Form **8937**
(December 2017)
Department of the Treasury
Internal Revenue Service

Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

OMB No. 1545-0123

Part I Reporting Issuer

1 Issuer's name IronSource LTD			2 Issuer's employer identification number (EIN) 98-1568080
3 Name of contact for additional information	4 Telephone No. of contact		5 Email address of contact
6 Number and street (or P.O. box if mail is not delivered to street address) of contact 121 Menachem Begin Road			7 City, town, or post office, state, and ZIP code of contact Tel Aviv, Israel 6701203
8 Date of action See attachment	9 Classification and description Common Stock		
10 CUSIP number 631385101	11 Serial number(s) N/A	12 Ticker symbol IS	13 Account number(s) N/A

Part II Organizational Action

Attach additional statements if needed. See back of form for additional questions.

14 Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ SEE ATTACHED

15 Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ SEE ATTACHED

16 Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ SEE ATTACHED

Part II Organizational Action *(continued)*

17 List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶
SEE ATTACHED

18 Can any resulting loss be recognized? ▶
SEE ATTACHED

19 Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶
SEE ATTACHED

Sign Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ▶ Date ▶ 9/1/2022

Print your name ▶ Assaf Ben Ami Title ▶ CFO

Paid Preparer Use Only	Print/Type preparer's name	Preparer's signature	Date	Check ☐ if self-employed	PTIN
	Firm's name ▶			Firm's EIN ▶	
	Firm's address ▶			Phone no.	

Send Form 8937 (including accompanying statements) to: Department of the Treasury, Internal Revenue Service, Ogden, UT 84201-0054

ironSource Ltd.
FEIN: 98-1568080
Attachment to Form 8937

Part II Line 14 - Describe the organizational action and, if applicable, the date of action or the date against which shareholders' ownership is measured for the action:

ironSource Ltd. on June 28, 2021 pursuant to an Agreement and Plan of Merger, dated March 20, 2021, effected both a stock dividend and a stock split. All Ordinary shares were reclassified as Class A Ordinary shares, no par value per share, and all Class A Ordinary shares received a 1-for-1 stock dividend of Class B Ordinary shares, no par value per share.

Immediately thereafter, ironSource Ltd. effected a stock split of each Class A Ordinary share and each Class B Ordinary share into such number of Class A Ordinary shares and Class B Ordinary shares, respectively, such that each Class A Ordinary share and each Class B Ordinary share have a fair market value of $10.00 per share after giving effect to such stock split. The ratio of the stock split was 4.99-to-1. The distribution of Class B Ordinary shares and the stock split together represent a ratio of 9.98 of each share.

On June 28, 2021, ironSource Ltd. completed a merger with Thoma Bravo Advantage (TBA), a Cayman Islands exempted company. Pursuant to the terms and conditions of the Agreement and Plan of Merger (the "Agreement") dated as of March 20, 2021, TBA merged with Showtime Cayman, a Cayman Islands exempted company and a wholly-owned subsidiary of ironSource Ltd. with TBA as a surviving entity. Immediately afterwards, TBA merged with and into Showtime Cayman II, a Cayman Islands exempted company and a wholly-owned subsidiary of ironSource Ltd., with Showtime Cayman II as the surviving corporation.

Part II Line 15 - Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis:

The stock dividend and the stock split are non-taxable transactions under Internal Revenue Code ("IRC") Section 305(a). As a result of the 1-for-1 stock dividend and the 4.99-for-1 stock split, shareholders receive 8.98 additional shares for each share owned. In accordance with the IRC Section 307(a) each shareholder is required to allocate the aggregate tax basis in the shares held immediately prior to the 1 – for 1 stock dividend and the 4.99-1 stock split among the shares of stock held immediately the stock dividend and stock split. The number of shares held by each shareholder are multiplied by 9.98. After the transaction, a shareholder will multiply the basis in each share of stock held before the stock dividend and the stock split by 0.1002 to determine the basis in each share of the stock held after the stock split. Thus, each shareholder's total basis in all shares owned after the stock dividend and the stock split, and the proportionate interest in the Company remains the same.

The merger of TBA with and into ironSource Ltd should qualify as a tax-free reorganization, within the meaning of Section 368(a) of the Internal Revenue Code ("IRC").

Part II Line 16 – Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of the securities and the valuation dates:

We caution that this is not tax advice and is only provided as guidance. Investors should consult their tax advisors if they have any questions. A shareholder will multiply the basis in each share held before the stock dividend and the stock split by 0.1002 to determine share basis, after the stock dividend and the stock split, in the original share owned as well as the additional shares distributed in the stock dividend and the stock split. The plan of merger was signed on March 20, 2021, with new shares being distributed on June 28, 2021. The data that supports this calculation is each shareholder's basis immediately before the distribution and the number of shares issued.

Shareholders who sold their shares to TBA should report the gain or loss (if any) using their updated basis after the stock dividend and the stock split.

Part II Line 17 – List the applicable Internal Revenue Code section(s) and subsections(s) upon which the treatment is based:

The applicable Internal Revenue Code Sections upon which the tax treatment is based are IRC Sections 305(a) and 307(a) and 368(a)
Under 305(a) the distribution is not taxable to shareholders. Under 307(a), each shareholder's basis in the old stock must be allocated between the old stock and the new stock distributed in the stock dividend and the stock split.
Under 368(a) the merger was structured as a non-taxable reorganization.

Part II Line 18 – Can any resulting loss be recognized?

Under current law for Federal income tax purposes, there will be no U.S. taxable income, gain or loss realized by the U.S. resident shareholders in connection with the 1-for-1 stock dividend and the 4.99-for-1 stock split. The laws of jurisdictions other than the U.S. may impose income taxes on the receipt of additional shares. As such, investors should consult their tax advisors with respect to the potential tax consequences in light of their individual circumstances.
There is no gain or loss on the merger of TBA into ironSource Ltd.
We caution that this is not tax advice and is only provided as guidance. Investors should consult their tax advisors if they have any questions. On the sale of Class A Ordinary Shares by existing shareholders, each shareholder will need to calculate their gain or loss on the difference between their updated stock basis after the stock dividend and the stock split and cash received.

Part II Line 19: Provide any other information necessary to implement the adjustment, such as the reportable year:

The reportable tax year is 2021 for taxpayers reporting taxable income on a calendar year basis. For stockholders reporting taxable income on a basis other than calendar year, the reportable year is the stockholder's tax year that includes June 30, 2021.