LiveRamp to Acquire Habu

Establishes industry-leading interoperable platform for data collaboration across all clouds and walled gardens globally

January 17, 2024
Safe Harbor

This presentation contains "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, as amended (the "PSLRA"). These statements, which are not statements of historical fact, may contain opinions, estimates, assumptions, projections and/or expectations regarding the Company's financial position, results of operations for fiscal 2024 and beyond, closing, integrating and expected benefits of the Habu acquisition, market position, product development, growth opportunities, economic conditions, and other similar forecasts and statements of expectation. Forward-looking statements are often identified by words or phrases such as "anticipate," "estimate," "plan," "expect," "believe," "intend," "foresee," or the negative of these terms or other similar variations thereof.

These forward-looking statements are not guarantees of future performance and are subject to a number of factors and uncertainties that could cause the Company's actual results and experiences to differ materially from the anticipated results and expectations expressed in the forward-looking statements.

Among the factors that may cause actual results and expectations to differ from anticipated results and expectations expressed in forward-looking statements are uncertainties related to interest rates, cost increases, the possibility of a recession, general inflationary pressure, geo-political circumstances that could result in increased economic uncertainties and the associated impacts of these potential events on our suppliers, customers and partners; the Company’s dependence upon customer renewals; new customer additions and upsell within our subscription business; our reliance upon partners, including data suppliers; competition; rapidly changing technology's impact on our products and services; attracting, motivating and retaining talent; risks that the agreements regarding the Habu acquisition may be modified or terminated prior to closing or that conditions to the acquisition may not be satisfied; and the possibility that we fail to fully realize the potential benefits of or have difficult integrating Habu. Additional risks include maintaining our culture and our ability to innovate and evolve while operating in a hybrid work environment, with some employees working remotely at least some of the time within a rapidly changing industry, while also avoiding disruption from reductions in our current workforce as well as disruptions resulting from acquisition, divestiture and other activities affecting our workforce (including the Habu acquisition). Our global workforce strategy could possibly encounter difficulty and not be as beneficial as planned. Our international operations are also subject to risks, including the performance of third parties as well as impacts from war and civil unrest, that may harm the Company’s business. The risk of a significant breach of the confidentiality of the information or the security of our or our customers', suppliers', or other partners' data and/or computer systems, or the risk that our current information insurance coverage may not be adequate for such a breach, that an insurer might deny coverage for a claim or that such insurance will continue to be available to us on commercially reasonable terms, or at all, could be detrimental to our business, reputation and results of operations. Any time that an acquisition is made there are a multitude of risks including the challenges of integrating a business into the company including the loss of key personnel and customer disruption. Other business risks include unfavorable publicity and negative public perception about our industry; interruptions or delays in service from data center or cloud hosting vendors we rely upon; and our dependence on the continued availability of third-party data hosting and transmission services. Our clients' ability to use data on our platform could be restricted if the industry's use of third-party cookies and tracking technology declines due to technology platform changes, regulation or increased user controls. Changes in laws or regulations relating to information collection and use represents a risk, as well as changes in tax laws and regulations that are applied to our customers which could cause enterprise software budget tightening. In addition, third parties may claim that we are infringing their intellectual property or may infringe our intellectual property which could result in competitive injury and/or the incurrence of significant costs and draining of our resources.

For a discussion of these and other risks and uncertainties, please refer to LiveRamp's Annual Report on Form 10-K for our fiscal year 2023 ended March 31, 2023, and LiveRamp's Quarterly Reports on Form 10-Q issued in fiscal year 2024.

The financial information set forth in this presentation reflects estimates based on information available at this time.

LiveRamp assumes no obligation and does not currently intend to update these forward-looking statements.
Use of Non-GAAP Information

The Company reports all financial information required in accordance with U.S. generally accepted accounting principles (“GAAP”). The Company believes, however, that evaluating its ongoing operating results will be enhanced if it also discloses certain non-GAAP information because it is useful to understand the Company’s performance. Whenever the Company uses such historical non-GAAP financial measures, it provides a reconciliation of historical non-GAAP financial measures to the most directly comparable GAAP financial measure. Investors are encouraged to review the related GAAP financial measures and the reconciliation of these historical non-GAAP financial measures to their most directly comparable GAAP financial measure included in the financial tables accompanying the Company’s press release dated January 17, 2024. These non-GAAP financial measures do not reflect a comprehensive system of accounting, differ from GAAP measures with the same captions and may differ from non-GAAP financial measures with the same or similar captions that are used by other companies. The use of certain non-GAAP financial measures requires management to make estimates and assumptions regarding amounts of assets and liabilities and the amounts of revenue and expense during the reporting periods. The Company bases its estimates on historical experience and assumptions that it believes are reasonable. Actual results could differ from those estimates.
## Transaction Overview

<table>
<thead>
<tr>
<th>Strategic Rationale</th>
<th>Creates an unrivaled data collaboration platform, with global scale and interoperability across all clouds and walled gardens, unlocking powerful measurement and analytics use cases for marketing and beyond.</th>
</tr>
</thead>
</table>
| **Transaction Consideration** | $200 million purchase price  
⦁ $170 million in cash (financed with cash on-hand)  
⦁ $30 million in LiveRamp stock related to unvested stock awards & holdback agreements |
| **Financial Implications** |  
⦁ FY25 synergized revenue of ~$18M  
⦁ Expected to improve revenue growth profile, accelerating Rule of 40 progress  
⦁ Neutral to FY25 non-GAAP\(^1\) operating income and accretive in FY26+ |
| **Management & Governance** | Matt Kilmartin, Habu Co-Founder & CEO, will continue to lead the Habu team and help drive LiveRamp’s data collaboration strategy, reporting to LiveRamp CRO Vihan Sharma. |
| **Expected Closing** | Q4 FY24 |

\(^1\) - Non-GAAP financial results represent continuing operations less excluded items (i.e. non-cash stock compensation, purchased intangible asset amortization, and restructuring and transformation charges).
Habu is a **data collaboration software** company that makes sharing siloed data across organizations safe, simple, scalable and smart.

- **Leading** 100%-interoperable data collaboration platform that meets the needs of both technical and business users

- Connects across **all clouds and premium media destinations** – notably walled gardens and their clean rooms

- **Marquee enterprise customers** across retail and media creating data gravity that enhances the value customers get from the network

---

**Trusted by Leading Global Customers**

- Disney
- Walmart
- Microsoft
- Target
- groupm
- L’Oreal
- LinkedIn
- PepsiCo
- Kroger

**Partnered with Leading Cloud Providers**

- Google Cloud
- Microsoft Azure
- Snowflake
- Databricks
- AWS
Data Collaboration is an Emerging & Increasingly Strategic Market

What is Data Collaboration?
Brand marketers securely sharing consented first-party data about their customers with business partners & publishers to deliver personalized marketing at scale.

Why it Matters?
In a post-cookie world with expanding data privacy regulations, data collaboration is essential for personalized marketing, and broader enterprise use-cases (e.g., supply chain optimization).

“By 2024, 65% of G2000 enterprises will form data-sharing partnerships with external stakeholders via data clean rooms.”

IDC FutureScape: Worldwide Data & Content Technologies 2022 Predictions
Multiple Factors Driving the Need for Data Collaboration

- Personalized marketing is the standard – consumers expect it and brands generate better KPIs.
- Increasingly complex & fragmented customer journey.
- Loss of third-party cookies as universal connector.
- Cloud computing adoption creating more siloed data amidst requirement for minimal data movement.
- Walled gardens are more data accessible – allowing brands to leverage their first-party data.
- Increasing consumer data privacy regulations.
Connecting Data Across the Customer Journey thru Collaboration

Unlocking siloed data for personalization and better business outcomes

1. Receives Nike running ad on Instagram
2. Downloads Nike Training App
3. Browses shoes on nike.com
4. Completes runs on Nike Running App
5. Signs up for Converse emails - basketball interest
6. Visits Nike store in NYC + purchases Pegasus shoes
7. Books trip to visit NYC running club before marathon
8. Visits Cole Haan site, purchases oxfords
9. Gets Email from Nike a favorite is on sale
10. Goes to Dick's Sporting Goods store to have their stride assessed
11. Buys Apple Nike Running Watch
12. Sees a Nike Running Ad before on fueling for training
13. Goes to a running expo
14. Watches the NYC Marathon to see new world record and sees new Nike commercial
15. The “Running Maverick”
Better Together – Unparalleled Data Collaboration Capabilities

/LiveRamp

Best in class enterprise identity

Unified measurement across walled gardens and other media platforms

/LiveRamp

Largest authenticated ecosystem with 500+ partners

Global interoperability with Clouds and Clean Rooms

/Collaborate flexibly wherever data lives

Incremental Growth
Cross-sell & upsell
New Logos
Global Expansion
New use cases

Easy-to-use, self-service UI to better-serve all customer cohorts
## Habu Adds Critical Capabilities to Make Data Collaboration Easier

<table>
<thead>
<tr>
<th>Customer Need</th>
<th>Capabilities</th>
<th>LR</th>
<th>LR + Habu</th>
</tr>
</thead>
<tbody>
<tr>
<td>Identity</td>
<td>Solving identity within the enterprise and across enterprises</td>
<td>✅</td>
<td>✅</td>
</tr>
<tr>
<td>Access</td>
<td>3P data access</td>
<td>✅</td>
<td>✅</td>
</tr>
<tr>
<td></td>
<td>Multi-infrastructure (cloud, clean room, storage)</td>
<td>❌</td>
<td>✅</td>
</tr>
<tr>
<td></td>
<td>Privacy-enhancing technology (PETs)</td>
<td>✅</td>
<td>✅</td>
</tr>
<tr>
<td>Connectivity</td>
<td>Segmentation (marketer friendly)</td>
<td>✅</td>
<td>✅</td>
</tr>
<tr>
<td></td>
<td>Ecosystem addressability</td>
<td>✅</td>
<td>✅</td>
</tr>
<tr>
<td></td>
<td>500+ destinations</td>
<td>✅</td>
<td>✅</td>
</tr>
<tr>
<td>Insights</td>
<td>Analytics applications and tooling</td>
<td>✅</td>
<td>✅</td>
</tr>
<tr>
<td></td>
<td>Measurement expertise</td>
<td>✅</td>
<td>✅</td>
</tr>
<tr>
<td></td>
<td>Cross-screen measurement insights</td>
<td>✅</td>
<td>✅</td>
</tr>
<tr>
<td></td>
<td>Walled garden insights</td>
<td>❌</td>
<td>✅</td>
</tr>
<tr>
<td>User Experience (UX)</td>
<td>Easy-to-use, self-service user interface</td>
<td>❌</td>
<td>✅</td>
</tr>
</tbody>
</table>

### Why so critical?

1. **Cross-Cloud Interoperability**
   - Eliminates common blocker for data collaboration and is a competitive differentiator

2. **Walled Garden Insights**
   - Customizable analytics for platforms accounting for ~65% of ad spend

3. **Easy-to-Use, Self-Service UI**
   - To better-serve all customers – and particularly non-technical SMBs & international
LiveRamp + Habu Tips the Network

Largest, highest quality network to enable collaboration across clouds and walled gardens globally

<table>
<thead>
<tr>
<th>Walled Gardens</th>
<th>Social Media</th>
<th>Commerce Media</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image" alt="Google" /></td>
<td><img src="image" alt="Instagram" /></td>
<td><img src="image" alt="L'ORÉAL" /></td>
</tr>
<tr>
<td><img src="image" alt="Meta" /></td>
<td><img src="image" alt="Snapchat" /></td>
<td><img src="image" alt="Amazon" /></td>
</tr>
<tr>
<td><img src="image" alt="Pinterest" /></td>
<td><img src="image" alt="Spotify" /></td>
<td><img src="image" alt="Walmart" /></td>
</tr>
<tr>
<td><img src="image" alt="LinkedIn" /></td>
<td></td>
<td><img src="image" alt="CVS" /></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Clouds</th>
<th>Programmers</th>
<th>Video Platforms</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image" alt="Google BigQuery" /></td>
<td><img src="image" alt="NBCU" /></td>
<td><img src="image" alt="DIRECTV" /></td>
</tr>
<tr>
<td><img src="image" alt="AWS" /></td>
<td><img src="image" alt="hulu" /></td>
<td><img src="image" alt="ampersand" /></td>
</tr>
<tr>
<td><img src="image" alt="Databricks" /></td>
<td><img src="image" alt="Disney+" /></td>
<td><img src="image" alt="Comcast" /></td>
</tr>
<tr>
<td><img src="image" alt="Snowflake" /></td>
<td><img src="image" alt="Roku" /></td>
<td><img src="image" alt="Spectrum" /></td>
</tr>
<tr>
<td><img src="image" alt="Azure" /></td>
<td><img src="image" alt="Televisa" /></td>
<td></td>
</tr>
</tbody>
</table>
LiveRamp + Habu Accelerates the Collaboration Flywheel

1. Access data from every cloud environment, globally

2. Most accurate & flexible identity - with elevated privacy & governance

3. Seamless access to the data collaboration network – media & walled gardens

4. Connect data to premium publishers
The Power of LiveRamp + Habu—In Action

**Global Beauty & Personal Care Brand**

- **Audience segmentation & activation** of its first-party data
- Performs **walled garden measurement** including Amazon & YouTube

*Better Together*

Brand will work with LiveRamp for one simplified packaged, including audience building, activation & measurement.

*Result:* **Global beauty intelligence and revenue optimization across 80 markets**

**Grocery Retail Media Network**

- Enables **audience insights** on its first-party data via Analytics Environment
- Performs **walled garden measurement** with Meta

*Better Together*

Grocer gains access to Meta inventory and impression data, and extends its activation capabilities to more destinations in the LiveRamp network.

*Result:* **Increased revenue through enabling walled garden insights and identity-powered activation**

**Social Media Platform**

- Collaborates with select brand partners on RampID using a **hosted Clean Room**
- Cross-cloud clean room collaboration with large retailers and utilizes embedded Python analytics tools

*Better Together*

Social platform combines its previously fragmented network of collaboration partners, while keeping data in its preferred cloud environment.

*Result:* **Minimized data movement and expanded collaboration use cases – on RampID**
Data Collaboration is Just Getting Started
Expanding to new industry verticals and use cases across the enterprise

<table>
<thead>
<tr>
<th>Retail &amp; CPG</th>
<th>Financial Services</th>
<th>Health &amp; Life Sciences</th>
</tr>
</thead>
<tbody>
<tr>
<td>● Customer engagement</td>
<td>● Fraud detection/AML</td>
<td>● 360° patient understanding</td>
</tr>
<tr>
<td>● Forecasting</td>
<td>● Portfolio risk analysis</td>
<td>● Clinical drug development</td>
</tr>
<tr>
<td>● Inventory management</td>
<td>● Insurance rate calculation</td>
<td>● Manufacturing control</td>
</tr>
<tr>
<td>● Product evaluation</td>
<td>● Product recommendation</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Media</th>
<th>Travel &amp; Entertainment</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td>● Insight &amp; planning</td>
<td>● Churn prediction</td>
<td>● Supply chain analysis</td>
</tr>
<tr>
<td>● Segmentation</td>
<td>● Inventory forecasting</td>
<td>● Next best offer</td>
</tr>
<tr>
<td>● Optimization &amp; measurement</td>
<td>● Scheduling</td>
<td>● Customer lifetime value</td>
</tr>
<tr>
<td>● Activation</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
LiveRamp + Habu is a powerful combination that widens competitive moat, unlocks incremental growth and creates value for shareholders.

Financial Impact

Habu synergized revenue of ~$18M in FY25

Expected to improve revenue growth profile, accelerating Rule of 40 progress

Revenue synergy drivers

- Greater cross-sell and upsell
- New customer acquisition
- Global expansion
- Use-case expansion across the enterprise

Neutral to non-GAAP operating income in FY25 & accretive in FY26+

Accretive software margins with high revenue net retention

1 - Non-GAAP financial results represent continuing operations less excluded items (i.e. non-cash stock compensation, purchased intangible asset amortization, and restructuring and transformation charges).
FY24 Q3 Preliminary Financial Results

Complete Q3 financial results and updated FY24 guidance will be released on February 8, 2024.

<table>
<thead>
<tr>
<th>(in $ mn)</th>
<th>Q3 Preliminary Result(^1)</th>
<th>Q3 Company Guide</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Revenue</td>
<td>~$174</td>
<td>$165</td>
</tr>
<tr>
<td></td>
<td>+10% yoy</td>
<td></td>
</tr>
<tr>
<td>Operating Income (GAAP)</td>
<td>~$15</td>
<td>$8</td>
</tr>
<tr>
<td></td>
<td>9% margin</td>
<td></td>
</tr>
<tr>
<td>Operating Income (Non-GAAP(^2))</td>
<td>~$36</td>
<td>$29</td>
</tr>
<tr>
<td></td>
<td>21% margin</td>
<td></td>
</tr>
</tbody>
</table>

---

1 - This unaudited financial information is based on preliminary estimates and information as of the date hereof and is subject to revision in connection with the Company’s financial closing procedures and finalization of the Company’s financial statements for its third quarter of fiscal 2024. Actual third quarter results may differ materially from these preliminary financial results.

2 - A reconciliation of GAAP to non-GAAP operating income is included in the accompanying press release dated January 17, 2024.