Private investor for 20 years.
RIA based in Las Vegas, NV origins in 2005.
Taxable, Qualified, and Retirement Accounts.
Specializes in individual stock selection to create tailored portfolios.
Some of the main criteria: Skin in the game, strategic competitive advantage, non-capital intensive (asset light), free cash flow generation, changes in the business (management, structure, corporate transaction)
The recent focus is on larger positions in the small and microcap area.
Earned the CFA designation in 2007.
Past Las Vegas CFA Society Investment Committee Chair

For more information- www.y-hc.com

Full disclosure: Y H & C Investments, Yale Bock, and clients own IAC and have since the 1990s.

IAC- A Builder of Companies

11 PUBLIC COMPANIES CREATED

IAC
Expedia, Inc.
Home Shopping Network
Ticketmaster Entertainment, Inc.
Interval Leisure Group, Inc.
Tree.com
TripAdvisor
Trivago
Match Group
Angi Inc.
Vimeo

25 Years of Public Company Stewardship:

Nearly 60 Billion of Market Value down from nearly 100 Billion in 2021

Leadership-
KEY EXECUTIVES

Barry Diller, Chairman & Senior Executive

Joey Levin, CEO, IAC & Angi Inc.
Christopher Halpin, EVP, Chief Financial Officer & Chief Operating Officer
Kendall Handler, EVP & Chief Legal Officer

Neil Vogel, CEO, Dotdash Meredith

Timothy Allen, CEO, Care.com

Kathleen Barrett, CEO, Mosaic Group

Heather Dietrick, CEO, The Daily Beast

Parth Bhakta, Founder and CEO, Vivian Health

Corporate Structure:
IAC is the Parent (Holding)

Segments-

Dotdash Meredith- Digital and print publisher

Angi- Advertising and Services centered around the home

Search- Information and data-based advertising

Emerging and Other- Early-stage investments, mature holdings, other owned companies- **Care.com**, Turo, Daily Beast, Mosaic Group, Vivian Health, Newco (incubation/seeding)

Combined IAC Operations- It's Messy

Cash Flow Information

In summary, IAC's cash flows are as follows (In thousands)

Years Ended December 31,	2022	2021	2020
Net cash (used in) provided by:			
Operating activities attributable to continuing operations	$ (82,791)	$ 118,900	$ 113,379
Investing activities attributable to continuing operations	$(494,808)	$(2,907,503)	$(1,872,183)
Financing activities attributable to continuing operations	$(112,651)	$ 1,115,737	$ 4,202,665

IAC Investment Thesis:

What Am I Getting By Owning IAC?

Proven Wealth Creators In Diller and Levin

Two Large Businesses Undergoing Transitions

1) Dotdash/Meredith-Integration and Advertising Downturn

2) Angie- Integration, Rebrand, and Housing Environment

Combined those businesses have $4 billion in revenue

Bet on Returning to Normal Operating Metrics

Optionality with MGM Stake

All Emerging Businesses are free

All businesses are asset light

All have low penetration rates vs market size

Summary Data-

Market Price (As of May 4, 2023)- $52.30

Common Shares Outstanding-83.082 million

Class B (10 votes)- 5.789 million (Barry Diller owns)

Total Shares Outstanding: 88.871 million

Current Equity Market Capitalization: $4, 647 billion

Total Debt: $2.019 billion- excluding leases

Total Cash: $1.66 billion

Total Enterprise Value- $5 billion

Key Balance Sheet Data (12/31/2022)

Total Assets- $10.393 Billion
Total Liabilities- $3.821 Billion
Total Equity- $6.572 Billion
Investment in MGM Resorts International
(64.7 million shares MGM)- $2.170 Billion
84% Ownership of ANGI (424.6 million shares) - .$935 Billion
Long-Term Investments- $325 million
Other Non-Current Assets- $625 million
12/31/2022 Federal NOL of $1.5 Billion
(1.3 Billion useable indefinitely)
12/31/2022 State NOL of 1.1 Billion
(.1 Billion useable indefinitely)

Balance Sheet- Debt Attribution

NOTE 8—LONG-TERM DEBT Long-term debt consists of:

	December 31, 2022	2021
	(In thousands)	
Dotdash Meredith Debt Dotdash Meredith Term Loan A ("Dotdash Meredith Term Loan A") due December 1, 2026	$ 332,500	$ 350,000
Dotdash Meredith Term Loan B ("Dotdash Meredith Term Loan B") due December 1, 2028	1,237,500	1,250,000
Total Dotdash Meredith long-term debt	1,570,000	1,600,000
Less: current portion of Dotdash Meredith long-term debt	30,000	30,000
Less: original issue discount	5,310	6,176
Less: unamortized debt issuance costs	10,215	12,139
Total Dotdash Meredith long-term debt, net	1,524,475	1,551,685
ANGI Group Debt		
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	4,715	5,448
Total ANGI Group long-term debt, net	495,285	494,552
Total long-term debt, net $	2,019,760	$ 2,046,237

Balance Sheet- Debt Attribution (Terms/Covenants)

Dotdash Meredith Term Loans and Dotdash Meredith Revolving Facility

On December 1, 2021, Dotdash Meredith entered into a credit agreement ("Dotdash Meredith Credit Agreement"), which provides for (i) the fiveyear $350 million Dotdash Meredith Term Loan A, (ii) the seven-year $1.25 billion Dotdash Meredith Term Loan B (and together with Dotdash Meredith Term Loan A, the "Dotdash Meredith Term Loans") and (iii) a five-year $150 million revolving credit facility ("Dotdash Meredith Revolving Facility"). The proceeds of the Dotdash Meredith Term Loans were used to fund a portion of the purchase price for the acquisition of Meredith and pay related fees and expenses. The Dotdash Meredith Term Loan A bears interest at an adjusted term secured overnight financing rate ("Adjusted Term SOFR") as defined in the Dotdash Meredith Credit Agreement plus an applicable margin depending on Dotdash Meredith's most recently reported consolidated net leverage ratio, as defined in the Dotdash Meredith Credit Agreement. **At December 31, 2022 and 2021, the Dotdash Meredith Term Loan A bore interest at Adjusted Term SOFR plus 2.25% and 2.00%, or 5.91% and 2.15%, respectively**, and the **Dotdash Meredith Term Loan B bore interest at Adjusted Term SOFR, subject to a minimum of 0.50% plus 4.00%, or 8.22% and 4.50%,** respectively. Interest payments are due at least quarterly through the terms of the Dotdash Meredith Term Loans.

The Dotdash Meredith Term Loan A requires quarterly principal payments of approximately $4.4 million through December 31, 2024, $8.8 million through December 31, 2025 and approximately $13.1 million thereafter through maturity. The Dotdash Meredith Term Loan B requires quarterly payments of $3.1 million through maturity. Commencing with the delivery of the financial statements for the period ended December 31, 2022, the Dotdash Meredith Term Loan B may require additional annual principal payments as part of an excess cash flow sweep provision, the amount of which, in part, is governed by the applicable net leverage ratio. No such payment is currently expected related to the period ended December 31, 2022. There were no outstanding borrowings under the Dotdash Meredith Revolving Facility at December 31, 2022 and 2021. The annual commitment fee on undrawn funds is based on Dotdash Meredith's consolidated net leverage ratio, as defined in the Dotdash Meredith Credit Agreement, most recently reported and was 40 and 35 basis points at December 31, 2022 and 2021, respectively. Any borrowings under the Dotdash Meredith Revolving Facility would bear interest, at Dotdash Meredith's option, at either a base rate or term benchmark rate, plus an applicable margin, which is based on Dotdash Meredith's consolidated net leverage ratio.

Balance Sheet- Debt Attribution (Terms/Covenants)

NOTES TO CONSOLIDATED AND COMBINED FINANCIAL STATEMENTS (Continued) As of the last day of any calendar quarter, if either (i) $1.00 or more of loans under the Dotdash Meredith Revolving Facility or Dotdash Meredith Term Loan A are outstanding, or (ii) the outstanding face amount of undrawn letters of credit, other than cash collateralized letters of credit at 102% of face value, exceeds $25 million, subject to certain increases for qualifying material acquisitions, then Dotdash Meredith will not permit the consolidated net leverage ratio, which ratio permits netting of up to $250 million in cash and cash equivalents, as of the last day of such quarter to exceed 5.5 to 1.0. The Dotdash Meredith Credit Agreement also contains covenants that would limit Dotdash Meredith's ability to pay dividends, incur incremental secured indebtedness, or make distributions or certain investments in the event a default has occurred or if Dotdash Meredith's consolidated net leverage ratio exceeds 4.0 to 1.0, subject to certain available amounts as defined in the Dotdash Meredith Credit Agreement. This ratio was exceeded for the test period ended December 31, 2022. The Dotdash Meredith Credit Agreement also permits the Company to contribute, and the Company may contribute, cash to Dotdash Meredith to provide additional liquidity, including to ensure that Dotdash Meredith does not exceed certain Consolidated Net Leverage Ratios for any test period, as further defined in the Dotdash Meredith Credit Agreement. In connection with the capital contributions, Dotdash Meredith may make distributions to IAC in amounts not more than any such capital contributions, provided that no default has occurred and is continuing. Such capital contributions and subsequent distributions, if made, would impact the Consolidated Net Leverage Ratios of Dotdash Meredith. The obligations under the Dotdash Meredith Credit Agreement are guaranteed by certain of Dotdash Meredith's wholly-owned subsidiaries, and are secured by substantially all of the assets of Dotdash Meredith and certain of its subsidiaries.

ANGI Group Debt

The ANGI Group Senior Notes were issued on August 20, 2020. At any time prior to August 15, 2023, these notes may be redeemed at a redemption price equal to the sum of the principal amount thereof, plus accrued and unpaid interest and a make-whole premium. Thereafter, 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, 2022, there were no limitations pursuant thereto. 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. 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.

Balance Sheet- Debt Attribution (Maturities)

Long-term Debt Maturities:

Long-term debt maturities at December 31, 2022 are summarized in the table below

Years Ending December 31,	(In thousands)
2023	$ 30,000
2024	$ 30,000
2025	$ 47,500
2026	$ 275,000
2027	$ 12,500
2028	$ 1,675,000
Total	**$2,070,000**
Less: current portion of long-term debt	30,000
Less: unamortized original issue discount	5,310
Less: unamortized debt issuance costs	14,930
Total long-term debt, net	**$ 2,019,760**

Strategic Rationale of Dotdash- Meredith Combination

October of 2021, IAC presents deal for Meredith
Paid 2.7 billion ($42.18 per share)
Funded with IAC cash
and 1.6 billion of debt at Meredith
closes end 2021

Dotdash Meredith Combination

Top 10 Internet Publisher
Brands Include- People, Better Homes & Gardens, Travel & Leisure, Health, RealSimple, and Food & Wine
175 Million US Consumers Reached Per Month
560 Million Magazine Copies Per Yr
Pro Forma Combined EBITDA- 450 Million/Yr
70% of Adjusted 2021 EBITDA from Digital
Meredith-Double Advertising Per Dollar of Dotdash
Dotdash- Double Performance Marketing/Commerce Per Dollar of Meredith
Print Strategy Maintains Magazines/Manage Decline
Streamline and Invest in Best of Both Digital/Print

Dotdash/Meredith-Proforma Historical Financials

Dotdash-

Year	Sessions- Millions	Revenue-($ Millions)	Adj EBITDA ($ Millions)
2018	2,957	$131	$21
2019	3,707	$168	$40
2020	4,186	$214	$66
YTD 2021- LTM	4,500	$264	$88

Meredith-

Year	Sessions- Millions	Revenue ($ Millions)	Adj EBITDA ($ Millions)
2018	6,526	$ 2,356 Dig- 525 Print 1,839	$363
2019	6,742	$2,365 Dig- 593 Print 1,787	$422
2020	7,792	$2,071 Dig- 656 Print 1,435	$375
YTD 2021-LTM	8,002	$2, 109 Dig- 738 Print 1,732	$358

Pro Forma Combination-
Consistently Above $400 Million Ebitda

Dotdash Meredith- Revenue Streams Proforma Combination

Digital Advertising- 41%

Performance Marketing & Consumer- 35%

Programmatic Digital Ads- 24%

Meredith Acquisition

Dotdash Meredith

On December 1, 2021, Dotdash acquired Meredith under the terms of an agreement (the "Merger Agreement") dated as of October 6, 2021. At the effective time of the merger, each outstanding share of common stock of Meredith (other than certain excluded shares) was converted into the right to receive $42.18 in cash. Pursuant to the Merger Agreement, Meredith equity awards were cancelled, and in exchange each holder received such holder’s portion of the merger consideration as set forth in the Merger Agreement, less the per share exercise price in the case of stock options. The Company accounted for this acquisition as a business combination under the acquisition method of accounting. The Company completed the purchase accounting for the Meredith acquisition during the fourth quarter of 2022. The total purchase price was calculated and allocated as follows:

	Meredith (In thousands)
Common stock of Meredith	$ 1,931,376
Cash payment used to settle a portion of Meredith debt	$625,000
Cash settlement of all outstanding vested equity awards and deferred compensation	$130,089
Total purchase price	**$ 2,686,465 10**

Meredith Acquisition

	Meredith (In thousands
Cash and cash equivalents	$ 12,436
Accounts receivable	334,891
Other current assets	123,081
Leasehold improvements, equipment, buildings, land and capitalized software	258,197
Goodwill	1,513,824
Intangible assets	1,175,459
Other non-current assets	676,777
Total assets	**4,094,665**
Customer deposit liability	(144,136)
Other current liabilities	(435,268)
Deferred income taxes	(268,999)
Other non-current liabilities	(559,797)
Net assets acquired	**$ 2,686,465**

Meredith Acquisition

The Company acquired Meredith because it is complementary to Dotdash. The purchase was based on the expected future financial performance of Meredith under Dotdash leadership, not on the value of the net identifiable assets at the time of acquisition. This resulted in a significant portion of the purchase price being attributed to goodwill. The purchase price attributed to goodwill is not tax deductible. The fair values of the identifiable intangible assets acquired at the date of acquisition are as follows:

	Meredith	
	(In thousands)	Useful Life (Years)
Indefinite-lived trade names and trademarks	$ 388,550	Indefinite-lived
Advertiser relationships	297,000	5
Licensee relationships	171,000	3-6
Digital content	96,200	2-3
Trade name and trademarks	80,500	1-29
Subscriber relationships	76,009	1-2
Developed technology	66,200	2-3
Total identifiable intangible assets acquired	**$ 1,175,459**	

Approximately $19 million of the total trade names and trademarks represents digital trade names and trademarks that Dotdash Meredith has the contractual right to use for 29 years. The remaining definite-lived trade names and trademarks have an estimated useful life that range from 1 to 5 years.

Historical Results- The following table presents revenue by reportable segment

	Years Ended December 31, 2022	2021	2020
Revenue:			
Dotdash Meredith			
Digital	$931,482	$ 367,134	$ 213,753
Print	1,026,128	92,002	—
Intersegment eliminations	(22,911)	(2,863)	—
Total Dotdash Meredith	**1,934,699**	456,273	213,753

The following table presents the revenue of Dotdash Meredith segments disaggregated by type of service:

	Years Ended December 31, 2022	2021	2020
	(In thousands		
Dotdash Meredith			
Digital: Advertising revenue	$ 621,714	$ 236,660	$ 137,455
Performance marketing revenue	198,441	116,195	76,298
Licensing and other revenue	111,327	14,279	—
Total digital revenue	931,482	367,134	213,753
Print: Subscription revenue	422,700	34,634	—
Advertising revenue	260,282	13,678	—
Project and other revenue	154,807	16,414	—
Newsstand revenue	132,855	19,183	—
Performance marketing revenue	55,484	8,093	—
Total print revenue	1,026,128	92,002	—
Intersegment eliminations	(22,911)	(2,863)	—
Total Dotdash Meredith revenue	**$ 1,934,699**	$ 456,273	

Dotdash Meredith Operating Income & Adjusted EBITDA

Operating (loss) income

	Years Ended December 31, 2022	$ Change	% Change	2021	$ Change	% Change	2020 (Dollars in thousands)
Dotdash Meredith							
Digital	$ (66,629)	$(140,609)	NM	$ 73,980	$ 23,739	47%	$ 50,241
Print	$(54,448)	(47,921)	(734)%	(6,527)	(6,527)	N/A	—
Other	(67,014)	(6,737)	(11)%	(60,277)	(60,277)	N/A	—
Total Dotdash Meredith	(188,091)	(195,267)	NM	7,176	(43,065) (	86)%	50,241

Adjusted EBITDA

	Years Ended December 31, 2022	$ Change	% Change	2021	$ Change	% Change	2020 (Dollars in thousands))
Dotdash Meredith							
Digital	$186,696	$ 95,517	105%	$ 91,179	$ 24,973	38%	$ 66,206
Print	31,135	28,496	1,080%	2,639	2,639	N/A	—
Other	(65,682)	(5,486)	(9)%	(60,196)	(60,196)	N/A	—
Total Dotdash Meredith . .	152,149	118,527	353%	33,622	(32,584)	(49)%	66,206

Dotdash-Meredith Results 1Q 2023

Revenue

	Q1 2023	Q1 2022	Growth ($ in millions; rounding differences may occur)
Digital	$184.8	$ 216.2	-15%
Print	207.0	290.0	-29%
Intersegment eliminations	(4.2)	(5.7)	25%
Total	$387.6	$500.5	-23%

 Revenue decreased 23% to $387.6 million reflecting:
15% Digital declines reflecting:
 Traffic declines to our sites compared to COVID supported traffic levels in the prior year
Declines in premium sold advertising and lower rates across programmatic channels
 Lower licensing revenue related primarily to lower revenue share from syndication partners as well as lower license fees from retail partners
Strength in affiliate commerce revenue, partially offset by performance marketing revenue declines (primarily related to financial services products) o
29% Print declines driven by the restructuring in Q1 2022, which included the discontinuation of several publications and the reduction in circulation of others

Operating Loss and Adjusted EBITDA

	Q1 2023	Q1 2022	Growth ($ in millions; rounding differences may occur)
Operating Loss Digital	$(17.9)	$ (1.9)	857%
Print	(5.8)	(38.3)	85%
Other	(87.6)	(16.0)	-446%
Total	$(111.2)	$ (56.2)	98%
Adjusted EBITDA			
Digital	$24.4	$ 34.8	-30%
Print	11.3	(10.5)	NM
Other	(58.9)	(15.8)	-273%
Total	$(23.1)	$ 8.5	NM

Dotdash Meredith 2023 Focus

Faster Speed Sites at Meredith Properties
Reduced Ad Load at Meredith Properties
Improved Content at Meredith Properties
Stabilize and grow traffic- historically takes 3-6 months to regain traffic after acquisition
12 months later- traffic improves by 20-30%
18 months later- traffic goes up 40-50%
24 months later- traffic increases 70-80%
Expect traffic to begin to grow in last six months of 2023 and accelerate in 2024.

In the Q1 2023 Shareholder letter, IAC maintains projection of Dotdash Meredith Adjusted EBITDA to be $250-300 million. Historically, the first half is the weakest followed by a stronger last six months.

Home Advisor/Angi
Strategic Rational

May 1, 2017-IAC combines Home Advisor/ Angie's List

Matching Homeowners With Service Professionals

Targets $400 Billion Home Services Market

Paid $8.50 Per Share of Angie's List- $500 Million

Targets 5-year Revenue Growth Rate of 20-25%

Target Adjusted EBITDA Margin of 35%

IAC Targets 87-90% Ownership of Equity

22 million Monthly Visitors- Targets On-Demand Platform

Over 200K Service Professionals

Angie's List Struggled With Competition (Amazon Home Services, Thumbtack, Handy, Porch)

October 2018 ANGI buys HANDY

ANGI Revenue Results 2020-2022

Years Ended December 31,	2022	2021	2020	(In thousands)
(a) Intersegment eliminations primarily related to Digital performance marketing commissions earned for the placement of magazine subscriptions for Print.				
Angi Inc. Domestic Ads and Leads:				
Consumer connection revenue	$ 954,735	$ 898,422	$ 899,175	
Advertising revenue	$265,466	$252,206	$226,505	
Other revenue	1,449	8,384	19,002	
Total Ads and Leads revenue	1,282,061	1,227,074	1,218,755	
Services revenue	381,256	289,948	162,539	
Roofing revenue	137,509	68,028	—	
Intersegment eliminations	(10,340)	(1,907)	—	
Total Domestic revenue	1,790,486	1,583,143	1,381,294	
International Consumer connection revenue	71,851	68,686	57,692	
Service professional membership subscription revenue	28,192	32,367	27,225	
Advertising and other revenue	995	1,242	1,714	
Total International revenue	101,038	102,295	86,631	
Total Angi Inc. revenue	$ 1,891,524	$ 1,685,438	$ 1,467,925	

ANGI Operating Income/ Adjusted EBITDA 2020-2022

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

Years Ended December 31,	2022	2021	2020 (In thousands)
Operating (loss) income:			
Angi Inc. Ads and Leads	85,593	65,485	133,365
Services	(95,166)	(63,984)	(44,592)
Roofing	(50,685)	(8,596)	—
Other	(61,794)	(56,196)	(84,674)
International	(4,253)	(13,222)	(10,467)
Total Angi Inc.	(126,305)	(76,513)	(6,368)

Years Ended December 31,	2022	2021	2020 (In thousands)
Angi Inc. Ads and Leads	$ 168,952	$ 136,260	$ 230,797
Services	$ (52,126)	$ (48,203)	$ (29,253)
Roofing	$ (21,400)	$ (7,511)	$ —
Other	$ (49,866)	$ (46,066)	$ (23,870)
International	$ (481)	$ (6,615)	$ (4,870)

Note- The following tables reconcile operating (loss) income for the Company's reportable segments and net earnings attributable to IAC shareholders to Adjusted EBITDA: Year Ended December 31, 2022

Year Ended December 31, 2022

Operating (Loss) Income	Stock-Based Compensation Expense	Depreciation	Amortization of Intangibles	Acquisition related Contingent Consideration Fair Value Adjustments		Goodwill Impairment	Adjusted EBITDA
Angi Inc. Ads and Leads 8	5,593	$ 19,972	$ 52,737	$ 10,650	$ —	$ —	$ 168,952
Services	(95,166)	$ 18,012	$ 21,904	$ 3,124	$ —	$ —	$ (52,126)
Roofing	(50,685)	$ 1,866	$ 747	$ 667	$—	$ 26,005	$ (21,400)
Other	(61,794)	$ 11,928	$ —	$ —	$ —	$—	$ (49,866)
International (	4,253)	$ 890	$ 2,882	$ —	$ —	$ —	$ (481)

ANGI- 2021/2022

Long Integration/ Higher Interest Rates Affect Results
October 2022, Joey Levin Appointed CEO
4th Qtr 2022 Announces 4 priorities
Centers Around Simplification

Deliver an intuitive customer experience

Turn the trend in SEM and SEO.

Rationalize Services.

Operate with less costs and generate more cash flow.

Note: Accounting for Services Changed In 4th Qtr 2022

Guides Adjusted EBITDA Range for 2023- $60-100 million

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 net revenue accounting treatment effective January 1, 2023. There is no impact to operating income or Adjusted EBITDA.

ANGI Results 1Q 2023

ANGI INC. SUMMARY RESULTS ($ in millions except per share amounts)

	Q1 2023	Q1 2022	Growth
Revenue	$392.4	$ 436.2	-10%
Pro Forma Net Revenue	388.7	384.5	1%
Gross profit	350.4	337.2	4%
Operating loss	(10.5)	(34.0)	69%
Net loss	(15.3)	(33.4)	54%
Diluted loss per share	(0.03)	(0.07)	54%
Adjusted EBITDA	30.5 (	3.2)	NM

Revenue	Q1 2023	Q1 2022	Growth ($ in millions; rounding differences may occur)
Operating income (loss)			
Ads and Leads	$13.5	$ 15.5 $	-13%
Services	(25.8)	(12.5)	52%
Roofing	(6.2)	0.4	NM
Corporate	(14.9)	(13.0)	-15%
Total Domestic	$(13.5)	$ (29.4)	54%
International	3.0	(4.5)	NM
Total	$ (34.0)	$(10.5)	69%
Adjusted EBITDA			
Ads and Leads	$39.9	$ 34.3	16%
Services	(18.6)	(2.2)	88%
Roofing	(5.0)	0.8	NM
Corporate	(12.4)	(10.5)	-18%
Total Domestic	$26.1	$ 0.3	NM
International	4.4	(3.4)	NM
Total	$30.5	$ (3.2)	NM

Search/Emerging/Other Businesses

Guidance for 2023 for secondary entities:

Search- Revenues- Approximately 600 million
Adjusted EBITDA- $40-50 million
Emerging/ Other- Approximately 600 million
Adjusted EBITDA- $20-40 million

The largest businesses in the emerging area are Care.com, Turo, Vivian Health, Mosaic Group, the Daily Beast, and Investopedia. The Mosaic Group has interesting subscription businesses like Robokiller.

Investments in Major Holdings

IAC purchased $1.3 billion of MGM Resorts International in 2020 and 2022. On May 5, 2023 it was worth $2.8 billion. At the time it was a 15% ownership stake. It is now 18% as MGM has engaged in corporate transactions (VICI REIT) and bought back stock.

IAC bought 19% of TURO in 2019 for $250 million, which included a warrant to buy an additional 10%. The valuation was $2 billion. In each of the last two years, TURO generated approximately 80 million of Adjusted EBITDA. Revenues in 2021 were $469 million and in 2022 $747 million. On April 25, 2023, IAC purchased additional shares in Turo for $104 million. Following the purchase, IAC's aggregate percentage ownership in Turo is 31%

In 2020, IAC closed its acquisition of Care.com, paying $500 million in an all-cash deal. As of 2019, Care.com had revenues of approximately 200 million and Adjusted EBITDA of $20-25 million. In the most recent quarter update, Care grew revenues 10% year over year.

Optionality of Emerging/Other Assets

Owning IAC gives the buyer favorable risk/ reward because of the free ownership of a few large businesses in which IAC invested nearly $1 billion. Currently, those entities are given no valuation, meaning zero. The reason for owning these assets is the low penetration rates of these companies. TURO has less than a billion in revenue in what is an alternative for renting a car.

Care has less than 500 million of revenue in the managed care business (children, elderly, and pets). Looking ahead, these entities can become large businesses, like Expedia, Trip Advisor, or Match.com (Tinder).

Buybacks/RSU's and Options

Between February 14, 2023 and May 5, 2023, IAC repurchased 3.1 million common shares for an aggregate of $158 million (average price of $50.86 per share). This represents 3.5% of the total outstanding shares.

DILUTIVE SECURITIES IAC has various dilutive securities. The table below details these securities as well as potential dilution at various stock prices (shares in millions; rounding differences may occur)

	Shares	Avg. Exercise As of Shares Price 5/5/23	Dilution at:				
Share Price			$53.10	$55.00	$60.00	$65.00	$70.00
Absolute Shares as of 5/5/23	82.9		82.9	82.9	82.9	82.9	82.9
Restricted stock, RSUs and non-publicy traded subsidiary denominated equity awards	5.3		0.6	0.6	0.6	0.6	0.6
Options	2.8	$14.07	0.5	0.6	0.6	0.6	0.6
Total Dilution			1.2	1.2	1.2	1.2	1.2
% Dilution			1.4%	1.4%	1.4%	1.4%	1.4%
Total Diluted Shares Outstanding			84.0	84.0	84.0	84.0	84.0

Risks to Consider

Barry Diller is 80 and controls 40% of the vote.
Joey Levin is in multiple roles as CEO of both IAC and ANGI.
Applying the marketplace model across the specific holdings could lead to slower adoption in each case.
A higher inflation rate which is sticky could lead to prolonged headwinds in the biggest holdings- DDM and ANGI.
A meaningful portion of consolidated revenues is attributable to a services agreement with Google.
ChatGTP could be a disruptive element for content producers- as mentioned by Diller in a recent Barron’s article.
Google relationship is a ‘significant portion’ of IAC revenues
Paying up for Turo and Care on the assumption they grow into the price is based on continued growth and execution in those holdings.