Investor Presentation

November 2023
This presentation contains forward-looking statements. These statements may relate to, but are not limited to, expectations of Q4 2023 and full-year 2023 operating results or financial performance, market size and growth opportunities, the calculation of certain of our key financial and operating metrics, capital expenditures, plans for future operations, competitive position, new products, technological capabilities, and strategic relationships, as well as assumptions relating to the foregoing. Forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified. In some cases, you can identify forward-looking statements by terminology such as “may,” “will,” “should,” “could,” “expect,” “plan,” “anticipate,” “believe,” “estimate,” “predict,” “intend,” “potential,” “would,” “continue,” “ongoing” or the negative of these terms or other comparable terminology. You should not put undue reliance on any forward-looking statements. Forward-looking statements should not be read as a guarantee of future performance or results and will not necessarily be accurate indications of the times at, or by, which such performance or results will be achieved, if at all.

Forward-looking statements are based on information available at the time those statements are made and/or management’s good faith beliefs and assumptions as of that time with respect to future events and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements. In light of these risks and uncertainties, the forward-looking events and circumstances discussed in this presentation may not occur and actual results could differ materially from those anticipated or implied in the forward-looking statements. These risks and uncertainties include, but are not limited to, our dependency on the overall demand for advertising and the channels we rely on; our existing customers not expanding their usage of our platform, or our failure to attract new publishers and buyers; the rejection of the use of digital advertising by consumers through opt-in, opt-out or ad-blocking technologies or other means; our failure to innovate and develop new solutions that are adopted by publishers; limitations imposed on our collection, use or disclosure of data about advertisements; any failure to scale our platform infrastructure to support anticipated growth and transaction volume; macroeconomic conditions, including any instability resulting from inflation, interest rates, foreign currency exchange rates or the conflicts in Ukraine and Israel; any failure to comply with laws and regulations related to data privacy, data protection, information security, and consumer protection; and our ability to manage our growth. Moreover, we operate in a competitive and rapidly changing market, and new risks may emerge from time to time. Additional information about risks and uncertainties associated with our business are disclosed in our report and can be found on our investor relations website at www.investors.pubmatic.com and on the Securities and Exchange Commission website at www.sec.gov. All information in this presentation is as of November 8, 2023. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.

In addition to financial information presented in accordance with U.S. generally accepted accounting principles ("GAAP"), this presentation includes certain non-GAAP financial measures, including adjusted EBITDA, adjusted EBITDA margin, Free Cash Flow, non-GAAP net income, non-GAAP net income margin and non-GAAP diluted EPS. We believe that this information can assist investors in evaluating our operational trends, financial performance, and cash generating capacity. These non-GAAP measures are presented for supplemental informational purposes only and should not be considered a substitute for financial information presented in accordance with GAAP. These non-GAAP measures have limitations as analytical tools. For example, other companies may calculate non-GAAP metrics differently or may use other metrics to evaluate their performance, all of which could reduce the usefulness of our non-GAAP financial metrics as tools for comparison. They should not be considered in isolation or as a substitute for analysis of other GAAP financial measures. A reconciliation of these measures to the most directly comparable GAAP measures is included at the end of this presentation.

This presentation contains statistical data, estimates and forecasts that are based on independent industry publications or other publicly available information, as well as other information based on our internal sources. This information involves many assumptions and limitations, and you are cautioned not to give undue weight to these estimates. We have not independently verified the accuracy or completeness of the data contained in these industry publications and other publicly available information. Accordingly, we make no representations as to the accuracy or completeness of that data nor do we undertake to update such data after the date of this presentation.

The trademarks included herein are the property of the owners thereof and are used for reference purposes only.
PubMatic Fuels the Endless Potential of Internet Content Creators
PubMatic is building the digital advertising supply chain of the future for the Open Internet.

**Our Core Beliefs**

1. All advertising will become digital, and all digital advertising will become programmatic
2. The ad-supported Open Internet will thrive
3. Omnichannel platforms will win vs. point solutions
4. Long term success requires differentiated infrastructure

**Supply Chain of the Future**

- **Transparent**
- **Efficient**
- **Effective**
- **Privacy-Compliant**
- **Environmentally Sustainable**
OUR ROLE IN THE DIGITAL ADVERTISING ECOSYSTEM
KEY BENEFITS FOR PUBLISHERS AND BUYERS

PUBLISHERS
- Data
- Demand
- Header Bidding Expertise
- Independence

INCREASE REVENUE

ADVERTISING ROI

ADVERTISERS & AGENCIES
- Quality Inventory
- Transparency
- Global Omnichannel Scale
- Value

SPECIALIZED CLOUD INFRASTRUCTURE
**INVESTMENT HIGHLIGHTS**

- **Scaled Business With Expanding Market Opportunity**
- **Strong & Growing Customer Relationships**
- **Investments Fuel Revenue Growth And Market Leadership**
- **Durable Business Model Drives Margin Expansion & Healthy Cash Flow**
OMNICHANNEL FOCUS POSITIONS PUBMATIC WELL ACROSS KEY GROWTH AREAS

GLOBAL DIGITAL AD SPEND\(^1\)

<table>
<thead>
<tr>
<th>Year</th>
<th>2022</th>
<th>2025</th>
<th>($ in Billions)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$567</td>
<td>$766</td>
<td></td>
</tr>
</tbody>
</table>

\(10\%\) CAGR

MOBILE AD SPEND\(^2\)

<table>
<thead>
<tr>
<th>Year</th>
<th>2022</th>
<th>2025</th>
<th>($ in Billions)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$204</td>
<td>$265</td>
<td></td>
</tr>
</tbody>
</table>

\(9\%\) CAGR

DIGITAL VIDEO AD SPEND\(^2\) (EX. OTT / CTV)

<table>
<thead>
<tr>
<th>Year</th>
<th>2022</th>
<th>2025</th>
<th>($ in Billions)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$126</td>
<td>$200</td>
<td></td>
</tr>
</tbody>
</table>

\(17\%\) CAGR

CTV/OTT AD SPEND\(^2\)

<table>
<thead>
<tr>
<th>Year</th>
<th>2022</th>
<th>2025</th>
<th>($ in Billions)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$57</td>
<td>$80</td>
<td></td>
</tr>
</tbody>
</table>

\(12\%\) CAGR

SIGNIFICANTLY EXPANDING TAM:

- Direct insertion order buys shift to programmatic, growing TAM by $65 billion\(^2\)
- Commerce media and sponsored product listing opportunity, growing TAM by $10 billion\(^2\)

\(^1\) eMarketer, October 2022 \(^2\) Magna, December 2022

Note: Figures exclude search, email, and online classifieds except for global digital ad spend estimates.
OMNICHANNEL + OPEN INTERNET OPPORTUNITY DRIVING MARKET SHARE GAINS

ESTIMATED PUBMATIC MARKET SHARE\(^1\)

4-4.5%

LONG-TERM MARKET SHARE OBJECTIVE

20%+

VALUE OF INDEPENDENT TECHNOLOGY

- **Efficiency**
- **Transparency**
- **Control**
- **Quality**

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\(^1\) In 2022. Excludes China.
SPECIALIZED INFRASTRUCTURE DRIVES BETTER CUSTOMER OUTCOMES AND PROFITABLE BUSINESS MODEL

Average for month ending September 2023

At the end of September 2023

1.4 TRILLION AD VENTISER BIDS PER DAY

12.2 PETABYTES OF DATA PROCESSED PER DAY

100% RENEWABLE ENERGY POWERING GLOBAL DATA CENTERS

Circles represent data centers
Circle sizes indicate relative scale

1 Average for month-ending September 2023
2 At the end of September 2023
PUBMATIC FLYWHEEL DRIVES DURABLE MODEL

HIGH MARGIN REVENUE

INNOVATION DRIVES VALUE

CUSTOMER VALUE CREATION

NEW TAM EXPANSION

PUBLISHERS

MONETIZE MORE HIGH-VALUE INVENTORY

BUYERS

CONCENTRATE HIGHER SHARE OF BUDGETS ON OUR PLATFORM
LEADING PUBLISHERS CHOOSE PUBMATIC TO POWER AD TECH STACK

CUSTOMER ALIGNMENT
SUPERIOR MONETIZATION
OMNICHANNEL PLATFORM
RAPID INNOVATION

Note: The logos on this page represent both revenue generating customers and recently signed (not yet revenue generating) customers.
EXPANDING USAGE WITH PUBLISHERS VIA LAND & EXPAND STRATEGY

SUPERIOR PERFORMANCE

INVENTORY EXPANSION

PRODUCT EXPANSION

INCREASED CPMs
MEDIA BUYERS ARE SEEKING TO OPTIMIZE THEIR SUPPLY PATHS TO DRIVE GREATER EFFICIENCY

- Economic Control & Buying Leverage
- Quality Control & Supply Curation
- Concentrated Innovation & Bespoke Tech
EXPANDING USAGE WITH BUYERS VIA SUPPLY PATH OPTIMIZATION (SPO)

WORKFLOW AUTOMATION
DATA & AUDIENCE SOLUTIONS
INVENTORY QUALITY
TRANSPARENT INFRASTRUCTURE

SUPPLY PATH OPTIMIZATION DEALS ARE DRIVING MORE SPEND THROUGH PUBMATIC

ADVERTISERS
AGENCIES
DSPs

P&G
ABInBev
IPG
dentsu
Yahoo!
Google

WILLIAMS SONOMA
Nationwide
WPP
Publicis Groupe
theTradeDesk

CALIFORNIA
Diversified growth drivers delivered revenue ahead of guidance

Omni-channel video revenue exceeded expectations

Display revenue exceeded expectations despite Yahoo impact

Maintained strong revenue growth among top 10 ad verticals
BRANDS & AGENCIES ARE SEEING SUCCESS WITH ACTIVATE, DRIVING EXPANDED USAGE OF THE PLATFORM

Activate

is an end-to-end SPO solution that allows buyers to execute non-bidded deals on the PubMatic platform.

EXPECTED PUBMATIC BENEFITS OF ACTIVATE

- Increased Programmatic TAM
- Accelerated Shift to CTV and Online Video Formats
- Greater Stickiness With Buyers
- Increased Revenue For Publishers

ESTIMATED TAM EXPANSION

$65 BILLION
Convert is a unified technology platform for commerce media, combining onsite and offsite capabilities.

**Estimated TAM Expansion**

$10 Billion

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**Core Publisher Strengths Fueling Commerce Media Growth**

- Omnichannel Monetization
- Unified Auctions & Header Bidding
- Audience Extension
- Data Monetization

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1 PubMatic’s estimate based on industry analyst data.
MULTIPLE GROWTH DRIVERS INCREASE UTILIZATION OF OUR CLOUD INFRASTRUCTURE

Note: Chart does not depict underlying data, but is intended to illustrate the Company’s beliefs regarding the extension of its infrastructure to additional ad formats and customer types as a driver of its addressable market and growth.
Financial Overview
## Financial Growth Drivers

1. Scaled Global Business
2. Usage-Based Business Model
3. High Gross Margins
4. Highly Efficient Business Model
5. Strong Free Cash Flow
PROFITABLE GROWTH DRIVES CONTINUED MARKET SHARE GAINS

**REVENUE**

$ in Millions

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Revenue (in Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1'19</td>
<td>23.6</td>
</tr>
<tr>
<td>Q2'19</td>
<td>27.4</td>
</tr>
<tr>
<td>Q3'19</td>
<td>28.5</td>
</tr>
<tr>
<td>Q4'19</td>
<td>34.4</td>
</tr>
<tr>
<td>Q1'20</td>
<td>28.3</td>
</tr>
<tr>
<td>Q2'20</td>
<td>26.4</td>
</tr>
<tr>
<td>Q3'20</td>
<td>32.6</td>
</tr>
<tr>
<td>Q4'20</td>
<td>56.2</td>
</tr>
<tr>
<td>Q1'21</td>
<td>54.9</td>
</tr>
<tr>
<td>Q2'21</td>
<td>49.7</td>
</tr>
<tr>
<td>Q3'21</td>
<td>58.1</td>
</tr>
<tr>
<td>Q4'21</td>
<td>75.6</td>
</tr>
<tr>
<td>Q1'22</td>
<td>63.0</td>
</tr>
<tr>
<td>Q2'22</td>
<td>64.5</td>
</tr>
<tr>
<td>Q3'22</td>
<td>74.3</td>
</tr>
<tr>
<td>Q4'22</td>
<td>55.4</td>
</tr>
<tr>
<td>Q1'23</td>
<td>63.3</td>
</tr>
<tr>
<td>Q2'23</td>
<td>63.7</td>
</tr>
<tr>
<td>Q3'23</td>
<td>75.6</td>
</tr>
</tbody>
</table>

+26% CAGR\(^1\)

**30th CONSECUTIVE QUARTER OF POSITIVE ADJ. EBITDA\(^2\)**

**9th CONSECUTIVE YEAR GENERATING CASH FROM OPERATIONS**

\(^1\) Compound Annual Growth Rate calculated based on TTM Q2 2023 vs TTM Q 2020

\(^2\) Adjusted EBITDA and Adjusted EBITDA Margin are non-GAAP financial measures. See reconciliation in Appendix.
MULTIPLE BUSINESS MODEL LEVERS DRIVE MARGIN EXPANSION

- **Owned & Operated Infrastructure**: Expect ~70% reduction in 2023 capex investment while driving continued growth in ad impressions.

- **Efficient Development Org**: $30M+ in annual savings by leveraging off-shore development resources.

- **Operational Excellence**: Greater software optimization drove 15% YOY increase in the number of high-value omnichannel video impressions monetized in 1H 2023.
OWNED & OPERATED INFRASTRUCTURE DRIVING DOWN UNIT COSTS WHILE IMPROVING CUSTOMER OUTCOMES

**AD IMPRESSIONS PROCESSED**

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Trillions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3'21</td>
<td>23.9</td>
</tr>
<tr>
<td>Q3'22</td>
<td>42.1</td>
</tr>
<tr>
<td>Q3'23</td>
<td>56.0</td>
</tr>
</tbody>
</table>

- **+76%** YoY increase in ad impression capacity in Q3 2023
- **+33%** YoY reduction in cost of revenue per million impressions processed in TTM-Q3 2023
Adjusted EBITDA is a non-GAAP measure. A reconciliation of Adjusted EBITDA to net income is provided in the Appendix.

On June 30, 2023, a Demand Side Platform buyer filed for Chapter 11 bankruptcy. As a result of this bankruptcy, we recorded incremental bad debt expense of $5.7M which is reflected in our GAAP net income and adjusted EBITDA results for the TTM Q3'23 period.

Average Adj. EBITDA Margin = 34%

<table>
<thead>
<tr>
<th></th>
<th>Q3'20</th>
<th>Q3'21</th>
<th>Q3'22</th>
<th>Q3'23</th>
</tr>
</thead>
<tbody>
<tr>
<td>26%</td>
<td>41%</td>
<td>40%</td>
<td>27%</td>
<td></td>
</tr>
</tbody>
</table>

1 Adjusted EBITDA is a non-GAAP measure. A reconciliation of Adjusted EBITDA to net income is provided in the Appendix. On June 30, 2023, a Demand Side Platform buyer filed for Chapter 11 bankruptcy. As a result of this bankruptcy, we recorded incremental bad debt expense of $5.7M which is reflected in our GAAP net income and adjusted EBITDA results for the TTM Q3'23 period.

2 Average Adj. EBITDA margin for the trailing twelve month periods ended Q3 2020, Q3 2021, Q3 2022, and Q3 2023.
DELIVERING CASH FLOW

NET CASH PROVIDED BY OPERATING ACTIVITIES

Q3'22: $28.1
Q3'23: $23.8

FREE CASH FLOW¹

Q3'22: $10.7
Q3'23: $17.2

STOCK REPURCHASE PROGRAM
(AS OF 10/31/23)

CASH USED TO REPURCHASE 3.3M SHARES
(~6% FDSO²)

$47M

¹ Free Cash Flow is a non-GAAP measure. A reconciliation of free cash flow to net cash flow provided by (used in) operating activities is provided in the Appendix.
² FDSO = fully diluted shares outstanding.

Note: Numbers rounded for presentation purposes
LONG TERM DRIVERS OF SHAREHOLDER VALUE

- Durable Business Model With Strong Cash Flows
- Efficient Cost Structure Driving Margin Expansion
- Sticky and Growing Customer Relationships
- Investing In High-Growth Revenue Opportunities
Appendix
FOUNDER-LED MANAGEMENT TEAM WITH PROVEN TRACK RECORD

EXECUTIVE TEAM WITH 100+ YEARS OF INDUSTRY EXPERIENCE

- **Rajeev Goel**
  - Co-Founder & CEO
  - Director
- **Steve Pantelick**
  - Chief Financial Officer
- **Amar Goel**
  - Founder, Chief Innovation Officer & Chairman
- **Mukul Kumar**
  - Co-Founder & President, Engineering
- **Paulina Klimenko**
  - Chief Growth Officer
- **Johanna Bauman**
  - Chief Marketing Officer
- **Nishant Khatri**
  - SVP, Product Management
- **Kyle Dozeman**
  - Chief Revenue Officer, Americas
- **Andrew Woods**
  - General Counsel
- **Lorrie Dougherty**
  - SVP, Human Resources

SUPPORTED BY EXPERIENCED BOARD MEMBERS

- **Susan Daimler**
  - Zillow
- **Shelagh Glaser**
  - SeatGuru
- **Anton Hanebrink**
  - Synopsys
- **Nick Mehta**
  - Intuit
- **Jacob Shulman**
  - Gainsight
HEADER BIDDING INCREASES IMPRESSION VOLUMES AND COSTS

PRIOR TO HEADER BIDDING

PUBLISHER AD INVENTORY → SSP 1 → DSP 1 → DSP 2 → ... → DSP N

AFTER HEADER BIDDING

PUBLISHER AD INVENTORY → HEADER BIDDING WRAPPER → SSP 1 → DSP 1 → DSP 2 → ... → DSP N

HEADER BIDDING WRAPPER

SSP 1 → DSP 1 → DSP 2 → ... → DSP N

SSP 2 → DSP 1 → DSP 2 → ... → DSP N

SSP N → DSP 1 → DSP 2 → ... → DSP N
We are no longer excluding the impact of post-acquisition cash compensation agreements for certain key acquired employees from the Martin acquisition from Adjusted EBITDA. The impact of this change to our adjusted EBITDA for the three and nine months ended September 30, 2022 is a decrease to Adjusted EBITDA income of $0.2 million.

Note: Numbers rounded for presentation purposes
## Non-GAAP Financial Measures (Quarterly)

<table>
<thead>
<tr>
<th>($ in Thousands)</th>
<th>Q3 '23</th>
<th>Q2 '23</th>
<th>Q1 '23</th>
<th>Q4'22</th>
<th>Q3'22</th>
<th>Q2'22</th>
<th>Q1'22</th>
<th>Q4'21</th>
<th>Q3'21</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net income (loss)</strong></td>
<td>$1,773</td>
<td>($5,724)</td>
<td>($5,871)</td>
<td>$12,781</td>
<td>$3,326</td>
<td>$7,819</td>
<td>$4,779</td>
<td>$28,239</td>
<td>$13,526</td>
</tr>
<tr>
<td>Unrealized (gain) loss on equity investments</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>6,405</td>
<td>915</td>
<td>(1,373)</td>
<td>(5,433)</td>
<td></td>
</tr>
<tr>
<td>Stock based compensation</td>
<td>7,199</td>
<td>7,266</td>
<td>7,059</td>
<td>5,464</td>
<td>4,655</td>
<td>5,391</td>
<td>5,136</td>
<td>3,599</td>
<td>3,714</td>
</tr>
<tr>
<td>Acquisition-related and other expenses†</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>51</td>
<td>867</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Adjustment for income taxes</td>
<td>(1,397)</td>
<td>(1,390)</td>
<td>(1,318)</td>
<td>(352)</td>
<td>(3,032)</td>
<td>(1,093)</td>
<td>(491)</td>
<td>669</td>
<td>(521)</td>
</tr>
<tr>
<td><strong>Non-GAAP net income</strong></td>
<td>$7,575</td>
<td>$152</td>
<td>($130)</td>
<td>$17,944</td>
<td>$12,221</td>
<td>$13,032</td>
<td>$8,051</td>
<td>$27,074</td>
<td>$16,719</td>
</tr>
<tr>
<td>Revenue</td>
<td>$63,677</td>
<td>$63,330</td>
<td>$55,407</td>
<td>$74,296</td>
<td>$64,501</td>
<td>$63,032</td>
<td>$54,552</td>
<td>$75,556</td>
<td>$58,086</td>
</tr>
<tr>
<td><strong>Non-GAAP net income margin</strong></td>
<td>12%</td>
<td>0%</td>
<td>0%</td>
<td>24%</td>
<td>19%</td>
<td>21%</td>
<td>15%</td>
<td>36%</td>
<td>29%</td>
</tr>
</tbody>
</table>

† We are no longer excluding the impact of post-acquisition cash compensation agreements for certain key acquired employees from the Martin acquisition from Adjusted EBITDA. The impact of this change to our Adjusted EBITDA for the three and nine months ended September 30, 2022 is a decrease to Adjusted EBITDA income of $0.2 million.

Note: Numbers rounded for presentation purposes.
## Free Cash Flow Reconciliation

<table>
<thead>
<tr>
<th>($ in Millions)</th>
<th>Three Months Ended September 30,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2021</td>
</tr>
<tr>
<td>Net Cash provided by (used in) Operating Activities</td>
<td>$26.4</td>
</tr>
<tr>
<td>Deduct:</td>
<td></td>
</tr>
<tr>
<td>Purchases of Property and Equipment</td>
<td>(11.0)</td>
</tr>
<tr>
<td>Capitalized Software Development Costs</td>
<td>(1.9)</td>
</tr>
<tr>
<td>Free Cash Flow</td>
<td>$13.5</td>
</tr>
<tr>
<td>Revenue</td>
<td>$58.1</td>
</tr>
<tr>
<td>Free Cash Flow Margin</td>
<td>23%</td>
</tr>
</tbody>
</table>

Note: Numbers rounded for presentation purposes