

The background features a dark blue/black area on the left and a geometric graphic on the right. The graphic consists of several overlapping triangular and quadrilateral shapes in shades of pink, blue, and teal. The Vivid Seats logo is prominently displayed in white on the dark background.

# vividseats

Q4 2023 Financial Results

March 5, 2024

(Nasdaq: SEAT)

# Agenda

01 **Business Highlights & Updates**  
Stan Chia, Chief Executive Officer

02 **Financial Results & Outlook**  
Lawrence Fey, Chief Financial Officer

03 **Q&A**  
Stan Chia, Chief Executive Officer  
Lawrence Fey, Chief Financial Officer



# Important Disclaimers

## Forward-Looking Statements

This presentation 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 presentation relate to, without limitation: our future operating results and financial position, including our expectations regarding Marketplace GOV, revenues and Adjusted EBITDA, Adjusted EBITDA margin, Adjusted EBITDA to cash conversion, forward net leverage and the impact of our investments; our expectations with respect to live event industry growth; our TAM and competitive positioning; our business strategy; our share repurchase program; and the plans and objectives of management for future operations. Words such as “anticipate,” “believe,” “can,” “could,” “designed,” “estimate,” “expect,” “forecast,” “future,” “goal,” “intend,” “likely,” “may,” “plan,” “project,” “propose,” “seek,” “should,” “target,” “will” and “would,” as well as similar expressions which predict or indicate future events and trends 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 that can be difficult to predict and/or outside of our control. Therefore, actual results may differ materially from those anticipated in any forward-looking statements. Important factors that could cause or contribute to such differences include, but are not limited to: our ability to generate sufficient cash flows or raise additional capital necessary to fund our operations; the supply and demand of live concert, sporting and theater events; our ability to maintain and develop our relationships with ticket buyers, sellers and partners; changes in internet search engine algorithms and dynamics, search engine disintermediation or mobile application marketplace rules; our ability to compete in the ticketing industry; our ability to maintain and improve our platform and develop successful new solutions and enhancements or improve existing ones; the impact of extraordinary events, including disease epidemics and pandemics; the impact of our acquisitions and strategic investments, including our integration of Wavedash Co., Ltd. and Vegas.com, LLC; the effects of any recession and/or heightened inflation; our ability to maintain the integrity of our information systems and infrastructure, and to identify, assess and manage relevant cybersecurity risks; and other factors discussed 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 presentation. 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. Because we have not yet filed our Annual Report on Form 10-K for the year ended December 31, 2023, the financial results described in this presentation should be considered preliminary and are subject to change to reflect any necessary accounting adjustments or changes that are identified prior to the time of such filing.

## Use of Non-GAAP Financial Measures

We present Adjusted EBITDA, Adjusted EBITDA margin, cash generation and Adjusted EBITDA to cash conversion, which are not measures defined under accounting principles generally accepted in the United States of America (“GAAP”), because they are measures frequently used by analysts, investors, and other interested parties to evaluate companies in our industry. Further, we believe these measures are helpful in highlighting trends in our operating results because they exclude the impact of items that are outside of our control or not reflective of ongoing performance related directly to the operation of our business. These non-GAAP financial measures are key measures 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 these non-GAAP financial measures provide useful information to investors and others in understanding and evaluating our results of operations, as well as provide a useful measure for making period-to-period comparisons of our business performance and highlighting trends in our operating results. These non-GAAP financial measures are 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. These non-GAAP financial measures do not reflect all amounts associated with our operating results as determined in accordance with GAAP and may exclude recurring costs such as interest expense – net, 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 similarly titled non-GAAP financial measures differently than we do, thereby limiting their usefulness as a comparative tool. We compensate for these limitations by providing specific information regarding the GAAP amounts excluded from these non-GAAP financial measures. See the “Non-GAAP Reconciliations” section of this presentation for more information and a reconciliation of these non-GAAP financial measures for completed periods to their most directly comparable GAAP measures.

# Business Highlights & Updates

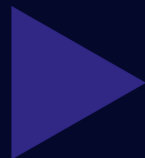
Stan Chia, Chief Executive Officer

**vividseats**

# Full Year 2023 Highlights

Marketplace GOV<sup>1</sup>

**\$3.9B**



Revenues

**\$713M**



Adjusted EBITDA<sup>2</sup>

**\$142M**

- Robust **+23%** Marketplace GOV growth and **+25%** Adjusted EBITDA growth
- Broad-based live event industry strength with tailwinds that we expect will drive strong growth for years to come
- Executed against strategic objectives while exceeding financial targets:
  - Expanded TAM from \$17B to \$63B
  - Increased buyer repeat rates from 56% in 2022 to 59% in 2023
  - Enhanced strong seller relationships through upcoming full launch of Skybox Drive

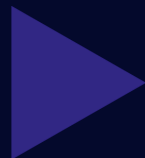
(1) Marketplace GOV represents the total transactional amount of Marketplace segment orders placed on our platform in a period, inclusive of fees, exclusive of taxes, and net of event cancellations that occurred during that period.

(2) Adjusted EBITDA is a non-GAAP financial measure. See the "Non-GAAP Reconciliations" section of this presentation for a reconciliation of Adjusted EBITDA to Net income. 2023 Net income was \$107.0M.

# Q4 2023 Highlights

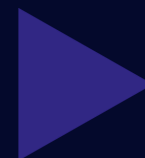
Marketplace GOV<sup>1</sup>

**\$1.1B**



Revenues

**\$198M**



Adjusted EBITDA<sup>2</sup>

**\$35M**

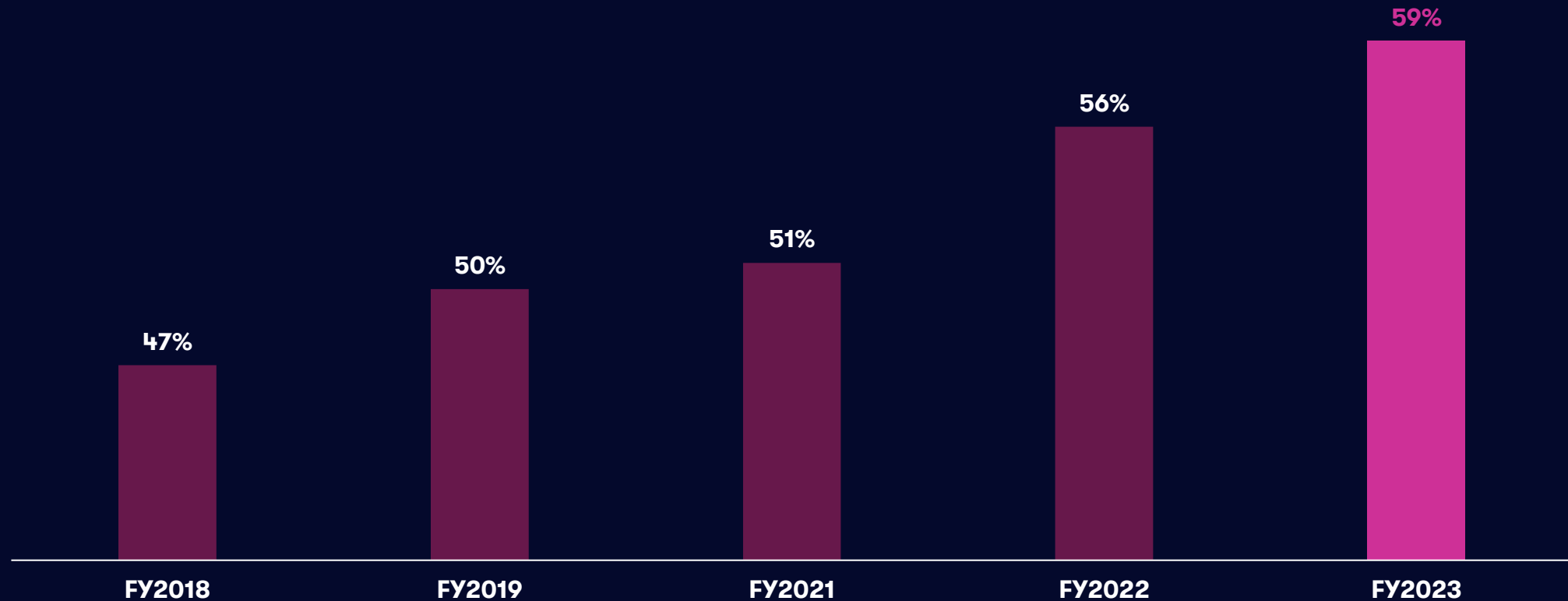
- Record **+31%** YOY Marketplace GOV growth aided by strategic acquisitions
- Wavedash and Vegas.com integrations underway with exciting synergy opportunities
- Repurchased 2 million shares in December and authorized new \$100 million share repurchase program in Q1 2024

(1) 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.

(2) Adjusted EBITDA is a non-GAAP financial measure. See the "Non-GAAP Reconciliations" section of this presentation for a reconciliation of Adjusted EBITDA to Net income. Q4'23 Net income was \$22.4M.

# Investments Delivering Powerful Results

## Order Mix from Repeat Buyers<sup>1,2</sup>



(1) Represents orders from repeat buyers vs. total orders (from both repeat and new buyers) placed on Vivid Seats website and Vivid Seats/Vivid Picks mobile apps.  
(2) 2020 omitted due to distortion from COVID-19 pandemic.

# Financial Results & Outlook

Lawrence Fey, Chief Financial Officer

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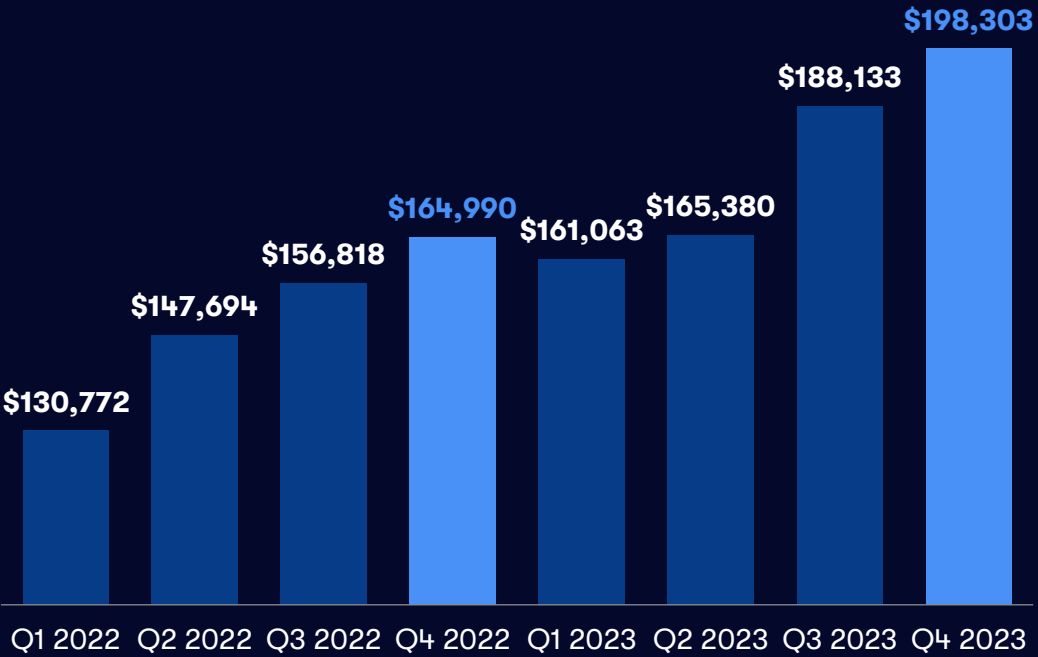
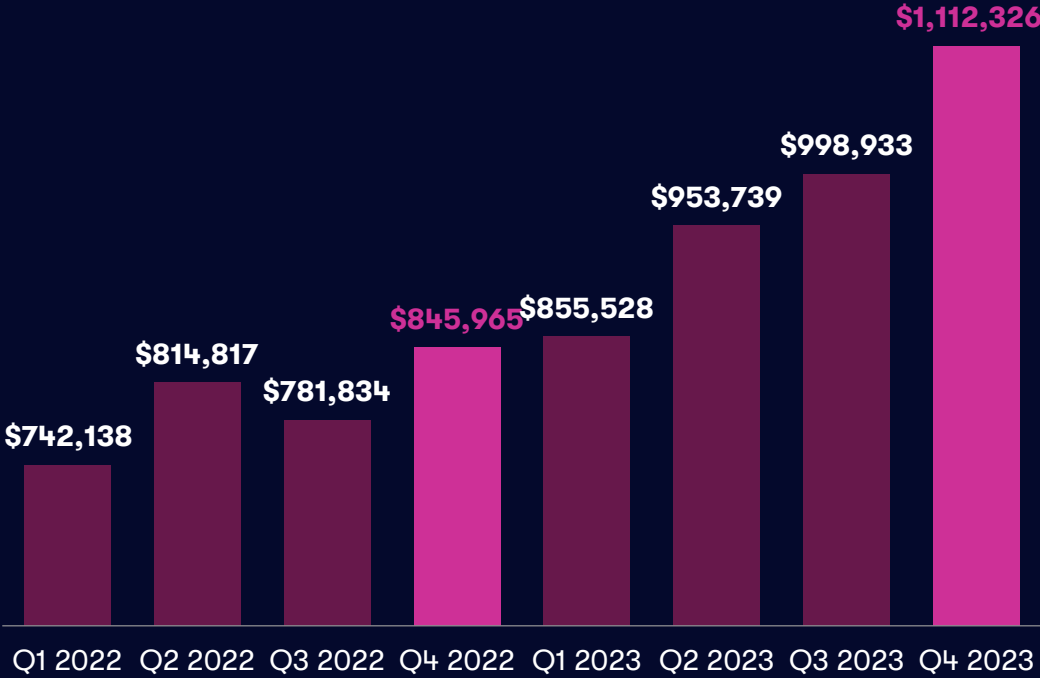


# Marketplace GOV and Revenues

(in thousands)

## Marketplace GOV<sup>1</sup>

## Revenues

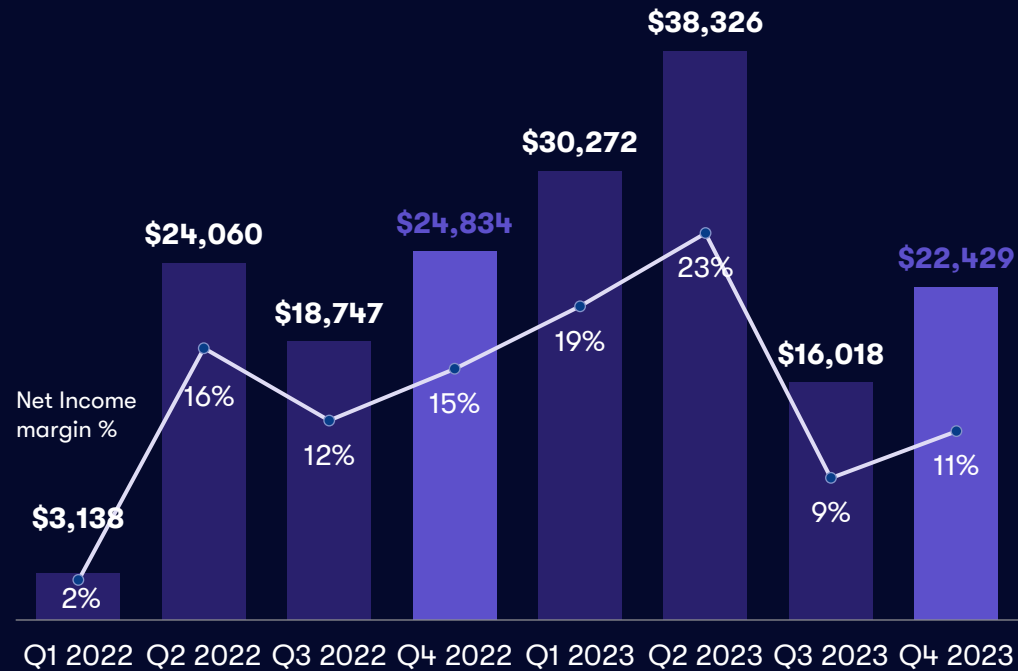


(1) Marketplace GOV represents the total transactional amount of Marketplace segment orders placed on our platform in a period, inclusive of fees, exclusive of taxes, and net of event cancellations that occurred during that period.

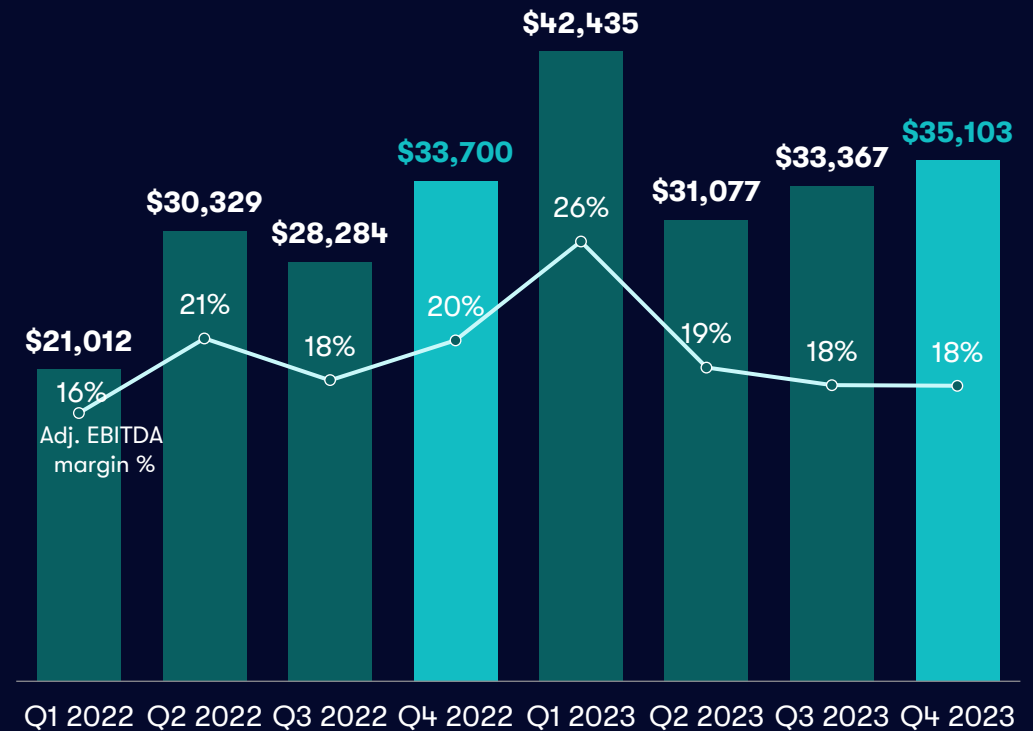
# Net Income and Adjusted EBITDA

(in thousands)

## GAAP Net Income<sup>1</sup>



## Adjusted EBITDA<sup>2</sup>



(1) Represents consolidated net income before allocation to noncontrolling interests.

(2) Adjusted EBITDA and Adjusted EBITDA margin are non-GAAP financial measures. See the "Non-GAAP Reconciliations" section of this presentation for a reconciliation of Adjusted EBITDA to net income and Adjusted EBITDA margin to net income margin.

# 2024 Financial Guidance

Key Financial Metrics	3/5/24	YOY Growth <sup>2</sup>
Marketplace GOV	\$4.2B to \$4.5B	+11%
Revenues	\$810M to \$840M	+16%
Adjusted EBITDA <sup>1</sup>	\$160M to \$170M	+16%

(1) Adjusted EBITDA is a non-GAAP financial measure. See "Important Disclaimers." 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 the timing and/or probable significance of certain excluded items that have not yet occurred and are outside of our control is inherently uncertain and unavailable without unreasonable efforts. Such items could have a significant and unpredictable impact on our future GAAP financial results.

(2) Reflects 2024 guidance (midpoint).



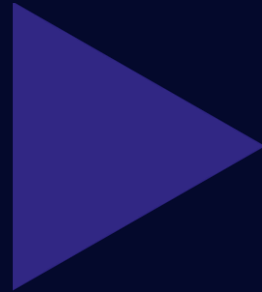
# Robust Cash Generation & Capital Deployment

## 2023

**\$116M Cash Generated<sup>1</sup>**

\$213M deployed for  
strategic acquisitions &  
investments

\$20M deployed for  
share repurchases



## 2024

**60-70% Adj. EBITDA to  
Cash Conversion<sup>2,3</sup>**

Continued strategic M&A  
& share repurchases

0.9x forward net  
leverage<sup>4</sup>

(1) Reflects net decrease in cash, cash equivalents, and restricted cash of \$119.9 million, adjusted to exclude strategic acquisitions/investments of \$212.9 million (acquisition of business & investments in convertible promissory note and warrant) and capital structure changes of \$23.1 million (payments of February 2022 first lien loan, payments of Shoko Chukin bank loan & repurchases of common stock).

(2) Reflects projected net increase in cash, cash equivalents, and restricted cash, excluding strategic acquisitions/investments and capital structure changes (if any), compared to projected Adj. EBITDA.

(3) Adj. EBITDA to cash conversion is a non-GAAP financial measure. See "Important Disclaimers." We calculate forward-looking Adj. 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 Adj. EBITDA to forward-looking net income because the timing and/or probable significance of certain items excluded from this measure that have not yet occurred and are outside of our control is inherently uncertain and unavailable without unreasonable efforts. Such items could have a significant impact on our future GAAP financial results.

(4) Calculated as excess of debt balance over cash balance, divided by 2024 Adj. EBITDA guidance (midpoint).

# Closing Remarks

Stan Chia, Chief Executive Officer

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# Key Takeaways

1

## Compelling Growth Opportunity

We are confident in our ability to deliver sustained double-digit growth through strong secular growth in North America, enhanced by international expansion and strategic M&A

2

## Value Proposition Resonating

We continue to see a higher share of repeat orders as we build customer affinity for our platform through loyalty, engagement and a differentiated experience

3

## Robust Cash Flow and Capital Deployment

We generate strong cash flow and seek to deploy funds through strategic M&A and share repurchases to build shareholder value



Q+A

# Thank You

 [investors@vividseats.com](mailto:investors@vividseats.com)

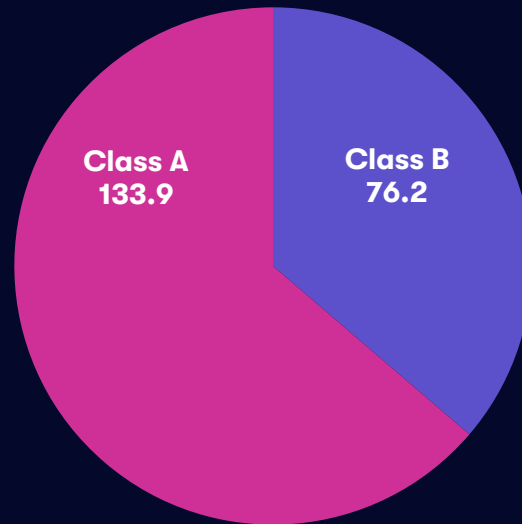


# Capital Structure

210M Shares Outstanding<sup>1</sup> as of 12/31/23

## CLASS A

- Publicly traded (SEAT)
- EPS calculation reflects ~64% economic interest and ~64% shares outstanding



## CLASS B

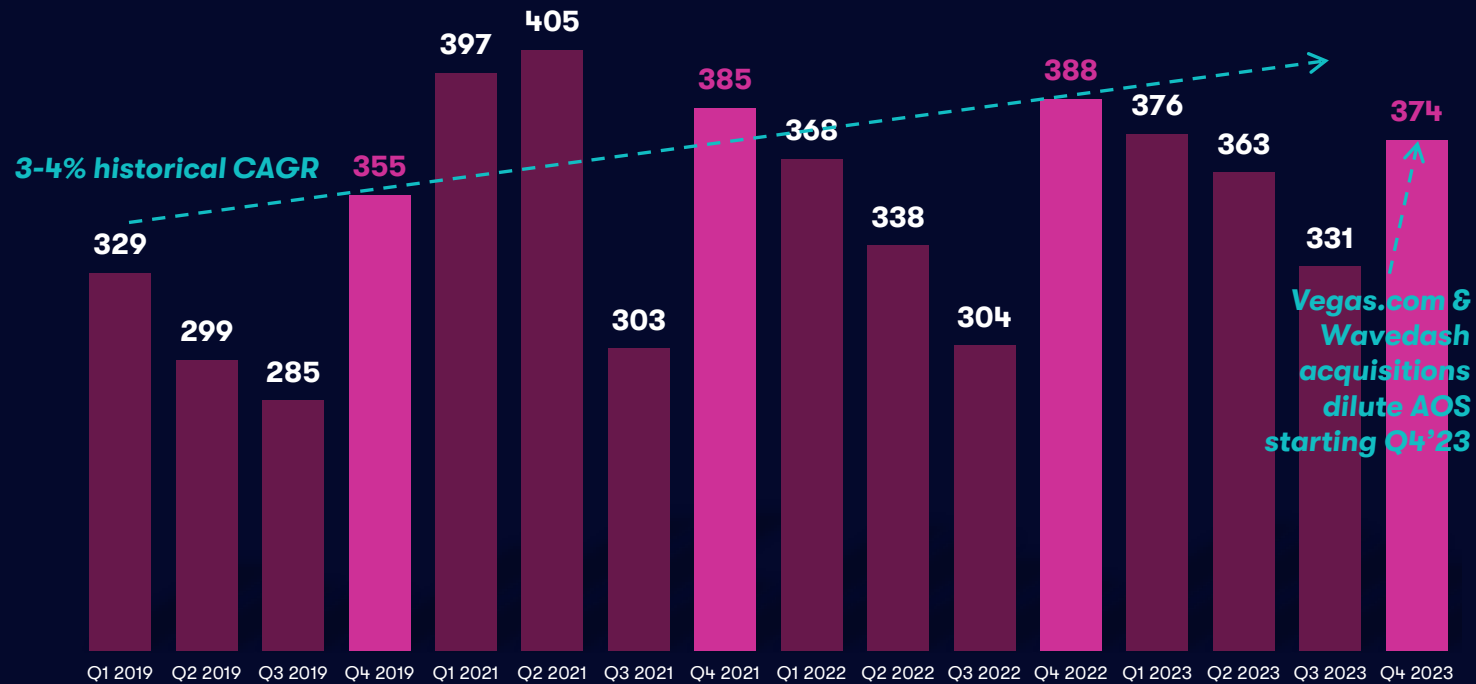
- Privately held by PE investors
- Convertible 1-for-1 into Class A

- Consolidated financial statements reflect entirety of operations
- Class A and Class B holders have equivalent per share economic interests in operating entity

(1) Net of treasury stock.

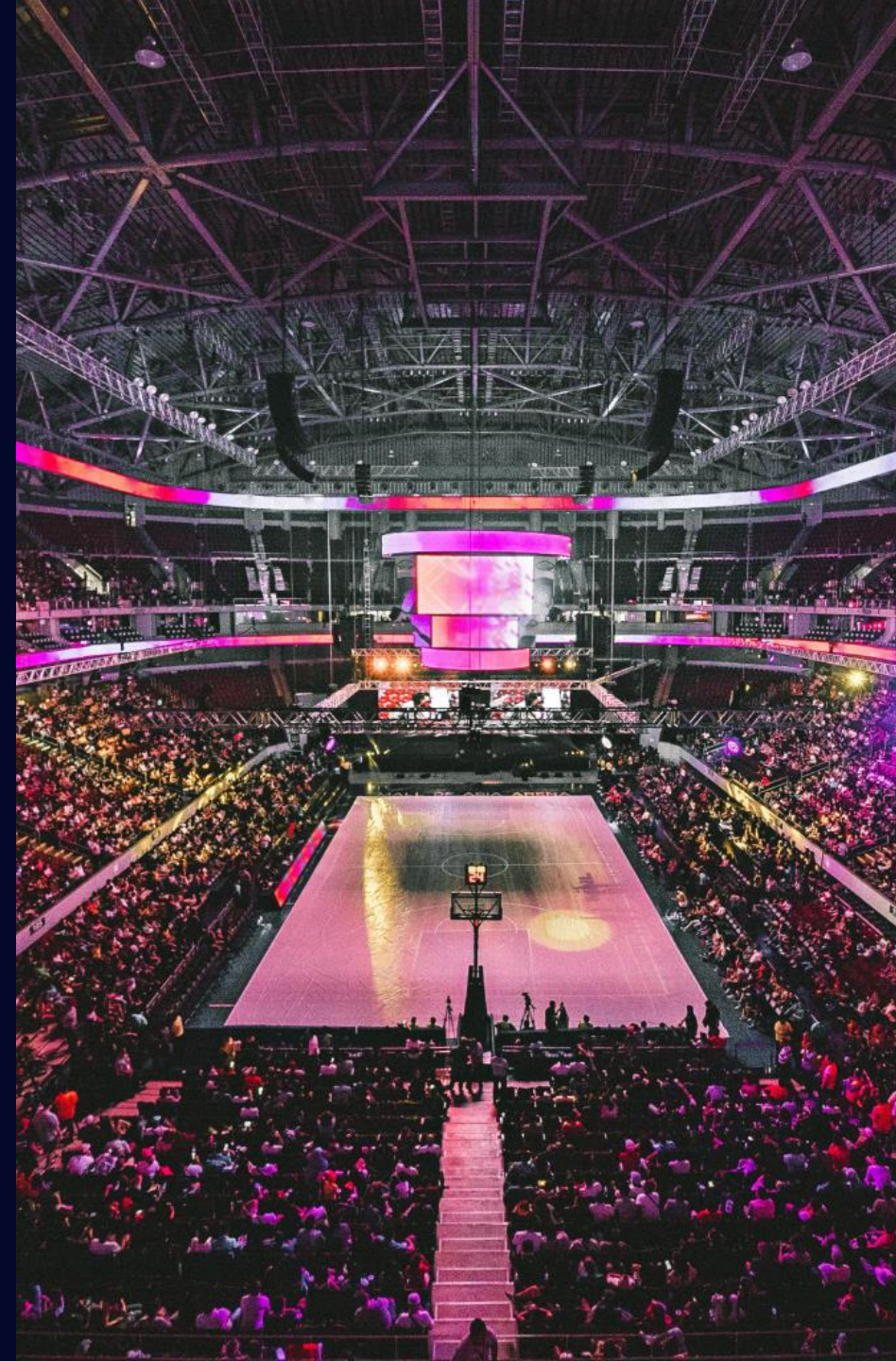
# Supplementary Financial Data – Historical AOS<sup>1</sup>

## Average Order Size (\$)



(1) Average Order Size ("AOS") is calculated by dividing Marketplace GOV by Total Marketplace orders.

(2) 2020 omitted due to pandemic distortion.



# Supplementary Financial Data – Q4 2023

(in thousands)

## Marketplace Revenues by Event Category

	Twelve Months Ended December 31,		
	2023	2022	% Change
<b>Revenues:</b>			
<b>Concerts</b>	\$308,507	\$251,423	23%
<b>Sports</b>	199,837	196,467	2%
<b>Theater</b>	83,273	61,483	35%
<b>Other</b>	5,771	1,721	235%
<b>Total Marketplace revenues</b>	<b>\$597,388</b>	<b>\$511,094</b>	<b>17%</b>

## Segment Contribution Margin

	Twelve Months Ended December 31, 2023		
	Marketplace	Resale	Consolidated
<b>Revenues</b>	\$597,388	\$115,491	\$712,879
<b>Cost of revenues</b>	94,557	\$87,627	182,184
<b>Marketing and selling</b>	274,096	\$0	274,096
<b>Contribution margin</b>	<b>\$228,735</b>	<b>\$27,864</b>	<b>\$256,599</b>

	Twelve Months Ended December 31, 2022		
	Marketplace	Resale	Consolidated
<b>Revenues</b>	\$511,094	\$89,180	\$600,274
<b>Cost of revenues</b>	\$73,126	\$67,382	140,508
<b>Marketing and selling</b>	\$248,375	\$0	248,375
<b>Contribution margin</b>	<b>\$189,593</b>	<b>\$21,798</b>	<b>\$211,391</b>

# Non-GAAP Reconciliations

(in thousands except for percentages)

	2022				2023				2022				2023			
	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
<b>Net income/ Net income margin</b>	<b>\$3,138</b>	<b>\$24,060</b>	<b>\$18,747</b>	<b>\$24,834</b>	<b>\$30,272</b>	<b>\$38,326</b>	<b>\$16,018</b>	<b>\$22,429</b>	<b>2.4%</b>	<b>16.3%</b>	<b>12.0%</b>	<b>15.1%</b>	<b>18.8%</b>	<b>23.2%</b>	<b>8.5%</b>	<b>11.3%</b>
Income tax expense (benefit)	\$76	-	\$118	-\$1,784	\$285	-\$24,485	\$2,595	-\$14,498	0.1%	-	0.1%	-1.1%	0.2%	-14.8%	1.4%	-7.3%
Interest expense - net	\$3,942	\$2,699	\$2,901	\$3,316	\$3,280	\$2,772	\$2,544	\$4,909	3.0%	1.8%	1.8%	2.0%	2.0%	1.7%	1.4%	2.5%
Depreciation and amortization	\$1,385	\$1,726	\$2,158	\$2,463	\$2,598	\$2,704	\$3,301	\$8,575	1.1%	1.2%	1.4%	1.5%	1.6%	1.6%	1.8%	4.3%
Sales tax liability <sup>(1)</sup>	\$922	\$2,010	-\$118	-	-	-	-	\$3,172	0.7%	1.4%	-0.1%	-	-	-	-	1.6%
Transaction costs <sup>(2)</sup>	\$1,402	\$2,345	\$538	\$555	\$456	\$4,488	\$2,290	\$5,545	1.1%	1.6%	0.3%	0.3%	0.3%	2.7%	1.2%	2.8%
Equity-based compensation <sup>(3)</sup>	\$3,597	\$5,312	\$5,073	\$5,071	\$5,530	\$7,380	\$7,578	\$7,126	2.8%	3.6%	3.2%	3.1%	3.4%	4.5%	4.0%	3.6%
Loss on extinguishment of debt <sup>(4)</sup>	\$4,285	-	-	-	-	-	-	-	3.3%	-	-	-	-	-	-	-
Litigation, settlements and related costs <sup>(5)</sup>	-\$14	\$1,009	\$89	\$1,393	\$300	-\$66	\$26	-\$45	0.0%	0.7%	0.1%	0.8%	0.2%	0.0%	0.0%	0.0%
Change in fair value of warrants <sup>(6)</sup>	\$2,279	-\$8,832	-\$65	-\$1,609	-\$327	\$1,000	-\$1,664	\$20	1.7%	-6.0%	0.0%	-1.0%	-0.2%	0.6%	-0.9%	0.0%
Change in fair value of derivative asset <sup>(7)</sup>	-	-	-	-	-	-	\$83	-\$619	-	-	-	-	-	-	0.0%	-0.3%
Change in fair value of contingent consideration <sup>(7)</sup>	-	-	-\$1,220	-\$845	\$34	-\$1,052	\$20	-	-	-	-0.8%	-0.5%	0.0%	-0.6%	0.0%	-
Loss on asset disposals <sup>(8)</sup>	-	-	\$63	\$306	\$7	\$10	\$34	\$634	-	-	0.0%	0.2%	0.0%	0.0%	0.0%	0.3%
Foreign currency revaluation losses <sup>(10)</sup>	-	-	-	-	-	-	\$542	-\$2,719	-	-	-	-	-	-	0.3%	-1.4%
Tax Receivable Agreement liability adjustment <sup>(11)</sup>	-	-	-	-	-	-	-	\$574	-	-	-	-	-	-	-	0.3%
<b>Adjusted EBITDA / Adjusted EBITDA margin</b>	<b>\$21,012</b>	<b>\$30,329</b>	<b>\$28,284</b>	<b>\$33,700</b>	<b>\$42,435</b>	<b>\$31,077</b>	<b>\$33,367</b>	<b>\$35,103</b>	<b>16.1%</b>	<b>20.5%</b>	<b>18.0%</b>	<b>20.4%</b>	<b>26.3%</b>	<b>18.8%</b>	<b>17.7%</b>	<b>17.7%</b>

## Notes:

- 1) We have historically incurred sales tax expense in jurisdictions where we expected to collect and remit indirect taxes, but were not yet collecting from customers. The sales tax liability for 2023 represents the liability recorded for local admissions taxes which we are not yet collecting from customers, including estimated penalties. The sales tax liability for 2022 and 2021 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.
- 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 secondary offerings 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 our first lien term loan and our exchange offering of shares of our Class A common stock for properly tendered public warrants. Transaction costs recognized in 2021 were primarily related to our merger transaction with Horizon Acquisition Corporation (the "Merger Transaction"), to the extent they were not eligible for capitalization, and our acquisition of Vivid Picks.
- 3) This relates to profits interests issued prior to the Merger Transaction and equity granted pursuant to our 2021 Incentive Award Plan, which we do not consider to be indicative of our core operating performance.
- 4) Losses incurred in 2022 resulted from the extinguishment our prior first lien term loan in February 2022.
- 5) This relates to external legal costs, settlement costs and insurance recoveries that were unrelated to our core business operations.
- 6) This relates to the revaluation of warrants to purchase 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 (gain) loss from the remeasurement of non-operating assets and liabilities denominated in non-functional currencies on the balance sheet date.
- 11) This relates to remeasurement of the Tax Receivable Agreement liability.