



**Fourth Quarter and Annual 2021
Earnings Conference Call**

February 9th , 2022

FORWARD LOOKING STATEMENTS

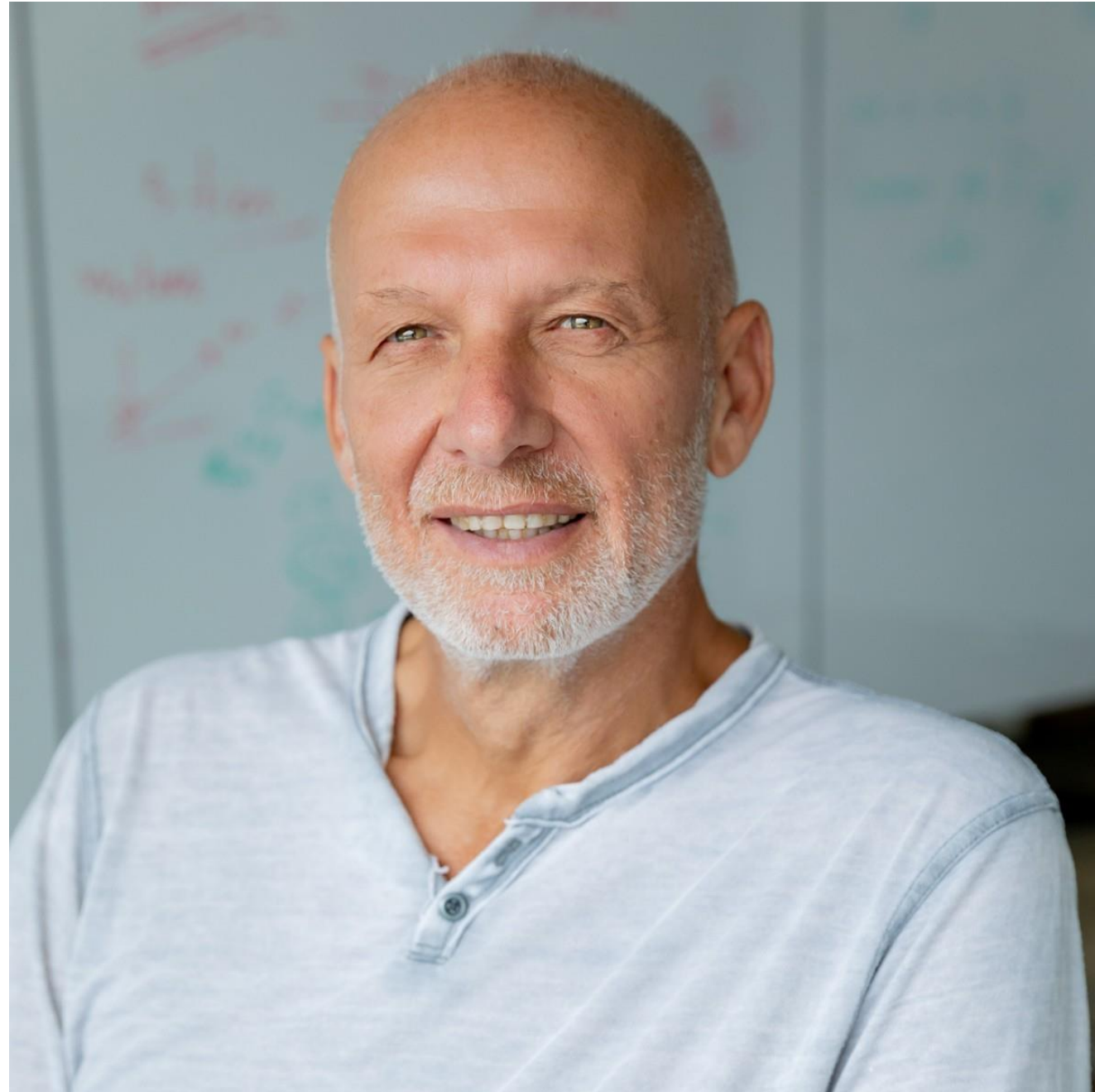
This presentation and our remarks contain forward-looking statements (within the meaning of The Private Securities Litigation Reform Act of 1995) that involve substantial risks and uncertainties, including statements regarding our expectations and beliefs about our business, strategy, and future operating 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, 2019. 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.

introduction



Doron Gerstel
CEO



Maoz Sigron
CFO



Q4

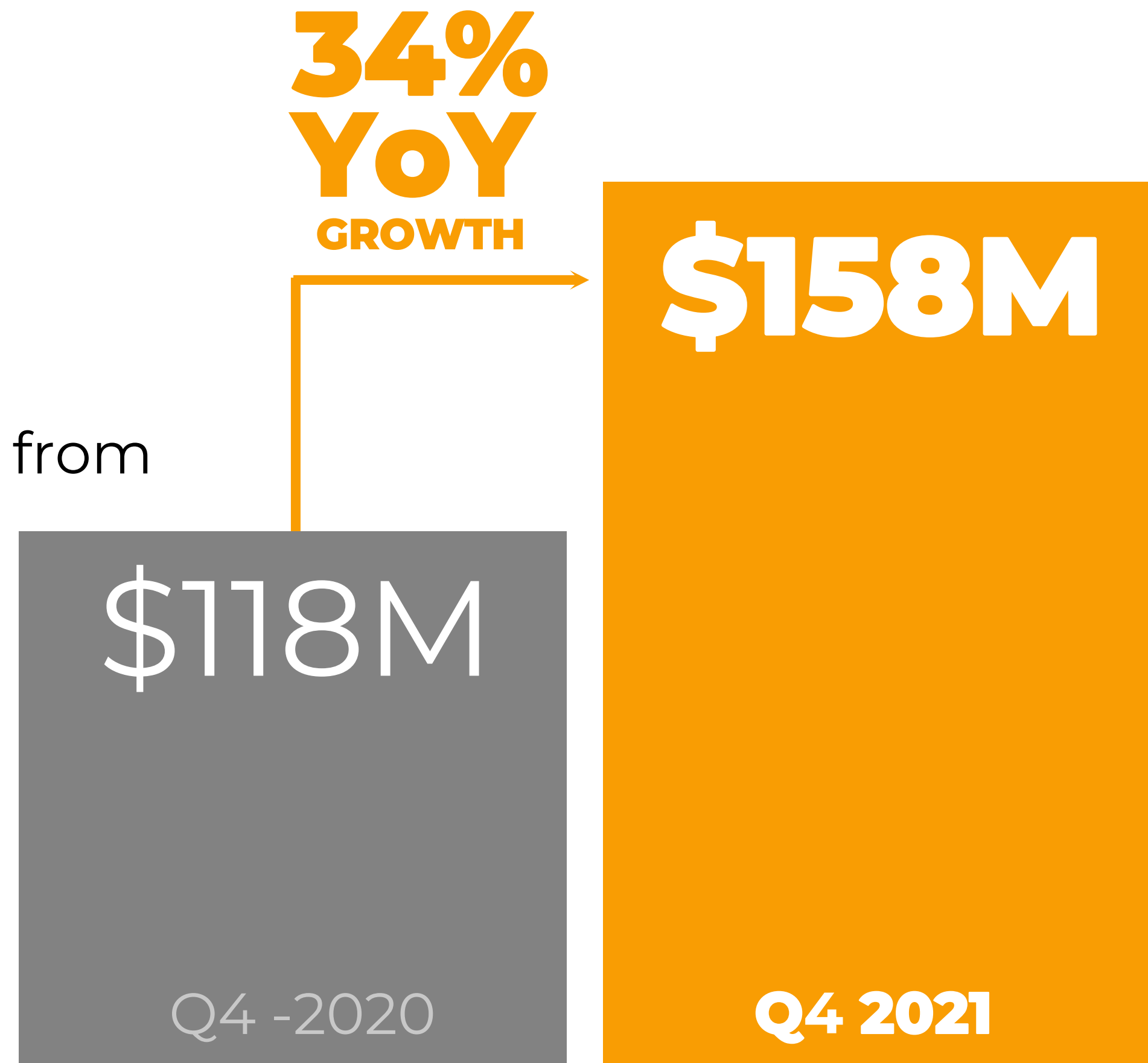
the momentum **continues**

It's Momentum With Powerful, Sustained Tailwinds

- A **diversified product** suite that has achieved breakthrough, go-to-market velocity across our business units
- **High-impact ad units** that drive proven ROI in today's Attention Economy
- An **AI-driven Intelligent Hub** that builds synergy and turns traffic into opportunity
- Strategic focus on **high-growth categories** including video and CTV
- An acquisition strategy proven to be accretive and synergistic

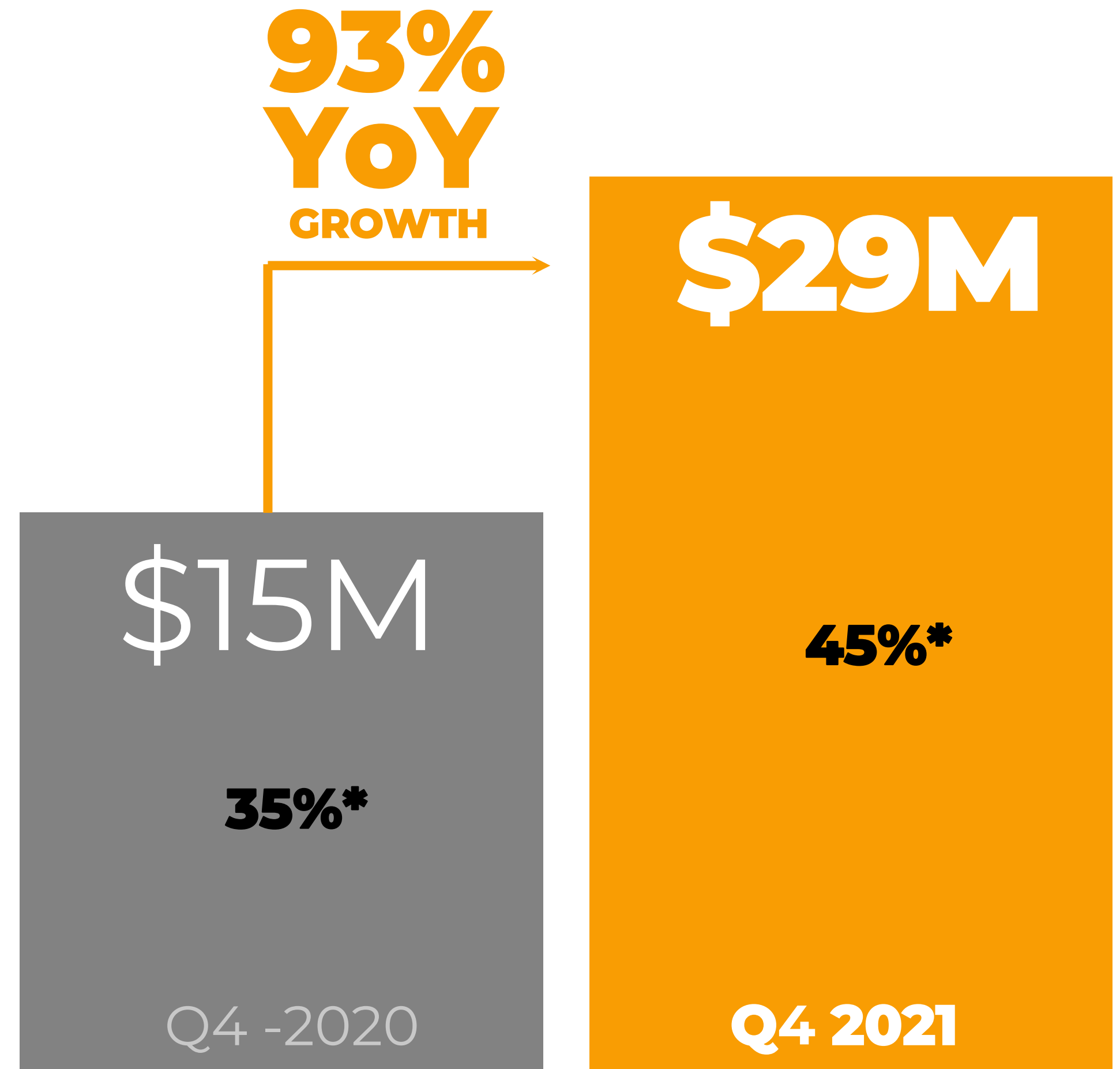
Further Record Revenues - Where It Matters!

- Video and CTV growth of 311%
\$46M in Q4/21 vs. \$11M in Q4/20
- Average deal size growth of 29%
\$139K in Q4/21 vs. \$108K in Q4/20
- Growth in customer retention to 91% from 86% in Q4/20



Continuing Record Profitability

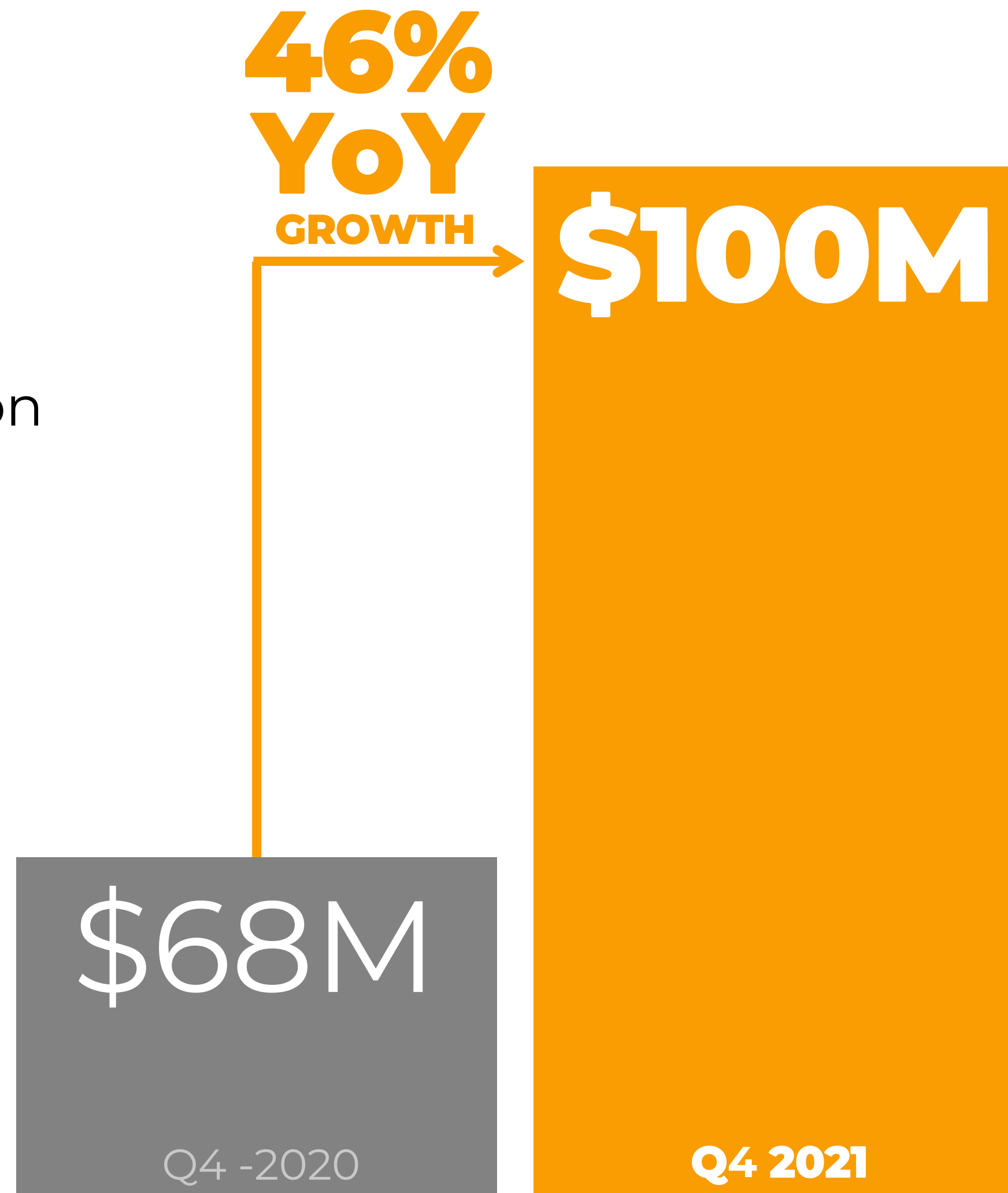
- Our Hub & Spoke Model Demonstrates Profit Potential of Shared Resources
- Significant investment in automation and technology paying dividends
- Establish offshore operation in India



* EBITDA/Rev Ex TAC

Display advertising is core

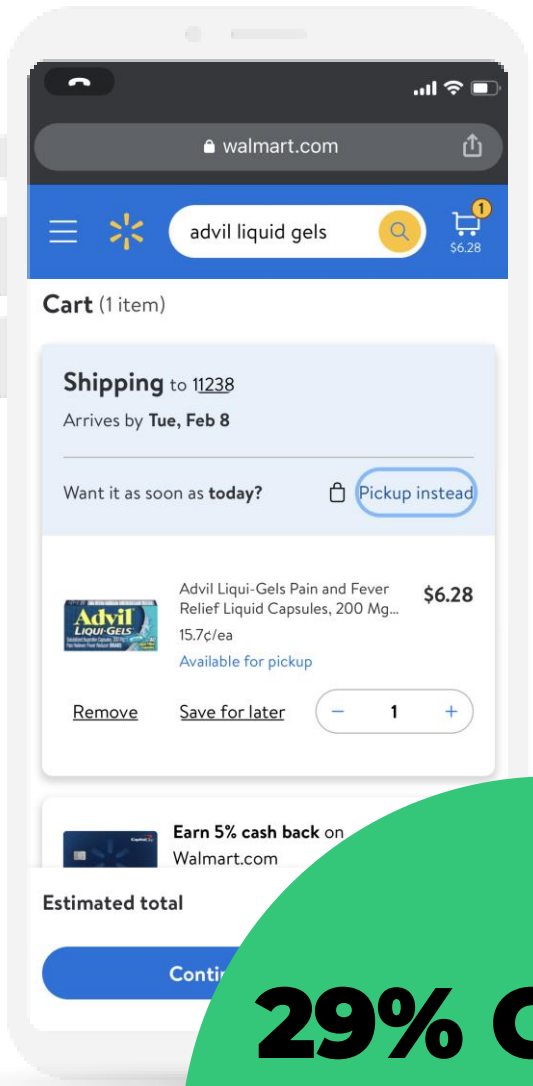
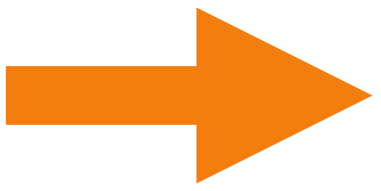
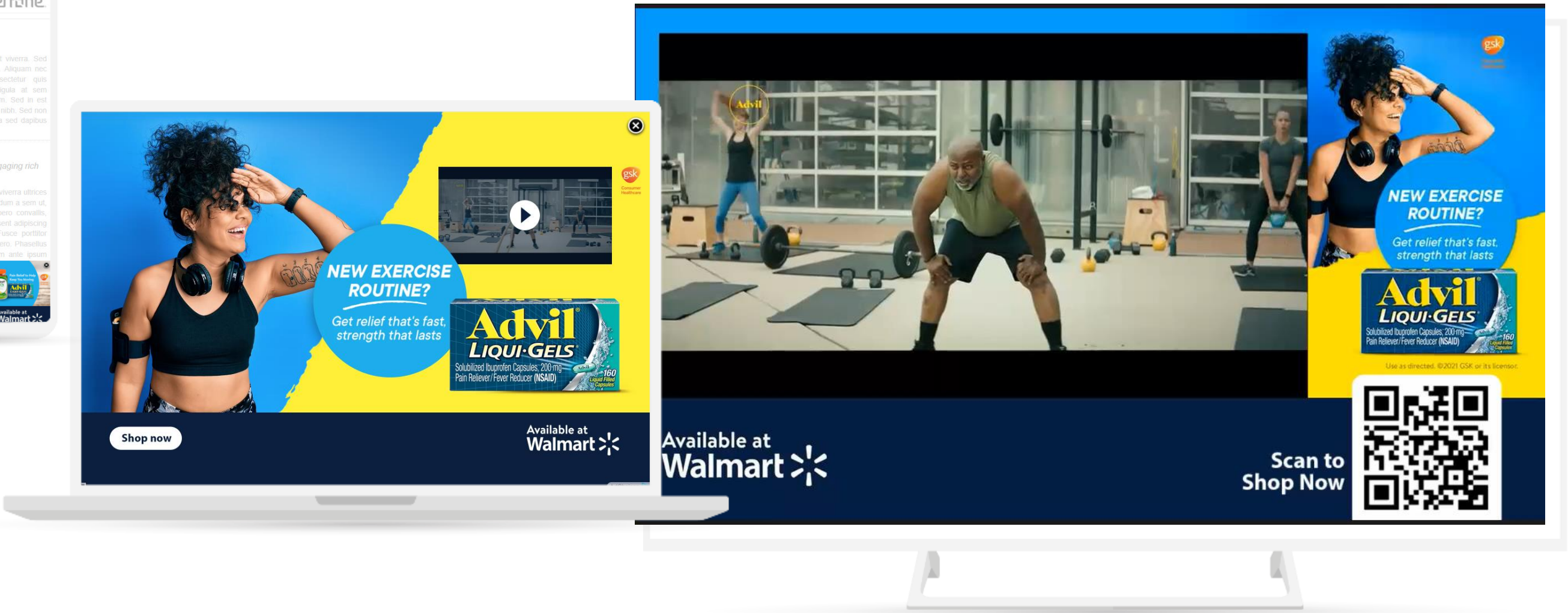
- 31 new CTV clients.
92/412 use CTV – 20% vs. 11% in 2020
- High Impact formats drive differentiation
- Cross Screen synchronization brings advertiser value
- End to End Video solution – Vidazoo Platform
- Personalization key to retailer success



Innovation – Awareness to Performance

Intent buying, cross-screen synchronization
& connected cart

73K
Products Added
To Retailer Cart



29% Growth
in Average
Deal
Size

Innovation – Live CTV

Live CTV advertising that lives inside the sports programming, for full attention

What our advertisers are saying:

“...we were looking for something **new and exciting**. With Perion Live CTV, our ads are integrated into the game broadcast, making them nearly **unmissable!**”

OLIVIA SUTHERLAND

Senior TV Growth Marketing DraftKings

NEXT GENERATION OF LIGHT BEER®



2.6g CARBS | **95** CALORIES



LIVE CTV

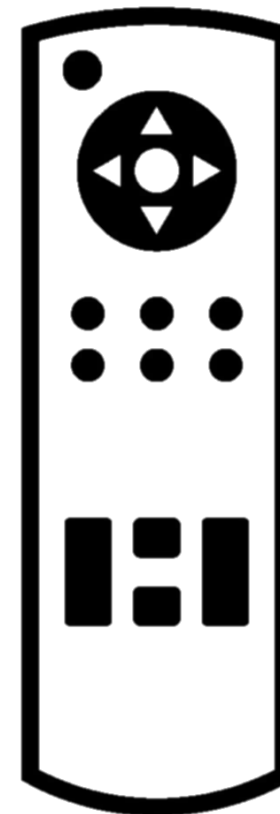
Viewers get to enjoy sports content as it stays live & never goes to commercial break.

Advertisers get the viewer's attention & the halo impact of their ad alongside sports broadcast – while the fully branded background helps their message stand out.

**311% YoY
Growth in
CTV / Video
Revenue in
Q4 2021***

Innovation – Interactive CTV

A win-win for both viewers & advertisers



What our advertisers are saying:

*"I like to tap into Perion iCTV because they have **unique ways to reach our target audience**. The ICTV placement was an **excellent way to push through holiday and political noise** while we launch a new vehicle body style and our famous 'red bow' winter sales event."*

SHANELLE PICKRAUM,
Media Supervisor, Team One

Viewers can use their CTV remote to learn more about a show they are interested in

- *Interactive video ads are **32% more memorable** even when the viewer doesn't engage*

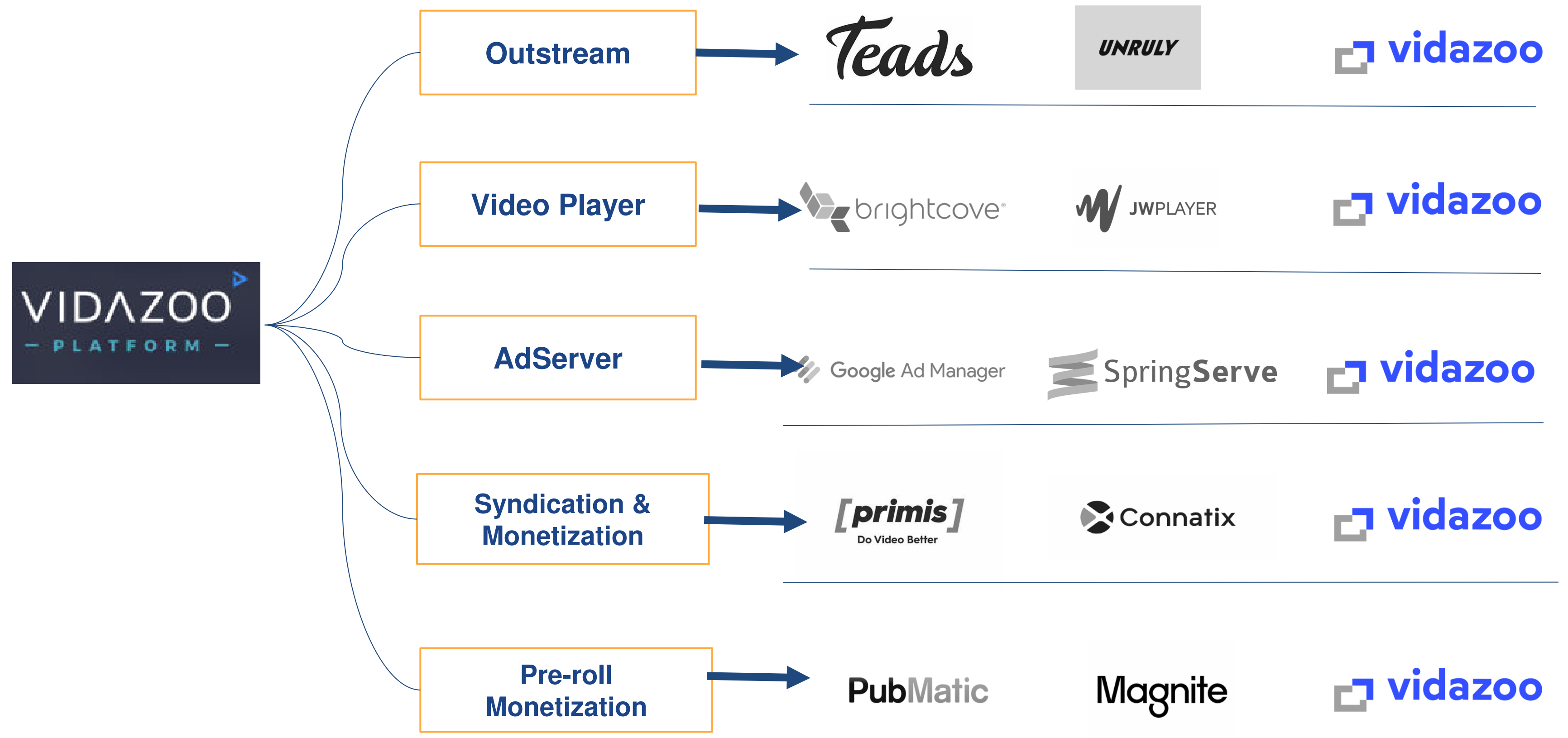
Advertisers get more interaction with their brand, leading to more engagement & time earned

- *Interactivity drives **47% more time spent** with ads*

**40% Lift in
Engagement
Rate**

Innovation – “All in One” Video monetization platform

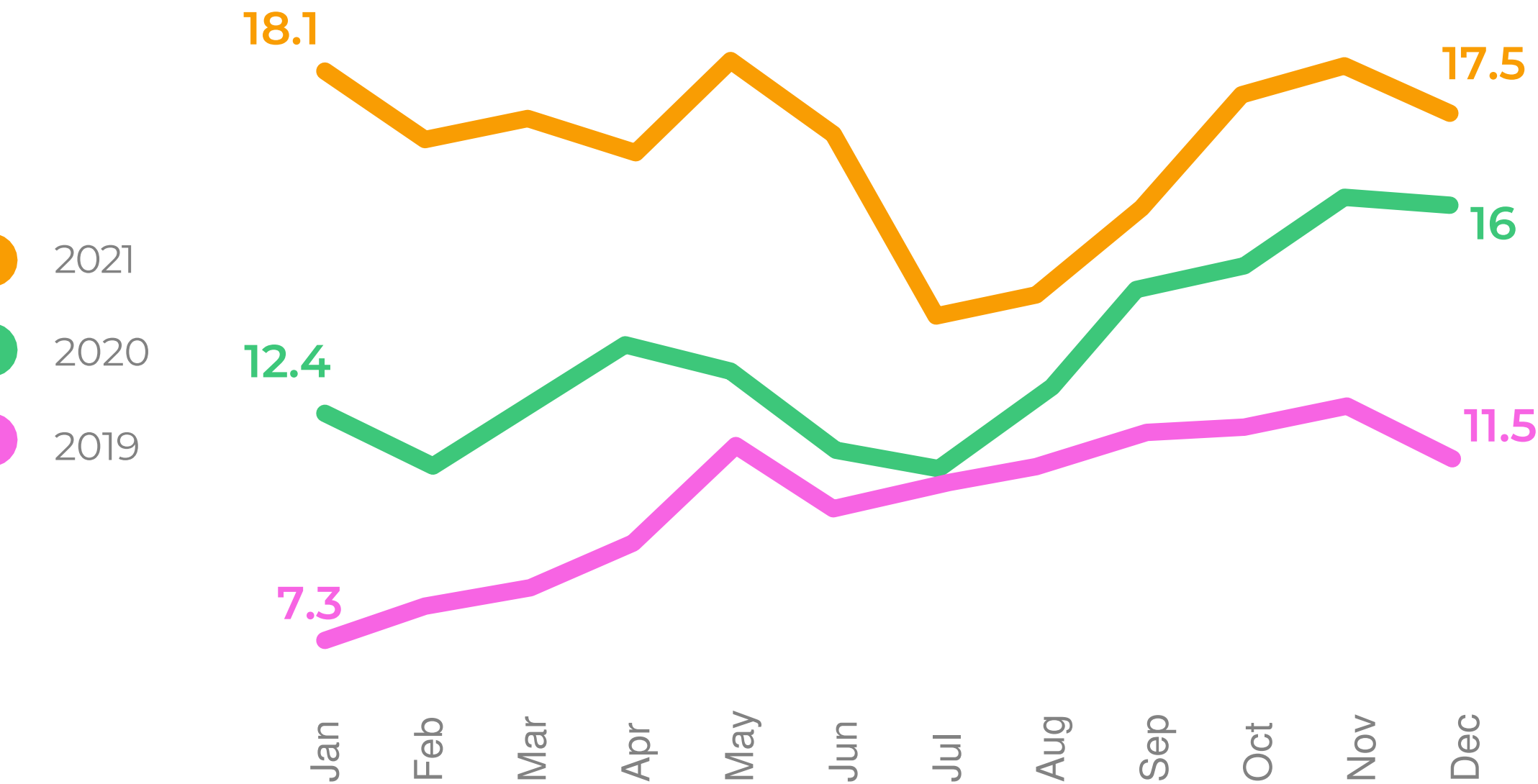
50 Publishers are using Vidazoo Platform

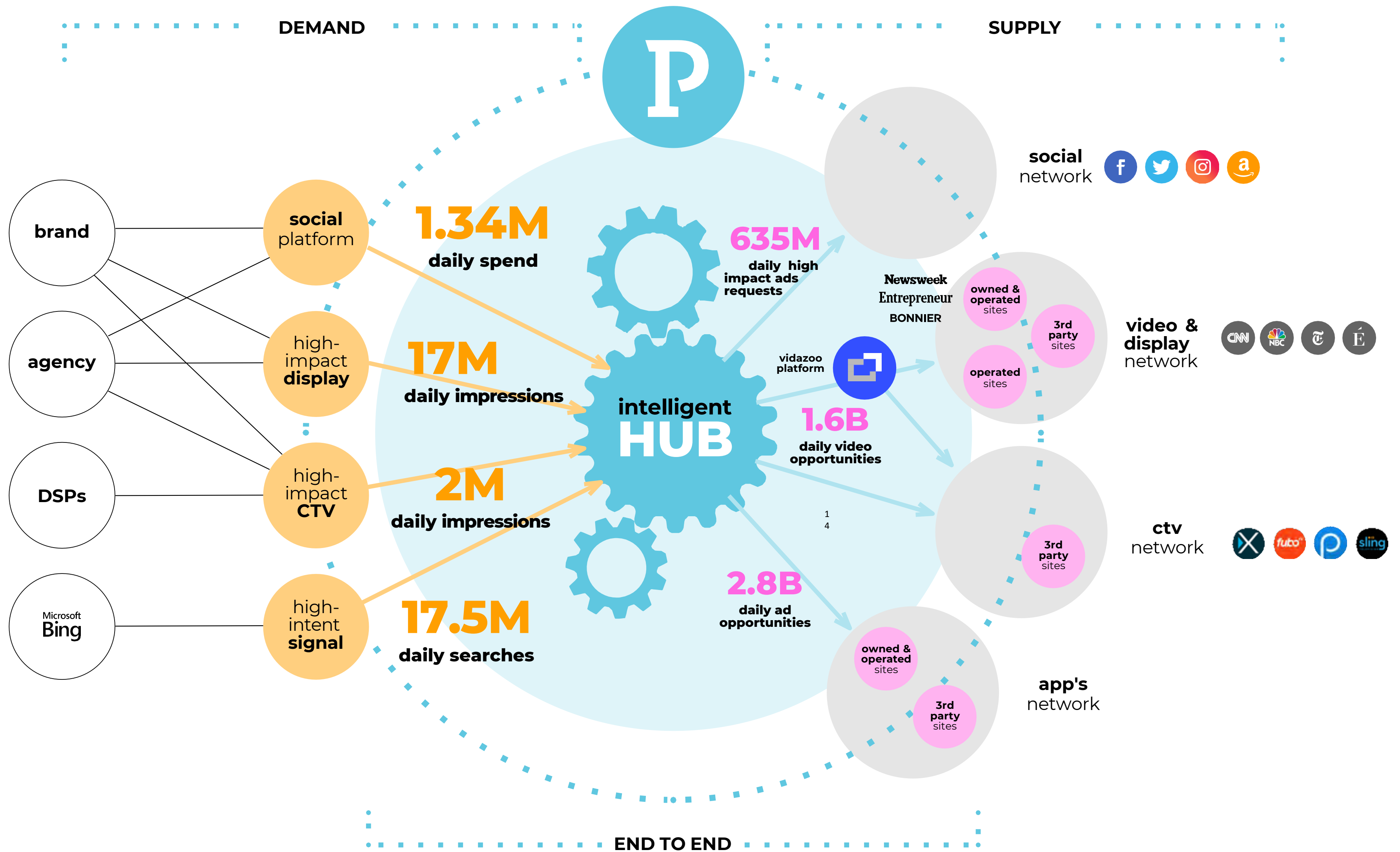


Search Advertising Continues as a Key Driver of Momentum

Increase number of publishers to 114 from 79

Daily Average num of Searches in Millions





iHUB Values

reduced
operational
cost

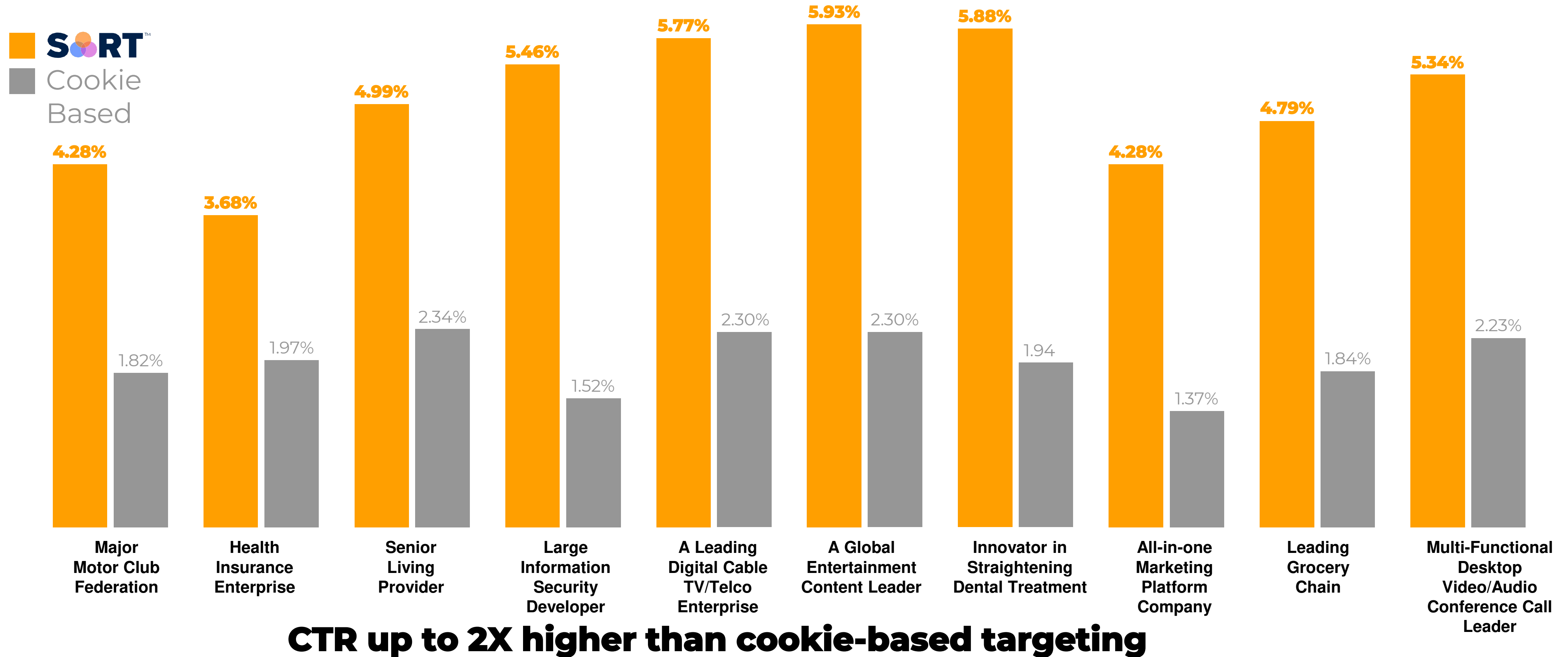
reduced
TAC
closing the loop

increased
customer
value



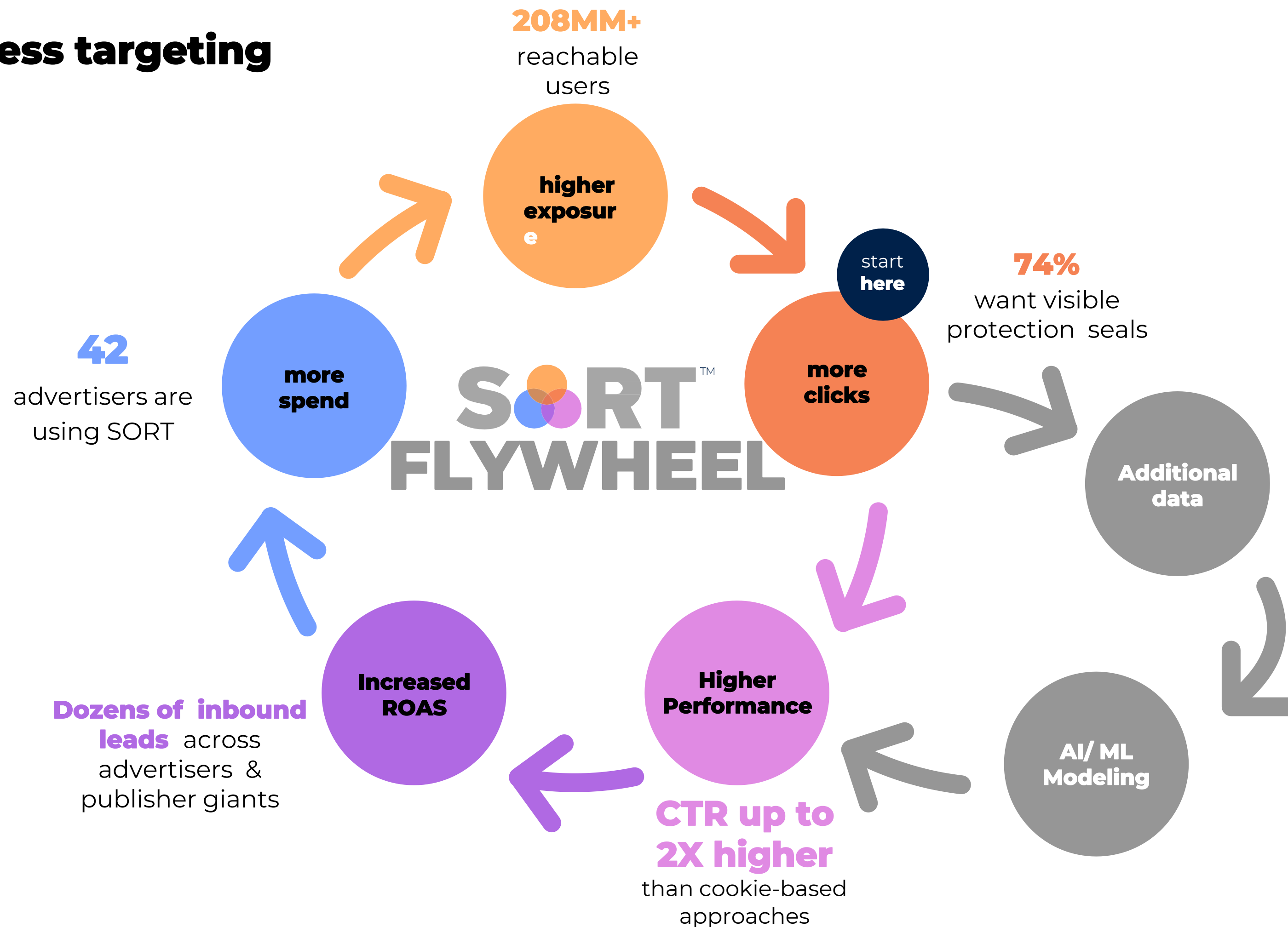
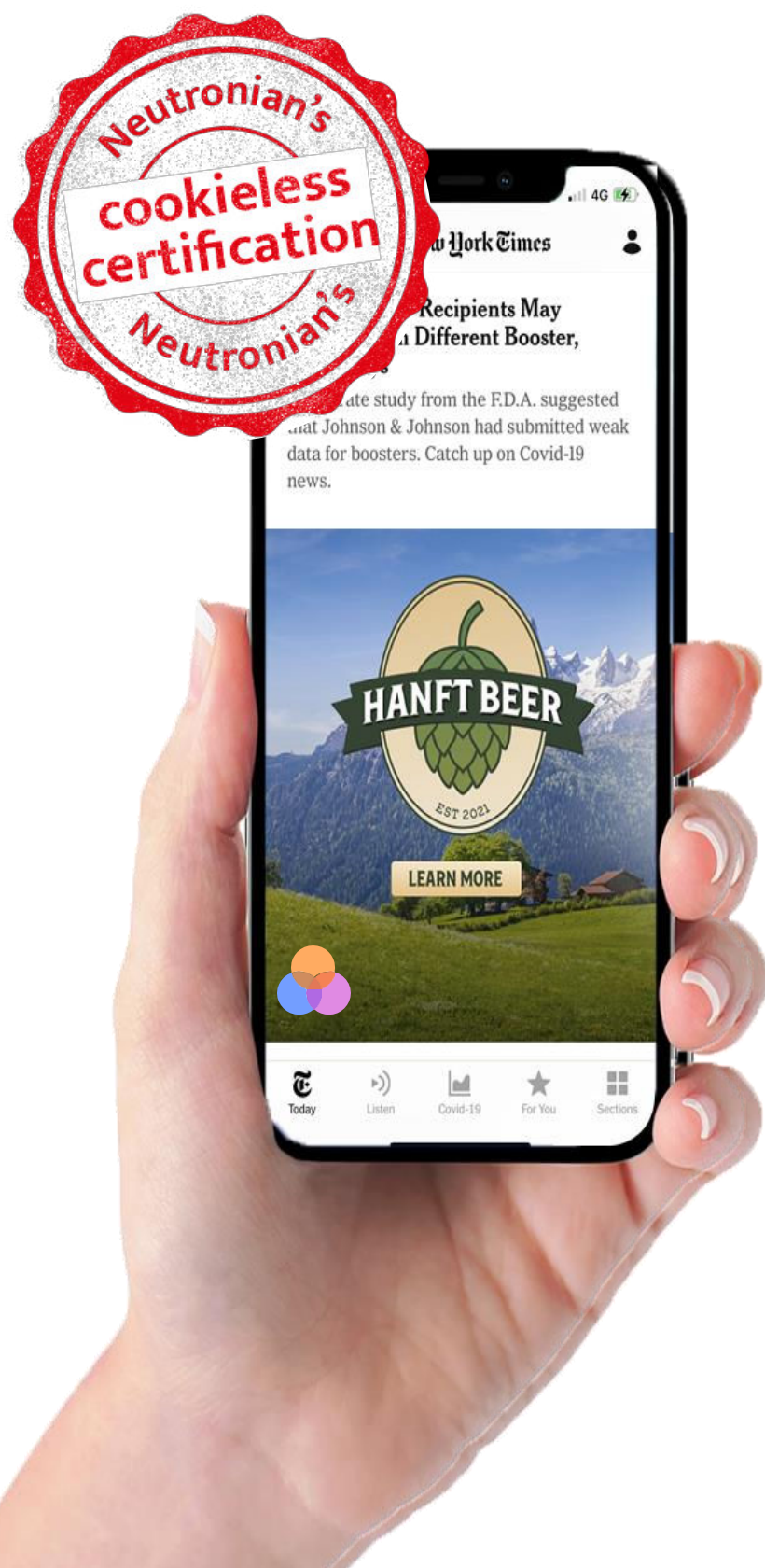
Finally – Future-Defining Innovation: SORT™

replaces cookies with a superior platform that protects privacy AND delivers ROI





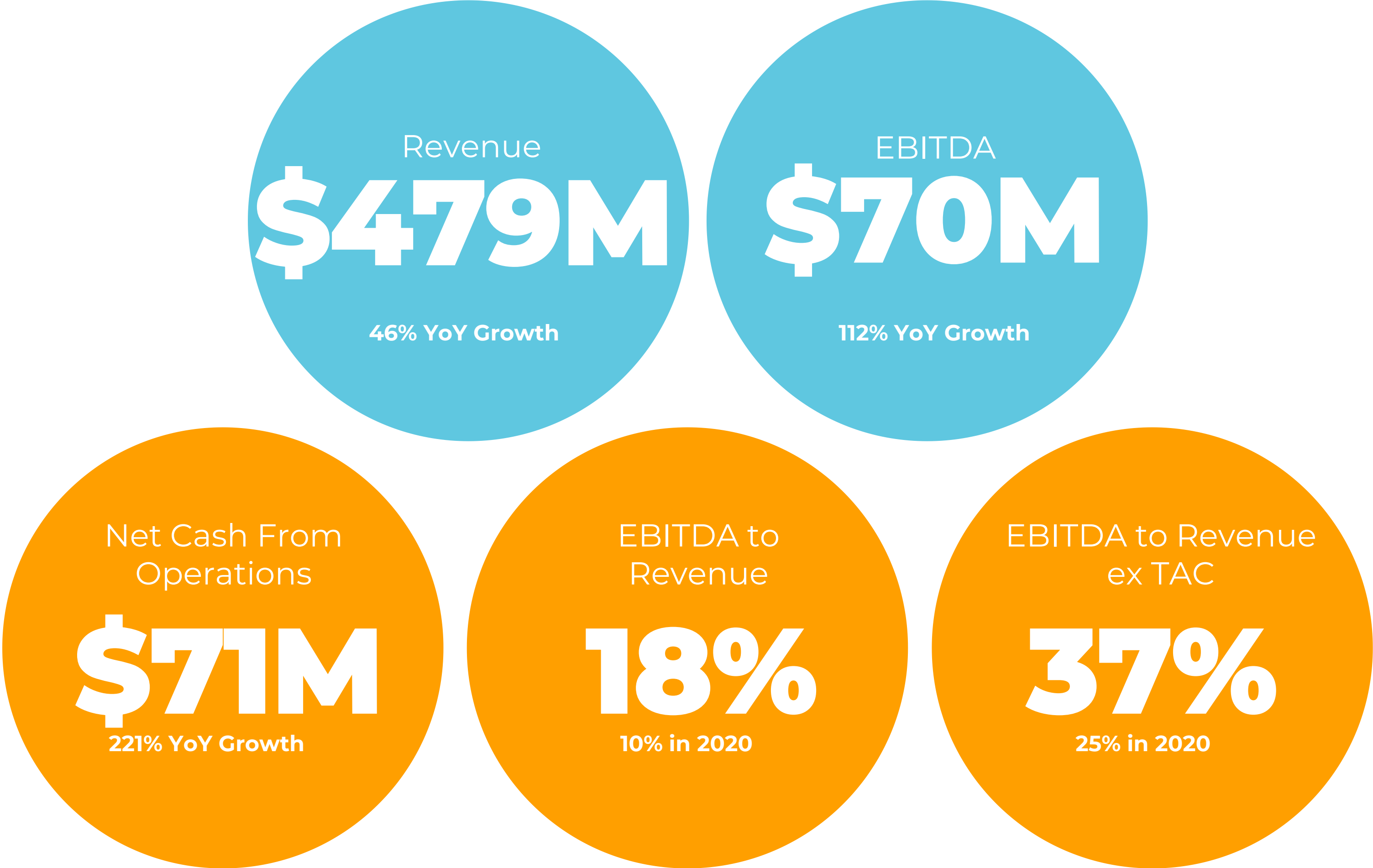
privacy first - Cookieless targeting



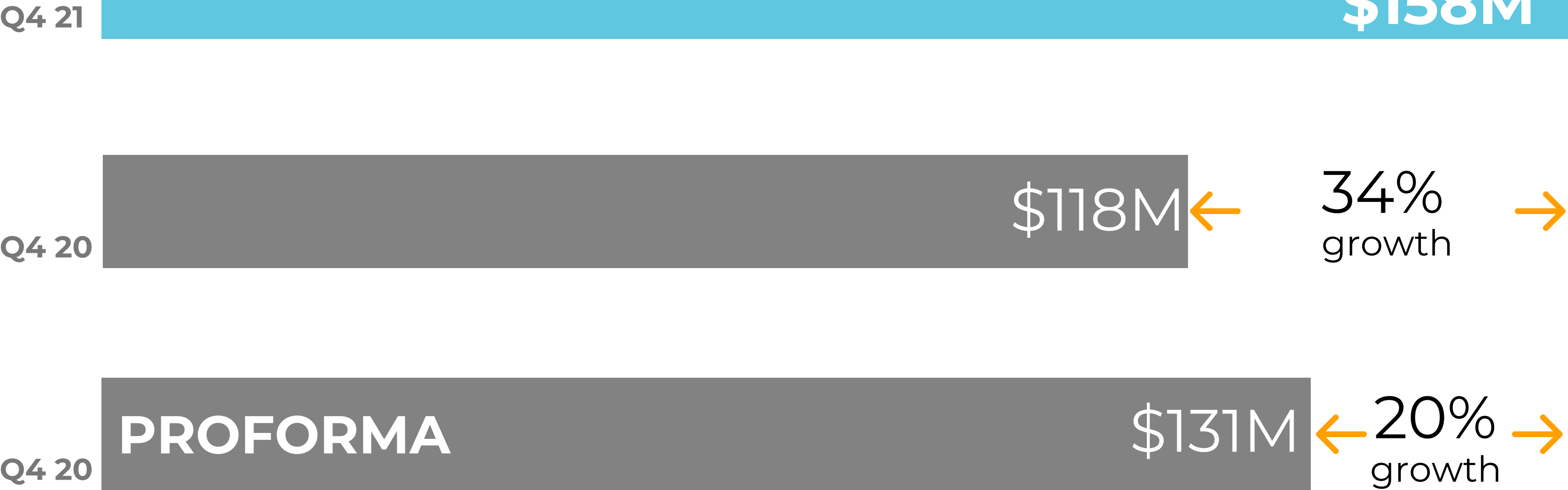
Yearly and Quarterly financial results

Q4 2021

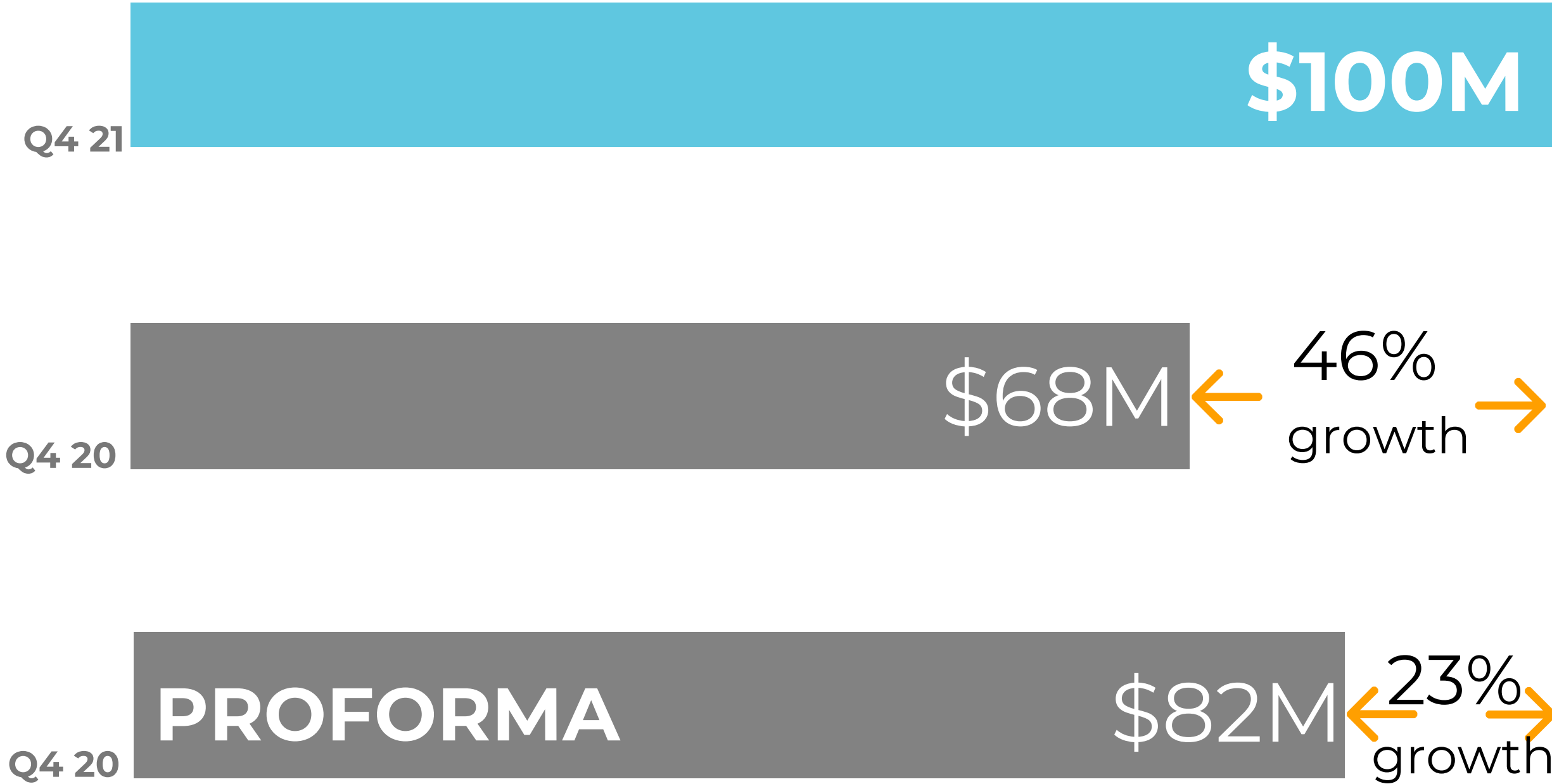
2021 Financial Highlights



Q4 21 Record of Revenue



Q4 21 **display** advertising trend

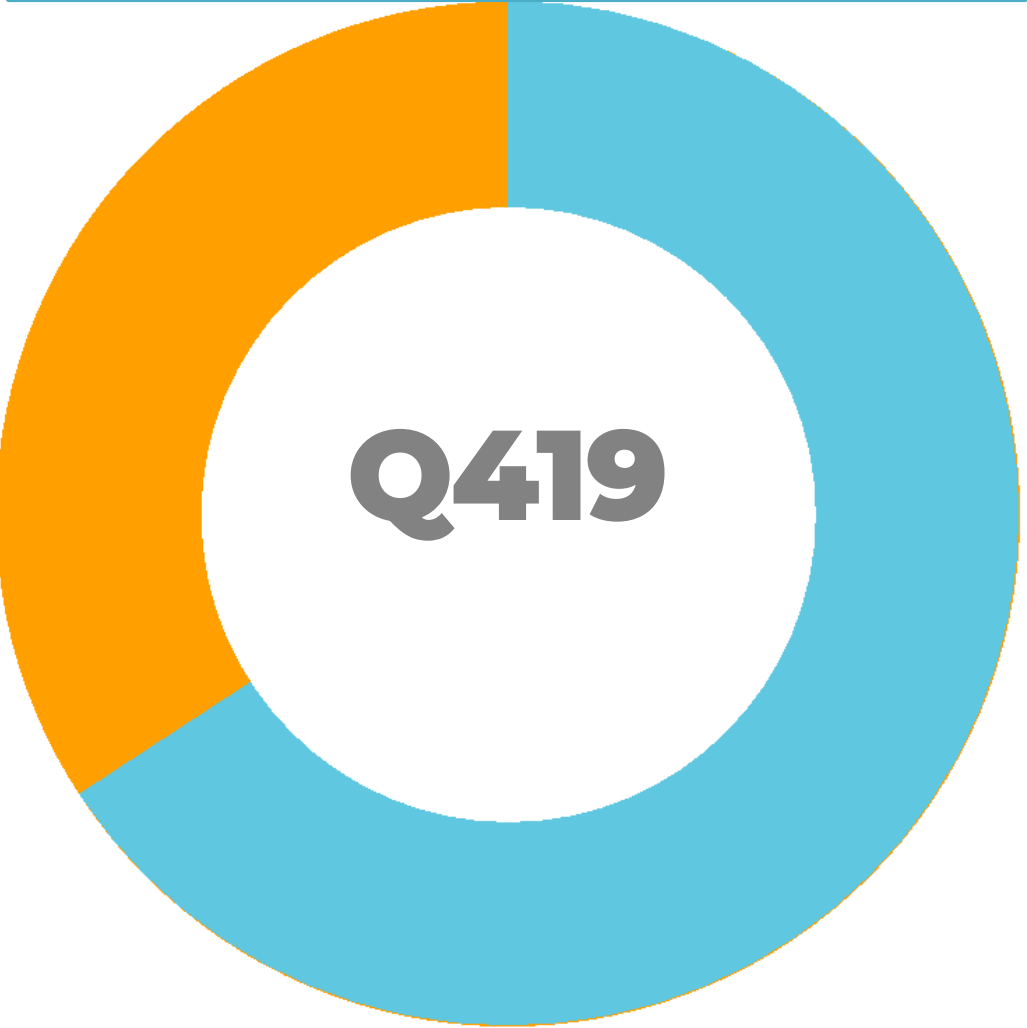


Q4 21 **search** advertising trend



2019-2021 Diversification is Key

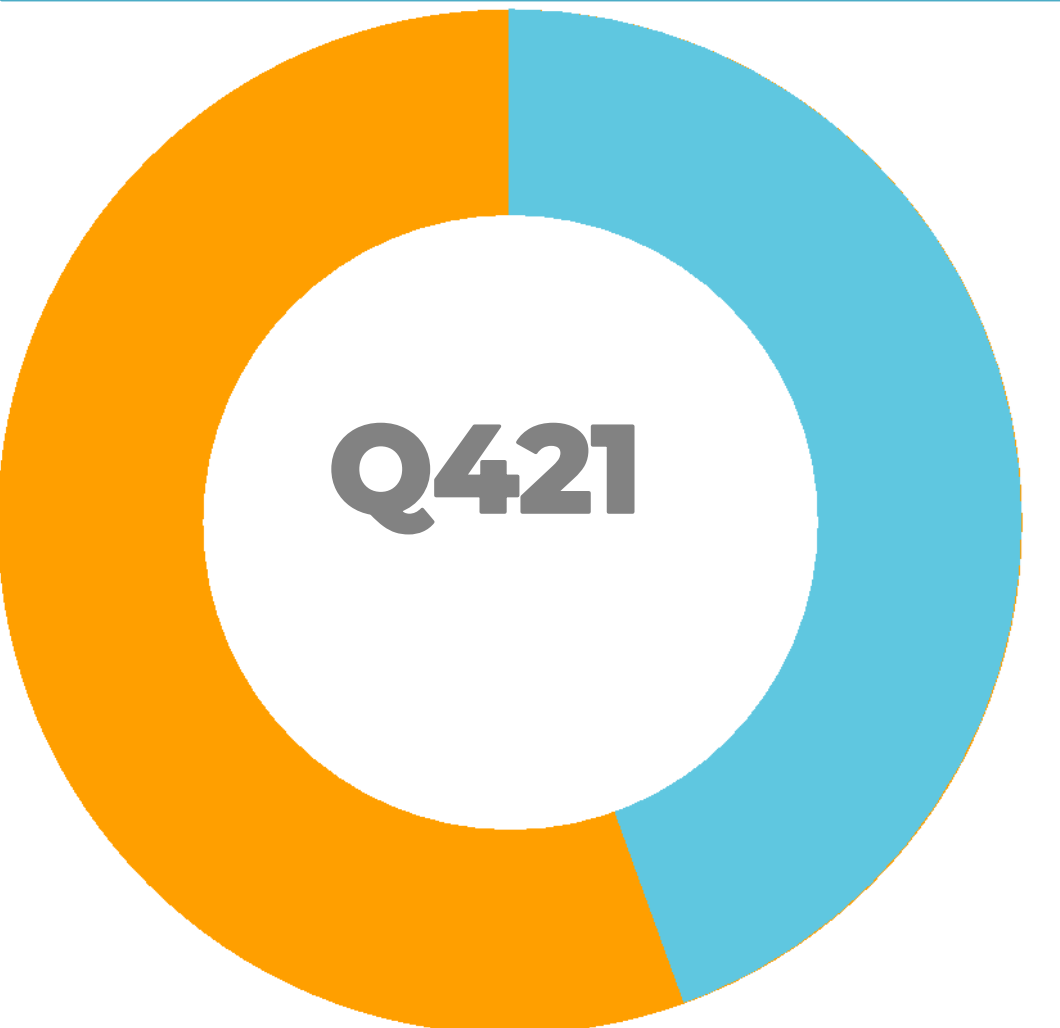
34% **66%**



58% **42%**

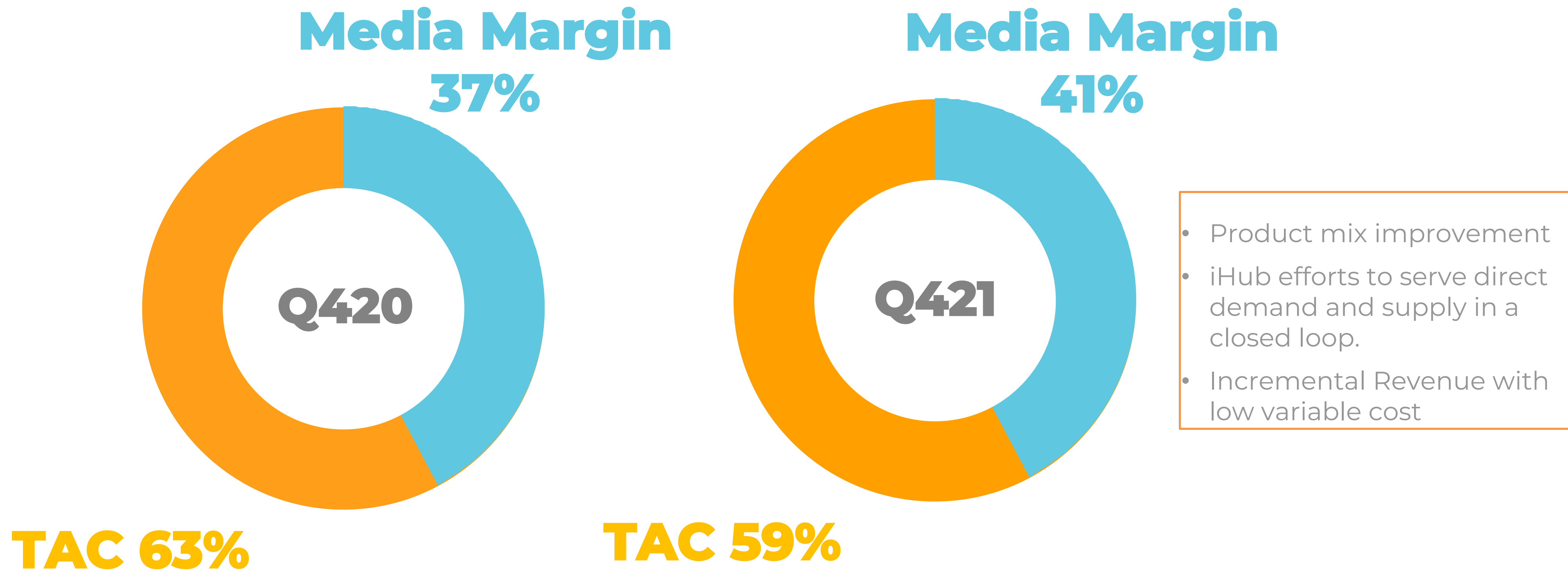


63% **37%**

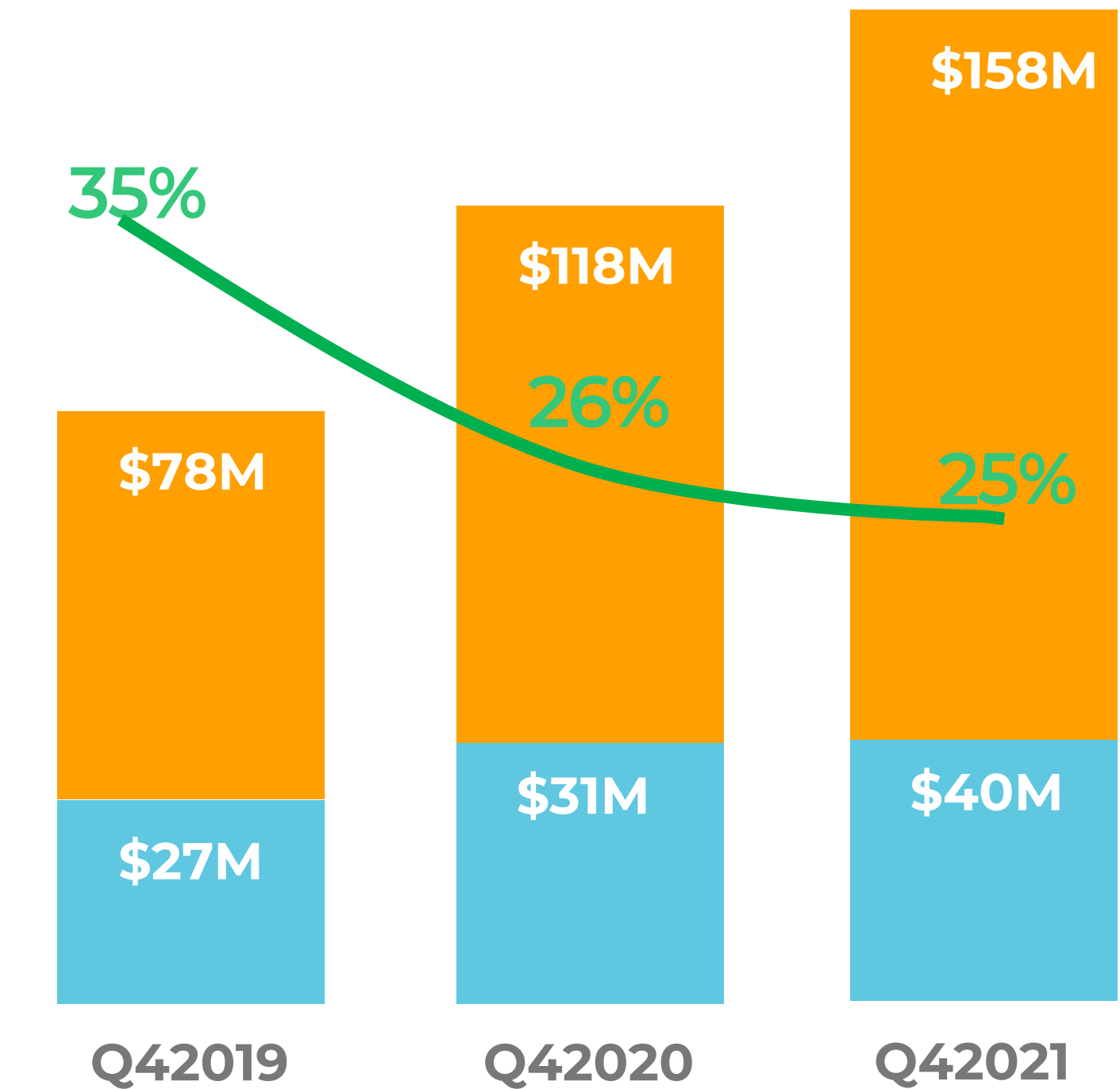


- Display Advertising revenue
- Search Advertising revenue

Q4 21 Improved Media Margin



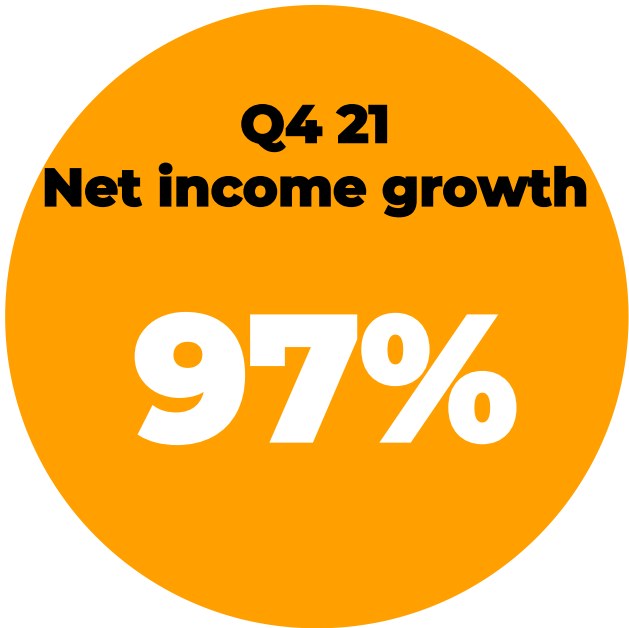
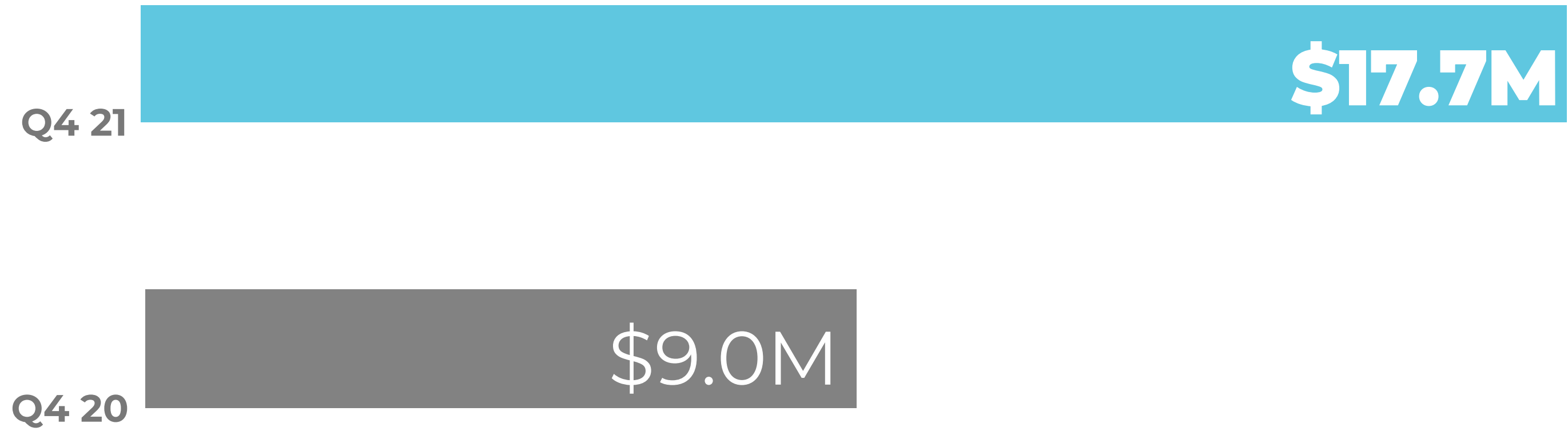
OPEX+COGS to Revenue continues to decrease



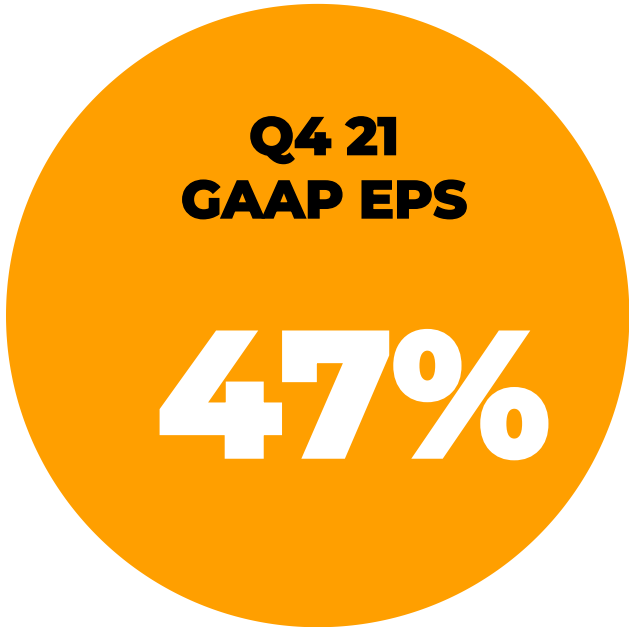
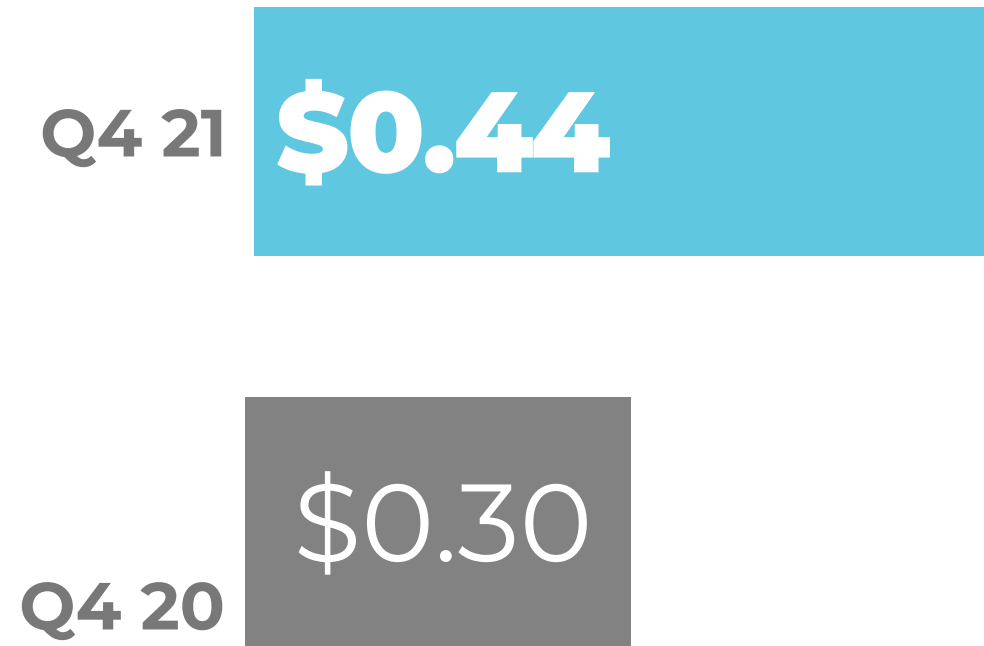
- Enhance Process automation
- iHub as a shared infrastructure resource.
- Offshoring our operations.

Revenue
OPEX+COGS
% To Revenue

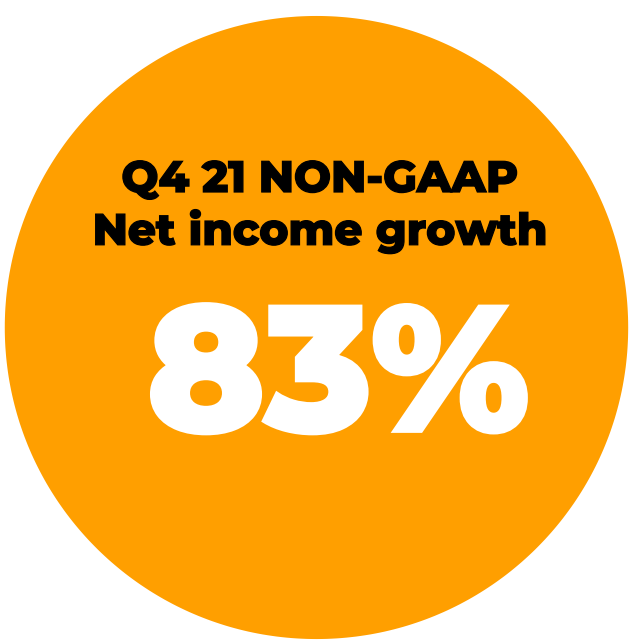
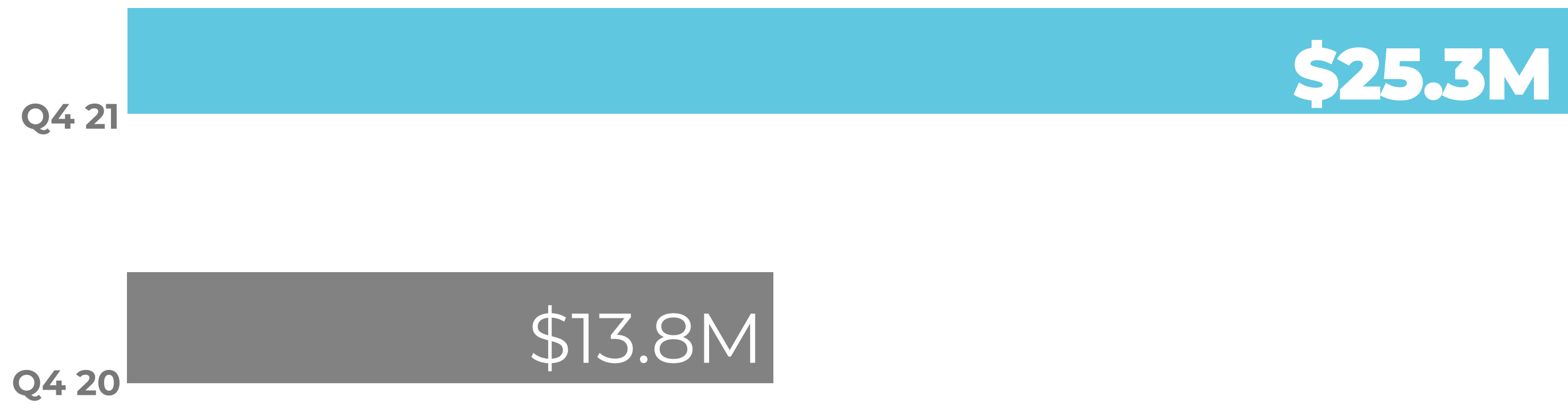
Q4 21 Net income



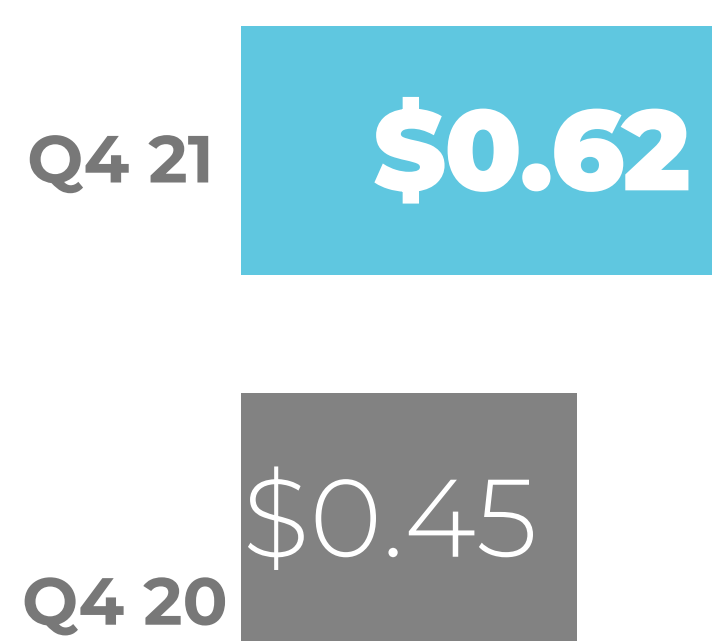
Q4 21 GAAP EPS



Q4 21 NON-GAAP Net income



Q4 21 NON-GAAP EPS



Q4 21 Adjusted EBITDA

Q4 21

\$28.9M

Q4 20

\$15.3M

89%
growth

Ebitda to Revenue

18%
Compared to
13% in 2020

**Ebitda to Revenue
excluding TAC**

45%
compared to
35% in 2020

Q4 21 Cash from Operations

Q4 21



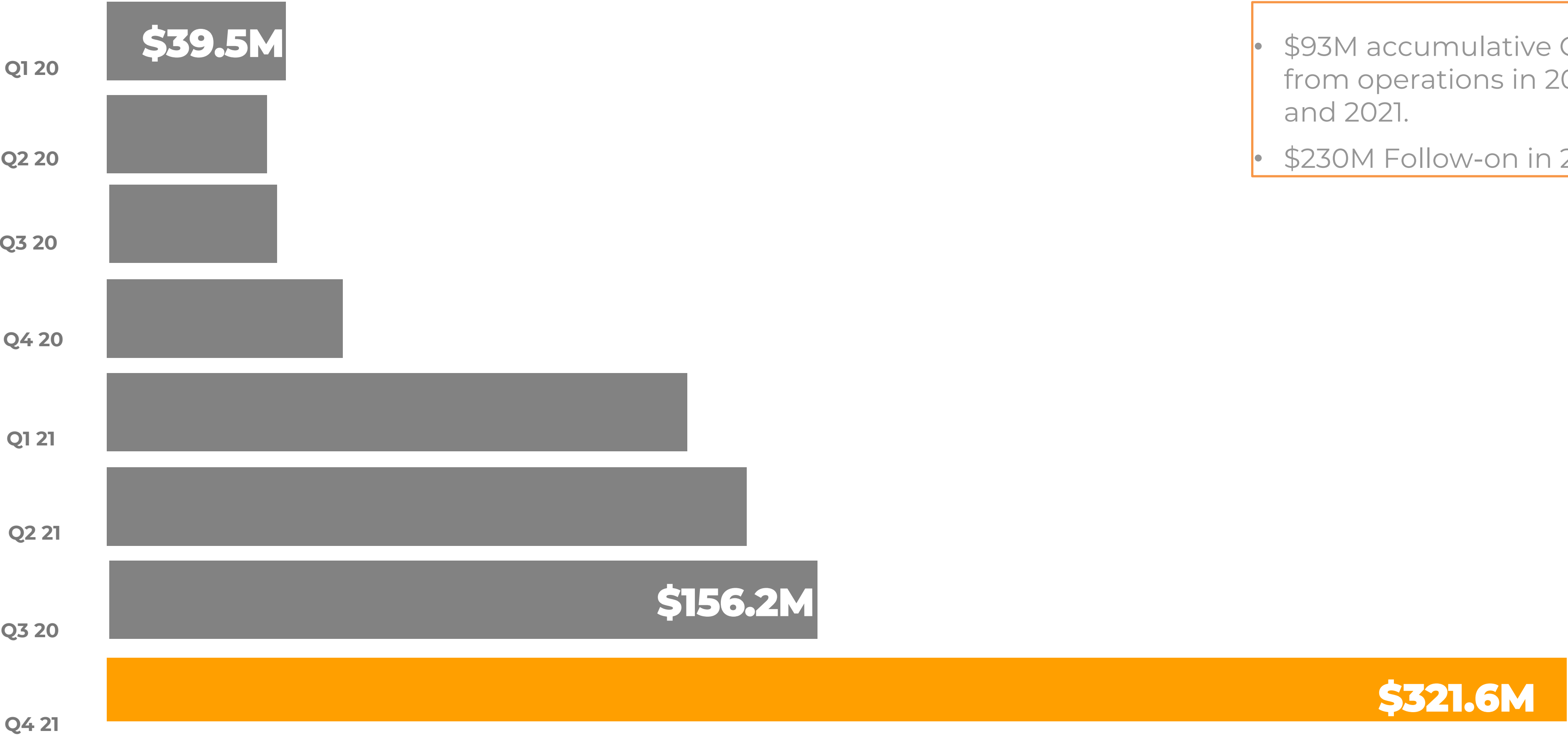
Q4 20



123%
growth



Net cash as of December 31, 2021



- \$93M accumulative Cash from operations in 2020 and 2021.
- \$230M Follow-on in 2021.



2022

the momentum **continues**

3D diversified business model

Hub & Spokes

Our ability to connect all assets into central intelligent hub

- SORT – \$50M of additional Adv. Budget
- iHUB - \$6M of operational media / TAC saving

Cross-Channel

We comfortably operate across the three main pillars of digital advertising

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

Demand & Supply

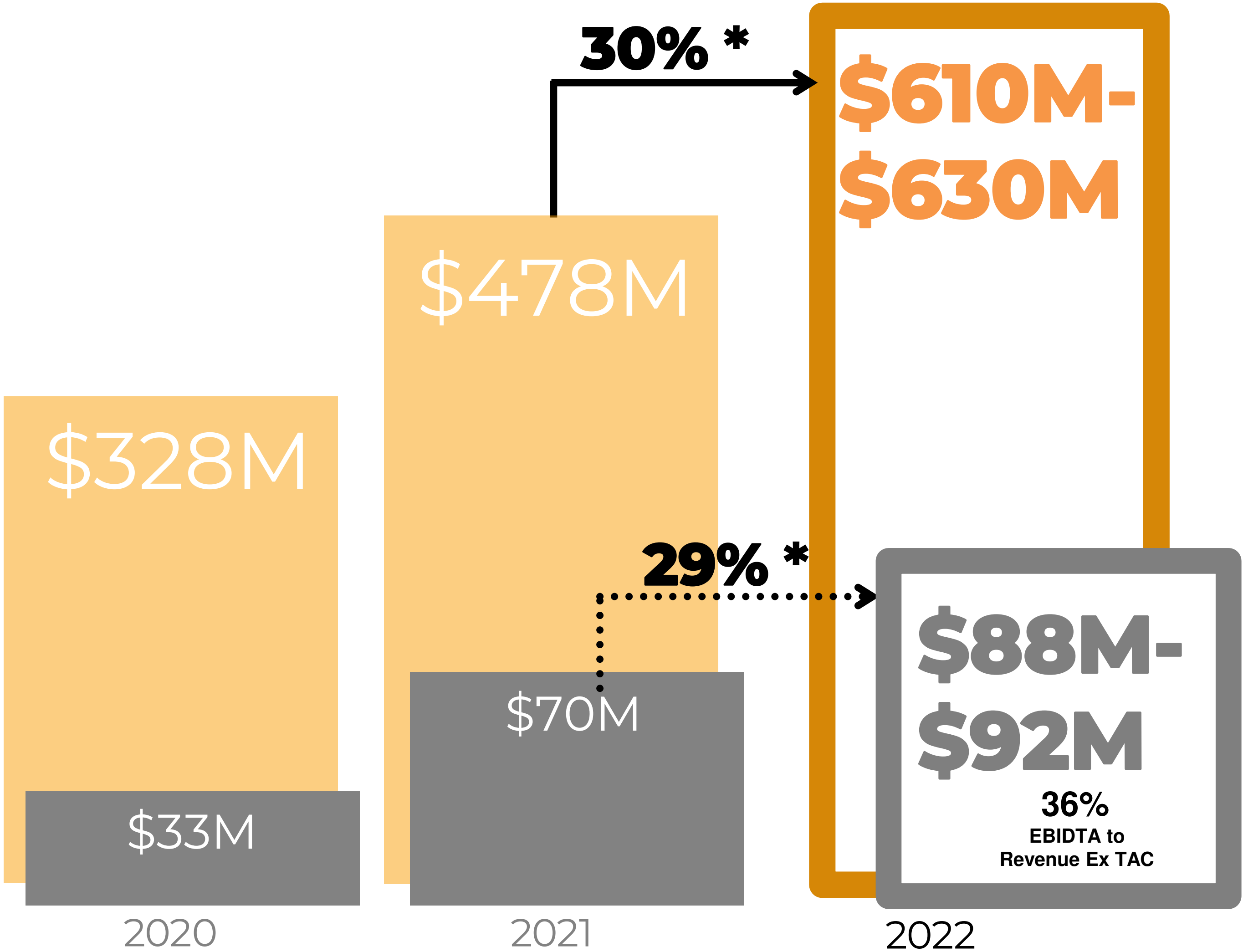
Our ability to generate revenue from both sides of the open Web

Sustainable & predictable business model

2022 guidance

● Revenue

● EBITDA



* At guidance midpoint

thank you

appendix

Balance Sheet GAAP Basis Overview (\$M)

Current Assets	31/12/2020	31/12/2021
Cash and cash equivalents	47.7	104.4
Restricted cash	1.2	1.1
Short-term bank deposit	12.7	217.2
Accounts receivable, net	81.2	115.4
Prepaid expenses and other current assets	4.5	8.1
	147.3	446.2

Non-Current Assets	31/12/2020	31/12/2021
Property and equipment, net	6.8	4.2
Operating lease right-of-use assets	20.3	11.6
Goodwill and Intangible assets, net	176.7	246.0
Deferred taxes & Other assets	7.6	5.2
	211.4	267.0

Total Assets	358.7	713.2
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Current Liabilities	31/12/2020	31/12/2021
Current maturities of long-term loans and Convertible debt	8.3	-
Accounts payable	72.5	107.7
Accrued expenses and other liabilities	21.3	40.3
Short-term operating lease liability	4.5	3.6
Deferred revenues	5.7	3.9
Payment obligation related to acquisitions	7.9	38.2
	120.2	193.7

Long-Term Liabilities	31/12/2020	31/12/2021
Long-term operating lease liability	17.7	9.7
Payment obligation related to acquisitions	30.0	33.3
Other long-term liabilities	6.7	9.5
	54.4	52.5

Shareholders' Equity	31/12/2020	31/12/2021
	184.1	467.0

Total Liabilities and Shareholders' Equity	358.7	713.2
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Income Statement GAAP Basis (\$M)

P&L - 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	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	23.8	18.7	37.9	68.4	38.1	58.0	69.0	100.2	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	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	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	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	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%	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	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	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%	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	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	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	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	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	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%	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	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%	5.8%	6.9%	3.7%	9.6%
Financial expense, 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	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	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	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%	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	0.31	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	0.31	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	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	25.9	26.4	28.8	37.8

Cash Flow GAAP Basis Overview (\$M)

																	Full year ended,			
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	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	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	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	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)	(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)	-	(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)	(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	(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	0.1	-	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	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	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	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	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	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	2.7	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	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	0.4	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	-	0.7	0.4	-
Revaluation of acquisition related contingent consideration	-	-	-	-	-	-	-	-	-	0.3	0.2	0.2	0.2	0.2	0.1	0.3	-	-	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)	(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	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	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)	-	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	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	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	0.65	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	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)

																	Full year ended,			
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	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	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	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	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	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	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%	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	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	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%	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	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	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	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	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	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%	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	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%	9.7%	10.3%	8.6%	13.9%
Financial expense, 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)	-	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	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	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%	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	0.65	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	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.