



Nexxen Third Quarter 2024 Earnings Call

November 15, 2024



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Nexxen's Platform, Business, Value Proposition and Industry Standing Has Taken a **Massive Leap Forward**

- Enhanced data and tech capabilities, rebrand and sales execution drove **record Q3 results**
- Nexxen now viewed as the “**data-first**” **platform** that enhances outcomes across the AdTech supply chain
- Our strategy to **connect our data solutions to our flexible platform is a winning value proposition** fueling better customer results and increasingly leading the world's top companies to partner with Nexxen

End-to-End Platform Approach Provides Competitive Advantages

Our flexible and differentiated end-to-end platform features a state-of-the-art DSP and SSP, centered around a data platform, driving better results and ROI for partners while enabling cost savings especially when customers adopt multiple solutions within our product suite



Nexxen's Data Capabilities Creating Differentiation, Driving New Partnerships and Opening New Markets

Our platform **connects the data and AdTech supply chain** through data **onboarding, audience enrichment, activation** and **measurement** capabilities, separating Nexxen from the pack

 ONBOARDING

 ENRICHMENT

 ACTIVATION

 MEASUREMENT

 DATA PLATFORM

DISCOVERY

VIDAA'S GLOBAL ACR DATA

DMP

UNIFIED IDENTITY GRAPH

TV INTELLIGENCE

MAJOR DATA PARTNERSHIPS

Nexxen's **data solutions address key industry challenges** including combating signal loss, and audience finding, targeting and reach extension

 BUYER PLATFORM

 SELLER PLATFORM

Our data capabilities **are fueling new data revenue opportunities and partnerships** in industry growth areas like commerce media

Nexxen is a True Leader in **CTV Advertising Data** and **Technology**

- Full stack platform **benefits CTV advertisers and streaming platforms**
- Nexxen holds relationships with all the **world's major CTV OEMs**, provides access to **premium streaming supply** and has **exclusive TV data assets**
- **Our CTV data solutions amplify the effectiveness and appeal of our TV-focused tech products** while our exclusive global ACR data partnership with VIDAA continues to **attract new partners**



Winning New ACR Data Licensing Partnerships With Strong and Growing Pipeline



Nexxen's ACR data segments are now available on **The Trade Desk's** platform for activation in the U.S., U.K., Canada and Australia

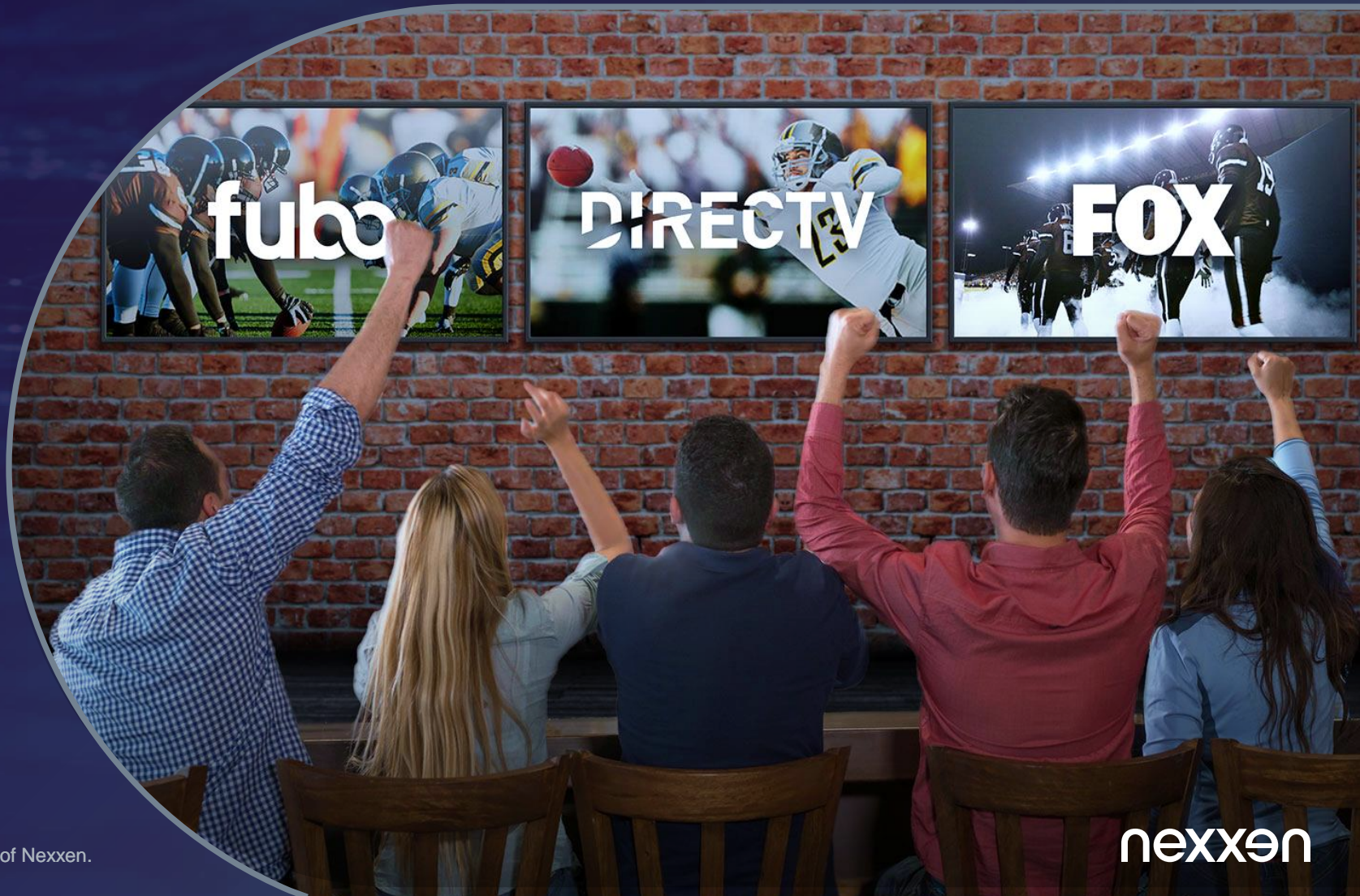
Nexxen's ACR data segments are also now available on **StackAdapt's** programmatic platform for activation in the U.S.



In advanced discussions with many others seeking to license our ACR data, including some of the industry's largest and most-recognized names

Nexxen Well Positioned in Live Sports Amidst Shift to CTV and Strong and Growing Advertiser Demand

- Nexxen's relationships with **Fox, Fubo and DIRECTV**, amongst others, are **creating live sports-related tailwinds**
- Our partners are granting us **access to live college football, NFL and other major sports inventory**, driving better monetization for these customers, while creating opportunities for our advertiser clients



Data-Driven Political Tools Launched in Q3 Helped Nexxen Capitalize on the 2024 U.S. Election Cycle

- Generated what the Company believes will reflect **record annual political Contribution ex-TAC**
- Nexxen's recently launched tools for political advertisers **enabled deeper campaign insights and expanded audience reach** as our data and audience capabilities **drove better targeting and engagement with multi-cultural voters**



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Q3 Business Wins

Highlighted by All-Time High New Advertiser Customer Additions

+138

New actively spending first-time advertiser customers

+31

New enterprise self-service customers

+61

New supply partners

Nexxen has an AI Edge and GenAI is Expected to Turbocharge its Platform and Data Capabilities and Advantages



PLANNING

Releasing GenAI-powered **in-platform virtual assistant**
Enhancing Nexxen Discovery to drive **better audience creation, insights generation, and reach extension** results, as well as **seamless activation on Nexxen DSP**

ACTIVATION

Introducing **GenAI-powered copiloting** capabilities within Nexxen DSP

MONETIZATION

Discovery enhancements expected to widen utility and **make tool more user-friendly for potential licensing** to larger market

Nexxen uniquely situated to harness the full power of AI due to its full stack platform and robust data footprint

Nexxen has an AI edge due to how many data signals it collects and utilizes

GenAI upgrades across platform expected to fuel **better usability and enhanced customer returns**

Nexxen Strongly Positioned for 2025 and Beyond

Nexxen poised to accelerate growth in 2025 through recently launched partnerships and data licensing opportunities scaling, while GenAI-fueled enhancements are expected to attract more partners to our platform

Data, CTV and video capabilities; alongside flexible platform, position Nexxen to **continue capitalizing on large multi-solution opportunities and grow market share**



Q3 2024

Financial Highlights

Generated record Q3 Contribution ex-TAC and programmatic revenue, fueled by our second-best CTV revenue quarter ever, while expanding Adjusted EBITDA by 49% y/o/y in Q3 2024

*As % of Contribution ex-TAC

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\$85.5 M

Contribution ex-TAC
(+12% y/o/y and a Q3 record)

\$81.6 M

Programmatic Revenue
(+10% y/o/y and a Q3 record)

\$29.7 M

CTV Revenue
(+52% y/o/y and a Q3 record)

\$31.6 M

Adjusted EBITDA
(+49% y/o/y)

37%

Adjusted EBITDA Margin*

71%

Video Revenue as a % of
Programmatic Revenue

Cash Flow, Liquidity and EPS

\$39.9 M

Q3 2024 Net Cash from Operating Activities
Generated over 3X more than Q3 2023

\$166.5 M

Net Cash as of 09/30/2024

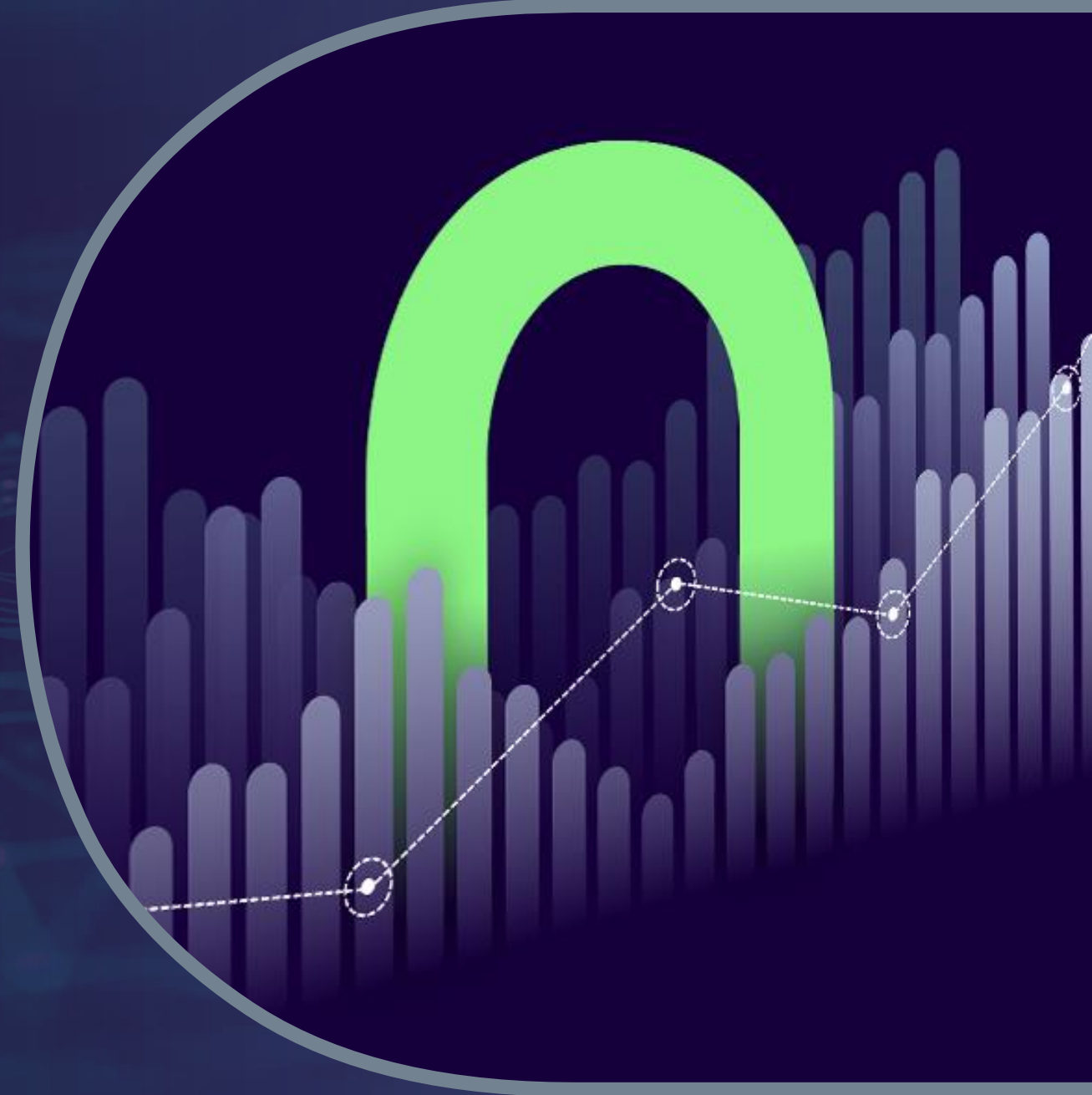
\$0.14

Q3 2024 Non-IFRS Diluted
Earnings Per Ordinary Shares

\$90 Million undrawn and remaining on the Company's revolving credit facility and **no long-term debt**

Share Repurchase Program Updates

- **Repurchased ~5.1M Ordinary Shares** in Q3 2024 (~\$18.3M or ~£14.1M invested)
- **Repurchased ~33.4M Ordinary Shares** from March 1, 2022, through September 30, 2024 (**~21.6% of shares outstanding**)
- **Launching new \$50 million Ordinary Share repurchase program** on November 19, 2024, after previous program expired on November 1, 2024



Reaffirming Full Year 2024 Contribution ex-TAC Guidance and Raising Full Year 2024 Adjusted EBITDA Guidance

REAFFIRMING GUIDANCE

\$340 – \$345 M

FY 2024 Contribution ex-TAC

RAISING GUIDANCE

~\$107 M

FY 2024 Adjusted EBITDA
(from ~\$100 M)

90%

2024 Programmatic Revenue as a % of FY 2024 Revenue

The Company intends to increase its technology, data, AI and Generative AI investments in Q4 2024 and full year 2025 to further its platform and data advantages



ADR to Ordinary Share Exchange, Reverse Split and AIM Delisting to be Voted on by Shareholders at Upcoming AGM

- If shareholders approve at upcoming AGM, the Company intends to **exchange its NASDAQ-listed ADRs to NASDAQ-listed Ordinary Shares** and terminate the ADR facility, **conduct a reverse stock split** and **delist from the AIM**
- **Potential benefits include:** increasing ability to attract new U.S. investors; reducing complexity; increasing liquidity; inclusion in major indices the Company's shares are precluded from due to its current structure; and **cost savings**



Thank you



Appendix

IFRS / Non-IFRS Reconciliation: Revenue to Contribution ex-TAC

	Three months ended September 30			Nine months ended September 30		
	2024	2023	%	2024	2023	%
<i>(\$ in thousands)</i>						
Revenue	90,184	80,094	13%	253,193	236,077	7%
Cost of revenue (exclusive of depreciation and amortization)	(13,857)	(13,683)		(43,952)	(44,384)	
Depreciation and amortization attributable to Cost of revenue	(12,018)	(12,727)		(35,233)	(37,143)	
Gross profit (IFRS)	64,309	53,684	20%	174,008	154,550	13%
Depreciation and amortization attributable to Cost of revenue	12,018	12,727		35,233	37,143	
Cost of revenue (exclusive of depreciation and amortization)	13,857	13,683		43,952	44,384	
Performance media cost	(4,655)	(3,543)		(14,854)	(12,418)	
Contribution ex-TAC (Non-IFRS)	85,529	76,551	12%	238,339	223,659	7%

IFRS / Non-IFRS Reconciliation: Total Comprehensive Income (Loss) to Adjusted EBITDA

	Three months ended September 30			Nine months ended September 30		
	2024	2023	%	2024	2023	%
<i>(\$ in thousands)</i>						
Total comprehensive income (loss)	16,485	(2,563)	743%	12,123	(23,468)	152%
Foreign currency translation differences for foreign operation	(1,944)	1,367		(1,540)	(12)	
Foreign currency translation for subsidiary sold reclassified to profit and loss	-	-		-	(1,234)	
Tax expenses (benefit)	1,503	(2,844)		3,628	(3,984)	
Financial expenses, net	218	617		1,854	2,113	
Depreciation and amortization	12,758	20,316		44,055	57,238	
Stock-based compensation expenses	2,600	4,214		8,678	17,783	
Acquisition related costs	-	171		-	171	
Restructuring	-	-		-	796	
Other expenses, net	-	-		1,488	1,765	
Adjusted EBITDA	31,620	21,278	49%	70,286	51,168	37%

IFRS / Non-IFRS Reconciliation: Net Income (Loss) to Non-IFRS Net Income

	Three months ended September 30			Nine months ended September 30		
	2024	2023	%	2024	2023	%
<i>(\$ in thousands)</i>						
Net income (loss)	14,541	(1,196)	1,316%	10,583	(24,714)	143%
Acquisition related costs	-	171		-	171	
Amortization of acquired intangibles	3,851	10,164		17,950	28,021	
Restructuring	-	-		-	796	
Stock-based compensation expenses	2,600	4,214		8,678	17,783	
Other expenses, net	-	-		1,488	1,765	
Tax effect of non-IFRS adjustments ⁽¹⁾	(1,879)	65		(5,830)	(6,067)	
Non-IFRS income	19,113	13,418	42%	32,869	17,755	85%
Weighted average shares outstanding—diluted (in millions) ⁽²⁾	140.4	145.5		142.4	144.6	
Non-IFRS diluted Earnings Per Share (in USD)	0.14	0.09	48%	0.23	0.12	88%

(1) Non-IFRS income includes the estimated tax impact from the expense items reconciling between net income (loss) and non-IFRS income

(2) Non-IFRS earnings per share is computed using the same weighted-average number of shares that are used to compute IFRS earnings (loss) per share