

Regulation G - Non-GAAP Measures

The Company defines mobile traffic and engagement metrics (including MAU, DAU, chats per day, and new users per day) to include mobile app traffic for all properties and mobile web traffic for MeetMe, Skout and LOVOO. The Company defines Video Daily Active User (vDAU) as a registered user of one of our platforms who has logged in and visited the Live feature, either as a broadcaster or viewer, on the day of measurement. The Company defines Average Video Revenue per Daily Active User (vARPDau) as the average daily revenue per vDAU. The Company uses these user metrics for financial and operational decision-making and as a means to evaluate period-to-period comparisons. The Company presents user metrics because it believes them to be an important supplemental measure of performance that is commonly used by securities analysts, investors and other interested parties in the evaluation of companies in its industry and because it believes that these metrics provide useful information to investors regarding the Company's financial condition and results of operations. There is no directly comparable U.S. generally accepted accounting principles (GAAP) measure to vARPDau provided in the Company's financial statements and therefore no reconciliation is provided.

The Company uses Adjusted EBITDA, Non-GAAP Net Income and Free Cash Flow, which are not calculated and presented in accordance with GAAP, in evaluating its financial and operational decision making and as a means to evaluate period-to period comparison. The Company uses these non-GAAP financial measures for financial and operational decision-making and as a means to evaluate period-to-period comparisons. The Company presents these non-GAAP financial measures because it believes them to be an important supplemental measure of performance that is commonly used by securities analysts, investors and other interested parties in the evaluation of companies in our industry. We refer you to the reconciliations below for these historical non-GAAP financial measures to their directly comparable GAAP financial measures. Information reconciling forward-looking Adjusted EBITDA to GAAP financial measures is unavailable to the Company without unreasonable effort. The Company is not able to provide reconciliations of Adjusted EBITDA to GAAP financial measures because certain items required for such reconciliations are outside of the Company's control and/or cannot be reasonably predicted, such as the provision for income taxes. Preparation of such reconciliations would require a forward-looking balance sheet, statement of income and statement of cash flow, prepared in accordance with GAAP, and such forward-looking financial statements are unavailable to the Company without unreasonable effort. The Company provides a range for its Adjusted EBITDA outlook that it believes will be achieved, however it cannot accurately predict all the components of the Adjusted EBITDA calculation.

The Company defines Adjusted EBITDA as earnings (or loss) from operations before interest expense, benefit or provision for income taxes, depreciation and amortization, stock-based compensation, nonrecurring acquisition, restructuring or other expenses, gain or loss on disposal of assets, gain or loss on foreign currency transactions, bad debt expense outside the normal range, and goodwill and long-lived asset impairment charges, if any. The Company excludes stock-based compensation because it is non-cash in nature. The Company defines Non-GAAP Net Income as earnings (or loss) before benefit or provision for income taxes, amortization on intangibles, non-recurring acquisition and restructuring costs, goodwill and long-lived asset impairment charges and non-cash stock-based compensation. The Company defines Free Cash Flow as net cash provided by or used in its operating activities, minus purchases of property and equipment, as shown in its consolidated statements of cash flows.

Non-GAAP financial measures should not be considered as an alternative to net income, operating income, cash flow from operating activities, as a measure of liquidity or any other financial measure. They may not be indicative of the historical operating results of the Company nor is it intended to be predictive of potential future results. Investors should not consider non-GAAP financial measures in isolation or as a substitute for performance measures calculated in accordance with GAAP.

	For the Three Months Ended				
	9/30/2018	12/31/2018	3/31/2019	6/30/2019	9/30/2019
Net income (loss)	\$ 1,297,931	\$ 4,293,390	\$ 1,257,599	\$ 2,203,826	\$ 2,990,980
Interest expense	559,345	483,823	402,864	328,196	300,319
Income tax (benefit) expense	196,146	(17,096)	254,381	935,284	1,036,410
Depreciation and amortization	3,423,929	3,217,169	3,198,104	3,430,018	3,451,197
Stock-based compensation expense	2,767,196	2,258,859	2,424,717	2,865,336	3,031,292
Acquisition and restructuring	416,141	235,560	478,995	25,454	244,432
Gain on disposal of assets	—	95,315	—	—	(40,376)
(Gain) loss on foreign currency transactions	6,229	3,497	65,209	2,380	27,051
Adjusted EBITDA	\$ 8,666,917	\$ 10,570,517	\$ 8,081,869	\$ 9,790,494	\$ 11,041,305

THE MEET GROUP, INC. AND SUBSIDIARIES
RECONCILIATION OF GAAP NET INCOME (LOSS) TO ADJUSTED EBITDA
(UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
Net income (loss)	\$ 2,990,980	\$ 1,297,931	\$ 6,452,405	\$ (3,150,002)
Interest expense	300,319	559,345	1,031,379	1,838,325
Income tax expense	1,036,410	196,146	2,226,075	484,552
Depreciation and amortization	3,451,197	3,423,929	10,079,319	10,558,712
Stock-based compensation expense	3,031,292	2,767,196	8,321,345	7,026,991
Acquisition and restructuring	244,432	416,141	748,881	4,802,694
Gain on disposal of assets	(40,376)	—	(40,376)	—
Loss (gain) on foreign currency transactions	27,051	6,229	94,640	(101,030)
Adjusted EBITDA	<u>\$ 11,041,305</u>	<u>\$ 8,666,917</u>	<u>\$ 28,913,668</u>	<u>\$ 21,460,242</u>

THE MEET GROUP, INC. AND SUBSIDIARIES
RECONCILIATION OF GAAP NET INCOME (LOSS) TO NON-GAAP NET INCOME
(UNAUDITED)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2019	2018	2019	2018
GAAP Net income (loss)	\$ 2,990,980	\$ 1,297,931	\$ 6,452,405	\$ (3,150,002)
Stock-based compensation expense	3,031,292	2,767,196	8,321,345	7,026,991
Amortization of intangibles	2,791,272	2,904,120	8,130,836	8,915,214
Income tax expense	1,036,410	196,146	2,226,075	484,552
Acquisition and restructuring	244,432	416,141	748,881	4,802,694
Non-GAAP net income	<u>\$ 10,094,386</u>	<u>\$ 7,581,534</u>	<u>\$ 25,879,542</u>	<u>\$ 18,079,449</u>
GAAP basic net income (loss) per share	<u>\$ 0.04</u>	<u>\$ 0.02</u>	<u>\$ 0.09</u>	<u>\$ (0.04)</u>
GAAP diluted net income (loss) per share	<u>\$ 0.04</u>	<u>\$ 0.02</u>	<u>\$ 0.08</u>	<u>\$ (0.04)</u>
Basic Non-GAAP net income per share	<u>\$ 0.14</u>	<u>\$ 0.10</u>	<u>\$ 0.34</u>	<u>\$ 0.25</u>
Diluted Non-GAAP net income per share	<u>\$ 0.13</u>	<u>\$ 0.10</u>	<u>\$ 0.33</u>	<u>\$ 0.23</u>
Weighted-average shares outstanding:				
Basic	74,674,981	73,362,467	75,056,593	72,704,205
Diluted	76,205,022	79,365,576	77,836,975	77,831,545

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THE MEET GROUP, INC. AND SUBSIDIARIES
RECONCILIATION OF GAAP NET INCOME (LOSS) TO ADJUSTED EBITDA
(UNAUDITED)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
Net income (loss)	\$ 2,203,826	\$ (235,272)	\$ 3,461,425	\$ (4,447,933)
Interest expense	328,196	671,294	731,060	1,278,980
Income tax expense	935,284	540,593	1,189,665	288,406
Depreciation and amortization	3,430,018	3,505,180	6,628,122	7,134,783
Stock-based compensation expense	2,865,336	2,090,870	5,290,053	4,259,795
Acquisition and restructuring	25,454	1,036,602	504,449	4,386,553
(Gain) loss on foreign currency transactions	2,380	(4,216)	67,589	(107,259)
Adjusted EBITDA	<u>\$ 9,790,494</u>	<u>\$ 7,605,051</u>	<u>\$ 17,872,363</u>	<u>\$ 12,793,325</u>

THE MEET GROUP, INC. AND SUBSIDIARIES
RECONCILIATION OF GAAP NET INCOME (LOSS) TO NON-GAAP NET INCOME
(UNAUDITED)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2019	2018	2019	2018
GAAP Net income (loss)	\$ 2,203,826	\$ (235,272)	\$ 3,461,425	\$ (4,447,933)
Stock-based compensation expense	2,865,336	2,090,870	5,290,053	4,259,795
Amortization of intangibles	2,777,661	2,954,485	5,339,564	6,011,094
Income tax expense	935,284	540,593	1,189,665	288,406
Acquisition and restructuring	25,454	1,036,602	504,449	4,386,553
Non-GAAP net income	<u>\$ 8,807,561</u>	<u>\$ 6,387,278</u>	<u>\$ 15,785,156</u>	<u>\$ 10,497,915</u>
GAAP basic net income (loss) per common stockholder	<u>\$ 0.03</u>	<u>\$ —</u>	<u>\$ 0.05</u>	<u>\$ (0.06)</u>
GAAP diluted net income (loss) per common stockholder	<u>\$ 0.03</u>	<u>\$ —</u>	<u>\$ 0.04</u>	<u>\$ (0.06)</u>
Basic Non-GAAP net income per common stockholder	<u>\$ 0.12</u>	<u>\$ 0.09</u>	<u>\$ 0.21</u>	<u>\$ 0.15</u>
Diluted Non-GAAP net income per common stockholder	<u>\$ 0.11</u>	<u>\$ 0.08</u>	<u>\$ 0.20</u>	<u>\$ 0.14</u>
Weighted average shares outstanding:				
Basic	<u>75,648,621</u>	<u>72,753,487</u>	<u>75,250,562</u>	<u>72,369,619</u>
Diluted	<u>78,508,559</u>	<u>78,240,935</u>	<u>78,656,115</u>	<u>77,574,279</u>

Regulation G - Non-GAAP Measures

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THE MEET GROUP, INC. AND SUBSIDIARIES
RECONCILIATION OF GAAP NET INCOME (LOSS) TO ADJUSTED EBITDA
(UNAUDITED)

	Three Months Ended	
	March 31,	
	2019	2018
Net income (loss)	\$ 1,257,599	\$ (4,212,661)
Interest expense	402,864	607,686
Income tax (benefit) expense	254,381	(252,187)
Depreciation and amortization	3,198,104	3,629,603
Stock-based compensation expense	2,424,717	2,168,925
Acquisition and restructuring	478,995	3,349,951
(Gain) loss on foreign currency transactions	65,209	(103,043)
Adjusted EBITDA	<u>\$ 8,081,869</u>	<u>\$ 5,188,274</u>

THE MEET GROUP, INC. AND SUBSIDIARIES
RECONCILIATION OF GAAP NET INCOME (LOSS) TO NON-GAAP NET INCOME
(UNAUDITED)

	Three Months Ended	
	March 31,	
	2019	2018
GAAP Net income (loss)	\$ 1,257,599	\$ (4,212,661)
Stock-based compensation expense	2,424,717	2,168,925
Amortization of intangibles	2,561,903	3,056,609
Income tax (benefit) expense	254,381	(252,187)
Acquisition and restructuring	478,995	3,349,951
Non-GAAP net income	<u>\$ 6,977,595</u>	<u>\$ 4,110,637</u>
GAAP basic net income (loss) per common stockholder	<u>\$ 0.02</u>	<u>\$ (0.06)</u>
GAAP diluted net income (loss) per common stockholder	<u>\$ 0.02</u>	<u>\$ (0.06)</u>
Basic Non-GAAP net income per common stockholder	<u>\$ 0.09</u>	<u>\$ 0.06</u>
Diluted Non-GAAP net income per common stockholder	<u>\$ 0.09</u>	<u>\$ 0.05</u>
Weighted average shares outstanding:		
Basic	74,848,080	71,981,487
Diluted	78,799,248	75,849,484

Regulation G - Non-GAAP Measures

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THE MEET GROUP, INC. AND SUBSIDIARIES
RECONCILIATION OF GAAP NET INCOME (LOSS) TO ADJUSTED EBITDA
(UNAUDITED)

	Three Months Ended December 31,		Year Ended December 31,	
	2018	2017	2018	2017
Net income (loss)	\$ 4,293,390	\$ (68,116,890)	\$ 1,143,388	\$ (64,591,727)
Interest expense	483,823	438,445	2,322,148	860,392
Income tax (benefit) expense	(17,096)	11,637,816	467,456	6,703,600
Depreciation and amortization	3,217,169	3,954,243	13,775,881	11,573,827
Stock-based compensation expense	2,258,859	2,665,232	9,285,850	8,467,278
Goodwill impairment	—	56,428,861	—	56,428,861
Acquisition and restructuring	235,560	3,502,800	5,038,254	12,151,492
Loss on disposal of assets	95,315	—	95,315	—
(Gain) loss on foreign currency transactions	3,497	30,416	(97,533)	32,488
Adjusted EBITDA	<u>\$ 10,570,517</u>	<u>\$ 10,540,923</u>	<u>\$ 32,030,759</u>	<u>\$ 31,626,211</u>

THE MEET GROUP, INC. AND SUBSIDIARIES
RECONCILIATION OF GAAP NET INCOME (LOSS) TO NON-GAAP NET INCOME
(UNAUDITED)

	Three Months Ended December 31,		Year Ended December 31,	
	2018	2017	2018	2017
GAAP Net income (loss)	\$ 4,293,390	\$ (68,116,890)	\$ 1,143,388	\$ (64,591,727)
Stock-based compensation expense	2,258,859	2,665,232	9,285,850	8,467,278
Amortization of intangibles	2,604,653	3,370,712	11,519,867	9,353,171
Income tax (benefit) expense	(17,096)	11,637,816	467,456	6,703,600
Goodwill impairment	—	56,428,861	—	56,428,861
Acquisition and restructuring	235,560	3,502,800	5,038,254	12,151,492
Non-GAAP net income	<u>\$ 9,375,366</u>	<u>\$ 9,488,531</u>	<u>\$ 27,454,815</u>	<u>\$ 28,512,675</u>
GAAP basic net income (loss) per common stockholder	<u>\$ 0.06</u>	<u>\$ (0.95)</u>	<u>\$ 0.02</u>	<u>\$ (0.94)</u>
GAAP diluted net income (loss) per common stockholder	<u>\$ 0.06</u>	<u>\$ (0.95)</u>	<u>\$ 0.02</u>	<u>\$ (0.94)</u>
Basic Non-GAAP net income per common stockholder	<u>\$ 0.13</u>	<u>\$ 0.13</u>	<u>\$ 0.38</u>	<u>\$ 0.41</u>
Diluted Non-GAAP net income per common stockholder	<u>\$ 0.12</u>	<u>\$ 0.12</u>	<u>\$ 0.36</u>	<u>\$ 0.39</u>
Weighted average shares outstanding:				
Basic	<u>74,217,118</u>	<u>71,808,179</u>	<u>73,085,542</u>	<u>68,743,956</u>
Diluted	<u>76,863,201</u>	<u>75,965,208</u>	<u>75,616,439</u>	<u>73,198,544</u>

Third Quarter 2018

Regulation G - Non-GAAP Measures

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THE MEET GROUP, INC. AND SUBSIDIARIES
RECONCILIATION OF GAAP NET INCOME (LOSS) TO ADJUSTED EBITDA
(UNAUDITED)

	<u>Three Months Ended September 30,</u>		<u>Nine Months Ended September 30,</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Net income (loss)	\$ 1,297,931	\$ 2,222,722	\$ (3,150,002)	\$ 3,525,163
Interest expense	559,345	244,361	1,838,325	421,947
Income tax (benefit) expense	196,146	(2,202,152)	484,552	(4,934,216)
Depreciation and amortization	3,423,929	2,969,570	10,558,712	7,619,584
Stock-based compensation expense	2,767,196	2,299,696	7,026,991	5,802,046
Acquisition and restructuring	416,141	3,378,838	4,802,694	8,648,692
(Gain) loss on foreign currency transactions	6,229	(9,357)	(101,030)	2,072
Adjusted EBITDA	<u>\$ 8,666,917</u>	<u>\$ 8,903,678</u>	<u>\$ 21,460,242</u>	<u>\$ 21,085,288</u>

THE MEET GROUP, INC. AND SUBSIDIARIES
RECONCILIATION OF GAAP NET INCOME (LOSS) TO NON-GAAP NET INCOME
(UNAUDITED)

	<u>Three Months Ended September 30,</u>		<u>Nine Months Ended September 30,</u>	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
GAAP Net income (loss)	\$ 1,297,931	\$ 2,222,722	\$ (3,150,002)	\$ 3,525,163
Stock-based compensation expense	2,767,196	2,299,696	7,026,991	5,802,046
Amortization of intangibles	2,904,120	2,378,152	8,915,214	5,982,459
Income tax (benefit) expense	196,146	(2,202,152)	484,552	(4,934,216)
Acquisition and restructuring	416,141	3,378,838	4,802,694	8,648,692
Non-GAAP net income	<u>\$ 7,581,534</u>	<u>\$ 8,077,256</u>	<u>\$ 18,079,449</u>	<u>\$ 19,024,144</u>
GAAP basic net income (loss) per common stockholder	<u>\$ 0.02</u>	<u>\$ 0.03</u>	<u>\$ (0.04)</u>	<u>\$ 0.05</u>
GAAP diluted net income (loss) per common stockholder	<u>\$ 0.02</u>	<u>\$ 0.03</u>	<u>\$ (0.04)</u>	<u>\$ 0.05</u>
Basic Non-GAAP net income per common stockholder	<u>\$ 0.10</u>	<u>\$ 0.11</u>	<u>\$ 0.25</u>	<u>\$ 0.28</u>
Diluted Non-GAAP net income per common stockholder	<u>\$ 0.10</u>	<u>\$ 0.11</u>	<u>\$ 0.23</u>	<u>\$ 0.26</u>
Weighted average shares outstanding:				
Basic	<u>73,362,467</u>	<u>71,800,274</u>	<u>72,704,205</u>	<u>67,711,324</u>
Diluted	<u>79,365,576</u>	<u>76,078,563</u>	<u>77,831,545</u>	<u>72,425,863</u>