theTradeDesk®

INVESTOR PRESENTATION

THIRD QUARTER 2022

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.

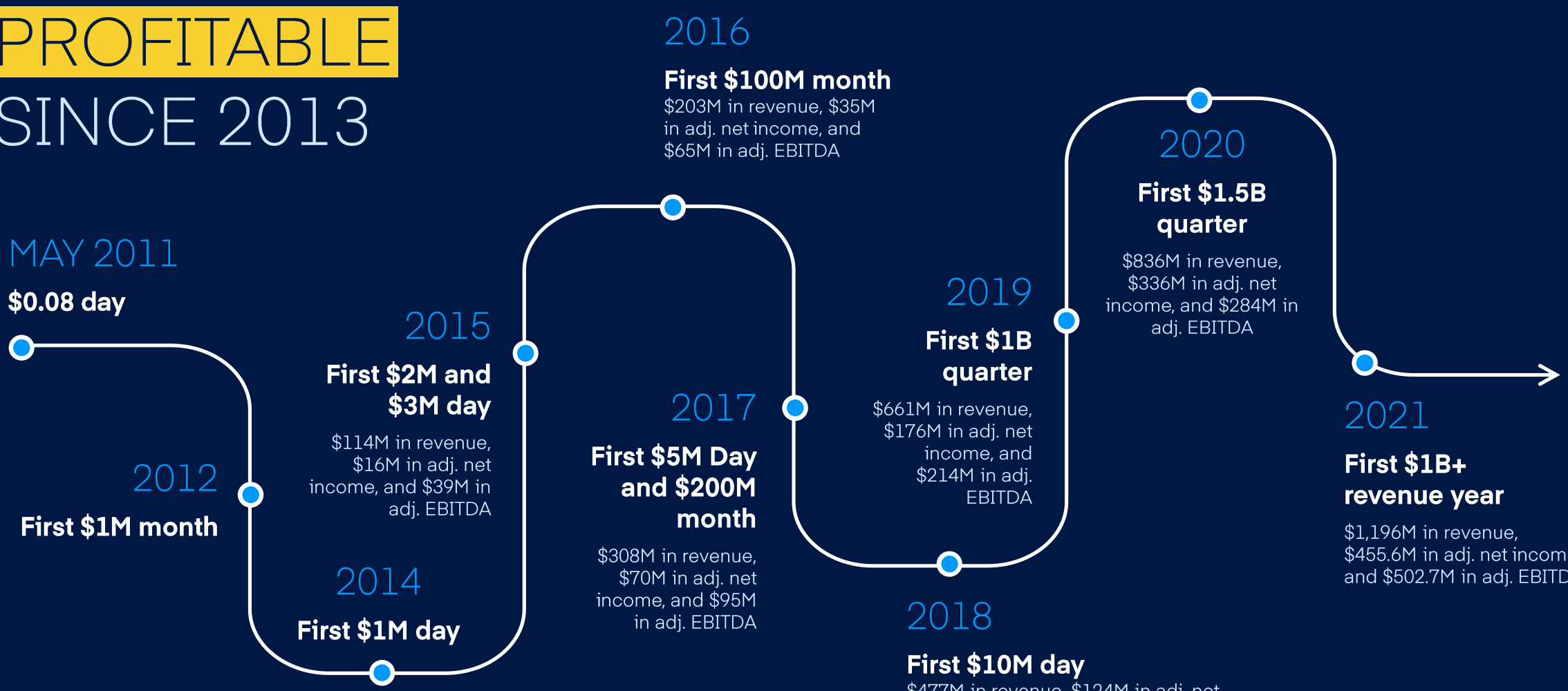
Information contained in this presentation concerning the industry and the markets in which the Company operates, including the Company's general expectations and market position, market opportunity, and market size, is based on reports from various third-party sources, assumptions that the Company has 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



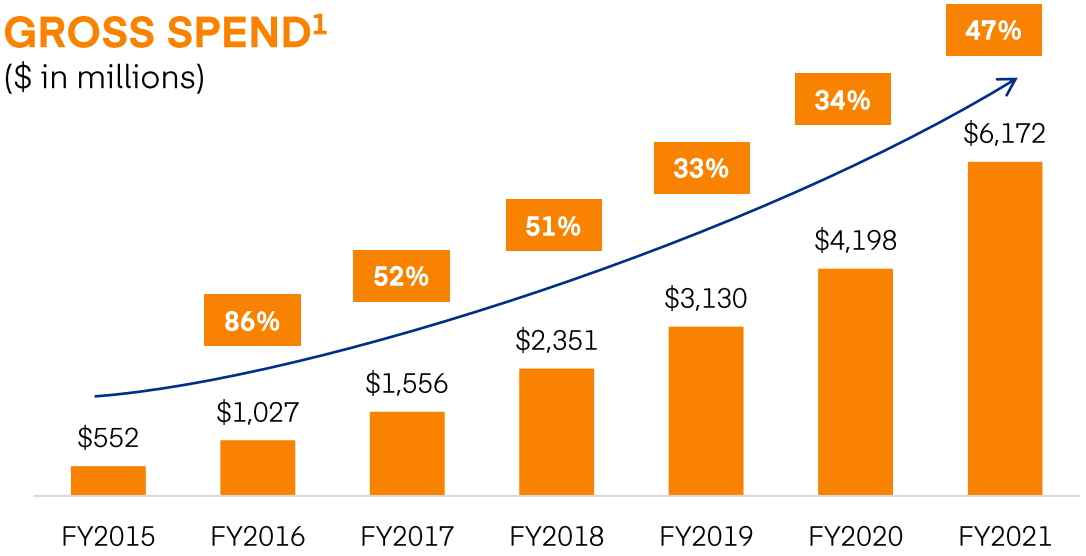
Numbers represent total spend on platform, unless otherwise stated.

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 wwtw.investors.thetradedesk.com/financials/sec-filings.

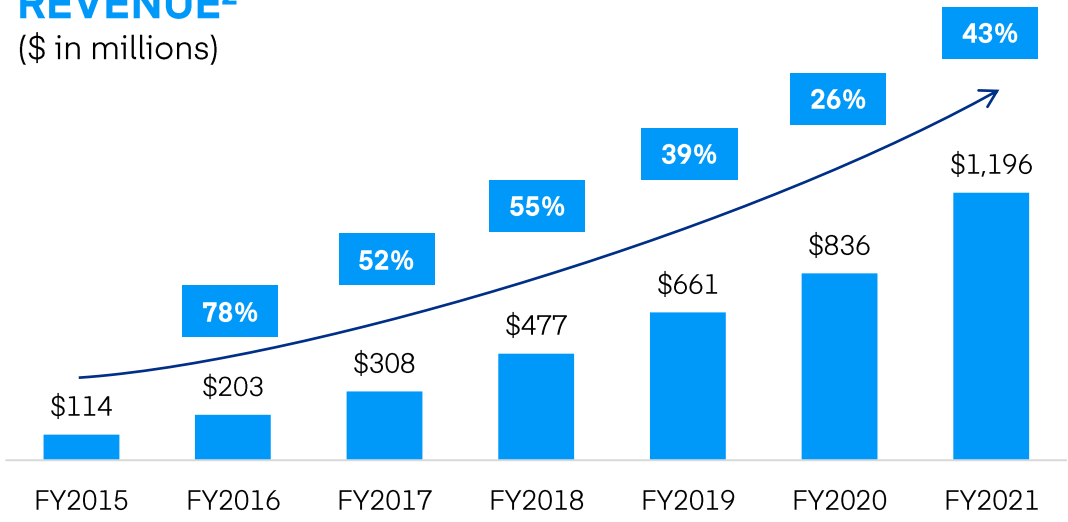
theTradeDesk

The Trade Desk by the numbers

GROSS SPEND[1]
($ in millions)



REVENUE[2]
($ in millions)

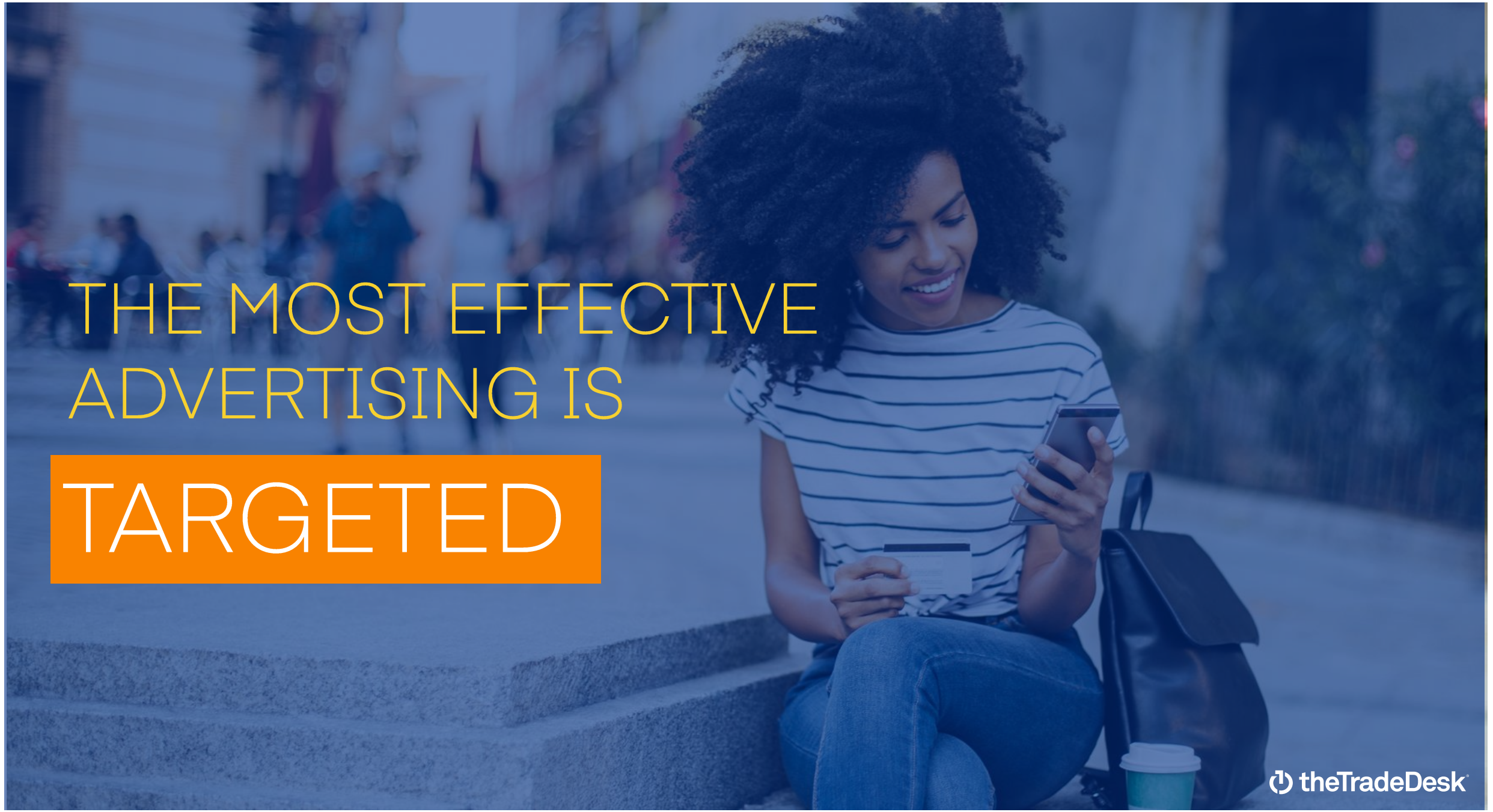


2009	$1,196M	$6.17B	$456M	$503M	2,700+
Founded	2021 revenue[1]	2021 gross spend[1]	2021 adjusted net income[1]	2021 adjusted EBITDA[1]	Global employees

1) Gross spend, revenue, adjusted net income, and adjusted EBITDA from The Trade Desk's Form 10-K and press release issued on February 16, 2022. Reconciliations of GAAP to non-GAAP amounts for the periods presented herein are provided in schedules accompanying this presentation.

2) FY2021 revenue provided February 16, 2022, at The Trade Desk's conference call for the period ended December 31, 2021, and in SEC filings.

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THE MOST EFFECTIVE
ADVERTISING IS
TARGETED
theTradeDesk

THERE IS A
FUNDAMENTAL
SHIFT
HAPPENING
IN ADVERTISING

AND IT'S BIGGER THAN JUST A MOVE TO DIGITAL

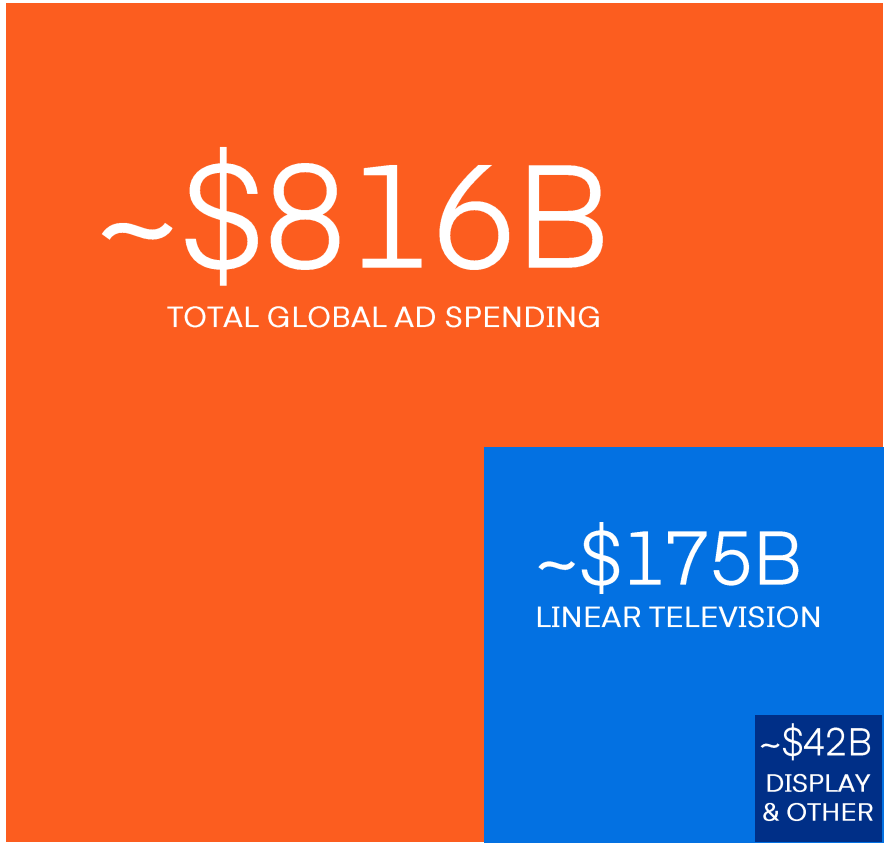
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THE MARKET

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PRICE DISCOVERY ENABLES
HEALTHY MARKETS
theTradeDesk

We are targeting a massive TAM



Source: Magna Global, Estimated 2022 Global Ad Spending.

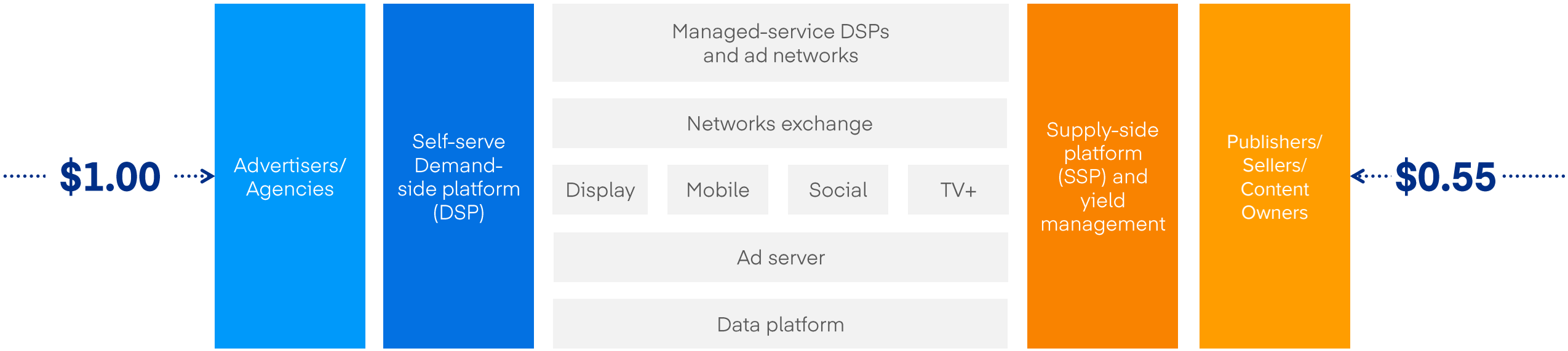
"**We believe advertising will be transacted digitally.** The future of all media is digital and programmatic...

Eventually all media will be digital, and it will be transacted by machines.

– CEO OF A GLOBAL MEDIA INVESTMENT MANAGEMENT GROUP

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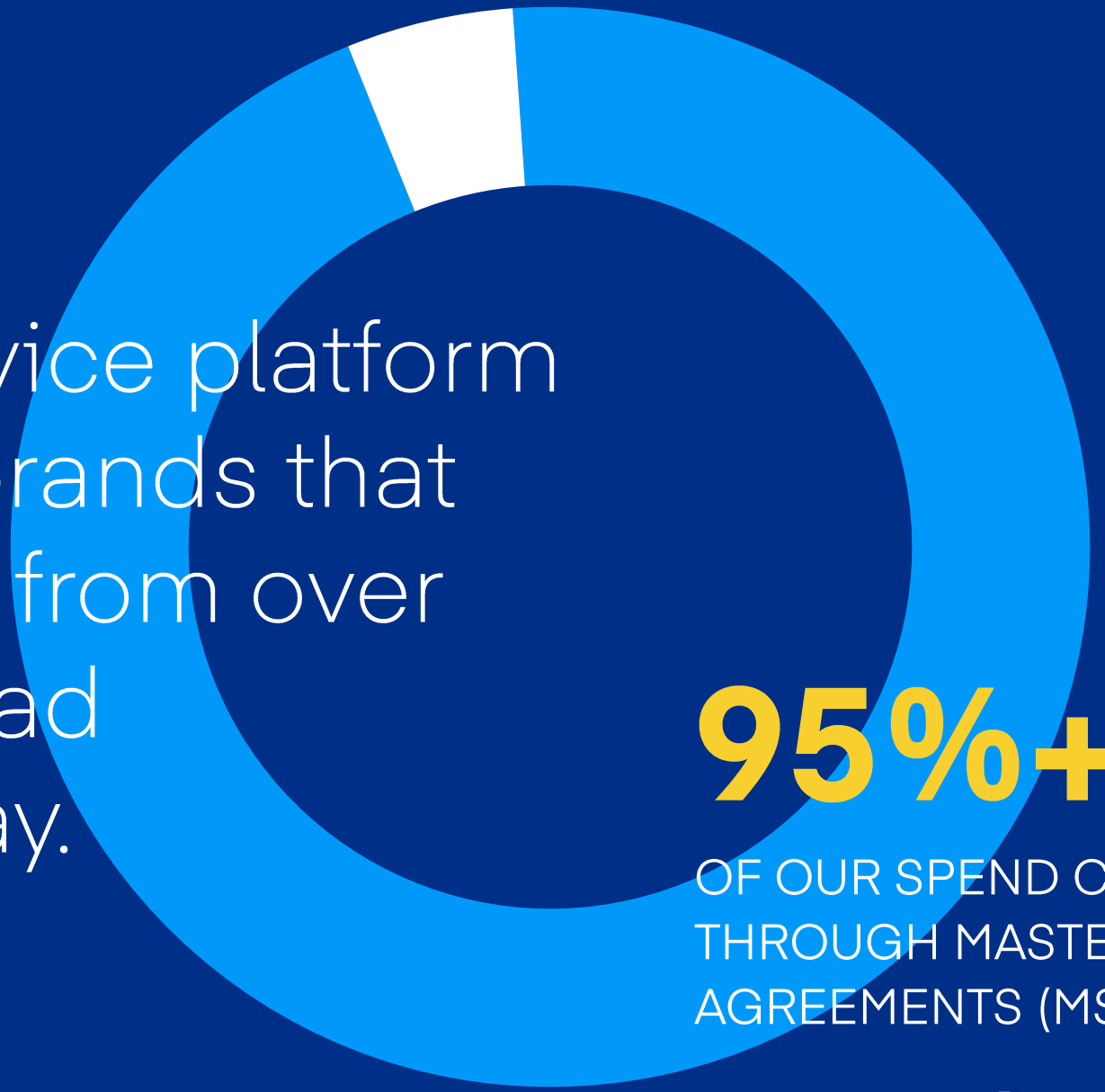
The pie is getting bigger while waste is being pushed out



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WHAT WE DO

Provide a self-service platform to agencies and brands that deliberately picks from over 500 billion digital ad opportunities a day.



95%+

OF OUR SPEND COMES THROUGH MASTER SERVICE AGREEMENTS (MSAS)

theTradeDesk

WE PROVIDE AGENCIES A

SOFTWARE PLATFORM

We create room for their proprietary advantage.

WE ARE AN ENABLER

NOT A DISRUPTOR

theTradeDesk

We align agencies and their brands

PUBLISHER

ADVERTISER

SELL SIDE

MARKETPLACE

BUY SIDE

TECHNOLOGY

SERVICE



theTradeDesk

With hundreds of different players

ADVERTISER

Under Armour, Aflac, Marriott Hotels · Resorts · Suites, Travelers, New York Life, Vanguard

AGENCY

WPP, Omnicom Group, Publicis Groupe, havas media, IPG, dentsu aegis network

Plus hundreds of independent agencies

DATA MANAGEMENT PLATFORM

Adobe Audience Manager, Oracle, Nielsen, theTradeDesk, krux Digital, Lotame, salesforce DMP, Amobee, IgnitionOne, Wunderman Data Products

DSP

adform, MediaMath, dataxu, Amobee, theTradeDesk, xandr, Display & Video 360, Adobe, criteo, Oath: A Verizon company

AD EXCHANGE

Microsoft, Google Ad Manager, OpenX, Oath: A Verizon company, AppNexus A Xandr Company, mopub, smaato, rubicon PROJECT, PubMatic, smartyads

SSP

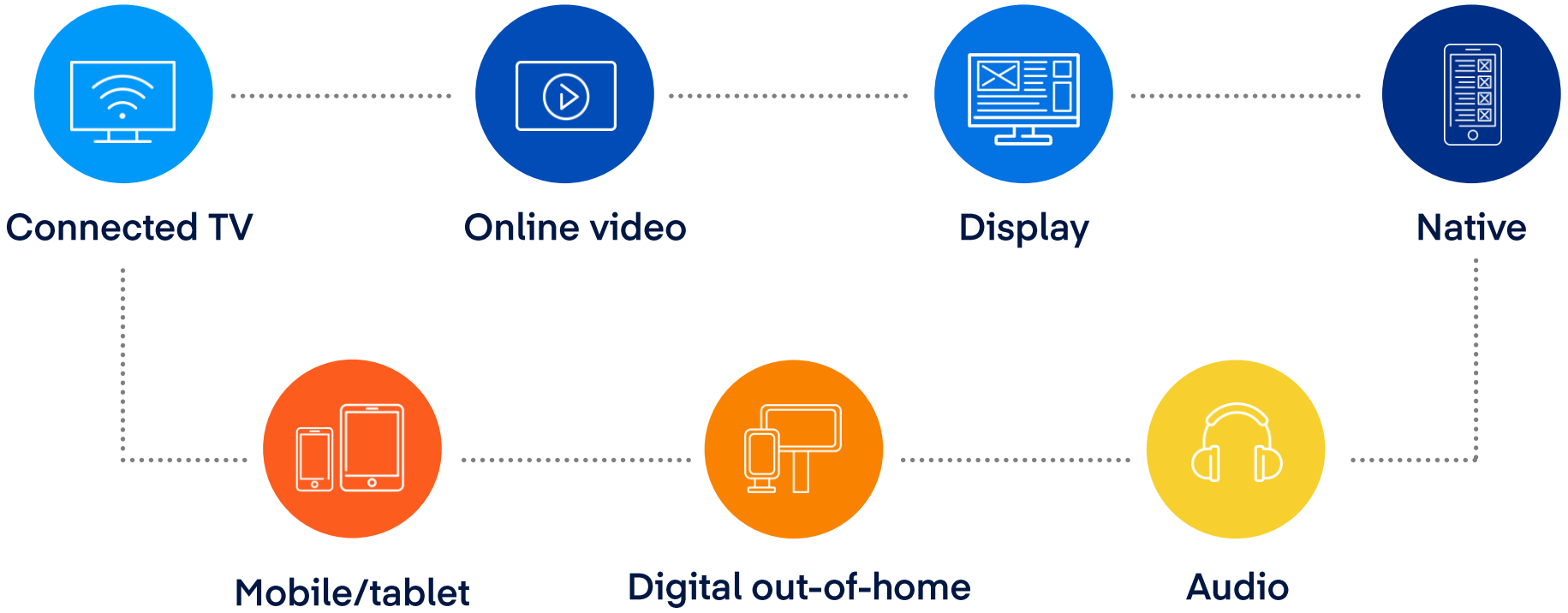
TREMOR, Google Ad Manager, yieldmo, AppNexus A Xandr Company, TRITON, OpenX, UNRULY, SPOTX, rightmedia from YAHOO!, rubicon PROJECT

PUBLISHER

The New York Times, TRAVEL+ LEISURE, CNN, Condé Nast, yelp, WSJ, National Geographic, ESPN, POPSUGAR.

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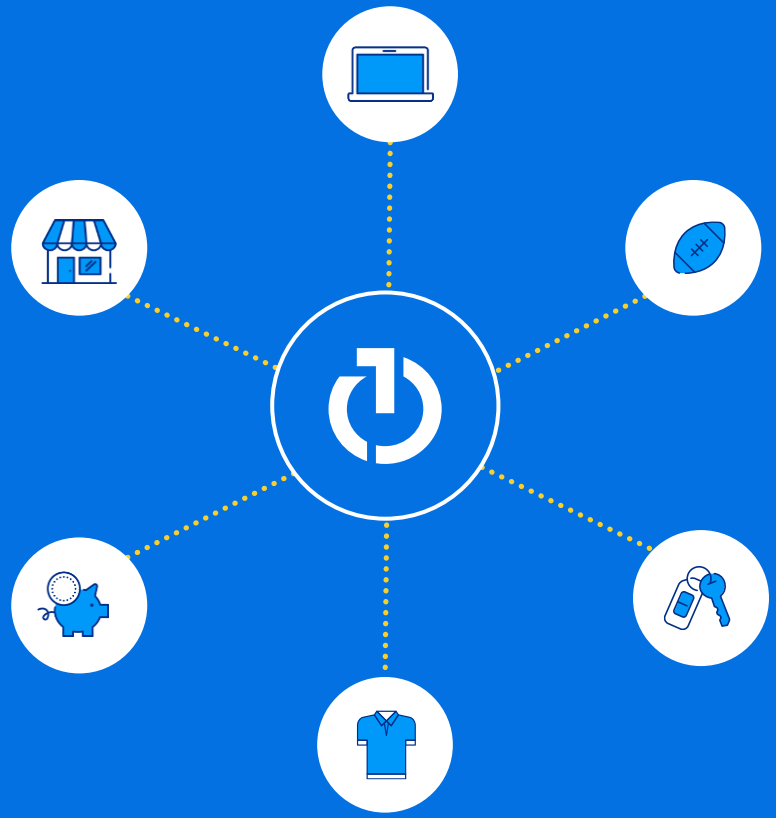
Omnichannel platform with global reach



theTradeDesk

WE BUY ADVERTISING AND DATA

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



...through their agencies and digital solutions companies.

theTradeDesk

Diversified across all major verticals

2020 SPEND BY INDUSTRY

Health and fitness	20%
Food and drink	13%
Automotive	10%
Technology and computing	8%
Shopping	6%
Personal finance	7%
Home and garden	6%
Business	6%
Arts and entertainment	4%
Law, government, and politics	7%
Other	14%

2021 SPEND BY INDUSTRY

Health and fitness	20%
Food and drink	13%
Automotive	10%
Technology and computing	8%
Shopping	8%
Personal finance	8%
Home and garden	7%
Business	6%
Arts and entertainment	4%
Style and fashion	4%
Other	13%

In 2021, others above 1% of spend include style and fashion, family and parenting, travel, hobbies and interests, education, pets, sports.
In 2020, others above 1% of spend include travel, education, family and parenting, sports, hobbies and interests, pets, careers, government and politics, real estate.

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

Southeast Asia:
India
Jakarta
Singapore

Australia:
Melbourne
Sydney

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

Global experience and relationships

Over 2,700 employees
26 offices

Regionalized engineering resource

theTradeDesk

WE BUY

THE WHOLE INTERNET

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



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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.

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WE BUY DATA TO MAKE BETTER DECISIONS

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



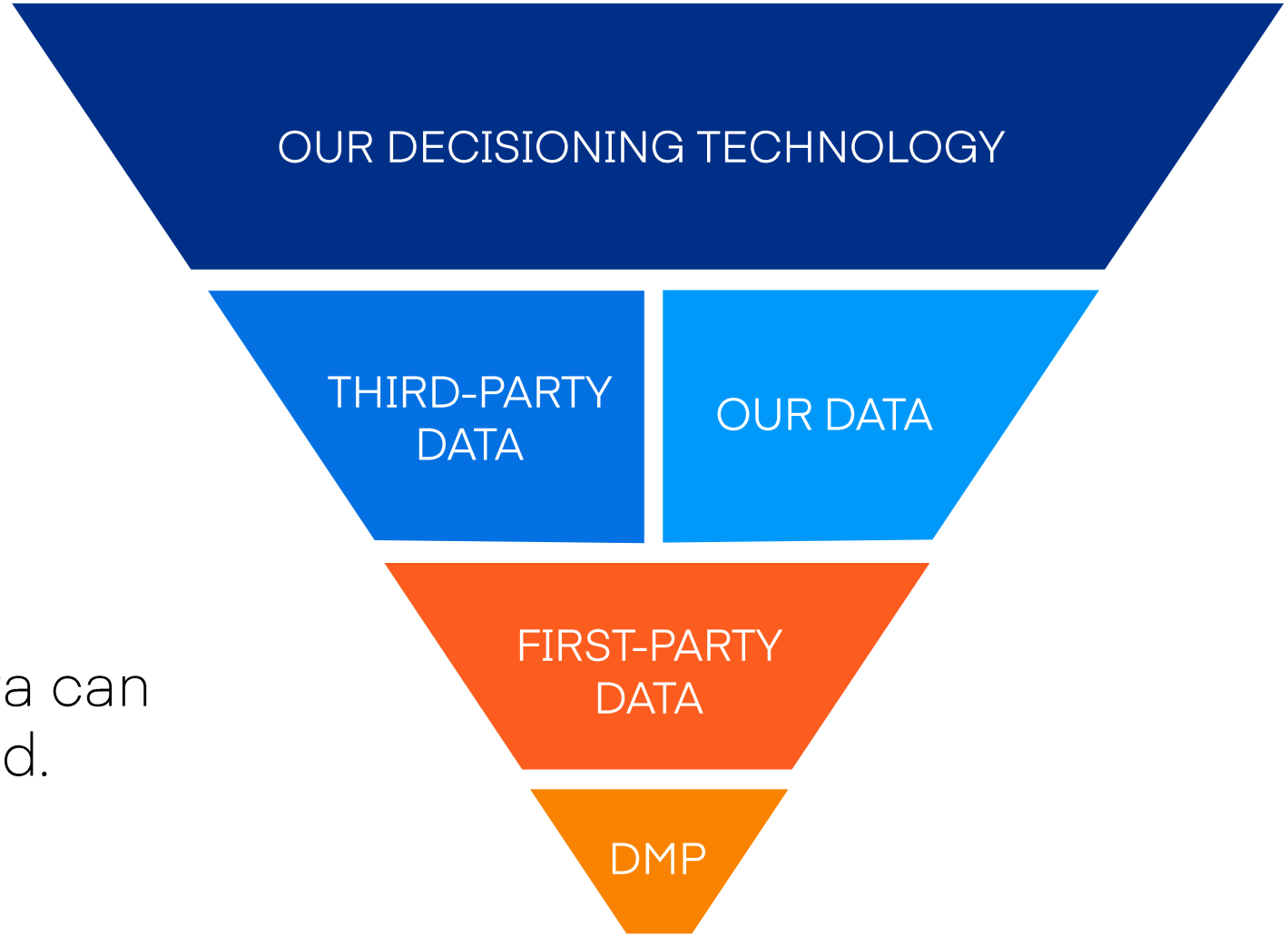
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OUR TECHNOLOGY

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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
theTradeDesk

We're built differently than everyone else in the industry

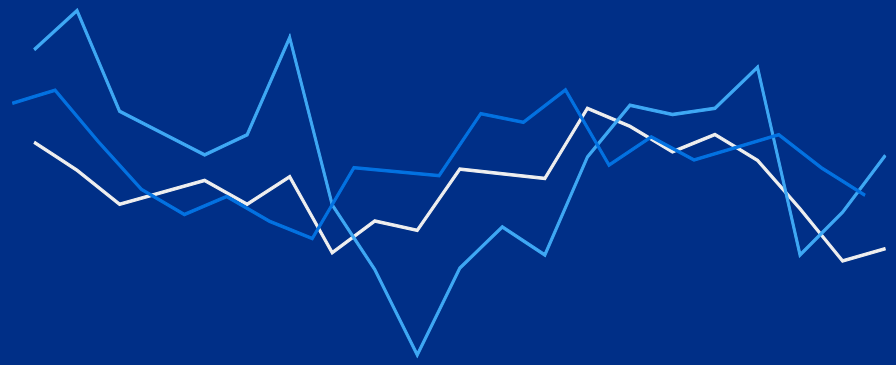
LINE ITEMS



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

versus

BID FACTORS



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

theTradeDesk

GOAL:
The most transparent and most detailed reporting

REPORTING GRAINS

Report out on over 200 performance measures

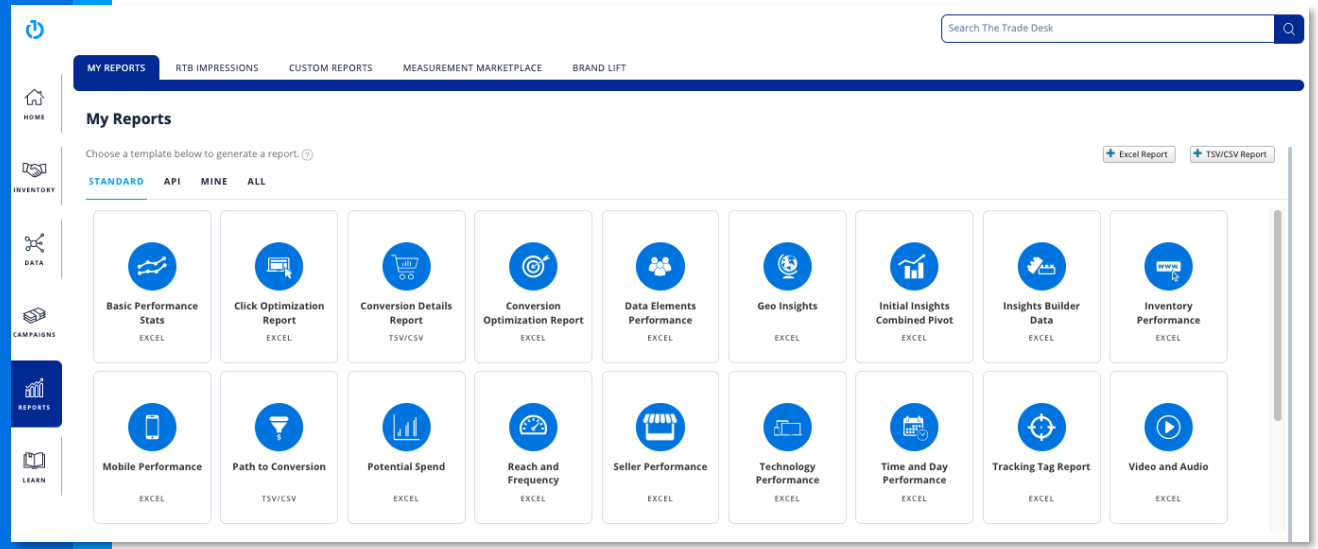
- ✓ Conversion touch
- ✓ View-through conversion
- ✓ Average bid cost per mille (CPM)
- ✓ Partner CPM
- ✓ Win rate
- ✓ Total seconds in view
- ✓ Partner viewable CPM (vCPM)
- ✓ Player audible event
- ✓ Player collapse
- ✓ Player skip
- ✓ Small player impressions
- ✓ Total audible seconds
- ✓ Win rate

...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

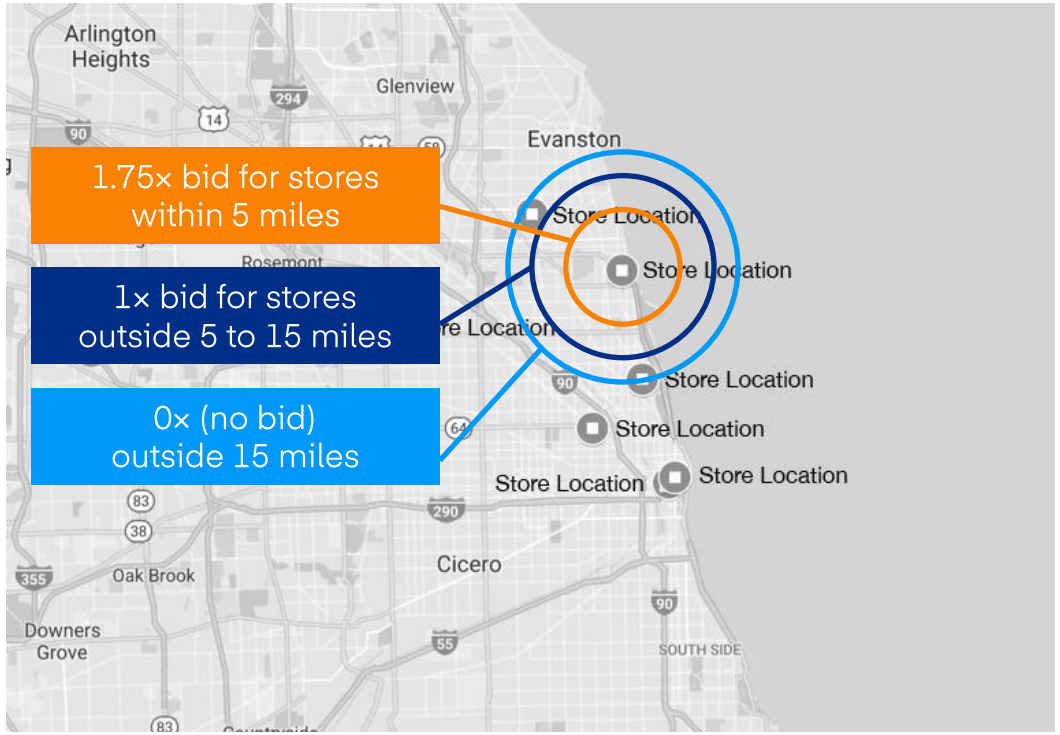
"Expressiveness" at work



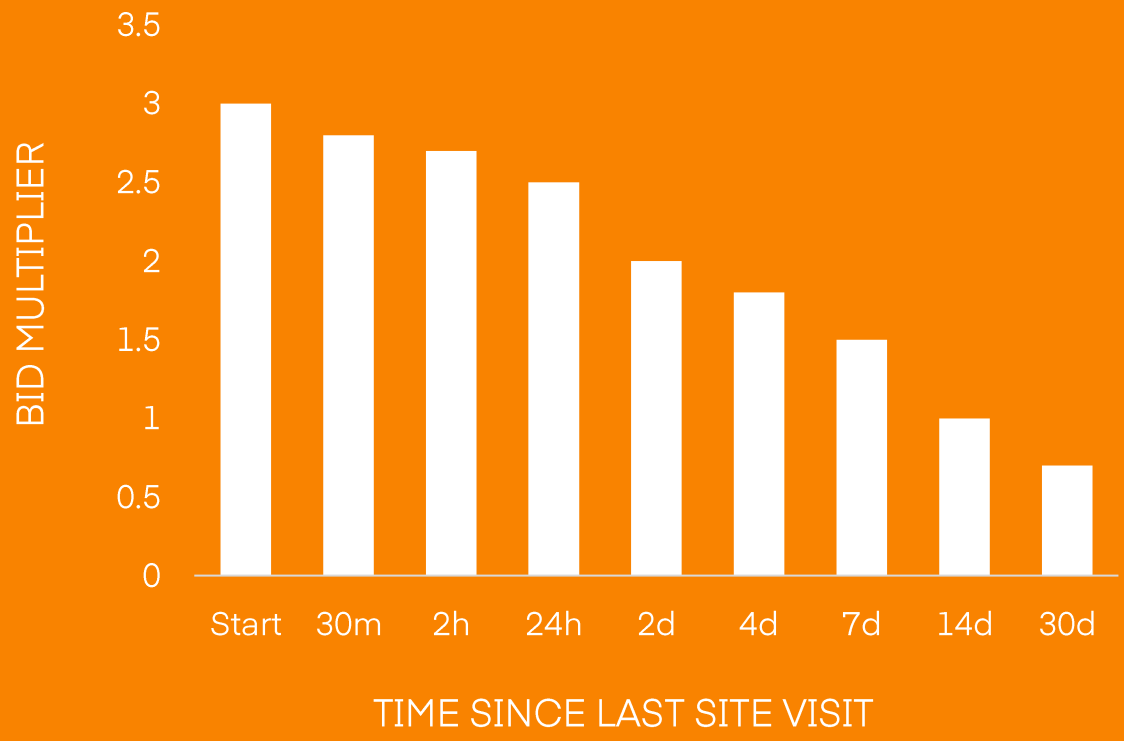
STANDARD REPORT TEMPLATES

theTradeDesk

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



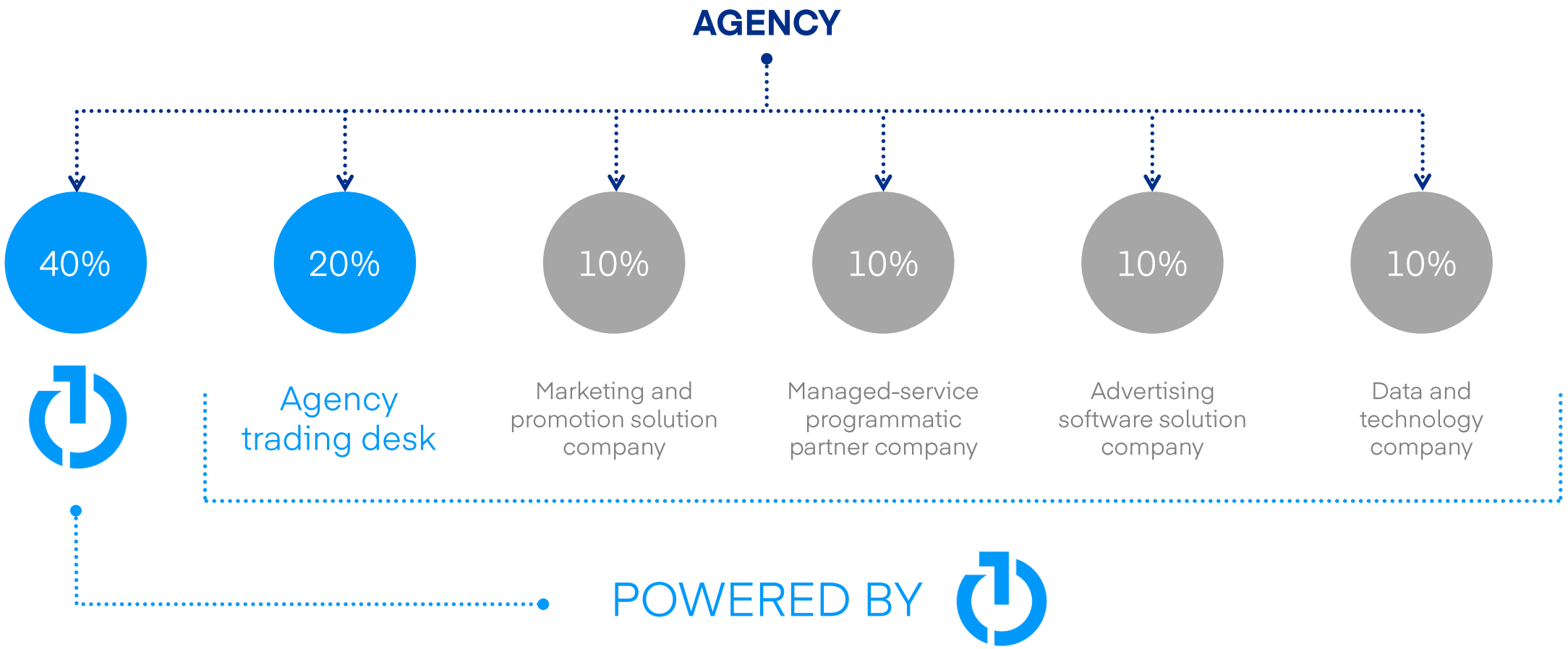
EXPRESSIVENESS = 15,360 BID PERMUTATIONS



theTradeDesk

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.

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IDENTITY MATTERS

Because the future of identity matters

A better foundation for identity

IDENTIFY

Unified ID 2.0

Represents an upgrade, not a cookie replacement.

- Consistent identifier across devices and browsers
- Interoperable

SECURE AND PRIVACY-CONSCIOUS

TRANSPARENCY AND CONTROL

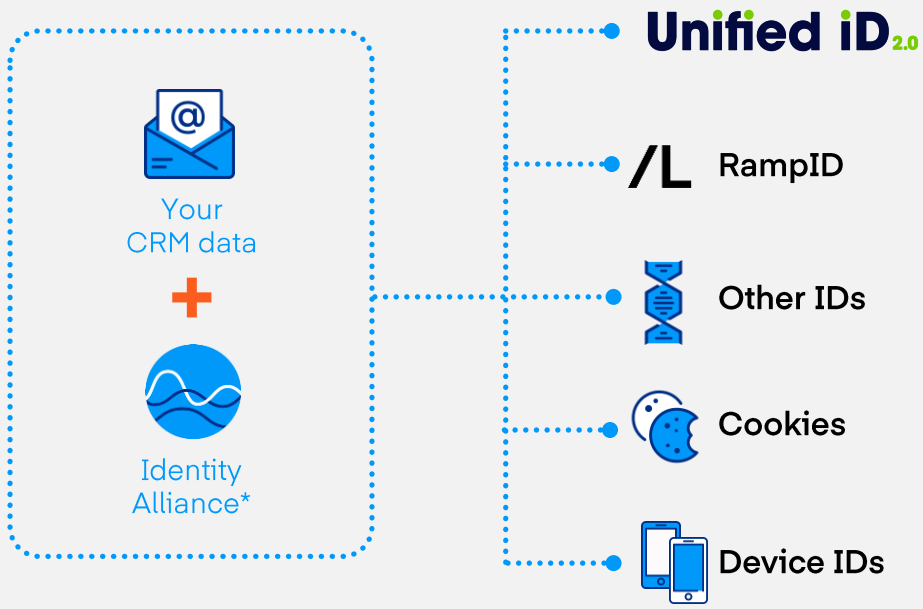
OPEN-SOURCE AND INTEROPERABLE

INDEPENDENT GOVERNANCE

/LiveRamp Nielsen

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

ACTIVATE



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SIGNIFICANT GROWTH DRIVERS



1 CONNECTED TV AND US

THE CONVERGENCE OF THE INTERNET AND TELEVISION

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THE FUTURE OF TV IS
AD FUNDED
The cost of no ads is too great for most consumers.
theTradeDesk

Our story in Connected TV is resonating

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



theTradeDesk



OUR REACH IN CTV IS HUGE

90M+

HOUSEHOLDS

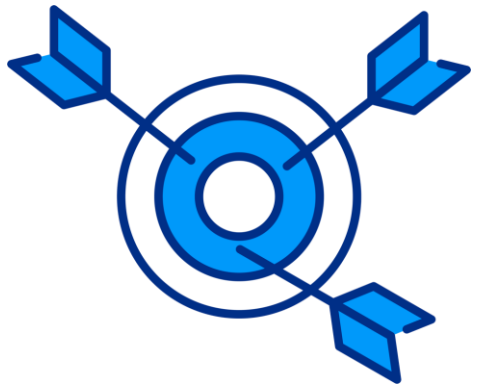
120M+

CTV DEVICES

theTradeDesk

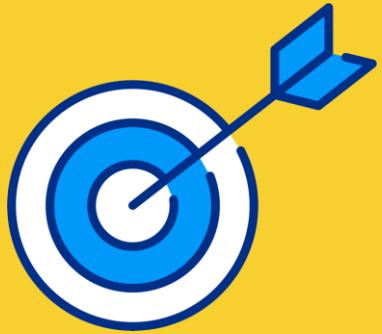
Decisioning improves TV buying

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.

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Connected TV measurement

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

KEY REPORTING METRICS INCLUDE:

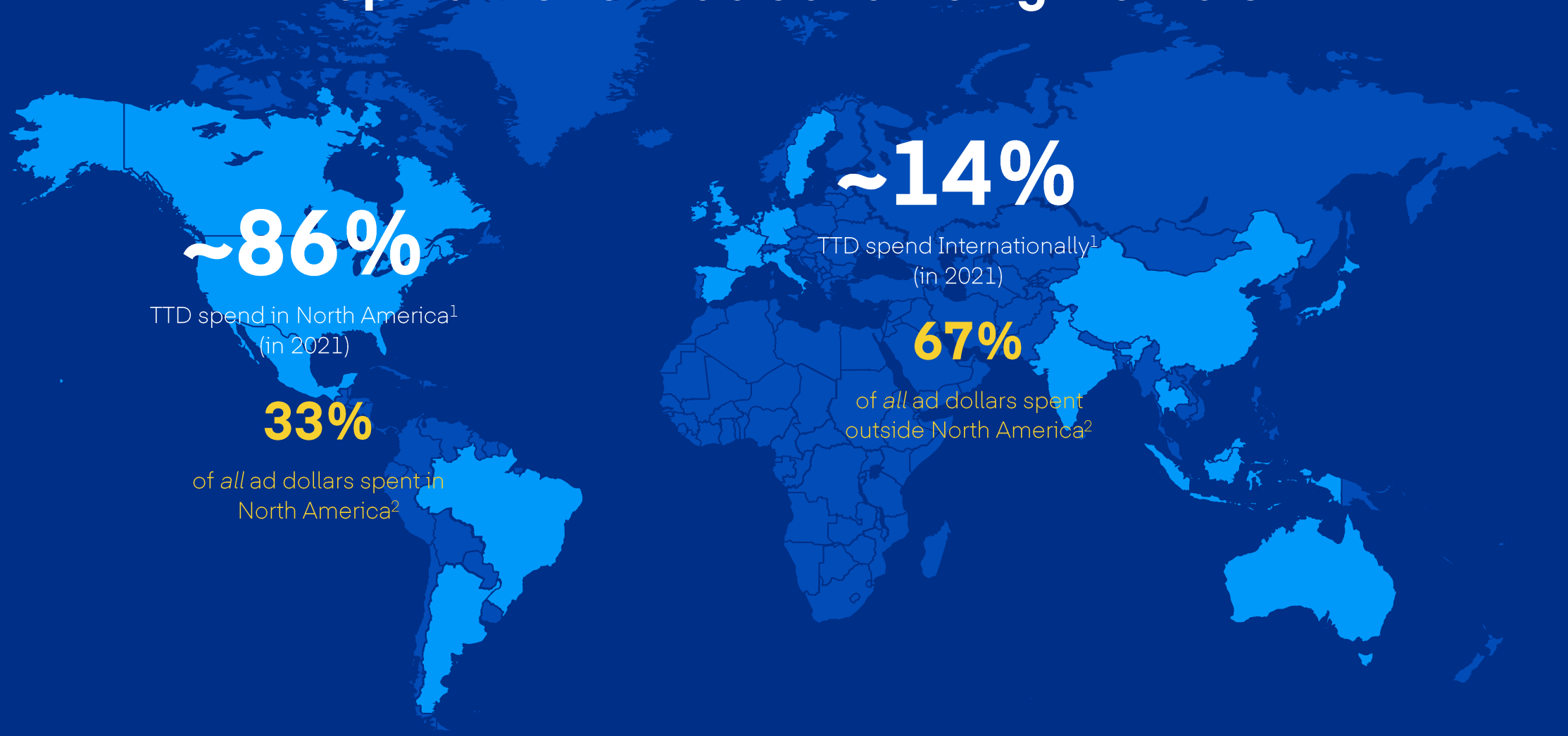
- Reports across video screens (over-the-top, desktop, mobile)
- Attribution across devices
- Impressions delivered
- Reach and frequency
- Video completion rates
- Audience reporting
- Nielsen gross rating points (GRPs)/day-after recall (DAR)
- Sales lift driven by CTV

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2 GROWTH OUTSIDE NORTH AMERICA

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Top 20 worldwide advertising markets



~86%

TTD spend in North America[1]
(in 2021)

33%

of *all* ad dollars spent in
North America[2]

~14%

TTD spend Internationally[1]
(in 2021)

67%

of *all* ad dollars spent
outside North America[2]

1 FY2021 percent of spend provided at The Trade Desk's conference call for the period ended December 31, 2021, and in SEC filings.
2 Source: IDC Global Advertising Spend.

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INTERNATIONAL GREW FROM
6.5% TO 14% OF OUR
BUSINESS FROM 2015 TO 2021
theTradeDesk



3 SHOPPER MARKETING

theTradeDesk

Why is shopper marketing important?

77% CPG companies & retailers have a shopper marketing function

21% of total US digital ad spend in 2020 was on retail

$35 Billion Spend on digital retail ads in 2021 (26% growth YoY)

1/3 of US shoppers use online & offline info to make purchase decisions



Activating retail data today

theTradeDesk

Albertsons · DRIZLY · Kroger · meijer · TARGET · Walgreens

AUDIENCES | MEASUREMENT

Walmart DSP

Data from #1 retailer + Tech from #1 independent DSP

AUDIENCES | MEASUREMENT

- FAMILIAR TOOLS & WORKFLOWS
- HOLISTIC FREQUENCY CONTROL
- 1P DATA SHARING

Our focus for the future...

1. Connected TV
2. Shopper marketing
3. Global expansion
4. 2021 platform update: Solimar
5. UID2
6. Supply Path Optimization

OBJECTIVE.
INDEPENDENT.
TRANSPARENT.



HOW DO WE MANAGE OUR BUSINESS?

WE FOCUS ON:



Culture



Customer retention



Spend growth



Efficiency

Strong financial model

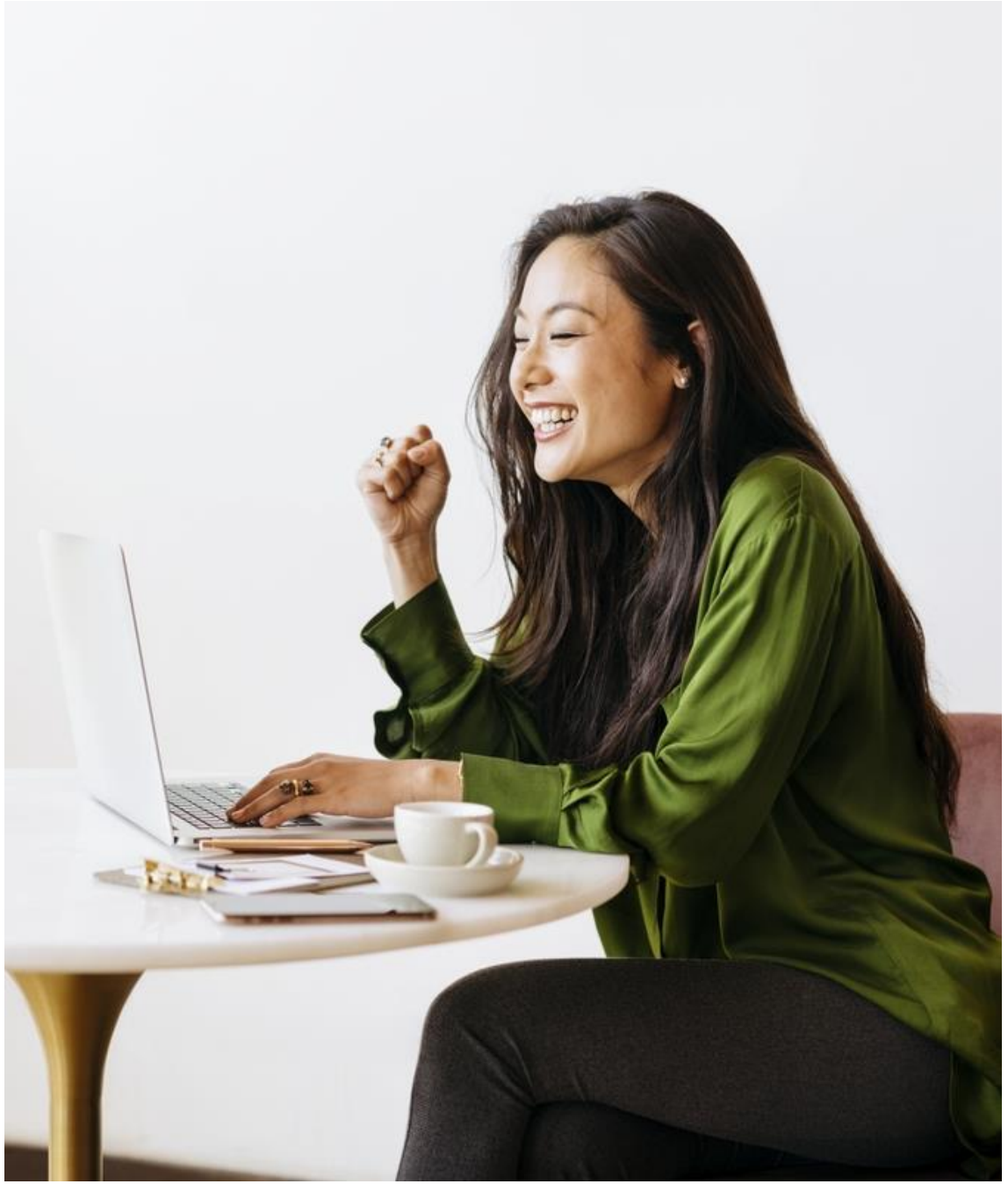
Exceptional **top-line growth**

MSA-based model with **ongoing, established** customer relationships

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

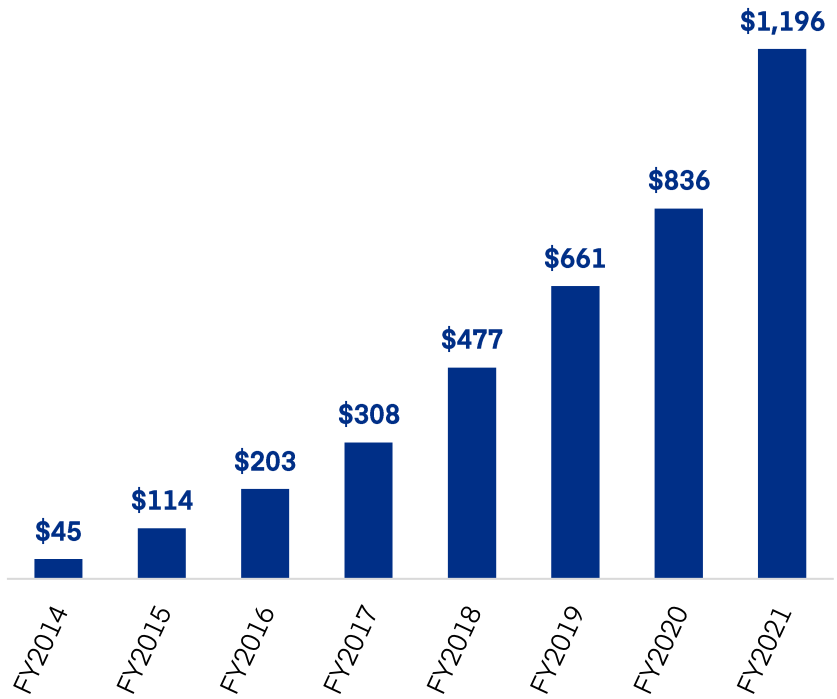
Proven **profitability**

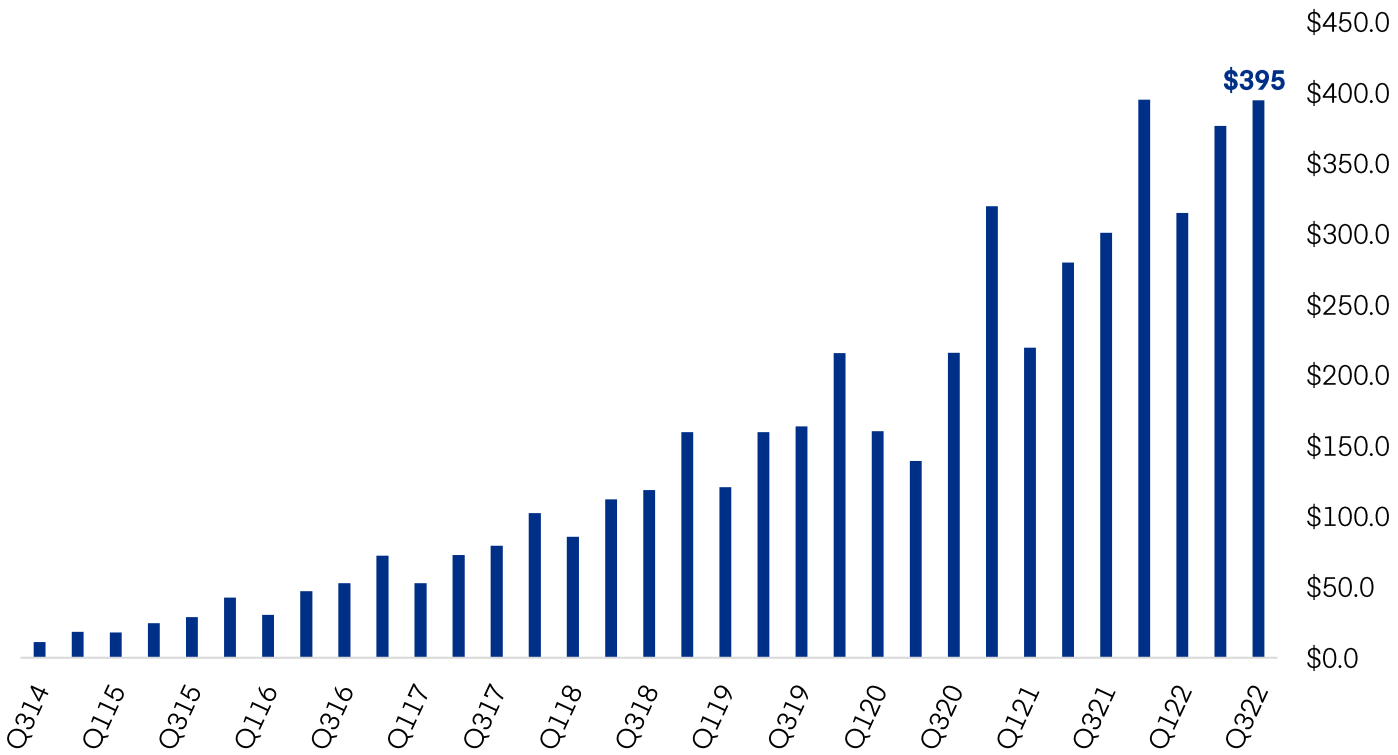
Significant **free-cash-flow**



Robust revenue growth...

REVENUE
($ IN MILLIONS)



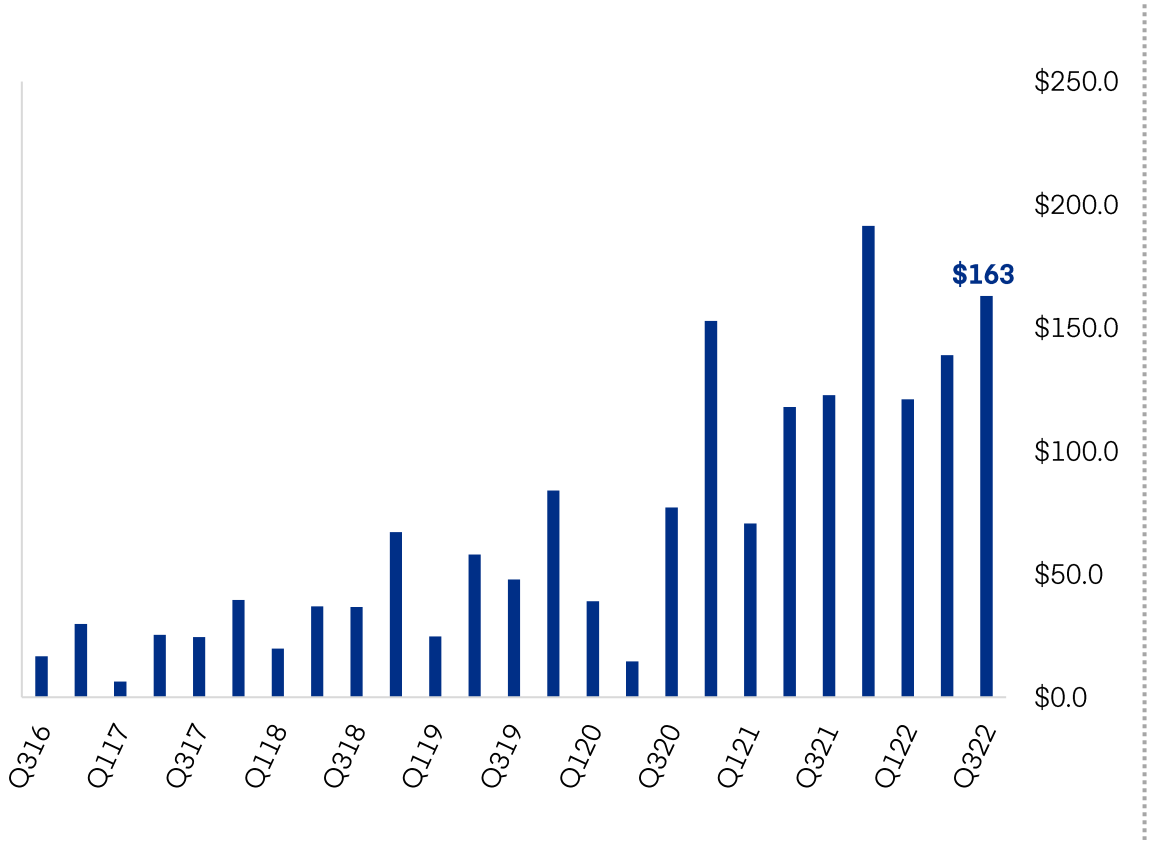


Source: The Trade Desk SEC filings.

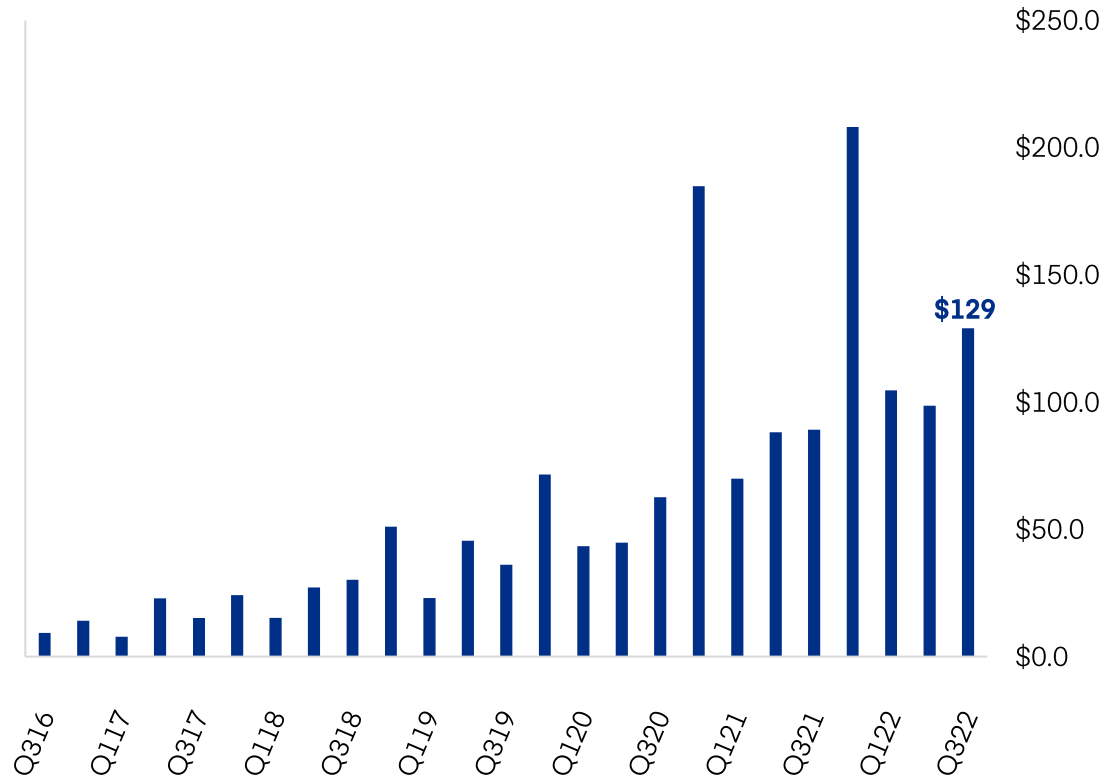
theTradeDesk

...delivering 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. Q3 revenue grew 31% YOY
    - CTV spend is very robust — fastest-growing channel.
2. Over 95% of our spend comes through MSAs and is relatively predictable.
3. We're self-service omnichannel (all-decisioned digital).
4. Our tech is measurably better at decisioning.
5. We have a massive TAM that's only getting bigger.
6. We align our interests with our customer (buy side only, not network).
7. We've been GAAP profitable since 2013.

THE TRADE DESK IS AN INVESTMENT IN THE WHOLE INTERNET.

Q3 2022 GAAP financial information

THE TRADE DESK, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Amounts in thousands, except per share amounts)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Revenue	$ 394,773	$ 301,091	$ 1,087,058	$ 800,869
Operating expenses [1]:				
Platform operations	70,124	53,400	201,504	154,709
Sales and marketing	85,038	59,278	245,146	176,797
Technology and development	79,915	55,847	235,397	163,301
General and administrative	130,892	52,120	391,517	155,884
Total operating expenses	365,969	220,645	1,073,564	650,691
Income from operations	28,804	80,446	13,494	150,178
Total other expense (income), net	(1,698)	1,470	(1,756)	1,560
Income before income taxes	30,502	78,976	15,250	148,618
Provision for income taxes	14,633	19,592	33,052	18,895
Net income (loss)	$ 15,869	$ 59,384	$ (17,802)	$ 129,723
Earnings (loss) per share:				
Basic	$ 0.03	$ 0.12	$ (0.04)	$ 0.27
Diluted	$ 0.03	$ 0.12	$ (0.04)	$ 0.26
Weighted-average shares outstanding:				
Basic	487,963	478,101	486,168	475,496
Diluted	500,300	498,912	486,168	497,942

[1] Includes stock-based compensation expense as follows:

STOCK-BASED COMPENSATION EXPENSE
(Amounts in thousands)
(Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Platform operations	$ 3,517	$ 2,518	$ 14,254	$ 11,624
Sales and marketing	14,861	9,099	48,718	37,362
Technology and development	22,641	11,269	67,258	41,337
General and administrative [1]	79,984	11,573	240,881	41,687
Total	$ 121,003	$ 34,459	$ 371,111	$ 132,010

[1] Includes stock-based compensation expense related to a long-term CEO performance grant of $66 million and $197 million for the three and nine months ended September 30, 2022, respectively.

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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 September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Net income (loss)	$ 15,869	$ 59,384	$ (17,802)	$ 129,723
Add back:				
Depreciation and amortization expense	12,957	8,952	37,581	29,969
Stock-based compensation expense	121,003	34,459	371,111	132,010
Interest expense (income), net	(1,741)	317	(1,321)	556
Provision for income taxes	14,633	19,592	33,052	18,895
Adjusted EBITDA	$ 162,721	$ 122,704	$ 422,621	$ 311,153

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
GAAP net income (loss)	$ 15,869	$ 59,384	$ (17,802)	$ 129,723
Add back (deduct):				
Stock-based compensation expense	121,003	34,459	371,111	132,010
Adjustment for income taxes	(8,284)	(4,616)	(21,419)	(14,305)
Non-GAAP net income	$ 128,588	$ 89,227	$ 331,890	$ 247,428
GAAP diluted earnings (loss) per share	$ 0.03	$ 0.12	$ (0.04)	$ 0.26
GAAP weighted-average shares outstanding—diluted	500,300	498,912	486,168	497,942
Non-GAAP diluted earnings per share	$ 0.26	$ 0.18	$ 0.66	$ 0.50
Non-GAAP weighted-average shares used in computing Non-GAAP earnings per share, diluted [1]	500,300	498,912	499,754	497,942

[1] Includes an additional 13.6 million of dilutive securities for the nine months ended September 30, 2022, which are not included in GAAP diluted weighted-average shares outstanding due to the Company's net loss position for the nine months ended September 30, 2022.

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