

CTV  
LISTED  
NYSE

# Q1 2024 Investor Supplement

May 7, 2024

**INNOVID**

# Disclaimers

## Forward-Looking Statements

This presentation includes "forward-looking statements" within the meaning of the "safe harbor" provisions of the Private Securities Litigation Reform Act of 1996. The Company's actual results may differ from its expectations, estimates and projections and consequently, you should not rely on these forward-looking statements as predictions of future events. Words such as "expect," "estimate," "project," "budget," "forecast," "anticipate," "intend," "plan," "may," "will," "could," "should," "believes," "predicts," "potential," "continue," "aim," and similar expressions are intended to identify such forward-looking statements. These forward-looking statements include, without limitation, the Company's expectations regarding its future financial results, expected growth and future market opportunity. These forward-looking statements involve significant risks and uncertainties that could cause the actual results to differ materially from the expected results, including Innovid's ability to achieve and, if achieved, maintain profitability, decrease and/or changes in CTV audience viewership behavior, Innovid's failure to make the right investment decisions or to innovate and develop new solutions, inaccurate estimates or projections of future financial performance, Innovid's failure to manage growth effectively, the dependence of Innovid's revenues and business on the overall demand for advertising and a limited number of advertising agencies and advertisers, the actual or potential impacts of international conflicts and humanitarian crises on global markets, the rejection of digital advertising by consumers, future restrictions on Innovid's ability to collect, use and disclose data, market pressure resulting in a reduction of Innovid's revenues per impression, Innovid's failure to adequately scale its platform infrastructure, exposure to fines and liability if advertisers, publishers and data providers do not obtain necessary and requisite consents from consumers for Innovid to process their personal data, competition for employee talent, seasonal fluctuations in advertising activity, payment-related risks, interruptions or delays in services from third parties, errors, defects, or unintended performance problems in Innovid's platform, intense market competition, failure to comply with the terms of third party open source components, changes in tax laws or tax rulings, failure to maintain an effective system of internal controls over financial reporting, failure to comply with data privacy and data protection laws, infringement of third party intellectual property rights, difficulty in enforcing Innovid's own intellectual property rights, system failures, security breaches or cyberattacks, additional financing if required may not be available, the volatility of the price of Innovid's common stock and warrants, and other important factors discussed under the caption "Risk Factors" in Innovid's Annual Report on Form 10-K filed with the SEC on February 29, 2024, as such factors may be updated from time to time in its other filings with the SEC, accessible on the SEC's website at [www.sec.gov](http://www.sec.gov) and the Investors Relations section of Innovid's website at [investors.innovid.com](http://investors.innovid.com). You should carefully consider the risks and uncertainties described in the documents filed by the Company from time to time with the U.S. Securities and Exchange Commission. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Most of these factors are outside the Company's control and are difficult to predict. The Company cautions not to place undue reliance upon any forward-looking statements, including projections, which speak only as of the date made. The Company does not undertake or accept any obligation to release publicly any updates or revisions to any forward-looking statements to reflect any change in its expectations or any change in events, conditions or circumstances on which any such statement is based.

## Non-GAAP Financial Measures

This press release contains non-GAAP financial measures under the rules of the U.S. Securities and Exchange Commission. This non-GAAP information supplements and is not intended to represent a measure of performance in accordance with disclosures required by generally accepted accounting principles. Non-GAAP financial measures are used internally as measures of operational efficiency to understand and evaluate our core business operations, as well as comparisons to peers as similar measures are frequently used by securities analysts, investors, ratings agencies and other interested parties to evaluate businesses in our industry. Accordingly, Innovid believes it is useful for investors and others to review both GAAP and non-GAAP measures in order for (a) period-to-period comparisons of our core business, (b) comparisons to peers as similar measures are frequently used by securities analysts, investors, ratings agencies and other interested parties to evaluate businesses in our industry, and (c) providing an understanding and evaluation of our trends when comparing our operating results, on a consistent basis, by excluding items that we do not believe are indicative of our core operating performance. However, these non-GAAP financial measures should not take the place of GAAP financial measures in evaluating our business. The primary limitations associated with the use of non-GAAP financial measures are that these measures may not be directly comparable to the amounts reported by other companies and they do not include all items of income and expense that affect operations. Innovid management compensates for these limitations by considering the company's financial results and outlook as determined in accordance with GAAP and by providing a detailed reconciliation of the non-GAAP financial measures to the most directly comparable GAAP measures in the Appendix. We are not able to provide a reconciliation of the projected Adjusted EBITDA to expected net (loss) income attributable to Innovid for the second quarter of 2024 or the full year 2024, without unreasonable effort. This is due to the unknown effect, timing, and potential significance of the effects of taxes on income in multiple jurisdictions, finance (income)/expenses including valuations, among others. These items have in the past, and may in the future, significantly affect GAAP results in a particular period.

# Q1 2024 Financial Highlights

	Q1 2024	Q1 2023	Change
Revenue	\$36.7 million	\$30.5 million	+21 %
Adjusted EBITDA <sup>1</sup>	\$4.4 million	\$0.1 million	+ \$ 4.3 million
Adjusted EBITDA Margin Percent <sup>1</sup>	12.0%	<1%	+>1100 BPS

# Q1 2024 Business & Strategic Highlights

**\$36.7 million**

Q1 2024  
Total Revenue

**21%**

Q1 2024  
Revenue Growth

**12%**

Q1 2024  
Adjusted EBITDA Margin Percent <sup>1</sup>

**21%**

Q1 2024  
CTV Video Impressions Growth

**52%**

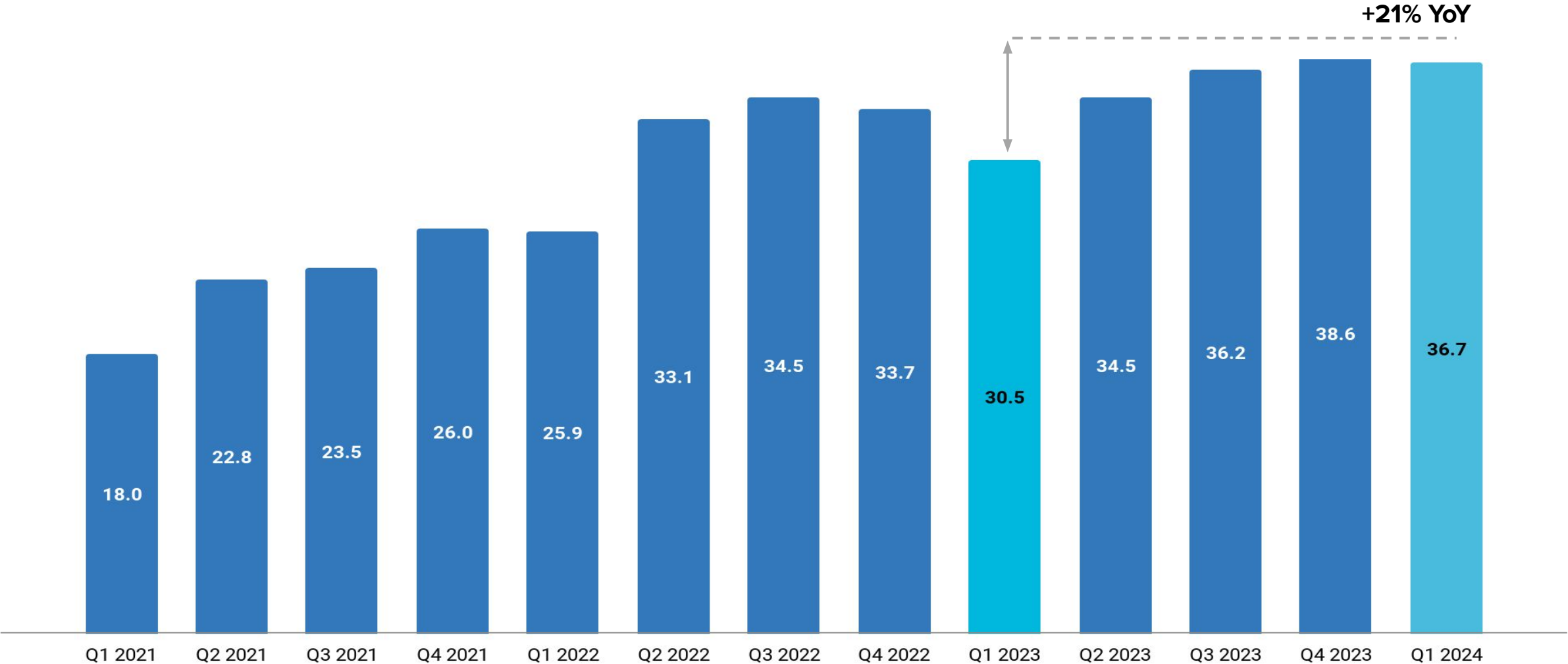
Q1 2024  
CTV share of  
video impressions

**\$2.0 million**

Q1 2024  
Free Cash Flow <sup>1</sup>

# Q1 2024 Revenue and Trend

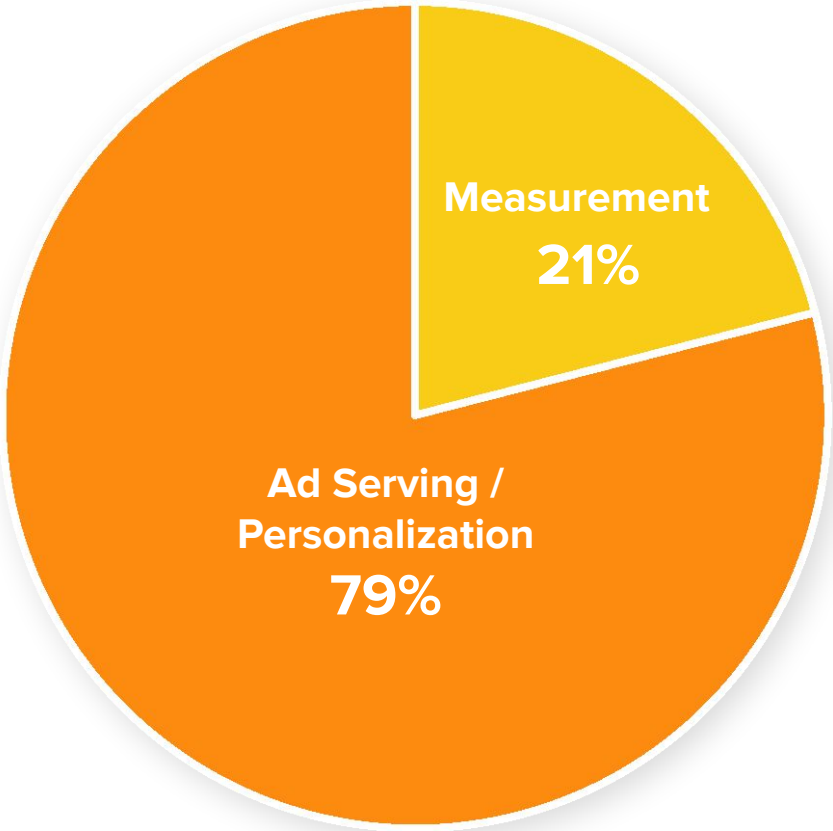
### Quarterly Revenue Trend



# Q1 2024 Key Metrics

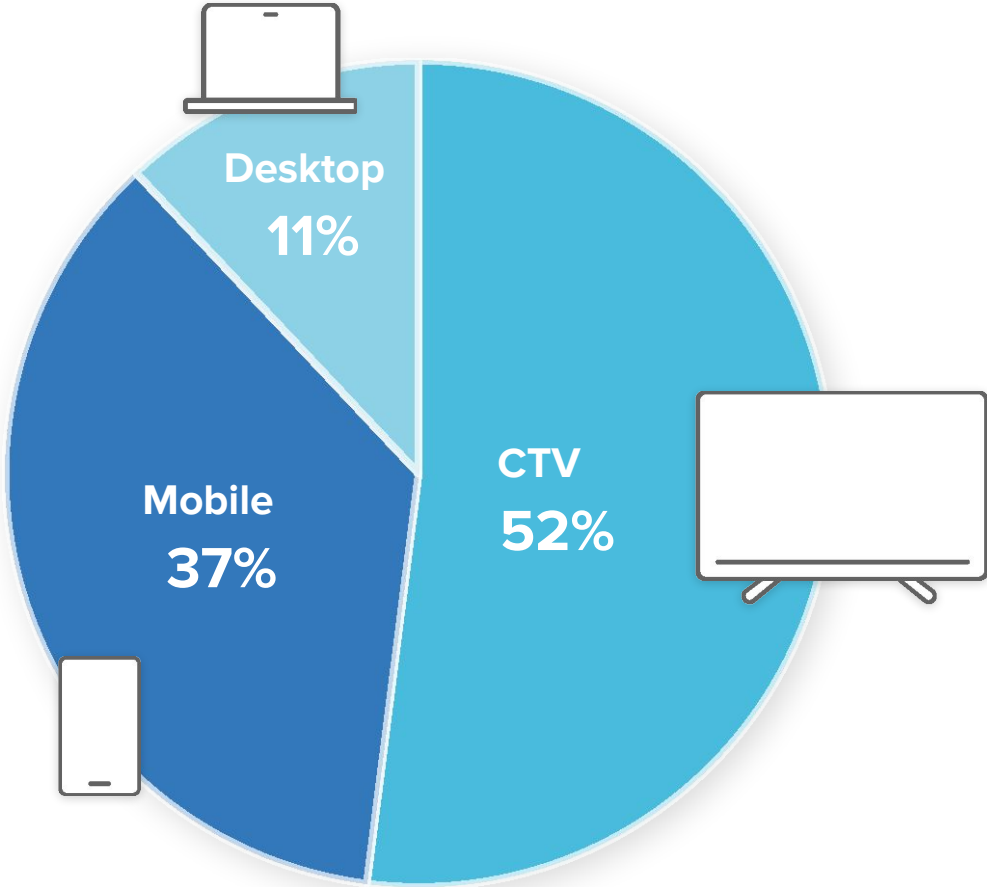
## Total Revenue

by Line of Business



## Ad Serving and Personalization

VIDEO/TV Impressions by Device Type



# Q2 2024 and FY 2024 Outlook<sup>1</sup>

## Q2 2024 Outlook

- Revenue: between \$37.5 million and \$39.5 million
- Adjusted EBITDA<sup>1</sup>: between \$5.0 million and \$6.0 million

## FY 2024 Outlook

- Revenue: between \$156.0 million and \$163.0 million
- Adjusted EBITDA<sup>1</sup>: between \$24.0 million and \$29.0 million

CTV  
LISTED  
NYSE

# Appendix



# Non-GAAP reconciliations

## Reconciliation of Adjusted EBITDA and Adjusted EBITDA Margin Percent<sup>1</sup>

	Three months ended March 31,	
	2024	2023
Net loss.....	\$ (6,234)	\$ (8,563)
Net loss margin percent .....	(17)%	(28)%
Depreciation and amortization .....	2,624	2,030
Stock-based compensation .....	3,838	4,625
Finance (income) expenses, net (a) .....	(42)	(2,475)
Retention bonus expenses (b) .....	92	297
Legal claims .....	928	314
Severance cost (c) .....	—	821
Other .....	14	272
Taxes on income .....	3,176	2,824
Adjusted EBITDA .....	\$ 4,396	\$ 145
Adjusted EBITDA margin percent .....	12.0 %	0.5 %

1. We calculate Adjusted EBITDA margin percent as Adjusted EBITDA divided by total revenue.

# Non-GAAP reconciliations

## Reconciliation of Net Cash Provided by Operating Activities and Free Cash Flow

	Three months ended March 31,	
	2024	2023
Net cash provided by operating activities .....	\$ 4,652	\$ 368
Gain (loss) on foreign exchange, net .....	(90)	—
Capital expenditures .....	(2,541)	(3,180)
Free Cash Flow .....	<u>\$ 2,021</u>	<u>\$ (2,812)</u>

**CTV**  
**LISTED**  
**NYSE**

**INNOVID**

---



**Contact us:**  
[IR@innovid.com](mailto:IR@innovid.com)