



Nexxen First Quarter 2024 Earnings Call

May 20, 2024

Introduction to Speakers & Safe Harbor Statement

This presentation has been prepared by Nexxen International Ltd. (the "Company" or "Nexxen"). This presentation and the accompanying oral presentation contain forward-looking statements. These statements may relate to, but are not limited to: statements regarding anticipated financial results for full year 2024 and beyond; anticipated benefits of Nexxen's strategic transactions and commercial partnerships; anticipated features and benefits of Nexxen's products and service offerings; Nexxen's positioning for accelerated growth and continued future growth in both the U.S. and international markets in 2024 and beyond; Nexxen's medium- to long-term prospects; management's belief that Nexxen is well-positioned to benefit from future industry growth trends and Company-specific catalysts; the Company's expectations with respect to Video revenue; the potential negative impact of ongoing macroeconomic headwinds and uncertainty that have limited advertising activity and the anticipation that these challenges could continue to have an impact for the remainder of 2024 and beyond; the Company's plans with respect to its cash reserves; its continued focus in 2024 on expanding its base of end-to-end customers, growing data licensing revenue and expanding its streaming, TV, and agency partnerships to drive growth and increased profitability; the expectation of launching its TV Intelligence solution in additional major international markets in 2024, enhancing and expanding the Company's international CTV growth opportunity; the anticipated benefits from the Company's strategic partnership with Stagwell; the anticipated benefits from the Company's investment in VIDAA and its enhanced strategic relationship with Hisense; the anticipated benefits of the rebranding of the Tremor group to Nexxen, and the Company's plans with respect thereto, as well as any other statements related to Nexxen's future financial results and operating performance. These statements are neither promises nor guarantees but involve known and unknown risks, uncertainties and other important factors that may cause Nexxen's actual results, performance or achievements to be materially different from its expectations expressed or implied by the forward-looking statements, including, but not limited to, the following: negative global economic conditions; global conflicts and war, including the current terrorist attacks by Hamas, and the war and hostilities between Israel and Hamas and Israel and Hezbollah, and how those conditions may adversely impact Nexxen's business, customers, and the markets in which Nexxen competes; changes in industry trends; the risk that Nexxen will not realize the anticipated benefits of its acquisition of Amobee and strategic investment in VIDAA; and, other negative developments in Nexxen's business or unfavourable legislative or regulatory developments. Nexxen cautions you not to place undue reliance on these forward-looking statements. For a more detailed discussion of these factors, and other factors that could cause actual results to vary materially, interested parties should review the risk factors listed in the Company's most recent Annual Report on Form 20-F, filed with the U.S. Securities and Exchange Commission (www.sec.gov) on March 6, 2024. Any forward-looking statements made by Nexxen in this presentation speak only as of the date of this presentation, and Nexxen does not intend to update these forward-looking statements after the date of this presentation, except as required by law.

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 Loss to Adjusted EBITDA," and "Net Loss to Non-IFRS Net Income (Loss)".

This presentation contains statistical data, estimates, and forecasts that are based on independent industry publications or other publicly available information, as well as other information based on our internal sources. This information involves many assumptions and limitations, and you are cautioned not to give undue weight to these estimates. We have not independently verified the accuracy or completeness of the data contained in these industry publications and other publicly available information. Accordingly, we make no representations as to the accuracy or completeness of that data nor do we undertake to update such data after the date of this presentation. Nexxen, and the Nexxen logo are trademarks of Nexxen International Ltd. in the United States and other countries. All other trademarks are the property of their respective owners and are used for reference purposes only. Such use should not be construed as an endorsement of the platform and products of Nexxen. The use of the word "partner" or "partnership" in this presentation does not mean a legal partner or legal partnership.



Completed
Amobee
Integration



Enhanced
Sales &
Marketing



Rebranded
to
Nexxen



Renewed
Innovation
Focus

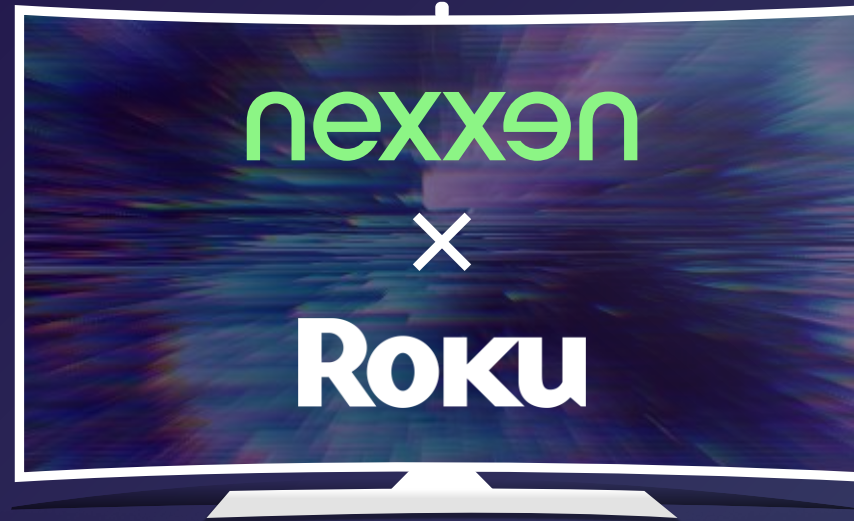


Nexxen Positioned
to Accelerate
Market Share Gains





Strengthened and Expanded Major CTV Partnerships



Launched and expanded partnerships with LG, Roku, and TCL,
giving Nexxen strong relationships with all the world's major CTV OEMs
– a massive value proposition for Nexxen's TV advertising customers

New Data Partnerships and International TV Data Capabilities Expansion



Soon launching ACR data segments with initial partners and in conversations with others about licensing Nexxen's exclusive global data

Plan to launch TV Intelligence in other major markets in 2024, including **Canada**

Increased TV Intelligence adoption in **UK** in Q1 2024

Recently launched TV Intelligence in **Australia**

VIDAA

VIDAA's growing distribution and **Nexxen's global ACR data exclusivity** with VIDAA is fueling increasing demand for TV Intelligence and data licensing partnerships

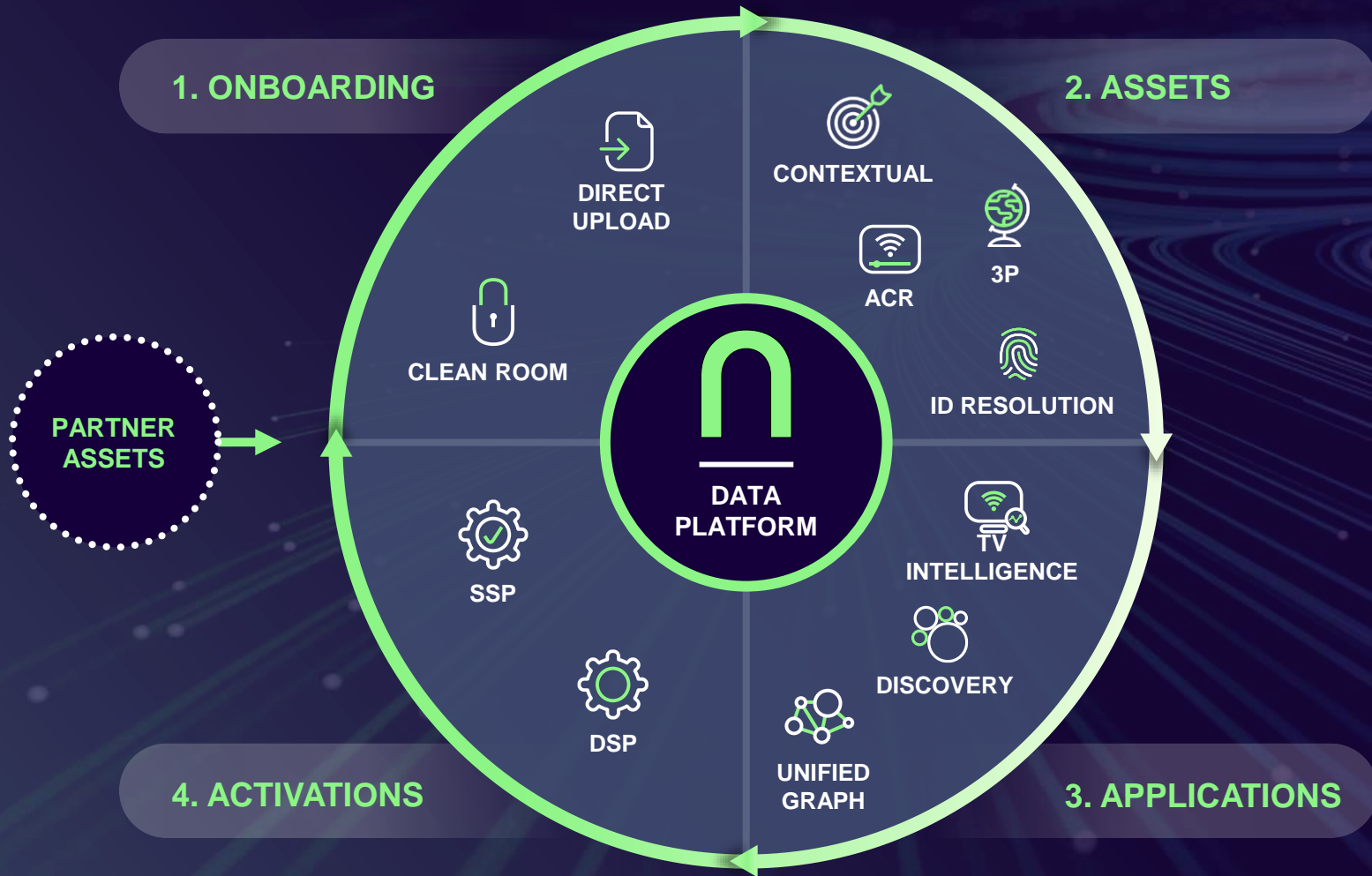


Surpassed reach of
>25 million
CTVs globally in 2023

#1

VIDAA's OS was the **fastest-growing major smart TV platform globally** in 2023, growing shipments **+23%**

Nexxen Data Platform



- Nexxen Data Platform launch **builds and expands upon DMP, Nexxen Discovery, and TV Intelligence** assets
- Positions Nexxen **for more effective data monetization**
- Enables high-margin **SaaS revenue growth opportunities**
- **Enhances Nexxen's ability to address identity and privacy changes**, including cookie deprecation

Recent **Business Wins** and **Industry Recognition**

- Generating **increased recognition and success winning large multi-solution end-to-end partnerships** with industry leaders
- Major **customers consolidating spending and increasing product adoption** with Nexxen



Stagwell Marketing Cloud clients can leverage Nexxen Data Platform to securely run more effective data-powered campaigns through Nexxen's end-to-end platform



Shifted spend from other DSPs and SSPs to run campaigns through Nexxen on both sides and gain the full benefits of transacting end-to-end



Ranked Nexxen SSP in top 5 SSPs across all major OEMs in Q1 2024 Global CTV Market Share Report



Winner at Digiday's Content Marketing Awards for Best Interactive Content Piece

Q1 2024

+88

New actively spending first-time advertiser customers

+7

New enterprise self-service advertising customers

+54

New global supply partners (+47 in US)

Q1 2024 Financial Results

Generated record Q1 programmatic revenue, +34% Y/o/Y Adjusted EBITDA growth, and +23% Y/o/Y self-service Contribution ex-TAC growth in Q1 2024

\$69.7 M

Contribution ex-TAC
(+4% y/o/y)

\$65.6 M

Record Q1
Programmatic
Revenue (+5% y/o/y)

\$11.9 M

Adjusted EBITDA
(+34% y/o/y)

17%

Adjusted EBITDA
Margin*

\$18.8 M

CTV Revenue
(-11% y/o/y)

23%

Y/o/Y Self-Service
Contribution ex-TAC
Growth

29%

CTV Revenue as a
% of Programmatic
Revenue

66%

Video Revenue as
% of Programmatic
Revenue

*As % of Contribution ex-TAC

Cash Flow, Liquidity, and EPS

\$37.7 M

Net Cash from Operating
Activities (Q1 2024)

\$144.9 M

Net Cash as of 03/31/2024

\$0.01

Q1 2024 Non-IFRS
Diluted EPS

~ \$100 M

Outstanding Long-Term Debt
Repaid (\$0 Current LTD)

\$90 M

Available on Revolving Credit Facility
Following Repayment (up from \$80 million)

Company intends to prioritize capital allocation towards share repurchases, internal investment in growth and innovation, and ongoing needs of the business; no major near-term acquisitions planned

Update on Share Repurchase Programs

- Repurchased **~6.2 M** Ordinary Shares in Q1
- Completed **\$20 Million** Ordinary Share repurchase program; repurchased **~7.6 M** shares
- From March 1, 2022 – April 25, 2024, Nexxen repurchased **~27.1 M** shares (**~17.5%** of shares outstanding)
- Launched new **\$50 Million** Ordinary Share repurchase program
- Will have repurchased **~\$165 M** Ordinary Shares from March 1, 2022 – November 1, 2024 if program is completed (as expected)



Reaffirming Full Year 2024 Financial Guidance

\$340 – \$345 M

FY 2024 Contribution ex-TAC

~\$100 M

Adjusted EBITDA

90%

2024 Programmatic Revenue as
a % of FY 2024 Revenue

- Anticipating sequential CTV revenue growth in Q2 2024 vs. Q1 2024.
- Management anticipates data licensing, audio, and CTV revenue growth in 2024 compared to 2023, and believes the Company's Adjusted EBITDA and Adjusted EBITDA Margin in full year 2024 will be higher than full year 2023. Growth is expected to accelerate on these fronts during H2 2024.

Nexxen is Poised to Accelerate Market Share Gains

- ✓ Enhanced self-service tech and data capabilities
- ✓ Robust CTV and data relationships
- ✓ Exclusive data poised for monetization
- ✓ Ideal positioning for identity and privacy changes
- ✓ Renewed product innovation focus
- ✓ Stronger sales and marketing
- ✓ Trusted as a strategic advisor
- ✓ New, expanded, and differentiated major partnerships



Nexxen's people and products have never been more connected, unified, and poised to help customers win, and we're **strongly positioned to accelerate growth**

SALES FOCUSED ON:



Growing end-to-end / self-service enterprise customer roster



New and deeper relationships with industry leaders



Nexxen Data Platform opportunities

Thank
You!

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A graphic element consisting of a light green line that forms a partial circle on the left side, with horizontal lines extending from the top and bottom of the circle to the right, framing the word "Appendix".

Appendix

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

	Three months ended March 31, 2024		
	2024	2023	%
<i>(\$ in thousands)</i>			
Revenues	74,432	71,737	4%
Cost of revenues (exclusive of depreciation and amortization)	(14,538)	(16,097)	
Depreciation and amortization attributable to Cost of Revenues	(11,766)	(11,927)	
Gross profit (IFRS)	48,128	43,713	10%
Depreciation and amortization attributable to Cost of Revenues	11,766	11,927	
Cost of revenues (exclusive of depreciation and amortization)	14,538	16,097	
Performance media cost	(4,750)	(4,881)	
Contribution ex-TAC (Non-IFRS)	69,682	66,856	4%

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

	Three months ended March 31, 2024		
	2024	2023	%
<i>(\$ in thousands)</i>			
Total comprehensive loss	(7,286)	(17,289)	58%
Foreign currency translation differences for foreign operation	412	(620)	
Tax expenses (benefits)	(225)	3,461	
Financial expenses (income), net	545	(758)	
Depreciation and amortization	15,793	16,989	
Stock-based compensation	2,634	7,074	
Adjusted EBITDA	11,873	8,857	34%

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

	Three months ended March 31, 2024		
	2024	2023	%
<i>(\$ in thousands)</i>			
Net loss	(6,874)	(17,909)	62%
Amortization of acquired intangibles	7,057	7,643	
Stock-based compensation expense	2,634	7,074	
Tax effect of Non-IFRS adjustments ⁽¹⁾	(1,645)	(1,820)	
Non-IFRS income (loss)	1,172	(5,012)	123%
Weighted average shares outstanding—diluted (in millions) ⁽²⁾	144.5	143.4	
Non-IFRS diluted earnings (loss) per share (in USD)	0.01	(0.03)	123%

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

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