

Perion

IR Presentation
May 2022

FORWARD LOOKING STATEMENTS

This presentation and our remarks contain forward-looking statements (within the meaning of The Private Securities Litigation Reform Act of 1995) that involve substantial risks and uncertainties, including statements regarding our expectations and beliefs about our business, strategy, and future operating performance. The words "will", "believe," "expect," "intend," "plan," "should" and similar expressions are intended to identify forward-looking statements. Such statements reflect our current views, assumptions and expectations with respect to future events and are subject to risks and uncertainties. Many factors could cause our actual results, performance or achievements to be materially different from any future results, performance or achievements that may be expressed or implied by such forward-looking statements, or financial information, including, among others, the failure to realize the anticipated benefits of companies and businesses we acquired and may acquire in the future, risks entailed in integrating the companies and businesses we acquire, including employee retention and customer acceptance, the risk that such transactions will divert management and other resources from the ongoing operations of the business or otherwise disrupt the conduct of those businesses, potential litigation associated with such transactions, the impact that COVID-19 will have on our operations going forward due to uncertainties that will be dictated by the length of time that the pandemic and related disruptions continue, the impact of governmental regulations that might be imposed in response to the pandemic and overall changes in consumer behavior and general risks associated with our business including intense and frequent changes in the markets in which our business operates and in general economic and business conditions, loss of key customers, unpredictable sales cycles, competitive pressures, market acceptance of new products, inability to meet efficiency and cost reduction objectives, changes in business strategy and various other factors, whether referenced or not referenced in this presentation. Various other risks and uncertainties may affect our results of operations, as described in our reports filed with the Securities and Exchange Commission from time to time, including our annual report on Form 20-F for the year ended December 31, 2021. Although we may elect to update forward-looking statements in the future, we disclaim any obligation to do so, even if our assumptions and projections change, except where applicable law may otherwise require us to do so. These forward-looking statements should not be relied upon as representing our views as of any date subsequent to the date of this presentation.

Perion Network Ltd. (the "Company") has an effective shelf registration statement (including a prospectus) on file with the SEC. This announcement does not constitute an offer to sell, or the solicitation of an offer to buy, any of the Company's securities. Any offering of securities will be made only by means of a prospectus supplement, which will be filed with the SEC. In the event that the Company conducts an offering, you may obtain a copy of the prospectus supplement and accompanying prospectus for the offering for free by visiting EDGAR on the SEC website at www.sec.gov. Alternatively, the Company will arrange to send such information if you request it.

CAUTION CONCERNING NON-GAAP FINANCIAL INFORMATION

This presentation and our remarks include certain non-GAAP financial measures, including adjusted-EBITDA, EBIT and P&L. These non-GAAP financial measures are not in accordance with, or an alternative for, generally accepted accounting principles and may be different from non-GAAP financial measures used by other companies. In addition, these non-GAAP financial measures are not based on any comprehensive set of accounting rules or principles. We believe that the presentation of these non-GAAP financial measures, when shown in conjunction with the corresponding GAAP measures, provide useful information to investors and management regarding financial and business trends relating to our financial condition and results of operations, as well as the net amount of cash generated by our business operations after considering capital. Additionally, we believe that non-GAAP financial measures have limitations in that they do not reflect all of the amounts associated with our results of operations as determined in accordance with GAAP and that these measures should only be used to evaluate our results of operations in conjunction with the corresponding GAAP measures. Reconciliation tables between results on a GAAP and non-GAAP are provided at the Appendix included at the end of this presentation.



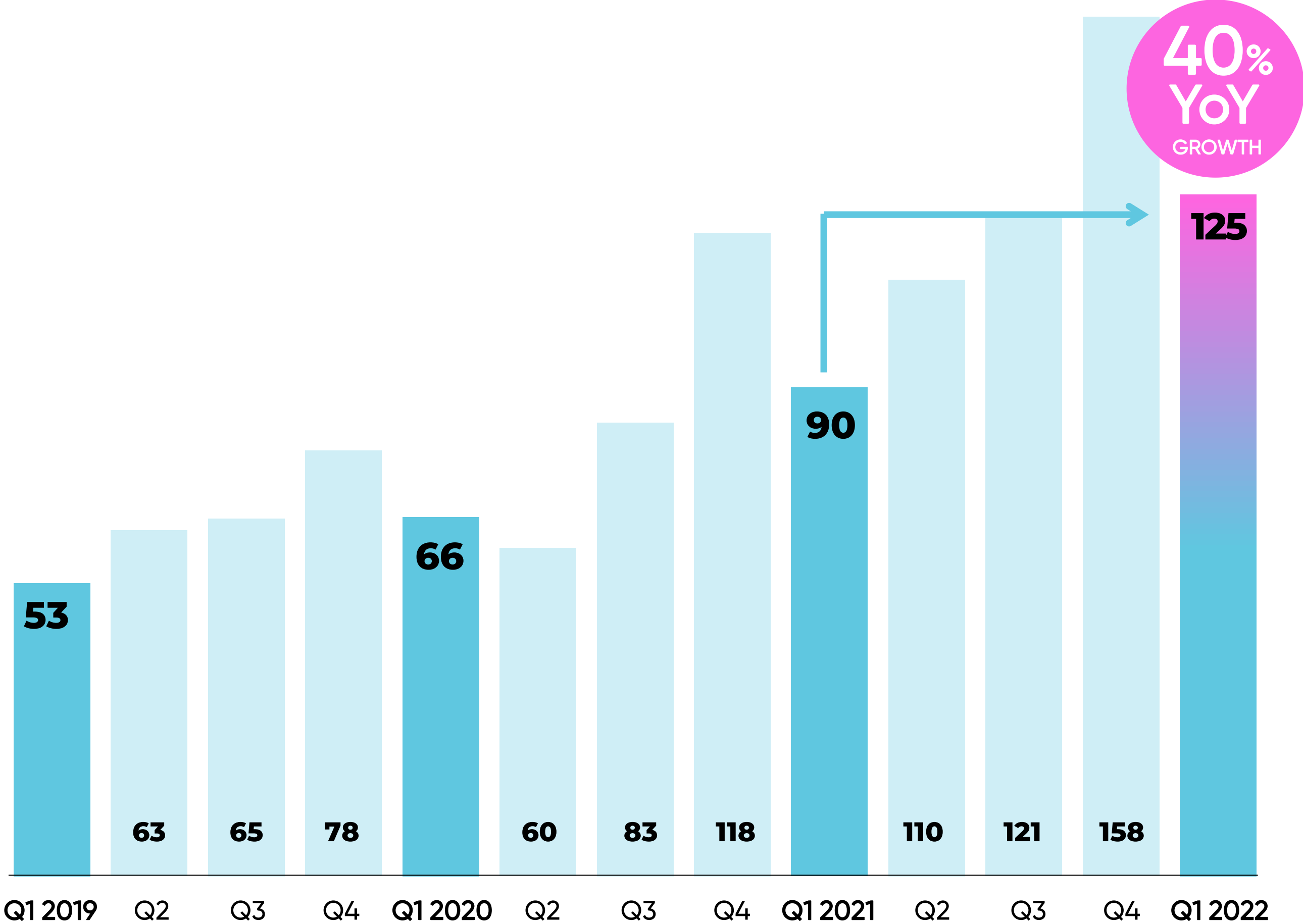
Doron Gerstel
CEO



Maoz Sigron
CFO

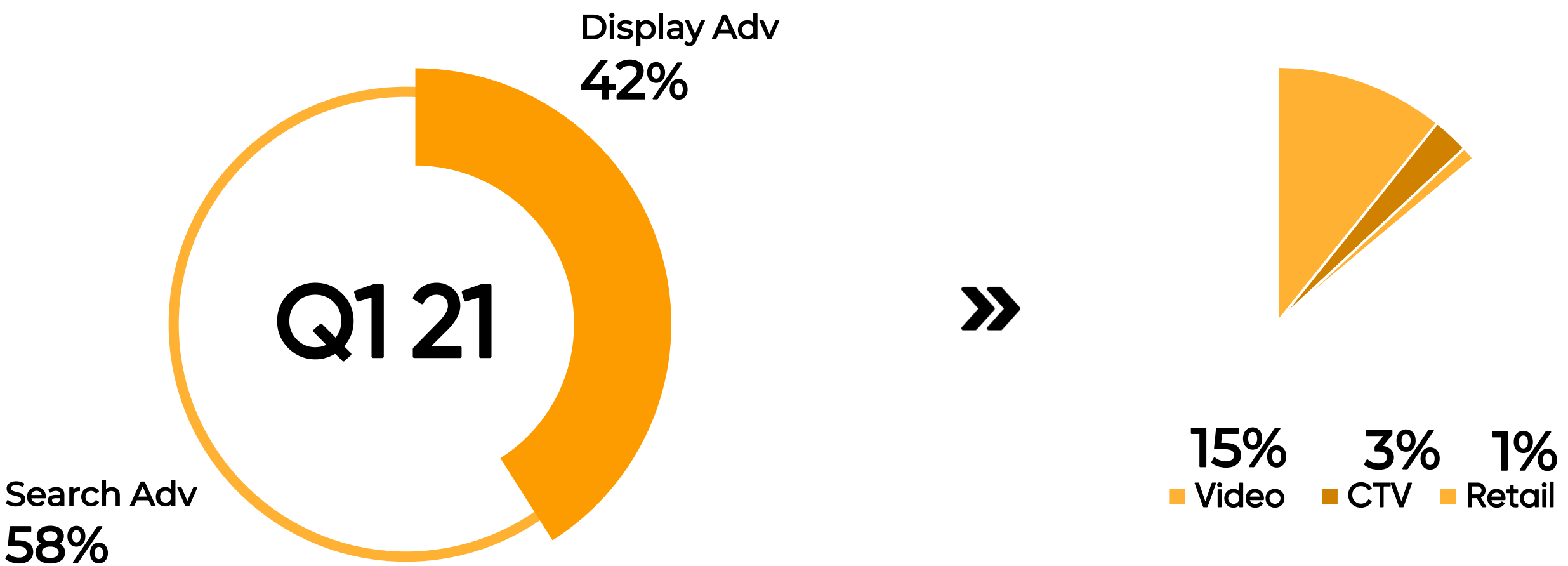
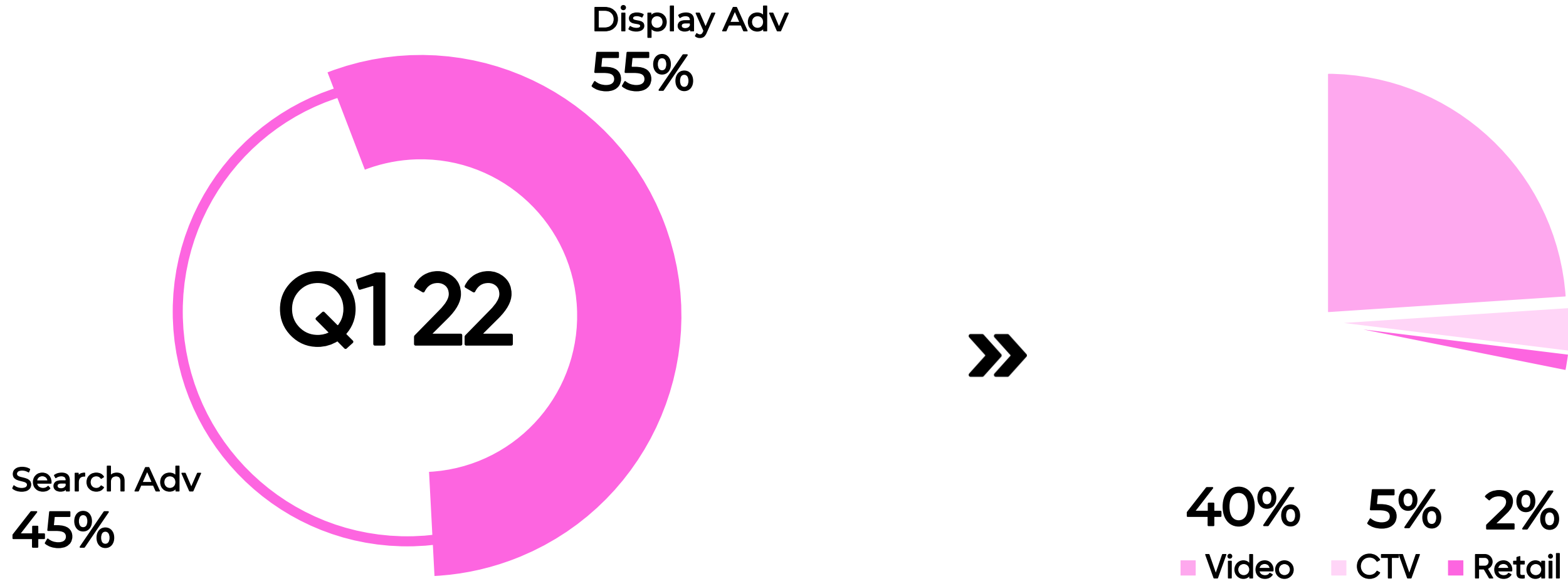
Record revenue in Q1 – 2022 (\$M)

Perion is built to capitalize on any market changes as advertisers shift budgets between different pillars of digital advertising



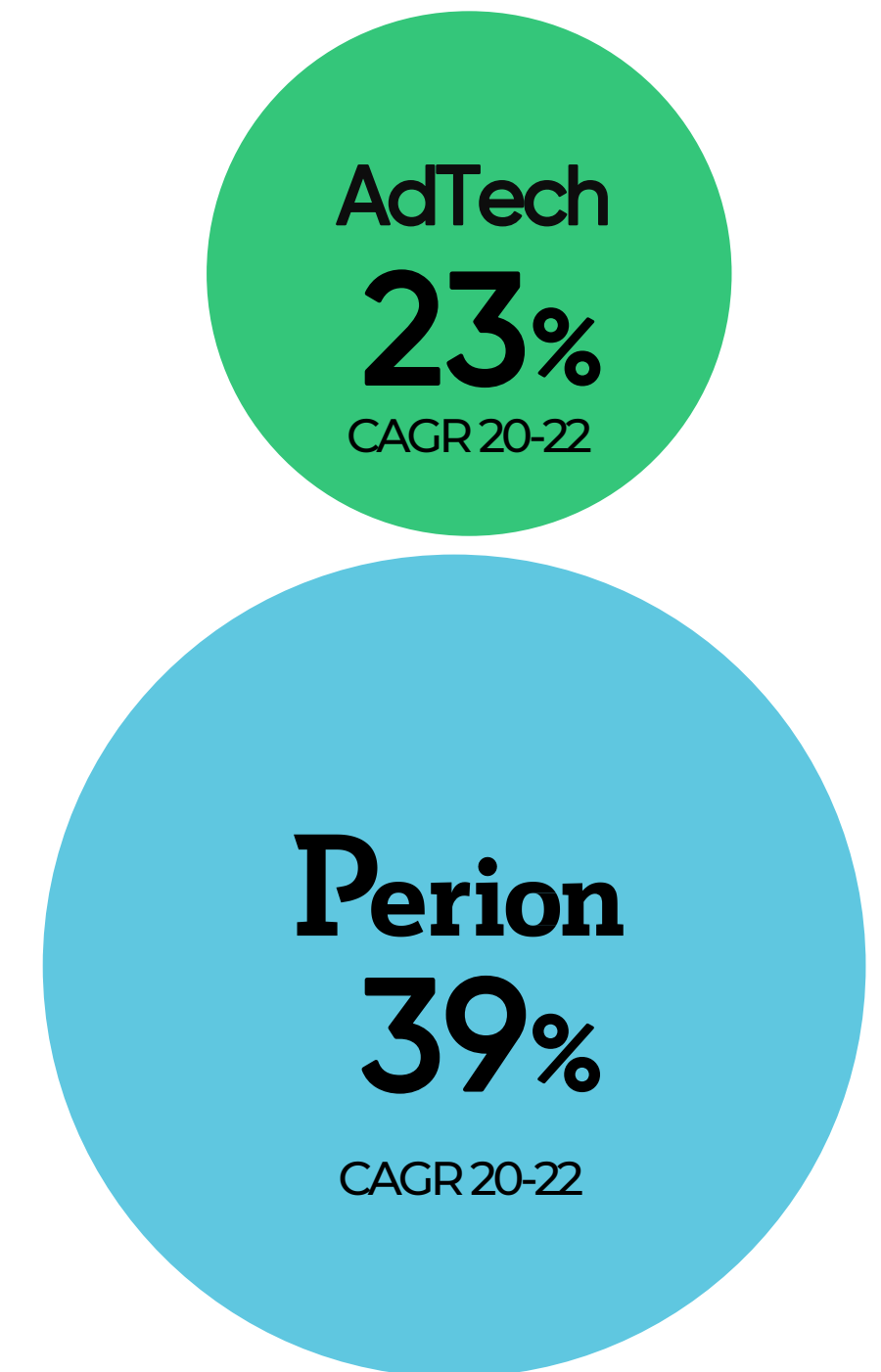
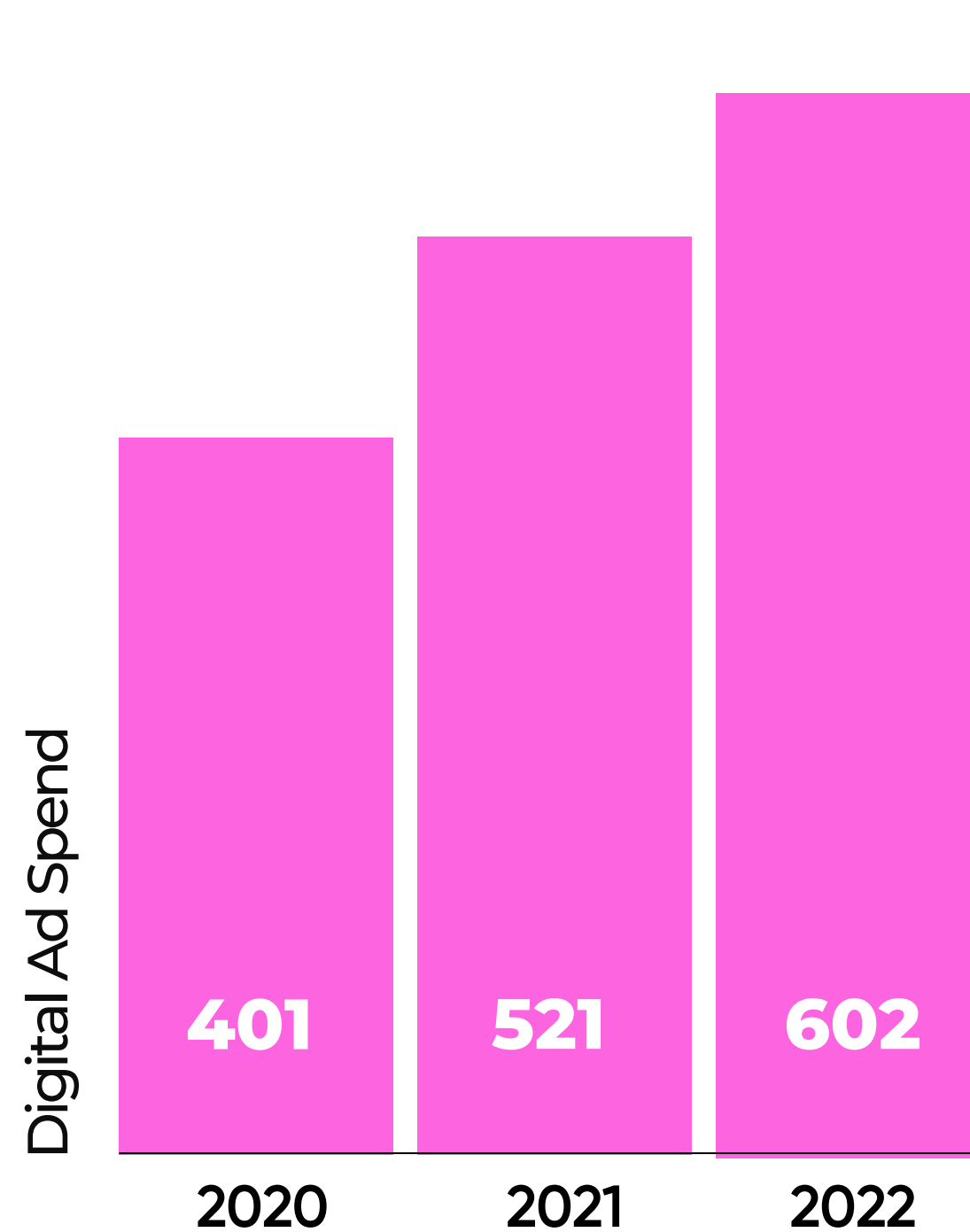
Our diversification model in action

Allowing us to Focus On High Growth Categories



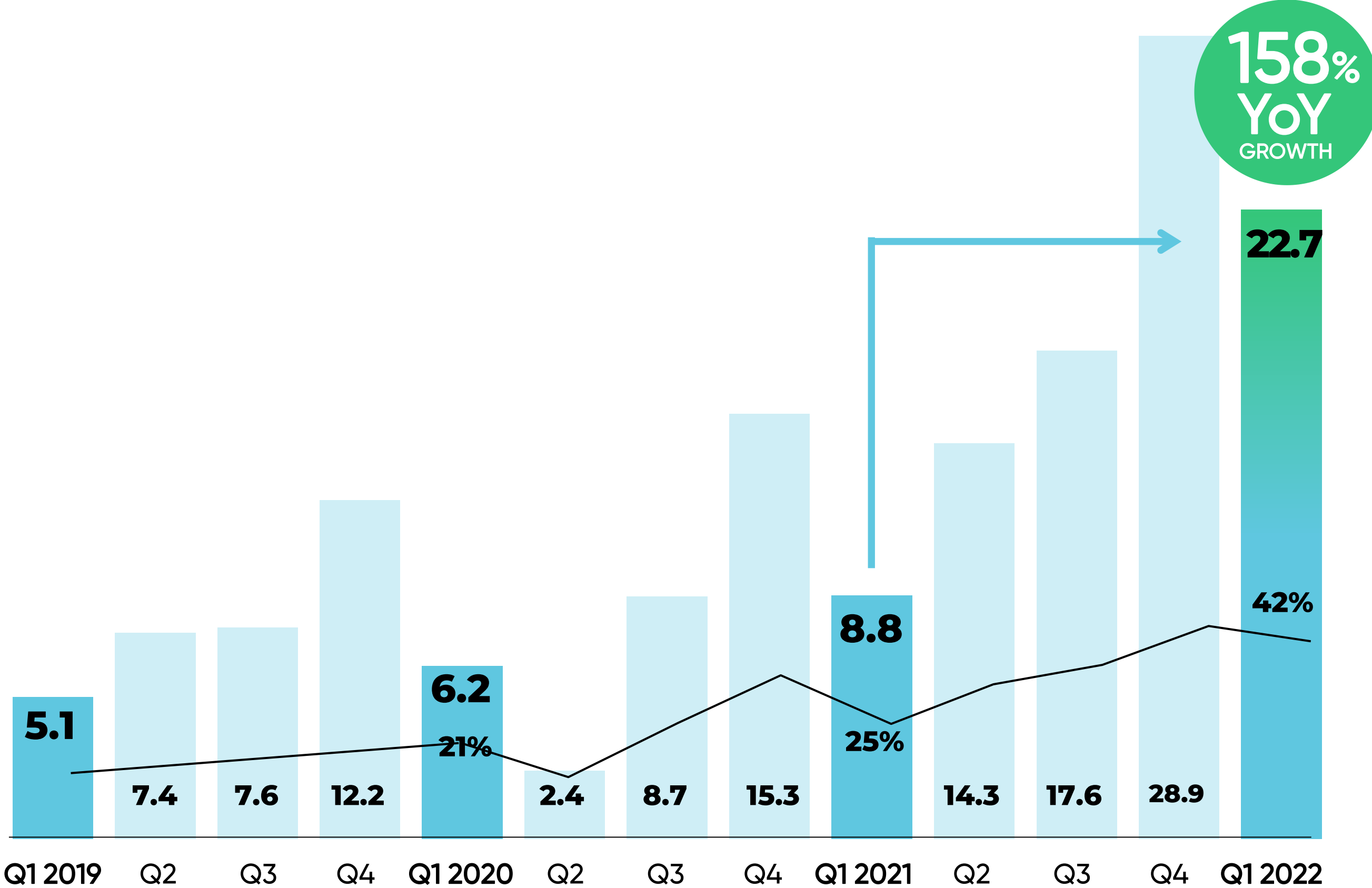
Perion continues to outperform AdTech category (\$B)

The three pillars' strategy drives exceptional growth despite changes in market dynamics



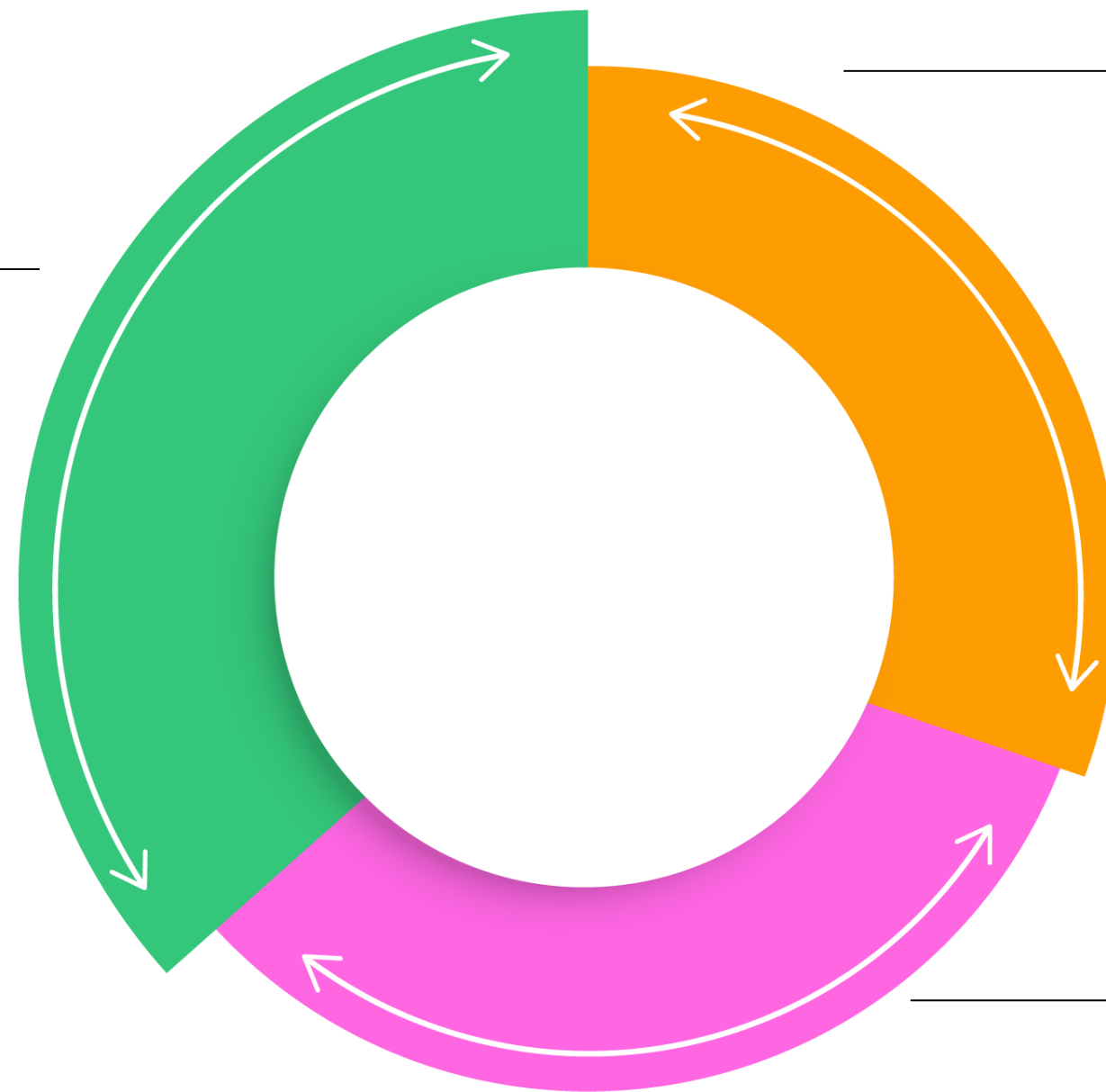
Record EBITDA margin (\$M)


AI-driven iHub drives:
scalable operational efficiencies
Improved media margin



3D Diversified Business Strategy

 **Hub & Spokes**
Our ability to connect all assets into central intelligent hub

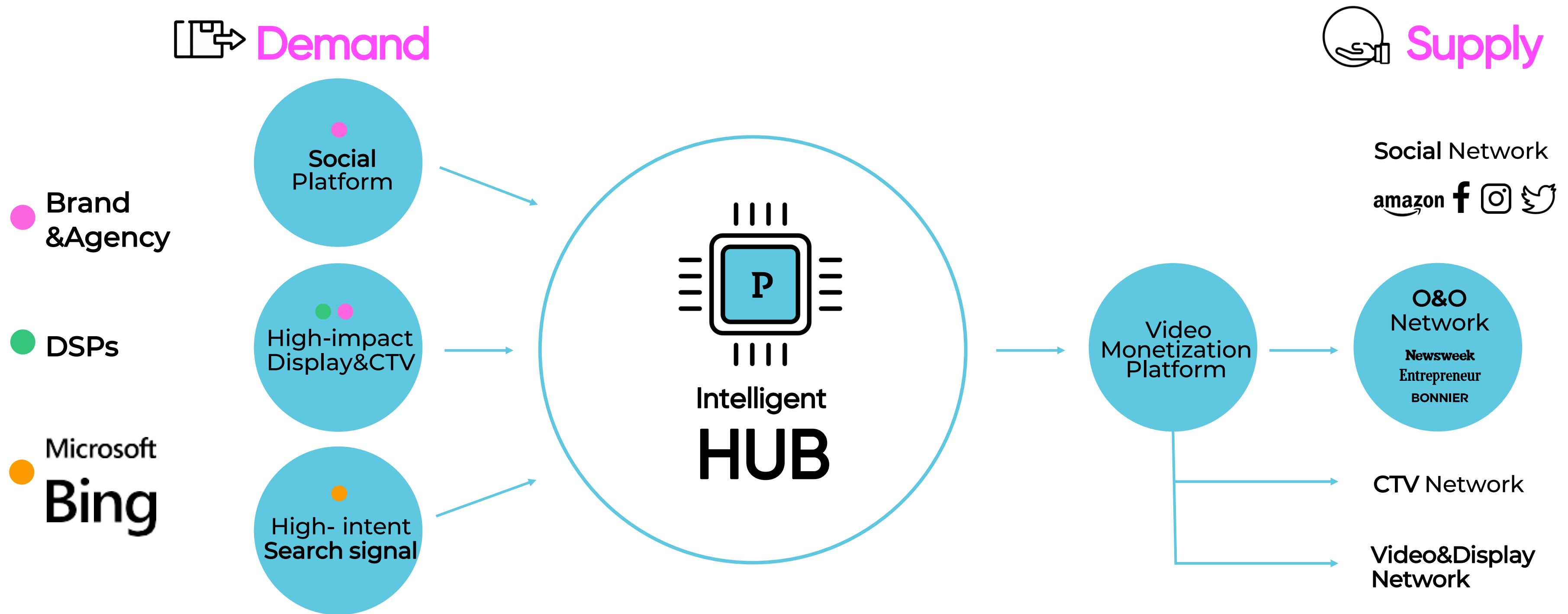


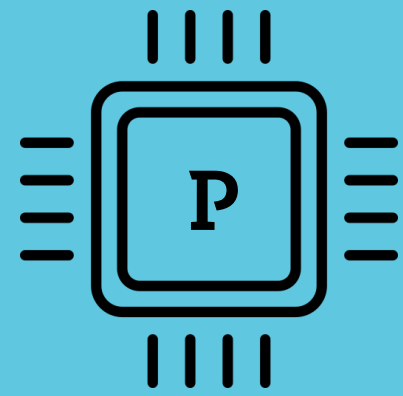
 **Cross-Channel**
We comfortably operate across the three main pillars of digital advertising

- Search Adv
- Social Adv
- Display/video/CTV Adv

 **Demand & Supply**
Our ability to generate revenue from both sides of the open Web

Connecting Perion's Assets To Our iHub





iHub Benefits

① Increased Customer value



② Reduced operational cost

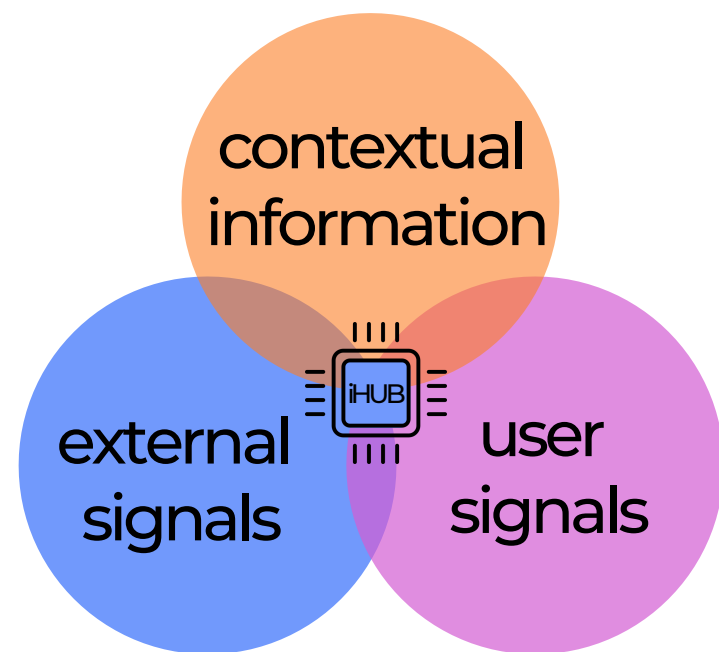
③ Reduced media cost



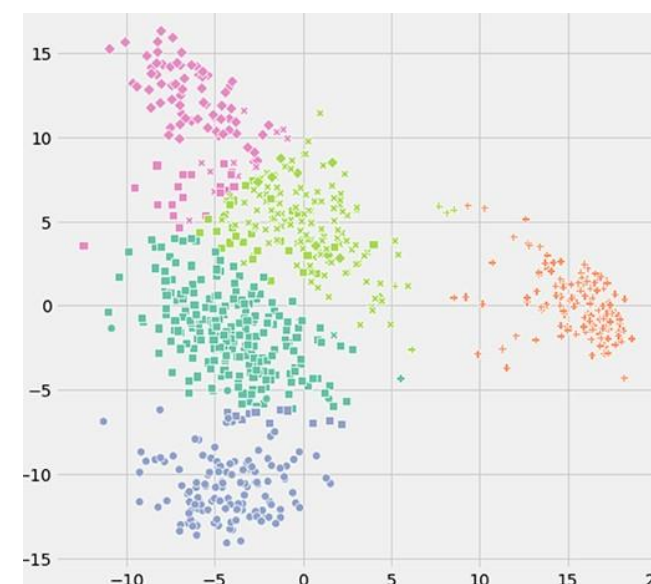
Privacy First Cookieless Patented Technology



24/7 Segmentation & Taxonomy



»» 24/7



»»



Always responds to travel ads

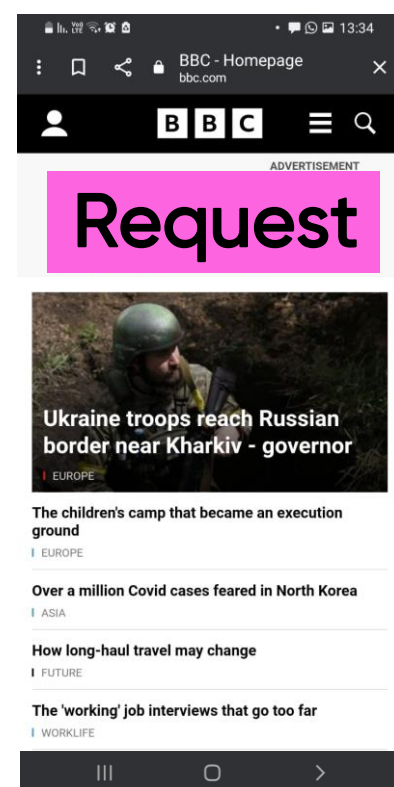


Always responds to car ads



Always responds to insurance ads

Real Time Optimization



»»



0.5 MS



unlikely to watch video

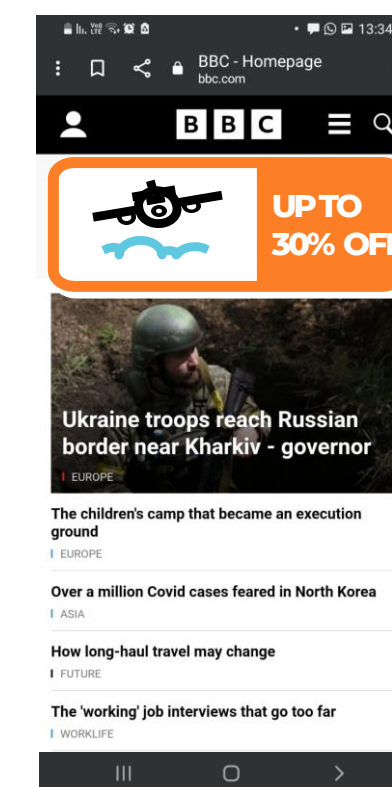


unlikely to interact

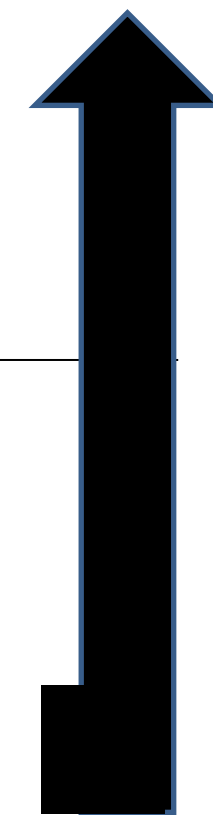


likely to click to site

»»



»»



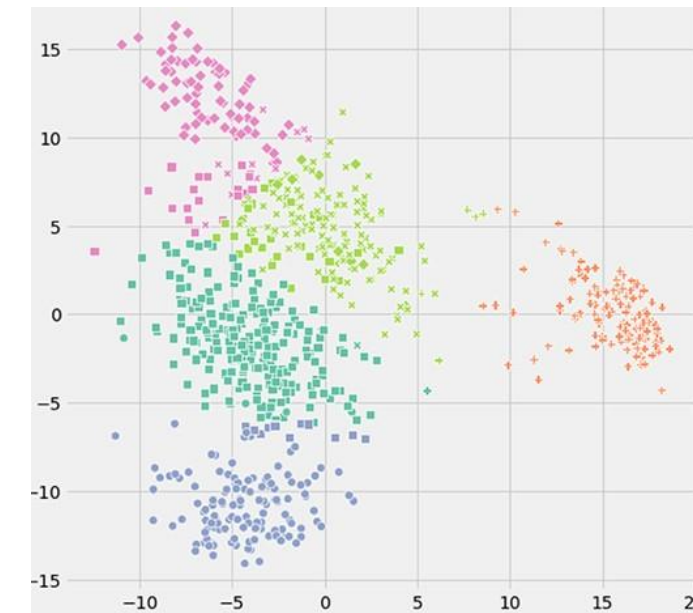
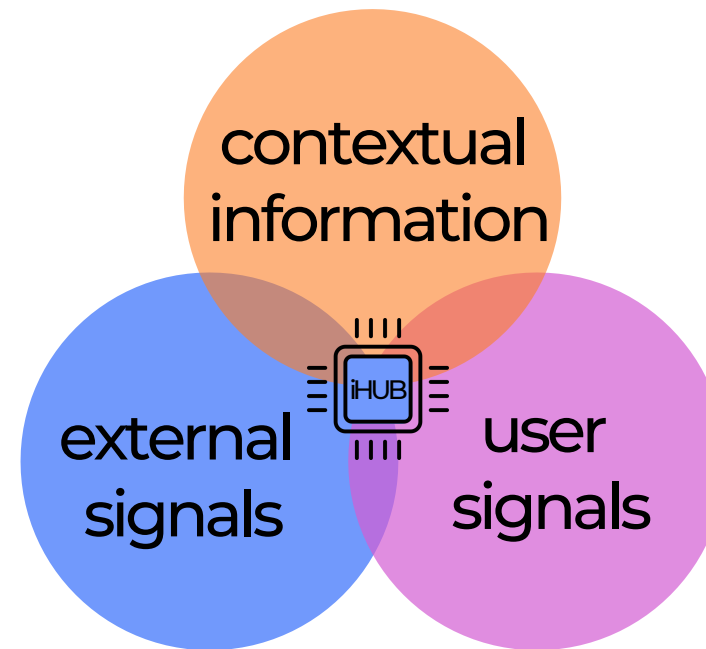
SORT Patented Technology



“ We have verified that based on click-through rates observed for Q1 2022 campaigns, SORT™ demonstrates the ability to **outperform traditional third-party** tactics and shows the largest lifts when paired with High Impact formats. SORT is a scalable, cookieless solution proven to deliver powerful results. ”

Timur Yarnall,
CEO and Co-Founder of Neutronian

24/7 SmartGroups Creation



- Always responds to travel ads
- Always responds to car ads
- Always responds to insurance ads

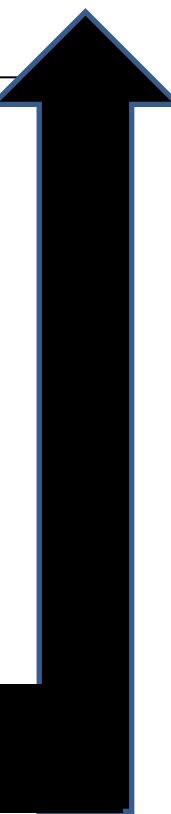
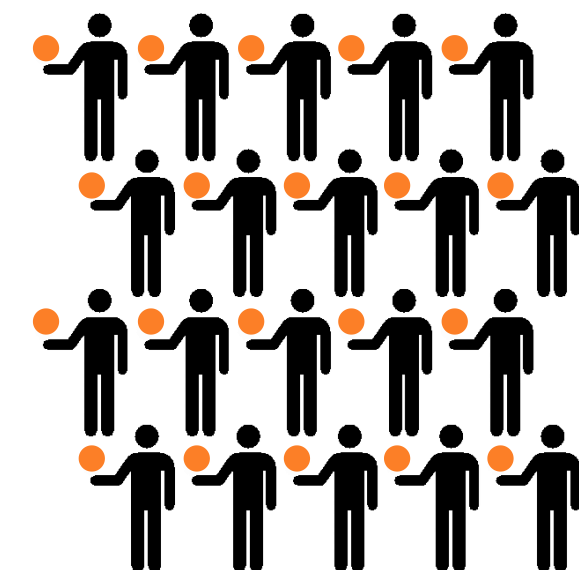
Real-Time Targeting



unlikely to watch video

unlikely to interact

likely to click to site



Now Advertisers Have a Choice! Privacy and yet...Better Performance

Delivered 40% towards new audiences on cookie-free browsers

COME TO LIFE COLORADO

YOUR BEST MEMORIES ARE ON THE HORIZON. EXPLORE COLORADO.

EXPLORE MORE

FRUITA AURORA GOLDEN BRIGHTON COLORADO SPRINGS

Select an image above to explore the counties

SORT vs. 3rd Party Cookies

106%

Lift in Page Grabber CTR

38%

Lift in Brand Reveal CTR

60%

Lift in Page Grabber Interaction Rate

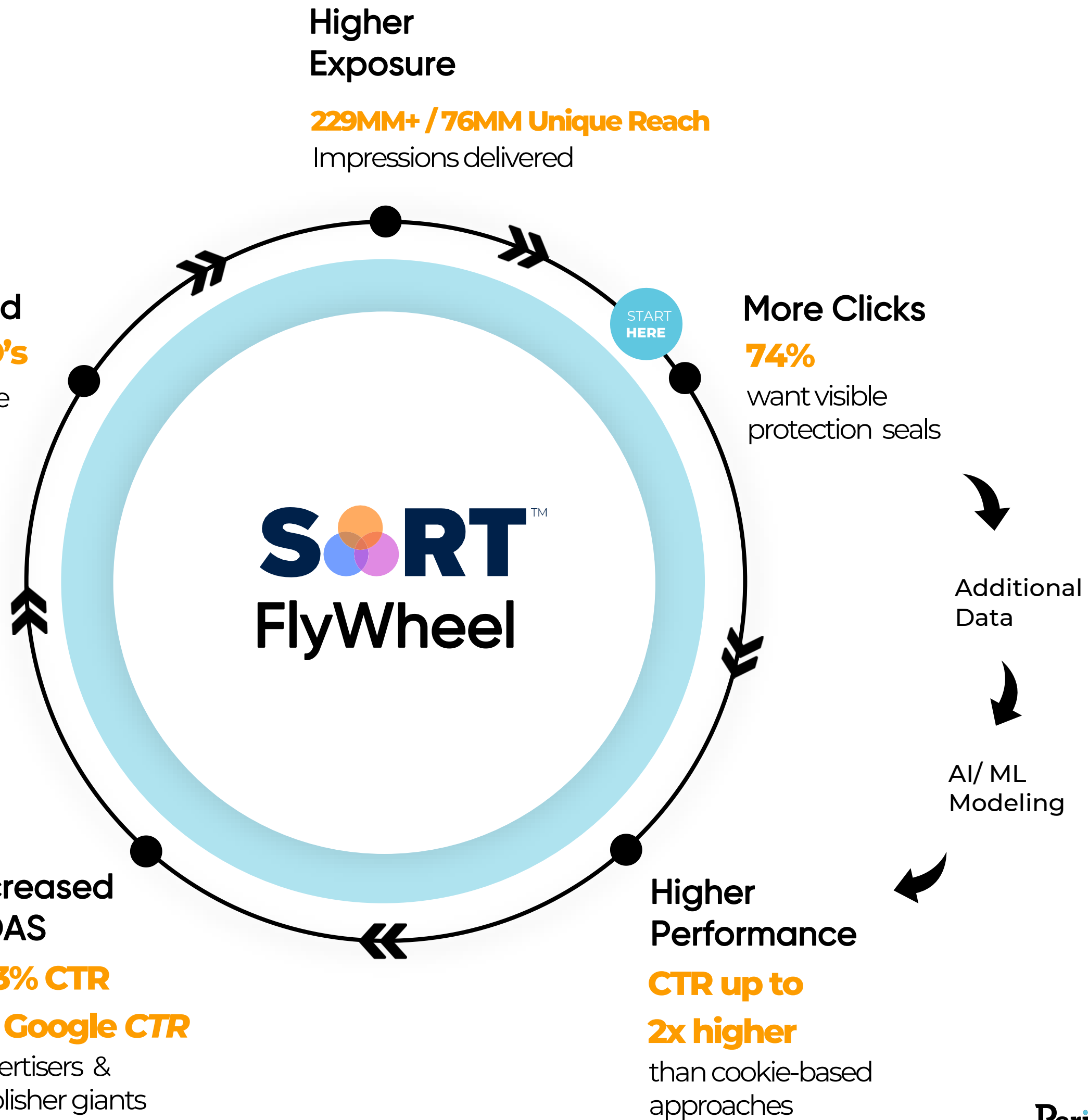
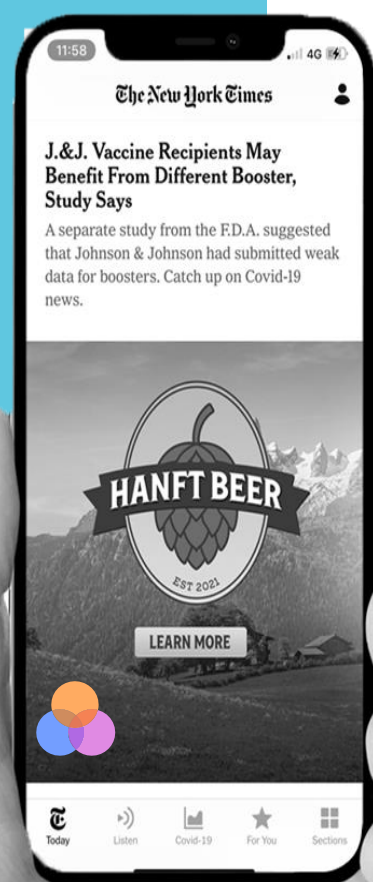
35%

Lift in Brand Reveal Interaction Rate

"Using SORT™, we were able to reach entirely new audiences by scaling our delivery on previously inaccessible browsers, AND results also significantly exceeded our cookie-based targeting tactics. Scale, privacy & performance? Can't beat it!"
Colorado Tourism

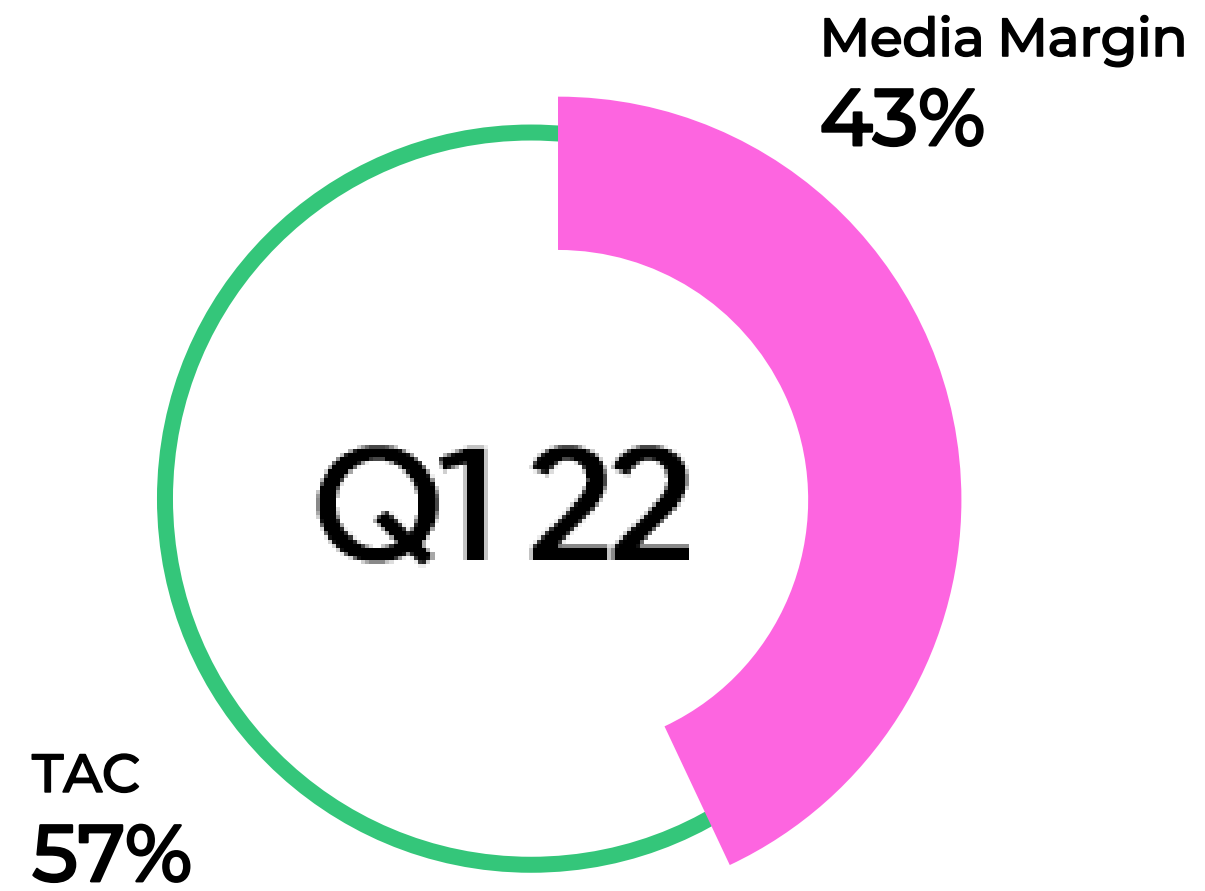
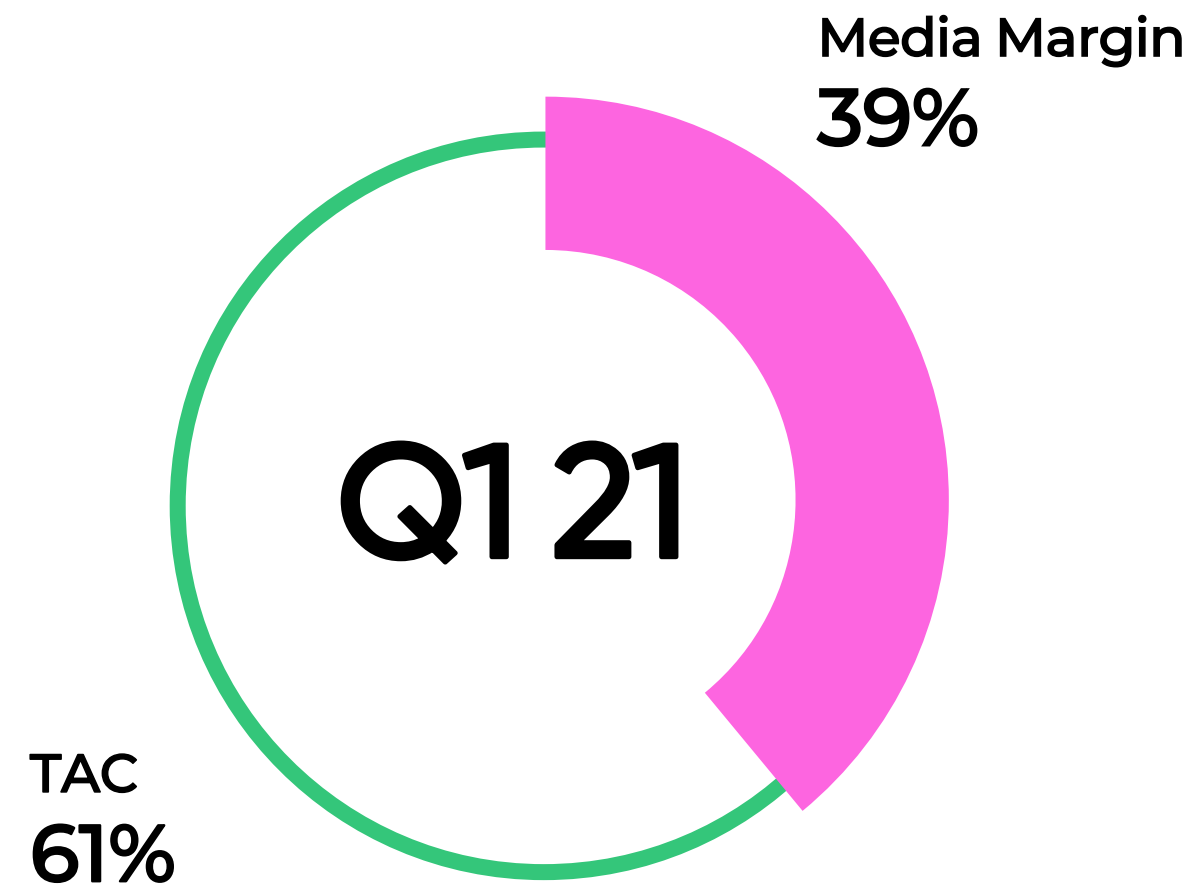


Cookie Free Safety – FIRST Solution



iHUB Benefit

Reduced Media Cost



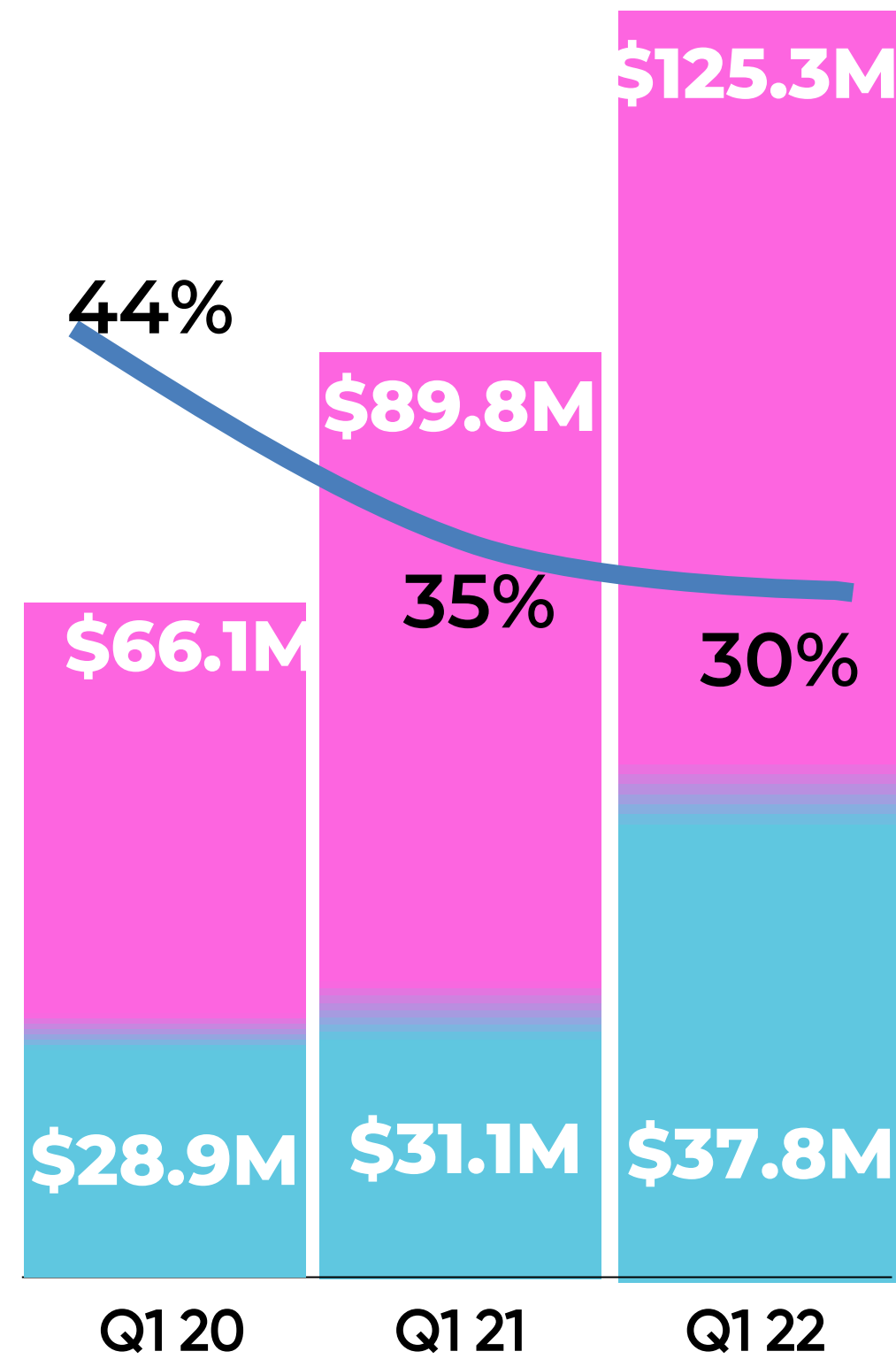
Product mix improvement

Our ability to connect the Supply and Demand sides of the open-web to our central iHub – an intelligent control system

Incremental Revenue with low variable cost

iHUB Benefit

Reduced Operational Cost

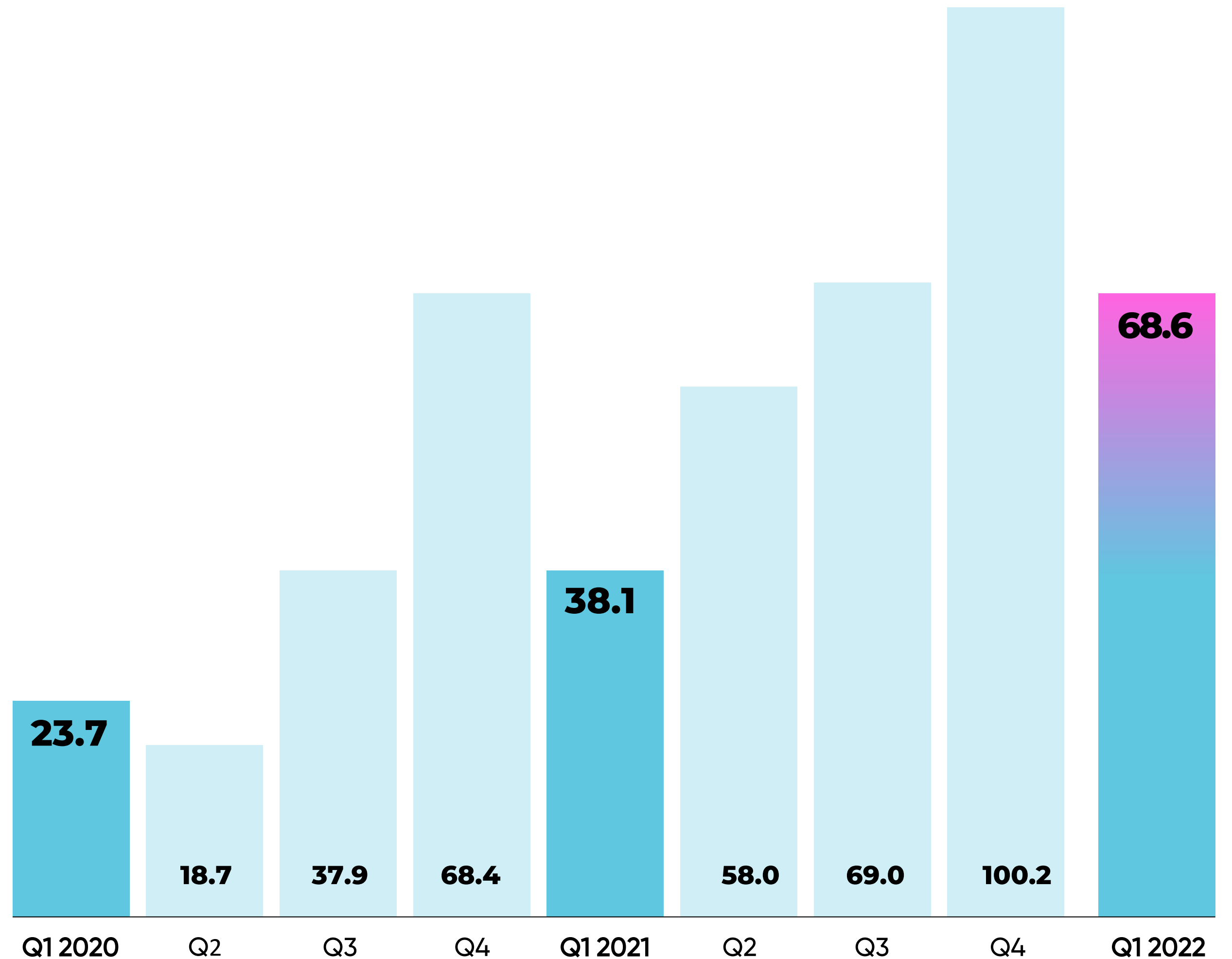


■ Revenue
■ OPEX+COGS
■ % To Revenue

1. Scalability embedded in our business model
2. iHub as a shared infrastructure resource
3. Offshoring our operations

Display Advertising Growth (\$M)

- 341% year over year growth in video and CTV, representing 46% of Display advertising revenue
- Average client spend increase by 42%

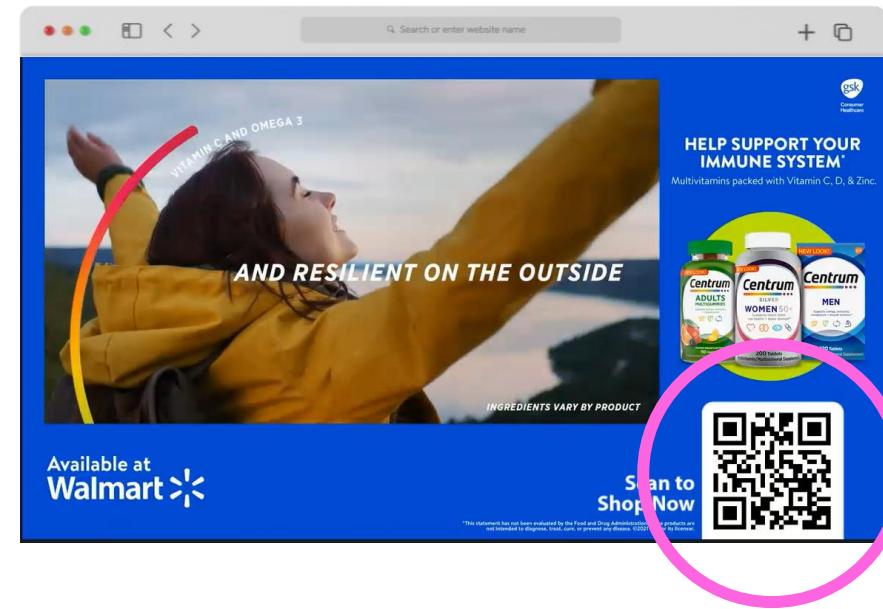


Full Funnel Awareness to Performance

Innovative, cross-screen synchronization, with connected cart at every funnel stage

Increase average client spend by 42%

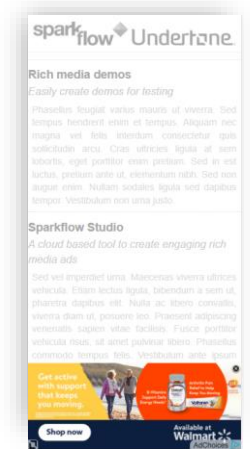
Awareness >>>



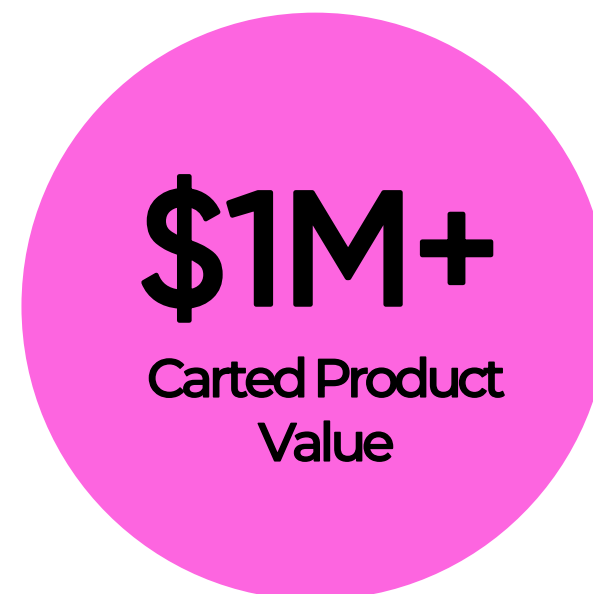
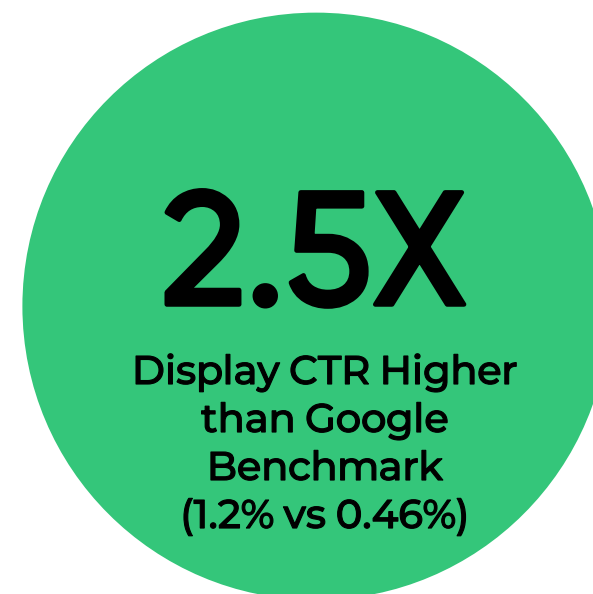
Consideration >>>



Intent >>>



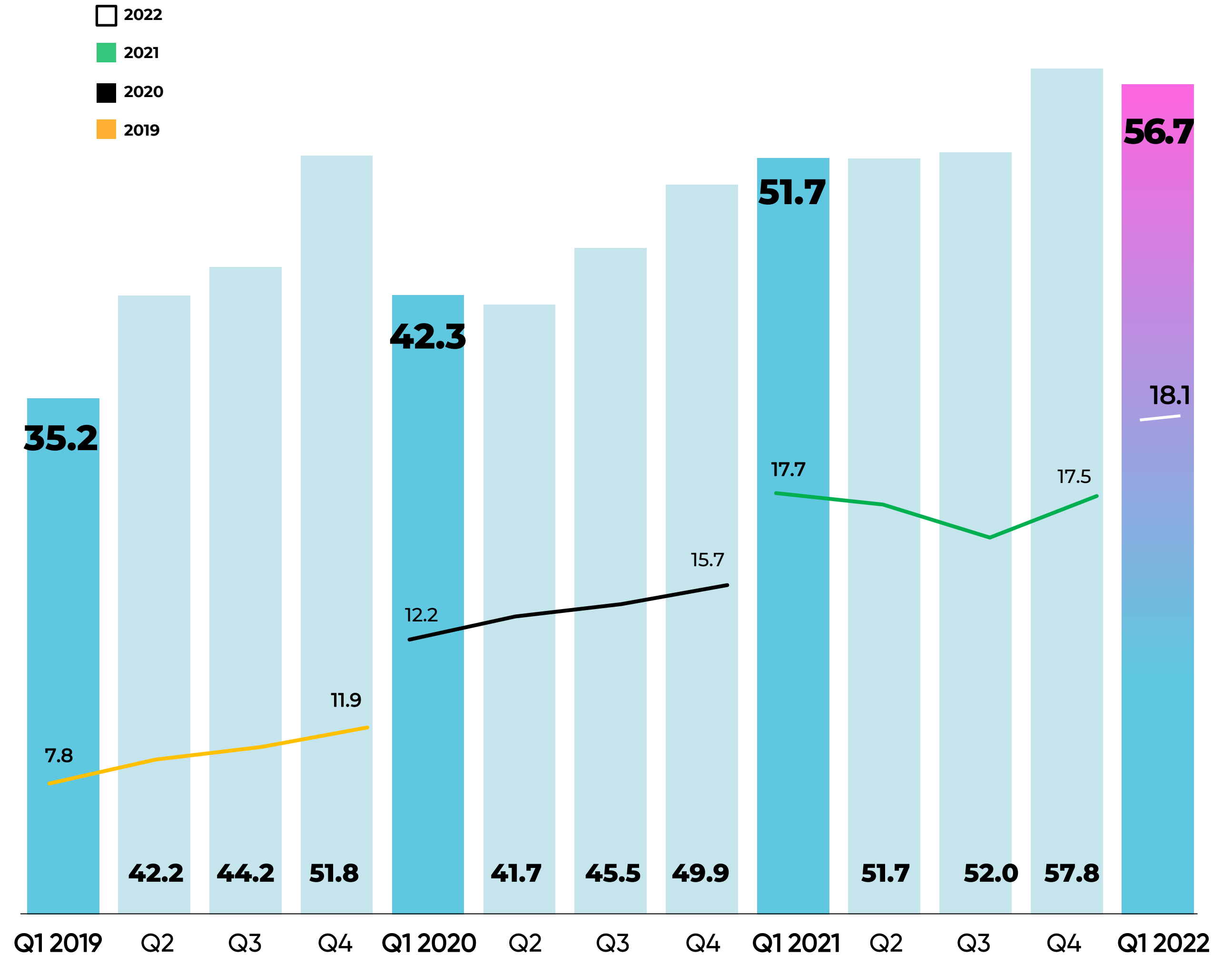
Connected Cart connects awareness to performance at every stage of media funnel



Search Advertising Growth (\$M)

Increased number of publishers to 120 from 95

Travel is back



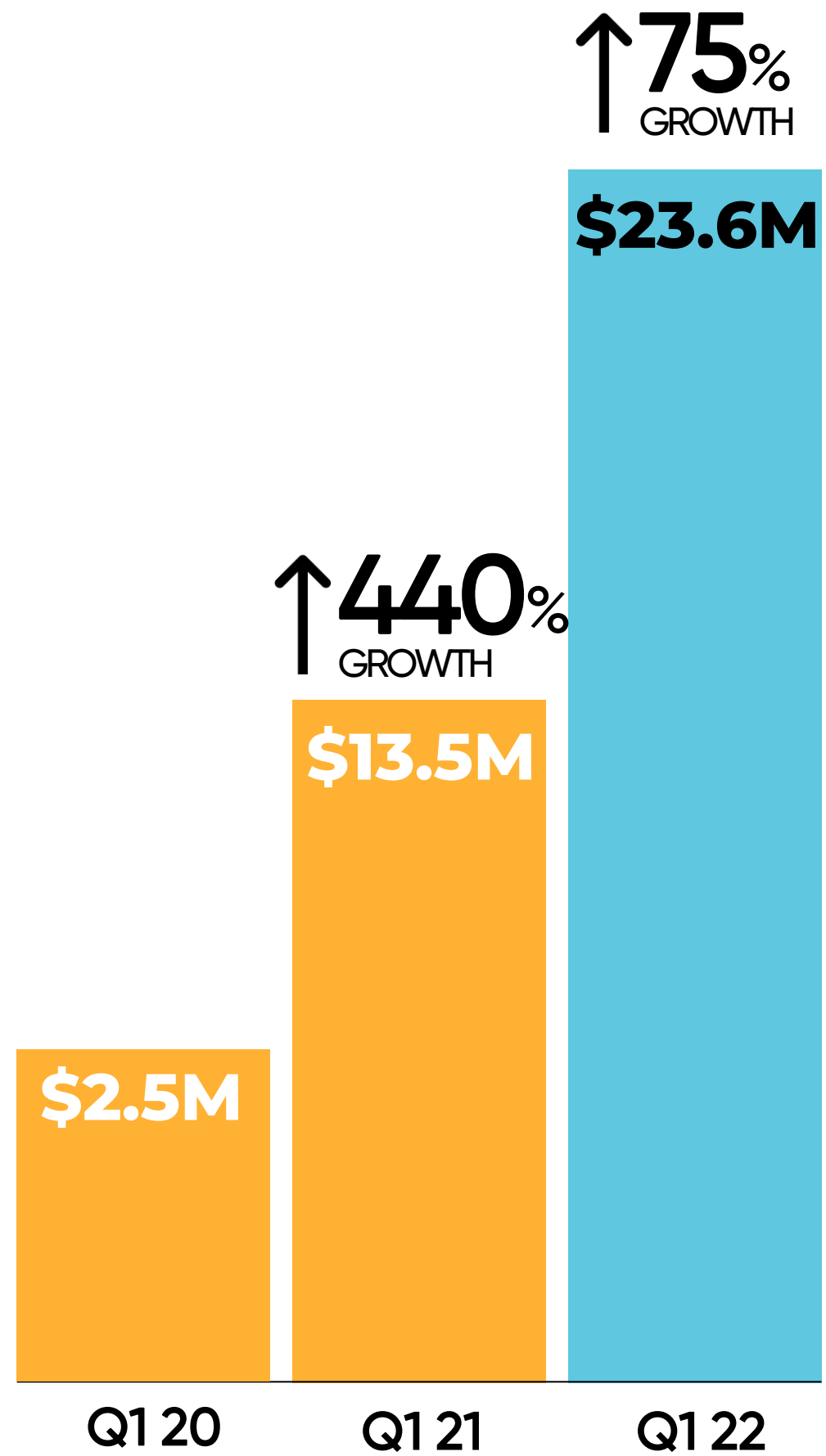


**Microsoft Advertising
Global Supply
Partner Of The Year**



Q1 22 Cash from Operations

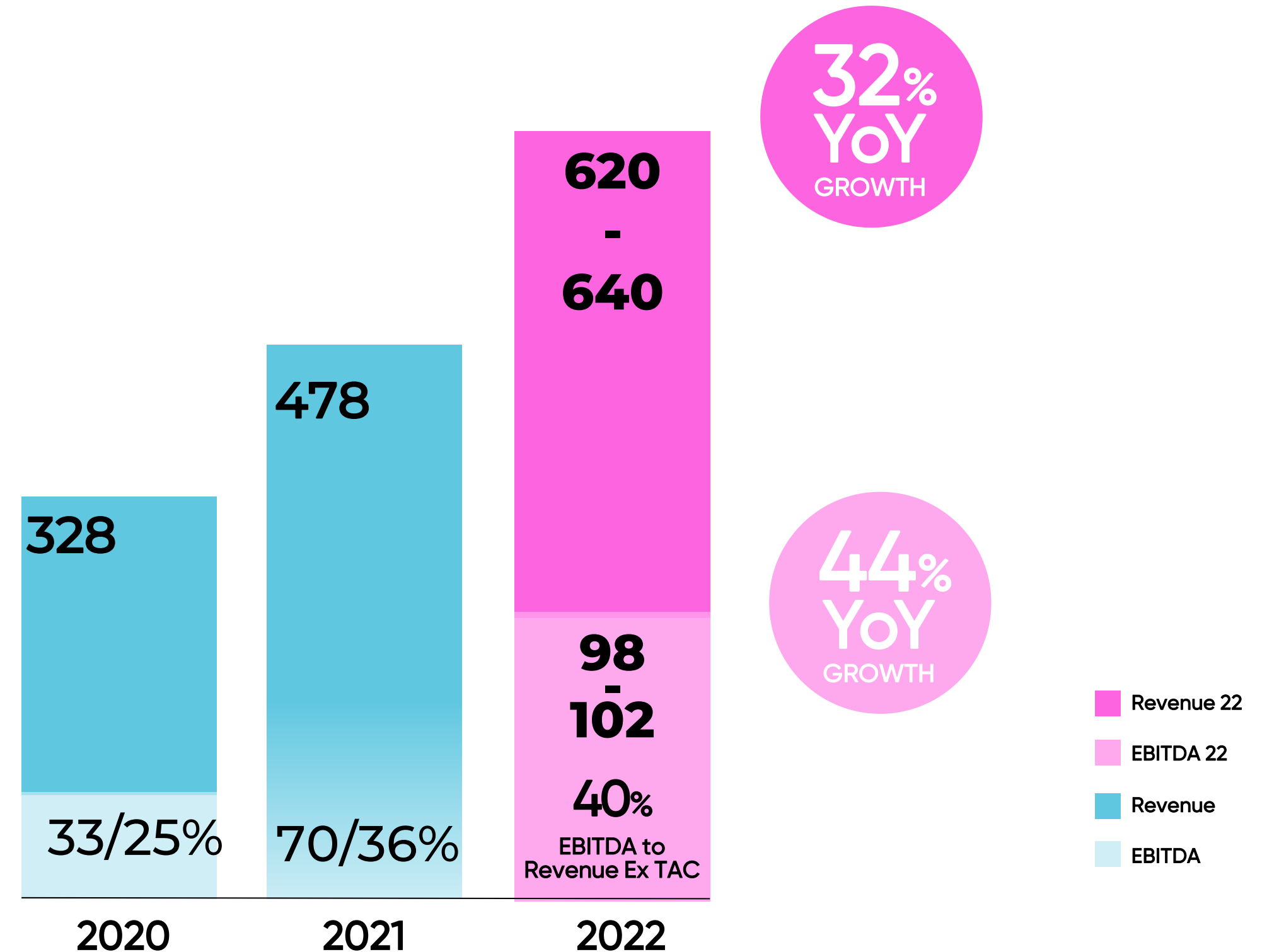
\$342M Net Cash



Improved 2022 Guidance

With robust growth, increased profitability, and **\$342.5M** in cash and zero debt, Perion is poised to further accelerate its momentum. We have the platform, track record, proven team, and financial depth to drive enduring success.

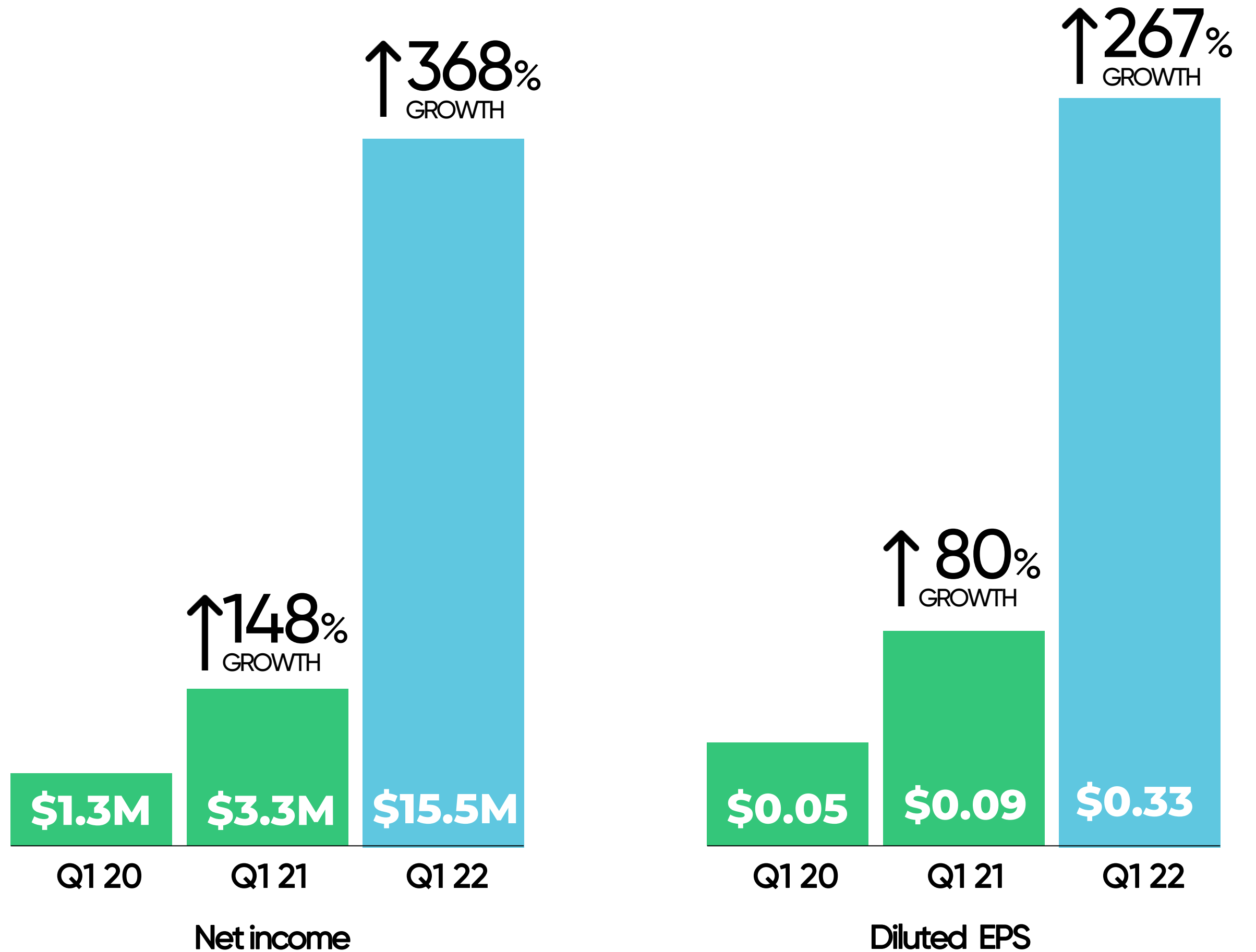
Doron Gerstel CEO



Thank You

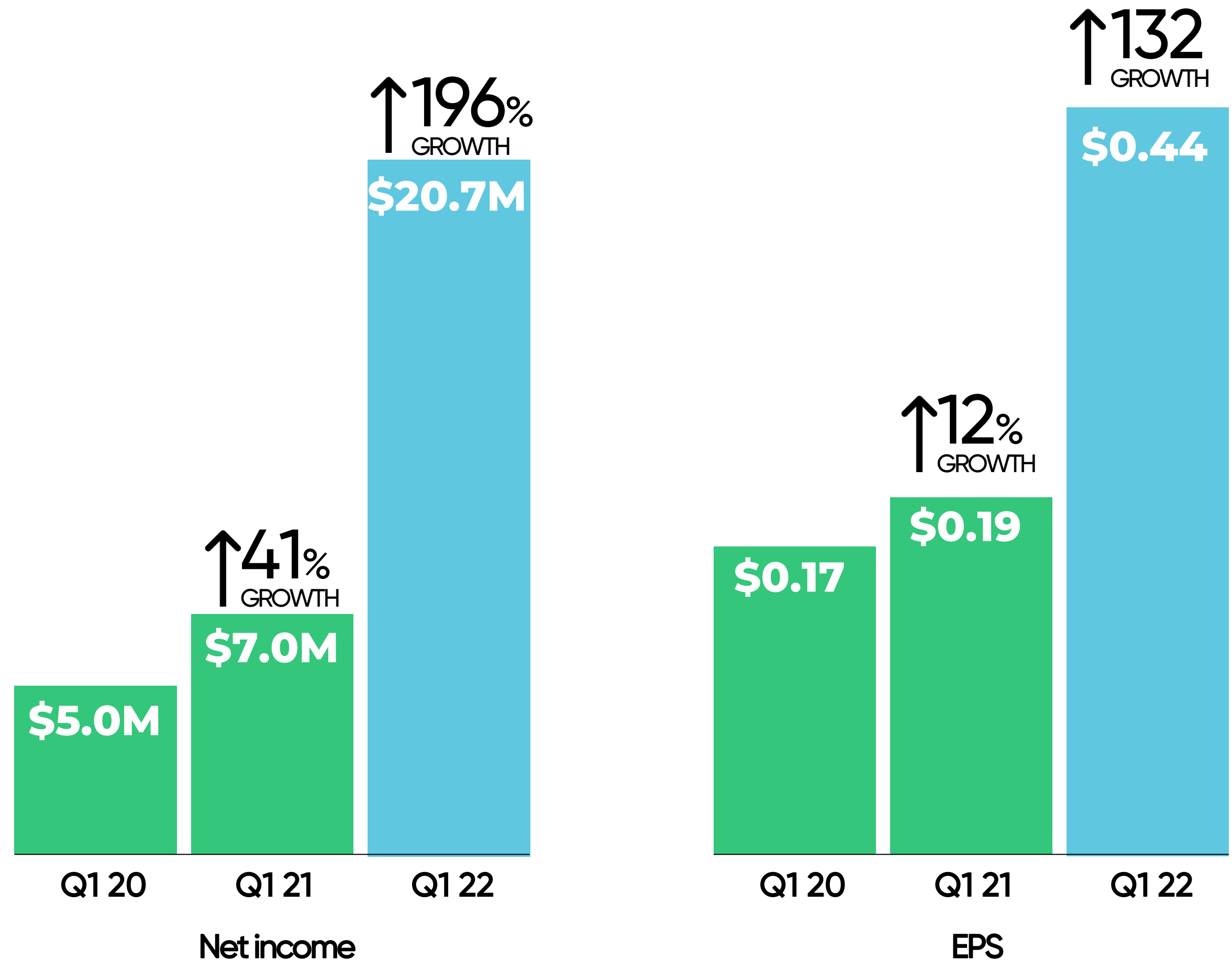
appendix

Q1 22 Net Income GAAP



Q1 22

Non-GAAP Net Income and Diluted EPS



Balance Sheet GAAP Basis Overview (\$M)

Current Assets	31/12/2021	31/03/2022
Cash and cash equivalents	104.4	92.9
Restricted cash	1.1	1.1
Short-term bank deposit	217.2	249.6
Accounts receivable, net	115.4	84.5
Prepaid expenses and other current assets	8.1	8.6
	446.2	436.7

Non-Current Assets	31/12/2021	31/03/2022
Property and equipment, net	4.2	4.0
Operating lease right-of-use assets	11.6	10.8
Goodwill and Intangible assets, net	246	243.2
Deferred taxes & Other assets	5.2	5.5
	267.0	263.5

Total Assets	713.2	700.2
---------------------	--------------	--------------

Current Liabilities	31/12/2021	31/03/2022
Accounts payable	107.7	94.1
Accrued expenses and other liabilities	40.3	27.1
Short-term operating lease liability	3.6	3.5
Deferred revenues	3.9	3.2
Payment obligation related to acquisitions	38.2	34.7
	193.7	162.6

Long-Term Liabilities	31/12/2021	31/03/2022
Long-term operating lease liability	9.7	8.8
Payment obligation related to acquisitions	33.3	33.4
Other long-term liabilities	9.5	9.6
	52.5	51.8

Shareholders' Equity	31/12/2021	31/03/2022
	467.0	485.8

Total Liabilities and Shareholders' Equity	713.2	700.2
---	--------------	--------------

Income Statement GAAP Basis (\$M)

P&L - GAAP																		Full year ended,			
	Q1-18	Q2-18	Q3-18	Q4-18	Q1-19	Q2-19	Q3-19	Q4-19	Q1-20	Q2-20	Q3-20	Q4-20	Q1-21	Q2-21	Q3-21	Q4-21	Q1-22	2018	2019	2020	2021
Display Advertising revenues	29.3	33.2	26.2	37.3	18.6	21.3	21.6	26.4	23.8	18.7	37.9	68.4	38.1	58.0	69.0	100.2	68.6	126.0	87.9	148.7	265.3
Search Advertising revenues	31.6	29.6	31.0	34.7	35.2	42.3	44.2	51.8	42.3	41.6	45.5	49.9	51.7	51.7	52.0	57.8	56.7	126.8	173.6	179.4	213.2
Total Revenues	60.9	62.8	57.2	72.0	53.8	63.6	65.8	78.2	66.1	60.3	83.4	118.3	89.8	109.7	121.0	158.0	125.3	252.8	261.5	328.1	478.5
Traffic acquisition costs and media buy	31.9	31.1	28.8	36.6	27.4	33.2	34.2	41.1	36.1	36.8	49.9	74.8	54.9	66.2	73.6	93.3	71.0	128.4	135.9	197.6	288.0
Media Margin	29.0	31.7	28.4	35.4	26.4	30.4	31.6	37.1	30.0	23.5	33.5	43.5	34.9	43.5	47.4	64.7	54.3	124.4	125.6	130.5	190.5
% of Revenues	47.6%	50.5%	49.7%	49.2%	49.1%	47.8%	48.0%	47.4%	45.4%	39.0%	40.2%	36.8%	38.9%	39.7%	39.2%	40.9%	43.3%	49.2%	48.0%	39.8%	39.8%
Cost of revenues	6.1	5.8	5.5	6.4	5.8	6.1	6.8	6.9	5.8	4.9	5.3	6.5	5.4	6.2	6.3	7.3	6.6	23.8	25.6	22.5	25.2
Gross Margin	22.9	25.9	22.9	29.0	20.6	24.3	24.8	30.2	24.2	18.6	28.2	37.0	29.5	37.3	41.1	57.4	47.7	100.6	100.0	108.0	165.3
% Gross Margin	37.6%	41.2%	40.0%	40.3%	38.3%	38.2%	37.7%	38.6%	36.6%	30.8%	33.8%	31.3%	32.9%	34.0%	34.0%	36.3%	38.1%	39.8%	38.2%	32.9%	34.5%
Research and development	5.5	4.7	4.4	4.3	4.9	5.6	6.0	6.1	7.2	7.1	8.1	8.5	8.5	8.9	8.6	9.2	9.0	18.9	22.6	30.9	35.3
Selling and marketing	9.7	10.1	8.6	10.5	8.3	8.7	8.6	9.0	9.7	8.2	9.4	11.7	10.6	12.9	12.9	16.8	13.3	38.9	34.7	39.1	53.2
General and administrative	4.3	4.9	3.9	3.4	3.0	3.4	3.6	5.0	3.9	3.6	4.2	4.1	4.1	4.6	5.3	6.9	5.7	16.4	15.0	15.8	20.9
Depreciation and amortization	2.1	2.5	2.5	2.6	2.4	2.3	2.6	2.4	2.4	2.2	2.7	2.7	2.4	2.0	1.9	3.6	3.2	9.7	9.7	9.9	9.9
Impairment, loss of goodwill and intangibles	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Restructuring charges	1.1	0.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.0	-	-	-
Total OPEX	22.7	23.1	19.4	20.8	18.6	20.0	20.8	22.5	23.2	21.1	24.4	27.0	25.6	28.4	28.7	36.5	31.2	85.9	82.0	95.7	119.3
% of Revenues	37.3%	36.8%	33.9%	28.9%	34.6%	31.4%	31.6%	28.8%	35.1%	35.0%	29.3%	22.8%	28.5%	25.9%	23.7%	23.1%	24.9%	34.0%	31.4%	29.2%	24.9%
EBIT	0.2	2.8	3.5	8.2	2.0	4.3	4.0	7.7	1.0	(2.5)	3.8	10.0	3.9	8.9	12.4	20.9	16.5	14.7	18.0	12.3	46.0
% of Revenues	0.3%	4.5%	6.1%	11.4%	3.7%	6.8%	6.1%	9.8%	1.5%	(4.1%)	4.6%	8.5%	4.3%	8.1%	10.2%	13.2%	13.2%	5.8%	6.9%	3.7%	9.6%
Financial expense (income), net	0.6	1.2	1.2	0.8	1.3	1.0	0.4	0.7	-	0.7	0.5	1.5	(0.2)	0.3	-	0.5	(0.6)	3.8	3.5	2.6	0.6
Tax expenses (benefit)	(0.5)	0.6	0.1	2.5	(0.5)	0.4	0.7	1.1	(0.3)	(1.0)	1.2	(0.5)	0.8	1.5	1.7	2.6	1.6	2.8	1.6	(0.5)	6.6
Net Income (Loss)	0.1	1.0	2.2	4.9	1.2	2.9	2.9	5.9	1.3	(2.2)	2.1	9.0	3.3	7.1	10.6	17.7	15.5	8.1	12.9	10.2	38.8
% of Revenues	0.2%	1.6%	3.8%	6.8%	2.2%	4.6%	4.4%	7.5%	2.0%	-3.6%	2.5%	7.6%	3.7%	6.5%	8.8%	11.2%	12.4%	3.2%	4.9%	3.1%	8.1%
Net Earnings per Share - Basic	0.00	0.04	0.08	0.19	0.05	0.11	0.11	0.23	0.05	(0.08)	0.08	0.33	0.10	0.21	0.31	0.48	0.35	0.31	0.50	0.38	1.13
Net Earnings per Share - Diluted	0.00	0.03	0.08	0.19	0.05	0.11	0.11	0.22	0.05	(0.08)	0.08	0.30	0.09	0.19	0.28	0.44	0.33	0.31	0.49	0.36	1.02
No. of shares - Basic (M)	25.8	25.8	25.8	25.8	25.9	25.9	26.0	26.1	26.3	26.6	26.7	26.9	32.1	34.1	34.6	36.8	44.0	25.8	26.0	26.7	34.4
No. of shares - Diluted (M)	25.8	26.4	26.4	25.8	25.9	25.9	26.9	27.3	28.2	26.6	28.3	30.0	35.8	37.1	37.9	40.3	47.0	25.9	26.4	28.8	37.8

Cash Flow GAAP Basis Overview (\$M)

Cash Flow Results	Q1-18	Q2-18	Q3-18	Q4-18	Q1-19	Q2-19	Q3-19	Q4-19	Q1-20	Q2-20	Q3-20	Q4-20	Q1-21	Q2-21	Q3-21	Q4-21	Q1-22	Full year ended,				
																		2018	2019	2020	2021	
Operating activities																						
Net Income	0.1	1.0	2.2	4.9	1.2	2.9	2.9	5.9	1.3	(2.2)	2.1	9.0	3.3	7.1	10.6	17.7	15.5	8.1	12.9	10.2	38.7	
Adjustments required to reconcile net income to net cash	14.5	1.9	8.8	(0.6)	12.8	5.5	8.2	5.3	1.2	2.4	4.5	3.8	10.2	7.5	3.6	11.1	8.1	24.7	31.8	11.8	32.4	
Net cash provided by continuing operating activities	14.6	2.9	11.0	4.3	14.0	8.4	11.1	11.2	2.5	0.2	6.6	12.8	13.5	14.6	14.2	28.8	23.6	32.8	44.7	22.0	71.1	
Investing activities																						
Deposits and others	5.1	(0.4)	(1.6)	(4.9)	(2.9)	0.6	(10.8)	(6.8)	15.4	(9.2)	8.2	(4.4)	(43.4)	(27.2)	22.8	(157.2)	(32.7)	(1.8)	(19.9)	10.2	(205.0)	
M&A activity	-	-	-	-	-	(1.2)	-	-	(9.3)	(4.5)	(5.0)	(0.1)	0.0	(3.4)	0.0	(35.0)	(3.4)	-	(1.2)	(19.0)	(38.5)	
Net cash provided by (used in) investing activities	5.1	(0.4)	(1.6)	(4.9)	(2.9)	(0.6)	(10.8)	(6.8)	6.1	(13.7)	3.2	(4.5)	(43.4)	(30.6)	22.8	(192.2)	(36.1)	(1.8)	(21.1)	(8.8)	(243.5)	
Financing activities																						
Net cash used in financing activities	(9.6)	(9.5)	(3.2)	(0.7)	(11.7)	(10.0)	(1.5)	(1.5)	(0.5)	(1.9)	10.8	(12.4)	54.3	2.2	1.1	171.5	0.9	(23.0)	(24.8)	(4.0)	229.0	
Effect of exchange rate changes on cash and cash equivalents	0.1	(0.1)	0.1	-	(0.1)	-	-	-	(0.1)	0.0	0.1	0.1	0.0	0.0	0.1	0.0	0.0	0.1	-	0.1	0.0	
Net increase (decrease) in cash and cash equivalents and restricted cash	10.2	(7.1)	6.3	(1.3)	(0.7)	(2.2)	(1.2)	2.9	8.0	(15.4)	20.7	(4.0)	24.3	(13.8)	38.2	8.1	(11.6)	8.1	(1.2)	9.3	56.6	
Cash and cash equivalents and restricted cash at beginning of period	32.7	42.9	35.8	42.1	40.8	40.1	37.9	36.7	39.6	47.6	32.2	52.9	48.9	73.2	59.4	97.4	105.5	32.7	40.8	39.6	48.9	
Cash and cash equivalents and restricted cash at end of period	42.9	35.8	42.1	40.8	40.1	37.9	36.7	39.6	47.6	32.2	52.9	48.9	73.2	59.4	97.6	105.5	94.0	40.8	39.6	48.9	105.5	

Non-GAAP Adjustments (\$M)

Reconciliation of GAAP to NON-GAAP Results	Q1-18	Q2-18	Q3-18	Q4-18	Q1-19	Q2-19	Q3-19	Q4-19	Q1-20	Q2-20	Q3-20	Q4-20	Q1-21	Q2-21	Q3-21	Q4-21	Q1-22	Full year ended,			
																		2018	2019	2020	2021
GAAP Net Income (Loss) from continuing operations	0.1	1.0	2.2	4.9	1.2	2.9	2.9	5.9	1.3	(2.2)	2.1	9.0	3.3	7.1	10.6	17.7	15.5	8.1	12.9	10.2	38.8
Share based compensation	0.6	0.9	0.6	0.6	0.5	0.5	0.7	0.7	1.1	0.8	1.0	1.5	0.8	1.2	1.7	3.2	2.4	2.7	2.3	4.4	7.0
Amortization of acquired intangible assets	1.2	1.2	1.2	1.2	1.0	1.0	1.1	1.0	1.2	1.1	1.5	1.6	1.3	1.3	1.4	2.8	2.8	4.8	4.3	5.2	6.8
Restructuring costs	1.1	0.9	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2.0	-	-	-
Retention and other related to M&A related expenses	0.2	-	-	0.1	0.3	0.3	0.3	1.4	1.8	1.8	1.2	2.1	1.8	2.2	1.6	3.5	0.5	0.4	2.4	7.2	9.0
Changes in FV of Earnout contingent consideration	-	-	-	-	-	-	-	-	-	-	-	(1.0)	-	-	-	(2.2)	-	-	-	(1.0)	(2.2)
Impairment of goodwill and intangible assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Fair value revaluation of convertible debt and related derivative	0.1	0.7	0.3	(0.3)	0.3	(0.2)	-	-	-	-	-	-	-	-	-	-	-	0.8	0.1	-	-
Foreign exchange losses associated with ASC-842	-	-	-	-	0.3	0.2	0.2	-	(0.3)	0.2	-	0.5	(0.3)	0.1	-	0.2	(0.2)	-	0.7	0.4	-
Revaluation of acquisition related contingent consideration	-	-	-	-	-	-	-	-	-	0.3	0.2	0.2	0.2	0.2	0.1	0.3	0.1	-	-	0.6	0.7
Taxes on the above items	(0.3)	0.0	0.0	(0.7)	(0.3)	(0.2)	(0.2)	(0.2)	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)	0.2	(0.1)	(0.2)	(0.4)	(1.0)	(1.0)	(0.4)	(0.1)
Non-GAAP Net Income from continuing operations	3.0	4.7	4.3	5.8	3.3	4.5	5.0	8.8	5.0	1.9	5.9	13.8	7.0	12.3	15.3	25.3	20.7	17.8	21.7	26.6	60.0
Taxes on income	(0.1)	0.6	0.1	3.2	(0.2)	0.7	0.9	1.2	(0.3)	(0.9)	1.3	(0.3)	0.8	1.3	1.8	2.8	2.1	3.8	2.6	(0.1)	6.7
Financial expense, net	0.5	0.5	1.0	1.1	0.7	1.0	0.2	0.7	0.3	0.2	0.3	0.8	(0.1)	-	(0.1)	-	(0.5)	3.1	2.7	1.6	(0.1)
Depreciation	0.9	1.3	1.3	1.4	1.3	1.2	1.5	1.5	1.2	1.2	1.2	1.0	1.0	0.6	0.5	0.8	0.4	4.9	5.5	4.7	3.0
Adjusted EBITDA	4.3	7.1	6.7	11.5	5.1	7.4	7.6	12.2	6.2	2.4	8.7	15.3	8.7	14.2	17.6	29.0	22.7	29.6	32.5	32.8	69.6
Non-GAAP diluted earnings per share	0.12	0.17	0.16	0.21	0.12	0.17	0.18	0.32	0.17	0.07	0.21	0.45	0.19	0.33	0.40	0.62	0.44	0.65	0.83	0.91	1.57
No. of shares - Diluted (M)	25.8	26.4	26.4	26.4	25.9	25.9	27.1	27.5	28.7	28.5	29.0	30.4	36.1	37.4	38.4	40.6	47.6	25.5	26.7	29.3	38.2

* Adjusted EBITDA is defined as operating income excluding stock-based compensation expenses, depreciation, restructuring costs, acquisition related items consisting of amortization of intangible assets and goodwill and intangible asset impairments, acquisition related expenses, gains and losses recognized on changes in the fair value of contingent consideration arrangements and certain accounting entries under the business combination accounting rules that require us to recognize a legal performance obligation related to revenue arrangements of an acquired entity based on its fair value at the date of acquisition.

P&L Non-GAAP (\$M)

P&L - Non-GAAP	Q1-18	Q2-18	Q3-18	Q4-18	Q1-19	Q2-19	Q3-19	Q4-19	Q1-20	Q2-20	Q3-20	Q4-20	Q1-21	Q2-21	Q3-21	Q4-21	Q1-22	Full year ended,			
																		2018	2019	2020	2021
Display Advertising revenues	29.3	33.2	26.2	37.3	18.6	21.3	21.6	26.4	23.7	18.7	37.9	68.4	38.1	58.0	69.0	100.2	68.6	126.0	87.9	148.7	265.3
Search Advertising revenues	31.6	29.6	31.0	34.7	35.3	42.3	44.2	51.8	42.3	41.6	45.5	49.9	51.7	51.7	52.0	57.8	56.7	126.9	173.6	179.4	213.2
Total Revenues	60.9	62.8	57.2	72.0	53.8	63.6	65.8	78.3	66.1	60.3	83.4	118.3	89.8	109.7	121.0	158.0	125.3	252.8	261.5	328.1	478.5
Traffic acquisition costs and media buy	31.9	31.1	28.8	36.6	27.4	33.2	34.2	41.1	36.1	36.8	49.9	74.8	54.9	66.2	73.6	93.3	71.0	128.4	135.9	197.6	288.0
Media Margin	29.0	31.7	28.4	35.4	26.4	30.4	31.6	37.1	29.9	23.5	33.5	43.5	34.9	43.5	47.4	64.7	54.3	124.5	125.6	130.5	190.5
% of Revenues	47.6%	50.5%	49.6%	49.2%	49.1%	47.8%	48.1%	47.5%	45.3%	39.0%	40.2%	36.8%	38.9%	39.7%	39.2%	40.9%	43.3%	49.2%	48.0%	39.8%	39.8%
Cost of revenues	6.0	5.8	5.4	6.4	5.7	6.0	6.8	6.8	5.7	4.9	5.3	6.6	5.4	6.2	6.2	7.2	6.5	23.6	25.4	22.4	25.1
Gross Margin	23.0	25.9	22.9	29.0	20.7	24.4	24.8	30.3	24.2	18.6	28.2	36.9	29.5	37.3	41.2	57.5	47.8	100.9	100.2	108.1	165.4
% Gross Margin	37.8%	41.3%	40.1%	40.3%	38.4%	38.3%	37.8%	38.8%	36.6%	30.8%	33.8%	31.2%	32.9%	34.0%	34.0%	36.4%	38.1%	39.9%	38.3%	32.9%	34.6%
Research and development	5.4	4.6	4.2	4.2	4.8	5.5	5.1	5.7	6.1	6.1	7.2	7.2	7.7	7.8	7.8	7.9	8.5	18.4	21.1	26.6	31.2
Selling and marketing	9.5	9.9	8.4	10.3	8.1	8.6	8.5	9.0	8.7	7.2	8.6	10.1	9.5	11.1	11.1	14.3	12.1	38.1	34.2	34.5	46.0
General and administrative	3.8	4.3	3.6	3.0	2.7	2.8	3.6	3.4	3.2	3.0	3.7	4.3	3.5	4.1	4.7	6.3	4.6	14.8	12.5	14.2	18.7
Depreciation and amortization	0.9	1.3	1.3	1.4	1.3	1.2	1.5	1.4	1.2	1.1	1.1	1.0	1.1	0.7	0.5	0.8	0.4	4.9	5.5	4.7	3.0
Total OPEX	19.6	20.1	17.6	19.0	16.9	18.2	18.7	19.5	19.2	17.4	20.6	22.6	21.8	23.7	24.1	29.3	25.6	76.3	73.3	80.0	98.9
% of Revenues	32.2%	32.0%	30.8%	26.4%	31.4%	28.6%	28.4%	24.9%	29.0%	28.9%	24.7%	19.1%	24.3%	21.6%	19.9%	18.5%	20.4%	30.2%	28.0%	24.4%	20.7%
EBIT	3.4	5.8	5.3	10.1	3.8	6.2	6.1	10.8	5.0	1.2	7.6	14.3	7.7	13.6	17.1	28.2	22.3	24.6	26.9	28.1	66.5
% of Revenues	5.6%	9.2%	9.3%	14.0%	7.0%	9.7%	9.3%	13.8%	7.6%	2.0%	9.1%	12.1%	8.6%	12.4%	14.1%	17.8%	17.8%	9.7%	10.3%	8.6%	13.9%
Financial expense (income), net	0.5	0.5	1.0	1.1	0.8	1.0	0.2	0.7	0.3	0.2	0.2	0.8	(0.1)	-	(0.1)	-	(0.5)	3.0	2.7	1.6	(0.1)
Tax expenses (benefit)	(0.1)	0.6	0.1	3.2	(0.2)	0.7	0.9	1.3	(0.2)	(0.9)	1.3	(0.3)	0.8	1.3	1.8	2.9	2.1	3.8	2.6	(0.1)	6.7
Net Income	3.0	4.7	4.3	5.8	3.3	4.5	5.0	8.9	5.0	1.9	6.1	13.8	7.0	12.3	15.4	25.3	20.7	17.8	21.6	26.6	59.9
% of Revenues	5.0%	7.4%	7.5%	8.1%	6.0%	7.1%	7.6%	11.3%	7.5%	3.2%	7.3%	11.7%	7.8%	11.2%	12.7%	16.0%	16.5%	7.0%	8.3%	8.1%	12.5%
Net Earnings per Share - Diluted	0.12	0.17	0.16	0.21	0.12	0.17	0.18	0.32	0.17	0.07	0.21	0.45	0.19	0.33	0.40	0.62	0.44	0.65	0.83	0.91	1.57
No. of shares - Diluted (M)	25.8	26.4	26.4	26.4	25.9	25.9	27.1	27.5	28.7	28.5	29.0	30.4	36.1	37.4	38.4	40.6	47.6	25.5	26.7	29.3	38.2

* P&L is defined as profit and loss.

** EBIT is defined as earning before income and tax.

Q1 22 Revenue

