ZipRecruiter®

Corporate Presentation

May 2023

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ZIPRECRUITER HIGHLIGHTS

Revenue

Q1'23

$183.7mm

-19% y/y

Adjusted EBITDA

Q1'23

$35.3mm

19% margin

Revenue per Paid Employer

Q1'23

$1,734

+15% y/y

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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

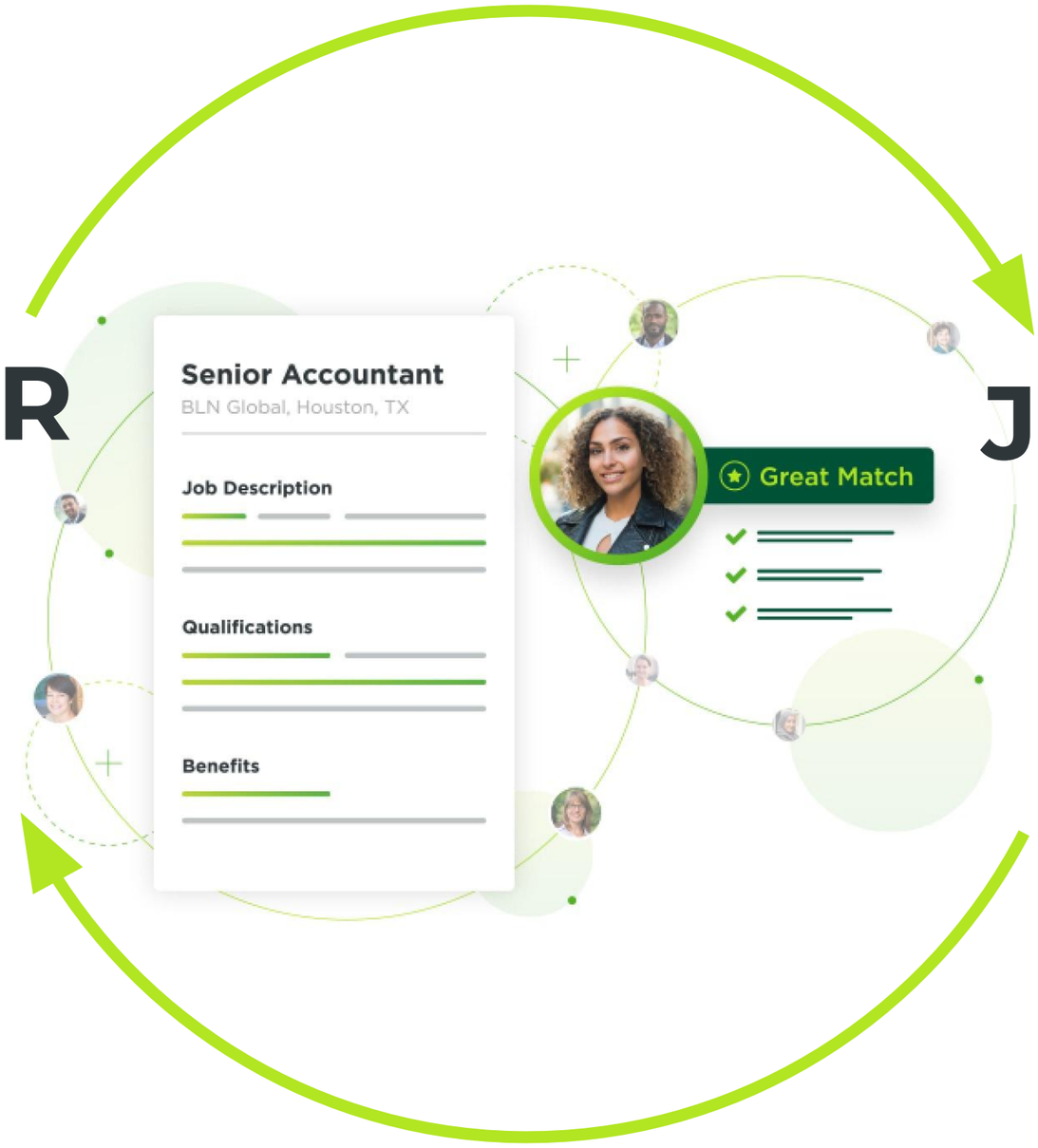
ACTIVELY CONNECTING PEOPLE TO THEIR NEXT GREAT OPPORTUNITY

TWO-SIDED MARKETPLACE CONNECTS EMPLOYERS AND JOB SEEKERS

EMPLOYER

+3mm

EMPLOYERS OF ALL SIZES



JOB SEEKER

+150mm

SEEKERS

ZipRecruiter®

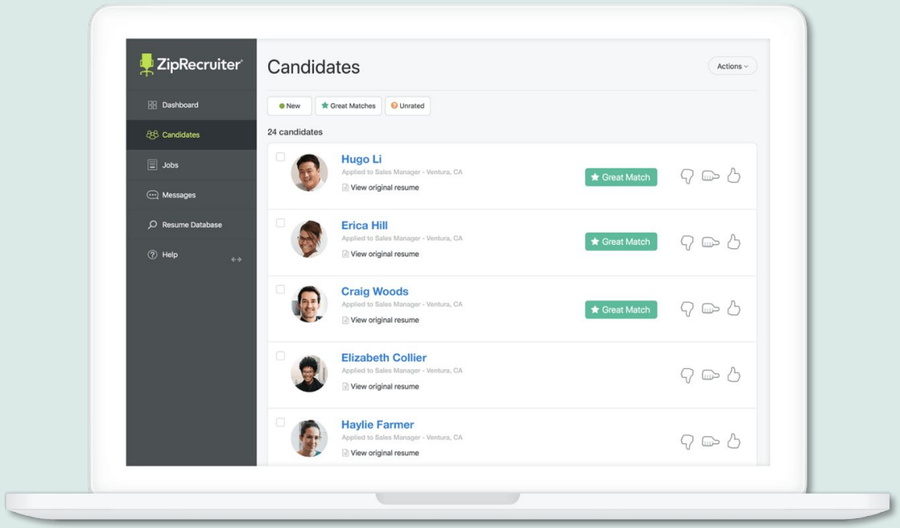
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Source: Internal ZipRecruiter data
Note: Data is as of January 2023 and includes businesses and job seekers who have come to ZipRecruiter for their hiring and job search needs since the founding of ZipRecruiter in 2010.

FLEXIBLE BUSINESS MODEL ALIGNED WITH EMPLOYER SUCCESS

Flat-Rate Pricing

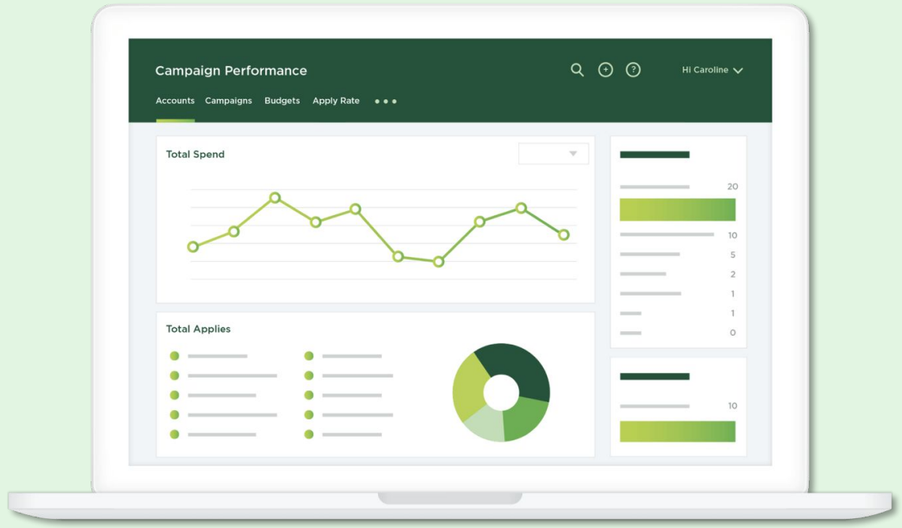
78% of revenue*



Daily, monthly and annual subscription plans

Performance-Based Pricing

22% of revenue*



Cost-per-click on job postings

100% of our revenue comes from employers

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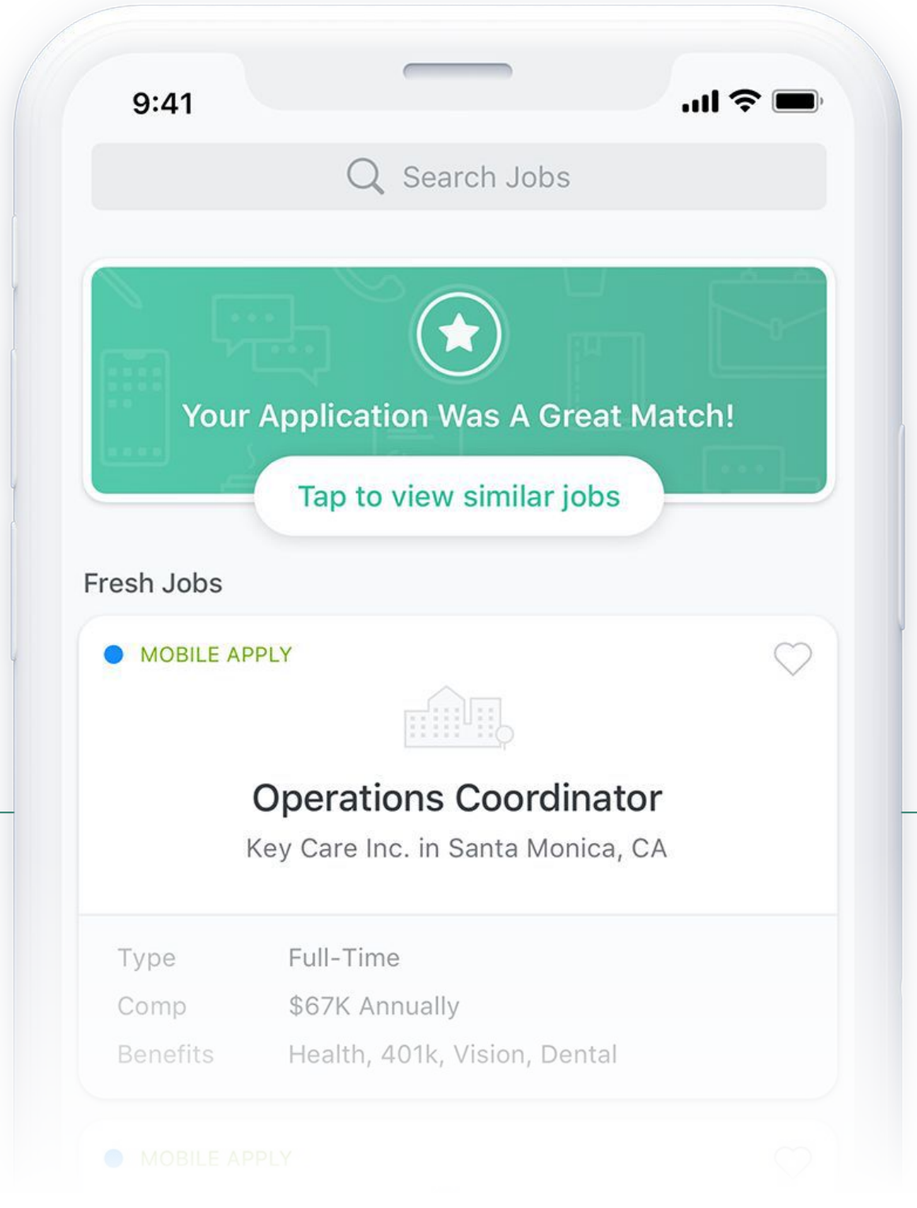
**Based on the three months ended March 31, 2023.*

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]

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1 Based on job seeker app ratings, as of Jan 2023, from AppFollow for ZipRecruiter, CareerBuilder, Glassdoor, Indeed, LinkedIn, and Monster.
2 Based on G2 satisfaction ratings as of December 13, 2022.

MATCHING THAT LEARNS

MARKETPLACE SIGNALS

Resume

Search Activity

Application Activity

Employer Response

Job Description

Resume Views

Candidate Ratings

Contact Info Requests

JOB SEEKERS



Suggested Jobs

Invite To Apply

Email Alerts

Employer Communication

EMPLOYERS



Suggested Candidates To Invite To Apply

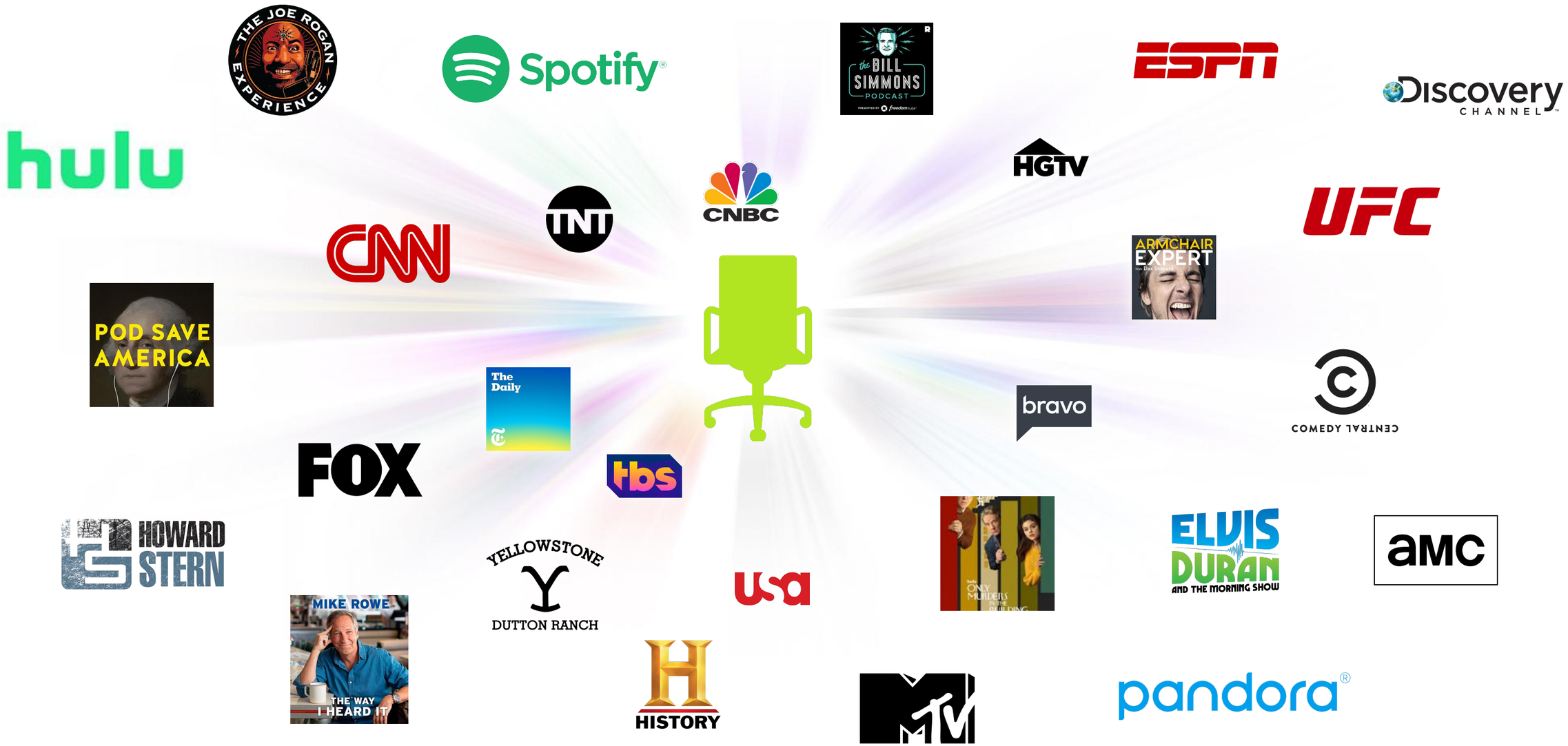
Search For Similar Candidates

BETTER RESULTS

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COMPELLING MARKETING OVER TIME HAS MADE ZIPRECRUITER A HOUSEHOLD NAME WITH ~80% AIDED BRAND AWARENESS



Based on our ZipRecruiter Brand Awareness Survey, 2023, an internal company-designed survey of 610 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.

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Marketing relationships with brands included here as of March 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

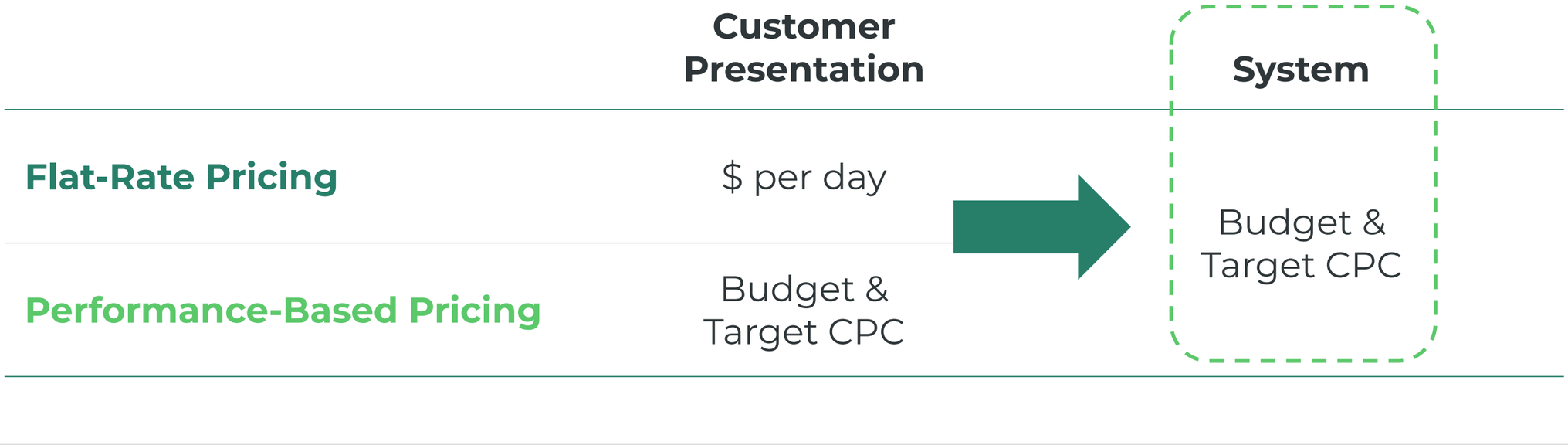
(Cost-per-click on job postings)

- **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

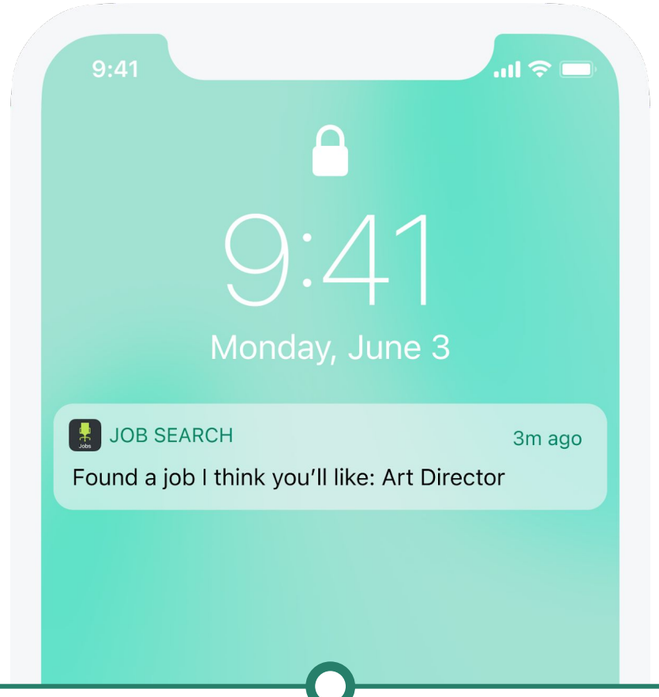
Employers / Demand



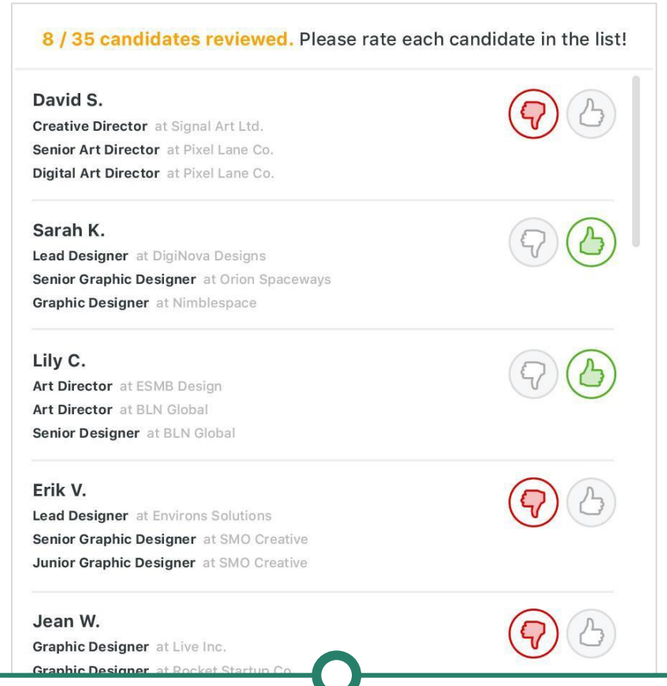
Similar margin structure between Flat-Rate and Performance-Based Pricing

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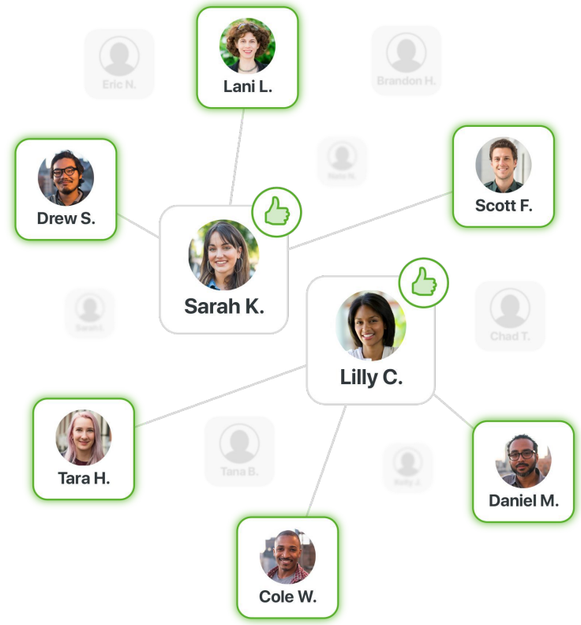
SIMPLE EMPLOYER JOURNEY



When a job is posted, AI invites the best 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 companies receive a quality candidate **within the first 24 hrs**



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PHIL, OUR AI-POWERED PERSONAL RECRUITER, LEADS JOB SEEKERS THROUGH THE HIRING JOURNEY

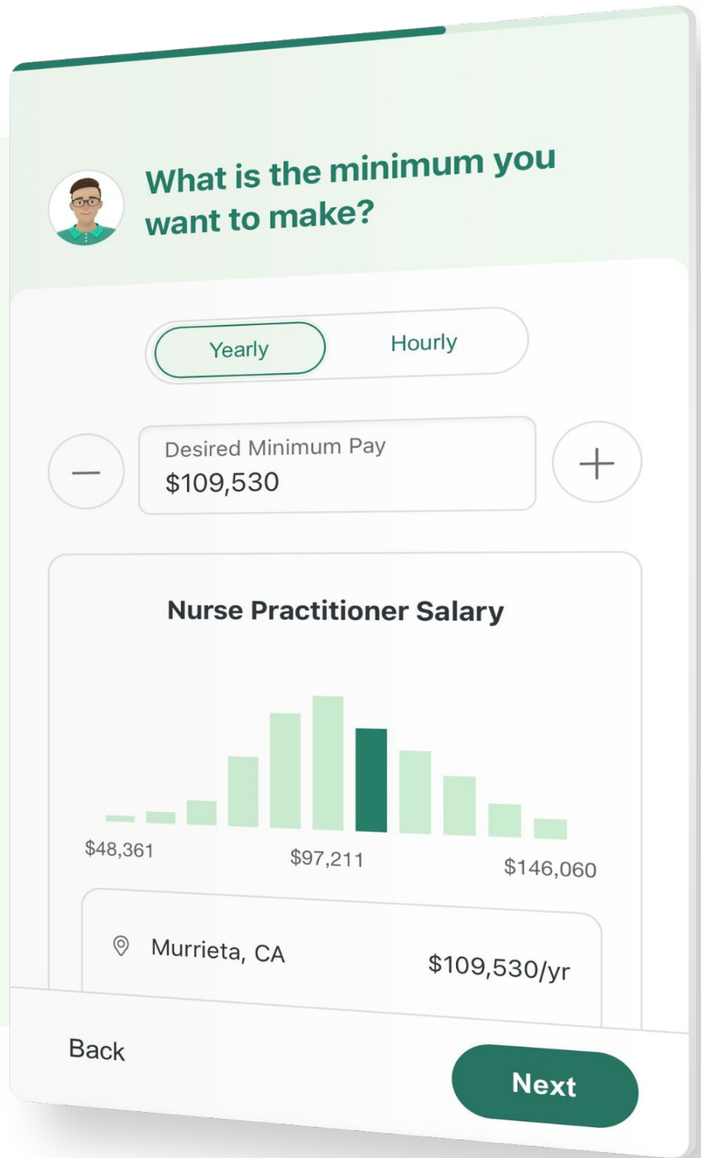


Meet Phil, Your Personal Recruiter

Phil will be by your side during your job search to help you discover new opportunities and stand out to employers.

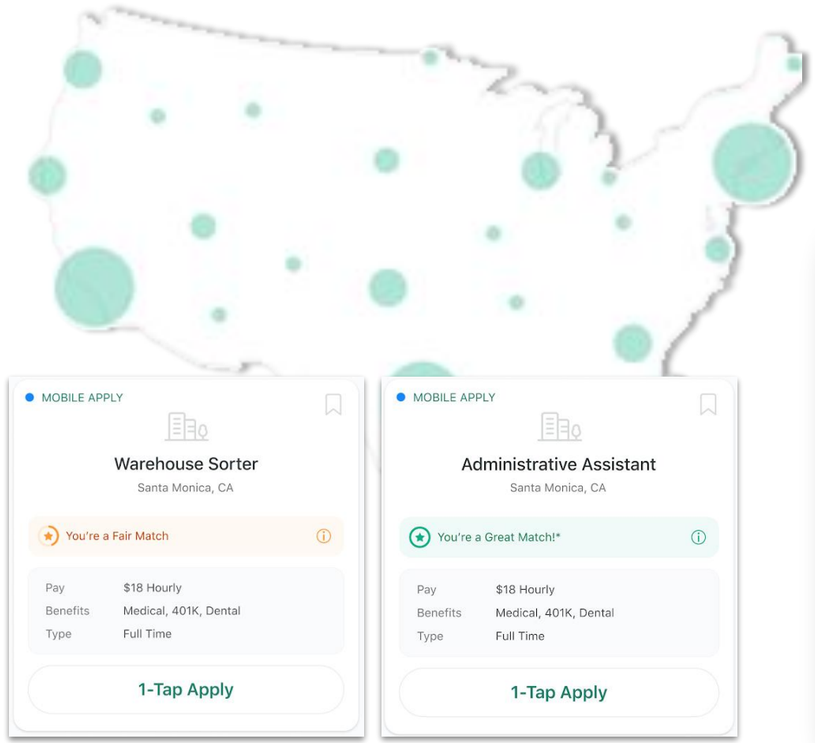
Who is Phil?

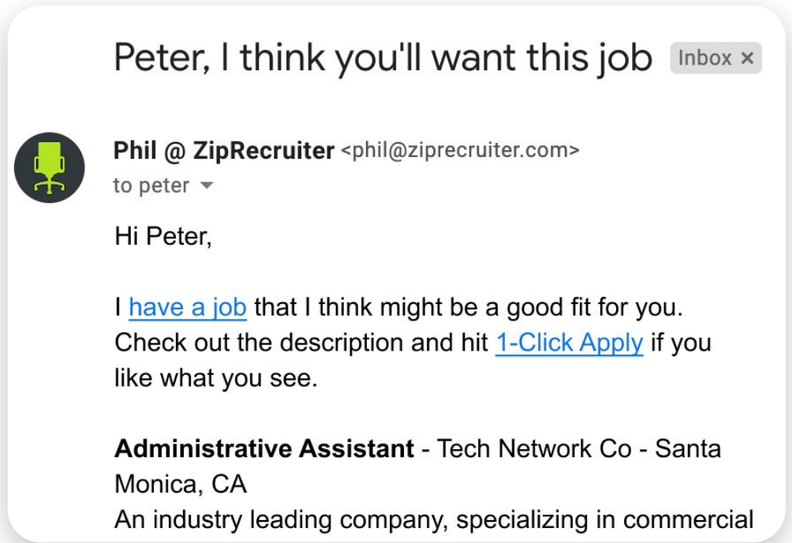
Discover Jobs



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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

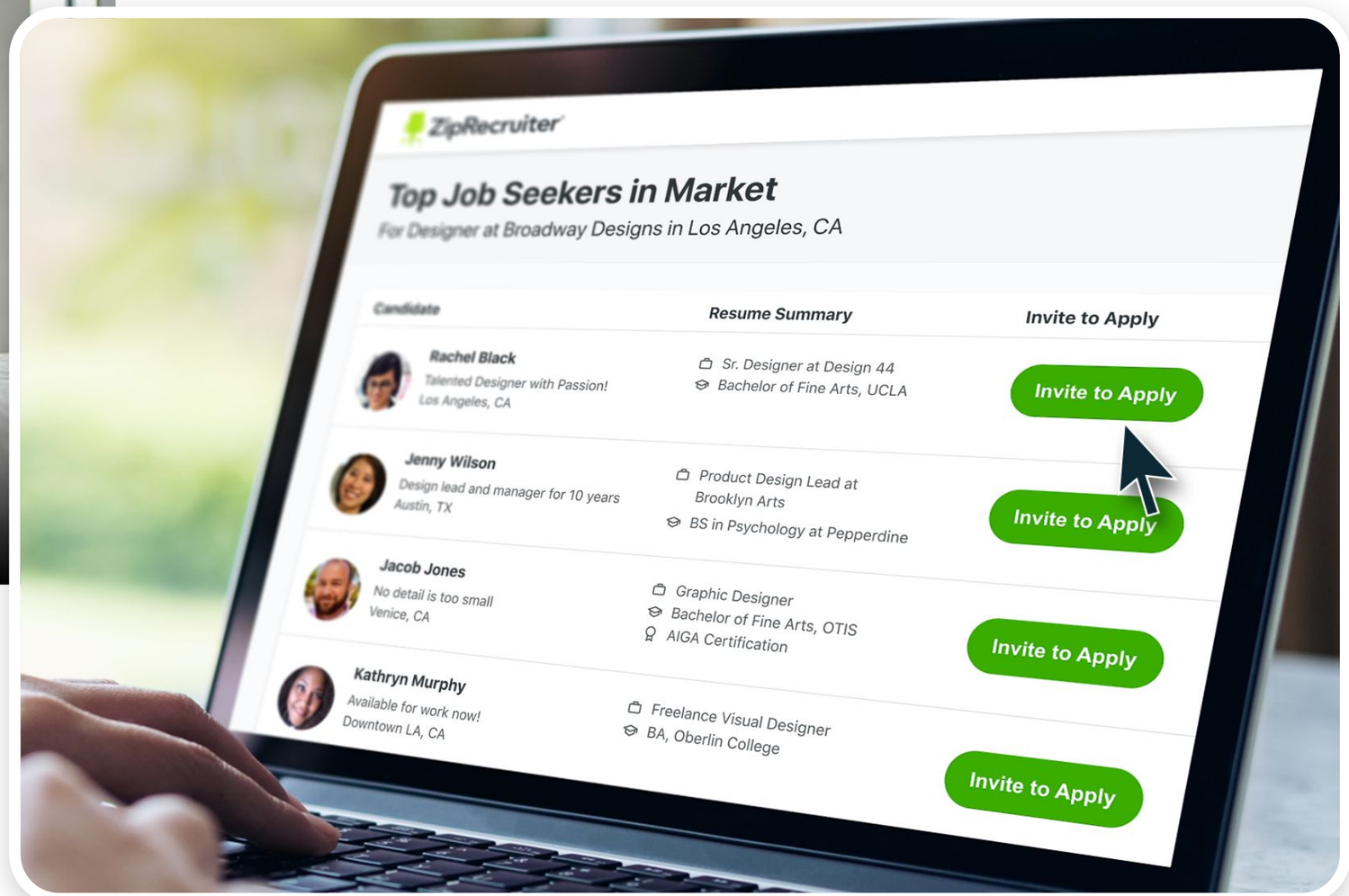
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“INVITE TO APPLY” CHANGES THE WAY THE WHOLE HIRING CATEGORY WORKS

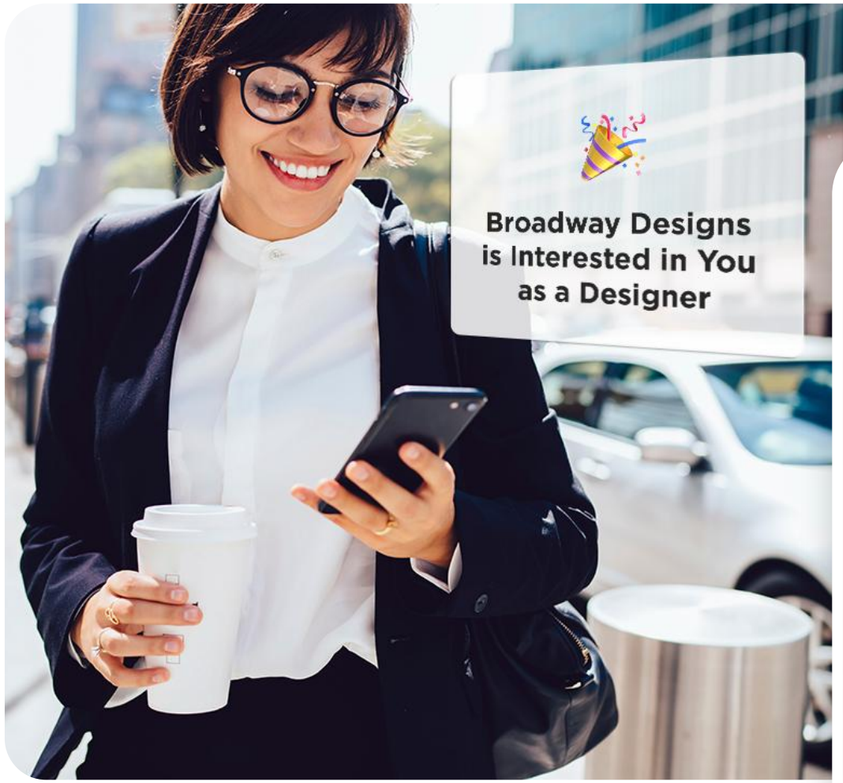


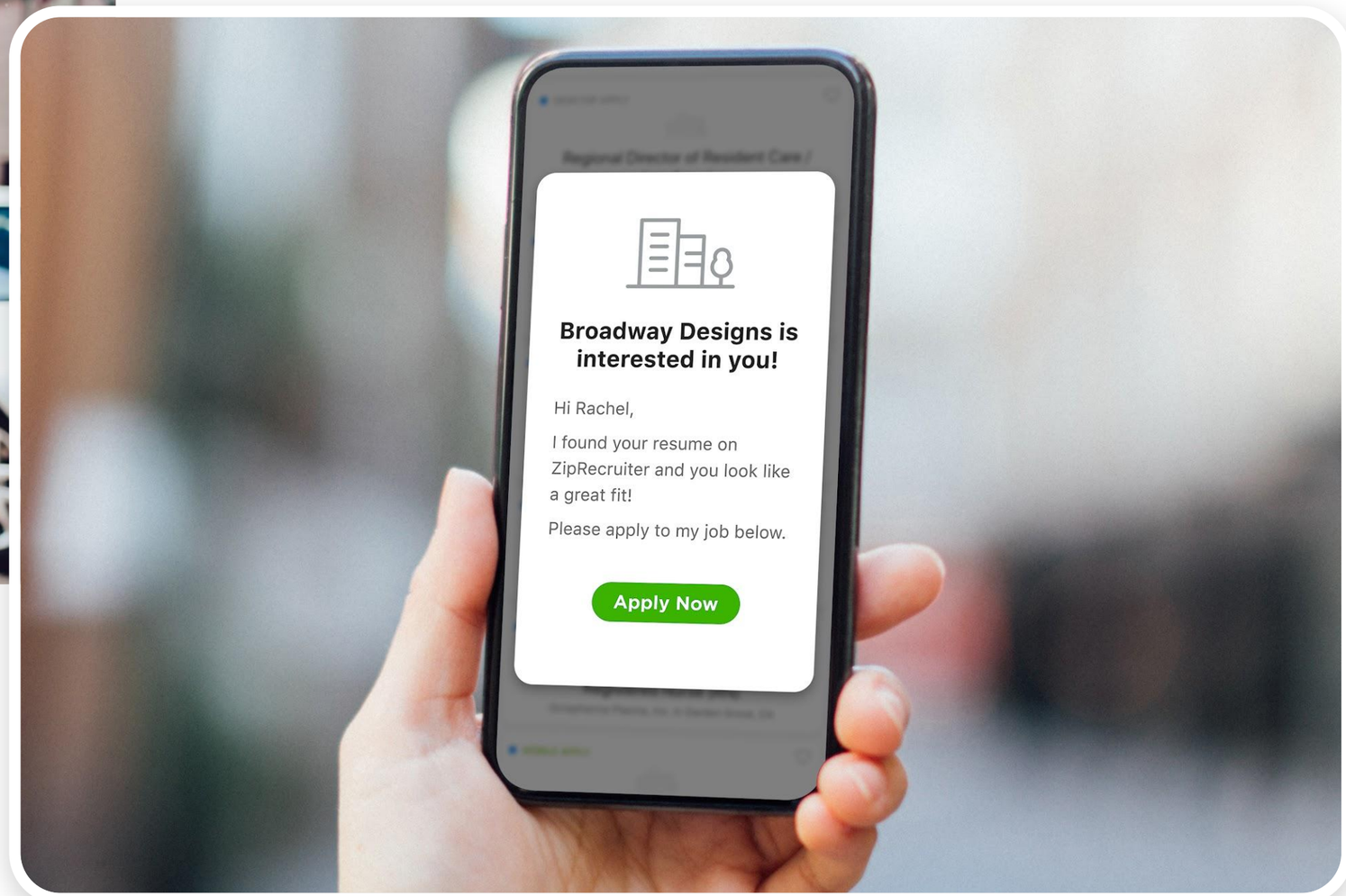
Danielle Smith
Recruiter, Broadway Designs



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JOB SEEKERS GO FROM SEARCHING TO GETTING RECRUITED





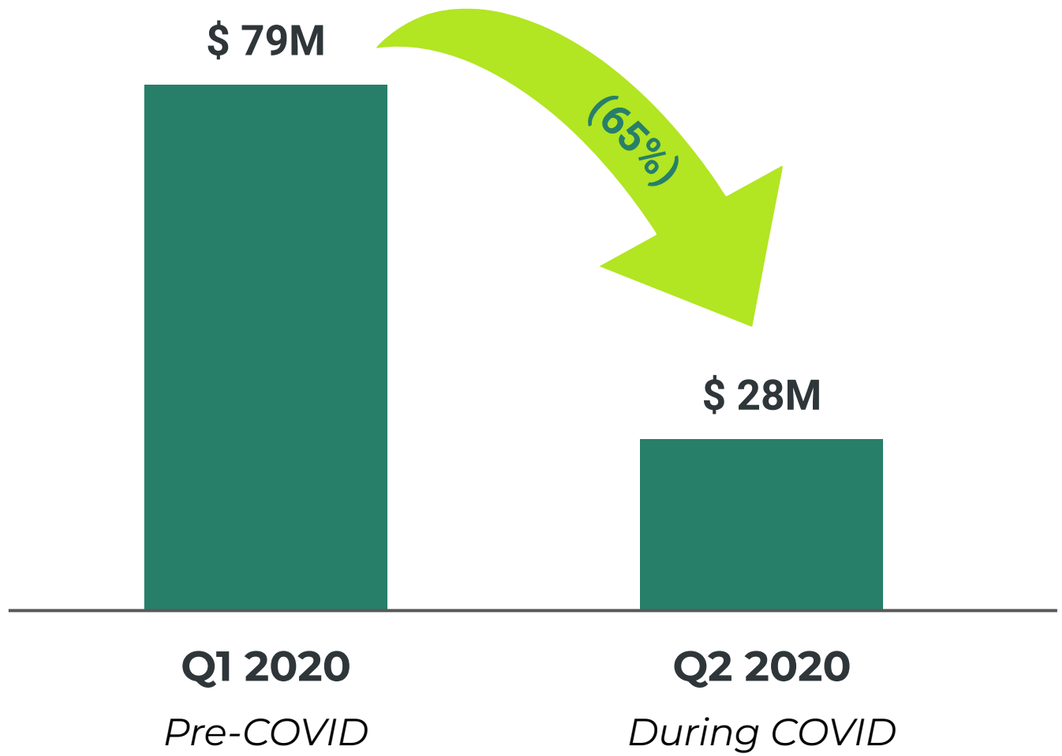
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TREMENDOUS BRAND STRENGTH

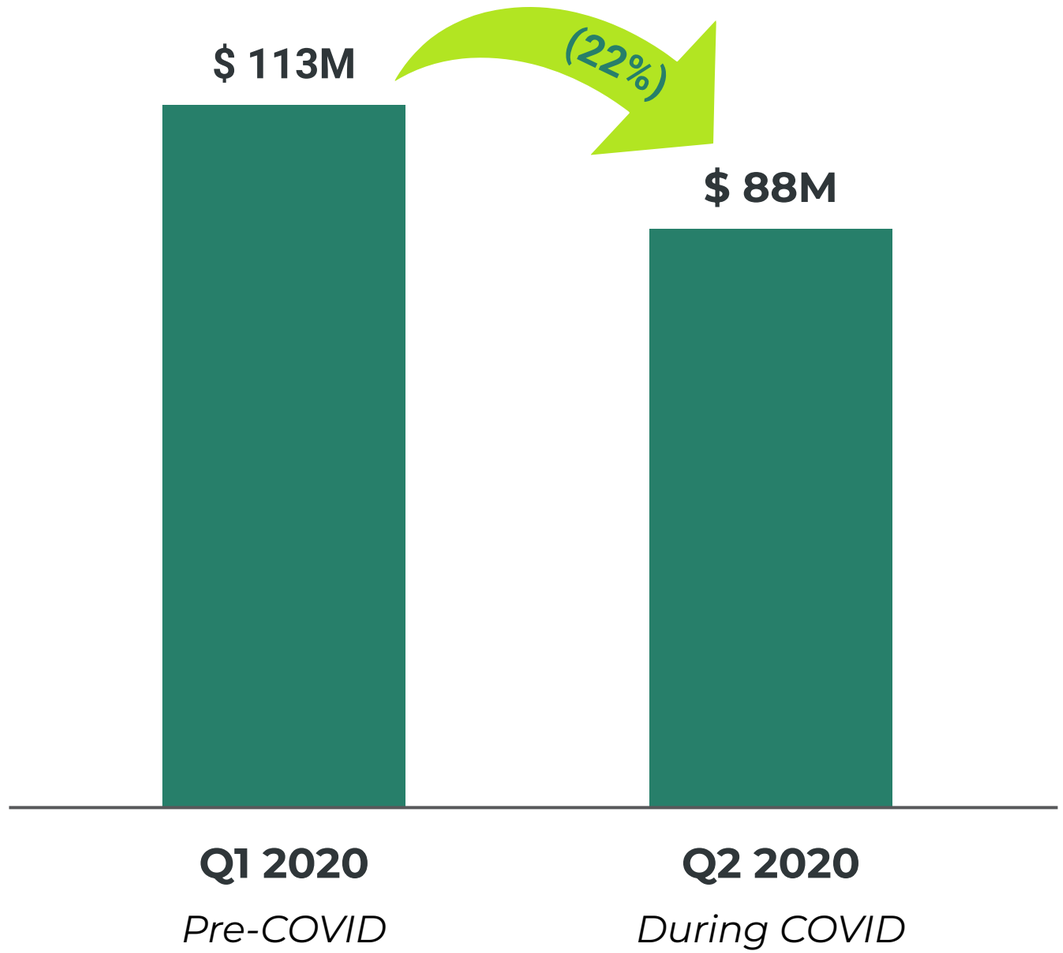
Substantial reduction in Sales & Marketing spend in response to COVID...

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

Sales & Marketing Expense



Revenue



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Note: Sales and Marketing expense and Revenue are GAAP

RECRUITING IS A BIG CATEGORY IN THE U.S.



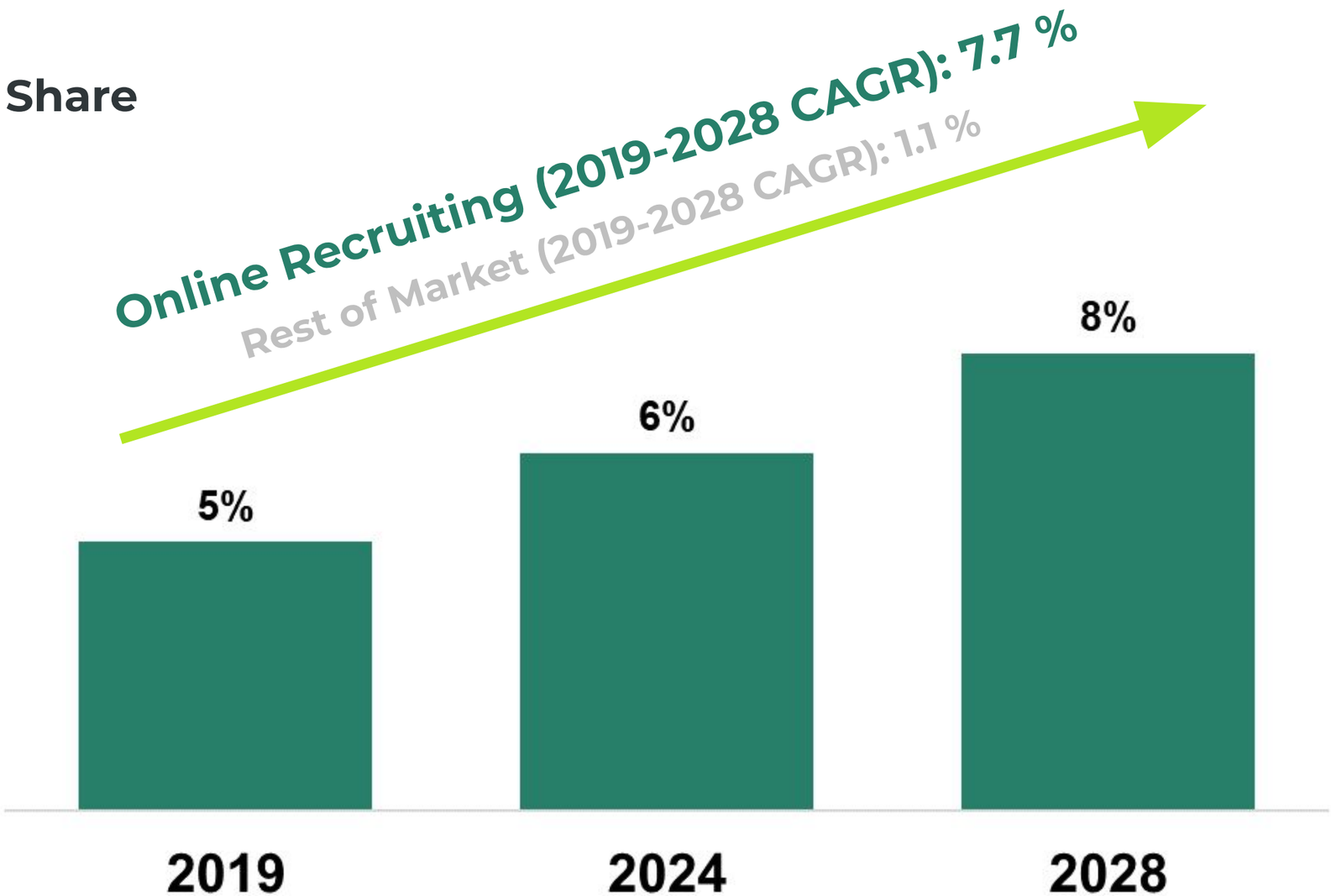
Source: Based on the following published reports: (i) IBISWorld Inc., Office Staffing & Temp Agencies in the US, Jan-2023, (ii) IBISWorld Inc., Employment & Recruiting Agencies in the US, Jan-2023, and (iii) IBISWorld Inc.
Online Recruitment Sites, Feb-2023.
Note: Represents 2023 estimated market size;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



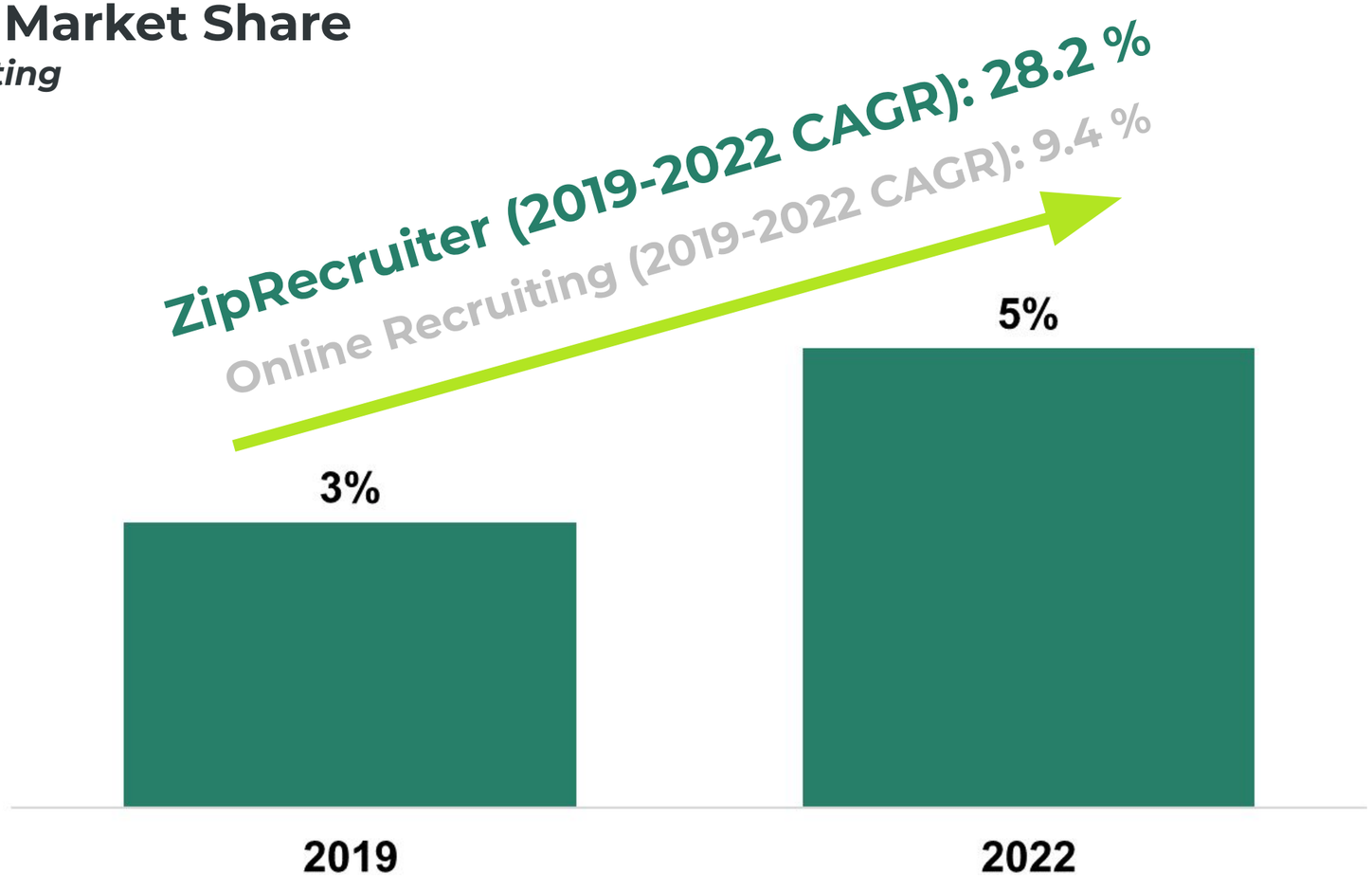
Source: Based on the following published reports: (i) IBISWorld Inc., Office Staffing & Temp Agencies in the US, Jan-2023, (ii) IBISWorld Inc., Employment & Recruiting Agencies in the US, Jan-2023, and (iii) IBISWorld Inc., Online Recruitment Sites, Jan-2023.
Note: All data is US only; Online Recruiting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

ZipRecruiter Market Share

% of Online Recruiting



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PENT UP LABOR SUPPLY

9+ million[1]

people are currently unemployed or underemployed in the U.S.

33+ million[2]

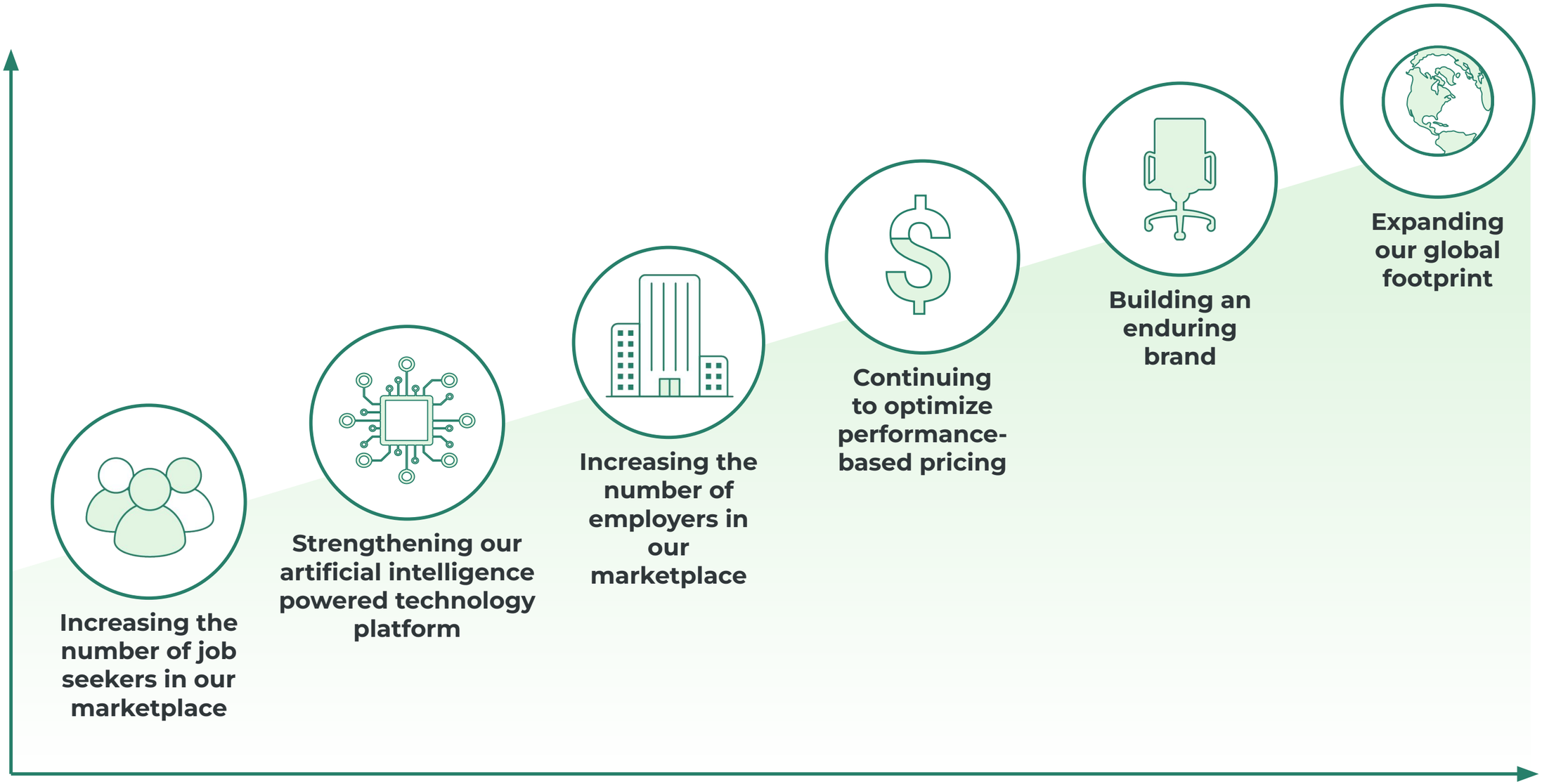
Americans who change jobs each year



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1: U.S. Bureau of Labor Statistics, Employment Situation, as of March 2023, released on 4/7/2023
2: U.S. Bureau of Labor Statistics, Employee Tenure in 2022, released on 9/22/2022
(24% of the ~140M American wage and salary workers have churned within a year)

OUR GROWTH STRATEGIES



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OUR ZIPRECRUITER TEAM



Ian Siegel
Co-Founder & *CEO*

ebay · Rent.com · stamps.com · Citysearch

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Emily McEvilly

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EVP, Chief People Officer

SONY · WEDBUSH



Qasim Saifee
Chief Operating Officer

yahoo! · Disney · OpenX · SCOPELY



Ryan Sakamoto
EVP, Chief Legal Officer

VIRTU FINANCIAL · McDermott Will & Emery · WEDBUSH



Boris Shimanovsky
EVP, Chief Technology Officer

XAP · factual · FOURSQUARE



David Travers
President

Disney · rustic canyon



Elliot Wilson
EVP, Sales & Support

Sherwin Williams · Lovejoy · U.S. AIR FORCE



Tim Yarbrough
EVP, Chief Financial Officer

Aol. · CONVERTRO · Qualcomm · ATHEROS

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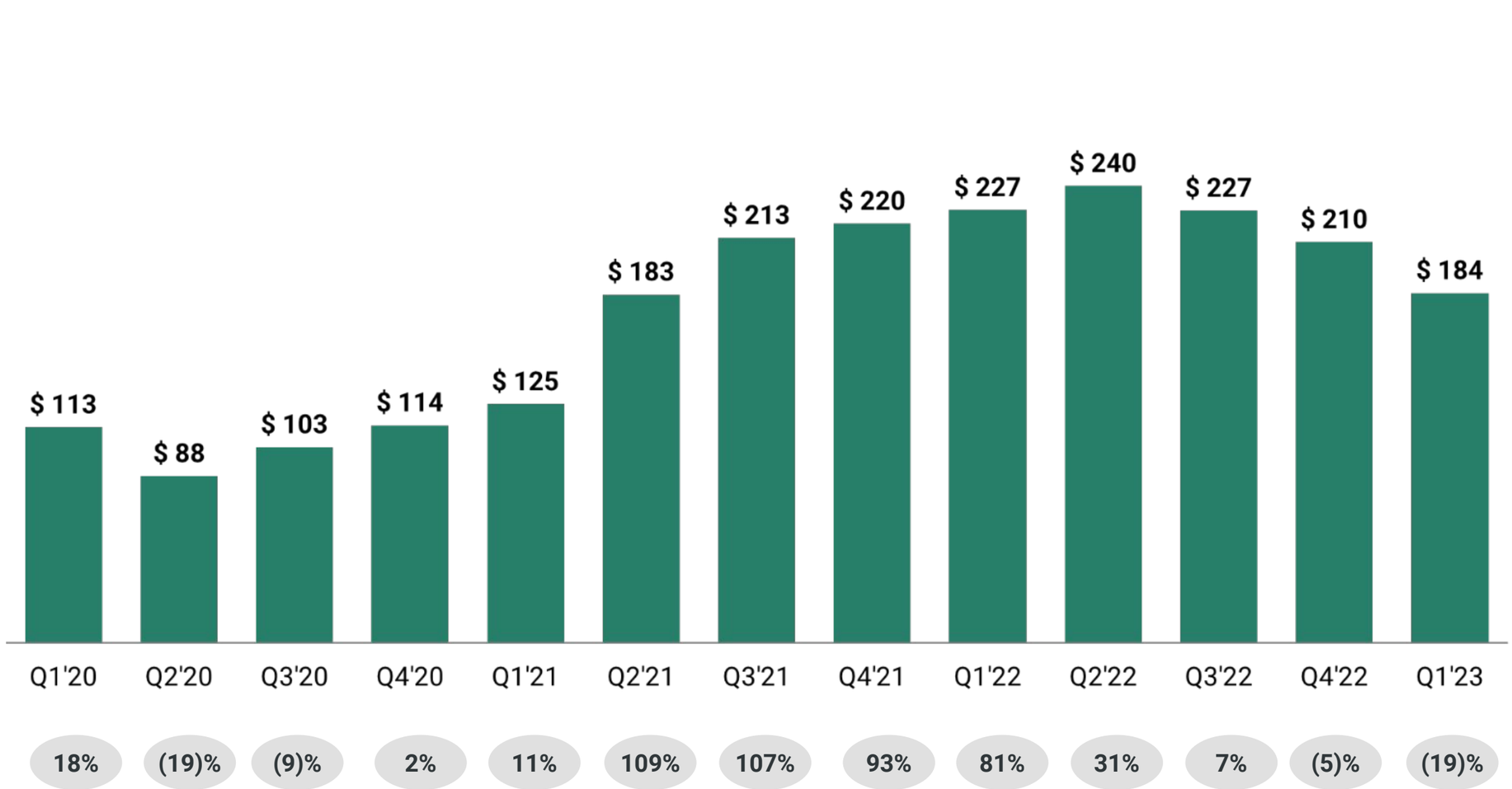
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Note: logos represent prior experience

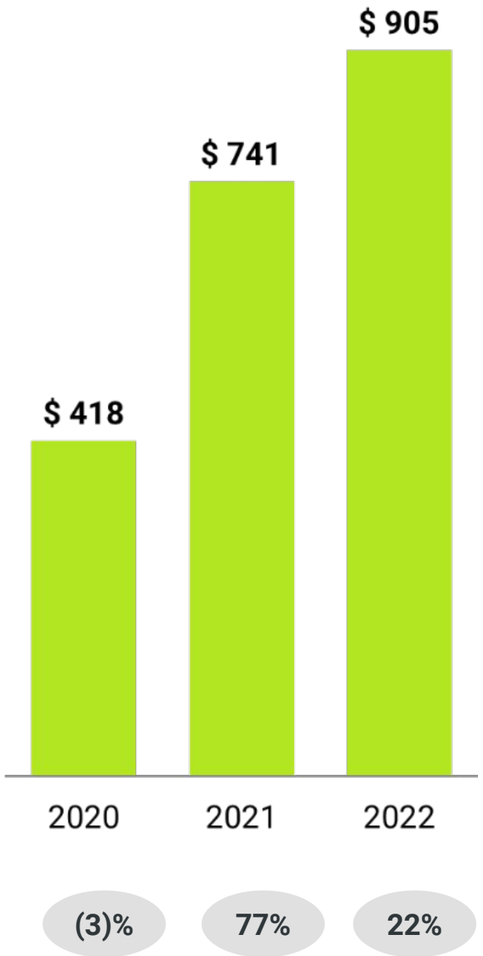
STRONG REVENUE GROWTH AT SCALE

Total Revenue

Quarterly Revenue



Annual Revenue



Total Revenue ($mm) YoY Growth

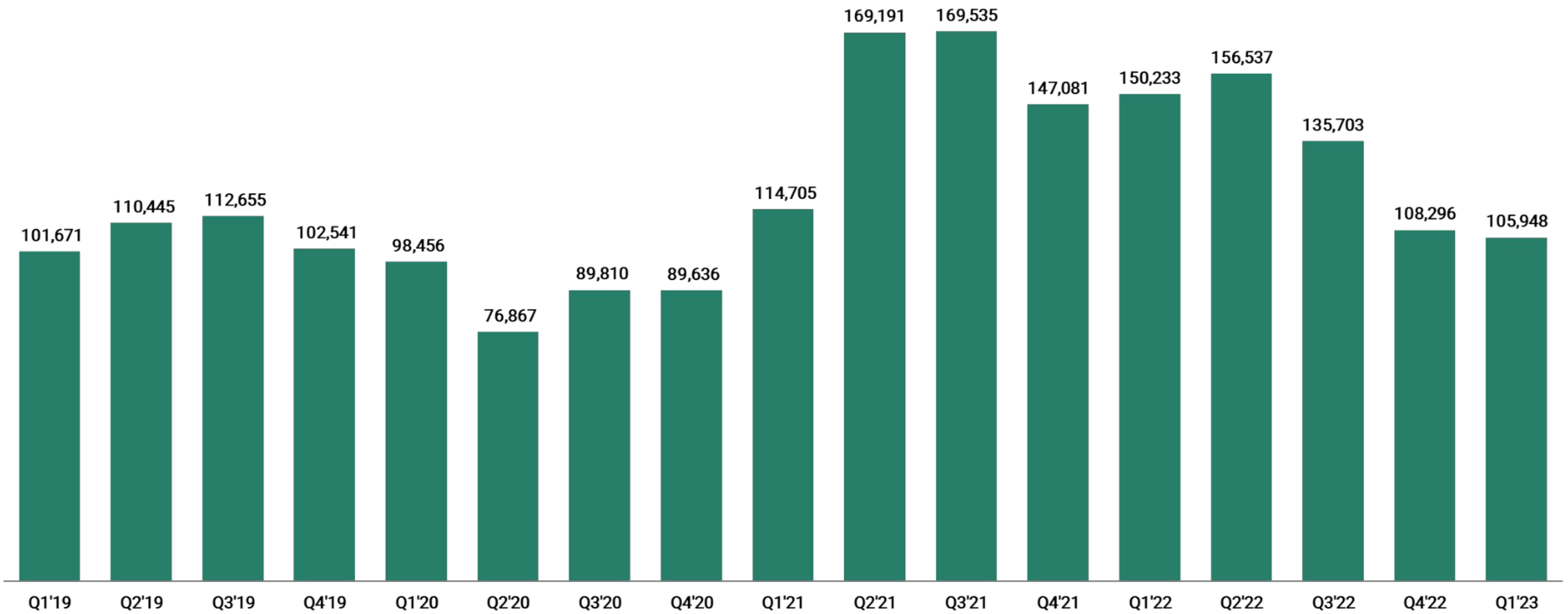
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Note: Total Revenue is GAAP

KEY REVENUE DRIVER: SCALING EMPLOYER SIDE OF MARKETPLACE OVER TIME

Quarterly Paid Employers

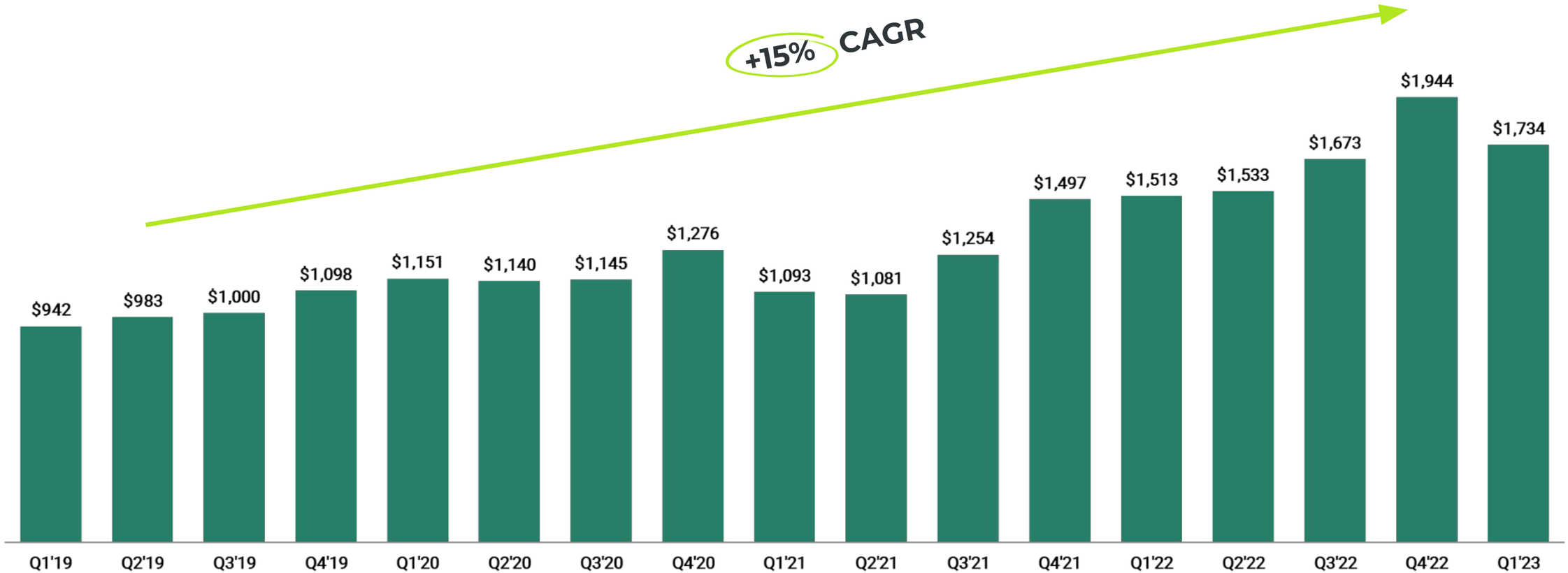


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KEY REVENUE DRIVER: CONSISTENTLY DELIVERING INCREASING VALUE FOR EMPLOYERS OVER TIME

Revenue Per Paid Employer

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



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**

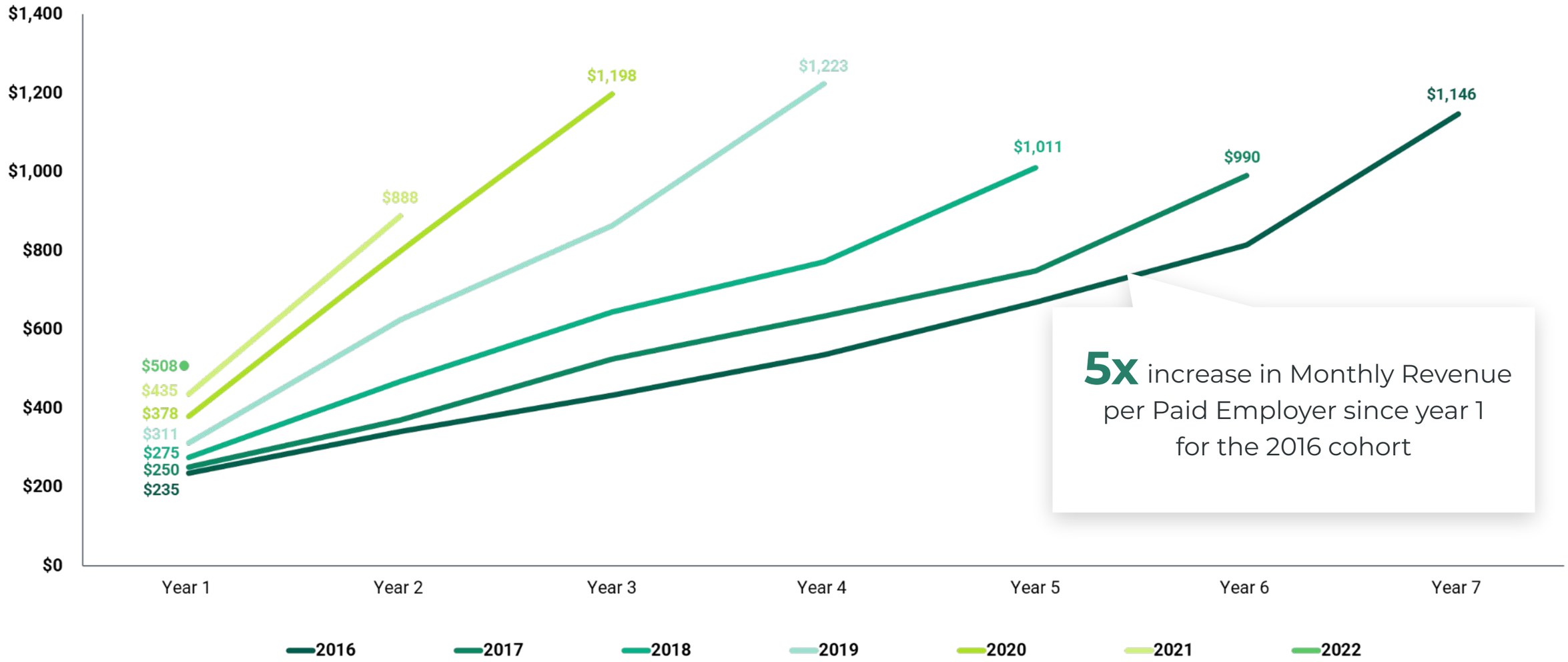
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PROVEN ABILITY TO DEEPEN OUR ENGAGEMENT

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

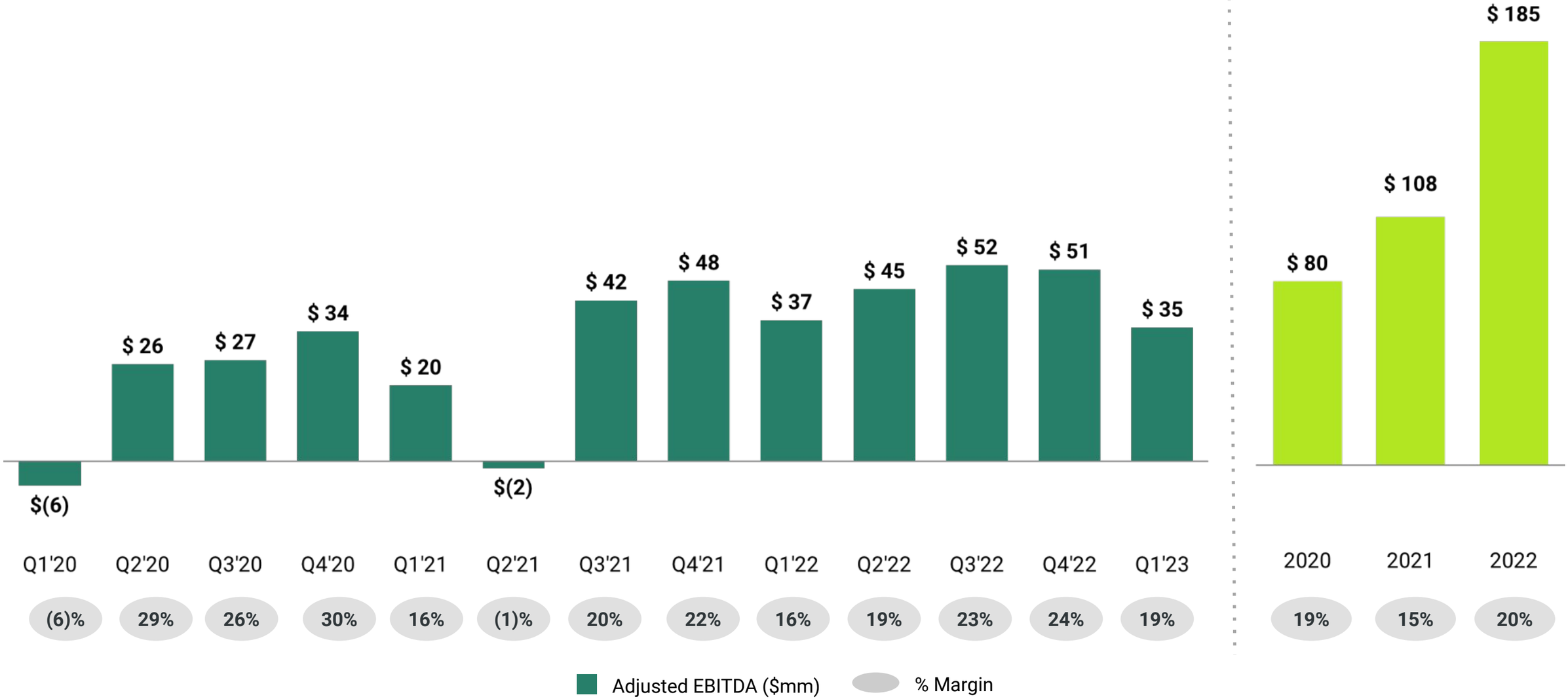
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DISCIPLINED FINANCIAL APPROACH

Adjusted EBITDA

Quarterly Adjusted EBITDA

Annual Adjusted EBITDA



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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

THANK YOU

APPENDIX

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
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
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
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
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
Other (income) expense, net	(138)	(207)	(378)	(219)	(942)	(386)	181	154	19	(32)	25	(36)	(321)	(5,022)	(5,354)	(5,022)
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
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
Adjusted EBITDA margin	-6%	29%	26%	30%	19%	16%	-1%	20%	22%	15%	16%	19%	23%	24%	20%	19%

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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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