Bumble Inc. Announces First Quarter 2021 Results

May 12, 2021

Revenue Increased to $171 million
Bumble App Revenue Increased to $113 million
Badoo App & Other Revenue Increased to $58 million
Total Paying Users Increased 30% to 2.8 million

AUSTIN, Texas, May 12, 2021 (GLOBE NEWSWIRE) -- Bumble Inc. (NASDAQ: BMBL), the parent company of Bumble and Badoo, today reported financial results for the first quarter ended March 31, 2021.

“Our results and first quarter momentum validate the strength of our mission and our brand. We were able to combine our safety, mission and women-first narratives throughout the quarter in a manner that drove notable growth in user engagement and retention globally. Our brand and products are resonating worldwide, and we are inspired by the resilience of our customers who have demonstrated the power of human connection during the pandemic. Safety and accountability are at the foundation of our business and this mission-first approach has been key in advancing our position as leaders in the space. Our impressive results demonstrate that Bumble is more than our apps – our mission is powering a movement,” said Whitney Wolfe Herd, Founder and CEO of Bumble.

First Quarter 2021 Operational and Financial Results:
(All comparisons relative to the First Quarter 2020)

- First quarter 2021 revenue increased year-over-year to $170.7 million. First quarter 2020 revenue was comprised of $79.1 million for the period from January 29, 2020 to March 31, 2020 and $40.0 million for the period from January 1, 2020 to January 28, 2020.

- First quarter 2021 Bumble App Revenue increased year-over-year to $112.6 million. First quarter 2020 Bumble App Revenue was comprised of $46.7 million for the period from January 29, 2020 to March 31, 2020 and $23.3 million for the period from January 1, 2020 to January 28, 2020.

- First quarter 2021 Badoo App and Other Revenue increased year-over-year to $58.1 million. First quarter 2020 Badoo App and Other Revenue was comprised of $32.5 million for the period from January 29, 2020 to March 31, 2020 and $16.7 million for the period from January 1, 2020 to January 28, 2020.

- Total Paying Users increased 30.0% to 2.8 million, compared to 2.2 million.

- Total ARPPU was $19.99, compared to $17.73.

- Net earnings were $323.4 million, or 189.5% of revenue for the three months ended March 31, 2021, compared to Net loss of $55.8 million, or (70.5)% of revenue for the period from January 29, 2020 to March 31, 2020 and Net loss of $32.6 million, or (81.4)% of revenue for the period from January 1, 2020 to January 28, 2020.

- Adjusted EBITDA was $46.1 million, or 27.0% of revenue for the three months ended March 31, 2021, compared to $12.7 million, or 16.1% of revenue for the period from January 29, 2020 to March 31, 2020 and $9.4 million, or 23.4% of revenue for the period from January 1, 2020 to January 28, 2020.

“Our first quarter results reflect significant growth in paying users as well as improved monetization, positioning us to raise full year 2021 guidance,” added Anu Subramanian, CFO of Bumble. “Our high flow through rates, efficient marketing strategy, and shared technology platform are driving operating leverage in the business. In the first quarter, we successfully completed our IPO, enabling us to pay down $200 million in debt and in further strengthening our balance sheet. We are making strategic investments in product and technology to continue growing our community and capitalizing on the large market opportunity in front of us.”

Key Operating Metrics:

(in thousands, except ARPPU)

<table>
<thead>
<tr>
<th>Key Operating Metrics</th>
<th>Three Months Ended March 31, 2021</th>
<th>Three Months Ended March 31, 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bumble App Paying Users</td>
<td>1,352.8</td>
<td>938.3</td>
</tr>
<tr>
<td>Badoo App and Other Paying Users</td>
<td>1,450.5</td>
<td>1,218.2</td>
</tr>
<tr>
<td>Total Paying Users</td>
<td>2,803.3</td>
<td>2,156.5</td>
</tr>
<tr>
<td>Bumble App Average Revenue per Paying User</td>
<td>$27.75</td>
<td>$24.84</td>
</tr>
</tbody>
</table>
Bumble anticipates Revenue and Adjusted EBITDA for the second quarter ending June 30, 2021 and year ending December 31, 2021 to be:

**Second quarter 2021:**
- Revenue in the range of $175 to $178 million
- Adjusted EBITDA in the range of $42 to $44 million.

**Full year 2021:**
- Revenue in the range of $724 to $734 million
- Adjusted EBITDA in the range of $177 to $182 million

Actual results may differ materially from Bumble's Financial Outlook as a result of, among other things, the factors described under "Forward-Looking Statements" below.

With regards to the Non-GAAP Adjusted EBITDA outlook provided above, a reconciliation to GAAP net earnings (loss) has not been provided as the quantification of certain items included in the calculation of GAAP net earnings (loss) cannot be calculated or predicted at this time without unreasonable efforts. For example, the non-GAAP adjustment for stock-based compensation expense requires additional inputs such as number of shares granted and market price that are not currently ascertainable, and the non-GAAP adjustment for certain legal, tax and regulatory reserves and expenses depends on the timing and magnitude of these expenses and cannot be accurately forecasted. For the same reasons, the Company is unable to address the probable significance of the unavailable information, which could have a potentially unpredictable, and potentially significant, impact on its future GAAP financial results.

Conference Call and Webcast Information

Bumble will host a conference call and live webcast to discuss its first quarter 2021 financial results at 4:30 p.m. Eastern Time today, May 12, 2021. To listen to the live conference call, please dial toll free (833) 362-0206 or (914) 987-7675, access code 3897705, approximately 10 minutes prior to the start of the call. A webcast of the call and other information related to the call will be accessible on the Investors section of the Company’s website at https://ir.bumble.com. A webcast replay will be available approximately two hours after the conclusion of the live event.

Definitions

Bumble App Average Revenue per Paying User is calculated based on Bumble App Revenue in any measurement period, divided by Bumble App Paying Users in such period divided by the number of months in the period.

Bumble App Paying User is a user that has purchased or renewed a Bumble subscription plan and/or made an in-app purchase on the Bumble app in a given month. We calculate Bumble App Paying Users as a monthly average, by counting the number of Bumble App Paying Users in each month and then dividing by the number of months in the relevant measurement period.

Badoo App and Other Average Revenue per Paying User is calculated based on Badoo App and Other Revenue in any measurement period, excluding any revenue generated from advertising and partnerships or affiliates, divided by Badoo App and Other Paying Users in such period divided by the number of months in the period.

Badoo App and Other Paying User is a user that has purchased or renewed a subscription plan and/or made an in-app purchase on the Badoo app in a given month (or made a purchase on one of our other apps that we owned and operated in a given month, or purchase on other third-party apps that used our technology in the relevant period). We calculate Badoo App and Other Paying Users as a monthly average, by counting the number of Badoo App and Other Paying Users in each month and then dividing by the number of months in the relevant measurement period.

Predecessor refers to Worldwide Vision Limited and its consolidated subsidiaries. Worldwide Vision Limited operated the trade of Bumble Inc. prior to the consummation of the acquisition (the "Sponsor Acquisition") on January 29, 2020 of a majority stake in Worldwide Vision Limited by a group of investment funds managed by The Blackstone Group Inc.

Successor refers to Buzz Holdings L.P. and its consolidated subsidiaries from the Sponsor Acquisition to the initial public offering on February 16, 2021 and to Bumble Inc. and its consolidated subsidiaries after the initial public offering.

Non-GAAP Financial Measures

We report our financial results in accordance with GAAP, however, management believes that certain non-GAAP financial measures provide users of our financial information with useful supplemental information that enables a better comparison of our performance across periods. These measures include: Adjusted EBITDA, Adjusted EBITDA Margin, Free Cash Flow and Free Cash Flow Conversion. We believe Adjusted EBITDA and Adjusted EBITDA Margin provide visibility to the underlying continuing operating performance by excluding the impact of certain expenses, including income tax provision, interest (income) expense, depreciation and amortization, stock-based compensation expense, foreign exchange loss (gain), changes in fair value of contingent earn-out liability, interest rate swaps and external investments, transaction costs and one-time litigation costs, as management does not believe these expenses are representative of our core earnings. In addition to Adjusted EBITDA and Adjusted EBITDA Margin, we believe Free Cash Flow and Free Cash Flow Conversion provide useful information regarding how cash provided by operating activities compares to the capital expenditures required to maintain and grow our business, and our available liquidity, after funding such capital expenditures, to service our debt, fund strategic initiatives and strengthen our balance sheet, as well as our ability to convert our earnings to cash. Additionally, we believe such metrics are widely used by investors, securities analysis, ratings agencies and other parties in evaluating liquidity and debt-service capabilities. We calculate Free Cash Flow and Free Cash Flow Conversion using methodologies that we believe can provide useful supplemental information to help investors better understand underlying trends in our business.
Our non-GAAP financial measures may not be comparable to similarly titled measures used by other companies, have limitations as analytical tools and should not be considered in isolation, or as substitutes for analysis of our operating results as reported under GAAP. Additionally, we do not consider our non-GAAP financial measures as superior to, or a substitute for, the equivalent measures calculated and presented in accordance with GAAP.

Adjusted Earnings before Interest, Taxes, Depreciation and Amortization (“Adjusted EBITDA”) is defined as net earnings (loss) excluding income tax (benefit) provision, interest expense (income), depreciation and amortization, stock-based compensation expense, foreign exchange loss (gain), changes in fair value of contingent earn-out liability, interest rate swaps and external investments, transaction costs and one-time litigation costs.

Adjusted EBITDA Margin represents Adjusted EBITDA as a percentage of revenue.

Free Cash Flow is defined as net cash provided by (used in) operating activities less capital expenditures.

Free Cash Flow Conversion represents Free Cash Flow as a percentage of Adjusted EBITDA.

Forward-Looking Statements

This press release contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, without limitation, statements reflecting our current views with respect to, among other things, our operations, our financial performance, our industry, the impact of the Coronavirus Disease 2019 (“COVID-19”) on our business and other non-historical statements, including without limitation the statements in the “Financial Outlook” section of this press release. In some cases, you can identify these forward-looking statements by the use of words such as “outlook,” “believe(s),” “expect(s),” “potential,” “continue(s),” “may,” “will,” “should,” “could,” “would,” “seek(s),” “predict(s),” “intend(s),” “trends,” “plan(s),” “estimate(s),” “anticipates,” “projection,” “will likely result” and or the negative version of these words or other comparable words of a future or forward-looking nature. Such forward-looking statements are subject to various risks and uncertainties. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. These factors include, but are not limited to, the following:

- our ability to retain existing users or attract new users and to convert users to paying users
- competition and changes in the competitive landscape of our market
- our ability to distribute our dating products through third parties, such as Apple App Store or Google Play Store, and offset related fees
- the impact of data security breaches or cyber attacks on our systems and the costs of remediation related to any such incidents
- the continued development and upgrading of our technology platform and our ability to adapt to rapid technological developments and changes in a timely and cost-effective manner
- our ability to obtain, maintain, protect and enforce intellectual property rights and successfully defend against claims of infringement, misappropriation or other violations of third-party intellectual property
- our ability to comply with complex and evolving U.S. and international laws and regulations relating to our business, including data privacy laws
- foreign currency exchange rate fluctuations
- risks relating to certain of our international operations, including successful expansion into new markets
- affiliates of The Blackstone Group Inc.’s (“Blackstone”) and our Founder’s control of us
- the outsized voting rights of affiliates of Blackstone and our Founder
- the inability to attract hire and retain a highly qualified and diverse workforce, or maintain our corporate culture
- changes in business or macroeconomic conditions, including the impact of COVID-19 (and other widespread health emergencies or pandemics) and measures taken in response, lower consumer confidence in our business or in the online dating industry generally, recessionary conditions, increased unemployment rates, stagnant or declining wages, political unrest, armed conflicts or natural disasters

For additional information on these and other factors that could cause Bumble’s actual results to differ materially from expected results, please see our Annual Report on Form 10-K for the year ended December 31, 2020, which was filed with the Securities and Exchange Commission (the “SEC”) on March 15, 2021, as such factors may be updated from time to time in our periodic filings with the SEC, which are accessible on the SEC’s website at www.sec.gov. The forward-looking statements included in this press release are made only as of the date of this press release, and we undertake no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law.

About Bumble

Bumble Inc. is the parent company of Bumble and Badoo, two of the world’s highest-grossing dating apps with millions of users worldwide. The Bumble platform enables people to connect and build equitable and healthy relationships. Founded by CEO Whitney Wolfe Herd in 2014, the Bumble app is one of the first dating apps built with women at the center, and the Badoo app, which was founded in 2006, is one of the pioneers of web and mobile dating products. Bumble currently employs over 700 people in offices in Austin, Barcelona, London, and Moscow.

For more information about Bumble, please visit www.bumble.com and follow @Bumble on social platforms.

Source: Bumble Inc.

Investor Contact
ir@team.bumble.com

Media Contact
## Bumble Inc.
### Unaudited Condensed Consolidated Balance Sheets
(in thousands, except share and par value amounts)

<table>
<thead>
<tr>
<th></th>
<th>March 31, 2021</th>
<th>December 31, 2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cash and cash equivalents</td>
<td>$246,002</td>
<td>$128,029</td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>62,168</td>
<td>41,595</td>
</tr>
<tr>
<td>Other current assets</td>
<td>86,342</td>
<td>81,387</td>
</tr>
<tr>
<td><strong>Total current assets</strong></td>
<td>394,512</td>
<td>251,011</td>
</tr>
<tr>
<td>Right-of-use assets</td>
<td>10,616</td>
<td>11,711</td>
</tr>
<tr>
<td>Lease receivable</td>
<td>1,099</td>
<td>1,069</td>
</tr>
<tr>
<td>Property and equipment, net</td>
<td>16,449</td>
<td>16,833</td>
</tr>
<tr>
<td>Goodwill</td>
<td>1,540,112</td>
<td>1,540,915</td>
</tr>
<tr>
<td>Intangible assets, net</td>
<td>1,788,250</td>
<td>1,812,410</td>
</tr>
<tr>
<td>Deferred tax assets, net</td>
<td>14,809</td>
<td>—</td>
</tr>
<tr>
<td>Other noncurrent assets</td>
<td>4,267</td>
<td>3,319</td>
</tr>
<tr>
<td><strong>Total assets</strong></td>
<td>$3,770,114</td>
<td>$3,637,268</td>
</tr>
</tbody>
</table>

|                     |               |                  |
| **LIABILITIES AND BUMBLE INC. SHAREHOLDERS’ / BUZZ HOLDINGS L.P. OWNERS’ EQUITY** |               |                  |
| Accounts payable    | $15,047       | $23,741          |
| Deferred revenue    | 33,370        | 31,269           |
| Accrued expenses and other current liabilities | 142,652      | 180,986          |
| Current portion of long-term debt, net | 9,996        | 5,338            |
| **Total current liabilities** | 201,065      | 241,334          |
| Long-term debt, net | 619,542       | 820,876          |
| Deferred tax liabilities, net | —           | 428,087          |
| Tax receivable agreement liability | 356,755     | —                |
| Other liabilities   | 118,546       | 62,190           |
| **Total liabilities** | $1,295,908   | $1,552,487       |

**Commitments and contingencies**

**Bumble Inc. Shareholders’ / Buzz Holdings L.P. Owners’ Equity:**

- Class A common stock (par value $0.01 per share, 6,000,000,000 shares authorized; 140,142,374 shares issued; and 115,343,526 shares outstanding as of March 31, 2021) | 1,401 | — |
- Class B common stock (par value $0.01 per share, 1,000,000 shares authorized; 20 shares issued and outstanding as of March 31, 2021) | 0 | — |
- Preferred stock; par value $0.01; authorized 600,000,000 shares; no shares issued and outstanding as of March 31, 2021 | — | — |
- Limited Partners’ interest | — | 1,903,121 |
- Additional paid-in capital | 2,259,381 | — |
- Treasury stock | (1,018,365) | — |
- Accumulated deficit | (28,845) | — |
- Accumulated other comprehensive income | 178,672 | 180,852 |
- **Total Bumble Inc. shareholders’ / Buzz Holdings L.P. owners’ equity** | 1,392,244 | 2,083,973 |
- Noncontrolling interests | 1,081,962 | 808 |
- **Total shareholders’ / owners’ equity** | 2,474,206 | 2,084,781 |
- **Total liabilities and shareholders’ / owners’ equity** | $3,770,114 | $3,637,268 |

## Bumble Inc.
### Unaudited Condensed Consolidated Statements of Operations
(in thousands, except per share / unit data)

<table>
<thead>
<tr>
<th></th>
<th>Successor</th>
<th>Predecessor</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue</strong></td>
<td>$170,713</td>
<td>$79,145</td>
</tr>
</tbody>
</table>

### Press CONTACT INFORMATION
press@team.bumble.com
Operating costs and expenses:

<table>
<thead>
<tr>
<th></th>
<th>Successor</th>
<th>Predecessor</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost of revenue</td>
<td>47,747</td>
<td>21,627</td>
<td>10,790</td>
</tr>
<tr>
<td>Selling and marketing expense</td>
<td>46,838</td>
<td>27,287</td>
<td>11,157</td>
</tr>
<tr>
<td>General and administrative expense</td>
<td>126,524</td>
<td>60,034</td>
<td>44,907</td>
</tr>
<tr>
<td>Product development expense</td>
<td>35,045</td>
<td>6,945</td>
<td>4,087</td>
</tr>
<tr>
<td>Depreciation and amortization expense</td>
<td>26,955</td>
<td>16,313</td>
<td>408</td>
</tr>
<tr>
<td><strong>Total operating costs and expenses</strong></td>
<td><strong>283,109</strong></td>
<td><strong>132,206</strong></td>
<td><strong>71,349</strong></td>
</tr>
<tr>
<td>Operating loss</td>
<td>(112,396 )</td>
<td>(53,061 )</td>
<td>(31,359)</td>
</tr>
<tr>
<td>Interest (expense) income</td>
<td>(7,729)</td>
<td>(4,539 )</td>
<td>50</td>
</tr>
<tr>
<td>Other income (expense), net</td>
<td>6,991</td>
<td>612</td>
<td>(882)</td>
</tr>
<tr>
<td><strong>Loss before tax</strong></td>
<td>(113,134 )</td>
<td>(56,988 )</td>
<td>(32,191)</td>
</tr>
<tr>
<td>Income tax benefit (provision)</td>
<td>436,576</td>
<td>1,179</td>
<td>(365)</td>
</tr>
<tr>
<td><strong>Net earnings (loss)</strong></td>
<td>323,442</td>
<td>(55,809 )</td>
<td>(32,556)</td>
</tr>
<tr>
<td>Net (loss) earnings attributable to noncontrolling interests</td>
<td>(18,348 )</td>
<td>(48 )</td>
<td>1,917</td>
</tr>
<tr>
<td>Net earnings (loss) attributable to Bumble Inc. shareholders / Buzz Holdings L.P. owners</td>
<td>$ 341,790</td>
<td>$(55,761)</td>
<td>$ (34,473)</td>
</tr>
</tbody>
</table>

**Net earnings (loss) per share / unit attributable to Bumble Inc. shareholders / Buzz Holdings L.P. owners**

<table>
<thead>
<tr>
<th></th>
<th>Successor</th>
<th>Predecessor</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Basic earnings (loss) per share / unit</td>
<td>$ 1.74</td>
<td>$(0.02)</td>
<td></td>
</tr>
<tr>
<td>Diluted earnings (loss) per share / unit</td>
<td>$ 1.69</td>
<td>$(0.02)</td>
<td></td>
</tr>
</tbody>
</table>

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**Bumble Inc.**

**Unaudited Condensed Consolidated Statements of Cash Flows**

*(in thousands)*

<table>
<thead>
<tr>
<th></th>
<th>Successor</th>
<th>Predecessor</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cash flows from operating activities:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net earnings (loss)</td>
<td>$ 323,442</td>
<td>$(55,809)</td>
<td>$ (32,556)</td>
</tr>
<tr>
<td>Adjustments to reconcile net earnings (loss) to net cash used in operating activities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Depreciation and amortization</td>
<td>26,955</td>
<td>16,313</td>
<td>408</td>
</tr>
<tr>
<td>Changes in fair value of interest rate swaps</td>
<td>(2,944)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Changes in fair value of contingent consideration</td>
<td>71,954</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Deferred income tax</td>
<td>(441,682)</td>
<td>(517)</td>
<td>26</td>
</tr>
<tr>
<td>Stock-based compensation expense</td>
<td>45,823</td>
<td>1,420</td>
<td>4,156</td>
</tr>
<tr>
<td>Net foreign exchange difference</td>
<td>(2,307)</td>
<td>6,331</td>
<td>(198)</td>
</tr>
<tr>
<td>Other, net</td>
<td>2,719</td>
<td>(255)</td>
<td>(195)</td>
</tr>
<tr>
<td>Changes in assets and liabilities:</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounts receivable</td>
<td>(21,075)</td>
<td>2,749</td>
<td>(17,599)</td>
</tr>
<tr>
<td>Other current assets</td>
<td>(7,234)</td>
<td>(17,803)</td>
<td>(2,175)</td>
</tr>
<tr>
<td>Accounts payable</td>
<td>(9,194)</td>
<td>(12,639)</td>
<td>12,984</td>
</tr>
<tr>
<td>Deferred revenue</td>
<td>2,101</td>
<td>8,078</td>
<td>289</td>
</tr>
<tr>
<td>Legal liabilities</td>
<td>(30,243)</td>
<td>(2,587)</td>
<td>(521)</td>
</tr>
<tr>
<td>Accrued expenses and other current liabilities</td>
<td>(4,410)</td>
<td>(2,018)</td>
<td>32,075</td>
</tr>
<tr>
<td>Other, net</td>
<td>513</td>
<td>(865)</td>
<td></td>
</tr>
<tr>
<td><strong>Net cash used in operating activities</strong></td>
<td>(45,582)</td>
<td>(57,602)</td>
<td>(3,306)</td>
</tr>
<tr>
<td><strong>Cash flows from investing activities:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital expenditures</td>
<td>(2,712)</td>
<td>(921)</td>
<td>(1,045)</td>
</tr>
<tr>
<td>Acquisition of business, net of cash acquired</td>
<td>—</td>
<td>(2,801,262)</td>
<td>—</td>
</tr>
<tr>
<td>Other, net</td>
<td>(31)</td>
<td>(73)</td>
<td>16</td>
</tr>
<tr>
<td><strong>Net cash used in investing activities</strong></td>
<td>(2,743)</td>
<td>(2,802,256)</td>
<td>(1,029)</td>
</tr>
<tr>
<td><strong>Cash flows from financing activities:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from issuance of Class A common stock sold in initial public offering, net of offering costs</td>
<td>2,358,371</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Purchase of Class A Common Stock in the initial public offering</td>
<td>(1,018,365)</td>
<td>—</td>
<td>—</td>
</tr>
<tr>
<td>Purchase of Common Units from Pre-IPO Common Unitholders in the initial public offering</td>
<td>(973,289)</td>
<td>—</td>
<td>—</td>
</tr>
</tbody>
</table>
Proceeds from repayments of loans to related companies — 41,929
Debt issuance costs — (16,281) —
Limited Partners’ interest — 2,334,233 —
Proceeds from term loan — 575,000 —
Repayment of term loan (200,000) — —

Net cash provided by financing activities 166,717 2,934,881 —

Effects of exchange rate changes on cash and cash equivalents (162) (7,715) 813

Net increase (decrease) in cash and cash equivalents 118,230 67,308 (3,522)

Net earnings (loss) $323,442 $(55,809) $(32,556)

Add back:
Income tax (benefit) provision (436,576) (1,179) 365
Interest expense (income) 7,729 4,539 (50)
Depreciation and amortization 26,955 16,313 —
Stock-based compensation expense 45,823 1,420 336
Litigation costs, net of insurance proceeds (1) 234 1,000 —
Foreign exchange (gain) loss (2) (3,843) (647) 523
Changes in fair value of interest rate swaps (3) (2,944) — 40,345
Transaction costs (4) 13,502 47,097 40,345
Changes in fair value of contingent earn-out liability 71,954 — —
Changes in fair value of external investments (196) — —

Adjusted EBITDA $46,080 $12,734 $9,371

Supplementary Information

Stock-based compensation expense
(in thousands)

<table>
<thead>
<tr>
<th></th>
<th>Successor</th>
<th>Predecessor</th>
<th>Predecessor</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Three Months Ended March 31, 2021</td>
<td>Period from January 29, through March 31, 2020</td>
<td>Period from January 1, through January 28, 2020</td>
</tr>
<tr>
<td>Cost of revenue</td>
<td>$1,607</td>
<td>$—</td>
<td>$—</td>
</tr>
<tr>
<td>Selling and marketing expense</td>
<td>$5,141</td>
<td>$—</td>
<td>$75</td>
</tr>
<tr>
<td>General and administrative expense</td>
<td>$19,908</td>
<td>$1,420</td>
<td>$3,997</td>
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<tr>
<td>Product development expense</td>
<td>$19,167</td>
<td>$—</td>
<td>$84</td>
</tr>
<tr>
<td><strong>Total stock-based compensation expense</strong></td>
<td><strong>$45,823</strong></td>
<td><strong>$1,420</strong></td>
<td><strong>$4,156</strong></td>
</tr>
</tbody>
</table>