

**CEO and CFO Prepared Remarks
2nd Quarter 2025**

trivago intro and disclaimer

The following transcript reflects management's views as of today, Tuesday, August 5, 2025, only.

trivago does not undertake any obligation to update or revise this information. As always, some of the statements in this transcript are forward-looking, typically preceded by words such as “we expect”, “we believe”, “we anticipate” or similar statements. Please refer to the Q2 2025 operating and financial review and trivago’s other filings with the SEC for information about factors which could cause trivago’s actual results to differ materially from these forward-looking statements.

You will find reconciliations of non-GAAP measures to the most comparable GAAP measures discussed in trivago’s operating and financial review, which is posted on trivago's Investor Relations website at ir.trivago.com.

You are encouraged to periodically visit trivago’s Investor Relations website for important content. Finally, unless otherwise stated, all comparisons in this transcript will be against results for the comparable period of 2024.

Johannes Thomas, CEO and Managing Director

Thank you, everyone, for joining us on our Q2 2025 earnings call.

I'm pleased to report a strong financial performance with 17% revenue growth year-over-year, marking our third consecutive quarter of growth and second consecutive quarter of double-digit growth across all segments. Geographic performance was robust across all regions, with Rest of World leading at 32% year over year growth, followed by Developed Europe at 20% and Americas at 10%. We achieved this accelerated growth despite FX headwinds and while slightly improving adjusted EBITDA year-over-year.

These results demonstrate that our strategic initiatives are working, our brand marketing investments are driving returns, our product improvements are converting users, and our teams are executing diligently across the organization.

I'm pleased to provide you with an update on each of our three strategic focus areas. Please also have a look at our investor presentation, which illustrates the core topics I am highlighting.

Our first strategic priority is Brand Marketing, through which we continue to elevate our globally recognized brand. We are committed to further expanding brand marketing investments and continuously improving its efficiency.

As we entered the summer travel season, our branded traffic remained a key driver for our growth in Q2. We experienced double-digit branded revenue growth across all geographic segments. This success was a result of our multi year investment strategy, continued optimization and the roll-out of our new brand marketing campaign in May 2025.

Our global AI-powered campaign features legendary soccer coach Jürgen Klopp, and our local campaigns in Japan, Brazil and Germany followed localized strategies to maximise impact. We expect this success to elevate our branded visitor baseline for the rest of the year and beyond, showcasing compounding effects of our brand marketing investments.

Our second strategic priority is to enhance our Core Hotel Search Experience. We empower travelers to book with confidence, saving them valuable time and money. Our teams demonstrated continued high levels of testing velocity on our platform. Our hundreds of product tests and enhancements have returned notable conversion rate improvements in Q2, which we expect to improve our marketing efficiency and user satisfaction.

We have focused our product development efforts on improving our core search functionalities. Filters are now more visible on top of our search results, and we released AI smart filters, where users can refine their search results through free text filtering. We're particularly thrilled about the launch of our new AI-powered review summaries for more than 230.000 hotels and in 11 languages.

They transform thousands of guest reviews and further content into digestible, yet comprehensive insights. Unlike our AI highlights that showcase hotel USPs crisp and at a glance, these summaries dive deeper into travelers' experiences with hotel's facilities, amenities, rooms and service. Perfect for travelers that value thorough research and authentic guest perspectives. At the end of 2024, we announced our first-of-its-kind AI Smart Search. After several iterations, we integrated this natural language search functionality into our core hotel search experience, substantially elevating its usage. We believe that this will further accelerate user adoption and our pace of learning in the space of AI.

I would also like to highlight our continued commitment to increasing retention among our core user base. We aim to make price savvy travellers loyal to our platform which allows us to further personalise their experience on trivago. Leveraging advanced machine learning, we have launched our 5th generation of personalised ranking which continued driving conversion rates tangibly. In the last two years, we have almost doubled the amount of revenue that stems from our members. In Q2 2025, we achieved the important milestone of generating 20% of our referral revenue from logged-in users. This is a result of an improved member value proposition that offers features such as price alerts and exclusive deals. We remain focused on expanding our member proposition and enhancing our offering.

Further, we completed Project Trinity, which aimed to rethink the way we display prices to our users. We have simplified the price comparison experience on trivago by preferably displaying direct rates, a great deal and a popular site right next to each other visibly in our search results. This has tangibly improved our comparison functionality, enabling users to intuitively grasp our value proposition from their very first visit. Importantly, this new price display also creates the foundation needed to bring our 'trivago Book & Go' vision to the forefront.

Our third strategic priority is to empower our partners to maximize their potential on trivago.

In the past two years, we onboarded dozens of partners to our smart bidding and transaction-based model. By today we have more than 100 partners on this model and doubled its share of revenue in our marketplace since 2023.

Historically trivago offered a CPC based model to all advertising partners. In the recent years we emphasized our focus on the transaction-based model. Partners pay a fixed commission percentage for a booking while we optimise their exposure on trivago. This model has simplified our platform for small and medium sized partners and enhances their competitiveness in our marketplace. For trivago, it offers a chance to reduce volatility in our auction.

I am also thrilled to share that at the end of July 2025, we completed the acquisition of Holisto by acquiring all remaining equity interests. Holisto is an AI-driven travel technology company that serves as a hotel rate aggregator and white-label booking engine provider. Together with Holisto, we successfully launched trivago Book & Go with pilot partners, who have achieved substantial conversion improvements and increased their market share on our platform. We will continue to execute on this strategic direction and aim to onboard more partners throughout the year.

Once again, our exceptional team has demonstrated strong operational excellence and rapid progress in our strategic initiatives. Our teams are maintaining sharp focus on the critical priorities that drive value for both our users and advertising partners. We recognize that our progress is only possible thanks to the collective efforts and commitment of everyone on our team. Thanks a lot for your hard work and dedication.

Now, I'm pleased to pass the call to Wolf, our new CFO since June, for a detailed financial review.

Wolf Schmuhl, CFO and Managing Director

Thank you, Johannes, and good morning, everyone.

We are thrilled to report that the second quarter of 2025 was a successful one for trivago, and marks yet another strong performance. We achieved a 17% year-over-year increase in total revenue and an 18% increase in Referral Revenue, which was driven by sustained branded traffic growth, while maintaining a stable Return on Advertising Spend. This reaffirms the effectiveness of our marketing strategy.

Despite economic uncertainties and foreign exchange related headwinds, we remain confident about our outlook. Therefore, continue to expect mid-teens percentage revenue growth for the full year of 2025 and a positive adjusted EBITDA, similar to last year's levels. We identify numerous attractive opportunities to further scale our brand marketing investments and expand our business. We are excited to have reached 20% of Referral Revenue from logged-in users underscoring our progress in fostering user loyalty and engagement.

Now, let's review our second quarter results and our 2025 outlook. Unless otherwise indicated, all comparisons for 2025 are on a year-over-year basis.

In the second quarter, our total revenue reached €139.3 million, representing a 17% increase compared to the same period in 2024. We are pleased to note this marks our third consecutive quarter of growth. We experienced yet another quarter of strong year-over-year double-digit growth across all three reporting segments with Referral Revenues growing 32% in Rest of World, 20% in Developed Europe, and 10% in Americas. This growth was primarily driven by increased branded channel traffic in response to our ongoing brand marketing investments as well as product improvements enhancing our booking conversion.

During the second quarter, we reported a net loss of €6.5 million. We achieved a better than expected Adjusted EBITDA loss of €5.1 million. Similar to our 2024 performance, we saw negative Adjusted EBITDA in the first and second quarter of the year and anticipate positive Adjusted EBITDA in the third and fourth quarter of the year.

Operational expenses increased by €19.9 million, totaling €147.3 million for the second quarter. This was mainly due to a €21.8 million increase in Selling and Marketing resulting from higher brand marketing investments made over the course of the quarter. Advertising Spend increased by €9.5 million, or 26% in Developed Europe, €5.9 million or 31% in Rest of World, and €5.5 million, or 14% in the Americas, driven largely by brand marketing investments in all segments. The overall increase in operating expense was partly offset by a €1.5 million reduction in General and Administrative expenses and a €0.3 million reduction in Technology and Content expenses during the quarter.

Despite the significant scaling of our marketing investments, we maintained a solid global ROAS at 119.0% for Q2 compared to 122.7% in the prior year. We observed a slight ROAS improvement in Rest of World, increasing from 115.7% in Q2 2024 to 117.1% in Q2 2025, while we observed reductions in the Americas from 120.7% to 116.9% and in Developed Europe from 128.5% to 122.1%.

As of the end of Q2 2025, we held €111.2 million in cash and cash equivalents and no long-term debt, continuing to maintain our strong financial position.

We are excited to announce that on July 31, we successfully completed the acquisition of Holisto. The promising results from our joint initiatives gave us confidence to exercise our call option at the end of April 2025 already. For the remaining five months of this year, we anticipate Holisto will generate low double-digit million euros in revenue for trivago's consolidated group results, while continuing to operate at near breakeven levels. Holisto plays a pivotal role in enhancing the user experience by expanding our trivago-branded booking funnel which will help us drive conversion rates.

With that, let's open the line for questions. Operator, we are now ready to take the first question.

About trivago N.V.

trivago N.V. (NASDAQ: TRVG) is a leading global hotel search and price comparison platform and one of the most recognized travel brands in the world. When price savvy travelers are searching for a hotel, we want trivago to be the obvious choice. We aim to help travelers find the best place to stay and the best time to go. trivago aims to enable them to book with confidence, saving travelers valuable time and money. By leveraging cutting-edge technology, we seek to personalize and simplify the hotel search experience for millions of travelers every month. We provide access to more than 5.0 million hotels and other types of accommodation in over 190 countries.

IR Contact:

ir@trivago.com