

A woman with long dark hair and a man with dreadlocks are looking at a laptop. The woman is on the left, leaning in, and the man is on the right, looking at the screen. The laptop is dark blue with a white logo on the lid. The background is a modern office with warm lighting and a ceiling fan.

**Taboola**

# **Yahoo! + Taboola Investor Presentation**

March 1, 2023

## Forward-Looking Statements Disclaimer

Certain statements in this presentation are forward-looking statements. Forward-looking statements generally relate to future events, including Taboola.com Ltd.'s (the "Company's") expectations for the Company's partnership with Yahoo described in this presentation and future financial or operating performance of 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. Examples of such forward-looking statements include, but are not limited to, projections or estimates regarding the Company's stand-alone future financial or operating performance and potential contributions and impacts the Yahoo partnership may have on the Company's future financial or operating performance.

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 presentation include, but are not limited to: the Company's ability to transition to and fully launch the native advertising service with Yahoo on the currently anticipated schedule or at all; market acceptance of the new service and the Company's ability to attract new or existing Yahoo advertisers to the new service; risks that existing Yahoo advertisers may terminate their contracts as a result of the partnership with the Company and not migrate to the Company's service; costs related to the introduction and operation of the new service; the timing and amount of any margin, profitability, cash flow or other financial contributions of the new service; the ability to generate or achieve the financial results, including the increase in Adjusted EBITDA and Free Cash Flow in 2024 to the levels assumed in this presentation or at all; the risk that the new service results in a decline in the Company's financial performance during the preparation and roll out of the new service and beyond; the 30-year term as an exclusive native publisher partner with Yahoo, which can be subject to early termination in accordance with the governing agreements and/or applicable law; ability to achieve the increase in revenue, Adjusted EBITDA and Free Cash Flow to the levels assumed in this presentation or at all; ability to transform the Company into an alternative to the walled gardens in the Open Web; ability to expand beyond traditional advertising to include additional value-added services to create future growth; expectations regarding the impact of the Yahoo partnership materializing in H2 2023 and continuing into 2024, which materially depends on the degree to which our onboarding and ramp up are successful; the 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; ability to maintain relationships with current advertiser 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 to support the Yahoo partnership; 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 COVID-19 or other possible future pandemics; 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 the Company is incorporated in Israel and governed by Israeli law; and other risks and uncertainties set forth in the Company's Annual Report on Form 20-F for the year ended December 31, 2021 under Item 3.D. "Information About the Company - Risk Factors" and in the Company's subsequent filings with the Securities and Exchange Commission.

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 metrics of Adjusted EBITDA, 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 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 presentation for explanation and information regarding reconciliation to GAAP.

# Agenda

01	02	03	04	05
<b>Taboola &amp; Partnership Overview</b>	<b>Fireside Chat with Jim Lanzone</b> Yahoo's CEO	<b>Integration</b>	<b>Summary</b>	<b>Audience Q&amp;A</b>
<i>Presented by</i> <b>Adam Singolda</b> Founder & CEO	<i>Moderated by</i> <b>Monica Mijaleski</b> Yahoo CFO, Taboola Director	<i>Presented by</i> <b>Eldad Maniv</b> President & COO	<i>Presented by</i> <b>Steve Walker</b> CFO	<i>Moderated by</i> <b>Rick Hoss</b> Head of Investor Relations

Lunch & Demo Stations  
**TO FOLLOW**

**01**

Building a “must buy”  
advertising company in  
the open web

---

**02**

Taboola & Yahoo  
partnership

---

**03**

Doubling and tripling our  
partnership

---



# Information Overload



## Saladas Joy

- Frango Maragá R\$ 12,90
- Carne Suedesa R\$ 14,90
- Queijo Gódo R\$ 16,90
- Queijo Mussarela R\$ 18,90
- Cheddar Salsinha R\$ 18,90
- Carne R\$ 18,90
- TUNAFIT R\$ 28,90
- Vegetariano R\$ 25,90
- Maio Bowl R\$ 25,90

## Torta com

- DA R\$ 26,90
- FRANGO CRÍMOSO
- FRANGO COM QUEIJO
- PAIMITO

## Sucos

- ### TRADICIONAIS
- LARANJA R\$ 7,90
  - LIMÃO R\$ 7,90
  - CENOURA R\$ 7,90
  - LARANJA R\$ 7,90
  - MAMÃO R\$ 7,90
  - LARANJA R\$ 7,90

- ### ESPECIAIS
- Apple Berry R\$ 11,90
  - Mangobreeze R\$ 11,90
  - God's Juice R\$ 11,90
  - Citrus Refresh R\$ 15,90
  - Apple Berry R\$ 11,90
  - Maio Full R\$ 11,90
  - Ginger Twist R\$ 11,90
  - Tropical Soul R\$ 11,90

## Sucos Verdes

- Simple Green R\$ 11,90
- Green Detox R\$ 11,90
- Feel Better R\$ 15,90

## Sucos Acai

- Amazon Pure R\$ 15,90
- Amazon Fresh R\$ 15,90
- Amazon Live R\$ 15,90
- Amazon Classic R\$ 15,90
- Amazon Green R\$ 15,90
- Amazon Nut R\$ 15,90

## Smoothies CLASSICOS

- Love Joy R\$ 13,50
- Watermelon Dream R\$ 14,90
- Banana Blue R\$ 13,50
- Pina Fresh R\$ 13,50
- Paradise R\$ 13,50
- Pitaya Sunset R\$ 14,90

## Smoothies PROTÉTICOS

- Fruit & Veggie R\$ 14,90
- Superimunity R\$ 14,90
- Mr. Green R\$ 16,90
- Protein Berry R\$ 14,90
- Power Nut R\$ 16,90
- Berry Good R\$ 16,90

## Água DE COCO

- 500ml R\$ 9,50
- 500ml R\$ 10,50

## Acai Cremes NATIGELA

- ACAI Joy R\$ 16,90
- BANANA Nut Cream R\$ 18,90
- ACAI Coconut R\$ 18,90
- ACAI Nuts R\$ 18,90
- PITAYA Bowl R\$ 17,90

## Frozen Yogurt

- Tradicional R\$ 15,90
- Honey Almonds R\$ 17,90
- Berry Dream R\$ 18,90

## Banana Joy

- R\$ 15,50

Uma combinação irresistível de torta integral de banana e notas com recheio de açaí acompanhada por sorvete de iogurte, calda de chocolate e amêndoas picadas.

Google

Google Search I'm feeling Lucky



Blockbuster Films



Watch It Again




RECOMMENDATION  
ENGINES ARE  
EVERYWHERE


Ensemble TV Programmes



... where you left off



... Men's W... ALEADER Men's Lace...  
 ...89.99 \$59<sup>99</sup> \$65.99



...AIRS Boys &... GUBARUN Boys Snow...  
 ...37.99 \$42<sup>99</sup> \$49.99

Review your purchase

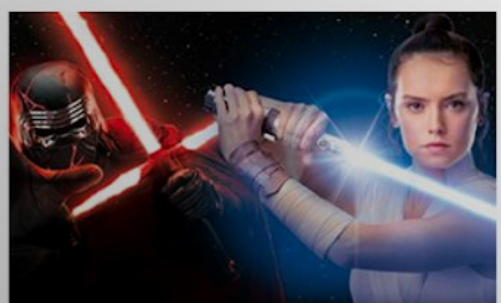


☆☆☆☆☆

See more products to review

Are you a fan of Star Wars?

Based on your Amazon activity


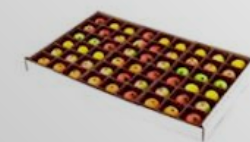


Yes, I'm a fan!

No, I'm not a fan

Explore Star Wars products

More top picks

ed by our then...

# RECOMMENDATION ENGINES ARE EVERYWHERE



Taboola

fridobaby  
**BABY GROOMING KIT**



Pampers  
 #1 PEDIATRICIAN recommended brand.  
 SOFTEST EVER  
**Pampers swaddlers**









Good afternoon

**Stuck On Replay**

**Good Vibes Only**

**Coffee Grind**

**Discover Weekly**

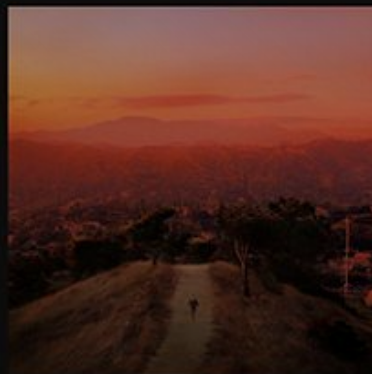
**Neat Tape 2**

**Kabhi Khushi Kabhie Gham...**

**RECOMMENDATION ENGINES ARE EVERYWHERE**

Taboola

## Recommended for today



Let's Fall In Love For T...  
Single • FINNEAS

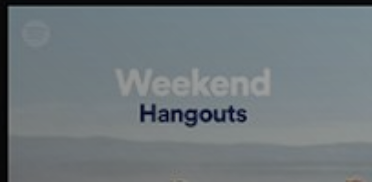


love is not dying  
Album • Jeremy Zucker



Hau...  
Sing

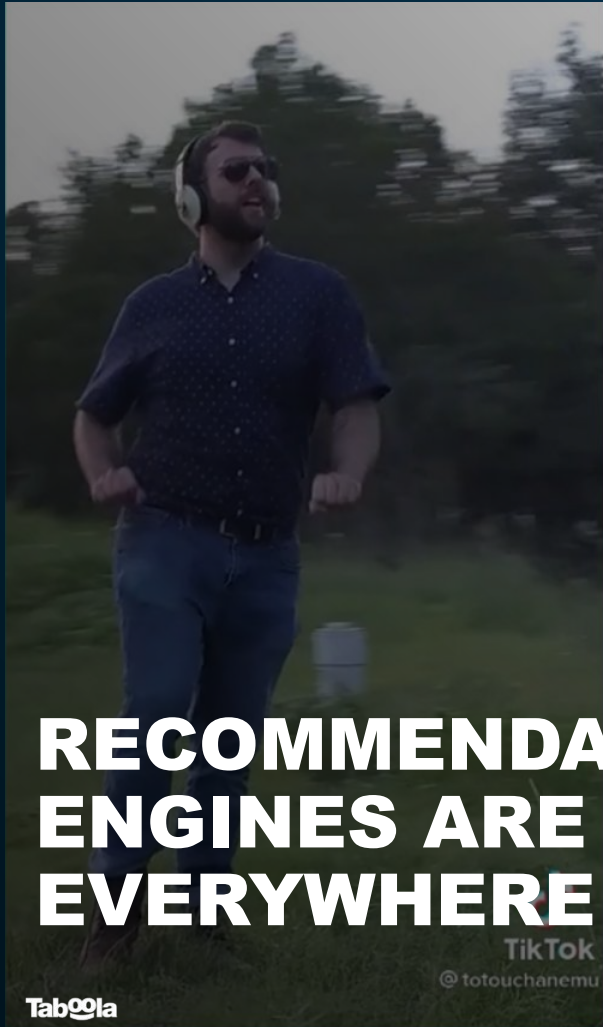
## Summer sounds



Weekend  
Hangouts



Good Vibes





# Powering Recommendations For The Open Web

Helping People Discover  
Things They May Like



# Open Web = Huge Market



**\$70B<sup>1</sup>**

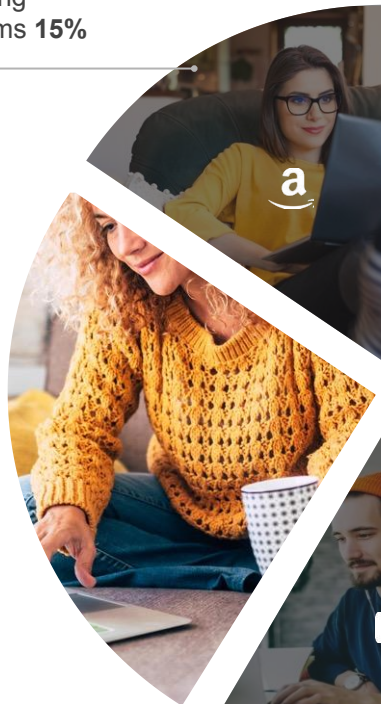
Open Web = Sites, Apps, CTV

# 25%

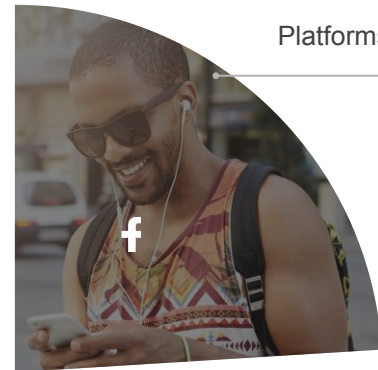
Portion of time people spend reading editorial content on the open Web



Shopping  
Platforms 15%



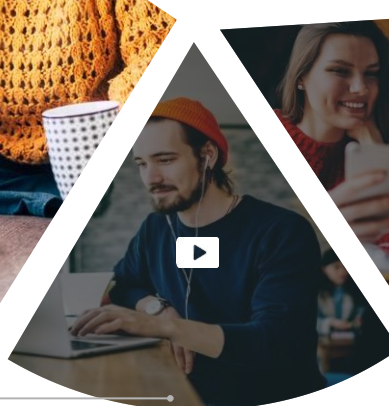
Social  
Platforms 23%



Search  
Platforms 16%



Video  
Platforms 17%



**Taboola**



**Privacy  
Matters**

# Walled Gardens

Easy To Buy

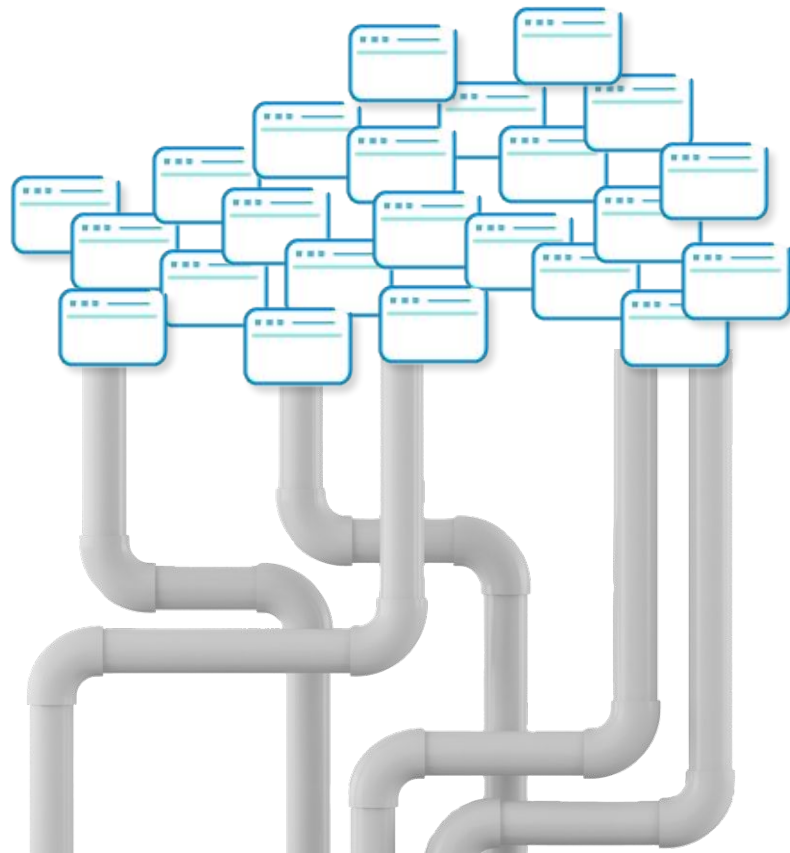
**SOCIAL** facebook

**SEARCH** Google



# Open Web

Fragmented



Taboola



Amazon Gift Cards  
There's still time to send the perfect present • Email or print now

McDonald's  
**ONE PRICE FITS ALL**

INNOVATE FASTER  
Build mobile and social apps

There's Still Time  
to send the perfect present



**SHOP GIFTS UNDER \$50**

Gingerbread Man Daisy  
Dipped Strawberries

**SHOP NOW**

Edible Arrangements

**HOLIDAY BLOWOUT AUCTIONS**

Nikon D5100 **\$59.81** (92% OFF)  
Canon T4i **\$42.16** (96% OFF)  
The New 32GB iPad **\$34.17** (94% OFF)  
MacBook Pro **\$87.13** (93% OFF)

AS LITTLE AS \$0.61 COULD GET YOU AN IPAD, CAMERA, HD TV & MORE!

QuiBids

**WRECK IT RALPH**

GOLDEN GLOBE™ NOMINEE  
BEST ANIMATED FEATURE

10 ACADEMY AWARD NOMINATIONS  
BEST ANIMATED FEATURE

FOR YOUR CONSIDERATION  
BEST ANIMATED FEATURE

www.waltdisney.com

Save up to **75% off** at restaurants in your city

iPod nano  
Completely redesigned.  
Just \$149.

NOT YOUR AVERAGE CHOCOLATE™

Shop Now

**MATTRESS FIRM**  
Save Money. Sleep Happy.

Get the Report FORRESTER

box

50% off  
Foretrunner 410

amazonlocal

Free

Nokia Lumia 920.  
Only from AT&T.  
**\$99.99**

Get Your **FREE** Credit Score

Are you comfortable in your retirement?

If you have a \$500,000 portfolio, download the guide for retirees written by Forbes columnist and money manager... Fisher's firm. It's called management... ment Plan."

Even if you place right now, it's a good idea to request your guide!

Click... Download Your Guide!

NINJA FREE MUG

Shades Berries

Average Amazon.com Customer Review  
★★★★☆ (1,569) 12/13/12

4.1 have owned nursing w/dt Suunto and f

amazon.com  
\$50 Off Instantly

Learn more

**HOLIDAY INTERNET SALE**  
NOV 22 - DEC 31

exede internet  
wildblue

SAVE 25% ON HIGH-SPEED INTERNET

Free at 7:30am

iHeartRADIO

NINJA BUY HERE the ONION

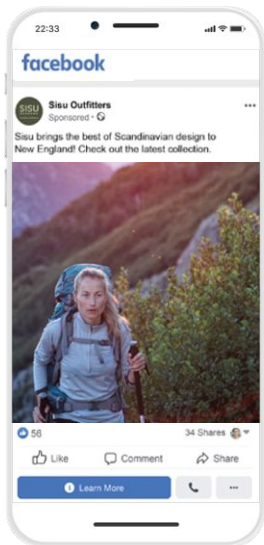
Premium roas coffee

RICE \$1 SIZE



# Taboola = Bringing The Power Of Walled Gardens To The Open Web

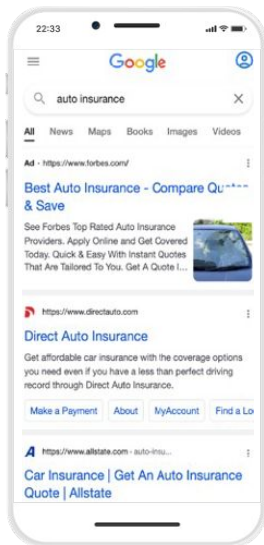
facebook



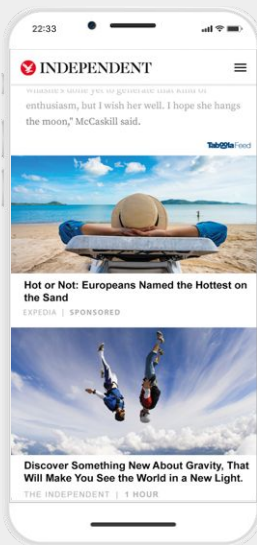
Paid

Organic

Google



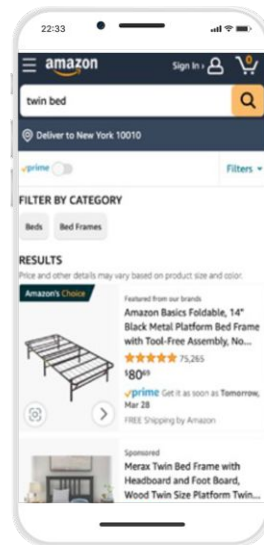
Taboola



Paid

Organic

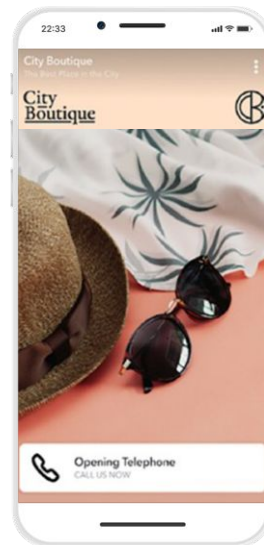
amazon



Organic

Paid

snapchat



Paid



**01**

Building a “must buy”  
advertising company in  
the open web

---

**02**

Taboola & Yahoo  
partnership

---

**03**

Doubling and tripling our  
partnership

---



---

**Embarking on 30 Year  
Partnership with Yahoo**

# Taboola + yahoo!



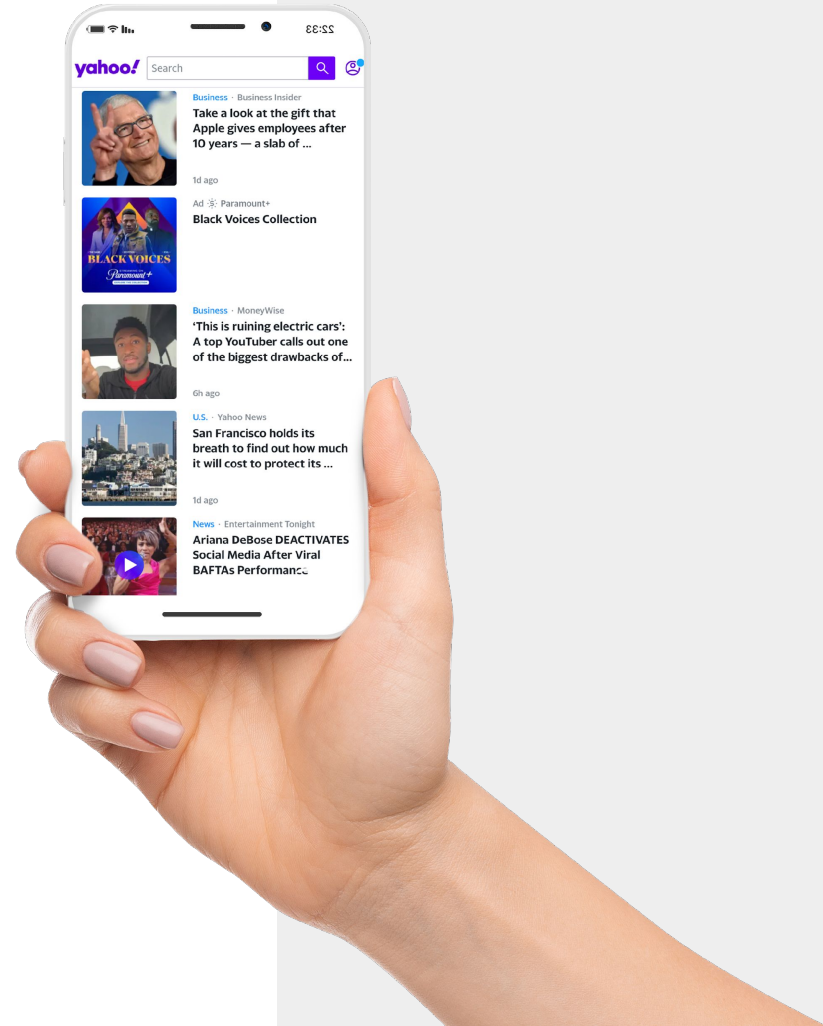
Thousands of native  
advertisers



Contextual Segments



Exclusive native  
across Yahoo sites  
(nearly 900M users)



# Yahoo Supply Unlocks Premium Access To Users Across Verticals

Y! is the **5th largest** internet property in the US: **84%** of US Internet Population visits a Y! Property on a monthly Basis.<sup>1</sup>

(1) Comscore Media Metrix © Multi-Platform, Total Audience and % Reach, Top 100 properties, Total Unique Visitors/Viewers, December 2022, U.S.

(2) Comscore Media Metrix © Multi-Platform, Business/Finance News category, Total Audience, December 2022, U.S.

(3) Comscore Media Metrix © Multi-Platform, News/Information category, Total Audience, December 2022, U.S.

(4) Comscore Media Metrix © Multi-Platform, Services - e-mail category, Total Audience, December 2022, U.S.

(5) Comscore Media Metrix © Multi-Platform, Sports category, Total Audience, December 2022, U.S.

#1

Business/Finance News  
Property in the US<sup>2</sup>

**yahoo!finance**

#1

News property in the US<sup>3</sup>

**yahoo!news**

#2

Email Property in the US<sup>4</sup>

**yahoo!mail**

#2

Sports Property in the US<sup>5</sup>

**yahoo!sports**

# Becoming A “Must Buy” For Advertisers

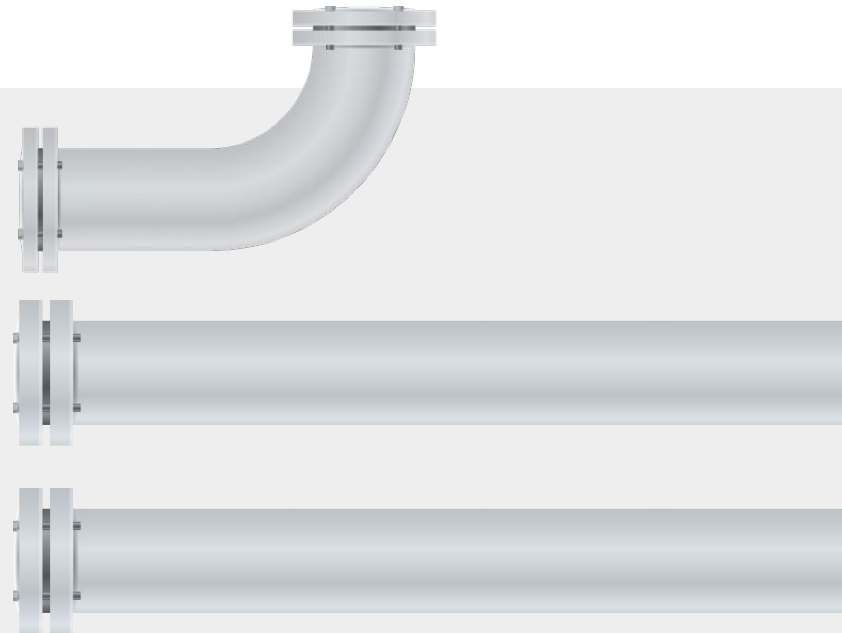


**ADVERTISERS**

**Taboola**

**Google**

**facebook**



# Becoming The Largest Ad Company In the Open Web

Only Open Web company with scale serving both publishers and advertisers



\$2.5B<sup>1</sup>



\$2.8B



~\$4.6B



~\$4.5B



~\$7.7B



\$37B



\$114B



\$224B



Others — <=\$1B

2022 Advertising Results<sup>2</sup>

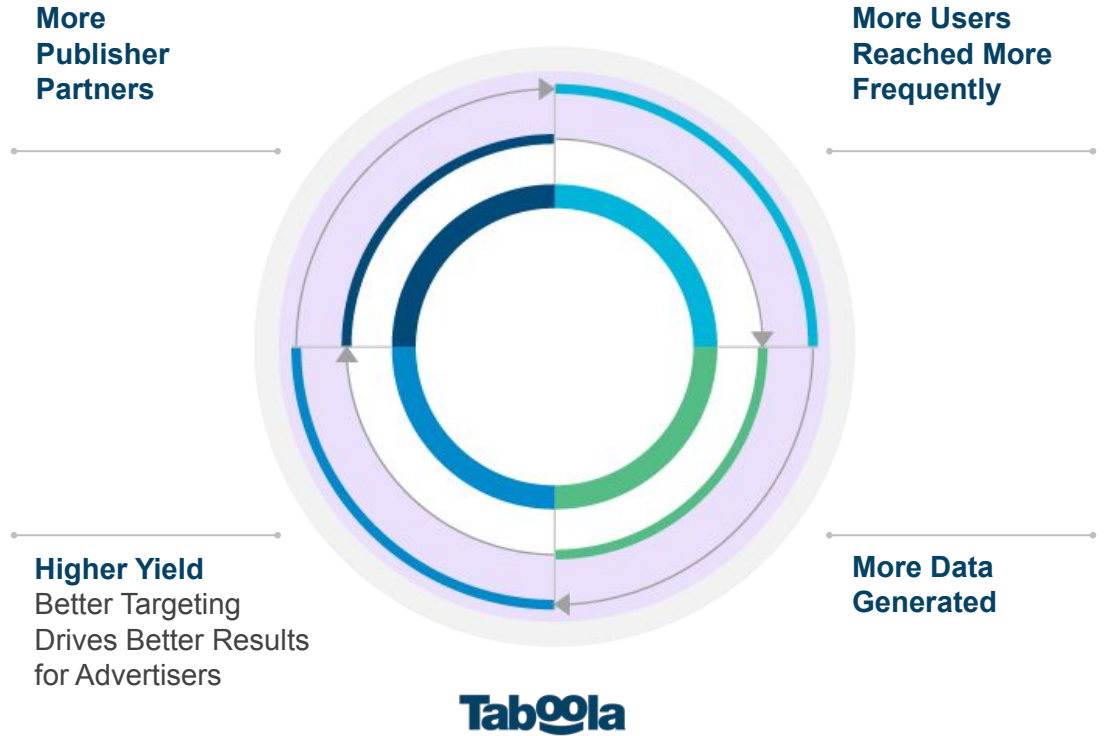
(1) Estimated 2022 Results if Yahoo were to be included in full year results, plus uplift. See appendix for assumptions.

(2) FY 2022 figures as presented in each company's respective Form 10-K (except as noted) are as follows: Amazon: "Advertising Services Net Sales" \$37,739M ; Alphabet: "Google Advertising Revenue" \$224,473M; Meta: "Family of Apps Revenue" \$114,450; The Trade Desk: "Gross Spend" \$7,741M; SNAP: Revenue, \$4,601M; Pinterest: Revenue, \$2,802M; Twitter - Taboola Estimate

# Scale Matters In Our Industry

## GROWTH WITH A BUILT-IN NETWORK EFFECT

- = Win even more publishers
- = Make advertisers successful





**01**

Building a “must buy”  
advertising company in  
the open web

**02**

Taboola & Yahoo  
partnership

**03**

Doubling and tripling our  
partnership



# Innovative formats & experiences - Stories, Video, Carousels, and more

Designed to engage and monetize

Video  
Reel



Explore  
More



Taboola  
Feed



Taboola  
Stories  
(Beta)

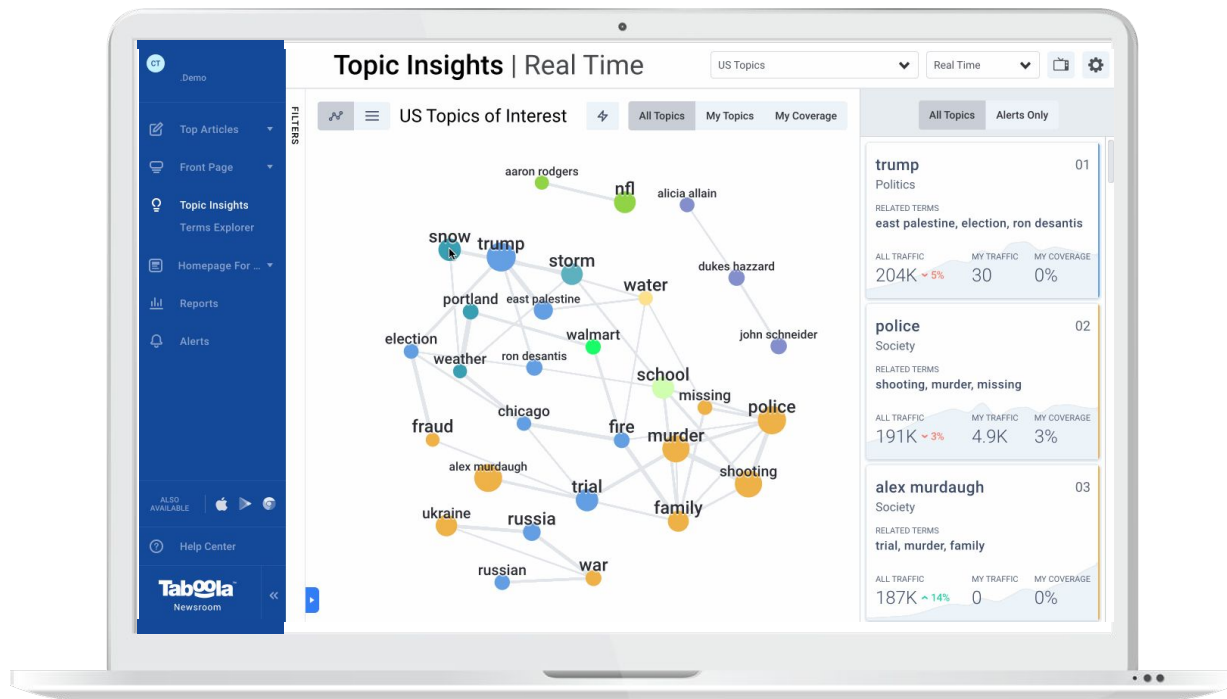


Next  
Up



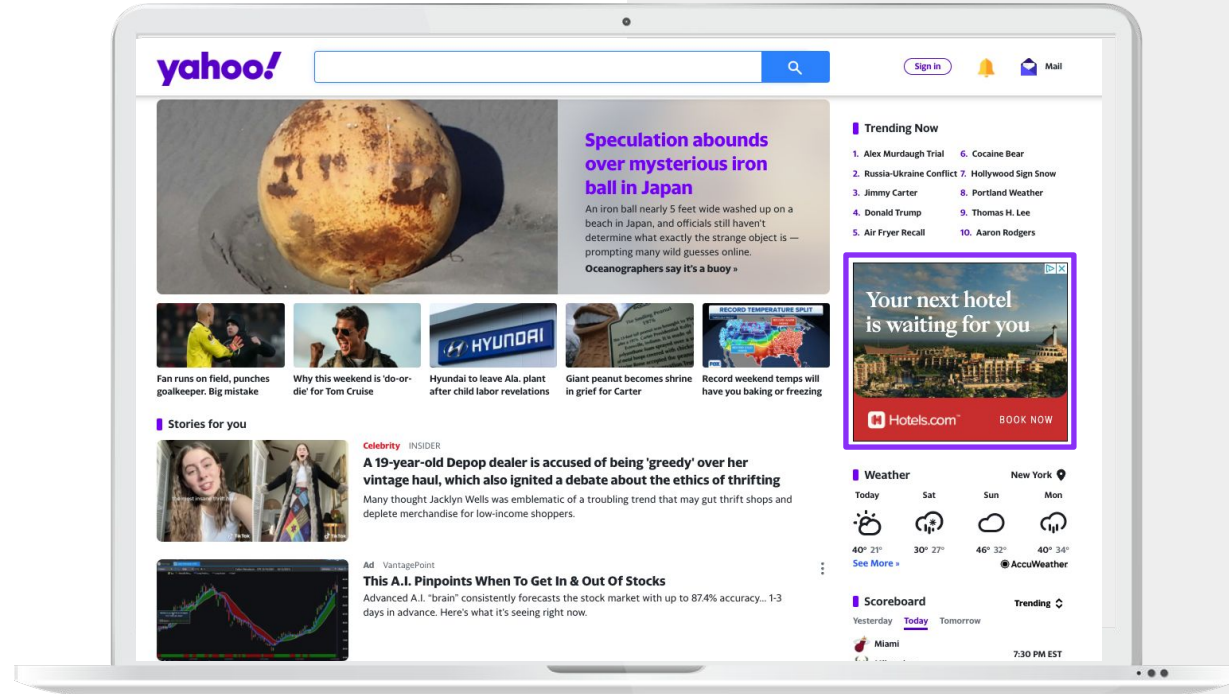
# Building Contextual Segments

Reaching targeted audiences based on relevant articles and topics



# Header Bidding Into Display

- Taboola's incremental CPC demand increases the performance of existing display placements
- Simple Prebid wrapper integration

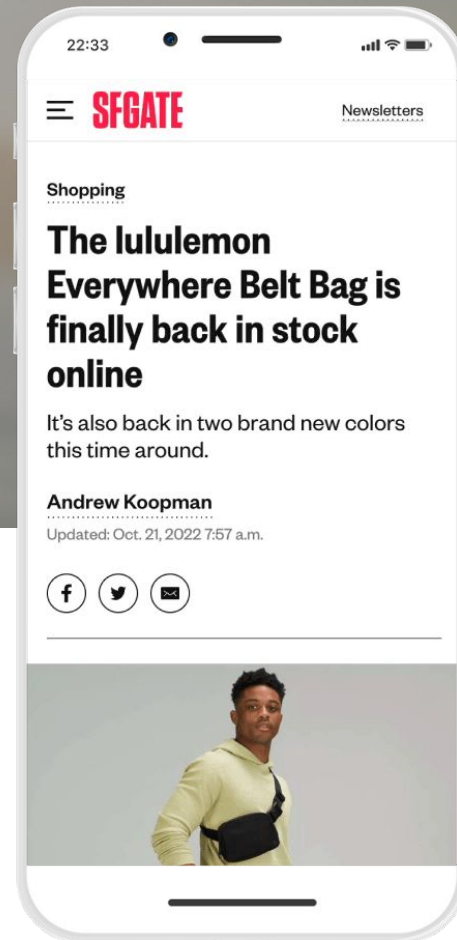


# Supercharge eCommerce: Connecting High Intent Content and Retailers

Yahoo is *already* Connexity's #1 partner in 2022<sup>1</sup>

Additional opportunities to explore:

- Creating bespoke eCommerce content
- Integrating deeper into Yahoo's Commerce Opportunities
- Circulating traffic from content to commerce





# The Force is with us

## 2024 Expectations:

Assuming Yahoo is fully  
live mid-2024

---

**\$200M+**  
Adj. EBITDA<sup>1</sup>

**\$100M+**  
Free Cash Flow<sup>1</sup>

---

# Agenda

<b>01</b>	<b>02</b>	<b>03</b>	<b>04</b>	<b>05</b>
<b>Taboola &amp; Partnership Overview</b>	<b>Fireside Chat with</b> Jim Lanzone Yahoo's CEO	<b>Integration</b>	<b>Summary</b>	<b>Audience Q&amp;A</b>
<i>Presented by</i> <b>Adam Singolda</b> <hr/> <i>Founder &amp; CEO</i>	<i>Moderated by</i> <b>Monica Mijaleski</b> <hr/> <i>Yahoo CFO, Taboola Director</i>	<i>Presented by</i> <b>Eldad Maniv</b> <hr/> <i>President &amp; COO</i>	<i>Presented by</i> <b>Steve Walker</b> <hr/> <i>CFO</i>	<i>Moderated by</i> <b>Rick Hoss</b> <hr/> <i>Head of Investor Relations</i>

# Fireside Chat



**Adam Singolda**

Taboola CEO



**Monica Mijaleski**

Yahoo CFO  
Taboola Director



**Jim Lanzone**

Yahoo CEO



# Agenda

<b>01</b>	<b>02</b>	<b>03</b>	<b>04</b>	<b>05</b>
<b>Partnership Overview</b>	<b>Fireside Chat with Jim Lanzone</b> Yahoo's CEO	<b>Integration</b>	<b>Summary</b>	<b>Audience Q&amp;A</b>
<i>Presented by</i> <b>Adam Singolda</b> Founder & CEO	<i>Moderated by</i> <b>Monica Mijaleski</b> Yahoo CFO, Taboola Director	<i>Presented by</i> <b>Eldad Maniv</b> President & COO	<i>Presented by</i> <b>Steve Walker</b> CFO	<i>Moderated by</i> <b>Rick Hoss</b> Head of Investor Relations



**Executing the  
Integration  
While Maintaining a  
Perfect Mix of Demand  
and Supply**

# Yahoo + Taboola: Integration Overview

Multiple complex integration paths:



**Tech**



**Advertisers**



**Supply**



**People**

# Yahoo + Taboola: Integration Overview

Multiple complex integration paths:



## Tech

- Feature Parity
- Format Parity
- Data Access
- Targeting
- Reporting



## Advertisers

- Campaign Continuity
- Platform Migration
- Policy Alignment
- Hit performance Goals



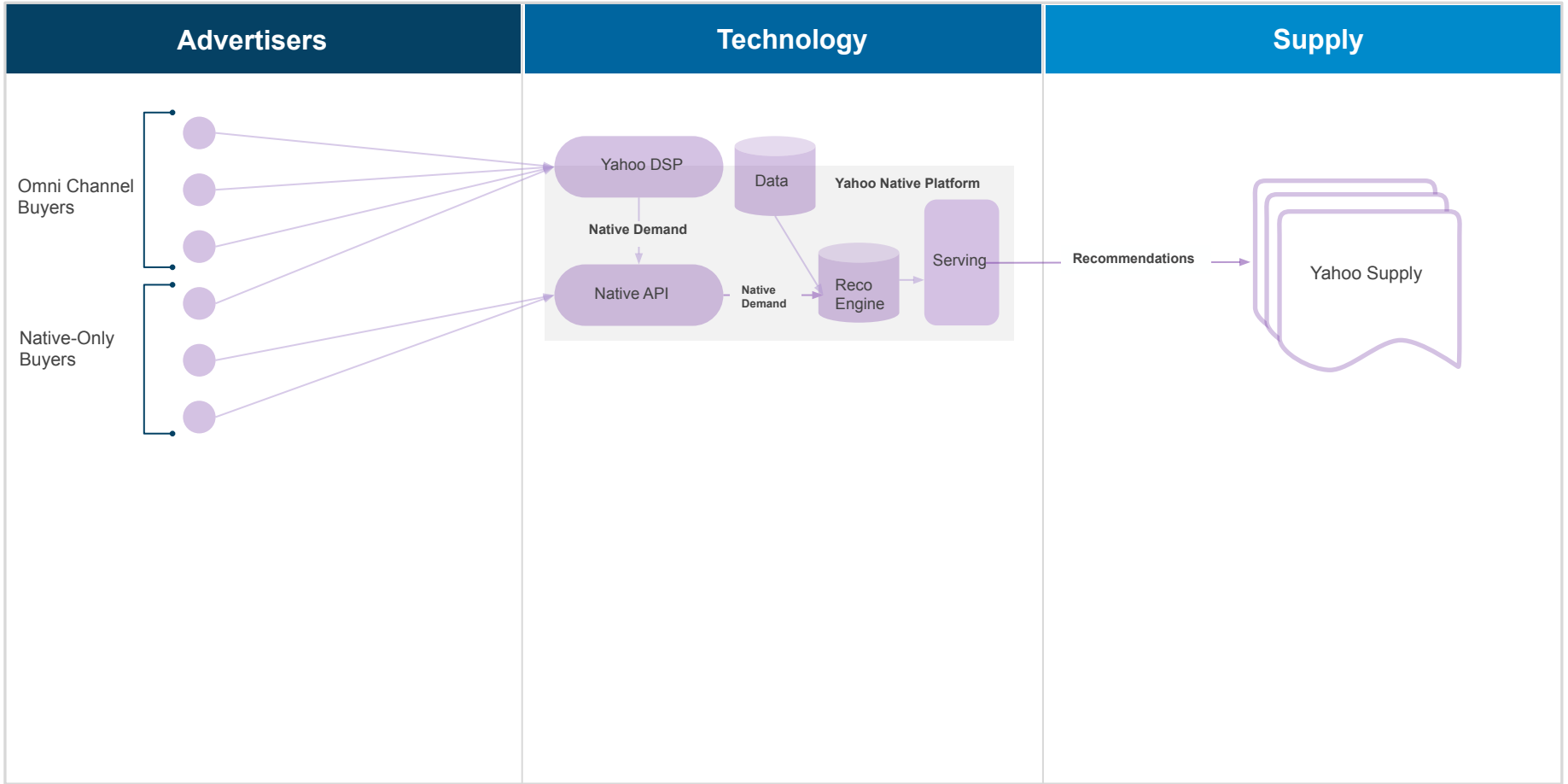
## Supply

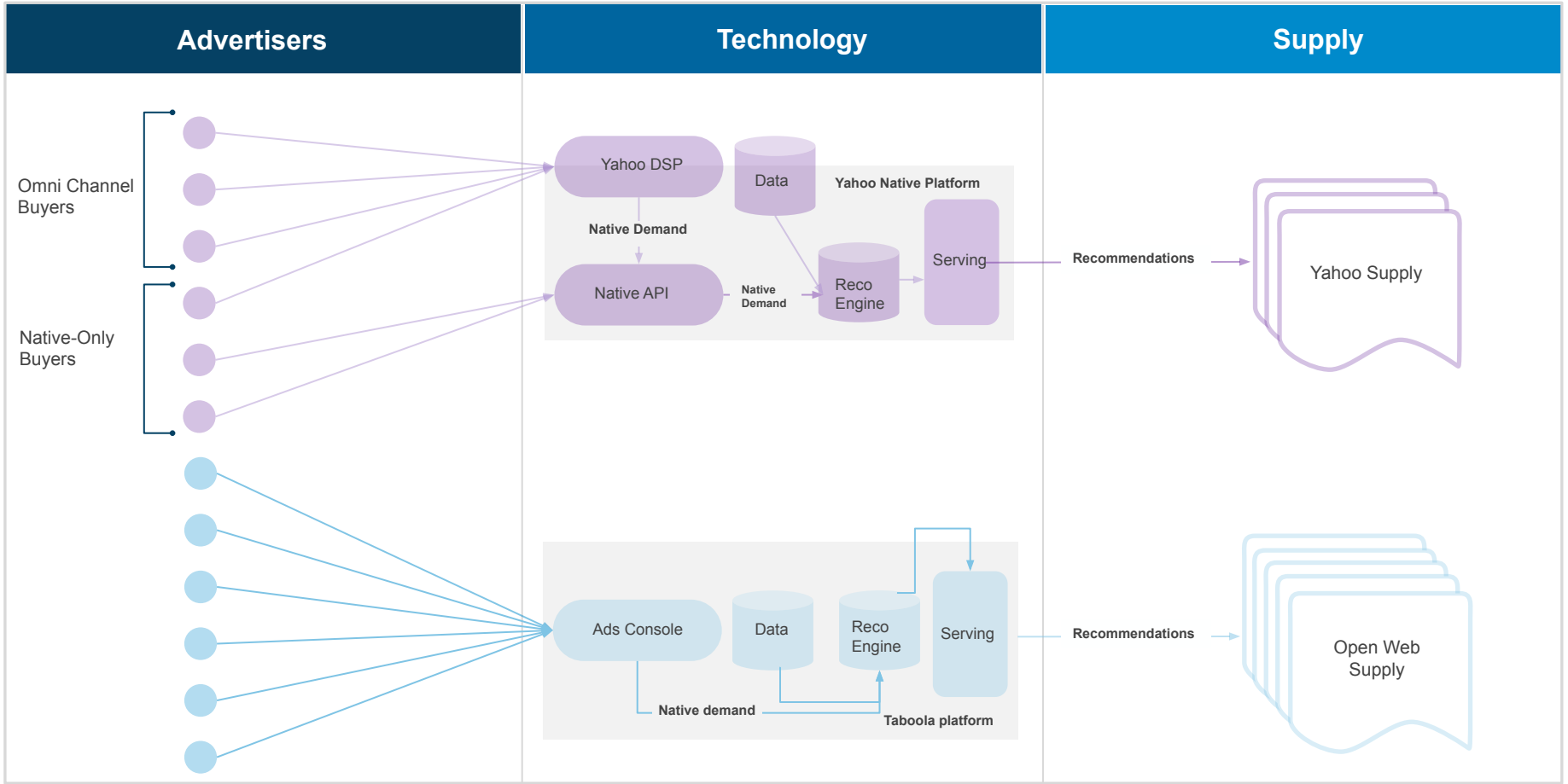
- 1,000's of Placements
- A/B Testing and UI Optimization
- Reporting and insights

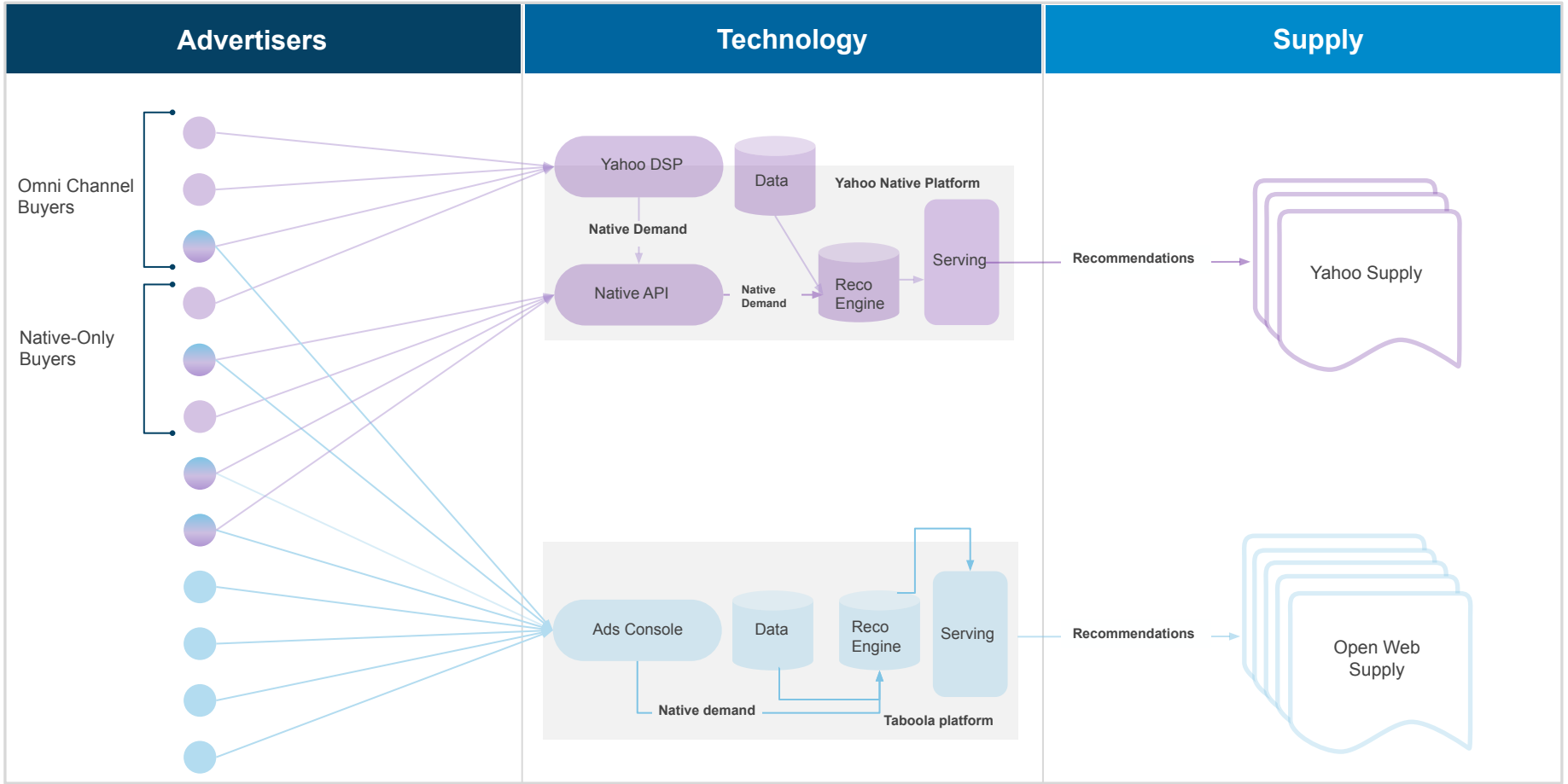


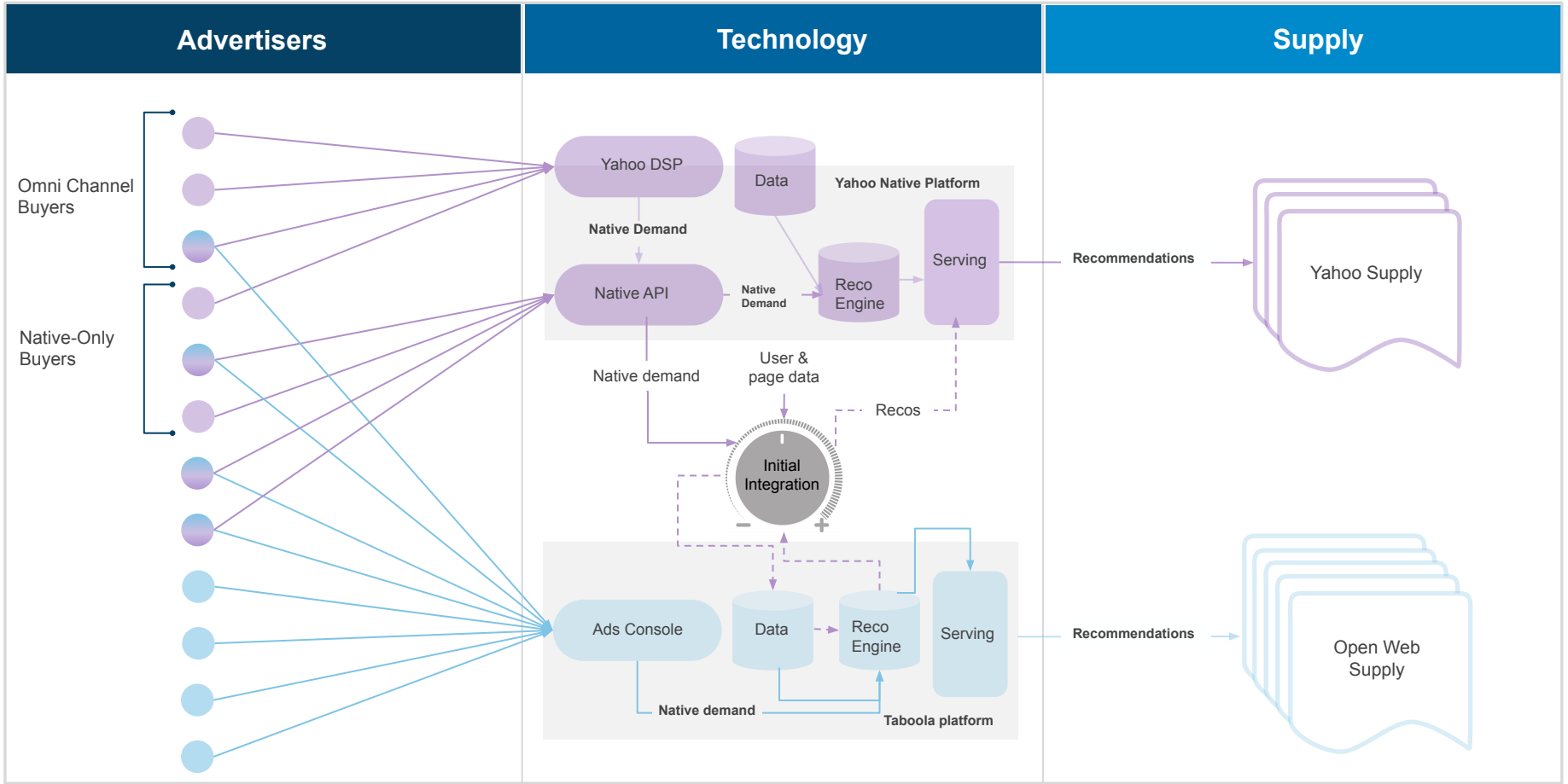
## People

- Staffing Requirements
- Operational support

















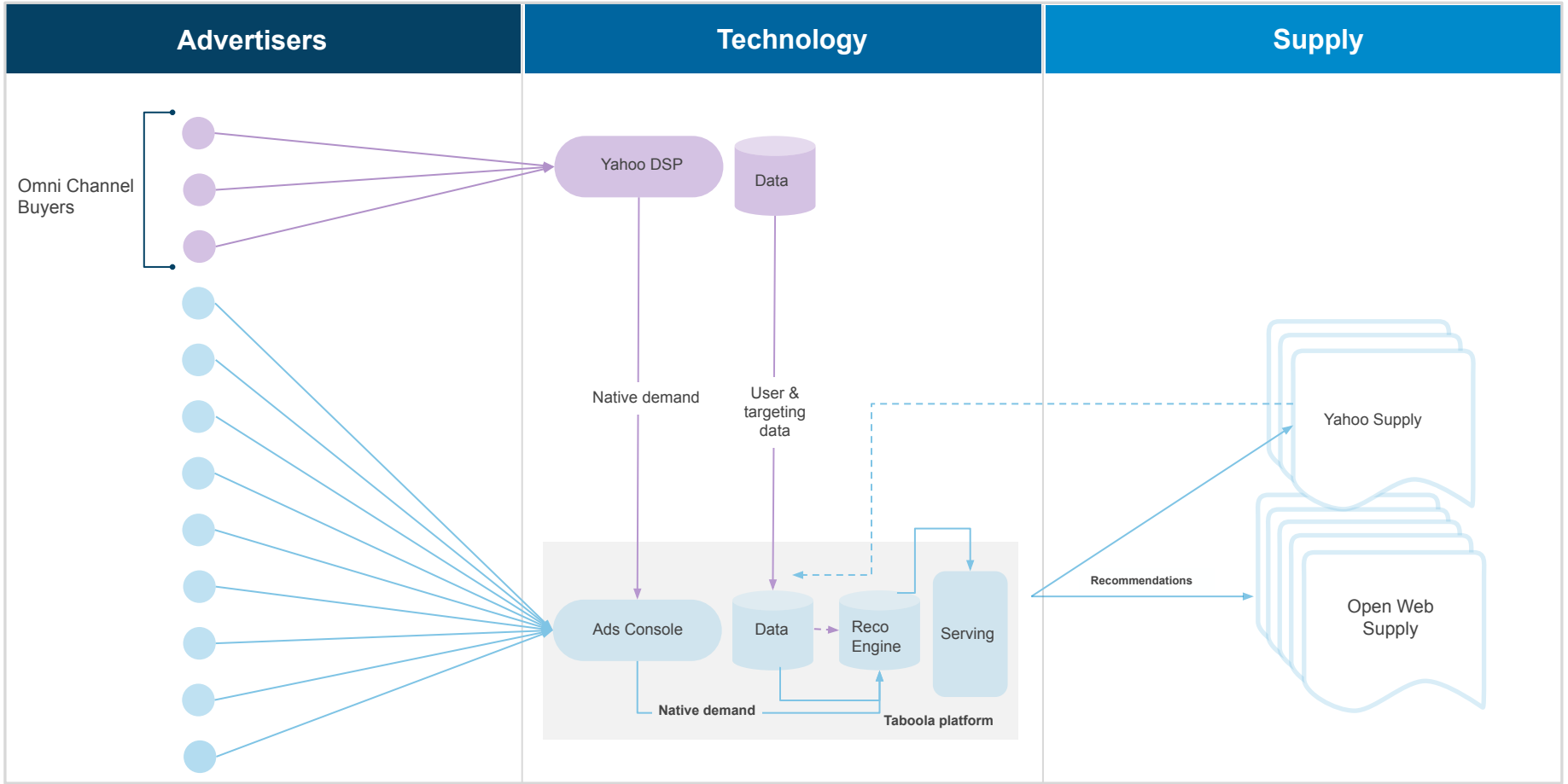
























# Example Initiatives

Advertisers	Technology	Supply
 <p>Targeting Parity</p>  <p>Feature Parity</p>	 <p>S2S Connection &amp; Data Access</p>  <p>Targeting Parity</p>  <p>Feature Parity</p>  <p>Content Moderation</p>  <p>Algo Optimization</p>  <p>A/B Testing Infrastructure</p>	 <p>Ad Policy Parity</p>  <p>Feature Parity</p>  <p>Reporting Parity</p>  <p>UX Implementation &amp; Optimization</p>



# Example Initiatives

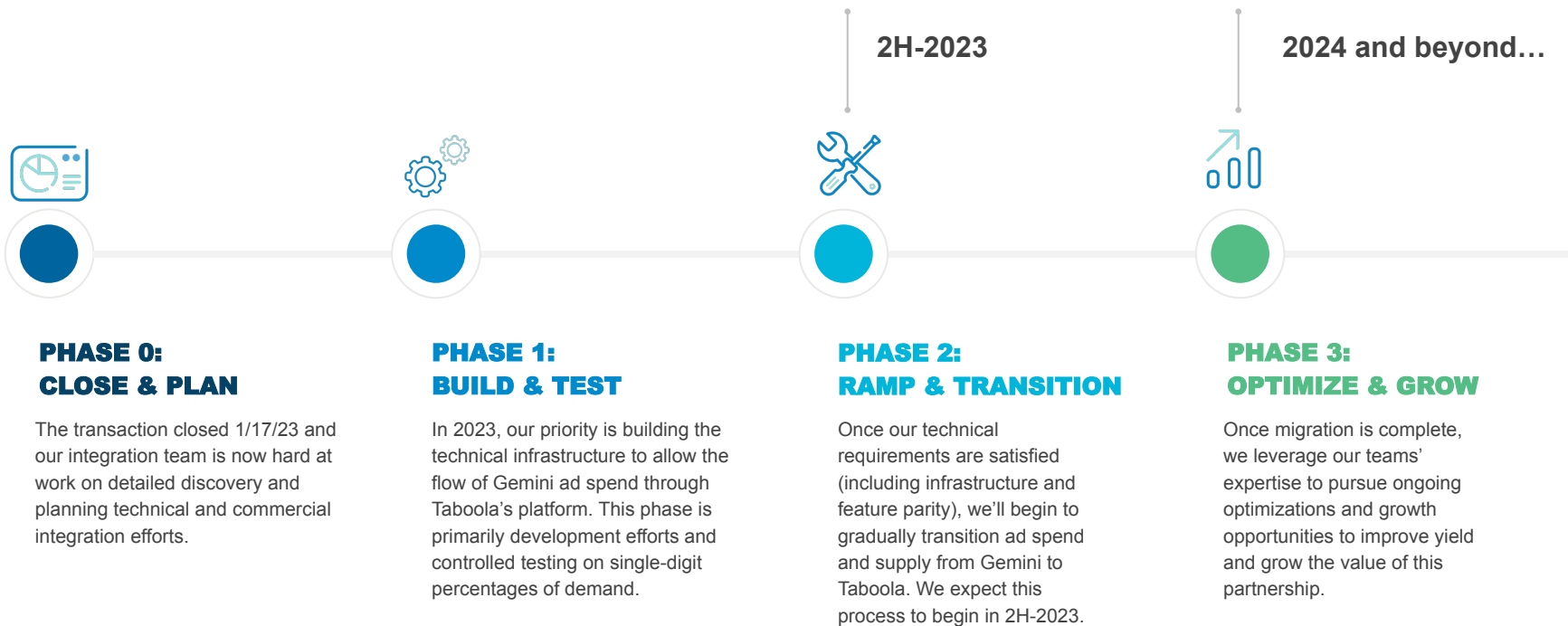
Advertisers	Technology	Supply
 Targeting Parity	 S2S Connection & Data Access	 Ad Policy Parity
 Feature Parity	 Targeting Parity	 Feature Parity
 Customer Migration: Taboola Onboarding	 Feature Parity	 Reporting Parity
 Campaign History & Reporting	 Content Moderation	 UX Implementation & Optimization
 New Open Web Supply	 Algo Optimization	 Client-side Integration
 Omni-channel sales support	 A/B Testing Infrastructure	
	 Client-side Supply Integration	

# Integration Staffing

Dramatically increasing our scale requires additional headcount.

Advertisers	Technology	Supply
<ul style="list-style-type: none"><li>• <b>Sales &amp; Account Managers</b> to service and optimize our larger base &amp; provide Native support to Y! sales.</li><li>• <b>Finance &amp; Operational</b> support: billing, reporting, collections, etc.</li><li>• <b>Customer Support</b> teams to onboard, implement, and provide ongoing support to advertiser customers.</li></ul>	<ul style="list-style-type: none"><li>• <b>Engineering</b> personnel required to develop, build, and support integration efforts.</li><li>• <b>Algo</b> resources focused on Y! Supply and it's unique placements &amp; formats.</li></ul>	<ul style="list-style-type: none"><li>• <b>Professional Services</b> personnel to implement and optimize 5,000+ placements across Y! Supply</li><li>• <b>Content Moderation</b> resources to support additional scale</li><li>• <b>Technical Support</b> for Y! Specific product/UX customization</li></ul>

# Phased Integration Approach



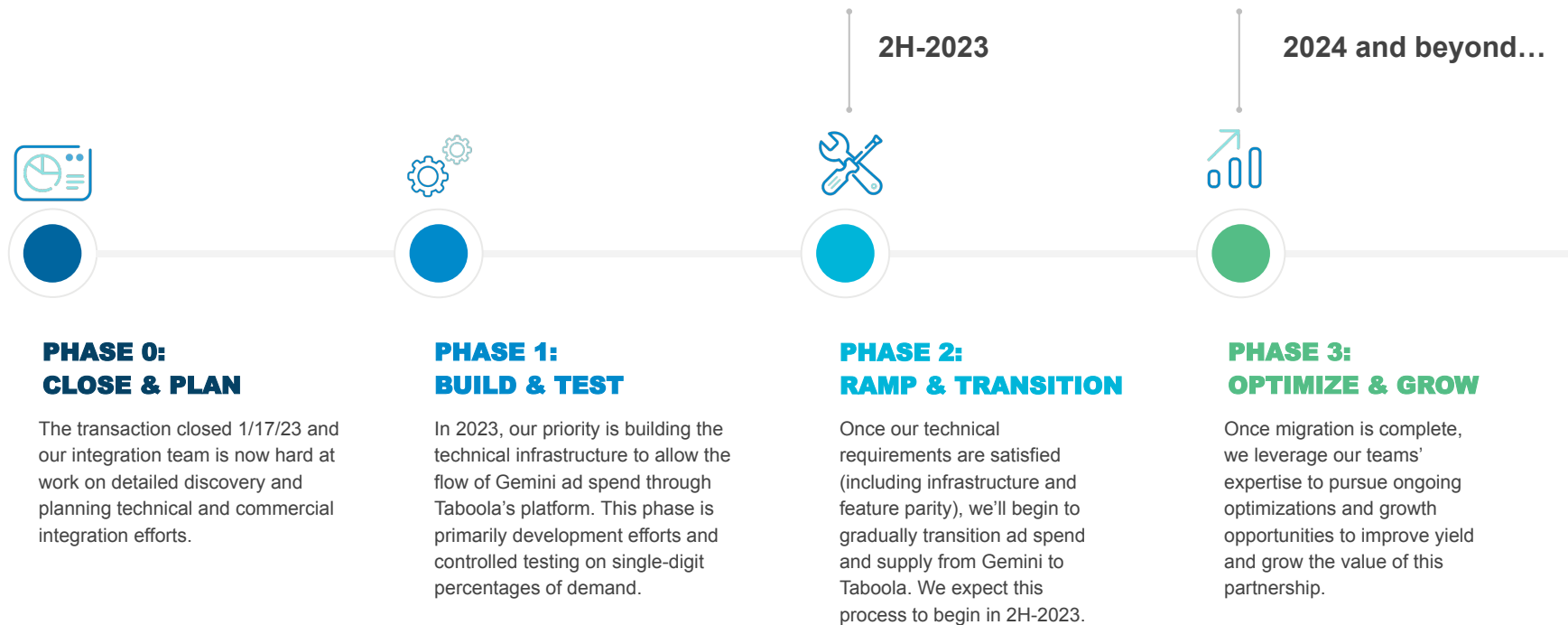
# Clear Path to a Successful Launch



# Agenda

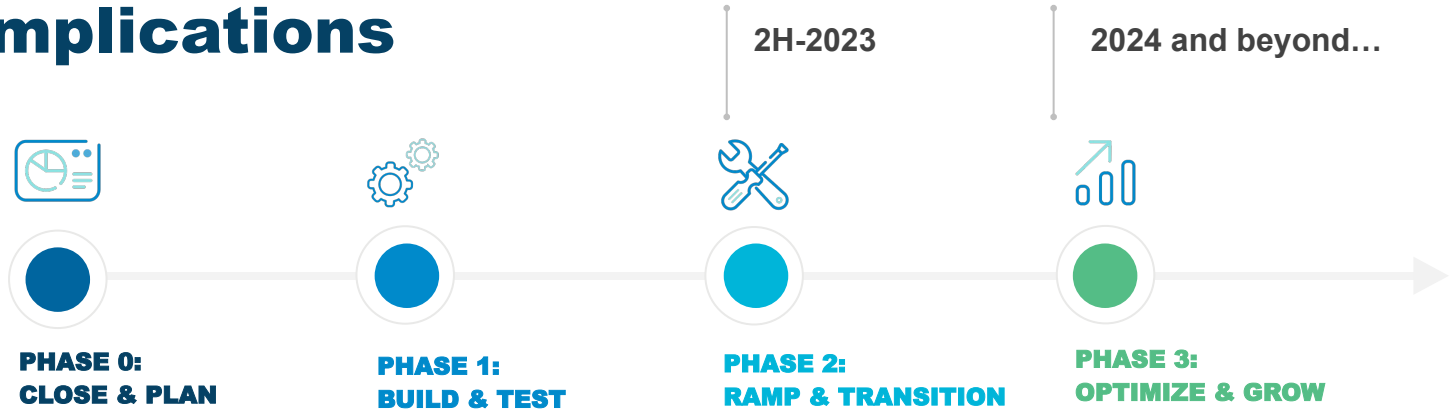
<b>01</b>	<b>02</b>	<b>03</b>	<b>04</b>	<b>05</b>
<b>Taboola &amp; Partnership Overview</b>	<b>Fireside Chat with Jim Lanzone</b> Yahoo's CEO	<b>Integration</b>	<b>Summary</b>	<b>Audience Q&amp;A</b>
<i>Presented by</i> <b>Adam Singolda</b> Founder & CEO	<i>Moderated by</i> <b>Monica Mijaleski</b> Yahoo CFO, Taboola Director	<i>Presented by</i> <b>Eldad Maniv</b> President & COO	<i>Presented by</i> <b>Steve Walker</b> CFO	<i>Moderated by</i> <b>Rick Hoss</b> Head of Investor Relations

# Phased Integration Approach





# Phased Integration Approach Revenue & Cost Implications



## REVENUE IMPACT

No Revenue

No Revenue

Ramping Revenue  
(Not In Guidance)

Full Run Rate  
Revenue

## COST IMPACT

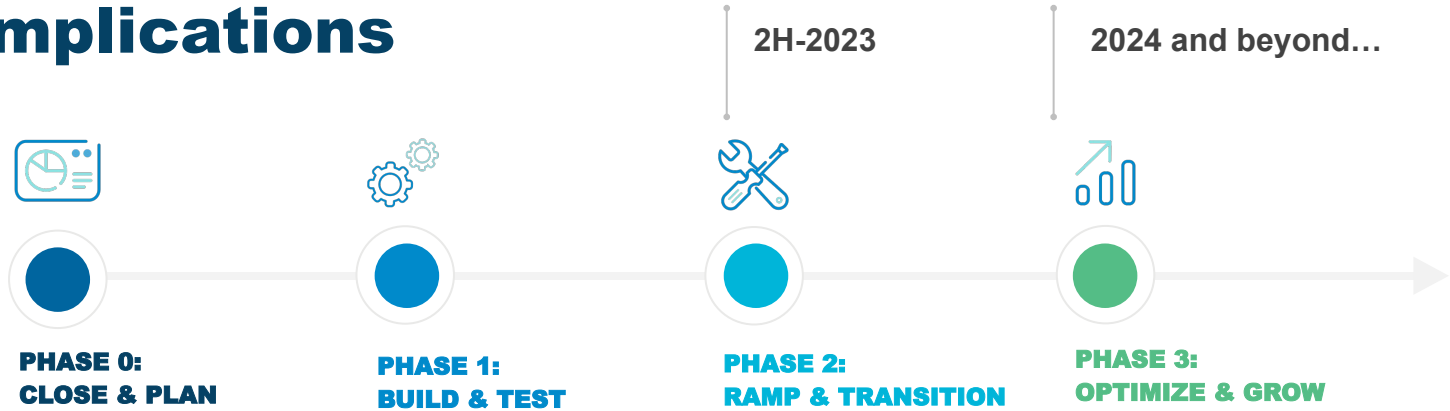
Minimal Cost  
(Existing Resources)

Ramping Cost  
(Hiring Starts)

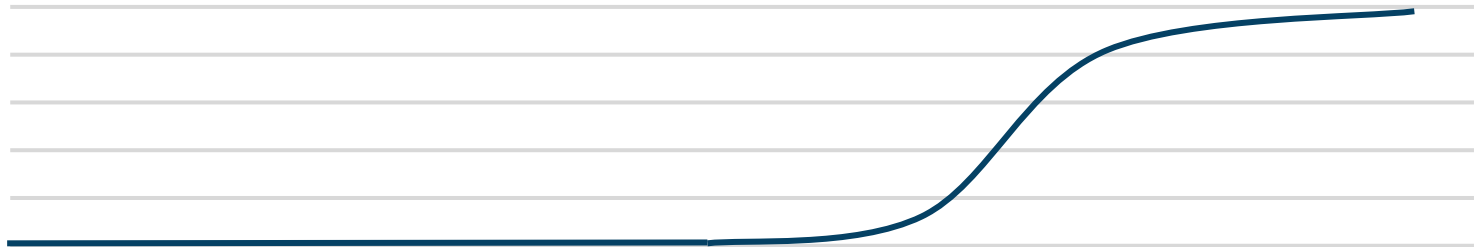
Ramping Cost  
(Hiring Continues)

Steady State Cost  
(Hiring Continues)

# Phased Integration Approach Revenue & Cost Implications



**REVENUE  
IMPACT<sup>1</sup>**



## Small

**Publisher account management team**

---

**General & Administrative**  
e.g., finance, collections



## Significant

**Advertiser sales and account management**

---

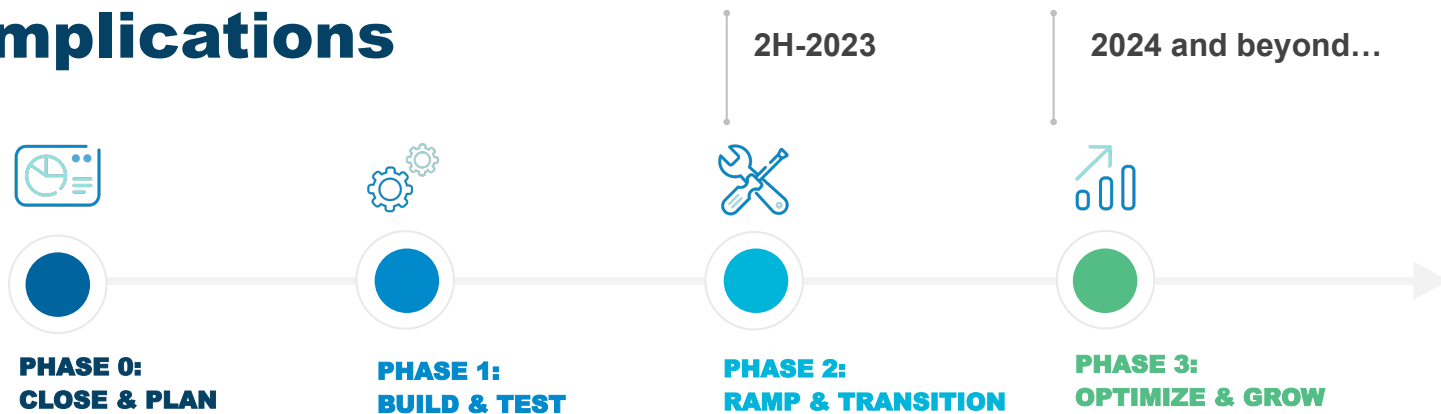
**Customer support**

---

**Technical team to build and support infrastructure**  
(significant short-term, small long-term)

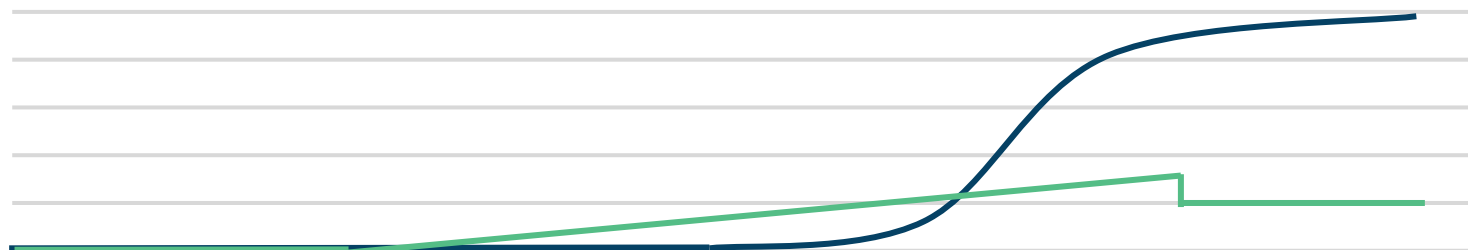
**+ Infrastructure Costs and Support Team**

# Phased Integration Approach Revenue & Cost Implications



**REVENUE  
IMPACT<sup>1</sup>**

**COST  
IMPACT<sup>1</sup>**



# 2023 Is An Investment Year... But ROI Opportunity Is Huge



2023 Investment

**~\$30M**



(1) Reflects expected incremental full year annual run rate once integration is fully live, including certain assumptions and adjustments based on anticipated uplifts. See Appendix for explanation and information.

(2) Non-GAAP measures. See Appendix for explanation and information regarding reconciliation to GAAP.



Incremental Annual Run Rate<sup>1</sup>

**\$1B+**

Revenue

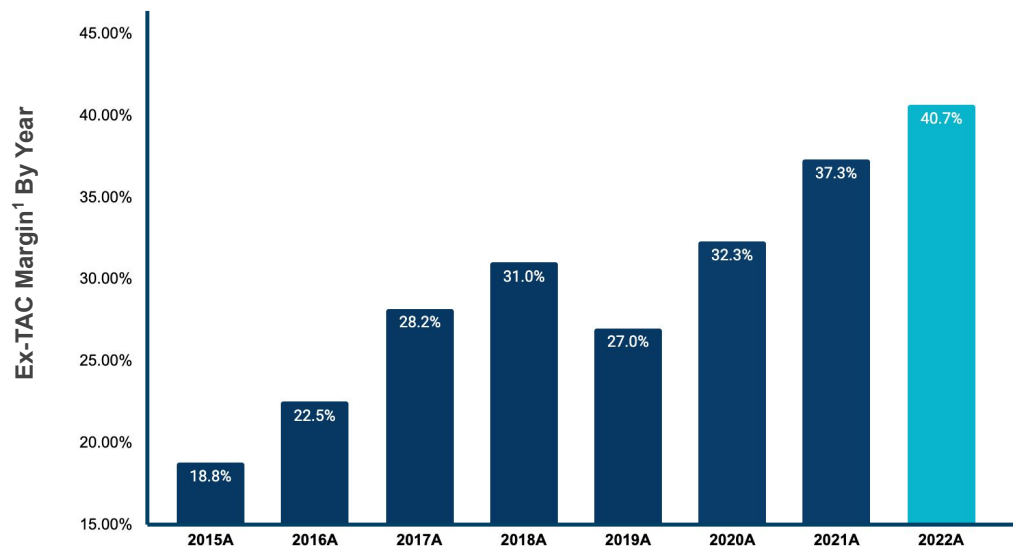
**~\$150M**

ADJ. EBITDA<sup>2</sup>

**\$80M**

Free Cash Flow<sup>2</sup>

# Expanding Ex-TAC Margins Point To Competitive Advantage



- ex-TAC Margin has increased significantly since 2015
- Competitive landscape has not changed significantly in that time period
- Margins increase as competitive advantages increase

(1) Non-GAAP measure. See Appendix for reconciliation to GAAP.

# Taboola's Differentiation

How we drive superior  
Financial Performance  
& Expanding Margins

Yahoo positively  
impacts all of these  
points of  
differentiation

1

Growth fuelled by a network effect

---

2

Long-term yield increases

---

3

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

---

4

Platform advantage driven by  
Taboola's technology

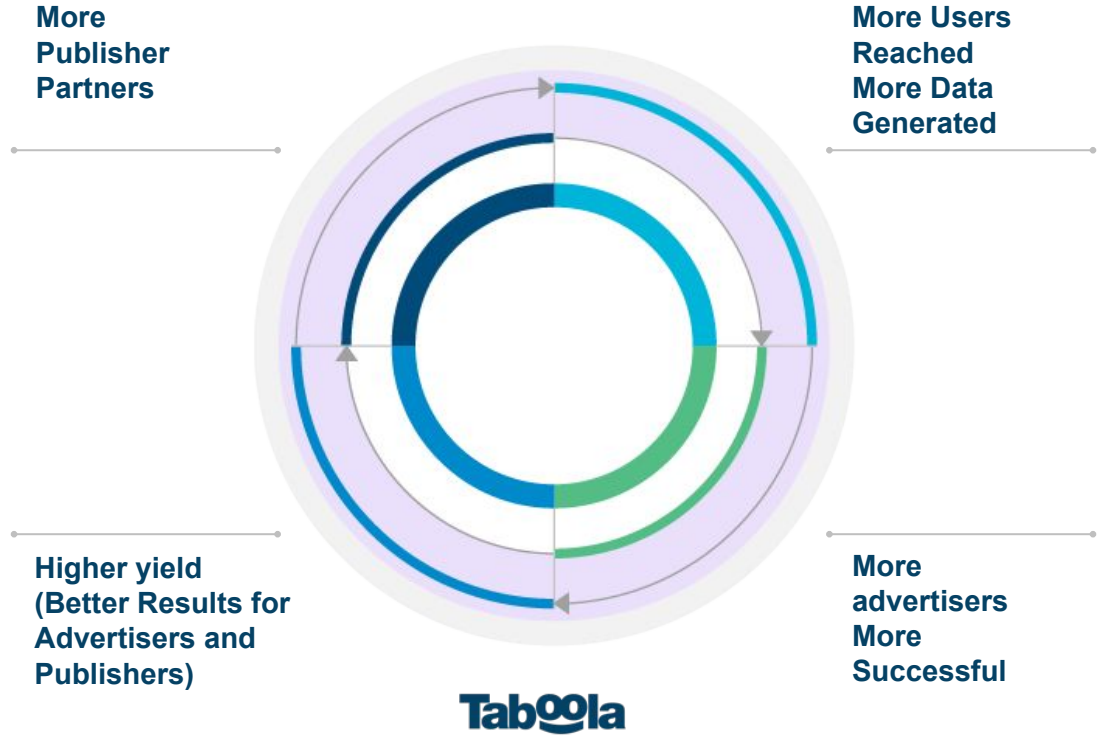
---

5

Connexity will further increase  
competitive advantage

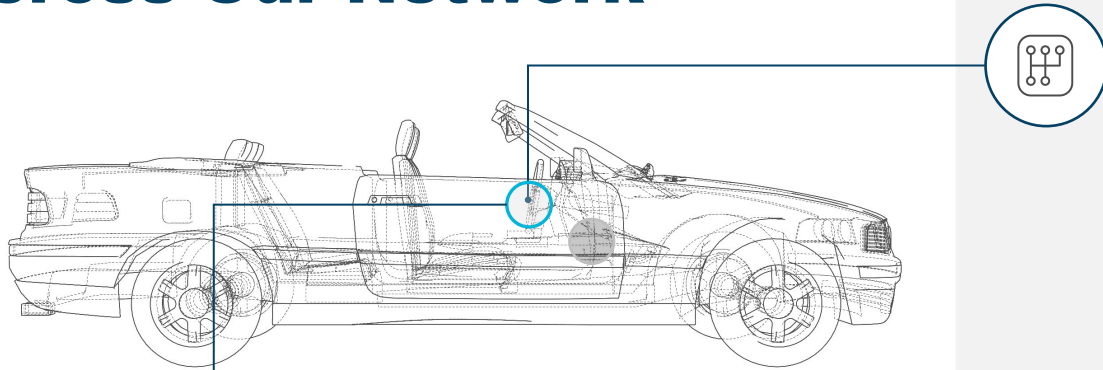
1

# Quantum Leap Forward in Scale - Accelerates the Network Effect





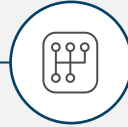
## 2 Yahoo Supercharges Our Ability To Drive Yield Across Our Network



### 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

3

# Added Data Especially Important In Contextual World

*Yahoo reaches 84% of the US Internet Population every month<sup>1</sup>*

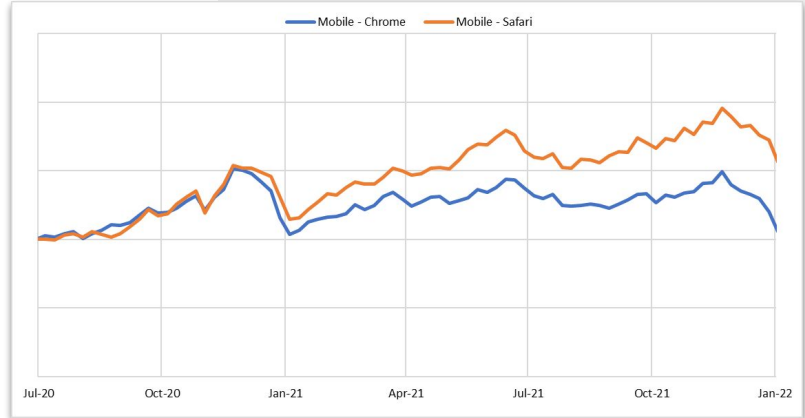
Taboola has its own 1st party cookie - recommending personalized editorial content enables serving our own 1st party identifier

**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>2</sup>** - re-hashing Taboola identifier across websites

(1) Comscore Media Metrix® Multi-Platform, Total Audience and % Reach, Top 100 properties, Total Unique Visitors/Viewers, December 2022, U.S.

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

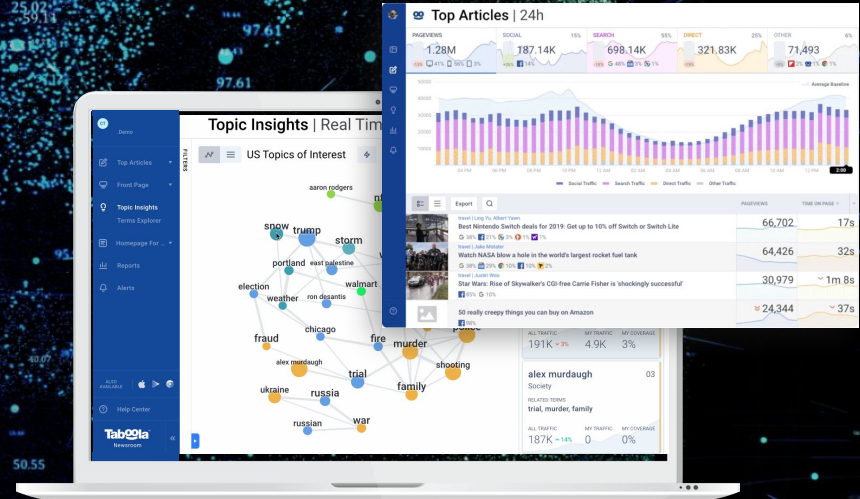


**Taboola’s strong yield performance despite 3rd party cookies being blocked in the industry for years:**

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

# 4 Platform Advantage Driven By Investment In Technology

Yahoo Contextual Data will  
further enhance these tools



Newsroom

Homepage  
For You

Driving  
Subscriptions

Taboola  
News

# Connexity Furtheres our Competitive Advantage

## Strategic Value

$\frac{1}{3}$  of Open Web Publisher Revenue will be E-Commerce<sup>1</sup>  
and Taboola with Connexity is uniquely differentiated

---

## Additive to the Core

Significant expansion of our addressable TAM with  
long runway of growth

---

## Synergies

Tremendous opportunity to leverage our scale,  
combined relationships and Connexity's e-commerce  
market maker capabilities

# Taboola's Differentiation

How we drive superior  
Financial Performance  
& Expanding Margins

Yahoo positively  
impacts all of these  
points of  
differentiation



1

Growth fuelled by a network effect

---



2

Long-term yield increases

---



3

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

---



4

Platform advantage driven by  
Taboola's technology

---



5

Connexity will further increase  
competitive advantage

# Agenda

<b>01</b>	<b>02</b>	<b>03</b>	<b>04</b>	<b>05</b>
<b>Taboola &amp; Partnership Overview</b>	<b>Fireside Chat with Jim Lanzone</b> Yahoo's CEO	<b>Integration</b>	<b>Summary</b>	<b>Audience Q&amp;A</b>
<i>Presented by</i> <b>Adam Singolda</b> <hr/> Founder & CEO	<i>Moderated by</i> <b>Monica Mijaleski</b> <hr/> Yahoo CFO, Taboola Director	<i>Presented by</i> <b>Eldad Maniv</b> <hr/> President & COO	<i>Presented by</i> <b>Steve Walker</b> <hr/> CFO	<i>Moderated by</i> <b>Rick Hoss</b> <hr/> Head of Investor Relations

# Q&A

## Up Next: Lunch & Demo Stations



Yahoo Native Supply:  
Desktop Inventory



Yahoo Native Supply:  
Mobile & Apps



Generative AI in Action  
@ Taboola

# Appendix & Reconciliations



# NON-GAAP INFORMATION

## Adjusted EBITDA

We calculate Adjusted EBITDA as Net income (loss) before net financial expenses, income tax provision and depreciation and amortization, further adjusted to exclude share-based compensation and other noteworthy income and expense items such as certain M&A related costs. Although we provide projections for Adjusted EBITDA, we are not able to provide projections for projected net income, the most directly comparable GAAP measure. Certain elements of net income, 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 projections on net income or to reconcile our Adjusted EBITDA projections without unreasonable efforts. Consequently, no disclosure of projected net income is included. For the same reasons, we are unable to address the probable significance of the unavailable information.

## Free Cash Flow

We calculate Free Cash Flow as Net cash provided by operating activities minus purchases of property, plant and equipment, including capitalized platform costs. Although we provide projections for Free Cash Flow, we are not able to provide projections for net cash provided by operating activities, the most directly comparable GAAP measure. Certain elements of net cash provided by operating activities, including taxes and timing of collections and payments, are not predictable therefore projecting an accurate forecast is difficult. As a result, it is impractical for us to provide projections on net cash provided by operating activities or to reconcile our Free Cash Flow projections without unreasonable efforts. Consequently, no disclosure of projected net cash provided by operating activities is included. For the same reasons, we are unable to address the probable significance of the unavailable information.

## FY 2022 Projections if Y! Were On Taboola Network For The Full Year

For the same reasons described above, we are unable to provide reconciliations for the FY 2022 projections for Adjusted EBITDA and Free Cash Flow if Y! Were on the Taboola Network for the full year.

## 2024 and “Full Year Run Rate” Expectations for Adjusted EBITDA and Free Cash Flow

For the same reasons described above, we are unable to provide reconciliations for the 2024 and Full Year Run Rate expectations for Adjusted EBITDA and Free Cash Flow.

# ASSUMPTIONS: IF Y! WERE ON TABOOOLA NETWORK FOR FY 2022

All numbers are management estimates based on the following assumptions and sources:

- Revenue baseline is equal to the FY 2022 financials for TBLA (66% of combined Revenues) + FY 2022 expected financials for Yahoo Native supply\* that will be serviced by TBLA (34% of combined Revenues)
- Revenue uplift on Yahoo supply from improved yield due to the application of Taboola technology and data
- Revenue uplift on stand-alone Taboola supply from improved yield due to advertiser demand from Yahoo and additional data
- Operating expenses based on bottom up model of resources needed to support deal
- Assumes no ramp up time - numbers assume Yahoo is part of Taboola network from the beginning of 2022 and assumes uplifts and operating expenses start from the beginning of the year

# EX-TAC REVENUES MARGIN RECONCILIATION

(\$ in millions)

	2015A	2016A	2017A	2018A	2019A	2020A	2021A	2022A
<b>Revenues</b>	\$ 336	\$ 552	\$ 758	\$ 909	\$ 1,094	\$ 1,189	\$ 1,378	\$ 1,401
<b>Gross Profit</b>	51	101	179	234	232	319	441	464
<i>Gross Profit Margin</i>	15%	18%	24%	26%	21%	27%	32%	33%
<b>Revenues</b>	\$ 336	\$ 552	\$ 758	\$ 909	\$ 1,094	\$ 1,189	\$ 1,378	\$ 1,401
<b>ex-TAC Gross Profit</b>	63	124	214	282	296	382	519	570
<i>ex-TAC Gross Profit Margin</i>	19%	23%	28%	31%	27%	32%	38%	41%

# ADJUSTED EBITDA RECONCILIATION

(\$ in millions)

**FY 2022**

<b>Net income (loss)</b>	\$ (12.0)
--------------------------	-----------

**Adjustments:**

<b>Financials expenses (income),net</b>	(9.2)
---	-------

<b>Tax expenses</b>	7.5
---------------------	-----

<b>Depreciation and amortization</b>	91.2
--------------------------------------	------

<b>Share-based compensation expenses</b>	63.8
--	------

<b>M&amp;A costs &amp; Transaction cost of Going Public</b>	0.8
---	-----

<b>Restructuring expenses</b>	3.4
-------------------------------	-----

<b>Connexity holdback</b>	11.1
---------------------------	------

<b>Adjusted EBITDA</b>	\$ 156.7
------------------------	----------

# FREE CASH FLOW RECONCILIATION

(\$ in millions)

2022A

<b>Net cash from operating activities</b>	<b>\$</b>	<b>53</b>
<b>Net cash used in the following investing activities</b>	<b>\$</b>	<b>(35)</b>
Intangible assets		(13)
Purchase of IT equipment & Leasehold Improvement		(22)
<b>Free Cash Flow</b>	<b>\$</b>	<b>19.0</b>