



# Q4 & FY 2023 Investor Presentation

February 2024

# Safe Harbor Statement

**Forward-Looking Statements.** Our presentation today, including the slides contained herein, contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are not historical facts or guarantees of future performance and are based on management's assumptions and expectations, which are inherently subject to difficult to predict uncertainties, risks and changes in circumstances. The use of words such as "intends," "expects," "may," "believes," "should," "seeks," "intends," "plans," "potential," "will," "projects," "estimates," "anticipates," or similar expressions generally identify forward-looking statements. However, these words are not the exclusive means of identifying such statements, and any statements that refer to expectations, beliefs, plans, predictions, projections, forecasts, objectives, assumptions, models, illustrations, profiles or other characterizations of future events or circumstances are forward-looking statements, including without limitation statements relating to future revenues, expenses, margins, performance, profitability, cash flows, net income/(loss), earnings per share, growth rates and other measures of results of operations (such as adjusted EBITDA) and future growth prospects for Tripadvisor's business. Actual results and the timing and outcome of events may differ materially from those expressed or implied in the forward-looking statements for a variety of reasons, including, among others, those discussed in the "Risk Factors" section of our Annual Report on Form 10-K. Except as required by law, we undertake no obligation to update any forward-looking or other statements in this presentation, whether as a result of new information, future events or otherwise. Investors are cautioned not to place undue reliance on forward-looking statements.

**Non-GAAP Measures.** This presentation also includes discussion of both GAAP and non-GAAP financial measures. Important information regarding Tripadvisor's definitions and use of these measures, as well as reconciliations of the non-GAAP financial measure to the most directly comparable GAAP financial measure are included in the earnings release reporting our fourth quarter and full year 2023 financial results, which are available on the Investor Relations section of our website at [ir.tripadvisor.com](http://ir.tripadvisor.com), and in the "Appendix" section of this document. These non-GAAP measures are intended to supplement, and are not a substitute for comparable GAAP measures. Investors are urged to consider carefully the comparable GAAP measures and reconciliations.

**Industry / Market Data.** Industry and market data used in this presentation have been obtained from industry publications and sources as well as from research reports prepared for other purposes. We have not independently verified the data obtained from these sources and cannot assure you of the data's accuracy or completeness.





The world's most trusted  
source for travel and  
experiences

# Strategic position as the leading platform across the traveler journey



World's largest online travel guidance platform



Leading global online bookable experiences platform



Leading European online restaurant discovery and booking platform

Large  
Global Audience

Trusted  
Brands

Unique,  
Community-Driven  
Content

Strong Partner  
Relationships

**Data**

**Technology**

**World Class Talent**





# Financial Highlights

# Fiscal 2023 Highlights



Branded Hotels revenue  
**growth and stability**

**31%** Experiences & Dining  
revenue growth

Margins reflected the  
balance of **strategic  
investment** and  
disciplined cost  
management



**49%** revenue growth

**Exceeded \$3.7B** in GBV  
(+40% growth)

Achieved **break even for  
the year**, inclusive of  
incremental brand  
investment



**22%** revenue growth

Meaningful **margin  
improvement** driven by  
more balanced  
investment levels

Maintained **stable  
restaurant base** and  
healthy demand

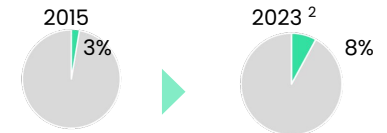
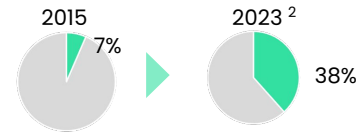
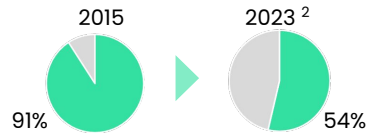


# Tripadvisor Group: A family of brands addressing the traveler journey

A diversified position in the large and growing global travel and experiences industry



Revenue Mix %  
of Total<sup>1</sup>



Fiscal Year  
Revenue<sup>2</sup>

**\$1,031 million**  
7% y/y growth

**\$737 million**  
49% y/y growth

**\$154 million**  
22% y/y growth

Adjusted  
EBITDA<sup>2</sup>  
(% margin)

**\$348 million**  
34%

**\$0 million**  
0%

**(\$14) million**  
-9%

Source: Company filings

Note: Adjusted EBITDA is our segment profit measure and is defined as net income (loss) plus: (1) provision (benefit) for income taxes; (2) other income (expense), net; (3) depreciation and amortization; (4) stock-based compensation and other stock-settled obligations; (5) goodwill, long-lived assets and intangible asset impairments; (6) legal reserves and settlements; (7) restructuring and other related reorganization costs; and (8) non-recurring expenses and income.

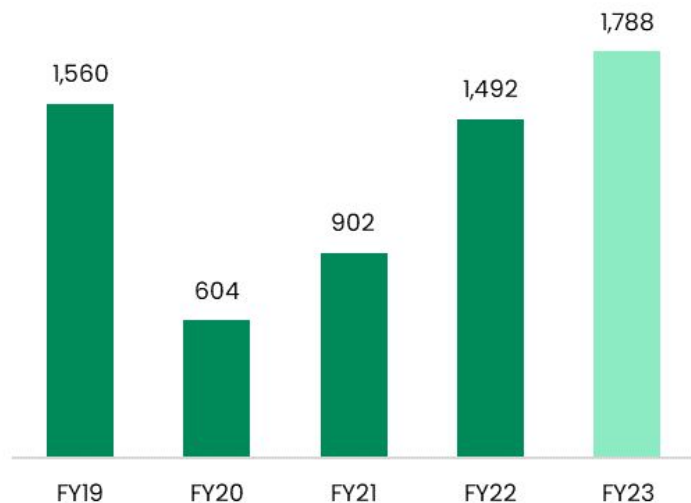
1. Excludes segment eliminations

2. Year ending Dec. 31, 2023

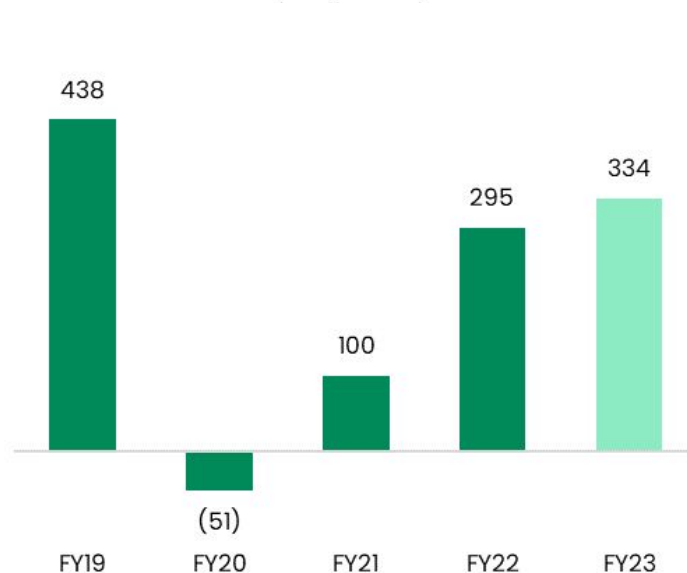


# Annual Consolidated Results: Revenue & Adjusted EBITDA

## Consolidated Revenue (\$M)



## Consolidated Adj. EBITDA (\$M)



As % of Rev

FY19	28%	FY21	11%
FY20	-8%	FY22	20%
FY23	19%		

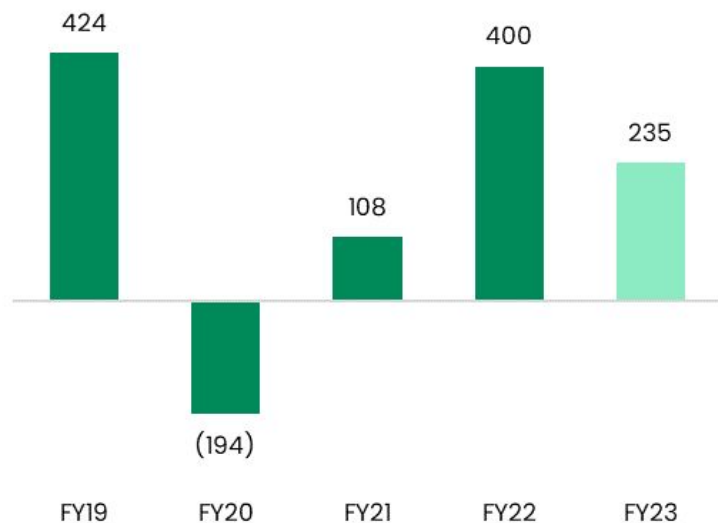
**Note:** Consolidated Adjusted EBITDA is a non-GAAP measure. Please refer to "Non-GAAP Reconciliations" in the Appendix for definitions of our non-GAAP financial measures, as well as reconciliations to the most directly comparable GAAP measure.



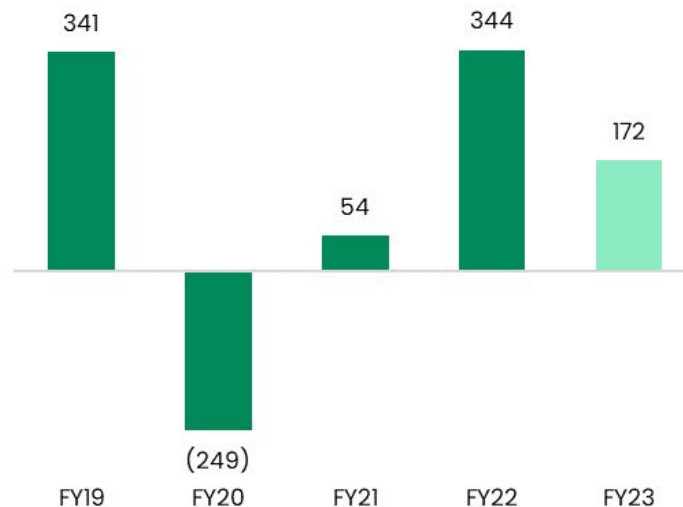


# Annual Consolidated Results: Operating Cash & FCF

## Operating Cash Flow (\$M)



## Free Cash Flow (\$M)



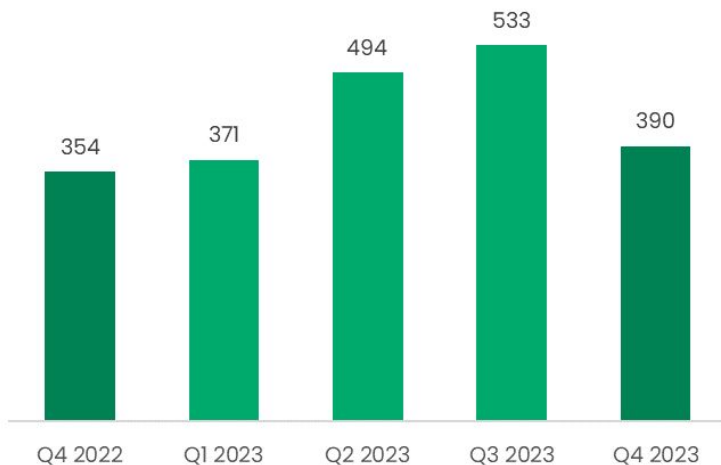
Fiscal year 2022 included the benefit of approximately \$75 million in Cares Act and Covid subsidies at TheFork. Fiscal 2023 included the impact of a net cash outflow of approximately \$60 million related to a previously disclosed IRS settlement

**Note:** Free cash flow is a non-GAAP measure. Please refer to “Non-GAAP Reconciliations” in the Appendix for definitions of our non-GAAP financial measures, as well as reconciliations to the most directly comparable GAAP measure.

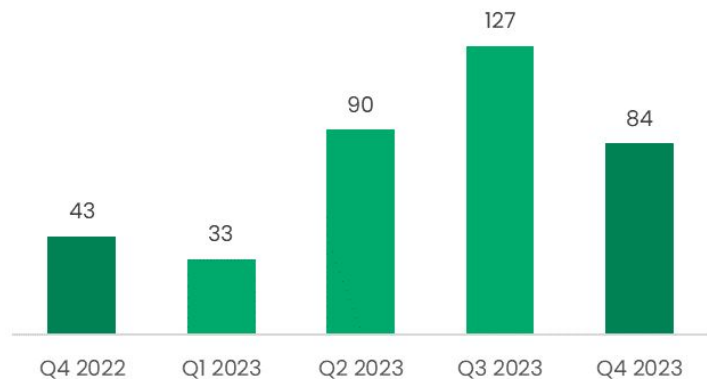


# Consolidated Results: Quarterly Revenue & Adjusted EBITDA

## Consolidated Revenue (\$M)



## Consolidated Adj. EBITDA (\$M)



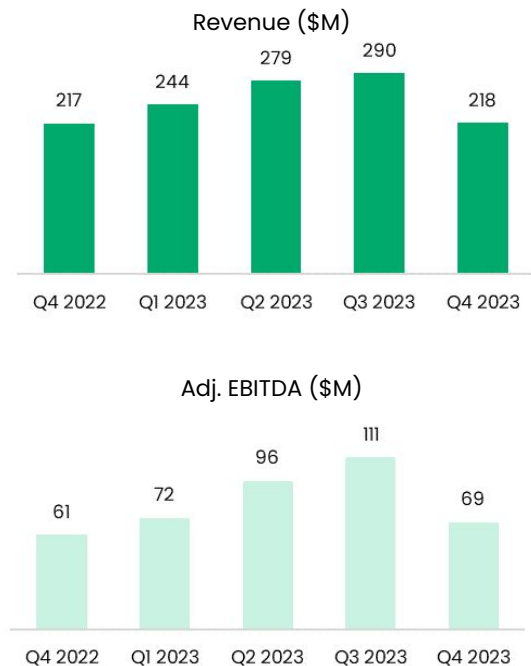
As % of Rev

12%      9%      18%      24%      22%

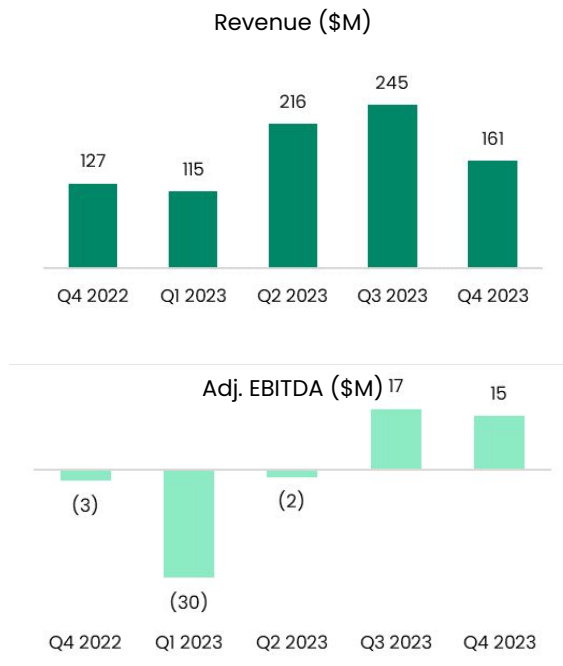


# Quarterly Revenue & Adjusted EBITDA by Segment

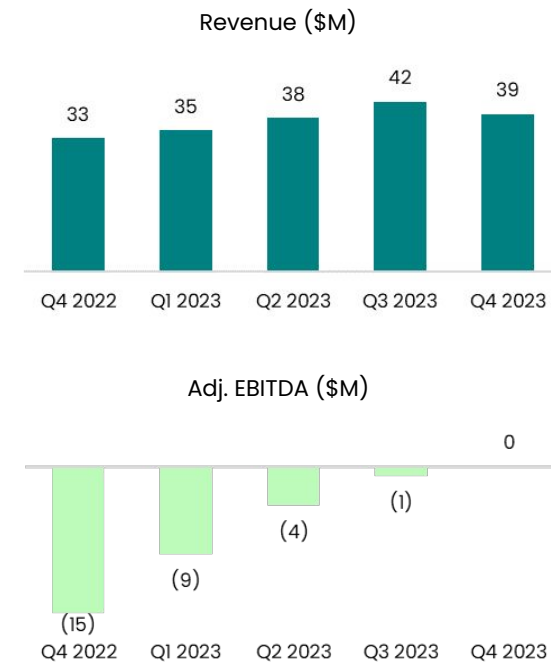
## Brand TripAdvisor



## Viator



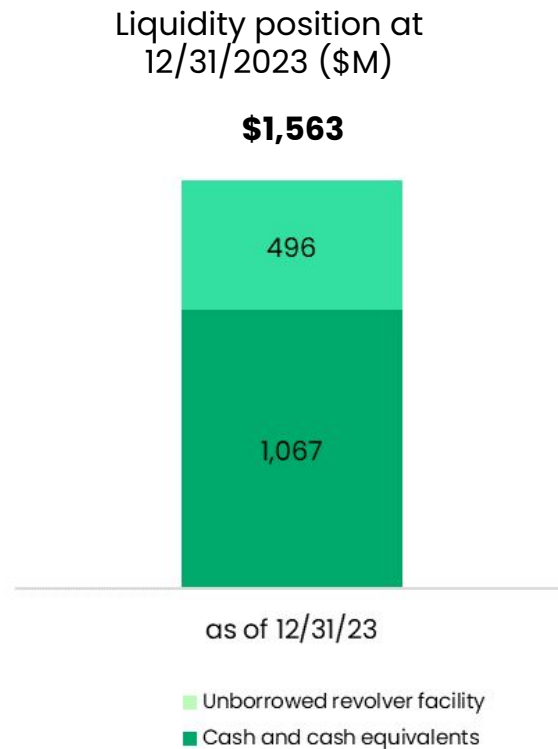
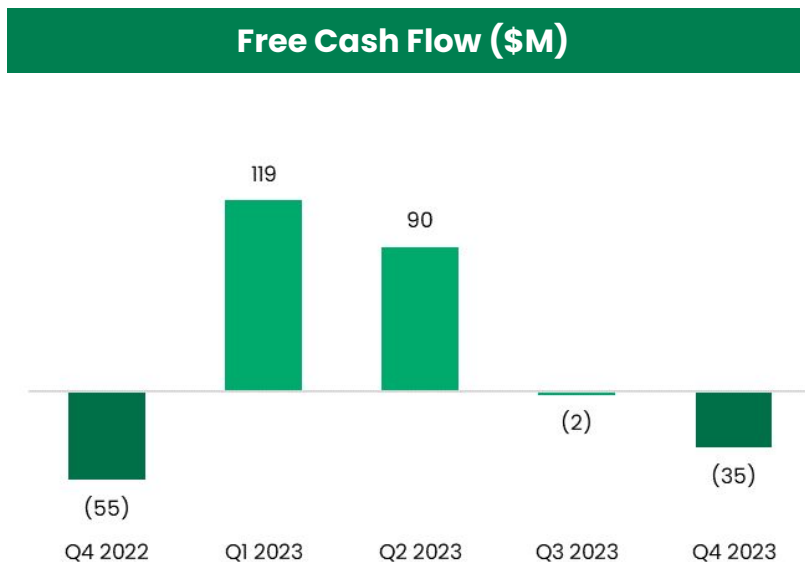
## TheFork



**Note:** Adjusted EBITDA is our segment profit measure and is defined as net income (loss) plus: (1) provision (benefit) for income taxes; (2) other income (expense), net; (3) depreciation and amortization; (4) stock-based compensation and other stock-settled obligations; (5) goodwill, long-lived assets and intangible asset impairments; (6) legal reserves and settlements; (7) restructuring and other related reorganization costs; and (8) non-recurring expenses and income.



# Quarterly Free Cash Flow & Liquidity



Q2 2023 cash from operations and free cash flow included the impact of a U.S. federal tax payment of \$113 million, while Q3 2023 cash from operations and free cash flow included a refund of \$49 million, both related to a previously disclosed IRS audit settlement.

**Note:** Free cash flow is a non-GAAP measure. Please refer to "Non-GAAP Reconciliations" in the Appendix for definitions of our non-GAAP financial measures, as well as reconciliations to the most directly comparable GAAP measure.





# Segment Level Overview



# Brand TripAdvisor

## Overview

### Trusted source for end-to-end travel guidance

#### Travelers:

- Community-driven insight through reviews and forums
- Bookings for hotels, experiences, restaurants, and other categories

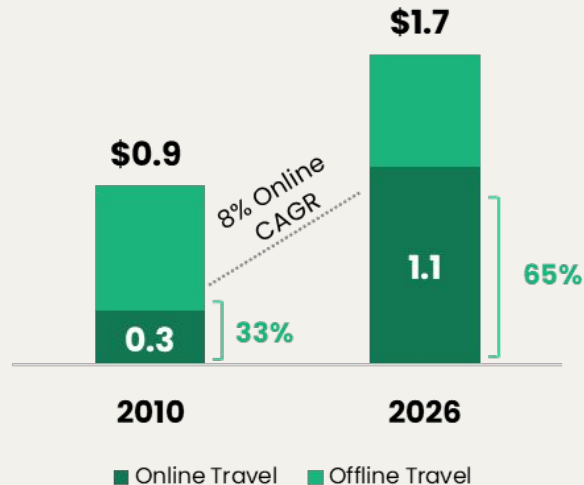
#### Partners:

- Global hotel meta platform
- Key advertising platform for travel brands and beyond

### Durable asset that is difficult to replicate

- ✓ Trusted brand
- ✓ Authentic UGC
- ✓ Large community of contributors
- ✓ Large global audience

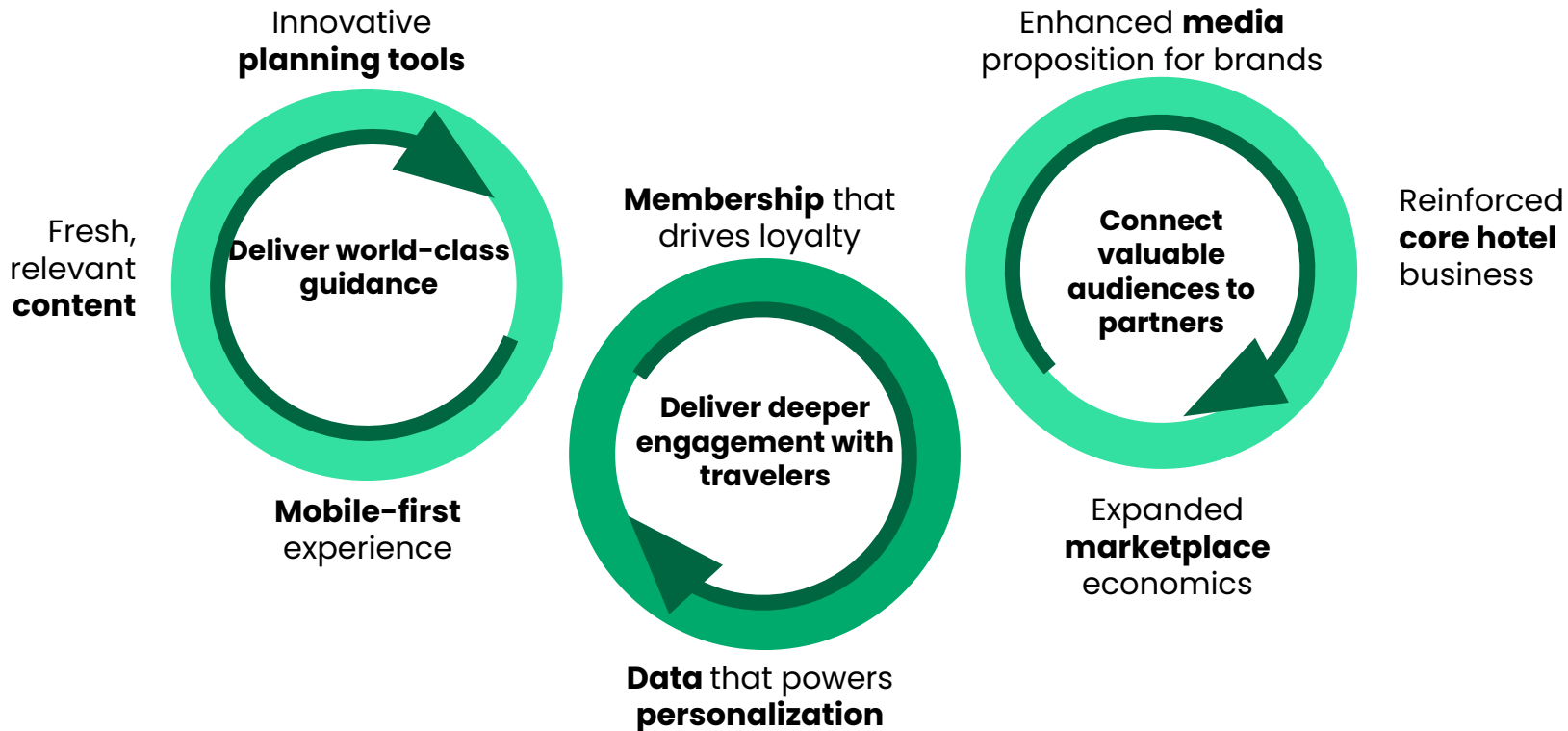
## Global Travel Market<sup>1</sup> (\$Trillions)



1) Phocuswright

# Brand **Tripadvisor**

## Delivering on engagement-led strategy



# Brand **Tripadvisor** Summary Highlights

**Valuable assets** including a trusted brand, global audience, scalable content model, high-intent data, and significant supply footprint

Multiple ways of **connecting consumers** with our partners



**300M+**

Monthly Unique  
Users



**43**

Global Markets



**~130M**

Active Members



**1B+**

Reviews & Opinions







# Leading global online experiences platform

## Overview

### Platform connecting travelers and tour operators

#### Travelers:

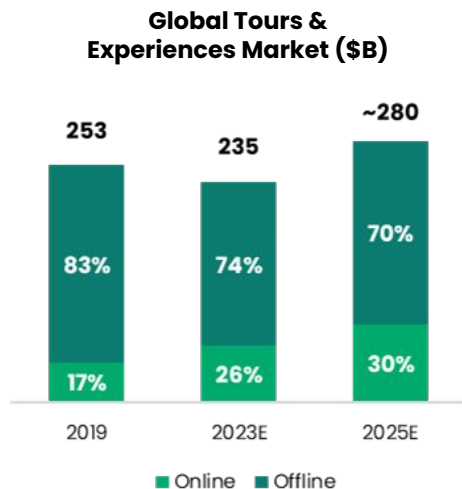
- Easy discovery of high-quality experiences reviewed and confirmed by travelers
- Flexibility to book and cancel
- Leading customer service

#### Operators:

- Expanded distribution
- Hassle free bookings
- Marketing and analytics products to manage and grow their business

### Favorable tailwinds for global experiences

- ✓ 4x faster growth of consumer spending on experience-related services v. goods<sup>2</sup>

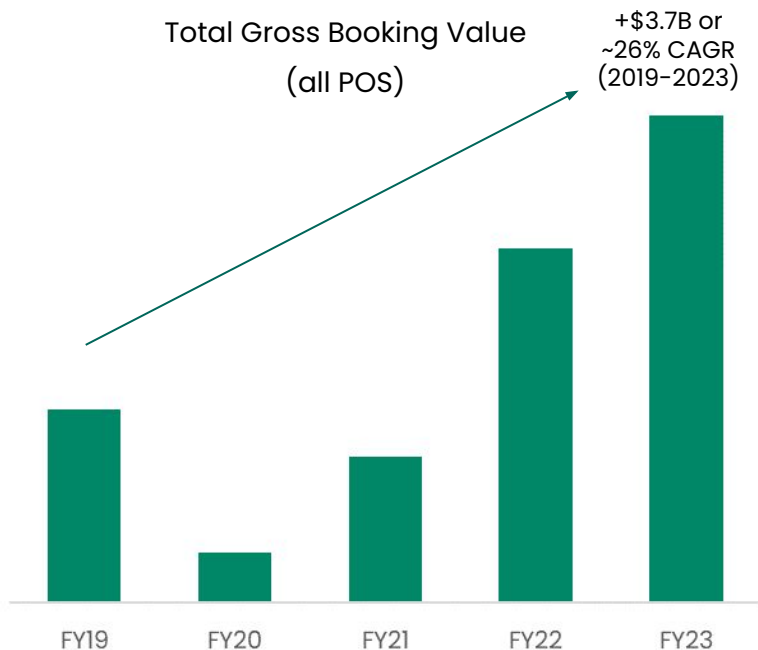


**~\$3.7B+**  
FY23 gross booking value



# Investment today in building market share

## Building scale



## Acquiring users today, building a long-term profitable business

Delivering increasing profitability through

- Higher rates of repeat bookers
- Higher subsequent repeat order values
- GBV that comes increasingly through our most profitable channels





## Summary Highlights



**\$3.7B+**  
FY2023 GBV



**350K+**  
**Bookable Experiences**  
~4x more bookable experiences vs closest competitor<sup>1</sup>



**55K+**  
**Operators**



**Mid-20s**  
**Take Rates**



**4,000+**  
**Demand Partners**  
Including Nearly Every Travel Brand





# Leading marketplace for restaurant bookings in Europe

## Overview

### Platform for European restaurant listings and reservations

#### Diners:

- Restaurant discovery and booking
- Photos, reviews, menu and pricing info to guide decision-making

#### Restaurateurs:

- Visibility and reach to diners
- Marketing and yield management tools
- Digital solution to manage bookings, and optimize operations
- Customer behavior data

### Leader in an underpenetrated market

- ✓ Leading player in every EU market in which TheFork operates, currently present in 11 countries across Europe
- ✓ Unmatched volume and diversity of content in core markets
- ✓ Primarily app-based bookings
- ✓ Large repeat user base



**55k+**

Bookable restaurants



### Grow restaurant base

- Value-add products and services
- Tools that elevate partners: booking and yield management, analytic insights and CRM

### Reach more travelers

- Product focus (app)
- Unmatched volume and diversity of content in core markets
- Driving awareness in key markets

### Drive profitability

- Rationalizing footprint to focus on core European markets
- Modernized technology platform



# TheFork Summary Highlights



**\$10B+**  
Current  
Addressable  
Market  
Opportunity<sup>1</sup>



**55K+**  
Bookable  
Restaurants



**~75%**  
Bookings via  
Mobile App



**20M+**  
Ratings,  
Reviews &  
Photos



**75%+**  
Bookings  
from Repeat  
Diners



# Segment Strategy Summary

1

**Brand Tripadvisor:** Focusing on engagement and delivering world-class guidance products to fuel our diverse monetization paths

2

**Viator:** Reinforcing our leadership position in experiences by investing in awareness, enhanced products, and repeat bookings to capture more market share

3

**TheFork:** Driving revenue growth with significant margin improvement this year by delivering value to both diners and restaurants as the leader in the European dining market





Thank You





# Appendix



(in \$millions)

	2019	2020	2021	2022		2023				
	FY	FY	FY	Q4	FY	Q1	Q2	Q3	Q4	FY
<b>Reconciliation from GAAP Net Income (Loss) to Adjusted EBITDA (Non-GAAP):</b>										
<b>GAAP Net Income (Loss)</b>	<b>\$126</b>	<b>(\$289)</b>	<b>(\$148)</b>	<b>(\$3)</b>	<b>\$20</b>	<b>(\$73)</b>	<b>\$24</b>	<b>\$27</b>	<b>\$32</b>	<b>\$10</b>
Add: Provision (benefit) for income taxes	68	(80)	(37)	(13)	47	58	20	37	-	115
Add: Other expense (income), net	(7)	40	54	3	34	1	-	-	(1)	1
Add: Restructuring and other related reorganization costs	1	41	-	-	-	-	-	18	4	22
Add: Impairment of goodwill	-	3	-	-	-	-	-	-	-	-
Add: Legal reserves and settlements	-	-	-	-	1	-	-	-	-	-
Add: Non-recurring expenses (income) <sup>(1)</sup>	-	-	-	8	8	3	-	-	-	3
Add: Stock-based compensation expense	124	109	120	23	88	23	25	24	24	96
Add: Depreciation and amortization <sup>(2)</sup>	126	125	111	25	97	21	21	21	25	87
<b>Adjusted EBITDA (Non-GAAP) <sup>(3)</sup></b>	<b>\$438</b>	<b>(\$51)</b>	<b>\$100</b>	<b>\$43</b>	<b>\$295</b>	<b>\$33</b>	<b>\$90</b>	<b>\$127</b>	<b>\$84</b>	<b>\$334</b>
<b>Reconciliation of GAAP Cash Flow from Operating Activities to Non-GAAP Free Cash Flow:</b>										
<b>Cash flow provided by (used in) operations</b>	<b>\$424</b>	<b>(\$194)</b>	<b>\$108</b>	<b>(\$40)</b>	<b>\$400</b>	<b>\$135</b>	<b>\$105</b>	<b>\$14</b>	<b>(\$19)</b>	<b>\$235</b>
Subtract: Capital expenditures	83	55	54	15	56	16	15	16	16	63
<b>Free Cash Flow (Non-GAAP) <sup>(4)</sup></b>	<b>\$341</b>	<b>(\$249)</b>	<b>\$54</b>	<b>(\$55)</b>	<b>\$344</b>	<b>\$119</b>	<b>\$90</b>	<b>(\$2)</b>	<b>(\$35)</b>	<b>\$172</b>



# Appendix

The Company believes that non-GAAP financial measures provide investors with useful supplemental information about the financial performance of our business, enables comparison of financial results between periods where certain items may vary independent of business performance, and allow for greater transparency with respect to key metrics used by management in operating and analyzing our business.

(1) The Company incurred a loss of approximately \$8 million during the three months ended December 31, 2022, as the result of a targeted payment fraud scheme by an external fraudster. The Company considers such costs to be non-recurring in nature. To the extent the Company recovers any losses in future periods related to this incident, the Company plans to reduce adjusted EBITDA by the recovery amount in that same period. In addition, the Company expensed \$3 million of previously capitalized transaction costs during the first quarter of 2023. The Company considers such costs to be non-recurring in nature.

(2) Depreciation and amortization. Includes capitalized website development amortization.

(3) Adjusted EBITDA. A non-GAAP measure which is defined as net income (loss) plus: (1) provision (benefit) for income taxes; (2) other income (expense), net; (3) depreciation and amortization; (4) stock-based compensation and other stock-settled obligations; (5) goodwill, intangible asset, and long-lived asset impairments; (6) legal reserves and settlements; (7) restructuring and other related reorganization costs; and (8) non-recurring expenses and income. These items are excluded from our Adjusted EBITDA measure because these items are non-cash in nature, or because the amount is not driven by core operating results and renders comparisons with prior periods and our competitors less meaningful.

(4) Free Cash Flow. A non-GAAP measure which is defined as net cash provided by operating activities less capital expenditures, which are purchases of property and equipment, including capitalization of website development costs. We believe this financial measure can provide useful supplemental information to help investors better understand underlying trends in our business, as it represents the operating cash flow that our operating businesses generate, less capital expenditures but before taking into account other cash movements that are not directly tied to the core operations of our businesses, such as financing activities, foreign exchange and certain investing activities. Free Cash Flow has certain limitations in that it does not represent the total increase or decrease in the cash balance for the period, nor does it represent the residual cash flow for discretionary expenditures. Therefore, it is important to evaluate Free Cash Flow along with the unaudited condensed consolidated statements of cash flows.

