UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO SECTION 13a-16 OR 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of May, 2023

Commission File Number: 001-37959

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trivago N.V.
(Exact Name of Registrant as Specified in Its Charter)

Kesselstraße 5 - 7
40221 Düsseldorf
Federal Republic of Germany
+49 211 54065110
(Address of principal executive offices)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F x Form 40-F ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ☐

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ☐

EXPLANATORY NOTE

On May 3, 2023, trivago N.V. will hold a conference call regarding its unaudited financial results for the first quarter ended March 31, 2023. Copies of the operating and financial review for the first quarter of 2023, a letter to shareholders and the unaudited condensed consolidated interim financial statements as of March 31, 2023 are furnished as Exhibits 99.1, 99.2 and 99.3 hereto.

SIGNATURES

Pursuant to the requirements of the Exchange Act, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

		trivago N.V.
Date: May 2, 2023	By:	/s/ Matthias Tillmann
		Matthias Tillmann
		Chief Financial Officer

EXHIBIT INDEX

Exhibit No.	Description
99.1	Operating and Financial Review for the First Quarter of 2023.
99.2	Letter to Shareholders.
99.3	Unaudited Condensed Consolidated Interim Financial Statements as of March 31, 2023.

Exhibit 99.1

Operating and Financial Review

The following discussion should be considered together with our unaudited financial information included with this review and the periodic reports we file with the Securities and Exchange Commission, including the section contained in our Annual Report on Form 20-F for the fiscal year ended December 31, 2022, “Item 5. Operating and Financial Review and Prospects.” Certain information and disclosures normally included in consolidated financial statements prepared in accordance with U.S. Generally Accepted Accounting Principles (“U.S. GAAP”) have been omitted from this review.

As used herein, references to “we,” “us,” the “company,” or “trivago,” or similar terms shall mean trivago N.V. and, as the context requires, its subsidiaries.

Overview

trivago is a global hotel and accommodation search platform. We are focused on reshaping the way travelers search for and compare different types of accommodations, such as hotels, vacation rentals and apartments, while enabling our advertisers to grow their businesses by providing them with access to a broad audience of travelers via our websites and apps. Our platform allows travelers to make informed decisions by personalizing their search for accommodations and providing them with access to a deep supply of relevant information and prices. As of March 31, 2023, we offered access to more than 5.0 million hotels and other types of accommodation in over 190 countries, including over 3.8 million units of alternative accommodation, such as vacation rentals and apartments.

Our search platform forms the core of our user experience and can be accessed globally via 53 localized websites and apps available in 31 languages. Our users initially search via a text-based search function, which supports searches across a broad range of criteria. This leads through to a listings page that displays search results and allows for further refinement based on more nuanced filters. Additionally, we enhance our users’ experience by giving them the option to display their search results in listing or map formats. Users can search our platform on desktop and mobile devices, and benefit from a familiar user interface, resulting in a consistent user experience.

Financial Summary & Operating Metrics (€ millions, unless otherwise stated)

	Three months ended March 31,		
	2023	2022	Δ Y/Y
Total revenue	111.0	101.6	9%
Referral Revenue	109.3	98.4	11%
Return on Advertising Spend	168.2%	183.9%	(15.7) ppts
Net income/(loss)	9.9	(10.7)	n.m.
Adjusted EBITDA[1]	18.6	21.1	(12)%

n.m. not meaningful

[1] “Adjusted EBITDA” is a non-GAAP measure. Please see “Definitions of Non-GAAP Measures” and “Tabular Reconciliations for Non-GAAP Measures” on pages 9 to 10 herein for explanations and reconciliations of non-GAAP measures used throughout this review.

Recent Trends

Travel demand on our platform continued to be robust in the first quarter of 2023. Our segments Developed Europe and Rest of World recovered from COVID-related travel restrictions that had been in place during the same period last year, and we started to ramp up our marketing activities accordingly. Total revenue in the first quarter of 2023 increased by €9.4 million, or by 9%, to €111.0 million compared to the same period in 2022, reflecting the recovery in travel demand in those segments as well as the continued positive impact of increased average booking values[1] mainly driven by higher average daily hotel rates.

In our auction, we have not observed a seasonal uptick in monetization of the same magnitude as last year as our advertisers have shifted their focus from volume to profitability in their advertising campaigns on our platform, leading to softer bidding dynamics compared to the prior year, particularly in Americas. As we continue to focus on profitability, we have adjusted our performance marketing activities, which has led to a drop in traffic volumes, particularly in our segment Americas. We believe that, after a strong 2022, monetization levels during the peak summer season in 2023 will be at lower levels than in 2022 but will follow a similar pattern to that in 2019.

Revenue

Referral Revenue & Other Revenue

We match our users' searches with large numbers of hotel and other accommodation offers through our auction platform, which we call our marketplace. With our marketplace, we provide advertisers a competitive forum to access user traffic by facilitating a vast quantity of auctions on any particular day. Advertisers submit hotel room and other accommodation rates and participate in our marketplace primarily by making bids for each user click on an advertised rate for a hotel or other accommodation on a cost-per-click, or CPC, basis. We also offer the option for our advertisers to participate in our marketplace on a cost-per-acquisition, or CPA, basis.

We earn substantially all of our revenue when users of our websites and apps click on hotel and accommodation offers or advertisements in our search results and are referred to one of our advertisers. We call this our Referral Revenue.

Management has identified three reportable segments, which correspond to our three operating segments: Americas, Developed Europe and Rest of World (RoW). Our Americas segment is comprised of Argentina, Brazil, Canada, Chile, Colombia, Ecuador, Mexico, Peru, the United States and Uruguay. Our Developed Europe segment is comprised of Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United Kingdom. Our RoW segment is comprised of all other countries. In the first quarter of 2023, the most significant countries by revenue in that segment were Japan, Australia, Turkey, Hong Kong and New Zealand.

We also earn revenue by offering our advertisers business-to-business (B2B) solutions, such as white label services and subscription fees earned from advertisers for the trivago Business Studio PRO Package. These revenues do not represent a significant portion of our total revenue.

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[1] *Average booking value is the average amount our advertisers obtain from referrals as a result of hotels and other accommodation booked on their sites. We estimate this amount from data voluntarily provided to us by certain advertisers.*

Referral Revenue by Segment & Other Revenue (€ millions)

	Three months ended March 31,			
	2023	2022	Δ €	Δ %
Americas	€ 40.5	€ 43.7	(3.2)	(7)%
Developed Europe	51.9	43.5	8.4	19%
Rest of World	16.9	11.2	5.7	51%
Total Referral Revenue	**€ 109.3**	**€ 98.4**	**10.9**	**11%**
Other revenue	1.7	3.2	(1.5)	(47)%
Total revenue	**€ 111.0**	**€ 101.6**	**9.4**	**9%**

In the first quarter of 2023, total revenue increased by €9.4 million to €111.0 million, while Referral Revenue increased by €10.9 million to €109.3 million, compared to the same period in 2022. The increase in Referral Revenue was driven by an increase in Developed Europe and RoW, which was partly offset by a decrease in Americas.

In Americas, Referral Revenue decreased by €3.2 million to €40.5 million, compared to the same period in 2022. The decrease was mainly driven by the impact of softer bidding dynamics on traffic volumes, compared to the same period in 2022, when we benefited from a strong auction. The impact of softer bidding dynamics was partly offset by better booking conversion, higher average booking values and a positive foreign exchange rate impact resulting from the strengthening of the U.S. dollar against the euro, compared to the same period in 2022.

In Developed Europe, Referral Revenue increased by €8.4 million to €51.9 million compared to the same period in 2022. The increase was mainly driven by better booking conversion and higher average booking values, and was partly offset by softer bidding dynamics compared to the same period in 2022, when we benefited from a strong auction. Traffic volumes remained virtually flat, since the impact of softer bidding dynamics on traffic volumes was largely offset by an increase in direct traffic, as the comparative period in 2022 was negatively impacted by continued COVID-19 measures.

In Rest of World, Referral Revenue increased by €5.7 million to €16.9 million, compared to the same period in 2022. The increase was driven by higher average booking values, better booking conversion and increased traffic volumes, particularly in Japan and Hong Kong, due to the continued recovery in travel demand. The increase in Referral Revenue was partly offset by lower traffic volumes in Russia and Central Eastern Europe, due to the war in Ukraine, and in Turkey, due to the earthquake.

Other revenue decreased by €1.5 million, or 47%, during the first quarter of 2023, mainly due to our decision in the second quarter of 2022 to discontinue some of our B2B products such as display ads.

Advertiser Concentration

We generate the majority of our Referral Revenue from online travel agencies, or OTAs. For brands affiliated with Expedia Group, including Brand Expedia, Hotels.com, Orbitz, Travelocity, Hotwire, Wotif, Vrbo and ebookers, the share of our Referral Revenue was 37% for the three months ended March 31, 2023, compared to 34% in the same period in 2022. For brands affiliated with Booking Holdings, including Booking.com, Agoda and priceline.com, the share of our Referral Revenue was 43% for the three months ended March 31, 2023, compared to 45% in the same period in 2022.

Return on Advertising Spend (ROAS)

We track the ratio of our Referral Revenue to our Advertising Spend, or ROAS. We believe that ROAS is an indicator of the efficiency of our advertising and it is our primary operating metric. The following table sets forth the ROAS for our reportable segments:

ROAS by Segment (in %)

	Three months ended March 31,		
	2023	**2022**	**Δ ppts**
ROAS			
Americas	177.0%	184.6%	(7.6) ppts
Developed Europe	159.8%	176.6%	(16.8) ppts
Rest of World	175.9%	215.5%	(39.6) ppts
Consolidated ROAS	**168.2%**	**183.9%**	**(15.7) ppts**

In the first quarter of 2023, consolidated ROAS decreased by 15.7 ppts to 168.2%, compared to the same period in 2022. The decrease in ROAS was driven by a decrease of 39.6 ppts, 16.8 ppts and 7.6 ppts in RoW, Developed Europe and Americas, respectively, compared to the same period in 2022.

ROAS in Americas decreased to 177.0%, as the relative decrease in Referral Revenue was greater than the relative decrease in Advertising Spend, compared to the same period in 2022. Advertising Spend decreased by €0.8 million to €22.9 million in the first quarter of 2023, compared to the same period in 2022, mainly due to our continued focus on profitability, resulting in adjustments to our performance marketing activities. Contribution for the Americas segment was €17.6 million in the first quarter of 2023, €2.4 million lower than in the same period in 2022.

In the first quarter of 2023, ROAS in Developed Europe decreased to 159.8%, as the relative increase in Advertising Spend was greater than the relative increase in Referral Revenue, compared to the same period in 2022. Advertising Spend increased by €7.8 million to €32.5 million, compared to the same period in 2022, mainly due to increased travel demand across most European countries, considering the weak comparative period, that was impacted by COVID-19 measures. Furthermore, we increased our brand investments, particularly in the Nordics. Developed Europe contribution was €19.4 million in the first quarter of 2023, €0.5 million higher than in the same period in 2022.

ROAS in RoW decreased to 175.9%, as the relative increase in Advertising Spend was greater than the relative increase in Referral Revenue, compared to the same period in 2022. Advertising Spend increased by €4.5 million to €9.6 million in the first quarter of 2023, compared to the same period in 2022. The increase in marketing activities, particularly in Japan and Hong Kong, was mainly driven by the continued recovery in travel demand in these markets. RoW contribution was €7.3 million in the first quarter of 2023, €1.3 million higher than in the same period in 2022.

Expenses

Expenses by cost category (€ millions)

	Costs and expenses			As a % of revenue		
	Three months ended March 31,			Three months ended March 31,		
	2023	2022	Δ %	2023	2022	Δ in ppts
Cost of revenue	€ 3.2	€ 3.0	7 %	3 %	3 %	— %
of which share-based compensation	*0.0*	*0.0*	*— %*			
Selling and marketing	70.1	59.3	18 %	63 %	58 %	5 %
of which share-based compensation	*0.1*	*0.2*	*(50)%*			
Technology and content	12.5	13.6	(8)%	11 %	13 %	(2)%
of which share-based compensation	*0.3*	*0.6*	*(50)%*			
General and administrative	10.6	30.6	(65)%	10 %	30 %	(20)%
of which share-based compensation	*2.2*	*2.3*	*(4)%*			
Amortization of intangible assets	0.0	0.0	— %	0 %	0 %	— %
Total costs and expenses	**€ 96.3**	**€ 106.5**	**(10)%**	**87%**	**105 %**	**(18)%**

Note: Some figures may not add due to rounding.

Cost of revenue

In the first quarter of 2023, cost of revenue increased by €0.2 million to €3.2 million, or 7%, period-over-period, mainly due to higher personnel costs driven by an increase in compensation costs compared to the same period in 2022, and higher cloud-related service provider costs.

Selling and marketing

In the first quarter of 2023, selling and marketing expense increased by €10.8 million, or by 18%, period-over-period, to €70.1 million, of which €65.0 million, or 93%, was Advertising Spend.

Advertising Spend

In the first quarter of 2023, Advertising Spend increased to €32.5 million and €9.6 million in Developed Europe and RoW, respectively, compared to €24.7 million and €5.1 million, while it decreased to €22.9 million in Americas compared to €23.7 million in the same period in 2022. Advertising Spend increased in Developed Europe and RoW in response to increased travel demand, while it decreased in Americas due to adjustments made to our performance marketing activities, compared to the same period in 2022.

Other marketing expense

In the first quarter of 2023, other selling and marketing expense decreased by €0.7 million to €5.1 million, or 12%, period-over-period. The decrease was mainly due to lower personnel costs from a lower headcount resulting from the discontinuation of some B2B products and projects in the prior year and partly by an internal reorganization of existing teams to achieve efficiencies in 2022. The decrease was further driven by lower expenses incurred to acquire traffic, and was partly offset by higher television advertisement production costs.

Technology and content

In the first quarter of 2023, technology and content expense decreased by €1.1 million to €12.5 million, or 8%, period-over-period. The decrease was mainly due to lower personnel costs from a lower headcount from an internal reorganization of existing teams to achieve efficiencies through attrition and headcount reductions as a result of the discontinuation of some B2B products and projects in 2022. The decrease was further driven by lower depreciation and share-based compensation expense, and was partly offset by continuous investments to improve our platform.

General and administrative

In the first quarter of 2023, general and administrative expense decreased by €20.0 million to €10.6 million, or by 65%, period-over-period, primarily due to the non-recurrence of the incremental expense of €21.1 million in relation to the proceeding brought by the Australian Competition and Consumer Commission (ACCC) against us. These were partly offset by higher expected credit losses on trade receivables, and higher personnel expenses due to an increase in compensation costs, compared to the same period in 2022.

Amortization of intangible assets

Amortization of intangible assets was €33 thousand in both the first quarter of 2023 and 2022, as we amortize intangible assets acquired through the weekengo GmbH acquisition.

Income taxes, net income/(loss) and Adjusted EBITDA[1] (€ millions)

	Three months ended March 31,		
	2023	**2022**	**Δ €**
Operating income/(loss)	€ 14.8	€ (4.8)	19.6
Other income/(expense)			
Interest expense	(0.0)	(0.0)	0.0
Interest income	1.0	0.1	0.9
Other, net	(0.2)	0.1	(0.3)
Total other income/(expense), net	**€ 0.8**	**€ 0.2**	**0.6**
Income/(loss) before income taxes	15.6	(4.6)	20.2
Expense for income taxes	5.5	6.1	(0.6)
Income/(loss) before equity method investment	**€ 10.0**	**€ (10.7)**	**20.7**
Loss from equity method investment	(0.1)	—	(0.1)
Net income/(loss)	**€ 9.9**	**€ (10.7)**	**20.6**
Adjusted EBITDA[1]	**€ 18.6**	**€ 21.1**	**(2.5)**

Note: Some figures may not add due to rounding.

[1] "Adjusted EBITDA" is a non-GAAP measure. Please see "Definitions of Non-GAAP Measures" and "Tabular Reconciliations for Non-GAAP Measures" on pages 9 to 10 herein for explanations and reconciliations of non-GAAP measures used throughout this review.

Income taxes

Income tax expense was €5.5 million in the first quarter of 2023, compared to €6.1 million in the same period in 2022. The total weighted average tax rate was 31.3%, which was mainly driven by the German statutory tax rate of approximately 31.2%. Our effective tax rate for the first quarter of 2023 was 35.6%, compared to (131.2)% in the same period in 2022. The difference in effective tax rate in the quarter ended March 31, 2023, compared to the same period in 2022, is primarily attributable to discrete items recognized in the comparative period in 2022 related to a penalty and applicant's cost award pursuant to a court ruling in the prior year. The difference between the weighted average tax rate of 31.3% and the effective tax rate of 35.6% in the first quarter of 2023 is primarily attributable to share-based compensation expense, which is non-deductible for tax purposes.

An uncertain tax position in connection with unrecognized tax benefits relating to the deductibility of expenses amounted to €9.3 million as of March 31, 2023. A liability of €8.5 million for these tax benefits is presented under other long-term liabilities and €0.8 million within accrued expenses and other current liabilities in the unaudited condensed consolidated financial statements.

Net Income/(loss) and Adjusted EBITDA

Net income in the first quarter of 2023 was €9.9 million as compared to a net loss of €10.7 million in the same period in 2022. The increase was mainly driven by the non-recurrence of the incremental expense of €21.1 million in the first quarter of 2022 in relation to the proceeding brought by the ACCC against us.
Adjusted EBITDA decreased by €2.5 million to €18.6 million in the first quarter of 2023, compared to the same period in 2022, driven by an increase in our Advertising Spend of €11.5 million, partly offset by higher revenues of €9.4 million.

The decision of the Australian Federal Court in the first quarter of 2022 had a significant negative impact of €21.1 million on our operating expenses for the three months ended March 31, 2022. Due to the size and unusual nature of the accrual relating to the judgement of the Australian Federal Court and its distorting effect on the understanding of our underlying business developments, it was excluded when calculating Adjusted EBITDA in 2022.

Balance sheet and cash flows

Total cash, cash equivalents and restricted cash were €257.1 million as of March 31, 2023, compared to €248.9 million as of December 31, 2022. The increase of €8.2 million during the three months ended March 31, 2023, was mainly driven by cash provided by investing activities of €4.3 million and cash provided by operating activities of €3.7 million.

Cash provided by investing activities during the three months ended March 31, 2023, was primarily driven by proceeds from sales and maturities of investments of €5.0 million. This was partly offset by €0.8 million net cash paid for capital expenditures, including internal-use software and website development.

Cash provided by operating activities for the three months ended March 31, 2023, was primarily driven by net income of €9.9 million and non-cash adjusting items totaling €3.6 million. Non-cash items included in net income consisted mainly of share-based compensation of €2.6 million and depreciation of €1.1 million.

Positive effects from net income were partly offset by negative changes in operating assets and liabilities of €9.8 million. Changes in operating assets and liabilities were primarily due to a decrease in taxes payable of €6.6 million and an increase in accounts receivable of €5.8 million mostly from higher revenues in the first quarter of 2023 compared to the fourth quarter of 2022. These were partly offset by a decrease in prepaid expenses and other assets of €1.1 million and an increase of €1.0 million in accrued expenses and other liabilities.

Our current ratio increased from 7.1 as of December 31, 2022 to 8.0 as of March 31, 2023, as the relative increase in our current assets was higher than the relative increase in our current liabilities compared to December 31, 2022.

trivago N.V. Key Metrics

- The following metrics are intended as a supplement to the financial information found in this review and the financial statements included in our filings with the Securities and Exchange Commission ("SEC"). In the event of discrepancies between amounts in these tables and our historical financial statements, readers should rely on our filings with the SEC and our most recent financial statements filed with the SEC.
- We intend to periodically review and refine the definition, methodology and appropriateness of each of our supplemental metrics. As a result, metrics are subject to removal and/or change, and such changes could be material.
- These metrics do not include adjustments for one-time items, acquisitions, foreign exchange or other adjustments.
- Some numbers may not add up due to rounding.

	Three months ended March 31,	
	2023	**2022**
ROAS by segment		
Americas	177.0%	184.6%
Developed Europe	159.8%	176.6%
Rest of World	175.9%	215.5%
Consolidated ROAS	**168.2%**	**183.9%**

Notes & Definitions:

Current Ratio: The current ratio is used to measure the company´s ability to pay off its short-term liabilities with its current assets and is an important measure of liquidity. The current ratio is calculated by dividing the company´s total current assets by the company´s total current liabilities.

Referral Revenue: We use the term “referral” to describe each time a visitor to one of our websites or apps clicks on a hotel offer or advertisement in our search results and is referred to one of our advertisers. We charge our advertisers for each referral on a cost-per-click (CPC) or cost-per-acquisition (CPA) basis.

ROAS: The ratio of our Referral Revenue to our Advertising Spend in a given period, or **Return On Advertising Spend.** We invest in multiple marketing channels, such as: TV; out-of-home advertising; search engine marketing; display advertising campaigns on advertising networks, affiliate websites, social networking sites and email marketing; online video; mobile app marketing and content marketing; sponsorship and endorsement.

Definitions of Non-GAAP Measures

Adjusted EBITDA:

We define Adjusted EBITDA as net income/(loss) adjusted for:

- income/(loss) from equity method investment,
- expense/(benefit) for income taxes,
- total other (income)/expense, net,
- depreciation of property and equipment and amortization of intangible assets,
- impairment of, and gains and losses on disposals of, property and equipment,
- impairment of intangible assets and goodwill,
- share-based compensation, and
- certain other items, including restructuring, significant legal settlements and court-ordered penalties, such as the penalty imposed by the Australian Federal Court in the proceeding brought by the ACCC against us.

From time to time, we may exclude from Adjusted EBITDA the impact of certain events, gains, losses or other charges (such as restructuring charges, significant legal settlements and court-ordered penalties) that affect the period-to-period comparability of our operating performance.

Adjusted EBITDA is a non-GAAP financial measure. A “non-GAAP financial measure” refers to a numerical measure of a company’s historical or future financial performance, financial position, or cash flows that excludes (or includes) amounts that are included in (or excluded from) the most directly comparable measure calculated and presented in accordance with U.S. GAAP in such company’s financial statements. We present this non-GAAP financial measure because it is used by management to evaluate our operating performance, formulate business plans, and make strategic decisions on capital allocation. We also believe that this non-GAAP financial measure provides useful information to investors and others in understanding and evaluating our operating performance and consolidated results of operations in the same manner as our management, and the exclusion of certain expenses in calculating Adjusted EBITDA can provide a useful measure in comparing financial results between periods as these costs may vary independent of core business performance. Our use of Adjusted EBITDA has limitations as an analytical tool, and you should not consider it in isolation or as a substitute for analysis of our results reported in accordance with U.S. GAAP, including net income/loss. Some of these limitations are:

- Adjusted EBITDA does not reflect our cash expenditures or future requirements for capital expenditures or contractual commitments;

- Adjusted EBITDA does not reflect changes in, or cash requirements for, our working capital needs;
- Adjusted EBITDA does not reflect expenses, such as restructuring and other related reorganization costs;
- Although depreciation, amortization and impairments are non-cash charges, the assets being depreciated, amortized or impaired may have to be replaced in the future, and Adjusted EBITDA does not reflect cash capital expenditure requirements for such replacements or for new capital expenditure requirements; and
- Other companies, including companies in our own industry, may calculate Adjusted EBITDA differently than we do, limiting its usefulness as a comparative measure.

Tabular Reconciliations for Non-GAAP Measures

Adjusted EBITDA (€ millions)

	Three months ended March 31,	
	2023	2022
Net income/(loss)	€ 9.9	€ (10.7)
Loss from equity method investment	(0.1)	—
Income/(loss) before equity method investment	**€ 10.0**	**€ (10.7)**
Expense for income taxes	5.5	6.1
Income/(loss) before income taxes	**€ 15.6**	**€ (4.6)**
Add/(less):		
Interest expense	0.0	0.0
Interest income	(1.0)	(0.1)
Other, net	0.2	(0.1)
Operating income/(loss)	**€ 14.8**	**€ (4.8)**
Depreciation of property and equipment and amortization of intangible assets	1.2	1.7
Impairment of, and gains and losses on disposals of, property and equipment	0.0	(0.0)
Share-based compensation	2.6	3.1
Certain other items, including restructuring, significant legal settlements and court-ordered penalties	—	21.1
Adjusted EBITDA	**€ 18.6**	**€ 21.1**

Note: Some figures may not add due to rounding.

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

This review contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are not guarantees of future performance. These forward-looking statements are based on management’s expectations as of the date of this review and assumptions which are inherently subject to uncertainties, risks and changes in circumstances that are difficult to predict. The use of words such as "will," “intend” and “expect,” among others, generally identify forward-looking statements. However, these words are not the exclusive means of identifying such statements. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances are forward-looking statements and may include statements relating to future revenue, expenses, margins, profitability, net income / (loss), earnings per share and other measures of results of operations and the prospects for future growth of trivago N.V.’s business. Actual results and the timing and outcome of events may differ materially from those expressed or implied in the forward-looking statements for a variety of reasons, including, among others:

- our ability to grow our revenue in future periods, or at rates deemed sufficient by the market without reducing our profits or incurring losses;
- any acceleration of long-term changes to consumer behavior and industry structure arising from the COVID-19 pandemic that may continue to have a significant adverse effect on our future competitiveness and profitability;
- the potential negative impact of the worsening economic outlook and inflation on consumer discretionary spending;
- geopolitical and diplomatic tensions, instabilities and conflicts, including war, civil unrest, terrorist activity, sanctions or other geopolitical events or escalations of hostilities, such as the war in Ukraine;
- our continued dependence on a small number of advertisers for our revenue and adverse impacts that could result from their reduced spending or changes in their cost-per-click, or CPC, bidding strategy;
- our ability to generate referrals, customers, bookings or revenue and profit for our advertisers on a basis they deem to be cost-effective;
- factors that contribute to our period-over-period volatility in our financial condition and result of operations;
- any impairment of intangible assets and goodwill;
- the continuing negative impact of having almost completely ceased television advertising in 2020 and only having resumed such advertising at reduced levels in 2021 and 2022 on our ability to grow our revenue;
- our ability to implement our strategic initiatives;
- increasing competition in our industry;
- our reliance on search engines, particularly Google, which promote their own product and services that compete directly with our accommodation search and may negatively impact our business, financial performance and prospects;
- our ability to innovate and provide tools and services that are useful to our users and advertisers;
- our business model's dependence on consumer preferences for traditional hotel-based accommodation;
- our dependence on relationships with third parties to provide us with content;
- changes to and our compliance with applicable laws, rules and regulations;
- the impact of any legal and regulatory proceedings to which we are or may become subject;
- potential disruptions in the operation of our systems, security breaches and data protection; and
- impacts from our operating globally;

as well as other risks and uncertainties detailed in our public filings with the SEC, including trivago's Annual Report on Form 20-F for the fiscal year ended December 31, 2022, as such risks and uncertainties may be updated from time to time. Except as required by law, we undertake no obligation to update any forward-looking or other statements in this review, whether as a result of new information, future events or otherwise.

Exhibit 99.2

Shareholder Letter

Q1 2023

Key financial and business metrics

(€ millions, unless otherwise stated)

Q1	2023	2022	Y/Y
Total revenue	**€111.0**	**€101.6**	**9%**
Referral Revenue	**€109.3**	**€98.4**	**11%**
Return on Advertising Spend (in %)	**168.2%**	**183.9%**	**(15.7) ppts**
Net income/(loss)	**€9.9**	**€(10.7)**	**n.m.**
Adjusted EBITDA[1]	**€18.6**	**€21.1**	**(12)%**

n.m. not meaningful

(1) "Adjusted EBITDA" is a non-GAAP measure. Please see "Non-GAAP Financial Measures" on page 8 herein for explanations of non-GAAP measures used throughout this letter.

May 2, 2023

Dear Shareholders,

We started the year with optimism as finally the pandemic has turned endemic globally. However, macroeconomic uncertainty remains high. While consumers continue to face challenges from high inflation and increased interest rates in the developed world, geopolitical tensions remain at elevated levels.

In this environment, we have seen a greater focus on profitability among our advertisers, even while consumer demand for travel around the world has continued to be strong.

We have seen, for example, the start of a strong recovery in travel in Asia driven by Japan and the re-opening of China.

Travel demand on our platform continued to be robust in the first quarter of 2023, and we are especially pleased with the increase in brand traffic year-on-year on our platforms.

Our segments Developed Europe and Rest of World recovered from COVID-19 related travel restrictions that had been in place during the same period last year, and we started to ramp up our marketing activities accordingly. Our global Referral Revenue grew 11% year-on-year, in line with our expectations, and total revenue reached €111.0 million.

As a result of high inflation rates and robust travel demand, we continue to see elevated average daily hotel rates (ADRs) in all regions. Starting in the second half of last year, we observed that consumers have attempted to mitigate the effect of higher ADRs by booking shorter lengths of stay (LOS) or searching for cheaper destinations - a change in behavior that continued in the first quarter of 2023.

The average LOS booked by our users decreased in all three segments in the first quarter of 2023, and on a global level, it was down by a single digit compared to the same period in 2022.

In our auction, we have not observed a seasonal uptick in monetization of the same magnitude as last year as our advertisers have shifted their focus from volume to profitability in their advertising campaigns on our platforms, leading to softer bidding dynamics compared to the prior year, particularly in Americas. As we continue to focus on profitability, we have adjusted our performance marketing activities, which has led to a drop in traffic volumes in Americas.

trivago in 2023

Our strategic focus remains unchanged, and we continue to work on three key priorities:

1. Increasing the value for our users and advertisers in our core product,
2. ramping up coverage of directly bookable rates, and
3. investing in our brand.

Despite the volatile macro-environment, our teams made good progress toward each of our goals in the first quarter .

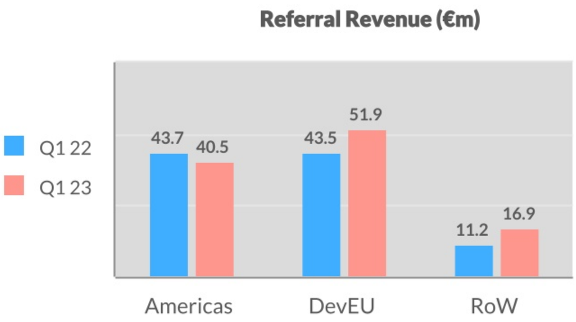
We continue to conduct product tests that aim to increase value for our customers, which have led to changes in user and click-out behavior, particularly in Americas. We expect that these tests may continue to impact click-out behavior and Qualified Referrals (QRs) in certain markets and regions going forward, making the QRs and Revenue per Qualified Referrals (RPQRs) that we report less comparable to prior periods. As a result, we have decided not to provide these metrics going forward as we believe they are not helpful to understand the underlying dynamics of our business.

We made good progress in our test markets in increasing the coverage of directly bookable rates of clicked hotels and continue to expect to reach our goal of 80% coverage by year-end. We do not expect any positive financial impact from this initiative in 2023 as our focus this year is to increase coverage and understand what additional value we can generate for our customers.

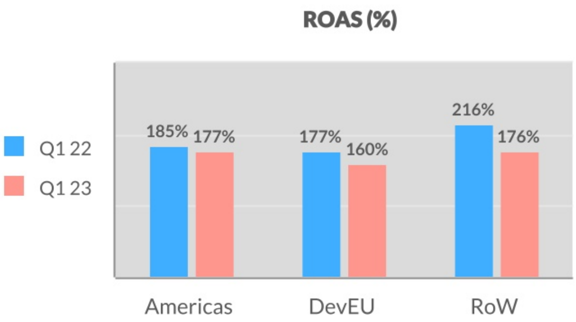
We have also made progress in growing our brand baseline traffic. With the recovery in Developed Europe and Rest of World, we started earlier than last year to invest in brand marketing activities. We increased our TV investments in the first quarter of 2023 compared to prior year in all segments. We believe that these activities contributed to the increase in brand traffic year-on-year, and we are excited to gradually ramp up our investments ahead of the peak travel summer season in the coming weeks.

Discussion of Q1 2023 results

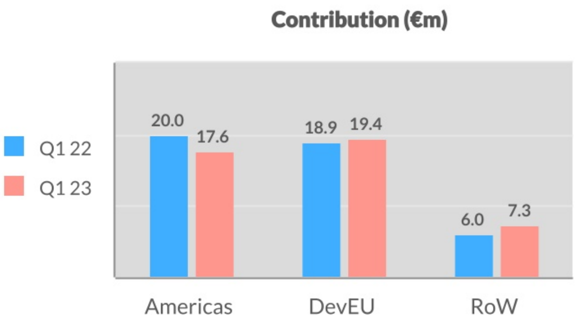
In Americas, Referral Revenue decreased by €3.2 million to €40.5 million, mainly driven by the impact of softer bidding dynamics on traffic volumes compared to Q1 2022, when we benefited from a strong auction. The impact of softer bidding dynamics was partly offset by better booking conversion, higher average booking values and a positive foreign exchange rate impact. Advertising Spend decreased by €0.8 million to €22.9 million mainly due to adjustments to our performance marketing activities. ROAS decreased to 177.0%, due to the development of Referral Revenue and Advertising Spend previously mentioned.



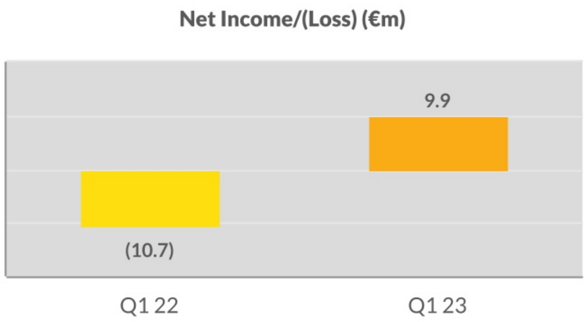
In Developed Europe, Referral Revenue increased by €8.4 million to €51.9 million, mainly driven by better booking conversion and higher average booking values. It was partly offset by softer bidding dynamics compared to the same period in 2022, when we benefited from a strong auction. Traffic volumes remained virtually flat, since the impact of softer bidding dynamics on traffic volumes was largely offset by an increase in direct traffic, as the comparative period in 2022 was negatively impacted by continued COVID-19 measures. We increased our Advertising Spend in Q1 2023 by €7.8 million to €32.5 million, compared to Q1 2022, following increased travel demand across most European countries, and invested in sponsorships, such as the 2023 Men's Handball World Cup. ROAS decreased to 159.8%, reflecting our increased marketing investment in Q1 2023.



In Rest of World, Referral Revenue increased by €5.7 million to €16.9 million compared to Q1 2022. The increase was driven by higher average booking values, better booking conversion and increased traffic volumes, particularly in Japan and Hong Kong due to the continued recovery in travel demand. The increase in Referral Revenue was partly offset by lower traffic volumes in Russia and Central Eastern Europe, due to the war in Ukraine, and in Turkey, due to the earthquake. We increased our Advertising Spend in Q1 2023 by €4.5 million to €9.6 million, mainly due to the continued recovery in travel demand in Japan and Hong Kong. ROAS decreased to 175.9%, reflecting our increased marketing investment in Q1 2023.

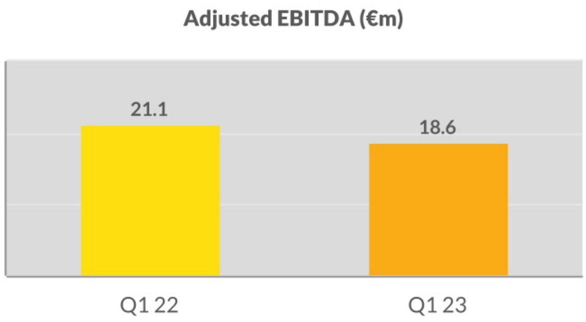


Our first quarter net income was €9.9 million (8.9% of total revenue), compared to a net loss of €10.7 million in Q1 2022. The increase was mainly driven by the non-recurrence of expense of €21.1 million in Q1 2022 in relation to the proceeding brought by the ACCC against us.



First quarter Adjusted EBITDA was €18.6 million (16.8% of total revenue), €2.5 million lower than in Q1 2022. The decrease in Adjusted EBITDA was mainly driven by increased Advertising Spend of €11.5 million, which more than offset the increase in revenue.

Operating expenses, excluding Advertising Spend and the ACCC penalty, decreased slightly, driven by lower compensation expenses as a result of headcount reductions from an internal reorganization of existing teams and the discontinuation of some B2B products and projects in 2022. The decrease in costs was partly offset by higher investment in television advertisement production and increased expenses to improve our platform.



We ended the quarter with approximately €257.1 million in cash, cash equivalents and restricted cash, an increase of €8.2 million from the year ended December 31, 2022.

Outlook

In 2022, we experienced a strong recovery in our auction, as reflected in robust bidding dynamics among our advertisers, while we benefited from significantly improved consumer demand for travel, starting at the end of the first quarter and continuing throughout the summer. We believe that after a strong 2022, monetization levels during the peak summer season in 2023 will be at lower levels than in 2022 but will follow a similar pattern to that in 2019.

We plan to ramp up our brand investments in the upcoming months in order to grow our brand baseline traffic. While we expect our ROAS to be lower year-on-year, we nevertheless anticipate that our Adjusted EBITDA in the second quarter of 2023 will be similar to that in first quarter and continue to expect that, despite a ramp up in marketing investments and a normalization in auction dynamics, our Adjusted EBITDA for 2023 will exceed that in 2019 as a result of our cost discipline and more efficient marketing investments compared to pre-pandemic years.

We continue to be excited about the opportunity for accommodation meta search in the years ahead and believe that there is plenty of opportunity for us to increase the value for users and advertisers on our platforms.

We look forward to discussing more about our results tomorrow morning, Wednesday, May 3, 2023 at 8:15 am Eastern Time.

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

This letter contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are not guarantees of future performance. These forward-looking statements are based on management’s expectations as of the date of this review and assumptions which are inherently subject to uncertainties, risks and changes in circumstances that are difficult to predict. The use of words such as "will," “intend” and “expect,” among others, generally identify forward-looking statements. However, these words are not the exclusive means of identifying such statements. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances are forward-looking statements and may include statements relating to future revenue, expenses, margins, profitability, net income / (loss), earnings per share and other measures of results of operations and the prospects for future growth of trivago N.V.’s business. Actual results and the timing and outcome of events may differ materially from those expressed or implied in the forward-looking statements for a variety of reasons, including, among others:

- our ability to grow our revenue in future periods, or at rates deemed sufficient by the market without reducing our profits or incurring losses;
- any acceleration of long-term changes to consumer behavior and industry structure arising from the COVID-19 pandemic that may continue to have a significant adverse effect on our future competitiveness and profitability;
- the potential negative impact of the worsening economic outlook and inflation on consumer discretionary spending;
- geopolitical and diplomatic tensions, instabilities and conflicts, including war, civil unrest, terrorist activity, sanctions or other geopolitical events or escalations of hostilities, such as the war in Ukraine;
- our continued dependence on a small number of advertisers for our revenue and adverse impacts that could result from their reduced spending or changes in their cost-per-click, or CPC, bidding strategy;
- our ability to generate referrals, customers, bookings or revenue and profit for our advertisers on a basis they deem to be cost-effective;
- factors that contribute to our period-over-period volatility in our financial condition and result of operations;
- any impairment of intangible assets and goodwill;
- the continuing negative impact of having almost completely ceased television advertising in 2020 and only having resumed such advertising at reduced levels in 2021 and 2022 on our ability to grow our revenue;
- our ability to implement our strategic initiatives;
- increasing competition in our industry;
- our reliance on search engines, particularly Google, which promote their own product and services that compete directly with our accommodation search and may negatively impact our business, financial performance and prospects;
- our ability to innovate and provide tools and services that are useful to our users and advertisers;
- our business model's dependence on consumer preferences for traditional hotel-based accommodation;
- our dependence on relationships with third parties to provide us with content;

- changes to and our compliance with applicable laws, rules and regulations;
- the impact of any legal and regulatory proceedings to which we are or may become subject;
- potential disruptions in the operation of our systems, security breaches and data protection; and
- impacts from our operating globally;

as well as other risks and uncertainties detailed in our public filings with the SEC, including trivago's Annual Report on Form 20-F for the fiscal year ended December 31, 2022, as such risks and uncertainties may be updated from time to time. Except as required by law, we undertake no obligation to update any forward-looking or other statements in this review, whether as a result of new information, future events or otherwise.

Non-GAAP Financial Measures

This letter contains reference to certain non-GAAP (Generally Accepted Accounting Principles) measures that our management believes provide our shareholders with additional insights into trivago’s results of operations. The non-GAAP measures referred to in this letter are supplemental in nature. They should not be considered in isolation or as a substitute for analysis of our results reported in accordance with U.S. GAAP. Reconciliations of this non-GAAP financial information to trivago’s financial statements as prepared under GAAP are included in the Exhibit 99.1 to Form 6-K that accompanies this letter.

We are not able to provide a reconciliation of our Adjusted EBITDA guidance to net income/(loss), the comparable GAAP measure, because certain items that are excluded from Adjusted EBITDA cannot be reasonably predicted or are not in our control. In particular, we are unable to forecast the timing or magnitude of share-based compensation, interest, taxes, depreciation, amortization, any future impairment of intangible assets and goodwill and certain other items, including restructuring, significant legal settlements and court-ordered penalties, without unreasonable efforts, and these items could significantly impact, either individually or in the aggregate, net income/(loss) in the future.

Exhibit 99.3

trivago N.V.

Unaudited Condensed Consolidated Interim Financial Statements as of March 31, 2023

trivago N.V.

Condensed consolidated statements of operations

(€ thousands, except per share amounts, unaudited)

	Three months ended March 31,	
	2023	2022
Revenue	€ 70,475	€ 67,708
Revenue from related party	40,561	33,930
Total revenue	**111,036**	**101,638**
Costs and expenses:		
Cost of revenue, including related party, excluding amortization (1)	3,163	2,979
Selling and marketing, including related party (1)(2)(3)	70,066	59,323
Technology and content, including related party (1)(2)(3)	12,461	13,574
General and administrative, including related party (1)(2)(3)	10,553	30,571
Amortization of intangible assets (2)	33	34
Operating income/(loss)	**14,760**	**(4,843)**
Other income/(expense)		
Interest expense	(3)	(15)
Interest income	960	98
Other, net	(157)	134
Total other income/(expense), net	**800**	**217**
Income/(loss) before income taxes	**15,560**	**(4,626)**
Expense for income taxes	5,536	6,070
Income/(loss) before equity method investment	**10,024**	**(10,696)**
Loss from equity method investment	(136)	—
Net income/(loss)	**€ 9,888**	**€ (10,696)**
Earnings per share available to common stockholders:		
Basic	€ 0.03	€ (0.03)
Diluted	0.03	(0.03)
Shares used in computing earnings per share:		
Basic	342,228	359,277
Diluted	352,679	359,277

	Three months ended March 31,			
	2023		2022	
(1) Includes share-based compensation as follows:				
Cost of revenue	€	33	€	41
Selling and marketing		60		202
Technology and content		314		636
General and administrative		2,224		2,254
(2) Includes amortization as follows:				
Amortization of internal use software costs included in selling and marketing	€	—	€	6
Amortization of internal use software and website development costs included in technology and content		763		1,087
Amortization of internal use software costs included in general and administrative		—		57
Amortization of acquired technology included in amortization of intangible assets		33		34
(3) Includes related party expense as follows:				
Selling and marketing	€	12	€	46
Technology and content		402		6
General and administrative		24		1

See accompanying notes

trivago N.V.

Condensed consolidated statements of comprehensive income/(loss)

(€ thousands, unaudited)

	Three months ended March 31,			
	2023		2022	
Net income/(loss)	€	9,888	€	(10,696)
Other comprehensive income/(loss):				
Currency translation adjustments		(2)		12
Total other comprehensive income/(loss)		(2)		12
Comprehensive income/(loss)	**€**	**9,886**	**€**	**(10,684)**

See accompanying notes

trivago N.V.

Condensed consolidated balance sheets

(€ thousands, except share and per share data, unaudited)

ASSETS	As of March 31, 2023		As of December 31, 2022	
Current assets:				
Cash and cash equivalents	€	256,746	€	248,584
Restricted cash		342		342
Accounts receivable, net of allowance for credit losses of €1,061 and €418 at March 31, 2023 and December 31, 2022, respectively		28,439		25,679
Accounts receivable, related party		26,762		24,432
Short-term investments		40,000		45,000
Tax receivable		692		498
Prepaid expenses and other current assets		7,122		8,669
Total current assets		**360,103**		**353,204**
Property and equipment, net		12,704		13,075
Operating lease right-of-use assets		44,198		45,028
Investments and other assets		8,689		8,409
Intangible assets, net		89,916		89,949
Goodwill		181,927		181,927
TOTAL ASSETS	**€**	**697,537**	**€**	**691,592**
LIABILITIES AND STOCKHOLDERS' EQUITY				
Current liabilities:				
Accounts payable	€	19,892	€	19,941
Income taxes payable		5,930		12,325
Deferred revenue		1,587		1,689
Payroll liabilities		3,028		2,454
Accrued expenses and other current liabilities		10,103		8,675
Operating lease liability		4,527		4,538
Total current liabilities		**45,067**		**49,622**
Operating lease liability		40,167		40,729
Deferred income taxes		29,324		30,050
Other long-term liabilities		8,735		9,455
Stockholders' equity:				
Class A common stock, €0.06 par value - 700,000,000 shares authorized, Shares issued: 125,081,309 and 124,305,225, respectively Shares outstanding: 105,081,309 and 104,305,225, respectively		7,505		7,458
Class B common stock, €0.60 par value - 320,000,000 shares authorized, 237,476,895 and 237,476,895 shares issued and outstanding, respectively		142,486		142,486
Treasury stock at cost - Class A shares, 20,000,000 and 20,000,000 shares, respectively		(19,960)		(19,960)
Reserves		866,562		863,987
Contribution from Parent		122,307		122,307
Accumulated other comprehensive income		52		54
Accumulated deficit		(544,708)		(554,596)
Total stockholders' equity		**574,244**		**561,736**
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	**€**	**697,537**	**€**	**691,592**

See accompanying notes

trivago N.V.

Condensed consolidated statements of changes in equity

(€ thousands, unaudited)

Three Months Ended March 31, 2023		Class A common stock		Class B common stock		Treasury stock - Class A common stock		Reserves		Retained earnings (accumulated deficit)		Accumulated other comprehensive income/(loss)		Contribution from Parent		Total stockholders' equity
Balance at January 1, 2023	€	7,458	€	142,486	€	(19,960)	€	863,987	€	(554,596)	€	54	€	122,307	€	561,736
Net income										9,888						9,888
Other comprehensive loss (net of tax)												(2)				(2)
Share-based compensation expense								2,631								2,631
Issued capital, options exercised, net		47						(56)								(9)
Balance at March 31, 2023	**€**	**7,505**	**€**	**142,486**	**€**	**(19,960)**	**€**	**866,562**	**€**	**(544,708)**	**€**	**52**	**€**	**122,307**	**€**	**574,244**

Three months ended March 31, 2022		Class A common stock		Class B common stock		Treasury stock - Class A common stock		Reserves		Retained earnings (accumulated deficit)		Accumulated other comprehensive income/(loss)		Contribution from Parent		Total stockholders' equity
Balance at January 1, 2022	€	5,802	€	157,178	€	—	€	835,839	€	(427,378)	€	36	€	122,307	€	693,784
Net loss										(10,696)						(10,696)
Other comprehensive income (net of tax)												12				12
Share-based compensation expense								3,133								3,133
Conversion of Class B shares		72		(720)				648								—
Issued capital, options exercised, net		60						(21)								39
Balance at March 31, 2022	**€**	**5,934**	**€**	**156,458**	**€**	**—**	**€**	**839,599**	**€**	**(438,074)**	**€**	**48**	**€**	**122,307**	**€**	**686,272**

See accompanying notes

trivago N.V.

Condensed consolidated statements of cash flows

(€ thousands, unaudited)

	Three months ended March 31,	
	2023	**2022**
Operating activities:		
Net income/(loss)	€ 9,888	€ (10,696)
Adjustments to reconcile net income/(loss) to net cash provided by:		
Depreciation (property and equipment and internal-use software and website development)	1,139	1,703
Amortization of intangible assets	33	34
Share-based compensation	2,631	3,133
Deferred income taxes	(726)	(412)
Foreign exchange gain	(305)	(332)
Expected credit losses, net	650	(62)
Gain on disposal of fixed assets	(1)	(3)
Loss from equity method investment	136	—
Changes in operating assets and liabilities:		
Accounts receivable, including related party	(5,753)	(16,024)
Prepaid expenses and other assets	1,119	2,081
Accounts payable	(51)	6,408
Payroll liabilities	574	398
Accrued expenses and other liabilities	1,025	28,844
Deferred revenue	(102)	(224)
Taxes payable/receivable, net	(6,607)	(2,745)
Net cash provided by operating activities	**3,650**	**12,103**
Investing activities:		
Proceeds from sales and maturities of investments	5,000	—
Capital expenditures, including internal-use software and website development	(750)	(1,057)
Proceeds from sale of fixed assets	1	3
Net cash provided by/(used in) investing activities	**4,251**	**(1,054)**
Financing activities:		
Proceeds from exercise of option awards	24	39
Repayment of other non-current liabilities	(13)	(43)
Net cash provided by/(used in) financing activities	**11**	**(4)**
Effect of exchange rate changes on cash	250	1,305
Net increase in cash, cash equivalents and restricted cash	**8,162**	**12,350**
Cash, cash equivalents and restricted cash at beginning of the period	248,926	256,719
Cash, cash equivalents and restricted cash at end of the period	**€ 257,088**	**€ 269,069**
Supplemental cash flow information:		
Cash paid for interest	€ 3	€ 15
Cash received for interest	816	98
Cash paid for taxes, net of (refunds)	12,678	2,788

See accompanying notes

trivago N.V.

Notes to the condensed consolidated financial statements (unaudited)

Note 1: Organization and basis of presentation

Description of business

trivago N.V., (“trivago” the “Company,” “us,” “we” and “our”) and its subsidiaries offer online meta-search for hotel and accommodation through online travel agencies (“OTAs”), hotel chains and independent hotels. Our search-driven marketplace, delivered on websites and apps, provides users with a tailored search experience via our proprietary matching algorithms. We generally employ a ‘cost-per-click’ (or “CPC”) pricing structure, allowing advertisers to control their own return on investment and the volume of lead traffic we generate for them. Beginning in 2020, we began to offer a ‘cost-per-acquisition’ (or “CPA”) pricing structure, whereby an advertiser pays us a percentage of the booking revenues that ultimately result from a referral.

During 2013, the Expedia Group, Inc. (formerly Expedia, Inc., the "Parent" or "Expedia Group") completed the purchase of a controlling interest in the Company. As of March 31, 2023, Expedia Group’s ownership interest and voting interest in trivago N.V. is 61.0% and 84.3%, respectively.

Basis of presentation

We have prepared the accompanying interim unaudited condensed consolidated financial statements in accordance with accounting principles generally accepted in the United States (“GAAP”) for interim financial reporting. We have included all adjustments necessary for a fair presentation of the results of the interim period. These adjustments consist of normal recurring items. Our interim unaudited condensed consolidated financial statements are not necessarily indicative of results that may be expected for any other interim period or for the full year.

Certain information and note disclosures normally included in the audited annual consolidated financial statements have been condensed or omitted in accordance with SEC rules. The condensed consolidated balance sheet as of December 31, 2022 was derived from our audited consolidated financial statements as of that date but does not contain all of the footnote disclosures from the annual financial statements. As such, these interim unaudited condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and related notes included in our Annual Report on Form 20-F for the year ended December 31, 2022, previously filed with the Securities and Exchange Commission (“SEC”).

Seasonality

We experience seasonal fluctuations in the demand for our services as a result of seasonal patterns in travel. For example, searches and consequently our revenue, are generally the highest in the first three quarters as travelers plan and book their spring, summer and winter holiday travel. Our revenue typically decreases in the fourth quarter. We generally expect to experience higher return on Advertising Spend in the first and fourth quarter of the year as we typically expect to advertise less in the periods outside of high travel seasons. Seasonal fluctuations affecting our revenue also affect the timing of our cash flows. We typically invoice once per month, with customary payment terms. Therefore, our cash flow varies seasonally with a slight delay to our revenue, and is significantly affected by the timing of our advertising spending. Changes in the relative revenue share of our offerings in countries and areas where seasonal travel patterns vary from those described above may influence the typical trend of our seasonal patterns in the future.

Accounting estimates

We use estimates and assumptions in the preparation of our interim unaudited condensed consolidated financial statements in accordance with GAAP. Preparation of the interim unaudited condensed consolidated financial statements and accompanying notes requires that we make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities as of the date of the unaudited condensed consolidated financial statements, as well as revenue and expenses during the periods reported. Our actual financial results could differ significantly from these estimates. The significant estimates underlying our interim unaudited condensed consolidated financial statements include: leases, recoverability of goodwill and indefinite-lived intangible assets, income taxes, and share-based compensation.

Note 2: Significant accounting policies

The significant accounting policies used in preparation of these unaudited condensed consolidated financial statements for the three months ended March 31, 2023 are consistent with those discussed in Note 2 to the consolidated financial statements in our Annual Report on Form 20-F for the year ended December 31, 2022, except as updated below.

Adoption of new accounting pronouncements

Measurement of Credit Losses on Financial Instruments. As of January 1, 2023, we have prospectively adopted ASU 2022-02 which expands certain disclosure requirements for public business entities to include the current-period gross write-offs by year of origination for financing receivables and net investment in leases. Past due trade receivables written off that originate from prior periods are typically not material. The adoption of this new guidance did not have a material impact to our unaudited condensed consolidated financial statements.

Certain risks and concentration of credit risk

Our business is subject to certain risks and concentrations including dependence on relationships with our advertisers, dependence on third-party technology providers, and exposure to risks associated with online commerce security. Our concentration of credit risk relates to depositors holding our cash and customers with significant accounts receivable balances.

Our customer base includes primarily OTAs, hotel chains and independent hotels. We perform ongoing credit evaluations of our customers and maintain allowances for potential credit losses. We generally do not require collateral or other security from our customers.

Expedia Group, our controlling shareholder, and its affiliates represent 37% of total revenues for the three months ended March 31, 2023, compared to 33% in the same period in 2022. Expedia Group and its affiliates represents 48% and 49% of total accounts receivable as of March 31, 2023 and December 31, 2022, respectively.

Booking Holdings and its affiliates represent 42% of total revenues for the three months ended March 31, 2023, compared to 45% in the same period in 2022. Booking Holdings and its affiliates represent 30% of total accounts receivable as of both March 31, 2023 and December 31, 2022.

Deferred revenue

As of December 31, 2022, the deferred revenue balance was €1.7 million, €0.8 million of which was recognized as revenue during the three months ended March 31, 2023.

Note 3: Fair value measurement

Financial assets measured at fair value on a recurring basis are classified using the fair value hierarchy in the tables below:

As of March 31, 2023	Total	Level 1	Level 2
(in thousands)			
Assets			
Cash equivalents:			
Term deposits	€ 124,000	€ —	€ 124,000
Short-term investments:			
Term deposits	40,000	—	40,000
Investments and other assets:			
Term deposits	1,351	—	1,351
Total	**€ 165,351**	**€ —**	**€ 165,351**

As of December 31, 2022	Total	Level 1	Level 2
(in thousands)			
Assets			
Cash equivalents:			
Term deposits	€ 159,000	€ —	€ 159,000
Short-term investments:			
Term deposits	45,000	—	45,000
Investments and other assets:			
Term deposits	1,351	—	1,351
Total	**€ 205,351**	**€ —**	**€ 205,351**

We value our financial assets using quoted market prices or alternative pricing sources and models utilizing market observable inputs.

Money market funds are valued at the closing price reported by the fund sponsor from an actively traded exchange. This is included within cash equivalents as Level 1 measurements.

We hold term deposit investments with financial institutions. We classify our term deposits within Level 2 in the fair value hierarchy because they are valued at amortized cost, which approximates fair value. Term deposits with a maturity of less than 3 months are classified as cash equivalents, those with a maturity of more than three months but less than one year are classified as short-term investments and those with a maturity of more than one year are classified as investments and other assets.

Investments in term deposits with a maturity of more than one year are restricted by long-term obligations related to the new campus building.

Assets measured at fair value on a non-recurring basis

Our non-financial assets, such as goodwill, intangible assets and property and equipment, as well as equity method investments, are adjusted to fair value when an impairment charge is recognized or the underlying investment is sold. Such fair value measurements are based predominately on Level 3 inputs.

Note 4: Prepaid expenses and other current assets

(in thousands)	March 31, 2023	December 31, 2022
Prepaid advertising	€ 3,083	€ 6,284
Other prepaid expenses	3,663	2,035
Other assets	376	350
Total	**€ 7,122**	**€ 8,669**

In January 2021, we entered into a long-term marketing sponsorship agreement for various marketing rights beginning July 1, 2021. The first three contractual installment payments under this agreement have been paid. As of March 31, 2023, €2.1 million has been included within prepaid advertising in the above table compared to €4.3 million as of December 31, 2022.

Note 5: Property and equipment, net

The following table is a summary of property, equipment, and accumulated depreciation as of March 31, 2023 and December 31, 2022:

(in thousands)	March 31, 2023	December 31, 2022
Building and leasehold improvements	€ 6,865	€ 6,865
Capitalized software and software development costs	29,424	28,867
Computer equipment	15,901	15,916
Furniture and fixtures	3,067	3,045
Subtotal	€ 55,257	€ 54,693
Less: accumulated depreciation	43,282	42,175
Construction in process	729	557
Property and equipment, net	**€ 12,704**	**€ 13,075**

Note 6: Share-based awards and other equity instruments

Share-based compensation expense

The following table presents the amount of share-based compensation expense included in our unaudited condensed consolidated statements of operations during the periods presented:

	Three months ended March 31,	
(in thousands)	2023	2022
Cost of revenue	€ 33	€ 41
Selling and marketing	60	202
Technology and content	314	636
General and administrative	2,224	2,254
Total share-based compensation expense	**€ 2,631**	**€ 3,133**

Share-based award activity

The following table presents a summary of our share option activity for the three months ended March 31, 2023:

	Options	Weighted average exercise price	Remaining contractual life	Aggregate intrinsic value
		(in €)	(In years)	(€ in thousands)
Balance as of January 1, 2023	27,357,798	2.30	10	23,179
Granted	—	—		
Exercised	409,243	0.06		
Cancelled	1,118,605	2.13		
Balance as of March 31, 2023	**25,829,950**	2.32	10	24,094
Exercisable as of March 31, 2023	17,724,324	3.27	12	14,659

The following table summarizes information about share options vested and expected to vest as of March 31, 2023:

Fully Vested and Expected to Vest	Options	Weighted average exercise price	Remaining contractual life	Aggregate intrinsic value
		(in €)	(In years)	(€ in thousands)
Outstanding	24,576,209	2.43	10	22,424
Currently Exercisable	17,279,060	3.35	12	14,066

The following table presents a summary of our restricted stock units (RSUs) for the three months ended March 31, 2023:

	RSUs	Weighted Average Grant Date Fair Value	Remaining contractual life
		(in €)	(in years)
Balance as of January 1, 2023	2,972,024	1.94	6
Granted	1,246,137	1.64	
Vested	391,568	1.73	
Cancelled	293,635	2.15	
Balance as of March 31, 2023	**3,532,958**	1.84	6

Note 7: Income taxes

We determine our provision for income taxes for interim periods using an estimate of our annual effective tax rate. We record any changes affecting the estimated annual effective tax rate in the interim period in which the change occurs, including discrete items.

Income tax expense was €5.5 million in the first quarter of 2023, compared to €6.1 million in the same period in 2022. The total weighted average tax rate was 31.3%, which was mainly driven by the German statutory tax rate of approximately 31.2%. Our effective tax rate for the first quarter of 2023 was 35.6%, compared to (131.2)% in the same period in 2022. The difference in effective tax rate in the quarter ended March 31, 2023 compared to the same period in 2022 is primarily attributable to discrete items recognized in the comparative period in 2022 related to a penalty and applicant's cost award pursuant to a court ruling in the prior year. The difference between the weighted average tax rate of 31.3% and the effective tax rate of 35.6% in the first quarter of 2023 is primarily attributable to share-based compensation expense, which is non-deductible for tax purposes.

An uncertain tax position in connection with unrecognized tax benefits relating to the deductibility of expenses amounted to €9.3 million as of March 31, 2023. A liability of €8.5 million for these tax benefits is presented under other long term and €0.8 million as other current liabilities in the unaudited condensed consolidated financial statements.

Note 8: Stockholders' equity

Class A and Class B common stock has a par value of €0.06 and €0.60, respectively. Each Class B share is convertible into one Class A share at any time by the holder. The share premium derived from the conversion is recognized within reserves. As of March 31, 2023, Class B shares of trivago N.V. are only held by Expedia Group and Rolf Schrömgens. Refer to *Note 1: Organization and basis of presentation* for Expedia Group's ownership interest and voting interest. The Class B shares held by Mr. Schrömgens as of March 31, 2023, had an ownership interest and voting interest of 8.3% and 11.5%, respectively.

During the three months ended March 31, 2023 and 2022, nil and 1,200,000, respectively, Class B shares were converted into Class A shares.

On March 1, 2022, the Company's Supervisory Board authorized a program to repurchase up to 10 million of the Company's ADSs, each representing one Class A share. On March 7, 2022, the Company entered into a stock repurchase program which expired on May 30, 2022. No stock repurchases were made under this agreement. On May 31, 2022, the Company entered into another stock repurchase program which expired on July 29, 2022. During the year ended December 31, 2022, the Company reacquired 205,457 Class A common shares on the open market at fair market value. The shares of stock purchased under the buyback program were held as treasury shares until they were all reissued to settle RSU awards vesting from our share-based compensation awards during the fourth quarter of 2022.

In November 2022, the Company acquired 20,000,000 Class A shares from Peter Vinnemeier valued at €19.9 million, which includes a foreign exchange gain of €0.6 million resulting from the fluctuation of the USD exchange rate between the trade and cash settlement dates. The shares are held as treasury shares as of March 31, 2023.

Note 9: Earnings per share

Basic and diluted earnings per share of Class A and Class B common stock is computed by dividing net income/(loss) by the weighted average number of Class A and Class B common stock outstanding during the same period. Diluted earnings per share is calculated using our weighted-average outstanding common shares including the dilutive effect of stock awards as determined under the treasury stock method.

The following table presents our basic and diluted earnings per share:

(€ thousands, except per share data)	Three months ended March 31, 2022		Three months ended March 31, 2021	
Numerator:				
Net income/(loss)	€	9,888	€	(10,696)
Denominator:				
Weighted average shares of Class A and Class B common stock outstanding:				
Basic		342,228		359,277
Diluted		352,679		359,277
Net income/(loss) per share:				
Basic	€	0.03	€	(0.03)
Diluted		0.03		(0.03)

For the three months ended March 31, 2022, diluted weighted average common shares outstanding does not include the effects of the exercise of outstanding stock options and RSUs as the inclusion of these instruments would have been anti-dilutive.

Note 10: Related party transactions

Relationships with Expedia

We have commercial relationships with Expedia Group, Inc. and many of its affiliated brands, including Brand Expedia, Hotels.com, Orbitz, Travelocity, Hotwire, Wotif, Vrbo and ebookers. These arrangements are terminable at will upon fourteen to thirty days prior notice by either party and on customary commercial terms that enable Expedia Group's brands to advertise on our platform, and we receive payment for users we refer to them. We also have an agreement with Expedia Partner Solutions, pursuant to which powers our platform with a template (Hotels.com for partners). Related-party revenue from Expedia Group primarily consists of click-through fees and other advertising services provided to Expedia Group and its affiliates.

Related-party revenue from Expedia Group and its affiliates was €40.6 million for the three months ended March 31, 2023, compared to 33.9 million in the same period in 2022. These amounts are recorded at contract value, which we believe is a reasonable reflection of the value of the services provided. Related-party revenue represented 37% of our total revenue for the three months ended March 31, 2023, compared to 33% in the same period in 2022.

For the three months ended March 31, 2023 and 2022, we did not incur significant operating expenses from related-party services and support agreements with Expedia Group.

The related party trade receivable balances with Expedia Group and its affiliates as of March 31, 2023 and December 31, 2022 were €26.7 million and €24.4 million, respectively.

UBIO Limited

On November 28, 2022, we entered into a commercial agreement with UBIO Limited, an equity method investment, to increase the number of directly bookable rates available on our website. The services will be provided for a period of 12 months. For the three months ended March 31, 2023, our operating expenses include €0.4 million related to this commercial agreement.

Note 11: Segment information

Management has identified three reportable segments, which correspond to our three operating segments: Americas, Developed Europe and Rest of World (RoW). Our Americas segment is comprised of Argentina, Brazil, Canada, Chile, Colombia, Ecuador, Mexico, Peru, the United States and Uruguay. Our Developed Europe segment is comprised of Austria, Belgium, Denmark, Finland, France, Germany, Ireland, Italy, the Netherlands, Norway, Portugal, Spain, Sweden, Switzerland and the United Kingdom. Our RoW segment is comprised of all other countries where trivago operates.

We determined our operating segments based on how our chief operating decision makers manage our business, make operating decisions and evaluate operating performance. Our primary operating metric is Return on Advertising Spend, or ROAS, for each of our segments, which compares Referral Revenue to Advertising Spend. ROAS includes the allocation of revenue by segment which is based on the location of the website, or domain name, regardless of where the consumer resides. This is consistent with how management monitors and runs the business.

Corporate and Eliminations also includes all corporate functions and expenses except for direct advertising. In addition, we record amortization of intangible assets and any related impairment, impairment of goodwill, share-based compensation expense, restructuring and related reorganization charges, legal reserves, occupancy tax and other taxes, and other items excluded from segment operating performance in Corporate and Eliminations. Such amounts are detailed in our segment reconciliations below. The following tables present our segment information for the three months ended March 31, 2023 and 2022. As a significant portion of our property and equipment is not allocated to our operating segments and depreciation is not included in our segment measure, we do not report the assets by segment as it would not be meaningful. We do not regularly provide such information to our chief operating decision makers.

	Three months ended March 31, 2023									
(€ thousands)	**Developed Europe**		**Americas**		**Rest of World**		**Corporate & Eliminations**		**Total**	
Referral Revenue	€	51,857	€	40,535	€	16,921	€	—	€	109,313
Subscription revenue		—		—		—		706		706
Other revenue		—		—		—		1,017		1,017
Total revenue	€	51,857	€	40,535	€	16,921	€	1,723	€	111,036
Advertising Spend		32,445		22,906		9,622		—		64,973
ROAS contribution	€	19,412	€	17,629	€	7,299	€	1,723	€	46,063
Costs and expenses:										
Cost of revenue, including related party, excluding amortization										3,163
Other selling and marketing, including related party (1)										5,093
Technology and content, including related party										12,461
General and administrative, including related party										10,553
Amortization of intangible assets										33
Operating income									€	14,760
Other income/(expense)										
Interest expense										(3)
Interest income										960
Other, net										(157)
Total other income/(expense), net									€	800
Income before income taxes									€	15,560
Expense for income taxes										5,536
Income before equity method investment									€	10,024
Loss from equity method investment										(136)
Net income									**€**	**9,888**

(1) Represents all other sales and marketing, excluding Advertising Spend, as Advertising Spend is tracked by reporting segment.

(€ thousands)	Three months ended March 31, 2022									
	Developed Europe		Americas		Rest of World		Corporate & Eliminations		Total	
Referral Revenue	€	43,523	€	43,714	€	11,210	€	—	€	98,447
Subscription revenue		—		—		—		1,067		1,067
Other revenue		—		—		—		2,124		2,124
Total revenue	€	43,523	€	43,714	€	11,210	€	3,191	€	101,638
Advertising Spend		24,652		23,686		5,201		—		53,539
ROAS contribution	€	18,871	€	20,028	€	6,009	€	3,191	€	48,099
Costs and expenses:										
Cost of revenue, including related party, excluding amortization										2,979
Other selling and marketing, including related party (1)										5,784
Technology and content, including related party										13,574
General and administrative, including related party										30,571
Amortization of intangible assets										34
Operating loss									€	(4,843)
Other income/(expense)										
Interest expense										(15)
Interest income										99
Other, net										133
Total other income/(expense), net									€	217
Loss before income taxes									€	(4,626)
Expense for income taxes										6,070
Net loss									**€**	**(10,696)**

(1) Represents all other sales and marketing, excluding Advertising Spend, as Advertising Spend is tracked by reporting segment.

Note 12: Subsequent events

After the date of the balance sheet through the date of issuance of these unaudited condensed consolidated financial statements, 67,197 Class A shares were issued as a result of options exercised and RSUs released.