



Powering the Next Generation of Digital Advertising



Analyst & Investor
Afternoon
June 2015

An Introduction to
the Digital Advertising
Ecosystem

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Welcome

We are happy to welcome you to the Crossrider Analyst and Investor Afternoon. We are really glad to see you all here and can't wait to start this event. Our guest speakers at this event are NeoMobile and PWC.

Meet the Crossrider Team

Our team are here today to help you understand our business and our strategy



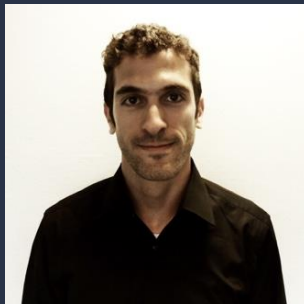
Koby Menachemi

CEO and Founder



Ran Goldi

VP Mobile



Shay Dadosh

CTO



Ziv Jonas

COO



Mark Carlisle

CFO



Meet Our Guest Speakers



Dan Bunyan

PWC




Gianluca D'Agostino


Neomobile & Onebip

Agenda

We will be explaining the Digital Advertising Ecosystem and how Crossrider fits in

 **Dan Bunyan**
Senior Manager
TMT Strategy
PWC

 **Koby Menachemi, CEO &
Ziv Jonas, COO**
Crossrider

 **Gianluca D'Agostino**
CEO
Neomobile & Onebip

The Digital
Advertising Ecosystem


Crossrider – Across the
AdTech Landscape


The Evolution of
Crossrider in AdTech


Crossrider
Mobile

A Customer's
Perspective

Summary and Q&A

 **Ran Goldi**
VP Mobile
Crossrider

 **Ran Goldi**
VP Mobile
Crossrider

 Don Elgie, David Cotterell,
Koby Menachemi, Mark
Carlisle, Ziv Jonas, Ran
Goldi, Shay Dadosh



The Digital Advertising Ecosystem

Dan Bunyan,
Senior Manager,
TMT Strategy, PWC



2008

2009

2010

2011



Dan Bunyan
Senior Manager, TMT Strategy, PWC

The Digital Advertising Ecosystem

In the space of 20 years the digital ecosystem has expanded dramatically. The AdTech market is highly complex, fast moving and fragmented. Where does the sector go from here?

Agenda

1

Digital advertising in context

2

A fragmented Ad Tech ecosystem

3

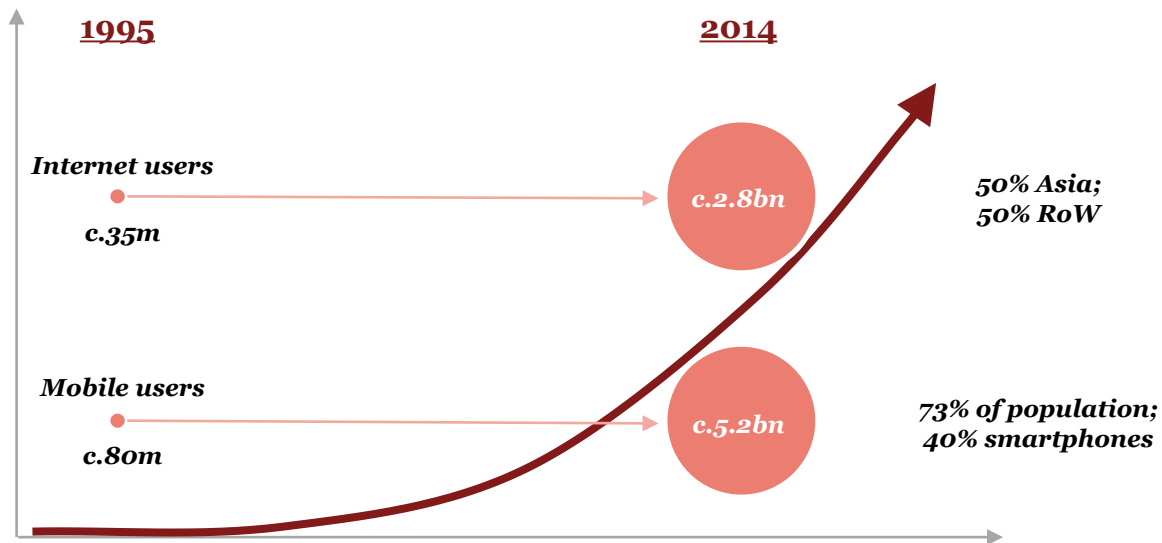
Trends and outlook for the sector





Digital advertising in context

In the space of 20 years, the digital ecosystem has expanded dramatically

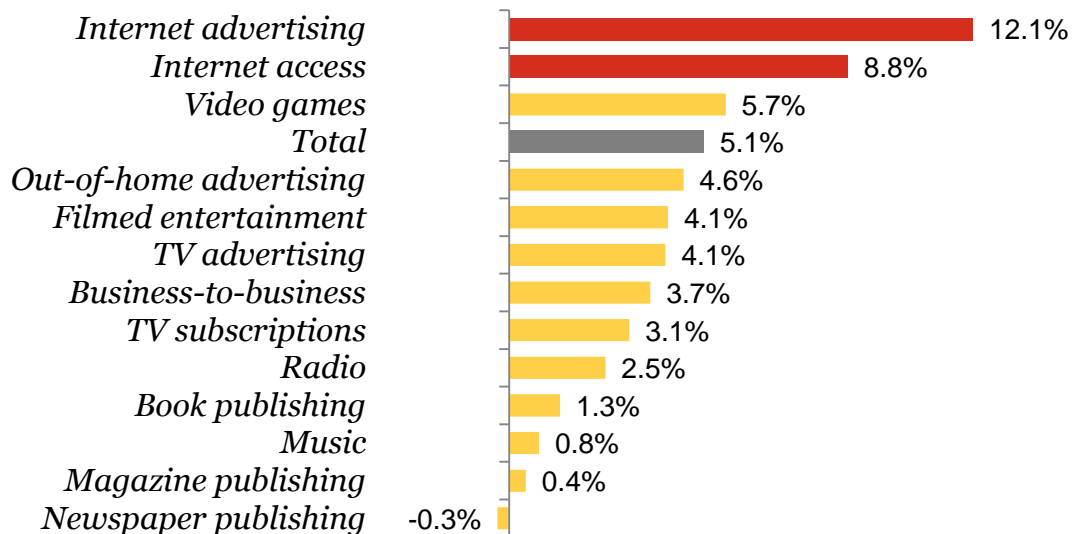


Source: KPCB Internet Trends 2015



Digital advertising and digital access remain the fastest growing sectors across media markets globally

Global growth in aggregate spending (2014 – 2019 CAGR)

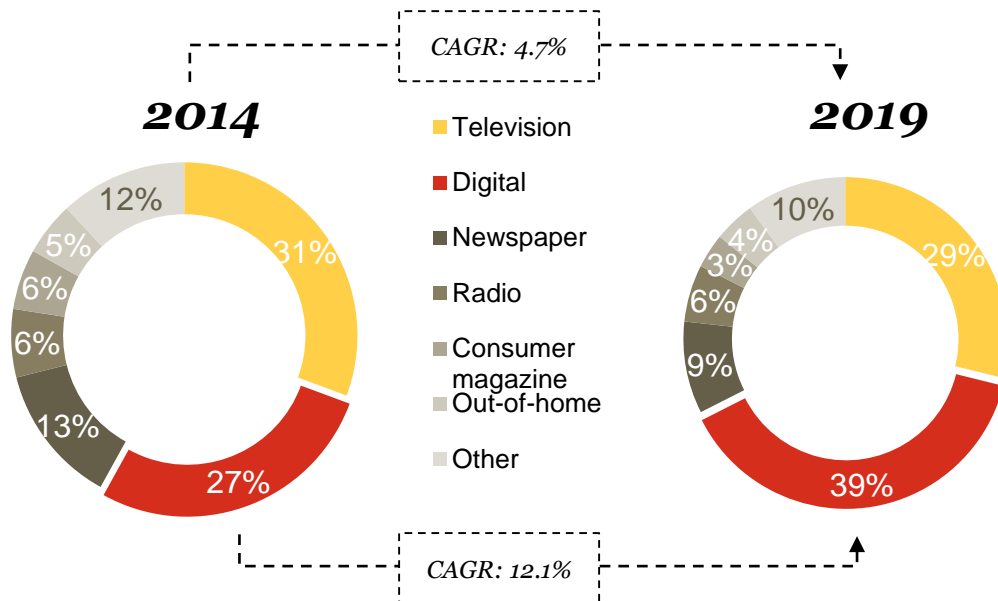


Source: PwC Entertainment & Media Outlook 2015



Digital is now taking the lion's share of advertising budgets globally

Global advertising spend by platform (share of total spend)

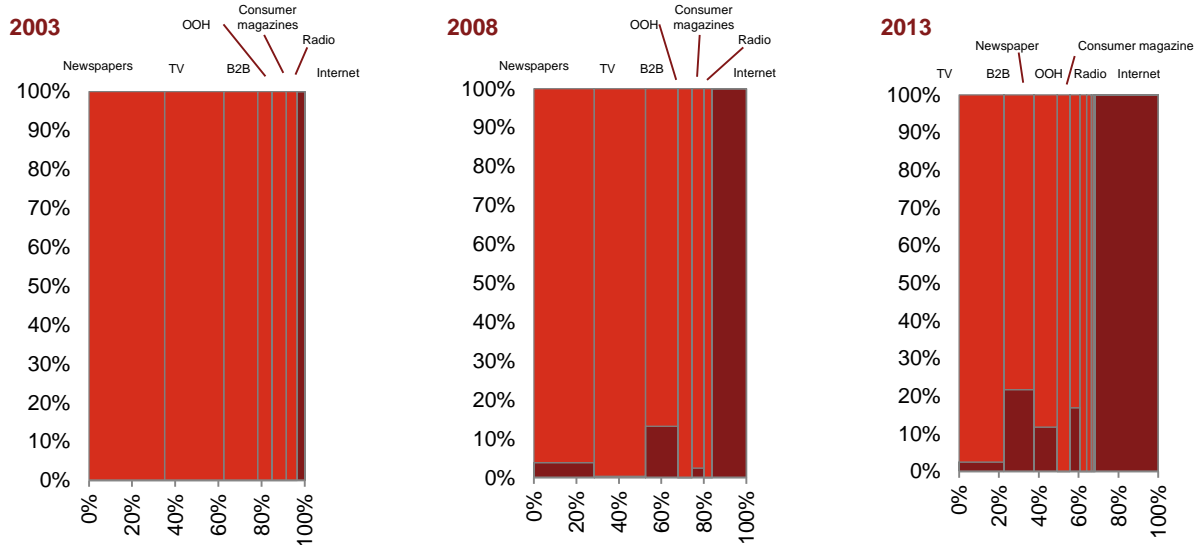


Source: PwC Entertainment & Media Outlook 2015



Digital is not only the largest in absolute terms, but is also complimentary to other media

UK advertising media mix

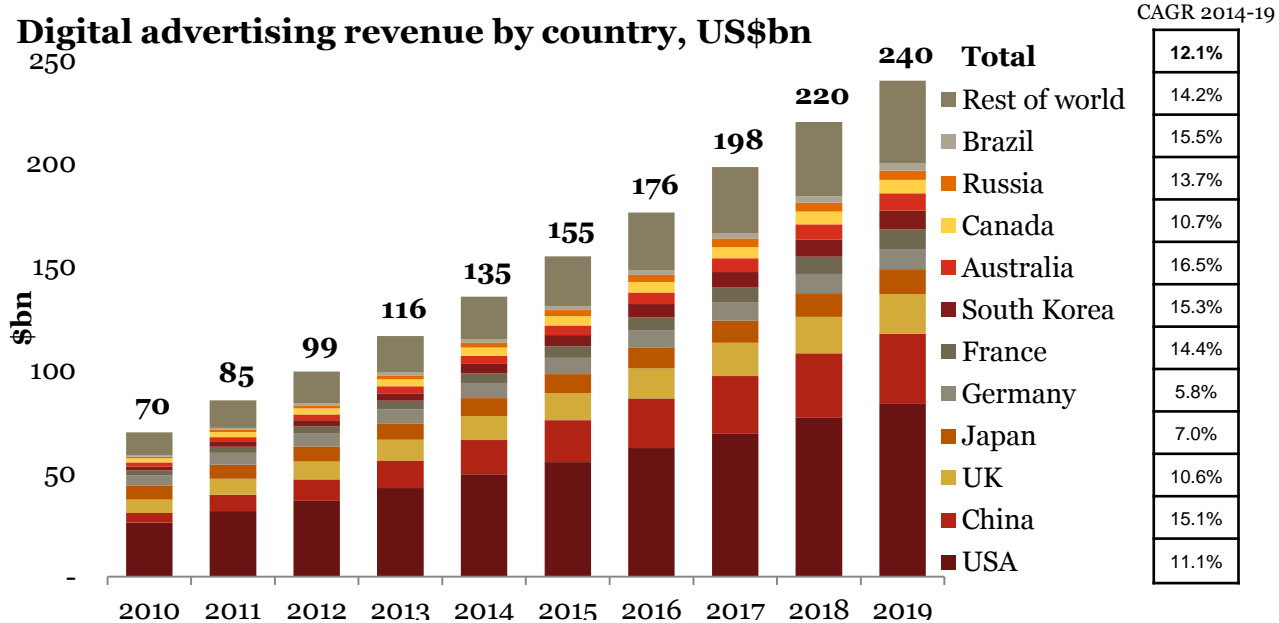


Note: Only online media are included in Internet - e.g. out of home digital advertising is not included
 Source: PwC Entertainment & Media Outlook 2015

Non-digital Digital



Over 80% of digital advertising spend is concentrated in ten major markets

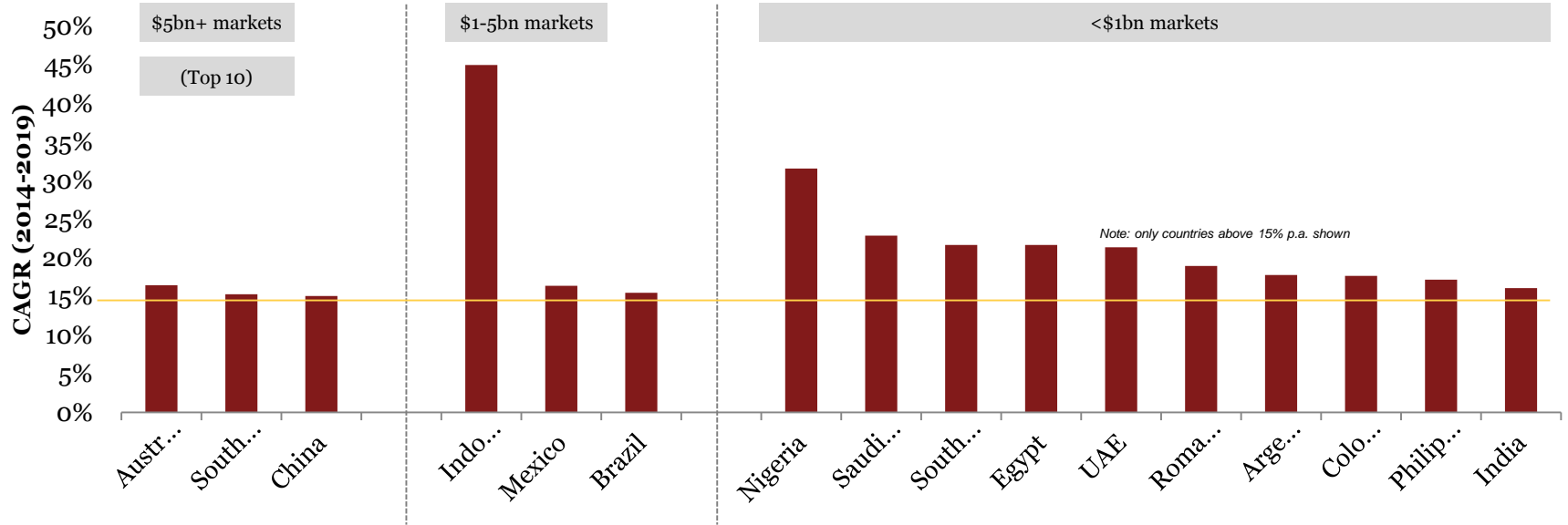


Source: PwC Entertainment & Media Outlook 2015



There are a number of fast growing digital advertising markets, primarily in Asia Pacific and Latin America

Digital advertising growth (2014-2019 CAGR)

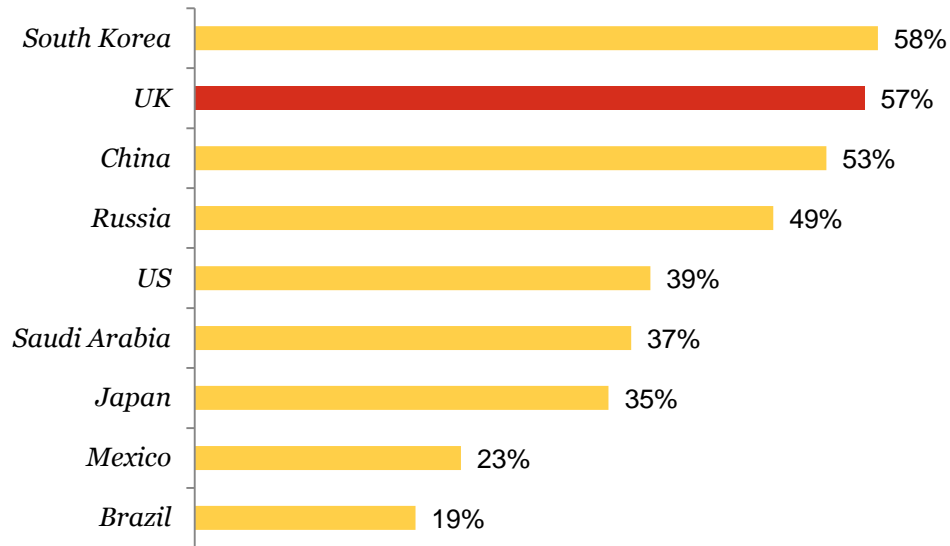


Source: PwC Entertainment & Media Outlook 2015



The UK ad market has one of the highest digital shares

Digital Share of Ad Spend, 2019



Source: PwC Entertainment & Media Outlook 2015



UK digital advertising is worth £7.2bn, and continues to grow strongly at 14% per year

UK Digital advertising market

£7.194 bn
market in 2014

an increase of £936m
year-on-year



14.0%
increase

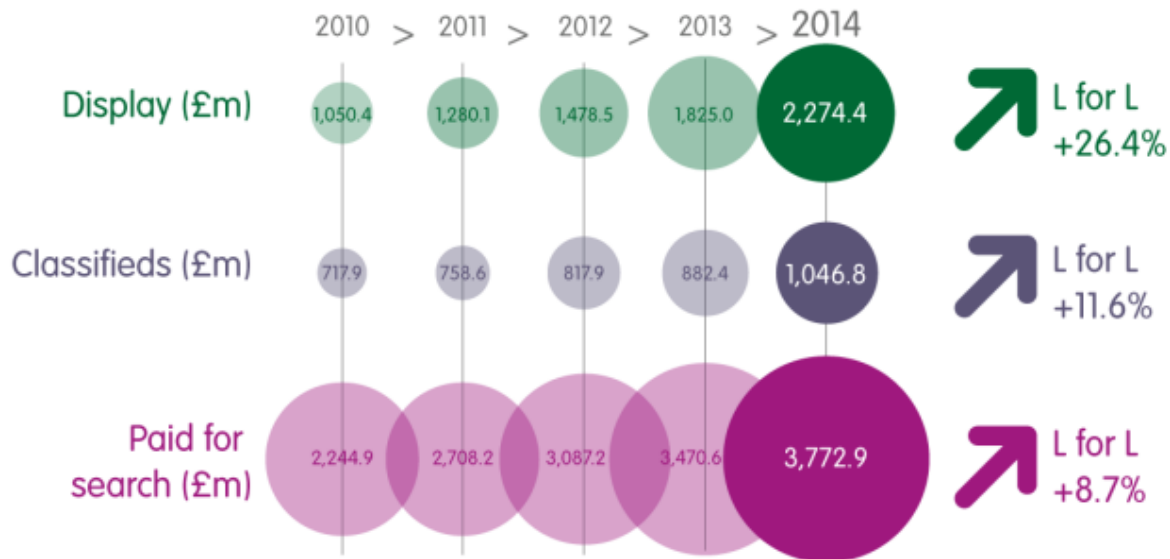
on a like for like basis

Source: PwC / IAB digital ad spend study 2014



Growth varies by advertising segment, with display the fastest growing segment currently

UK Digital advertising market

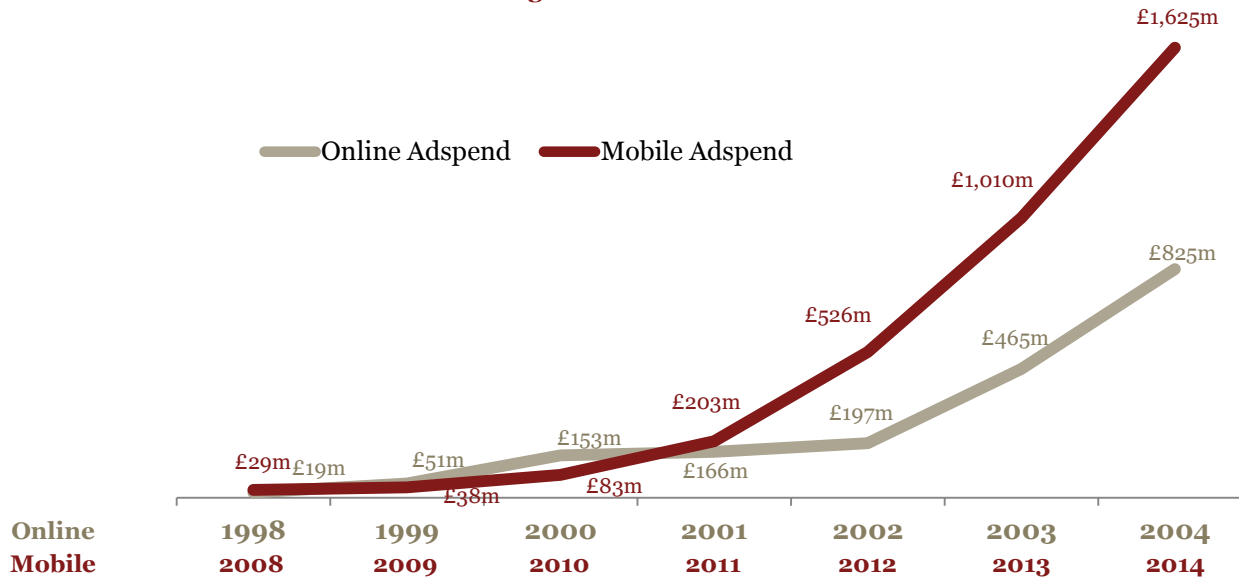


Source: PwC / IAB digital ad spend study 2014



Mobile advertising continues to grow rapidly, and at a much faster pace than online did historically...

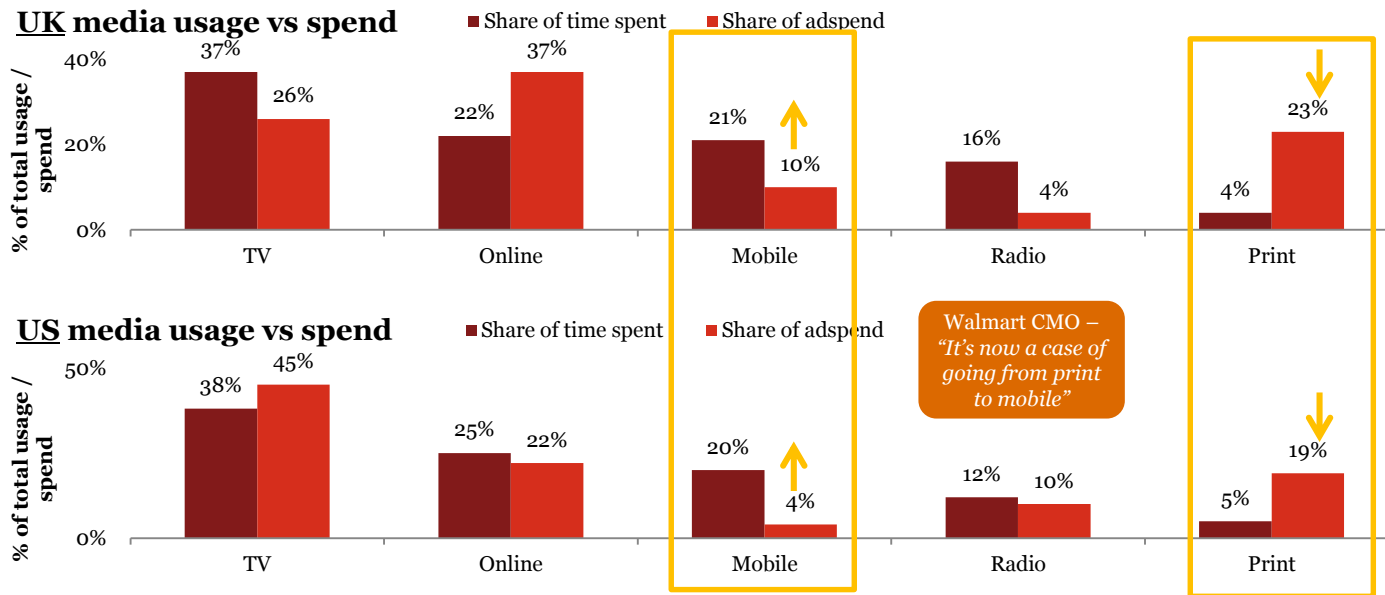
UK Total Online vs. Mobile Advertising evolution



Source: PwC / IAB digital ad spend study 2014



...and more opportunity still remains within mobile (when simply compared to time spent)



Source: PwC / IAB digital ad spend study 2014, PwC Entertainment & Media Outlook, emarketer, KPCB Mary Meeker, PwC Analysis

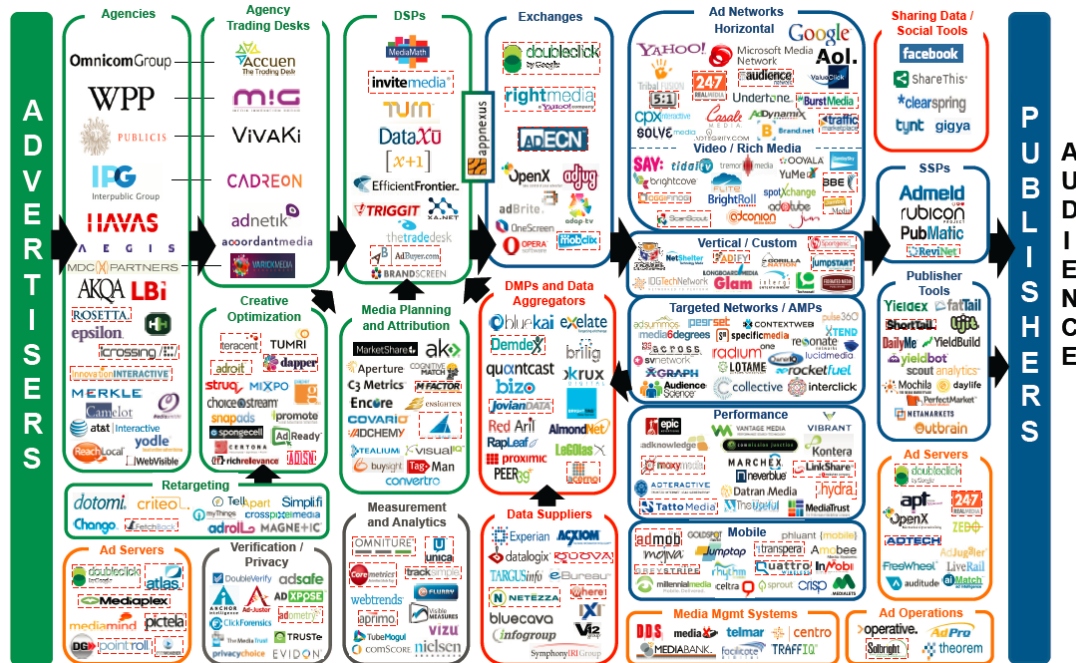




A fragmented Ad Tech ecosystem

The ad tech market is highly complex and fragmented

Digital display ad eco-system

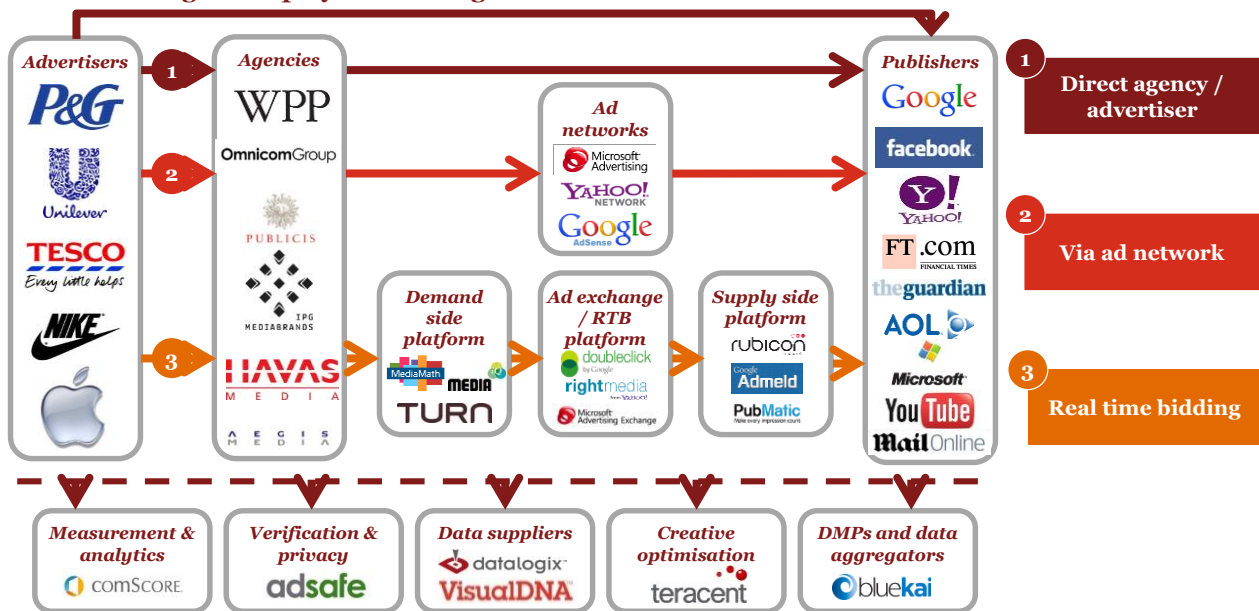


Source: Luma Partners



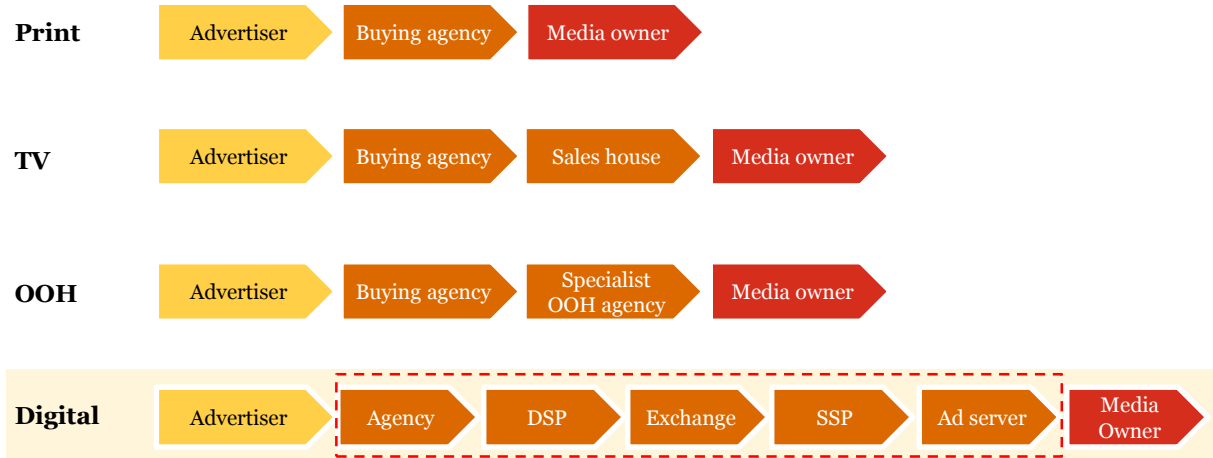
There are three primary routes through which media owner inventory is sold in digital advertising

Illustrative digital display advertising value chains



A number of intermediaries earn commission on digital advertising, and this mix continues to evolve over time

Illustrative advertising value chains



*Intermediaries now add/
extract a lot of the value*

Source: PwC Analysis





Trends and outlook for the sector

The market continues to evolve rapidly

Continued wave of M&A and broader industry consolidation

Programmatic becoming more mainstream; not just remnant inventory

An advertising ecosystem which now revolves around mobile devices

New premium ad formats in native and video which engage consumers



Consolidation is likely to continue, with a number of acquisitions in programmatic and data analytics

Selected recent transactions in the digital ad tech space

	Acquirer	Type of business	Target	Type of business	Date	Value
Data analytics	Google	Search & Ad Network	Adometry	Analytics and attribution	May-14	Not disclosed
	AOL	Ad Network	Convertro	Analytics and attribution	May-14	\$101m
	Oracle	IT / ERP solution provider	Datalogix	Data analytics	Feb-14	\$450m
	Twitter	Social network	Gnip	Data analytics	Apr-14	\$134m
	WPP	Agency	Comscore	Audience measurement	Feb-15	\$300m
	Media Math	DSP	Rare Crowds	Audience matching	Nov-14	Not disclosed
	App Nexus	DSP / Exchange	Yieldex	Digital sales analytics	Mar-15	Not disclosed
	Google	Search & Ad Network	Spider.io	Ad fraud detection	Feb-14	Not disclosed
	Media Math	DSP	Tactad	Tracking & measurement	Apr-14	Not disclosed
Programmatic	Rubicon	SSP	Chango	Retargeting	Apr-15	\$122m
	Gravity4	DSP / DMP	Triggit	Retargeting	Mar-15	Not disclosed
	Marin Software	SEO	Perfect Audience	Retargeting	Jun-14	\$23m
	Oracle	IT / ERP solution provider	BlueKai	DMP	Feb-14	\$450m
	Rubicon	SSP	iSocket & Shiny	RTB / automation platform	Nov-14	Not disclosed
	WPP	Agency	Bannerconnect	DSP	Feb-14	Not disclosed
	RTL	Media company	SpotXchange	Video SSP	Jul-14	\$144m
	Facebook	Social network	LiveRail	Video ad server	Jan-14	\$400m



Acquisitions in mobile have focused on networks and programmatic platforms, led by trade or VC

Selected recent transactions in the mobile ad tech space

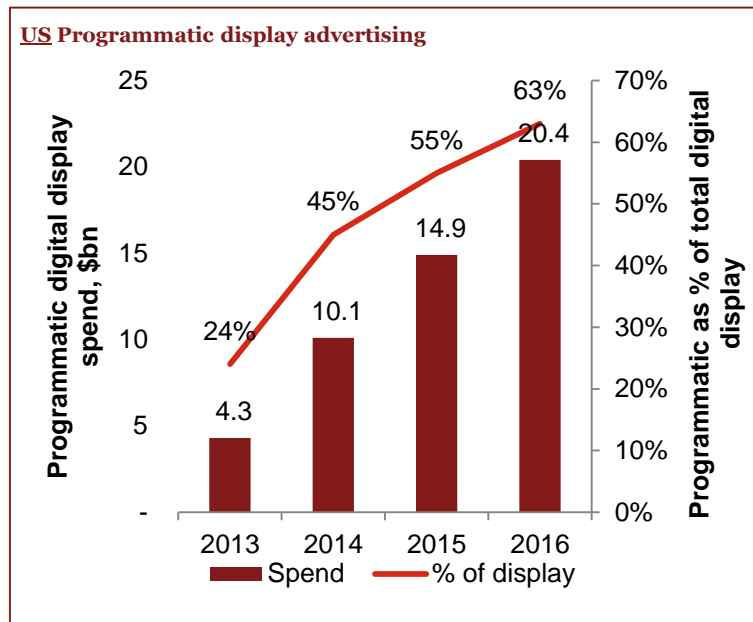
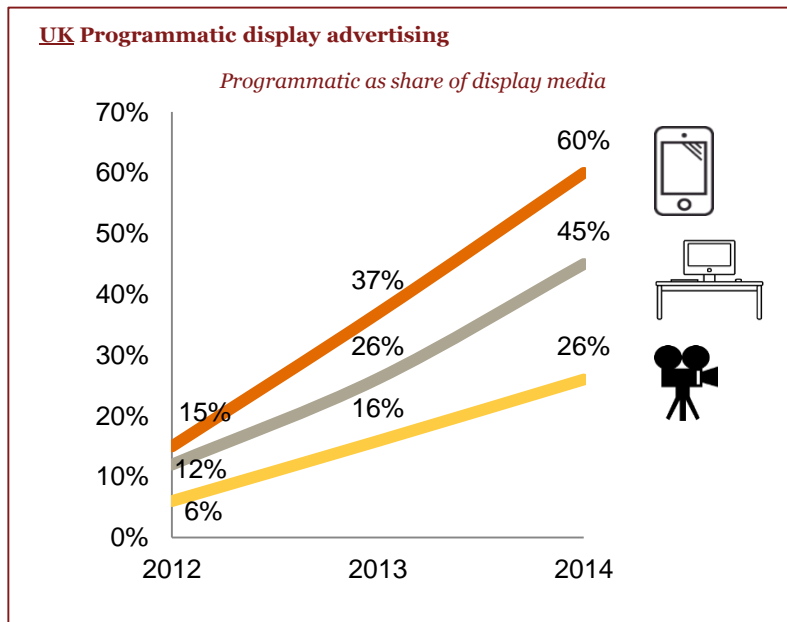
	Acquirer	Type of business	Target	Type of business	Date	Value
Trade	Yahoo	Search & Ad network	Flurry	Mobile ad network	Jul-14	\$200m
	Yahoo	Search & Ad network	BrightRoll	Mobile ad network	Jul-14	\$640m
	RNTS Media	Digital media co.	Fyber	Mobile ad network	Oct-14	\$190m
	Twitter	Social media	MoPub	Mobile programmatic	Sep-13	\$350m
	HasOffers	Mobile ad network	MobileDevHQ	Mobile app technology	Aug-14	Not disclosed
	Millennial Media	Mobile ad network	Nexage	Mobile SSP	Dec-14	\$108m
	Airpush	Mobile ad network	Hubbl	Mobile app technology	Oct-13	\$15m
	Tapjoy	Mobile ad network	5Rocks	Mobile analytics	Aug-14	Not disclosed
	Millennial Media	Mobile ad network	Nexage	RTB technology	Sep-14	\$107.5m
	Lotame	DMP	AdMobius	Mobile audience measurement	Mar-14	Not disclosed
VC	WPP	Ad agency	AppNexus	Mobile ad exchange	Sep-14	\$25m (minority)
	Sequoia Capital	Venture Capital	Chartboost	Mobile ad network	Jul-14	Raised \$19m
	Multiple	Venture Capital	Shazam	Mobile app (music recognition)	Jul-13	Raised \$30m
	Multiple	Venture Capital	Datasift	Social data platform	Dec-13	Raised \$42m
	Fidelity	Venture Capital	AppsFlyer	Measurement & analytics	Jan-15	Raised \$20m
	Aeris Capital	Venture Capital	Smaato	Mobile ad exchange	Aug-14	Raised \$25m



Programmatic is becoming more mainstream and will not be simply used for remnant inventory



The share of value captured by programmatic systems is around 40%, and is growing rapidly

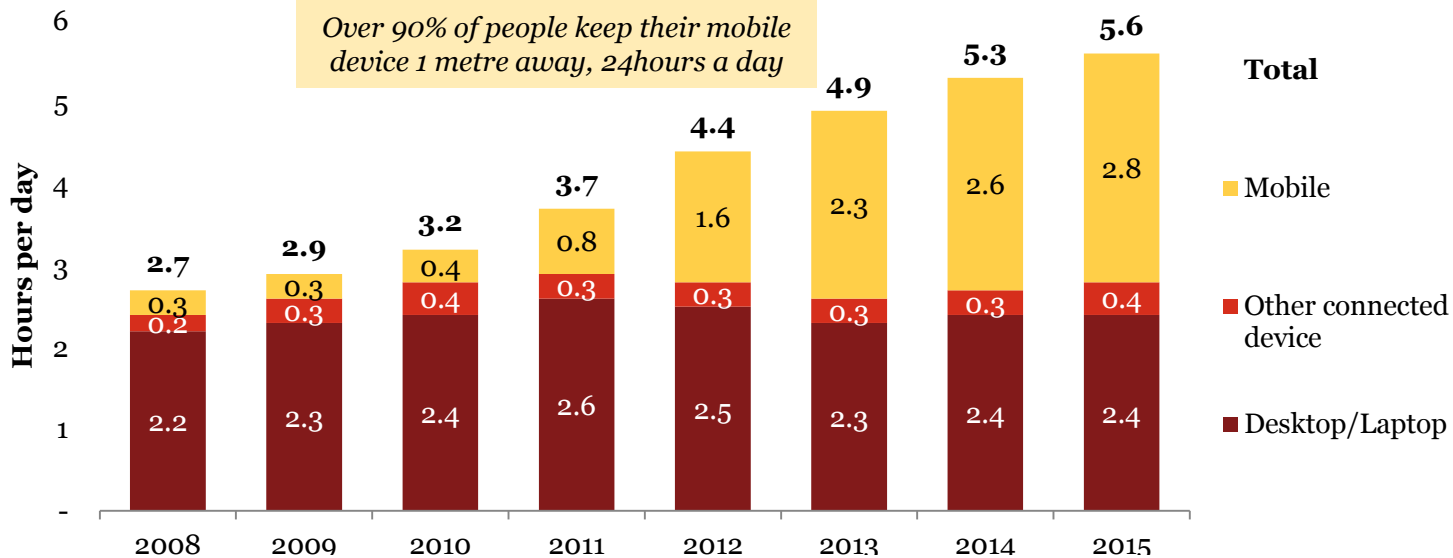


Source: IAB, emarketer, IDC



Consumers now spend 3hrs per day using their mobile device, and the ad ecosystem is now re-shaping...

USA - Time spent per Adult User per day with Digital Media



Source: KPCB Internet Trends 2015, emarketer



Mobile interacts with other media (TV, OOH), and allows advertisers to be more targeted / drive purchases

New uses and applications of mobile advertising



Out of home advertising interaction



TV interaction (second screen devices)



Shopping – mobile optimised websites



Location-based advertising

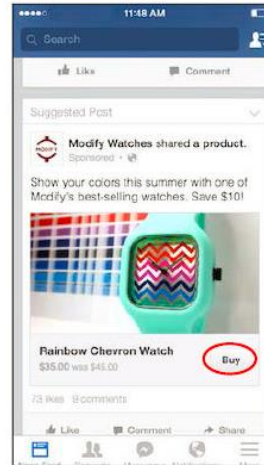


Advertisers and app developers are making it easier for consumers to purchase with their mobile devices

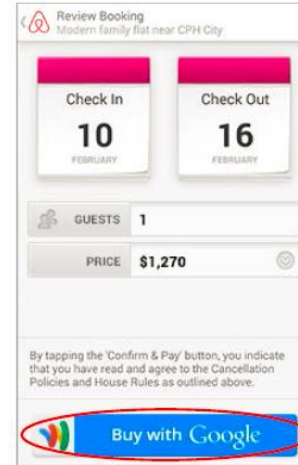
Twitter



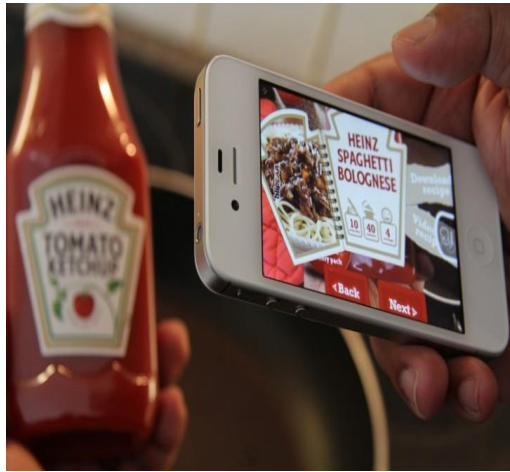
Facebook



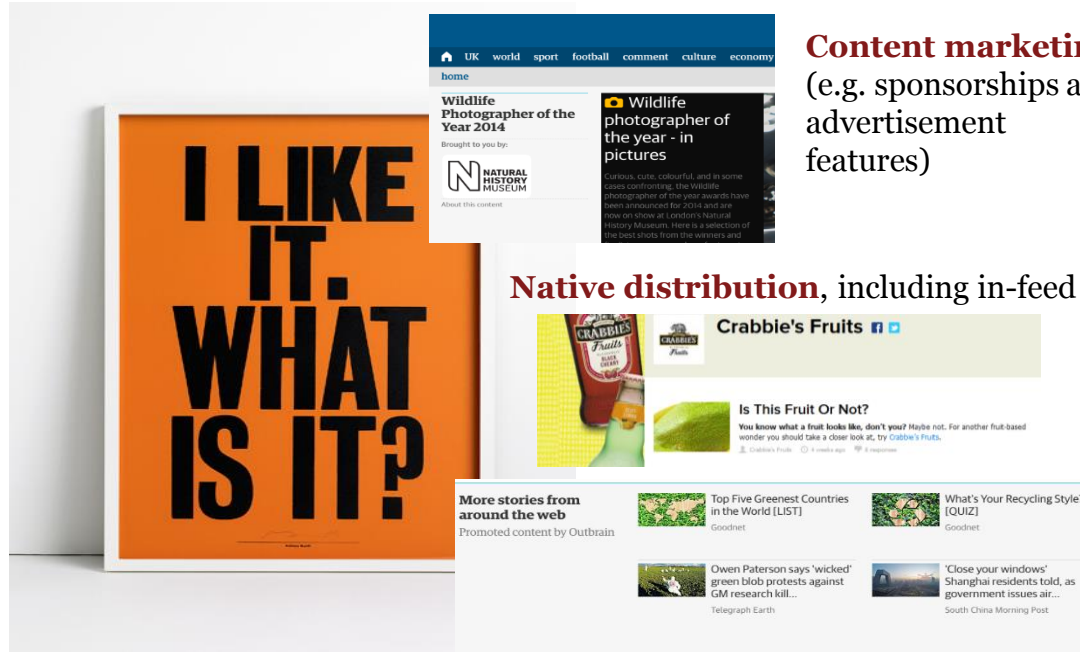
Google



And mobile has encouraged a wave of creative campaigns to ‘cut through the noise’



Content & Native advertising will become increasingly prominent across desktop and mobile



Video advertising continues to see investment, innovation and strong growth potential

The continued evolution of video advertising



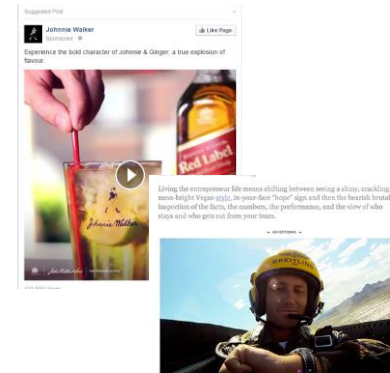
Pre/mid/post roll
video ads



Social (viral) video
formats



'In-read' video ads;
new placement types



Thank you

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Crossrider – Across the AdTech Landscape

Ran Goldi
VP Mobile, Crossrider



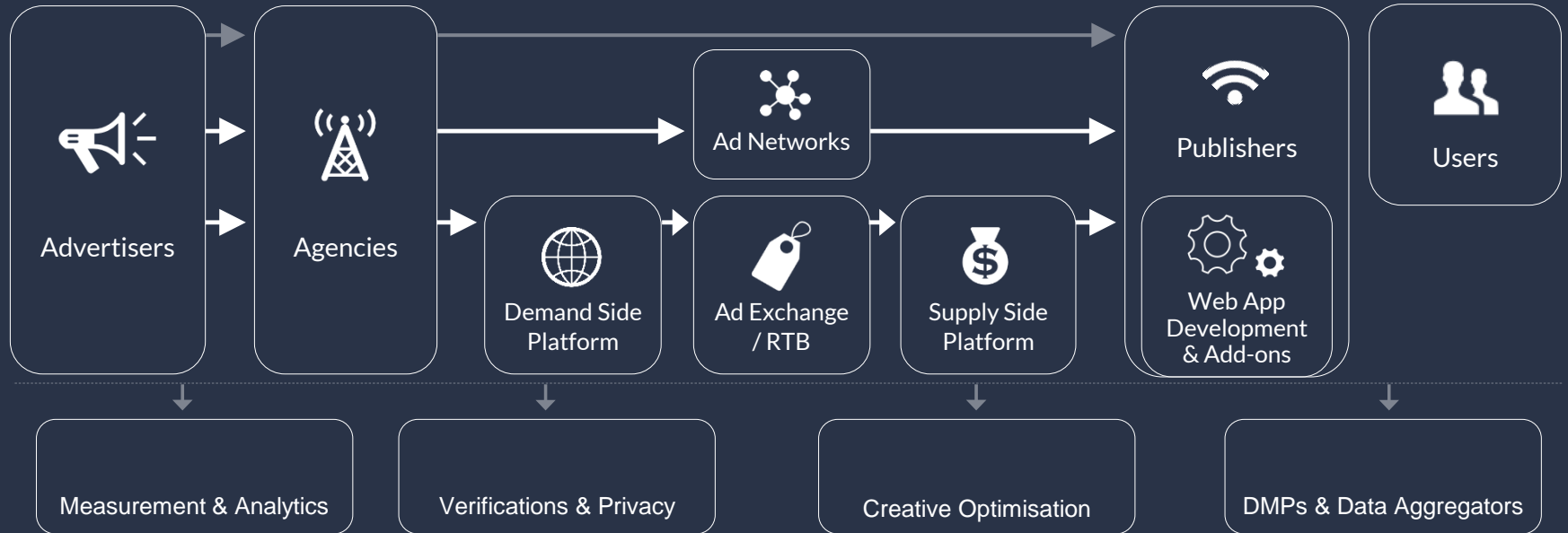


Ran Goldi
VP Mobile

Crossrider – Across the AdTech landscape

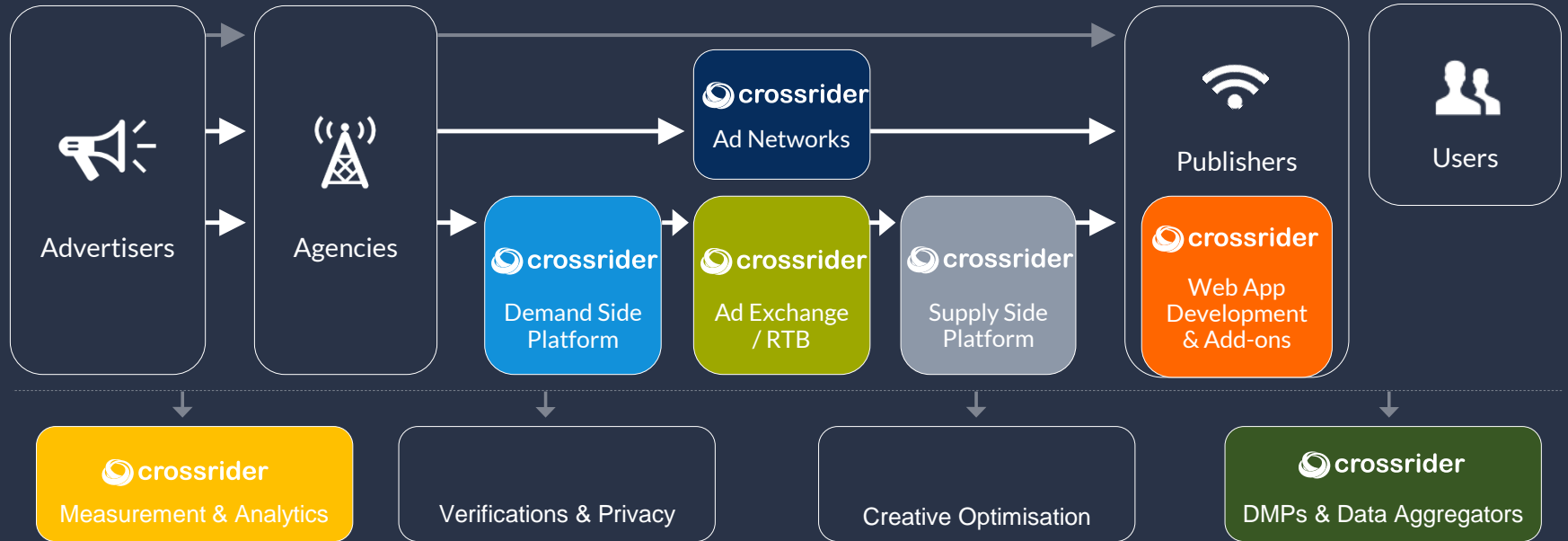
Where do we fit?

Advertising Value Chain



Current Market Positioning

The current market positioning of the Crossrider brands



Why Are We Different?

Web

- Development Framework
- Publisher Platform
- PC Software

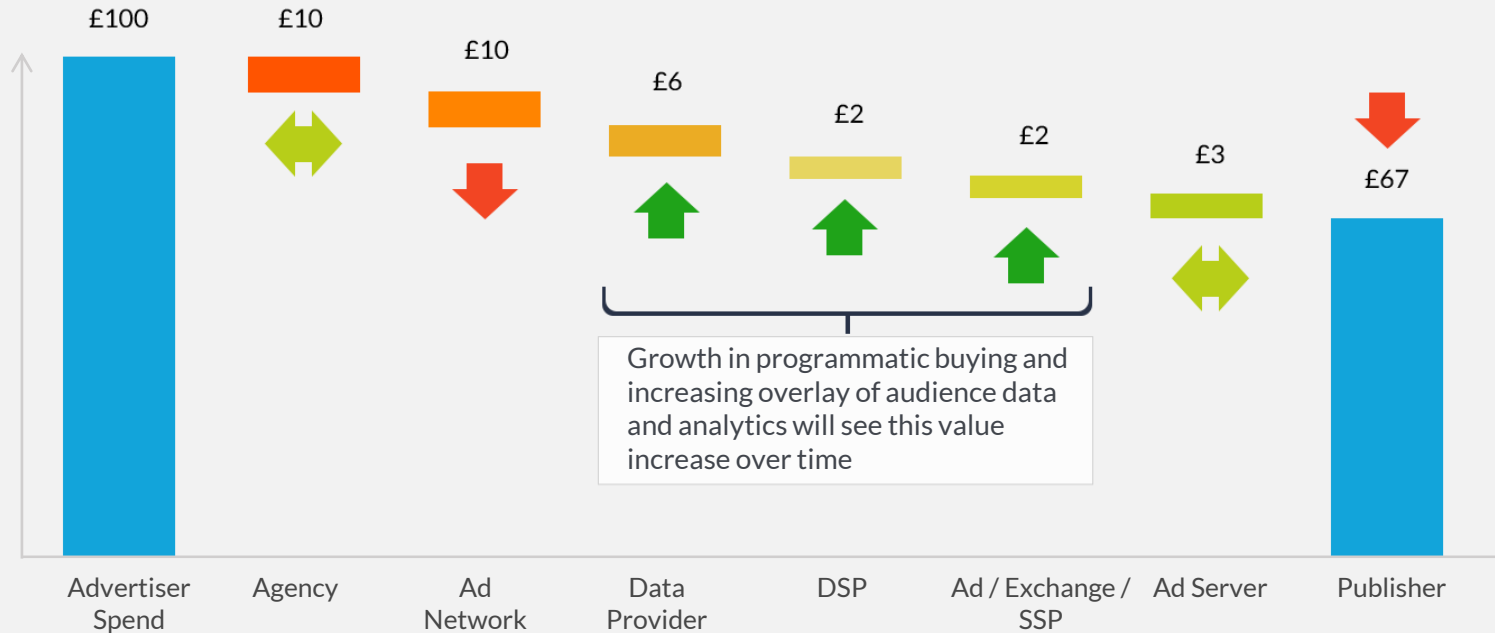
Mobile

- Ad network
- Ad server
- DSP
- Exchange



Market Perspectives

A number of intermediaries earn commission on digital advertising, and this mix continues to evolve over time



Company Structure



reimage

Desktop Apps
Distribution

crossrider
WEB

Web Apps Platform

qjillion

Mobile Management
Platform

Definiti Media

Mobile Ad Network

Crossrider Key Stats



Serving ads to more than 200M unique users monthly



The Evolution of Crossrider in AdTech

Koby Menachemi, CEO
and Ziv Jonas, COO
Crossrider



Koby Menachemi
CEO and Founder, Crossrider



Ziv Jonas
COO, Crossrider

The Evolution of Crossrider In AdTech

Our path in AdTech from 2011 to today

From Web to Mobile

2011

Apr

Crossrider was founded by Koby Menachemi and Shmueli Ahdut



2012

Jun

First Steps in AdTech

First steps in AdTech as web platform – helped developers to build web apps

The screenshot shows a TechCrunch article from June 28, 2012, by Frederic Lardinois (@frederic). The article is titled "Crossrider's Cross-Browser Extension Development Platform Comes Out Of Beta". It features a "STARTUP BATTLEFIELD" banner and social media sharing options. The article text begins with "The reinvigorated competition in the browser market of the last few years has definitely been a boon for users, having a number of browsers with very high user numbers makes life a bit harder for developers who want to write extensions. Crossrider, which is coming out of beta today, aims to make things a bit easier for developers. The service offers a cross-platform development platform for Chrome, Firefox,

Crossrider acquired by Market Connect, controlled by Teddy Sagi

Dec

2013

Sep

News Video Events Crunchbase Search

STARTUP BATTLEFIELD Now Accepting Applications For Disrupt SF Battlefield [Apply Today](#)

Cross-Browser Extension Development Platform Crossrider Sold For \$37M To Market.com: Confirmed

Posted Dec 17, 2012 by [Ingrid Lunden](#) (@ingridlunden)

631 SHARES

crossrider Crossrider, a platform that lets developers make extensions that can work across different web browsers like Chrome, Internet Explorer, Safari and Firefox, has been sold for \$37 million to [Market.com](#), according to

400M Installations

Crossrider reached 400M Web App installations

crossrider Developer Center My Apps Support, Crossrider

Create Cross Browser Extensions in **Minutes**

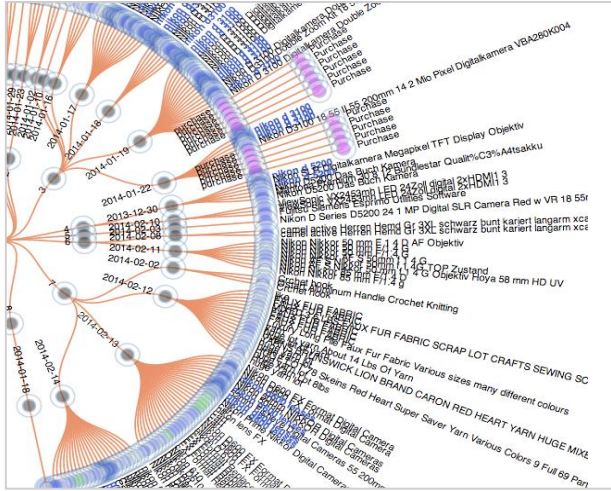
- Supports all major browsers
- Develop with javascript
- Publish to millions from day one

GET STARTED

Powering **400,786,021** Users

It's All About the Data

Big Data collected through web apps and the use of Crossrider's ad serving technology



20k+ data points collected and analysed per second



Data driven optimisation of traffic results in improved ROI



Crossrider does not collect or process any Personally Identifiable Information (PII)

October, 2013



Monetisation of Web Platform



Market Place

Rev-share model

70%

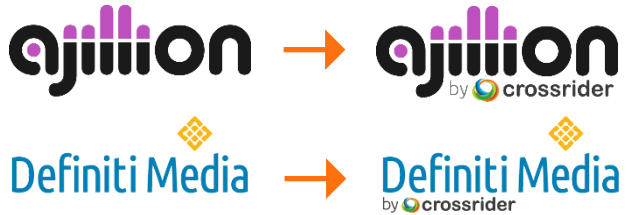
30%

2014

May

Entered Mobile Space

Crossrider acquired DefinitiMedia and Ajillion – companies which had already existed in the mobile space for two years.



Sep

IPO on AIM

Crossrider raised \$75M at IPO on AIM. Company value - \$250M.



Mobile is Booming

The average exchange has access to billions of mobile ad requests per day



Audience Data is a Must

Buying ad spaces will lose you money if you don't have a tech platform to help you reach and target the right audience



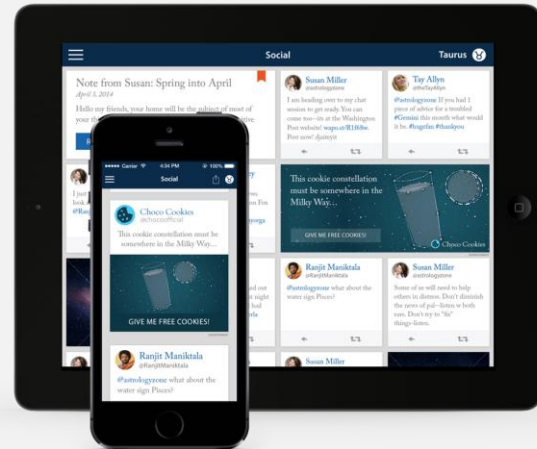
New Ad Formats

Must have tech to support new formats

Video Advertising



Native Advertising



Crossrider – the “Amazon Cloud” of AdTech





Crossrider Mobile

Ran Goldi
VP Mobile, Crossrider



Ran Goldi
VP Mobile

Crossrider Mobile

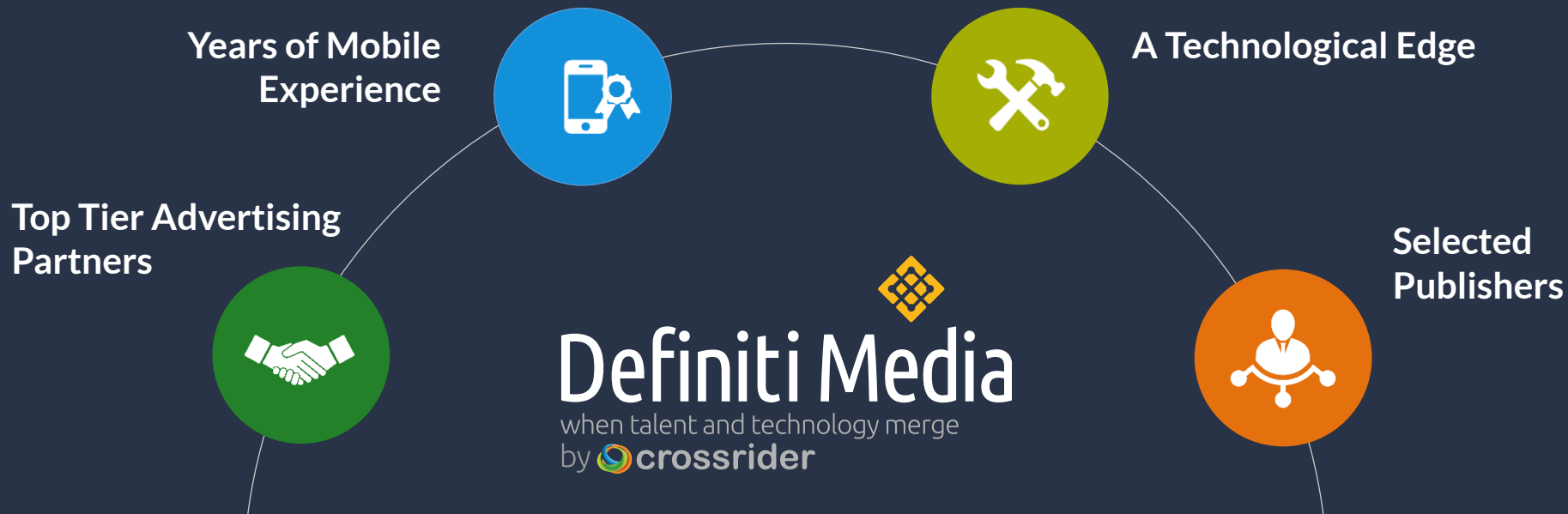
Our technology and media expertise

About Crossrider Mobile Companies



DefinitiMedia – Our Own Ad Network

In house customer – allows us to test products we develop on a market test case, before rolling them out



Crossrider's Mobile Platform



Platform Usage

Private Exchange

between in-house
advertisers and
publishers



Public Exchange

buying from other
networks



DSP

buying from ad
space aggregator



E-Commerce / Travel



Branding



User Acquisition

LIVE DEMO

The screenshot displays the Definiti Media user interface. At the top, the logo 'Definiti Media' is on the left, and user information 'Welcome, Goldi. Change password / Log out' and 'Network: DefinitiMedia' are on the right. A search bar is located below the network name. The main navigation bar includes 'Publishers', 'Advertisers' (highlighted), 'Reports', 'Traffic sources', and 'Users'. Below this, a breadcrumb trail reads 'Advertisers > CH > CH Mobile > Campaigns > CH-9G-Music-iOS'. The 'Tools' and 'Settings' buttons are on the far right.

The 'General information' section contains the following fields:

- Name: CH-9G-Music-iOS
- Status: Active
- Budget Type: Money (Network cost)
- Budget: Unlimited
- Daily cap: Unlimited
- Frequency cap: [] times during a 24 hours period
- Delivery priority: Regular
- Token name: clickid
- Start date: 2014-04-06 (Today)
- End date: [] (Today)
- Content ID: []
- Rating: []
- Description: []
- Offer type: Music & Audio
- Integration code: []

The 'Base pricing' section includes:

- Buy in Public exchange
- Bid Model: CPA
- CPA bid price: 10.000
- Set a different billing price model (than bid price)
- Billing Model: CPA
- Billing price: 12.000
- Pixel: Registration

The 'Creatives' section features a 'Bulk upload' button and a list of active creatives:

- iRadio_CH_MusicEverywhere_BANNER_V1_DE_price... (187550) 1200600
- iRadio_CH_MusicEverywhere_BANNER_V1_DE_price... (187551) 1600600
- iRadio_CH_MusicEverywhere_BANNER_V1_DE_price... (187552) 2000200
- iRadio_CH_MusicEverywhere_BANNER_V1_DE_price... (187553) 2500210
- iRadio_CH_MusicEverywhere_BANNER_V1_DE_price... (187554) 300050
- iRadio_CH_MusicEverywhere_BANNER_V1_DE_price... (187555) 3000210

Below the list, the details for the selected creative are shown:

- Name: iRadio_CH_MusicEverywhere_BANNER_V1_DE_5
- Type: Image
- Size: 300 X 250
- File:

Crossrider Mobile





A Customer's Perspective

By Gianluca D'Agostino, CEO,
Neomobile & Onebip





Gianluca D'Agostino
CEO, Neomobile & Onebip

A Customer's Perspective

“We partner with Crossrider because they help us extend our reach within in the mobile ecosystem and bring value to our customers.”

What is Neomobile Group?

An internationally integrated **mobile commerce player**, focused on **digital goods** and **Carrier Billing**

Group provides a **mobile monetisation platform** to more than 100 merchants and content providers



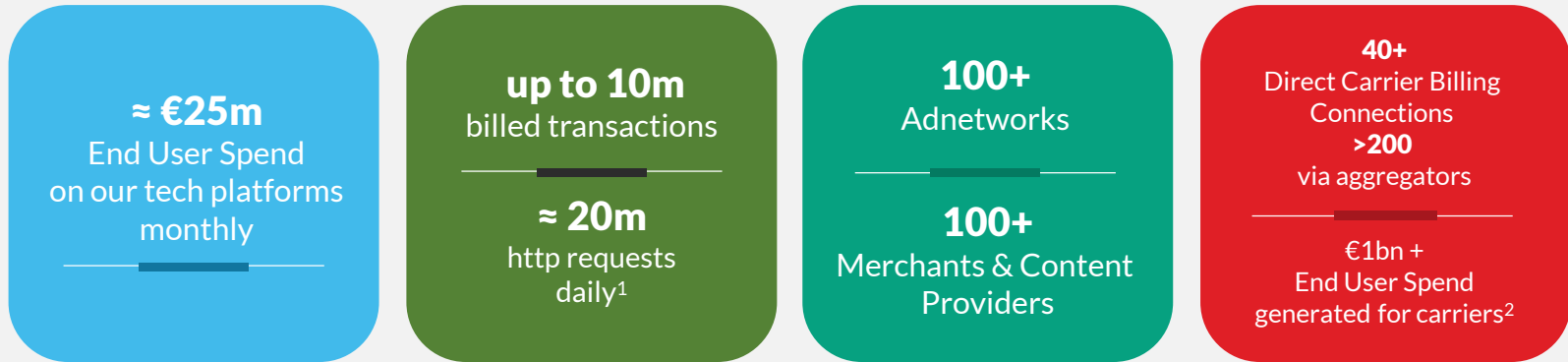
One of Crossrider's top mobile advertisers in a number of European and Latin American countries

Neomobile Group has 3 go-to-markets: **B2C** and **B2B**. For this latter one has spun off a dedicated company - **Onebip**

Neomobile Mission & Key Figures

A distributor of **digital goods** to consumers

A **mobile monetisation** platform for **Digital Merchants & Adnetworks**



Notes:

1. Average in Q2 2014
2. Cumulated End User Spend since Neomobile incorporation in 2007

Neomobile Group Spin-off



B2C-B2B2C

Subscription

Mobile Browsing

Europe Latam

Revenue - GP

Regulated Market



B2B

Freemium

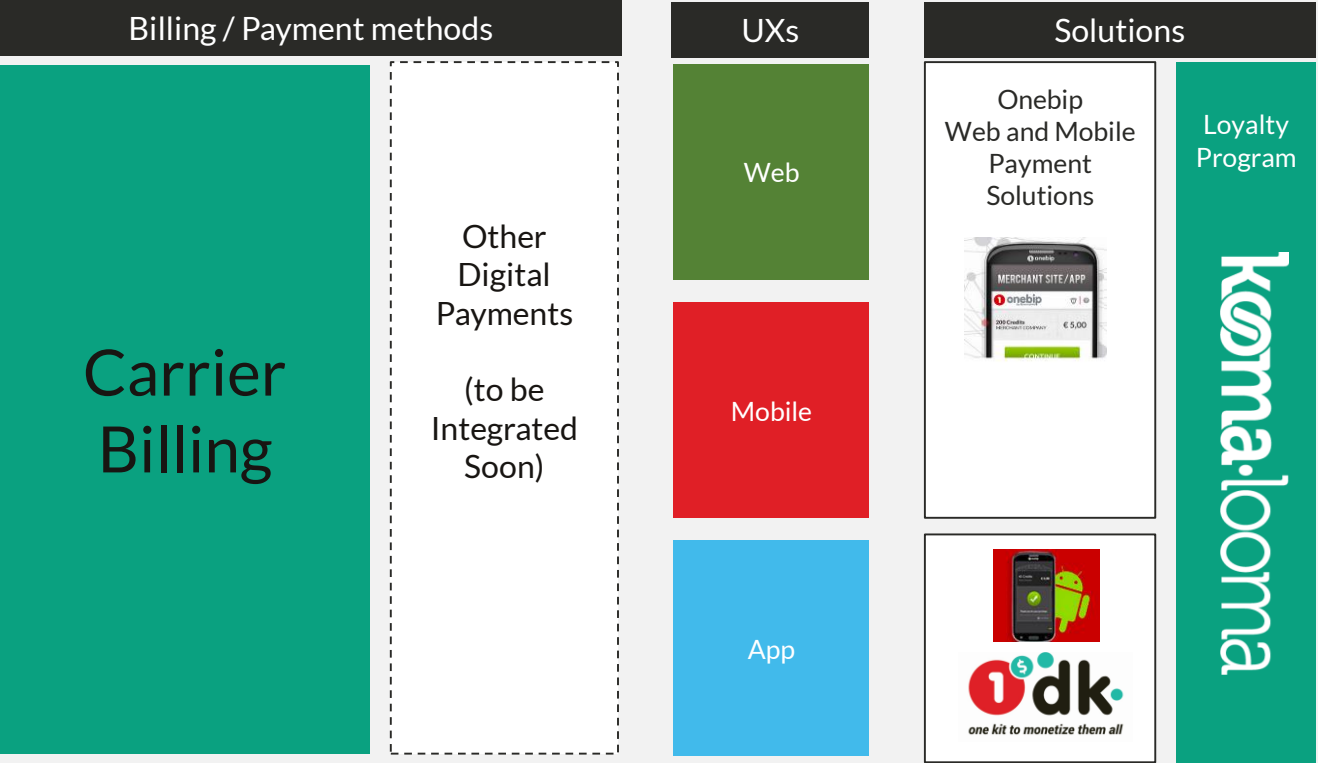
Mobile Browsing + App Ecosystem

Global

Volumes + Growth

Lower constrains

Onebip Solution Suite



How Neomobile works with Crossrider

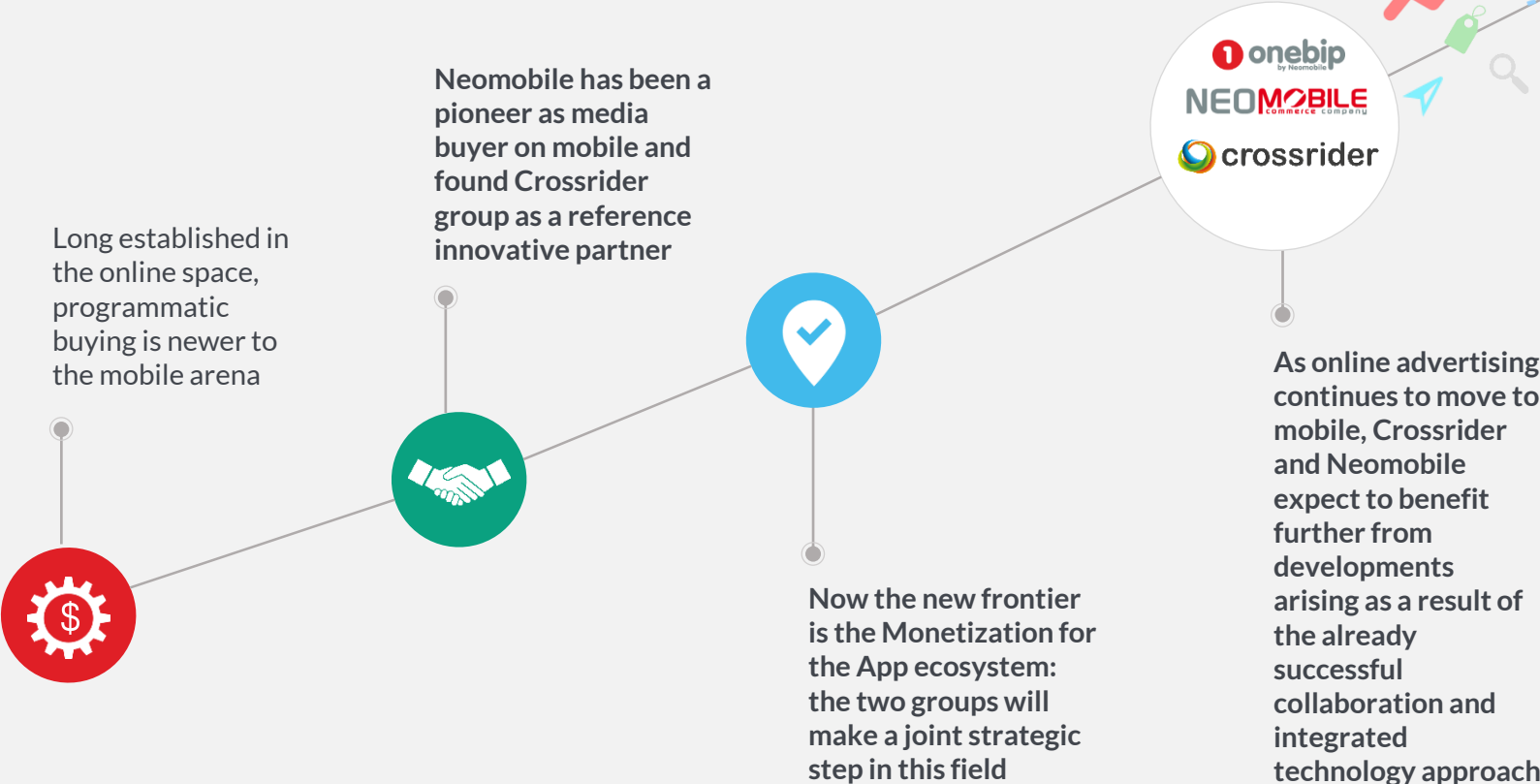
A successful partnership demonstrating the advantages of using technology that is 'mobile from inception'

Started with **DefinitiMedia**, as one of several ad networks, now it's **one of the top 5** for Neomobile

Continued with **Ajillion**, integrating directly into **Crossrider's** programmatic media buying platform

The Mobile Payment company **Onebip** chose **Ajillion** as a monetisation platform for app developers, **1DK launched in TLV 2 weeks ago**

Partnership Value





Summary and Q&A Session





Koby Menachemi
CEO, Crossrider

Summary and Q&A

Summary



Technology
company - creator
of platforms



Platforms &
services spread
across the value
chain



Focused on mobile

Investing for the future

What have we been doing since IPO to drive the business forward:





Q&A Session



Thank you!
