

**TREMOR
INTERNATIONAL**

Tremor International Ltd.
Second Quarter 2023
Earnings Call

August 17, 2023

All Q2 and H1 2023 results reflect combined results of Tremor International and Amobee while Q2 and H1 2022 results do not include Amobee

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In addition to financial information presented in accordance with the International Financial Reporting Standards ("IFRS"), this presentation includes certain non-IFRS financial measures, including, but not limited to, Contribution ex-TAC, Adjusted EBITDA, Adjusted EBITDA Margin, Non-IFRS Net Income (Loss), and Non-IFRS Diluted Earnings (Loss) per share. These non-IFRS financial measures are not intended to be considered in isolation from, as substitutes for, or as superior to, the corresponding financial measures prepared in accordance with IFRS. You are encouraged to evaluate these adjustments and review the reconciliation of these non-IFRS financial measures to their most comparable IFRS measures, and the reasons we consider them appropriate. It is important to note that the particular items we exclude from, or include in, our non-IFRS financial measures may differ from the items excluded from, or included in, similar non-IFRS financial measures used by other companies. See IFRS / Non-IFRS Reconciliation tables included in the appendix of this presentation for: "Revenue to Contribution ex-TAC," "Total Comprehensive Income (Loss) to Adjusted EBITDA," and "Net Income (Loss) to Non-IFRS Net Income (Loss)".

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Nexxen Rebrand Reflects Key Milestone on CTV Leadership Journey & Is Driving Better Understanding of Unified Platform in Market

**TREMOR
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nexxen

Nexxen DSP

DMP

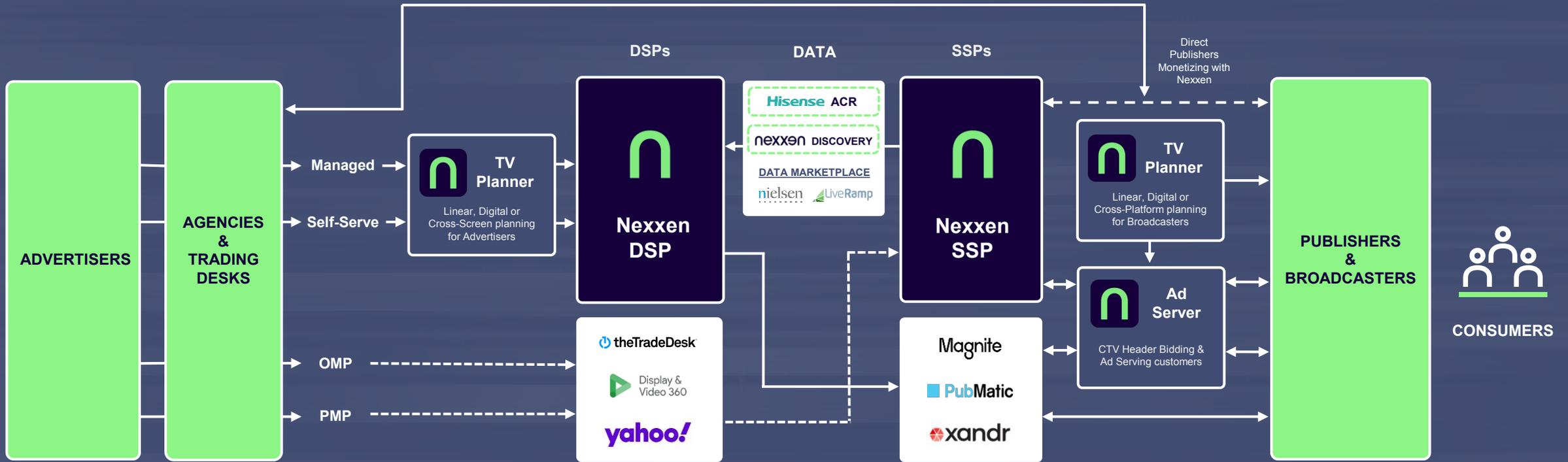
Nexxen CTRL
(Nexxen SSP +
Nexxen Ad Server)

The name Nexxen stems from the Latin “nectere” meaning to “connect” or “bind”, as the Company does with the demand and supply sides & linear and connected TV

Rebranded major products and platforms to Nexxen DSP, Nexxen SSP, Nexxen Ad Server, Nexxen CTRL, and Nexxen Studio in June 2023

Simplifies value proposition of unified platform for sales team, customers, and prospects encouraging greater customer adoption of multiple solutions within tech ecosystem

Completed Amobee Integration Strongly Positions Company With One of the Most Comprehensive & Scaled Horizontal AdTech Platforms In The Open Internet



Completed Amobee integration creates unified comprehensive horizontal AdTech platform complete with unique and exclusive data, and robust planning, activation, targeting, and measurement solutions

Enables advertisers, agencies, CTV publishers, and TV broadcasters to optimize returns, efficiency, and effectiveness in CTV and video advertising

Nexxen DSP now one of the most powerful and scaled DSPs in the open internet featuring robust enterprise self-service capabilities, unmatched linear and CTV cross-planning technology, and critical TV data (including VIDAA ACR data) for targeting and measurement

Significantly Enhanced Company's Unified Tech Ecosystem Through Innovative New CTV-Focused Product Launches & Partnerships



CROSS-PLATFORM PLANNER

First-to-market tech enabling advertisers, agencies, and broadcasters to holistically plan campaigns simultaneously across linear TV and CTV



NEXXEN DISCOVERY

Enables advertisers to simultaneously leverage and organize significant amounts of data across web, social media, and TV to enhance audience knowledge and targeting, to more efficiently and effectively plan campaigns



GREEN MEDIA PRODUCT (GMP) FOR CTV

First-to-market Green Media Product for CTV allows customers to achieve performance goals while mapping & measuring carbon emissions of media spend within CTV

Products generating adoption by, and continued interest from, major advertisers, agencies, and broadcasters

Q2 and H1 2023 Results Driven By Significant Programmatic Revenue & CTV Revenue



Generated significant Q2 and H1 Contribution ex-TAC, CTV revenue, and programmatic revenue



Improved Adjusted EBITDA by 137% from Q1 2023



Doubled Adjusted EBITDA Margin in Q2 2023 compared to Q1 2023



Grew programmatic revenue 26% y/o/y in Q2 2023 and 16% y/o/y in H1 2023



Achieved 5% and 17% y/o/y CTV revenue growth in Q2 and H1 2023, respectively



VIDAA & Hisense's Growing Scale & Distribution Bodes Well for Company's Investment in VIDAA



- VIDAA now serves as CTV operating system for **> 21 Million** Connected TVs
- According to data from AVC Revo, Hisense (including Toshiba) had the **fastest growth rate** in the world for TV shipments (~22% y/o/y) and ranked 2nd in the world for global TV shipments share (during H1 2023)
- VIDAA & Hisense's increased scale & distribution positions Company to benefit from investment which enables, for several years:
 - Global ACR data exclusivity
 - Ad monetization exclusivity on VIDAA media in the US, UK, Canada, and Australia

Continued Growth in New Advertisers & Supply Partners



 **+65**

New actively spending first time advertiser customers in Q2 2023 (+110 in H1 2023)

 **+112**

New supply partners (including +100 in the US) added during Q2 2023 and +174 new supply partners (including +149 in the US) added in H1 2023

 **H/L**

A multiservice agency expanded its product adoption beyond Nexxen DSP to leverage additional solutions including Nexxen Discovery, VIDAA's ACR data, and the Company's cross-planner, underscoring Company's success driving growth in customers leveraging multiple solutions across its horizontal ecosystem



Financial Overview & Summary

Q2 & H1 2023 Financial Overview & Summary

Results Driven By Growth in Programmatic and CTV Revenue and Improved Profitability

Top Line Growth Driven by CTV & Programmatic Revenue in Q2 and H1 2023

	Q2 2023	H1 2023	Y/o/Y Q2 Growth	Y/o/Y H1 Growth	Growth from Q1 2023
Contribution ex-TAC	\$80.2M	\$147.1M	13%	4%	20%
Programmatic Revenue	\$76.3M	\$138.8M	26%	16%	22%
CTV Revenue	\$24.7M	\$45.9M	5%	17%	16%

Expanded Programmatic Revenue Footprint Through Amobee Acquisition & Integration

	Q2 2023	H1 2023
Programmatic Revenue as % of Revenue	91%	89%
	Q2 2022	H1 2022
	80%	76%

Significant Progress Enhancing Profitability in Q2 2023 vs. Q1 2023 Due to Completed Amobee Integration + Improved Contribution ex-TAC

	Q2 2023	Q1 2023	Growth from Q1 2023
Adjusted EBITDA	\$21.0M	\$8.9M	137%
Adjusted EBITDA Margin (% of Revenue)	25%	12%	> 2X
Adjusted EBITDA Margin (% of Contribution ex-TAC)	26%	13%	2X

Liquidity, Cash Flow, and Non-IFRS Diluted EPS

\$94.2M

Net Cash Balance
as of 06/30/23

\$0.06

Non-IFRS Diluted Earnings
Per Share (Q2 2023)

\$0.03

Non-IFRS Diluted Earnings
Per Share (H1 2023)

\$80M

Undrawn & Remaining on
Revolving Credit Facility

\$11.9M

Net Cash From Operating
Activities (Q2 2023)

\$4.0M

Net Cash From Operating
Activities (H1 2023)



Full Year 2023 Guidance

	Current	Previous
FY 2023 Contribution ex-TAC	\$320 - \$330M	\$400M
FY 2023 Adjusted EBITDA	\$85 - \$90M	\$140 - \$145M
FY 2023 Programmatic Revenue as % of Revenue	~90%	~90%



- Management expects increased Contribution ex-TAC, CTV revenue, and programmatic revenue in H2 2023 vs. H1 2023 and H2 2022 (majority of growth anticipated in Q4 2023)
- Management continues to anticipate programmatic revenue will reflect approximately 90% of the Company's full year 2023 revenue
- Management expects increased Adjusted EBITDA and Adjusted EBITDA Margins in H2 2023 vs. H1 2023 but for Adjusted EBITDA and Adjusted EBITDA Margins in H2 2023 to be lower than results generated in H2 2022

Lowering FY 2023 Contribution ex-TAC and Adjusted EBITDA expectations due to:

- Challenging market conditions reducing budgets and anticipated spending by large advertiser and agency customers in H2 2023 (particularly in Managed Service), as well as willingness to adopt new platforms and products
- Longer and more complex sales cycles amidst a shift towards selling larger multi-technology-solution enterprise technology deals
- Company's strategic emphasis on driving growth in programmatic and enterprise solutions changing the Company's revenue mix, which has impacted overall take rates
- Recent sales team turnover which the Company expects to remedy

Company's Enhanced, Unified and Differentiated Technology Platform, and Strategic Rebrand, Positions it for Future CTV Leadership as Market Conditions Improve



AMOBEE INTEGRATION

Completed Amobee integration positions Company strongly with added scale and state-of-the-art unified horizontal AdTech platform, featuring an unmatched suite of data and CTV capabilities



INNOVATION AND REBRAND

Recent CTV-related product innovation and rebrand as Nexxen expected to drive continued momentum and traction, particularly as macro conditions and advertisers' willingness to spend improve



VIDAA AND HISENSE

Rapidly growing VIDAA and Hisense distribution provides strong growth trajectory for scaling revenue opportunities through Company's investment in VIDAA

A modern living room with a large TV displaying 'Thank You'. The room features a white TV stand, a floor lamp, a potted plant, and a coffee table. The TV screen shows a vibrant, colorful abstract pattern with the text 'Thank You' centered on it. The room is dimly lit with blue and purple ambient lighting.

Thank You



Appendix

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

	Three months ended June 30			Six months ended June 30		
	2023	2022	%	2023	2022	%
<i>(\$ in thousands)</i>						
Revenues	84,246	75,828	11%	155,983	156,702	(0%)
Cost of revenues (exclusive of depreciation and amortization)	(14,604)	(13,019)		(30,701)	(29,416)	
Depreciation and amortization attributable to Cost of Revenues	(12,489)	(3,803)		(24,416)	(7,632)	
Gross profit (IFRS)	57,153	59,006	(3%)	100,866	119,654	(16%)
Depreciation and amortization attributable to Cost of Revenues	12,489	3,803		24,416	7,632	
Cost of revenues (exclusive of depreciation and amortization)	14,604	13,019		30,701	29,416	
Performance media cost	(3,994)	(4,996)		(8,875)	(14,853)	
Contribution ex-TAC (Non-IFRS)	80,252	70,832	13%	147,108	141,849	4%

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

	Three months ended June 30			Six months ended June 30		
	2023	2022	%	2023	2022	%
<i>(\$ in thousands)</i>						
Total comprehensive income (loss)	(3,616)	2,413	(250%)	(20,905)	11,647	(279%)
Foreign currency translation differences for foreign operation	(759)	4,858		(1,379)	6,988	
Foreign currency translation for subsidiary sold reclassified to profit and loss	(1,234)	-		(1,234)	-	
Tax (benefit) expenses	(4,601)	6,942		(1,140)	10,190	
Financial expense, net	2,254	1,266		1,496	993	
Depreciation and amortization	19,933	7,630		36,922	15,357	
Stock-based compensation	6,495	15,324		13,569	31,353	
Acquisition related costs	-	709		-	1,307	
Restructuring	796	-		796	-	
Other expense	1,765	-		1,765	-	
Adjusted EBITDA	21,033	39,142	(46%)	29,890	77,835	(62%)

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

	Three months ended June 30			Six months ended June 30		
	2023	2022	%	2023	2022	%
<i>(\$ in thousands)</i>						
Net Income (loss)	(5,609)	7,271	(177%)	(23,518)	18,635	(226%)
Acquisition related costs	-	709		-	1,307	
Amortization of acquired intangibles	10,214	3,870		17,857	7,885	
Restructuring	796	-		796	-	
Stock-based compensation expense	6,495	15,324		13,569	31,353	
Other expense	1,765	-		1,765	-	
Tax effect of Non-IFRS adjustments ⁽¹⁾	(4,312)	(2,012)		(6,132)	(6,478)	
Non-IFRS Income	9,349	25,162	(63%)	4,337	52,702	(92%)
Weighted average shares outstanding—diluted (in millions) ⁽²⁾	144.9	156.9		145.0	158.5	
Non-IFRS diluted Earnings Per Share (in USD)	0.06	0.16	(60%)	0.03	0.33	(91%)

(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 per share