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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2026

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from ___ to ___

Commission file number 001-40643

Teads Holding Co.

(Exact name of registrant as specified in its charter)

Delaware	**20-5391629**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

111 West 19th Street, New York, NY 10011

(Address of Principal Executive Offices) (Zip Code)

Registrant's telephone number, including area code: **(646) 867-0149**

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value $0.001 per share	TEAD	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports); and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐	Smaller reporting company	☒
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of October 31, 2026, Teads Holding Co. had 98,753,042 shares of common stock outstanding.

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Note About Forward-Looking Statements

This Quarterly Report on Form 10-Q (this "Report") contains forward-looking statements within the meaning of the federal securities laws, which statements involve substantial risks and uncertainties. Forward-looking statements may include, without limitation, statements generally relating to possible or assumed future results of our business, financial condition, results of operations, liquidity, plans and objectives, and statements relating to the acquisition (the "Acquisition") of TEADS, a private limited liability company (*société à responsabilité limitée*) incorporated and existing under the laws of the Grand Duchy of Luxembourg ("Legacy Teads"), following which we changed our corporate name to Teads Holding Co. (hereinafter, together with its subsidiaries, the "Company" or "Teads"). You can generally identify forward-looking statements because they contain words such as "may," "will," "should," "expects," "plans," "anticipates," "could," "intends," "guidance," "outlook," "target," "projects," "contemplates," "believes," "estimates," "predicts," "foresee," "potential" or "continue" or the negative of these terms or other similar expressions that concern our expectations, strategy, plans or intentions or are not statements of historical fact. We have based these forward-looking statements largely on our expectations and projections regarding future events and trends that we believe may affect our business, financial condition, and results of operations. The outcome of the events described in these forward-looking statements is subject to risks, uncertainties and other factors including, but not limited to:

- overall advertising demand and traffic generated by our media partners;
- factors that affect advertising demand and spending, such as the continuation or worsening of unfavorable economic or business conditions or downturns, instability or volatility in financial markets, tariffs and trade wars and other events or factors outside of our control, such as U.S. and global recession concerns, geopolitical concerns, including the ongoing conflict involving the U.S., Iran, Israel and surrounding nations, supply chain issues, inflationary pressures, labor market volatility, bank closures or disruptions, the impact of challenging economic conditions, new or proposed legislation or other political and policy changes or uncertainties in the U.S., the impact of U.S. government shutdowns, and other factors that have and may further impact advertisers' ability to pay;
- the potential impact of artificial intelligence ("AI") on our industry, our ability to adapt to advancements in AI and the regulation of generative AI content within the context of the Open Internet and display advertising, and our need to invest in AI-based solutions;
- the risk that our research and development efforts may not meet the demands of a rapidly evolving technology market;
- loss of media partners could have a significant impact on our revenue and results of operations;
- our ability to compete effectively against current and future competitors;
- our ability to grow our business and manage growth effectively;
- our ability to continue to innovate, and adoption by our advertisers and media partners of our expanding solutions;
- our ability to extend our reach into evolving digital media platforms;
- our ability to maintain and scale our technology platform;
- our ability to maintain our revenues or profitability despite quarterly fluctuations in our results, whether due to seasonality, large cyclical events, or other causes;
- our ability to access current financing or raise additional financing in the future to fund our operations or service our existing indebtedness or comply with the covenants and other obligations under our financing arrangements, including our accounts receivable financing facility;
- the sufficiency of our capital resources to service our debt and satisfy our other liquidity requirements, including our existing cash balances and the ability to generate sufficient operating cash flows;
- the volatility of the market price of our Common Stock, par value $0.001 per share ("Common Stock") and our ability to regain compliance with and satisfy the continued listing requirements of The Nasdaq Stock Market LLC, including the potential adverse effects on market liquidity and share price if our Common Stock is delisted;
- our ability to successfully integrate Legacy Teads or manage the combined business effectively;
- our ability to realize anticipated benefits and synergies of the Acquisition, including, among other things, operating efficiencies, revenue synergies and other cost savings;
- the success of our sales and marketing investments, which may require significant investments and may involve long sales cycles;
- our ability to attract and retain customers, management and other key personnel;

- our ability to maintain the integrity of our platform and prevent invalid, low quality or other non-human traffic that does not meet ad quality standards, and the impact of such activity on our relationships with media partners and advertisers;
- any failure of our recommendation engine to accurately predict attention or engagement, any deterioration in the quality of our recommendations or failure to present interesting content to users or other factors which may cause us to experience a decline in user engagement or loss of media partners;
- limits on our ability to collect, use and disclose data to deliver advertisements;
- our ability to meet demands on our infrastructure and resources due to future growth or otherwise;
- unexpected costs, charges or expenses resulting from the Acquisition;
- our internal controls over financial reporting may not meet the standard required by Section 404 of the Sarbanes-Oxley Act;
- conditions in Israel, including the conflict between Israel and Hamas and the sustainability of the related cease-fire and any impacts from the ongoing conflict involving the U.S., Iran, Israel and surrounding nations;
- the challenges of compliance with differing and changing regulatory requirements, particularly with respect to privacy and data protection;
- our failure or the failure of third parties to protect our sites, networks and systems against security breaches, or otherwise to protect the confidential information of us or our partners;
- outages or disruptions that impact us or our service providers, resulting from cyber incidents, or failures or loss of our infrastructure;
- significant fluctuations in currency exchange rates;
- political and regulatory risks in the various markets in which we operate;
- the outcome of legal proceedings, which we are subject to from time to time, including intellectual property, commercial and privacy disputes, and specifically our litigation against Google LLC and Alphabet Inc., including the uncertainty and timing of any resolution and the amount of damages or other remedies we may recover, if any;
- the timing and execution of any cost-saving measures and the impact on our business or strategy; and
- the risks described in the section entitled “Risk Factors” and elsewhere in this Report, in our Annual Report on Form 10-K for the year ended December 31, 2025, filed with the Securities and Exchange Commission on March 16, 2026, in our Quarterly Report on Form 10-Q for the quarter ended June 30, 2026, filed with the Securities and Exchange Commission on August 7, 2026, and in our other filings with the Securities and Exchange Commission.

Accordingly, you should not rely upon forward-looking statements as an indication of future performance. We cannot assure you that the results, events and circumstances reflected in the forward-looking statements will be achieved or will occur, and actual results, events, or circumstances could differ materially from those projected in the forward-looking statements. The forward-looking statements made in this Report relate only to events as of the date on which the statements are made. We may not actually achieve the plans, intentions or expectations disclosed in our forward-looking statements and you should not place undue reliance on our forward-looking statements. We undertake no obligation and do not assume any obligation to update any forward-looking statements, whether as a result of new information, future events or circumstances after the date on which the statements are made or to reflect the occurrence of unanticipated events or otherwise, except as required by law.

Part I Financial Information

Item 1. Financial Statements

TEADS HOLDING CO.
Condensed Consolidated Balance Sheets
(In thousands, except for number of shares and par value)

	September 30, 2026	December 31, 2025
	(Unaudited)	
ASSETS:		
Current assets:		
Cash and cash equivalents	$ 90,327	$ 128,223
Short-term investments in marketable securities	—	10,476
Accounts receivable, net of allowances	237,040	342,352
Prepaid expenses and other current assets	29,938	49,347
Total current assets	357,305	530,398
Non-current assets:		
Property, equipment and capitalized software, net	55,010	50,998
Operating lease right-of-use assets, net	28,504	28,810
Intangible assets, net	327,988	376,578
Goodwill	—	280,991
Deferred tax assets	9,469	10,485
Indemnification asset	29,402	27,789
Other assets	23,567	21,925
TOTAL ASSETS	$ 831,245	$ 1,327,974
LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT):		
Current liabilities:		
Accounts payable	$ 200,919	$ 258,634
Accrued compensation and benefits	31,960	40,192
Deferred revenue	11,940	14,930
Short-term debt	17,752	17,595
Accrued and other current liabilities	116,160	152,710
Total current liabilities	378,731	484,061
Non-current liabilities:		
Long-term debt	639,429	605,113
Operating lease liabilities, non-current	20,263	21,674
Deferred tax liabilities	61,481	73,101
Contingent tax liabilities	37,626	35,078
Other liabilities	11,886	13,510
TOTAL LIABILITIES	$ 1,149,416	$ 1,232,537
Commitments and Contingencies (Note 10)		
STOCKHOLDERS' EQUITY (DEFICIT):		
Common stock, par value of $0.001 per share − one billion shares authorized; 99,064,762 shares issued and 98,753,042 shares outstanding as of September 30, 2026; 96,171,331 shares issued and 95,980,437 shares outstanding as of December 31, 2025	99	96
Preferred stock, par value of $0.001 per share − 100,000,000 shares authorized, none issued and outstanding as of September 30, 2026 and December 31, 2025	—	—
Additional paid-in capital	692,279	685,778
Treasury stock, at cost − 311,720 shares as of September 30, 2026 and 190,894 shares as of December 31, 2025	(652)	(533)
Accumulated other comprehensive income	83,399	96,659
Accumulated deficit	(1,093,296)	(686,563)
TOTAL STOCKHOLDERS' EQUITY (DEFICIT)	(318,171)	95,437
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY (DEFICIT)	$ 831,245	$ 1,327,974

See Accompanying Notes to Condensed Consolidated Financial Statements.

TEADS HOLDING CO.
Condensed Consolidated Statements of Operations
(In thousands, except for share and per share data)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Revenue	$ 235,073	$ 318,772	$ 785,645	$ 948,225
Cost of revenue:				
Traffic acquisition costs	148,039	188,230	467,348	570,392
Other cost of revenue	26,167	24,794	78,214	69,171
Total cost of revenue	174,206	213,024	545,562	639,563
Gross profit	60,867	105,748	240,083	308,662
Operating expenses:				
Research and development	10,506	10,743	32,543	38,007
Sales and marketing	62,485	68,658	199,195	202,071
General and administrative	23,255	31,970	78,238	96,335
Impairment of intangible assets	—	—	—	15,614
Impairment of goodwill	272,432	—	272,432	—
Restructuring charges	349	657	3,290	9,610
Total operating expenses	369,027	112,028	585,698	361,637
Loss from operations	(308,160)	(6,280)	(345,615)	(52,975)
Other (expense) income:				
Gain on repurchase of long-term debt	—	—	—	1,225
Interest expense	(17,407)	(17,084)	(52,233)	(57,732)
Other income (expense) and interest income, net	27	(994)	(2,645)	(2,984)
Total other (expense) income, net	(17,380)	(18,078)	(54,878)	(59,491)
Loss before income taxes	(325,540)	(24,358)	(400,493)	(112,466)
(Benefit) provision for income taxes	(72)	(4,668)	6,240	(23,620)
Net loss	$ (325,468)	$ (19,690)	$ (406,733)	$ (88,846)
Weighted average shares outstanding:				
Basic	98,259,847	95,113,669	97,286,984	89,249,913
Diluted	98,259,847	95,113,669	97,286,984	89,249,913
Net loss per common share:				
Basic	$ (3.31)	$ (0.21)	$ (4.18)	$ (1.00)
Diluted	$ (3.31)	$ (0.21)	$ (4.18)	$ (1.00)

See Accompanying Notes to Condensed Consolidated Financial Statements.

TEADS HOLDING CO.
Condensed Consolidated Statements of Comprehensive Income (Loss)
(In thousands)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net loss	$ (325,468)	$ (19,690)	$ (406,733)	$ (88,846)
Other comprehensive (loss) income:				
Foreign currency translation adjustments	(1,884)	3,322	(13,259)	105,365
Unrealized gain (loss) on available-for-sale investments in debt securities (net of taxes of $(1) and $(1) for the three months ended September 30, 2026 and 2025, respectively and $— and $20 for the nine months ended September 30, 2026 and 2025, respectively).	—	7	(1)	(63)
Total other comprehensive (loss) income	(1,884)	3,329	(13,260)	105,302
Comprehensive (loss) income	$ (327,352)	$ (16,361)	$ (419,993)	$ 16,456

See Accompanying Notes to Condensed Consolidated Financial Statements.

TEADS HOLDING CO.
Condensed Consolidated Statements of Stockholders' Equity (Deficit)
(In thousands, except for number of shares)
(Unaudited)

	Common Stock		Additional Paid-In Capital	Treasury Stock		Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Total Stockholders' Equity (Deficit)
	Shares	Amount		Shares	Amount			
Balance – January 1, 2026	96,171,331	$ 96	$ 685,778	(190,894)	$ (533)	$ 96,659	$ (686,563)	$ 95,437
Vesting of restricted stock units, net of shares withheld for taxes	1,056,154	1	(1)	(45,161)	(38)	—	—	(38)
Stock-based compensation	—	—	2,279	—	—	—	—	2,279
Other comprehensive loss	—	—	—	—	—	(8,633)	—	(8,633)
Net loss	—	—	—	—	—	—	(38,786)	(38,786)
Balance–March 31, 2026	97,227,485	$ 97	$ 688,056	(236,055)	$ (571)	$ 88,026	$ (725,349)	$ 50,259
Vesting of restricted stock units, net of shares withheld for taxes	1,137,041	1	(1)	(63,309)	(75)	—	—	(75)
Stock-based compensation	—	—	2,391	—	—	—	—	2,391
Other comprehensive loss	—	—	—	—	—	(2,743)	—	(2,743)
Net loss	—	—	—	—	—	—	(42,479)	(42,479)
Balance–June 30, 2026	98,364,526	$ 98	$ 690,446	(299,364)	$ (646)	$ 85,283	$ (767,828)	$ 7,353
Vesting of restricted stock units, net of shares withheld for taxes	700,236	1	(1)	(12,356)	(6)	—	—	(6)
Stock-based compensation	—	—	1,834	—	—	—	—	1,834
Other comprehensive loss	—	—	—	—	—	(1,884)	—	(1,884)
Net loss	—	—	—	—	—	—	(325,468)	(325,468)
Balance – September 30, 2026	99,064,762	$ 99	$ 692,279	(311,720)	$ (652)	$ 83,399	$(1,093,296)	$ (318,171)

	Common Stock		Additional Paid-In Capital	Treasury Stock		Accumulated Other Comprehensive (Loss) Income	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount		Shares	Amount			
Balance – January 1, 2025	63,503,274	$ 64	$ 484,541	(13,413,160)	$ (74,289)	$ (9,480)	$ (169,493)	$ 231,343
Acquisition of Teads, net	30,320,161	30	186,864	13,429,839	74,402	—	—	261,296
Vesting of restricted stock units, net of shares withheld for taxes	526,076	—	—	(73,000)	(355)	—	—	(355)
Stock-based compensation	—	—	3,037	—	—	—	—	3,037
Other comprehensive income	—	—	—	—	—	34,187	—	34,187
Net loss	—	—	—	—	—	—	(54,843)	(54,843)
Balance – March 31, 2025	94,349,511	$ 94	$ 674,442	(56,321)	$ (242)	$ 24,707	$ (224,336)	$ 474,665
Vesting of restricted stock units, net of shares withheld for taxes	745,944	1	(1)	(70,108)	(198)	—	—	(198)
Stock-based compensation	—	—	4,022	—	—	—	—	4,022
Other comprehensive income	—	—	—	—	—	67,786	—	67,786
Net loss	—	—	—	—	—	—	(14,313)	(14,313)
Balance – June 30, 2025	95,095,455	$ 95	$ 678,463	(126,429)	$ (440)	$ 92,493	$ (238,649)	$ 531,962
Vesting of restricted stock units, net of shares withheld for taxes	552,301	1	(1)	(52,063)	(86)	—	—	(86)
Stock-based compensation	—	—	3,820	—	—	—	—	3,820
Other comprehensive income	—	—	—	—	—	3,329	—	3,329
Net loss	—	—	—	—	—	—	(19,690)	(19,690)
Balance – September 30, 2025	95,647,756	$ 96	$ 682,282	(178,492)	$ (526)	$ 95,822	$ (258,339)	$ 519,335

See Accompanying Notes to Condensed Consolidated Financial Statements.

TEADS HOLDING CO.
Condensed Consolidated Statements of Cash Flows
(In thousands) (Unaudited)

	Nine Months Ended September 30,	
	2026	**2025**
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (406,733)	$ (88,846)
Adjustments to reconcile net loss to net cash (used in) provided by operating activities:		
Gain on repurchase of long-term debt	—	(1,225)
Depreciation and amortization of property and equipment	6,227	6,763
Amortization of capitalized software development costs	7,267	7,041
Amortization of intangible assets	39,328	34,903
Amortization of discount on marketable securities	(290)	(784)
Stock-based compensation	6,175	10,372
Non-cash operating lease expense	9,622	8,175
Provision for credit losses	6,758	5,614
Amortization of debt discount and issuance costs	3,458	15,337
Deferred income taxes	(8,006)	(42,709)
Impairment of intangible assets	—	15,614
Impairment of goodwill	272,432	—
Unrealized foreign currency transaction losses	2,660	6,677
Other	17	25
Changes in operating assets and liabilities:		
Accounts receivable	94,700	57,827
Prepaid expenses and other current assets	18,540	16,863
Accounts payable, accrued expenses and other current liabilities	(99,786)	(45,007)
Operating lease liabilities	(9,866)	(8,445)
Deferred revenue	(2,936)	(3,942)
Other non-current assets and liabilities	6,845	6,091
Net cash (used in) provided by operating activities	(53,588)	344
CASH FLOWS FROM INVESTING ACTIVITIES:		
Acquisition of a business, net of cash acquired	—	(598,319)
Purchases of property and equipment	(2,349)	(4,853)
Capitalized software development costs	(15,071)	(12,020)
Purchases of marketable securities	(13,081)	(16,603)
Proceeds from sales and maturities of marketable securities	23,739	86,471
Other	443	(56)
Net cash used in investing activities	(6,319)	(545,380)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from the Bridge Facility	—	625,000
Repayments of borrowings under the Bridge Facility	—	(625,000)
Proceeds from senior secured notes	—	625,305
Proceeds from the 2025 Revolving Facility	15,000	—
Proceeds from the A/R Facility	30,858	—
Partial repayment of long-term debt	—	(7,674)
Payments of deferred financing and debt issuance costs	(7,584)	(30,969)
Payment of stock issuance costs	—	(775)
Treasury stock repurchases and share withholdings on vested awards	(119)	(639)
(Repayments of) proceeds from bank overdrafts, net	(14,585)	110
Net cash provided by financing activities	23,570	585,358
Effect of exchange rate changes	748	1,834
Net (decrease) increase in cash, cash equivalents and restricted cash	$ (35,589)	$ 42,156
Cash, cash equivalents and restricted cash — Beginning	129,700	89,725
Cash, cash equivalents and restricted cash — Ending	$ 94,111	$ 131,881
RECONCILIATION OF CASH, CASH EQUIVALENTS, AND RESTRICTED CASH		
Cash and cash equivalents	$ 90,327	$ 130,751
Restricted cash, included in other assets	3,784	1,130
Total cash, cash equivalents, and restricted cash	$ 94,111	$ 131,881

TEADS HOLDING CO.
Condensed Consolidated Statements of Cash Flows (Continued)
(In thousands)
(Unaudited)

	Nine Months Ended September 30,	
	2026	**2025**
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Income tax (refunds) payments, net	$ (3,068)	$ 16,848
Cash paid for interest	$ 63,856	$ 34,661
SUPPLEMENTAL SCHEDULE OF NONCASH INVESTING AND FINANCING ACTIVITIES:		
Stock consideration issued for acquisition of a business	$ —	$ 262,938
Purchases of property and equipment included in accounts payable	$ 167	$ 2,673
Operating lease right-of-use assets obtained in exchange for lease obligations	$ 7,539	$ 13,656
Stock-based compensation capitalized for software development costs	$ 330	$ 507
Unpaid deferred financing costs in accounts payable and accrued expenses	$ 898	$ —

See Accompanying Notes to Condensed Consolidated Financial Statements.

TEADS HOLDING CO.
Notes to Condensed Consolidated Financial Statements
(Dollars in millions, except share and per share amounts or otherwise stated)
(Unaudited)

1. Organization, Description of Business and Summary of Significant Accounting Policies

Organization and Description of Business

Teads Holding Co. (together with its subsidiaries, "Teads," the "Company," "we," "our," or "us") was formed on February 3, 2025 upon Outbrain Inc.'s acquisition (the "Acquisition") of TEADS, a private limited liability company (*société à responsabilité limitée*) incorporated and existing under the laws of the Grand Duchy of Luxembourg ("Legacy Teads"). The Company is headquartered in New York, New York, with additional operations throughout North America, Europe, the Middle East, and Asia. The Company's Common Stock, par value $0.001 per share ("Common Stock"), trades on The Nasdaq Stock Market LLC under the "TEAD" ticker symbol.

The Company operates a two-sided marketplace that creates a scaled, end-to-end advertising solution by maintaining direct relationships with global advertisers, including Fortune 500 brands and agency holding companies, as well as media owners spanning premium publishers to connected TV ("CTV"), application developers and other existing and emerging content platforms. The Company generates revenue primarily from advertisers purchasing media owner inventory through its platform. The Company's platform is designed to enable advertisers to reach their audiences across the digital advertising ecosystem and drive desired outcomes from those audiences at each step of the marketing funnel. The Company continues to focus on providing efficient, high-impact supply chains for advertisers and sustainable advertising revenue for media owners as the digital advertising ecosystem evolves.

Basis of Presentation

The accompanying condensed consolidated financial statements were prepared in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP") for interim financial information and are unaudited. Certain information and disclosures normally included in consolidated financial statements prepared in accordance with U.S. GAAP have been condensed or omitted. Accordingly, these condensed consolidated financial statements should be read in conjunction with the Company's audited consolidated financial statements and related notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025, filed with the Securities and Exchange Commission on March 16, 2026 ("2025 Form 10-K").

On February 3, 2025, Outbrain Inc. ("Outbrain") completed the Acquisition for a purchase price of $0.9 billion, comprised of a cash payment of $625 million and 43.75 million shares of Outbrain's Common Stock. The Acquisition combined the offerings of Outbrain and Legacy Teads into one of the largest Open Internet platforms, allowing the Company to better serve enterprise brands and agencies, as well as direct response and small medium enterprise advertisers across different media environments. In connection with the Acquisition, the Company incurred transaction costs (direct acquisition costs) of $0.4 million and $12.5 million for the three and nine months ended September 30, 2025, respectively, which were included in general and administrative expenses. See Note 2, *Acquisition*, to the 2025 Form 10-K for additional information.

As a result of the Acquisition, the accompanying condensed consolidated financial statements include the results of Legacy Teads' operations from the Acquisition date of February 3, 2025. Consequently, the financial information presented for the nine months ended September 30, 2026 is not directly comparable to the financial information presented for the corresponding prior year period, which reflects the operations of Legacy Teads only from the Acquisition date of February 3, 2025. By contrast, each of the three-month periods ended September 30, 2026 and 2025 reflects a full three months of consolidated operations following the Acquisition.

Liquidity and Capital Resources

The Company regularly evaluates its cash requirements for operations, commitments, development activities and capital expenditures and manages its liquidity in a manner consistent with its corporate priorities.

The Company has experienced significant disruption and competitive pressures in its industry driven by an evolution in media consumption and consumer behavior trends, including the proliferation of social media properties, streaming services and other platforms, as well as the adoption of artificial intelligence ("AI"). These factors have negatively impacted the Company's business including the Company's stock price.

As of September 30, 2026, the Company had an accumulated deficit of $318.2 million compared to accumulated equity of $95.4 million at December 31, 2025. For the nine months ended September 30, 2026, the Company incurred a net loss of $406.7 million, compared to net loss of $88.8 million for the nine months ended September 30, 2025, and $53.6 million of cash

used in operating activities compared to cash provided by operations of $0.3 million for the nine months ended September 30, 2025. The net loss included a non-cash goodwill impairment charge recorded in the third quarter of 2026. Refer to Note 4, *Goodwill and Intangible Assets*, for additional information regarding the goodwill impairment.

In August 2026, certain credit ratings agencies that provide credit ratings of the Company and its debt, including Fitch Ratings and S&P Global Ratings, took actions to downgrade such ratings. Changes with respect to the Company's corporate and debt credit ratings, like the downgrades that occurred earlier this year, could limit access to or make it more difficult or costly for the Company to obtain financing on terms favorable to it or at all.

The Company's liquidity depends on operating performance, the timing and collectability of receivables from advertisers, payments to media partners, debt service and other contractual cash requirements. The closing of the A/R Facility (as defined and described in Note 8, *Debt Obligations*) in September 2026 provides an additional source of liquidity, but borrowing availability is subject to a borrowing base which fluctuates and a minimum liquidity covenant. Refer to Note 8, *Debt Obligations*, for additional information. The Company continues to actively evaluate its capital structure and intends to engage with its stakeholders to explore transactions to strengthen its balance sheet and reduce its leverage and interest expense, however the success of these plans is not entirely within its control. Additionally, management has executed and continues to identify and implement further cost-savings initiatives and restructurings to proactively manage its liquidity and seek to optimize operations, and has engaged advisors for this purpose. Management has identified areas where it will implement cost savings and restructure its business, including workforce scale and efficiency initiatives. Based on management's current operating forecast and management's stated plans that are within its control, management believes that the Company's cash and cash equivalents, expected operating cash flows and available borrowing capacity under the Company's financing arrangements, will be sufficient to meet its obligations as they become due for at least the next 12 months.

However, due to the continued industry pressures and volatility in the business, management's assessment is inherently subjective, judgment-based and subject to various risks and uncertainties. Therefore, there can be no certainty that management's plans will be successful. Absent acting on the plans described above, the Company will require additional liquidity to continue its operations over the next 12 months.

Use of Estimates

The preparation of condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and related disclosures as of the date of the condensed consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Estimates and judgments are based on historical information and on various other assumptions that the Company believes are reasonable under the circumstances. Estimates and assumptions made in the accompanying condensed consolidated financial statements include, but are not limited to, the allowance for credit losses, sales allowance, software development costs eligible for capitalization, valuation of deferred tax assets, the useful lives of property and equipment, the useful lives and fair value of intangible assets, valuation of goodwill, the fair value of stock-based awards, benefit obligations, fair value of plan assets, and the recognition and measurement of income tax uncertainties and other contingencies. Actual results could differ materially from these estimates.

Revenue Recognition

The Company sells the placement of advertisements to media agencies and advertisers, which it collectively refers to as its customers. The Company's customers include brands, performance marketers and other advertisers, which are collectively referred to as its advertisers, each of which contract for use of its services primarily through insertion orders or through self-service tools, allowing advertisers to establish budgets for their advertising campaigns. The Company generates revenue either directly from its customers or indirectly via demand-side platforms (DSPs). Revenue generated directly from its customers can be either on a self-serve basis, where the customer logs into the buying interface and sets up and manages a campaign, or on a managed basis where Company's teams will log into the buying interface, set up and manage the campaign on behalf of the customers.

The Company recognizes revenue pursuant to the five-step framework contained in ASC Topic 606, Revenue from Contracts with Customers ("ASC 606"). Revenue is recognized at a point in time when the advertising is delivered or the outcome occurs, given the real-time nature of delivery and measurement, or over time when the customer simultaneously receives and consumes the benefits of a specific campaign. Revenue is earned across multiple monetization models using cost-per-click ("CPC"), cost-per-thousand impressions ("CPM"), cost-per-view ("CPV"), and cost-per-incremental action ("CPA"). Prices are typically denominated in unit rates (e.g., CPC, CPM, CPV, CPA) applied to measured delivery or outcomes. The Company estimates

variable consideration based on actual delivery volume or measured outcomes, as well as allowances, discounts, rebates (including agency rebates), credits, incentives, or other price concessions. Variable consideration is estimated and included in the transaction price only to the extent it is probable that a significant reversal of cumulative revenue will not occur.

For additional information regarding the Company's significant accounting policies and revenue recognition framework, refer to Note 1, *Organization, Description of Business and Summary of Significant Accounting Policies—Revenue*, to the 2025 Form 10-K.

Consideration payable to a customer. The Company's media partners are generally suppliers of inventory, not customers, in arrangements where the Company's customer is the advertiser. Accordingly, payments to media partners, including revenue shares, guaranteed minimum payments, and programmatic supply costs, are recorded in cost of revenue. The Company evaluates any arrangement in which a counterparty plays multiple roles to determine whether any portion of the payment represents consideration payable to a customer under ASC 606. When amounts qualify as consideration payable to a customer, such amounts are recorded as a reduction of revenue, unless the Company receives a distinct good or service at fair value, in which case the amounts are recorded in operating expenses instead of reducing revenue.

Practical expedients. When performance obligations are satisfied over time and for which there is no variable consideration, the Company recognizes revenue in the amount to which it has a right to invoice the customer. This reflects the fact that the Company's right to payment corresponds directly with the value of the Company's performance completed to date, consistent with the practical expedient in ASC 606.

Principal vs. agent (gross vs. net) presentation. The Company generally acts as the principal because it controls the specified advertising inventory or the right to the advertising service before it is transferred to the advertiser. Accordingly, the Company presents revenue on a gross basis, with amounts payable to media partners recorded as traffic acquisition costs within cost of revenue.

Contract balances. Contract liabilities primarily comprise advance payments from customers for future services and are recorded as deferred revenue in the Company's consolidated balance sheets. The Company does not have contract assets because revenue is typically recognized as services are performed and billing generally aligns with delivery.

Disaggregation of revenue: The Company disaggregates its revenue from contracts with customers by geographic region, as this best depicts how the nature, amount, timing, and uncertainty of revenue and cash flows are affected by economic factors, consistent with the information regularly reviewed by management to evaluate the business. Refer to Note 14, *Segment and Geographic Information*, for disaggregation of the Company's revenue based on the geographic location of its customers.

Cost of Revenue

Traffic Acquisition Costs. Traffic acquisition costs consist of amounts the Company owes to media partners for the purchase of or use of inventory. The Company incurs costs with its media partners, which may be publishers, third-party intermediaries or other parties such as original equipment manufacturers in the period in which certain actions, such as click-throughs, impressions or views, occur. Such costs due to media partners are based on the media partners' contractual revenue share, programmatic bidding or guaranteed minimums based on certain media partner conditions. In some circumstances, the Company incurs costs based on a guaranteed minimum payment, which may be based on either impressions, page views or a fixed amount if the partner reaches certain performance targets, in exchange for guaranteed placement on specified portions of the media partners' online properties. Traffic acquisition costs also include amounts payable to media partners whose supply is purchased programmatically.

In some instances, the Company may make upfront payments to media partners in connection with long-term contracts. The Company capitalizes these advance payments under these agreements if specific capitalization criteria have been met. The capitalization criteria includes the existence of future economic benefits to the Company, the existence of legally enforceable recoverability language (e.g., early termination clauses), management's ability and intent to enforce the recoverability language and the ability to generate future earnings from the agreement in excess of amounts deferred. Capitalized amounts are amortized as traffic acquisition costs over the shorter of the period of contractual recoverability or the corresponding period of economic benefit. Amounts not yet paid are accrued systematically based on the Company's estimate of user engagement.

Other Cost of Revenue. Other cost of revenue includes costs related to the management of data centers, hosting fees, data connectivity costs, and depreciation and amortization. It also includes the amortization of capitalized software developed or acquired for internal use in support of the Company's revenue-generating technologies, as well as costs associated with studies

and research that directly support these technologies. Additionally, other cost of revenue includes amortization of intangible assets related to developed technology acquired by the Company and used in its revenue-generating efforts.

Certain Risks and Concentrations

Financial instruments that potentially subject the Company to concentrations of credit risk consist of cash and cash equivalents, restricted cash, investments in marketable securities, and accounts receivable. The Company's cash and cash equivalents, restricted cash and investments in marketable securities are generally invested in high-credit quality financial instruments with both banks and financial institutions to reduce the amount of exposure to any single financial institution.

The Company generally does not require collateral to secure accounts receivable, with the exception of certain customers with higher potential credit risk who are required to prepay for their campaigns. No single marketer accounted for 10% or more of the Company's total revenue for the three and nine months ended September 30, 2026 and 2025, or 10% or more of its gross accounts receivable balance as of September 30, 2026 and December 31, 2025. During the three and nine months ended September 30, 2026 and 2025, none of the Company's media partners accounted for 10% of its total traffic acquisition costs.

Segment Information

The Company has one operating and reportable segment. The Company's chief operating decision maker is its Chief Executive Officer who makes resource allocation decisions and assesses performance based on financial information presented on a consolidated basis.

Defined Benefit Plans

The Company maintains defined benefit pension plans in certain international locations which were acquired as part of the Acquisition. Pension benefits are based on employee age, years of service, and compensation. As of September 30, 2026 and December 31, 2025, the net pension liability was $7.3 million and $7.0 million, respectively. Total net periodic benefit cost was $0.2 million and $0.6 million for the three and nine months ended September 30, 2026, respectively. For the comparable periods in 2025, the total net periodic benefit cost was $0.3 million and $0.7 million, respectively. Service cost is recorded within operating expenses, while all other cost components are recorded in other income, net. No cash contributions were required during the three and nine months ended September 30, 2026 and 2025. See Note 14, *Defined Benefit Plans*, to the 2025 Form 10-K for additional information.

New Accounting Pronouncements

The Company has evaluated all Accounting Standards Updates ("ASUs") issued by the Financial Accounting Standards Board ("FASB"). Standards not summarized below were assessed and determined to be either inapplicable or are not expected to have a material impact on the Company's consolidated financial position, results of operations, or cash flows.

Recently Issued Accounting Pronouncements

In September 2025, the FASB issued ASU 2025-06, "Intangibles – Goodwill and Other – Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software" ("ASU 2025-06"). ASU 2025-06 removes all references to software project development stages, and requires capitalization to begin when management has authorized and committed to funding the project, and it is probable that the project will be completed and the software will be used to perform the function intended. ASU 2025-06 is effective for our annual reporting periods beginning after December 15, 2027, and for interim periods within those annual reporting periods, with early adoption permitted. The Company is in the process of evaluating the impact of ASU 2025-06 on its consolidated financial statements and related disclosures.

In November 2024, the FASB issued ASU 2024-03, "Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures" ("ASU 2024-03"). ASU 2024-03 requires disclosures about certain costs and expenses, including but not limited to, purchases of inventory; employee compensation; depreciation; intangible asset amortization; and selling expenses. The ASU is required to be applied prospectively and is effective for annual reporting periods beginning after December 15, 2026, and for interim periods within fiscal years beginning after December 15, 2027. The Company is in the process of evaluating the impact of ASU 2024-03 on its consolidated financial statements and related disclosures.

See Note 1 to the Company's audited consolidated financial statements for the year ended December 31, 2025 in the 2025 Form 10-K for a complete disclosure of the Company's significant accounting policies.

2. Restructuring

2025 Restructuring Plans

On February 3, 2025, in connection with the completion of the Acquisition, the Company announced a restructuring plan (the "Plan"), as part of its efforts to streamline operations and reduce duplication of roles. The Plan involved a reduction in workforce of approximately 15%. The actions associated with the employee restructuring under the Plan were initiated in February 2025, were implemented in large part in the second quarter of 2025 and are substantially completed.

On December 3, 2025, the Company commenced a broader strategic restructuring plan (the "Strategic Plan") intended to reduce operating costs, improve operating margins and advance the Company's ongoing commitment to profitable growth. The Strategic Plan impacted approximately 10% of the Company's employees globally. As of September 30, 2026, the Company has recognized approximately $8.0 million in expenses related to severance and legal costs in connection with the Strategic Plan, and the actions associated with the Strategic Plan have been substantially completed, subject to certain remaining actions governed by local law and consultation requirements.

The Company recorded the following pre-tax charges within restructuring charges in its condensed consolidated statement of operations for the periods presented:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
	(In thousands)		(In thousands)	
Severance and related costs	$ 352	$ 607	$ 3,096	$ 8,879
Legal costs	(3)	50	194	731
Total restructuring charges [1] [2]	$ 349	$ 657	$ 3,290	$ 9,610

(1) Restructuring charges for the three and nine months ended September 30, 2026, includes $0.3 million and $2.4 million, respectively, related to sales and marketing and $0.1 million and $0.9 million, respectively, related to general and administrative expenses.

(2) Restructuring charges for the three and nine months ended September 30, 2025, includes $0.1 million and $0.9 million, respectively, related to research and development, $0.4 million and $6.3 million, respectively, related to sales and marketing, and $0.1 million and $2.4 million, respectively, related to general and administrative expenses.

The following table is a reconciliation of the beginning and ending balances for accrued severance and related liabilities recorded within accrued compensation and benefits and accrued and other current liabilities in the Company's condensed consolidated balance sheets for the nine months ended September 30, 2026:

	Severance and related costs	Legal costs	Total
Balance as of December 31, 2025	$ 3,361	$ 125	$ 3,486
Restructuring charges	3,096	194	3,290
Cash payments	(5,731)	(319)	(6,050)
Foreign currency translation	(177)	—	(177)
Balance as of September 30, 2026	$ 549	$ —	$ 549

3. Investments in Marketable Securities

The Company's cash equivalents and investments as of September 30, 2026 and December 31, 2025 consisted of the following:

		September 30, 2026					
(In thousands)	Fair Value Level	Amortized cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value	Cash Equivalents	Short-term investments
Money market funds	1	$ 2,016	$ —	$ —	$ 2,016	$ 2,016	$ —
Total cash equivalents and investments [1]		$ 2,016	$ —	$ —	$ 2,016	$ 2,016	$ —

(In thousands)	Fair Value Level	December 31, 2025 Amortized cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value	Cash Equivalents	Short-term investments
Money market funds	1	$ 18,602	$ —	$ —	$ 18,602	$ 18,602	$ —
Commercial paper	2	23,397	1	(1)	23,397	16,425	6,972
U.S. Corporate bonds	2	3,503	1	—	3,504	—	3,504
Total cash equivalents and investments [2]		$ 45,502	$ 2	$ (1)	$ 45,503	$ 35,027	$ 10,476

[1] As of September 30, 2026, all of the Company's securities with a fair value of $2.0 million mature within one year.

[2] As of December 31, 2025, the Company's investments have been in an immaterial gross unrealized loss position for less than 12 months. As such, no allowance for credit losses was recorded for these securities as of December 31, 2025.

Proceeds from the sales of securities were zero and $2.0 million for the three and nine months ended September 30, 2026, respectively, and $22.5 million for both the three and nine months ended September 30, 2025. Additionally, the Company received proceeds from the maturity of securities of $3.0 million and $21.7 million for the three and nine months ended September 30, 2026, respectively, and $9.3 million and $64.0 million for the three and nine months ended September 30, 2025, respectively. Gross realized gains were insignificant during all periods presented. Gross realized gains and losses are reclassified from other comprehensive loss into other (expense) income and interest income, net, in the Company's condensed consolidated statements of operations and are determined using the specific identification method.

4. Goodwill and Intangible Assets

The change in the carrying value of the Company's goodwill balance during the nine months ended September 30, 2026 was as follows:

(In thousands)	
Balance at January 1, 2026:	
Goodwill before impairment	$ 633,121
Accumulated impairment charge [1]	(352,130)
Goodwill, net	280,991
Goodwill impairment charge [2]	(272,432)
Foreign currency translation	(8,559)
Balance at September 30, 2026:	
Goodwill before impairment	624,562
Accumulated impairment charges [3]	(624,562)
Goodwill, net	$ —

[1] Accumulated impairment charges at January 1, 2026 consists of a $352.1 million impairment charge recorded during the fourth quarter of 2025 as a result of a sustained decrease in the Company's stock price and related decline in market capitalization.

[2] The Company recognized a non-cash goodwill impairment charge of $272.4 million during the third quarter of 2026 as discussed further below.

[3] Accumulated impairment charges at September 30, 2026 consists of a $352.1 million goodwill impairment charge recorded during the fourth quarter of 2025 and a $272.4 million goodwill impairment charge recorded during the third quarter of 2026.

Goodwill Impairment

During the third quarter of 2026, continued weakness primarily due to changing search and open-web traffic dynamics, including lower publisher traffic and available advertising impressions, led the Company to reduce projected revenue and profitability and extend the anticipated recovery period. These developments constituted a triggering event, prompting an interim impairment assessment as of September 30, 2026. The Company evaluated its long-lived assets for impairment under ASC 360, "Property, Plant and Equipment," prior to testing goodwill. A recoverability test, performed as of September 30, 2026, determined that estimated undiscounted future cash flows exceeded the asset group's carrying value. Consequently, the long-lived assets were deemed recoverable, and no impairment was recognized. The Company then performed an interim quantitative goodwill impairment assessment as of September 30, 2026 in accordance with ASC 350, "Intangibles - Goodwill and Other." The fair value of the Company's single reporting unit was estimated using a discounted cash flow model under the income approach. For this assessment, the reporting unit's carrying amount was determined on an invested-capital basis, differing from consolidated stockholders' equity of approximately $(46) million immediately prior to impairment. Because the carrying amount exceeded estimated fair value, the Company recognized a non-cash goodwill impairment charge of $272.4 million for the three and nine months ended September 30, 2026, fully impairing its remaining goodwill balance to zero. The non-cash impairment charge did not impact the Company's cash flows, liquidity, or compliance with debt covenants.

The gross carrying amount and accumulated amortization of the Company's intangible assets are as follows:

	September 30, 2026			
	Weighted Average Amortization Period	Gross Value	Accumulated Amortization	Net Carrying Value
		(In thousands)		
Developed technology	5.0 years	$ 88,882	$ (35,108)	$ 53,774
Customer relationships	10.4 years	258,074	(48,870)	209,204
Publisher relationships	8.0 years	62,991	(19,729)	43,262
Trade names	11.0 years	26,550	(5,314)	21,236
Other	15.8 years	921	(409)	512
Total intangible assets, net		$ 437,418	$ (109,430)	$ 327,988

	December 31, 2025			
	Weighted Average Amortization Period	Gross Value	Accumulated Amortization	Net Carrying Value
		(In thousands)		
Developed technology	5.0 years	$ 91,699	$ (23,585)	$ 68,114
Customer relationships	10.3 years	264,455	(29,975)	234,480
Publisher relationships	8.0 years	64,632	(15,075)	49,557
Trade names	11.0 years	27,480	(3,588)	23,892
Other	15.8 years	905	(370)	535
Total intangible assets, net		$ 449,171	$ (72,593)	$ 376,578

During the first quarter of 2025, in connection with the post-Acquisition integration of the Legacy Teads business, the Company made a decision to discontinue its video product offering associated with its prior acquisition of video intelligence AG. Accordingly, the Company fully wrote off the associated intangible assets, as detailed below:

	Nine Months Ended September 30, 2025
Developed technology	$ 5,950
Customer relationships	259
Publisher relationships	6,426
Trade names	2,373
Content provider relationships	100
Impairment charge	$ 15,108

As of September 30, 2026, estimated amortization related to the Company's identifiable intangible assets in future periods was as follows:

	Amount (In thousands)
Remainder of 2026	$ 13,025
2027	51,575
2028	51,471
2029	51,471
2030	36,823
Thereafter	123,623
Total	$ 327,988

5. Balance Sheet Components

Accounts Receivable and Allowance for Credit Losses

Accounts receivable, net of allowance for credit losses consists of the following:

	September 30, 2026	December 31, 2025
	(In thousands)	
Accounts receivable	$ 256,763	$ 358,728
Allowance for credit losses	(19,723)	(16,376)
Accounts receivable, net of allowance for credit losses	$ 237,040	$ 342,352

The allowance for credit losses consists of the following activity:

	Nine Months Ended September 30, 2026	Nine Months Ended September 30, 2025
Allowance for credit losses, beginning balance	$ 16,376	$ 5,922
Provision for credit losses, net of recoveries	10,244	10,271
Write-offs	(6,897)	(3,204)
Allowance for credit losses, ending balance	$ 19,723	$ 12,989

Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consists of the following:

	September 30, 2026	December 31, 2025
	(In thousands)	
Prepaid taxes	$ 13,450	$ 30,290
Prepaid traffic acquisition costs	5,330	6,794
Prepaid software licenses	3,212	5,211
Other prepaid expenses and other current assets	7,946	7,052
Total prepaid expenses and other current assets	$ 29,938	$ 49,347

Property, Equipment and Capitalized Software, Net

Property, equipment and capitalized software, net consists of the following:

	September 30, 2026	December 31, 2025
	(In thousands)	
Capitalized software development costs	$ 119,961	$ 104,877
Computer and equipment	70,358	69,670
Leasehold improvements	5,273	4,374
Software	3,634	3,560
Furniture and fixtures	1,841	1,643
Property, equipment, and capitalized software, gross	201,067	184,124
Less: accumulated depreciation and amortization	(146,057)	(133,126)
Total property, equipment and capitalized software, net	$ 55,010	$ 50,998

Accounts Payable

The Company's accounts payable includes $159.0 million and $217.3 million of traffic acquisition costs as of September 30, 2026 and December 31, 2025, respectively.

Accrued and Other Current Liabilities

Accrued and other current liabilities consists of the following:

	September 30, 2026	December 31, 2025
	(In thousands)	
Accrued agency commissions	$ 48,252	$ 69,446
Accrued tax liabilities	21,142	26,328
Operating lease obligations, current	9,961	9,108
Interest payable	7,988	23,663
Accrued professional fees	7,529	8,187
Other [1]	21,288	15,978
Total accrued and other current liabilities	$ 116,160	$ 152,710

(1) Other consists of individually immaterial accruals and other current liabilities.

6. Fair Value Measurements

The Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible. The Company determines the fair value of its financial instruments based on assumptions that market participants would use in pricing an asset or liability in the principal or most advantageous market. When considering market participant assumptions in fair value measurements, the Company uses the fair value hierarchy described below to distinguish between observable and unobservable inputs:

Level I — Valuations based on quoted prices in active markets for identical assets and liabilities at the measurement date;

Level II — Valuations based on quoted prices in active markets for similar assets or liabilities, quoted prices for identical or similar assets or liabilities in inactive markets, or other inputs that are observable or can be principally corroborated by observable market data for substantially the full term of the related assets or liabilities; and

Level III — Valuations based on unobservable inputs that are significant to the measurement of the fair value of the assets or liabilities that are supported by little or no market data.

The following tables set forth the fair value of the Company's financial assets and liabilities measured on a recurring basis by level within the fair value hierarchy:

	September 30, 2026			
	Level I	Level II	Level III	Total
	(In thousands)			
Financial Assets:				
Cash equivalents and investments [1]	$ 2,016	$ —	$ —	$ 2,016
Restricted time deposit [2]	—	3,784	—	3,784
Severance pay fund deposits [2]	—	3,386	—	3,386
Foreign currency forward contract [3]	—	86	—	86
Total financial assets	$ 2,016	$ 7,256	$ —	$ 9,272
Financial Liabilities:				
Foreign currency forward contract [4]	—	218	—	218
Total financial liabilities	$ —	$ 218	$ —	$ 218

	December 31, 2025			
	Level I	Level II	Level III	Total
	(In thousands)			
Financial Assets:				
Cash equivalents and investments [1]	$ 18,602	$ 26,901	$ —	$ 45,503
Restricted time deposit [2]	—	1,477	—	1,477
Severance pay fund deposits [2]	—	5,158	—	5,158
Foreign currency forward contract [3]	—	383	—	383
Total financial assets	$ 18,602	$ 33,919	$ —	$ 52,521
Financial Liabilities:				
Foreign currency forward contract [4]	—	15	—	15
Total financial liabilities	$ —	$ 15	$ —	$ 15

[1] Money market securities are valued using Level I of the fair value hierarchy, while the fair values of commercial paper and corporate bonds are considered Level II and are obtained from independent pricing services, which may use various methods, including quoted prices for identical or similar securities in active and inactive markets. See Note 3 for additional detail relating to the Company's fixed income securities by balance sheet location.

[2] Recorded within other assets.

[3] Recorded within prepaid expenses and other current assets.

[4] Recorded within accrued and other current liabilities.

The Company enters into foreign currency forward contracts to manage exposure to fluctuations in foreign exchange rates. Pursuant to the master netting agreement, the Company may offset the amounts payable in the same currency. However, the Company records the fair values of the assets and liabilities relating to its undesignated foreign currency forward contracts on a gross basis in its consolidated balance sheets and no amounts have been offset. The Company was not required to post cash collateral as of September 30, 2026.

By entering into foreign currency forward contracts, the Company is exposed to a potential credit risk that the counterparty to its contracts will fail to meet its contractual obligations. If a counterparty fails to perform, the Company's maximum credit risk exposure would be the positive fair value of the foreign currency forward contracts, or any asset balance, which represents the amount the counterparty owes to the Company. In order to mitigate the counterparty risk, the Company performs an evaluation of its counterparty credit worthiness, and its forward contracts have a term of no more than 18 months. During the three and nine months ended September 30, 2026, the Company recognized net losses of $0.6 million and $0.5 million, respectively, within other income (expense) and interest income, net in its condensed consolidated statement of operations, related to mark-to-market adjustments on its undesignated foreign currency forward contracts. The Company recorded corresponding net losses of $0.6 million and net gains of $0.5 million, respectively, for the three and nine months ended September 30, 2025.

The carrying value of borrowings under the 2025 Revolving Facility (as defined in Note 8 below) and Overdraft Facility (as defined in Note 8 below) approximates fair value due to the short-term nature of the borrowings. The carrying value of borrowings under the A/R Facility (as defined in Note 8 below) approximates fair value at September 30, 2026 as a result of the transaction closing on September 30, 2026, and the borrowings bear interest at variable rates that reset to market rates. The fair value of the Senior Secured Notes (as defined in Note 8 below) is estimated using Level II inputs, including external pricing data. The following table summarizes the carrying value and the estimated fair value of the Senior Secured Notes, based on Level II measurements of the fair value hierarchy:

	September 30, 2026	
	Principal Amount	Estimated Fair Value
	(In thousands)	
10% Senior Secured Notes	$ 628,226	$ 177,474

See Note 8 for additional information relating to the Senior Secured Notes.

Non-Financial Assets

Non-financial assets, such as goodwill, definite-lived intangibles assets, operating lease right-of-use assets and property and equipment, are adjusted to fair value (Level III) only when an impairment is recognized. During the three and nine months ended September 30, 2026, the Company recognized a non-cash goodwill impairment charge of $272.4 million representing a full impairment of the Company's remaining goodwill balance. During the nine months ended September 30, 2025, the Company recorded $15.5 million in impairment charges related to the discontinuation of a legacy video product offering which consisted of $15.1 million of intangible assets and $0.4 million of unamortized capitalized software development costs. In addition, the Company recorded a $0.1 million impairment charge related to a right-of-use asset during the first quarter of 2025.

7. Leases

The Company's lease portfolio consists of office facilities, managed data center facilities and vehicles for its U.S. and international locations, with terms expiring through 2034. The Company accounts for these as operating leases and applies the short-term lease measurement and recognition exemption to leases with terms of 12 months or less. For real estate leases, the Company has elected the practical expedient to not separate lease and nonlease components.

The following table summarizes assets and liabilities related to the Company's operating leases:

	Condensed Consolidated Balance Sheets Location	September 30, 2026	December 31, 2025
		(In thousands)	
Operating lease assets	Operating lease right-of-use assets, net	$ 28,504	$ 28,810
Current liabilities	Accrued and other current liabilities	$ 9,961	$ 9,108
Non-current liabilities	Operating lease liabilities, non-current	$ 20,263	$ 21,674

The following table presents the components of the Company's total lease expense:

	Condensed Consolidated Statements of Operations Location	Three Months Ended September 30,		Nine Months Ended September 30,	
		2026	2025	2026	2025
		(In thousands)			
Operating lease cost:					
Fixed lease costs	Cost of revenue and operating expenses	$ 3,079	$ 2,977	$ 9,622	$ 8,175
Variable lease costs	Operating expenses	281	618	1,007	1,098
Short-term lease costs	Operating expenses	3	282	700	1,102
Lease impairment cost	Impairment charges	—	—	—	99
Sublease income	Operating expenses	(453)	(197)	(1,402)	(361)
Total lease cost		$ 2,910	$ 3,680	$ 9,927	$ 10,113

As of September 30, 2026, the maturities of the Company's lease liabilities under operating leases were as follows:

Year	Operating Leases
	(In thousands)
Remainder of 2026	$ 3,306
2027	12,122
2028	9,418
2029	6,681
2030	2,857
Thereafter	1,424
Total minimum payments required	$ 35,808
Less: imputed interest	5,584
Total present value of lease liabilities	$ 30,224

The following table summarizes weighted-average lease terms and discount rates for the Company's operating leases:

	September 30, 2026	December 31, 2025
Weighted-average remaining lease term (in years)	3.35 years	3.53 years
Weighted-average discount rate	10.05%	9.85%

8. Debt Obligations

The following table presents the Company's debt obligations as of September 30, 2026 and December 31, 2025:

	September 30, 2026	December 31, 2025
	(In thousands)	
10.000% Senior Secured Notes		
Principal Amount	628,226	628,226
Debt discount	(8,814)	(10,364)
Unamortized debt issuance costs	(10,841)	(12,749)
Net Amount of 10.000% Senior Secured Notes	608,571	605,113
Accounts Receivable Financing Facility	$ 30,858	$ —
Total long-term debt	639,429	605,113
2025 Revolving Facility	15,000	—
Overdraft Facility	2,752	17,595
Total short-term debt	17,752	17,595
Total debt	$ 657,181	$ 622,708

Accounts Receivable Financing Facility

On September 30, 2026, FF Cayman AR Ltd and FF Malta AR Ltd. (together, the "Borrower SPVs"), each an indirect wholly owned special purpose subsidiary of the Company, and OT Midco Inc. ("OT Midco"), as master servicer, entered into a four-year $125.0 million non-recourse accounts receivable ("A/R") financing facility (the "A/R Facility") with FIS Capital Markets UK Limited, as reporting services provider, the lenders from time to time party thereto, and Sound Point Agency LLC, as administrative agent and collateral agent. The A/R Facility is scheduled to terminate on September 30, 2030, subject to earlier termination in certain circumstances, including in connection with the scheduled maturity of the Senior Secured Notes (as defined below). Under the A/R Facility, certain of the Company's subsidiaries sell or contribute their existing and future A/R, directly or through an intermediate subsidiary, to the Borrower SPVs. The Borrower SPVs are consolidated subsidiaries of the Company and use the A/R to collateralize loans obtained from the lenders.

Borrowings bear interest at three-month Term SOFR, three-month EURIBOR or daily SONIA, depending on the currency of the borrowing, plus 5.15% per annum, with Term SOFR and EURIBOR each subject to a 2.50% floor. The Borrower SPVs also pay an unused commitment fee of 0.50% per annum on undrawn commitments. As of September 30, 2026, the applicable contractual interest rate on outstanding borrowings under the A/R Facility, all of which were denominated in U.S. dollars, was 9.25%. The euro and sterling borrowings made on October 1, 2026 bear interest at 7.77% and 8.88%, respectively. In connection with the A/R Facility, the Company incurred $8.1 million of debt issuance costs, which were capitalized within Other assets on the Company's condensed consolidated balance sheets as of September 30, 2026. Borrowings began accruing interest, and capitalized debt issuance costs began amortizing into interest expense over the facility's term, effective October 1, 2026. Accordingly, no interest expense was recognized related to the A/R Facility during the three and nine months ended September 30, 2026.

The A/R Facility is accounted for as a collateralized financing activity, rather than a sale of assets, and therefore: (i) A/R pledged as collateral are presented as assets and borrowings are presented as liabilities on the Company's condensed consolidated balance sheets, (ii) the Company's condensed consolidated statements of operations reflect credit losses related to the pledged A/R, as well as interest expense associated with the collateralized borrowings, and (iii) receipts from customers related to the underlying A/R are reflected as operating cash flows, and borrowings and repayments under the A/R Facility are reflected as financing cash flows, within the Company's condensed consolidated statements of cash flows.

OT Midco services the pledged A/R, and the Company provides a performance guaranty, which does not cover the

collectability of the A/R.

The A/R Facility contains customary representations and warranties, affirmative and negative covenants and amortization events. The amortization events include tests based on the performance of the pledged A/R, including default, dilution and days' sales outstanding ratios, and a cross-default to non-payment or non-performance with respect to material indebtedness of the Company and its subsidiaries. The A/R Facility also requires the Company and its subsidiaries to maintain consolidated liquidity, as defined in the A/R Facility, of at least $50.0 million at all times. The occurrence of an amortization event would permit, among other things, the termination of the lenders' commitments and the acceleration of amounts outstanding under the A/R Facility. As of September 30, 2026, the Company was in compliance with all covenants under the A/R Facility.

The maximum availability under the A/R Facility is limited by eligible A/R balances. As of September 30, 2026, the maximum availability and the amount outstanding under the A/R Facility were approximately $60.0 million and $30.9 million, respectively. On October 1, 2026, the Borrower SPVs borrowed an additional €17.5 million and £3.0 million (approximately $23.7 million in aggregate) under the A/R Facility.

As of September 30, 2026, A/R with a carrying amount of $142.4 million were pledged as collateral and included within Accounts receivable, net on the Company's condensed consolidated balance sheets. In addition, restricted cash of $2.9 million held in designated collection and collateral accounts was included within Other assets on the condensed consolidated balance sheets.

10.000% Senior Secured Notes due 2030

In February 2025, the Company issued $637.5 million in aggregate principal amount of 10.000% senior secured notes due February 15, 2030 (the "Senior Secured Notes"). The Senior Secured Notes bear interest at 10.000% per annum, payable semi-annually on February 15 and August 15. In June 2025, the Company repurchased $9.3 million aggregate principal amount of the Senior Secured Notes for $8.0 million in cash, reducing the aggregate principal amount to $628.2 million.

During the three and nine months ended September 30, 2026, the Company recognized interest expense related to the Senior Secured Notes of approximately $16.9 million and $50.6 million, respectively, which included a combined amortization of debt discount and deferred financing costs of $1.2 million and $3.5 million, respectively. As of September 30, 2026, the Senior Secured Notes had a carrying value of $608.6 million, net of unamortized discount and deferred financing costs.

There have been no material changes to the terms of the Senior Secured Notes or related covenants since December 31, 2025. See Note 9, *Debt Obligations—10% Senior Secured Notes due 2030*, to the 2025 Form 10-K for additional information.

2025 Revolving Facility

The Company maintains a $100.0 million revolving credit facility (the "2025 Revolving Facility") pursuant to the credit agreement (the "Credit Agreement") dated February 3, 2025, among the Company, OT Midco Inc., the additional borrowers party thereto from time to time, Goldman Sachs Bank USA, as sole administrative agent and swingline lender, U.S. Bank Trust Company, National Association, as the collateral agent, and the lenders, issuing banks and arrangers party thereto from time to time. The 2025 Revolving Facility may be used for working capital and other general corporate purposes of the Company and its subsidiaries. As of September 30, 2026, $15.0 million of borrowings were outstanding under the 2025 Revolving Facility and the Company was in compliance with all applicable covenants. The 2025 Revolving Facility includes a springing financial covenant based on a maximum senior secured net leverage ratio. A failure to comply with this covenant when tested would constitute an event of default under the Credit Agreement, which could result in the acceleration of amounts outstanding under the 2025 Revolving Facility. As of September 30, 2026, the maximum borrowing capacity was limited to $40.0 million (representing 40% of the facility limit) to maintain compliance with this covenant, resulting in $25.0 million of available borrowing capacity, net of the $15.0 million in outstanding borrowings. Outstanding borrowings under the 2025 Revolving Facility are classified on the balance sheet as current due to the revolving nature of borrowings and terms and conditions of the facility. The $15.0 million outstanding under the 2025 Revolving Facility at September 30, 2026 was repaid on October 6, 2026. On October 22, 2026, the Company borrowed $40.0 million under the 2025 Revolving Facility. Following this borrowing, outstanding borrowings under the 2025 Revolving Facility equaled 40% of the revolving commitments, the level above which the springing financial covenant would be tested as of the end of a fiscal quarter.

Loans under the 2025 Revolving Facility bear interest, at the Company's option, at (x) a secured overnight financing rate, subject to a "zero" floor, plus an interest rate margin of 4.25% per annum or (y) an alternate base rate plus an interest rate margin of 3.25% per annum. In addition, the 2025 Revolving Facility accrues an unused commitment fee at a rate ranging from

0.375% to 0.50%, depending on the Company's senior secured net leverage ratio, as set forth in the Credit Agreement. During the three and nine months ended September 30, 2026, the Company recognized interest expense related to the 2025 Revolving Facility of approximately $0.4 million and $1.1 million, respectively, which included a combination of interest expense, unused commitment fees and the amortization of deferred financing costs.

There have been no material changes to the terms of the Credit Agreement since December 31, 2025. See Note 9, *Debt Obligations—Credit Facilities—Credit Agreement*, to the 2025 Form 10-K for additional information.

Overdraft Facility

The Company's French subsidiary, Teads France SAS ("Teads France"), previously maintained an overdraft credit facility with HSBC (the "Overdraft Facility"), which was used to fund the general working capital needs of Teads France. In May 2026, the Company commenced a repayment plan with HSBC to fully repay the Overdraft Facility. As of September 30, 2026, approximately $2.8 million (€2.4 million) in borrowings were outstanding under the Overdraft Facility, reflecting payments made during the second and third quarters of 2026. These outstanding borrowings are recorded within short-term debt in the Company's condensed consolidated balance sheets. Subsequent to quarter-end, the Company made the remaining payments under the repayment plan and, in November 2026, repaid in full the borrowings outstanding under the Overdraft Facility. See Note 9, *Debt Obligations—Short-Term Debt*, to the 2025 Form 10-K for additional information.

Maturities Table:

As of September 30, 2026, the combined aggregate amount of maturities for debt obligations for the remainder of 2026 and each of the next four years is as follows:

		Amount (In thousands)
Remaining 2026 [(1)]	$	17,752
2027	$	—
2028	$	—
2029	$	—
2030 [(1)]	$	659,084

(1) Remaining 2026 includes $15.0 million of outstanding borrowings under the 2025 Revolving Facility as of September 30, 2026, which were repaid on October 6, 2026. Subsequent to September 30, 2026, the Company borrowed $40.0 million under the 2025 Revolving Facility and approximately $23.7 million under the A/R Facility.

Interest Expense and Prior Period Activity

The Company recognized total interest expense of $17.4 million and $52.2 million for the three and nine months ended September 30, 2026, respectively, primarily related to the Senior Secured Notes. For the comparable periods in 2025, the total interest expense was $17.1 million and $57.7 million, respectively. Interest expense for the nine months ended September 30, 2025 includes $13.3 million related to the $625 million senior secured bridge term loan credit facility (the "Bridge Facility"), which was used to finance the Acquisition and subsequently repaid in full in February 2025. Additionally, in connection with the entry into the Credit Agreement in February 2025, the Company terminated its 2021 credit facility and recognized the remaining $0.2 million of unamortized deferred financing costs within interest expense.

9. Income Taxes

Due to the ongoing post-Acquisition integration efforts and inability to reliably estimate the annual effective tax rate, for the three and nine months ended September 30, 2026, and the three and nine months ended September 30, 2025, the Company's interim provision for or benefit from income taxes is computed using the actual year-to-date results rather than an estimated annual effective tax rate.

The Company's effective tax rates for the three and nine months ended September 30, 2026 were zero and (1.6)%, respectively. The Company's effective tax rates for the three and nine months ended September 30, 2026 were lower than the U.S. federal statutory tax rate of 21%, primarily due to impairment of goodwill and pre-tax loss, including U.S. and various non-U.S. losses being subject to valuation allowance, during the three and nine months ended September 30, 2026.

The Company's effective tax rates for the three and nine months ended September 30, 2025 were 19.2% and 21.0%, respectively. The Company's effective tax rates for the three months ended September 30, 2025 was lower than the U.S. federal statutory tax rate of 21%, primarily due to increased concentration of profitability in lower-tax jurisdictions, partially offset by an increase in uncertain tax positions, coupled with the pre-tax loss during the three months ended September 30, 2025.

10. Commitments and Contingencies

Legal Proceedings and Other Matters

From time to time, the Company is involved in, or may become subject to, legal proceedings, claims and government investigations arising in the ordinary course of business, including disputes related to intellectual property, commercial agreements, privacy matters and employment issues. The Company describes below certain legal proceedings to which it is a party.

Verve Group Arbitration

As previously disclosed in the Company's 2025 Form 10-K and Forms 10-Q for the quarters ended March 31, 2026 and June 30, 2026, the Company is involved in a dispute with Verve Group Europe GmbH ("Verve Group") and its affiliate Smaato, Inc. ("Smaato" and together with Verve Group, "Verve"). The dispute relates to withholdings the Company applied to Verve's accounts following the identification of significant volumes of invalid traffic and non-compliant activity originating from Verve's inventory, and the amounts at issue total approximately $8.1 million in connection with certain disputed invoices. The matter is now proceeding in arbitration before JAMS. The Company believes Verve's claims are without merit, as it is the Company's position that its withholdings were based on documented traffic quality issues, and the Company intends to defend the matter vigorously.

Based on the information currently available to the Company regarding this matter, the Company has not recorded an accrual as a loss is not considered probable or reasonably estimable. The Company will continue to monitor and evaluate the status of this matter each quarter to determine the need for additional disclosure pursuant to ASC 450.

Google Litigation

On August 3, 2026, the Company filed a lawsuit against Google LLC and Alphabet Inc. (together, "Google") in the United States District Court for the Southern District of New York. The complaint alleges that Google has engaged in anticompetitive conduct in the ad exchange and publisher ad server markets in violation of the federal antitrust laws, including actions that restrict publishers' ability to use competing services and favor Google's own advertising exchange, and asserts related claims under New York statutory and common law. The Company is seeking monetary damages, injunctive and declaratory relief, and costs of suit and expenses. The Company intends to pursue its claims vigorously, but cannot predict the outcome of this matter at this early stage.

Other Matters

In addition to the matters described above, the Company is subject to various other legal proceedings and claims, either asserted or unasserted, which arise in the ordinary course of business. The Company does not believe that the final outcome of any of these matters, individually or in the aggregate, will have a material adverse effect on its business, operating results, cash flows or financial condition.

In connection with the Acquisition, the Company identified and recorded a $20.7 million provision related to certain income tax items under ASC 740, "Income Taxes," and an $8.7 million provision related to certain non-income tax items accounted for under ASC 450, "Contingencies," within contingent tax liabilities in its condensed consolidated balance sheet as of September 30, 2026. The Company has also recorded an indemnification asset in the full amount of the provision of $29.4 million, as the Company is indemnified against certain tax liabilities under the Share Purchase Agreement, dated August 1, 2024, with Altice Teads S.A. ("Altice Teads"), as amended on February 3, 2025. Altice Teads' indemnification obligation may be increased if other indemnified risks materialize and will remain in place until all covered matters are resolved.

Any determination or estimate relating to the future resolution of the Company's legal proceedings is inherently uncertain and involves significant judgment. This is especially true in the early stages of a legal matter when legal issues and facts have not been thoroughly analyzed, in situations where the claimants seek very large or indeterminate damages, where cases present novel legal theories or involve a large number of parties, or where claims or other actions may be possible but have not been brought. As a result of this uncertainty, the Company may not be able to determine whether a favorable or unfavorable outcome is remote, reasonably possible, or probable, or to estimate the amount or range of loss until relatively late in the course of a

legal matter. Further, any judgment or estimate relating to claims may change over time in light of developments, and actual outcomes may differ materially from the Company's estimates.

11. Stockholders' Equity

Equity Acquisition Consideration

On February 3, 2025, as part of the equity portion of the Acquisition consideration, the Company issued 30,320,161 shares of new Common Stock and reissued all 13,429,839 shares of its Treasury Stock at $6.01 per share. A $6.3 million gain on issuance of Treasury Stock, representing the excess of the fair value at the time of issuance of $80.7 million over the original cost of $74.4 million, was recorded to additional paid-in capital. In addition, the Company incurred direct stock issuance costs of approximately $1.6 million, which have been recorded as a reduction to additional paid-in capital.

Share Repurchases

In December 2022, the Company's Board of Directors ("Board") authorized a $30 million share repurchase program. The Company did not repurchase any shares of Common Stock during the three and nine months ended September 30, 2026, and 2025. As of September 30, 2026, $6.6 million remained available for repurchase under the program. Commission costs associated with share repurchases and any excise taxes accrued as a result of the Inflation Reduction Act of 2022 do not reduce the remaining authorized amount under the repurchase programs.

In addition, the Company may periodically withhold shares to satisfy employee tax withholding obligations arising in connection with the vesting of restricted stock units and exercise of options and warrants in accordance with the terms of the Company's equity incentive plans and the underlying award agreements.

During the three and nine months ended September 30, 2026, the Company withheld 12,356 and 120,826 shares, respectively, with fair values of less than $0.1 million and $0.1 million, respectively, to satisfy employee tax withholding obligations. During the three and nine months ended September 30, 2025, the Company withheld 52,063 and 195,171 shares, respectively, with fair values of $0.1 million and $0.6 million, respectively.

Accumulated Other Comprehensive Income (Loss)

The following table details the changes in accumulated other comprehensive income (loss), net of tax:

	Foreign Currency Translation Loss	Unrealized Loss on Investments in Marketable Securities[1]	Total Accumulated Other Comprehensive Income (Loss)
		(In thousands)	
Balance–December 31, 2025	$ 96,659	$ —	$ 96,659
Other comprehensive loss, net of tax:			
Other comprehensive loss before reclassifications	(13,259)	(1)	(13,260)
Realized gains from sales of investments in marketable securities reclassified to earnings	—	—	—
Other comprehensive loss, net of tax	(13,259)	(1)	(13,260)
Balance–September 30, 2026	$ 83,400	$ (1)	$ 83,399

[1] The tax effects related to realized and unrealized gains on investments in marketable securities was immaterial for the three and nine months ended September 30, 2026.

12. Stock-Based Compensation

Equity Incentive Plans

In July 2021, the Board and the Company's stockholders approved the 2021 Long-Term Incentive Plan (the "2021 Plan"), under which stock options, restricted stock units ("RSUs") and performance stock units ("PSUs") may be granted. Awards previously issued under the 2007 Omnibus Securities and Incentive Plan, as amended and restated (the "2007 Plan"), remain subject to that plan.

As of September 30, 2026, 2,923,788 and 985,310 shares were available for grant under the 2021 Plan and the 2007 Plan, respectively. The Company generally issues new shares upon settlement of equity awards.

The Company recognizes stock-based compensation based on grant date fair value and accounts for forfeitures as they occur.

The following table summarizes stock-based compensation expense recognized in the Company's condensed consolidated statements of operations for the periods presented:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
	(In thousands)			
Research and development	$ 366	$ 611	$ 1,141	$ 1,870
Sales and marketing	591	1,756	2,316	4,313
General and administrative	787	1,274	2,718	4,189
Total stock-based compensation	$ 1,744	$ 3,641	$ 6,175	$ 10,372

As of September 30, 2026, unrecognized compensation expense was approximately $13.3 million for RSUs and $0.8 million for PSUs, which is expected to be recognized over a weighed average period of 2.78 years and 1.48 years, respectively.

The following table summarizes stock option, RSU and PSU activity for the nine months ended September 30, 2026:

	Stock Options	Service-Based RSUs	PSUs
Outstanding—December 31, 2025	1,326,262	7,420,833	2,911,575
Granted	—	6,048,400	853,000
Exercised/Vested	—	(2,680,362)	(213,069)
Forfeited/Expired	(386,096)	(2,432,954)	(1,679,828)
Outstanding—September 30, 2026	940,166	8,355,917	1,871,678

Restricted Stock Units

RSUs are granted to eligible employees and non-employee directors with fair value based on the Company's stock price on the grant date. Compensation expense is recognized on a straight-line basis over the service period. During the nine months ended September 30, 2026, the Company granted 6,048,400 RSUs with a weighted average grant date fair value of $0.91 per share.

Performance Stock Units

PSUs are granted to senior executives and other key employees and include both performance-based and market-based awards.

Performance-Based PSUs

The fair value of performance-based PSUs is based on the Company's stock price on the grant date. These awards vest based on continued service and achievement of specified financial metric-based performance targets over the performance period (typically three years). Compensation expense is recognized ratably over the performance period based on the probability of achieving the performance conditions. The number of shares that may be earned is subject to a maximum of 150% of the target award. During the nine months ended September 30, 2026, the Company granted 564,000 performance-based PSUs with a weighted average grant date fair value of $0.96 per share.

Market-Based PSUs

The Company also grants market-based PSUs to senior executives and other key employees with vesting based on total shareholder return ("TSR") performance and continued service. These awards include: Absolute TSR awards, which vest based on achievement of specified stock price targets, with payout levels ranging from 0% to 100% of target, and Relative TSR awards, which vest based on the Company's TSR performance relative to a designated peer group, with payout levels ranging from 0% to 150% of target. During the nine months ended September 30, 2026, the Company granted 289,000 market-based PSUs with a weighted average grant date fair value of $1.09 per share.

The fair value of market-based PSUs is determined on the grant date using a Monte Carlo simulation. Compensation expense is recognized using an accelerated attribution method over the applicable service period and is not reversed if the market condition

is not achieved. The following assumptions were used to estimate the fair value of the Company's market-based PSUs granted during the nine months ended September 30, 2026:

Expected volatility	82.54 %
Risk-free rate	3.92 %
Expected dividend yield	—

Stock-Based Awards Granted Outside of Equity Incentive Plans

Warrants

During the three months ended September 30, 2026, the remaining 48,529 outstanding warrants expired unexercised. As of September 30, 2026, the Company had no warrants outstanding.

Employee Stock Purchase Plan

As of September 30, 2026, approximately 4,310,250 shares were reserved under the Company's 2021 Employee Stock Purchase Plan (the "ESPP"), which is subject to annual automatic evergreen increases. The plan is not yet active and no shares have been issued thereunder.

See Note 13 to the 2025 Form 10-K for additional information relating to the Company's share-based compensation awards.

13. Net Income (Loss) per Common Share

The following table presents the computation of the Company's basic and diluted net income (loss) per share:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
	(Dollars in thousands)			
Numerator:				
Net loss attributed to common stockholders - basic and diluted	$ (325,468)	$ (19,690)	$ (406,733)	$ (88,846)
Denominator:				
Weighted-average shares - basic and diluted	98,259,847	95,113,669	97,286,984	89,249,913
Net loss per share:				
Basic	$ (3.31)	$ (0.21)	$ (4.18)	$ (1.00)
Diluted	$ (3.31)	$ (0.21)	$ (4.18)	$ (1.00)

The Company's PSUs are only included in diluted net income (loss) per share to the extent the underlying performance conditions have been satisfied at the end of the reporting period, or would be considered satisfied if the end of the reporting period was the end of the related performance period and the result would be dilutive.

The following weighted-average shares have been excluded from the calculation of diluted net income (loss) per share attributable to holders of Common Stock for each period presented because they are anti-dilutive:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Options to purchase Common Stock	958,603	1,483,074	1,079,435	1,580,893
Warrants	—	48,529	—	48,529
Restricted stock units	9,261,038	8,803,475	8,245,028	5,813,564
Performance stock units	782,188	1,840,068	788,818	1,219,680
Total shares excluded from diluted net loss per share	11,001,829	12,175,146	10,113,281	8,662,666

14. Segment and Geographic Information

The Company has one operating and reportable segment as the Company's Chief Operating Decision Maker ("CODM") reviews its performance and allocates resources based on its overall business operations with no distinct geographic or product lines that meet the criteria for separate segment reporting. The Company's CODM is its Chief Executive Officer, David Kostman. The accounting policies applied to the segment are the same as those described in the summary of significant accounting policies.

The Company generates its revenue by operating a two-sided technology platform that drives business results by connecting media owners and advertisers with engaged audiences to drive business outcomes. The Company's platform enables thousands of digital media owners to provide tailored experiences to their audiences, delivering audience engagement and monetization. For advertisers, the Company's platform optimizes audience attention and engagement to deliver greater return on investment at each step of the marketing funnel. This segment constitutes 100% of the Company's consolidated revenue and profit and is the primary focus of the Company's management's decision making regarding product development, marketing strategies and capital allocation.

The table below summarizes the results of operations that are provided to the CODM. As the Company has one reportable segment, net income (loss) is used as the measure of profit or loss to assess segment performance and allocate resources. The Company's asset information is not regularly provided to the Company's CODM.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
	(In thousands)			
Revenue from external customers	$ 235,073	$ 318,772	$ 785,645	$ 948,225
Less:				
Traffic acquisition costs	148,039	188,230	467,348	570,392
Personnel-related costs [1]	55,027	63,215	180,480	189,147
Acquisition and integration costs	1,266	3,656	4,115	25,508
Depreciation and amortization	17,841	17,497	52,822	48,707
Marketing and advertising expenses	8,592	7,524	25,641	22,746
Restructuring charges	349	657	3,290	9,610
Impairment of intangible assets	—	—	—	15,614
Impairment of goodwill	272,432	—	272,432	—
Other cost of sales [1]	18,970	17,711	56,935	49,356
Other segment expenses [1] [2]	20,717	26,562	68,197	70,120
Gain on repurchase of long-term debt	—	—	—	(1,225)
Interest expense	17,407	17,084	52,233	57,732
Other (income) expense and interest income, net	(27)	994	2,645	2,984
(Benefit) provision for income taxes	(72)	(4,668)	6,240	(23,620)
Segment and consolidated net loss	$ (325,468)	$ (19,690)	$ (406,733)	$ (88,846)

[1] Certain prior period amounts within the segment footnote have been reclassified to conform to the current period presentation. These reclassifications had no impact on previously reported consolidated financial results or total segment profit.

[2] Other segment expenses primarily consist of office and related expenses, other professional fees, non-income taxes, provision for credit losses, and other expenses.

The following table presents total revenue based on where the Company's advertisers are physically located:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
	(In thousands)			
The Americas [1]	$ 68,101	$ 103,839	$ 220,501	$ 298,223
EMEA (Europe, the Middle East and Africa)	139,533	182,048	477,442	549,981
Asia	27,439	32,885	87,702	100,021
Total revenue	$ 235,073	$ 318,772	$ 785,645	$ 948,225

[1] Includes U.S. revenues of $61.0 million and $197.0 million for the three and nine months ended September 30, 2026, respectively, and $92.2 million and $261.5 million for the three and nine months ended September 30, 2025, respectively.

The Company's long-lived assets by geographic location, which are comprised of property, equipment and capitalized software, net and operating lease right-of-use assets, net are summarized below:

	September 30, 2026	December 31, 2025
	(In thousands)	
The Americas	$ 45,459	$ 47,637
EMEA (Europe, the Middle East and Africa)	35,090	29,503
Asia	2,965	2,668
Total long-lived assets, net	$ 83,514	$ 79,808

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following discussion and analysis of our financial condition and results of operations together with our condensed consolidated financial statements and the related notes and other financial information included elsewhere in this Quarterly Report on Form 10-Q (this "Report") and in our Annual Report on Form 10-K for the year ended December 31, 2025, filed with the Securities and Exchange Commission ("SEC") on March 16, 2026 ("2025 Form 10-K"). In addition to historical financial information, the following discussion contains forward-looking statements that reflect our plans, estimates, beliefs, and expectations, and involve risks and uncertainties that could cause actual results, events, or circumstances to differ materially from those projected in the forward-looking statements. Factors that could cause or contribute to these differences include those set forth in Part I, Item 1A of our 2025 Form 10-K, which is incorporated by reference in this Report, and Part II, Item 1A of this Report, as such factors may be revised or supplemented in subsequent filings with the SEC, as well as those discussed below and elsewhere in this Report, including under the caption "Note About Forward-Looking Statements."

The purpose of this Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is to provide information that management believes is necessary to understand our business, financial condition, and results of operations. The MD&A should be read in conjunction with our condensed consolidated financial statements and notes thereto. In addition to the condensed consolidated financial statements prepared in accordance with generally accepted accounting principles in the United States ("GAAP"), we use certain non-GAAP financial measures throughout this discussion to provide investors with supplemental metrics used by our management for financial and operational decision making. These measures are supplemental and are not an alternative to our financial statements prepared in accordance with GAAP. See "Non-GAAP Reconciliations" in this Report for the definitions and limitations of these measures, and reconciliations to the most directly comparable GAAP financial measures.

Business Overview

Teads Holding Co. (together with its consolidated subsidiaries, "Teads," the "Company," "we," "our," or "us") is a leading omnichannel advertising platform focused on driving outcomes for brand and performance advertisers across the digital ecosystem. We connect global advertisers with an expansive network of media owners across the open web, connected TV ("CTV"), and in-app environments. The Company is headquartered in New York, New York, with additional operations throughout North America, Europe, the Middle East, and Asia.

We operate a two-sided marketplace that provides a scaled, end-to-end advertising solution by maintaining direct relationships with global advertisers, including Fortune 500 brands and agency holding companies, as well as media owners spanning premium publishers to CTV, application developers, and other existing and emerging content platforms. We generate revenue primarily from advertisers purchasing media owner inventory through our platform.

As a result of Outbrain Inc.'s acquisition (the "Acquisition") of TEADS, a private limited liability company (*société à responsabilité limitée*) incorporated and existing under the laws of the Grand Duchy of Luxembourg ("Legacy Teads"), which closed on February 3, 2025, the accompanying condensed consolidated financial statements include the results of Legacy Teads' operations from February 3, 2025. Our current results therefore reflect the fully consolidated operations of the combined company, and each of the three-month periods ended September 30, 2026 and 2025 reflects a full three months of consolidated operations following the Acquisition. However, the financial information presented for the nine months ended September 30, 2026 is not directly comparable to the financial information presented for the corresponding prior year period, which reflects the operations of Legacy Teads only from the Acquisition date. This overview highlights material developments in our business and should be read in conjunction with the more comprehensive business and industry discussion included in the 2025 Form 10-K.

Our platform is designed to enable advertisers to reach their audiences across the digital advertising ecosystem and drive desired outcomes from those audiences at each step of the marketing funnel. We continue to focus on providing efficient, high-impact supply chains for advertisers and sustainable advertising revenue for media owners as the digital advertising ecosystem evolves.

Recent Developments

A/R Facility

On September 30, 2026, certain of our subsidiaries entered into a four-year $125.0 million non-recourse accounts receivable financing facility (the "A/R Facility"), scheduled to terminate on September 30, 2030, subject to earlier termination in certain circumstances. As of September 30, 2026, $30.9 million of borrowings were outstanding under the A/R Facility. For additional information, see "—Liquidity and Capital Resources" below and Note 8, *Debt Obligations*, to the accompanying condensed consolidated financial statements.

Goodwill Impairment

During the third quarter of 2026, continued weakness primarily due to changing search and open-web traffic dynamics, including lower publisher traffic and available advertising impressions, led us to reduce projected revenue and profitability and extend the anticipated recovery period. These developments constituted a triggering event, prompting an interim goodwill impairment assessment as of September 30, 2026. As a result, we recorded a non-cash goodwill impairment charge of $272.4 million during the three and nine months ended September 30, 2026, representing a full impairment of our remaining goodwill balance. Following the recording of this charge, the carrying value of our goodwill is zero. This non-cash impairment charge does not affect our cash flows, liquidity, or compliance with debt covenants, nor does it impact our ongoing operations. For additional information, see Note 4, *Goodwill and Intangible Assets*, to the accompanying condensed consolidated financial statements.

Recent Trends, Risks and Uncertainties

Together with the risk factors identified in our 2025 Form 10-K, we have identified the following developments that may impact our future financial performance or condition:

Trends in Our Business — Enterprise and Direct Response & Small Medium Enterprise ("SME")

We are a leading omnichannel advertising platform focused on driving outcomes for brand and performance advertisers across the digital ecosystem.

For the three months ended September 30, 2026, consolidated gross profit was $60.9 million and consolidated Ex-TAC Gross Profit was $93.5 million, compared to $105.7 million and $130.5 million, respectively, for the three months ended September 30, 2025. Our recent results reflect declines in both of our businesses, Enterprise and Direct Response & SME, primarily as a result of lower traffic to our media partners on the Open Internet, which reduces the advertising inventory available for us to monetize, with a more pronounced decline in Direct Response & SME. See "—Generative AI and Publisher Traffic Trends" below.

Our Enterprise business, focused largely on branding dollars, consists of global brand and agency partnerships utilizing our omnichannel supply inclusive of CTV and is our strategic priority. Enterprise delivered approximately $75 million in Ex-TAC Gross Profit in the three months ended September 30, 2026, compared to approximately $87 million in the three months ended September 30, 2025. The decrease primarily reflected lower traffic to our media partners on the Open Internet, partially offset by growth in CTV in certain geographies, as well as softer brand advertising demand amid the macroeconomic conditions described under "—Macroeconomic Environment" below and competitive pressures.

Our Direct Response & SME business, focused on performance dollars, includes affiliates, search and performance buyers. Direct Response & SME delivered approximately $20 million in Ex-TAC Gross Profit in the three months ended September 30, 2026, compared to approximately $38 million in the three months ended September 30, 2025. The decrease primarily reflected lower traffic to our media partners on the Open Internet, as well as changes in our supply portfolio and the buying patterns of certain large buyers.

Generative AI and Publisher Traffic Trends

The digital advertising ecosystem continues to be impacted by structural shifts and evolving user behaviors, evidenced most prominently by declining traffic trends on the traditional publisher side of the Open Internet. These developments are significantly influenced by the integration of generative artificial intelligence ("AI") into major search engines and web browsers, which provides direct answers and summaries that are increasingly causing users to bypass the publisher pages. Additionally, other changes in policies and practices by third parties we do not control, most recently by Google, have challenged Open Internet publishers' ability to drive pageviews and monetize effectively, which has in turn impacted our monetization.

We have observed these combined factors contribute to an ongoing decline in page view volume for our publisher partners, thereby reducing the advertising inventory available for monetization on our platform. This decline disproportionately impacts our Direct Response & SME advertisers, which are most closely tied to open-web performance, and specifically our publisher feed inventory. The decline in page views has resulted in reductions in the buying patterns of Direct Response & SME advertisers. For our premium publisher partners, we estimate that page views declined by approximately 18% and approximately 17% for the three and nine months ended September 30, 2026, respectively, compared to the corresponding prior year periods.

While this broader evolution presents challenges to traditional publisher traffic patterns, it also creates opportunities for platform innovation and engagement. Our strategy is intended to address these shifts in several respects. We launched Teads EngageOS, an AI-powered operating system for publishers that unifies editorial content and ad inventory, with the objective of

optimizing total publisher revenue across a reader session — designed to protect audience engagement while delivering higher yield. In addition, we are opening additional programmatic buying channels at higher margins, including AI-native supply channels in emerging environments such as large language model interfaces, and launched a vertical video format that enables advertisers to use creative assets developed for other platforms. See "—Expansion Into New Environments, New Experiences and New Ad Formats" below.

Macroeconomic Environment

General worldwide economic conditions continue to experience instability, as well as volatility and disruption in the financial markets. These conditions result from factors including geopolitical tensions, including the effects of the Israel-Hamas conflict and the uncertainty regarding the sustainability of the related cease-fire and the conflict involving the U.S., Iran, Israel and surrounding nations, as well as other geopolitical tensions and uncertainties, global supply chain disruptions, labor market volatility, tariffs and trade wars, general economic uncertainty, inflation, fluctuations in U.S. and global interest rates, and currency exchange rate fluctuations. The global economy is also experiencing heightened uncertainty due to market reactions to changes in international trade and tariff policies, recessionary concerns, corporate bankruptcies, and the impact of actual or potential U.S. government shutdowns, which have the potential to further exacerbate inflationary pressures.

These conditions have negatively impacted our advertisers and, as a result, our business has been impacted and could be adversely impacted in the future if these conditions continue or worsen, including if our advertisers were to reduce or further reduce their advertising spending. We continue to monitor our operations, and the operations of those in our ecosystem (including media partners, advertisers, and agencies), but these conditions make it difficult to accurately forecast and plan future business activities. Such volatility could cause a further reduction or delay in overall advertising demand and spending, or further affect our advertisers' ability to pay, each of which has negatively impacted, and may continue to negatively impact, our business, financial condition, and results of operations.

For additional information regarding the potential impact of macroeconomic factors on our business, see Item 1A, "Risk Factors" in our 2025 Form 10-K.

Conditions in Israel

Many of our employees, including certain members of our management team and board of directors ("Board"), operate from our offices in Israel. Accordingly, political, economic and military conditions in Israel and the surrounding region directly affect our business and operations. Following the October 7, 2023 attacks by Hamas terrorists on Israel's southern border, Israel declared war against Hamas and since then, Israel has been involved in military conflicts with Hamas, Hezbollah (a terrorist organization based in Lebanon), Syria and Iran, both directly and through proxies. Although a ceasefire between Israel and Hamas took effect on October 10, 2025, there is no assurance that this agreement will continue to be upheld. On February 28, 2026, the U.S. and Israel initiated air strikes against Iranian military targets and leadership. Since then, retaliation by Iran against U.S. and Israeli interests in the Middle East has been widespread. As of the date of the filing of this Report, significant volatility and uncertainty persist throughout the Middle East region, with the potential for continued escalation into a broader and more sustained regional conflict.

The draft of Israeli military reservists, as well as the evacuation of Israeli citizens from areas near conflict zones have adversely affected, and continue to adversely affect, our employees impacted by such actions. In addition, government-imposed restrictions and precautions in response to such conflicts may negatively impact our employees, management and directors by interrupting their ability to effectively perform their roles and responsibilities. In addition, further hostilities involving Israel could lead to damage to facilities and infrastructure, increased cyber attacks, the interruption or curtailment of trade between Israel and its trading partners, and/or the willingness to do business with companies with operations in Israel. Furthermore, macroeconomic indications of the deterioration of Israel's economic standing as reflected in the downgrading of Israel's credit rating by rating agencies (such as Moody's and S&P Global) could adversely affect our business, financial condition and results of operations and could make it more difficult for us to raise capital.

The intensity and duration of these conflicts are difficult to predict and we are continuing to monitor these events and assessing their current and potential impacts on our business. We cannot attribute the impact of the current trends in advertising demand to any particular factor, including conditions in Israel, and cannot predict the impact if these conflicts continue or escalate further. See Item 1A, "Risk Factors" included in our 2025 Form 10-K for more information regarding certain risks associated with the conditions in Israel.

Factors Affecting Our Business

Advertiser Retention and Growth

Our growth is partially driven by retaining and expanding the amount of spend by advertisers on our platform and by acquiring new advertisers. Our total addressable market includes top, middle, and bottom of the marketing funnel, which allows us to attract diverse, premium demand. We view our full-funnel offering of both branding and performance capabilities as an opportunity to increase advertiser and agency spend on our platform. We invest in our relationships with agencies, both on a local and global basis, aligning on mutually beneficial service level agreements, and building products that help to solve their goals and streamline their operations. In addition, our joint business partnerships ("JBPs") with large enterprise brands represent a significant overall portion of our revenue and are strategic for driving advertiser retention and growth.

We continually invest in enhancements to our platform that allow advertisers to drive concrete business outcomes and return on advertiser spend ("ROAS"). In particular, we are expanding our use of AI to automate manual tasks in campaign setup and optimization, while enhancing advertiser creative and overall performance. We also support advertisers with developing creative ads across formats, as a value added service to our advertisers.

Advertiser budgets and pricing on our platform fluctuate from period to period for a variety of reasons, including advertiser-specific cycles and preferences, competition, quality of performance and ROAS, supply and demand balance, macroeconomic conditions, and seasonality. In order to grow our revenue and Ex-TAC Gross Profit and maximize value for our advertisers and media partners, our focus as a business is on driving business outcomes and ROAS for advertisers.

For the three and nine months ended September 30, 2026, thousands of unique advertisers were active on our owned and operated platforms, in addition to the thousands of advertisers who access the platform through programmatic partnerships.

Retention and Growth of Relationships with Media Partners

We rely on our relationships with our media partners for our advertising inventory and our corresponding ability to drive advertising revenue. To further strengthen these relationships, we continuously invest in our technology and product functionality to drive user engagement and monetization by taking steps designed to (i) improve our algorithms, referred to as our AI prediction engine; (ii) attract and procure relevant demand; (iii) expand the adoption of our enhanced products by media partners; and (iv) expand our demand capabilities to new formats.

Our relationships with our media partners are typically long-term and strategic in nature, providing us with valuable ad inventory, often on an exclusive basis. Our top 20 media partners leveraged our platform for an average of 7 years (based on 2025 revenue).

Our growth depends on media partners' ability to drive traffic to their sites, apps or other properties. The proliferation of social media properties, streaming services and other platforms, as well as the adoption of AI, have negatively impacted, and may continue to negatively impact, the growth of key segments of our media partners, namely digital publishers. These dynamics have contributed to a decline in page view volume across our publisher partners, thereby reducing the advertising inventory available for monetization on our platform, as described under "—Generative AI and Publisher Traffic Trends" above. At the same time, the trends in user engagement underscore the media partner need for our solutions to engage users and enhance overall monetization.

Expansion Into New Environments, New Experiences and New Ad Formats

The available mediums and formats for consumers to engage with media have greatly expanded over the last several years. As this evolution in media consumption and consumer behavior continues, we are focused on utilizing our AI prediction technology to bring curated, relevant consumer experiences to these new devices, experiences and formats.

Fundamentally, we plan to continue to make our platform available for media partners on all types of devices and platforms and evolve our business to apply our technology to the most popular methods of media consumption, such as CTV environments including HomeScreen advertising placements.

Examples of environments in which content consumption is growing include CTV, online video, mobile in-app environments, and within Large Language Models ("LLMs") interfaces. Our omnichannel outcomes platform enables advertisers to not only reach their audiences across the broad digital advertising ecosystem — from web, to CTV, to app environments — but to drive outcomes from those audiences at each step of the marketing funnel.

The development and deployment of new ad formats and further penetrating new and growing environments allow us to better serve advertisers who seek to target and engage consumers at scale. We believe this remains an opportunity to open and grow

advertiser demand, while ensuring the relevance of the environments in which we operate.

User Engagement and Driving Desired Outcomes

Driving outcomes is a key pillar of our platform that drives value for media partners and advertisers. Our AI prediction engine manages this dynamic, matching consumers with editorial and advertiser experiences that will deliver desired outcomes across the digital advertising ecosystem.

The ability to deliver on outcomes for our media partners and advertisers is driven by several factors, including enhancements to our AI prediction engine, growth in the breadth and depth of our data assets, the size and quality of our content and advertising index, user engagement, new media partners, expansion on existing media partners and expansion to new media environments and formats. As we expand and invest, we are able to further maximize our efficacy across different screens and devices, support brands effectively across the lifecycle of their needs, and collect and connect more data and, as a result, continually improve our prediction engines, which drives better results for our advertiser and media owner partners.

Investment in Our Technology and Infrastructure

Innovation is a core tenet of our Company and our industry. The dynamic and continuously evolving nature of the digital advertising ecosystem will be significantly impacted by the use of AI in further driving innovative new technologies and solutions. We plan to continue our investments in our people's use of AI in order to retain and enhance our competitive position. For example, improvements to our AI prediction engine, or use of additional data signals, help us deliver more relevant ads, driving higher user engagement, thereby improving ROAS or other desired outcomes for advertisers and increasing monetization for our media partners.

We believe in the transformative power of AI in shaping the future of sustainable media, and we are powered by our deep expertise in using predictive AI technology for years to empower both media owners and advertisers in their businesses. We leverage predictive AI in a manner designed to enable media owners to increase their revenues and connect with audiences on their own platforms. We use machine learning to predict consumer interest and propensity to convert ads to sales. Our technology has developed into a robust AI machine learning system and is largely homegrown by our Research and Development team. One of the strongest long-term levers in our business is the continuous improvement of our algorithms and the data sets our algorithms learn from. Our direct integrations across our media partners' properties provide us with a large volume of proprietary first-party data, including context, user interest and behavioral signals. The more data points we have, the better we believe our advertisers' ROAS and yield potential can be.

Our placement optimization and ad serving technology dynamically adjusts both the arrangement and the formats of content delivered to a user, depending on the user's preferences and a media partner's key performance indicators, designed to provide a tailored and engaging experience. We continue to invest in media partner and advertiser focused tools, technology, and products as well as privacy-centric solutions.

Industry Dynamics

Demand for Outcomes Across the Funnel

Our business depends on the overall demand for digital advertising, on the continuous success of our current and prospective media partners, and on general market conditions. Digital advertising has been a growing industry, with growth that has outpaced the growth of the broader advertising industry. Content consumption continues to evolve, requiring media owners to adapt in order to successfully attract, engage and monetize their consumers. As audiences are increasingly engaged across digital media platforms, and as more purchase data is created, collected, integrated and analyzed digitally, advertisers are increasingly able to leverage sophisticated measurement and attribution solutions in order to optimize their advertising spend across the marketing funnel. As a result, advertisers are increasingly shifting spend away from legacy media offerings towards data-based solutions, driven by performance-centric metrics. We believe that our strength in delivering engagement and clear outcomes for advertisers, from high-impact branding to lower-funnel performance, built on our proprietary AI prediction engine, aligns well with the ongoing market shift towards increased accountability and expectations of ROAS from digital advertising spend.

The Role of AI in Content and Personalization

AI is revolutionizing content creation, distribution, and personalization, automating tasks like video editing, image recognition, and language translation. AI-powered systems are also improving content delivery, helping media platforms suggest relevant movies, shows, articles, and advertisements to consumers. This is especially important at a time when advertisers increasingly anticipate measurable results from their digital advertising investments. We believe that our experience in this space enables us to more nimbly capitalize on the opportunities for media owners and advertisers to leverage AI and automation to engage consumers and optimize their business goals. For additional information regarding our strategic approach to these technologies, see "Business—Industry" and "Risk Factors" in our 2025 Form 10-K.

Generative AI and Search Trends

At the same time, the proliferation of generative AI tools, particularly their integration into major search engines and web browsers, is causing a shift in how users discover and consume content online. These tools can provide users with direct answers and AI-generated summaries, which has reduced their need to click through to original publisher websites. This trend of bypassing the traditional user journey to a publisher's site has contributed, and is expected to continue to contribute to a decline in direct user traffic. A reduction in traffic to our media partners directly decreases the inventory of advertising impressions available for us to monetize, which has had, and will likely continue to have, a significant effect on, our revenue and results of operations. For additional information regarding the impact of these trends on our business, see "—Recent Trends, Risks and Uncertainties—Generative AI and Publisher Traffic Trends" above, and for the related risks, see "Business—Industry" and "Risk Factors" in our 2025 Form 10-K.

Regulatory and Platform Changes

Regulators across most developed markets continue to be focused on enacting and enforcing user privacy rules, as well as requirements relating to the development and deployment of AI, including transparency and labeling obligations for AI-generated content, and on maintaining significant oversight over the competitive practices of the major "walled garden" platforms. In the United States, the absence of a comprehensive federal privacy law has produced fragmented state frameworks that continue to create compliance complexity. In the EU, the Digital Markets Act and Digital Services Act are actively being enforced against designated gatekeeper platforms, with recent actions targeting consent practices, data portability and advertising transparency. Industry participants will likely continue to be impacted by changes implemented by platform leaders. For example, although Google has announced that it does not intend to deprecate third-party cookies in its Chrome web browser, its evolving approach to privacy and tracking controls in Chrome will continue to affect our and our clients' compliance requirements. For additional information regarding changing industry dynamics with respect to industry participants and the regulatory environment, see "Business—Industry," "Business—Regulatory" and "Risk Factors" in our 2025 Form 10-K.

Seasonality

The global advertising industry experiences seasonal trends that affect most participants in the digital advertising ecosystem. Our revenue generally fluctuates from quarter to quarter as a result of a variety of factors, including seasonality, as many advertisers allocate the largest portion of their budgets to the fourth quarter of the calendar year to coincide with increased holiday purchasing, as well as the timing of advertising budget cycles. Historically, the fourth quarter of the year has reflected the highest levels of advertiser spending, and the first quarter generally has reflected the lowest level of advertiser spending.

In addition, expenditures by advertisers tend to be cyclical and discretionary in nature, reflecting changes in brand advertising strategy, budgeting constraints, and buying patterns, and a variety of other factors, many of which are outside of our control. The quarterly rate of increase/decrease in our traffic acquisition costs is generally commensurate with the quarterly rate of increase/decrease in our revenue. However, traffic acquisition costs have, at times, grown at a faster or slower rate than revenue, primarily due to the mix of the revenue generated or contracted terms with media partners. We generally expect these seasonal trends to continue, though historical seasonality may not be predictive of future results given the potential for changes in advertising buying patterns and macroeconomic conditions. These trends will affect our operating results and we expect our revenue to continue to fluctuate based on seasonal factors that affect the advertising industry as a whole.

Definitions of Financial and Performance Measures

Revenue

We generate revenue primarily from advertisers who purchase media inventory from us to deliver digital advertising across a broad range of environments, including web, mobile app, online video, and CTV. Advertisers buy media through our platform using multiple buying models, including cost-per-click ("CPC"), cost-per-thousand impressions ("CPM"), video completion-based pricing, and other outcome-based formats.

Revenue is recognized when an advertisement is delivered or when the specified outcome—such as an impression, click, completed video view, or other measurable event as defined in the contract—occurs. The nature of the outcome depends on the campaign objective and the applicable pricing model.

In most arrangements, we act as the principal in the transaction because we control the advertising inventory before it is transferred to the advertiser. In these cases, we recognize revenue on a gross basis for the amount billed to the advertiser. In certain arrangements, where we do not control the advertising inventory prior to transfer, we act as an agent and recognize revenue on a net basis.

Our revenue is impacted by the level of advertiser demand for our products and by the volume, quality, and performance of available advertising inventory. Demand fluctuates based on macroeconomic conditions, seasonal advertising patterns, campaign performance, advertiser ROAS expectations, and budget dynamics across advertiser types. Enterprise marketers and agencies deploy budgets to drive a range of brand outcomes, from awareness, consideration and intent to lower-funnel outcomes such as site traffic or app downloads. By contrast, Direct Response & SME advertisers generally operate against defined performance targets, with spend scaling based on measurable conversion efficiency. To the extent advertisers (of all types) achieve their desired outcomes on our platform, they may increase budgets or expand usage of our solutions over time.

We continue to expand and introduce new platform features that are adopted by our advertisers, expand our omnichannel capabilities, extend our reach to more CTV, video offerings, and other inventory and add additional customers whose businesses may have different underlying business models.

Our agreements with advertisers provide them with considerable flexibility to modify their overall budget, price (CPC and CPM), and the ads they wish to deliver on our platform, which can impact the timing and amount of revenue recognized.

Traffic Acquisition Costs

We define traffic acquisition costs ("TAC") as amounts owed to media partners for the purchase of inventory. We incur costs with our media partners, which may be publishers, third-party intermediaries, or other parties such as original equipment manufacturers, in the period in which certain actions, such as click-throughs, impressions or views occur. Such costs due to media partners are based on the media partners' contractual revenue share, programmatic bidding or guaranteed minimums based on certain media partner conditions. In some circumstances, we incur costs based on a guaranteed minimum payment, which may be based on either impressions, page views or a fixed amount if the partner reaches certain performance targets, in exchange for guaranteed placement on specified portions of the media partners' online properties. As such, traffic acquisition costs may not correlate with fluctuations in revenue, as our costs may remain fixed even with a decrease in revenue. Traffic acquisition costs also include amounts payable to media partners whose supply is purchased programmatically.

Other Cost of Revenue

Other cost of revenue consists of costs related to the management of our data centers, hosting fees, data connectivity costs, research and insight costs, and depreciation and amortization. Other cost of revenue also includes the amortization of capitalized software that is developed or obtained for internal use associated with our revenue-generating technologies and amortization of intangible assets.

Operating Expenses

Our operating expenses consist of research and development, sales and marketing, and general and administrative expenses. The largest component of our operating expenses is personnel costs. Personnel costs consist of wages, benefits, bonuses, stock-based compensation and, with respect to sales and marketing expenses, sales commissions.

Research and Development. Research and development expenses are related to the development and enhancement of our platform, and consist primarily of personnel and the related overhead costs, amortization of capitalized software for non-revenue generating infrastructure and facilities costs.

Sales and Marketing. Sales and marketing expenses consist primarily of personnel and the related overhead costs for personnel engaged in marketing, advertising, client services, and promotional activities. These expenses also include advertising and promotional spend on media, conferences, and other events to market our services, and facilities costs.

General and Administrative. General and administrative expenses consist primarily of personnel and the related overhead costs, professional fees, facilities costs, insurance, and certain taxes other than income taxes. General and administrative personnel costs include, among others, our executive, finance, human resources, information technology and legal functions. Our professional service fees consist primarily of accounting, audit, tax, legal, information technology and other consulting costs, including costs relating to the Acquisition, as well as our compliance with Sarbanes-Oxley Act requirements.

Impairment Charges. Impairment charges consist of non-cash charges recognized when the carrying amount of an asset or asset group is not recoverable or exceeds its estimated fair value, as applicable. These charges may include impairments of goodwill, acquired intangible assets, property and equipment, capitalized software and other long-lived assets. Impairment charges recognized during the nine months ended September 30, 2026 relate to goodwill impairment. Impairment charges recognized during the nine months ended September 30, 2025 relate to intangible assets and capitalized software associated with the discontinuance of the video product offering associated with vi during the first quarter of 2025. These non-cash impairment charges did not impact the Company's cash flows, liquidity, or compliance with debt covenants.

Restructuring Charges. Restructuring charges include severance and related costs incurred in connection with (i) the workforce reduction announced following the Acquisition in February 2025, and (ii) the Strategic Plan initiated in December 2025 to streamline operations and reduce costs. These charges are not reflective of ongoing operating performance and are excluded from certain financial and performance measures.

Other (Expense) Income, Net

Other (expense) income, net is comprised of interest expense, and other (expense) income and interest income, net.

Interest Expense. Interest expense primarily consists of interest on our 10.000% senior secured notes due 2030 ("Senior Secured Notes"), the Overdraft Facility (as defined below) assumed in the Acquisition, our 2025 Revolving Facility (as defined below), our A/R Facility, and amortization of debt discounts and deferred financing cost. Interest expense for 2025 also included interest and fees on our senior secured bridge term loan credit facility drawn and repaid during the first quarter of 2025. Interest expense may increase as a result of borrowings under our 2025 Revolving Facility and A/R Facility or if we enter into new debt facilities or finance lease arrangements.

Other (Expense) Income and Interest Income, net. Other (expense) income and interest income, net primarily consists of interest earned on our cash, cash equivalents and investments in marketable securities, discount amortization on our investments in marketable securities, and foreign currency exchange gains and losses. Foreign currency exchange gains and losses, both realized and unrealized, relate to transactions and monetary asset and liability balances denominated in currencies other than the functional currencies, including mark-to-market adjustments on undesignated foreign exchange forward contracts. Foreign currency gains and losses may continue to fluctuate in the future due to changes in foreign currency exchange rates.

Provision (Benefit) for Income Taxes

Provision (Benefit) for income taxes consists of federal and state income taxes in the United States and income taxes in certain foreign jurisdictions, as well as deferred income taxes and changes in valuation allowance, reflecting the net tax effects of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

Realization of our deferred tax assets depends on the generation of future taxable income. In considering the need for a valuation allowance, we consider our historical and future projected taxable income, as well as other objectively verifiable evidence, including our realization of tax attributes, assessment of tax credits and utilization of net operating loss carryforwards.

Results of Operations

We have one operating segment, which is also our reportable segment. The following table sets forth our condensed consolidated results for the periods presented. Our 2026 results incorporate a full nine months of combined operations, whereas our 2025 results include the Legacy Teads business only from the Acquisition date of February 3, 2025, through September 30, 2025 for the year-to-date period. Because the prior year nine-month period includes the results of the acquired business for only a portion of the nine-month period, the financial information presented for the nine months ended September 30, 2026 is not directly comparable to the corresponding prior year period. Conversely, the financial information presented for the three months ended September 30, 2026 and 2025 is directly comparable, as both quarterly periods reflect a full three months of consolidated operations following the Acquisition.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
	(In thousands)			
Revenue	$ 235,073	$ 318,772	$ 785,645	$ 948,225
Traffic acquisition costs	148,039	188,230	467,348	570,392
Other cost of revenue	26,167	24,794	78,214	69,171
Gross profit	60,867	105,748	240,083	308,662
Gross profit margin	25.9%	33.2%	30.6%	32.6%
Total operating expenses	369,027	112,028	585,698	361,637
Loss from operations	(308,160)	(6,280)	(345,615)	(52,975)
Total other (expense) income, net	(17,380)	(18,078)	(54,878)	(59,491)
Loss before income taxes	(325,540)	(24,358)	(400,493)	(112,466)
(Benefit) provision for income taxes	(72)	(4,668)	6,240	(23,620)
Net loss	$ (325,468)	$ (19,690)	$ (406,733)	$ (88,846)
Net loss as a percentage of gross profit	(534.7)%	(18.6)%	(169.4)%	(28.8)%
Non-GAAP Financial Measures:				
Ex-TAC Gross Profit [(1)]	$ 93,465	$ 130,542	$ 324,728	$ 377,833
Adjusted EBITDA[(1)]	$ (8,097)	$ 19,171	$ (350)	$ 56,836
Adjusted EBITDA as a percentage of Ex-TAC Gross Profit [(1)]	(8.7)%	14.7%	(0.1)%	15.0%

(1) Ex-TAC Gross Profit, Adjusted EBITDA and Adjusted EBITDA as a percentage of Ex-TAC Gross Profit are non-GAAP financial measures. See "Non-GAAP Reconciliations" in this Report for definitions and limitations of these measures, and reconciliations to the comparable U.S. GAAP financial measures.

Three and Nine Months Ended September 30, 2026 Compared to Three and Nine Months Ended September 30, 2025

Revenue

Revenue for the three months ended September 30, 2026 decreased $83.7 million, or 26.3%, to $235.1 million, from $318.8 million for the three months ended September 30, 2025. Revenue for the nine months ended September 30, 2026 decreased $162.6 million, or 17.1%, to $785.6 million, from $948.2 million for the nine months ended September 30, 2025.

These decreases for the three and nine months ended September 30, 2026 compared to the corresponding prior periods were primarily driven by lower revenue from our Direct Response & SME advertisers, reflecting changing search and open-web traffic dynamics, including lower publisher traffic and available advertising impressions. These decreases were partially offset by continued growth in our CTV offerings. The decrease for the nine-month period was also partially offset by the inclusion of an additional month of consolidated results in 2026 compared to 2025, as the Acquisition was completed on February 3, 2025.

Revenue for the three months ended September 30, 2026 included net unfavorable foreign currency effects of approximately $1.5 million, and on a constant currency basis, revenue decreased $82.2 million, or 25.8%, compared to the corresponding prior

year period. Revenue for the nine months ended September 30, 2026 included net favorable foreign currency effects of approximately $9.5 million, and on a constant currency basis, revenue decreased $172.1 million, or 18.2%, compared to the corresponding prior year period.

See “Non-GAAP Reconciliations” for information regarding the constant currency measures provided in this discussion and below to supplement our reported results.

Cost of Revenue and Gross Profit

Traffic acquisition costs (“TAC”) — decreased $40.2 million, or 21.4%, to $148.0 million for the three months ended September 30, 2026, from $188.2 million for the three months ended September 30, 2025. TAC decreased $103.1 million, or 18.1%, to $467.3 million for the nine months ended September 30, 2026, from $570.4 million for the nine months ended September 30, 2025. These decreases were primarily driven by lower revenue and a favorable change in revenue mix toward higher-margin offerings, partially offset by the $6.4 million non-cash impairment of a publisher commercial agreement asset and guaranteed minimum payments.

As a percentage of revenue, TAC increased to 63.0% for the three months ended September 30, 2026, from 59.0% for the three months ended September 30, 2025, primarily as a result of the $6.4 million non-cash impairment of a publisher commercial agreement asset. As a percentage of revenue, TAC decreased to 59.5% for the nine months ended September 30, 2026 from 60.2% for the nine months ended September 30, 2025.

TAC for the three months ended September 30, 2026 included net favorable foreign currency effects of approximately $0.8 million, and on a constant currency basis, TAC decreased $39.4 million, or 20.9%, compared to the corresponding prior year period. TAC for the nine months ended September 30, 2026 included net unfavorable foreign currency effects of approximately $5.1 million and on a constant currency basis, TAC decreased $108.2 million, or 19.0%, compared to the corresponding prior year period.

Other cost of revenue — increased $1.4 million, or 5.6%, to $26.2 million for the three months ended September 30, 2026, compared to $24.8 million in the prior year period. The increase was primarily driven by higher technology costs associated with our expanded platform. As a percentage of revenue, other cost of revenue increased to 11.1% for the three months ended September 30, 2026, from 7.8% for the three months ended September 30, 2025.

Other cost of revenue increased $9.0 million, or 13.0%, to $78.2 million for the nine months ended September 30, 2026 compared to $69.2 million in the prior period. The increase was primarily driven by the inclusion of an additional month of consolidated operations in 2026 compared to 2025, higher technology costs associated with our expanded platform and higher amortization expense of approximately $1.4 million. As a percentage of revenue, other cost of revenue increased to 10.0% for the nine months ended September 30, 2026, from 7.3% for the nine months ended September 30, 2025.

Gross profit — decreased $44.8 million, or 42.4%, to $60.9 million for the three months ended September 30, 2026, compared to $105.7 million for the three months ended September 30, 2025. Gross profit decreased $68.5 million, or 22.2%, to $240.1 million for the nine months ended September 30, 2026, compared to $308.7 million for the nine months ended September 30, 2025.

Gross profit margin — decreased 7.3 percentage points to 25.9% for the three months ended September 30, 2026, compared to 33.2% for the three months ended September 30, 2025 primarily driven by a $6.4 million non-cash impairment of a publisher commercial agreement asset that increased TAC as a percentage of revenue combined with higher technology costs from our expanded platform that increased other cost of revenue. Gross profit margin decreased 2.0 percentage points to 30.6% for the nine months ended September 30, 2026, compared to 32.6% for the nine months ended September 30, 2025 due to higher technology costs, increased amortization expense, and an extra month of consolidated operations, which outpaced a modest reduction in TAC as a percentage of revenue.

Ex-TAC Gross Profit

Our Ex-TAC Gross Profit decreased $37.0 million, or 28.4%, to $93.5 million for the three months ended September 30, 2026, from $130.5 million for the three months ended September 30, 2025. Our Ex-TAC Gross Profit decreased $53.1 million, or 14.1%, to $324.7 million for the nine months ended September 30, 2026, from $377.8 million for the nine months ended September 30, 2025. The decreases were primarily driven by lower revenue, partially offset by the corresponding decreases in TAC. The nine-month decrease was also partially offset by the inclusion of an additional month of consolidated results in 2026 compared to 2025. See “Non-GAAP Reconciliations” for the related definition and reconciliations to gross profit.

Operating Expenses

Operating expenses increased $257.0 million, or 229.5%, to $369.0 million for the three months ended September 30, 2026, from $112.0 million for the three months ended September 30, 2025. The increase was primarily driven by the following

factors:

- Goodwill impairment charges — non-cash goodwill impairment charge of $272.4 million recognized during the three months ended September 30, 2026 as a result of continued weakness primarily due to changing search and open-web traffic dynamics, including lower publisher traffic and available advertising impressions, which led us to reduce projected revenue and profitability and extend the anticipated recovery period. These developments constituted a triggering event, prompting an interim goodwill impairment assessment as of September 30, 2026 that indicated the reporting unit's carrying value exceeded its fair value.

partially offset by,

- General and administrative expenses — decreased $8.7 million from $32.0 million for the three months ended September 30, 2025, to $23.3 million for the three months ended September 30, 2026 driven by a $2.4 million decrease in strategic, transaction and integration-related costs, a $2.1 million decrease in bad debt expense, a $1.9 million decrease in non-income tax expense, and a $1.0 million decrease in employee-related incentive compensation costs; and
- Sales and marketing expenses — decreased $6.2 million from $68.7 million for the three months ended September 30, 2025, to $62.5 million for the three months ended September 30, 2026 driven by lower employee-related expenses as a result of headcount reductions and cost efficiencies achieved through the integration of our global operations.

Operating expenses for the three months ended September 30, 2026, included net favorable foreign currency effects of approximately $6.8 million, and on a constant currency basis, operating expenses increased $263.8 million, or 235.5%, compared to the corresponding prior year period.

Operating expenses increased $224.1 million, or 62.0%, to $585.7 million for the nine months ended September 30, 2026 compared to $361.6 million for the nine months ended September 30, 2025. The increase was primarily driven by the following factors:

- Goodwill impairment charges — non-cash goodwill impairment charge of $272.4 million recognized during the nine months ended September 30, 2026 as a result of continued weakness primarily due to changing search and open-web traffic dynamics, including lower publisher traffic and available advertising impressions, which led us to reduce projected revenue and profitability and extend the anticipated recovery period. These developments constituted a triggering event, prompting an interim goodwill impairment assessment as of September 30, 2026 that indicated the reporting unit's carrying value exceeded its fair value.

partially offset by,

- General and administrative expenses — decreased $18.1 million from $96.3 million during the nine months ended September 30, 2025 to $78.2 million during the nine months ended September 30, 2026, driven by strategic, transaction and integration-related costs which decreased $21.4 million during the nine months ended September 30, 2026 compared to the prior year period. This decrease was partially offset by a $1.2 million increase in bad debt expense and a $0.9 million increase in non-income tax expense;
- Intangible asset impairment charges — the absence in 2026 of $15.6 million in impairment charges recorded in the first quarter of 2025 related to the discontinuation of a legacy video product offering;
- Restructuring charges — decreased $6.3 million compared to the nine months ended September 30, 2025. The actions associated with the Strategic Plan have been substantially completed, subject to the completion of certain actions governed by local law and consultation requirements;
- Research and development expenses — decreased $5.5 million compared to the nine months ended September 30, 2025, primarily due to lower employee-related costs, resulting from higher capitalization of internal labor costs toward qualifying development activities, partially offset by foreign currency translation impacts and an additional month of base operating costs resulting from a full nine months of consolidated operations in 2026 compared to eight months in 2025; and
- Sales and marketing expenses — decreased $2.9 million compared to the nine months ended September 30, 2025, primarily driven by $7.4 million lower employee-related expenses as a result of headcount reductions and cost efficiencies achieved through the integration of our global operations, partially offset by $3.0 million additional amortization of acquired intangible assets.

Operating expenses for the nine months ended September 30, 2026, included net unfavorable foreign currency effects of approximately $10.6 million, and on a constant currency basis, operating expenses increased $213.5 million, or 59.0%, compared to the corresponding prior year period.

Other (Expense) Income, Net

Other (expense) income, net improved $0.7 million, or 3.9%, to $(17.4) million for the three months ended September 30, 2026, from $(18.1) million for the three months ended September 30, 2025.

Other (expense) income, net improved $4.6 million, or 7.8%, to $(54.9) million for the nine months ended September 30, 2026, from $(59.5) million for the nine months ended September 30, 2025. The improvement is primarily attributable to a $5.5 million decrease in interest expense. The decrease in interest expense reflected the absence in 2026 of $13.3 million in fees and interest related to the $625 million senior secured bridge term loan credit facility (the "Bridge Facility") which was incurred and repaid during February 2025 in connection with financing the Acquisition. This decrease was partially offset by a $7.7 million increase in interest expense related to the Senior Secured Notes. Interest expense for the Senior Secured Notes was $50.6 million for the nine months ended September 30, 2026, compared to $42.9 million for the nine months ended September 30, 2025, reflecting a full nine months of interest expense and amortization of related debt discount and deferred financing costs in 2026, compared to a partial period in 2025. The improvement was also partially offset by the absence in 2026 of the $1.2 million gain on the repurchase of long-term debt recognized during the second quarter of 2025.

(Benefit) Provision for Income Taxes

(Benefit) provision for income taxes was $(0.1) million and $6.2 million for the three and nine months ended September 30, 2026, respectively, compared to $(4.7) million and $(23.6) million for the three and nine months ended September 30, 2025, respectively. The increases in the provision for income taxes for the three and nine months ended September 30, 2026, as compared to their respective prior year periods, were primarily due to impairment of goodwill and U.S. and various non-U.S. losses for the three and nine months ended September 30, 2026 being subject to valuation allowances.

Our effective tax rate decreased to zero and (1.6)% for the three and nine months ended September 30, 2026, respectively, compared to 19.2% and 21.0% for the three and nine months ended September 30, 2025, respectively. These decreases in effective tax rates for the three and nine months ended September 30, 2026, as compared to their respective prior year periods, were primarily due to impairment of goodwill and pre-tax losses, including U.S. and various non-U.S. losses for the three and nine months ended September 30, 2026 being subject to valuation allowances.

As of September 30, 2026, we are in a three-year cumulative loss position in the U.S. Under applicable accounting guidance, a cumulative loss in recent years represents significant, objective evidence that is difficult to overcome. After weighing all the evidence, we determined that the weight of the objective negative evidence continues to outweigh the positive evidence and we retain the valuation allowance against U.S. federal and state deferred tax assets. The Company will continue to consider existing evidence, both positive and negative, that could impact its view with regard to future realization of deferred tax assets.

On July 4, 2025, the One Big Beautiful Bill Act (the "OBBBA") was enacted into law in the U.S. In 2026, Global Intangible Low-Taxed Income and Foreign-Derived Intangible Income have been modified to net controlled-foreign-corporation tested income ("NCTI") and foreign-derived deduction eligible income ("FDDEI"), respectively. The OBBBA provisions did not have a material impact on the Company's total tax benefit for the nine months ended September 30, 2026.

Our future effective tax rate may be affected by the geographic mix of earnings in countries with different statutory rates. Additionally, our future effective tax rate may be affected by our ongoing assessment of the need for a valuation allowance on our deferred tax assets or liabilities, or changes in tax laws, regulations, or accounting principles, tax planning initiatives, as well as certain discrete items.

Net Loss

As a result of the foregoing, we recorded net losses of $325.5 million and $406.7 million, respectively, for the three and nine months ended September 30, 2026, as compared to net losses of $19.7 million and $88.8 million, respectively, for the three and nine months ended September 30, 2025. Net losses for the three and nine months ended September 30, 2026 include a non-cash goodwill impairment of $272.4 million.

Adjusted EBITDA

Our Adjusted EBITDA decreased $27.3 million to $(8.1) million for the three months ended September 30, 2026 from $19.2 million for the three months ended September 30, 2025, including net unfavorable foreign currency effects of approximately $1.5 million. Our Adjusted EBITDA decreased $57.2 million to $(0.4) million for the nine months ended September 30, 2026 from $56.8 million for the nine months ended September 30, 2025, including net unfavorable foreign currency effects of approximately $5.8 million. These decreases were primarily driven by the lower revenue and Ex-TAC Gross Profit discussed above, partially offset by lower expenses directly related to our operations. See "Non-GAAP Reconciliations" for the related definitions of Adjusted EBITDA and reconciliations to our net loss.

Non-GAAP Reconciliations

Because we are a global company, the comparability of our operating results is affected by foreign exchange fluctuations. We calculate certain constant currency measures and foreign currency impacts by translating the current year's reported amounts, excluding new acquisitions, into comparable amounts using the prior year's exchange rates. All constant currency financial information being presented is non-GAAP and should be used as a supplement to our reported operating results. We believe that this information is helpful to our management and investors to assess our operating performance on a comparable basis. However, these measures are not intended to replace amounts presented in accordance with U.S. GAAP and may be different from similar measures calculated by other companies.

We present Ex-TAC Gross Profit, Adjusted EBITDA, Adjusted EBITDA as a percentage of Ex-TAC Gross Profit, Free Cash Flow, and Adjusted Free Cash Flow because they are key profitability measures used by our management and our Board to understand and evaluate our operating performance and trends, develop short-term and long-term operational plans, and make strategic decisions regarding the allocation of capital. Accordingly, we believe that these measures provide information to investors and the market in understanding and evaluating our operating results in the same manner as our management and the Board.

These non-GAAP financial measures are defined and reconciled to the corresponding U.S. GAAP measures below. These non-GAAP financial measures are subject to significant limitations, including those identified below. In addition, other companies in our industry may define these measures differently, which may reduce their usefulness as comparative measures. As a result, this information should be considered as supplemental in nature and is not meant as a substitute for revenue, gross profit, net loss or net cash provided by (used in) operating activities presented in accordance with U.S. GAAP.

Ex-TAC Gross Profit

Ex-TAC Gross Profit is a non-GAAP financial measure. Gross profit is the most comparable U.S. GAAP measure. In calculating Ex-TAC Gross Profit, we add back other cost of revenue, including the non-cash impairment of a publisher commercial agreement asset, to gross profit. Ex-TAC Gross Profit may fluctuate in the future due to various factors, including, but not limited to, seasonality and changes in the number of media partners and advertisers, advertiser demand or user engagements.

There are limitations on the use of Ex-TAC Gross Profit in that traffic acquisition cost is a significant component of our total cost of revenue but not the only component and, by definition, Ex-TAC Gross Profit presented for any period will be higher than gross profit for that period. A potential limitation of this non-GAAP financial measure is that other companies, including companies in our industry which have a similar business, may define Ex-TAC Gross Profit differently, which may make comparisons difficult. As a result, this information should be considered as supplemental in nature and is not meant as a substitute for revenue or gross profit presented in accordance with U.S. GAAP.

The following table presents the reconciliation of Ex-TAC Gross Profit to gross profit, the most directly comparable U.S. GAAP measure, for the periods presented:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
	(In thousands)			
Revenue	$ 235,073	$ 318,772	$ 785,645	$ 948,225
Traffic acquisition costs [1]	(148,039)	(188,230)	(467,348)	(570,392)
Other cost of revenue	(26,167)	(24,794)	(78,214)	(69,171)
Gross profit	60,867	105,748	240,083	308,662
Other cost of revenue [1]	32,598	24,794	84,645	69,171
Ex-TAC Gross Profit	$ 93,465	$ 130,542	$ 324,728	$ 377,833

[1] The three and nine months ended September 30, 2026 included $6.4 million non-cash impairment of a publisher commercial agreement asset.

Adjusted EBITDA

We define Adjusted EBITDA as net income (loss) before gain on repurchase of long-term debt; interest expense; other expense (income) and interest income, net; provision (benefit) for income taxes; depreciation and amortization; stock-based compensation, and other income or expenses that we do not consider indicative of our core operating performance, including,

but not limited to acquisition and integration costs, restructuring, and impairment charges. We present Adjusted EBITDA as a supplemental performance measure because we believe it facilitates operating performance comparisons from period to period.

We believe that Adjusted EBITDA provides useful information to investors and others in understanding and evaluating our operating results in the same manner as our management and the Board. However, our calculation of Adjusted EBITDA is not necessarily comparable to non-GAAP information of other companies. Adjusted EBITDA should be considered as a supplemental measure and should not be considered in isolation or as a substitute for any measures of our financial performance that are calculated and reported in accordance with U.S. GAAP.

The following table presents the reconciliation of Adjusted EBITDA to net loss, the most directly comparable U.S. GAAP measure, for the periods presented:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
	(In thousands)			
Net loss	$ (325,468)	$ (19,690)	$ (406,733)	$ (88,846)
Gain on repurchase of long-term debt	—	—	—	(1,225)
Interest expense	17,407	17,084	52,233	57,732
Other expense (income) and interest income, net	(27)	994	2,645	2,984
(Benefit) provision for income taxes	(72)	(4,668)	6,240	(23,620)
Depreciation and amortization	17,841	17,497	52,822	48,707
Stock-based compensation	1,744	3,641	6,175	10,372
Acquisition and integration costs	1,266	3,656	4,115	25,508
Restructuring charges	349	657	3,290	9,610
Impairment of intangible assets	—	—	—	15,614
Impairment of goodwill	272,432	—	272,432	—
Impairment of publisher commercial agreement asset	6,431	—	6,431	—
Adjusted EBITDA	$ (8,097)	$ 19,171	$ (350)	$ 56,836
Net loss as % of gross profit	(534.7)%	(18.6)%	(169.4)%	(28.8)%
Adjusted EBITDA as % of Ex-TAC Gross Profit	(8.7)%	14.7%	(0.1)%	15.0%

Free Cash Flow

Free cash flow is defined as cash flow provided by operating activities, less capital expenditures and capitalized software development costs. Adjusted free cash flow is defined as free cash flow plus direct acquisition costs. Free cash flow and adjusted free cash flow are supplementary measures used by our management and the Board to evaluate our ability to generate cash and we believe it allows for a more complete analysis of our available cash flows. Free cash flow and adjusted free cash flow should be considered as supplemental measures and should not be considered in isolation or as a substitute for any measures of our financial performance that are calculated and reported in accordance with U.S. GAAP.

The following table presents the reconciliation of free cash flow to net cash (used in) provided by operating activities:

	Nine Months Ended September 30,	
	2026	2025
	(In thousands)	
Net cash (used in) provided by operating activities	$ (53,588)	$ 344
Purchases of property and equipment	(2,349)	(4,853)
Capitalized software development costs	(15,071)	(12,020)
Free cash flow	$ (71,008)	$ (16,529)
Direct acquisition costs	—	19,918
Adjusted free cash flow	$ (71,008)	$ 3,389

LIQUIDITY AND CAPITAL RESOURCES

We regularly evaluate our cash requirements for operations, commitments, development activities and capital expenditures and manage our liquidity in a manner consistent with our corporate priorities.

We have experienced significant disruption and competitive pressures in our industry driven by an evolution in media consumption and consumer behavior trends, including the proliferation of social media properties, streaming services and other platforms, as well as the adoption of AI. These factors have negatively impacted our business, including our stock price, as described under "—Generative AI and Publisher Traffic Trends" above.

As of September 30, 2026, the Company had an accumulated deficit of $318.2 million compared to accumulated equity of $95.4 million at December 31, 2025. For the nine months ended September 30, 2026, the Company incurred a net loss of $406.7 million, compared to net loss of $88.8 million for the nine months ended September 30, 2025, and $53.6 million of cash used in operating activities compared to cash provided by operations of $0.3 million for the nine months ended September 30, 2025. The net loss included a non-cash goodwill impairment charge recorded in the third quarter of 2026. Refer to Note 4, *Goodwill and Intangible Assets*, to the accompanying condensed consolidated financial statements for additional information regarding the goodwill impairment.

In August 2026, certain credit ratings agencies that provide credit ratings of us and our debt, including Fitch Ratings and S&P Global Ratings, took actions to downgrade such ratings. Changes with respect to our corporate and debt credit ratings, like the downgrades that occurred earlier this year, could limit access to or make it more difficult or costly for us to obtain financing on terms favorable to us or at all.

Our liquidity depends on operating performance, the timing and collectability of receivables from advertisers, payments to media partners, debt service and other contractual cash requirements. The closing of the A/R Facility in September 2026 provides an additional source of liquidity, but borrowing availability is subject to a borrowing base which fluctuates and a minimum liquidity covenant (see "—Sources of Liquidity"). Refer to Note 8, *Debt Obligations*, to the accompanying condensed consolidated financial statements for additional information. We continue to actively evaluate our capital structure and intend to engage with our stakeholders to explore transactions to strengthen our balance sheet and reduce our leverage and interest expense, however the success of these plans is not entirely within our control. Additionally, we have executed and continue to identify and implement further cost-savings initiatives and restructurings to proactively manage our liquidity and seek to optimize operations, and have engaged advisors for this purpose. We have identified areas where we will implement cost savings and restructure our business, including workforce scale and efficiency initiatives. Based on our current operating forecast and stated plans that are within our control, we believe that our cash and cash equivalents, expected operating cash flows and available borrowing capacity under our financing arrangements, will be sufficient to meet our obligations as they become due for at least the next 12 months.

However, due to the continued industry pressures and volatility in the business, our assessment is inherently subjective, judgment-based and subject to various risks and uncertainties. Therefore, there can be no certainty that our plans will be successful. Absent acting on the plans described above, we will require additional liquidity to continue our operations over the next 12 months.

Sources of Liquidity

Our primary sources of liquidity include cash receipts from advertisers, cash and cash equivalents, and available borrowing capacity under our A/R Facility and 2025 Revolving Facility.

As of September 30, 2026, we had cash and cash equivalents of $90.3 million and no short-term investments. Additional borrowing availability was $25.0 million under our 2025 Revolving Facility and $29.1 million under our A/R Facility, subject to applicable borrowing-base requirements, covenant limitations and other contractual conditions. Subsequent borrowings under the A/R Facility and the 2025 Revolving Facility, and repayment of the 2025 Revolving Facility, are described below.

As of September 30, 2026, approximately $58.9 million of our cash was held by non-U.S. subsidiaries. The Company's previously undistributed earnings of foreign subsidiaries are not indefinitely reinvested due to current U.S. funding needs. At September 30, 2026, we had a deferred tax liability of $8.6 million associated with the expected tax consequences of future distributions of foreign earnings, including amounts related to cash and cash equivalents held outside the United States.

We have historically experienced higher cash collections during the first quarter due to seasonally strong fourth quarter sales, which typically reduces working capital requirements during that period. We expect this seasonal pattern to continue, subject to operating performance and customer payment timing. Our operating cash flows are also affected by semi-annual interest payments on our Senior Secured Notes in February and August. During the nine months ended September 30, 2026, these payments totaled $62.8 million compared with $32.1 million in the corresponding prior-year period. The 2026 period included

payments in February and August, while the 2025 period included only the first semi-annual payment in August, following issuance of the Senior Secured Notes in February 2025.

A/R Facility

On September 30, 2026, certain of our subsidiaries entered into the A/R Facility, which is scheduled to terminate on September 30, 2030, subject to earlier termination, including if more than $35.0 million of the Senior Secured Notes remains outstanding 90 days prior to their maturity and liquidity, as defined in the A/R Facility, at that time is not sufficient to repay those Senior Secured Notes in full. The maximum availability under the A/R Facility is limited by eligible accounts receivable balances, as defined under the terms of the A/R Facility, and we expect our availability under the A/R Facility to fluctuate as those balances change. As of September 30, 2026, the maximum availability and the amount outstanding under the A/R Facility were approximately $60.0 million and $30.9 million, respectively. On October 1, 2026, we borrowed an additional €17.5 million and £3.0 million (approximately $23.7 million) under the A/R Facility. The A/R Facility requires us to maintain consolidated liquidity of at least $50.0 million at all times. A failure to comply with this requirement would permit the lenders to cease funding and to accelerate amounts outstanding under the A/R Facility. See Note 8, *Debt Obligations*, to the accompanying condensed consolidated financial statements.

Revolving Credit Facility

We maintain a $100.0 million revolving credit facility ("2025 Revolving Facility") pursuant to the credit agreement dated February 3, 2025, among the Company, OT Midco Inc., the additional borrowers party thereto from time to time, Goldman Sachs Bank USA, as sole administrative agent and swingline lender, U.S. Bank Trust Company, National Association, as the collateral agent, and the lenders, issuing banks and arrangers party thereto from time to time. The 2025 Revolving Facility may be used for working capital and general corporate purposes.

The 2025 Revolving Facility includes a springing financial covenant requiring compliance with a maximum senior secured net leverage ratio when outstanding revolving loans and certain letter of credit obligations exceed 40% of the revolving commitments as of the end of a fiscal quarter. At September 30, 2026, additional borrowing availability was limited to $25.0 million after accounting for the $15.0 million outstanding balance and applicable covenant limitations. As of September 30, 2026, outstanding borrowings were $15.0 million, which we repaid in full on October 6, 2026. On October 22, 2026, we borrowed $40.0 million under the 2025 Revolving Facility. Following this borrowing, outstanding borrowings under the 2025 Revolving Facility equaled 40% of the revolving commitments, the level above which the springing financial covenant would be tested as of the end of a fiscal quarter. The Company was in compliance with all applicable covenants as of September 30, 2026.

See Note 8, *Debt Obligations*, to the accompanying condensed consolidated financial statements for additional information regarding the terms of the 2025 Revolving Facility.

Material Cash Requirements

We plan to meet our liquidity needs through available cash, cash generated from operations and available borrowing capacity under our A/R Facility and the 2025 Revolving Facility.

Our primary uses of liquidity include payments to media partners, operating expenses, capital expenditures, and interest payments on our debt. Our arrangements with media partners are generally based on variable bids tied to impressions or may include guaranteed minimum payments if specified performance targets are achieved, and in certain cases include revenue-sharing arrangements.

As of September 30, 2026, approximately $628.2 million aggregate principal amount of Senior Secured Notes was outstanding, maturing on February 15, 2030. Annual cash interest requirements on the Senior Secured Notes are approximately $62.8 million, payable semi-annually in February and August. We also have contractual obligations for principal and interest payments under the A/R Facility, and borrowings under the A/R Facility may be required to be repaid prior to its scheduled termination if the borrowing base declines below the amount outstanding or an amortization event occurs. The $15.0 million outstanding under the 2025 Revolving Facility at September 30, 2026 was repaid on October 6, 2026, and on October 22, 2026, we borrowed $40.0 million under the 2025 Revolving Facility. We were in compliance with all applicable covenants as of September 30, 2026.

In addition, the Company's French subsidiary, Teads France SAS ("Teads France"), previously maintained a short-term overdraft facility with HSBC (the "Overdraft Facility") to fund its working capital needs. In May 2026, the Company commenced a repayment plan with HSBC to fully repay the Overdraft Facility. As of September 30, 2026, approximately $2.8 million (€2.4 million) in borrowings were outstanding under the Overdraft Facility, reflecting payments made during the second and third quarters of 2026. These outstanding borrowings are recorded within short-term debt in the Company's

condensed consolidated balance sheets. Subsequent to quarter-end, in November 2026, the borrowings outstanding under the Overdraft Facility were repaid in full.

We may from time to time pursue acquisitions or investments in complementary businesses or technologies.

We may from time to time seek to purchase or exchange our outstanding debt through privately negotiated transactions, open market purchases, redemptions, tender offers or otherwise. Any such purchases or retirement of debt will be made in our sole discretion in light of prevailing market conditions, applicable contractual limitations, liquidity requirements and other relevant factors. The amounts involved in any such purchase transactions, individually or in the aggregate, may be material.

See Note 8 to the accompanying condensed consolidated financial statements for additional information regarding our debt obligations and other commitments as of September 30, 2026.

Share Repurchases

On December 14, 2022, our Board approved a stock repurchase program authorizing us to repurchase up to $30 million of our Common Stock. There were no shares repurchased under the stock repurchase program during the nine months ended September 30, 2026. As of September 30, 2026, the remaining availability under our $30 million share repurchase program was $6.6 million.

In addition, we periodically withhold shares to satisfy employee tax withholding obligations in connection with the vesting of equity awards. During the three and nine months ended September 30, 2026, the Company withheld 12,356 and 120,826 shares, respectively, with fair values of less than $0.1 million and $0.1 million, respectively, to satisfy employee tax withholding obligations. During the three and nine months ended September 30, 2025, the Company withheld 52,063 and 195,171 shares, respectively, with fair values of $0.1 million and $0.6 million, respectively.

Capital Expenditures and Capitalized Software Development Costs

Our cash flows used in investing activities include capital expenditures and capitalized software development costs. We expect capital expenditures to be between $3 million and $5 million for the year ending December 31, 2026, primarily related to servers, computing equipment, and other infrastructure. We also expect capitalized software development costs to be between $20 million and $27 million in 2026, primarily related to continued investment in our platform, including infrastructure to support AI and machine learning capabilities and the development of internal software to enhance scalability and operational efficiency. Actual amounts may vary from these estimates.

Other Contractual Cash Obligations

In the ordinary course of business, we enter into non-cancelable purchase commitments, primarily related to data services, hosting and network infrastructure, and other technology and platform-related costs. These commitments support the ongoing operation and scalability of our platform. See “Other Contractual Cash Obligations” disclosure within the “Liquidity and Capital Resources” section of our 2025 Form 10-K for detailed disclosures of our other material cash obligations as of December 31, 2025.

We also enter into arrangements with certain media partners that may include guaranteed minimum payments tied to performance metrics. These arrangements may result in losses on individual contracts if guaranteed amounts exceed the revenue ultimately generated.

In addition, we have obligations under our debt arrangements and operating leases, as well as liabilities related to uncertain tax positions, the timing of which cannot be reasonably estimated.

See Notes 7, 8 and 10 to the accompanying condensed consolidated financial statements for additional information regarding these obligations and commitments.

See Cash Flows below for a discussion of changes in our cash position during the period.

Cash Flows

The following table summarizes the major components of our net cash flows for the periods presented:

	Nine Months Ended September 30,	
	2026	2025
	(In thousands)	
Net cash (used in) provided by operating activities	$ (53,588)	$ 344
Net cash used in investing activities	(6,319)	(545,380)
Net cash provided by financing activities	23,570	585,358
Effect of exchange rate changes	748	1,834
Net (decrease) increase in cash, cash equivalents and restricted cash	$ (35,589)	$ 42,156

Operating Activities

Net cash from operating activities decreased $53.9 million, from $0.3 million provided in the nine months ended September 30, 2025 to $53.6 million used in the nine months ended September 30, 2026. The decrease reflected a higher net loss after adjustments for non-cash items and less favorable changes in working capital. Changes in accounts payable, accrued expenses and other current liabilities used $54.8 million more cash than in the prior-year period, due in part to the timing of semiannual interest payments on our Senior Secured Notes. Cash paid for interest includes $62.8 million of semi-annual interest payments on our Senior Secured Notes in the current period compared to $32.1 million in the prior period. This was partially offset by $36.9 million of additional cash provided by changes in accounts receivable.

Investing Activities

Net cash used in investing activities decreased $539.1 million, from net cash used of $545.4 million for the nine months ended September 30, 2025 to net cash used of $6.3 million for the nine months ended September 30, 2026. The decrease was primarily attributable to the absence in 2026 of $598.3 million of cash consideration paid, net of cash acquired, in connection with the Acquisition. This decrease was partially offset by a $59.2 million decrease in net proceeds from sales, maturities and purchases of marketable securities.

Financing Activities

Net cash provided by financing activities decreased $561.8 million, from net cash provided of $585.4 million for the nine months ended September 30, 2025 to net cash provided of $23.6 million for the nine months ended September 30, 2026. Financing cash flows in 2026 primarily reflected $30.9 million of proceeds from the A/R Facility and $15.0 million of proceeds from the 2025 Revolving Facility, partially offset by $14.6 million of net repayments of bank overdrafts and $7.6 million of deferred financing and debt issuance cost payments. Financing cash flows in 2025 primarily reflected $625.3 million of proceeds from the issuance of the Senior Secured Notes, partially offset by $31.0 million of deferred financing and debt issuance cost payments and $7.7 million of repayments of long-term debt. The 2025 period also included $625.0 million of proceeds from the Bridge Facility and the corresponding $625.0 million repayment.

Critical Accounting Policies and Estimates

Our condensed consolidated financial statements are prepared in accordance with U.S. GAAP. The preparation of these condensed consolidated financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, expenses, and related disclosures. We evaluate our estimates and assumptions on an ongoing basis. Our estimates are based on historical experience and various other assumptions that we believe to be reasonable under the circumstances. Our actual results could differ from these estimates.

Goodwill

Goodwill represents the excess of the purchase price over the estimated fair value of the net tangible and identifiable intangible assets acquired in business combinations. Goodwill is not amortized but is tested for impairment at least annually in the fourth quarter, or more frequently if events or changes in circumstances indicate that it is more likely than not that the fair value of a reporting unit is below its carrying amount. Under ASC 350, goodwill impairment testing is performed by comparing the fair value of a reporting unit with its carrying amount and recognizing an impairment charge for the amount by which the carrying amount exceeds fair value.

During the third quarter of 2026, continued weakness primarily due to changing search and open-web traffic dynamics, including lower publisher traffic and available advertising impressions, led us to reduce projected revenue and profitability and

extend the anticipated recovery period. These developments constituted a triggering event, prompting an interim impairment assessment as of September 30, 2026. We evaluated our long-lived assets for impairment under ASC 360, “Property, Plant and Equipment,” prior to testing goodwill. A recoverability test performed as of September 30, 2026, determined that estimated undiscounted future cash flows exceeded the asset group’s carrying value. Consequently, the long-lived assets were deemed recoverable, and no impairment was recognized. We then conducted a quantitative goodwill impairment test during the third quarter of 2026 and estimated the fair value of our single reporting unit using a discounted cash flow model under the income approach. For this assessment, the reporting unit's carrying amount was determined on an invested-capital basis, differing from consolidated stockholders’ equity of approximately $(46) million immediately prior to impairment. Because the carrying amount exceeded estimated fair value, we recognized a non-cash goodwill impairment charge of $272.4 million for the three and nine months ended September 30, 2026, fully impairing our remaining goodwill balance to zero.

Other than as described above, there have been no material changes to our critical accounting policies and estimates as compared to those described in “Management’s Discussion and Analysis of Financial Condition and Results of Operations” set forth in our 2025 Form 10-K.

Recently Issued Accounting Pronouncements

See Note 1 to the accompanying condensed consolidated financial statements for recently issued accounting standards, which may have an impact on our financial statements upon adoption.

Off-Balance Sheet Arrangements

We do not currently engage in off-balance sheet financing arrangements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We have operations both in the United States and internationally, and we are exposed to market risks in the ordinary course of our business. These risks include foreign exchange, interest rate, inflation and credit risks.

Foreign Currency Risk

Our consolidated results of operations and cash flows are subject to fluctuations due to changes in foreign currency exchange rates related to our operations and intercompany transactions. Our primary foreign currency exposures are to Euros, the New Israeli Shekel, and the British Pound Sterling, among other currencies. Our operating expenses are generally denominated in the currencies in which our operations are located. Foreign currency fluctuations may impact the remeasurement of balances that are denominated in different currencies than the functional currencies of our subsidiaries. In addition, changes in the U.S. Dollar against the currencies of the countries in which we operate impact our operating results, as further described in Item 2, "Results of Operations." The effect of a hypothetical 10% increase or decrease in our weighted-average exchange rates on our revenue, cost of revenue and operating expenses denominated in foreign currencies would result in a less than $0.1 million unfavorable or favorable change to our operating income for the three months ended September 30, 2026 and a $1.8 million unfavorable or favorable change to our operating income for the nine months ended September 30, 2026.

We evaluate periodically the various currencies to which we are exposed and we are a party to, and may from time to time enter into additional foreign currency forward exchange contracts to manage our foreign currency risk and reduce the potential adverse impact from the appreciation or the depreciation of our non-U.S. dollar-denominated operations, as appropriate.

Interest Rate Risk

Our exposure to market risk is interest rate sensitivity, which is affected by changes in the general level of the interest rates in the United States and abroad. Our exposure to market risk for changes in interest rates relates primarily to any current or future borrowings under our debt obligations. Debt obligations recorded on our condensed consolidated balance sheet as of September 30, 2026 include:

- our Senior Secured Notes with a principal value of $628.2 million, which bear a fixed rate of interest at 10.000% per annum;
- our A/R Facility which is subject to interest charges for drawn commitments denominated in U.S. Dollars, Euros or Sterling, respectively, at the three-month Term SOFR, three-month EURIBOR or daily SONIA, plus 5.15% per annum, with Term SOFR and EURIBOR each subject to a 2.50% floor;
- loans under our 2025 Revolving Facility, which bear an interest rate, at the Company's option, of (x) SOFR, subject to a "zero" floor, plus an interest rate margin of 4.25% per annum or (y) an alternate base rate plus an interest rate margin of 3.25% per annum; and
- the Overdraft Facility, which had outstanding borrowings of $2.8 million as of September 30, 2026. The Overdraft Facility carries a variable rate of interest based on the three-month EURIBOR plus a margin of 1.8%. Subsequent to quarter-end, the borrowings outstanding under the Overdraft Facility were repaid in full.

See Note 8, *Debt Obligations—Overdraft Facility*, for additional information.

As of September 30, 2026, $15.0 million of borrowings were outstanding under the 2025 Revolving Facility, $30.9 million of borrowings were outstanding under the A/R Facility and $2.8 million of borrowings were outstanding under the Overdraft Facility. We have estimated that a 100-basis point change in interest rates across our total outstanding variable-rate borrowings would have an estimated impact of approximately $0.5 million on our annual interest expense.

Subsequent to September 30, 2026, total borrowings outstanding under the 2025 Revolving Facility and the A/R Facility were $40.0 million and approximately $54.6 million, respectively. We have estimated that a 100-basis point change in interest rates on this total variable-rate borrowings would have an estimated impact of approximately $0.9 million on our annual interest expense.

Inflation Risk

Our business is subject to risk associated with inflation. We continue to monitor the impact of inflation to minimize its effects. If our costs, including wages, were to become subject to significant inflationary pressures, we may not be able to fully offset such higher costs which could negatively impact our business, financial condition, and results of operations. Inflation throughout the broader economy has led and could continue to lead to reduced ad spend and indirectly harm our business, financial condition and results of operations. See Item 1A, "Risk Factors" in our 2025 Form 10-K.

Credit Risk

Financial instruments that subject us to concentration of credit risk are cash and cash equivalents, investments and receivables. As part of our ongoing procedures, we monitor the credit levels and the financial condition of our customers in order to minimize our credit risk and require certain customers with higher potential credit risk to prepay for their campaigns. See Item 1A, "Risk Factors" in our 2025 Form 10-K under "We are subject to payment-related risks that may adversely affect our business, working capital, financial condition and results of operations." We generally do not factor our accounts receivable, nor do we maintain credit insurance to manage the risk of credit loss. Certain of our accounts receivable are pledged as collateral for borrowings under the A/R Facility, and we continue to bear the credit risk on those accounts receivable. See Note 8, *Debt Obligations*, to the accompanying condensed consolidated financial statements. We are also exposed to a risk that the counterparty to our foreign currency forward exchange contracts will fail to meet its contractual obligations. In order to mitigate this risk, we perform an evaluation of our counterparty credit risk and our forward contracts have a term of no more than 18 months.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") ("certifying officers"), has evaluated the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) under the Exchange Act), as of the end of the period covered by this Quarterly Report on Form 10-Q. Based on such evaluation, our certifying officers have concluded that our disclosure controls and procedures were effective at a reasonable assurance level as of September 30, 2026.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting that occurred during the three months ended September 30, 2026 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitations on Effectiveness of Controls

Our management, including our CEO and CFO, does not expect that our disclosure controls and procedures or internal control over financial reporting will prevent all errors and all fraud. A control system, no matter how well designed and implemented, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues within a company are detected.

Part II Other Information

Item 1. Legal Proceedings

Information with respect to this item may be found in Note 10 in the accompanying notes to the condensed consolidated financial statements included in Part I, Item 1 "Financial Statements" of this Report, under "Legal Proceedings and Other Matters," which is incorporated herein by reference.

Item 1A. Risk Factors

There have been no material changes to our risk factors as previously disclosed in Item 1A of Part I of the Company's 2025 Form 10-K, which is incorporated herein by reference, as updated by Item 1A of Part II of our Quarterly Report on Form 10-Q for the quarter ended June 30, 2026, other than as provided below.

Risks Related to Teads and Teads' Industry

If we fail to regain compliance with the continued listing requirements of Nasdaq, the Common Stock may be delisted, which could adversely affect its market liquidity and market price.

To maintain the listing of the Common Stock on Nasdaq, we are required to meet certain listing requirements, including Nasdaq's Listing Rule 5450(a)(1), which requires us to maintain a minimum closing bid price of $1.00 per share (the "Minimum Bid Price Requirement"). As previously disclosed, on August 11, 2026, we received notice from Nasdaq that we were not in compliance with the Minimum Bid Price Requirement, and in accordance with Nasdaq Listing Rule 5810(c)(3)(A), we have an initial period of 180 calendar days, or until February 8, 2027 (the "Compliance Date"), to regain compliance with the Minimum Bid Price Requirement. To regain compliance, the closing bid price of the Common Stock must be at least $1.00 per share for a minimum of ten consecutive business days before the Compliance Date. We do not expect to be eligible for an additional 180-day compliance period, and we expect to effect a reverse stock split, which has already been authorized by our stockholders. However, a reverse stock split may not result in a sustained increase in the market price of the Common Stock, and there can be no assurance that we will regain compliance with the Minimum Bid Price Requirement or maintain compliance with the other requirements for listing the Common Stock on Nasdaq. If we are unable to satisfy the Nasdaq criteria for continued listing, the Common Stock would be subject to delisting, which could negatively impact us by, among other things, (i) reducing the liquidity and market price of the Common Stock; (ii) reducing the number of investors willing to hold or acquire the Common Stock, which could negatively impact our ability to raise equity financing; (iii) decreasing the amount of news and analyst coverage of us; (iv) limiting our ability to issue additional securities or obtain additional financing in the future; (v) limiting our ability to use a registration statement to offer and sell freely tradable securities, thereby preventing us from accessing the public capital markets; and (vi) impairing our ability to provide equity incentives to our employees. In addition, delisting from Nasdaq may negatively impact our reputation and, consequently, our business.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Purchases of Equity Securities by the Issuer

On December 14, 2022, our Board approved a share repurchase program authorizing us to repurchase up to $30 million of our Common Stock, with no requirement to purchase any minimum number of shares. The manner, timing, and actual number of shares repurchased under the program will depend on a variety of factors, including price, general business and market conditions, and other investment opportunities. Shares may be repurchased through privately negotiated transactions or open market purchases, including through the use of trading plans intended to qualify under Rule 10b5-1 under the Exchange Act. The repurchase program may be commenced, suspended, or terminated at any time at our discretion without prior notice.

In addition, we may from time to time withhold shares in connection with tax obligations related to vesting of restricted stock units in accordance with the terms of our equity incentive plans and the underlying award agreements. The below table sets forth the repurchases of our Common Stock for the three months ended September 30, 2026:

Period	(a) Total number of shares (or units) purchased [1]	(b) Average price paid per share (or unit)	(c) Total number of shares purchased as part of publicly announced plans or programs	(d) Approximate dollar value of shares that may yet be purchased under the plans or programs (in thousands)
July 2026	—	$—	—	$6,615
August 2026	—	$—	—	$6,615
September 2026	12,356	$0.50	—	$6,615
TOTAL	12,356		—	

(1) Total number of shares purchased is comprised of shares withheld to satisfy employee tax withholding obligations arising in connection with the vesting and settlement of restricted stock units under our 2007 Omnibus Securities and Incentive Plan and our 2021 Long-Term Incentive Plan.

On February 3, 2025, as part of the equity portion of the consideration for the Acquisition, we reissued 13,429,839 shares of our Treasury Stock at $6.01 per share, or a value of $80.7 million.

Item 5. Other Information.

(a) As previously reported, Jason Kiviat will cease serving as our CFO effective November 10, 2026, at which point Michael Coyle will assume the role. In connection with Mr. Kiviat's transition from the CFO role, the Company entered into a separation and transition agreement with Mr. Kiviat (the "Agreement"), dated November 9, 2026, pursuant to which Mr. Kiviat, after ceasing to serve as our CFO, will continue as a senior advisor providing transition services through his separation from employment with the Company, which is expected to occur on June 30, 2027. While employed by the Company, Mr. Kiviat will continue to receive his base salary and his outstanding equity awards will vest on their ordinary schedule.

The Company has continued to focus on strengthening its balance sheet, and with the volatility in our business, the Company is also focused on maintaining appropriate levels of liquidity as it executes on strategic initiatives and cost reduction measures to optimize operations. Mr. Kiviat was instrumental in designing, structuring and executing on our $125.0 million non-recourse accounts receivable financing facility (the "A/R Facility"), which closed on September 30, 2026. Further, Mr. Kiviat's support in transitioning the CFO role is expected to be beneficial to the Company. In recognition of Mr. Kiviat's role in the consummation of the A/R Facility and the Company's desire to continue to benefit from Mr. Kiviat's services, under the Agreement, Mr. Kiviat will be paid a one-time bonus of $250,000 to be paid following his cessation of service as CFO, which is subject to an after-tax clawback if Mr. Kiviat resigns prior to June 30, 2027. Further, if Mr. Kiviat's employment is terminated by the Company without cause prior to June 30, 2027, then Mr. Kiviat would receive his base salary and continued health insurance benefits through June 30, 2027. The Agreement includes a release of claims from Mr. Kiviat and acknowledgement of his restrictive covenant obligations.

(b) None.

(c) During the three months ended September 30, 2026, none of the Company's directors or executive officers adopted or terminated any contract, instruction, or written plan for the purchase or sale of Company securities intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K.

EXHIBIT INDEX

Exhibit No.	Description
10.1*	Engagement Letter, dated September 29, 2026, between the Company and Stuart Kovensky
10.2	Credit and Security Agreement, dated as of September 30, 2026, among FF Cayman AR Ltd, as borrower, FF Malta AR Ltd., as borrower, OT Midco Inc., as master servicer, FIS Capital Markets UK Limited, as reporting services provider, each of the lenders from time to time party thereto and Sound Point Agency LLC, as administrative agent and collateral agent (incorporated by reference to Exhibit 10.1 to the Company's Form 8-K filed with the SEC on October 5, 2026).
10.3	U.S. Sale and Contribution Agreement, dated as of September 30, 2026, among FF Cayman AR Ltd, as buyer, OT Midco Inc., as master servicer, FF Cayman Holdings Ltd., as intermediate transferor, and Teads, Inc., as originator (incorporated by reference to Exhibit 10.2 to the Company's Form 8-K filed with the SEC on October 5, 2026).
10.4	U.K. Purchase and Sale Agreement, dated as of September 30, 2026, among FF Malta AR Ltd., as buyer, Outbrain UK Limited, as originator, Teads Limited, as originator, and OT Midco Inc., as master servicer (incorporated by reference to Exhibit 10.3 to the Company's Form 8-K filed with the SEC on October 5, 2026).
10.5	French Purchase and Sale Agreement, dated as of September 30, 2026, among FF Malta AR Ltd., as buyer, Teads France SAS, as originator, and OT Midco Inc., as master servicer (incorporated by reference to Exhibit 10.4 to the Company's Form 8-K filed with the SEC on October 5, 2026).
10.6	Italian Purchase and Sale Agreement, dated as of September 30, 2026, among FF Malta AR Ltd., as buyer, Teads Italia S.r.l., as originator, and OT Midco Inc., as master servicer (incorporated by reference to Exhibit 10.5 to the Company's Form 8-K filed with the SEC on October 5, 2026).
10.7	Performance Guaranty, dated as of September 30, 2026, by Teads Holding Co., as performance guarantor, in favor of Sound Point Agency LLC, as administrative agent (incorporated by reference to Exhibit 10.6 to the Company's Form 8-K filed with the SEC on October 5, 2026).
31.1*	Certification of Principal Executive Officer Pursuant To Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Principal Financial Officer Pursuant To Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1*❖	Certification of the Principal Executive Officer and Principal Financial Officer Pursuant To 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS*	XBRL Instance Document
101.SCH*	XBRL Taxonomy Extension Schema Document
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

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* Filed herewith.

❖ This certification is not deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liability of that section, nor shall it be deemed incorporated by reference into any filing under the Securities Act of 1933, as amended or the Exchange Act.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized on November 9, 2026.

TEADS HOLDING CO.

By: /s/ David Kostman
Name: David Kostman
Title: *Chief Executive Officer*

By: /s/ Jason Kiviat
Name: Jason Kiviat
Title: *Chief Financial Officer*

teads *Execution Version*

September 29, 2026

Cogent Advisory LLC
Mr. Stuart Kovensky
[address]

Dear Mr. Kovensky:

On behalf of Teads Holding Co., a Delaware corporation (the "Company"), I am pleased to invite you to become a member of the board of directors of the Company (the "Board").

You will serve on the Board as an independent and disinterested director (a "Director"), as such term has been construed in accordance with relevant law. Your service on the Board will be in accordance with, and subject to, the Company's certificate of incorporation and bylaws, as the same may be amended from time to time, and applicable law.

By signing this letter agreement, you confirm that you do not possess material business, close personal relationships, or other affiliations, or any history of any such material business, close personal relationships, or other affiliations, with the Company or any of its major debtholders or its controlling equityholders that would cause you to be unable to (a) exercise independent judgment based on the best interests of the Company or (b) make decisions and carry out your responsibilities as a member of the Board in accordance with the terms of the Company's organizational documents and applicable law.

The Company recognizes that you are or may become an officer, director or employee of entities other than the Company. However, you represent that you do not currently perform and agree that you do not intend to perform, during your service on the Board, similar duties, consulting, or other services for companies whose businesses are or would be, in any way, competitive with the Company. Should you propose to perform similar duties, consulting, or other services for any such company, you agree to notify the Company in writing in advance specifying the name of the organization for which you propose to perform such services and to provide information to the Company sufficient to allow it to determine if the performance of such services would conflict with areas of interest to the Company. During your service on the Board, we request that you make reasonable business efforts to attend all Board meetings, serve on appropriate subcommittees as reasonably requested by the Board (any such subcommittee, a "Subcommittee"), and make yourself available to the Company at mutually convenient times and places as appropriate and convenient. The Company will make reasonable business efforts to facilitate your participation in Company affairs, including, without limitation, by (a) providing reasonable advance notice of anticipated Board and Company activity and (b) by facilitating your participation via telephone and/or video conference.

As a member of the Board, you will receive cash compensation paid monthly in advance (the "Monthly Fee") at a rate of $40,000 per month. Payment of the Monthly Fee will be prorated to reflect your actual term of service, based on a start date of September 29, 2026, and will continue until such date as you cease to serve on the Board. In addition, during your term of

service, you shall be compensated on a "per diem" basis at a rate of $4,000, payable in cash, for days on which you devote five or more hours of your time to activities outside the scope of normal Board duties, including preparing for or participating in legal proceedings, interviews, or depositions, or participating in other unique activities deemed necessary by the Company. Following your term of service, you shall be compensated at a rate of $800 per hour which you devote to any requested business of the Company including, without limitation, participating in legal proceedings, hearings, interviews, or depositions relating to the Company.

You will be reimbursed for all reasonable and documented out-of-pocket business expenses incurred by you in connection with your service to the Company as a member of the Board.

You will be covered by the Company's directors' and officers' insurance policy (or policies) and such insurance shall cover you to at least the same extent as any other director of the Company. The Company shall maintain such insurance in form and amount no less favorable than the insurance applicable to directors of the Company as of the date of this letter agreement, unless as otherwise agreed with you. The Company will indemnify you, as a Director of the Company, pursuant to and to the maximum extent provided by the Company's certificate of incorporation, bylaws, and applicable law, as in effect on the date of this letter agreement; provided, that the Company shall indemnify Director only if Director did not engage in gross negligence, willful misconduct, or bad faith; provided, further, that the Company shall indemnify Director in connection with a proceeding (or claim or part thereof) initiated by Director only if (a) such proceeding is a suit or other action seeking to enforce Director's right to advancement of expenses or indemnification under this letter agreement, (b) such claim or part thereof takes the form of a counterclaim, cross-claim, or third-party claim within a proceeding, where that proceeding was not initiated by the Director, or (c) such proceeding (or claim or part thereof) was authorized by the Board.

A Director may voluntarily resign in which event this letter agreement shall terminate as of the date of such resignation. A Director may also be removed under the procedures set forth in the Company's certificate of incorporation and bylaws, or by order of a court of competent jurisdiction, in which event this letter agreement shall terminate on the effective date of such removal. The compensation, reimbursement, indemnification, insurance, confidentiality, non-disparagement, and return of proprietary information obligations set forth in this letter agreement shall continue in full force following such resignation or removal as to any conduct that took place, or liability incurred, or obligation arising, prior to the date of such resignation or removal.

You and the Company each acknowledge that for you to perform your duties as a Director, you shall necessarily be obtaining access to certain confidential information concerning the Company and its affiliates, including, but not limited to: business methods; financial data; strategic plans; client and vendor lists; financial and business information; planning, advertising, and marketing information; Company research and development; technical data and technical prototypes; information regarding the principals, employees, and consultants of the Company; and other proprietary information, trade secrets, and business information that is owned by or pertains to the Company or any of its products, customers, or vendors, all of which are unique

assets of the Company or its affiliates (collectively, the "Confidential Information"). You covenant that you shall not, either directly or indirectly, in any manner, utilize or disclose to any person, firm, corporation, association, or other entity any Confidential Information, except (i) as required by law, (ii) pursuant to a subpoena or order issued by a court, arbitrator, governmental body, agency, or official, (iii) to your attorneys, accountants, auditors, insurers, and advisors who are subject to an obligation to keep the Confidential Information confidential, or (iv) to the extent such information (A) is generally known to the public, (B) was known to you prior to its disclosure to you by the Company, (C) was obtained by you from a third party which, to your knowledge, was not prohibited from disclosing such information to you pursuant to any contractual, legal, or fiduciary obligation, or (D) was independently derived by you without any use of Confidential Information.

Upon your resignation or removal as a Director, or at any other time upon the Company's request, you shall immediately return to the Company any and all books, records, files, forms, samples, reports, accounts, papers, agreements, documents, and any other Confidential Information (regardless of the media in which stored) and all copies thereof, as well as any and all Company property provided to you (including without limitation computers, scanners, printers, cell phones, pagers, wireless handheld devices, fax machines, etc.).

You and the Company acknowledge that this letter agreement is governed by and shall be construed in accordance with the laws of the state of Delaware without giving effect to any choice or conflict of law provision or rule that would cause the application of the laws of any jurisdiction other than the state of Delaware. This letter shall be binding on any successor to the Company but shall not otherwise be assignable or delegable by the Company. Each party hereto hereby irrevocably and unconditionally (a) submits for itself and its property in any legal action or proceeding relating to this letter agreement or for recognition and enforcement of any judgment in respect thereof, to the exclusive general jurisdiction of the federal courts sitting in the State of Delaware or, if such federal courts do not have jurisdiction, then to the state courts residing in the State of Delaware and appellate courts of any of the foregoing and (b) consents that any such action or proceeding shall be brought exclusively in such courts and waives any objection that it may now or hereafter have to the venue of any such action or proceeding in any such court or that such action or proceeding was brought in an inconvenient court and agrees not to plead or claim the same. The parties agree to waive their right to a trial by jury under any applicable state or federal law and to submit the suit to a trial before the bench.

This letter sets forth the terms of your service with the Company and supersedes any prior representations or agreements, whether written or oral. If any provision of this letter agreement is held by a court of competent jurisdiction to be invalid as applied to any fact or circumstance, it shall be modified by the minimum amount necessary to render it valid, and any such invalidity shall not affect any other provision, or the same provision as applied to any other fact or circumstance. The waiver by either party of the breach of any provision of this letter agreement shall not operate as or be construed as a waiver of any subsequent breach thereof. This letter agreement may be executed, including electronically, in one or more counterparts, each of which shall be considered one and the same agreement. This letter may not be modified or amended

except by a written agreement, signed by a duly authorized representative of the Company and by you.

All notices, requests, consents, and other communications hereunder shall be in writing. Further, all communications shall be addressed to the receiving party's electronic or physical mail address set forth in the signature blocks or to such other address as a party may designate by notice.

We look forward to working with you.

Sincerely,

Teads Holding Co.

/s/ DAVID KOSTMAN

Name: David Kostman
Title: Chief Executive Officer

ACCEPTED AND AGREED:

I accept and consent to be designated as a member of the Board and agree to so serve, subject to the terms and conditions set forth herein.

09/29/2026

Date

/s/ STUART KOVENSKY

Name: Stuart Kovensky
Email: *[email address]*

Exhibit 31.1

CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO EXCHANGE ACT RULES 13a-14(a) AND 15d-14(a)
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, David Kostman, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Teads Holding Co.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 9, 2026

By: /s/ David Kostman
Name: David Kostman
Title: Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO EXCHANGE ACT RULES 13a-14(a) AND 15d-14(a)
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Jason Kiviat, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Teads Holding Co.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 9, 2026

By: /s/ Jason Kiviat
Name: Jason Kiviat
Title: Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATIONS OF PRINCIPAL EXECUTIVE OFFICER AND PRINCIPAL FINANCIAL OFFICER PURSUANT TO 18 U.S.C. SECTION 1350 AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, David Kostman, Chief Executive Officer (Principal Executive Officer) of Teads Holding Co. (the "Company"), and Jason Kiviat, Chief Financial Officer (Principal Financial Officer) of the Company, each hereby certifies that, to the best of his knowledge:

1. The Quarterly Report on Form 10-Q for the quarter ended September 30, 2026 (the "Report") of the Company fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 9, 2026

By: /s/ David Kostman
Name: David Kostman
Title: Chief Executive Officer
(Principal Executive Officer)

By: /s/ Jason Kiviat
Name: Jason Kiviat
Title: Chief Financial Officer
(Principal Financial Officer)