



Mobile Posse Acquisition Summary

March 2020

Safe Harbor Statement

This presentation includes “forward-looking statements” within the meaning of the U.S. federal securities laws. Statements in this news release that are not statements of historical fact and that concern future results from operations, financial position, economic conditions, product releases and any other statement that may be construed as a prediction of future performance or events, including financial projections and growth in various products, are forward-looking statements that speak only as of the date made and which involve known and unknown risks, uncertainties and other factors which may, should one or more of these risks, uncertainties or other factors materialize, cause actual results to differ materially from those expressed or implied by such statements. These factors and risks include risk associated with the integration of the business of Mobile Posse, the realization of the anticipated benefits of the acquisition of Mobile Posse, the expansion of relationships with carriers, OEMs and other partners with respect to Mobile Posse’s offerings, the expansion of Mobile Posse partners’ relationships with respect to Digital Turbine’s offerings, successfully taking advantage of other revenue growth opportunities associated with other complementary offerings, loss of key personnel, Ignite adoptions among existing customers (including the impact of possible delays with major carrier and OEM partners in the roll out for mobile phones delaying Ignite); actual mobile device sales and sell-through where Ignite is deployed is out of our control; new customer adoption and time to revenue with new carrier and OEM partners is subject to delays and factors out of our control; risks associated with fluctuations in the number of Ignite slots across U.S. carrier partners; the challenges, given the Company’s comparatively small size, to expand the combined

Company’s global reach, accelerate growth and create a scalable, low-capex business model that drives EBITDA (as well as Adjusted EBITDA); varying and often unpredictable levels of orders; the challenges inherent in technology development necessary to maintain the Company’s competitive advantage such as adherence to release schedules and the costs and time required for finalization and gaining market acceptance of new products; changes in economic conditions and market demand; rapid and complex changes occurring in the mobile marketplace; pricing and other activities by competitors; warrant liabilities on our balance sheet will fluctuate as our stock price moves and will also produce changes in our income statement; these fluctuations and changes might materially impact our reported GAAP financials in an adverse manner, particularly if our stock price were to rise; technology management risk as the Company needs to adapt to complex specifications of different carriers and the management of a complex technology platform given the Company’s relatively limited resources; and other risks including those described from time to time in Digital Turbine’s filings on Forms 10-K and 10-Q with the Securities and Exchange Commission (SEC), press releases and other communications. You should not place undue reliance on these forward-looking statements. The Company does not undertake to update forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Mobile Posse Acquisition Factsheet

□ Terms of the Acquisition

- Digital Turbine's acquisition of Mobile Posse was completed on February 28, 2020
- Estimated total purchase consideration is \$66.0 million, including \$41.5 million in cash paid at closing and an estimated earn-out of \$24.5 million
- No share issuance or equity dilution as part of transaction

□ The Mobile Posse Business

- Founded in 2005, Mobile Posse has ~65 highly talented employees with HQ in Alexandria, VA
- Established content discovery platform provides valuable media & advertising solutions for operator & OEM partners while delivering richer, more relevant content to end users.
- Achieved 2019 revenue of \$59.1 million¹, GAAP Net Income of \$4.5 million¹ and Non-GAAP Adjusted EBITDA of \$12.8 million²; rapid revenue and profitability growth over the past 5+ years
- Highly profitable, recurring business model with gross margins approaching 50% and EBITDA margins in excess of 20%

□ The Synergistic Rationale Behind the Acquisition

- Expected to be immediately financially accretive with favorable impact on blended profitability margins
- Further diversifies the DT Mobile Platform by adding new partners and enhanced product capabilities
- Promising cross-selling opportunities given respective partnerships and products

¹Mobile Posse's 2019 financial results are unaudited. Unaudited financial information is subject to adjustment based on the completion of the audit of Mobile Posse's financial statements, which adjustments may be material. Investors therefore should not place undue reliance on such unaudited financial information. Audited financial statements, once available, will be filed with the Securities and Exchange Commission.

²Non-GAAP Adjusted EBITDA is calculated as GAAP net income/(loss) excluding net interest expense, income tax provision, depreciation & amortization, stock-based compensation, loss on extinguishment of debt, the change in fair value of warrant liabilities and transaction fees. Please reference the Appendix on slide #7 for a reconciliation of GAAP Net Income to Non-GAAP Adjusted EBITDA.

Mobile Posse Product Overview

- Multiple cloud-based product offerings with a common purpose – to provide added monetization for operator & OEM partners while simultaneously providing desired media content for end users



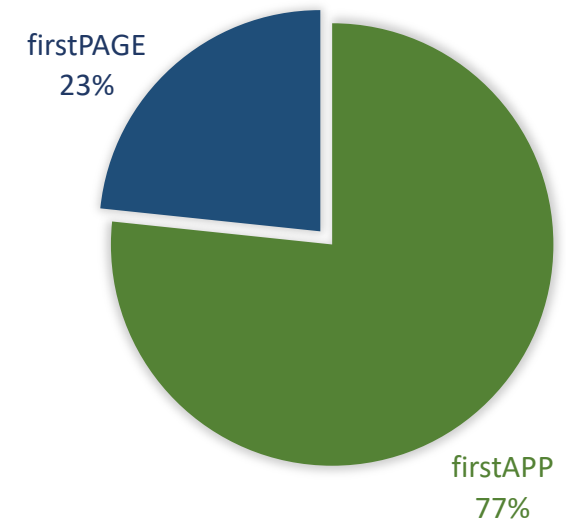
“**firstAPP**” is the first app that users see when unlocking their phones and provides a fully-customizable media content hub experience without having to go open an app



“**firstPAGE**” is the first web page that users see when opening their mobile browser and serves as a mobile operator-branded media content portal

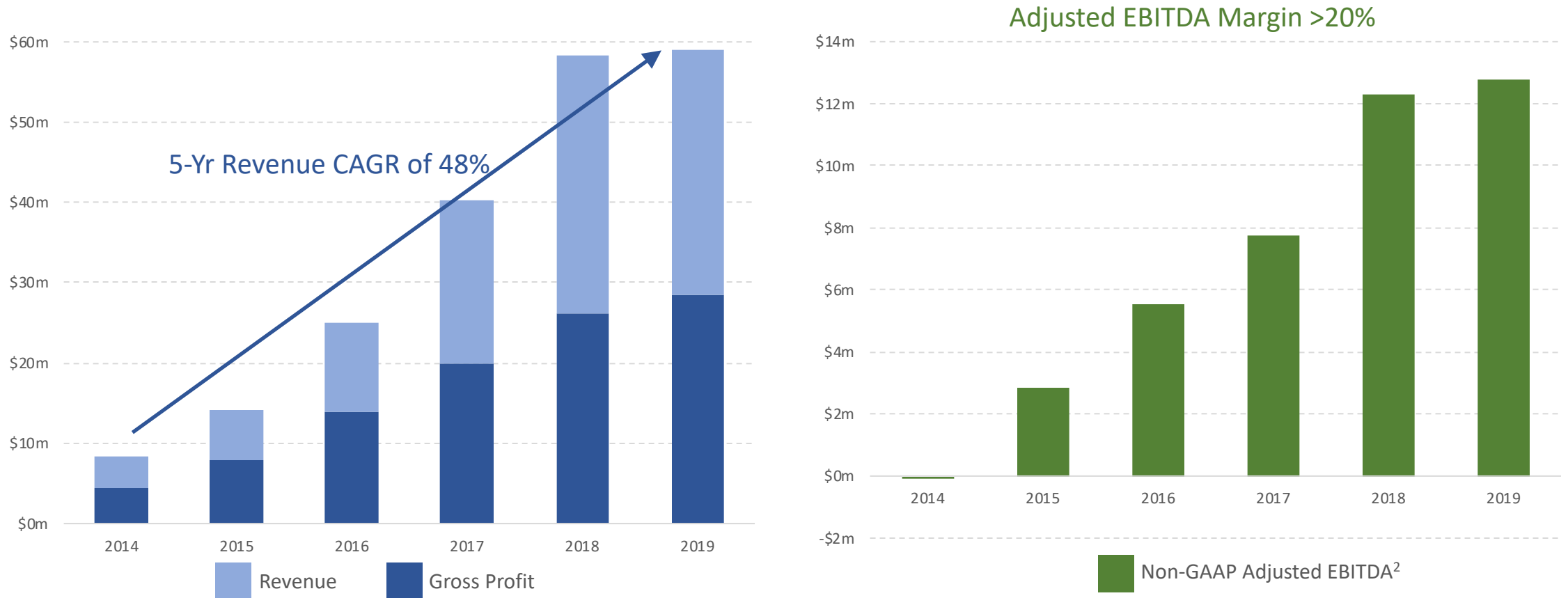
- Revenue-share business model** with leading operator partners including T-Mobile, MetroPCS, Cricket, Boost Mobile and Tracfone
- Highly predictable revenue streams** realized over the life of the devices correlated with page views & usage; less sensitive to new phone activations

2019 Revenue Breakdown By Product



Mobile Posse Financial Performance 2014-2019¹

Strong Top-Line Growth with Accretive Margins and Expanding Profitability



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Strategic Rationale Behind the Mobile Posse Acquisition

What are the benefits to Digital Turbine and its shareholders?

❑ Complementary Products That Further Strengthen & Differentiate the DT Mobile Platform

- ❑ *Reinforces competitive advantages via expansion of product capabilities and greater economies of scale with mobile content providers*
- ❑ *Inheriting a talented team of Mobile Posse product engineers and mobile advertising technology/personnel*

❑ Familiar Revenue-Share Partnership Model with Attractive Recurring Revenue Features

- ❑ *Long-term exclusive contracts with leading U.S. operators; revenue-share model aligns interests and yields predictable gross margins*
- ❑ *Revenue streams are more predictably generated via user interaction over the life of the device; less susceptible to new device activations*

❑ Further Diversification of the Digital Turbine Business Model by Source Partner & Product

- ❑ *Extends platform functionalities beyond core App Install market and adds highly strategic new partners, including T-Mobile/MetroPCS*
- ❑ *Following the acquisition, no single operator or OEM partner should be responsible for >30% of expected total revenue and non-Dynamic Install revenue should exceed 40% of expected total revenue*

❑ Immediate Financial Benefits

- ❑ *Accretive from Day One – highly profitable business model that will positively influence blended profitability margins*
- ❑ *Fully funded via cash on hand, attractively-priced debt capital and forward free cash flow; no equity dilution*

❑ Significant Medium-Term Cross-Marketing Opportunities

- ❑ *Promising new growth opportunities for the combined business via cross-marketing with respective partners and distribution footprints*
- ❑ *Ability to integrate products and onboard Mobile Posse products to existing Digital Turbine partners and vice versa*

Appendix – Mobile Posse Financial Data & Non-GAAP Reconciliations 2014-2019¹

GAAP NET INCOME/(LOSS) TO NON-GAAP ADJUSTED EBITDA²

(in thousands)

	12 Months Ended December 31, 2014 (Unaudited)	12 Months Ended December 31, 2015 (Unaudited)	12 Months Ended December 31, 2016 (Unaudited)	12 Months Ended December 31, 2017 (Unaudited)	12 Months Ended December 31, 2018 (Unaudited)	12 Months Ended December 31, 2019 (Unaudited)
Net income/(loss)	(\$1,106)	\$1,794	\$4,450	\$10,226	\$2,440	\$4,523
Add back items:						
Depreciation and amortization	561	521	481	209	2,258	3,100
Interest expense, net	480	454	159	43	2,433	2,374
Stock-based compensation expense	6	7	54	45		
Loss on extinguishment of debt						590
Change in fair value of warrant liability		36	199	452	(211)	
Income tax provision		61	233	(3,184)	650	2,236
Transaction fees					4,737	
Non-GAAP Adjusted EBITDA²	(\$59)	\$2,873	\$5,576	\$7,791	\$12,307	\$12,823

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