



INVESTOR PRESENTATION

FOURTH QUARTER 2023

Statement of caution under the Private Securities Litigation Reform Act of 1995

This document contains “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These statements relate to expectations concerning matters that (a) are not historical facts, (b) predict or forecast future events or results, or (c) embody assumptions that may prove to have been inaccurate, including statements relating to the advertising strategies, needs and expectations of brands and agencies, industry and market trends, expectations regarding investment strategies, and the financial targets such as revenue, adjusted EBITDA, and adjusted EBITDA margins of The Trade Desk, Inc. (“the Company”). When words such as *believe*, *expect*, *anticipate*, *will*, *outlook*, or similar expressions are used, the Company is making forward-looking statements. Although the Company believes that the expectations reflected in such forward-looking statements are reasonable, it cannot give readers any assurance that such expectations will prove correct. These forward-looking statements involve risks, uncertainties, and assumptions, including those related to the Company’s limited operating history, which makes it difficult to evaluate the Company’s business and prospects, the market for programmatic advertising developing slower or differently than the Company’s expectations, the demands and expectations of clients, and the ability to attract and retain clients. The actual results may differ materially from those anticipated in the forward-looking statements as a result of numerous factors, many of which are beyond the control of the Company. These are disclosed in the Company’s reports filed from time to time with the Securities and Exchange Commission, including its most recent Form 10-K and any subsequent filings on Forms 10-Q or 8-K, available at www.sec.gov. Readers are urged not to place undue reliance on these forward-looking statements, which speak only as of the date of this presentation. The Company does not intend to update any forward-looking statement contained in this presentation to reflect events or circumstances arising after the date hereof.

Included within this presentation are non-GAAP financial measures that supplement the Condensed Consolidated Statements of Operations of the Company prepared under generally accepted accounting principles (GAAP). Reconciliations of GAAP to non-GAAP amounts for the periods presented herein are provided in schedules accompanying this presentation and should be considered together with the Condensed Consolidated Statements of Operations. These non-GAAP measures are not meant as a substitute for GAAP, but are included solely for informational and comparative purposes. The Company’s management believes that this information can assist investors in evaluating the Company’s operational trends, financial performance, and cash-generating capacity. Management believes these non-GAAP measures allow investors to evaluate the Company’s financial performance using some of the same measures as management. However, the non-GAAP financial measures should not be regarded as a replacement for or superior to corresponding similarly captioned GAAP measures, and may be different from non-GAAP financial measures used by other companies.

Information contained in this presentation concerning the industry and the markets in which the Company operates, including the Company’s general expectations and market position, market opportunity, and market size, is based on reports from various third-party sources, assumptions that the Company has made based on information in such reports and the Company’s knowledge of the market for its platform. Although the Company believes such third-party sources to be reliable, the Company has not independently verified the information and cannot guarantee its accuracy and completeness.

WHAT WE DO

WE PROVIDE A PLATFORM
FOR AD BUYERS.

MOST BUYERS ARE AD
AGENCIES, BRANDS, OR
OTHER TECHNOLOGY
COMPANIES.

WE'VE BEEN **PROFITABLE** SINCE 2013

MAY 2011

\$0.08 day

2012
First \$1M month

2014
First \$1M day

2016

First \$100M month
\$203M in revenue, \$35M in adj. net income, and \$65M in adj. EBITDA

2015

First \$2M and \$3M day
\$114M in revenue, \$22M in adj. net income, and \$39M in adj. EBITDA

2017

First \$5M Day and \$200M month

\$308M in revenue, \$70M in adj. net income, and \$95M in adj. EBITDA

2018

First \$10M day
\$477M in revenue, \$124M in adj. net income, and \$159M in adj. EBITDA

2020

First \$1.5B quarter

\$836M in revenue, \$336M in adj. net income, and \$284M in adj. EBITDA

2019

First \$1B quarter

\$661M in revenue, \$176M in adj. net income, and \$214M in adj. EBITDA

2021

First \$1B+ revenue year

\$1,196M in revenue, \$456M in adj. net income, and \$503M in adj. EBITDA

2022

First \$2B quarter

\$1,578M in revenue, \$522M in adj. net income, and \$668M in adj. EBITDA

2023

First \$1B month

\$1,946M in revenue, \$628M in adj. net income, and \$772M in adj. EBITDA

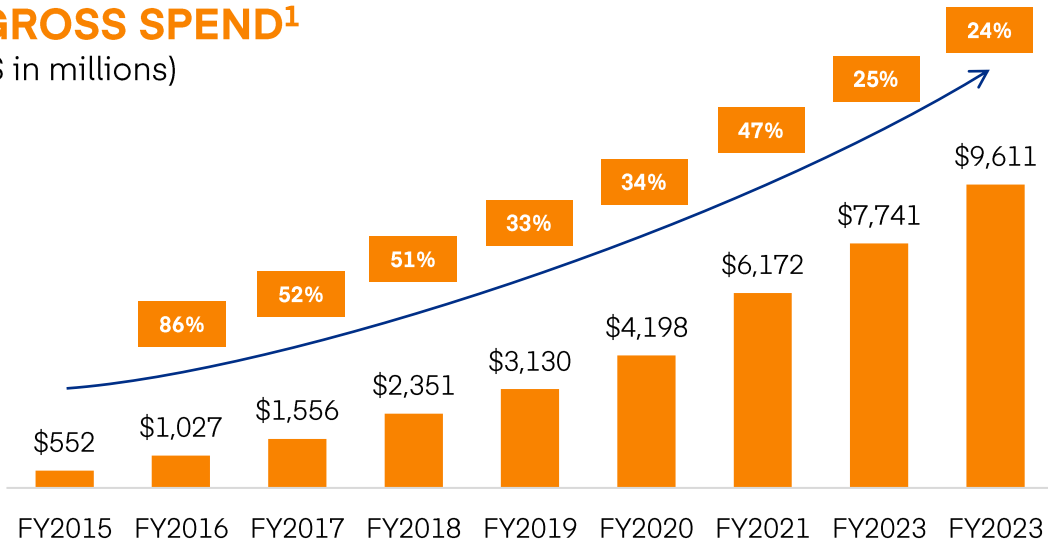
Numbers represent total spend on platform, unless otherwise stated.

Adjusted net income and EBITDA typically excludes items such as depreciation and amortization expense, interest expense, income taxes, stock-based compensation, preferred stock warrant liabilities, and follow-on offering costs. Reconciliation for adjusted net income and adjusted EBITDA can be found in the Company's SEC filings at www.investors.thetradedesk.com/financials/sec-filings.

The Trade Desk by the numbers

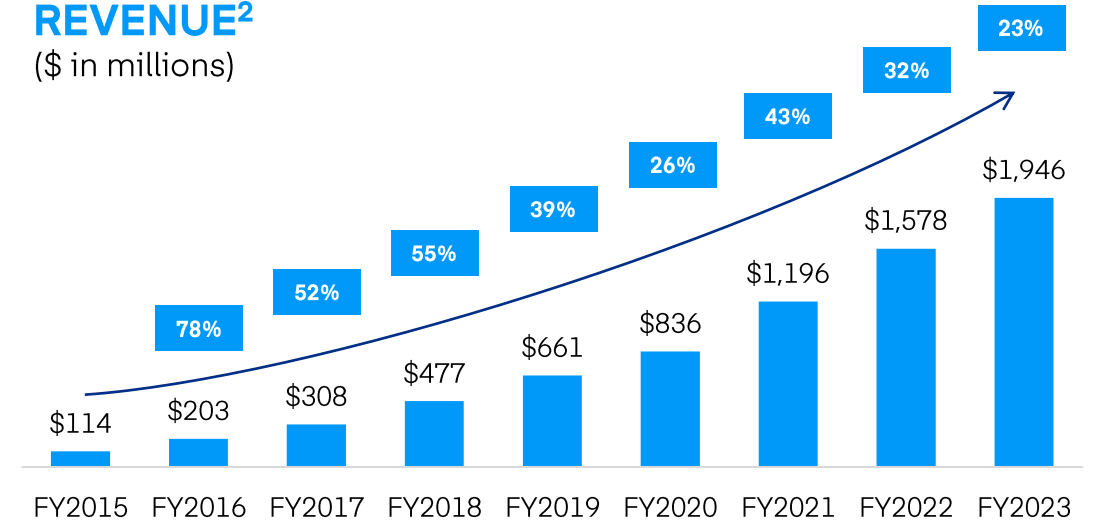
GROSS SPEND¹

(\$ in millions)



REVENUE²

(\$ in millions)



2009

Founded

\$1,946M

2023 revenue¹

\$9.6B

2023 gross spend¹

\$628M

2023 adjusted net income¹

\$772M

2023 adjusted EBITDA¹

3000+

Global employees

1) Gross spend, revenue, adjusted net income, and adjusted EBITDA from The Trade Desk's Form 10-K and press release issued on February 15, 2024. Reconciliations of GAAP to non-GAAP amounts for the periods presented herein are provided in schedules accompanying this presentation.

2) FY2023 revenue provided February 15, 2024, at The Trade Desk's conference call for the period ended December 31, 2023, and in SEC filings.



THE MOST EFFECTIVE
ADVERTISING IS

TARGETED

THERE IS A
FUNDAMENTAL
SHIFT
HAPPENING
IN ADVERTISING

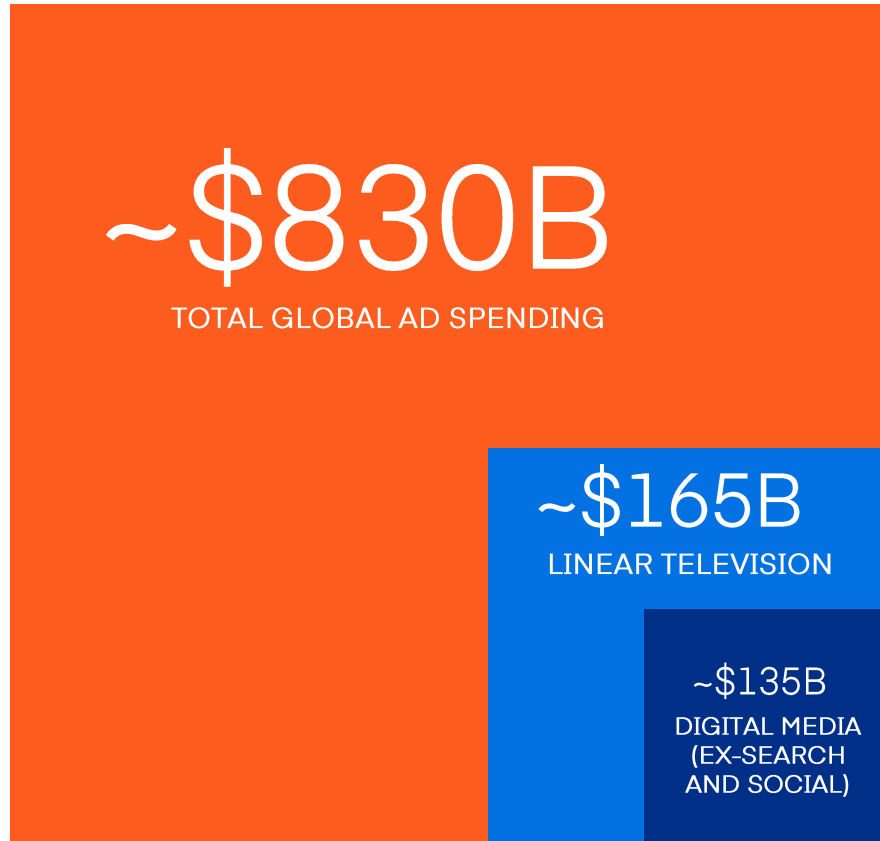
AND IT'S
BIGGER THAN
JUST A MOVE
TO DIGITAL

THE MARKET



PRICE DISCOVERY ENABLES
HEALTHY MARKETS

We are targeting a massive TAM

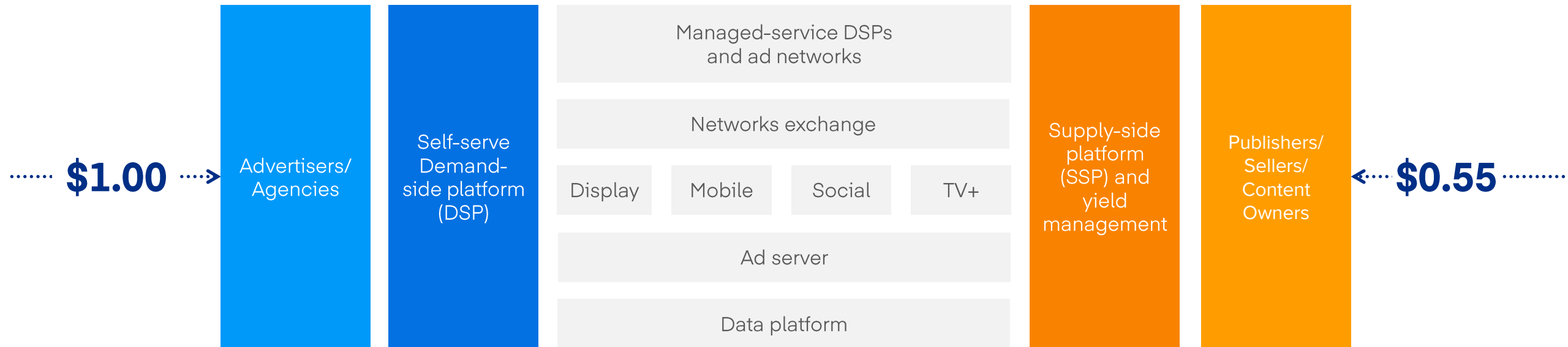


Source: Magna Global, Estimated 2023 Global Ad Spending.

// **We believe advertising will be transacted digitally.** The future of all media is digital and programmatic... Eventually all media will be digital, and it will be transacted by machines.

– CEO OF A GLOBAL MEDIA INVESTMENT MANAGEMENT GROUP

The pie is getting bigger while waste is being pushed out



WE PROVIDE AGENCIES A

SOFTWARE PLATFORM

We create room for their proprietary advantage.

WE ARE AN ENABLER

NOT A DISRUPTOR

We align agencies and their brands

..... PUBLISHER

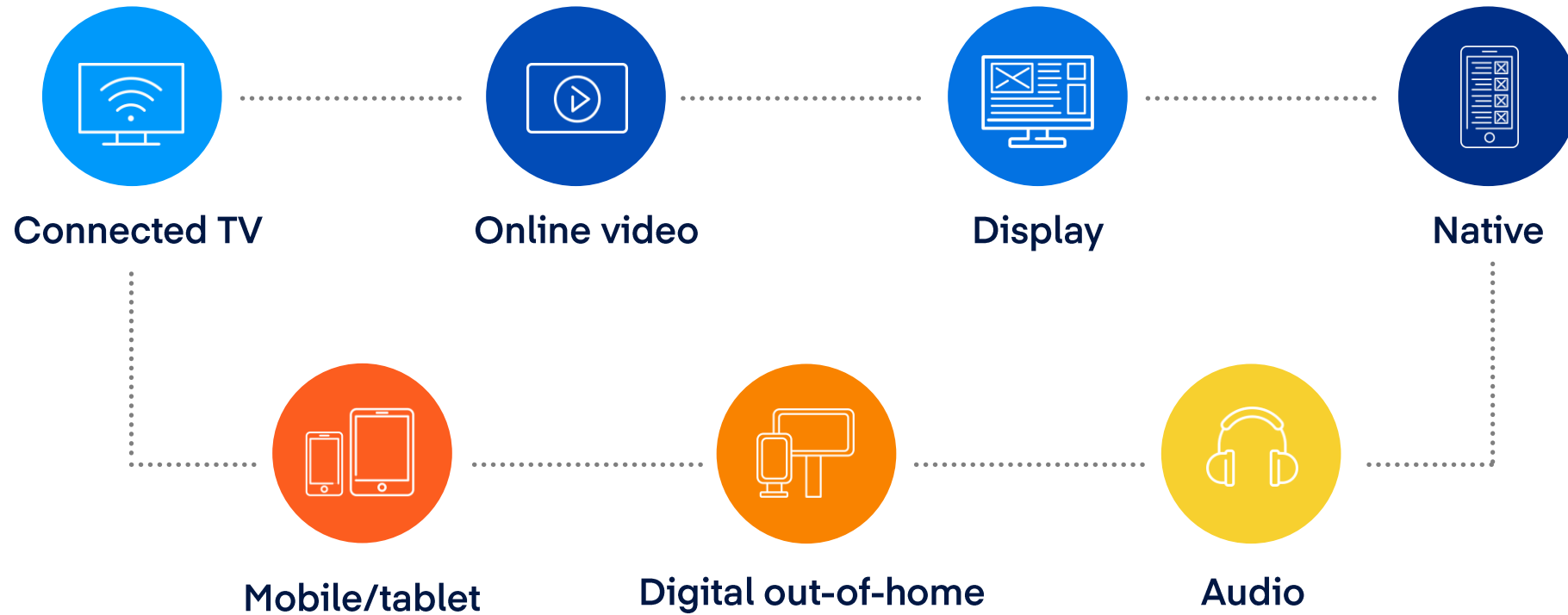
..... ADVERTISER



With hundreds of different players

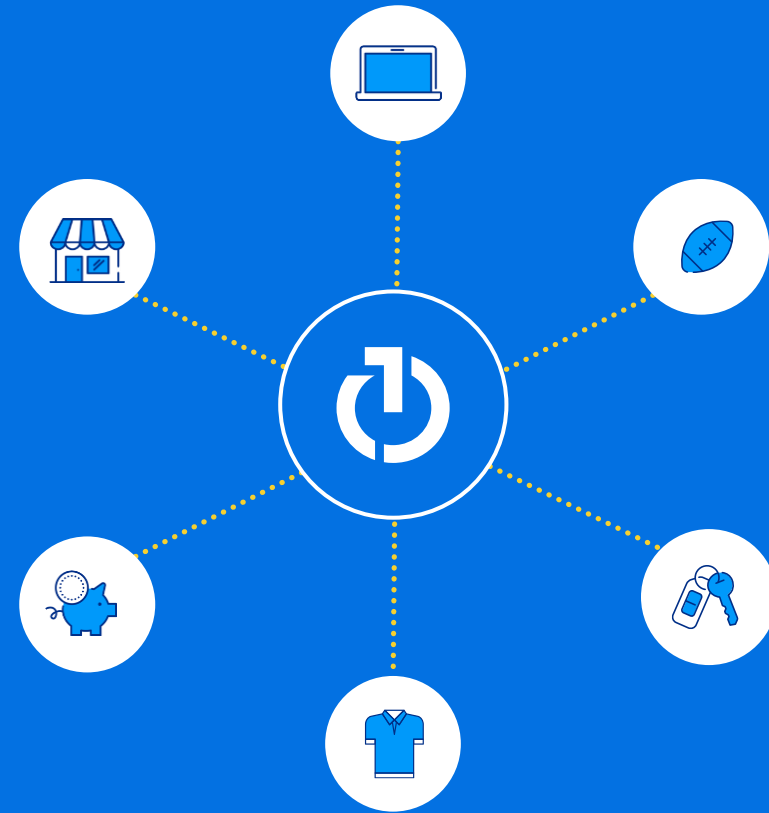


Omnichannel platform with global reach



WE BUY ADVERTISING AND DATA

We power some of the largest brands in the world...



...through their agencies and digital solutions companies.

Diversified across all major verticals

2022 SPEND BY INDUSTRY

Food & Drink	16%
Medical Health	12%
Automotive	11%
Technology & Computing	9%
Shopping	8%
Home & Garden	7%
Personal Finance	6%
Business and Finance	6%
Style & Fashion	4%
Travel	4%
Other	18%

2023 SPEND BY INDUSTRY

Food & Drink	18%
Automotive	12%
Medical Health	11%
Technology & Computing	8%
Home & Garden	8%
Shopping	7%
Personal Finance	6%
Travel	6%
Style & Fashion	5%
Business and Finance	5%
Other	16%

In 2022, others above 1% of spend include News & Politics, Healthy Living, Family & Relationships, Hobbies & Interests, Television, Pets, Education.
In 2023, others above 1% of spend include Healthy Living, Family & Relationships, Pets, Hobbies & Interests, News & Politics.

A strong global presence

Our global footprint provides our clients with localized marketplace expertise

NAMER

United States:

Boulder, CO
Chicago, IL
Denver, CO
Detroit, MI
Los Angeles/Irvine, CA
New York, NY
San Francisco/San Jose, CA
Seattle/Bellevue, WA
Ventura, CA

Canada:

Toronto

EMEA

Hamburg, Germany
London, U.K.
Madrid, Spain
Milan, Italy
Paris, France
Stockholm, Sweden

APAC

North Asia:

Hong Kong
Seoul, South Korea
Shanghai, China
Taiwan
Tokyo, Japan

South Asia:

India
Jakarta
Singapore

Australia:

Melbourne
Sydney



Founded in **2009**
Went public in **2016**



Global experience
and relationships



Over 3,000 employees
29 offices



Regionalized
engineering resource

WE BUY

THE WHOLE INTERNET

Even media that isn't digital will be transacted digitally, using the internet.



CONDÉ NAST



TURNER



YAHOO!

ROKU TV



ESPN

AOL

EBAY

VIACOM

News Corp

BBC

Time Inc.



CBS Interactive

HEARST magazines

LinkedIn

WebMD

pandora

SCRIPPS NETWORKS



theTradeDesk

AGENCIES
(AND THEIR
BRANDS) NEED A
TECHNOLOGY
PARTNER TO TRUST
WITH THEIR DATA.

WE NEED TO ACCESS
THEIR DATA TO HELP THEM.

WE ARE THE ALTERNATIVE
TO THE CONFLICTED
PLATFORM PROVIDERS.

WE BUY DATA TO MAKE BETTER DECISIONS

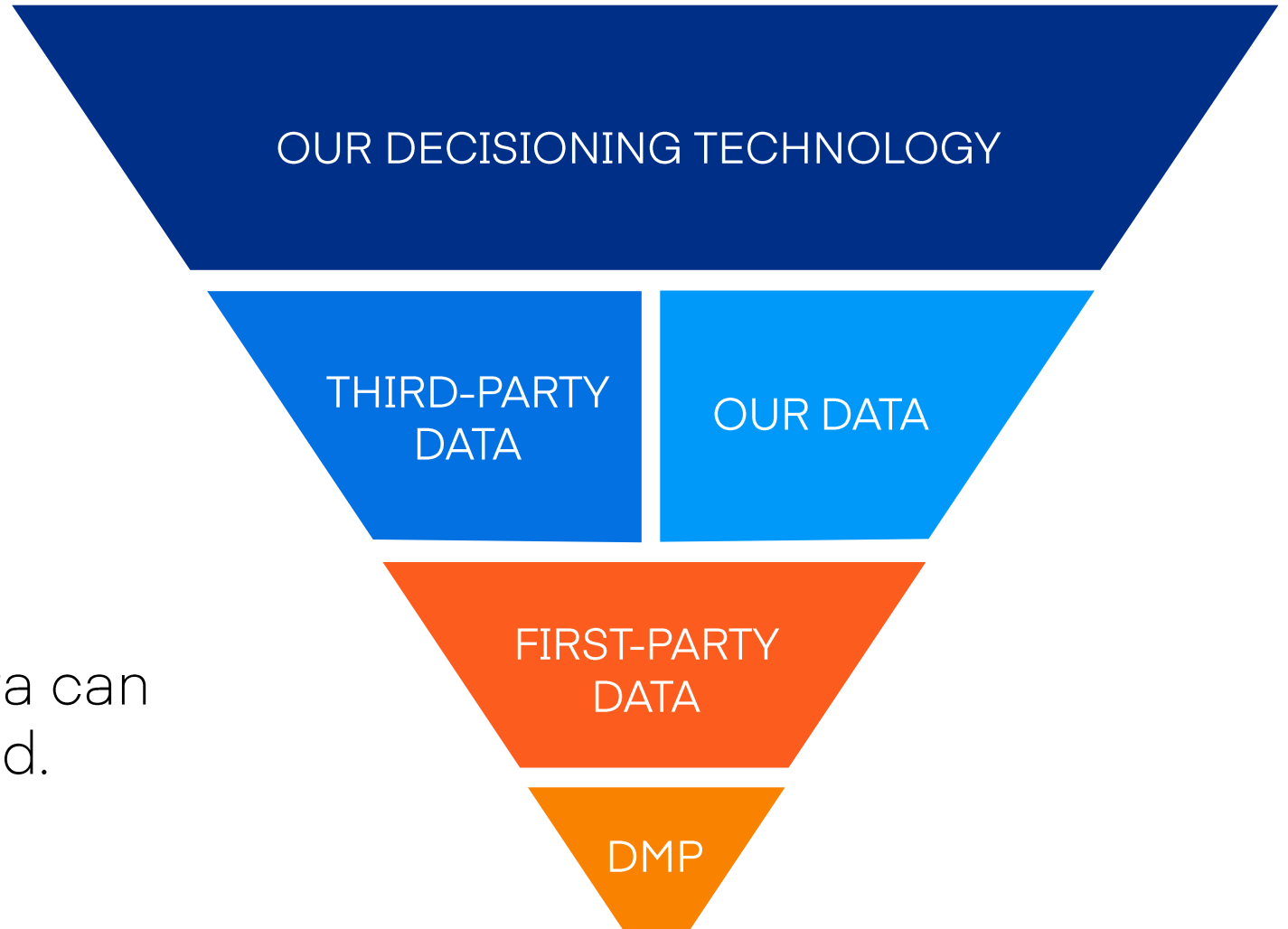
We focus on being the best
partner for our data providers.



OUR TECHNOLOGY

We built a data management platform first

The buyer with the most data can make the most intelligent bid.



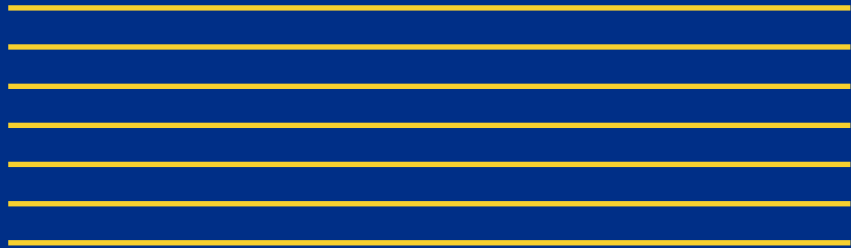


EXPRESSIVENESS

IS CENTRAL TO OUR
TECHNOLOGICAL ADVANTAGE

We're built differently than everyone else in the industry

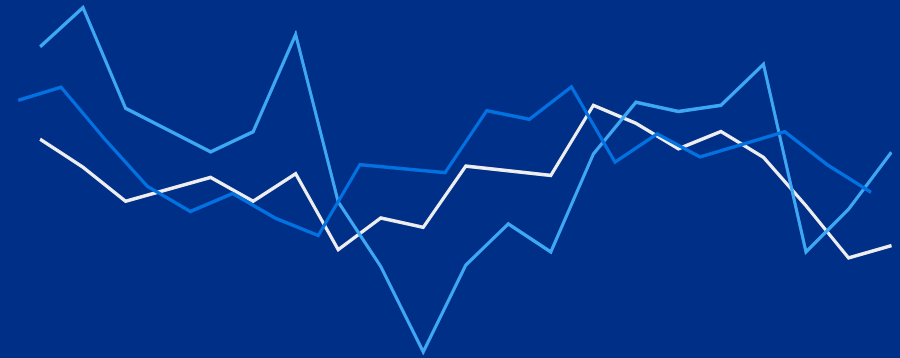
LINE ITEMS



Limits reporting granularity, optimization options, and ability to activate data.

versus

BID FACTORS



The only structure that allows for expressiveness and fine-grain reporting.

GOAL: The most transparent and most detailed reporting

REPORTING GRAINS

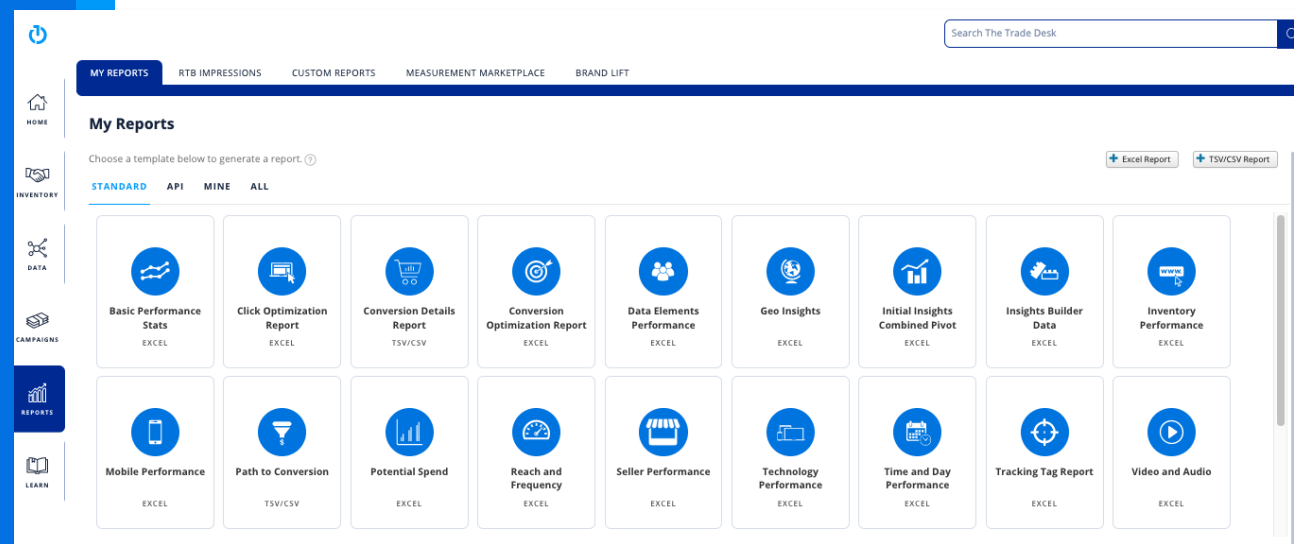
Report out on over 200 performance measures

- ✓ Conversion touch
- ✓ View-through conversion
- ✓ Average bid cost per mille (CPM)
- ✓ Partner CPM
- ✓ Win rate
- ✓ Total seconds in view
- ✓ Partner viewable CPM (vCPM)
- ✓ Player audible event
- ✓ Player collapse
- ✓ Player skip
- ✓ Small player impressions
- ✓ Total audible seconds
- ✓ Win rate

...across over 300 measurable variables

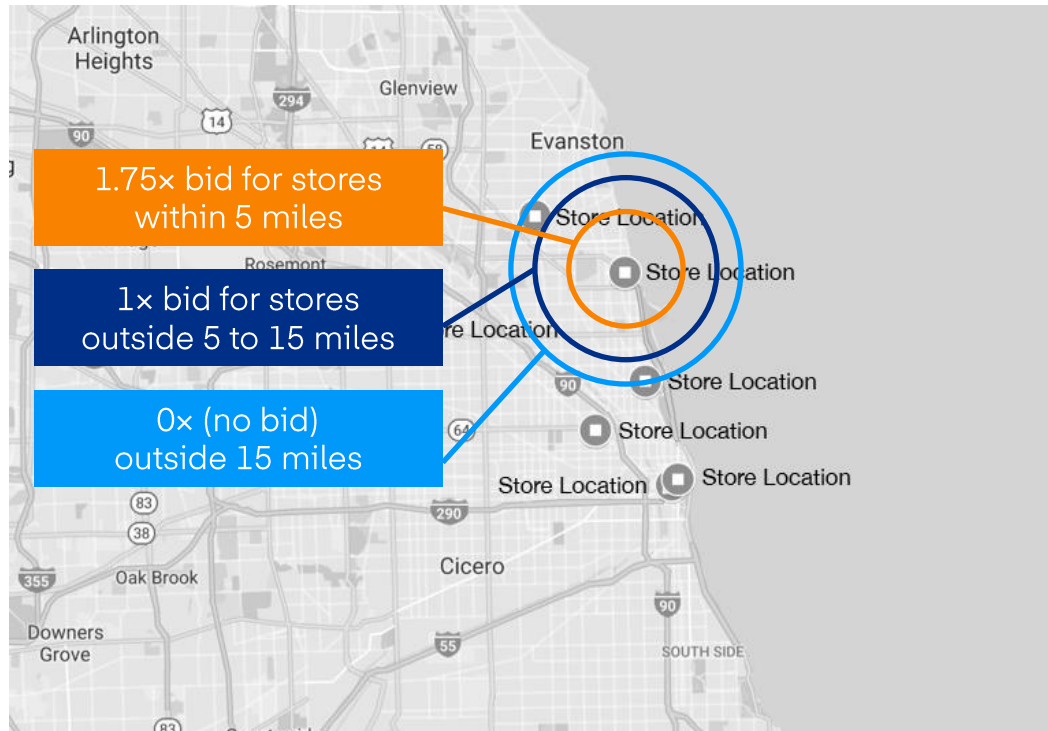
- ✓ Ad environment
- ✓ Ad server placement ID
- ✓ App
- ✓ Audience
- ✓ Browser
- ✓ Category name
- ✓ Device type
- ✓ Factual proximity
- ✓ Inventory contract
- ✓ Site bid factor
- ✓ Third-party data full path
- ✓ User day of week and hour of day

SIMPLIFIED USER INTERFACE "Expressiveness" at work

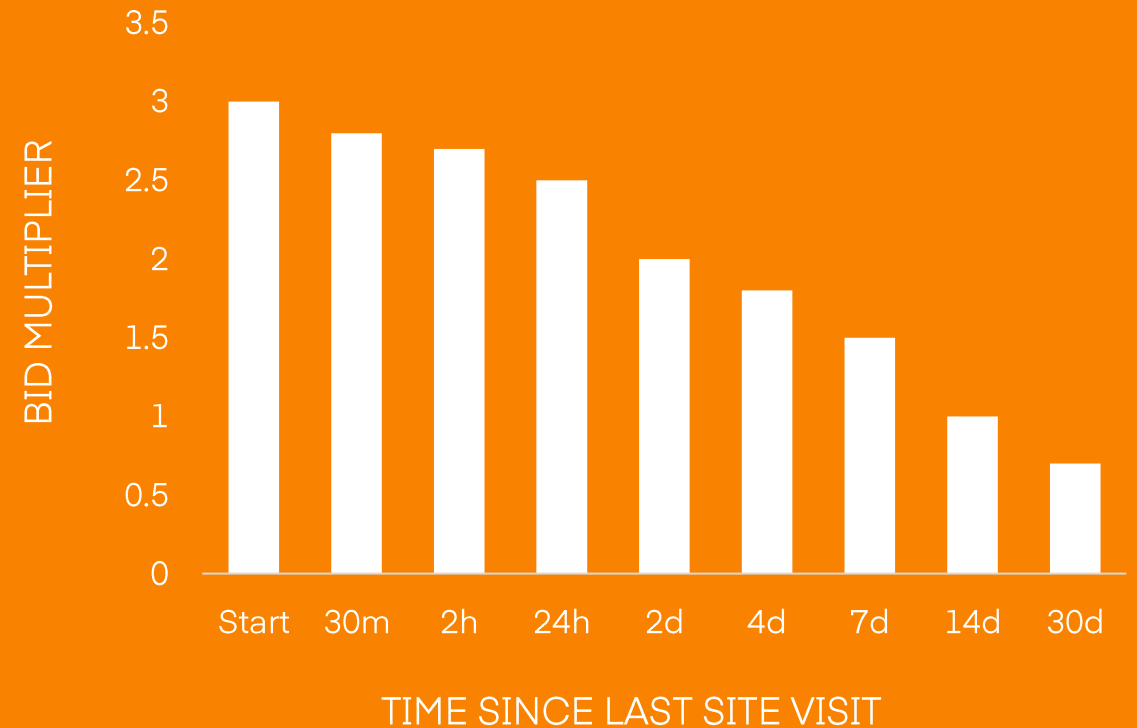


STANDARD REPORT TEMPLATES

The Trade Desk and agency reduced client's booking costs by half

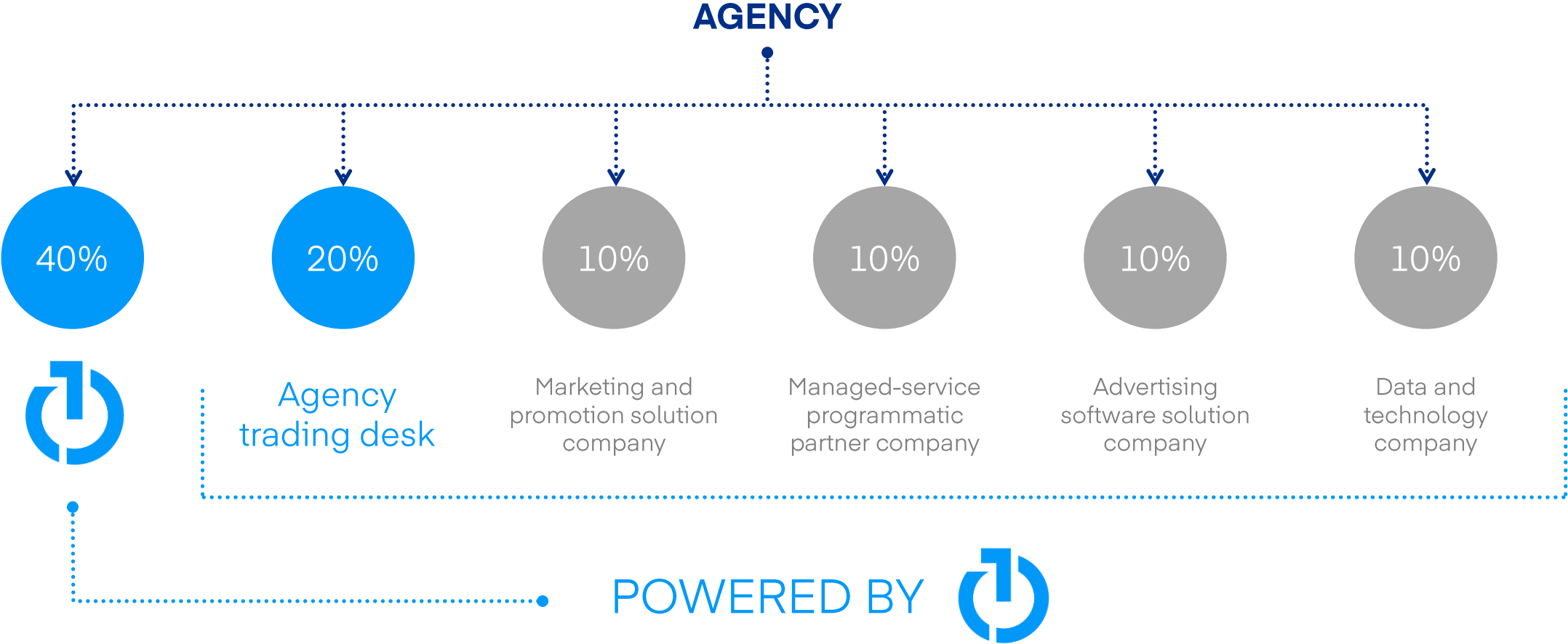


EXPRESSIVENESS = 15,360
BID PERMUTATIONS



Our platform approach wins more of the budget

An example media plan



Unified ID^{2.0}

The what and why...



We collaborate with industry organizations to operate Unified ID 2.0 (UID2) for the open internet.



We built an open-source technology to convert email address to anonymized IDs.



We dedicated internal resources to build the technology.



We believe the open internet must continue to thrive.



UID2 is non-proprietary and available to advertisers, publishers, DSPs, SSPs, single sign-ons (SSOs), customer data platforms (CDPs), CMPs, identity providers, and data and measurement providers that are in compliance with a code of conduct.

IDENTITY MATTERS

Because the future of identity matters

A better foundation for identity

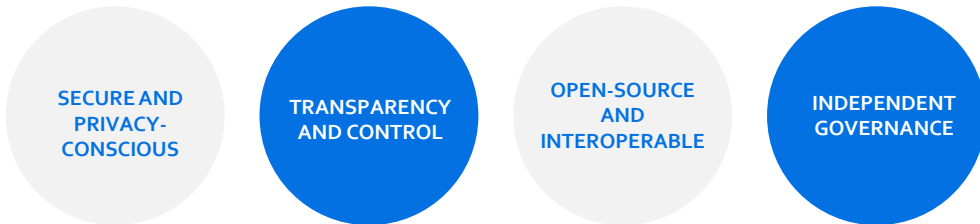
IDENTIFY>

ACTIVATE

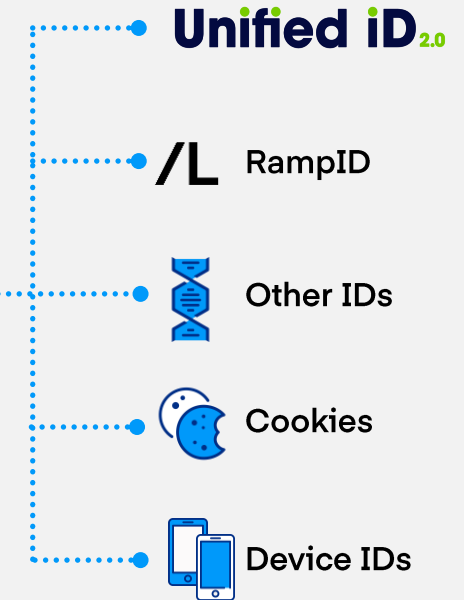
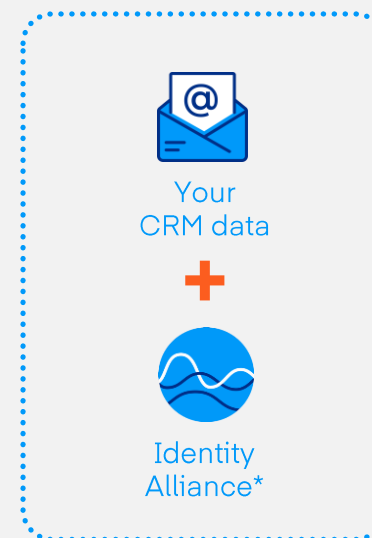
Unified ID^{2.0}

Represents an **upgrade**, not a cookie replacement.

- Consistent identifier across devices and browsers
- Interoperable



/LiveRamp Nielsen



Plus many more SSPs, publishers, data and measurement partners, DSPs/buyers.
*Our proprietary cross-device graph.

SIGNIFICANT GROWTH DRIVERS



CONNECTED TV AND US

THE CONVERGENCE OF
THE INTERNET AND TELEVISION



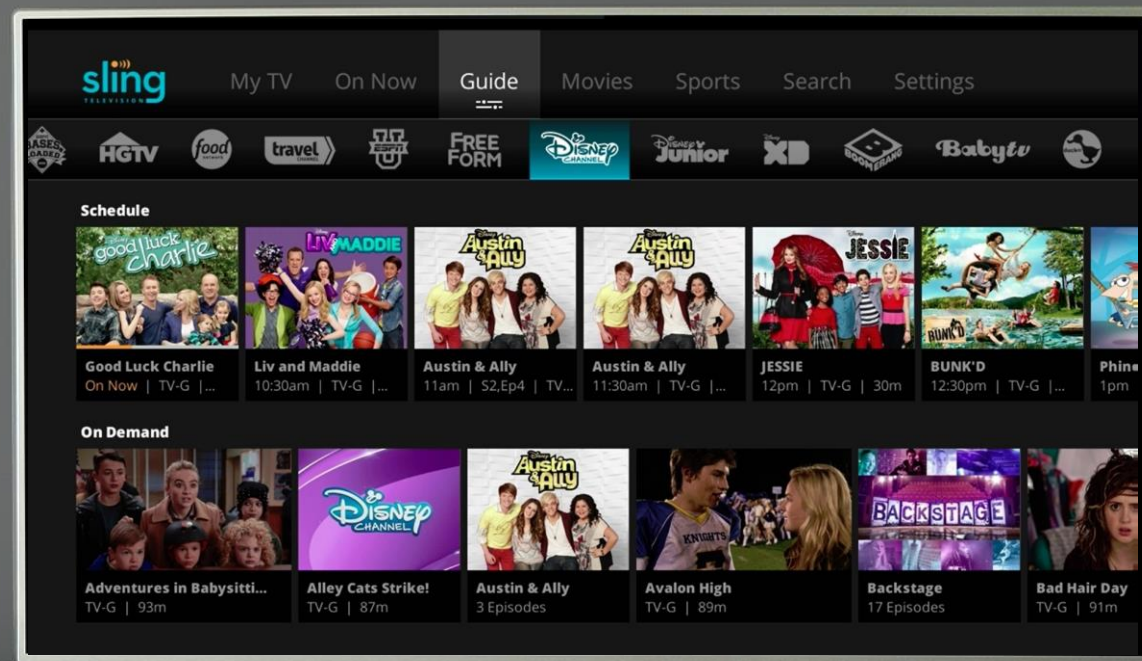
THE FUTURE OF TV IS

AD FUNDED

The cost of no ads is too great for most consumers.

Our story in Connected TV is resonating

You are missing out on a core audience if you're only buying broadcast TV.





OUR REACH IN CTV IS HUGE



90M+

HOUSEHOLDS

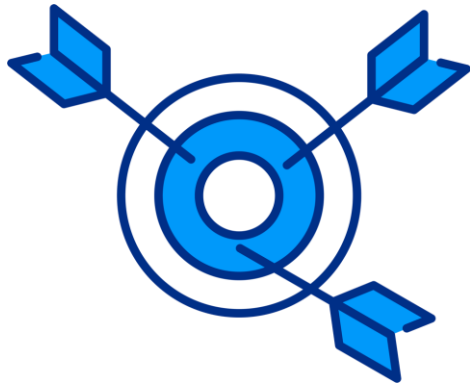


120M+

CTV DEVICES

Decisioning improves TV buying and increases CPMs for publishers

TRADITIONAL TV BUYING \$10 CPM



Currently targeting broad metrics, i.e., designated market areas (DMAs), schedule, and dayparts.

CONNECTED TV BUYING \$20 CPM



DSP targeting includes one-to-one targeting of valuable customers and their households in real time.

Connected TV measurement

Measure and analyze the impact of your Connected TV (CTV) campaigns to inform future strategies.

KEY REPORTING METRICS INCLUDE:

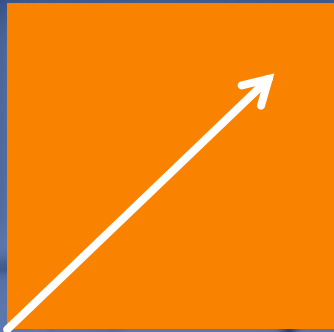
- Reports across video screens (over-the-top, desktop, mobile)
- Attribution across devices
- Impressions delivered
- Reach and frequency
- Video completion rates
- Audience reporting
- Nielsen gross rating points (GRPs)/day-after recall (DAR)
- Sales lift driven by CTV

2

GROWTH OUTSIDE NORTH AMERICA



ABOUT **TWO THIRDS** OF GLOBAL
ADVERTISING SPEND IS OUTSIDE
OF NORTH AMERICA



Top 20 worldwide advertising markets

~89%

TTD spend in North America¹
(in 2023)

33%

of *all* ad dollars spent in
North America²

~11%

TTD spend Internationally¹
(in 2023)

67%

of *all* ad dollars spent
outside North America²

¹ FY2023 percent of spend provided at The Trade Desk's conference call for the period ended December 31, 2023, and in SEC filings.
² Source: IDC Global Advertising Spend.

3

SHOPPER MARKETING

Activating retail data today

 theTradeDesk®

AUDIENCES

MEASUREMENT


DSP

Data from #1
retailer

+

Tech from #1
independent DSP

AUDIENCES

MEASUREMENT



FAMILIAR TOOLS & WORKFLOWS



HOLISTIC FREQUENCY CONTROL



1P DATA SHARING

 theTradeDesk®

Retail data is the solution marketers have been waiting for



Deterministic and future-proof



Customer lifetime data



Increase market share



Manage frequency holistically



Our focus for the future...

1. Connected TV
2. Shopper Marketing
3. Kokai
4. Global Expansion
5. UID2
6. Data marketplace
7. Supply Path Optimization

OBJECTIVE.
INDEPENDENT.
TRANSPARENT.



HOW DO WE MANAGE OUR BUSINESS?

WE FOCUS ON:



Culture



Customer
retention



Spend
growth



Efficiency

Strong financial model

Exceptional **top-line growth**

Joint Business Plan and MSA-based model with **ongoing, established** customer relationships

Self-serve software model drives strong **operating leverage**

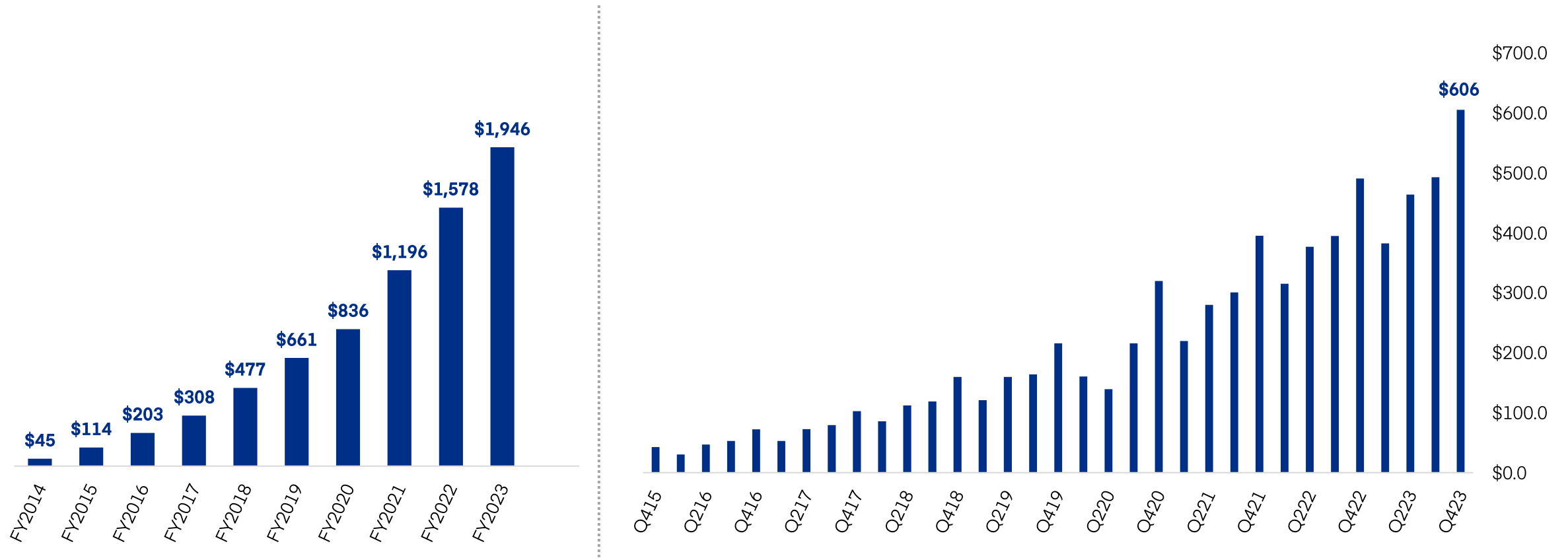
Proven **profitability**

Significant **free-cash-flow**



Robust revenue growth...

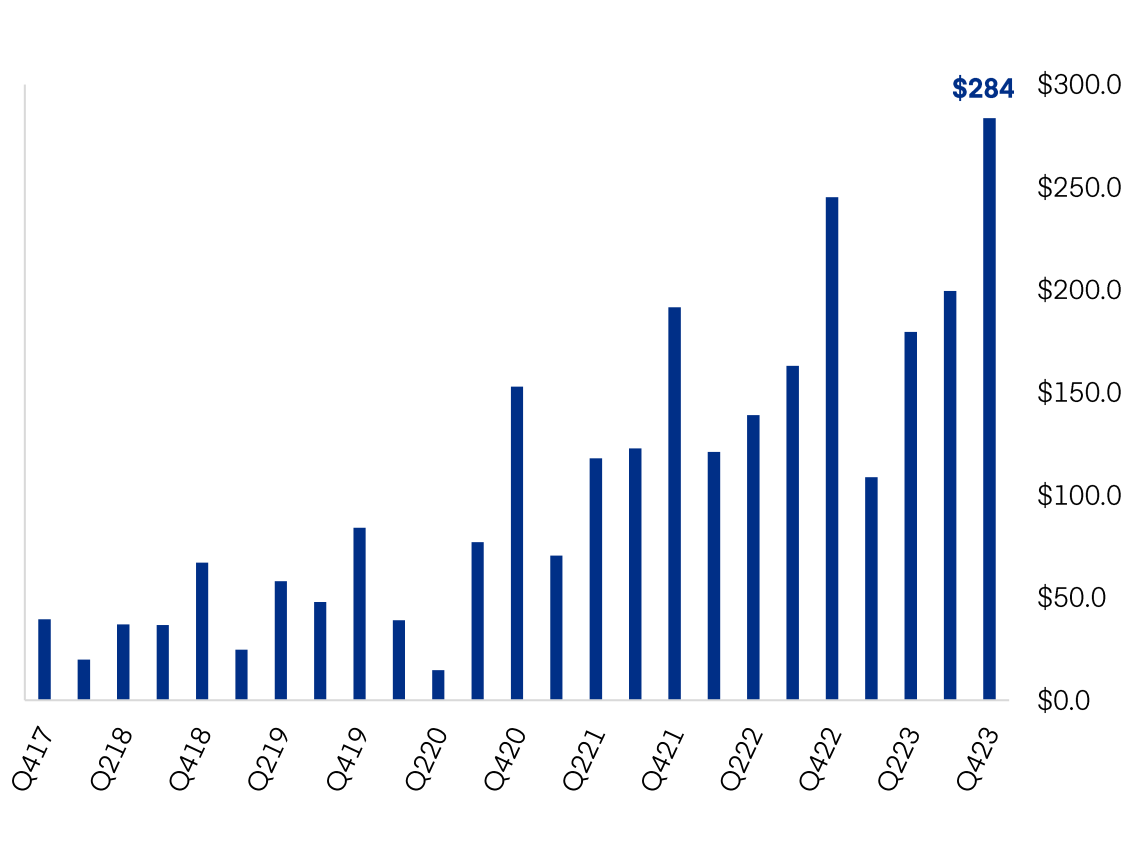
REVENUE
(\$ IN MILLIONS)



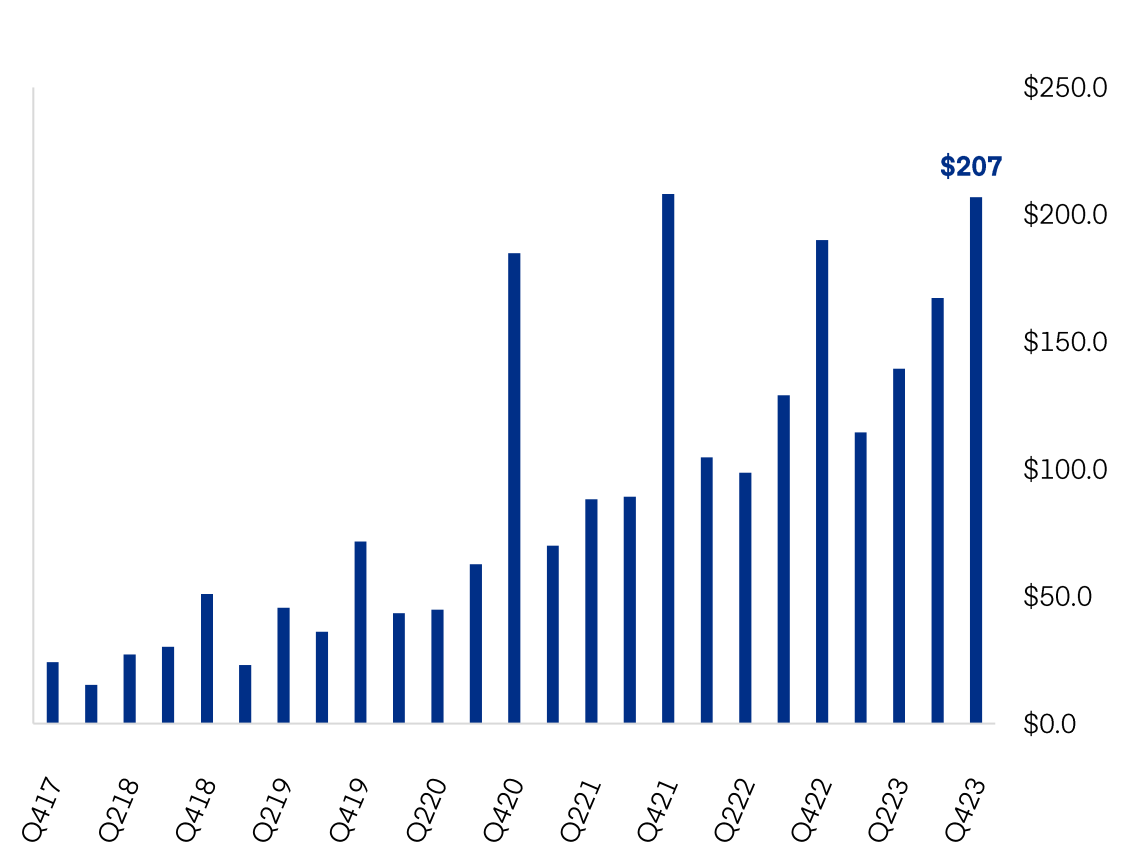
Source: The Trade Desk SEC filings.

..with substantial profitability

ADJ. EBITDA (\$MILLIONS)



NON-GAAP NET INCOME (\$MILLIONS)



Source: Company filings. Adjusted EBITDA excludes depreciation and amortization expense, interest expense, income taxes, stock-based compensation, and preferred stock warrant liabilities. Reconciliations of GAAP to non-GAAP amounts for the periods presented herein are provided in schedules accompanying this presentation.

Investment highlights

1. Q4 revenue grew 23% year-over-year
 - Significant outperformance vs ad-funded peers and high growth companies over the last 2 years.
2. In addition to high growth, strong EBITDA margins and free cash flow generation.
3. Total advertising TAM heading toward \$1 trillion.
4. CTV is our largest and fastest growing channel and will be for the foreseeable future.
5. Still early in tapping into the large Retail Media opportunity.
6. Significant opportunity for international growth.
7. Objectivity is our greatest asset: we align our interests with the buy-side

THE TRADE DESK IS AN INVESTMENT IN THE OPEN INTERNET.

Q4 2023 GAAP Financial Information

THE TRADE DESK, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(Amounts in thousands, except per share amounts)
(Unaudited)

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
Revenue	\$ 605,797	\$ 490,737	\$ 1,946,120	\$ 1,577,795
Operating expenses ⁽¹⁾ :				
Platform operations	100,695	79,619	365,598	281,123
Sales and marketing	126,793	92,829	447,970	337,975
Technology and development	102,004	84,479	411,794	319,876
General and administrative	131,867	133,650	520,278	525,167
Total operating expenses	461,359	390,577	1,745,640	1,464,141
Income from operations	144,438	100,160	200,480	113,654
Total other income, net	(16,238)	(11,960)	(67,515)	(13,716)
Income before income taxes	160,676	112,120	267,995	127,370
Provision for income taxes	63,353	40,933	89,055	73,985
Net income	\$ 97,323	\$ 71,187	\$ 178,940	\$ 53,385
Earnings per share:				
Basic	\$ 0.20	\$ 0.15	\$ 0.37	\$ 0.11
Diluted	\$ 0.19	\$ 0.14	\$ 0.36	\$ 0.11
Weighted-average shares outstanding:				
Basic	489,454	489,217	489,261	486,937
Diluted	499,682	500,432	500,182	499,925

⁽¹⁾ Includes stock-based compensation expense as follows:

THE TRADE DESK, INC.
STOCK-BASED COMPENSATION EXPENSE
(Amounts in thousands)
(Unaudited)

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
Platform operations	\$ 6,406	\$ 4,031	\$ 21,048	\$ 18,285
Sales and marketing	21,885	15,724	75,924	64,442
Technology and development	29,540	27,564	120,823	94,822
General and administrative ⁽¹⁾	63,604	80,212	273,826	321,093
Total	\$ 121,435	\$ 127,531	\$ 491,621	\$ 498,642

⁽¹⁾ Includes stock-based compensation expense related to a long-term CEO performance grant of \$42 million and \$66 million for the three months ended December 31, 2023 and 2022, respectively, as well as \$198 million and \$262 million for the twelve months ended December 31, 2023 and 2022, respectively.

Supplemental Non-GAAP Information

Non-GAAP Financial Metrics

(Amounts in thousands, except per share amounts)

The following tables show the Company's non-GAAP financial metrics reconciled to the comparable GAAP financial metrics included in this release.

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
Net income	\$ 97,323	\$ 71,187	\$ 178,940	\$ 53,385
Add back (deduct):				
Depreciation and amortization expense	20,529	16,844	80,418	54,425
Stock-based compensation expense	121,435	127,531	491,621	498,642
Interest income, net	(18,952)	(11,434)	(68,508)	(12,755)
Provision for income taxes	63,353	40,933	89,055	73,985
Adjusted EBITDA	<u>\$ 283,688</u>	<u>\$ 245,061</u>	<u>\$ 771,526</u>	<u>\$ 667,682</u>

	Three Months Ended December 31,		Year Ended December 31,	
	2023	2022	2023	2022
GAAP net income	\$ 97,323	\$ 71,187	\$ 178,940	\$ 53,385
Add back (deduct):				
Stock-based compensation expense	121,435	127,531	491,621	498,642
Adjustment for income taxes	(11,896)	(8,576)	(42,462)	(29,995)
Non-GAAP net income	<u>\$ 206,862</u>	<u>\$ 190,142</u>	<u>\$ 628,099</u>	<u>\$ 522,032</u>

GAAP diluted earnings per share	\$ 0.19	\$ 0.14	\$ 0.36	\$ 0.11
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GAAP weighted-average shares outstanding—diluted	<u>499,682</u>	<u>500,432</u>	<u>500,182</u>	<u>499,925</u>
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Non-GAAP diluted earnings per share	\$ 0.41	\$ 0.38	\$ 1.26	\$ 1.04
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Non-GAAP weighted-average shares used in computing Non-GAAP earnings per share, diluted	<u>499,682</u>	<u>500,432</u>	<u>500,182</u>	<u>499,925</u>
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