Financial Highlights

Q4 2019

February 26, 2020

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Safe Harbor

FORWARD-LOOKING STATEMENTS

This presentation and management's prepared remarks during the conference call referred to above include, and management's answers to questions during the conference call may include, forward-looking statements, including statements based upon or relating to our expectations, assumptions, estimates, and projections. In some cases, you can identify forward-looking statements by terms such as "may," "might," "will," "objective," "intend," "should," "could," "can," "would," "expect," "believe," "design," "anticipate," "estimate," "predict," "potential," "plan" or the negative of these terms, and similar expressions. Forward-looking statements may include, but are not limited to, statements concerning our anticipated financial performance, including, without limitation, revenue, advertising spend, non-GAAP earnings (loss) per share, profitability, net income (loss), Adjusted EBITDA, earnings per share, and cash flow; the benefits expected as a result from the previously announced merger with Telaria, Inc.; strategic objectives, including focus on header bidding, mobile, video, Demand Manager, and private marketplace opportunities; investments in our business; development of our technology; introduction of new offerings; the impact of transparency initiatives we may undertake; the impact of our traffic shaping technology on our business; the effects of our cost reduction initiatives; scope and duration of client relationships; the fees we may charge in the future; business mix and expansion of our mobile, video and private marketplace offerings; sales growth; client utilization of our offerings; our competitive differentiation; our market share and leadership position in the industry; market conditions, trends, and opportunities; user reach; certain statements regarding future operational performance measures including ad requests, fill rate, paid impressions, average CPM, take rate, and advertising spend; benefits from supply path optimization; and factors that could affect these and other aspects of our business. These statements are not guarantees of future performance; they reflect our current views with respect to future events and are based on assumptions and estimates and subject to known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from expectations or results projected or implied by forward-looking statements. These risks include, but are not limited to: our ability to close the previously announced merger with Telaria, Inc.; to successfully integrate the businesses, and to achieve the benefits expected to result from the merger; our ability to continue to grow and to manage our growth effectively; our ability to develop innovative new technologies and remain a market leader; our ability to attract and retain buyers and sellers and increase our business with them; our vulnerability to loss of, or reduction in spending by, buyers; our reliance on large sources of advertising demand and aggregators of advertising inventory; our ability to maintain and grow a supply of advertising inventory from sellers and to fill the increased inventory; the effect on the advertising market and our business from difficult economic conditions or uncertainty; the freedom of buyers and sellers to direct their spending and inventory to competing sources of inventory and demand; our ability to cause buyers and sellers to use our solution to purchase and sell higher value advertising and to expand the use of our solution by buyers and sellers utilizing evolving digital media platforms, including connected television, or CTV; our ability to introduce new offerings and bring them to market in a timely manner, and otherwise adapt in response to client demands and industry trends, including shifts in digital advertising growth from desktop to mobile channels and other platforms and from display to video formats and the introduction and market acceptance of Demand Manager; uncertainty of our estimates and expectations associated with new offerings, including header bidding, private marketplace, mobile, video, Demand Manager, and traffic shaping; lower fees and take rate and the need to grow through advertising spend increases rather than fee increases; our ability to compensate for a reduced take rate by increasing the volume and/or value of transactions on our platform and increasing our fill rate; our vulnerability to the depletion of our cash resources as we incur additional investments in technology required to support the increased volume of transactions on our exchange and development of new offerings; our ability to support our growth objectives with reduced resources from our cost reduction initiatives; our ability to raise additional capital if needed and/or to renew our working capital line of credit; our limited operating history and history of losses; our ability to continue to expand into new geographic markets and grow our market share in existing markets; our ability to adapt effectively to shifts in digital advertising; increased prevalence of ad-blocking or cookie-blocking technologies and the slow adoption of common identifiers; the slowing growth rate of desktop display advertising; the growing percentage of online and mobile advertising spending captured by owned and operated sites (such as Facebook, Google and Amazon); the effects, including loss of market share, of increased competition in our market and increasing concentration of advertising spending, including mobile spending, in a small number of very large competitors; the effects of consolidation in the ad tech industry; acts of competitors and other third parties that can adversely affect our business; our ability to differentiate our offerings and compete effectively in a market trending increasingly toward commodification, transparency, and disintermediation; requests for discounts, fee concessions or revisions, rebates, refunds, favorable payment terms and greater levels of pricing transparency and specificity; potential adverse effects of malicious activity such as fraudulent inventory and malware; the effects of seasonal trends on our results of operations; costs associated with defending intellectual property infringement and other claims; our ability to attract and retain qualified employees and key personnel; our ability to identify future acquisitions of or investments in complementary companies or technologies and our ability to consummate the acquisitions and integrate such companies or technologies; and our ability to comply with, and the effect on our business of, evolving legal standards and regulations, particularly concerning data protection and consumer privacy and evolving labor standards. We discuss many of these risks and additional factors that could cause actual results to differ materially from those anticipated by our forward-looking statements under the headings "Risk Factors," and "Management's Discussion and Analysis of Financial Condition and Results of Operations," and elsewhere in filings we have made and will make from time to time with the Securities and Exchange Commission, or SEC, including our Annual Report on Form 10-K for the year ended December 31, 2018 and subsequent Quarterly Reports on Form 10-Q for 2020 and our Rule 424(b)(3) Prospectus filed with the SEC on February 13, 2020. These forward-looking statements represent our estimates and assumptions only as of the date made. Unless required by federal securities laws, we assume no obligation to update any of these forward-looking statements, or to update the reasons actual results could differ materially from those anticipated, to reflect circumstances or events that occur after the statements are made. Without limiting the foregoing, any guidance we may provide will generally be given only in connection with quarterly and annual earnings announcements, without interim updates, and we may appear at industry conferences or make other public statements without disclosing material nonpublic information in our possession. Given these uncertainties, investors should not place undue reliance on these forward-looking statements. Investors should read this presentation and the documents that we reference in this presentation and have filed or will file with the SEC completely and with the understanding that our actual future results may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements.

Headlines

- **Revenue grew 17%** year over year to $48.5 million in Q4 2019
- **Adjusted EBITDA was $15.3 million in Q4 2019** – representing a 32% margin
- Generated **$8.9 million of free cash flow** in Q4 2019
- Video revenue was $28.6 million for 2019 and **grew 43%** over 2018
- Expect Q1 2020 revenue to be between **$37 to $38 million** (for RUBI stand-alone)
- Adjusted EBITDA opex expected to be approximately $35 million in Q1 2020
- **On track** to close merger with Telaria in early April 2020

Q4 2019 Summary

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Financial Measures ($MM except per share data)	Three Months Ended		
	12/31/2019	12/31/2018	Change Favorable / (Unfavorable)
Revenue			
Mobile revenue	$27.9	$22.8	22%
Desktop revenue	$20.6	$18.6	11%
Revenue	$48.5	$41.4	17%
Net income/(loss)	$1.5	($2.2)	168%
Adjusted EBITDA[(1)]	$15.3	$9.9	55%
Adjusted EBITDA margin[(1)]	32%	24%	8 ppt
Adjusted EBITDA operating expenses[(2)]	$33.2	$31.5	5%
Basic and Diluted earnings/(loss) per share	$0.03	($0.04)	175%
Non-GAAP earnings per share[(3)]	$0.17	$0.03	467%

(1) See later slide for a reconciliation of net loss to adjusted EBITDA. Adjusted EBITDA margin is calculated as adjusted EBITDA divided by revenue.
(2) Adjusted EBITDA operating expense is calculated as revenue less adjusted EBITDA
(3) See later slide for a reconciliation of net income (loss) to non-GAAP loss and calculation of non-GAAP earnings (loss) per share.

Cash Flow and Balance Sheet Highlights

Adjusted Cash Flow Highlights

($mm)

	Q4 2019	Q4 2018
Adjusted EBITDA	$15.3	$9.9
Less capital expenditures	**(6.4)**	**(7.8)**
Cash flow (excluding working capital changes)	**$8.9**	**$2.1**

Balance Sheet Highlights

($mm)

	December 30, 2019	December 31, 2018
Cash & equivalents	$88.9	$80.5
Marketable securities	- -	7.5
Total cash + liquid assets	$88.9	$88.0
Debt	$ Nil	$ Nil

Amortization Schedule

Remaining Amortization Schedule for Acquired Intangibles by Period ($MM)	Amount
2020	4.2
2021	4.1
2022	2.1
2023	0.6
2024	0.4
TOTAL Remaining Amortization of Acquired Intangibles	$11.4

Reconciliations of Net Loss to Adjusted EBITDA

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Reconciliation of Net Loss to Adjusted EBITDA ($MM)	Q4 2019	Q4 2018
Net income / (loss)	$1.5	($2.2)
Add back (deduct):		
Depreciation and amortization, excluding amortization of acquired intangible assets	6.3	8.2
Amortization of acquired intangibles	1.0	0.8
Stock-based compensation expense	4.9	3.3
Acquisition and related items	2.0	--
Interest income, net	(0.2)	(0.2)
Foreign currency (gain) loss, net	0.6	(0.1)
Provision (benefit) for income taxes	(0.9)	0.1
Adjusted EBITDA	$15.3	$9.9

Reconciliations of Net Loss to Non-GAAP Loss

Reconciliation of Net Loss to Non-GAAP Income (Loss) ($MM, except share figures)	Q4 2019	Q4 2018
Net income / (loss)	$1.5	($2.2)
Add back (deduct):		
Acquisition and related items, including amortization of acquired intangibles	3.0	0.8
Stock-based compensation expense	4.9	3.3
Foreign currency (gain) loss, net	0.6	(0.1)
Tax effect of non-GAAP adjustments	(0.1)	0.0
Non-GAAP income	$10.0	$1.8
Non-GAAP earnings per share	$0.17	$0.3
Non-GAAP weighted-average shares outstanding (MM)	59.6	54.2

Revenue Split by Channel & Geography

Revenue Split by Channel	Q4 2019			Q4 2018		
Financial Measure: ($MM)	Mobile	Desktop	Total	Mobile	Desktop	Total
GAAP Revenue	$27.9	$20.6	$48.5	$22.8	$18.6	$41.4
Percent of Revenue	58%	42%	100%	55%	45%	100%

Revenue Split by Geography	Q4 2019			Q4 2018		
Financial Measure: ($MM)	U.S.	International	Total	U.S	International	Total
GAAP Revenue	$34.7	$13.8	$48.5	$28.8	$12.6	$41.4
Percent of Revenue	72%	28%	100%	70%	30%	100%