



NASDAQ: TZOO

Fourth Quarter 2021 Performance

March 3, 2022

Important Notice to Investors

Please read this management presentation together with the Company's press release issued earlier today announcing the Company's fourth quarter 2021 financial results and in conjunction with the Company's recent Annual Report and Quarterly Reports as filed with the Securities and Exchange Commission (SEC).

Certain statements contained in this presentation that are not historical facts may be forward looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities and Exchange Act of 1934, as amended. These forward looking statements may include, but are not limited to, statements about our plans, objectives, expectations, prospects, expected future financial guidance and intentions, markets in which we participate and other statements contained in this presentation that are not historical facts. When used in this presentation, the words "expect," "predict," "project," "anticipate," "believe," "estimate," "intend," "plan," "seek" and similar expressions are generally intended to identify forward looking statements. Because these forward looking statements involve risks and uncertainties, there are important factors that could cause actual results to differ materially from those expressed or implied by these forward looking statements, including changes in our plans, objectives, expectations, prospects and intentions and other factors discussed in our filings with the SEC. We cannot guarantee any future levels of activity, performance or achievements. Travelzoo undertakes no obligation to update forward-looking statements to reflect events or circumstances occurring after the date of this presentation.

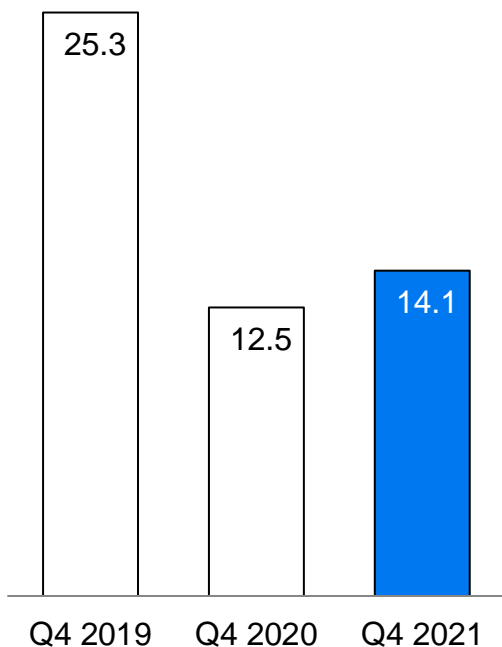
Part 1:
Fourth Quarter 2021 Performance

Part 2:
Management Focus

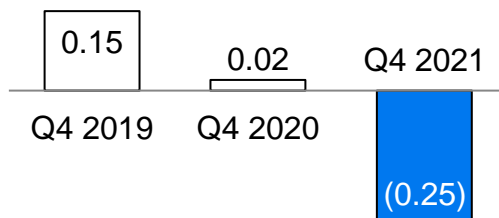
On our way back to pre-pandemic levels, the surge of the Omicron variant affected our reported revenue and income in Q4.

Financial Performance (Continuing Operations)

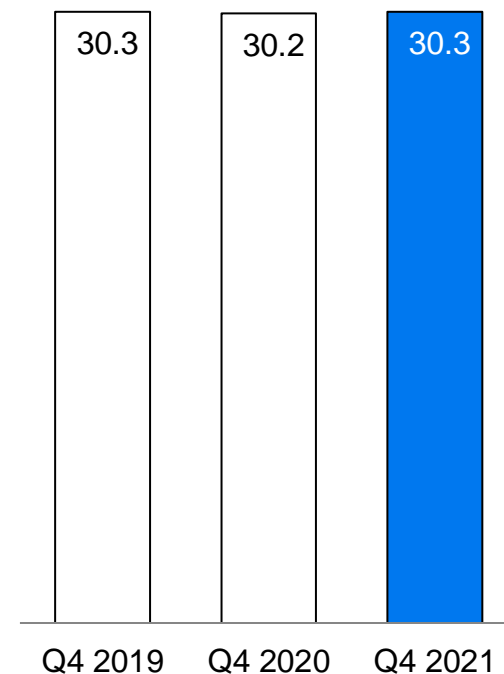
Revenue
\$ millions



EPS
\$ per share



Members

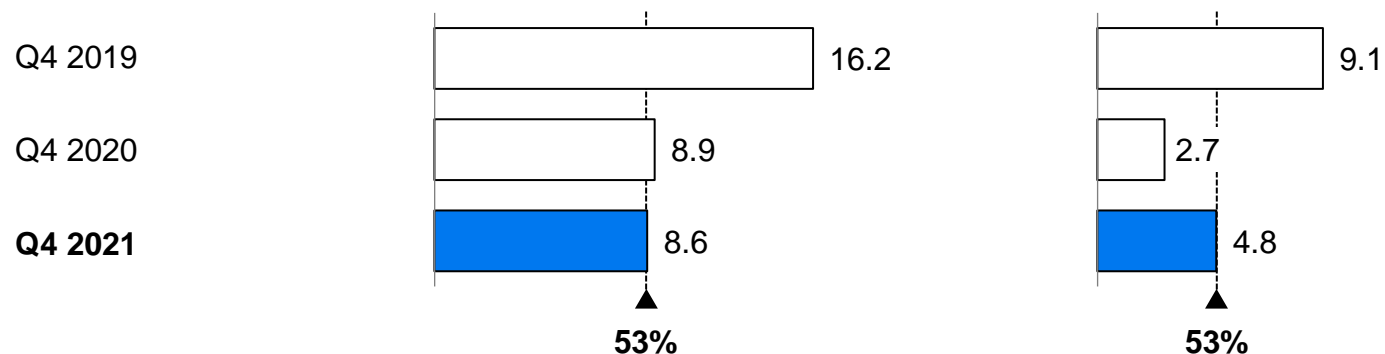


Reported revenues are net of a cautionary increase in reserves, which lowered revenue and income by \$1.6 million in Q4.

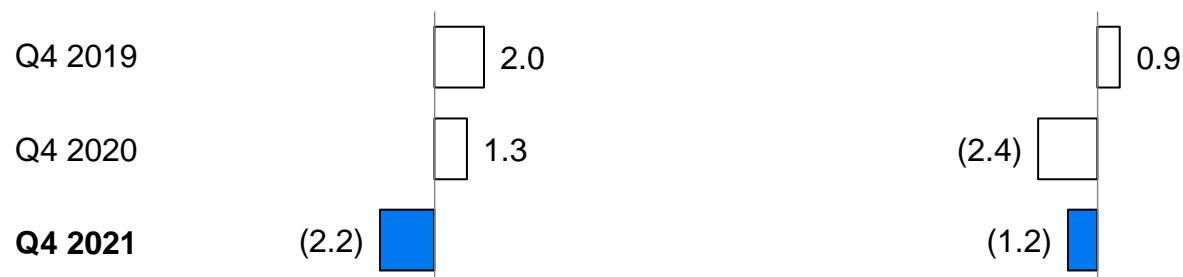
North America Business Segment

Europe Business Segment

Revenue \$ millions



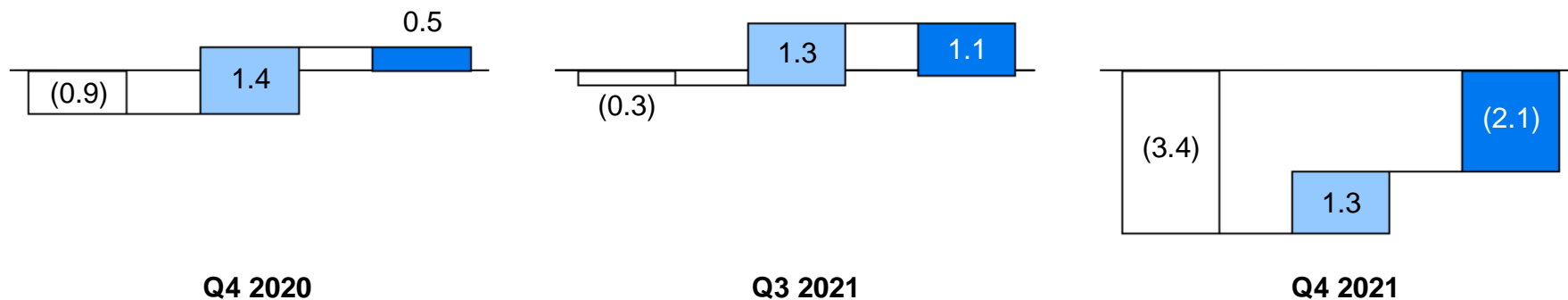
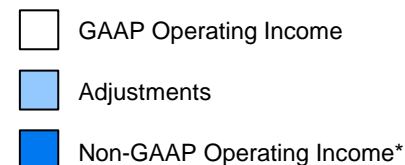
Operating Income \$ millions



Non-GAAP operating loss, which we use to measure our financial performance, was \$2.1 million.

Non-GAAP Operating Income*

\$ millions



* GAAP operating income + impairment of intangibles and goodwill + amortization of intangibles + stock option expenses + severance-related expenses = non-GAAP operating income

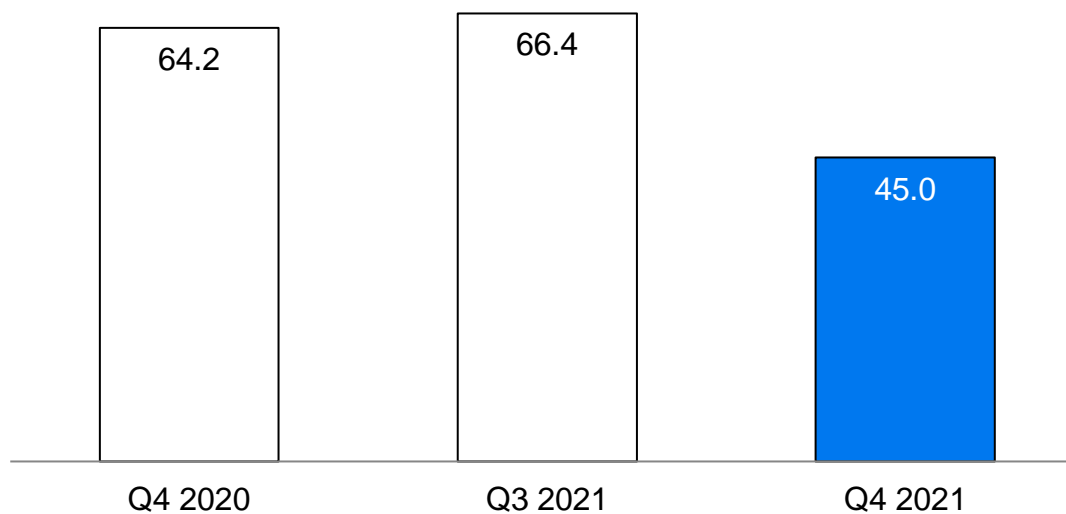
Here are the details on the items that are excluded in the calculation of Non-GAAP operating profit.

\$ millions	Q4 2020	Q3 2021	Q4 2021
Adjustments	1.4	1.4	1.3
Impairment of intangibles and goodwill	0	0	0
Amortization of intangibles	0.3	0.3	0.3
Stock option expense	1.0	0.9	0.9
Severance-related expenses	0.1	0.1	0.1

The cash balance reached the expected level as merchant payables decreased and receivables/deposits increased by \$14 million in a transition of switching to an efficient payment processor.

Cash Balance at End of Quarter*

\$ millions

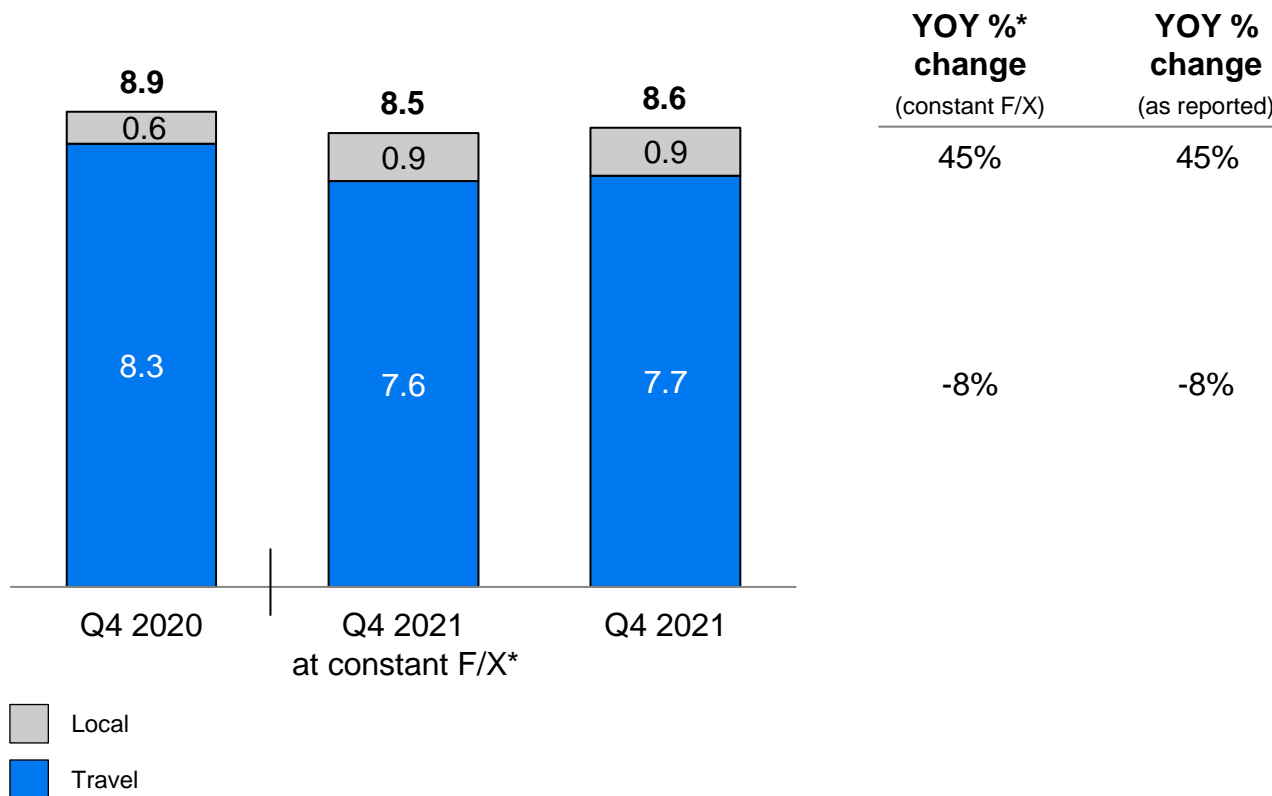


* Includes cash, cash equivalents and restricted cash

North America business segment revenue

North America Revenue by Type

\$ millions

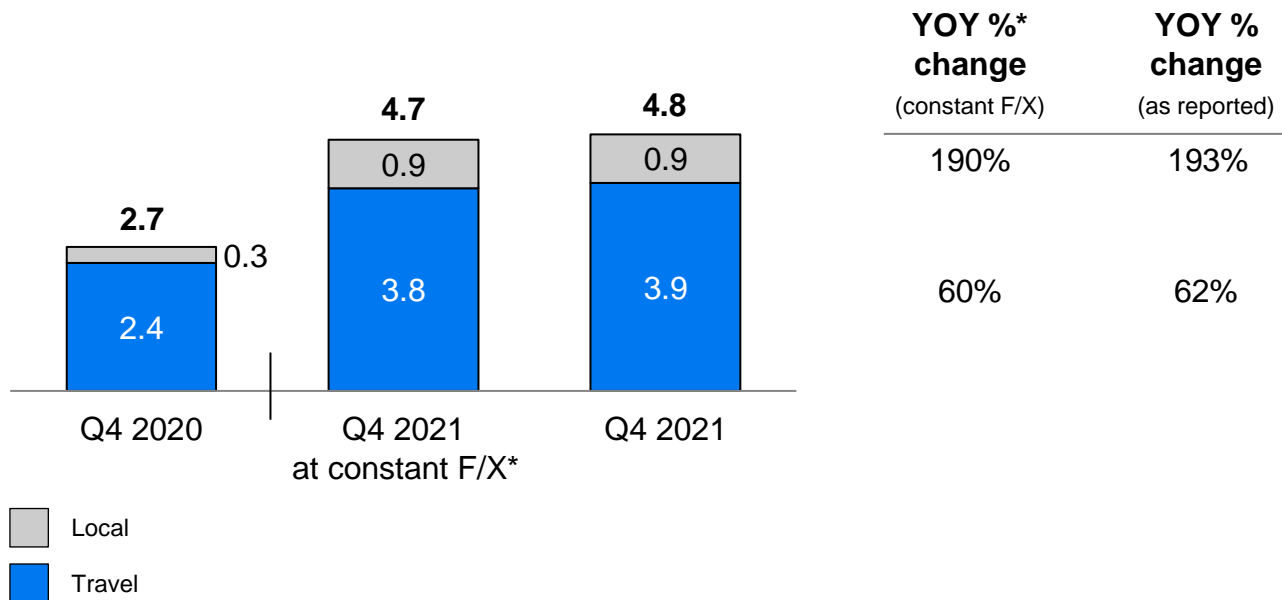


* Based on constant F/X rates for CAD

Europe business segment revenue

Europe Revenue by Type

\$ millions

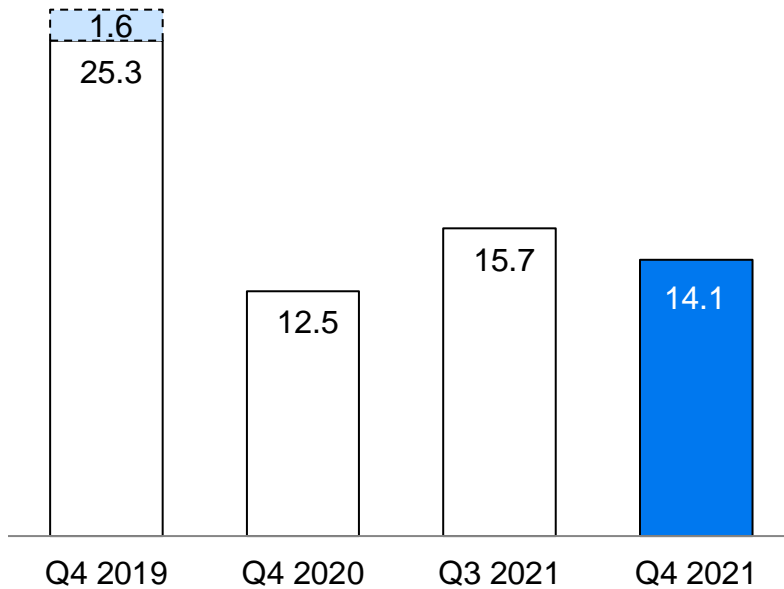


* Based on constant F/X rates for EUR and GBP

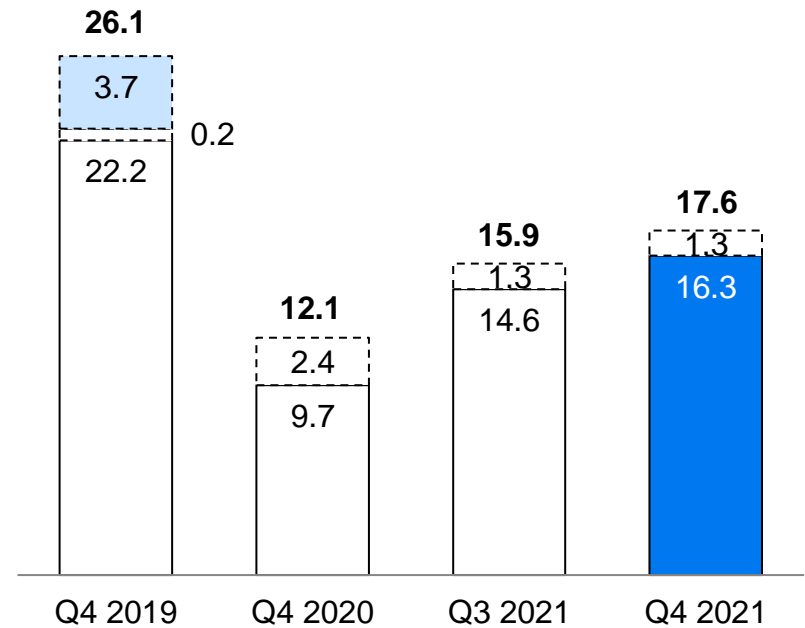
During the pandemic, we have been able to lower our fixed costs. We believe we can keep them relatively low in the foreseeable future—while revenue is expected to grow.

Financial Performance

Revenue
\$ millions



Operating Expenses and Cost of Revenues
\$ millions



APAC (discontinued in Q1 2020)

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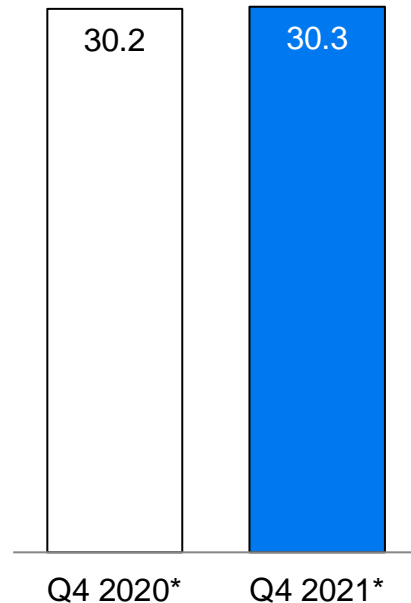
Non-GAAP Adjustments

OPEX and Cost of Revenues

With more than 30 million members, 6.9 million mobile app users, and 4 million social media followers, Travelzoo is loved by travel enthusiasts who are affluent, active, and open to new experiences.

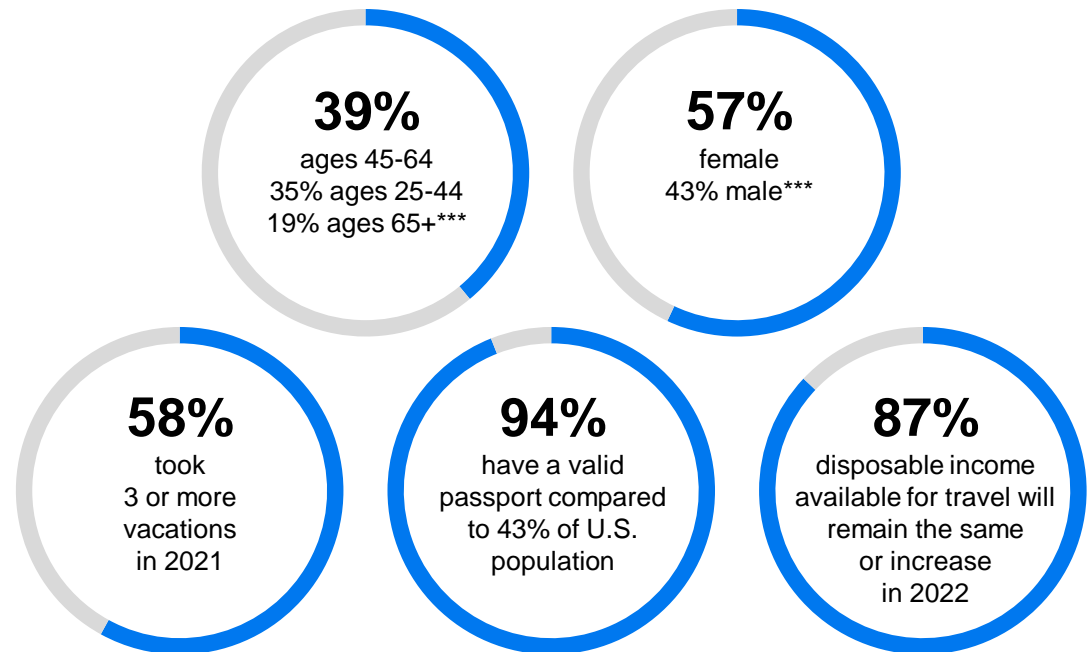
Travelzoo's Global Reach

Members (Email Subscribers)
Millions



High-Quality Users, Followers and Subscribers

Travelzoo U.S. Member Survey**
December 2021



* Including members of Jack's Flight Club ** Sources: Google Analytics, average taken over October 2020 to September 2021 (marked with ***); Travelzoo U.S. Member Survey; December 11-20, 2021; n=1,457; U.S. Department of State – Bureau of Consular Affairs, U.S. Census Bureau

Part 1:
Fourth Quarter 2021 Performance

Part 2:
Management Focus

- Seize the exceptional industry opportunities for providing 30 million Travelzoo® members with exclusive and irresistible travel, entertainment, and local offers and experiences.
- Increase members in 2022 and accelerate revenue growth.
- Grow Jack's Flight Club's profitable subscription revenue.
- Grow profitability as demand for travel returns.

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HAVE A NICE DAY!

For questions, please contact Travelzoo Investor Relations:

ir@travelzoo.com