

PUBMATIC Q3 2021 AT A GLANCE

USAGE-BASED MODEL DELIVERS EXCEPTIONAL RESULTS

Fourth consecutive quarter of revenue growth 50%+ and Adjusted EBITDA margins 30%+

REVENUES

Q3 2021 revenue of \$58.1 million, up 54% year-over-year. Q3 2020 revenue growth was 33% year-over-year.

GAAP NET INCOME

- GAAP net income in Q3 2021 was \$13.5 million or 23% of revenue, compared to 16% in Q3 2020.
- Q3 2021 fully diluted earnings per share of \$0.24.

NET DOLLAR-BASED REVENUE RETENTION¹

Net dollar-based revenue retention for the trailing twelve months ended September 30, 2021 was 157%, compared to 110% for the trailing twelve months ended September 30, 2020.

ADJUSTED EBITDA²

Adjusted EBITDA in Q3 2021 was \$24.3 million, or 42% of revenue, compared to 35% of revenue in Q3 2020.

GAAP COST OF REVENUE

Reduced GAAP cost of revenue per million impressions processed by 25% from Q3 2020 to Q3 2021.

NET CASH PROVIDED BY OPERATING ACTIVITIES

Cash flow from operations was \$26.4 million for Q3 2021.

IMPRESSIONS PROCESSED

Increased the number of impressions processed by 103% year-over-year, to 23.9 Trillion in Q3 2021.

EXPANDED USAGE FROM BUYERS

The top ten advertiser verticals on our platform, in aggregate, grew 70% year-over-year. We are primarily a brand advertising platform.

AUDIENCE ADDRESSABILITY

Over two thirds of our revenue has alternative identifiers to the third-party cookie and Apple's IDFA in place, up from a majority of revenue at the end of Q1 2021.

MOBILE AND VIDEO (INCLUDING CTV) REVENUE

Q3 2021 combined mobile and video revenues grew by 64% year-over-year and represented 65% of total revenues in Q3 2021, compared to 63% in Q2 2020

CONNECTED TV

Q3 2021 CTV revenues, including OTT, grew more than 7x year-over-year, with CTV inventory monetized from 154 publishers.

¹ Calculated by starting with the revenue from publishers in the trailing twelve months ended September 30, 2020 ("Prior Period Revenue"). We then calculate the revenue from these same publishers in the trailing twelve months ended September 30, 2021 ("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 the 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 September 30, 2021	2020
Net income	\$13,526	\$6,231
Add back (deduct):		
Stock-based compensation	3,714	1,444
Depreciation and amortization	6,304	4,178
Interest income	(79)	(83)
Provision for income taxes	799	1,621
Adjusted EBITDA	<u>\$24,264</u>	<u>\$13,391</u>

AUDIENCE ADDRESSABILITY

- Brain.Media boosts audience addressability rate with PubMatic's Private Marketplaces
- Sanook, Thailand's most visited news site, improved monetization with PubMatic's Identity Hub
- Summit Media, the largest digital lifestyle network in the Philippines, improved monetization with PubMatic's Identity Hub

PUBLISHER MONETIZATION GROWTH

- International publishing group CAIRORCS MEDIA increased revenue by 2x with PubMatic's OpenWrap
- Krone Multimedia, one of Australia's largest independent news publishers, increased revenue with PubMatic's OpenWrap
- Times Internet, the digital arm of India's largest media conglomerate, boosted monetization with PubMatic's OpenWrap
- Zee Media, one of India's largest news networks, increased overall programmatic revenue with PubMatic's OpenWrap

BUYER RETURN ON INVESTMENT (ROI) GROWTH

- PubMatic and Semasio boost campaign reach by 205% for Omnicom's OMD Netherlands