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

**FORM 6-K**

REPORT OF FOREIGN PRIVATE ISSUER PURSUANT TO RULE 13a-16 OR 15d-16 UNDER THE  
SECURITIES EXCHANGE ACT OF 1934  
For the month of February 2022

Commission File Number: 001-40566

**TABOOLA.COM LTD.**

(Exact name of registrant as specified in its charter)

**16 Madison Square West 7th Floor**

**New York, NY 10010**

**(Address of principal executive office)**

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F:

Form 20-F  Form 40-F

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1):

Yes  No

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7):

Yes  No

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## EXPLANATORY NOTE

The information in the attached Exhibits 99.1 and 99.2 is being furnished and shall not be deemed “filed” for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), or otherwise subject to the liabilities of that Section, nor shall it be deemed incorporated by reference in any filing made by the Company under the Securities Act of 1933, as amended, or the Exchange Act, except as otherwise set forth herein or as shall be expressly set forth by specific reference in such a filing.

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### ITEM

[99.1](#) Press Release dated February 22, 2022

[99.2](#) Letter to Shareholders dated February 22, 2022

[99.3](#) Investor presentation dated February 22, 2022

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**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

**TABOOLA.COM LTD.**

By: /s/ Stephen Walker

Name: Stephen Walker

Title: Chief Financial Officer

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Date: February 22, 2022

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## Taboola Reports Record Q4 and

### Full Year 2021 Results

- 2021 Gross Profit grew 38% and ex-TAC Gross Profit grew 36% over 2020
- Exceeded guidance across all financial measures
- Q4 2021 Gross Profit and ex-TAC Gross Profit grew over 50%
- Increasing 2022 guidance to \$1.67 billion for Revenues, \$556 million for Gross Profit, \$665 million for ex-TAC Gross Profit and \$204 million for Adjusted EBITDA, representing 30.7% Ratio of Adjusted EBITDA to ex-TAC Gross Profit
- Taboola to host its inaugural Investor Day on March 29, 2022, live stream will be available on Taboola's investors website

New York, NY, February 22, 2022 -- Taboola (Nasdaq: TBLA), a global leader in powering recommendations for the open web, helping people discover things they may like, today announced its results for the quarter and year ended December 31, 2021.

“We closed 2021 with the strongest quarter in our history with record Revenues, ex-TAC Gross Profit and Adjusted EBITDA,” said Adam Singolda, Founder and CEO, Taboola. “We’ve continued our strong momentum, launching game changing products such as Homepage for You and SmartBid Dimensions, signing incredible partnerships such as McClatchy and Samsung and making great progress in our premium advertising offerings, including brands/agencies with video, as well as e-Commerce with the acquisition of Connexity. This all comes at a time when the future of advertising is transitioning from user-tracking to contextual, which is where Taboola shines. We are excited to carry this momentum into 2022 and we are laser focused on continual innovation and unlocking greater audience, engagement and monetization for our partners.”

For more commentary on the quarter, please refer to Taboola's Q4 2021 Shareholder Letter, which was furnished to the SEC and also posted on Taboola's website today at <https://investors.taboola.com>.

**Fourth Quarter and Full Year 2021 Results Summary (unaudited)**

(dollars in thousands)	Three Months Ended December 31,		Year Ended December 31,		% change YoY
	2021	2020	2021	2020	
Revenues	\$ 407,668	\$ 351,294	\$ 1,378,458	\$ 1,188,893	15.9%
Gross Profit	\$ 143,642	\$ 93,021	\$ 441,071	\$ 319,497	38.1%
Net Income (loss)	\$ 585	\$ 2,753	\$ (24,948)	\$ 8,493	NM
Ratio of Net Income (loss) to Gross profit	0.4%	3.0%	(5.7%)	2.7%	NM
Cash Flow from Operations	\$ 22,968	\$ 57,469	\$ 63,521	\$ 139,087	(54.3%)
Cash, cash equivalents and short-term deposits	\$ 319,319	\$ 242,811	\$ 319,319	\$ 242,811	31.5%
<b>Non-GAAP Financial Data*</b>					
ex-TAC Gross Profit	\$ 169,210	\$ 110,202	\$ 518,863	\$ 382,352	35.7%
Adjusted EBITDA	\$ 65,383	\$ 32,993	\$ 179,464	\$ 106,193	69.0%
Ratio of Adjusted EBITDA to ex-TAC Gross Profit	38.6%	29.9%	34.6%	27.8%	24.5%
Free Cash Flow	\$ 12,672	\$ 53,375	\$ 24,451	\$ 121,313	(79.8%)

NM=Not Meaningful

**Fourth Quarter Financial Highlights**

Q4 results exceeded guidance across all financial measures

	Three Months Ended December 31, 2021	Q4 Guidance
Revenues	\$408M	\$392 - \$396M
Gross Profit	\$144M	\$129 - \$132M
ex-TAC Gross Profit	\$169M	\$163 - \$165M
Adjusted EBITDA	\$65M	\$61 - \$63M

- Revenues grew \$56 million or 16% year-over-year.
  - New digital property partners<sup>1</sup> drove \$21 million of growth.
  - Existing digital property partners<sup>2</sup> grew \$35 million which translates to net dollar retention<sup>3</sup> - of 110% driven by improvement in yield as well as the inclusion of Connexity revenue.
- Gross Profit grew \$51 million or 54.4% year-over-year and ex-TAC Gross Profit grew \$59 million or 53.5% year-over-year.
  - Growth driven by new digital properties and strong yield improvements as well as from inclusion of Connexity in our Q4 2021 results.
  - Contributing to the year-over-year increase was the voluntary repayment in Q4 of the prior year of \$17 million in guaranteed TAC payments withheld in Q2 and Q3 of 2020.

- Operating expenses grew \$38 million or 44.1% year-over-year. The drivers include the inclusion of Connexity expenses, increase in amortization related to intangibles from the Connexity acquisition and higher public company expenses.
- Net income of \$0.6 million compared to net income of \$2.8 million in Q4 2020.
- Adjusted EBITDA of \$65 million increased by \$32 million year-over-year as higher gross profit more than offset higher operating expenses.
- EPS was \$0.00 per diluted share in the fourth quarter. The EPS was based on fully-diluted shares outstanding of 272 million.
- Cash Flow from Operations decreased \$35 million year-over-year and Free Cash Flow decreased \$41 million year-over-year reflecting in part higher publisher prepayments due to the timing of renewals as well as higher tax payments.

<sup>1</sup>New digital property partners within the first 12 months that were live on our network.

<sup>2</sup>Net growth of 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 them when they are first on-boarded).

<sup>3</sup>Net Dollar Retention is the net growth of existing digital property partners for the given period divided by the revenues from the same period in the prior-year.

### **First Quarter and Full Year 2022 Guidance**

The Company's strong fourth quarter results provide us confidence to raise our full year 2022 guidance above our previous guidance.

For the First Quarter 2022, the Company currently expects:

- Revenues of \$353 to \$359 million
- Gross Profit of \$108 to \$112 million
- ex-TAC Gross Profit of \$134 to \$138 million
- Adjusted EBITDA of \$32 to \$34 million
- Non-GAAP Net Income of \$12 to \$14 million

For the Full Year 2022, the Company currently expects:

(dollars in millions)	<b>Increased Guidance</b> (as of 02/22/22)	<b>Year over Year</b> <b>Growth</b>	<b>Previous Guidance</b> (as of 9/28/21)
Revenues	\$1,666 - \$1,678	21% - 22%	\$1,588 - \$1,633
Gross Profit	\$552 - \$560	25% - 27%	\$530 - \$550
ex-TAC Gross Profit	\$661 - \$669	27% - 29%	\$645 - \$665
Adjusted EBITDA	\$195 - \$213	9% - 19%	\$193 - \$213
Non-GAAP Net Income	\$111 - \$129	NA	NA

Although we provide guidance for Adjusted EBITDA and Non-GAAP Net Income, we are not able to provide guidance for projected Net income (loss), the most directly comparable GAAP measure. Certain elements of Net income (loss), including share-based compensation expenses and warrant valuations, are not predictable due to the high variability and difficulty of making accurate forecasts. As a result, it is impractical for us to provide guidance on Net Income (loss) or to reconcile our Adjusted EBITDA and Non-GAAP Net Income guidance without unreasonable efforts. Consequently, no disclosure of projected Net income (loss) is included. For the same reasons, we are unable to address the probable significance of the unavailable information.

Our guidance assumes that the global economy continues to recover, with no major COVID-19 related or other setbacks that may cause economic conditions to deteriorate or significantly reduce advertiser demand.

### Webcast Details

Taboola's senior management team will discuss the Company's earnings on a call that will take place tomorrow, February 23, 2022, at 8:30 AM ET. The call can be accessed via webcast at <https://investors.taboola.com>, or by conference call by dialing (877) 312-1874, or (470) 495-9527 for international callers, and entering the conference ID 5188107. The webcast will be available for replay for one year, through the close of business on February 22, 2023.

### Q1 Conference Schedule:

Taboola management is scheduled to participate in the following conferences in the first quarter:

- Susquehanna Eleventh Annual Technology Conference on March 3rd (virtual meetings)
- JMP Securities Technology Conference on March 7th in San Francisco
- KeyBanc Emerging Tech Summit on March 8th in San Francisco
- Deutsche Bank Media, Internet and Telecom Conference on March 15th in Palm Beach, Florida

## **\*About Non-GAAP Financial Information**

This press release includes ex-TAC Gross Profit, Adjusted EBITDA, Ratio of Adjusted EBITDA to ex-TAC Gross Profit, Free Cash Flow and Non-GAAP Net Income, which are non-GAAP financial measures. These non-GAAP financial measures are not measures of financial performance in accordance with GAAP and may exclude items that are significant in understanding and assessing the Company's financial results. Therefore, these measures should not be considered in isolation or as an alternative to revenues, gross profit, net income, cash flows from operations or other measures of profitability, liquidity or performance under GAAP. You should be aware that the Company's presentation of these measures may not be comparable to similarly-titled measures used by other companies.

Non-GAAP Net Income guidance, a new metric used in this press release as part of Q1 2022 guidance, is presented to provide insight to projected future results excluding revaluation of warrant liability, share-based compensation expenses, M&A costs, amortization of acquired intangibles and related income tax effects. The type of adjustments made may vary from period to period.

The Company believes non-GAAP financial measures provide useful supplemental information to management and investors regarding future financial and business trends relating to the Company. The Company believes that the use of these measures provides an additional tool for investors to use in evaluating operating results and trends and in comparing the Company's financial measures with other similar companies, many of which present similar non-GAAP financial measures to investors. Non-GAAP financial measures are subject to inherent limitations because they reflect the exercise of judgments by management about which items are excluded or included in calculating them, which may vary from period to period. Please refer to the appendix at the end of this press release for reconciliations to the most directly comparable measures in accordance with GAAP.

## **Note Regarding Forward-Looking Statements**

Certain statements in this press release are forward-looking statements. Forward-looking statements generally relate to future events including future financial or operating performance of Taboola.com Ltd. (the "Company"). In some cases, you can identify forward-looking statements by terminology such as "may", "should", "expect", "intend", "will", "estimate", "anticipate", "believe", "predict", "potential" or "continue", or the negatives of these terms or variations of them or similar terminology. Such forward-looking statements are subject to risks, uncertainties, and other factors which could cause actual results to differ materially from those expressed or implied by such forward looking statements.



These forward-looking statements are based upon estimates and assumptions that, while considered reasonable by the Company and its management, are inherently uncertain. Uncertainties and risk factors that could affect the Company's future performance and cause results to differ from the forward-looking statements in this press release include, but are not limited to: the ability to recognize the anticipated benefits of the recent acquisition of Connexity and the business combination between the Company and ION Acquisition Corp. 1 Ltd. (together, the "Business Combinations"), which may be affected by, among other things, competition, the ability of the Company to grow and manage growth profitably, maintain relationships with customers and retain its management and key employees; the Company's ability to successfully integrate the Connexity acquisition; costs related to the Business Combinations; changes in applicable laws or regulations; the Company's estimates of expenses and profitability and underlying assumptions with respect to accounting presentations and purchase price and other adjustments; ability to attract new digital properties and advertisers; ability to meet minimum guarantee requirements in contracts with digital properties; intense competition in the digital advertising space, including with competitors who have significantly more resources; ability to grow and scale the Company's ad and content platform through new relationships with advertisers and digital properties; ability to secure high quality content from digital properties; ability to maintain relationships with current advertiser and digital property partners; ability to make continued investments in the Company's AI-powered technology platform; the need to attract, train and retain highly-skilled technical workforce; changes in the regulation of, or market practice with respect to, "third party cookies" and its impact on digital advertising; continued engagement by users who interact with the Company's platform on various digital properties; the impact of the ongoing COVID-19 pandemic; reliance on a limited number of partners for a significant portion of the Company's revenue; changes in laws and regulations related to privacy, data protection, advertising regulation, competition and other areas related to digital advertising; ability to enforce, protect and maintain intellectual property rights; and risks related to the fact that we are incorporated in Israel and governed by Israeli law; and other risks and uncertainties set forth in the section entitled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" in the Company's registration statement on Form F-1, as amended, and in subsequent filings with the Securities and Exchange Commission.

Nothing in this press release should be regarded as a representation by any person that the forward-looking statements set forth herein will be achieved or that any of the contemplated results of such forward-looking statements will be achieved. You should not place undue reliance on these forward-looking statements, which speak only as of the date they were made. The Company undertakes no duty to update these forward-looking statements except as may be required by law.

## **About Taboola**

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

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

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

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

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**CONSOLIDATED BALANCE SHEETS**

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

	<b>December 31, 2021</b>	<b>December 31, 2020</b>
	<b>Unaudited</b>	<b>Unaudited</b>
<b>ASSETS</b>		
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$ 319,319	\$ 242,811
Restricted deposits	1,000	3,664
Trade receivables	245,235	158,050
Prepaid expenses and other current assets	63,394	21,609
<u>Total current assets</u>	<u>628,948</u>	<u>426,134</u>
<b>NON-CURRENT ASSETS</b>		
Long-term prepaid expenses	32,926	5,289
Restricted deposits	3,897	3,300
Deferred tax assets	1,876	1,382
Right of use assets	65,105	68,058
Property and equipment, net	63,259	52,894
Intangible assets, net	252,498	3,905
Goodwill	549,338	19,206
<b>TOTAL LONG-TERM ASSETS</b>	<b>968,899</b>	<b>154,034</b>
<u>Total assets</u>	<u>\$ 1,597,847</u>	<u>\$ 580,168</u>

**CONSOLIDATED BALANCE SHEETS**

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

	<b>December 31, 2021</b>	<b>December 31, 2020</b>
	<b>Unaudited</b>	<b>Unaudited</b>
<b>LIABILITIES, CONVERTIBLE PREFERRED SHARES AND SHAREHOLDERS' EQUITY</b>		
<b>CURRENT LIABILITIES</b>		
Trade payables	\$ 261,557	\$ 189,352
Lease liability	12,958	15,746
Accrued expenses and other current liabilities	123,046	95,135
Loan	3,000	-
<u>Total current liabilities</u>	<u>400,561</u>	<u>300,233</u>
<b>LONG TERM LIABILITIES</b>		
Deferred tax liabilities	51,560	45
Warrant liability	31,227	-
Loan	285,402	-
Lease liability	61,526	63,044
<u>Total long-term liabilities</u>	<u>429,715</u>	<u>63,089</u>
<b>CONVERTIBLE PREFERRED SHARES</b>		
Preferred A, B, B-1, B-2, C, D and E shares with no par value - Authorized: 0 and 123,389,750 shares at December 31, 2021 and at December 31, 2020 respectively; Issued and outstanding: 0 and 121,472,152 shares at December 31, 2021 and December 31, 2020 respectively.	-	170,206
<b>SHAREHOLDERS' EQUITY</b>		
Ordinary shares with no par value- Authorized: 700,000,000 and 176,535,661 shares as of December 31,2021 and December 31, 2020 respectively; 234,031,897 and 41,357,049 shares issued and outstanding as of December 31, 2021 and December 31, 2020, respectively.	-	-
Additional paid-in capital	824,016	78,137
Accumulated deficit	(56,445)	(31,497)
<u>Total shareholders' equity</u>	<u>767,571</u>	<u>46,640</u>
<u>Total liabilities, convertible preferred shares, and shareholders' equity</u>	<u>\$ 1,597,847</u>	<u>\$ 580,168</u>

**CONSOLIDATED STATEMENT OF INCOME (LOSS)**

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

	Three months ended		Year ended	
	December 31,		December 31,	
	2021	2020	2021	2020
	Unaudited		Unaudited	
Revenues	\$ 407,668	\$ 351,294	\$ 1,378,458	\$ 1,188,893
Cost of revenues:				
Traffic acquisition cost	238,458	241,092	859,595	806,541
Other cost of revenues	25,568	17,181	77,792	62,855
<u>Total cost of revenues</u>	264,026	258,273	937,387	869,396
Gross profit	143,642	93,021	441,071	319,497
Operating expenses:				
Research and development expenses	34,044	34,031	117,933	99,423
Sales and marketing expenses	59,127	34,246	206,089	133,741
General and administrative expenses	31,826	18,478	130,314	60,140
<u>Total operating expenses</u>	124,997	86,755	454,336	293,304
Operating income (loss) before finance expenses	18,645	6,266	(13,265)	26,193
Finance income (expenses), net	(1,783)	(1,703)	11,293	(2,753)
Income (loss) before income taxes	16,862	4,563	(1,972)	23,440
Provision for income taxes	(16,277)	(1,810)	(22,976)	(14,947)
Net Income (loss)	\$ 585	\$ 2,753	\$ (24,948)	\$ 8,493
Less: Undistributed earnings allocated to participating securities	-	(5,885)	(11,944)	(22,932)
Net Income (loss) attributable to ordinary shares – basic and diluted	\$ 585	\$ (3,132)	\$ (36,892)	\$ (14,439)
Net Income (loss) per share attributable to ordinary shareholders, basic	\$ 0.00	\$ (0.08)	\$ (0.26)	\$ (0.36)
Weighted-average shares used in computing net income (loss) per share attributable to ordinary shareholders, basic	243,850,858	40,372,255	142,883,475	40,333,870
Net Income (loss) per share attributable to ordinary shareholders, diluted	\$ 0.00	\$ (0.08)	\$ (0.26)	\$ (0.36)
Weighted-average shares used in computing net income (loss) per share attributable to ordinary shareholders, diluted	271,857,016	40,372,255	142,883,475	40,333,870

**SHARE BASED COMPENSATION BREAK-DOWN BY EXPENSE LINE**

U.S. dollars in thousands

	Three months ended		Year ended	
	December 31,		December 31,	
	2021	2020	2021	2020
	Unaudited		Unaudited	
Cost of revenues	\$ 794	\$ 209	\$ 1,891	\$ 788
Research and development	8,738	12,148	29,022	16,491
Sales and marketing	4,518	2,528	44,834	6,930
General and administrative	9,473	2,379	52,210	4,068
Total share-based compensation expense	\$ 23,523	\$ 17,264	\$ 127,957	\$ 28,277

**DEPRECIATION AND AMORTIZATION BREAK-DOWN BY EXPENSE LINE**

U.S. dollars in thousands

	Three months ended		Year ended	
	December 31,		December 31,	
	2021	2020	2021	2020
	Unaudited		Unaudited	
Cost of revenues	\$ 8,590	\$ 5,749	\$ 27,417	\$ 22,520
Research and development	704	469	3,574	6,573
Sales and marketing	13,709	895	21,267	4,118
General and administrative	58	(4)	853	746
Total depreciation and amortization expense	\$ 23,061	\$ 7,109	\$ 53,111	\$ 33,957

# CONSOLIDATED STATEMENTS OF CASH FLOWS

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

	Three months ended		Year ended	
	December 31,		December 31,	
	2021	2020	2021	2020
	Unaudited		Unaudited	
<u>Cash flows from operating activities:</u>				
Net income (loss)	\$ 585	\$ 2,753	\$ (24,948)	\$ 8,493
<u>Adjustments to reconcile net income (loss) to net cash flows provided by operating activities:</u>				
Depreciation and amortization	23,061	7,109	53,111	33,957
Share based compensation expenses	23,523	17,264	127,957	28,277
Net gain from financing expenses	(463)	(2,381)	(2,320)	(3,318)
Revaluation of the warrant liability	(5,565)	-	(22,656)	-
Accrued interest, net	283	1	402	520
<u>Change in operating assets and liabilities:</u>				
Increase in trade receivables	(54,657)	(41,136)	(40,113)	(3,294)
Decrease (increase) in prepaid expenses and other current assets and long-term prepaid expenses	(26,544)	3,144	(64,923)	17,975
Increase in trade payables	52,663	50,830	25,478	23,434
Increase in accrued expenses and other current liabilities	14,026	18,887	14,566	34,344
Decrease in deferred taxes, net	(4,297)	(1,745)	(1,581)	(3,380)
Change in operating lease Right of use assets	3,651	3,615	14,529	13,758
Change in operating Lease liabilities	(3,298)	(872)	(15,981)	(11,679)
<b>Net cash provided by operating activities</b>	<b>22,968</b>	<b>57,469</b>	<b>63,521</b>	<b>139,087</b>
<u>Cash flows from investing activities</u>				
Purchase of property and equipment, including capitalized platform costs	(10,296)	(4,094)	(39,070)	(17,774)
Cash paid in connection with acquisitions, net of cash acquired	(171)	-	(583,457)	(202)
Decrease (increase) in restricted deposits	(258)	(172)	2,067	(104)
Decrease in short-term deposits	-	-	-	28,963
<b>Net cash provided by (used in) investing activities</b>	<b>(10,725)</b>	<b>(4,266)</b>	<b>(620,460)</b>	<b>10,883</b>
<u>Cash flows from financing activities</u>				
Exercise of options and vested RSUs	2,539	1,554	10,018	2,603
Issuance of share, net of offering costs	(792)	-	285,378	-
Payments of tax withholding for share based compensation	(6,152)	-	(6,152)	-
Issuance of warrant	-	-	53,883	-
Proceeds from long term loans, net of debt issuance cost	-	-	288,750	-
Repayment of short term loan	(750)	-	(750)	-
<b>Net cash provided by (used in) financing activities</b>	<b>(5,155)</b>	<b>1,554</b>	<b>631,127</b>	<b>2,603</b>
Exchange differences on balances of cash and cash equivalents	463	2,381	2,320	3,318
Increase in cash and cash equivalents	7,551	57,138	76,508	155,891
Cash and cash equivalents - at the beginning of the period	311,768	185,673	242,811	86,920
Cash and cash equivalents - at end of the period	\$ 319,319	\$ 242,811	\$ 319,319	\$ 242,811

	Three months ended		Year ended	
	December 31,		December 31,	
	2021	2020	2021	2020
	Unaudited		Unaudited	
<b>Supplemental disclosures of cash flow information:</b>				
<u>Cash paid during the year for:</u>				
Income taxes	\$ 1,997	\$ 497	\$ 15,475	\$ 9,980
Interest	\$ -	\$ 129	\$ 1,125	\$ 715
<u>Non-cash investing and financing activities:</u>				
Purchase of property and equipment, including capitalized platform costs	\$ 1,120	\$ 1,879	\$ 1,120	\$ 1,879
Creation of operating lease right-of-use assets	\$ 6,902	\$ 3,440	\$ 4,520	\$ 14,635
Deferred offering costs incurred during the period included in the Long-term prepaid expenses	\$ -	\$ 2,096	\$ -	\$ 2,096
Fair value of ordinary shares issued as consideration of the acquisition	\$ -	\$ -	\$ 157,689	\$ -

**APPENDIX A: Non-GAAP Reconciliation**

**RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES FOR Q4 AND  
FULL YEARS 2021 AND 2020**

(Unaudited)

The following table provides a reconciliation of Revenues to ex-TAC Gross Profit.

	Three months ended		Year ended	
	December 31,		December 31,	
	2021	2020	2021	2020
	Unaudited		Unaudited	
	(dollars in thousands)		(dollars in thousands)	
Revenues	\$ 407,668	\$ 351,294	\$ 1,378,458	\$ 1,188,893
Traffic acquisition cost	238,458	241,092	859,595	806,541
Other cost of revenues	25,568	17,181	77,792	62,855
Gross Profit	\$ 143,642	\$ 93,021	\$ 441,071	\$ 319,497
Add back: Other cost of revenues	25,568	17,181	77,792	62,855
ex-TAC Gross Profit	\$ 169,210	\$ 110,202	\$ 518,863	\$ 382,352

The following table provides a reconciliation of Net income (loss) to Adjusted EBITDA.

	Three months ended		Year ended	
	December 31,		December 31,	
	2021	2020	2021	2020
	Unaudited		Unaudited	
	(dollars in thousands)		(dollars in thousands)	
Net income (loss)	\$ 585	\$ 2,753	\$ (24,948)	\$ 8,493
Adjusted to exclude the following:				
Financial expenses (income), net	1,783	1,703	(11,293)	2,753
Tax expenses	16,277	1,810	22,976	14,947
Depreciation and amortization	23,061	7,109	53,111	33,957
Share-based compensation expenses (1)	20,641	17,264	124,235	28,277
M&A costs (2)	154	2,354	11,661	17,766
Holdback compensation expenses (3)	2,882	-	3,722	-
Adjusted EBITDA	\$ 65,383	\$ 32,993	\$ 179,464	\$ 106,193



<sup>1</sup>For the 2021 periods, a substantial majority is Share-based compensation expenses related to going public.

<sup>2</sup> For 2020 periods, represents costs associated with the proposed strategic transaction with Outbrain Inc. which we elected not to consummate, and for 2021 periods, relates to the acquisition of ION Acquisition Corp. 1 Ltd., the acquisition of Connexity and going public.

<sup>3</sup> Represents share based compensation due to holdback of Taboola ordinary shares issuable under compensatory arrangements relating to Connexity acquisition.

We calculate Ratio of Net income (loss) to Gross profit as Net income (loss) divided by Gross profit. We calculate the Ratio of Adjusted EBITDA to ex-TAC Gross Profit, a non-GAAP measure, 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 reconciles Ratio of Net income (loss) to Gross Profit and Ratio of Adjusted EBITDA to ex-TAC Gross Profit for the period shown.

	<b>Three months ended</b>		<b>Year ended</b>	
	<b>December 31,</b>		<b>December 31,</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>Unaudited</b>		<b>Unaudited</b>	
	<b>(dollars in thousands)</b>		<b>(dollars in thousands)</b>	
Gross profit	\$ 143,642	\$ 93,021	\$ 441,071	\$ 319,497
Net Income (loss)	\$ 585	\$ 2,753	\$ (24,948)	\$ 8,493
Ratio of Net income (loss) to Gross profit	0.4%	3.0%	(5.7%)	2.7%
ex-TAC Gross Profit	\$ 169,210	\$ 110,202	\$ 518,863	\$ 382,352
Adjusted EBITDA	\$ 65,383	\$ 32,993	\$ 179,464	\$ 106,193
Ratio of Adjusted EBITDA Margin to ex-TAC Gross Profit	38.6%	29.9%	34.6%	27.8%

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

	Three months ended		Year ended	
	December 31,		December 31,	
	2021	2020	2021	2020
	Unaudited		Unaudited	
	(dollars in thousands)		(dollars in thousands)	
Net cash provided by operating activities	\$ 22,968	\$ 57,469	\$ 63,521	\$ 139,087
Purchases of property and equipment, including capitalized platform costs	(10,296)	(4,094)	(39,070)	(17,774)
Free Cash Flow	\$ 12,672	\$ 53,375	\$ 24,451	\$ 121,313

### APPENDIX A: Non-GAAP Reconciliation

#### RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES FOR Q1 2022 AND FULL YEAR 2022 GUIDANCE

(Unaudited)

The following table provides a reconciliation of Gross Profit to ex-TAC Gross Profit guidance.

	Q1 2022	FY 2022
	Unaudited	
	(dollars in millions)	
Revenues	\$353 - \$359	\$1,666 - \$1,678
Traffic acquisition cost	(\$218 - \$222)	(\$1,003 - \$1,011)
Other cost of revenues	(\$25 - \$27)	(\$106 - \$112)
Gross Profit	\$108 - \$112	\$552 - \$560
Add back: Other cost of revenues	\$25 - \$27	\$106 - \$112
ex-TAC Gross Profit	\$134 - \$138	\$661 - \$669



Dear Shareholder,

I’m excited to say we finished the year with a record Q4, and record 2021. Taboola is growing fast, our EBITDA margin is 30%+, we are generating cash, and there is meaningful momentum in the market:

- Q4 Revenues were \$408M, ex-TAC Gross Profit \$169M, Adjusted EBITDA \$65M.
- Ex-TAC Gross Profit growth of 54% over Q4 2020 and 22% pro forma with Connexity\*\*.
- Exceeded our full year 2021 guidance, growing ex-TAC Gross Profit to \$519M.
- When going public, we guided for 16% ex-TAC growth over full year 2020. In actuality, ex-TAC grew 36%, and 25% on a pro forma basis.
- Strong Adjusted EBITDA margin in 2021 of 35%.

We have always set our sights on profitable growth and our team is excited to have outperformed by delivering numbers north of 30% in two of the key metrics we track, ex-TAC Gross Profit growth (what is left for us after we pay our publishers), and also adjusted EBITDA.

2021 was a milestone year for us. We went public on June 30th and completed the largest acquisition in our history — Connexity. We brought new products to market and won meaningful partnerships all around the world. We demonstrated our differentiation, why we win, as well as established the value of having long term, exclusive publisher partnerships given the predictability it provides us as a business. We did all of this while delivering a “beat and raise” each quarter.

**We’re raising our 2022 guidance.** We expect Revenues of \$1.67B, ex-TAC Gross Profit of \$665M, and Adjusted EBITDA of \$204M (each at the midpoint of our guidance). This guidance represents an Ex-TAC growth rate of 28% over last year, and 16% on a pro forma basis, with a 30-32% Ratio of Adjusted EBITDA to ex-TAC Gross Profit.

**MOMENTUM CONTINUES INTO 2022**  
Fast Growth | 30%+ Adj. EBITDA Margin | Strong Free Cash Flow

	FY 2022 GUIDANCE	GROWTH RATE VS 2021
Revenues	<b>\$1,666 - 1,678M</b>	<b>21 - 22%</b>
Gross Profit	<b>\$552 - 560M</b>	<b>25 - 27%</b>
ex-TAC Gross Profit <sup>1</sup>	<b>\$661 - 669M</b>	<b>27 - 29%</b>
Adj. EBITDA <sup>1, 2</sup>	<b>\$195 - 213M</b>	<b>9 - 19%</b>
Ratio of Adj. EBITDA to ex-TAC Gross Profit	<b>30 - 32%</b>	

We’re over 1,850 people strong today, operating in 22 countries. It’s hard to hire top talent, but it’s a focus for the entire company as well as investing in our people’s productivity and wellbeing.

Taboola exists because there are only 24 hours in a day. The average person makes north of 30,000 decisions a day, and recommendation engines like Taboola help people make decisions that impact their lives, whatever they may be — what to read, what to listen to, what to buy. Our mission is to power recommendations for the Open Web, anywhere outside of walled gardens. Over time, we aim to ensure everything will be personalized, powered by Taboola. Think Amazon’s “people who buy this also buy” but powered by Taboola; for content, products and services; and everywhere in the Open Web outside of walled gardens (Amazon, Facebook, Google). The Open Web is a \$64B market, and we have differentiated offerings that help us win business fast, and profitably.



You've used us before. If you've ever been to a website or an app you love like CNBC, or ESPN, BBC, The Independent or El Mundo —Taboola recommends more content from the site you're on, as well as from elsewhere around the web. People click on Taboola 30 billion times a year, half of it is to read and watch more editorial content, and the other half is sponsored by advertisers.

Now more than 15,000 advertisers work with Taboola to reach users in the Open Web in the right context — when they're reading about something they care about. We reach about 500 million people every day, it's safe to advertise with us, and we're effective. Following the acquisition of Connexity, we are also a leader in powering e-Commerce recommendations, driving more than 1 million monthly transactions. Leading brands including Walmart, Macy's, Wayfair, Skechers and eBay are among key customers.

A bit about our integration with Connexity. We made progress on three fronts:

1. People - lots of excitement, merging our sales/comms systems, starts feeling like we're one.
2. Advertisers - momentum in selling Connexity by Taboola starting in China and soon into US.
3. Publishers - cross-selling Connexity offering to Taboola publishers in EMEA and APAC.

Over the past year, the Open Web has begun to transition from its addiction to tracking user data, and is shifting to contextual targeting. I'm encouraged by where the industry is going. It's safer for users, and contextual advertising is a source of our strength. Advertisers can reach users on Taboola based on their reading preferences — what makes them curious, what interests them, what they've watched and read — not just what “they told social networks about themselves.” This is the future. As I reflect on 2021, there are three important things on my mind as it relates to our business, I'll share highlights of those, and later in the letter I'll expand on each:

1. Win business because we're differentiated in the marketplace.
2. Operate in a \$64B market, and we have significant growth opportunities.
3. Strong, predictable financial model.

### **1. Win business because we're differentiated in the marketplace**

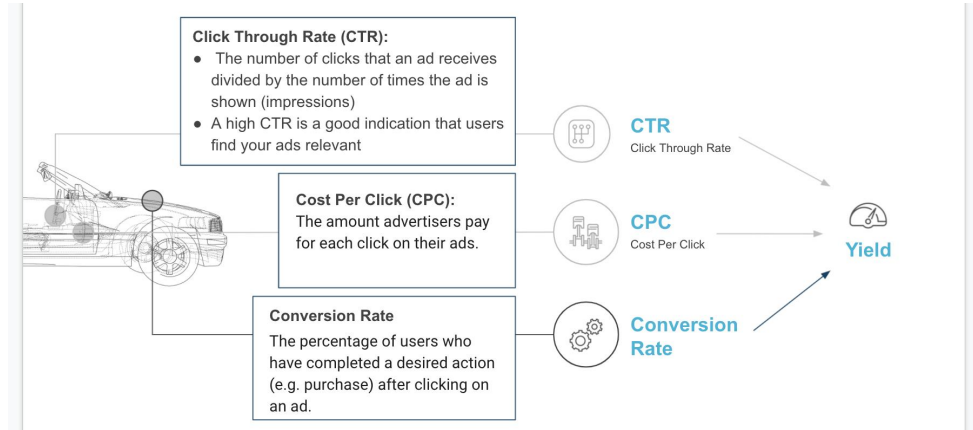
Many companies in the advertising space offer ads to publishers, but the truth is that nobody looks forward to seeing an advertisement. We don't just offer ads. When publishers work with us, we empower their entire organization to grow their audience, empower their editorial team and drive revenue growth. This powers the amazing content which readers love to experience.

We've taken a product-led approach, investing \$100M a year in a unique platform that differentiates us in the marketplace. Publishers that work with us get more than just revenue. Chief editors, product leadership, audience development teams, and eCommerce teams all choose Taboola, and thanks to that we're able to win long term, exclusive partnerships with some of the most amazing publisher partners in the world.

Here are a few of those investments that took place in 2021. I'll describe what those are, and why our clients and partners chose Taboola because of them.

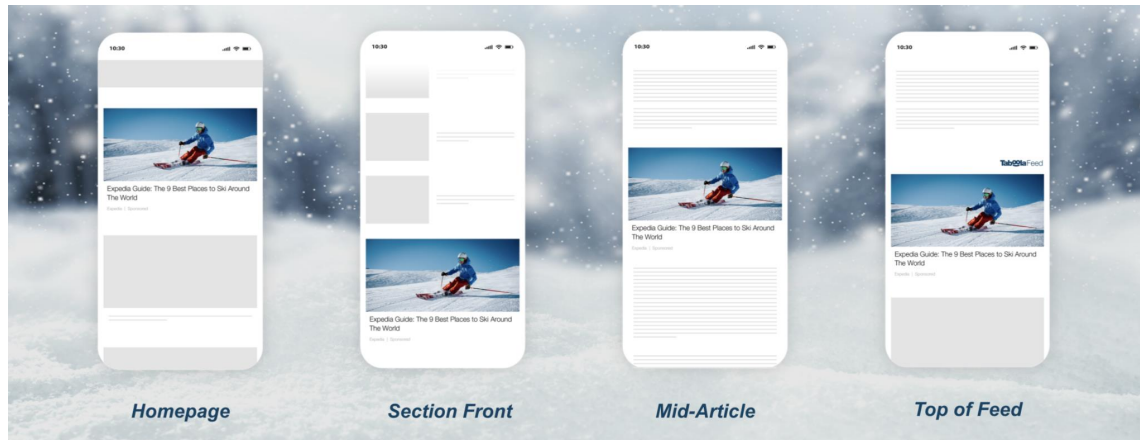
## SmartBid Dimensions AI optimizes campaigns on advertisers' behalf.

Advertisers choose Taboola because our technology/AI works. Last quarter we announced SmartBid's newest innovation, Dimensions. Dimensions allow SmartBid to use AI to look at 40 different signals (or 'dimensions') in addition to the publisher, such as time of day, day of week, platform, geographic location and more. Our new ability to factor in those dimensions at scale results in strong campaign performance, and since SmartBid is fully automated, it also saves advertisers the time they had to spend on manual bidding.



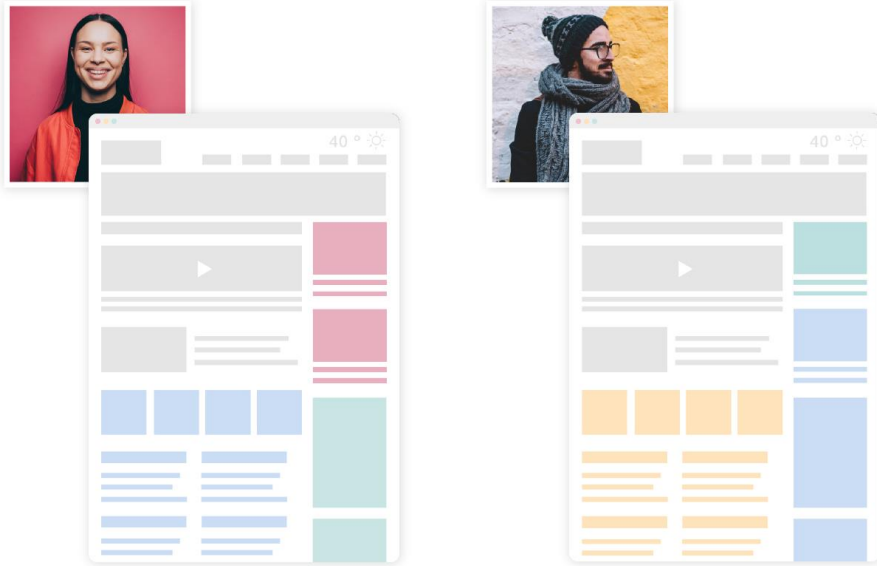
## High Impact Placements support brand and agencies' growth, and partners like NBC Sports, Future, Reach, Sinclair and more choose us for it.

We launched our High Impact Placements to capture new mid-article inventory, which brands love, and resulted in us expanding business with many of our partners. Brands and agencies are now able to appear in Taboola placements that are prominent, and allow for various formats like video, or large visuals. It gives brands and agencies the ability to track other things like viewability and completion rates, and is supported by partnerships with the likes of DoubleVerify, Moat, IAS and others.



**“Homepage For You” and Newsroom empower editorial teams, drive growth in engagement and audience, and win partnerships like McClatchy, NDTV and AP.**

We’ve been investing in Newsroom, which is our editorial technology that helps writers and editors to A/B test creatives, and find insights to fuel their editorial strategies for the past five years. Recently, we’ve expanded Newsroom to include the ability to empower homepage editors, and act on the data and insights to personalize the homepage using AI, we call it HomePage For You. This new offering has been shown to drive more than a 30% increase in CTRs and has been adopted already by leading publishers. NDTV valued it so much that they signed a 10 year partnership with us.

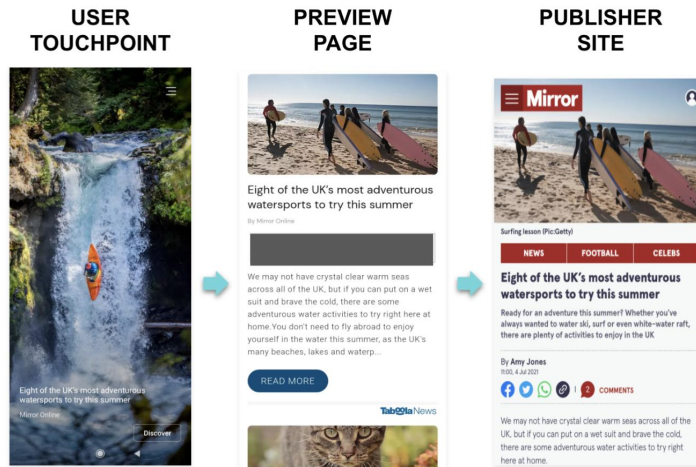


**Taboola News drives audience growth by distributing publishers' content to mobile devices.**

In 2021, we signed groundbreaking partnerships with Samsung Brazil and Xiaomi global, two of the largest Android OEM manufacturers in the world, to integrate a feed of news on their devices. Think “Apple News,” but for Android devices. I will provide further updates on our progress here in the next section.

**Taboola** News

Providing high quality traffic to Taboola publishers at no cost, through direct partnerships with OEMs and carriers.



## Content moderation teams keep our publishers, advertisers, and the Open Web safe.

We are committed to being a leader in content moderation. Today, we have a dedicated moderation team of 50 employees that review every new advertisement. I'm convinced that our process, policies and human approach are one of the best in our space. Our policies are public, local, and relevant to the market they are enforced in. We regularly interact with local reporters and authorities to constantly learn and improve.

## New Bidder Technology & Momentum

As I look at the last year, we have had a tremendous amount of momentum, winning partnerships like BBC, Hearst, Penske Media, LINE Today Hong Kong, Le Figaro. We've also announced exciting news as we signed a new agreement with Microsoft, lasting to July 2024, allowing both Microsoft and Taboola to look for even faster growth as part of a new bidder technology which Microsoft has supported us in the design of.

As a reminder, about 40% of our growth comes from new wins, and 60% is from existing accounts. All this sets the foundation that will enable us to grow in 2022 .....and far beyond.

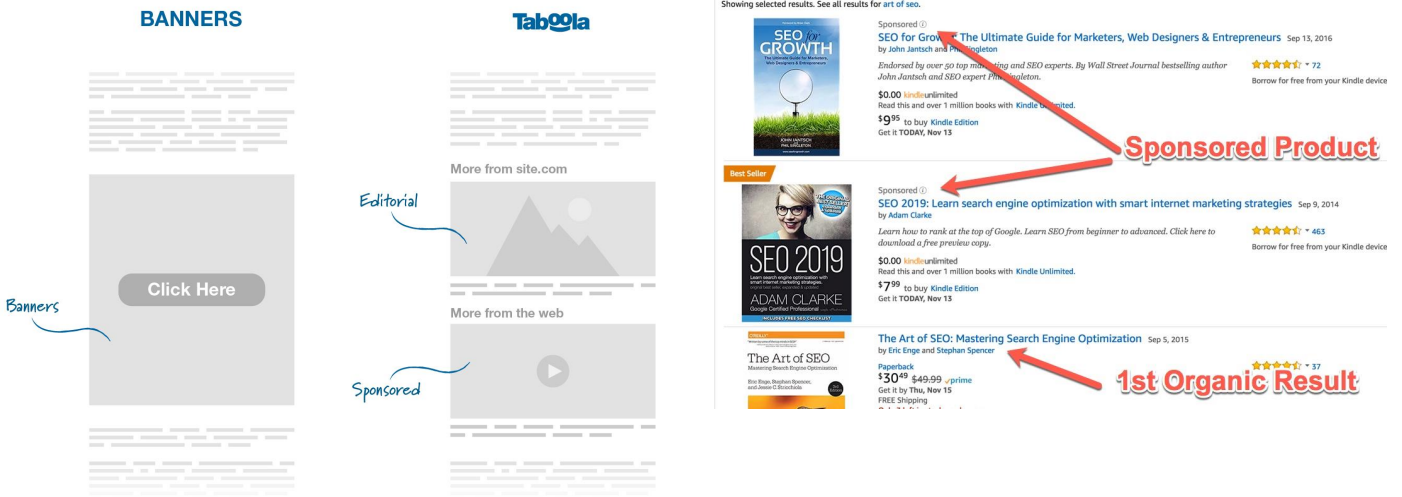
## 2. Operate in a \$64B market, and we have significant growth opportunities

In our core markets, the Open Web is still monetized using traditional ads, which provide limited value to users. Nobody opens their browser looking for a great banner — while people do actually interact with Google ads, or Amazon ads which do a great job of recommending what the user wants.

On Amazon, some of the product recommendations are organic, and some are sponsored — but they are all relevant. Taboola's advertising experiences are similar to Amazon, or Google's in the sense that they offer both editorial recommendations, as well as paid advertising. I think a lot of the \$64B market should look like Amazon, and we can power it.

Taboola offers more than just traditional advertising products — we offer users a mix of editorial recommendations, bundled with paid recommendations, all natively rendered. When you go to search on Google, some of the results are organic, and some are paid — but they're all related to what you want to do next.

When you buy a product on Amazon, some of the recommendations to other products are organic, and some are paid, but they're all related to what you want to buy next. When you surf the web, some of what Taboola recommends you is editorial content from the site that you're on, some are recommendations from around the web and all are relevant to what you may want to discover next.



We're not stopping there — over the next 10-20 years, Taboola will recommend anything, and be anywhere. Our aspirations are to be on every connected TV, on every mobile device, and in every car. Much like how some cars now come with Spotify for music, cars should be shipped with Taboola inside for local and national news, or for podcast recommendations.

We see tremendous opportunities to grow in new ways — to take our contextual signals, our AI and our data superpower to new places, to disrupt the traditional advertising ecosystem and capture a larger share of the \$64 billion Open Web market.

As we think about the future, we want to keep diversifying what we recommend, as well as make sure we are integrated anywhere people spend their time. This is the foundation of our 'Recommend Anything' and 'Recommend Anywhere' strategy.

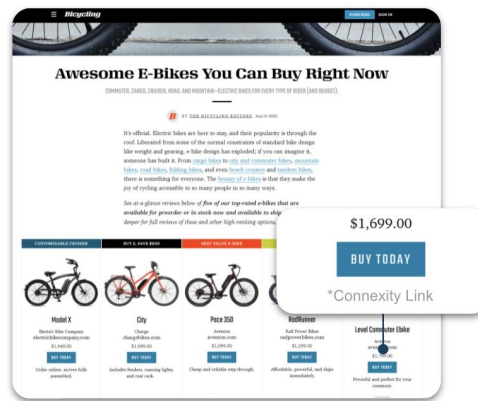


## RECOMMENDING ANYTHING, ANYWHERE A MULTI BILLION DOLLAR OPPORTUNITY



**'Recommend Anything.'** This is a way for us to diversify what we recommend, and to grow our yield for publishers, which helps us become even more competitive. Over time, we want to recommend audio, apps, games, and other types of verticals. A meaningful amount of our ex-TAC Gross Profit, about 30%, is from high value segments, 15% comes from e-Commerce and 15% comes from brands and agencies.

- Recommending more e-Commerce.** We expect that in the coming years, one-third of Open Web publisher revenue will be e-Commerce and with the acquisition of Connexity in 2021, we are set to transform the Open Web through greater product and e-Commerce recommendations.



Connexity is one of the largest e-Commerce media platforms on the Open Web with one million monthly transaction events supported by direct relationships with over 1,600 merchants, such as Walmart, Wayfair, Skechers, Macy's, eBay and Otto. We reach more than 100 million unique shoppers per month, via relationships with premium publishers including Condé Nast, DotDash, Hearst, Vox Media, Meredith, and News Corp Australia. With Connexity we have more relationships, more scale and commerce revenue is now over 15% of our total ex-TAC Gross Profit.

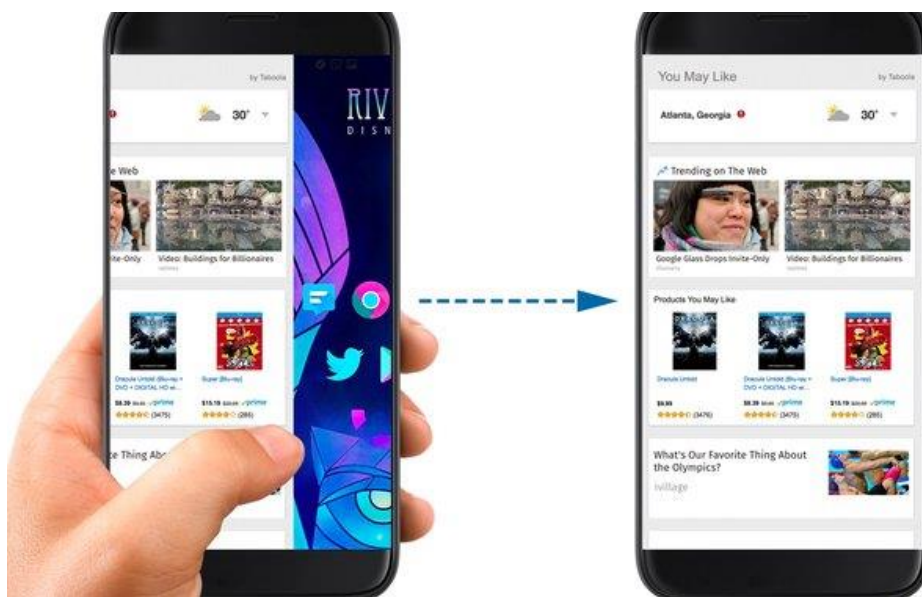
- **Recommending more with brands and agencies.** There's a huge opportunity for us as the market moves away from traditional banner ads towards in-feed native advertising, which is contextually meaningful to what the user is engaged with at a particular moment on a website.

With our high impact, mid-article product innovation we are bringing a more organic, native advertising solution into areas traditionally monetized through banners. This brings with it more premium demand, such as video. This is key to attracting more agencies to our platform, and the brand name advertisers that they work with.



**‘Recommend Anywhere.’** We should be recommending wherever people might be — digital canvases like Android devices, connected TVs, automobiles, audio devices and more. Our first foray into ‘Anywhere’ has been delivering recommendations to mobile devices through our Taboola News platform, our version of Apple News, but only for Android devices.

2021 was a breakout year for Taboola News — we announced partnerships with two of the largest Android OEM manufacturers in the world, Samsung in Brazil and Xiaomi globally, to integrate a feed of news on their devices. Taboola News now drives an average of more than 400 million monthly engagements on editorial content through mobile device and OEM partnerships. This represents an increase of more than 125% year-over-year. (Q4 2020 vs Q4 2021)



### 3. Taboola has a strong, predictable financial model

We grow fast, over 30% year-over-year in ex-TAC Gross Profit in 2021, and 28% expected in 2022 at the midpoint of our guidance. We have historically generated predictable Adjusted EBITDA margins of 30%+, which converts to positive free cash flow at a healthy rate. Our predictability is driven by long term contracts with publishers that average to approximately 3 years, on a revenue weighted basis, and which give us visibility to core business growth, providing us a solid foundation to invest and grow in new areas. Our balance sheet is strong with positive net cash, and we intend to continue growing and generating cash as we strengthen our leadership position in the market.

The evidence of our value to our partners and clients, and the strength of our business, can be seen in our financials and in our track record. Our business model is built to drive profitable growth while generating cash, and our goal is to be a Rule of 40 business (ex-TAC growth + Adjusted EBITDA margin > 40%). We achieved that in 2021 (in fact we were a rule of 50 business), and our plans call for it again in 2022. The mid-point of our 2022 guidance is \$1.67B in revenues, 28% ex-TAC gross profit growth and Adjusted EBITDA of \$204M at a margin of 30.7%.

Taboola is a two sided marketplace, we have direct relationships with both publishers and advertisers, and those relationships are unique and special. Let me explain what is special here, and why it grants us a good predictable view of our financials and business.

Most companies who provide advertising solutions to publishers rely on programmatic channels to bring dollars, and they try to be less dependant on it. They call it “Supply Path Optimization,” and it means that they want less companies between them and the advertiser or client. It means they are not the ones optimizing for the advertiser, and they’re not sure if the advertiser will keep buying. With Taboola, we behave a lot more like Google, Amazon and Meta, where the vast majority of our revenue, about 90%, comes from advertisers who work with us directly. Those advertisers use SmartBid AI to optimize their campaigns, they use our self-serve tools, best practices, new ad formats, data to succeed, and we know who they are. We on-board them, we grow their business, it works.

On the other side, when comparing Taboola to other companies that are mainly demand oriented, and programmatic, our main advantage is that we don’t buy inventory and hope that the inventory we have now will be here tomorrow. We work with publishers, exclusively and long-term. That means that as an advertiser working with Taboola, you’re one step away from the publisher, and there is consistency in the people you get to reach. In many ways, Taboola to the advertiser is much more like a consumer company. You can think of us as “one big global publisher,” we have guaranteed supply, and we reach 500M every single day.

In early 2021, when we started our journey to be a public company we presented to the investment community our “PIPE” projections for 2021 and 2022. The table below shows how our 2021 results and our 2022 guidance stack up against those initial expectations.

(dollars in millions)	2021 Actuals	2021 PIPE Projection	Actuals % Above PIPE	2022 Guidance	2022 PIPE Projection
Revenues	\$1,378	\$1,277	8 %	\$1,666 - \$1,678	\$1,450
Gross Profit	\$441	\$365	21 %	\$552 - \$560	\$419
ex-TAC Gross Profit	\$519	\$445	17%	\$661 - \$669	\$516
Adjusted EBITDA	\$179	\$127	41 %	\$195 - \$213	\$143

Especially in today’s market, the fact that we grew ex-TAC Gross Profit 30%+ last year on a reported basis and 25% on a pro forma basis, generated \$179M in Adjusted EBITDA, have a strong balance sheet, and we generate cash gives us the resources to keep innovating.

## Financial Performance

I’ll close by talking about our Q4 2021 financials which, as stated earlier, came in above our guidance, and give us the confidence to raise our guidance for 2022. Gross Profit and ex-TAC Gross Profit both grew over 50% versus Q4 2020 and our Ratio of Adjusted EBITDA to ex-TAC Gross Profit came in at 38.6%, comfortably above our target to be a “rule of 40” business. We are seeing continued good progress in the business — winning new business, executing on our ‘Recommend Anything’ and ‘Recommend Anywhere’ growth initiatives, and realizing very good yield expansion.

Below are the results of Q4 versus our guidance.

(dollars in millions)	Q4 2021	Year-over-Year Growth	Q4 2021 Guidance
Revenues	\$408	16%	\$392 to \$396
Gross Profit	\$144	54%	\$129 to \$132
ex-TAC Gross Profit*	\$169	54%	\$163 to \$165
Adjusted EBITDA*	\$65	98%	\$61 to \$63

New business contributed 38% and existing business contributed 62% of the growth in Revenues. Gains in yield and the inclusion of Connexity drove much of the growth of our existing base.



As mentioned, our Q4 performance gives us confidence to raise our 2022 guidance. The table below includes our current guidance for full year 2022 compared to our previous guidance:

<b>Full Year 2022</b> (dollars in millions)	<b>Increased Guidance</b>	<b>Year-over-Year Growth</b>	<b>Previous Guidance</b>
Revenues	\$1,666 - \$1,678	21% - 22%	\$1,588 - \$1,633
Gross Profit	\$552 - \$560	25% - 27%	\$530 - \$550
ex-TAC Gross Profit	\$661 - \$669	27% - 29%	\$645 - \$665
Adjusted EBITDA	\$195 - \$213	9% - 19%	\$193 - \$213
Non-GAAP Net Income	\$119 - \$129	NA	NA

For a complete look at our updated full year and Q1 2022 guidance, please see our Q4 2021 earnings press release, which was furnished to the SEC and also posted on Taboola's website today at <https://investors.taboola.com>.

\* \* \*

We're kicking off 2022 on the back of a strong 2021, and we're energized to keep innovating on the product front, and work with incredible partners all over the world. Our mission is build a recommendations engine for the Open Web, side by side to Google, Amazon and Meta and as a public company, we're well positioned to keep investing in fulfilling that mission over the next decades.

I'm looking forward to our upcoming earnings call and engaging with investors in the coming months, where I'll do my best to answer any questions you may have.

Kind regards,  
-- Adam Singolda  
Founder & CEO Taboola

### **\*About Non-GAAP Financial Information**

This release includes ex-TAC Gross Profit, Adjusted EBITDA, Ratio of Adjusted EBITDA to ex-TAC Gross Profit and Free Cash Flow, which are non-GAAP financial measures. These non-GAAP financial measures are not measures of financial performance in accordance with GAAP and may exclude items that are significant in understanding and assessing the Company's financial results. Therefore, these measures should not be considered in isolation or as an alternative to revenues, gross profit, net income, cash flows from operations or other measures of profitability, liquidity or performance under GAAP. You should be aware that the Company's presentation of these measures may not be comparable to similarly-titled measures used by other companies.

The Company believes non-GAAP financial measures provide useful information to management and investors regarding future financial and business trends relating to the Company. The Company believes that the use of these measures provides an additional tool for investors to use in evaluating operating results and trends and in comparing the Company's financial measures with other similar companies, many of which present similar non-GAAP financial measures to investors. Non-GAAP financial measures are subject to inherent limitations because they reflect the exercise of judgments by management about which items are excluded or included in calculating them. Please refer to the appendix at the end of this press release for reconciliations to the most directly comparable measures in accordance with GAAP.

### **\*\*About Pro Forma With Connexity Information**

This release includes historical and projected pro forma information for ex-TAC Gross Profit. The pro forma information presents the pro forma effect of the Connexity acquisition as if it had been completed on January 1, 2020. The pro forma information is unaudited, is provided as supplemental information only and is subject to the limitations contained under the heading "Unaudited Pro Forma Condensed Combined Financial Information" in our Prospectus dated September 2, 2021, as amended, forming part of our Registration Statement on Form F-1 filed with the Securities and Exchange Commission.

### **Note Regarding Forward-Looking Statements**

Certain statements in this release are forward-looking statements. Forward-looking statements generally relate to future events including future financial or operating performance of Taboola.com Ltd. (the "Company"). In some cases, you can identify forward-looking statements by terminology such as "may", "should", "expect", "intend", "will", "estimate", "anticipate", "believe", "predict", "potential" or "continue", or the negatives of these terms or variations of them or similar terminology. Such forward-looking statements are subject to risks, uncertainties, and other factors which could cause actual results to differ materially from those expressed or implied by such forward looking statements.

These forward-looking statements are based upon estimates and assumptions that, while considered reasonable by the Company and its management, are inherently uncertain. Uncertainties and risk factors that could affect the Company's future performance and cause results to differ from the forward-looking statements in this press release include, but are not limited to: the ability to recognize the anticipated benefits of the recent acquisition of Connexity and the business combination between the Company and ION Acquisition Corp. 1 Ltd. (together, the "Business Combinations"), which may be affected by, among other things, competition, the ability of the Company to grow and manage growth profitably, maintain relationships with customers and retain its management and key employees; the Company's ability to successfully integrate the Connexity acquisition; costs related to the Business Combinations; changes in applicable laws or regulations; the Company's estimates of expenses and profitability and underlying assumptions with respect to accounting presentations and purchase price and other adjustments; ability to attract new digital properties and advertisers; ability to meet minimum guarantee requirements in contracts with digital properties; intense competition in the digital advertising space, including with competitors who have significantly more resources; ability to grow and scale the Company's ad and content platform through new relationships with advertisers and digital properties; ability to secure high quality content from digital properties; ability to maintain relationships with current advertiser and digital property partners; ability to make continued investments in the Company's AI-powered technology platform; the need to attract, train and retain highly-skilled technical workforce; changes in the regulation of, or market practice with respect to, "third party cookies" and its impact on digital advertising; continued engagement by users who interact with the Company's platform on various digital properties; the impact of the ongoing COVID-19 pandemic; reliance on a limited number of partners for a significant portion of the Company's revenue; changes in laws and regulations related to privacy, data protection, advertising regulation, competition and other areas related to digital advertising; ability to enforce, protect and maintain intellectual property rights; and risks related to the fact that we are incorporated in Israel and governed by Israeli law; and other risks and uncertainties set forth in the section entitled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" in the Company's registration statements on Form F-1 as amended and filed on September 30, 2021, and in subsequent filings with the Securities and Exchange Commission ("SEC").

Nothing in this release should be regarded as a representation by any person that the forward-looking statements set forth herein will be achieved or that any of the contemplated results of such forward-looking statements will be achieved. You should not place undue reliance on these forward-looking statements, which speak only as of the date they were made. The Company undertakes no duty to update these forward-looking statements except as may be required by law.



## APPENDIX: Non-GAAP Reconciliation

### RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES FOR Q4 AND FULL YEARS 2021 AND 2020

(Unaudited)

The following table provides a reconciliation of Revenues to ex-TAC Gross Profit.

	Three months ended December 31,		Year ended December 31,	
	2021	2020	2021	2020
	Unaudited		Unaudited	
	(dollars in thousands)		(dollars in thousands)	
Revenues	\$ 407,668	\$ 351,294	\$ 1,378,458	\$ 1,188,893
Traffic acquisition cost	238,458	241,092	859,595	806,541
Other cost of revenues	25,568	17,181	77,792	62,855
Gross Profit	\$ 143,642	\$ 93,021	\$ 441,071	\$ 319,497
Add back: Other cost of revenues	25,568	17,181	77,792	62,855
ex-TAC Gross Profit	\$ 169,210	\$ 110,202	\$ 518,863	\$ 382,352



The following table provides a reconciliation of Net income (loss) to Adjusted EBITDA.

	Three months ended December 31,		Year ended December 31,	
	2021	2020	2021	2020
	Unaudited		Unaudited	
	(dollars in thousands)		(dollars in thousands)	
Net income (loss)	\$ 585	\$ 2,753	\$ (24,948)	\$ 8,493
Adjusted to exclude the following:				
Financial expenses (income), net	1,783	1,703	(11,293)	2,753
Tax expenses	16,277	1,810	22,976	14,947
Depreciation and amortization	23,061	7,109	53,111	33,957
Share-based compensation expenses <sup>(1)</sup>	20,641	17,264	124,235	28,277
M&A costs <sup>(2)</sup>	154	2,354	11,661	17,766
Holdback compensation expenses <sup>(3)</sup>	2,882	-	3,722	-
Adjusted EBITDA	\$ 65,383	\$ 32,993	\$ 179,464	\$ 106,193

<sup>1</sup>For the 2021 periods, a substantial majority is Share-based compensation expenses related to going public.

<sup>2</sup> For 2020 periods, represents costs associated with the proposed strategic transaction with Outbrain Inc. which we elected not to consummate, and for 2021 periods, relates to the acquisition of ION Acquisition Corp. 1 Ltd., acquisition of Connexity and going public.

<sup>3</sup> Represents share based compensation due to holdback of Taboola ordinary shares issuable under compensatory arrangements relating to Connexity acquisition.

We calculate Ratio of Net income (loss) to Gross profit as Net income (loss) divided by Gross profit. We calculate Ratio of Adjusted EBITDA to ex-TAC Gross Profit, a non-GAAP measure, 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 reconciles Ratio of Net income (loss) to Gross Profit and Ratio of Adjusted EBITDA to ex-TAC Gross Profit for the period shown.

	Three months ended December 31,		Year ended December 31,	
	2021	2020	2021	2020
	Unaudited		Unaudited	
	(dollars in thousands)		(dollars in thousands)	
Gross profit	\$ 143,642	\$ 93,021	\$ 441,071	\$ 319,497
Net Income (loss)	\$ 585	\$ 2,753	\$ (24,948)	\$ 8,493
Ratio of Net income (loss) to Gross profit	0.4%	3.0%	(5.7%)	2.7%
ex-TAC Gross Profit	\$ 169,210	\$ 110,202	\$ 518,863	\$ 382,352
Adjusted EBITDA	\$ 65,383	\$ 32,993	\$ 179,464	\$ 106,193
Ratio of Adjusted EBITDA Margin to ex-TAC Gross Profit	38.6%	29.9%	34.6%	27.8%



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

	<b>Three months ended</b>		<b>Year ended</b>	
	<b>December 31,</b>		<b>December 31,</b>	
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>Unaudited</b>		<b>Unaudited</b>	
	<b>(dollars in thousands)</b>		<b>(dollars in thousands)</b>	
Net cash provided by operating activities	\$ 22,968	\$ 57,469	\$ 63,521	\$ 139,087
Purchases of property and equipment, including capitalized platform costs	(10,296)	(4,094)	(39,070)	(17,774)
Free Cash Flow	\$ 12,672	\$ 53,375	\$ 24,451	\$ 121,313



**APPENDIX: Non-GAAP Reconciliation**

**RECONCILIATION OF GAAP TO NON-GAAP FINANCIAL MEASURES FOR Q1 2022 AND FULL YEAR 2022  
GUIDANCE**

(Unaudited)

The following table provides a reconciliation of Gross Profit to ex-TAC Gross Profit.

	<u>Q1 2022</u>	<u>FY 2022</u>
	Unaudited	
	(dollars in millions)	
Revenues	\$353 - \$359	\$1,666 - \$1,678
Traffic acquisition cost	(\$218 - \$222)	(\$1,003 - \$1,011)
Other cost of revenues	(\$25 - \$27)	(\$106 - \$112)
Gross Profit	\$108 - \$112	\$552 - \$560
Add back: Other cost of revenues	\$25 - \$27	\$106 - \$112
ex-TAC Gross Profit	\$134 - \$138	\$661 - \$669



Taboola

**MANAGEMENT  
PRESENTATION**

## Forward-Looking Statements - Disclaimer

Certain statements in this presentation are forward-looking statements, including our 2022 guidance. Forward-looking statements generally relate to future events including future financial or operating performance of Taboola.com Ltd. (the "Company"). In some cases, you can identify forward-looking statements by terminology such as "may," "should," "expect," "intend," "will," "estimate," "anticipate," "believe," "predict," "potential" or "continue", or the negatives of these terms or variations of them or similar terminology. Such forward-looking statements are subject to risks, uncertainties, and other factors which could cause actual results to differ materially from those expressed or implied by such forward looking statements.

These forward-looking statements are based upon estimates and assumptions that, while considered reasonable by the Company and its management, are inherently uncertain. Uncertainties and risk factors that could affect the Company's future performance and cause results to differ from the forward-looking statements in this press release include, but are not limited to: the ability to recognize the anticipated benefits of the recent acquisition of Connexity and the business combination between the Company and ION Acquisition Corp. 1 Ltd. (together, the "Business Combination"), which may be affected by, among other things, competition, the ability of the Company to grow and manage growth profitably, maintain relationships with customers and retain its management and key employees; the Company's ability to successfully integrate the Connexity acquisition; costs related to the Business Combination; changes in applicable laws or regulations; the Company's estimates of expenses and profitability and underlying assumptions with respect to accounting presentations and purchase price and other adjustments; ability to attract new digital properties and advertisers; ability to meet minimum guarantee requirements in contracts with digital properties; intense competition in the digital advertising space, including with competitors who have significantly more resources; ability to grow and scale the Company's ad and content platform through new relationships with advertisers and digital properties; ability to secure high quality content from digital properties; ability to maintain relationships with current advertiser and digital property partners; ability to make continued investments in the Company's AI-powered technology platform; the need to attract, train and retain highly-skilled technical workforce; changes in the regulation of, or market practice with respect to, "third party cookies" and its impact on digital advertising; continued engagement by users who interact with the Company's platform on various digital properties; the impact of the ongoing COVID-19 pandemic; reliance on a limited number of partners for a significant portion of the Company's revenue; changes in laws and regulations related to privacy, data protection, advertising regulation, competition and other areas related to digital advertising; ability to enforce, protect and maintain intellectual property rights; and risks related to the fact that we are incorporated in Israel and governed by Israeli law, and other risks and uncertainties set forth in the section entitled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" in the Company's registration statement on Form F-1 as amended and filed on September 30, 2021 subsequent filings with the Securities and Exchange Commission ("SEC").

Nothing in this presentation should be regarded as a representation by any person that the forward-looking statements set forth herein will be achieved or that any of the contemplated results of such forward-looking statements will be achieved. You should not place undue reliance on these forward-looking statements, which speak only as of the date they were made. The Company undertakes no duty to update these forward-looking statements except as may be required by law.

## Non-GAAP Financial Measures

This Presentation includes certain financial measures not presented in accordance with GAAP including, but not limited to, Adjusted EBITDA and certain ratios and other metrics derived therefrom, including free cash flow and ex-TAC Gross Profit, and related margin measures, as well as New Publisher ex-TAC Gross Profit. These non-GAAP financial measures are not measures of financial performance in accordance with GAAP and may exclude items that are significant in understanding and assessing the Company's financial results. Therefore, these measures should not be considered in isolation or as an alternative to net income, cash flows from operations or other measures of profitability, liquidity or performance under GAAP. You should be aware that the Company's presentation of these measures may not be comparable to similarly-titled measures used by other companies. The Company believes these non-GAAP measures of financial results provide useful information to management and investors regarding certain financial and business trends relating to the Company's financial condition and results of operations. The Company believes that the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating ongoing operating results and trends in and in comparing the Company's financial measures with other similar companies, many of which present similar non-GAAP financial measures to investors. These non-GAAP financial measures are subject to inherent limitations as they reflect the exercise of judgments by management about which expense and income are excluded or included in determining these non-GAAP financial measures. Please refer to footnotes where presented on each page of this Presentation or to the appendix found at the end of this Presentation for a reconciliation of these measures to what the Company believes are the most directly comparable measure evaluated in accordance with GAAP. This Presentation also includes certain projections of non-GAAP financial measures. Due to the high variability and difficulty in making accurate forecasts and projections of some of the information excluded from these projected measures, together with some of the excluded information not being ascertainable or accessible, the Company is unable to quantify certain amounts that would be required to be included in the most directly comparable GAAP financial measures without unreasonable effort. Consequently, no disclosure of estimated comparable GAAP measures is included and no reconciliation of the forward-looking non-GAAP financial measures is included.

## Industry and Market Data

In this Presentation, the Company relies on and refer to certain information and statistics obtained from third-party sources, which it believes to be reliable. The Company has not independently verified the accuracy or completeness of any such third-party information. You are cautioned not to give undue weight to such industry and market data.

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# TODAY'S PRESENTERS



**ADAM SINGOLDA**  
FOUNDER & CEO

- Founded Taboola over 13 years ago
- Has led the company as its CEO ever since

**STEPHEN WALKER**  
CFO

- 6+ years at Taboola
- Led several of Idealab's portfolio companies, including Perfect Market
- Prior experience at Disney & General Electric

# AGENDA

- 1 **Taboola Overview/  
2021 in review**
- 2 Taboola's  
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\$64b market
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model





Taboola

# POWERING RECOMMENDATIONS FOR THE OPEN WEB

HELPING PEOPLE  
DISCOVER THINGS  
THEY MAY LIKE

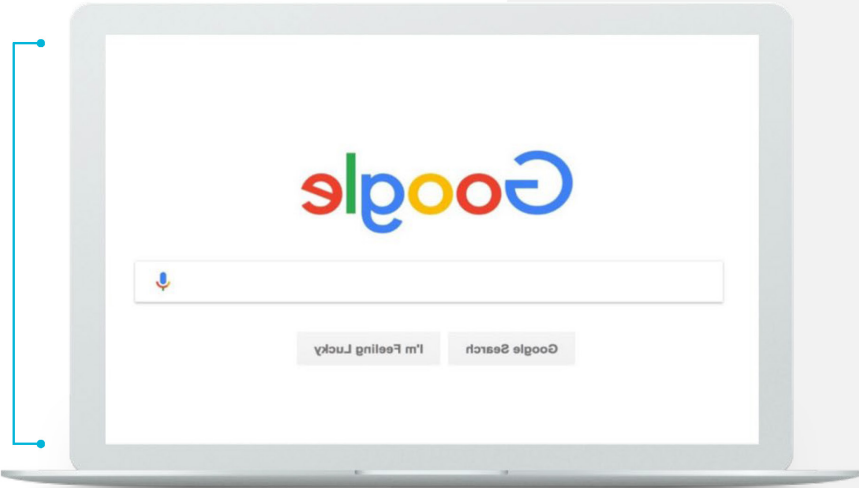


Taboola

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# TABOOLA = SEARCH "IN REVERSE"

FROM PEOPLE LOOKING  
FOR INFORMATION  
**TO INFORMATION**  
**LOOKING FOR PEOPLE**



Taboola

**YOU HAVE SEEN  
TABOOLA BEFORE**



Taboola



# SOLVING TREMENDOUSLY DIFFICULT TECHNOLOGICAL CHALLENGES

Predicting what people might be interested in without the intent data that Google has or the personal data that Facebook has and doing it at massive scale.

**516M** DAILY ACTIVE USERS<sup>1</sup>

  More than Twitter and Snap combined<sup>2</sup>

**1 Petabyte**

Data Processed by Taboola AI Daily<sup>3</sup>

**330K+**

CPU & GPU Cores<sup>4</sup>

**1 Trillion**

Monthly Recommendations<sup>5</sup>

(1) Daily Active Users measures the 7-day average number of users exposed to Taboola recommendations  
(2) Twitter and Snap reported 187M and 249M (respectively) in Q3-2020 Earnings reports  
(3)(4)(5)Source: Company estimates



# FULL TECH STACK FOR PUBLISHERS:

LONG-TERM, EXCLUSIVE PARTNERSHIPS WITH PREMIUM PUBLISHERS

**116%**

NDR in 2021<sup>1</sup>  
(Standalone)

**15,000**

publishers

**GLOBAL**

**\$2B+ PAID TO PUBLISHERS OVER 3 YEARS<sup>1</sup>**



#### MONETIZATION

Monetizing with non-interruptive, native ads



#### ENGAGEMENT

Engaging users by recommending organic content



#### AUDIENCE

Driving quality audiences from across the network

**Taboola**

Publishers on a 5+ Year Contract with Taboola

 **CBS** Interactive

**Bloomberg**

 **msn**

**sport1**

 **CNBC**

 **NBC NEWS**

 **NBC Sports**

 **SYNACOR**

 **USA TODAY**

**Lagardère**

**Daily Mail**



(1) Source: Company Data. Net Dollar Retention (ex-TAC Gross Profit) is the net growth of ex-TAC Gross Profit from 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 them when they are first on-boarded) for the given period divided by the ex-TAC Gross Profit from the same period in the prior-year. Excludes Connexity.

# ADVERTISERS CHOOSE TABOOLA TO REACH THE OPEN WEB

**Massive reach** 516M Daily Active Users<sup>1</sup>

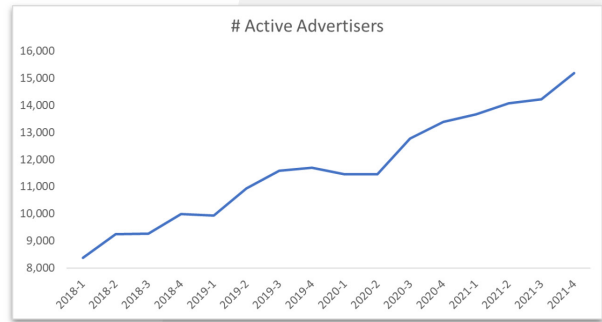
**Performance** focus with measurable ROI

**Brand safe** ad placements

**Target ads** based on what people truly care about



**Taboola**



- Largest advertiser is 2% of total ad spend<sup>1</sup>
- 10th largest advertiser is 1% of total ad spend<sup>1</sup>
- 101% Net Dollar Retention over the period Q4 2018 - Q3, 2020<sup>2</sup> V

(1) Source: Company Data  
 (2) Excluding Q2-2020 due to expected one-time impact of COVID-19

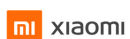
# 2021 IN REVIEW - SIGNED INCREDIBLE PARTNERSHIPS

## Winning and building partnerships with exciting new publishers

→ BBC, Hearst, Penske Media, Line Today

## Renewing and extending long term relationships

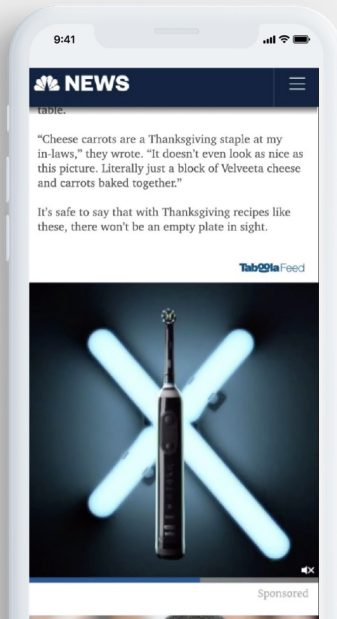
- New contract with Microsoft through July 2024
- Global deals including 5 year renewals with both Le Figaro and La Dépêche du Midi group
- NBC Sports and Future PLC as exclusive mid-article content recommendation and video provider
- NDTV for 10 Years!



Taboola



# 2021 IN REVIEW – GAME CHANGING PRODUCT INNOVATIONS



**Launched High Impact Placements** bringing Taboola into mid-article, driving Brands & Agencies to 15% of Revenues

---

**Introduced SmartbidDimensions** using A.I. to couple contextual and demographic data with more user dimensions to maximize advertiser campaign performance autonomously

---

**Announced new bidding technology**, launching first with Microsoft, ultimately can extend the reach of our advertisers beyond our network of publishers

**Taboola**



# 2021 IN REVIEW – EXTENDING LEADERSHIP IN BRAND SAFETY

Attained in Q3 Trustworthy Accountability Group (TAG) brand safety certification

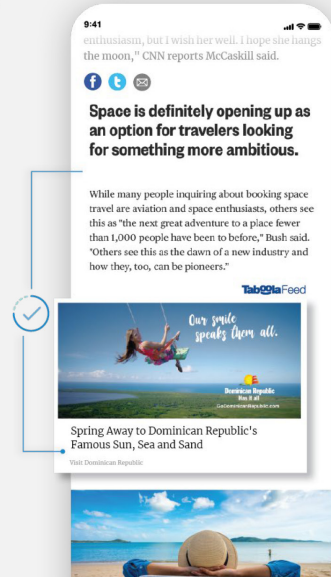
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Announced a new partnership with DoubleVerify (DV) to embed DV's pre-bid brand safety and suitability targeting technology

---

Partnered with Oracle Moat to introduce video measurement offering directly integrated within Taboola Ads

Taboola



# 2021 IN REVIEW - Connexity Acquisition

**Acquired Connexity**, creating a powerful e-Commerce partner for publishers

---

**High trust with merchants:** 90%+ of revenue from direct relationships, 65% is CPC

---

**Anticipated Synergies:** \$100M+ Annual ex-TAC in 4 years

---

## Unique, scaled platform:

**1,600+**

Direct Merchant Relationships

**\$4B+**

Gross Merchandise Sales

**750M**

Product Offerings (SKUs)

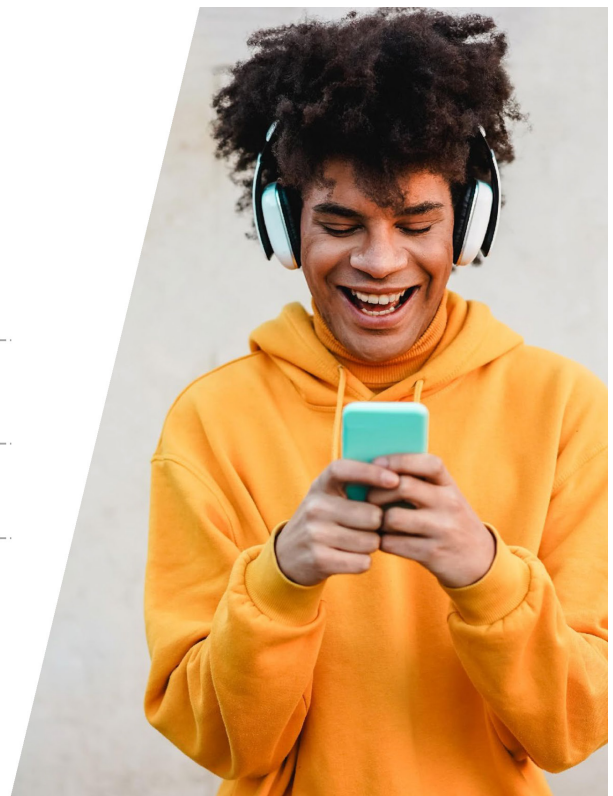
**1M+**

Monthly Transactions

**6k+**

Publisher Relationships

**Taboola**



# 2021 IN REVIEW – Taboola News

## Breakout year for Taboola News

---

**Samsung Brazil partnership**, integrating content from Taboola’s premium publishers on Samsung devices

---

**Global partnership with Xiaomi**, 100 million mobile devices in 60 markets

---

**Averaging more than 400 million monthly engagements** on editorial content through mobile device and OEM partnerships



# CONSISTENTLY EXCEEDED 2021 FINANCIAL EXPECTATIONS

	2021	GROWTH RATE	ORIGINAL PIPE EXPECTATIONS
Revenues	<b>\$1,378M</b>	<b>16%</b>	<b>\$1,277M</b>
Gross Profit	<b>\$441M</b>	<b>38%</b>	<b>\$365M</b>
ex-TAC Gross Profit <sup>1</sup>	<b>\$519M</b>	<b>36%<sup>2</sup></b>	<b>\$445M</b>
Adj. EBITDA <sup>1</sup>	<b>\$179M</b>	<b>69%</b>	<b>\$127M</b>

**INCREASED GUIDANCE  
AFTER EACH QUARTER**

**Taboola**

(1) Non-GAAP measures, see appendix for reconciliation to GAAP

(2) Pro Forma ex-TAC growth of 25%, above original PIPE Expectation of 16% growth

# MOMENTUM CONTINUES INTO 2022

Fast Growth | 30%+ Adj. EBITDA Margin | Strong Free Cash Flow<sup>1</sup>

	FY 2022 GUIDANCE	GROWTH RATE VS 2021
Revenues	<b>\$1,666 - 1,678M</b>	<b>21 - 22%</b>
Gross Profit	<b>\$552 - 560M</b>	<b>25 - 27%</b>
ex-TAC Gross Profit <sup>1</sup>	<b>\$661 - 669M</b>	<b>27 - 29%</b>
Adj. EBITDA <sup>1,2</sup>	<b>\$195 - 213M</b>	<b>9 - 19%</b>
Ratio of Adj. EBITDA to ex-TAC Gross Profit	<b>30 - 32%</b>	

**Taboola**

(1) Non-GAAP measures, see appendix for reconciliation to GAAP

(2) We calculate Adjusted EBITDA as Net income (loss) before net financial expenses, income tax expenses/ benefit and depreciation and amortization, further adjusted to exclude share-based compensation and other noteworthy income and expense items such as certain merger or acquisition related costs, which may vary from period-to-period.

# AGENDA

- 1 Taboola Overview/  
2021 in review
- 2 **Taboola's  
differentiation and  
why we win**
- 3 Capturing a  
\$64b market
- 4 Strong financial  
model



# TABOOLA'S DIFFERENTIATION AND WHY WE WIN

Taboola

1

Growth fuelled by a network effect

---

2

Long-term yield increase opportunity

---

3

Taboola's technology is resilient to the future disappearance of third-party cookies

---

4

Platform advantage driven by Taboola's technology

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5

Proven, founder-led management team

---

6

Superior financial profile with recurring revenues, scale, and profitable growth

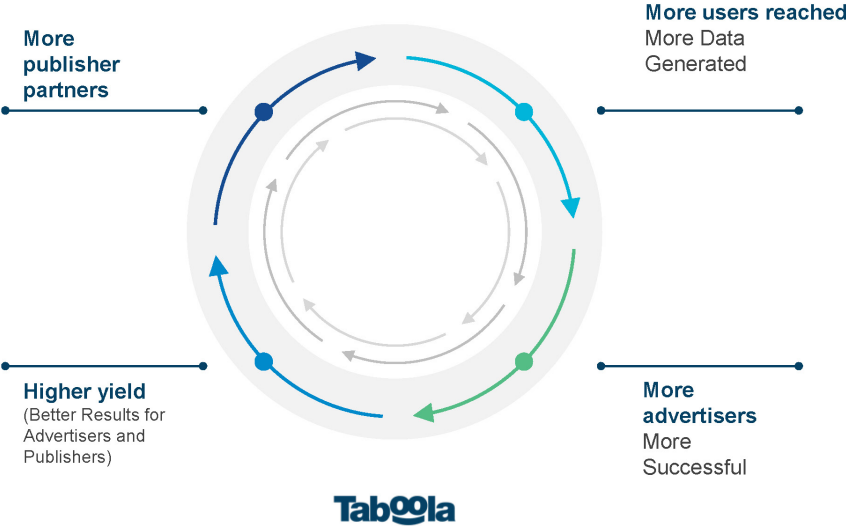
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1

# SCALE MATTERS IN OUR INDUSTRY

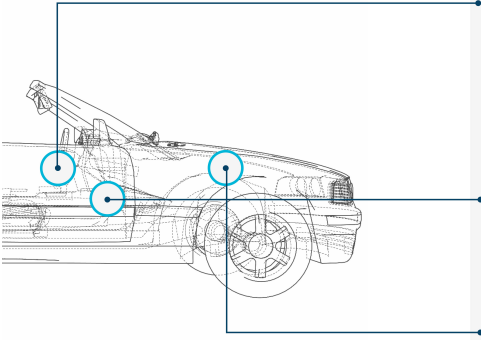
- GROWTH WITH A  
BUILT-IN NETWORK  
EFFECT

Taboola





# WHAT MAKES UP YIELD



## Click Through Rate (CTR):

- The number of clicks that an ad receives divided by the number of times the ad is shown (impressions)
- A high CTR is a good indication that users find your ads relevant

## Cost Per Click (CPC):

The amount advertisers pay for each click on their ads.

## Conversion Rate:

The percentage of users who have completed a desired action (e.g. purchase) after clicking on an ad.



**CTR**  
Click Through Rate



**CPC**  
Cost Per Click

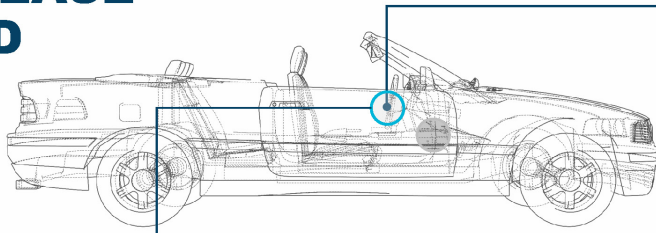


**Conversion Rate**



**YIELD**

# HOW WE INCREASE YIELD



## CPC

Cost Per Click

- **More advertisers** on the platform increases auction density
- **Better attribution** measurement better reflects the value of conversions
- **Automated bidding (SmartBid)** optimizes bids dynamically



## CTR and Conversions

Click Through Rate, Conversion Rates

- **Algorithmic** improvements drive better prediction of what users will engage with
- **More advertisers** on the platform and higher diversity of campaigns
- **More data** that provides more contextual signals enables more accurate targeting
- **Better user experience** increases the likelihood of engagement with the ad

## TABOOLA TECH IS BUILT FOR A COOKIE-LESS, IDFA/ ATT WORLD

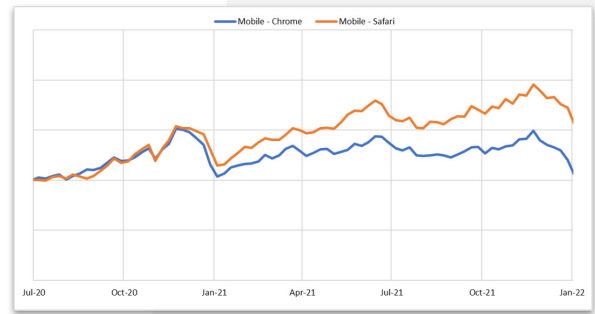
**Taboola has its own 1st party cookie** - recommending personalized editorial content enables serving our own 1st party identifier

**Unique readership context** - deep access to the context of the page, allowing advertisers to target context (vs. "3rd party cookie behavior")

**People click on Taboola recommendations tens of billions of times a year<sup>1</sup>** - re-hashing Taboola identifier across websites

(1) Source: Company data. Clicks represent total clicks on Taboola recommendations, including paid advertisements ("sponsored content") and editorial ("organic") content

**Taboola**

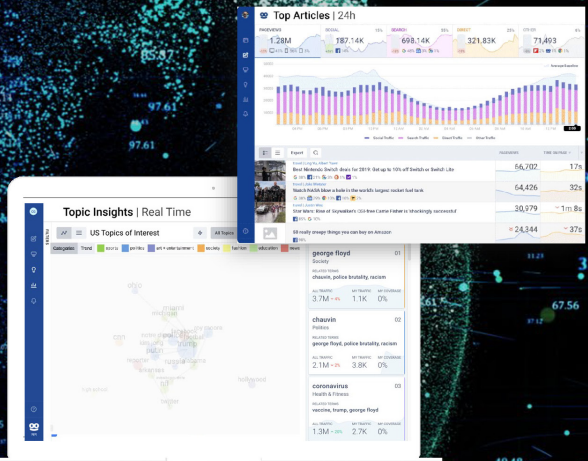


**Taboola's strong yield performance despite 3rd party cookies being blocked in the industry for years:**

- Apple started blocking 3rd party cookies in 2017
- Firefox, Edge, etc are also blocking 3rd party cookies
- GDPR launched in 2018
- CCPA launched in 2019
- IDFA launched April, 2021

4

# PLATFORM ADVANTAGE DRIVEN BY INVESTMENT IN TECH



**500**  
R&D staff

**100**  
in Algo &  
Data

**\$100M+**  
Annual R&D  
Investment

5

# PROVEN, FOUNDER-LED MANAGEMENT TEAM



**ADAM SINGOLDA**  
Founder & CEO  
13 years at Taboola



**STEPHEN WALKER**  
CFO  
6 years at Taboola



**ELDAD MANIV**  
President & COO  
8 years at Taboola



**LIOR GOLAN**  
CTO  
11 years at Taboola



**KRISTY SUNDJAJA**  
SVP, People Operations  
1 year at Taboola



**AVIV SINAI**  
SVP, R&D  
13 years at Taboola



**RAN BUCK**  
SVP, Global Revenue  
7 years at Taboola



6

## SUPERIOR FINANCIAL MODEL

Fast Growth with 30%+ Adj. EBITDA Margin and Strong Cash Generation

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Revenues	<b>\$1,666 - 1,678M</b>	<b>21 - 22%</b>
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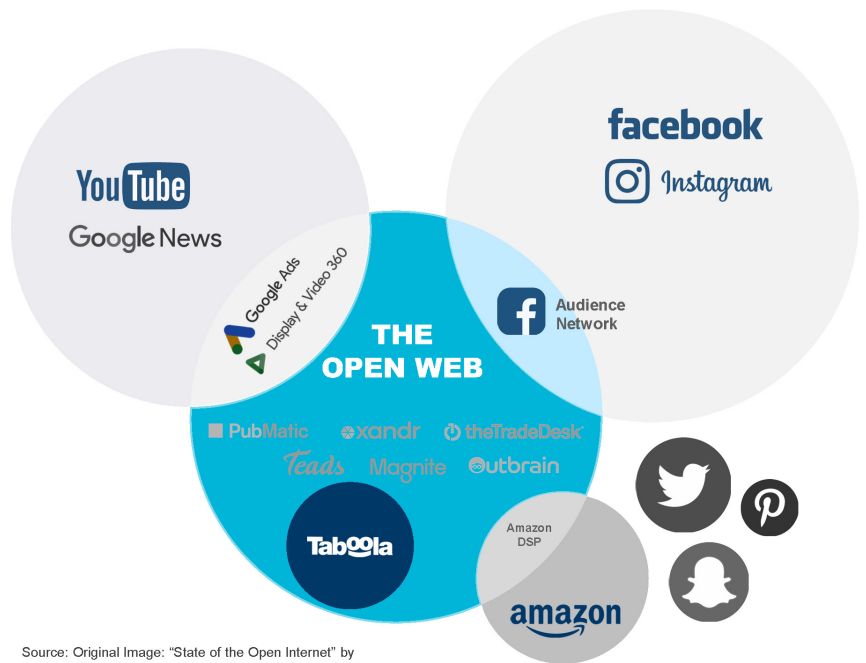
# TABOOLA IS POISED TO CAPTURE SHARE OF THE \$64B OPEN WEB MARKET

**More than ads, product led** - driving engagement, and audience to the entire publisher org

**Exclusive & direct relationships with publishers/advertisers** - enables end-to-end innovation and predictable growth

**1st party & contextual data, built for a cookieless world** - We're "always on" - all users, all GEOs, all platforms. 500M+ DAU.(1)

**Taboola**



Source: Original Image: "State of the Open Internet" by Jounce Media, January 2020, Modified to reflect Taboola as part of The Open Web

(1) Daily Active Users measures the 7-day average number of users exposed to Taboola recommendations



# RECOMMENDING *ANYTHING, ANYWHERE* A MULTI BILLION DOLLAR OPPORTUNITY



Note: Financial models take into consideration only the core business

(1)(2)(3)Source: Company data, Revenues. (3) includes Connexity

# Winning \$64B Core Market Replacing Traditional Ads With Taboola Recommendations



Amazon recommending products - some are organic, some are paid.  
Similar to Taboola recommendations

This screenshot shows Amazon search results for "art of seo". The top result is a sponsored product: "SEO for Growth: The Ultimate Guide for Marketers, Web Designers & Entrepreneurs" by John Jantsch and SEO expert Patrick Stelten. It is marked as "Sponsored Product" with a red arrow. Below it is a "Best Seller" result: "SEO 2019: Learn search engine optimization with smart internet marketing strategies" by Adam Clarke, marked as "1st Organic Result" with a red arrow. The bottom result is "The Art of SEO: Mastering Search Engine Optimization" by Eric Siegel and Stephen Spencer. The screenshot includes product covers, titles, authors, prices, and star ratings.



**RECOMMENDING  
ANYTHING:**

**E-COMMERCE WITH  
CONNEXITY**

**(15%+ of ex-TAC Gross  
Profit as of Q4 2021)**

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## **Connexity Acquisition**

**One of the largest  
e-Commerce  
media platforms  
in the world**



## **\$800 million Total Consideration**

Including purchase price and retention incentives

---

**Closed September 1, 2021**

---

## **Primarily a cash transaction**

Approximately: \$260M cash from balance sheet  
\$300M committed debt financing  
\$240M in Taboola stock

# THE FUTURE OF THE OPEN WEB IS E-COMMERCE

- **60% of publishers** list e-commerce as a top revenue opportunity.<sup>1</sup>
- Publishers generating revenue from e-commerce has grown over 3x in the last year.<sup>2</sup>
- There are nearly 150 Commerce Editors currently in the US - one of the fastest growing roles in the newsroom.<sup>3</sup>

(1) Source: eMarketer, Publishers and Commerce 2021

(2) Source: Di giday, Digiday Research: Commerce is now a revenue stream for a majority of publishers

(3) Source: LinkedIn



\$1b GMS in 2020, 47% of H1 2021 media revenue, 56% YoY growth



\$500m GMS in 2020, ecommerce to be 31% of revenue by 2024

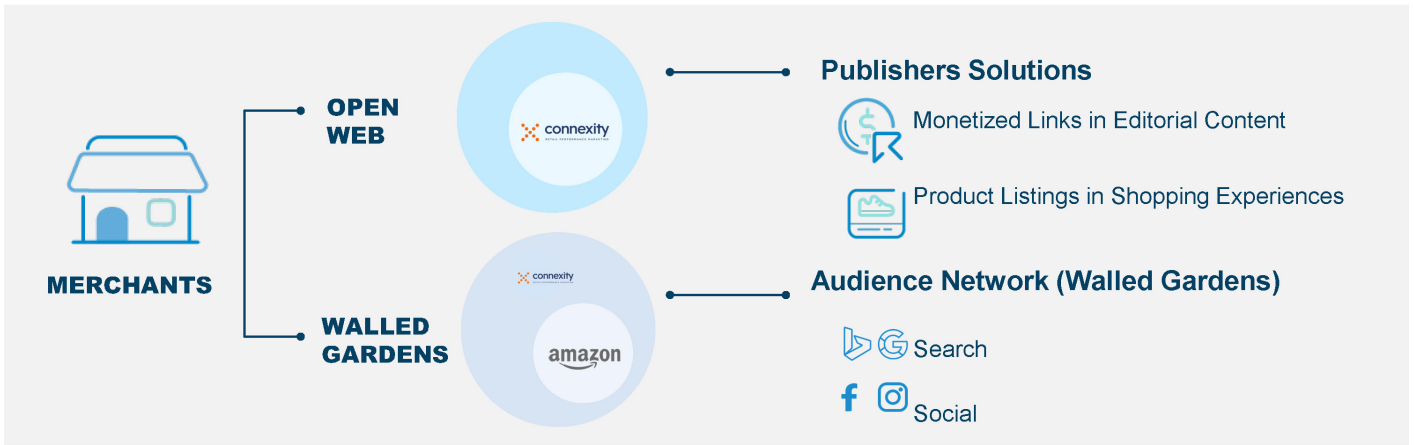


\$1b GMS in FY 2021, over 25% YoY growth in related revenue

GANNETT

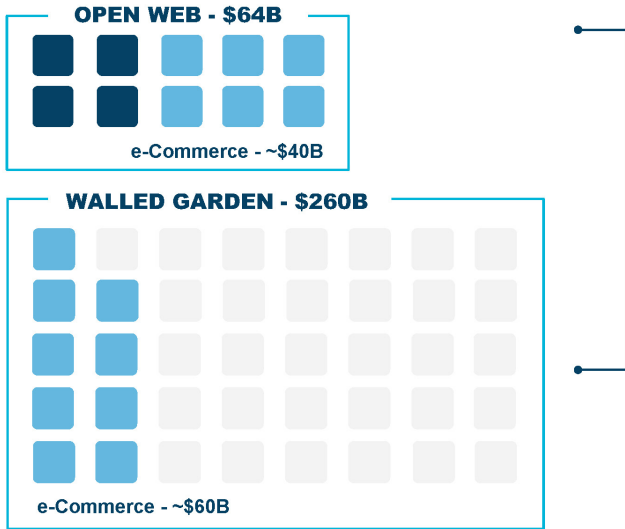
Reviewed.com - 50% YoY top line growth for the last 3 years

# RECOMMENDING ANYTHING: E-COMMERCE AND HOW WE SERVE MERCHANTS IN THE OPEN WEB



# EXPANDED TABOOLA TAM TO \$124B

## WITH E-COMMERCE AD BUDGETS



Taboola

Taboola

\$64B

+

\$60B

=

\$124  
B  
TAM

### MERCHANTS NEED EFFECTIVE CHANNELS BEYOND THE WALLED GARDENS.

*"For advertisers seeking brand-safe, transparent partners, reputable publishers deliver exposure and qualified customers from among their audiences."*

eMarketer

**\$40B of the Open Web \$60B is eCommerce.** With Connexity we can fully tap into it for the first time.

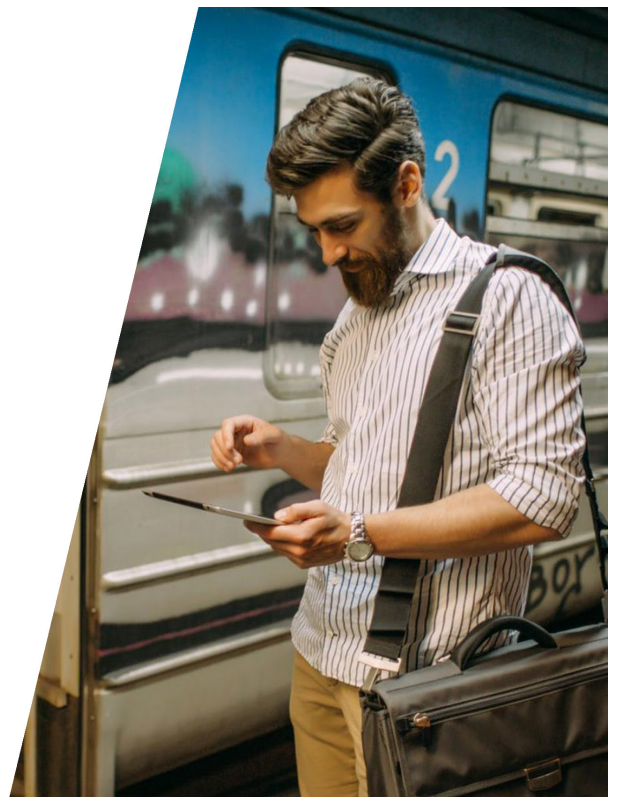
**\$60B of Walled Garden TAM is eCommerce.** With Connexity we can now tap into it.

Source: eMarketer, Statista, Harris Poll, Jounce, Company analysis, 2020

## ANTICIPATED SYNERGIES - \$100M+ ANNUAL EX-TAC IN 4 YEARS

- Connexity on Taboola Publishers - and grow publishers % of traffic with intent
- Take Connexity Global
- Connexity merchant demand on Taboola publisher supply
- Expanding Connexity's Client base by Leveraging Taboola Ad Sales
- Better personalization/yield by merging datasets - recommendations + e-commerce

Taboola





## **STRONG INITIAL INTEGRATION MOMENTUM**

- **People** - London office locations merged; NY planned in H1-2022. Complementary teams sharing info, tools, and resources.
- **Ad Sales** - Beginning global expansion of Connexity via Taboola's international ad sales teams (first in China, Brazil)
- **Publishers** - started upselling to Taboola publishers, and building a more resource-heavy list of publishers to go "all in" with them on eCommerce

**Taboola**





**RECOMMENDING  
ANYTHING:**

**BRANDS &  
AGENCIES**

**(15%+ of ex-TAC Gross  
Profit as of Q4 2021)**

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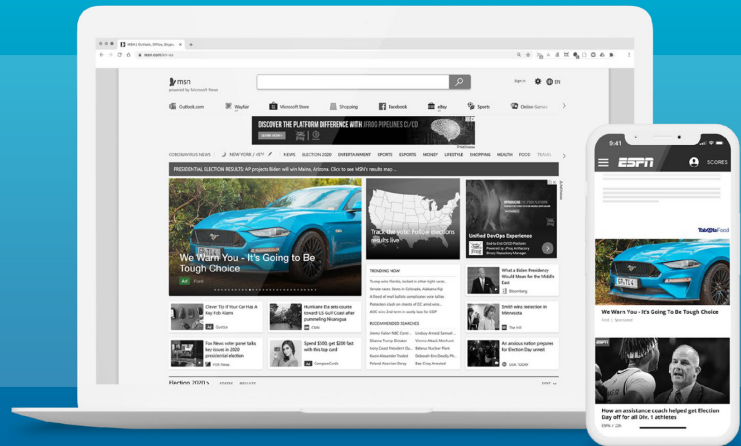
# TABOOLA HIGH IMPACT

A premium solution for achieving brand awareness

*Premium Ad Placements & Experiences*

*Brand Safety & Adjacency Control*

*Unique Readership Data & Insights*



**Taboola**



**RECOMMENDING  
ANYWHERE:**

**TABOOLA NEWS**

---

# ANYWHERE: TABOOLA NEWS

BRINGING PREMIUM CONTENT TO  
PEOPLE EVERYWHERE

Taboola News delivers relevant content from our premium publisher partners, integrated into mobile phones and other user touchpoints.

It creates new opportunities for engagement and revenue for mobile carriers, device manufacturers, publishers and brands.

- Running in more than 60 markets around the world
- With over 85M Monthly devices
- Becoming a meaningful source of traffic to our publishers

## WORKING WITH THE TOP OEMS:

SAMSUNG  xiaomi  HUAWEI  vivo  oppo  motorola

Taboola



# AGENDA

1

Taboola Overview/  
2021 in review

2

Taboola's  
differentiation and  
why we win

3

Capturing a  
\$64b market

4

**Strong  
financial model**

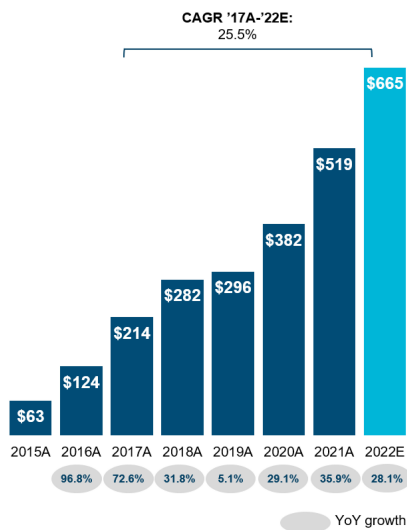


Taboola

# TABOOLA FOCUSES ON PROFITABLE GROWTH

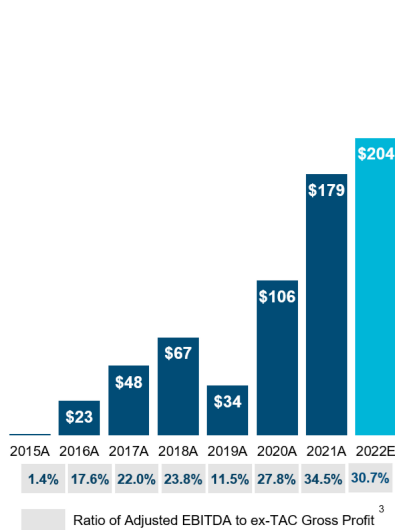
## ex-TAC Gross Profit <sup>1</sup>

(\$ in millions)



## Adj. EBITDA <sup>2</sup>

(\$ in millions)



Taboola

(1),(2),(3) Non-GAAP measure, see appendix for reconciliation to GAAP  
 Note: Projections reflect the mid-point of 2020 guidance

## PROFITABLE GROWTH RULE OF 40 BUSINESS

### Upside in our model

- Growth from Core Open Web business only
- Conservative growth assumed for existing base
- Additional upside from existing growth initiatives and inorganic

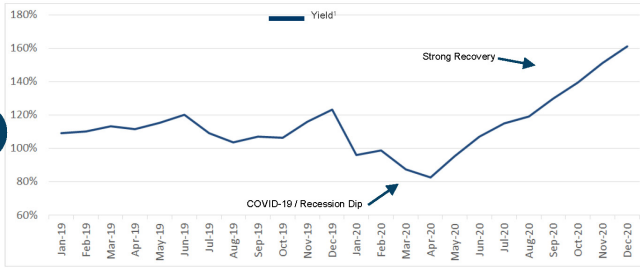
### Long-term model

- 20%+ ex-TAC Gross Profit Growth
- 30%+ Ratio of Adjusted EBITDA to ex-TAC Gross Profit

# COVID-19 IN 2020 PROVED THE RESILIENCY OF OUR MODEL

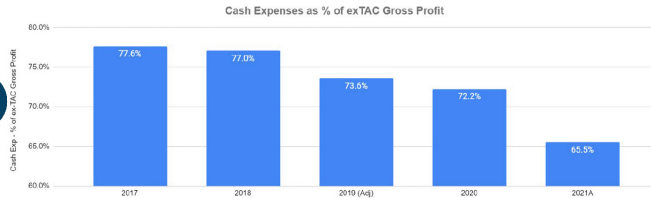
## EXITED 2020 STRONGER THAN WE ENTERED WITH SUSTAINABLY HIGHER PERFORMANCE

1



**RELENTLESS FOCUS ON YIELDS...**

2



**... COMBINED WITH HISTORICALLY LOW COSTS**

1

**Sustainable yield increase, driving higher margins**

- Worked with publisher partners to optimize for yield
- Signed more advertisers seeking consumers digitally
- Dramatic improvements in algorithms

2

**Reset cost base**

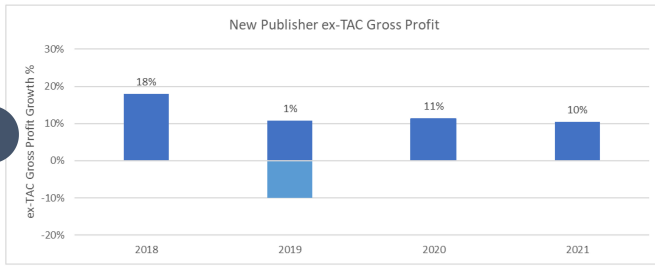
- Hiring freeze permanently “right sized” organization (sustainable)
- Reduced travel, real estate and overhead (partially sustainable)

(1) Yield is a normalized measure of performance that controls for changes due to traffic shifts.  
 (2) Cash Expenses is the difference between Adj. EBITDA and exTAC Gross Profit. 2019 is adjusted to reflect Ratio of Adj. EBITDA to ex-TAC Gross Profit as detailed on the preceding slide.



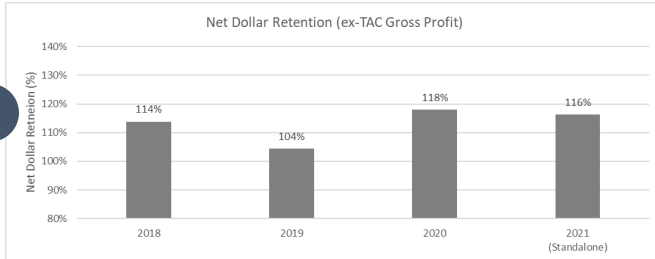
# GROWTH DRIVEN BY CORE OPEN WEB INSTALLED BASE

1



**CONTINUED  
GROWTH  
FROM NEW  
SUPPLY...**

2



**...  
HELPS PROVIDE  
FUEL FOR  
GROWTH FROM  
A STRONG  
INSTALLED  
BASE.**

1

## New Publisher<sup>1</sup> ex-TAC Gross Profit

- Historically 10-15% new supply growth
- Projecting similar range going forward

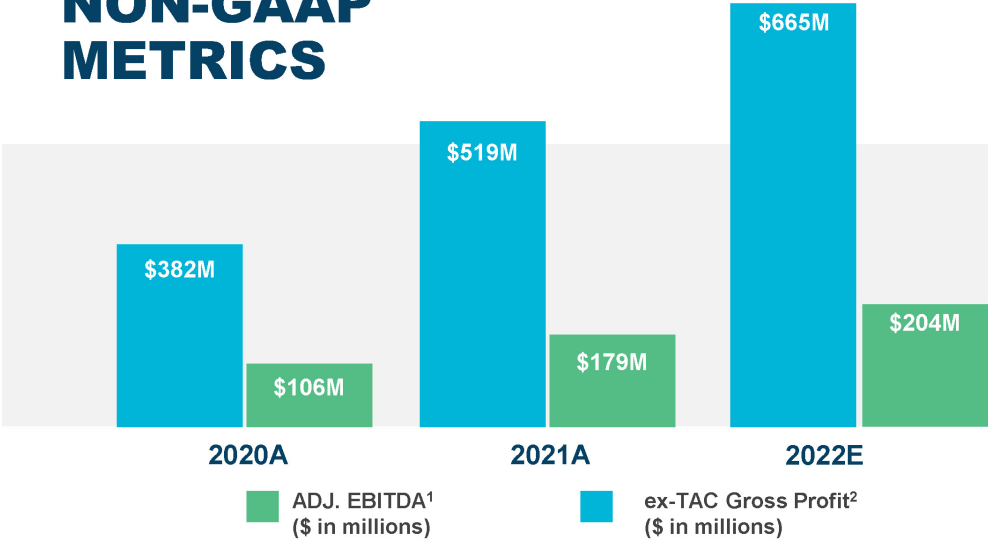
2

## Net Dollar Retention<sup>2</sup> Growth Has Two Elements

- Improvements in yield
- More supply from existing publishers
- Historically 110-120% on average

(1) New digital property partners within the first 12 months that were live on our network.  
 (2) Net Dollar Retention (ex-TAC Gross Profit) is the net growth of ex-TAC Gross Profit from 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 them when they are first on-boarded) for the given period divided by the ex-TAC Gross Profit from the same period in the prior-year. Excludes Connectivity.

# SELECTED NON-GAAP METRICS



**25% - 27%**

Gross Profit Growth

**27% - 29%**

ex-TAC Gross Profit Growth

**30% - 32%**

Ratio of Adj EBITDA to ex-TAC Gross Profit<sup>3</sup>

**80%+**

Adj. Gross Profit Margin<sup>4</sup>

(1),(2),(3),(4) Adj. EBITDA, ex-TAC Gross Profit, and Ratio of Adj. EBITDA to ex-TAC Gross Profit, and Adj. Gross Profit Margin are Non-GAAP measures, see appendix for reconciliation to GAAP. Adj. Gross Profit Margin is projected to exceed 80% in 2021. Adj. Gross Profit Margin is calculated by dividing Gross Profit by ex-TAC Gross Profit.  
 Note: Growth rates reflect 2022 growth over 2021. 2022 projection reflects the mid-point of current company guidance.

# Taboola

Thank you.

# APPENDIX

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# OUR MODEL IN A NUTSHELL

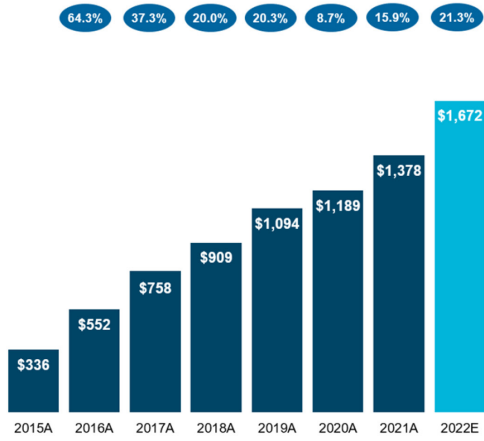
Model components:	Sample inputs / financials:	Illustrative Taboola economics:
Revenues <sup>(1)</sup>	\$909	\$1.00 (100%)
–		
Traffic Acq Cost (Value to publishers)	(\$627)	(\$0.69)
=		
ex-TAC Gross Profit <sup>(2)</sup>	\$282	\$0.31
–		
Cost of Revenues	(\$48)	(\$0.05)
=		
Gross profit	\$234	\$0.26
–		
R&D	(\$73)	(\$0.08)
–		
S&M	(\$110)	(\$0.12)
–		
G&A	(\$34)	(\$0.04)
=		
Operating Income	\$17	
+		
Dep, Amort, Share Based Comp, Other item	\$50	
=		
Adjusted EBITDA <sup>(3)</sup>	\$67	
+		
Change in WC, Other items <sup>(4)</sup> + PP&E and Capitalized Platform Costs	(\$22)	
=		
Free Cash Flow <sup>(3)</sup>	\$45	



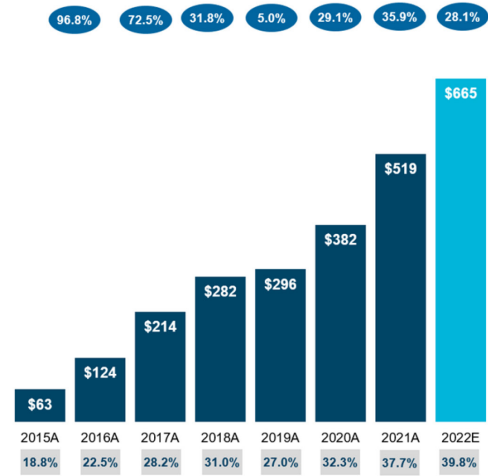
(1) Revenue paid by Advertisers, before traffic acquisition costs (TAC) paid to Publishers. CNX Revenues paid by advertisers after traffic acquisition costs paid to Publishers.  
 (2) Revenue to Taboola after TAC paid to Publishers. Non-GAAP measure, see appendix for reconciliation to GAAP.  
 (3) Non-GAAP measure, see appendix for reconciliation to GAAP.  
 (4) Non cash charges, Cash charges excluded from Adjusted EBITDA.

# HISTORICAL & PROJECTED REVENUES & EX-TAC GROSS PROFIT<sup>1</sup> (REPORTED BASIS)

Gross Revenue



ex-TAC Gross Profit



● YoY growth    ■ ex-TAC Revenue Margin



(1) Non-GAAP measure, see appendix for reconciliation to GAAP  
 Note: 2022 projections reflect the mid-point of current company guidance.

# KEY 2022 MODEL ASSUMPTIONS

## ex-TAC Gross Profit<sup>1</sup>

- Historically, Taboola grew 20%+ (CAGR '17-'21)
- In 2021, Taboola generated \$519 million ex-TAC Gross Profit
- For FY 2022, the Company expects ex-TAC Gross Profit in range of \$661 - 669M

## ADJUSTED EBITDA<sup>2</sup>

- \$179 million in 2021 and grew faster than ex-TAC Gross Profit
- For FY 2022, the Company expects Adjusted EBITDA in range of \$195 - 213M
- Rule of 40: ex-TAC growth + Ratio of Adj. EBITDA to ex-TAC Gross Profit<sup>3</sup> always above 40%

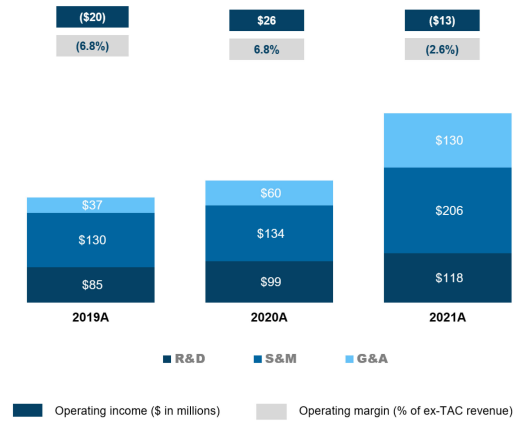
## COST ASSUMPTIONS

- Return to "normal" operations and cost basis in 2022
- Two primary costs (headcount and hardware / IT) grow commensurate with revenue growth
- Higher costs (and lower operating margin) in 2021 driven by transaction related share-based compensation expenses



## Operating costs:

(\$ in millions)



(1),(2),(3) Non-GAAP measures, see appendix for reconciliation to GAAP

# SELECTED GAAP AND NON-GAAP METRICS

(\$ in millions, FYE)	2018A	2019A	2020A	2021A	2022E	Long-Term Model
<b>Revenues</b>	<b>\$ 909</b>	<b>\$ 1,094</b>	<b>\$ 1,189</b>	<b>\$ 1,378</b>	<b>\$ 1,672</b>	
% YoY Growth	20.0%	20.3%	8.7%	15.9%	21.3%	
<b>ex-TAC Gross Profit</b>	<b>\$ 282</b>	<b>\$ 296</b>	<b>\$ 382</b>	<b>\$ 519</b>	<b>\$ 665</b>	
% YoY Growth	31.8%	5.0%	29.2%	35.7%	28.2%	20%+
<b>Gross Profit</b>	<b>\$ 234</b>	<b>\$ 232</b>	<b>\$ 319</b>	<b>\$ 441</b>	<b>\$ 556</b>	
% Adj margin	83.1%	78.4%	83.4%	85.0%	83.6%	
% YoY Growth	31.1%	-0.9%	37.5%	38.2%	26.1%	
<b>Adjusted EBITDA</b>	<b>\$ 67</b>	<b>\$ 34</b>	<b>\$ 106</b>	<b>\$ 179</b>	<b>\$ 204</b>	
% margin	23.8%	11.5%	27.7%	34.5%	30.7%	30%+
% YoY Growth	39.6%	-49.3%	211.8%	68.9%	14.0%	



(1) Non-GAAP measures, see appendix for reconciliation to GAAP  
 Note: 2022 projections reflect the midpoint of current company guidance.



# FY 2022 GUIDANCE

(\$ in millions)	Actual	Guidance	
	FY 2021	FY 2022	YoY%
<b>Revenues</b>	<b>\$1,378</b>	<b>\$1,666 to \$1,678</b>	<b>21% to 22%</b>
<b>ex-TAC Gross Profit <sup>1</sup></b>	<b>\$519</b>	<b>\$661 to \$669</b>	<b>27% to 29%</b>
<b>Gross Profit</b>	<b>\$441</b>	<b>\$552 to \$560</b>	<b>25% to 27%</b>
<b>Adjusted EBITDA <sup>1</sup></b>	<b>\$179</b>	<b>\$195 to \$213</b>	<b>9% to 19%</b>

(1) Non-GAAP measure, see appendix for reconciliation to GAAP

## ADDITIONAL MODELING ASSUMPTIONS

- Interest expense of approximately \$3.5M per quarter associated with \$300M term loan related to the Connexity acquisition
- Share based compensation of \$128M in 2021 unusually high as a result of going public triggering event, 2022 estimated at \$83M
- Depreciation & Amortization of \$53M in 2021; increase related to Connexity Purchase Price Accounting allocation, 2022 estimated at \$93M
- Free Cash Flow expected to be 60% of Adjusted EBITDA in long-term models

# ADJUSTED EBITDA RECONCILIATION

(\$ in millions)	2016A	2017A	2018A	2019A	2020A	2021A
<b>Net income (loss)</b>	<b>\$ (2.7)</b>	<b>\$ 2.8</b>	<b>\$ 10.7</b>	<b>\$ (28.0)</b>	<b>\$ 8.5</b>	<b>\$ (24.9)</b>
<i>Adjustments:</i>						
Financial expenses (income), net	0.8	(0.3)	1.3	3.4	2.7	(11.3)
Tax expenses	4.3	5.1	5.3	5.0	14.9	23.0
Depreciation and amortization	13.3	28.2	35.3	39.4	34.0	53.1
Share-based compensation expenses	6.3	10.8	10.5	8.2	28.3	124.1
Revaluation of Contingent Liability	1.4	1.6	3.8	-	-	-
M&A costs	-	-	-	6.1	17.8	11.7
Holdback compensation expenses	-	-	-	-	-	3.7
<b>Adjusted EBITDA</b>	<b>\$ 23.4</b>	<b>\$ 48.2</b>	<b>\$ 66.9</b>	<b>\$ 34.1</b>	<b>\$ 106.2</b>	<b>\$ 179.4</b>

Note: Although we provide guidance for Adjusted EBITDA, we are not able to provide guidance for projected Net income (loss), the most directly comparable GAAP measures. Certain elements of Net income (loss), including share-based compensation expenses, are not predictable due to the high variability and difficulty of making accurate forecasts. As a result, it is impractical for us to provide guidance on Net Income (loss) or to reconcile our Adjusted EBITDA guidance without unreasonable efforts. Consequently, no disclosure of projected Net income (loss) is included. For the same reasons, we are unable to address the probable significance of the unavailable information.

# 2021 QUARTERLY RESULTS: ADJUSTED EBITDA RECONCILIATION

(\$ in millions)

	Q1-21A	Q2-21A	Q3-21A	Q4-21A	FY 2021
<b>Net income (loss)</b>	<b>\$ 18.6</b>	<b>\$ (61.4)</b>	<b>\$ 17.3</b>	<b>\$ 0.6</b>	<b>\$ (24.9)</b>
<i>Adjustments:</i>					
Financials expenses (income),net	0.8	0.1	(14.0)	1.8	(11.3)
Tax expenses	2.3	7.9	(3.5)	16.3	23.0
Depreciation and amortization	8.2	8.6	13.2	23.1	53.1
Share-based compensation expenses	5.1	78.5	19.9	20.6	124.1
M&A costs & Transaction cost of Going Public	(1.5)	7.1	5.9	0.2	11.7
Connexity holdback	-	-	0.8	2.9	3.7
<b>Adjusted EBITDA</b>	<b>\$ 33.5</b>	<b>\$ 40.8</b>	<b>\$ 39.6</b>	<b>\$ 65.5</b>	<b>\$ 179.4</b>

<sup>1</sup>A substantial majority is Share-based compensation expenses related to going public.

<sup>2</sup>Relates to the acquisition of ION Acquisition Corp. 1 Ltd. and going public.

**Taboola**

# EX-TAC GROSS PROFIT MARGIN RECONCILIATION

(\$ in Millions)

	2016A	2017A	2018A	2019A	2020A	2021A
<b>Revenues</b>	<b>\$ 552</b>	<b>\$ 758</b>	<b>\$ 909</b>	<b>\$ 1,094</b>	<b>\$ 1,189</b>	<b>\$ 1,378</b>
<b>Gross Profit</b>	101	179	234	232	319	441
<i>Gross Profit Margin</i>	18%	24%	26%	21%	27%	32%
<b>Revenues</b>	<b>\$ 552</b>	<b>\$ 758</b>	<b>\$ 909</b>	<b>\$ 1,094</b>	<b>\$ 1,189</b>	<b>\$ 1,378</b>
<b>ex-TAC Gross Profit</b>	124	214	282	296	382	519
<i>ex-TAC Gross Profit Margin</i>	23%	28%	31%	27%	32%	38%

# RATIO OF ADJUSTED EBITDA TO EX-TAC GROSS PROFIT RECONCILIATION

(\$ in millions)

	2016A	2017A	2018A	2019A	2020A	2021A
<b>Gross Profit</b>	\$ 101	\$ 179	\$ 234	\$ 232	\$ 319	\$ 441
Net Income (loss)	(3)	3	11	(28)	8	(25)
Ratio of Net income (loss) to Gross profit	-3%	2%	5%	-12%	3%	-6%
<b>ex-TAC Gross Profit</b>	\$ 124	\$ 214	\$ 282	\$ 296	\$ 382	\$ 519
Adjusted EBITDA	23	48	67	34	106	179
Ratio of Adjusted EBITDA to ex-TAC Gross Profit	19%	23%	24%	11%	28%	34%

# EX-TAC GROSS PROFIT MARGIN RECONCILIATION

(\$ in Millions)

	2016A	2017A	2018A	2019A	2020A	2021A
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ex-TAC Gross Profit	124	214	282	296	382	519
ex-TAC Gross Profit Margin	23%	28%	31%	27%	32%	38%

# HISTORICAL & PROJECTED ADJ. GROSS PROFIT MARGIN RECONCILIATION

(\$ in Millions)	2020A	2021A	2022E
<b>Revenues</b>	\$ 1,189	\$ 1,378	\$ 1,672
<b>Traffic Acquisition Cost (TAC)</b>	807	859	1,007
<b>ex-TAC Gross Profit</b>	\$ 382	\$ 519	\$ 665
<b>Other Cost of Revenues</b>	63	78	109
<b>Gross Profit</b>	\$ 319	\$ 441	\$ 556
<i>Gross Profit Margin</i>	27%	32%	33%
<i>Adj. Gross Profit Margin</i>	84%	85%	84%

**Taboola** Note: Adj. Gross Profit Margin is calculated by dividing Gross profit by ex-TAC Gross Profit. 2022 projections reflect midpoint of company's current guidance.



# HISTORICAL FREE CASH FLOW RECONCILIATION

(\$ in Millions)

	2019A	2020A	2021A
<b>Net cash from operating activities</b>	\$ 18	\$ 139	\$ 64
<b>Net cash used in the following investing activities</b>	\$ (44)	\$ (18)	\$ (39)
Intangible assets	\$ (6)	(9)	(14)
Purchase of IT equipment (servers)	\$ (38)	(9)	(25)
<b>Free Cash Flow</b>	\$ (26)	\$ 121	\$ 25

(1) Adj. EBITDA Plus the change in working capital reflects the Net cash provided by operating activities. For estimated periods, Net cash from operating activities assumes 53-57 days payables outstanding and 40-45 days sales outstanding.

# CONSOLIDATED BALANCE SHEET

(\$ in millions)	As of Dec 31, 2019	As of Dec 31, 2020	As of Dec 31, 2021
Cash, cash equivalents and short-term deposits	\$ 116	\$ 243	\$ 319
<b>Total Assets</b>	<b>\$ 482</b>	<b>\$ 580</b>	<b>\$ 1,598</b>
<b>Total Liabilities &amp; Convertible Shares</b>	<b>\$ 475</b>	<b>\$ 534</b>	<b>\$ 830</b>
Accumulated Deficit	\$ (40)	\$ (31)	\$ (56)
Additional Paid-in-capital	\$ 47	\$ 78	\$ 824
<b>Total Shareholders' Equity</b>	<b>\$ 7</b>	<b>\$ 47</b>	<b>\$ 768</b>

## 2021 QUARTERLY RESULTS: EX-TAC GROSS PROFIT RECONCILIATION

(\$ in Millions)	Q1-21A	Q2-21A	Q3-21A	Q4-21A
<b>Revenues</b>	\$ 303.0	\$ 329.1	\$ 338.8	\$ 407.7
<b>Traffic Acquisition Cost (TAC)</b>	197.0	212.2	211.9	238.5
<b>Other Cost of Revenues</b>	16.4	16.6	19.2	25.6
<b>Gross Profit</b>	\$ 89.6	\$ 100.3	\$ 107.7	\$ 143.6
<b>Other Cost of Revenues</b>	16.4	16.6	19.2	25.6
<b>ex-TAC Gross Profit</b>	\$ 106.0	\$ 116.9	\$ 126.9	\$ 169.2

# 2022 FULL YEAR GUIDANCE: EX-TAC GROSS PROFIT RECONCILIATION

(\$ in millions)	Guidance
	FY 2022
<b>Revenues</b>	<b>\$1,666 - \$1,678</b>
<b>Traffic Acquisition Cost (TAC)</b>	<b>(\$1003 - \$1011)</b>
<b>Other Cost of Revenues</b>	<b>(\$106 - \$112)</b>
<b>Gross Profit</b>	<b>\$552 - \$560</b>
<b>Other Cost of Revenues</b>	<b>\$106 - \$112</b>
<b>ex-TAC Gross Profit</b>	<b>\$661 - \$669</b>

**Taboola**

**THANK  
YOU!**

