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■ Investor Presentation

TOKYO MILAN NEW DELHI LOS ANGELES
FUELING ADVERTISING INNOVATION

February 2021

SAFE HARBOR

This presentation and the accompanying oral presentation contain forward-looking statements. These statements may relate to, but are not limited to, expectations of future 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, 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.

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In addition to financial information presented in accordance with GAAP, this presentation includes certain non-GAAP financial measures, including adjusted EBITDA and adjusted EBITDA margin. 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 in the Appendix to 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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FOUNDER-LED MANAGEMENT TEAM WITH PROVEN TRACK RECORD

EXECUTIVE TEAM WITH 100+ YEARS OF INDUSTRY EXPERIENCE



Rajeev Goel
Co-Founder & CEO 



Steve Pantelick
Chief Financial Officer



Amar Goel
Founder, Chief Innovation
Officer & Chairman



Mukul Kumar
Co-Founder & President,
Engineering



Paulina Klimenko
Chief Growth Officer



Jeffrey Hirsch
Chief Commercial Officer



John Sabella 
Chief Technology Officer



Nishant Khatri
SVP, Product Management



Johanna Bauman
Chief Marketing Officer



Thomas Chow
General Counsel & Secretary



Lorrie Dougherty
SVP, Human Resources

SUPPORTED BY EXPERIENCED BOARD MEMBERS



Naren Gupta

 (Board)
 (Board)



Eric Carlborg
AUGUST CAPITAL
 (Former CFO)



Cathie Black
 (Former President)
 (Former President)



Ashish Gupta

 (Former Director
of Engineering)



Susan Daimler



MISSION

**PubMatic Fuels the Endless Potential
of Internet Content Creators**

OUR CORE BELIEFS

1

All advertising will become digital, and all digital advertising will become programmatic

2

Ad-supported Open Internet will thrive

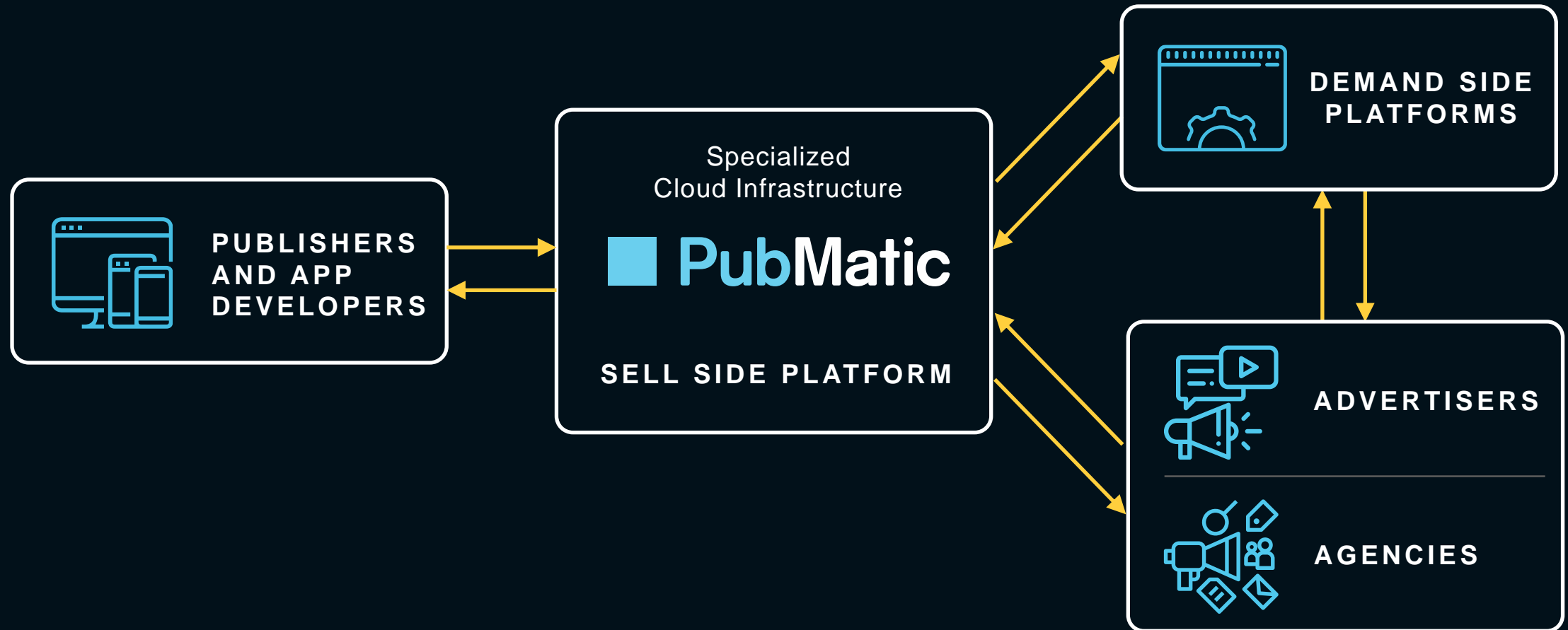
3

Omnichannel platforms will win vs. point solutions

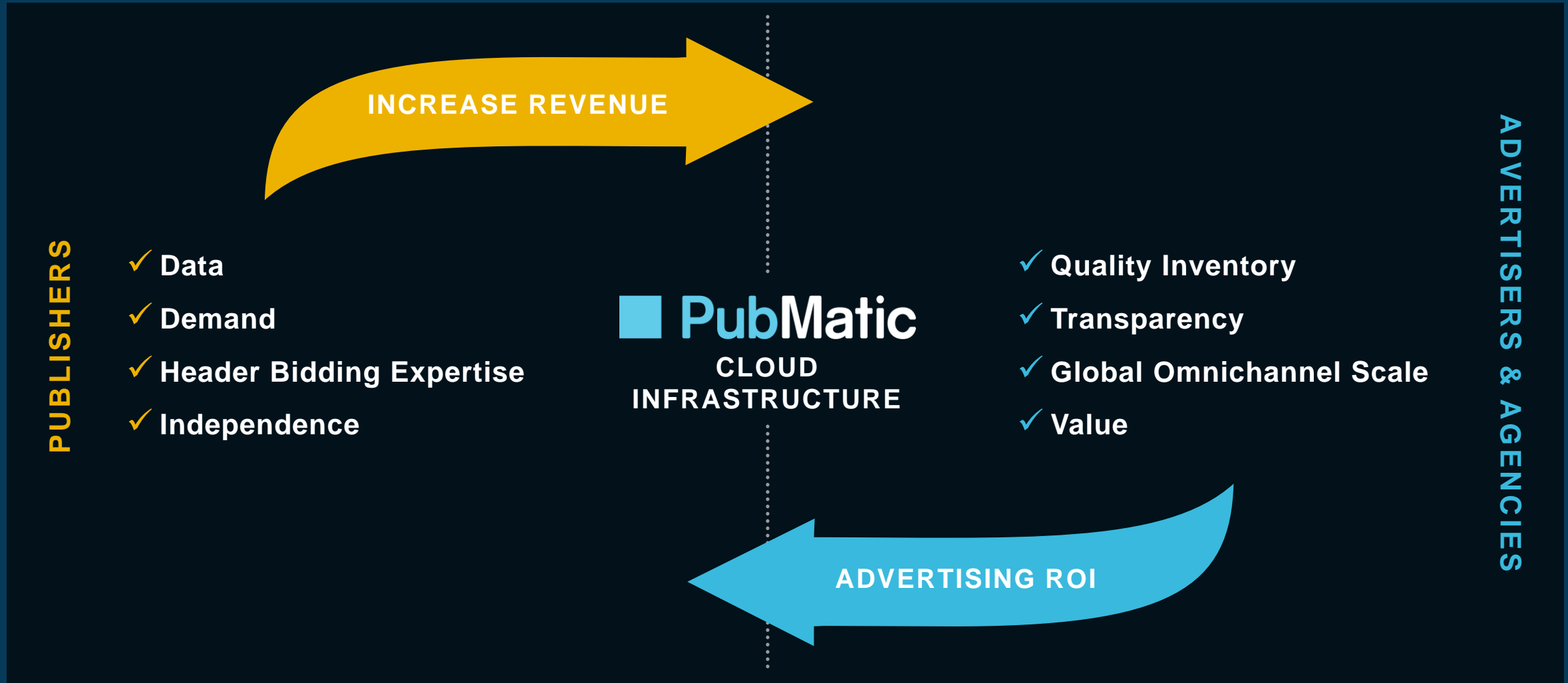
4

Long term success requires differentiated infrastructure

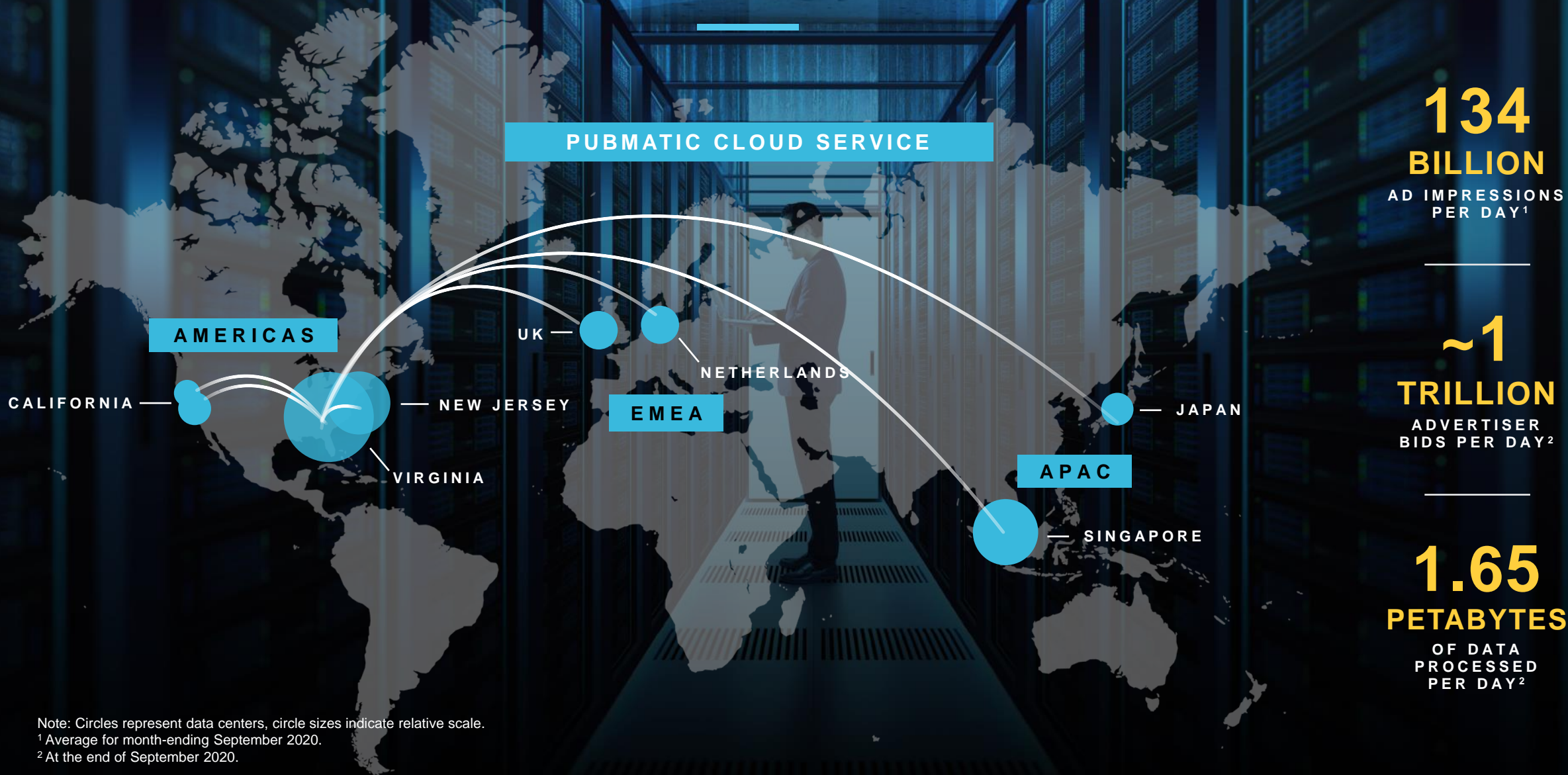
OUR ROLE IN THE DIGITAL ADVERTISING ECOSYSTEM



KEY BENEFITS OF OUR CLOUD INFRASTRUCTURE FOR DIGITAL ADVERTISING

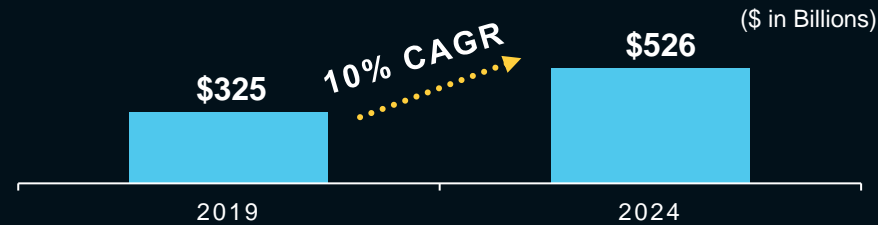


SPECIALIZED INFRASTRUCTURE TO POWER DIGITAL ADVERTISING



SIGNIFICANT TAILWINDS DRIVE MASSIVE GROWTH IN DIGITAL AD SPEND

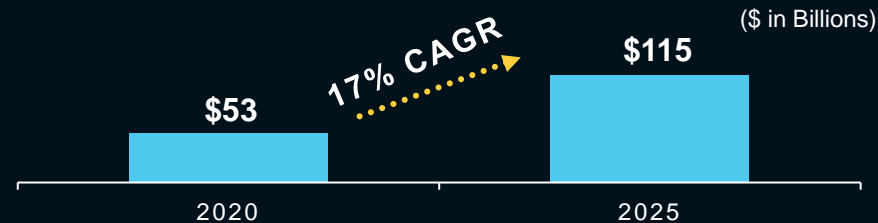
GLOBAL DIGITAL AD SPEND



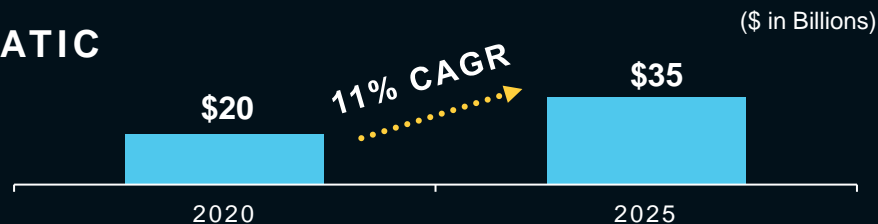
MOBILE PROGRAMMATIC AD SPEND



DIGITAL VIDEO PROGRAMMATIC AD SPEND (EX. OTT / CTV)



CTV/OTT PROGRAMMATIC AD SPEND



ACCELERATED DIGITAL TRANSFORMATION:

- Offline to online conversion
- Increased consumer time online

Source: eMarketer, Magna Global report commissioned by PubMatic. Note: All figures are excluding search, email, and online classifieds.

KEY ECOSYSTEM TRENDS DRIVING OUR GROWTH



Explosion of Programmatic Header Bidding



Buyer Ad Spend Consolidating onto Fewer Sell Side Platforms



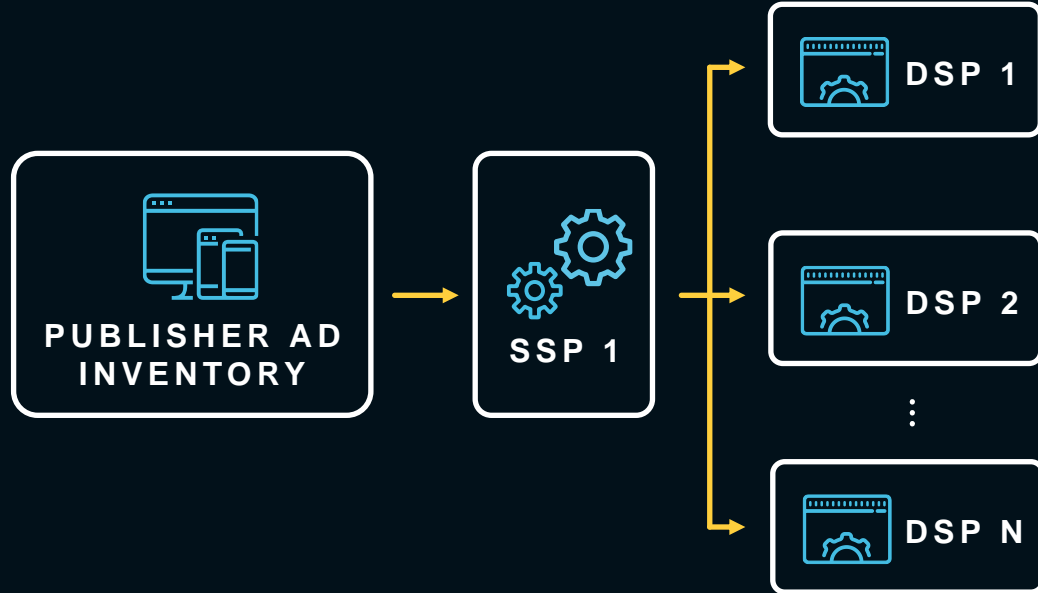
Rise of OTT/CTV



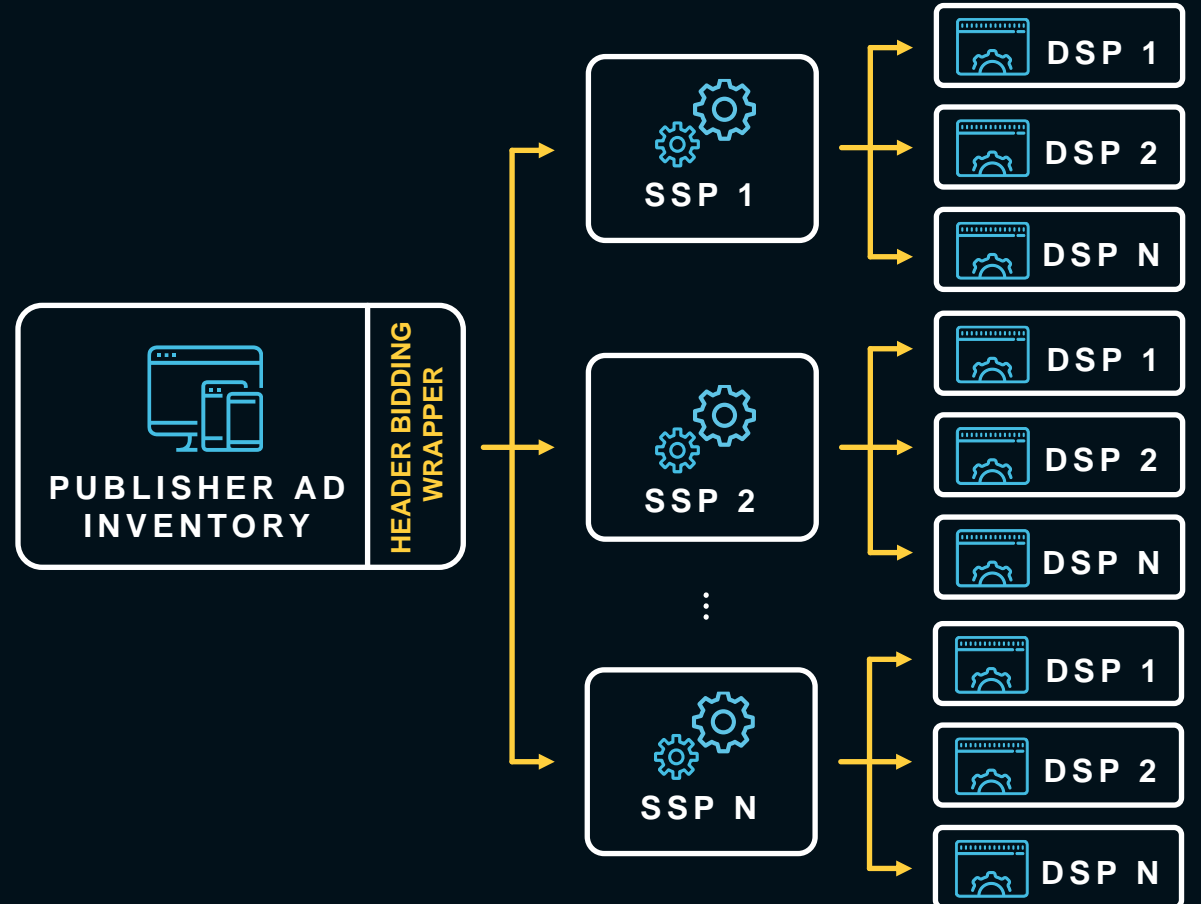
Protecting Consumer Privacy and Shift Away from Cookies

HEADER BIDDING MASSIVELY INCREASES IMPRESSION VOLUMES AND COSTS

PRIOR TO HEADER BIDDING



AFTER HEADER BIDDING



OUR COMPETITIVE DIFFERENTIATORS



**Specialized cloud
infrastructure for
digital advertising**



**Transparent
business model
based on usage**



**Leader in
buyer ad spend
consolidation**

PUBLISHERS CHOOSE PUBMATIC



**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.

QUOTES FROM OUR PUBLISHER PARTNERS



OMNICHANNEL PUBLISHER

"As advocates for an independent, transparent and healthy ad tech ecosystem, we chose PubMatic as one of our global partners based on their **high-performance infrastructure and focus on innovation.**"

News Corp

CHRIS GUENTHER
SVP, Head of Programmatic



OTT & DIGITAL PUBLISHER

"PubMatic is a key partner in **monetizing our advanced TV assets, whether it's OTT streaming, CTV devices, or digital video.** Their header bidding infrastructure makes them a key partner in our future growth."



EVAN ADLMAN
SVP Advanced Advertising & Digital Partnerships



OTT PUBLISHER

"We are excited to partner with PubMatic because of their **pioneering innovation in OTT/CTV header bidding.** We have seen a significant revenue increase since we started working with them."

Glewed TV

ERIC FITZPATRICK
VP Strategy



MOBILE APP PUBLISHER

"The Talkatone app depends on advertising revenue to fund its value proposition to consumers of free calls and text. **PubMatic's technology leadership in mobile app header bidding, including its OpenWrap SDK,** has helped us significantly grow our ad revenue."



DAVID DE RIDDER
VP/GM of Talkatone (Ooma Company)

BUYERS ARE CONSOLIDATING SPEND ON PUBMATIC



TRANSPARENT
BUSINESS MODEL



OMNICHANNEL
REAL TIME BIDDING



INVENTORY
QUALITY



EFFICIENCY

SUPPLY PATH
OPTIMIZATION
DEALS ARE
DRIVING MORE
SPEND THROUGH
PUBMATIC

ADVERTISERS

P&G



WILLIAMS
SONOMA

AGENCIES



IPG

HAVAS

dentsu

WPP



DSPs

theTradeDesk

MediaMath

xandr

AMOBEE

verizon
media

QUOTES FROM OUR BUYER PARTNERS



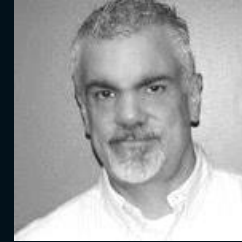
ADVERTISER

"P&G has been vocal about the need to create the New Media Supply Chain - characterized by quality content, transparency, and efficiency. **PubMatic's global, omnichannel infrastructure including OTT/CTV capabilities and their strong commitment to innovating with us** have made them a key partner in our journey."



SUSAN VANELL-CHARPENTIER

Senior Director, Global Data, Analytics, Media, MarTech and Store



ADVERTISER

"At Bayer, we have increased our ownership and control over the digital media supply chain. PubMatic has been a strong partner in achieving transparency, maximizing inventory quality, and increasing our efficiency—**PubMatic's global omnichannel infrastructure is a strong partner in helping us realize future growth.**"



JEFF RASP

VP Digital Platforms Channels & Capabilities, North America, Bayer Healthcare



AGENCY

"As IPG continues to evolve its approach to digital marketing and addressable advertising activation, **PubMatic has emerged as a key infrastructure provider for our clients.** PubMatic's efficient global platform coupled with a highly innovative organization and leadership team is enabling our ability to deliver new solutions to clients and drive outcomes."



TERI GALLO

Global General Manager, Kinesso Marketplace



AGENCY

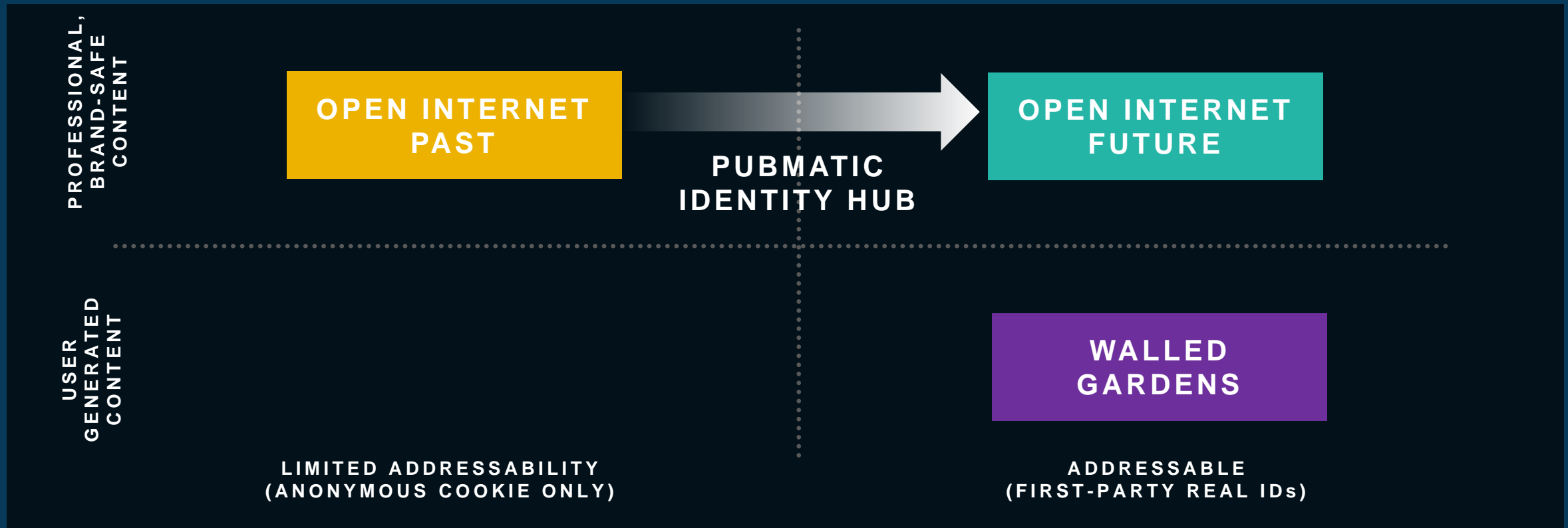
"As one of the world's largest buyers of media, we need partners with global scale, an efficient infrastructure, as well as local teams. **PubMatic is a crucial component to help our advertisers** in this ever-increasing evolution and shift to digital advertising."




STEVE KATELMAN

VP, Global Digital Partnerships

SIGNIFICANT OPPORTUNITY TO IMPROVE ADVERTISING ROI AS THE COOKIE CRUMBLES



"Consumer privacy and identity are key to the growth and success of advertising in the Open Internet. LiveRamp is excited to partner with PubMatic on identity solutions given PubMatic's market leadership with its Identity Hub solution and the global scale of its Sell Side Platform."

- Travis Clinger, SVP Addressability and Ecosystem 

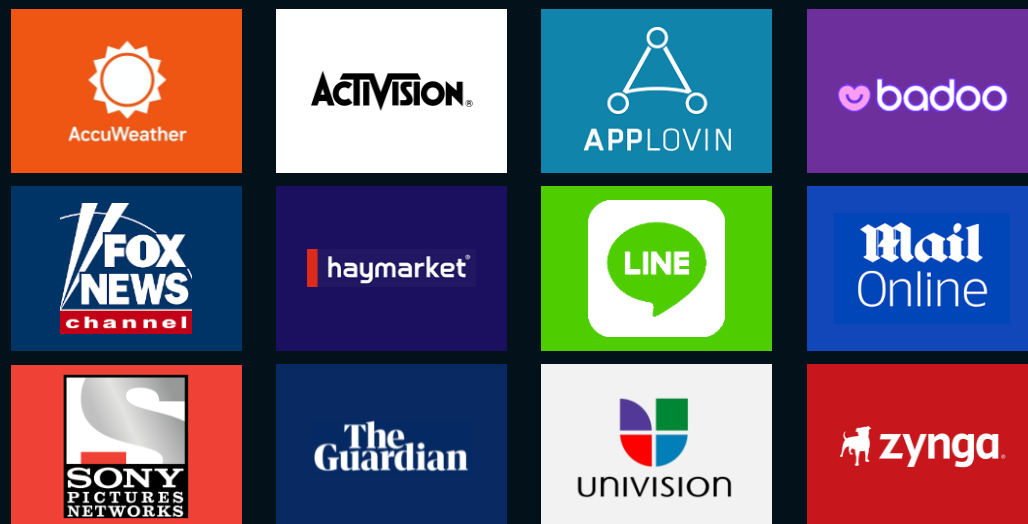
STRONG MOMENTUM IN MOBILE AND VIDEO

MOBILE



OPENWRAP SDK

PubMatic's OpenWrap SDK provides in-app header bidding technology to connect publishers' ad inventory to multiple bidders in a transparent and efficient auction

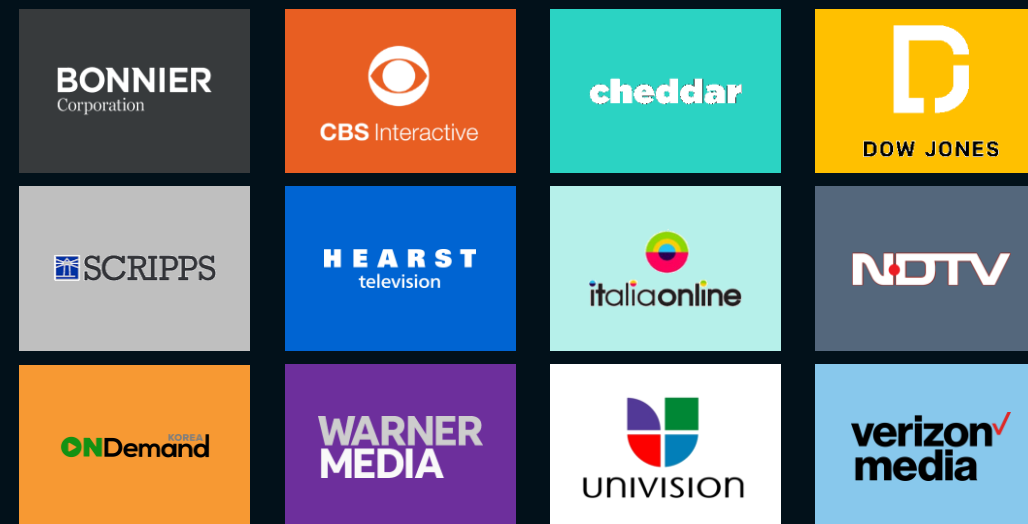


DIGITAL VIDEO AND OTT/CTV

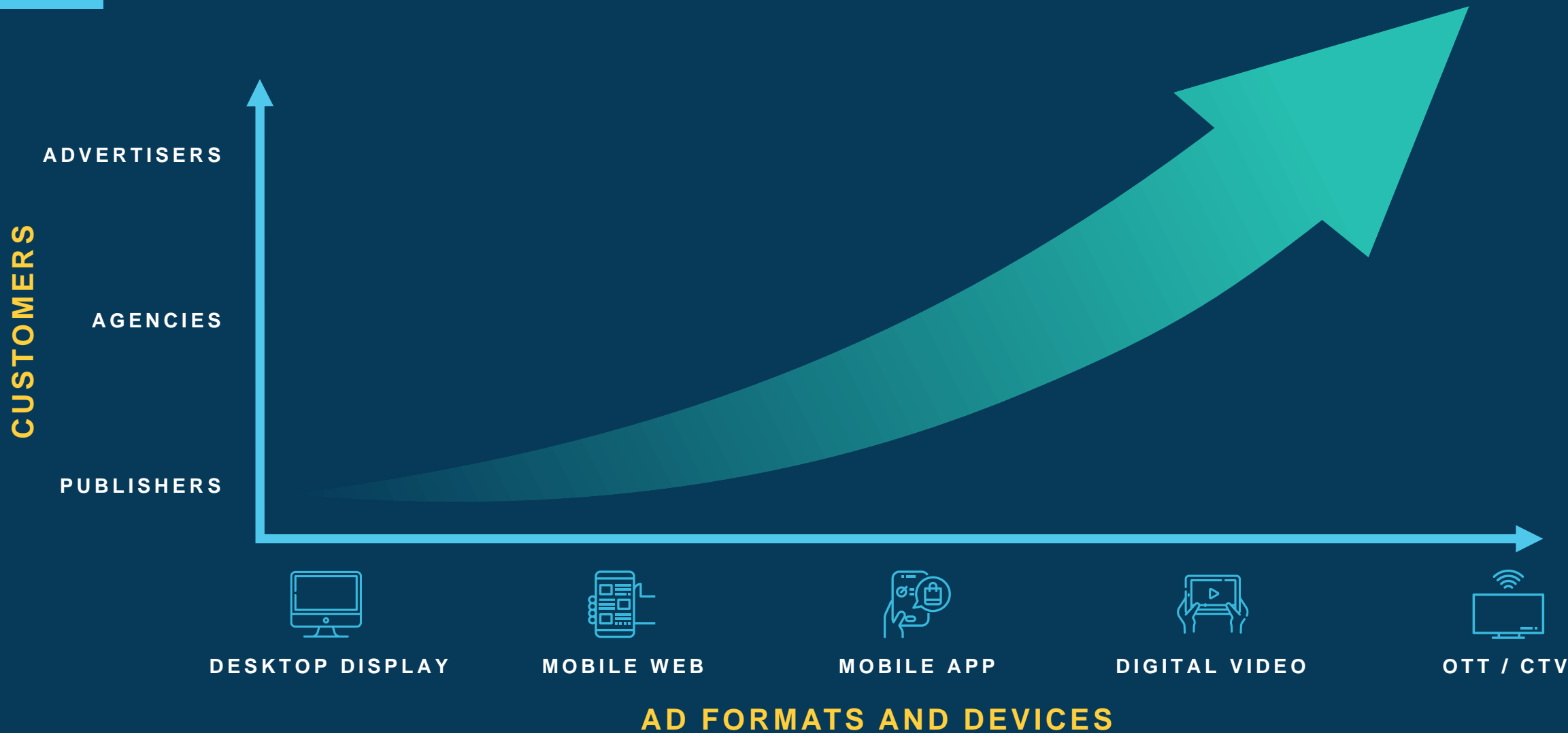


OPENWRAP OTT

PubMatic's OpenWrap OTT centralizes all direct sold and programmatic demand for OTT/CTV inventory in a transparent and efficient auction



MULTIPLE GROWTH DIMENSIONS 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

KEY FINANCIAL HIGHLIGHTS

1 Scaled Global Business

2 Usage Based Model With High Revenue Predictability

3 High Gross Margins Driven By Continuous Optimization Of Specialized Infrastructure

4 Efficient Operating Model Drives Structural Profitability

5 Consistent Generation Of Operating Cash Flow

Q4 2020 HIGHLIGHTS

YOY REVENUE
GROWTH

64%

ADJUSTED
EBITDA MARGIN¹

48%

GAAP
NET INCOME

\$18.8M

NET CASH PROVIDED
BY OPERATING ACTIVITIES

\$8.6M

IMPRESSIONS
PROCESSED

15.8
TRILLION

¹Adjusted EBITDA is a non-GAAP metric; see reconciliation on slide 31 for historical periods.

FY 2020 HIGHLIGHTS

YOY REVENUE
GROWTH

31%

ADJUSTED
EBITDA MARGIN¹

34%

GAAP
NET INCOME

\$26.6M

NET CASH PROVIDED
BY OPERATING ACTIVITIES

\$24.3M

IMPRESSIONS
PROCESSED

46.9
TRILLION

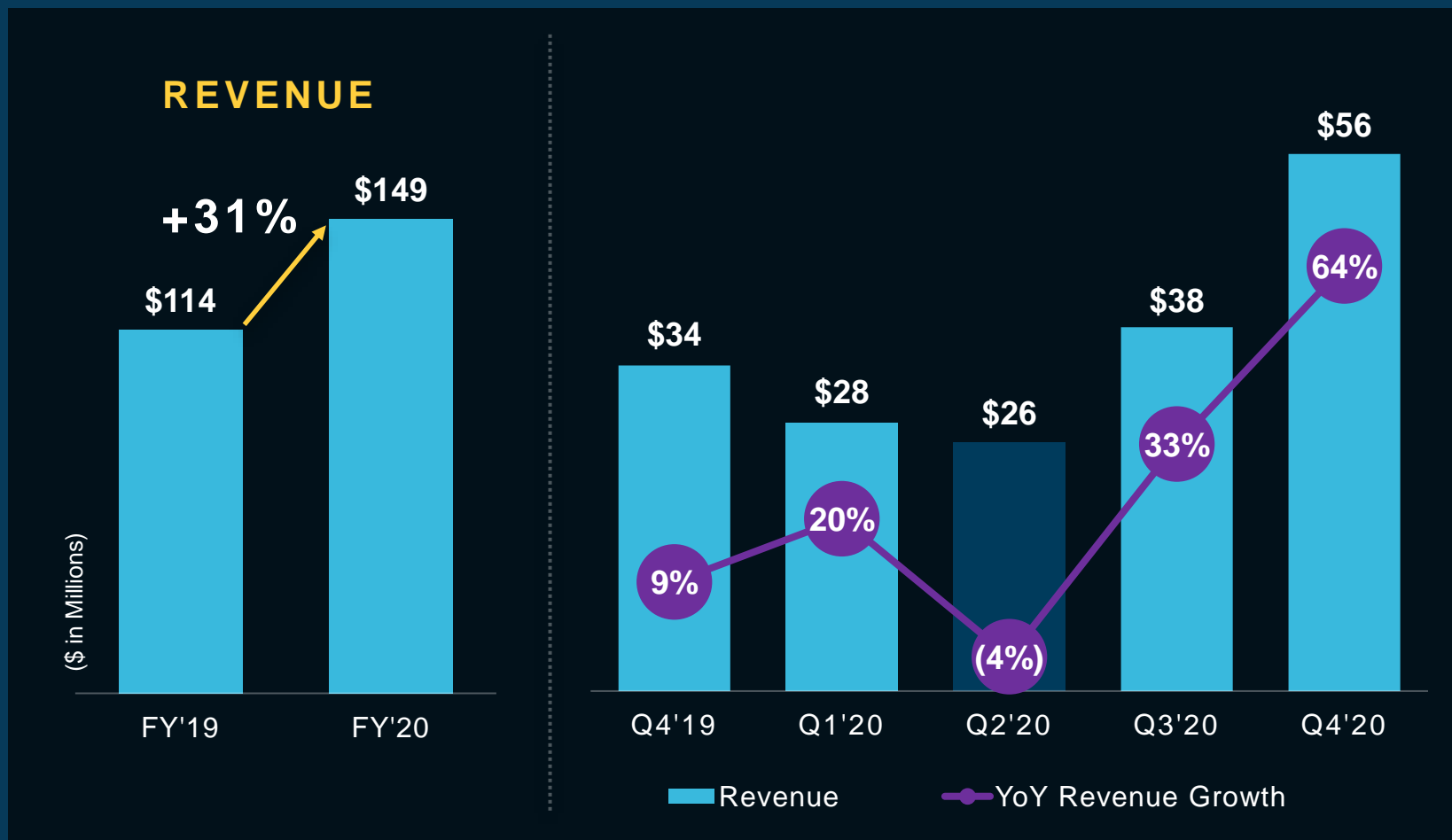
NET DOLLAR-BASED
RETENTION²

122%

¹Adjusted EBITDA is a non-GAAP metric; see reconciliation on slide 31 for historical periods.

² Calculated by starting with the revenue from publishers in the last prior year then calculating the revenue from these same publishers in the current year.

REVENUE GROWTH ACCELERATED



GROWTH DRIVERS

- 2H 2020 growth reflects acceleration in ecommerce, technology, personal finance ad verticals and increase from election year ad spending
- Mobile, video, and OTT/CTV formats
- Net dollar-based retention¹ 122% vs. 109% in 2019
- Supply Path Optimization (SPO) deal ramp up

Note: COVID-19 affected quarter shown in dark blue.

¹ Calculated by starting with the revenue from publishers in the last prior year then calculating the revenue from these same publishers in the current year.

REVENUE VISIBILITY AND PREDICTABILITY

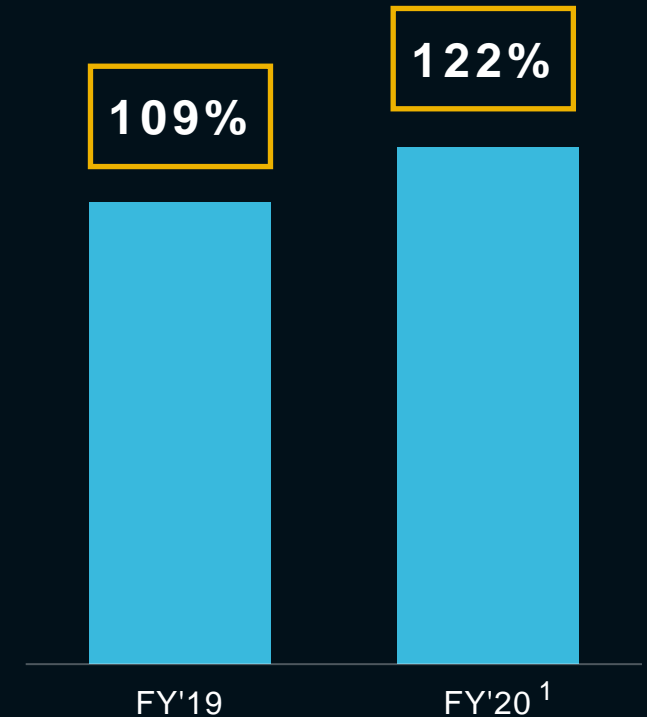
Existing Business Provides Predictability & Growth

- Direct publisher relationships
- Embedded software
- Usage based model: Directly monetize existing customer growth without waiting for a contract renewal
- Upsell additional formats (mobile, video, CTV)
- Supply Path Optimization tailwinds as buyers consolidate

New Formats & Customers Accelerate Growth

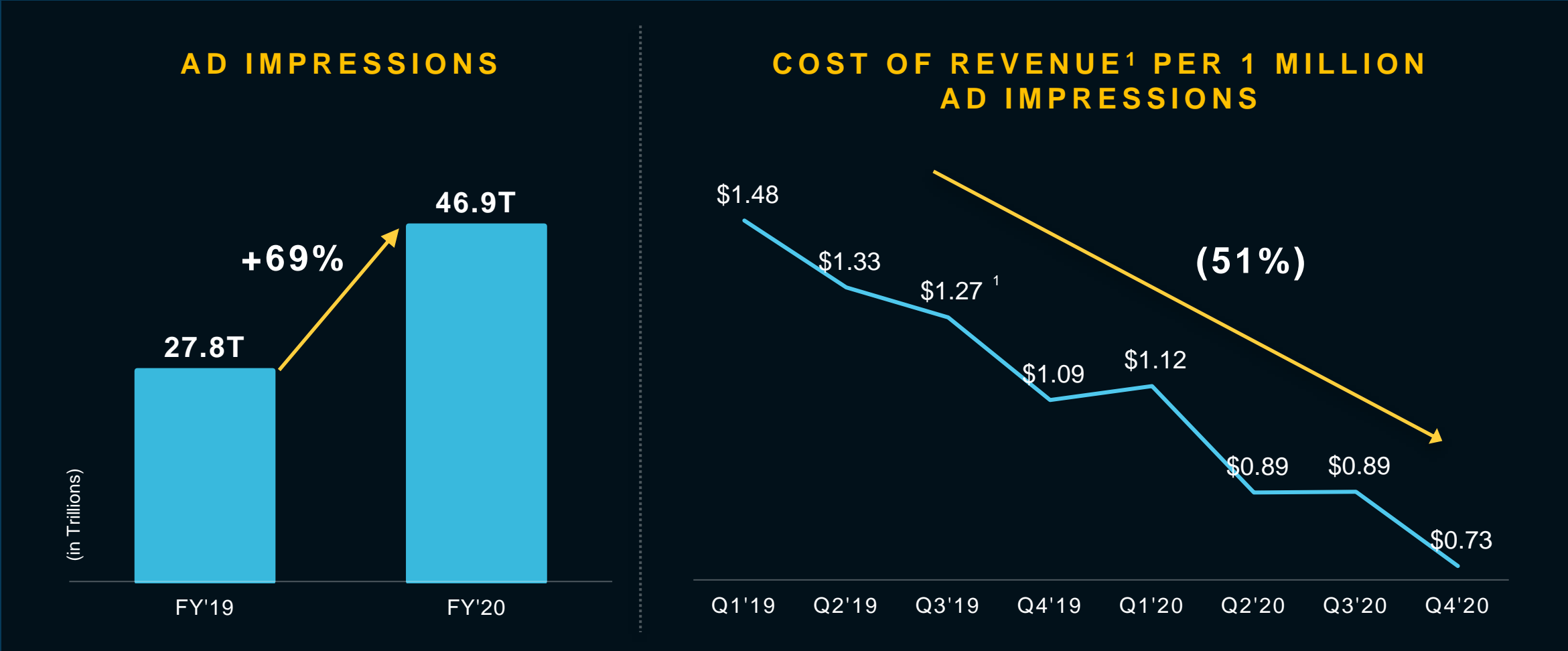
- Proven new publisher acquisition capability
- Strong cohort performance from new publishers
- Net new Mobile, Video, and CTV growth

Strong Net Dollar-Based Retention



¹Calculated by starting with the revenue from publishers in the last prior year then calculating the revenue from these same publishers in the current year.

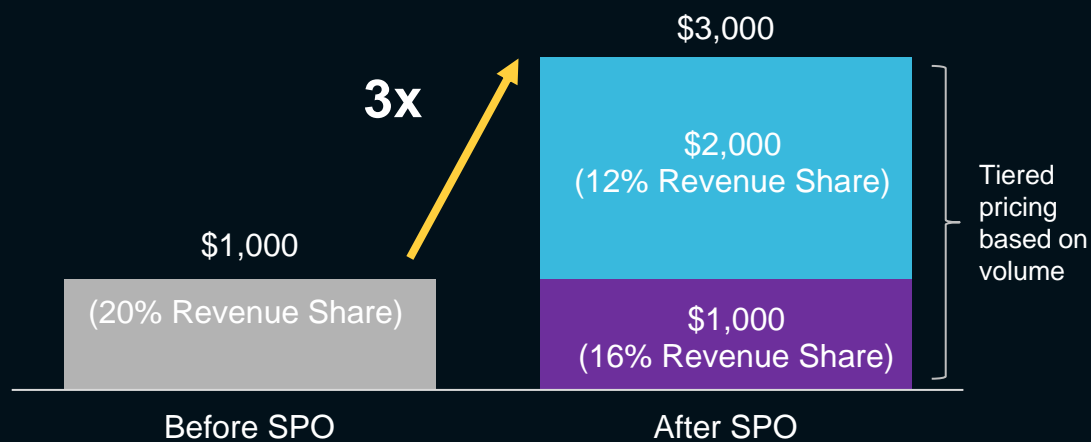
DRIVING DOWN UNIT COSTS



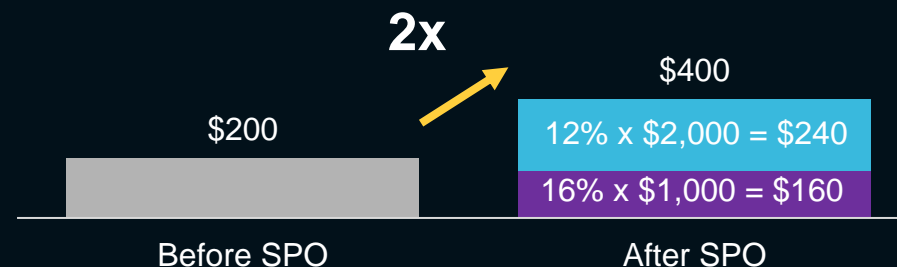
¹Cost of revenue excludes a non-cash write off of an internally developed software asset in Q3 2019.

SPO DEALS DRIVE SHARE GAINS AND ARE HIGHLY LUCRATIVE

ILLUSTRATIVE PLATFORM SPEND



ILLUSTRATIVE NET REVENUE



SPO DEALS DRIVE INCREMENTAL REVENUE AND HIGH MARGINAL PROFITABILITY

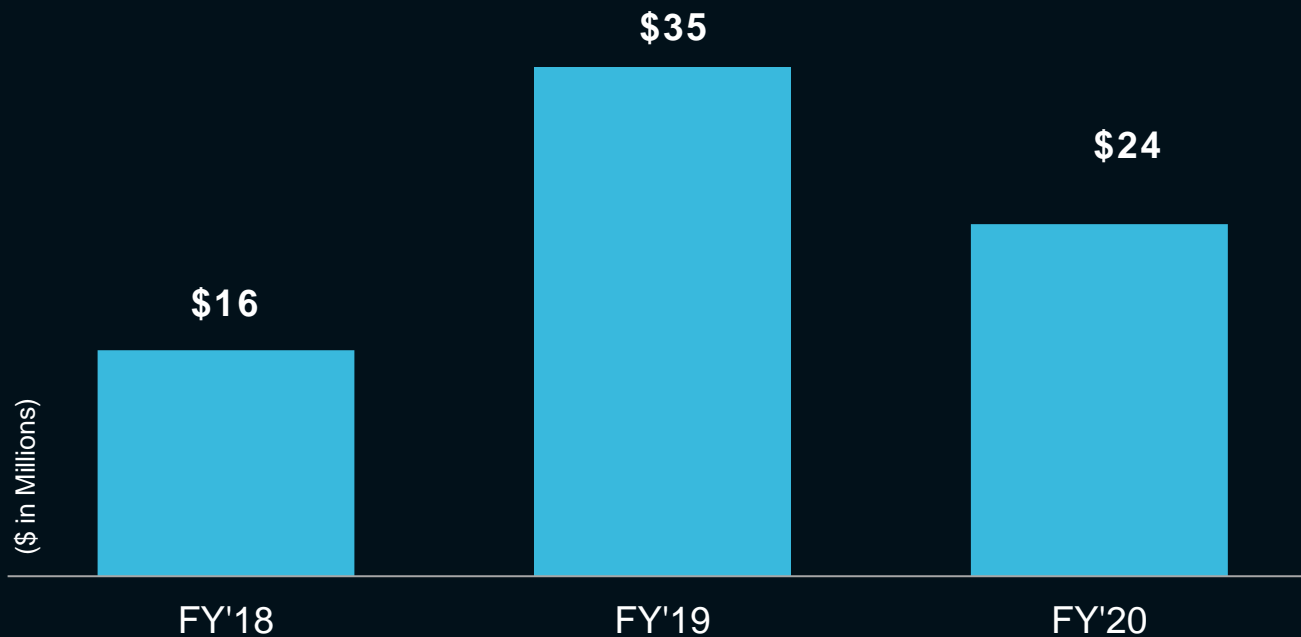
INCREASING PROFITABILITY



¹Adjusted EBITDA is a non-GAAP metric; see reconciliation on slide 31.

DELIVERING CASH FLOW

NET CASH PROVIDED BY OPERATING ACTIVITIES



STEPS TAKEN TO DELIVER CASH FLOW

- Investment in automation
- Continuous optimization of infrastructure (software and hardware)
- Offshore R&D leverage
- Focus on profitable publishers and ad impressions
- Efficiently investing in capacity to capture growth / market share

COMPANY HIGHLIGHTS

- 1 | Significant Growth in Digital Ad Spend & Opportunity for Market Share Gains**
- 2 | Differentiated Cloud Infrastructure Platform Drives Superior Outcomes**
- 3 | Accelerating Revenue Growth Driven By Customer Retention, Innovation, and Buyer Spend Consolidation**
- 4 | Consistently Profitable with Strong Cash Flow**

Finance Appendix

NON-GAAP RECONCILIATION – ADJUSTED EBITDA

(\$ in Millions)

	Q1'19	Q2'19	Q3'19	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20	2019	2020
Net Income (Loss)	(\$2.3)	\$1.9	\$2.9	\$4.1	\$0.9	\$0.7	\$6.2	\$18.8	\$6.6	\$26.6
Stock-Based Compensation	\$0.5	\$0.6	\$0.5	\$0.5	\$0.5	\$0.5	\$1.4	\$1.1	\$2.0	\$3.6
IDS Write-Off	-	-	\$0.7	-	-	-	-	-	\$0.7	-
Interest Income	(\$0.3)	(\$0.3)	(\$0.3)	(\$0.3)	(\$0.3)	(\$0.1)	(\$0.1)	(\$0.1)	(\$1.3)	(\$0.5)
Depreciation and Amortization	\$3.1	\$3.1	\$3.2	\$3.3	\$3.6	\$3.8	\$4.2	\$4.2	\$12.7	\$15.7
Income Taxes	(\$0.5)	\$0.3	\$1.0	\$1.7	\$0.4	\$0.1	\$1.6	\$2.9	\$2.6	\$5.0
Adj. EBITDA	\$0.4	\$5.5	\$8.0	\$9.3	\$5.1	\$4.9	\$13.4	\$26.9	\$23.3	\$50.3