

PUBMATIC Q1 2022 AT A GLANCE

INFRASTRUCTURE-DRIVEN APPROACH AND USAGE-BASED MODEL DELIVER STRONG RESULTS

Seventh Consecutive Quarter of Durable Growth and Profitability

REVENUES

- Q1 2022 revenue of \$54.6 million, up 25% year-over-year.

GAAP NET INCOME

- GAAP net income in Q1 2022 was \$4.8 million or 9% of revenue, compared to \$4.9 million in Q1 2021.
- Q1 2022 fully diluted earnings per share of \$0.08.

NET DOLLAR-BASED RETENTION¹

- Net dollar-based retention for TTM Q1 2022 was 140%, compared to 130% for the TTM Q1 2021.

ADJUSTED EBITDA²

- Adjusted EBITDA in Q1 2022 was \$17.0 million, or 31% of revenue, compared to \$14.5 million Q1 2021.

NET CASH PROVIDED BY OPERATING ACTIVITIES

- Cash flow from operations was \$19.3 million for Q1 2022.

IMPRESSIONS PROCESSED

- In Q1 2022, we processed nearly 32.6 trillion impressions, 76% more than the amount processed in Q1 2021.
- Reduced the unit cost of impressions by 22% year-over-year for TTM Q1 2022.

EXPANDED USAGE FROM BUYERS

- Supply path optimization represented over 27% of total ad spending in Q1 2022.

OMNICHANNEL REVENUE

- Q1 2022 combined mobile and video revenues grew by 41% year-over-year and represented 67% of total revenues in Q1 2022.
- Q1 2022 Connected TV (CTV) revenue grew more than 5X year-over-year.
- 176 publishers programmatically monetized CTV inventory with PubMatic in Q1 2022, up from 167 publishers in Q4 2021.

INVESTMENTS FOR GROWTH

- Extending platform into Retail Media, a \$140B+ opportunity.
- Increased our technology organization headcount by approximately 40% year-over-year in Q1 2022.
- Hiring plans call for doubling of our technology organization over the next several quarters to support innovation in supply path optimization, omnichannel technology and audience addressability.

¹ Calculated by starting with the revenue from publishers in the trailing twelve months ended March 31, 2021 ("Prior Period Revenue"). We then calculate the revenue from these same publishers in the trailing twelve months ended March 31, 2022 ("Current Period Revenue") (including any upsells and net of contraction or attrition, but excluding revenue from new publishers). Our net dollar-based retention rate equals Current Period Revenue divided by Prior Period Revenue.

² This non-GAAP measure is presented for supplemental informational purposes only and should not be considered a substitute for financial information presented in accordance with GAAP. Please see provided table for a reconciliation between GAAP net income and Adjusted EBITDA.

RECONCILIATION OF GAAP NET INCOME TO ADJUSTED EBITDA (In thousands) (unaudited)

	Three Months Ended March 31, 2022	Three Months Ended March 31, 2021
Net income	\$4,779	\$4,918
Add back (deduct):		
Stock-based compensation	5,136	3,165
Depreciation and amortization	7,183	4,550
Unrealized gain on equity investments	(1,373)	
Interest income	(122)	(62)
Provision for income taxes	1,403	1,923
Adjusted EBITDA	\$17,006	\$14,494

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BUYER VALUE CREATION

- How PubMatic's Premium Inventory and Google Audiences Delivered Better Open Market Performance for Amnet →

PUBLISHER MONETIZATION GROWTH

- PubMatic Drives Unique and Incremental Demand for Digital-First CTV Publisher Future Today, Boosts Revenue over 400% Per Month →
- PubMatic and ironSource Exchange (ISX) Brings Mobile Publishers Incremental Brand Advertising Demand →
- How Kobe Shimbun Saw a 120% Increase in Overall Revenue with PubMatic's OpenWrap →

ADDRESSABILITY

- PubMatic and LiveRamp Help Publishers Significantly Increase Fill Rate, Yield, and Overall Revenue Across Cookieless Browsers Globally →
- PubMatic and MiQ Are at the Leading Edge of Addressability Innovation →