

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

FORM 10-Q

PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the Quarterly Period Ended September 30, 2025

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF
1934 For the transition period from _____ to _____

Commission File Number: 001-40566

TABOOLA.COM LTD.
(Exact name of registrant as specified in its charter)

Israel
(State or other jurisdiction of
incorporation or organization)
16 Madison Square West
7th Floor
New York, NY
(Address of principal executive offices)

Not Applicable
(I.R.S. Employer
Identification No.)

10010
(Zip code)

212-206-7633
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Ordinary shares, no par value	TBLA	The Nasdaq Global Select Market
Warrants to purchase ordinary shares	TBLAW	The Nasdaq Global Select Market

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input checked="" type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

As of October 31, 2025 the Registrant had a total of 288,223,366 outstanding shares, which includes 258,183,722 Ordinary shares and 30,039,644 Non-voting Ordinary shares.

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NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements. All statements contained in this Quarterly Report on Form 10-Q other than statements of historical fact, including statements regarding our future results of operations and financial position, our business strategy and plans, and our objectives for future operations, are forward-looking statements. The words “believe,” “may,” “will,” “estimate,” “continue,” “anticipate,” “intend,” “expect,” and similar expressions are intended to identify forward-looking statements. We have based these forward-looking statements largely on our current expectations and projections about future events and 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 are subject to a number of risks, uncertainties and assumptions, including those described in Part I, Item 1A, “Risk Factors” in our Annual Report on Form 10-K. Moreover, we operate in a very competitive and rapidly changing environment. New risks emerge from time to time. It is not possible for our management to predict all risks, nor can we assess the impact of all factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements we may make. In light of these risks, uncertainties and assumptions, the future events and trends discussed in this Quarterly Report on Form 10-Q may not occur and actual results could differ materially and adversely from those anticipated or implied in the forward-looking statements. We undertake no obligation to revise or publicly release the results of any revision to these forward-looking statements, except as required by law. Given these risks and uncertainties, readers are cautioned not to place undue reliance on such forward-looking statements.

Unless otherwise stated or unless the context otherwise requires, the terms “Company,” “the registrant,” “our company,” “the company,” “we,” “us,” “our,” “ours,” and “Taboola” refer to Taboola.com Ltd., a company organized under the laws of the State of Israel, and its consolidated subsidiaries.

CONSOLIDATED INTERIM BALANCE SHEETS

U.S. dollars in thousands, except share and per share data

	September 30, 2025	December 31, 2024
	Unaudited	
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$ 115,475	\$ 226,583
Short-term investments	—	3,780
Restricted deposits	—	200
Trade receivables (net of allowance for credit losses of \$13,338 and \$11,815 as of September 30, 2025 and December 31, 2024, respectively) (1)	308,900	370,110
Prepaid expenses and other current assets	67,721	55,328
Total current assets	492,096	656,001
NON-CURRENT ASSETS		
Long-term prepaid expenses	17,666	25,193
Commercial agreement asset	274,374	286,619
Restricted deposits	1,462	1,462
Operating lease right of use assets	85,490	58,997
Property and equipment, net	77,315	69,388
Intangible assets, net	25,012	65,067
Goodwill	555,931	555,931
Total non-current assets	1,037,250	1,062,657
Total assets	\$ 1,529,346	\$ 1,718,658
LIABILITIES AND SHAREHOLDERS' EQUITY		
CURRENT LIABILITIES		
Trade payables (2)	\$ 301,680	\$ 309,229
Short-term operating lease liabilities	29,398	21,881
Accrued expenses and other current liabilities	135,145	154,472
Total current liabilities	466,223	485,582
LONG-TERM LIABILITIES		
Long-term loan and revolving credit facility (3)	74,000	116,452
Long-term operating lease liabilities	65,238	42,561
Warrants liability	897	3,368
Deferred tax liabilities, net	17	5,497
Other long-term liabilities	11,509	13,292
Total long-term liabilities	151,661	181,170
COMMITMENTS AND CONTINGENCIES (Note 11)		
SHAREHOLDERS' EQUITY		
Ordinary shares with no par value - Authorized: 700,000,000 as of September 30, 2025 and December 31, 2024; 337,494,088 and 325,674,930 shares issued, and 260,491,794 and 293,134,865 shares outstanding as of September 30, 2025 and December 31, 2024, respectively	—	—
Non-voting Ordinary shares with no par value - Authorized: 46,000,000 as of September 30, 2025 and December 31, 2024; 45,198,702 shares issued, and 30,401,133 and 44,210,406 shares outstanding as of September 30, 2025 and December 31, 2024, respectively	—	—
Treasury Ordinary shares, at cost - 91,799,863 (77,002,294 Ordinary shares and 14,797,569 Non-voting Ordinary shares) and 33,528,361 (32,540,065 Ordinary shares and 988,296 Non-voting Ordinary shares) as of September 30, 2025 and December 31, 2024, respectively	(314,881)	(130,117)
Additional paid-in capital	1,386,921	1,335,825
Accumulated other comprehensive income	1,493	418
Accumulated deficit	(162,071)	(154,220)
Total shareholders' equity	911,462	1,051,906
Total liabilities and shareholders' equity	\$ 1,529,346	\$ 1,718,658

(1) Includes related party trade receivables of \$37,941 and \$76,677, as of September 30, 2025 and December 31, 2024, respectively.

(2) Includes related party trade payables of \$67,690 and \$68,556, as of September 30, 2025 and December 31, 2024, respectively.

(3) The balance as of September 30, 2025, reflects \$74,000 outstanding under the revolving credit facility. The December 31, 2024, balance reflects \$116,452 under the long-term loan. See Note 8 of Notes to the Unaudited Consolidated Interim Financial Statements.

CONSOLIDATED INTERIM STATEMENTS OF INCOME (LOSS)

U.S. dollars in thousands, except share and per share data

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
	Unaudited			
Revenues (1)	\$ 496,764	\$ 433,012	\$ 1,389,731	\$ 1,275,180
Cost of revenues:				
Traffic acquisition cost (2)	324,079	267,997	901,299	821,737
Other cost of revenues	33,666	32,138	94,495	96,835
Total cost of revenues	357,745	300,135	995,794	918,572
Gross profit	139,019	132,877	393,937	356,608
Operating expenses:				
Research and development	37,867	36,727	111,305	106,264
Sales and marketing	70,090	67,808	207,228	200,253
General and administrative	24,557	23,784	75,117	71,397
Total operating expenses	132,514	128,319	393,650	377,914
Operating income (loss)	6,505	4,558	287	(21,306)
Finance income (expenses), net (3)	500	(1,106)	(6,491)	(3,740)
Income (loss) before income taxes	7,005	3,452	(6,204)	(25,046)
Income tax expenses	(1,761)	(9,906)	(1,647)	(11,857)
Net income (loss)	\$ 5,244	\$ (6,454)	\$ (7,851)	\$ (36,903)
Net Income (loss) per share attributable to Ordinary and Non-voting Ordinary shareholders, basic	\$ 0.02	\$ (0.02)	\$ (0.02)	\$ (0.11)
Net Income (loss) per share attributable to Ordinary and Non-voting Ordinary shareholders, diluted	\$ 0.02	\$ (0.02)	\$ (0.02)	\$ (0.11)
Weighted-average shares used in computing net income (loss) per share attributable to Ordinary and Non-voting Ordinary shareholders, basic	300,723,658	342,886,216	318,600,917	343,606,187
Weighted-average shares used in computing net income (loss) per share attributable to Ordinary and Non-voting Ordinary shareholders, diluted	305,679,079	342,886,216	318,600,917	343,606,187

(1) Includes revenues from related party of \$52,106 and \$44,936, for the three months ended September 30, 2025 and 2024, respectively, and \$146,886 and \$157,362 for the nine months ended September 30, 2025 and 2024, respectively.

(2) Includes traffic acquisition cost to related party of \$93,088 and \$53,104 for the three months ended September 30, 2025 and 2024, respectively, and \$252,644 and \$205,148 for the nine months ended September 30, 2025 and 2024, respectively.

(3) Includes loss on extinguishment of debt of \$6,597 for the nine months ended September 30, 2025.

The accompanying notes are an integral part of these unaudited consolidated financial statements.

CONSOLIDATED INTERIM STATEMENTS OF INCOME (LOSS)

U.S. dollars in thousands, except share and per share data

CONSOLIDATED INTERIM STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
	Unaudited			
Net income (loss)	\$ 5,244	\$ (6,454)	\$ (7,851)	\$ (36,903)
Other comprehensive income (loss):				
Unrealized and realized gains on available-for-sale marketable securities, net	—	—	—	6
Unrealized gains (losses) on derivative instruments, net	(1,275)	204	1,075	(783)
Other comprehensive income (loss)	(1,275)	204	1,075	(777)
Comprehensive income (loss)	\$ 3,969	\$ (6,250)	\$ (6,776)	\$ (37,680)

The accompanying notes are an integral part of these unaudited consolidated financial statements.

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

U.S. dollars in thousands, except share and per share data

	Non-voting Ordinary shares		Ordinary shares		Treasury Ordinary shares	Additional paid-in capital	Accumulated deficit	Accumulated other comprehensive income (loss)	Total shareholders' equity
	Number	Amount	Number	Amount					
Balance as of July 1, 2025 (unaudited)	32,692,444	\$ —	264,392,831	\$ —	\$ (280,290)	\$ 1,369,870	\$ (167,315)	\$ 2,768	\$ 925,033
Share-based compensation expenses	—	—	—	—	—	16,117	—	—	16,117
Repurchase of Ordinary shares	(2,291,311)	—	(7,749,037)	—	(34,591)	—	—	—	(34,591)
Exercise of options and vested RSUs	—	—	3,848,000	—	—	2,090	—	—	2,090
Payments of tax withholding for share-based compensation	—	—	—	—	—	(1,156)	—	—	(1,156)
Other comprehensive loss	—	—	—	—	—	—	—	(1,275)	(1,275)
Net income	—	—	—	—	—	—	5,244	—	5,244
Balance as of September 30, 2025 (unaudited)	30,401,133	\$ —	260,491,794	\$ —	\$ (314,881)	\$ 1,386,921	\$ (162,071)	\$ 1,493	\$ 911,462

	Non-voting Ordinary shares		Ordinary shares		Treasury Ordinary shares	Additional paid-in capital	Accumulated deficit	Accumulated other comprehensive income (loss)	Total shareholders' equity
	Number	Amount	Number	Amount					
Balance as of July 1, 2024 (unaudited)	44,210,406	\$ —	291,715,209	\$ —	\$ (109,978)	\$ 1,301,159	\$ (180,909)	\$ (39)	\$ 1,010,233
Share-based compensation expenses	—	—	—	—	—	17,625	—	—	17,625
Repurchase of Ordinary shares	—	—	(2,950,000)	—	(10,052)	—	—	—	(10,052)
Exercise of options and vested RSUs	—	—	3,287,091	—	—	968	—	—	968
Connexity issuance of Holdback	—	—	581,397	—	—	—	—	—	—
Payments of tax withholding for share-based compensation	—	—	—	—	—	(709)	—	—	(709)
Other comprehensive income	—	—	—	—	—	—	—	204	204
Net loss	—	—	—	—	—	—	(6,454)	—	(6,454)
Balance as of September 30, 2024 (unaudited)	44,210,406	\$ —	292,633,697	\$ —	\$ (120,030)	\$ 1,319,043	\$ (187,363)	\$ 165	\$ 1,011,815

The accompanying notes are an integral part of these unaudited consolidated financial statements.

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

U.S. dollars in thousands, except share and per share data

	Non-voting Ordinary shares		Ordinary shares		Treasury Ordinary shares	Additional paid-in capital	Accumulated deficit	Accumulated other comprehensive income (loss)	Total shareholders' equity
	Number	Amount	Number	Amount					
Balance as of January 1, 2025	44,210,406	\$ —	293,134,865	\$ —	\$ (130,117)	\$ 1,335,825	\$ (154,220)	\$ 418	\$ 1,051,906
Share-based compensation expenses	—	—	—	—	—	48,933	—	—	48,933
Repurchase of Ordinary shares	(13,809,273)	—	(44,462,229)	—	(184,764)	—	—	—	(184,764)
Exercise of options and vested RSUs	—	—	11,819,158	—	—	5,296	—	—	5,296
Payments of tax withholding for share-based compensation	—	—	—	—	—	(3,133)	—	—	(3,133)
Other comprehensive income	—	—	—	—	—	—	—	1,075	1,075
Net loss	—	—	—	—	—	—	(7,851)	—	(7,851)
Balance as of September 30, 2025 (unaudited)	30,401,133	\$ —	260,491,794	\$ —	\$ (314,881)	\$ 1,386,921	\$ (162,071)	\$ 1,493	\$ 911,462

	Non-voting Ordinary shares		Ordinary shares		Treasury Ordinary shares	Additional paid-in capital	Accumulated deficit	Accumulated other comprehensive income (loss)	Total shareholders' equity
	Number	Amount	Number	Amount					
Balance as of January 1, 2024	45,198,702	\$ —	295,670,620	\$ —	\$ (55,513)	\$ 1,262,093	\$ (150,460)	\$ 942	\$ 1,057,062
Share-based compensation expenses	—	—	—	—	—	53,637	—	—	53,637
Repurchase of ordinary shares and non-voting ordinary shares	(988,296)	—	(14,496,584)	—	(64,517)	—	—	—	(64,517)
Exercise of options and vested RSUs	—	—	10,296,864	—	—	5,709	—	—	5,709
Connexity issuance of Holdback	—	—	1,162,797	—	—	—	—	—	—
Payments of tax withholding for share-based compensation	—	—	—	—	—	(2,396)	—	—	(2,396)
Other comprehensive loss	—	—	—	—	—	—	—	(777)	(777)
Net loss	—	—	—	—	—	—	(36,903)	—	(36,903)
Balance as of September 30, 2024 (unaudited)	44,210,406	\$ —	292,633,697	\$ —	\$ (120,030)	\$ 1,319,043	\$ (187,363)	\$ 165	\$ 1,011,815

The accompanying notes are an integral part of these unaudited consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

U.S. dollars in thousands

	Nine months ended September 30,	
	2025	2024
	Unaudited	
<u>Cash flows from operating activities</u>		
Net loss	\$ (7,851)	\$ (36,903)
<u>Adjustments to reconcile net loss to net cash flows provided by operating activities:</u>		
Depreciation, amortization and write-off	64,828	75,976
Share-based compensation expenses	47,803	51,892
Net gain from financing expenses	(4,896)	(1,131)
Revaluation of the Warrant liability	(2,471)	(4,625)
Amortization of loan and credit facility issuance costs	874	1,092
Amortization of premium and accretion of discount on short-term investments, net	—	230
Loss on extinguishment of debt	6,597	—
Commercial agreement asset Amortization	12,245	1,390
<u>Change in operating assets and liabilities:</u>		
Decrease in trade receivables, net (1)	61,210	12,977
Decrease in prepaid expenses and other current assets and long-term prepaid expenses	856	23,787
Decrease in trade payables (2)	(7,595)	(12,901)
Increase (decrease) in accrued expenses and other current liabilities and other long-term liabilities	(21,110)	23,027
Decrease in deferred taxes, net	(5,480)	(10,962)
Change in operating lease right of use assets	19,345	14,638
Change in operating Lease liabilities	(15,644)	(16,091)
Net cash provided by operating activities	148,711	122,396
<u>Cash flows from investing activities</u>		
Purchase of property and equipment, including capitalized internal-use software	(32,191)	(25,130)
Business acquisition deferred payment	—	(719)
Proceeds from maturities of short-term investments	3,980	5,765
Net cash (used in) investing activities	(28,211)	(20,084)
<u>Cash flows from financing activities</u>		
Issuance costs	(938)	(695)
Exercise of options and vested RSUs	5,296	5,709
Payments of tax withholding for share-based compensation	(3,133)	(2,396)
Repurchase of ordinary shares and non-voting ordinary shares	(184,599)	(64,517)
Payments on account of repurchase of ordinary shares	(1,879)	(422)
Repayment of Long term loan	(122,736)	—
Proceeds from revolving credit line, net of issuance costs	123,985	—
Additional proceeds from revolving credit line	228,700	—
Repayment of revolving credit line	(281,200)	—
Net cash used in financing activities	(236,504)	(62,321)
Exchange rate differences on balances of cash and cash equivalents	4,896	1,131
Increase (decrease) in cash and cash equivalents	(111,108)	41,122
Cash and cash equivalents - at the beginning of the period	226,583	176,108
Cash and cash equivalents - at end of the period	\$ 115,475	\$ 217,230

(1) Includes a decrease (increase) in related party trade receivables of \$38,736 and \$(39,461), for the nine months ended September 30, 2025 and 2024, respectively.

(2) Includes an increase (decrease) in related party trade payables of \$(866) and \$11,964, for the nine months ended September 30, 2025 and 2024, respectively.

	Nine months ended September 30,	
	2025	2024
	Unaudited	
Supplemental disclosures of cash flow information:		
<u>Cash paid during the year for:</u>		
Income taxes	\$ 23,409	\$ 13,396
Interest	\$ 4,862	\$ 11,054
<u>Non-cash investing and financing activities:</u>		
Purchase of property and equipment, including capitalized internal-use software	\$ 678	\$ 4,508
Share-based compensation included in capitalized internal-use software	\$ 1,130	\$ 1,745
Creation of operating lease right-of-use assets and operating lease liability	\$ 45,838	\$ 13,221

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSU.S. dollars in thousands, except share and per share data**NOTE 1:- GENERAL**

- a. Taboola.com Ltd. (together with its subsidiaries, the “Company” or “Taboola”) was incorporated under the laws of the state of Israel on September 3, 2006.

Taboola is a technology company that powers recommendations across the Open Web with an artificial intelligence-based, algorithmic engine developed since the Company began operations in 2007. Taboola partners with websites, devices, and mobile apps (collectively referred to as “digital properties”), to recommend editorial content and advertisements on the Open Web. Digital properties use Taboola’s technology platforms to achieve their business goals, such as driving new audiences to their sites and apps or increasing engagement with existing audiences. Taboola also provides monetization opportunities to digital properties by surfacing paid recommendations by advertisers. Taboola is a business-to-business company with no competing consumer interests. Taboola empowers advertisers to leverage its proprietary AI-powered recommendation platform to reach targeted audiences utilizing effective, native ad-formats across digital properties. As part of the Company e-Commerce offerings, it also syndicates its retailer advertisers’ monetized product listings and links (clickable advertisements) into commerce content-oriented consumer experiences on both the Open Web and within the dominant traditional ad platforms. Taboola generates revenues when people (consumers) click on, purchase from or, in some cases, view the ads that appear within its recommendation platform. The Company’s customers are the advertisers, merchants and affiliate networks that advertise on the Company’s platform (“Advertisers”). Advertisers pay Taboola for those clicks, purchases or impressions, and Taboola shares a portion of the resulting revenue with the digital properties who display those ads.

- b. In November 2022, the Company announced it entered into a 30-year exclusive commercial agreement (the “Commercial agreement”) with Yahoo Inc. and affiliated entities (“Yahoo”), under which Taboola will power native advertising across all of Yahoo’s digital properties, expanding the Company’s native advertising offering. In connection with this transaction, and following approval by the Company’s shareholders on December 30, 2022, the articles of association of the Company were amended and restated (the “Articles”) in their entirety to include a Non-voting Ordinary share class with an authorized share capital of 46,000,000. On January 17, 2023 (the “Transaction closing date”), the Company closed the transaction related agreements, including the issuance of 39,525,691 Ordinary shares and 45,198,702 Non-voting Ordinary shares to Yahoo. Based on the closing share price, on January 17, 2023, of \$3.40 per share, the aggregate fair value of the issued shares amounted to \$288,063. As part of the Ordinary shares and Non-voting Ordinary shares issuance, the Company incurred \$1,388 of issuance expenses.

The Non-voting Ordinary shares are not entitled to vote on or receive notices with respect to any matter pursuant to the Company Articles and are not entitled to vote or to be counted for purposes of determining whether any vote required under the Articles has been approved by the requisite percentage of voting securities or to be counted towards any quorum required pursuant to the Articles, except in limited circumstances as permitted in the Articles. Except with respect to the voting rights and to the rights to receive notice of meetings of the shareholders, the Non-voting Ordinary shares have rights identical to the rights of Ordinary shares. In connection with the transaction, the Company and Yahoo entered into an Investor Rights Agreement, under which, inter alia, Yahoo is entitled, in certain circumstances, to cause the Company to register the Ordinary shares issued to Yahoo for resale under the Securities Act of 1933, as amended.

The Company accounts for the consideration paid to Yahoo as an up-front payment for Traffic acquisition costs paid to the digital property partner (the “Commercial agreement asset”), which is amortized over the shorter of respective contractual terms and the economic benefit period of the digital property arrangement, estimated at 18 years.

During the year ended December 31, 2024, the Company concluded it had obtained exclusivity to the extent contemplated by the Commercial agreement, and therefore began to record amortization expenses of the Commercial agreement asset. For the three and nine months ended September 30, 2025, the Company recorded amortization expense related to the Commercial agreement asset in the amounts of \$4,126 and \$12,245, respectively. For the three and nine months ended September 30, 2024, the Company recorded \$1,390 amortization expenses of the Commercial agreement asset.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTSU.S. dollars in thousands, except share and per share data**NOTE 2:- SIGNIFICANT ACCOUNTING POLICIES*****Basis of Presentation***

The accompanying unaudited consolidated interim financial statements have been prepared in accordance with Generally Accepted Accounting Principles in the United States ("GAAP"), and applicable rules and regulations of the Securities and Exchange Commission ("SEC") regarding interim financial reporting and include the accounts of Taboola.com Ltd. and its wholly-owned subsidiaries. All intercompany balances and transactions have been eliminated in consolidation.

The consolidated balance sheet as of December 31, 2024, included herein, was derived from the audited consolidated financial statements as of that date, but does not include all of the disclosures, including certain notes required by GAAP on an annual reporting basis. Certain information and note disclosures normally included in the financial statements prepared in accordance with GAAP have been condensed or omitted pursuant to such rules and regulations.

Therefore, these unaudited consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements and the related notes thereto included in the Company's Annual Report on Form 10-K as of and for the year ended December 31, 2024, filed with the SEC on February 26, 2025.

In the opinion of the Company's management, the unaudited consolidated interim financial statements have been prepared on a basis consistent with the annual consolidated financial statements and reflect all adjustments, which include only normal recurring adjustments necessary for the fair presentation of the Company's unaudited interim consolidated financial statements. The results of operations for the three and nine months ended September 30, 2025, are not necessarily indicative of the results to be expected for the full year ending December 31, 2025, or any other future interim or annual period.

Use of Estimates

The preparation of the interim consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the dates of the interim consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period and accompanying notes. Actual results could differ from those estimates.

The Company's management regularly evaluates its estimates, primarily those related to: (1) revenue recognition criteria, including the determination of revenue reporting as gross versus net in the Company's revenue arrangements, (2) allowances for credit losses, (3) operating lease assets and liabilities, including the incremental borrowing rate and terms and provisions of each lease (4) the useful lives of its Commercial agreement asset, property and equipment and capitalized software development costs, (5) income taxes, (6) assumptions used in the option pricing models to determine the fair value of share-based compensation (7) the fair value of financial assets and liabilities, including the fair value of Private Warrants and derivative instruments (8) Impairment of intangible assets and Goodwill annual impairment test.

These estimates are based on historical data and experience, as well as various other factors that management believes to be reasonable under the circumstances; the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources.

In January 2025, the Company completed an assessment of the useful lives of its servers and adjusted the estimated useful life, from three to six years, effective on January 1, 2025. Based on the carrying value of assets in service as of December 31, 2024, the change resulted in a reduction of depreciation expense of \$2,384 and \$7,970, for the three and nine months ended September 30, 2025, respectively, recorded primarily in cost of revenues.

During the nine months ended September 30, 2025 and 2024, the Company recognized a write-off related to capitalized internal-use software in the amount of \$2,800 and \$1,105, respectively.

Concentrations of Credit Risk

The Company's trade receivables are geographically diversified and derived mainly from sales in the United States, Israel, Germany and United Kingdom. Concentration of credit risk with respect to trade receivables is limited by credit limits, ongoing credit evaluation and account monitoring procedures. The Company performs ongoing credit evaluations of its accounts receivables and establishes an allowance for expected losses as necessary.

As of September 30, 2025 and December 31, 2024, no single customer accounted for 10% or more of accounts receivable or total revenues for those respective periods then ended, except as disclosed in Note 12.

Significant Accounting Policies

The Company's significant accounting policies are discussed in Note 2, Summary of Significant Accounting Policies, in the Company's Annual Report on Form 10-K as of and for the year ended December 31, 2024, as filed with the SEC on February 26, 2025. There have been no significant changes to these policies during the nine months ended September 30, 2025.

Recently Issued Accounting Pronouncements

In December 2023, the FASB issued ASU 2023-09, "Income Taxes (Topics 740): Improvements to Income Tax Disclosures", which expands the disclosure requirements for income taxes, primarily related to the rate reconciliation and income taxes paid. This ASU is effective for the annual periods beginning after December 15, 2024. The Company is currently evaluating the impact of adopting ASU 2023-09.

In November 2024, the FASB issued ASU 2024-03, "Income Statement-Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses", requiring public entities to disclose additional information about specific expense categories in the notes to the financial statements on an interim and annual basis. ASU 2024-03 is effective for fiscal years beginning after December 15, 2026, and for interim periods beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the impact of adopting ASU 2024-03.

In July 2025, the FASB issued ASU 2025-05, "Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets". The amendments in this update provide a practical expedient permitting an entity to assume that conditions at the balance sheet date remain unchanged over the life of the asset when estimating expected credit losses for current classified accounts receivable and contract assets. This update is effective for annual periods beginning after December 15, 2025, including interim periods within those fiscal years. Adoption of this ASU can be applied prospectively for reporting periods after its effective date. Early adoption is permitted. The Company is currently evaluating the provisions of this ASU.

In September 2025, the FASB issued ASU 2025-06, "Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software". The ASU simplifies the capitalization guidance by removing all references to prescriptive and sequential software development stages

(referred to as “project stages”) throughout ASC 350-40. The ASU is effective for annual periods beginning after December 15, 2027, and interim periods within those fiscal years. Adoption of this ASU can be applied prospectively for reporting periods after its effective date; or follow a modified transition approach that is based on the status of the respective projects and whether software costs were capitalized before the date of adoption; or retrospectively to any or all prior periods presented in the consolidated financial statements. The Company is currently evaluating the provisions of this ASU.

NOTE 3:- CASH AND CASH EQUIVALENTS

The following table presents for each reported period, the breakdown of cash and cash equivalents:

	September 30, 2025	December 31, 2024
	Unaudited	
Cash	\$ 111,028	\$ 154,962
Money market accounts and funds	—	70,692
Time deposits	4,447	929
Total Cash and cash equivalents	\$ 115,475	\$ 226,583

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands, except share and per share data

NOTE 4:- FAIR VALUE MEASUREMENTS

The Company evaluates assets and liabilities subject to fair value measurements on a recurring basis to determine the appropriate level to classify them for each reporting period. The Company did not have any transfers between fair value measurements levels during the nine months ended September 30, 2025.

The following table sets forth the Company's assets and liabilities that were measured at fair value as of September 30, 2025 and December 31, 2024, by level within the fair value hierarchy

Description	Fair Value Hierarchy	Fair value measurements as of	
		September 30, 2025	December 31, 2024
		Unaudited	
Assets:			
<u>Cash equivalents:</u>			
Money market accounts and funds	Level 1	\$ —	\$ 70,692
<u>Short-term investments:</u>			
Short-term deposits	Level 2	\$ —	\$ 3,780
<u>Derivative instruments asset:</u>			
Derivative instruments designated as cash flow hedging instruments	Level 2	\$ 1,495	\$ 468
Liabilities:			
<u>Warrants liability:</u>			
Public Warrants	Level 1	\$ (896)	\$ (3,303)
Private Warrants	Level 3	\$ (1)	\$ (65)
<u>Derivative instruments liability:</u>			
Derivative instruments designated as cash flow hedging instruments	Level 2	\$ (2)	\$ (50)

The Company classifies its money market funds as Level 1 based on quoted market prices in active markets.

The Company classifies its short-term investments and derivative instruments within Level 2 as they are valued using inputs other than quoted prices which are directly or indirectly observable in the market, including readily-available pricing sources for the identical underlying security which may not be actively traded.

The Company measures the fair value for Warrants by using a quoted price for the Public Warrants, which are classified as Level 1, and a Black-Scholes simulation model for the Private Warrants, which are classified as Level 3, due to the use of unobservable inputs.

The key inputs into the Black-Scholes model for the Private Warrants were as follows:

Input	September 30, 2025		December 31, 2024	
	Unaudited			
Risk-free interest rate	3.76%	— 3.76%	4.11%	— 4.12%
Expected term (years)	0.00	— 0.75	0.75	— 1.49
Expected volatility	42.9%	— 81.7%	39.7%	— 76.5%
Exercise price		\$11.50		\$11.50
Underlying stock price		\$3.41		\$3.65

The Company's use of a Black-Scholes model required the use of subjective assumptions:

- The risk-free interest rate assumption was interpolated based on constant maturity U.S. Treasury rates over a term commensurate with the expected term of the Private Warrants.
- The expected term was based on the maturity of the Private Warrants of five years following June 29, 2021, the Business Combination date, and for certain Private Warrants the maturity was determined to be five years from the date of the October 1, 2020, ION initial public offering effective date.
- The expected volatility is based on the Company's share price volatility.

The following table presents the changes in the fair value of Warrants liability:

Input	Private Warrants	Public Warrants	Total Warrants
Fair value as of December 31, 2024	\$ 65	\$ 3,303	\$ 3,368
Change from private to public holdings	(1)	1	—
Change in fair value	(63)	(2,408)	(2,471)
Fair value as of September 30, 2025 (unaudited)	\$ 1	\$ 896	\$ 897

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands, except share and per share data

NOTE 5:- SHORT-TERM INVESTMENTS

The Company's short-term investments, which were \$3,780 as of December 31, 2024, were composed of short-term bank deposits. As of September 30, 2025, the Company did not hold any short-term bank deposits.

NOTE 6:- DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES

The Company enters into foreign currency forward contracts and options strategies (put and call options) with financial institutions to protect itself against the foreign exchange risks, mainly exposure to changes in the exchange rate of the New Israeli Shekel ("NIS") against the U.S dollar that are associated with forecasted future cash flows for up to twelve months. The Company's risk management strategy includes the use of derivative financial instruments to reduce the volatility of earnings and cash flows associated with changes in foreign currency exchange rates; these derivative instruments are designated as cash flow hedges. The Company does not enter into derivative transactions for trading or speculative purposes.

As of September 30, 2025 and December 31, 2024, the notional amounts of the Company's derivative instruments designated as cash flow hedging instruments outstanding in U.S. dollars amounted to \$16,637 and \$49,502, respectively.

Gross notional amounts do not quantify risk or represent assets or liabilities of the Company but are used in the calculation of settlements under the contracts.

The Company records all cash flow hedging instruments on the consolidated balance sheets at fair value. The fair values of outstanding derivative instruments designated as cash flow hedging instruments were as follows:

	September 30,	December 31,
	2025	2024
	Unaudited	
Prepaid expenses and other current assets	\$ 1,495	\$ 468
Accrued expenses and other current liabilities	\$ (2)	\$ (50)

The gains related to cash flow hedging instruments, recorded in the consolidated interim statements of income (loss), for the three and nine months ended September 30, 2025 and 2024, were as follows:

	Three months ended September 30,		Nine months ended	
	2025	2024	September 30,	2024
	Unaudited			
Cost of revenues	\$ 124	\$ —	\$ 207	\$ 15
Research and development	1,105	—	1,830	174
Sales and marketing	288	—	476	43
General and administrative	205	—	341	35
Total gains recognized in the consolidated statements of income (loss), net	\$ 1,722	\$ —	\$ 2,854	\$ 267

Effect of Foreign Currency Contracts on Accumulated Other Comprehensive Income (Loss)

Net unrealized gains (losses) of foreign currency contracts designated as cash flow hedging instruments are recorded in accumulated other comprehensive income (loss).

The changes in unrealized gains (losses) on the Company's derivative instruments recorded in accumulated other comprehensive income (loss) were as follows:

	Nine months ended	
	September 30,	2024
	2025	2024
	Unaudited	
Unrealized gains on derivative instruments at the beginning of the period	\$ 418	\$ 948
Changes in fair value of derivative instruments	3,929	(516)
Reclassification of gains recognized in the consolidated interim statements of loss from accumulated other comprehensive income (loss)	(2,854)	(267)
Unrealized gains on derivative instruments at the end of the period (unaudited)	\$ 1,493	\$ 165

All net deferred gains in accumulated other comprehensive income as of September 30, 2025, are expected to be recognized over the next twelve months as operating expenses in the same financial statement line item in the consolidated interim statements of income (loss) to which the derivative relates.

NOTE 7:- GOODWILL AND INTANGIBLE ASSETS, NET**Goodwill**

There was no impairment or additions to goodwill during the three and nine months ended September 30, 2025.

Intangible Assets, Net

Definite-lived intangible assets, net consist of the following:

September 30, 2025	Gross Fair Value	Accumulated Amortization	Net Book Value
Merchant/Network affiliate relationships	\$ 146,547	\$ (132,977)	\$ 13,570
Technology	74,193	(63,678)	10,515
Publisher relationships	42,934	(42,932)	2
Tradenames	24,397	(24,107)	290
Customer relationship	13,473	(12,838)	635
Total (unaudited)	<u>\$ 301,544</u>	<u>\$ (276,532)</u>	<u>\$ 25,012</u>

December 31, 2024	Gross Fair Value	Accumulated Amortization	Net Book Value
Merchant/Network affiliate relationships	\$ 146,547	\$ (108,558)	\$ 37,989
Technology	74,193	(55,039)	19,154
Publisher relationships	42,934	(35,778)	7,156
Tradenames	24,097	(24,097)	—
Customer relationship	13,473	(12,705)	768
Total	<u>\$ 301,244</u>	<u>\$ (236,177)</u>	<u>\$ 65,067</u>

Amortization expenses for intangible assets were \$12,861 and \$15,080, for the three months ended September 30, 2025 and 2024, respectively, and \$40,355 and \$46,773, for the nine months ended September 30, 2025 and 2024, respectively.

The estimated future amortization expense of definite-lived intangible assets as of September 30, 2025 is as follows (unaudited):

Year Ending December 31,	
2025 (Remainder)	\$ 14,009
2026	10,513
2027	191
2028	299
Total	<u>\$ 25,012</u>

NOTE 8:- FINANCING ARRANGEMENTS

2021 Credit Agreement and 2022 Revolving Credit Agreement

Concurrently with the closing of the Connexity Acquisition, on September 1, 2021, the Company entered into a \$300,000 senior secured term loan credit agreement (the “2021 Credit Agreement”), among the Company, Taboola Inc., a wholly-owned Company’s subsidiary, as borrower, the lenders party thereto and JPMorgan Chase Bank, N.A., as administrative agent. The 2021 Credit Agreement provided for term loan borrowings in an aggregate principal amount of up to \$300,000 (the “Facility”). The Facility was fully drawn at closing, net of issuance expenses of \$11,250, and the proceeds were used by the Company to finance a portion of the Connexity Acquisition.

On August 9, 2022, the Company amended the 2021 Credit Agreement to provide for a five-year senior secured revolving credit facility (the “2022 Revolving Credit Agreement”), among the Company, Taboola Inc., a wholly-owned Company’s subsidiary, as borrower, and the lenders party thereto, with Citibank N.A., as lead arranger and JPMorgan Chase Bank, N.A., as administrative agent. The 2022 Revolving Credit Agreement provided for revolving loans in an aggregate committed principal amount of up to \$90,000.

The total interest expenses, including issuance costs amortization, recognized in connection with the 2021 Credit Agreement were \$0 and \$3,971, for the three months ended September 30, 2025 and 2024, respectively, and \$2,468 and \$11,879, for the nine months ended September 30, 2025 and 2024, respectively.

2025 Revolving Credit Agreement

On March 18, 2025 (the “Closing Date”), the Company entered into a revolving credit facility (the “2025 Revolving Credit Agreement”), among Taboola, its wholly-owned subsidiary Taboola, Inc., as borrower (the “Borrower”), the lenders party thereto (the “Lenders”) and Bank of America, N.A., as administrative agent. The 2025 Revolving Credit Agreement provides for borrowings in an aggregate principal amount of up to \$270,000 (the “Revolving Facility”, the loans thereunder, the “Revolving Loans” and the commitments thereunder, the “Revolving Commitments”). The proceeds of the Revolving Facility can be used to finance working capital needs and general corporate purposes.

Borrowings under the Revolving Facility are subject to customary borrowing conditions and will bear interest at a variable annual rate based on term SOFR or base rate plus a fixed margin. Term SOFR is defined as the forward-looking SOFR term rate published by CME Group Benchmark Administration Limited subject to a floor of zero. Revolving Loans repaid may be reborrowed prior to maturity of the Revolving Facility pursuant to customary conditions and restrictions. The Revolving Facility will mature on March 18, 2030.

The Revolving Facility is voluntarily prepayable from time to time without premium or penalty. The Revolving Facility is mandatorily prepayable at any time that the outstanding Revolving Loans exceeds the Revolving Commitments. The Revolving Facility is guaranteed by Taboola and its wholly-owned material subsidiaries, subject to certain exceptions set forth in the 2025 Revolving Credit Agreement (collectively, the “Guarantors”). The obligations of the Borrower and the Guarantors are secured by substantially all the assets of the Borrower and the Guarantors including stock of subsidiaries, subject to certain exceptions set forth in the 2025 Revolving Credit Agreement.

The 2025 Revolving Credit Agreement also contains customary representations, covenants and events of default as well as a financial covenant, which limits Taboola’s allowable net leverage ratio. Failure to meet the covenants beyond applicable grace periods could result in acceleration of the Revolving Loans and/or termination of the Revolving Facility. As of September 30, 2025, the Company was in compliance with the 2025 Revolving Credit Agreement covenants.

On the Closing Date, the Company borrowed \$126,500 under the Revolving Facility, including \$123,047 to pay in full the remaining outstanding principal and accrued interest under the 2021 Credit Agreement and \$3,453 to pay debt issuance costs. Revolving Facility issuance costs are capitalized and amortized over the Revolving Facility term. Accordingly, the 2021 Credit Agreement and 2022 Revolving Credit Agreement were extinguished on the Closing Date.

In connection with the establishment of the Revolving Credit Facility and the repayment in full of the loan under the 2021 Credit Agreement, previously capitalized debt issuance costs totaling \$6,597, consisting of \$6,004 and \$593, related to the 2021

Credit Agreement and the 2022 Revolving Credit Agreement, respectively, were recognized as loss on extinguishment of debt at the Closing Date.

Subsequent to the balance sheet date, in October 2025, the Company withdrew additional proceeds from revolving credit line in the amount of \$37,900 and repaid \$36,900 in principal amount of outstanding debt under the Revolving Facility.

NOTE 9:- SHAREHOLDERS’ EQUITY AND SHARE INCENTIVE PLANS

Share capital

Holders of Ordinary shares have the right to receive notice of, and to participate in, all general meetings of the Company, where each Ordinary share shall have one vote. Each holder has the right to receive dividends, if any, in proportion to their respective Ordinary share holdings. In the event of Taboola's liquidation, after satisfaction of liabilities to creditors, Company assets will be distributed to the holders of its Ordinary shares in proportion to their shareholdings.

On December 30, 2022, in connection with the Yahoo transaction, the Company's shareholders approved an amendment and restatement to the Articles to include a Non-voting Ordinary share class with an authorized share capital of 46,000,000. In January 2023 the Company issued 45,198,702 Non-voting Ordinary shares to Yahoo. The Non-voting Ordinary shares are not entitled to vote, except in limited circumstances as provided in the Articles. Other than the voting rights, the rights to receive notice of meetings of shareholders and limited circumstances as described in the Company's Articles, the Non-voting Ordinary shares will have rights identical to the rights of Ordinary shares as described above (see Note 1b).

Share Buyback Program

The Company's board of directors authorized a share buyback program of the Company's outstanding Ordinary and Non-voting Ordinary shares, which commenced in June 2023 and does not have an expiration date (the "Buyback Program"). In 2023, the Company's board of directors authorized up to \$80,000 of buybacks under the Buyback Program. In February 2024, the Company's board of directors authorized up to \$100,000 for use under the Buyback Program, including any remaining authority from the 2023 board of directors authorization. In February 2025, the Company's board of directors authorized up to an additional \$200,000 for use under the Buyback Program. In July 2025, the Company's board of directors authorized up to an additional \$200,000 for use under the Buyback Program. As permitted by the Buyback Program, share repurchases may be made from time to time, in privately negotiated transactions or in the open market, including through trading plans, at the discretion of the Company's management and as permitted by securities laws and other legal requirements. The Buyback Program does not obligate the Company to repurchase any specific number of shares and the number of shares repurchased may depend upon market and economic conditions and other factors. The Buyback Program may be discontinued, modified or suspended at any time.

During the nine months ended September 30, 2025, the Company repurchased 58,271,502 of its shares, consisting of 44,462,229 Ordinary shares, and 13,809,273 Non-voting Ordinary shares (see Note 12) at an average price of \$3.15 per share (excluding broker and transaction fees of \$1,094). As of September 30, 2025, the Company had remaining authorization under the Buyback Program to repurchase Ordinary shares up to an aggregate amount of \$261,892.

Share Incentive Plans

1. In addition to the Buyback Program detailed above, the Company utilizes a net issuance mechanism to satisfy tax withholding obligations related to equity-based compensation on behalf of its directors, officers and other employees (the "Net Issuances"). In March and August 2025, the Company satisfied the required conditions, as set forth in the Israeli Companies Law and the Companies Regulations, to conduct future repurchases of its Ordinary and Non-voting Ordinary shares under the Buyback Program and Net Issuances, each in an aggregate amount up to \$200,000. The Company's board of directors have the authority to determine the amount to be utilized for Net Issuances and Ordinary and Non-voting Ordinary share repurchases.

For the nine months ended September 30, 2025 and 2024, the Company utilized the net issuance mechanism in connection with equity-based compensation for certain Office Holders, which resulted in a tax withholding payment by the Company of \$3,133 and \$2,396, respectively, which were recorded as a reduction of additional paid-in capital.

- b. The following is a summary of share option activity and related information for the nine months ended September 30, 2025 (including employees, directors, officers and consultants of the Company):

	Outstanding Share Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value
Balance as of January 1, 2025	25,157,131	\$ 3.50	4.74	\$ 36,594
Exercised	(2,072,251)	\$ 2.56	—	\$ 1,693
Forfeited	(729,527)	\$ 5.65	—	—
Balance as of September 30, 2025 (unaudited)	22,355,353	\$ 3.52	4.18	\$ 30,342
Exercisable as of September 30, 2025 (unaudited)	21,633,228	\$ 3.43	4.13	\$ 29,727

During the nine months ended September 30, 2025, the Company did not grant options.

The aggregate intrinsic value in the table above represents the total intrinsic value that would have been received by the option holders had all option holders exercised their options on the last date of the period.

As of September 30, 2025, unrecognized share-based compensation cost related to unvested share options was \$1,056, which is expected to be recognized over a weighted-average period of 0.26 years.

- c. The following is a summary of the RSU activity and related information for the nine months ended September 30, 2025:

	Outstanding Restricted Shares Units	Weighted Average Grant Date Fair Value
Balance as of January 1, 2025	25,440,611	\$ 4.78
Granted	17,980,007	3.27
Vested (*)	(9,746,907)	4.79
Forfeited	(3,170,149)	4.50
Balance as of September 30, 2025 (unaudited)	30,503,562	\$ 3.93

(*) A portion of the shares that vested were netted out to satisfy the tax obligations of the recipients. During the nine months ended September 30, 2025, a total of 897,267 RSUs were canceled to satisfy tax obligations, resulting in net issuance of 813,721 Ordinary shares.

The total release date fair value of RSUs was \$33,409, during the nine months ended September 30, 2025.

As of September 30, 2025, unrecognized share-based compensation cost related to unvested RSUs was \$107,615, which is expected to be recognized over a weighted-average period of 2.61 years.

The total share-based compensation expense related to all of the Company's share-based awards recognized for the three and nine months ended September 30, 2025 and 2024, was comprised as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
	Unaudited			
Cost of revenues	\$ 905	\$ 933	\$ 2,728	\$ 3,040
Research and development	6,415	6,785	19,543	20,015
Sales and marketing	4,270	4,671	13,093	13,526
General and administrative	4,124	4,797	12,439	15,311
Total share-based compensation expense	\$ 15,714	\$ 17,186	\$ 47,803	\$ 51,892

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands, except share and per share data

NOTE 10:- INCOME TAXES

The Company calculated its income tax benefit (expenses) for the three and nine months ended September 30, 2025, by applying the accounting principal of determining the annual effective tax rate (pre-tax income or loss excluding unusual discrete items). The Company updates its calculations each quarter and makes a year-to-date adjustment if necessary. The Company's quarterly effective tax rates were 25.1% and 287.0%, for the three months ended September 30, 2025 and 2024, respectively, and (26.5)% and (47.3)%, for the nine months ended September 30, 2025 and 2024, respectively. The effective tax rate results primarily from the geographic distribution of the Company's worldwide earnings or losses, applicable tax regulations, changes in valuation allowance, tax benefits associated with acquired intangible assets, which are mainly in the US, and other nondeductible expenses.

The One Big Beautiful Act ("OBBA") was enacted on July 4, 2025. This legislation includes changes to U.S. federal tax law, which may be subject to further clarification and the issuance of interpretive guidance. The OBBA tax law changes allow for immediate expensing of domestic research and experimentation costs, accelerated depreciation on eligible capital expenditures, and other tax law changes impacting 2025 with certain changes effective in 2026. These changes are reflected in the Company's consolidated interim financial statements for the three and nine months ended September 30, 2025.

NOTE 11:- COMMITMENTS AND CONTINGENCIES*Commercial Commitments*

In the ordinary course of the business, the Company enters into agreements with certain digital properties, under which, in some cases it agrees to pay them a guaranteed amount, generally per thousand page views on a monthly basis. These agreements could cause a gross loss on digital property accounts in which the guarantee is higher than the actual revenue generated. These contracts generally range in duration from 2 to 5 years, though some can be shorter or longer.

Non-cancelable Purchase Obligations

In the normal course of business, the Company enters into non-cancelable purchase commitments with various parties to purchase primarily software and IT related-based services. As of September 30, 2025, the Company had outstanding non-cancelable purchase obligations in the amount of \$37,700.

Legal Proceedings

In the ordinary course of business, the Company may be subject from time to time to various proceedings, lawsuits, disputes, or claims. The Company investigates these claims as they arise and records a provision, as necessary. Provisions are reviewed and adjusted to reflect the impact of negotiations, estimated settlements, legal rulings, advice of legal counsel and other information and events pertaining to a particular matter. Although claims are inherently unpredictable, the Company is currently not aware of any matters that, it believes would individually, or in the aggregate, have a material adverse effect on its business, financial position, results of operations, or cash flows.

NOTE 12:- RELATED PARTY TRANSACTIONS

The Company is a party to certain transaction-related agreements with Yahoo, pursuant to which the Company issued 39,525,691 Ordinary shares and 45,198,702 Non-voting Ordinary shares to Yahoo, and granting Yahoo the right to appoint one representative to the Company's board of directors, resulting in Yahoo to become a principal shareholder effective the Transaction closing on January 17, 2023 (see Note 1b).

The Company and its affiliates are parties to several agreements in the ordinary course of business with Yahoo and its affiliates. Revenues from the related party are derived from Yahoo's advertiser spend on the Company's network, for which Yahoo is the billing entity. Traffic acquisition cost to the related party is compensation for placing Taboola's platform on Yahoo's digital property. In connection with these agreements, the Company recorded revenue from Yahoo in the amount of \$52,106 and \$44,936, which represented 10.5% and 10.4%, of the Company's total revenue, for the three months ended September 30, 2025 and 2024, respectively, and in the amount of \$146,886 and \$157,362, which represent 10.6% and 12.3%, of the Company's total revenue, for the nine months ended September 30, 2025 and 2024, respectively. In addition, the Company recorded traffic acquisition costs related to Yahoo in the amount of \$93,088 and \$53,104, for the three months ended September 30, 2025 and 2024, respectively, and in the amount of \$252,644 and \$205,148, for the nine months ended September 30, 2025

and 2024, respectively. Certain traffic acquisition costs for the three and nine months ended September 30, 2025, noted herein, are unaffiliated with the Yahoo revenues recognized during the three and nine months ended September 30, 2025.

As of September 30, 2025 and December 31, 2024, in regards to Yahoo, the Company's balances of trade receivables were \$37,941 and \$76,677, which represented approximately 12.3% and 20.7%, of the Company's trade receivables, respectively, and its balance of trade payables were \$67,690 and \$68,556, respectively, associated with the revenues presented on both a gross and net basis.

The Company and Yahoo, pursuant to the Omnibus Agreement entered into on November 28, 2022, each agreed to pay certain expenses in connection with the transaction and each party agreed to reimburse the other for some or all of these expenses. Under these arrangements, the Company recognized expenses, net of \$— and \$416, for the three months ended September 30, 2025 and 2024, respectively, and of \$361 and \$1,441, for the nine months ended September 30, 2025 and 2024, respectively.

In June 2024, the Company repurchased 988,296 of the Non-voting Ordinary shares at a price of 4.07 per share, based on the terms stipulated in the agreement, for an aggregate purchase price of \$4,022, as part of the Buyback Program.

On February 24, 2025, the Company and Yahoo entered into a Share Repurchase Agreement ("Repurchase Agreement"). In accordance with the Repurchase Agreement, the Company may conduct weekly repurchases of Yahoo's Non-voting Ordinary shares at a purchase price determined by a market based pricing formula as specified in the Repurchase Agreement. The maximum amount of Non-voting Ordinary shares that may be repurchased each week will be 25% of the applicable allowable limit under Rule 10b-18 of the Securities Exchange Act of 1934 ("Rule 10b-18"). The Repurchase Agreement terminates upon the earliest of: (i) the Company obtaining regulatory approval permitting Yahoo's equity ownership in the Company to exceed 25%; (ii) the Company determining, as specified in the Repurchase Agreement, that no such approval is required; or (iii) December 31, 2025. On March 14, 2025, the Company and Yahoo amended the Repurchase Agreement to modify the number shares the Company may repurchase each week from 25% to up to 1/3rd of the weekly applicable allowable limit under Rule 10b-18. The prior agreement limited the amount of shares the Company could repurchase in the open market. The amendment enables the Company to repurchase up to the maximum allowable Rule 10b-18 limit while keeping Yahoo's ownership of Taboola's outstanding shares from reaching 25% or more. Under the Repurchase Agreement, through October 14, 2025, the Company purchased 14,170,762 Non-voting Ordinary shares for an aggregate purchase price of approximately \$44,288, of which 13,809,273 were purchased for an aggregate purchase price of approximately \$43,097 through September 30, 2025. On October 15, 2025, the Repurchase Agreement terminated in accordance with its terms, following notice from Israeli counsel that approval from the Israeli Competition Authority was not required.

NOTE 13:- SEGMENTS AND GEOGRAPHIC INFORMATION

The Company operates in one operating and reportable segment. Operating segments are defined as components of an enterprise about which separate financial information is evaluated regularly by the Chief Operating Decision Maker (“CODM”), who is the Company’s Chief Executive Officer (“CEO”), in deciding how to allocate resources and assessing performance. The CODM allocates resources and assesses performance based upon discrete financial information at the consolidated level.

Consolidated net income (loss) in the consolidated statements of income (loss) is the measure of financial profit and loss most closely aligned with generally accepted accounting principles that is used by the CEO to assess performance and resource allocation.

Further, the CODM reviews and utilizes functional expenses (Traffic acquisition cost, Other cost of revenues, sales and marketing, research and development, and general and administrative) at the consolidated level to manage the Company’s operations.

a. The following table represents total revenue by geographic area based on the Advertisers’ billing address:

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
	Unaudited			
Israel	\$ 26,274	\$ 23,995	\$ 75,112	\$ 82,31
United States	231,601	192,986	653,554	591,21
Germany	42,811	36,471	120,318	108,90
United Kingdom	18,531	17,420	58,204	53,78
Rest of the World	177,547	162,140	482,543	438,96
Total	\$ 496,764	\$ 433,012	\$ 1,389,731	\$ 1,275,18

b. The following table represents the Company’s long-lived assets(1), net by geographic area:

	September 30,	December 31,
	2025	2024
	Unaudited	
Israel	\$ 87,783	\$ 67,867
United States	50,453	39,390
United Kingdom	3,676	5,024
Rest of the world	20,893	16,103
Total	\$ 162,805	\$ 128,385

(1) Long-lived assets are comprised of property and equipment, net and operating lease right-of-use assets.

c. The following table represents the Company’s definite long-lived intangible assets and goodwill, classified by the location of the controlling statutory company:

	September 30,	December 31,
	2025	2024
	Unaudited	
Israel	\$ 21,834	\$ 21,692
United States	554,737	594,799
Rest of the world	4,372	4,507
Total	\$ 580,943	\$ 620,998

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

U.S. dollars in thousands, except share and per share data

NOTE 14:- NET INCOME (LOSS) PER SHARE ATTRIBUTABLE TO ORDINARY AND NON-VOTING ORDINARY SHAREHOLDERS

	Three months ended September 30,				Nine months ended September 30,			
	2025		2024		2025		2024	
	Ordinary shares	Non-voting Ordinary shares	Ordinary shares	Non-voting Ordinary shares	Ordinary shares	Non-voting Ordinary shares	Ordinary shares	Non-voting Ordinary shares
	Unaudited							
Numerator:								
Net income (loss) attributable to Ordinary shareholders, basic and diluted	\$ 4,692	\$ 552	\$ (5,622)	\$ (832)	\$ (6,941)	\$ (910)	\$ (32,095)	\$ (4,808)
Denominator:								
Weighted-average shares used in computing net income (loss) per share attributable to Ordinary shareholders, basic	269,079,132	31,644,526	298,675,810	44,210,406	281,670,062	36,930,855	298,843,067	44,763,120
Weighted-average shares used in computing net income (loss) per share attributable to Ordinary shareholders, diluted	274,034,553	31,644,526	298,675,810	44,210,406	281,670,062	36,930,855	298,843,067	44,763,120
Net income (loss) per share attributable to Ordinary and Non-voting Ordinary shareholders, basic	\$ 0.02	\$ 0.02	\$ (0.02)	\$ (0.02)	\$ (0.02)	\$ (0.02)	\$ (0.11)	\$ (0.11)
Net income (loss) per share attributable to Ordinary and Non-voting Ordinary shareholders, diluted	\$ 0.02	\$ 0.02	\$ (0.02)	\$ (0.02)	\$ (0.02)	\$ (0.02)	\$ (0.11)	\$ (0.11)

The potential number of Ordinary shares that were excluded from the computation of diluted net income (loss) per share attributable to Ordinary shareholders for the periods presented because including them would have been anti-dilutive is as follows:

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
	Unaudited			
Warrants	12,349,990	12,349,990	12,349,990	12,349,990
RSUs	17,342,034	29,023,527	31,813,783	29,241,690
Outstanding share options	7,167,274	19,553,542	17,343,228	20,506,933
Issuable Ordinary shares related to business combination under holdback arrangement	—	387,600	—	710,601
Total	36,859,298	61,314,659	61,507,001	62,809,214

ITEM 2: Management’s Discussion and Analysis of Financial Condition and Results of Operations

You should read the following discussion and analysis of our financial condition and results of operations together with Taboola’s accompanying unaudited consolidated interim financial statements and the related notes included elsewhere in this Quarterly Report on Form 10-Q for the three months ended September 30, 2025 (the “Quarterly Report”) and audited consolidated financial statements and the related notes appearing in our Annual Report on Form 10-K for the year ended December 31, 2024 (the “2024 Form 10-K”) filed with the U.S. Securities and Exchange Commission (the “SEC”) on February 26, 2025. Some of the information contained in this discussion and analysis is set forth in our 2024 Form 10-K, including information with respect to Taboola’s plans and strategy for Taboola’s business, and includes forward-looking statements that involve risks and uncertainties. As a result of many factors, including those factors set forth in Part I, Item 1A “Risk Factors” in our 2024 Form 10-K and “Note Regarding Forward-Looking Statements” in our 2024 Form 10-K and elsewhere herein, Taboola’s actual results could differ materially from the results described in or implied by the forward-looking statements contained in the following discussion and analysis. Throughout this section, unless otherwise noted or the context requires otherwise, “we,” “us,” “our” and the “Company” refer to Taboola and its consolidated subsidiaries, and in references to monetary amounts, “dollars” and “\$” refer to U.S. Dollars, and “NIS” refers to New Israeli Shekels

Overview

Taboola is a technology company that helps businesses grow by placing ads on publisher sites, mobile apps, and devices, which we collectively refer to as digital properties. We operate outside of the major search and social media walled gardens such as Meta, Google, and Amazon. Thousands of Advertisers trust us to drive growth, while approximately 11,000 digital property partners, including NBCNews, Disney, Yahoo, and Apple, rely on us for monetization and audience growth. Our scale is meaningful - we reach approximately 600 million people a day, gaining real-time insight into what people read and buy. This gives us unique “pulse of the internet” data - which alongside our artificial intelligence (AI) - is our competitive advantage and helps our advertiser clients achieve exceptional returns on their advertising spend.

Taboola began operations in 2007 and our technology provides significant value to both digital property partners and Advertisers. Digital properties use our technology platforms to achieve their business goals, such as driving new audiences to their sites and apps, or increasing engagement on site. We also provide a meaningful monetization opportunity to digital properties by matching relevant advertising to their audience in real time. Unlike walled gardens, we are a business-to-business, or B2B, company with no competing consumer interests. We only interact with consumers through our partners’ digital properties, hence we do not compete with our partners for user attention. Our motivations are aligned. When our partners win, we win, and we grow together.

We empower Advertisers to leverage our proprietary AI-powered performance advertising platform to reach targeted audiences utilizing effective ad formats across digital properties.

We generate revenues primarily when people (consumers) click on, purchase from or, in some cases, view the ads that appear within our partners’ digital experiences via our performance AI engine. Advertisers pay us for those clicks, purchases or impressions, and we share the resulting revenue with the digital properties who display those ads and generate those clicks and downstream consumer actions.

Our powerful performance AI engine was built to address a technology challenge of significant complexity: predicting which content, both advertisements and editorial, users would be interested in, without explicit intent data or social media profiles. Search advertising platforms have access, at a minimum, to users’ search queries which indicate intent, while social media advertising platforms have access to rich personal profiles created by users. We are the only independent performance platform that goes beyond search and social, and delivers outcomes at scale for advertisers, leveraging our unique supply, 1st-party data and AI technology.

Key Factors and Trends Affecting our Performance

We believe that our performance and future success depend on several factors that present significant opportunities for us but also pose risks and challenges, including those discussed below and those referred to in Part II, Item 1A, “Risk Factors.”

Maintaining and Growing Our Digital Property Partners

We engage with a diverse network of digital property partners, substantially all of which have contracts with us containing either an evergreen term or an exclusive partnership with us for multi-year terms at inception for their native advertising supply. These agreements typically require that our code be integrated on the digital property web page because of the nature of providing both editorial and paid recommendations. In the portion of our business that is tied to these native advertising supply partnerships, which currently accounts for the vast majority of our business, we do not bid for ad placements, as traditionally happens in the advertising technology space, but rather see all users that visit the pages on which we appear. However, as a result

of the launch of our Realize performance platform in February 2025, we expect a growing portion of our business to be tied to inventory where we bid for ad placements, primarily on sites where we have a first party data advantage. Due to our multi-year exclusive contracts and high retention rates, our supply is relatively consistent and predictable. We had approximately 11,000, 12,000 and 15,000 digital property partners in the fourth quarter of 2024, 2023 and 2022, respectively.

Historically, we have had a strong record of growing the revenue generated from our digital property partners. We grow our digital property partner relationships in four ways. First, we grow the revenue from these partnerships by increasing our yield over time. We do this by improving our algorithms, expanding our Advertiser base and increasing the amount of data that helps target our ads. Second, we continuously innovate with new product offerings and features that increase revenue. Third, we innovate by launching new advertising formats. Fourth, we work closely with our digital property partners to find new placements and page types where we can help them drive more revenue.

For the majority of our digital properties partners, we have two primary models for sharing revenue with digital property partners. The most common model is a straight revenue share model. In this model, we agree to pay our partner a percentage of the revenue that we generate from advertisements placed on their digital properties. The second model includes guarantees. Under this model, we pay our partners the greater of a fixed percentage of the revenue we generate and a guaranteed amount based on specified performance metric, such as per thousand page views or fixed amount. In the past, we have and may continue to be required to make significant payments under these guarantees.

Growing Our Advertiser Client Base

We have a large network of Advertisers that wish to achieve specific performance goals, such as obtaining subscribers for email newsletters or acquiring leads for product offerings, across multiple verticals. As we look at growing our advertiser client base, we want to grow the number of advertisers that spend with us at scale. We define a Scaled Advertiser as an Advertiser that has more than \$100,000 of cumulative gross spend on the network on a trailing four quarter basis. We had approximately 2,100, 2,000 and 1,700 of Scaled Advertiser clients working with us directly, or through advertising agencies, worldwide during the third quarters of 2025, 2024 and 2023, respectively. In an effort to also measure how we are growing our advertising spend with each Scaled Advertiser, we have introduced an Average Revenue per Scaled Advertiser performance measure. Average Revenue per Scaled Advertiser is calculated as the aggregate cumulative gross spend of all Scaled Advertisers for a given period divided by the number of Scaled Advertisers for that period. The Average Revenue per Scaled Advertiser was approximately \$208,000, \$187,000 and \$177,000 during the third quarters of 2025, 2024 and 2023, respectively. A large portion of our revenue comes from Scaled Advertisers. The Revenue contribution from Scaled Advertisers represented 86%, 85% and 83% of our Revenues for the third quarters of 2025, 2024 and 2023, respectively. These performance Advertisers use our service when they obtain a sufficient return on ad spend to justify their ad spend. We grow the revenue from performance Advertisers in three ways. First, we improve the performance of our network by developing new product features, improving our algorithms and optimizing our supply. Second, we secure increased budgets from existing Advertisers by offering new ad formats and helping them achieve additional goals. Third, we grow our overall Advertiser base by bringing on new Advertisers that we have not worked with previously.

Product and Research & Development

We view research and development expenditures as investments that help grow our business over time. These investments, which are primarily in the form of employee salaries and related expenditures and hardware infrastructure, can be broken into two categories. This first category includes product innovations that extend the capabilities of our current product offerings and help us expand into completely new markets. This includes heavy investment in AI (specifically Deep Learning) in the form of server purchases and expenses for data scientists. This category of investment is important to maintain the growth of the business but can also generally be adjusted up or down based on management's perception of the potential value of different investment options. The second category of investments are those that are necessary to maintain our core business. These investments include items such as purchasing servers and other infrastructure necessary to handle increasing loads of recommendations that need to be served, as well as the people necessary to maintain the value delivered to our customers and digital property partners, such as investments in code maintenance for our existing products. This type of investment scales at a slower rate than the growth of our core business.

Managing Seasonality

The global advertising industry has historically been characterized by seasonal trends that also apply to the digital advertising ecosystem in which we operate. In particular, Advertisers have historically spent relatively more in the fourth quarter of the calendar year to coincide with the year-end holiday shopping season, and relatively less in the first quarter. We expect these seasonality trends to continue, and our operating results will be affected by those trends with revenue and margins being seasonally strongest in the fourth quarter and seasonally weakest in the first quarter.

Privacy Trends and Government Regulation

We are subject to U.S. and international laws and regulations regarding privacy, data protection, digital advertising and the collection of user data. In addition, large Internet and technology companies such as Google and Apple are making their own decisions as to how to protect consumer privacy, which impacts the entire digital ecosystem. Because we power editorial recommendations, digital properties typically embed our code directly on their web pages. This makes us less susceptible to impact by many of these regulations and industry trends because we are able to drop first party cookies. In addition, because of this integration on our partners' pages, we have rich contextual information to use to further refine the targeting of our recommendations.

Business and Macroeconomic Conditions

Global economic and geopolitical conditions have been increasingly volatile due to factors such as inflation, rising interest rates, supply chain disruptions and the wars in Ukraine and the Middle East, including Israel. Further, in 2025 the global tariff landscape began to quickly change with the U.S. implementing new and/or increased tariffs on various foreign countries, either generally or with respect to certain products. These shifts in trade policies in the U.S. and other countries continue to evolve and are difficult to predict. The ultimate impact of any announced or future tariffs will depend on various factors, including what tariffs are ultimately implemented, the timing of implementation and the amount, scope and nature of such tariffs and potential exclusions from the application of those tariffs. While we continue to monitor macroeconomic conditions closely, at this time we are unable to predict if these factors will have a material impact on our business during 2025.

Key Financial and Operating Metrics

We regularly monitor a number of metrics in order to measure our current performance and project our future performance. These metrics aid us in developing and refining our growth strategies and making strategic decisions.

(dollars in thousands, except per share data)

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
	Unaudited			
Revenues	\$ 496,764	\$ 433,012	\$ 1,389,731	\$ 1,275,180
Gross profit	\$ 139,019	\$ 132,877	\$ 393,937	\$ 356,608
Net income (loss)	\$ 5,244	\$ (6,454)	\$ (7,851)	\$ (36,903)
EPS diluted (1)	\$ 0.02	\$ (0.02)	\$ (0.02)	\$ (0.11)
Ratio of net income (loss) to gross profit	3.8 %	(4.9)%	(2.0)%	(10.3)%
Cash flow provided by operating activities	\$ 53,203	\$ 49,772	\$ 148,711	\$ 122,396
Cash, cash equivalents, short-term deposits and investments	\$ 115,475	\$ 217,230	\$ 115,475	\$ 217,230
Non-GAAP Financial Data (2)				
ex-TAC Gross Profit	\$ 176,811	\$ 166,405	\$ 500,677	\$ 454,833
Adjusted EBITDA	\$ 48,223	\$ 47,927	\$ 129,336	\$ 108,647
Non-GAAP Net Income	\$ 34,263	\$ 22,211	\$ 89,471	\$ 49,053
Ratio of Adjusted EBITDA to ex-TAC Gross Profit	27.3 %	28.8 %	25.8 %	23.9 %
Free Cash Flow	\$ 46,289	\$ 42,864	\$ 116,520	\$ 97,266

(1) The weighted-average shares used in the computation of the diluted EPS for the three months ended September 30, 2025 and 2024, are 305,679,079 and 342,886,216, respectively, and for the nine months ended September 30, 2025 and 2024, are 318,600,917 and 343,606,187, respectively. The weighted-average shares for the three months ended September 30, 2025 and 2024, included 274,034,553 and 298,675,810 Ordinary shares, and 31,644,526 and 44,210,406 Non-voting Ordinary shares, respectively, and for the nine months ended September 30, 2025 and 2024, includes 281,670,062 and 298,843,067 Ordinary shares, and 36,930,855 and 44,763,120, Non-voting Ordinary shares, respectively.

(2) Refer to "Non-GAAP Financial Measures" below for an explanation and reconciliation to GAAP metrics.

Non-GAAP Financial Measures

We are presenting the following non-GAAP financial measures because we use them, among other things, as key measures for our management and board of directors in managing our business and evaluating our performance. We believe they also provide supplemental information that may be useful to investors. The use of these measures may improve comparability of our results over time by adjusting for items that may vary from period to period or not be representative of our ongoing operations.

These non-GAAP measures are subject to significant limitations, including those identified below. In addition, other companies may use similarly titled measures but calculate them differently, which reduces their usefulness as comparative measures. Non-GAAP measures should not be considered in isolation or as a substitute for GAAP measures. They should be considered as supplementary information in addition to GAAP operating, liquidity and financial performance measures.

ex-TAC Gross Profit

We calculate ex-TAC Gross Profit as gross profit adjusted to add back other cost of revenues and non-cash amortization of the Commercial agreement asset. We add back the non-cash amortization of the Commercial agreement asset because it is unique primarily due to the issuance of equity rather than cash, such that ex-TAC Gross Profit includes solely direct cash contribution components.

We believe that ex-TAC Gross Profit is useful because traffic acquisition cost, or TAC, is what we must pay digital properties to obtain the right to place advertising on their websites, and we believe focusing on ex-TAC Gross Profit better reflects the profitability of our business. We use ex-TAC Gross Profit as part of our business planning, for example in decisions regarding the timing and amount of investments in areas such as infrastructure.

Limitations on the use of ex-TAC Gross Profit include the following:

- Traffic acquisition cost is a significant component of our cost of revenues but is not the only component; and
- ex-TAC Gross Profit is not comparable to our gross profit and by definition ex-TAC Gross Profit presented for any period will be higher than our gross profit for that period.

The following table provides a reconciliation of revenues and gross profit to ex-TAC Gross Profit:

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
	(dollars in thousands)			
Revenues	\$ 496,764	\$ 433,012	\$ 1,389,731	\$ 1,275,180
Traffic acquisition cost	324,079	267,997	901,299	821,737
Other cost of revenues	33,666	32,138	94,495	96,835
Gross profit	\$ 139,019	\$ 132,877	\$ 393,937	\$ 356,608
Add back: Other cost of revenues and amortization (1)	37,792	33,528	106,740	98,225
ex-TAC Gross Profit	\$ 176,811	\$ 166,405	\$ 500,677	\$ 454,833

- (1) The three and nine months ended September 30, 2025, included \$4,126 and \$12,245 amortization expense of the non-cash based Commercial agreement asset respectively, and the three and nine months ended September 30, 2024 included \$1,390 amortization expense of the non-cash based Commercial agreement asset. See Note 1(b) of Notes to the Unaudited Interim Consolidated Financial Statements.

Adjusted EBITDA and Ratio of Adjusted EBITDA to ex-TAC Gross Profit

We calculate Adjusted EBITDA as net income (loss) before finance income (expenses), net, income tax expenses, depreciation and amortization and non-cash amortization of the Commercial agreement asset, further adjusted to exclude share-

based compensation including Connexity holdback compensation expenses and other noteworthy income and expense items such as M&A costs and restructuring costs which may vary from period-to-period.

We believe that Adjusted EBITDA is useful because it allows us and others to measure our performance without regard to items such as share-based compensation expense, depreciation and amortization, non-cash amortization of the Commercial agreement asset, and interest expense and other items that can vary substantially depending on our financing and capital structure, and the method by which assets are acquired. We use Adjusted EBITDA and GAAP financial measures for planning purposes, including the preparation of our annual operating budget, as a measure of performance and the effectiveness of our business strategies, and in communications with our board of directors. We may also use Adjusted EBITDA as a metric for determining payment of cash or other incentive compensation.

Limitations on the use of Adjusted EBITDA include the following:

- Although depreciation expense is a non-cash charge, the assets being depreciated 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;
- Adjusted EBITDA excludes share-based compensation expense, which has been, and will continue to be for the foreseeable future, a significant recurring expense for our business and an important part of our compensation strategy;
- Adjusted EBITDA does not reflect, to the extent applicable for a period presented: (1) changes in, or cash requirements for, our working capital needs; (2) interest expense, or the cash requirements necessary to service interest or if applicable principal payments on debt, which reduces cash available to us; or (3) tax payments that may represent a reduction in cash available to us; and
- The expenses and other items that we exclude in our calculation of Adjusted EBITDA may differ from the expenses and other items, if any, that other companies may exclude from Adjusted EBITDA when they report their operating results.

The following table provides a reconciliation of net income (loss) to Adjusted EBITDA:

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
	(dollars in thousands)			
Net income (loss)	\$ 5,244	\$ (6,454)	\$ (7,851)	\$ (36,903)
Adjusted to exclude the following:				
Finance expenses, net	(500)	1,106	6,491	3,740
Income tax expenses	1,761	9,906	1,647	11,857
Depreciation and amortization (1)	24,456	26,183	76,822	77,366
Share-based compensation expenses	15,714	15,423	47,803	44,838
Holdback compensation expenses (2)	—	1,763	—	7,054
Other costs (3)	1,548	—	4,424	695
Adjusted EBITDA	\$ 48,223	\$ 47,927	\$ 129,336	\$ 108,647

- (1) The nine months ended September 30, 2025, included a write-off of internal use software in the amount of \$2,800. The three and nine months ended September 30, 2025 included amortization expenses of the non-cash based Commercial agreement asset in the amount of \$4,126 and \$12,245, respectively. The three and nine months ended September 30, 2024 included \$1,390 amortization expense of the non-cash based Commercial agreement asset. See Note 1(b) of Notes to the Unaudited Interim Consolidated Financial Statements.
- (2) Represents share-based compensation due to holdback of Ordinary shares issuable under compensatory arrangements relating to Connexity acquisition.
- (3) The three and nine months ended September 30, 2025, includes professional and legal expenses related to a litigation matter in which the Company is the plaintiff and is not related to our ongoing business operations in the amount of \$1,548 and \$4,424, respectively. The nine months ended September 30, 2024 included one-time professional service costs in the amount of \$695.

We calculate Ratio of Adjusted EBITDA to ex-TAC Gross Profit as Adjusted EBITDA divided by ex-TAC Gross Profit.

We believe that the Ratio of Adjusted EBITDA to ex-TAC Gross Profit is useful because TAC is what we must pay digital properties to obtain the right to place advertising on their websites, and we believe focusing on ex-TAC Gross Profit better reflects the profitability of our business.

The following table provides a reconciliation of ratio of net income (loss) to gross profit and Ratio of Adjusted EBITDA to ex-TAC Gross Profit:

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
	(dollars in thousands)			
Gross profit	\$ 139,019	\$ 132,877	\$ 393,937	\$ 356,608
Net income (loss)	\$ 5,244	\$ (6,454)	\$ (7,851)	\$ (36,903)
Ratio of net income (loss) to gross profit	3.8 %	(4.9)%	(2.0)%	(10.3)%
ex-TAC Gross Profit	\$ 176,811	\$ 166,405	\$ 500,677	\$ 454,833
Adjusted EBITDA	\$ 48,223	\$ 47,927	\$ 129,336	\$ 108,647
Ratio of Adjusted EBITDA margin to ex-TAC Gross Profit	27.3 %	28.8 %	25.8 %	23.9 %

Non-GAAP Net Income (Loss)

We calculate Non-GAAP Net Income (Loss) as net income (loss) adjusted to exclude revaluation of our Warrants liability, share-based compensation expense, including Connexity holdback compensation expenses, M&A costs, amortization of acquired intangible assets and the non-cash based Commercial agreement asset, foreign currency exchange rate gains (losses), net, and other noteworthy items that change from period to period and related tax effects.

We believe that Non-GAAP Net Income (Loss) is useful because it allows us and others to measure our operating performance and trends without regard to items such as the revaluation of our Warrants liability, share-based compensation expense, cash and non-cash M&A costs, amortization of acquired intangible assets and the non-cash based Commercial agreement asset, foreign currency exchange rate (gains) losses, net and other noteworthy items that change from period to period and related tax effects. These items can vary substantially depending on our share price, acquisition activity, the method by which assets are acquired and other factors.

Limitations on the use of Non-GAAP Net Income (Loss) include the following:

- Non-GAAP Net Income (Loss) excludes share-based compensation expense, which has been, and will continue to be for the foreseeable future, a significant recurring expense for our business and an important part of our compensation strategy;
- Non-GAAP Net Income (Loss) will generally be more favorable than our net income (loss) for the same period due to the nature of the items being excluded from its calculation; and
- Non-GAAP Net Income (Loss) is a performance measure and should not be used as a measure of liquidity.

The following table provides a reconciliation of net income (loss) to Non-GAAP Net Income (Loss) for the periods shown:

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
	(dollars in thousands)			
Net income (loss)	\$ 5,244	\$ (6,454)	\$ (7,851)	\$ (36,903)
Amortization of acquired intangibles (1)	16,988	16,474	52,599	48,163
Share-based compensation expenses	15,714	15,423	47,803	44,838
Holdback compensation expenses (2)	—	1,763	—	7,054
Other costs (3)	1,548	—	4,424	695
Revaluation of Warrants	(1,648)	(737)	(2,471)	(4,624)
Foreign currency exchange rate losses (gains) (4)	(667)	(738)	(1,926)	650
Income tax effects	(2,916)	(3,520)	(9,704)	(10,820)
Loss on extinguishment of debt (5)	—	—	6,597	—
Non-GAAP Net Income	\$ 34,263	\$ 22,211	\$ 89,471	\$ 49,053

- (1) The nine months ended September 30, 2025, included a write-off of internal use software in the amount of \$2,800. The three and nine months ended September 30, 2025 included amortization expenses of the non-cash based Commercial agreement asset in the amount of \$4,126 and \$12,245, respectively. The three and nine months ended September 30, 2024 included \$1,390 amortization expense of the non-cash based Commercial agreement asset. See Note 1(b) of Notes to the Unaudited Interim Consolidated Financial Statements.
- (2) Represents share-based compensation due to holdback of Ordinary shares issuable under compensatory arrangements relating to Connexity acquisition.
- (3) The three and nine months ended September 30, 2025, included professional and legal expenses related to a litigation matter in which the Company is the plaintiff and is not related to our ongoing business operations in the amount of \$1,548 and \$4,424, respectively. The nine months ended September 30, 2024 included one-time professional service costs in the amount of \$695.

- (4) Represents foreign currency exchange rate gains or losses related to the remeasurement of monetary assets and liabilities to the Company's functional currency using exchange rates in effect at the end of the reporting period.
- (5) See Note 8 of Notes to the Unaudited Consolidated Interim Financial Statements.

Free Cash Flow

We calculate Free Cash Flow as Net cash flow provided by operating activities minus purchases of property, plant and equipment, including capitalized internal-use software.

We believe that Free Cash Flow is useful to provide management and others with information about the amount of cash generated from our operations that can be used for strategic initiatives, including investing in our business, making strategic acquisitions, and strengthening our balance sheet. We expect our Free Cash Flow to fluctuate in future periods as we invest in our business to support our plans for growth.

Limitations on the use of Free Cash Flow include the following:

- It should not be inferred that the entire Free Cash Flow amount is available for discretionary expenditures. For example, cash is still required to satisfy other working capital needs, including short-term investment policy, restricted cash, repayment of loan and intangible assets;
- Free Cash Flow has limitations as an analytical tool, and it should not be considered in isolation or as a substitute for analysis of other GAAP financial measures, such as net cash provided by operating activities; and
- This metric does not reflect our future contractual commitments.

The following table provides a reconciliation of net cash provided by operating activities to Free Cash Flow:

	Three months ended September 30,		Nine months ended September 30,	
	2025	2024	2025	2024
	(dollars in thousands)			
Net cash provided by operating activities	\$ 53,203	\$ 49,772	\$ 148,711	\$ 122,396
Purchases of property and equipment, including capitalized internal-use software	(6,914)	(6,908)	(32,191)	(25,130)
Free Cash Flow	\$ 46,289	\$ 42,864	\$ 116,520	\$ 97,266

Components of Our Results of Operations

Revenues

All of our Revenues are generated from Advertisers with whom we enter into commercial arrangements, defining the terms of our service and the basis for our charges. Generally, our charges are based on a CPC, CPM or CPA basis. For campaigns priced on a CPC basis, we recognize these Revenues when a user clicks on an advertisement we deliver. For campaigns priced on a CPM basis, we recognize these Revenues when an advertisement is displayed. For campaigns priced on a performance-based CPA basis, the Company generates revenue when a user makes an acquisition.

Cost of revenues

Our cost of revenue primarily includes traffic acquisition cost and also includes other cost of revenue.

Traffic acquisition cost

Traffic acquisition cost, or TAC, consists primarily of cost related to digital property compensation for placing our platform on their digital property and cost for advertising impressions purchased from real-time advertising exchanges and other third parties. Traffic acquisition cost also includes up-front payments, incentive payments, or bonuses paid to the digital property partners and the amortization of the non-cash based Commercial agreement asset (see Note 1(b) of Notes to the Unaudited Interim Consolidated Financial Statements) which are amortized over the shorter of respective contractual terms and the economic benefit period of the digital property arrangement. For the majority of our digital properties partners, we have two primary compensation models for digital properties. The most common model is a revenue share model. In this model, we agree to pay a percentage of our revenue generated from advertisements placed on the digital properties. The second model includes guarantees. Under this model, we pay the greater of a percentage of the revenue generated or a committed guaranteed amount per thousand page views ("Minimum guarantee model"). Actual compensation is settled on a monthly basis. Expenses under both the revenue share model as well as the Minimum guarantee model are recorded as incurred, based on actual revenues generated by us at the respective month.

Other cost of revenues

Other cost of revenues includes data center and related costs, depreciation expense related to hardware supporting our platform, amortization expense related to capitalized internal-use software and acquired technology, digital and services taxes, personnel costs, and allocated facilities costs. Personnel costs include salaries, bonuses, share-based compensation, and employee benefit costs, and are primarily attributable to our operations group, which supports our platform and our Advertisers.

Gross profit

Gross profit, calculated as revenues less cost of revenues, has been, and will continue to be, affected by various factors, including fluctuations in the amount and mix of revenue and the amount and timing of investments to expand our digital properties partners and Advertisers base. We hope to increase both our Gross profit in absolute dollars and as a percentage of revenue through enhanced operational efficiency and economies of scale.

Research and development

Research and development expenses consist primarily of personnel costs, including salaries, bonuses, share-based compensation and employee benefits costs, allocated facilities costs, professional services and depreciation. We expect research and development expenses to increase in future periods to support our growth, including continuing to invest in optimization, accuracy and reliability of our platform and other technology improvements to support and drive efficiency in our operations. These expenses may vary from period to period as a percentage of revenue, depending primarily upon when we choose to make more significant investments.

Sales and marketing

Sales and marketing expenses consist of payroll and other personnel related costs, including salaries, share-based compensation, employee benefits, and travel for our sales and marketing departments, advertising and promotion, rent and depreciation and amortization expenses, particularly related to the acquired intangibles. We expect to increase selling and marketing expenses to support the overall growth in our business.

General and administrative

General and administrative expenses consist of payroll and other personnel related costs, including salaries, share-based compensation, employee benefits and expenses for executive management, legal, finance and others. In addition, general and administrative expenses include fees for professional services and occupancy costs. We expect our general and administrative expenses to remain relatively flat in 2025.

Finance income (expenses), net

Finance income (expenses), net, primarily consists of interest income (expense) including amortization of loan and credit facility issuance costs, Warrants liability fair value adjustments, gains (losses) from foreign exchange fluctuations and bank fees.

Income tax benefit (expenses)

The statutory corporate tax rate in Israel was 23% for the nine months ended September 30, 2025 and 2024, although we are entitled to certain tax benefits under Israeli law.

Pursuant to the Israeli Law for Encouragement of Capital Investments-1959 (the "Investments Law") and its various amendments, under which we have been granted "Privileged Enterprise" status, we were granted a tax exemption status for the years 2018 and 2019.

For 2021 and subsequent tax years, we adopted the "Preferred Technology Enterprises" ("PTE") Incentives Regime (Amendment 73 to the Investment Law) granting a 12% tax rate in central Israel on income deriving from benefited intangible assets, subject to a number of conditions being fulfilled, including a minimal amount or ratio of annual research and development expenditure and research and development employees, as well as having at least 25% of annual income derived from exports to large markets. PTE is defined as an enterprise which meets the aforementioned conditions and for which total consolidated revenues of its parent company and all subsidiaries are less than NIS 10 billion.

As of September 30, 2025, we have an accumulated tax loss carry-forward of approximately \$23.8 million in Israel. The tax loss can be offset indefinitely. Non-Israeli subsidiaries are taxed according to the tax laws in their respective jurisdictions.

The following table provides consolidated statements of loss data for the periods indicated:

(dollars in thousands)

	Three months ended September 30,	
	2025	2024
	Unaudited	
Revenues	\$ 496,764	\$ 433,012
Cost of revenues:		
Traffic acquisition cost	324,079	267,997
Other cost of revenues	33,666	32,138
Total cost of revenues	357,745	300,135
Gross profit	139,019	132,877
Operating expenses:		
Research and development	37,867	36,727
Sales and marketing	70,090	67,808
General and administrative	24,557	23,784
Total operating expenses	132,514	128,319
Operating income	6,505	4,558
Finance income (expenses), net	500	(1,106)
Income before income taxes	7,005	3,452
Income tax expenses	(1,761)	(9,906)
Net income (loss)	\$ 5,244	\$ (6,454)

Comparison of the Three months ended September 30, 2025 and 2024

Revenues increased by \$63.8 million, or 14.7%, for the three months ended September 30, 2025, compared to the three months ended September 30, 2024, mainly as the result of an increase in the Average Revenue per Scaled Advertiser by 10.9% and an increase in the number of Scaled Advertisers which grew 4.4%. The increase in Average Revenue per Scaled Advertiser was in part driven by the testing of ad formats with Yahoo and the recognition of Revenue as an offset to Traffic Acquisition Cost in the three months ended September 30, 2024. From a publisher perspective, new digital property partners contributed approximately \$36.7 million of new Revenues on a 12-month run rate basis calculated based on their first full month on the network. Existing digital property partners, including the growth of new digital property partners (beyond the revenue contribution determined based on the run-rate revenue generated by the partners when they are first on-boarded) increased by approximately \$27.1 million.

Gross profit increased by \$6.1 million, or 4.6%, for the three months ended September 30, 2025, compared to the three months ended September 30, 2024.

Ex-TAC Gross Profit, a non-GAAP measure, increased by \$10.4 million, or 6.3%, for the three months ended September 30, 2025, compared to the three months ended September 30, 2024, primarily benefiting from growth in advertising spend. This was partially offset by a margin decrease on certain digital property partners including the impact of the testing of ad formats with Yahoo in the three months ended September 30, 2024.

Total cost of revenues increased by \$57.6 million, or 19.2%, for the three months ended September 30, 2025, compared to the three months ended September 30, 2024.

Traffic acquisition cost increased by \$56.1 million, or 20.9%, for the three months ended September 30, 2025, compared to the three months ended September 30, 2024.

Traffic acquisition cost increased at a rate higher than revenue primarily due to the testing of ad formats with Yahoo and the recognition of Revenue as an offset to Traffic Acquisition Cost in the three months ended September 30, 2024.

The cost of guarantees (total payments due under guarantee arrangements in excess of amounts the Company would otherwise be required to pay under revenue sharing arrangements) as a percentage of traffic acquisition costs were approximately 12% and 21% for the three months ended September 30, 2025 and September 30, 2024, respectively.

Other cost of revenues increased by \$1.5 million, or 4.8%, for the three months ended September 30, 2025, compared to the three months ended September 30, 2024, mainly as a result of a \$2.5 million increase in data and hosting expense, and a \$0.6 million increase in salaries and related expenses, which were partially offset by a decrease of \$1.5 million in depreciation expenses related to our servers due to useful life reassessment.

Research and development expenses increased by \$1.1 million, or 3.1%, for the three months ended September 30, 2025, compared to the three months ended September 30, 2024, mainly as a result of a \$1.6 million increase in salaries and related expenses, and a \$0.3 million increase in rent expenses, which were partially offset by a decrease of \$0.8 million depreciation expenses related to our servers.

Sales and marketing expenses increased by \$2.3 million, or 3.4%, for the three months ended September 30, 2025, compared to the three months ended September 30, 2024, mainly as a result of a \$2.3 million increase in advertising and promotion expenses related to the launch of Realize.

General and administrative expenses increased by \$0.8 million, or 3.2%, for the three months ended September 30, 2025, compared to the three months ended September 30, 2024, mainly as a result of a \$0.6 million increase in professional fees and a \$0.2 million increase in rent expenses.

Finance income (expenses), net decreased by \$1.6 million for the three months ended September 30, 2025, compared to the three months ended September 30, 2024, primarily attributable to a \$1.6 million decrease in interest expenses due to the refinancing of our long-term debt.

Tax expenses decrease by \$8.1 million for the three months ended September 30, 2025, compared to the three months ended September 30, 2024. In 2025, we introduced a full-year effective tax rate (ETR) methodology to better align our tax reporting with long-term operational performance. This approach provides a more consistent view of our underlying profitability, but it can also create some variability in quarterly tax results particularly in years with dynamic growth, evolving geographic mix, or discrete tax events. Quarterly fluctuations in our tax expense and ETR are not necessarily reflective of changes in our core business. This decrease is also attributable to the Company's seasonality trends and the decrease in the Company's intangible assets.

The following table provides consolidated statements of loss data for the periods indicated:

(dollars in thousands)

	Nine months ended September 30,	
	2025	2024
	Unaudited	
Revenues	\$ 1,389,731	\$ 1,275,180
Cost of revenues:		
Traffic acquisition cost	901,299	821,737
Other cost of revenues	94,495	96,835
Total cost of revenues	995,794	918,572
Gross profit	393,937	356,608
Operating expenses:		
Research and development	111,305	106,264
Sales and marketing	207,228	200,253
General and administrative	75,117	71,397
Total operating expenses	393,650	377,914
Operating income (loss)	287	(21,306)
Finance expenses, net	(6,491)	(3,740)
Loss before income taxes	(6,204)	(25,046)
Income tax expenses	(1,647)	(11,857)
Net loss	\$ (7,851)	\$ (36,903)

Comparison of the Nine months ended September 30, 2025 and 2024

Revenues increased by \$114.6 million, or 9.0%, for the nine months ended September 30, 2025, compared to the nine months ended September 30, 2024, mainly as the result of an increase in the number of Scaled Advertisers. This was concentrated in our core native and programmatic advertisers. From a publisher perspective, new digital property partners contributed approximately \$91.2 million of new Revenues on a 12-month run rate basis calculated based on their first full month on the network. Existing digital property partners, including the growth of new digital property partners (beyond the revenue contribution determined

based on the run-rate revenue generated by the partners when they are first on-boarded) increased by approximately \$23.4 million.

Gross profit increased by \$37.3 million, or 10.5%, for the nine months ended September 30, 2025 compared to the nine months ended September 30, 2024.

Ex-TAC Gross Profit, a non-GAAP measure, increased by \$45.8 million, or 10.1% , for the nine months ended September 30, 2025 compared to the nine months ended September 30, 2024, primarily benefiting from growth in advertising spend as well as a margin increase.

Total cost of revenues increased by \$77.2 million, or 8.4%, for the nine months ended September 30, 2025 compared to the nine months ended September 30, 2024.

Traffic acquisition cost increased by \$79.6 million, or 9.7%, for the nine months ended September 30, 2025 compared to the nine months ended September 30, 2024.

The cost of guarantees (total payments due under guarantee arrangements in excess of amounts the Company would otherwise be required to pay under revenue sharing arrangements) as a percentage of traffic acquisition costs were approximately 15% and 19% for the nine months ended September 30, 2025 and September 30, 2024, respectively.

Other cost of revenues decreased by \$2.3 million, or 2.4%, for the nine months ended September 30, 2025 compared to the nine months ended September 30, 2024, primarily as a result of a \$4.8 million decrease in digital service tax expenses and a \$4.7 million decrease in depreciation expenses related to our servers due to useful life reassessment, which were partially offset by an increase of \$6.1 million in data, hosting and and IT related expenses, and a \$1.1 million increase in salaries and related expenses.

Research and development expenses increased by \$5.0 million, or 4.7%, for the nine months ended September 30, 2025 compared to the nine months ended September 30, 2024, mainly as a result of a \$5.8 million increase in salaries and related expenses, and a \$0.8 million increase in IT services, and a \$0.6 million increase in rent expenses, which were partially offset by a decrease of \$1.9 million depreciation expenses related to our servers, and a \$0.5 decrease in share-based compensation expenses.

Sales and marketing expenses increased by \$7.0 million, or 3.5%, for the nine months ended September 30, 2025 compared to the nine months ended September 30, 2024, mainly as a result of a \$7.0 million increase in salaries and related expenses, a \$5.2 million increase in advertising and promotion expenses related to the launch of Realize, and a \$1.7 million increase in sales kick off event expenses, which were partially offset by a decrease of \$6.8 million in amortization expenses related to acquired intangible assets.

General and administrative expenses increased by \$3.7 million, or 5.2%, for the nine months ended September 30, 2025 compared to the nine months ended September 30, 2024, mainly as a result of a \$2.5 million increase in professional fees, and a \$1.1 million increase in salaries and related expenses.

Finance expenses, net increased by \$2.8 million for the nine months ended September 30, 2025, compared to the nine months ended September 30, 2024, mainly attributable to a \$7.5 million increase resulting from the establishment of the Revolving Credit Facility, which was partially offset by a decrease of \$5.0 million in interest expenses mainly due to the refinancing of our long-term debt.

Tax expenses decreased by \$10.2 million for the nine months ended September 30, 2025, compared to the nine months ended September 30, 2024. In 2025, we introduced a full-year effective tax rate (ETR) methodology to better align our tax reporting with long-term operational performance. This approach provides a more consistent view of our underlying profitability, but it can also create some variability in quarterly tax results particularly in years with dynamic growth, evolving geographic mix, or discrete tax events. Quarterly fluctuations in our tax expense and ETR are not necessarily reflective of changes in our core business. This decrease is also attributable to the Company's seasonality trends and the decrease in the Company's intangible assets.

Liquidity and Capital Resources

Our primary cash needs are for working capital, personnel costs, contractual obligations, including payments to digital property partners, office leases and software and information technology costs, capital expenditures for servers and capitalized software development, funding our share buyback program, payment of interest on our revolving loan and other commitments. We fund these cash needs primarily from cash generated from operations, as well as from cash and cash equivalents on our balance sheet when required. For the nine months ended September 30, 2025 and 2024, we generated cash from operations of \$148.7 million and \$122.4 million, respectively.

As part of our growth strategy, we have made and expect to continue to make significant investments in research and development and in our technology platform. We also plan to selectively consider possible future acquisitions that are attractive opportunities we deem strategic and value-enhancing. To fund our growth, depending on the magnitude and timing of our growth

investments and the size and structure of any possible future acquisition, we may supplement our available cash from operations with issuances of equity or debt securities and/or make other borrowings, which could be material.

As of September 30, 2025 and December 31, 2024, we had \$115.5 million and \$226.6 million of cash and cash equivalents, respectively, and \$1.5 million and \$1.7 million in short and long-term restricted deposits, respectively, used, mainly, as security for our lease commitments and \$3.8 million of short-term investments as of December 31, 2024. As of September 30, 2025, we did not hold short-term investments. Cash and cash equivalents consist of cash in banks and money market funds. Short-term investments generally consist of bank deposits.

We believe that this, together with net proceeds from our engagements with Advertisers and digital property partners, will provide us with sufficient liquidity to meet our working capital and capital expenditure needs for at least the next 12 months. In the future, we may be required to obtain additional equity or debt financing in order to support our continued capital expenditures and operations. In the event that additional financing is required from outside sources, we may not be able to raise it on terms acceptable to us or at all. If we are unable to raise additional capital or generate cash flows necessary to expand our operations and invest in new technologies, this could reduce our ability to compete successfully and harm our business, growth, and results of operation.

On March 18, 2025, we entered into a revolving credit facility (the “2025 Revolving Credit Agreement”), which provides for borrowings in an aggregate principal amount of up to \$270.0 million (the “Revolving Facility”). The proceeds of the Revolving Facility can be used to finance working capital needs and general corporate purposes. Borrowings under the Revolving Facility are subject to customary borrowing conditions and will bear interest at a variable annual rate based on Term SOFR or Base Rate plus a fixed margin. The 2025 Revolving Credit Agreement also contains customary representations, covenants and events of default as well as a financial covenant, which places a limit on our allowable net leverage ratio. As of September 30, 2025, the Company was in compliance with the Revolving Facility covenants.

As of September 30, 2025, we had \$74.0 million of outstanding principal amount under the Revolving Facility. Borrowings under the 2025 Revolving Credit Facility are voluntarily prepayable from time to time without premium or penalty except in certain cases. Borrowings prepaid may be re-borrowed prior to maturity of the 2025 Revolving Credit Agreement pursuant to customary conditions and restrictions. All borrowings under the 2025 Revolving Credit Agreement are due at maturity on March 18, 2030.

Share Buyback Program

Our board of directors authorized a share buyback program for the repurchase of our outstanding Ordinary shares and Non-voting Ordinary shares, which commenced in June 2023 and does not have an expiration date (the “Buyback Program”). In 2023, our board of directors authorized up to \$80.0 million of buybacks under the Buyback Program. In February 2024, our board of directors authorized up to \$100.0 million for use under the Buyback Program, including any remaining authority from the 2023 board of directors authorization and in February 2025, our board of directors authorized up to an additional \$200.0 million for use under the Buyback Program. In July 2025, our board of directors authorized up to an additional \$200.0 million for use under the Buyback Program. As permitted by the Buyback Program, share repurchases may be made from time to time, in privately negotiated transactions or in the open market, including through trading plans intended to comply with Rule 10b5-1, at the discretion of our management and as permitted by securities laws and other legal requirements, including Rule 10b-18 of the Exchange Act. The Buyback Program does not obligate the Company to repurchase any specific number of shares and the number of shares repurchased may depend upon market and economic conditions and other factors. The Buyback Program may be discontinued, modified or suspended at any time.

During the nine months ended September 30, 2025, we repurchased 58.3 million of our shares consisting of 44.5 million Ordinary shares and 13.8 million Non-voting Ordinary shares at an average price of \$3.15 per share (excluding broker and transaction fees of \$1.1 million). As of September 30, 2025, the Company had remaining authorization from our board of directors to repurchase Ordinary shares and Non-Voting Ordinary shares up to an aggregate amount of \$261.9 million. See Part II, Item 2. Unregistered Sales of Equity Securities and Use of Proceeds, Note 9 and Note 12 of Notes to the Unaudited Interim Consolidated Financial Statements.

Our future capital requirements and the adequacy of available funds will depend on many factors, including the risks and uncertainties set forth in our 2024 Form 10-K under Item 1A. “Risk Factors,” and in our subsequent filings with the SEC.

The following table summarizes our cash flows for the periods indicated:

	Nine months ended September 30,	
	2025	2024
	Unaudited	
Cash Flow Data:		
Net cash provided by operating activities	\$ 148,711	\$ 122,396
Net cash used in investing activities	(28,211)	(20,084)
Net cash used in financing activities	(236,504)	(62,321)
Exchange rate differences on balances of cash and cash equivalents	4,896	1,131
Increase (decrease) in cash and cash equivalents	\$ (111,108)	\$ 41,122

Operating Activities

During the nine months ended September 30, 2025, net cash provided by operating activities was \$148.7 million, an increase of \$26.3 million, compared to \$122.4 million for the same period in 2024. The \$148.7 million was related to our net loss of \$7.9 million adjusted by non-cash charges of \$125.0 million and positive changes in working capital of \$31.6 million.

The \$125.0 million of non-cash charges primarily consisted of depreciation and amortization of \$64.8 million, share-based compensation expense related to vested equity awards of \$47.8 million, Commercial agreement asset amortization expenses of \$12.2 million and loss on extinguishment of debt of \$6.6 million, partially offset by a \$4.9 million of net gains from financing expenses and a decrease of \$2.5 million due to revaluation of Warrants liability.

The \$31.6 million increase in cash resulting from changes in working capital primarily consisted of a \$61.2 million decrease in trade receivables, net and a \$0.9 million decrease in prepaid expenses partially offset by \$21.1 million decrease in accrued expenses and other current liabilities, a \$7.6 million decrease in trade payables, net and a \$5.5 million decrease in deferred taxes, net.

Net cash provided by operating activities of \$122.4 million for the nine months ended September 30, 2024, was related to our net loss of \$36.9 million adjusted by non-cash charges of \$124.8 million and changes in working capital of \$34.5 million.

The \$124.8 million of non-cash charges consisted of depreciation and amortization of \$76.0 million, share-based compensation expense related to vested equity awards of \$51.9 million and Commercial agreement asset amortization of \$1.4 million, partially offset by decrease of \$4.6 million due to revaluation of Warrants liability.

The \$34.5 million increase in cash resulting from changes in working capital primarily consisted of a \$23.8 million decrease in prepaid expenses and other assets, \$23.0 million increase in accrued expenses and other liabilities and \$13.0 million decrease in trade receivables, net, partially offset by a \$12.9 million decrease in trade payables and \$11.0 million decrease in deferred taxes, net.

Investing Activities

During the nine months ended September 30, 2025, net cash used in investing activities was \$28.2 million, an increase of \$8.1 million, compared to \$20.1 million in net cash used in the same period in 2024. Net cash used in investing activities for the nine months ended September 30, 2025, primarily consisted of \$32.2 million purchase of property and equipment, including capitalized internal-use software, partially offset by \$4.0 million proceeds from maturities of short-term investments.

Net cash used in investing activities was \$20.1 million for the nine months ended September 30, 2024, primarily consisted of \$25.1 million purchase of property and equipment, including capitalized internal-use software partially, offset by \$5.8 million proceeds from maturities of short-term investments.

Financing Activities

During the nine months ended September 30, 2025, net cash used in financing activities was \$236.5 million, an increase of \$174.2 million, compared to \$62.3 million net cash used in the same period in 2024. Net cash used in financing activities for the nine months ended September 30, 2025 primarily consisted of \$184.6 million repurchase of

Ordinary shares and Non-voting Ordinary shares, \$122.7 million repayment in full of the long-term loan, \$52.5 repayment of revolving credit facility, \$3.1 million payments of tax withholding for share-based compensation, \$1.9 million payments on account of Ordinary shares repurchases, and \$0.9 million issuance costs for the 2025 Revolving Credit Facility, partially offset by \$124.0 million of proceeds from Revolving Credit Facility, net of issuance costs, and \$5.3 million exercise of options and vested RSUs.

Net cash used in financing activities was \$62.3 million for the nine months ended September 30, 2024, primarily consisting of \$64.5 million repurchase of Ordinary shares and Non-voting Ordinary shares and \$2.4 million payment of tax withholding for share-based compensation expenses, partially offset by \$5.7 million in proceeds received from exercise of options and vested RSU.

Contractual Obligations

The following table discloses aggregate information about material contractual obligations and the periods in which they are due as of September 30, 2025. Future events could cause actual payments to differ from these estimates.

	Contractual Obligations by Period					
	2025	2026	2027	2028	2029	Thereafter
	(dollars in thousands)					
Debt Obligations (1)	\$ —	\$ —	\$ —	\$ —	\$ —	\$ 74,000
Operating Leases (2)	\$ 7,909	\$ 32,507	\$ 27,030	\$ 15,185	\$ 8,205	\$ 15,060
Non-cancellable purchase obligations (3)	\$ 21,788	\$ 11,097	\$ 4,713	\$ 102	\$ —	\$ —
Total Contractual Obligations	\$ 29,697	\$ 43,604	\$ 31,743	\$ 15,287	\$ 8,205	\$ 89,060

(1) Borrowings under the 2025 Revolving Credit Facility are voluntarily prepayable from time to time without premium or penalty except in certain cases. All borrowings under the 2025 Revolving Credit Agreement are due at maturity on March 18, 2030. See Note 8 of Notes to the Unaudited Interim Consolidated Financial Statements.

(2) Represents future minimum lease commitments under non-cancellable operating lease agreements.

(3) Primarily represents non-cancelable amounts for contractual commitments in respect of software and information technology.

The commitment amounts in the table above are associated with contracts that are enforceable and legally binding and that specify all significant terms, including fixed or minimum services to be used, fixed, minimum or variable price provisions, and the approximate timing of the actions under the contracts. The table does not include obligations under agreements that we can cancel without a significant penalty. The table above does not reflect any reduction for prepaid obligations as of September 30, 2025.

As of September 30, 2025, we have a provision related to unrecognized tax benefit liabilities totaling \$11.5 million and other provisions related to severance pay and contribution plans, which have been excluded from the table above as we do not believe it is practicable to make reliable estimates of the periods in which payments for these obligations will be made.

Other Commercial Commitments

In the ordinary course of our business, we enter into agreements with certain digital properties, under which, in some cases we agree to pay them a guaranteed amount, generally per thousand page views on a monthly basis. These agreements could cause a gross loss on digital property accounts in which the guarantee is higher than the actual revenue generated. These contracts generally range in duration from 2 to 5 years, though some can be shorter or longer. These contracts are not included in the table above.

Recent Accounting Pronouncements

During the period covered by this report, there were no material recent accounting pronouncements impacting our accounting policies that are not already discussed in our 2024 Form 10-K.

Critical Accounting Estimates

Our discussion and analysis of financial condition results of operations are based upon our consolidated interim financial statements included elsewhere in this report. The preparation of our consolidated financial statements in accordance with GAAP requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue and expenses. We base our estimates on past experience and other assumptions that we believe are reasonable under the circumstances and we evaluate these estimates on an ongoing basis. Actual results may differ from those estimates.

Our critical accounting policies are those that materially affect our consolidated financial statements and involve difficult, subjective or complex judgments by management. There have been no material changes to our critical accounting policies and estimates of and for the year ended December 31, 2024, included in our 2024 Form 10-K.

ITEM 3 :QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Foreign Currency Exchange Risk

A 10% increase or decrease of the NIS, Euro, British pound sterling, or the Japanese yen against the U.S. dollar would have impacted the consolidated statements of income (loss) as follows

	Operating income (loss) impact nine months ended September 30,			
	2025		2024	
	(dollars in thousands)			
	+10%	-10%	+10%	-10%
NIS/USD	\$ (220)	\$ 220	\$ (1,260)	\$ 1,260
EUR/USD	\$ 1,266	\$ (1,266)	\$ 3,077	\$ (3,077)
GBP/USD	\$ (876)	\$ 876	\$ (2,183)	\$ 2,183
JPY/USD	\$ 229	\$ (229)	\$ 700	\$ (700)

To reduce the impact of foreign exchange risks associated with forecasted future cash flows related to payroll expenses and other personnel related costs denominated in NIS and their volatility, we have established a hedging program and use derivative financial instruments, specifically foreign currency forward contracts, call and put options, to manage exposure to foreign currency risks. These derivative instruments are designated as cash flow hedges.

Interest Rate Risk

Interest rate risk is the risk that the value or yield of fixed-income investments may decline if interest rates change.

Our cash, cash equivalents, and short-term investments are held mainly for working capital purposes. The primary objectives of our investment activities are the preservation of capital and the fulfillment of liquidity needs. We do not enter into investments for trading or speculative purposes. Such interest-earning instruments carry a degree of interest rate risk. Changes in interest rates affect the interest earned on our cash and cash equivalents and short-term investments, and the market value of those securities.

As of September 30, 2025, we had \$74.0 million of outstanding borrowings under our 2025 Revolving Credit Facility with a variable interest rate. See Liquidity and Capital Resources for information regarding our revolving credit facility.

Fluctuations in interest rates may impact the level of interest expense recorded on future borrowings. We do not enter into derivative financial instruments, including interest rate swaps, to effectively hedge the effect of interest rate changes or for speculative purposes.

Inflation Risk

The impacts of inflation have resulted in higher equipment and labor costs, consistent with its impact on the general economy. If our costs, in particular labor, sales and marketing, information system, technology and utilities costs, were to become subject to significant inflationary pressures, we might not be able to effectively mitigate such higher costs. Our inability or failure to do so could adversely affect our business, financial condition, and results of operations.

Credit Risk

Credit risk with respect to accounts receivable is generally not significant, as we routinely assess the creditworthiness of our partners and Advertisers. Historically, we generally have not experienced any material losses related to receivables from Advertisers. We do not require collateral. Due to these factors, no additional credit risk beyond amounts provided for collection losses is believed by management to be probable in our accounts receivable.

As of September 30, 2025 and December 31, 2024, no single customer accounted for 10% or more of accounts receivable or total revenue for those respective periods, except as disclosed in Note 12 of Notes to the Unaudited Interim Consolidated Financial Statements.

As of September 30, 2025, we maintained cash balances primarily in banks in the United States, the United Kingdom and Israel. In the United States and United Kingdom, the Company deposits are maintained with commercial banks, which are insured by the U.S. Federal Deposit Insurance Corporation (“FDIC”) and Financial Services Compensation Scheme (“FSCS”), which is authorized by the Bank of England (acting in its capacity as the Prudential Regulation Authority), respectively. In Israel, commercial banks do not have government-sponsored deposit insurance. Historically we have not experienced losses related to these balances and believe our credit risk in this area is reasonable. As of September 30, 2025, we maintained cash balances with U.S. and United Kingdom banks that significantly exceed FDIC and FSCS insurance limits and expect we will continue to do so. We regularly monitor bank financial strength and other factors in determining where to maintain cash deposits but may not be able to fully mitigate the risk of possible bank failures.

As of September 30, 2025 the Company did not hold short-term investments.

Our derivatives expose us to credit risk to the extent that the counterparties may be unable to meet the terms of the agreement. We seek to mitigate such risk by limiting our counterparties to major financial institutions and by spreading the risk across a number of major financial institutions. However, failure of one or more of these financial institutions is possible and could result in losses.

ITEM 4: CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as that term is defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”) that are designed to ensure that information required to be disclosed in the Company’s reports under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosures. Any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of September 30, 2025. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that, as of September 30, 2025, our disclosure controls and procedures were effective to accomplish their objectives at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting identified in management’s evaluation pursuant to Rules 13a-15(d) or 15d-15(d) of the Exchange Act during the period covered by this Quarterly Report on Form 10-Q that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II : OTHER INFORMATION

ITEM 1: LEGAL PROCEEDINGS

From time to time we are a party to various litigation matters incidental to the conduct of our business. We are not presently party to any legal proceedings the resolution of which we believe would have a material adverse effect on our consolidated business prospects, financial condition, liquidity, results of operation, cash flows or capital levels

ITEM 1A. RISK FACTORS

Investing in our Ordinary shares involves a high degree of risk. We describe risks associated with our business in Part I, Item 1A: “Risk Factors” of our 2024 Form 10-K. Each of the risks described in those Risk Factors may be relevant to decisions regarding an investment in or ownership of our Ordinary shares. The occurrence of any such risks could have a significant adverse effect on our reputation, business, financial condition, revenue, results of operations, growth, or ability to accomplish our strategic objectives, and could cause the trading price of our Ordinary shares to decline. You should carefully consider such risks and the other information contained in this report, including our condensed consolidated interim financial statements and related notes and Management’s Discussion and Analysis of Financial Condition and Results of Operations, before making investment decisions related to our Ordinary shares.

There are no additional material changes to the Risk Factors in our 2024 Form 10-K of which we are currently aware; but our Risk Factors cannot anticipate and fully address all possible risks of investing in our Ordinary shares, the risks of investing in our Ordinary shares may change over time, and additional risks and uncertainties that we are not aware of, or that we do not consider to be material, may emerge. Accordingly, you are advised to consider additional sources of information and exercise your own judgment in addition to the information we provide.

ITEM 2 :Unregistered Sales of Equity Securities and Use of Proceeds

The following table presents Ordinary shares and Non-voting Ordinary shares repurchased pursuant to our Ordinary share buyback program for the three months ended September 30, 2025.

Period	(a) Total Number of Shares Repurchased	(b) Average Price Paid Per Share ⁽¹⁾	(c) Total Number of Shares Purchased as Part of Publicly Announced Program ⁽²⁾	(d) Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plan or Program ⁽³⁾
July 1 - July 31, 2025	3,055,451	\$ 3.59	3,055,451	\$ 285,343,747
August 1 - August 31, 2025	3,604,763	\$ 3.29	3,604,763	\$ 273,478,265
September 1 - September 30, 2025	3,380,134	\$ 3.43	3,380,134	\$ 261,892,140

(1) Excludes broker and transaction fees.

(2) Includes 2,291,311 Non-voting Ordinary shares.

(3) Our board of directors authorized a share buyback program of our outstanding Ordinary and Non-voting Ordinary shares, which commenced in June 2023 and does not have an expiration date (the “Buyback Program”). In 2023, our board of directors authorized up to \$80.0 million of buybacks under the Buyback Program. In February 2024, our board of directors authorized up to \$100.0 million for use under the Buyback Program, including any remaining authority from the 2023 board of directors authorization. In February 2025, our board of directors authorized up to an additional \$200.0 million for use under the Buyback Program. In July 2025, our board of directors authorized up to an additional \$200.0 million for use under the Buyback Program. The Buyback Program permits us to purchase our Ordinary shares from time to time in the open market, including through trading plans intended to comply with Rule 10b5-1 under the Exchange Act, in privately negotiated transactions or otherwise. The timing and amount of any share buybacks will be subject to market conditions and other factors determined by the Company. The Company may suspend, modify or discontinue the program at any time in its sole discretion without prior notice.

ITEM 3: Defaults upon Senior Securities

None.

ITEM 4: Mine Safety Disclosures

Not applicable.

ITEM 5: Other Information

On October 15, 2025, the Repurchase Agreement between the Company and Yahoo terminated in accordance with its terms, following notice from Israeli counsel that approval from the Israeli Competition Authority was not required. The description of the Repurchase Agreement included in the Company’s Current Report on Form 8-K filed on March 19, 2025 and Annual Report filed on February 26, 2025, is incorporated herein by reference.

Exhibit No.	Exhibit Description
10.1#†	Amendment No. 4, dated July 25, 2025, to the Digital Property and Services Agreement dated as of November 28, 2022 by and between Taboola, Inc. and Yahoo, Inc. and its affiliates
31.1	Rule 13a-14(a)/15d-14(a) Certification of Chief Executive Officer
31.2	Rule 13a-14(a)/15d-14(a) Certification of Chief Financial Officer
32	Section 1350 Certifications
101.INS	Inline XBRL Instance Document (the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document).
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Labels Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101).

Certain confidential portions (indicated by brackets and asterisks) have been omitted from this exhibit.

† Certain schedules and exhibits to this Exhibit omitted pursuant to Regulation S-K Item 601(b)(2). The Registrant agrees to furnish supplementally a copy of any omitted schedule or exhibit to the SEC upon request.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this Quarterly Report on Form 10-Q to be signed on its behalf by the undersigned, thereunto duly authorized, in New York, New York, on this 5th day of November 2025.

By: /s/ Stephen C. Walker
Name: Stephen C. Walker
Title: Chief Financial Officer

Certain confidential information contained in this document, marked by brackets [***], has been omitted pursuant to Item 601(b)(10)(iv) of Regulation S-K.



Amendment No. 4

This Amendment No. 4 (the "**Amendment**") modifies the Digital Property and Demand Services Agreement dated November 28, 2022 between Taboola, Inc. ("**Taboola**") and Yahoo Inc. and its Affiliates ("**Yahoo**" or "**Company**") (the "**Agreement**"), as amended. This Amendment is made and effective as of February 1, 2025 (the "**Amendment Effective Date**"). Yahoo and Taboola may each be referred to as a "**Party**" or collectively as the "**Parties**". Capitalized terms used herein and not otherwise defined shall have the meaning ascribed to them in the Agreement. In the event of any inconsistency between the terms of this Amendment and the Agreement, the terms of this Amendment shall prevail.

WHEREAS, Yahoo and Taboola are Parties to the Agreement, as amended; and

WHEREAS, the Parties wish to amend the Agreement in certain respects;

NOW, THEREFORE, in consideration of the premises and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties hereto hereby agree as follows:

1. **Placement Groups.** The matrix of Placement Groups in Appendix C of the Agreement shall be replaced with the matrix of new Placement Groups attached hereto in Exhibit 1, which shall be used to calculate the Initial Baseline. Accordingly, all references to the [***] in the Agreement shall refer to the Placement Groups set forth in the matrix in Exhibit 1 of this Amendment. For the avoidance of doubt, the remainder of Appendix C shall not be modified and shall remain in full force and effect.
2. [***].
 - 2.1. Pursuant to Section VII.B.1.a of the Agreement, the Parties acknowledge and agree that the Transition Period End Date was [***] and the Transition Period Ad Spend was calculated from [***] through [***], (the "**Measurement Period**"). Pursuant to Section VII.B.1 of the Agreement, the Parties agree that the [***] shall be [***].
 - 2.2. The Parties agree that Exhibit 1 establishes the [***] and that the measurements contained in Exhibit 1 are accurate.
3. **Vertical Ads.** Notwithstanding the foregoing, the Parties acknowledge and agree that the launch date of the Vertical Ads format (to replace the "Moments" ad format) to general availability (the "**Vertical Ad Launch Date**") has not occurred as of the Amendment Effective Date. For the purposes of this Agreement, the Vertical Ad Launch Date shall occur when the Vertical Ads format is available across all applicable inventory of the Properties (as mutually agreed by the Parties). Thereafter the Parties shall meet and agree to finalize the measurements for Vertical Ads in a further amendment.
4. [***]. The Parties agree that after the [***] described above, the first [***] shall occur on [***] and all further [***] shall occur as provided in the Agreement.
5. **Miscellaneous.** Except as expressly set forth herein, all other clauses, terms and conditions, and appendices of the Agreement are unmodified and remain in full force and effect. Upon the effectiveness of this Amendment, each reference in the Agreement to "this Agreement," "hereof," "hereunder," "herein," or words of like import referring to the Agreement shall be deemed to refer to the Agreement, as amended, supplemented or otherwise modified by this Amendment; provided that references in the Agreement to "as of the date hereof" or "as of the date of this Agreement" or words of like import shall continue to refer to November 28, 2022. This Amendment may be executed in one or more counterparts, each of which when executed shall be deemed to be an original but all of which taken together shall

constitute one and the same instrument. An electronically transmitted signature via pdf or facsimile shall be deemed the equivalent to an original ink signature. In the event of a conflict between any of the terms and conditions of the Agreement and any of the terms and conditions of this Amendment, the terms and conditions of this Amendment shall control.

IN WITNESS WHEREOF, the Parties hereto, have executed this Amendment as of the Amendment Effective Date.

Yahoo Inc.

By: /s/ Monica Mijaleski

Name (Print): Monica Mijaleski

Title: CFO

Date: July 25, 2025

Taboola, Inc.

By: /s/ Blythe Holden

Name (Print): Blythe Holden

Title: General Counsel

Date: July 25, 2025

Taboola.com Ltd.

By: /s/ Eldad Maniv

Name (Print): Eldad Maniv

Title: President & COO

Date: July 25, 2025

EXHIBIT 1
Matrix of Placement Groups

[***]

I, Adam Singolda, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Taboola.com Ltd.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's fourth fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 5, 2025

By: /s/Adam Singolda
Adam Singolda
Chief Executive Officer
(Principal Executive Officer)

I, Stephen Walker, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Taboola.com Ltd.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's fourth fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

November 5, 2025 By: /s/ Stephen Walker
Stephen Walker
Chief Financial Officer
(Principal Financial Officer)

Certification Pursuant to 18 U.S.C. §1350

Solely for the purposes of complying with 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes- Oxley Act of 2002, we, the undersigned Chief Executive Officer and Chief Financial Officer of Taboola.com Ltd. (the “Company”), hereby certify, based on our knowledge, that the Quarterly Report on Form 10-Q of the Company for the quarter ended September 30, 2025 (the “Report”) fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934, as amended, and that information contained in the Report fairly presents, in all material respects, the financial condition, and results of operations of the Company.

Date: November 5, 2025

By: /s/Adam Singolda

Adam Singolda
Chief Executive Officer
(Principal Executive Officer)

By: /s/ Stephen Walker

Stephen Walker
Chief Financial Officer
(Principal Financial Officer)