



Verve Investor Presentation

Let's make media better.

Introduction to the Transaction

Verve has agreed to acquire Jun Group to strengthen its demand side business

Background

- Jun Group is a US based digital media company with a 20+ year track record of strong technology development
- Enables brands and agencies to buy digital media and execute digital ad campaigns to maximize ROI on ad spend
- Provides an enterprise demand side technology platform compatible with iOS, Android and Unity similar to Verve's SSP Platform
- Highly accretive acquisition and compelling addition to Verve's vertically integrated programmatic supply side platform
- The Seller has a committed disposal program to sell non-core assets to simplify its business and reduce leverage
- Verve plans to finance the acquisition through the combination of an equity issuance, a deferred payment as well as cash at hand.
- Verve views this transaction as very attractive as it will grow Verve's EBITDA to about €151 million while accelerating its deleveraging ability

Pro-forma 2024E

Figures in EURm	Verve	Jun	Synergies	Pro-forma
Net revenue	360	78	9	447
Adj. EBITDA	105	37	8	151

Jun Group enterprise valuation of **EUR 170m**

Acquisition price: **3.8x EV/Adj. EBITDA (post synergies)**



Key Investment Highlights

Transformative acquisition



01 | Perfect strategic fit strengthening the demand side of Verve's leading Mobile-SSP business

02 | Demand side technology platform, strong mobile focus, US centric business

03 | Direct access to 230+ customers, including many Fortune 500 brands

04 | Unique revenue and cost synergies with Verve reducing acquisition multiple to 3.8x EBITDA

05 | Highly experienced management team committed to the company's continued growth & success

06 | High EBITDA margin of 50%, thereof 93% cash EBITDA improving Verve's EBITDA margin and cash conversion





I. Intro to Jun Group



Jun Group at a Glance

Mobile-first digital advertising company, powered by software integrations with leading iOS, Unity and Android applications

THE COMPANY

2005
Founded

97%
US Revenues

€72m
Net Revenues 2023

+90
Global FTEs¹

230+
Clients

50%
EBITDA Margin

Leadership Team

Strong operational experience coupled with deep industry knowledge

Fortune 500 Grade Clients



LEADING INDEPENDENT DEMAND SIDE PLATFORM



INDUSTRY LEADING BY NUMBERS

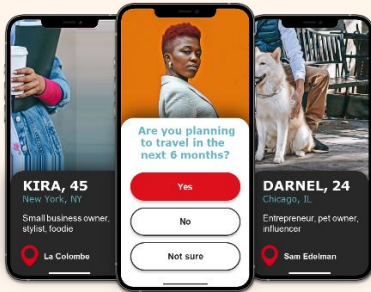
21% Organic Growth (2024E pro-forma)	€45m Adj. EBITDA (2024E pro-forma)	\$500k+ Average Revenue by Client ²
+100M Audience	<10% Revenue share of #1 customer	91% Viewability

Jun Group Product Offerings

Suite of technology and tools built in-house fuel exceptional solution set



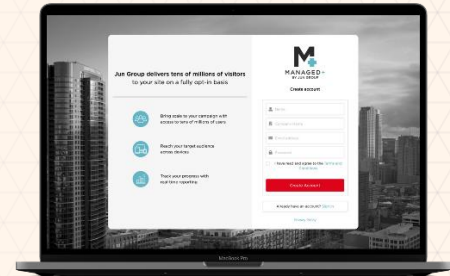
Machine learning tool that leverages zero-party polling data and lookalike modeling to develop niche and broad audiences that meet clients' campaign specific needs



Artificial intelligence engine that automatically optimizes performance of campaigns using a combination of POS data, targeting information, or creative performance across devices to maximize performance and sales



Self-service dashboard enabling clients to launch or manage campaigns and pull real-time reporting at any time, ensuring ability to constantly evaluate campaign performance



Jun Group's Leading Clients Achieve Outcomes That Are Unmatched Across the Industry

YEAR OF CAMPAIGN: 2023

BUSINESS LINE: Brand

IMPRESSIONS: 2.5M+

SITUATION OVERVIEW

- Smithfield wanted to drive purchase consideration and sales for their Farmland products at Walmart
- Jun Group used zero-party polling, as well as purchase and visitation data, to reach meat lovers and household grocery shoppers

Smithfield
Walmart*

OUTCOMES

Jun Group's high-impact display placements with embedded add-to-cart functionality streamlines the path to purchase and drives strong ROI



4.9%

Click-through rate
1% benchmark

63%

Add-to-cart rate
55% benchmark

\$26.18

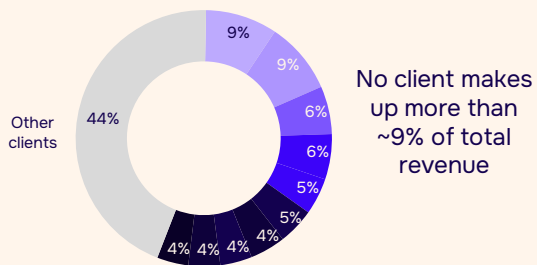
eROAS
\$4-10 benchmark



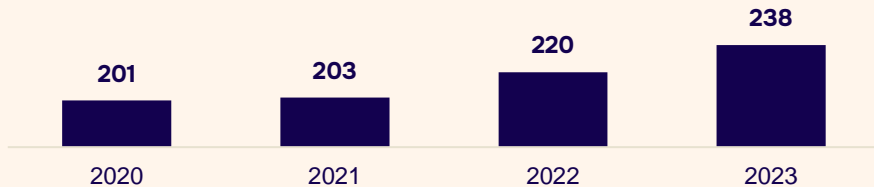
Selected Client Metrics

IMPRESSIVE CLIENT DIVERSIFICATION

(% of revenue from top clients in 2023A)

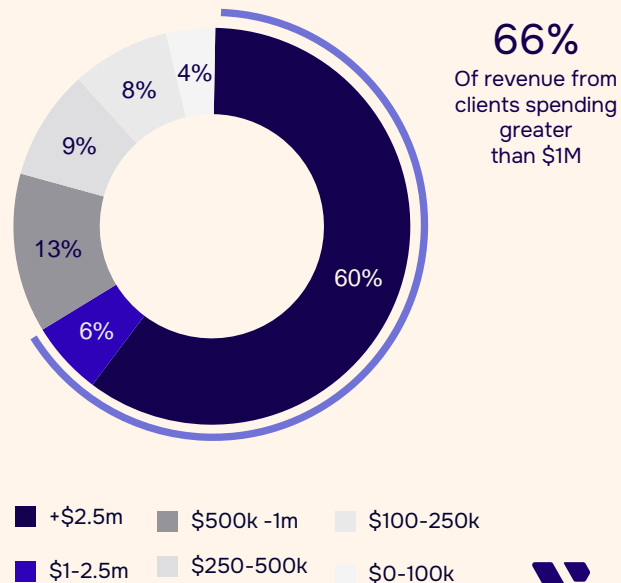


INCREASING CLIENT COUNT: ROBUST CLIENT¹ ACQUISITION ENGINE



REVENUE BY SPEND TRANCHE

(2023A)



II. The Combined Group



Jun Group & Verve

Combination highlights



COMBINED PLATFORM

Better data, better scale, better reach, tangible AI



SIGNIFICANT SIZE¹

€151m EBITDA in 2024E with strong deleveraging capacity



BETTER BALANCED COMPANY²

30% demand-side, 70% supply-side



Unique Growth Opportunities



INTERNATIONALIZATION

- Jun Group will benefit from Verve's global presence with sales teams in Europe, LATAM and APAC
- Verve will benefit from a strong demand side in the US, Verve's most important market



CONNECTING SUPPLY AND DEMAND

- Jun Group will profit from direct access to Verve's 500+ premium publishers
- Verve will profit from direct access to Jun's 230+ advertisers



OPEX SYNERGIES

- Jun Group will gain from access to Verve's Google Cloud contract due to its exceptional terms
- Verve will now have a sales team with direct access to leading brands at scale in the US



ORGANIC REVENUE GROWTH

- Jun Group will profit from Verve's strong supply side expertise both in the US as well as outside of the US
- Verve will profit from access to direct demand with significant revenue and margin upside potential



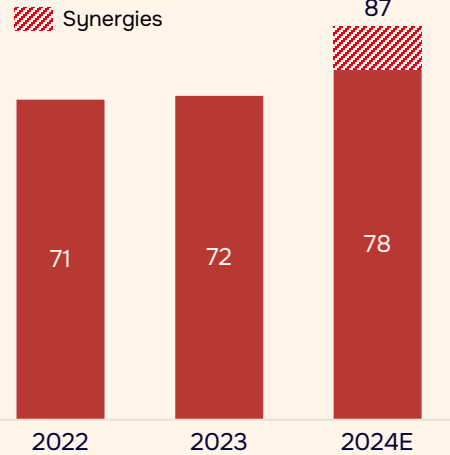
III. Synergies and Pro-forma



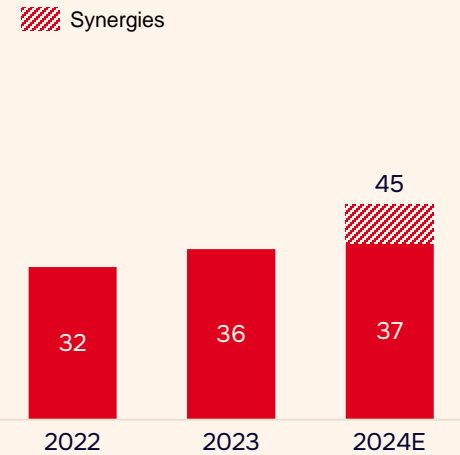
Strong Jun Group Free Cash Flow Profile

Cost efficient set up enabling 50% EBITDA margin, high cash conversion

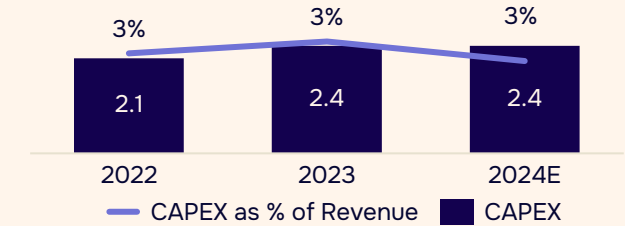
Revenue (€ in Millions)



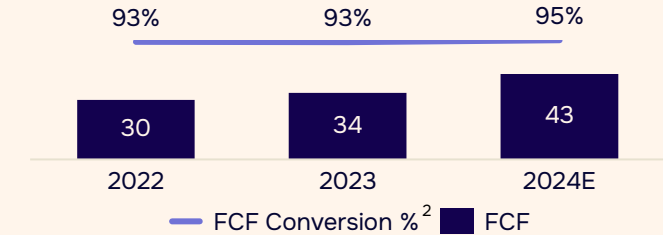
Adj. EBITDA (€ in Millions)



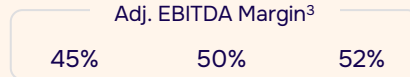
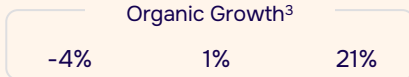
Capital Expenditures (€ in Millions)



Free Cash Flow¹ (€ in Millions)

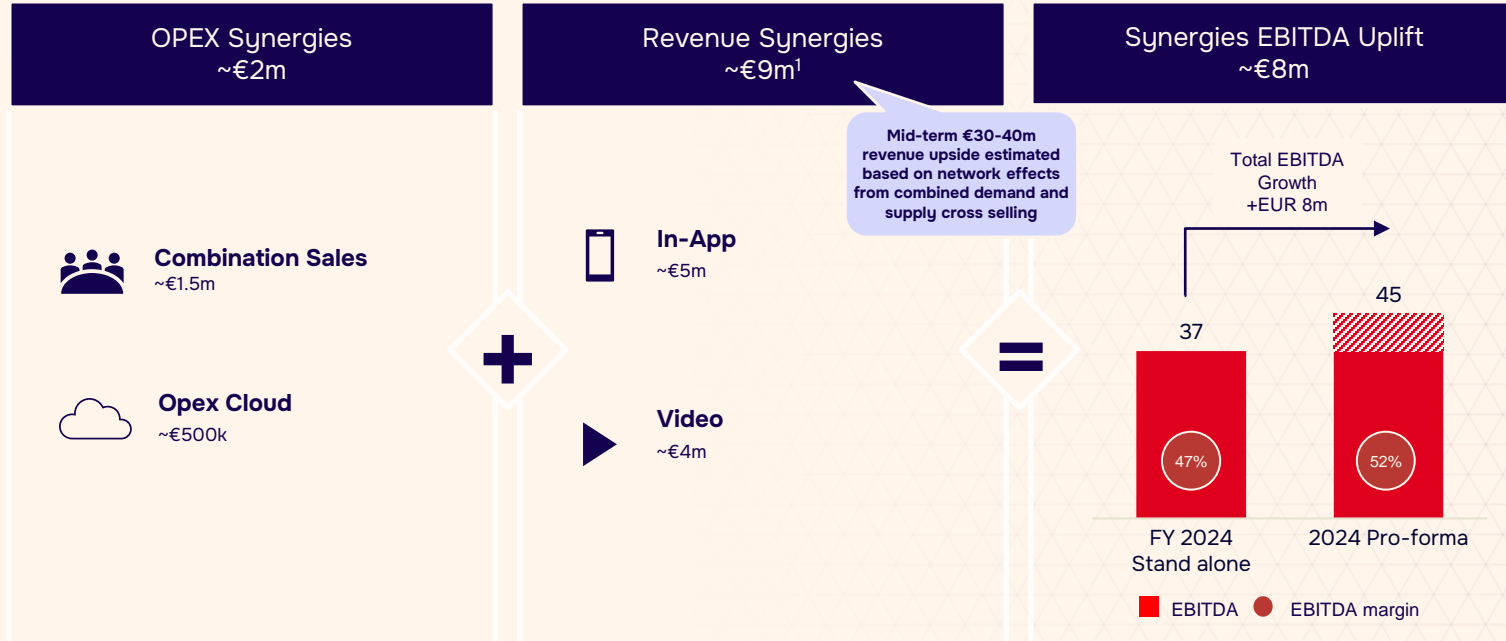


Selected Financial Highlights



Unique Revenue Growth and Synergy Potential

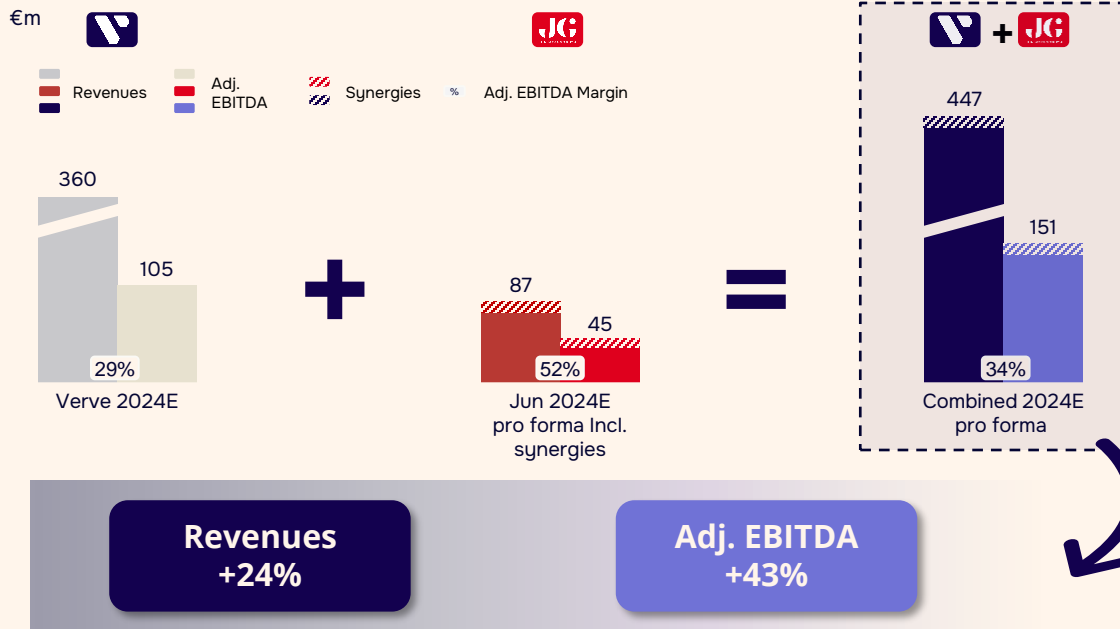
Significant EBITDA uplift due to synergies and incremental revenue potential



Verve & JUN - Combined Financials 2024E

Highly accretive acquisition resulting in €151 million EBITDA

Combined Group Financials 2024E¹



Comments¹

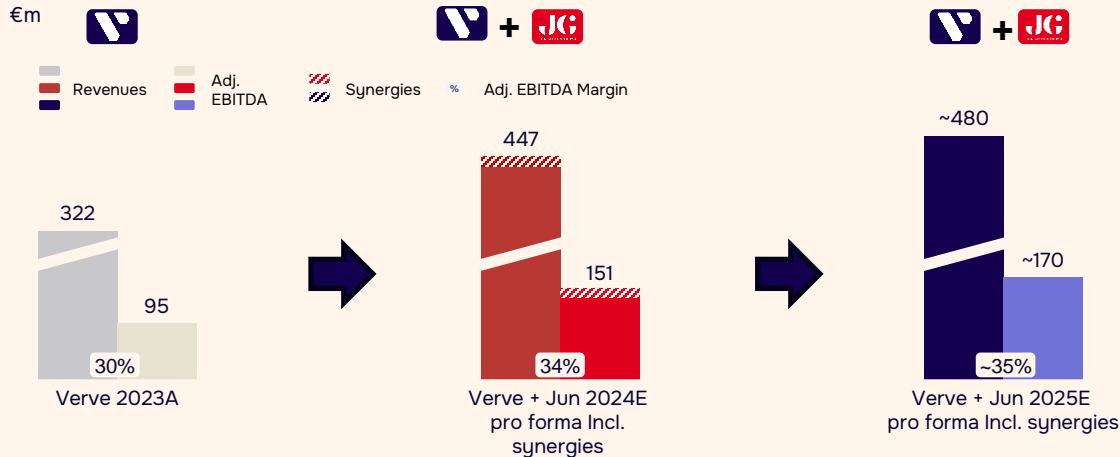
- The transforming transaction will materially increase the size and profitability of Verve Group, **adding about 43% EBITDA** on a pro forma basis 2024E
- The fully owned proprietary technology platform has a very loyal, stable and growing customer base resulting in **very sustainable revenues**
- The **52% adj EBITDA margin** of Jun Group is generated by leveraging Verve's customer base and 95% thereof is cash EBITDA
- Verve's pro-forma adj. **EBITDA margin** will increase from **29% to 34%**



Verve & JUN – Combined 2023-2025

Transformative acquisition resulting in a 59% increase in Adj. EBITDA YoY

Combined Group Financials 2023 to 2025E pro forma



2023 vs 2024E
Revenues
+39%

2023 vs 2024E
Adj. EBITDA
+59%

Comments¹

- The combined pro forma **revenues** 2024E corresponds to a growth of **39%** YoY to EUR 447 million
- The combined pro forma adj. **EBITDA** 2024E corresponds to a growth of **59%** YoY to EUR 151 million
- The combined adj. **EBITDA margin** increases from **30% to 34%**
- **Acceleration of revenue and EBITDA growth** by adding the demand side at scale complementing Verve's existing supply side capabilities
- In 2025 an implied 10% organic growth of the combined business would result in about **EUR 480 million revenues and EUR 170 million EBITDA** with a 35% EBITDA margin



IV. Transaction Overview



Sources & Uses and Net Debt

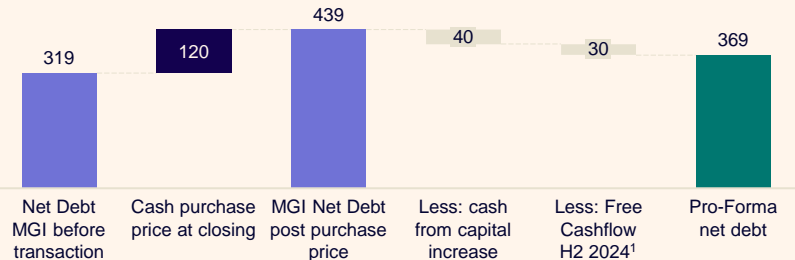
Pro-forma net leverage decreases to 2.4x (2.8x including deferred payment)

SOURCES & USES AS OF 31.03.2024 (ILLUSTRATIVE)

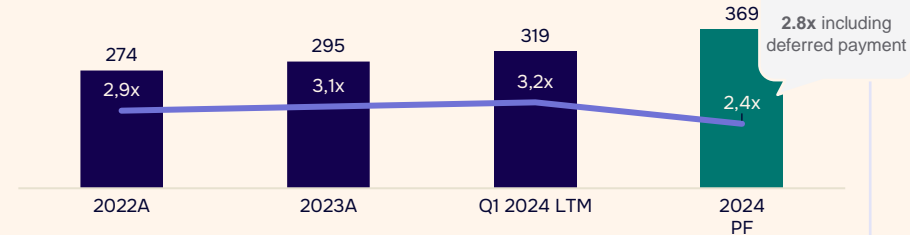
Sources	In €m
Equity Issue	~40
Verve Cash & Cash Equivalents	~80
Deferred Consideration	50
Total	170

Uses	In €m
Cash to Jun Group shareholders	120
Deferred Consideration	50
Total	170

PRO-FORMA NET DEBT BRIDGE AS OF 31.03.2024



LEVERAGE RATIO (INCL. PRO-FORMA LEVERAGE)



Transaction Structure

Purchase price table	EURm	EV/EBITDA
Closing Consideration Payment	120	2.6x¹
Deferred Cash Consideration	50	3.8x¹
<i>(i) Deferred payment 12 months after Closing</i>	25	
<i>(ii) Deferred payment 18 months after Closing</i>	25	
Total fixed consideration	170	3.8x¹

- EUR 120 million Closing Consideration represents an EV/EBITDA multiple of 2.6x¹ of which EUR ~40 million will be paid from a capital increase and EUR ~80 million will be paid from cash at hand²
- Including the Deferred Consideration the total Consideration amounts to EUR 170 million which represents an EV/EBITDA multiple post synergies of 3.8x
- The deferred consideration is payable in two annual instalments of EUR 25 million and will be paid out running flow in 2025 and 2026
- Closing is expected around September 2024



Simplified Pro Forma Balance Sheet

Balance Sheet as of 31.03.2024

Combined Balance Sheet

(€m)	Verve	Jun Group	Financing	Combined
Goodwill & Other Intangibles	815	157		972
Deferred tax assets	13			13
Long-term assets	828	157		985
Trade and other receivables	70	12		82
Cash and cash equivalents	125		-80	44
Short-term assets	195	12	-80	127
TOTAL ASSETS	1.024	169	-80	1.112
Equity	365		40	405
Non-current liabilities	414	45		459
Current liabilities	245	123	-120	248
Total liabilities	659	169	-120	707
TOTAL LIABILITIES AND EQUITY	1.024	169	-80	1.112

Comments

- Purchase price EUR 170 million financed via:
 - EUR ~40 million equity issuance
 - EUR ~80¹ million from cash at hand
 - EUR 50² million deferred consideration financed via cash flow



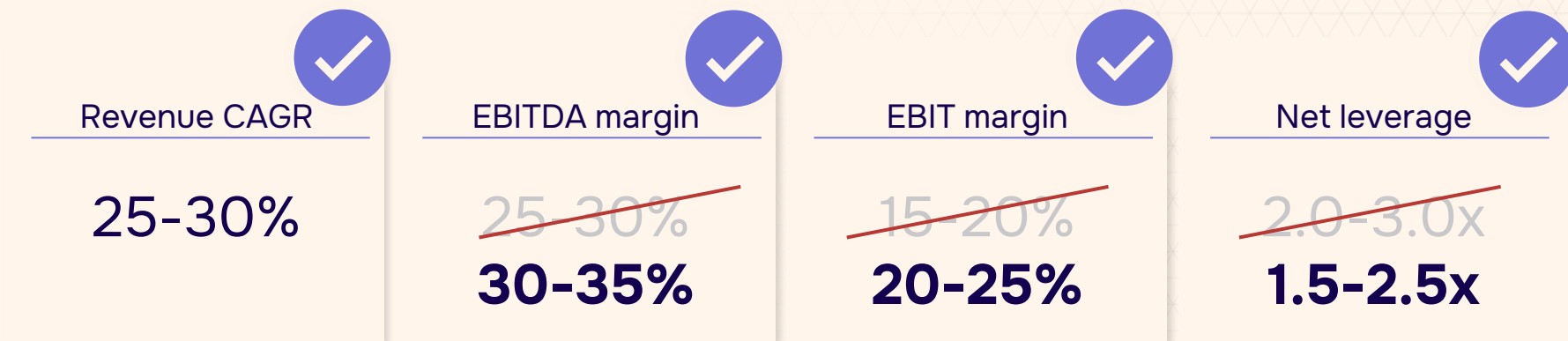
Updated Guidance 2024

Strong H1 2024 combined with exceptional M&A opportunity leads to significant Guidance Update

	FY 2023	Guidance 2024	Updated Guidance 2024 incl. Jun Group as of September 2024
Revenue (in €m)	322	350 – 370	380- 400
Adj. EBITDA (in €m)	95	100 – 110	115 - 125



Verve Updates its Mid-Term Financial Targets¹



Verve Embarks on Attractive Journey



01 | At an implied 10% growth rate in 2025, EBITDA will grow to about €170m of which about 80% is cash EBITDA

02 | The much stronger cash EBITDA will materially improve the quality of earnings and the ability to deleverage

03 | Improved leverage metrics expected to lower funding costs once existing debt is refinanced

04 | Verve becomes a global player with direct premium access to Fortune 500 Brands & Publishers

05 | Post deal the scale and access to first party data enables an accelerated development of AI technology

06 | The combination of the above factors will allow Verve to generate material shareholder value over the next years



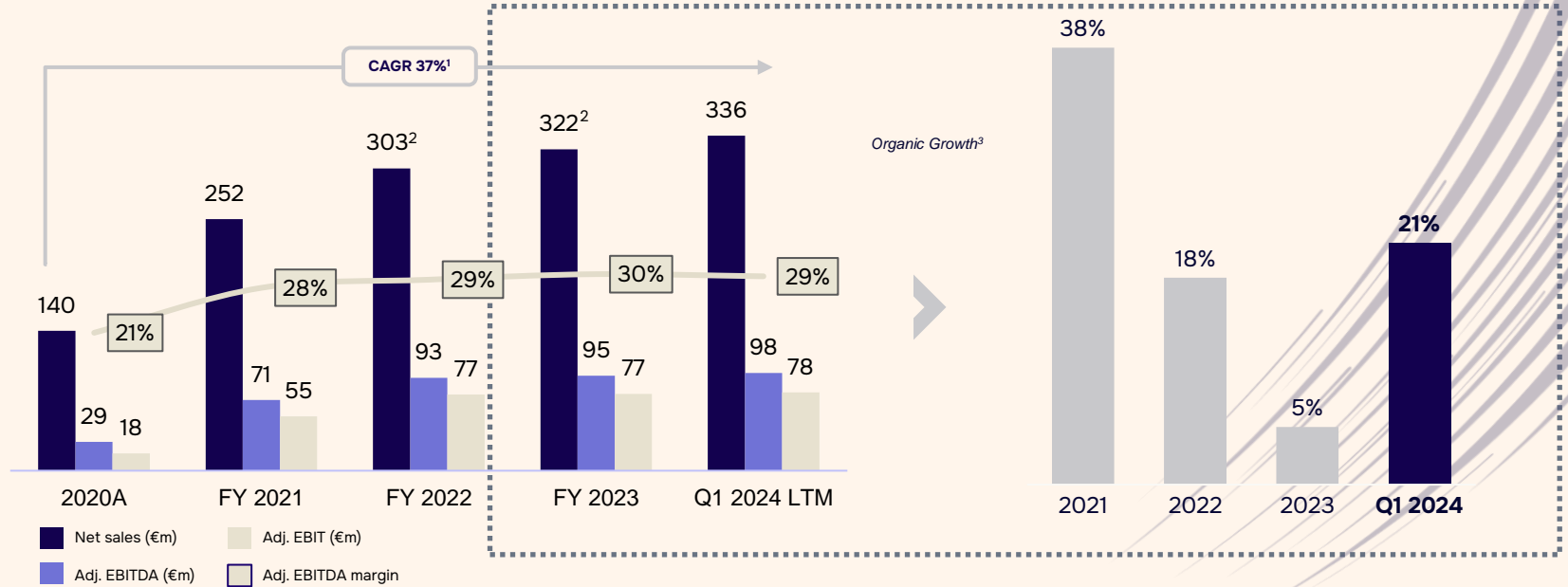
V. Appendix

Verve Group Overview and Q1 Update

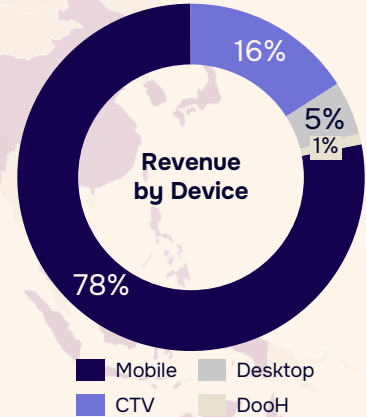
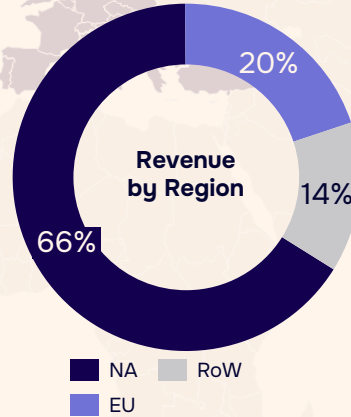
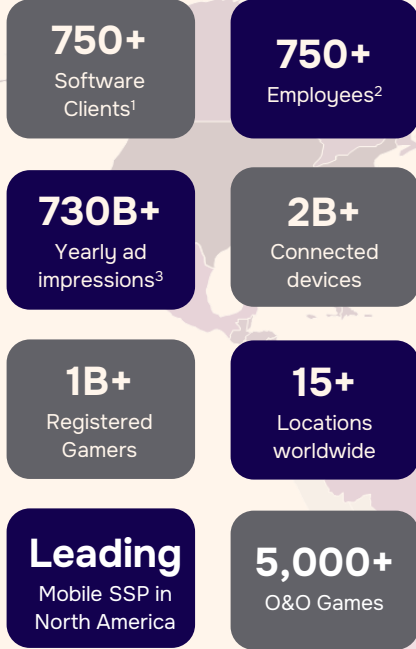


Company History

Strong Organic Growth with Economies of Scale



Integrated Ad-Software-Platform



First Quarter Financial Highlights

Strong Organic Growth

20%

Revenue Growth

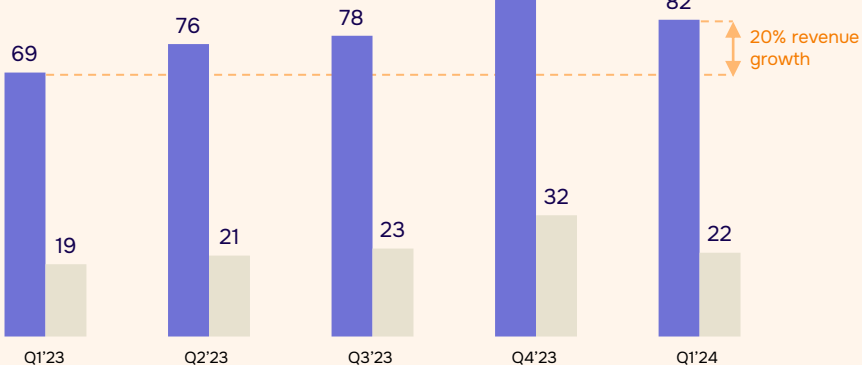
21%

Organic Revenue Growth
adjusted for FX

Net Revenues

Adj. EBITDA

€m



27

Highly Profitable and Cash Generating

Profit Growth %

16%

Adj. EBITDA growth

10%

Adj. EBIT growth

Strong Margin %

27%

Adj. EBITDA margin

20%

Adj. EBIT

High Cashflow

24 €m

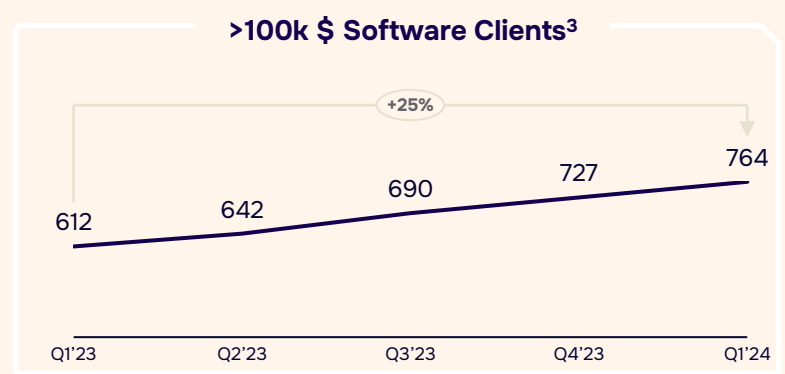
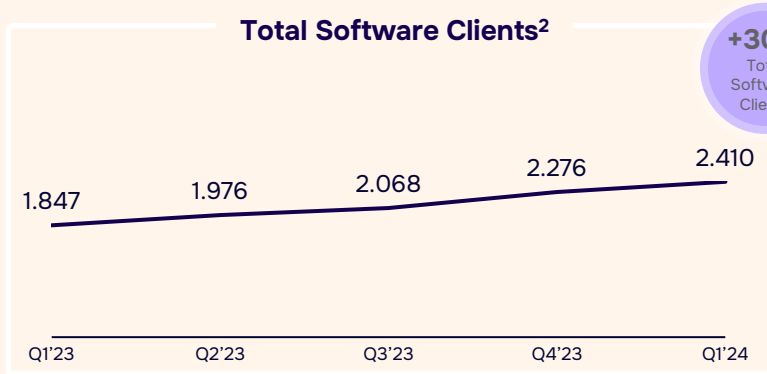
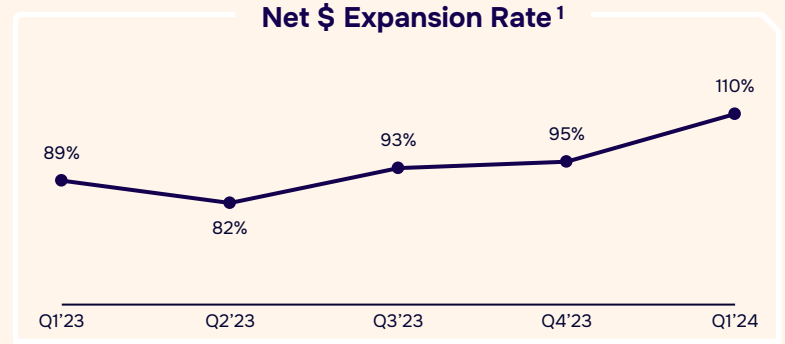
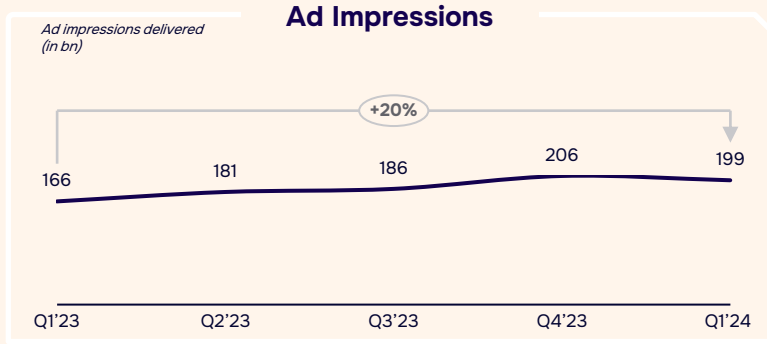
Operating Cash Flow
before change in WC

-12 €m

Investing Cash Flow

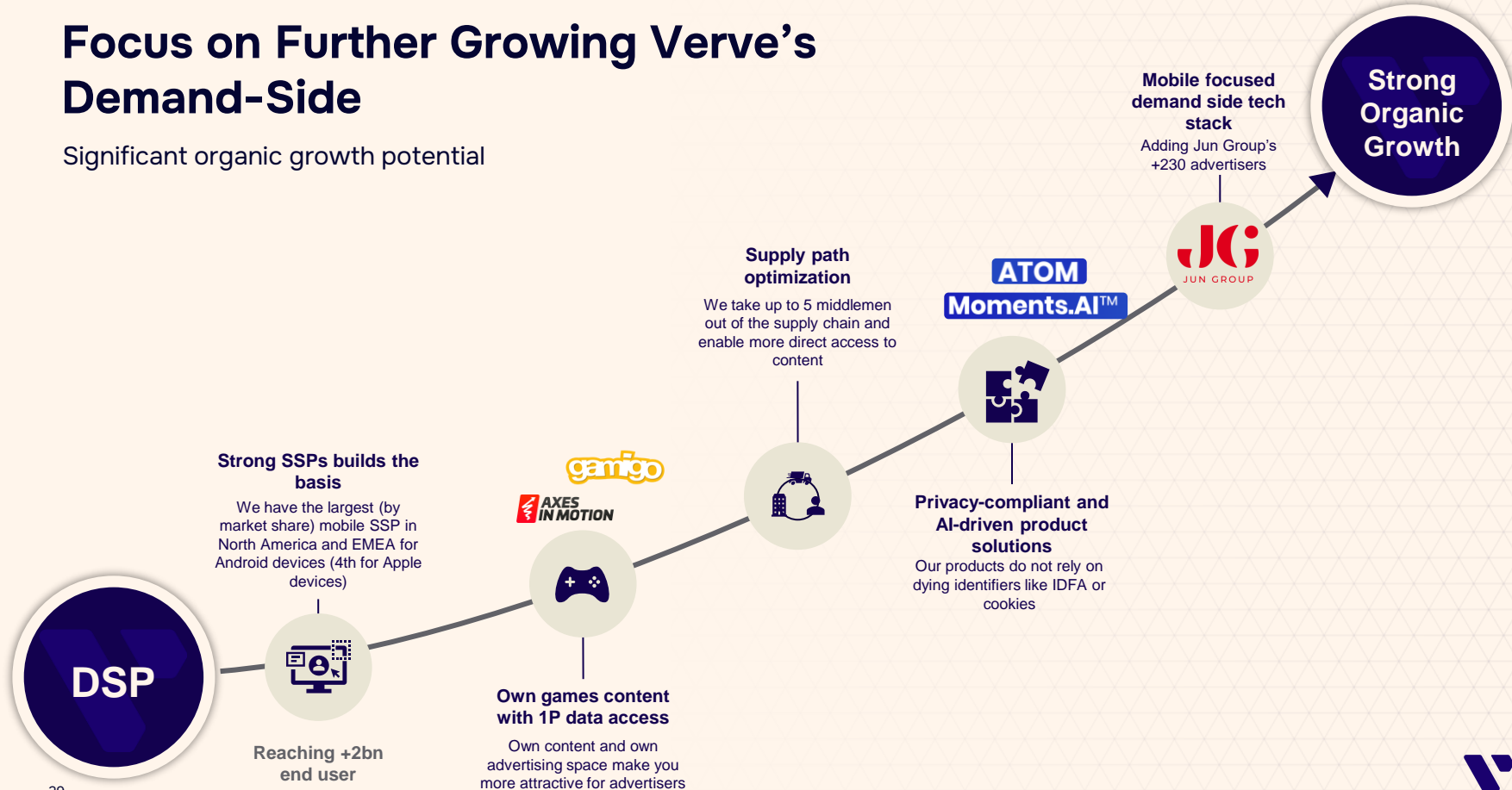


KPIs Driving Organic Revenue and EBITDA Growth



Focus on Further Growing Verve's Demand-Side

Significant organic growth potential



Let's make media better.

