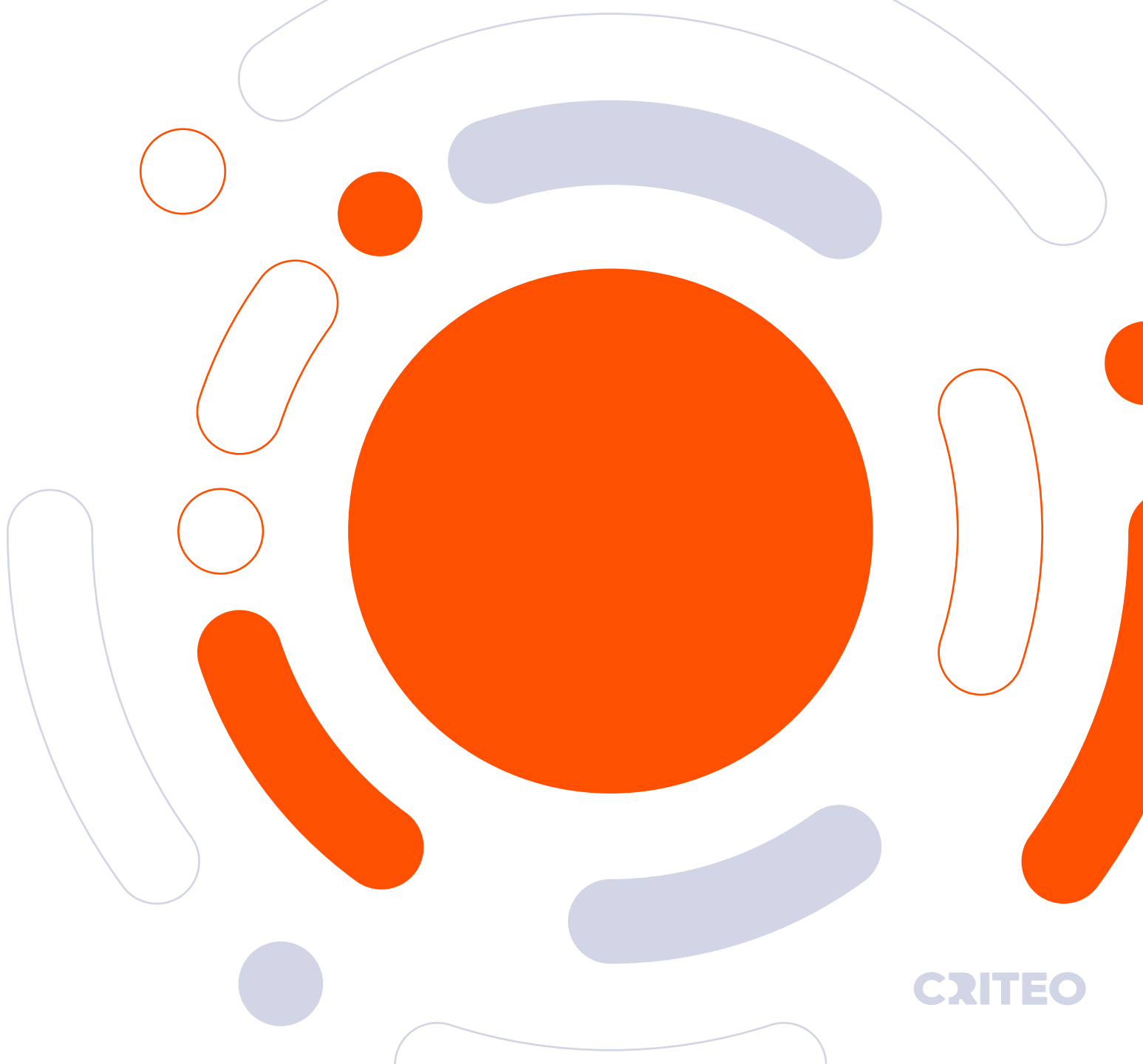


August 2021

# Criteo Q2 2021 Earnings

Investor Presentation



CRITEO

# Safe Harbor Statement

This presentation contains “forward-looking” statements that are based on our management’s beliefs and assumptions and on information currently available to management. Forward-looking statements include information concerning our possible or assumed future results of operations, business strategies, financing plans, projections, competitive position, industry environment, potential growth opportunities, potential market opportunities and the effects of competition and other actions by our counterparties. Importantly, at this time, there is still uncertainty regarding the timing and scope of proposed changes to and enhancements of the Chrome browser announced by Google. In addition, the COVID-19 pandemic is still having a significant impact on Criteo’s business, financial condition, cash flow and results of operations. There are significant uncertainties about the duration and extent of the impact of the COVID-19 virus. The dynamic nature of the Chrome- and COVID-19 related circumstances means that what is said in this presentation could materially change at any time.

Forward-looking statements include all statements that are not historical facts and can be identified by terms such as “anticipates,” “believes,” “could,” “seeks,” “estimates,” “intends,” “may,” “plans,” “potential,” “predicts,” “projects,” “should,” “will,” “would” or similar expressions and the negatives of those terms. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Forward-looking statements represent our management’s beliefs and assumptions only as of the date of this presentation, and nothing in this presentation should be regarded as a representation by any person that these beliefs or assumptions will take place or occur. You should read the Company’s most recent Annual Report on Form 10-K filed on March 2, 2020, and in subsequent Quarterly Reports on Form 10-Q, including the Risk Factors set forth therein and the exhibits thereto, as well as future filings and reports by the Company, completely and with the understanding that our actual future results may be materially different from what we expect. Except as required by law, we assume no obligation to update these forward-looking statements publicly, or to update the reasons actual results could differ materially from those anticipated in the forward-looking statements, even if new information becomes available in the future.

This presentation includes certain non-GAAP financial measures as defined by SEC rules. As required by Regulation G, we have provided a reconciliation of those measures to the most directly comparable GAAP measures, which is available in the Appendix slides. Reconciliations also are available in our earnings release for the second quarter 2021, which is available on our website at [www.criteo.com](http://www.criteo.com).

# Strategy & Progress on 2021 Priorities

Megan Clarken, CEO



CRITEO

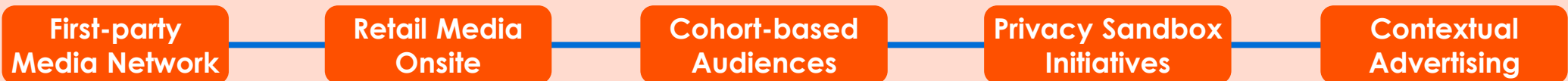
# Foreword on Google's Latest Announcement

## Google has delayed the deprecation of third-party cookies through 2023

- ✓ Welcome news for people who rely on a vibrant and healthy open internet
- ✓ Does not change or impact Criteo's strategy and product roadmap
- ✓ Criteo will further advance its lead on 1P data during this extended period

## Our strategy is to connect first-party data across our ecosystem and create viable marketing and media monetization alternatives that don't depend on third-party identifiers

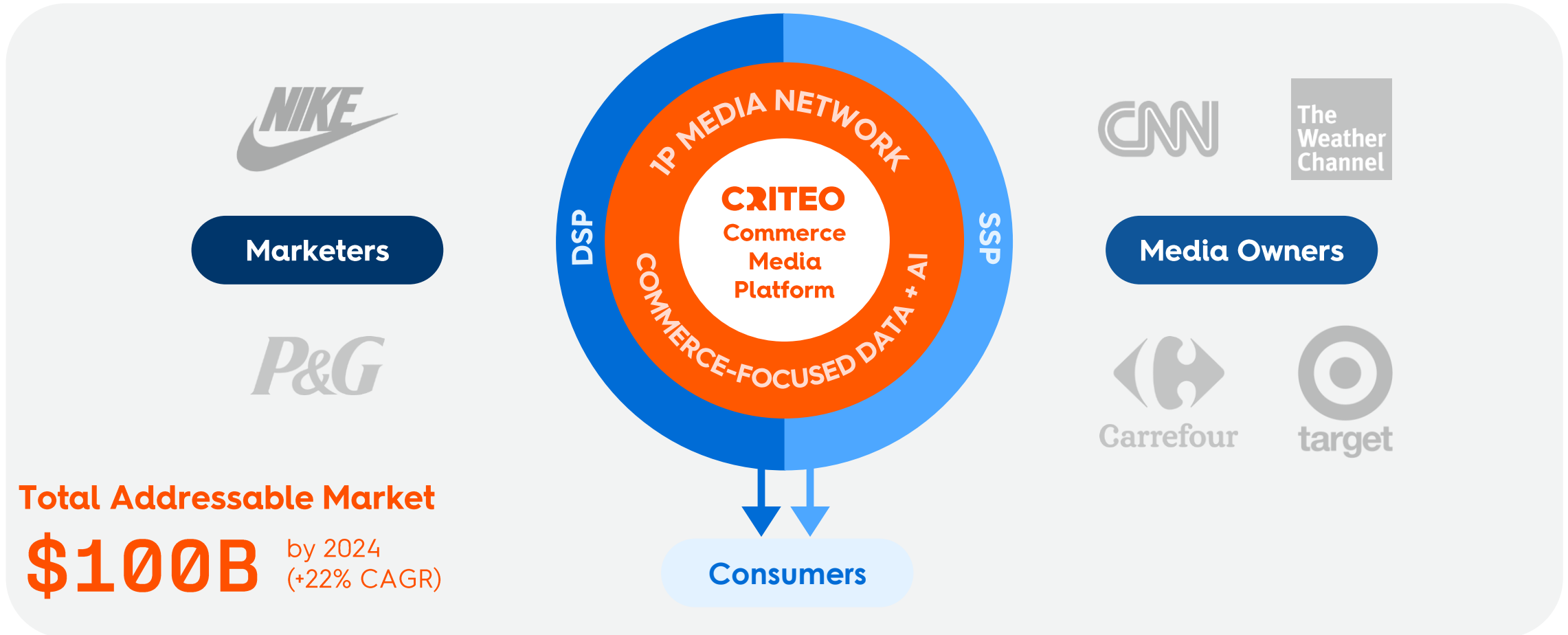
- Our products enable marketers and media owners to use first-party data to reach and engage their audiences in a consented and privacy-safe manner



The future of commerce on the open internet relies on 1st-party data to connect marketers, brands and consumers  
**Only Criteo's Commerce Media Platform can bring these together in a vibrant, open garden**

# Criteo's Commerce Media Platform Strategy

Poised to win in Commerce Media with strong first-mover advantage and defensible moats

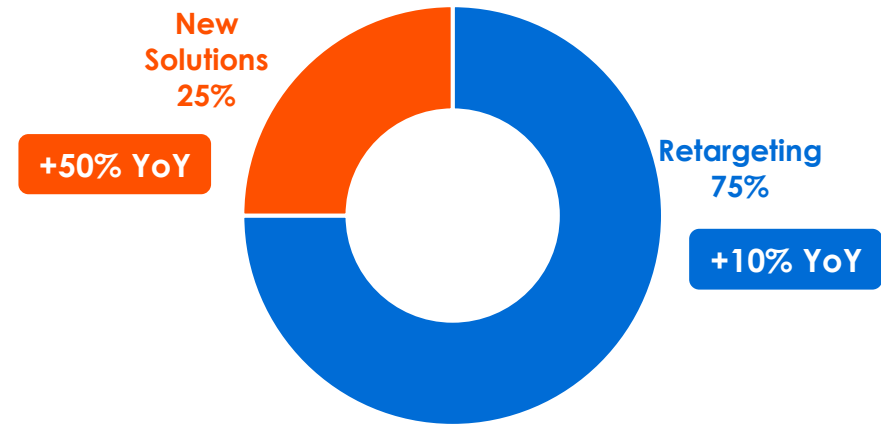


# Delivering on our Priorities in Q2: Growth

Revenue ex-TAC Growth\*



Q2 2021 Revenue ex-TAC Mix & Growth\*



# Case Study: a Global American Sportswear Giant

## Global U.S. Sportswear Giant



### Long-term partnership with **CRITEO**

Across U.S., South America, Asia-Pacific

- Developing audience-based scenarios
- Driving incremental ecommerce return
  - ✓ First-party audience activation
  - ✓ New customers reach
  - ✓ Online + in-store



## Q2 Results

**+75% sales QoQ**  
(Retail and Clearance Sale website segments)

**+200% on-site conversions YoY**



**CRITEO** Rev ex TAC  
**+130%** vs. Q2 2020  
**+180%** vs. Q2 2019

# Delivering on our Priorities in Q2: Execution

## Marketing Solutions

- ✓ New solutions grew **+52%**
  - Solid bookings for new **Contextual** product
- ✓ Momentum in **Agency business** for awareness and consideration spend
  - Leverage to penetrate **new verticals**

## Product

- ✓ Good progress on **Contextual, Video & CTV**
- ✓ Build-up of **Criteo SSP** providing DSPs privileged access to Criteo's direct publisher network
  - **450+ publishers** activated '**third-party demand**'

## Retail Media

- ✓ **+10 net new retailers** & **+15** retailers transitioned to the **Retail Media Platform**
  - **Best Buy**, first retailer signed in Japan, fashion U.S. retailer, member-only big-box U.S. retailer
- ✓ **+200 net new brands**
- ✓ **Mabaya** acquisition bringing marketplace tech

## Supply

- ✓ Growing share of **direct supply**
  - Added **top global soccer site** ahead of 2021 UEFA Euro
  - **Tech tax reduction**
  - **Supply Path Optimization**
  - **Cookie-less addressability**
    - **~60%** of our web DAUs addressable through publishers we have **direct integration** with



# Delivering on our Priorities in Q2: First-Party Data



## Criteo serves both marketers and media owners

- Better first-party data solution for the supply side combined with control of demand side data and spend
- Reduction of multi-hop data loss along the value chain

## Connected first-party supply will become the **ONLY** way

to provide the opportunity for both marketers and media owners to effectively advertise and monetize consumer audiences on the open Internet in the post-cookie world



Investments in infrastructure



Criteo SSP



1P data-based Retail Media



Open source SSO

# Looking Forward...

We remain laser-focused on the same 3 priorities

1

## Growth

accelerating our momentum,  
focusing on commerce,  
making thoughtful  
investments and attracting  
and retaining the best and  
brightest talent

2

## Execution

maintaining a high do/say  
ratio in everything we do

3

## First-Party Data

focusing on leapfrogging the  
market post-cookies, using  
our competitive moat of  
consented 1st-party data  
across our marketer and  
media network

# The Future is Wide Open

# Financial & Operational Update

Sarah Glickman, CFO



CRITEO

# Q2 Outperformance Across the Board

		% YoY	vs. Q2 guidance	Identity/Privacy Headwinds **
Activated Media Spend	\$620M	+31%*		
Revenue	\$551M	+22%*		
Revenue ex-TAC	\$220M	+18%*	+4 points	\$(8M) (4) points
Adj. EBITDA	\$67M	+61%*	+12%*	
Net Income	\$15M	+144%		
Non-GAAP Diluted EPS	\$0.63	+133%		
Free Cash Flow	\$13M	(11%)		

# Solid Momentum Across Portfolio of Solutions

1

## Solutions

- ✓ +50% New solutions to 25% of total business
- ✓ +10% Retargeting
- ✓ +52% Targeting Solutions
  - ✓ +31% Audience Targeting
  - ✓ ~+200% Omnichannel
- ✓ +49% Retail Media

2

## Clients

- ✓ Over 21k total clients
  - ✓ 40% live clients use New Solutions
- ✓ +700 net new clients QoQ
- ✓ +16% Same-client Rev. ex-TAC

3

## Regions

- ✓ +23%\* Americas Rev. ex-TAC (+15 pts vs. Q1 2021)
- ✓ +13%\* EMEA Rev. ex-TAC (+15 pts vs. Q1 2021)
- ✓ +20%\* APAC Rev. ex-TAC (+25 pts sequentially)

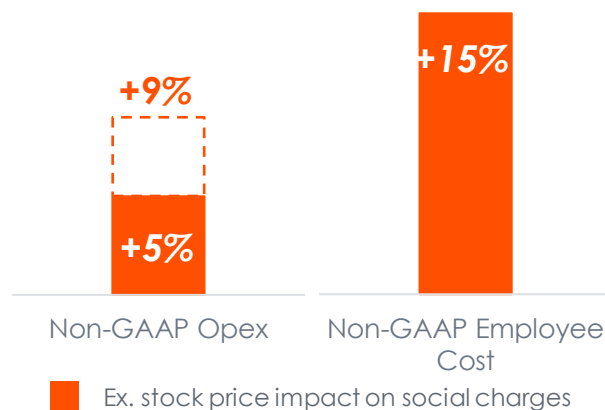
# Investing in Growth while Managing Expenses

## Q2 Key Investments

- Solution sales **talent and skillsets** for **Product and R&D** teams:
  - **Contextual** advertising
  - Commerce **Insights**
  - Online **marketplaces**
- **Back-office capabilities** and tools to **support our new solutions**

**Funded through productivity and cost savings**

## Q2 Expenses YoY Growth



**\$10 million** pre-tax restructuring and transformation costs

**80% real-estate**-related to downsizing footprint

## Q2 Adjusted EBITDA

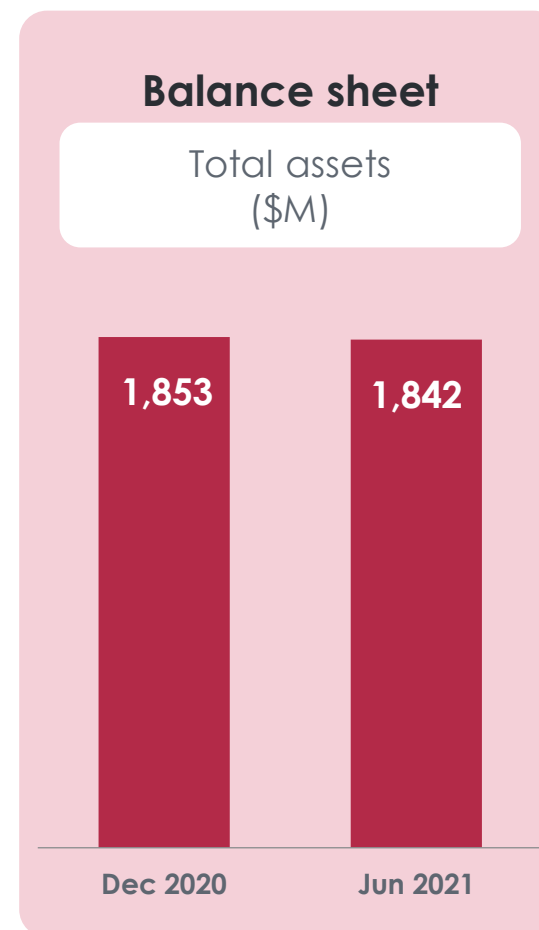
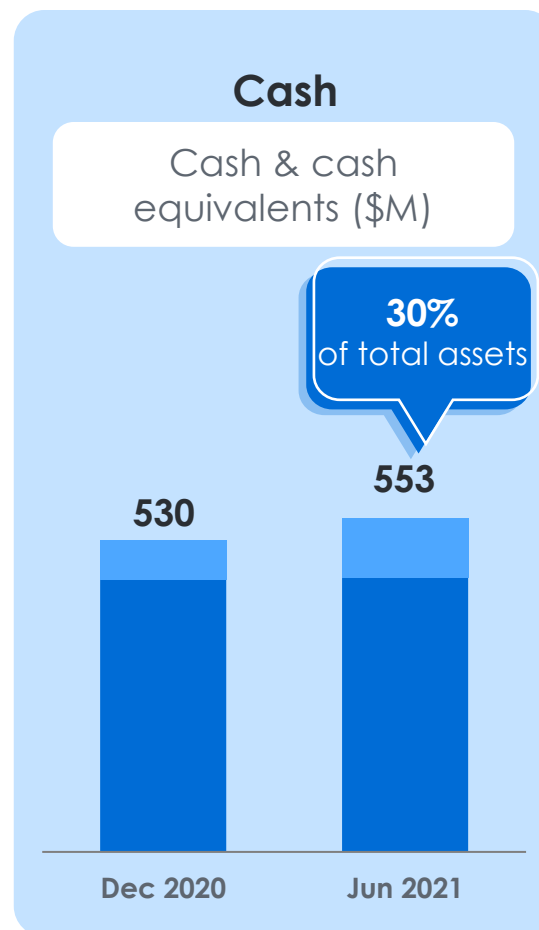
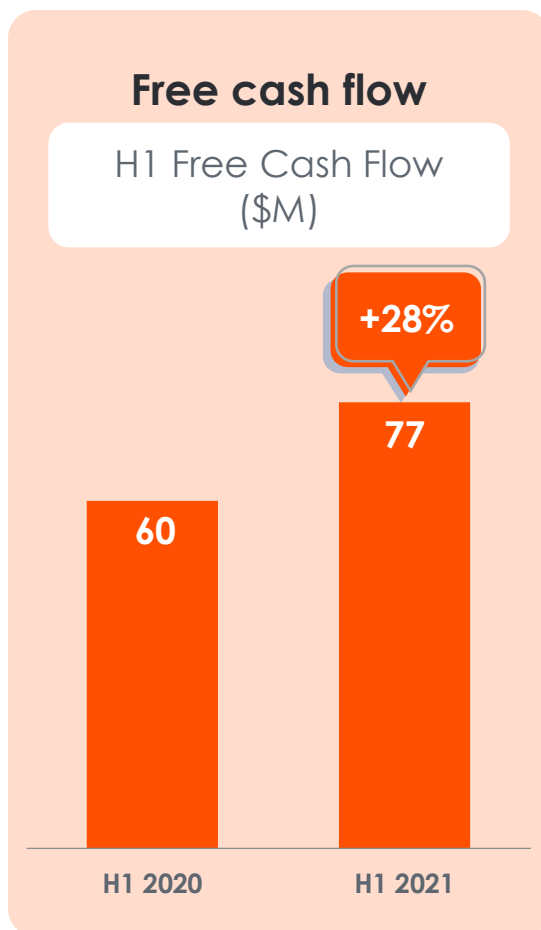
**\$67M**

**+61%\* YoY**

**31% margin**

**+9 points YoY**

# Strong Balance Sheet & Cash and Liquidity Position



**\$1B+\***  
total financial liquidity

**\$415M**  
Committed financing

**\$250M\*\***  
equity raise capacity

Executing a  
**\$100M**  
Share Repurchase  
program in 2021;  
**\$35M**  
share repurchased in H1

■ Marketable securities

# Raising our 2021 Outlook

## Backdrop

Retail re-opening, sustained secular trends in online commerce, tougher comps for YoY growth in H2, limited Travel recovery and incremental identity impact, largely driven by Apple's ATT in iOS

## FY 2021

### Revenue ex-TAC

**+6% to +8% growth** at constant currency

- Strengthening our Commerce Media Platform
- New solutions to grow by over 50% in 2021
- Maintain \$(55) million assumption of incremental identity and privacy impact in 2021 – including \$(26)M in Q4 alone

### Adjusted EBITDA

**~32% margin** of Revenue ex-TAC

- Operating leverage as topline grows faster than expenses

## Q3 2021

**\$202M to \$205M, or +8% to +9% YoY** growth at constant currency

- Momentum in Commerce Media Platform, with continued strength in Retail
- ~60% growth in new solutions
- Slow rebound in Travel
- Underlying growth in retargeting offset by \$(17M) incremental identity and privacy impacts

**\$47M to \$50M**

- Higher investments in growth areas, and social charges on RSUs due to higher stock price



# Investment Thesis



## Compelling Vision

We bring every consumer richer experiences by powering the world's marketers and media owners with trusted and impactful advertising



## Large TAM

\$100B+ market opportunity by 2024  
+22% CAGR



## Competitive Moats

1st-Party Media Network  
1P Commerce Data  
Broad consumer reach  
Unique Retail Media  
AI Tech for Commerce  
Large global client base



## Track-Record & Transformation

Fast-growing new solutions  
High client retention  
Increased ecommerce focus and investment



## Attractive Financial Profile

Return to growth  
Solid profitability  
Strong cash flow  
Strong balance sheet



# ESG at **CRITEO**

# Environment at Criteo



Criteo's server infrastructure accounts for one of our largest environmental impacts.



\*Criteo's operations rely on large data center units and several smaller networking rooms, also known as Points of Presence (POPs). Criteo installed its servers in 13 data centers worldwide, all of which belong to external service suppliers.

Enhance **sustainable practices among vendors** for hosting and hardware recycling, and hardware procurement.



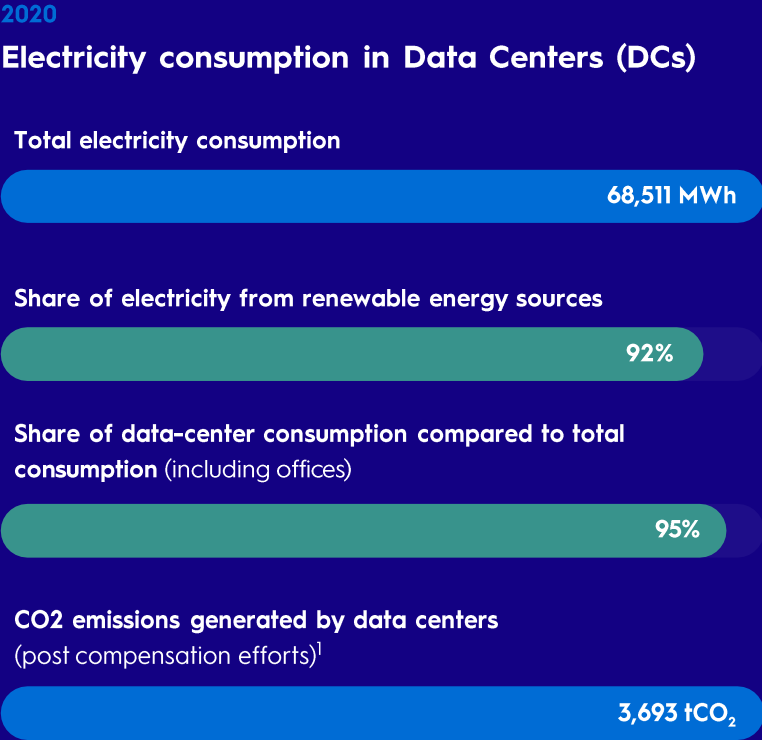
**SINCE 2016**  
Criteo asked for a guaranteed extension for the servers from three to five years.



**2020**  
Criteo produced **65.5 tons of e-waste**



**BY 2021**  
Criteo intends to have **100%** of its Data Centers energy compensated using renewable energy sources or certificates.



<sup>1</sup> Regarding the calculation method of CO2 emissions, for data centers totally powered with renewable energy or for which compensation using renewable energy certificates is performed, the emission factor is considered to be zero. For other data centers the local factor is used.

# Environmental impact of Offices and Travel



Many of our offices were built according to high environmental quality norms.

**68%**

of our offices are covered by a **green certification** based on offices areas in m<sup>2</sup>.



Remote working has become the norm for all employees in 2020, due to Covid-19.

**"In 2020, the low carbon emission from business trips is due to the travel freeze."**



We sort and recycle waste and we have waste recycling bins, and battery recycling containers.



We are taking steps to **implement an approach to responsible purchasing for furniture, office supplies and events**, by including sustainable criteria in the choice provided.

# Others

2020

Criteo extended the work we were doing with Tree Nation by creating a “Criteo global forest”.

**1393**  
trees planted

**219 t CO<sub>2</sub>**  
captured

Promote a  
**paperless** work  
environment



The Green community (Criteo Cares ERG) aims to raise employees’ awareness of environmental issues and to support Criteo’s transformation towards a more responsible future.

More than

**100**  
active members

**10**  
green initiatives

Criteo signed the “Planet Tech Care” manifesto, partnering with other French technology companies and Syntec Numérique (SN helps companies leverage digital technologies to reduce their environmental footprint) to address environmental issues and support Criteo’s transformation to a more responsible future.

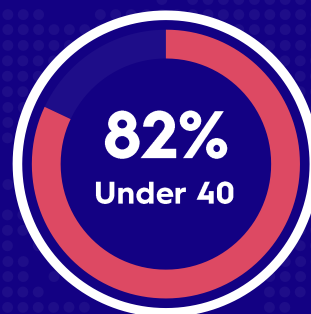
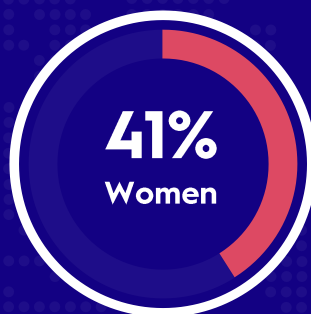
# Diversity and Inclusion at Criteo

CRITEO

DEC 31 2020

## Criteo's **global** workforce

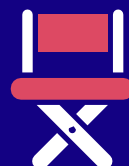
**2,617**  
Employees



**85**  
Nationalities



**31%**  
Female Managers



**30%**  
Female Directors



**39%**  
promoted were women

**2020**

As per French regulations, we disclosed our Women-Men Equality Index for France:

**89/100**

Criteo is taking steps towards **gender balance and equality** with an increase in female employees in 2020 in both the general population of employees, as well as director positions.



**Megan Clarken**  
CEO

One of the few women worldwide leading a global IT company.



**Rachel Picard**  
Chairman of Criteo's Board



**Sarah Glickman**  
Chief Financial Officer

# Criteo Cares

Criteo's social responsibility program



Pride

Women@Criteo

BIPOC

Critenable

Education

Parents

6

Employee  
Resource Groups

3

Major partnerships  
were concluded in  
France

"My Future"

"Article 1"

"Simplon"



## Inclusion of LGBTQIA+ people

#LoveHasNoLabels

This ERG organizes initiatives to better include LGBTQIA+ people in the workplace.

2018

In France, a gender equality agreement was signed renewed for three years.

We have extended the **secondary care parental leave** for all our employees who are secondary parents regardless of the gender or marital situation, from 2 weeks to **4 weeks** in France, Spain, Canada, Brazil and US.

## People with disabilities



This ERG organizes initiatives to better include people with disabilities in the workforce.

## BIPOC Community

#BlackLivesMatter



This ERG supports the **fight for racial equality** in partnership with the Ad council, by amplifying messages with pro bono media campaigns.



We took the opportunity to provide additional reminders for **counseling and mental health services** for employees who need support.

# To go even further

## SINCE 2019

The R&D team has been reviewing its recruitment processes to ensure **inclusivity in terms of gender equality and representation**.

## 2020

Megan Clarken signed the **Tech For Good Call** led by the French President Emmanuel Macron.

**30%**  
of women in  
leadership roles  
BY 2022

**30%**  
of women in  
tech roles  
BY 2030



New partnership with 50inTech



- We relaunched this community in 2020.
- This ERG is an inclusive group that aims to transform and promote gender equality at Criteo.

More than:

**220**  
active members

**20**  
ambassadors

**2**  
community leaders

**Sarah Glickman**  
Executive Sponsor

## Criteo's Code of Business Conduct and Ethics

Non-discrimination and prevention of harassment: Criteo applies its equal opportunity which strictly forbids all forms of discrimination, whether at the recruitment stage or afterwards with regard to promotions, salary increases and benefits, and specifies that no employee may be discriminated against on the basis of gender, race, ethnicity, religious belief, disability, national origin, veteran status, marital status, or sexual orientation.





# Appendix

# Awards and Accolades

Since first launching our product in 2008, we've been honored with several industry awards and accolades.



Megan Clarken, Criteo CEO  
2021 Winner of Adweek's  
Personality of the Year

2021 Winner of Adweek's Best  
Retargeting Solution



2021 Winner for the  
Criteo Retail Media Platform



2020 Winner in AdExchanger  
Programmatic Power Players



TrustRadius: Top Rated Ad  
Serving and Retargeting  
Platform



G2 Crowd #1 Cross-  
Channel Advertising Solution



Criteo named Challenger in the  
Gartner 2019 AdTech  
Magic Quadrant



Criteo named #1 Independent  
AdTech Software



2020 Winner for Retargeting  
in Adweek Readers' Choice



2019 Best AI-Based Solution  
for Marketing

# Revenue ex-TAC by Solution

Revenue ex-TAC in \$m	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21
<b>Marketing Solutions</b>	<b>196.7</b>	<b>162.3</b>	<b>168.5</b>	<b>219.2</b>	<b>192.3</b>	<b>193.3</b>
Retargeting	179.1	144.5	150.3	192.1	169.4	165.5
Targeting	17.6	17.8	18.2	27.1	22.9	27.8
<b>Retail Media*</b>	<b>9.3</b>	<b>17.6</b>	<b>17.4</b>	<b>33.9</b>	<b>21.1</b>	<b>26.9</b>
<b>TOTAL</b>	<b>206.0</b>	<b>179.9</b>	<b>185.9</b>	<b>253.2</b>	<b>213.4</b>	<b>220.2</b>
<b>New Solutions (MS Targeting + Retail Media)</b>	<b>26.9</b>	<b>35.4</b>	<b>35.6</b>	<b>61.0</b>	<b>44.0</b>	<b>54.8</b>

\* Criteo operates as one operating segment. From January 1, 2021 we have disaggregated revenues between Marketing Solutions and Retail Media. A strategic building block of Criteo's Commerce Media Platform, the Retail Media Platform, introduced in June 2020, is a self-service solution providing transparency, measurement and control to brands and retailers. In all arrangements running on this platform, Criteo recognizes revenue on a net basis, whereas revenue from arrangements running on legacy Retail Media solutions are accounted for on a gross basis. Over time, we expect most clients using Criteo's legacy Retail Media solutions to transition to this platform. As new clients onboard and existing clients transition to the Retail Media Platform, Revenue may decline but Revenue ex-TAC margin will increase. Revenue ex-TAC will not be impacted by this transition.

# Revenue ex-TAC Reconciliation

\$ in millions	Q2'21	Q1'21	Q4'20	Q3'20	Q2'20	Q1'20	Q4'19	Q3'19	Q2'19	Q1'19
Revenue	551.3	541.1	661.3	470.3	437.6	503.4	652.6	522.6	528.1	558.1
Less: Traffic acquisition costs	331.1	327.7	408.1	284.4	257.7	297.4	386.4	301.9	304.2	322.4
Revenue ex-TAC	220.2	213.4	253.2	185.9	179.9	206.0	266.3	220.7	223.9	235.7

\$ in millions	2020	2019
Revenue	2,072.6	2,261.5
Less: Traffic acquisition costs	1,247.6	1,314.9
Revenue ex-TAC	825.0	946.6

# Adjusted EBITDA Reconciliation

\$ in millions	Q2'21	Q1'21	Q4'20	Q3'20	Q2'20	Q1'20	Q4'19	Q3'19	Q2'19	Q1'19	2020	2019
<b>Net income</b>	<b>15.0</b>	<b>23.5</b>	<b>46.8</b>	<b>5.3</b>	<b>6.2</b>	<b>16.4</b>	<b>41.5</b>	<b>20.6</b>	<b>12.5</b>	<b>21.4</b>	<b>74.7</b>	<b>96.0</b>
Adjustments:												
Financial expense	0.5	0.7	0.1	0.5	1.0	0.3	1.5	0.9	1.4	2.0	1.9	5.7
Provision for income taxes	4.2	10.1	20.3	2.3	2.6	7.0	15.9	7.9	5.7	10.0	32.2	39.5
Equity awards compensation expense	11.7	7.9	9.0	6.8	7.2	8.5	9.1	11.7	14.4	13.9	31.4	49.1
Pension service costs	0.3	0.3	0.6	0.6	0.5	0.5	0.4	0.4	0.4	0.4	2.2	1.6
Depreciation and amortization expense	22.5	21.9	22.1	21.8	20.2	24.1	30.5	22.4	21.3	19.3	88.2	93.5
Acquisition-related costs	3.0	-	0.2	0.1	-	-	-	-	-	-	0.3	-
Restructuring-related & transformation costs	10.0	11.6	4.4	12.2	1.2	2.2	10.7	0.3	0.7	1.9	20.0	13.6
Total net adjustments	52.2	52.5	56.6	44.2	32.8	42.8	68.0	43.7	43.9	47.5	176.3	203.0
<b>Adjusted EBITDA</b>	<b>67.3</b>	<b>75.9</b>	<b>103.4</b>	<b>49.5</b>	<b>38.9</b>	<b>59.2</b>	<b>109.5</b>	<b>64.2</b>	<b>56.4</b>	<b>68.9</b>	<b>251.0</b>	<b>299.0</b>

# Free Cash Flow Reconciliation

(\$ in millions)	Q2'21	Q2'20
<b>CASH FROM OPERATING ACTIVITIES</b>	<b>26.4</b>	<b>33.4</b>
Acquisition of intangible assets, property, plant and equipment	(15.7)	(29.5)
Change in accounts payable related to intangible assets, property, plant and equipment	2.5	10.9
<b>FREE CASH FLOW</b>	<b>13.2</b>	<b>14.8</b>

# Foreign Exchange Impact

Q2 2021 Actual						
USD million	@ Q2 2020 FX	FX impact	Actual	@ Q2 2021 guidance FX	FX impact	Actual
Revenue ex-TAC	\$ 212.9	\$ 7.3	\$ 220.2	\$ 214.4	\$ 5.8	\$ 220.2

Q3 2021 Guidance*			
USD million	@ Q3 2020 FX	FX impact	Guidance
Revenue ex-TAC	\$ 202.0	\$ 1.5	\$ 203.5

FY 2021 Guidance*			
USD million	@ FY 2020 FX	FX impact	Guidance Midpoint **
Revenue ex-TAC	\$ 882.7	\$ 17.7	\$ 900.4

\* Based on FX assumptions for Q3 2021 and Fiscal Year 2021 published in the August 4, 2021 earnings release

\*\* Illustrative of 2021 Revenue ex-TAC guidance of +6% to +8% at constant currency communicated on August 4, 2021

# Q3 IR Events

## EARNINGS

- |         |                                              |               |
|---------|----------------------------------------------|---------------|
| • Aug 4 | <b>Q2 2021 earnings call</b> (before market) | CEO, CFO, CPO |
|---------|----------------------------------------------|---------------|

## EARNINGS ROADSHOWS

- |          |                                                        |              |
|----------|--------------------------------------------------------|--------------|
| • Aug 5  | (Virtual) <b>North America roadshow with Berenberg</b> | CEO, CFO, IR |
| • Sep 13 | (Virtual) <b>European roadshow with JPMorgan</b>       | CEO, CFO, IR |

## INVESTOR CONFERENCES

- |             |                                                                     |         |
|-------------|---------------------------------------------------------------------|---------|
| • Sep 9     | <b>D.A. Davidson 20th Annual Software &amp; Internet Conference</b> | IR only |
| • Sep 10    | <b>Deutsche Bank's 2021 Technology Conference</b>                   | IR only |
| • Sep 14-15 | <b>Citi's 2021 Global Technology Virtual Conference</b>             | CFO     |
| • Sep 21    | <b>Goldman Sachs Communacopia Conference</b>                        | IR only |

## MORE TO COME...



**Further Questions?  
Please Contact Investor  
Relations at [IR@criteo.com](mailto:IR@criteo.com)**



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