



Groupon Acquires Cloud Savings Company, Ltd.

May 1, 2018

Acquisition to power and enhance Groupon's international online discount code and loyalty programs

CHICAGO--(BUSINESS WIRE)--May 1, 2018-- [Groupon](#) today announced it has acquired Cloud Savings Company, Ltd., parent company of online discount code platform [Vouchercloud](#) and brand loyalty provider [Giftcloud](#), at an enterprise value of \$65 million.

"We're pleased to add two great, profitable brands and very talented teams to the Groupon family," said Groupon CEO Rich Williams. "In Vouchercloud, we're acquiring one of the most innovative brands in the online discount codes space, which we believe will accelerate our own efforts -- particularly in International -- and broaden our marketplace for consumers. In Giftcloud, we see interesting long-term potential in creating attractive customer loyalty programs with some of the biggest names in retail, as well as with great local merchants."

For Vouchercloud and Giftcloud, the acquisition represents the opportunity to continue to develop their growing businesses while benefiting from Groupon's local expertise and significant customer and merchant scale.

"We're very excited for Vouchercloud and Giftcloud to join the Groupon family. We recognize the potential in combining our expertise in the coupon sector to enhance our offerings for consumers in the UK and beyond," said Greg Le Tocq, co-founder and director of Cloud Savings Company. "In joining together, we can create even more -- and more effective -- ways for customers to save and businesses to grow. We equally look forward to working with Groupon to grow the Giftcloud business, as we continue to be at the forefront of innovation while the gift card industry moves from plastic to digital."

Groupon expects the deal to contribute \$5 million to \$6 million in Adjusted EBITDA in 2018.

Vouchercloud operates in 11 countries -- primarily in the United Kingdom -- with more than 5 million subscribers and relationships with more than 12,000 top retailers and brands. Their mobile app has been downloaded more than 10 million times. Groupon intends to maintain the company's Bristol headquarters where they employ approximately 100 people.

About Groupon

Groupon (NASDAQ: GRPN) is building the daily habit in local commerce, offering a vast mobile and online marketplace where people discover and save on amazing things to do, see, eat and buy. By enabling real-time commerce across local businesses, travel destinations, consumer products and live events, shoppers can find the best a city has to offer.

Groupon is redefining how small businesses attract and retain customers by providing them with customizable and scalable marketing tools and services to profitably grow their businesses.

To download Groupon's top-rated mobile apps, visit www.groupon.com/mobile. To search for great deals or subscribe to Groupon emails, visit www.groupon.com. To learn more about the company's merchant solutions and how to work with Groupon, visit www.groupon.com/merchant.

About Vouchercloud

Vouchercloud is one of the UK's leading voucher platforms, having revolutionised the marketplace with the launch of Europe's first voucher app in 2010. The app has since been downloaded more than 10 million times globally, and the site sees 55 million annual visits. The brand publishes discounts in 11 territories globally and works with over 12,000 retailers to deliver award-winning creative campaigns.

About Giftcloud

Giftcloud is at the forefront of the digital gift card market, launching in 2014 as Europe's first entirely digital gifting app and website, allowing users instant access to digital gift cards while also providing businesses with a fully digital rewards and loyalty solution. The business now works with some of the UK's biggest brands to deliver bespoke campaigns based on acquisition, loyalty and retention.

Note on Forward-Looking Statements

The statements contained in this release that refer to plans and expectations for the next quarter, the full year or the future are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, including statements regarding our future results of operations and financial position, business strategy and plans, and our objectives for future operations. The words "may," "will," "should," "could," "expect," "anticipate," "believe," "estimate," "intend," "continue" and other similar expressions are intended to identify forward-looking statements. We have based these forward looking statements largely on current expectations and projections about future events and financial trends that we believe may affect our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives, and financial needs. These forward-looking statements involve risks and uncertainties that could cause our actual results to differ materially from those expressed or implied in our forward-looking statements. Such risks and uncertainties include, but are not limited to, risk related to volatility in our operating results; execution of our business and marketing strategies; retaining existing customers and adding new customers; challenges arising from our international operations, including fluctuations in currency exchange rates, legal and regulatory developments and any potential adverse impact from the United Kingdom's likely exit from the European Union; retaining and adding high quality merchants; our voucherless offerings; cybersecurity breaches; competing successfully in our industry; changes to merchant payment terms; providing a strong mobile experience for our customers; maintaining our information technology infrastructure; delivery and routing of our emails; claims related to product and service offerings; managing inventory and order fulfillment risks; litigation; managing refund risks; retaining and attracting members of our executive team; completing and realizing the anticipated benefits from acquisitions, dispositions, joint ventures and strategic investments; lack of control over minority investments; tax liabilities; tax legislation; compliance with domestic and foreign laws and regulations, including the CARD Act, GDPR and regulation of the Internet and e-commerce; classification of our independent contractors; protecting our intellectual property; maintaining a strong brand; customer and merchant fraud; payment-related risks; our ability to raise capital if necessary and our outstanding indebtedness; global economic uncertainty; our common stock, including volatility in our stock price; our senior convertible notes; our ability to realize the anticipated benefits from the hedge and warrant transactions. For additional information regarding these and other risks and uncertainties, we urge you to refer to the factors included under the headings "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" in Groupon's Annual Report on Form 10-K for the year ended December 31, 2017, and our other filings with the Securities and Exchange Commission, copies of which may be obtained by visiting Groupon's Investor Relations website at <http://investor.groupon.com> or the SEC's web site at www.sec.gov.

Groupon's actual results could differ materially from those predicted or implied, and reported results should not be considered an indication of future performance. You should not rely upon forward-looking statements as predictions of future events. Although Groupon believes that the expectations reflected in the forward-looking statements are reasonable, it cannot guarantee that the future results, levels of activity, performance, or events and circumstances reflected in the forward-looking statements will be achieved or occur. Moreover, neither Groupon nor any other person assumes responsibility for the accuracy and completeness of the forward-looking statements. The forward-looking statements reflect Groupon's expectations as of the date of this release. Groupon undertakes no obligation to update publicly any forward-looking statements for any reason after the date of this release to conform these statements to actual results or to changes in its expectations

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Bill Roberts
(312) 459-5191
press@groupon.com