Angi Inc. Report on Form 10-K for the Fiscal Year ended December 31, 2023

As filed with the Securities and Exchange Commission on February 29, 2024

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the Fiscal Year Ended December 31, 2023

Or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File No. 001-38220

Angi

Angi Inc.

(Exact name of Registrant as specified in its charter)

Delaware	**82-1204801**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

3601 Walnut Street, Denver, CO 80205
(Address of registrant's principal executive offices)

(303) 963-7200
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of exchange on which registered
Class A Common Stock, par value $0.001	ANGI	The Nasdaq Stock Market LLC

Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☒ Accelerated filer ☐ Non-accelerated filer ☐ Smaller reporting company ☐ Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C.7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of February 9, 2024, the following shares of the registrant's common stock were outstanding:

Class A Common Stock	80,015,090
Class B Common Stock	422,019,247
Class C Common Stock	—
Total outstanding Common Stock	502,034,337

The aggregate market value of the voting common stock held by non-affiliates of the registrant as of June 30, 2023 was $267,041,722. For the purpose of the foregoing calculation only, all directors and executive officers of the registrant are assumed to be affiliates of the registrant.

DOCUMENTS INCORPORATED BY REFERENCE:

Portions of the registrant's proxy statement for its 2024 Annual Meeting of Stockholders are incorporated by reference into Part III herein.

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PART I

Item 1. Business

OVERVIEW

Who We Are

Angi Inc. connects quality home service professionals with consumers across more than 500 different categories, from repairing and remodeling homes to cleaning and landscaping. Approximately 196,000 transacting service professionals sought consumer matches, completed jobs, or advertised work through Angi Inc. platforms during the three months ended December 31, 2023. Additionally, consumers turned to at least one of our businesses to find a service professional for approximately 23 million projects during the year ended December 31, 2023.

The Company has three operating segments: (i) Ads and Leads, (ii) Services, and (iii) International (includes Europe and Canada) and operates under multiple brands including Angi, HomeAdvisor, and Handy.

Angi is a public company controlled by IAC Inc. ("IAC"). As of December 31, 2023, IAC's economic and voting interest in Angi were 84.2% and 98.1%, respectively.

As used herein, "Angi," the "Company," "we," "our," "us," and similar terms refer to Angi Inc. and its subsidiaries (unless the context requires otherwise).

History

We were incorporated in the State of Delaware as ANGI Homeservices Inc. in 2017 in connection with the combination of IAC's HomeAdvisor business and Angie's List, Inc. (the "Combination"), which was completed in September 2017.

In 2018, we acquired Handy Technologies, Inc., a leading platform in the United States for connecting consumers looking for household services with top-quality, pre-screened independent service professionals.

In March 2021, we changed our name to Angi Inc. in connection with an update to one of our leading websites and brands (Angie's List) to Angi and the concentration of our marketing investment in the Angi brand in order to focus marketing, sales, and branding efforts on a single brand.

DESCRIPTION OF OUR BUSINESSES

Our Domestic Businesses

In the United States, the Company, through several differentiated experiences, provides consumers with tools and resources to help them find local, pre-screened and customer-rated service professionals, matches consumers with independently established home services professionals engaged in a trade, occupation and/or businesses that customarily provides such services and provides consumers with tools to communicate with service professionals and pay for related services. These experiences primarily include:

- an Ads and Leads experience, where service professionals pay for connections to consumers; and
- a Services experience, where consumers make payment through the Angi platform for a specific job and the Angi platform assigns that job to a service professional who completes it and receives a portion of the job fee.

Ads and Leads Overview

This business connects consumers with service professionals for local services through our nationwide network of service professionals across more than 500 service categories, as well as provides consumers with valuable tools, services (including the ability to book appointments online) and content (including verified reviews of local service professionals), to help them research, shop and hire for local home services. Consumers

can access our network and related basic tools and services free of charge upon registration, as well as by way of purchased membership packages.

Consumer Services

Consumers can search for a service professional in our nationwide online directory and/or be matched with a service professional through our digital marketplace and certain third-party affiliate platforms. They also have access to related basic tools and services, ratings, reviews, and certain promotions. This includes consumers access to Angi's online True Cost Guide, which provides project cost information for more than 400 project types nationwide, as well as a library of home services-related content consisting primarily of articles about home improvement, repair and maintenance, tools to assist consumers with the research, planning and management of their projects, and general advice for working with service professionals.

Matches are made by way of our proprietary algorithm, based on several factors (including the type of services desired, location and the number of service professionals available to fulfill the request). Depending on the nature of the service request and the path through which it was submitted, consumers are generally matched with a combination of Ads, Leads, and Services service professionals. In all cases, service professionals may contact consumers with whom they have been matched with directly and consumers can generally review profiles, ratings and reviews of presented service professionals and select the service professional whom they believe best meets their specific needs. Consumers are under no obligation to work with any service professional(s) referred by or found through any Angi branded or third-party affiliate platform. Consumers are responsible for booking the service and for paying the service professional directly, which can be done by consumers independently.

Consumers can rate Angi service professionals on a one- to five- star rating scale based on a variety of criteria, including overall experience, availability, price, quality, responsiveness, punctuality and professionalism and other criteria, depending on the type of service provided. Ratings on each applicable criterion are weighted across all reviews submitted for the service professional to produce such professional's overall rating on Angi. Consumers can also provide a detailed description of their experiences with service providers. Ratings and reviews cannot be submitted anonymously and there are processes in place to prevent service professionals from reporting on themselves or their competitors, as well as to detect fraudulent or otherwise problematic reviews.

Service Professional Services

Our Ads and Leads business sells term-based website, mobile, and magazine advertising to certified service professionals, as well as provides them with a variety of services and tools, including quoting, invoicing, and payment services. In order to become a certified service professional in the Angi network, service professionals must satisfy certain criteria. Generally, service professionals with an average consumer rating below a "3" are not eligible for certification. In addition to retaining the requisite member rating, service professionals must validate their home services experiences and the owners or principals of businesses affiliated with service professionals must pass certain criminal background checks and attest to applicable state and local licensure requirements.

Once eligibility criteria are satisfied, service professionals become certified and can purchase term-based advertising contracts and be matched with consumers. If a certified service professional fails to meet any eligibility criteria during the applicable contract term, refuses to participate in our complaint resolution process, and/or engages in what we determine to be prohibited behavior through any Angi platform, existing advertising and exclusive promotions will be suspended, and the related advertising contract will be subject to termination.

Certified service professionals are sorted preferentially in search results for an applicable category (together with their company name, overall rating, number of reviews, certification badge and basic profile information), with non-certified service professionals appearing below certified service professionals in search results. Certified service professionals can also provide exclusive promotions to members. When consumers choose to be matched with a service professional, our proprietary algorithm will determine where a given service professional appears within related results.

Service professionals pay fees for consumer matches, at their election, and subscription fees for Leads memberships, which are available for purchase through our sales force. The basic annual membership package includes membership in our digital marketplace, as well as access to consumer matches (for which additional fees are generally paid) and a listing in our online directory and certain other affiliated directories. Basic annual membership also includes a business profile page on HomeAdvisor.com and Angi.com, a mobile application and access to various online tools designed to help service professionals more effectively market to, manage and connect with, consumers with whom they have been matched.

Once a member, service professionals must maintain at least a three-star customer rating. If a service professional fails to meet any eligibility criteria during the membership term, refuses to participate in the complaint resolution process, or engages in what we determine to be prohibited behavior through any Angi platform, the service professional is subject to being removed from the Angi network.

Services Overview

Through our Services business, we provide a pre-priced offering, pursuant to which consumers can request services through Angi and Handy branded platforms and pay for such services on the applicable platform directly. When consumers request household services directly through Services platforms, requests are fulfilled by independently established home services providers engaged in a trade, occupation and/or business that customarily provide such services.

Consumer Services

Consumers can submit requests for work to be done on the Angi and Handy platforms and referrals will be made based on the type of service desired, location and the date and time the consumer wants the service to be provided. In addition, consumers who purchase furniture, electronics, appliances and other home-related items from select third-party retail partners online (and in certain markets, in store) can simultaneously purchase assembly, installation and other related services to be fulfilled by Services service professionals, which are then paid for by the consumer directly through the applicable third-party retail partner platform.

Service Professional Services

Services service professionals are provided with access to a pool of consumers seeking service professionals and must validate their home services experience, as well as attest to holding the requisite license(s) and maintain an acceptable rating to remain on Services platforms. In addition, the owner(s) or principal(s) of such service provider must pass certain criminal background checks. Access to Service platforms will be revoked for service professionals that repeatedly receive low customer satisfaction ratings.

Our International Businesses

Through the International segment, Angi Inc. also operates several international businesses that connect consumers with home service professionals, including: (i) Travaux, MyHammer and Werkspot, leading home services marketplaces in France, Germany and the Netherlands, respectively, (ii) MyBuilder, one of the leading home services marketplaces in the United Kingdom, (iii) the Austrian operations of MyHammer, (iv) the Italian operations of Werkspot and (v) Homestars, a leading home services marketplace in Canada. Angi Inc. owns controlling interests in Travaux, MyHammer, Werkspot and MyBuilder and wholly owns Homestars. The business models of the international businesses vary by jurisdiction and differ in certain respects from the business models of Angi Inc.'s various domestic businesses.

Revenue

Ads and Leads revenue includes consumer connection revenue, which comprises fees paid by service professionals for consumer matches (regardless of whether the service professional ultimately provides the requested service), revenue from service professionals under contract for advertising, membership subscription revenue from service professionals and consumers, and revenue from other services. Consumer connection revenue varies based upon several factors, including the service requested, product experience offered, and geographic location of service. Services revenue primarily reflects revenue from pre-priced offerings by which the consumer requests services through the Company's platform and the Company engages a service

professional to perform the service. International revenue primarily comprises consumer connection revenue for consumer matches and membership subscription revenue from service professionals and consumers.

Marketing

We market our various products and services to consumers primarily through digital marketing (primarily paid and free search engine marketing, display advertising and third-party affiliate agreements), as well as through traditional offline marketing (national television and radio campaigns), and email. Pursuant to third-party affiliate agreements, third parties agree to advertise and promote our various products and services (and those of our various service professionals) on their platforms. In exchange for these efforts, these third parties are paid a fixed fee when visitors from their platforms click through and submit a valid service request through our platforms or when visitors submit a valid service request on the affiliate platform and the affiliate transmits the service request to us. We also market our various products and services to consumers through relationships with select third-party retail partners and, to a lesser extent, through partnerships with other contextually related websites and direct mail.

We market our term-based advertising and related products offered by our Ads business and the matching services and membership subscriptions offered by our Leads business to service professionals primarily through our sales force. These products and services are also marketed together with our Services products and various directories, through paid search engine marketing, digital media advertising and direct relationships with trade associations and manufacturers.

We have made, and expect we will continue to make, substantial investments in digital and traditional offline marketing to consumers and service professionals to promote our products and services and drive visitors to our various platforms and service professionals.

Technology

Each of our brands and businesses develops its own technology to support its products and services, leveraging both open-source and vendor supported software technology. We have dedicated engineering teams for our domestic and certain international businesses responsible for software development and the creation of new features to support our products and services across a full range of existing, new, and emerging devices and platforms. Our engineering teams use an agile development process that allows us to deploy frequent iterative releases for product and service features.

Competition

The home services industry is highly competitive and fragmented, and in many important respects, local in nature. We compete with, among others: (i) search engines and online directories, (ii) home and/or local services-related platforms, (iii) providers of consumer ratings, reviews and referrals and (iv) various forms of traditional offline advertising (primarily local in nature), including radio, direct marketing campaigns, yellow pages, newspapers and other offline directories. We also compete with local and national retailers of home improvement products that offer or promote installation services. We believe our biggest competition comes from the traditional methods most people currently use to find service professionals, which are by word-of-mouth and through referrals.

We believe that our ability to compete successfully will depend primarily upon the following factors:

- our ability to continue to build and maintain awareness of, and trust in and loyalty to, the Angi brand; and
- the functionality of our websites and mobile applications and the attractiveness of their features and our products and services generally to consumers and service professionals, as well as our continued ability to introduce new products and services that resonate with consumers and service professionals generally;
- the ability of the Services business to expand pre-priced booking services, while balancing the overall mix of service requests and directory services on our platforms generally;

- the size, quality, diversity and stability of our network of service professionals and the breadth of our online directory listings;
- our ability to consistently generate service requests and pre-priced bookings through our platforms that convert into revenue for our service professionals in a cost-effective manner;
- our ability to continue to attract (and increase) traffic to our brands and platforms through search engines, including the ability to ensure that information from such brands and platforms and related links are displayed prominently in free search engine results and that paid search marketing efforts are cost-effective, as well as the ability to respond to changes in the usage and functioning of search engines and the introduction of new technology;
- our ability to increasingly engage with consumers directly through our platforms, including our various mobile applications (rather than through search engine marketing or via free search engine referrals); and
- the quality and consistency of our service professional pre-screening processes and ongoing quality control efforts, as well as the reliability, depth and timeliness of customer ratings and reviews.

Intellectual Property

We regard our intellectual property rights as critical to our success, with our trademarks, service marks and domain names being especially critical to the continued development and awareness of our brands and our marketing efforts.

We protect our intellectual property rights through a combination of registered copyrights, trademarks, and domain name registrations, trade secrets and patent applications, as well as through contractual restrictions and reliance on federal, state and common law. We also enter into confidentiality and proprietary rights agreements with employees, consultants, contractors and business partners, and employees and contractors are also subject to proprietary information and invention assignment provisions.

We have several registered trademarks in the United States (the most significant of which relate to our Angi and HomeAdvisor brands), as well as certain other trademarks in Europe and Canada, and several pending trademark applications in the United States and certain other jurisdictions. We have also registered a variety of domestic and international domain names, the most significant of which relate to our Angi brand. In addition, we have two patents that expire in November 2035.

Government Regulation

We are subject to laws and regulations that affect companies conducting business on the Internet generally and through mobile applications, including laws relating to the liability of providers of online services for their operations and the activities of their users. As a result, we could be subject to claims based on negligence, various torts and trademark and copyright infringement, among other actions.

In addition, because we receive, transmit, store and use a substantial amount of information received from or generated by consumers and service professionals, we are also impacted by laws and regulations governing privacy, the storage, sharing, use, processing, disclosure and protection of personal data and data breaches. See “Item 1A-Risk Factors-General Risk Factors-The processing, storage, use and disclosure of personal data could give rise to liabilities and increased costs.”

We are particularly sensitive to laws and regulations that adversely impact the popularity or growth in use of the Internet and/or online products and services generally, restrict or otherwise unfavorably impact the ability or manner in which we provide our products and services, regulate the practices of third parties upon which we rely to provide our products and services and undermine open and neutrally administered Internet access. For example, the Digital Services Act applies to our European businesses effective February 17, 2024. Failure to comply with the Digital Services Act could result in the imposition of fines in an amount of up to 6% of a given online intermediary or platform’s annual worldwide turnover in the preceding fiscal year. In addition, the United Kingdom has passed the Online Safety Act 2023 that increases responsibilities of online platforms to control illegal or harmful activity and grants broad authority to the UK communications regulator to enforce its provisions. To the extent our businesses are required to implement new measures

and/or make changes to our products and services to ensure compliance, our business, financial condition and results of operations could be adversely affected. Compliance with this legislation or similar or more stringent legislation in other jurisdictions could be costly, and the failure to comply could result in service interruptions and negative publicity, any or all of which could adversely affect our business, financial condition and results of operations. Similarly, there have been various legislative efforts to restrict the scope of the protections available to online platforms under Section 230 of the Communications Decency Act and our current protections from liability for third-party content in the United States could decrease or change as a result. Any future adverse changes to Section 230 could result in additional compliance costs for us and/or exposure to additional liabilities.

We are also subject to laws governing marketing and advertising activities conducted by/through telephone, email, mobile devices and the Internet, including the Telephone Consumer Protection Act of 1991 (the "TCPA"), the Telemarketing Sales Rule, the CAN-SPAM Act and similar state laws, as well as federal, state, and local laws and agency guidelines governing background screening.

With respect to the TCPA, we are subject to ruling of the Federal Trade Commission's ("FCC"), which requires one-to-one prior express written consent for a business to contact a consumer via phone or text message when using automated technology. The result of this rule is that a business that wishes to contact a consumer for marketing purposes via phone or text using automated technology must receive its own specific express written consent. Certain of our businesses will be required to make changes to our products, services, and third-party affiliate relationships to ensure compliance, and such changes may have an adverse effect on our business, financial condition and results of operations. See "Item 1A — Risk Factors — Risks Related to Our Business and Industry — Changes to certain requirements applicable to certain communications with consumers may adversely impact our ability to generate leads for our service professionals."

In addition, we also are subject to various other federal, state, and local laws, rules and regulations focused on consumer protection. These laws, rules and regulations are enforced by governmental entities such as the Federal Trade Commission and state Attorneys General offices and may confer private rights of action on consumers as well. Changes in these laws, or a proceeding of this nature, could have an adverse effect on us due to legal costs, impacts on business operations, diversion of management resources, negative publicity, and other factors.

We are also generally sensitive to the adoption of new tax laws. The European Commission and several European countries have adopted (or intend to adopt) proposals that impact various aspects of the current tax framework under which our European businesses are taxed, including new types of non-income taxes (including digital services taxes based on a percentage of revenue). For example, we are subject to and pay the Digital Services Tax in the United Kingdom and Italy. Certain of our businesses are subject to digital services taxes in one or more of the jurisdictions listed above and similar proposed tax laws could adversely affect our business, financial condition and results of operations. In addition, certain U.S. states have adopted or are considering adopting similar laws applicable to revenue attributable to digital advertising and other forms of digital commerce.

As a provider of products and services with a membership-based element, we are also sensitive to the adoption of laws and regulations affecting the ability of our businesses to periodically charge for recurring membership or subscription payments. In addition, many U.S. states have considered enacting legislation that could impact the ability of our businesses to efficiently process auto-renewal payments for, as well as offer promotional or differentiated pricing. The adoption of any law that adversely affects revenue from recurring membership or subscription payments could adversely affect our business, financial condition and results of operations.

We are particularly sensitive to laws and regulations related to the adoption and interpretation of worker classification laws, specifically, laws that could effectively require us to change our classification of certain of our service professional from independent contractors to employees. See "Item 1A-Risk Factors-Risks Related to Our Business and Industry-There may be adverse tax, legal and other consequences if the contractor classification or employment status of the service professionals who use our platform is challenged."

Human Capital Management

As of December 31, 2023, we employed approximately 3,800 employees worldwide, the substantial majority of which provided services to our brands and businesses located in the United States. From time to time, we also retain consultants and independent contractors.

Talent and Development

The development, attraction and retention of employees is critical to our success. We strive to provide an atmosphere that fosters teamwork and growth. We continue to invest in a more productive, engaged, diverse and inclusive workforce. To support the advancement of our employees, we offer training and development programs and encourage advancement from within. In 2020, we launched a learning management system for broader facilitation of training resources. We leverage both formal and informal programs designed to identify, foster, and retain top talent. In 2022, we expanded our tuition waiver program, both in reimbursement amount that employees are eligible to receive and to include certificate programs to support our team members' pursuit of educational opportunities outside of traditional degree programs. We believe that our culture enables us to create, develop and fully leverage the strengths of our workforce to exceed consumer expectations and meet our growth objectives. We also place a high value on inclusion, engaging employees in our Diversity, Equity and Inclusion Council, or DEI, which is staffed by employees with diverse backgrounds, experiences and/or characteristics who share a common interest in professional development, improving corporate culture and delivering sustained business results. Recent DEI initiatives include unconscious bias training, a women in leadership program, and employee resources groups to promote community and inclusion.

Total Rewards and Benefits

As part of our compensation philosophy, we believe that we must offer and maintain market competitive total rewards programs for our employees in order to attract and retain superior talent. These programs include base wages and incentives in support of our pay for performance culture, as well as health, welfare, and retirement benefits, vision, dental, life, prescription, and long-term disability insurance plans. We also provide employee paid supplemental life and accident insurance plans. To help employees cover medical expenses pre-tax, we offer employees a Flexible Spending Account. In recent years, we have supported growing families by including adoption and surrogacy support and expanded the time provided for bonding leave. We also focus many programs on employee wellness and have implemented solutions including mental health support access and telemedicine. We also offer our US-based full-time employees a 401(k) retirement plan with a Company match.

Community

We encourage our employees to become involved in their communities by providing full-time employees with paid-time off each year to volunteer in local community-based programs.

Code of Business Conduct and Ethics

Our US-based employees are required to annually certify to their familiarity and compliance with our Code of Business Conduct and Ethics. We also maintain an ethics hotline that is available to all of our employees to report (anonymously, if desired) any general ethics-related matter of concern. Communications to this hotline (which is facilitated by an independent third party) are routed to appropriate functions (whether Human Resources or Legal) for investigation and resolution. In addition, as required by law, we also maintain a hotline for employees to anonymously report complaints or concerns related to accounting and auditing matters.

Additional Information

Company Website and Public Filings

We maintain a website at *www.angi.com*. Neither the information on this website, nor the information on the websites of any of our brands and businesses, is incorporated by reference into this annual report, or into any other filings with, or into any other information furnished or submitted to, the U.S. Securities and Exchange Commission ("SEC").

We also make available, free of charge through our website, our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K (including related amendments) as soon as reasonably practicable after they have been electronically filed with (or furnished to) the SEC. These reports (including related amendments) are also available at the SEC's website, *www.sec.gov*.

Code of Business Conduct and Ethics

Our Code of Business Conduct and Ethics applies to all of our employees (including our principal executive officer, principal financial officer and principal accounting officer) and directors and is posted on the Investor Relations section of our website at *ir.angi.com* under the heading "Code of Ethics." This code complies with Item 406 of SEC Regulation S-K and the rules of The Nasdaq Stock Market LLC. Any changes to this code that affect the provisions required by Item 406 of Regulation S-K (and any waivers of such provisions for our principal executive officer, principal financial officer, principal accounting officer, and directors) will also be disclosed on our website.

RELATIONSHIP WITH IAC

Equity Ownership and Vote

We have two classes of capital stock outstanding, Class A common stock and Class B common stock, with one vote and ten votes per share, respectively. Our shares of Class B common stock are convertible into shares of Class A common stock on a share for share basis. As of December 31, 2023, IAC owned all of our outstanding shares of Class B common stock, and 2,588,180 outstanding shares of the Company's Class A common stock, in total representing approximately 84.2% of our total outstanding shares of capital stock and approximately 98.1% of the total combined voting power of our outstanding capital stock.

Intercompany Agreements

In connection with the Combination, we and IAC entered into certain agreements to govern our relationship following the Combination. These agreements include the following:

Contribution Agreement

Under the contribution agreement: (i) we agreed to assume all of the assets and liabilities related to the HomeAdvisor business and indemnify IAC against any losses arising out of any breach by us of the contribution agreement or any other transaction related agreement described below and (ii) IAC agreed to indemnify us against any losses arising out of any breach by IAC of the contribution agreement or any other transaction related agreement described below.

Investor Rights Agreement

Under the investor rights agreement, IAC has certain registration, preemptive and governance rights related to us and the shares of our capital stock it holds. The investor rights agreement also provides certain governance rights for the benefit of stockholders other than IAC.

Services Agreement

The services agreement currently governs services that IAC has agreed to provide to us through September 29, 2024, with automatic renewal for successive one-year terms, subject to IAC's continued ownership of a majority of the total combined voting power of our voting stock and any subsequent extension(s) or truncation(s) agreed to by us and IAC. Services currently provided to us by IAC pursuant this agreement include: (i) assistance with certain legal, M&A, finance, risk management, internal audit and treasury functions, health and welfare benefits, information security services and insurance and tax affairs, including assistance with certain public company and unclaimed property reporting obligations and (ii) accounting, investor relations, and tax compliance services. The scope, nature and extent of services may be changed from time to time as we and IAC may agree.

Tax Sharing Agreement

The tax sharing agreement governs our and IAC's rights, responsibilities and obligations with respect to tax liabilities and benefits, entitlements to refunds, preparation of tax returns, tax contests and other tax matters regarding U.S. federal, state, local and foreign income taxes. Under the tax sharing agreement, we are generally responsible and required to indemnify IAC for: (i) all taxes imposed with respect to any consolidated,

combined or unitary tax return of IAC or its subsidiaries that includes us or any of our subsidiaries (to the extent attributable to us or any of our subsidiaries, as determined under the tax sharing agreement) and (ii) all taxes imposed with respect to any consolidated, combined, unitary or separate tax returns of us or our subsidiaries.

Employee Matters Agreement

The employee matters agreement addresses certain compensation and benefit issues related to the allocation of liabilities associated with: (i) employment or termination of employment; (ii) employee benefit plans and (iii) equity awards. Under the employee matters agreement, our employees participate in IAC's U.S. health and welfare plans, 401(k) plan and flexible benefits plan and we reimburse IAC for the costs of such participation. In the event IAC no longer retains shares representing at least 80% of the aggregate voting power of shares entitled to vote in the election of our board of directors, we will no longer participate in IAC's employee benefit plans, but will establish our own employee benefit plans that will be substantially similar to the plans sponsored by IAC.

In addition, under the employee matters agreement, we are required to reimburse IAC for the cost of any IAC equity awards held by our current and former employees, with IAC having the ability to elect to receive payment either in cash or shares of our Class B common stock. This agreement also provides that IAC has the ability to require that stock appreciation rights granted prior to the closing of the Combination and equity awards denominated in shares of our subsidiaries to be settled in either shares of our Class A common stock or IAC common stock. To the extent that shares of IAC common stock are issued in settlement of these awards, we are obligated to reimburse IAC for the cost of those shares by issuing shares of our Class A common stock in the case of stock appreciation rights granted prior to the closing of the Combination and shares of our Class B common stock in the case of equity awards denominated in shares of our subsidiaries.

Lastly, pursuant to the employee matters agreement, in the event of a distribution of Angi Inc. capital stock to IAC stockholders in a transaction intended to qualify as tax-free for U.S. federal income tax purposes, the Compensation and Human Capital Committee of the IAC board of directors has the exclusive authority to determine the treatment of outstanding IAC equity awards. Such authority includes (but is not limited to) the ability to convert all or part of IAC equity awards outstanding immediately prior to the distribution into equity awards denominated in shares of our Class A Common Stock, which we would be obligated to assume and which would be dilutive to our stockholders.

Item 1A. Risk Factors

Cautionary Statement Regarding Forward-Looking Information

This annual report on Form 10-K contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. The use of words such as "anticipates," "estimates," "expects," "plans," and "believes," among others, generally identify forward-looking statements. These forward-looking statements include, among others, statements relating to: our future business, financial condition, results of operations and financial performance, our business strategy, trends in the home services industry and other similar matters. These forward-looking statements are based on the expectations and assumptions of our management about future events as of the date of this annual report, which are inherently subject to uncertainties, risks and changes in circumstances that are difficult to predict.

Actual results could differ materially from those contained in these forward-looking statements for a variety of reasons, including, among others, the risk factors set forth below. Other unknown or unpredictable factors that could also adversely affect our business, financial condition and results of operations may arise from time to time. In light of these risks and uncertainties, the forward-looking statements discussed in this annual report may not prove to be accurate. Accordingly, you should not place undue reliance on these forward-looking statements, which only reflect the views of our management as of the date of this annual report. We do not undertake to update these forward-looking statements.

Risk Factors

Risks Related to Our Business and Industry

Our success will depend, in substantial part, on the continued migration of the home services market online.

We believe that the digital penetration of the home services market remains low, with the vast majority of consumers continuing to search for, select and hire service professionals offline. While many consumers have historically been (and remain) averse to finding service professionals online, others have demonstrated a greater willingness to embrace the online shift. Service professionals must also continue to embrace the online shift, which will depend, in substantial part, on whether online products and services help them to better connect and engage with consumers relative to traditional offline efforts. The speed and ultimate outcome of the shift of the home services market online for consumers and service professionals is uncertain and may not occur as quickly as we expect, or at all. The failure or delay of a meaningful number of consumers and/or service professionals to migrate online and/or the return of a meaningful number of existing participants in the online home services market to offline solutions, could adversely affect our business, financial condition and results of operations.

Marketing efforts designed to drive traffic to our brands and businesses may not be successful or cost-effective.

Attracting consumers and service professionals to our brands and businesses involves considerable expenditures for online and offline marketing. We have made, and expect to continue to make, significant marketing expenditures for digital marketing (primarily paid search engine marketing, display advertising and third-party affiliate agreements) and traditional offline marketing (national television and radio campaigns). These efforts may not be successful or cost-effective. Historically, we have had to increase marketing expenditures over time to attract and retain consumers and service professionals and sustain our growth.

Our ability to market our brands on any given property or channel is subject to the policies of the relevant third-party seller, publisher of advertising (including search engines, web browsers and social media platforms with extraordinarily high levels of traffic and numbers of users) or marketing affiliate. As a result, we cannot assure you that these parties will not limit or prohibit us from purchasing certain types of advertising (including the purchase by Angi of advertising with preferential placement), advertising certain of our products and services or using one or more current or prospective marketing channels in the future. If a significant marketing channel took such an action generally, for a significant period of time and/or on a recurring basis, our business, financial condition and results of operations could be adversely affected. In addition, if we fail to comply with the policies of third-party sellers, publishers and/or marketing affiliates, our advertisements could be removed without notice or our accounts could be suspended or terminated, any of which could adversely affect our business, financial condition and results of operations.

In addition, our failure to respond to rapid and frequent changes in the pricing and operating dynamics of search engines, as well as changing policies and guidelines applicable to keyword advertising (which may unilaterally be updated by search engines without advance notice), could adversely affect our paid search engine marketing efforts (and free search engine traffic). Such changes, including any phasing out (or blocking) of third-party cookies by web browsers, could adversely affect paid listings (both their placement and pricing), as well as the ranking of our brands and businesses within search results, any or all of which could increase our marketing expenditures (particularly if free traffic is replaced with paid traffic). Any or all of these events could adversely affect our business, financial condition and results of operations. In addition, if there are changes in the usage and functioning of search engines and/or decreases in consumer use of search engines, for example, as a result of the continued development of artificial intelligence technology, this could negatively impact our ability to drive traffic to our platforms. For example, artificial intelligence could be utilized to better educate homeowners on how to perform their own home improvement projects, thereby reducing the need for our business, or artificial intelligence could eventually transform the way search engines currently work, thereby creating unknown challenges to our marketing channels.

Evolving consumer behavior (specifically, increased consumption of media through digital means) can also affect the availability of profitable marketing opportunities. To continue to reach and engage consumers and service professionals and grow in this environment, we will need to continue to identify and devote more of our overall marketing expenditures to newer digital advertising channels (such as online video, social media,

streaming, OTT and other digital platforms), as well as target consumers and service professionals via these channels in a cost-effective manner. As these channels continue to evolve relative to traditional channels (such as television), it could continue to be difficult to assess returns on related marketing investments, which could adversely affect our business, financial condition and results of operations.

In addition, we also enter into various arrangements with third parties to drive visitors to Angi platforms. These arrangements are generally more cost-effective than traditional marketing efforts. If we are unable to renew existing (and enter into new) arrangements of this nature, sales and marketing costs as a percentage of revenue would increase over the long-term, which could adversely affect our business, financial condition and results of operations. In addition, the quality and convertibility of traffic and leads generated through third-party arrangements are dependent on many factors, most of which are outside our control. If the quality or convertibility of traffic and leads do not meet the expectations of our users or Angi Leads service professionals, they could leave our network or decrease their budgets for consumer matches or participation in pre-priced booking services, any or all of which could adversely affect our business, financial condition and results of operations.

We rely on Internet search engines to drive traffic to our various properties. Certain operators of search services offer products and services that compete directly with our products and services. If links to websites offering our products and services are not displayed prominently in search results, traffic to our properties could decline and our business could be adversely affected.

In addition to paid marketing, we rely heavily on Internet search engines, such as Google, to drive traffic to our properties through their unpaid search results. Although search results have allowed us to attract a large audience with low organic traffic acquisition costs in the past, if they fail to continue to drive sufficient traffic to our properties, we may need to increase our marketing spend to acquire additional traffic. We cannot assure you that the value we ultimately derive from any such additional traffic would exceed the cost of acquisition, and any increase in marketing expense may in turn harm our operating results.

The amount of traffic we attract from search engines is due in large part to how and where information about our brands (and links to websites offering our products and services) are displayed on search engine results pages. The display, including rankings, of unpaid search results can be affected by a number of factors, many of which are not in our direct control, and may change frequently. Search engines have made changes in the past to their ranking algorithms, methodologies and design layouts that have reduced the prominence of links to websites offering our products and services, and negatively impacted traffic to such websites, and we expect that search engines will continue to make such changes from time to time in the future. In addition, changes in the usage and functioning of search engines and/or decreases in consumer use of search engines, for example, as a result of the continued development of artificial intelligence technology, could negatively impact our ability to drive traffic to our properties.

However, we may not know how (or otherwise be in a position) to influence actions of this nature taken by search engines. With respect to search results in particular, even when search engines announce the details of their methodologies, their parameters may change from time to time, be poorly defined or be inconsistently interpreted.

In addition, in some instances, search engines may change their displays or rankings in order to promote their own competing products or services, or the products or services of one or more of our competitors. Any such action could negatively impact the search rankings of links to websites offering our products and services, or the prominence with which such links appear in search results. Our success depends on the ability of our products and services to maintain a prominent position in search results, and in the event operators of search engines promote their own competing products in the future in a manner that has the effect of reducing the prominence or ranking of our products and services, our business, financial condition and results of operations could be adversely affected.

Our success depends on our ability to continue to expand our pre-priced offerings, while balancing the overall mix of our service requests and directory services on Angi platforms.

Our Services business provides a pre-priced offering, pursuant to which consumers can request services through Services platforms and pay for such services on the applicable platform directly. These service requests

are then fulfilled by independently established home services providers engaged in a trade, occupation and/or business that customarily provide such services. Increases in pre-priced offerings (which we expect to be the case over time) could reduce the levels of service professional participation in our Ads and Leads offerings, which could adversely affect our business, financial condition and results of operations.

Our success depends, in substantial part, on our ability to establish and maintain relationships with quality and trustworthy service professionals.

We must continue to attract, retain and grow the number of skilled and reliable service professionals who can provide services across our platforms. If we do not offer innovative products and services that resonate with consumers and service professionals generally, as well as provide service professionals with an attractive return on their marketing and advertising investments, the number of service professionals affiliated with our platforms would decrease. Any such decrease would result in smaller and less diverse networks and directories of service professionals, and in turn, decreases in service requests, pre-priced offerings and directory searches, which could adversely impact our business, financial condition and results of operations.

In addition to skill and reliability, consumers want to work with service professionals whom they can trust to work in their homes and with whom they can feel safe. While we maintain screening processes (which generally include certain, limited background checks) to try and prevent unsuitable service professionals from joining our platforms, these processes have limitations and, even with these safety measures, no assurances can be provided regarding the future behavior of any service provider on our platforms. Inappropriate and/or unlawful behavior of service professionals generally (particularly any such behavior that compromises the trustworthiness of service providers and/or of the safety of consumers), could result in decreases in service requests, bad publicity and related damage to our reputation, brands and brand-building efforts and/or actions by governmental and regulatory authorities, criminal proceedings and/or litigation. The occurrence or any of these events could, in turn, adversely affect our business, financial condition and results of operations.

Our success depends, in part, on our ability to continue to develop and monetize versions of our products and services for mobile and other digital devices.

As consumers increasingly access our products and services through mobile and other digital devices (including through digital voice assistants), we will need to continue to devote significant time and resources to ensure that our products and services are accessible across these platforms (and multiple platforms generally). If we do not keep pace with evolving online, market and industry trends including the introduction of new and enhanced digital devices and changes in the preferences and needs of consumers and service professionals generally, offer new and/or enhanced products and services in response to such trends that resonate with consumers and service professionals, monetize products and services for mobile and other digital devices as effectively as our traditional products and services and/or maintain related systems, technology and infrastructure in an efficient and cost-effective manner, our business, financial condition and results of operations could be adversely affected.

In addition, the success of our mobile and other digital products and services depends on their interoperability with various third-party operating systems, technology, infrastructure and standards, over which we have no control. Any changes to any of these things that compromise the quality or functionality of our mobile and other digital products and services could adversely affect their usage levels and/or our ability to attract consumers and service professionals, which could adversely affect our business, financial condition and results of operations.

Our success depends, in part, on our ability to access, collect and use personal data about consumers.

We depend on search engines, digital app stores and social media platforms, in particular, those operated by Google, Apple and Facebook, to market, distribute and monetize our products and services. Consumers engage with these platforms directly, and as a result, these platforms generally receive personal data about consumers that we would otherwise receive if we transacted with them directly. Certain of these platforms have restricted (and continue to restrict) our access to personal data about users of our products and services obtained through their platforms. In addition, the privacy and data collection policies of certain platforms require users to opt-in to sharing their devices' unique identifiers with our businesses, which allow them to recognize a given device and track related activity across applications and websites, primarily for marketing

purposes. If these platforms continue to limit, eliminate or otherwise interfere with our ability to access, collect and use personal data about users of our products and services, our ability to identify, communicate with, and market to a meaningful portion of our user base may be adversely impacted. If so, our customer relationship management efforts, our ability to identify, target and reach new segments of our user base and the population generally, and the efficiency of our paid marketing efforts could be adversely affected. We cannot assure you that search engines, digital app stores, and social media platforms upon which we rely will not continue to limit, eliminate or otherwise interfere with our ability to access, collect and use personal data about users of our products and services. To the extent that any or all of them do so, our business, financial condition and results of operations could be adversely affected.

Our ability to communicate with consumers and service professionals via email (or other sufficient means) is critical to our success.

Historically, one of our primary means of communicating with consumers and service professionals and keeping them engaged with our products and services has been via email communication. Through email, we provide consumers and service professionals with service request and pre-priced offering updates, as well as present or suggest new products and services (among other things) and market our products and services in a cost-effective manner. As consumers increasingly communicate via mobile and other digital devices and messaging and social media apps, usage of email (particularly among younger consumers) has declined and we expect this trend to continue. In addition, deliverability and other restrictions could limit or prevent our ability to send emails to consumers and service professionals. Recently, email providers have tightened their spam thresholds. Exceeding these more stringent spam thresholds could result in some or all of the emails from our businesses being delayed or blocked, and therefore less likely to be opened. A continued and significant erosion in our ability to communicate with consumers and service professionals via email could adversely impact the overall user experience, consumer and service professional engagement levels and conversion rates, which could adversely affect our business, financial condition and results of operations. We cannot assure you that any alternative means of communication (for example, push notifications and text messaging) will be as effective as email has been historically.

Changes to certain requirements applicable to certain communications with consumers may adversely impact our ability to generate leads for our service professionals.

In connection with the marketing of our products and services and efforts to generate leads for our service professionals, we have historically relied on our ability (and the ability of our service professionals) to communicate with consumers via phone and text, in some cases using automated technology, as have third party affiliates through which we market our products and services. In an effort to reduce robocalls and robotexts, there has been an increased effort by U.S. regulatory authorities and telecommunications carriers to ensure that consumers opt in to receiving certain marketing calls and texts from businesses. For example, the FCC has adopted an amendment to the express consent requirements of the TCPA to require a 1:1 consent for a business to contact a consumer via phone or text using automated technology. This means that each business that wishes to contact a consumer for marketing purposes via phone or text using automated technology must receive its own specific express written consent from the consumer. While the amendment is not yet finalized, as proposed, it will require revisions to some of our processes and certain aspects of our product experience as well as to our third-party affiliate relationships. These revisions could result in increased expenses. Further, the increased disclosures and consent requirements under the proposed rule could adversely impact consumer engagement levels and consumer conversion in the case of our products and services, which would decrease leads generated on our platforms, as well as our ability to obtain leads through our third party affiliate relationships, which, in turn, could adversely affect our business, financial condition and results of operations. Independent of the proposed TCPA amendment, phone carriers increasingly dictate rules for obtaining consumers' consent to receive text messages. This may reduce the number of consumers who opt-in to receiving both marketing and transactional texts from us and our service professionals, which could further adversely impact our ability to generate leads for our service professionals and, in turn, our business, financial condition and results of operation.

There may be adverse tax, legal and other consequences if the contractor classification or employment status of the service professionals who use our platform is challenged.

We are particularly sensitive to the adoption of worker classification laws, specifically, laws that could effectively require us to change our classification of certain of our service professionals from independent

contractors to employees, as well as changes to state and local laws or judicial decisions related to the definition and/or classification of independent contractors. We continue to monitor the worker classification laws to ensure compliance with their laws. If we are required to reclassify service professionals from independent contractors to employees and/or their classification is challenged for any reason, we could be exposed to various liabilities and additional costs for prior and future periods, including under federal, state and local tax laws, workers' compensation and unemployment benefits, minimum and overtime wage laws, and other labor and employment laws, as well as potential liability for penalties and interest. If the amounts related to such liabilities and additional costs are significant, our business, financial condition and results of operations could be adversely affected. See Item 8 — Consolidated Financial Statements and Supplementary Data — Note 15 — Contingencies.

General Risk Factors

Our brands and businesses operate in an especially competitive and evolving industry.

The home services industry is competitive, with a consistent and growing stream of new products, services and entrants. Some of our competitors may enjoy better competitive positions in certain geographical areas, with certain consumer and service professional demographics and/or in other key areas that we currently serve or may serve in the future. Generally, we compete with search engines, online marketplaces and social media platforms that can market their products and services online in a more prominent and cost-effective manner than we can, as well as better tailor their products and services to individual users. Any of these advantages could enable these competitors to offer products and services that are more appealing to consumers and service professionals than our products and services, respond more quickly and/or cost effectively than we do to evolving market opportunities and trends, and/or display their own integrated or related home services products and services in search results and elsewhere in a more prominent manner than our products and services, which could adversely affect our business, financial condition and results of operations.

In addition, since most of our home services products and services are offered to consumers for free, consumers can easily switch among home services offerings (or use multiple home services offerings simultaneously) at no cost to them. And while service professionals may incur additional or duplicative near-term costs, the costs for switching to a competing platform over the long term are generally not prohibitive. Low switching costs, coupled with the propensity of consumers to try new products and services generally, will most likely result in the continued emergence of new products and services, entrants and business models in the home services industry. Our inability to continue to innovate and compete effectively against new products, services and competitors could result in decreases in the size and level of engagement of our consumer and service professional bases, any of which could adversely affect our business, financial condition and results of operations.

Our brands and businesses are sensitive to general economic events and trends, particularly those that adversely impact consumer confidence and spending behavior, as well as general geopolitical risks.

We have historically been, and will continue to be, particularly sensitive to events and trends that result in consumers delaying or foregoing home services projects and/or service professionals being less likely to pay for consumer matches and subscriptions. Such factors include general economic conditions and other factors, such as consumer confidence in future economic conditions, recessionary concerns, rising interest rates, increased inflation, the availability and cost of consumer credit, levels of unemployment and tax rates. As global economic conditions continue to be volatile and/or economic uncertainty remains, particularly in light of high inflation and interest rates, trends affecting our business also remain unpredictable. Any such event or trend could result in decreases in service requests, pre-priced bookings and directory searches. Any such decreases could adversely impact the number and quality of service professionals and/or adversely impact the reach of, and breadth of, our services offerings, any or all of which could adversely affect our business, financial condition and results of operations.

In addition, we have historically been, and will continue to be, sensitive to events and trends that could result in decreased marketing and advertising expenditures by service professionals. Adverse economic conditions and trends could result in service professionals decreasing and/or delaying fees paid for consumer

matches, pre-priced bookings, membership subscriptions and/or time-based advertising spend, any or all of which would result in decreased revenue and could adversely affect our business, financial condition and results of operations.

Lastly, given the adverse financial and operational impact we experienced as a result of the coronavirus and measures designed to contain its spread, any future outbreak of a widespread health epidemic or pandemic could adversely impact our ability to conduct ordinary course business activities and employee productivity and increase operating costs. Moreover, we could also experience business disruption if the ordinary course operations of our third-party affiliates, partners and vendors are adversely affected, which could adversely affect our business, financial condition and results of operation.

Our success depends, in substantial part, on our ability to maintain and/or enhance our brands, which could be negatively impacted by various factors.

We own and operate two of the leading home services brands in the United States (Angi and HomeAdvisor), as well as leading brands in several foreign jurisdictions. In March 2021, we updated one of our leading websites and brands, Angie's List, to Angi, and concentrated our marketing investment in the Angi brand in order to focus our marketing, sales, and branding efforts on a single brand.

We believe that our success depends, in substantial part, on our continued ability to build awareness and loyalty to our Angi brand, maintain and enhance our established brands, as well as build awareness of (and loyalty to) our newer brands. Events that could negatively impact our brands and brand-building efforts include (among others): product and service quality concerns; service professional quality concerns; consumer and service professional complaints and lawsuits; lack of awareness of our policies or confusion about how the policies are applied; a failure to respond to feedback from our service professionals and consumers; ineffective advertising; inappropriate and/or unlawful acts perpetrated by service professionals and consumers; actions or proceedings commenced by governmental or regulatory authorities; and inadequate data protection and security breaches including related bad publicity. Any factors that negatively impact the Angi and/or HomeAdvisor brand(s) could materially and adversely affect our business, financial condition and results of operations.

In addition, trust in the integrity and objective, unbiased nature of the ratings and reviews found across our various brands contributes significantly to public perception of these brands and their ability to attract consumers and service professionals. If consumer reviews are perceived as not authentic in general, the reputation and strength of the relevant brand could be materially and adversely affected. While we use, and will continue to use, filters (among other processes) to detect fraudulent reviews, the accuracy of consumer reviews cannot be guaranteed. If fraudulent or inaccurate reviews (positive or negative) increase and we are unable to effectively identify and remove such reviews, the overall quality of the ratings and reviews across our various brands could decrease and the reputation of affected brands might be harmed. This could deter consumers and service professionals from using our products and services, which in turn could adversely affect our business, financial condition and results of operations.

We may not be able to protect our systems, technology and infrastructure from cyberattacks or cyberattacks experienced by third parties may adversely affect us.

We are regularly under attack by threat actors through the use of botnets, malware or other destructive or disruptive software, distributed denial of service attacks, phishing, attempts to misappropriate user information and account login credentials, and intercept payments intended for legitimate third parties, and other similar malicious activities. The incidence of events of this nature (or any combination thereof) is on the rise worldwide. Our efforts to develop and maintain systems designed to detect and prevent events of this nature from impacting our systems, technology, infrastructure, products, services, payment processes and procedures, and users are costly and require ongoing monitoring and updating as technologies change and efforts to overcome preventative security measures become more sophisticated. There can be no assurance that the systems we have designed to prevent or limit the effects of cyberattacks or attacks will be sufficient to prevent or detect material consequences arising from such incidents or attacks, or to avoid a material adverse impact on our systems after such incidents or attacks do occur. Despite these efforts, some of our systems have experienced past security incidents and we could experience significant events of this nature in the future.

Any event of this nature that we experience could damage our systems, technology and infrastructure or those of our users, prevent us from providing our products and services, compromise the integrity of our products and services, damage our reputation, erode our brands or be costly to remedy, as well as subject us to investigations by regulatory authorities, fines or litigation that could result in liability to third parties. Even if we do not experience such events directly, the impact of any such events experienced by third parties could have a similar effect. If we were to experience future events involving third-party service providers, the impacts could adversely affect our business, financial condition and results of operations in a significant or material manner. We may not have adequate insurance coverage to compensate for losses resulting from any of these events. If we (or any third-party with whom we do business or on which we otherwise rely) experience(s) an event of this nature, our business, financial condition and results of operations could be adversely affected.

If personal, confidential or sensitive user information that we maintain and store is breached or otherwise accessed by unauthorized persons, it may be costly to mitigate and our reputation could be harmed.

We receive, process, store and transmit a significant amount of personal, confidential or sensitive user and subscriber information and, in the case of certain of our products and services, enable users and subscribers to share their personal information with each other. Our efforts to develop and maintain systems designed to protect the security, integrity and confidentiality of this information may not prevent inadvertent or unauthorized use or disclosure, and third parties may gain unauthorized access to this information. When such events occur, we may not be able to remedy them, we may be required by law to notify regulators and impacted individuals and it may be costly to mitigate the impact of such events and to develop and implement protections to prevent future events of this nature from occurring. When breaches of security (ours or that of any third party that we engage to store such information) occur, we could face governmental enforcement actions, significant fines, litigation (including consumer class actions) and the reputation of our brands and business could be harmed, any or all of which could adversely affect our business, financial condition and results of operations. Our insurance coverage for these matters may be insufficient to cover our losses, and in the future, we may be unable to obtain cybersecurity insurance on commercially reasonable terms. In addition, if any of the search engines, digital app stores or social media platforms through which we market, distribute and monetize our products and services were to experience a breach, third parties could gain unauthorized access to personal data about our users and subscribers, which could indirectly harm the reputation of our brands and business and, in turn, adversely affect our business, financial condition and results of operations.

The processing, storage, use and disclosure of personal data could give rise to liabilities and increased costs.

We receive, transmit and store a large volume of personal information in connection with the provision of our products and services. The manner in which we share, store, use, disclose and protect this information is determined by the respective privacy and data security policies of our various businesses, as well as federal, state and foreign laws and regulations and evolving industry standards and practices, which are changing, and in some cases, inconsistent and conflicting and subject to differing interpretations. In addition, new laws, regulations, standards and practices of this nature are proposed and adopted from time to time.

For example, several U.S. territories and all 50 states now have data breach laws that require timely notification to individuals, and at times regulators, the media or credit reporting agencies, if a company has experienced the unauthorized access or acquisition of personal information. Other state laws contain additional disclosure obligations for businesses that collect personal information about residents and afford those individuals additional rights relating to their personal information that may affect our ability to use personal information or share it with our business partners. For example, California's Privacy Rights Act of 2020 ("CPRA") amended certain provisions of the California Consumer Privacy Act which provides California residents with certain privacy rights in connection with the collection and disclosure of their personal information and requires businesses to make certain disclosures and take certain other acts in furtherance of those rights. The CPRA became fully enforceable on July 1, 2023 and further restricts our ability to use personal California user and subscriber information in connection with our various products, services and operations and/or imposes additional operational requirements, which could result in increased costs. Other U.S. states, such as Virginia, Utah, Connecticut, and Colorado, have passed consumer privacy laws that became effective later in 2023 and in 2024. We will continue to monitor and assess the impact of these state laws, which may impose substantial penalties for violations, impose significant costs for investigations and

compliance, allow private class-action litigation and carry significant potential liability for our business. Lastly, the Federal Trade Commission has also increased its focus on privacy and data security practices, and we anticipate this focus to continue.

Outside of the U.S., data protection laws also apply to some of our operations. For example, the General Data Protection Regulation (the "GDPR") in the United Kingdom and the European Union imposes, among other things, strict obligations and restrictions on the collection and use of U.K. and European Union personal data, a requirement for prompt notice of data breaches in certain circumstances, a requirement for implementation of certain approved safeguards for transfers of personal data to third countries, and possible substantial fines for any violations. Governmental authorities around the world have enacted similar types of legislative and regulatory requirements concerning data protection, and additional governments are considering similar legal frameworks.

We may be subject to claims of non-compliance with applicable privacy and data protection policies, laws and regulations and industry standards and practices that we may not be able to successfully defend or significant fines and penalties. Moreover, any non-compliance or perceived non-compliance by us (or any third-party we engage to store or process information) or any compromise of security that results in unauthorized access to (or use or transmission of) personal information could result in a variety of claims against us, including governmental enforcement actions, significant fines, litigation (including consumer class actions), claims of breach of contract and indemnity by third parties and adverse publicity. When such events occur, our reputation could be harmed and the competitive positions of our various brands and businesses could be diminished, which could adversely affect our business, financial condition and results of operations. Additionally, to the extent multiple U.S. state (or European Union member-state) laws are introduced with inconsistent or conflicting standards and there is no federal or European Union regulation to preempt such laws, compliance could be even more difficult to achieve and our potential exposure to the risks discussed above could increase.

Lastly, ongoing compliance with existing (and compliance with future) privacy and data protection laws worldwide could be costly. The devotion of significant expenditures to compliance (versus the development of products and services) could result in delays in the development of new products and services, us ceasing to provide problematic products and services in existing jurisdictions and us being prevented from introducing products and services in new and existing jurisdictions, which could adversely affect our business, financial condition and results of operations.

Credit card data security breaches or fraud could adversely affect our business, financial condition and results of operations.

We accept payments (including recurring payments) from service professionals and consumers, primarily through credit and debit card transactions. The ability to access payment information on a real-time basis without having to proactively reach out to service professionals and consumers to process payments is critical to our success.

When third parties (including credit card processing companies, as well as any business that offers products and services online or offline) experience a data security breach involving credit card information, affected cardholders will often cancel their credit cards. The more sizable a given affected third-party's customer base, the greater the number of accounts impacted and the more likely it will be that our service professionals and consumers would be impacted by such a breach. If such a breach were to impact our service professionals and consumers, we would need to contact affected service professionals and consumers to obtain new payment information. It is likely that we would not be able to reach all affected service professionals and consumers, and even if we could, new payment information for some may not be obtained and pending payments may not be processed, which could adversely affect our business, financial condition and results of operations.

Even if our service professionals and consumers are not directly impacted by a given data security breach, they may lose confidence in the ability of providers of online products and services to protect their personal information generally. As a result, they may stop using their credit cards online and choose alternative payment methods that are not as convenient for us or restrict our ability to process payments without significant effort, which could adversely affect our business, financial condition and results of operations.

Our success depends, in part, on the integrity, quality, efficiency and scalability of our systems, technology and infrastructure, and those of third parties.

We rely on our systems, technology and infrastructure to perform well on a consistent basis. From time to time in the past we have experienced (and in the future we may experience) occasional interruptions that make some or all of this framework and related information unavailable or that prevent us from providing products and services; any such interruption could arise for any number of reasons. We also rely on third-party data center service providers and cloud-based, hosted web service providers, as well as third-party computer systems and a variety of communications systems and service providers in connection with the provision of our products and services generally, as well as to facilitate and process certain payment and other transactions with users. We have no control over any of these third parties or their operations and the interruption of any of the services provided by these third parties could prevent us from accessing user and subscriber information and providing our products and services. If any third parties do not adequately or appropriately provide their services or perform their responsibilities to us or our users, such as if third-party service providers are unable to restore operations and data, fail to perform as expected, or experience other unanticipated problems, we may be subject to business disruptions, losses or costs to remediate any of the deficiencies, user dissatisfaction, reputational damage, legal or regulatory proceedings, or other adverse consequences which could harm our business. Additionally, if our third party service providers experience a security incident or other interruption, we could experience adverse consequences. While we may be entitled to damages if our third party service providers fail to satisfy their data privacy or security-related obligations to us, any award may be insufficient to cover our damages, or we may be unable to recover such award. In addition, supply chain attacks have increased in frequency and severity, and we cannot guarantee that third parties' infrastructure in our supply chain or our third party partners' supply chains have not been compromised.

The framework described above could be damaged or interrupted at any time due to fire, power loss, telecommunications failure, natural disasters, acts of war or terrorism, acts of God and other similar events or disruptions. Any event of this nature could prevent us from providing our products and services at all (or result in the provision of our products and services on a delayed or intermittent basis) or result in the loss of critical data. Businesses that we acquire may employ cybersecurity controls or information security policies less robust than ours, which may require us to expend additional resources to integrate acquired systems into our ow, and which may expose us to heightened risk. The backup systems that we and the third parties upon whom we rely have in place for certain aspects of our respective frameworks may be insufficient for all recovery eventualities. In addition, we may not have adequate insurance coverage to compensate us for losses from a major interruption. When such damages, interruptions or outages occur, our reputation could be harmed and the competitive positions of our various brands and businesses could be diminished, any or all of which could adversely affect our business, financial condition and results of operations.

We also continually work to expand and enhance the efficiency and scalability of our framework to improve the consumer and service professional experience, accommodate substantial increases in the number of visitors to our various platforms, ensure acceptable load times for our various products and services, and keep up with changes in technology and user preferences. If we do not do so in a timely and cost-effective manner, the user experience and demand across our brands and businesses could be adversely affected, which could adversely affect our business, financial condition and results of operations.

We depend on our key personnel.

Our future success depends upon our continued ability to identify, hire, develop, motivate and retain highly skilled, diverse and talented individuals, particularly in the case of senior leadership. Competition for well-qualified employees across our various businesses has been (and is expected to continue to be) intense, particularly in the case of senior leadership, technology and product development roles, and we must continue to attract new (and retain existing) employees to compete effectively. While we have established programs to attract new (and retain existing) key and other employees, we may not be able to do so in the future. If we fail to retain key and other employees, this could result in the loss of institutional knowledge and the disruption of our day-to-day operations, which could adversely impact the effectiveness of our internal control framework and our ability (and the ability of our various businesses) to successfully execute long term strategic initiatives and other goals. If we do not ensure the effective transfer of knowledge to successors and smooth transitions

(particularly in the case of senior leadership) by way of tailored succession plans across Angi and our various businesses, our business, financial condition and results of operations could be adversely affected.

Risks Related to Our Relationship with IAC

IAC controls our company and will have the ability to control the direction of our business.

As of December 31, 2023, IAC owned all of our outstanding shares of Class B common stock, and 2,588,180 outstanding shares of the Company's Class A common stock, in total representing approximately 84.2% of our total outstanding shares of capital stock and approximately 98.1% of the total combined voting power of our outstanding capital stock. For so long as IAC owns shares of our capital stock that represent a majority of the combined voting power of our outstanding capital stock, it will be able to control any corporate action that requires a stockholder vote, regardless of the vote of any other stockholder (subject to certain limited exceptions for certain class votes). As a result, IAC has (and we expect will continue to have) the ability to control significant corporate activities, including:

- the election of our board of directors (subject to certain provisions of the investor rights agreement between us and IAC) and, through our board of directors, decision-making with respect to our business direction and policies, including the appointment and removal of our officers;
- acquisitions or dispositions of businesses or assets, mergers or other business combinations;
- issuances of shares of our Class A common stock, Class B common stock and Class C common stock and our capital structure generally;
- corporate opportunities that may be suitable for us and IAC, subject to the corporate opportunity provisions in our amended and restated certificate of incorporation (as described below);
- our financing activities, including the issuance of debt securities and/or the incurrence of other indebtedness generally;
- stock repurchases or the payment of one-time or recurring dividends; and
- the number of shares available for issuance under our equity incentive plans.

This voting control will limit the ability of other stockholders to influence corporate matters and, as a result, we may take actions that stockholders other than IAC do not view as beneficial. This voting control may also discourage transactions involving a change of control of our company, including transactions in which holders of shares of our Class A common stock might otherwise receive a premium for their shares.

Even if IAC owns shares of our capital stock representing less than a majority of the total combined voting power of our outstanding capital stock, so long as IAC owns shares representing a significant percentage of our total combined voting power, IAC will have the ability to substantially influence these significant corporate activities.

In addition, pursuant to the investor rights agreement between us and IAC, IAC has the right to maintain its level of ownership in us to the extent we issue additional shares of our capital stock in the future and, pursuant to the employee matters agreement between us and IAC, IAC may receive payment for certain compensation expenses through the receipt of additional shares of our capital stock. For a more complete summary of our various agreements with IAC, see "Note 17 — Related Party Transactions with IAC" to the consolidated financial statements included in "Item 8-Consolidated Financial Statements and Supplementary Data."

Until such time as IAC no longer controls or has the ability to substantially influence us, we will continue to face the risks described in this "Risk Factors" section relating to IAC's control of us and the potential conflicts of interest between us and IAC.

Our amended and restated certificate of incorporation could prevent us from benefiting from certain corporate opportunities.

Our amended and restated certificate of incorporation has a "corporate opportunity" provision that requires us to renounce any interests or expectancy in corporate opportunities for both us and IAC. This

provision also includes a disclaimer that states that we recognize that: (i) any of our directors or officers who are also officers, directors, employees or other affiliates of IAC or its affiliates (except that we and our subsidiaries are not considered affiliates of IAC or its affiliates for purposes of this provision) and (ii) IAC itself, will have no duty to offer or communicate information regarding such corporate opportunities to us. Generally, neither IAC nor any of our officers or directors who are also officers or directors of IAC or its affiliates will be liable to us or any of our stockholders for breach of any fiduciary duty by reason of the fact that any such person pursues or acquires any corporate opportunity for the account of IAC or any of its affiliates, directs or transfers such corporate opportunity to IAC or any of its affiliates or does not communicate information regarding such corporate opportunity to us. This corporate opportunity provision may exacerbate conflicts of interest between us and IAC because the provision effectively permits any of our directors or officers who also serves as a director or officer of IAC to choose to direct a corporate opportunity to IAC instead of us.

IAC's interests may conflict with our interests and the interests of our other stockholders. Conflicts of interest between us and IAC could be resolved in a manner unfavorable to us and our other stockholders.

Various conflicts of interest between us and IAC could arise. As of the date of this report, six of our eleven directors are nominated by IAC and four of our eleven directors are current directors or executive officers of IAC. Ownership interests of these individuals and IAC in our capital stock and ownership interests of our directors and officers in IAC capital stock, or service by an individual as either a director and/or officer of both companies, could create or appear to create potential conflicts of interest when such individuals are faced with decisions relating to us. These decisions could include:

- corporate opportunities;
- the impact that operating or capital decisions (including the incurrence of indebtedness) relating to our business may have on IAC's consolidated financial statements and/or current or future indebtedness (including related covenants);
- business combinations involving us;
- our dividend and stock repurchase policies;
- management stock ownership; and
- the intercompany agreements and services between us and IAC.

Potential conflicts of interest could also arise if we decide to enter into new commercial arrangements with IAC in the future or in connection with IAC's desire to enter into new commercial arrangements with third parties. Additionally, IAC may be constrained by the terms of agreements relating to its indebtedness from taking actions, or permitting us to take actions, that may be in our best interest.

Furthermore, disputes may arise between us and IAC relating to our past and ongoing relationships, and these potential conflicts of interest may make it more difficult for us to favorably resolve such disputes, including those related to: tax, employee benefit, indemnification and other matters arising from the Combination; the nature, quality and pricing of services IAC agrees to provide to us; sales or other disposals by IAC of all or a portion of its ownership interest in us; and business combinations involving us.

We may not be able to resolve any potential conflicts, and even if we do, the resolution may be less favorable to us than if we were dealing with an unaffiliated third-party. While we are controlled by IAC, we may not have the leverage to negotiate amendments to our various agreements with IAC (if required) on terms as favorable to us as those we would negotiate with an unaffiliated third-party.

We rely on exemptions from certain Nasdaq corporate governance requirements that provide protection to stockholders of other companies.

Because IAC owns more than 50% of the combined voting power of our outstanding capital stock, we are a "controlled company" under the Marketplace Rules of The Nasdaq Stock Market, LLC (the "Marketplace Rules"). As a "controlled company," we are exempt from compliance with certain Marketplace Rules related to corporate governance, including that a majority of our board of directors consists of

"independent directors" (as defined in the Marketplace Rules) and that we have a nominating/governance committee composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities.

Accordingly, for so long as we are a "controlled company" and avail ourselves of these exemptions, our stockholders will not have the same protections afforded to stockholders of companies that are subject to all of the corporate governance requirements of the Marketplace Rules.

IAC's desire to maintain flexibility with respect to its ability to distribute the shares of our capital stock it holds on a tax-free basis to its stockholders, and its desire to preserve the ability to maintain tax consolidation for U.S. federal income tax purposes, may prevent us from pursuing opportunities to raise capital, acquire other businesses or provide equity incentives to our employees, or otherwise impact our ability to manage our capital structure.

Under current laws, IAC must retain beneficial ownership of at least 80% of our combined voting power and 80% of each class of our non-voting capital stock (if any is outstanding) in order to effect a tax-free distribution of our shares held by IAC to its stockholders. IAC has advised us that it does not have any present intention or plans to undertake such a tax-free distribution. However, IAC does currently intend to use its majority voting interest to retain its ability to engage in such a transaction. In addition, IAC must maintain ownership of at least 80% of our outstanding capital stock in order to maintain tax consolidation with us for U.S. federal income tax purposes. IAC has advised us that it currently intends to take such actions, or cause the Company to take such actions, as may be necessary in order to preserve tax consolidation. Each of these intentions may cause IAC not to support transactions that we wish to pursue that involve issuing shares of our capital stock, including for capital-raising purposes, as consideration for an acquisition or as equity incentives to our employees, or otherwise impact our overall capital management strategy. Our inability to pursue such transactions, or any reduced flexibility in the management of our capital structure, may adversely affect our business, financial condition and results of operations.

Our agreements with IAC will require us to indemnify IAC for certain tax liabilities and may limit our ability to engage in desirable strategic or capital-raising transactions.

Pursuant to our tax sharing agreement with IAC, we generally will be responsible and will be required to indemnify IAC for: (i) all taxes imposed with respect to any consolidated, combined or unitary tax return of IAC or its subsidiaries that includes us or any of our subsidiaries to the extent attributable to us or any of our subsidiaries (excluding certain taxes attributable to Angi and its subsidiaries for taxable periods (or portions thereof) ending on or before the completion of the Combination), as determined under the tax sharing agreement, and (ii) all taxes imposed with respect to any consolidated, combined, unitary or separate tax returns of ours or any of our subsidiaries. To the extent IAC fails to pay taxes imposed with respect to any consolidated, combined or unitary tax return of IAC or one of its subsidiaries that includes us or any of our subsidiaries, the relevant taxing authority could seek to collect such taxes (including taxes for which IAC is responsible under the tax sharing agreement) from us or our subsidiaries.

IAC does not have a present plan or intention to undertake a tax-free spin-off of its interest in us. Under the tax sharing agreement, we generally will be responsible for any taxes and related amounts imposed on IAC or us (or our respective subsidiaries) that arise from the failure of a future spin-off of IAC's retained interest in us to qualify as a transaction that is generally tax-free for U.S. federal income tax purposes under Section 368(a)(1)(D) and/or Section 355 of the Internal Revenue Code of 1986, as amended (the "Code"), to the extent that the failure to so qualify is attributable to: (i) a breach of the relevant representations and covenants made by us in the tax sharing agreement (or any representation letter provided in support of any tax opinion or ruling obtained by IAC with respect to the U.S. federal income tax treatment of such spin-off), (ii) an acquisition of our equity securities or assets or (iii) any other action or inaction by us after any such spin-off.

To preserve the tax-free treatment of any potential future spin-off by IAC of its interest in us, the tax sharing agreement restricts us and our subsidiaries, for the two-year period following any such spin-off (except in specific circumstances), from: (i) entering into any transaction pursuant to which shares of our capital stock would be acquired above a certain threshold, (ii) merging, consolidating or liquidating, (iii) selling or transferring assets above certain thresholds, (iv) redeeming or repurchasing stock (with certain exceptions), (v) altering the voting rights of our capital stock, (vi) actions and inactions that are inconsistent with

representations or covenants in any tax opinion or private letter ruling document or (vii) ceasing to engage in any active trade or business as defined in the Code. The indemnity obligations and other limitations under the tax sharing agreement could have an adverse effect on our business, financial condition and results of operations.

Future sales or distributions of shares of our capital stock by IAC could depress the price of our Class A common stock.

IAC has the right to sell or distribute to its stockholders all or a portion of the shares of our capital stock that it holds. Although as of the date of this report IAC has advised us that it does not have any present intention or plans to undertake such a sale or distribution, sales by IAC in the public market or distributions to its stockholders of substantial amounts of our capital stock (shares of Class B common stock or Class A common stock) could depress the price of our Class A common stock. In addition, IAC has the right, subject to certain conditions, to require us to file registration statements covering the sale of the shares of our capital stock it holds or to include such shares in other registration statements that we may file. If IAC exercises these registration rights and sells all or a portion of the shares of our capital stock it holds, the price of our Class A common stock could decline.

The services that IAC provides to us may not be sufficient to meet our needs.

We expect IAC to continue to provide us with corporate and shared services related to corporate functions, such as executive oversight, risk management, information technology, accounting, audit, legal, investor relations, tax, treasury and other services in exchange for the fees specified in the services agreement between us and IAC. Since the services agreement automatically renews for one (1) year periods for as long as IAC holds a majority of the outstanding shares of our common stock, we may not be able to modify these services in a manner desirable to us as a standalone public company. Although we intend to replace portions of the services currently provided by IAC, we may not be able to perform these services ourselves and/or find appropriate third parties to do so at a reasonable cost (or at costs at or below those charged by IAC), which could adversely affect our business, financial condition and results of operations.

Risks Related to Our Indebtedness

We may not be able to generate sufficient cash to service our indebtedness.

Our ability to satisfy our debt obligations will depend upon, among other things, our future financial and operating performance, which will be affected by prevailing economic conditions and financial, business, regulatory and other factors, many of which are beyond our control.

We may not be able to generate sufficient cash flow from our operations to meet our scheduled debt obligations. If so, we could be forced to reduce or delay capital expenditures, sell assets or seek additional capital in a manner that complies with the terms (including certain restrictions and limitations) of our current indebtedness. If these efforts do not generate sufficient funds to meet our scheduled debt obligations, we would need to seek additional financing and/or negotiate with our bondholders to restructure or refinance our indebtedness. Our ability to do so would depend on the condition of the capital markets and our financial condition at such time. Any such financing, restructuring or refinancing could be on less favorable terms than those governing our current indebtedness and would need to comply with the terms (including certain restrictions and limitations) of our existing indebtedness.

Risks Related to Ownership of Our Class A Common Stock

The multiclass structure of our capital stock has the effect of concentrating voting control with IAC and limiting the ability of holders of our Class A common stock to influence corporate matters.

Each share of our Class B common stock has ten votes per share and each share of our Class A common stock has one vote per share. As of December 31, 2023, IAC owned all of our outstanding shares of Class B common stock, and 2,588,180 outstanding shares of the Company's Class A common stock, in total representing approximately 84.2% of our total outstanding shares of capital stock and approximately 98.1% of the total combined voting power of our outstanding capital stock. Due to the ten-to-one voting ratio

between our Class B common stock and Class A common stock, IAC (and any future holders of our Class B common stock, collectively) will continue to control a substantial majority of the combined voting power of our capital stock. This concentrated control will significantly limit the ability of holders of our Class A common stock to influence matters submitted to our stockholders for approval.

The difference in the voting rights of our Class B common stock and Class A common stock may harm the value and liquidity of our Class A common stock.

This difference in voting rights between our Class B common stock and Class A common stock could harm the value of our Class A common stock to the extent that any investor or potential future purchaser of our Class A common stock ascribes value to the right of the holders of our Class B common stock to ten votes per share. The existence of two classes of common stock with different voting rights could result in less liquidity for our Class A common stock than if there were only one class of common stock, which could adversely affect the price of our Class A common stock.

The Delaware General Corporation Law and certain provisions in our amended and restated certificate of incorporation and bylaws may discourage, delay or prevent a change of control of our company and/or changes in our management.

The Delaware General Corporation Law (the "DGCL") and our amended and restated certificate of incorporation and bylaws contain provisions that could discourage, delay or prevent a change in control of our Company and/or changes in our management that our stockholders may deem advantageous, including provisions that: (i) authorize the issuance of "blank check" preferred stock, which our board of directors could issue to discourage a takeover attempt; (ii) limit the ability of our stockholders to call special meetings of stockholders; and (iii) provide that our board of directors is expressly authorized to make, alter or repeal our bylaws.

Any provision of the DGCL or our amended and restated certificate of incorporation and bylaws that has the effect of delaying or deterring a change in control could limit the opportunity for our stockholders to receive a related premium for their Class A common stock and could also affect the price that some investors are willing to pay for our Class A common stock.

The choice of forum provision in our amended and restated bylaws could limit the ability of our stockholders to obtain the judicial forum of their choice for certain disputes.

Our amended and restated bylaws provide that unless we consent in writing to the selection of an alternative forum, a state court within the State of Delaware (or, if no state court located within Delaware has jurisdiction, the federal district court for the District of Delaware) will be the sole and exclusive forum for all of the following actions: (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim for (or based on breach of) fiduciary duty owed by any of our current or former directors, officers or other employees to us or to our stockholders, (iii) any action asserting a claim against us or any of our current or former directors, officers or other employees pursuant to the DGCL, our certificate of incorporation or our bylaws, (iv) any action asserting a claim relating to or involving us that is governed by the internal affairs doctrine or (v) any action asserting an "internal corporate claim" (as defined under the DGCL). This choice of forum provision may limit the ability of our stockholders to bring claims in a judicial forum that they find favorable for disputes with us or our current or former directors, officers or other employees, which may discourage such lawsuits. Alternatively, if a court were to find our choice of forum provision to be inapplicable or unenforceable in an action, we could incur additional costs associated with resolving such action in other jurisdictions, which could harm our business, results of operations, and financial condition.

Item 1B. Unresolved Staff Comments

Not applicable.

Item 1C. Cybersecurity

Overview

We recognize that the safety and security of our systems, technology and infrastructure (and those of key third-party service providers upon which we rely), as well as our content and confidential or sensitive user and

employee information, is critical to maintaining the trust and confidence of our users and subscribers, consumers, advertisers and investors (among other stakeholders). As a result, Company management has established programs and related processes designed to manage cybersecurity issues, including the assessment, identification and management of cybersecurity risks, together with related mitigation and recovery efforts. Our board of directors, directly and through our Audit Committee, oversees Company management in the execution of its cybersecurity responsibilities, including the assessment of the Company's approach to cybersecurity risk management.

Cybersecurity Risk Management and Strategy

Overview. Our cybersecurity programs and related processes generally consist of the following key elements: (i) risk assessment and management efforts, (ii) technical safeguards and incident response and recovery efforts, (iii) third-party risk management efforts, (iv) education, training and preparedness efforts and (v) governance efforts.

Risk assessment and management efforts. We assess, identify and manage cybersecurity risks as part of a comprehensive information security program that is intended to align with standard industry frameworks, such as International Standard for Organization (ISO) 27000 and the National Institute of Standards and Technology (NIST) Cyber Security Framework.

As part of the ongoing refinement of our information security program, we engage (as appropriate) various third-party risk management services to assist with the identification of potential cybersecurity issues, such as those involving software vulnerabilities, configuration errors, data exposure and credential theft (among others), as well as consult with external legal counsel, third-party experts and other advisors to assist with incident response and recovery efforts, forensic investigations, extortion negotiations and crisis management or readiness for the same. We also maintain a cyber insurance policy to help manage, in part, costs associated with significant cybersecurity incidents that may occur.

In addition, as discussed in more detail below under the caption "Cybersecurity Governance," the assessment, identification and management of cybersecurity risks have been integrated into our overall enterprise risk management ("ERM") efforts.

Technical safeguards and incident response and recovery efforts. As part of our information security program, we have implemented a number of tools and procedures designed to identify and remediate vulnerabilities and misconfigurations in our applications and infrastructure, as well as manage access and identities throughout their lifecycles. These tools and procedures are intended to be consistent with ISO and NIST frameworks. In addition, we have implemented an incident response policy that outlines established processes for addressing cybersecurity issues that leverages a cross-functional cybersecurity incident response team and outside advisors intended to allow the Company to take action in a timely and decisive manner in compliance with applicable laws, rules and regulations during the response, investigation and remediation of a given cybersecurity incident.

Third-party risk management efforts. In addition to the assessment, identification and management of our own cybersecurity related risks, we also consider and evaluate cybersecurity risks associated with certain third-party service providers upon which we rely for a wide variety of technical and business functions. Our efforts in this regard consist of (among other efforts): (i) security assessments to determine whether key third-party service provider information security procedures meet our expectations, (ii) the use of a monitoring service that detects evidence of the compromise of key third-party provider systems, technology and infrastructure, (iii) assessments designed to identify business and technical risks to our systems, technology and infrastructure posed by key third-party service providers and (iv) the development of strategies to determine the potential adverse impact of, and develop mitigation strategies for, any cybersecurity incidents experienced by key third-party service providers on our business, financial condition and results of operations.

Education, training and preparedness efforts. Education, training and preparedness are an important part of our information security program. In connection with our education and training efforts, we have developed and implemented a set of Company-wide policies and procedures regarding cybersecurity matters that impose responsibility on our employees through the course of their work to: (i) protect our systems, technology, infrastructure and data from cybersecurity threats, (ii) quickly report known or suspected

cybersecurity incidents or other suspicious activity through designated channels and respond effectively to such events and (iii) use Company and personal information technology in a secure manner. In addition, we generally mandate information security training for our employees and our software developers generally receive mandatory additional technical training, each on an annual basis. In connection with our preparedness efforts, we periodically participate in tabletop exercises with the goal of helping management effectively respond to cybersecurity incidents that may occur. We also maintain documented incident response policies to help ensure that our response activities are consistent and appropriate.

Governance. See the disclosure under the caption "Cybersecurity Governance" below.

Cybersecurity Governance

Our board of directors is responsible for overseeing Company management's execution of its cybersecurity responsibilities, including our approach to cybersecurity risk management. Our board of directors executes this oversight in coordination with our Audit Committee, which pursuant to its charter, assists the Board with risk assessment and risk management policies as they relate to cybersecurity risk exposure (among other risk exposures), as well as part of its regularly scheduled meetings and through discussions with Company management on an as needed basis.

In addition, the assessment, identification and management of cybersecurity risks has been integrated into our ERM efforts. As part of that annual process, cybersecurity risks across our businesses are included in the risk universe that our Executive Risk Committee (consisting of members of Company senior management) evaluates to identify our top enterprise risks and develop related mitigation plans. The cybersecurity and other risks are reviewed during the year through our ERM process and discussed with our Audit Committee at least semi-annually and with our board of directors at least annually.

Our Chief Technology Officer ("CTO") is responsible for the development and implementation of our information security program on a Company-wide basis, together with a dedicated team of experienced, Company-wide information security analysts. Our CTO has over twenty years of experience leading the development, implementation, and oversight of information security programs. Other members of our information security team are generally seasoned professionals with broad cybersecurity experience and expertise, including with respect to cybersecurity threat assessment and detection, mitigation technologies, incident response, and training on such topics.

Our CTO is also responsible for reporting on the status of our information security program and related efforts and processes to Company senior management periodically, and to the Audit Committee on a quarterly basis. In addition, our CTO reports cybersecurity matters to Company senior management and the Audit Committee on an as-needed basis. At each regularly scheduled meeting of our board of directors, the Chair of our Audit Committee provides quarterly updates regarding significant matters discussed, reviewed, considered and approved by the committee since the last regularly scheduled board meeting (including cybersecurity matters, as and if applicable), as well as timely updates outside of quarterly updates on an as needed basis. Our CTO promptly informs Company management and our Audit Committee (and IAC management) of cybersecurity incidents that meet established reporting thresholds or when otherwise determined appropriate, as well as provides ongoing updates regarding any such incidents until they have been resolved.

Cybersecurity Risks

As discussed above and under Item 1A. Risk Factors — General Risk Factors, we face a number of cybersecurity risks across our various businesses, and we have experienced threats to and unauthorized intrusions of our systems, technology and infrastructure from time to time. While to our knowledge we have not, to date, experienced a cybersecurity incident or threat that has materially and adversely affected our business, financial condition and results of operations, we cannot provide assurances that they will not be materially affected in the future by such incidents.

Item 2. Properties

We believe that the facilities for our management and operations are generally adequate for our current and near-term future needs. Our facilities, most of which are leased, consist of executive and administrative

offices, sales offices and data centers. We do not anticipate any future problems renewing or obtaining suitable leases for us or any of our businesses. We currently lease approximately 152,000 square feet of office for our corporate headquarters, Angi business and administrative and sales force personnel in Denver, Colorado.

Item 3. Legal Proceedings

Overview

In the ordinary course of business, the Company and its subsidiaries are (or may become) parties to claims, suits, regulatory and government investigations, and other proceedings involving property, personal injury, intellectual property, privacy, tax, labor and employment, competition, commercial disputes, consumer protection and other claims, as well as stockholder derivative actions, class action lawsuits and other matters. Such claims, suits, regulatory and government investigations, and other proceedings could result in fines, civil or criminal penalties, or other adverse consequences. The amounts that may be recovered in such matters may be subject to insurance coverage. Although the results of legal proceedings and claims cannot be predicted with certainty, neither the Company nor any of its subsidiaries is currently a party to any legal proceedings the outcome of which, we believe, if determined adversely to us, would individually or in the aggregate have a material adverse effect on our business, financial condition or results of operations. However, the outcome of such matters is inherently unpredictable and subject to significant uncertainties.

Rules of the Securities and Exchange Commission require the description of material pending legal proceedings (other than ordinary, routine litigation incident to the registrant's business) and advise that proceedings ordinarily need not be described if they primarily involve damages claims for amounts (exclusive of interest and costs) not exceeding 10% of the current assets of the registrant and its subsidiaries on a consolidated basis. In the judgment of Company management, none of the pending litigation matters which we are defending, including those described below, involves or is likely to involve amounts of that magnitude. The matters described below involve issues or claims that may be of particular interest to our stockholders, regardless of whether they may be material to our financial position or operations based upon the standard set forth in the rules of the Securities and Exchange Commission.

Service Professional Class Action Litigation against HomeAdvisor

In July 2016, a putative class action, *Airquip, Inc. et al. v. HomeAdvisor, Inc. et al.*, No. 1:16-cv-1849, was filed in the U.S. District Court for the District of Colorado. The complaint, as amended in November 2016, alleges that HomeAdvisor engages in certain deceptive practices affecting the service professionals ("SPs") who join its network, including charging them for substandard customer leads and failing to disclose certain charges. The complaint sought certification of a nationwide class consisting of all HomeAdvisor SPs since October 2012, asserted claims including fraud, breach of implied contract and unjust enrichment and sought injunctive relief and damages in an unspecified amount.

In July 2018, the plaintiffs' counsel filed a separate putative class action in the U.S. District Court for the District of Colorado, *Costello et al. v. HomeAdvisor, Inc. et al.*, No. 1:18-cv-1802, on behalf of the same nine SPs proposed as new plaintiffs in the *Airquip* case, naming as defendants HomeAdvisor, the Company and IAC (as well as an unrelated company), and asserting 45 claims largely duplicative of those asserted in a proposed second amended complaint in the *Airquip* case. In November 2018, the judge presiding over the *Airquip* case issued an order consolidating the two cases to proceed before him under the caption *In re HomeAdvisor, Inc. Litigation*.

In September 2019, the court issued an order granting the plaintiffs' renewed motion for leave to file a consolidated second amended complaint, naming as defendants, in addition to HomeAdvisor, the Company and IAC, CraftJack, Inc. (a wholly-owned subsidiary of the Company) and two unrelated entities. In October and December 2019, the four defendants affiliated with HomeAdvisor filed motions to dismiss certain claims in the amended complaint. In September 2020, the court issued an order granting in part and denying in part the defendants' motions to dismiss. In May 2022, the plaintiffs filed a motion for class certification; the defendants opposed the motion. On January 10, 2024, the court entered an order largely denying plaintiffs' motion for class certification. While the court certified certain classes seeking only injunctive relief based upon alleged misappropriation of SPs' intellectual property, the court declined to certify any of the proposed classes challenging lead quality and seeking monetary relief. On January 24, 2024, the plaintiffs filed a motion

for reconsideration of the court's partial denial of class certification; on February 14, 2024, the defendants opposed the motion, which remains pending. On February 26, 2024, the parties filed motions for summary judgement on the remaining class claim regarding misappropriation of SPs' intellectual property.

The Company believes that the allegations in this lawsuit are without merit and will continue to defend vigorously against them.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Market for Registrant's Common Equity and Related Stockholder Matters

Our Class A common stock is quoted on The Nasdaq Global Select Market ("NASDAQ") under the ticker symbol "ANGI." There is no established public trading market for our Class B common stock.

As of February 9, 2024, there were 26 holders of record of our Class A common stock. Because the substantial majority of the outstanding shares of our Class A common stock are held by brokers and other institutions on behalf of shareholders, we are not able to estimate the total number of beneficial shareholders represented by these record holders. As of February 9, 2024, there was one holder of record and beneficial shareholder of our Class B common stock.

Dividends

We do not currently expect that any cash or other dividends will be paid to holders of our Class A or Class B common stock in the near future. Any future cash dividend or other dividend declarations are subject to the determination of the Company's Board of Directors.

Unregistered Sales of Equity Securities

There were no unregistered sales of our capital stock during the quarter ended December 31, 2023.

Issuer Purchases of Equity Securities

The following table sets forth purchases by the Company of its Class A common stock during the quarter ended December 31, 2023:

Period	(a) Total Number of Shares Purchased	(b) Average Price Paid Per Share	(c) Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs[1]	(d) Maximum Number of Shares that May Yet Be Purchased Under Publicly Announced Plans or Programs[2]
October 2023	—	$ —	—	13,971,371
November 2023	1,345,414	$2.03	1,345,414	12,625,957
December 2023	2,028,875	$2.45	2,028,875	10,597,082
Total	3,374,289	$2.28	3,374,289	10,597,082

(1) Reflects repurchases made pursuant to the share repurchase authorization previously announced in March 2020.

(2) Represents the total number of shares of Class A common stock that remained available for repurchase as of December 31, 2023 pursuant to the March 2020 share repurchase authorization. The Company may repurchase shares pursuant to this share repurchase authorization over an indefinite period of time in the open market and in privately negotiated transactions, depending on those factors Company management deems relevant at any particular time, including, without limitation, market conditions, share price and future outlook.

From January 1, 2024 through February 9, 2024, the Company repurchased an additional 2.7 million shares at an average price of $2.36 per share. As of February 9, 2024, there were approximately 7.9 million shares remaining in the March 2020 share repurchase authorization.

Item 6. Reserved

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

GENERAL

Management Overview

Angi Inc. ("Angi," the "Company," "we," "our," or "us") connects quality home service professionals with consumers across more than 500 different categories, from repairing and remodeling homes to cleaning and landscaping. Approximately 196,000 transacting service professionals actively sought consumer matches, completed jobs, or advertised work through Angi Inc. platforms during the three months ended December 31, 2023. Additionally, consumers turned to at least one of our brands to find a professional for approximately 23 million projects during the year ended December 31, 2023.

The Company has three operating segments: (i) Ads and Leads; (ii) Services; and (iii) International (consisting of businesses in Europe and Canada) and operates under multiple brands including Angi, HomeAdvisor, and Handy.

Ads and Leads provides service professionals the capability to engage with potential customers, including quoting and invoicing services, and provides consumers with tools and resources to help them find local, pre-screened and customer-rated service professionals nationwide for home repair, maintenance and improvement projects. Services consumers can request household services directly through the Angi platform and Angi fulfills the request through the use of independently established home services providers engaged in a trade, occupation and/or business that customarily provides such services. The matching and pre-priced booking services and related tools and directories are provided to consumers free of charge.

In the U.S., the Company primarily markets its services to consumers through search engine marketing, affiliate agreements with third parties, and television advertising. The Company also markets its services to consumers through email, digital display advertisements, partnerships with other contextually related websites and, to a lesser extent, through relationships with certain retailers, direct mail and radio advertising. The Company markets subscription packages and time-based advertising to service professionals primarily through its sales force, as well as through search engine marketing, digital media advertising, and direct relationships with trade associations and manufacturers. We have made, and expect to continue to make, substantial investments in digital and traditional advertising (with continued expansion into new and existing digital platforms) to consumers and service professionals to promote our products and services and to drive traffic to our various platforms and service professionals.

Total Home Roofing, LLC Sale

On November 1, 2023, Angi Inc. completed the sale of 100% of its wholly-owned subsidiary, Total Home Roofing, LLC ("THR," which comprised its Roofing segment), and has reflected it as a discontinued operation in its financial statements. The financial information for prior periods has been recast to conform to the current year presentation. For additional details, see "Note 16 — Discontinued Operations" to the consolidated financial statements included in "Item 8. Consolidated Financial Statements and Supplementary Data."

Defined Terms and Operating Metrics:

Unless otherwise indicated or as the context otherwise requires, certain terms, which include the principal operating metrics we use in managing our business, are defined below:

- **Ads and Leads Revenue** primarily reflects domestic consumer connection revenue for consumer matches, revenue from service professionals under contract for advertising and membership subscription revenue from service professionals and consumers.
- **Services Revenue** primarily reflects domestic revenue from pre-priced offerings by which the consumer requests services through a Company platform and the Company connects them with a service professional to perform the service.
- **International Revenue** primarily reflects revenue generated within the International segment (consisting of businesses in Europe and Canada), including consumer connection revenue for consumer matches and membership subscription revenue from service professionals and consumers.

- **Corporate** primarily reflects costs for corporate initiatives, shared costs, such as executive and public company costs, and other expenses not allocated to the operating segments.
- **Service Requests** are (i) fully completed and submitted domestic service requests for connections with Ads and Leads service professionals, (ii) contacts to Ads and Leads service professionals generated via the service professional directory from unique users in unique categories (such that multiple contacts from the same user in the same category in the same day are counted as one Service Request) and (iii) requests to book Services jobs in the period.
- **Monetized Transactions** are (i) Service Requests that are matched to a paying Ads and Leads service professional in the period and (ii) completed and in-process Services jobs in the period; a single Service Request can result in multiple monetized transactions.
- **Transacting Service Professionals ("Transacting SPs")** are the number of (i) Ads and Leads service professionals that paid for consumer matches or advertising and (ii) Services service professionals that performed a Services job, during the most recent quarter.
- **ANGI Group Senior Notes —** On August 20, 2020, ANGI Group, LLC ("ANGI Group"), a direct wholly-owned subsidiary of the Company, issued $500.0 million of its 3.875% Senior Notes due August 15, 2028, with interest payable February 15 and August 15 of each year.

Components of Results of Operations

Sources of Revenue

Ads and Leads revenue includes consumer connection revenue, which comprises fees paid by service professionals for consumer matches (regardless of whether the service professional ultimately provides the requested service), revenue from service professionals under contract for advertising, membership subscription revenue from service professionals and consumers, and revenue from other services. Consumer connection revenue varies based upon several factors, including the service requested, product experience offered, and geographic location of service. Services revenue primarily reflects revenue from pre-priced offerings by which the consumer requests services through the Company's platform and the Company engages a service professional to perform the service. International revenue primarily comprises consumer connection revenue for consumer matches and membership subscription revenue from service professionals and consumers.

From January 1, 2020 through December 31, 2022, Services recorded revenue on a gross basis. Effective January 1, 2023, we modified the Services terms and conditions so that the service professional, rather than Angi Inc., has the contractual relationship with the consumer to deliver the service and our performance obligation to the consumer is to connect them with the service professional. This change in contractual terms requires revenue to be reported as the net amount of what is received from the consumer after deducting the amounts owed to the service professional providing the service effective for all arrangements entered into after December 31, 2022. There is no impact to operating loss or Adjusted EBITDA from this change in revenue recognition. For the years ended December 31, 2022 and 2021, if Services revenue were recorded on a net basis, revenue would have been reduced by $242.6 million and $180.7 million, respectively.

Cost of Revenue and Gross Profit

Cost of revenue, which excludes depreciation, consists primarily of (i) payments made to independent third-party service professionals who perform work contracted under Services arrangements that were entered into prior to January 1, 2023 and the change to net revenue reporting, (ii) credit card processing fees, and (iii) hosting fees.

Gross profit is revenue less cost of revenue. Gross margin is gross profit expressed as a percentage of revenue.

Operating Costs and Expenses:

- **Selling and marketing expense** — consists primarily of (i) advertising expenditures, which include marketing fees to promote the brand to consumers and service professionals with (a) online marketing,

including fees paid to search engines and other online marketing platforms, partners who direct traffic to our brands, and app platforms, and (b) offline marketing, which is primarily television and radio advertising, (ii) compensation expense (including stock-based compensation expense) and other employee-related costs for our sales force and marketing personnel, (iii) service guarantee expense, (iv) software license and maintenance costs, and (v) outsourced personnel costs.

- **General and administrative expense** — consists primarily of (i) compensation expense (including stock-based compensation expense) and other employee-related costs for personnel engaged in executive management, finance, legal, tax, human resources and customer service functions, (ii) provision for credit losses, (iii) software license and maintenance costs, (iv) outsourced personnel costs for personnel engaged in assisting in customer service functions, (v) fees for professional services, and (vi) facilities costs. Our customer service function includes personnel who provide support to our service professionals and consumers.
- **Product development expense** — consists primarily of (i) compensation expense (including stock-based compensation expense) and other employee-related costs that are not capitalized for personnel engaged in the design, development, testing and enhancement of product offerings and related technology, (ii) software license and maintenance costs, and (iii) outsourced personnel costs for personnel engaged in product development.

Non-GAAP financial measure

Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization ("Adjusted EBITDA") is a non-GAAP financial measure. See "Principles of Financial Reporting" for the definition of Adjusted EBITDA and a reconciliation of net loss attributable to Angi Inc. shareholders to operating loss to consolidated Adjusted EBITDA for the years ended December 31, 2023, 2022, and 2021.

COVID-19 Update

The COVID-19 pandemic and the various responses to it created significant volatility, uncertainty and economic disruption. Recently, there has been a return to normal societal interactions, including the way we operate our business.

As previously disclosed, the impact of COVID-19 initially resulted in a decline in demand for Service Requests, driven primarily by decreases in demand in certain categories of jobs (particularly discretionary indoor projects). While we experienced a rebound in Service Requests in early 2021, Service Requests started to decline in May 2021 and continued to decline during 2022 due, in part, to COVID-19 measures that were more widely in place in prior periods. Our ability to monetize Service Requests rebounded modestly in the second half of 2021 and the first half of 2022; however, that improved monetization plateaued in the third quarter of 2022 returning to monetization rates similar to those experienced pre-COVID-19.

Outlook

The extent to which developments related to the COVID-19 pandemic and measures designed to curb its spread continue to impact the Company's business, financial condition and results of operations will depend on future developments, all of which are highly uncertain and many of which are beyond the Company's control, including the severity of resurgences of COVID-19 caused by variant strains of the virus, the effectiveness of vaccines and attitudes toward receiving them, materials and supply chain constraints, labor shortages, the scope of governmental and other restrictions on travel, discretionary services and other activity, and public reactions to these developments.

Results of Operations for the Years Ended December 31, 2023, 2022, and 2021

The following discussion should be read in conjunction with Item 8. Consolidated Financial Statements and Supplementary Data. Included below are year-over-year comparisons between 2023 and 2022, as well as 2022 and 2021, reflecting our current segment structure following the sale of THR.

Revenue

	Years Ended December 31,						
	2023	2022	2021	2023 Change		2022 Change	
				$	%	$	%
	(Dollars in thousands)						
Domestic							
Ads and Leads:							
Consumer connection revenue	$ 781,089	$ 954,735	$ 898,422	$(173,646)	(18)%	$ 56,313	6%
Advertising revenue	290,799	265,466	252,206	25,333	10%	13,260	5%
Membership subscription revenue	52,305	60,411	68,062	(8,106)	(13)%	(7,651)	(11)%
Other revenue	715	1,449	8,384	(734)	(51)%	(6,935)	(83)%
Total Ads and Leads revenue	1,124,908	1,282,061	1,227,074	(157,153)	(12)%	54,987	4%
Services revenue	118,033	381,256	289,948	(263,223)	(69)%	91,308	31%
Total Domestic revenue	1,242,941	1,663,317	1,517,022	(420,376)	(25)%	146,295	10%
International							
Consumer connection revenue	92,635	71,851	68,686	20,784	29%	3,165	5%
Service professional membership subscription revenue	22,548	28,192	32,367	(5,644)	(20)%	(4,175)	(13)%
Advertising and other revenue	624	995	1,242	(371)	(37)%	(247)	(20)%
Total International revenue	115,807	101,038	102,295	14,769	15%	(1,257)	(1)%
Total revenue	$1,358,748	$1,764,355	$1,619,317	$(405,607)	(23)%	$145,038	9%
Percentage of Total Revenue:							
Domestic	91%	94%	94%				
International	9%	6%	6%				
Total revenue	100%	100%	100%				

	Years Ended December 31,						
	2023	2022	2021	2023 Change		2022 Change	
				#	%	#	%
	(In thousands, rounding differences may occur)						
Operating metrics:							
Service Requests	23,255	29,459	33,513	(6,204)	(21)%	(4,054)	(12)%
Monetized Transactions	27,111	28,938	31,510	(1,827)	(6)%	(2,572)	(8)%
Transacting SPs	196	220	251	(24)	(11)%	(31)	(12)%

For the year ended December 31, 2023 compared to the year ended December 31, 2022

Ads and Leads revenue decreased $157.2 million, or 12%, due primarily to a decrease in consumer connection revenue of $173.6 million, or 18%, and a decrease in membership subscription revenue of $8.1 million, or 13%, due to a decline in Monetized Transactions and a decline in service professionals in the Angi network, respectively, partially offset by an increase of $25.3 million, or 10%, in advertising revenue. The decrease in Monetized Transactions was a result of an effort to rationalize sales to service professionals that are unprofitable, as well as efforts to increase lead quality, including changes to certain demand channels, to

enhance the user experience for both homeowners and service professionals. The increase in advertising revenue was primarily driven by continued growth in sales and improved retention.

Services revenue decreased $263.2 million, or 69%, due primarily to the change to net revenue reporting described above under "Sources of Revenue," a decrease of $92.4 million due to the continued shift away from complex and less profitable offerings, and lower Service Requests.

International revenue increased $14.8 million, or 15%, due primarily to a larger service professional network and higher revenue per service professional.

For the year ended December 31, 2022 compared to the year ended December 31, 2021

Ads and Leads revenue increased $55.0 million, or 4%, due primarily to an increase in consumer connection revenue of $56.3 million, or 6%, primarily as a result of price increases implemented during the second quarter of 2022 and an increase in advertising revenue driven by a growth in sales.

Services revenue increased $91.3 million, or 31%, due primarily to an increase in average revenue per Monetized Transaction due to higher average-order-value jobs in complex service categories and an increase in Monetized Transactions in 2022 relative to 2021, as well as price increases in certain job categories.

International revenue decreased $1.3 million, or 1%, due primarily to the unfavorable impact of the strengthening of the U.S. dollar relative to the Euro and the British Pound.

Cost of revenue

	Years Ended December 31,						
	2023	2022	2021	2023 Change		2022 Change	
				$	%	$	%
	(Dollars in thousands)						
Cost of revenue (exclusive of depreciation shown separately below)	$62,547	$337,396	$274,661	$(274,849)	(81)%	$62,735	23%
As a percentage of revenue	5%	19%	17%				

For the year ended December 31, 2023 compared to the year ended December 31, 2022

Services cost of revenue decreased $274.8 million, or 93%, and decreased as a percentage of revenue, due primarily to a $248.8 million decrease in payments to third-party professional service providers due primarily to the change to net revenue reporting effective January 1, 2023, described above. Additionally, payments to third-party professional service providers decreased as a result of the shift away from complex and less profitable offerings.

For the year ended December 31, 2022 compared to the year ended December 31, 2021

Ads and Leads cost of revenue decreased $1.6 million, or 4%, and decreased as a percentage of revenue, due primarily to a $6.0 million decrease resulting from the disposition of a business in the second quarter of 2021, partially offset by increases of $3.1 million in transaction processing costs, and $2.8 million in website hosting fees.

Services cost of revenue increased $64.1 million, or 28%, due primarily to a $58.1 million increase in payments to third-party professional service providers, however, cost of revenue decreased as a percentage of revenue.

International cost of revenue increased $0.2 million, or 9%, and increased as a percentage of revenue, due primarily to increased website hosting fees.

Gross profit

	Years Ended December 31,						
	2023	2022	2021	2023 Change		2022 Change	
				$	%	$	%
	(Dollars in thousands)						
Revenue	$1,358,748	$1,764,355	$1,619,317	$(405,607)	(23)%	$145,038	9%
Cost of revenue (exclusive of depreciation shown separately below)	62,547	337,396	274,661	(274,849)	(81)%	62,735	23%
Gross profit	$1,296,201	$1,426,959	$1,344,656	$(130,758)	(9)%	$ 82,303	6%
Gross margin	95%	81%	83%		14%		(2)%

For the year ended December 31, 2023 compared to the year ended December 31, 2022

Angi gross profit decreased $130.8 million, or 9%, due primarily to the decrease in revenue described in the revenue discussion above.

For the year ended December 31, 2022 compared to the year ended December 31, 2021

Angi gross profit increased $82.3 million, or 6%, due primarily to the revenue growth described in the revenue discussion above, partially offset by the increased cost of revenue as a percentage of revenue described in the cost of revenue discussion above.

Selling and marketing expense

	Years Ended December 31,						
	2023	2022	2021	2023 Change		2022 Change	
				$	%	$	%
	(Dollars in thousands)						
Selling and marketing expense	$765,205	$890,321	$871,544	$(125,116)	(14)%	$18,777	2%
As a percentage of revenue	56%	50%	54%				

For the year ended December 31, 2023 compared to the year ended December 31, 2022

Ads and Leads selling and marketing expense decreased $81.8 million, or 11%, driven by decreases of $82.0 million in advertising expense and $4.1 million in professional fees, partially offset by an increase of $5.0 million in compensation expense. The decrease in advertising expense was primarily due to a $107.5 million decrease in online marketing spend due to increased efficiency, partially offset by a $25.3 million increase in television spend due to efforts to build awareness of the Angi brand. The decrease in professional fees is primarily due to a decrease in marketing and branding consultancy fees. The increase in compensation expense is primarily due to increased sales commissions due to the immediate expensing of commissions for certain transactions beginning October 1, 2022.

Services selling and marketing expense decreased $34.8 million, or 47%, driven by decreases of $22.1 million in professional fees and third-party wages, $17.4 million in compensation expense, and $7.1 million of advertising expense, partially offset by an increase of $14.9 million in service guarantee expense. The decrease in professional fees and third-party wages is primarily due to $12.7 million less in phone-based sales wages primarily resulting from increased reliance on more profitable digital conversion channels and $6.1 million less due to streamlined fulfillment operations, partially driven by fewer complex services. The decrease in compensation expense is primarily due to a reduction in headcount. The decrease in advertising expense is primarily due to a decrease in service professional marketing spend. The increase in service guarantee expense is due to the aforementioned change in contractual terms and conditions such that this expense is no longer a component of cost of revenue, which is where the expense was recorded prior to January 1, 2023.

International selling and marketing expense decreased $5.8 million, or 14%, driven by a $10.2 million decrease in advertising expense, partially offset by an increase in compensation expense of $3.3 million. The decrease in advertising expense is primarily due to improved online efficiency and a decrease in television advertising expense. The increase in compensation expense is primarily driven by an increase in headcount.

For the year ended December 31, 2022 compared to the year ended December 31, 2021

Ads and Leads selling and marketing expense increased $11.9 million, or 2%, driven by increases in advertising expense of $20.9 million and software maintenance costs of $3.5 million partially offset by a decrease in compensation expense of $10.3 million. The increase in advertising expense was due primarily to an increase of $23.3 million in online marketing spend. The increase in online marketing spend was primarily due to lower organic traffic and increased cost per service request. The increase in software maintenance costs was due primarily to general maintenance. The decrease in compensation is primarily due to a decrease in headcount.

Services selling and marketing expense increased $13.6 million, or 22%, driven by increases of $17.6 million in compensation expense, $3.7 million in professional fees and $1.6 million of software maintenance costs, partially offset by a $9.5 million decrease in advertising expense. The increase of compensation expense was due primarily to an increase in headcount. The increase in professional fees is primarily from an increase of $4.1 million in outsourced personnel costs for improving the customer service experience offset by a decrease of $0.4 million in consulting costs primarily due to fees paid in 2021 that were a part of the investment in Services in 2021. The increase in software maintenance costs was due primarily to general maintenance. The decrease in advertising expense was primarily due to a decrease of $6.7 million in service professional marketing spend and $2.7 million search engine marketing spend primarily due to high advertising costs in 2021 to promote Services.

Corporate selling and marketing expense decreased $4.9 million, or 55%, driven by a decrease in lease expense of $5.4 million. The decrease in lease expense is a result of the Company repurposing its real estate space for general and administrative functions and reducing its real estate footprint in 2021.

International selling and marketing expense decreased $1.8 million, or 4%, driven by a decrease in compensation expense of $1.6 million, which was primarily due to lower headcount.

General and administrative expense

	Years Ended December 31,						
	2023	2022	2021	$ Change		$ Change	
				$ Change	% Change	$ Change	% Change
	(Dollars in thousands)						
General and administrative expense	$359,389	$447,140	$394,974	$(87,751)	(20)%	$52,166	13%
As a percentage of revenue	26%	25%	24%				

For the year ended December 31, 2023 compared to the year ended December 31, 2022

Ads and Leads general and administrative expense decreased $69.9 million, or 24%, due primarily to decreases of $24.5 million in provision for credit losses, $21.4 million in professional fees, $12.9 million in compensation expense, and $8.6 million in third-party wages. The decrease in the provision for credit losses is primarily due to lower revenue and improved collection rates. The decrease in professional fees is primarily due to a decrease in legal fees, including a $10.9 million benefit in 2023 related to insurance coverage for previously incurred legal fees. The decrease in compensation expense is primarily due to a reduction in headcount. The decrease in third-party wages is primarily due to a reduction in third-party providers.

Services general and administrative expense decreased $22.7 million, or 34%, due primarily to decreases of $11.1 million in compensation expense, $8.6 million in professional fees, and $4.8 million in the provision for credit losses. The decrease in compensation expense is primarily due to a reduction in headcount. The

decrease in professional fees is primarily due to a reduction in legal fees. The decrease in the provision for credit losses is primarily due to lower revenue and improved collection rates.

For the year ended December 31, 2022 compared to the year ended December 31, 2021

Ads and Leads general and administrative expense increased $23.7 million, or 9%, due primarily to an increase of $16.4 million in provision for credit losses, $6.6 million in outsourced personnel costs, and $5.7 million in legal expense, partially offset by a decrease of $2.9 million in compensation expense. The increase in the provision for credit losses is due primarily to revenue growth. The increase in outsourced personnel costs is due primarily to the use of outsourced firms to support customer service needs. The increase in legal expense is primarily due to certain legal matters in the third and fourth quarters of 2022. The decrease in compensation expense is due to a $7.4 million decrease primarily due to lower headcount, offset with a $4.5 million increase in stock-based compensation.

Services general and administrative expense increased $27.8 million, or 71%, due primarily to an increase of $19.1 million in compensation expense, $5.3 million in professional fees, and $2.2 million in software license and maintenance expense. The increase in compensation expense is primarily due to an increase of $10.5 million in stock-based compensation expense and $8.6 million in wage-related expense from higher headcount. The increase in stock-based compensation expense is primarily due to management departures in the fourth quarter of 2022 and new awards granted. The increase in professional fees is due primarily to an increase in legal expense of $6.0 million due to certain legal matters in the current quarter. The increase in software license and maintenance expense is due primarily to general maintenance.

Corporate general and administrative expense increased $9.3 million, or 20%, due primarily to increases of $14.4 million in compensation expense and $1.5 million of software license and maintenance expense, partially offset by a decrease of $4.4 million in lease expense. The increase in compensation expense is due to an increase of $12.9 million in wage-related expense from higher headcount and $1.6 million in stock-based compensation expense. The increase in stock-based compensation expense is the result of the reversal of previously recognized stock-based compensation as a result of the forfeiture of unvested awards due to management departures in the first quarter of 2021, management departures in the third quarter of 2022, and new awards granted in 2022. The increase in software license and maintenance expense is due primarily to increased spend on software to support our customer service function. The decrease in lease expense was due primarily to a decrease in impairments of right-of-use assets and related leasehold improvements, furniture, and equipment from the Company reducing its real estate footprint in 2021.

International general and administrative expense decreased $8.6 million, or 20%, due primarily to a 2021 charge of $7.0 million in compensation expense related to the acquisition of an additional interest in our MyBuilder business at a premium to fair value.

Product development expense

	Years Ended December 31,						
	2023	2022	2021	2023 Change		2022 Change	
				$	%	$	%
	(Dollars in thousands)						
Product development expense	$96,543	$73,821	$70,933	$22,722	31%	$2,888	4%
As a percentage of revenue	7%	4%	4%				

For the year ended December 31, 2023 compared to the year ended December 31, 2022

Product development expense increased $22.7 million, or 31%. This contrasts with a $67.7 million, or 59%, decrease in capital expenditures, which primarily comprises internally developed software. The increase in product development expense was driven by a decrease in the percentage of internally developed software that was subject to capitalization.

For the year ended December 31, 2022 compared to the year ended December 31, 2021

Product development expense increased $2.9 million, or 4%. This increase is in addition to the increase in capital expenditures.

Depreciation

	Years Ended December 31,						
	2023	2022	2021	2023 Change		2022 Change	
				$	%	$	%
	(Dollars in thousands)						
Depreciation	$93,604	$77,523	$59,025	$16,081	21%	$18,498	31%
As a percentage of revenue	7%	4%	4%				

For the year ended December 31, 2023 compared to the year ended December 31, 2022

Depreciation increased due primarily to investments in capitalized software which are being depreciated over an average useful life of two years.

For the year ended December 31, 2022 compared to the year ended December 31, 2021

Depreciation increased primarily due to $15.5 million in capitalized software impairments in addition to investments in capitalized software to support our employees, products, and services.

Operating income (loss)

	Years Ended December 31,						
	2023	2022	2021	2023 Change		2022 Change	
				$	%	$	%
	(Dollars in thousands)						
Ads and Leads	$ 50,043	$ 85,593	$ 65,485	$(35,550)	(42)%	$ 20,108	31%
Services	(23,450)	(95,166)	(63,984)	71,716	75%	(31,182)	(49)%
Corporate	(61,377)	(61,794)	(56,196)	417	1%	(5,598)	(10)%
Total Domestic	(34,784)	(71,367)	(54,695)	36,583	51%	(16,672)	(30)%
International	8,286	(4,253)	(13,222)	12,539	NM	8,969	68%
Total	$(26,498)	$(75,620)	$(67,917)	$ 49,122	65%	$ (7,703)	(11)%
As a percentage of revenue	(2)%	(4)%	(4)%				

NM = Not meaningful

Operating losses decreased for fiscal year 2023 compared to fiscal year 2022 and increased for fiscal year 2022 compared to fiscal year 2021 due primarily to the factors described above in the revenue, cost of revenue, sales and marketing, general and administrative, product development, and depreciation expense discussions.

At December 31, 2023, there is $47.8 million of unrecognized compensation cost, net of estimated forfeitures, related to all equity-based awards, which is expected to be recognized over a weighted average period of approximately 2.29 years.

Adjusted EBITDA

	Years Ended December 31,						
	2023	2022	2021	2023 Change		2022 Change	
				$	%	$	%
	(Dollars in thousands)						
Ads and Leads	$147,357	$168,952	$136,260	$(21,595)	(13)%	$32,692	24%
Services	8,123	(52,126)	(48,203)	60,249	NM	(3,923)	(8)%
Corporate	(50,076)	(49,866)	(46,066)	(210)	—%	(3,800)	(8)%
Total Domestic	105,404	66,960	41,991	38,444	57%	24,969	59%
International	13,074	(481)	(6,615)	13,555	NM	6,134	93%
Total	$118,478	$ 66,479	$ 35,376	$ 51,999	78%	$31,103	88%
As a percentage of revenue	9%	4%	2%				

For a reconciliation of net loss attributable to Angi Inc. shareholders to operating loss to consolidated Adjusted EBITDA, see “Principles of Financial Reporting.” For a reconciliation of operating income (loss) to Adjusted EBITDA for the Company’s reportable segments, see “Note 9 — Segment Information” to the consolidated financial statements included in “Item 8. Consolidated Financial Statements and Supplementary Data.”

For the year ended December 31, 2023 compared to the year ended December 31, 2022

Ads and Leads Adjusted EBITDA decreased $21.6 million, or 13%, to $147.4 million, and decreased as a percentage of revenue, driven by lower gross profit due to a decrease in revenue, partially offset by lower general and administrative expense due to a decrease in the provision for credit losses, legal fees, and compensation costs and lower selling and marketing expense due to improved marketing efficiency.

Services Adjusted EBITDA increased $60.2 million, from a loss of $52.1 million to income of $8.1 million, and increased as a percentage of revenue, driven by higher gross profit due to pricing and fulfillment optimization efforts over the past year and lower operating expenses due to a reduced overall cost base as a result of exiting complex and less profitable offerings.

International Adjusted EBITDA increased $13.6 million, from a loss of $0.5 million to income of $13.1 million, driven by an increase in revenue and lower selling and marketing expense due to more efficient marketing spend.

For the year ended December 31, 2022 compared to the year ended December 31, 2021

Ads and Leads Adjusted EBITDA increased $32.7 million, or 24%, to $169.0 million, and increased as a percentage of revenue, due primarily to higher revenue of $55.0 million, partially offset by an increase in general and administrative expense of $23.7 million.

Services Adjusted EBITDA loss increased $3.9 million, or 8%, to a loss of $52.1 million, and increased as a percentage of revenue, driven by higher revenue of $91.3 million, partially offset by increases in cost of revenue of $64.1 million, general and administrative expense of $27.8 million, and selling and marketing expense of $13.6 million.

Corporate Adjusted EBITDA loss increased $3.8 million, or 8%, to $49.9 million, primarily due to an increase in compensation expense, partially offset by a decrease in lease expense.

International Adjusted EBITDA loss decreased $6.1 million, or 93%, due to a decrease in general and administrative expense of $8.6 million, which was primarily due to the 2021 charge of $7.0 million related to the acquisition of an additional interest in MyBuilder at a premium to fair value. This was partially offset by a decrease of $1.3 million in revenue and an increase of $3.1 million in product development expense.

Interest expense

Interest expense relates to interest on the ANGI Group Senior Notes.

For a detailed description of long-term debt, net, see “Note 6 — Long-term Debt” to the consolidated financial statements included in “Item 8. Consolidated Financial Statements and Supplementary Data.”

	Years Ended December 31,						
	2023	2022	2021	2023 Change		2022 Change	
				$	%	$	%
	(In thousands)						
Interest expense	$(20,137)	$(20,107)	$(23,485)	$(30)	—%	$3,378	(14)%

For the year ended December 31, 2023 compared to the year ended December 31, 2022

Interest expense was flat for the year ended December 31, 2023 compared to the year ended December 31, 2022.

For the year ended December 31, 2022 compared to the year ended December 31, 2021

Interest expense decreased primarily due to the repayment of the ANGI Group Term Loan during the second quarter of 2021.

Other income (expense), net

	Years Ended December 31,						
	2023	2022	2021	2023 Change		2022 Change	
				$	%	$	%
	(In thousands)						
Other income (expense), net	$18,427	$1,169	$(2,510)	$17,258	1,476%	$3,679	NM

Other income, net in 2023 primarily includes interest income of $17.1 million and net foreign currency exchange gains of $1.2 million.

Other income, net in 2022 primarily includes interest income of $4.5 million, partially offset by net foreign currency exchange losses of $3.4 million.

Other expense, net in 2021 primarily includes net foreign currency exchange losses of $1.7 million and the write-off of $1.1 million of deferred debt issuance costs related to the ANGI Group Term Loan, which was repaid in its entirety during the second quarter of 2021, partially offset by interest income of $0.2 million.

Income tax (provision) benefit

	Years Ended December 31,						
	2023	2022	2021	2023 Change		2022 Change	
				$	%	$	%
	(Dollars in thousands)						
Income tax (provision) benefit	$(1,839)	$5,390	$29,894	$(7,229)	NM	$(24,504)	(82)%
Effective income tax rate	NM	6%	32%				

In 2023, the Company recorded an income tax provision, despite pre-tax losses, due primarily to tax shortfalls generated by the vesting and exercise of stock-based awards, nondeductible executive compensation expense, and unbenefited foreign losses, partially offset by research credits.

In 2022, the effective income tax rate was lower than the statutory rate of 21% due primarily to unbenefited realized losses, foreign income subject to tax in the United States, and nondeductible stock-based compensation expense, partially offset by research credits.

In 2021, the effective income tax rate was higher than the statutory rate of 21% due primarily to excess tax benefits generated by the exercise and vesting of stock-based awards and a change in judgment about the valuation allowance at the beginning of the year, partially offset by nondeductible stock-based compensation expense and foreign income taxed at different rates.

For further details of income tax matters, see "Note 12 — Income Taxes" to the consolidated financial statements included in "Item 8. Consolidated Financial Statements and Supplementary Data."

PRINCIPLES OF FINANCIAL REPORTING

We report Adjusted EBITDA as a supplemental measure to U.S. generally accepted accounting principles ("GAAP"). This measure is one of the primary metrics by which we evaluate the performance of our businesses, and on which our internal budgets are based and may impact management compensation. We believe that investors should have access to, and we are obligated to provide, the same set of tools that we use in analyzing our results. This non-GAAP measure should be considered in addition to results prepared in accordance with GAAP, but should not be considered a substitute for or superior to GAAP results. We endeavor to compensate for the limitations of the non-GAAP measure presented by providing the comparable GAAP measure with equal or greater prominence and descriptions of the reconciling items, including quantifying such items, to derive the non-GAAP measure. We encourage investors to examine the reconciling adjustments between the GAAP and non-GAAP measure, which we discuss below.

Definition of Non-GAAP Measure

Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization ("Adjusted EBITDA") is defined as operating income excluding: (1) stock-based compensation expense; (2) depreciation; and (3) acquisition-related items consisting of amortization of intangible assets and impairments of goodwill and intangible assets, if applicable. We believe this measure is useful for analysts and investors as this measure allows a more meaningful comparison between our performance and that of our competitors. Adjusted EBITDA has certain limitations because it excludes the impact of these expenses.

The following table reconciles net loss attributable to Angi Inc. shareholders to operating loss to consolidated Adjusted EBITDA:

	Years Ended December 31,		
	2023	2022	2021
		(In thousands)	
Net loss attributable to Angi Inc. shareholders	$ (40,940)	$(128,450)	$(71,378)
Add back:			
Net earnings attributable to noncontrolling interests	629	468	884
Loss from discontinued operations, net of tax	10,264	38,814	6,476
Income tax provision (benefit)	1,839	(5,390)	(29,894)
Other (income) expense, net	(18,427)	(1,169)	2,510
Interest expense	20,137	20,107	23,485
Operating loss	(26,498)	(75,620)	(67,917)
Add back:			
Stock-based compensation expense	43,414	50,802	28,171
Depreciation	93,604	77,523	59,025
Amortization of intangibles	7,958	13,774	16,097
Adjusted EBITDA	$118,478	$ 66,479	$ 35,376

For a reconciliation of operating income (loss) to Adjusted EBITDA for the Company's reportable segments, see "Note 9 — Segment Information" to the consolidated financial statements included in "Item 8. Consolidated Financial Statements and Supplementary Data."

Non-Cash Expenses That Are Excluded from Our Non-GAAP Measure

Stock-based compensation expense consists of expense associated with the grants, including unvested grants assumed in acquisitions, of stock appreciation rights, restricted stock units ("RSUs"), stock options, performance-based RSUs ("PSUs") and market-based awards. These expenses are not paid in cash and we view the economic costs of stock-based awards to be the dilution to our share base; we also include the related shares in our fully diluted shares outstanding for GAAP earnings per share using the treasury stock method. PSUs and market-based awards are included only to the extent the applicable performance or market

condition(s) have been met (assuming the end of the reporting period is the end of the contingency period). The Company is currently settling all stock-based awards on a net basis and remits the required tax-withholding amounts from its current funds.

Depreciation is a non-cash expense relating to our capitalized software, leasehold improvements and equipment and is computed using the straight-line method to allocate the cost of depreciable assets to operations over their estimated useful lives, or, in the case of leasehold improvements, the lease term, if shorter.

Amortization of intangible assets and impairments of goodwill and intangible assets are non-cash expenses related primarily to acquisitions. At the time of an acquisition, the identifiable definite-lived intangible assets of the acquired company, such as service professional relationships, technology, and trade names, are valued and amortized over their estimated lives. Value is also assigned to acquired indefinite-lived intangible assets, which comprise trade names and trademarks, and goodwill that are not subject to amortization. An impairment is recorded when the carrying value of an intangible asset or goodwill exceeds its fair value. We believe that intangible assets represent costs incurred by the acquired company to build value prior to acquisition and the related amortization and impairments of intangible assets or goodwill, if applicable, are not ongoing costs of doing business.

FINANCIAL POSITION, LIQUIDITY, AND CAPITAL RESOURCES

Financial Position

	December 31, 2023	December 31, 2022
	(In thousands)	
Cash and cash equivalents:		
United States	$354,341	$311,422
All other countries	9,703	9,733
Total cash and cash equivalents	$364,044	$321,155
Long-term debt:		
ANGI Group Senior Notes	$500,000	$500,000
Less: unamortized debt issuance costs	3,953	4,716
Total long-term debt, net	$496,047	$495,284

At December 31, 2023, all of the Company's international cash can be repatriated without significant consequences.

Cash Flow Information

In summary, the Company's cash flows are as follows:

	Years Ended December 31,		
	2023	2022	2021
	(In thousands)		
Net cash provided by (used in):			
Operating activities attributable to continuing operations	$ 94,184	$ 46,402	$ 24,576
Investing activities attributable to continuing operations	$(46,557)	$(115,317)	$ (19,412)
Financing activities attributable to continuing operations	$(16,983)	$ (17,227)	$(345,168)

Net cash provided by operating activities attributable to continuing operations consists of earnings adjusted for non-cash items and the effect of changes in working capital. Non-cash adjustments include depreciation, provision for credit losses, stock-based compensation expense, non-cash lease expense (including impairment of right-of-use assets), amortization of intangibles, and deferred income taxes.

2023

Adjustments to net loss attributable to continuing operations consist primarily of $93.6 million of depreciation, $79.4 million of provision for credit losses, $43.4 million of stock-based compensation expense, $11.9 million of non-cash lease expense, and $8.0 million of amortization of intangibles, partially offset by $10.0 million of deferred income taxes. The decrease from changes in working capital consists primarily of an increase of $58.2 million in accounts receivable, a decrease of $20.7 million in operating lease liabilities, an increase of $13.9 million of other assets, and a decrease of $8.0 million in accounts payable and other liabilities. The increase in accounts receivable is due primarily to timing of cash receipts. The decrease in operating lease liabilities is due to cash payments on leases net of interest accretion. The increase in other assets is due primarily to a $10.9 million receivable related to insurance coverage for previously incurred legal fees. The decrease in accounts payable and other liabilities is due to a decrease in accrued advertising.

Net cash used in investing activities attributable to continuing operations includes capital expenditures of $47.8 million primarily related to investments in capitalized software to support the Company's products and services and purchases of marketable debt securities of $12.4 million, partially offset by maturities of marketable debt securities of $12.5 million and $1.0 million of proceeds for the sale of THR.

Net cash used in financing activities attributable to continuing operations includes $10.9 million for the repurchase of 4.4 million shares of Angi Inc. Class A common stock, on a settlement date basis, at an average price of $2.50 per share and $6.0 million for the payment of withholding taxes on behalf of employees for stock-based awards that were net settled.

2022

Adjustments to net loss attributable to continuing operations consist primarily of $104.3 million of provision for credit losses, $77.5 million of depreciation, $50.8 million of stock-based compensation expense, $13.8 million of non-cash lease expense (including impairment of right-of-use assets), and $13.8 million of amortization of intangibles, partially offset by deferred income taxes of $9.8 million. The decrease from changes in working capital consists primarily of an increase of $111.9 million in accounts receivable, a decrease of $16.7 million in operating lease liabilities, and a decrease of $3.0 million in deferred revenue, partially offset by increases of $11.6 million in accounts payable and other liabilities and $3.2 million in income taxes payable and receivable. The increase in accounts receivable is due primarily to revenue growth, primarily attributable to Services. The decrease in operating lease liabilities is due to cash payments on leases net of interest accretion. The decrease in deferred revenue is due to lower annual membership count. The increase in accounts payable and other liabilities is due primarily to increases in accrued expenses related to the 2021 brand integration initiative. The increase in income taxes payables and receivable is due primarily to accrual of taxes in excess of payments.

Net cash used in investing activities attributable to continuing operations includes $115.5 million of capital expenditures, primarily related to investments in capitalized software to support the Company's products and services.

Net cash used in financing activities attributable to continuing operations includes $8.8 million for the payment of withholding taxes on behalf of employees for stock-based awards that were net settled and $8.1 million for the repurchase of 1.0 million shares of Angi Inc. Class A common stock, on a settlement date basis, at an average price of $7.80 per share.

2021

Adjustments to net loss attributable to continuing operations consist primarily of $86.6 million of provision for credit losses, $59.0 million of depreciation, $28.2 million of stock-based compensation expense, $20.5 million of non-cash lease expense, and $16.1 million of amortization of intangibles, partially offset by $34.2 million of deferred income taxes. The decrease from changes in working capital consists primarily of an increase of $107.0 million in accounts receivable, and a decrease of $16.6 million in operating lease liabilities, partially offset by an increase of $21.7 million in accounts payable and other liabilities. The increase in accounts receivable is due primarily to revenue growth, primarily attributable to Services. The decrease in operating lease liabilities is due to cash payments on leases net of interest accretion. The increase in accounts payable and other liabilities is due primarily to increases in accrued advertising.

Net cash used in investing activities attributable to continuing operations includes $69.9 million of capital expenditures, primarily related to investments in capitalized software to support the Company's products and services, partially offset by proceeds of $50.0 million from the maturities of marketable debt securities.

Net cash used in financing activities attributable to continuing operations includes $220.0 million for the prepayment of the ANGI Group Term Loan, which otherwise would have matured on November 5, 2023, $61.9 million for the payment of withholding taxes on behalf of employees for stock-based awards that were net settled, $35.4 million for the repurchase of 3.2 million shares of Angi Inc. Class A common stock, on a settlement date basis, at an average price of $11.06 per share, and $27.9 million for the purchase of redeemable noncontrolling interests.

Discontinued Operations

Net cash provided by (used in) discontinued operations of $11.0 million, $(20.1) million, and $(44.0) million for the years ended December 31, 2023, 2022, and 2021, respectively, relates to the operations for THR. The Company does not expect cash flows from discontinued operations following the sale of THR on November 1, 2023.

Liquidity and Capital Resources

Share Repurchase Authorizations and Activity

During the year ended December 31, 2023, the Company repurchased 4.4 million shares, on a trade date basis, of its common stock at an average price of $2.50 per share, or $11.1 million in aggregate. During the fourth quarter of 2023, Angi Inc. put in place a share repurchase plan with the intent of utilizing the remaining shares in its stock repurchase authorization. The plan will be subject to price and volume limitations. From January 1, 2024 through February 9, 2024, the Company repurchased an additional 2.7 million shares at an average price of $2.36 per share, or $6.3 million in aggregate. The Company had 7.9 million shares remaining in its share repurchase authorization as of February 9, 2024. The Company may purchase its shares pursuant to its authorization over an indefinite period of time in the open market and in privately negotiated transactions, depending on those factors the Company's management deems relevant at any particular time, including, without limitation, market conditions, share price and future outlook.

Outstanding Stock-based Awards

The Company may settle equity awards on a gross or a net basis depending upon factors deemed relevant at the time, and if settled on a net basis, Angi remits withholding taxes on behalf of the employee. At IAC's option, certain Angi stock appreciation rights can be settled in either Class A shares of Angi or shares of IAC common stock. If settled in IAC common stock, the Company reimburses IAC in either cash or through the issuance of Class A shares to IAC. The Company currently settles all equity awards on a net basis.

Pursuant to the employee matters agreement, in the event of a distribution of Angi capital stock to IAC stockholders in a transaction intended to qualify as tax-free for U.S. federal income tax purposes, the Compensation Committee of the IAC Board of Directors has the exclusive authority to determine the treatment of outstanding IAC equity awards. Such authority includes (but is not limited to) the ability to convert all or part of IAC equity awards outstanding immediately prior to the distribution into equity awards denominated in shares of Angi Class A Common Stock for no compensation, which Angi would be obligated to assume and which would be dilutive to Angi's stockholders.

The following table summarizes the aggregate intrinsic value of all awards outstanding as of February 9, 2024; assuming these awards were net settled on that date, the withholding taxes that would be paid by the Company on behalf of employees upon exercise or vesting that would be payable (assuming these equity awards are net settled with a 50% tax rate), and the shares that would have been issued are as follows:

	Aggregate intrinsic value of awards outstanding	Estimated withholding taxes payable	Estimated shares to be issued
	(In thousands)		
RSUs and other equity awards[(a)(b)]	67,367	32,548	14,097
Total outstanding employee stock-based awards	$67,367	$32,548	14,097

(a) Includes stock options and subsidiary denominated equity.

(b) The number of shares ultimately needed to settle subsidiary denominated equity awards and the cash withholding tax obligation may vary significantly as a result of the determination of the fair value of the relevant award at the time of exercise. In addition, the number of shares required to settle these awards will be impacted by movement in the Company's stock price.

Contractual Obligations

The Company enters into various contractual arrangements as a part of its continued operations. Material contractual obligations described in the accompanying notes to the financial statements within "Item 8. Consolidated Financial Statements and Supplementary Data" includes operating leases as described in "Note 5 — Leases," and principal and interest payments on long-term as debt described in "Note 6 — Long-term Debt."

The Company has material purchase obligations which represent legally binding agreements to purchase goods and services that specify all significant terms. Future payments under these agreements at December 31, 2023 are as follows:

	Amount of Commitment Expiration Per Period				
	Less Than 1 Year	1–3 Years	3–5 Years	More Than 5 Years	Total
	(In thousands)				
Purchase obligations	$25,147	$2,091	$—	$—	$27,238

Purchase obligations include (i) $13.0 million for the final payment related to a three-year cloud computing arrangement, with the final payment expected to be made by September 2024, (ii) $8.4 million related to technology contracts spend, and (iii) $3.5 million related to media spend to be made in 2024.

Capital Expenditures

The Company's 2024 capital expenditures are expected to be higher than 2023 capital expenditures of $47.8 million by approximately 15% to 30% due to an increase in the capitalization rate of software development projects.

Liquidity Assessment

The Company's liquidity could be negatively affected by a decrease in demand for its products and services due to economic or other factors.

At December 31, 2023, IAC held all Class B shares of Angi Inc., which represent 84.2% of the economic interest and 98.1% of the voting interest of the Company. As a result, IAC has the ability to control Angi's financing activities, including the issuance of additional debt and equity securities by Angi or any of its subsidiaries, or the incurrence of other indebtedness generally. While Angi is expected to have the ability to access debt and equity markets if needed, such transactions may require the approval of IAC due to its control of the majority of the outstanding voting power of Angi's capital stock and its representation on the Angi board of directors.

The Company believes its existing cash, cash equivalents, and expected positive cash flows generated from operations will be sufficient to fund its normal operating requirements, including capital expenditures, debt service, the payment of withholding taxes paid on behalf of employees for net-settled stock-based awards, and investing and other commitments, for the next twelve months. We may elect to raise additional capital through the sale of additional equity or debt financing to fund business activities such as strategic acquisitions, share repurchases, or other purposes beyond the next twelve months.

Additional financing may not be available on terms favorable to the Company or at all, and may also be impacted by any disruptions in the financial markets. In addition, the Company's existing indebtedness could limit its ability to obtain additional financing.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

The following disclosure is provided to supplement the descriptions of Angi's accounting policies contained in "Note 2 — Summary of Significant Accounting Policies" to the consolidated financial statements included "Item 8. Consolidated Financial Statements and Supplementary Data" in regard to significant areas of judgment. Management of the Company is required to make certain estimates, judgments and assumptions during the preparation of its consolidated financial statements in accordance with GAAP. These estimates, judgments and assumptions impact the reported amount of assets, liabilities, revenue and expenses and the related disclosure of assets and liabilities. Actual results could differ from these estimates. Because of the size of the financial statement elements to which they relate, some of our accounting policies and estimates have a more significant impact on our financial statements than others. What follows is a discussion of some of our more significant accounting policies and estimates.

Credit Losses

The Company makes judgments as to its ability to collect outstanding receivables and provides an allowance when it has determined that all or a portion of the receivable will not be collected. The Company maintains an allowance for credit losses to provide for the estimated amount of accounts receivable that will not be collected. The allowance for credit losses is based upon a number of factors, including the length of time accounts receivable are past due, the Company's previous loss history, the specific customer's ability to pay its obligation to the Company and any other forward-looking data regarding customers' ability to pay that is available. The duration of time between the Company's issuance of an invoice and payment due date is not significant. The carrying value of the credit loss allowance is $24.7 million and $38.8 million at December 31, 2023 and 2022, respectively. The provision for credit losses was $79.4 million, $104.3 million, and $86.6 million for the years ended December 31, 2023, 2022, and 2021, respectively.

Business Combinations

The Company made no acquisitions, which are generally referred to in GAAP as business combinations, in the years ended December 31, 2023 and 2022. The Company acquired THR in the year ended December 31, 2021, however, following its sale on November 1, 2023, it is reflected as a discontinued operation in the Company's financial statements. The purchase price of each acquisition is attributed to the assets acquired and liabilities assumed based on their fair values at the date of acquisition, including identifiable intangible assets that either arise from a contractual or legal right or are separable from goodwill.

Management makes two critical determinations at the time of an acquisition: (1) the reporting unit(s) that will benefit from the acquisition and to which goodwill will be assigned and (2) the allocation of the purchase price of the acquired business to the assets acquired and the liabilities assumed based upon their fair values. The reporting unit determination is important beyond the initial allocation of purchase price because future impairment assessments of goodwill, as described below, are performed at the reporting unit level. At October 1, 2023, the Company had four reporting units: Ads and Leads, Services, Roofing (subsequently sold as described above) and International. Historically, the Company's acquisitions have been complementary to these reporting units and the goodwill has been assigned to the reporting unit.

The allocation of purchase price to the assets acquired and liabilities assumed is based upon their fair values and is complex because of the judgments involved in determining these values. The determination of purchase price and the fair value of monetary assets acquired and liabilities assumed is typically the least complex aspect of the Company's accounting for business combinations due to management's experience and/or the inherently lower level of judgement required. Due to the higher degree of complexity associated with the valuation of acquired intangible assets, the Company usually obtains the assistance of outside valuation experts in the allocation of purchase price to the identifiable intangible assets acquired, which can be both definite-lived, such as acquired technology, customer and contractor relationships, or indefinite lived, such as acquired trade names and trademarks. While outside valuation experts may be used, management has the ultimate responsibility for the valuation methods, models and inputs used and the resulting purchase price allocation. The excess purchase price over the value of the net tangible and identifiable intangible assets acquired is recorded as goodwill and is assigned to the reporting unit(s) that is expected to benefit from the business combination as of the acquisition date.

Recoverability of Goodwill and Indefinite-Lived Intangible Assets

The carrying value of goodwill is $886.0 million and $882.9 million at December 31, 2023 and 2022, respectively. Indefinite-lived intangible assets, which consist of the Company's acquired trade names and trademarks, have a carrying value of $170.8 million and $170.1 million at December 31, 2023 and 2022, respectively.

Goodwill and indefinite-lived intangible assets are assessed annually for impairment as of October 1, or more frequently if an event occurs or circumstances change that would indicate that it is more likely than not that the fair value of a reporting unit or the fair value of an indefinite-lived intangible asset has declined below its carrying value. In performing its annual goodwill impairment assessment, the Company has the option under GAAP to qualitatively assess whether it is more likely than not that the fair value of a reporting unit is less than its carrying value; if the conclusion of the qualitative assessment is that there are no indicators of impairment, the Company does not perform a quantitative test, which would require a valuation of the reporting unit, as of October 1. GAAP provides a not all-inclusive set of examples of macroeconomic, industry, market and company specific factors for entities to consider in performing the qualitative assessment described above; management considers the factors it deems relevant in making its more likely than not assessments. While the Company also has the option under GAAP to qualitatively assess whether it is more likely than not that the fair values of its indefinite-lived intangible assets are less than their carrying values, the Company's policy is to determine the fair value of each of its indefinite-lived intangible assets annually as of October 1, in part, because the level of effort required to perform the quantitative and qualitative assessments is essentially equivalent.

If the conclusion of our qualitative assessment is that there are indicators of impairment and a quantitative test is required, the annual or interim quantitative test of the recovery of goodwill involves a comparison of the estimated fair value of the Company's reporting unit that is being tested to its carrying value. If the estimated fair value of a reporting unit exceeds its carrying value, goodwill of the reporting unit is not impaired. If the carrying value of a reporting unit exceeds its estimated fair value, a goodwill impairment equal to the excess is recorded.

The Company's annual assessment of the recovery of goodwill begins with management's reassessment of its operating segments and reporting units. A reporting unit is an operating segment or one level below an operating segment, which is referred to as a component. This reassessment of reporting units is also made each time the Company changes its operating segments to the extent that this also results in a change in reporting units. If the goodwill of a reporting unit is allocated to newly formed reporting units, the allocation is usually made to each reporting unit based upon their relative fair values.

For the Company's annual goodwill test at October 1, 2023, a qualitative assessment of the Ads and Leads, Services, and International reporting units was performed by the Company to evaluate whether it is more likely than not that the fair value of these reporting units was in excess of their respective carrying values. The primary factors that the Company considered in its qualitative assessment for each of these reporting units are described below:

- The Company considered the strong forecasted operating performance, in addition to actual operating results in the current year, of the Ads and Leads, Services, and International reporting units.
- The Company also considered the prior year annual valuations of the Ads and Leads, Services, and International reporting units prepared as of October 1, 2022, and valuations of the International reporting unit prepared approximate to, however, not as of, October 1, 2023, in connection with the issuance and/or settlement of equity awards that are denominated in the equity of this business.

Based on these factors we concluded that it is not more likely than not that the fair value of the reporting units is below their respective carrying amounts.

As of October 1, 2023, prior to its sale on November 1, 2023, the Roofing reporting unit had no goodwill or indefinite-lived intangible assets.

If and when a quantitative test is performed, the fair value of the Company's reporting units is determined using both an income approach based on discounted cash flows ("DCF") and a market approach. Determining fair value using a DCF analysis requires the exercise of significant judgment with respect to

several items, including the amount and timing of expected future cash flows and appropriate discount rates. The expected cash flows used in the DCF analyses are based on the Company's most recent forecast and budget and, for years beyond the budget, the Company's estimates, which are based, in part, on forecasted growth rates. The discount rates used in the DCF analyses are intended to reflect the risks inherent in the expected future cash flows of the respective reporting units. Assumptions used in the DCF analyses, including the discount rate, are assessed based on the reporting units' current results and forecasted future performance, as well as macroeconomic and industry specific factors. Determining fair value using a market approach considers multiples of financial metrics based on both acquisitions and trading multiples of a selected peer group of companies. From the comparable companies, a representative market multiple is determined which is applied to financial metrics to estimate the fair value of a reporting unit. To determine a peer group of companies for our respective reporting units, we considered companies relevant in terms of consumer use, monetization model, margin and growth characteristics, and brand strength operating in their respective sectors.

The Company determines the fair value of indefinite-lived intangible assets using an avoided royalty DCF valuation analysis. Significant judgments inherent in this analysis include the selection of appropriate royalty and discount rates and estimating the amount and timing of expected future cash flows. The discount rates used in the DCF analyses are intended to reflect the risks inherent in the expected future cash flows generated by the respective intangible assets. The royalty rates used in the DCF analyses are based upon an estimate of the royalty rates that a market participant would pay to license the Company's trade names and trademarks. The future cash flows are based on the Company's most recent forecast and budget and, for years beyond the budget, the Company's estimates, which are based, in part, on forecasted growth rates. Assumptions used in the avoided royalty DCF analyses, including the discount rate and royalty rate, are assessed annually based on the actual and projected cash flows related to the asset, as well as macroeconomic and industry specific factors. The discount rates used in the Company's annual indefinite-lived impairment assessment ranged from 15.0% to 17.0% in 2023 and 12.0% to 18.5% in 2022, and the royalty rates used ranged from 2.5% to 4.5% in 2023 and 2.0% to 4.5% in 2022.

The October 1, 2023 and 2021 annual assessments of goodwill and indefinite-lived intangible assets did not identify any impairments. The October 1, 2022 annual assessment identified a $26.0 million goodwill impairment at the Roofing reporting unit, which is reflected as a discontinued operation in the Company's financial statements.

Software Development Costs

We capitalize internally developed software costs (including employee payroll costs, stock-based compensation and benefit costs as well as third party production and other content costs), subsequent to identifying technological feasibility of the software project. Significant management judgement is required in assessing when technological feasibility is established.

Depreciation of internally developed software commences when the software is available for release for its intended use and is recorded on a straight-line basis over the estimated useful life of the software, which is typically 2-3 years. The net carrying value of capitalized software is $92.3 million and $128.5 million at December 31, 2023 and 2022, respectively.

Income Taxes

The Company is included within IAC's tax group for purposes of federal and consolidated state income tax return filings. In all periods presented, the income tax provision and/or benefit has been computed for the Company on an as if standalone, separate return basis and payments to and refunds from IAC for the Company's share of IAC's consolidated federal and state tax return liabilities/receivables calculated on this basis have been reflected within cash flows from operating activities in the accompanying consolidated statement of cash flows. The tax sharing agreement between the Company and IAC governs the parties' respective rights, responsibilities and obligations with respect to tax matters, including responsibility for taxes attributable to the Company, entitlement to refunds, allocation of tax attributes and other matters and, therefore, ultimately governs the amount payable to or receivable from IAC with respect to income taxes. Any differences between taxes currently payable to or receivable from IAC under the tax sharing agreement and the current tax provision computed on an if standalone, separate return basis for GAAP are reflected as

adjustments to additional paid-in capital in the consolidated statement of shareholders' equity and financing activities within the consolidated statement of cash flows. The portion of the December 31, 2023 deferred tax assets that will be payable to IAC pursuant to the tax sharing agreement, upon realization, is $92.9 million.

The Company accounts for income taxes under the liability method, and deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying values of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled. A valuation allowance is provided if it is determined that it is more likely than not that the deferred tax asset will not be realized. At December 31, 2023 and 2022, the balance of the Company's net deferred tax asset is $145.4 million and $135.5 million, respectively.

The Company evaluates and accounts for uncertain tax positions using a two-step approach. Recognition (step one) occurs when the Company concludes that a tax position, based solely on its technical merits, is more-likely-than-not to be sustainable upon examination. Measurement (step two) determines the amount of benefit that is greater than 50% likely to be realized upon ultimate settlement with a taxing authority that has full knowledge of all relevant information. De-recognition of a tax position that was previously recognized would occur when the Company subsequently determines that a tax position no longer meets the more-likely-than-not threshold of being sustained. This measurement step is inherently difficult and requires subjective estimations of such amounts to determine the probability of various possible outcomes. At December 31, 2023 and 2022, the Company has unrecognized tax benefits, including interest, of $8.1 million and $6.2 million, respectively. We consider many factors when evaluating and estimating our tax positions and unrecognized tax benefits, which may require periodic adjustment and which may not accurately anticipate actual outcomes. Although management currently believes changes to unrecognized tax benefits from period to period and differences between amounts paid, if any, upon resolution of issues raised in audits and amounts previously provided will not have a material impact on the liquidity, results of operations, or financial condition of the Company, these matters are subject to inherent uncertainties and management's view of these matters may change in the future.

The ultimate amount of deferred income tax assets realized and the amounts paid for deferred income tax liabilities and unrecognized tax benefits may vary from our estimates due to future changes in income tax law, state income tax apportionment or the outcome of any review of our tax returns by the various tax authorities, as well as actual operating results of the Company that vary significantly from anticipated results.

The Company regularly assesses the realizability of deferred tax assets considering all available evidence including, to the extent applicable, the nature, frequency and severity of prior cumulative losses, forecasts of future taxable income, tax filing status, the duration of statutory carryforward periods, available tax planning and historical experience. As of December 31, 2023, the Company is in a three-year cumulative loss position. The Company's most significant net deferred tax asset relates to U.S. federal net operating loss ("NOL") carryforwards of $101.0 million. The Company expects to generate future taxable income of at least $480.9 million prior to the expiration of these NOLs, $266.7 million of which expire between 2033 and 2037, and the remainder of which never expire, to fully realize this deferred tax asset.

Stock-Based Compensation

Stock-based compensation at the Company is inherently complex. Our desire is to attract, retain, inspire and reward our management team and employees at the Company, including those employed by recently acquired companies, as applicable, by allowing them to benefit directly from the value they help to create. We accomplish these objectives, in part, by issuing equity awards denominated in the equity of our subsidiaries as well as in Angi Inc. We further refine this approach by tailoring certain equity awards to the applicable circumstances. For example, we issue certain equity awards for which vesting is linked to the achievement of a performance target such as revenue or profits; these awards are referred to as performance-based awards. In other cases, we link the vesting of equity awards to the achievement of a value target for a subsidiary or Angi Inc.'s stock price, as applicable; these awards are referred to as market-based awards. The nature and variety of these types of equity-based awards creates complexity in our determination of stock-based compensation expense.

Business combinations may result in the modification of equity awards, which may create additional complexity and additional stock-based compensation expense. Also, our internal reorganizations can also lead to modifications of equity awards and may result in additional complexity and stock-based compensation expense.

Finally, the means by which we settle our equity-based awards also introduces complexity into our financial reporting. We provide a path to liquidity by settling the subsidiary denominated awards in IAC or Angi Inc. shares. In addition, certain former Angi Inc. stock appreciation rights can be settled in IAC or Angi Inc. awards at IAC's election. These features increase the complexity of our earnings per share calculations.

Stock-based compensation expense reflected in our statements of operations includes expense related to the Company's RSU awards, including those that are linked to the achievement of the Company's stock price, known as market-based awards ("MSUs") and those that are linked to the achievement of a performance target, known as performance-based awards ("PSUs"), stock options, stock appreciation rights, equity instruments denominated in shares of subsidiaries, and an allocation of expense related to IAC denominated restricted stock.

The Company recorded stock-based compensation expense of $43.4 million, $50.8 million, and $28.2 million for the years ended December 31, 2023, 2022, and 2021, respectively. Included in stock-based compensation expense in the year ended December 31, 2022, the Company recognized a net decrease of $2.1 million due to management departures. Also included in stock-based compensation expense in the year ended December 31, 2021 is $1.0 million related to the modification of previously issued HomeAdvisor equity awards and Angie's List equity awards, both of which were converted into Angi's equity awards when the businesses combined on September 29, 2017. These modified awards finished vesting in the first quarter of 2021, therefore, there was no modification charge for the awards in the years ended December 31, 2023 and 2022. Additionally, in the first quarter of 2021, the Company recognized a net decrease of $7.7 million due to the reversal of previously recognized expense related to unvested awards that were forfeited due to management departures.

The Company issues RSUs, PSUs and MSUs. For RSUs, the value of the instrument is measured at the grant date as the fair value of the underlying Angi's common stock and expensed as stock-based compensation expense over the vesting term. For PSUs, the value of the instrument is measured at the grant date as the fair value of the underlying Angi's common stock and expensed as stock-based compensation over the vesting term when the performance targets are considered probable of being achieved. For MSUs, a lattice model is used to estimate the value of the awards. The Company also issues stock options and stock appreciation rights. The Company estimates the fair value of newly granted or modified stock appreciation rights and stock options, including equity instruments denominated in shares of subsidiaries, using the Black-Scholes option-pricing model. The Black-Scholes option-pricing model requires the use of highly subjective and complex assumptions, the most significant of which include expected term, expected volatility of the underlying shares, risk-free interest rates and the expected dividend yield. In addition, the recognition of stock-based compensation expense is impacted by our estimated forfeiture rates, which are based, in part, on historical forfeiture rates. For stock appreciation rights and stock options, including equity instruments denominated in shares of subsidiaries, the grant date fair value of the award is recognized as an expense on a straight-line basis, net of estimated forfeitures, over the requisite service period, which is the vesting period of the award.

Recent Accounting Pronouncements

For a discussion of recent accounting pronouncements, see "Note 2 — Summary of Significant Accounting Policies" to the consolidated financial statements included in "Item 8. Consolidated Financial Statements and Supplementary Data."

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Interest Rate Risk

The Company's exposure to market risk for changes in interest rates relates primarily to the Company's long-term debt.

At December 31, 2023, the principal amount of the Company's outstanding debt comprises $500.0 million of ANGI Group Senior Notes, which bears interest at a fixed rate. If market rates decline relative to interest rates on the ANGI Group Senior Notes, the Company runs the risk that the related required interest payments will exceed those based on market rates. A 100-basis point increase or decrease in the level of interest rates would, respectively, decrease or increase the fair value of the fixed-rate debt by $20.0 million. Such potential increase or decrease in fair value is based on certain simplifying assumptions, including an immediate increase or decrease in the level of interest rates with no other subsequent changes for the remainder of the period, nor changes in the credit profile.

Foreign Currency Exchange Risk

The Company has operations in certain foreign markets, primarily in various jurisdictions within the European Union and the United Kingdom. The Company has exposure to foreign currency exchange risk related to its foreign subsidiaries that transact business in a functional currency other than the U.S. dollar. As a result, as foreign currency exchange rates fluctuate, the translation of the statement of operations of the Company's international businesses into U.S. dollars affects year-over-year comparability of operating results.

In addition, certain of the Company's U.S. operations have customers in international markets. International revenue, including revenue of our operations located outside the U.S., which is measured based upon where the customer is located, accounted for 9%, 6%, and 6% for the years ended December 31, 2023, 2022 and 2021, respectively.

The Company is also exposed to foreign currency transaction gains and losses to the extent it or its subsidiaries conduct transactions in and/or have assets and/or liabilities that are denominated in a currency other than the entity's functional currency. The Company recorded foreign exchange gains and (losses) of $1.2 million, $(3.4) million, and $(1.7) million for the year ended December 31, 2023, 2022 and 2021, respectively.

The Company's exposure to foreign currency exchange gains or losses have not been material to the Company; therefore, the Company has not hedged its foreign currency exposures. Any growth and expansion of our international operations increases our exposure to foreign exchange rate fluctuations. Significant foreign exchange rate fluctuations, in the case of one currency or collectively with other currencies, could have a significant impact on our future results of operations.

Item 8. Consolidated Financial Statements and Supplementary Data

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Angi Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheet of Angi Inc. and subsidiaries (the Company) as of December 31, 2023 and 2022, the related consolidated statements of operations, comprehensive operations, shareholders' equity and cash flows for each of the three years in the period ended December 31, 2023, and the related notes and financial statement schedule listed in the Index at Item 15(a) (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2023 and 2022, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control-Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated February 29, 2024 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Revenue Processed By Highly Automated Proprietary Systems — Leads and Services

Description of the Matter	As more fully described in Note 2 to the consolidated financial statements, the Company's revenue primarily consists of domestic Ads and Leads revenue as well as Services revenue. Ads revenue is primarily derived from service professionals under contract for advertising. Leads revenue includes consumer connection revenue for consumer matches as well as membership subscription revenue from service professionals. Services revenue primarily reflects domestic revenue from pre-priced offerings by which the consumer requests services through a Company platform and the Company connects them with a service professional to perform the service. In aggregate, Leads and Services Revenue was approximately $1 billion, as disclosed in Note 9, for the year ended December 31, 2023. The Company's Leads and Services Revenue is based on contractual terms with the Company's customers and is comprised of a significant volume of low-dollar transactions. The processing and recording of Leads and Services revenue is highly automated within the Company's information technology ("IT") systems that are principally proprietary. Given the complexity of the IT systems involved, auditing Leads and Services Revenue required a significant extent of effort and increased involvement of professionals with expertise in IT to identify, test, and evaluate the Company's relevant systems and automated controls utilized to process and record these transactions.
How We Addressed the Matter in Our Audit	We obtained an understanding, evaluated the design, and tested the operating effectiveness of the Company's controls related to the recording and accounting for Leads and Services Revenue. With the involvement of IT professionals, we identified the relevant systems used by the Company to process, calculate, and record revenue and the related deferred revenue. Where applicable, we tested the IT general controls over those systems, including testing of user access controls, change management controls, and IT operations controls as well as certain automated application controls related to the recording of revenue and the related deferred revenue at period end. We also tested the Company's controls to address the completeness and accuracy of transaction data. Our audit procedures related to the Company's Leads and Services Revenue also included reconciling revenue recorded to cash received, testing the details for a sample of specific cash receipts to third party banking information and evidence of the related customer arrangement, testing the calculations of revenue and the related deferred revenue performed within the Company's systems to the amount recorded in the general ledger, and testing revenue transactions occurring near year-end.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2017.

New York, New York
February 29, 2024

ANGI INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEET

	December 31,	
	2023	2022
	(In thousands, except par value amounts)	
ASSETS		
Cash and cash equivalents	$ 364,044	$ 321,155
Accounts receivable, net	51,100	71,967
Other current assets	72,075	64,330
Current assets of discontinued operations	—	26,750
Total current assets	487,219	484,202
Capitalized software, leasehold improvements and equipment, net	109,527	152,559
Goodwill	886,047	882,949
Intangible assets, net	170,773	178,105
Deferred income taxes	148,183	138,378
Other non-current assets, net	54,466	61,527
Non-current assets of discontinued operations	—	10,058
TOTAL ASSETS	$1,856,215	$1,907,778
LIABILITIES AND SHAREHOLDERS' EQUITY		
LIABILITIES:		
Accounts payable	$ 29,467	$ 30,393
Deferred revenue	49,859	50,129
Accrued expenses and other current liabilities	179,329	182,794
Current liabilities of discontinued operations	—	18,468
Total current liabilities	258,655	281,784
Long-term debt, net	496,047	495,284
Deferred income taxes	2,739	2,906
Other long-term liabilities	54,266	75,507
Non-current liabilities of discontinued operations	—	919
Commitments and contingencies		
SHAREHOLDERS' EQUITY:		
Class A common stock, $0.001 par value; authorized 2,000,000 shares; issued 106,848 and 102,811 shares, respectively, and outstanding 82,208 and 82,600, respectively	107	103
Class B convertible common stock, $0.001 par value; authorized 1,500,000 shares; 422,019 shares issued and outstanding	422	422
Class C common stock, $0.001 par value; authorized 1,500,000 shares; no shares issued and outstanding	—	—
Additional paid-in capital	1,447,353	1,405,294
Accumulated deficit	(231,019)	(190,079)
Accumulated other comprehensive income (loss)	1,187	(1,172)
Treasury stock, 24,640 and 20,211 shares, respectively	(177,283)	(166,184)
Total Angi Inc. shareholders' equity	1,040,767	1,048,384
Noncontrolling interests	3,741	2,994
Total shareholders' equity	1,044,508	1,051,378
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	$1,856,215	$1,907,778

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

ANGI INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF OPERATIONS

	Year Ended December 31,		
	2023	2022	2021
	(In thousands, except per share data)		
Revenue	$1,358,748	$1,764,355	$1,619,317
Cost of revenue (exclusive of depreciation shown separately below)	62,547	337,396	274,661
Gross Profit	1,296,201	1,426,959	1,344,656
Operating costs and expenses:			
Selling and marketing expense	765,205	890,321	871,544
General and administrative expense	359,389	447,140	394,974
Product development expense	96,543	73,821	70,933
Depreciation	93,604	77,523	59,025
Amortization of intangibles	7,958	13,774	16,097
Total operating costs and expenses	1,322,699	1,502,579	1,412,573
Operating loss	(26,498)	(75,620)	(67,917)
Interest expense	(20,137)	(20,107)	(23,485)
Other income (expense), net	18,427	1,169	(2,510)
Loss from continuing operations before income taxes	(28,208)	(94,558)	(93,912)
Income tax (provision) benefit	(1,839)	5,390	29,894
Net loss from continuing operations	(30,047)	(89,168)	(64,018)
Loss from discontinued operations, net of tax	(10,264)	(38,814)	(6,476)
Net loss	(40,311)	(127,982)	(70,494)
Net earnings attributable to noncontrolling interests	(629)	(468)	(884)
Net loss attributable to Angi Inc. shareholders	$ (40,940)	$ (128,450)	$ (71,378)
Per share information from continuing operations:			
Basic loss per share	$ (0.06)	$ (0.18)	$ (0.13)
Diluted loss per share	$ (0.06)	$ (0.18)	$ (0.13)
Per share information attributable to Angi Inc. shareholders:			
Basic loss per share	$ (0.08)	$ (0.26)	$ (0.14)
Diluted loss per share	$ (0.08)	$ (0.26)	$ (0.14)
Stock-based compensation expense by function:			
Selling and marketing expense	$ 6,264	$ 5,927	$ 4,033
General and administrative expense	28,386	36,015	19,268
Product development expense	8,764	8,860	4,870
Total stock-based compensation expense	$ 43,414	$ 50,802	$ 28,171

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

ANGI INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF COMPREHENSIVE OPERATIONS

	Year Ended December 31,		
	2023	2022	2021
		(In thousands)	
Net loss	$(40,311)	$(127,982)	$(70,494)
Other comprehensive income (loss):			
Change in foreign currency translation adjustment	2,501	(5,028)	(1,219)
Comprehensive loss	(37,810)	(133,010)	(71,713)
Components of comprehensive (income) loss attributable to noncontrolling interests:			
Net earnings attributable to noncontrolling interests	(629)	(468)	(884)
Change in foreign currency translation adjustment attributable to noncontrolling interests	(142)	547	(109)
Comprehensive (income) loss attributable to noncontrolling interests	(771)	79	(993)
Comprehensive loss attributable to Angi Inc. shareholders	$(38,581)	$(132,931)	$(72,706)

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

ANGI INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF SHAREHOLDERS' EQUITY
Years Ended December 31, 2023, 2022, and 2021

	Redeemable Noncontrolling Interests	Class A Common Stock $0.001 Par Value		Class B Convertible Common Stock $0.001 Par Value		Class C Common Stock $0.001 Par Value		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Treasury Stock	Total Angi Inc. Shareholders' Equity	Noncontrolling Interests	Total Shareholders' Equity
		$	Shares	$	Shares	$	Shares							
									(In thousands)					
Balance as of December 31, 2020	$ 26,364	$ 94	94,238	$422	421,862	$—	—	$1,379,469	$ 9,749	$ 4,637	$(122,081)	$1,272,290	$10,567	$1,282,857
Net (loss) earnings	(23)	—	—	—	—	—	—	—	(71,378)	—	—	(71,378)	907	(70,471)
Other comprehensive (income) loss	515	—	—	—	—	—	—	—	—	(1,328)	—	(1,328)	(406)	(1,734)
Stock-based compensation expense	—	—	—	—	—	—	—	33,057	—	—	—	33,057	—	33,057
Issuance of common stock pursuant to stock-based awards, net of withholding taxes	—	3	2,919	—	—	—	—	(61,226)	—	—	—	(61,223)	—	(61,223)
Issuance of common stock to IAC Inc. pursuant to the employee matters agreement	—	3	2,588	—	157	—	—	(3)	—	—	—	—	—	—
Purchase of treasury stock	—	—	—	—	—	—	—	—	—	—	(35,959)	(35,959)	—	(35,959)
Purchase of noncontrolling interest	(28,318)	—	—	—	—	—	—	—	—	—	—	—	(160)	(160)
Adjustment of redeemable noncontrolling interests to redemption amount	1,462	—	—	—	—	—	—	(430)	—	—	—	(430)	—	(430)
Other	—	—	—	—	—	—	—	(410)	—	—	—	(410)	—	(410)
Balance as of December 31, 2021	$ —	$100	99,745	$422	422,019	$—	—	$1,350,457	$ (61,629)	$ 3,309	$(158,040)	$1,134,619	$10,908	$1,145,527
Net (loss) earnings	—	—	—	—	—	—	—	—	(128,450)	—	—	(128,450)	468	(127,982)
Other comprehensive loss	—	—	—	—	—	—	—	—	—	(4,481)	—	(4,481)	(547)	(5,028)
Stock-based compensation expense	—	—	—	—	—	—	—	55,891	—	—	—	55,891	—	55,891
Issuance of common stock pursuant to stock-based awards, net of withholding taxes	—	3	3,066	—	—	—	—	(8,630)	—	—	—	(8,627)	—	(8,627)
Purchase of treasury stock	—	—	—	—	—	—	—	—	—	—	(8,144)	(8,144)	—	(8,144)
Adjustment to noncontrolling interests resulting from the reorganization of a foreign subsidiary	—	—	—	—	—	—	—	7,580	—	—	—	7,580	(7,835)	(255)
Other	—	—	—	—	—	—	—	(4)	—	—	—	(4)	—	(4)
Balance as of December 31, 2022	$ —	$103	102,811	$422	422,019	$—	—	$1,405,294	$(190,079)	$(1,172)	$(166,184)	$1,048,384	$ 2,994	$1,051,378
Net (loss) earnings	—	—	—	—	—	—	—	—	(40,940)	—	—	(40,940)	629	(40,311)
Other comprehensive income	—	—	—	—	—	—	—	—	—	2,359	—	2,359	142	2,501
Stock-based compensation expense	—	—	—	—	—	—	—	48,388	—	—	—	48,388	—	48,388
Issuance of common stock pursuant to stock-based awards, net of withholding taxes	—	4	4,037	—	—	—	—	(6,292)	—	—	—	(6,288)	—	(6,288)
Purchase of treasury stock	—	—	—	—	—	—	—	—	—	—	(11,099)	(11,099)	—	(11,099)
Other	—	—	—	—	—	—	—	(37)	—	—	—	(37)	(24)	(61)
Balance as of December 31, 2023	$ —	$107	106,848	$422	422,019	$—	—	$1,447,353	$(231,019)	$ 1,187	$(177,283)	$1,040,767	$ 3,741	$1,044,508

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

ANGI INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF CASH FLOWS

	Years Ended December 31,		
	2023	2022	2021
		(In thousands)	
Cash flows from operating activities attributable to continuing operations:			
Net loss	$ (40,311)	$(127,982)	$ (70,494)
Less: Loss from discontinued operations, net of tax	(10,264)	(38,814)	(6,476)
Net loss attributable to continuing operations	(30,047)	(89,168)	(64,018)
Adjustments to reconcile net loss to net cash provided by operating activities attributable to continuing operations:			
Depreciation	93,604	77,523	59,025
Provision for credit losses	79,385	104,261	86,594
Stock-based compensation expense	43,414	50,802	28,171
Non-cash lease expense (including impairment of right-of-use assets)	11,878	13,799	20,484
Amortization of intangibles	7,958	13,774	16,097
Deferred income taxes	(10,009)	(9,758)	(34,217)
Foreign currency transaction (gain) loss	(1,291)	3,357	1,679
Other adjustments, net	232	(811)	8,262
Changes in assets and liabilities, net of effects of acquisitions and dispositions:			
Accounts receivable	(58,168)	(111,865)	(106,966)
Other assets	(13,852)	(658)	5,600
Accounts payable and other liabilities	(8,045)	11,632	21,737
Operating lease liabilities	(20,678)	(16,733)	(16,644)
Income taxes payable and receivable	158	3,213	263
Deferred revenue	(355)	(2,966)	(1,491)
Net cash provided by operating activities attributable to continuing operations	94,184	46,402	24,576
Cash flows from investing activities attributable to continuing operations:			
Capital expenditures	(47,780)	(115,479)	(69,909)
Purchases of marketable debt securities	(12,362)	—	—
Proceeds from maturities of marketable debt securities	12,500	—	50,000
Net proceeds from the sale of a business	1,000	—	750
Proceeds from sales of fixed assets	85	162	—
Other	—	—	(253)
Net cash used in investing activities attributable to continuing operations	(46,557)	(115,317)	(19,412)
Cash flows from financing activities attributable to continuing operations:			
Principal payments on Term Loan	—	—	(220,000)
Purchases of treasury stock	(10,932)	(8,144)	(35,403)
Withholding taxes paid on behalf of employees on net settled stock-based awards	(5,994)	(8,827)	(61,908)
Purchase of noncontrolling interests	—	—	(27,857)
Other, net	(57)	(256)	—
Net cash used in financing activities attributable to continuing operations	(16,983)	(17,227)	(345,168)
Total cash provided by (used in) continuing operations	30,644	(86,142)	(340,004)
Net cash provided by (used in) operating activities attributable to discontinued operations	10,661	(19,333)	(18,367)
Net cash provided by (used in) investing activities attributable to discontinued operations	325	(769)	(25,660)
Total cash provided by (used in) discontinued operations	10,986	(20,102)	(44,027)
Effect of exchange rate changes on cash and cash equivalents and restricted cash	535	(1,105)	(45)
Net increase (decrease) in cash and cash equivalents and restricted cash	42,165	(107,349)	(384,076)
Cash and cash equivalents and restricted cash at beginning of period	322,136	429,485	813,561
Cash and cash equivalents and restricted cash at end of period	$364,301	$ 322,136	$ 429,485

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

ANGI INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 — ORGANIZATION

Nature of Operations

Angi Inc. connects quality home service professionals with consumers across more than 500 different categories, from repairing and remodeling homes to cleaning and landscaping. Approximately 196,000 transacting service professionals actively sought consumer matches, completed jobs, or advertised work through Angi Inc. platforms during the three months ended December 31, 2023. Additionally, consumers turned to at least one of our businesses to find a service professional for approximately 23 million projects during the year ended December 31, 2023.

The Company has three operating segments: (i) Ads and Leads; (ii) Services; and (iii) International (consisting of businesses in Europe and Canada) and operates under multiple brands including Angi, HomeAdvisor, and Handy.

Ads and Leads provides service professionals the capability to engage with potential customers, including quote and invoicing services, and provides consumers with tools and resources to help them find local, pre-screened and customer-rated service professionals nationwide for home repair, maintenance and improvement projects. Services consumers can request household services directly through the Angi platform and Angi fulfills the request through the use of independently established home services providers engaged in a trade, occupation and/or business that customarily provides such services. The matching and pre-priced booking services and related tools and directories are provided to consumers free of charge.

As used herein, "Angi," the "Company," "we," "our," "us," and similar terms refer to Angi Inc. and its subsidiaries (unless the context requires otherwise).

At December 31, 2023, IAC Inc. ("IAC") owned 84.2% and 98.1% of the economic and voting interests, respectively, of the Company.

Total Home Roofing, LLC Sale

On November 1, 2023, Angi Inc. completed the sale of 100% of its wholly-owned subsidiary, Total Home Roofing, LLC ("THR," which comprised its Roofing segment), and has reflected it as a discontinued operation in its financial statements. See "Note 16 — Discontinued Operations" for additional details. The financial information for prior periods has been recast to conform to the current year presentation.

NOTE 2 — SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Consolidation

The Company prepares its consolidated financial statements (referred to herein as "financial statements") in accordance with United States ("U.S.") generally accepted accounting principles ("GAAP"). The financial statements include the accounts of the Company, all entities that are wholly-owned by the Company and all entities in which the Company has a controlling financial interest. All intercompany transactions and balances between and among the Company and its subsidiaries have been eliminated.

In the opinion of management, the assumptions underlying the historical financial statements, including the basis on which the expenses have been allocated from IAC, are reasonable. However, the allocations may not reflect all of the expenses that Angi Inc. may have incurred as a standalone public company for the periods presented.

See "Note 17 — Related Party Transactions with IAC" for information on transactions between Angi and IAC.

COVID-19 Update

The COVID-19 pandemic and the various responses to it created significant volatility, uncertainty and economic disruption. Recently, there has been a return to normal societal interactions, including the way we operate our business.

As previously disclosed, the impact of COVID-19 initially resulted in a decline in demand for service requests, driven primarily by decreases in demand in certain categories of jobs (particularly discretionary indoor projects). While we experienced a rebound in service requests in early 2021, service requests started to decline in May 2021 and continued to decline during 2022 due, in part, to COVID-19 measures that were more widely in place in prior periods. Our ability to monetize service requests rebounded modestly in the second half of 2021 and the first half of 2022; however, that improved monetization plateaued in the third quarter of 2022 returning to monetization rates similar to those experienced pre-COVID-19.

Outlook

The extent to which developments related to the COVID-19 pandemic and measures designed to curb its spread continue to impact the Company's business, financial condition and results of operations will depend on future developments, all of which are highly uncertain and many of which are beyond the Company's control, including the severity of resurgences of COVID-19 caused by variant strains of the virus, the effectiveness of vaccines and attitudes toward receiving them, materials and supply chain constraints, labor shortages, the scope of governmental and other restrictions on travel, discretionary services and other activity, and public reactions to these developments.

Accounting Estimates

Management of the Company is required to make certain estimates, judgments, and assumptions during the preparation of its financial statements in accordance with GAAP. These estimates, judgments, and assumptions impact the reported amounts of assets, liabilities, revenue, and expenses and the related disclosure of assets and liabilities. Actual results could differ from these estimates.

On an ongoing basis, the Company evaluates its estimates and judgments, including those related to: the fair values of cash equivalents and marketable debt securities; the carrying value of accounts receivable, including the determination of the allowance for credit losses; the determination of the customer relationship period for certain costs to obtain a contract with a customer; the recoverability of right-of-use assets ("ROU assets"); the useful lives and recoverability of capitalized software, leasehold improvements, equipment, and definite-lived intangible assets; the recoverability of goodwill and indefinite-lived intangible assets; contingencies, unrecognized tax benefits; the liability for potential refunds and customer credits; the valuation allowance for deferred income tax assets; and the fair value of and forfeiture rates for stock-based awards, among others. The Company bases its estimates and judgments on historical experience, its forecasts and budgets, and other factors that the Company considers relevant.

Revenue Recognition

The Company accounts for a contract with a customer when it has approval and commitment from all authorized parties, the rights of the parties and payment terms are identified, the contract has commercial substance and collectability of consideration is probable. Revenue is recognized when control of the promised services or goods is transferred to our customers and in an amount that reflects the consideration the Company expects to be entitled to in exchange for those services or goods.

The Company's disaggregated revenue disclosures are presented in "Note 9 — Segment Information."

Ads and Leads Revenue

Ads and Leads revenue includes consumer connection revenue, which comprises fees paid by service professionals for consumer matches (regardless of whether the service professional ultimately provides the requested service), revenue from service professionals under contract for advertising, membership subscription revenue from service professionals and consumers, and revenue from other services. Consumer connection revenue varies based upon several factors, including the service requested, product experience offered, and geographic location of service. Consumer connection revenue is generally billed one week following a consumer match, with payment due upon receipt of invoice. The Company maintains a liability for potential

credits issued to services providers. Angi service professionals generally pay for advertisements in advance on a monthly or annual basis at the option of the service professional, with the average advertising contract term being approximately one year. Angi website, mobile and call center advertising revenue is recognized ratably over the contract term. Revenue from the sale of advertising in the Angie's List Magazine is recognized in the period in which the publication is distributed. Service professional membership subscription revenue is initially deferred upon receipt of payment and is recognized using the straight-line method over the applicable subscription period, which is typically one year. Angi prepaid consumer membership subscription fees are recognized as revenue using the straight-line method over the term of the applicable subscription period, which is typically one year.

Services Revenue

Services revenue primarily reflects revenue from pre-priced offerings by which the consumer requests services through the Company's platform and the Company engages a service professional to perform the service. Consumers are billed when a job is scheduled through the Services platform. Billing practices are governed by the contract terms of each project as negotiated with the consumer. Billings do not necessarily correlate with revenue recognized over time as this is based on the timing of when the consumer receives the promised services.

From January 1, 2020 through December 31, 2022, Services recorded revenue on a gross basis. Effective January 1, 2023, Angi Inc. modified the Services terms and conditions so that the service professional, rather than Angi, Inc., has the contractual relationship with the consumer to deliver the service and our performance obligation to the consumer is to connect them with the service professional. This change in contractual terms requires revenue to be reported as the net amount of what is received from the consumer after deducting the amounts owed to the service professional providing the service effective for all arrangements entered into after December 31, 2022. There is no impact to operating loss or Adjusted EBITDA from this change in revenue recognition. For the years ended December 31, 2022 and 2021, if Services revenue were recorded on a net basis, revenue would have been reduced by $242.6 million and $180.7 million, respectively.

International Revenue

International revenue primarily comprises consumer connection revenue for consumer matches and membership subscription revenue from service professionals and consumers.

Transaction Price

The objective of determining the transaction price is to estimate the amount of consideration the Company is due in exchange for its services or goods, including amounts that are variable. Contracts may include sales incentives, such as rebates, which are accounted for as variable consideration when estimating the transaction price. The Company also maintains a liability for potential future refunds and customer credits, which is recorded as a reduction of revenue. All estimates of variable consideration are based upon historical experience and customer trends. The Company determines the total transaction price, including an estimate of any variable consideration, at contract inception and reassesses this estimate each reporting period.

The Company excludes from the measurement of transaction price all taxes assessed by governmental authorities that are both (i) imposed on and concurrent with a specific revenue-producing transaction and (ii) collected from customers. Accordingly, such tax amounts are not included as a component of revenue or cost of revenue.

Arrangements with Multiple Performance Obligations

The Company's contracts with customers may include multiple performance obligations. For such arrangements, the Company allocates revenue to each performance obligation based on its relative standalone selling price. The Company generally determines standalone selling prices based on the prices charged to customers, which are directly observable or based on an estimate if not directly observable.

Practical Expedients and Exemptions

For contracts that have an original duration of one year or less, the Company uses the practical expedient available under Accounting Standards Codification ("ASC") 606 ("ASC 606"), applicable to such contracts and does not consider the time value of money.

As permitted under the practical expedient available under ASC 606, the Company does not disclose the value of unsatisfied performance obligations for (i) contracts with an original expected length of one year or less, (ii) contracts with variable consideration that is allocated entirely to unsatisfied performance obligations or to a wholly unsatisfied promise accounted for under the series guidance, and (iii) contracts for which the Company recognizes revenue at the amount which we have the right to invoice for services performed.

The Company also applies the practical expedient for sales commissions where the anticipated customer relationship period is one year or less as noted below.

Costs to Obtain a Contract with a Customer

The Company has determined that commissions paid to employees pursuant to certain sales incentive programs, meet the requirements to be capitalized as a cost of obtaining a contract. Capitalized sales commissions are amortized over the estimated customer relationship period and are included in "Selling and marketing expense" in the statement of operations. The Company calculates the anticipated customer relationship period as the average customer life, which is based on historical data. When customer renewals are expected and the renewal commission is not commensurate with the initial commission, the average customer life includes renewal periods. For sales incentive programs where the anticipated customer relationship period is one year or less, the Company has elected the practical expedient to expense the costs as incurred.

Beginning October 1, 2022, commissions earned on certain transactions within the Ads & Leads segment were expensed as incurred after determining the related customer relationship was less than one year.

The following table presents the capitalized sales commissions balances and balance sheet classification at the balance sheet dates:

Classification	December 31, 2023	December 31, 2022
	(In thousands)	
Other current assets	$34,927	$37,220
Other non-current assets	$ 3,528	$ 1,904

During the years ended December 31, 2023 and 2022, the Company recognized expense of $61.4 million and $77.4 million, respectively, related to the amortization of these capitalized costs.

Accounts Receivable, Net of the Allowance for Credit Losses

Accounts receivable include amounts billed and currently due from customers. The allowance for credit losses is based upon a number of factors, including the length of time accounts receivable are past due, the Company's previous loss history, the specific customer's ability to pay its obligation and any other forward-looking data regarding customers' ability to pay that is available. The time between the Company's issuance of an invoice and payment due date is not significant; customer payments that are not collected in advance of the transfer of promised services or goods are generally due no later than 30 days from invoice date.

Deferred Revenue

Deferred revenue consists of payments that are received or are contractually due in advance of the Company's performance obligation. The Company's deferred revenue is reported on a contract-by-contract basis at the end of each reporting period. The Company classifies deferred revenue as current when the

remaining term or expected completion of its performance obligation is one year or less. At December 31, 2022, the current and non-current deferred revenue balances were $50.1 million and less than $0.1 million, respectively, and during the year ended December 31, 2023, the Company recognized $48.0 million that was included in the deferred revenue balance as of December 31, 2022. At December 31, 2021, the current and non-current deferred revenue balances were $53.2 million and $0.1 million, respectively, and during the year ended December 31, 2022, the Company recognized $52.8 million of revenue that was included in the deferred revenue balance at December 31, 2021. The current and non-current deferred revenue balances at December 31, 2023 are $49.9 million and less than $0.1 million, respectively. Non-current deferred revenue is included in "Other long-term liabilities" in the balance sheet.

Fair Value Measurements

The Company categorizes its financial instruments measured at fair value into a fair value hierarchy that prioritizes the inputs used in pricing the asset or liability. The three levels of the fair value hierarchy are:

- Level 1: Observable inputs obtained from independent sources, such as quoted market prices for identical assets and liabilities in active markets.
- Level 2: Other inputs, which are observable directly or indirectly, such as quoted market prices for similar assets or liabilities in active markets, quoted market prices for identical or similar assets or liabilities in markets that are not active and inputs that are derived principally from or corroborated by observable market data. The fair values of the Company's Level 2 financial assets are primarily obtained from observable market prices for identical underlying securities that may not be actively traded. Certain of these securities may have different market prices from multiple market data sources, in which case an average market price is used.
- Level 3: Unobservable inputs for which there is little or no market data and require the Company to develop its own assumptions, based on the best information available in the circumstances, about the assumptions market participants would use in pricing the assets or liabilities.

The Company's non-financial assets, such as goodwill, intangible assets, ROU assets, capitalized software, leasehold improvements and equipment are adjusted to fair value only when an impairment is recognized. Such fair value measurements are based predominantly on Level 3 inputs.

Cash and Cash Equivalents

Cash and cash equivalents include cash and short-term investments, with maturities of less than 91 days from the date of purchase. Domestically, cash equivalents consist of AAA rated government money market funds, treasury discount notes, and time deposits. Internationally, there are no cash equivalents at December 31, 2023 and 2022.

Investments in Marketable Debt Securities

At times, the Company invests in marketable debt securities with active secondary or resale markets to ensure portfolio liquidity to fund current operations or satisfy other cash requirements as needed. Marketable debt securities are adjusted to fair value each quarter, and the unrealized gains and losses, net of tax, are included in accumulated other comprehensive income (loss) as a separate component of shareholders' equity. The specific-identification method is used to determine the cost of debt securities sold and the amount of unrealized gains and losses reclassified out of accumulated other comprehensive income (loss) into earnings. The Company reviews its debt securities for impairment, including from risk of credit loss, each reporting period. The Company recognizes an unrealized loss on debt securities in net loss when the impairment is determined to be other-than-temporary. Factors the Company considers in making such determination include the duration, severity and reason for the decline in value and the potential recovery and our intent to sell the debt security. The Company also considers whether it will be required to sell the security before recovery of its amortized cost basis and whether the amortized cost basis cannot be recovered because of credit losses. If an

impairment is considered to be other-than-temporary, the debt security will be written down to its fair value and the loss will be recognized within other income (expense), net. The Company held no marketable debt securities at December 31, 2023 and 2022.

Capitalized Software, Leasehold Improvements and Equipment

Capitalized software, leasehold improvements and equipment, including significant improvements, are recorded at cost or at fair value to the extent acquired in a business combination. Repairs and maintenance costs are expensed as incurred. Amortization of leasehold improvements, which is included in "Depreciation" in the statement of operations, and depreciation are computed using the straight-line method over the estimated useful lives of the assets, or, in the case of leasehold improvements, the lease term, if shorter.

Asset Category	Estimated Useful Lives
Capitalized software and computer equipment	2 to 3 Years
Furniture and other equipment	5 to 7 Years
Leasehold improvements	5 to 25 Years

The Company capitalizes certain internal use software costs including external direct costs utilized in developing or obtaining the software and compensation for personnel directly associated with the development of the software. Capitalization of such costs begins when the preliminary project stage is complete and ceases when the project is substantially complete and ready for its intended purpose. The net book value of capitalized internal use software was $92.3 million and $128.6 million at December 31, 2023 and 2022, respectively.

Business Combinations

The purchase price of each acquisition is attributed to the assets acquired and liabilities assumed based on their fair values at the date of acquisition, including identifiable intangible assets that either arise from a contractual or legal right or are separable from goodwill. The Company usually obtains the assistance of outside valuation experts to assist in the allocation of purchase price to the identifiable intangible assets acquired. While outside valuation experts may be used, management has ultimate responsibility for the valuation methods, models and inputs used and the resulting purchase price allocation. The excess purchase price over the value of net tangible and identifiable intangible assets acquired is recorded as goodwill and is assigned to the reporting unit(s) that is expected to benefit from the business combination as of the acquisition date.

Goodwill and Indefinite-Lived Intangible Assets

The Company assesses goodwill and indefinite-lived intangible assets for impairment annually as of October 1, or more frequently if an event occurs or circumstances change that would indicate that it is more likely than not that the fair value of a reporting unit or the fair value of an indefinite-lived intangible asset has declined below its carrying value. At October 1, 2023, the Company had four reporting units: Ads and Leads, Services, Roofing, and International. THR was sold on November 1, 2023 and is reflected as a discontinued operation in the Company's financial statements. See "Note 1 — Organization" for additional information.

When the Company elects to perform a qualitative assessment and concludes it is not more likely than not that the fair value of the reporting unit is less than its carrying value, no further assessment of that reporting unit's goodwill is necessary; otherwise, a quantitative assessment is performed and the fair value of the reporting unit is determined. If the carrying value of the reporting unit exceeds its estimated fair value, a goodwill impairment equal to the excess is recorded.

For the Company's annual goodwill test at October 1, 2023, a qualitative assessment of the Ads and Leads, Services, and International reporting units was performed by the Company to evaluate whether it is

more likely than not that the fair value of these reporting units was in excess of their respective carrying values. The primary factors that the Company considered in its qualitative assessment for each of these reporting units are described below:

- The Company considered the strong forecasted operating performance, in addition to actual operating results in the current year, of the Ads and Leads, Services, and International reporting units.
- The Company also considered the prior year annual valuations of the Ads and Leads, Services, and International reporting units prepared as of October 1, 2022, and valuations of the International reporting unit prepared approximate to, however, not as of, October 1, 2023, in connection with the issuance and/or settlement of equity awards that are denominated in the equity of this business.

Based on these factors we concluded that it is not more likely than not that the fair value of the reporting units is below their respective carrying amounts.

As of October 1, 2023, prior to its sale on November 1, 2023, the Roofing reporting unit had no goodwill or indefinite-lived intangible assets.

If and when a quantitative test is performed, the fair value of the Company's reporting units are determined using both an income approach based on discounted cash flows ("DCF") and a market approach. Determining fair value using a DCF analysis requires the exercise of significant judgment with respect to several items, including the amount and timing of expected future cash flows and appropriate discount rates. The expected cash flows used in the DCF analyses are based on the Company's most recent forecast and budget and, for years beyond the budget, the Company's estimates, which are based, in part, on forecasted growth rates. The discount rates used in the DCF analyses are intended to reflect the risks inherent in the expected future cash flows of the respective reporting units. Assumptions used in the DCF analyses, including the discount rate, are assessed based on the reporting units' current results and forecasted future performance, as well as macroeconomic and industry specific factors. Determining fair value using a market approach considers multiples of financial metrics based on both acquisitions and trading multiples of a selected peer group of companies. From the comparable companies, a representative market multiple is determined which is applied to financial metrics to estimate the fair value of a reporting unit. To determine a peer group of companies for our respective reporting units, we considered companies relevant in terms of consumer use, monetization model, margin and growth characteristics, and brand strength operating in their respective sectors.

While the Company has the option to qualitatively assess whether it is more likely than not that the fair values of its indefinite-lived intangible assets are less than their carrying values, the Company's policy is to determine the fair value of each of its indefinite-lived intangible assets annually as of October 1, in part, because the level of effort required to perform the quantitative and qualitative assessments is essentially equivalent. The Company determines the fair value of indefinite-lived intangible assets other than goodwill using an avoided royalty DCF valuation analysis. Significant judgments inherent in this analysis include the selection of appropriate royalty and discount rates and estimating the amount and timing of expected future cash flows. The discount rates used in the DCF analyses are intended to reflect the risks inherent in the expected future cash flows generated by the respective intangible assets. The royalty rates used in the DCF analyses are based upon an estimate of the royalty rates that a market participant would pay to license the Company's trade names and trademarks. Assumptions used in the avoided royalty DCF analyses, including the discount rate and royalty rate, are assessed annually based on the actual and projected cash flows related to the asset, as well as macroeconomic and industry specific factors. The discount rates used in the Company's annual indefinite-lived impairment assessment ranged from 15.0% to 17.0% in 2023 and 12.0% to 18.5% in 2022, and the royalty rates used ranged from 2.5% to 4.5% in 2023 and 2.0% to 4.5% in 2022.

The October 1, 2023 and 2021 annual assessments of goodwill and indefinite-lived intangible assets did not identify any impairments. The October 1, 2022 annual assessment identified a $26.0 million goodwill impairment at the Roofing reporting unit, which is reflected as a discontinued operation in the Company's financial statements.

Long-Lived Assets

Long-lived assets, other than goodwill and indefinite-lived intangible assets, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. The carrying value of a long-lived asset is not recoverable if it exceeds the sum of the undiscounted cash flows expected to result from the use and eventual disposition of the asset. If the carrying value is deemed not to be recoverable, an impairment loss is recorded equal to the amount by which the carrying value of the long-lived asset exceeds its fair value.

Advertising Costs

Advertising costs are expensed in the period incurred (when the advertisement first runs for production costs that are initially capitalized) and represent online marketing, including fees paid to search engines, offline marketing, which is primarily television advertising and partner-related payments to those who direct traffic to our platforms. Advertising expense was $459.4 million, $558.4 million and $553.8 million for the years ended December 31, 2023, 2022 and 2021, respectively.

Legal Costs

Legal costs, other than certain costs incurred to obtain financing, are expensed as incurred.

Debt Issuance Costs

Costs incurred to obtain financing are deferred and amortized to "Interest expense" in the statement of operations over the related financing period using the effective interest method. The Company records debt issuance costs as a direct reduction of the carrying value of the related debt.

Income Taxes

The Company is included within IAC's tax group for purposes of federal and consolidated state income tax return filings. In all periods presented, the income tax provision and/or benefit has been computed for the Company on an as if standalone, separate return basis and payments to and refunds from IAC for the Company's share of IAC's consolidated federal and state tax return liabilities/receivables calculated on this basis have been reflected within cash flows from operating activities in the statement of cash flows.

The Company accounts for income taxes under the liability method, and deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying values of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using enacted tax rates in effect for the year in which those temporary differences are expected to be recovered or settled. A valuation allowance is provided if it is determined that it is more likely than not that the deferred tax asset will not be realized. The Company records interest, net of any applicable related income tax benefit, for uncertain tax positions as a component of income tax expense. The Company elects to recognize the tax on Global Intangible Low-Taxed Income as a period expense in the period the tax is incurred.

The Company evaluates and accounts for uncertain tax positions using a two-step approach. Recognition (step one) occurs when the Company concludes that a tax position, based solely on its technical merits, is more-likely-than-not to be sustainable upon examination. Measurement (step two) determines the amount of benefit that is greater than 50% likely to be realized upon ultimate settlement with a taxing authority that has full knowledge of all relevant information. De-recognition of a tax position that was previously recognized would occur when the Company subsequently determines that a tax position no longer meets the more-likely-than-not threshold of being sustained.

Earnings Per Share

Basic earnings per share is computed by dividing net earnings attributable to Angi Inc. shareholders by the weighted average number of common shares outstanding during the period. Diluted earnings per share

reflects the potential dilution that could occur if stock appreciation rights, stock options and other commitments to issue common stock were exercised or equity awards vested resulting in the issuance of common stock that could share in the earnings of the Company. See "Note 13 — Loss per share" for additional information on dilutive securities.

Foreign Currency Translation and Transaction Gains and Losses

The financial position and operating results of foreign entities whose primary economic environment is based on their local currency are consolidated using the local currency as the functional currency. These local currency assets and liabilities are translated at the rates of exchange as of the balance sheet date, and local currency revenue and expenses of these operations are translated at average rates of exchange during the period. Translation gains and losses are included in accumulated other comprehensive income (loss) as a component of shareholders' equity. Transaction gains and losses resulting from assets and liabilities denominated in a currency other than the functional currency are included in the statement of operations as a component of other income (expense), net. Translation gains and losses relating to foreign entities that are liquidated or substantially liquidated are reclassified out of accumulated other comprehensive income (loss) into earnings. See "Note 14 — Financial Statement Details" for additional information regarding foreign currency exchange gains and losses.

Stock-Based Compensation

Stock-based compensation is measured at the grant date based on the fair value of the award and is expensed over the requisite service period. See "Note 10 — Stock-based Compensation" for a discussion of the Company's stock-based compensation plans.

Redeemable Noncontrolling Interests

Noncontrolling interests in the subsidiaries of the Company are ordinarily reported on the balance sheet within shareholders' equity, separately from the Company's equity. However, securities that are redeemable at the option of the holder and not solely within the control of the issuer must be classified outside of shareholders' equity. Accordingly, all noncontrolling interests that are redeemable at the option of the holder are presented outside of shareholders' equity in the balance sheet.

In connection with the acquisition of certain subsidiaries, management of these businesses has retained an ownership interest. The Company is party to fair value put and call arrangements with respect to these interests. These put and call arrangements allow management of these businesses to require the Company to purchase their interests or allow the Company to acquire such interests at fair value, respectively. The put arrangements do not meet the definition of a derivative instrument as the put agreements do not provide for net settlement. These put and call arrangements become exercisable by the Company and the counter-party at various dates in the future. These put arrangements are exercisable by the counter-party outside the control of the Company. Accordingly, to the extent that the redemption amount of these interests exceeds the value determined by normal noncontrolling interest accounting, the value of such interests is adjusted to the redemption amount with a corresponding adjustment to additional paid-in capital. During the year ended December 31, 2021, the remaining redeemable non-controlling interest was exercised for which the Company had recorded an adjustment of $0.4 million to increase this interest to its redemption amount. Adjustments to this interest required high levels of judgment and were based on various valuation techniques, including market comparables and discounted cash flow projections.

Certain Risks and Concentrations

The Company's business is subject to certain risks and concentrations including dependence on third-party technology providers, exposure to risks associated with online commerce security and credit card fraud.

Financial instruments, which potentially subject the Company to concentration of credit risk, consist of cash and cash equivalents. Cash and cash equivalents are maintained with financial institutions and are in excess of any applicable third-party insurance limits, such as the Federal Deposit Insurance Corporation and the Securities Investor Protection Corporation.

Recent Accounting Pronouncements

Recent Accounting Pronouncements Adopted by the Company

There are no recently issued accounting pronouncements adopted by the Company during the year ended December 31, 2023.

Recent Accounting Pronouncements Not Yet Adopted by the Company

ASU 2023-07 — Segment Reporting (Topic 280) — Improvements to Reportable Segment Disclosures

In November 2023, the FASB issued ASU 2023-07, which is intended to provide users of financial statements with more decision-useful information about reportable segments of a public business entity, primarily through enhanced disclosures of significant segment expenses. This ASU requires annual and interim disclosures of significant expenses that are regularly provided to the chief operating decision maker ("CODM") and included within each reported measure of segment profit or loss and an amount and description of its composition of other segment items. The provisions of this ASU also require entities to include all annual disclosures required by Topic 280 in the interim periods and permits entities to include multiple measures of a segment's profit or loss if such measures are used by the CODM to assess segment performance and determine allocation of resources, provided that at least one of those measures is determined in a way that is consistent with the measurement principles under GAAP. The amendments in ASU 2023-07 apply retrospectively and is effective for fiscal years beginning after December 15, 2023 and interim periods after December 15, 2024. Early adoption is permitted. The Company does not plan to early adopt and is currently assessing the impact of adopting the updated guidance on the financial statements.

ASU 2023-09 — Income Taxes (Topic 740) — Improvements to Income Tax Disclosures

In December 2023, the FASB issued ASU 2023-09, which establishes required categories and a quantitative threshold to the annual tabular rate reconciliation disclosure and disaggregated jurisdictional disclosures of income taxes paid. The guidance's annual requirements are effective for the Company beginning with the December 31, 2025 reporting period. Early adoption is permitted and prospective disclosure should be applied, however, retrospective disclosure is permitted. The Company is currently assessing the pronouncement and its impact on its income tax disclosures, but it does not impact the Company's results of operations, financial condition, or cash flows.

NOTE 3 — FINANCIAL INSTRUMENTS AND FAIR VALUE MEASUREMENTS

Fair Value Measurements

Instruments measured at fair value on a recurring basis

The following tables present the Company's financial instruments that are measured at fair value on a recurring basis:

	December 31, 2023			
	Quoted Market Prices for Identical Assets in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Fair Value Measurements
	(In thousands)			
Assets:				
Cash equivalents:				
Money market funds	$215,891	$ —	$ —	$215,891
Treasury discount notes	—	74,802	—	74,802
Total	$215,891	$74,802	$ —	$290,693

	December 31, 2022			
	Quoted Market Prices for Identical Assets in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Fair Value Measurements
	(In thousands)			
Assets:				
Cash equivalents:				
Money market funds	$189,000	$ —	$ —	$189,000
Treasury discount notes	—	24,961	—	24,961
Total	$189,000	$24,961	$ —	$213,961

Financial instruments measured at fair value only for disclosure purposes

The total fair value of the outstanding long-term debt, including the current portion, is estimated using observable market prices or indices for similar liabilities, which are Level 2 inputs, and was approximately $418.1 million and $368.8 million at December 31, 2023 and December 31, 2022, respectively.

NOTE 4 — GOODWILL AND INTANGIBLE ASSETS

Goodwill and intangible assets, net are as follows:

	December 31, 2023	December 31, 2022
	(In thousands)	
Goodwill	$ 886,047	$ 882,949
Intangible assets with indefinite lives	170,773	170,147
Intangible assets with definite lives, net of accumulated amortization	—	7,958
Total goodwill and intangible assets, net	$1,056,820	$1,061,054

The following table presents the balance of goodwill by reportable segment, including the changes in the carrying value of goodwill, for the year ended December 31, 2023:

	Balance at December 31, 2022	Foreign Currency Translation	Balance at December 31, 2023
		(In thousands)	
Ads and Leads	$761,133	$ —	$761,133
Services	51,197	—	51,197
International	70,619	3,098	73,717
Total goodwill	$882,949	$3,098	$886,047

The following table presents the balance of goodwill by reportable segment, including the changes in the carrying value of goodwill, for the year ended December 31, 2022:

	Balance at December 31, 2021	Deductions	Reporting Unit Allocation Adjustment	Impairments	Foreign Currency Translation	Balance at December 31, 2022
			(In thousands)			
North America	$843,193	$(816)	$(841,800)	$ —	$ (577)	$ —
Europe	72,846	—	(61,334)	—	(11,512)	—
Ads and Leads	—	—	761,133	—	—	761,133
Services	—	—	51,197	—	—	51,197
International	—	—	64,799	—	5,820	70,619
Total	916,039	(816)	(26,005)	—	(6,269)	882,949
Roofing (included in discontinued operations)	—	—	26,005	(26,005)	—	—
Total goodwill	$916,039	$(816)	$ —	$(26,005)	$ (6,269)	$882,949

Intangible assets with indefinite lives are trade names and trademarks acquired in various acquisitions. At December 31, 2023 and 2022, intangible assets with definite lives are as follows:

	December 31, 2023			
	Gross Carrying Amount	Accumulated Amortization	Net	Weighted-Average Useful Life (Years)
	(Dollars in thousands)			
Technology	$82,234	$(82,234)	$ —	5.5
Service professional relationships	5,619	(5,619)	—	2.5
Trade names	1,376	(1,376)	—	5.0
Total	$89,229	$(89,229)	$ —	5.3

	December 31, 2022			
	Gross Carrying Amount	Accumulated Amortization	Net	Weighted-Average Useful Life (Years)
	(Dollars in thousands)			
Technology	$ 82,114	$ (74,156)	$7,958	5.5
Service professional relationships	95,858	(95,858)	—	3.0
Trade names	1,327	(1,327)	—	5.0
Total	$179,299	$(171,341)	$7,958	4.1

The decreases in gross carrying amount and accumulated amortization of intangible assets from December 31, 2022 was due primarily to the retirement of certain fully amortized service professional relationships within Ads and Leads of $90.5 million as these assets are no longer in use.

See "Note 2 — Summary of Significant Accounting Policies" for further discussion of the Company's assessments of impairment of goodwill and indefinite-lived intangible assets.

NOTE 5 — LEASES

The Company primarily leases office space used in connection with its operations under various operating leases, the majority of which contain escalation clauses.

ROU assets represent the Company's right to use the underlying assets for the lease term and lease liabilities represent the present value of the Company's obligation to make payments arising from these leases. ROU assets and related lease liabilities are based on the present value of fixed lease payments over the lease term using the Company's incremental borrowing rate on the lease commencement date, the date of acquisition for any leases acquired in connection with a business combination, or January 1, 2019, the date ASC Topic 842, *Leases* ("ASC 842") was adopted, for leases that commenced prior to that date. The Company combines the lease and non-lease components of lease payments in determining ROU assets and related lease liabilities. If the lease includes one or more options to extend the term of the lease, the renewal option is considered in the lease term if it is reasonably certain the Company will exercise the option(s). Lease expense is recognized on a straight-line basis over the term of the lease. As permitted by ASC 842, leases with an initial term of twelve months or less ("short-term leases") are not recorded on the balance sheet.

Variable lease payments consist primarily of common area maintenance, utilities, and taxes, which are not included in the recognition of ROU assets and related lease liabilities. The Company's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

The following table presents the balances of ROU assets and lease liabilities within the balance sheet:

Leases	Balance Sheet Classification	December 31, 2023	December 31, 2022
		(In thousands)	
Assets:			
ROU assets	Other non-current assets	$45,971	$56,313
Liabilities:			
Current lease liabilities	Accrued expenses and other current liabilities	$17,797	$16,328
Long-term lease liabilities	Other long-term liabilities	51,550	72,688
Total lease liabilities		$69,347	$89,016

The following table presents the net lease expense within the statement of operations:

Lease Expense	Statement of Operations Classification	Years Ended December 31, 2023	2022	2021
			(In thousands)	
Fixed lease expense	Cost of revenue	$ 392	$ 437	$ 346
Fixed lease expense	Selling and marketing expense	116	2,669	7,305
Fixed lease expense	General and administrative expense	11,225	11,122	16,461
Fixed lease expense	Product development expense	399	492	1,232
Total fixed lease expense[(a)]		12,132	14,720	25,344
Variable lease expense	Selling and marketing expense	36	200	1,087
Variable lease expense	General and administrative expense	5,071	4,444	2,438
Variable lease expense	Product development expense	156	23	567
Total variable lease expense		5,263	4,667	4,092
Net lease expense		$17,395	$19,387	$29,436

(a) Includes (i) lease impairment charges of $0.7 million, $1.7 million, and $7.8 million, and (ii) sublease income of $4.3 million, $4.7 million, and $1.8 million for the years ended December 31, 2023, 2022, and 2021, respectively.

Maturities of lease liabilities as of December 31, 2023[(b)] are summarized below:

Years Ending December 31:	(In thousands)
2024	$21,396
2025	17,581
2026	16,865
2027	12,488
2028	6,266
Thereafter	5,329
Total	79,925
Less: Interest	10,578
Present value of lease liabilities	$69,347

(b) At December 31, 2023 there were no legally binding minimum lease payments for leases signed but not yet commenced.

The following are the weighted average assumptions used for lease term and discount rate:

	December 31,	
	2023	2022
Remaining lease term	4.4 years	5.3 years
Discount rate	6.59%	6.19%

The following is the supplemental cash flow information:

	Years Ended December 31,		
	2023	2022	2021
	(In thousands)		
ROU assets obtained in exchange for lease liabilities	$ 6,696	$ 2,911	$ 2,848
Derecognition of ROU assets due to termination or modification	$ (5,266)	$ (772)	$ (1,555)
Cash paid for amounts included in the measurement of lease liabilities	$25,806	$22,484	$23,285

NOTE 6 — LONG-TERM DEBT

Long-term debt consists of:

	December 31, 2023	December 31, 2022
	(In thousands)	
3.875% ANGI Group Senior Notes due August 15, 2028 ("ANGI Group Senior Notes"); interest payable each February 15 and August 15	$500,000	$500,000
Less: unamortized debt issuance costs	3,953	4,716
Total long-term debt, net	$496,047	$495,284

ANGI Group Senior Notes

ANGI Group, LLC ("ANGI Group"), a direct wholly-owned subsidiary of Angi Inc., issued the ANGI Group Senior Notes were issued on August 20, 2020. These notes may be redeemed at the redemption prices set forth below, plus accrued and unpaid interest thereon, if any, to the applicable redemption date, if redeemed during the twelve-month period beginning on August 15 of the years indicated below:

Year	Percentage
2023	101.938%
2024	100.969%
2025 and thereafter	100.000%

The indenture governing the ANGI Group Senior Notes contains a covenant that would limit ANGI Group's ability to incur liens for borrowed money in the event a default has occurred or ANGI Group's secured leverage ratio exceeds 3.75 to 1.0, provided that ANGI Group is permitted to incur such liens under certain permitted credit facilities indebtedness notwithstanding the ratio, all as defined in the indenture. At December 31, 2023, there were no limitations pursuant thereto.

ANGI Group Revolving Facility

The $250 million ANGI Group Revolving Facility, which otherwise would have expired on November 5, 2023, was terminated effective August 3, 2021. No amounts were ever drawn under the ANGI Group Revolving Facility prior to its termination.

ANGI Group Term Loan

During 2021, ANGI Group prepaid the remaining balance of $220.0 million of the ANGI Group Term Loan principal, which otherwise would have matured on November 5, 2023.

NOTE 7 — SHAREHOLDERS' EQUITY

Description of Class A Common Stock, Class B Convertible Common Stock and Class C Common Stock

Except as described herein, shares of Angi Inc. Class A common stock, Class B common stock and Class C common stock are identical.

Holders of Class A common stock are entitled to one vote per share on all matters to be voted upon by the stockholders. Holders of Class B common stock are entitled to ten votes per share on all matters to be voted upon by stockholders. Holders of Class C common stock have no voting rights, except as otherwise required by the laws of the State of Delaware, in which case holders of Class C common stock are entitled to one one-hundredth (1/100) of a vote per share. Holders of the Company's Class A common stock, Class B common stock and Class C common stock do not have cumulative voting rights in the election of directors.

Shares of Angi Inc. Class B common stock are convertible into shares of our Class A common stock at the option of the holder at any time on a share for share basis. Such conversion ratio will in all events be equitably preserved in the event of any recapitalization of Angi Inc. by means of a stock dividend on, or a stock split or combination of, our outstanding Class A common stock or Class B common stock, or in the event of any merger, consolidation or other reorganization of Angi Inc. with another corporation. Upon the conversion of a share of our Class B common stock into a share of our Class A common stock, the applicable share of Class B common stock will be retired and will not be subject to reissue. Shares of Class A common stock and Class C common stock have no conversion rights.

The holders of shares of Angi Inc. Class A common stock, Class B common stock and Class C common stock are entitled to receive, share for share, such cash dividends as may be declared by Angi Inc. Board of Directors out of funds legally available therefor. In the event of a liquidation, dissolution or winding up, holders of the Company's Class A common stock, Class B common stock and Class C common stock are entitled to receive ratably the assets available for distribution to the stockholders after payment of all liabilities and accrued but unpaid dividends and liquidation preferences on any outstanding preferred stock.

At December 31, 2023, IAC holds all 422.0 million outstanding shares of the Company's Class B common stock, and 2.6 million outstanding shares of the Company's Class A common stock, in total representing approximately 84.2% economic interest and 98.1% voting interest in the Company.

In the event that Angi Inc. issues or proposes to issue any shares of Angi Inc. Class A common stock, Class B common stock or Class C common stock (with certain limited exceptions), including shares issued upon the exercise, conversion or exchange of options, warrants and convertible securities, IAC will generally have a purchase right that permits it to purchase for fair market value, as defined in the agreement, up to such

number of shares of the same class as the issued shares as would (i) enable IAC to maintain the same ownership interest in the Company that it had immediately prior to such issuance or proposed issuance, with respect to issuances of our voting capital stock, or (ii) enable IAC to maintain ownership of at least 80.1% of each class of the Company's non-voting capital stock, with respect to issuances of our non-voting capital stock.

Reserved Common Shares

In connection with outstanding awards under our equity compensation plans, 42.9 million shares of Angi Inc. Class A common stock are reserved for future issuances at December 31, 2023.

Common Stock Repurchases

On March 9, 2020, the Board of Directors of Angi Inc. authorized the Company to repurchase up to 20 million shares of its common stock. During the fourth quarter of 2023, Angi Inc. put in place a share repurchase plan with the intent of utilizing the remaining shares in its stock repurchase authorization. The plan is subject to price and volume limitations. During the years ended December 31, 2023, 2022, and 2021, the Company repurchased 4.4 million, 1.0 million, and 3.2 million of Angi Inc. common stock for aggregate consideration, on a trade date basis, of $11.1 million, $8.1 million, and $35.4 million, respectively. At December 31, 2023, the Company has approximately 10.6 million shares remaining in its share repurchase authorization.

NOTE 8 — ACCUMULATED OTHER COMPREHENSIVE INCOME (LOSS)

The following tables present the components of accumulated other comprehensive income (loss), which exclusively consists of foreign currency translation adjustment:

	Years Ended December 31,		
	2023	2022	2021
	(In thousands)		
Balance at January 1	$(1,172)	$ 3,309	$ 4,637
Other comprehensive income (loss)	2,359	(4,481)	(1,328)
Balance at December 31	$ 1,187	$(1,172)	$ 3,309

There were no items reclassified out of accumulated other comprehensive income (loss) into earnings during the years ended December 31, 2023, 2022, and 2021. At December 31, 2023, 2022, and 2021, there was no tax benefit or provision on the accumulated other comprehensive income (loss).

NOTE 9 — SEGMENT INFORMATION

The overall concept that the Company employs in determining its operating segments is to present the financial information in a manner consistent with the CODM's view of the businesses. In addition, the Company considers how the businesses are organized as to segment management and the focus of the businesses with regards to the types of services or products offered or the target market.

The following table presents revenue by reportable segment:

	Years Ended December 31,		
	2023	2022	2021
		(In thousands)	
Revenue:			
Domestic			
Ads and Leads	$1,124,908	$1,282,061	$1,227,074
Services	118,033	381,256	289,948
Total Domestic	1,242,941	1,663,317	1,517,022
International	115,807	101,038	102,295
Total	$1,358,748	$1,764,355	$1,619,317

The following table presents the revenue of the Company's segments disaggregated by type of service:

	Years Ended December 31,		
	2023	2022	2021
		(In thousands)	
Domestic			
Ads and Leads:			
Consumer connection revenue	$ 781,089	$ 954,735	$ 898,422
Advertising revenue	290,799	265,466	252,206
Membership subscription revenue	52,305	60,411	68,062
Other revenue	715	1,449	8,384
Total Ads and Leads revenue	1,124,908	1,282,061	1,227,074
Services revenue	118,033	381,256	289,948
Total Domestic revenue	1,242,941	1,663,317	1,517,022
International			
Consumer connection revenue	92,635	71,851	68,686
Service professional membership subscription revenue	22,548	28,192	32,367
Advertising and other revenue	624	995	1,242
Total International revenue	115,807	101,038	102,295
Total revenue	$1,358,748	$1,764,355	$1,619,317

Geographic information about revenue and long-lived assets is presented below.

	Years Ended December 31,		
	2023	2022	2021
		(In thousands)	
Revenue			
United States	$1,242,092	$1,660,373	$1,514,930
All other countries	116,656	103,982	104,387
Total	$1,358,748	$1,764,355	$1,619,317

	December 31, 2023	December 31, 2022
	(In thousands)	
Long-lived assets (excluding goodwill and intangible assets):		
United States	$145,710	$199,744
All other countries	9,788	9,128
Total	$155,498	$208,872

The following tables present operating income (loss) and Adjusted EBITDA by reportable segment:

	Years Ended December 31,		
	2023	2022	2021
	(In thousands)		
Operating income (loss):			
Ads and Leads	$ 50,043	$ 85,593	$ 65,485
Services	(23,450)	(95,166)	(63,984)
Corporate	(61,377)	(61,794)	(56,196)
International	8,286	(4,253)	(13,222)
Total	$(26,498)	$(75,620)	$(67,917)

	Years Ended December 31,		
	2023	2022	2021
	(In thousands)		
Adjusted EBITDA[(a)]:			
Ads and Leads	$147,357	$168,952	$136,260
Services	8,123	(52,126)	(48,203)
Corporate	(50,076)	(49,866)	(46,066)
International	13,074	(481)	(6,615)
Total	$118,478	$ 66,479	$ 35,376

(a) The Company's primary financial measure and GAAP segment measure is Adjusted EBITDA, which is defined as operating income (loss) excluding: (1) stock-based compensation expense; (2) depreciation; and (3) acquisition-related items consisting of amortization of intangible assets and impairments of goodwill and intangible assets, if applicable.

We consider operating income (loss) to be the financial measure calculated and presented in accordance with GAAP that is most directly comparable to our segment reporting performance measure, Adjusted EBITDA. The following tables reconcile operating income (loss) for the Company's reportable segments and net loss attributable to Angi Inc. shareholders to Adjusted EBITDA:

	Year Ended December 31, 2023				
	Operating Income (Loss)	Stock-Based Compensation Expense	Depreciation	Amortization of Intangibles	Adjusted EBITDA[(b)]
			(In thousands)		
Ads and Leads	$ 50,043	$23,145	$66,211	$7,958	$147,357
Services	(23,450)	7,586	23,987	—	8,123
Corporate	(61,377)	11,301	—	—	(50,076)
International	8,286	1,382	3,406	—	13,074
Total	(26,498)	$43,414	$93,604	$7,958	$118,478
Interest expense	(20,137)				
Other income, net	18,427				
Loss from continuing operations before income taxes	(28,208)				
Income tax provision	(1,839)				
Net loss from continuing operations	(30,047)				
Loss from discontinued operations, net of tax	(10,264)				
Net loss	(40,311)				
Net earnings attributable to noncontrolling interests	(629)				
Net loss attributable to Angi Inc. shareholders	$(40,940)				

	Year Ended December 31, 2022				
	Operating Income (Loss)	Stock-Based Compensation Expense	Depreciation	Amortization of Intangibles	Adjusted EBITDA[(b)]
			(In thousands)		
Ads and Leads	$ 85,593	$19,972	$52,737	$10,650	$168,952
Services	(95,166)	18,012	21,904	3,124	(52,126)
Corporate	(61,794)	11,928	—	—	(49,866)
International	(4,253)	890	2,882	—	(481)
Total	(75,620)	$50,802	$77,523	$13,774	$ 66,479
Interest expense	(20,107)				
Other income, net	1,169				
Loss from continuing operations before income taxes	(94,558)				
Income tax benefit	5,390				
Net loss from continuing operations	(89,168)				
Loss from discontinued operations, net of tax	(38,814)				
Net loss	(127,982)				
Net earnings attributable to noncontrolling interests	(468)				
Net loss attributable to Angi Inc. shareholders	$(128,450)				

	Year Ended December 31, 2021				
	Operating Income (Loss)	Stock-Based Compensation Expense	Depreciation	Amortization of Intangibles	Adjusted EBITDA
			(In thousands)		
Ads and Leads	$ 65,485	$12,722	$46,025	$12,028	$136,260
Services	(63,984)	4,672	7,049	4,060	(48,203)
Corporate	(56,196)	10,121	—	9	(46,066)
International	(13,222)	656	5,951	—	(6,615)
Total	(67,917)	$28,171	$59,025	$16,097	$ 35,376
Interest expense	(23,485)				
Other expense, net	(2,510)				
Loss from continuing operations before income taxes	(93,912)				
Income tax benefit	29,894				
Net loss from continuing operations	(64,018)				
Loss from discontinued operations, net of tax	(6,476)				
Net loss	(70,494)				
Net earnings attributable to noncontrolling interests	(884)				
Net loss attributable to Angi Inc. shareholders	$(71,378)				

The following table presents capital expenditures by reportable segment:

	Years Ended December 31,		
	2023	2022	2021
		(In thousands)	
Capital expenditures:			
Ads and Leads	$44,692	$ 76,786	$50,026
Services	2,551	35,833	17,439
International	537	2,860	2,444
Total	$47,780	$115,479	$69,909

NOTE 10 — STOCK-BASED COMPENSATION

The Company currently has one active stock plan, which became effective on September 29, 2017 ("the Combination"). The 2017 plan ("the Plan") covers stock options, stock appreciation rights and RSU awards, including those that are linked to the achievement of the Company's stock price, known as market-based awards ("MSUs") and those that are linked to the achievement of a performance target, known as performance-based awards ("PSUs"), denominated in shares of Angi Inc. common stock, as well as provides for the future grant of these and other equity awards. The Plan authorizes the Company to grant awards to its employees, officers, directors and consultants. At December 31, 2023, there are 14.0 million shares available for grant under the Plan.

The Plan has a stated term of ten years, and provides that the exercise price of stock options and stock appreciation rights granted will not be less than the market price of the Company's common stock on the

grant date. The Plan does not specify grant dates or vesting schedules for awards, as those determinations have been delegated to the Compensation Committee of Angi Inc. Board of Directors (the "Committee"). Each grant agreement reflects the grant date and vesting schedule for that particular grant as determined by the Committee. Stock options and stock appreciation rights granted under the Plan generally vest in equal annual installments over a four-year period from the grant date. RSU awards granted under the Plan generally vest either in one installment over a three-year period, in equal annual installments over a four-year period, or a three-year graded schedule (installments of 57% in first year, 29% in second year, and 14% in last year), in each case, from the grant date. PSU and MSU awards granted subsequent to the Combination generally cliff vest in a two to five-year period from the grant date.

Stock-based compensation expense recognized in the statement of operations includes expense related to: (i) the Company's RSUs, stock options and stock appreciation rights; (ii) equity instruments denominated in shares of its subsidiaries; and (iii) IAC denominated restricted stock. The amount of stock-based compensation expense recognized is net of estimated forfeitures. The forfeiture rate is estimated at the grant date based on historical experience and revised, if necessary, in subsequent periods if actual forfeitures differ from the estimated rate. The expense ultimately recorded is for the awards that vest. At December 31, 2023, there was $47.8 million of unrecognized compensation cost, net of estimated forfeitures, related to all equity-based awards, which is expected to be recognized over a weighted average period of approximately 2.29 years.

The total income tax benefit recognized in the statement of operations for the years ended December 31, 2023, 2022, and 2021 related to all stock-based compensation is $2.9 million, $3.6 million, $16.8 million, respectively.

The aggregate income tax benefit/(detriment) recognized related to the exercise of stock options and stock appreciation rights for the years ended December 31, 2023, 2022, and 2021 is $0.1 million, $(0.3) million, and $10.8 million, respectively. There may be some delay in the timing of the realization of the cash benefit of the income tax deductions related to stock-based compensation because it will be dependent upon the amount and timing of future taxable income and the timing of estimated income tax payments.

Restricted Stock Units, Market-based Stock Units and Performance-based Stock Units

RSUs, MSUs, and PSUs are awards in the form of phantom shares or units denominated in a hypothetical equivalent number of shares of Angi Inc. common stock and with the value of each RSU and PSU equal to the fair value of Angi Inc. common stock at the date of grant. The value of each MSU is estimated using a lattice model that incorporates a Monte Carlo simulation of Angi Inc.'s stock price. Each RSU, MSU, and PSU grant is subject to service-based vesting, where a specific period of continued employment must pass before an award vests. MSUs also include market-based vesting, tied to the stock price of Angi Inc. before an award vests and PSUs include performance-based vesting, where certain performance targets set at the time of grant must be achieved before an award vests. For RSU grants, the expense is measured at the grant date as the fair value of Angi Inc. common stock and expensed as stock-based compensation over the vesting term. For MSU grants, the expense is measured using a lattice model and expensed as stock-based compensation over the requisite service period. For PSU grants, the expense is measured at the grant date as the fair value of Angi Inc. common stock and expensed as stock-based compensation over the vesting term if the performance targets are considered probable of being achieved.

Unvested RSUs, MSUs, and PSUs outstanding at December 31, 2023 and changes during the year ended December 31, 2023 are as follows:

	RSUs		MSUs		PSUs	
	Number of Shares	Weighted Average Grant Date Fair Value	Number of Shares[(a)]	Weighted Average Grant Date Fair Value	Number of Shares[(a)]	Weighted Average Grant Date Fair Value
			(Shares in thousands)			
Unvested at January 1, 2023	21,690	$7.04	409	$12.97	507	$ 3.14
Granted	17,152	2.53	55	2.51	—	—
Vested	(5,991)	7.42	(1)	12.83	—	—
Forfeited	(5,853)	5.66	(358)	12.49	(240)	13.51
Unvested at December 31, 2023	26,998	$4.39	105	$ 3.35	268	$10.42

(a) Included in the table are MSUs and PSUs which vests in varying amounts depending upon certain market or performance conditions. The MSUs and PSUs in the table above includes these awards at their maximum potential payout.

In 2019, the Company granted certain MSUs that were liability-classified stock-settled awards with a market condition. The fair value of these awards were subject to remeasurement each reporting period until settlement of the award occurred in 2021. The total expense related to these awards recognized was $10.4 million, equal to the number of shares vested based on the fair value of Angi Inc. common stock on the settlement date.

The weighted average fair value of RSUs granted during the years ended December 31, 2023, 2022, and 2021 based on market prices of Angi Inc. common stock on the grant date was $2.53, $4.95, and $12.73, respectively. The weighted average fair value of MSUs granted during the years ended December 31, 2023, 2022, and 2021 based on the lattice model, was $2.51, $6.39, and $14.39, respectively. There were no PSUs granted during the years ended December 31, 2023 and 2022. The weighted average fair value of PSUs granted during the year ended December 31, 2021, based on market prices of Angi Inc. common stock on the grant date, was $13.51. The total fair value of RSUs that vested during the years ended December 31, 2023, 2022, and 2021 was $15.5 million, $20.8 million and $35.2 million, respectively. The total fair value of MSUs that vested during the years ended December 31, 2023 and 2021 was $0.1 million and $2.1 million, respectively. There were no MSUs that vested during the year ended December 31, 2022. There were no PSUs that vested during the year ended December 31, 2023. The total fair value of PSUs that vested during the years ended December 31, 2022, and 2021 was $0.1 million, and $3.6 million, respectively.

Stock Options and Stock Appreciation Rights

Stock options and stock appreciation rights outstanding at December 31, 2023 and changes during the year ended December 31, 2023 were as follows:

	December 31, 2023			
	Shares	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (In Years)	Aggregate Intrinsic Value
	(Shares and intrinsic value in thousands)			
Outstanding at January 1, 2023	1,087	$ 9.26		
Granted	—	—		
Exercised	—	—		
Forfeited	—	—		
Expired	(192)	15.32		
Outstanding at December 31, 2023	895	$ 7.95	2.2	$—
Exercisable	895	$ 7.95	2.2	$—

The aggregate intrinsic value in the table above represents the difference between Angi Inc. closing stock price on the last trading day of 2023 and the exercise price, multiplied by the number of in-the-money awards that would have been exercised had all award holders exercised their awards on December 31, 2023. There were no stock options or stock appreciation rights exercised during the year ended December 31, 2023. The total intrinsic value of awards exercised during the years ended December 31, 2022 and 2021 is $1.3 million and $103.8 million, respectively.

The following table summarizes the information about stock options and stock appreciation rights outstanding and exercisable at December 31, 2023:

	Awards Outstanding & Exercisable		
Range of Exercise Prices	Outstanding at December 31, 2023	Weighted Average Remaining Contractual Life (In Years)	Weighted Average Exercise Price
	(Shares in thousands)		
$0.01 to $10.00	539	1.8	$ 4.74
$10.01 to $20.00	356	2.8	12.81
	895	2.2	$ 7.95

There were no stock options or stock appreciation rights granted by the Company for the years ended December 31, 2023, 2022, and 2021.

In connection with the Combination, the previously issued HomeAdvisor (US) stock appreciation rights were converted into Angi Inc. equity awards resulting in a modification charge. There were no charges included in stock-based compensation expense in the years ended December 31, 2023 and 2022 and charges of $0.9 million for the year ended December 31, 2021 related to these modified awards.

No cash was received from stock option exercises during the years ended December 31, 2023, 2022 and 2021 because they were net settled in shares of Angi Inc. common stock.

The Company currently settles all equity awards on a net basis with the Company remitting withholding taxes on behalf of the employee or on a gross basis with the Company issuing a sufficient number of Class A shares to cover the withholding taxes. In addition, at IAC's option, certain awards can be settled in either

Class A shares of Angi Inc. or shares of IAC common stock. If settled in IAC common stock, Angi Inc. reimburses IAC in either cash or through the issuance of Class A shares to IAC. Assuming all of the stock appreciation rights outstanding on December 31, 2023 were net settled on that date, ANGI would have issued no Class A shares (either to award holders or to IAC as reimbursement) and ANGI would have remitted nothing in cash for withholding taxes (assuming a 50% withholding rate). Assuming all other ANGI equity awards outstanding on December 31, 2023, were net settled on that date, including stock options, RSUs and subsidiary denominated equity described below, ANGI would have issued 13.8 million Class A shares and would have remitted $34.3 million in cash for withholding taxes (assuming a 50% withholding rate).

Equity Instruments Denominated in the Shares of Certain Subsidiaries

Angi Inc. has granted stock appreciation rights denominated in the equity of certain non-publicly traded subsidiaries to employees and management of those subsidiaries. These equity awards vest over a period of years, which is typically four years. The value of the stock appreciation rights is tied to the value of the common stock of these subsidiaries, which is determined by the Company using a variety of valuation techniques including a combination of market based and discounted cash flow valuation methodologies. Accordingly, these interests only have value to the extent the relevant business appreciates in value above the initial value utilized to determine the exercise price. These interests can have significant value in the event of significant appreciation. The fair value of these interests is generally determined by the board of directors of the applicable subsidiary when settled, which will occur at various dates through 2027 and are ultimately settled in IAC common stock or Angi Inc. Class A common stock, at IAC's election. These equity awards are settled on a net basis, with the award holder entitled to receive a payment in shares equal to the intrinsic value of the award at exercise less an amount equal to the required cash tax withholding payment. The expense associated with these equity awards is initially measured at fair value, using the Black-Scholes option pricing model, at the grant date and is expensed as stock-based compensation over the vesting term.

The plans under which these awards are granted establish specific settlement dates or liquidity events for which the valuation of the relevant subsidiary is determined for purposes of settlement of the awards.

NOTE 11 — BENEFIT PLANS

The Company's employees in the U.S. can elect to participate in a retirement savings program offered by IAC, which is qualified under Section 401(k) of the Internal Revenue Code. Under the IAC Inc. Retirement Savings Plan (the "IAC Plan"), participating employees may contribute up to 50% of their eligible compensation, but not more than statutory limits. The Company matches fifty cents for each dollar a participant contributes in the IAC Plan, with a maximum contribution of 3% of a participant's eligible earnings. The IAC Plan limits Company matching contributions to $10,000 per participant on an annual basis. Matching contributions under the IAC Plan for the years ended December 31, 2023, 2022, and 2021 were $8.1 million, $9.3 million, and $8.3 million, respectively. Matching contributions are invested in the same manner as each participant's voluntary contributions in the investment options provided under the IAC Plan. An investment option in the IAC Plan is IAC common stock, but neither participant nor matching contributions are required to be invested in IAC common stock.

The Company also has or participates in various benefit plans, primarily defined contribution plans, for its international employees. The Company's contributions to these plans for the years ended December 31, 2023, 2022, and 2021 were $1.0 million, $0.8 million, and $0.7 million, respectively.

NOTE 12 — INCOME TAXES

The Company is included within IAC's tax group for purposes of federal and consolidated state income tax return filings. In all periods presented, the income tax provision and/or benefit has been computed for the Company on an as if standalone, separate return basis and payments to and refunds from IAC for the Company's share of IAC's consolidated federal and state tax return liabilities/receivables calculated on this basis have been reflected within cash flows from operating activities in the statement of cash flows. The tax

sharing agreement between the Company and IAC governs the parties' respective rights, responsibilities and obligations with respect to tax matters, including responsibility for taxes attributable to the Company, entitlement to refunds, allocation of tax attributes and other matters and, therefore, ultimately governs the amount payable to or receivable from IAC with respect to income taxes. Any differences between taxes currently payable to or receivable from IAC under the tax sharing agreement and the current tax provision or benefit computed on an as if standalone, separate return basis for GAAP are reflected as adjustments to additional paid-in capital in the statement of shareholders' equity and financing activities within the statement of cash flows.

U.S. and foreign (loss) earnings from continuing operations before income taxes and noncontrolling interests are as follows:

	Years Ended December 31,		
	2023	2022	2021
	(In thousands)		
U.S.	$(38,717)	$(87,557)	$(80,182)
Foreign	10,509	(7,001)	(13,730)
Total	$(28,208)	$(94,558)	$(93,912)

The components of the income tax provision (benefit) are as follows:

	Years Ended December 31,		
	2023	2022	2021
	(In thousands)		
Current income tax provision:			
Federal	$ 1,373	$ 27	$ 36
State	3,198	2,650	3,038
Foreign	7,277	1,691	1,249
Current income tax provision	11,848	4,368	4,323
Deferred income tax (benefit) provision:			
Federal	(8,232)	(8,045)	(27,800)
State	(1,499)	(2,894)	(8,712)
Foreign	(278)	1,181	2,295
Deferred income tax benefit	(10,009)	(9,758)	(34,217)
Income tax provision (benefit)	$ 1,839	$(5,390)	$(29,894)

The tax effects of cumulative temporary differences that give rise to significant deferred tax assets and deferred tax liabilities are presented below. The valuation allowance relates to deferred tax assets for which it is more likely than not that the tax benefit will not be realized.

	December 31,	
	2023	2022
	(In thousands)	
Deferred tax assets:		
Net operating loss carryforwards	$182,386	$187,449
Tax credit carryforwards	26,519	21,588
Capitalized research & development expenditures	18,919	12,551
Long-term lease liabilities	16,288	21,902
Capitalized software, leasehold improvements and equipment, net	10,923	—
Other	33,485	30,980
Total deferred tax assets	288,520	274,470
Less valuation allowance	(76,821)	(64,877)
Net deferred tax assets	211,699	209,593
Deferred tax liabilities:		
Intangible assets, net	(46,571)	(47,016)
Right-of-use assets	(10,588)	(13,919)
Capitalized costs to obtain a contract with a customer	(9,004)	(9,264)
Capitalized software, leasehold improvements and equipment, net	—	(3,839)
Other	(92)	(83)
Total deferred tax liabilities	(66,255)	(74,121)
Net deferred tax assets	$145,444	$135,472

The portion of the December 31, 2023 deferred tax assets that will be payable to IAC pursuant to the tax sharing agreement, upon realization, is $92.9 million.

At December 31, 2023, the Company has federal and state NOLs of $480.9 million and $431.0 million, respectively, available to offset future income. Of these federal NOLs, $214.2 million can be carried forward indefinitely and $266.7 million, if not utilized, will expire at various times between 2033 and 2037. Of these state NOLs, $25.5 million will be carried forward indefinitely and $405.5 million will expire at various times primarily between 2025 and 2043. Federal and state NOLs of $396.6 million and $331.3 million, respectively, can be used against future taxable income without restriction and the remaining NOLs will be subject to limitations under Section 382 of the Internal Revenue Code, separate return limitations, and applicable state law. At December 31, 2023, the Company has foreign NOLs of $329.9 million available to offset future income. Of these foreign NOLs, $317.5 million can be carried forward indefinitely and $12.4 million, if not utilized, will expire at various times between 2038 and 2043. During 2023, the Company recognized tax benefits related to NOLs of $0.5 million.

At December 31, 2023, the Company has tax credit carryforwards of $34.1 million relating to federal and state tax credits for research activities. Of these credit carryforwards, $1.7 million can be carried forward indefinitely and $32.4 million, if not utilized, will expire between 2024 and 2043.

The Company regularly assesses the realizability of deferred tax assets considering all available evidence including, to the extent applicable, the nature, frequency and severity of prior cumulative losses, forecasts of future taxable income, tax filing status, the duration of statutory carryforward periods, available tax planning and historical experience. At December 31, 2023, the Company has a U.S. gross deferred tax asset of $209.6 million that the Company expects to fully utilize on a more likely than not basis.

During 2023, the Company's valuation allowance increased by $11.9 million primarily due to an increase in unbenefited capital losses, foreign NOLs, and currency translation adjustments. At December 31, 2023, the

Company has a valuation allowance of $76.8 million related to the portion of NOLs and other items for which it is more likely than not that the tax benefit will not be realized.

A reconciliation of the income tax provision (benefit) to the amounts computed by applying the statutory federal income tax rate to earnings (loss) from continuing operations before income taxes is shown as follows:

	Years Ended December 31,		
	2023	2022	2021
		(In thousands)	
Income tax (benefit) at the federal statutory rate of 21%	$(5,924)	$(19,857)	$(19,722)
State income taxes, net of effect of federal tax benefit	1,510	362	(1,040)
Research credit	(4,912)	(7,123)	(2,431)
Stock-based compensation	4,546	3,917	(13,643)
Non-deductible executive compensation	3,514	4,731	3,312
Unbenefited losses	3,352	7,106	1,610
Net adjustment related to the reconciliation of income tax provision accruals to tax returns	(2,430)	(1,212)	335
Foreign income taxed at a different statutory tax rate	1,216	5,355	2,872
Change in judgement on beginning of the year valuation allowance	399	966	(4,165)
Deferred tax adjustment for enacted changes in tax law and rates	99	178	768
Other, net	469	187	2,210
Income tax provision (benefit)	$ 1,839	$ (5,390)	$(29,894)

A reconciliation of the beginning and ending amount of unrecognized tax benefits, excluding interest, is as follows:

	December 31,		
	2023	2022	2021
		(In thousands)	
Balance at January 1	$6,181	$ 6,298	$5,268
Additions based on tax positions related to the current year	1,564	1,342	1,317
Additions for tax positions of prior years	545	1,006	264
Reductions for tax positions of prior years	(88)	—	(91)
Settlements	(188)	(2,465)	(460)
Balance at December 31	$8,014	$ 6,181	$6,298

The Company recognizes interest and, if applicable, penalties related to unrecognized tax benefits in the income tax provision. At December 31, 2023 and 2022, accruals for interest are not material and there are no accruals for penalties.

The Company's income taxes are routinely under audit by federal, state, local and foreign authorities as a result of previously filed separate company and consolidated tax returns with IAC. These audits include questioning the timing and the amount of income and deductions and the allocation of income and deductions among various tax jurisdictions. On June 27, 2023 the Joint Committee of Taxation completed its review of the federal income tax returns for the years ended December 31, 2013 through 2019, which includes the operations of the Company, and approved the audit settlement previously agreed to with the Internal Revenue Service. The statutes of limitations for the years 2013 through 2019 expired December 31, 2023. Returns filed in various other jurisdictions are open to examination for tax years beginning with 2013. Income taxes payable

include unrecognized tax benefits considered sufficient to pay assessments that may result from the examination of prior year tax returns. The Company considers many factors when evaluating and estimating its tax positions and tax benefits, which may not accurately anticipate actual outcomes and, therefore, may require periodic adjustment. Although management currently believes changes in unrecognized tax benefits from period to period and differences between amounts paid, if any, upon resolution of issues raised in audits and amounts previously provided will not have a material impact on the liquidity, results of operations, or financial condition of the Company, these matters are subject to inherent uncertainties and management's view of these matters may change in the future.

At December 31, 2023 and 2022, the Company has unrecognized tax benefits, including interest, of $8.1 million and $6.2 million respectively; all of which are for tax positions included in IAC's consolidated tax return filings. If unrecognized tax benefits at December 31, 2023 are subsequently recognized, the income tax provision would be reduced by $7.6 million. The comparable amount as of December 31, 2022 is $5.8 million. The Company believes it is reasonably possible that its unrecognized tax benefits could decrease by $0.2 million by December 31, 2024 due to settlements, all of which would reduce the income tax provision.

NOTE 13 — LOSS PER SHARE

The following table sets forth the computation of basic and diluted loss per share attributable to Angi Inc. Class A and Class B Common Stock shareholders:

	Years Ended December 31,					
	2023		2022		2021	
	Basic	Diluted	Basic	Diluted	Basic	Diluted
	(In thousands, except per share data)					
Numerator:						
Net loss from continuing operations	$ (30,047)	$ (30,047)	$ (89,168)	$ (89,168)	$ (64,018)	$ (64,018)
Net earnings attributable to noncontrolling interests of continuing operations	(629)	(629)	(468)	(468)	(884)	(884)
Net loss from continuing operations attributable to Angi Inc. Class A and Class B Common Stock shareholders	(30,676)	(30,676)	(89,636)	(89,636)	(64,902)	(64,902)
Loss from discontinued operations, net of taxes	(10,264)	(10,264)	(38,814)	(38,814)	(6,476)	(6,476)
Net loss attributable to Angi Inc. Class A and Class B Common Stock shareholders	$ (40,940)	$ (40,940)	$(128,450)	$(128,450)	$ (71,378)	$ (71,378)
Denominator:						
Weighted average basic Class A and Class B common stock shares outstanding	505,900	505,900	503,008	503,008	502,761	502,761
Dilutive securities[(a)(b)]	—	—	—	—	—	—
Denominator for loss per share – weighted average shares	505,900	505,900	503,008	503,008	502,761	502,761
Loss per share:						
Loss per share from continuing operations	$ (0.06)	$ (0.06)	$ (0.18)	$ (0.18)	$ (0.13)	$ (0.13)
Loss per share from discontinued operations, net of tax	(0.02)	(0.02)	(0.08)	(0.08)	(0.01)	(0.01)
Loss per share attributable to Angi Inc. Class A and Class B Common Stock shareholders	$ (0.08)	$ (0.08)	$ (0.26)	$ (0.26)	$ (0.14)	$ (0.14)

(a) If the effect is dilutive, weighted average common shares outstanding include the incremental shares that would be issued upon the assumed exercise of stock options and subsidiary denominated equity and vesting of restricted stock units ("RSUs"). For the years ended December 31, 2023, 2022, and 2021, 28.5 million, 23.6 million, and 17.5 million of potentially dilutive securities, respectively, were excluded from the calculation of diluted earnings per share because their inclusion would have been anti-dilutive. Accordingly, the weighted average basic shares outstanding were used to compute all loss per share amounts.

(b) MSUs and PSUs are considered contingently issuable shares. Shares issuable upon exercise or vesting of MSUs and PSUs are included in the denominator for earnings per share if (i) the applicable market or performance condition(s) has been met and (ii) the inclusion of the MSUs and PSUs is dilutive for the respective reporting periods. For the years ended December 31, 2023, 2022, and 2021, 0.5 million, 0.8 million and 2.2 million underlying market-based awards and PSUs, respectively, were excluded from the calculation of diluted loss per share because the market or performance condition(s) had not been met.

NOTE 14 — FINANCIAL STATEMENT DETAILS

Cash and Cash Equivalents and Restricted Cash

The following table provides a reconciliation of cash and cash equivalents and restricted cash reported within the accompanying balance sheet to the total amounts shown in the accompanying statement of cash flows:

	December 31,			
	2023	2022	2021	2020
	(In thousands)			
Cash and cash equivalents	$364,044	$321,155	$428,136	$812,705
Restricted cash included in other current assets	—	107	156	407
Restricted cash included in other non-current assets	257	371	693	449
Restricted cash included in other non-current assets of discontinued operations	—	503	500	—
Total cash and cash equivalents, and restricted cash as shown on the statement of cash flows	$364,301	$322,136	$429,485	$813,561

Restricted cash included in "Other current assets" in the balance sheet at December 31, 2022 primarily consisted of cash reserved to fund insurance claims.

Restricted cash included in "Other current assets" in the balance sheet at December 31, 2021 primarily consisted of funds collected from service providers for disputed payments which were not settled as of the period end in addition to cash reserved to fund insurance claims.

Restricted cash included in "Other current assets" in the balance sheet at December 31, 2020 primarily consists of cash received from customers at Angi Inc. through the Handy platform, representing funds collected for payment to service providers, which were not settled as of the period end.

Restricted cash included in "Other non-current assets" in the balance sheets for all periods presented above primarily consisted of deposits related to leases. Restricted cash included in "Other non-current assets" in the balance sheet at December 31, 2020 also included cash reserved to fund consumer claims.

Credit Losses

The following table presents the changes in the allowance for credit loss for the years ended December 31, 2023 and 2022:

	December 31,	
	2023	2022
	(In thousands)	
Balance at January 1	$ 38,846	$ 28,712
Current period provision for credit losses	79,385	104,261
Write-offs charged against the allowance for credit loss	(98,649)	(99,469)
Recoveries collected	5,102	5,342
Balance at December 31	$ 24,684	$ 38,846

	December 31,	
	2023	2022
	(In thousands)	
Other current assets:		
Capitalized sales commissions	$34,927	$37,220
Prepaid expenses	21,485	23,997
Other	15,663	3,113
Other current assets	$72,075	$64,330

	December 31,	
	2023	2022
	(In thousands)	
Capitalized software, leasehold improvements and equipment, net:		
Capitalized software and computer equipment	$ 275,377	$ 247,176
Leasehold improvements	27,140	27,780
Furniture and other equipment	10,387	10,819
Projects in progress	11,980	12,653
Capitalized software, leasehold improvements and equipment	324,884	298,428
Accumulated depreciation and amortization	(215,357)	(145,869)
Capitalized software, leasehold improvements and equipment, net	$ 109,527	$ 152,559

	December 31,	
	2023	2022
	(In thousands)	
Accrued expenses and other current liabilities:		
Accrued employee compensation and benefits	$ 59,765	$ 48,990
Accrued advertising expense	25,648	40,312
Current lease liabilities	17,797	16,328
Current legal liabilities	5,242	13,585
Other	70,877	63,579
Accrued expenses and other current liabilities	$179,329	$182,794

Other income (expense), net

	Years Ended December 31,		
	2023	2022	2021
	(In thousands)		
Interest income	$17,149	$ 4,529	$ 238
Foreign exchange gains (losses)	1,238	(3,364)	(1,656)
Loss on extinguishment of debt[(a)]	—	—	(1,110)
Gain on the sale of a business	—	—	31
Other	40	4	(13)
Other income (expense), net	$18,427	$ 1,169	$(2,510)

(a) Represents the write-off of deferred debt issuance costs related to the ANGI Group Term Loan, which was repaid in its entirety during the second quarter of 2021.

Supplemental Disclosure of Cash Flow Information:

	Years Ended December 31,		
	2023	2022	2021
		(In thousands)	
Cash (paid) received during the year for:			
Interest expense – third-party	$(19,375)	$(19,375)	$(21,450)
Income tax payments, including amounts paid to IAC for Angi Inc.'s share of IAC's consolidated tax liability	$ (4,957)	$ (1,551)	$ (4,647)
Income tax refunds, including amounts received from IAC for Angi Inc.'s share of IAC's consolidated tax liability	$ 282	$ 396	$ 587

NOTE 15 — CONTINGENCIES

In the ordinary course of business, the Company is a party to various lawsuits. The Company establishes accruals for specific legal matters when it determines that the likelihood of an unfavorable outcome is probable and the loss is reasonably estimable. The total accrual for legal matters is $5.2 million and $13.5 million at December 31, 2023 and 2022, respectively. Management has also identified certain other legal matters where it believes an unfavorable outcome is not probable and, therefore, no accrual is established. Although management currently believes that resolving claims against the Company, including claims where an unfavorable outcome is reasonably possible and for which the Company cannot estimate a loss or range of loss, will not have a material impact on the liquidity, results of operations, or financial condition of the Company, these matters are subject to inherent uncertainties and management's view of these matters may change in the future. The Company also evaluates other contingent matters, including uncertain income tax positions and non-income tax contingencies, to assess the likelihood of an unfavorable outcome and estimated extent of potential loss. It is possible that an unfavorable outcome of one or more of these lawsuits or other contingencies could have a material impact on the liquidity, results of operations, or financial condition of the Company. See "Note 12 — Income Taxes" for information related to uncertain income tax positions.

NOTE 16 — DISCONTINUED OPERATIONS

On November 1, 2023, Angi Inc. completed the sale of 100% of its wholly-owned subsidiary, THR, and has reflected it as a discontinued operation in its financial statements. The financial information for prior periods has been recast to conform to the current year presentation.

The components of assets and liabilities of discontinued operations in the balance sheet at December 31, 2022 consisted of the following:

	December 31, 2022
	(In thousands)
Current assets	
Accounts receivable, net	$21,913
Other current assets	4,837
Total current assets of discontinued operations	$26,750
Non-current assets	
Capitalized software, leasehold improvements and equipment, net	$ 1,296
Deferred income taxes	7,082
Other non-current assets, net	1,680
Total non-current assets of discontinued operations	$10,058
Current liabilities	
Accounts payable	$ 469
Deferred revenue	778
Accrued expenses and other current liabilities	17,221
Total current liabilities of discontinued operations	$18,468
Non-current liabilities	
Lease liability	$ 919
Total non-current liabilities of discontinued operations	$ 919

The components of the loss from discontinued operations for the periods January 1, 2023 through November 1, 2023, and the years ended December 31, 2022 and 2021 in the statement of operations consisted of the following:

	January 1 through November 1,	Years Ended December 31,	
	2023	2022	2021
	(in thousands)		
Revenue	$ 90,557	$137,509	$68,028
Operating costs and expenses:			
Cost of revenue (exclusive of depreciation shown separately below)	61,476	100,664	51,219
Selling and marketing expense	17,667	33,041	14,006
General and administrative expense	14,516	27,070	10,845
Depreciation	555	747	221
Amortization of intangibles	—	667	333
Goodwill impairment	—	26,005	—
Total operating costs and expenses	94,214	188,194	76,624
Operating loss from discontinued operations	(3,657)	(50,685)	(8,596)
Interest income	9	9	1
Loss on sale of discontinued operations	(1,213)	—	—
Loss from discontinued operations before tax	(4,861)	(50,676)	(8,595)
Income tax (provision) benefit	(5,403)	11,862	2,119
Loss from discontinued operations, net of tax	$(10,264)	$ (38,814)	$ (6,476)

During the period in which Angi owned the Roofing segment, the Ads & Leads segment provided services totaling $3.5 million, $10.3 million, and $1.9 million to the Roofing segment for the period January 1, 2023 through November 1, 2023, and the years ended December 31, 2022 and 2021, respectively. Such services have and will continue in periods subsequent to the disposition of the Roofing segment on November 1, 2023.

NOTE 17 — RELATED PARTY TRANSACTIONS WITH IAC

Allocation of CEO Compensation and Certain Expenses

Joseph Levin, CEO of IAC and Chairman of Angi, was appointed CEO of Angi on October 10, 2022. For the year ended December 31, 2023 and for the period from October 10, 2022 to December 31, 2022, IAC allocated $9.4 million and $2.1 million, respectively, in costs to Angi (including salary, benefits, stock-based compensation and costs related to the CEO's office). These costs were allocated from IAC based upon time spent on Angi by Mr. Levin. Management considers the allocation method to be reasonable. The allocated costs also include costs directly attributable to the Company that were initially paid for by IAC and billed by IAC to the Company.

The Combination and Related Agreements

The Company and IAC, in connection with the Combination, entered into a contribution agreement; an investor rights agreement; a services agreement; a tax sharing agreement; and an employee matters agreement, which collectively govern the relationship between IAC and Angi Inc.

Contribution Agreement

The contribution agreement sets forth the agreements between the Company and IAC regarding the principal transactions necessary for IAC to separate the Angi business from IAC's other businesses, as well as governs certain aspects of our relationship. Under the contribution agreement, the Company agreed to assume all of the assets and liabilities related to the Angi business and agreed to indemnify IAC against any losses arising out of any breach by the Company of the contribution agreement or the other transaction related agreements described below. IAC also agreed to indemnify the Company against any losses arising out of any breach by IAC of the contribution agreement or any of the other transaction related agreements described below.

Investor Rights Agreement

The investor rights agreement provides IAC with certain registration, preemptive, and governance rights related to the Company and the shares of its capital stock it holds, as well as certain governance rights for the benefit of stockholders other than IAC.

Services Agreement

The services agreement governs services that IAC provides to the Company including, among others: (i) assistance with certain legal, M&A, finance, risk management, internal audit and treasury functions, health and welfare benefits, information security services and insurance and tax affairs, including assistance with certain public company and unclaimed property reporting obligations and (ii) accounting, investor relations services, and tax compliance services. The services agreement automatically renews annually for an additional one-year period for so long as IAC continues to own a majority of the outstanding shares of the Company's common stock.

For the years ended December 31, 2023, 2022 and 2021, the Company was charged $6.4 million, $3.8 million and $3.9 million, respectively, by IAC for services rendered pursuant to the services agreement. There were no outstanding payables pursuant to the services agreement as of December 31, 2023. There was $0.8 million in outstanding payables pursuant to the services agreement as of December 31, 2022.

Tax Sharing Agreement

The tax sharing agreement governs the rights, responsibilities, and obligations of the Company and IAC with respect to tax liabilities and benefits, entitlements to refunds, preparation of tax returns, tax contests and other tax matters regarding U.S. federal, state, local and foreign income taxes. Under the tax sharing agreement, the Company is generally responsible and required to indemnify IAC for: (i) all taxes imposed with respect to any consolidated, combined or unitary tax return of IAC or its subsidiaries that includes the Company or any of its subsidiaries to the extent attributable to the Company or any of its subsidiaries, as determined under the tax sharing agreement, and (ii) all taxes imposed with respect to any of the Company's or its subsidiaries' consolidated, combined, unitary or separate tax returns.

At December 31, 2023 and 2022, the Company had outstanding payables of $2.1 million and $1.4 million, respectively, due to IAC pursuant to the tax sharing agreement, which are included in "Accrued expenses and other current liabilities," in the balance sheet. There were no payments to or refunds from IAC pursuant to this agreement during the years ended December 31, 2023 and 2022. There were $1.5 million of payments to IAC pursuant to this agreement during the year ended December 31, 2021.

Employee Matters Agreement

The employee matters agreement addresses certain compensation (including stock-based compensation) and benefit issues related to the allocation of liabilities associated with: (i) employment or termination of employment, (ii) employee benefit plans and (iii) equity awards. Under the employee matters agreement, the Company's employees participate in IAC's U.S. health and welfare plans, 401(k) plan and flexible benefits plan and the Company reimburses IAC for the costs of such participation. In the event IAC no longer retains shares representing at least 80% of the aggregate voting power of shares entitled to vote in the election of the Company's Board of Directors, Angi will no longer participate in IAC's employee benefit plans, but will establish its own employee benefit plans that will be substantially similar to the plans sponsored by IAC prior to the Combination.

In addition, the employee matters agreement requires the Company to reimburse IAC for the cost of any IAC equity awards held by Angi current and former employees, with IAC having the ability to elect to receive payment in cash or shares of our Class B common stock. This agreement also provides that IAC has the ability to require that stock appreciation rights granted prior to the closing of the Combination and equity awards denominated in shares of our subsidiaries to be settled in either shares of our Class A common stock or IAC common stock. To the extent that shares of IAC common stock are issued in settlement of these awards, the Company is obligated to reimburse IAC for the cost of those shares by issuing shares of our Class A common stock in the case of stock appreciation rights granted prior to the closing of the Combination and shares of our Class B common stock in the case of equity awards denominated in shares of our subsidiaries.

Lastly, pursuant to the employee matters agreement, in the event of a distribution of Angi Inc. capital stock to IAC stockholders in a transaction intended to qualify as tax-free for U.S. federal income tax purposes, the Compensation and Human Capital Committee of the IAC Board of Directors has the exclusive authority to determine the treatment of outstanding IAC equity awards. Such authority includes (but is not limited to) the ability to convert all or part of IAC equity awards outstanding immediately prior to the distribution into equity awards denominated in shares of our Class A Common Stock, which we would be obligated to assume and which would be dilutive to our stockholders.

During the years ended December 31, 2023 and 2022, there have been no IAC equity awards held by Angi Inc. employees exercised or vested, and no exercises and settlements of stock appreciation rights, that would require, pursuant to the employee matters agreement, reimbursement to IAC in Class A and Class B common stock.

During the year ended December 31, 2021, pursuant to the employee matters agreement, 2.6 million shares of Class A common stock were issued to a subsidiary of IAC as reimbursement for IAC common stock issued in connection with the exercise and settlement of certain stock appreciation rights and 0.2 million

shares of Angi Inc. Class B common stock were issued to a subsidiary of IAC as reimbursement for shares of IAC common stock in connection with the exercise and vesting of IAC equity awards held by Angi Inc. employees.

Other Arrangements

Additionally, the Company subleases office space to IAC and charged rent pursuant to a lease agreement of $0.6 million, $1.7 million, and $1.6 million for the years ended December 31, 2023, 2022, and 2021, respectively. IAC subleases office space to the Company and charged rent pursuant to a lease agreement of $1.3 million, $1.3 million, and $0.6 million for the years ended December 31, 2023, 2022 and 2021, respectively. At December 31, 2023, the Company has an outstanding receivable of $0.3 million due from IAC pursuant to the sublease agreements. This amount is included in “Other non-current assets” in the balance sheet. At December 31, 2022, there were no outstanding receivables due from IAC or payables due to IAC pursuant to the sublease agreements.

The Company incurred advertising expense of $6.5 million, $7.0 million, and $1.0 million for the years ended December 31, 2023, 2022 and 2021, respectively, related to advertising and audience targeted advertising purchased from another IAC owned business. At December 31, 2023 and December 31, 2022, there were related outstanding payables of $2.2 million and $1.1 million, respectively, included in “Accrued expenses and other current liabilities” in the balance sheet.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

Not applicable.

Item 9A. Controls and Procedures

Conclusion Regarding the Effectiveness of the Company's Disclosure Controls and Procedures

As required by Rule 13a-15(b) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), management, including our Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), conducted an evaluation, as of the end of the period covered by this report, of the effectiveness of the Company's disclosure controls and procedures as defined in Exchange Act Rule 13a-15(e). Based on this evaluation, our CEO and CFO concluded that the Company's disclosure controls and procedures were effective as of the end of the period covered by this report.

Management's Report on Internal Control Over Financial Reporting

Management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rule 13a-15(f) under the Exchange Act) for the Company. The Company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States. Management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2023. In making this assessment, management used the criteria for effective internal control over financial reporting described in "Internal Control — Integrated Framework" issued by the Committee of Sponsoring Organizations of the Treadway Commission in 2013. Based on this assessment, management has determined that, as of December 31, 2023, the Company's internal control over financial reporting is effective. The effectiveness of our internal control over financial reporting as of December 31, 2023 has been audited by Ernst & Young LLP, an independent registered public accounting firm, as stated in their attestation report, included herein.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Changes in Internal Control Over Financial Reporting

During the quarter ended December 31, 2023, there have been no other changes in our internal control over financial reporting identified in management's evaluation pursuant to Rules 13a-15(f) and 15d-15(f) of the Exchange Act that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. See Item 8. Consolidated Financial Statements and Supplementary Data and Report of Independent Registered Public Accounting Firm, which reports are incorporated herein by reference.

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Angi Inc.

Opinion on Internal Control Over Financial Reporting

We have audited Angi Inc. and subsidiaries' internal control over financial reporting as of December 31, 2023, based on criteria established in *Internal Control — Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Angi Inc. and subsidiaries (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2023, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheet of the Company as of December 31, 2023 and 2022, the related consolidated statements of operations, comprehensive operations, shareholders' equity, and cash flows for each of the three years in the period ended December 31, 2023, and the related notes and financial statement schedule listed in the Index at Item 15(a) and our report dated February 29, 2024 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

New York, New York
February 29, 2024

Item 9B. Other Information

Rule 10b5-1 Trading Plans

No director or officer of the Company adopted or terminated a Rule 10b5-1 trading plan or non-Rule 10b5-1 trading arrangement (as such term is defined in Item 408(a) of Regulation S-K) during the quarter ended December 31, 2023.

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

PART III

The information required by Part III (Items 10, 11, 12, 13 and 14) has been incorporated herein by reference to the definitive Proxy Statement to be used in connection with the Angi Inc. 2024 Annual Meeting of Stockholders (the "2024 Proxy Statement"), as set forth below in accordance with General Instruction G(3) of Form 10-K.

Item 10. Directors, Executive Officers and Corporate Governance

The information required by Items 401 and 405 of Regulation S-K relating to directors and executive officers of Angi Inc. and their compliance with Section 16(a) of the Exchange Act is set forth in the sections entitled "Information Concerning Director Nominees" and "Information Concerning Angi Inc. Executive Officers Who Are Not Directors," and "Delinquent Section 16(a) Reports," respectively, in the 2024 Proxy Statement and is incorporated herein by reference. The information required by Item 406 of Regulation S-K relating to the Angi Inc. Code of Ethics is set forth under the caption "Part I-Item 1-Business-Description of Our Businesses-Additional Information-Code of Ethics" of this annual report and is incorporated herein by reference. The information required by subsections (c)(3), (d)(4) and (d)(5) of Item 407 of Regulation S-K is set forth in the sections entitled "Corporate Governance" and "The Board and Board Committees" in the 2024 Proxy Statement and is incorporated herein by reference.

Item 11. Executive Compensation

The information required by Item 402 of Regulation S-K relating to executive and director compensation and pay ratio disclosure is set forth in the sections entitled "Executive Compensation," "Director Compensation" and "Pay Ratio Disclosure," respectively, in the 2024 Proxy Statement and is incorporated herein by reference. The information required by subsections (e)(4) and (e)(5) of Item 407 of Regulation S-K relating to certain compensation committee matters is set forth in the sections entitled "The Board and Board Committees," "Compensation Committee Report" and "Compensation Committee Interlocks and Insider Participation" in the 2024 Proxy Statement and is incorporated herein by reference; provided, that the information set forth in the section entitled "Compensation Committee Report" shall be deemed furnished herein and shall not be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information regarding ownership of the Company's Class A common stock and Class B common stock required by Item 403 of Regulation S-K and securities authorized for issuance under our equity compensation plans required by Item 201(d) of Regulation S-K is set forth in the sections entitled "Security Ownership of Certain Beneficial Owners and Management" and "Equity Compensation Plan Information," respectively, in the 2024 Proxy Statement and is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence

Information regarding certain relationships and related transactions involving Angi Inc. required by Item 404 of Regulation S-K and director independence determinations required by Item 407(a) of Regulation S-K is set forth in the sections entitled "Certain Relationships and Related Person Transactions" and "Corporate Governance," respectively, in the 2024 Proxy Statement and is incorporated herein by reference.

Item 14. Principal Accounting Fees and Services

Information required by Item 9(e) of Schedule 14A regarding the fees and services of the Company's independent registered public accounting firm and the pre-approval policies and procedures applicable to services provided to the Company by such firm is set forth in the sections entitled "Fees Paid to Our Independent Registered Public Accounting Firm" and "Audit and Non-Audit Services Pre-Approval Policy," respectively, in the 2024 Proxy Statement and is incorporated herein by reference.

PART IV

Item 15. Exhibits and Financial Statement Schedules

(a) List of documents filed as part of this Report:

(1) Consolidated Financial Statements of Angi Inc.

Report of Independent Registered Public Accounting Firm: Ernst & Young LLP (PCAOB ID:42).

Consolidated Balance Sheet as of December 31, 2023 and 2022.

Consolidated Statement of Operations for the Years Ended December 31, 2023, 2022 and 2021.

Consolidated Statement of Comprehensive Operations for the Years Ended December 31, 2023, 2022 and 2021.

Consolidated Statement of Shareholders' Equity for the Years Ended December 31, 2023, 2022 and 2021.

Consolidated Statement of Cash Flows for the Years Ended December 31, 2023, 2022 and 2021.

Notes to Consolidated Financial Statements.

(2) Consolidated Financial Statement Schedule of Angi Inc.

Schedule Number	
II	Valuation and Qualifying Accounts.

All other financial statements and schedules not listed have been omitted since the required information is either included in the Consolidated Financial Statements or the notes thereto, is not applicable or is not required.

(3) Exhibits

The documents set forth below, numbered in accordance with Item 601 of Regulation S-K, are filed herewith, incorporated by reference to the location indicated or furnished herewith.

Exhibit Number	Description	Location
2.1	Agreement and Plan of Merger, dated as of May 1, 2017, as amended by Amendment No. 1 to the Agreement and Plan of Merger, dated as of August 26, 2017, by and among Angie's List, Inc., IAC/InterActiveCorp, ANGI Homeservices Inc. and Casa Merger Sub, Inc.(1)	Annex B to the Proxy Statement/Prospectus of Angie's List, Inc. and ANGI Homeservices Inc., filed on August 30, 2017 pursuant to Rule 424(b)(3).
3.1	Amended and Restated Certificate of Incorporation of ANGI Homeservices Inc.	Exhibit 3.1 to the Registrant's Annual Report on Form 10-K, filed on March 1, 2023.
3.2	Certificate of Amendment to the Amended and Restated Certificate of Incorporation of Angi Inc.	Exhibit 3.1 to the Registrant's Current Report on Form 8-K, filed on March 17, 2021.
3.3	Amended and Restated Bylaws of Angi Inc.	Exhibit 3.1 to the Registrant's Current Report on Form 8-K, filed on September 18, 2023.
4.1	Description of Securities(1).	
4.2	Investor Rights Agreement, dated as of September 29, 2017, by and between ANGI Homeservices Inc. and IAC/InterActiveCorp.	Exhibit 2.2 to the Registrant's Current Report on Form 8-K, filed on October 2, 2017.

Exhibit Number	Description	Location
4.3	Indenture, dated as of August 20, 2020, among ANGI Group, LLC, the guarantors party thereto and Computershare Trust Company, N.A., as trustee.	Exhibit 4.1 to the Registrant's Current Report on Form 8-K, filed on August 20, 2020.
10.1	Contribution Agreement, dated as of September 29, 2017, by and between ANGI Homeservices Inc. and IAC/InterActiveCorp.(2)	Exhibit 2.1 to the Registrant's Current Report on Form 8-K, filed on October 2, 2017.
10.2	Services Agreement, dated as of September 29, 2017, by and between ANGI Homeservices Inc. and IAC/InterActiveCorp.(2)	Exhibit 2.3 to the Registrant's Current Report on Form 8-K, filed on October 2, 2017.
10.3	Tax Sharing Agreement, dated as of September 29, 2017, by and between ANGI Homeservices Inc. and IAC/InterActiveCorp.	Exhibit 2.4 to the Registrant's Current Report on Form 8-K, filed on October 2, 2017.
10.4	Employee Matters Agreement, dated as of September 29, 2017, by and between ANGI Homeservices Inc. and IAC/InterActiveCorp.(2)	Exhibit 2.5 to the Registrant's Current Report on Form 8-K, filed on October 2, 2017.
10.5	ANGI Homeservices Inc. 2017 Stock and Annual Incentive Plan.(3)	Exhibit 10.1 to the Registrant's Current Report on Form 8-K, filed on October 2, 2017.
10.6	Form of Notice and Terms and Conditions for Restricted Stock Units granted under the ANGI Homeservices Inc. 2017 Stock and Annual Incentive Plan.(3)	Exhibit 10.8 to the Registrant's Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2017.
10.7	Form of Notice and Terms and Conditions for Stock Options granted under the ANGI Homeservices Inc. 2017 Stock and Annual Incentive Plan.(3)	Exhibit 10.9 to the Registrant's Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2017.
10.8	Form of Terms and Conditions for Stock Appreciation Rights granted under the ANGI Homeservices Inc. 2017 Stock and Annual Incentive Plan.(3)	Exhibit 10.2 to the Registration Statement on Form S-4, as amended (SEC File No. 333-219064), filed on August 28, 2017.
10.9	Employment Agreement between Angela R. Hicks Bowman and ANGI Homeservices Inc., dated as of June 29, 2017.(3)	Exhibit 10.4 to the Registration Statement on Form S-4 (SEC File No. 333-219064), filed on June 30, 2017.
10.10	Employment Agreement between Shannon Shaw and ANGI Homeservices Inc., dated as of February 22, 2019.(3)	Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2019.
10.11	Employment Agreement between Kulesh Shanmugasundaram and Angi Inc., dated as of March 25, 2021.(3)	Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q for the fiscal quarter ended March 31, 2021.
10.12	Employment Agreement between Dhanusha Sivajee and Angi Inc., dated as of July 30, 2021.(3)	Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q for the fiscal quarter ended September 30, 2021.
10.13	Employment Agreement between Andrew Russakoff and Angi Inc., dated as of June 9, 2022.(3)	Exhibit 10.1 to the Registrant's Current Report on Form 8-K, filed on June 9, 2022.

Exhibit Number	Description	Location
10.14	Employment Agreement between Jeffrey Kip and Angi Inc., dated as of November 13, 2023.(3)	Exhibit 10.1 to the Registrant's Current Report on Form 8-K, filed on November 15, 2023.
21.1	Subsidiaries of the Registrant as of December 31, 2023.(1)	
23.1	Consent of Ernst & Young LLP.(1)	
31.1	Certification of the Chief Executive Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.(1)	
31.2	Certification of the President pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.(1)	
31.3	Certification of the Chief Financial Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.(1)	
32.1	Certification of the Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.(4)	
32.2	Certification of the President pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.(4)	
32.3	Certification of the Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.(4)	
97.1	Angi Inc.'s Clawback Policy(1)	
101.INS	Inline XBRL Instance (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document)	
101.SCH	Inline XBRL Taxonomy Extension Schema(1)	
101.CAL	Inline XBRL Taxonomy Extension Calculation(1)	
101.DEF	Inline XBRL Taxonomy Extension Definition(1)	
101.LAB	Inline XBRL Taxonomy Extension Labels(1)	
101.PRE	Inline XBRL Taxonomy Extension Presentation(1)	
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)	

(1) Filed herewith.

(2) Annexes, schedules and/or exhibits have been omitted pursuant to Item 601(b)(2) of Regulation S-K. The Registrant agrees to furnish supplementally a copy of any omitted attachment to the SEC on a confidential basis upon request.

(3) Reflects management contracts and management and director compensatory plans.

(4) Furnished herewith.

Item 16. Form 10-K Summary

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: February 29, 2024

Angi Inc.

By: /s/ ANDREW RUSSAKOFF

Andrew Russakoff

Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities indicated on **February 29, 2024**:

Signature	Title
/s/ JOSEPH LEVIN Joseph Levin	Chief Executive Officer, Chairman of the Board, and Director
/s/ JEFFREY W. KIP Jeffrey W. Kip	President
/s/ ANDREW RUSSAKOFF Andrew Russakoff	Chief Financial Officer
/s/ CHRISTOPHER W. BOHNERT Christopher W. Bohnert	Senior Vice President, Principal Accounting Officer
/s/ THOMAS R. EVANS Thomas R. Evans	Director
/s/ ALESIA J. HAAS Alesia J. Haas	Director
/s/ CHRISTOPHER HALPIN Christopher Halpin	Director
/s/ KENDALL HANDLER Kendall Handler	Director
/s/ ANGELA R. HICKS BOWMAN Angela R. Hicks Bowman	Director
/s/ SANDRA HURSE Sandra Hurse	Director
/s/ JEREMY G. PHILIPS Jeremy G. Philips	Director
/s/THOMAS C. PICKETT JR. Thomas C. Pickett Jr.	Director

Signature	Title
/s/ GLENN H. SCHIFFMAN Glenn H. Schiffman	Director
/s/ MARK STEIN Mark Stein	Director
/s/ SUZY WELCH Suzy Welch	Director

Schedule II

ANGI INC. AND SUBSIDIARIES

VALUATION AND QUALIFYING ACCOUNTS

Description	Balance at Beginning of Period	Charges to Earnings	Charges to Other Accounts	Deductions	Balance at End of Period
			(In thousands)		
2023					
Allowance for credit losses	$38,846	$ 79,385[(a)]	$ 171	$(93,718)[(b)]	$24,684
Deferred tax valuation allowance	64,877	9,891[(c)]	2,053[(d)]		76,821
Other reserves	692				420
2022					
Allowance for credit losses	$28,712	$104,261[(a)]	$ 110	$(94,237)[(b)]	$38,846
Deferred tax valuation allowance	66,626	1,795[(e)]	(3,544)[(d)]		64,877
Other reserves	777				692
2021					
Allowance for credit losses	$26,046	$ 86,594[(a)]	$ 92	$(84,020)[(b)]	$28,712
Deferred tax valuation allowance	77,076	(5,925)[(f)]	(4,525)[(d)]	—	66,626
Other reserves	—				777

(a) Additions to the credit loss reserve are charged to expense.

(b) Write-off of fully reserved accounts receivable balance, net of recoveries.

(c) Amount is primarily related to an increase in unbenefited capital losses and foreign NOLs.

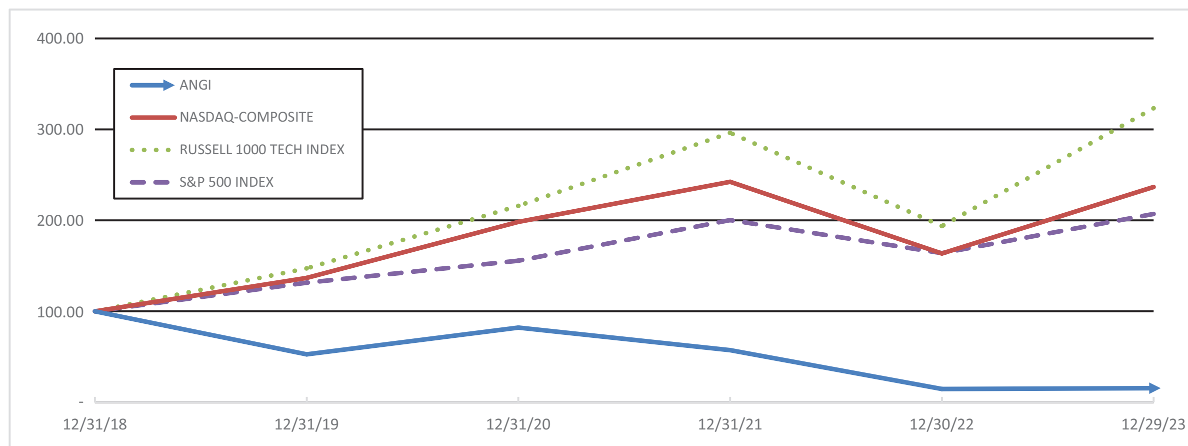
(d) Amount is primarily related to currency translation adjustments on foreign NOLs.

(e) Amount is primarily related to a net decrease in foreign NOLs partially offset by an increase in unbenefited capital losses and state tax attributes.

(f) Amount is primarily related to a decrease in state and foreign NOLs.

PERFORMANCE GRAPH

The following graph compares the cumulative total return (assuming dividend reinvestment, as applicable) of Angi Class A common stock, the Nasdaq Composite Index, the Russell 1000 Technology Index and the Standard & Poor's 500 Stock Index, in each case, based on $100.00 invested at the close of trading on December 31, 2018 through December 29, 2023. In accordance with applicable SEC rules, Angi presents the cumulative return of peer issuers. Angi has selected the Nasdaq Composite Index and the Russell 1000 Technology Index as its peer issuers because they both include companies engaged in many of the same businesses as Angi.



	12/31/18	12/31/19	12/31/20	12/31/21	12/30/22	12/29/23
ANGI	100.00	52.71	82.11	57.31	14.62	15.49
NASDAQ-COMPOSITE	100.00	136.73	198.33	242.38	163.58	236.70
RUSSELL 1000 TECH INDEX	100.00	147.22	215.97	296.24	193.71	323.27
S&P 500 INDEX	100.00	131.47	155.65	200.29	163.98	207.04

BOARD OF DIRECTORS

Angela R. Hicks Bowman
Chief Customer Officer, Angi

Thomas R. Evans
Former President & Chief Executive Officer, Bankrate, Inc.

Alesia J. Haas
Chief Financial Officer, Coinbase Global Inc.

Christopher Halpin
EVP, Chief Financial Officer & Chief Operating Officer, IAC

Kendall Handler
EVP, Chief Legal Officer & Secretary, IAC

Sandra Buchanan Hurse
Managing Director, Chief Human Resources Officer, GCM Grosvenor

Jeffrey W. Kip
Chief Executive Officer, Angi

Joseph Levin
Chairman, Angi, and
Chief Executive Officer, IAC

Jeremy Philips
General Partner, Spark Capital

Thomas Pickett
Chief Revenue Officer, DoorDash, Inc.

Glenn H. Schiffman
EVP & Chief Financial Officer, Fanatics, Inc.

Mark Stein
Former Chief Strategy Officer & Senior Advisor, IAC

Suzy Welch
Business journalist, public speaker & author

EXECUTIVE OFFICERS

Jeffrey W. Kip
Chief Executive Officer and
Chief Executive Officer, Angi International

Andrew Russakoff
Chief Financial Officer

David Fleischman
Chief Product Officer

EXECUTIVE OFFICERS (cont'd)

Kulesh Shanmugasundaram
Chief Technology Officer

Shannon Shaw
Chief Legal Officer & Secretary

CORPORATE INFORMATION

Corporate Headquarters
3601 Walnut Street, Suite 700
Denver, CO 80205
303.963.7200
www.angi.com

Investor Inquiries
All inquiries can be directed as follows:
212.314.7400 or *ir@angi.com*

Stock Market
Angi Inc. is listed on Nasdaq (ticker symbol: ANGI)

Transfer Agent and Registrar
Computershare
Stockholder correspondence by mail should be sent to:
Computershare
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