



Investor Presentation

Q3 2024

November 2024



Forward Looking Statements

This presentation contains historical information and forward-looking statements within the meaning of The Private Securities Litigation Reform Act of 1995 with respect to the business, financial condition and results of operations of Perion. The words “will,” “believe,” “expect,” “intend,” “plan,” “should,” “estimate” and similar expressions are intended to identify forward-looking statements. Such statements reflect the current views, assumptions and expectations of Perion with respect to future events and are subject to risks and uncertainties. Many factors could cause the actual results, performance or achievements of Perion 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, but not limited to, the current war between Israel and Hamas and any worsening of the situation in Israel (such as further mobilizations), 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, and general risks associated with the business of Perion including intense and frequent changes in the markets in which the businesses operate and in general economic and business conditions, loss of key customers, data breaches, cyber-attacks and other similar incidents, unpredictable sales cycles, competitive pressures, market acceptance of new products, changes in applicable laws and regulations as well as industry self-regulation, 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 Perion and its results of operations, as described in reports filed by Perion with the Securities and Exchange Commission from time to time, including its annual report on Form 20-F for the year ended December 31, 2023 filed with the SEC on April 8, 2024. Perion does not assume any obligation to update these forward-looking statements. Investors should read this presentation together with our respective quarterly press release furnished to the SEC.

Non-GAAP Measures

Non-GAAP financial measures consist of GAAP financial measures adjusted to exclude certain items. This presentation includes certain non-GAAP measures, including Contribution ex-TAC, Adjusted EBITDA, non-GAAP net income, non-GAAP diluted earnings per share and Adjusted free cash flow.

Contribution ex-TAC presents revenue reduced by traffic acquisition costs and media buy, reflecting a portion of our revenue that must be directly passed to publishers or advertisers and presents our revenue excluding such items. We believe Contribution ex-TAC is a useful measure in assessing the performance of the Company because it facilitates a consistent comparison against our core business without considering the impact of traffic acquisition costs and media buy related to revenue reported on a gross basis.

Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization (“Adjusted EBITDA”) is defined as income from operations excluding stock-based compensation expenses, depreciation, amortization of acquired intangible assets, retention and other acquisition-related expenses, restructuring costs and gains and losses recognized with respect to changes in the fair value of contingent consideration.

Adjusted free cash flow is defined as net cash provided by (or used in) operating activities less cash used for the purchase of property and equipment, but excluding the purchase of property and equipment related to our new corporate headquarter office and the portion of the cash payment of contingent consideration in excess of the acquisition date fair value, as we do not view either of those expenses as reflective of our normal on-going expenses. It is important to note that these expenses are in fact cash expenditures.

Non-GAAP net income and non-GAAP diluted earnings per share are defined as net income and net earnings per share excluding stock-based compensation expenses, retention and other acquisition-related expenses, restructuring costs, revaluation of acquisition-related contingent consideration, amortization of acquired intangible assets and the related taxes thereon, non-recurring expenses, foreign exchange gains and losses associated with ASC-842, as well as gains and losses recognized with respect to changes in fair value of contingent consideration.

The purpose of such adjustments is to give an indication of our performance exclusive of non-cash charges and other items that are considered by management to be outside of our core operating results. These non-GAAP measures are among the primary factors management uses in planning for and forecasting future periods. Furthermore, the non-GAAP measures are regularly used internally to understand, manage and evaluate our business and make operating decisions, and we believe that they are useful to investors as a consistent and comparable measure of the ongoing performance of our business. However, our non-GAAP financial measures are not meant to be considered in isolation or as a substitute for comparable GAAP measures and should be read only in conjunction with our consolidated financial statements prepared in accordance with GAAP. Additionally, these non-GAAP financial measures may differ materially from the non-GAAP financial measures used by other companies. 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, we are unable to quantify certain amounts that would be required for such presentation without unreasonable effort. Consequently, no reconciliation of the forward-looking non-GAAP financial measures is included in this presentation. A reconciliation between results on a GAAP and non-GAAP basis is provided in the appendix to this presentation





Tal Jacobson
CEO



Elad Tzubery
CFO



What we do

Perion builds technologies that make digital advertising more effective by connecting the dots between data, creative and channels

Most of our clients are Agencies, Brands and Retailers



Over a Decade of Delivering
Positive Annual
Adjusted EBITDA
& Operating Cash Flow



Perion is a proven **global technology leader**

34+ markets

Across Perion

PERI

Publicly traded on
NASDAQ & TASE

435,000+

Sites & screens



Powering Advertising Across the Path to Purchase



High Impact
Display



Video



Retail Media



Audio



Social



CTV



DOOH

Advanced Technology



Dynamic Creative
Optimization



Device
Graph



SORT, AI-powered
audience
segmentation

Industry Certifications

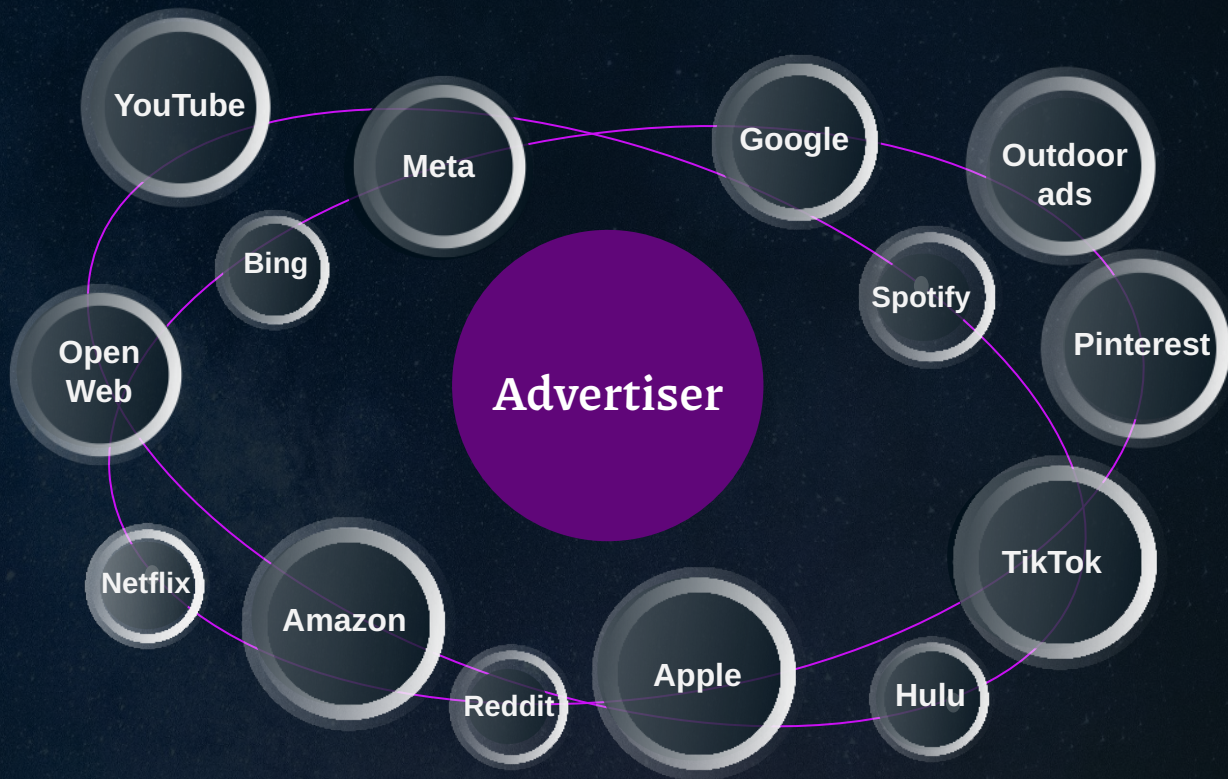


Coalition for
Better Ads



The ~\$700b¹ advertising challenge

CMOs are navigating a fragmented universe of screens, creative formats, and placements trying to connect the dots and drive business results.

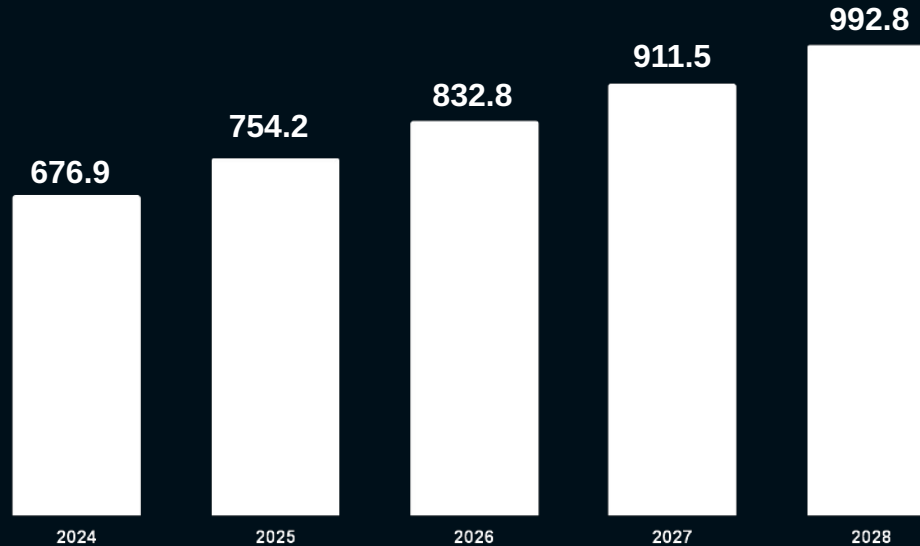


¹Source: [eMarketer](#) Projected digital advertising spend in 2024

Unlocking a Massive TAM: Maximizing advertising impact

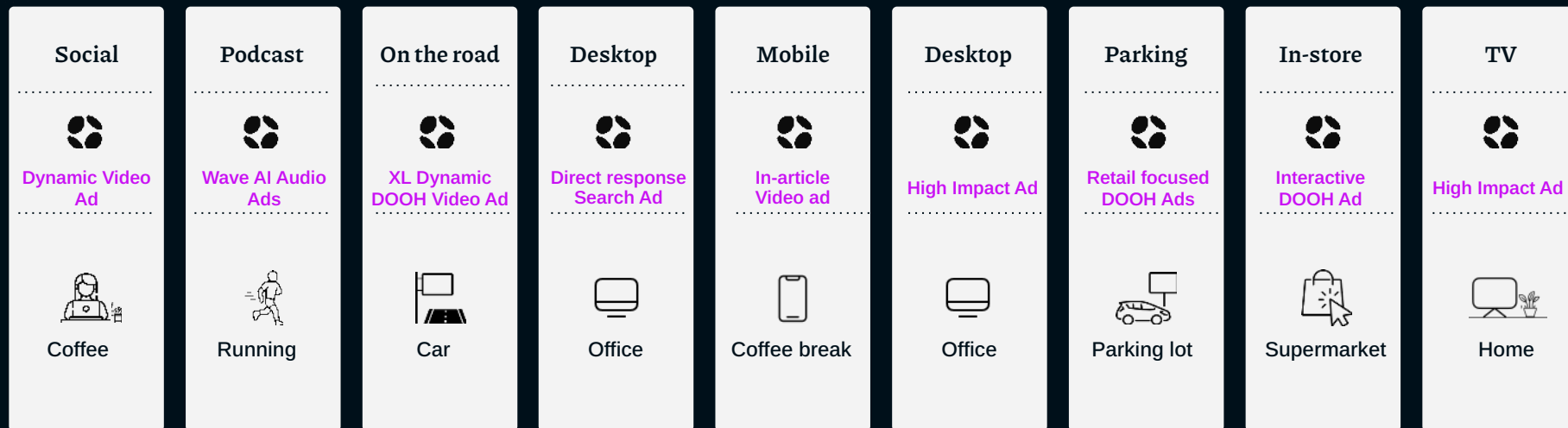
Digital Ad Spending (\$ Billions USD)

Worldwide, 2024-2028

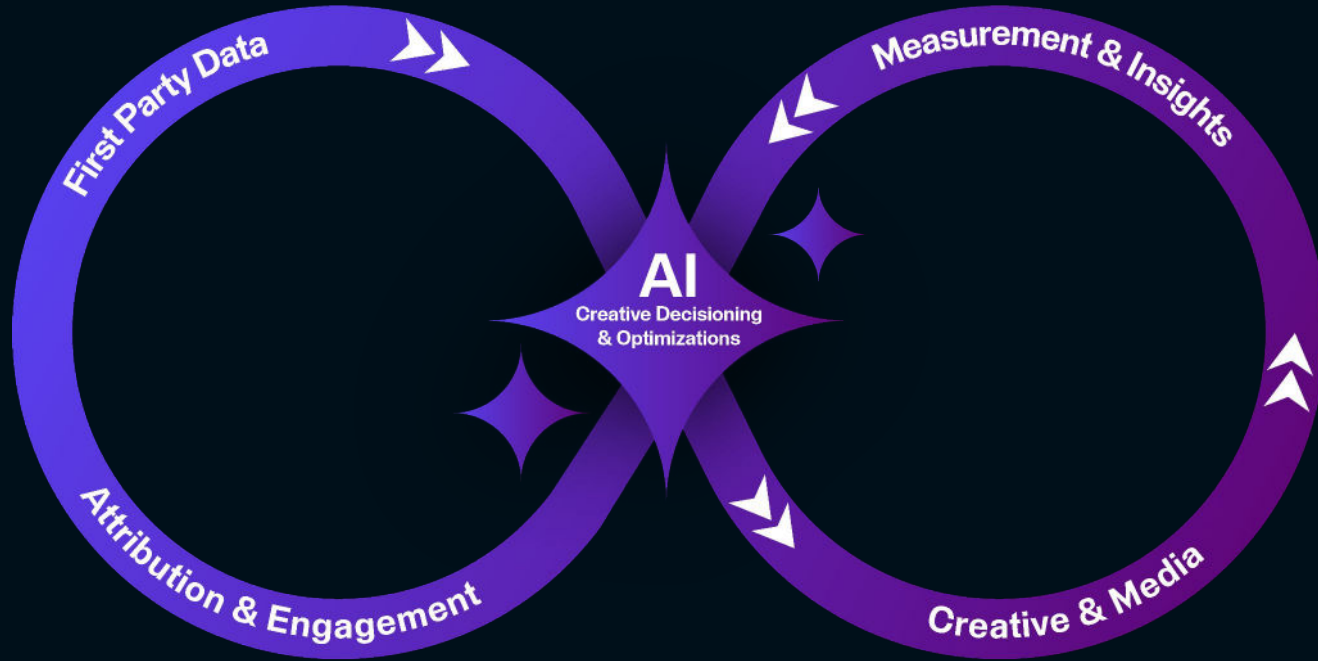


Source: eMarketer Forecast, March 2024

Enabling Brands to Seize Every Advertising Moment



Our Solution: A cross-screen optimization flywheel for advertisers



Leveraging AI: First-to-market solutions for advertisers



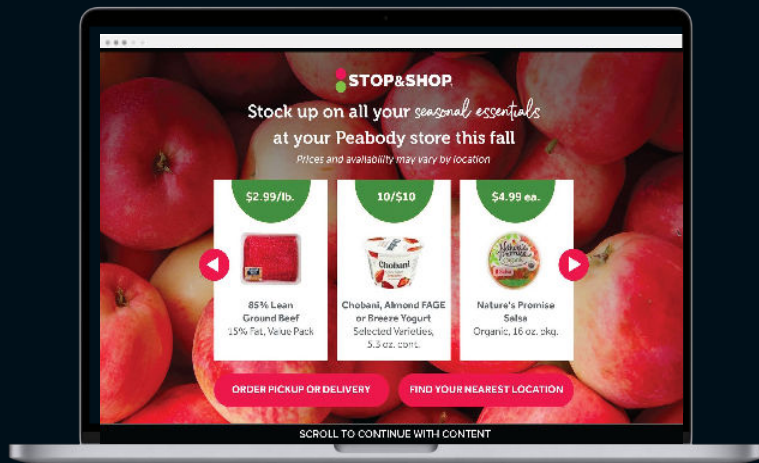
AI-powered, **cross-media audience segmentation** for the cookie-less world



WAVE, **Generative AI, dynamic audio technology**, brands can speak to each listener with tailored content

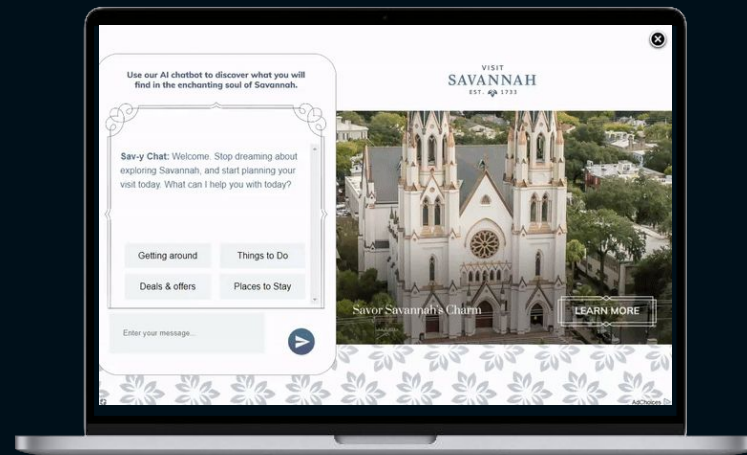


Leveraging AI: First-to-market solutions for advertisers



Perion's Creative Studio DCO, featuring dynamic creative optimization solutions for brands to hyper-personalize based on audience, location, weather, day/time & context

Chat AI Ads - Custom AI-Chat Chatbot, boosting consumer engagement with in-ad conversations



Integrated with Leading Platforms

DSPs



Google Display
& Video 360



theTradeDesk

nexxən

deepintent⁺

xandr



Adobe

Basis[™]
BY CENTRO

VIAANT.
Adelphic DSP

yahoo!

DMPs

LiveRamp

TruAudience
By TransUnion



PERION

Proprietary
Tech & AI

Ad
Builder

Ad
Server

Dynamic
Creative

Publisher
Platform

SORT®
Audience
Targeting

SSPs

PubMatic

OpenX

Index
Exchange

Magnite

MEASUREMENT

LUCID



KANTAR



IRI
by omnicom

Epsilon

Adelaide

DV
DoubleVerify



CATALINA

nielsen



NCSolutions

IAS

System1

SCOPE3

Trusted by the most recognized brands & agencies



Advanced Tech with Premium Inventory: Ensuring brands appear in the right context¹

Web



CTV/Video



DOOH



Audio



¹ A selection of inventory across Perion's 435k+ sites and screens



Our Main Growth Engines: Continuing momentum in Q3



63%

YoY Revenue Growth

Digital Out-of-Home¹



62%

YoY Revenue Growth

Retail Media



19%

YoY Revenue Growth

CTV

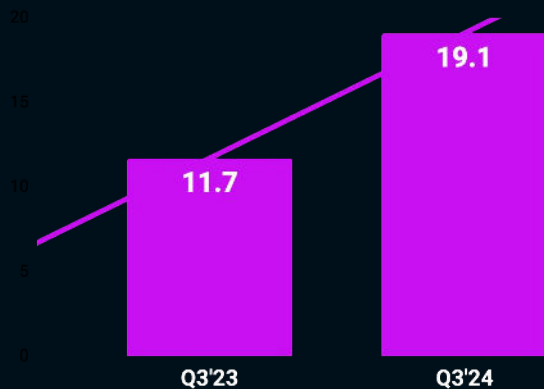


1 On a proforma basis

Our DOOH Success

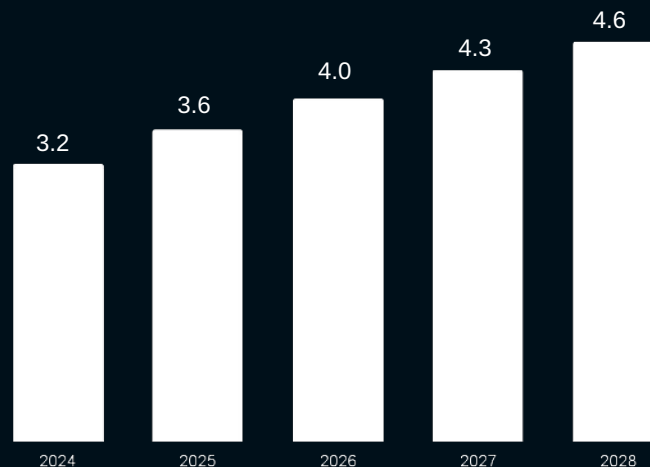
DOOH by Perion

63% Growth¹



Digital Out-of-Home Ad Spending

US, 2024-2028 (\$ Billions USD)



Source: eMarketer data – 9.5% CAGR

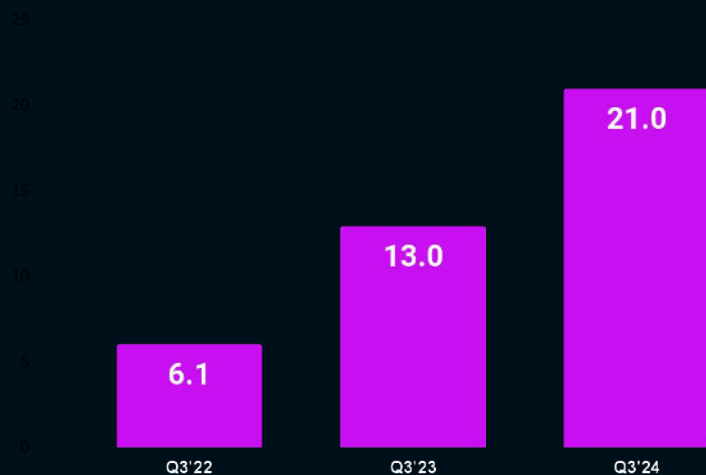


¹ On a proforma basis

Our Retail Media Success

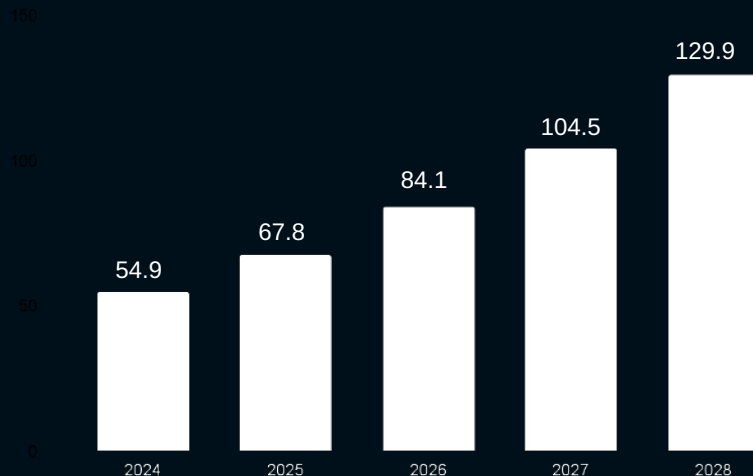
Retail Media by Perion

62% Y/Y Growth



Omnichannel Retail Media Ad Spending

US, 2024-2028 (\$ Billions USD)



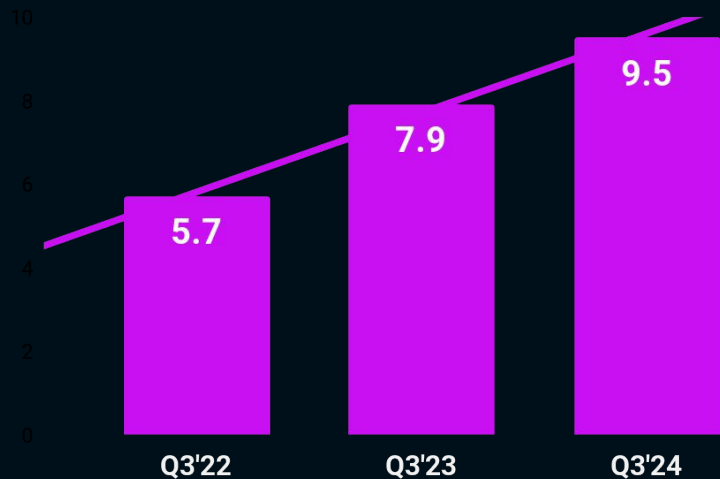
Source: eMarketer data – 24% CAGR



Our CTV Success

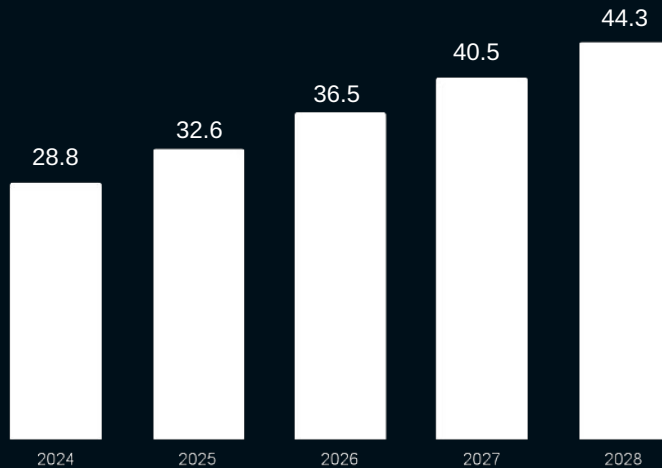
CTV by Perion

19% Y/Y Growth



CTV Ad Spending

US, 2024-2028 (\$ Billions USD)



Source: eMarketer data – 11.4% CAGR



Why Invest in Perion?



Large Growth Opportunity

Strong focus on high-growth digital ad channels and market verticals: CTV, DOOH & Retail Media



Profitability & Cash Generation¹

Over a decade of delivering positive annual Adjusted EBITDA and Operating cash flow



Tech-Oriented

Strong tech moat with proven AI capabilities and in-house innovative tech solutions



Experienced management

Highly experienced global management team



Global Footprint

Unparalleled and growing presence in NA, SA, EMEA and APAC



¹Annually, on a non-GAAP basis

Financial Results & Outlook

A hand holding a smartphone is visible on the right side of the image. A glowing blue arc is positioned above the phone. The background is dark with a purple dotted pattern on the left side.

Q3 2024 Financial Highlights

Revenue

\$102.2M

Adjusted
EBITDA¹

\$7.4M

7% Margin
16% ex-TAC Margin

GAAP Net
Income

\$2.1M

Diluted GAAP EPS:
\$0.04

Non-GAAP Net
Income¹

\$11.9M

Diluted Non-GAAP
EPS: \$0.23

Net Cash²

\$383.9M

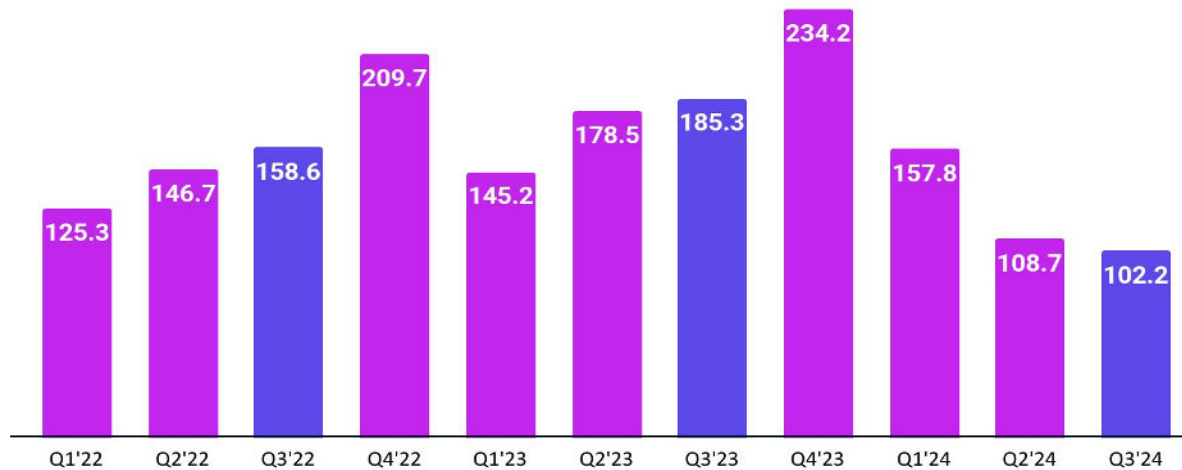


¹ Non-GAAP metrics. Please see the Appendix to this presentation for a reconciliation of each to the nearest GAAP metric.

² Net cash includes cash, cash equivalents, short term deposits and marketable securities

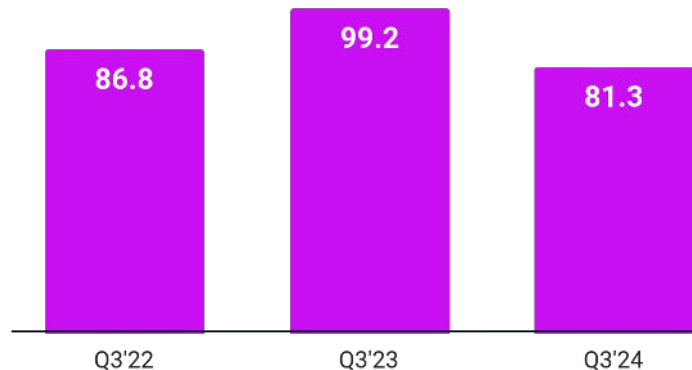
Q3 2024 Revenue

(\$M)



Q3 2024 Advertising Solutions¹ Revenue

(\$M)



CTV increased 19% YoY
12% of Advertising Solutions¹
revenue vs. 8% last year

DOOH² increased 63% YoY
23% of Advertising Solutions¹
revenue vs. 11% last year

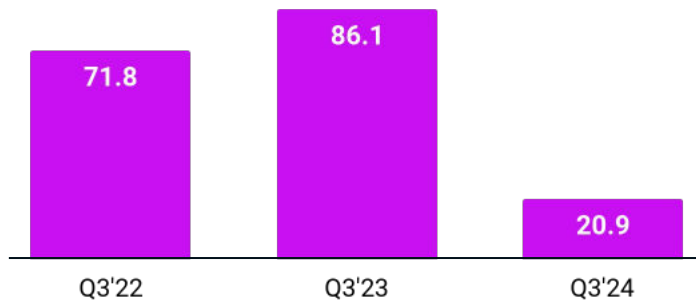
Video decreased 63% YoY
14% of Advertising Solutions¹
revenue vs. 32% last year



¹ Formerly referred to as Display Advertising, includes all Perion's digital advertising solutions

² On a proforma basis

Q3 2024 Search Advertising Revenue (\$M)



6.9 million Average Daily Searches

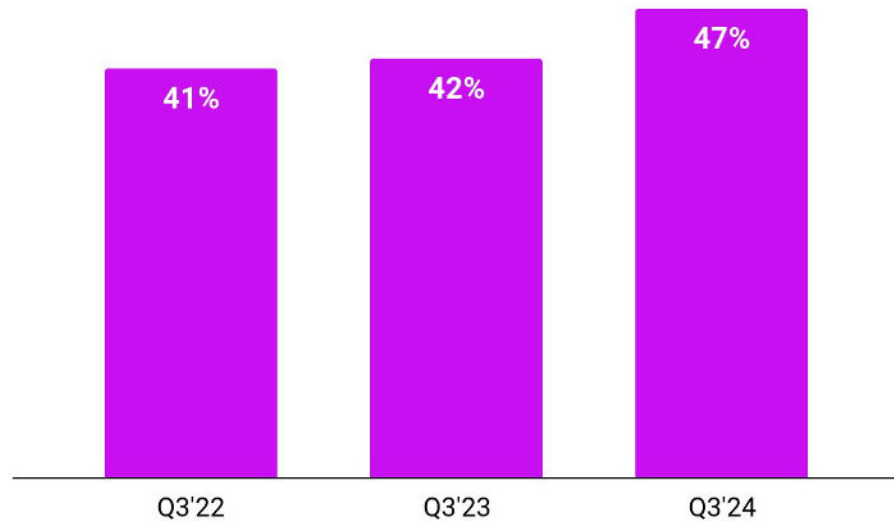
78% YoY decrease

47 Publishers

71% YoY decrease



Q3 2024 Contribution Ex-TAC¹

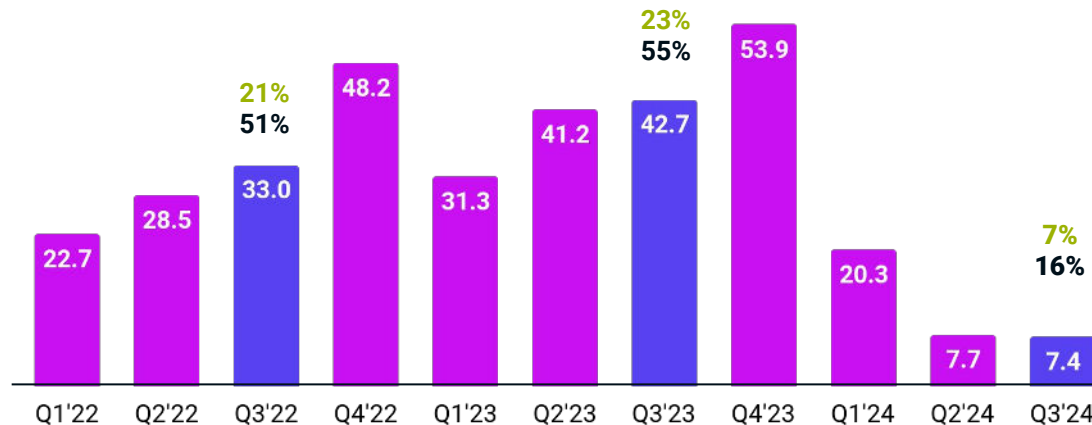


¹ Non-GAAP metrics. Please see the Appendix to this presentation for a reconciliation of each to the nearest GAAP metric.



Q3 2024 Adjusted EBITDA¹ (\$M)

- Adjusted EBITDA/Revenue
- Adjusted EBITDA/Contribution ex-TAC

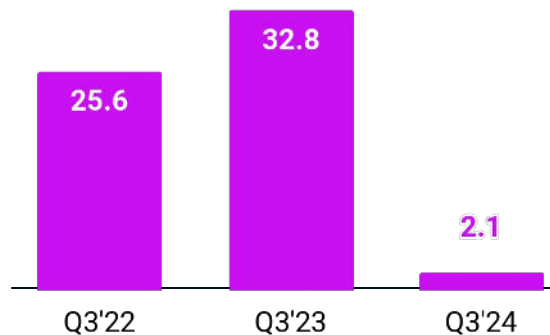


¹ Non-GAAP metrics. Please see the Appendix to this presentation for a reconciliation of each to the nearest GAAP metric.

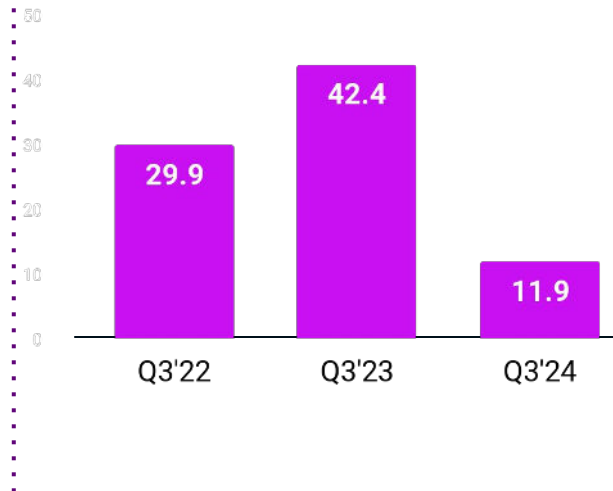


Q3 2024 GAAP/ Non-GAAP¹ Net Income (\$M)

GAAP Net Income



Non-GAAP Net Income

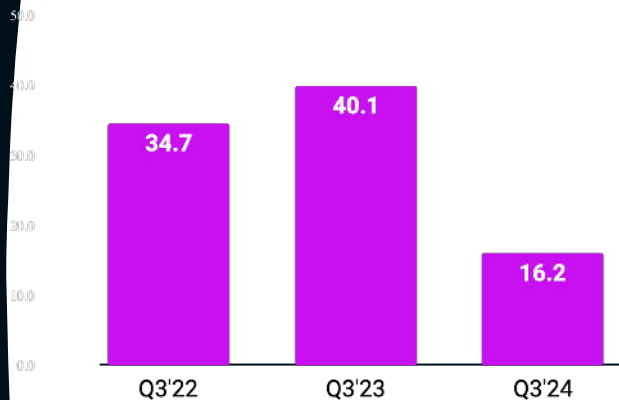


¹ Non-GAAP metrics. Please see the Appendix to this presentation for a reconciliation of each to the nearest GAAP metric.

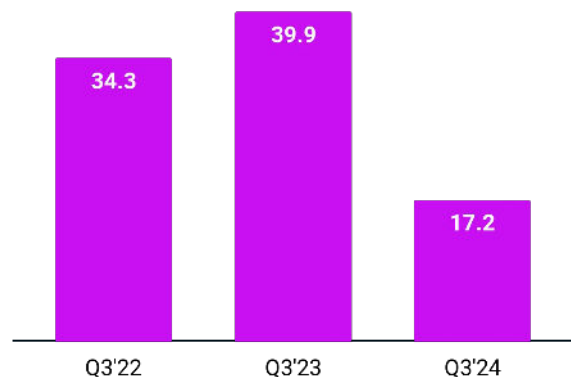


Q3 2024 Cash from Operations & Adjusted FCF (\$M)

Cash from Operations



Adjusted Free Cash Flow¹

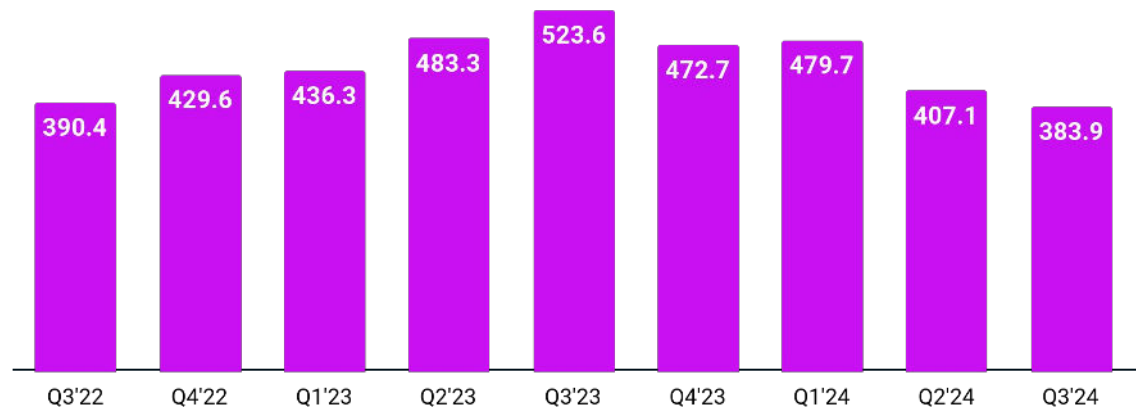


¹ Non-GAAP metrics. Please see the Appendix to this presentation for a reconciliation of each to the nearest GAAP metric.



Q3 2024 Net Cash¹

(\$M)



¹ Includes cash, cash equivalents, short term deposits and marketable securities



Financial Outlook

FY 2024 Outlook

US\$ M	FY 2024 Guidance
Revenue	490-510
Adjusted EBITDA ¹	48-52
Adjusted EBITDA/Revenue ¹	10% ²
Adjusted EBITDA/ Contribution ex-TAC ¹	23% ²



¹ Contribution ex-TAC and Adjusted EBITDA are non-GAAP measures. See reconciliation of GAAP to non-GAAP measures at the appendix to this presentation.

² Calculated at revenue and Adjusted EBITDA guidance midpoint

Thank you



Appendix

Condensed Consolidated Balance Sheets

Current Assets	2024-09-30	2023-12-31
Cash and cash equivalents	154.7	187.6
Restricted cash	1.1	1.3
Short-term bank deposit	149.3	207.5
Marketable Securities	79.8	77.6
Accounts receivable, net	132.3	231.5
Prepaid expenses and other current assets	20.2	21.0
	537.5	726.6
Long-Term Assets		
Property and equipment, net	7.1	3.2
Operating lease right-of-use assets	21.7	6.6
Goodwill and Intangible assets, net	319.9	336.6
Deferred taxes and Other assets	6.3	4.3
	355.0	350.7
Total Assets	892.5	1,077.3

Current Liabilities	2024-09-30	2023-12-31
Accounts payable	101.5	217.2
Accrued expenses and other liabilities	27.1	42.6
Short-term operating lease liability	4.2	4.2
Deferred revenue	2.0	-
Short-term payment obligation related to acquisitions	3.8	2.3
	138.6	340.0
Long-Term Liabilities		
Long-term operating lease liability	18.7	3.4
Other long-term liabilities	13.3	15.6
	32.0	19.1
Total Shareholders' Equity	721.8	718.1
Total Liabilities and Shareholders' Equity	892.5	1,077.3



Consolidated Statements Of Operations - GAAP

Consolidated Statements Of Operations - GAAP												Full Year ended		9 Months ended		
	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23	Q2-23	Q3-23	Q4-23	Q1-24	Q2-24	Q3-24	2022	2023	2022	2023	2024
Advertising Solutions revenue	68.6	81.6	86.8	123.8	79.9	99.4	99.2	119.8	75.8	74.4	81.3	360.7	398.2	237.0	278.5	231.4
Search Advertising revenue	56.7	65.1	71.8	85.9	65.3	79.1	86.1	114.4	82.0	34.3	20.9	279.6	344.9	193.6	230.5	137.3
Total Revenue	125.3	146.7	158.6	209.7	145.2	178.5	185.3	234.2	157.8	108.7	102.2	640.3	743.2	272.0	509.0	368.7
Cost of revenue	6.6	6.9	7.5	9.4	7.6	9.6	9.8	10.9	11.5	11.3	11.5	30.4	37.8	21.0	27.0	34.3
Traffic acquisition costs and media buy	71.0	86.0	93.6	122.0	79.9	101.5	108.0	143.6	97.6	58.9	54.6	372.6	432.9	250.6	289.4	211.1
Research and development	9.0	8.3	7.8	9.3	8.4	8.2	7.8	8.7	9.8	10.1	8.3	34.4	33.1	25.1	24.4	28.2
Selling and marketing	13.3	14.0	12.6	16.1	15.0	13.9	14.2	15.0	16.1	18.0	17.9	56.0	58.0	39.9	43.1	52.0
General and administrative	5.7	6.5	7.6	7.9	6.5	7.4	7.7	10.1	9.8	10.0	9.2	27.6	31.8	19.8	21.6	29.0
Changes in fair value of contingent consideration	-	-	(3.8)	-	-	14.6	2.0	2.1	-	1.5	-	(3.8)	18.7	(3.8)	16.6	1.5
Depreciation and amortization	3.2	3.2	3.7	3.7	3.4	3.4	3.4	3.9	4.6	4.8	3.6	13.8	14.1	10.1	10.2	12.9
Restructuring costs	-	-	-	-	-	-	-	-	-	6.9	-	-	-	-	-	6.9
Total Costs and Expenses	108.8	124.8	129.0	168.5	120.6	158.6	152.8	194.3	149.3	121.6	105.0	531.1	626.4	362.6	432.0	375.9
% of Revenues	86.8%	85.1%	81.3%	80.4%	83.1%	88.9%	82.5%	83.0%	94.6%	111.9%	102.7%	82.9%	84.3%	133.3%	84.9%	102.0%
Income (loss) from Operations	16.5	21.9	29.6	41.2	24.5	19.9	32.5	39.9	8.5	(12.9)	(2.8)	109.2	116.7	68.0	76.9	(7.2)
% of Revenues	13.2%	14.9%	18.7%	19.6%	16.9%	11.1%	17.5%	17.0%	5.4%	-11.9%	-2.7%	17.1%	15.7%	25.0%	15.1%	-2.0%
Financial income (expense), net	0.6	0.9	1.0	2.0	3.4	5.2	6.1	6.3	5.5	5.7	5.4	4.5	21.0	2.5	14.7	16.6
Income (loss) before Taxes on income	17.1	22.8	30.6	43.2	27.9	25.0	38.6	46.1	14.0	(7.2)	2.6	113.7	137.7	70.5	91.5	9.4
Taxes on income (tax benefit)	1.6	3.3	5.0	4.5	4.1	3.6	5.7	6.7	2.2	(1.0)	0.5	14.4	20.3	9.9	13.4	1.7
Net Income (loss)	15.5	19.5	25.6	38.7	23.8	21.4	32.8	39.4	11.8	(6.2)	2.1	99.2	117.4	60.6	78.0	7.7
% of Revenues	12.4%	13.3%	16.1%	18.5%	16.4%	12.0%	17.7%	16.8%	7.5%	-5.7%	2.1%	15.5%	15.8%	22.3%	15.3%	2.1%
Net Earnings (loss) per Share - Basic	0.35	0.44	0.57	0.84	0.51	0.46	0.69	0.83	0.24	(0.13)	0.05	2.21	2.49	0.79	1.66	0.16
Net Earnings (loss) per Share - Diluted	0.33	0.41	0.53	0.79	0.48	0.43	0.65	0.78	0.24	(0.13)	0.04	2.06	2.34	0.74	1.57	0.15
No. of shares - Basic (M)	44.0	44.4	45.1	45.8	46.4	47.0	47.4	47.8	48.3	48.7	46.9	44.9	47.1	45.1	46.9	48.0
No. of shares - Diluted (M)	47.0	47.3	48.0	48.9	49.5	49.6	50.3	50.6	49.5	48.7	48.4	48.1	50.1	48.0	49.8	49.8



Condensed Consolidated Statements of Cash Flows

Condensed Consolidated Statements of Cash Flows	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23	Q2-23	Q3-23	Q4-23	Q1-24	Q2-24	Q3-24	Full Year ended		9 Months ended		
												2022	2023	2022	2023	2024
Cash flows from operating activities																
Net Income (loss)	15.5	19.5	25.6	38.7	23.8	21.4	32.8	39.4	11.8	(6.2)	2.1	99.2	117.4	60.6	78.0	7.7
Adjustments required to reconcile net income to net cash	8.1	6.2	9.1	(0.5)	(6.0)	26.0	7.3	10.8	(4.9)	(14.3)	14.1	22.9	38.1	23.4	27.2	(5.1)
Net cash provided by (used in) operating activities	23.6	25.7	34.7	38.2	17.8	47.4	40.1	50.2	6.9	(20.5)	16.2	122.1	155.5	84.0	105.2	2.6
Investing activities																
Deposits, marketable securities and other	(32.7)	(1.2)	31.3	(34.7)	(49.4)	5.0	(28.2)	41.2	(20.1)	43.4	28.5	(37.2)	(31.4)	(2.6)	(72.7)	51.8
Cash paid in connection with acquisitions, net of cash acquired	(3.4)	(6.2)	0.0	0.0	0.0	0.0	0.0	(101.9)	0.0	0.0	0.0	(9.6)	(101.9)	(9.6)	0.0	0.0
Net cash provided by (used in) investing activities	(36.1)	(7.3)	31.3	(34.7)	(49.4)	5.0	(28.2)	(60.7)	(20.1)	43.4	28.5	(46.8)	(133.4)	(12.1)	(72.7)	51.8
Financing activities																
Net cash provided by (used in) financing activities	0.9	(8.7)	3.1	1.4	(11.2)	0.1	0.2	0.1	0.3	(51.6)	(36.2)	(3.3)	(10.8)	(4.7)	(10.9)	(87.6)
Effect of exchange rate changes on cash and cash equivalents and restricted cash	0.0	(0.1)	(0.1)	0.2	0.1	0.0	(0.1)	0.2	(0.1)	0.0	0.2	(0.1)	0.1	(0.2)	0.0	0.1
Net increase (decrease) in cash and cash equivalents and restricted cash	(11.6)	9.5	69.0	5.1	(42.8)	52.5	11.9	(10.2)	(13.0)	(28.9)	8.8	72.0	11.4	66.9	21.7	(33.1)
Cash and cash equivalents and restricted cash at beginning of period	105.5	94.0	103.4	172.4	177.5	134.7	187.2	199.2	188.9	176.0	147.1	105.5	177.5	105.5	177.5	188.9
Cash and cash equivalents and restricted cash at end of period	94.0	103.4	172.4	177.5	134.7	187.2	199.2	188.9	176.0	147.1	155.9	177.5	188.9	172.4	199.2	155.9



Reconciliation of GAAP to Non-GAAP Results

												Full Year ended		9 Months ended		
	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23	Q2-23	Q3-23	Q4-23	Q1-24	Q2-24	Q3-24	2022	2023	2022	2023	2024
GAAP Income (loss) from Operations	16.5	21.9	29.6	41.2	24.5	19.9	32.5	39.9	8.5	(12.9)	(2.8)	109.2	116.7	38.4	76.9	(7.2)
Stock-based compensation expenses	2.4	2.7	3.2	3.2	3.4	3.1	4.4	4.7	5.4	5.7	6.2	11.6	15.6	8.3	10.9	17.3
Retention and other acquisition-related expenses	0.6	0.7	0.3	0.1	-	0.3	0.4	3.3	1.8	1.7	0.4	1.6	4.0	1.6	0.7	3.9
Changes in fair value of contingent consideration	-	-	(3.8)	-	-	14.6	2.0	2.1	-	1.5	-	(3.8)	18.7	(3.8)	16.6	1.5
Amortization of acquired intangible assets	2.8	2.8	3.3	3.0	3.0	3.0	3.0	3.5	4.1	4.3	3.0	11.9	12.4	8.9	9.0	11.4
Restructuring costs	-	-	-	-	-	-	-	-	-	6.9	-	-	-	-	-	6.9
Depreciation	0.4	0.4	0.4	0.8	0.4	0.4	0.4	0.4	0.5	0.5	0.6	2.0	1.6	1.2	1.2	1.6
Adjusted EBITDA	22.7	28.5	33.0	48.2	31.3	41.2	42.7	53.9	20.3	7.7	7.4	132.4	169.1	84.2	115.2	35.4
	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23	Q2-23	Q3-23	Q4-23	Q1-24	Q2-24	Q3-24	Full Year ended		9 Months ended		
	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2024	2022	2023	2022	2023	2024
GAAP Net Income (loss)	15.5	19.5	25.6	38.7	23.8	21.4	32.8	39.4	11.8	(6.2)	2.1	99.2	117.4	60.6	78.0	7.7
Stock-based compensation expenses	2.4	2.7	3.2	3.2	3.4	3.1	4.4	4.7	5.4	5.7	6.2	11.6	15.6	8.3	10.9	17.3
Amortization of acquired intangible assets	2.8	2.8	3.3	3.0	3.0	3.0	3.0	3.5	4.1	4.3	3.0	11.9	12.4	8.9	9.0	11.4
Retention and other acquisition related expenses	0.6	0.7	0.3	0.1	-	0.3	0.4	3.3	1.8	1.7	0.4	1.6	4.0	1.6	0.7	3.9
Changes in fair value of contingent consideration	-	-	(3.8)	-	-	14.6	2.0	2.1	-	1.5	-	(3.8)	18.7	(3.8)	16.6	1.5
Restructuring costs	-	-	-	-	-	-	-	-	-	6.9	-	-	-	-	-	6.9
Foreign exchange gains (losses) associated with ASC-842	(0.2)	(0.5)	(0.1)	-	(0.1)	(0.1)	(0.1)	0.1	-	(0.2)	0.3	(0.8)	(0.2)	(0.8)	(0.3)	0.1
Revaluation of acquisition-related contingent consideration	0.1	0.1	0.3	0.2	0.1	0.1	0.1	0.1	-	-	-	0.8	0.6	0.5	0.4	-
Taxes on the above items	(0.4)	(0.8)	1.1	(0.5)	(0.3)	(0.3)	(0.3)	(0.3)	(0.5)	(0.3)	(0.2)	(0.7)	(1.2)	(0.1)	(0.9)	(1.0)
Non-GAAP Net Income	20.7	24.5	29.9	44.7	29.9	42.1	42.4	52.9	22.6	13.4	11.9	119.8	167.4	75.1	114.4	47.8
Non-GAAP diluted earnings per share	0.44	0.51	0.61	0.90	0.60	0.84	0.84	1.04	0.44	0.26	0.23	2.47	3.33	1.56	2.28	0.94
No. of shares - Diluted (M)	47.6	47.9	48.9	49.5	49.7	49.9	50.5	50.9	51.0	51.2	50.5	48.5	50.3	48.1	50.1	50.9



Reconciliation of GAAP to Non-GAAP Results

												Full Year ended		9 Months ended		
	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23	Q2-23	Q3-23	Q4-23	Q1-24	Q2-24	Q3-24	2022	2023	2022	2023	2024
Revenue	125.3	146.7	158.6	209.7	145.2	178.5	185.3	234.2	157.8	108.7	102.2	640.3	743.2	430.6	509.0	368.7
Traffic acquisition costs and media buy	(71.0)	(86.0)	(93.6)	(122.0)	(79.9)	(101.5)	(108.0)	(143.6)	(97.6)	(58.9)	(54.6)	(372.6)	(432.9)	(250.6)	(289.4)	(211.1)
Contribution ex-TAC	54.3	60.7	65.0	87.7	65.3	77.0	77.3	90.6	60.2	49.8	47.6	267.7	310.3	180.0	219.6	157.6
												Full Year ended		9 Months ended		
	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23	Q2-23	Q3-23	Q4-23	Q1-24	Q2-24	Q3-24	2022	2023	2022	2023	2024
GAAP Costs and Expenses	108.8	124.8	129.0	168.5	120.6	158.6	152.8	194.3	149.3	121.6	105.0	531.1	626.4	362.6	432.0	375.9
Traffic acquisition costs and media buy	(71.0)	(86.0)	(93.6)	(122.0)	(79.9)	(101.5)	(108.0)	(143.6)	(97.6)	(58.9)	(54.6)	(372.6)	(432.9)	(250.6)	(289.4)	(211.1)
Depreciation and amortization	(3.2)	(3.2)	(3.7)	(3.7)	(3.4)	(3.4)	(3.4)	(3.9)	(4.6)	(4.8)	(3.6)	(13.8)	(14.1)	(10.1)	(10.2)	(12.9)
Stock-based compensation expenses	(2.4)	(2.7)	(3.2)	(3.2)	(3.4)	(3.1)	(4.4)	(4.7)	(5.4)	(5.7)	(6.2)	(11.6)	(15.6)	(8.3)	(10.9)	(17.3)
Retention and other acquisition-related expenses	(0.6)	(0.7)	(0.3)	(0.1)	-	(0.3)	(0.4)	(3.3)	(1.8)	(1.7)	(0.4)	(1.6)	(4.0)	(1.6)	(0.7)	(3.9)
Changes in fair value of contingent consideration	-	-	3.8	-	-	(14.6)	(2.0)	(2.1)	-	(1.5)	-	3.8	(18.7)	3.8	(16.6)	(1.5)
Restructuring costs	-	-	-	-	-	-	-	-	-	(6.9)	-	-	-	-	-	(6.9)
Non-GAAP Operating expenses and Cost of Revenue	31.6	32.2	32.0	39.5	33.9	35.7	34.6	36.7	39.9	42.1	40.2	135.3	141.1	95.8	104.2	122.3
												Full Year ended		9 Months ended		
	Q1-22	Q2-22	Q3-22	Q4-22	Q1-23	Q2-23	Q3-23	Q4-23	Q1-24	Q2-24	Q3-24	2022	2023	2022	2023	2024
Net cash provided by (used in) operating activities	23.6	25.7	34.7	38.2	17.8	47.4	40.1	50.2	6.9	(20.5)	16.2	122.1	155.5	84.0	105.3	2.6
Purchases of property and equipment, net of sales	(0.3)	(0.2)	(0.3)	(0.3)	(0.1)	(0.2)	(0.2)	(0.3)	(0.4)	(0.7)	(4.3)	(1.1)	(0.8)	(0.8)	(0.5)	(5.5)
Free cash flow	23.3	25.5	34.4	37.9	17.7	47.2	39.9	49.9	6.5	(21.2)	11.9	121.0	154.7	83.2	104.8	(2.9)
Purchase of property and equipment related to our new corporate headquarter office	-	-	-	-	-	-	-	-	-	0.2	4.1	-	-	-	-	4.3
Portion of the cash payment of contingent consideration in excess of the acquisition date fair value	-	-	-	-	-	-	-	-	-	9.6	1.2	-	-	-	-	10.8
Adjusted free cash flow	23.3	25.5	34.4	37.9	17.7	47.2	39.9	49.9	6.5	(11.4)	17.2	121.0	154.7	83.2	104.8	12.3

