



GREENHAVEN  
ROAD CAPITAL

# FINDING VALUE OFF THE BEATEN PATH

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2021

# What is Greenhaven Road?

- A concentrated and patient long-biased hedge fund
- In pursuit of both quality companies (compounders) and special situations (spin-offs, rights offerings, SPACs, etc.)
- Seeded by Stride Capital Group and value investor Chuck Royce

## What we believe:

- Fundamentals matter, balance sheets matter, cash flow matters, management matters, and incentives matter
- An investment committee of one is the perfect size – the aspiration is to be a small boutique manager
- We will not achieve differentiated results if we own the same companies and operate in the same manner as everybody else; Greenhaven Road should be thoughtfully different

## Why now?

- The market is polarized – on one end are the short-term, quant-oriented traders; on the other end are closet indexers
- This creates opportunities for a bottom-up, deliberate investor who thinks about stocks as businesses managed by people with stories that evolve over years

# Concentration: Own The Best Ideas



...it's hard to find good investments, so [to] concentrate in a few seems to me to be an obviously good idea."

– Charlie Munger

# What You Have to Believe

- Companies want direct connections with their customers via Apps
- We live in an Android and IOs world – and Android dominates devices (Apple dominates profits)
- Companies follow eyeballs
- Effective Two-Sided Marketplace businesses nurture both SUPPLY and DEMAND



# Complexity Creates Opportunity



[Operators & OEMs](#) [Advertisers & Publishers](#) [Company](#) [Resources](#)

[SIGN ME UP](#)

## Level Up Your Success

Digital Turbine is the leading independent growth & monetization platform and powered by code installed on devices by global carriers and OEMs.

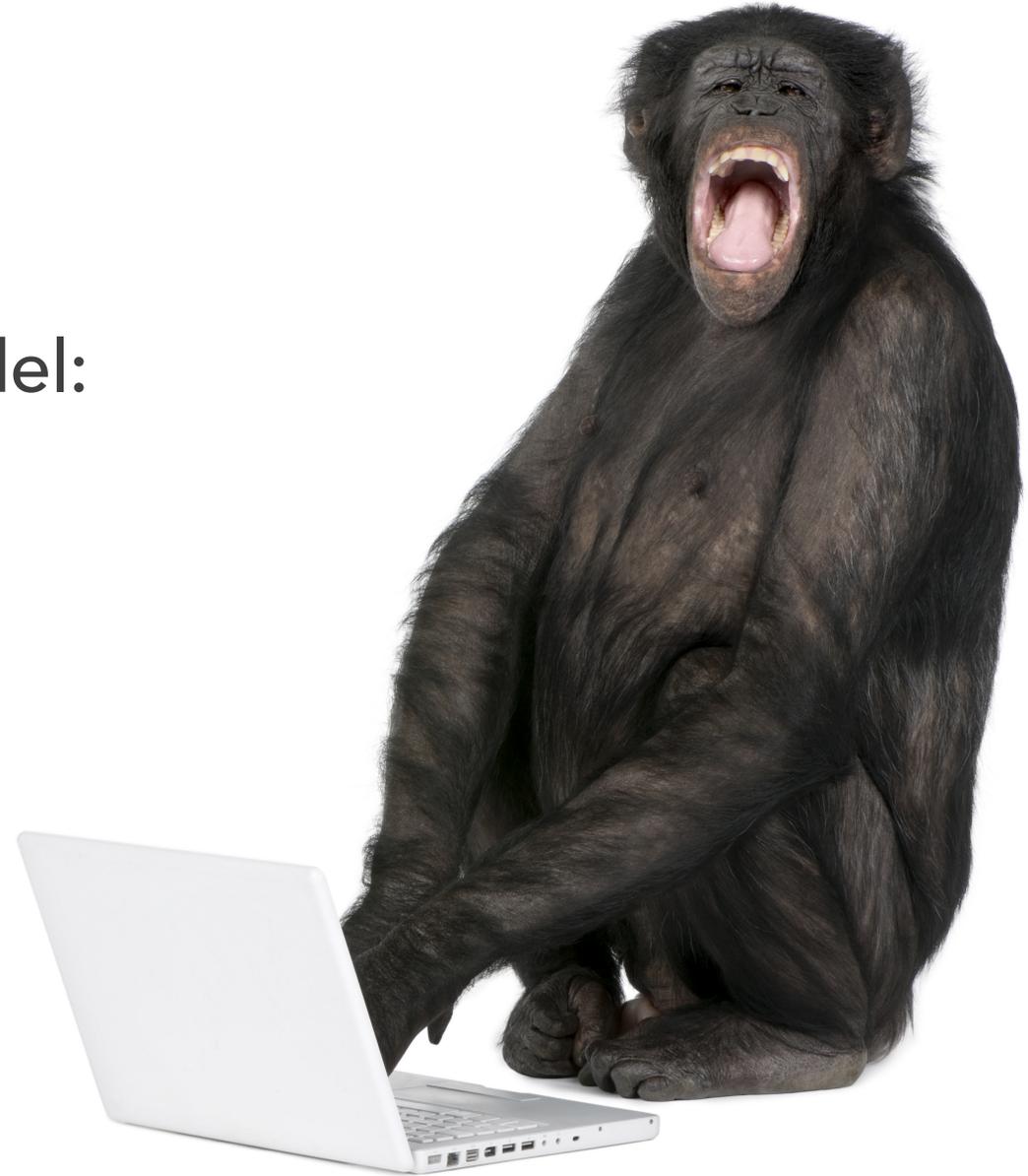
[GET STARTED NOW](#)



# In Simpler Times

Digital Turbine had 3 Inputs to Model:

- Phones activated
- Revenue per phone
- Amount shared with carriers



# 4 Acquisitions in 1+ Years

 PLATFORM GROWTH: MORE NEW PRODUCTS

## Diverse Products Drive Revenue at Activation Point & Beyond

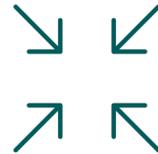
Increased Revenue Opportunities Created by **First Day** and **Recurring Lifetime** Opportunities



# More Complex, But....Better



Substantially Grew  
Recurring Revenue



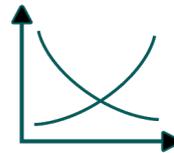
Reduced Customer  
Concentration Risk



Reduced Google  
Shut Down Risk



Cross Selling  
Opportunities



Ecosystem has More  
Demand & More Supply

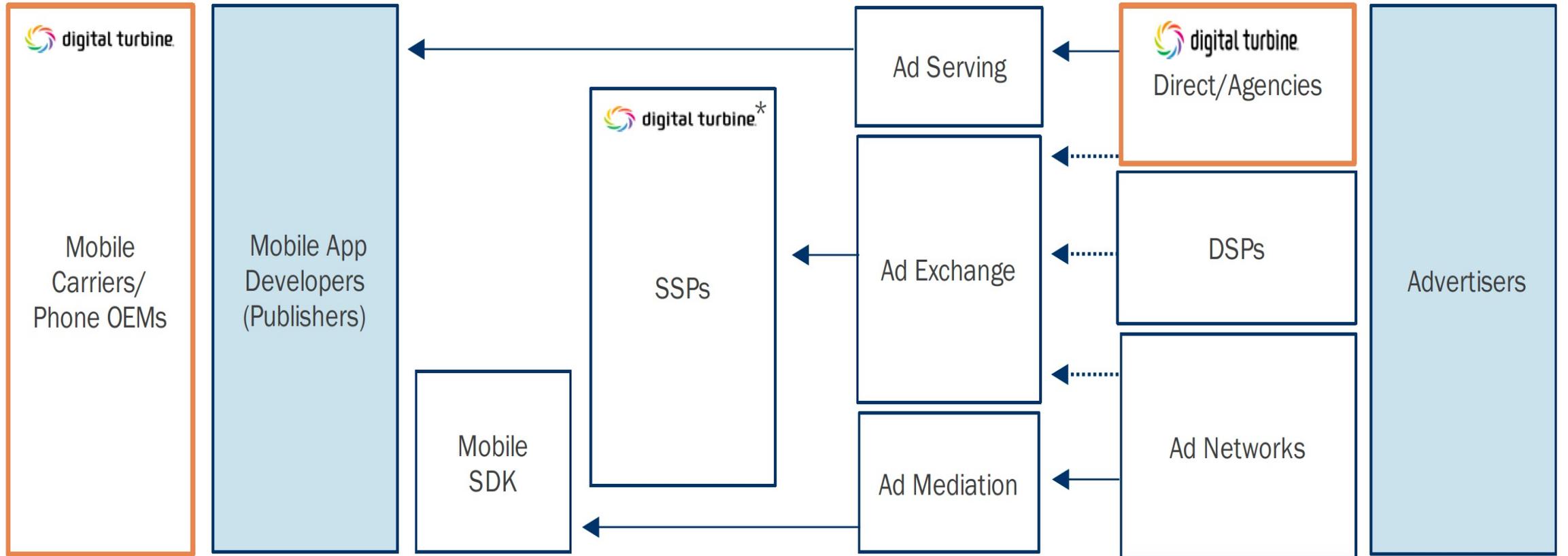


Exposure to the Full  
Digital Advertising  
Supply Chain



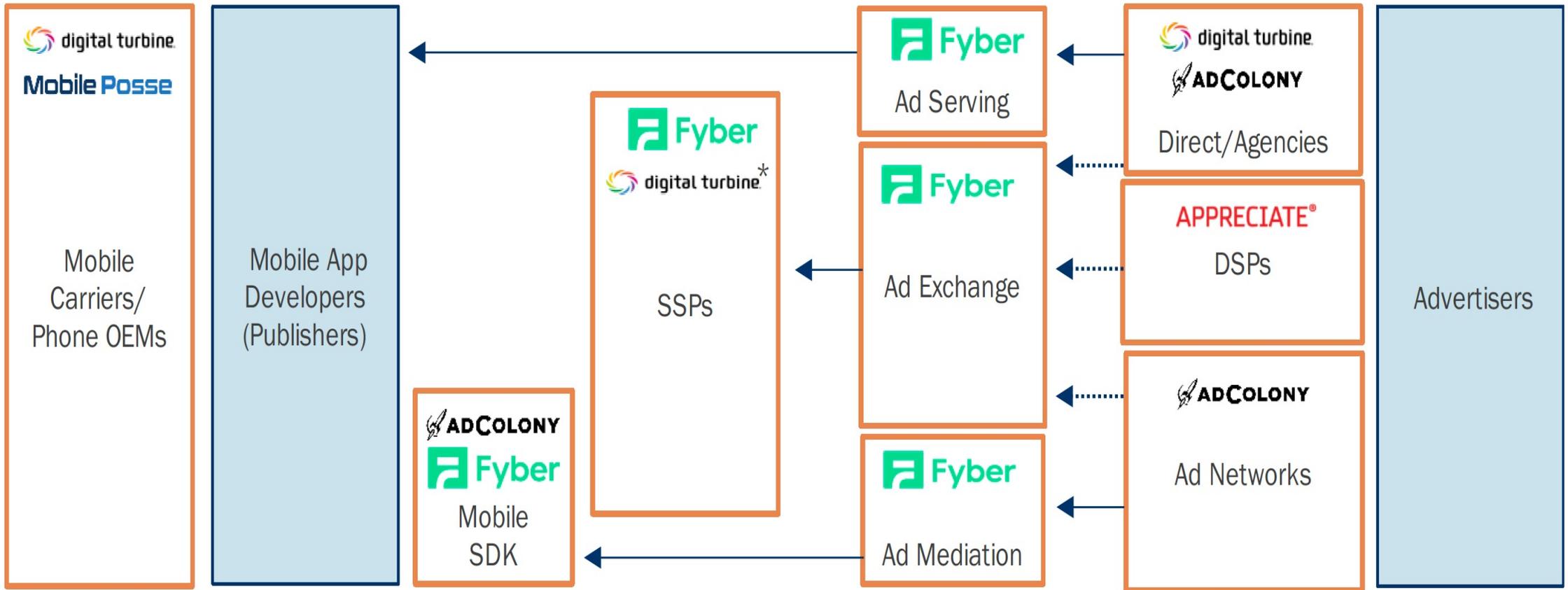
# Advertising Supply Chain - Before

Figure 1: Digital advertising supply chain



Source: Canaccord Genuity Research

# Advertising Supply Chain - After



Source: Canaccord Genuity Research

# Execution Has Been Outstanding



Bill Stone CEO

- Lining up Partners – Verizon, AT&T, American Movil, Samsung
- Capital Allocation – Will 4X revenue while increasing shares <15%
- Cross Selling – Rolling out Mobile Posse offering to AT&T and Verizon



# Priced for Limited Growth

Figure 16: Peer comp analysis

As of: 8/30/21	VALUATION		VALUATION		VALUATION		GROWTH		GROWTH		GROWTH	
	EV/Revenue		EV/Gross Profit		EV/EBITDA		Revenue		Gross Profit		Adjusted EBITDA	
	2021E	2022E	2021E	2022E	2021E	2022E	2021E	2022E	2021E	2022E	2021E	2022E
<b>Ad Tech</b>												
Trade Desk	34.2x	26.5x	41.4x	32.8x	88.4x	70.3x	39.9%	29.1%	44.8%	26.3%	59.3%	25.7%
Unity Software	32.2x	25.5x	40.7x	32.0x	na	na	37.4%	26.0%	37.1%	27.1%	na	na
AppLovin	10.0x	8.2x	14.1x	10.6x	38.4x	28.5x	719.2%	22.5%	570.6%	33.1%	583.4%	34.8%
ironSource	18.0x	13.7x	21.4x	16.2x	53.1x	41.3x	56.1%	31.9%	51.9%	31.5%	69.2%	28.4%
Magnite	11.4x	8.8x	15.6x	11.5x	36.2x	26.6x	86.5%	29.3%	94.9%	35.8%	201.1%	36.1%
Pubmatic	6.9x	5.5x	9.7x	7.8x	21.2x	17.9x	39.9%	25.1%	37.8%	24.7%	34.4%	18.8%
Viant	5.0x	4.0x	7.6x	5.8x	25.0x	20.3x	39.9%	23.1%	30.2%	29.6%	(3.3%)	22.9%
<i>Median</i>	11.4x	8.8x	15.6x	11.5x	37.3x	27.6x	39.9%	26.0%	44.8%	29.6%	64.3%	27.1%
<i>Average</i>	16.8x	13.2x	21.5x	16.7x	43.7x	34.2x	145.6%	26.7%	123.9%	29.7%	157.4%	27.8%
<b>Digital Turbine</b>	<b>5.1x</b>	<b>3.1x</b>	<b>16.4x</b>	<b>10.5x</b>	<b>30.5x</b>	<b>19.1x</b>	<b>299.6%</b>	<b>62.3%</b>	<b>193.9%</b>	<b>55.6%</b>	<b>194.6%</b>	<b>60.2%</b>

Source: FactSet, Company Reports, Canaccord Genuity estimates  
 Digital Turbine figures utilize CG estimates, while all other stocks are based on consensus estimates.

- Data as of 8/31 – Source Cannacord Genuity
- AppLovin and IronSource closest comps
- Digital Turbine reports gross revenue

# Last Quarter Revenue Growth

Pro-Forma  
+104%

Legacy  
Business  
+93%

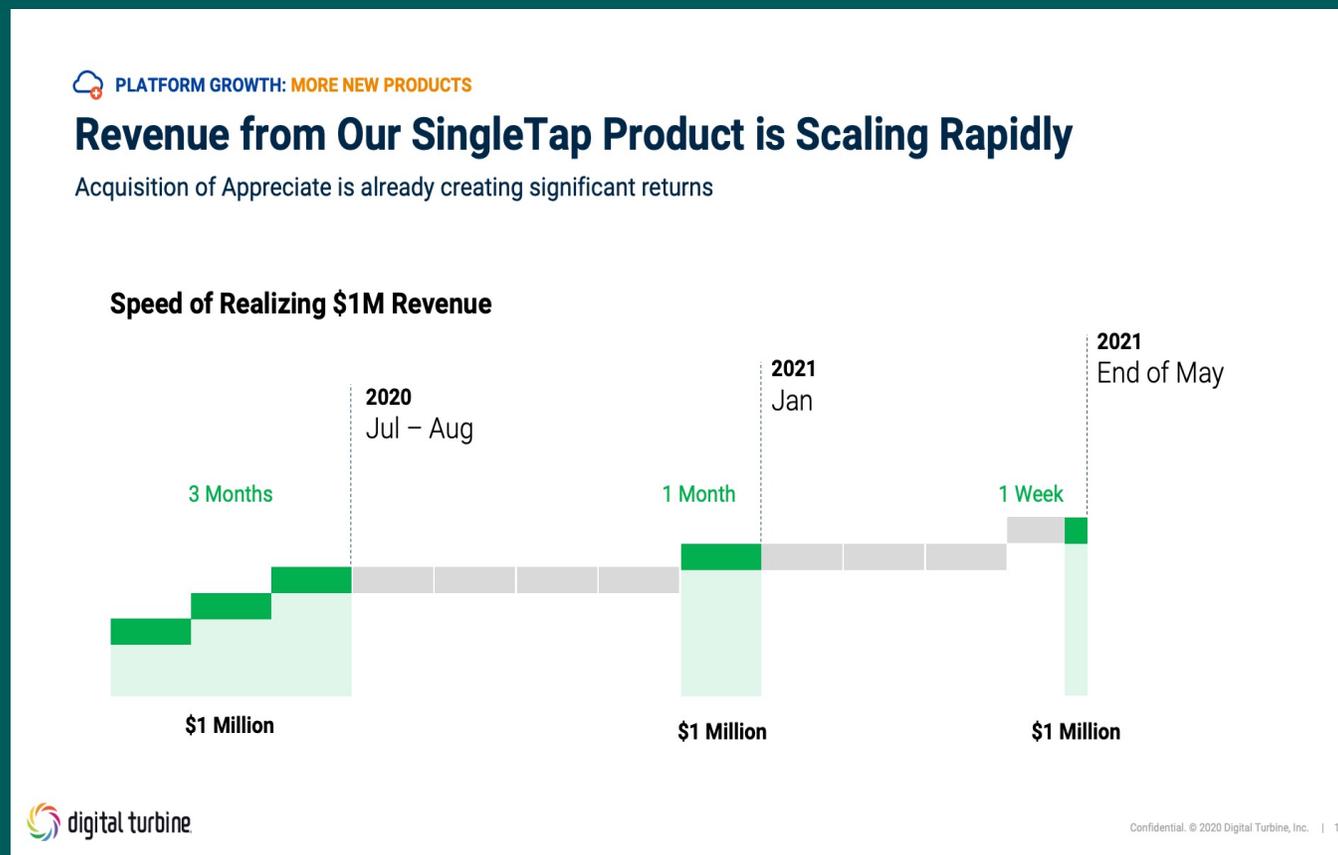
Fyber  
+198%

# Potential Driver of Growth – SingleTap

SingleTap Reduces friction and improves mobile ad to install conversion rates by 2-5X.

Revenue was up 500% Y/Y and that is BEFORE:

1. Rollout on all Samsung phones worldwide
2. Expansion of a TikTok partnership



# Potential Driver of Growth – AT&T/Verizon Mobile Posse

Rollout will begin this year

“Our Content Media business grew by nearly 150% year-over-year. We continue to be on track to launch additional content media products on AT&T and Verizon later this fiscal year, which we expect to be a future catalyst for growth.”

- Q1 Earnings Call



# Potential Driver of Growth – Apple / Google LOOSEN App Store Restrictions

## Regulatory Winds favor APPS

- Apple giving ground on in-app payment options
- South Korea law forces Google to open up App store payment
- Customers (Fortnite) suing platforms

### *Apple Gives Ground in a Strategic Retreat From Strict App Store Rules*

The company, under pressure from app developers and regulators, is making concessions while protecting lucrative parts of its App Store.

### South Korea law forces Google and Apple to open up app store payments

App store owners won't be able to lock developers into their 30 percent fees.

RON AMADEO - 8/31/2021, 12:11 PM



As Apple antitrust case ends in Japan, a new one opens in India

# Potential Driver of Growth – Cross Selling

## Now a One-Stop Platform for Growth and Monetization

- Programmatic UA: Scale your growth on iOS and Android, with the only DSPO offering one-click to install ad units
- Best-In-Class Video: High-impact video and creative experiences for brands. Monetize your app with industry-leading video experiences
- Leading Monetization Platform: Boost your in-app revenues through the largest independent mobile exchange

APPRECIATE

 **ADCOLONY**

 **Fyber**

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