Investor Presentation

May 2023
This presentation contains forward-looking statements. These statements may relate to, but are not limited to, expectations of Q2 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 necessarilbe 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 conflict in Ukraine; any failure to comply with laws and regulations related to data privacy, 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 is disclosed in our reports filed from time to time with the Securities and Exchange Commission, including our most recent Form 10-K and any subsequent filings on Forms 10-Q or 8-K, available on our investor relations website at https://investors.pubmatic.com and on the Securities and Exchange Commission website at www.sec.gov. All information in this presentation is as of May 9, 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 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.

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MISSION

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

DEMAND SIDE PLATFORMS

ADVERTISERS

AGENCIES

TECHNOLOGY PLATFORM

YIELD OPTIMIZATION | QUALITY | INVENTORY CURATION

HEADER BIDDING WRAPPER
ID & DATA MANAGEMENT
SUPPLY PATH OPTIMIZATION

MEDIA ACTIVATION
COMMERCIAL MEDIA

PUBLISHERS AND APP DEVELOPERS
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
INVESTMENT HIGHLIGHTS

Scaled Business With Expanding Market Opportunity

Strong & Growing Customer Relationships

Investments Fuel High 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**

- 2022: $567 billion
- 2025: $766 billion
- CAGR: 10%

**MOBILE AD SPEND**

- 2022: $204 billion
- 2025: $265 billion
- CAGR: 9%

**DIGITAL VIDEO AD SPEND**

- (Ex. OTT / CTV)
- 2022: $126 billion
- 2025: $200 billion
- CAGR: 17%

**CTV/OTT AD SPEND**

- 2022: $57 billion
- 2025: $80 billion
- CAGR: 12%

**SIGNIFICANTLY EXPANDING TAM:**

- Direct insertion order buys shift to programmatic, growing TAM by $65 billion
- Growing commerce media opportunity of over $140 billion

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1. eMarketer, October 2022
2. Magna, December 2022
3. GroupM, 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 SHARE¹

4-4.5%

LONG-TERM MARKET SHARE OBJECTIVE

20%+

VALUE OF INDEPENDENT TECHNOLOGY

Efficiency

Transparency

Control

Quality

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

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

HIGH-MARGIN REVENUE

PUBLISHERS
MONETIZE MORE INVENTORY AT HIGHER CPMs

INNOVATION DRIVES VALUE

BUYERS
CONCENTRATE HIGHER SHARE OF BUDGETS ON OUR PLATFORM

EXPANDED CUSTOMER USAGE

USAGE BASED MODEL
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
    - DESKTOP DISPLAY
    - MOBILE WEB
    - MOBILE APP
    - ONLINE VIDEO
    - CTV
    - NATIVE
  - PRODUCT EXPANSION
    - OPENWRAP
    - IDENTITY HUB
    - CONNECT
    - PMPs
    - ACTIVATE

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  
agency  
DSPs

P&G  
ABInBev  
IPG  
dentsu  
yahoo!  
Google

Williams Sonoma  
Nationwide  
WPP  
Publicis Groupe  
theTradeDesk  
MediaMath  
Criteo
PLATFOR M DIVERSITY FUELS GROWTH AND RESILIENCY

DIMENSIONS OF PLATFORM DIVERSITY

OMNICHANNEL REVENUES

AD VERTICAL SPENDING

GEOGRAPHIES

Q1 2023 YOY OMNICHANNEL VIDEO REVENUE GROWTH

13%

Q1 2023 YOY CONNECTED TV REVENUE GROWTH

50%+

1 Omnichannel video is the sum of online digital video plus CTV/OTT
We calculate our net dollar-based retention rate by starting with the revenue from publishers in the last twelve month period ("Prior Period Revenue"). We then calculate the revenue from these same publishers in the current twelve month period ("Current Period Revenue"). Current Period Revenue includes any upsells and is net of contraction or attrition but excludes revenue from new publishers. Our net dollar-based retention rate equals the Current Period Revenue divided by Prior Period Revenue.

We calculate our Supply Path Optimization ("SPO") net spend retention rate by starting with the spend from SPO buyers that have been buyers on our platform for at least three years, in the last prior twelve months ("Prior Period SPO Buyer Spend"). We then calculate the spend from these same buyers in the current twelve months ("Current Period Spend"). Current Period SPO Buyer Spend includes any upsells and is net of contraction or attrition but excludes spend from new SPO buyers. Our net SPO retention rate equals the Current Period SPO Buyer Spend divided by Prior Period SPO Buyer Spend.
LAUNCHED ACTIVATE TO ACCELERATE SPO GROWTH

Activate is an end-to-end SPO solution that allows buyers to execute non-bidded deals on the PubMatic platform.
ACTIVATE BRINGS PROGRAMMATIC BENEFITS TO DIRECT DEALS ACROSS HIGH-VALUE FORMATS

ACTIVATE LAUNCH PARTNERS

MARS

dentsu

havas media

OMG MediaGroup

fubo TV

LG

groupm

EXPECTED PUBMATIC BENEFITS OF ACTIVATE

Increased Programmatic TAM

Accelerated Shift to CTV and Online Video Formats

Greater Stickiness With Buyers

Increased Revenue For Publishers
COMMERCE MEDIA EXPANDS ADDRESSABLE MARKET

INVESTMENTS IN ADDRESSABILITY UNLOCKING COMMERCE MEDIA OPPORTUNITY

ESTIMATED GLOBAL COMMERCE MEDIA AD SPEND IN 2025

$140 BILLION +

Source: GroupM 2022
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

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Scaled Global Business</td>
</tr>
<tr>
<td>2</td>
<td>Usage-Based Business Model</td>
</tr>
<tr>
<td>3</td>
<td>High Gross Margins</td>
</tr>
<tr>
<td>4</td>
<td>Highly Efficient Business Model</td>
</tr>
<tr>
<td>5</td>
<td>Strong Free Cash Flow</td>
</tr>
</tbody>
</table>
**PROFITABLE GROWTH DRIVES CONTINUED MARKET SHARE GAINS**

**Revenue**

$\text{CAGR}^1 = 26\%$

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Revenue (in Millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1 '19</td>
<td>$24</td>
</tr>
<tr>
<td>Q2 '19</td>
<td>$27</td>
</tr>
<tr>
<td>Q3 '19</td>
<td>$28</td>
</tr>
<tr>
<td>Q4 '19</td>
<td>$34</td>
</tr>
<tr>
<td>Q1 '20</td>
<td>$28</td>
</tr>
<tr>
<td>Q2 '20</td>
<td>$26</td>
</tr>
<tr>
<td>Q3 '20</td>
<td>$36</td>
</tr>
<tr>
<td>Q4 '20</td>
<td>$56</td>
</tr>
<tr>
<td>Q1 '21</td>
<td>$44</td>
</tr>
<tr>
<td>Q2 '21</td>
<td>$50</td>
</tr>
<tr>
<td>Q3 '21</td>
<td>$56</td>
</tr>
<tr>
<td>Q4 '21</td>
<td>$76</td>
</tr>
<tr>
<td>Q1 '22</td>
<td>$63</td>
</tr>
<tr>
<td>Q2 '22</td>
<td>$65</td>
</tr>
<tr>
<td>Q3 '22</td>
<td>$55</td>
</tr>
<tr>
<td>Q4 '22</td>
<td>$74</td>
</tr>
<tr>
<td>Q1 '23</td>
<td>$74</td>
</tr>
</tbody>
</table>

1. **Compound Annual Growth Rate** calculated based on TTM Q1 2023 vs TTM Q1 2019

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 60%+ 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**
  - $10M contributed to 2H’22 bottom line by adjusting expenses and investments
OWNED & OPTIMIZED INFRASTRUCTURE DRIVING DOWN UNIT COSTS WHILE IMPROVING CUSTOMER OUTCOMES

AD IMPRESSIONS
(TAILING TWELVE MONTHS)

In Trillions

TTM Ending  Q1’21  Q1’22  Q1’23

18.5  32.6  46.5

+76%

+42%

34%

REDUCTION IN UNIT COSTS OVER LAST 2 YEARS

MARGIN EXPANSION

DRIVEN BY INCREASED OPTIMIZATION AND GROWTH FROM HIGH-VALUE FORMATS AND CHANNELS
ROBUST MARGINS WHILE INVESTING FOR GROWTH

ADJUSTED EBITDA

Average Adj. EBITDA Margin = 34%

Q1’20 Q1’21 Q1’22 Q1’23
24% 36% 42% 35%

INVESTMENTS DRIVE CUSTOMER EXPANSION

35%+

SPO ACTIVITY

~ 1,700

PUBLISHER AND APP DEVELOPER CUSTOMERS GLOBALLY

NEW PRODUCTS TO MARKET

- CTV
- Connect
- Activate
- Commerce Media

1 Adjusted EBITDA is a non-GAAP measure. A reconciliation of Adjusted EBITDA to net income is provided in the Appendix.
2 Average Adj. EBITDA margin for the trailing twelve month periods ended Q1 2020, Q1 2021, Q1 2022, and Q1 2023.
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.

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
FOUNDER-LED MANAGEMENT TEAM WITH PROVEN TRACK RECORD

EXECUTIVE TEAM WITH 100+ YEARS OF INDUSTRY EXPERIENCE

Rajeev Goel  
Co-Founder & CEO, Engineering

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

Cathie Black  
Heart (Former President)

Susan Daimler  
Zillow

Shelagh Glaser  
Synopsys

Jacob Shulman  
JFrog

SUPPORTED BY EXPERIENCED BOARD MEMBERS
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
- SSP 2
- ... SSP N
- DSP 1
- DSP 2
- ... DSP N
## NON-GAAP RECONCILIATION – ADJUSTED EBITDA

<table>
<thead>
<tr>
<th>($ in Millions)</th>
<th>Twelve Trailing Months</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q1’20</td>
<td>Q1’21</td>
<td>Q1’22</td>
<td>Q1’23</td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td>$9.9</td>
<td>$30.6</td>
<td>$56.5</td>
<td>$18.1</td>
</tr>
<tr>
<td><strong>Add back (deduct):</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stock-Based Compensation</td>
<td>2.0</td>
<td>6.2</td>
<td>16.1</td>
<td>22.6</td>
</tr>
<tr>
<td>Unrealized gain (loss) on equity investments</td>
<td>-</td>
<td>-</td>
<td>(6.8)</td>
<td>7.3</td>
</tr>
<tr>
<td>Depreciation and Amortization</td>
<td>13.9</td>
<td>16.7</td>
<td>25.7</td>
<td>38.5</td>
</tr>
<tr>
<td>Interest Income</td>
<td>(1.2)</td>
<td>(0.3)</td>
<td>(0.4)</td>
<td>(4.0)</td>
</tr>
<tr>
<td>Acquisition-related and other expenses</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>2.9</td>
</tr>
<tr>
<td>Impairment of internal use software</td>
<td>0.7</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Provision for Income Taxes</td>
<td>3.4</td>
<td>6.5</td>
<td>7.7</td>
<td>4.0</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA</strong></td>
<td><strong>$28.7</strong></td>
<td><strong>$59.7</strong></td>
<td><strong>$98.8</strong></td>
<td><strong>$89.4</strong></td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td>$118.6</td>
<td>$164.0</td>
<td>$237.9</td>
<td>$257.2</td>
</tr>
<tr>
<td><strong>Adjusted EBITDA Margin</strong></td>
<td><strong>24%</strong></td>
<td><strong>36%</strong></td>
<td><strong>42%</strong></td>
<td><strong>35%</strong></td>
</tr>
</tbody>
</table>

Note: Numbers rounded for presentation purposes
## NON-GAAP NET INCOME RECONCILIATION

($ in Millions, except for Non-GAAP Diluted EPS¹)

<table>
<thead>
<tr>
<th></th>
<th>Three Months Ended March 31,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2021</td>
</tr>
<tr>
<td>Net Income</td>
<td>$4.9</td>
</tr>
<tr>
<td>Add back (deduct):</td>
<td></td>
</tr>
<tr>
<td>Stock-Based Compensation</td>
<td>3.2</td>
</tr>
<tr>
<td>Unrealized (gain)loss on equity investments</td>
<td>-</td>
</tr>
<tr>
<td>Acquisition-related and other expenses</td>
<td>-</td>
</tr>
<tr>
<td>Adjustment for income tax benefit on stock-based compensation</td>
<td>(0.3)</td>
</tr>
<tr>
<td>Non-GAAP Net Income</td>
<td>$7.8</td>
</tr>
<tr>
<td>Non-GAAP Diluted EPS¹</td>
<td>$0.14</td>
</tr>
<tr>
<td>Revenue</td>
<td>$43.6</td>
</tr>
<tr>
<td>Non-GAAP Net Income Margin</td>
<td>18%</td>
</tr>
</tbody>
</table>

Note: Numbers rounded for presentation purposes

¹ EPS = Earnings per share.
## FREE CASH FLOW RECONCILIATION

<table>
<thead>
<tr>
<th>($ in Millions)</th>
<th>Twelve Months Ended December 31,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2020</td>
</tr>
<tr>
<td><strong>Net Cash provided by (used in) Operating Activities</strong></td>
<td>$24.3</td>
</tr>
<tr>
<td><strong>Deduct:</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Purchases of Property and Equipment</strong></td>
<td>(24.2)</td>
</tr>
<tr>
<td><strong>Capitalized Software Development Costs</strong></td>
<td>(7.2)</td>
</tr>
<tr>
<td><strong>Free Cash Flow</strong></td>
<td>(7.1)</td>
</tr>
<tr>
<td><strong>Revenue</strong></td>
<td>$148.7</td>
</tr>
<tr>
<td><strong>Free Cash Flow Margin</strong></td>
<td>(5%)</td>
</tr>
</tbody>
</table>

Note: Numbers rounded for presentation purposes