

CTV
LISTED
NYSE

Q2 2022 Earnings Call

INNOVID

August 10, 2022

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 and expected growth. 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 raise financing in the future, success in retaining or recruiting officers, key employees or directors, changes in applicable laws or regulations, Innovid’s ability to maintain and expand relationships with advertisers, decreases and/or changes in CTV audience viewership behavior, Innovid’s ability to make the right investment decisions and to innovate and develop new solutions, the accuracy of Innovid’s estimates of market opportunity, forecasts of market growth and projections of future financial performance, the extent of investment required in Innovid’s sales and marketing efforts, Innovid’s ability to effectively manage its growth, the impact of the Covid-19 pandemic, the risk of continued inflation and other macroeconomic events, acquisition related risks, and other important factors discussed under the caption “Risk Factors” in Innovid’s Annual Report on Form 10-K filed with the SEC on March 18, 2022, 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 and the Investors Relations section of Innovid’s website at investors.innovid.com. 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.

DISCLAIMERS (Cont'd)

Non-GAAP Measures

Innovid prepares unaudited condensed consolidated financial statements in accordance with U.S. generally accepted accounting principles (“GAAP”). Innovid also discloses and discusses non-GAAP financial measures such as Adjusted EBITDA and Adjusted EBITDA margin. Innovid believes that these measures are relevant and provide useful information to investors by providing a baseline for evaluation and comparing its operating performance against that of other companies in Innovid’s industry. Adjusted EBITDA is defined as net income (loss) attributable to Innovid, excluding (1) depreciation and amortization, (2) stock-based compensation, (3) finance expense, net, (4) transaction related expenses, (5) acquisition related expenses, (6) taxes on income and (7) other one-time items. We calculate Adjusted EBITDA Margin as Adjusted EBITDA divided by total revenue.

The non-GAAP financial measures that Innovid uses may not be comparable to similarly titled measures reported by other companies. Also, in the future, Innovid may disclose different non-GAAP financial measures in order to help its investors meaningfully evaluate and compare its results of operations to its previously reported results of operations or to those of other companies in Innovid’s industry. Non-GAAP financial measures should be considered in addition to, and not as a substitute for, measures of financial performance prepared in accordance with GAAP.

Innovid uses Adjusted EBITDA and Adjusted EBITDA margin as measures of operational efficiency to understand and evaluate its core business operations. Innovid believes these non-GAAP financial measures are useful to investors for period to period comparisons of its core business and for understanding and evaluating trends in its operating results on a consistent basis by excluding items that are not viewed as indicative of its core operating performance.

Non-GAAP financial measures have limitations as analytical tools and should not be considered in isolation or as substitutes for an analysis of our results as reported under GAAP.

Innovid has provided a reconciliation of Adjusted EBITDA to net (loss) income and Adjusted EBITDA Margin to net (loss) income margin, the most directly comparable GAAP measures, for the historical period in the appendix hereto but is not able to provide a reconciliation of the projected non-GAAP measures for the second quarter of 2022 or the full-year 2022, without unreasonable effort, due to the unknown effect, timing and potential significance of: taxes on income in multiple jurisdictions, finance expenses including valuations, and purchase price allocation yet to be finalized. These items have in the past, and may in the future, significantly affect GAAP results in a particular period.

Q2 2022: Strong Financial KPIs

Net Profit

\$4.3

Million

Revenue

\$33.1

Million

TVSquared Revenue³

\$6.8

Million

Adjusted EBITDA⁴

\$(1.7)

Million

Revenue Growth

+45%

YOY Growth

TVSquared Revenue Growth³

+31%

YOY Growth

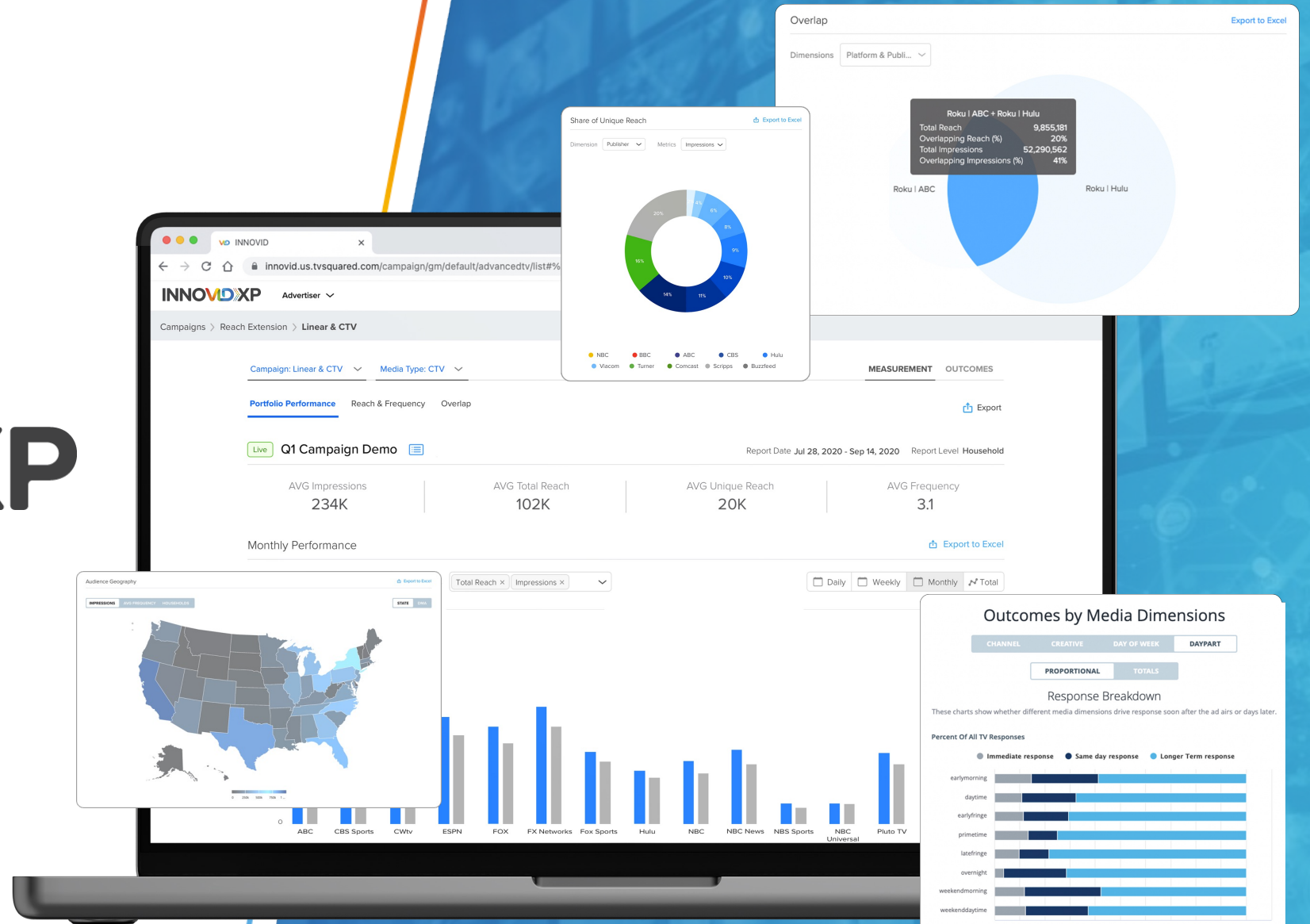
1. Financial results of the represent the combined performance of Innovid Corp. and TVSquared (the "combined business"), which was acquired on February 28, 2022.

2. All growth comparisons are to the second quarter of 2021.

3. Q2'21 TVSquared revenue is as reported before TVSquared was acquired by Innovid.

4. Adjusted EBITDA is a non-GAAP financial measure. Non-GAAP measures have limitations as analytical tools and should not be considered in isolation or as substitute for an analysis of results as reported under GAAP. See Appendix for a reconciliation of Adjusted EBITDA to the nearest financial measures reported under GAAP.

INNOVODXP



We unify advertising delivery, personalization and measurement across converged TV

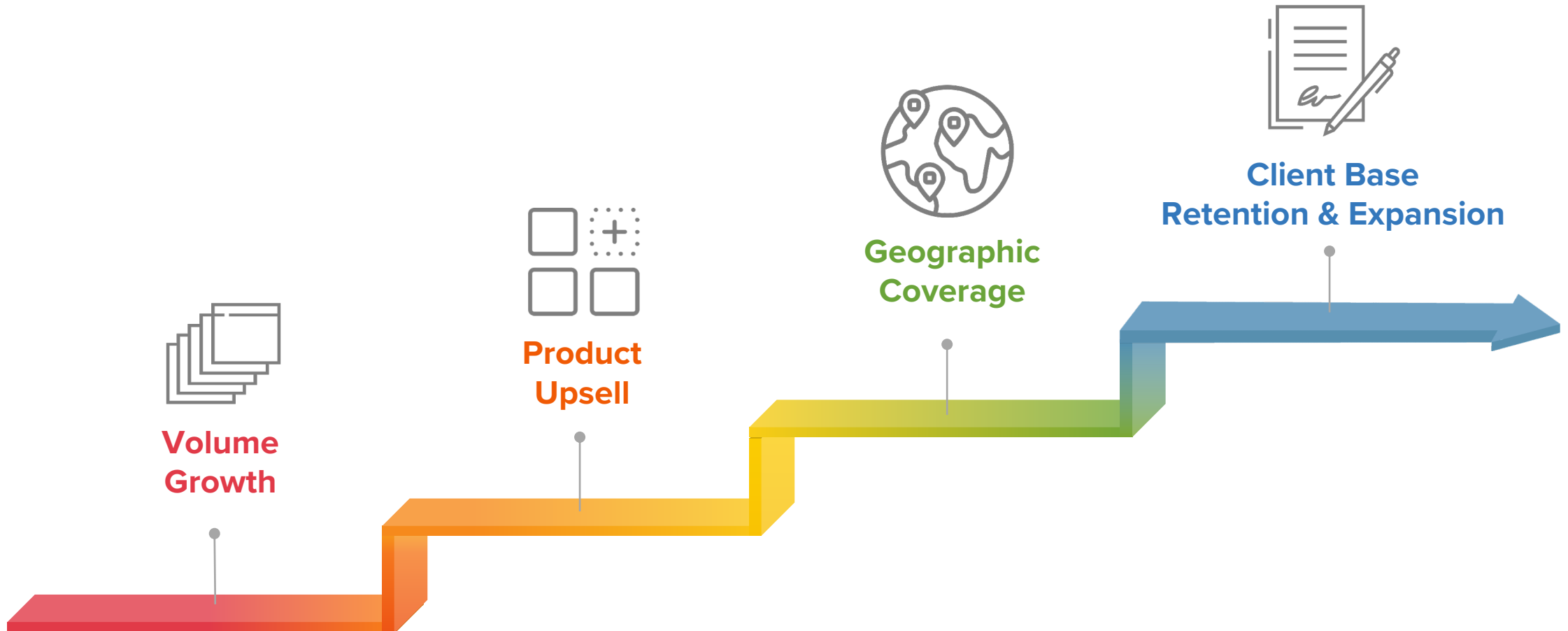
Linear TV

Connected TV

Mobile TV

Desktop TV

Multiple Growth Levers To Drive High Growth For The Foreseeable Future

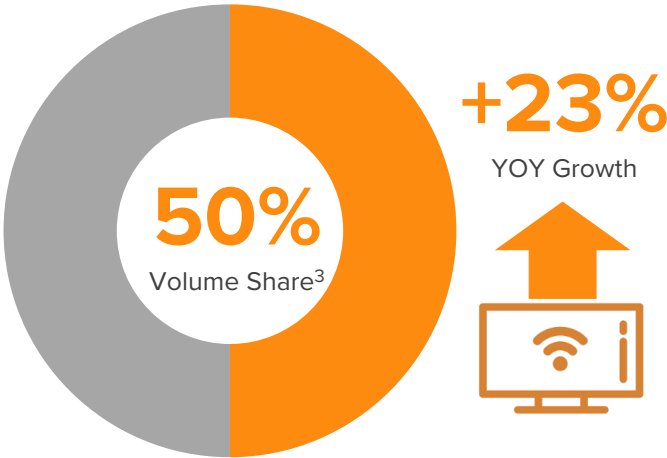


Volume Growth : The Shift To CTV Continues

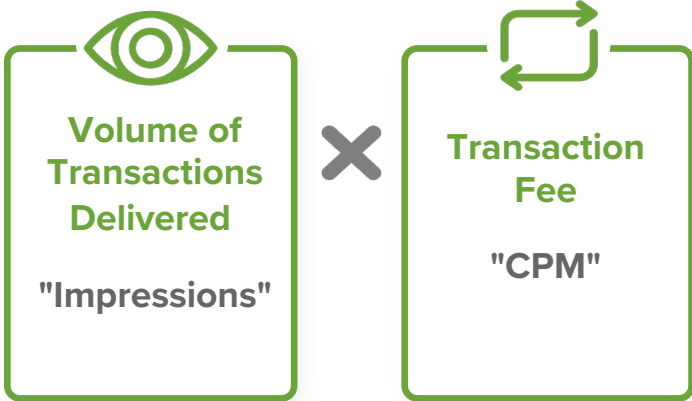
Large, Global Streaming Publishers Introduce Ad-Supported Offerings



CTV Breaks Record With Half of All TV Ads Streamed to CTV



Volume Based Pricing Reduces Impact of Fluctuating Media Costs



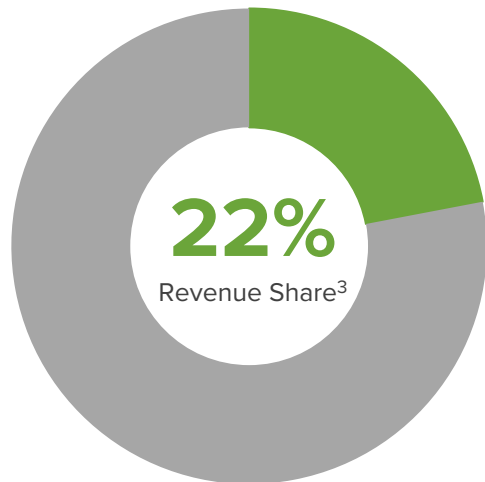
1. Financial results of the represent the combined performance of Innovid Corp. and TVSquared (the "combined business"), which was acquired on February 28, 2022.

2. All growth comparisons are to the second quarter of 2021.

3. Volume share represents the percentage of total video ad impressions delivered to a particular device. It is calculated as the volume of video impressions delivered to the device divided by the total volume of all video impressions.

Product Upsell : Advancing Measurement & Creativity

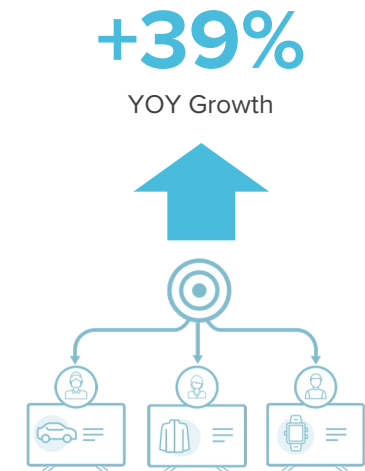
TV Measurement Grows to Nearly a Quarter of Combined Revenue



First Global, Unified Cross-Platform Measurement Solution Tied to Ad Serving



Emphasis on Experiences and Performance Fuels Creative Solutions Growth



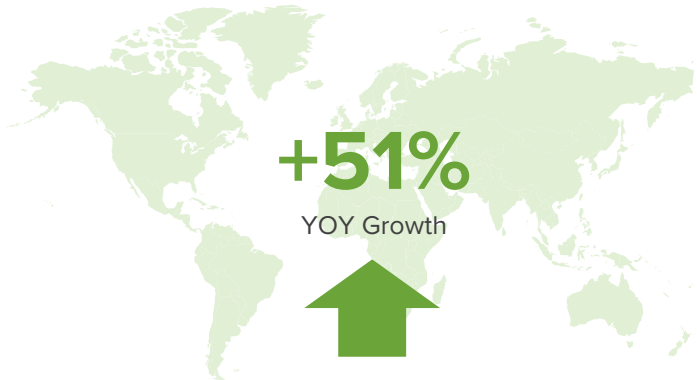
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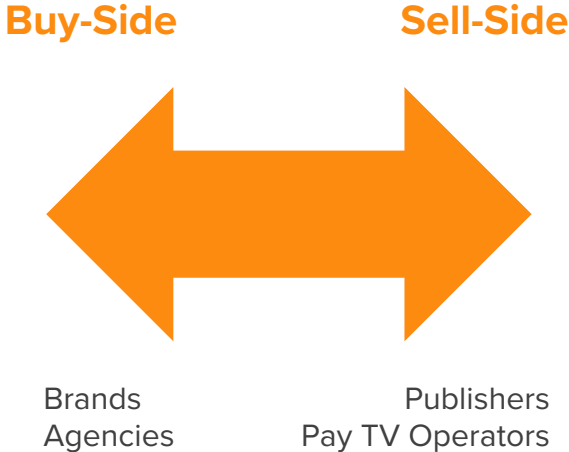
3. Revenue share represents the percentage of revenue generated from a particular revenue stream. It is calculated as revenue generated from a revenue stream divided by total revenue.

Expansion: International Growth and Client Base Diversification

International Revenue Growth Fueled By Global Client Base



Growing Traction Across Both the Buy-Side and Sell-Sides



Expanded Measurement Partnership Across Fox and Tubi



Leading Independent Software Platform

Creating, Delivering and Measuring TV Ads Across CTV, Mobile and Desktop

INNOVLD XP

Measurement

A complete view of the total TV and digital universe through a scalable, currency-grade measurement platform.



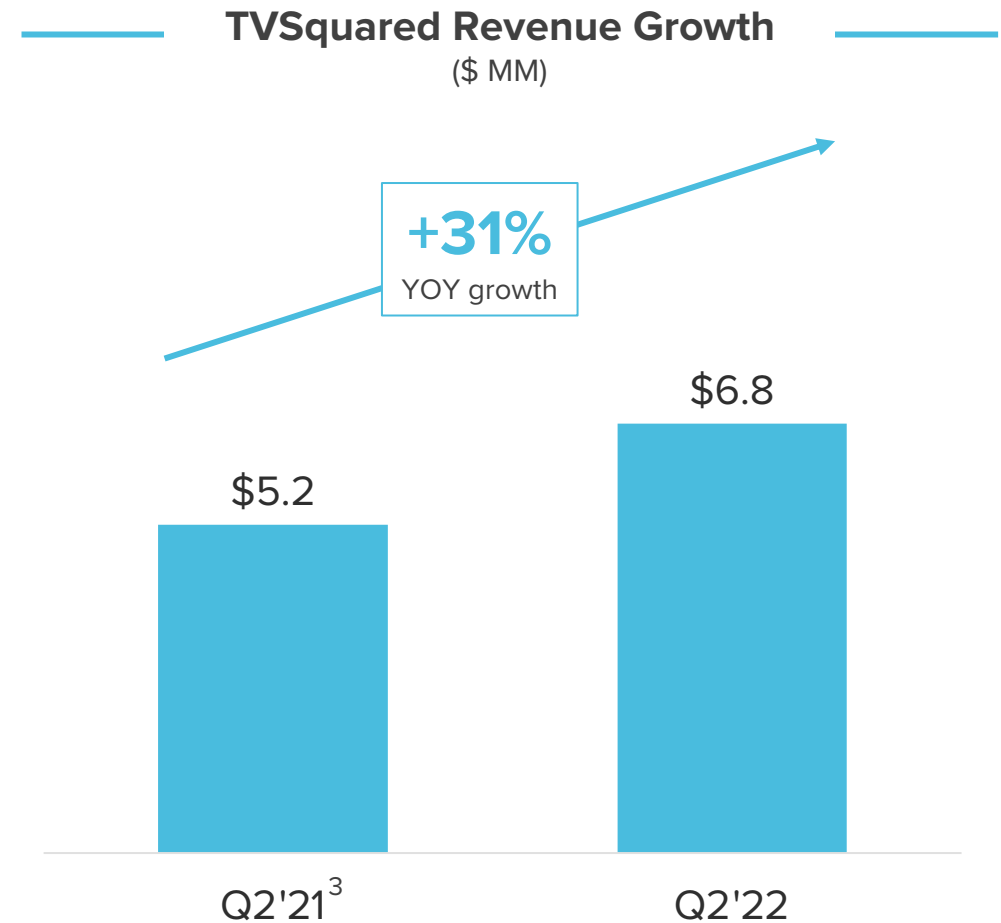
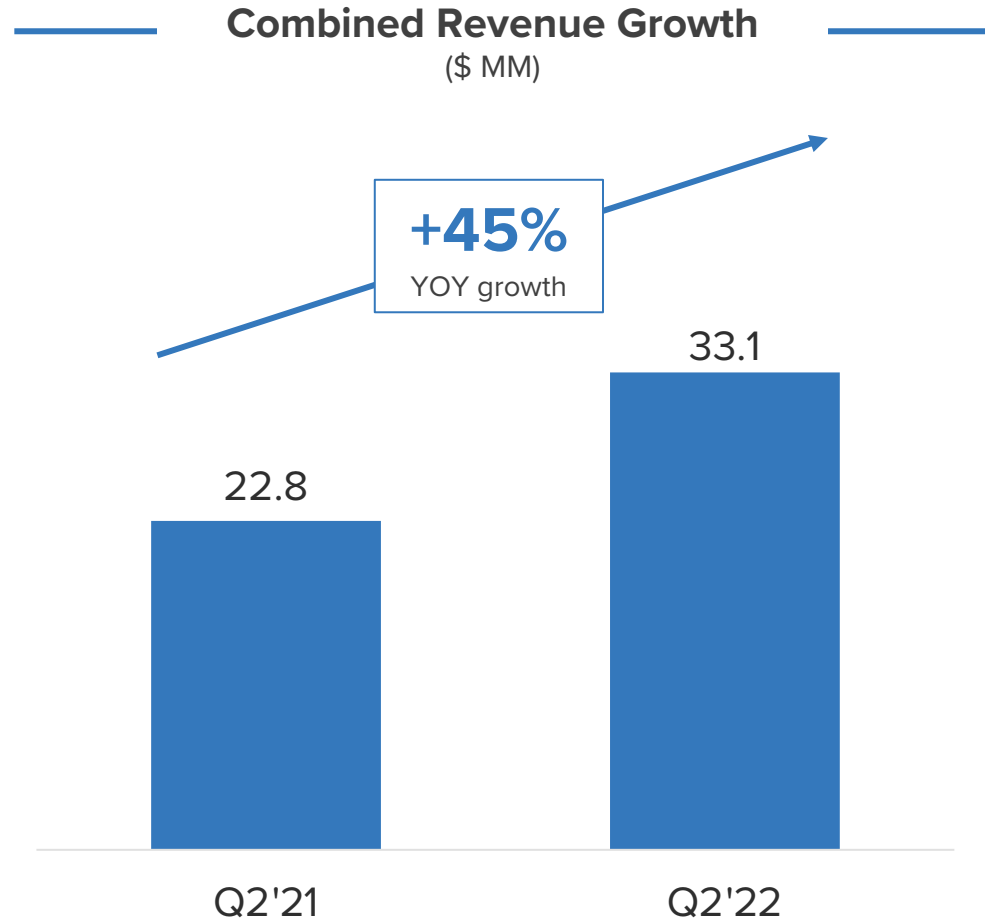
Ad Serving

Simplified management of the campaign lifecycle that streamlines the development and distribution of ads.

Creative Personalization

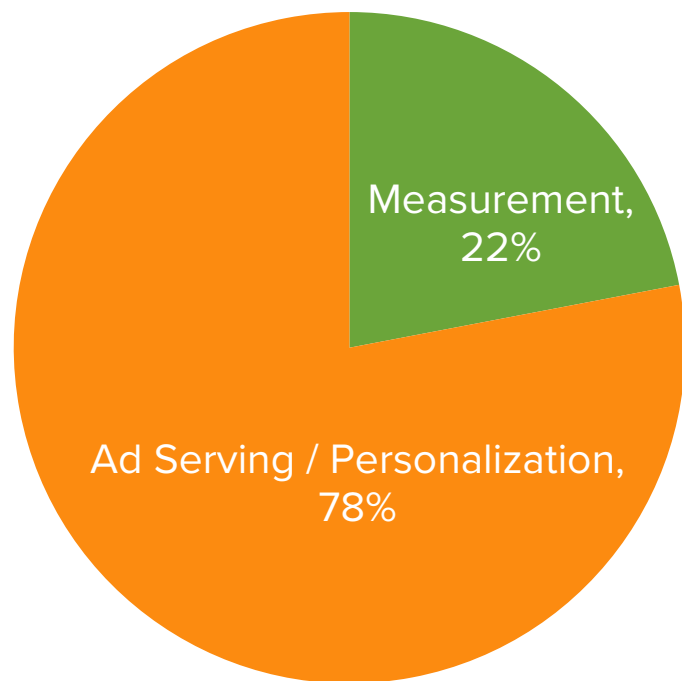
Data-driven personalized advertising experiences that appeal to the individual and improve performance across channels.

Q2 2022 Financial KPIs

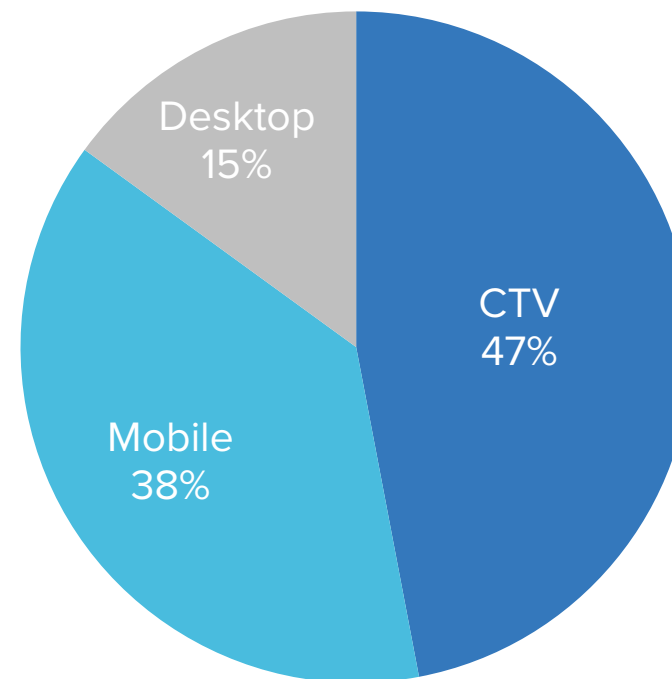


Q2 2022 Financial KPIs

Revenue By Line of Business



Revenue By Device Type³



1. Financial results of the represent the combined performance of Innovid Corp. and of TVSquared (the "combined business"), which was acquired on February 28, 2022.
2. All growth comparisons are to the second quarter of 2021.
3. Revenue by device type excludes TVSquared.

Guidance

Q3 2022 Guidance

Revenue (\$ in millions)

\$33M - \$35M

Low-end High-end

+ 41–49%
year-over-year
as-reported revenue growth

Adjusted EBITDA¹

\$(2.0)M - Breakeven

Low-end High-end

FY 2022 Guidance

Revenue (\$ in millions)

\$127M - \$132M

Low-end High-end

+ 41–46%
year-over-year
as-reported revenue growth

Adjusted EBITDA¹

\$(6.0)M or higher

INNOVID

Q&A

INNOVIO



Thank You.

NON-GAAP Reconciliation

	Three months ended June 30,		Six months ended June 30,	
	2022	2021	2022	2021
Net profit (loss)	\$ 4,300	\$ (1,659)	\$ (3,149)	\$ (3,595)
Net profit (loss) margin	13%	(7)%	(5)%	(9)%
Depreciation and amortization	926	149	1,599	331
Stock-based compensation	4,138	1,440	5,730	1,720
Finance expense (income), net (a)	(13,306)	1,602	(15,617)	3,171
Transaction related expenses (b)	164	—	392	—
Acquisition related expenses (c)	768	—	4,971	—
Other (d)	1,518	—	1,610	—
Taxes on income	(168)	346	(205)	525
Adjusted EBITDA	\$ (1,660)	\$ 1,878	\$ (4,669)	\$ 2,152
Adjusted EBITDA margin	(5)%	8%	(8)%	5%

(a) Finance expense (income), net consists primarily of remeasurement expense related to our foreign subsidiaries' monetary assets, liabilities and operating results, our interest expense and revaluation of our warrants. The unrealized gain from changes in the fair value of our warrants for the three months and six months period ended June 30, 2022 (unaudited) was \$13.2 million and \$15.9 million, respectively. The unrealized loss from changes in the fair value of our warrants for the three months and six months period ended June 30, 2021 (unaudited) was \$1.4 million and \$2.7 million, respectively.

(b) Transaction related expenses consist of professional fees associated with the SPAC merger transaction and PIPE related SEC filings.

(c) Acquisition related expenses consists of professional fees associated with the acquisition of TVS.

(d) For the three months and six months ended June 30, 2022, "other" consists of exit costs for a former TVS employee, retention bonus expense for TVS employees and legal costs related to the Nielsen Claim.