



Taboola to Acquire Gravity R&D, Founded by The AI Engineering Team that Won The Netflix Recommendation Prize; Adds New R&D Hub in Hungary to Accelerate Product Development

May 26, 2022

Acquisition will be used to advance AI, SmartBid and eCommerce personalization

NEW YORK, May 26, 2022 (GLOBE NEWSWIRE) -- [Taboola](#) (Nasdaq: TBLA), a global leader in powering recommendations for the open web, helping people discover things they may like, today announced it has entered into a definitive agreement to acquire [Gravity R&D](#), a leading personalization technology company founded in data science.

Gravity R&D's core offering, [Yusp](#), is used by leaders in retail, e-commerce, and digital media to provide personalized offers to customers to drive sales, increase average order sizes, build customer loyalty and create more positive user experiences. Yusp's technology is built on proprietary algorithms that focus on deep learning for personalization – coupling contextual data and brands' first party data to make recommendations for shoppers.

Gravity R&D was founded in 2007 by experts in algo, deep learning and data science. Its founders, which are still part of Gravity R&D today, had tied for first place for the Netflix Prize, a public competition to find a team to improve Netflix's recommendation technology. Gravity R&D has customers in more than 20 countries and currently powers more than 35 billion recommendations each month for leaders in retail, e-commerce and digital media including N11, Kaunet, GoShop, La Vanguardia, and Deutsche Telekom Hungary.

As part of the pending acquisition, Taboola will create and invest in a new research and development hub in Gravity R&D's headquarters in Hungary. The acquisition is part of Taboola's stated goal of investing \$100 million annually into R&D.

"Our investments in technology, both in team and products behind it, are what continue to give Taboola a strategic advantage," said Adam Singolda, CEO and founder, Taboola. "Welcoming the Gravity R&D to our family means Taboola grows its ability to make more sophisticated recommendations and do more in areas like dynamic creative optimization and personalization, to drive better outcomes for advertisers—especially those in retail and e-commerce. With a highly skilled team that has spent years perfecting this technology, there was no company better suited to help us succeed in this area."

"The competitive battlefield for customers in the retail, e-commerce and connected TV arenas continues to revolve around customer experience and personalization," said Domonkos Tikk, CEO, Gravity R&D. "We've spent the past 12 years developing the technology to make brands' lives easier and with Taboola, we're excited to bring that technology to a massive new customer base."

The private transaction, terms of which are not being disclosed, is subject to customary conditions and expected to close in the second quarter of 2022.

About Taboola

Taboola powers recommendations for the open web, helping people discover things they may like.

The company's platform, powered by artificial intelligence, is used by digital properties, including websites, devices and mobile apps, to drive monetization and user engagement. Taboola has long-term partnerships with some of the top digital properties in the world, including CNBC, BBC, NBC News, Business Insider, The Independent and El Mundo.

More than 15,000 advertisers use Taboola to reach over 500 million daily active users in a brand-safe environment. Following the acquisition of Connexity in 2021, Taboola is a leader in powering e-commerce recommendations, driving more than 1 million monthly transactions each month. Leading brands including Walmart, Macy's, Wayfair, Skechers and eBay are among key customers.

Learn more at www.taboola.com and follow [@taboola](#) on Twitter.

Disclaimer - Forward-Looking Statements

Certain statements in this press release are forward-looking statements. Forward-looking statements generally relate to future events including future financial or operating performance of Taboola.com Ltd. (the "Company"). Forward-looking statements are not historical facts and relate to analysis or other information which are based on forecasts or future or results. Examples of such forward-looking statements include, but are not limited to, the proposed acquisition of Gravity R&D, whether it will occur on the currently expected timing and terms or at all, and its expected benefits to the Company. Examples of such forward-looking statements include, but are not limited to, statements regarding future prospects, the proposed acquisition and business strategies. Words such as "expect," "estimate," "project," "budget," "forecast," "anticipate," "intend," "plan," "may," "will," "could," "should," "believes," "predicts," "potential," "continue," and similar expressions are intended to identify such forward-looking statements but are not the exclusive means for identifying such statements. By their very nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and there are risks that the predictions, forecasts, projections and other forward-looking statements will not be achieved. You should understand that a number of factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements, including the risks set forth under "Risk Factors" in our Registration Statement on Form F-4 and our other SEC filings. The Company cautions readers not to place undue reliance upon any forward-looking statements, which speak only as of the date made. The Company does not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements to reflect any change in its expectations or any change in events, conditions or circumstances on which any such statement is

based.

Contact Dave Struzzi dave.s@taboola.com