

CAPITAL MARKETS DAY

MCI

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Today's Presenters



MGI



Remco Westermann
CEO & Board Member



Sameer Sondhi
CRO of MGI



Paul Echt
CFO of MGI



Rami Alanko
General Manager A&I



Jens Knauber
COO of MGI



Prasanna Prasad
CTO of Verve Group

EXPERTS



Jay C. MacDonald
Founder and CEO of
Digital Capital Advisors



Jeff Coon
Chief Strategy Officer of
Basis Technology



Oliver Dragic
General Manager at
pilot-group

MODERATION



Jenny Rosberg
IR Adviser (Today's Moderator)



Danesh Zare
Senior IR Manager MGI
(Moderator Panel Discussion)

Aim of our Capital Markets Day



GIVE AN UPDATE OF OUR LATEST DEVELOPMENTS

PROVIDE AN OVERVIEW OF Q2 FINANCIALS, ACTUALS AND OUTLOOK

SHARE DEEPER INSIGHTS INTO OUR STRATEGY AND INNOVATION

EXTERNAL EXPERTS TO GUIDE US THROUGH TRENDS

GET TO KNOW THE TEAM OF MGI



Today's Agenda



- 10.00 – Start Presentation & Introduction
- 10.15 – MGI Business Update
- 11.00 – *Coffee break*
- 11.20 – MGI Financials
- 11.45 – Q&A
- 12.00 – *Lunch*
- 12.30 – External expert session – Market Cycle, Consolidation & Vertical Integration
- 13.00 – External expert session – Identity and AI
- 13.30 – External expert session – Data Based Targeting in a New World With Privacy Restraints
- 14.00 – *Coffee break*
- 14.20 – MGI Product Presentation – Moments AI
- 14:50 – Panel Discussion and Q&A
- 15.20 – Outlook and Closing Remarks

Agenda

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Building a Sustainable Business

By Remco Westermann
(CEO, Board Member)

&

Jens Knauber
(COO)





Q2 Highlights



Stable quarter with strong profitability

- 3% total growth for continued business (FX adjusted)
- 1% organic growth (FX adjusted)
- 2% reported revenue decline due to FX and divestments



Updated Guidance with stable YoY performance (adjusted for divestments, FX headwinds)

- Cost saving program of 10m initiated to mitigate lower organic growth and increase cashflow to reduce leverage



Short-term headwinds, but...

- Gaining market share!
- Outlook very positive!



LET'S MAKE MEDIA BETTER

+550

Software Clients¹

+700

Employees²

+1B

Registered Gamers

25

Locations worldwide

+700B

yearly ad impressions³

+2.0B

Connected devices

+250M

Daily active users⁴

+5,000

O&O Games



We Have Come a Long Way in 10+ Years

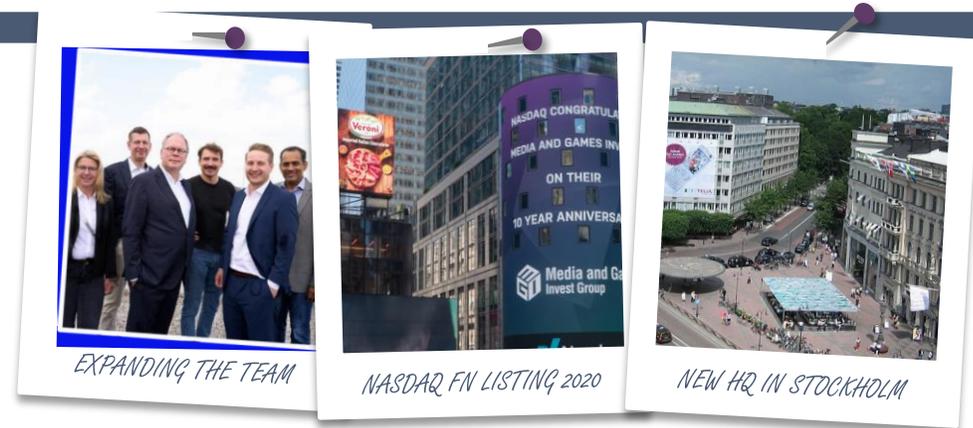
PRE-2018



GAMIGO EVENT IN 2012

GROWING GAMIGO AG INTO A LEADING GAMES PUBLISHER, LEVERAGING A BUY-AND-BUILD STRATEGY

2018 – 2023



EXPANDING THE TEAM

NASDAQ FN LISTING 2020

NEW HQ IN STOCKHOLM

BUILDING A LEADING AD SOFTWARE PLATFORM BY TRANSFERRING THE BUY-AND-BUILD STRATEGY TO THE MEDIA SECTOR AND REALIZING SYNERGIES

FUTURE



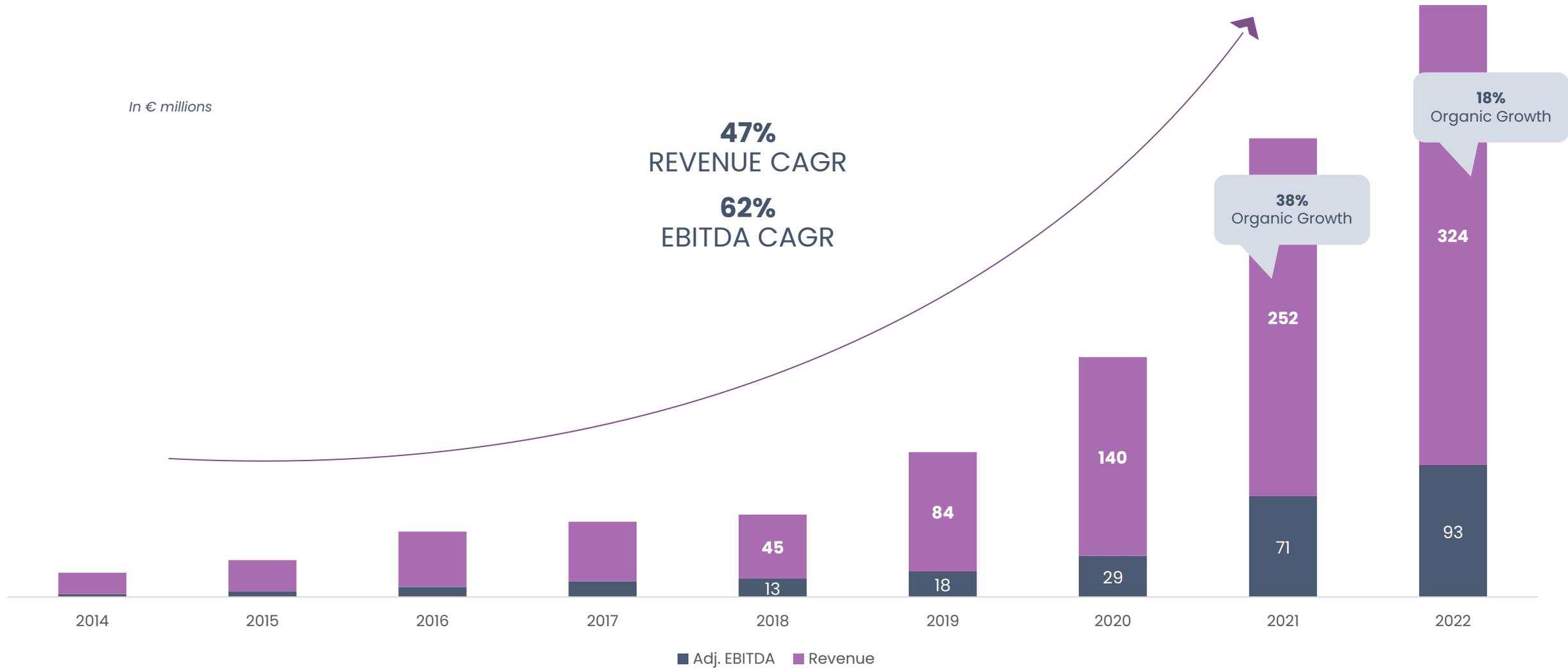
OUR MISSION

EXPAND AND LEVERAGE OUR USPS TO CREATE PRODUCTS AND SERVICES THAT MAKE MEDIA BETTER

Focus on Highly Scalable and Profitable business model

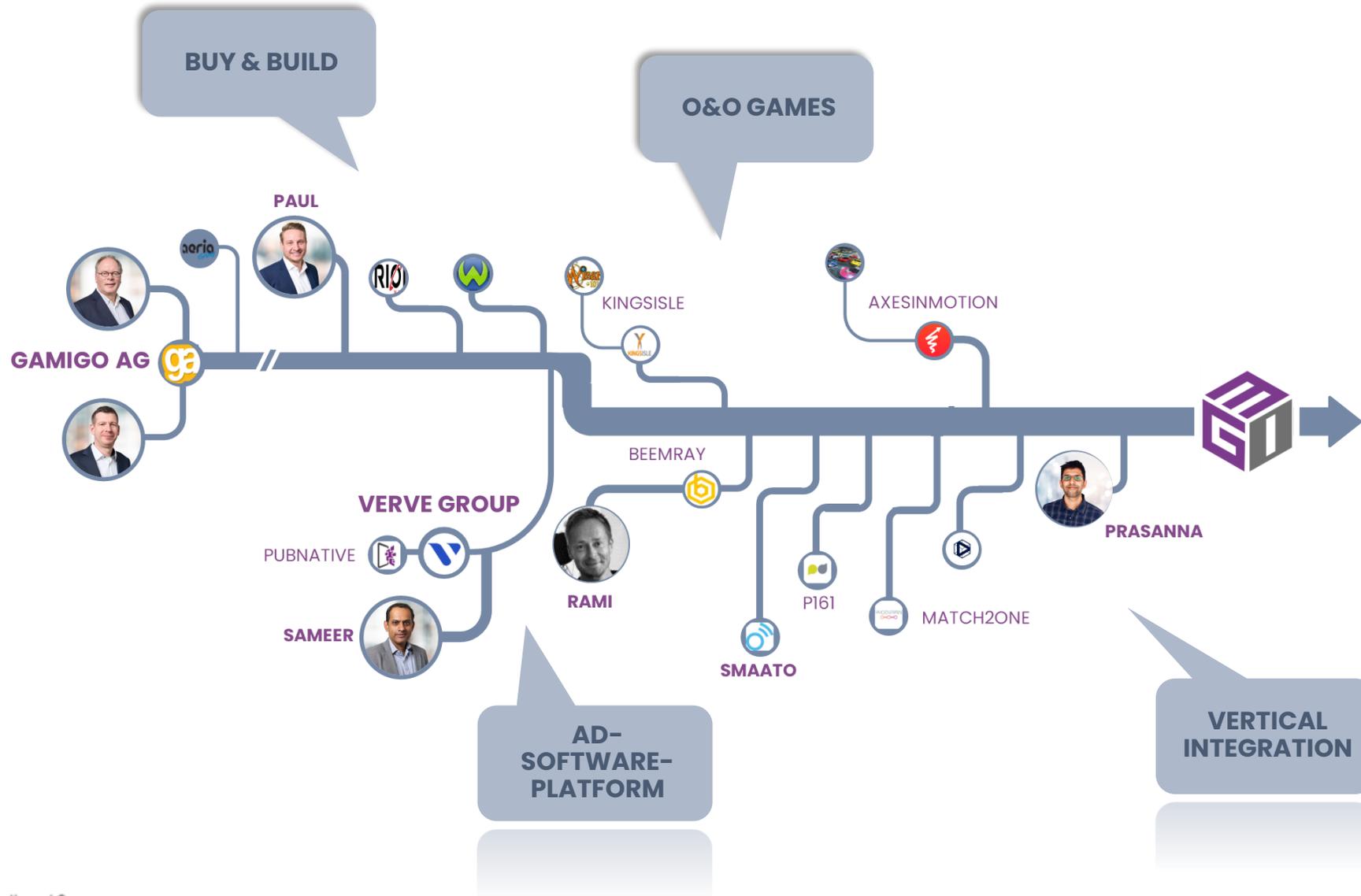


In € millions





Many Parts Come Together as One...



**...to Make
Media Better**

Opportunities and Challenges in the Advertising Market

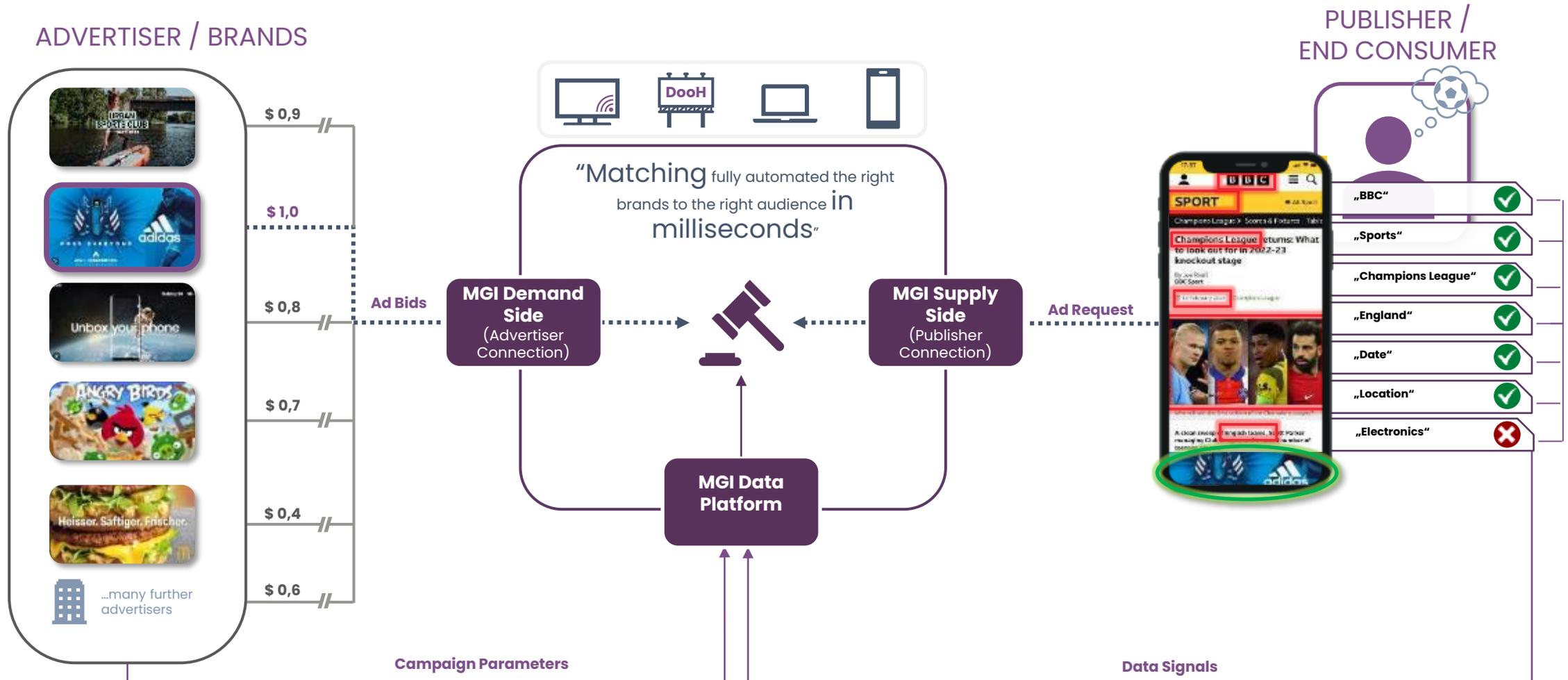
By Remco Westermann
(CEO, Board Member)





How Does Programmatic Advertising Work?

We automate the buying and selling of ads on all digital devices



The Importance of Programmatic Advertising



The Importance of Advertising

The engine for consumer spending



Promote products, services and ideas to potential customers and target groups



Enable free content



Building brand awareness



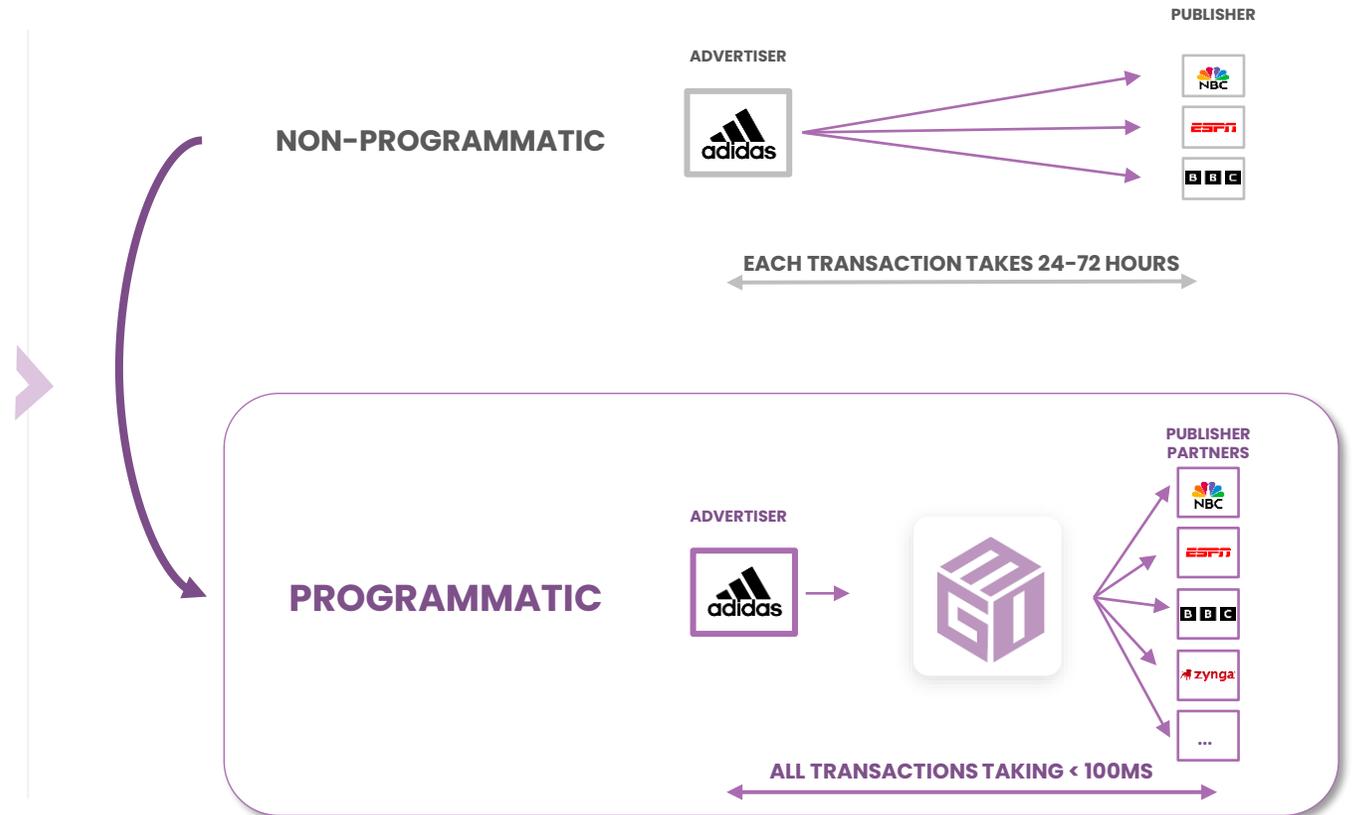
Generating demand



Driving business growth

Programmatic Advertising

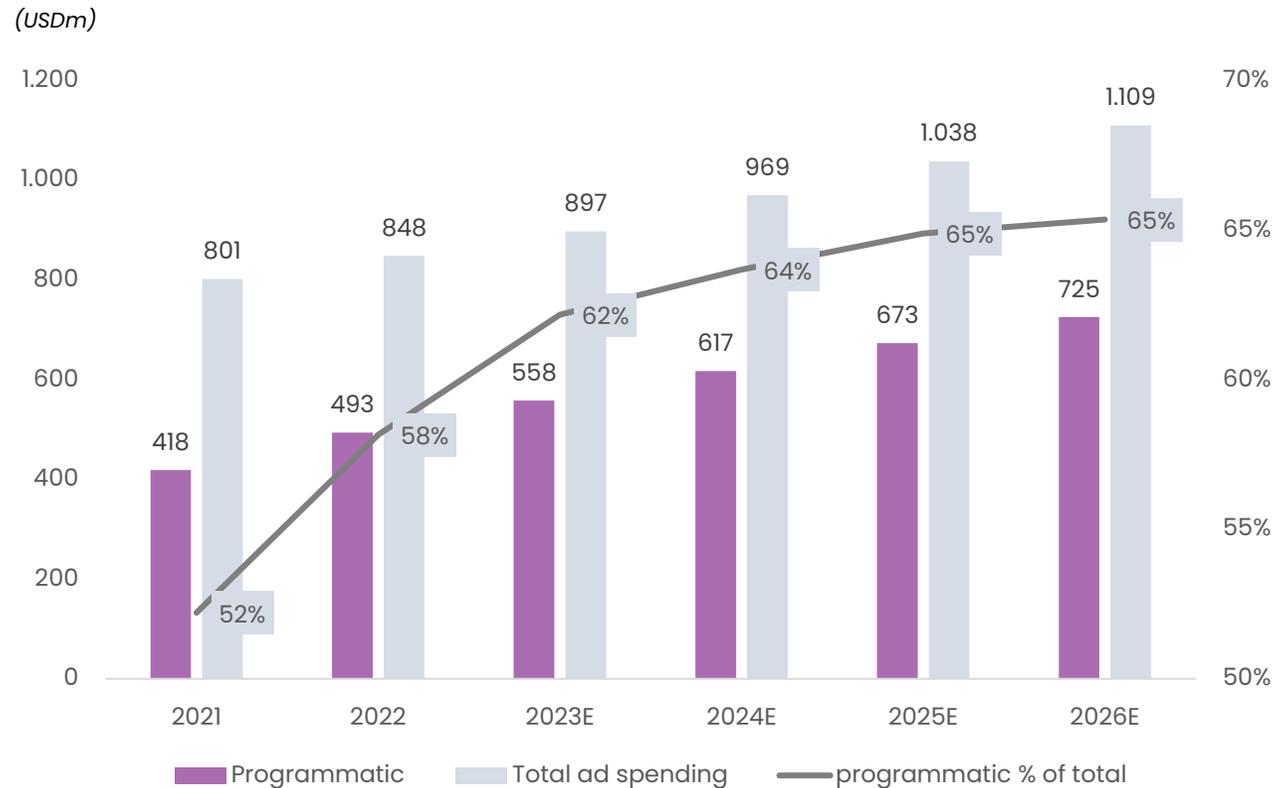
The turbo engine for consumer spending





Our Fast-Growing Market: Programmatic Advertising

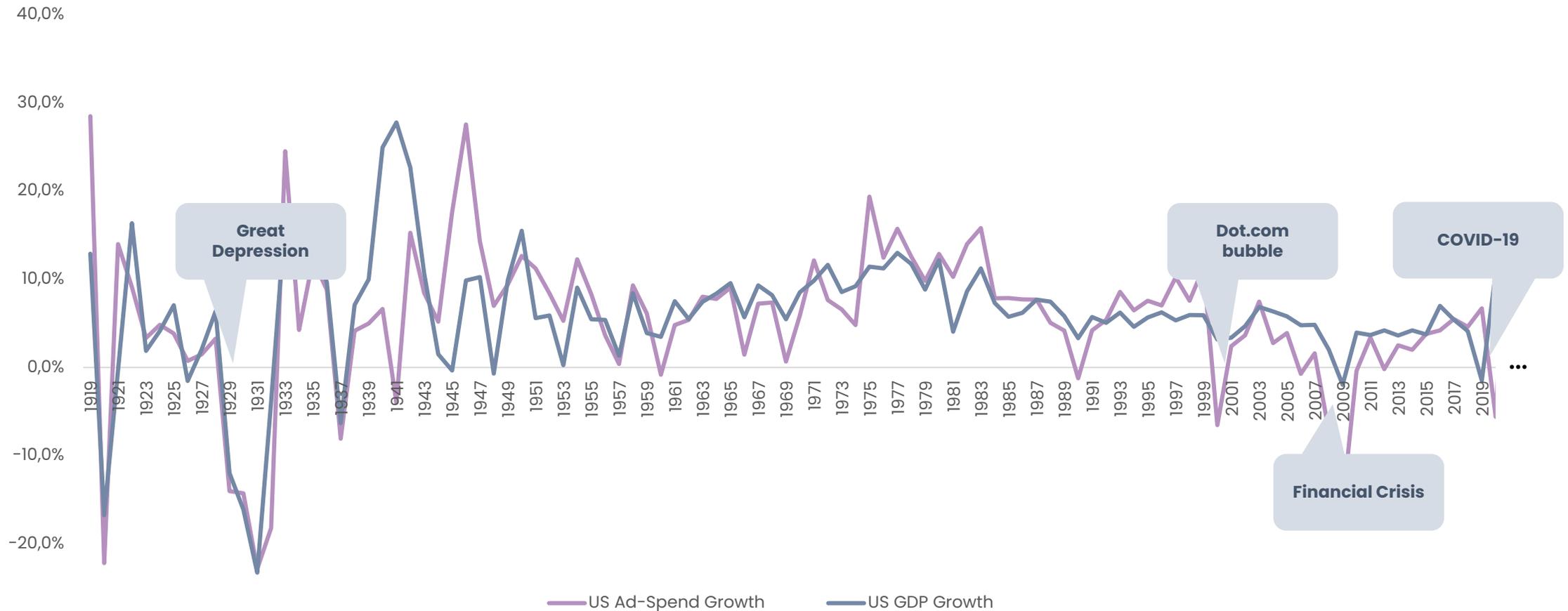
The advertising industry is massive and programmatic is the growth driver



**Advertisers are shifting
their budgets to
programmatic due to
higher ROAS and
measurability**



Cyclicality of the Advertising Market



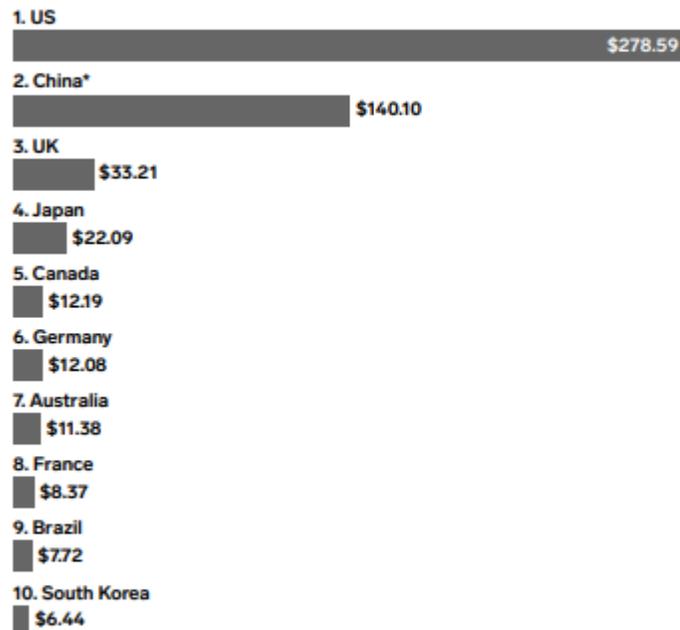
Advertising spend is highly sensitive to changes in GDP



Largest ad-market worldwide

Top 10 Countries, Ranked by Digital Ad Spending, 2023

billions



*Note: includes advertising that appears on desktop and laptop computers as well as mobile phones, tablets, and other internet-connected devices, and includes all the various formats of advertising on those platforms; excludes SMS, MMS, and P2P messaging-based advertising; *excludes Hong Kong*
Source: eMarketer, Oct 2022

279255

eMarketer | InsiderIntelligence.com

Strong Outlook for further long term growth

- Largest GDP
- Fastest growing ad-market among the four largest economies
- Rapid recovery of the US market expected
- Homogeneous market enables strong scaling



Our Market is Evolving Dynamically



CONSUMER HABITS CHANGING - TREND TOWARDS MOBILE AND CTV



ADVERTISERS LOOKING FOR TRANSPARENCY AND DIRECT SUPPLY



GOVERNMENTS ENFORCING PRIVACY



TECHNOLOGICAL CHANGE ENABLED BY AI, BIG DATA



DOMINANT PLAYERS STRENGTHEN WALLED GARDENS, PRIVACY SANDBOX, SKAD



MARKET CONSOLIDATION



CYCLICAL MARKET LINKED TO MACRO ENVIRONMENT

PLENTY OF OPPORTUNITIES

Building a Market Leader

By Remco Westermann
(CEO, Board Member)

&

Sameer Sondhi
(CRO)





A Global Player in Programmatic Advertising With Strong USPs

A strong base to build from

**Leading mobile
in-app SSP**

**Strong & fast
growth in
CTV**

**Advanced data
and targeting**

**Vertically
integrated**

Leading
Mobile In-
App SSP

Integrated in over 20.000 Leading Apps

Auctioning ad-inventory of mobile app publishers in privacy-first environments



Direct SDK integration

Own Games
Content

Contextual
Targeting

AI-Powered

Privacy-
First

Without using
IDFA or GAID

**VERVE
GROUP**

Monetizing mobile inventory

+85

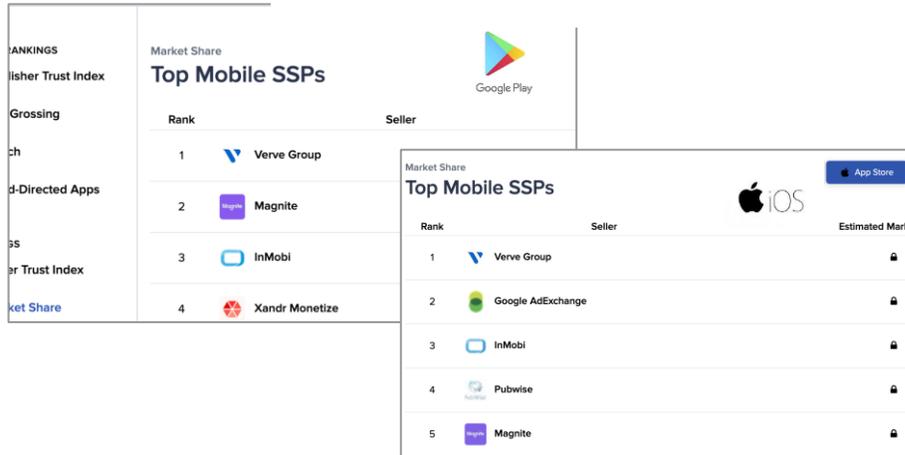
3rd-Party DSPs

**Verve Group
DSPs**

82%
OF GROUP
MEDIA VOLUME



#1 Exchange for Apple and Android

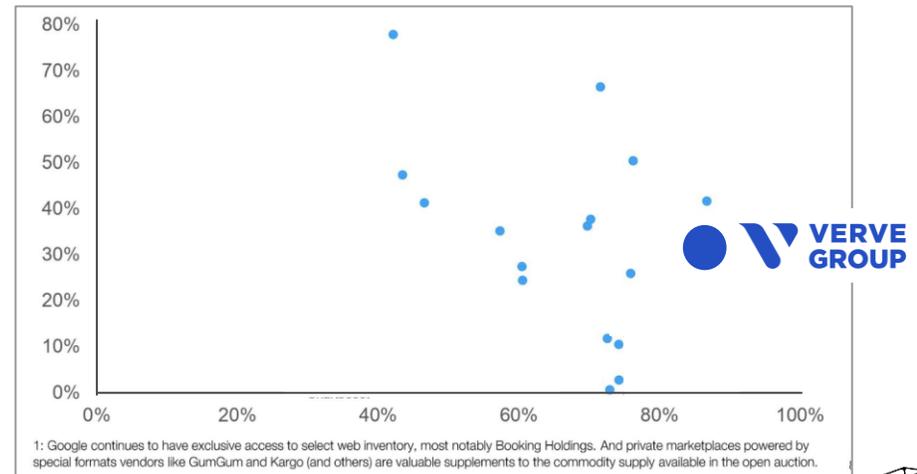


2023 Mobile SSP Market Share Report



Pixalate Mobile SSP Market Share June 2023
#1 for Google Play and App Store

Leading in direct Integrations



1: Google continues to have exclusive access to select web inventory, most notably Booking Holdings. And private marketplaces powered by special formats vendors like GumGum and Kargo (and others) are valuable supplements to the commodity supply available in the open auction.

RTB Supply Path Benchmarking, July 1, 2023
Mobile SSP



Jounce RTB Supply Benchmarking Report - Mobile App
Verve Group Scale with more direct "premium" app supply at 79%. **(above Magnite, PubMatic, Index Exchange and others)**

Further Investment in Growth

Executing a roadmap to gain further market share in In-App



Some examples of our roadmap:

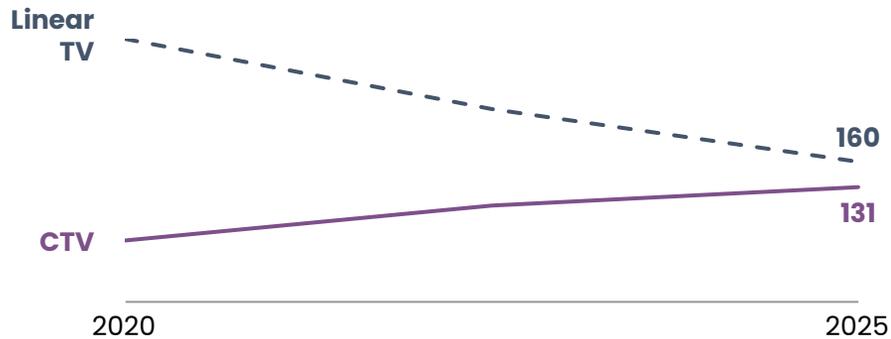
- Improving our Video rendering capabilities to be at par or ahead of competition
- Standardizing integration of ATOM
- ML optimizations for both efficient cloud costs control and pricing
- Latest SKAN version support and Google Privacy Sandbox development
- Launch optimized PMP stack / Deal packaging tool / Curation tools

Each of these is expected to improve our market position and drive revenues

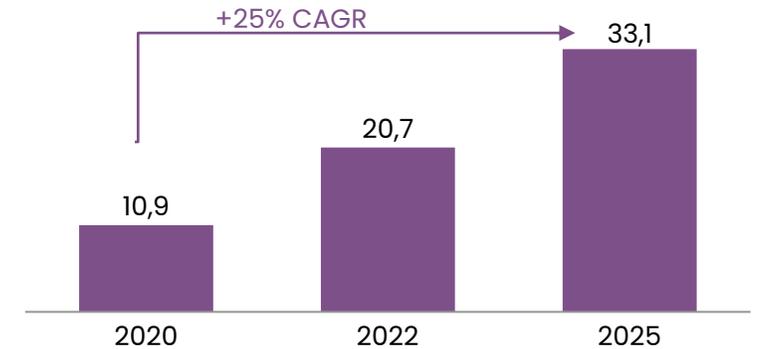


CTV – a Growth Market

Average Time Spent per Day with Media in US (min)
according to eMarketeer 2023



CTV Ad Spend in US (\$bn)
according to eMarketeer 2023



Advantages of CTV



- Rich targeting options
- More engaging and powerful ad experiences
- Diverse and fast-growing audience

Strong & Fast Growth in CTV

Offering the Inventory of Major CTV Players



Reaching 60% of US households



Some of Our CTV Demand Partners



Value-add from

- ✓ Cross platform(multi-channel) approach
 - ✓ Cross platform identity / targeting
- ✓ Unique O&O data and audiences exclusive to Verve customers

14%
OF GROUP
MEDIA VOLUME

Further Investment in Growth in CTV

Executing a roadmap to gain further market share in CTV



Some examples of our roadmap:

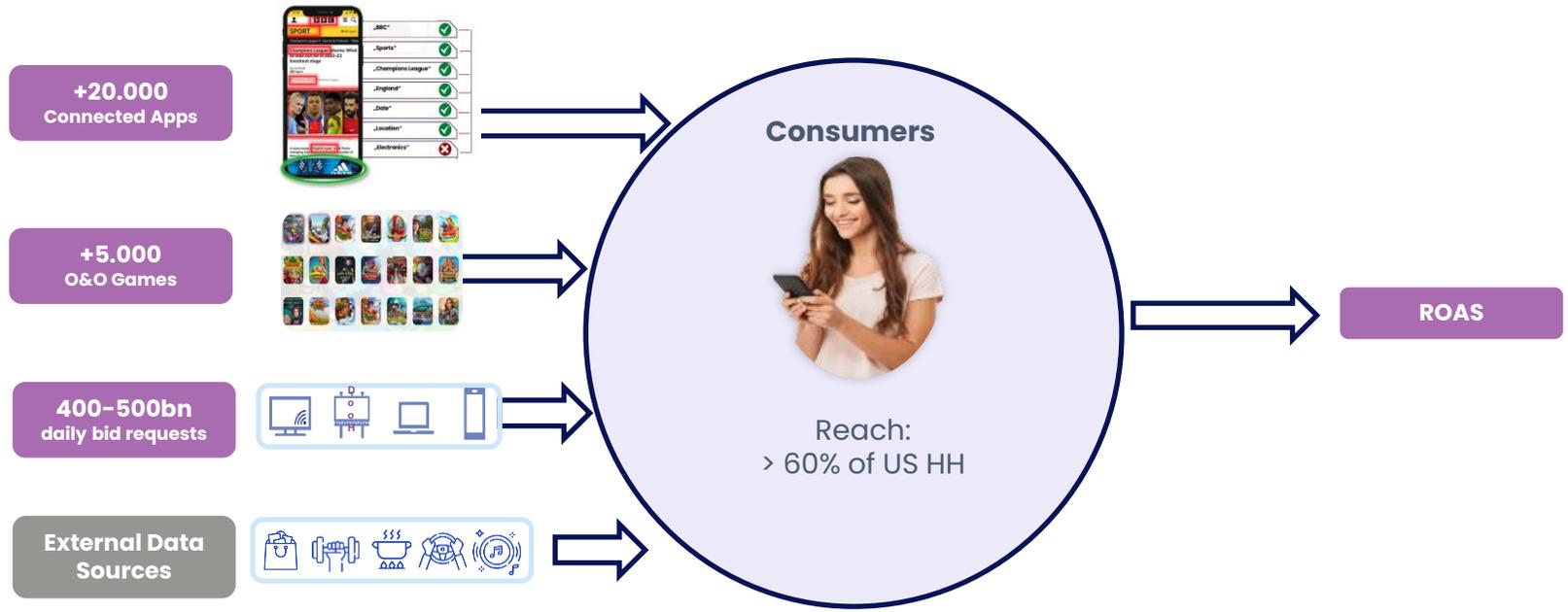
- Released
 - LKQD migration
 - 50+ CTV specific features
 - New targeting types (beyond LKQD scope):
 - Language targeting
 - Livestream targeting
 - SPX Lineitems for OTT Ex2Ex traffic
- Mid term projects:
 - **Open RTB 2.6 podding support**
 - Reworking the **inventory management tools**
 - Updated IAB Placement Guidelines
 - Programmatic Guaranteed & direct deals for CTV

Each of these is expected to improve our market position and drive revenues



Data are Key to Improved Advertising Results

Data at Scale to target the right users and optimize the creatives



SAMPLE DATA POINTS

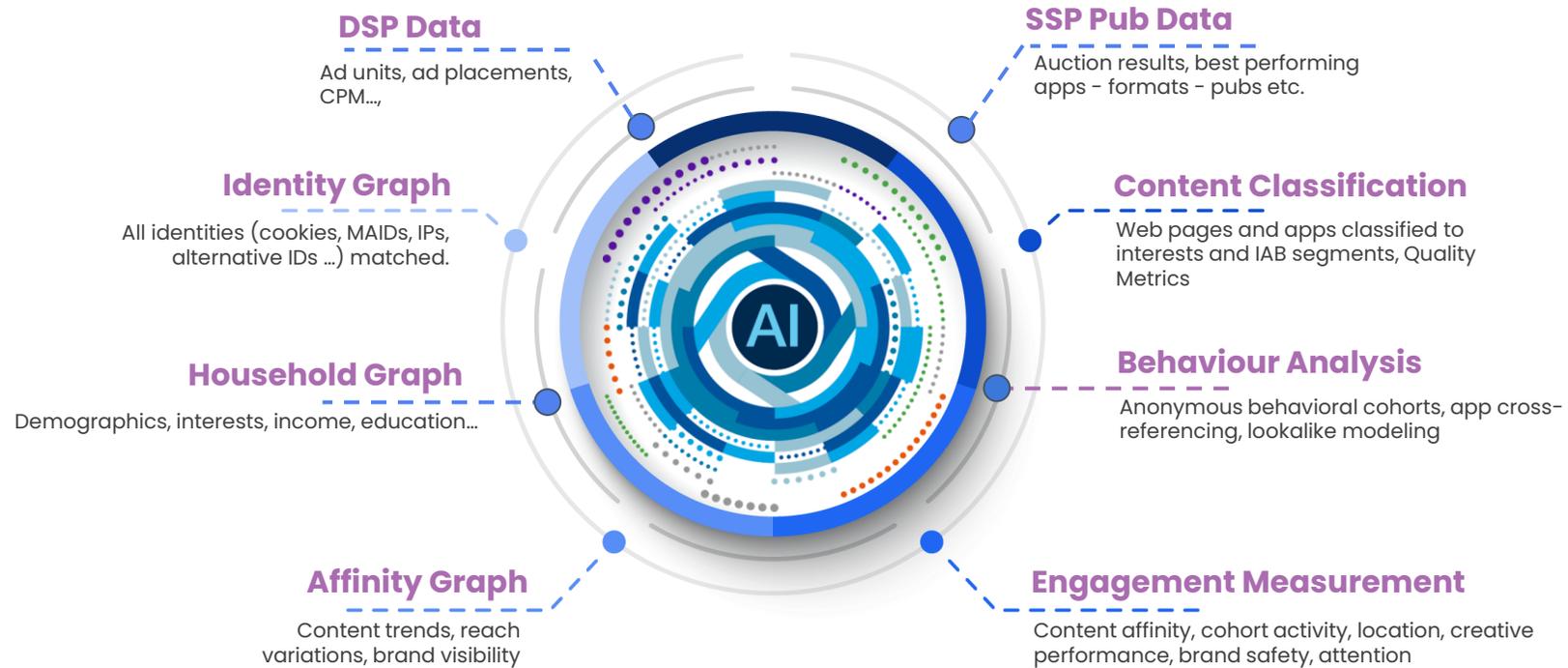
- E-mail address
- Device ID
- Full name
- Location
- Keyboard Language
- Income/Spend data
- Content category
- Content age rating
- Event data
- Location
- Affinities

PRIVACY FIRST

- Opt-In
- Contextual
- Brand safe
- Transparent

MGI Invests in Further Optimization

AI-driven Data Optimization





Also Well-Prepared for a World without Identifiers

Validated AI capabilities - Contextual targeting with **Moments AI**

Research Validates Verve Group's Contextual Ads Outperform Industry Leaders

Key Highlights

- 96% URLs published the same day
- 85%+ of impressions on targeted content
- 36x more effective at targeting relevant media than leading alternatives

Executive Summary

As the decline of cookies poses a risk to behavioural-based advertising, marketers are turning to contextual targeting. Verve Group, a privacy-oriented contextual ad platform, approached TPA Digital with their Moments AI technology offering to enable same-day contextual targeting on the open web and superior accuracy.

To verify Verve Group's claim, TPA Digital conducted tests using Moments AI through their ad serving service. TPA Labs, the study focused on targeting new sports-related content in the UK and Germany over a 24-hour campaign during the football season. The goal was to measure the percentage of impressions served on URLs published on the same day and compare the results against two alternative vendors. The results were highly compelling.

TPA Labs found that Verve Group successfully targeted sports content 85% of the time, while alternative vendors only successfully targeted sports content 4.9% of the time. Furthermore, 96% of impressions served by Verve Group were served on URLs published on the same day, 49.6% and 36% by alternative vendors. Aspiring on some of the study's findings do more than highlight the strength of Verve Group's contextual targeting, they also demonstrate the importance of working with Verve Group versus their current strategies for contextual campaigns.

Knowledge Hub

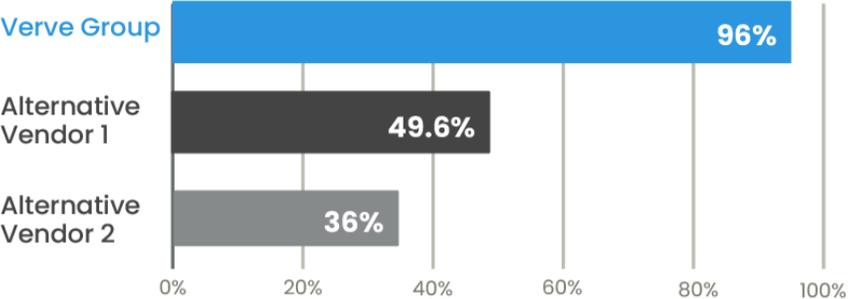
Dan Larden,
Chief Strategy Officer,
TPA Digital

"Recency is not yet a common indicator used to understand media quality, but there is no reason it can't be. Studies like this show that there is a vast gap between the quality of impressions that can be bought and the accuracy of various vendors in the supply chain that offer targeting capability. We were all surprised at how badly these alternative partners performed at what we think of as quite a straightforward targeting capability. This research clearly shows it isn't that simple."

Highlights

- 24-hour campaign targeting fresh sports-related content in the UK and Germany.
- Verve Group outperformed the leading market alternatives by 36x for URL delivery for same day URL and on sports-related URLs

% of impressions on URLs published on the same day



Further Investment in Data and Targeting

Executing a roadmap to gain further differentiate



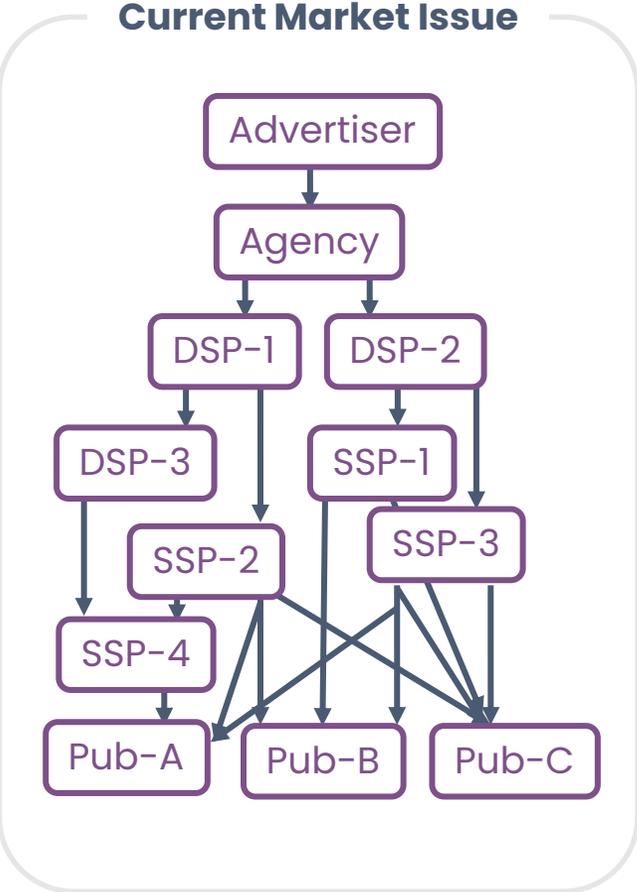
Some examples of our roadmap:

- Utilizing identity graph to pass enriched signals to DSP's and marketplaces
- Further improving Atom; more segments, more signals, improved functionality
- Rollout of the proprietary data platform – Verve Audience Store
- Implementing strategic cooperation with Roq.ad
- Close cooperation with Apple SKAN and Google Sandbox teams

Each of these is expected to improve our market position and drive revenues



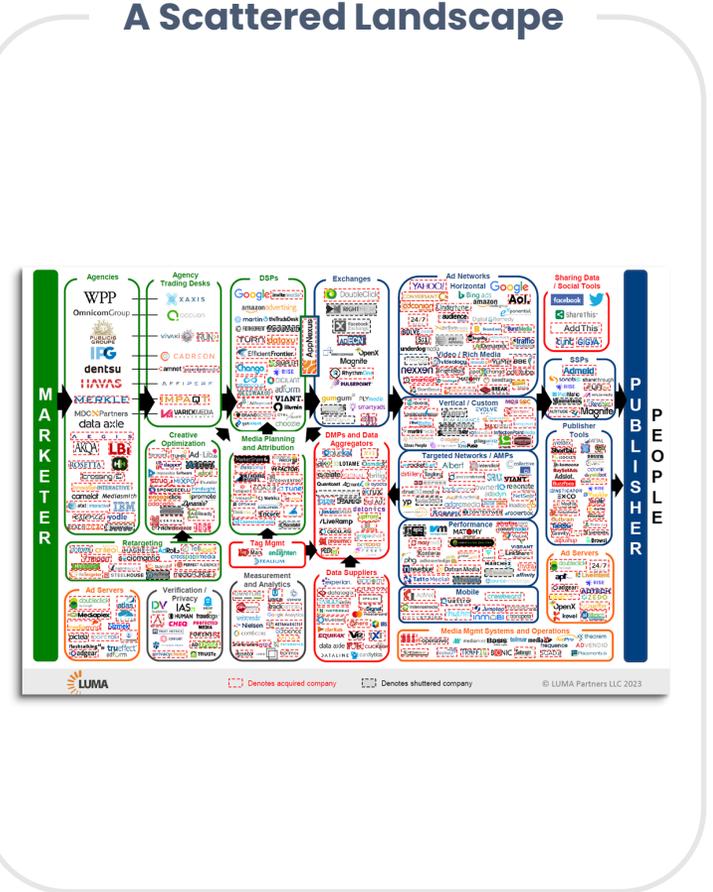
Programmatic Advertising in Theory Most Efficient But due to too many parties very inefficient



Disadvantages

- Cost**
- Margin**
- Transparency**
- Optimization**

- Multiple tech stacks take margin
- Multiple parties taking a stake
- Intransparent, even more without identifiers
- Ads/User capping impossible
- Own bids in competition



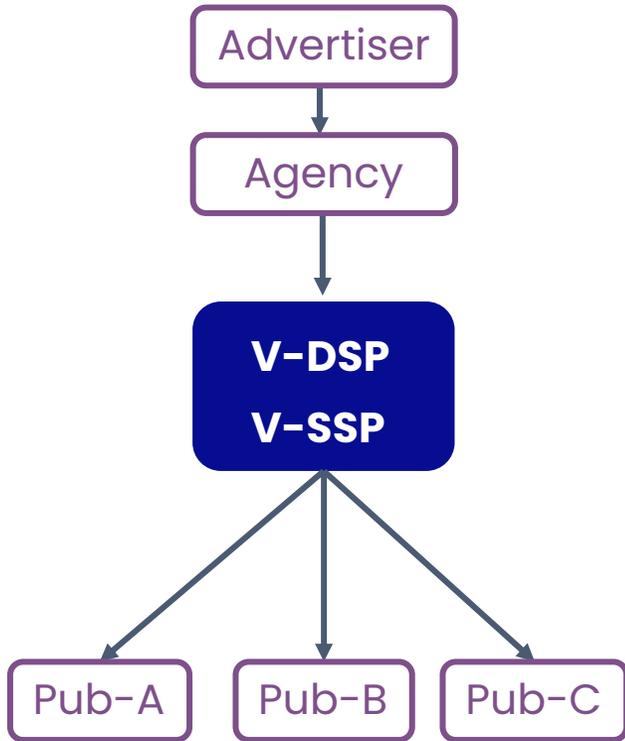


MGI: Offering an Integrated Multichannel Platform



Based on M&A and organic additions an integrated multichannel ad- platform was established

MGI's Answer: Integrated ad-tech stack



Vertically integrated

Multichannel

Cost Efficient

Effectiveness with data

Effectiveness in Bidding

Global

Wide range of capabilities

Compliant

Innovative

Advantages

Directly linking advertisers via publishers to consumers

Serving in-app, web, mobile web, connected TV and digital out of home

Direct connections, fewer components

First-party (own game studios), third-party and contextual

Better (Multichannel) Targeting, No Double Bidding, CTR control, margin control

(Worldwide)

Brand marketing, performance marketing, PMP's,

Privacy first, brand safe, Transparent

Atom, Moments.AI, SDKs, Visual Intent, ...

Further Optimize our Vertical Stack

Executing a roadmap to gain further platform efficiency



Some examples of our roadmap:

- Further integration and optimizing stacks
- Further investments in insights and measurement
- Evaluating Audio
- Further optimizing systems set-up; moving from cloud to hybrid
- Focus on operational excellence

Each of these is expected to improve our market position and drive revenues

*Coffee Break
(20 Minutes)*

Let's make media better

...better for
...better for
...better for
**Monetization
Managers**

VERVE
GROUP

...better for
...better for
...better for
**CTV
Publishers**

VERVE
GROUP

...better for
...better for
...better for
**User
Acquisition
Managers**

VERVE
GROUP

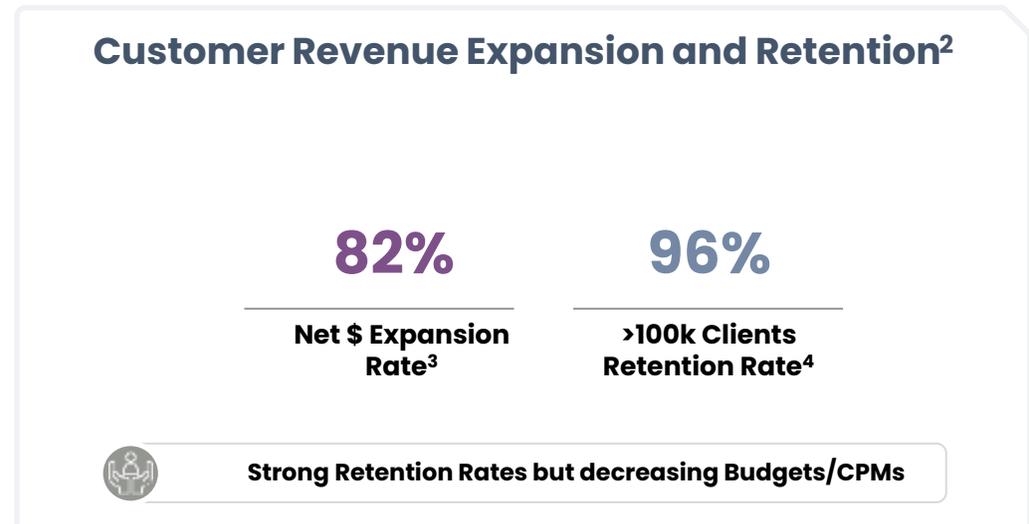
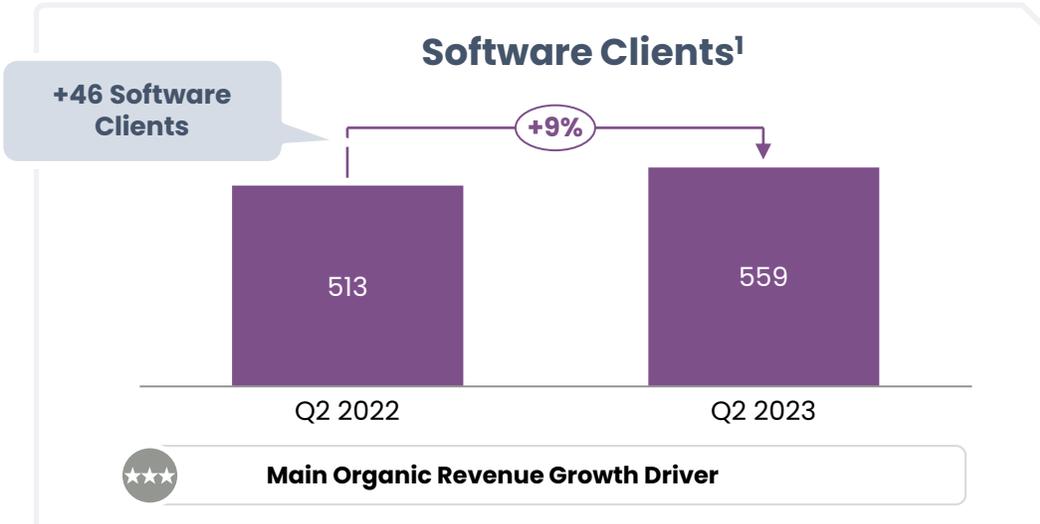
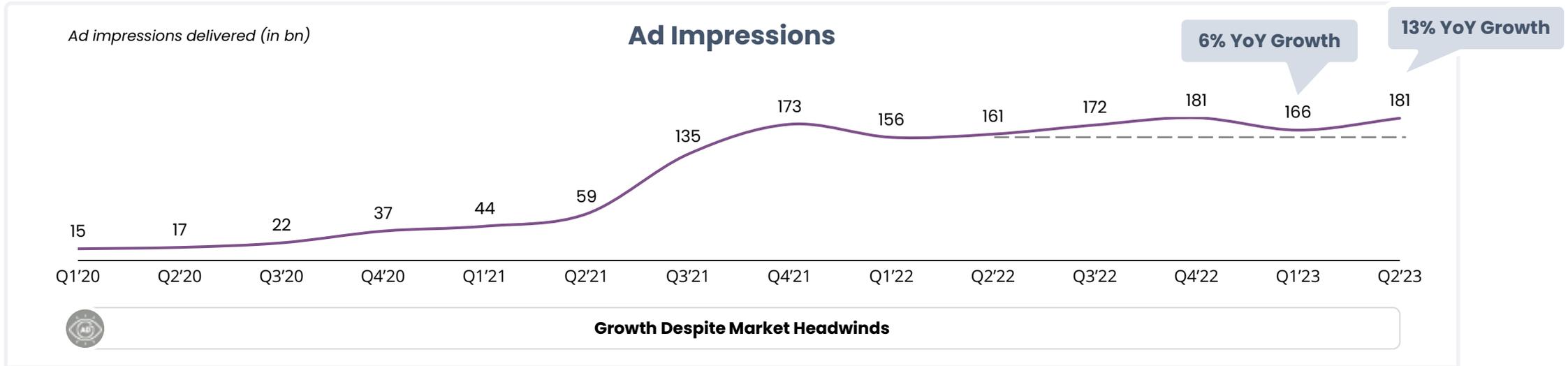
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Strong commercial development builds base for organic growth



KPIs driving our long-term top-line growth

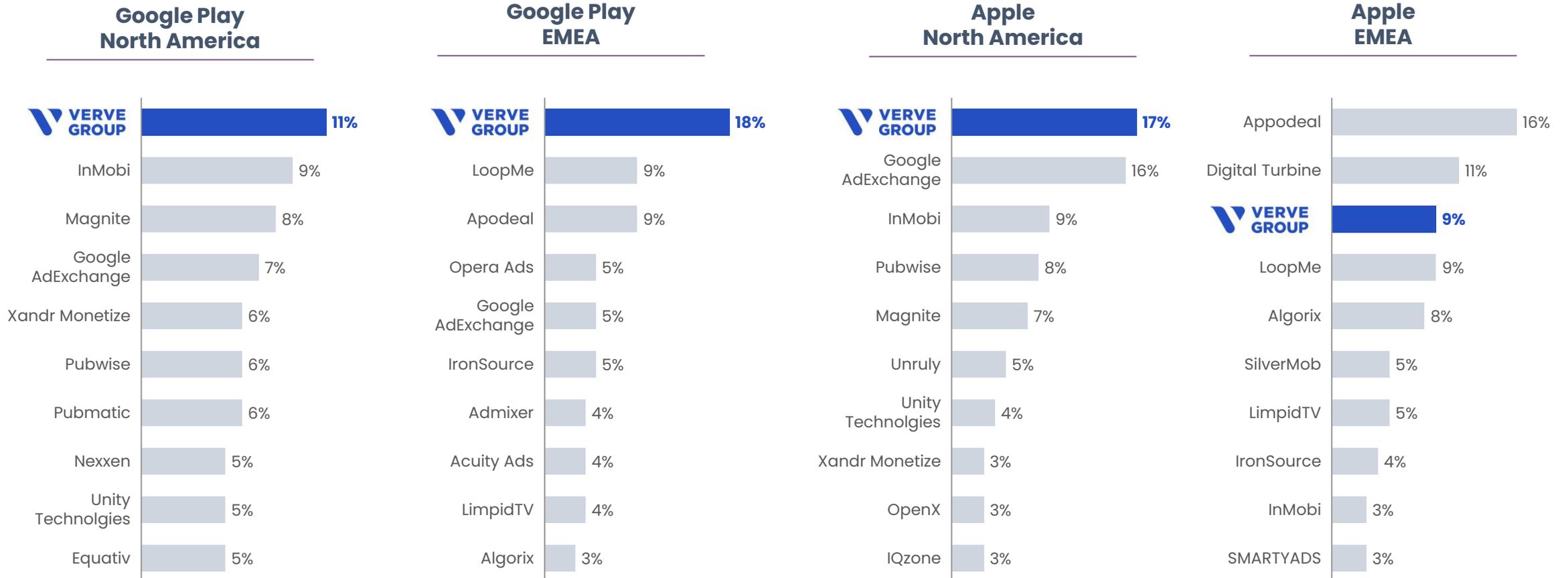


Notes: (1) Software Clients with >100k gross revenues, Includes customers from M&A, stated amounts are ad spend volumes, ad-platform customers only, (2) ad-platform customers only, (3) Q2'23 Net \$ Expansion Rate based on Programmatic Exchange Business, including Smaato, (4) excluding M&A. Includes ad-platform customers > USD 100k gross revenues

Market-Leading Mobile SSP

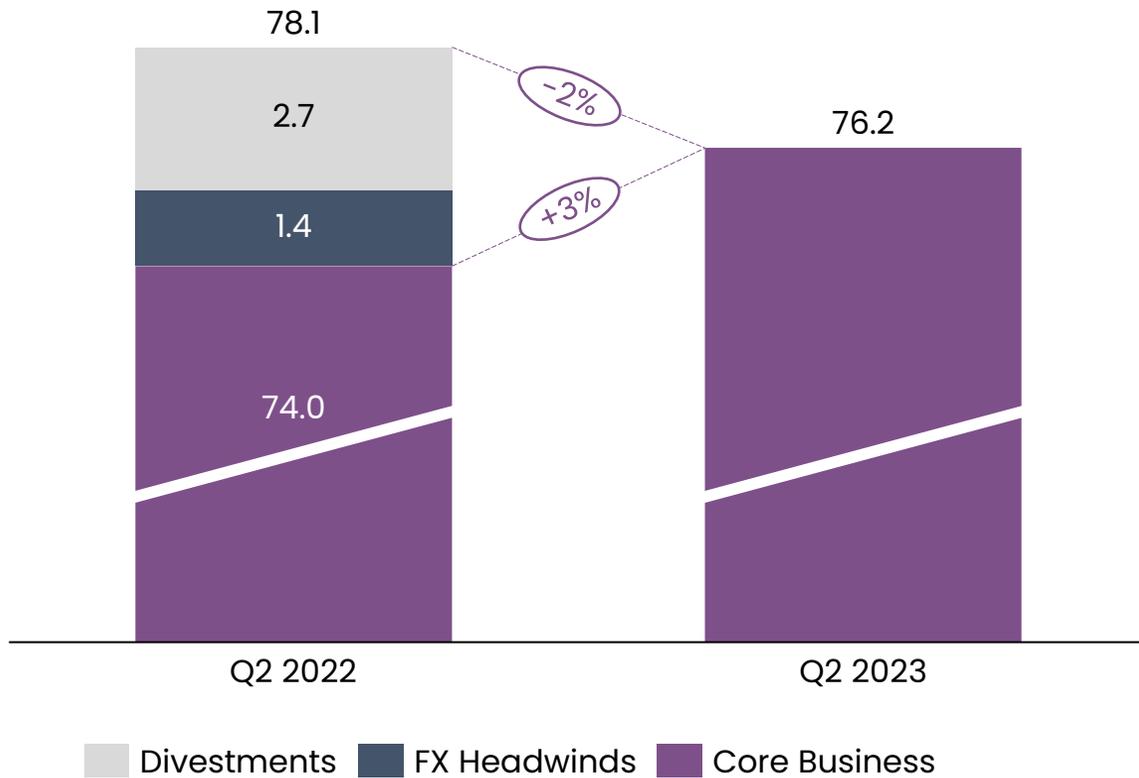


Pixalate's Mobile SSP Market Share Report confirms market leading position of our Supply Side



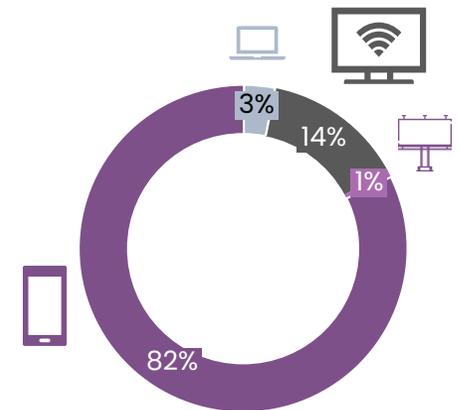
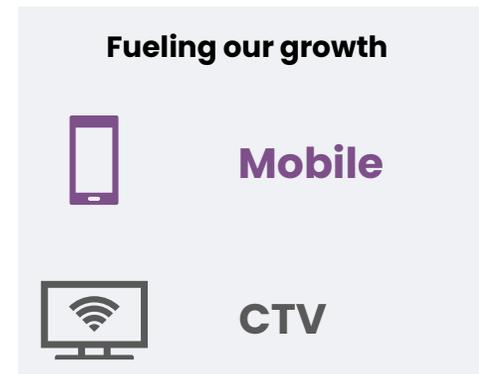
Verve Group has built a strong position in In-App supply, based on its large number of direct app integrations and its strong position in data enabling better ad-optimizations.

Q2 2023 Pro-forma revenue performance



Commentary

- **3% yoy growth** from FX adjusted continued business
- Growth is driven by Mobile ad spend as well as CTV





Stable Second Quarter with Positive Organic Growth

-2%

Revenue Growth

1%

FX-adjusted Organic Revenue Growth

- Net Revenues
- Adj. EBITDA
- Adj. EBIT
- EBITDA Margin



Highly profitable and cash generating Q2 2023

Strong Profitability

1%

Adj. EBITDA Growth

1%

Adj. EBIT Growth

Strong Margin %

28%

Adj. EBITDA margin

22%

Adj. EBIT margin

High Cashflow

21mEUR

Operating cashflow before WC

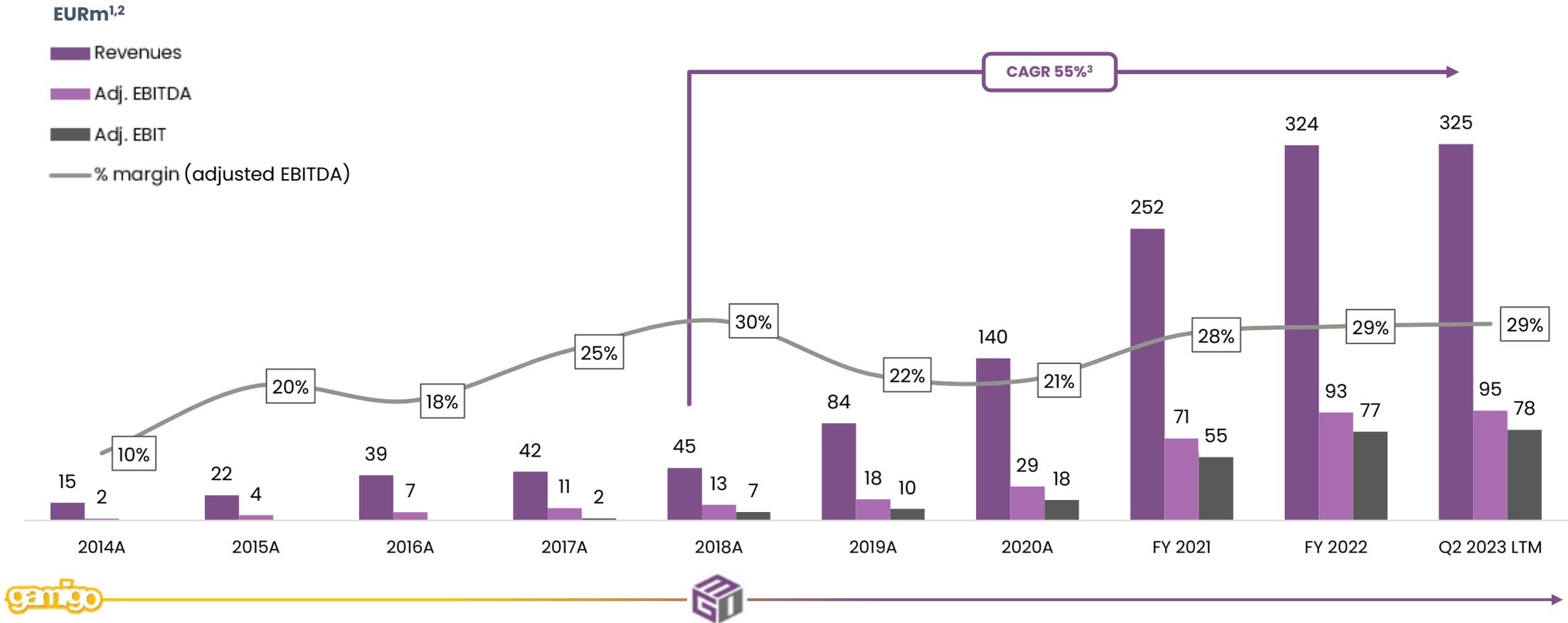
3.0x

Interest Coverage Ratio



Consistent Long-Term Financial Development

Highly scalable and profitable business model with strong organic growth

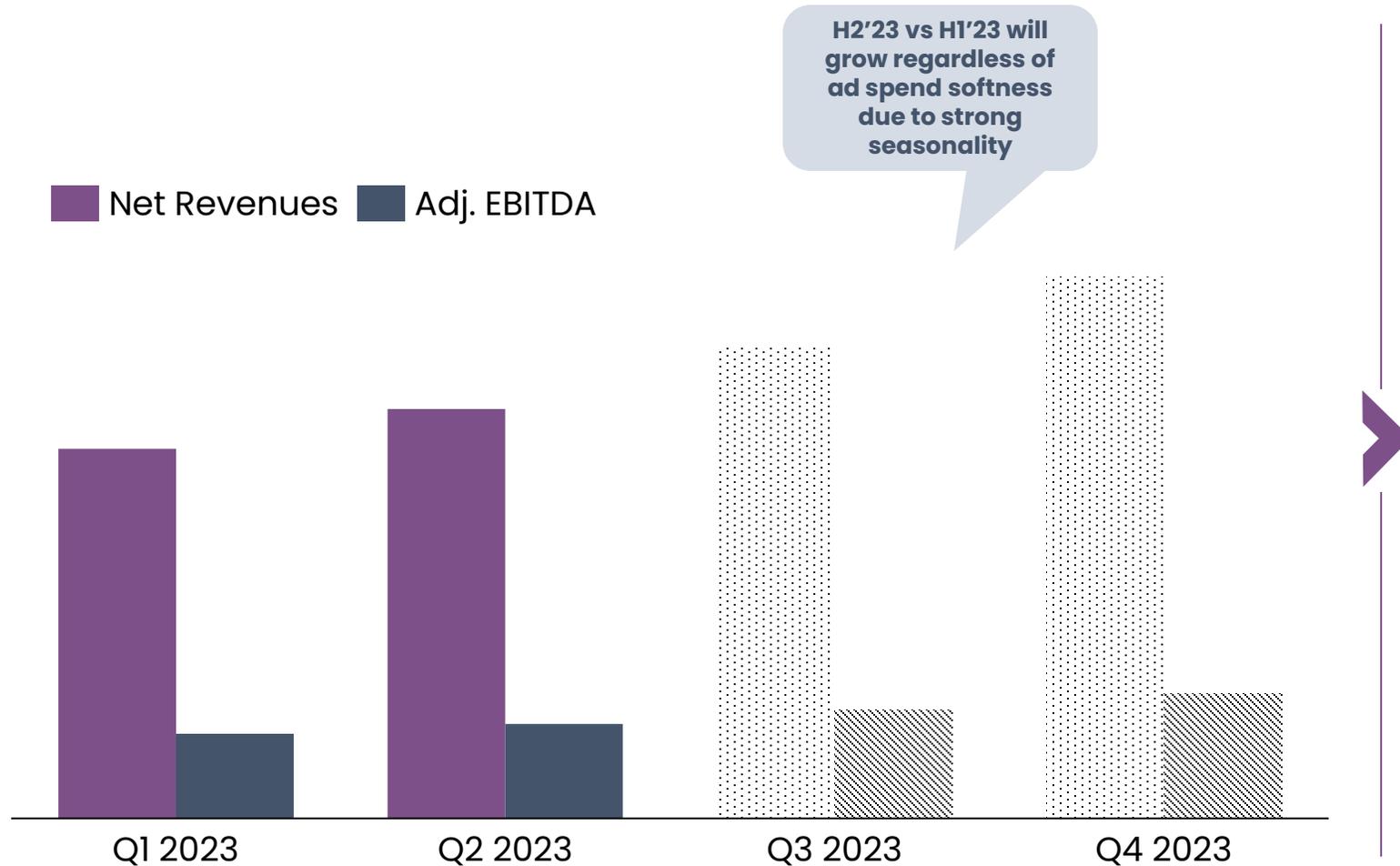


Source: Group information
 Notes: (1) gamigo standalone figures until 2018, EBITDA adjusted for one-time-, M&A and financing costs, (2) gamigo was acquired by MGI in May 2018, (3) growth rate CAGR 2018 – Q2 2023 LTM

Revenue growth with further EBITDA increases expected for H2



Seasonality will further support revenue and EBITDA growth in H2 2023



Commentary

- Revenues tend to build up during the year (**Q1 < Q2 < Q3 < Q4**)
- EBITDA tend to build up during the year (**Q1 < Q2 < Q3 < Q4**)
- Unspent budget in H1 will get used up as marketers push to clock in sales and conversions before the end of the year
- Programmatic ad revenues in H2 are driven by Christmas, Thanksgiving, Black Friday



Operating Cash Flow and Capex Development

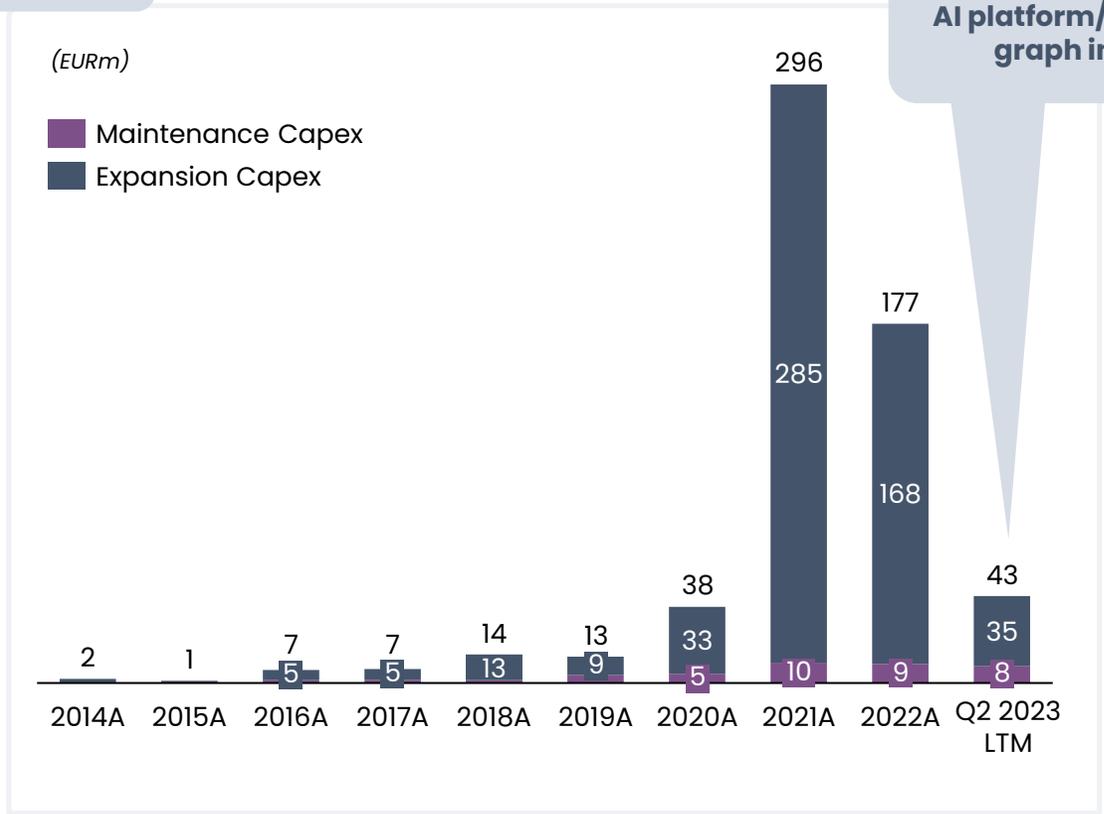
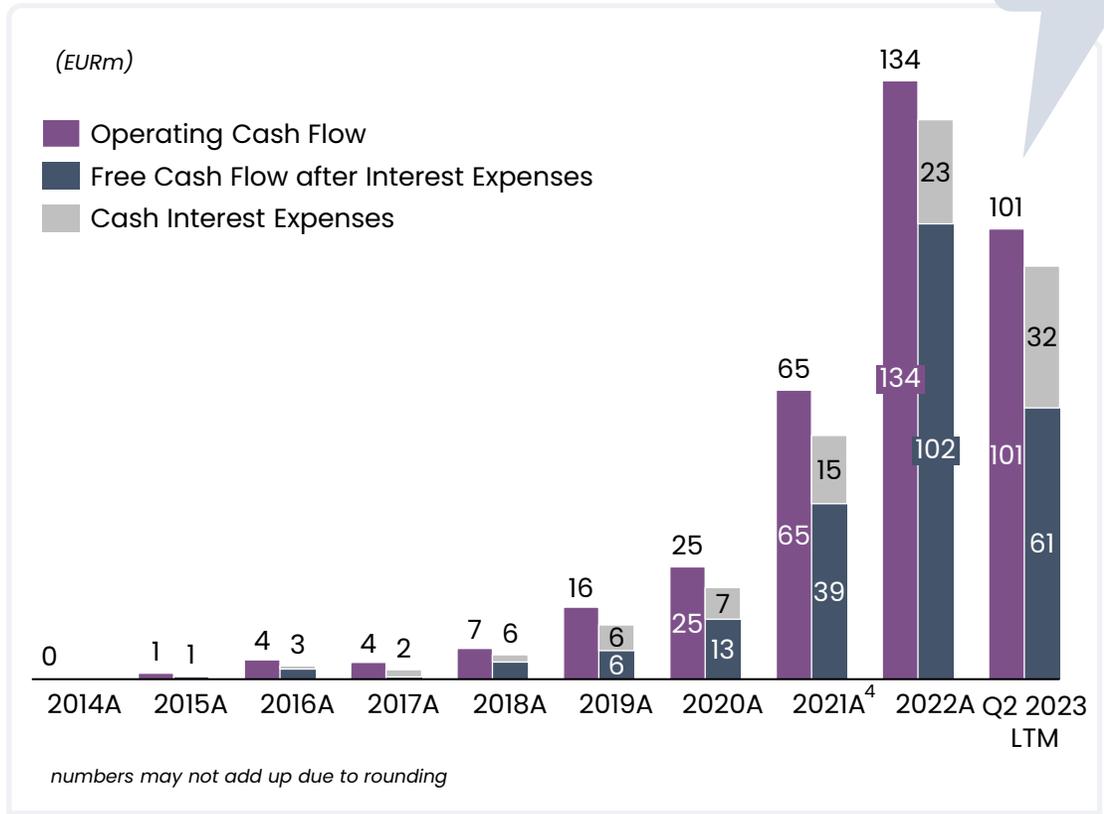
Strong cash flow from operations, continuous investments in organic growth

Operating cash flow development^{1,2,3}

EUR 34m negative WC effect in H1 2023

Capex development³

EUR 3m investment in AI platform/identity graph in Q2



High free cashflow despite increased interest expenses due to reduced CapEx

Source: Group information
Notes: (1) Operating cash flow defined as in the annual IFRS financial statements. (2) Free cash flow defined as: operating cash flow - interest expenses - Maintenance capex (3) Until 2017 gamigo group standalone, (4) Starting 2021A only includes Cash Interest Payments



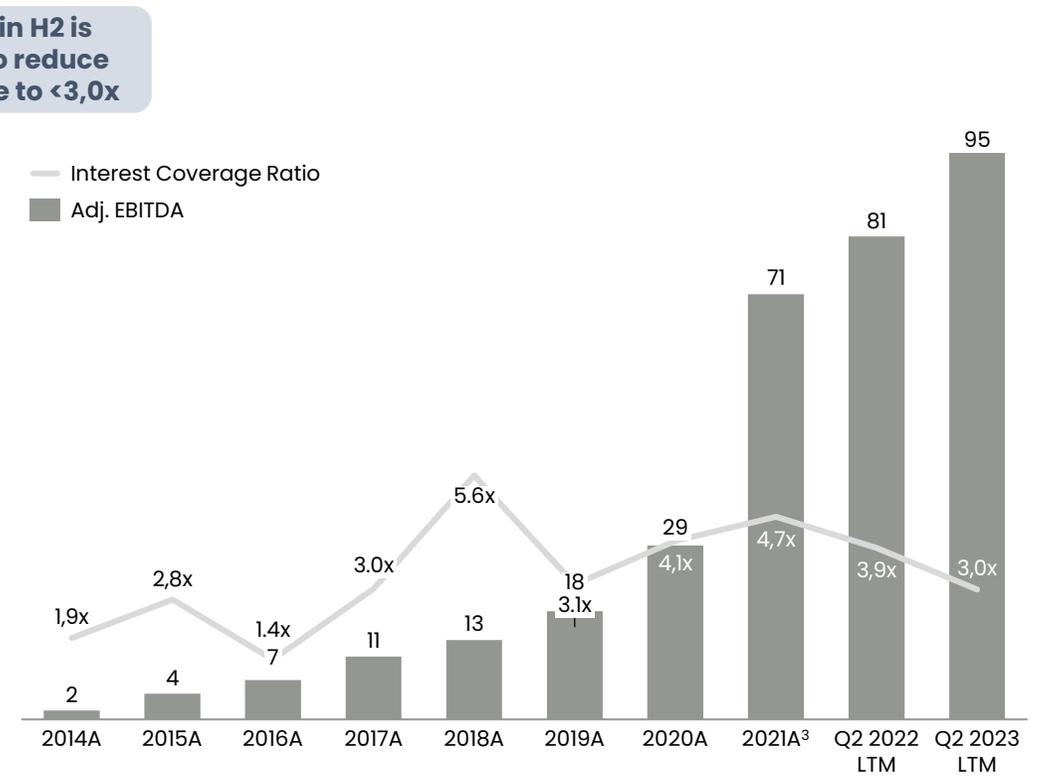
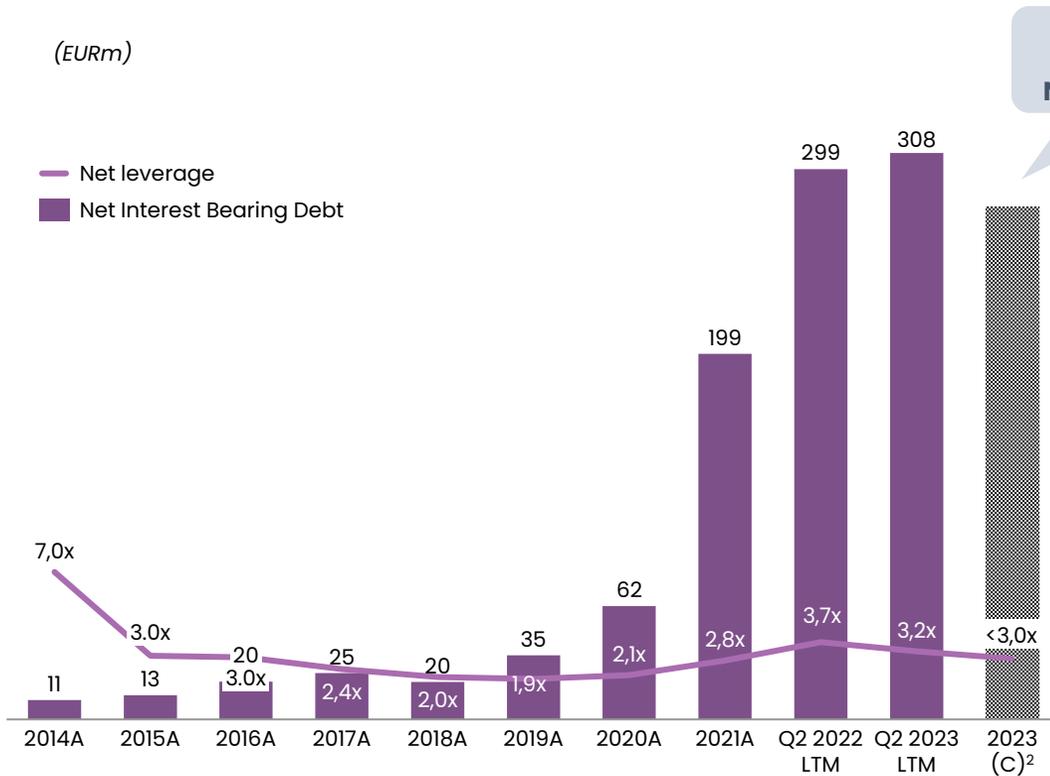
Net Leverage & Interest Coverage Ratio

Focus on further deleveraging in the coming quarters

Net debt to adj. EBITDA ratio development¹

Interest Coverage ratio development¹

(EURm)



Solid credit ratios with focus on further deleverage

Source: Group information,
Notes: (1) 2014 – 2017 gamigo group numbers. 2018 – Q2 2023 LTM MGI Group numbers, (2) Based on Consensus Data available on the Companies website in the "Analyst Coverage" section, (3) Starting 2021A only includes Cash interest Payments

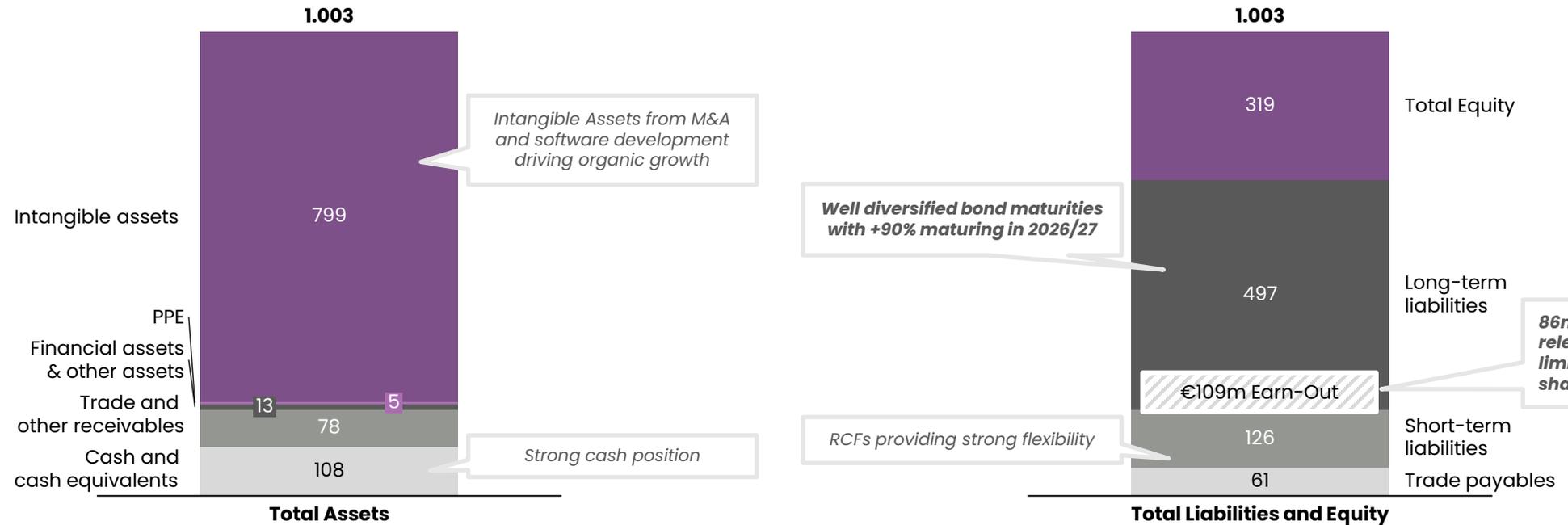


The MGI Balance Sheet

Strong balance sheet with high cash position to navigate the cycle

Balance Sheet as of June 30, 2023

(EURm)



Cash:
EUR 108m

Net Interest-Bearing Debt:
EUR 308m

Equity ratio:
32%

Note: (1) ca. 80m relate to AxesInMotion and is payable between 2023 – 2025 (2) according to IFRS accounting total interest-bearing gross debt is €415m



UPDATED GUIDANCE

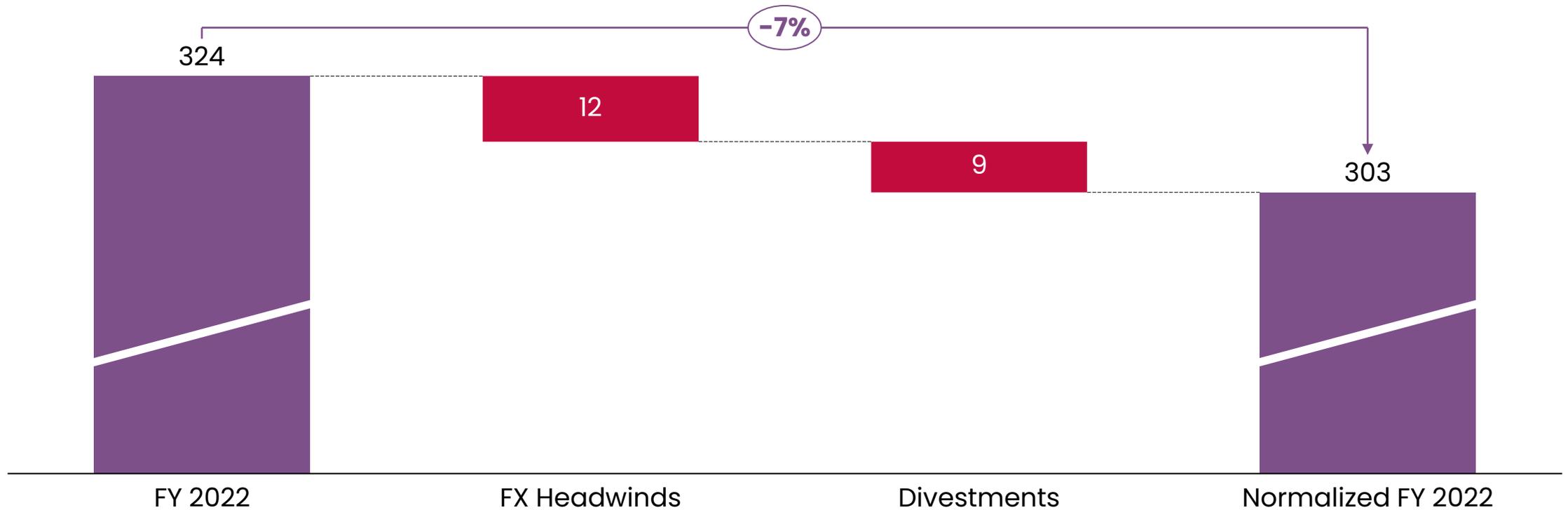
Stable YoY performance for 2023

	Actuals 2022	Normalized 2022 (*for divestments & fx)	Initial Guidance 2023	Updated Guidance 2023
Revenue (in €m)	324	303*	335-345	At normalized* 2022 levels
Growth	29%	20%	3-7%	stable
Adj. EBITDA (in €m)	93	93	95-105	At 2022 levels
Growth	31%	31%	2-13%	stable

We expect stable YoY revenues in 2023 vs 2022 normalized for fx and divestments

Resilient profitability with further support from €10m cost saving program

Normalization of FY 2022 for Divestments and FX





Financial Key Take-aways

MGI is well-positioned to navigate the cycle

Positive organic growth combined with high profitability

Strong customer and Ad Impression growth!

Market leader on Android and iOS in North America

Natural hedge in earn-out liabilities with limited payouts in current macro environment

Cost saving program of €10m to further increase free cashflow and reduce leverage

Diversified Bond Maturities with +90% maturing in 2026/27 with solid credit ratios



Time for Q&A

To ask questions, please register at the following link
(also to be found in the Press Release):

<https://conference.financialhearings.com/teleconference/?id=5003855>

Technical note:

While you are in the teleconference, please make sure to turn off the volume
on your computer and only listen via phone

Agenda

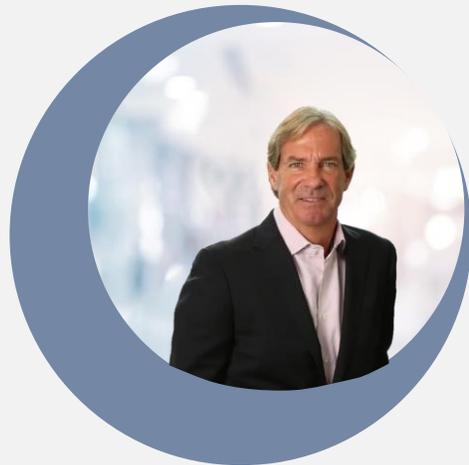
- MGI Business Update
 - *Coffee Break*
- MGI Financial Update
- Q&A
 - **Lunch (We will be back at 12:30 CEST)**
- External expert session – Market Cycle, Consolidation & Vertical Integration
- External expert session – Identity and AI
- External expert session – Data Based Targeting in a New World With Privacy Restraints
 - *Coffee Break*
- MGI Product Presentation: Moments AI
- Panel Discussion and Q&A
- Outlook & Closing Remarks

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Our Speaker Today

Market Cycle, Consolidation & Vertical Integration



Jay C. MacDonald

Founder/CEO/Managing Partner at Digital Capital Advisors

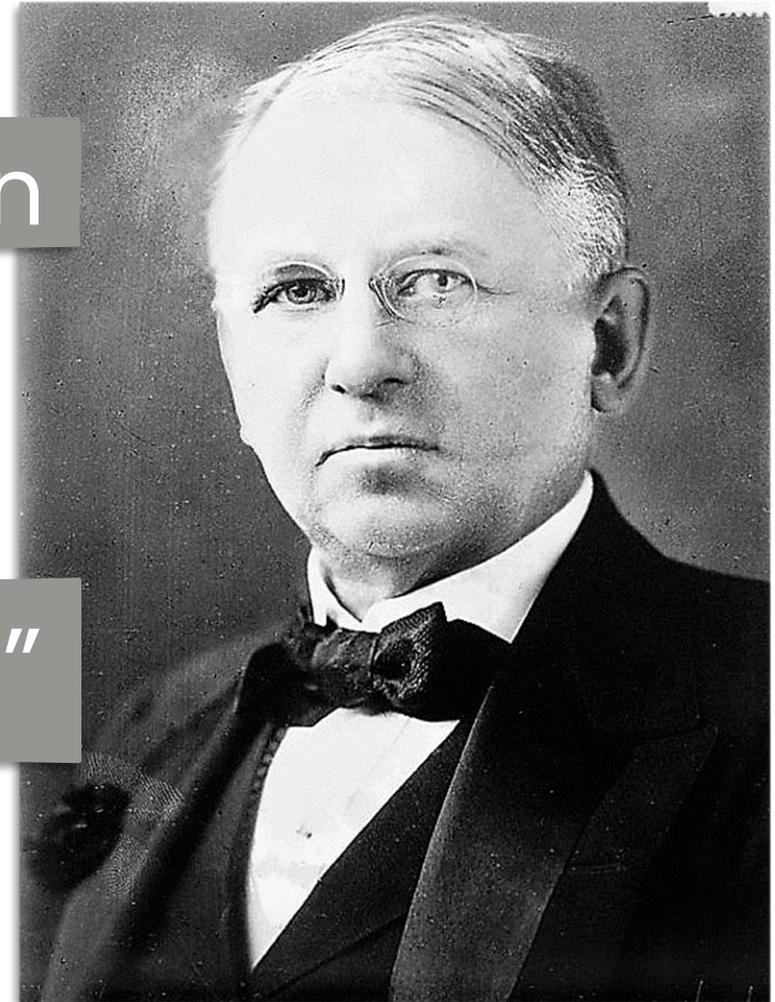
25+ years' experience of leading high growth and rapidly changing companies and investment banks in the technology and digital media sectors

Digital Capital Advisors, is a global Investment Bank founded in 2010 with offices in NY, SF, Berlin & Tel Aviv focusing on cross border M&A in the MarTech, AI, VR, Data and Analytics sectors. A few notable exits include Weather Underground to The Weather Channel, Zoomin.tv to MTG, SmartClip to Adconion and then RTL and Adbrain to The TradeDesk.



“**Half** the money I spend on advertising is **wasted**; the trouble is, **I don't know which half.**”

– John Wanamaker (1919)





AGENDA

-  **Media: Then & Now**
-  **Shifting Demographics Globally**
-  **Programmatic Advertising**
-  **Vertical Integration**
-  **Consolidation & M&A**
-  **Looking Ahead**

Media: Then & Now



IN 2018
DUENANE CAMEL
FRANCIS P. DUFFY
MAY 1 1875-JUNE 26 1932
CATHOLIC PRIEST
CHAPLAIN
OF THE U.S. INFANTRY
OLD WEST N.Y.
A LIFE OF SERVICE
TO HIS COUNTRY



Media a Century Ago



Radio

Mail



Newspaper

TV



Billboard



Modern Day Media



Streaming



Online Media



Social Media



TV



Mobile Media



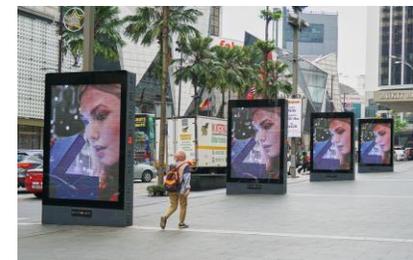
Music



Search Engine



Radio

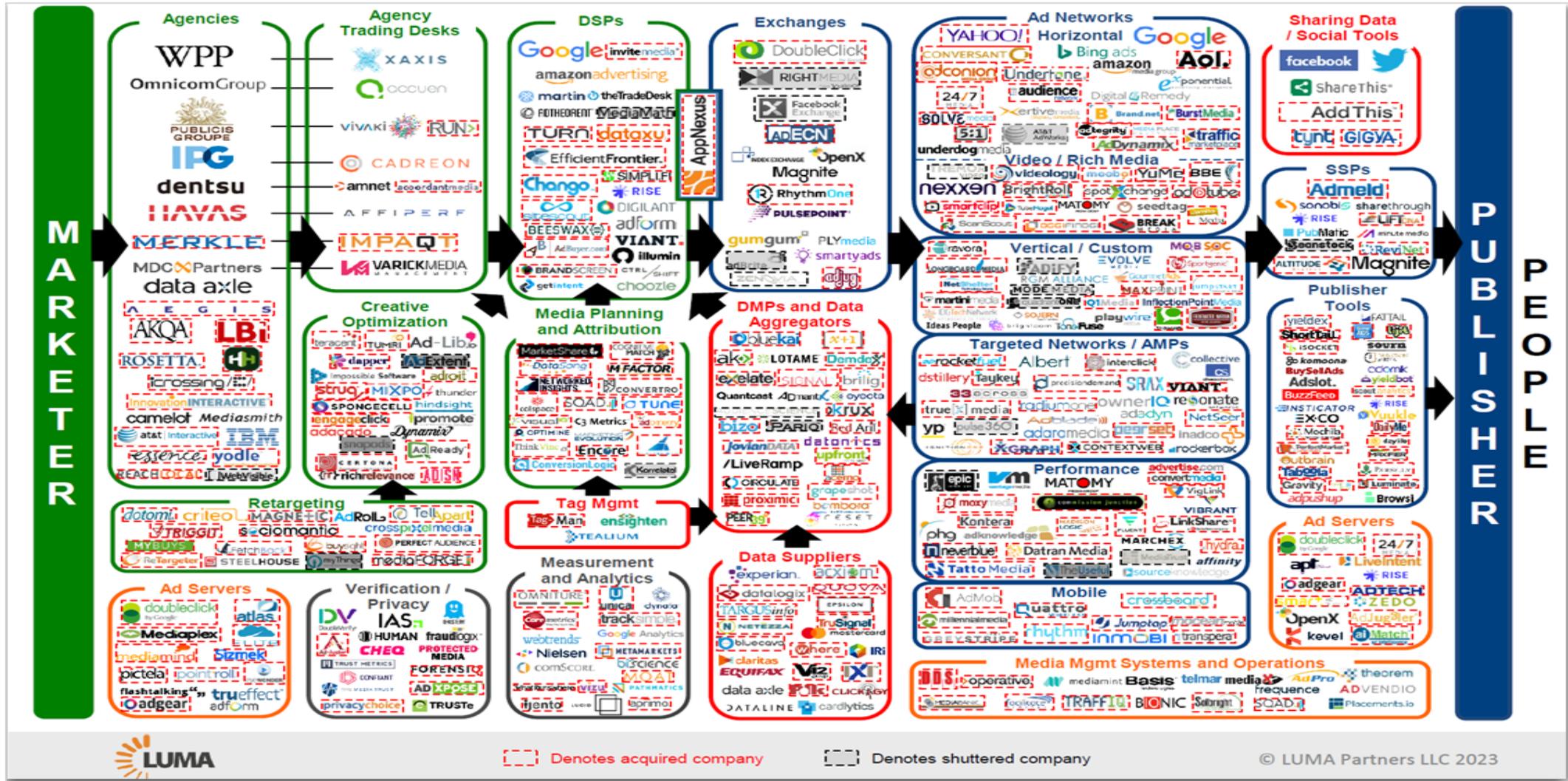


Out-Of-Home

Has the Media World Simplified?



Today's Online Media Buying Landscape





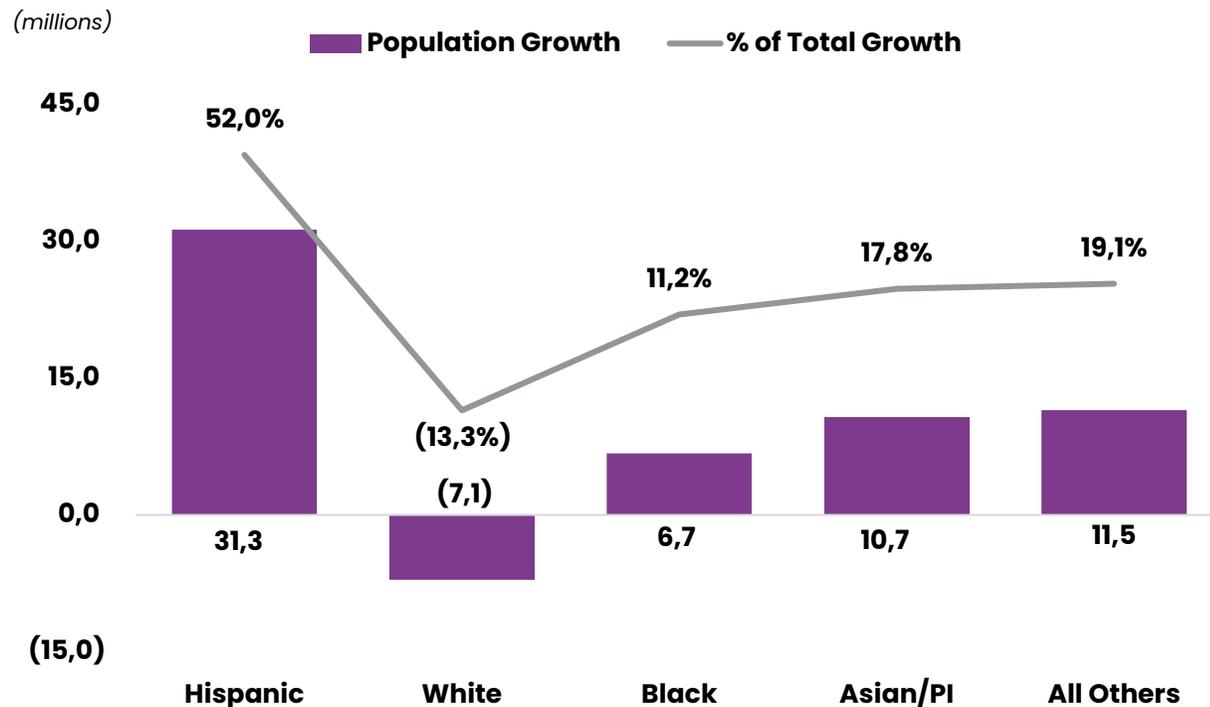
Shifting Demographics Globally



Shifting Demographic Landscape: U.S.

The Hispanic community in the U.S. has grown 88.7% from 2000–2023, accounting for the largest expansion of any demographic during that period. Despite this growth, targeted ad spend has not kept up due to high costs associated with language barriers and a lack of sufficient consumer data. As a result, the ad market for U.S. Hispanics remains undercapitalized.

U.S. Population Growth by Demographic 2000–2023



Expansion of Hispanic Audiences

- \$2.6T** The U.S. Hispanic population is expected to hold \$2.6 trillion of purchasing power by 2025
- 87.0%** 87.0% of Hispanics are active social media users
- 20.0%** Hispanics currently make up about 20.0% of the U.S. population and are estimated to grow by 1.5 million people per year from 2023 – 2028

Commentary

By leveraging language-specific campaigns, culturally relevant content and precise audience segmentation, brands and advertisers are increasingly facilitating personalized experiences for U.S. Hispanics and other demographics.



Shifting Demographic Landscape: Europe

As a result of both natural immigration trends and Europe's role as a home for asylum seekers, the European market is rapidly evolving and becoming increasingly diverse.

Diversity in Europe

5.3%

5.3% of people living in the EU in 2022 were non-EU citizens.

11.2%

Muslims are expected to account for 11.2% of Europe's population by 2050, up from 3.8% in 2010.

827K

In 2021, 827K people acquired citizenship from an EU Member State, a 13.5% YoY increase.

European Net Migration

(millions)

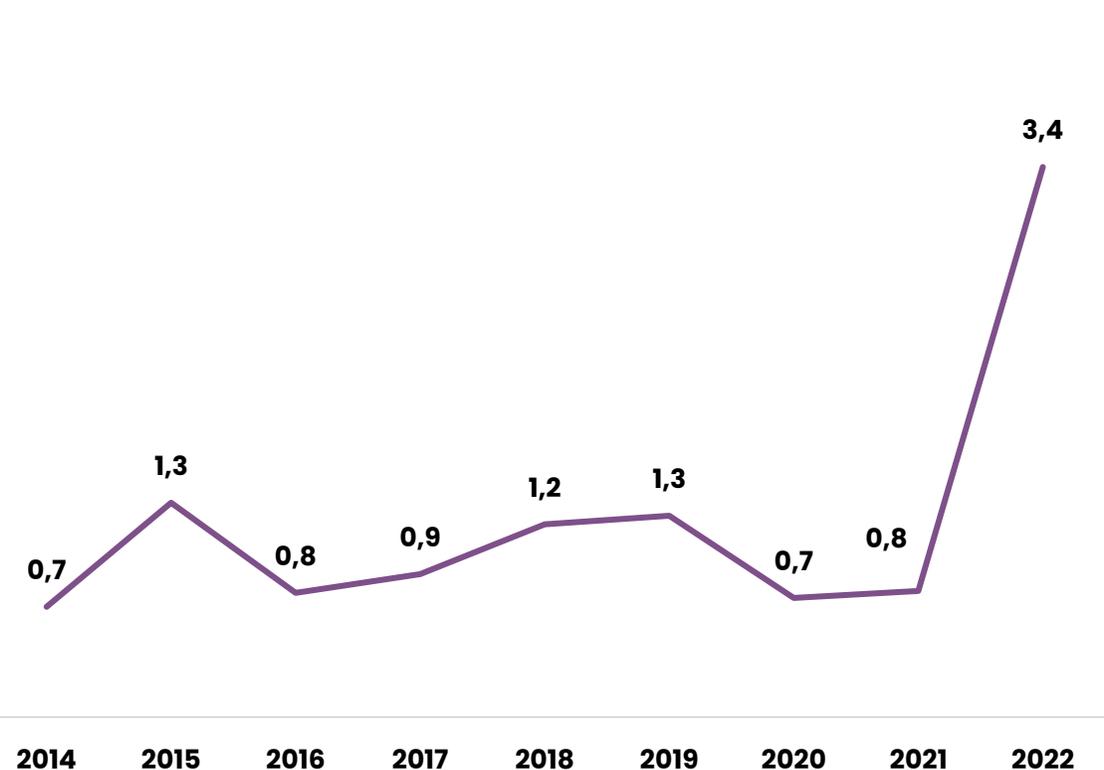
4,0

3,0

2,0

1,0

0,0



Commentary

It is essential for brands and advertisers to adapt to changing demographics to ensure their campaigns are relevant and resonate with evolving consumer preferences and trends.



Programmatic Advertising





What do Advertisers Want Today?

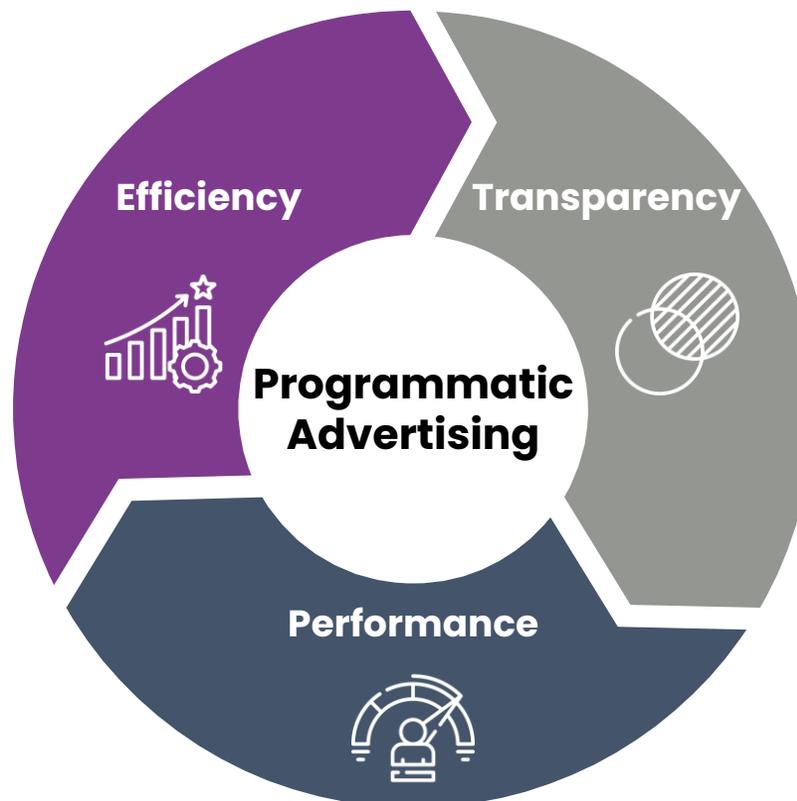
Efficiency, Transparency & Performance



Rapid advancements in technology are fueling the development of enhanced programmatic advertising tools designed to deliver efficiency, transparency and performance.

Efficiency

- Brands and advertisers can reach **new levels of speed and precision**.
- Advanced analytics and insights provide brands and advertisers the ability **to make more informed decisions**.
- Brands and advertisers can **optimize ad spend by targeting hyper-specific audiences** across a multitude of platforms.



Transparency

- As brands and advertisers increasingly compete for impressions, **demand for transparency has reached an all-time high**.
- Brands and advertisers expect full **visibility into inventory, fees and data usage**.
- Ad buyers that can clearly **demonstrate their value and build trust** will gain a key competitive advantage over the market.

Performance

- Brands and advertisers leverage real-time insights to **monitor performance and optimize campaigns on the fly**.
- As consumers spend more time across various platforms, it is becoming increasingly important for brands and advertisers to **assess performance in real-time**.



Has Programmatic Advertising Improved the Landscape for:

- Efficiency,
- Transparency,
- Accountability?

In Many Ways Yes...



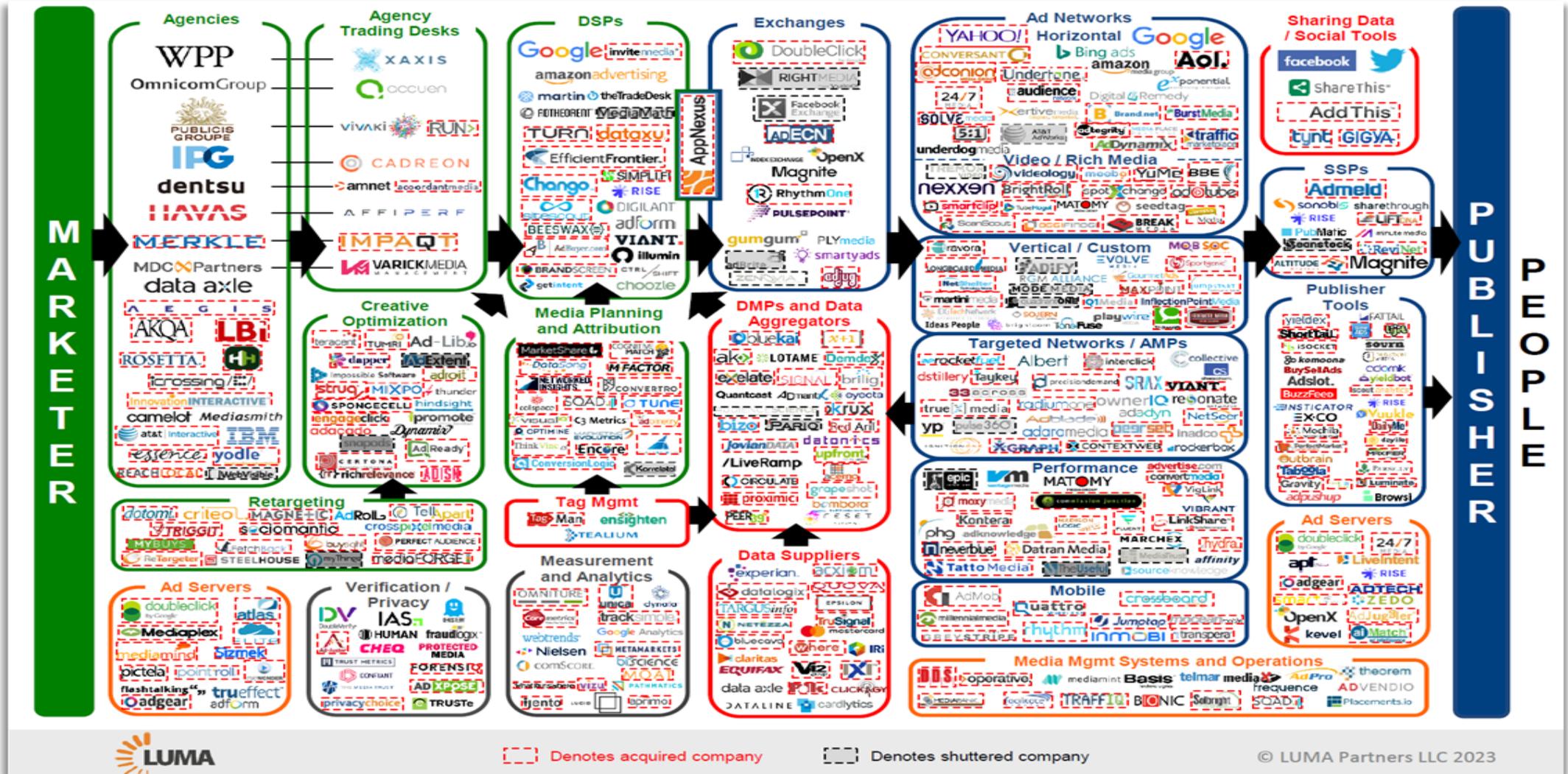
Programmatic advertising's main objective, like many technologies, is to identify and root out inefficiencies. In this pursuit, programmatic advertising has largely been successful in providing increased access and speed enabling geographically disparate stakeholders to buy and sell ads on various platforms faster than ever before.





...In Other Ways No

While speed and access have improved, increased access has resulted in numerous bottlenecks where players in the market fill niche roles and fight for a piece of the pie.





Vertical Integration

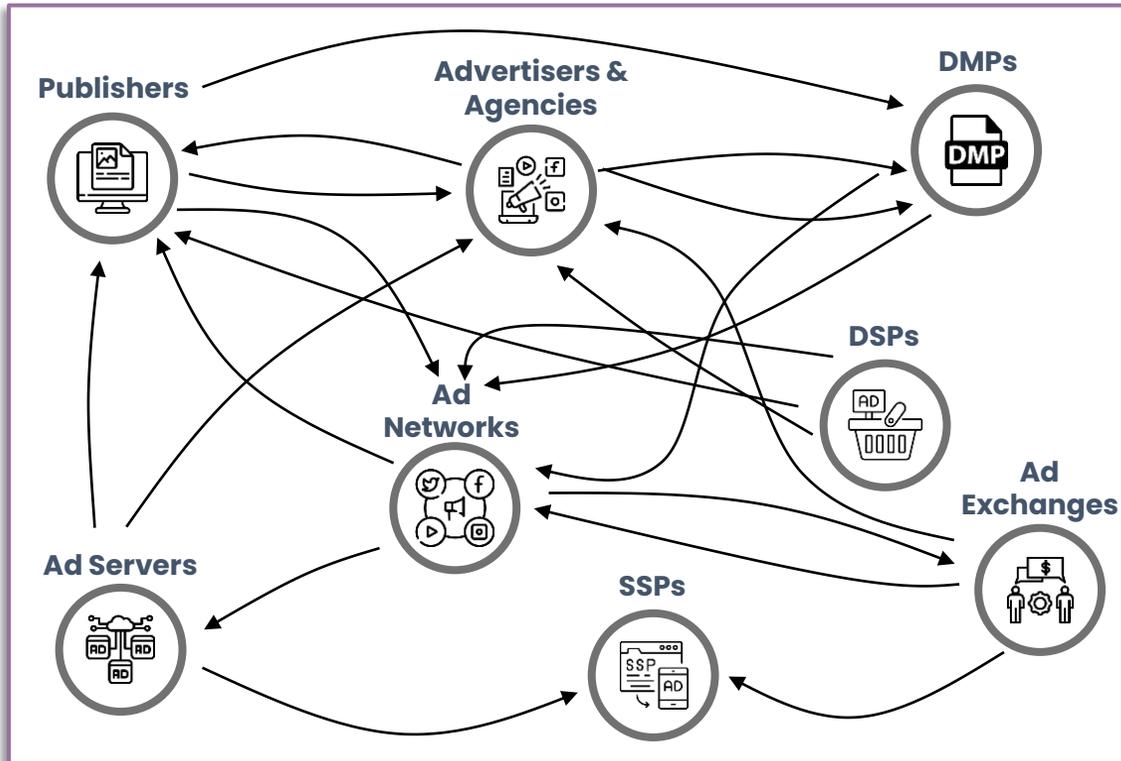


Vertical Integration

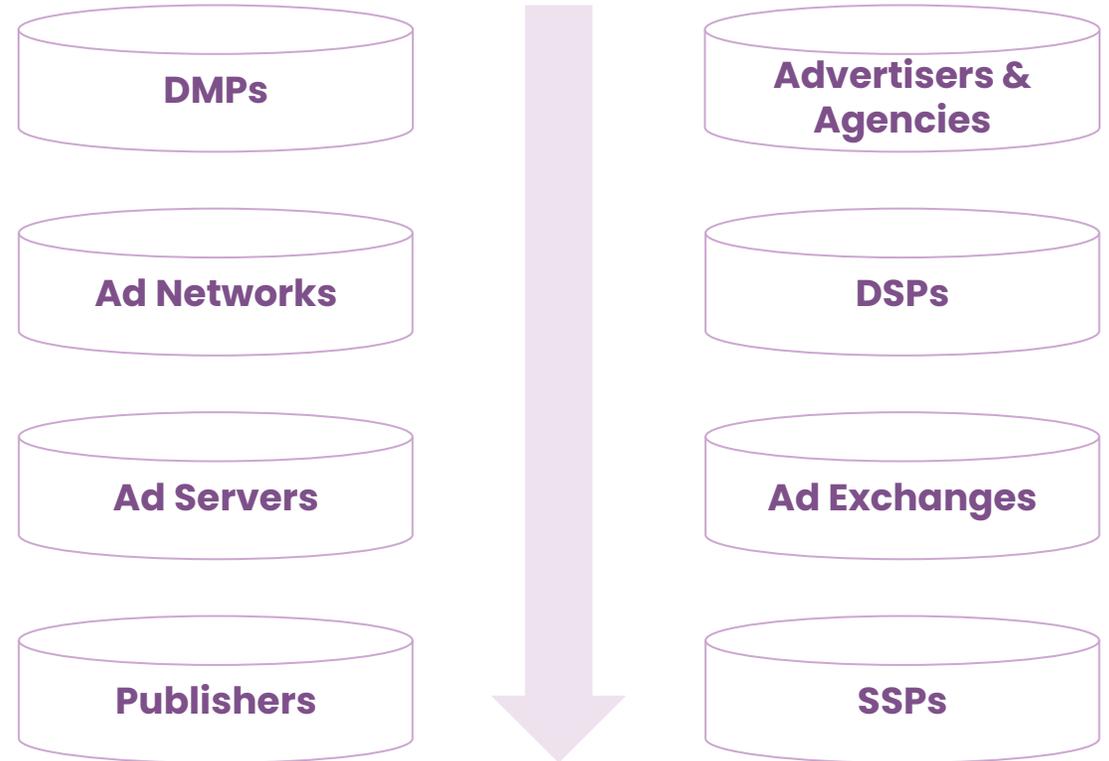


A historically complex and disjointed AdTech ecosystem has resulted in a shift towards vertical integration as brands and advertisers demand holistic end-to-end solutions.

Legacy Landscape



Outlook



Legacy Vertical Integration



The walled gardens that have dominated the digital ad market are becoming increasingly vertically integrated, enabling market leaders to offer brands and advertisers complete end-to-end solutions. These companies leverage vertical integration to enhance targeting capabilities, improve measurement, optimize analytics and offer superior user experiences.



Google Ads



Google Search Engine



Google Marketing Platform



Google Ad Manager



DoubleClick by Google



Facebook Ads Manager



Facebook Social Network



ATLAS SOLUTIONS
Atlas Solutions by Facebook



Facebook Audience Network



WhatsApp Business



amazon advertising



Ecommerce



Amazon Advertising Platform



amazon DSP
Amazon DSP



Amazon Attribution



prime video
Prime Video



amazon publisher services
Amazon Publisher Service



Apple News



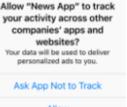
Search Ads
Apple Search Ads



Apple TV



Hardware



App Tracking Transparency (ATT)



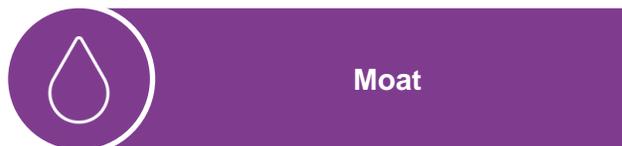
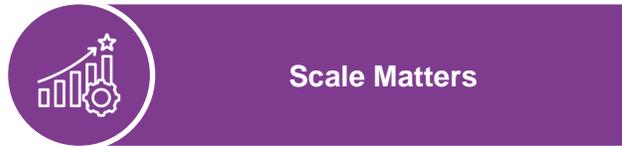
Intelligent Tracking Prevention



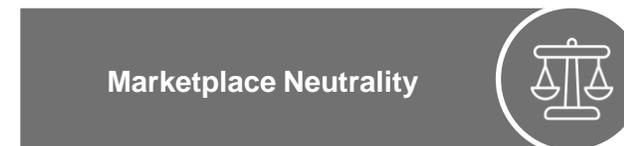
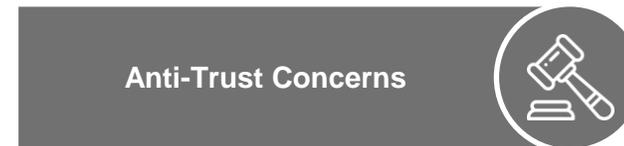
Vertical Integration: Benefits & Challenges

While vertical integration in AdTech offers many benefits, including streamlined operations and efficiency, it also creates challenges. As the AdTech market becomes increasingly integrated, companies will need to navigate heightened concentration, complex technological assimilation and potential regulatory hurdles.

Benefits



Challenges



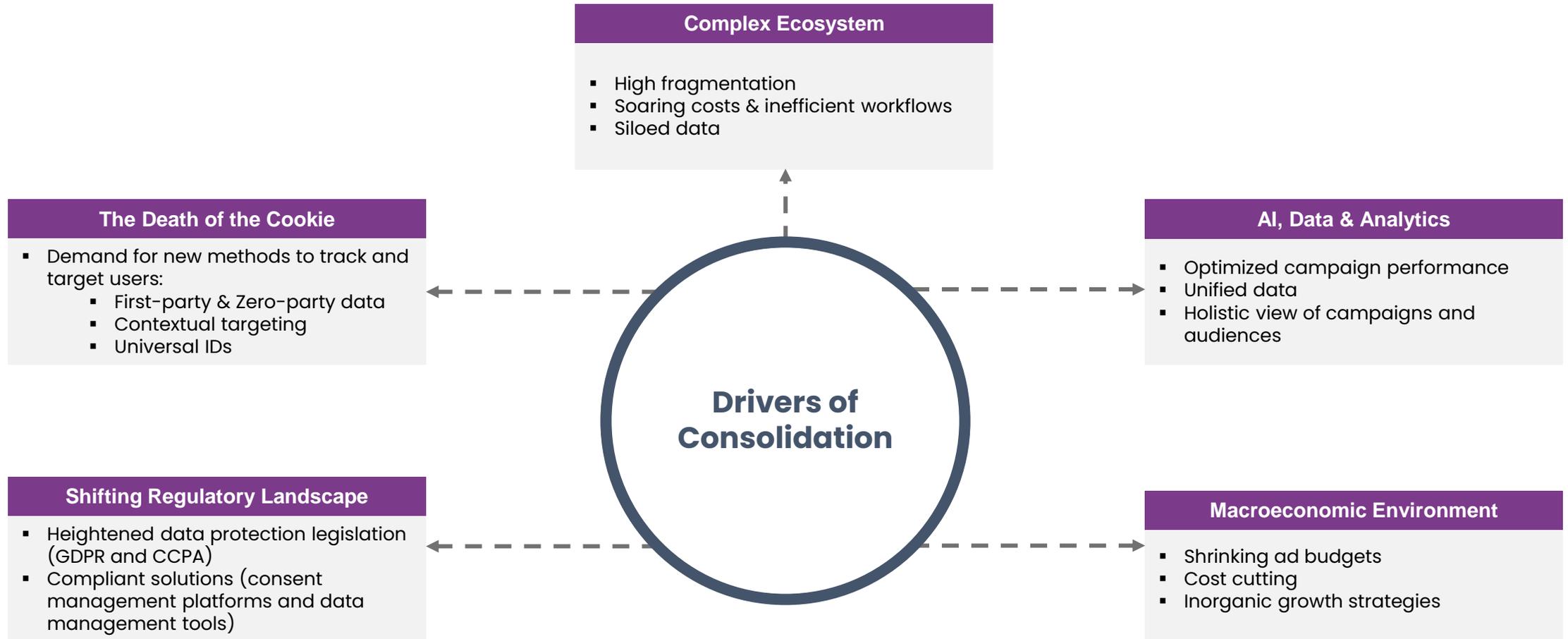


Consolidation & M&A

Drivers of Consolidation



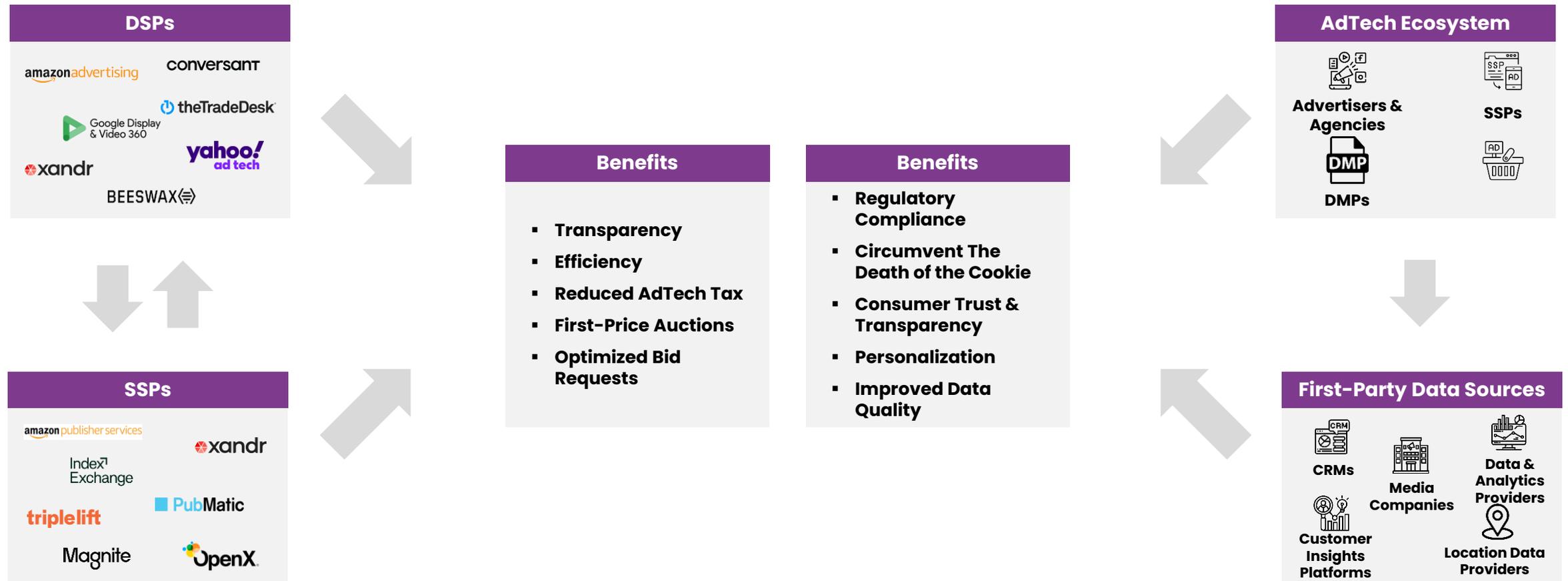
Demand for end-to-end solutions, advancements in AI, heightened consumer preferences for privacy, changing regulations and a challenging macroeconomic landscape have all contributed to a wave of consolidation across the AdTech market.





Consolidation: Trends & Benefits

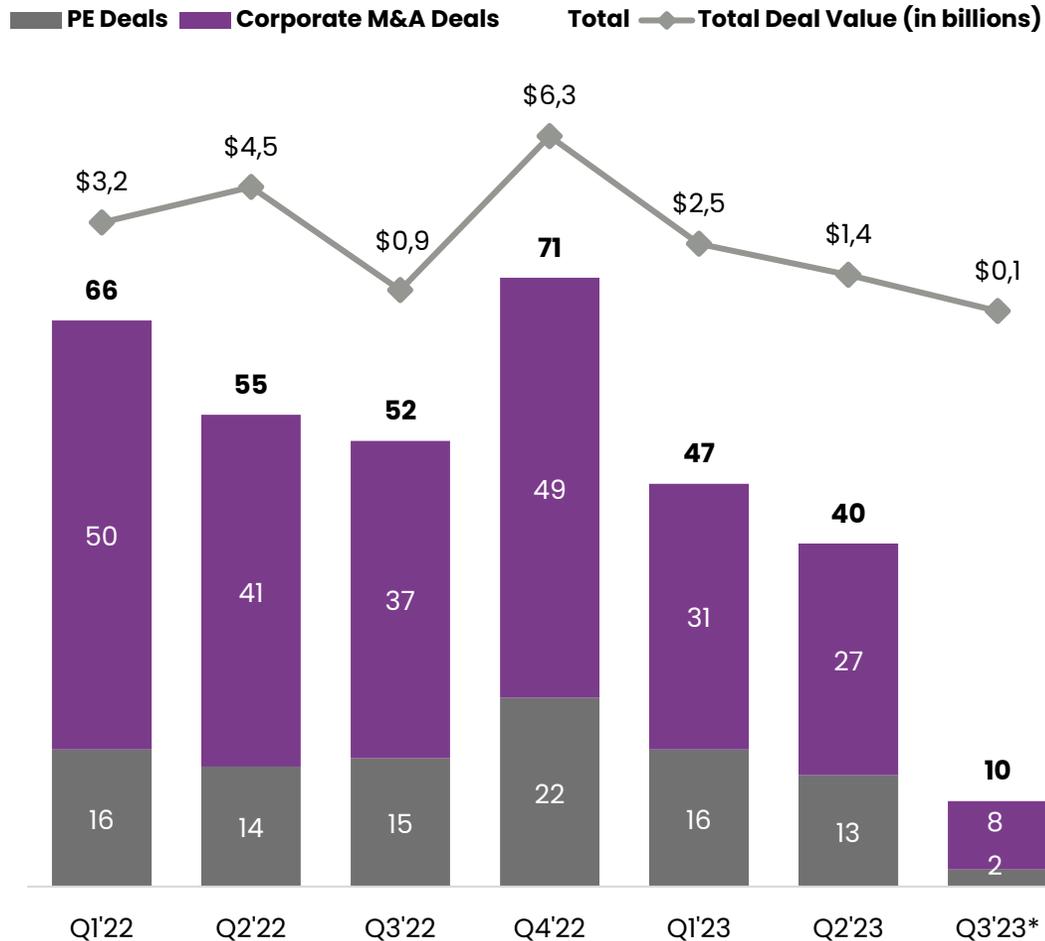
Two primary trends in the recent wave of consolidation across the programmatic advertising landscape have been the convergence of DSPs and SSPs and the rush to acquire first-party data. **By combining DSPs and SSPs, AdTech players will be able to offer increased transparency and efficiency at lower costs.** Moreover, in response to a shifting regulatory landscape, as well as the death of the cookie, companies across the entire AdTech ecosystem have been competing to acquire first-party data sources in order to prepare for a post-cookie world.



AdTech Landscape



Global AdTech Total Deal Count



Strong PE Activity



PE-Backed Simpli.fi Buys Bidtellect



Quotient Technology Gets Buyout Offer From Neptune Retail Solutions via Charlesbank Capital Partners



PE firm Novacap has acquired the TV adtech platform Cadent, which now plans to go on an acquisition spree

INSIDER

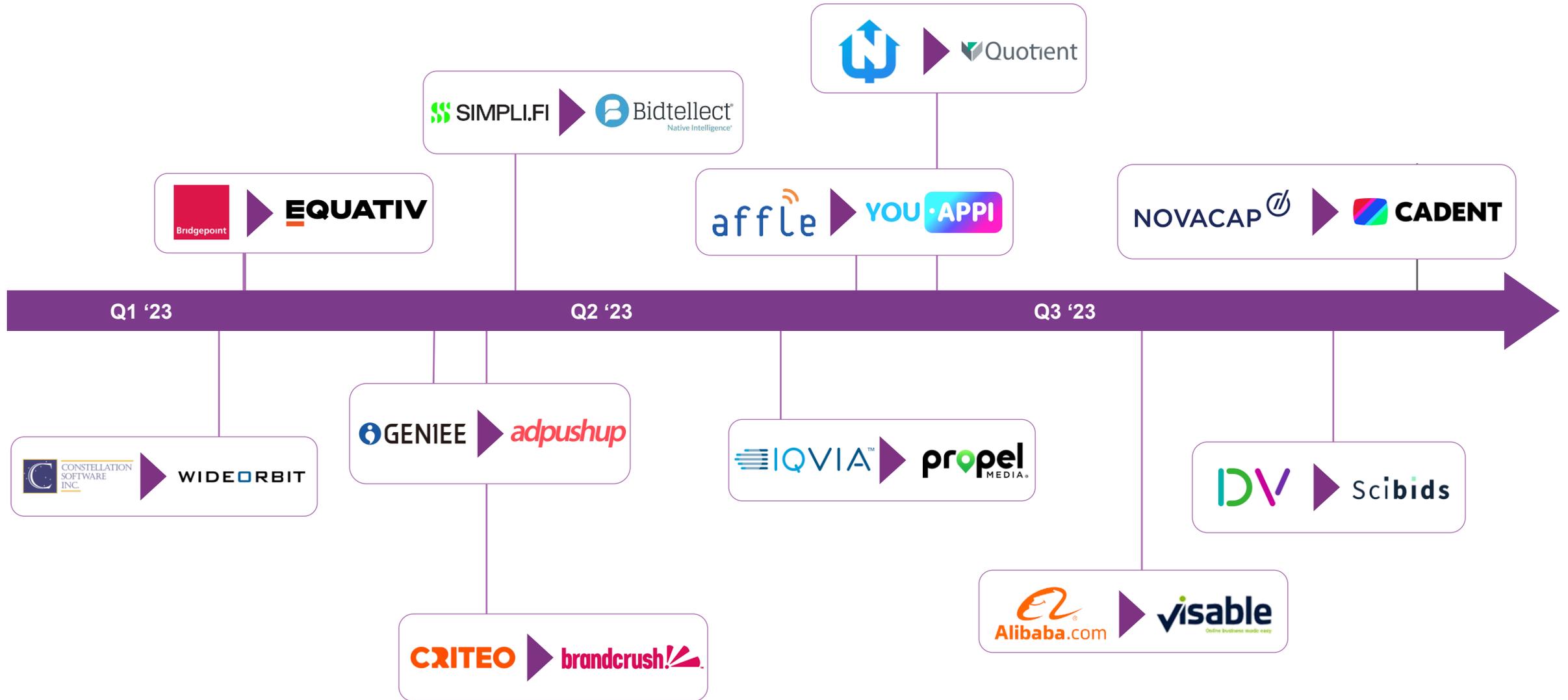
Equativ announces Bridgepoint as new majority shareholder to accelerate scale and growth of the independent adtech company



Prosus to sell Russian classifieds business Avito to Kismet for \$2.4B



M&A: 2023



Notable M&A



Target	Date	Acquirer	Business Description	Implied EV
 CADENT	Aug-23	 NOVACAP	Provides integrated television advertising services intended to serve marketers, agencies, operators and media owners. Services include strategic media planning and placement, multiplatform media representation, full-service marketing services and next-generation software services solving channel proliferation and audience fragmentation issues.	\$600.0
Scibids	Jul-23		SaaS platform which solves algorithmic trading challenges by offering a plug-and-play, transparent, and self-serve algorithmic trading technology that automates the bids and the budget allocation across strategies, enabling marketing and advertising professionals to improve campaigns.	\$125.0
 YOU APPI	Jun-23		Their data-driven mobile platform, backed by ML and audience targeting, drives customer acquisition and retention for marketers, app developers, and agencies through ad campaigns for apps enabling brands to streamline their process to find and retain profitable users.	\$45.0
 propel MEDIA	May-23	 IQVIA	Offers advertising via its real-time, bid-based, online advertising platform. This technology targets users and delivers video, display and text-based advertising.	\$800.0
 adpushup	Mar-23		The platform helps publishers increase advertisement viewability, monetize adblocker inventors, and get insights with robust analytics, maximizing yield from advertisements and increasing revenue.	\$70.00
WIDEORBIT	Feb-23		Advertisement management platform making it easier to buy and sell advertising. The platform maximizes efficiencies with tools that consolidate all media buying and selling efforts within a unified platform, enabling media businesses to create value on both sides of media transactions.	\$1,600.0
	Dec-22		The platform, based on enterprise software, is designed to monetize and distribute live or simulated live channels to multiple platforms with in-content ad experiences injected across all devices, enabling media operators to create new inventory supplies that sustain and improve the viewer experience.	\$350.0

Notable M&A (cont'd)



Target	Date	Acquirer	Business Description	Implied EV
 Avito	Oct-22	 KISMET CAPITAL GROUP	The company's platform is a classified advertisements website with sections devoted to general goods for sale, jobs, real estate, personals, cars for sale, and services, enabling small and medium-sized businesses to drive additional sales without fees charged for ad placement.	\$2,460.0
 TRADER INTERACTIVE	Oct-22	 carsales	The company offers marketplace services across listings subscriptions, private party listings, brand advertising and listing enhancements and software, dealer services and data insights, helping dealers run and grow their businesses more effectively.	\$778.5
 REVIEWS.io	Sep-22	 AppHub	The company's platform increases advertisement click-through rate, lowers its cost-per-click, provides past customer reviews to build trust, displays product review solutions for growing brands, manages online reputation across third-party platforms, thereby helping brands build trust through review collection.	\$72.0
 AMOBEE	Sep-22	 nexxen	The platform allows marketers to understand and influence consumers' decision journey while providing media planning powered by analytics and audience data, enabling users to get advertising solutions for the convergence of digital and advanced TV with ease.	\$211.8
 IPONWEB	Aug-22	 CRITEO	The company develops machine learning and artificial intelligence-based technology solutions for building and operating complex media trading systems and platforms, thereby providing media traders technological flexibility and control without sacrificing access to global media, data, and services.	\$287.6
 admix	Jun-22	 LAND VAULT	The company's platform banners ads and product models in 3D, indexes VR and AR technology from publishers and programmatically serves relevant ads through large DSPs, enabling advertisers and publishers to provide advertisement in VR and AR and monetize their content.	\$300.0
 xandr	Jun-22	 Microsoft	The company's platform optimizes return on investment for both buyers and sellers while maintaining a commitment to an open marketplace and empowering the open web globally, enabling advertisers to connect with their audiences, and publishers to drive monetization.	\$1,000.0



Looking Ahead



Looking Ahead to 2H 2023 & Beyond



IPO Market Remains Closed

- Despite recent high-profile IPO filings, the IPO market has remained mostly frozen due to depressed valuations, high interest rates and general macroeconomic concerns.



Accelerated Development of AI in AdTech

- Recent advancements in AI have demonstrated the range of applications for the new technology across AdTech. AI adoption is expected to enhance targeting, generate analytics, scale content creation and offer hyper-personalization.



Slowing Ad Spend

- In response to the challenging macroeconomic environment, marketing budgets have been slashed significantly. As a result, AdTech firms have incurred meaningful revenue losses as companies scale back marketing campaigns.



Continued Move Towards Vertical Integration

- As companies increasingly demand efficiency and compete for first-party data, the vertically-integrated players are best positioned to succeed due to the demand for end-to-end solutions and plethora of customer touchpoints.



Government Focus on Data Privacy

- The new emphasis on consumer privacy will force companies to evolve and adopt new, compliant approaches to data collection.

Thank You



Jay C. MacDonald
Founder // Managing Partner // CEO



August 2023
New York // San Francisco // Berlin // Tel Aviv
Soon to be: LATAM & Singapore
digitalcapitaladvisors.com

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Our Speaker today

Identity, Data and AI in Advertising



Jeff Coon

Chief Strategy Officer at Basis Technology

20+ years' experience in the digital advertising and technology sectors

Jeff is the Chief Strategy Officer at Basis Technologies and has experience as CEO of an advertising startup as well as an advertising and marketing analytics services company. He held key positions at Microsoft, Quantcast and InMobi.



Identity, Data and AI in Advertising today

- Advertising today powered by Data
- Data relies upon Identity
- Near future disruption of Identity & Data
- Longer-term outlook



Evolution of Advertising

Creative

Timing

Media

Data

Goal

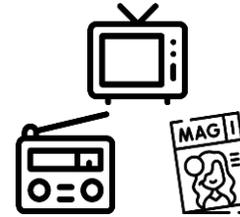
Past



Big Idea



Multi-year



Traditional



Scarce, Manual, Simple

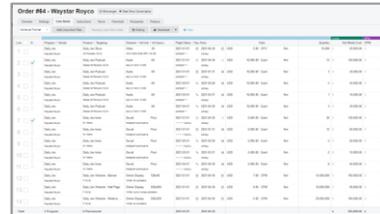


Brand Value

Present



Conversion



Annual, Quarterly



Digital

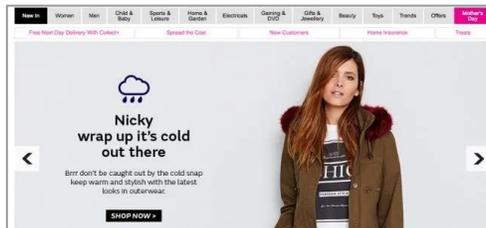


Plentiful, Manual, Complex

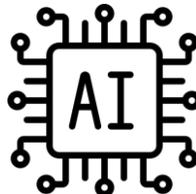
$$ROAS = \frac{\text{Total Campaign Revenue}}{\text{Total Campaign Cost}}$$

Performance

Near Future



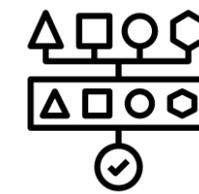
Dynamic & Personalized



Real-time



Owned, Earned, Shared, & Paid



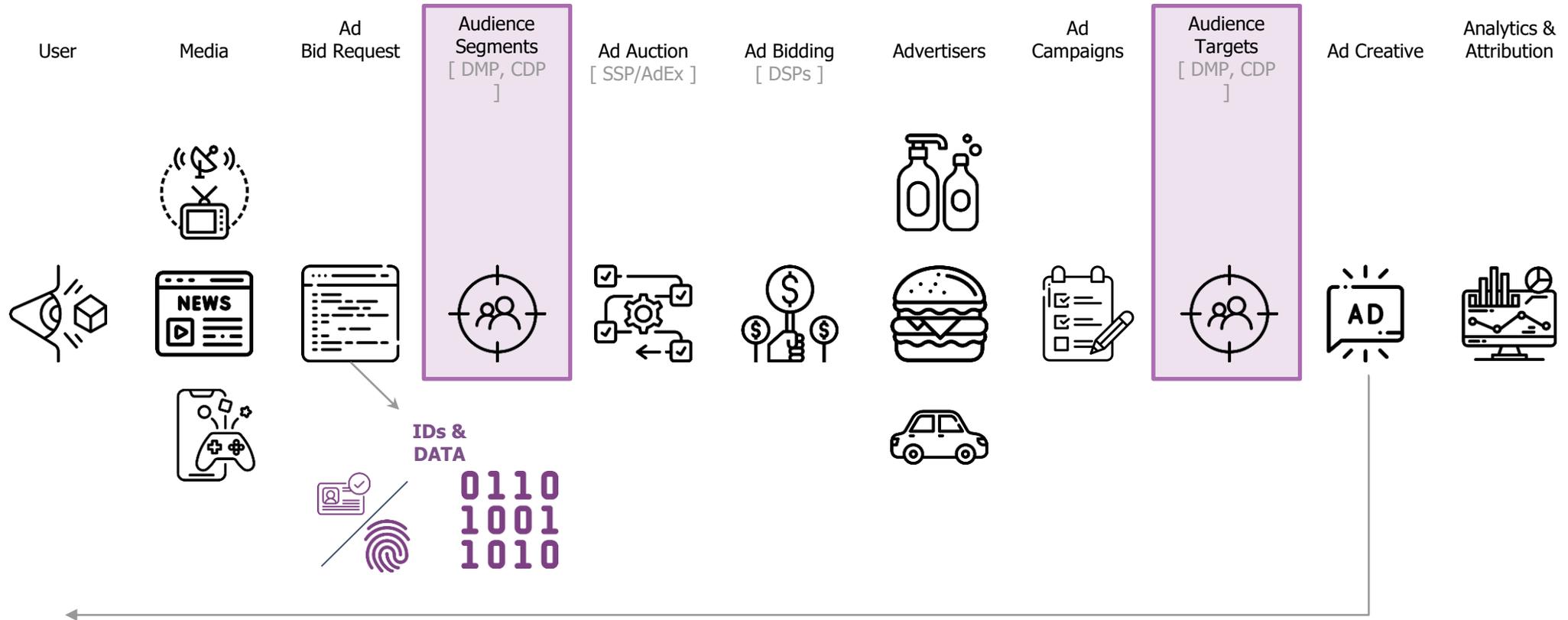
Nearly Infinite, Automated



Full-funnel Engagement



Advertising Today



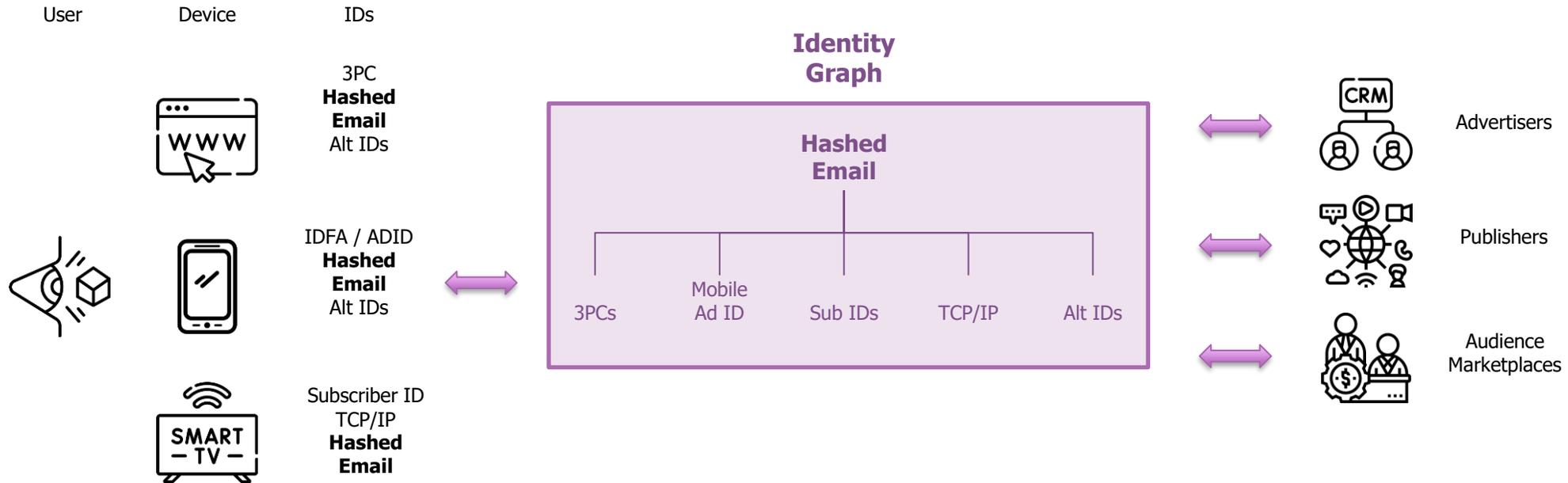
Ad request to ad served < 100 ms

1.7 Trillion times per day, 72B per hour, 20M per second

Without ID & Data, nearly impossible for Advertiser to value or target best ad spots



Identifiers, Identity Graphs, and Data Enablement



Hundreds of IDs: User PII, Device, Pub/Subscriber, Network/ISP/Telco, etc.

Hashed Email critical to graphing online <> offline IDs and Data

Identity Graphs enable hundreds of thousands of data elements be utilized



What types of Audiences?

Demographic

Age
Gender
Ethnicity
Income
Children

Education-Level
1-6 Education
7-12 Education
Private School
College Degree
Adv'd Degree
Every Major...

Job Title
Seniority
Industry

Home
Apartment
Senior Living

Dating
Personals
Marriage
Divorce

Geographic , Travel

Current-Country
Current City

Near Retail?
Near Restaurant?

Frequent Flyer
Frequent Rail
Rail Commute
Bus Commute
Bicycle Commute

Adventure Travel
Budget Travel
Luxury Travel
Business Travel
NA Travel
EU Travel
APAC Travel
MEA Travel
ANZ Travel
National Parks
Theme Parks

Every Country...

Affinity / Spendograph ic

Previous buyer
Frequent buyer
Compete buyer

Comparison
Coupon
Promo / Freebie
Survey

Retail buyer
Preferred retailer

Online buyer
Pref Ecommerce

Have Pets
Aquarium
Birds
Cats
Dogs
Reptiles

Auto Parts
Auto Repair
Buying New Auto
Buying Used Auto
Hi-Perf Auto
Truck
Electric Vehicle
Hybrid

Interests, Activities

American Cuisine
French Cuisine
Italian Cuisine
Japanese Cuisine
Korean Cuisine
Chinese Cuisine
Cocktails
Beer
Wine
Foodie
Vegetarian
Food Allergies

Arts & Crafts
Bird-watching
Card Games
Chess
Cigars
Drawing
Writing
Investing
Photography
Video Games
Gambling

Every Pro Sport...
Every Pro Team...

Every Major
Interest...

**Small sample of
300,000+ audience
segments commercially
available today**

**Does not include
Advertiser first-party,
Behavioral Lookalikes,
many other custom
audiences**

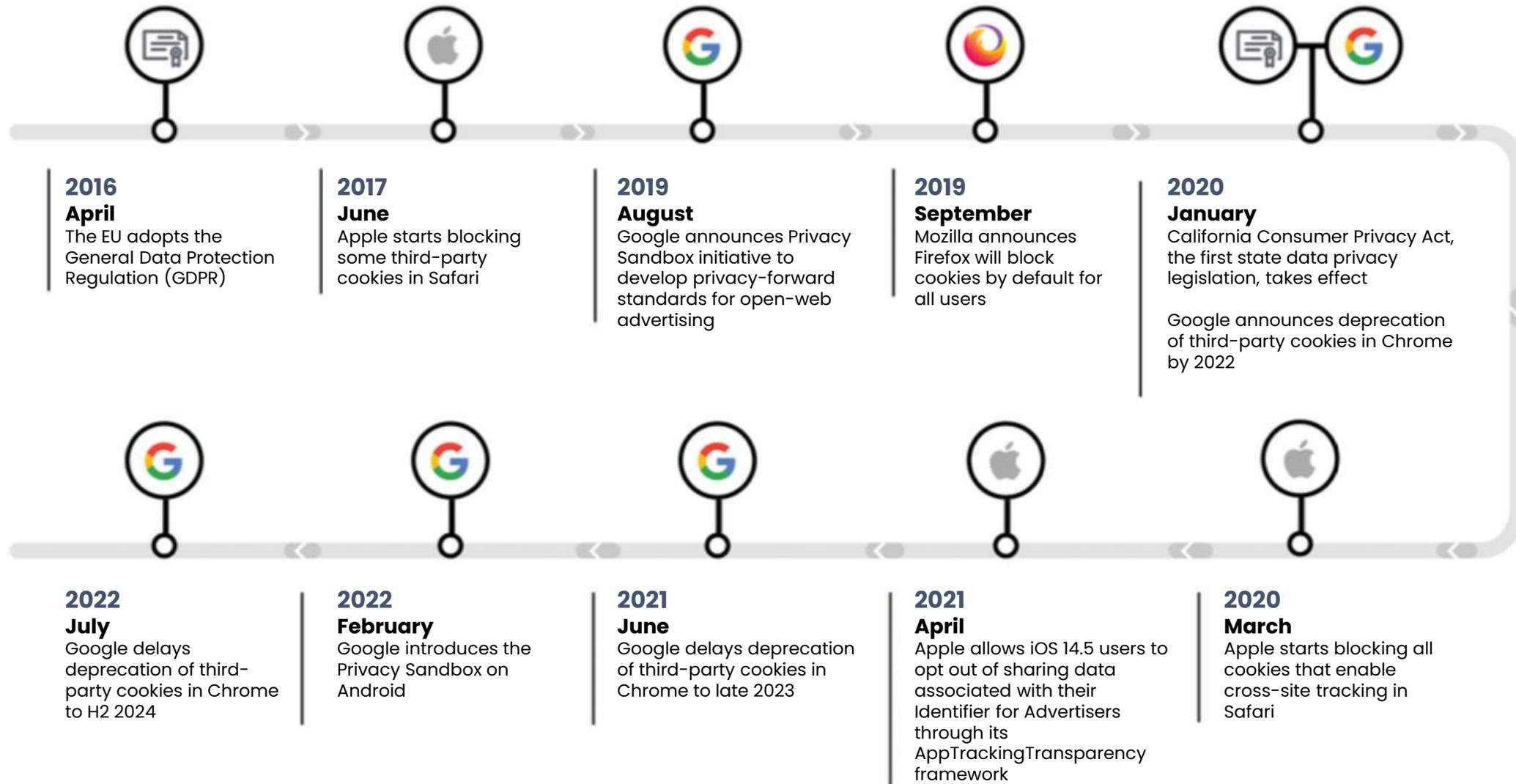


Digital Advertising today relies on Deterministic Identity and PII-centric Data



What if IDs go away?

Identifiers Progressively Being Restricted or Eliminated



April 2021, Apple Privacy Changes in iOS 14.5 update



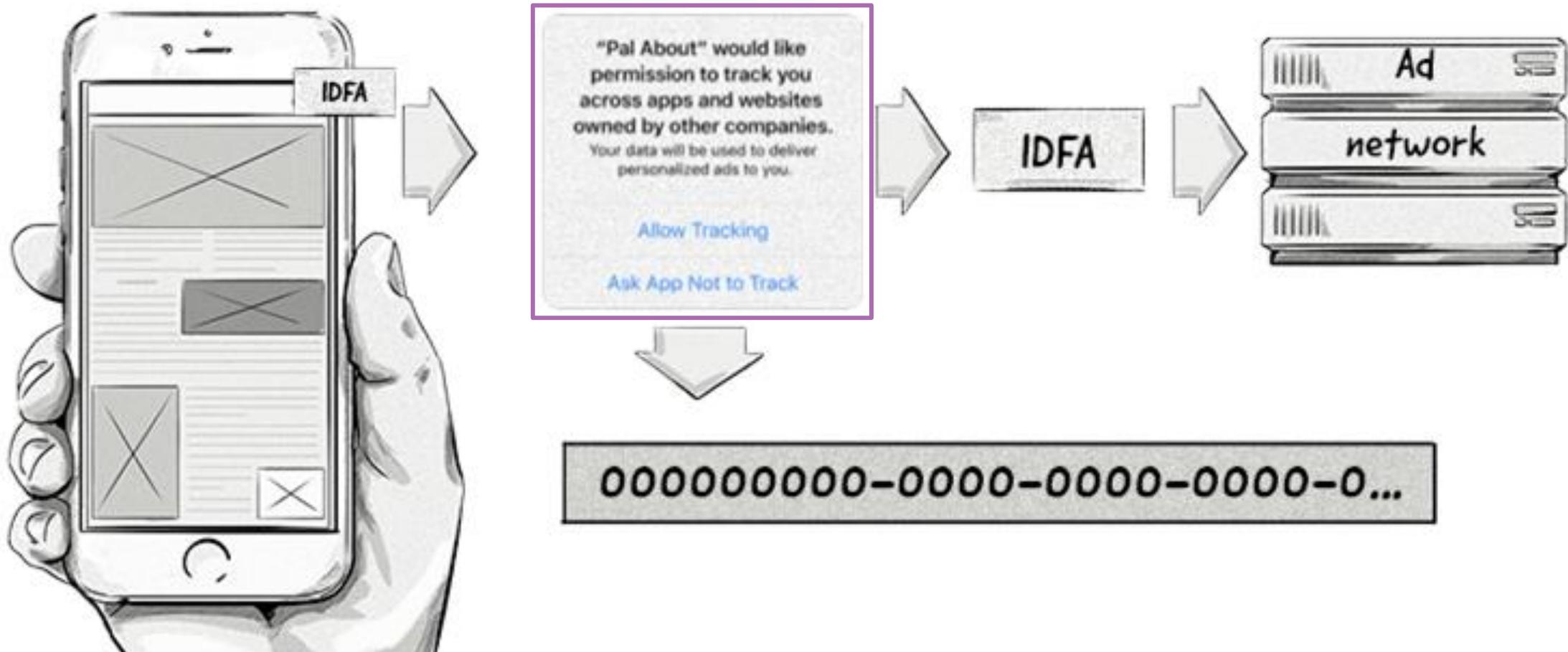
Case Study

- App Tracking Transparency [ATT] requires User opt-in and consent to use of any PII, IDs or other data
- SKAdNetwork centralizes all iOS ad analytics in Apple service



April 2021, Apple Privacy Changes in iOS 14.5 update – ATT

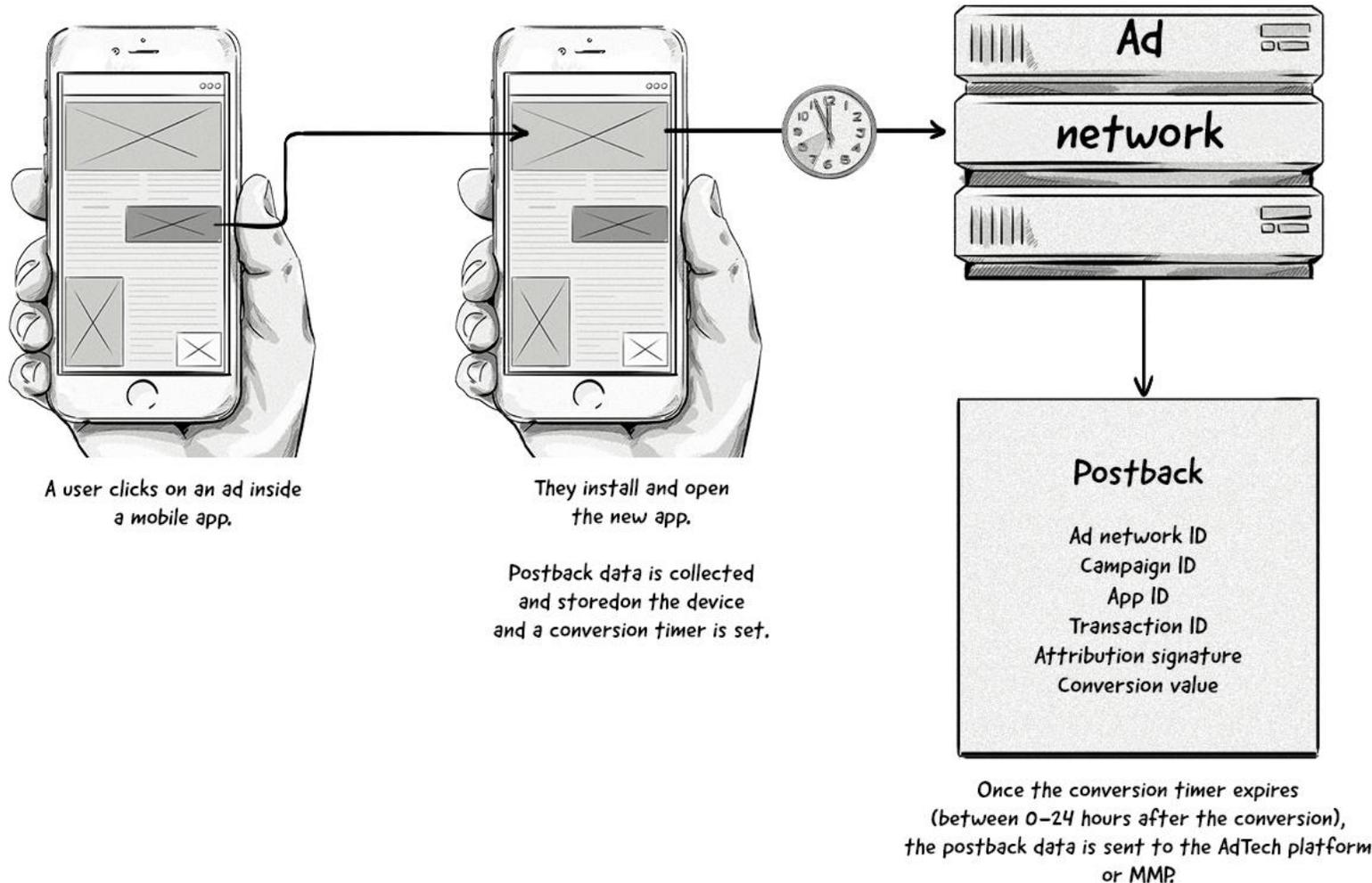
App Tracking Transparency [ATT] requires User opt-in consent before IDFA, any PII, geo-location, or any other user-provided data can be used





How Apple's SKAdNetwork API works

The SKAdNetwork is designed to attribute ad clicks with app installs in a privacy-friendly way. No user-level or device-level data is passed to AdTech platforms or MMPs.



No user or device-level data passed to Ad Tech platforms

Attribution measurement now severely limited, per Apple guidelines

Apple also now capture every iOS advertising exposure, click, install, etc. for every advertiser in real-time...



First 30 Days

- 90%+ of iOS bid requests no longer share IDFA due to lack of opt-in consent; as result, 90%+ of ad supply no longer “addressable” aka targetable or measurable
- iOS marketers watched ad campaign performance measurement & attribution metrics plummet, then simply stop working due to lack of data
- Marketers forced to pause and/or reallocate iOS ad budgets
- iOS ad budgets begin to migrate to Android, Apple App Store promotion, CTV and other video, and Search

First 90 days

- iOS CPMs decline 50%+
- Android CPMs increase 35%+
- Apple App Store promotional ads become key iOS ad channel

Apple iOS Privacy First Year Impact



Negative

Facebook: Fight Apple and do not integrate with ATT or SKAdNetwork. Q2-2022 revise earnings down 10%+ citing ATT specifically; later cite Apple ATT as cause of -\$20B+ in 2022 losses

Twitter: divest Mopub, arguably #2 mobile ad platform and core revenue stream

Snap: miss Q2-2022 earnings by -\$250M, directly cite iOS & ATT challenges

Positive

Apple: App Store promotion and search advertising grew from \$1.9B in 2020 to \$19.6B in 2022

TikTok: enjoy 70% YoY ad revenue growth; ByteDance cite close Apple relationship, comprehensive ATT & SKAdNetwork integrations, and resultant Advertiser perspective of being 'easy to work with' as key competitive advantages enabling revenue growth to accelerate



Near future challenges, part 1:

Google restricting
3PC in Chrome in 2024;
will restrict Android AD-IDs
longer-term



Privacy Sandbox

Beta

Trials

With Privacy Sandbox trials, sites can deliver the same browsing experience using less of your info. That means more privacy for you and less cross-site tracking. We'll add new trials as they're ready to test. [About Browser-based ad personalization](#)

- Browser-based ad personalization**
Your browsing history affects the ads you see
- Ad measurement**
Advertisers can understand how ads perform
- Spam & fraud reduction**
Help sites fight fraud and distinguish bots from people



Likely nearly identical to impacts of Apple's iOS 14.5 privacy updates

- Dramatic reduction in presence of ID on users, large portions of ad supply “un-addressable”
- Existing Audience Targeting cease working on un-addressable supply
- Performance measurement, attribution, all analytics cease working on un-addressable supply – dramatically impacting advertiser's performance metrics and ability to optimize

Media Budgets will reallocate to chase performance

- Value of Opted-in, consented data will increase rapidly, becoming far more expensive
- Contextual, and other alternative targeting tools, will become relied upon far more
- Alt IDs or “Anonymous” IDs, which rely on fingerprinting and probabilistic methods, will rapidly grow
- Ad budgets heavy up on remaining addressable supply, including migration to partners with superior addressability solutions

First-party, opted-in, consented data will become substantially more valuable and expensive

- Publishers, platforms, advertisers who possess quality consented data highly likely to alter products and distribution of data to maximize their own revenue.
- While increasingly valuable, the dramatic reduction in size & scale of addressable will not satisfy advertisers...



Near future challenges, part 2:

Privacy Regulations & Compliance

Privacy Regulation Compliance Increasing Challenge



- **GDPR (EU):** Stricter consent requirements for collecting personal data, higher fines, and the right to be forgotten.
- **CCPA (California, U.S.):** Similar to GDPR; note 15 other states considering similar regulation.
- **PIPL (China):** Stricter consent requirements, higher fines, etc similar to GDPR. Strict requirements for cross-border data transfer, likely to require local data storage.
- **User Consent Management:** Platforms will need clearer, more user-friendly consent mechanisms. This is highly likely to reduce the number of users opting in, significantly impacting data collection scale.
- **Data Scarcity:** Quality opt-in, consented data will be scarce, and thus substantially more valuable. Advertisers should expect prices for quality audience targeting to increase

Hashed Email

the key ingredient of Digital Ad Identity & ID Graphs
under GDPR, others is considered PII and
not permitted to use without User Consent



What emerges and wins
long-term?





Digital Advertising will evolve
to rely on
Privacy-Safe Platforms
in the near future



Privacy-safe Ad Tech

- PII-based Deterministic ID & Data give way to Probabilistic, Anonymous, Privacy Safe identifiers and audiences
- Contextual Targeting 2.0 emerges – powered by substantially more powerful AI tools
- Carefully cultivate and retain opted-in, consented data – Consumer, Publisher, Advertiser trust critical
- Best Ad Tech platforms and advertisers will integrate all these capabilities to offer Advertisers optimal engagement across their Owned, Paid, Earned and Shared media channels

Evolving toward Privacy-Safe Ad Tech



Deterministic / PII-based

- Jeff Coon purchased a Toyota Tacoma in 2022 from Dolan Auto Group ⇒ add jefecoon@gmail.com to New Insurance, Truck Owner, Toyota Dealer Services, Dolan Group customers, other related audiences
- Jeff Coon used his Visa to purchase new rock climbing shoes at REI ⇒ add jefecoon@gmail.com to Rock Climbers, Outdoor Enthusiasts, High Risk Insurance, other related audiences

Probabilistic

- ⇒ "Additive," meaning each interaction incrementally increases accuracy of probabilities, on individuals and the entire audiences that have similar interactions
- ⇒ Massive volumes of data and probability prediction enable accuracy, at internet scale
- ⇒ Without PII or regulatory compliance challenges

Probabilistic / Privacy-Safe

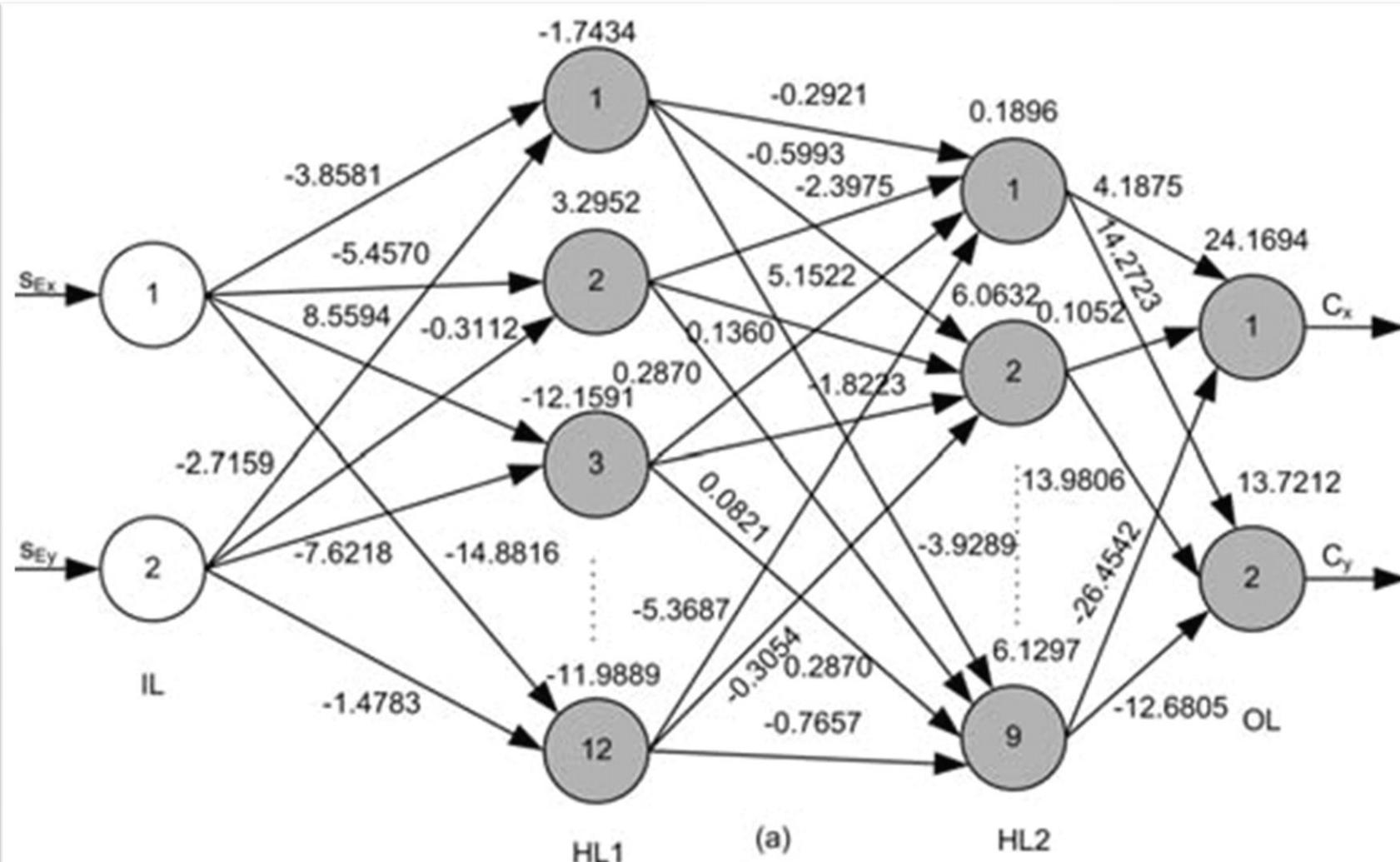
- User XYZ789 visited TacoTrucks.com to read 2019 Toyota Tacoma owner reviews ⇒ probability engine estimates +85% likely to in market to purchase a Toyota Tacoma
- User XYZ789 visited OutdoorGearLabs and spent 9 minutes reading climbing shoe reviews ⇒ probability engine estimates +33% chance user in-market for new climbing shoes
- User XYZ789 visited CascadeClimbers.com shoe reviews ⇒ probability engine estimates +50% chance he's a climber, +20% chance user in-market for new climbing shoes, and -40% chance he's a regular golfer
- User XYZ789 clicked on an Ad for Nike golf shoes ⇒ probability engine estimates +90% chance user is a regular golfer, and +40% chance user loyal to Nike brand



```

1 import pandas
2 import numpy as np
3
4 def logistic(x):
5     return 1.0/(1 + np.exp(-x))
6
7 def logistic_deriv(x):
8     return logistic(x) * (1 - logistic(x))
9
10 LR = 1
11
12 I_dim = 3
13 H_dim = 4
14
15 epoch_count = 1
16
17 #np.random.seed(1)
18 weights_ItoH = np.random.uniform(-1, 1, (I_dim, H_dim))
19 weights_HtoO = np.random.uniform(-1, 1, H_dim)
20
21 preActivation_H = np.zeros(H_dim)
22 postActivation_H = np.zeros(H_dim)
23
24 training_data = pandas.read_excel('MLP_Tdote.xlsx')
25 target_output = training_data.output
26 training_data = training_data.drop(['output'], axis=1)
27 training_data = np.asarray(training_data)
28 training_count = len(training_data[:,0])
29
30 validation_data = pandas.read_excel('MLP_Vdote.xlsx')
31 validation_output = validation_data.output
32 validation_data = validation_data.drop(['output'], axis=1)
33 validation_data = np.asarray(validation_data)
34 validation_count = len(validation_data[:,0])
35
36 #####
37 #training
38 #####
39 for epoch in range(epoch_count):
40     for sample in range(training_count):
41         for node in range(H_dim):
42             preActivation_H[node] = np.dot(training_data[sample,:], weights_ItoH[:, node])
43             postActivation_H[node] = logistic(preActivation_H[node])
44
45             preActivation_O = np.dot(postActivation_H, weights_HtoO)
46             postActivation_O = logistic(preActivation_O)
47
48             FE = postActivation_O - target_output[sample]
49
50         for H_node in range(H_dim):
51             S_error = FE * logistic_deriv(preActivation_O)
52             gradient_HtoO = S_error * postActivation_H[H_node]
53
54         for I_node in range(I_dim):
55             input_value = training_data[sample, I_node]
56             gradient_ItoH = S_error * weights_HtoO[H_node] * input_value
57
58             weights_ItoH[I_node, H_node] -= LR * gradient_ItoH
59             weights_HtoO[H_node] -= LR * gradient_HtoO
60
61 #####
62 #validation
63 #####
64 correct_classification_count = 0
65 for sample in range(validation_count):
66     for node in range(H_dim):
67         preActivation_H[node] = np.dot(validation_data[sample,:], weights_ItoH[:, node])
68         postActivation_H[node] = logistic(preActivation_H[node])
69
70         preActivation_O = np.dot(postActivation_H, weights_HtoO)
71         postActivation_O = logistic(preActivation_O)
72
73         if postActivation_O > 0.5:
74             output = 1
75         else:
76             output = 0
77
78         if output == validation_output[sample]:
79             correct_classification_count += 1
80
81 print('Percentage of correct classifications:')

```



Neural Networks, at the core of AI
 are sophisticated scoring and probability estimation engines



WHAT WINS IN THE FUTURE?

- AI modeling scaled behavioral, non-PII data from advertising platforms, O&O media, advertiser's data, and partner's data will yield highly accurate Privacy Safe audience targeting and measurement
- Combine with next-generation Contextual content scoring to dramatically improve accuracy and performance
- Proprietary, O&O media users opting in & sharing consented, "truth-y" data – as well as Advertisers sharing their opted-in data – dramatically improves accuracy of predictive modeling
- Longer-term, I believe Marketers will tightly integrate these types of platforms into their own platforms – enabling them to finally achieve the personalization and optimization of audience engagement across their Owned, Paid, Earned and Shared media channels



Thank you!

Agenda

- MGI Business Update
 - *Coffee Break*
- MGI Financial Update
- Q&A
 - *Lunch (We will be back at 12:30 CEST)*
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Our Speaker Today

Data Based Targeting in a New World With Privacy Restraints



Oliver Dragic

General Manager at pilot-group

10+ years' experience in the digital advertising industry

Oliver is Managing Director of pilot-group, a full-service provider for modern brand communication and one of the largest media agencies in Germany and oversees the programmatic advertising division. Before joining pilot-group in 2014, Oliver started his career at Omnicom Media Group among others.

**It All Started With a
Big Bang**





Cookies Spread Across the Universe

In the absence of regulations, the chances of veering off course are rather elevated

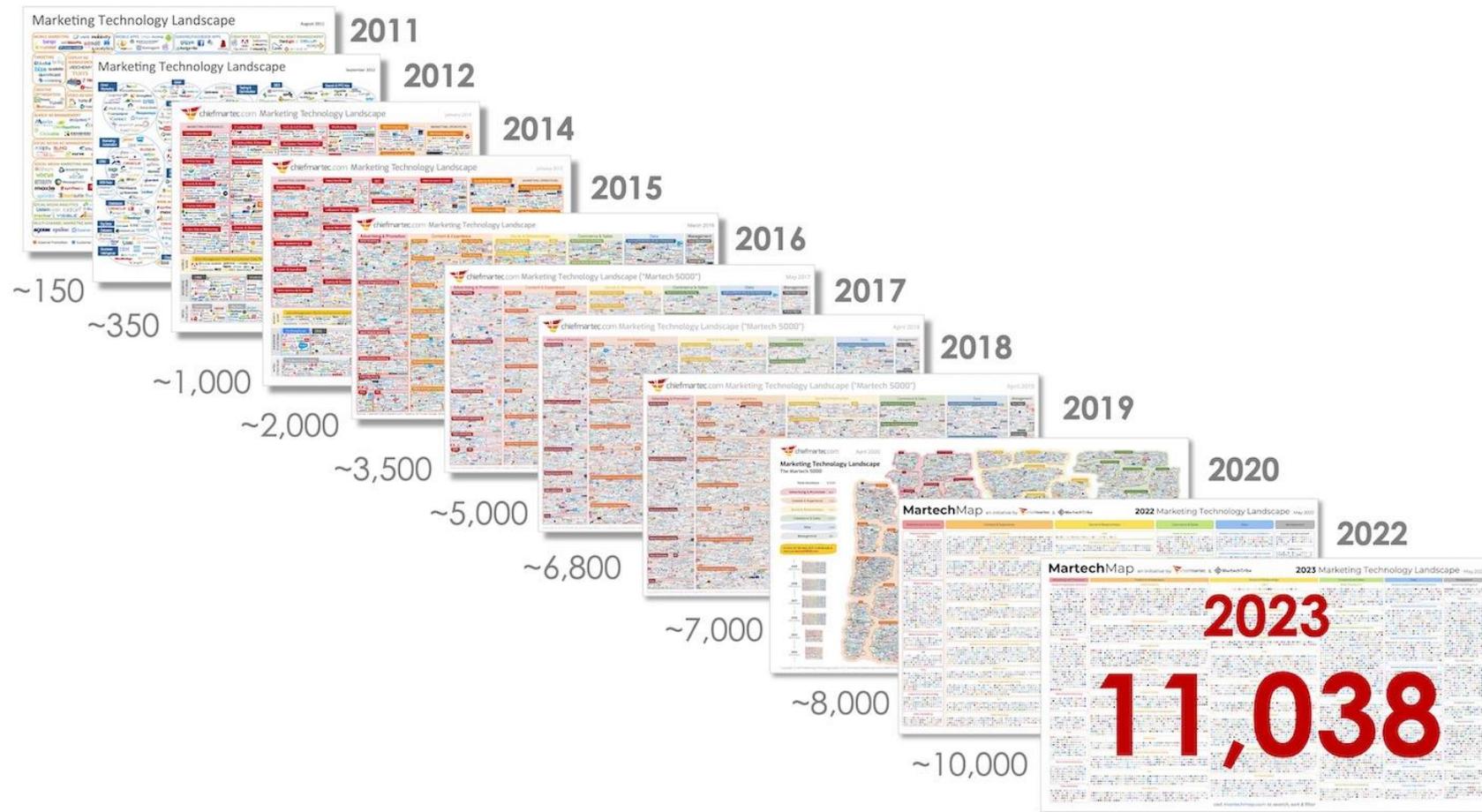
~1054

cookies per day

The Cookie as a Business



In the absence of regulations, the chances of veering off course are rather elevated.





The Supercookie

Identifying users without their consent



LET'S SWITCH TO
A DIFFERENT CASE





This Course Isn't Exactly New Territory For Us

Real life shares some similarities with our cookie experiences

LOYALTY CARDS



GOVERNMENT
DATA



DATA
COLLECTORS/SELLER





Conclusion

Why the cookie has to be changed

- Lack of overview on utilized data, collectors, storage, purpose, and user benefits
- Resulting in loss of trust and escalation to an emotional level

GDPR, CCPA & Co.

The regulators shake up the industry



GDPR

(General Data Protection Regulation)



Effective **May 2018**

Requires **active user consent**

Fines: Up to **4% of global turnover** or **20 million Euro**, whichever is greater

CCPA

(California Consumer Privacy Act)



Effective **January 2020**

Requires **active user consent**

Fines: **\$2,500/\$7,500** max for violations/intentional violations; consumers can request **\$100-\$750 per incident**

THEIR AIM:

PUTTING THE USERS BACK IN CONTROL OF THEIR OWN DATA AND ITS USAGE

Cookie History Repeats Itself

Applications multiply faster than the knowledge how to use it and what for



GOAL

RESULT



We value your privacy

We use cookies to enhance your browser experience, to serve personalized ads or content, and to analyze our website usage. By clicking "Accept All", you consent to our use of cookies. [Cookie Policy](#)

WELT ohne Tracking, Cookies und Analytics

Wir verwenden Tracking, Cookies und Analytics, um Ihre Website-Erfahrung zu verbessern und zu personalisieren. In dieser Zusammenfassung werden auch Nutzungsprofile für Sie auf Basis von Cookies erstellt, mit Daten von anderen Webseiten angereichert und auch außerhalb der WELT verwendet. Diese Informationen sind eine Schlüsselrolle auch für Personalisierungen, wie: Präferenzen in Form von Inhalten, Zusammenfassungen, TC-Strafungen und um Tracking-Daten zu verschiedenen Aufgaben zu übertragen. Sie können die WELT-Traffic-Marketing und Cookies lesen.

WELT ohne Zusatzkosten mit Tracking und Cookies nutzen

Wir verwenden Tracking, Cookies und Analytics, um Ihre Website-Erfahrung zu verbessern und zu personalisieren. In dieser Zusammenfassung werden auch Nutzungsprofile für Sie auf Basis von Cookies erstellt, mit Daten von anderen Webseiten angereichert und auch außerhalb der WELT verwendet. Diese Informationen sind eine Schlüsselrolle auch für Personalisierungen, wie: Präferenzen in Form von Inhalten, Zusammenfassungen, TC-Strafungen und um Tracking-Daten zu verschiedenen Aufgaben zu übertragen. Sie können die WELT-Traffic-Marketing und Cookies lesen.

Informationen auf einen Geist speichern und abrufen

Personalisierte Anzeigen und Inhalte, Zusammenfassungen, TC-Strafungen und Personalisierungen

Freiwillige Angaben (Stille Rückmeldung, Präferenzen)

Verwendung und Weitergabe von Nutzungsdaten zu Werbezwecken

Jetzt WELT Plus abonnieren

Alle akzeptieren

The website uses cookies

This is the cookie banner from Cookie Information. It collects documentable user consents based on informed website users.

Show details **ACCEPT COOKIES**

SCALING TAKES PRIORITY

NAVIGATING THE CHALLENGE OF DIMINISHING
ADDRESSABLE SCALING AND DATA



Some Alternative Solutions For a Cookieless Targeting



The more we understand the better the cookieless targeting

CONTEXTUAL
DATA

1ST PARTY
DATA

BEHAVIORAL
DATA

REGIONAL
DATA

CONTEXTUAL
DATA

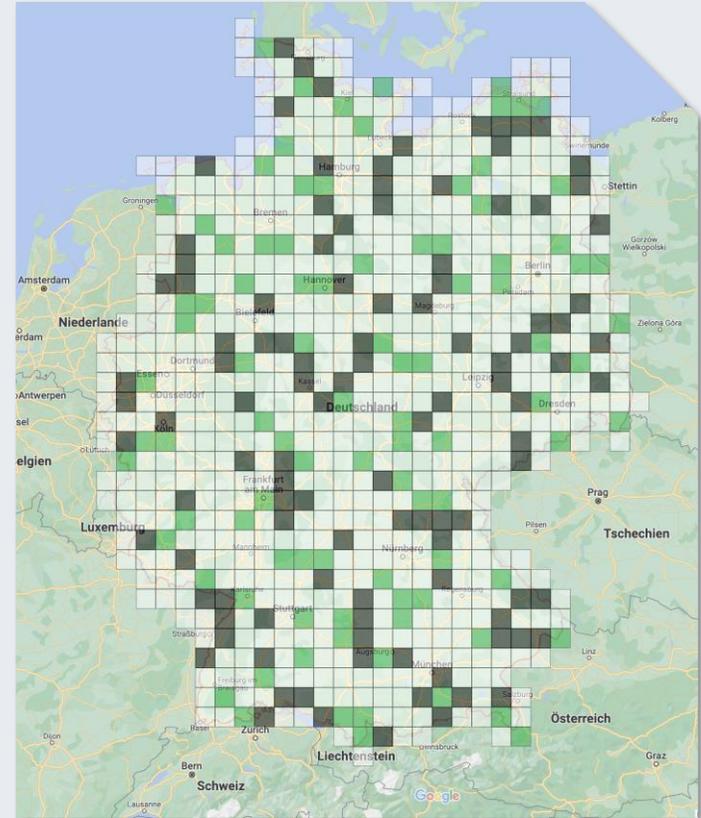
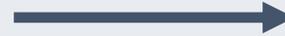
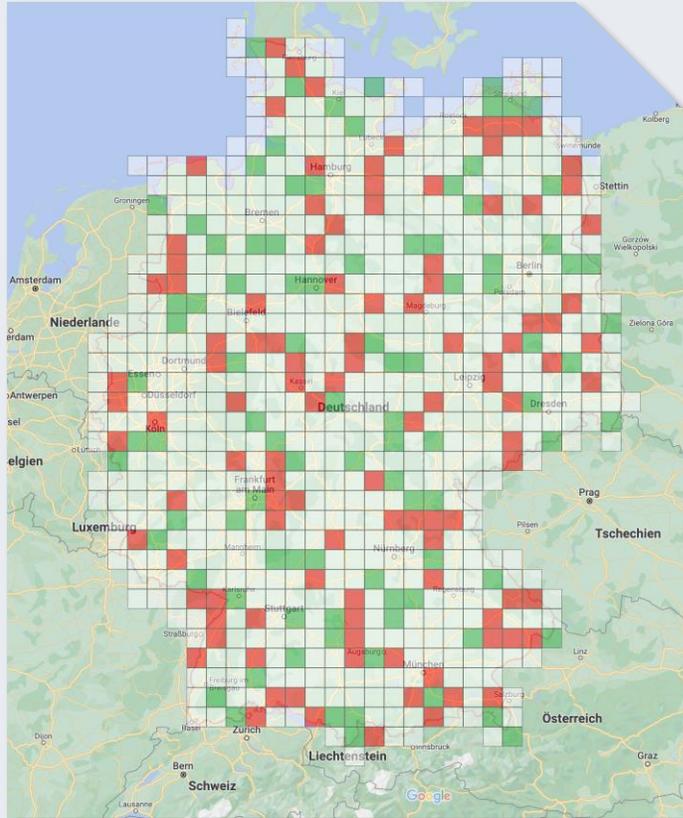
1ST PARTY
DATA

BEHAVIORAL
DATA

REGIONAL
DATA

How to Leverage Contextual Data

Data combinations are creating higher campaign impacts





How to Leverage 1st Party Data

1st Party Data can be used without a cost intensive CDP

Erwin Müller
WOHLFÜHLEN ZU HAUSE

Leichte Sommer-Bettwäsche!



hier shoppen >>

Erwin Müller
WOHLFÜHLEN ZU HAUSE

Leichte Sommer-Bettwäsche!



hier shoppen >>

Erwin Müller
WOHLFÜHLEN ZU HAUSE

Leichte Sommer-Bettwäsche!



hier shoppen >>

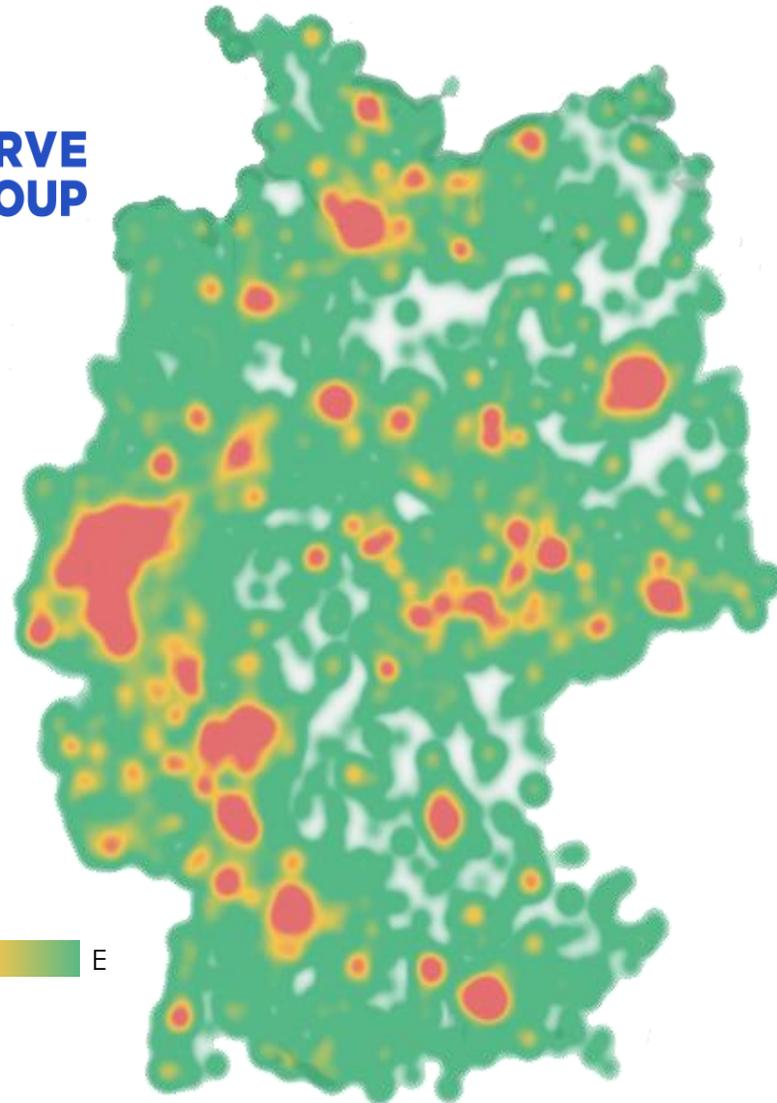
4.95%
OVERALL CONVERSION RATE

506
NEW CUSTOMERS

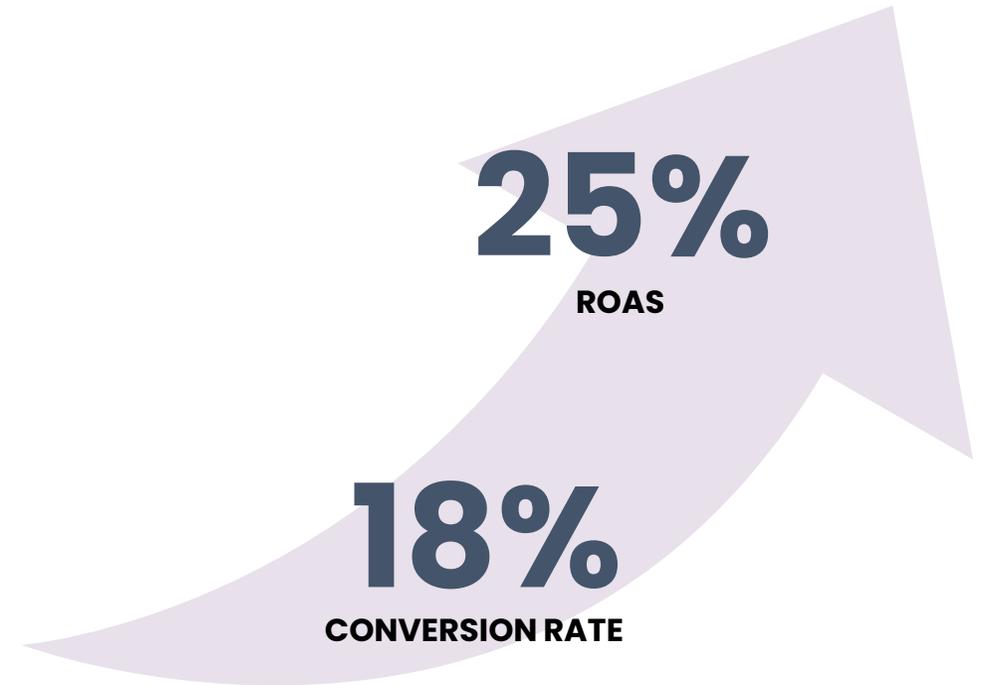
Future Proof Targeting Instead of Temporary Solutions



Regional Data have the power to overcome budget inefficiency



Cluster: A  E





How to Measure an Impact Without Cookies and IDs

Verification is the key to new insights and data efficiency

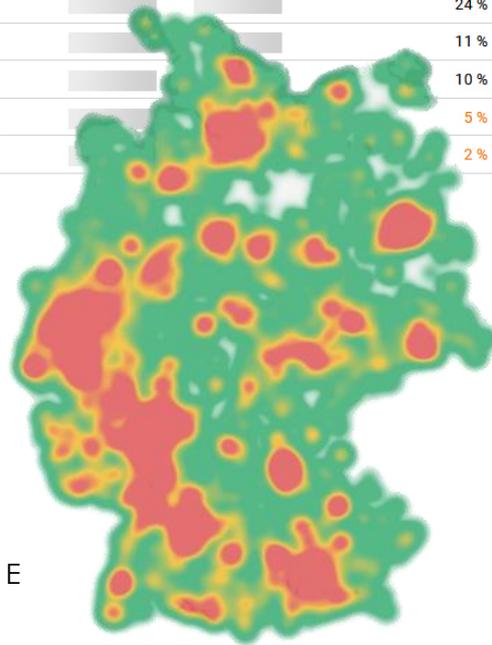


Decoupled from 1:1 measurement
No trying to hit actual panelists for their cookie/identifier

Can be used with all digital controllable channels

Possible live & ex post measurement

Line Item	Cluster	Impressions	Imp. Distr.	Potential TGHH	AI's in TG	Budgetefficiency in TG
1. Baseline IO	A					24 %
2. Baseline IO	B					11 %
3. Baseline IO	C					10 %
4. Baseline IO	D					5 %
5. Baseline IO	E					2 %



Cluster: A  E

16%

**BUDGET
EFFICIENCY**

4x

**EFFICIENCY IN
TARGET GROUP**

Conclusion





Having the **right partners** and assembling the **right data** with them is crucial for a better and more scalable campaign solution **in this “New World”**

That's why we are thrilled to have Verve as such a partner



Thank you!

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-
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Our Speakers Today



Rami Alanko
General Manager A&I



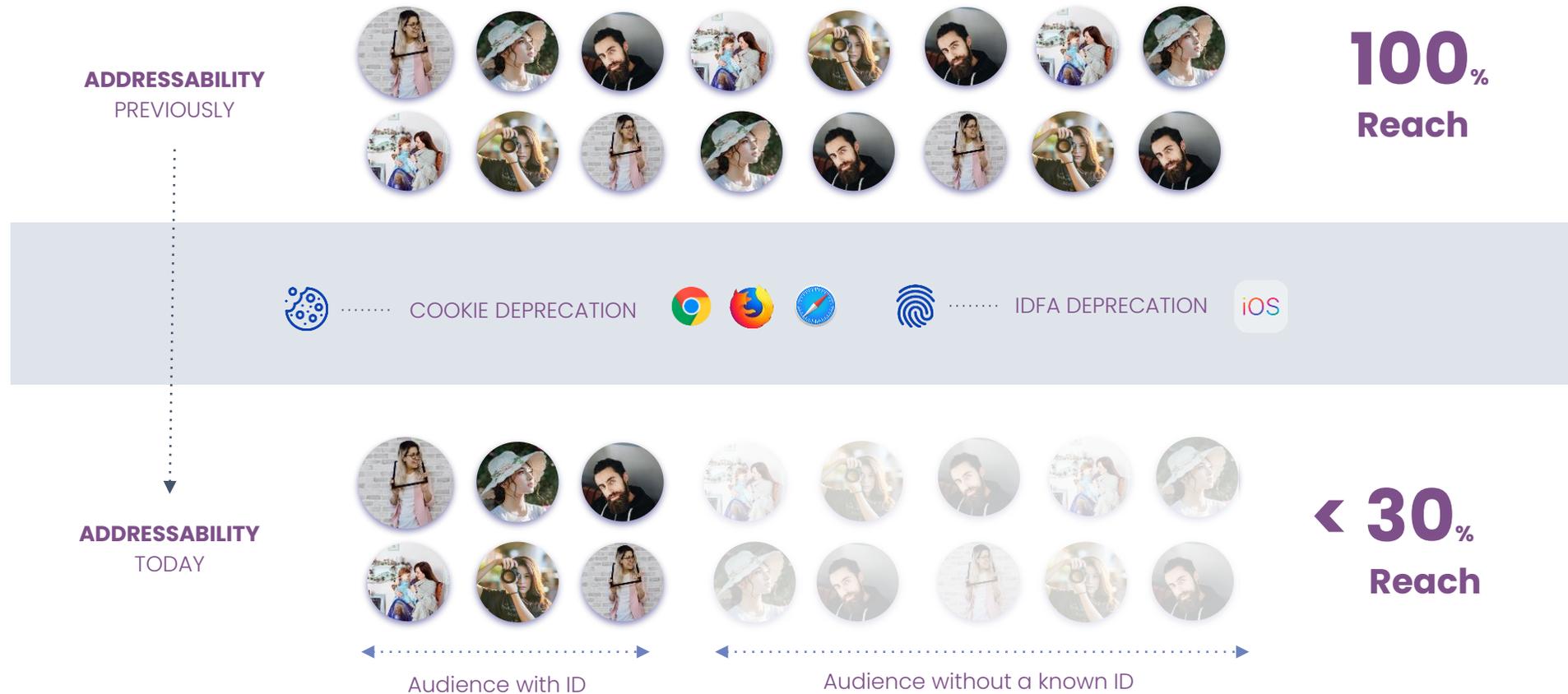
Prasanna Prasad
CTO of Verve Group

Addressability in AdTech The Evolving Landscape

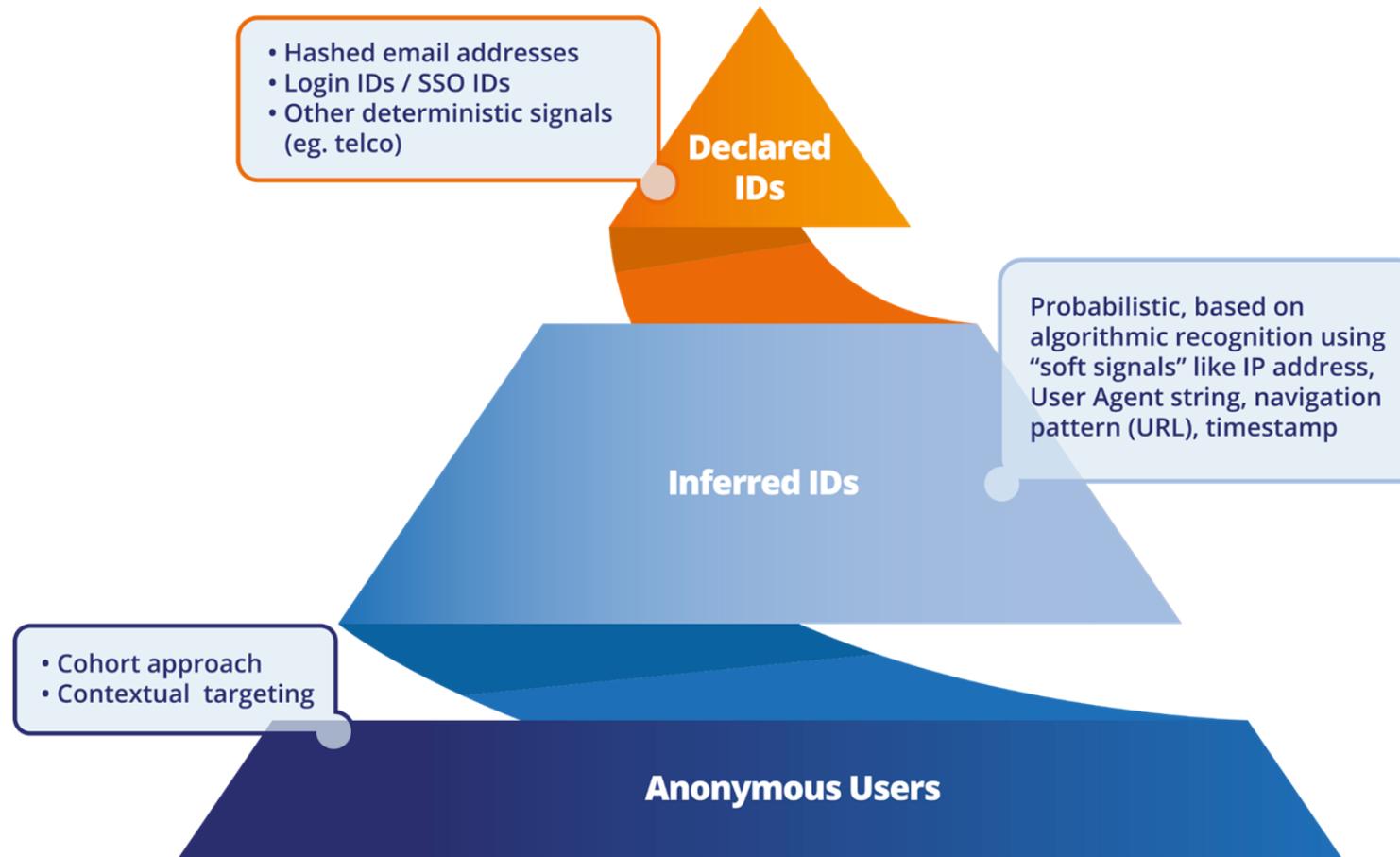
By Prasanna Prasad
(CTO, Verve Group)



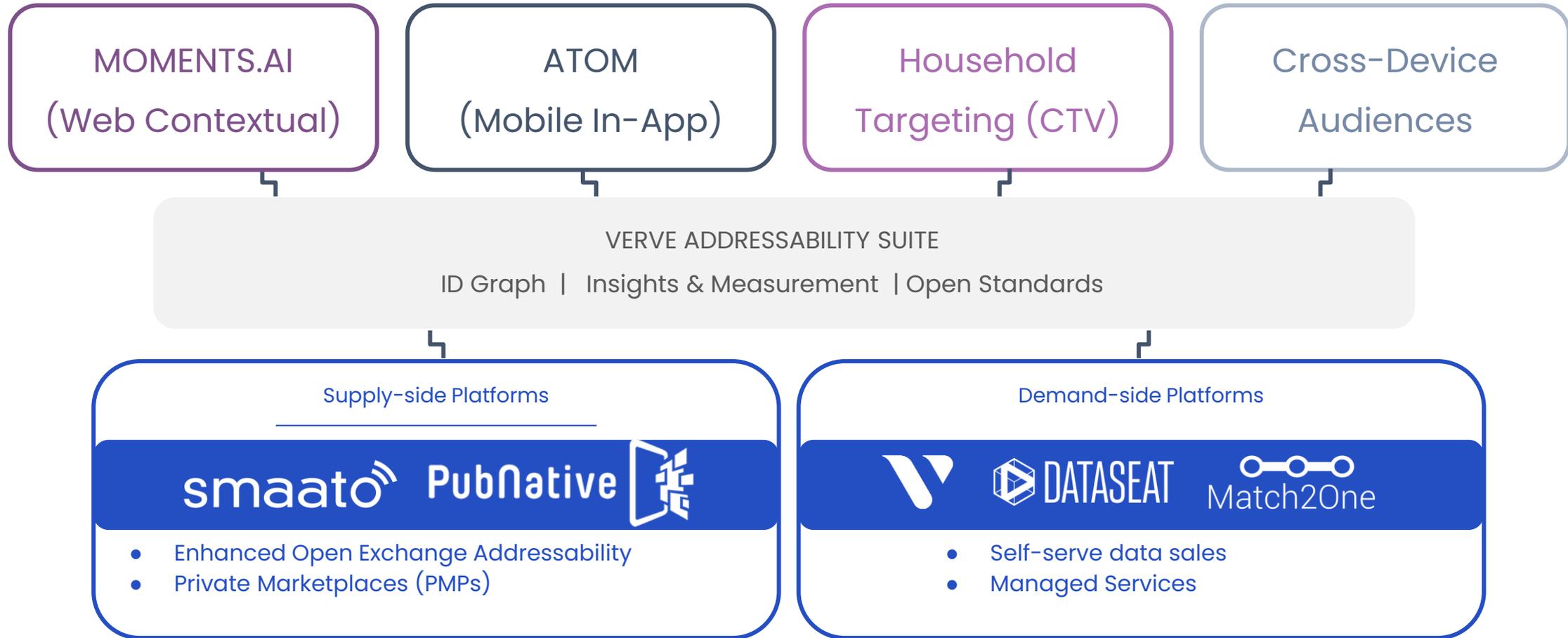
What Is Addressable Is Now Anonymus



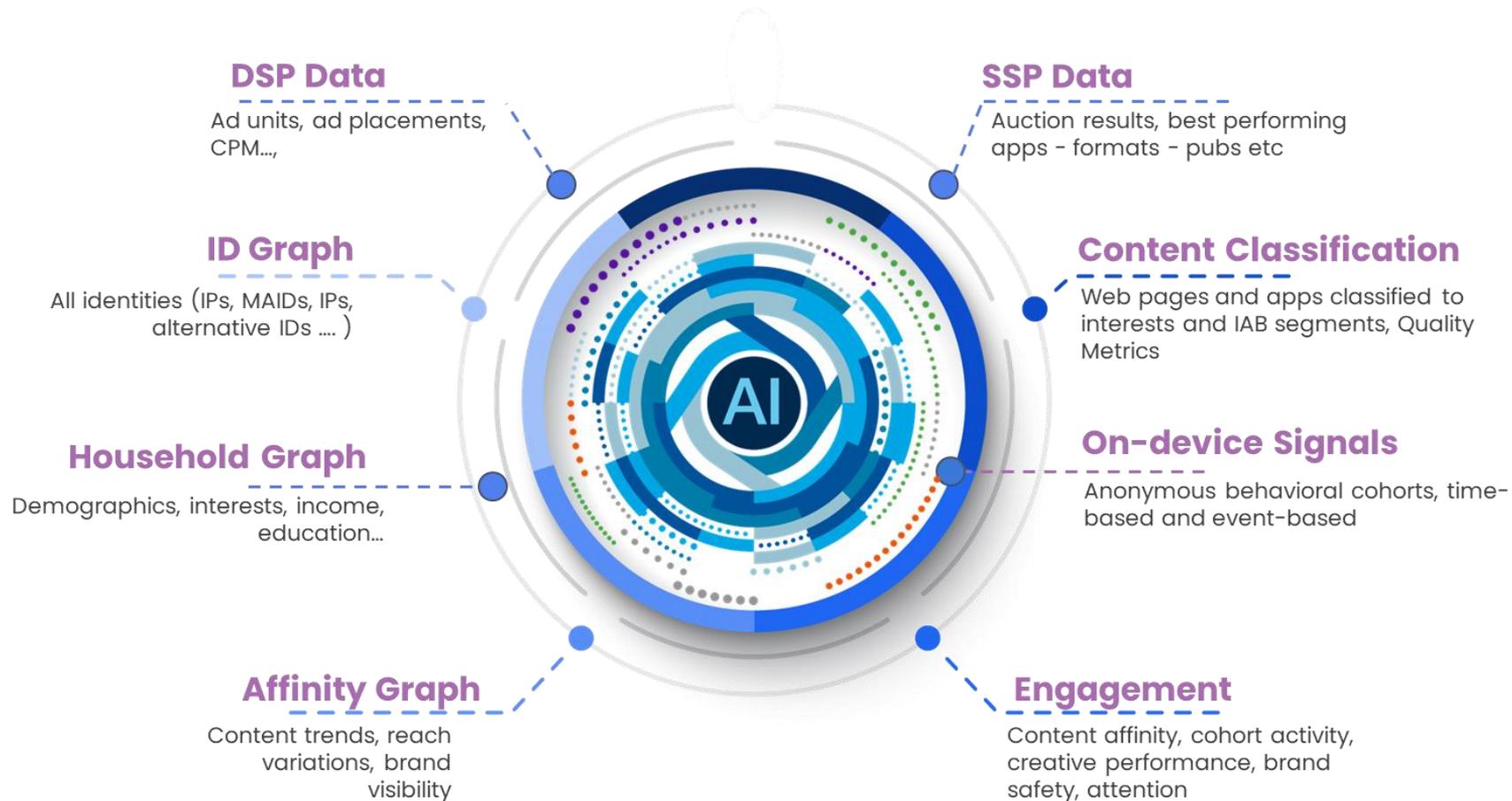
The Shift to Privacy-centric Targeting



Portfolio Approach



Our Data Assets Set Us Apart



R & D Focus Areas

Privacy Enhancing Tech | Edge Computing | AI led Optimizations



Moments AI.



MOMENTS.AI – How it Works



Intelligent Classification

Moments.AI analyses content in the same way the human brain does, picking up on the subtle changes, emotions and sentiment.

We use AI to identify consumers without identifiers, Cookies, IDs or PII. For programmatic advertising we source, process and measure on an individual bid level.



Unparallel Reach & Speed

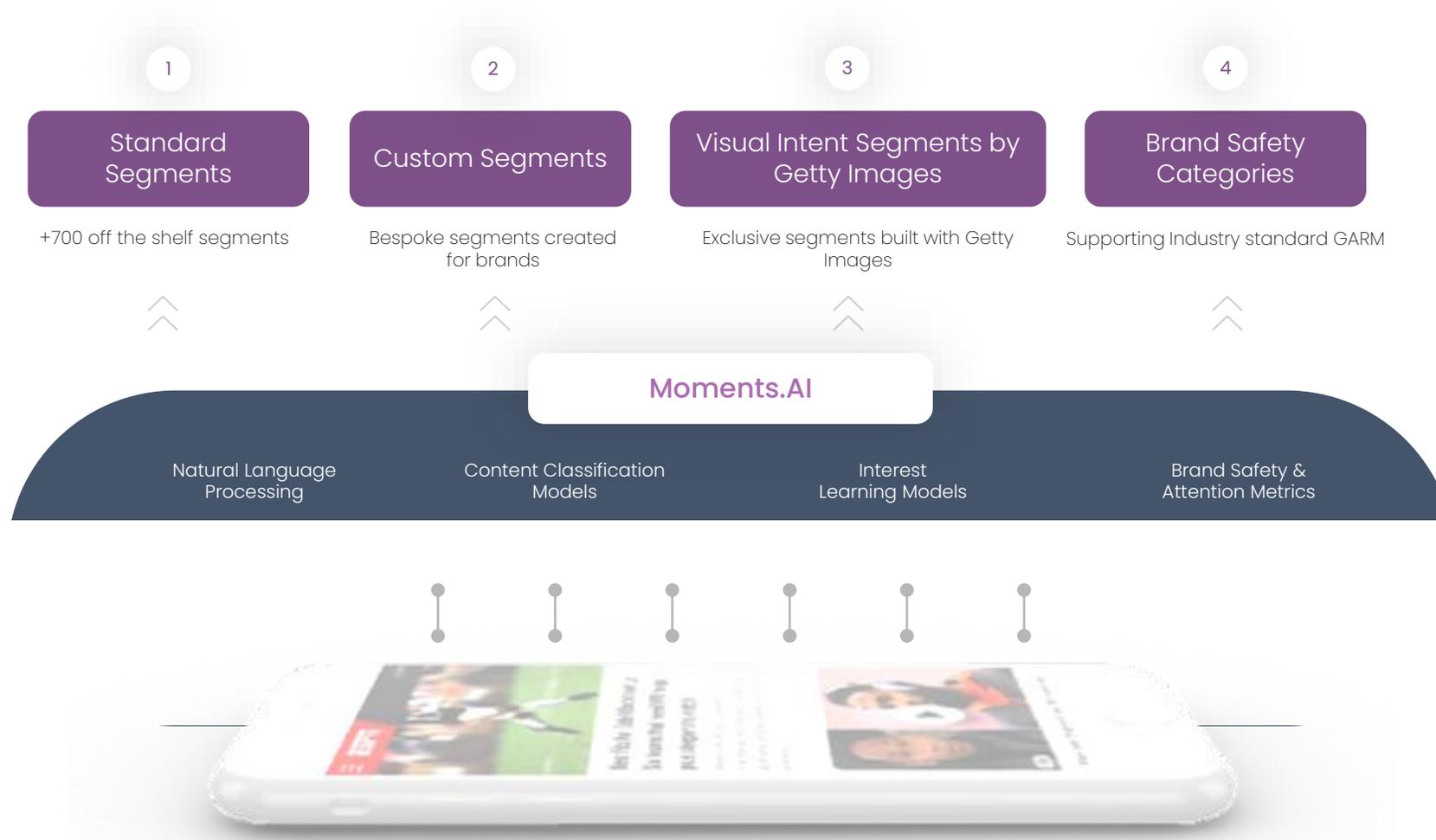
We analyse and activate data from thousands of premium publishers globally. These activated data segments are available in +150 DSPs.

We analyse traffic in milliseconds with classify +1,000 new pages every second globally.



Hundreds of Segments

+700 various segments for all types of business verticals





VISUAL INTENT

300,000+

Ronaldo Images in our library

2,000+

Premium Publishers Globally

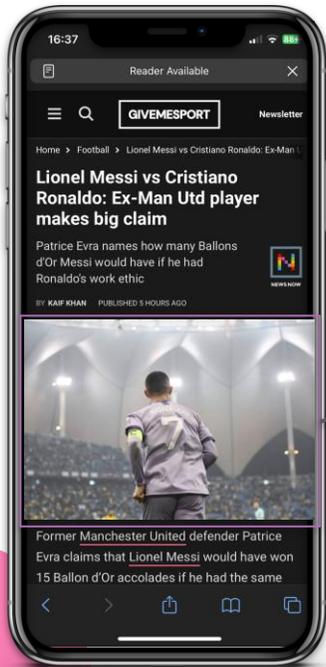
6,000,000,000+

Monthly Related Views



Moments AI™ offers real-time content activation in under 10 ms

With Visual Intent, we position your brand next to relevant content *in the moment* of peak audience interest, fueling higher purchase intent & better brand recall



Real-time Image Metadata exclusively from Getty Images:

Cristiano Ronaldo, Soccer Player, Rear View, Al Nassr FC - Saudi Arabia, Arts Culture and Entertainment, Club Football, Football - Sport, Gulf Countries, Incidental People, King Fahd International Stadium, Match - Sport, One Person, People, Riyadh, Saudi Arabia, Sport

- + Sentiment
- + Confidence
- + Brand Safety
- + Full-path URL
- + Time stamp
- + Semantic & text-based content analysis





Contextual insights

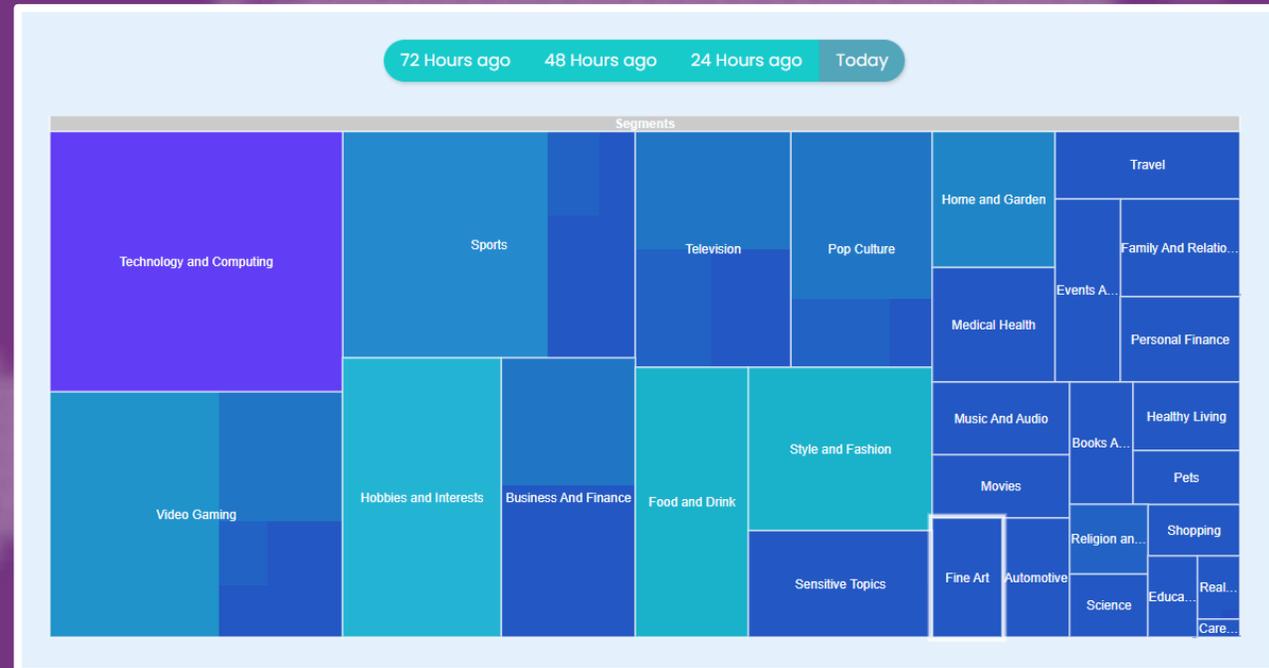
Content related insights enable reach and trend analysis

Every second we perform more than a million analysis on:

- What the world reads
- What trends are emerging
- What is world's sentiment
- And more.

This helps a marketer to

- Plan the potential reach of any type of content in a country, even on postal code level.
- Spot trending content to activate.





CONTEXTUAL MEASUREMENT

Instant, unique benefits that drive multiple use cases

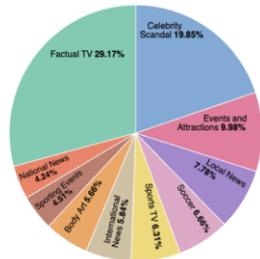
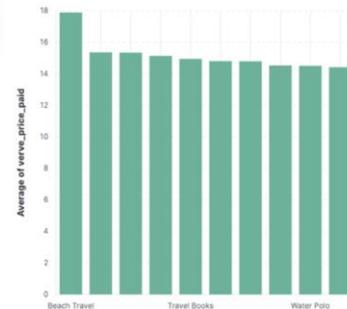
Total views
449,332

600

Unique segments found

753.79

Total spend



Top 10 values of verve_pos	Top 3 values of verve_user	Sum of verve_hits
EC2N 3AR	GB	15,808
10115	DE	7,285
60323	DE	5,337
CRO 2XX	GB	416
EC2N 3	GB	372
80992	DE	128
TF2 7PT	GB	113
45133	DE	105
SAP1 SHD	GB	100
NN3 2BX	GB	95

Top 1000 values of verve_source.keyword	Sum of verve_hits
https://www.express.de/sport/fussball/fc-bayern-muenchen/fc-bayern-aus-effenberg-mit-klarer-ansage-fue	1,349
https://www.funurlist.com/de/strange-unsee-features-celebrities-knew	1,336
https://www.dailystar.co.uk/showbiz/holly-willoughby-speechless-jake-humphrey-30085630	1,291
https://factinate.com/ko/god-awful-neighbors	1,279
https://news.mit.edu/2016/en-lazy-needs-every	1,275
https://www.hoerzu.de/hr-programm/jetzt/	1,251
https://www.thesun.co.uk	1,177
https://www.peterboroughtoday.co.uk/news/environment/signage-to-go-up-to-warn-peterborough-resident	1,176
www.forosdelrunning.com/index.php	1,136

Use cases for real time content data analysis:

Convert ID-based audiences into contextual segments

- What kinds of content are "frequent travelers" reading? What about those who are in-market to buy a car?

Validate the accuracy of contextual providers

- Ensure you are getting the accuracy and value of the targeting you should expect.

Brand safety verification

- Can global brand safety leaders block harmful content? We reveal the URLs they cannot block!

Sentiment analysis

- Does good sentiment increase CTR%? Does negative sentiment impact CPM price?

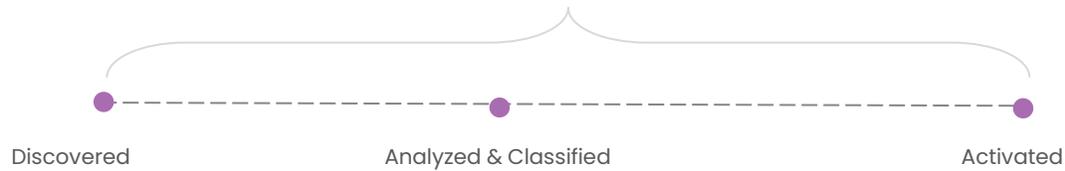


Results

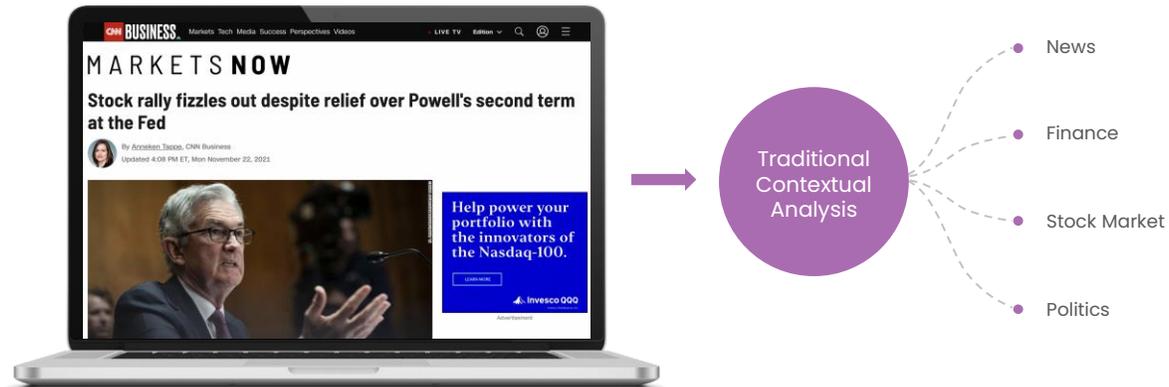
Traditional Contextual Solutions Miss Out on 70% of Audience Attention



Slow processing up to 24 Hours

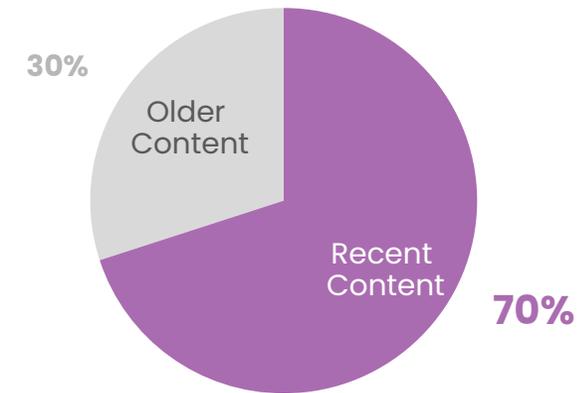


... limits scale up to 70%



Most contextual players pre-assign contextual segments to URLs outside the bid stream

Bid requests split by age of content



Content more than 24 hours old

Content produced in the last 24 hours

Research Validates Verve Group's Contextual Ads Outperform Industry Leaders

Moments.AI achieves an impressive 96% delivery rate on URLs published the same day and leads in accuracy

BACKGROUND

Verve Group's Moments.AI™ is a contextual ad technology for marketers focus on real-time delivery to fresh URLs and content accuracy.

TPA Labs is a 3rd party research group that focus on testing technologies and measure the impact for brands and their agencies.

RESULT

THE STUDY

To verify Verve Group's Moments.AI™ ability to target new content contextually, TPA Digital ran an independent test **against two well-known providers**. For the test, they ran a 24-hour campaigns targeting new sport-related content in the UK and Germany at peak day of consumption. The results were staggering.



Geo:
Channel:
Format:

UK & Germany
Web
Display

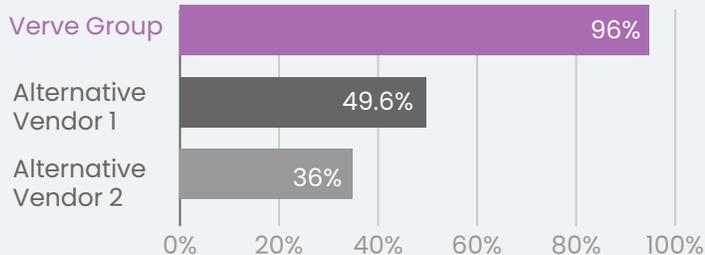
KEY HIGHLIGHTS

96% of URLs published the same day

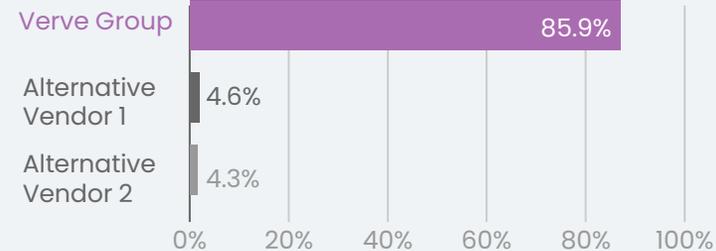
85%+ of impressions on targeted content

36x more effective in targeting new, contextually-relevant media than leading alternatives

% of impressions on URLs published on the same day



% of impressions on sport-related URLs





Dashboard | Campaigns | Creative Studio | Tracking | Tools

+ New campaign | M2O

Status: Active | Model: All | Campaigns: All | 3 campaigns | Jul 16 - Aug 14, 2023

OVERVIEW | AD PERFORMANCE | AD PLACEMENT | CONVERSION DETAILS | AUDIENCES | INTEGRATIONS ^{New}

Impressions vs. Clicks | Day | Week | Month

MOMENTS.AI - MATCH2ONE INTEGRATION
 Out of top 10 match2one clients 8 is working with moments.AI

Performance

IMPRESSIONS	CLICKS	CONVERSIONS	ROAS
147,081 ↑ 1.57%	341 ↓ 1.45%	1	0.00x

Spend: \$1,000.61 ↑ 0.84%

M2O ACCOUNT BALANCE \$0.00 + Add balance

Tracking Status

- Conversion pixel script: No events registered yet [View details](#)
- Segment pixel script: Active Last active: 14 August [View details](#)

Active Campaigns

- Match2One's first contextual campaign ever
 - Current balance: \$88.60
 - Next payment: - 19 Aug 2023
- Retargeting_Native_PrimaryM.
 - Current balance: \$129.85
 - Next payment: - 19 Aug 2023



Case Study



Moments.AI™

Brief:

**Establish that we can deliver
new subscriptions in *Norway*
with Contextual Targeting.**



Methodology viaplay GROUP



Moments.AI™

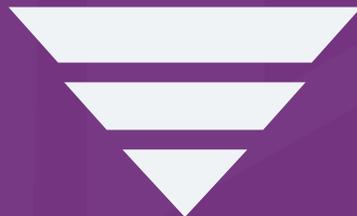
Moments AI™



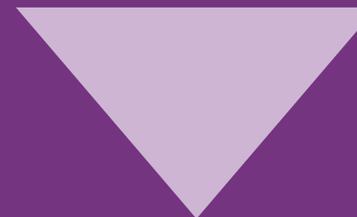
1. Target new content, with Brand Safety, as soon as it's published.
2. Identify Consumer Interest and Intent, in real-time.
3. Maximise performance from most engaged factors.

Traditional Approach

- 3rd Party Cookies
- Audiences
- Retargeting



Moments AI™



Contextual Optimisation.
With No Cookies, IDs & PII.
Zero Privacy Risk. 



Results



Moments.AI™



8.32X

Return on advertising spend

Future proofing customer acquisition with contextual.

What Next?



Our Data = Massive Scale



We bring together first- and third-party data sources for unmatched data scale

VERVE AD EXCHANGE

Among Top 5 Mobile Ad Exchanges Globally

20,000+ PUBLISHERS

2B+ USERS



80% COVERAGE ON TOP PUBLISHERS/APPS*

*JOUNCE 2023 REPORT

X

VERVE O&O DATA

Among Leading Publishers Globally

5000+ OWN INVENTORY

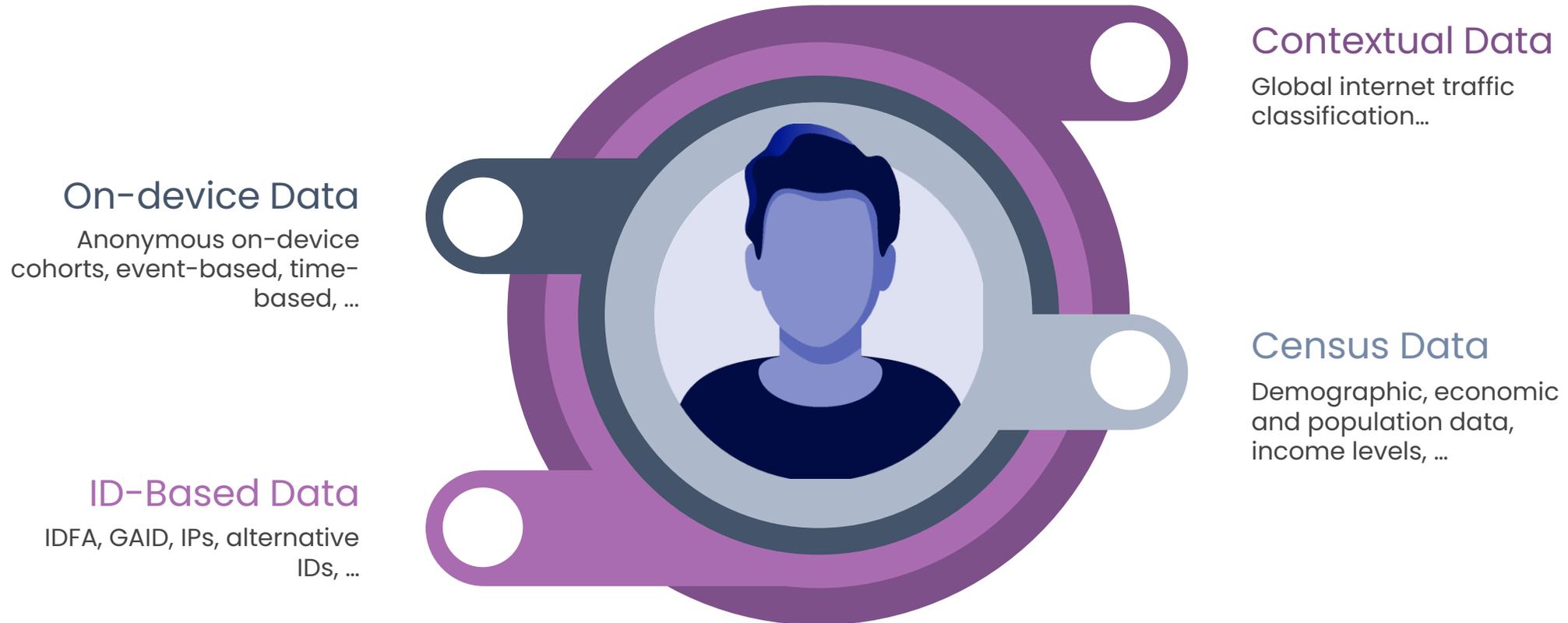
200M+ USERS



Our Data is Enriched



We layer anonymous and consented data to enrich and complement our first-party data



Our Data Unveils Affinities



Our data reveals a myriad of relevant interests adjacent to known target groups

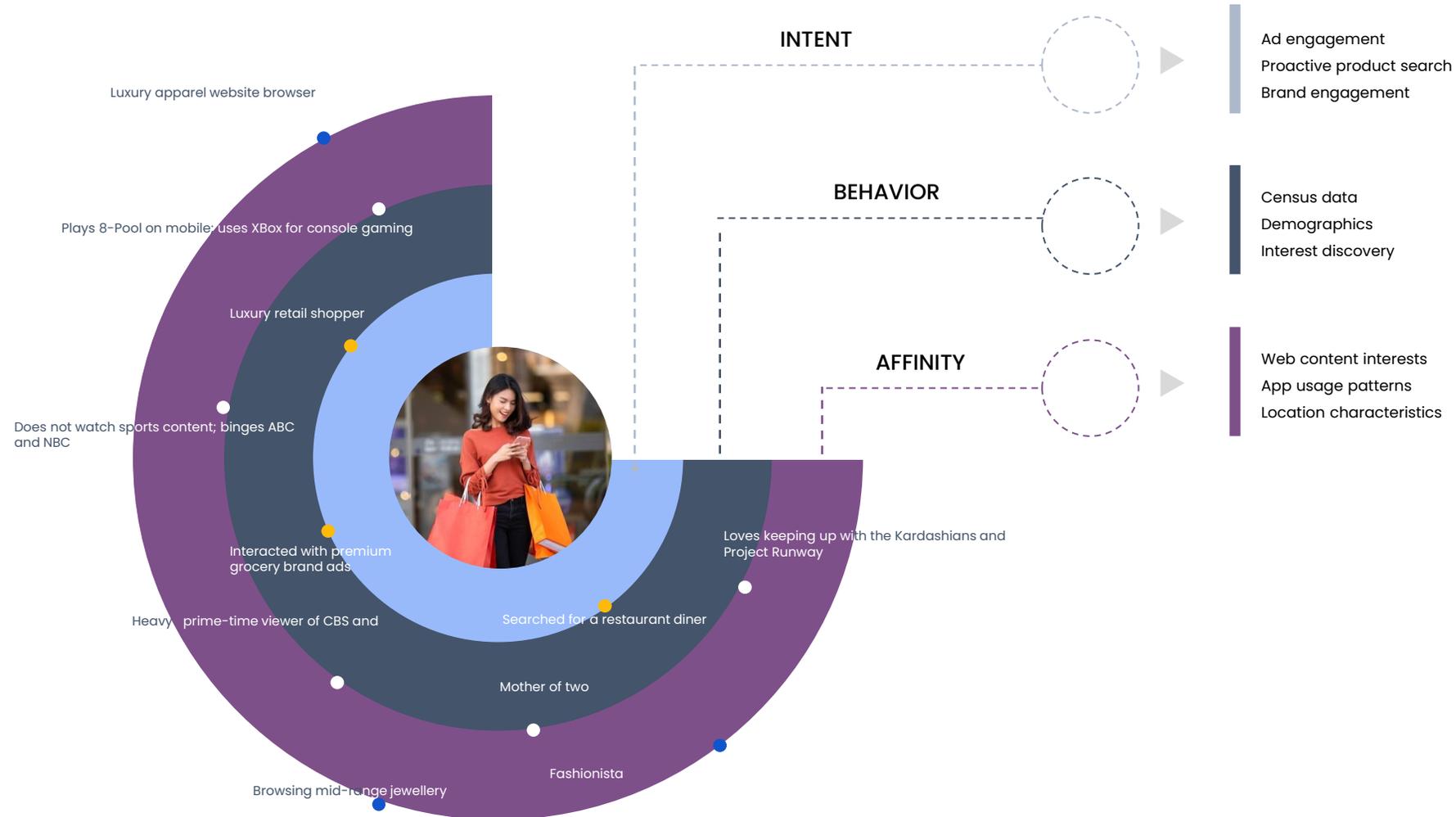


Eg. Female 25-34, NYC-based, mid-core gamer mapped to other behavioral segments



Our Data Identifies Ideal Moments

We deliver your message in moments of peak intent to engage consumers





OUR DATA PRODUCTS

From multi-faceted supply and demand,

POWER OUR ECOSYSTEM

our data fuels advertising efficiency



Moments.AI

Real-time, contextual segments on a page or app level

ATOM

Anonymous, mobile on-device cohorts

Behavioral Audiences

ID-based audiences, focusing on explicit interests

Insights

Reach analysis, content affinity and behavior discovery

Use Cases

Curated Packages

Exclusive and brand-safe private marketplace packages

Managed Service

In-house expert-led campaign management

DSP Enrichments

Added value to bid requests

Data products are free of charge within the Verve ecosystem



Omnichannel Reach

Mobile | Desktop | CTV | DOOH

Agenda

- MGI Business Update
 - *Coffee Break*
 - MGI Financial Update
 - Q&A
 - *Lunch (We will be back at 12:30 CEST)*
 - External expert session – Market Cycle, Consolidation & Vertical Integration
 - External expert session – Identity and AI
 - External expert session – Data Based Targeting in a New World With Privacy Restraints
 - *Coffee Break*
 - MGI Product Presentation: Moments AI
-
- Panel Discussion and Q&A
 - Outlook & Closing Remarks

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OUTLOOK & CLOSING REMARKS



IN-APP

- Leading US & EU positions built within 4 years
- Focus on further increasing market share



CTV

- Next key focus area. Building on In-App and Data strengths
- Investing in features and sales



DATA & AI

- Leading mix; contextual + 1st party + behavioral
- Well prepared for ID-less world



COST

- Flexible cost structure
- Ability to adapt cost to protect profitability



GROWTH

- Resilient in weak macro environment
- Outlook; increasing CPM's & return to 2-digit organic growth



Thank You.