our filings with the SEC, including under the caption Part I-Item 1A-Risk Factors of our annual report on 10-K for the fiscal year ended December 31, 2023. Other unknown or unpredictable factors that could also adversely affect IAC's business, financial condition and results of operations may arise from time to time. In light of these risks and uncertainties, the forward-looking statements discussed in this quarterly report 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 management as of the date of this quarterly report. IAC does not undertake to update these forward-looking statements.

Risk Factors

In addition to the other information set forth in this quarterly report, you should carefully consider the risk factors discussed under the caption Part I-Item 1A-Risk Factors of our annual report on 10-K for the fiscal year ended December 31, 2023, any or all of which could materially and adversely affect IAC's business, financial condition or results of operations. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially and adversely affect IAC's business, financial condition and/or results of operations.

Item 2. ***Unregistered Sales of Equity Securities and Use of Proceeds***

Unregistered Sales of Equity Securities

The Company did not issue or sell any shares of its common stock or any other equity securities pursuant to unregistered transactions during the quarter ended March 31, 2024.

Issuer Purchases of Equity Securities

The Company did not purchase any shares of its common stock during the quarter ended March 31, 2024. As of that date, 3,686,692 shares of IAC common stock remained available for repurchase under the Company's previously announced June 2020 repurchase authorization. The Company may repurchase shares of its common stock pursuant to this repurchase authorization over an indefinite period of time in the open market and in privately negotiated transactions, depending on those factors IAC management deems relevant at any particular time, including (without limitation) market conditions, share price and future outlook.

Item 5. ***Other Information***

Rule 10b5-1 Trading Plans

During the quarter ended March 31, 2024, none of the Company's directors or officers adopted or terminated a Rule 10b5-1 trading plan or non-Rule 10b5-1 trading arrangement (as such terms are defined in Item 408(a) of Regulation S-K).

Item 6. ***Exhibits***

The documents set forth below, numbered in accordance with Item 601 of Regulation S-K, are filed herewith, incorporated by reference to the location indicated or furnished herewith.

Exhibit Number	Description	Location
3.1	Restated Certificate of Incorporation of IAC Inc.	Exhibit 3.1 to the Registrant's Annual Report on Form 10-K for the fiscal year ended December 31, 2022.
3.2	Restated Certificate of Incorporation of IAC/InterActiveCorp.	Exhibit 3.1(c) to the Registrant's Current Report on Form 8-K filed on July 2, 2020.
3.3	Certificate of Amendment of Restated Certificate of Incorporation of IAC/InterActiveCorp.	Exhibit 4.2 to Post-Effective Amendment No. 1 on Form S-8 to Registration Statement on Form S-4 (File No. 333-251656), filed by the Registrant on May 26, 2021.
3.4	Certificate of Amendment of Restated Certificate of Incorporation of IAC Inc.	Exhibit 3.1 to the Registrant's Current Report on Form 8-K, filed on August 12, 2022.
3.5	Certificate of Designations of Series A Cumulative Preferred Stock.	Exhibit 3.2 to the Registrant's Current Report on Form 8-K filed on July 2, 2020.
3.6	Amended and Restated By-Laws of IAC Inc.	Exhibit 3.1 to the Registrant's Current Report on Form 8-K, filed on September 18, 2023.
10.1	Joinder and Reaffirmation Agreement, dated as of March 1, 2024, by and among Dotdash Meredith Inc. (f/k/a Dotdash Media Inc.), as Borrower, and JPMorgan Chase Bank, N.A., as administrative agent, and the other parties thereto.(1)	
31.1	Certification of the Chairman and Senior Executive pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act.(1)	
31.2	Certification of the Chief Executive Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act.(1)	
31.3	Certification of the Chief Financial Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934 as adopted pursuant to Section 302 of the Sarbanes-Oxley Act.(1)	
32.1	Certification of the Chairman and Senior Executive pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act.(2)	

32.2	Certification of the Chief Executive Officer and Acting Chief Financial Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act.(2)	
32.3	Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act.(2)	
101.INS	Inline XBRL Instance.(1)	The instance document does not appear in the interactive data file because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema.(1)	
101.CAL	Inline XBRL Taxonomy Extension Calculation.(1)	
101.DEF	Inline XBRL Taxonomy Extension Definition.(1)	
101.LAB	Inline XBRL Taxonomy Extension Labels.(1)	
101.PRE	Inline XBRL Taxonomy Extension Presentation.(1)	
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101).	

(1) Filed herewith.

(2) Furnished herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: May 7, 2024

IAC INC.

By: /s/ CHRISTOPHER HALPIN

Christopher Halpin

Executive Vice President, Chief Financial Officer and Chief Operating Officer

Signature	Title	Date
/s/ CHRISTOPHER HALPIN Christopher Halpin	Executive Vice President, Chief Financial Officer and Chief Operating Officer	May 7, 2024

Exhibit 10.1

EXECUTION VERSION

JOINDER AND REAFFIRMATION AGREEMENT

JOINDER AND REAFFIRMATION AGREEMENT, dated as of March 1, 2024 (this "Agreement"), among Dotdash Meredith, Inc. (the "Existing Borrower"), Dotdash Meredith Inc. (f/k/a Dotdash Media Inc.) (the "Successor Borrower"), each of the subsidiaries of the Borrower set forth on Schedule 1 hereto (the "Reaffirming Parties"), and JPMORGAN CHASE BANK, N.A., as administrative agent (the "Administrative Agent") for the Lenders under the Credit Agreement referred to below and as collateral agent (the "Collateral Agent") for the Secured Parties.

W I T N E S S E T H:

WHEREAS, reference is hereby made to that certain Credit Agreement, dated as of December 1, 2021 (as may be further amended, restated, extended, supplemented or otherwise modified from time to time, the "Credit Agreement"), among the Existing Borrower, the Lenders, the Administrative Agent and the other parties thereto;

WHEREAS, pursuant to the Certificate of Ownership and Merger, effective as of the date hereof, between the Existing Borrower and the Successor Borrower and attached as Exhibit A hereto, the Existing Borrower has merged into the Successor Borrower (the "Merger");

WHEREAS, Section 6.03(vi) of the Credit Agreement expressly permits the Merger, subject to the terms and conditions set forth therein;

WHEREAS, pursuant to Section 6.03(vi) of the Credit Agreement, in connection with the Merger, the Successor Borrower is required to expressly assume all the obligations of the Existing Borrower under the Credit Agreement and the Loan Documents to which the Existing Borrower is a party, and the Successor Borrower will succeed to, and be substituted for, and may exercise every right and power of, the Existing Borrower under the Loan Documents; and

WHEREAS, pursuant to Section 6.03(vi)(B) of the Credit Agreement, in connection with the Merger, each Loan Party is required to reaffirm all of its obligations under the Loan Documents to which it is a party.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto hereby agree as follows:

1. Defined Terms. Unless otherwise defined herein, terms defined in the Credit Agreement and used herein shall have the meanings given to them in the Credit Agreement.

2. Assumption and Joinder of Agreements and Obligations. Effective as of the Effective Date (as defined below), the Successor Borrower hereby becomes a party to the Credit Agreement and each other Loan Document to which the Existing Borrower is a party and expressly assumes, confirms and agrees to perform and observe (or to continue to perform and observe, as applicable) all of the obligations (including, without limitation, all obligations in respect of the Loans), covenants, agreements, terms, conditions, duties and liabilities of the "Borrower", with the same force and effect as if originally named therein as the "Borrower", and a "Pledgor" (as applicable) thereunder and with respect thereto. Without limiting the generality of the foregoing, the Successor Borrower (i) hereby continues to grant to the Collateral Agent for the benefit of the Secured Parties a security interest in all Collateral owned by it to secure the Obligations and (ii) hereby agrees to take all actions required under the Security Agreement to perfect the Liens on the Collateral owned by the Successor Borrower. The Successor Borrower hereby represents and warrants that the Merger does not cause the information set forth in the Schedules to the

Security Agreement (after giving effect to any supplements delivered at or prior to the date hereof) to be inaccurate in any material respect as of the date of the most recent supplement (and giving pro forma effect to the Merger) (other than removal of references to the Existing Borrower or updates to the name of the Successor Borrower).

3. Release of Existing Borrower. The Existing Borrower is hereby released from the obligation to pay the principal of and interest on the Loans and all of the Existing Borrower's other obligations and covenants under the Credit Agreement, the Security Agreement, and the other Loan Documents.

4. Representations and Warranties. The Successor Borrower represents and warrants to each of the Lenders that as of the Effective Date:

   a. The Successor Borrower is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization, has all requisite power and authority to carry on its business as now conducted and is qualified to do business in, and is in good standing in, every jurisdiction where such qualification is required, except, in each case, where the failure to do so, individually or in the aggregate, would not reasonably be expected to result in a Material Adverse Effect.

   b. This Agreement has been duly authorized by all necessary corporate or other organizational action by the Successor Borrower. This Agreement has been duly executed and delivered by the Successor Borrower.

   c. This Agreement, the Credit Agreement and each other Loan Document to which it is a party constitutes a legal, valid and binding obligation of the Successor Borrower, enforceable against the Successor Borrower in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights or remedies generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

   d. After giving effect to the Merger and this Agreement, to the extent required pursuant to the terms of the Collateral Documents and the Credit Agreement, the Collateral owned by the Successor Borrower will continue to be subject to a Lien in favor of the Collateral Agent.

   e. The Merger has occurred or will occur substantially concurrently with the delivery of this Agreement.

   f. On a pro forma basis after giving effect to the Merger and this Agreement, the Consolidated Net Leverage Ratio of the Successor Borrower is equal to or less than 5.50 to 1.00.

   g. After giving effect to the Merger and this Agreement, no Default or Event of Default has occurred and is continuing.

   h. After giving effect to the Merger and this Agreement, the representations and warranties of each Loan Party set forth in the Credit Agreement and the Security Agreement are true and correct in all material respects (except to the extent that any such representation and warranty is qualified by materiality or Material Adverse Effect, in which case such representation and warranty shall be true and correct in all respects) as of the Effective Date, except to the extent that any such representation and warranty relates to an earlier date (in which case such representation and warranty shall have been true and correct in all material respects (except to the extent that any such representation and warranty is qualified by materiality or Material Adverse Effect, in which case such representation and warranty shall be true and correct in all respects) as of such earlier date.

5. Amendment to Loan Documents. All references to the "Borrower" in the Credit Agreement, the Security Agreement, the Guarantee Agreement, and any of the other Loan Documents shall be deemed to refer to the Successor Borrower, and are hereby amended to give effect to the terms of this Agreement, but only to the extent, necessary to give effect to the terms of this Agreement. Except as expressly set forth herein, (i) this Agreement shall not by implication or otherwise limit, impair, constitute a waiver of or otherwise affect the rights and remedies of the Lenders, the Administrative Agent or the Collateral Agent, in each case under the Credit Agreement or any other Loan Document, and (ii) shall not alter, modify, amend or in any way affect any of the terms, conditions, obligations, covenants or agreements contained in the Credit Agreement or any other provision of either such agreement or any other Loan Document. This Agreement shall constitute a Loan Document for purposes of the Credit Agreement and from and after the Effective Date, all references to the Credit Agreement in any Loan Document and all references in the Credit Agreement to "this Agreement", "hereunder", "hereof" or words of like import referring to the Credit Agreement, shall, unless expressly provided otherwise, refer to the Credit Agreement after giving effect to this Agreement.

6. Reaffirmation of Loan Documents. Each Reaffirming Party hereby acknowledges its receipt of a copy of this Agreement and its review of the terms and conditions hereof and consents to the terms and conditions of this Agreement and the transactions contemplated hereby. Each Reaffirming Party hereby (a) affirms and confirms its guarantees and other commitments under the Guarantee Agreement, as amended hereby, and (b) agrees that the Guarantee Agreement, as amended hereby, is in full force and effect and shall accrue to the benefit of the Secured Parties to guarantee the Obligations after giving effect to this Agreement. The Successor Borrower and each Reaffirming Party hereby (a) affirms and confirms its pledges, grants and other commitments under the Security Agreement, as amended hereby, and (b) agrees that the Security Agreement is in full force and effect after giving effect to this Agreement and shall accrue to the benefit of the Secured Parties to secure the Obligations after giving effect to this Agreement. This Agreement is not in- tended to constitute a novation of the Credit Agreement or any of the other Loan Documents as in effect prior to the Effective Date.

7. Governing Law; Waiver of Jury Trial; Jurisdiction; Consent to Service of Process. This Agreement and any claims, controversy, dispute or cause of action (whether in contract or otherwise) based upon, arising out of or relating to this Agreement and the transactions contemplated hereby shall be governed by and construed in accordance with the law of the State of New York. The Borrower and each other Loan Party hereby agrees that this Agreement is a Loan Document governed by Sections 9.10 and 9.11 of the Credit Agreement relating to waiver of jury trial, jurisdiction, consent to service of process and the other matters covered therein.

8. Counterparts. This Agreement may be executed in any number of counterparts and by different parties hereto on separate counterparts, each of which when so executed and delivered shall be deemed to be an original, but all of which when taken together shall constitute a single instrument. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to this Amendment and/or any document to be signed in connection with this Agreement and the transactions contemplated hereby shall be deemed to include Electronic Signatures (as defined below), deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be. "Electronic Signatures" means any electronic symbol or process attached to, or associated with, any contract or other record and adopted by a person with the intent to sign, authenticate or accept such con- tract or record.

9. Section Headings. The section headings in this Agreement are for convenience of reference only and are not to affect the construction hereof or to be taken into consideration in the interpretation hereof.

10. Severability. Any provision of this Agreement that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without

invalidating the remaining provisions hereof, and any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

11. Successors and Assigns. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

[*The Remainder of This Page is Left Intentionally Blank*]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered by their respective proper and duly authorized officers as of the date first set forth above.

DOTDASH MEREDITH, INC.

By: Nick Stoumpas
Name: Nick Stoumpas
Title: Vice President and Treasurer

DOTDASH MEREDITH INC. F/K/A DOTDASH MEDIA INC.

By: Nick Stoumpas
Name: Nick Stoumpas
Title: Vice President and Assistant Treasurer

ALLRECIPES.COM, INC.
BIZRATE INSIGHTS INC.
EATING WELL, LLC
ENTERTAINMENT WEEKLY, LLC
HEALTH MEDIA VENTURES INC.
MEREDITH HOLDINGS CORPORATION
MEREDITH OPERATIONS CORPORATION
MNI TARGETED MEDIA INC.
NEWSUB MAGAZINE SERVICES LLC
NSSI HOLDINGS INC.
SHOPNATION, INC.
SOUTHERN PROGRESS CORPORATION
SYNAPSE GROUP, INC.
TI CIRCULATION HOLDINGS LLC
TI CONSUMER MARKETING, INC.
TI GOTHAM INC.
TI INC. AFFLUENT MEDIA GROUP
TI INC. BOOKS
TI INC. VENTURES
TI LIFESTYLE GROUP, LLC
TI MAGAZINE HOLDINGS LLC
TI PUBLISHING VENTURES, INC.
TI SALES HOLDINGS LLC

By: Nick Stoumpas
Name: Nick Stoumpas
Title: Vice President and Assistant Treasurer

Acknowledged and Accepted:

JPMORGAN CHASE BANK, N.A.,
as Administrative Agent and Collateral Agent

By: ______________________________
Name: Matthew Cheung
Title: Executive Director

Schedule 1

Allrecipes.com, Inc. Bizrate Insights Inc. Eating
Well, LLC
Entertainment Weekly, LLC (f/k/a Entertainment Weekly Inc) Health Media Ventures Inc.
Meredith Holdings Corporation Meredith Operations Corporation
MNI Targeted Media Inc.
Newsub Magazine Services LLC NSSI Holdings Inc.
ShopNation, Inc.
Southern Progress Corporation Synapse Group, Inc.
TI Circulation Holdings LLC TI Consumer Marketing, Inc. TI
Gotham Inc.
TI Inc. Affluent Media Group TI Inc. Books
TI Inc. Ventures
TI Lifestyle Group, LLC (f/k/a TI Inc. Lifestyle Group) TI Magazine Holdings LLC
TI Publishing Ventures, Inc. TI Sales Holdings LLC

Exhibit A

[Certificate of Ownership and Merger] [See attached]

CERTIFICATE OF OWNERSHIP AND MERGER MERGING

DOTDASH MEREDITH, INC. WITH AND INTO

DOTDASH MEDIA INC.

Pursuant to Section 253 of the General Corporation Law of the State of Delaware ("DGCL")

Dotdash Meredith, Inc., a corporation organized and existing under and by virtue of the Delaware General Corporation Law (hereinafter referred to as the "Corporation"), does hereby certify:

1. The constituent business corporations participating in the merger herein certified (the "Merger") are:

   (a) The Corporation, which was incorporated under the laws of the State of Delaware on October 14, 2021 *(Parent Corporation)*; and

   (b) Dotdash Media Inc. (the "Subsidiary"), which was incorporated under the laws of the State of Delaware on November 17, 1998 *(Subsidiary Corporation; Surviving Corporation)*.

   The Subsidiary shall be the surviving corporation of the Merger.

2. The Corporation owns all of the issued and outstanding shares of capital stock of the Subsidiary.

3. The Merger is to become effective on the date this Certificate of Ownership and Merger is filed with the Secretary of State of the State of Delaware.

4. Upon effectiveness of the Merger, the name of the Subsidiary shall be amended to "Dotdash Meredith Inc.".

5. The Corporation, by the following resolutions of its Board of Directors, duly adopted by written consent without a Board of Directors' meeting on March 1, 2024, pursuant to Section 141(f) of the Delaware General Corporation Law, as amended, determined to merge itself with and into the Subsidiary, and to change the Subsidiary's name to "Dotdash Meredith Inc.", pursuant to Section 253 of the Delaware General Corporation Law, by the adoption thereof:

Resolutions of the Board of Directors of Dotdash Meredith, Inc.

WHEREAS, Ask Media Group, LLC ("AMG") is the owner of 100% of the outstanding equity interests of the Corporation;

WHEREAS, the Corporation is the owner of 100% of the outstanding equity interests of Dotdash Media Inc. (the "Subsidiary");

WHEREAS, to simplify the existing corporate structure of the Corporation and its subsidiaries, it is proposed that the Corporation be merged with and into the Subsidiary pursuant to the laws of the State of Delaware, so that the separate existence of the Corporation shall cease as soon as the merger shall become effective, with the Subsidiary as the surviving corporation and concurrently amend the corporate name of the surviving corporation to Dotdash Meredith Inc., which shall continue to exist under, and be governed by, the laws of the State of Delaware; and

WHEREAS, (i) the merger is intended to qualify as a "reorganization" within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the "Code"), and (ii) these resolutions are hereby adopted as a "plan of reorganization" for purposes of Sections 354 and 361 of the Code.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors hereby approves the proposed merger, and that the Corporation shall be merged with and into its wholly-owned Subsidiary, Dotdash Media Inc.; and it is

FURTHER RESOLVED, that the surviving corporation in the merger shall be Dotdash Media Inc. and the name of the surviving corporation shall be amended to Dotdash Meredith Inc., which shall continue its existence as the surviving corporation under its amended name upon the effective date of said merger pursuant to the provisions of the DGCL; and it is

FURTHER RESOLVED, that said merger shall become effective upon the filing of a Certificate of Ownership and Merger by the Corporation with the Secretary of State of the State of Delaware ("Effective Time"); and it is

FURTHER RESOLVED, that upon effectiveness of said merger, except for the amendment of the corporate name from Dotdash Media Inc. to Dotdash Meredith Inc., the existing Certificate of Incorporation and Bylaws of the Subsidiary, as in force and effect immediately prior to the merger, shall remain unchanged by the merger and continue in full force and effect until further amended in accordance with the provisions of the DGCL; and it is

FURTHER RESOLVED, that from and after the Effective Time, all of the estate, property, investments, rights, privileges, powers, and franchises of the Corporation shall become vested in and be held by the Subsidiary as fully and entirely and without change or diminution as the same were before held and enjoyed by the Subsidiary, and the Subsidiary shall assume all of the obligations of the Corporation; and it is

FURTHER RESOLVED, that at the Effective Time, the Subsidiary shall assume all of the Corporation's liabilities and obligations, the existence, rights, powers, properties and assets of the Corporation shall cease and all rights, privileges, powers, properties and assets of the Corporation shall be vested in the Subsidiary; and it is

FURTHER RESOLVED, that each share of Common Stock (which constitutes all of the outstanding equity interests of the Corporation) of the Corporation issued and outstanding or held in the treasury of the Corporation immediately prior to the Effective Time shall be automatically cancelled and cease to exist, without any conversion thereof; and it is

FURTHER RESOLVED, that equity interests in the Subsidiary shall not be affected, altered or modified in any respect by reason of the merger, and each stock certificate or equivalent proof of share subscription that, immediately prior to the Effective Time, represented shares of Common Stock of the Subsidiary will, from and after the Effective Time, automatically and without the necessity of any action by the holder thereof or presenting the same for exchange (other than the surrender to the Corporation by each holder of Common Stock of the Corporation of any certificate, if any, representing Common Stock of the Corporation), represent the number of shares of Common Stock held by Corporation's sole shareholder, Ask Media Group, LLC (which shall constitute the issuance of stock of the surviving corporation to the holders of Common Stock of the Corporation upon surrender of any certificates therefor, if any, in accordance with Section 253 of the DGCL); and it is

FURTHER RESOLVED, that the Board of Directors directs that the Certificate of Ownership and Merger be submitted to the sole stockholder of the Corporation for its approval and the Board of Directors hereby recommends that such sole stockholder approves the Certificate of Ownership and Merger; and it is

FURTHER RESOLVED, that notwithstanding the foregoing consent for the Corporation to merge with and into the Subsidiary, any one of the proper officers of Corporation may, in his or judgment, abandon such proposed merger without further action by the Board of Directors or its sole stockholder; and it is

FURTHER RESOLVED, that upon obtaining approval of the sole stockholder, the proper officers of the Corporation be, and each of them hereby is, authorized and directed to execute, verify and file a Certificate of Ownership and Merger setting forth a copy of these resolutions to so merge the Corporation and the date of adoption thereof, and to cause the same to be filed with the Secretary of State of the State of Delaware, and to take or cause to be taken any and all such further actions and to prepare, execute and deliver or cause to be prepared, executed and delivered all such further agreements, documents, certificates and undertakings, and to incur all such fees and expenses, as in his or her judgment shall be necessary, desirable, appropriate or advisable to carry out and effectuate the merger; and it is

General Matters

FURTHER RESOLVED, that the Board of Directors hereby adopts, as if expressly set forth herein, the form of any and all resolutions required by any authority to be filed in connection with any applications, reports, filings, consents to service of process, powers of attorney, issuer's covenants and other papers, instruments and documents if, in the opinion of an officer of the Corporation executing the same, the adoption of such resolutions is necessary, desirable, appropriate or advisable, and that the Secretary or any Assistant Secretary of the Corporation be, and each of them hereby is, authorized to evidence such adoption by inserting in these resolutions copies of such resolutions, which will thereupon be deemed to be adopted by the Board of Directors with the same force and effect as if originally set forth herein; and it is

FURTHER RESOLVED, that the proper officers of the Corporation be, and each of them is, authorized, empowered and directed, in the name of and on behalf of the Corporation, to execute and deliver or cause to be executed or delivered any and all agreements, amendments, certificates, reports, applications, notices, letters or other documents and to do or cause to be done any and all such other acts and things as, in the opinion of any such officer, may be necessary, appropriate, or desirable in order to enable the Corporation fully and promptly to carry out the purposes and intent of the foregoing resolutions and any such action taken or any agreement, amendment, certificate, report, application, notice, letter or other document, executed and delivered by them or any of them in connection with any such action shall be conclusive evidence of their or his authority to take, execute and deliver the same; and it is

FURTHER RESOLVED, that all actions previously taken by any officer, director, representative or agent of the Corporation, in the name or on behalf of the Corporation or any of its affiliates in connection with the transactions contemplated by the foregoing resolutions, be, and each of the same hereby is, authorized, adopted, ratified, confirmed and approved in all respects as the act and deed of the Corporation.

6. The Merger has been approved by written consent on March 1, 2024 by the holder of all of the issued and outstanding stock of the Corporation entitled to vote in accordance with the provisions of Section 228 of the Delaware General Corporation Law.

7. The Certificate of Incorporation of the Subsidiary, as in effect immediately prior to the Merger, shall be the Certificate of Incorporation of the surviving corporation, except that Article 1 of the Certificate of Incorporation is hereby amended and restated in its entirety as follows:

"1. The name of the Corporation is Dotdash Meredith Inc."

[The Signature Page Follows.]

IN WITNESS WHEREOF, the Corporation has caused this certificate to be signed by an authorized officer on this 1st day of March, 2024.

DOTDASH MEREDITH, INC.

By: ______________________________

Name: Kendall Handler
Title: Vice President & Assistant Secretary
Date: March 1, 2024

Exhibit 31.1

Certification

I, Barry Diller, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended March 31, 2024 of IAC Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: May 7, 2024

/s/ BARRY DILLER

Barry Diller
Chairman and Senior Executive

Exhibit 31.2

Certification

I, Joseph Levin, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended March 31, 2024 of IAC Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: May 7, 2024

/s/ JOSEPH LEVIN

Joseph Levin
Chief Executive Officer

Exhibit 31.3

Certification

I, Christopher Halpin, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended March 31, 2024 of IAC Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: May 7, 2024

/s/ CHRISTOPHER HALPIN

Christopher Halpin
Executive Vice President, Chief Financial Officer and Chief Operating Officer

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Barry Diller, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to my knowledge:

(1) the Quarterly Report on Form 10-Q for the quarter ended March 31, 2024 of IAC Inc. (the "Report") which this statement accompanies fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of IAC Inc.

Dated: May 7, 2024

/s/ BARRY DILLER

Barry Diller
Chairman and Senior Executive

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Joseph Levin, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to my knowledge:

(1) the Quarterly Report on Form 10-Q for the quarter ended March 31, 2024 of IAC Inc. (the "Report") which this statement accompanies fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of IAC Inc.

Dated: May 7, 2024

/s/ JOSEPH LEVIN
Joseph Levin
Chief Exectuive Officer

Exhibit 32.3

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

I, Christopher Halpin, certify, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, 18 U.S.C. Section 1350, that, to my knowledge:

(1) the Quarterly Report on Form 10-Q for the quarter ended March 31, 2024 of IAC Inc. (the "Report") which this statement accompanies fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of IAC Inc.

Dated: May 7, 2024

/s/ CHRISTOPHER HALPIN
Christopher Halpin
Executive Vice President, Chief Financial Officer and Chief Operating Officer