

Vimeo, Inc.
Q1 2021 Earnings
Supplemental Financial Information and Operating Metrics

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VIMEO INC.

Financial Results and Reconciliations (Unaudited)

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

	2019	2020					2021				
	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31
Revenue	\$ 196.0	\$ 57.0	\$ 67.3	\$ 75.1	\$ 83.8	\$ 283.2	\$ 89.4				
Cost of revenue (exclusive of depreciation shown separately below)	77.7	18.4	22.9	22.9	25.0	89.1	25.0				
Gross profit	118.3	38.6	44.4	52.3	58.8	194.1	64.5				
Gross margin	60%	68%	66%	70%	70%	69%	72%				
Operating expenses:											
Research and development expense	46.9	15.3	16.3	16.5	16.2	64.2	21.5				
Sales and marketing expense	87.3	25.1	26.5	25.6	28.3	105.6	32.1				
General and administrative expense	34.2	12.2	11.0	11.0	15.7	49.8	14.5				
Depreciation	0.5	0.1	0.1	0.1	0.2	0.5	0.1				
Amortization of intangibles	9.7	3.1	2.9	6.6	2.1	14.7	1.9				
Total operating expenses	178.6	55.8	56.8	59.8	62.5	234.9	70.1				
Operating loss	(60.3)	(17.2)	(12.3)	(7.5)	(3.7)	(40.8)	(5.6)				
Interest expense	-	-	-	-	-	-	(0.1)				
Interest expense - related party	(8.5)	(2.5)	(2.4)	(2.2)	(2.1)	(9.1)	(0.7)				
Other (expense) income, net (a)	(6.4)	(0.1)	(0.2)	0.1	0.2	0.1	10.1				
(Loss) earnings before income taxes	(75.2)	(19.7)	(14.9)	(9.6)	(5.6)	(49.8)	3.7				
Income tax (provision) benefit	(0.3)	(0.6)	0.1	(0.2)	(0.2)	(0.8)	(0.4)				
Net (loss) earnings	\$ (75.6)	\$ (20.3)	\$ (14.8)	\$ (9.8)	\$ (5.8)	\$ (50.6)	\$ 3.3				
Diluted weighted average shares outstanding	131.0	141.1	141.2	141.3	146.1	142.4	165.9				
Diluted (loss) earnings per share (b)	\$ (0.58)	\$ (0.14)	\$ (0.10)	\$ (0.07)	\$ (0.04)	\$ (0.36)	\$ 0.02				

	2019	2020					2021				
	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31
Net (loss) earnings	\$ (75.6)	\$ (20.3)	\$ (14.8)	\$ (9.8)	\$ (5.8)	\$ (50.6)	\$ 3.3				
Add back:											
Income tax provision (benefit)	0.3	0.6	(0.1)	0.2	0.2	0.8	0.4				
Other expense (income), net (a)	6.4	0.1	0.2	(0.1)	(0.2)	(0.1)	(10.1)				
Interest expense - related party	8.5	2.5	2.4	2.2	2.1	9.1	0.7				
Interest expense	-	-	-	-	-	-	0.1				
Operating loss	(60.3)	(17.2)	(12.3)	(7.5)	(3.7)	(40.8)	(5.6)				
Add back:											
Stock-based compensation expense	5.3	2.0	4.0	3.5	2.1	11.7	4.9				
Depreciation	0.5	0.1	0.1	0.1	0.2	0.5	0.1				
Amortization of intangibles	9.7	3.1	2.9	6.6	2.1	14.7	1.9				
Adjusted EBITDA (c)	\$ (44.8)	\$ (12.0)	\$ (5.3)	\$ 2.7	\$ 0.7	\$ (13.9)	\$ 1.3				

(a) 2019 includes a realized loss of \$8.2 million related to the sale of the hardware business, and a \$2.0 million realized gain related to the sale of an investment. Q1 2021 includes a gain of \$10.2 million related to the sale of Vimeo's retained interest in its former hardware business.

(b) Quarterly per share amounts for 2020 may not add up to the related annual per share amount due to differences in the number of average common shares outstanding during each period.

(c) 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 amortization of intangible assets and impairments of goodwill and intangible assets, if applicable. Vimeo believes this measure is useful for analysts and investors as this measure allows a more meaningful comparison between Vimeo's performance and that of its competitors. The above items are excluded from Vimeo's Adjusted EBITDA measure because these items are non-cash in nature. Adjusted EBITDA has certain limitations because it excludes the impact of these expenses.

VIMEO, INC.

(rounding differences may occur)

	2019	2020					2021				
	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31	Q1	Q2	Q3	Q4	FYE 12/31
<i>Revenue (\$ in millions)</i>											
Platform (a)	\$ 193.7	\$ 57.0	\$ 67.3	\$ 75.1	\$ 83.8	\$ 283.2	\$ 89.4				
Hardware (b)	2.3	-	-	-	-	-	-				
Total Vimeo Revenue	\$ 196.0	\$ 57.0	\$ 67.3	\$ 75.1	\$ 83.8	\$ 283.2	\$ 89.4				
Subscribers (in thousands) (c)	1,232	1,271	1,395	1,460	1,530	1,530	1,587				
Average Revenue per User ("ARPU") (d) (e)	\$ 180	\$183	\$203	\$209	\$223	\$205	\$233				

(a) Platform Revenue primarily includes subscription SaaS and other related revenue from Vimeo subscribers.

(b) Hardware Revenue included sales of live streaming accessories. Vimeo sold the hardware business in Q1 2019.

(c) The number of users who have an active subscription to one of Vimeo's paid plans measured at the end of the relevant period. Vimeo counts each account with a subscription plan as a subscriber. In the case of enterprise customers who maintain multiple accounts across Vimeo's platforms as part of a single enterprise subscription plan, Vimeo counts only one subscriber. Vimeo does not count team members who have access to a subscriber's account as additional subscribers.

(d) The annualized revenue for the relevant period divided by Average Subscribers. For periods that are less than a full year, annualized revenue is calculated by dividing the revenue for that particular period by the number of calendar days in the period and multiplying this value by the number of days in that year.

(e) Average Subscribers is the sum of the number of Subscribers at the beginning and at the end of the relevant measurement period divided by two.