theTradeDesk®

INVESTOR PRESENTATION

SECOND QUARTER 2024

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.

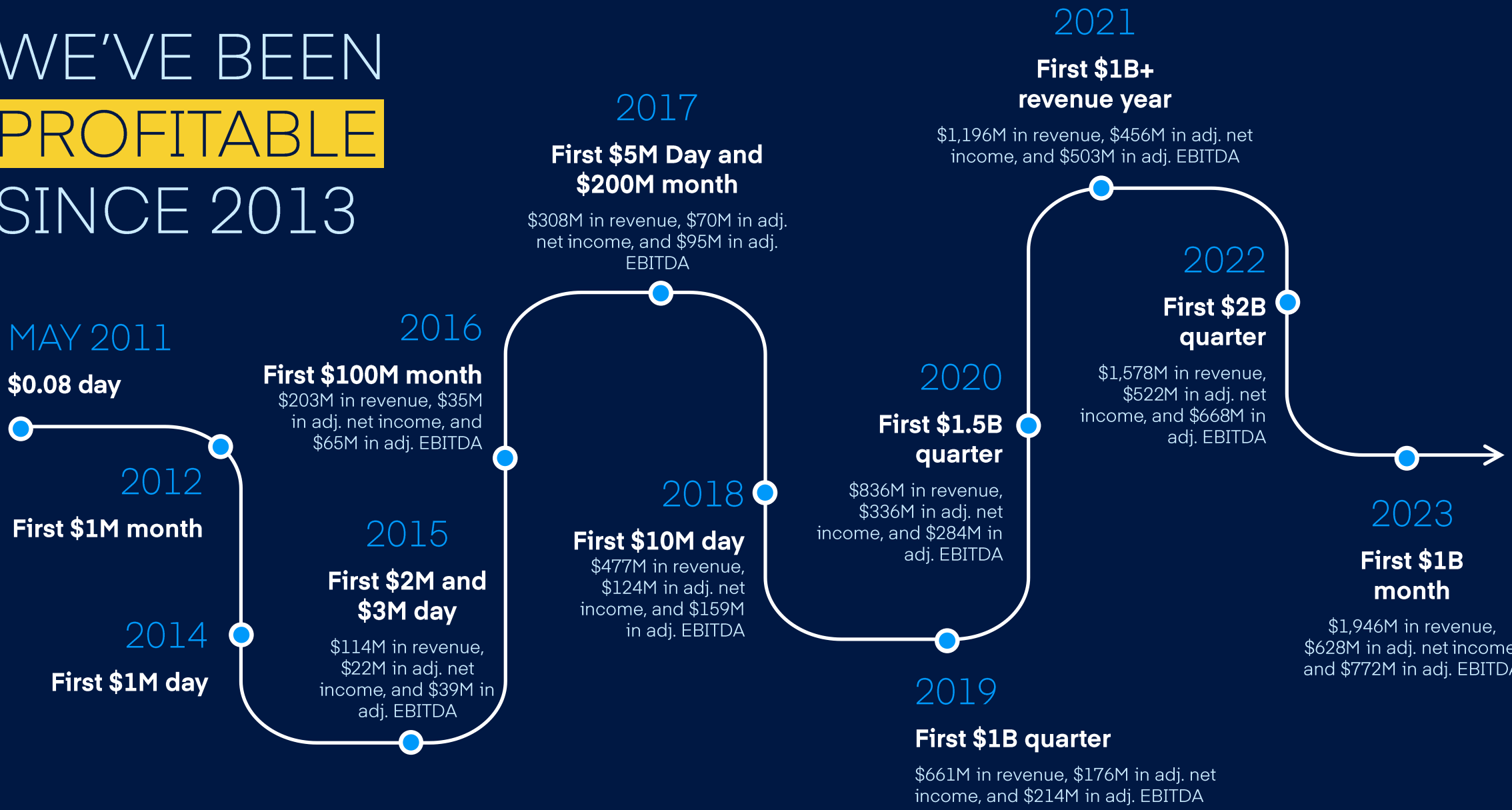
Information contained in this presentation concerning the industry and the markets in which the Company operates, including the Company's general expectations and market position, market opportunity, and market size, is based on reports from various third-party sources, assumptions that the Company has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

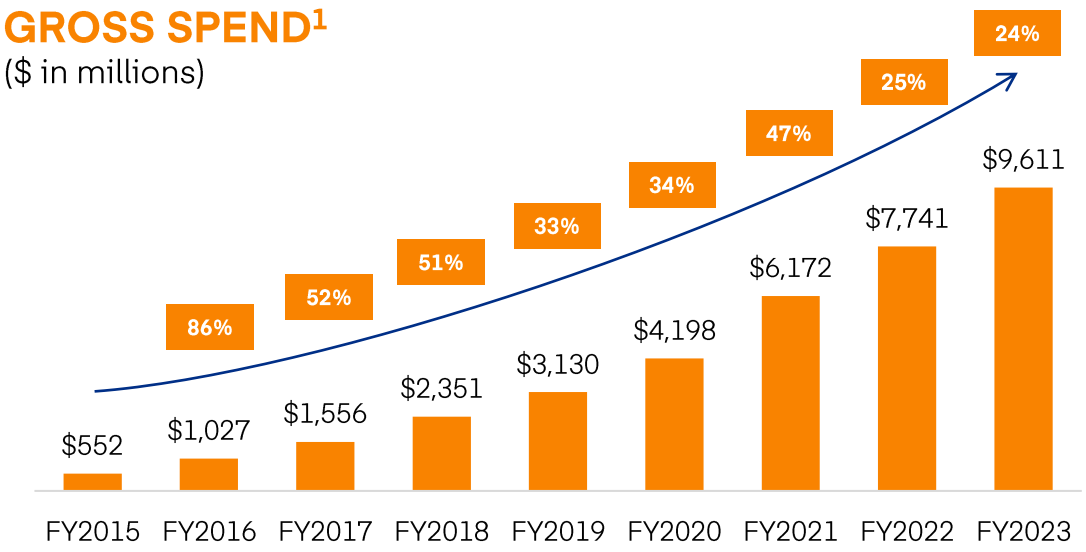
Adjusted net income and EBITDA typically excludes items such as depreciation and amortization expense, interest expense, income taxes, stock-based compensation, preferred stock warrant liabilities, and follow-on offering costs. Reconciliation for adjusted net income and adjusted EBITDA can be found in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

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The Trade Desk by the numbers

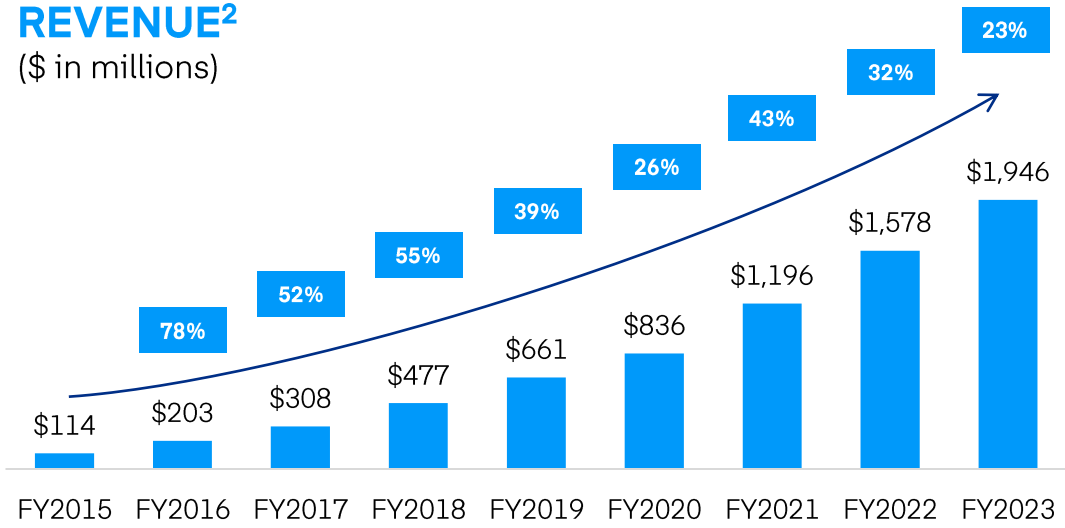
GROSS SPEND[1]

($ in millions)



REVENUE[2]

($ in millions)

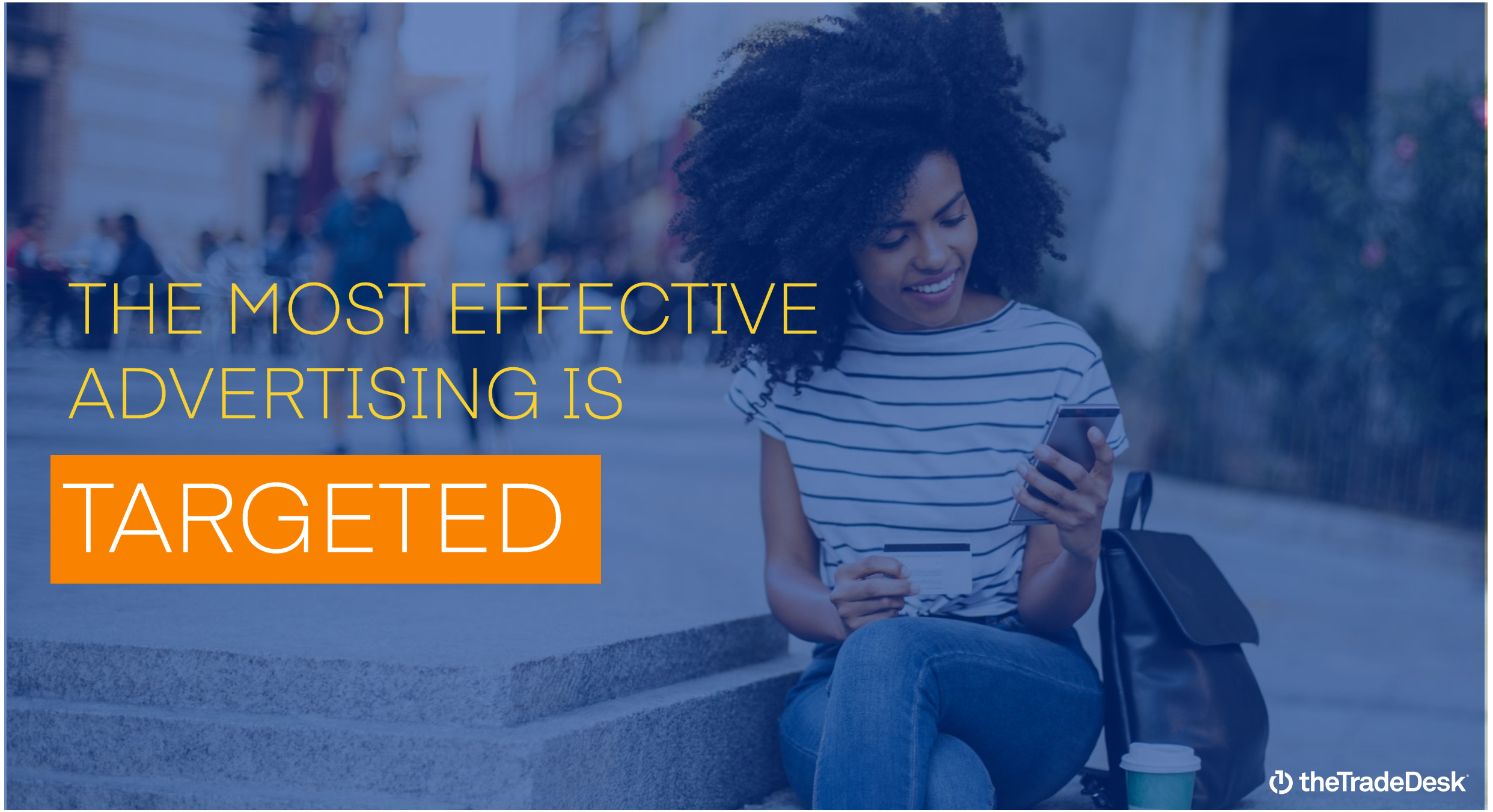


2009	$1,946M	$9.6B	$628M	$772M	3000+
Founded	2023 revenue[1]	2023 gross spend[1]	2023 adjusted net income[1]	2023 adjusted EBITDA[1]	Global employees

1) Gross spend, revenue, adjusted net income, and adjusted EBITDA from The Trade Desk's Form 10-K and press release issued on February 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.

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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

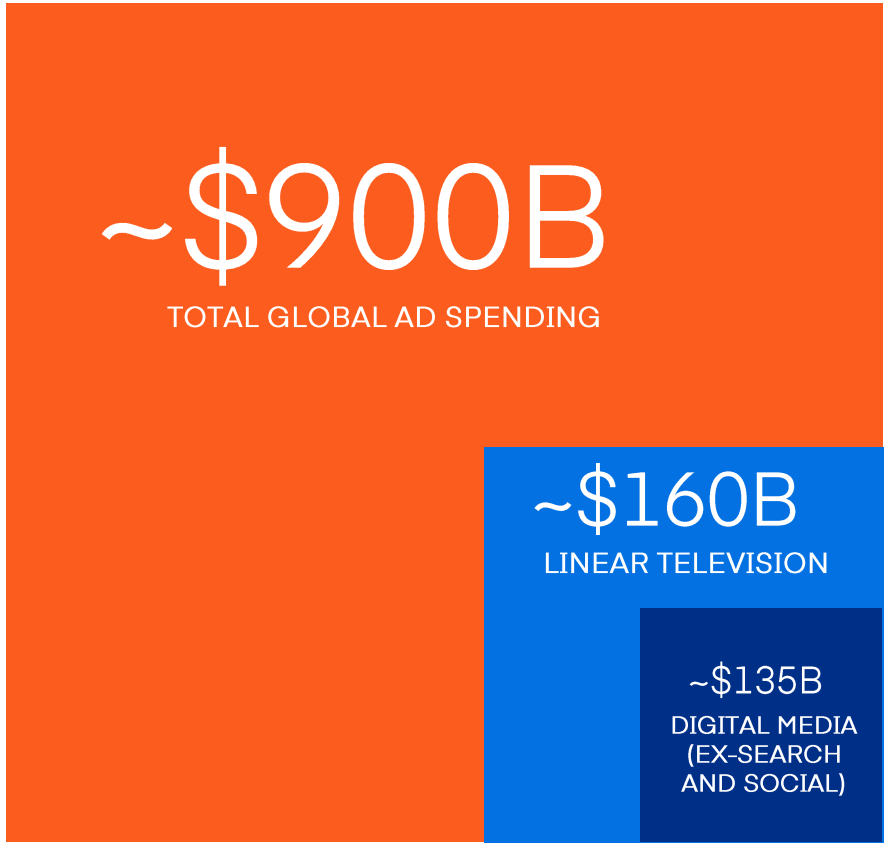
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THE MARKET

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PRICE DISCOVERY ENABLES
HEALTHY MARKETS
theTradeDesk

We are targeting a massive TAM



Source: Magna Global, Estimated 2024 Global Ad Spending.

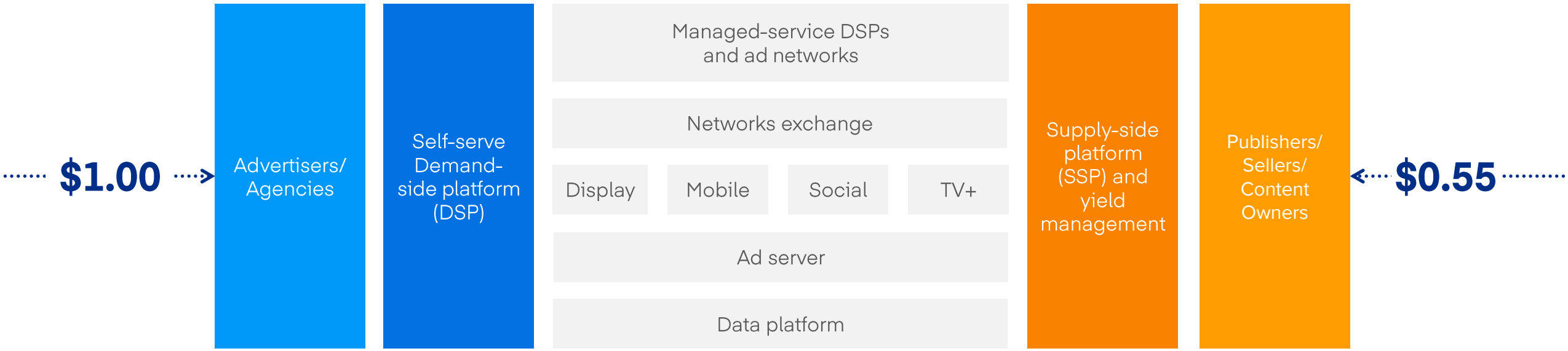
"**We believe advertising will be transacted digitally.** The future of all media is digital and programmatic...

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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WE PROVIDE AGENCIES A

SOFTWARE PLATFORM

We create room for their proprietary advantage.

WE ARE AN ENABLER

NOT A DISRUPTOR

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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, 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

Nielsen, Adobe, theTradeDesk, LOTAME, salesforce DMP

DSP

Moloco, criteo, theTradeDesk, Adobe, Display & Video 360, Microsoft Advertising, mntn

AD EXCHANGE

Microsoft, Google Ad Manager, OpenX, APPLOVIN, smaato, Magnite, PubMatic, smartyads

SSP

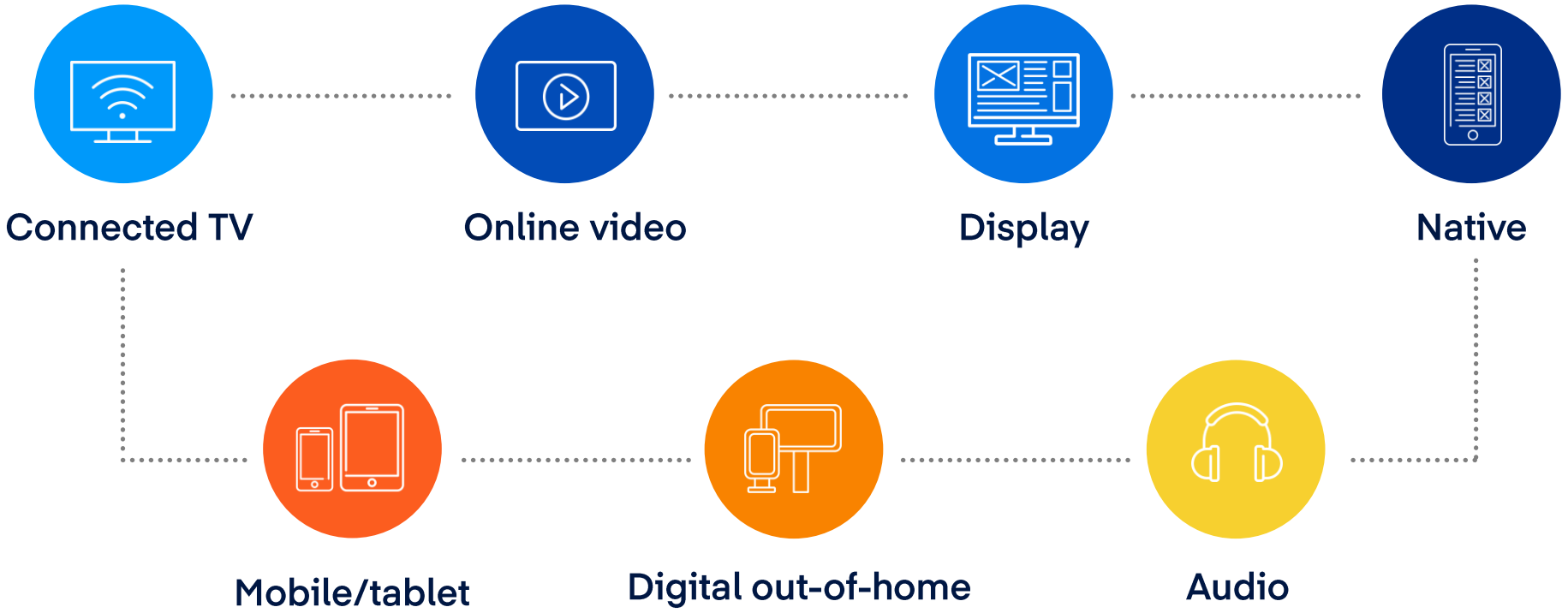
Magnite, Google Ad Manager, PubMatic, TRITON, yieldmo, OpenX, Microsoft Advertising

PUBLISHER

The New York Times, hulu, CNN, BBC, WSJ, National Geographic, ESPN, Dotdash meredith

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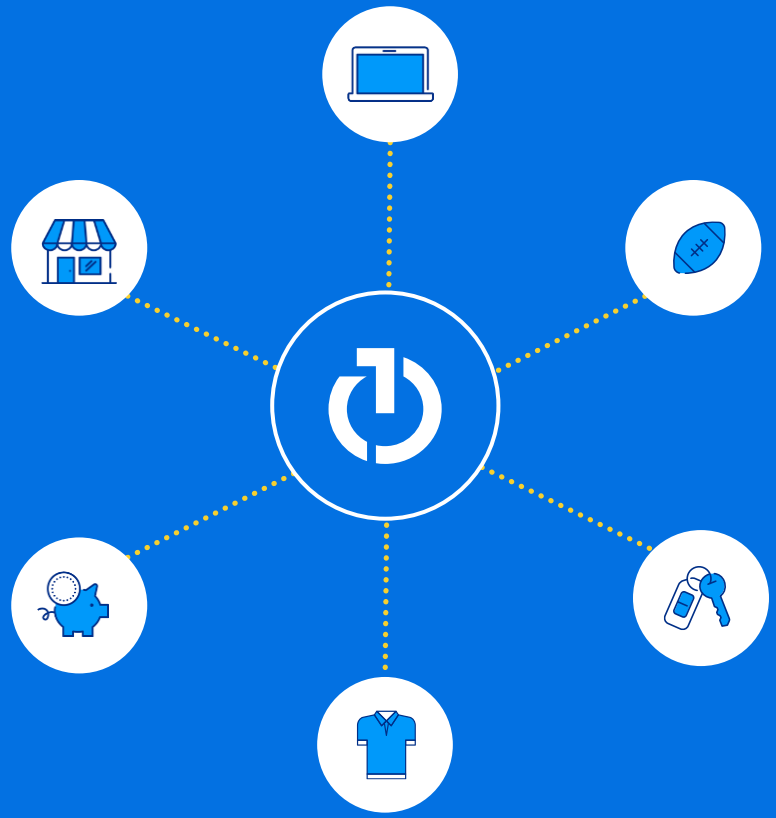
Omnichannel platform with global reach



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WE BUY ADVERTISING AND DATA

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



...through their agencies and digital solutions companies.

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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

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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.



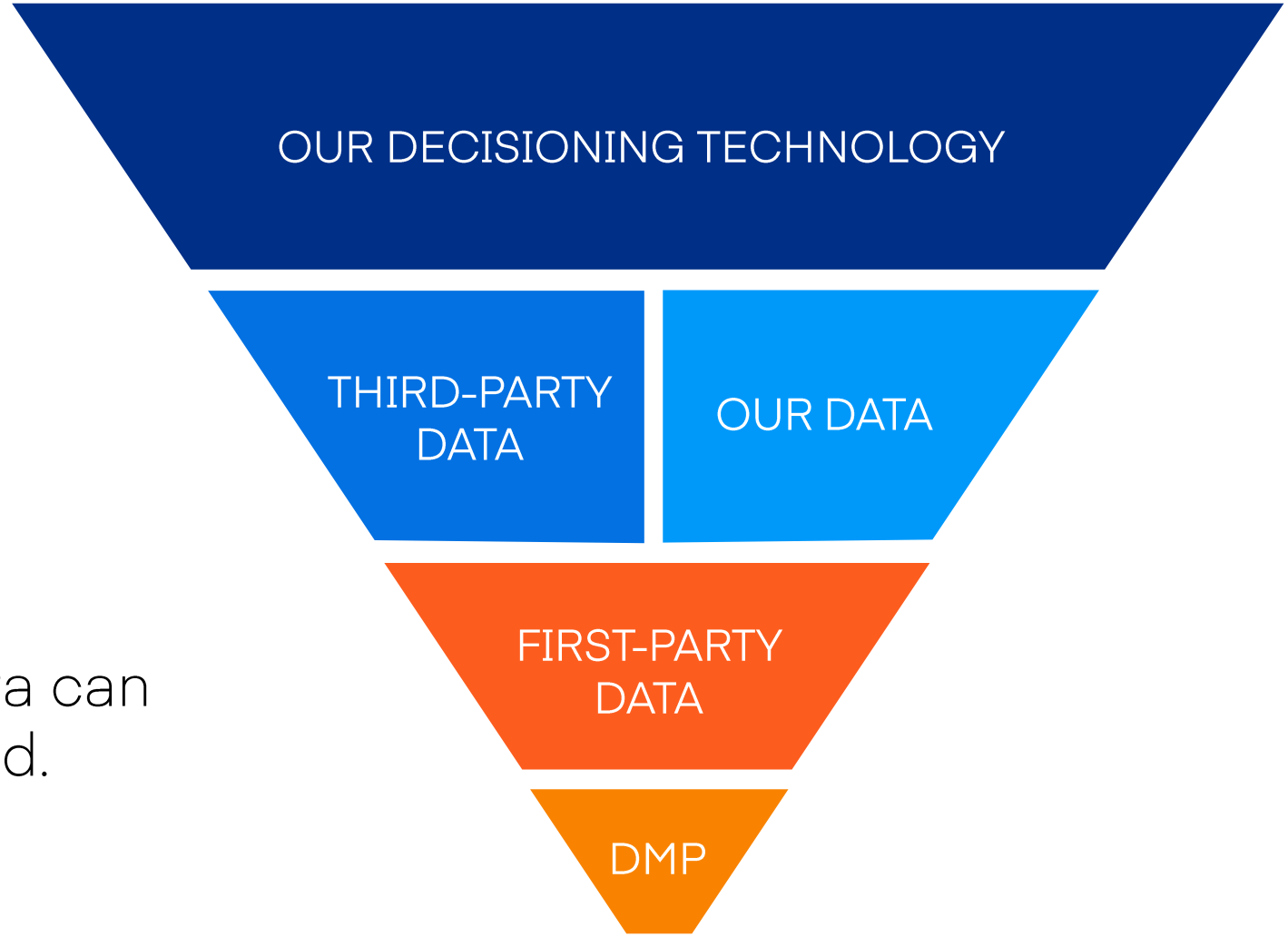
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OUR TECHNOLOGY

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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
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We're built differently than everyone else in the industry

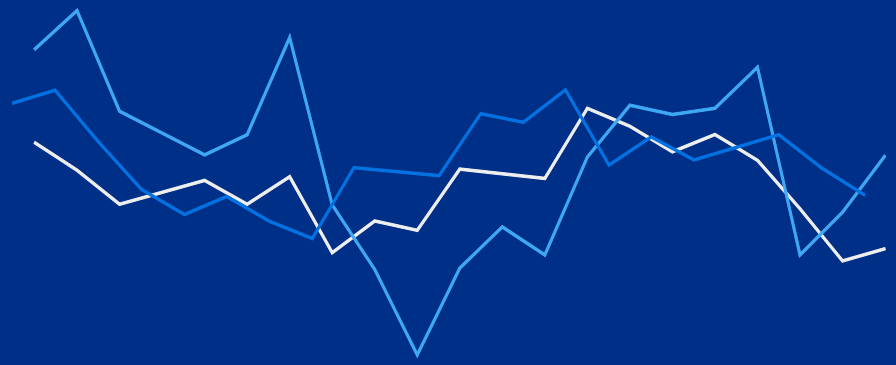
LINE ITEMS



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

versus

BID FACTORS



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

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GOAL:
The most transparent and most detailed reporting

REPORTING GRAINS

Report out on over 200 performance measures

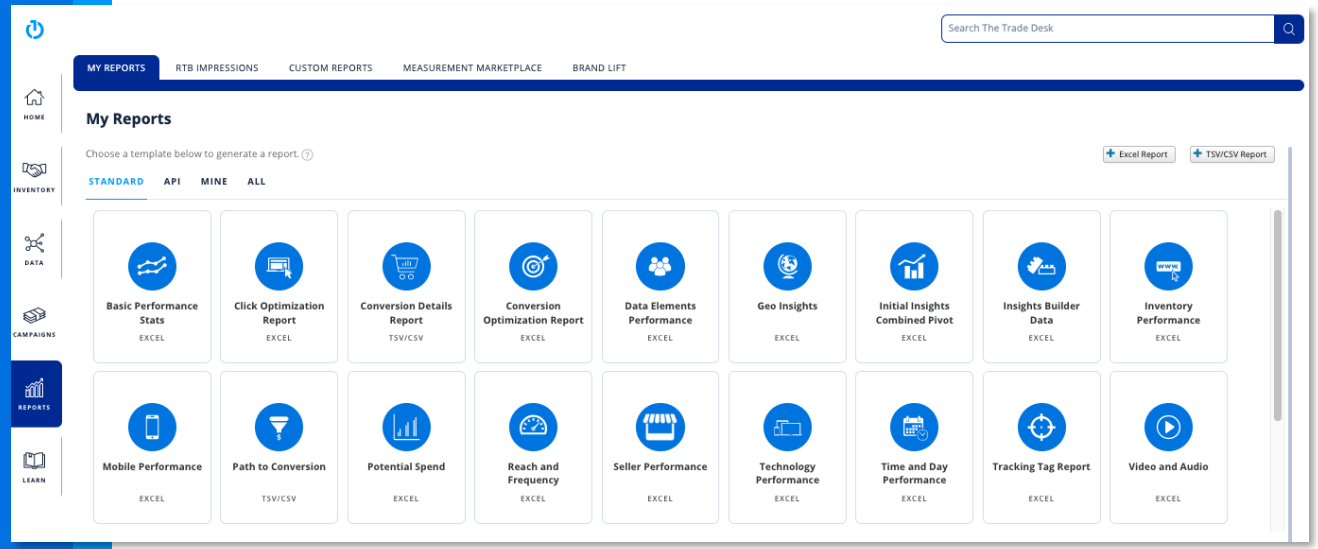
- ✓ Conversion touch
- ✓ View-through conversion
- ✓ Average bid cost per mille (CPM)
- ✓ Partner CPM
- ✓ Win rate
- ✓ Total seconds in view
- ✓ Partner viewable CPM (vCPM)
- ✓ Player audible event
- ✓ Player collapse
- ✓ Player skip
- ✓ Small player impressions
- ✓ Total audible seconds
- ✓ Win rate

...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

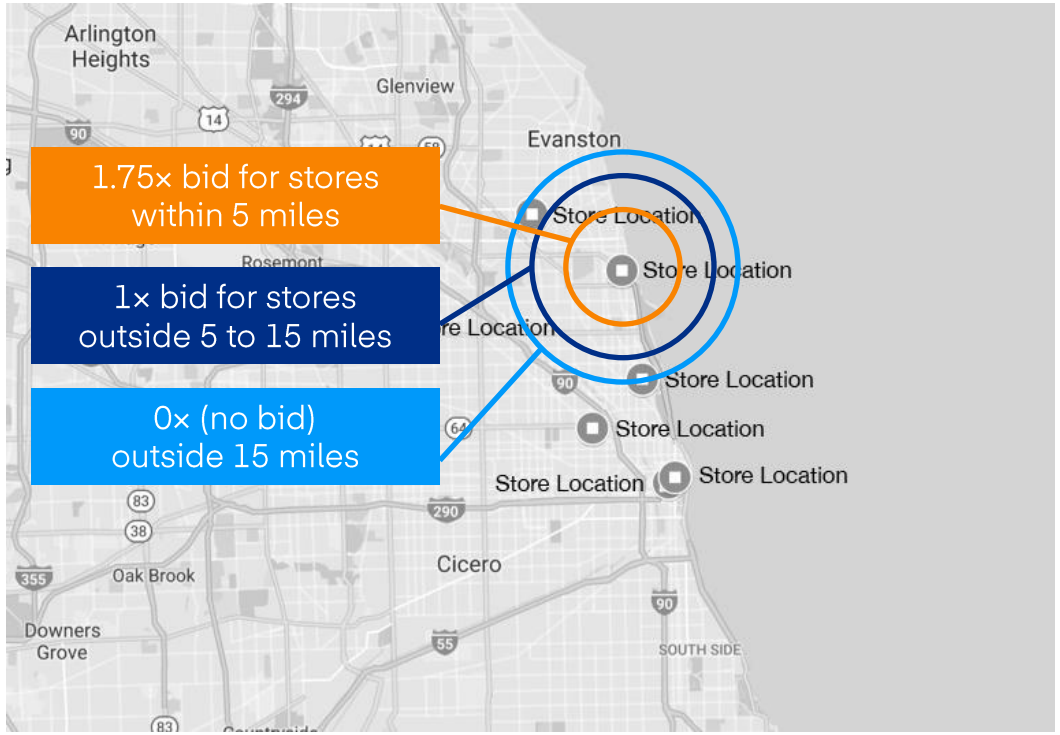
"Expressiveness" at work



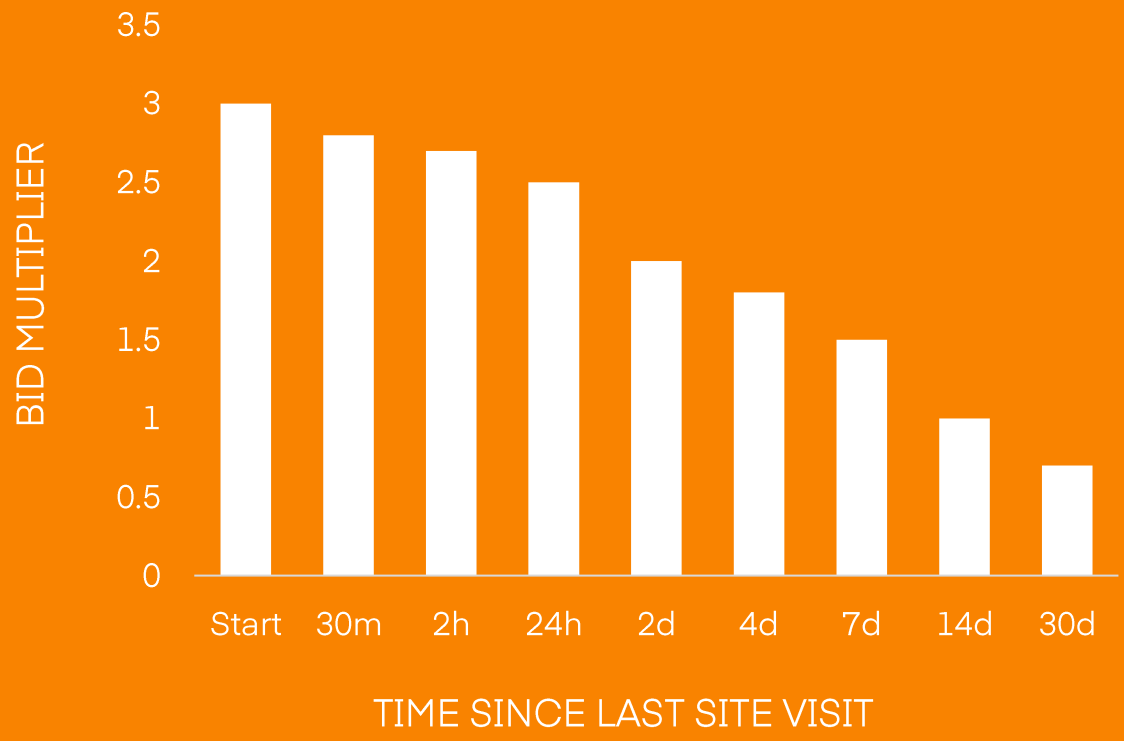
STANDARD REPORT TEMPLATES

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



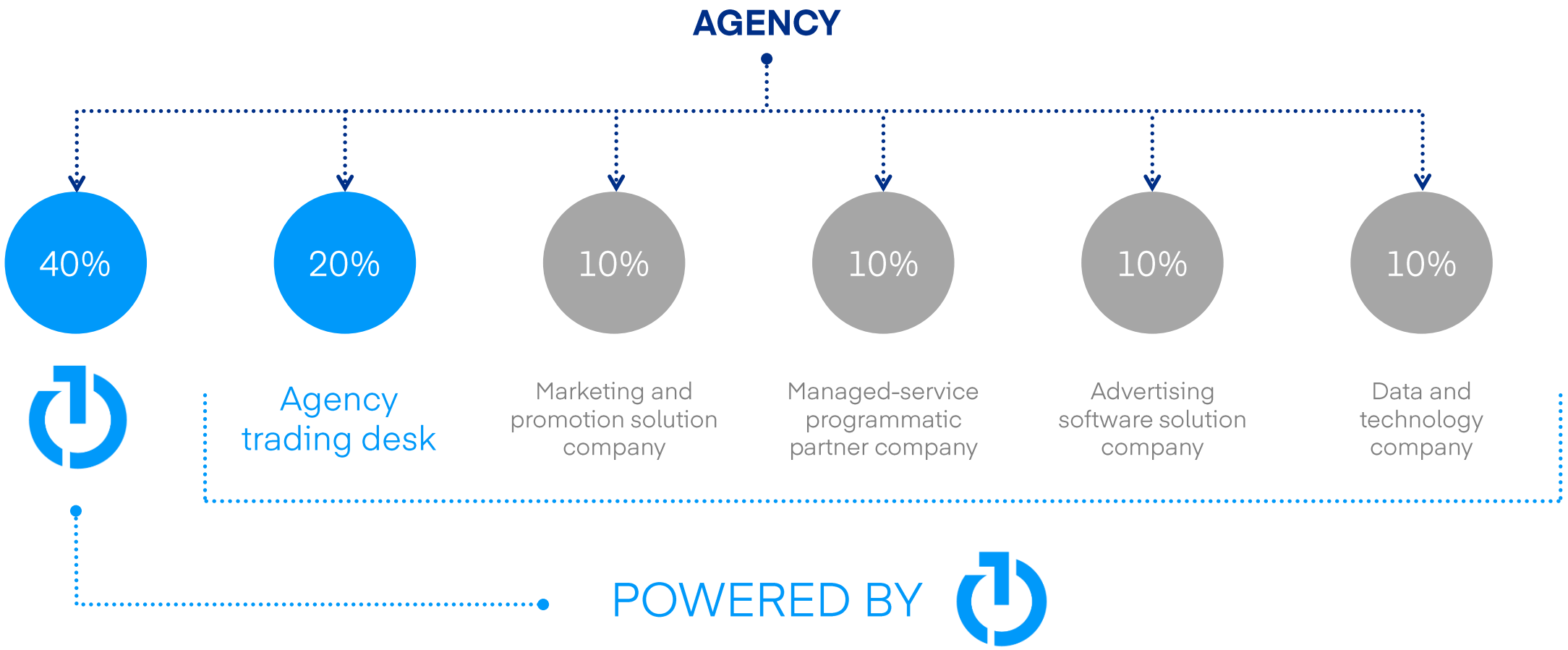
EXPRESSIVENESS = 15,360 BID PERMUTATIONS



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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

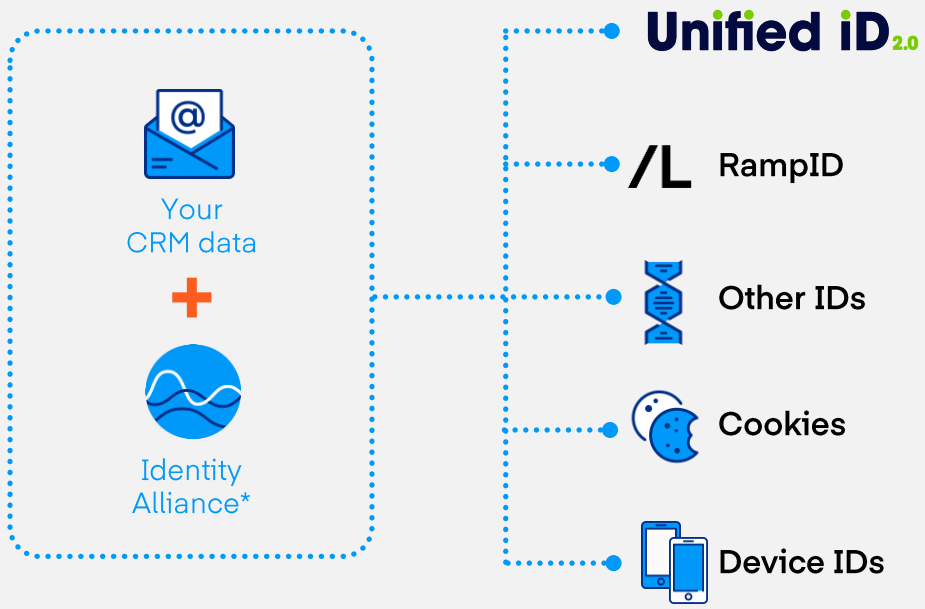
SECURE AND PRIVACY-CONSCIOUS

TRANSPARENCY AND CONTROL

OPEN-SOURCE AND INTEROPERABLE

INDEPENDENT GOVERNANCE

ACTIVATE



*Our proprietary cross-device graph.

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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.
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Our story in Connected TV is resonating

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



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OUR REACH IN CTV IS HUGE

90M+

HOUSEHOLDS

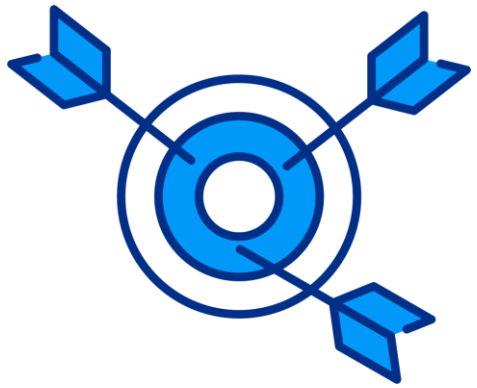
120M+

CTV DEVICES

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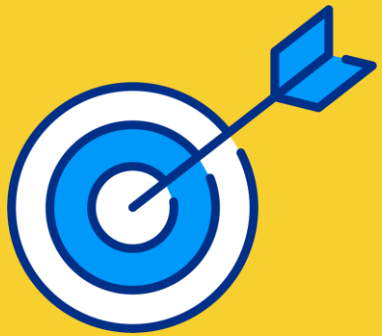
Decisioning improves TV buying and increases CPMs for publishers

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.

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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

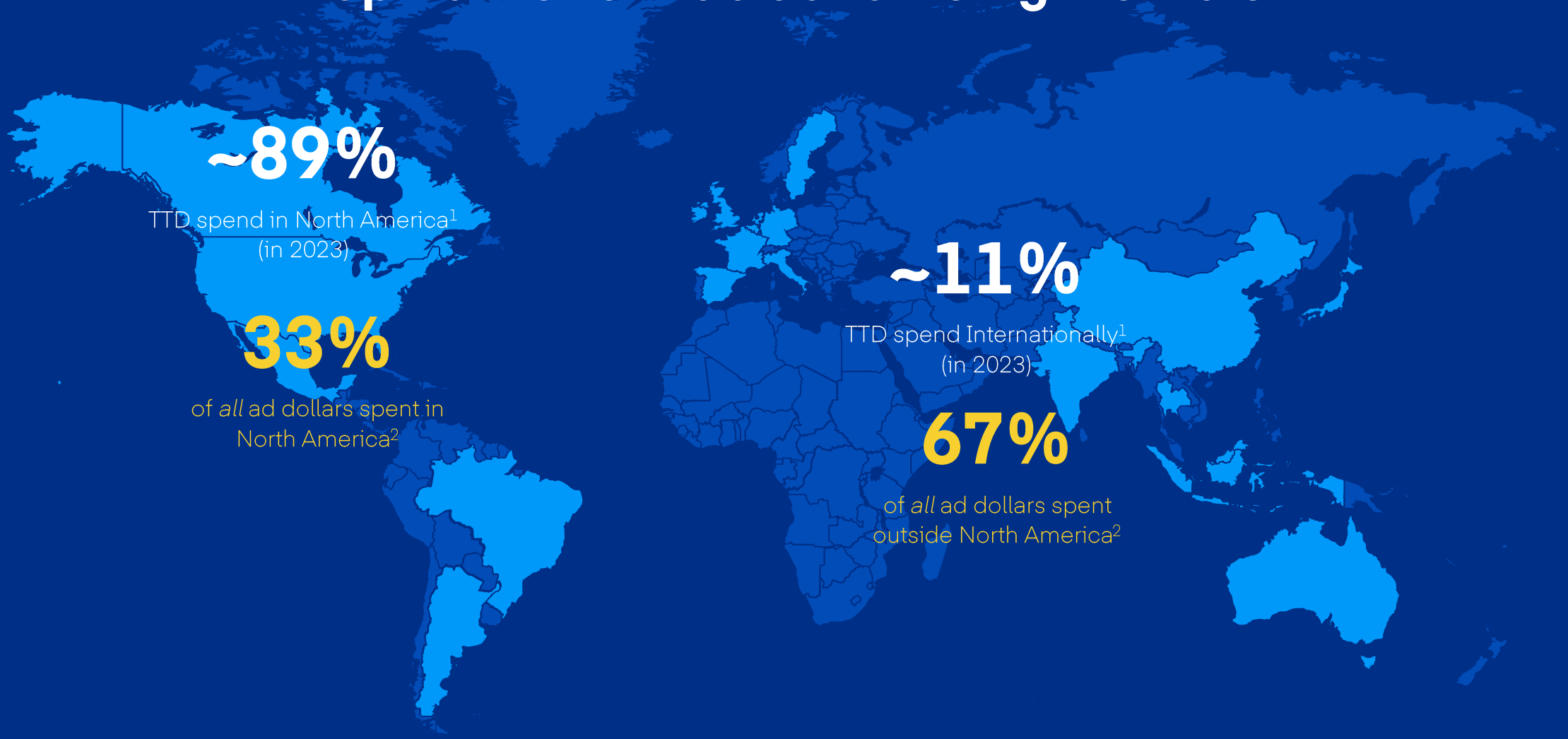
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2 GROWTH OUTSIDE NORTH AMERICA

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

Top 20 worldwide advertising markets



~89%

TTD spend in North America[1]
(in 2023)

33%

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

~11%

TTD spend Internationally[1]
(in 2023)

67%

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

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.

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3 SHOPPER MARKETING

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Activating retail data today

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Albertsons · DRIZLY · Kroger · meijer · TARGET · Walgreens · DOLLAR GENERAL · Carrefour · macy's · FairPrice · The Home Depot · instacart

Walmart DSP

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

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

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

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Strong financial model

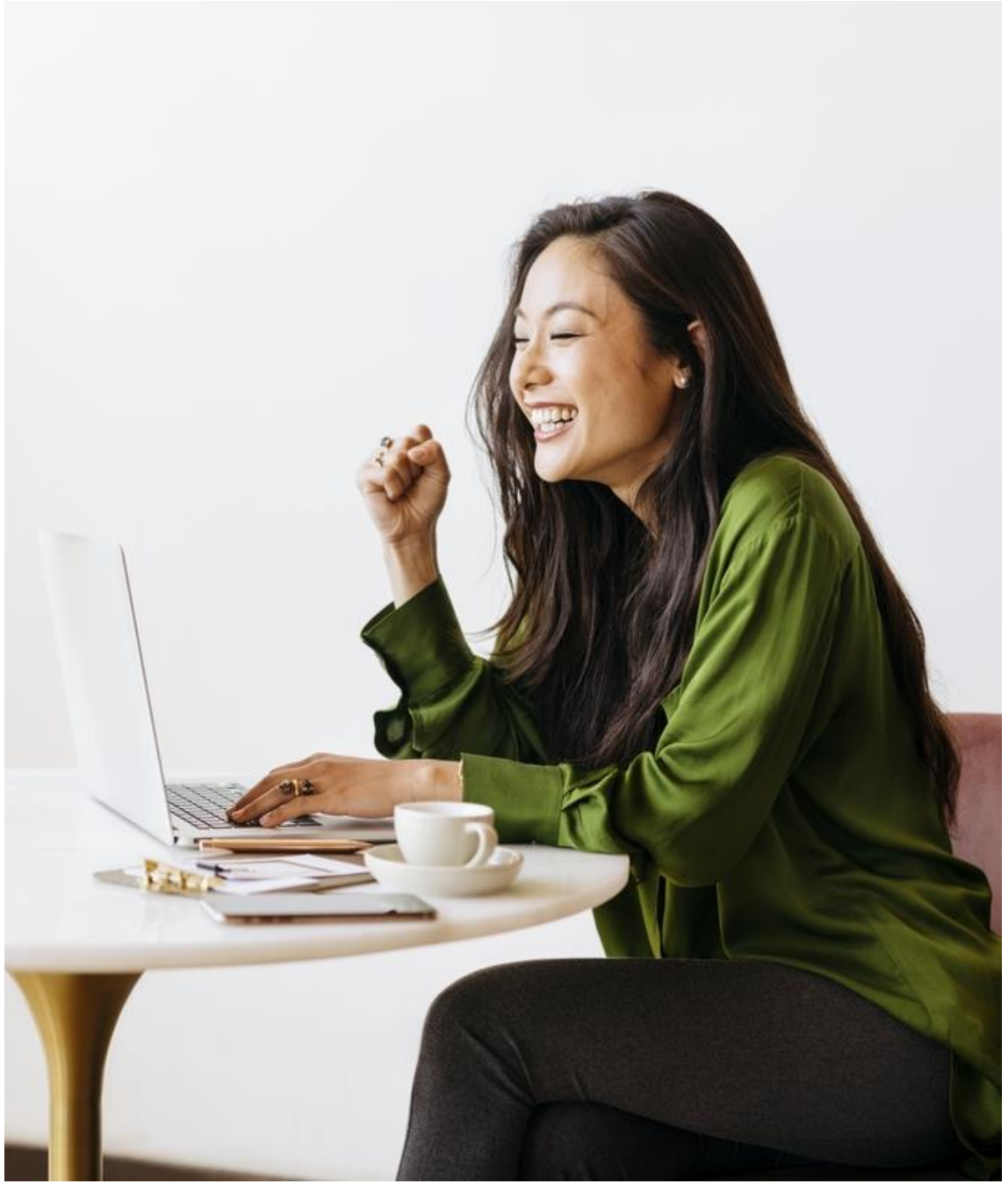
Exceptional **top-line growth**

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

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

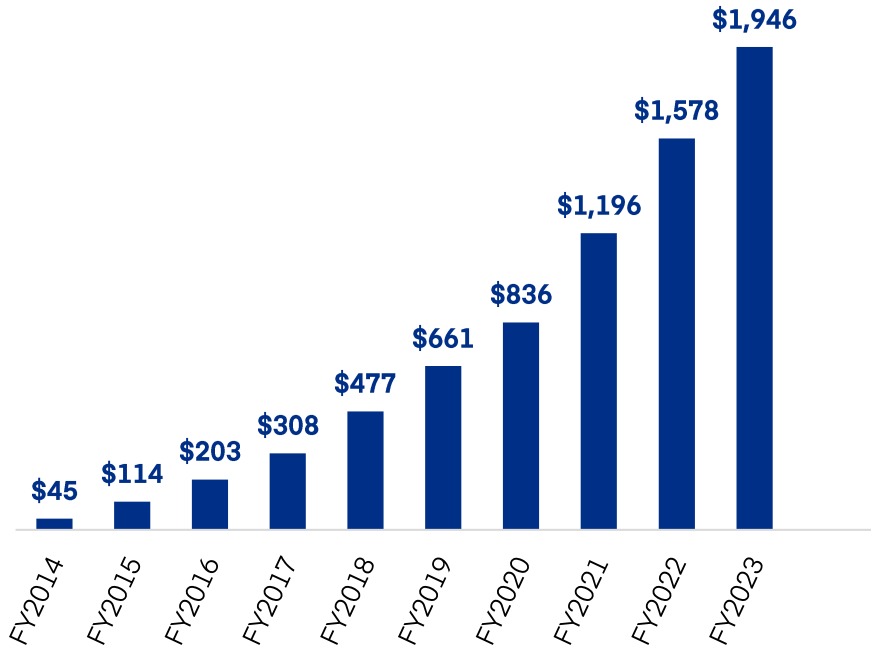
Proven **profitability**

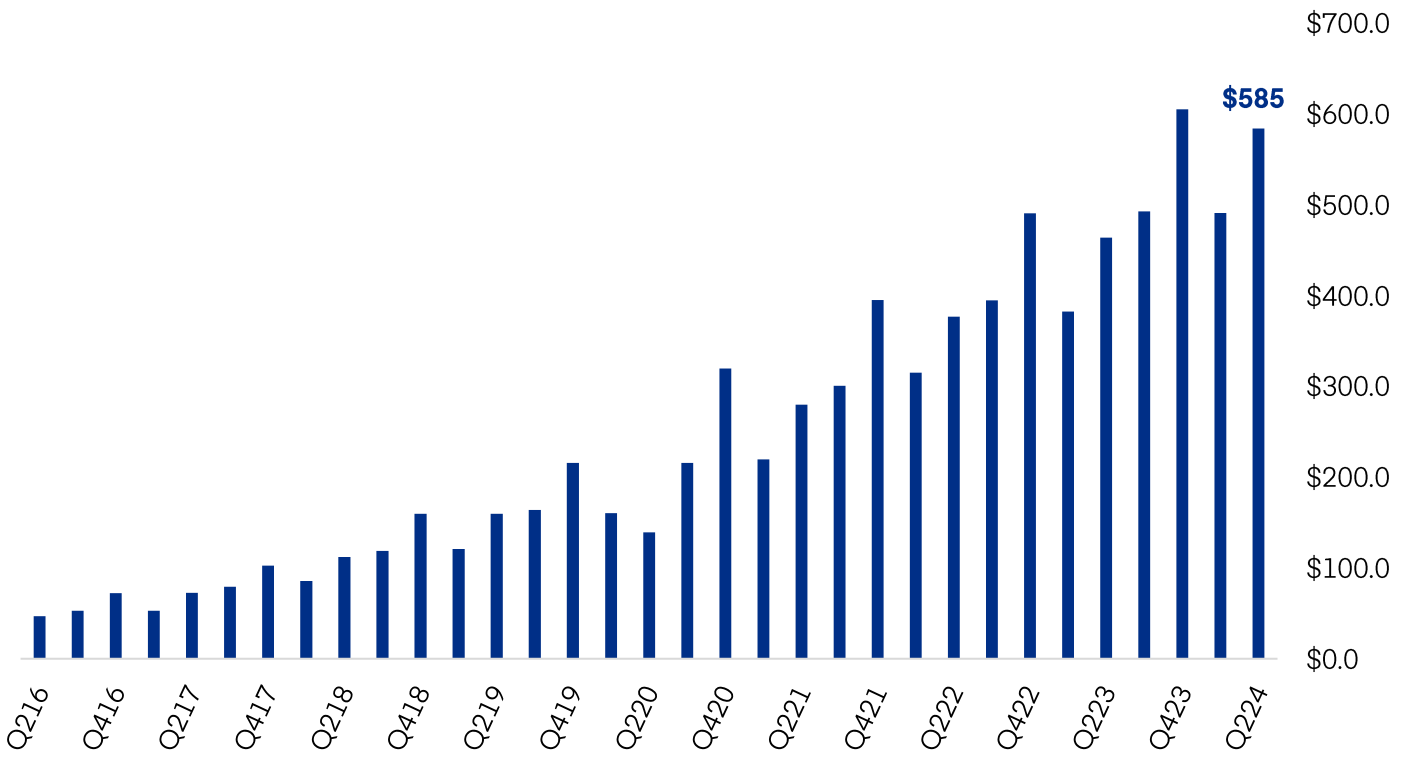
Significant **free-cash-flow**



Robust revenue growth...

REVENUE
($ IN MILLIONS)



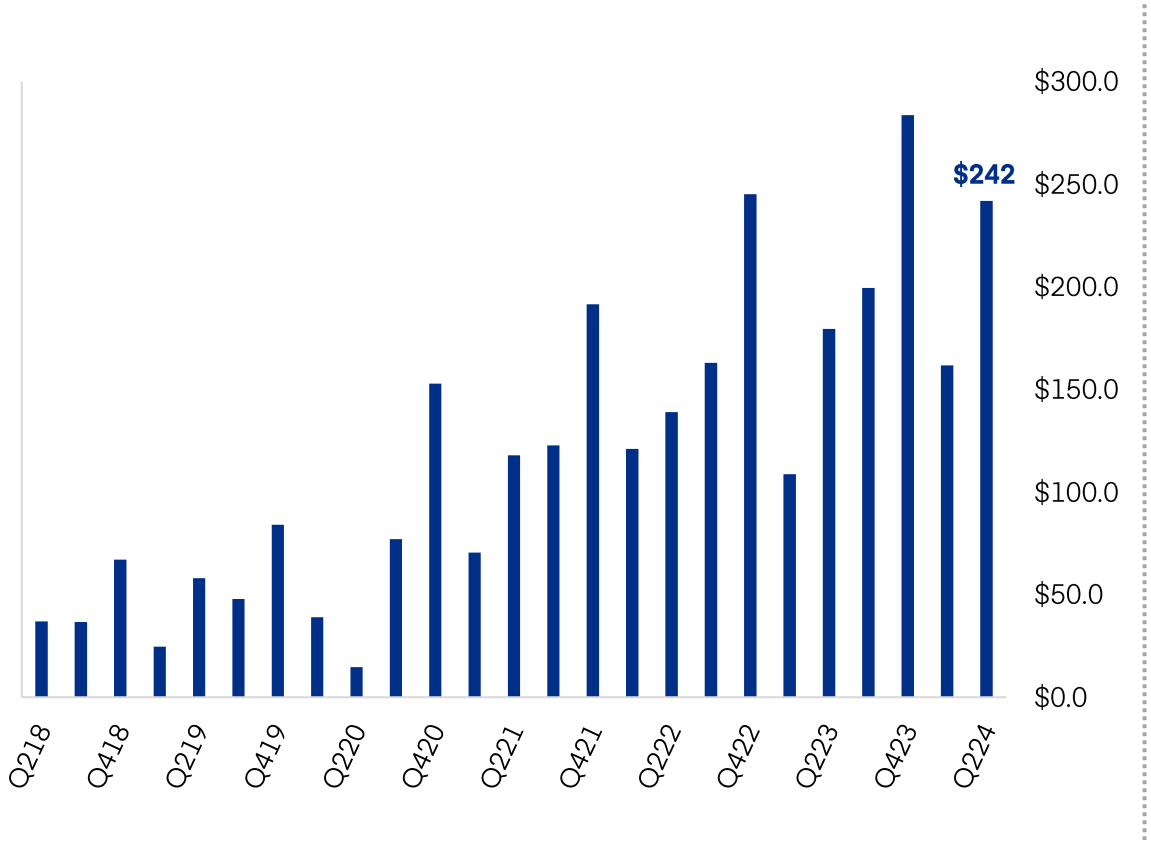


Source: The Trade Desk SEC filings.

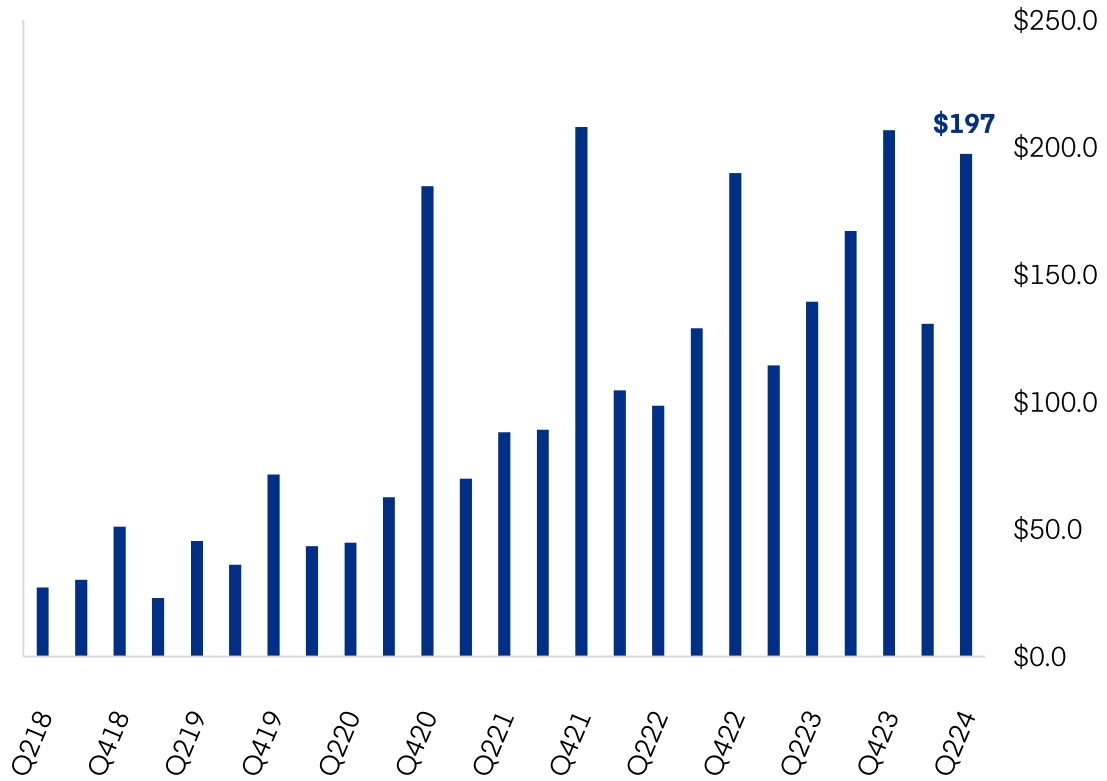
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...with substantial profitability

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.

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Investment highlights

1. Q2 revenue grew 26% year-over-year
    - Significant outperformance vs ad-funded peers and high growth companies over the last 2+ years.
2. In addition to high growth, continue to produce strong EBITDA margins and free cash flow generation.
3. Total advertising TAM is 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.

theTradeDesk

Q2 2024 GAAP Financial Information

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Revenue	$ 584,550	$ 464,254	$ 1,075,803	$ 847,057
Operating expenses [1]:				
Platform operations	110,459	86,654	214,089	171,521
Sales and marketing	133,867	111,489	255,592	208,711
Technology and development	110,035	98,308	217,721	192,018
General and administrative	135,469	126,130	265,024	256,442
Total operating expenses	489,830	422,581	952,426	828,692
Income from operations	94,720	41,673	123,377	18,365
Total other income, net	(17,772)	(18,254)	(35,148)	(31,954)
Income before income taxes	112,492	59,927	158,525	50,319
Provision for income taxes	27,463	26,988	41,836	8,054
Net income	$ 85,029	$ 32,939	$ 116,689	$ 42,265
Earnings per share:				
Basic	$ 0.17	$ 0.07	$ 0.24	$ 0.09
Diluted	$ 0.17	$ 0.07	$ 0.23	$ 0.08
Weighted-average shares outstanding:				
Basic	489,353	488,431	488,952	489,068
Diluted	500,040	499,349	499,117	499,570

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

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

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Platform operations	$ 7,272	$ 4,967	$ 12,827	$ 8,913
Sales and marketing	25,068	18,800	45,360	32,923
Technology and development	32,509	26,689	60,483	47,556
General and administrative [1]	61,491	66,627	118,290	141,161
Total	$ 126,340	$ 117,083	$ 236,960	$ 230,553

[1] Includes stock-based compensation expense related to a long-term CEO performance grant of $36 million and $48 million for the three months ended June 30, 2024 and 2023, respectively, as well as $71 million and $108 million for the six months ended June 30, 2024 and 2023, 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 June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net income	$ 85,029	$ 32,939	$ 116,689	$ 42,265
Add back (deduct):				
Depreciation and amortization expense	20,882	20,066	42,624	39,359
Stock-based compensation expense	126,340	117,083	236,960	230,553
Interest income, net	(17,817)	(17,507)	(34,478)	(31,930)
Provision for income taxes	27,463	26,988	41,836	8,054
Adjusted EBITDA	$ 241,897	$ 179,569	$ 403,631	$ 288,301

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
GAAP net income	$ 85,029	$ 32,939	$ 116,689	$ 42,265
Add back (deduct):				
Stock-based compensation expense	126,340	117,083	236,960	230,553
Adjustment for income taxes	(13,886)	(10,525)	(25,298)	(18,824)
Non-GAAP net income	$ 197,483	$ 139,497	$ 328,351	$ 253,994
GAAP diluted earnings per share	$ 0.17	$ 0.07	$ 0.23	$ 0.08
GAAP weighted-average shares outstanding—diluted	500,040	499,349	499,117	499,570
Non-GAAP diluted earnings per share	$ 0.39	$ 0.28	$ 0.66	$ 0.51
Non-GAAP weighted-average shares used in computing Non-GAAP earnings per share, diluted	500,040	499,349	499,117	499,570

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