ZipRecruiter®

CORPORATE PRESENTATION

November 2023

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ZIPRECRUITER HIGHLIGHTS

Revenue

Q3'23

$155.6mm

-31% y/y

Adjusted EBITDA

Q3'23

$54.4mm

35% margin

Revenue per Paid Employer

Q3'23

$1,736

+4% y/y

Note: Revenue figures are GAAP. All other figures are non-GAAP. See Appendix below for additional information regarding non-GAAP measures used in this presentation and a reconciliation of GAAP to non-GAAP measures

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ACTIVELY CONNECTING PEOPLE TO THEIR NEXT GREAT OPPORTUNITY

Two-Sided Marketplace Connects Employers And Job Seekers

EMPLOYER

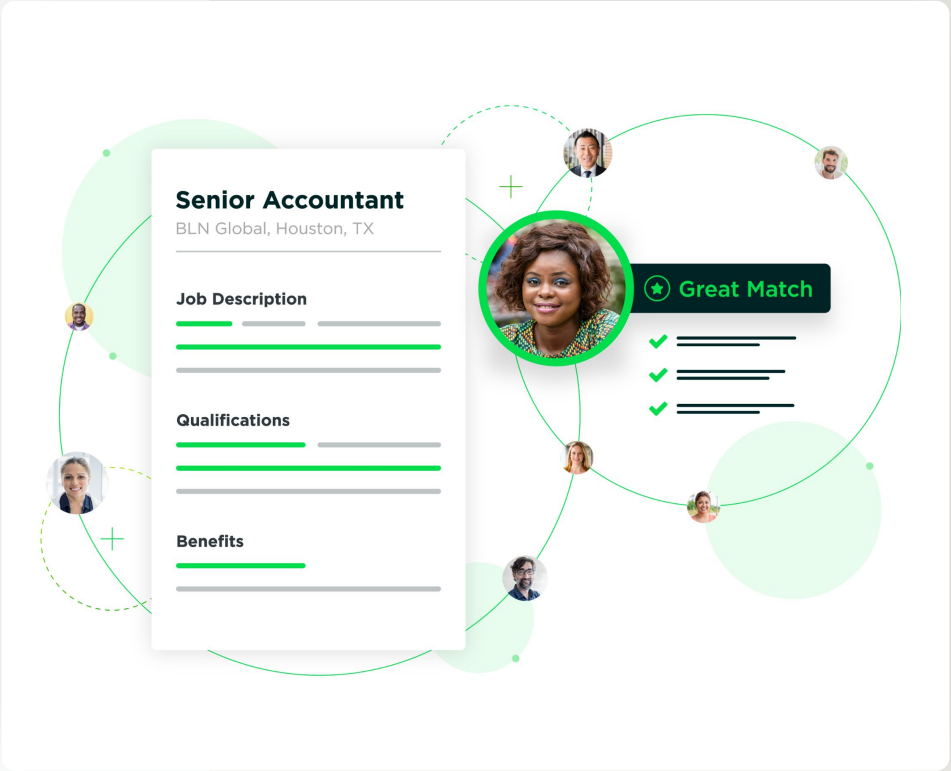
+3mm

EMPLOYERS OF ALL SIZES

JOB SEEKER

+150mm

SEEKERS

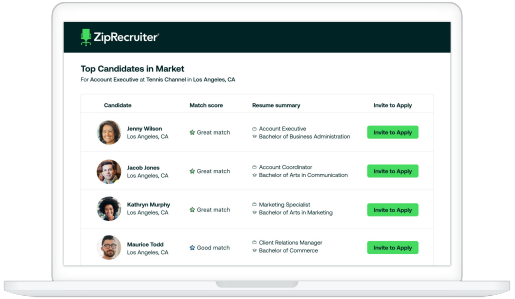


Source: Internal ZipRecruiter data
Note: Data is as of January 2023 and includes businesses and job seekers who have come to ZipRecruiter for their hiring and job search needs since the founding of ZipRecruiter in 2010.

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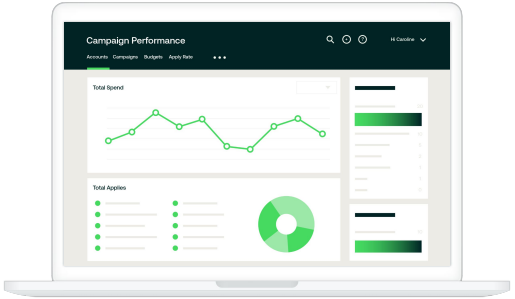
Flexible Business Model Aligned With Employer Success

Flat-Rate Pricing



79% of revenue*

Daily, monthly and annual subscription plans



21% of revenue*

Cost-per-click on job postings

100% OF OUR REVENUE COMES FROM EMPLOYERS

*Based on the three months ended September 30, 2023.

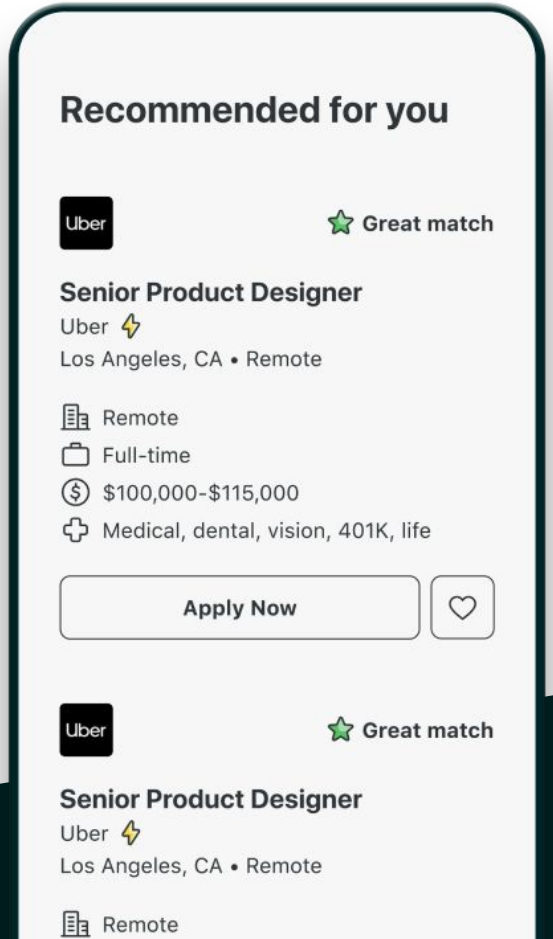
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We Are Rated The #1 App

#1

RATED JOB SEARCH APP FOR JOB SEEKERS

on iOS and Android[1]



#1

RATED EMPLOYMENT JOB SITE

in the U.S.[2]

1 Based on job seeker app ratings, Jan 2022 to Jan 2023 from AppFollow for ZipRecruiter, CareerBuilder, Glassdoor, Indeed, LinkedIn, and Monster.

2 Based on G2 satisfaction ratings as of December 13, 2022.

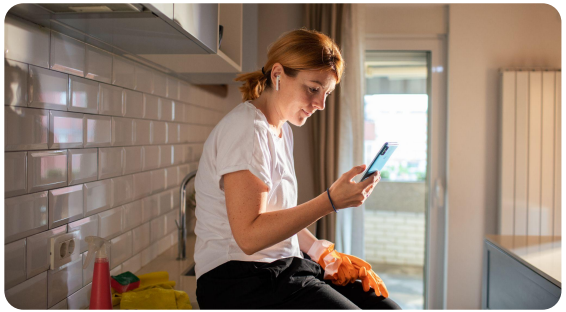
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Matching That Learns

Marketplace Signals

Job Seekers

- Résumé
- Search Activity
- Application Activity
- Employer Response



- Suggested Jobs
- Invite to Apply
- Email Alerts
- Employer Communication

Employers

- Job Description
- Résumé Views
- Candidate Ratings
- Contact Info Requests



- Suggested Candidates To Invite To Apply
- Search For Similar Candidates

Better Results

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Compelling Marketing Over Time Has Made ZipRecruiter A Household Name With Over 80% Aided Brand Awareness

Based on our ZipRecruiter Brand Awareness Survey, 2023, an internal company-designed survey of 653 participants, which included (1) certain persons who had been involved in hiring processes and had used, or intend to use, online job posting websites within the preceding two years in connection with such hiring processes, (2) decision makers at hiring sites or systems, or influencers in the process of hiring candidates and (3) business owners, human resource managers, and non-human resources managers for U.S. based companies with up to 500 employees. The survey responses were used to measure brand health dimensions for us within the U.S. employer market and to explore how we benchmark against our competition. We designed the Brand Awareness Survey in accordance with what we believe are best practices for conducting a survey. Nevertheless, while we believe this survey is reliable, it involves a number of assumptions and limitations, and no independent sources have verified such survey.



Partial list of all marketing relationships (brands included here as of September 2023)

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Multiple Revenue Growth Paths Across Each Employer Pricing Model

Flat-Rate Pricing

(Subscription Plans | Daily, Monthly & Annual)



Broad distribution across partner network



Premium placements in email alerts and other ad products



Additional job slots



Job posting enhancements (to help ad stand out from the rest)



Personalized outreach: invite to apply

Performance-Based Pricing

(Cost-per-click on job postings)



Land-and-expand: grow spend base by incorporating more of an employer's jobs into campaigns

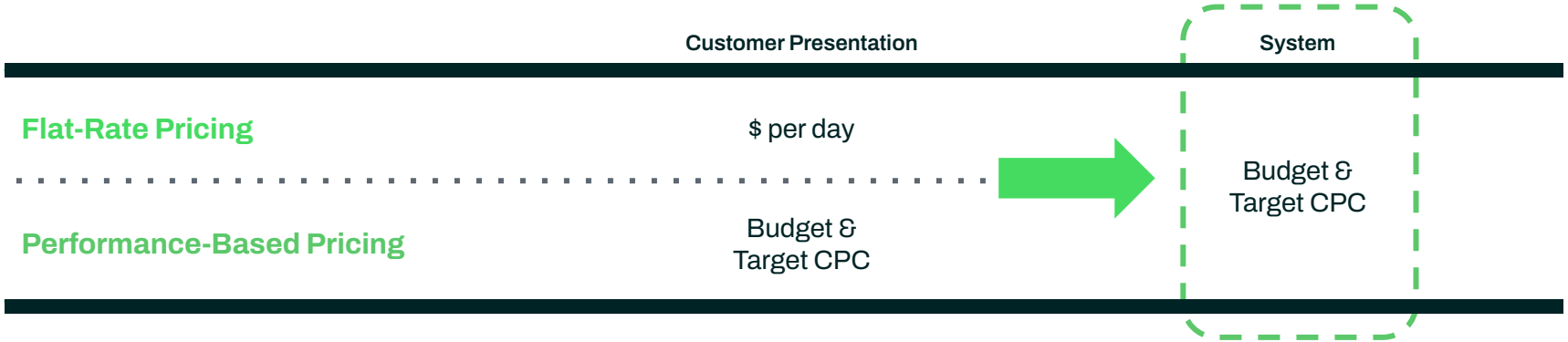


Pay more, get more; increase CPCs to get more and better job seeker traffic

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Sophisticated Back End Ensures Right Unit Economics For Each Customer Across Both Pricing Plans

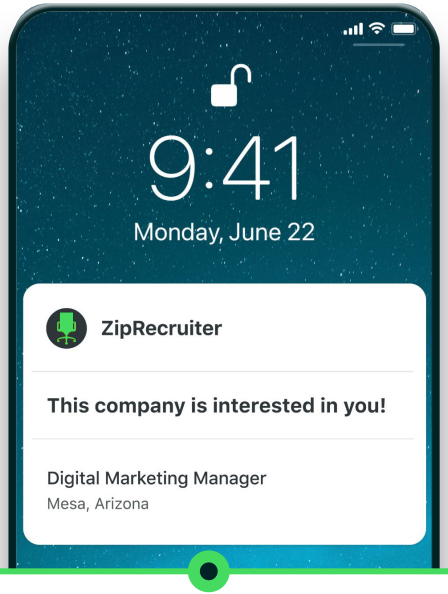
Employers / Demand



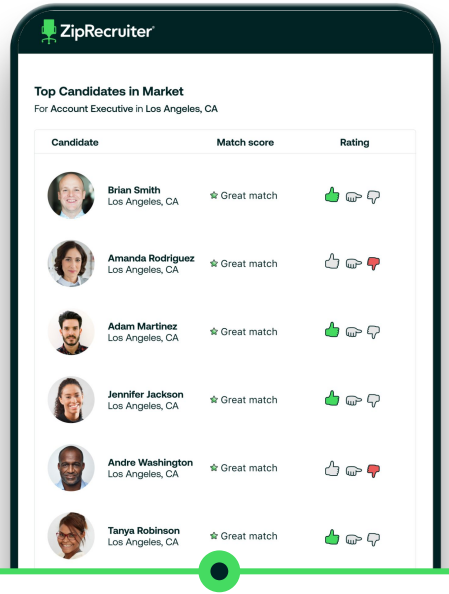
SIMILAR MARGIN STRUCTURE BETWEEN FLAT-RATE AND PERFORMANCE-BASED PRICING

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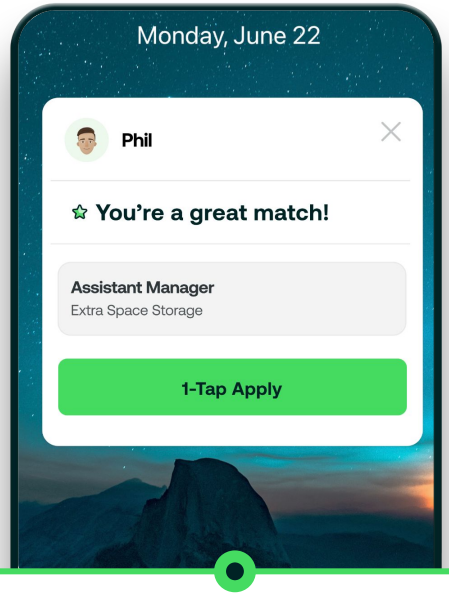
Simple Employer Journey



When a job is posted, AI invites qualified job seekers in the ZipRecruiter marketplace to apply.



Applicants can be rated by the employer as they come in.

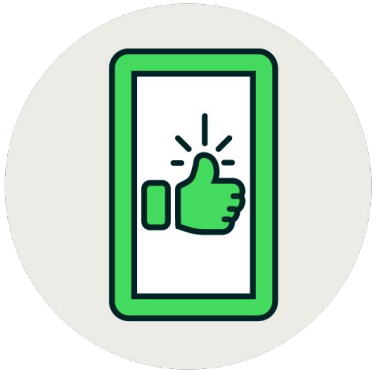


AI learns employer preferences and invites similar candidates to apply.

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You Can See The Improvement In The Metrics

We delivered over 30 million Great Match candidates in 2022

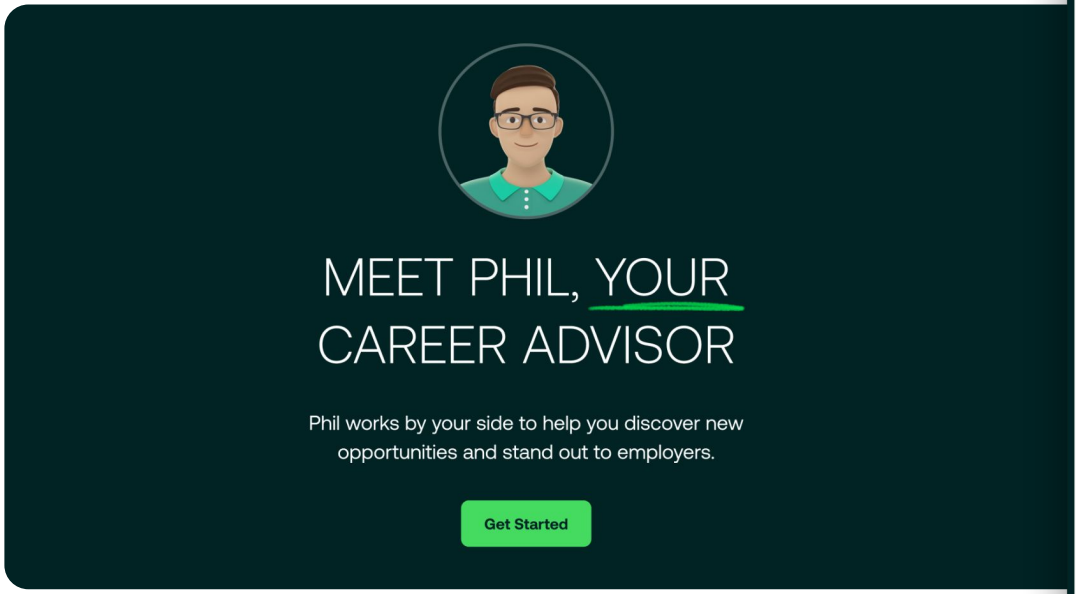


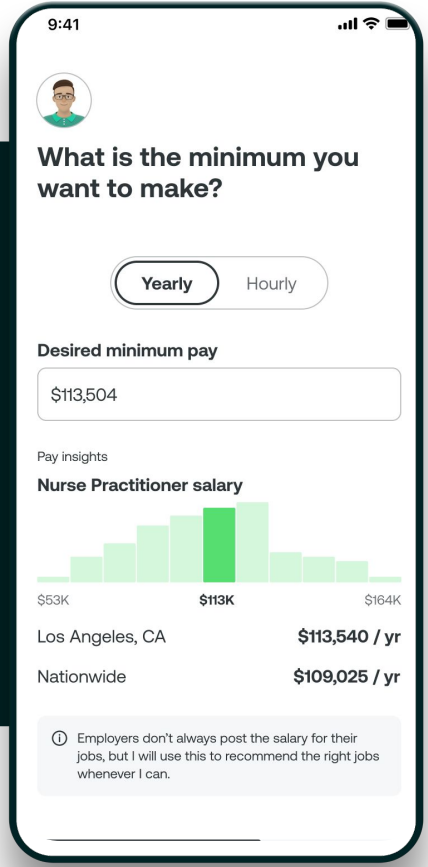
80% of employers that post on ZipRecruiter receive a quality candidate within the first 24 hrs



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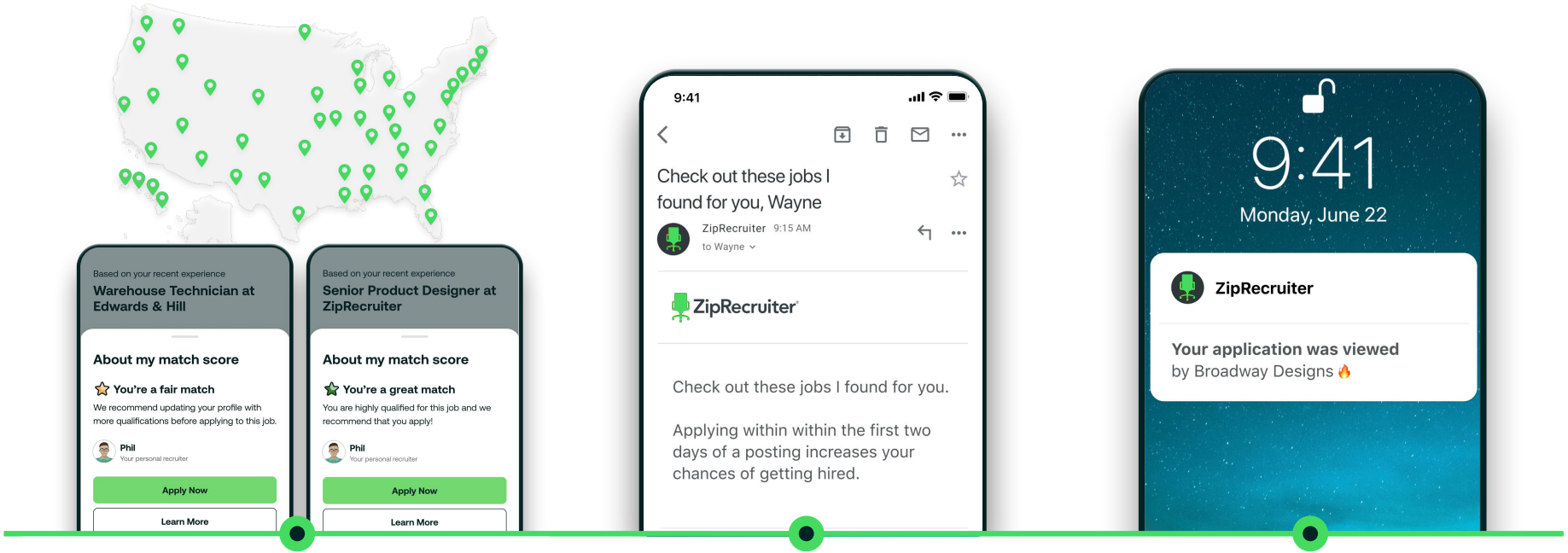
Phil, Our AI-Powered Career Advisor, Leads Job Seekers Through The Hiring Journey





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Simple Job Seeker Journey



Guidance on which jobs are a match

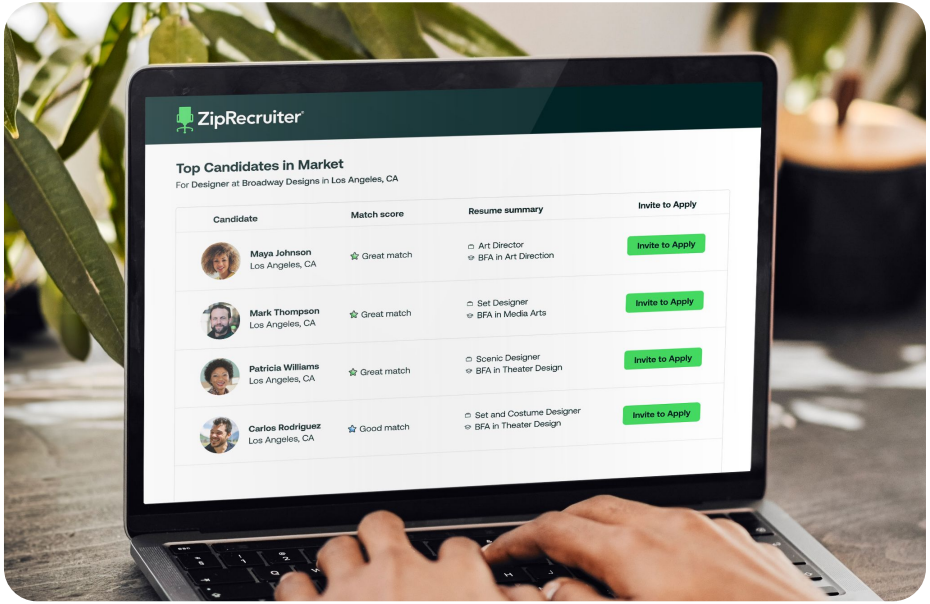
Curated opportunities

Updates when the employer reads their application or gives them a rating

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“Invite to Apply” Changes The Way The Whole Hiring Category Works

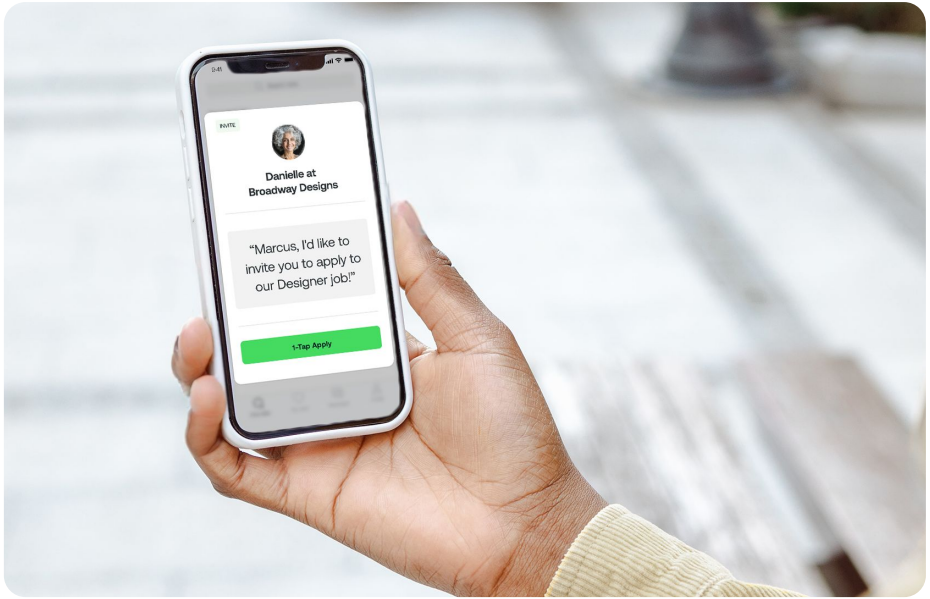




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Job Seekers Go From Searching To Getting Recruited





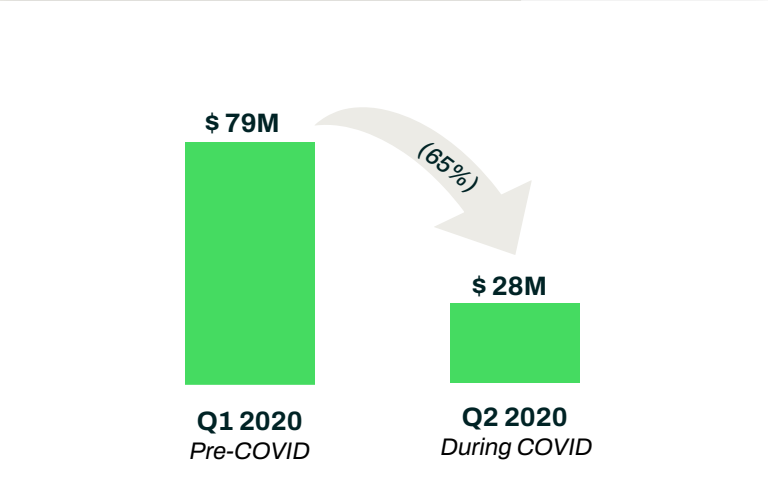
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Tremendous Brand Strength

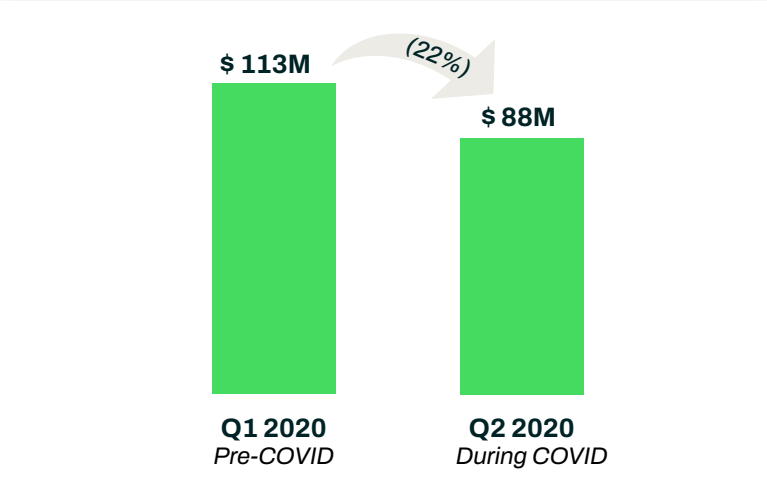
Substantial reduction in Sales & Marketing spend in response to COVID...

...but only a moderate decline in Revenue by comparison

Sales & Marketing Expense



Revenue



Note: Sales and Marketing expense and Revenue are GAAP

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Recruiting Is A Big Category In The U.S.

U.S. Employment & Recruiting Agencies and Staffing & Temp Market

$280bn+

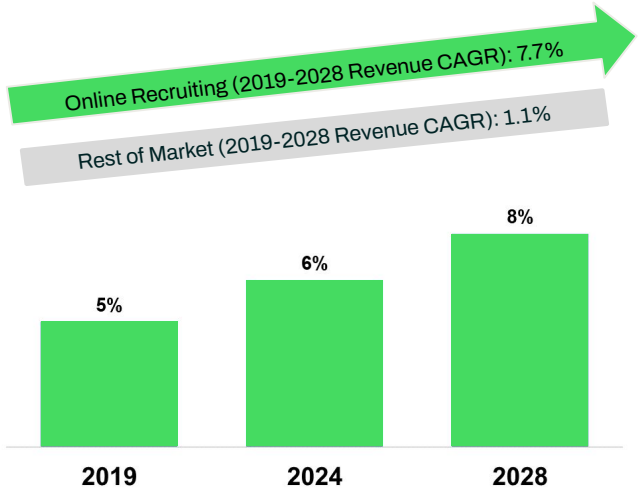
Online Recruitment Sites
$17bn+

Source: Based on the following published reports: (i) IBISWorld Inc., Office Staffing & Temp Agencies in the US, Jan-2023, (ii) IBISWorld Inc., Employment & Recruiting Agencies in the US, Jan-2023, and (iii) IBISWorld Inc., Online Recruitment Sites, Feb-2023.
Note: Represents 2023 estimated market size; $280bn+ figure represents summation of "Office Staffing & Temp Agencies in the US" market and "Employment & Recruiting Agencies in the US" market.

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Online Recruiting Growing Faster Than The Category Overall

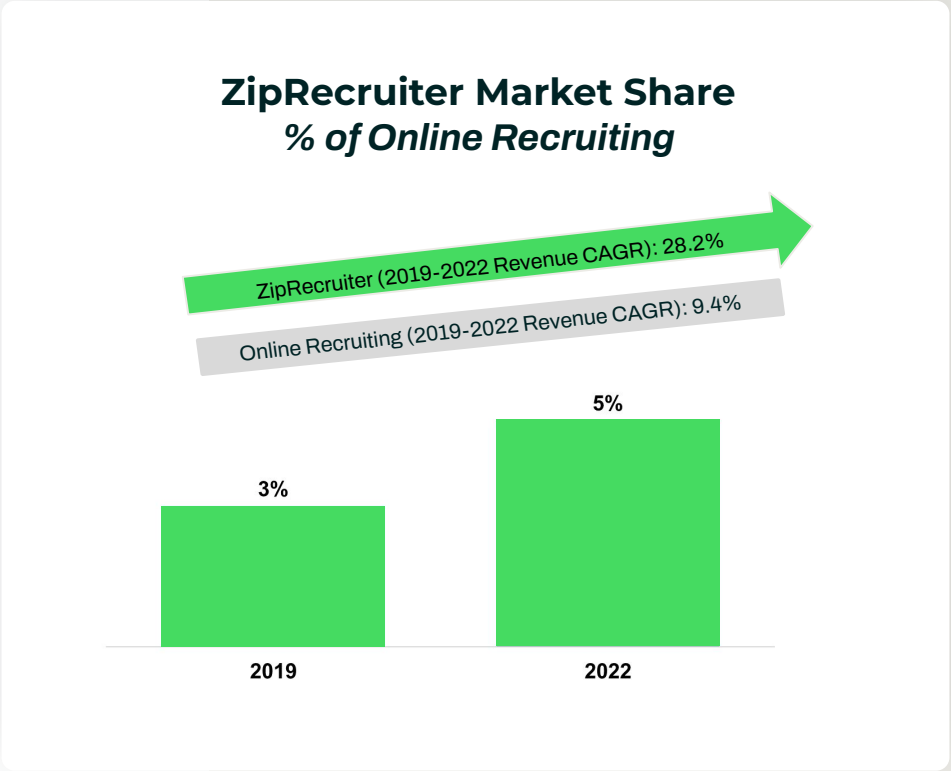
Online Recruiting Share
% of Total Market



Source: Based on the following published reports: (i) IBISWorld Inc., Office Staffing & Temp Agencies in the US, Jan-2023, (ii) IBISWorld Inc., Employment & Recruiting Agencies in the US, Jan-2023, and (iii) IBISWorld Inc., Online Recruitment Sites, Jan-2023.
Note: All data is US only; Online Recruiting market based on IBISWorld "Online Recruitment Sites" market; Total Recruiting market based on IBISWorld "Office Staffing & Temp Agencies in the US" + "Employment & Recruiting Agencies in the US."

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ZipRecruiter Increasing Market Share Over Time



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Our Growth Strategies



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Our ZipRecruiter Team

Ian Siegel
Co-Founder & CEO



INDEPENDENT BOARD MEMBERS

Brie Carere


Yvonne Hao


Cipora Herman


Blake Irving


Eric Liaw


Emily McEvilly


EXECUTIVE TEAM

Amy Garefis
EVP, Chief People Officer


Qasim Saifee
Chief Operating Officer


Ryan Sakamoto
EVP, Chief Legal Officer


Boris Shimanovsky
EVP, Chief Technology Officer


David Travers
President


Elliot Wilson
EVP, Sales & Support

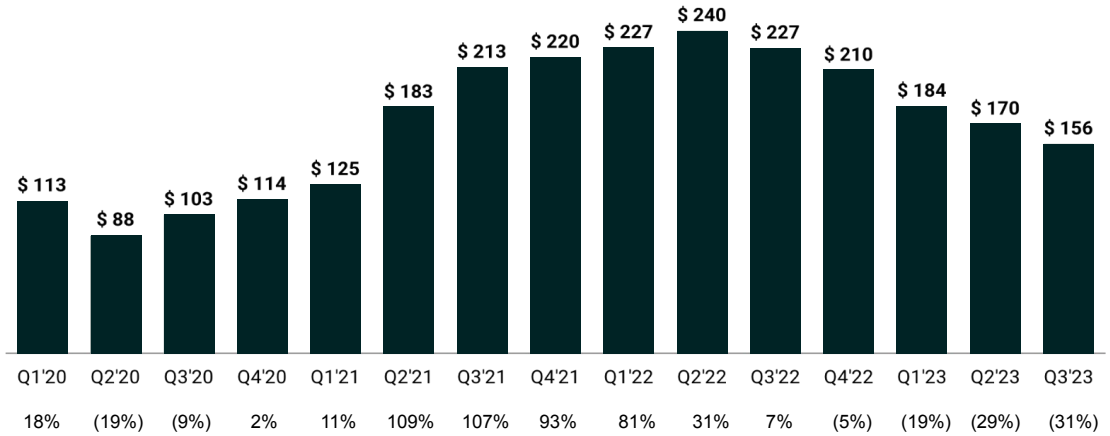

Tim Yarbrough
EVP, Chief Financial Officer


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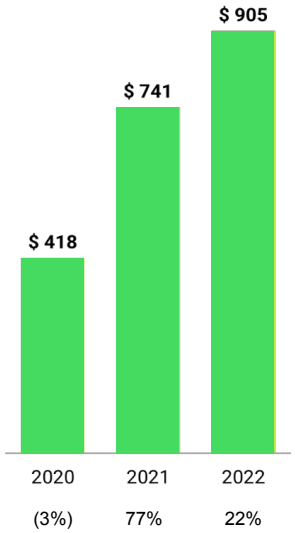
Strong Revenue Growth At Scale

Total Revenue

Quarterly Revenue



Annual Revenue



Adjusted EBITDA ($mm)

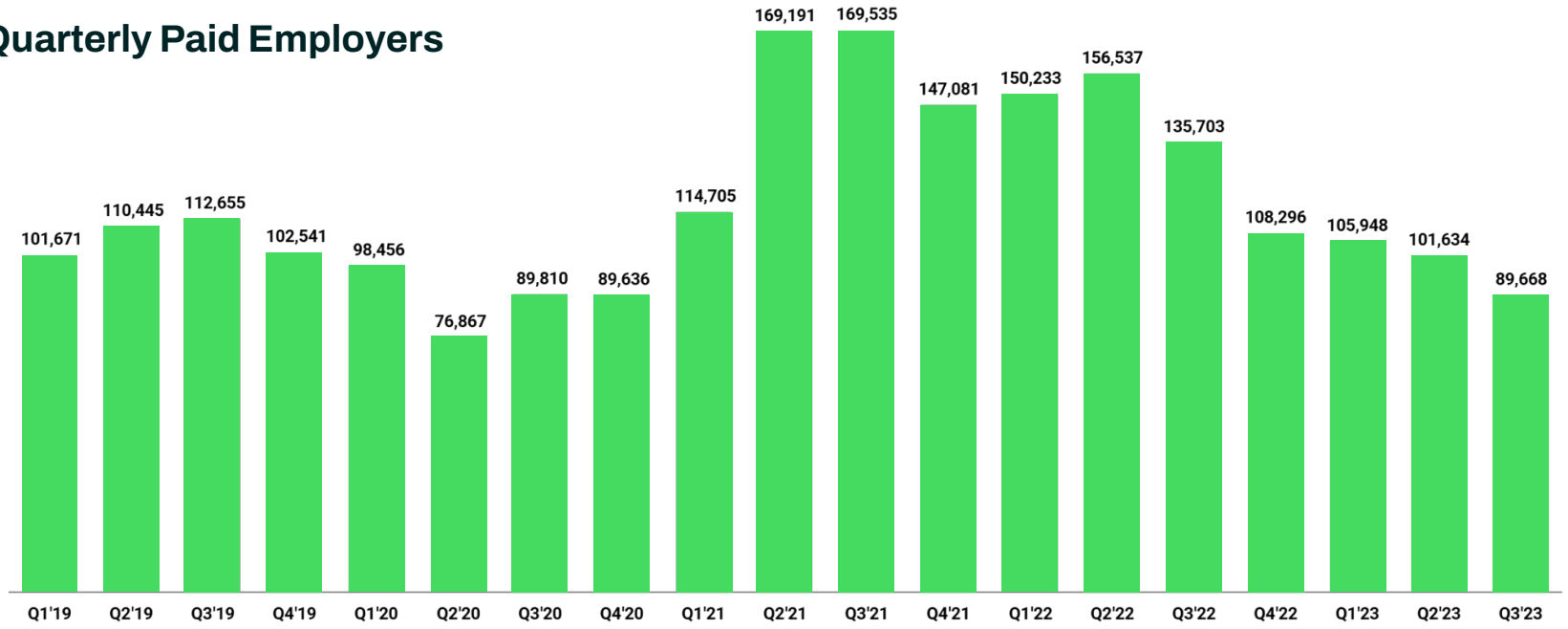
% Margin

Note: Total Revenue is GAAP

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Key Revenue Driver:
Serving Employers Through Economic Cycles

Quarterly Paid Employers

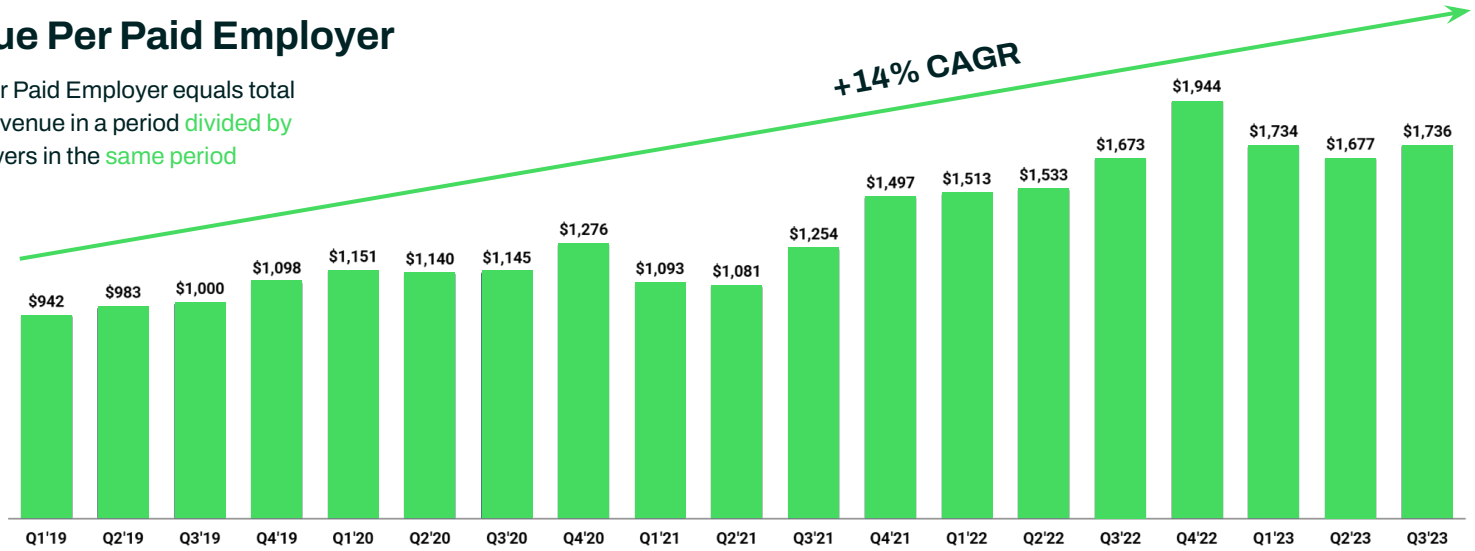


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Key Revenue Driver:
Delivering Increasing Value For Employers Over Time

Revenue Per Paid Employer

Revenue per Paid Employer equals total Company revenue in a period divided by Paid Employers in the same period



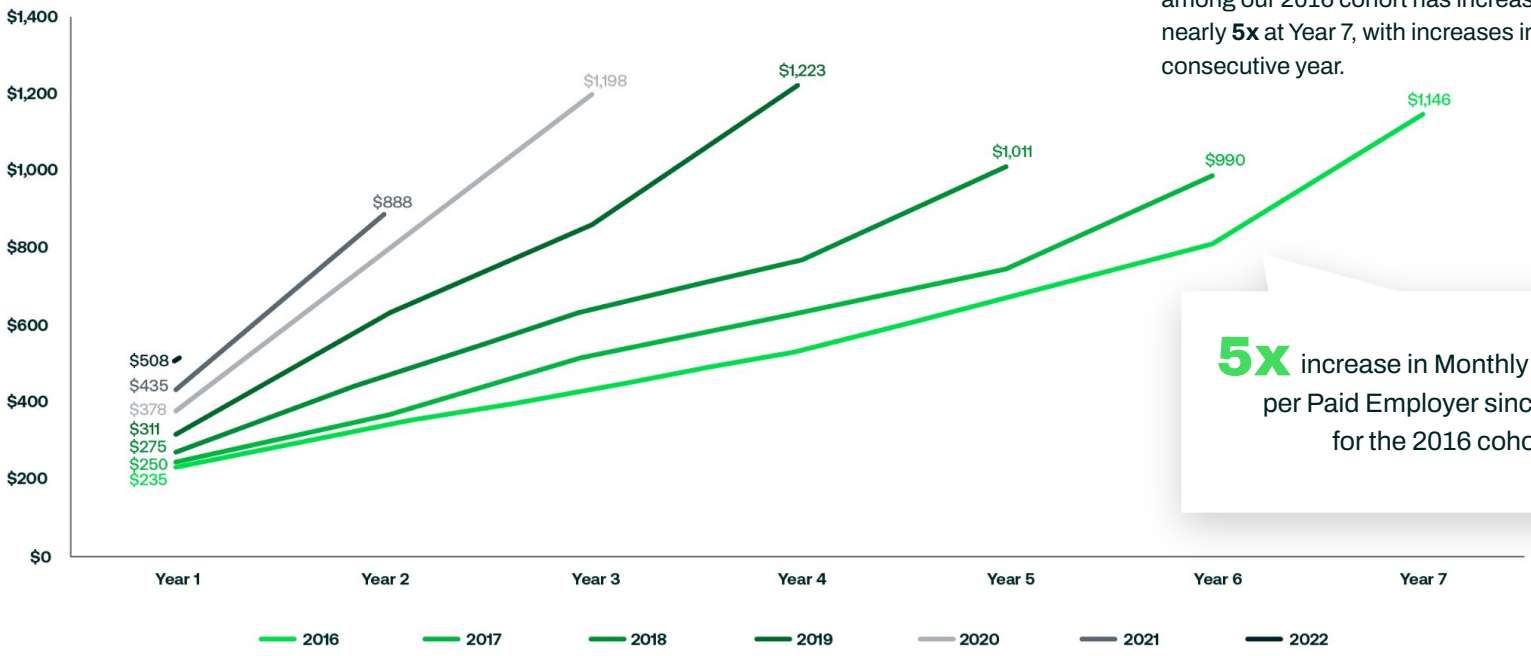
	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23
Paid Employers	101,671	110,445	112,655	102,541	98,456	76,867	89,810	89,636	114,705	169,191	169,535	147,081	150,233	156,537	135,703	108,296	105,948	101,634	89,668

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Proven Ability To Deepen Our Engagement

Monthly Revenue Per Paid Employer by Cohort

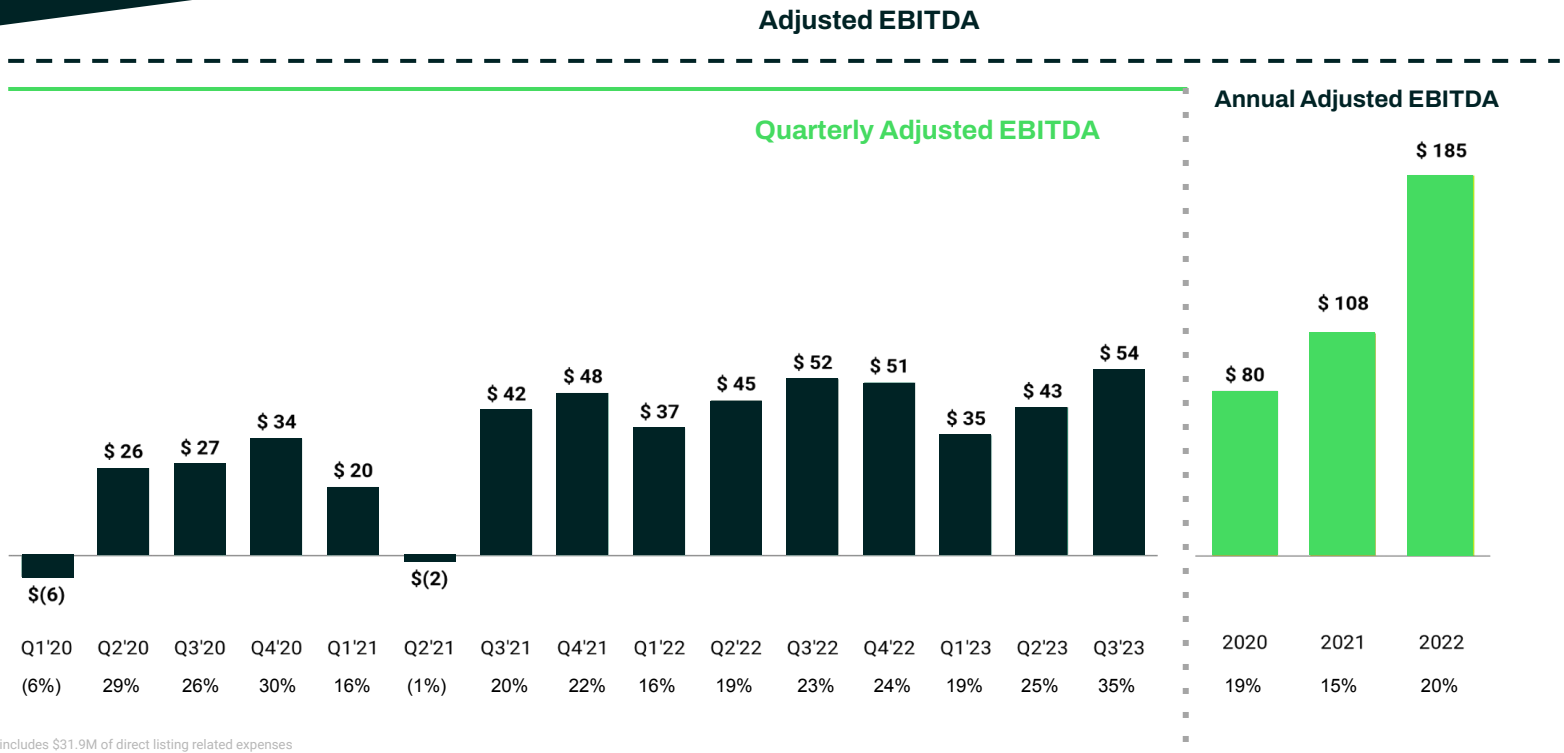
Monthly Revenue per Paid Employer in Year 1 among our 2016 cohort has increased by nearly **5x** at Year 7, with increases in each consecutive year.



5x increase in Monthly Revenue per Paid Employer since year 1 for the 2016 cohort

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Disciplined Financial Approach



Q2'21 Adjusted EBITDA includes $31.9M of direct listing related expenses
See Appendix below for additional information regarding non-GAAP measures used in this presentation and a reconciliation of GAAP to non-GAAP measures

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THANK YOU

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APPENDIX

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RECONCILIATIONS OF NON-GAAP FINANCIAL MEASURES TO THE MOST DIRECTLY COMPARABLE GAAP MEASURES

RECONCILIATION OF GAAP NET INCOME (LOSS) TO ADJUSTED EBITDA
(in thousands, except Adjusted EBITDA margin data)

	Q1'20	Q2'20	Q3'20	Q4'20	FY 2020	Q1'21	Q2'21	Q3'21	Q4'21	FY2021	Q1'22	Q2'22	Q3'22	Q4'22	FY2022	Q1'23	Q2'23	Q3'23
GAAP net income (loss)	($11,082)	$21,323	$23,106	$52,701	$86,048	$13,398	($52,847)	$22,060	$20,989	$3,600	$8,417	$13,110	$20,556	$19,411	$61,494	$5,011	$14,380	$24,076
Stock-based compensation	1,958	1,346	1,256	1,192	5,752	1,226	64,366	22,033	19,633	107,258	20,494	17,660	19,324	19,478	76,956	21,571	17,639	19,095
Depreciation and amortization	2,434	2,607	2,303	2,605	9,949	2,302	2,233	2,464	2,464	9,463	2,485	2,637	2,867	2,693	10,682	2,731	3,109	2,619
Interest expense	279	367	179	212	1,037	209	266	221	220	916	6,285	7,511	7,361	7,341	28,498	7,341	7,346	7,351
Other (income) expense, net	(138)	(207)	(378)	(219)	(942)	(386)	181	154	19	(32)	25	(36)	(321)	(5,022)	(5,354)	(5,022)	(5,014)	(4,695)
Income tax expense (benefit)	167	165	187	(22,230)	(21,711)	3,245	(15,917)	(4,467)	4,263	(12,876)	(503)	4,512	1,875	6,706	12,590	3,630	5,812	5,934
Adjusted EBITDA	($6,382)	$25,601	$26,653	$34,261	$80,133	$19,994	($1,718)	$42,465	$47,588	$108,329	$37,203	$45,394	$51,662	$50,607	$184,866	$35,262	$43,272	$54,380
Adjusted EBITDA margin	-6%	29%	26%	30%	19%	16%	-1%	20%	22%	15%	16%	19%	23%	24%	20%	19%	25%	35%

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KEY OPERATING METRICS AND NON-GAAP FINANCIAL MEASURES

This presentation includes certain key operating metrics, including Quarterly Paid Employers and Revenue per Paid Employer, and non-GAAP financial measures, including Adjusted EBITDA and Adjusted EBITDA margin.

We define Paid Employers as any employer(s) (or entities acting on behalf of an employer) on a paying subscription plan or performance marketing campaign for at least one day. Paid Employer(s) excludes employers from our Job Distribution Partners or other indirect channels, employers who are not actively searching for candidates, but otherwise have access to previously posted jobs, and employers on free trial. Job Distribution Partners are defined as third-party sites who have a relationship with us and advertise jobs from our marketplace. Quarterly Paid Employers means, with respect to any fiscal quarter, the count of Paid Employers during such fiscal quarter. Revenue per Paid Employer is the total company revenue in a particular period divided by the count of Quarterly Paid Employers in the same period.

We define Adjusted EBITDA as our net income (loss) before interest expense, other (income) expense, net, income tax expense (benefit) and depreciation and amortization, adjusted to eliminate stock-based compensation expense. Adjusted EBITDA margin represents Adjusted EBITDA as a percentage of revenue for the same period.

Management and our board of directors use these key operating metrics and non-GAAP financial measures as supplemental measures of our performance because they assist us in comparing our operating performance on a consistent basis, as they remove the impact of some items not directly resulting from our core operations. We also use these key operating metrics and non-GAAP financial measures for planning purposes, including the preparation of our internal annual operating budget and financial projections, to evaluate the performance and effectiveness of our strategic initiatives and to evaluate our capacity for capital expenditures to expand our business.

Adjusted EBITDA and Adjusted EBITDA margin should not be considered in isolation, as an alternative to, or superior to net income (loss), revenue, cash flows or other measures derived in accordance with GAAP. These non-GAAP measures are frequently used by analysts, investors and other interested parties to evaluate companies in our industry. Management believes that the presentation of non-GAAP financial measures is an appropriate measure of operating performance because they eliminate the impact of some expenses that do not relate directly to the performance of our underlying business.

These non-GAAP financial measures should not be construed as an inference that our future results will be unaffected by unusual or other items. Additionally, Adjusted EBITDA and Adjusted EBITDA margin are not intended to be a measure of free cash flow for management's discretionary use, as they do not reflect our tax payments and certain other cash costs that may recur in the future, including, among other things, cash requirements for costs to replace assets being depreciated and amortized. Management compensates for these limitations by relying on our GAAP results in addition to using Adjusted EBITDA and Adjusted EBITDA margin as supplemental measures of our performance. Our measures of Adjusted EBITDA and Adjusted EBITDA margin used herein are not necessarily comparable to similarly titled captions of other companies due to different methods of calculation.

See the tables above regarding reconciliations of these non-GAAP financial measures to the most directly comparable GAAP measures.

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