



Vivid Seats Delivers \$1 Billion Quarterly Marketplace GOV & Acquires Vegas.com

Raising 2023 Guidance and Providing Initial 2024 Guidance for 26% Adjusted EBITDA Growth

CHICAGO, IL – November 7, 2023 – Vivid Seats Inc. (NASDAQ: SEAT) (“Vivid Seats” or “we”), a leading marketplace that utilizes its technology platform to connect millions of buyers with thousands of ticket sellers across hundreds of thousands of events each year, today provided financial results for the third quarter ended September 30, 2023.

“After delivering outstanding 28% Marketplace GOV growth in the third quarter, it has never been more clear that demand for live events is strong and that we are capturing that strength at Vivid Seats,” said Stan Chia, CEO. “Our focus on cultivating buyer loyalty continues to deliver results with repeat rates increasing and pacing ahead of expectations. Our business is better positioned than ever, and after announcing international TAM expansion last quarter with our acquisition of Wavedash, we are thrilled to announce further TAM expansion with our acquisition of Vegas.com. Vegas.com is a strategic asset that will enhance our scale and reach in the coveted entertainment capital of the U.S., increase our domestic TAM by over \$6 billion and offer long-term synergistic upside, while also being financially accretive. We are excited to finish the year strong and we remain focused on creating long-term shareholder value.”

Third Quarter 2023 Key Operational and Financial Metrics

- Marketplace GOV of \$998.9 million – up 28% from \$781.8 million in Q3 2022
- Revenues of \$188.1 million – up 20% from \$156.8 million in Q3 2022
- Net income of \$16.0 million – down 15% from \$18.7 million in Q3 2022
- Adjusted EBITDA of \$33.4 million – up 18% from \$28.3 million in Q3 2022

“We delivered our highest quarterly Marketplace GOV to date, reflecting strong Vivid Seats execution against a robust market backdrop with broad-based demand strength across performers and teams,” said Lawrence Fey, CFO. “Our third quarter GOV growth accelerated to 28% after we delivered 16% growth in the first half of 2023. Continuing this momentum, at the midpoint of our initial 2024 guidance we anticipate mid-teens Marketplace GOV and Revenue growth and 26% Adjusted EBITDA growth in 2024, reflecting solid organic growth enhanced by our strategic acquisitions. We expect to continue generating strong cash flow that affords us the strategic flexibility to pursue compelling growth opportunities as they arise.”

Key Performance Indicators ('000s)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Marketplace GOV ⁽¹⁾	\$ 998,933	\$ 781,834	\$ 2,808,200	\$ 2,338,789
Total Marketplace orders ⁽²⁾	3,022	2,572	7,924	7,001
Total Resale orders ⁽³⁾	110	90	273	225
Adjusted EBITDA ⁽⁴⁾	\$ 33,367	\$ 28,284	\$ 106,879	\$ 79,625

(1) Marketplace Gross Order Value ("Marketplace GOV") represents the total transactional amount of Marketplace segment orders placed on our platform in a period, inclusive of fees, exclusive of taxes, and net of event cancellations that occurred during that period. Marketplace GOV was negatively impacted by event cancellations in the amount of \$10.1 million and \$33.9 million during the three and nine months ended September 30, 2023, respectively, and \$13.8 million and \$63.3 million during the three and nine months ended September 30, 2022, respectively.

(2) Total Marketplace orders represents the volume of Marketplace segment orders placed on our platform in a period, net of event cancellations that occurred during that period. During the three and nine months ended September 30, 2023, our Marketplace segment experienced 28,203 and 78,034 event cancellations, respectively, compared to 42,942 and 170,258 event cancellations during the three and nine months ended September 30, 2022, respectively.

(3) Total Resale orders represents the volume of Resale segment orders in a period, net of event cancellations that occurred during that period. During the three and nine months ended September 30, 2023, our Resale segment experienced 851 and 2,363 event cancellations, respectively, compared to 1,113 and 4,383 event cancellations during the three and nine months ended September 30, 2022, respectively.



- (4) Adjusted EBITDA is not a measure defined under accounting principles generally accepted in the United States of America ("GAAP"). We believe Adjusted EBITDA provides useful information to investors and others in understanding and evaluating our results of operations, as well as provides a useful measure for making period-to-period comparisons of our business performance. Refer to the "Use of Non-GAAP Financial Measures" section below for more information and a reconciliation of Adjusted EBITDA to its most directly comparable GAAP measure.

2023 Financial Outlook

Vivid Seats now anticipates Marketplace GOV, Revenues and Adjusted EBITDA for the year ending December 31, 2023 to be:

- Marketplace GOV in the range of \$3.75 billion to \$3.90 billion (increased from \$3.4 billion to \$3.6 billion)
- Revenues in the range of \$685.0 million to \$705.0 million (increased from \$630.0 million to \$650.0 million)
- Adjusted EBITDA in the range of \$136.0 million to \$142.0 million** (increased from \$125.0 million to \$135.0 million)

Initial 2024 Financial Outlook

Vivid Seats anticipates Marketplace GOV, Revenues and Adjusted EBITDA for the year ending December 31, 2024 to be:

- Marketplace GOV in the range of \$4.20 billion to \$4.50 billion
- Revenues in the range of \$810.0 million to \$840.0 million
- Adjusted EBITDA in the range of \$170.0 million to \$180.0 million**

Additional detail around the 2023 and 2024 financial outlook will be available on the third quarter 2023 earnings call.

** We calculate forward-looking Adjusted EBITDA based on internal forecasts that omit certain information that would be included in forward-looking net income, the most directly comparable GAAP measure. We do not provide a reconciliation of forward-looking Adjusted EBITDA to forward-looking net income because forecasting the timing or amount of items that have not yet occurred and are out of our control is inherently uncertain and unavailable without unreasonable efforts.

Webcast Details

Vivid Seats will host a webcast at 8:30 a.m. Eastern Time today to discuss its third quarter 2023 financial results, 2023 and 2024 financial outlook and our acquisition of Vegas.com. Participants may access the live webcast and supplemental earnings presentation on the events page of the Vivid Seats Investor Relations website at <https://investors.vividseats.com/events-and-presentations>.

About Vivid Seats

Founded in 2001, Vivid Seats is a leading online ticket marketplace committed to becoming the ultimate partner for connecting fans to the live events, artists, and teams they love. Based on the belief that everyone should "Experience It Live," the Chicago-based company provides exceptional value by providing one of the widest selections of events and tickets in North America and an industry leading Vivid Seats Rewards program where all fans earn on every purchase. Vivid Seats has been chosen as the official ticketing partner by some of the biggest brands in the entertainment industry including ESPN, New York Post, and the Los Angeles Dodgers. Vivid Seats also owns Vivid Picks, a daily fantasy sports app. Through its proprietary software and unique technology, Vivid Seats drives the consumer and business ecosystem for live event ticketing and enables the power of shared experiences to unite people. Vivid Seats has been recognized by Newsweek as one of America's Best Companies for Customer Service in ticketing. Fans who want to have the best live experiences can start by downloading the Vivid Seats mobile app, going to vividseats.com, or calling 866-848-8499.

Forward-Looking Statements

This press release contains "forward-looking statements" within the meaning of the "safe harbor" provisions of the U.S. Private Securities Litigation Reform Act of 1995. The forward-looking statements in this press release relate to, without limitation: our future results of operations and financial position, including our expectations regarding Marketplace GOV, Revenues and Adjusted EBITDA and the impact of our investments; our expectations with respect to live event industry growth; our competitive positioning; our business strategy; and the plans and objectives of management for future operations. Words such as "estimate," "project," "expect," "anticipate," "forecast," "plan," "intend," "believe," "seek," "may," "will," "should," "future" and "propose," as well as similar expressions which predict or indicate future events or which do not relate to historical matters, are intended to identify such forward-



looking statements. Forward-looking statements are not guarantees of future performance, conditions or results, and are subject to risks, uncertainties and assumptions, many of which are outside of our control. Important factors that could cause actual results or outcomes to differ materially from those anticipated in the forward-looking statements include, but are not limited to: the supply and demand of large-scale sporting events, concerts and theater shows; our relationships with buyers, sellers and distribution partners; changes in internet search engine algorithms or in marketplace rules; competition in the ticketing industry; the willingness of artists, teams and promoters to continue to support the secondary ticket market; our ability to maintain and improve our platform and brand or to develop successful new solutions and enhancements or improve existing ones; the impact of potential unfavorable legislative developments; the impact of our acquisitions and strategic investments; our successful integration of Wavedash and Vegas.com; the effects of any recession and inflation; ongoing and future effects of pandemics; our ability to generate sufficient cash flows or raise additional capital necessary to fund our operations; the impact of system interruption and the lack of integration and redundancy in our systems and infrastructure; the impact of cyber security risks, data loss or other breaches of our network security; our being a controlled company; and other factors detailed in the “Risk Factors” sections of our most recent Annual Report on Form 10-K, subsequent Quarterly Reports on Form 10-Q and other filings with the Securities and Exchange Commission. Forward-looking statements speak only as of the date of this press release. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

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VIVID SEATS INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except per share data) (Unaudited)

	September 30, 2023	December 31, 2022
Assets		
Current assets:		
Cash and cash equivalents	\$ 268,678	\$ 251,542
Restricted cash	1,056	748
Accounts receivable – net	64,829	36,531
Inventory – net	21,533	12,783
Prepaid expenses and other current assets	49,407	29,912
Total current assets	405,503	331,516
Property and equipment – net	10,240	10,431
Right-of-use assets – net	9,291	7,859
Intangible assets – net	113,873	81,976
Goodwill	759,971	715,258
Deferred tax assets	77,376	1,853
Investments	6,042	—
Other non-current assets	2,780	2,538
Total assets	\$ 1,385,076	\$ 1,151,431
Liabilities and shareholders' deficit		
Current liabilities:		
Accounts payable	\$ 219,118	\$ 161,312
Accrued expenses and other current liabilities	197,247	181,970
Deferred revenue	34,447	31,983
Current maturities of long-term debt	3,308	2,750
Total current liabilities	454,120	378,015
Long-term debt – net	265,875	264,898
Long-term lease liabilities	15,931	14,911
Tax Receivable Agreement liability	98,977	—
Other non-current liabilities	29,745	13,445
Total long-term liabilities	410,528	293,254
Commitments and contingencies		
Redeemable noncontrolling interests	640,717	862,860
Shareholders' deficit		
Class A common stock, \$0.0001 par value; 500,000,000 shares authorized at September 30, 2023 and December 31, 2022; 101,803,392 and 82,410,774 issued and outstanding at September 30, 2023 and December 31, 2022, respectively	11	8
Class B common stock, \$0.0001 par value; 250,000,000 shares authorized, 99,800,000 and 118,200,000 issued and outstanding at September 30, 2023 and December 31, 2022, respectively	10	12
Additional paid-in capital	884,523	663,908
Treasury stock, at cost, 5,291,497 and 4,342,477 shares at September 30, 2023 and December 31, 2022, respectively	(40,106)	(32,494)
Accumulated deficit	(964,561)	(1,014,132)
Accumulated other comprehensive loss	(166)	—
Total Shareholders' deficit	(120,289)	(382,698)
Total liabilities, Redeemable noncontrolling interests, and Shareholders' deficit	\$ 1,385,076	\$ 1,151,431



VIVID SEATS INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands) (Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Revenues	\$ 188,133	\$ 156,818	\$ 514,576	\$ 435,284
Costs and expenses:				
Cost of revenues (exclusive of depreciation and amortization shown separately below)	50,462	37,617	130,838	102,203
Marketing and selling	77,006	66,323	196,970	179,963
General and administrative	37,225	30,239	107,921	95,721
Depreciation and amortization	3,301	2,158	8,603	5,269
Change in fair value of contingent consideration	20	(1,220)	(998)	(1,220)
Income from operations	20,119	21,701	71,242	53,348
Other (income) expense:				
Interest expense – net	2,544	2,901	8,596	9,542
Loss on extinguishment of debt	—	—	—	4,285
Other income	(1,038)	(65)	(365)	(6,618)
Income before income taxes	18,613	18,865	63,011	46,139
Income tax expense (benefit)	2,595	118	(21,605)	194
Net income	16,018	18,747	84,616	45,945
Net income attributable to redeemable noncontrolling interests	9,341	11,084	35,045	27,368
Net income attributable to Class A Common Stockholders	\$ 6,677	\$ 7,663	\$ 49,571	\$ 18,577



VIVID SEATS INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands) (Unaudited)

	Nine Months Ended September 30,	
	2023	2022
Cash flows from operating activities		
Net income	\$ 84,616	\$ 45,945
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	8,603	5,269
Amortization of leases	467	1,591
Amortization of deferred financing costs and interest rate cap	688	819
Equity-based compensation expense	20,488	13,982
Change in fair value of warrants	(991)	(6,618)
Change in fair value of derivative asset	83	—
Change in fair value of contingent consideration	(998)	(1,220)
Loss on extinguishment of debt	—	4,285
Loss on asset disposals	51	63
Deferred taxes	(22,678)	—
Non-cash interest income	(125)	—
Foreign currency revaluation losses	542	—
Change in assets and liabilities:		
Accounts receivable	(26,147)	(4,292)
Inventory	(8,702)	(2,350)
Prepaid expenses and other current assets	(19,239)	37,778
Accounts payable	50,484	(26,737)
Accrued expenses and other current liabilities	18,415	(73,938)
Deferred revenue	2,464	8,492
Other non-current assets and liabilities	6,365	(1,680)
Net cash provided by operating activities	114,386	1,389
Cash flows from investing activities		
Acquisition of business, net of cash acquired	(55,935)	—
Investments in convertible promissory note and warrant	(6,000)	—
Purchases of property and equipment	(785)	(2,727)
Purchases of personal seat licenses	(542)	(165)
Investments in developed technology	(7,770)	(8,988)
Cash adjustment in acquisition	—	(8)
Net cash used in investing activities	(71,032)	(11,888)
Cash flows from financing activities		
Payments of February 2022 First Lien Loan	(2,063)	(1,375)
Repurchase of common stock as treasury stock	(7,612)	(3,050)
Cash paid for milestone payments	(6,005)	—
Distributions to non-controlling interest	(11,016)	(4,918)
Payments of June 2017 First Lien Loan	—	(465,712)
Proceeds from February 2022 First Lien Loan	—	275,000
Payments of deferred financing costs and other debt-related costs	—	(4,856)
Net cash used in financing activities	(26,696)	(204,911)
Impact of foreign exchange on cash, cash equivalents, and restricted cash	786	—
Net increase (decrease) in cash, cash equivalents, and restricted cash	17,444	(215,410)
Cash, cash equivalents, and restricted cash – beginning of period	252,290	489,810
Cash, cash equivalents, and restricted cash – end of period	\$ 269,734	\$ 274,400



Use of Non-GAAP Financial Measures

We present Adjusted EBITDA, which is a non-GAAP financial measure, because it is a measure frequently used by analysts, investors, and other interested parties to evaluate companies in our industry. Further, we believe this measure is helpful in highlighting trends in our operating results because it excludes the impact of items that are outside the control of management or not reflective of ongoing performance related directly to the operation of our business.

Adjusted EBITDA is a key measure used by our management internally to make operating decisions, including those related to analyzing operating expenses, evaluating performance, and performing strategic planning and annual budgeting. Moreover, we believe Adjusted EBITDA provides useful information to investors and others in understanding and evaluating our results of operations, as well as provides a useful measure for making period-to-period comparisons of our business performance and highlighting trends in our operating results.

Adjusted EBITDA is not based on any comprehensive set of accounting rules or principles and should not be considered a substitute for, or superior to, financial measures calculated in accordance with GAAP. Adjusted EBITDA does not reflect all amounts associated with our operating results as determined in accordance with GAAP and may exclude recurring costs, such as interest expense, equity-based compensation, litigation, settlements and related costs, change in fair value of warrants, change in fair value of derivative assets and foreign currency revaluation (gains)/losses. In addition, other companies may calculate Adjusted EBITDA differently than us, thereby limiting its usefulness as a comparative tool. We compensate for these limitations by providing specific information regarding the GAAP amounts excluded from Adjusted EBITDA.

The following is a reconciliation of Adjusted EBITDA to its most directly comparable GAAP measure, net income (in thousands):

	Three Months Ended		Nine Months Ended September 30,	
	September 30,			
	2023	2022	2023	2022
Net income	\$ 16,018	\$ 18,747	\$ 84,616	\$ 45,945
Income tax expense (benefit)	2,595	118	(21,605)	194
Interest expense – net	2,544	2,901	8,596	9,542
Depreciation and amortization	3,301	2,158	8,603	5,269
Sales tax liability ⁽¹⁾	—	(118)	—	2,814
Transaction costs ⁽²⁾	2,290	538	7,234	4,285
Equity-based compensation ⁽³⁾	7,578	5,073	20,488	13,982
Loss on extinguishment of debt ⁽⁴⁾	—	—	—	4,285
Litigation, settlements and related costs ⁽⁵⁾	26	89	260	1,084
Change in fair value of warrants ⁽⁶⁾	(1,664)	(65)	(991)	(6,618)
Change in fair value of derivative asset ⁽⁷⁾	83	—	83	—
Change in fair value of contingent consideration ⁽⁸⁾	20	(1,220)	(998)	(1,220)
Loss on asset disposals ⁽⁹⁾	34	63	51	63
Foreign currency revaluation losses ⁽¹⁰⁾	542	—	542	—
Adjusted EBITDA	\$ 33,367	\$ 28,284	\$ 106,879	\$ 79,625

- (1) We have historically incurred sales tax expense in jurisdictions where we expected to remit sales tax payments but were not yet collecting from customers. During the second half of 2021, we began collecting sales tax from customers in the required jurisdictions. The sales tax liability presented herein represents the tax liability for sales tax prior to the date we began collecting sales tax from customers reduced by abatements received, inclusive of any penalties and interest assessed by the jurisdictions. The remaining historic sales tax liability payments were made during the year ended December 31, 2022.
- (2) This consists of legal, accounting, tax and other professional fees; personnel-related costs, which consist of retention bonuses; and integration costs. Transaction costs recognized in 2023 were primarily related to the a secondary offering of our Class A common stock and our acquisitions and strategic investments. Transaction costs recognized in 2022 were primarily related to our acquisitions and strategic investments, the refinancing of the June 2017 First Lien Loan with the February 2022 First Lien Loan and our exchange offering of shares of our Class A common stock for properly tendered public warrants.



- (3) We incur equity-based compensation expenses for profits interests issued prior to the merger transaction with Horizon Acquisition Corporation (the "Merger Transaction") and equity granted pursuant to the 2021 Incentive Award Plan, which we do not consider to be indicative of our core operating performance.
- (4) Losses incurred resulted from the extinguishment of the June 2017 First Lien Loan in February 2022.
- (5) This relates to external legal costs, settlement costs and insurance recoveries, which were unrelated to our core business operations.
- (6) This relates to the revaluation of warrants to purchase common units of Hoya Intermediate, LLC held by Hoya Topco, LLC following the Merger Transaction.
- (7) This relates to the revaluation of derivatives recorded at fair value.
- (8) This relates to the revaluation of Vivid Picks cash earnouts.
- (9) This relates to asset disposals, which are not considered indicative of our core operating performance.
- (10) This relates to unrealized foreign currency revaluation losses from the remeasurement of non-operating assets and liabilities denominated in non-functional currencies on the balance sheet date.