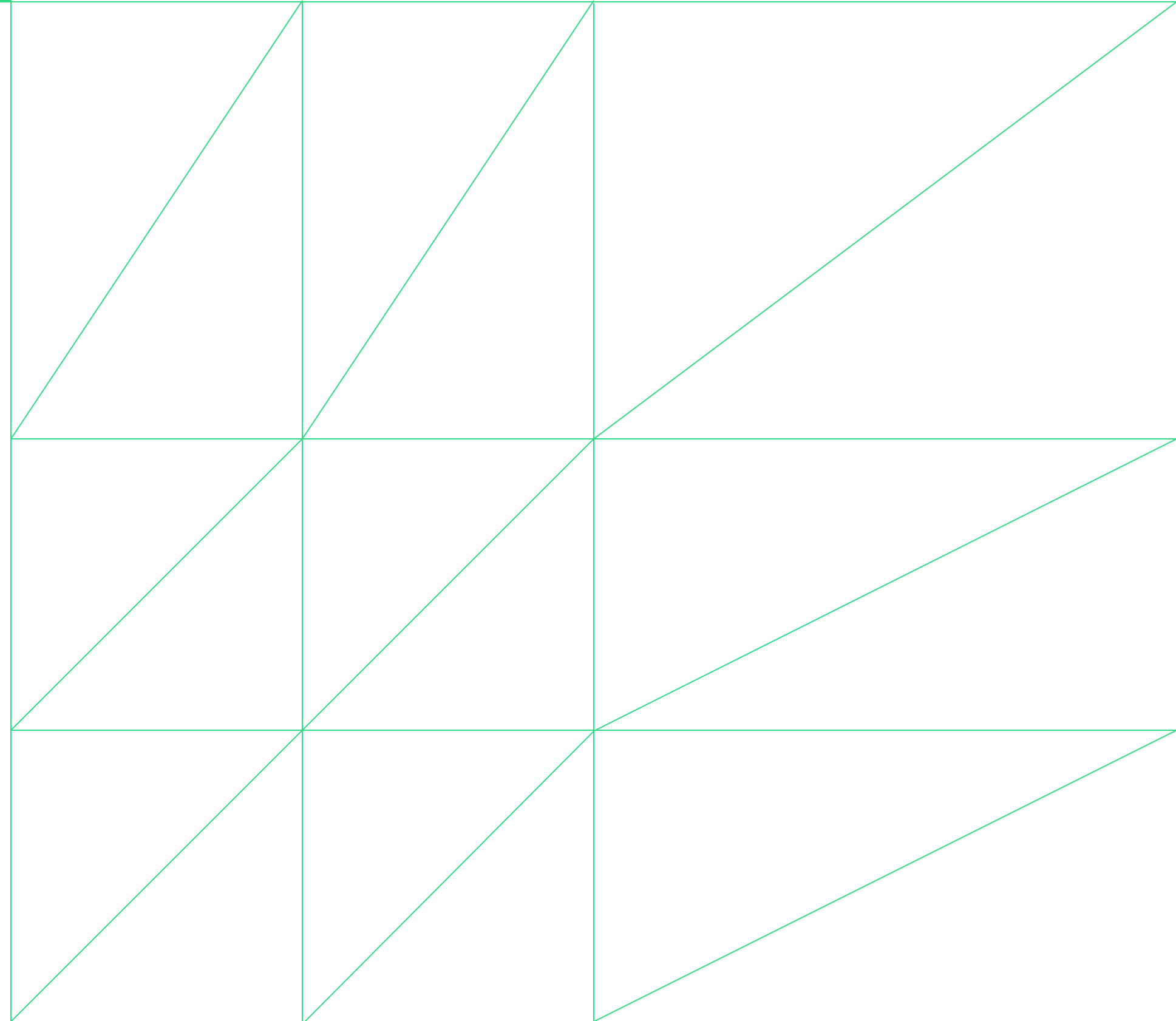


**/LiveRamp**

# **Q3 FY23 Earnings Slides**

February 7, 2023



# Cautionary Statement

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This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 as amended and Section 21E of the Securities Exchange Act of 1934 as amended, including, without limitation, regarding LiveRamp's (the "Company") future business prospects. These statements involve risks and uncertainties that could cause the Company's actual results to differ materially, including, but not limited to competitive pressures, adverse economic conditions, uncertainties resulting from the COVID-19 pandemic and governmental regulations.

These issues and other factors that may be identified from time to time in the Company's reports filed with the SEC could cause actual results to differ materially from those indicated in the forward-looking statements.

For a detailed discussion of these and other risk factors, please refer to the Company's most recent Annual Report on Form 10-K and other filings the Company makes from time to time with the Securities and Exchange Commission (the "SEC"), which are available on the SEC's Web site (<http://www.sec.gov>).

Investors are cautioned not to place undue reliance on the Company's forward-looking statements, which speak only as of the date such statements are made. The Company does not undertake any obligation to publicly update any forward-looking statements to reflect events, circumstances or new information after the date of this presentation, or to reflect the occurrence of unanticipated events.

# Use of Non-GAAP Information

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The Company reports all financial information required in accordance with U.S. generally accepted accounting principles (“GAAP”). The Company believes, however, that evaluating its ongoing operating results will be enhanced if it also discloses certain non-GAAP information because it is useful to understand the Company’s performance.

Whenever the Company uses such historical non-GAAP financial measures, it provides a reconciliation of historical non-GAAP financial measures to the most directly comparable GAAP financial measure. Investors are encouraged to review the related GAAP financial measures and the reconciliation of these historical non-GAAP financial measures to their most directly comparable GAAP financial measure included in the financial tables accompanying the Company’s press release and in the appendix to this presentation.

These non-GAAP financial measures do not reflect a comprehensive system of accounting, differ from GAAP measures with the same captions and may differ from non-GAAP financial measures with the same or similar captions that are used by other companies. The use of certain non-GAAP financial measures requires management to make estimates and assumptions regarding amounts of assets and liabilities and the amounts of revenue and expense during the reporting periods. The Company bases its estimates on historical experience and assumptions that it believes are reasonable. Actual results could differ from those estimates.

# Key SaaS Metrics

Q3 FY23

Predictable,  
Recurring Revenue

**\$426<sub>M</sub>**

ARR<sup>1</sup>  
(up 12% YoY)

**80%**

Subscription  
% of  
Total Revenue

Subscription  
Customer Growth

**910**

Direct Clients<sup>2</sup>

**8**

Of Top 10 Largest  
US Retailers\*

Land & Expand with  
Network Effects

**94**

\$1M Clients<sup>3</sup>

**102%**

Platform  
Net Retention<sup>4</sup>

Profitable  
Long-term Model, Non-GAAP<sup>5</sup>

**76%**

Gross Margin

**16%**

Operating Margin



See appendix and accompanying press release  
for GAAP equivalent metrics

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\*Per the National Retail Federation

See slide 19 for footnote definitions

# Summary Financial Results

\$M, except per share amounts

	GAAP		Non-GAAP <sup>5</sup>	
	Q323	YoY	Q323	YoY
<b>Revenue</b>	<b>\$159</b>	<b>13%</b>	—	—
<b>Gross Profit</b>	<b>\$115</b>	<b>13%</b>	<b>\$121</b>	<b>12%</b>
<i>Gross Margin</i>	73%	—	76%	—
<b>Operating Income (Loss)</b>	<b>(\$24)</b>	<b>(74%)</b>	<b>\$26</b>	<b>76%</b>
<i>Operating Margin</i>	(15%)	(5pts)	16%	6pts
<b>Net Income (Loss)</b>	<b>(\$30)</b>	<b>(93%)</b>	<b>\$19</b>	<b>87%</b>
EPS	(\$0.46)	(103%)	\$0.28	100%
Share Count <sup>6</sup>	64.8	(5%)	65.4	(7%)

# Revenue Summary

\$M

Revenue by Type	Q323	Q322	YoY
Subscription	\$126	\$111	14%
Marketplace & Other	\$32	\$29	9%
<b>Total</b>	<b>\$159</b>	<b>\$141</b>	<b>13%</b>

Revenue by Geography	Q323	Q322	YoY
US	\$148	\$132	12%
International <sup>7</sup>	\$11	\$8	27%
<b>Total</b>	<b>\$159</b>	<b>\$141</b>	<b>13%</b>

Totals may not foot due to rounding.



<sup>7</sup> International revenue adjusted for impact of changes in foreign currency exchange rates, increased to approximately 37%.

# Free Cash Flow

\$M, Non-GAAP

	Q323	Q322
Operating Cash Flow	\$16	\$25
Capital Expenditures	(\$0)	(\$1)
<b>Free Cash Flow to Equity</b>	<b>\$16</b>	<b>\$24</b>

Totals may not foot due to rounding.

# Key Growth Metrics

\$M

## 1 Subscription Net Retention <sup>8</sup>

	Q322	Q422	Q123	Q223	Q323
Subscription Net Retention (SNR)	110%	111%	113%	106%	101%

See footnote 8 on slide 19 for definition of Subscription Net Retention.

## 3 ARR Growth <sup>1</sup>

	Q322	Q422	Q123	Q223	Q323
ARR	\$381	\$399	\$409	\$420	\$426
YoY %	16%	19%	20%	15%	12%

See footnote 1 on slide 19 for definition of ARR.

## 2 Platform Net Retention <sup>4</sup>

	Q322	Q422	Q123	Q223	Q323
Platform Net Retention (PNR)	109%	110%	113%	108%	102%

See footnote 4 on slide 19 for definition of Platform Net Retention.

## 4 TTM Marketplace Revenue Growth

	Q322	Q422	Q123	Q223	Q323
TTM Marketplace & Other	\$99	\$100	\$104	\$110	\$113
TTM YoY %	18%	16%	13%	15%	14%
TTM Data Marketplace	\$79	\$81	\$86	\$91	\$92
TTM YoY %	32%	28%	24%	23%	17%



# Revenue Detail

\$M

Subscription Revenue:	Q322	Q422	Q123	Q223	Q323
Fixed % of Total Subscription	85%	85%	88%	86%	84%
Usage % of Total Subscription	15%	15%	12%	14%	16%
<b>Total Subscription Revenue</b>	<b>\$111</b>	<b>\$116</b>	<b>\$116</b>	<b>\$120</b>	<b>\$126</b>
<i>YoY growth</i>	<i>19%</i>	<i>22%</i>	<i>20%</i>	<i>14%</i>	<i>14%</i>
<b>Marketplace &amp; Other Revenue:</b>					
Data Marketplace	\$25	\$21	\$22	\$22	\$26
<i>YoY growth</i>	<i>26%</i>	<i>15%</i>	<i>29%</i>	<i>23%</i>	<i>5%</i>
Other Revenue	\$4	\$5	\$5	\$5	\$6
<i>YoY growth</i>	<i>(33%)</i>	<i>(21%)</i>	<i>(18%)</i>	<i>34%</i>	<i>34%</i>
<b>Total Marketplace &amp; Other Revenue</b>	<b>\$29</b>	<b>\$26</b>	<b>\$26</b>	<b>\$27</b>	<b>\$32</b>
<i>YoY growth</i>	<i>12%</i>	<i>6%</i>	<i>18%</i>	<i>25%</i>	<i>9%</i>
<b>Total Revenue</b>	<b>\$141</b>	<b>\$142</b>	<b>\$142</b>	<b>\$147</b>	<b>\$159</b>
<i>YoY growth</i>	<i>17%</i>	<i>19%</i>	<i>19%</i>	<i>16%</i>	<i>13%</i>

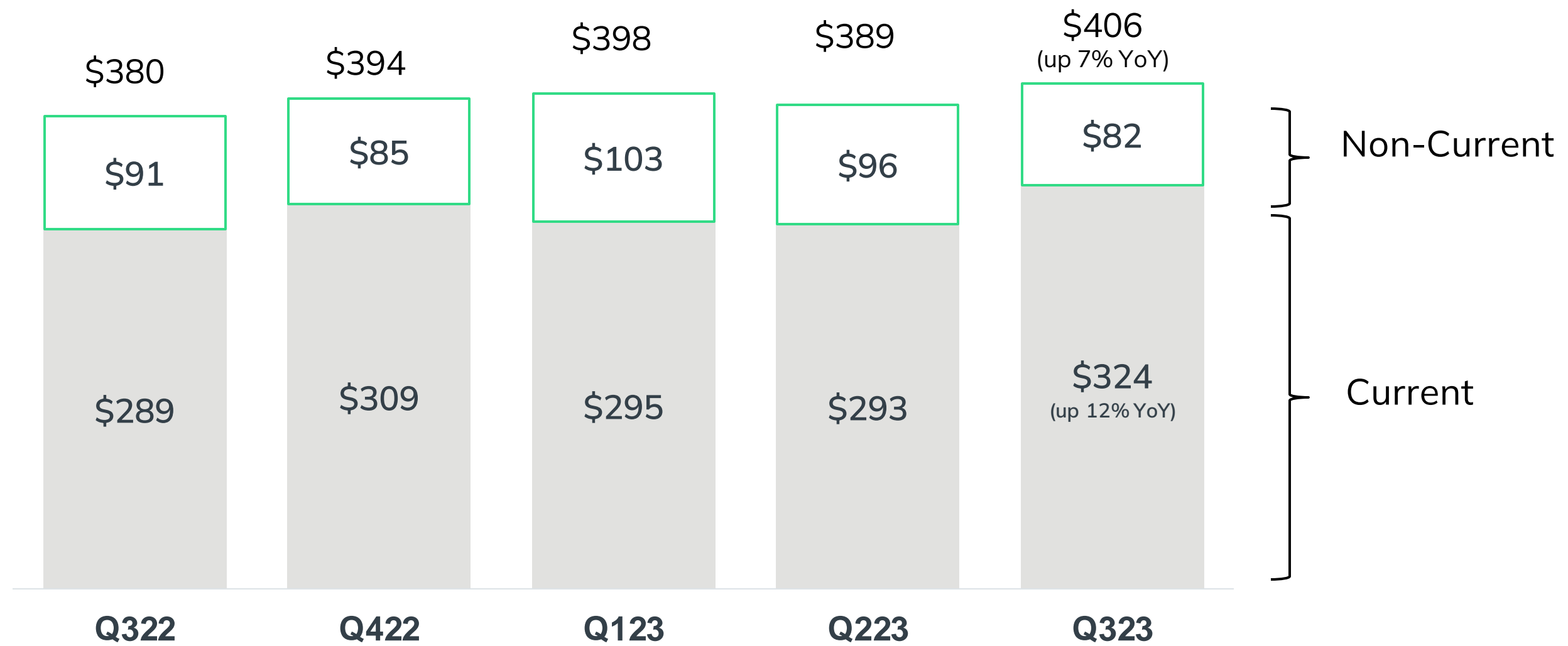


Totals may not foot due to rounding.

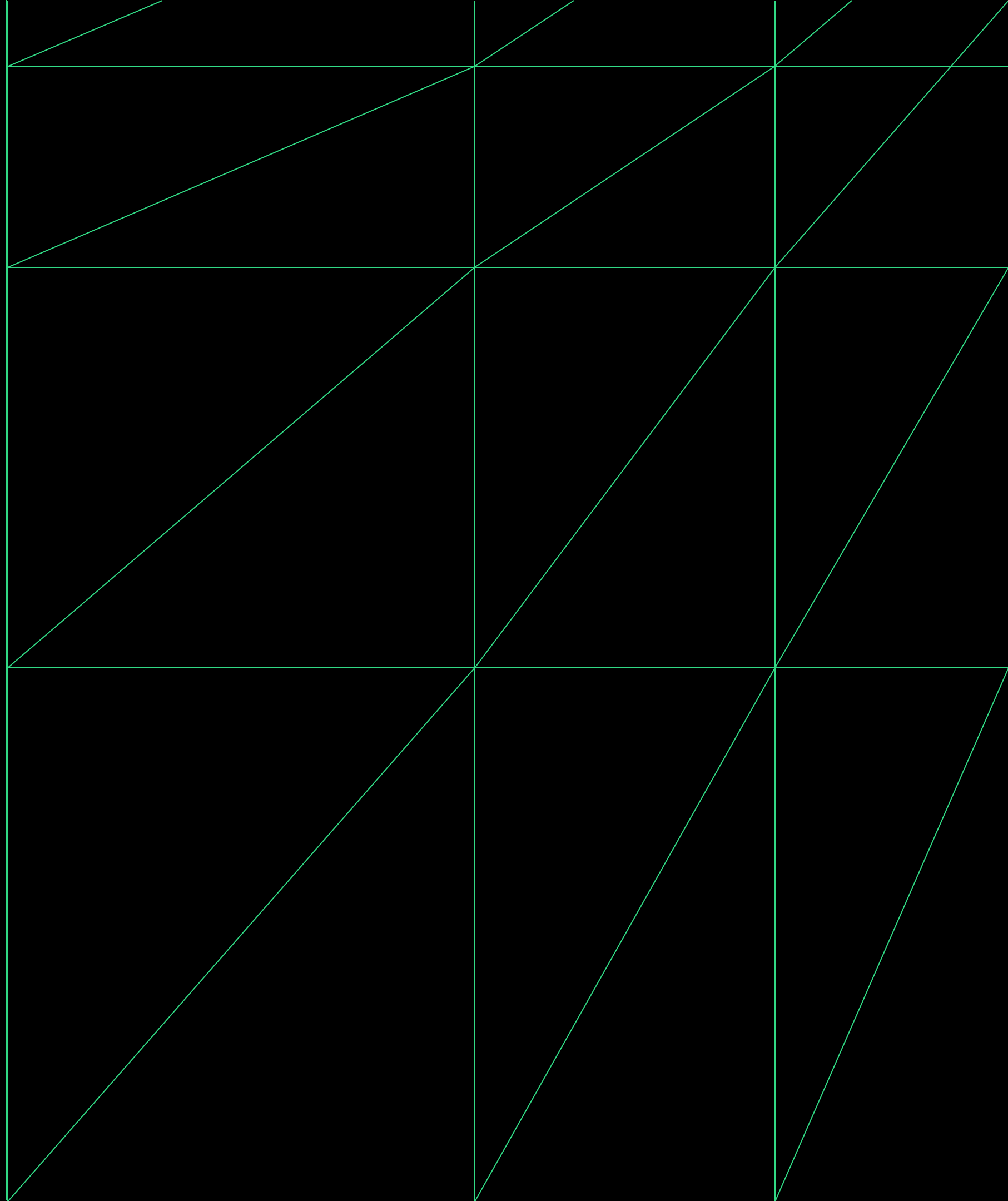
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# Remaining Performance Obligations (RPO) <sup>9</sup>

\$M



# Outlook



# Q4 & FY23 Outlook

\$M

	Q4	FY23
Revenue	<b>\$147 - \$152</b>	<b>\$595 - \$600</b>
YoY Growth	~4-7%	~13%
<hr/>		
	Q4	
Subscription Net Retention (SNR)	~100%	

# Q4 & FY23 Outlook (continued)

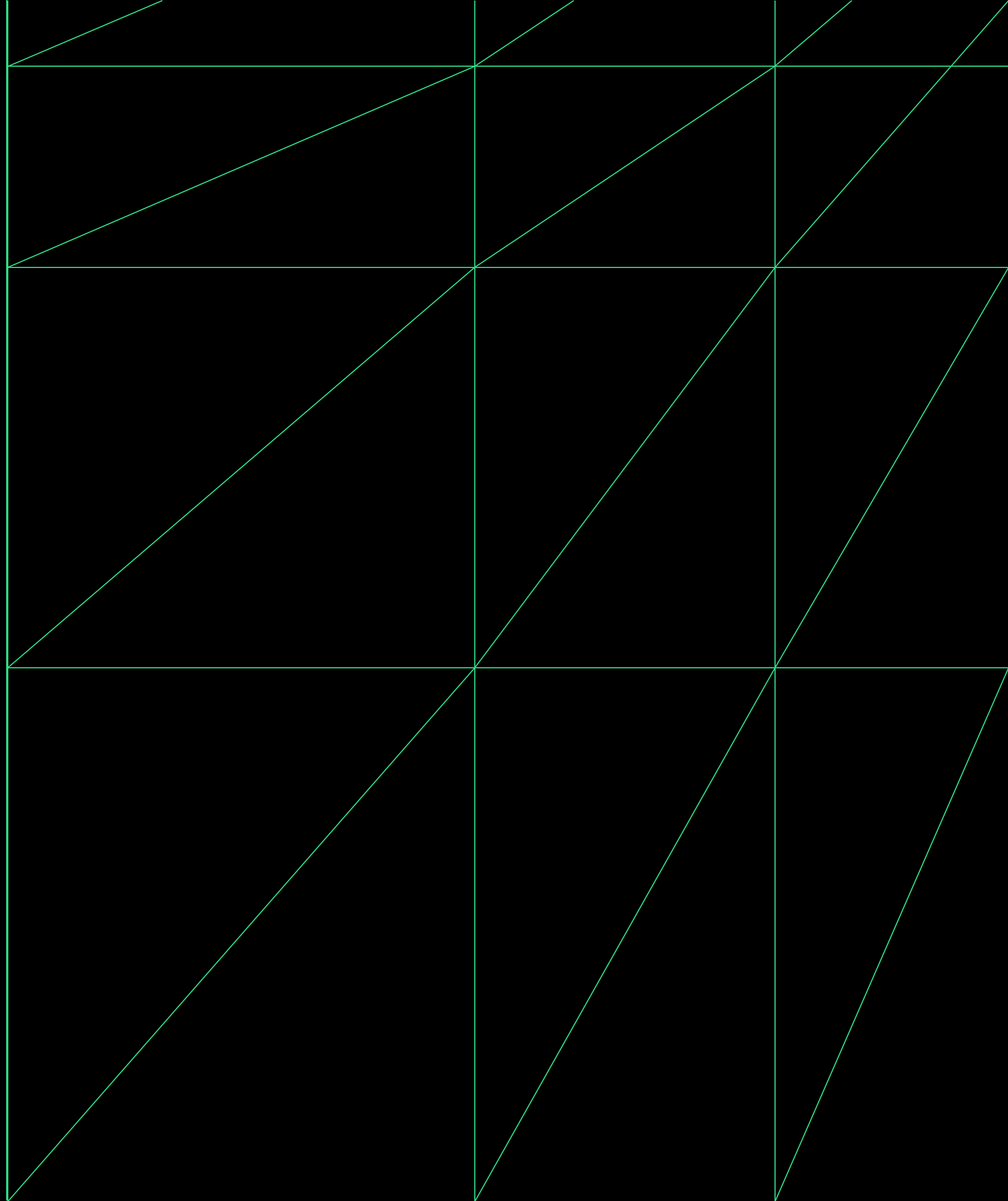
## Operating Performance (~\$M)

	Q4	FY23
Non-GAAP Operating Income <sup>10</sup>	\$13-\$16	\$60-\$63
GAAP Operating Loss	(\$23)-(\$26)	(\$102)-(\$105)

## Other Items (~M)

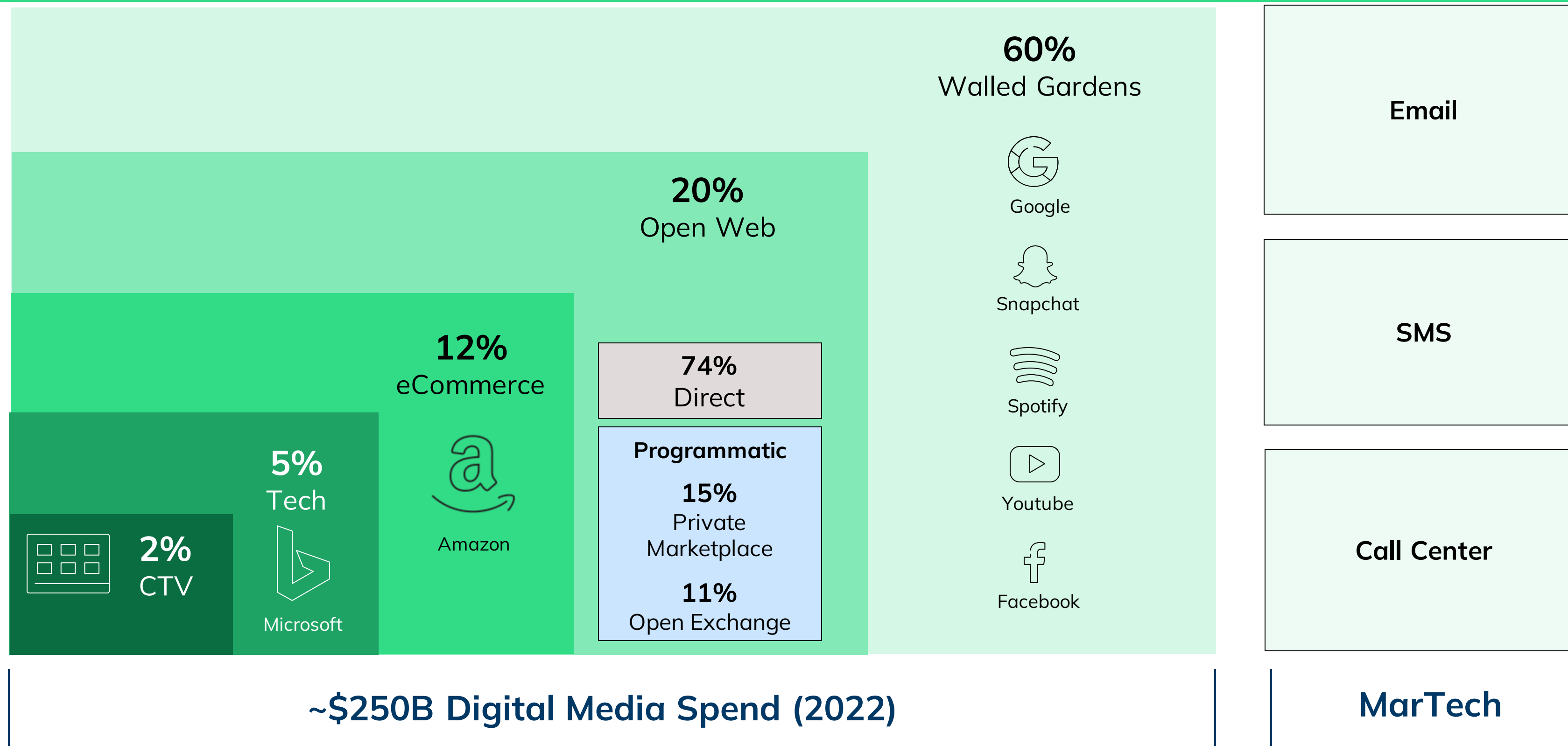
	FY23
Ongoing Stock-based Comp	\$86
Acquisition-related Stock-based Comp	\$17
Total Stock-based Comp	\$103
Share Count (Basic)	65
Share Count (Diluted)	66
Capital Spending (% of rev)	1%
Non-GAAP Tax Rate	24%
GAAP Tax Rate <sup>11</sup>	(18%)

# Appendix



# Addressability is Far More Than Programmatic

Our Value Proposition Extends Far Beyond Cookies



# ATS – The Global Standard

<b>Global</b>	✓ North America	✓ EU	✓ LATAM	✓ APAC		
<b>Interoperable</b>	✓ Unified ID 2.0	✓ neustar	✓ experian	✓ TransUnion	✓ Google PAIR	
<b>Most Ubiquitous</b>	✓ Meta	✓ Google YouTube	✓ Microsoft	✓ amazon	✓ 75%+ of Comscore 50	✓ 11k+ Open Web Domains
<b>Multi-Channel</b>	✓ Open Exchange	✓ Private Marketplace	✓ Direct	✓ Walled Garden	✓ CTV	✓ MarTech
<b>At Scale</b>	✓ More than 90% of US consumer time spent online	✓ More than 55.5% of US open internet time spent online				
<b>Built with the strongest security and privacy controls</b>	✓ Authenticated	✓ Consented	✓ Encrypted	✓ Publisher Controlled	✓ Not reliant on HEM-to-HEM matching	



# ATS – A Proven Solution

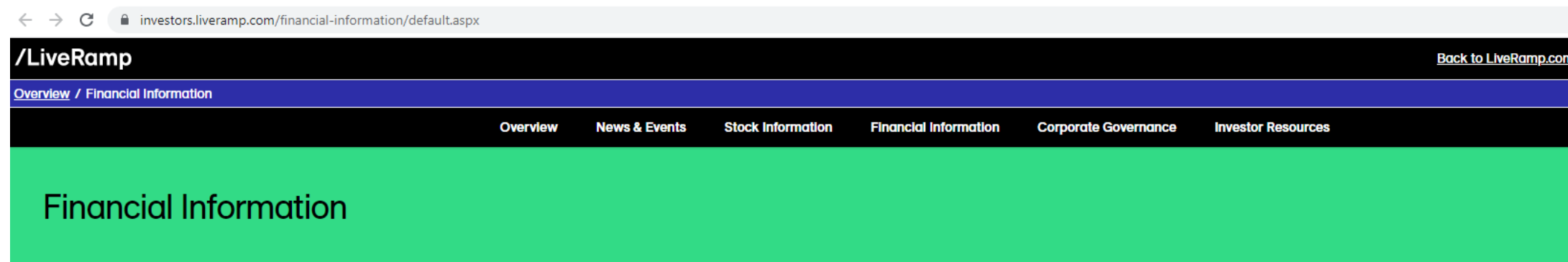
## Illustrative Case Studies

- **Microsoft**: Building customer-first relationships in a privacy-first world
- **Pubmatic**: Publishers significantly increase fill rate, yield and overall revenue across cookieless browsers globally
- **Fitbit**: Health and fitness technology brand achieves 2X higher ROAS
- **Food & Beverage Leader**: Boosts customer intelligence and addressable reach
- **Menulog**: Delivery platform trials cookieless targeting on CTV, conversions soar
- **TextNow**: How free phone service app TextNow turned to alternative IDs after ATT

# GAAP to Non-GAAP Schedules and Metrics

GAAP to Non-GAAP Trended Schedules, Reconciliations, EBITDA and EPS metrics are presented on our investor relations website:

<https://investors.liveramp.com/financial-information/default.aspx>



## Financial Summary

Document	←	2022	2021	2020	→
Earnings Press Release		<a href="#">Q1</a> <a href="#">Q2</a> <a href="#">Q3</a> <a href="#">Q4</a>	<a href="#">Q1</a> <a href="#">Q2</a> <a href="#">Q3</a> <a href="#">Q4</a>	<a href="#">Q1</a> <a href="#">Q2</a> <a href="#">Q3</a> <a href="#">Q4</a>	
Trended Historical Model		<a href="#">Q1</a> <a href="#">Q2</a> <a href="#">Q3</a> <a href="#">Q4</a>	<a href="#">Q1</a> <a href="#">Q2</a> <a href="#">Q3</a> <a href="#">Q4</a>	<a href="#">Q1</a> <a href="#">Q2</a> <a href="#">Q3</a> <a href="#">Q4</a>	
Listen to Webcast		<a href="#">Q1</a> <a href="#">Q2</a> <a href="#">Q3</a> <a href="#">Q4</a>	<a href="#">Q1</a> <a href="#">Q2</a> <a href="#">Q3</a> <a href="#">Q4</a>	<a href="#">Q1</a> <a href="#">Q2</a> <a href="#">Q3</a> <a href="#">Q4</a>	
Presentation		<a href="#">Q1</a> <a href="#">Q2</a> <a href="#">Q3</a> <a href="#">Q4</a>	<a href="#">Q1</a> <a href="#">Q2</a> <a href="#">Q3</a> <a href="#">Q4</a>	<a href="#">Q1</a> <a href="#">Q2</a> <a href="#">Q3</a> <a href="#">Q4</a>	
Transcript		<a href="#">Q1</a> <a href="#">Q2</a> <a href="#">Q3</a> <a href="#">Q4</a>	<a href="#">Q1</a> <a href="#">Q2</a> <a href="#">Q3</a> <a href="#">Q4</a>	<a href="#">Q1</a> <a href="#">Q2</a> <a href="#">Q3</a> <a href="#">Q4</a>	
Form 10-Q		<a href="#">Q1</a> <a href="#">Q2</a> <a href="#">Q3</a> <a href="#">Q4</a>	<a href="#">Q1</a> <a href="#">Q2</a> <a href="#">Q3</a> <a href="#">Q4</a>	<a href="#">Q1</a> <a href="#">Q2</a> <a href="#">Q3</a> <a href="#">Q4</a>	

# Footnotes

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- 1 Annualized recurring revenue (ARR) is last month of quarter recurring revenue annualized. Recurring revenue is fixed and contracted subscription revenue and does not include any variable or non-recurring revenue amounts. This metric is forward looking and does not factor in potential contraction, nor does it include potential additions to recurring revenue.
- 2 Direct client count excludes agency and reseller deployments and Data Marketplace-only customers.
- 3 \$1M clients are counted as \$250k or more subscription-only revenue in the quarter.
- 4 Platform net retention is defined as current quarter subscription and marketplace revenue (net) from customers who have been on the platform for one year or more, divided by the prior year quarter subscription and marketplace revenue (net), inclusive of upsell, churn and downsell.
- 5 Non-GAAP financial results represent continuing operations less excluded items (i.e. non-cash stock compensation, purchased intangible asset amortization, accelerated depreciation, restructuring and transformation charges, and FY22 investment gain). Excluding these amounts, Q323 non-GAAP gross profit was \$121M, non-GAAP gross margin was 76%, non-GAAP operating income was \$26M and non-GAAP operating margin was 16%.
- 6 Fully diluted shares outstanding are used to calculate EPS in periods of profitability. Basic shares outstanding are used to calculate EPS during periods with a net loss.
- 7 International revenue adjusted for impact of changes in foreign currency exchange rates, increased to approximately 37%.
- 8 Subscription net retention is defined as current quarter subscription (net) from customers who have been on the platform for one year or more, divided by the prior year quarter subscription revenue (net), inclusive of upsell, churn and downsell.
- 9 Remaining Performance Obligations (RPO) are defined as all future revenue under contract that has not yet been recognized as revenue. Current RPO represents future revenue under contract that is expected to be recognized as revenue in the next 12 months. RPO is influenced by several factors including seasonality, the timing of renewals, average contract terms, and foreign currency exchange rates.
- 10 Non-GAAP guidance excludes non-cash stock compensation, purchased intangible asset amortization and restructuring charges.
- 11 GAAP tax rates impacted by new US tax law requiring companies to capitalize R&D costs for tax purposes.

Thank You

