



Angi Inc. Q1 2026 Shareholder Letter

To our shareholders,

We are in the middle of the greatest transformation in technology in a generation and it is time for us to go on offense.

What does that mean for Angi?

What we have today:

- 30 years of brand leadership;
- Nearly 200,000 active pros across North America and Europe;
- The best customer acquisition engine in home services; and
- \$35 billion in annualized homeowner job value flowing through our platform.

These assets are the most valuable distribution base and flywheel in the industry — no competitor can replicate them overnight.

What is our plan?

- We will build the Angi Pro Chief Revenue Officer — the AI-driven revenue system for pros to win jobs and grow their businesses. We will not just provide leads; we will automate the full revenue cycle, end to end.
- We have spent 30 years focused primarily on the homeowner's problem of finding a pro. We are now going to shift our focus to solve the pro's core problem: winning work consistently – or delivering Jobs Won Well.

What does this mean for the business today?

- We will feature-freeze the legacy platform, stop focusing on near-term revenue goals, and cease quarterly guidance.
- We will redeploy every talented product, design, data, and engineering resource against the AI-native future and platform.
- We are done optimizing an old machine; we are going to build the new one.

We are not doing this because AI companies get higher multiples - although we would love to have a higher multiple. We are not doing this because Angi's status quo doesn't work – though it could be better. We are making this change because AI, agents & agentic coding have created both the opportunity and imperative to move aggressively. Any work chasing quarterly revenue targets with a legacy technology stack is a fool's errand. Our teams will begin focusing entirely on the AI future.

The advancement of AI in 2026 has changed everything for Angi.

- To date, we have been driving incremental AI adoption – successfully – across our product and organization — while continuing to dedicate resources to the existing platform to drive performance, with solid results:
 - 50% of our homeowners use AI in our core user experience and convert roughly 3x as well as those who do not.
 - Our agentic software development lifecycle build is nearly complete, and our first pro agent test launches in weeks. Our first agent will be an “AI front desk” for pros – making and receiving calls for pros to book appointments.
 - Our win rate continues to improve year over year each quarter – doing so again in the 1st quarter.
 - After years of declines, we flipped homeowner repeat rate back to growth in Q4, and it grew more than 20% in Q1.
 - Over the last three years, homeowner NPS has improved by more than 30 points and pro churn is better by 30%.
 - In the 1st quarter, we delivered our 4th consecutive quarter of double digit proprietary lead growth.
 - We are realizing the opportunity in the large pro segment we discussed last quarter: large pro & national partnership revenue was up +25% in Q1 2026 after being down nearly (20)% in 2025.
- With our scale and distribution and the opportunity before us, the incremental AI adoption path is not enough.
 - We are now making a hard shift: from incremental adoption to full AI-first product development.
 - AI startups in our space are securing valuations well in excess of Angi's, but with materially less job GMV.
 - **With AI, we can build better software quickly and take advantage of this fundamental asymmetry.**

We have a gigantic opportunity to penetrate by using AI to enable pros to win more jobs on Angi – there is \$25 billion to unlock on our platform today.

- Win rate is Angi’s flywheel. With AI, agents & agentic coding, we can drive pro win rate and the realization of the market opportunity already inside Angi by empowering every pro to close leads like the best pros.
 - Of every 10 homeowners who submit a service request on Angi today, 7 complete the job.
 - Of those 7, 6 hire a pro.
 - Of those 6, only 2 currently hire an Angi pro.
 - \$35 billion in annualized job value enters our platform; and only \$10 billion is completed by Angi pros.
 - This opportunity requires no new homeowners, no new pros, and no new markets. AI now provides the leverage to give the pros the tools at scale.
- We are building the Angi Pro Chief Revenue Officer to execute the high effort parts of closing sales for the pro, enabling us to deliver customers closer to a transaction, rather than just leads. Job detail capture, automated responses, smart appointment booking, AI-generated quotes, consistent follow-up, and more are now incredibly compelling with AI tools.
 - Our tools will integrate with existing software or work as a standalone bundle for pros who have no system at all.
 - We will go to market first with the small, “unbanked” pro — the segment with the lowest software adoption and almost no AI penetration, where our marketplace position gives us a natural advantage – by building the agents directly into the product.
 - As pros deploy our agents and share more data, we will be able to make their revenue cycle more efficient at every step — and offer choice in how they are charged: per lead, per appointment booked, or per job won.
- When pros win Angi leads, Angi homeowners get their jobs done well at Angi – and become more likely to repeat and to recommend Angi (+50 NPS).
 - This strategy will win traffic across all surfaces, especially LLMs and personal agents, because LLMs recommend what delivers results.
 - When our pros win jobs and do them well, that consistent outcome earns durable platform preference the same way results earned us preference on web search.
 - Just as HomeAdvisor and Angie's List once won organic search, and Angi is now winning paid search and social, we intend to win the AI-native distribution surface. Our goal is to be the destination not just for homeowners but also for personal AI agents acting on their behalf.
 - We are already acquiring traffic near breakeven through OpenAI's ads product. Our app is live on ChatGPT. Integrations are underway on multiple additional platforms. We are doing this today.

- The Angi Pro Chief Revenue Officer will drive growth of our network and distribution asset and build a bulwark to deliver value to pros as LLMs take more share of homeowner traffic. We will serve pros through our brand, their brand, or whatever brand reaches the homeowner or their agent.

To execute our AI strategy, we will feature freeze our legacy platform and concentrate on the future instead of the quarters.

- The changes in agentic coding over the past six months have created possibilities that did not exist before. The opportunity cost of continuing to optimize the legacy platform has gotten too large to ignore.
- With a feature freeze we will both:
 - dedicate resources to build the Angi Pro Chief Revenue Officer and move much faster to a new, AI first platform where we can more effectively innovate the customer experience; and
 - stop the constant optimization and attendant fixes of the legacy technology to protect near term revenue.
- We are not walking away from the existing business. The marketing and sales organizations have built the greatest acquisition engine in home services, and we will keep spinning the flywheel to reach and serve as many homeowners and pros on our platform as possible.

Our Q1 results were at or above expectations, and we are stopping future guidance.

- Q1 Adjusted EBITDA came in at \$23M, above our \$16M expectation. Net revenue came in at \$238M, a 3% decline, in line with our expectations.
- We will no longer provide quarterly guidance. Quarterly revenue targets have required us to allocate resources to legacy platform stability and optimization instead of accelerating the build of the future. We are ending that constraint.
- We will generate consistent profit and cash flow to fully fund our transformation and our balance sheet. We will not be managing to a revenue growth rate.

We believe we can accelerate growth and reach \$5 billion in revenue over a reasonable time frame with this strategy.

- With the platform rebuilt, agentic pro software scaling through our network, AI distribution channels established, and pro win rate on its way to doubling — we believe we can reach \$5 billion in revenue.
- At our current take rate, \$5 billion represents approximately 7% share of a \$700 billion market.
 - Leading internet marketplaces command 15-20% of their addressable markets; 7% is not an aggressive target.

- We currently have 3-4% share of the total small pro (less than 10 employees) market on our platform; we believe we can at least replicate that with the large pro segment, and, by doubling win rate and driving pro LTV, reach our market share target.
- Our international footprint, which is not included in either path to that number, offers additional upside.

We are making a decisive shift to the future driven by three forces working together:

- the most transformative technology change in a generation is here and, with it, the imperative to move aggressively;
- the market has repriced our category, giving us lots to gain and little incentive to pursue incremental improvements; and
- our market-leading flywheel powers a strong cash flow business that makes us a fully funded, publicly traded, high-potential company. Nobody else today has that same combination.

We look forward to sharing our progress and our product roadmap – what is live, what is in process, and what is planned – at an investor day in the fall.

Our competitive position is strong. Our assets are durable. Our path is clear. We have spent years playing a game of survival on the legacy platform. We are done with that game. We are playing to win.

Jeff Kip

Chief Executive Officer, Angi Inc.

Non-GAAP Financial Measures

This letter contains references to certain non-GAAP measures, including Adjusted EBITDA. These non-GAAP measures should be considered in conjunction with, but not as a substitute for, financial information presented in accordance with GAAP. Please refer to our Q1 2026 Earnings Release available at <https://ir.angi.com/quarterly-earnings> and furnished on Form 8-K on May 5, 2026 for a complete reconciliation of operating (loss) income to Adjusted EBITDA.

Prior Q1 2026 Outlook and Q1 2026 Operating Income to Adjusted EBITDA Reconciliation:

| | Q1 2026 | |
|---|--------------|-----------------------------|
| | Actual | Prior Outlook (Midpoint) |
| <i>(\$ in millions; rounding differences may occur)</i> | | |
| Operating income / (loss) | \$(9) | \$(17) |
| Depreciation | 15 | 17 |
| Restructuring | 15 | 13 |
| Stock-based compensation expense | 3 | 4 |
| Adjusted EBITDA | \$23 | \$16 |

Webcast and Conference Call Details

Angi Inc. will host a conference call to answer questions on May 6, 2026, at 8:30 a.m. Eastern Time. This conference call will include the disclosure of certain information, including forward looking information, which may be material to an investor's understanding of Angi Inc.'s businesses. The conference call will be accessible to the public at ir.angi.com and a recording of the webcast will be made available at the same location. This letter will not be read on the call.

Safe Harbor Statement Under the Private Securities Litigation Reform Act of 1995

This letter and our conference call, which will be held at 8:30 a.m. Eastern Time on Wednesday, May 6, 2026, may contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. The use of words such as "may," "will," "should," "could," "intend," "target," "project," "continue," "anticipate," "estimate," "expect," "plan," "believe," "potential," "underway" and "going to" among others, generally identify forward-looking statements. These forward-looking statements include, among others, statements relating to: the future financial performance of the Company and its businesses, including our expectations regarding future profit and cash flow, our ability to achieve accelerated growth and revenue of \$5 billion, business prospects and strategy, the timing, development, and expected outcome of strategic and product initiatives, including planned feature-freeze of our legacy platform, our transition to an AI-native platform and AI products, our ability to complete and benefit from integrations with third party AI platforms, future marketing strategy, future capital allocation strategy, the anticipated benefits of being an independent public company, anticipated trends and prospects in the home services industry and other similar matters. Actual results could differ materially from those contained in these forward-looking statements for a variety of reasons, including, among others: (i) the continued migration of the home services market online, (ii) our ability to market our various products and

services in a successful and cost-effective manner, (iii) the continued prominence of the display of links to websites offering our products and services in search results, (iv) our ability to expand our pre-priced offerings, while balancing the overall mix of service requests and directory services on Angi Inc. platforms, (v) our ability to establish and maintain relationships with quality and trustworthy Pros, (vi) our continued ability to develop and monetize versions of our products and services for mobile and other digital devices, (vii) our ability to access, share, use and protect the personal data of consumers, (viii) our continued ability to communicate with consumers and Pros via e-mail (or other sufficient means), (ix) our ability to continue to generate leads for Pros given changing requirements applicable to certain communications with consumers, (x) any challenge to the contractor classification or employment status of our Pros, (xi) our ability to compete, (xii) unstable market and economic conditions (particularly those that adversely impact advertising spending levels and consumer confidence and spending behavior), either generally and/or in any of the markets in which our businesses operate, as well as geopolitical conflicts, (xiii) our ability to maintain and/or enhance our various brands, (xiv) our ability to protect our systems, technology and infrastructure from cyberattacks (including cyberattacks experienced by third parties with whom we do business), (xv) the occurrence of data security breaches and/or fraud, (xvi) increased liabilities and costs related to the processing, storage, use and disclosure of personal and confidential user information, (xvii) the integrity, quality, efficiency and scalability of our systems, technology and infrastructures (and those of third parties with whom we do business), (xviii) changes in key personnel, (xix) our development and use of AI and machine learning technologies and the related legal and regulatory developments, (xx) various risks related to our relationship with IAC following the spin-off, (xxi) our ability to generate sufficient cash to service our indebtedness, (xxii) the impact of our current and future indebtedness on our ability to obtain additional financing and pursue other business opportunities and (xxiii) certain risks related to ownership of our Class A common stock. Certain of these and other risks and uncertainties are discussed in Angi Inc.'s filings with the Securities and Exchange Commission (the "SEC"), including the most recent Annual Report on Form 10-K filed with the SEC on February 20, 2026, and subsequent reports that Angi Inc. files with the SEC. Other unknown or unpredictable factors that could also adversely affect Angi Inc.'s business, financial condition and results of operations may arise from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those expressed in any forward-looking statements we may make. Except as required by law, we undertake no obligation to update any forward-looking statements to reflect events or circumstances after the date of such statements. You should, therefore, not rely on these forward-looking statements as representing our views as of any date subsequent to the date of this letter.