

1 Criteo Q4 and FY 2021 Earnings Call | Prepared Remarks

2 [Edouard Lassalle](#) – SVP, Capital Markets & Investor Relations

3 Good morning, everyone and welcome to Criteo's fourth quarter and fiscal year 2021 earnings call.
4 We hope you're all doing well today.

5 Joining us on the call are Chief Executive Officer Megan Clarken, Chief Product Officer Todd
6 Parsons and Chief Financial Officer Sarah Glickman. As usual, you'll find our investor presentation
7 on our website now, as well as our script and transcript after the call.

8 Before we get started, I'd like to remind you that our remarks will include forward-looking statements,
9 which reflect Criteo's judgment, assumptions and analysis only as of today. Our actual results may
10 differ materially from current expectations based on a number of factors affecting Criteo's business.
11 Except as required by law, we do not undertake any obligation to update any forward-looking
12 statements discussed today. For more information, please refer to the risk factors discussed in our
13 earnings release, as well as our most recent Forms 10-K and 10-Q filed with the SEC.

14 We'll also discuss non-GAAP measures of our performance. Definitions and reconciliations to the
15 most directly comparable GAAP metrics are included in our earnings release published today.

16 Finally, unless otherwise stated, all growth comparisons made during this call are against the same
17 period in the prior year.

18 With that, let me now hand it over to Megan.

19 [Megan Clarken](#) – CEO

20 Thanks Ed and good morning, everyone.

21 **2021 was a pivotal year for Criteo as we worked hard to execute against our strategic**
22 **transformation plan.** I'm proud of the tremendous progress we've made and I'm bullish about what
23 lies ahead. I want to thank all of our employees across the globe for their relentless dedication to
24 drive innovation and change for our clients – enabling us to deliver our impressive performance and
25 reposition our business to lead the future of ad tech. Today, I'll cover three main topics on our call:

- 26 • First, the **strong progress** we've made in 2021.
- 27 • Second, the ambitious goals that drive our bold **vision in commerce media.**
- 28 • And third, the relentless focus we put on **execution.**

29 Todd will then present our product and go-to-market priorities for 2022, and Sarah will discuss our
30 performance highlights and our guidance for the year.

31 **Let's start with our progress on our transformation.** Today we believe we've turned the corner
32 and **entered a new stage – one of growth and of scale.** From a declining pure-play retargeting
33 business, we've turned around to become a strategically diversified and growing business – and our
34 commerce media strategy has now come to life. This is evidenced by **our double-digit growth in**
35 **2021**, which we believe we can sustain for the years to come.

36 **In 2021, we continued to build scale across our business**, as shown by the 19% growth in the
37 annual media spend we activate for our clients – reaching \$2.7 billion in 2021. We've capitalized
38 on our strong first-mover advantage in Commerce Media, our rapidly expanding retail media
39 footprint and fast-growing global consumer reach to **position Criteo as an ad tech leader,**
40 **differentiated by Commerce Media.** We're building on multiple strong differentiators to sustain
41 and strengthen our lead in Commerce Media. These include 685 million Daily Active Users who are
42 online to buy products and services amongst other activities, our large scale in first-party data from
43 22,000 clients, unique access to over \$1 trillion of ecommerce sales, our differentiated Retail Media
44 offering powering over 50% of the top-25 retailers in the U.S. and Europe, and 16 years of
45 commerce-focused AI expertise. **We have all the right assets to accelerate our strategic plans**
46 **– and be the go-to for Commerce and Retail Media for the open internet.**

47 **Talking about Criteo's strategy, let me take a moment to remind you of the goals guiding our**
48 **ambitions in Commerce Media.** At Criteo, we believe that we invented commerce media, which
49 we first introduced in the fall of 2020. eCommerce continues to grow in the form of sales \$ and %
50 of total retail sales and Commerce Media takes advantage of this by bringing advertising spend into

the digital stores paired with advertising campaigns run against offsite media to maximize marketing spend and drive significant commerce outcomes. We combine large-scale commerce data and intelligence to deliver richer consumer experiences, engaging consumers from discovery all the way through to purchase to drive both online results and in-store visits and sales. With Commerce Media, we help all parties increase digital advertising returns by informing marketing decisions, improving targeting and creating efficient, effective ads. We bring consumers to brands, brands to retailers, and audiences to publishers. In short, we're creating an open marketplace where we connect consumers, marketers, and media owners to drive commerce outcomes with control and transparency. We don't believe that anyone else is doing this across the open internet like we are.

Our Commerce Media Platform opens up **a potential \$100 billion TAM by 2024**, more than doubling the market we served prior to our transformation. We believe a **number of strong, secular industry tailwinds** support this massive opportunity, including: the rapid surge of ecommerce since the beginning of the pandemic, the huge potential that having access to first-party data unlocks for marketers and media owners, and the critical need retailers have to partner with technology and media companies. According to multiple industry experts, retail media has **become the number one secular growth trend in digital advertising today**, overtaking search, and social. And as marketers respond to the consumer shift to ecommerce, which is expected to grow double digits again in 2022, traditional trade marketing dollars used for bricks and mortar in-store promotions are rapidly moving to digital, allowing retailers and brands to personalize promotions and ad placements for the customer and drive sale both online and in-store. This shift represents a market opportunity of \$80 billion. When adding the full potential of online trade marketing, which we're poised to capitalize on, our **total addressable market reaches \$180 to \$200 billion**. Leveraging these powerful trends and opportunities, as well as our recently-signed acquisition of IPONWEB – will enable us to further scale to meet the demand for Commerce Media capability across the open Internet. In fact, certain industry experts already **view Criteo as a “walled garden” for Commerce Media**. This is indeed ironic – but if this means providing commerce media solutions to everyone else, by creating commerce connections and delighting consumers – we'll take it.

Looking at 2021 in the context of our bold vision, we delivered on all of our key milestones around growth, execution, and first-party data.

Starting with growth. We delivered double-digit growth above our guidance in 2021 of 11% at constant currency on a Contribution ex-TAC basis, which we previously called Revenue ex-TAC. Our fourth quarter marked the fourth consecutive quarter of Contribution ex-TAC growth.

We remained laser-focused on execution. In 2021, we accelerated our business diversification, with non-retargeting products representing 32% of Contribution ex-TAC in our fourth quarter and close to 30% in 2021, up from 19% a year ago. **Criteo is no longer a single-product company**, with a third of our live clients using more than one Criteo product. In terms of client count, this is 17% more than a year before, demonstrating that our broad Commerce Media Platform enables our clients to market and monetize their digital assets up and down the marketing funnel. In turn, this enables us to grow our business in a more balanced way across our portfolio.

Our growth was also well balanced between existing and new clients. We added hundreds of net new clients across all solutions. Importantly, we **benefit from fast-increasing traction in upselling and cross-selling our solutions to existing clients**. For example, our Commerce Media Platform is supporting multiple brands in Danone's portfolio to drive product awareness, engage offsite and in-store customers online, and generate sales. We're leveraging our full-funnel capabilities for these brands with a holistic audience approach integrating many of our solutions across Marketing Solutions and Retail Media. Another example includes a large NY-based omnichannel retailer that has constantly broadened their partnership with us through time and is using our Audience First targeting and retargeting along with our omnichannel capabilities and of course Retail Media. In 2021, this retailer's 'always-on' strategies and new product adoption across our portfolio led to a 40% increase in our business with them. This is the Commerce Media effect.

More specifically, Retail Media remains a powerful growth engine for us as we continue to own this exciting space. Our platform offers a differentiated self-service interface to both retailers and brands and drives positive network effects for all parties. In 2021, we expanded our platform adoption with large retailers, including Lowe's, Carrefour, Best Buy, Nordstrom, Michaels, Costco and Douglas, and started offsite campaigns for Lenovo, BestBuy, and Walmart Mexico. We've also invested in multiple growth areas to position Retail Media to meet new customer needs, including **retailer marketplaces** with new clients like FeelWay and new campaigns with Sam's Club, Meijer and Metro. And – we're thrilled to have **recently signed a three-year global partnership with GroupM**, the world's leading media investment company part of WPP, to accelerate the demand and supply growth of Retail Media – while empowering GroupM's agencies around the world with incentives and first-to-market opportunities within our retail media ecosystem and platform globally. This is our first global retail media agreement with a major agency holding company, and further positions us as **the retail media partner of choice on the open internet**.

When it comes to Audience First targeting, we're capitalizing on fast-growing opportunities. We saw strong renewal rates and budget increases in the back half of the year. We launched hundreds of Contextual ad campaigns and saw good traction in online video with exciting results

from our new shoppable video ads product. Our Omnichannel solution, enabling retailers to link their offline commerce data with online consumer identities, grew by triple digits again in 2021, providing us with another strong layer of differentiation in the marketplace.

Finally, on first-party data, we've made significant strides to solidify Criteo's leadership position. Once the industry finally moves beyond third-party identifiers, our ability to **connect first-party data from the supply side with first-party data from the demand side** should provide a crucial advantage to effectively find and monetize commerce audiences on the open internet. With this key objective in mind, we believe our pending acquisition of IPONWEB will greatly enhance our direct integration with publishers and accelerate the interoperability of first-party data between demand and supply. This capability is a key differentiator for the Commerce Media Platform. Our focus is on removing "platform fatigue" for our clients who are required to extend themselves across more and more DSP's and SSP's as the environment becomes more segmented and the threat of 3rd party identifiers disappearing looms.

All of our 2021 achievements would not have been possible without our people, who are our greatest assets to drive Criteo's long-term success. Investing in our talent was one of our top priorities in 2021 and will remain front and center. Our number of employees grew by 7% in 2021, showing our differentiated employer value proposition and our strong innovative culture. Every day, we celebrate who we are through our diverse and inclusive culture, our commitment to the rights of people, and our responsibility to the planet. In 2021, we achieved gender pay parity, we extended our parental leave to be inclusive of our diverse workforce, and we saw some 1500 Criteo's -over half our company- volunteer across 7 different Employment Resource Groups with passion. We're delighted that 100% of our data center energy is now using renewable energy sources or offset by certificates. To offset even more carbon, we worked with Tree Nation to plant over 7,000 trees in 2021, an effort that we'll accelerate. I'm passionate about this subject and will continue to present Criteo as a Poster Child for what's right.

As we focus now on 2022, we'll be keeping you updated through a new set of strategic pillars which will be consistent throughout the year. Over the past year, we prioritized around Growth, Execution and 1st Party Data – going forward, we're evolving on those priorities and focusing **on Integration, Differentiation, and Scale.**

Firstly, integration – now more than ever, our culture of high performance and accountability will be instrumental in achieving our growth ambitions. To further scale our leading position and accelerate the deployment of our Commerce Media Platform, we intend to continue to **invest in high growth areas and hire or acquire strong talent.** Our pending acquisition of IPONWEB and

the integration of this exciting asset is critical, as is the opportunity for us to unlock the power of the Commerce Media Platform through a more integrated go to market pivot. Our Commercial push in 2022 is critical and you'll see more from us on client segmentation, product mix, talent and more integrated go-to-market initiatives.

Second, differentiation is what makes us unique and the right choice for clients. You will see us focusing on things that set us apart. From the assets that we continue to build on, to the product functions and features, to our tech investments and our people. We will continue to differentiate to create opportunities for our clients and for ourselves. **Finally, scale is critical** to deliver sustainable growth. You will see us focusing on making choices that enable us to scale. From Partnerships that we form, to investments in efficiency plays – everything we do is grounded in our ability to make it scale.

In closing, we expect to **deliver double-digit growth again in 2022**, with continued growth in Retail Media and Marketing Solutions. The accelerated shift toward ecommerce and digital advertising is a macro trend that will continue to grow. We're well-positioned to help retailers target their customers anywhere, including to bridge offline commerce with online consumers. **Commerce Media is the most important secular growth trend in the entire digital ad industry**, and we're confident that our strong, differentiated offering will allow us to continue to gain share there. In pursuing our scale priority, we will focus on improving our efficiencies across our business, building for growth, AND gaining share on our existing market opportunity.

We believe we're heading into 2022 with a clear strategy, a great plan, a focus on deeper integration, differentiation and scale, world-class talent, commerce media assets, and strong execution momentum. With that, I'll turn the call over to Todd who will provide an update of our product and go-to-market priorities for this year. Todd?

[Todd Parsons](#) – Chief Product Officer

Thank you Megan and good morning everyone. Our team's efforts over the past year have been instrumental in bringing our Commerce Media Platform to life, and I'm truly excited about the promising opportunities that lie ahead for Criteo and our partners.

First, to follow up on Megan, our primary focus in 2022 will be on integration. From a product perspective, that means we are streamlining our go-to-market strategy and converging all our solutions under a unified Commerce Media Platform experience, offering a single point of entry to all our customers. We're also excited to **leverage IPONWEB's complementary assets across our product portfolio to turbocharge the delivery of our product roadmap.** We've had a long-

standing partnership with the IPONWEB team and ultimately anticipate a fast integration of the BidCore DSP and the MediaGrid SSP into our Commerce Media Platform.

Combining BidCore's DSP for mid- and upper-funnel marketing to our existing strengths in retargeting and onsite Retail Media should make our Commerce Media Platform proposition even more powerful for marketers and agencies because it will cover the entire consumer buying journey across digital stores and media destinations on the open internet.

And, the MediaGrid SSP brings direct relationships with many publishers, as well as the technology to scale these direct integrations and curate media inventory and audiences across our broad publisher network. By integrating The MediaGrid with our existing Criteo Direct Bidder and powerful Retail Media SSP, we're well positioned to significantly expand our direct publisher footprint while enhancing our first-party data operations, making our platform even more attractive to all types of media owners.

Meanwhile, IPONWEB's highly custom R&D expertise is expected to meaningfully strengthen our own R&D capabilities, especially around making the Commerce Media Platform fully customizable for our largest and most strategic Enterprise and Agency clients. We believe this will greatly enhance the attractiveness of our value proposition to them – including for many retail media players as they expand into this booming space.

Finally, we expect the BidSwitch media trading marketplace to run independently and transparently while broadening our distribution of Commerce Audiences to a wider set of demand and supply partners.

Secondly, with integration being a core enabling priority, we'll also be focused on further scaling our Commerce Media Platform offering in 2022 to realize its full potential for our clients and partners. **On the demand side**, this includes scaling our **Audience targeting solutions and our DSP offering**, shifting from selling point solutions to an Audience-First sales approach that meets the advertising needs of our customers across the entire customer journey, and allows us to capture additional marketing budgets. We are encouraged by the early traction and positive client response, including the adoption of our Contextual offering by over 600 advertisers in 2021, and are on track to fully ramp our sales efforts by the second half of this year.

In pursuing this strategy, **online video** remains a high product priority in 2022 as we continue to engage in-market consumers everywhere they are. We capitalize on strong demand for video campaigns – including **shoppable video formats** that we introduced last year – and our growing

agency partnerships. We've already partnered with over 400 advertisers for online video campaigns in 2021 and look forward to many more brand launches planned in the coming months.

On the supply side, we're thrilled to formally **launch our media monetization offering** and expect to fully ramp up our commercial efforts by the second half of this year, with the anticipated addition of The MediaGrid SSP. This will be a critical development priority in 2022 and we'll continue to update you on our progress.

Important to both the demand side and the supply side of our business is our plan to further develop our **partnerships with media agencies**, which play a critical role for mid- and upper-funnel advertising. Our exciting multi-year partnership with GroupM is just the beginning here as we want to give the top media agencies access to our powerful combination of commerce audiences and high-quality, curated inventory for campaigns they can run with the DSP of their choice.

Lastly, we'll focus on reinforcing our differentiation in the marketplace with **our privacy-focused First-Party Media Network**. We think our strong media buying power – largely enhanced by the \$1 billion incremental media spend we expect to get from IPONWEB – will help us further broaden our access to unique media, expand our consumer reach, and enhance our distribution and activation of first-party data. In turn, this free flow of consented first-party data should help broaden our high-performing commerce audiences at scale on the open internet, with the network effects of attracting more advertising demand to our platform.

Before closing, I'd like to comment briefly on Topics API, Google's new proposal for the Privacy Sandbox. This recent development provides a sense of *déjà vu* in our industry. As we did with FLoC in 2020 and 2021, we plan to collaborate with Google and our industry partners to participate in the Origin trial testing of Topics and we will continue to update you in the coming months on their ability to bring value to consumers, marketers and media owners. Overall, we support providing a differentiated audience solution through Google's Privacy Sandbox, and emerging tech that promises to support a fair and open internet.

With that, I'll turn over to Sarah. Sarah?

[Sarah Glickman](#) – Chief Financial Officer

Thank you Todd, and good morning everyone. I'm delighted to be sharing our strong results for 2021 and really excited about our growth opportunities for 2022 and beyond.

Starting with our financial highlights for 2021. Revenue was \$2.3 billion, growing 9%. Throughout the year, revenue growth was primarily driven by favorable pricing. Contribution ex-TAC grew 12%,

or 11% at constant currency, to \$921 million, with 72% of the growth driven by existing clients and 28% driven by new clients. In line with expectations, this included \$57 million of incremental privacy impacts, or 7 points of growth. Our Contribution ex-TAC margin in 2021 was 41% of revenue, up over 100 basis points. And I'm pleased that we delivered **record high Adjusted EBITDA margin, Free Cash Flow and EPS.**

As we mentioned in our earnings release, starting in Q4, we now disclose two reportable segments – Marketing Solutions and Retail Media –. As part of this disclosure, Revenue ex-TAC has been renamed Contribution ex-TAC, and remains our key Non-GAAP performance metric that we now reconcile to Gross Profit.

Looking at Q4, we achieved strong performance across our business. We grew retargeting in the low single digits and grew our retail media and targeting solutions 46% with a tough comparison to Q4 2020. Anticipated incremental privacy of \$28 million impacted growth by 11 percentage points in Q4. Reflecting continued upselling and cross-selling across our client base, our same-client Contribution ex-TAC grew over 9% at constant currency and 44% of live clients now use services other than retargeting. In Q4, our top-10 client business in Marketing Solutions grew 60% year-over-year and 47% compared to Q4 2019. In addition, close to a third of new business came through both our direct and agency channels for retail media and targeting solutions. Client retention again remained high at close to 90%.

We enjoyed a strong holiday season again this year. As expected, we saw early sales trends, solidifying what is now “Black November”. Retail Media had a record performance during Black Friday. During the Cyber6 weekend, overall client spend in Marketing Solutions increased 5% in the U.S. and 11% in LATAM. There were no material impact from supply chain issues across our business in Q4.

Looking at our business segments, in Retail Media, we grew media spend by an outstanding 64% sequentially to close to \$260 million in Q4 and close to \$700 million in 2021, up 63% year-over-year. Retail Media grew 58% in 2021 on a Contribution ex-TAC basis and has more than doubled since 2019. We closed 2021 with 74% of our Retail Media business conducted through our Retail Media Platform, including 82% in the Americas, and expect the RMP transition to be complete by mid-2022 in the Americas and the second half of the year in EMEA.

In our Marketing Solutions segment, we had balanced growth between our existing and new business.

Retail as a vertical grew 17% at constant currency across our business in Q4 and 22% on a 2-year basis, reflecting sustained strong consumer demand across physical and digital stores. Our Classifieds business further recovered in Q4 and Travel clients continued to show signs of recovery.

Our Americas region has been growing at a rapid pace, reflecting a solid, resilient retargeting business, strong performance with Strategic and Core Retail customers and a 50% growth in Retail Media with both top brands and retailers. We continue to be a leader in the U.S. retail media space and to strengthen our position in this fast-growing market.

AsiaPac also experienced solid momentum, driven by good Retail performance in Japan, South-East Asia and Korea, and a strengthening performance in Classifieds.

EMEA remained solid with a strong Black Friday and continued strong traction across Retail, including in Retail Media, notably in Germany and emerging markets. The region was also impacted by explicit consent.

We delivered strong profitability while still investing in growth. Adjusted EBITDA of \$322 million in 2021 was up 26% at constant currency, driving an all-time high 35% margin, up 460 basis points. While this margin improvement was largely driven by operating leverage from topline growth and productivity improvement, it also reflects several structural cost measures initiated in 2020, including in our hosting and facilities costs. We closed the quarter with 2,800 Criteos, the highest level since Q3 2019. Non-GAAP opex increased 18% at constant currency in Q4 and 6% in 2021, including 13% for R&D, and only grew 4% in 2021 before the impact of our higher stock price. In Q4, our 2021 overperformance resulted in an incremental \$10 million for bonus accruals, or 8 percentage points in the growth of Non-GAAP opex. As expected, we incurred pre-tax restructuring and transformation costs of \$22 million in 2021, including \$16 million in facilities as we right-sized our global office portfolio.

Depreciation and Amortization was flat in the year and the growth of our stock price in 2021 drove share-based compensation expense up 43%. Our strong business performance, coupled with disciplined cost management, drove a 40% increase in income from operations in 2021 and 84% growth in net income. The \$2 million in financial and other income in the year largely related to proceeds from selling servers and dividends received from an investment. Our effective tax rate for 2021 was 11%, primarily reflecting the release of the valuation allowance against deferred tax assets in the U.S. and the benefits of our French patent box tax rate. Our 2021 diluted EPS, growing 80%, and adjusted diluted EPS, growing 56%, both reached record levels. We cancelled 1.5 million shares in 2021, resulting in total share count of 65.9 million at the end of 2021, down 1%, including 5.2 million treasury shares.

Our strong cash generation and cash position continue to provide ample financial flexibility to execute on our growth strategy. Free Cash Flow grew 157% to \$56 million in Q4, and 40% to a record \$168 million in 2021, reaching an all-time high conversion of 52% of Adjusted EBITDA. We closed the year with a strong balance sheet and \$571 million in cash and marketable securities, up \$41 million in the year after repurchasing over \$100 million worth of Criteo shares. With total liquidity close to \$1.1 billion, or about \$700 million after closing IPONWEB, we maintain a robust capital allocation process with the primary goal of investing in organic growth and leveraging M&A to accelerate our Commerce Media Platform.

We repurchased over 2.6 million shares in 2021 at an average cost of \$37.8 per share and completed our \$100 million buyback program early December. We extended our share buy-back program by \$75 million last October and will start executing on it now that we have announced year-end earnings. We are also extending our buyback program by an additional \$105 million to a total of \$280 million.

Before I cover our financial guidance, I'll **say a brief word on IPONWEB**. IPONWEB's preliminary unaudited non-GAAP financials for 2021 are in line with our expectations and include net revenue growth of 23% to over \$100 million, and an Adjusted EBITDA margin of 20%. We expect to close the acquisition **by end of Q1**.

I'll now provide our guidance for 2022, which reflects our expectations as of today, February 9th. Overall we see continued favorable macro trends, with expected double-digit growth in ecommerce again. We do not expect a meaningful impact from supply chain issues or inflation on our business, as marketers continue to lean into advertising to promote their products. That being said, we have clients across various sectors, including consumer electronics and auto, that continue to experience challenges. Like others, we are experiencing a tight talent market and have anticipated higher salary levels for 2022. We now anticipate incremental privacy impacts of \$55 million in 2022, related to Apple's ATT and iOS15 as well as explicit consent in Europe to a lesser extent. We expect about **75% of these privacy impacts to materialize in H1 2022, including close to 40% in Q1 alone**. While we may not be as exposed as other companies, iOS and other privacy impacts have impacted the underlying performance of advertising on the open internet.

All of our 2022 guidance excludes the contemplated acquisition of IPONWEB. **Overall, we view 2022 as a "ramp up" year** with an acceleration for continued growth in 2023 as we continue to execute on our strategic roadmap. For fiscal year 2022, we're targeting **constant currency growth of 10% to 12% in Contribution ex-TAC** on top of our double-digit growth in 2021. This assumes organic growth of around 20% in gross media spend, including to over \$1 billion for Retail Media

alone, growing close to 60% in 2022. We expect retargeting to be resilient despite the incremental privacy impacts, Retail Media to grow by 50% in 2022 with accelerating growth throughout the year, and Audience Targeting to grow by 40% to 45%, all in line with the framework provided at our Investor Day in June of last year.

On the expense side, we have budgeted a 16% growth in non-GAAP expense, driven by continued investments in our growth areas and an increased run-rate for expenses related to marketing, events and travel. We will continue to hire new Criteos to fuel our growth agenda. For 2022, we expect **an Adjusted EBITDA margin of approximately 32%**. We expect a normalized tax rate of 25% to 30%, which includes the anticipated impact of OECD reforms. We expect capex of about \$85 million and a free cash flow conversion rate of about 45% of Adjusted EBITDA. For modelling purposes, we would assume a flat number of shares outstanding in 2022.

We estimate forex changes in 2022 compared to 2021 to drive a negative impact of about \$20 million on Contribution ex-TAC, or over 2 percentage points of growth, and \$8 million on Adjusted EBITDA, or 15 basis points of margin.

In Q1 2022, we expect **Contribution ex-TAC of \$216 million to \$220 million, growing by 5% to 7% at constant currency, and Adjusted EBITDA of \$52 million to \$56 million**. We expect negative impacts on Contribution ex-TAC of \$8 million from forex, or close to 4 percentage points of growth, and \$20 million from incremental privacy impacts, or about 10 percentage points of growth. Retail Media is expected to grow 40% in Q1, following over 120% growth in the same period last year. We expect underlying growth in retargeting to be offset by incremental privacy impacts, primarily iOS. Marketers are more conscious of lower performance post-iOS. On the expense side, we expect to accelerate hiring in Q1 and increase our marketing spend around the Criteo brand.

In closing, Criteo has the ambition to **be the largest adtech player on the open internet**. With our Commerce Media Platform strategy fast coming to life, we're well positioned to deliver on our plans for double-digit growth, healthy profitability and strong cash generation to drive long-term shareholder value in 2022 and beyond. The future is wide open for Criteo.

With that, I will now open up the floor to your questions.

[...Q&A...]

Edouard Lassalle – SVP, Capital Markets & Investor Relations

Thank you Megan, Sarah and Todd. This now concludes our call for today. Thanks everyone for joining. The IR team is available for any additional requests. We wish you all a good day.