BuzzFeed Inc.

Q2 2024
Investor Letter

Jonah Peretti
Founder & CEO

Before I get into specifics about the quarter, I want to provide a bit of context. As I've mentioned before, we take a long term approach to managing our business. This is why we've kept our world class tech and product teams intact, despite a tough market where many of our competitors shed those costs to provide short term savings. We have a strong conviction that continuously experimenting and innovating with technology sets us up to thrive in the next era of the internet. **We've always lived at the intersection of content and technology, and we're increasingly leaning into the new technologies that are beginning to transform the media industry.**

I'm pleased to share that we are beginning to see the fruits of our experimentation and innovation. In particular, generative AI, interactive content formats, and enhanced personalization are starting to drive improvements in key metrics across our business. These improvements include more audience loyalty, more user logins, higher conversion on our commerce content, better targeting and growth in our advertising inventory, revenue growth in our most scalable lines of business, and improved profitability.

By leaning into new technologies, we have also accelerated the pace of new product development, made our content creators more efficient and creative, and invited our audience to participate directly in AI-assisted content creation. We've already done much of the hard work that will enable us to do more of the fun consumer facing work moving forward.

- Since the start of the year, we've built foundational capabilities with the help of AI that now power internal content development tools, like our AI copilots, as well as consumer facing experiences, like our AI-assisted content generators. By leveraging a range of embedding techniques to represent our content, in conjunction with vector data stores and model fine-tuning capabilities, we have the right building blocks in place to recommend, remix, personalize, and generate new forms of media for our audiences.

Our teams are very excited about the platform we've built, and even more excited about all the new things we'll be able to launch in the coming months and years. We'll share more with you in future earnings calls so you can track our progress.

These changes have allowed us to complete the shift away from a platform-dependent model of content distribution and monetization. In Q2, our teams were focused on deepening engagement on our owned and operated websites and apps. And our Q2 results demonstrate the progress we have made in that regard, along with stabilizing our business more generally.

- As compared to Q1, **audience time spent with our content in Q2 grew 5%**, according to Comscore. And, **as the only digital media company among our competitive set to grow** over this period, we believe this highlights the strength of our differentiated business model in contrast to peers whose traffic is highly dependent on search and other external referral sources.
  - We also **grew time spent among our core demographic** — Millennials and Gen Z — by 11% versus Q1.
- In terms of revenue, on a year-over-year basis, we **grew Q2 revenues in two of our largest and highest-margin lines** of business — Programmatic Advertising and Affiliate Commerce.
- And we **exceeded our May outlook**, delivering $2.7 million of Q2 Adjusted EBITDA[1], for a $5 million improvement year-over-year.

[1] As used throughout, Adjusted EBITDA is a non-GAAP financial measure. Please refer to "Non-GAAP Financial Measures" below for a description of how it is calculated and the tables at the back of this investor letter for a reconciliation of our GAAP and non-GAAP results.

With the vast majority of audience engagement happening on our owned and operated properties, we are well-positioned to control our own destiny in terms of enhancing and personalizing the audience experience and driving long-term monetization.

- In Q2, 90% of audience time spent with our content was on our own websites and apps. And, direct traffic continues to be our largest source of audience traffic, far surpassing referrals from third-party platforms including Facebook.
- Direct traffic continued to show stability in Q2 across our two largest owned and operated properties — BuzzFeed and HuffPost.
- More importantly, we saw strong evidence of deepening loyalty among our audience.
  - **Logged in users grew versus Q1**, better positioning us to mitigate potential risk of cookie deprecation.
  - As we've introduced more interactive content, we have also seen that the **number of loyal users**, or the number of users that visit us more than once a week, has **grown by a double-digit percentage since Q4 2023.**
  - And, we are also seeing momentum in terms of repeat visits to our site. **Page views per unique site visitor grew quarter-over-quarter for the third consecutive quarter.**
  - Loyalty continues to be particularly strong across our suite of BuzzFeed Games, with the vast majority of Q2 games users on the app returning within a week.

One of our biggest learnings in Q2 was that when creativity is in the hands of the audience, engagement is deeper. Whether it's our Sims AI Generator, Make Your Own Emoji, or Turn Your Favorite Celeb Into Shrek, our AI-powered content generators have demonstrated higher audience engagement and participation relative to other formats.

We also launched the new BuzzFeed homepage in June, offering more engagement opportunities for the audience directly on the page — from polls to quizzes to widgets that make it easier for the audience to learn more about themselves and each other. Although it is still early, following the new site launch, we have seen measurable increases in audience engagement and monetization — **with more actions per visit and a double-digit percentage increase in programmatic revenue per homepage view.**

Looking ahead, we expect to build on these audience engagement and monetization trends with a new landing page that features all of BuzzFeed's Games, a social leaderboard feature, and a newly designed BuzzFeed app that builds on all the learnings from our web homepage. **We see a future where our app provides a mix of trusted content, games and interactive features, creating a hybrid between a content publisher and a social media destination.** I'm excited to be building a platform that aligns with the future of digital media.

Turning to our revenue performance,

I am pleased to share that we **grew Q2 programmatic advertising revenues by 3%** year-over-year. This is the **first quarter of year-over-year growth in overall programmatic revenues since Q1 2022**, a signal that the strategic and organizational changes we have made to stabilize our business are beginning to pay off. And importantly, these changes are also helping us to offset the impact of declines on third-party platforms and validating our focus on our owned and operated properties.

Although our overall revenue performance continues to be pressured by headwinds in the direct sales channel, we are optimistic about the progress we are seeing on the programmatic side, which represents approximately two-thirds of our overall Advertising revenue. As part of our larger, company-wide transformation, we continue to focus on our most scalable, high margin revenue lines. And we expect this momentum to continue into Q3, as strength in our high margin revenue lines drives further year-over-year improvements in Adjusted EBITDA.

Our **affiliate commerce business also had a strong Q2, growing revenues by 9% year-over-year.** As I've discussed on past calls, retail partnerships are an important part of our business. With coverage like editorially-driven product roundups, we drive hundreds of millions of dollars in commerce transactions on behalf of the largest retailers in the world. But our retailer partnerships extend far beyond our editorial shopping content. Our relationship with Target is a great example of how we put our diverse product catalog to work to drive actionable results.

- Target leverages our high-quality onsite real estate to promote general brand ads and supplier-funded campaigns secured through Roundel, its retail media business, which drives advertising revenue for BuzzFeed.
- They also purchase branded sponsored content, like homepage takeovers, to spotlight their big tentpole moments like Target Circle Week or the holiday gifting season.
- And more recently, Target partnered with us on AI during this past holiday shopping season as we introduced Shoppy — our AI-powered shopping assistant that helped our readers find the perfect gift for everyone on their list.

Our expertise in serving our retail partners continued to shine in Q3. Off the back of Amazon's largest Prime Day yet, BuzzFeed also had its **biggest Prime Day ever**, growing revenues over the two-day period by a strong double-digit percentage year-over-year, surpassing even Amazon's overall Prime Day growth and demonstrating the value-add we are able to deliver on behalf of the world's largest retailers. I am so proud of our teams whose expertise and dedication contributed to such an impressive result for the company.

As we continue to make progress in growing our Programmatic and Affiliate revenue lines, this quarter we are introducing more transparency into our revenue reporting. I encourage you to flip through the contents of this letter for a closer look at our revenue performance.

Although legacy digital media continues to face challenges, we are charting a path to a better future and redefining the industry for this next era of technology. I want to emphasize the progress we have made in stabilizing the business in a relatively short period of time. Since the start of the year we have:

- built a leading platform for AI-powered content,
- accelerated the launch tons of new content, from AI-powered formats to games to a new homepage experience,
- reduced our debt,
- reduced our cost structure,
- improved our cash position,
- returned two of our largest and highest margin revenue lines to growth, and
- driven year-over-year improvements in profitability

I am grateful to work alongside such a talented and dedicated team, and excited to showcase what's next for BuzzFeed as we continue to build the defining media company for the AI era.

Jonah Peretti
Founder & CEO

Q2’24 Financial Highlights

Operational and financial metrics here are presented on a continuing operations basis, excluding Complex[1]

TOTAL REVENUE

Q2’24 $47M

Q2’23 $62M

NET INCOME (LOSS)

Q2’24 $(6)M

Q2’23 $(22)M

ADJUSTED EBITDA[2]

Q2’24 $3M

Q2’23 $(2)M

TIME SPENT[3]

71M
hours

CASH AND CASH EQUIVALENTS

$45M

[1] The Company determined the assets of Complex Networks, excluding the First We Feast brand, met the classification for “held for sale.” Additionally, the Company concluded the disposal, which occurred on February 21, 2024, represented a strategic shift that had a major effect on our operations and financial results. As such, the historical financial results of Complex Networks have been reflected as discontinued operations in our condensed consolidated financial statements. Amounts presented throughout this investor letter are on a continuing operations basis (i.e., excluding Complex Networks).

[2] A non-GAAP financial measure. See “Reconciliation of GAAP to Non-GAAP Financial Measures” in the Appendix for a reconciliation to the most directly comparable financial measure in accordance with accounting principles generally accepted in the United States (“GAAP”).

[3] We define Time Spent as the estimated total number of hours spent by users on our owned-and-operated U.S properties, our content on Apple News, and our content on YouTube in the U.S., in each case, as reported by Comscore. For additional details please refer to the full definition of Time Spent in the Appendix.

Q2'24 Revenue Performance

Q2 2024 ADVERTISING REVENUE

$23.8M

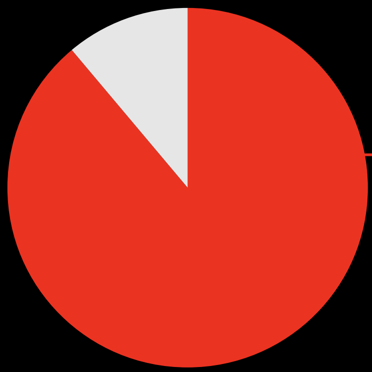
- Programmatic Advertising
- Direct Sold Advertising

+3% Programmatic Advertising Revenue

Q2'24	$16.0M
Q2'23	$15.5M

Q2 2024 COMMERCE REVENUE

$11.7M



- Organic Affiliate
- Other

+9% Organic Affiliate Commerce Revenue

Q2'24	$10.4M
Q2'23	$9.6M

Q2 2024 CONTENT REVENUE

$11.4M

-48% Content Revenue

Q2'24	$11.4M
Q2'23	$21.7M

Selected Client Wins

INTUIT | BUZZFEED & HUFFPOST

Following Intuit's partnership with Hot Ones in Q1, the brand returned to partner with BuzzFeed Inc. in Q2, this time aligning with both BuzzFeed and HuffPost to promote Intuit's Quickbooks product. The goal of the campaign was to generate awareness of the Quickbooks Grant Program, which offered 20 grants, each worth $10,000, to small business owners across the country. As part of this partnership, we created and distributed a series of editorial articles on BuzzFeed and HuffPost that highlighted this opportunity during Small Business Success Month. The campaign over delivered against the client's KPIs, successfully raising awareness of the Grant Program among the BuzzFeed and HuffPost audience.

THOMAS | TASTY

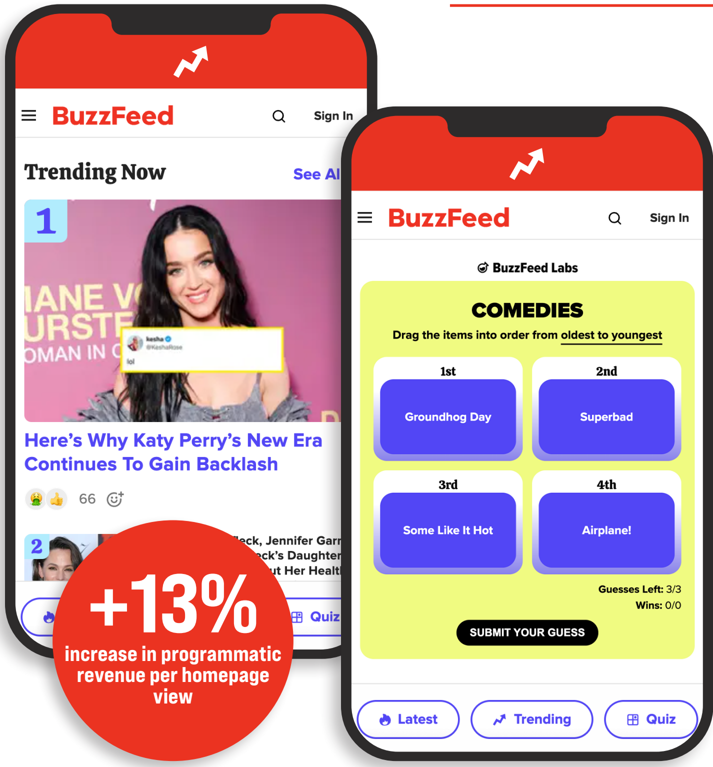
In Q2, Tasty and Thomas Breads launched a partnership to help Thomas align its breakfast products with Tasty's loyal users, across the Tasty web and app. The partnership included a Thomas-themed meal planner in the app featuring a dozen seasonal breakfast recipes and 4-week meal plans that fans can seamlessly add to their grocery lists via Tasty's shopping cart feature. Early performance of the campaign has driven higher "add to cart" rates and click thru rates as compared to industry benchmarks.

SAMSUNG | HOT ONES

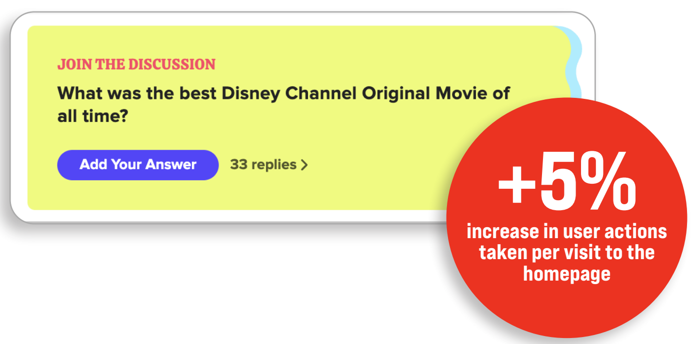
In Q2, Samsung turned to Hot Ones to help introduce their new Galaxy S24 Ultra phone model to Hot Ones' audience of millions of young pop culture fans and sports enthusiasts. The multi-faceted program included episode sponsorships during March Madness, custom episodes of Hot Ones' newest show, Versus, where guest athletes used the new Samsung S24 Ultra "nightography zoom" camera technology to complete a challenge, and pre-roll advertising featuring Hot Ones host Sean Evans and Camera Guy Bill. The partnership over-delivered on all metrics, garnering millions of views while showing significant lift in KPIs such as Device Awareness and Message Association.

ADVANCING CREATIVITY AND ENHANCING THE AUDIENCE EXPERIENCE WITH AI-INSPIRED CONTENT

Big Red continued to build audience loyalty, launching a new, interactive homepage and rolling out AI-powered content generators that put creativity in the hands of the audience



BuzzFeed introduced a new homepage featuring more games, interactive polls and quizzes and new widgets — driving measurable increases in audience engagement and programmatic revenue in Q2



One of our biggest learnings in Q2 was that when creativity is in the hands of the audience, engagement is deeper. Our AI-powered content generators have demonstrated higher audience engagement and participation relative to other AI formats.

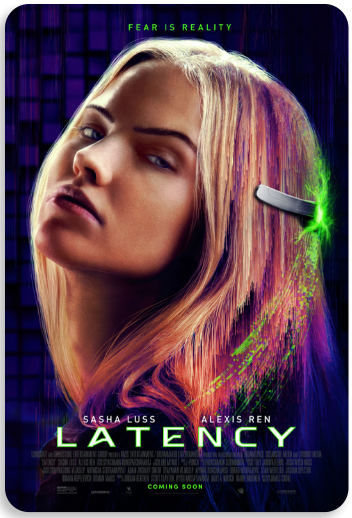
Turn your favorite celebs into Shrek

Make your own Emoji

Sims AI generator

PRODUCING MORE PREDICTABLE SUCCESS IN LONG-FORM PREMIUM CONTENT

Latency from Lionsgate & BuzzFeed Studios



BuzzFeed Studios partnered with Lionsgate and Grindstone on the new feature film, Latency, which released in select theaters this June. Starring Alexis Ren and Sasha Luss, Latency tells the story of prolific gamer Hana (Luss) who begins to lose track of reality as she tests new gaming equipment that connects to her brain waves. BuzzFeed Studios provided production, consulting, and promotional support for the film, including the inaugural episode of BuzzFeed Celeb's "AI Interview" starring Alexis Ren, which garnered nearly 1M views across TikTok and Instagram.

New Launches & Growth Across Animated Properties

BuzzFeed Animation Lab has been busy launching and growing new channels across YouTube. "Magic and Stuff," our newest channel in support of BuzzFeed's first animated/live-action hybrid Dungeons & Dragons show, launched this year, while "El Mundo De Boggs," our home for Spanish language "Land of Boggs" content, crossed 1M subscribers. With the success of "El Mundo," we have plans for new non-English channels underway, continuing our data-driven approach to bring our content to new audiences in markets across the globe.

BuzzFeed Studios FAST Channels Debut on Amazon Freevee

BuzzFeed Studios launched its newest FAST channels on Amazon Freevee — BuzzFeed Food and BuzzFeed Unsolved. With these off to a growing start, our team is working to launch new channels in the coming months, with additional carriage agreements in the works to expand our FAST footprint.

ATTRACTING THE NEXT GENERATION OF FOOD CREATORS ON THE INTERNET

Micro-content has hit a viral wave on Tasty with high performance stats across every platform. These new <:15 seconds Tasty formats consist of aesthetic tricks & gadgets, highly controversial cooking tips & cravable beauty shots of mini-recipe — all perfect to hook attention quickly.

Most viewed Tasty Instagram Reel ever with over 100M views

Albertsons' Signature Select tapped into our Creator expertise to launch a long-term strategic partnership

Across editorial creator content and vertical video with strong shopping alignment, Albertsons is integrated across Tasty's most premium creator channels & viral Tasty Shows to create a swarm of purchase consideration for key seasonal product moments.

This is a perfect example of our Creator strengths — we help brands tap into multiple creators, build trust and credibility through Tasty and apply our audience insights to create content that resonates with the client's key demographic targets.

FIRST WE FEAST™ PRESENTS HOT ONES

FIRST WE FEAST'S HIT CELEBRITY INTERVIEW SHOW ON YOUTUBE AND MASSIVE IP UNIVERSE AT THE INTERSECTION OF FOOD AND POP CULTURE

Hot Ones Wraps Season 23 with Viral Conan O'Brien Episode

Hot Ones launched Season 24, averaging 10 million weekly views

Hot Ones Hot Sauces Expands Distribution Nationwide

Hot Ones hot sauces by HEATONIST expanded to 30,000+ points of retail distribution in 2024. In Q2, HEATONIST expanded distribution to Target (1,700 doors), Kroger (1,500 doors), and Walmart (1,400 doors). The hot sauce product mix is focused on our everyday sauces: Classic Chili Maple, Buffalo Sauce, and Los Calientes.

Hot Ones Partners with New Amsterdam Vodka To Launch Spicy 'Heat Check' Vodka

In June, Hot Ones and Spirit of Gallo released Heat Check, a new hot pepper-flavored vodka created in partnership with New Amsterdam Vodka. The spicy vodka is currently distributed nationally at major retailers and at bar and restaurant accounts.

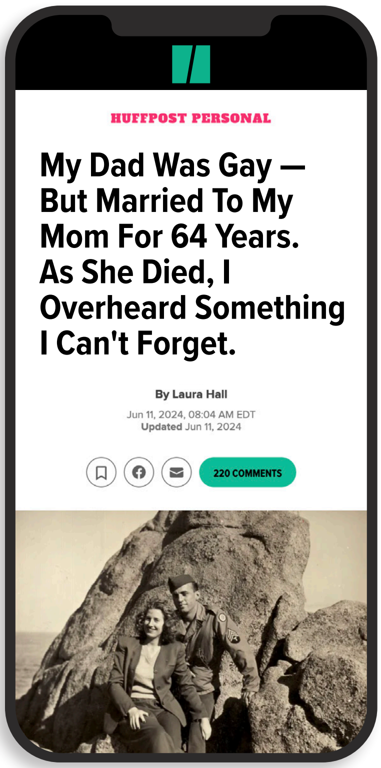
ENGAGING READERS WITH RESONANT COVERAGE OF THE WORLD'S BIGGEST CULTURAL MOMENTS

HuffPost Q2 Traffic Grew 7% Year-over-Year

With over 1B cross-platform pageviews in Q2, HuffPost traffic grew 7% compared to the same period in 2023.

This included record performance for the outlet's **Breaking News** team on Apple News in May, driven by HuffPost's coverage of the Trump hush money trial.

+7%
y/y growth in traffic



HuffPost's Personal content continued to resonate with readers in Q2.

Laura Hall's "My Dad Was Gay — But Married To My Mom For 64 Years. As She Died, I Overheard Something I Can't Forget," drove over **2 million views** with an average read time of almost three minutes. It also sent her book soaring on Amazon.

> "My book won 12 awards but none of that moved the needle the way that publishing my essay on HuffPost did."
>
> — Laura Hall

Multiple HuffPost reporters were recognized as finalists for prestigious awards in journalism, with reporting across national issues and the anti-trans movement in the US.

LIVINGSTON AWARDS

Deadline Club
NYC CHAPTER OF THE SOCIETY OF PROFESSIONAL JOURNALISTS

Q2'24 Financial Results

We closed the second quarter with great momentum. Some highlights from across the business:

- In terms of audience time spent, we were the only digital media company in our competitive set to grow time spent quarter-over-quarter, up 5% versus Q1, according to Comscore.
    - And, importantly, we grew time spent among our core demographic — Millennials and Gen Z — by 11% versus Q1.
- We delivered overall Q2 revenues in line with our May outlook, with year-over-year growth in two of our largest and highest-margin lines of business: Programmatic Advertising and Affiliate Commerce
- We exceeded our May outlook for Adjusted EBITDA, generating $2.7 million in Q2 profits, a $5 million improvement year-over-year
- This momentum has continued into Q3 with our biggest Prime Day ever, generating double digit year-over-year growth in both audience traffic and commerce revenue, outpacing Amazon's overall Prime Day growth

As we work to return the overall business to growth, we are introducing more transparency in our revenue performance. On Page 6 of this investor letter, you will find details on the year-over-year revenue performance for our areas of focus — Programmatic Advertising and Affiliate Commerce.

As a reminder, all financials and comparables presented here are on a continuing operations basis, which excludes Complex.

Overall revenues for Q2 2024 declined 24% year-over-year to $46.9 million, in line with our May outlook. Performance by revenue line was as follows:

- Advertising revenues declined 19% year-over-year, to $23.8 million, driven by ongoing pressure on our direct sales channel and a shift in our strategy to prioritize our most scalable, high margin revenue lines. This offset growth in our programmatic advertising business, across both our owned and operated properties and third-party platforms.
- Advertising revenues are driven in large part by audience time spent with our content across platforms. In conjunction with advertising revenues, we continue

TOTAL REVENUE

ADVERTISING REVENUE

CONTENT REVENUE

COMMERCE AND OTHER REVENUES

to report US time spent across our owned and operated properties and third-party platforms, according to Comscore.

  - As I mentioned earlier, we led the industry in Q2, in terms of overall audience time spent, growing versus Q1.
  - On a year-over-year basis, time spent trends continued to reflect the ongoing declines in referral traffic from third-party platforms. Q2 time spent as reported by Comscore declined 5% year-over-year, to 71 million hours.

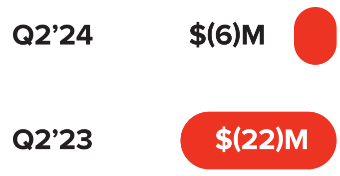
- **Content revenues** declined 48%, year-over-year to $11.4 million, again driven by ongoing pressure in the direct sales channel. The vast majority of our Content revenue is made up of branded content campaigns for clients. As we double-down on our higher margin, more scalable revenue lines like Programmatic Advertising and Affiliate Commerce, we have put less emphasis on this lower margin branded content business.
- **Commerce and other revenues** of $11.7 million grew 7% year-over-year, driven by better performance of our shopping content across multiple metrics, which drove higher affiliate commissions from our retail partners.

We delivered second quarter Adjusted EBITDA of $2.7 million, ahead of our May outlook, and $5 million better than the year ago quarter. This reflects the cumulative impact of our cost savings plan announced in February, which more than offset the revenue headwinds in the quarter.

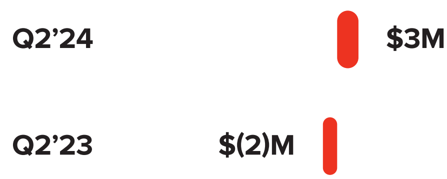
We ended the second quarter with **cash and cash equivalents** of approximately $45 million, a net **increase** of approximately $10 million year-to-date.

Our Q2 results have demonstrated that our efforts to refocus the business are driving real financial results. And we see this momentum continuing into Q3. As we return two of our most scalable, highest margin revenue lines to growth and continue to execute with a lean cost structure and strong cash management, we see an opportunity to further stabilize the balance sheet, return the overall business to top line growth and drive additional margin expansion over the coming quarters.

NET INCOME (LOSS)



ADJUSTED EBITDA[1]



CASH AND CASH EQUIVALENTS

[1] Adjusted EBITDA is a non-GAAP financial measure. See "Reconciliation of GAAP to Non-GAAP Financial Measures" in the Appendix for a reconciliation to the most directly comparable financial measure in accordance with accounting principles generally accepted in the United States ("GAAP").

Q3'24 Outlook

For the third quarter of 2024:

- We expect overall revenues in the range of **$58 million to $63 million**, or 3% lower to 5% higher than the year ago quarter.
- We expect Adjusted EBITDA[1] in the range of **$6 million to $11 million**, approximately $8 million higher year-over-year at the midpoint.

Earnings Conference Call

- BuzzFeed, Inc. Founder and CEO Jonah Peretti and CFO Matt Omer will host a conference call to discuss the results on **Monday, August 12, 2024 at 5:00 PM EST**.
- The financial results conference call will be available via webcast at **investors.buzzfeed.com** under the heading News and Events. A replay of the call will be made available at the same URL. To participate in the conference call, interested parties must register in advance. Upon registration, all telephone participants will receive a confirmation email detailing how to join the conference call, including the dial-in number along with a unique PIN that can be used to access the call. While it is not required, it is recommended you join 10 minutes prior to the event start time.

[1] Adjusted EBITDA is a non-GAAP financial measure. See "Reconciliation of GAAP to Non-GAAP Financial Measures" in the Appendix for a reconciliation to the most directly comparable financial measure in accordance with accounting principles generally accepted in the United States ("GAAP").

Appendix

Definitions

BuzzFeed reports revenues across three primary business lines: Advertising, Content and Commerce and other. The definition of Time Spent is also set forth below.

Advertising revenues are primarily generated from advertisers for ads distributed against our editorial and news content, including display, pre-roll and mid-roll video products sold directly to brands and also programmatically. We distribute these ad products across our owned and operated sites as well as third-party platforms, primarily YouTube and Apple News.

Content revenues are primarily generated from clients for custom assets, including both long-form and short-form content, from branded quizzes to Instagram takeovers to sponsored content and content licensing. Revenues for film and TV projects are also included here.

Commerce and other revenues consist primarily of affiliate commissions earned on transactions initiated from our editorial shopping content. Revenues from our product licensing businesses are also included here.

Time Spent captures the time audiences spend engaging with our content in the U.S. across our owned and operated sites, as well as YouTube and Apple News, as measured by Comscore. This metric excludes time spent with our content on platforms for which we have minimal advertising capabilities that contribute to our Advertising revenues, including Instagram, TikTok, Facebook, Snapchat and Twitter. There are inherent challenges in measuring the total actual number of hours spent with our content across all platforms; however, we consider the data reported by Comscore to represent industry-standard estimates of the time actually spent on our largest distribution platforms with our most significant monetization opportunities. Time Spent presented above excludes time spent on Complex Networks, as Complex Networks is presented as a discontinued operation within our condensed consolidated financial statements. Time Spent on Complex Networks, as reported by Comscore, was approximately 10.0 million hours through the date of Disposition, February 21, 2024, and 21.2 million and 50.0 million hours for the three and six months ended June 30, 2023, respectively. Time Spent on Complex Networks, as reported by Comscore, previously included Time Spent on First We Feast, as First We Feast was historically under the Complex Networks' measurement portfolio of Comscore. However, the historical Time Spent on First We Feast cannot be reasonably bifurcated from Time Spent on Complex Networks. Accordingly, for comparability of Time Spent, we have excluded Time Spent on First We Feast from our measure of Time Spent for all periods presented above and for future reporting of Time Spent.

Non-GAAP Financial Measures

Adjusted EBITDA and Adjusted EBITDA margin are non-GAAP financial measures and represent key metrics used by management and our board of directors to measure the operational strength and performance of our business, to establish budgets, and to develop operational goals for managing our business. We define Adjusted EBITDA as net loss from continuing operations, excluding the impact of net income (loss) attributable to noncontrolling interests, income tax (benefit) provision, interest expense, net, other (income) expense, net, depreciation and amortization, stock-based compensation, change in fair value of warrant liabilities, change in fair value of derivative liability, restructuring costs, and other non-cash and non-recurring items that management believes are not indicative of ongoing operations. Adjusted EBITDA margin is calculated by dividing Adjusted EBITDA by revenue for the same period.

We believe Adjusted EBITDA and Adjusted EBITDA margin are relevant and useful information for investors because they allow investors to view performance in a manner similar to the method used by our management. There are limitations to the use of Adjusted EBITDA and Adjusted EBITDA margin and our Adjusted EBITDA and Adjusted EBITDA margin may not be comparable to similarly titled measures of other companies. Other companies, including companies in our industry, may calculate non-GAAP financial measures differently than we do, limiting the usefulness of those measures for comparative purposes.

Adjusted EBITDA and Adjusted EBITDA margin should not be considered a substitute for measures prepared in accordance with GAAP. Reconciliations of non-GAAP financial measures to the most directly comparable financial results as determined in accordance with GAAP are included at the end of this press release following the accompanying financial data.

Cautionary Statement

Certain statements in this press release may be considered forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which statements involve substantial risks and uncertainties. Our forward-looking statements include, but are not limited to, statements regarding our management team's expectations, hopes, beliefs, intentions or strategies regarding the future. In addition, any statements that refer to projections, forecasts (including our outlook for Q3 2024) or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. The words "affect," "anticipate," "believe," "can," "contemplate," "continue," "could," "estimate," "expect," "forecast," "intend," "may," "might," "plan," "possible," "potential," "predict," "project," "seek," "should," "target," "will," "would" and similar expressions may identify forward-looking statements, but the absence of these words does not mean that a statement is not forward-looking. Forward-looking statements include all matters that are not historical facts. The forward-looking statements contained in this press release are based on current expectations and beliefs concerning future developments and their potential effects on us. There can be no assurance that future developments affecting us will be those that we have anticipated. These forward-looking statements involve a number of risks, (some of which are beyond our control) uncertainties or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include, but are not limited to: (1) developments relating to our competitors and the digital media industry, including overall demand of advertising in the markets in which we operate; (2) demand for our products and services or changes in traffic or engagement with our brands and content; (3) changes in the business and competitive environment in which we and our current and prospective partners and advertisers operate; (4) macroeconomic factors including: adverse economic conditions in the United States and globally, including the potential onset of recession; current global supply chain disruptions; potential government shutdowns or a failure to raise the U.S. federal debt ceiling or to fund the federal government; the ongoing conflicts between Russia and Ukraine and between Israel and Hamas and any related sanctions and geopolitical tensions, and further escalation of trade tensions between the United States and China; the inflationary environment; high unemployment; high interest rates, currency fluctuations; and the competitive labor market; (5) our future capital requirements,

Cautionary Statement (continued)

including, but not limited to, our ability to obtain additional capital in the future, to settle conversions of our unsecured convertible notes, repurchase the notes upon a fundamental change such as the delisting of our Class A common stock or repay the notes in cash at their maturity any restrictions imposed by, or commitments under, the indenture governing our unsecured notes or agreements governing any future indebtedness, and any restrictions on our ability to access our cash and cash equivalents; (6) developments in the law and government regulation, including, but not limited to, revised foreign content and ownership regulations, and the outcomes of legal proceedings, regulatory disputes or governmental investigations to which we are subject; (7) the benefits of our cost savings measures; (8) our success divesting of companies, assets or brands we sell or in integrating and supporting the companies we acquire; (9) technological developments including artificial intelligence; (10) the impact of activist shareholder activity, including on our strategic direction; (11) our success in retaining or recruiting, or changes required in, officers, other key employees or directors; (12) use of content creators and on-camera talent and relationships with third parties managing certain of our branded operations outside of the United States; (13) the security of our information technology systems or data; (14) disruption in our service, or by our failure to timely and effectively scale and adapt our existing technology and infrastructure; (15) our ability to maintain the listing of our Class A common stock and warrants on The Nasdaq Stock Market LLC; and (16) those factors described under the sections entitled “Risk Factors” in the Company’s annual and quarterly filings with the Securities and Exchange Commission.

Should one or more of these risks or uncertainties materialize, or should any of our assumptions prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. There may be additional risks that we consider immaterial or which are unknown. It is not possible to predict or identify all such risks. We do not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

BuzzFeed, Inc.’s names, abbreviations thereof, logos, and product and service designators are all either the registered or unregistered trademarks or trade names of BuzzFeed, Inc. All other product or service names are the property of their respective owners.

BUZZFEED, INC.
Financial Highlights
(Unaudited, dollars in thousands)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2024	2023	% Change	2024	2023	% Change
Advertising	$ 23,814	$ 29,412	(19)%	$ 45,237	$ 56,805	(20)%
Content	11,369	21,739	(48)%	24,476	37,990	(36)%
Commerce and other	11,749	10,977	7 %	21,974	22,241	(1)%
Total revenue	$ 46,932	$ 62,128	(24)%	$ 91,687	$ 117,036	(22)%
Loss from continuing operations	$ (4,214)	$ (16,422)	74 %	$ (25,027)	$ (40,899)	39 %
Net loss from continuing operations	$ (6,483)	$ (22,482)	71 %	$ (33,052)	$ (51,871)	36 %
Adjusted EBITDA	$ 2,659	$ (2,204)	221 %	$ (8,605)	$ (20,292)	58 %

BUZZFEED, INC.
Condensed Consolidated Balance Sheets
(Unaudited, dollars and shares in thousands, except per share amounts)

	June 30, 2024 (Unaudited)	December 31, 2023
Assets		
Current assets		
Cash and cash equivalents	$ 45,461	$ 35,637
Accounts receivable (net of allowance for doubtful accounts of $1,066 as at June 30, 2024 and $1,424 as at December 31, 2023)	46,954	75,692
Prepaid expenses and other current assets	19,260	21,460
Current assets of discontinued operations	—	—
Total current assets	111,675	132,789
Property and equipment, net	8,777	11,856
Right-of-use assets	38,058	46,715
Capitalized software costs, net	22,653	22,292
Intangible assets, net	25,166	26,665
Goodwill	57,562	57,562
Prepaid expenses and other assets	8,963	9,508
Noncurrent assets of discontinued operations	—	104,089
Total assets	**$ 272,854**	**$ 411,476**
Liabilities and Stockholders' Equity		
Current liabilities		
Accounts payable	$ 16,556	$ 46,378
Accrued expenses	15,209	15,515
Deferred revenue	1,021	1,895
Accrued compensation	13,605	12,970
Current lease liabilities	23,326	21,659
Current debt	101,483	124,977
Other current liabilities	4,796	4,401
Current liabilities of discontinued operations	—	—
Total current liabilities	175,996	227,795
Noncurrent lease liabilities	25,713	37,820
Debt	—	33,837
Warrant liabilities	1,075	406
Other liabilities	753	435
Noncurrent liabilities of discontinued operations	—	—
Total liabilities	**203,537**	**300,293**
Commitments and contingencies		
Stockholders' equity		
Class A Common stock, $0.0001 par value; 700,000 shares authorized; 35,879 and 35,035 shares issued and outstanding at June 30, 2024 and December 31, 2023, respectively	3	3
Class B Common stock, $0.0001 par value; 20,000 shares authorized; 1,359 and 1,368 shares issued and outstanding at June 30, 2024 and December 31, 2023, respectively	1	1
Additional paid-in capital	725,386	723,092
Accumulated deficit	(654,984)	(611,768)
Accumulated other comprehensive loss	(3,227)	(2,500)
Total BuzzFeed, Inc. stockholders' equity	67,179	108,828
Noncontrolling interests	2,138	2,355
Total stockholders' equity	69,317	111,183
Total liabilities and stockholders' equity	**$ 272,854**	**$ 411,476**

BUZZFEED, INC.

Condensed Consolidated Statements of Operations
(Unaudited, dollars and shares in thousands, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Revenue	$ 46,932	$ 62,128	$ 91,687	$ 117,036
Costs and Expenses				
Cost of revenue, excluding depreciation and amortization	25,001	38,967	56,064	76,204
Sales and marketing	4,509	10,139	13,654	22,047
General and administrative	14,052	20,765	30,301	42,175
Research and development	2,721	3,351	5,951	6,479
Depreciation and amortization	4,863	5,328	10,744	11,030
Total costs and expenses	51,146	78,550	116,714	157,935
Loss from continuing operations	(4,214)	(16,422)	(25,027)	(40,899)
Other income (expense), net	2,168	(3,675)	1,612	(3,055)
Interest expense, net	(3,981)	(3,942)	(8,462)	(7,729)
Change in fair value of warrant liabilities	(632)	395	(669)	(198)
Change in fair value of derivative liability	—	1,125	—	120
Loss from continuing operations before income taxes	(6,659)	(22,519)	(32,546)	(51,761)
Income tax (benefit) provision	(176)	(37)	506	110
Net loss from continuing operations	(6,483)	(22,482)	(33,052)	(51,871)
Net loss from discontinued operations, net of tax	(877)	(5,354)	(10,089)	(12,226)
Net loss	(7,360)	(27,836)	(43,141)	(64,097)
Less: net income (loss) attributable to noncontrolling interests	127	—	74	(260)
Net loss attributable to BuzzFeed, Inc.	$ (7,487)	$ (27,836)	$ (43,215)	$ (63,837)
Net loss from continuing operations attributable to holders of Class A and Class B common stock:				
Basic and diluted	$ (6,610)	$ (22,482)	$ (33,126)	$ (51,611)
Net loss per Class A and Class B common share:				
Basic and diluted	$ (0.18)	$ (0.63)	$ (0.90)	$ (1.46)
Weighted average common shares outstanding:				
Basic and diluted	37,007	35,487	36,792	35,332

BUZZFEED, INC.
Condensed Consolidated Statements of Cash Flows
(Unaudited, USD in thousands)

	Six Months Ended June 30,	
	2024	2023
Operating activities:		
Net (loss)	$ (43,141)	$ (64,097)
Less: net (loss) from discontinued operations, net of tax	10,089	12,226
Net loss from continuing operations	(33,052)	(51,871)
Adjustments to reconcile net loss to net cash used in operating activities:		
Depreciation and amortization	10,744	11,030
Unrealized gain on foreign currency	(482)	(809)
Stock based compensation	2,499	2,816
Change in fair value of warrants	669	198
Change in fair value of derivative liability	—	(120)
Amortization of debt discount and deferred issuance costs	2,606	2,307
Deferred income tax	(409)	341
Provision for doubtful accounts	(358)	(259)
Loss (gain) on investment	—	3,590
Gain on disposition of assets	(350)	(175)
Non-cash lease expense	8,638	10,173
Changes in operating assets and liabilities:		
Accounts receivable	30,330	45,871
Prepaid expenses and other current assets and prepaid expenses and other assets	1,584	1,653
Accounts payable	(29,083)	9,889
Accrued compensation	696	(11,102)
Accrued expenses, other current liabilities and other liabilities	473	(11,302)
Lease liabilities	(10,418)	(11,822)
Deferred revenue	(873)	(2,488)
Cash used in operating activities from continuing operations	(16,786)	(2,080)
Cash used in operating activities from discontinued operations	(8,917)	(5,650)
Cash used in operating activities	(25,703)	(7,730)
Investing activities:		
Capital expenditures	(208)	(471)
Capitalization of internal-use software	(6,415)	(7,676)
Proceeds from sale of asset	350	175
Cash used in investing activities from continuing operations	(6,273)	(7,972)
Cash provided by investing activities from discontinued operations	108,575	—
Cash provided by (used in) investing activities	102,302	(7,972)
Financing activities:		
Proceeds from exercise of stock options	1	29
Payment for shares withheld for employee taxes	(230)	(220)
Borrowings on Revolving Credit Facility	—	2,128
Payments on Revolving Credit Facility	(33,837)	(1,317)
Payment on Convertible Notes	(31,233)	—
Proceeds from the issuance of common stock in connection with the at-the-market offering, net of issuance costs	—	765
Payment of early termination fee for Revolving Credit Facility	(500)	—
Payment of deferred issuance costs	(597)	—
Cash (used in) provided by financing activities	(66,396)	1,385
Effect of currency translation on cash and cash equivalents	(379)	(162)
Net increase (decrease) in cash and cash equivalents	9,824	(14,479)
Cash and cash equivalents at beginning of period	35,637	55,774
Cash and cash equivalents at end of period	$ 45,461	$ 41,295

BUZZFEED, INC.
Reconciliation of GAAP to Non-GAAP
(Unaudited, USD in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net loss from continuing operations	$ (6,483)	$ (22,482)	$ (33,052)	$ (51,871)
Income tax (benefit) provision	(176)	(37)	506	110
Interest expense, net	3,981	3,942	8,462	7,729
Other (income) expense, net	(2,168)	3,675	(1,612)	3,055
Depreciation and amortization	4,863	5,328	10,744	11,030
Stock-based compensation	1,747	2,129	2,499	2,816
Change in fair value of warrant liabilities	632	(395)	669	198
Change in fair value of derivative liability	—	(1,125)	—	(120)
Restructuring[1]	263	6,761	3,179	6,761
Adjusted EBITDA	$ 2,659	$ (2,204)	$ (8,605)	$ (20,292)
Adjusted EBITDA margin	5.7 %	(3.5)%	(9.4)%	(17.3)%
Net loss from continuing operations as a percentage of revenue[2]	(13.8)%	(36.2)%	(36.0)%	(44.3)%

(1) We exclude restructuring expenses from our non-GAAP measures because we believe they do not reflect expected future operating expenses, they are not indicative of our core operating performance, and they are not meaningful in comparison to our past operating performance.

(2) Net loss from continuing operations as a percentage of revenue is included as the most comparable GAAP measure to Adjusted EBITDA margin, which is a Non-GAAP measure.

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BuzzFeed Inc.