Table of Contents

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

(Mark One)

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2025

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File Number: 001-36384

MAGNITE, INC.

(Exact name of registrant as specified in its charter)

Delaware	**20-8881738**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

1250 Broadway, 9th Floor
New York, New York 10001
(Address of principal executive offices, including zip code)

Registrant's telephone number, including area code:
212 243-2769

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Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value $0.00001 per share	**MGNI**	**Nasdaq Global Select Market**

Securities registered pursuant to Section 12(g) of the Act:
None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☐ Yes ☒ No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. ☐ Yes ☒ No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☒ Yes ☐ No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). ☒ Yes ☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒ Accelerated filer	☐
Non-accelerated filer	☐ Smaller reporting company	☐
	Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). ☐ Yes ☒ No

As of June 30, 2025, the aggregate market value of shares held by non-affiliates of the registrant (based on the closing sales price of such shares on the Nasdaq Global Select Market on June 30, 2025) was approximately $2,045,628,555.

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date.

Class	Outstanding as of February 19, 2026
Common Stock, $0.00001 par value	**144,364,365**

DOCUMENTS INCORPORATED BY REFERENCE: To the extent herein specifically referenced in Part III, portions of the Registrant's definitive Proxy Statement for the 2026 Annual General Meeting of Shareholders to be filed with the Securities and Exchange Commission pursuant to Regulation 14A. See Part III.

MAGNITE, INC.
FORM 10-K
FOR THE FISCAL YEAR ENDED DECEMBER 31, 2025
TABLE OF CONTENTS

SPECIAL NOTE ABOUT FORWARD-LOOKING STATEMENTS; SUMMARY OF RISK FACTORS

This Annual Report on Form 10-K and related statements by the Company contain forward-looking statements, including statements based upon or relating to our expectations, assumptions, estimates, and projections. In some cases, you can identify forward-looking statements by terms such as "may," "might," "will," "objective," "intend," "should," "could," "can," "would," "expect," "believe," "design," "anticipate," "estimate," "predict," "potential," "plan" or the negative of these terms, and similar expressions. Forward-looking statements may include, but are not limited to, statements concerning the Company's guidance or expectations with respect to future financial performance; acquisitions by the Company, or the anticipated benefits thereof; macroeconomic conditions or concerns related thereto; the growth of ad-supported programmatic connected television ("CTV"); our ability to use and collect data to provide our offerings; the scope and duration of client relationships; the fees we may charge in the future; key strategic objectives; anticipated benefits of new offerings; business mix; sales growth; benefits from supply path optimization; our ability to adapt to advancements in artificial intelligence ("AI"); the development of identity solutions; client utilization of our offerings; the impact of requests for discounts, rebates, or other fee concessions; our competitive differentiation; our market share and leadership position in the industry; market conditions, trends, and opportunities; the effects of regulatory developments or antitrust rulings on competitive dynamics in our industry; our litigation against Google LLC, or the anticipated benefits thereof; certain statements regarding future operational performance measures; and other statements that are not historical facts. These statements are not guarantees of future performance; they reflect our current views with respect to future events and are based on assumptions and estimates and subject to known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from expectations or results projected or implied by forward-looking statements.

Risks that our business faces include, but are not limited to, the following:

- *the impact of macroeconomic challenges on the overall demand for advertising and the advertising marketplace;*
- *we operate in an intensely competitive market that includes companies that have greater financial, technical and marketing resources than we do;*
- *the freedom of buyers and sellers to direct their spending and inventory to competing sources of inventory and demand, and to establish direct relationships and integrations without the use of our platform;*
- *CTV spend on our platform may grow more slowly than we expect, growth may occur disproportionately through platforms or applications that we cannot access, or we may not be able to maintain or increase access to advertising inventory;*
- *CTV sellers may not adopt or may be slow to adopt programmatic solutions that transact in biddable auction environments;*
- *we may not be able to maintain or increase access to the CTV advertising inventory monetized through our platform on terms acceptable to us;*
- *advancements in AI have and are likely to continue to lead to a decrease in search referral traffic for open web display publishers, which in turn may result in decrease in the amount of web display inventory monetized through our platforms;*
- *AI may significantly affect the competitive dynamics of our industry, we may fail to effectively build AI features into our platform, and we may be ineffective in using AI to realize internal efficiencies;*
- *the regulatory landscape governing AI is still developing, and our use of third party AI tools may result in increased legal and regulatory scrutiny, litigation, and reputational harm;*
- *we may be unsuccessful in our supply path optimization efforts with buyers;*
- *our ability to introduce new offerings and bring them to market in a timely manner, and potential responses or reactions of clients, vendors, and competitors to the announcement of new products and offerings;*
- *our ability to increase the scale and efficiency of our technology infrastructure to support our growth, including in response to header bidding and other advancements in technology;*
- *our access to mobile inventory may be limited by third-party technology or lack of direct relationships with mobile sellers;*
- *the impact of requests for discounts, fee concessions, rebates, refunds or favorable payment terms;*
- *we may experience lower take rates, which may not be offset by increases in ad spend;*
- *we may be unable to achieve sustained profitability in the future;*
- *our business may be subject to sales and use tax, value-added/goods and services, advertising, digital services, withholding and other taxes;*
- *operating results may fluctuate, be difficult to predict, and fall below analysts' and investors' expectations as a result of seasonal trends, consolidation in our industry, our ability to differentiate our offerings and compete effectively to combat disintermediation, and other factors;*
- *our ability to realize the anticipated benefits of any acquisitions;*

- *our ability to provide value to both buyers and sellers of advertising without being perceived as favoring one over the other or being perceived as competing with them through our service offerings;*
- *our reliance on large sources of advertising demand, including demand side platforms ("DSPs") that may have or develop high-risk credit profiles or fail to pay invoices when due;*
- *failure by us or our clients to meet advertising and inventory content standards;*
- *our sales efforts may require significant time and expense and may not yield the results we seek;*
- *we may be exposed to claims from clients for breach of contract;*
- *our reliance on third-party open source software components;*
- *potential limitations on our ability to collect or use data as a result of consumer tools, regulatory restrictions and technological limitations;*
- *the deprecation of third-party cookies and other identifiers, and the development of new targeting and identity solutions, may disrupt the programmatic ecosystem, cause reduced CPMs and fill rates, result in a shift of ad spend towards "walled gardens," require additional investment and resources, and cause the overall performance of our platform to decline;*
- *the industry may not adopt or may be slow to adopt the use of first-party publisher segments as an alternative to third-party cookies;*
- *the impact of antitrust regulations or enforcement actions targeting the digital advertising ecosystem;*
- *our ability to comply with, and the effect on our business of, evolving legal standards and regulations, particularly concerning data protection and privacy and evolving corporate governance and public disclosure regulations and expectations;*
- *ramifications of our litigation with Google LLC;*
- *errors or failures in the operation of our solution, interruptions in our access to network infrastructure or data, and breaches of our computer systems including as a result of cyber security incidents;*
- *our ability to ensure a high level of brand safety for our clients and to detect "bot" traffic and other fraudulent or malicious activity;*
- *our ability to attract and retain qualified employees and key personnel;*
- *costs associated with enforcing our intellectual property rights;*
- *our ability to comply with the terms of our financing arrangements;*
- *restrictions in our Credit Agreement may limit our ability to make strategic investments, respond to changing market conditions, or otherwise operate our business;*
- *increases in our debt leverage may put us at greater risk of defaulting on our debt obligations, subject us to additional operating restrictions and make it more difficult to obtain future financing on favorable terms;*
- *conversion of our Convertible Senior Notes would dilute the ownership interest of existing stockholders;*
- *the Capped Call Transactions subject us to counterparty risk and may affect the value of the Convertible Senior Notes and our common stock;*
- *the conditional conversion feature of the Convertible Senior Notes, if triggered, may adversely affect our financial condition and operating result;*
- *failure to successfully execute our international growth plans;*
- *failure to maintain an effective system of internal control over financial reporting, which could adversely affect investor confidence;*
- *the use of our net operating losses and tax credit carryforwards may be subject to certain limitations;*
- *our ability to raise additional capital if needed;*
- *volatility in the price of our common stock;*
- *the impact of our repurchase program on our stock price and cash reserves; and*
- *provisions of our charter documents and Delaware law may inhibit a potential acquisition of the company and limit the ability of stockholders to cause changes in company management.*

We discuss many of these risks and additional factors that could cause actual results to differ materially from those anticipated by our forward-looking statements under the headings "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations," and elsewhere in this report and in other filings we have made and will make from time to time with the Securities and Exchange Commission, or SEC. These forward-looking statements represent our estimates and assumptions only as of the date of the report in which they are included. Unless required by federal securities laws, we assume no obligation to update any of these forward-looking statements, or to update the reasons actual results could differ materially from those anticipated, to reflect circumstances or events that occur after the statements are made. Without limiting the foregoing, any guidance we may provide will generally be given only in connection with quarterly and annual

earnings announcements, without interim updates, and we may appear at industry conferences or make other public statements without disclosing material nonpublic information in our possession. Given these uncertainties, investors should not place undue reliance on these forward-looking statements.

Investors should read this Annual Report on Form 10-K and the documents that we reference in this report and have filed or will file with the SEC completely and with the understanding that our actual future results may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements.

NOTE REGARDING THIRD-PARTY INFORMATION

This Annual Report on Form 10-K includes data that we obtained from industry publications and third-party research, surveys and studies. While we believe the industry publications and third-party research, surveys and studies are reliable, we have not independently verified such data. Such third-party data and our internal estimates and research are necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described in "Item 1A. Risk Factors" in this Annual Report on Form 10-K. These and other factors could cause results to differ materially from those included in this report.

PART I

Item 1. Business

Overview

Magnite, Inc., ("we," or "us"), provides technology solutions to automate the purchase and sale of digital advertising inventory.

We believe that we are the world's largest independent omni-channel sell-side advertising platform ("SSP"), offering a single partner for transacting globally across all channels, formats and auction types, and the largest independent programmatic CTV marketplace, making it easier for buyers to reach CTV audiences at scale from industry-leading streaming content providers, broadcasters, platforms and device manufacturers.

Our platform features applications and services for sellers of digital advertising inventory, or publishers, that own and operate CTV channels, applications, websites and other digital media properties, to manage and monetize their inventory; applications and services for buyers, including advertisers, agencies, agency trading desks, and demand side platforms ("DSPs"), to buy digital advertising inventory; and a transparent, independent marketplace that brings buyers and sellers together and facilitates intelligent decision making and automated transaction execution at scale. Our clients include many of the world’s leading buyers and sellers of digital advertising inventory. Our platform processes trillions of ad requests per month, allowing buyers access to a global, scaled, independent alternative to "walled gardens," who both own and sell inventory and maintain control on the demand side.

Our SpringServe CTV platform offers CTV sellers a holistic solution to manage and monetize their entire portfolio of CTV ad inventory, across both programmatic and direct-sold video inventory. We provide sellers with a full suite of tools to protect the consumer viewing experience and brand safety expectations, while increasing revenue opportunities, including tools for mediation and yield optimization, forecasting tools, customized ad experiences and ad formats, and advanced podding logic. These tools are particularly important to CTV sellers who need to provide a TV-like viewing and advertising experience for consumers. For instance, our ad-pod feature provides publishers with a tool analogous to commercial breaks in traditional linear television so that they can request and manage several ads at once from different demand sources. Other tools we offer include audio normalization tools to control for the volume of an ad relative to content, frequency capping to avoid exposing viewers to repetitive ad placements, and creative review so that a publisher can review and approve the ad units being served to its properties.

Buyers leverage our platform to reach their target audiences across thousands of sellers in a premium brand-safe environment. We offer a suite of tools designed to help buyers discover and curate inventory, simplify workflow and execute on their campaign objectives in a cost effective manner. For instance, our ClearLine product provides buyers with direct access to premium CTV inventory and integrated curation capabilities, enabling buyers to build custom deal packages that can be enriched with high-fidelity first-party or third-party data. We believe that our scale, platform features, and omni-channel offering makes us an essential partner for buyers.

We operate our business on a worldwide basis, with an established operating presence in North America, Australia and Europe, and a developing presence in Asia and South America. Our non-U.S. subsidiaries and operations perform primarily sales, marketing, and service functions.

Industry Trends

Continued Shift Toward Digital Advertising

Consumers are rapidly shifting their viewing habits towards digital mediums and expect to be able to consume content seamlessly across multiple devices, including computers, tablets, smartphones, and CTVs whenever and wherever they want. As digital content consumption continues to proliferate, we believe the percentage of advertising dollars spent through digital channels will continue to grow.

Automation of Buying and Selling

Due to the size and complexity of the digital advertising ecosystem and purchasing process, manual processes cannot effectively manage digital advertising inventory at scale. In addition, both buyers and sellers are demanding more transparency, better controls and more relevant insights from their advertising inventory purchases and sales. This has created a need for software solutions, known as programmatic advertising, that automate the process for planning, buying, selling and measuring digital advertising across screens. Programmatic transactions include biddable auctions, where multiple buyers bid against each other in a real-time auction for the right to purchase a publisher's inventory, as well as reserve auctions, where publishers

establish direct deals or private marketplaces with select buyers. These reserve auctions may also be “guaranteed,” where a buyer has negotiated a pre-established price and volume with a seller, otherwise referred to as "programmatic guaranteed."

Convergence of TV and Digital

CTV viewership is growing rapidly and the pace of adoption is accelerating the transition of linear television to CTV programming. Initially, many streaming services were subscription based, but as the market has matured, the largest streaming publishers have adopted ad-supported models or hybrid models that rely on a combination of subscription fees and advertising. With the proliferation of CTV advertising inventory, we believe that brand advertisers looking to engage with streaming viewers will continue to shift their budgets from linear to CTV. Moreover, we believe that as the amount of CTV inventory continues to scale, it will become increasingly more accessible to small and medium sized businesses, many of whom have no experience advertising on linear TV. This transition is likely to be accelerated by advancements in AI, which have simplified the process and reduced the cost of producing TV-ready ad creatives. As the advertiser base for CTV expands and diversifies, we believe CTV sellers will make a greater percentage of inventory available through biddable auction environments with multiple buyers rather than programmatic guaranteed. We believe that this shift, if it were to occur, would likely be beneficial to our CTV growth as biddable transactions tend to require a higher level of service and therefore carry a higher take-rate compared to reserve auctions.

We have made and plan to continue to make significant investments in technology, sales and support related to our CTV growth initiatives, and believe CTV will be a significant driver of our revenue growth for the foreseeable future. In April 2025, we announced the introduction of our next generation SpringServe CTV platform. The new SpringServe platform combines the features and functionalities of our streaming SSP and ad server to provide a more efficient connection for buyers to premium CTV supply, while offering powerful mediation tools and streamlined workflow for sellers through a single user interface.

Identity Solutions

One of the advantages of programmatic advertising is that it enables more precise audience targeting, which is generally more effective and valuable for buyers than other types of advertising, resulting in better performance for buyers and more revenue for sellers. Historically, in desktop and mobile, one of the primary methods for delivering targeted advertisements was through the use of third-party cookies. However, in recent years the use of third-party cookies and other tracking technologies that collect user information have come under greater scrutiny due to privacy concerns, and a number of participants in the advertising technology ecosystem have taken steps to eliminate or restrict the use of these technologies.

In the long term, we believe that a decreased reliance on third-party cookies and other non-transparent tracking methods would be a positive for the industry, and offer the potential to shift the programmatic ecosystem from an identity model powered by buyers that are able to aggregate and target audiences through cookies to one enabled by sellers that have direct relationships with consumers and are therefore better positioned to obtain user data and consent for implementing first party identifiers. In CTV, where third-party cookies do not exist, this identity model already largely exists with publishers more tightly controlling access to identifiers and user data, while offering proprietary first party data segments for reaching desired audiences.

We believe that our scale and expertise in CTV position us well to take a leadership position in advancing this shift to a first-party identity model and creating additional value opportunities for our clients. Accordingly, we have invested and intend to further invest in the development and enhancement of industry leading identity and audience solutions, such as our Magnite Curator Marketplace, a self-service solution integrated within ClearLine. The Magnite Curator Marketplace allows the creation of custom deal packages for buyers that include curated pools of premium inventory that can be enriched with the curator's first-party or third-party data.

Supply Path Optimization

Supply Path Optimization ("SPO") refers to efforts by buyers to consolidate the number of vendors with which they work to find the most effective and cost-efficient paths to procure media.

Our SPO efforts with buyers are important because they allow us to build deeper relationships with buyers and potentially attract unique advertising demand, which, in turn, increase revenue opportunities for our seller clients. We typically enter into SPO agreements directly with agencies or agency holding companies, as well as brands and DSPs, which may

provide for custom integrations, data flows or volume-based discounts. Under these SPO agreements, we may be designated as a preferred partner or otherwise enter into terms intended to increase the overall spend on our platform.

We believe we are well positioned to benefit from SPO in the long run as a result of our transparency, our broad and unique inventory supply across all channels and formats, buyer tools, such as our ClearLine product offering and buyer marketplaces, traffic filtering technology that reduces the cost of working with us, and brand safety measures.

Header Bidding and Data Processing

Header bidding is a programmatic technique by which sellers offer inventory to multiple ad exchanges and supply side platforms, such as our platform, simultaneously. Header bidding has been adopted in the desktop and mobile channels, largely as a counterweight to Google's dominance in the display ad server market. The adoption of header bidding in desktop and mobile display has created a number of challenges and technical complexities for both sellers and buyers, which require sophisticated tools to manage.

In addition, header bidding has led to a significant increase in the number of ad impressions to be processed and analyzed through our platform as well as by DSPs, which can lead to increased costs if not properly addressed. We continuously work to increase the operational efficiency of our platform, so as to enable buyers and sellers to achieve their campaign and monetization objectives in a cost-effective manner.

In CTV, solutions similar to header bidding that are geared towards increasing demand competition have largely been built directly within the ad server. For instance, our SpringServe CTV platform enables sellers to offer their inventory to multiple programmatic demand sources to compete in a unified auction.

Magnite: Competitive Strengths of Our Platform. Key competitive strengths of our platform include:

Leadership in CTV

Our Magnite SpringServe platform, which combines programmatic, ad serving, and mediation functionality, has been built to meet the unique requirements of CTV sellers and we have invested significant time and resources in cultivating relationships with these sellers through our specialized team of CTV experts.

Many CTV sellers have their roots in linear television and it is important that established business practices in television advertising can be translated to programmatic advertising. The tools we provide include ad podding for commercial breaks, dynamic ad insertion to serve live streaming events, audio normalization tools to control the volume of an ad relative to content, frequency capping to avoid exposing viewers to repetitive ad placements, and creative review so that a publisher can review and approve the ad units being served to its properties. In addition, SpringServe Home Screen Ads is an innovative feature that allows publishers to showcase custom creative and highlight content recommendations within streaming programming guides in any size and a wide variety of formats.

Scaled Omni-Channel Platform

We offer a scaled omni-channel platform that brings value to both buyers and sellers of ad inventory. For buyers, we offer a single omni-channel partner to reach target audiences globally across all channels, including CTV, mobile, and desktop, and formats, including video, display, and audio. For sellers, we partner as a one stop shop where they can sell digital advertising across all of their properties, regardless of device or format, and gain instant access to the world’s largest automated digital advertising buyers with the flexibility to sell their advertising inventory in an automated fashion on an impression-by-impression basis. We believe large numbers of diverse sellers on our platform attract more buyers and vice versa, resulting in a self-reinforcing network effect that adds value for all our clients and creates a stickier platform solution.

Reserve Auctions and Deal Management

A significant portion of premium inventory, in particular with respect to CTV, is purchased and sold through reserve auctions where the seller establishes a direct deal with a buyer or group of buyers. These transaction types allow the seller to maintain tighter control over their advertising allocation and are often used by sellers that maintain a direct sales force but still want to experience the benefits of automation to improve pricing, matching, and dynamic ad placement and to automate manual operations such as ad trafficking, quality assurance, and billing and collections. Our deal management and curation tools support sales functions rather than replacing them, which eliminates friction in the sales process.

Big Data Analytics and Machine-Learning Algorithms; Bid Filtering

A core aspect of our value proposition is our big data and machine-learning platform, a subcategory of artificial intelligence, which is able to discover unique insights from our massive data repositories. Our systems collect and analyze a myriad of information such as historical clearing prices, bid responses, ad formats, user location, how many ads the user has seen, browser or device information, and sellers’ first party data about users. Our access to data puts us in a unique position to develop differentiated insights to help both buyers and sellers. Our solution utilizes artificial intelligence in order to constantly self-improve as we process more volume and accumulate more data, which in turn helps make our machine-learning algorithms

more intelligent and contributes to higher-quality matching between buyers and sellers. This data also fuels our bid filtering technology, allowing us to more aggressively block traffic that is not likely to monetize. We believe that our traffic optimization coupled with bid filtering improves return on investment for buyers and increases revenue for sellers, which in turn attracts more buyers and sellers to our platform creating a dual network effect that makes our platform stickier. These capabilities also help us manage the costs associated with the high volumes of ad requests we receive.

Identity Solutions

We offer identity solutions that help buyers and sellers create better matches and increase advertising return on investment ("ROI") and the value of the underlying impression. Our tools enable sellers to create audience segments based on first-party data, which makes their advertising inventory more valuable to buyers looking to achieve specific campaign goals. In addition, our technology is integrated with a number of third-party data, attribution and identity vendors, allowing buyers and sellers to leverage these solutions directly through our platform without the need for multiple vendor contracts. As described above, in 2025, we launched the Magnite Curator Marketplace, which allows for the creation of custom deal packages that can be enriched with first-party or third-party data.

Header Bidding and Demand Manager Solutions

We are integrated with all of the major header-bidding standards for display inventory, including Prebid.org, which we co-founded, as well as the solutions offered by Google and Amazon. We believe the various header bidding alternatives we offer, our buyer reach and scale, our buying efficiency, and our machine-learning capabilities put us in a strong position to compete for seller impressions monetized through header-bidding solutions, and we expect these header bidding solutions to deliver a meaningful volume of impressions. We also provide a software solution called Demand Manager that helps desktop and mobile sellers manage all of their header-bidding advertising inventory. We believe that adoption and proliferation of these tools will further strengthen our relationship with sellers and contribute to our future revenue growth.

Transparency and Controls

We generate revenue each time an impression is monetized on our platform based on a simple and transparent fee structure established with our publisher partners. Our clients direct the sale and management of ad inventory through our platform, including the ability to define supply hierarchies and demand tiers, set minimum price floors, and establish advertiser and category level blocked and allowed lists. We provide sellers with detailed analytics, which allows them to effectively monitor buying patterns and make real-time changes to take advantage of market dynamics and maximize their yield.

Self-Service Model

We offer a self-service model that allows sellers to access our platform without extensive involvement by our personnel. This model allows us to scale efficiently and grow our business at a faster pace than the growth of our sales and support organization. As a result, we are able to achieve a high degree of operating leverage, which positions our business for growing profitability.

Buyer Tools

We provide a suite of buyer tools designed to help buyers discover and curate inventory, append data and improve ROI in order to meet their campaign strategies. For instance, our buyer marketplace tools enable agency holding companies and other large buyers to create their own private label marketplaces for their advertiser clients, while establishing direct connections with sellers. Our custom auction packages and audience tools give buyers a versatile and cost-effective way to target inventory, using categories such as audience, context, and viewability, while our deal discovery platform allows buyers to connect directly with sellers to arrange direct reserve auctions. Finally, our ClearLine product is a self-service solution that provides buyers with direct access to premium CTV and integrated curation capabilities, enabling buyers to build custom deal packages that can be enriched with high-fidelity first-party or third-party data. This solution helps buyers maximize the spend going towards working media, makes it easier for sellers and agencies to securely share data, improves workflow for campaigns traditionally transacted manually, and helps publishers generate more revenue and develop new sources of unique demand.

In September 2025, the Company completed the acquisition of Streamrai, Inc. ("Streamr.ai"), a platform that specializes in artificial intelligence tools that make CTV advertising accessible to small and medium-sized businesses. The Streamr.ai technology leverages generative AI to automate the creation of broadcast-quality video ads and streamline campaign setup, allowing advertisers to launch CTV campaigns in significantly less time than traditional methods. These self-service tools help enable a wider range of local and regional businesses to advertise on CTV.

SPO and Demand Generation

We expend a significant amount of resources cultivating relationships directly with brands and advertising agencies in order to increase revenue opportunities for sellers on our platform. One of the ways we attract demand to our platform is through entering into SPO agreements directly with buyers, such as major agency holding companies, which provide for custom integrations, data flows or volume-based discounts. Under these SPO agreements, we may be designated as a preferred partner or otherwise enter into terms intended to increase the overall spend on our platform. In addition, we also offer brands and

agencies the ability to access our platform directly, including on a managed service basis through the use of insertion orders and programmatically through our ClearLine product offering. As such, we believe our SPO and other buyer-facing initiatives allow us to provide sellers with access to a pool of differentiated demand.

Independence

We are fully aligned with the interests of our publisher clients. Unlike some large industry participants, we do not have our own media properties that compete for advertising spending with our sellers. In addition, because we do not offer a dedicated demand side platform, we are able to avoid inherent conflicts of interest that exist when serving both the buy- and sell-side.

Magnite: Growth Strategies. The key elements to our long-term growth strategy include:

Focus on CTV

As streaming video continues to become mainstream and ad-supported models become more prevalent, we believe advertisers will continue to shift budgets to CTV. We expect CTV to be the biggest driver of our growth and plan to invest significant resources in technology, sales and support related to our CTV growth initiatives. In particular, we intend to invest in additional features to support publishers with the monetization of live events such as sports. Live events are particularly challenging for publishers due to constant shifts in audience sizes that can be difficult to plan for and often result in monetized ad opportunities. As live events continue to become more prevalent among streaming services, we believe there is an opportunity for innovative technology to address these problems. For instance, our Live Stream Acceleration product helps publishers deal with traffic spikes by managing the pacing of ad requests and queuing pre-approved ad pods in advance of an anticipated ad break.

Supply Path Optimization

As described above, SPO refers to efforts by buyers to consolidate the number of vendors with which they work to find the most effective and cost-efficient paths to procure media. We believe we are well positioned to benefit from SPO due to the factors described above and that it presents an opportunity for us to capture market share and increase the volume of advertising spend on our platform.

Identity Solutions

As the largest independent supply side platform, we believe we are well positioned to take a leadership role in advancing the shift away from third-party cookies and similar third-party identifiers to a model that is powered by sellers that have access to valuable first-party data, creating additional opportunities for our clients. Accordingly, we have invested and intend to further invest in the development and enhancement of industry leading identity and audience solutions.

Increase Efficiencies on our Exchange

We aim to increase the operational efficiency of our platform, so as to enable buyers and sellers to achieve their campaign and monetization objectives in a cost-effective manner. Our solution is constantly self-improving as we process more volume and accumulate more data and we are continuing to invest in traffic optimization and bid filtering technology to allow us to monetize a higher proportion of the ad requests on our platform, which reduces costs for us as well as the process costs for buyers. We believe these cost savings make our platform more attractive to buyers, which in turn improves revenue opportunities for sellers.

Increasing Seller Inventory

In order to increase transaction volume we are continuously looking to add new high quality sellers to our platform and to expand our existing relationships with sellers to increase our share of their inventory, in particular in CTV where inventory is controlled by fewer sellers. Our plan for increasing our inventory volumes includes establishing and deepening our direct relationships with sellers, including through adoption of our SpringServe ad server, custom integrations, expanding our seller tools, capitalizing on our omni-channel capabilities, and leveraging our header bidding integrations, including through Demand Manager.

Expand our International Footprint

With established operating presence in North America, Australia and Europe, and a developing presence in Asia and South America, we serve buyers and sellers on a global basis. We plan to continue to expand our international presence and make additional investments in sales, marketing and infrastructure to support our long-term growth and to position ourselves for expected increases in programmatic advertising globally. We expect programmatic advertising to grow at different rates in

different geographic markets, and are constantly evaluating new markets with a strategy to use our existing infrastructure and adjacent sales offices or by expanding our infrastructure footprint and placing personnel directly in those markets.

Continue to Innovate and Enhance our Platform

We are working on a number of platform innovations and enhancements designed to improve the value of our services to our clients, including new features and ad formats on our streaming ad server, tools that facilitate the creation of audience segments, as well as developing a product suite specifically to address the challenges of live streaming.

How We Generate Revenue

Digital advertising inventory is created when consumers access sellers' content. Sellers provide digital advertising inventory to our platform in the form of advertising requests, or ad requests. When we receive ad requests from sellers, we send bid requests to buyers, which enable buyers to bid on sellers' digital advertising inventory. Winning bids can create advertising, or paid impressions, for the seller to present to the consumer. The price that buyers pay for each thousand paid impressions purchased is measured in units referred to as CPM, or cost per thousand, and the total volume of spending between buyers and sellers on our platform is referred to as advertising spend.

We generate revenue from the use of our platform for the purchase and sale of digital advertising inventory. Generally, our revenue is based on a percentage of the ad spend that runs through our platform, although for certain clients, services, or transaction types, including ad serving, we may receive a fixed CPM for each impression sold, and for advertising campaigns that are transacted through insertion orders, we earn revenue based on the full amount of ad spend that runs through our platform. In addition, we may receive certain fixed monthly fees for the use of our platform or products.

Channels

Sellers use our technology to monetize their content across all digital channels, including CTV, mobile, and desktop. We refer to our mobile and desktop channels as DV+. Consistent with the IAB's definition of CTV, CTV represents advertising transactions on our platform that are delivered to the end consumer via a television set that is connected to the Internet. Our CTV transactions do not include advertisements viewed on a mobile or desktop device. Mobile and desktop represent advertising transactions on our platform that are delivered to the end consumer via their respective devices' operating system, that is, a mobile operating system or a traditional desktop operating system, respectively. Mobile devices generally refer to a handset, tablet, or other communication device that runs on a mobile operating system used to access the Internet wirelessly, usually through a mobile carrier or Wi-Fi network. Desktop transactions are those transactions delivered to the end user whose device runs on a traditional PC, laptops, as well as those delivered on mobile devices or tablets that are not running on mobile based operating systems.

Our Technology

To support a majority of our non-CTV transactions, we have developed a globally distributed infrastructure hosted at on-prem data centers in the U.S., Europe, and Asia that run our proprietary software. Currently, our CTV transactions run primarily on the cloud; however, in order to realize additional cost savings and operational efficiencies, we are continuing to invest in additional on-prem data centers to support a higher percentage of our CTV transactions. We believe these two approaches optimize the type of traffic we handle - hosted data centers for high-frequency, low-latency transactions and cloud-supported for lower frequency transactions subject to more volatile viewing patterns, for example CTV prime-time viewing spikes or live-events.

We believe our approach supports the volume, diversity, and complexity of buyers' bidding patterns, which increases market liquidity. Our algorithms improve infrastructure load and execute transactions efficiently by only sending bid requests to those buyers of advertising inventory who can handle the volume and are likely to respond.

This infrastructure is supported by real-time data pipelines, a system that quickly moves volumes of data generated by our business into reporting and machine-learning systems for both internal and client use cases. It also is supported by a 24-hour Network Operations Center, which provides failure protection by monitoring and rerouting traffic in the event of equipment failure or network performance issues between buyers and our marketplace, and our core technology and

development team, which is responsible for the design, development, operation, and maintenance of our platform, and employs an agile development process that emphasizes frequent, iterative, and incremental development cycles.

We believe that continued investment in technology and development is critical to our success and long-term growth.

Sales and Marketing

We market our solution to buyers and sellers through global sales teams that operate from various locations around the world. These teams leverage market knowledge and expertise to demonstrate the benefits of our solution to buyers and sellers. We deploy a professional services team with each seller integration to assist sellers in getting the most value from our platform. Our buyer team, which is separately managed, focuses on collaborating with and increasing spend from DSPs, agencies, and brands, and our client services teams work closely with clients to support and execute campaigns. Our marketing initiatives are focused on managing our brand, increasing market awareness, and driving advertising spend to our platform. We often present at industry conferences, create custom events, and invest in public relations. In addition, our marketing team advertises online, in print, and in other forms of media, creates case studies, sponsors research, writes whitepapers, publishes marketing collateral, generates blog posts, and undertakes client research studies.

Competition

Our industry is highly competitive. We compete for digital advertising spending against competitors that, in some cases, are also buyers and/or sellers on our platform. Many of our competitors, including Google, Facebook, Comcast, and Amazon, are significantly larger than us, with more established name recognition and access to greater financial resources. In addition, they benefit from direct relationships with users, own their own content, and have access to tremendous amounts of proprietary data.

Despite the dominance of large companies in digital advertising, there is still a large addressable market that is highly fragmented and includes many providers of transaction services with which we compete, including supply side platforms, video ad servers, and advertising exchanges. As we introduce new offerings, as our existing offerings evolve, or as other companies introduce new products and services, we may be subject to additional competition. There has been rapid evolution and consolidation in the advertising technology industry, and we expect these trends to continue, thereby increasing the capabilities and competitive posture of larger companies, particularly those that are already dominant in various ways, and enabling new or stronger competitors to emerge. There are many ways for buyers and sellers of digital advertising inventory to connect and transact, including directly and through many other exchanges, and buyers, including DSPs that transact on our platform, are increasingly establishing relationships directly with sellers of advertising inventory, which puts significant pressure on us. Our offering must remain competitive in scope, ease of use, scalability, speed, data access, price, inventory quality, brand security, customer service, identity protection and other technological features that help sellers monetize their inventory and buyers increase the return on their advertising investment. While our industry is evolving rapidly and becoming increasingly competitive, we believe that our solution enables us to compete favorably on these factors. In addition, we believe we enjoy a number of competitive strengths, as further detailed above.

Human Capital: Our Team and Culture

Our team draws from a broad spectrum of experience, including data science, infrastructure, software development, and from experienced leadership on the seller and buyer sides, including streaming, mobile and video. In addition to the United States, we have personnel and operations in Australia, Brazil, Canada, France, Germany, India, Italy, Japan, New Zealand, Singapore, Sweden, and the United Kingdom, in order to service buyers and sellers on a global scale.

Culture

We strive to build a culture that is high-performing and results-oriented while emphasizing growth, collaboration, diversity, and innovation. Our recruitment team seeks qualified individuals that are committed to seeing the big picture and being catalysts of change. We aim to recruit and develop talent from diverse backgrounds, to provide equal employment opportunity, and to champion a wide array of voices throughout the Company. We ask our employees to empower others and commit to making our company a great place to work, not just a "job," and are constantly striving to cultivate a culture of excellence in which employees feel safe as their authentic selves.

Talent Retention

We believe empowerment starts with investing in our employees, both inside and outside the office. We reward team and individual excellence and are committed to creating an exceptional workplace environment in which we seek feedback from our employees in regular engagement surveys. We believe in continual feedback on performance. Our employees set goals at a regular cadence throughout the year and managers provide achievement ratings at year-end. We continually invest in

learning and leadership development programs and routinely analyze voluntary employee turnover to understand and address trends. We give equity to our employees to promote alignment and ownership.

Conduct

We are committed to promoting high standards of honest and ethical business conduct and compliance in alignment with our cultural values. We do not tolerate harassment or discrimination. Our employees are required to take annual harassment and discrimination training as well as acknowledge our Code of Business and Ethics Policy.

As of December 31, 2025, we had 971 full-time employees.

Our Intellectual Property

Our proprietary technologies are important and we rely upon trade secret, trademark, copyright, and patent laws in the United States and abroad to establish and protect our intellectual property and protect our proprietary technologies.

We have several issued patents and pending patent applications, some of which may ultimately be abandoned if we determine that the cost of prosecution or maintenance does not justify the utility of receiving the patent. None of these patents has been litigated and we do not believe that any individual patent or patent application is material to our business. Their importance to our business is uncertain and there are no guarantees that any of the patents will serve as protection for our technology or market in the United States or any other country in which an application has been filed.

We register certain domain names, trademarks and service marks in the United States and in certain locations outside the United States. We also rely upon common law protection for certain trademarks. We generally enter into confidentiality and invention assignment agreements with our employees and contractors, and confidentiality agreements with parties with whom we conduct business, in order to limit access to, and disclosure and use of, our proprietary information. We also use measures designed to control access to our technology and proprietary information. We view our trade secrets and know-how as a significant component of our intellectual property assets, which we believe differentiate us from our competitors.

Any impairment of our intellectual property rights, or any unauthorized disclosure or use of our intellectual property or technology, could harm our business, our ability to compete and our operating results.

Client Dynamics

Sellers

Sellers own or operate media properties, websites and applications through which advertisements can be delivered to consumers as they navigate across screens. Sellers use our platform to monetize and manage their advertising inventory.

While we work with many clients, a relatively small number of them provide a large share of the unique user audiences accessible by buyers. This is particularly true in CTV, where sellers tend to be larger compared to other online sellers. Given the limited number of CTV sellers, we are focused on building deeper, long-term strategic partnerships with these clients through a full-service business development strategy. We have invested significant resources in identifying and cultivating these relationships and our sales executives and account managers often serve a consultative role within a client's sales organization to help establish best practices. This team is further supported by our product and engineering team with deep technical expertise, and for larger clients, we may build out custom features or functionality to help drive deeper adoption of our platform.

In the mobile channel, many of the application providers that make inventory available through our platform utilize system development kits ("SDKs") and other proprietary technology of third parties, such as aggregators, and it is those third parties, not the application providers themselves, that contract with us to help monetize the inventory. Termination or diminution of our relationships with these third parties could result in a material reduction of the amount of mobile inventory available through our platform. We encourage application developers to use our own SDK when appropriate, but it is difficult to displace existing SDKs.

Buyers

On the buy-side of our business, we maintain close relationships with brand advertisers and agencies, as well as the technological intermediaries through which they transact on our platform, principally DSPs.

DSPs are directly connected to our technology through server-to-server integrations and are responsible for bidding on and purchasing advertising inventory on our platform pursuant to master service agreements. We have relationships with all of

the major DSPs, and because ad spend is highly concentrated among relatively few DSPs, each of our relationships with these DSPs is important to us and represents a source of demand that could be difficult for us to replace.

While the DSP is generally responsible for the direct purchasing of advertising inventory through our platform, the overall direction of an advertising campaign is typically determined by the advertiser or advertising agency that has engaged the DSP. As such, in order to increase the amount of spend transacted on our platform, and in furtherance of our SPO efforts, we expend significant resources establishing and expanding relationships directly with brand advertisers and agencies.

In addition to transacting through DSPs, we also offer brands and agencies the ability to access our platform directly, including on a managed service basis through the use of insertion orders and programmatically through our ClearLine product offering. For managed service campaigns, our team of specialists manages the delivery and execution of the campaign according to an agreed set of objectives with the advertiser or agency, at a negotiated fixed price. For ClearLine, advertisers and agencies use a self-service programmatic solution to directly access premium inventory on our platform.

Geographic Scope of Our Operations

The growth of programmatic advertising has expanded into geographic markets outside of the United States, and in some markets, the adoption rate of programmatic digital advertising is greater than in the United States. We face staffing challenges, including difficulty in recruiting, retaining, and managing a diverse and distributed workforce across time zones, cultures, and languages. We must also adapt our practices to satisfy local requirements and standards (including differing privacy requirements that are sometimes more stringent than in the U.S.), and manage the effects of global and regional pandemics, recessions and economic and political instability. Transactions denominated in various non-U.S. currencies expose us to potentially unfavorable changes in exchange rates and added transaction costs. Foreign operations expose us to potentially adverse tax consequences in the United States and abroad and costs and restrictions affecting the repatriation of funds to the United States. For detailed information regarding our revenue, property and equipment, net, and right-of-use assets by geographical region, see Note 4, Note 6, and Note 11 of the "Notes to Consolidated Financial Statements."

Regulation

Our business is highly susceptible to existing and emerging privacy regulations and oversight concerning the collection, use and sharing of data. Data protection authorities in the United States and around the world continue to focus on the advertising technology ecosystem. Because we, and our clients, rely upon large volumes of such data, it is essential that we monitor developments in this area domestically and globally, and engage in responsible data processing practices.

We do not collect information that can be used to directly identify a real person, such as name, address, or phone number, and we take steps to avoid collecting and storing such information. Instead, we rely on anonymous or pseudonymous forms of data, such as IP addresses, general geo-location information, and unique identifiers about Internet users, and do not attempt to associate this data with other data that can be used to identify real people. However, this type of information is considered "personal" across various jurisdictions and is governed by an increasing number of consumer privacy laws and regulations.

Data collection, use, and disclosure by companies that do not have direct relationships with the consumers whose personal data they process are now subject to state data broker laws, including in California, Oregon, and Texas. Notably, California's Delete Act, dramatically increases obligations and potential penalties relative to the state’s preexisting data broker statute, including by requiring us to integrate with the state’s to-be-released Deletion Request and Opt-out Platform ("DROP") and delete personal data submitted through DROP mechanisms.

There are also a number of specific laws and regulations governing the collection and use of certain types of consumer data relevant to our business. For example, the Children’s Online Privacy Protection Act ("COPPA"), imposes restrictions on the collection and use of data about users of child-directed websites. Other regulators and lawmakers continue to focus on activities involving data perceived as particularly sensitive such as data based on race, ethnicity or health information.

In the European Economic Area ("EEA") member states and the United Kingdom (“UK”), the use and transfer of personal data is governed by the General Data Protection Regulation and the UK General Data Protection Regulation (the "GDPR" and "UK GDPR"). The GDPR and UK GDPR set out significant potential liabilities for certain data protection violations and establish significant regulatory requirements resulting in a greater compliance burden for us in the course of delivering our solution in the EEA and UK.

In addition to the GDPR and UK GDPR, other regions have begun to promulgate data protection laws and reforms, including India and Australia, and state lawmakers in the United States continue to actively focus on consumer privacy regulations, with a total of 20 comprehensive state privacy laws in effect as of the end of 2025. These laws have caused, and will likely continue to cause, us to incur additional compliance costs and impose additional restrictions on us and on our industry partners. Additionally, our compliance with our privacy policies and our general consumer privacy practices are also

subject to review by the Federal Trade Commission and certain State Attorneys General. Outside of the United States, our privacy and data practices are subject to regulation by data protection authorities and other regulators in the countries in which we do business.

In the EU, in addition to privacy laws, our business is also subject to further digital regulation such as the Digital Services Act ("DSA"). The DSA establishes further transparency requirements concerning the use of data for profile-based advertising that may result in new compliance obligations and sets out significant fines in case of a violation.

Beyond laws and regulations, we are members of self-regulatory bodies that set out best practices, principles and codes of conduct related to the collection, use, and disclosure of consumer data, including the Internet Advertising Bureau ("IAB"), the Digital Advertising Alliance, the Network Advertising Initiative, and the Europe Interactive Digital Advertising Alliance. We provide consumers with notice via our privacy policy about our use of cookies and other technologies to collect consumer data, and of our collection and use of consumer data to deliver personalized advertisements. We allow consumers to opt-out or withdraw consent from the use of data we collect for purposes of behavioral advertising through a mechanism on our website, linked through our privacy policy as well as through portals maintained by some of these self-regulatory bodies.

We support privacy initiatives and believe they will be beneficial to consumers' confidence in advertising technology, which will ultimately be positive for the advertising ecosystem in the long term. However, until prevailing compliance practices standardize, the impact of worldwide privacy regulations on our business and, consequently, our revenue could be negatively impacted.

For additional information regarding regulatory risks to our business, see "Item 1A. Risk Factors."

Seasonality

Our revenue, Contribution ex-TAC, cash flow from operations, Adjusted EBITDA, operating results, and other key operating and financial measures may vary from quarter to quarter due to the seasonal nature of buyer spending. For example, many buyers devote a disproportionate amount of their advertising budgets to the fourth quarter of the calendar year to coincide with increased holiday purchasing. We expect our revenue, cash flow, operating results and other key operating and financial measures to fluctuate based on seasonal factors from period to period and expect these measures to be higher in the fourth quarter than in other quarters. Refer to "Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" for additional information related to key operating and financial performance Metrics.

Available Information

The Company is subject to the reporting requirements of the Securities Exchange Act of 1934, as amended, or the Exchange Act, and accordingly files Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K, proxy statements, and related amendments and other information with the U.S. Securities and Exchange Commission, or the SEC, pursuant to Sections 13(a) and 15(d) of the Exchange Act. Information filed by the Company with the SEC is available free of charge on the Company's website at investor.magnite.com as soon as reasonably practicable after such materials are filed with or furnished to the SEC.

Item 1A. Risk Factors

Investing in our common stock involves a high degree of risk, including the risks described below, each of which may be relevant to decisions regarding an investment in or ownership of our stock. The occurrence of any of these risks could have a significant adverse effect on our reputation, business, financial condition, revenue, results of operations, growth, or ability to accomplish our strategic objectives, and could cause the trading price of our common stock to decline. You should carefully consider the risks set forth below and the other information contained in this report, including our consolidated financial statements and related notes and Management's Discussion and Analysis of Financial Condition and Results of Operations, before making investment decisions related to our common stock. However, this report cannot anticipate and fully address all possible risks of investing in our common stock, the risks of investing in our common stock may change over time, and additional risks and uncertainties that we are not aware of, or that we do not consider to be material, may emerge. Moreover, some of the factors, events, and contingencies discussed below may have occurred in the past. References to past events are provided by way of example only and are not intended to be a complete listing or representation as to whether or not such events have occurred in the past or their likelihood of occurring in the future, and instead reflect our beliefs and opinions as to the factors, events, or contingencies that could materially and adversely affect us in the future. Accordingly, you are advised to consider additional sources of information and exercise your own judgment in addition to the information we provide.

Risks Related to Our Business, Growth Prospects and Operating Results

Our revenue and operating results are highly dependent on the overall demand for advertising and any macroeconomic challenges may adversely affect our business, financial position, results of operations and/or cash flows.

Our business depends on the overall demand for advertising and on the economic health of our current and prospective sellers and buyers. If advertisers reduce their overall advertising spending, our revenue and results of operations are directly affected. Accordingly, our business and operations have been, and could in the future be, adversely affected by events beyond our control, such as health epidemics or pandemics, geopolitical events, and economic and macroeconomic factors like labor strikes, labor shortages, supply chain disruptions, tariffs, trade wars, capital market disruptions and instability of financial institutions, inflation and recessionary concerns impacting the markets and communities in which our clients operate.

In addition, continued inflation could result in an increase in our cost base relative to our revenue and increased cost associated with our infrastructure investments. Moreover, in response to US tariffs, foreign countries in which we operate may enact additional or new taxes that are applicable to our business.

Any worsening of macroeconomic conditions in future periods would likely have a negative effect on our financial results, the magnitude of which is difficult to predict.

We operate in an intensely competitive market that includes companies that have greater financial, technical and marketing resources than we do.

We face intense competition in the marketplace. We compete for advertising spending against competitors that, in some cases, are also buyers and/or sellers on our platform. We also compete for supply of advertising inventory against a variety of competitors. Some of our existing and potential competitors are better established, benefit from greater name recognition, may have offerings and technology that we do not have or have significantly more financial, technical, sales, and marketing resources than we do. In addition, some competitors, particularly those with greater scale or a more diversified revenue base and a broader offering, have greater flexibility than we do to compete aggressively on the basis of price and other contract terms, or to compete with us by including in their product offerings services that we may not provide. Some existing and potential buyers that we work with have their own direct relationships with sellers or are seeking to establish such relationships, and many sellers are investing in capabilities that enable them to connect more effectively directly with buyers without the use of intermediaries such as us. Our business suffers to the extent that buyers and sellers purchase and sell advertising inventory directly from one another or through intermediaries other than us, reducing the amount of advertising spend on our platform. New or stronger competitors may emerge through acquisitions and industry consolidation or through development of disruptive technologies, including artificial intelligence (“AI”), which may disrupt the digital advertising ecosystem by enabling new ad-buying, optimization or monetization models or enhancing the capabilities of competitors. If our offerings are not perceived as competitively differentiated, we could lose clients, market share or be compelled to reduce our prices, making it more difficult to grow our business profitably.

There has been rapid evolution and consolidation in the advertising technology industry, and we expect these trends to continue, thereby increasing the capabilities and competitive posture of larger companies, particularly those that are already dominant in various ways, and enabling new or stronger competitors to emerge. There is a finite number of large buyers and sellers in our target markets, and any consolidation of buyers or sellers may give the resulting enterprises greater bargaining power or result in the loss of buyers and sellers that use our platform, and thus reduce our potential base of buyers and sellers, each of which would lead to erosion of our revenue.

As technology continues to improve and market factors continue to attract investment, competition and pricing pressure may increase and market saturation may change the competitive landscape in favor of larger competitors with greater scale and broader offerings, including those that can afford to spend more than we can to grow more quickly and strengthen their competitive position. Competition may be further impacted by advancements in AI, and our ability to compete in the future may be dependent, in part, on our ability to further develop AI into our solutions. In addition, our competitors or potential competitors may adopt certain aspects of our business model, which could reduce our ability to differentiate our solutions.

For all of these reasons, we may not be able to compete successfully against our current and future competitors.

Our contracts with buyers and sellers are generally not exclusive, may be terminated upon relatively short notice, and generally do not require minimum volumes or long-term commitments. If buyers or sellers representing a significant portion of the demand or inventory in our marketplace decide to materially reduce the use of our solution, we could experience an immediate and significant decline in our revenue and profitability and harm to our business.

Generally, our buyers and sellers are not obligated to provide us with any minimum volumes of business, may do business with our competitors as well as with us, may reduce or cancel their business with us or terminate our contracts without penalty, and may bypass us and transact directly with each other or through other intermediaries that compete with us. Accordingly, our business is highly vulnerable to changes in the macro environment, price competition, and development of

new or more compelling offerings by our competitors, which could reduce business generally or motivate buyers or sellers to migrate to competitors' offerings.

Sellers and buyers may seek to change the terms on which they do business with us, or allocate their advertising inventory or demand to our competitors who provide advertising demand and supply to them on more favorable terms or whose offerings are considered more beneficial. Supply of advertising inventory is also limited for some sellers, and sellers may request higher prices, fixed price arrangements or guarantees that we cannot provide as effectively as our competitors, or that would reduce the profitability of that business. In addition, sellers sometimes place significant restrictions on the sale of their advertising inventory, such as strict security requirements, limitations on data sharing, prohibitions on advertisements from specific advertisers or specific industries, and restrictions on the use of specified creative content or format. Buyers, in turn, are free to direct their spend to us or one or more of our competitors, and increasingly are seeking price concessions, rebates, or other consideration to direct more spend towards us.

We serve many buyers and sellers, but certain large buyers and sellers have accounted for and will continue to account for a disproportionate share of business transacted through our solution. In 2025, there were two buyers of advertising inventory that indirectly contributed to approximately 44% of revenue through their buying activity from sellers on our platform. If a buyer or group of buyers representing a significant portion of the demand in our marketplace, or a seller or group of sellers representing a significant portion of the inventory in our marketplace decides to materially reduce use of our solutions, it could cause an immediate and significant decline in our revenue and profitability and harm to our business. In addition, loss of substantial inventory or demand could degrade our marketplace. Loss of major DSP sources of demand could adversely affect bid density or pricing in our auctions, and reduction in fees if we are not able to redirect inventory to other demand sources. Loss of important unique inventory could reduce fees from demand that cannot be shifted to other sellers and make it harder to differentiate ourselves from our competitors. The number of large media buyers and sellers in the market is finite, and it could be difficult for us to replace the losses from any buyers or sellers whose relationships with us diminish or terminate.

If CTV advertising spend grows more slowly than we expect, or growth occurs disproportionately through platforms that we cannot access, our operating results and growth prospects could be harmed.

The growth of our business is dependent, in part, on the continued growth in CTV advertising spend. Growth in the CTV advertising market is dependent on a number of factors, including the pace of user adoption, the continued proliferation of digital content and CTV providers, the adoption of ad-supported models by CTV sellers in lieu of, or in addition to, subscription models, and an acceleration in the shift of ad dollars from traditional linear TV to CTV to keep pace with changing viewership habits.

In addition, it is possible that CTV advertising spend growth may be disproportionately focused on CTV sellers that do not utilize our solution, which could impact our ability to grow our business in line with industry growth rates.

If the market for ad-supported CTV develops more slowly than we expect or fails to develop our operating results and growth prospects could be harmed. In addition, to the extent that CTV advertising spend growth is concentrated among inventory that is not available to us or not available on favorable terms it could hurt our overall growth prospects.

Programmatic advertising presents unique challenges for CTV sellers, and CTV sellers may not adopt or may be slow to adopt programmatic solutions that transact in biddable auction environments.

As digital advertising has continued to scale and evolve, the amount of advertising being bought and sold programmatically has increased dramatically. Although programmatic represents a substantial majority of CTV advertising, CTV sellers have generally been more cautious to adopt programmatic solutions compared to desktop and mobile video sellers, and in particular, with respect to biddable auctions.

Many CTV sellers have backgrounds in cable or broadcast television and have limited experience with digital advertising, and in particular programmatic advertising. For these sellers, it is extremely important to protect the quality of the viewer experience to maintain brand goodwill and ensure that online advertising efforts do not create sales channel conflicts or otherwise detract from their direct sales force. In this regard, programmatic advertising presents a number of potential challenges, including the ability to ensure that ads are brand safe, comply with business rules around competitive separation, are not overly repetitive, are played at the appropriate volume and do not cause delays in load-time of content.

In light of these challenges, programmatic CTV has largely been transacted through reserve auctions. Reserve auctions allow publishers to establish direct deals with a buyer, and may be "guaranteed," where a buyer has negotiated a pre-established price and volume with a seller. These transaction types allow the seller to maintain tighter control over their advertising allocation and are often used by sellers that maintain a direct sales force but still want to experience the benefits of automation. In general, advertising impressions monetized through reserve auctions carry a lower fee than impressions monetized through auctions with multiple bidders. Accordingly, an increase in the percentage of CTV inventory monetized through reserve auctions, at the expense of biddable auctions, could drive a decrease in our overall take rate (our fee as a percentage of advertising spend) which may negatively impact our growth.

While we believe that CTV sellers will begin to expand their use of biddable inventory to attract a more diverse array of advertisers, there can be no assurance that CTV sellers will adopt such solutions or guarantees regarding the speed at which they may adopt such solutions. Any such failure or delay in adoption could negatively impact our finance results and growth prospects.

We may not be able to maintain or increase access to the CTV advertising inventory monetized through our platform on terms acceptable to us, and our efforts to maintain such access may subject us to an increased risk of losses.

Our success requires us to maintain and expand our access to premium and unique advertising inventory. We do not own or control the ad inventory upon which our business depends and do not own or create content. Sellers are generally not required to offer a specified level of inventory on our platform, and we cannot be assured that any publisher will continue to make their ad inventory available on our platform. Sellers may seek to change the terms on which they offer inventory on our platform, including with respect to pricing, may elect to make advertising inventory available to our competitors who offer more favorable economic terms, may create their own ad-tech solutions, or may connect with buyers directly. Sellers may also require us to take increased risks in some of our commercial agreements in the form of offering revenue guarantees or minimum spend commitments, and we may be subject to losses if we cannot meet these guarantees or commitments. Furthermore, sellers may enter into exclusive relationships with our competitors or with DSPs directly, which may limit us from offering their inventory.

These risks are particularly pronounced with CTV sellers. CTV inventory is highly sought after, and unlike desktop or mobile advertising, which may come from disparate sources, CTV inventory tends to be concentrated on a smaller number of larger sellers that enjoy significant negotiating leverage. In addition, CTV sellers may be more likely to rely on proprietary technology to power their ad business given their additional resources. This dynamic has been exacerbated by consolidation in the industry, as a number of digital-first CTV sellers have been acquired by larger established television and media brands. We expect consolidation to continue among CTV sellers, and in some instances this consolidation may result in the loss of business with an existing client (for example, if an acquiror has a preferred relationship with one of our competitors or has a proprietary solution). Because of the concentration among CTV sellers, the loss of a CTV client may result in a significant decrease in the amount of CTV inventory available through our platform. Any decrease in our ability to access CTV inventory could negatively impact our results, as we view CTV revenue as a key differentiator and driver for our growth.

The digital advertising market, and our business, may be negatively impacted by advancements in AI.

Advancements in AI present both opportunities and risks to our business, particularly within the context of the open internet and display advertising. AI is changing the way in which users access information and content on the open internet, in particular with respect to search referral traffic, which has and is expected to continue to decline. This shift could create challenges for open web publishers that have relied on advertising to support their business models. Furthermore, the rapid evolution of AI technologies could lead to diminishing demand for display advertising or reallocating budgets to new formats and approaches, including walled-gardens that we cannot access. If we are unable to capture this demand through other channels, adapt to evolving market expectations, or compete effectively with AI-driven ecosystems, our growth and market position could be adversely impacted.

AI may significantly affect the competitive dynamics of our industry, and failure to effectively build AI features into our platform could adversely affect our results of operations.

The market for programmatic advertising is characterized by rapid technological change and intense competition. We face significant pressure from existing competitors and new market entrants who are increasingly leveraging AI to enhance their platforms. If our competitors or other third parties, including those with greater financial and technical resources, incorporate AI into their offerings more quickly or effectively than we do, our platform may become less attractive to buyers and sellers of digital advertising. Any failure on our part to successfully develop and deploy AI solutions into our platform could result in a loss of market share.

Moreover, emerging AI–driven programmatic advertising protocols and transaction frameworks may not be interoperable with, or may reduce reliance on, existing industry standards and infrastructure, which could disrupt established buying and selling workflows. If we are unable to adapt our technology or influence the adoption of such protocols, it could adversely affect demand for our platform and our market share. If we fail to anticipate and adequately respond to these AI-driven structural shifts, our competitive position and ability to maintain a leading independent marketplace may be compromised.

We may be ineffective in using AI to realize internal efficiencies, which could result in higher operating costs and decreased margins.

We currently incorporate AI solutions into our product offerings and internal workflows, and we expect the use of AI to become increasingly central to our operations over time. However, our ability to realize the anticipated benefits of these

technologies is subject to significant risks and uncertainties. We may fail to effectively leverage internal AI solutions to automate manual processes, optimize our infrastructure or enhance the productivity of our team.

If we are unable to realize the cost savings or operational improvements we anticipate from AI, our margins may be negatively impacted. Furthermore, the implementation of AI-driven internal tools requires significant investment in talent and infrastructure; if these investments do not yield a corresponding increase in productivity or a reduction in legacy costs, our financial condition and results of operations could be adversely affected. Additionally, any over-reliance on AI for critical business functions without adequate human oversight could lead to operational errors, data inaccuracies, or inefficiencies that could harm our reputation and competitive position.

The regulatory landscape governing AI is still developing, and our use of third party AI tools may result in increased legal and regulatory scrutiny, litigation, and reputational harm.

The regulatory landscape governing AI is highly uncertain and rapidly evolving. We face potential risks from new or enhanced governmental oversight and evolving legal standards regarding the use of AI.

The integration of third-party AI models with our products and services relies on certain safeguards implemented by the third-party developers of the underlying AI models. If the content, analyses, or recommendations that AI applications assist in producing are or are alleged to be inaccurate, deficient, or biased, our business and reputation may be adversely affected.

Additionally, AI applications generally state they do not use personal data or other classes of protected data, but we may not know the source of data used by an AI application and may inadvertently incorporate personal information, or data derived from personal data, in the course of using an AI application. Any such inclusion could lead to violations of global privacy laws, such as the GDPR or CCPA, and result in significant fines or legal action.

The use of AI also presents unique cybersecurity and intellectual property risks. Our use of AI tools could lead to cybersecurity incidents or the unauthorized public disclosure of our intellectual property. Moreover, malicious actors may increasingly use AI to develop more sophisticated and automated cyberattacks against our infrastructure.

If we are unable to minimize unintended harmful impacts of AI or fail to adapt to new AI-specific regulations, our competitive position and financial condition may be materially and adversely affected.

We may be unsuccessful in our Supply Path Optimization efforts.

Supply path optimization refers to efforts by buyers to consolidate the number of vendors with which they work to find the most effective and cost-efficient paths to procure media. There are a number of criteria that buyers use to evaluate supply partners. While we believe we are well positioned to benefit from supply path optimization in the long run as a result of our transparency, our pricing tools, which reduce the overall cost of working with us, our broad and unique inventory supply across all channels and formats, buyer tools such as traffic shaping that reduce the cost of working with us, and our brand safety measures, we compete for demand with a number of well-established companies, and we must continue to adapt and improve our offerings to win buyers' business.

In addition, in order to achieve increased advertising spend or prevent loss of business to a competitor, we may negotiate discounts, rebates, or similar incentives with advertisers or agencies, which we may be unable to recoup. We believe that because our business has many fixed costs, increases in advertising spend volume generally create opportunities to disproportionately improve our bottom line results, even with increased discounts, rebates or other buyer incentives. However, our results could be negatively impacted by discounts, rebates and other buyer incentives, notwithstanding an increase in ad spend.

Our technology development efforts may be inefficient or ineffective, which may impair our ability to attract buyers and sellers.

We face intense competition in the marketplace and are confronted by rapidly changing technology (including advancements in AI), evolving industry standards and consumer needs, regulatory changes, and the frequent introduction of new solutions by our competitors to which we must adapt and respond. Our future success will depend in part upon our ability to enhance our existing solution and to develop and introduce competing new solutions in a timely manner with features and pricing that meet changing client and market requirements. Our solutions are complex and require a significant investment of time and resources to develop, test, introduce, and enhance. We schedule and prioritize our development efforts according to a variety of factors, including our perceptions of market trends, client requirements, and resource availability; however, we may encounter unanticipated difficulties that require us to re-direct, scale back, or modify our efforts. If development of our solution becomes significantly more expensive due to changes in regulatory requirements or industry practices, or other factors, we may find ourselves at a disadvantage to larger competitors with more resources to devote to development. These factors place significant demands upon our engineering organization, require complex planning, and can result in acceleration of some initiatives and delay of others. We use outsourced software development for certain development efforts, which may put the company at greater risk with respect to our technology development because we may have less control over the performance of outside programmers and we may be at greater risk of losing their services. To the extent we do not manage our development

efforts efficiently and effectively, we may fail to produce solutions that respond appropriately to the needs of buyers and sellers, and competitors may more successfully develop responsive offerings. If our solution is not competitive, buyers and sellers can be expected to shift their business to competing solutions. Buyers and sellers may also resist adopting our new solutions for various reasons, including reluctance to disrupt existing relationships and business practices or to invest in necessary technological integration. Clients, vendors, and competitors may also react negatively to the announcement of new products and offerings, which may have a harmful effect on our relationships and our business.

We must increase the scale and efficiency of our technology infrastructure to support our growth and transaction volumes.

Our technology must scale to process the increased ad requests on our platform. For each ad request that we process we incur infrastructure costs regardless of whether that ad request is ultimately monetized through our platform. The number of ad requests that we process has grown significantly in order to support additional ad spend on our platform, in particular with respect to CTV sellers who operate at large scale and experience spikes in viewership.

We must continue to increase the capacity of our platform to support the growth of our business and an increasing variety of advertising formats and platforms. Additionally, we must maintain a stable service infrastructure and reliable service delivery. To the extent we are unable, for cost or other reasons, to effectively increase the capacity of our platform, continue to process transactions at fast enough speeds, and support emerging advertising formats or services preferred by buyers, our revenue will suffer. Furthermore, failure to optimize and manage infrastructure costs efficiently could result in margin compression and increased financial strain.

We expect to continue to invest in our platform to meet increasing volume, including investments in on-prem data centers to support a higher percentage of our transactions. Such investment may negatively affect our profitability and results of operations. Additionally, any unexpected surges in traffic, inefficiencies in scaling, or disruptions to our infrastructure could degrade platform performance, harm our reputation, and cause us to lose business to competitors with more resilient or cost-effective solutions.

The emergence of header bidding has increased competition from other demand sources and may cause infrastructure strain and added cost.

In the mobile and desktop channels, the vast majority of sellers have embraced header bidding technology, a solution by which impressions that would have previously been exposed to different potential sources of demand in a sequence dictated by ad server priorities are instead available for concurrent competitive bidding by demand sources. This can help sellers increase revenue by exposing their inventory to more bidders, thereby allocating more inventory to demand sources that value it most highly. While header bidding has increased our access to certain pools of inventory that otherwise would have been allocated first to other exchanges, thus increasing our revenue opportunity, it has also resulted in a number of challenges for our business. For instance, some sellers may choose not to integrate with us as a header-bidding demand source, or may prioritize other sources of demand, including owners of the header bidding solutions, leaving us at a competitive disadvantage in the auction. In addition, header-bidding has vastly increased the volume of ad requests that need to be processed and analyzed through our system, resulting in increased infrastructure costs.

If we are unable to improve the efficiency and effectiveness of our header bidding solutions and installations, we may not fully offset these increased infrastructure costs, and we will not be able to take full advantage of the opportunities made available through current header bidding technology to access a larger addressable market and increase our revenue by capturing a greater share of inventory. In addition, our success in monetizing impressions through header-bidding solutions is dependent on the interoperability of our platform with proprietary header-bidding solutions, some of which are owned by our competitors, including Google. As a result, we may be susceptible to evolution in technology and changes in business practices by the owners of such header-bidding solutions that we cannot predict.

To the extent our access to mobile inventory is limited by third-party technology or lack of direct relationships with mobile sellers, our ability to grow our business will be impaired.

Our success in the mobile channel depends upon the ability of our technology solution to provide advertising for most mobile-connected devices, as well as the major operating systems or internet browsers that run on them and the thousands of applications that are downloaded onto them. The design of mobile devices and operating systems, applications, or internet browsers is controlled by third parties. These parties frequently introduce new devices and applications, and from time to time they may introduce new operating systems or internet browsers or modify existing ones in ways that may significantly affect our business, such as by providing ad-blocking capabilities or by limiting access to Internet user data. Network carriers may also affect the ability to access specified content on mobile devices. To the extent our solution is unable to work on these devices, operating systems, applications, or internet browsers for any reason, our ability to generate revenue through mobile advertising is significantly impaired, and that impairment may be material.

We expect mobile applications to be the largest driver of our mobile business. Many mobile apps utilize software development kits, or SDKs, and other proprietary technology of third parties, such as aggregators, and it is those third parties, not the application providers themselves, that contract with us to provide exchange services to help monetize the inventory. Due to this consolidation, if our relationships with these third parties decline or are terminated, it may result in a larger than usual loss of access to mobile inventory. Moreover, while we have introduced our own mobile in-app SDK, we cannot be sure that our development efforts will be successful or that our solution will assist us in accessing mobile inventory. Any rapid and/or significant decline in the availability of mobile inventory can adversely affect our mobile advertising spend and growth prospects.

Fee issues have in the past and could in the future have a material adverse effect on our business.

A majority of our revenue comes from buyers purchasing advertising inventory made available by sellers on our platform. We experience requests from buyers for discounts, fee concessions or revisions, rebates or other forms of consideration, refunds, and greater levels of pricing transparency and specificity, in some cases as a condition to maintain the relationship or to increase the amount of advertising spend that the buyer sends to our platform. In addition, we charge fees to sellers for use of our technology, typically as a percentage of the cost of media, and we may decide to offer discounts or other pricing concessions in order to attract more inventory or demand, or to compete effectively with other providers that have different or lower pricing structures and may be able to undercut our pricing due to greater scale or other factors.

These fee concessions may be more prevalent among CTV publishers where inventory is scarce and concentrated among large sellers with significant negotiating leverage. Moreover, the majority of CTV transactions are currently executed through reserve auctions. Reserve auctions generally involve lower fees than we can charge for auction transactions and we may experience additional fee pressure as more competitors, including new entrants as well as sellers themselves, build their own technology and infrastructure to enable reserve auctions.

Our revenue and profitability could be adversely affected if we are forced to make significant fee concessions, rebates, or refunds, or if buyers reduce spending with us or sellers reduce inventory available through our exchange due to fee disputes or pricing issues.

Our take rates may be difficult to forecast and may decrease in future periods; any decrease in our take rates may result in a decrease in our revenue notwithstanding an increase in the amount of spend transacted through our platform.

We generate revenue through our platform on a transactional basis where we are paid by a publisher each time an impression is monetized on our platform. Typically, this fee is structured as a percentage of advertising spend that the publisher receives for its inventory. Our take rate varies by publisher and transaction type. For instance, our take rate tends to be lower for reserve auctions compared to auctions with multiple bidders, and tends to be lower on CTV transactions compared to other channels. Additionally, take rates tend to be higher for our managed service business where we are responsible for delivering a campaign at a fixed price. Our managed service business has been declining as a percentage of our revenue on a year-over-year basis, and we expect this trend to continue. Should our managed service business continue to decline, we may experience a shift in revenue composition, and our overall financial performance could be affected, particularly if we are unable to offset any potential revenue loss with increased adoption of our programmatic solutions. We may also negotiate lower take rates with large sellers to win additional business or share of inventory, and these sellers may account for a disproportionately higher percentage of advertising spend on our platform.

As a result of these factors, even if we are able to accurately forecast the anticipated total advertising spend transacted by buyers across our platform, we may have limited visibility regarding the revenue or Contribution ex-TAC (as defined in section "Key Operating and Financial Performance Metrics") we will generate. Any decrease in our take rate could cause our revenue and Contribution ex-TAC to decrease, notwithstanding an increase in the total spend transacted through our seller platform.

We have a history of losses and we face many risks that may prevent us from achieving or sustaining profitability in the future.

We reported net income of $144.6 million and $22.8 million during the years ended December 31, 2025 and December 31, 2024, respectively, and net loss of $159.2 million during the year ended December 31, 2023. As of December 31, 2025, we had an accumulated deficit of $516.6 million. We have implemented strategic plans designed to improve our financial performance and continue to increase revenue, and have taken steps to reduce unnecessary expenses and redirect spending to areas we expect to produce higher growth; however, these plans and steps may ultimately prove to be unsuccessful.

Notwithstanding these measures, revenue could decrease due to competitive pressures, maturation of our business, macroeconomic or other factors, and additional cost-reduction measures may be required even as we must continue to increase investment in technology in response to industry developments and to retain competitiveness. We may not be able to sustain growth or to achieve or sustain profitability in the future.

Our business and the businesses of our advertiser clients may be subject to sales and use tax, value-added/goods and services, advertising, digital services, withholding and other taxes.

The application of sales and use tax, goods and services tax, business tax and gross receipt tax on our digital services is complex and evolving. In general, sales of tangible personal property are subject to sales and use tax unless a specific exemption applies, while services generally are not subject to sales tax unless specifically enumerated. Advertising services are considered a service and are generally not subject to sales and use tax, except in certain states. Additionally, Maryland adopted a tax on gross revenues from digital advertising. While the law is being challenged in the courts, the law took effect and we are technically subject to the tax, which increases our cost of doing business. Other states are looking to follow suit and tax either digital advertising or other goods or services. In addition, the continual evolution of our services and the expansion of our business offerings may further complicate the determination of the sales taxability of our services in certain jurisdictions.

As a result of various factors, our operating results have in the past and may in the future fluctuate significantly, be difficult to predict, and fall below analysts' and investors' expectations.

Our operating results are difficult to predict, particularly because we generally do not have long-term contracts with buyers or sellers. We have experienced significant variations in revenue and operating results from period to period, and operating results may continue to fluctuate and be difficult to predict due to a number of factors, including:

- seasonality in demand for digital advertising, as many advertisers devote a disproportionate amount of their advertising budgets to the fourth quarter of the calendar year;
- changes in pricing of advertising inventory or pricing for our solution and our competitors' offerings, including potential further reductions in our pricing and overall take rate, uncertainty regarding rate of adoption, changes in the allocation of demand spend by buyers, changes in revenue mix, auction dynamics, pricing discussions or negotiations with clients and potential clients, and other factors;
- the variability and unpredictability of our managed service business, which depends on seasonal advertising trends and discretionary advertising budgets, and are typically tied to one-off or seasonal campaigns rather than recurring revenue models;
- diversification of our revenue mix to include new services, some of which may have lower pricing or may cannibalize existing business;
- the effect of political advertising, which has an intermittent impact on our business depending on election cycles, and may be highly unpredictable and variable based on circumstances outside of our control;
- the effect of AI on our business;
- the addition or loss of buyers or sellers;
- the ability of buyers to integrate demand directly with sellers without the use of our platform;
- general economic conditions and the economic health of our current and prospective sellers and buyers;
- changes in the advertising strategies or budgets or financial condition of advertisers;
- the performance of our technology and the cost, timeliness, and results of our technology innovation efforts;
- advertising technology and digital media industry conditions and the overall demand for advertising, or changes and uncertainty in the regulatory environment for us or buyers or sellers, including with respect to privacy regulation;
- the introduction of new technologies or service offerings by our competitors and market acceptance of such technologies or services;
- the phasing out of third-party cookies throughout the industry;
- our level of expenses, including investment required to support our technology development, scale our technology infrastructure and business expansion efforts, including acquisitions, hiring and capital expenditures, or expenses related to litigation;
- the impact of changes in our stock price on valuation of stock-based compensation or other instruments that are marked to market;
- the effectiveness of our financial and information technology infrastructure and controls;
- geopolitical and social factors, such as concerns regarding negative, unstable or changing economic conditions in the countries and regions where we operate, global and regional recessions, political instability, and trade disputes;
- foreign exchange rate fluctuations; and
- changes in accounting policies and principles and the significant judgments and estimates made by management in the application of these policies and principles.

Because significant portions of our expenses are relatively fixed, variation in our quarterly revenue can cause significant variations in operating results and resulting stock price volatility from period to period. Period-to-period comparisons of our historical results of operations are not necessarily meaningful, and historical operating results may not be

indicative of future performance. If our revenue or operating results fall below the expectations of investors or securities analysts, or below any guidance we may provide to the market, the price of our common stock could decline substantially.

Any acquisitions we undertake in the future may disrupt our business, adversely affect operations, dilute stockholders, and expose us to costs and liabilities, and we may not achieve the anticipated benefits or synergies of such transactions.

Acquisitions have been an important element of our business strategy. Moreover, we may pursue future acquisitions in an effort to increase revenue, expand our market position, add to our service offering and technological capabilities, respond to dynamic market conditions, or for other strategic or financial purposes. However, there is no assurance that we will identify suitable acquisition candidates or complete any acquisitions on favorable terms, or at all. Further, any acquisitions we do complete would involve a number of risks, which may include the following:

- the identification, acquisition, and integration of acquired businesses require substantial attention from management. The diversion of management's attention and any difficulties encountered in the integration process could hurt our business;
- the identification, acquisition, and integration of acquired businesses requires significant investment, including to determine which new service offerings we might wish to acquire, harmonize service offerings, expand management capabilities and market presence, and improve or increase development efforts and technology features and functions;
- the anticipated benefits from the acquisition may not be achieved, including as a result of loss of clients or personnel of the target, other difficulties in supporting and transitioning the target's clients, the inability to realize expected synergies from an acquisition, or negative organizational cultural effects arising from the integration of new personnel;
- we may face difficulties in integrating the personnel, technologies, solutions, operations, and existing contracts of the acquired business;
- we may fail to identify all of the problems, liabilities or other shortcomings or challenges of an acquired company, technology, or solution, including issues related to intellectual property, solution quality or architecture, income or other taxes and other regulatory compliance practices, revenue recognition or other accounting practices, or employee or client issues;
- to pay for future acquisitions, we could issue additional shares of our common stock or pay cash. Issuance of shares would dilute stockholders. Use of cash reserves could diminish our ability to respond to other opportunities or challenges. Borrowing to fund any cash purchase price would result in increased fixed obligations and could also include covenants or other restrictions that would impair our ability to manage our operations;
- acquisitions expose us to the risk of assumed known and unknown liabilities including contract, tax, regulatory or other legal, and other obligations incurred by the acquired business or fines or penalties, for which indemnity obligations, escrow arrangements or insurance may not be available or may not be sufficient to provide coverage;
- new business acquisitions can generate significant intangible assets that result in substantial related amortization charges and possible impairments;
- the operations of acquired businesses, or our adaptation of those operations, may require that we apply revenue recognition or other accounting methodologies, assumptions, and estimates that are different from those we use in our current business, which could complicate our financial statements, expose us to additional accounting and audit costs, and increase the risk of accounting errors;
- acquired businesses may have insufficient internal controls that we must remediate, and the integration of acquired businesses may require us to modify or enhance our own internal controls, in each case resulting in increased administrative expense and risk that we fail to comply with the requirements of Section 404 of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act");
- acquisition of businesses based outside the United States would require us to operate in foreign languages and manage non-U.S. currency, billing, and contracting needs, comply with laws and regulations, including labor laws and privacy laws that in some cases may be more restrictive on our operations than laws applicable to our business in the United States; and
- acquisitions can sometimes lead to disputes with the former owners of the acquired company, which can result in increased legal expenses, management distraction and the risk that we may suffer an adverse judgment if we are not the prevailing party in the dispute.

We must provide value to both buyers and sellers of advertising without being perceived as favoring one over the other or being perceived as competing with them through our service offerings.

We are interposed between buyers and sellers, and to be successful, we must continue to find ways of providing value to both without being perceived as favoring one at the expense of the other. For example, our proprietary auction algorithms, which are designed to improve auction outcomes, influence the allocation and pricing of impressions and must do so in ways that add value to both buyers and sellers. Continued technological evolution in the availability and use of more data to inform buying and selling decisions necessitates that we, as an intermediary, use data in a manner that complies with the expectations

of both our seller and buyer clients. Furthermore, because new business models continue to emerge, we must constantly adapt our relationship with buyers and sellers and how we market ourselves to each. Consistent with our goal of connecting buyers and sellers, we seek to grow our connections to each, and we must take care that our deeper connections with buyers, on the one hand, or sellers, on the other hand, do not come at the expense of the other's interests. In addition, as our own capabilities evolve, we may be perceived by clients, particularly buyers, as competing with them, which could result in a loss of their business or otherwise negatively impact our relationships. For instance, ClearLine, a self-service buying tool that provides agencies direct access to premium advertising on our platform helps agencies maximize the spend going towards working media, makes it easier for sellers and agencies to securely share data, improves workflow for campaigns traditionally transacted manually, and helps publishers generate more revenue and develop new sources of unique demand. If we fail to balance our clients' interests appropriately, our ability to provide a full suite of services and our growth prospects may be compromised.

We rely on buyers to purchase advertising on behalf of advertisers. Such buyers may have or develop high-risk credit profiles or pay slowly, which may result in credit risk to us or require additional working capital to fund our accounts payable. In addition, direct billing arrangements between buyers and sellers may result in unfavorable fee dynamics and increased working capital demands.

Generally, we invoice and collect from buyers the full purchase price for impressions they have purchased, retain our fees, and remit the balance to sellers. However, in some cases, we may be required or elect to pay sellers for impressions delivered before we have collected, or even if we are unable to collect, from the buyer of those impressions. There can be no assurance that we will not experience bad debt in the future, and write-offs for bad debt could have a materially negative effect on our results of operations for the periods in which the write-offs occur. This is particularly true in the case of buyers that act as technological intermediaries, such as DSPs, since those DSPs control large amounts of spend across various advertisers and agencies. In addition to posing their own credit risk, such DSPs may not be required to pay us for specific inventory in the event the DSP is not able to collect payment from the underlying advertiser directing the campaign.

In addition, we attempt to coordinate collections from our buyers so as to fund our payment obligations to our sellers. However, some buyers and sellers may require direct billing and collection arrangements between themselves, and some providers of header bidding wrappers or other downstream decisioning mechanisms in which we participate (such as Google OB) may control billing and collection for transactions we win through their platforms.

In the past, some buyers have experienced financial pressures that have motivated them to slow the timing of their payments to us. If buyers slow their payments to us or our cash collections are significantly diminished as a result of these dynamics, our revenue and/or cash flow could be adversely affected and we may need to use working capital to fund our accounts payable pending collection from the buyers. This may result in additional costs and cause us to forgo or defer other more productive uses of that working capital.

We rely on buyers and sellers to abide by contractual requirements and relevant laws, rules, and regulations when using our solution. The acts or omissions of buyers or sellers, or our own failure to meet advertising and inventory content standards and provide services that our buyers and sellers trust, could harm our brand and reputation and those of our partners, and negatively impact our business, financial condition and results of operations.

Though we contractually require buyers and sellers to abide by relevant laws, rules and regulations, as well as restrictions by their counterparties, when transacting on our platform, we do not control the content of the advertisements that we serve or the content of the websites providing the inventory, and there are many circumstances in which it is difficult or impossible for us to monitor or evaluate the compliance of our buyers and sellers. If buyers or sellers fail to abide by relevant laws, rules and regulations, or contract requirements, we could potentially face liability for such misuse.

In addition, both advertisers and inventory suppliers are concerned about being associated with content they consider inappropriate, competitive or inconsistent with their brands, or illegal, and they are hesitant to spend money or make inventory available, respectively, without some guarantee of brand security. Consequently, our reputation depends in part on providing services that our buyers and sellers trust, and we have contractual obligations to meet content and inventory standards. We contractually prohibit the misuse of our platform by our buyers and sellers and actively monitor inventory against our quality guidelines. Despite such efforts, we may provide access to inventory that is objectionable to our buyers or serve advertising that contains objectionable content, which could harm our or our clients’ brand and reputation, decrease their trust in our platform, and negatively impact our business, financial condition and results of operations. Furthermore, we may receive public pressure to discontinue working with certain sellers or buyers on our platform and our determination whether to continue or cease working with a given client may subject us to reputational risk.

Our sales efforts with buyers and sellers may require significant time and expense and may not yield the results we seek.

Attracting new buyers and sellers and increasing our business with existing buyers and sellers involves substantial time, expense, and personnel investments, and we may not be successful in our efforts. This is particularly true with respect to our managed service business, which relies on direct relationships with advertisers, and is therefore more resource intensive. Our managed service business also tends to be more susceptible to quarterly variability, as it is typically more sensitive to seasonality and advertising budget volatility. Certain of our product offerings require a significant amount of time and costs in

the initial client setup and implementation, and we generally do not recognize revenue from such clients until we commence services. This process can be costly and time-consuming, and is complicated by us having to spend time integrating our solution with software of buyers and sellers. If we are not successful in targeting, supporting and streamlining our sales processes, our ability to grow our business may be adversely affected. In addition, because of competitive market conditions and negotiating leverage enjoyed by large buyers and sellers, we are sometimes forced to choose between loss of business or contracting on terms that allocate more risk to us than we would prefer to accept.

Our business relationships expose us to risk of substantial liability for contract breach, violation of laws and regulations, intellectual property infringement and other losses, and our contractual indemnities and limitations of liability may not protect us adequately.

Our agreements with sellers, buyers and other third parties typically obligate us to provide indemnity and defense for losses resulting from claims of intellectual property infringement, damages to property or persons, business losses or other liabilities. Generally, these indemnity and defense obligations relate to our own business operations, obligations and acts or omissions. However, under some circumstances, we agree to indemnify and defend contract counterparties against losses resulting from their own business operations, obligations and acts or omissions, or the business operations, obligations and acts or omissions of third parties. For example, because our business interposes us between buyers and sellers in various ways, buyers often require us to indemnify them against acts and omissions of sellers, and sellers often require us to indemnify them against acts and omissions of buyers. Large indemnity obligations, or obligations to third parties not adequately covered by the indemnity obligations of our contract counterparties, could expose us to significant costs.

Our solution relies on third-party open source software components. Failure to comply with the terms of the underlying open source software licenses could expose us to liabilities, and the combination of certain open source software with code that we develop could compromise the proprietary nature of our solution.

Our solution utilizes software licensed to us by third-party authors under "open source" licenses. The use of open source software may entail greater risks than the use of third-party commercial software, as open source licensors generally do not provide warranties or other contractual protections regarding infringement claims or the quality of the code. If we combine our proprietary software with open source software in a certain manner, we could, under certain open source licenses, be required to release the source code of our proprietary software to the public. This would allow our competitors to create similar solutions with lower development effort and time and ultimately put us at a competitive disadvantage.

The terms of many open source licenses have not been interpreted by U.S. courts, and there is a risk that these licenses could be construed in a way that could impose unanticipated conditions or restrictions on us. Moreover, we cannot guarantee that our processes for controlling our use of open source software will be effective. If we are held to have breached the terms of an open source software license, we could be required to seek licenses from third parties to continue operating using our solution on terms that are not economically feasible, to re-engineer our solution or the supporting computational infrastructure to discontinue use of certain code, or to make generally available, in source code form, portions of our proprietary code.

Risks Related to Our Collection, Use and Disclosure of Data

Our business depends on our ability to collect, use, and disclose data to deliver advertisements. Any limitation imposed on our collection, use or disclosure of this data could significantly diminish the value of our solution and cause us to lose sellers, buyers, and revenue. Proliferation of consumer tools, regulatory restrictions and technological limitations all threaten our ability to use and disclose data.

The more informed advertising is about its audience, the more valuable it is. Programmatic advertising enables audience targeting based on the interests and actions of the user. Targeted advertising is generally more effective and valuable for buyers than other types of advertising, resulting in more revenue for sellers. In order to target advertising, we and our clients must collect and use data in a variety of ways. Our ability to collect, use, and disclose data about user behavior and interaction with content is critical to the value of our services, and any limitation on our data practices could impair our ability to deliver effective solutions to our clients. Any restriction on the types of data we collect could make placement of advertising through our solution less valuable, with commensurate reductions in revenue.

Consumers can, with increasing ease, implement practices or technologies that limit our ability, or that of our sellers, buyers and business partners, to collect data. For example, users may delete or block the use of cookies and similar technologies used to collect data, including through their browser or connected device settings. Consumers may also download "ad blocking" software that prevents certain cookies and other tracking technologies from being stored on a user’s computer or mobile device or from making calls to advertising partners, which may prevent the delivery of targeted or other advertisements. In addition, device manufacturers, browsers and other tools are increasingly promoting features that allow users to disable the collection of data. For example, Apple requires user opt-in before permitting access to Apple’s unique identifier, or IDFA. These shifts have had, and will likely continue to have, a substantial impact on the mobile advertising ecosystem and could harm growth in this channel.

Laws governing the processing of personal data also continue to impact our ability to collect data. For example, Directive 2002/58/EC (as amended by Directive 2009/136/EC), commonly referred to as the ePrivacy Directive, directs EU member states to ensure that accessing personal data on an internet user's computer, such as through cookies and similar technologies, generally requires opt in consent and is allowed only if the user has been informed about such access and given his or her opt-in consent. Further, numerous comprehensive state privacy laws across the U.S. require businesses that engage in certain advertising uses of personal data to offer and honor an opt-out of such activities, including, in some states, through browser or device-based opt-out signals, such as the Global Privacy Control ("GPC"). Similar regulations have been proposed in the EU. Use of GPC and similar user privacy features provided on other channels of programmatic advertising, such as CTV, are growing. Technical or policy changes, including regulation or industry self-regulation, could also harm our growth in those channels. As further described in the risk factors below, current and potential future privacy laws and regulations in the U.S. and abroad already restrict, and could further restrict, the ability to collect and process certain types of user data.

In addition, much of the data we collect and process belongs to our buyers or sellers, and we receive their permission to use it. Although our sellers and buyers generally permit us to aggregate and use data from advertising placements, subject to certain restrictions, sellers or buyers might decide to restrict our collection or use of their data. There could be various reasons for this, including perceptions by buyers that their data can be used by sellers to extract higher prices for impressions, or perceptions by sellers that their data can be used by buyers to bid tactically to reduce pricing for impressions. As consumers continue to increase their use of digital technology and to incorporate multiple devices into their lives, linking and using data across such devices is increasingly important. Various challenges affect our ability to link data relating to discrete devices or browsers, including different technologies, increased user awareness and sensitivity regarding use of data about their device usage, and evolving regulatory and self-regulatory standards. These challenges may slow growth, and if we are not able to cope with these challenges as effectively as other companies, we will be competitively disadvantaged. Any limitation on our ability to collect data about user behavior and interaction with content could make it more difficult for us to deliver effective solutions that meet the needs of sellers and buyers.

If third-party cookies are replaced by alternative tracking mechanisms, our performance may decline and we may lose buyers and revenue.

Industry participants in the advertising technology ecosystem have long anticipated the deprecation of third-party cookies and other identifiers, making it more difficult to rely on such technologies to identify users' devices.

Advertisers, publishers, and technology platforms are increasingly prioritizing privacy-focused solutions, and a number of industry participants have suggested alternative identity solutions. These tools, while intended to balance privacy and utility, may not fully replicate the capabilities of cookies and could disrupt established advertising workflows. Moreover, alternative identification solutions may require substantial development and commercial changes for us to support. There is also a risk that such tools will favor proprietary ad tech ecosystems potentially disadvantaging independent platforms like Magnite.

Furthermore, market dynamics may still shift as buyers explore first-party data strategies, proprietary identifiers, and other solutions that reduce reliance on cookies. This trend could favor walled gardens and platforms with extensive access to first-party data, presenting competitive challenges for companies operating within the open internet. The growing adoption of these approaches may diminish the effectiveness of our platform in attracting buyers and advertisers, potentially leading to reduced revenue and market share.

Even in the absence of third-party cookie deprecation, evolving regulatory and consumer expectations around privacy may require significant investment in re-engineering our platform and adapting to new data usage paradigms. If alternative solutions fail to deliver comparable performance or interoperability, or if they fundamentally shift the economics of digital advertising, our ability to compete effectively could be adversely impacted.

Our belief that the elimination of third-party cookies will lead to an increased use of first-party publisher data may be incorrect.

Even though third-party cookies remain supported, the programmatic ecosystem is increasingly shifting toward privacy-centric approaches that prioritize first-party data. We believe that this trend has the potential to shift the programmatic ecosystem from an identity model powered by buyers that are able to aggregate and target audiences through cookies and other tracking technologies to one enabled by sellers that have direct relationships with consumers and are therefore better positioned to obtain user data and consent for implementing first party identifiers. While we believe that our platform and scale position us well to provide the infrastructure and tools needed for a publisher-centric identity model to succeed, there is no guarantee that our efforts will lead to an increase of the use of first-party publisher segments in the ecosystem. It is also possible that the increased use of first-party publisher segments will disproportionately benefit sellers or the large walled gardens that have access to large amounts of first party data. Additionally, these changes could create some variability in our revenue across certain buyers or sellers, depending on the timing of changes and developed solutions, and even if there is an increase in the proliferation of first-party publisher segments, we may still incur substantial re-engineering costs to optimize our solution for use with such segments.

Risks Related to Regulation

More legislation and regulation of digital businesses, including privacy and data protection regimes, could create unexpected additional costs, subject us to enforcement actions for compliance failures, or cause us to change our technology solution or business model, which may have an adverse effect on the demand for our solution.

Many local, state, federal, and international laws and regulations apply to the collection, use, retention, protection, disclosure, transfer, and other processing of data collected from and about consumers and devices, and the regulatory framework for privacy issues is evolving worldwide. Various U.S. and foreign governments, consumer agencies, self-regulatory bodies, and public advocacy groups have called for or implemented new regulation directly impacting the digital advertising industry.

A number of states, including California, have enacted comprehensive consumer privacy laws regulating the collection and use of data to target advertisements, and we expect to see more state laws and potentially federal regulation in the future. Such legislation or regulation could affect the costs of doing business online and may adversely affect the demand for or the effectiveness and value of our solution.

These state laws require all businesses that engage in certain advertising uses of consumer personal data to offer and honor an opt-out of such activities, including, in some states, through universal browser or device-based preference signals such as GPC. Some state laws may also restrict use of sensitive information, including precise location information, for advertising purposes. The implementation of these state laws and any corresponding regulations will cause us to incur additional compliance costs and may impose additional restrictions on us and on our industry partners.

Separate from these comprehensive state consumer privacy laws, lawmakers continue to focus their efforts on data collection, processing, and disclosures by companies that do not have direct relationships with the consumers whose personal data they process. Several states, including California, Oregon, and Texas, have recently enacted or updated laws restricting the activities of "data brokers." Notably, California's Delete Act, dramatically increases obligations and potential penalties relative to the state’s preexisting data broker statute. Beyond additional transparency requirements, beginning in August 2026, companies registered as data brokers in California (including Magnite), must honor universal deletion requests consumers make of all data brokers via the state's Delete Request and Opt-out Platform mechanism. These obligations may reduce the data available to Magnite, require us to develop complex and expensive compliance tools and procedures, and may result in reductions in revenue.

In the European Economic Area ("EEA") and the United Kingdom ("UK"), the General Data Protection Regulation, Regulation (EU) 2016/679 ("GDPR") and UK General Data Protection Regulation ("UK GDPR") respectively treat much of the end-user information that is critical to programmatic digital advertising as "personal data", subject to significant conditions and restrictions on its collection, use, transfer and disclosure. The GDPR and UK GDPR also set out substantial potential liabilities for certain data protection violations and create a compliance burden for us in the course of delivering our solution in Europe.

Further, many governments are restricting the transmission or storage of information about individuals beyond their national borders. Such restrictions could, depending upon their scope, limit our ability to utilize technology infrastructure consolidation, redundancy, and load-balancing techniques, resulting in increased infrastructure costs, decreased operational efficiencies and performance, and increased risk of system failure.

Moreover, we have from time-to-time become subject to putative class actions or other litigation, including claims based on developing or unsettled interpretations of privacy, data use, or consumer protection laws, which regardless of their ultimate merit may require significant resources to address, divert management attention, and result in reputational harm or adverse outcomes.

These laws and regulations are continually evolving, not always clear, and not always consistent across the jurisdictions in which we do business. Any failure to protect, and comply with applicable laws and regulations or industry standards applicable to, personal data or other data relating to consumers could result in enforcement action against us, including fines, imprisonment of our officers, and public censure, claims for damages by consumers and other affected individuals, damage to our reputation, and loss of goodwill.

The GDPR and UK GDPR impose strict requirements for transferring personal data from the European Economic Area and United Kingdom to the United States and other countries, and regulatory guidance and case law on international transfers is continually evolving; this increases uncertainty and may require us to change our EEA and UK data practices and/or change our technology solution or business model, which may in turn adversely affect demand for our solution.

The GDPR and UK GDPR generally prohibit the transfer of personal data of EEA and UK subjects outside of the European Economic Area and the UK to countries whose laws do not ensure an adequate level of protection, unless a lawful data transfer solution has been implemented. On July 16, 2020, in a case known as "Schrems II," the Court of Justice of the European Union ("CJEU") ruled on the validity of two of the primary data transfer solutions. The first method, EU-U.S. Privacy Shield operated by the U.S. Department of Commerce, was declared invalid as a legal mechanism to transfer data from the EEA and UK to the U.S. A successor agreement, the Data Privacy Framework ("DPF"), is now in place, but numerous lawsuits against the DPF have already been filed, and it is uncertain whether DPF will stand up to judicial scrutiny by the CJEU or, like its predecessor agreement, be declared invalid.

The GDPR imposes requirements for end user consent or opt-out that may cause us to incur additional or unexpected costs, subject us to enforcement actions for compliance failures, or cause us to change our service or business model, which may have a material adverse effect on our business.

The European Union Privacy and Electronic Communications Directive (Directive 2002/58/EC), commonly referred to as the "ePrivacy Directive," and the GDPR require consent or another legal basis in order to process personal data for purposes of behavioral advertising, and there is currently significant risk and uncertainty regarding the standard for obtaining valid consent. Current regulatory developments indicate stricter interpretation of the ePrivacy Directive, meaning that data processing without consent will continue to decrease.

End-user consent is difficult for ad tech intermediaries like us to obtain because we do not have direct relationships with such end users, so we have historically relied upon sellers to obtain consent for use of our technology. To the extent any seller does not adequately satisfy its consent obligations for our technology, we may face regulatory risk. Further, emerging regulatory guidance in the EU has challenged this method of obtaining consent.

Legal standards and regulatory guidance will continue to evolve. National regulators in the UK and EU are evolving their guidance on the use of advertising technologies and compliance with the GDPR and ePrivacy Directive. This guidance may be burdensome or inconsistent across countries, and present challenges to the way we operate.

As a result of all of the factors set forth above, our or our clients' ability to serve target advertisements may become significantly impaired or complicated in certain jurisdictions.

We are subject to regulation with respect to political advertising, which lacks clarity and uniformity.

We are subject to regulation with respect to political advertising activities, which are governed by various federal and state laws in the U.S., and national and provincial laws worldwide, including the new Transparency and Targeting of Political Advertising in the EU, imposing strict prohibitions on the use of personal data for political advertising. Online political advertising laws are rapidly evolving and in certain jurisdictions we have compliance requirements with respect to political ads delivered on our platform. In some jurisdictions we may determine not to serve political advertisements due to uncertainty around these requirements and potential burdens of compliance. In addition, our sellers may impose restrictions on receiving political advertising. The lack of uniformity and increasing compliance requirements around political advertising may adversely impact the amount of political advertising spent through our platform, increase our operating and compliance costs, and subject us to potential liability from regulatory agencies.

Issues related to industry self-regulation could harm our brand, reputation, and our business.

In addition to compliance with government regulations, we voluntarily participate in trade associations and industry self-regulatory groups that promulgate best practices or codes of conduct addressing privacy and the provision of digital advertising. If we encounter difficulties abiding by these principles, we may be subject to negative publicity, as well as investigation and litigation by governmental authorities, self-regulatory bodies or other accountability groups, buyers, sellers, or other private parties. Any such action against us could be costly and time consuming, require us to change our business practices, divert management's attention and our resources, and be damaging to our reputation and our business.

Our business is subject to evolving corporate governance and public disclosure regulations and expectations, including with respect to sustainability matters that could expose us to numerous risks.

Regulators, customers, investors, employees and other stakeholders are increasingly focusing on sustainability matters and related disclosures. These changing rules, regulations and stakeholder expectations have resulted in, and are likely to continue to result in, increased general and administrative expenses and increased management time and attention spent complying with or meeting such regulations and expectations. Emerging regulations in various jurisdictions, including mandatory disclosure requirements and carbon reporting obligations, as well as related uncertainty from modifications to or

reversals of such regulations or inconsistency between regulatory requirements in different jurisdictions, may further increase the complexity and cost of compliance.

We may also communicate certain initiatives and goals regarding sustainability matters in our SEC filings or in other public disclosures. While we aim to achieve these goals, we could face scrutiny from certain stakeholders for the scope, ambition, or execution of such initiatives, and stakeholders and regulators have increasingly expressed or pursued opposing views, legislation, and investment expectations with respect to sustainability initiatives, including the enactment or proposal of "anti-ESG" legislation or policies. Revisions to or failure to maintain our goals, delays in achieving progress, or perceived shortcomings in our initiatives or goals could harm our reputation, erode stakeholder trust, and adversely impact our relationships with customers, investors, or employees.

Furthermore, if our sustainability-related data, processes, and reporting are incomplete, inaccurate, or fail to meet regulatory standards, we could be subject to penalties, regulatory scrutiny or enforcement actions, or legal actions. Misalignment between our sustainability practices and stakeholder expectations, or the inability to satisfy all stakeholders in light of their varied and sometimes conflicting views regarding environmental and social matters, could also impact our ability to attract and retain investors, secure partnerships, or compete effectively in the marketplace and could expose us to operational disruptions, increased costs, and reputational damage, adversely affecting our business, financial performance, and growth prospects.

Our litigation with Google LLC presents potential risks that could adversely affect our business, results of operations and financial condition.

On September 16, 2025, we filed a lawsuit in the U.S. District Court for the Eastern District of Virginia against Google LLC ("Google") seeking financial damages and other remedies (the "Google Action") in light of the U.S. District Court's ruling that Google had engaged in unlawful anticompetitive practices with respect to certain ad tech markets. Google is a significant participant in the digital advertising ecosystem and both a major partner and competitor to Magnite and a significant portion of our revenue is generated through our relationship with Google. The Google Action is in its early stages, and the outcome and timing of the Google Action is uncertain and difficult to predict. The Google Action presents several risks to our business, including the potential for retaliatory actions by Google. Any such actions could disrupt our ability to serve our customers and partners, reduce our revenue, and harm our relationships with publishers and advertisers. The Google Action may be costly, protracted, and divert management's attention and resources from our business operations. Any damages awarded may not be commensurate with our expectations, and we may not receive any monetary damages at all. The existence of the Google Action and any potential retaliatory measures could also negatively affect our reputation and our ability to compete, potentially causing our business, financial condition, and results of operations to be materially and adversely affected.

Risks Related to Our Operations

Real or perceived errors or failures in the operation of our solution could damage our reputation and impair our sales.

We must operate our technology infrastructure without interruption to support the needs of sellers and buyers. Because our software is complex, undetected errors and failures may occur, especially when new versions or updates are made to our software or network infrastructure, changes are made to sellers' or buyers' software interfacing with our solution, or as we further integrate acquired technologies. Any unknown errors or bugs in our software, faulty algorithms, technical or infrastructure problems, or updates to our systems could lead to an inability to effect transactions or process data to place advertisements or price inventory effectively, cause the inadvertent disclosure of proprietary data, or cause advertisements to display improperly or be placed in proximity to inappropriate content. Such errors or failures could also result in negative publicity, disclosure of confidential information, damage to our reputation, loss of or delay in market acceptance of our solution, increased costs or loss of revenue, loss of competitive position, or claims by advertisers for losses sustained by them. We may make errors in the measurement of transactions conducted through our solution, causing discrepancies with the measurements of buyers and sellers, which can lead to a lack of confidence in us and require us to reduce our fees or provide refunds to buyers and sellers. Alleviating problems resulting from errors in our software could require significant expenditures of capital and other resources and could cause interruptions, delays, or the cessation of our business.

Various risks could interrupt access to our network infrastructure or data, exposing us to significant costs and other liabilities.

Our revenue depends on the technological ability of our solution to deliver and measure advertising impressions, and the operation of our exchange and our ability to place impressions depend on the continuing and uninterrupted performance of our IT systems. Our platform operates on our data processing equipment that is housed in third-party commercial data centers that we do not control or on servers owned and operated by cloud-based service providers. We rely on multiple bandwidth providers, multiple internet service providers, as well as content delivery network, or CDN providers, and domain name systems, or DNS providers, and mobile networks to deliver video ads. In addition, our systems interact with systems of buyers and sellers and their contractors. Any damage to, or failure of, these systems could result in interruptions to the availability or functionality of our service. Moreover, the failure of our data center hosting facilities or any other third-party providers to meet

our capacity requirements, or dramatically increased costs of such resources, could result in interruptions in the availability or functionality of our solutions or impede our ability to scale our operations. All of these facilities and systems are vulnerable to interruption and/or damage from a number of sources, many of which are beyond our control, including, without limitation: (i) loss of adequate power or cooling and telecommunications failures; (ii) fire, flood, earthquake, hurricane, and other natural disasters or severe weather events; (iii) software and hardware errors, failures, or crashes; (iv) financial insolvency; and (v) computer viruses, malware, hacking, terrorism, and similar disruptive problems. In particular, intentional cyber-attacks present a serious issue because they are difficult to prevent and remediate and can be used to defraud our buyers and sellers and their clients and to steal confidential or proprietary data from us, our clients, or their users. The use of AI has the potential to further exacerbate these cyber security threats. Further, because our Los Angeles office and San Francisco offices and our California data center sites are in seismically active areas, earthquakes present a particularly serious risk of business disruption. These vulnerabilities may increase with the complexity and scope of our systems and their interactions with buyer and seller systems. Malfunction or failure of our systems, or other systems that interact with our systems, or inaccessibility or corruption of data, could disrupt our operations and negatively affect our business and results of operations to a level in excess of any applicable business interruption insurance, result in potential liability to buyers and sellers, and negatively affect our reputation and ability to sell our solution.

Any breach of our computer systems or confidential data in our possession could expose us to significant expense and liabilities and harm our reputation.

We maintain our own confidential and proprietary information in our IT systems, and we control or have access to confidential, proprietary, and personal data belonging or related to buyers, sellers, and their clients and users, as well as vendors and business partners. Our clients and various third parties have access to our confidential and proprietary information. There is no guarantee that inadvertent or unauthorized use or disclosure will not occur or that third parties will not gain unauthorized access to this data despite our efforts to protect this data. Though we undertake robust security measures, any security incident could disrupt computer systems or networks, interfere with services to our sellers, buyers, or their clients, and result in unauthorized access to personally identifiable information, intellectual property, and other confidential business information owned by us or our buyers, sellers, or vendors. As a result, we could be exposed to legal claims and litigation, indemnity obligations, regulatory fines and penalties, contractual obligations, other liabilities, significant costs for remediation and re-engineering to prevent future occurrences, significant distraction to our business, and damage to our reputation, our relationships with buyers and sellers, and our ability to retain and attract new buyers and sellers. Particularly, if information subject to breach notice statuses is compromised, we may be required to undertake notification and remediation procedures, provide indemnity, and undergo regulatory investigations and penalties, all of which can be extremely costly and result in adverse publicity. If the breach is material, we will be subject to additional SEC disclosure requirements, which may harm our brand, reputation, or overall business.

Failure to detect or prevent fraud, intrusion of malware through our platform into the systems or devices of our clients and their customers, or other actions that impact the integrity of our solution or advertisement performance, could cause sellers and buyers to lose confidence in our solution and expose us to legal claims, which would cause our business to suffer. If we terminate relationships with sellers as a result of our screening efforts, our volume of paid impressions may decline.

We have in the past, and may in the future, be subject to fraudulent and malicious activities undertaken by persons seeking to use our platform for improper purposes, including to divert or artificially inflate purchases by buyers through our platform, or to disrupt or divert the operation of the systems and devices of our clients and their customers to misappropriate information, generate fraudulent billings, stage hostile attacks, or for other illicit purposes. Examples of such activities include the use of bots or other automated or manual mechanisms to generate fraudulent impressions that are delivered through our platform, which could overstate the performance of advertising impressions. Such activities could also include the introduction of malware through our platform by persons seeking to commandeer, or gain access to information on, consumers' devices. We use proprietary and third party technology to identify non-human inventory and traffic, as well as malware, and we generally terminate relationships with parties that appear to be engaging in such activities, which may result in fewer paid impressions in the year the relationships are terminated than would have otherwise occurred. Despite our efforts, it can be difficult to detect fraudulent or malicious activity for various reasons and advancements in AI are likely to exacerbate these challenges. If we fail to detect or prevent fraudulent or other malicious activity, we could face legal claims from clients and/or consumers and the affected advertisers may experience or perceive a reduced return on their investment or heightened risk associated with use of our solution, resulting in dissatisfaction with our solution, refusals to pay, refund demands, loss of confidence of buyers or sellers, or withdrawal of future business. We also face claims from sellers that we terminate because of known or perceived fraudulent activity, and any such claim could be material.

Failure to maintain the brand security features of our solution or handle viewability issues well could harm our reputation and expose us to liabilities.

It is important to sellers that the advertising placed on their media not conflict with existing seller arrangements and be of high quality, consistent with applicable seller standards and compliant with applicable legal and regulatory requirements. It is

important to buyers that their advertisements are placed on appropriate media, in proximity with appropriate content, that the impressions for which they are charged are legitimate, and that their advertising campaigns yield their desired results. We use various measures, including proprietary technology, in an effort to store, manage and process rules set by buyers and sellers and to ensure the quality and integrity of the results delivered to sellers and buyers through our solution. If we fail to properly implement or honor rules established by buyers and sellers, or if our measures are not adequate, advertisements may be improperly placed through our platform, which can result in harm to our reputation as well as the need to pay refunds and other potential legal liabilities.

Moreover, viewability of digital advertising (i.e. whether an advertisement that can be seen is actually seen, in whole or part, or for how long) represents a way of assessing the value of particular inventory as a means to reach a target audience. If we do not handle viewability well, or if we are not positioned to transact the higher viewability inventory competitively, our revenue and profitability could be adversely affected and we could be competitively disadvantaged.

If we fail to attract, motivate, train, and retain highly qualified engineering, marketing, sales and management personnel, our ability to execute our business strategy could be impaired.

We are a technology-driven company and it is imperative that we have highly skilled computer scientists, data scientists, engineers and engineering management to innovate and deliver our complex solutions. Increasing our base of buyers and sellers depends to a significant extent on our ability to expand our sales and marketing operations and activities, and our solution requires a sophisticated sales force with specific sales skills and specialized technical knowledge that takes time to develop. In particular, it may be difficult to find qualified sales personnel in international markets, or sales personnel with experience in emerging segments of the market. Skilled and experienced management is critical to our ability to achieve revenue growth, execute against our strategic vision and maintain our performance through the growth and change we anticipate.

Our success depends significantly upon our ability to recruit, train, motivate, and retain key technology, engineering, sales, and management personnel, and competition for employees with experience in our industry can be intense, particularly in New York, California, Denver, London and Sydney, where our operations and the operations of other digital media companies are concentrated and where other technology companies compete for management and engineering talent. Other employers may be able to provide better compensation, more diverse opportunities and better chances for career advancement. None of our officers or other key employees have an employment agreement for a specific term, and any of such individuals may terminate his or her employment with us at any time.

It can be difficult, time-consuming, and expensive to recruit personnel with the combination of skills and attributes required to execute our business strategy, and we may be unable to hire or retain sufficient numbers of qualified individuals in the markets where we do business or plan to do business. New hires require significant training and it may take significant time (often six months or more) before they achieve full productivity. As a result, we may incur significant costs to attract and retain employees, including significant expenditures related to salaries and benefits and compensation expenses related to equity awards before new hires contribute to sales or productivity, and we may lose new employees to our competitors or other companies before we realize the benefit of our investment in recruiting and training. Moreover, new employees may not be or become as productive as we expect, and we may face challenges in adequately or appropriately integrating them into our workforce and culture. At times we have experienced elevated levels of unwanted attrition, and as our organization grows and changes and competition for talent increases, this type of attrition may increase.

Our proprietary rights may be difficult to enforce, which could enable others to copy or use aspects of our solution without compensating us, thereby eroding our competitive advantages and harming our business.

Our success depends, in part, on our ability to protect proprietary methods and technologies that we develop or otherwise acquire, so that we can prevent others from using our inventions and proprietary information. Establishing trade secret, copyright, trademark, domain name, and patent protection is difficult and expensive. We rely on trademark, copyright, trade secret laws, confidentiality procedures and contractual provisions to protect our proprietary methods and technologies. It may be possible for unauthorized third parties to copy or reverse engineer aspects of our technology or otherwise obtain and use information that we regard as proprietary, or to develop technologies similar or superior to our technology or design around our proprietary rights, despite the steps we have taken to protect our proprietary rights. From time to time, we may take legal action to enforce our intellectual property rights, protect our trade secrets, determine the validity and scope of the proprietary rights of others, or defend against claims of infringement. Such litigation could result in substantial costs and the diversion of limited resources, and might not be successful. If we are unable to protect our proprietary rights (including aspects of our technology solution) we may find ourselves at a competitive disadvantage.

Risks Related to Financing Arrangements

Our financing of the SpotX, Inc. ("SpotX") acquisition and subsequent refinancing significantly increased our leverage, which may put us at greater risk of defaulting on our debt obligations and limit our ability to conduct necessary operating activities, make strategic investments, respond to changing market conditions, or obtain future financing on favorable terms.

We financed the cash portion of the SpotX acquisition consideration in part through borrowings under a credit agreement (the "Credit Agreement") with Goldman Sachs Bank USA as administrative and collateral agent, and other lending parties thereto for a $360.0 million seven-year senior secured term loan facility ("Term Loan B Facility"), a $65.0 million senior secured revolving credit facility ("Revolving Credit Facility"), and the sale of $400.0 million of convertible senior notes ("Convertible Senior Notes"). As part of Term Loan B Facility, the Company received $325 million in proceeds, net of discounts and fees, which were used to finance the SpotX acquisition and related transactions, and for general corporate purposes. The majority of the net proceeds from the offering of Convertible Senior Notes was also used to finance the SpotX acquisition.

On February 6, 2024, we refinanced and terminated our existing Credit Agreement and entered into a new credit agreement with Morgan Stanley Senior Funding, Inc., as term facility administrative agent, Citibank, N.A., as revolving facility administrative agent and collateral agent, and other lending parties (the “New Credit Agreement”) for a $365.0 million term loan that matures in February 2031 and a $175.0 million revolving facility that matures February 2029. On September 18, 2024, we amended our New Credit Agreement to reduce the interest rate margin applicable to our term loan by 0.75%. On March 18, 2025, we again amended our New Credit Agreement to further reduce the interest rate margin applicable to our term loan by an additional 0.75%.

Our debt leverage could adversely affect our business and operating results by:

- making it more difficult for us to make payments on our indebtedness and comply with applicable financial metrics and covenants;
- requiring us to use a substantial portion of our cash flow to pay interest and principal, which reduces the amount available for operations, distributions, acquisitions and capital expenditures;
- making us more vulnerable to economic and industry downturns and reducing our flexibility to respond to changing business and economic conditions;
- requiring us to agree to less favorable terms, including higher interest rates, in order to incur additional debt, and otherwise limiting our ability to borrow for operations, working capital or to finance acquisitions in the future; or
- limiting our flexibility in conducting our business, which may place us at a disadvantage compared to competitors with less debt or debt with less restrictive terms.

Our New Credit Agreement subjects us to operating restrictions and financial covenants that impose risk of default and may restrict our business and financing activities.

The obligations under our New Credit Agreement are secured by substantially all of the assets of the Company and those of its subsidiaries that are guarantors. The covenants of the New Credit Agreement include customary negative covenants that, among other things, restrict the Company’s ability to incur additional indebtedness, grant liens and make certain acquisitions, investments, asset dispositions and restricted payments. In addition, the New Credit Agreement contains a springing financial covenant, tested on the last day of any fiscal quarter if utilization of the Revolving Credit Facility exceeds 35% of the total revolving commitments, that requires the Company to maintain a first lien net leverage ratio not greater than 3.25 to 1.00.

These covenants may restrict our ability to finance our operations and to pursue our business activities and strategies. Our ability to comply with these covenants may be affected by events beyond our control. If a default were to occur and not be waived, such default could cause, among other remedies, all of the outstanding indebtedness under our New Credit Agreement to become immediately due and payable. In such an event, our liquid assets might not be sufficient to meet our repayment obligations, and we might be forced to liquidate collateral assets at unfavorable prices or our assets may be foreclosed upon and sold at unfavorable valuations.

If we do not have or are unable to generate sufficient cash available to repay our debt obligations when they become due and payable, either upon maturity or in the event of a default, we may not be able to obtain additional debt or equity financing on favorable terms, if at all. Our inability to obtain financing may negatively impact our ability to operate and continue our business as a going concern.

Conversion of our Convertible Senior Notes will dilute the ownership interest of existing stockholders, including holders who had previously converted their Convertible Senior Notes, or may otherwise depress the price of our common stock.

In March 2021, we sold Convertible Senior Notes for gross proceeds of $400.0 million. The conversion of some or all of the Convertible Senior Notes will dilute the ownership interests of existing stockholders to the extent we deliver shares of common stock upon conversion of any of the Convertible Senior Notes. The Convertible Senior Notes are not currently

convertible but may from time to time in the future be convertible at the option of their holders prior to their scheduled terms under certain circumstances. Any sales in the public market of the common stock issuable upon such conversion could adversely affect prevailing market prices of our common stock. In addition, the existence of the Convertible Senior Notes may encourage short selling by market participants because the conversion of the Convertible Senior Notes could be used to satisfy short positions, or anticipated conversion of the Convertible Senior Notes into shares of our common stock could depress the price of our common stock.

The Capped Call Transactions may affect the value of the Convertible Senior Notes and our common stock.

In connection with the pricing of the Convertible Senior Notes, we entered into privately negotiated capped call transactions with various financial institutions (the "Capped Call Transactions"). The Capped Call Transactions are expected generally to reduce or offset the potential dilution upon conversion of the Convertible Senior Notes and/or offset any cash payments we are required to make in excess of the principal amount of converted Convertible Senior Notes, as the case may be, with such reduction and/or offset subject to a cap.

In connection with establishing their initial hedges of the Capped Call Transactions, financial institutions or their respective affiliates likely purchased shares of our common stock and/or entered into various derivative transactions with respect to our common stock concurrently with or shortly after the pricing of the Convertible Senior Notes. These financial institutions or their respective affiliates may modify their hedge positions by entering into or unwinding various derivatives with respect to our common stock and/or purchasing or selling our common stock or other securities in secondary market transactions prior to the maturity of the Convertible Senior Notes (and are likely to do so during any observation period related to a conversion of Convertible Senior Notes). This activity could also cause or avoid an increase or a decrease in the market price of our common stock or the Convertible Senior Notes.

The potential effect, if any, of these transactions and activities on the price of our common stock or the Convertible Senior Notes will depend in part on market conditions and cannot be ascertained at this time. Any of these activities could adversely affect the value of our common stock and the value of the Convertible Senior Notes (and as a result, the amount and value of consideration that a holder would receive upon conversion of any Convertible Senior Notes) and, under certain circumstances, a holder’s ability to convert his or her Convertible Senior Notes.

We are subject to counterparty risk with respect to the Capped Call Transactions.

The counterparties to the Capped Call Transactions are financial institutions, and we are subject to the risk that one or more of the counterparties may default or otherwise fail to perform, or may exercise certain rights to terminate, their obligations under the Capped Call Transactions. Our exposure to the credit risk of the option counterparties is not secured by any collateral. Global economic conditions have in the past resulted in the actual or perceived failure or financial difficulties of many financial institutions. If any option counterparty becomes subject to proceedings, we will become an unsecured creditor in those proceedings with a claim equal to our exposure at the time under any Capped Call Transactions with that option counterparty. Our exposure will depend on many factors but, generally, our exposure will increase if the market price or the volatility of our common stock increases. In addition, upon a default or other failure to perform, or a termination of obligations, by a counterparty, the counterparty may fail to deliver the shares of common stock required to be delivered to us under the Capped Call Transactions and we may suffer adverse tax consequences or experience more dilution than we currently anticipate with respect to our common stock. We can provide no assurances as to the financial stability or viability of the counterparties.

The conditional conversion feature of the Convertible Senior Notes, if triggered, may adversely affect our financial condition and operating results.

In the event the conditional conversion feature of the Convertible Senior Notes is triggered, holders of the Convertible Senior Notes will be entitled to convert their Convertible Senior Notes at any time during specified periods at their option. If one or more holders elect to convert their Convertible Senior Notes, unless we elect to satisfy our conversion obligation by delivering solely shares of our common stock (other than paying cash in lieu of delivering any fractional share), we would be required to settle a portion or all of our conversion obligation in cash, which could adversely affect our liquidity.

Provisions in the indenture for the Convertible Senior Notes may deter or prevent a business combination that may be favorable to our stockholders.

If a fundamental change occurs prior to the maturity date of the Convertible Senior Notes, holders of the Convertible Senior Notes will have the right, at their option, to require us to repurchase all or a portion of their Convertible Senior Notes. In addition, if a "make-whole fundamental change" (as defined in the Indenture) occurs prior the maturity date, we will in some cases be required to increase the conversion rate of the Convertible Senior Notes for a holder that elects to convert its Convertible Senior Notes in connection with such make-whole fundamental change.

Furthermore, the Indenture prohibits us from engaging in certain mergers or acquisitions unless, among other things, the surviving entity assumes our obligations under the Convertible Senior Notes. These and other provisions in the Indenture

could deter or prevent a third party from acquiring the Company even when the acquisition may be favorable to our stockholders.

Risks Related to Our International Business Strategy.

Our international operations require increased expenditures and impose additional risks and compliance imperatives, and failure to successfully execute our international plans will adversely affect our growth and operating results.

We have operations outside of North America, in the UK, EU, Australia, New Zealand, Japan, Singapore, India, and Brazil, and achievement of our international objectives will require a significant amount of attention from our management, finance, legal, analytics, operations, sales, and engineering teams, as well as significant investment in developing the technology infrastructure necessary to deliver our solution and maintain sales, delivery, support, and administrative capabilities in the countries where we operate. Attracting new buyers and sellers outside the United States may require more time and expense than in the United States, in part due to language barriers and the need to educate such buyers and sellers about our solution, and we may not be successful in establishing and maintaining these relationships. The data center and telecommunications infrastructure in some overseas markets may not be as reliable as in North America and Europe, which could disrupt our operations. In addition, our international operations will require us to develop and administer our internal controls and legal and compliance practices in countries with different cultural norms, languages, currencies, legal requirements, and business practices than the United States.

International operations also impose risks and challenges in addition to those faced in the United States, including management of a distributed workforce; the need to adapt our offering to satisfy local requirements and standards (including differing privacy policies and labor laws that are sometimes more stringent); laws and business practices that may favor local competitors; legal requirements or business expectations that agreements be drafted and negotiated in the local language and disputes be resolved in local courts according to local laws; the need to enable transactions in local currencies; longer accounts receivable payment cycles and other collection difficulties; the effect of global and regional recessions and economic and political instability; potentially adverse tax consequences in the United States and abroad; staffing challenges, including difficulty in recruiting and retaining qualified personnel as well as managing such a diversity in personnel; reduced or ineffective protection of our intellectual property rights in some countries; and costs and restrictions affecting the repatriation of funds to the United States.

One or more of these requirements and risks may make our international operations more difficult and expensive or less successful than we expect, and may preclude us from operating in some markets. There is no assurance that our international expansion efforts will be successful, and we may not generate sufficient revenue or margins from our international business to cover our expenses or contribute to our growth.

Operating in multiple countries requires us to comply with different legal and regulatory requirements.

Our international operations subject us to laws and regulations of multiple jurisdictions, as well as U.S. laws governing international operations, which are often evolving and sometimes conflict. For example, the Foreign Corrupt Practices Act ("FCPA"), and comparable foreign laws and regulations (including the U.K. Bribery Act) prohibit improper payments or offers of payments to foreign governments and their officials and political parties by U.S. and other business entities for the purpose of obtaining or retaining business. Other laws and regulations prohibit bribery of private parties and other forms of corruption. As we expand our international operations, there is some risk of unauthorized payment or offers of payment or other inappropriate conduct by one of our employees, consultants, agents, or other contractors, including by persons engaged or employed by a business we acquire, which could result in violation by us of various laws, including the FCPA. Safeguards we implement to discourage these practices may prove to be ineffective and violations of the FCPA and other laws may result in severe criminal or civil sanctions, or other liabilities or proceedings against us, including class action lawsuits and enforcement actions from the SEC, Department of Justice, and foreign regulators. Other laws applicable to our international business include local employment, tax, privacy, data security, and intellectual property protection laws and regulations, including restrictions on movement of information about individuals beyond national borders. In particular, as explained in more detail elsewhere in this report, the GDPR imposes substantial compliance obligations and increases the risks associated with collection and processing of personal data. In some cases, buyers and sellers operating in non-U.S. markets may impose additional requirements on our non-U.S. business in efforts to comply with their interpretation of their own or our legal obligations. These requirements may differ significantly from the requirements applicable to our business in the United States and may require engineering, infrastructure and other costly resources to accommodate, and may result in decreased operational efficiencies and performance. As these laws continue to evolve and we expand to more jurisdictions or acquire new businesses, compliance will become more complex and expensive, and the risk of non-compliance will increase.

Compliance with complex foreign and U.S. laws and regulations that apply to our international operations increases our cost of doing business abroad, and violation of these laws or regulations may interfere with our ability to offer our solution competitively in one or more countries, expose us or our employees to fines and penalties, and result in the limitation or

prohibition of our conduct of business. In addition, we have recently received numerous inquiries from foreign regulators asking for information about advertising technology generally and our business specifically. These investigations are costly and time consuming to respond to and divert management attention.

Risks Related to Our Internal Controls and Finances

If we fail to maintain an effective system of internal control over financial reporting in the future, we may not be able to accurately or timely report our financial condition or results of operations. If our internal control over financial reporting is not effective, it may adversely affect investor confidence in us and the price of our common stock.

As a public company, we are required to maintain internal control over financial reporting and to report any material weaknesses in such internal control. Section 404 of the Sarbanes-Oxley Act requires that we evaluate and determine the effectiveness of our internal control over financial reporting and provide a management report on our internal control over financial reporting.

Our platform system applications are complex, multi-faceted and include applications that are highly customized in order to serve and support our clients, advertising inventory and data suppliers, as well as support our financial reporting obligations. We regularly make improvements to our platform to maintain and enhance our competitive position. In the future, we may implement new offerings and engage in business transactions, such as acquisitions, reorganizations or implementation of new information systems. These factors require us to develop and maintain our internal controls, processes and reporting systems, and we expect to incur ongoing costs in this effort. We may not be successful in developing and maintaining effective internal controls, and any failure to develop or maintain effective controls, or any difficulties encountered in their implementation or improvement, could harm our operating results or cause us to fail to meet our reporting obligations and may result in a restatement of our financial statements for prior periods.

If we identify material weaknesses in our internal control over financial reporting, we will be unable to assert that our internal control over financial reporting is effective. If we are unable to assert that our internal control over financial reporting is effective, if our independent registered public accounting firm is unable to express an unqualified opinion as to the effectiveness of our internal control over financial reporting, or if we are unable to comply with the requirements of the Sarbanes-Oxley Act in a timely manner, then, we may be late with the filing of our periodic reports, investors may lose confidence in the accuracy and completeness of our financial reports and the market price of our common stock could be negatively affected. Such failures could also subject us to investigations by Nasdaq, the stock exchange on which our securities are listed, the SEC or other regulatory authorities, and to litigation from stockholders, which could harm our reputation, financial condition or divert financial and management resources from our core business.

Our ability to use our net operating losses and tax credit carryforwards to offset future taxable income may be subject to certain limitations, which could result in higher tax liabilities.

Our ability to fully utilize our net operating loss and tax credit carryforwards to offset future taxable income may be limited.

At December 31, 2025, we had U.S. federal net operating loss carryforwards, or NOLs, of approximately $252.6 million, state NOLs of approximately $205.3 million, foreign NOLs of approximately $17.6 million, federal research and development tax credit carryforwards of approximately $8.1 million, and state research and development tax credit carryforwards of approximately $10.1 million. A lack of future taxable income would adversely affect our ability to utilize these NOLs and credit carryforwards. In addition, under Sections 382 and 383 of the Internal Revenue Code of 1986, as amended, or the Code, and comparable state income tax laws, a corporation that undergoes an "ownership change" is subject to limitations on its ability to utilize its NOLs and credit carryforwards to offset future taxable income following the ownership change. As a result, future changes in our stock ownership, including because of issuance of shares of common stock in connection with acquisitions or other direct or indirect changes in our ownership that may be outside of our control, could result in limitations on our ability to fully utilize our NOLs and credit carryforwards. The Company had an ownership change on December 31, 2016 subjecting the federal and state NOLs to annual limitations that have expired. Additionally, the Company had an ownership change in January 2008 resulting in not material limitation of federal and state NOLs under Section 382 of the Code and comparable state income tax laws. Moreover, not material federal and state NOLs and federal research and development tax credits were generated during the pre-acquisition period by corporations that we acquired, and thus those NOLs already are subject to limitation under Section 382 and 383 of the Code and comparable state income tax laws. Also, prior to the merger, Telaria Inc. ("Telaria") acquired corporations with pre-acquisition NOLs that are subject to limitation under Section 382 of the Code and comparable state income tax laws.

In addition, the Company and Telaria both underwent ownership changes for tax purposes (i.e. a more than 50% change in stock ownership in aggregated 5% shareholders) on April 1, 2020 due to the Merger. As a result, the use of the Company’s total domestic NOL carryforwards and tax credits generated prior to the ownership change will be subject to annual use limitations under Section 382 and Section 383 of the Code and comparable state income tax laws. The Company believes

that the ownership changes will not impact the ability to utilize substantially all of our NOLs and state research and development tax credits to the extent we generate taxable income that can be offset by such losses.

Also, depending on the timing and level of our taxable income, a portion of our NOLs may expire unutilized, which could prevent us from offsetting future taxable income we may generate by the amount of our NOLs and credit carryforwards generated in tax years beginning before December 31, 2018. U.S. federal NOLs generated for tax years beginning before December 31, 2018 can offset 100% of taxable income, however, these NOLs can only be carried forward for 20 years. U.S. federal NOLs generated for tax years beginning after December 31, 2018 can offset 80% of taxable income, however, these NOLs can be carried forward indefinitely.

As of December 31, 2025, we have released our U.S. federal valuation allowances, the majority of our state valuation allowances, and certain foreign valuation allowances on deferred tax assets based on sustained profitability and cumulative three-year pre-tax income. As a result, significant deferred tax assets are reflected on our balance sheet. The realization of these deferred tax assets depends on our ability to generate sufficient taxable income in the relevant jurisdictions during the periods in which the temporary differences reverse and tax attributes remain available. If our actual results differ materially from our projections, if we experience a significant decline in profitability, or if tax laws or interpretations change, we may determine that it is no longer more likely than not that some portion or all of our deferred tax assets will be realized. In such event, we would be required to establish or increase a valuation allowance through income tax expense, which could materially increase our effective tax rate and adversely affect our financial condition and results of operations.

We may require additional capital to support our business or to refinance our existing debt obligations as they come due, and such capital might not be available on terms acceptable to us, if at all. Inability to obtain financing could limit our ability to conduct necessary operating activities, make strategic investments or repay or refinance our existing debt obligations.

Various business challenges and opportunities may require additional funds, including the need to respond to competitive threats or market evolution by developing new solutions and improving our operating infrastructure through additional hiring or acquisition of complementary businesses or technologies, or both. In addition, we could incur significant expenses or shortfalls in anticipated cash generated as a result of unanticipated events in our business or competitive, regulatory, or other changes in our market, or longer payment cycles required or imposed by our buyers.

Our available cash and cash equivalents, any cash we may generate from operations, and our available line of credit under our credit facility may not be adequate to meet our capital needs, and therefore we may need to engage in equity or debt financings to secure additional funds. We may not be able to obtain additional financing on terms favorable to us, if at all. If we are unable to obtain adequate financing on terms satisfactory to us when we require it or are unable to renew our credit facility when it matures or enter into a new one or we are unable to refinance or otherwise satisfy our Convertible Senior Notes before they come due, on terms satisfactory to us or at all, our ability to continue to support our business growth and respond to business challenges could be significantly impaired, and our business and financial condition may be adversely affected.

If we do raise additional funds through future issuances of equity or convertible debt securities, our existing stockholders could suffer significant dilution, and any new equity securities we issue could have rights, preferences and privileges superior to those of holders of our common stock. Any debt financing that we secure in the future could involve restrictive covenants relating to our capital raising activities and other financial and operational matters, including the ability to pay dividends. This may make it more difficult for us to obtain additional capital and to pursue business opportunities, including potential acquisitions. In addition, if we issue debt, the holders of that debt would have prior claims on the Company's assets, and in case of insolvency, the claims of creditors would be satisfied before distribution of value to equity holders, which would result in significant reduction or total loss of the value of our equity.

Risks Related to the Securities Markets and Ownership of our Common Stock

The price of our common stock has been and may continue to be volatile and the value of an investment in our common stock could decline.

The trading price of our common stock has fluctuated substantially and may continue to do so. These fluctuations could result in significant decreases in the value of an investment in our common stock. Factors that could cause fluctuations in the trading price of our common stock include the following:

- announcements of new offerings, products, services or technologies, commercial relationships, acquisitions, or other events by us or our competitors;
- price and volume fluctuations in the overall stock market from time to time;
- significant volatility in the market price and trading volume of technology companies in general and of companies in the digital advertising industry in particular;
- fluctuations in the trading volume of our shares or the size of our public float;

- actual or anticipated changes or fluctuations in our results of operations;
- actual or anticipated changes in the expectations of investors or securities analysts, and whether our results of operations meet these expectations;
- issuance of research reports by analysts or investors;
- litigation involving us, our industry, or both;
- regulatory developments in the United States, foreign countries, or both;
- general economic conditions and trends;
- major catastrophic events;
- political uncertainty;
- breaches or system outages;
- departures of officers or other key employees; or
- an adverse impact on the company resulting from other causes, including any of the other risks described in this report.

In addition, if the market for advertising technology stocks or the stock market, in general, experiences a loss of investor confidence, the trading price of our common stock could decline for reasons unrelated to our business. The trading price of our common stock might also decline in reaction to events that affect other companies in our industry even if these events do not directly affect us. Declines in the price of our common stock, even following increases, may result in securities litigation against us, which would result in substantial costs and divert our management's attention and resources from our business.

We cannot guarantee that our repurchase program will enhance shareholder value, and repurchases could affect the price of our common stock and Convertible Senior Notes.

On February 23, 2026, our Board of Directors approved a repurchase program (the "February 2026 Repurchase Plan"), under which we are authorized to repurchase common stock with an aggregate market value of up to $200.0 million, through February 29, 2028. The February 2026 Repurchase Plan allows us to repurchase our common stock using open market stock purchases, privately negotiated transactions, block trades or other means in accordance with U.S. securities laws. The number of securities repurchased and the timing of repurchases will depend on a number of factors, including, but not limited to, share price, trading volume and general market conditions, along with working capital requirements, general business conditions, other opportunities that we may have for the use or investment of our capital and other factors, and there is no guarantee that any repurchases will enhance shareholder value. The February 2026 Repurchase Plan does not obligate us to repurchase any particular amount of common stock and may be suspended, modified or discontinued at any time at our discretion. The February 2026 Repurchase Plan could affect the price of our common stock, increase volatility and diminish our cash reserves.

Provisions of our charter documents and Delaware law may inhibit a potential acquisition of the company and limit the ability of stockholders to cause changes in company management.

Our amended and restated certificate of incorporation and amended and restated bylaws include provisions, as described below, that could delay or prevent a change in control of the company, and make it difficult for stockholders to elect directors who are not nominated by the current members of our board of directors or take other actions to change company management.

- Our certificate of incorporation gives our board of directors the authority to issue shares of preferred stock in one or more series, and to establish the number of shares in each series and to fix the price, designations, powers, preferences and relative, participating, optional or other rights, if any, and the qualifications, limitations, or restrictions of each series of the preferred stock without any further vote or action by stockholders. The issuance of shares of preferred stock may discourage, delay or prevent a merger or acquisition of the company by significantly diluting the ownership of a hostile acquirer, resulting in the loss of voting power and reduced ability to cause a takeover or effect other changes.
- Our certificate of incorporation provides that our board of directors is classified, with only one of its three classes elected each year, and directors may be removed only for cause and only with the vote of $66\,^{2}/_{3}\%$ of the voting power of stock outstanding and entitled to vote thereon. Further, the number of directors is determined solely by our board of directors, and because we do not allow for cumulative voting rights, holders of a majority of shares of common stock entitled to vote may elect all of the directors standing for election. These provisions could delay the ability of stockholders to change the membership of a majority of our board of directors.
- Under our bylaws, only the board of directors or a majority of remaining directors, even if less than a quorum, may fill vacancies resulting from an increase in the authorized number of directors or the resignation, death or removal of a director.
- Our certificate of incorporation prohibits stockholder action by written consent, so any action by stockholders may only be taken at an annual or special meeting.

- Our certificate of incorporation provides that a special meeting of stockholders may be called only by the board of directors. This could delay any effort by stockholders to force consideration of a proposal or to take action, including the removal of directors.
- Under our bylaws, advance notice must be given to nominate directors or submit proposals for consideration at stockholders' meetings. This gives our board of directors time to defend against takeover attempts and could discourage or deter a potential acquirer from soliciting proxies or making proposals related to an unsolicited takeover attempt.
- The provisions of our certificate of incorporation noted above may be amended only with the affirmative vote of holders of at least 66 $^{2}/_{3}$% of the voting power of all of the then-outstanding shares of the company's voting stock, voting together as a single class. The same two-thirds vote is required to amend the provision of our certificate of incorporation imposing these supermajority voting requirements. Further, our bylaws may be amended only by our board of directors or by the same percentage vote of stockholders noted above as required to amend our certificate of incorporation. These supermajority voting requirements may inhibit the ability of a potential acquirer to effect such amendments to facilitate an unsolicited takeover attempt.
- Our board of directors may amend our bylaws by majority vote. This could allow the board to use bylaw amendments to delay or prevent an unsolicited takeover, and limits the ability of an acquirer to amend the bylaws to facilitate an unsolicited takeover attempt.

We are also subject to Section 203 of the Delaware General Corporation Law, which prohibits us from engaging in any business combination with an interested stockholder for a period of three years from the date the person became an interested stockholder, unless certain conditions are met. These provisions make it more difficult for stockholders or potential acquirers to acquire the company without negotiation and may apply even if some of our stockholders consider the proposed transaction beneficial to them. For example, these provisions might discourage a potential acquisition proposal or tender offer, even if the acquisition proposal or tender offer were to be at a premium over the then-current market price for our common stock. These provisions could also limit the price that investors are willing to pay in the future for shares of our common stock.

Item 1B. Unresolved Staff Comments

None.

Item 1C. Cybersecurity

Cybersecurity is a critical aspect of our business. As the world's largest independent omni-channel sell-side advertising platform, we face a multitude of cybersecurity threats, and our customers rely on us to safeguard their data. These challenges make it imperative that we take information security seriously and, as such, we expend considerable resources on cybersecurity. We have implemented a comprehensive cybersecurity framework to identify, assess, and manage risks from cybersecurity threats that may result in adverse effects on the confidentiality, integrity, and availability of our information systems.

Cybersecurity matters are overseen by our board of directors, which meets quarterly to review the measures implemented by the Company to identify and mitigate cybersecurity risks. Our Chief Information Security Officer ("CISO") reports to the board quarterly on cybersecurity matters. These reports and presentations are prepared with input from members of our senior management team responsible for overseeing the company's cybersecurity risk management, including the Chief Technology Officer, Chief Financial Officer, Chief Legal Officer, Chief People Officer, and SVP, Engineering, who is responsible for the technical infrastructure and engineering organization. In addition, cybersecurity risks and associated mitigation efforts are assessed by senior management as part of the enterprise risk assessment process that includes reporting to and discussion with the audit committee and our board of directors. Further, cybersecurity controls have been integrated into our disclosure controls and procedures.

Our CISO leads the team responsible for implementing, monitoring and maintaining cybersecurity and data protection practices across our business. Our CISO has extensive background, knowledge and skill in cybersecurity, with over 12 years of experience in establishing and maturing cybersecurity strategies and safeguards in the advertising technology space, from small startups to Fortune 500 companies. She holds a bachelors degree, with a certificate in architecture and systems engineering, and a professional education certificate in AI and machine learning.

The CISO receives reports on cybersecurity threats from internal information security personnel and open source intelligence on an ongoing basis and, in conjunction with management, regularly reviews risk management measures implemented by the Company to identify and mitigate cybersecurity risks. These sources all contribute to the building of a comprehensive threat profile for Magnite. The CISO attends meetings of the board of directors to report on any material developments. The Company has protocols by which cybersecurity incidents are reported promptly to management and the legal team.

The Company maintains information security policies which outline the relationship between employees and information technologies and systems within the Company, and set guidelines on how such technologies and systems should and should not be used. These policies are revised regularly by the CISO and reviewed and acknowledged by all Company employees in conjunction with annual cybersecurity training. The security policies outline the requirements for system configuration and administration of systems within the Company, and include steps for reporting cybersecurity incidents and informing and involving senior management and other key stakeholders as appropriate.

With respect to incident response, the Company has adopted an Incident Response Plan (an "IRP") that applies in the event of a cybersecurity threat or incident to provide a standardized framework for responding to security incidents, including malware, hacking, data breach (including third-party data breach), and other types of vulnerabilities. The IRP sets out a coordinated approach to investigating, containing, documenting and mitigating incidents, and provides triage workflows for individuals to follow. Our incident response process is generally based on the NIST Cybersecurity Framework and customized for our business and focuses on four phases: 1) Preparation; 2) Detection and analysis; 3) Containment, eradication and recovery; and 4) In post-incident remediation. The IRP applies to all Company personnel (including third-party contractors, vendors and partners) that perform functions or services requiring access to secure Company information, and to all devices and network services that are owned or managed by the Company. Our incident response team includes our CISO and the security team, along with various business units as applicable and the team undergoes periodic training which includes exercises on monitoring and detection tools.

Security incidents are reviewed by the CISO and the security team as soon as they are discovered or reported. The initial review of a security incident is conducted immediately in order to appropriately determine the severity and urgency of the event, provide the most rapid response possible, and meet disclosure obligations. Key stakeholders and owners of the impacted systems or processes are included in the incident review process and are brought in immediately in the case of potentially critical incidents. All phases of the review process are led by the CISO or another member of the security team, as appropriate.

We perform regular vulnerability scanning of our systems in order to confirm that appropriate security controls are in place and function properly in accordance with established policies. We also have ongoing engagements with security consultants, and vendors help us with annual penetration testing and other tasks as needed. We have a robust internal controls framework and process and issue annual SOC 1 Type 2 reports covering our DV+ and SpringServe platforms. We also delivered an audited SOC2 Type 1 report covering our DV+ and SpringServe platforms in 2025. In addition to our internal audit team, we have a dedicated governance, risk and compliance manager who helps promote compliance with our control framework.

As detailed elsewhere in this Annual Report on Form 10-K, we also rely on information technology and third-party vendors to support our operations, including our secure processing of personal, confidential, proprietary and other types of information. We use state of the art systems with respect to the type of information processed, and employ processes designed to identify and reduce

the potential impact of a security incident with a third-party vendor or customer or otherwise impact the third-party technology and systems we use. Despite ongoing efforts to drive continuous improvement of our and our vendors' ability to protect against cyber-attacks, we may not be able to protect all information systems at all times. Any incidents may lead to reputational harm, revenue and client loss, legal actions, statutory penalties, among other consequences.

Although we maintain a robust cybersecurity program, due to the evolving cybersecurity threat landscape, it has and will continue to be difficult to prevent, detect, mitigate, and remediate cybersecurity incidents. While we are not aware of any risks from cybersecurity threats or incidents that have materially affected or are reasonably likely to materially affect the Company, including its business strategy, results of operations, or financial condition, there can be no guarantee that we will not be the subject of future successful attacks, threats or incidents. To mitigate against such risks, the company carries cybersecurity insurance that provides protection against potential losses arising from a cybersecurity incident. Refer to Item 1A. "Risk Factors" for additional information related to cybersecurity risks and the impact they may have on our operations.

Item 2. Properties

Our corporate headquarters are located in New York, New York, where we occupy office space totaling approximately 54,080 square feet under leases that expire in 2038. We use these facilities for our principal administration, sales and marketing, technology and development, and engineering activities.

We also have an office in Los Angeles under a lease that expires in 2032 that is approximately 38,754 square feet and lease additional offices and maintain data centers in other locations in North America, South America, Europe, Australia, and Asia. We believe that our current facilities are adequate to meet our current needs, and that, if we require additional space, we will be able to obtain additional facilities on commercially reasonable terms.

Item 3. Legal Proceedings

We and our subsidiaries may from time to time be parties to legal or regulatory proceedings, lawsuits and other claims incident to our business activities and to our status as a public company. Such routine matters may include, among other things, assertions of contract breach or intellectual property infringement, claims for indemnity arising in the course of our business, claims relating to our collection or use of data, regulatory investigations, audits by taxing authorities, or enforcement proceedings, and claims by persons whose employment has been terminated. For example, we have recently been subject to class action lawsuits alleging violations of various privacy statutes. Additionally, on September 16, 2025, we filed the Google Action. For additional information, refer to the "Regulatory Developments and Google Litigation" section in Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Such matters are subject to many uncertainties, and outcomes are not predictable with assurance. Consequently, we are unable to ascertain the ultimate aggregate amount of monetary liability or awards, amounts which may be covered by insurance or recoverable from third parties, or the financial impact with respect to such matters as of December 31, 2025. However, based on our knowledge as of December 31, 2025, we believe that the final resolution of such matters pending at the time of this report, individually and in the aggregate, will not have a material adverse effect upon our consolidated financial position, results of operations or cash flows.

Refer to Note 13—"Commitments and Contingencies" for additional information related to legal proceedings.

Item 4. Mine Safety Disclosures

Not applicable.

PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

Our common stock is listed on the Nasdaq Global Select Market of the Nasdaq Stock Market LLC ("Nasdaq") under the symbol "MGNI."

Holders of Record

As of February 19, 2026, there were approximately 42 holders of record of our common stock. The actual number of stockholders is greater than this number of record holders and includes stockholders who are beneficial owners but whose shares are held in street name by brokers and other nominees. This number of holders also does not include stockholders whose shares may be held in trust by other entities.

Dividend Policy

We have never declared or paid any dividends and we do not anticipate paying any cash dividends in the foreseeable future. In addition, our credit facility contains restrictions on our ability to pay dividends.

Recent Sales of Unregistered Securities

None.

Purchases of Equity Securities by the Issuer and Affiliated Purchasers

Common stock repurchases during the quarter ended December 31, 2025 were as follows (in thousands, except per share amounts):

Period	Total Number of Shares Purchased	Average Price per Share	Total number of shares purchased as part of a Publicly Announced Program	Maximum Approximate Dollar Value that May Yet be Purchased Under the Program
October 1 - October 31, 2025				
Equity withholding[1]	—	$ —	—	$ —
Repurchase program[2]	—	$ —	—	$ 87,547
November 1 - November 30, 2025				
Equity withholding[1]	400	$ 14.15	—	$ —
Repurchase program[2]	—	$ —	—	$ 87,547
December 1 - December 31, 2025				
Equity withholding[1]	—	$ —	—	$ —
Repurchase program[2]	1,500	$ 15.60	1,500	$ 64,145
	1,900		1,500	

[1] Upon vesting of most restricted stock units or stock awards, we are required to deposit minimum statutory employee withholding taxes on behalf of the holders of the vested awards. As reimbursement for these tax deposits, we have the option to withhold from shares otherwise issuable upon vesting a portion of those shares with a fair market value equal to the amount of the deposits we paid. Withholding of shares in this manner is accounted for as a repurchase of common stock.

[2] On February 1, 2024, our Board of Directors approved a share repurchase program (the "February 2024 Repurchase Plan") under which the Company is authorized to repurchase common stock or Convertible Senior Notes, with an aggregate market value of up to $125.0 million, through February 1, 2026. Shares repurchased under the February 2024 Repurchase Plan in the quarter ended December 31, 2025 have been subsequently retired, which was recorded as a reduction in additional paid in capital. The average price per share purchased under the February 2024 Repurchase Plan includes broker commission costs. As of December 31, 2025, $64.1 million remains available under the February 2024 Repurchase Plan.

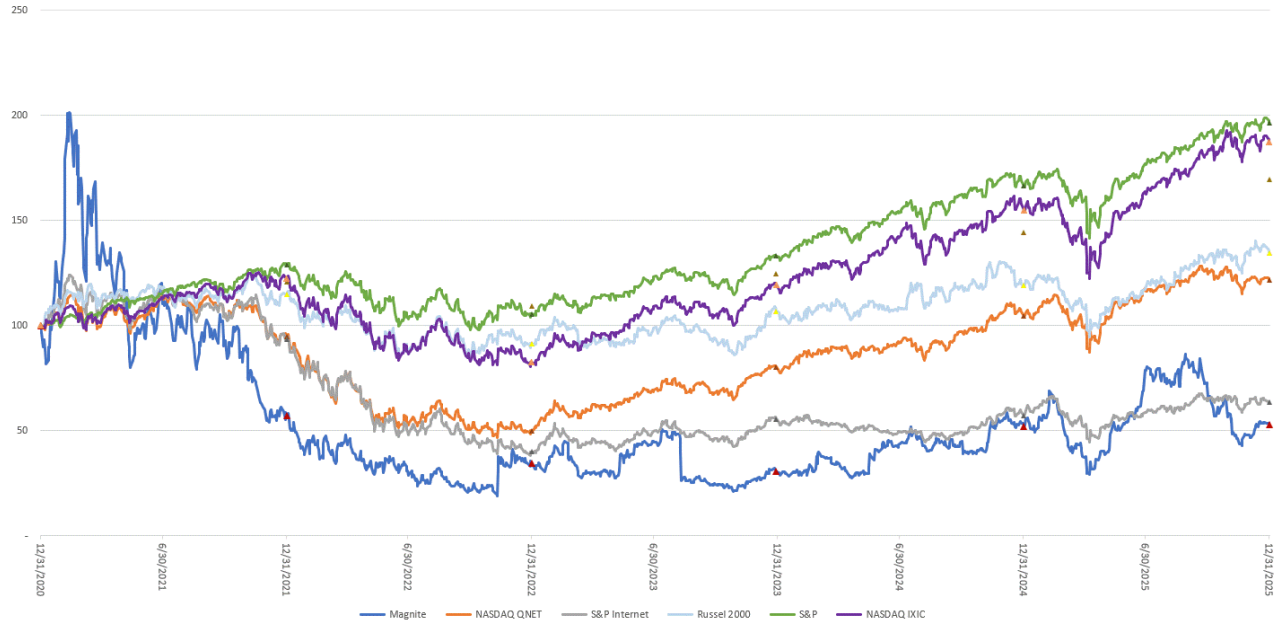
Stock Performance Graph

This performance graph shall not be deemed "soliciting material" or to be "filed" with the SEC for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities under that Section, and shall not be deemed to be incorporated by

reference into any filing of ours under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such filing.

The following graph compares the cumulative total stockholder return on an initial investment of $100 in our common stock between December 31, 2020 and December 31, 2025, with the comparative cumulative total returns of the S&P 500 Index, Nasdaq Composite, Nasdaq Internet Index, S&P Internet Select Industry Index, and Russell 2000 Index over the same period. As previously discussed, we have not paid any cash dividends and, therefore, the cumulative total return calculation for us is based solely upon stock price appreciation (depreciation) and not reinvestment of cash dividends, whereas the data for the comparative indexes assumes reinvestments of dividends. The returns shown are based on historical results and are not necessarily indicative of, nor intended to forecast, future stock price performance.

COMPARISON OF CUMULATIVE TOTAL RETURN



Item 6. Reserved

Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

You should read the following discussion and analysis of our financial condition and results of operations in conjunction with the consolidated financial statements and the related notes to those statements included in Item 8 to this Annual Report on Form 10-K. In addition to historical financial information, the following discussion contains forward-looking statements that reflect our plans, estimates, beliefs, and expectations and that involve risks and uncertainties. Our actual results and the timing of events could differ materially from those discussed in these forward-looking statements. Factors that could cause or contribute to these differences include those discussed below and elsewhere in this Annual Report on Form 10-K, particularly in "Item 1A. Risk Factors" and the "Special Note About Forward-Looking Statements; Summary of Risk Factors."

Overview and Trends

See "Item 1. Business" for an overview of our business, the industry in which we operate, and important industry trends.

Recent Developments

Financial Highlights

The following represents our consolidated financial highlights for the years ended December 31, 2025, 2024, and 2023:

	Year Ended			Change %	
	December 31, 2025	December 31, 2024	December 31, 2023	2025 vs 2024	2024 vs 2023
	(in thousands)				
Financial Measures and non-GAAP Financial Measures:					
Revenue	$ 713,953	$ 668,170	$ 619,710	7 %	8 %
Gross profit	447,334	409,332	209,804	9 %	95 %
Contribution ex-TAC*	669,633	606,942	549,147	10 %	11 %
Net income (loss)	144,613	22,786	(159,184)	535 %	NM
Adjusted EBITDA*	232,131	196,850	171,364	18 %	15 %

NM - Not meaningful

* Contribution ex-TAC and Adjusted EBITDA are Non-GAAP measures. Refer to discussion in section "Key Operating and Financial Performance Metrics" for a definition of Contribution ex-TAC and Adjusted EBITDA, as well as reconciliations of gross profit to Contribution ex-TAC and Net income (loss) to Adjusted EBITDA, for the years ended December 31, 2025, 2024, and 2023, respectively.

Over the past several years, we have made a number of investments to build what we believe is the leading independent programmatic CTV platform, including our 2021 acquisitions of SpotX, a leading CTV supply side platform, and SpringServe, a leading ad server for CTV. We believe these transactions are highly strategic, as the combination of our SSP and ad server allows us to offer publishers an independent full-stack solution that works across their entire video advertising business, for both programmatic and directly sold inventory, to manage yield and drive value. As a result of our investments, CTV has become the biggest growth driver of our business, with revenue growing 9% and Contribution ex-TAC growing 17% year-over-year from 2024 to 2025.

We believe that we are well positioned to take advantage of a number of favorable market trends in CTV. In particular, as the pace of adoption has accelerated and the streaming market has proliferated, the largest streaming publishers have adopted ad-supported models leading to a significant increase in the amount of CTV inventory available for advertisers.

Despite the proliferation of CTV advertising inventory, CTV sellers have been slower to embrace biddable environments with multiple buyers compared to desktop and mobile sellers. Currently, the vast majority of CTV advertising is transacted through reserve auctions that are established by a sellers direct sales team with a single buyer. This is particularly true of larger publishers and broadcasters that are newer to programmatic advertising and have large direct sales forces, as reserve auctions allow the seller to maintain tighter control over their advertising allocation. These publishers have continued to increase their focus and investment in programmatic CTV, and in recent periods have grown as a percentage of our CTV business.

As the industry matures, we anticipate that market dynamics will lead CTV sellers to make a greater percentage of inventory available through biddable auction environments with multiple buyers rather than programmatic guaranteed, in order to accommodate a broader set of advertisers that have not historically advertised on linear TV. We believe that this shift, if it were to occur, would likely be beneficial to our CTV growth as biddable transactions tend to require a higher level of service and therefore carry a higher take-rate compared to reserve auctions. At the same time, we expect CTV advertisers that have historically transacted on our platform through managed service insertion orders to continue to shift budgets towards more automated solutions, which tend

to carry a lower take rate; and as a result, we expect transactions through managed service insertion orders to become a smaller component of our overall business.

We have made and plan to continue to make significant investments in technology, sales and support related to our CTV growth initiatives, and believe CTV will be a significant driver of our revenue growth for the foreseeable future. In April 2025, we announced the introduction of our next generation SpringServe CTV platform. The new SpringServe platform combines the features and functionalities of our streaming SSP and ad server to provide a more efficient connection for buyers to premium CTV supply, while offering powerful tools and streamlined workflow for sellers through a single user interface.

In addition to CTV, we track mobile and desktop channels. We expect our revenue and Contribution ex-TAC from each of these channels to grow at a slower rate compared to CTV, with mobile expected to grow at a higher rate than desktop. In particular, we believe growth rates for open web display will be lower across both mobile and desktop, consistent with the overall decline in search referral traffic. We expect our desktop and mobile web business to continue to decline as an overall percentage of our revenue in future periods; however, we expect that contributions from these channels will continue to represent a significant percentage of our revenue in the near term. Therefore, the mix of our desktop and mobile web business will continue to have a negative effect on our overall growth rate.

Our mobile channel consists of mobile web and mobile applications, with mobile applications expected to be a larger driver of our growth in future periods. A significant portion of the mobile application inventory on our platform is made available through third-party mobile technology platforms or aggregators, rather than application developers themselves. Accordingly, we are focused on expanding our relationships with these third parties in order to increase our access to inventory. Other important growth initiatives for our mobile and desktop channels include: bringing additional advertising demand to sellers through SPO and other buyer initiatives; increasing the operational efficiency of our platform to reduce costs for us as well as the process costs for buyers; developing alternative identity solutions to increase the value of seller inventory, as the industry shifts away from third-party cookies; leveraging our machine learning and big data set to improve traffic shaping and generate higher-quality matching between buyers and sellers; and increasing adoption of our proprietary SDK for mobile in-app advertising.

We anticipate that our operating expenses will continue to increase in absolute dollars for the foreseeable future as we invest in technology and development to enhance our product features, in particular CTV, as well as sales and marketing to acquire new clients and reinforce our relationships with existing clients. At the same time, we are making additional investments in on-prem data centers to support a higher percentage of CTV transactions, with the goal of increasing the operational efficiency of our platform in order to realize long-term cost savings.

Regulatory Developments and Google Litigation

On April 17, 2025, the United States District Court for the Eastern District of Virginia (the "Court") ruled that Google LLC ("Google") had violated federal antitrust laws by willfully acquiring and maintaining monopoly power in the display publisher ad server market and display ad exchange (also called an SSP) market, and had unlawfully tied its display ad server and ad exchange. Having found Google liable, the Court held closing arguments in November 2025 to determine what remedies are appropriate to restore competition to the affected markets. While the specific timing and nature of these remedies remains uncertain, and Google has indicated its intent to appeal the decision, we expect this ruling to have a significant positive impact on our industry and business prospects.

Our mobile and desktop SSP competes directly with Google's ad exchange for the placement of display ads within the Google display ad server, which is estimated to be used by approximately 90% of open-web publishers. We believe that the conduct found to be unlawful by the Court provided Google's ad exchange with an unfair advantage relative to rival exchanges, such as our SSP, and artificially depressed our ability to win impressions within the Google display ad server. Moreover, we believe that Google's illegal conduct foreclosed the ability of publishers to freely choose what SSPs or exchanges they worked with to monetize inventory. As such, any remedy that creates a more level playing field and increases publisher choice is likely to improve our ability to monetize a greater share of display inventory while growing our market share in open-web display.

On September 16, 2025, in light of the Court's decision, we filed a lawsuit against Google in the U.S. District Court of the Eastern District of Virginia, seeking damages and other remedies (the "Google Action"). Our complaint alleges that Google engaged in anticompetitive conduct in the ad exchange and ad server markets in violation of federal antitrust laws, including actions that restrict publishers' ability to use competing services and favor Google's own advertising exchange, which caused us substantial harm and lost opportunity. Refer to "Our litigation with Google LLC presents potential risks that could adversely affect our business, results of operations and financial condition" in Item 1A. "Risk Factors".

Macroeconomic Developments

Macroeconomic challenges, such as inflation, tariffs and trade wars, the interest rate environment, global conflicts, the risk of a recession, and labor strikes, generally have a negative impact on ad budgets, which in turn may lead to slower ad spend growth through our platform. Any worsening of macroeconomic conditions in future periods would likely have a negative effect on our financial results, the magnitude of which is difficult to predict. In addition, inflation and tariffs could result in an increase in our cost

base relative to our revenue and increased cost associated with our infrastructure investments. Moreover, in response to U.S. tariffs, foreign countries in which we operate may enact additional or new taxes that are applicable to our business.

Refer to Item 1A. "Risk Factors" for additional information related to risks associated with macroeconomic challenges.

Components of Our Results of Operations

We report our financial results as one operating segment. Our consolidated operating results are regularly reviewed by our chief operating decision maker, principally to make decisions about how we allocate our resources and to measure our consolidated operating performance.

Revenue

We generate revenue from the use of our platform for the purchase and sale of digital advertising inventory. Generally, our revenue is based on a percentage of the ad spend that runs through our platform, although for certain clients, services, or transaction types, we may receive a fixed CPM for each impression sold, and for advertising campaigns that are transacted through insertion orders, we earn revenue based on the full amount of ad spend that runs through our platform. In addition, we may receive certain fixed monthly fees for the use of our platform or products. We recognize revenue upon the fulfillment of our contractual obligations in connection with a completed transaction, subject to satisfying all other revenue recognition criteria. For the majority of transactions executed through our platform, we act as an agent on behalf of the publisher that is monetizing its inventory, and revenue is recognized net of any advertising inventory costs that we remit to sellers. With respect to managed advertising campaigns that are transacted through insertion orders, we report revenue on a gross basis, based primarily on our determination that the Company acts as the primary obligor in the delivery of advertising campaigns for our buyer clients with respect to such transactions.

For the years ended December 31, 2025, 2024, and 2023, our revenue reported on a gross basis was 10%, 14%, and 18% of total revenue for the respective periods. The decline in our revenue reported on a gross basis as a percentage of our revenue is primarily due to declines in our managed service business, which is accounted for on a gross basis, as advertisers continue to shift budgets towards more automated solutions.

Our revenue recognition policies are discussed in more detail in Note 2 of the "Notes to the Consolidated Financial Statements."

Expenses

We classify our expenses into the following categories:

Cost of Revenue. Our cost of revenue primarily consists of cloud hosting, data center, and bandwidth costs, ad verification costs, depreciation and maintenance expense of hardware supporting our revenue-producing platform, amortization of internally-developed software costs for the development of our revenue-producing platform, amortization expense associated with acquired developed technologies, personnel costs, and software costs. In addition, for revenue booked on a gross basis, cost of revenue includes traffic acquisition costs. Personnel costs included in cost of revenue include salaries, bonuses, and stock-based compensation, and are primarily attributable to personnel in our network operations group who support our platform. We capitalize costs associated with software that is developed or obtained for internal use and amortize the costs associated with our revenue-producing platform in cost of revenue over their estimated useful lives. We amortize acquired developed technologies over their estimated useful lives.

Sales and Marketing. Our sales and marketing expenses primarily consist of personnel costs, including salaries, bonuses, and stock-based compensation, as well as marketing expenses such as brand marketing, travel expenses, trade shows and marketing materials, amortization expense associated with client relationships, and non-compete agreements from our business acquisitions, professional services, facilities-related costs, and depreciation expense. Our sales and support organization focuses on increasing the adoption of our solution by existing and new buyers and sellers and supports ongoing client relationships. We amortize acquired intangibles associated with client relationships from our business acquisitions over their estimated useful lives.

Technology and Development. Our technology and development expenses primarily consist of personnel costs, including salaries, bonuses, and stock-based compensation, as well as professional services associated with the ongoing development and maintenance of our solution, software costs, facilities-related costs, and depreciation and amortization expense. These expenses include costs incurred in the development, implementation, and maintenance of internal use software, including platform and related infrastructure. Technology and development costs are expensed as incurred, except to the extent that such costs are associated with internal use software development that qualifies for capitalization, which are then recorded as internal use software development costs, net, on our consolidated balance sheets. We amortize internal use software development costs that relate to our revenue-producing activities on our platform to cost of revenue and amortize other internal use software development costs to technology and development costs or general and administrative expenses, depending on the nature of the related project. We amortize acquired intangibles associated with technology and development functions from our business acquisitions over their estimated useful lives.

General and Administrative. Our general and administrative expenses primarily consist of personnel costs, including salaries, bonuses, and stock-based compensation, associated with our executive, finance, legal, human resources, compliance, and other administrative personnel, as well as accounting and legal professional services fees, facilities-related costs, depreciation expense, bad debt expense, and other corporate-related expenses.

Merger, Acquisition, and Restructuring Costs. Our merger, acquisition, and restructuring costs primarily consist of professional service fees associated with merger and acquisition activities, cash-based employee termination costs, related stock-based compensation charges, and other restructuring activities, including facility closures, relocation costs, contract termination costs, and impairment costs of abandoned technology associated with restructuring activities.

Other (Income) Expense

Interest (Income) Expense, Net. Interest expense primarily consists of interest expense associated with our 2024 Term Loan B Facility (defined below), 2021 Term Loan B Facility (defined below) and Convertible Senior Notes (defined below), and their related amortization of debt issuance costs and debt discount. Interest income primarily consists of interest earned on our cash equivalents.

Foreign Currency Exchange (Gain) Loss, Net. Foreign currency exchange (gain) loss, net consists of gains and losses on foreign currency transactions and remeasurement of monetary assets and liabilities on our balance sheet denominated in foreign currencies. Foreign currency monetary assets and liabilities primarily consists of cash and cash equivalents, accounts receivable, accounts payable, and various intercompany balances held between our subsidiaries. Our primary foreign currency exposures are currencies other than the U.S. Dollar, principally the Australian Dollar, British Pound, Euro, Japanese Yen, and New Zealand Dollar.

(Gain) Loss on Extinguishment of Debt. Gain or loss on extinguishment of debt consists of gains or losses associated with the repurchases of Convertible Senior Notes at a discount or premium and gains or losses associated with the refinancing of our debt facilities, including the extinguishment of unamortized debt discount, debt issuance costs, and deferred financing costs.

Other Income. Other income primarily consists of rental income from commercial office space we hold under lease and have sublet to other tenants.

Provision (Benefit) for Income Taxes

We are subject to income taxes in the U.S. (federal and state) and numerous foreign jurisdictions. Tax laws, regulations, administrative practices, principles, and interpretations in various jurisdictions may be subject to significant change, with or without notice, due to economic, political, and other conditions, and significant judgment is required in evaluating and estimating our provision and accruals for these taxes. There are many transactions that occur during the ordinary course of business for which the ultimate tax determination is uncertain. Our effective tax rates could be affected by numerous factors, such as changes in our business operations, acquisitions, investments, entry into new businesses and geographies, intercompany transactions, the relative amount of our foreign earnings, including earnings being lower than anticipated in jurisdictions where we have lower statutory rates and higher than anticipated in jurisdictions where we have higher statutory rates, losses incurred in jurisdictions for which we are not able to realize related income tax benefits, the applicability of special tax regimes, changes in foreign currency exchange rates, changes in our stock price, changes in our deferred tax assets ("DTAs") and liabilities and their valuation, changes in the laws, regulations, administrative practices, principles, and interpretations related to tax, including changes to the global tax framework, competition, and other laws and accounting rules in various jurisdictions.

During the year ended December 31, 2025, we recorded an income tax benefit primarily driven by the release of our U.S. federal valuation allowances, the majority of our state valuation allowances, and certain foreign valuation allowances on deferred tax assets. The release was supported by sustained profitability and our cumulative three-year pre-tax income position, together with forecasts of future taxable income. As a result of this release, our effective tax rate for 2025 differs significantly from prior periods. A material valuation allowance release is not expected to recur in future periods.

Results of Operations

The following table sets forth our consolidated results of operations:

	Year Ended			Change %	
	December 31, 2025	December 31, 2024	December 31, 2023	2025 vs 2024	2024 vs 2023
	(in thousands)				
Revenue	$ 713,953	$ 668,170	$ 619,710	7 %	8 %
Expenses:					
Cost of revenue	266,619	258,838	409,906	3 %	(37)%
Sales and marketing	171,668	166,142	173,982	3 %	(5)%
Technology and development	84,712	95,243	94,318	(11)%	1 %
General and administrative	93,191	96,860	89,048	(4)%	9 %
Merger, acquisition, and restructuring costs	162	—	7,465	NM	(100)%
Total expenses	616,352	617,083	774,719	— %	(20)%
Income (loss) from operations	97,601	51,087	(155,009)	91 %	NM
Other expense, net	26,974	24,603	2,538	10 %	869 %
Income (loss) before income taxes	70,627	26,484	(157,547)	167 %	NM
Provision (benefit) for income taxes	(73,986)	3,698	1,637	NM	126 %
Net income (loss)	$ 144,613	$ 22,786	$ (159,184)	535 %	NM

NM - Not meaningful

The following table sets forth our consolidated results of operations for the specified periods as a percentage of our revenue for those periods presented:

	Year Ended		
	December 31, 2025	December 31, 2024	December 31, 2023
Revenue	100 %	100 %	100 %
Cost of revenue	37	39	66
Sales and marketing	24	25	28
Technology and development	12	14	15
General and administrative	13	14	14
Merger, acquisition, and restructuring costs	—	—	1
Total expenses	86	92	125
Income (loss) from operations	14	8	(25)
Other expense, net	4	4	—
Income (loss) before income taxes	10	4	(25)
Provision (benefit) for income taxes	(10)	1	—
Net income (loss)	20 %	3 %	(26) %
Note: Percentages may not sum due to rounding			

Comparison of the Years Ended December 31, 2025, 2024, and 2023

Revenue

Revenue increased $45.8 million, or 7%, for the year ended December 31, 2025 compared to the prior year. Our revenue growth was driven primarily by growth in CTV and mobile. Revenue from CTV, mobile, and desktop increased by $28.7 million, or 9%, $16.1 million, or 7%, and $1.0 million, or 1%, respectively.

Revenue increased $48.5 million, or 8%, for the year ended December 31, 2024 compared to the prior year. Our revenue growth was driven primarily by growth in CTV and mobile. Revenue from CTV, mobile, and desktop increased by $35.3 million, or 13%, $12.1 million, or 5%, and $1.0 million, or 1%, respectively.

Our CTV revenue growth for the year ended December 31, 2025 compared to the respective prior year period was negatively impacted by a decline in the relative percentage of transactions reported on a gross basis, compared to on a net basis. Transactions reported on a gross basis generally result in a higher revenue contribution with an associated increase in our traffic acquisition costs. See "Key Operating and Financial Performance Metrics" below for a discussion of Contribution ex-TAC, which presents a year-over-year comparison of our CTV growth, without considering the impact of traffic acquisition costs related to revenue reported on a gross basis.

Our revenue is largely a function of the number of advertising transactions and the price, or CPM, at which the inventory is sold, which results in total advertising spend on our platform, and, with respect to our revenue reported on a net basis, the take rate we charge for our services. Because pricing and take rate vary across publisher, channel, and transaction type, our revenue is subject to changes in publisher-specific take rates, and shifts in the mix of advertising spend on our platform among publishers and transaction types.

For 2026, we believe our revenue will increase compared to the prior year period and we expect CTV will continue to be our biggest growth driver.

Cost of Revenue

Cost of revenue increased $7.8 million, or 3%, for the year ended December 31, 2025 compared to the prior year, primarily due to increases of $11.5 million in cloud hosting, data center, and bandwidth expenses, $9.1 million in software costs, and $4.0 million in personnel costs. These increases were partially offset by decreases of $16.9 million in traffic acquisition costs due to a decrease in revenue reported on a gross basis.

Cost of revenue decreased $151.1 million, or 37%, for the year ended December 31, 2024 compared to the prior year, primarily due to decreases of $164.4 million in depreciation and amortization, which was primarily driven by certain acquired intangible assets becoming fully amortized in the third quarter of 2023. These decreases were partially offset by increases of $11.8 million in cloud hosting, data center, and bandwidth expenses, primarily due to revenue growth and an associated increase in the volume of transactions processed on our platform.

On January 1, 2024, we extended the estimated useful lives of our network hardware assets from three years to five years, which was due to actual and expected longer refresh cycles for these assets. Based on the related asset balance as of December 31, 2023 and those placed in service during the year ended December 31, 2024, the effect of this change reduced depreciation expense by $12.6 million for the full year ending December 31, 2024 when compared to what depreciation expense would have been based on the original expected useful lives of three years.

Cost of revenue may fluctuate from quarter to quarter and period to period, on an absolute dollar basis and as a percentage of revenue, depending on revenue levels and the volume of transactions we process supporting those revenues, whether transactions are reported on a gross or net basis, and the timing and amounts of depreciation and amortization of equipment and software.

Sales and Marketing

Sales and marketing expenses increased $5.5 million, or 3%, for the year ended December 31, 2025 compared to the prior year, primarily due to increases of $10.2 million in personnel costs. These increases were partially offset by decreases of $6.6 million in depreciation and amortization, which were primarily driven by certain acquired intangible assets becoming fully amortized in 2025.

Sales and marketing expenses decreased $7.8 million, or 5%, for the year ended December 31, 2024 compared to the prior year, primarily due to decreases of $17.4 million in depreciation and amortization, which were primarily driven by certain acquired intangible assets becoming fully amortized in 2023. These decreases were partially offset by increases of $9.5 million of personnel costs.

Sales and marketing expenses may fluctuate quarter to quarter and period to period, on an absolute dollar basis and as a percentage of revenue, based on revenue levels, the timing of our investments and seasonality in our industry and business.

Technology and Development

Technology and development expenses decreased $10.5 million, or 11%, for the year ended December 31, 2025 compared to the prior year, primarily due to decreases of $4.6 million in personnel costs and $4.1 million in software costs.

Technology and development expenses increased $0.9 million, or 1%, for the year ended December 31, 2024 compared to the prior year.

The timing and amount of our capitalized development and enhancement projects may affect the amount of development costs expensed in any given period. As a percentage of revenue, technology and development expense may fluctuate from quarter to quarter and period to period based on revenue levels, the timing and amounts of technology and development efforts, the timing and the rate of the amortization of internally-developed capitalized projects and the timing and amounts of future capitalized internally-developed software costs.

General and Administrative

General and administrative expenses decreased $3.7 million, or 4%, for the year ended December 31, 2025 compared to the prior year, primarily due to decreases of $4.0 million in insurance and business taxes and $3.1 million in refinancing expenses associated with our 2024 Term Loan B Facility (defined below). These decreases were partially offset by increases of $2.0 million in personnel costs.

General and administrative expenses increased by $7.8 million, or 9%, for the year ended December 31, 2024 compared to the prior year, primarily due to increases of $5.9 million in personnel costs, $4.1 million in expenses associated with refinancing our 2021 Credit Agreement (defined below) in February 2024 and repricing our 2024 Term Loan B Facility (defined below) in September 2024, and $3.7 million in insurance and business taxes. These increases were partially offset by decreases of $4.1 million in bad debt expense and $2.7 million in facilities-related costs. The higher bad debt expense in 2023 as compared to 2024 was primarily due to a buyer defaulting on payment obligations and filing for bankruptcy, resulting in bad debt expense of $4.2 million.

General and administrative expenses may fluctuate from quarter to quarter and period to period based on the timing and amounts of expenditures in our general and administrative functions as they vary in scope and scale over periods. Such fluctuations may not be directly proportional to changes in revenue.

Merger, Acquisition, and Restructuring Costs

We incurred $0.2 million of merger, acquisition, and restructuring costs for the year ended December 31, 2025 and did not incur any merger, acquisition, and restructuring costs for the year ended December 31, 2024.

For the year ended December 31, 2023, we incurred $7.5 million of merger, acquisition, and restructuring costs consisting of $3.4 million of severance related expenses, $2.2 million of facilities related loss contracts, and $1.4 million of exit costs all due to restructuring activities as a result of consolidating our legacy CTV and SpotX CTV platforms following the SpotX, Inc. acquisition in 2021.

Other (Income) Expense, Net

	Year Ended		
	December 31, 2025	December 31, 2024	December 31, 2023
	(in thousands)		
Interest expense, net	$ 18,923	$ 27,032	$ 32,369
Foreign exchange (gain) loss, net	6,972	(5,083)	1,953
(Gain) loss on extinguishment of debt	2,152	7,706	(26,480)
Other income	(1,073)	(5,052)	(5,304)
Total other expense, net	$ 26,974	$ 24,603	$ 2,538

Interest expense, net decreased by $8.1 million during the year ended December 31, 2025 compared to the prior year primarily due to a decrease in interest expense as a result of the refinancing and repricing of our term loan facilities.

Interest expense, net decreased by $5.3 million during the year ended December 31, 2024 compared to the prior year primarily due to an increase in interest income and a decrease in interest expense as a result of lower Convertible Senior Notes (defined below) outstanding throughout 2024 as compared to the prior year period and the lower interest incurred under the 2024 Term Loan B Facility (defined below) compared to the 2021 Term Loan B Facility (defined below).

Foreign exchange (gain) loss, net changed by $12.1 million during the year ended December 31, 2025 compared to the prior year, due to movements in foreign currency exchange rates and the amount of foreign currency-denominated cash, receivables, and payables, which were impacted by our billings to buyers, payments to sellers, and intercompany balances. Foreign exchange (gain) loss, net changed by $7.0 million during the year ended December 31, 2024 compared to the prior year, for the same reasons above.

The loss on extinguishment of debt of $2.2 million for the year ended December 31, 2025 was due to the March 2025 repricing of our 2024 Term Loan B Facility (defined below) and the loss on extinguishment of debt of $7.7 million for the year ended December 31, 2024 was due to the refinancing of our 2021 Credit Agreement (defined below) in February 2024 and the repricing of our 2024 Term Loan B Facility (defined below) in September 2024. Our refinancing and repricing activities are further discussed below. The gain on extinguishment of debt of $26.5 million for the year ended December 31, 2023 was due to the repurchase of portions of our Convertible Senior Notes (defined below).

Other income decreased by $4.0 million for year ended December 31, 2025 compared to the prior year primarily due to decreases in rental income from real estate leases for which we sublease to other tenants. Other income was relatively flat for the year ended December 31, 2024 compared to the prior year as we had similar levels of sublease activity in each of the respective periods.

Provision (Benefit) for Income Taxes

We recorded an income tax benefit of $74.0 million for the year ended December 31, 2025 compared to an income tax expense of $3.7 million and $1.6 million for the years ended December 31, 2024 and 2023, respectively. The income tax benefit for the year ended December 31, 2025 was primarily driven by the release of our U.S. federal valuation allowances, the majority of our state valuation allowances, and certain of our foreign valuation allowances on deferred tax assets. The release was supported by sustained profitability and our cumulative three-year pre-tax income position, together with forecasts of future taxable income. As a result of the valuation allowance release, our effective tax rate for 2025 differs significantly from prior periods. A material valuation allowance release is not expected to recur in future periods.

On July 4, 2025, the President of the United States signed H.R. 1, commonly referred to as the "One Big Beautiful Bill Act" into law. These changes were reflected in the income tax provision for the year ended December 31, 2025. We have evaluated the tax law as it relates to our financials and determined there is no material impact on the period presented above. Based on current projections, the continuing impact will be a deferral of the payment of current income taxes over multiple years; however, we expect the net impact to our effective tax rate for 2026 to be immaterial. We will continue to monitor for any impact of future guidance.

The income tax expense for the year ended December 31, 2024 was primarily the result of the domestic valuation allowance and the federal, state, and foreign income tax liabilities.

The income tax expense for the year ended December 31, 2023 was primarily the result of the domestic valuation allowance and the federal, state, and foreign income tax liabilities.

Key Operating and Financial Performance Metrics

In addition to our GAAP results, we review non-GAAP financial measures, including Contribution ex-TAC and Adjusted EBITDA, to help us evaluate our business on a consistent basis, measure our performance, identify trends affecting our business, establish budgets, measure the effectiveness of investments in our technology and development and sales and marketing, and assess our operational efficiencies. Our non-GAAP financial measures are discussed below. Revenue, cost of revenue, and net income (loss) are discussed above under the headings "Components of Our Results of Operations" and "Results of Operations."

Contribution ex-TAC

Contribution ex-TAC is calculated as gross profit plus cost of revenue excluding traffic acquisition cost ("TAC"). Traffic acquisition cost, a component of cost of revenue, represents what we must pay sellers for the sale of advertising inventory through our platform for revenue reported on a gross basis. Contribution ex-TAC is a non-GAAP financial measure that is most comparable to gross profit. Our management believes Contribution ex-TAC is a useful measure in facilitating a consistent comparison against our core business without considering the impact of traffic acquisition costs related to revenue reported on a gross basis.

Our use of Contribution ex-TAC has limitations as an analytical tool and you should not consider it in isolation or as a substitute for analysis of our financial results as reported under GAAP. A potential limitation of this non-GAAP financial measure is that other companies, including companies in our industry which have similar business arrangements, may define Contribution ex-TAC differently, which may make comparisons difficult. Because of these and other limitations, you should consider our non-GAAP measures only as supplemental to GAAP-based financial performance measures, including revenue, gross profit, net income (loss) and cash flows.

The following table presents the calculation of gross profit and reconciliation of gross profit to Contribution ex-TAC for the years ended December 31, 2025, 2024, and 2023, respectively:

	Year Ended			Change %	
	December 31, 2025	December 31, 2024	December 31, 2023	2025 vs 2024	2024 vs 2023
	(in thousands)				
Revenue	$ 713,953	$ 668,170	$ 619,710	7 %	8 %
Less: Cost of revenue	266,619	258,838	409,906	3 %	(37)%
Gross profit	447,334	409,332	209,804	9 %	95 %
Add back: Cost of revenue, excluding TAC	222,299	197,610	339,343	12 %	(42)%
Contribution ex-TAC	$ 669,633	$ 606,942	$ 549,147	10 %	11 %

Sellers use our technology to monetize their content across all digital channels, including CTV, mobile, and desktop. We track the breakdown of Contribution ex-TAC across channels to better understand how our clients are transacting on our platform.

The following table presents Contribution ex-TAC by channel for the years ended December 31, 2025, 2024, and 2023:

Contribution ex-TAC

	Year Ended			Change %	
	December 31, 2025	December 31, 2024	December 31, 2023	2025 vs 2024	2024 vs 2023
	(in thousands)				
Channel:					
CTV	$ 304,192	$ 260,159	$ 218,494	17 %	19 %
Mobile	258,963	242,018	226,826	7 %	7 %
Desktop	106,478	104,765	103,827	2 %	1 %
Total	$ 669,633	$ 606,942	$ 549,147	10 %	11 %

Contribution ex-TAC increased $62.7 million, or 10%, for the year ended December 31, 2025 compared to the year ended December 31, 2024.

Contribution ex-TAC increased $57.8 million, or 11%, for the year ended December 31, 2024 compared to the year ended December 31, 2023.

For 2026, we expect Contribution ex-TAC will increase compared to the prior year period, and we expect CTV will be our biggest growth driver in 2026.

Adjusted EBITDA

We define Adjusted EBITDA as net income (loss) adjusted to exclude stock-based compensation expense, depreciation and amortization, including amortization of acquired intangible assets, impairment charges, interest income or expense, provision (benefit) for income taxes, and certain cash and non-cash based income or expenses that we do not consider indicative of our core operating performance, including, but not limited to foreign exchange gains and losses, acquisition and related items, gains or losses on extinguishment of debt, other debt refinancing expenses, certain litigation expenses, and non-operational real estate and other expenses (income), net. We believe Adjusted EBITDA is useful to investors in evaluating our performance for the following reasons:

- Adjusted EBITDA is widely used by investors and securities analysts to measure a company's performance without regard to items such as those we exclude in calculating this measure, which can vary substantially from company to company depending upon their financing, capital structures, and the method by which assets were acquired.
- Our management uses Adjusted EBITDA in conjunction with GAAP financial measures for planning purposes, including the preparation of our annual operating budget, as a measure of performance and the effectiveness of our business strategies, and in communications with our board of directors concerning our performance. Adjusted EBITDA is also used as a metric for determining payment of cash incentive compensation.
- Adjusted EBITDA provides a measure of consistency and comparability with our past performance that many investors find useful, facilitates period-to-period comparisons of operations, and also facilitates comparisons with other peer companies, many of which use similar non-GAAP financial measures to supplement their GAAP results.

Although Adjusted EBITDA is frequently used by investors and securities analysts in their evaluations of companies, Adjusted EBITDA has limitations as an analytical tool, and should not be considered in isolation or as a substitute for analysis of our results of operations as reported under GAAP. These limitations include:

- Stock-based compensation is a non-cash charge and will remain an element of our long-term incentive compensation package, although we exclude it as an expense when evaluating our ongoing operating performance for a particular period.
- Depreciation and amortization are non-cash charges, and the assets being depreciated or amortized will often have to be replaced in the future, but Adjusted EBITDA does not reflect any cash requirements for these replacements.
- Impairment charges are non-cash charges related to goodwill, intangible assets and/or long-lived assets.
- Adjusted EBITDA does not reflect certain cash and non-cash charges related to acquisition and related items, such as amortization of acquired intangible assets, merger, acquisition, or restructuring related severance costs, certain transaction expenses, and changes in the fair value of contingent consideration.
- Adjusted EBITDA does not reflect cash and non-cash charges related to interest income and interest expense and certain financing transactions such as gains or losses on extinguishment of debt or other debt refinancing expenses.
- Adjusted EBITDA does not reflect cash requirements for income taxes and the cash impact of other income or expense.
- Adjusted EBITDA does not reflect litigation expenses for specific proceedings.
- Adjusted EBITDA does not reflect certain non-operational real estate and other (income) and expense, net.
- Adjusted EBITDA does not reflect changes in our working capital needs, capital expenditures, or contractual commitments.
- Other companies may calculate Adjusted EBITDA differently than we do, limiting its usefulness as a comparative measure.

Our Adjusted EBITDA is influenced by fluctuations in our revenue, cost of revenue, and the timing and amounts of the cost of our operations. Adjusted EBITDA should not be considered as an alternative to net income (loss), income (loss) from operations, or any other measure of financial performance calculated and presented in accordance with GAAP.

The following table presents a reconciliation of net income (loss), the most comparable GAAP measure, to Adjusted EBITDA for the years ended December 31, 2025, 2024, and 2023:

	Year Ended		
	December 31, 2025	December 31, 2024	December 31, 2023
	(in thousands)		
Net income (loss)	$ 144,613	$ 22,786	$ (159,184)
Add back (deduct):			
Stock-based compensation expense	76,648	76,519	72,617
Depreciation and amortization expense, excluding amortization of acquired intangible assets	38,528	28,376	38,330
Amortization of acquired intangibles	15,146	30,134	202,490
Merger, acquisition, and restructuring costs, excluding stock-based compensation expense	162	—	7,322
Interest expense, net	18,923	27,032	32,369
Provision (benefit) for income taxes	(73,986)	3,698	1,637
Foreign exchange (gain) loss, net	6,972	(5,083)	1,953
(Gain) loss on extinguishment of debt	2,152	7,706	(26,480)
Other debt refinancing expense	967	4,103	—
Litigation expense [1]	1,116	—	—
Non-operational real estate and other expense, net	890	1,579	310
Adjusted EBITDA	$ 232,131	$ 196,850	$ 171,364

[1] Litigation expense includes professional and legal expenses related to the Google Action and defense costs relating to class action privacy litigation, net of insurance recoveries. For additional information, see the "Regulatory Developments and Google Litigation" section and Part I, Item 3. "Legal Proceedings."

Adjusted EBITDA increased by $35.3 million during the year ended December 31, 2025 compared to the year ended December 31, 2024 and increased by $25.5 million during the year ended December 31, 2024 compared to the year ended December 31, 2023.

Liquidity and Capital Resources

Liquidity

At December 31, 2025, we had cash and cash equivalents of $553.4 million, of which $74.5 million was held in foreign currency denominated cash and cash equivalents accounts, and an aggregate gross principal amount of $565.5 million of indebtedness outstanding under our 2024 Term Loan B Facility (as defined below) and our Convertible Senior Notes (as defined below). In addition, we were party to a $175.0 million 2024 Revolving Credit Facility (as defined below), of which approximately $4.0 million was assigned to outstanding but undrawn letters of credit. See "Capital Resources" below for further information about our outstanding debt.

Our known principal cash requirements for the twelve-month period following this report primarily consist of personnel costs, contractual payment obligations, including office leases, cloud hosting, data center, and bandwidth expenses, capital expenditures, payment of interest, required principal payments on our Convertible Senior Notes, which mature in March 2026, and our 2024 Term Loan B Facility, cash outlays for income taxes, and cash requirements to fund working capital. We plan to repay the outstanding Convertible Senior Notes upon maturity with our cash and cash equivalents balance. In the longer term, we would expect to have similar cash requirements, excluding the one-time payment related to the maturity of our Convertible Senior Notes, with increases in absolute dollars associated with the continued growth of our business and expansion of operations. See "Contractual Obligations and Known Future Cash Requirements" for a further discussion of our known material contractual obligations.

On February 1, 2024, the Board of Directors approved a repurchase plan (the "February 2024 Repurchase Plan"), which fully replaced the prior repurchase plan, pursuant to which we were authorized to repurchase common stock or Convertible Senior Notes, with an aggregate market value of up to $125.0 million, through February 1, 2026. During the year ended December 31, 2025, we repurchased 3.4 million shares of the Company's common stock for an aggregate amount of $46.3 million. As of December 31, 2025, $64.1 million remained available under the February 2024 Repurchase Plan. We repurchased 33,800 shares in

January 2026 before the expiration of the February 2024 Repurchase Plan on February 1, 2026. On February 23, 2026, the Board of Directors approved a new repurchase plan (the "February 2026 Repurchase Plan"), which authorized the repurchase of common stock with a value up to $200.0 million, through February 29, 2028.

Our working capital needs and cash conversion cycle, which is influenced by seasonality and by the mix of terms among our buyers and sellers and which may be negatively impacted as a result of pandemics, inflationary, recessionary and other macroeconomic challenges, can have large fluctuations due to the timing of receipts from buyers and timing of disbursements to sellers. In addition, in the event a buyer defaults on payment, we may still be required to pay sellers for the inventory purchased. The impacts from changes in working capital and capital expenditures can significantly impact our cash flows and therefore, our liquidity during any period presented.

We have historically relied upon cash and cash equivalents, cash generated from operations, borrowings under credit facilities and issuance of debt for our liquidity needs. Our ability to meet our cash requirements depends on, among other things, our operating performance, competitive developments, and financial market conditions, all of which are significantly affected by business, financial, economic, political, global health-related and other factors, many of which we may not be able to control or influence.

We believe our existing cash and cash equivalents, cash generated from operating activities, and amounts available to borrow under our 2024 Revolving Credit Facility will be sufficient to meet our liquidity requirements for at least the next twelve months from the issuance of our financial statements. However, there are multiple factors that could impact our cash balances in the future, including the factors described above with respect to working capital and cash conversion cycles, as well as the duration and severity of events beyond our control, macroeconomic factors and other factors set forth in Part I, Item 1A: "Risk Factors" of this Annual Report on Form 10-K.

Capital Resources

In March 2021, we sold convertible senior notes ("Convertible Senior Notes") for gross proceeds of $400.0 million. The Convertible Senior Notes are senior, unsecured obligations with interest payable semi-annually in cash at a rate of 0.25% per annum in arrears on March 15 and September 15. The Convertible Senior Notes will mature on March 15, 2026, unless earlier converted, redeemed, or repurchased. The initial conversion rate is 15.6539 shares per $1,000 principal amount of notes, which represents an initial conversion price of approximately $63.88 per share of the Company’s common stock and is subject to adjustment as described in the Offering Memorandum. At December 31, 2025, the balance of the Convertible Senior Notes was $204.8 million, net of unamortized debt issuance costs of $0.3 million, and was reflected as debt, current, net of debt issuance costs in the Company's balance sheet.

In conjunction with the issuance of the Convertible Senior Notes, we entered into capped call transactions to reduce the Company's exposure to additional cash payments above principal balances in the event of a cash conversion of the Convertible Senior Notes. The Company may owe additional cash or shares to the holders of the Convertible Senior Notes upon early conversion if our stock price exceeds $91.260 per share, which is subject to certain adjustments.

On February 6, 2024, we entered into a credit agreement (the "2024 Credit Agreement") with Morgan Stanley Senior Funding, Inc. as our term loan administrative agent and Citibank, N.A. as our revolving facility administrative agent and collateral agent, and other lender parties thereto. The 2024 Credit Agreement provided for a $365.0 million seven-year senior secured term loan facility (the "2024 Term Loan B Facility") and a $175.0 million five-year senior secured revolving credit facility (the "2024 Revolving Credit Facility"). The proceeds from the 2024 Term Loan B Facility were used, among other things, to terminate and to repay in full the outstanding facilities under the prior credit agreement entered into in April 2021 (the "2021 Credit Agreement"), which included a term loan facility (the "2021 Term Loan B Facility") and a revolving facility (the "2021 Revolving Credit Facility").

On September 18, 2024, we entered into Amendment No. 1 to the 2024 Credit Agreement ("Amendment No. 1"), which reduced the interest rate of the 2024 Term Loan B Facility by 75 basis points to Term SOFR plus a margin of 3.75% from the previous rate of Term SOFR plus a margin of 4.50% and on March 18, 2025, we entered into Amendment No. 2 to the 2024 Credit Agreement ("Amendment No. 2"), which reduced the interest rate of the 2024 Term Loan B Facility by an additional 75 basis points to Term SOFR plus a margin of 3.00%. The remaining terms of the 2024 Term Loan B Facility and the 2024 Revolving Credit Facility were substantially unchanged by these amendments.

At December 31, 2025, the balance of the 2024 Term Loan B Facility was $351.3 million, net of unamortized debt discount and debt issuance costs of $9.2 million, and amounts available under the 2024 Revolving Credit Facility were $171.0 million, net of letters of credit outstanding in the amount of $4.0 million.

In the future, we may attempt to raise additional capital through the sale of equity securities or through equity-linked or debt financing arrangements. If we raise additional funds by issuing equity or equity-linked securities, the ownership of our existing stockholders may be diluted. If we raise additional financing by incurring indebtedness, we will be subject to increased fixed payment obligations and could also be subject to financial maintenance covenants, or restrictive covenants, such as limitations on our ability to incur additional debt, and other operating restrictions that could adversely impact our ability to conduct our business.

Any future indebtedness we incur may result in terms that could be unfavorable to equity investors. An inability to raise additional capital could adversely affect our ability to achieve our business objectives.

Our cash and cash equivalents balance is affected by our results of operations, the timing of capital expenditures, and by changes in our working capital, particularly changes in accounts receivable and accounts payable. The timing of cash receipts from buyers and payments to sellers can significantly impact our cash flows from operating activities and our liquidity for, and within, any period presented. Our collection and payment cycle can vary from period to period depending upon various circumstances, including seasonality, and may be negatively impacted by certain macroeconomic challenges, such as capital market disruptions and instability of financial institutions.

Cash Flows

The following table summarizes our cash flows for the periods presented:

	Year Ended		
	December 31, 2025	December 31, 2024	December 31, 2023
	(in thousands)		
Cash flows provided by operating activities	$ 236,168	$ 235,201	$ 214,367
Cash flows used in investing activities	(92,765)	(47,502)	(37,383)
Cash flows used in financing activities	(75,084)	(28,904)	(177,842)
Effects of exchange rate changes on cash and cash equivalents	1,823	(1,794)	575
Change in cash and cash equivalents	$ 70,142	$ 157,001	$ (283)

Operating Activities

Our cash flows from operating activities are primarily driven by revenue generated by our business, offset by the cash costs of operations, and are significantly influenced by the timing of and fluctuations in receipts from buyers and related payments to sellers. Our future cash flows will be diminished if we cannot increase our revenue levels and manage costs appropriately.

During the year ended December 31, 2025, net cash provided by operating activities was $236.2 million, compared to net cash provided by operating activities of $235.2 million and $214.4 million during the years ended December 31, 2024 and 2023, respectively. Our operating activities included net income of $144.6 million, net income of $22.8 million, and net loss of $159.2 million for the years ended December 31, 2025, 2024, and 2023, respectively. Non-cash adjustments of $63.2 million, $135.8 million, and $298.1 million increased cash provided by operating activities in 2025, 2024, and 2023 respectively. Net changes in our working capital also resulted in increases of $28.3 million, $76.6 million, and $75.5 million in cash provided by operating activities in 2025, 2024, and 2023 respectively. The net changes in working capital for all periods presented are primarily due to the timing of cash receipts from buyers and the timing of payments to sellers.

Investing Activities

Our primary investing activities have consisted of purchases of property and equipment, capital expenditures in support of creating and enhancing our technology infrastructure, and acquisitions of businesses. Purchases of property and equipment and investments in internal use software development may vary from period-to-period due to the timing of the expansion of our operations, changes to headcount, and the cycles of our internal use software development.

During the year ended December 31, 2025, net cash used in investing activities was $92.8 million, compared to net cash used in investing activities of $47.5 million and $37.4 million during the years ended December 31, 2024 and 2023, respectively. During the year ended December 31, 2025, 2024, and 2023, we primarily used cash for purchases of property and equipment of $70.5 million, $32.8 million, and $26.8 million, respectively, and used cash for investments in our internally developed software of $13.8 million, $14.3 million, and $10.6 million, respectively. During the year ended December 31, 2025, we also used cash of $8.1 million to acquire Streamrai, Inc. (the "Streamr.ai Acquisition").

We anticipate cash flows used in our investing activities will decrease in 2026 compared to 2025.

Financing Activities

Our financing activities primarily consisted of our debt refinancing and repricing activities, Convertible Senior Notes transactions, repayment of amounts borrowed under our 2024 Term Loan B Facility and our 2021 Term Loan B Facility, and transactions related to our share repurchases and equity plans.

During the year ended December 31, 2025, net cash used in financing activities was $75.1 million, compared to net cash used in financing activities of $28.9 million and $177.8 million for the years ended December 31, 2024 and 2023, respectively. Cash outflows from financing activities for the year ended December 31, 2025 primarily included $92.6 million of payments to certain 2024 Term Loan B Facility lenders related to our Amendment No. 2 repricing activity, $46.3 million of payments related to share repurchases, and $32.9 million for taxes paid related to net share settlement of stock-based awards. The outflows were partially offset by cash proceeds primarily consisting of $92.6 million from certain 2024 Term Loan B Facility lenders related to our Amendment No. 2 repricing activity, cash proceeds from the employee stock purchase plan of $3.9 million, and cash proceeds from stock options exercised of $3.1 million. In connection with Amendment No. 2, $270.6 million of principal debt balance from Amendment No. 1 was rolled over as part of non-cash financing activities while the remaining $92.6 million principal balance from Amendment No. 1 was repaid and then reissued under Amendment No. 2 as mentioned above.

Cash outflows from financing activities for the year ended December 31, 2024 primarily included $403.1 million of payments related to paying off our 2021 Term Loan B Facility in February 2024 and repricing our 2024 Term Loan B Facility in September 2024, $22.5 million for taxes paid related to net share settlement of stock-based awards, $14.6 million of payments related to share repurchases, and $4.5 million of payments related to debt issuance costs related to the issuance of our 2024 Term Loan B Facility and 2024 Revolver Facility in February 2024. The outflows were partially offset by cash proceeds primarily consisting of $413.5 million from the issuance of our 2024 Term Loan B Facility, net of debt discount, and the repricing of our 2024 Term Loan B Facility in September 2024, and cash proceeds from the employee stock purchase plan of $3.6 million. In connection with Amendment No. 1 in September 2024, $312.0 million of the principal balance was rolled over as part of non-cash financing activities while the remaining $52.1 million principal debt balance was repaid and reissued as mentioned above.

Cash outflows from financing activities for the year ended December 31, 2023 primarily included $165.5 million of payments related to repurchasing our Convertible Senior Notes, $11.8 million for taxes paid related to net share settlement of stock-based awards, $3.6 million for repayment of our 2021 Term Loan B Facility, and $2.3 million for payment of our indemnification claims holdback related to a historical acquisition. These outflows for the year ended December 31, 2023 were partially offset by cash proceeds from issuance of common stock under our employee stock purchase plan of $3.5 million and from stock options exercised of $2.2 million.

Contractual Obligations and Known Future Cash Requirements

Our principal commitments as of December 31, 2025 consist of obligations under our Convertible Senior Notes, 2024 Term Loan B Facility, 2024 Revolving Credit Facility, leases for our various office facilities, including our corporate headquarters in New York, New York and offices in Los Angeles, California, and operating lease agreements, including data centers and cloud hosting services that expire at various times through 2038, and the indemnification holdback associated with the Streamr.ai Acquisition. In certain cases, the terms of the lease agreements provide for rental payments on a graduated basis.

The following table summarizes our future lease obligations, payments of principal and interest under our debt agreements and other future payments due under non-cancelable agreements at December 31, 2025:

	2026	2027	2028	2029	2030	Thereafter	Total
	(in thousands)						
Lease liabilities associated with leases included right-of-use assets as of December 31, 2025	$ 23,385	$ 18,216	$ 13,891	$ 13,835	$ 6,222	$ 3,718	$ 79,267
Obligations for leases not included in lease liabilities as of December 31, 2025	1,855	2,555	2,657	2,763	2,874	33,552	46,256
Convertible Senior Notes	205,067	—	—	—	—	—	205,067
Interest, Convertible Senior Notes	256	—	—	—	—	—	256
2024 Term Loan B Facility [1]	3,632	3,632	3,632	3,632	3,632	342,294	360,454
Interest, 2024 Term Loan B Facility [2]	24,518	24,204	24,023	23,709	23,462	2,363	122,279
Contractual fees related to the 2024 Term Loan B Facility and the 2024 Revolving Credit Facility [3]	645	645	645	242	38	—	2,215
Indemnification claims holdback	1,000	1,000	—	—	—	—	2,000
Other non-cancelable obligations	122,494	69,934	10,712	458	447	37	204,082
Total	$ 382,852	$ 120,186	$ 55,560	$ 44,639	$ 36,675	$ 381,964	$ 1,021,876

[1] Includes only customary scheduled loan amortization payments and excludes currently unknown prepayment amounts that may be required, per terms of the 2024 Credit Agreement after the end of each fiscal year.

[2] Interest payments are based on an assumed rate of 6.72%, which was the rate as of December 31, 2025 for the associated 2024 Term Loan B Facility.

[3] Includes estimated fees based on current available amounts under our 2024 Revolving Credit Facility and using the current commitment rate as of December 31, 2025, fees based on outstanding but undrawn letters of credit as of December 31, 2025, and fees owed to our administrative agents for both facilities under the 2024 Credit Agreement.

Obligations for leases not included in the lease liabilities as of December 31, 2025 include commitments under agreements for office space and data centers that have not commenced as of December 31, 2025.

Payments associated with our Convertible Senior Notes, 2024 Term Loan B, and 2024 Revolving Credit Facility are based on contractual terms and intended timing of repayments of current and long-term debt and associated interest and required fees.

Other non-cancelable obligations above consist of agreements in the normal course of business that are in excess of one year as of December 31, 2025. The amounts above include commitments under a cloud-managed services agreement, under which we have a non-cancelable commitment from July 2025 to June 2028 containing minimum spend amounts for each twelve-month period (i.e. July 2025 to June 2026, July 2026 to June 2027, and July 2027 to June 2028) as well as an additional minimum spend amount over the entire three-year term. The table above approximates the manner in which we expect to fulfill the obligation.

In the ordinary course of business, we enter into agreements with sellers, buyers, and other third parties pursuant to which we agree to indemnify buyers, sellers, vendors, lessors, business partners, lenders, stockholders, and other parties with respect to certain matters, including, but not limited to, losses resulting from claims of intellectual property infringement, damages to property or persons, business losses, or other liabilities. Generally, these indemnity and defense obligations relate to our own business operations, obligations, and acts or omissions. However, under some circumstances, we agree to indemnify and defend contract counterparties against losses resulting from their own business operations, obligations, and acts or omissions, or the business operations, obligations, and acts or omissions of third parties. These indemnity provisions generally survive termination or expiration of the agreements in which they appear. In addition, we have entered into indemnification agreements with our directors, executive officers and certain other officers that will require us, among other things, to indemnify them against certain liabilities that may arise by reason of their status or service as directors, officers, or employees. No demands for indemnification have been made as of December 31, 2025.

Critical Accounting Policies and Estimates

Our consolidated financial statements are prepared in accordance with GAAP. The preparation of these consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, expenses, and related disclosures. We evaluate our estimates and assumptions on an ongoing basis. Our estimates are based on

historical experience and various other assumptions that we believe to be reasonable under the circumstances. Our actual results could differ from these estimates.

We believe that the following assumptions and estimates have the greatest potential impact on our consolidated financial statements: (i) the determination of revenue recognition as net versus gross in our revenue arrangements and (ii) the determination of amounts to capitalize and the estimated useful lives of internal-use software development costs. There have been no significant changes in our accounting policies or estimates from those disclosed in our audited consolidated financial statements and notes thereto for the years ended December 31, 2025, 2024 and 2023.

We believe that the accounting policies disclosed below include estimates and assumptions critical to our business and their application could have a material impact on our consolidated financial statements. In addition to these critical policies, our significant accounting policies are included within Note 2 of our "Notes to Consolidated Financial Statements" within this Annual Report on Form 10-K.

Revenue Recognition

We generate revenue from transactions where we provide a platform for the purchase and sale of digital advertising inventory. Generally, our revenue is based on a percentage of the ad spend that runs through our platform, although for certain clients, services, or transaction types we may receive a fixed CPM for each impression sold, and for advertising campaigns that are transacted through insertion orders, we earn revenue based on the full amount of ad spend that runs through our platform. In addition, we may receive certain fixed monthly fees for the use of our platform or products. Our platform dynamically connects sellers and buyers of advertising inventory in a digital marketplace. Our solution incorporates proprietary machine-learning algorithms, sophisticated data processing, high-volume storage, detailed analytics capabilities, and a distributed infrastructure. Digital advertising inventory is created when consumers access sellers' content. Sellers provide digital advertising inventory to our platform in the form of advertising requests, or ad requests. When we receive ad requests from sellers, we send bid requests to buyers, which enable buyers to bid on sellers' digital advertising inventory. Winning bids can create advertising, or paid impressions, for the seller to present to the consumer.

The total volume of spending between buyers and sellers on our platform is referred to as advertising spend. We keep a percentage of that advertising spend as a fee, and remit the remainder to the seller. The fee that we retain from the gross advertising spend on our platform is recognized as revenue. The fee earned on each transaction is based on the pre-existing agreement we have with the seller and the clearing price of the winning bid. We recognize revenue upon fulfillment of our performance obligation to a client, which occurs at the point in time an ad renders and is counted as a paid impression, subject to a contract existing with the client and a fixed or determinable transaction price. Performance obligations for all transactions are satisfied, and the corresponding revenue is recognized, at a distinct point in time. We consider the following when determining if a contract exists (i) contract approval by all parties, (ii) identification of each party's rights regarding the goods or services to be transferred, (iii) specified payment terms, (iv) commercial substance of the contract, and (v) collectability of substantially all of the consideration is probable.

The determination of whether revenue should be reported on a gross or net basis is based on an assessment of whether we are acting as the principal or an agent in the transaction. In determining whether we are acting as the principal or an agent, we followed the accounting guidance for principal-agent considerations. Making such determinations involves judgment and is based on an evaluation of the terms of each arrangement, none of which are considered presumptive or determinative.

For the majority of transactions on our platform, we report revenue on a net basis as we do not act as the principal in the purchase and sale of digital advertising inventory because we do not have control of the digital advertising inventory and do not set prices agreed upon within the auction marketplace. However, with respect to certain revenue streams for managed advertising campaigns that are transacted through insertion orders, we report revenue on a gross basis, based primarily on our determination that we act as the primary obligor in the delivery of advertising campaigns for buyers with respect to such transactions.

Internal Use Software Development Costs

We capitalize certain internal use software development costs associated with creating and enhancing internally developed software related to our technology infrastructure. These costs include personnel and related employee benefits expenses for employees who are directly associated with and who devote time to software projects, and external direct costs of materials and services consumed in developing or obtaining the software. Software development costs that do not meet the qualification for capitalization, as further discussed below, are expensed as incurred and recorded in technology and development expenses in the results of operations.

Software development activities generally consist of three stages, (i) the planning stage, (ii) the application and infrastructure development stage, and (iii) the post implementation stage. Costs incurred in the planning and post implementation stages of software development, including costs associated with the post-configuration training and repairs and maintenance of the developed technologies, are expensed as incurred. We capitalize costs associated with software developed for internal use when the planning stage is completed, management has authorized further funding for the completion of the project, and it is probable that the project will be completed and perform as intended. Costs incurred in the application and infrastructure development stages, including significant enhancements and upgrades, are capitalized. Capitalization ends once a project is substantially complete and

the software and technologies are ready for their intended purpose. There is judgment involved in estimating the stage of development as well as estimating time allocated to a particular project. A significant change in the time spent on each project could have a material impact on the amount capitalized and related amortization expense in subsequent periods.

We amortize internal use software development costs using a straight-line method over a three year estimated useful life, commencing when the software is ready for its intended use. The straight-line recognition method approximates the manner in which the expected benefit will be derived. We determined the life of internal use software based on historical software upgrades and replacement.

On an ongoing basis, we assess if the estimated remaining useful lives of capitalized projects continue to be reasonable based on the remaining expected benefit and usage. If the remaining useful life of a capitalized project is revised, it is accounted for as a change in estimate and the remaining unamortized cost of the underlying asset is amortized prospectively over the updated remaining useful life. We also evaluate internal use software for abandonment and consider that along with other quantitative and qualitative factors as indicators for potential impairment when events or changes in circumstances indicate the carrying value may not be recoverable.

Recently Issued Accounting Pronouncements

The information set forth under Note 2 to our "Notes to Consolidated Financial Statements" under the caption "Organization and Summary of Significant Accounting Policies" is incorporated herein by reference.

Item 7A. Quantitative and Qualitative Disclosure About Market Risk

We have operations both in the United States and internationally, and we are exposed to market risks in the ordinary course of our business. These risks include primarily interest rate, foreign exchange, and inflation risks. The risks below may be further exacerbated by the effects of certain global macroeconomic challenges and market conditions.

Interest Rate Fluctuation Risk

Our cash and cash equivalents consist of cash and money market funds, but may from time to time also include other money market instruments such as commercial paper or U.S. treasury bills, with original maturities of three months or less. Our investments may consist of repurchase agreements, U.S. government agency debt, and U.S. treasury debt. The primary objective of our investment activities is to preserve the value of our cash without significantly increasing risk. Because our cash, cash equivalents, and investments have a short maturity, our portfolio’s fair value is relatively insensitive to interest rate changes, however, interest income earned will vary as interest rates change.

We do not have economic interest rate expense exposure on our Convertible Senior Notes due to their fixed interest rate nature. The amount paid upon redemption or maturity, before considering any potential additional amount owed due to increases in our underlying share price above the conversion price, is not based on changes in any interest rate index or underlying market interest rates. It is fixed at 100% of the principal amount of the Convertible Senior Notes plus unpaid interest. Since the Convertible Senior Notes bear a fixed interest rate, we are not exposed to interest rate risk on those notes, however, the fair value of those notes will change as market interest rates change.

Our 2024 Term Loan B Facility bears a floating rate of interest that resets periodically, subject to a 0% floor on that floating rate, according to the terms of the agreement (the "SOFR Floor"). Our financial results have been exposed to changes in the underlying base interest rate on that debt because the underlying base interest rate resets above the floor on such underlying interest rate. The fair value of the 2024 Term Loan B Facility may fluctuate when the underlying base interest rate fluctuates below the floor or when the rate of return demanded by our loan investors changes relative to when the loans were issued. As of December 31, 2025, the Company had no outstanding borrowings under the 2024 Revolving Credit Facility. Should the company borrow under the 2024 Revolving Credit Facility at any point in the future, any associated borrowings would have a floating underlying base rate of interest that would expose the Company to interest rate risk.

We do not believe that an increase or decrease in interest rates of 100 basis points would have a material effect on our operating results or financial condition. The annualized impact to interest expense for each 100 basis points increase above the SOFR Floor on our 2024 Term Loan B Facility is approximately $3.6 million. The actual impact to our financial results of the same increase in interest rates is expected to be lower depending on the timing and magnitude of such rate changes relative to our SOFR Floor, and will be partially offset by higher interest income earned on our cash and cash equivalent balances over the same period. In future periods, we will continue to evaluate our investment opportunities and policy relative to our overall objectives.

With regard to all debt currently outstanding, the Company is potentially exposed to refinancing risk in the future, should the Company seek to refinance its debt or raise new debt. As such, the type, cost, and terms of any new debt potentially raised in the future may differ from that of our existing debt agreements.

Foreign Currency Exchange Risk

As a U.S. based company that does business around the globe, we have foreign currency risks related to our revenue and expenses denominated in currencies other than the U.S. Dollar, principally the Australian Dollar, British Pound, Euro, Japanese Yen, and New Zealand Dollar. Foreign exchange rate volatility is influenced by many factors that we cannot forecast with reliable accuracy. In the event our non-U.S. Dollar denominated revenue and expenses increase, or the volatility of the foreign currencies that we transact in increases, our operating results may be more greatly affected by fluctuations in the exchange rates of those foreign currencies. In addition, we have experienced and will continue to experience fluctuations in our net income (loss) as a result of transaction gains and losses related to translating certain cash balances, trade accounts receivable and payable balances and intercompany balances that are denominated in currencies other than the U.S. Dollar. The effect of an immediate 10% adverse change in foreign exchange rates on foreign currency-denominated monetary assets and liabilities at December 31, 2025 and December 31, 2024, including intercompany balances, would result in a foreign currency loss of approximately $7.7 million and $10.8 million, respectively. At this time we do not, but we may in the future, enter into derivatives or other financial instruments in an attempt to hedge our foreign currency exchange risk.

Inflation Risk

We do not believe that cost inflation has had a material effect on our business, financial condition, or results of operations. If our costs were to become subject to significant inflationary pressures, we might not be able to fully offset such higher costs through price increases. Our inability or failure to do so could harm our business, financial condition, and results of operations. This risk of cost inflation is distinct from the risk that inflation throughout the broader economy could lead to reduced ad spend and indirectly harm our business, financial condition, and results of operations. For a discussion of the indirect results of inflation on our business, see "Macroeconomic Developments."

Item 8. Financial Statements and Supplementary Data

MAGNITE, INC.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of Magnite, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Magnite, Inc. and subsidiaries (the "Company") as of December 31, 2025 and 2024, the related consolidated statements of operations, comprehensive loss, stockholders' equity, and cash flows, for each of the three years in the period ended December 31, 2025, and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 25, 2026, expressed an unqualified opinion on the Company's internal control over financial reporting.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current-period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Revenue — Refer to Notes 2 and 4 to the financial statements

Critical Audit Matter Description

The Company generates revenue from transactions where it provides a platform for the purchase and sale of digital advertising inventory. The Company uses automated systems to process and record revenue based on contractual terms with buyers and publishers, and its revenue is comprised of a significant volume of low-dollar transactions.

We identified revenue as a critical audit matter because the Company’s systems to process and record revenue are highly automated and involve complex logic supporting the recognition of revenue. This required increased extent of effort, including the need for us to involve professionals with expertise in Information Technology (IT) to identify, test, and evaluate the Company’s systems, software applications, and automated controls.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the Company’s systems to process revenue transactions included the following, among others:

- With the assistance of our IT specialists, we:

- Identified the significant systems used to process revenue transactions and tested the general IT controls over each of these systems, including testing of user access controls, change management controls, and IT operations controls.
- Performed testing of system interface controls and automated controls within the relevant revenue streams, as well as controls designed to ensure the accuracy and completeness of revenue.
- Independently created test transactions and traced such transactions through the systems to final output for financial reporting.

- We tested internal controls within the relevant revenue business processes, including those in place to reconcile the various systems to the Company's general ledger.
- We evaluated recorded revenue and revenue trends and used data analytics to analyze transactional revenue data.
- We used technology-based data analysis tools to inspect journal entries to:
  - Identify significant relationships in the revenue population.
  - Sufficiently understand identified significant relationships and related accounts affecting revenue.
- We performed audit procedures on those related accounts determined to have a significant relationship with revenue. Such procedures included:
  - For a sample of accounts receivable balances, evaluating responses to confirmations sent to customers or other evidence such as cash receipts received after year end.
  - For a sample of accounts payable – seller balances, performing detail transaction testing by agreeing the amounts recognized to source documents.
  - For a sample of cash disbursements made after year end, evaluating whether the amounts were appropriately included in accounts payable – seller as of the balance sheet date.
  - Analytical procedures on the accounts payable – seller balance by developing an independent expectation for the recorded balance based on a historical relationship with revenue.

Income Taxes — Valuation Allowance Release– Refer to Notes 2 and 17 to the financial statements

Critical Audit Matter Description

The Company is subject to income taxes in the U.S. (federal and state) and numerous foreign jurisdictions. Deferred income tax assets and liabilities are determined based upon the net tax effects of the differences between the Company's consolidated financial statement carrying amounts and the tax bases of assets and liabilities and are measured using the enacted tax rate expected to apply to taxable income in the years in which differences are expected to be reversed. A valuation allowance is used to reduce some or all of the deferred tax assets if, based upon the weight of available evidence, it is more likely than not that those deferred tax assets will not be realized. Future realization of deferred tax assets depends on the existence of sufficient taxable income of the appropriate character. Sources of taxable income include future reversals of deferred tax assets and liabilities, expected future taxable income, taxable income in prior carryback years if permitted under the tax law, and tax planning strategies.

As of December 31, 2025, management concluded that it is more likely than not that sufficient taxable income will be generated in the future to realize the Company's U.S. federal and the majority of the Company's U.S. state net deferred income tax assets.

We identified management's determination that it is more likely than not that sufficient taxable income will be generated in the future to realize these deferred tax assets as a critical audit matter because of the significant judgments management makes related to determining whether it is appropriate to consider expected future taxable income as a source of taxable income. This required a high degree of auditor judgment and an increased extent of effort, including the need to involve our income tax specialists, when performing audit procedures to evaluate the reasonableness of management's judgments.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the release of the valuation allowance included the following, among others:

- We tested internal controls over management's determination of whether it is more likely than not that the deferred tax assets will be realized.
- With the assistance of our income tax specialists, we evaluated the reasonableness of the methods, assumptions, and judgments used by management to determine whether a valuation allowance was necessary.
- We evaluated management's ability to accurately estimate future taxable income by comparing actual results to management's historical estimates and evaluating whether there have been any changes that would affect management's ability to continue accurately estimating taxable income.
- We tested the reasonableness of management's estimates of future taxable income by comparing the estimates to:

  - Internal budgets.
  - Historical taxable income, as adjusted for nonrecurring items.
  - Internal communications to management and the Board of Directors.
  - Forecasted information included in Company press releases as well as in analyst and industry reports for the Company and certain of its peer companies.
- We evaluated whether the estimates of future taxable income were consistent with evidence obtained in other areas of the audit.

/s/ Deloitte & Touche LLP

Los Angeles, California
February 25, 2026

We have served as the Company's auditor since 2018.

MAGNITE, INC.
CONSOLIDATED BALANCE SHEETS
(In thousands, except par values)

	December 31, 2025	December 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	$ 553,362	$ 483,220
Accounts receivable, net	1,301,955	1,200,046
Prepaid expenses and other current assets	26,261	19,914
TOTAL CURRENT ASSETS	1,881,578	1,703,180
Property and equipment, net	108,546	68,730
Right-of-use lease assets	66,611	50,329
Internal use software development costs, net	28,799	26,625
Intangible assets, net	12,445	21,309
Goodwill	983,902	978,217
Other assets, non-current	82,494	6,378
TOTAL ASSETS	$ 3,164,375	$ 2,854,768
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and accrued expenses	$ 1,607,664	$ 1,466,377
Lease liabilities, current	20,163	16,086
Debt, current, net of debt issuance costs	208,447	3,641
Other current liabilities	5,462	9,880
TOTAL CURRENT LIABILITIES	1,841,736	1,495,984
Debt, non-current, net of debt discount and issuance costs	347,665	550,104
Lease liabilities, non-current	50,085	38,983
Other liabilities, non-current	2,539	1,479
TOTAL LIABILITIES	2,242,025	2,086,550
Commitments and contingencies (Note 13)		
STOCKHOLDERS' EQUITY		
Preferred stock, $0.00001 par value, 10,000 shares authorized at December 31, 2025 and December 31, 2024; 0 shares issued and outstanding at December 31, 2025 and December 31, 2024	—	—
Common stock, $0.00001 par value; 500,000 shares authorized at December 31, 2025 and December 31, 2024; 142,964 and 141,427 shares issued and outstanding at December 31, 2025 and December 31, 2024, respectively	2	2
Additional paid-in capital	1,440,358	1,433,809
Accumulated other comprehensive loss	(1,451)	(4,421)
Accumulated deficit	(516,559)	(661,172)
TOTAL STOCKHOLDERS' EQUITY	922,350	768,218
TOTAL LIABILITIES AND STOCKHOLDERS' EQUITY	$ 3,164,375	$ 2,854,768

The accompanying notes to consolidated financial statements are an integral part of these statements.

MAGNITE, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)

	Year Ended		
	December 31, 2025	December 31, 2024	December 31, 2023
Revenue	$ 713,953	$ 668,170	$ 619,710
Expenses:			
Cost of revenue	266,619	258,838	409,906
Sales and marketing	171,668	166,142	173,982
Technology and development	84,712	95,243	94,318
General and administrative	93,191	96,860	89,048
Merger, acquisition, and restructuring costs	162	—	7,465
Total expenses	616,352	617,083	774,719
Income (loss) from operations	97,601	51,087	(155,009)
Other (income) expense:			
Interest expense, net	18,923	27,032	32,369
Foreign exchange (gain) loss, net	6,972	(5,083)	1,953
(Gain) loss on extinguishment of debt	2,152	7,706	(26,480)
Other income	(1,073)	(5,052)	(5,304)
Total other expense, net	26,974	24,603	2,538
Income (loss) before income taxes	70,627	26,484	(157,547)
Provision (benefit) for income taxes	(73,986)	3,698	1,637
Net income (loss)	$ 144,613	$ 22,786	$ (159,184)
Net income (loss) per share:			
Basic	$ 1.01	$ 0.16	$ (1.17)
Diluted	$ 0.95	$ 0.16	$ (1.17)
Weighted average shares used to compute net income (loss) per share:			
Basic	142,560	140,557	136,620
Diluted	153,770	146,810	136,620

The accompanying notes to consolidated financial statements are an integral part of these statements.

MAGNITE, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(In thousands)

	Year Ended		
	December 31, 2025	December 31, 2024	December 31, 2023
Net income (loss)	$ 144,613	$ 22,786	$ (159,184)
Other comprehensive income (loss):			
Foreign currency translation adjustments	2,970	(2,345)	1,075
Other comprehensive income (loss)	2,970	(2,345)	1,075
Comprehensive income (loss)	$ 147,583	$ 20,441	$ (158,109)

The accompanying notes to consolidated financial statements are an integral part of these statements.

MAGNITE, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(In thousands)

	Common Stock		Additional Paid-In Capital	Accumulated Other Comprehensive Income (Loss)	Accumulated Deficit	Treasury Stock		Total Stockholders' Equity
	Shares	Amount				Shares	Amount	
Balance at December 31, 2022	134,006	$ 2	$1,319,221	$ (3,151)	$ (524,774)	—	$ —	$ 791,298
Exercise of common stock options	395	—	2,166	—	—	—	—	2,166
Issuance of common stock related to employee stock purchase plan	438	—	3,513	—	—	—	—	3,513
Issuance of common stock related to RSU and PSU vesting	4,777	—	—	—	—	—	—	—
Shares withheld related to net share settlement	(1,039)	—	(11,814)	—	—	—	—	(11,814)
Stock-based compensation	—	—	74,629	—	—	—	—	74,629
Other comprehensive income	—	—	—	1,075	—	—	—	1,075
Net loss	—	—	—	—	(159,184)	—	—	(159,184)
Balance at December 31, 2023	138,577	2	1,387,715	(2,076)	(683,958)	—	—	701,683
Exercise of common stock options	109	—	572	—	—	—	—	572
Issuance of common stock related to employee stock purchase plan	463	—	3,589	—	—	—	—	3,589
Issuance of common stock related to RSU vesting	5,433	—	—	—	—	—	—	—
Shares withheld related to net share settlement	(1,995)	—	(22,472)	—	—	—	—	(22,472)
Purchase of treasury stock	—	—	—	—	—	(1,160)	(14,573)	(14,573)
Retirement of common stock	(1,160)	—	(14,573)	—	—	1,160	14,573	—
Stock-based compensation	—	—	78,978	—	—	—	—	78,978
Other comprehensive loss	—	—	—	(2,345)	—	—	—	(2,345)
Net income	—	—	—	—	22,786	—	—	22,786
Balance at December 31, 2024	141,427	2	1,433,809	(4,421)	(661,172)	—	—	768,218
Exercise of common stock options	526	—	3,063	—	—	—	—	3,063
Issuance of common stock related to employee stock purchase plan	310	—	3,941	—	—	—	—	3,941
Issuance of common stock related to RSU and PSU vesting	5,931	—	—	—	—	—	—	—
Shares withheld related to net share settlement	(1,860)	—	(32,924)	—	—	—	—	(32,924)
Purchase of treasury stock	—	—	—	—	—	(3,370)	(46,282)	(46,282)
Retirement of common stock	(3,370)	—	(46,282)	—	—	3,370	46,282	—
Stock-based compensation	—	—	78,751	—	—	—	—	78,751
Other comprehensive income	—	—	—	2,970	—	—	—	2,970
Net income	—	—	—	—	144,613	—	—	144,613
Balance at December 31, 2025	142,964	$ 2	$1,440,358	$ (1,451)	$ (516,559)	$ —	$ —	$ 922,350

The accompanying notes to consolidated financial statements are an integral part of these statements.

MAGNITE, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Year Ended		
	December 31, 2025	**December 31, 2024**	**December 31, 2023**
OPERATING ACTIVITIES:			
Net income (loss)	$ 144,613	$ 22,786	$ (159,184)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortization	53,674	58,510	240,820
Stock-based compensation	76,648	76,519	72,617
(Gain) loss on extinguishment of debt	2,152	7,706	(26,480)
Provision for doubtful accounts	1,145	587	4,666
Amortization of debt discount and issuance costs	3,642	4,119	6,279
Non-cash lease expense	(1,478)	(4,772)	(1,712)
Deferred income taxes	(78,230)	95	(2,379)
Unrealized foreign currency (gain) loss, net	5,563	(7,001)	1,266
Other items, net	124	23	3,007
Changes in operating assets and liabilities:			
Accounts receivable	(103,761)	(26,024)	(220,102)
Prepaid expenses and other assets	(6,402)	1,980	1,004
Accounts payable and accrued expenses	142,603	97,380	294,677
Other liabilities	(4,125)	3,293	(112)
Net cash provided by operating activities	236,168	235,201	214,367
INVESTING ACTIVITIES:			
Purchases of property and equipment	(70,535)	(32,810)	(26,764)
Capitalized internal use software development costs	(13,768)	(14,260)	(10,619)
Mergers and acquisitions, net of indemnification claims holdback	(8,100)	—	—
Other investing activities	(362)	(432)	—
Net cash used in investing activities	(92,765)	(47,502)	(37,383)
FINANCING ACTIVITIES:			
Proceeds from the term loan facility refinancing and repricing activities, net of debt discount	92,622	413,463	—
Repayment of the term loan facility from refinancing and repricing activities	(92,622)	(403,113)	—
Payment for debt issuance costs	(159)	(4,547)	—
Repayment of debt	(2,723)	(1,823)	(3,600)
Repurchase of Convertible Senior Notes	—	—	(165,518)
Proceeds from exercise of stock options	3,063	572	2,166
Proceeds from issuance of common stock under employee stock purchase plan	3,941	3,589	3,513
Taxes paid related to net share settlement	(32,924)	(22,472)	(11,814)
Purchase of treasury stock	(46,282)	(14,573)	—
Repayment of finance leases	—	—	(276)
Payment of indemnification claims holdback	—	—	(2,313)
Net cash used in financing activities	(75,084)	(28,904)	(177,842)
EFFECT OF EXCHANGE RATE CHANGES ON CASH, AND CASH EQUIVALENTS	1,823	(1,794)	575
CHANGE IN CASH AND CASH EQUIVALENTS	70,142	157,001	(283)
CASH AND CASH EQUIVALENTS — Beginning of period	483,220	326,219	326,502
CASH AND CASH EQUIVALENTS — End of period	$ 553,362	$ 483,220	$ 326,219

The accompanying notes to consolidated financial statements are an integral part of these statements.

MAGNITE, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS-(Continued)
(In thousands)

	Year Ended		
	December 31, 2025	December 31, 2024	December 31, 2023
SUPPLEMENTAL DISCLOSURES OF OTHER CASH FLOW INFORMATION:			
Cash paid for income taxes	$ 3,760	$ 3,870	$ 5,357
Cash paid for interest	$ 28,159	$ 36,863	$ 37,028
Capitalized assets financed by accounts payable and accrued expenses and other liabilities	$ 438	$ 6,742	$ 1,690
Capitalized stock-based compensation	$ 2,103	$ 2,459	$ 2,012
Operating lease right-of-use assets obtained in exchange for operating lease liabilities	$ 37,606	$ 13,628	$ 4,017
Operating lease right-of-use assets reduction and corresponding non-cash adjustment to operating lease liabilities	$ 2,178	$ 4,622	$ —
Purchase consideration - indemnification claims holdback	$ 2,000	$ —	$ —
Non-cash financing activity related to Amendment Nos. 1 and 2 to the 2024 Credit Agreement	$ 270,555	$ 311,974	$ —

The accompanying notes to consolidated financial statements are an integral part of these statements.

MAGNITE, INC.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

Note 1—Nature of Operations

Company Overview

Magnite, Inc. ("Magnite" or the "Company") was formed in Delaware and began operations on April 20, 2007. The Company's common stock is listed on the Nasdaq Global Select Market of The Nasdaq Stock Market LLC ("Nasdaq") under the symbol "MGNI." Magnite has its principal offices in New York City, Los Angeles, Denver, London, and Sydney, and additional offices in Europe, Asia, North America, and South America.

The Company provides technology solutions to automate the purchase and sale of digital advertising inventory for buyers and sellers globally, across all channels, formats and auction types. The Company's platform features applications and services for sellers of digital advertising inventory, or publishers, that own and operate CTV channels, applications, websites, and other digital media properties, to manage and monetize their inventory; applications and services for buyers, including advertisers, agencies, agency trading desks, and demand side platforms, to buy digital advertising inventory; and a transparent, independent marketplace that brings buyers and sellers together and facilitates intelligent decision making and automated transaction execution at scale. The Company's clients include many of the world's leading buyers and sellers of digital advertising inventory.

Sellers monetize their inventory through the Company’s platform by seamlessly connecting to a global market of integrated buyers that transact through real-time bidding. These transactions include biddable auctions, where multiple buyers bid against each other in a real-time auction for the right to purchase a publisher's inventory, as well as reserve auctions, where publishers establish direct deals or private marketplaces with select buyers. At the same time, buyers leverage the Company’s platform to reach their target audiences across thousands of sellers.

Note 2—Organization and Summary of Significant Accounting Policies

Basis of Consolidation

The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America, or GAAP, and include the operations of the Company and its wholly owned subsidiaries. All significant intercompany transactions and balances have been eliminated in consolidation.

Segments

Management has determined that the Company operates as one operating segment and one reportable segment. The Company’s chief operating decision maker ("CODM") is the Chief Executive Officer ("CEO"). The Company has one primary business activity, where it provides a platform to all of its customers, buyers and sellers, that automates the purchase and sale of digital advertising inventory globally, across all channels, formats, and auction types, as described above in Note 1—Nature of Operations. The Company’s CODM reviews financial information on a consolidated basis, principally to make decisions about how to allocate resources and to measure the Company’s performance. The CODM reviews consolidated net income (loss), which is the measure of financial profit and loss most closely aligned with generally accepted accounting principles. The CODM considers budget-to-actual variances for this measure, predominantly in the annual budget, forecasting process, and quarterly results assessment. The CODM does not review any balance sheet information at any other level than on a consolidated basis and does not review any income statement information at any other level than on a consolidated basis with the exception of revenue by geography and by channel (refer to Note 4**)**. The significant expense information regularly provided to the CODM is the same as that included in the face of the Company's consolidated income statement of operations.

Use of Estimates

The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported and disclosed financial statements and accompanying footnotes. Actual results could differ materially from these estimates.

On an ongoing basis, management evaluates its estimates, primarily those related to: (i) revenue recognition criteria, including the determination of revenue reporting as net versus gross in the Company’s revenue arrangements, (ii) accounts receivable and allowances for doubtful accounts, (iii) amounts capitalized and the useful lives of intangible assets, internal use software development costs, and property and equipment, (iv) valuation of long-lived assets and their recoverability, including goodwill, and (v) the realization of tax assets and estimates of tax liabilities.

These estimates are based on historical data and experience, as well as various other factors that management believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Estimates relating to the allowance for doubtful accounts, amounts capitalized and estimated useful lives of internal-use software development costs, estimated useful lives of long-lived assets, recoverability of intangible assets and goodwill, and income taxes, including the realization of tax assets and estimates of tax liabilities require the selection of appropriate valuation methodologies and models, and judgment in evaluating ranges of assumptions and financial inputs. Actual results may differ materially from those estimates under different assumptions or circumstances.

In connection with the Company's periodic review of the estimated useful lives of its property and equipment, the Company extended the estimated useful lives of its network hardware assets from three years to five years effective January 1, 2024. The change in estimated useful lives were due to actual and expected longer refresh cycles for these assets. Based on the carrying value of network hardware assets as of December 31, 2023 and those placed in service during the year ended December 31, 2024, the effect of this change in estimate was an increase in income from operations of $12.6 million for the year ended December 31, 2024 and an increase in net income of $12.6 million, or $0.09 per basic and diluted share for the year ended December 31, 2024. The updated policy reflecting the change in estimated useful lives is below.

Revenue Recognition

The Company generates revenue from transactions where it provides a platform for the purchase and sale of digital advertising inventory. Generally, the Company's revenue is based on a percentage of the ad spend that runs through its platform, although for certain clients, services, or transaction types the Company may receive a fixed CPM for each impression sold, and for advertising campaigns that are transacted through insertion orders the Company earns revenue based on the full amount of ad spend that runs through its platform. In addition, the Company may receive certain fixed monthly fees for the use of its platform or products. The Company's platform dynamically connects sellers and buyers of advertising inventory in a digital marketplace. The Company's solution incorporates proprietary machine-learning algorithms, sophisticated data processing, high-volume storage, detailed analytics capabilities, and a distributed infrastructure. Digital advertising inventory is created when consumers access sellers' content. Sellers provide digital advertising inventory to the Company's platform in the form of advertising requests, or ad requests. When the Company receives ad requests from sellers, it sends bid requests to buyers, which enable buyers to bid on sellers' digital advertising inventory. Winning bids can create advertising, or paid impressions, for the seller to present to the consumer.

The total volume of spending between buyers and sellers on the Company's platform is referred to as advertising spend. The Company keeps a percentage of that advertising spend as a fee, and remits the remainder to the seller. The fee that the Company retains from the gross advertising spend on its platform is recognized as revenue. The fee earned on each transaction is based on the pre-existing agreement between the Company and the seller and the clearing price of the winning bid. The Company recognizes revenue upon fulfillment of its performance obligation to a client, which occurs at the point in time an ad renders and is counted as a paid impression, subject to a contract existing with the client and a fixed or determinable transaction price. The Company does not disclose the value of unsatisfied performance obligations for (i) contracts with an original expected length of one year or less and (ii) contracts for which the Company recognizes revenue at the amount to which it has the right to invoice for services performed. The Company considers the following when determining if a contract exists (i) contract approval by all parties, (ii) identification of each party's rights regarding the goods or services to be transferred, (iii) specified payment terms, (iv) commercial substance of the contract, and (v) collectability of substantially all of the consideration is probable.

The determination of whether revenue should be reported on a gross or net basis is based on an assessment of whether the Company is acting as the principal or an agent in the transaction. In determining whether the Company is acting as the principal or an agent, the Company follows the accounting guidance for principal-agent considerations. Making such determinations involves judgment and is based on an evaluation of the terms of each arrangement, none of which are considered presumptive or determinative.

Expenses

The Company classifies its expenses into the following categories:

Cost of Revenue. The Company's cost of revenue primarily consists of cloud hosting, data center, and bandwidth costs, ad verification costs, depreciation and maintenance expense of hardware supporting the Company's revenue-producing platform, amortization of internally-developed software costs for the development of the Company's revenue-producing platform, amortization expense associated with acquired developed technologies, personnel costs, and software costs. In addition, for revenue booked on a gross basis, cost of revenue includes traffic acquisition costs. Personnel costs included in cost of revenue include salaries, bonuses, and stock-based compensation, and are primarily attributable to personnel in the Company's network operations

group who support the Company's platform. The Company capitalizes costs associated with software that is developed or obtained for internal use and amortize the costs associated with its revenue-producing platform in cost of revenue over their estimated useful lives. The Company amortizes acquired developed technologies over their estimated useful lives.

Sales and Marketing. The Company's sales and marketing expenses primarily consist of personnel costs, including salaries, bonuses, and stock-based compensation, as well as marketing expenses such as brand marketing, travel expenses, trade shows and marketing materials, amortization expense associated with client relationships, and non-compete agreements from the Company's business acquisitions, professional services, facilities-related costs, and depreciation expense. The Company's sales and support organization focuses on increasing the adoption of the Company's solution by existing and new buyers and sellers and supports ongoing client relationships. The Company amortizes acquired intangibles associated with client relationships from its business acquisitions over their estimated useful lives.

Technology and Development. The Company's technology and development expenses primarily consist of personnel costs, including salaries, bonuses, and stock-based compensation, as well as professional services associated with the ongoing development and maintenance of the Company's solution, software costs, facilities-related costs, and depreciation and amortization expense. These expenses include costs incurred in the development, implementation, and maintenance of internal use software, including platform and related infrastructure. Technology and development costs are expensed as incurred, except to the extent that such costs are associated with internal use software development that qualifies for capitalization, which are then recorded as internal use software development costs, net, on the Company's consolidated balance sheets. The Company amortizes internal use software development costs that relate to its revenue-producing activities on the Company's platform to cost of revenue and amortize other internal use software development costs to technology and development costs or general and administrative expenses, depending on the nature of the related project. The Company amortizes acquired intangibles associated with technology and development functions from its business acquisitions over their estimated useful lives.

General and Administrative. The Company's general and administrative expenses primarily consist of personnel costs, including salaries, bonuses, and stock-based compensation, associated with the Company's executive, finance, legal, human resources, compliance, and other administrative personnel, as well as accounting and legal professional services fees, facilities-related costs, depreciation expense, bad debt expense, and other corporate-related expenses.

Merger, Acquisition, and Restructuring Costs. The Company's merger, acquisition, and restructuring costs primarily consist of professional service fees associated with merger and acquisition activities, cash-based employee termination costs, related stock-based compensation charges, and other restructuring activities, including facility closures, relocation costs, contract termination costs, and impairment costs of abandoned technology associated with restructuring activities.

Stock-Based Compensation

Compensation expense related to employee and non-employee stock-based awards is measured and recognized in the consolidated financial statements based on the fair value of the awards granted. The Company grants awards to employees that vest based solely on continued service, or service conditions, awards that vest based on the achievement of performance targets, or performance conditions, and awards that vest based on the Company's stock price exceeding a peer index, or market conditions. The fair value of restricted stock units that vest based on continued service is equal to the closing price of the Company's common stock as reported on the Nasdaq on the grant date. The fair value of each option award containing service conditions is estimated on the grant date using the Black-Scholes option-pricing model. Generally, option awards have a contractual term of ten years. The fair value of awards containing market conditions is estimated using a Monte-Carlo simulation model. For service condition awards, stock-based compensation expense is recognized on a straight-line basis over the requisite service periods of the awards, which is generally four years. For performance condition and market condition awards, stock-based compensation expense is recognized using a graded vesting model over the requisite service period of the awards. For market condition awards, expense recognized is not subsequently reversed if the market conditions are not achieved. The Company accounts for forfeitures when they occur.

The assumptions and estimates used in the Black-Scholes pricing model are as follows:

Fair Value of Common Stock. The fair value of common stock is based on the closing price of the Company's common stock as reported on the Nasdaq on the grant date.

Risk-Free Interest Rate. The Company bases the risk-free interest rate used in the Black-Scholes option-pricing model on the yields of U.S. Treasury securities with maturities appropriate for the term of stock option awards.

Expected Term. For employee stock options the expected term is determined based on historical trends. The expected term of employee stock options that contain performance conditions represents the weighted-average period that the stock options are estimated to remain outstanding.

Volatility. The computation of the expected volatility assumption is based on the historical volatility of the Company's common stock.

Dividend Yield. The dividend yield assumption is based on the Company's history and current expectations of dividend payouts. The Company has never declared or paid any cash dividends on its common stock and does not anticipate paying any cash dividends in the foreseeable future, so the Company used an expected dividend yield of zero.

Determining the fair value of stock-based awards with performance and market conditions requires judgment. The Company's use of the Monte-Carlo simulation model requires the input of subjective assumptions, such as the expected term of the award, the expected volatility of the price of the Company's common stock, risk-free interest rates, the expected dividend yield of the Company's common stock, in addition for those awards containing market conditions, which also include expected volatilities of selected peer companies, and expected correlation coefficients of the Company and those of the selected peer companies. The assumptions used in the Company's valuation model represent management's best estimates. These estimates involve inherent uncertainties and the application of management's judgment. If factors change and different assumptions are used, the Company's stock-based compensation expense could be materially different in the future.

Income Taxes

Deferred income tax assets and liabilities are determined based upon the net tax effects of the differences between the Company's consolidated financial statement carrying amounts and the tax basis of assets and liabilities and are measured using the enacted tax rate expected to apply to taxable income in the years in which the differences are expected to be reversed.

A valuation allowance is recorded to reduce deferred tax assets when, based upon the weight of available evidence, it is more likely than not that some portion or all of the deferred tax assets will not be realized. The Company assesses the realizability of deferred tax assets on a jurisdictional basis and considers all available positive and negative evidence, including cumulative results of operations, projections of future taxable income, the reversal of taxable temporary differences, tax planning strategies, and the carryforward periods of existing tax attributes.

The Company recognizes the income tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The income tax benefits recognized in the consolidated financial statements from such positions are then measured based on the largest benefit that has a greater than 50% likelihood of being realized. The Company recognizes interest and penalties accrued related to its uncertain tax positions in its income tax provision (benefit) in the consolidated statements of operations.

Capital Stock

The Company has authorized capital stock of 500,000,000 shares of common stock and 10,000,000 shares of preferred stock. The Company has issued common stock, which is included in outstanding common stock on the Company's consolidated balance sheets. From time to time, the Company has repurchased shares of common stock, which has been recorded as treasury stock on the Company's consolidated balance sheets. All treasury stock has been subsequently retired. The Company has not issued any shares of its preferred stock subsequent to the Company's initial public offering ("IPO") and does not have any preferred stock outstanding.

The Company is required to reserve and keep available out of its authorized but unissued shares of common stock such number of shares sufficient to affect the conversion of all shares granted and available for grant under the Company's stock award plans. The number of shares of the Company's stock reserved for these purposes at December 31, 2025 was 35,427,354.

The board of directors is authorized to establish, from time to time, the number of shares to be included in each series of preferred stock, and to fix the designation, powers, privileges, preferences, and relative participating, optional or other rights, if any, of the shares of each series of preferred stock, and any of its qualifications, limitations or restrictions.

Net Income (Loss) Per Share Attributable to Common Stockholders

Basic net income (loss) per share of common stock is calculated by dividing the net income (loss) by the weighted-average number of shares of common stock outstanding. Diluted income per share considers adjustments to net income and the weighted-average number of shares of common stock outstanding for the effect of potentially dilutive securities during the period. Potentially dilutive securities consist of stock options, restricted stock units, performance stock units, potential shares issuable under the Company's Employee Stock Purchase Plan ("ESPP"), and potential shares issuable as part of the Convertible Senior Notes. Diluted income per share is computed utilizing the treasury method for options, restricted stock units, performance stock units, and potential ESPP shares. Diluted income per share for the Convertible Senior Notes is calculated under the if-converted method. Potential common share equivalents are excluded where their inclusion would be anti-dilutive. For periods in which the Company reports net

loss, diluted net loss per share is the same as basic net loss per share because the effects of potentially dilutive securities would be anti-dilutive.

Comprehensive Income (Loss)

Comprehensive income (loss) encompasses all changes in equity other than those arising from transactions with stockholders, and consists of net income (loss), unrealized gains (losses) on investments and foreign currency translation adjustments.

Cash and Cash Equivalents

The Company invests excess cash primarily in money market funds, corporate debt securities, and highly liquid debt instruments of the U.S. government and its agencies. The Company classifies investments held in money market funds as cash equivalents because the money market funds have weighted-average maturities at the date of purchase of less than 90 days, are freely redeemable into cash and have a constant net asset value.

Accounts Receivable Allowance for Doubtful Accounts

Accounts receivable are recorded at the invoiced amount, are unsecured, and do not bear interest. The allowance for doubtful accounts is based on the best estimate of the amount of probable credit losses in existing accounts receivable. The allowance for doubtful accounts is determined based on historical collection experience and the review in each period of the status of the then-outstanding accounts receivable, while taking into consideration current client information, subsequent collection history and other relevant data. The Company reviews the allowance for doubtful accounts on a quarterly basis. Account balances are charged off against the allowance when the Company believes it is probable the receivable will not be recovered.

Property and Equipment, Net

Property and equipment are recorded at historical cost, less accumulated depreciation and amortization. Depreciation is computed using the straight-line method based upon the estimated useful lives of the assets. The estimated useful lives of the Company's property and equipment are as follows:

	Years
Computer equipment and network hardware	3 to 5
Furniture, fixtures and office equipment	5 to 7
Leasehold improvements	Shorter of useful life or life of lease
Purchased software	3

Repair and maintenance costs are charged to expense as incurred, while renewals and improvements are capitalized. When assets are retired or otherwise disposed of, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in the Company's results of operations.

Internal Use Software Development Costs

The Company capitalizes certain internal use software development costs associated with creating and enhancing internally developed software related to the Company's technology infrastructure. These costs include personnel and related employee benefits expenses for employees who are directly associated with and who devote time to software projects, and external direct costs of materials and services consumed in developing or obtaining the software. Software development costs that do not meet the qualification for capitalization, as further discussed below, are expensed as incurred and recorded in technology and development expenses in the results of operations.

Software development activities generally consist of three stages, (i) the planning stage, (ii) the application and infrastructure development stage, and (iii) the post implementation stage. Costs incurred in the planning and post implementation stages of software development, including costs associated with the post-configuration training and repairs and maintenance of the developed technologies, are expensed as incurred. The Company capitalizes costs associated with software developed for internal use when the planning stage is completed, management has authorized further funding for the completion of the project, and it is probable that the project will be completed and perform as intended. Costs incurred in the application and infrastructure development stages, including significant enhancements and upgrades, are capitalized. Capitalization ends once a project is substantially complete and the software and technologies are ready for their intended purpose. Internal use software development costs are amortized using a straight-line method over the estimated useful life, which is generally three years, commencing when the software is ready for its intended use. The straight-line recognition method approximates the manner in which the expected benefit

will be derived. On an ongoing basis, the Company assesses the remaining estimated useful lives of internal use software projects. If remaining useful lives are revised, the change is accounted for as a change in estimate.

The Company does not transfer ownership of its software, or lease its software, to third parties.

Intangible Assets

Intangible assets primarily consist of acquired developed technology, client relationships, and in-process research and development projects resulting from business combinations, which are recorded at acquisition-date fair value, less accumulated amortization. The Company determines the appropriate useful life of its intangible assets by performing an analysis of expected cash flows of the acquired assets. Intangible assets are amortized over their estimated useful lives using a straight-line method, which approximates the pattern in which the economic benefits are consumed.

The Company's intangible assets are being amortized over their estimated useful lives as follows:

	Years
Developed technology	3 to 5
In-process research and development	3 to 5
Customer relationships	0.5 to 4
Non-compete agreements	2 to 3
Other intangible assets	3 to 10

On an ongoing basis, the Company assesses the remaining estimated useful lives of intangible assets. If remaining useful lives are revised, the change is accounted for as a change in estimate.

Intangible assets are reviewed for impairment indicators at least annually and whenever events or changes in circumstances indicate that the carrying amount of the assets might not be recoverable. Conditions that would necessitate an impairment assessment include a significant decline in the observable market value of an asset, a significant change in the extent or manner in which an asset is used, or any other significant adverse change that would indicate that the carrying amount of an asset or group of assets may not be recoverable. For intangible assets used in operations, impairment losses are only recorded if the asset's carrying amount is not recoverable through its undiscounted, probability-weighted future cash flows at the asset group level that represents the lowest level of independent cash flows. The Company measures the impairment loss based on the difference between the carrying amount and estimated fair value.

Impairment of Long-Lived Assets including Internal Use Capitalized Software Costs

The Company assesses the recoverability of its long-lived assets when events or changes in circumstances indicate their carrying value may not be recoverable. Such events or changes in circumstances may include: a significant adverse change in the extent or manner in which a long-lived asset is being used, significant adverse change in legal factors or in the business climate that could affect the value of a long-lived asset, an accumulation of costs significantly in excess of the amount originally expected for the acquisition or development of a long-lived asset, current or future operating or cash flow losses that demonstrate continuing losses associated with the use of a long-lived asset, or a current expectation that, more likely than not, a long-lived asset will be sold or otherwise disposed of significantly before the end of its previously estimated useful life. The Company performs impairment testing at the asset group level that represents the lowest level for which identifiable cash flows are largely independent of the cash flows of other assets and liabilities. The Company assesses recoverability of a long-lived asset by determining whether the carrying value of the asset group can be recovered through projected undiscounted cash flows over their remaining lives. If the carrying value of the asset group exceeds the forecasted undiscounted cash flows, an impairment loss is recognized, measured as the amount by which the carrying amount exceeds estimated fair value. An impairment loss is charged to operations in the period in which management determines such impairment.

Business Combinations

The results of businesses acquired in a business combination are included in the Company's consolidated financial statements from the date of acquisition. The Company allocates the purchase price of a business combination, which is the sum of the consideration provided, which may consist of cash, equity or a combination of the two, to the identifiable assets and liabilities of the acquired business at their acquisition date fair values. The excess of the purchase price over the amount allocated to the identifiable assets and liabilities, if any, is recorded as goodwill. Determining the fair value of assets acquired and liabilities assumed requires management to use significant judgment and estimates including the selection of valuation methodologies, estimates of future revenues and cash flows, discount rates and selection of comparable companies.

When the Company issues stock-based or cash awards to an acquired company's stockholders, the Company evaluates whether the awards are contingent consideration or compensation for post-business combination services. The evaluation includes, among other things, whether the vesting of the awards is contingent on the continued employment of the selling stockholder beyond the acquisition date. If continued employment is required for vesting, the awards are treated as compensation for post-acquisition services and recognized as expense over the requisite service period.

The Company estimates the fair value of intangible assets acquired generally using a discounted cash flow approach, which includes an analysis of the future cash flows expected to be generated by the asset and the risk associated with achieving these cash flows. The key assumptions used in the discounted cash flow model include the discount rate that is applied to the forecasted future cash flows to calculate the present value of those cash flows and the estimate of future cash flows attributable to the acquired intangible asset, which include revenue, expenses and taxes. The carrying value of acquired working capital assets and liabilities approximates its fair value, given the short-term nature of these assets and liabilities.

Acquisition-related transaction costs are not included as a component of consideration transferred, but are accounted for as an expense in the period in which the costs are incurred.

Goodwill

Goodwill represents the excess of the aggregate fair value of the consideration transferred in a business combination over the fair value of the assets acquired, net of liabilities assumed. Goodwill is not amortized, but is subject to impairment testing conducted annually during the fourth quarter or more frequently if events or changes in circumstances indicate that goodwill may be impaired.

In accordance with guidance related to impairment testing, the Company has the option to first assess qualitative factors to determine whether or not it is necessary to perform the quantitative goodwill impairment test. If the qualitative assessment option is not elected, or if the qualitative assessment indicates that it is more likely than not that the fair value is less than its carrying amount, a quantitative analysis is then performed. The quantitative analysis, if performed, compares the estimated fair value of the Company with its respective carrying amount, including goodwill. If the estimated fair value of the Company exceeds its carrying amount, including goodwill, goodwill is considered not to be impaired and no additional steps are necessary. If the fair value is less than the carrying amount, including goodwill, then an impairment adjustment must be recorded up to the carrying amount of goodwill.

The Company operates as a single operating segment and has identified a single reporting unit.

Operating Leases

The Company determines if an arrangement is a lease at inception. A contract is or contains a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. The Company's classes of assets that are leased include office facilities, data centers, and equipment. The Company has elected not to recognize short-term leases on the balance sheet, nor separate lease and non-lease components for data center leases. In addition, the Company utilized the portfolio approach to group leases with similar characteristics together.

For identified leases, the Company used its incremental borrowing rate to discount the related future payment obligations, which represents the rate of interest the Company would have to pay to borrow on a collateralized basis over a similar term an amount equal to the lease payments in a similar economic environment.

The Company records rent expense for operating leases, including leases of office facilities, data centers, and equipment, on a straight-line basis over the lease term. The straight-line calculation of rent expense includes rent escalations on certain leases, as well as lease incentives provided by the landlords, including payments for leasehold improvements and rent-free periods. The Company begins recognition of rent expense on the commencement date, which is generally the date that the asset is made available for use. The Company also records variable lease expense primarily related to operating expenses, utilities, or other costs that are subject to fluctuation. Lease liability, which represents the present value of the Company's obligation related to the estimated future lease payments, is included in lease liabilities, current and lease liabilities, non-current within the consolidated balance sheets. These liability balances are reduced as lease related payments are made. For operating leases, the right-of-use ("ROU") assets are amortized on a periodic basis over the expected term of the lease (see Note 11).

Fair Value of Financial Instruments

The carrying amounts of the Company's cash equivalents, accounts receivable, accounts payable, accrued expenses, and seller payables approximate fair value due to the short-term nature of these instruments. Certain assets of the Company are recorded at their fair value, using the fair value hierarchy, on a recurring basis, and other assets and liabilities, including goodwill and

intangible assets are subject to measurement at fair value on a non-recurring basis if they are deemed to be impaired as a result of an impairment review (see Note 5).

Concentration of Risk

Financial instruments that potentially subject the Company to concentration of credit risk consist principally of cash, cash equivalents, and accounts receivable. Cash maintained with financial institutions typically exceeds applicable federally insured limits in the U.S. and may not be covered by similar local depositor insurance schemes for cash held in foreign currencies or in bank accounts outside of the U.S. Cash equivalents, primarily money market fund investments, are not insured by federal insurance schemes and are exposed to other potential risks linked to high concentration among major custodial banks.

Accounts receivable include amounts due from buyers with principal operations primarily in the United States. The Company performs ongoing credit evaluations of its buyers.

At December 31, 2025, two buyers accounted for 40% and 12%, respectively, of consolidated accounts receivable, net. At December 31, 2024, two buyers accounted for 46% and 11%, respectively, of accounts receivable, net.

The Company recognizes revenue from its contracts with sellers. No seller of advertising inventory accounted for 10% or more of revenue during the years ended December 31, 2025, 2024, and 2023.

At December 31, 2025, one seller of advertising inventory accounted for 27% of accounts payable and accrued expenses and at December 31, 2024, one seller of advertising inventory accounted for 28% of accounts payable and accrued expenses.

Foreign Currency Transactions and Translation

Transactions in foreign currencies are translated into the functional currency of the applicable entity at the rates of exchange in effect at the date of the transaction. Foreign exchange gains or losses are included in foreign exchange (gain) loss, net in the accompanying consolidated statements of operations. To the extent that the functional currency is different from the U.S. Dollar, the financial statements have then been translated into U.S. Dollars using period-end exchange rates for assets and liabilities and average exchange rates for the results of operations. Foreign currency translation gains and losses are included as a component of accumulated other comprehensive income (loss) on the consolidated balance sheets.

Recently Adopted Accounting Standards

In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standard Update ("ASU") 2023-09, Income Taxes (Topic 740) – Improvements to Income Tax Disclosures ("ASU 2023-09") to enhance income tax information primarily through changes in the rate reconciliation and income taxes paid information. ASU 2023-09 is effective for annual periods beginning after December 15, 2024 on a prospective basis. Early adoption and retrospective application are permitted. The Company adopted the standard for the fiscal year ended December 31, 2025 on a prospective basis. See Note 17 for the required disclosures.

Recent Accounting Pronouncements Not Yet Adopted

In November 2024, the FASB issued ASU 2024-03, Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40) - *Disaggregation of Income Statement Expenses* ("ASU 2024-03"). ASU 2024-03 requires additional disclosures of the nature of expenses included in the income statement and presented in the footnotes. ASU 2024-03 is effective for annual periods beginning after December 15, 2026 and for interim periods beginning after December 15, 2027 on a prospective basis. Early adoption and retrospective application are permitted. The Company is currently evaluating the impact of adopting ASU 2024-03 on its disclosures.

In July 2025, the FASB issued ASU 2025-05, Financial Instruments - Credit Losses (Topic 326) - Measurement of Credit Losses for Accounts Receivable and Contract Assets ("ASU 2025-05"), which provides a practical expedient to measure credit losses on current accounts receivable and current contract assets. The practical expedient allows companies to assume that current conditions as of the balance sheet date do not change for the remaining life of the asset when measuring credit losses. ASU 2025-05 is effective for annual periods beginning after December 15, 2025 and for interim periods within those annual reporting periods on a prospective basis. Early adoption is permitted. The Company will adopt ASU 2025-05 on January 1, 2026 and does not expect the standard to have a material impact on its financial statements and disclosures.

In September 2025, the FASB issued ASU 2025-06, Intangibles - Goodwill and Other - Internal-Use Software (Subtopic 350-40) - Targeted Improvements to the Accounting for Internal-Use Software ("ASU 2025-06"), which modernizes and simplifies the recognition and disclosure framework for internal-use software costs by changing from a project-stage approach to a more judgment-based approach. ASU 2025-06 is effective for annual periods beginning after December 15, 2027 and for interim periods within those annual reporting periods on a prospective basis. Early adoption is permitted. The Company is currently evaluating the

impact of adopting ASU 2025-06 on its financial statements and disclosures.

The Company does not believe there are any other recently issued and effective or not yet effective pronouncements that would have or are expected to have a material impact on the Company's present or future consolidated financial statements.

Note 3—Net Income (Loss) Per Share

The following table presents the basic and diluted net income (loss) per share:

	Year Ended		
	December 31, 2025	December 31, 2024	December 31, 2023
	(in thousands, except per share amounts)		
Basic Net Income (Loss) Per Share:			
Net income (loss)	$ 144,613	$ 22,786	$ (159,184)
Weighted-average common shares outstanding used to compute basic net income (loss) per share	142,560	140,557	136,620
Basic net income (loss) per share	$ 1.01	$ 0.16	$ (1.17)
Diluted Net Income (Loss) Per Share:			
Net income (loss)	$ 144,613	$ 22,786	$ (159,184)
Add back:			
Interest expense, Convertible Notes, net of tax	$ 1,260	$ —	$ —
Net income (loss) used to calculate diluted income (loss) per share	$ 145,873	$ 22,786	$ (159,184)
Denominator:			
Weighted-average common shares used to compute basic net income (loss) per share	142,560	140,557	136,620
Dilutive effect of weighted-average restricted stock units	4,627	3,731	—
Dilutive effect of weighted-average common stock options	2,096	1,811	—
Dilutive effect of weighted-average performance stock units	1,241	669	—
Dilutive effect of weighted-average ESPP shares	36	42	—
Dilutive effect of weighted-average Convertible Notes	3,210	—	—
Weighted-average shares used to compute diluted net income (loss) per share	153,770	146,810	136,620
Diluted net income (loss) per share	$ 0.95	$ 0.16	$ (1.17)

The following weighted-average shares have been excluded from the calculation of diluted net income (loss) per share attributable to common stockholders for each period presented because they were anti-dilutive:

	Year Ended		
	December 31, 2025	December 31, 2024	December 31, 2023
	(in thousands)		
Unvested restricted stock units	—	—	1,608
Options to purchase common stock	—	—	1,566
Unvested performance stock units	—	—	84
ESPP shares	—	—	31
Convertible Senior Notes	—	3,210	4,981
Total shares excluded from diluted net income (loss) per share	—	3,210	8,270

As of December 31, 2025, the performance stock units granted during 2021, 2024, and 2025 had expected achievement levels of 0%, 150%, and 80%, respectively. The performance stock units granted during 2022 vested on February 1, 2025 with an actual achievement of approximately 125%. The performance stock units granted during 2023 had an actual achievement level of approximately 126% as of December 31, 2025. As of December 31, 2024, the performance stock units granted during 2021, 2022, 2023, and 2024 had expected achievement levels of 0%, 121%, 137%, and 150%, respectively. As of December 31, 2023, the performance stock units granted during 2021, 2022, and 2023 had expected achievement levels of 0%, 58%, and 46%, respectively.

These expected and actual achievement levels are included in the calculation of weighted-average shares in the tables above. Refer to Note 16 for additional information related to performance stock units.

For the year ended December 31, 2025, the shares issuable assuming conversion of the Convertible Senior Notes (as defined in Note 12) were included in the calculation of diluted net income per share because they were dilutive. For the years ended December 31, 2024 and 2023, the shares issuable assuming conversion were excluded from the calculation of diluted net income (loss) per share because they were anti-dilutive. The Convertible Senior Notes have an initial conversion rate of 15.6539 shares of common stock per $1,000 principal amount of the Convertible Senior Notes, which will be subject to anti-dilution adjustments in certain circumstances.

Note 4—Revenue

For the majority of transactions on the Company's platform, the Company reports revenue on a net basis as it does not act as the principal in the purchase and sale of digital advertising inventory because it does not have control of the digital advertising inventory and does not set prices agreed upon within the auction marketplace. For certain advertising campaigns that are transacted through insertion orders, the Company reports revenue on a gross basis, based primarily on its determination that the Company acts as the primary obligor in the delivery of advertising campaigns for buyers with respect to such transactions.

The following table presents the Company's revenue recognized on a net basis and on a gross basis for the years ended December 31, 2025, 2024, and 2023:

	Year Ended					
	December 31, 2025		December 31, 2024		December 31, 2023	
	(in thousands, except percentages)					
Revenue:						
Net basis	$ 640,663	90 %	$ 572,003	86 %	$ 508,478	82 %
Gross basis	73,290	10	96,167	14	111,232	18
Total	$ 713,953	100 %	$ 668,170	100 %	$ 619,710	100 %

The following table presents the Company's revenue by channel for the years ended December 31, 2025, 2024, 2023:

	Year Ended					
	December 31, 2025		December 31, 2024		December 31, 2023	
	(in thousands, except percentages)					
Channel:						
CTV	$ 346,099	48 %	$ 317,413	48 %	$ 282,126	46 %
Mobile	260,733	37	244,643	36	232,495	37
Desktop	107,121	15	106,114	16	105,089	17
Total	$ 713,953	100 %	$ 668,170	100 %	$ 619,710	100 %

The following table presents the Company's revenue disaggregated by geographic location, based on the location of the Company's sellers for the years ended December 31, 2025, 2024, 2023:

	Year Ended					
	December 31, 2025		December 31, 2024		December 31, 2023	
	(in thousands, except percentages)					
United States	$ 537,733	75 %	$ 498,440	75 %	$ 462,167	75 %
International	176,220	25	169,730	25	157,543	25
Total	$ 713,953	100 %	$ 668,170	100 %	$ 619,710	100 %

Payment terms are specified in agreements between the Company and the buyers and sellers on its platform. The Company generally bills buyers at the end of each month for the full purchase price of impressions filled in that month. The Company recognizes volume discounts as a reduction of revenue as they are incurred. Specific payment terms may vary by agreement, but are generally seventy-five days or less. The Company's accounts receivable are recorded at the amount of gross billings to buyers, net of allowances for the amounts the Company is responsible to collect. The Company's accounts payable related to amounts due to sellers are recorded at the net amount payable to sellers (refer to Note 10). Accordingly, both accounts receivable and accounts payable appear large in relation to revenue reported on a net basis.

Accounts receivable are recorded at the invoiced amount, are unsecured, and do not bear interest. The allowance for doubtful accounts is reviewed quarterly, requires judgment, and is based on the best estimate of the amount of expected credit losses in existing accounts receivable. The Company reviews the status of the then-outstanding accounts receivable on a customer-by-customer basis, taking into consideration the aging schedule of receivables, its historical collection experience, current information regarding the client, subsequent collection history, and other relevant data, in establishing the allowance for doubtful accounts. Accounts receivable are presented net of an allowance for doubtful accounts of $4.0 million at December 31, 2025, and $2.9 million at December 31, 2024. Accounts receivable are written off against the allowance for doubtful accounts when the Company determines amounts are no longer collectible.

The Company reviews the associated payable to sellers for recovery of buyer receivable allowance and write-offs; in some cases, the Company can reduce the payable to sellers. The reduction of seller payables related to recovery of uncollected buyer receivables is netted against allowance expense. The contra seller payables related to recoveries were $2.2 million and $1.9 million as of December 31, 2025 and December 31, 2024, respectively.

The following is a summary of activity in the allowance for doubtful accounts for the years ended December 31, 2025, 2024, and 2023, respectively:

	Year Ended		
	December 31, 2025	December 31, 2024	December 31, 2023
	(in thousands)		
Allowance for doubtful accounts, beginning balance	$ 2,902	$ 20,363	$ 1,092
Write-offs	(1,327)	(18,954)	(856)
Increase (decrease) in provision for expected credit losses	2,438	1,428	20,115
Recoveries of previous write-offs	—	65	12
Allowance for doubtful accounts, December 31	$ 4,013	$ 2,902	$ 20,363

During the year ended December 31, 2024, the Company wrote off $19.0 million of allowance for doubtful accounts, of which $18.5 million was attributable to the outstanding accounts receivable from a buyer that filed for bankruptcy during 2023.

The change in provision for expected credit losses associated with accounts receivable and the offsetting impact of the change to contra seller payables related to recoveries of uncollected buyer receivables result in the amount of bad debt expense or recoveries the Company recognizes each year. During the year ended December 31, 2025, the increase in the provision for expected credit losses associated with accounts receivable of $2.4 million was partially offset by increases of contra seller payables related to recoveries of uncollected buyer receivables of $1.3 million, which resulted in $1.1 million of bad debt expense. During the year ended December 31, 2024, the increase in the provision for expected credit losses associated with accounts receivable of $1.4 million was partially offset by increases of contra seller payables related to recoveries of uncollected buyer receivables, which resulted in an immaterial amount of bad debt expense. During the year ended December 31, 2023, the increase in the provision for expected credit losses associated with accounts receivable of $20.1 million was offset by increases of contra seller payables related to recoveries of uncollected buyer receivables of $15.4 million, which resulted in $4.7 million of bad debt expense. The increase in the provision for expected credit losses was primarily attributed to one buyer filing for bankruptcy, resulting in $4.2 million of bad debt expense during the year ended December 31, 2023.

Note 5—Fair Value Measurements

Recurring Fair Value Measurements

Fair value represents the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. Observable inputs are based on market data obtained from independent sources. The fair value hierarchy is based on the following three levels of inputs, of which the first two are considered observable and the last one is considered unobservable:

- Level 1 – Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access at the measurement date.
- Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 – Unobservable inputs.

The table below sets forth a summary of financial instruments that are measured at fair value on a recurring basis at December 31, 2025:

	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	(in thousands)			
Cash equivalents	$ 342,771	$ 342,771	$ —	$ —

The table below sets forth a summary of financial instruments that are measured at fair value on a recurring basis at December 31, 2024:

	Total	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
	(in thousands)			
Cash equivalents	$ 436,731	$ 436,731	$ —	$ —

At December 31, 2025 and 2024, cash equivalents of $342.8 million and $436.7 million, respectively, consisted of money market funds, with original maturities of three months or less. The carrying amounts of cash equivalents are classified as Level 1 or Level 2 depending on whether or not their fair values are based on quoted market prices for identical securities that are traded in an active market.

At December 31, 2025 and 2024, the Company had debt outstanding under its Convertible Senior Notes and loans under its 2024 Term Loan B Facility (as defined in Note 12) included in its balance sheets. The estimated fair value of the Company's Convertible Senior Notes was $199.2 million and $190.2 million, as of December 31, 2025 and 2024, respectively. The estimated fair value of Convertible Senior Notes is based on market rates and the closing trading price of the Convertible Senior Notes as of December 31, 2025 and 2024 and is classified as Level 2 in the fair value hierarchy. At December 31, 2025 and 2024, the estimated fair value of the Company's 2024 Term Loan B Facility was $360.0 million and $368.2 million, respectively. The estimated fair value is based on borrowing rates currently available to the Company for financing with similar terms and is classified as Level 2 in the fair value hierarchy.

Note 6—Property and Equipment

Major classes of property and equipment were as follows:

	December 31, 2025	December 31, 2024
	(in thousands)	
Computer equipment and network hardware	$ 227,762	$ 184,155
Furniture, fixtures and office equipment	2,639	3,486
Leasehold improvements	1,117	2,576
Purchased software	1,108	1,123
Gross property and equipment	232,626	191,340
Accumulated depreciation	(124,080)	(122,610)
Property and equipment, net	$ 108,546	$ 68,730

Depreciation expense related to property and equipment totaled $24.8 million, $16.4 million, and $24.0 million for the years ended December 31, 2025, 2024, and 2023, respectively.

The Company's property and equipment, net by geographical region was as follows:

	December 31, 2025	December 31, 2024
	(in thousands)	
United States	$ 95,035	$ 51,708
International	13,511	17,022
Total	$ 108,546	$ 68,730

Note 7—Internal Use Software Development Costs

Internal use software development costs were as follows:

	December 31, 2025	December 31, 2024
	(in thousands)	
Internal use software development costs, gross	112,687	$ 97,571
Accumulated amortization	(83,888)	(70,946)
Internal use software development costs, net	$ 28,799	$ 26,625

During the years ended December 31, 2025, 2024, and 2023, the Company capitalized $15.9 million, $16.7 million, and $12.6 million, respectively, of internal use software development costs. Amortization expense was $13.7 million, $12.0 million, and $14.3 million for the years ended December 31, 2025, 2024, and 2023, respectively.

Based on the Company’s internal use software development costs at December 31, 2025, excluding projects that are not ready for their intended use with a value of $8.8 million, estimated amortization expense of $10.9 million, $6.7 million, and $2.3 million is expected to be recognized in 2026, 2027, and 2028, respectively.

Note 8—Business Combinations

2025 Acquisition—Streamrai, Inc.

In September 2025, the Company completed the acquisition of the business of Streamrai, Inc. ("Streamr.ai" and such acquisition the "Streamr.ai Acquisition"), a platform that specializes in artificial intelligence tools that make CTV advertising accessible to small and medium-sized businesses ("SMBs"). The total purchase consideration was $10.1 million, of which $8.1 million was paid in cash and $2.0 million was held back to cover possible indemnification claims that will be partially released one year after the acquisition, with the remainder released by March 2027. In accordance with the accounting for business combinations, the Company recorded the acquisition based on the fair value of the consideration transferred and then allocated the purchase price to the identifiable assets acquired and liabilities assumed based on their respective fair values as of the acquisition date. The excess of the value of consideration transferred over the aggregate fair value of those net assets was recorded as goodwill. The allocation of purchase consideration resulted in an estimated $5.0 million of developed technology intangible assets with an estimated useful life

of 3 years, $0.7 million of non-compete intangible assets with an estimated useful life of 2 to 3 years, $0.1 million of customer relationships with an estimated useful life of 0.5 years, $0.2 million of trademark and trade name intangible assets with an estimated useful life of 3 years, goodwill of $5.7 million, which is attributable to the workforce of Streamr.ai and revenue synergies from the acquisition, and deferred tax liability of $1.5 million. The purchase price allocation is preliminary and subject to change pending finalization of any contingent matters. For tax purposes, the acquisition of Streamr.ai will be treated as a stock acquisition. The goodwill recognized in the acquisition of Streamr.ai is not tax deductible for tax purposes.

Note 9—Intangible Assets and Goodwill

The Company's intangible assets as of December 31, 2025 and 2024 included the following:

	December 31, 2025	December 31, 2024
	(in thousands)	
Amortizable intangible assets:		
Developed technology	$ 112,250	$ 109,736
Customer relationships	60	37,300
In-process research and development	8,830	8,830
Other intangible assets	1,844	1,332
Non-compete agreements	690	—
Total identifiable intangible assets, gross	123,674	157,198
Accumulated amortization—intangible assets:		
Developed technology	(101,880)	(93,941)
Customer relationships	(38)	(34,192)
In-process research and development	(8,273)	(6,856)
Other intangible assets	(954)	(900)
Non-compete agreements	(84)	—
Total accumulated amortization—intangible assets	(111,229)	(135,889)
Total identifiable intangible assets, net	$ 12,445	$ 21,309

Amortization of intangible assets for the years ended December 31, 2025, 2024, and 2023 was $15.1 million, $30.1 million, and $202.5 million, respectively. For the year ended December 31, 2025, the Company wrote off fully amortized intangible assets with a historical cost of $39.8 million.

The estimated remaining amortization expense associated with the Company's intangible assets was as follows as of December 31, 2025:

Fiscal Year	Amount
	(in thousands)
2026	$ 8,095
2027	2,466
2028	1,367
2029	79
2030	79
Thereafter	359
Total	$ 12,445

Changes to the Company's goodwill were as follows (in thousands):

	Total
Ending balance at December 31, 2023	$ 978,217
Ending balance at December 31, 2024	978,217
Additions for the Streamr.ai Acquisition	5,685
Ending balance at December 31, 2025	$ 983,902

The Company's qualitative assessment for impairment in the fourth quarter of 2025 did not indicate that it is more likely than not that the fair value of its goodwill is less than the aggregate carrying amount.

Note 10—Accounts Payable and Accrued Expenses

Accounts payable and accrued expenses included the following:

	December 31, 2025	December 31, 2024
	(in thousands)	
Accounts payable—seller	$ 1,572,103	$ 1,417,780
Accounts payable—trade	15,037	30,899
Accrued employee-related payables	19,524	17,698
Accrued holdback - indemnification claims	1,000	—
Total	$ 1,607,664	$ 1,466,377

Note 11—Leases

The Company has operating leases for office facilities and data centers. The lease terms of the Company's operating leases generally range from 1.0 year to 10.0 years. The Company's lease terms include periods under options to extend or terminate the lease when it is reasonably certain that the Company will exercise that option. The weighted average remaining lease term of leases included in lease liabilities is 4.2 years and 4.6 years as of December 31, 2025 and December 31, 2024, respectively. As of December 31, 2025 and December 31, 2024, a weighted average discount rate of 6.03% and 6.12%, respectively, has been applied to the remaining lease payments to calculate the lease liabilities included within the consolidated balance sheets.

Operating lease expense was $22.9 million, $21.2 million and $24.5 million for the years ended December 31, 2025, 2024 and 2023, respectively. Included in operating lease expense for the year ended December 31, 2024 was a gain of $1.8 million related to the early termination of an office facility lease. The Company recognized variable lease expense of $4.4 million, $1.6 million, and $3.8 million for the years ended December 31, 2025, 2024 and 2023, respectively. For the year ended December 31, 2024, variable lease expense included $1.4 million of negative variable lease expense related to rent concessions for an office lease.

The maturity of the Company's lease liabilities associated with leases included in the lease liabilities and ROU assets were as follows as of December 31, 2025 (in thousands):

Fiscal Year	
2026	$ 23,385
2027	18,216
2028	13,891
2029	13,835
2030	6,222
Thereafter	3,718
Total lease payments (undiscounted)	79,267
Less: imputed interest	(9,019)
Lease liabilities—total (discounted)	$ 70,248

Cash paid for amounts included in lease liabilities was $23.0 million, $24.1 million, and $26.6 million for the years ended December 31, 2025, 2024, and 2023, respectively.

The Company also received rental income of $1.1 million, $5.0 million, and $5.3 million for real estate leases for which it subleased the property to a third party during the years ended December 31, 2025, 2024, and 2023, respectively. Rental income is included in other income in the consolidated statements of operations.

In addition to the lease liabilities included in these consolidated financial statements, the Company entered into agreements for office space and data centers that had not commenced as of December 31, 2025; therefore, the leases were not included in the lease liabilities and ROU assets balance as of December 31, 2025. The Company has future commitments totaling $46.3 million over a weighted average term of 7.3 years related to these agreements, of which $32.8 million relate to one lease that will commence in 2030 over 8.2 years.

The Company's operating lease right-of-use assets by geographical region were as follows:

	December 31, 2025	December 31, 2024
	(in thousands)	
United States	$ 59,634	$ 45,178
International	6,977	5,151
Total	$ 66,611	$ 50,329

Note 12—Debt

Current and long term debt as of December 31, 2025 and 2024 consisted of the following:

	December 31, 2025	December 31, 2024
	(in thousands)	
Convertible Senior Notes	$ 205,067	$ 205,067
Less: Unamortized debt issuance costs	(252)	(1,424)
Net carrying value of Convertible Senior Notes	204,815	203,643
2024 Term Loan B Facility	360,454	363,177
Less: Unamortized debt discount and issuance costs	(9,157)	(13,075)
Net carrying value of 2024 Term Loan B Facility	351,297	350,102
Balance Sheet Presentation:		
Debt, current, net of debt issuance costs	208,447	3,641
Debt, non-current, net of debt discount and issuance costs	347,665	550,104
Total debt	$ 556,112	$ 553,745

Maturities of the principal amount of the Company's debt were as follows as of December 31, 2025 (in thousands):

Fiscal Year	
2026	$ 208,699
2027	3,632
2028	3,632
2029	3,632
2030	3,632
Thereafter	342,294
Total	$ 565,521

Amortization of debt discount and debt issuance costs is computed using the effective interest method and is included in interest expense in the consolidated statement of operations. Amortization of the debt discount and debt issuance costs associated with the Company's indebtedness totaled $3.1 million, $3.6 million, and $5.8 million for the years ended December 31, 2025, 2024, and 2023, respectively.

Convertible Senior Notes and Capped Call Transactions

In March 2021, the Company issued $400.0 million aggregate principal amount of 0.25% convertible senior notes in a private placement, including $50.0 million aggregate principal amount of such notes pursuant to the exercise in full of the over-allotment options of the initial purchasers (collectively, the "Convertible Senior Notes"). The Convertible Senior Notes will mature on March 15, 2026, unless earlier repurchased, redeemed or converted. The Company plans to repay the outstanding balance upon maturity with its cash and cash equivalents balance.

The Convertible Senior Notes are senior, unsecured obligations and are (i) equal in right of payment with the existing and future senior, unsecured indebtedness; (ii) senior in right of payment to any of the Company’s future indebtedness that is expressly subordinated to the Convertible Senior Notes; (iii) effectively subordinated to the Company’s existing and future secured indebtedness, to the extent of the value of the collateral securing that indebtedness, including amounts outstanding under the Loan Agreement or the new Credit Agreement (see section below); and (iv) structurally subordinated to all existing and future indebtedness and other liabilities, including trade payables, and (to the extent the Company is not a holder thereof) preferred equity, if any, of the Company’s subsidiaries that do not guarantee the Convertible Senior Notes.

The Convertible Senior Notes accrue interest at 0.25% per annum payable semi-annually in arrears on March 15 and September 15 of each year, beginning on September 15, 2021. The Convertible Senior Notes will mature on March 15, 2026 unless they are redeemed, repurchased or converted prior to such date. The Convertible Senior Notes are convertible at the option of holders only during certain periods and upon satisfaction of certain conditions.

Holders have the right to convert their notes (or any portion of a note in an authorized denomination), in the following circumstances: (i) during any calendar quarter commencing after the calendar quarter ending on June 30, 2021, if the last reported sale price per share of the Company’s common stock exceeds 130% of the conversion price for each of at least 20 trading days during the 30 consecutive trading days ending on, and including, the last trading day of the immediately preceding calendar quarter; (ii) during the five consecutive business days immediately after any ten consecutive trading day period (such ten consecutive trading day period, the "measurement period") in which the trading price per $1,000 principal amount of notes for each trading day of the measurement period was less than 98% of the product of the last reported sale price per share of the Company’s common stock on such trading day and the conversion rate on such trading day; (iii) upon the occurrence of certain corporate events or distributions on the Company’s common stock; (iv) if the Company calls such Convertible Senior Notes for redemption; and (v) on or after September 15, 2025, until the close of business on the second scheduled trading day immediately before the maturity date, holders of the Convertible Senior Notes may, at their option, convert all or a portion of their Convertible Senior Notes regardless of the foregoing conditions at any time from, and including, September 15, 2025 until the close of business on the second scheduled trading day immediately before the maturity date.

Upon conversion, the Convertible Senior Notes may be settled in shares of the Company’s common stock, cash or a combination of cash and shares of the Company’s common stock, at the Company’s election. All conversions with a conversion date that occurs on or after September 15, 2025 will be settled using the same settlement method, and the Company will send notice of such settlement method to noteholders no later than the open of business on September 15, 2025.

Subject to the terms of the indenture agreement, the Company has the right, at its election, to redeem all, or any portion (subject to the partial redemption limitation) in an authorized denomination, of the Convertible Senior Notes, at any time, and from time to time, on a redemption date on or after March 20, 2024 and on or before the 40th scheduled trading day immediately before the maturity date, for cash, but only if the "last reported sale price," as defined under the Offering Memorandum, per share of common stock exceeds 130% of the “conversion price” on (i) each of at least 20 trading days, during the 30 consecutive trading days ending on, and including, the trading day immediately before the date the Company sends the related redemption notice; and (ii) the trading day immediately before the date the Company sends such notice. In addition, calling any note for redemption will constitute a "make-whole fundamental change" (as defined below) with respect to that note, in which case the conversion rate applicable to the conversion of that note will be increased in certain circumstances if it is converted after it is called for redemption. If the Company elects to redeem less than all of the outstanding notes, then the redemption will not constitute a make-whole fundamental change with respect to the notes not called for redemption, and holders of the notes not called for redemption will not be entitled to an increased conversion rate for such notes as described above on account of the redemption, except to the limited extent described further below. No sinking fund is provided for the Convertible Senior Notes, which means that the Company is not required to redeem or retire the Convertible Senior Notes periodically.

If a fundamental change occurs, then each noteholder will have the right to require the Company to repurchase its notes (or any portion thereof in an authorized denomination) for cash on a date (the "fundamental change repurchase date") of the Company's choosing, which must be a business day that is no more than 45, nor less than 20, business days after the date the Company distributes the related fundamental change notice.

If an event of default, other than a reporting default remedied by special interest as defined in the indenture agreement, occurs with respect to the Company or any guarantor, then the principal amount of, and all accrued and unpaid interest on, all of the notes then outstanding will immediately become due and payable without any further action or notice by any person. If an event of default (other than a reporting event of default described above with respect to the Company or any guarantor and not solely with respect to a significant subsidiary of the Company's or a guarantor, other than the Company or such guarantor) occurs and is continuing, then, the trustee, by notice to the Company, or noteholders of at least 25% of the aggregate principal amount of notes then outstanding, by written notice to the Company and the trustee, may declare the principal amount of, and all accrued and unpaid interest on, all of the notes then outstanding to become due and payable immediately.

The Convertible Senior Notes have an initial conversion rate of 15.6539 shares of common stock per $1,000 principal amount of the Convertible Senior Notes, which will be subject to customary anti-dilution adjustments in certain circumstances.

In connection with the pricing of the Convertible Senior Notes, the Company entered into privately negotiated capped call transactions with various financial institutions (the "Capped Call Transactions"). The Capped Call Transactions were entered into with third party broker-dealers to limit the potential dilution that would occur if the Company has to settle the conversion value in excess of the principal in shares. This exposure will be covered (i.e., the Company will receive as many shares as are required to be issued between the conversion price of $63.8818 and the maximum price of $91.2600). Any shares required to be issued by the Company over this amount would have net earnings per share dilution impact. By entering into the Capped Call Transactions, the Company expects to reduce the potential dilution to its common stock (or, in the event the conversion is settled in cash, to reduce its cash payment obligation) in the event that at the time of conversion its stock price exceeds the conversion price under the Convertible Senior Notes. The Company paid $39.0 million for the Capped Call Transactions, which was recorded as additional paid-in capital, using a portion of the gross proceeds from the sale of the Convertible Senior Notes. The cost of the Capped Call Transactions is not expected to be tax deductible as the Company did not elect to integrate the capped call into the Convertible Senior Notes for tax purposes. The cost of the Capped Call Transaction was recorded as a reduction of the Company's additional paid-in capital in the accompanying consolidated financial statements.

The Company incurred debt issuance costs of $11.4 million in March 2021. The Convertible Senior Notes are presented net of issuance costs on the Company's consolidated balance sheets. The debt issuance costs are amortized on an effective interest basis over the term of the Convertible Senior Notes and are included in interest expense and amortization of debt discount in the accompanying consolidated statements of operations.

During the year ended December 31, 2023, the Company repurchased its Convertible Senior Notes in the open market with cash on hand for $165.5 million. The Company recognized a gain on extinguishment of debt of $26.5 million related to the repurchase of $194.9 million of principal balance of Convertible Senior Notes and $2.9 million of unamortized debt issuance costs associated with the extinguished debt during the year ended December 31, 2023. The gain on extinguishment is included in other (income) expense in the Company's consolidated statement of operations.

The following table sets forth interest expense related to the Convertible Senior Notes for the years ended December 31, 2025, 2024, and 2023 (in thousands, except interest rates):

	December 31, 2025	December 31, 2024	December 31, 2023
	(in thousands, except interest rates)		
Contractual interest expense	$ 513	$ 513	$ 797
Amortization of debt issuance costs	1,172	1,173	1,823
Total interest expense	$ 1,685	$ 1,686	$ 2,620
Effective interest rate	0.82 %	0.82 %	0.82 %

2021 and 2024 Credit Agreements

On April 30, 2021, the Company entered into a credit agreement (the "2021 Credit Agreement") with Goldman Sachs Bank USA as administrative agent and collateral agent, and other lender parties thereto. The 2021 Credit Agreement provided for a $360.0 million seven-year senior secured term loan facility ("2021 Term Loan B Facility"), which had a maturity in April 2028, and a $65.0 million senior secured revolving credit facility (as amended in June 2021, the "2021 Revolving Credit Facility"), which had a maturity in December 2025. In June 2023, the Company amended the 2021 Credit Agreement (the "Amended 2021 Credit

Agreement") to transition away from a variable interest rate based on the Eurodollar Rate towards a similar variable interest rate based on Adjusted Term SOFR, as defined in the Amended 2021 Credit Agreement, which is based on the secured overnight financing rate ("SOFR").

Amounts outstanding under the Amended 2021 Credit Agreement accrue interest at a rate equal to either, (1) for the 2021 Term Loan B Facility, at the Company's election, the Adjusted Term SOFR plus a margin of 5.00% per annum, or ABR (as defined in the Amended 2021 Credit Agreement) plus a margin of 4.00%, and (2) for the 2021 Revolving Credit Facility, at the Company's election, the Adjusted Term SOFR plus a margin of 4.25% to 4.75%, or ABR plus a margin of 3.25% to 3.75%, in each case, depending on the Company's first lien net leverage ratio.

On February 6, 2024, the Company refinanced the Amended 2021 Credit Agreement and entered into a new credit agreement (the "2024 Credit Agreement") with Morgan Stanley Senior Funding, Inc. as the Company term loan administrative agent and Citibank, N.A. as the Company's revolving facility administrative agent and collateral agent, and other lender parties thereto. The 2024 Credit Agreement included a $365.0 million seven-year senior secured term loan facility (the "2024 Term Loan B Facility"), which will mature in February 2031 and a $175.0 million five-year senior secured revolving credit facility (the "2024 Revolving Credit Facility"), which will mature in February 2029. The Company primarily used the proceeds from the 2024 Term Loan B Facility to repay in full all outstanding amounts owed under the Company's Amended 2021 Credit Agreement. Accordingly, the Amended 2021 Credit Agreement was terminated and replaced in its entirety. The obligations under the 2024 Credit Agreement are secured by substantially all of the assets of the Company.

Amounts outstanding under the 2024 Credit Agreement accrue interest at a rate equal to either, (1) for the 2024 Term Loan B Facility, at the Company's election, Term SOFR (as defined in the 2024 Credit Agreement) plus a margin of 4.50% per annum, or ABR (as defined in the 2024 Credit Agreement) plus a margin of 3.50%, and (2) for the 2024 Revolving Credit Facility, at the Company's election, Term SOFR plus a margin of 3.50% to 4.00%, or ABR plus a margin of 2.50% to 3.00%, in each case, depending on the Company's First Lien Net Leverage Ratio (as defined in the 2024 Credit Agreement).

On September 18, 2024, the Company entered into Amendment No. 1 to the 2024 Credit Agreement ("Amendment No. 1"), which reduced the interest rate of the 2024 Term Loan B Facility by 75 basis points to Term SOFR plus a margin of 3.75%, from the previous rate of Term SOFR plus a margin of 4.50%, and on March 18, 2025, the Company entered into Amendment No. 2 to the 2024 Credit Agreement ("Amendment No. 2"), which reduced the interest rate of the 2024 Term Loan B Facility by an additional 75 basis points to Term SOFR plus a margin of 3.00%. The remaining terms of the 2024 Term Loan B Facility and the 2024 Revolving Credit Facility were substantially unchanged by these amendments.

As of December 31, 2025, the contractual interest rate related to the 2024 Term Loan B Facility was 6.72%. In addition to having to pay contractual interest on the 2024 Term Loan B Facility, the Company is also required to pay certain other fees, primarily to the lenders under the 2024 Revolving Credit Facility, in order to maintain their revolving facility commitments.

The covenants of the 2024 Credit Agreement include customary negative covenants that, among other things, restrict the Company's ability to incur additional indebtedness, grant liens and make certain acquisitions, investments, asset dispositions and restricted payments. In addition, the 2024 Credit Agreement contains a springing financial covenant that is tested on the last day of any fiscal quarter only if utilization of the 2024 Revolving Credit Facility exceeds 35% of the total revolving commitments, whereby the Company is required to maintain a First Lien Net Leverage Ratio below 3.25 to 1.00. As of December 31, 2025, no amounts were outstanding under the 2024 Revolving Credit Facility and the Company was in compliance with its debt covenants. At December 31, 2025, amounts available under the 2024 Revolving Credit Facility were $171.0 million, net of letters of credit outstanding in the amount of $4.0 million.

The 2024 Credit Agreement includes customary events of default, and customary rights and remedies upon the occurrence of any event of default thereunder, including rights to accelerate the loans, terminate the commitments thereunder and realize upon the collateral securing the obligations under the 2024 Credit Agreement. The 2024 Credit Agreement calls for customary scheduled loan amortization payments of 0.25% of the initial principal balance, which at the time of Amendment No. 2 was $363.2 million, payable quarterly (i.e. 1% in aggregate per year) as well as a provision that requires the Company to prepay the 2024 Term Loan B Facility based on an annual calculation of free cash flow ("Excess Cash Flow") as defined by the 2024 Credit Agreement. The Company was not required to make any such mandatory prepayment required by the Excess Cash Flow provision for the period ended December 31, 2025.

The following table summarizes the amount outstanding under the Company's 2024 Term Loan B Facility as of December 31, 2025 and 2024:

	December 31, 2025	December 31, 2024
	(in thousands)	
2024 Term Loan B Facility	$ 360,454	$ 363,177
Unamortized debt discount	(4,275)	(6,198)
Unamortized debt issuance costs	(4,882)	(6,877)
2024 Term Loan B Facility, net of debt discount and issuance costs	$ 351,297	$ 350,102

February 6, 2024 Debt Refinance

As part of the debt refinance on February 6, 2024, where lenders under the Amended 2021 Credit Agreement continued to be lenders under the 2024 Credit Agreement, certain of their loans and revolving facility commitments were deemed to have been modified ("Modified Loans" and "Modified Commitments," respectively). The Company continued to defer debt discount costs of $3.7 million and debt issuance costs of $5.7 million from Modified Loans over the term of the new 2024 Term Loan B Facility. The Company continued to defer financing costs as of February 6, 2024 of an immaterial amount from Modified Commitments over the term of the new 2024 Revolver Facility. Deferred financing costs are included in other assets, non-current in the consolidated balance sheets.

For lenders of the 2021 Credit Agreement that did not continue to participate in the 2024 Credit Agreement, their pro-rata portion of the unamortized debt discount of $2.8 million, unamortized debt issuance costs of $4.3 million, and an immaterial amount of unamortized deferred financing costs were deemed to be extinguished. The resulting loss on extinguishment of debt of $7.4 million is included in other (income) expense in the Company's consolidated statement of operations for the year ended December 31, 2024.

The Company paid $7.7 million in third-party fees related to the closing of the 2024 Credit Agreement. Third-party fees attributed to new lenders of $2.4 million were capitalized as part of the debt issuance costs and will be amortized over the term of the 2024 Term Loan B Facility while third-party fees attributed to Modified Loans of $3.1 million were included in general and administrative expenses in the Company's consolidated statement of operations for the year ended December 31, 2024. In addition, third-party fees of $2.1 million attributed to new revolving lenders and Modified Commitments were capitalized as part of deferred financing costs and will be amortized over the term of the 2024 Revolving Facility. The Company also capitalized additional debt discount costs of $3.7 million associated with the closing of the 2024 Term Loan B Facility, which will be amortized over the term of the 2024 Term Loan B Facility.

September 18, 2024 Debt Repricing

The Company analyzed the changes of Amendment No. 1 on a lender-by-lender basis and determined that the transaction would primarily be accounted for as a modification, with a portion of it accounted for as debt extinguishment and new debt issuance. As a result, the Company recognized an immaterial loss on extinguishment related to unamortized debt discount and unamortized debt issuance costs related to the portion of the 2024 Term Loan B Facility that was extinguished. The Company paid $1.0 million in third-party fees related to Amendment No. 1 of which an immaterial amount was capitalized as debt issuance costs and $1.0 million was included in general and administrative expenses in the Company's consolidated statement of operations for the year ended December 31, 2024. As part of Amendment No. 1, most lenders decided to roll their loan balances over from the original 2024 Term Loan B Facility to the amended 2024 Term Loan B Facility, while some decided to cash out and reassign their loan balances. On September 18, 2024, $312.0 million of the 2024 Term Loan B Facility principal balance was rolled over as part of non-cash financing activities while $52.1 million of the 2024 Term Loan B Facility principal balance was repaid and then reissued.

March 18, 2025 Debt Repricing

The Company analyzed the changes of Amendment No. 2 on a lender-by-lender basis and determined that the transaction would primarily be accounted for as a modification, with a portion of it accounted for as debt extinguishment and new debt issuance. As a result, the Company recognized a loss on extinguishment of $2.2 million related to $1.0 million of unamortized debt discount and $1.1 million of unamortized debt issuance costs related to the portion of the 2024 Term Loan B Facility that was extinguished. The Company incurred $1.0 million of third-party debt refinancing expense, which was included in general and administrative expenses in the Company's consolidated statement of operations for the year ended December 31, 2025. As part of Amendment No. 2, most of the 2024 Term Loan B lenders decided to roll their loan balances over from Amendment No. 1 to Amendment No. 2, while some decided to cash out and reassign their loan balances. On March 18, 2025, $270.6 million of the 2024 Term Loan B principal balance from Amendment No. 1 was rolled over to Amendment No. 2 as part of non-cash financing

activities while $92.6 million of the 2024 Term Loan B Facility principal balance from Amendment No. 1 was repaid and then reissued as part of Amendment No. 2.

The following table sets forth interest expense related to the 2024 Term Loan B Facility and 2021 Term Loan B Facility for the years ended December 31, 2025, 2024, and 2023 (in thousands, except interest rates):

	December 31, 2025	December 31, 2024	December 31, 2023
	(in thousands, except interest rates)		
Contractual interest expense	$ 27,211	$ 35,139	$ 36,261
Amortization of debt discount	903	1,111	1,564
Amortization of debt issuance costs	1,022	1,299	2,441
Total interest expense	$ 29,136	$ 37,549	$ 40,266
Effective interest rate	8.04 %	10.35 %	11.40 %

The estimated remaining amortization expense for the 2024 Term Loan B Facility debt discount and debt issuance costs for fiscal years 2026 through 2030 and thereafter was as follows (in thousands):

Fiscal Year	Debt Discount	Debt Issuance Costs
2026	$ 856	$ 978
2027	847	968
2028	839	958
2029	830	948
2030	821	938
Thereafter	82	92
Total	$ 4,275	$ 4,882

Total Interest Expense and Interest Income

Interest expense consists primarily of contractual interest expense and amortization of debt discount, debt issuance costs, and deferred financing costs related to the Company's debt facilities under its 2024 Credit Agreement, Amended 2021 Credit Agreement as well as its Convertible Senior Notes. Interest income primarily consists of interest earned on the Company's cash equivalents. The following includes interest expense and interest income, as presented within interest expense, net in the consolidated statement of operations (in thousands):

	December 31, 2025	December 31, 2024	December 31, 2023
Interest expense	$ 31,648	$ 40,430	$ 43,461
Interest income	(12,725)	(13,398)	(11,092)
Interest expense, net	$ 18,923	$ 27,032	$ 32,369

Note 13—Commitments and Contingencies

Commitments

The Company has commitments under non-cancelable operating leases for facilities, and its managed data center facilities (refer to Note 11).

As of December 31, 2025 and 2024, the Company had $4.0 million and $5.2 million, respectively, of letters of credit associated with office leases available for borrowing, on which there were no outstanding borrowings as of either date.

In the normal course of business, the Company enters into non-cancelable contractual obligations with various parties, primarily related to cloud-managed service agreements, software service agreements, and data center providers. As of December 31,

2025, the Company's outstanding non-cancelable contractual obligations with a remaining term in excess of one year consist of the following (in thousands):

Fiscal Year		
2026	$	122,494
2027		69,934
2028		10,712
2029		458
2030		447
Thereafter		37
Total	$	204,082

The amounts above include commitments under a cloud-managed services agreement, under which the Company has a non-cancelable commitment from July 2025 to June 2028 containing minimum spend amounts for each twelve-month period (i.e. July 2025 to June 2026, July 2026 to June 2027, and July 2027 to June 2028) as well as an additional minimum spend amount over the entire three-year term. The table above approximates the manner in which the Company expects to fulfill the obligation.

Guarantees and Indemnification

The Company’s agreements with sellers, buyers, and other third parties typically obligate the Company to provide indemnity and defense for losses resulting from claims of intellectual property infringement, damages to property or persons, business losses, or other liabilities. Generally, these indemnity and defense obligations relate to the Company’s own business operations, obligations, and acts or omissions. However, under some circumstances, the Company agrees to indemnify and defend contract counterparties against losses resulting from their own business operations, obligations, and acts or omissions, or the business operations, obligations, and acts or omissions of third parties. For example, because the Company’s business interposes the Company between buyers and sellers in various ways, buyers often require the Company to indemnify them against acts and omissions of sellers, and sellers often require the Company to indemnify them against acts and omissions of buyers. In addition, the Company’s agreements with sellers, buyers, and other third parties typically include provisions limiting the Company’s liability to the counterparty, and the counterparty’s liability to the Company. These limits sometimes do not apply to certain liabilities, including indemnity obligations. These indemnity and limitation of liability provisions generally survive termination or expiration of the agreements in which they appear. The Company has also entered into indemnification agreements with its directors, executive officers, and certain other officers that will require the Company, among other things, to indemnify them against certain liabilities that may arise by reason of their status or service as directors, officers, or employees. No material demands have been made upon the Company to provide indemnification under such agreements and there are no claims that the Company is aware of that could have a material effect on the Company’s consolidated financial statements.

Litigation

The Company and its subsidiaries may from time to time be parties to legal or regulatory proceedings, lawsuits and other claims incident to their business activities and to the Company’s status as a public company. Such routine matters may include, among other things, assertions of contract breach or intellectual property infringement, claims for indemnity arising in the course of the Company’s business, claims relating to our collection or use of data, regulatory investigations, audits by taxing authorities, or enforcement proceedings, and claims by persons whose employment has been terminated. For example, the Company has recently been subject to class action lawsuits alleging violations of various privacy statutes. Additionally, on September 16, 2025, the Company filed a lawsuit against Google LLC ("Google") in the U.S. District Court of the Eastern District of Virginia. The complaint alleges that Google has engaged in anticompetitive conduct in the ad exchange and ad server markets in violation of federal antitrust laws, including actions that restrict publishers' ability to use competing services and favor Google's own advertising exchange. Magnite seeks monetary damages, an injunction, structural relief, and reimbursement of reasonable costs and expenses. Magnite intends to pursue its claims vigorously, but cannot predict the outcome of this matter.

Such matters are subject to many uncertainties, and outcomes are not predictable with assurance. Consequently, management is unable to ascertain the ultimate aggregate amount of monetary liability or awards, amounts which may be covered by insurance or recoverable from third parties, or the financial impact with respect to such matters as of December 31, 2025. However, based on management’s knowledge as of December 31, 2025, management believes that the final resolution of these matters known at such date, individually and in the aggregate, will not have a material adverse effect upon the Company’s consolidated financial position, results of operations or cash flows.

Employment Contracts

The Company has entered into severance agreements with certain employees and officers. The Company may be required to pay severance and accelerate the vesting of certain equity awards in the event of involuntary terminations.

Note 14—Stockholders' Equity

On February 1, 2024, the Board of Directors approved a share repurchase program (the "February 2024 Repurchase Plan") under which the Company is authorized to repurchase common stock or Convertible Senior Notes, with an aggregate market value of up to $125.0 million, through February 1, 2026. Under the February 2024 Repurchase Plan, 4.5 million shares were purchased in open market purchases through December 31, 2025 for a total of approximately $60.9 million at an average of $13.43 per share. The average price paid per share purchased under the Program includes broker commission costs. As of December 31, 2025, $64.1 million remains available under the February 2024 Repurchase Plan. For accounting purposes, common stock repurchases under the Company's repurchase programs are recorded based upon the purchase date of the applicable trade. Repurchased shares are accounted for as treasury stock in the consolidated balance sheets and have all been subsequently retired.

Note 15—Accumulated Other Comprehensive Loss

The components of accumulated other comprehensive loss, which relate to foreign currency translation, were as follows (in thousands):

	Accumulated Other Comprehensive Loss
Balance at December 31, 2022	$ (3,151)
Other comprehensive income	1,075
Balance at December 31, 2023	(2,076)
Other comprehensive loss	(2,345)
Balance at December 31, 2024	(4,421)
Other comprehensive income	2,970
Balance at December 31, 2025	$ (1,451)

Note 16—Stock-Based Compensation

In connection with its IPO, the Company implemented its 2014 Equity Incentive Plan, which governs equity awards made to employees and directors of the Company since the IPO. In November 2014, the Company approved the 2014 Inducement Grant Equity Incentive Plan (the "Inducement Plan"), which governs certain equity awards made to certain employees in connection with commencement of employment. In connection with the Company's acquisition of nToggle, Inc. ("nToggle"), it assumed the nToggle 2014 Equity Incentive Plan (the "nToggle Plan"), and in connection with the merger with Telaria, Inc. ("Telaria"), the Company assumed Telaria's 2013 Equity Incentive Plan, as amended (the "Telaria Plan"). Available shares under the nToggle Plan and the Telaria Plan were rolled into the available share pool under the 2014 Equity Incentive Plan at the time of acquisition of and merger with, respectively, each company. On June 14, 2023, the Company's stockholders approved the Magnite, Inc. Amended and Restated 2014 Equity Incentive Plan (the "Amended and Restated 2014 Equity Incentive Plan"), which, among other things, increased the aggregate maximum number of shares of common stock that may be issued under the plan, removed the prior evergreen provision, and extended the plan through April 2033. All compensatory equity awards outstanding at December 31, 2025 were issued pursuant to the Amended and Restated 2014 Equity Incentive Plan, the 2014 Equity Incentive Plan, the nToggle Plan, the Telaria Plan, or the Inducement Plan.

The Company’s equity incentive plans provide for the grant of equity awards, including non-statutory or incentive stock options, restricted stock awards ("RSAs"), restricted stock units that vest based on continuous service ("RSUs"), and restricted stock units that include performance criteria (“performance stock units” or "PSUs"), to the Company's employees, officers, directors, and consultants. The Company's board of directors administers the plans. Options vest based upon continued service at varying rates, but generally over four years from issuance with 25% vesting after one year of service and the remainder vesting monthly thereafter. RSAs and RSUs vest at varying rates, typically approximately 25% vesting after approximately one year of service and the remainder vesting annually, semi-annually, or quarterly thereafter. In addition, each Director of the Company's Board of Directors receives an annual grant which vests at the earlier of the one year anniversary of the grant date and the following annual shareholder meeting in addition to an initial equity awards in the first year of their election into the Board of Directors. Options, RSAs, RSUs,

and PSUs granted under the plans accelerate under certain circumstances for certain participants upon a change in control, as defined in the governing plan. As of December 31, 2025, an aggregate of 16,576,998 shares remained available for future grants, assuming target number of PSUs, under the Amended and Restated 2014 Equity Incentive Plan.

Stock Options

A summary of stock option activity for the year ended December 31, 2025 is as follows:

	Shares Under Option	Weighted-Average Exercise Price	Weighted- Average Contractual Life	Aggregate Intrinsic Value
	(in thousands)			(in thousands)
Outstanding at December 31, 2024	4,160	$ 8.57		
Granted	81	$ 16.46		
Exercised	(526)	$ 5.82		
Expired	(28)	$ 17.23		
Outstanding at December 31, 2025	3,687	$ 9.07	3.9 years	$ 31,543
Exercisable at December 31, 2025	3,477	$ 8.84	3.6 years	$ 30,808

The total intrinsic value of options exercised during the years ended December 31, 2025, 2024, and 2023 was $8.4 million, $1.0 million, and $2.2 million, respectively, based on their respective exercise dates. At December 31, 2025, the Company had unrecognized stock-based compensation expense relating to unvested stock options of approximately $1.5 million, which is expected to be recognized over a weighted-average period of 2.0 years.

The Company estimates the fair value of stock options that contain service conditions using the Black-Scholes option pricing model. The grant date fair value of options granted during the years ended December 31, 2025, 2024, and 2023 was $11.40, $6.34, and $7.27, respectively, per share. The weighted-average input assumptions used by the Company were as follows:

	Year Ended		
	December 31, 2025	December 31, 2024	December 31, 2023
Expected term (in years)	5.0	5.0	5.0
Risk-free interest rate	4.45 %	3.93 %	3.99 %
Expected volatility	84 %	84 %	84 %
Dividend yield	— %	— %	— %

Restricted Stock Units

A summary of restricted stock unit ("RSU") activity for the year ended December 31, 2025 is as follows:

	Number of Shares	Weighted-Average Grant Date Fair Value
	(in thousands)	
Restricted stock units outstanding at December 31, 2024	11,809	$ 10.69
Granted	4,372	$ 16.59
Canceled	(840)	$ 11.73
Vested and released	(5,823)	$ 11.43
Restricted stock units outstanding at December 31, 2025	9,518	$ 12.86

The weighted-average grant date fair value per share of restricted stock units granted during the years ended December 31, 2025, 2024, and 2023 was $16.59, $9.43, and $10.67, respectively.

The fair value of restricted stock units that vested and were released during the years ended December 31, 2025, 2024, and 2023 was $109.3 million, $61.9 million, and $50.7 million, respectively, based on their respective vesting dates. At December 31, 2025, the intrinsic value of unvested restricted stock units was $154.5 million. At December 31, 2025, the Company had unrecognized stock-based compensation expense relating to unvested restricted stock units of approximately $100.7 million, which is expected to be recognized over a weighted-average period of 2.3 years.

Performance Stock Units

The Company granted 379,635 performance stock units ("PSU") to the Company's CEO in August 2021, (the "August 2021 PSUs"), which are subject to both time-based and performance-based vesting conditions. The PSUs consist of three equal tranches (each, a "Performance Tranche"), based on achievement of a share price condition if the Company achieves share price targets of $60.00, $80.00, and $100.00, respectively, over 60 consecutive trading days during a performance period commencing on August 26, 2022 and ending on August 26, 2026. The grant date fair value for such PSUs was estimated using a Monte-Carlo simulation model that incorporates option-pricing inputs covering the period from the grant date through the end of the performance period. To the extent any of the performance-based requirements are met, the Company's CEO must also provide continued service to the Company through at least August 26, 2024 to receive any shares of common stock underlying the grant and through August 26, 2026 to receive all of the shares of common stock underlying the performance units that have satisfied the applicable performance-based requirement.

In 2022 and 2023, the Company granted PSUs to select executive employees that vest based on share price metrics tied to total shareholder return ("TSR") relative to a peer group over a three-year period, assuming a performance measurement of 100%. These PSUs are also subject to a time-based service component. The grant date fair value for such PSUs was estimated using a Monte-Carlo simulation model that incorporates option-pricing inputs covering the period from the grant date through the end of the performance period. Between 0% and 150% of the performance stock units will vest at the end of the performance period, which is generally on the third anniversary of the PSU grant date.

In 2024, the Company granted PSUs to select executive employees that vest based on share price metrics tied to total shareholder return ("TSR") relative to a peer group over a three-year period beginning January 1, 2024, as well as certain interim measurements based on relative TSR for the one-year and two-year periods beginning on January 1, 2024, assuming a performance measurement of 100%. At December 31, 2024, the one-year interim performance measurement was 150%, subject to the remaining vesting criteria and at December 31, 2025, the two-year interim performance measurement was also 150%, subject to the remaining vesting criteria.

In 2025, the Company granted PSUs with an aggregate target of 346,287 shares, assuming a performance measurement of 100%. The amount of shares that will ultimately vest will be determined based on the Company's TSR relative to the TSRs of a peer group for the three-year period beginning January 1, 2025, as well as certain interim measurements based on relative TSR for the one-year and two-year periods beginning on January 1, 2025. At December 31, 2025, the first one-year interim performance measurement was 80%, subject to the remaining vesting criteria.

Stock-based compensation expense for PSUs is based on the grant date fair value and the number of shares assuming a performance measurement of 100%. The compensation expense will not be reversed if the performance metrics are not met.

A summary of PSU activity for the year ended December 31, 2025 is as follows:

	Number of Shares	Weighted-Average Grant Date Fair Value
	(in thousands)	
Outstanding at December 31, 2024	1,427	$ 15.35
Granted*	368	$ 20.72
Vested and released*	(108)	$ 17.28
Outstanding at December 31, 2025	1,687	$ 16.40

* PSUs granted and weighted-average grant date fair value include 22 shares issued above the target shares for PSUs that vested and were released during the year ended December 31, 2025.

The grant date fair value for the PSUs was estimated using a Monte-Carlo simulation model. The grant date fair value of PSUs granted during the years ended December 31, 2025, 2024, and 2023 was $20.93, $11.76, and $13.32, respectively, per share. The weighted-average input assumptions used by the Company were as follows:

	Year Ended		
	December 31, 2025	December 31, 2024	December 31, 2023
Performance period (in years)	3.0	3.0	3.0
Risk-free interest rate	4.26 %	4.05 %	4.19 %
Expected volatility of Magnite	78 %	87 %	94 %
Expected volatility of selected peer companies	56 %	55 %	64 %
Expected correlation coefficients of Magnite	0.57	0.59	0.62
Expected correlation coefficients of selected peer companies	0.47	0.47	0.54
Dividend yield	— %	— %	— %

The fair value of PSUs that vested and were released during the year ended December 31, 2025 was $1.9 million, based on their respective vesting dates. No PSUs vested during the years ended December 31, 2024. The fair value of PSUs that vested and were released during the year ended December 31, 2023 was $1.2 million, based on their respective vesting dates. At December 31, 2025, the intrinsic value of unvested performance stock units based on expected achievement levels was $26.0 million. As of December 31, 2025, the Company had unrecognized stock-based compensation expense relating to unvested PSUs of approximately $7.1 million, which will be recognized over a weighted-average period of 1.2 years.

Employee Stock Purchase Plan

In November 2013, the Company adopted the Company's 2014 Employee Stock Purchase Plan ("ESPP"). The ESPP is designed to enable eligible employees to periodically purchase shares of the Company's common stock at a discount through payroll deductions of up to 10% of their eligible compensation, subject to any plan limitations. At the end of each six-month offering period, employees are able to purchase shares at a price per share equal to 85% of the lower of the fair market value of the Company's common stock on the first trading day of the offering period or on the last trading day of the offering period. Offering periods generally commence and end in May and November of each year.

On June 14, 2023, the Company's stockholders approved the Magnite, Inc. Amended and Restated 2014 Employee Stock Purchase Plan (the "Amended and Restated 2014 Employee Stock Purchase Plan"), which, among other things, removed the evergreen provision and extended the plan through June 2033. As of December 31, 2025, the Company has reserved 3,959,114 shares of its common stock for issuance under the Company's Amended and Restated 2014 Employee Stock Purchase Plan.

Stock-Based Compensation Expense

Total stock-based compensation expense recorded in the consolidated statements of operations was as follows:

	Year Ended		
	December 31, 2025	December 31, 2024	December 31, 2023
	(in thousands)		
Cost of revenue	$ 2,130	$ 1,924	$ 1,809
Sales and marketing	32,942	31,436	27,263
Technology and development	17,025	18,210	20,542
General and administrative	24,551	24,949	22,860
Merger, acquisition, and restructuring costs	—	—	143
Total stock-based compensation expense	$ 76,648	$ 76,519	$ 72,617

For the year ended December 31, 2025, the Company recognized $57.3 million of income tax benefit on stock-based compensation expense related to 2025, which was reflected in the provision (benefit) for income taxes in the consolidated statements of operations. For the year ended December 31, 2025, income tax benefit realized related to awards vested or exercised during 2025 was $27.3 million. For the year ended December 31, 2024, the Company recognized $1.1 million of income tax benefit on stock-based compensation expense related to 2024, which was reflected in the provision (benefit) for income taxes in the consolidated statements of operations. For the year ended December 31, 2024, income tax benefit realized related to awards vested or exercised during 2024 was $14.5 million. For the year ended December 31, 2023, the Company recognized $5.5 million of income tax expense on stock-based compensation expense related to 2023, which was reflected in the provision (benefit) for income

taxes in the consolidated statements of operations. For the year ended December 31, 2023, income tax benefit realized related to awards vested or exercised during 2023 was $12.5 million.

Note 17—Income Taxes

The following are the domestic and foreign components of the Company's income (loss) before income taxes for the years ended December 31, 2025, 2024, and 2023:

	Year Ended		
	December 31, 2025	December 31, 2024	December 31, 2023
	(in thousands)		
Domestic	$ 62,422	$ 19,481	$ (165,311)
International	8,205	7,003	7,764
Income (loss) before income taxes	$ 70,627	$ 26,484	$ (157,547)

The following are the components of the provision (benefit) for income taxes for the years ended December 31, 2025, 2024, and 2023:

	Year Ended		
	December 31, 2025	December 31, 2024	December 31, 2023
	(in thousands)		
Current:			
Federal	$ (170)	$ 89	$ 218
State	2,545	1,803	1,994
Foreign	1,953	1,743	1,707
Total current provision	4,328	3,635	3,919
Deferred:			
Federal	(49,348)	47	763
State	(27,453)	(235)	(5,317)
Foreign	(1,513)	251	2,272
Total deferred provision (benefit)	(78,314)	63	(2,282)
Total provision (benefit) for income taxes	$ (73,986)	$ 3,698	$ 1,637

The Company recorded an income tax benefit of $74.0 million for the year ended December 31, 2025 compared to an income tax expense of $3.7 million and $1.6 million for the years ended December 31, 2024 and 2023, respectively. The income tax benefit for the year ended December 31, 2025 was primarily the result of the release of the majority of the domestic and certain foreign valuation allowances on the Company's deferred tax assets and the state and foreign income tax liabilities.

The release was supported by sustained profitability and the Company's cumulative three-year pre-tax income position, inclusive of the impact of permanent book-to-tax differences, as of December 31, 2025, together with forecasts of future taxable income and the expected reversal of taxable temporary differences sufficient to support realization of deferred tax assets.

The income tax expense for the year ended December 31, 2024 was primarily the result of the domestic valuation allowance on the Company's deferred tax assets and the federal, state, and foreign income tax liabilities. The income tax expense for the year ended December 31, 2023 was primarily the result of the domestic valuation allowance on the Company's deferred tax assets and the federal, state, and foreign income tax liabilities.

The Company continues to maintain a valuation allowance against certain state and foreign deferred tax assets where it is not more likely than not that such assets will be realized.

Set forth below provides the updated requirements of ASU 2023-09 for 2025 (see Note 2). The table below is a reconciliation of the components that caused the Company's provision (benefit) for income taxes to differ from amounts computed by applying the U.S. federal statutory rate of 21% for the year ended December 31, 2025 (in thousands except for percentages):

	Year Ended December 31, 2025	
	Amount	Percent
U.S. federal statutory income tax rate	$ 14,832	21.0 %
Domestic state and local income taxes, net of federal effect[1]	(19,677)	(27.9)%
Foreign tax effects:		
United Kingdom:		
Changes in valuation allowance	(492)	(0.7)%
Stock option windfall benefit	(837)	(1.2)%
Other	683	1.0 %
Other foreign jurisdictions	(589)	(0.8)%
Tax credits:		
Research and development credits	(1,889)	(2.7)%
Nontaxable and nondeductible items:		
Sec 162(m) officers' compensation	9,052	12.8 %
Stock-based compensation expense	(8,867)	(12.6)%
Other	581	0.8 %
Changes in valuation allowances[2]	(67,036)	(94.9)%
Worldwide changes in prior years unrecognized tax expenses	130	0.2 %
Other	123	0.2 %
Total tax provision (benefit) and effective income tax rate	$ (73,986)	(104.8)%

[1] We consistently report the effects of the state valuation allowance on the state income tax expense line-item within our effective tax rate. In 2025, we released $22.0 million of our valuation allowance on our U.S. state deferred tax assets. State taxes in California, New York, and Virginia made up the majority (greater than 50%) of the tax effect in this category. See the income taxes paid table below as required under ASU 2023-09.

[2] In 2025, we released our entire valuation allowance of $67.0 million on our U.S. federal deferred tax assets. This is included on the change in valuation allowance line item.

As previously disclosed for the years ended December 31, 2024 and 2023, prior to the adoption of ASU 2023-09, the table below is a reconciliation of the components that caused the Company's provision (benefit) for income taxes to differ from amounts computed by applying the U.S. federal statutory rate of 21%:

	Year Ended	
	December 31, 2024	December 31, 2023
U.S. federal statutory income tax rate	21.0 %	21.0 %
State income taxes, net of federal benefit	4.6 %	1.7 %
Foreign income (loss) at other than U.S. rates	1.8 %	(0.3)%
Stock-based compensation expense	9.0 %	(2.4)%
Meals and entertainment	1.9 %	(0.3)%
Other permanent items	0.9 %	(0.2)%
Change in valuation allowance	(42.5)%	(17.8)%
Sec 162(m) officers' compensation	19.1 %	(3.3)%
Provision to return adjustments	4.9 %	0.2 %
Research and development tax credits	(6.9)%	0.4 %
Foreign withholding taxes	0.2 %	— %
Effective income tax rate	14.0 %	(1.0)%

Set forth below are the tax effects of temporary differences that give rise to a significant portion of the deferred tax assets and deferred tax liabilities as of December 31, 2025 and 2024:

	December 31, 2025	December 31, 2024
	(in thousands)	
Deferred Tax Assets:		
Allowance for doubtful accounts	$ 1,853	$ 1,597
Accrued liabilities	1,180	2,102
Lease liabilities	8,735	8,704
Stock-based compensation	2,830	3,053
Intangible assets	—	1,276
Net operating loss carryovers	70,295	77,581
Tax credit carryovers	12,430	11,098
Capitalized facilitative costs	11,014	5,975
Other	2,455	816
Total deferred tax assets	110,792	112,202
Less valuation allowance	(4,257)	(94,373)
Deferred tax assets, net of valuation allowance	106,535	17,829
Deferred Tax Liabilities:		
Fixed assets	(17,550)	(7,510)
Intangible assets	(2,919)	—
Right-of-use lease assets	(7,685)	(7,647)
Debt issuance and original issue discount	(2,066)	(3,082)
Total deferred tax liabilities	(30,220)	(18,239)
Net deferred tax assets (liabilities)	$ 76,315	$ (410)

As of December 31, 2025, the net deferred tax asset of $76.3 million consists of deferred tax assets of $76.7 million and deferred tax liabilities of $0.3 million. As of December 31, 2024, the net deferred tax liabilities of $0.4 million consists of deferred tax liabilities of $0.7 million and deferred tax assets of $0.3 million. The valuation allowance was decreased by $90.1 million and $12.6 million for the years ended December 31, 2025 and 2024, respectively, and increased by $30.2 million for the year ended December 31, 2023. The net deferred tax assets balance is presented in other assets, non-current within the Company's consolidated balance sheets and the net deferred tax liabilities balance is presented in other liabilities, non-current within the Company's consolidated balance sheets.

The Company evaluates the realizability of deferred tax assets on a jurisdictional basis at each reporting date and records a valuation allowance when it is more likely than not that some portion or all of a deferred tax asset will not be realized. In assessing realizability, the Company considers all available positive and negative evidence, including cumulative results of operations, historical and projected taxable income, reversal of taxable temporary differences, and the carryforward periods of existing tax attributes.

During the year ended December 31, 2025, the Company concluded that it is more likely than not that substantially all of its U.S. federal and certain state deferred tax assets will be realized. This conclusion was primarily driven by (i) sustained profitability and a cumulative three-year pre-tax income position as of December 31, 2025, (ii) forecasts of future taxable income, and (iii) the expected reversal of taxable temporary differences sufficient to support realization of deferred tax assets.

As a result, the Company released its U.S. federal, the majority of its state, and certain foreign valuation allowances during 2025. A valuation allowance continues to be recorded against certain New York state and city net operating losses subject to Section 382 limitations and certain foreign net operating losses where realization is not considered more likely than not.

At December 31, 2025, the Company had U.S. federal net operating loss carryforwards, or NOLs, of approximately $252.6 million. Approximately $103.5 million were generated in tax years beginning before January 1, 2018 and may offset 100% of taxable income, but begin to expire in 2037. The remaining federal net operating losses were generated in tax years beginning after December 31, 2017, have an indefinite carryforward period, and may offset up to 80% of taxable income in a given year.

At December 31, 2025, the Company had state NOLs of approximately $205.3 million, which will begin to expire in 2028. At December 31, 2025, the Company had foreign NOLs of approximately $17.6 million, which will begin to expire in 2026. At December 31, 2025, the Company had acquired federal research and development tax credit carryforwards of approximately $8.1 million which will begin to expire in 2036, and state research and development tax credits of approximately $10.1 million, the majority of which carry forward indefinitely.

Based on current projections of future taxable income, the Company expects to fully utilize its federal net operating losses, federal research and development credits, and the majority of the state net operating losses prior to expiration. Certain New York state and city net operating losses are subject to Section 382 limitations and are not expected to be fully realized. Based on current foreign business operations in certain foreign jurisdictions, the Company continues to maintain valuation allowances for losses that are not likely to be realized.

At December 31, 2025, unremitted earnings of the subsidiaries outside of the United States were approximately $40.7 million. The Company's intention is to indefinitely reinvest these earnings outside the United States. Upon distribution of those earnings in the form of a dividend or otherwise, the Company would be subject to withholding taxes payable to various foreign countries and, potentially, various state taxes. The amounts of such tax liabilities that might be payable upon actual repatriation of foreign earnings, after consideration of corresponding foreign tax credits, are not material.

The following table summarizes the activity related to the unrecognized tax benefits (in thousands):

	Amount
Balance as of December 31, 2023	$ 4,443
Increases related to current year tax positions	490
Decreases related to prior year tax positions	(457)
Increases related to prior year tax positions	18
Balance as of December 31, 2024	4,494
Increases related to current year tax positions	529
Decreases related to prior year tax positions	(288)
Balance as of December 31, 2025	$ 4,735

Interest and penalties related to the Company's unrecognized tax benefits accrued at December 31, 2025, 2024, and 2023 were not material.

Set forth below provides the new requirements of ASU 2023-09 for 2025 (see Note 2). The following table summarizes the income taxes paid, net of refunds, for the year ended December 31, 2025:

	Year Ended December 31, 2025 (in thousands)
U.S. federal	$ 200
U.S. state and local:	
New York State	216
Virginia	211
Michigan	200
Other	1,449
Foreign:	
Australia	676
India	424
Other	384
Total income taxes paid	$ 3,760

Due to the net operating loss carryforwards, the Company's United States federal and a majority of its state returns are open to examination by the Internal Revenue Service and state jurisdictions for all years since inception. For the India, Netherlands, Sweden, and the United Kingdom, all tax years remain open for examination by the local country tax authorities, for France only 2023 and forward are open for examination, for Australia and Singapore only 2022 and forward are open for examination, for Brazil, Canada, Germany, Malaysia, and New Zealand only 2021 and forward are open for examination, for Italy only 2020 and forward are open for examination, and for Japan 2019 and forward remain open for examination.

The Company does not expect its uncertain income tax positions to have a material impact on its consolidated financial statements within the next twelve months.

On July 4, 2025, the President of the United States signed H.R. 1, commonly referred to as the "One Big Beautiful Bill Act" ("OBBBA") into law. The legislation includes several changes to federal tax law that generally allow for more favorable deductibility of certain business expenses beginning in 2025, including the restoration of immediate expensing of domestic R&D expenditures, reinstatement of 100% bonus depreciation, and more favorable rules for determining the limitation on business interest expense. OBBBA also includes certain changes to the U.S. taxation of foreign activity, including changes to foreign tax credits, Global Intangible Low-Taxed Income, Foreign-Derived Intangible Income, and Base Erosion and Anti-Abuse Tax amongst other changes. These changes are generally effective for tax years beginning after December 31, 2025. OBBBA changes effective for 2025 were reflected in the income tax provision for the year ended December 31, 2025. Based on current projections, the continuing impact will be a deferral of the payment of current income taxes over multiple years; however, the Company expects the net impact to its effective tax rate for 2026 to be immaterial. The Company will monitor as additional guidance becomes available.

Note 18—Merger, Acquisition, and Restructuring Costs

Merger, acquisition, and restructuring costs consist primarily of professional services fees and employee termination costs, including stock-based compensation charges, associated with historical acquisitions and restructuring activities. The Company incurred $0.2 million of merger, acquisition, and restructuring costs for the year ended December 31, 2025 and did not incur any merger, acquisition, and restructuring costs for the year ended December 31, 2024. During the year ended December 31, 2023, the Company incurred $7.5 million of merger, acquisition, and restructuring costs related to the Company's reduction of its global workforce primarily associated with the elimination of duplicative roles and other costs associated with the consolidation of its legacy CTV and SpotX CTV platforms following the SpotX, Inc. ("SpotX") acquisition, including loss contracts for office facilities the Company does not plan to continue to occupy and impairment charges related to certain assets it no longer plans to utilize.

The following table summarizes merger, acquisition, and restructuring cost activity in the year ended December 31, 2023:

	Year Ended December 31, 2023 (in thousands)
Personnel related (severance and one-time termination benefit costs)	$ 3,218
Loss contracts (facility related)	2,190
Exit costs	1,408
Impairment of property and equipment, net	506
Non-cash stock-based compensation (double trigger acceleration and severance)	143
Professional services (investment banking advisory, legal and other professional services)	—
Total merger, acquisition, and restructuring costs	$ 7,465

Accrued restructuring costs related to mergers, acquisition, and restructuring activities were primarily related to the SpotX acquisition and the Telaria merger. Accrued restructuring costs associated with personnel costs are included in accounts payable and accrued expenses and accruals related to assumed loss contracts are included in other current liabilities and other liabilities, non-current on the Company's consolidated balance sheets.

The following table summarizes accrued restructuring activity in the year ended December 31, 2023:

	Year Ended December 31, 2023 (in thousands)
Accrued merger, acquisition, and restructuring costs at beginning of period	$ 1,222
Personnel related and non-cash stock-based compensation	3,361
Loss contracts (facility related)	2,190
Exit costs	1,408
Impairment of property and equipment, net	506
Cash paid for restructuring costs	(4,521)
Non-cash loss contracts (lease related)	(2,190)
Non-cash impairments	(506)
Non-cash stock-based compensation	(143)
Accrued merger, acquisition, and restructuring costs at end of period	$ 1,327

Accrued restructuring activity for the years ended December 31, 2025 and 2024 relate to $0.2 million and $0.9 million of cash paid for restructuring costs, respectively. At December 31, 2025 and December 31, 2024, the accrued merger, acquisition, and restructuring costs balance was $0.2 million and $0.5 million, respectively.

Note 19—Related Party Transactions

During the years ended December 31, 2025, 2024, and 2023, the Company did not have material transactions with its related parties or affiliates of its related parties requiring disclosure pursuant to the applicable rules of the Financial Accounting Standards Boards or the U.S. Securities and Exchange Commission.

Note 20—Subsequent Events

In January 2026, the Company granted 4.2 million restricted stock units, 0.4 million performance stock units, and 0.1 million stock options to the Company's employees. The RSUs granted will vest over four years from issuance with approximately 25% after one year, and the remainder vesting quarterly thereafter. The options granted will vest over four years from grant date, with 25% vesting after one year and the remainder vesting monthly thereafter. The PSUs will vest on the three-year anniversary of the grant date based on certain stock price performance metrics to be measured on December 31, 2026, December 31, 2027 and December 31, 2028. The award is eligible to vest as to 0% to 150% of the target number of PSUs.

On February 23, 2026, the Board of Directors approved a new repurchase plan (the “February 2026 Repurchase Plan”), which authorized the repurchase of common stock with a value up to $200.0 million, through February 29, 2028.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures as defined in Rule 13a-15(e) under the Exchange Act. Our disclosure controls and procedures are designed to provide reasonable assurance of achieving their objectives of ensuring that information we are required to disclose in the reports we file or submit under the Exchange Act is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosures, and is recorded, processed, summarized, and reported within the time periods specified in the SEC’s rules and forms. There is no assurance that our disclosure controls and procedures will operate effectively under all circumstances. Based upon the evaluation described above, our Chief Executive Officer and Chief Financial Officer concluded that, as of December 31, 2025, our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting that occurred during the three months ended December 31, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting (as defined in Rule 13a-15(f) of the Exchange Act).

Our management conducted an evaluation of the effectiveness of our internal control over financial reporting based on the framework in "Internal Control - Integrated Framework" (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this evaluation, management concluded that the Company's internal control over financial reporting was effective as of December 31, 2025. Deloitte & Touche LLP has independently assessed the effectiveness of our internal control over financial reporting and its report is included herein.

Inherent Limitations on Effectiveness of Controls

Management recognizes that a control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints and that management is required to apply its judgment in evaluating the benefits of possible controls and procedures relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud or error, if any, have been detected. These inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, controls may become inadequate because of changes in conditions, or the degree of compliance with policies or procedures may deteriorate. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of Magnite, Inc.

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Magnite, Inc. and subsidiaries (the "Company") as of December 31, 2025, based on criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2025, of the Company and our report dated February 25, 2026, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte & Touche LLP

Los Angeles, California
February 25, 2026

Item 9B. Other Information

Trading Plans

In the fourth quarter of 2025, the following trading plans were adopted or terminated by our Section 16 officers or directors:

Officer Name	Officer Title	Date Plan Adopted/Terminated	Duration of Plan	Shares to be Purchased or Sold	Intended to Satisfy Rule 10b5-1(c)?
Douglas Knopper	Director	Adopted December 12, 2025	March 13, 2026 - March 15, 2027	Sell up to 122,777, subject to certain conditions	Yes

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

PART III

Item 10. Directors, Executive Officers and Corporate Governance

The information required by Item 10 will be included in our Proxy Statement for the 2026 Annual Meeting of Stockholders (the "2026 Proxy Statement") to be filed with the SEC within 120 days of the fiscal year ended December 31, 2025, or the 2026 Proxy Statement, under the headings "Proposal 1—Election of Directors," "Delinquent Section 16(a) Reports," (if applicable) and "Corporate Governance" and is incorporated herein by reference.

Item 11. Executive Compensation

The information required by Item 11 will be included in the 2026 Proxy Statement under the headings "Executive Officers" and "Executive Compensation" and is incorporated herein by reference.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

The information required by Item 12 will be included in the 2026 Proxy Statement under the heading "Common Stock Ownership of Certain Beneficial Owners and Management" and is incorporated herein by reference.

Item 13. Certain Relationships and Related Transactions, and Director Independence

The information required by Item 13 will be included in the 2026 Proxy Statement under the headings "Certain Relationships and Related Person Transactions" and "Director Independence" and is incorporated herein by reference.

Item 14. Principal Accountant Fees and Services

The information required by Item 14 will be included in the 2026 Proxy Statement under the heading "Proposal 2—Ratification of the Selection of Deloitte & Touche LLP as Independent Registered Public Accounting Firm" and is incorporated herein by reference.

PART IV

Item 15. Exhibits, Financial Statement Schedules

(a) We have filed the following documents as part of this Annual Report on Form 10-K:

1. Consolidated Financial Statements

2. Financial Statement Schedules

No financial statement schedules are provided because the information called for is not required or is shown in the financial statements of the notes thereto.

3. Exhibits

EXHIBIT INDEX

Number	Description
2.1	Agreement and Plan of Merger, dated as of December 19, 2019, by and among The Rubicon Project, Inc., Madison Merger Corp., and Telaria, Inc. (incorporated by reference to Exhibit 2.1 to the Registrant's Current Report on Form 8-K filed with the Commission on December 20, 2019).
2.2	Stock Purchase Agreement, dated as of February 4, 2021, by and between Magnite, Inc., RTL US Holdings, Inc., and solely for certain sections therein, RTL Group S.A. (incorporated by reference to Exhibit 2.1 to the Registrant's Current Report on Form 8-K filed with the Commission on February 5, 2021).
2.3	Amendment to Stock Purchase Agreement, dated as of April 30, 2021, by and among Magnite, Inc., RTL US Holding, Inc., and RTL Group S.A. (incorporated by reference to Exhibit 2.1 to the Registrant's Quarterly Report on Form 10-Q filed with the Commission on May 10, 2021).
3.1	Sixth Amended and Restated Certificate of Incorporation of the Registrant (incorporated by reference to Exhibit 3.1 to the Registrant's Quarterly Report on Form 10-Q filed with the Commission on May 15, 2014).
3.2	Certificate of Amendment to the Sixth Amended and Restated Certificate of Incorporation of Magnite, Inc., dated June 30, 2020 (incorporated by reference to Exhibit 3.1 to the Registrant's Quarterly Report on Form 10-Q filed with the Commission on August 10, 2020).
3.3	Fifth Amended and Restated Bylaws of Magnite, Inc. (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed with the Commission on March 22, 2022).
4.1	Description of Securities (incorporated by reference to Exhibit 4.1 to the Registrant's Annual Report on Form 10-K filed with the Commission on February 25, 2021).
4.2	Indenture, dated as of March 18, 2021, between Magnite, Inc., the guarantors named therein and The Bank of New York Mellon Trust Company, N.A, as trustee (incorporated by reference to Exhibit 4.1 of the Registrant's Current Report on Form 8-K filed with the Commission on March 19, 2021).
4.3	Form of 0.25% Convertible Senior Notes due 2026 (included in Exhibit 4.2) (incorporated by reference to Exhibit 4.2 of the Registrant's Current Report on Form 8-K filed with the Commission on March 19, 2021).
10.1+	The Rubicon Project, Inc. 2014 Equity Incentive Plan, as amended and restated (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the Commission on April 8, 2016).

10.2+	Form of Stock Option Grant Notice and Award Agreement for Employees under The Rubicon Project, Inc. 2014 Equity Incentive Plan (incorporated by reference to Exhibit 10.2(B) to the Registrant's Annual Report on Form 10-K filed with the Commission on March 6, 2015).
10.3+	Form of Restricted Stock Unit Grant Notice and Award Agreement for Employees under The Rubicon Project, Inc. 2014 Equity Incentive Plan (incorporated by reference to Exhibit 10.2(C) to the Registrant's Annual Report on Form 10-K filed with the Commission on March 6, 2015).
10.4+	Form of Stock Option Grant Notice and Award Agreement for Non-Employee Directors under The Rubicon Project, Inc. 2014 Equity Incentive Plan (incorporated by reference to Exhibit 10.2(D) to the Registrant's Annual Report on Form 10-K filed with the Commission on March 6, 2015).
10.5+	Form of Restricted Stock Unit Grant Notice and Award Agreement for Non-Employee Directors under The Rubicon Project, Inc. 2014 Equity Incentive Plan (incorporated by reference to Exhibit 10.2(E) to the Registrant's Annual Report on Form 10-K filed with the Commission on March 6, 2015).
10.6+	Form of Performance Stock Unit Grant Notice and Award Agreement for Employees under the Magnite, Inc. 2014 Equity Incentive Plan (incorporated by reference to Exhibit 10.7 to the Registrant's Annual Report on Form 10-K filed with the Commission on February 28, 2024).
10.7+	The Rubicon Project, Inc. 2014 Inducement Grant Equity Incentive Plan, as amended and restated (incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed with the Commission on April 8, 2016).
10.8+	Telaria, Inc. 2013 Equity Incentive Plan, as amended (incorporated by reference to Exhibit 99.2 to the Registrants' Registration Statement on Form S-8, dated April 9, 2020)
10.9+	Magnite, Inc. Amended and Restated 2014 Equity Incentive Plan (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q filed with the Commission on August 9, 2023).
10.10+	Form of Stock Option Grant Notice and Award Agreement for Employees under the Magnite, Inc. Amended and Restated 2014 Equity Incentive Plan (incorporated by reference to Exhibit 10.11 to the Registrant's Annual Report on Form 10-K filed with the Commission on February 28, 2024).
10.11+	Form of Restricted Stock Unit Grant Notice and Award Agreement for Employees under the Magnite, Inc. Amended and Restated 2014 Equity Incentive Plan (incorporated by reference to Exhibit 10.12 to the Registrant's Annual Report on Form 10-K filed with the Commission on February 28, 2024).
10.12+	Form of Performance Stock Unit Grant Notice and Award Agreement for Employees under the Magnite, Inc. Amended and Restated 2014 Equity Incentive Plan (incorporated by reference to Exhibit 10.13 to the Registrant's Annual Report on Form 10-K filed with the Commission on February 28, 2024).
10.13+	Form of Restricted Stock Unit Grant Notice and Award Agreement for Non-Employee Directors under the Magnite, Inc. Amended and Restated 2014 Equity Incentive Plan (incorporated by reference to Exhibit 10.14 to the Registrant's Annual Report on Form 10-K filed with the Commission on February 28, 2024).
10.14+	Magnite, Inc. Amended and Restated 2014 Employee Stock Purchase Plan (incorporated by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q filed with the Commission on August 9, 2023)
10.15+	Form of Indemnification Agreement between the Registrant and each of its directors and executive officers (incorporated by reference to Exhibit 10.17 to the Registrant's Registration Statement on Form S-1/A filed with the Commission on March 20, 2014).
10.16+	Form of Executive Severance and Vesting Acceleration Agreement by and between the Registrant and certain of its executive officers (incorporated by reference to Exhibit 10.23 to the Registrant's Form 10-K filed with the Commission on February 27, 2020).
10.17+	Executive Employment Agreement between the Registrant and Michael Barrett, dated March 16, 2017 (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the Commission on March 22, 2017).
10.18+	Executive Severance and Vesting Acceleration Agreement between the Registrant and Michael Barrett, dated March 16, 2017 (incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed with the Commission on March 22, 2017).
10.19+	Executive Severance and Vesting Acceleration Agreement between the Registrant and Aaron Saltz, dated April 1, 2020 (incorporated by reference to Exhibit 10.3 to the Registrant's Quarterly Report on Form 10-Q filed with the Commission on August 10, 2020).
10.20	Office Lease between BRE HH Property Owner LLC and Magnite, Inc., dated November 20, 2020 (incorporated by reference to Exhibit 10.16 to the Registrant's Annual Report on Form 10-K filed with the Commission on February 25, 2021).

10.21	Sublease between Zillow Group, Inc. and Magnite, Inc., dated September 21, 2021(incorporated by reference to Exhibit 10.16 to the Registrant's Annual Report on Form 10-K filed with the Commission on February 23, 2022).
10.22	First Amendment to the Sublease between Zillow Group, Inc. and Magnite, Inc., effective August 31, 2025 (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q filed with the Commission on November 5, 2025).
10.23*	Office Lease between 1250 Broadway Associates, LLC and Magnite, Inc., effective December 18, 2025
10.24	Form of Capped Call Transaction Confirmation (incorporated by reference to Exhibit 10.1 of the Registrant's Current Report on Form 8-K filed with the Commission on March 19, 2021).
10.25	Incremental Assumption Agreement dated as of June 28, 2021, relating to the Credit Agreement dated as of April 30, 2021, among Magnite, Inc., each Issuing Bank, the Swingline Lender, the other Lenders party thereto and Goldman Sachs Bank USA, as administrative agent and as collateral agent for the Lenders (incorporated by reference to Exhibit 10.1 of the Registrant's Current Report on Form 8-K filed with the Commission on July 2, 2021).
10.26	Credit Agreement, dated as of February 6, 2024, by and among Magnite, Inc., Morgan Stanley Senior Funding, Inc. as term loan administrative agent and Citibank, N.A. as revolving facility administrative agent and collateral agent, and other lender parties thereto (incorporated by reference to Exhibit 10.28 of the Registrant's Annual Report on Form 10-K filed with the Commission on February 28, 2024).
10.27	Amendment No. 1, dated as of September 18, 2024 among Magnite, Inc., as the borrower, Morgan Stanley Senior Funding, Inc., as the term facility administrative agent, and Citibank, N.A., as revolving facility administrative agent, collateral agent and swingline lender and each Issuing Bank and Lender party thereto (each as defined therein), which amended that certain Credit Agreement, dated as of February 6, 2024 (incorporated by reference to Exhibit 10.1 of the Registrant's Current Report on Form 8-K filed with the Commission on September 18, 2024).
10.28	Amendment No. 2, dated as of March 18, 2025 among Magnite, Inc., as the borrower, Morgan Stanley Senior Funding, Inc., as the term facility administrative agent, and Citibank, N.A., as revolving facility administrative agent, collateral agent and swingline lender and each Issuing Bank and Lender party thereto (each as defined therein), which amended that certain Credit Agreement, dated as of February 6, 2024 (incorporated by reference to Exhibit 10.1 of the Registrant's Current Report on Form 8-K with the Commission on March 18, 2025).
19*	Insider Trading Policy.
21.1*	List of Subsidiaries.
23.1*	Consent of Deloitte & Touche LLP.
31.1*	Certification of Principal Executive Officer Pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. Executive Officer Pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Principal Financial Officer Pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002. Principal Financial Officer Pursuant to Exchange Act Rules 13a-14(a) and 15d-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32*(1)	Certification of the Principal Executive Officer and Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002. of the Principal Executive Officer and Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
97	Magnite, Inc. Compensation Recoupment (Clawback) Policy (incorporated by reference to Exhibit 97 of the Registrant's Annual Report on Form 10-K filed with the Commission on February 28, 2024).
101.ins *	XBRL Instance Document- the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.sch *	XBRL Taxonomy Schema Linkbase Document
101.cal *	XBRL Taxonomy Calculation Linkbase Document
101.def *	XBRL Taxonomy Definition Linkbase Document
101.lab *	XBRL Taxonomy Label Linkbase Document
101.pre *	XBRL Taxonomy Presentation Linkbase Document
104	Cover Page Interactive Data File - (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith

+ Indicates a management contract or compensatory plan or arrangement

(1) The information in this exhibit is furnished and deemed not filed with the Securities and Exchange Commission for purposes of Section 18 of the Exchange Act of 1934, as amended (the "Exchange Act"), and is not to be incorporated by reference into any filing of Magnite, Inc. under the Securities Act of 1933, as amended (the "Securities Act"), or the Exchange Act, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Item 16. Form 10-K Summary

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this Annual Report on Form 10-K to be signed on its behalf by the undersigned, thereunto duly authorized.

MAGNITE, INC.
(Registrant)

/s/ David Day

David Day
Chief Financial Officer
(Principal Financial Officer)

Date February 25, 2026

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated:

Name	Title	Date
/s/ Michael Barrett Michael Barrett	Chief Executive Officer and Director (Principal Executive Officer)	February 25, 2026
/s/ David Day David Day	Chief Financial Officer (Principal Financial Officer)	February 25, 2026
/s/ Brian Gephart Brian Gephart	Chief Accounting Officer (Principal Accounting Officer)	February 25, 2026
/s/ Paul Caine Paul Caine	Director	February 25, 2026
/s/ Sarah P. Harden Sarah P. Harden	Director	February 25, 2026
/s/ Doug Knopper Doug Knopper	Director	February 25, 2026
/s/ Rachel Lam Rachel Lam	Director	February 25, 2026
/s/ David Pearson David Pearson	Director	February 25, 2026
/s/ James Rossman James Rossman	Director	February 25, 2026
/s/ Robert F. Spillane Robert F. Spillane	Director	February 25, 2026
/s/ Diane Yu Diane Yu	Director	February 25, 2026

AGREEMENT OF LEASE

between

1250 BROADWAY ASSOCIATES LLC,

Landlord

and

MAGNITE, INC.,

Tenant

Dated as of December 18th, 2025

Premises:

The Entire 8th & 9th Floors
Nomad Tower, 1250 Broadway
New York, New York 10001

TABLE OF CONTENTS

Page

THIS AGREEMENT OF LEASE, made as of the 18th day of December 2025 (this "Lease"), by and between 1250 BROADWAY ASSOCIATES LLC, a Delaware limited liability company, having an address c/o Global Holdings Management (US) Inc., Nomad Tower, 1250 Broadway, 38th Floor, New York, New York 10001, as landlord ("Landlord"), and MAGNITE, INC., a Delaware corporation, having an office at 6080 Center Drive, 4th Floor, Los Angeles, California 90045, as tenant ("Tenant").

REFERENCE PAGE

In addition to other terms elsewhere defined in this Lease, the following terms whenever used in this Lease shall have the meanings set forth in this Reference Page.

(1)	Premises:	The entire rentable area of (i) the eighth (8th) floor of the Building, as approximately shown hatched on the floor plan annexed hereto as Schedule A-1, which the parties hereby conclusively agree, without representation or warranty, contains 27,040 rentable square feet (the "Eighth Floor Premises"), and (ii) the ninth (9th) floor of the Building, as approximately shown hatched on the floor plan annexed hereto as Schedule A-2, which the parties hereby conclusively agree, without representation or warranty, contains 27,040 rentable square feet (the "Ninth Floor Premises"; the Eighth Floor Premises, together with the Ninth Floor Premises, collectively, the "Premises").
(2)	Commencement Date:	May 1, 2030.
(3)	Rent Commencement Date:	July 1, 2031.
(4)	Fixed Expiration Date:	June 30, 2038.
(5)	Term:	Eight (8) Years and Two (2) Months from the Commencement Date through and including the Fixed Expiration Date.
(6)	Fixed Rent:	(a) $4,596,800.00 per annum ($383,066.67 per month) from the Rent Commencement Date through and including the day immediately preceding the fifth (5th) anniversary of the Rent Commencement Date; and (b) $4,921,280.00 per annum ($410,106.67 per month) from the fifth (5th) anniversary of the Rent Commencement Date through and including the Fixed Expiration Date.
(7)	Tenant's Share:	8.024% (*i.e.*, 4.012% applicable to the Eighth Floor Premises and 4.012% applicable to the Ninth Floor Premises).
(8)	Base Tax Factor:	The Taxes payable for the Tax Year beginning July 1, 2030 and ending on June 30, 2031 (the "Base Tax Year").

(9)	Base Operating Factor:	The Operating Expenses paid or incurred with respect to the Operating Year beginning January 1, 2030 and ending on December 31, 2030 (the "Base Operating Year").
(10)	Permitted Use:	General, executive and administrative offices and all other lawful uses ancillary thereto.
(11)	Broker(s):	CBRE, Inc.
(12)	Security Deposit:	$1,915,333.35, subject to reduction as set forth in Article 35 hereof..
(13)	Tenant Improvement Allowance:	$2,163,200.00.
(14)	Maximum Number of Tons:	33 Tons, subject to increase as provided in Section 28.6 in connection with the leasing of Offer Space, if applicable.

W I T N E S S E T H:

The parties hereto, for themselves, their legal representatives, successors and assigns, hereby agree as follows:

ARTICLE 1

GLOSSARY

The following terms shall have the meanings indicated below:

"AAA" shall have the meaning set forth in Section 3.5(B).

"ADA" shall have the meaning set forth in Section 9.1.

"Additional Rent" shall have the meaning set forth in Section 2.2(B).

"Administrative Code" shall mean the Administrative Code of the City of New York, as amended.

"Alterations" shall mean alterations, decorations, installations, repairs, improvements, additions, replacements or other physical changes in or about the Premises.

"Applicable Rate" shall mean the lesser of (x) three (3) percentage points above the then current Base Rate, and (y) the maximum rate permitted by applicable law.

"Approved Examiner" shall have the meaning set forth in Section 3.5(A).

"ASHRAE" shall mean the American Society of Heating, Refrigeration and Air-Conditioning Engineers.

"Bankruptcy Code" shall mean 11 U.S.C. Section 101 *et seq*., or any statute, federal or state, of similar nature and purpose.

"Base Rate" shall mean the rate of interest publicly announced from time to time by Citibank, N.A., or its successor, as its "base rate" (or such other term as may be used by Citibank, N.A., from time to time, for the rate presently referred to as its "base rate").

"BID Charges" shall have the meaning set forth in Section 3.1(C).

"Building" shall mean the buildings, equipment and other improvements and appurtenances of every kind and description now located or hereafter erected, constructed or placed upon the Land and any and all alterations, renewals, and replacements thereof, additions thereto and substitutions therefor.

"Building Insurance" shall have the meaning set forth in Section 12.2.

"Building Systems" shall mean the base building mechanical, electrical, sanitary, heating, air conditioning, ventilating, elevator, plumbing, life-safety and other service systems of the Building, but shall not include (i) installations made by Tenant or fixtures or appliances, or (ii) the horizontal distribution systems within and servicing the Premises and by which mechanical, electrical, plumbing, sanitary, heating, air conditioning, ventilating, plumbing, life-safety and other service systems of the Building are distributed from the base Building risers, feeders, panelboards, etc., for provision of such services to the Premises.

"Business Days" shall mean all days, excluding Saturdays, Sundays and Holidays.

"Class E Systems" shall have the meaning set forth in Section 7.1.

"control" shall have the meaning set forth in Section 15.3.

"Deficiency" shall have the meaning set forth in Section 19.2(A).

"Electricity Additional Rent" shall have the meaning set forth in Section 4.1.

"Embargoed Person" shall have the meaning set forth in Section 40.22(A).

"Escalation Rent" shall mean payments required to be made by Tenant pursuant to Article 3.

"Event of Default" shall have the meaning set forth in Section 18.1.

"Expiration Date" shall mean the Fixed Expiration Date or such earlier or later date on which the Term sooner or later ends pursuant to any of the terms, conditions or covenants of this Lease or pursuant to law.

"Fair Rental Value" shall mean the rental rate per annum determined at the applicable times set forth in Articles 41 and 42, for vacant space in buildings of comparable quality and age to the Building and located in the immediate vicinity of the Building for tenants of comparable credit quality and stature leasing space containing rentable square footage comparable to the rentable square footage in the relevant transaction. Except as otherwise set forth in Articles 41 and 42, Fair Rental Value shall include all relevant factors in arriving at a so-called "net effective rental" to Landlord, whether favorable to Landlord or Tenant.

"Government Authority (Authorities)" shall mean the United States of America, the State of New York, the City of New York, any political subdivision thereof and any agency, department, commission, board, bureau or instrumentality of any of the foregoing, now existing or hereafter created, having jurisdiction over the Real Property or any portion thereof.

"Holidays" shall mean New Year's Day, Martin Luther King Day, Presidents Day, Columbus Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, the Friday immediately following Thanksgiving Day and Christmas Day, and in the case of any Building service, any days observed by the applicable labor union providing such service in the Building, provided that Landlord may designate additional Holidays that are commonly recognized.

"HVAC" shall mean heat, ventilation and air conditioning.

"HVAC System" shall mean the Building Systems providing HVAC.

"Hazardous Materials" shall have the meaning set forth in Section 9.2.

"Indemnitees" shall mean Landlord, its trustees, partners, shareholders, officers, directors, employees, agents and contractors and the Manager (and the partners, shareholders, officers, directors and employees of Landlord's agents and contractors and of the Manager).

"Independent CPA" shall have the meaning set forth in Section 3.5(B).

"Issuing Bank" shall have the meaning set forth in Section 35.2.

"Issuing Bank Criteria" shall have the meaning set forth in Section 35.2.

"Land" shall mean the land known by the address of 1250 Broadway, New York, New York.

"Landlord" on the date as of which this Lease is made, shall mean 1250 Broadway Associates LLC, but thereafter, "Landlord" shall mean only the fee owner of the Real Property or, if there then exists a Superior Lease, the tenant thereunder.

"Landlord's Operating Statement" shall mean a statement containing a computation of Escalation Rent due pursuant to the provisions of Section 3.3 furnished by Landlord to Tenant.

"Landlord's Statement" shall mean either a Landlord's Operating Statement or a Landlord's Tax Statement.

"Landlord's Tax Statement" shall mean a statement containing a computation of Escalation Rent due pursuant to the provisions of Section 3.2 furnished by Landlord to Tenant.

"Lessor(s)" shall mean a lessor under a Superior Lease.

"Letter of Credit" shall have the meaning set forth in Section 35.2.

"List" shall have the meaning set forth in Section 40.22(A).

"Manager" shall mean Global Holdings Management Group (US) Inc., or any successor contractor under Landlord's contract for the management of the Building.

"Mortgage(s)" shall mean any trust indenture or mortgage which may now or hereafter affect the Real Property, the Building or any Superior Lease and the leasehold interest created thereby, and all renewals, extensions, supplements, amendments, modifications, consolidations and replacements thereof or thereto, substitutions therefor, and advances made thereunder.

"Mortgagee(s)" shall mean any trustee under or mortgagee or holder of a Mortgage.

"Non-Renewal Notice" shall have the meaning set forth in Section 35.2.

"Notice(s)" shall have the meaning set forth in Section 27.1.

"OFAC" shall have the meaning set forth in Section 40.22(A).

"Operating Expenses" shall have the meaning set forth in Section 3.1(A).

"Operating Hours" shall mean 8:00 a.m. to 8:00 p.m. on Business Days.

"Operating Year" shall mean each calendar year that includes any part of the Term.

"Overtime Periods" shall have the meaning set forth in Section 28.2.

"Parties" shall have the meaning set forth in Section 40.2.

"Partnership Tenant" shall have the meaning set forth in Section 29.1.

"Person(s) or person(s)" shall mean any natural person or persons, a partnership, a corporation and any other form of business or legal association or entity.

"Persons Within Tenant's Control" shall mean and include Tenant, all of Tenant's respective principals, officers, agents, contractors, servants, employees, licensees and invitees.

"Prohibited Person" shall have the meaning set forth in Section 40.22(B).

"Real Property" shall mean the Building and the Land.

"Recapture Space" shall have the meaning set forth in Section 15.4(B).

"Recapture Sublease" shall have the meaning set forth in Section 15.4(C).

"Recapture Subtenant" shall have the meaning set forth in Section 15.4(C).

"Rental" shall mean and be deemed to include Fixed Rent, Additional Rent and any other sums payable by Tenant hereunder.

"Requirements" shall mean (i) all present and future laws, rules, ordinances, regulations, statutes, requirements, codes and executive orders, extraordinary as well as ordinary, retroactive and prospective, of all Government Authorities now existing or hereafter created, and of any

applicable fire rating bureau, or other body exercising similar functions, affecting the Real Property, or any street, avenue or sidewalk comprising a part or in front thereof or any vault in or under the same, or requiring removal of any encroachment, or affecting the maintenance, use or occupation of the Real Property, (ii) all requirements, obligations and conditions of all instruments of record on the date of this Lease, and (iii) all requirements, obligations and conditions imposed by the carrier of Landlord's hazard insurance policy for the Building.

"Rules and Regulations" shall mean the rules and regulations annexed hereto as Schedule E, and such other and further reasonable rules and regulations as Landlord and Landlord's agents may from time to time adopt, on notice to Tenant to be given in accordance with the terms of this Lease. The parties agree that rules and regulations which are designed for the safety or security of occupants of the Building, property in the Building or the Building itself shall be deemed to be reasonable, including without limitation, rules requiring tenants to cause their mail to be opened outside the Building and irradiated or otherwise cleaned before being brought into the Building.

"Specialty Alterations" shall have the meaning set forth in Section 6.1(C), and without limiting anything to the contrary set forth therein, shall include, without limitation, all Alterations located outside of the Premises (if any), and any kitchens (as opposed to pantries), vaults, safes, shower facilities, fitness centers, private or executive restrooms, raised or reinforced flooring or subflooring structures, floor penetrations, stone flooring, structural reinforcements, auditoria, dumbwaiters, conveyors, main frame computer centers, copying centers for third-party commercial production, libraries, electrical and telecommunications risers, conduits and lines, supplemental HVAC equipment, back-up energy supply systems, generators, fuel tanks and UPS equipment and any internal staircases.

"Sublease Additional Rent" shall have the meaning set forth in Section 15.5.

"Sublease or Assignment Statement" shall have the meaning set forth in Section 15.4(B).

"Substantially Completed" or "Substantial Completion" shall, whenever used in this Lease with respect to work to be performed by Landlord, be deemed to mean that stage of the progress of such work as shall enable Tenant to have (a) the services to be provided to Tenant pursuant to Article 28 hereof, and (b) access to the Premises to permit Tenant's use and occupancy of the Premises without material interference by reason of the completion of unfinished details of work to be performed by Landlord.

"Superior Lease(s)" shall mean all ground or underlying leases of the Real Property or the Building heretofore or hereafter made by Landlord and all renewals, extensions, supplements and modifications thereof.

"Taxes" shall have the meaning set forth in Section 3.1(B).

"Tax Year" shall mean each period of twelve (12) months, commencing on the first day of July of each year, that includes any part of the Term, or such other period of twelve (12) months as may be duly adopted as the fiscal year for real estate tax purposes by the City of New York.

"Tenant", on the date as of which this Lease is made, shall mean the Tenant named in this Lease, but thereafter "Tenant" shall mean only the tenant under this Lease at the time in question; provided, however, that the Tenant named in this Lease and any successor tenant hereunder shall not be released from liability hereunder in the event of any assignment of this Lease.

"Tenant's BID Payment" shall have the meaning set forth in Section 3.2(A).

"Tenant's Operating Payment" shall have the meaning set forth in Section 3.3(A).

"Tenant's Projected Operating Share" shall have the meaning set forth in Section 3.3(B).

"Tenant's Property" shall mean Tenant's movable fixtures and movable partitions, telephone and other equipment, furniture, furnishings and other movable items of personal property.

"Tenant's Tax Payment" shall have the meaning set forth in Section 3.2(A).

"Unavoidable Delays" shall have the meaning set forth in Section 26.1.

ARTICLE 2

DEMISE, PREMISES, TERM, RENT

Section 2.1. (A) Landlord hereby leases to Tenant and Tenant hereby hires from Landlord the Premises for the Term to commence, subject to Article 23, on the Commencement Date and to end on the Fixed Expiration Date, unless earlier terminated or extended as provided herein.

(B) Tenant acknowledges that Tenant is in possession of and familiar with the condition of the Premises pursuant to a sublease, as amended, from Zillow Group, Inc. ("Zillow") expiring on April 29, 2030 (the "Existing Sublease"). Upon the execution and delivery of this Lease by the parties hereto, the Existing Sublease shall be deemed to have been extended by one day to April 30, 2030 (the "Existing Sublease Extension"), corresponding with the expiration date for the direct lease between Landlord and Zillow (the "Master Lease"), such that the Existing Sublease shall expire immediately prior to the Commencement Date. For the avoidance of doubt, Tenant shall not, upon the expiration of the Existing Sublease, be required to vacate and surrender the Premises or complete any restoration of any portion of the Premises that may be required by the Existing Sublease (or the Master Lease related thereto). Landlord hereby consents to the Existing Sublease Extension and shall execute a letter agreement to be entered into by Tenant, Zillow and Landlord to memorialize and effectuate the same.

Section 2.2. Tenant shall pay to Landlord, in lawful money of the United States of America, without notice or demand, by ECH transfer or by good and sufficient check drawn to the Landlord's order on a bank or trust company with an office in the Borough of Manhattan, the City of New York, State of New York, at the office of Landlord or at such other place as Landlord may designate from time to time, the following:

(A) from and after the Rent Commencement Date, the Fixed Rent, at the annual fixed rental rate set forth in the Reference Page, which shall be payable in equal monthly installments of Fixed Rent in advance on the first day of each and every calendar month during the Term; and

(B) from and after the Commencement Date, additional rent ("Additional Rent") consisting of all other sums of money (including, without limitation, Escalation Rent, subject to the terms of Article 3 hereof) as shall become due from and be payable by Tenant hereunder (for default in the payment of which Landlord shall have the same remedies as for a default in the payment of Fixed Rent).

Section 2.3. If the Rent Commencement Date is other than the first day of a calendar month, or the Fixed Expiration Date is other than the last day of a calendar month, Fixed Rent for such month shall be prorated on a per diem basis.

Section 2.4. Tenant shall pay the Fixed Rent and Additional Rent when due without abatement, deduction, counterclaim, setoff or defense for any reason whatsoever, except said abatement as may be occasioned by the occurrence of any event permitting an abatement of Fixed Rent and Escalation Rent as specifically set forth in this Lease.

ARTICLE 3

ESCALATION

Section 3.1. For the purposes of this Article 3, the following terms shall have the meanings set forth below:

(A) "Operating Expenses" shall mean the aggregate of those costs and expenses (and taxes thereon, if any) paid or incurred by Landlord or on behalf of Landlord with respect to the operation, cleaning, repair, safety, replacement, management, security and maintenance of the Real Property, Building Systems, sidewalks, curbs, plazas, and other areas adjacent to the Building, and with respect to the services provided to tenants, including, without limitation: (i) salaries, wages and bonuses paid to, and the cost of any hospitalization, medical, surgical, union and general welfare benefits (including group life insurance), any pension, retirement or life insurance plans and other benefits or similar expenses relating to employees of Landlord engaged in the operation, cleaning, repair, safety, replacement, management, security or maintenance of the Real Property and the Building Systems or in providing services to tenants; (ii) social security, unemployment and other payroll taxes, the cost of providing disability and worker's compensation coverage imposed by any Requirement, union contract or otherwise with respect to said employees; (iii) the cost of gas, oil, steam, electricity, water, sewer rental, HVAC and other utilities furnished to the Real Property and utility taxes; (iv) the expenses incurred for casualty, rent, liability, fidelity, plate glass, terrorism, bioterrorism and any other insurance; (v) the cost of repairs, maintenance and painting, including the cost of acquiring or renting all supplies, tools, materials and equipment used in operating or repairing the Building; (vi) expenditures, whether by purchase or lease, for capital improvements and capital equipment that are expensed or regarded as deferred expenses and capital expenditures, whether by purchase or lease, that are made (I) by reason of Requirements or (II) for labor-saving devices

or to increase operating efficiencies, or (III) for emergency, security or property protection systems, or (IV) in lieu of a repair, in each case such capital expenditures to be included in Operating Expenses for the Operating Year in which such costs are incurred and every subsequent Operating Year (provided that no such costs shall be included in Operating Expenses for the Base Operating Year), to the extent amortized on a straight-line basis over ten (10) years, with interest calculated at an annual rate equal to three (3%) percent over the Base Rate in effect at the time of Landlord's having made said expenditure; (vii) the cost or rental of all supplies, tools, materials and equipment; (viii) the cost of uniforms, work clothes and dry cleaning; (ix) the cost of window cleaning, janitorial, concierge, guard, watchman or other security personnel, service or system, if any; (x) management fees in an amount not to exceed three percent (3%) of the gross revenue derived from the Building for the Base Operating Year and each relevant Operating Year (which management fees shall be calculated on the same basis and with the same methodology in calculating same for both the Base Operating Factor and the Operating Expenses for each Operating Year, for which purposes "gross revenues" shall exclude security deposits and interest thereon, percentage rent and revenue generating concessions or specialty uses) and the cost of the management office; (xi) charges of independent contractors performing work included within this definition of Operating Expenses; (xii) telephone and stationery costs; (xiii) legal, accounting and other professional fees and disbursements incurred in connection with the operation and management of the Real Property; (xiv) association fees and dues; (xv) the cost of decorations; (xvi) depreciation of hand tools and other movable equipment used in the operation, cleaning, repair, safety, management, security or maintenance of the Building; and (xvii) exterior and interior landscaping;

provided, however, that the foregoing costs and expenses shall exclude or have deducted from them, as the case may be:

(1) executives' salaries above the grade of building manager;

(2) amounts received by Landlord through proceeds of insurance to the extent they are compensation for sums previously included in Operating Expenses;

(3) cost of repairs or replacements incurred by reason of fire or other casualty or condemnation to the extent Landlord is compensated therefor;

(4) any additional costs incurred in performing work or furnishing services or utilities for any tenant, whether at such tenant's or Landlord's expense, to the extent that such work or service is in excess of any work or service or utilities that Landlord is obligated to furnish to Tenant at Landlord's expense;

(5) Taxes;

(6) refinancing costs and mortgage interest and amortization payments;

(7) leasing commissions, rental concessions and lease buy-outs;

(8) amortization and depreciation, except as otherwise specifically provided in clauses (vi) and (xvi) of this Section 3.1(A) above;

(9) rental under any ground or underlying lease;

(10) professional fees not allocated to the operation or management of the Real Property and professional fees allocable to specific disputes with, or preparation of leases for, specific tenants and prospective tenants; and

(11) advertising and promotional expenses with respect to the Real Property.

(12) reserves of any kind.

(13) costs incurred in acquiring and insuring, but not costs incurred for maintaining, works of art of the quality and nature of "fine art" (rather than decorative art typically found in comparable office buildings in the vicinity of the Building).

(14) the wages of employees who do not devote substantially all of their time to the Building, provided that the costs of such employees may be prorated and the amount allocable to the time such employees devote to the Building may be included in Operating Expenses.

If Landlord is not furnishing any particular work or service (the cost of which if performed by Landlord would constitute an Operating Expense) to a tenant who has undertaken to perform such work or service in lieu of the performance thereof by Landlord for all or any portion of an Operating Year, Operating Expenses for such Operating Year shall be deemed to be increased by an amount equal to the additional Operating Expenses which reasonably would have been incurred during such Operating Year by Landlord if it had, at its own expense, furnished such work or service to such tenant.

(B) "Taxes" shall mean the aggregate amount of real estate taxes and any general or special assessments (exclusive of penalties and interest thereon) imposed upon the Real Property (including, without limitation, (i) assessments made upon or with respect to any "air" and "development" rights now or hereafter appurtenant to or affecting the Real Property, (ii) any fee, tax or charge imposed by any Government Authority for any vaults, vault space or other space within or outside the boundaries of the Real Property, and (iii) any assessments levied after the date of this Lease for public benefits to the Real Property or the Building, other than BID Charges (as hereinafter defined); provided that if, because of any change in the taxation of real estate, any other tax or assessment, however denominated (including, without limitation, any franchise, income, profit, sales, use, occupancy, gross receipts or rental tax) is imposed upon Landlord or the owner of the Real Property or the Building, or the occupancy, rents or income therefrom, in substitution for any of the foregoing Taxes or for an increase in any of the foregoing Taxes, such other tax or assessment shall be deemed part of Taxes computed as if Landlord's sole asset were the Real Property. With respect to any Tax Year, all expenses, including attorneys' fees and disbursements and experts' and other witnesses' fees, incurred in contesting the validity or amount of any Taxes or in obtaining a refund of Taxes shall be considered as part of the Taxes for such Tax Year. Anything contained herein to the contrary notwithstanding, Taxes shall not be deemed to include (a) any taxes on Landlord's income, (b) franchise taxes, (c) estate or inheritance taxes, or (d) any similar taxes imposed on Landlord,

unless such taxes are levied, assessed or imposed as a substitute for the whole or any part of, or as a substitute for an increase in, the taxes, assessments, levies, fees, charges and impositions that now constitute Taxes.

(C) "BID Charges" shall mean business improvement district charges imposed on the Building and/or the Land, and any expenses incurred by Landlord in contesting the same.

Section 3.2.

(A) From and after July 1, 2031, Tenant shall pay as Escalation Rent for each Tax Year, (i) an amount ("Tenant's Tax Payment") equal to Tenant's Share of the amount by which the Taxes for such Tax Year are greater than the Base Tax Factor and (ii) an amount ("Tenant's BID Payment") equal to Tenant's Share of the BID Charges. Tenant's Tax Payment and Tenant's BID Payment shall be payable by Tenant to Landlord in twelve (12) equal monthly installments (subject to the further provisions of this Section 3.2), the first of which shall be due within ten (10) days after receipt of a Landlord's Tax Statement, regardless of whether such Landlord's Tax Statement is received prior to, on or after the first day of such Tax Year and the remaining installments shall be due on the first day of each month thereafter. If there is any increase in Taxes or in BID Charges for any Tax Year, whether during or after such Tax Year, or if there is any decrease in the Taxes or in BID Charges for any Tax Year during such Tax Year, Landlord may furnish a revised Landlord's Tax Statement for any Tax Year affected, and Tenant's Tax Payment and Tenant's BID Payment for such Tax Year shall be adjusted and, (a) within ten (10) days after Tenant's receipt of such revised Landlord's Tax Statement, Tenant shall (with respect to any increase in Taxes and/or BID Charges for such Tax Year) pay the appropriate increase in Tenant's Tax Payment and/or Tenant's BID Payment to Landlord, or (b) (with respect to any decrease in Taxes and/or BID Charges for such Tax Year) Landlord shall, at its election, either credit such decrease in Tenant's Tax Payment and/or Tenant's BID Payment against the next installment of Rental payable by Tenant or refund the amount of such decrease by check to the order of Tenant or, if at the end of the Term, there shall not be any further installments of Rental remaining against which Landlord can credit any decrease in Taxes and/or BID Charges due Tenant, Landlord shall deliver to Tenant Landlord's check in the amount of the refund due Tenant within thirty (30) days after Landlord's receipt of any refund. If, during the Term, Taxes or BID Charges are required to be paid (either to the appropriate taxing authorities or as tax escrow payments to the Lessor or the Mortgagee), in full or in quarterly or other installments on any other date or dates than as presently required, then Tenant's Tax Payments and Tenant's BID Payments shall be correspondingly accelerated or revised so that Tenant's Tax Payments and Tenant's BID Payments are due at least thirty (30) days prior to the date payments are due to the taxing authorities, the Lessor or the Mortgagee. The benefit of any discount for any early payment or prepayment of Taxes or BID Charges shall accrue solely to the benefit of Landlord and Taxes and BID Charges shall be computed without subtracting such discount.

(B) Only Landlord shall be eligible to institute tax reduction or other proceedings to reduce Taxes or BID Charges. If, after a Landlord's Tax Statement has been sent to Tenant, a refund of Taxes or BID Charges is actually received by or on behalf of Landlord, then, promptly after receipt of such refund, Landlord shall send Tenant a Landlord's Tax Statement adjusting the Taxes and BID Charges for such Tax Year (taking into account

Landlord's expenses therefor) and setting forth Tenant's Share of such refund, and Tenant shall be entitled to receive such amount by way of a credit against the Escalation Rent; provided, however, that Tenant's Share of such refund shall be limited to the amount of Tenant's Tax Payment or Tenant's BID Payment as applicable, which Tenant had theretofore paid to Landlord attributable to increases in Taxes or BID Charges for the Tax Year to which the refund is applicable.

(C) Tenant's Tax Payment and Tenant's BID Payment and any credits with respect thereto as provided in this Section 3.2 shall be made as provided in this Section 3.2 regardless of the fact that Tenant may be exempt, in whole or in part, from the payment of any taxes by reason of Tenant's diplomatic or other tax exempt status or for any other reason whatsoever.

(D) Tenant shall pay to Landlord within thirty (30) days after demand as Additional Rent any occupancy tax or rent tax now in effect or hereafter enacted, if payable by Landlord in the first instance or hereafter required to be paid by Landlord.

(E) Each Landlord's Tax Statement furnished by Landlord with respect to Tenant's Tax Payment and Tenant's BID Payment shall, at Tenant's request, be accompanied by a copy of the real estate tax bill or bills for the Tax Year referred to therein, but Landlord shall have no obligation to deliver more than one such copy of the real estate tax bill or bills in respect of any Tax Year, and Landlord's failure to deliver such copy shall not affect Tenant's obligations as to amount or due date(s) thereof.

(F) If the Base Tax Factor subsequently shall be adjusted, corrected or reduced whether as the result of protest, by means of agreement or as the result of legal proceedings, the Base Tax Factor for the purpose of computing any Additional Rent payable pursuant to this Article shall be the Base Tax Factor as so adjusted, corrected or reduced. Until the Base Tax Factor is so adjusted, corrected or reduced, if ever, Tenant shall pay Additional Rent hereunder based upon the unadjusted, uncorrected or unreduced Base Tax Factor and upon such adjustment, correction or reduction occurring, any Additional Rent payable by Tenant prior to the date of such occurrence shall be recomputed and Tenant shall pay to Landlord any Escalation Rent found due by such re-computation within thirty (30) days after being billed therefor (which bill shall set forth in reasonable detail the pertinent data causing and comprising such re-computation).

(G) If the Commencement Date or the Expiration Date occurs on a date other than July 1 or June 30, respectively, any Tenant's Tax Payment and Tenant's BID Payment due under this Article 3 for the Tax Year in which such Commencement Date or Expiration Date occurs shall be apportioned in that percentage which the number of days in the period from the Commencement Date to June 30 or from July 1 to the Expiration Date, as the case may be, both inclusive, bears to the total number of days in such Tax Year. If the Commencement Date or the Expiration Date occurs on a date other than January 1 or December 31, respectively, any Tenant's Operating Payment under this Article 3 for the Operating Year in which such Commencement Date or Expiration Date occurs shall be apportioned in that percentage which the number of days in the period from the Commencement Date to December 31 or from January 1 to the Expiration Date, as the case may be, both inclusive, bears to the total number of

days in such Operating Year. In the event of a termination of this Lease, any Escalation Rent under this Article 3 shall be paid or adjusted within thirty (30) days after submission of a Landlord's Statement. In no event shall Fixed Rent ever be reduced by operation of this Article 3 and the rights and obligations of Landlord and Tenant under the provisions of this Article 3 with respect to any Escalation Rent shall survive the Expiration Date.

Section 3.3.

(A) From and after July 1, 2031, Tenant shall pay as Escalation Rent for each Operating Year an amount ("Tenant's Operating Payment") equal to Tenant's Share of the amount by which Operating Expenses for such Operating Year are greater than the Base Operating Factor; provided, however, Tenant shall not be obligated to pay Escalation Rent for increases in Operating Expenses for the first fourteen (14) months following the Commencement Date.

(B) Landlord may furnish to Tenant, with respect to each Operating Year, a Landlord's Operating Statement setting forth Landlord's estimate of Tenant's Operating Payment for such Operating Year ("Tenant's Projected Operating Share"). Tenant shall pay to Landlord on the first day of each month during such Operating Year, as Escalation Rent, an amount equal to one-twelfth of Tenant's Projected Operating Share for such Operating Year. If, however, Landlord furnishes any such Landlord's Operating Statement for an Operating Year subsequent to the commencement of such Operating Year, then (a) until the first day of the month following the month in which such Landlord's Operating Statement is furnished to Tenant, Tenant shall pay to Landlord on the first day of each month an amount equal to the monthly sum payable by Tenant to Landlord under this Section 3.3 in respect of the last month of the preceding Operating Year; (b) after such Landlord's Operating Statement is furnished to Tenant or together therewith, Landlord shall give notice to Tenant stating whether the installments of Tenant's Projected Operating Share previously made for such Operating Year were greater or less than the installments of Tenant's Projected Operating Share to be made for such Operating Year in accordance with such estimate, and (i) if there is a deficiency, Tenant shall pay the amount thereof within thirty (30) days after demand therefor, or (ii) if there was an overpayment, Landlord shall credit the amount thereof against subsequent payments of Rental or, if at the end of the Term there shall not be any further installments of Rental remaining against which Landlord can credit any such overpayment due Tenant, Landlord shall deliver to Tenant Landlord's check in the amount of the refund due Tenant within thirty (30) days after Tenant shall first be entitled to a credit for the overpayment of Operating Expenses; and (c) on the first day of the month following the month in which such Landlord's Operating Statement is furnished to Tenant, and monthly thereafter throughout the remainder of such Operating Year, Tenant shall pay to Landlord an amount equal to one-twelfth of Tenant's Projected Operating Share shown in such Landlord's Operating Statement. Landlord may furnish to Tenant a revised Landlord's Operating Statement with a new estimate of Tenant's Projected Operating Share for such Operating Year and, in such case, Tenant's Projected Operating Share for such Operating Year shall be adjusted and paid or credited, as the case may be, substantially in the same manner as provided in the preceding sentence.

(C) After the end of each Operating Year, Landlord shall furnish to Tenant a Landlord's Operating Statement for such Operating Year. Each such year-end Landlord's

Operating Statement shall be accompanied by a computation of Operating Expenses for the Building prepared by the Manager or a certified public accountant designated by Landlord from which Landlord shall make the computation of Escalation Rent due in respect of Operating Expenses hereunder. In making computations of Operating Expenses, the certified public accountant or the Manager may rely on Landlord's reasonable estimates and allocations whenever said estimates and allocations are needed for this Article 3. If the Landlord's Operating Statement shows that the sums paid by Tenant under Section 3.3(B) exceeded Tenant's Operating Payments required to be paid by Tenant for such Operating Year, Landlord shall credit the amount of such excess against subsequent payments of Rental or, if at the end of the Term there shall not be any further installments of Rental remaining against which Landlord can credit any such overpayments due Tenant, Landlord shall deliver to Tenant Landlord's check in the amount of the refund due Tenant within thirty (30) days after Tenant shall first be entitled to a credit for the overpayment of Operating Expenses; and if the Landlord's Operating Statement for such Operating Year shows that the sums so paid by Tenant were less than Tenant's Operating Payment due for such Operating Year, Tenant shall pay the amount of such deficiency within thirty (30) days after demand therefor.

Section 3.4. Landlord's failure to render any Landlord's Statement with respect to any Tax Year or Operating Year shall not prejudice Landlord's right thereafter to render a Landlord's Statement with respect thereto or with respect to any subsequent Tax Year or Operating Year, as the case may be, nor shall the rendering of a Landlord's Statement prejudice Landlord's right thereafter to render a corrected Landlord's Statement for that Tax Year or Operating Year. Notwithstanding anything to the contrary contained in this Lease, in the event Landlord fails to give a Landlord's Operating Statement or a Landlord's Tax Statement (or any corrections thereto) to Tenant for any Operating Year or Tax Year (as the case may be), on or before the date which is two (2) years following the expiration of such Operating Year (with respect to any Landlord's Operating Statement), or two (2) years following the later of (i) the end of the Tax Year in question or (ii) the date of the final determination of the Taxes in question (with respect to any Landlord's Tax Statement), then Landlord shall be deemed to have waived the payment of any then unpaid Escalation Rent which would have been due pursuant to said Landlord's Operating Statement or Landlord's Tax Statement (or correction thereto), as the case may be.

Section 3.5. (A) Any Landlord's Statement sent to Tenant shall be conclusively binding upon Tenant unless, within ninety (90) days after such Landlord's Statement is sent, Tenant shall send a written notice to Landlord objecting to such Landlord's Statement and specifying, to the extent reasonably practicable, the respects in which such Landlord's Statement is disputed. If Tenant shall send such notice with respect to a Landlord's Operating Statement, Tenant may, at its own expense, select an independent certified public accountant which is not being compensated by Tenant, in whole or in part, on a contingency or "success" basis (an "Approved Examiner"), provided that such Approved Examiner is not and has not during the Term been affiliated with, a shareholder in, an officer, director, partner, or employee of, any Manager during the Term or the Manager named in this Lease, and such Approved Examiner may examine Landlord's books and records relating solely to disputed aspects of the Operating Expenses to determine the accuracy of Landlord's Operating Statement. Upon Landlord's request, Tenant shall furnish Landlord with evidence that the Approved Examiner is not being compensated on a contingency or "success" basis, including a copy of Tenant's engagement agreement with the Approved Examiner. The Approved Examiner must conclude its

examination no later than sixty (60) days after Landlord provides Tenant's Approved Examiner with access to Landlord's books and records. Tenant recognizes the confidential nature of Landlord's books and records and agrees that information obtained by it or an Approved Examiner during any examination (including any compromise, settlement or adjustment relating to the results of such examination) shall be maintained in strict confidence by Tenant and such Approved Examiner. As a condition precedent to Tenant's exercise of its right to examine Landlord's books and records, Tenant shall deliver to Landlord a confidentiality agreement, reasonably satisfactory to Landlord, from the Approved Examiner to the same effect as Tenant's agreement contained in the preceding sentence. If, after such examination, such Approved Examiner shall dispute such Landlord's Operating Statement and Landlord and Tenant are unable to resolve the dispute within thirty (30) days after the completion of the examination, then either party may elect to have the dispute resolved by arbitration, as set forth in Section 3.5(B) below. The fees and expenses involved in resolving such dispute shall be borne by the unsuccessful party. Notwithstanding the giving of such notice by Tenant, as a condition of Tenant's right to cause the Approved Examiner to inspect Landlord's books and records, and pending the resolution of any such dispute, Tenant shall pay to Landlord when due the amount shown on any such Landlord's Statement, as provided in this Article 3. The obligations contained in this Section 3.5 shall survive the Expiration Date.

(B) (1) Any dispute under this Section 3.5 shall be resolved as follows. An independent certified public accountant (the "Independent CPA") shall be selected by Landlord, and approved by Tenant, which approval shall not be unreasonably withheld or delayed. The Independent CPA shall not have been previously employed or hired by Landlord, Tenant or any of Landlord's affiliates or the Manager within the immediately preceding period of five (5) years. If Landlord and Tenant are unable to agree upon the Independent CPA, then he or she shall be designated by the American Arbitration Association ("AAA"). The Independent CPA selected by the parties or designated by the AAA shall not have been employed by Landlord or Tenant during the previous five (5) year period and shall have at least ten (10) years' experience in the practice of real estate accounting. Landlord and Tenant shall each submit to the Independent CPA and to the other, based upon the definition of Operating Expenses and the principles set forth in this Article 3, its determination of Operating Expenses for the applicable Operating Year. The Independent CPA shall determine which of the two (2) determinations more closely represents the proper calculation of Operating Expenses pursuant to the provisions of this Article 3. The Independent CPA may not select any other calculation of Operating Expenses other than one submitted by Landlord or Tenant. The determination of the Independent CPA shall be binding upon Landlord and Tenant and shall constitute the Operating Expenses for the applicable Operating Year.

(2) Landlord and Tenant hereby agree to, and hereby do: (i) waive any and all rights either of them at any time may have to revoke their agreement hereunder to submit to arbitration as set forth in this Section 3.5; (ii) consent to the entry of judgment in any court upon any award rendered in any arbitration held pursuant to this Section 3.5; and (iii) acknowledge that any award rendered in any arbitration held pursuant to this Section 3.5, whether or not such award has been entered for judgment, shall be final and binding upon Landlord and Tenant.

Section 3.6. In determining the amount of the Base Operating Factor and Operating Expenses, if less than one hundred (100%) percent of the Building's rentable area shall have been occupied by tenant(s) at any time during the Base Operating Year or any subsequent Operating Year, Operating Expenses, for the purposes of the Base Operating Factor and for any Operating Year, shall be adjusted to the amount which would normally be expected to be incurred had one hundred (100%) percent of all such areas been occupied throughout the Base Operating Year or any subsequent Operating Year. The provisions of this Section with respect to adjustments of Operating Expenses for vacancy, shall apply only to Operating Expenses which are variable and which increase in the same relationship to the increase in occupancy in the Building and shall not apply to any Operating Expenses which do not vary with the level of occupancy in the Building.

Section 3.7. (A) The terms defined below shall for the purposes of this Lease have the meanings herein specified:

(i) "Carbon Emissions Law" means collectively, Local Law 97 of the Local Laws of the City of New York for the Year 2019 or any amendment, modification, supplement or replacement thereof, any rules or regulations promulgated pursuant thereto.

(ii) "CEL Charges" means (x) all costs, expenses, fines, penalties or other similar charges payable by Landlord under or to comply with the Carbon Emissions Law and attributable to the Building, and (y) amounts paid to purchase renewable energy credits and/or "greenhouse gas offsets" in order to reduce the amounts that would otherwise be payable under clause (x); provided, that CEL Charges shall not include (A) any costs, expenses, fines, penalties or similar charges paid by Landlord (including, without limitation, in connection with any penalties or charges levied upon the Building under the Carbon Emissions Law or otherwise) directly or indirectly arising from, or attributable to, (i) any failure of Landlord to duly meet any reporting, improvements, installation and/or any other obligations under the Carbon Emissions Law applicable to the Building or (ii) Landlord's failure to operate and maintain any Building systems in accordance with the standards from time to time prevailing with respect to comparable office buildings in midtown Manhattan, or (B) any capital expenditures incurred by Landlord in order to comply with Carbon Emissions Law (provided that the same shall be included in Operating Expenses as set forth in the last grammatical paragraph of Section 3.1(A)).

(iii) "Base Building GHG Emissions" means the amount of greenhouse gas emissions, expressed in tons of carbon dioxide equivalents (tCO_2e), for any calendar year in which the Building is subject to the Carbon Emissions Law, calculated by a registered design professional in accordance with the requirements of the Carbon Emissions Law and attributable to the energy used at the Building (including electricity, steam, natural gas, diesel fuel and any other energy source used at the Building in the future) to operate all non-leasable portions of the Building during such calendar year, as determined by the applicable meters and/or submeters in the Building.

(iv) "Total GHG Emissions" means, for any calendar year in which the Building is subject to the Carbon Emissions Law, the sum of the Base Building GHG Emissions plus the Leasable Area GHG Emissions, in each case, for such calendar year.

(v) "Leasable Area GHG Emissions" means the amount of greenhouse gas emissions, expressed in tCO_2e for any applicable calendar year in which the Building is subject to the Carbon Emissions Law, equal to all greenhouse gas emissions calculated by a registered design professional in accordance with the requirements of the Carbon Emissions Law and attributable to energy used to power the leasable portions of the Building during such calendar year, as determined by tenants' meter or meters, connected supplemental air conditioning tonnage, documented overtime HVAC services provided, and documented usage of diesel fuel, as applicable with respect to such leasable portions.

(vi) "Tenant's GHG Emissions" means the amount of greenhouse emissions, expressed in tCO2e for any applicable calendar year in which the Building is subject to the Carbon Emissions Law, equal to all greenhouse gas emissions calculated by a registered design professional in accordance with the requirements of the Carbon Emissions Law and attributable to all energy used in the Premises (x) by Tenant and anyone claiming by, through or under Tenant and (y) to provide overtime HVAC service and any other non-building standard service requested by Tenant to the Premises, in each case, during such calendar year as determined by Tenant's submeters or direct meters for electricity, steam and natural gas, connected supplemental air conditioning tonnage, documented overtime HVAC services provided, or documented usage of diesel fuel.

(vii) "Tenant's GHG Emissions Limit" means the amount of greenhouse gas emission, expressed in tCO2e, allocated to the Premises by Landlord for any calendar year in which the Building is subject to the Carbon Emissions Law based upon the square footage of the leased Premises and the category of Tenant's use therein as provided for by the Carbon Emissions Law.

(B) In addition to Tenant's obligation to pay the charges for utilities and services set forth in invoices for utilities and services, whether from Landlord or directly from the provider, if the Total GHG Emissions for the Building exceed the allocation of greenhouse gas emissions, expressed in tCO_2e, applicable to the Building under the Carbon Emissions Law for any calendar year, then Tenant shall also pay to Landlord an amount (such amount, "Tenant's CEL Payment") equal to (i) the amount of the CEL Charges payable by Landlord as a result of Tenant's GHG Emissions exceeding Tenant's GHG Emissions Limit for the applicable calendar year, plus (y) Tenant's Share of any Carbon Emissions Law penalty attributable to Base Building GHG Emissions for the applicable calendar year, provided that the portion of Tenant's CEL Payment payable in accordance with clause (y) hereof shall not exceed $1.50 per rentable square foot of the Premises during any calendar year.

(C) Upon reasonable request by Landlord, Tenant shall provide to Landlord reasonable statements of information in Tenant's possession related to Tenant's GHG Emissions in the Premises. Landlord, at Landlord's sole cost and expense, shall have the right to audit Tenant's GHG Emissions and Tenant's books and records directly related thereto for any calendar year or portion thereof (but not more frequently than once per calendar year), in each case upon at least twenty-one (21) days' written notice to Tenant.

(D) Within one hundred eighty (180) days following the assessment or imposition of any CEL Charges, Landlord shall submit to Tenant a statement (each a "CEL

Statement") prepared by Landlord or Manager and certified as true and correct by an officer of Landlord or Manager, setting forth in reasonable line item detail the greenhouse gas emissions produced by the Building and the Premises for the calendar year in question, and a calculation of Tenant's CEL Payment for such calendar year, if any, calculated in accordance with Section 3.7(B) above. Within thirty (30) days after receipt of a CEL Statement prepared in accordance with this Section 3.7(D), Tenant shall make payment of the Tenant's CEL Payment. Tenant shall have the right to audit the CEL Statement in the same manner as Tenant's audit of Operating Expenses pursuant to the provisions of Section 3.5 of this Lease.

(E) In no event shall the Fixed Rent under the Lease be reduced by virtue of this Section 3.7.

ARTICLE 4

ELECTRICITY

Section 4.1. Subject to the provisions of this Article, Landlord shall provide electricity to the Premises through the existing electrical system of the Building for the operation of Tenant's electrical systems and equipment at the Premises. Landlord, at Tenant's expense, shall maintain one or more submeters measuring Tenant's consumption and demand of electricity in the Premises, including any electricity to operate any supplemental air conditioning system now or hereafter located in the Premises. To the extent not included in Operating Expenses, Tenant shall pay to Landlord for Tenant's electrical usage, as Additional Rent, within fifteen (15) days following Tenant's receipt of Landlord's Statement, at such charges, terms and rates, as are applied to the monthly readings on each such meters or submeters, as set from time to time during the Term by the public utility serving the Building under the service classification in effect pursuant to which Landlord purchases electricity, plus an amount equal to five (5%) percent thereof to reimburse Landlord for administrative services in connection with supplying and billing such electricity (the "Electricity Additional Rent"). If more than one meter or submeter measures Tenant's electricity, the electricity rendered through each submeter may be computed and billed separately in accordance with this Section.

Section 4.2. Tenant shall be responsible for all installations and wiring necessary to distribute electrical energy in the Premises, including the tie-in of electrical service to the Premises from the meters or submeters measuring Tenant's electrical consumption. Landlord shall, during the Term of this Lease, ensure that the Premises has a capacity to handle an aggregate of up to nine (9) watts demand load per usable square foot of the Premises (exclusive of the HVAC System), to the extent Tenant demonstrates to Landlord's reasonable satisfaction that Tenant needs such capacity in connection with its operations in the Premises. Such electric energy shall be furnished to Tenant by means of the existing Building system feeders, risers and wiring to the extent that the same are available, suitable and safe for such purpose. Tenant's use of electric current in the Premises shall not at any time exceed the capacity of any of the electrical conductors, feeders, risers, wiring installation and equipment in the Building or otherwise serving the Premises. Tenant may not use any electrical equipment, which, in Landlord's judgment, will overload such installations or interfere with the use thereof by other tenants of the Building. In order to ensure that such capacity is not exceeded and to avert possible adverse effect upon the Building electric service, Tenant shall not, without Landlord's

prior written consent in each instance, connect any additional fixtures, appliances or equipment (other than personal computers, word processors, facsimile machines, photocopiers, lamps, typewriters and similar office machines) to the Building electric distribution system or make any alteration or addition to the electric system of the Premises existing on the Commencement Date. Should Landlord grant such consent, all additional risers, or other equipment required therefor shall be installed by Landlord and the cost thereof shall be paid by Tenant upon Landlord's demand. Unless caused by the negligence or willful misconduct of Landlord, Landlord shall not be liable in any way to Tenant for any failure or defect in the supply or character of electric current furnished to the Premises or for any loss or damage or expense which Tenant may sustain or incur if either the said supply or character of electric current either fails or changes or is no longer available for Tenant's requirements. At all times during the Term of this Lease, Tenant shall comply with all Requirements and the public utility applicable to service, equipment, wiring and changes in Requirements.

Section 4.3. At Landlord's option, Tenant shall purchase from Landlord all lighting tubes, lamps, bulbs and ballasts used in the Premises and Tenant shall pay Landlord's reasonable charges for providing and installing the same, on demand, as Additional Rent.

Section 4.4. Landlord shall have the right, in its sole discretion, to select any entity or entities which it desires to have as the electrical service provider to the Building (including the Premises), and Tenant shall not have the right to select the same or participate in the selection of the same, except and to the extent that any Requirement mandates that Tenant have any such right(s).

ARTICLE 5

USE AND OCCUPANCY

Section 5.1. Tenant shall use and occupy the Premises for the Permitted Use and for no other purpose.

Section 5.2. Tenant shall not use the Premises or any part thereof, or permit the Premises or any part thereof to be used, (1) for the business of photographic, multilith or multigraph reproductions or offset printing (other than those which are ancillary to an otherwise Permitted Use), (2) for an off-the-street retail commercial banking, thrift institution, loan company, trust company, depository or safe deposit business accepting deposits from the general public, (3) for the off-the-street retail sale of travelers checks, money orders, drafts, foreign exchange or letters of credit or for the receipt of money for transmission, (4) by the United States government, the City or State of New York, any foreign government, the United Nations or any agency or department of any of the foregoing having or asserting sovereign immunity, (5) for the preparation, dispensing or consumption of food or beverages in any manner whatsoever, except for the preparation, dispensing and consumption of food by Tenant's employees who work in the Premises and not for the sale of food to any Persons other than such employees, (6) as an employment agency, day-care facility, labor union, school, or vocational training center (except for the training of employees of Tenant intended to be employed at the Premises), (7) as a barber shop, beauty salon or manicure shop, (8) for product display activities (such as those of a manufacturer's representative), (9) as offices of any public utility company, (10) for data

processing activities (other than those which are ancillary to an otherwise Permitted Use), (11) for health care activities, (12) for clerical support services or offices of public stenographers or typists (other than those which are ancillary to an otherwise Permitted Use), (13) as reservation centers for airlines or travel agencies, (14) for retail or manufacturing use (including off the street retail sales of securities), (15) as studios for radio, television or other media, (16) for offices for a real estate brokerage firm or (17) for any obscene or pornographic purpose or any sort of commercial sex establishment or for exhibition to the public of any obscene or pornographic materials. For purposes of the preceding clause (17), "pornographic" shall mean that the material or purpose has prurient appeal or relates, directly or indirectly, to lewd or prurient sexual activity and "obscene" shall have the meaning ascribed thereto in New York Penal Law Section 235.00. Furthermore, the Premises shall not be used for any purpose that would, in Landlord's reasonable judgment, tend to lower the first-class character of the Building, create unreasonable or excessive elevator or floor loads, violate the certificate of occupancy of the Building, impair or interfere with any of the Building operations or the proper and economic heating, air-conditioning, cleaning or any other services of the Building, interfere with the use of the other areas of the Building by any other tenants, or impair the appearance of the Building.

ARTICLE 6

ALTERATIONS

Section 6.1.

(A) Except as otherwise provided in this paragraph, Tenant shall not make or permit to be made any Alterations without Landlord's prior written consent, which consent shall not be unreasonably withheld or delayed, provided that: (i) the outside appearance of the Building shall not be affected; (ii) the strength of the Building shall not be affected; (iii) the structural parts of the Building shall not be affected; (iv) no part of the Building outside of the Premises shall be affected; (v) the Building Systems shall not be affected and the use of such systems by Tenant shall not be increased beyond Tenant's allocable portion of the reserve capacity thereof, if any and (vi) the cost of such Alterations do not exceed Two Hundred Fifty Thousand and 00/100 Dollars ($250,000.00). Reference is made to Schedule B hereto, which contains the Building Alteration Rules and Regulations applicable to the Building, which is incorporated by reference in this Lease. Landlord reserves the right to make reasonable changes and additions thereto. Notwithstanding anything to the contrary provided in this Lease, the consent of Landlord and the engagement of an architect shall not be required for (x) mere painting, wall-covering, carpeting or other similar-type cosmetic improvements in or to the Premises ("Decorative Alterations") or (y) any Alterations in the Premises that satisfy the conditions set forth in clauses (i) through (iv) of this Section 6.1(A), and cost no more than One Hundred Fifty Thousand and 00/100 Dollars ($150,000.00) (clauses (x) and (y) being referred to herein as "Minor Alterations"); provided that in each case governed by clauses (x) and (y) of this sentence, (I) no governmental permit is required in connection therewith, and (II) Tenant shall give Landlord at least two (2) weeks prior notice of Tenant's performance of any such Decorative Alterations and/or other Minor Alterations and shall schedule the performance of the same with Landlord.

(B) (1) Prior to making any Alterations, Tenant shall, at Tenant's expense, (i) except with respect to Decorative Alterations and Minor Alterations, submit to Landlord six (6) sets of blue lines of final, stamped and detailed plans and specifications (including layout, architectural, electrical, mechanical and structural drawings) that comply with all Requirements for each proposed Alteration, and Tenant shall not commence any such Alteration without first obtaining Landlord's approval of such plans and specifications, (ii) at Tenant's expense, obtain all permits, approvals and certificates required by any Government Authorities, and (iii) furnish to Landlord duplicate original policies of worker's compensation insurance (covering all persons to be employed by Tenant, and Tenant's contractors and subcontractors, in connection with such Alteration) and commercial general liability insurance (including premises operation, bodily injury, personal injury, death, independent contractors, products and completed operations, broad form contractual liability and broad form property damage coverages), in such form, with such companies, for such periods and in such amounts as Landlord may reasonably approve, naming Landlord and its agents, any Lessor and any Mortgagee, as additional insureds. Upon completion of such Alteration, Tenant, at Tenant's expense, shall obtain certificates of final approval of such Alterations required by any Government Authority and shall furnish Landlord with copies thereof, together with the "as-built" plans and specifications for such Alterations, in such format as shall from time to time be reasonably designated by Landlord. All Alterations shall be made and performed in accordance with the plans and specifications therefor as approved by Landlord, all Requirements and the Rules and Regulations. All materials and equipment to be incorporated in the Premises as a result of any Alterations shall be first quality and no such materials or equipment shall be subject to any lien, encumbrance, chattel mortgage, title retention or security agreement. In addition, no such Alteration for which the cost of labor and materials (as estimated by Landlord's architect, engineer or contractor) is in excess of One Hundred Fifty Thousand and 00/100 Dollars ($150,000.00), either individually or in the aggregate with any other Alteration constructed in any twelve (12) month period, shall be undertaken prior to Tenant's delivering to Landlord such security for timely lien-free completion thereof as is reasonably satisfactory to Landlord, and such Alteration shall be performed only under the supervision of a licensed architect satisfactory to Landlord.

(2) Landlord shall endeavor to respond to the proposed plans and specifications referred to in Section 6.1(B)(1)(i) within twelve (12) Business Days after submission, but Landlord shall have no liability to Tenant by reason of Landlord's failure to respond within such time period. Landlord reserves the right to disapprove any plans and specifications in part, to reserve approval of items shown thereon pending its review and approval of other plans and specifications, and to condition its approval upon Tenant making revisions to the plans and specifications or supplying additional information. Tenant agrees that any review or approval by Landlord of any plans and/or specifications with respect to any Alteration is solely for Landlord's benefit, and without any representation, warranty or liability whatsoever to Tenant or any other Person with respect to the adequacy, correctness or sufficiency thereof or with respect to Requirements or otherwise.

(C) Except as otherwise provided in the Building Rules and Building Standards for Alterations, Tenant shall be permitted to perform Alterations during Operating Hours, provided that such work does not interfere with or interrupt the operation and maintenance of the Building or unreasonably interfere with or interrupt the use and occupancy of the Building by other tenants in the Building. Otherwise, Alterations shall be performed at

Tenant's expense and at such times and in such manner as Landlord may from time to time reasonably designate. All Alterations shall become a part of the Building and shall be Landlord's property from and after the installation thereof and may not be removed or changed without Landlord's consent. Notwithstanding the foregoing, however, Landlord, at Tenant's request, on or before the date Landlord approves Tenant's plans and specifications for such Alterations, shall notify Tenant whether Landlord will at the end of the Term require Tenant to remove those Alterations designated by Landlord as specialty Alterations ("Specialty Alterations"), which shall only be structural Alterations or those Alterations that exceed the customary, standard types of Alterations for general, executive and administrative business offices in Manhattan and which would be materially more expensive to demolish or remove than such customary, standard types of Alterations, and to repair and restore in a good and workmanlike manner to Building standard condition (reasonable wear and tear excepted) any damage to the Premises or the Building caused by such removal. If Tenant fails to make such request Landlord may require Tenant to remove any Specialty Alterations made in connection therewith and so to repair and restore any resulting damage, by giving Tenant a notice in writing not later than ninety (90) days prior to the Fixed Expiration Date or within fifteen (15) days after any earlier termination of this Lease. For the avoidance of doubt, Tenant shall have no obligation to remove any Decorative Alterations, Minor Alterations, or any Alterations to which Landlord has consented other than Specialty Alterations (provided that Tenant shall not be required to remove any Alterations installed in the Premises as of the date of this Lease). Without limiting the foregoing provisions, and notwithstanding anything to the contrary contained therein, upon the Expiration Date or the earlier termination of the Term, Tenant shall remove all wiring and cabling installed by Tenant from the raceways and conduits located in the Premises. All Tenant's Property shall remain the property of Tenant and, on or before the Expiration Date or earlier end of the Term, may be removed from the Premises by Tenant at Tenant's option, provided, however, that Tenant shall repair and restore in a good and workmanlike manner to Building standard condition (reasonable wear and tear excepted) any damage to the Premises or the Building caused by such removal. The provisions of this Section 6.1(C) shall survive the expiration or earlier termination of this Lease.

(D) (1) All Alterations shall be performed, at Tenant's sole cost and expense, by contractors, subcontractors or mechanics approved by Landlord.

(2) Notwithstanding the foregoing, with respect to any Alteration affecting any Building Systems, (i) Tenant shall employ Landlord's or the Manager's designated contractor, and (ii) the Alteration shall, at Tenant's expense, be designed and supervised by either Landlord's or the Manager's engineer. In addition, Tenant shall employ Landlord's or the Manager's designated expediter with respect to any filings with, or other submissions to, applicable Government Authorities in connection with any of Tenant's Alterations.

(E) (1) Any mechanic's lien filed against the Premises or the Real Property for work claimed to have been done for, or materials claimed to have been furnished to, Tenant shall be cancelled or discharged by Tenant, by payment or filing of the bond required by law, within twenty (20) days after such lien shall be filed, and Tenant shall indemnify and hold Landlord harmless from and against any and all costs, expenses, claims, losses or damages resulting therefrom by reason thereof.

(2) If Tenant shall fail to discharge such mechanic's lien within the aforesaid period, then, in addition to any other right or remedy of Landlord, Landlord may, but shall not be obligated to, discharge the same either by paying the amount claimed to be due or by procuring the discharge of such lien by deposit in court or bonding, and in any such event, Landlord shall be entitled, if Landlord so elects, to compel the prosecution of an action for the foreclosure of such mechanic's lien by the lienor and to pay the amount of the judgment, if any, in favor of the lienor, with interest, costs and allowances.

(3) Any amount paid by Landlord for any of the aforesaid charges and for all expenses of Landlord (including, but not limited to, attorneys' fees and disbursements) incurred in defending any such action, discharging said lien or in procuring the discharge of said lien, with interest on all such amounts at the maximum legal rate of interest then chargeable to Tenant from the date of payment, shall be repaid by Tenant within ten (10) days after written demand therefor, and all amounts so repayable, together with such interest, shall be considered Additional Rent.

Section 6.2. Tenant shall reimburse Landlord, within ten (10) Business Days after demand therefor, for any actual out-of-pocket third party expense incurred by Landlord for reviewing the plans and specifications for any Alterations.

Section 6.3. Landlord, at Tenant's expense, and upon the request of Tenant, shall join in any applications for any permits, approvals or certificates required to be obtained by Tenant in connection with any permitted Alteration (provided that the provisions of the applicable Requirements shall require that Landlord join in such application) and shall otherwise cooperate with Tenant in connection therewith, provided that Landlord shall not be obligated to incur any cost or expense or liability in connection therewith and, provided further, that in no event shall Tenant, its architect, engineer or other construction consultant be permitted to utilize any so-called "self-certification" procedure to obtain building permits with respect to any proposed Alterations.

Section 6.4. Tenant shall furnish to Landlord copies of records of all Alterations and of the cost thereof within fifteen (15) days after the completion of such Alterations.

Section 6.5. (A) Provided that no Event of Default is then continuing under this Lease, from and after May 1, 2028, Landlord, subject to the conditions set forth below, shall pay to Tenant (or any Permitted Transferee) up to the amount of the Tenant Improvement Allowance (i) in connection with the Alterations to be made by Tenant for Tenant's continued occupancy of the Premises during the Term (the "Initial Alterations"), for those costs and expenses directly incurred by Tenant in connection with the actual hard costs of construction of the Initial Alterations, as shown on the approved plans and specifications referred to in Section 6.1 for such Initial Alterations (which Initial Alterations may include Decorative Alterations and/or Minor Alterations); and (ii) for so-called "soft costs" for Tenant's architectural, engineering and design fees, construction management fees and expediting and filing fees; provided that Landlord shall not be obligated to fund more than twenty (20%) percent of the Tenant Improvement Allowance for such "soft costs". Tenant shall submit to Landlord a line item budget setting forth estimated construction costs in detail prior to commencement of the Initial Alterations.

(B) Provided that no Event of Default is then continuing, Landlord shall pay for such costs by reimbursing Tenant up to the amount of the Tenant Improvement Allowance from time to time, but not more frequently than in monthly installments, with respect to each such installment within thirty (30) days after: (i) Landlord receives from Tenant proper invoices marked "paid" and lien waivers for that portion of the Initial Alterations then completed; (ii) with respect to hard costs of Alterations for which Tenant is required to engage an architect as set forth in this Lease, Landlord receives from Tenant an original executed certificate from Tenant's independent licensed architect stating (x) that, in his or her opinion, the portion of the Initial Alterations completed and for which the disbursement is requested was performed in a good and workmanlike manner and substantially in accordance with Tenant's plans and specifications, and (y) the percentage of the Initial Alterations completed as of the date of such certificate; (iii) with respect to hard costs, all Governmental Authorities having or asserting jurisdiction (including the Department of Buildings or similar agency) shall have issued final approvals of that portion of the Initial Alterations then completed (to the extent approvals are issued for such portions of work and to the extent required in compliance with Requirements), and true copies of such approvals shall have been delivered to Landlord; and (iv) Landlord receives from Tenant a written signed statement or request from an authorized officer of Tenant outlining in reasonable detail the amount of the Tenant Improvement Allowance then being requested in such installment, along with a certified statement by Tenant that the amount claimed is for reimbursement to Tenant following Tenant's payment of the listed parties. Landlord may retain ten percent (10%) of each installment of the Tenant Improvement Allowance and hold the same as retainage (the "Retainage") until the Initial Alterations are completed and approved by Landlord (and all documentation for this final installment are timely submitted and requirements met, as set forth herein). Each such request with respect to such installment of the Tenant Improvement Allowance must be made by Tenant and received by Landlord (along with all required documentation and information set forth in this Section 6.5(B)) no later than two (2) years after the Commencement Date (the "TIA Requisition Deadline"). In the event the cost of the Initial Alterations exceeds the Tenant Improvement Allowance, Tenant shall be responsible to pay all of such excess costs and expenses. It is expressly understood and agreed that Tenant shall complete the Initial Alterations, whether or not the Tenant Improvement Allowance is sufficient to fund such completion. Notwithstanding the foregoing, except for the Retainage, Tenant shall have the right to convert any unused portions of the Tenant Improvement Allowance to a credit against the Fixed Rent due hereunder by notice given to Landlord, which notice may be given at any time from the TIA Requisition Deadline through and including the first (1st) anniversary of the TIA Requisition Deadline (it being agreed that any such credit shall be applied against the installment(s) of Fixed Rent commencing on the first day of the first month immediately following the month in which such notice is given, until the credit shall be fully applied).

(C) Notwithstanding anything to the contrary contained in this Section 6.5, if, at the time any installment of the Tenant Improvement Allowance is required to be made, Tenant is in arrears in the payment of Fixed Rent or Additional Rent beyond any applicable periods of notice and cure, then Landlord may offset the amount of such arrearages against the installment due from Landlord under this Section 6.5.

(D) Subject to the terms and conditions set forth in this Section 6.5, within thirty (30) days after the last to occur of (i) Tenant's request for the final installment of

the Tenant Improvement Allowance, (ii) substantial completion of the Initial Alterations in accordance with the terms hereof, (iii) delivery to Landlord of general releases and waivers of lien from all contractors, subcontractors and materialmen involved in the performance of the Initial Alterations and the supply of materials used in connection with the Initial Alterations, (iv) unless the Initial Alterations consist entirely of Decorative Alterations and/or Minor Alterations not requiring the preparation of plans and specifications by an architect, delivery to Landlord of a certificate from Tenant's independent licensed architect certifying that (x) in his or her opinion the Initial Alterations has been performed in a good and workmanlike manner and completed substantially in accordance with Tenant's plans and specifications for the Initial Alterations, and (y) to his or her knowledge all contractors, subcontractors and materialmen have been paid for the Initial Alterations, and materials furnished through such date, and (v) satisfaction in all material respects of all of the conditions set forth above in this Section 6.5, Landlord shall pay the Retainage to Tenant. Tenant expressly agrees that Landlord's obligation to pay the Retainage shall also be conditioned upon Tenant's compliance with the requirements set forth in Section 6.5(B) above.

(E) In no event shall the aggregate amount paid by Landlord to Tenant under this Section 6.5 ever exceed the amount of the Tenant Improvement Allowance set forth on the Reference Page.

(F) For the avoidance of doubt, Tenant may use the Tenant Improvement Allowance for Alterations, Decorative Alterations or Minor Alterations made as part of the Initial Alterations in accordance with this Article 6. References in this Section 6.5 to Tenant shall include any Permitted Transferee.

Section 6.6. Tenant shall not, at any time prior to or during the Term, directly or indirectly employ, or permit the employment of, any contractor, mechanic or laborer in the Premises, whether in connection with any Alteration or otherwise, if such employment would interfere or cause any conflict with other contractors, mechanics or laborers engaged in the construction, maintenance or operation of the Building by Landlord, Tenant or others, or of any other property owned by Landlord. In the event of any such interference or conflict, Tenant, upon demand of Landlord, shall cause all contractors, mechanics or laborers causing such interference or conflict to leave the Building immediately.

ARTICLE 7

REPAIRS; FLOOR LOAD

Section 7.1. Tenant, at Tenant's sole cost and expense, shall take good care of the Premises and the fixtures, equipment and appurtenances therein (and any supplemental air-conditioning equipment and any other equipment installed by Tenant, wherever located) and make all repairs thereto as and when needed to preserve them in good working order and condition, except for (a) reasonable wear and tear, (b) obsolescence and (c) damage for which Tenant is not responsible pursuant to the provisions of Article 13. Except as otherwise provided in this Section 7.1, Tenant shall not be obligated to repair any Building Systems, except that Tenant shall (i) maintain the fire and life safety system and its components ("Class E Systems") within the Premises by entering into a maintenance contract with the Building's Class E System

contractor and (ii) at its cost hire the Building's Class E Systems contractor to re-connect the Class E Systems within the Premises to the Building's Class E Systems (if Tenant causes the same to be disconnected). The design and decoration of the elevator areas of each floor of the Premises and the public corridors of any floor of the Premises occupied by more than one (1) occupant shall be under the sole control of Landlord. Notwithstanding any provision contained in this Lease to the contrary, all damage or injury to the Premises, and all damage or injury to any other part of the Building, or to its fixtures, equipment and appurtenances (including Building Systems), whether requiring structural or non-structural repairs, caused by the moving of Tenant's Property or caused by or resulting from any act or omission of, or Alterations made by, Tenant or Persons Within Tenant's Control, shall be repaired by Tenant, at Tenant's sole cost and expense, to the reasonable satisfaction of Landlord (if the required repairs are non-structural in nature and do not affect any Building Systems), or by Landlord at Tenant's sole cost and expense (if the required repairs are structural in nature or affect any Building Systems). All of the aforesaid repairs shall be performed in a manner and with materials and design of first class and quality consistent with first-class office buildings in Manhattan and shall be made in accordance with the provisions of Article 6. If Tenant shall fail, after five (5) days' notice (or such shorter period as may be required because of an emergency), to proceed with due diligence to make repairs required to be made by Tenant, the same may be made by Landlord, at the expense of Tenant, and the expenses thereof incurred by Landlord, with interest thereon at the Applicable Rate, shall be paid to Landlord, as Additional Rent, within ten (10) days after rendition of a bill or statement therefor. Tenant shall give Landlord prompt notice of any defective condition in any Building Systems located in, servicing or passing through the Premises.

Section 7.2. Tenant shall not place a load upon any floor of the Premises which exceeds fifty (50) pounds per square foot "live load". Tenant shall not locate or move any safe, heavy machinery, heavy equipment, business machines, freight, bulky matter or fixtures into or out of the Building without Landlord's prior consent, which consent shall not be unreasonably withheld, and Tenant shall make payment to Landlord of Landlord's costs in connection therewith. If such safe, machinery, equipment, freight, bulky matter or fixture requires special handling (as determined by Landlord), Tenant shall employ only persons holding a Master Rigger's license to do said work. All work in connection therewith shall comply with the Requirements, and shall be done during such hours as Landlord may designate. Business machines and mechanical equipment shall be placed and maintained by Tenant, at Tenant's expense, in settings sufficient, in Landlord's reasonable judgment, to absorb and prevent vibration, noise and annoyance.

Section 7.3. Landlord shall operate, maintain and make all necessary repairs (both structural and non-structural) to the Building Systems (including, without limitation, the HVAC System) and the public portions of the Building, both exterior and interior, in conformance with standards applicable to comparable office buildings in Manhattan, except for those repairs for which Tenant is responsible pursuant to any other provision of this Lease. Landlord shall use reasonable efforts to minimize interference with Tenant's use and occupancy of the Premises in making any repairs, alterations, additions or improvements; provided, however, that Landlord shall have no obligation to employ contractors or labor at so-called overtime or other premium pay rates or to incur any other overtime costs in connection with such repairs, alterations, additions or improvements. Notwithstanding the foregoing, if Tenant shall so request, Landlord

shall employ contractors or labor at so-called overtime or other premium pay rates or incur other overtime costs in making such repairs, alterations, additions or improvements, provided Tenant shall pay to Landlord, as Additional Rent, within ten (10) days after demand therefor, an amount equal to the excess costs incurred by Landlord by reason of compliance with Tenant's request. Except as expressly provided in this Lease, there shall be no allowance to Tenant for a diminution of rental value and no liability on the part of Landlord by reason of inconvenience, annoyance or injury to business arising from Landlord, Tenant or others making, or failing to make, any repairs, alterations, additions or improvements in or to any portion of the Building or the Premises, or its fixtures, appurtenances or equipment.

ARTICLE 8

WINDOW CLEANING

Section 8.1. Tenant shall not clean, nor require, permit, suffer or allow any window in the Premises to be cleaned, from the outside in violation of Section 202 of the Labor Law, or any other applicable law, or of the rules of the Board of Standards and Appeals, or of any other board or body having or asserting jurisdiction.

ARTICLE 9

REQUIREMENTS OF LAW

Section 9.1. Tenant shall not do, and shall not permit Persons Within Tenant's Control to do, any act or thing in or upon the Premises or the Building which will invalidate or be in conflict with the certificate of occupancy for the Premises or the Building or violate any Requirements. Tenant shall, at Tenant's sole cost and expense, take all action, including making any required Alterations necessary to comply with all Requirements (including, but not limited to, applicable terms of Local Laws No. 5 of 1973, No. 16 of 1984, No. 76 of 1985, No. 58 of 1987 and the Americans With Disabilities Act of 1990 (the "ADA"), each as modified and supplemented from time to time) which shall impose any violation, order or duty upon Landlord or Tenant arising from, or in connection with, the Premises, Tenant's occupancy, use or manner of use of the Premises (including, without limitation, any occupancy, use or manner of use that constitutes a "place of public accommodation" under the ADA), or any installations in the Premises, or required by reason of a breach of any of Tenant's covenants or agreements under this Lease, whether or not such Requirements shall now be in effect or hereafter enacted or issued, and whether or not any work required shall be ordinary or extraordinary or foreseen or unforeseen at the date hereof. Notwithstanding the preceding sentence, Tenant shall not be obligated to perform any structural Alterations necessary to comply with any Requirements, unless compliance shall be required by reason of (i) any cause or condition arising out of any Alterations or installations in the Premises (whether made by Tenant or by Landlord on behalf of Tenant), or (ii) Tenant's particular use, manner of use or occupancy on behalf of Tenant of the Premises (as opposed to mere office use), or (iii) any breach of any of Tenant's covenants or agreements under this Lease, or (iv) any wrongful act or omission by Tenant or Persons Within Tenant's Control, or (v) Tenant's use or manner of use or occupancy of the Premises as a "place of public accommodation" within the meaning of the ADA, in which event Tenant's obligation to perform any Alteration by reason of this clause (v) shall apply only to the Premises.

Section 9.2. Tenant covenants and agrees that Tenant shall, at Tenant's sole cost and expense, comply at all times with all Requirements governing the use, generation, storage, treatment and/or disposal of any Hazardous Materials (as defined below), the presence of which results from or in connection with the act or omission of Tenant or Persons Within Tenant's Control or the breach of this Lease by Tenant or Persons Within Tenant's Control. The term "Hazardous Materials" shall mean any biologically or chemically active or other toxic or hazardous wastes, pollutants or substances, including, without limitation, asbestos, PCBs, petroleum products and by-products, substances defined or listed as "hazardous substances" or "toxic substances" or similarly identified in or pursuant to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. § 9601 et seq., and as hazardous wastes under the Resource Conservation and Recovery Act, 42 U.S.C. § 6010, et seq., any chemical substance or mixture regulated under the Toxic Substance Control Act of 1976, as amended, 15 U.S.C. § 2601, et seq., any "toxic pollutant" under the Clean Water Act, 33 U.S.C. § 466 et seq., as amended, any hazardous air pollutant under the Clean Air Act, 42 U.S.C. § 7401 et seq., hazardous materials identified in or pursuant to the Hazardous Materials Transportation Act, 49 U.S.C. § 1802, et seq., and any hazardous or toxic substances or pollutant regulated under any other Requirements. Tenant shall agree to execute, from time to time, at Landlord's request, affidavits, representations and the like concerning Tenant's best knowledge and belief regarding the presence of Hazardous Materials in, on, under or about the Premises, the Building or the Land. Tenant shall indemnify and hold harmless all Indemnitees from and against any loss, cost, damage, liability or expense (including attorneys' fees and disbursements) arising by reason of any clean up, removal, remediation, detoxification action or any other activity required or recommended of any Indemnitees by any Government Authority by reason of the presence in or about the Building or the Premises of any Hazardous Materials, as a result of or in connection with the act or omission of Tenant or Persons Within Tenant's Control or the breach of this Lease by Tenant or Persons Within Tenant's Control. The foregoing covenants and indemnity shall survive the expiration or any termination of this Lease.

Section 9.3. If Tenant shall receive notice of any violation of, or defaults under, any Requirements, liens or other encumbrances applicable to the Premises, Tenant shall give prompt notice thereof to Landlord.

Section 9.4. If any governmental license or permit shall be required for the proper and lawful conduct of Tenant's business and if the failure to secure such license or permit would, in any way, affect Landlord or the Building, then Tenant, at Tenant's expense, shall promptly procure and thereafter maintain, submit for inspection by Landlord, and at all times comply with the terms and conditions of, each such license or permit.

Section 9.5. Tenant, at Tenant's sole cost and expense and after notice to Landlord, may contest, by appropriate proceedings prosecuted diligently and in good faith, the legality or applicability of any Requirement affecting the Premises provided that: (a) neither Landlord nor any Indemnitees shall be subject to criminal penalties, nor shall the Real Property or any part thereof be subject to being condemned or vacated, nor shall the certificate of occupancy for the Premises or the Building be suspended or threatened to be suspended, by reason of non-compliance or by reason of such contest; (b) before the commencement of such contest, if Landlord or any Indemnitees may be subject to any civil fines or penalties or if Landlord may be liable to any independent third party as a result of such non-compliance, then Tenant shall

furnish to Landlord either (i) a bond of a surety company satisfactory to Landlord, in form and substance reasonably satisfactory to Landlord, and in an amount at least equal to Landlord's estimate of the sum of (A) the cost of such compliance, (B) the penalties or fines that may accrue by reason of such non-compliance (as reasonably estimated by Landlord) and (C) the amount of such liability to independent third parties, and shall indemnify Landlord (and any Indemnitees) against the cost of such compliance and liability resulting from or incurred in connection with such contest or non-compliance; or (ii) other security satisfactory in all respects to Landlord; (c) such non-compliance or contest shall not constitute or result in a violation (either with the giving of notice or the passage of time or both) of the terms of any Mortgage or Superior Lease, or if such Superior Lease or Mortgage conditions such non-compliance or contest upon the taking of action or furnishing of security by Landlord, such action shall be taken or such security shall be furnished at the expense of Tenant; and (d) Tenant shall keep Landlord regularly advised as to the status of such proceedings.

ARTICLE 10

SUBORDINATION

Section 10.1. This Lease shall be subject and subordinate to each Superior Lease and to each Mortgage, whether made prior to or after the execution of this Lease, and to all renewals, extensions, supplements, amendments, modifications, consolidations and replacements thereof or thereto, substitutions therefor, and advances made thereunder. This clause shall be self-operative and no further agreement of subordination shall be required to make the interest of any Lessor or Mortgagee superior to the interest of Tenant hereunder. In confirmation of such subordination, however, Tenant shall promptly execute and deliver, at its own cost and expense, any document, in recordable form if requested, that Landlord, any Lessor or any Mortgagee may request to evidence such subordination; and if Tenant fails to execute, acknowledge or deliver any such document within five (5) days after request therefor, Tenant hereby irrevocably constitutes and appoints Landlord as Tenant's attorney-in-fact, coupled with an interest, to execute, acknowledge and deliver any such document for and on behalf of Tenant. Tenant shall not do anything that would constitute a default under any Superior Lease or Mortgage, or omit to do anything that Tenant is obligated to do under the terms of this Lease so as to cause Landlord to be in default thereunder. If, in connection with the financing of the Real Property, the Building or the interest of the lessee under any Superior Lease, or if, in connection with the entering into of a Superior Lease, any lending institution or Lessor, as the case may be, requests reasonable modifications of this Lease that do not increase Rental or change the Term of this Lease, or materially and adversely affect the rights or obligations of Tenant under this Lease, Tenant shall make such modifications.

Section 10.2. If, at any time prior to the expiration of the Term, any Superior Lease shall terminate or shall be terminated for any reason, or any Mortgagee comes into possession of the Real Property or the Building or the estate created by any Superior Lease by receiver or otherwise, Tenant agrees, at the election and upon demand of any owner of the Real Property or the Building, or of the Lessor, or of any Mortgagee in possession of the Real Property or the Building, to attorn, from time to time, to any such owner, Lessor or Mortgagee or any person acquiring the interest of Landlord as a result of any such termination, or as a result of a foreclosure of the Mortgage or the granting of a deed in lieu of foreclosure, upon the then

executory terms and conditions of this Lease (except as provided below), for the remainder of the Term, provided that such owner, Lessor or Mortgagee, as the case may be, or receiver caused to be appointed by any of the foregoing, is then entitled to possession of the Premises. Any such attornment shall be made upon the condition that no such owner, Lessor or Mortgagee shall be:

(1) liable for any act or omission of any prior landlord (including, without limitation, the then defaulting landlord); or

(2) subject to any defense or offsets (except as expressly set forth in this Lease) which Tenant may have against any prior landlord (including, without limitation, the then defaulting landlord); or

(3) bound by any payment of Rental which Tenant might have paid for more than the current month to any prior landlord (including, without limitation, the then defaulting landlord); or

(4) bound by any obligation to make any payment to Tenant which was required to be made prior to the time such owner, Lessor or Mortgagee succeeded to any prior landlord's interest; or

(5) bound by any obligation to perform any work or to make improvements to the Premises except for (i) repairs and maintenance pursuant to the provisions of Article 7, (ii) repairs to the Premises or any part thereof as a result of damage by fire or other casualty pursuant to Article 13, but only to the extent that such repairs can be reasonably made from the net proceeds of any insurance actually made available to such owner, Lessor or Mortgagee, and (iii) repairs to the Premises as a result of a partial condemnation pursuant to Article 14, but only to the extent that such repairs can be reasonably made from the net proceeds of any award made available to such owner, Lessor or Mortgagee. The provisions of this Section 10.2 shall inure to the benefit of any such owner, Lessor or Mortgagee, shall apply notwithstanding that, as a matter of law, this Lease may terminate upon the termination of any such Superior Lease, and shall be self-operative upon any such demand, and no further agreement shall be required to give effect to said provisions. Tenant, however, upon demand of any such owner, Lessor or Mortgagee, shall execute, from time to time, agreements in confirmation of the foregoing provisions of this Section 10.2, satisfactory to any such owner, Lessor or Mortgagee, and acknowledging such attornment and setting forth the terms and conditions of its tenancy. Nothing contained in this Section 10.2 shall be construed to impair any right otherwise exercisable by any such owner, Lessor or Mortgagee.

Section 10.3. If requested by any Mortgagee, any Lessor or Landlord, Tenant shall promptly execute and deliver, at Tenant's own cost and expense, any document in accordance with the terms of this Article 10, in recordable form, to evidence such subordination.

Section 10.4. At any time and from time to time within ten (10) Business Days after notice to Tenant or Landlord given by the other, or to Tenant given by a Lessor or Mortgagee (which ten (10) Business Day period is not subject to any notice and cure periods otherwise provided in this Lease), Tenant or Landlord, as the case may be, shall, without charge, execute, acknowledge and deliver a statement in writing addressed to such party as Tenant, Landlord,

Lessor or Mortgagee, as the case may be, may designate, in form satisfactory to Tenant, Landlord, Lessor or Mortgagee, as the case may be, certifying all or any of the following: (i) that this Lease is unmodified and in full force and effect (or if there have been modifications, that this Lease is in full force and effect as modified and stating the modifications); (ii) whether the Term has commenced and Fixed Rent and Additional Rent have become payable hereunder and, if so, the dates to which they have been paid; (iii) whether or not, to the best knowledge of the signer of such certificate, Landlord is in default in performance of any of the terms of this Lease and, if so, specifying each such event of default of which the signer may have knowledge; (iv) whether Tenant has accepted possession of the Premises; (v) whether Tenant has made any claim against Landlord under this Lease and, if so, the nature thereof and the dollar amount, if any, of such claim; (vi) either that Tenant does not know of any default in the performance of any provision of this Lease or specifying the details of any default of which Tenant may have knowledge and stating what action Tenant is taking or proposes to take with respect thereto; (vii) that, to the knowledge of Tenant, there are no proceedings pending or threatened against Tenant before or by any court or administrative agency which, if adversely decided, would materially and adversely affect the financial condition or operations of Tenant or, if any such proceedings are pending or threatened to the knowledge of Tenant, specifying and describing the same; and (viii) such further information with respect to this Lease or the Premises as Landlord may reasonably request or Lessor or Mortgagee may require; it being intended that any such statement delivered pursuant hereto may be relied upon by any prospective purchaser of the Real Property or any part thereof or of the interest of Landlord in any part thereof, by any Mortgagee or prospective Mortgagee, by any Lessor or prospective Lessor, by any tenant or prospective tenant of the Real Property or any part thereof, or by any prospective assignee of any Mortgage or by any assignee of Tenant.

The failure of Tenant to execute, acknowledge and deliver to Landlord a statement in accordance with the provisions of this Section 10.4 within said ten (10) Business Day period shall constitute an acknowledgment by Tenant, which may be relied on by any person who would be entitled to rely upon any such statement, that such statement as submitted by Landlord is true and correct.

Section 10.5. As long as any Superior Lease or Mortgage exists, Tenant shall not seek to terminate this Lease by reason of any act or omission of Landlord until Tenant has given written notice of such act or omission to all Lessors and Mortgagees at such addresses as may have been furnished to Tenant by such Lessors and Mortgagees and, if any such Lessor or Mortgagee, as the case may be, notifies Tenant within forty-five (45) days following receipt of such notice of its intention to remedy such act or omission, until a reasonable period of time shall have elapsed following the giving of such notice, during which period such Lessors and Mortgagees shall have the right, but not the obligation, to remedy such act or omission.

Section 10.6. Notwithstanding anything to the contrary set forth herein, within thirty (30) days after the execution and delivery of this Lease, Tenant shall execute, have acknowledged and deliver to Landlord, a subordination, non-disturbance and attornment agreement to be entered into with the holder of the existing mortgage on the Real Property (the "Existing Mortgagee"), substantially on the form annexed hereto as Schedule D (the "Existing Mortgagee SNDA"). Landlord shall, at Tenant's cost and expense, use commercially reasonable efforts to cause the Existing Mortgagee to countersign, acknowledge and deliver to Tenant (and Landlord shall countersign, acknowledge and deliver to Tenant) such Existing Mortgagee SNDA within thirty

(30) days after the parties' execution and delivery of this Lease and Tenant's execution and delivery of the Existing Mortgagee SNDA. Tenant shall cooperate with the Existing Mortgagee and provide such information as the Existing Mortgagee may reasonably request in connection with Landlord's efforts to obtain the Existing Mortgagee SNDA executed and acknowledged by the Existing Mortgagee.

ARTICLE 11

RULES AND REGULATIONS

Section 11.1. Tenant and Persons Within Tenant's Control shall comply with the Rules and Regulations. Nothing contained in this Lease shall be construed to impose upon Landlord any duty or obligation to enforce the Rules and Regulations or the terms, covenants or conditions in any other lease against any other tenant, and Landlord shall not be liable to Tenant for violation of the same by any other tenant, its employees, agents, visitors or licensees. Landlord shall not discriminate against Tenant in enforcing the Rules and Regulations. In case of any conflict or inconsistency between the provisions of this Lease and of any of the Rules and Regulations as originally or as hereinafter adopted, the provisions of this Lease shall control.

ARTICLE 12

INSURANCE, PROPERTY LOSS OR DAMAGE; REIMBURSEMENT

Section 12.1.

(A) No Tenant shall entrust any property to any Building employee. Any Building employee to whom any property is entrusted by or on behalf of Tenant in violation of the foregoing prohibition shall be deemed to be acting as Tenant's agent with respect to such property and neither Landlord nor its agents shall be liable for any damage to property of Tenant or of others entrusted to employees of the Building, nor for the loss of or damage to any property of Tenant by theft or otherwise. Landlord and Landlord's agents shall not be liable for any damage to any of Tenant's Property or for interruption of Tenant's business, however caused, including but not limited to damage caused by other tenants or persons in the Building. Landlord shall not be liable for any latent defect in the Premises or in the Building.

(B) If at any time any windows of the Premises are temporarily closed, darkened or covered for any reason, including Landlord's own acts, or if any such windows are permanently closed, darkened or covered by reason of any Requirements, Landlord shall not be liable for any damage Tenant may sustain thereby, and Tenant shall not be entitled to any compensation therefor nor abatement of Fixed Rent or any other item of Rental, nor shall the same release Tenant from Tenant's obligations hereunder nor constitute an eviction.

(C) Tenant shall give notice to Landlord promptly after Tenant learns of any accident, emergency, occurrence for which Landlord might be liable, fire or other casualty and all damages to or defects in the Premises or the Building for the repair of which Landlord might be responsible or which constitutes Landlord's property. Such notice shall be given by telecopy or personal delivery to the address(es) of Landlord in effect for notice.

Section 12.2. Tenant shall not do or permit to be done any act or thing in or upon the Premises which will invalidate or be in conflict with the terms of the New York State standard policies of fire insurance and liability (hereinafter referred to as "Building Insurance"); and Tenant, at Tenant's own expense, shall comply with all rules, orders, regulations and requirements of all insurance boards, and shall not do or permit anything to be done in or upon the Premises or bring or keep anything therein or use the Premises in a manner which increases the rate of premium for any of the Building Insurance over the rate in effect at the commencement of the Term of this Lease.

Section 12.3. If by reason of any failure of Tenant to comply with the provisions of this Lease, the rate of premium for Building Insurance or other insurance on the property and equipment of Landlord shall increase, Tenant shall reimburse Landlord for that part of the insurance premiums thereafter paid by Landlord which shall have been charged because of such failure by Tenant. Tenant shall make said reimbursement on the first day of the month following such payment by Landlord.

Section 12.4.

(A) Tenant, at Tenant's sole cost and expense, shall obtain, maintain and keep in full force and effect during the Term commercial general liability insurance (without deductible) in a form approved in New York State (including broad form property damage coverages and coverage for contractual liability recognizing the indemnity provisions of this Lease and protecting the Indemnitees as required, whether or not Tenant is negligent or otherwise responsible for the additional insured's loss, liability or expense). The limits of liability shall be not less than Five Million and 00/100 ($5,000,000.00) Dollars per occurrence, which amount may be satisfied with a primary commercial general liability policy of not less than $1,000,000.00 per occurrence / $2,000,000.00 general aggregate and an excess (or "Umbrella") liability policy affording coverage, at least as broad as that afforded by the primary commercial general liability policy, in an amount not less than the difference between $5,000,000.00 and the amount of the primary policy. Landlord, the Manager, any Lessors and any Mortgagees shall be included as additional insureds in said policies and shall be protected against all liability arising in connection with this Lease, whether or not Tenant is negligent or otherwise responsible for the additional insured's loss, liability or expense. All said policies of insurance shall be written as "occurrence" policies with general aggregate limit provided on a "per location" basis. Whenever, in Landlord's reasonable judgment, good business practice and changing conditions indicate a need for additional amounts or different types of insurance coverage, Tenant shall, within ten (10) days after Landlord's request, obtain such insurance coverage, at Tenant's expense.

(B) Tenant, at Tenant's sole cost and expense, shall obtain, maintain and keep in full force and effect during the Term:

(i) "All Risk" insurance, with deductibles in an amount reasonably satisfactory to Landlord, protecting and indemnifying Tenant against any and all damage to or loss of any Alterations and leasehold improvements, including any made by Landlord to prepare the Premises for Tenant's occupancy, and Tenant's Property. Such insurance shall not contain any exclusions for flood, mold/fungus or acts of terrorism or similar events. All said policies

shall cover the full replacement value of all Alterations, leasehold improvements and Tenant's Property and shall name Landlord as the loss payee to the extent of any portion of the cost of such Alterations or leasehold improvements paid by Landlord;

(ii) Workers' compensation and occupational disease insurance, employee benefit insurance or any other insurance in the statutory amounts required by the laws of the State of New York with broad form all-states endorsement, and employer's liability insurance with a limit of One Million ($1,000,000.00) Dollars for each accident; and

(iii) Business interruption insurance (including Extra Expense) fully compensating for the amount of Fixed Rent, additional rent and other charges owed to Landlord by Tenant for a period of not less than eighteen (18) months. The coverage shall be "All Risk" as stated in clause (i) above.

(C) All policies of insurance shall be: (i) written as primary policy coverage and not contributing with or in excess of any coverage which Landlord or any Lessor may carry; and (ii) issued by reputable and independent insurance companies rated in Best's Insurance Guide or any successor thereto (or, if there is none, an organization having a national reputation), as having a general policyholder rating of "A" and a financial rating of at least "13", and which are licensed to do business in the State of New York. Tenant shall, not later than ten (10) Business Days prior to the Commencement Date, deliver to Landlord the policies of insurance and shall thereafter furnish to Landlord, at least five (5) days prior to the expiration of any such policies and any renewal thereof, a new policy in lieu thereof. Each of said policies shall also contain a provision whereby the insurer agrees not to cancel, fail to renew, diminish or materially modify said insurance policy(ies) without having given Landlord, the Manager and any Lessors and Mortgagees at least ten (10) days prior written notice thereof. Tenant shall promptly send to Landlord a copy of all notices (with respect to any material alteration or cancellation of Tenant's coverage) sent to Tenant by Tenant's insurer.

(D) Tenant shall pay all premiums and charges for all of said policies, and, if Tenant shall fail to make any payment when due or carry any such policy, Landlord may, but shall not be obligated to, make such payment or carry such policy, and the amount paid by Landlord, with interest thereon (at the Applicable Rate), shall be repaid to Landlord by Tenant on demand, and all such amounts so repayable, together with such interest, shall be deemed to constitute Additional Rent hereunder. Payment by Landlord of any such premium, or the carrying by Landlord of any such policy, shall not be deemed to waive or release the default of Tenant with respect thereto.

Section 12.5.

(A) Landlord shall cause each policy carried by Landlord insuring the Building against loss, damage or destruction by fire or other casualty, and Tenant shall cause each insurance policy carried by Tenant and insuring the Premises and Tenant's Alterations, leasehold improvements and Tenant's Property against loss, damage or destruction by fire or other casualty, to be written in a manner so as to provide that the insurance company waives all rights of recovery by way of subrogation against Landlord, Tenant and any tenant of space in the Building in connection with any loss or damage covered by any such policy. Neither party shall

be liable to the other for the amount of such loss or damage which is in excess of the applicable deductible, if any, caused by fire or any of the risks enumerated in its policies, provided that such waiver was obtainable at the time of such loss or damage. However, if such waiver cannot be obtained, or shall be obtainable only by the payment of an additional premium charge above that which is charged by companies carrying such insurance without such waiver of subrogation, then the party undertaking to obtain such waiver shall notify the other party of such fact and such other party shall have a period of ten (10) days after the giving of such notice to agree in writing to pay such additional premium if such policy is obtainable at additional cost (in the case of Tenant, pro rata in proportion of Tenant's rentable area to the total rentable area covered by such insurance); and if such other party does not so agree or the waiver shall not be obtainable, then the provisions of this Section 12.5 shall be null and void as to the risks covered by such policy for so long as either such waiver cannot be obtained or the party in whose favor a waiver of subrogation is desired shall refuse to pay the additional premium. If the release of either Landlord or Tenant, as set forth in the second sentence of this Section 12.5, shall contravene any law with respect to exculpatory agreements, the liability of the party in question shall be deemed not released, but no action or rights shall be sought or enforced against such party unless and until all rights and remedies against the other's insurer are exhausted and the other party shall be unable to collect such insurance proceeds.

(B) The waiver of subrogation referred to in Section 12.5(A) above shall extend to the agents and employees of each party (including, as to Landlord, the Manager), but only if and to the extent that such waiver can be obtained without additional charge (unless such party shall pay such charge). Nothing contained in this Section 12.5 is intended to relieve either party from any duty imposed elsewhere in this Lease to repair, restore and rebuild.

ARTICLE 13

DESTRUCTION BY FIRE OR OTHER CAUSE

Section 13.1. If the Premises or any part thereof shall be damaged by fire or other casualty, Tenant shall give prompt written notice thereof to Landlord. Landlord shall, subject to the provisions of Section 13.2 and Section 13.3 below, proceed with reasonable diligence, after receipt of the net proceeds of insurance, to repair or cause to be repaired damage to the core and shell of the Building and the Building Systems serving the Premises ("Landlord's Restoration Obligations") at its expense, but in no event shall Landlord be obligated to repair any damage to or to restore any of Tenant's leasehold improvements (including, without limitation, any leasehold improvements existing in the Premises on the Commencement Date) or Alterations, whether initially installed by Landlord or Tenant. Tenant shall repair and restore in accordance with Article 6 and with reasonable dispatch all leasehold improvements and Alterations made by or for Tenant in the Premises (including, without limitation, any leasehold improvements existing in the Premises on the Commencement Date). If the Premises, or any part thereof, shall be rendered untenantable and Tenant shall not be physically occupying the Premises by reason of such damage and such damage shall not be due to the fault of Tenant or Persons Within Tenant's Control, then the Fixed Rent and the Escalation Rent hereunder, or an amount thereof apportioned according to the area of the Premises so rendered untenantable and not physically occupied (if less than the entire Premises shall be so rendered untenantable), shall be abated for the period from the date of such damage to the earlier to occur of (i) the date that is sixty (60)

days after completion of Landlord's Restoration Obligations and (ii) the date when the repair of such damage shall have been substantially completed. Notwithstanding any provisions contained in this Lease to the contrary, there shall be no abatement with respect to any portion of the Premises which has not been so damaged and which is accessible. Landlord's determination of the date when the Premises are tenantable shall be controlling unless Tenant disputes the same by notice to Landlord given within ten (10) Business Days after such determination by Landlord, and pending resolution of such dispute, Tenant shall commence the payment of the Fixed Rent and the Escalation Rent that had been abated, as of the date specified by Landlord. Tenant covenants and agrees to cooperate with Landlord and any Lessor or any Mortgagee in their efforts to collect insurance proceeds (including rent insurance proceeds) payable to such parties. Landlord shall not be liable for any delay which may arise by reason of adjustment of insurance on the part of Landlord and/or Tenant, or any cause beyond the control of Landlord or contractors employed by Landlord.

Section 13.2. Landlord shall not be liable for any inconvenience or annoyance to Tenant or injury to the business of Tenant resulting in any way from damage from fire or other casualty or the repair thereof. Tenant understands that Landlord, in reliance upon Section 12.4, will not carry insurance of any kind on Tenant's Property, Tenant's Alterations and on leasehold improvements, and that Landlord shall not be obligated to repair any damage thereto or replace the same. In the event of a partial or total destruction of the Premises, Tenant shall as soon as practicable remove any and all of Tenant's Property from the Premises or the portion thereof destroyed, as the case may be, and if Tenant does not promptly so remove Tenant's Property, Landlord may discard the same after giving Tenant ten (10) Business Days' prior notice of the same or may remove Tenant's Property to a public warehouse for deposit or retain the same in its own possession and at its discretion may sell the same at either public auction or private sale, the proceeds of which shall be applied first to the expenses of removal, storage and sale, second to any sums owed by Tenant to Landlord, with any balance remaining to be paid to Tenant; if the expenses of such removal, storage and sale shall exceed the proceeds of any sale, Tenant shall pay such excess to Landlord upon demand.

Section 13.3.

(A) Notwithstanding anything to the contrary contained in Section 13.1 and Section 13.2 above, in the event that:

(i) so much of the Building shall be damaged by fire or other casualty (whether or not the Premises shall have been damaged) so that Landlord, in its sole discretion, shall determine not to restore the same; or

(ii) the Premises shall be damaged and Landlord, in its sole discretion, shall determine that such portion of the Premises cannot be expected to be restored under a normal working schedule within twelve (12) months after the occurrence of the casualty or that each Lessor and Mortgagee will not allow Landlord to apply the net proceeds of Landlord's insurance to the restoration of the Building or the Premises; or

(iii) there shall be any damage to the Premises within the last year of the Term and Landlord, in its sole discretion, determines that the damage cannot be repaired or

restored within ninety (90) days from the commencement of the restoration work or prior to the Fixed Expiration Date,

then, in any of the events described in clauses (i), (ii) or (iii) above, Landlord may, in Landlord's sole and absolute discretion, terminate this Lease and the term and estate hereby granted, by notifying Tenant in writing of such termination within one hundred twenty (120) days after the date of such damage. In the event that such a notice of termination shall be given, then this Lease and the term and estate hereby granted shall expire as of the date of termination stated in said notice with the same effect as if that were the Fixed Expiration Date, and the Fixed Rent and Escalation Rent hereunder shall be apportioned as of such date.

(B) Notwithstanding anything to the contrary contained in this Section 13.3, upon the written request of Tenant, Landlord shall deliver to Tenant an estimate prepared by a reputable contractor selected by Landlord setting forth such contractor's estimate as to the time reasonably required to repair such damage. If the period to repair set forth in any such estimate exceeds twelve (12) months, Tenant may elect to terminate this Lease by notice to Landlord given not later than thirty (30) days following Tenant's receipt of such estimate. If Tenant exercises such election, this Lease and the term and estate hereby granted shall expire as of the sixtieth (60th) day after notice of such election given by Tenant with the same effect as if that were the Fixed Expiration Date, and the Fixed Rent and Escalation Rent hereunder shall be apportioned as of such date. Time shall be of the essence with respect to Tenant's giving of any notice of termination pursuant to this Section 13.3(B), and failure by Tenant to provide any notice of termination within the specified period shall be deemed an election by it not to terminate this Lease.

Section 13.4. Except as may be provided in Section 12.5, nothing herein contained shall relieve Tenant from any liability to Landlord or to Landlord's insurers in connection with any damage to the Premises or the Building by fire or other casualty if Tenant shall be legally liable in such respect.

Section 13.5. If this Lease is terminated as a result of a fire or other casualty, Landlord shall be entitled to retain for its benefit the proceeds of insurance maintained by Tenant on the Alterations and leasehold improvements (but not on Tenant's Property) in the Premises.

Section 13.6. This Lease shall be considered an express agreement governing any case of damage to or destruction of the Building or any part thereof by fire or other casualty, and Section 227 of the Real Property Law of the State of New York providing for such a contingency in the absence of express agreement and any other law of like import now or hereafter in force, shall have no application in such case.

ARTICLE 14

EMINENT DOMAIN

Section 14.1. If the whole of the Real Property, the Building or the Premises is acquired or condemned for any public or quasi-public use or purpose, this Lease and the Term shall end as of the date of the vesting of title with the same effect as if said date were the Fixed Expiration

Date. If only a part of the Real Property and not the entire Premises is so acquired or condemned then, (1) except as hereinafter provided in this Section 14.1, this Lease and the Term shall continue in effect but, if a part of the Premises is included in the part of the Real Property so acquired or condemned, from and after the date of the vesting of title, the Fixed Rent and Tenant's Share shall be reduced in the proportion which the area of the part of the Premises so acquired or condemned bears to the total area of the Premises immediately prior to such acquisition or condemnation; (2) whether or not the Premises are affected thereby, Landlord, at Landlord's option, may give to Tenant, within sixty (60) days next following the date upon which Landlord receives notice of vesting of title, a thirty (30) day notice of termination of this Lease; and (3) if the part of the Real Property so acquired or condemned contains more than thirty (30%) percent of the total area of the Premises immediately prior to such acquisition or condemnation, or if, by reason of such acquisition or condemnation, Tenant no longer has access to the Premises, Tenant, at Tenant's option, may give to Landlord, within sixty (60) days next following the date upon which Tenant receives notice of vesting of title, a thirty (30) day notice of termination of this Lease. If any such thirty (30) day notice of termination is given, by Landlord or Tenant, this Lease and the Term shall come to an end and expire upon the expiration of said thirty (30) days with the same effect as if the date of expiration of said thirty (30) days were the Fixed Expiration Date. If a part of the Premises is so acquired or condemned and this Lease and the Term are not terminated pursuant to the foregoing provisions of this Section 14.1, Landlord, at Landlord's cost and expense, shall restore that part of the Premises not so acquired or condemned to a self-contained rental unit, exclusive of Tenant's Alterations, Tenant's leasehold Improvements and Tenant's Property. In the event of any termination of this Lease and the Term pursuant to the provisions of this Section 14.1, the Fixed Rent shall be apportioned as of the date of sooner termination and any prepaid portion of the Fixed Rent or Escalation Rent for any period after such date shall be refunded by Landlord to Tenant.

Section 14.2. In the event of any such acquisition or condemnation of all or any part of the Real Property, Landlord shall be entitled to receive the entire award for any such acquisition or condemnation. Tenant shall have no claim against Landlord or the condemning authority for the value of any unexpired portion of the Term and Tenant hereby expressly assigns to Landlord all of its right in and to any such award. Nothing contained in this Section 14.2 shall be deemed to prevent Tenant from making a separate claim in any condemnation proceedings for the value of any Tenant's Property included in such taking, and for any moving expenses, so long as Landlord's award is not reduced thereby.

Section 14.3. If the whole or any part of the Premises is acquired or condemned temporarily during the Term for any public or quasi-public use or purpose, Tenant shall give prompt notice thereof to Landlord and the Term shall not be reduced or affected in any way and Tenant shall continue to pay in full all items of Rental payable by Tenant hereunder without reduction or abatement, and Tenant shall be entitled to receive for itself any award or payments for such use, provided, however, that:

(1) if the acquisition or condemnation is for a period not extending beyond the Term and if such award or payment is made less frequently than in monthly installments, the same shall be paid to and held by Landlord as a fund which Landlord shall apply from time to time to the Rental payable by Tenant hereunder, except that if, by reason of such acquisition or condemnation, changes or alterations are required to be made to the Premises

which would necessitate an expenditure to restore the Premises, then a portion of such award or payment considered by Landlord as appropriate to cover the expenses of the restoration shall be retained by Landlord, without application as aforesaid, and applied toward the restoration of the Premises as provided in Section 14.1; or

(2) if the acquisition or condemnation is for a period extending beyond the Term, such award or payment shall be apportioned between Landlord and Tenant as of the Expiration Date; Tenant's share thereof, if paid less frequently than in monthly installments, shall be paid to Landlord and applied in accordance with the provisions of Section 14.3(1) above; provided, however, that the amount of any award or payment allowed or retained for restoration of the Premises shall remain the property of Landlord if this Lease expires prior to the restoration of the Premises.

ARTICLE 15

ASSIGNMENT, SUBLETTING, MORTGAGE, ETC.

Section 15.1. Except as otherwise provided in this Article 15, Tenant shall not (a) assign this Lease (whether by operation of law, transfers of interests in Tenant or otherwise); or (b) mortgage or encumber Tenant's interest in this Lease, in whole or in part; or (c) sublet, or permit the subletting of, the Premises or any part thereof; or (d) permit the Premises or any part thereof to be occupied or used for desk space, mailing privileges or otherwise by any person other than Tenant. Tenant shall not advertise or authorize a broker to advertise for a subtenant or assignee, without in each instance, obtaining the prior written consent of Landlord, which shall not be unreasonably withheld or delayed.

Section 15.2. If Tenant's interest in this Lease shall be assigned in violation of the provisions of this Article 15, such assignment shall be invalid and of no force and effect against Landlord; provided, however, that Landlord may collect an amount equal to the then Fixed Rent plus any other item of Rental from the assignee as a fee for its use and occupancy. If the Premises or any part thereof are sublet to, or occupied by, or used by, any person other than Tenant, whether or not in violation of this Article 15, Landlord, after default by Tenant under this Lease, may collect any item of Rental or other sums paid by the subtenant, user or occupant as a fee for its use and occupancy, and shall apply the net amount collected to the Fixed Rent and the items of Rental reserved in this Lease. No such assignment, subletting, occupancy, or use, whether with or without Landlord's prior consent, nor any such collection or application of Rental or fee for use and occupancy, shall be deemed a waiver by Landlord of any term, covenant or condition of this Lease or the acceptance by Landlord of such assignee, subtenant, occupant or user as Tenant hereunder, nor shall the same, in any circumstances, relieve Tenant of any of its obligations under this Lease. The consent by Landlord to any assignment, subletting, occupancy or use shall not relieve Tenant from its obligation to obtain the express prior consent of Landlord to any further assignment, subletting, occupancy or use. Any person to which this Lease is assigned with Landlord's consent shall be deemed automatically to have assumed all of the obligations arising under this Lease from and after the date of such assignment and shall execute and deliver to Landlord, upon demand, an instrument confirming such assumption. Notwithstanding and subsequent to any assignment, Tenant's primary liability hereunder shall continue notwithstanding (a) any subsequent amendment hereof, or (b) Landlord's forbearance in

enforcing against Tenant any obligation or liability, without notice to Tenant, to each of which Tenant hereby consents in advance. If any such amendment operates to increase the obligations of Tenant under this Lease, the liability under this Section 15.2 of the assigning Tenant shall continue to be no greater than if such amendment had not been made (unless such party shall have expressly consented in writing to such amendment).

Section 15.3.

(A) For purposes of this Article 15, (i) the transfer of a majority of the issued and outstanding capital stock of any corporate tenant, or of a corporate subtenant, or the transfer of a majority of the total interest in any partnership tenant or subtenant, or the transfer of control in any general or limited liability partnership tenant or subtenant, or the transfer of a majority of the issued and outstanding membership interests in a limited liability company tenant or subtenant, however accomplished, whether in a single transaction or in a series of related or unrelated transactions, involving the tenant, subtenant and/or its parent (including, without limitation, and by way of example only, the transfer of a majority of the outstanding capital stock of a company, which company owns one hundred (100%) percent of a second tier company, which in turn owns fifty one (51%) percent of the outstanding capital stock of a corporate tenant hereunder), shall be deemed an assignment of this Lease, or of such sublease, as the case may be, except that the transfer of the outstanding capital stock of any corporate tenant, subtenant or parent, shall be deemed not to include the sale of such stock by persons or parties, other than those deemed "affiliates" of Tenant within the meaning of Rule 144 promulgated under the Securities Act of 1933, as amended, through the "over-the-counter market" or through any recognized stock exchange, (ii) any increase in the amount of issued and/or outstanding capital stock of any corporate tenant, or of a corporate subtenant, or such tenant's or subtenant's parent, or of the issued and outstanding membership interests in a limited liability company tenant or subtenant, or such tenant's or subtenant's parent, and/or the creation of one or more additional classes of capital stock of any corporate tenant or any corporate subtenant, or such tenant's or subtenant's parent, in a single transaction or a series of related or unrelated transactions involving the tenant, subtenant and/or its parent, resulting in a change in the legal or beneficial ownership of such tenant, subtenant or parent so that the shareholders or members of such tenant, subtenant or parent existing immediately prior to such transaction or series of transactions shall no longer own a majority of the issued and outstanding capital stock or membership interests of such entity, shall be deemed an assignment of this Lease, (iii) an agreement by any other person or entity, directly or indirectly, to assume Tenant's obligations under this Lease shall be deemed an assignment, (iv) any person or legal representative of Tenant, to whom Tenant's interest under this Lease passes by operation of law, or otherwise, shall be bound by the provisions of this Article 15, (v) a modification, amendment or extension of a sublease shall be deemed a sublease, and (vi) the change or conversion of Tenant from an entity in which the partners or members have personal liability to a limited liability company, a limited liability partnership or any other entity which possesses the characteristics of limited liability shall be deemed an assignment. Tenant agrees to furnish to Landlord on request at any time such information and assurances as Landlord may reasonably request that neither Tenant, nor any previously permitted subtenant, has violated the provisions of this Article 15.

(B) The provisions of clauses (a), (c) and (d) of Section 15.1, Section 15.4, Section 15.5 and Section 15.6, shall not apply to, and Landlord's consent shall not be required

with respect to, (i) transactions with a corporation or limited liability company into or with which Tenant is merged or consolidated or with a Person to which substantially all of Tenant's assets are transferred (provided such merger, consolidation or transfer of assets is for a good business purpose and not principally for the purpose of transferring the leasehold estate created by this Lease, and provided further, that the assignee has a net worth at least equal to or in excess of the net worth of Tenant as of the date of this Lease or as of the date immediately prior to such merger, consolidation or transfer, whichever is greater) or, (ii) if Tenant is a general, limited or limited liability partnership, transactions with a successor partnership (provided that the successor partnership has a net worth at least equal to or in excess of the net worth of Tenant as of the date of this Lease or as of the date immediately prior to such merger, consolidation or transfer, whichever is greater), or (iii) transactions with an entity that controls or is controlled by Tenant or is under common control with Tenant (any transfer so permitted pursuant to clause (i), (ii) or (iii), a "Permitted Transfer", and each resulting Tenant a "Permitted Transferee"). Tenant shall notify Landlord at least ten (10) Business Days before any Permitted Transfer is consummated.

(C) The term "control" as used in this Lease (i) in the case of a corporation shall mean ownership of more than fifty (50%) percent of the outstanding capital stock of that corporation, (ii) in the case of a general or limited liability partnership, shall mean ownership of more than fifty (50%) percent of the general partnership or membership interests of the partnership, (iii) in the case of a limited partnership, shall mean ownership of more than fifty (50%) percent of the general partnership interests of such limited partnership, and (iv) in the case of a limited liability company, shall mean ownership of more than fifty (50%) percent of the membership interests of such limited liability company.

Section 15.4.

(A) If Landlord shall not exercise its rights pursuant to clauses (x) or (y) of Section 15.4(B), Landlord shall not unreasonably withhold or delay its consent to a proposed subletting of the Premises, or an assignment of this Lease, provided that in each such instance, the following requirements shall have been satisfied (if Tenant proposes a partial sublet, references in this Section 15.4 to the Premises shall, unless the context otherwise requires, refer to such portion):

(1) in the case of a proposed subletting, the listing or advertising for subletting of the Premises shall not have included a proposed rental rate, provided, however, that Tenant may quote in writing directly to prospective subtenants the proposed rental rate;

(2) no Event of Default shall have occurred and be continuing;

(3) the proposed subtenant or assignee shall have a financial standing, be engaged in a business, and propose to use the Premises in a manner in keeping with the standards in such respects of the other tenancies in the Building;

(4) the proposed subtenant or assignee shall not be (x) a Person with whom Landlord is then negotiating or discussing the leasing of space in the Building; or (y) a

tenant in or occupant of the Building or any Person that, directly or indirectly, is controlled by, controls or is under common control with any such tenant or occupant;

(5) any subletting shall be expressly subject to all of the terms, covenants, conditions and obligations on Tenant's part to be observed and performed under this Lease and any assignment or subletting shall be subject to the further condition and restriction that this Lease or the sublease shall not be further assigned, encumbered or otherwise transferred or the subleased premises further sublet by the subtenant in whole or in part, or any part thereof suffered or permitted by the assignee or subtenant to be used or occupied by others, without the prior written consent of Landlord in each instance, which consent shall be granted or withheld in Landlord's sole discretion, and if Landlord shall consent to any further subletting by the subtenant or the assignment of the sublease, Sections 15.5 and 15.6 of this Lease shall apply to any such transactions as if the further subletting or assignment of the sublease were a proposed subletting or assignment being made by Tenant under this Lease so that Landlord shall be entitled to receive all amounts described in such Sections;

(6) at no time shall there be more than two (2) separately demised occupants, including Tenant, in any full floor of the Premises, all of whom shall have direct access through common or public corridors to elevators, fire stairs and core rest rooms;

(7) Tenant shall reimburse Landlord on demand for any costs that may be incurred by Landlord in connection with said assignment or sublease, including, without limitation, any processing fees, attorneys' fees and disbursements, and the costs of making investigations as to the acceptability of the proposed assignee or subtenant;

(8) any sublease shall expressly provide that in the event of termination, re-entry or dispossession of Tenant by Landlord under this Lease, Landlord may, at its option, take over all of the right, title and interest of Tenant as sublessor under such sublease, and such subtenant shall, at Landlord's option, attorn to Landlord pursuant to the then executory provisions of such sublease, except that (i) Landlord shall not be liable for any previous act or omission of Tenant under such sublease, (ii) Landlord shall not be subject to any offset that theretofore accrued to such subtenant against Tenant, (iii) Landlord shall not be bound by any previous modification of such sublease or by any previous prepayment of more than one month's rent unless previously approved by Landlord, (iv) Landlord shall not be bound by any covenant to undertake or complete or make payment to or on behalf of a subtenant with respect to any construction of the Premises or any portion thereof demised by such sublease, and (v) Landlord shall not be bound by any obligations to make any other payment to or on behalf of the subtenant, except for services, repairs, maintenance and restoration provided for under the sublease to be performed after the date of such termination, re-entry or dispossession by Landlord under this Lease and which Landlord is required to perform hereunder with respect to the subleased space at Landlord's expense;

(9) The proposed assignee or subtenant or the nature of the occupancy of the proposed assignee or subtenant will not cause an excessive density of employees or traffic or make excessive demands on the Building Systems or present a greater security risk to the Building than is presented by Tenant;

(10) The use of the Premises by the proposed subtenant or assignee shall not violate Article 5 of this Lease and the nature of the occupancy, the use and the manner of use of the Premises by the proposed subtenant or assignee shall not impose on Landlord any requirements of the ADA in excess of those requirements imposed on Landlord in the absence of such proposed subtenant or assignee or such occupancy, use or manner of use, unless such proposed subtenant or assignee shall have agreed to comply with each of such excess requirements and, at Landlord's option, shall have furnished Landlord with such security as Landlord may require to assure that such subtenant or assignee shall so comply;

(11) Landlord and Tenant shall have agreed on the computation required under Section 15.5 or Section 15.6, as applicable;

(12) Tenant shall not have advertised the rent payable under the sublease and agrees in the Sublease that no such advertisement shall occur during the term of the sublease; and

(13) In connection with any proposed assignment of this Lease or any sublease, Tenant shall provide to Landlord the names of the persons holding an ownership interest in Tenant or any proposed assignee or sublessee, as applicable, for purposes of compliance with Presidential Executive Order 13224 (issued September 24, 2001), as amended. The obligation contained in the preceding sentence shall not apply to any wholly-owned subsidiary of Tenant or of any wholly-owned affiliate of Tenant or any publicly owned company. Tenant shall provide such information to the extent reasonably possible if the assignee or sublessee is privately held.

(B) Upon obtaining a proposed assignee or subtenant, upon terms satisfactory to Tenant, Tenant shall submit to Landlord in writing (the following documents and information being collectively referred to as the "Sublease or Assignment Statement"): (i) the name and business address of the proposed assignee or subtenant; (ii) the nature and character of the business and credit of the proposed assignee or subtenant; (iii) a fully executed original proposed assignment or sublease and all related agreements, the effective or commencement date of which shall be at least thirty (30) days after the date Tenant's notice to Landlord is given, along with Tenant's and the subtenant's (or assignee's) affidavit that such sublease or assignment instrument is the true and complete statement of the subletting or assignment and reflects all sums and other consideration passing between the parties to the sublease or assignment and all reports, returns, transferor and transferee questionnaires and other documents required to be filed under Article 31 of the New York State Tax Law and under Chapter 21 of the New York City Administrative Code; (iv) current financial information with respect to the proposed assignee or subtenant, including, without limitation, its most recent financial statements, certified by an Independent CPA if such financial statements are so certified (or, if not, certified by the chief financial officer of the proposed assignee or subtenant as being true and correct) and (v) any other information that Landlord may reasonably request. Landlord shall have the following rights, exercisable within thirty (30) days after Landlord's receipt of the Sublease or Assignment Statement (including any additional information reasonably requested by Landlord): (x) in the case of an assignment of this Lease or a subletting of the entire Premises, to sublet (in its own name or that of its designee) the entire Premises from Tenant on the terms and conditions set forth in Section 15.4(C), or to terminate this Lease or to take an assignment of this Lease from

Tenant or (y) in the case of a subletting of a portion of the Premises, to sublet (in its own name or that of its designee) such portion of the Premises (the entire Premises sublet by Landlord (or its designee) pursuant to clause (x) or such portion of the Premises sublet by Landlord (or its designee) pursuant to this clause (y) being referred to as the "Recapture Space") from Tenant on the terms and conditions set forth in Section 15.4(C), or to terminate this Lease with respect only to the Recapture Space or (z) to approve or disapprove the proposed assignment or sublease in accordance with the provisions of Section 15.4 (A). If Landlord shall fail to notify Tenant within said thirty (30) day period of Landlord's intention to exercise its rights pursuant to clauses (x) or (y) of this Section 15.4(B), or to have approved or disapproved the transaction, Landlord shall be deemed to have not exercised its right to sublet or terminate or take an assignment of this Lease and shall be deemed to have disapproved such transaction. If pursuant to the exercise of any of Landlord's options pursuant to this Section 15.4, this Lease is terminated as to only a portion of the Premises, then the Fixed Rent and Escalation Rent shall be adjusted in proportion to the portion of the Premises affected by such termination.

(C) (1) If Landlord shall exercise its option to sublet the Recapture Space, then, notwithstanding the terms contained in the Sublease or Assignment Statement, such sublease (a "Recapture Sublease") to Landlord or its designee as subtenant (the "Recapture Subtenant") or assignee shall:

(a) be at a rate, at all times throughout the term of the Recapture Sublease, equal to (if Tenant had proposed to sublet the Premises) the lower of (i) the rate then payable by Tenant under this Lease and (ii) the rate set forth in the Sublease or Assignment Statement;

(b) otherwise be upon the same terms and conditions as those contained in the Sublease or Assignment Statement (other than, in the case of an assignment, payment of consideration therefor to Tenant) and (except as modified by the Sublease or Assignment Statement) the terms and conditions contained in this Lease, except such as are irrelevant or inapplicable and except as otherwise expressly set forth to the contrary in this Section 15.4(C);

(c) give the Recapture Subtenant the unqualified and unrestricted right, without Tenant's permission, to assign such sublease and to further sublet the Recapture Space or any part thereof and to make any and all changes, alterations, and improvements in and to the Recapture Space, provided, however, that Landlord consents to such changes, alterations and improvements and agrees that Tenant shall have no obligation to remove or restore the same upon the expiration or earlier termination of this Lease;

(d) provide in substance that any such changes, alterations, and improvements made in the Recapture Space may be removed, in whole or in part, prior to or upon the expiration or other termination of the Recapture Sublease provided that any material damage and injury caused thereby shall be repaired;

(e) provide that (i) the parties to such Recapture Sublease expressly negate any intention that any estate created under the Recapture Sublease be merged with any estate held by either of said parties, (ii) prior to the commencement of the term of the

Recapture Sublease, Tenant, at its expense, shall make such alterations as may be required or reasonably deemed necessary by the Recapture Subtenant to physically separate the Recapture Space from the balance of the Premises and to provide appropriate means of access thereto and to the public portions of the balance of the floor such as toilets, janitor's closets, telephone and electrical closets, fire stairs, elevator lobbies, etc., and (iii) at the expiration of the term of such Recapture Sublease, Tenant will accept the Recapture Space in its then existing condition, broom clean; and

(f) provide that the Recapture Subtenant or occupant shall use and occupy the Recapture Space for any purpose approved by Landlord (without regard to any limitation set forth in the Sublease or Assignment Statement).

(2) Until the termination of a Recapture Sublease, performance by Recapture Subtenant under a Recapture Sublease shall be deemed performance by Tenant of any similar obligation under this Lease and Tenant shall not be liable for any default under this Lease or deemed to be in default hereunder if such default is occasioned by or arises from any act or omission of Recapture Subtenant under the Recapture Sublease or is occasioned by or arises from any act or omission of any occupant under the Recapture Sublease.

(3) If Recapture Subtenant is unable to give Tenant possession of the Recapture Space at the expiration of the term of the Recapture Sublease by reason of the holding over or retention of possession of any tenant or other occupant, then (w) until the date upon which Recapture Subtenant gives Tenant possession of such Recapture Space free of occupancies, Recapture Subtenant shall continue to pay all charges previously payable, and comply with all other obligations under the Recapture Sublease and the provisions of Section 15.4(C)(2) shall continue to apply, (x) neither the Expiration Date nor the validity of this Lease shall be affected, (y) Tenant waives any rights under Section 223-a of the Real Property Law of New York, or any successor statute of similar import, to rescind this Lease and further waives the right to recover any damages from Landlord or Recapture Subtenant that may result from the failure of Landlord to deliver possession of the Recapture Space at the end of the term of the Recapture Sublease, and (z) Recapture Subtenant, at Recapture Subtenant's expense, shall use its reasonable efforts to deliver possession of such Recapture Space to Tenant and in connection therewith, if necessary, shall institute and diligently and in good faith prosecute holdover and any other appropriate proceeding against the occupant of such Recapture Space.

(4) The failure by Landlord to exercise its option under either Section 15.4(B)(x) or Section 15.4(B)(y) with respect to any subletting or assignment shall not be deemed a waiver of such option with respect to any extension of such subletting or assignment or any subsequent subletting or assignment.

Section 15.5. If Tenant sublets any portion of the Premises to a Person in a transaction for which Landlord's consent is required, Landlord shall be entitled to and Tenant shall pay to Landlord, as Additional Rent (the "Sublease Additional Rent"), a sum equal to fifty (50%) percent of any rents, additional charges and other consideration payable under the sublease to Tenant by the subtenant in excess of the Fixed Rent and Escalation Rent accruing during the term of the sublease in respect of the subleased space (at the rate per square foot payable by Tenant under this Lease) pursuant to the terms of this Lease (including, but not limited to, sums

paid for the sale or rental of Tenant's Property and Alterations less, in the case of a sale thereof, the then net unamortized or undepreciated cost thereof determined on the basis of Tenant's federal income tax or federal information returns). Any brokerage, commissions, attorneys' fees and costs of any alterations actually incurred by Tenant in connection with any sublease shall be deducted from the excess Fixed Rent and Escalation Rent prior to the calculation of any amount due to Landlord hereunder. Such Sublease Additional Rent shall be payable as and when received by Tenant. Tenant shall furnish to Landlord reasonable documentation evidencing the calculation of Sublease Additional Rent.

Section 15.6. If Tenant shall assign this Lease to a Person in a transaction for which Landlord's consent is required, Landlord shall be entitled to and Tenant shall pay to Landlord, as Additional Rent, an amount equal to fifty (50%) percent of all sums and other consideration paid to Tenant by the assignee for or by reason of such assignment (including, but not limited to, sums paid for the sale or rental of Tenant's Property and Alterations less, in the case of a sale thereof, the then net unamortized or undepreciated cost thereof determined on the basis of Tenant's federal income tax or federal information returns). Any brokerage, commissions, attorneys' fees and costs of any alterations actually incurred by Tenant in connection with any assignment shall be deducted from the excess Fixed Rent and Escalation Rent prior to the calculation of any amount due to Landlord hereunder. Such Additional Rent shall be payable as and when received by Tenant from the assignee. Tenant shall furnish to Landlord reasonable documentation evidencing the calculation of such Additional Rent.

Section 15.7. Landlord shall have no liability for brokerage commissions incurred with respect to any assignment of this Lease or any subletting of all or any part of the Premises by or on behalf of Tenant. Tenant shall pay, and shall indemnify and hold Landlord harmless from and against, any and all cost, expense (including reasonable attorneys' fees and disbursements) and liability in connection with any compensation, commissions or charges claimed by any broker or agent with respect to any such assignment or subletting.

ARTICLE 16

ACCESS TO PREMISES

Section 16.1.

(A) Tenant shall permit Landlord, Landlord's agents and public utilities servicing the Building to erect, use and maintain concealed ducts, pipes and conduits in and through the Premises. Landlord or Landlord's agents shall have the right to enter the Premises at all reasonable times upon (except in case of emergency) reasonable prior notice, which notice may be oral, to examine the same, to show the same to prospective purchasers, Mortgagees or lessees of the Building or space therein, or to make such repairs, alterations, improvements or additions (i) as Landlord may deem necessary or desirable to the Premises or to any other portion of the Building, or (ii) which Landlord may elect to perform at least ten (10) days after notice (except in an emergency when no notice shall be required) following Tenant's failure to make repairs or perform any work which Tenant is obligated to make or perform under this Lease, or (iii) for the purpose of complying with Requirements, and Landlord shall be allowed to take all material into and upon the Premises (but may not store the same in the Premises for more than

forty-eight (48) hours at times when Landlord is not performing work within the Premises) that may be required therefor without the same constituting an eviction or constructive eviction of Tenant in whole or in part and the Fixed Rent (and any other item of Rental) shall in no respect abate or be reduced by reason of said repairs, alterations, improvements or additions, wherever located, or while the same are being made, by reason of loss or interruption of business of Tenant, or otherwise. Landlord shall promptly repair any damage caused to the Premises by such work, alterations, improvements or additions. In performing Landlord's obligations hereunder, Landlord shall not unreasonably interfere with Tenant's use and enjoyment of the Premises and shall, if requested by Tenant and at Tenant's cost and expense, perform work outside of ordinary operating hours of Tenant.

(B) Any work performed or installations made pursuant to this Article 16 shall be made with reasonable diligence and otherwise pursuant to Section 7.3.

(C) Any pipes, ducts, or conduits installed in or through the Premises pursuant to this Article 16 shall, if reasonably practicable, either be concealed behind, beneath or within partitioning, columns, ceilings or floors located or to be located in the Premises, or completely furred at points immediately adjacent to partitioning, columns or ceilings located or to be located in the Premises.

Section 16.2. If Tenant is not present when for any reason entry into the Premises may be necessary or permissible, Landlord or Landlord's agents may enter the same without rendering Landlord or such agents liable therefor (if during such entry Landlord or Landlord's agents accord reasonable care to Tenant's Property), and without in any manner affecting this Lease.

Section 16.3. Landlord also shall have the right at any time, without the same constituting an actual or constructive eviction and without incurring any liability to Tenant therefor, to change the arrangement or location of entrances or passageways, doors and doorways, and corridors, elevators, stairs, toilets or other public parts of the Building, provided any such change does not unreasonably interfere with, or deprive Tenant of access to, the Building or the Premises; to put so-called "solar film" or other energy-saving installations on the inside and outside of the windows; and to change the name, number or designation by which the Building is commonly known. All parts (except surfaces facing the interior of the Premises) of all walls, windows and doors bounding the Premises (including exterior Building walls, exterior core corridor walls, exterior doors and entrances), all balconies, terraces and roofs adjacent to the Premises, all space in or adjacent to the Premises used for shafts, stacks, stairways, chutes, pipes, conduits, ducts, fan rooms, heating, air cooling, plumbing and other mechanical facilities, service closets and other Building facilities are not part of the Premises, and Landlord shall have the use thereof, as well as access thereto through the Premises for the purposes of inspection, operation, maintenance, alteration and repair.

ARTICLE 17

CERTIFICATE OF OCCUPANCY

Section 17.1. Tenant shall not at any time use or occupy the Premises in violation of the certificate of occupancy at such time issued for the Premises or for the Building. Without

limiting the generality of the foregoing, Tenant shall be entitled to use the Premises to accommodate a proportionate share of the total number of persons permitted by the certificate of occupancy to occupy the floor of the Building on which the Premises is located, based upon the ratio that the rentable square footage of the Premises bears to the total rentable square footage on such floor of the Building. In the event that any Government Authority hereafter contends or declares by notice, violation, order or in any other manner whatsoever that the Premises are used for a purpose that is a violation of such certificate of occupancy, Tenant shall, upon written notice from Landlord or any Government Authority, immediately discontinue such use of the Premises.

ARTICLE 18

DEFAULT

Section 18.1. Each of the following events shall be an "Event of Default" under this Lease:

(A) if Tenant shall on any occasion default in the payment when due of any installment of Fixed Rent or in the payment when due of any other item of Rental and such default shall continue for three (3) days after Tenant's receipt of written notice from Landlord; or

(B) intentionally omitted; or

(C) if Tenant shall default in the observance or performance of any term, covenant or condition on Tenant's part to be observed or performed under any other lease with Landlord or Landlord's predecessor-in-interest of any other space in the Building, and such default shall continue beyond any grace period set forth in such other lease for the remedying of such default; or

(D) if the Premises shall be abandoned by Tenant; or

(E) if Tenant's interest in this Lease shall devolve upon or pass to any person, whether by operation of law or otherwise, except as expressly permitted under Article 15 hereof; or

(F) (1) if Tenant shall not, or shall be unable to, or shall admit in writing Tenant's inability to, as to any obligation, pay Tenant's debts as they become due; or

(2) if Tenant shall commence or institute any case, proceeding or other action (a) seeking relief on Tenant's behalf as debtor, or to adjudicate it a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to Tenant or Tenant's debts, under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, or (b) seeking appointment of a receiver, trustee, custodian or other similar official for it or for all or any substantial part of its property; or

(3) if Tenant shall make a general assignment for the benefit of creditors; or

(4) if any case, proceeding or other action shall be commenced or instituted against Tenant (a) seeking to have an order for relief entered against Tenant as debtor or to adjudicate Tenant a bankrupt or insolvent, or seeking reorganization, arrangement, adjustment, winding-up, liquidation, dissolution, composition or other relief with respect to Tenant or Tenant's debts, under any existing or future law of any jurisdiction, domestic or foreign, relating to bankruptcy, insolvency, reorganization or relief of debtors, or (b) seeking appointment of a receiver, trustee, custodian or other similar official for Tenant for all or any substantial part of Tenant's property, which either (i) results in any such entry of an order for relief, adjudication of bankruptcy or insolvency or such an appointment or the issuance or entry of any other order having a similar effect or (ii) remains un-dismissed for a period of sixty (60) days; or

(5) if a trustee, receiver or other custodian shall be appointed for any substantial part of the assets of Tenant which appointment is not vacated or effectively stayed within sixty (60) days; or

(6) if Tenant rejects this Lease in connection with any action or proceeding under the Bankruptcy Code; or

(G) if Tenant shall default in the observance or performance of any other term, covenant or condition of this Lease on Tenant's part to be observed or performed and Tenant shall fail to remedy such default within fifteen (15) days after notice by Landlord to Tenant of such default, or if such default is of such a nature that it cannot with due diligence be completely remedied within said period of fifteen (15) days and the continuation of which for the period required for cure will not subject Landlord to the risk of criminal liability or termination of any Superior Lease or foreclosure of any Mortgage, if Tenant shall not, (i) within said fifteen (15) day period advise Landlord of Tenant's intention duly to institute all steps necessary to remedy such situation, (ii) duly institute within said fifteen (15) day period, and thereafter diligently and continuously prosecute to completion all steps necessary to remedy the same and (iii) complete such remedy within such time after the date of the giving of said notice by Landlord as shall reasonably be necessary.

Section 18.2. If an Event of Default shall occur, Landlord may, at any time thereafter, at Landlord's option, give written notice to Tenant stating that this Lease and the Term shall expire and terminate on the date specified in such notice, which date shall not be less than three (3) days after the giving of such notice (except that upon the occurrence of an Event of Default of a nature described in Section 18.1(F)(2), (3), or (4), no notice need be given and this Lease and the Term shall, to the extent permitted by applicable law, expire automatically upon the occurrence of any such event), whereupon this Lease and the Term and all rights of Tenant under this Lease shall, to the extent permitted by applicable law, automatically expire and terminate as if the date specified in the notice given (or upon the occurrence of the event if no notice is to be given) pursuant to this Section 18.2 were the Fixed Expiration Date and Tenant immediately shall quit and surrender the Premises, but Tenant shall remain liable for damages as provided herein or pursuant to law. Anything contained herein to the contrary notwithstanding, if such termination shall be stayed by order of any court having jurisdiction over any proceeding described in Section 18.1(F), or by federal or state statute, then, following the expiration of any such stay, or if the trustee appointed in any such proceeding, Tenant or Tenant as debtor-in-possession fails to

assume Tenant's obligations under this Lease within the period prescribed therefor by law or within one hundred twenty (120) days after entry of the order for relief or as may be allowed by the court, or if said trustee, Tenant or Tenant as debtor-in-possession shall fail to provide adequate protection of Landlord's right, title and interest in and to the Premises or adequate assurance of the complete and continuous future performance of Tenant's obligations under this Lease, Landlord, to the extent permitted by law or by leave of the court having jurisdiction over such proceeding, shall have the right, at its election, to terminate this Lease on three (3) days' notice to Tenant, Tenant as debtor-in-possession or said trustee and upon the expiration of said three (3) day period, this Lease shall cease and expire as aforesaid and Tenant, Tenant as debtor-in-possession or said trustee shall immediately quit and surrender the Premises as aforesaid.

Section 18.3. If, at any time, (i) Tenant shall consist of two (2) or more persons, or (ii) Tenant's obligations under this Lease shall have been guaranteed by any person other than Tenant, or (iii) Tenant's interest in this Lease has been assigned, the word "Tenant" as used in Section 18.1(F), shall be deemed to mean any one or more of the persons primarily or secondarily liable for Tenant's obligations under this Lease. Any monies received by Landlord from or on behalf of Tenant during the pendency of any proceeding of the types referred to in Section 18.1(F) shall be deemed paid as compensation for the use and occupancy of the Premises and the acceptance of any such compensation by Landlord shall not be deemed an acceptance of Rental or a waiver on the part of Landlord of any rights under Section 18.2.

ARTICLE 19

REMEDIES AND DAMAGES

Section 19.1.

(A) If any Event of Default shall occur, or this Lease and the Term shall expire and come to an end as provided in Article 18:

(1) Tenant shall quit and peacefully surrender the Premises to Landlord, and Landlord and its agents may immediately, or at any time after such Event of Default or after the date upon which this Lease and the Term shall expire and come to an end, re-enter the Premises or any part thereof, without notice, either by summary proceedings, or by any other applicable action or proceeding or otherwise (without being liable to indictment, prosecution or damages therefor), but excluding by force, and may repossess the Premises and dispossess Tenant and any other persons from the Premises by summary proceedings or otherwise (excluding by force) and remove any and all of their property and effects from the Premises (and Tenant shall remain liable for damages as provided herein or pursuant to law); and

(2) Landlord, at Landlord's option, may re-let the whole or any part or parts of the Premises from time to time, either in the name of Landlord or otherwise, to such tenant or tenants, for such term or terms ending before, on or after the Fixed Expiration Date, at such rent or rentals and upon such other conditions, which may include concessions and free rent periods, as Landlord, in Landlord's sole discretion, may determine; provided, however, that Landlord shall have no obligation to re-let the Premises or any part thereof and shall in no event be liable for refusal or failure to re-let the Premises or any part thereof, or, in the event of any

such re-letting, for refusal or failure to collect any rent due upon any such re-letting, and no such refusal or failure shall operate to relieve Tenant of any liability under this Lease or otherwise affect any such liability, and Landlord, at Landlord's option, may make such Alterations, in and to the Premises as Landlord, in Landlord's sole discretion, shall consider advisable or necessary in connection with any such re-letting or proposed re-letting, without relieving Tenant of any liability under this Lease or otherwise affecting any such liability.

(B) Tenant hereby waives the service of any notice of intention to re-enter or to institute legal proceedings to that end that may otherwise be required to be given under any present or future law. Tenant, on its own behalf and on behalf of all persons claiming through or under Tenant, including all creditors, does further hereby waive any and all rights that Tenant and all such persons might otherwise have under any present or future law to redeem the Premises, or to re-enter or repossess the Premises, or to restore the operation of this Lease, after (a) Tenant shall have been dispossessed by a judgment or by warrant of any court or judge, or (b) any re-entry by Landlord, or (c) any expiration or termination of this Lease and the Term, whether such dispossess, re-entry, expiration or termination is by operation of law or pursuant to the provisions of this Lease. The words "re-entry", "re-enter" and "re-entered" as used in this Lease shall not be deemed to be restricted to their technical legal meanings. In the event of a breach or threatened breach by Tenant, or any persons claiming through or under Tenant, of any term, covenant or condition of this Lease, Landlord shall have the right to enjoin such breach and the right to invoke any other remedy allowed by law or in equity as if re-entry, summary proceedings and other special remedies were not provided in this Lease for such breach. The right to invoke the remedies hereinbefore set forth are cumulative and shall not preclude Landlord from invoking any other remedy allowed at law or in equity.

Section 19.2.

(A) If this Lease and the Term shall expire and come to an end as provided in Article 18, or by or under any summary proceeding or any other action or proceeding, or if Landlord shall re-enter the Premises as provided in Section 19.1, or by or under any summary proceeding or any other action or proceeding, then, in any of said events:

(1) Tenant shall pay to Landlord all Fixed Rent, Escalation Rent, other Additional Rent and other items of Rental payable under this Lease by Tenant to Landlord to the date upon which this Lease and the Term shall have expired and come to an end or to the date of re-entry upon the Premises by Landlord, as the case may be;

(2) Tenant also shall be liable for and shall pay to Landlord, as damages, any deficiency ("Deficiency") between the Rental for the period which otherwise would have constituted the unexpired portion of the Term and the net amount, if any, of rents collected under any re-letting effected pursuant to the provisions of Section 19.1(A)(2) for any part of such period (after first deducting from the rents collected under any such re-letting all of Landlord's expenses in connection with the termination of this Lease, Landlord's re-entry upon the Premises and such re-letting including, but not limited to, all repossession costs, brokerage commissions, attorneys' fees and disbursements, alteration costs and other expenses of preparing the Premises for such re-letting); any such Deficiency shall be paid in monthly installments by Tenant on the days specified in this Lease for payment of installments of Fixed Rent; Landlord

shall be entitled to recover from Tenant each monthly Deficiency as the same shall arise, and no suit to collect the amount of the Deficiency for any month shall prejudice Landlord's right to collect the Deficiency for any subsequent month by a similar proceeding; and

(3) whether or not Landlord shall have collected any monthly Deficiency as aforesaid, Landlord shall be entitled to recover from Tenant, and Tenant shall pay to Landlord, on demand, in lieu of any further Deficiency as and for liquidated and agreed final damages, a sum equal to the amount by which the unpaid Rental for the period which otherwise would have constituted the unexpired portion of the Term exceeds the then fair and reasonable rental value of the Premises for the same period, both discounted to present worth at four (4%) percent per annum less than the Base Rate; if, before presentation of proof of such liquidated damages to any court, commission or tribunal, the Premises, or any part thereof, are re-let by Landlord for the period which otherwise would have constituted the unexpired portion of the Term, or any part thereof, the amount of rent reserved upon such re-letting shall be deemed, prima facie, to be the fair and reasonable rental value for the part or the whole of the Premises so re-let during the term of the re-letting.

(B) If the Premises, or any part thereof, shall be re-let together with other space in the Building, the rents collected or reserved under any such re-letting and the expenses of any such re-letting shall be equitably apportioned for the purposes of this Section 19.2. Tenant shall in no event be entitled to any rents collected or payable under any re-letting, whether or not such rents exceed the Fixed Rent reserved in this Lease. Solely for the purposes of this Article 19, the term "Escalation Rent" as used in Section 19.2(A) shall mean the Escalation Rent in effect immediately prior to the Expiration Date, or the date of re-entry upon the Premises by Landlord, as the case may be, adjusted to reflect any increase pursuant to the provisions of Article 3 hereof for the Operating Year immediately preceding such event. Nothing contained in Article 18 or this Article 19 shall be deemed to limit or preclude the recovery by Landlord from Tenant of the maximum amount allowed to be obtained as damages by any statute or rule of law, or of any sums or damages to which Landlord may be entitled in addition to the damages set forth in this Section 19.2.

ARTICLE 20

FEES AND EXPENSES

Section 20.1. If (i) Tenant shall default under this Lease, or (ii) Tenant does or permits any act or thing upon the Premises that would cause Landlord to be in default under any Superior Lease or Mortgage and Tenant does not cure such act or thing within ten (10) days (or such shorter period as Landlord may be permitted pursuant to any Superior Lease or Mortgage) after notice thereof, or (iii) Tenant fails to comply with its obligations under this Lease and the preservation of property or the safety of any tenant, occupant or other person is threatened, Landlord may (1) perform the same for the account of Tenant, or (2) make any expenditure or incur any obligation for the payment of money in connection with any obligation owed to Landlord, including, but not limited to, reasonable attorneys' fees and disbursements in instituting, prosecuting or defending any action or proceeding, and in either case the cost thereof, with interest thereon at the Applicable Rate, shall be deemed to be Additional Rent hereunder

and shall be paid by Tenant to Landlord within ten (10) days after rendition of any bill or statement to Tenant therefor.

Section 20.2. If Tenant shall fail to pay any installment of Fixed Rent, Additional Rent or any other item of Rental for a period longer than five (5) days after the same shall have become due, Tenant shall pay to Landlord, in addition to such installment of Fixed Rent, Additional Rent or other item of Rental, as the case may be, as a late charge and as Additional Rent, a sum equal to three (3%) percent of the amount unpaid. Notwithstanding the foregoing, Landlord shall waive such late charge with respect to the first late payment of Rental in any consecutive twelve (12) calendar month period, *provided* that the same shall be paid within five (5) days after notice from Landlord that the same is overdue. If Tenant shall fail to pay any installment of Fixed Rent, Additional Rent or any other item of Rental for a period longer than ten (10) days after the same shall have become due, Tenant shall pay to Landlord, in addition to such installment of Fixed Rent, Additional Rent or other item of Rental, as the case may be, and in addition to the late charge payable by Tenant pursuant to this Section 20.2, as a late charge and as Additional Rent, a sum equal to interest at the Applicable Rate on the amount unpaid; provided, however, that with respect to the first late payment of Rental in any consecutive twelve (12) calendar month period, interest shall not accrue until ten (10) days after Tenant's receipt of written notice from Landlord that the same is overdue if Tenant pays the unpaid Rental within five (5) days of the Notice from Landlord. All late charges payable by Tenant hereunder shall be computed from the date such payment was due (without regard to any grace period set forth in this Section 20.2), to and including the date of payment.

ARTICLE 21

NO REPRESENTATIONS BY LANDLORD

Section 21.1. Landlord and Landlord's agents have made no representations, warranties or promises with respect to the Building, the Real Property or the Premises except as herein expressly set forth, and no rights, easements or licenses are acquired by Tenant by implication or otherwise except as expressly set forth herein. Tenant shall accept continued possession of the Premises in its "as is" condition on the Commencement Date, and Landlord shall have no obligation to perform any work or make any installations in order to prepare the Premises for Tenant's occupancy. All references in this Lease to the consent or approval of Landlord shall be deemed to mean the written consent or approval executed by Landlord and no other consent or approval of Landlord shall be effective for any purpose whatsoever.

ARTICLE 22

END OF TERM

Section 22.1. Upon the expiration or other termination of this Lease, Tenant shall quit and surrender to Landlord the Premises, vacant, broom clean, in good order and condition, ordinary wear and tear excepted, and Tenant shall remove all of Tenant's Alterations as may be required pursuant to Article 6. Tenant shall also remove all of Tenant's Property and all other personal property and personal effects of all persons claiming through or under Tenant, and shall pay the cost of repairing all damage to the Premises and the Real Property occasioned by such

removal. Any Tenant's Property or other personal property that remains in the Premises after the termination of this Lease shall be deemed to have been abandoned and either may be retained by Landlord as its property or may be disposed of in such manner as Landlord may see fit. If such Tenant's Property or other personal property or any part thereof is sold, Landlord may receive and retain the proceeds of such sale as the property of Landlord. Any expense incurred by Landlord in removing or disposing of such Tenant's Property or other personal property or Alterations required to be removed as provided in Article 6, as well as the cost of repairing all damage to the Building or the Premises caused by such removal, shall be reimbursed to Landlord by Tenant, as Additional Rent, on demand.

Section 22.2. If the Expiration Date falls on a day which is not a Business Day, then Tenant's obligations under Section 22.1 shall be performed on or prior to the immediately preceding Business Day.

Section 22.3. Tenant expressly waives, for itself and for any person claiming through or under Tenant, any rights that Tenant or any such person may have under the provisions of Section 2201 of the New York Civil Practice Law and Rules and of any similar or successor law of like import then in force in connection with any holdover proceedings that Landlord may institute to enforce the provisions of this Article.

Section 22.4. If the Premises are not surrendered upon the expiration or other termination of this Lease, Tenant hereby indemnifies Landlord against liability or expense (including any consequential damages) resulting from delay by Tenant in so surrendering the Premises, including any claims made by any succeeding tenant or prospective tenant founded upon such delay and agrees to be liable to Landlord for (i) any payment or rent concession which Landlord may be required to make to any tenant obtained by Landlord for all or any part of the Premises in order to induce such tenant not to terminate its lease by reason of the continued use and occupancy by Tenant and (ii) the loss of the benefit of the bargain if any such tenant shall terminate its lease by reason of the continued use and occupancy by Tenant.

Section 22.5. Tenant's obligation under this Article shall survive the expiration or termination of this Lease.

ARTICLE 23

POSSESSION

Section 23.1. If Landlord shall be unable to deliver possession of any additional space to be included within the Premises on any specific date designated herein for any reason whatsoever, Landlord shall not be subject to any liability therefor and the validity of this Lease shall not be impaired thereby nor the Expiration Date extended, but the inclusion date applicable to such space shall be postponed until Landlord shall have given notice to Tenant that the same is available for occupancy by Tenant. Tenant expressly waives any right to rescind this Lease under Section 223-a of the New York Real Property Law or under any present or future statute of similar import then in force and further expressly waives the right to recover any damages that may result from Landlord's failure to deliver possession of any additional space on the specific date (if any) designated for the commencement of the Term. Tenant agrees that the provisions of

this Article 23 are intended to constitute "an express provision to the contrary" within the meaning of said Section 223-a.

ARTICLE 24

NO WAIVER

Section 24.1. No act or thing done by Landlord or Landlord's agents during the Term shall be deemed an acceptance of a surrender of the Premises, and no agreement to accept such surrender shall be valid unless in writing signed by Landlord. No employee of Landlord or of Landlord's agents shall have any power to accept the keys to the Premises prior to the termination of this Lease. The delivery of keys to any employee of Landlord or of Landlord's agents shall not operate as a termination of this Lease or a surrender of the Premises. If Tenant shall at any time desire to have Landlord sublet the Premises for Tenant's account, Landlord or Landlord's agents are authorized to receive the keys for such purpose without releasing Tenant from any of the obligations under this Lease, and Tenant hereby relieves Landlord of any liability for loss of or damage to any of Tenant's effects in connection with such subletting.

Section 24.2. The failure of Landlord to seek redress for violation of, or to insist upon the strict performance of, any covenant or condition of this Lease, or any of the Rules and Regulations, shall not prevent a subsequent act, which would have originally constituted a violation, from having all of the force and effect of an original violation. The receipt by Landlord of Fixed Rent, Additional Rent or any other item of Rental with knowledge of the breach of any covenant of this Lease shall not be deemed a waiver of such breach. The failure of Landlord to enforce any of the Rules and Regulations against Tenant or any other tenant in the Building shall not be deemed a waiver of any such Rules and Regulations. No provision of this Lease shall be deemed to have been waived by Landlord, unless such waiver shall be in writing and shall be signed by Landlord. No payment by Tenant or receipt by Landlord of a lesser amount than the Rental then due and payable shall be deemed to be other than on account of the earliest item(s) of Rental, or as Landlord may elect to apply the same, nor shall any endorsement or statement on any check or any letter accompanying any check or payment be deemed an accord and satisfaction, and Landlord may accept such check or payment without prejudice to Landlord's right to recover the balance due of the Rental or pursue any other remedy in this Lease provided. This Lease contains the entire agreement between the parties and all prior negotiations and agreements are merged herein. Any executory agreement hereafter made shall be ineffective to change, discharge or effect an abandonment of this Lease in whole or in part unless such executory agreement is in writing and signed by the party against whom enforcement of the change, discharge or abandonment is sought.

ARTICLE 25

WAIVER OF TRIAL BY JURY

Section 25.1. Landlord and Tenant shall and they hereby do waive trial by jury in any action, proceeding or counterclaim brought by either of them against the other on any matters whatsoever arising out of or in any way connected with this Lease, the relationship of Landlord and Tenant, Tenant's use or occupancy of the Premises, whether during or after the Term, or for

the enforcement of any remedy under any statute, emergency or otherwise. If Landlord shall commence any summary proceeding against Tenant, Tenant will not interpose any counterclaim of whatever nature or description in any such proceeding (unless failure to impose such counterclaim would preclude Tenant from asserting in a separate action the claim which is the subject of such counterclaim), and will not seek to consolidate such proceeding with any other action which may have been or will be brought in any other court by Tenant or Landlord.

ARTICLE 26

INABILITY TO PERFORM

Section 26.1. This Lease and the obligation of Tenant to pay Rental hereunder and to perform all of the other covenants and agreements hereunder on the part of Tenant to be performed shall in no way be affected, impaired or excused because Landlord is unable to fulfill any of Landlord's obligations under this Lease, expressly or implicitly to be performed by Landlord, or because Landlord is unable to make or is delayed in making any repairs, additions, alterations, improvements or decorations, or is unable to supply or is delayed in supplying any services, equipment or fixtures, if Landlord is prevented from or delayed in so doing by reason of acts of God, casualty, strikes or labor troubles, accident, acts of war, terrorism, bioterrorism (i.e., the release or threatened release of an airborne agent that may adversely affect the Building or its occupants), governmental preemption in connection with an emergency, Requirements, conditions of supply and demand which have been or are affected by war, terrorism, bioterrorism or other emergency, or any other cause whatsoever, whether similar or dissimilar to the foregoing, beyond Landlord's reasonable control ("Unavoidable Delays").

ARTICLE 27

BILLS AND NOTICES

Section 27.1.

(A) Except as otherwise expressly provided in this Lease, any bills, statements, consents, notices, demands, requests or other communications given or required to be given under this Lease ("Notice(s)") shall be in writing and shall be deemed sufficiently given or rendered if delivered by hand (against a signed receipt), by a recognized overnight courier service (with a signed receipt) or if deposited in a securely fastened, postage prepaid envelope in a depository that is regularly maintained by the U.S. Postal Service, sent by registered or certified mail (return receipt requested) and in any case addressed:

if to Tenant (a) at Tenant's address set forth in this Lease, Attention: Legal Department, or (b) at any place where Tenant or any agent or employee of Tenant may be found if given subsequent to Tenant's vacating, deserting, abandoning or surrendering the Premises, or

if to Landlord, at Landlord's address set forth in this Lease, Attention: Craig Panzirer, with copies to: (i) Global Holdings Management (US) Inc., Nomad Tower, 1250 Broadway, 38th Floor, New York, New York 10001, Attention: Peter Allen, Esq., (ii) Loeb &

Loeb LLP, 345 Park Avenue, New York, New York 10154, Attention: Nichole D. Cortese, Esq., and (iii) any Mortgagee or Lessor who may have requested the same, by Notice given in accordance with the provisions of this Article 27, at the address designated by such Mortgagee or Lessor; or

to such other address(es) as either Landlord or Tenant may designate as its new address(es) for such purpose by notice given to the other in accordance with the provisions of this Article 27.

(B) Notices shall be deemed to have been rendered or given (i) on the Business Day delivered, if delivered by hand or by recognized overnight courier service, prior to 5:00 p.m. of such Business Day, or if delivered on a day other than a Business Day or after 5:00 p.m. on any day, then on the next Business Day following such delivery, or (ii) three (3) Business Days after the date mailed, if mailed as provided in Section 27.1(A). Notice given by counsel for either party on behalf of such party or by the Manager on behalf of Landlord shall be deemed valid notices if addressed and sent in accordance with the provisions of this Article.

Section 27.2. Notwithstanding the provisions of Section 27.1, (i) Notices requesting services for Overtime Periods pursuant to Article 28 may be given by delivery to the Building superintendent or any other person in the Building designated by Landlord to receive such Notices, and (ii) bills may be rendered by delivering them to the Premises without the necessity of a receipt, and without providing a copy of such Landlord Statements or bills to any third party.

ARTICLE 28

SERVICES AND EQUIPMENT

Section 28.1. Landlord shall, at Landlord's expense:

(A) Provide passenger elevator service to the Premises on Business Days during Operating Hours and, subject to Section 28.3, have one (1) passenger elevator on call at all other times. Tenant agrees that Landlord may, at its election, install elevators with or without operators and may change the same from time to time.

(B) Provide one (1) freight elevator serving the Premises on call on a "first come, first served" basis on Business Days from 8:00 a.m. to 4:45 p.m. ("Freight Elevator Hours").

(C) Furnish and distribute to the Premises, through the HVAC System, during Operating Hours, air-conditioning (as needed) from April 15 through October 15 and heat or ventilation (as needed) from October 16 through April 14 in accordance with the specifications set forth on Schedule F annexed hereto; provided that Tenant shall draw and close the draperies or blinds for the windows of the Premises whenever the ventilation or air-conditioning system is in operation and the position of the sun so requires and shall, at all times, cooperate fully with Landlord and abide by all of the Rules and Regulations which Landlord may prescribe for the proper functioning of the HVAC System. Further to, and without limiting the foregoing, Tenant expressly acknowledges that although some or all of the windows in the Premises are capable of opening, Tenant shall at all times keep all windows in the Premises closed. Landlord makes no representation as to the habitability of the Premises at any time the HVAC System is not in

operation and the windows in the Premises are not open. Tenant hereby expressly waives any claims against Landlord arising out of the cessation of operation of the HVAC System, or the suitability of the Premises when the same is not in operation, whether due to normal scheduling or reasons beyond Landlord's control, such as those set forth in Section 28.3. Landlord will not be responsible for the failure of the HVAC System if such failure results from the occupancy of the Premises by more than an average of one (1) person for each one hundred (100) square feet of usable area or if Tenant shall use in excess of five (5) watts of electricity demand load per usable square foot or if Tenant shall open any of the windows in the Premises. If Tenant occupies the Premises at an occupancy rate of greater than that for which the HVAC System was designed (one (1) person per one hundred (100) square feet of usable area) or uses in excess of five (5) watts of electricity demand load per usable square foot, or if Tenant allows any of the windows in the Premises to remain open, or if Tenant's partitions are arranged in such a way as to interfere with the normal operation of the HVAC System, Landlord may elect to make changes to the HVAC System or the ducts through which it operates required by reason thereof, and the cost thereof shall be reimbursed by Tenant to Landlord as Additional Rent within ten (10) days after presentation of a bill therefor. Landlord, throughout the Term, shall have free access to all mechanical installations of Landlord, including but not limited to air-cooling, fan, ventilating and machine rooms and electrical closets, and Tenant shall not construct partitions or other obstructions that may interfere with Landlord's free access thereto, or interfere with the moving of Landlord's equipment to and from the enclosures containing said installations. Neither Tenant nor its agents, employees or contractors shall at any time enter the said enclosures or tamper with, adjust, touch or otherwise in any manner affect said mechanical installations. Landlord's obligations under this Section 28.1 and under Section 28.2 are subject to applicable Requirements that may limit the hours or the extent to which Landlord is permitted to supply HVAC.

(D) Furnish cold water for ordinary drinking, cleaning and lavatory purposes. Hot water is furnished to common area lavatories only. If Tenant requires, uses or consumes water for any other purposes, Tenant agrees that Tenant shall install a meter or meters or other means to measure Tenant's water consumption, and Tenant further agrees to pay for the cost of the meter or meters and the installation thereof, and to pay for the maintenance of said meter equipment and/or to pay Landlord's cost of other means of measuring such water consumption by Tenant. Tenant shall reimburse Landlord for the cost of all water consumed (including costs of generating hot water) as measured by said meter or meters or as otherwise measured, including sewer rents, as Additional Rent within ten (10) days after bills are rendered.

(E) Provided Tenant shall keep the Premises in order, Landlord, at Landlord's expense, shall cause the Premises, excluding any portions thereof used as security areas or used for the storage, preparation, service or consumption of food or beverages, to be cleaned on Business Days in accordance with the cleaning specifications annexed to this Lease as Schedule C. If, however, any additional cleaning of the Premises is to be done by Tenant, it shall be done at Tenant's sole expense, in a manner reasonably satisfactory to Landlord and no one other than persons approved by Landlord shall be permitted to enter the Premises or the Building for such purpose. Tenant shall pay to Landlord the cost of removal of any of Tenant's refuse and rubbish from the Premises and the Building (i) to the extent that the same, in any one (1) day, exceeds the average daily amount of refuse and rubbish usually attendant upon the use of such Premises as offices, as described and included in Landlord's cleaning contract for the Building or

recommended by Landlord's cleaning contractor, and (ii) related to or deriving from the preparation or consumption of food or drink. Bills for the same shall be rendered by Landlord to Tenant at such time as Landlord may elect and shall be due and payable as Additional Rent within ten (10) days after the time rendered. Tenant, at Tenant's expense, shall cause all portions of the Premises used for the storage, preparation, service or consumption of food or beverages to be cleaned daily in a manner satisfactory to Landlord, and to be exterminated against infestation by vermin, roaches or rodents regularly and, in addition, whenever there shall be evidence of any infestation, and otherwise in a manner satisfactory to Landlord in Landlord's sole discretion. Tenant shall not permit any person to enter the Premises or the Building for the purpose of providing such extermination services, unless such persons have been approved by Landlord.

(F) Subject to the Rules and Regulations, Tenant shall have access to the Premises twenty four (24) hours per day seven (7) days per week.

Section 28.2. The Fixed Rent does not reflect or include any charge to Tenant for the furnishing of any necessary freight elevator facilities other than during Freight Elevator Hours or HVAC to the Premises during periods other than Operating Hours as set forth above (in each case, all such other periods shall constitute "Overtime Periods"). Accordingly, if Landlord furnishes any such freight elevator facilities or HVAC to the Premises at the request of Tenant during Overtime Periods, Tenant shall pay Landlord Additional Rent for such services at the standard rates then fixed by Landlord for the Building, or if no such rates are then fixed, at comparable rates then being charged by first-class office buildings in the Borough of Manhattan, the City and State of New York. All usage during Overtime Periods shall be for a minimum of four (4) consecutive hours, unless such Overtime Periods shall immediately precede or follow Operating Hours (as applicable to HVAC) or Freight Elevator Hours (as applicable to freight elevator service). The rates for Overtime Periods existing on the date of this Lease are set forth in Schedule G annexed to this Lease. Subject to Requirements or any requirements of the labor unions serving the Building, Landlord shall not be required to furnish any such services during any Overtime Periods unless Landlord has received advance notice from Tenant requesting such services at least two (2) Business Days prior to the time such services are to be provided. If Tenant fails to give Landlord such advance notice, then failure by Landlord to furnish or distribute any such services during such Overtime Periods shall not constitute an actual or constructive eviction, in whole or in part, or entitle Tenant to any abatement or diminution of Rental, or relieve Tenant from any of its obligations under this Lease, or impose any liability upon Landlord or its agents by reason of inconvenience or annoyance to Tenant, or injury to or interruption of Tenant's business or otherwise.

Section 28.3. Landlord reserves the right to stop the furnishing of the Building services and to stop service of the Building Systems, when necessary, by reason of accident, or emergency, or for Alterations in the judgment of Landlord desirable or necessary to be made, until said Alterations shall have been completed; and Landlord shall have no responsibility or liability for failure to supply air-conditioning, ventilation, heat, elevator, plumbing, electric, or other services during said period or when prevented from so doing by strikes, lockouts, labor troubles, difficulty of obtaining materials, accidents or by any cause beyond Landlord's reasonable control, or by Requirements or failure of electricity, water, steam, coal, oil or other suitable fuel or power supply, or inability by exercise of reasonable diligence to obtain electricity, water, steam, coal, oil or other suitable fuel or power. No diminution or abatement of

rent or other compensation shall or will be claimed by Tenant as a result therefrom, nor shall this Lease or any of the obligations of Tenant be affected or reduced by reason of such interruption, curtailment or suspension, nor shall the same constitute an actual or constructive eviction. Without limiting events that may constitute "any cause beyond Landlord's reasonable control," the following are items which Landlord and Tenant agree are beyond Landlord's reasonable control:

(1) lack of access to the Building or the Premises (which shall include, but not be limited to, the lack of access to the Building or the Premises when it or they are structurally sound but inaccessible due to evacuation of the surrounding area or damage to nearby structures or public areas);

(2) any cause outside the Building;

(3) reduced air quality or other contaminants within the Building that would adversely affect the Building or its occupants (including, but not limited to, the presence of biological or other airborne agents within the Building or the Premises);

(4) disruption of mail and deliveries to the Building or the Premises resulting from a casualty;

(5) disruption of telephone and telecommunications services to the Building or the Premises resulting from a casualty; or

(6) blockages of any windows, doors, or walkways to the Building or the Premises resulting from a casualty.

Section 28.4. Tenant agrees to abide by all requirements which Landlord may prescribe for the proper protection and functioning of its Building Systems and the furnishing of the Building services. Tenant further agrees to cooperate with Landlord in any conservation effort pursuant to a program or procedure promulgated or recommended by ASHRAE or any Requirements.

Section 28.5. Landlord shall have no obligation to clean, repair, replace or maintain any "private" plumbing fixtures or facilities (i.e., plumbing fixtures and facilities other than those that would be the common toilets in a multi-tenant floor) or the rooms in which they are located.

Section 28.6. (A) Landlord shall make available to Tenant (x) four (4) tons of condenser water per annum to serve the two existing 2-ton supplemental HVAC units in the Premises (each, an "Existing Supplemental HVAC System"), which Tenant hereby accepts and shall continue to utilize in their "as-is, where is" condition, without representation or warranty from Landlord, and (y) up to the aggregate Maximum Number of Tons of condenser water per annum (i.e., including the 4 tons allocated to the Existing Supplemental HVAC System) to serve any additional supplemental air-conditioning equipment installed by Tenant as approved Alterations hereunder (subject to Landlord's approval of the plans and specifications therefor in accordance with Article 6 of this Lease) (each, a "New Supplemental HVAC System"; the Existing Supplemental HVAC Systems and any New Supplemental HVAC System(s), each a "Supplemental HVAC System"). The condenser water to serve the Supplemental HVAC

Systems shall be provided at Landlord's then current annual fee per ton (the "Condenser Water Charge"), which charge shall be commercially reasonable (and which as of the date of this Lease is $600.00 per ton per annum). Tenant acknowledges that Tenant shall not be allocated additional condenser water after the date of this Lease in excess of the aggregate Maximum Number of Tons, unless otherwise approved by Landlord. The Condenser Water Charge shall be (i) in effect with respect to the four (4) tons of condenser water to serve the Existing Supplemental HVAC Systems from and after the Commencement Date, and (ii) in effect with respect to the number of tons of condenser water requested by and allocated to Tenant (not to exceed the aggregate Maximum Number of Tons) to serve any New Supplemental HVAC System(s) from and after the date upon which Landlord reserves capacity for such New Supplemental HVAC System(s) at Tenant's request, and (iii) in all such cases, subject to increases to reflect Landlord's increasing actual and commercially reasonable costs of operating the condenser water system and supplying (or reserving) such requirements for Tenant. Notwithstanding the foregoing, Landlord shall reserve up to the aggregate Maximum Number of Tons of condenser water for Tenant's use through and including the date that is six (6) months after the Commencement Date, after which time, if Tenant shall not have requested that Landlord make any portion of the Maximum Number of Tons available (with time being of the essence), then Landlord shall no longer be required to maintain such capacity (or the remaining portion thereof) for Tenant's exclusive use, provided that Tenant may thereafter request additional condenser water, subject to availability. In addition to the foregoing, if Tenant shall accept any Offer Space in accordance with Article 42, Tenant shall receive an additional allocation of condenser water at the rate of fifteen (15) tons per full floor of the Offer Space (which shall constitute the Maximum Number of Tons applicable thereto) to serve any existing and New Supplemental HVAC System(s) for such Offer Space, and Tenant shall pay the Condenser Water Charge therefor in accordance with the terms and conditions of this Section 28.6(A) from and after the applicable Offer Space Inclusion Date (as hereinafter defined); provided, however, that if Tenant shall not require the full Maximum Number of Tons applicable to any particular Offer Space, Tenant may reduce its reservation of such condenser water at any time on or prior to the second (2nd) anniversary of the applicable Offer Space Inclusion Date upon notice to Landlord (unless Tenant shall have obtained consent to install (or actually installed) New Supplemental HVAC System(s) utilizing the same).

(B) (i) Tenant, at its sole cost and expense, shall procure and maintain any permits required by Government Authorities with respect to any Supplemental HVAC System, and Tenant shall operate any Supplemental HVAC System in compliance with such permits and in compliance with all Rules and Regulations which Landlord may reasonably prescribe. In furtherance of the foregoing, all Supplemental HVAC Systems must be equipped with automatic shutdown devices connected to the Building's fire alarm system.

(ii) Tenant, at its sole cost and expense, shall procure and maintain an annual maintenance and service contract for the maintenance and repair of any Supplemental HVAC System now or hereafter exclusively serving the Premises, providing for inspections and/or service at least semi-annually, to be renewed each year throughout the Term of this Lease with an HVAC contractor reasonably approved by Landlord. Tenant shall furnish copies of such service contract not later than the Commencement Date and shall furnish copies of all renewals thereof promptly after procuring the same.

(iii) Tenant shall, at its sole cost and expense, perform any and all necessary repairs to, and cause any and all necessary replacements of, any Supplemental HVAC Systems. All Supplemental HVAC Systems, and any replacements thereof, shall be and remain at all times the property of Landlord, and Tenant shall surrender the same, and all such repairs and replacements, to Landlord in working order and condition, reasonable wear and tear excepted, on the Expiration Date.

ARTICLE 29

PARTNERSHIP TENANT

Section 29.1. If Tenant is a partnership, or is comprised of two (2) or more persons, individually or as co-partners of a partnership (any such partnership and such persons are referred to in this Article 29 as "Partnership Tenant"), or if Tenant's interest in this Lease shall be assigned to a Partnership Tenant, the following provisions shall apply to such Partnership Tenant: (a) the liability of each of the parties comprising Partnership Tenant shall be joint and several; (b) each of the parties comprising Partnership Tenant hereby consents in advance to, and agrees to be bound by (i) any written agreement that may hereafter be executed by Partnership Tenant or any successor entity, changing, extending or discharging this Lease, in whole or in part, or surrendering all or any part of the Premises to Landlord, and (ii) any Notices that may hereafter be given by Partnership Tenant or by any of the parties comprising Partnership Tenant; (c) any Notices given or rendered to Partnership Tenant or to any of such parties shall be binding upon Partnership Tenant and all such parties; (d) if Partnership Tenant admits new partners, all of such new partners shall, by their admission to Partnership Tenant, be deemed to have assumed joint and several liability for the performance of all of the terms, covenants and conditions of this Lease on Tenant's part to be observed and performed; (e) Partnership Tenant shall give prompt notice to Landlord of the admission of any such new partners, and upon demand of Landlord, shall cause each such new partner to execute and deliver to Landlord an agreement in form satisfactory to Landlord, wherein each such new partner assumes joint and several liability for the performance of all the terms, covenants and conditions of this Lease on Tenant's part to be observed and performed (but neither Landlord's failure to request any such agreement nor the failure of any such new partner to execute or deliver any such agreement to Landlord shall vitiate the provisions of clause (d) of this Section 29.1); and (f) any present or future partner of Partnership Tenant who is no longer a partner of Partnership Tenant at the time of any default under this Lease shall, nevertheless, remain liable for the obligations of Tenant under this Lease, as if any such partner had been a partner of Partnership Tenant on the date of such default.

ARTICLE 30

VAULT SPACE

Section 30.1. Notwithstanding anything contained in this Lease or indicated on any sketch, blueprint or plan, any vaults, vault space or other space outside the boundaries of the Real Property are not included in the Premises. Landlord makes no representation as to the location of the boundaries of the Real Property. All vaults and vault space and all other space outside the boundaries of the Real Property which Tenant may be permitted to use or occupy are to be used or occupied under a revocable license, and if any such license is revoked, or if the amount of

such space is diminished or required by any Government Authority or by any public utility company, such revocation, diminution or requisition shall not constitute an actual or constructive eviction, in whole or in part, or entitle Tenant to any abatement or diminution of Rental, or relieve Tenant from any of its obligations under this Lease, or impose any liability upon Landlord. Any fee, tax or charge imposed by any Government Authority for any such vaults, vault space or other space occupied by Tenant shall be paid by Tenant.

ARTICLE 31

SIGNS

Section 31.1. The location, size, materials, quality, design, color, content and font/lettering of any signs desired by Tenant on the entrance doors to the Premises (or adjacent thereto) and in the elevator lobbies on each floor of the Premises shall be subject to the prior approval of Landlord, which shall not be unreasonably withheld or delayed, and shall be in compliance with the standards set forth in the Building Alteration Rules and Regulations. The installation of any such signage shall be performed at Tenant's sole cost. In all events, Tenant shall be permitted to be included in any electronic bulletin or directory and shall have Tenant's Share of the listings therein. Tenant shall have no signage rights in any other part of the Building, except as otherwise provided in Section 31.2. Notwithstanding the foregoing terms of this Section 31.1, Tenant shall be allowed to maintain any signage identifying Tenant existing on the date of this Lease on each floor of the Premises.

Section 31.2. (A) Notwithstanding anything to the contrary contained herein, provided that no Event of Default shall have occurred and then be continuing, and provided further that Tenant and/or its Permitted Transferee shall then occupy at least three (3) full floors of the Premises (without having subleased any portion thereof) (the "Occupancy Threshold"), Tenant, at its sole cost and expense, shall have the non-exclusive right to install and maintain signage at the entrance to the elevator bank in the main lobby of the Building serving the Premises (the "Lobby Elevator Bank Signage"), provided further that the size, materials, quality, design, color, content and font/lettering of such Lobby Elevator Bank Signage and the means of affixing such signage to the Building shall be subject to the prior approval of Landlord in its reasonable discretion, and shall be in compliance with (x) the dimensions and location shown on the rendering annexed hereto as Schedule H and (y) the terms and conditions of Article 6 of this Lease.

(B) At any time that Tenant shall not satisfy the Occupancy Threshold or any of the other conditions set forth in Section 31.2(A) to install or maintain the Lobby Elevator Bank Signage, Landlord may direct Tenant to remove the same, in which event Tenant shall promptly remove said signage, and repair any damage caused to the area from which such signage was removed and restore the same to substantially its condition existing immediately prior to the installation of such signage, at Tenant's cost and expense. In addition, it is agreed that all of Tenant's signage installed pursuant to this Article 31 shall be deemed Specialty Alterations, and Tenant shall remove the same on or prior to the Fixed Expiration Date (as the same may be extended) or within thirty (30) days after the earlier termination of this Lease (it being agreed that Landlord shall not be required to give Tenant any further notice of such

removal requirement pursuant to Section 6.1(C) hereof). Throughout the Term, Tenant shall maintain Tenant's signage at its sole cost and expense.

(C) The rights granted to Tenant in this Section 31.2 shall be personal to the Tenant named in this Lease (or its Permitted Transferee), and may not be assigned to any other Tenant.

ARTICLE 32

BROKER

Section 32.1. Landlord represents and warrants to Tenant that Landlord has not dealt with any broker or Person in connection with this Lease other than the Broker(s). Tenant represents and warrants to Landlord that Tenant has not dealt with any broker or Person in connection with this Lease other than the Broker(s). The execution and delivery of this Lease by Tenant shall be conclusive evidence that Tenant acknowledges that Landlord has relied upon the foregoing representation and warranty. Tenant shall indemnify and hold harmless Landlord from and against any and all claims for commission, fee or other compensation by any Person other than the Broker(s) who claims to have dealt with Tenant in connection with this Lease and for any and all costs incurred by Landlord in connection with such claims, including, without limitation, attorneys' fees and disbursements. This provision shall survive the expiration or earlier termination of this Lease.

ARTICLE 33

INDEMNITY

Section 33.1. Tenant shall not do or permit any act or thing to be done upon the Premises or the Real Property that may subject any Indemnitee to any liability or responsibility for injury, damage to persons or property or to any liability by reason of the existence or application of, compliance with or violation of any Requirement, but shall exercise such control over the Premises as to protect each Indemnitee fully against any such liability and responsibility. Tenant shall indemnify and save harmless the Indemnitees from and against (a) all claims of whatever nature against the Indemnitees arising from any act, omission or negligence of Tenant or Persons Within Tenant's Control, (b) all claims against the Indemnitees arising from any accident, injury or damage whatsoever caused to any person or to the property of any person and occurring in or about the Premises during the Term or during Tenant's occupancy of the Premises, unless and to the extent caused by the act, omission or negligence of Landlord or its principals, officers and employees, (c) all claims against the Indemnitees arising from any accident, injury or damage occurring outside of the Premises but anywhere within or about the Real Property, where such accident, injury or damage results or is claimed to have resulted from an act, omission or negligence of Tenant or Persons Within Tenant's Control, and (d) any breach, violation or non-performance of any covenant, condition or agreement contained in this Lease to be fulfilled, kept, observed and performed by Tenant. This indemnity and hold harmless agreement shall include indemnity from and against any and all liability, fines, suits, demands, costs and expenses of any kind or nature (including, without limitation, attorneys' fees and disbursements) incurred in, or in connection with, any such claim or proceeding brought thereon, and the defense thereof, and all collection costs (including, without limitation, attorneys'

fees and disbursements) incurred by Landlord in enforcing this indemnity provision against Tenant.

Section 33.2. If any claim, action or proceeding is made or brought against any Indemnitee, against which claim, action or proceeding Tenant is obligated to indemnify such Indemnitee pursuant to the terms of this Lease, then, upon demand by the Indemnitee, Tenant, at its sole cost and expense, shall resist or defend such claim, action or proceeding in the Indemnitee's name, if necessary, by such attorneys as the Indemnitee may select, including, without limitation, attorneys for the Indemnitee's insurer. The provisions of this Article 33 shall survive the expiration or earlier termination of this Lease.

ARTICLE 34

ADJACENT EXCAVATION; SHORING

Section 34.1. If an excavation shall be made upon land adjacent to the Building, or shall be authorized to be made, Tenant shall, upon reasonable advance notice, afford to the person causing or authorized to cause such excavation, license to enter upon the Premises for the purpose of doing such work as said person shall deem necessary to preserve the walls of the Building from injury or damage and to support the same by proper foundations without any claim for eviction or constructive eviction, damages or indemnity against Landlord, or diminution or abatement of Rental, provided that Tenant continues to have access to the Premises.

ARTICLE 35

SECURITY DEPOSIT

Section 35.1. Tenant shall deposit with Landlord, on or prior to January 1, 2030 (with time being of the essence), the Security Deposit by Letter of Credit (as defined and further described in Section 35.2), as security for the faithful performance and observance by Tenant of the terms, provisions and conditions of this Lease. Tenant agrees that in the event (i) of the occurrence of an Event of Default or (ii) Tenant has defaulted in the performance of any of its obligations under this Lease, including the payment of any item of Rental, and the transmittal of a Notice of default by Landlord is barred by applicable law, Landlord may draw the entire amount of the Letter of Credit and use, apply or retain the whole or any part of such proceeds, to the extent required for the payment of any Fixed Rent, Escalation Rent, or any other sum as to which Tenant is in default, or for any sum that Landlord may expend or may be required to expend by reason of the default (including any damages or deficiency accrued before or after summary proceedings or other re-entry by Landlord). In addition, Landlord may make multiple partial draws upon the Letter of Credit. If Landlord applies or retains any portion or all of the proceeds of the Letter of Credit, Tenant shall forthwith restore the amount so applied or retained by delivering an additional or new Letter of Credit so that, at all times, the amount of the Security Deposit shall be the amount set forth on the Reference Page (subject to Section 35.6). Tenant's failure to restore the amount so applied or retained within ten (10) Business Days after Landlord has drawn upon the Letter of Credit shall constitute an Event of Default under this Lease. Provided there is no uncured default, any balance of the proceeds of the Letter of Credit held by Landlord and not used, applied or retained by Landlord as above provided, and any

remaining Letter of Credit, shall be returned to Tenant promptly after the Expiration Date and after delivery of possession of the entire Premises to Landlord in accordance with the terms of this Lease.

Section 35.2. Tenant shall deliver to Landlord a clean, irrevocable and unconditional letter of credit (such letter of credit, and any replacement thereof as provided herein, is called a "Letter of Credit") issued and drawn upon any commercial bank reasonably approved by Landlord with offices for banking purposes in the City of New York ("Issuing Bank"), which Letter of Credit shall have a term of not less than one (1) year, be in form and content reasonably satisfactory to Landlord, be for the account of Landlord and be in the amount of the Security Deposit set forth on the Reference Page (subject to Section 35.6). The Letter of Credit shall provide that:

(1) The Issuing Bank shall pay to Landlord or its duly authorized representative an amount up to the face amount of the Letter of Credit upon presentation of the Letter of Credit and a sight draft in the amount to be drawn;

(2) The Letter of Credit shall be deemed to be automatically renewed, without amendment, for consecutive periods of one (1) year each during the Term, unless the Issuing Bank sends written notice (the "Non-Renewal Notice") to Landlord by certified or registered mail, return receipt requested, at least sixty (60) days prior to the expiration date of the Letter of Credit, to the effect that it elects not to have such Letter of Credit renewed;

(3) The Letter of Credit delivered in respect of the last year of the Term shall have an expiration date of not earlier than sixty (60) days after the Fixed Expiration Date; and

(4) The Letter of Credit shall be transferable by Landlord as provided in Section 35.4.

The Issuing Bank shall have combined capital, surplus and undivided profits of at least $500 million, a financial strength rating of at least "B", and a long-term bank deposit rating of at least "Aa", as published by Moody's Investors Services, Inc., or its successor (collectively, the "Issuing Bank Criteria"). If at any time during the Term, the Issuing Bank does not maintain the Issuing Bank Criteria, then Landlord may so notify Tenant and, unless Tenant delivers a replacement Letter of Credit from another commercial bank reasonably approved by Landlord meeting the Issuing Bank Criteria within thirty (30) days after receipt of such notice, Landlord may draw the full amount of the Letter of Credit and hold the proceeds in a cash security deposit in accordance with this Article 35.

Section 35.3. Landlord, after receipt of the Non-Renewal Notice, shall have the right to draw the entire amount of the Letter of Credit and to hold the proceeds as a cash Security Deposit. Landlord shall release such proceeds to Tenant upon delivery to Landlord of a replacement Letter of Credit complying with the terms hereof.

Section 35.4. In the event of the sale or lease of the Building or the Real Property, Landlord shall have the right to transfer the Security Deposit, without charge for such transfer, to the purchaser or lessee, and Landlord shall thereupon be released by Tenant from all liability for the return of such Security Deposit. In such event, Tenant agrees to look solely to the new Landlord for the return of said Security Deposit. It is agreed that the provisions hereof shall apply to every transfer or assignment made of the Security Deposit to a new Landlord. Tenant

shall execute such documents as may be necessary to accomplish such transfer or assignment of the Letter of Credit.

Section 35.5. Tenant covenants that it will not assign or encumber, or attempt to assign or encumber, the Security Deposit held hereunder, and that neither Landlord nor its successors or assigns shall be bound by any such assignment, encumbrance, attempted assignment, or attempted encumbrance. In the event that any bankruptcy, insolvency, reorganization or other debtor-creditor proceedings shall be instituted by or against Tenant, its successors or assigns, or any guarantor of Tenant hereunder, the security shall be deemed to be applied to the payment of the Fixed Rent and Additional Rent due Landlord for periods prior to the institution of such proceedings and the balance, if any, may be retained by Landlord in partial satisfaction of Landlord's damages.

Section 35.6. Provided that Tenant shall not then be in default of any of its obligations under this Lease, Tenant may reduce the Security Deposit by the sum of $766,133.35 (to $1,149,200.00) on or after the fifth (5th) anniversary of the Rent Commencement Date, by delivering to Landlord an amendment to the Letter of Credit evidencing the reduction (which Landlord shall promptly countersign if required by the Issuing Bank) or by exchanging a Letter of Credit in compliance with the terms of this Article 35 in the reduced amount with the original Letter of Credit. In no event shall there be a further reduction in the amount of the Security Deposit.

ARTICLE 36

RENT REGULATION

Section 36.1. If at any time or times during the Term of this Lease, the Rental reserved in this Lease is not fully collectible by reason of any Requirement, Tenant shall enter into such agreements and take such other steps (without additional expense to Tenant) as Landlord may request and as may be legally permissible to permit Landlord to collect the maximum rents that may from time to time during the continuance of such legal rent restriction be legally permissible (and not in excess of the amounts reserved under this Lease). Upon the termination of such legal rent restriction: (a) the Rental shall become and thereafter be payable hereunder in accordance with the amounts reserved in this Lease for the remainder of the Term, and (b) Tenant shall pay to Landlord, if legally permissible, an amount equal to (i) the items of Rental that would have been paid pursuant to this Lease but for such legal rent restriction less (ii) the rents paid by Tenant to Landlord during the period or periods such legal rent restriction was in effect. This provision shall survive the expiration or earlier termination of this Lease to the maximum enforceable extent.

ARTICLE 37

COVENANT OF QUIET ENJOYMENT

Section 37.1. Landlord covenants that, upon Tenant paying the Fixed Rent and Additional Rent and observing and performing all the terms, agreements, covenants, provisions and conditions of this Lease on Tenant's part to be observed and performed, Tenant may peaceably and quietly enjoy the Premises, subject nevertheless to the terms and conditions of this Lease, and provided, however, that no eviction of Tenant by reason of the foreclosure of any

Mortgage now or hereafter affecting the Premises or by reason of any termination of any Superior Lease to which this Lease is subject and subordinate, whether such termination is effected by operation of law, by agreement or otherwise, shall be construed as a breach of this covenant nor shall any action by reason thereof be brought against Landlord, and provided further that this covenant shall bind and be enforceable against Landlord or any successor to Landlord's interest, subject to the terms hereof, only so long as Landlord or any successor to Landlord's interest, is in possession and is collecting rent from Tenant but not thereafter.

ARTICLE 38

INTENTIONALLY OMITTED

ARTICLE 39

BANKRUPTCY

Section 39.1. If a petition is filed by or against Tenant under the United States Bankruptcy Code, and without in any way derogating, limiting, invalidating or diminishing the provisions and restrictions contained in Article 15 of this Lease, if Tenant under the authority of the Bankruptcy Code and Court seeks to assume or assign this Lease:

(A) in connection with said assumption, Tenant shall provide adequate assurance of its ability to perform and complete all of its obligations under this Lease in a timely fashion, with TIME BEING OF THE ESSENCE in respect of said performance. The parties hereto agree that adequate assurance shall include, at a minimum, the adequate assurance set forth in this Article 39, which Tenant acknowledges and agrees is commercially reasonable.

(B) no election by Tenant to assume this Lease shall be effective unless each of the following conditions, which Landlord and Tenant acknowledge are commercially reasonable, have been satisfied, and Tenant has acknowledged in writing that: (i) Tenant has cured, or has provided Landlord adequate assurance (as defined below) that within ten (10) days from the date of such assumption Tenant will cure all monetary defaults under this Lease and within thirty (30) days from the date of such assumption Tenant will cure all non-monetary defaults under this Lease; (ii) Tenant has compensated, or has provided to Landlord adequate assurance that within ten (10) days from the date of assumption, Landlord will be compensated for any pecuniary loss incurred by Landlord arising from the default of Tenant as recited in Landlord's written statement of pecuniary loss sent to Tenant; (iii) Tenant has provided Landlord with adequate assurance of the future performance (as defined below) of each of Tenant's obligations under this Lease, but in any event Tenant shall provide Landlord with, and shall replenish and/or renew any then existing Security Deposit; and (iv) Tenant shall have provided Landlord at least thirty (30) days prior written notice of any proceeding concerning the assumption of this Lease.

(C) for purposes of this Section 39.1, Landlord and Tenant acknowledge that "adequate assurance" and "adequate assurance of future performance" shall mean that the Bankruptcy Court shall have entered a final order authorizing the posting, renewal or replenishment of a letter of credit, cash or other collateral to secure Tenant's obligation to

Landlord to cure all monetary and/or non-monetary defaults under this Lease within the time periods set forth above.

(D) in addition to satisfying the terms and conditions of Section 39.1(A) and Section 39.1(B), Tenant shall give notice to Landlord of any proposed assignment setting forth (1) the name and address of the proposed assignee and (2) all of the terms and conditions of the offer and proposed assignment. Tenant shall also deliver to Landlord a statement confirming that the assignee will continue to use the Premises for the Permitted Use. Landlord and Tenant acknowledge that Landlord's asset will be substantially impaired if the trustee in bankruptcy, debtor or debtor in possession or any assignee of Tenant's interest in this Lease makes any use of the Premises other than the Permitted Use. Adequate assurance of future performance of the Lease shall be furnished by the proposed assignee, no later than fifteen (15) days after Tenant has made or received such offer, but in no event later than ten (10) days prior to the date on which Tenant applies to a court of competent jurisdiction for authority and approval to effect the proposed assignment. The description of the adequate assurance of future performance of the proposed assignee in such notice shall include such financial and other information as is necessary to demonstrate that the financial condition and operating performance experience of the proposed assignee and its guarantors, if any, is sufficient to perform in such a manner as to meet and satisfy all obligations under this Lease in a timely fashion, and shall be satisfactory to Landlord in all other respects. Landlord shall have the prior right and option, to be exercised by notice to Tenant given at any time prior to the date on which the court order authorizing such assignment becomes a final order, to accept an assignment of this Lease upon the same terms and conditions, and for the same consideration, if any, as the proposed assignee, less any brokerage commissions which may otherwise be payable out of the consideration to be paid by the proposed assignee for the assignment of this Lease. If this Lease is assigned pursuant to the provisions of the Bankruptcy Code, "adequate assurance of future performance," shall require from the assignee a deposit or posting of a letter of credit in form and substance reasonably satisfactory to Landlord for the performance of its obligations under this Lease in the same amount as required by Section 39.1(B). Any person or entity to whom this Lease is assigned pursuant to the provisions of the Bankruptcy Code shall be deemed without further act or documentation to have assumed all of Tenant's obligations arising under this Lease on and after the date of such assignment. Any such assignee shall, upon demand, execute and deliver to Landlord an instrument confirming such assumption. No provision of this Lease shall be deemed a waiver of Landlord's rights or remedies under the Bankruptcy Code to oppose any assumption and/or assignment of this Lease, to require timely performance of Tenant's obligations under this Lease, or to regain possession of the Premises.

(E) notwithstanding anything in this Lease to the contrary, all amounts payable by Tenant to or on behalf of Landlord under this Lease, whether or not expressly denominated as such, shall constitute "rent" for the purposes of Section 502(b)(6) of the Bankruptcy Code.

ARTICLE 40

MISCELLANEOUS

Section 40.1. This Lease is presented for signature by Tenant and it is understood that this Lease shall not constitute an offer by or be binding upon Landlord unless and until Landlord

shall have executed and delivered a fully executed copy of this Lease to Tenant. This Lease may be executed in one or more counterparts, each of which shall be deemed an original, but all of which when taken together will constitute one and the same instrument. The signature page of any counterpart of this Lease may be detached therefrom without impairing the legal effect of the signature(s) thereon provided such signature page is attached to any other counterpart of this Lease identical thereto except having an additional signature page executed by the other party to this Lease attached thereto. Any counterpart of this Lease may be delivered via facsimile, email or other electronic transmission, and shall be legally binding upon the parties hereto to the same extent as originals.

Section 40.2. The obligations of Landlord under this Lease shall not be binding upon Landlord named herein after the sale, conveyance, assignment or transfer by such Landlord (or upon any subsequent landlord after the sale, conveyance, assignment or transfer by such subsequent landlord) of its interest in the Building or the Real Property, as the case may be, and in the event of any such sale, conveyance, assignment or transfer, Landlord shall be and hereby is entirely freed and relieved of all covenants and obligations of Landlord under this Lease thereafter arising, and the transferee shall be deemed to have assumed, subject to the remaining provisions of this Section 40.2, all obligations of the Landlord under this Lease arising after the effective date of the transfer. No trustee, partner, shareholder, director or officer of Landlord, or of any partner or shareholder of Landlord (collectively, the "Parties") shall have any direct or personal liability for the performance of Landlord's obligations under this Lease, and Tenant shall look solely to Landlord's interest in the Real Property to enforce Landlord's obligations hereunder and shall not otherwise seek any damages against Landlord personally or any of the Parties whatsoever. Tenant shall not look to any other property or assets of Landlord or any property or assets of any of the Parties in seeking either to enforce Landlord's obligations under this Lease or to satisfy a judgment for Landlord's failure to perform such obligations.

Section 40.3. Notwithstanding anything contained in this Lease to the contrary, all amounts payable by Tenant to or on behalf of Landlord under this Lease, whether or not expressly denominated Fixed Rent, Escalation Rent, Additional Rent or Rental, shall constitute "rent" for the purposes of Section 502(b)(7) of the Bankruptcy Code.

Section 40.4. Neither this Lease nor any memorandum of this Lease shall be recorded.

Section 40.5. Except as otherwise expressly stated in this Lease, any consent or approval required to be obtained from Landlord may be granted by Landlord in its sole discretion. In any instance in which Landlord agrees not to act unreasonably, Tenant hereby waives any claim for damages against or liability of Landlord that Tenant may have based upon any assertion that Landlord has unreasonably withheld or unreasonably delayed any consent or approval requested by Tenant, and Tenant agrees that its sole remedy shall be an action or proceeding to enforce any related provision or for specific performance, injunction or declaratory judgment. If with respect to any required consent or approval Landlord is required by the express provisions of this Lease not to unreasonably withhold or delay its consent or approval, and if it is determined in any such proceeding referred to in the preceding sentence that Landlord acted unreasonably, the requested consent or approval shall be deemed to have been granted; however, Landlord shall have no liability whatsoever to Tenant for its refusal or failure to give such consent or approval. Tenant's

sole remedy for Landlord's unreasonably withholding or delaying consent or approval shall be as provided in this Section 40.5.

Section 40.6. If Tenant shall remain in possession of the Premises after the Expiration Date, without the execution by both Tenant and Landlord of a new lease, Tenant, at the election of Landlord, shall be deemed to be occupying the Premises as a Tenant from month-to-month, at a monthly rental equal to the greater of (i) one hundred fifty percent for the first sixty (60) days and 200% thereafter, of the Rental payable during the last month of the Term, or (ii) the then fair market rental value of the Premises, as determined by Landlord, subject to all the other conditions, provisions and obligations of this Lease insofar as the same are applicable to a month-to-month tenancy, including in each case, payment of 100% of the Additional Rent (including, without limitation, Escalation Rent) due hereunder.

Section 40.7. This Lease shall be construed without regard to any presumption or other rule requiring construction against the party causing this Lease to be drafted. If any words or phrases in this Lease are stricken out or otherwise eliminated, whether or not any other words or phrases have been added, this Lease shall be construed as if the words or phrases so stricken out or otherwise eliminated were never included in this Lease and no implication or inference shall be drawn from the fact that such words or phrases were stricken out or otherwise eliminated.

Section 40.8. If at any time Landlord shall maintain a directory in the lobby of the Building, Landlord shall make available to Tenant on such directory, Tenant's Share of the total number of listings available, which listings may include subtenants occupying the Premises in accordance with the terms hereof. From time to time, but not more frequently than once every six (6) months, Landlord shall revise any such directory to reflect such changes in the listings therein as Tenant may request, and Tenant within ten (10) days after demand by Landlord shall pay to Landlord, as Additional Rent, Landlord's Building standard charge for each revision that Tenant requests.

Section 40.9. If any of the provisions of this Lease, or the application thereof to any person or circumstance, shall, to any extent, be invalid or unenforceable, the remainder of this Lease, or the application of such provisions to persons or circumstances other than those as to whom or which it is held invalid or unenforceable, shall not be affected thereby and shall remain valid and enforceable, and every provision of this Lease shall be valid and enforceable to the fullest extent permitted by law.

Section 40.10. Landlord shall have the right to erect any gate, chain or other obstruction or to close off any portion of the Real Property to the public at any time to the extent necessary to prevent a dedication thereof for public use.

Section 40.11. Tenant hereby represents to Landlord that it is not entitled, directly or indirectly, to diplomatic or sovereign immunity and Tenant agrees that in all disputes arising directly or indirectly out of this Lease Tenant shall be subject to service of process in, and the jurisdiction of the courts of, the State of New York. The provisions of this Section 40.11 shall survive the expiration of this Lease.

Section 40.12. This Lease contains the entire agreement between the parties and all prior negotiations and agreements are merged into this Lease. This Lease may not be changed, abandoned or discharged, in whole or in part, nor may any of its provisions be waived except by a written agreement that (a) expressly refers to this Lease, (b) is executed by the party against whom enforcement of the change, abandonment, discharge or waiver is sought and (c) is permissible under the Mortgage(s) and the Superior Lease(s).

Section 40.13. Any apportionment or prorations of Rental to be made under this Lease shall be computed on the basis of a three hundred sixty (360) day year, with twelve (12) months of thirty (30) days each.

Section 40.14. This Lease shall be governed by the laws of the State of New York without regard to conflict of laws principles.

Section 40.15. If Tenant is a corporation or a limited liability company or a limited liability partnership, each person executing this Lease on behalf of Tenant hereby covenants, represents and warrants that Tenant is a duly incorporated or duly qualified (if foreign) and is authorized to do business in the State of New York (a copy of evidence thereof to be supplied to Landlord upon request); and that each person executing this Lease on behalf of Tenant is an officer or member or partner of Tenant and that he or she is duly authorized to execute, acknowledge and deliver this Lease to Landlord (a copy of a resolution to that effect to be supplied to Landlord upon request).

Section 40.16. The captions are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope of this Lease nor the intent of any provision thereof.

Section 40.17. The covenants, conditions and agreements contained in this Lease shall bind and inure to the benefit of Landlord and Tenant and their respective legal representatives, successors, and, except as otherwise provided in this Lease, their assigns.

Section 40.18. From and after the date of this Lease, Tenant and Persons Within Tenant's Control shall maintain the terms and conditions of this Lease confidential and, without Landlord's prior written consent, shall neither discuss nor disclose the terms and conditions of this Lease with any tenant or occupant of the Building or with any other person, other than (i) the Broker, (ii) the attorneys who are representing Tenant in connection with this Lease, (iii) Tenant's accountants and (iv) any proposed subtenant of the Premises or assignee of this Lease and only if and to the extent such other parties listed in clauses (i) to (iv) inclusive are informed by Tenant of the confidential nature of this Lease and shall agree to act in accordance with the provisions of this Section, or (v) if required to do so to enforce the terms of this Lease, or as may otherwise be required to be disclosed by law or judicial process; provided that, if Tenant is required or requested by legal process to disclose the terms and conditions of this Lease, Tenant shall provide Landlord with prompt notice of such requirement or request and unless Landlord waives the confidentiality requirements of this Lease, Tenant shall cooperate with Landlord in obtaining an appropriate protective order regarding such disclosure. Tenant acknowledges that a breach or threatened breach of this Section will cause irreparable injury and damage to Landlord, and, therefore, agrees that, in addition to any other remedies that may be

available to Landlord, Landlord shall be entitled to an injunction and/or other equitable relief (without the requirement of posting a bond or other security) as a remedy for a breach or threatened breach of this Section and to secure its enforcement.

Section 40.19. Within ninety (90) days after the end of each of Tenant's fiscal years, Tenant shall furnish to Landlord a copy of Tenant's audited financial statement for the preceding fiscal year. If Tenant does not have an audited financial statement, it may deliver to Landlord a copy of the financial statement certified to be true and correct by an officer of Tenant. Notwithstanding the foregoing, provided that Tenant is a publicly traded company on a nationally recognized stock exchange, Tenant shall not be required to provide the financial statement described above.

Section 40.20. For the purposes of this Lease and all agreements supplemental to this Lease, unless the context otherwise requires:

(A) The words "herein", "hereof", "hereunder" and "hereby" and words of similar import shall be construed to refer to this Lease as a whole and not to any particular Article or Section unless expressly so stated.

(B) Tenant's obligations hereunder shall be construed in every instance as conditions as well as covenants, each separate and independent of any other terms of this Lease.

(C) Reference to Landlord as having "no liability" or being "without liability" shall mean that Tenant shall not be entitled to terminate this Lease, or to claim actual or constructive eviction, partial or total, or to receive any abatement or diminution of rent, or to be relieved in any manner of any of its other obligations hereunder, or to be compensated for loss or injury suffered or to enforce any other right or liability whatsoever against Landlord under or with respect to this Lease or with respect to Tenant's use or occupancy of the Premises.

(D) Reference to "termination of this Lease" or "expiration of this Lease" and words of like import includes expiration or sooner termination of this Lease and the Term and the estate hereby granted or cancellation of this Lease pursuant to any of the provisions of this Lease or to law. Upon the termination of this Lease, the Term and estate granted by this Lease shall end at noon on the date of termination as if such date were the Fixed Expiration Date, and neither party shall have any further obligation or liability to the other after such termination except (i) as shall be expressly provided for in this Lease, and (ii) for such obligations as by their nature under the circumstances can only be, or by the provisions of this Lease, may be, performed after such termination, and, in any event, unless expressly otherwise provided in this Lease, any liability for a payment (which shall be apportioned as of such termination) which shall have accrued to or with respect to any period ending at the time of termination shall survive the termination of this Lease.

(E) Words and phrases used in the singular shall be deemed to include the plural and vice versa, and nouns and pronouns used in any particular gender shall be deemed to include any other gender.

(F) The rule of "ejusdem generis" shall not be applicable to limit a general statement following or referable to an enumeration of specific matters to matters similar to the matters specifically mentioned.

Section 40.21. Notwithstanding anything to the contrary contained herein, in no event shall Landlord or the Parties be liable for consequential or punitive damages under this Lease.

Section 40.22.

(A) Tenant represents and warrants that to its actual knowledge (a) Tenant and each person or entity owning an interest in Tenant is (i) not currently identified on the Specially Designated Nationals and Blocked Persons List maintained by the Office of Foreign Assets Control, Department of the Treasury ("OFAC") and/or on any other similar list maintained by OFAC pursuant to any authorizing statute, executive order or regulation (collectively, the "List"), and (ii) not a person or entity with whom a citizen of the United States is prohibited to engage in transactions by any trade embargo, economic sanction , or other prohibition of United States law, regulation, or Executive Order of the President of the United States, (b) none of the funds of Tenant have been derived from any unlawful activity with the result that the investment in Tenant is prohibited by law or that this Lease is in violation of law, and (c) Tenant has implemented procedures, and will consistently apply those procedures, to ensure that the foregoing representations and warranties remain true and correct at all times. The term "Embargoed Person" means any person, entity or government subject to trade restrictions under U.S. law, including but not limited to, the International Emergency Economic Powers Act, 50 U.S.C. §1701 et seq., The Trading with the Enemy Act, 50 U.S.C. App. 1 et seq., and any Executive Orders or regulations promulgated thereunder with the result that the investment in Tenant is prohibited by law or Tenant is in violation of law.

(B) Tenant covenants and agrees (a) to comply with all Requirements relating to money laundering, anti-terrorism, trade embargos and economic sanctions, now or hereafter in effect, (b) to immediately notify Landlord in writing if any of the representations, warranties or covenants set forth in Sections 40.22(A) and/or (B) are no longer true or have been breached or if Tenant has a reasonable basis to believe that they no may no longer be true or have been breached, (c) not to use funds from any "Prohibited Person" (as such term is defined in the September 24, 2001 Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism) to make any payment due to Landlord under this Lease, and (d) at the request of Landlord, to provide such information as may be requested by Landlord to determine Tenant's compliance with the terms hereof.

(C) Tenant hereby acknowledges and agrees that Tenant's inclusion on the List at any time during the Term shall be a material default of this Lease. Notwithstanding anything herein to the contrary, Tenant shall not permit the Premises or any portion thereof to be used or occupied by any person or entity on the List or by any Embargoed Person (on a permanent, temporary or transient basis), and any such use or occupancy of the Premises by any such person or entity shall be a material default of this Lease.

(D) In connection with this Lease or any proposed assignment of this Lease or sublease, Tenant shall provide to Landlord the names of the persons holding an ownership

interest in Tenant or any proposed assignee or sublessee, as applicable, for purposes of compliance with Presidential Executive Order 13224 (issued September 24, 2001), as amended.

ARTICLE 41

OPTION TO RENEW

Section 41.1. Provided that: (i) this Lease shall be in full force and effect as of the date of the Renewal Notice (as hereinafter defined) and as of the Fixed Expiration Date; (ii) there shall not then be an existing default under this Lease beyond any applicable notice and cure period; and (iii) Tenant (or its Permitted Transferee) shall be in actual physical occupancy of no less than one hundred (100%) percent of the rentable area of the Premises on the date of the Renewal Notice and upon the commencement of the Renewal Term (subject to casualty and condemnation), Tenant shall have one (1) option (the "Renewal Option") to extend the Term of this Lease for a five (5) year period (the "Renewal Term") commencing on the day immediately following the Fixed Expiration Date and ending on the fifth (5th) anniversary of the Fixed Expiration Date. Such option shall be exercisable by written notice (the "Renewal Notice") given to Landlord not later than the day which is twelve (12) months prior to the Fixed Expiration Date (time being of the essence). Notwithstanding the foregoing, Landlord, in its sole discretion, may waive any default by Tenant and no such default may be used by Tenant to negate the effectiveness of Tenant's exercise of this option. The Renewal Term shall constitute an extension of the Term of this Lease and shall be upon all of the same terms and conditions as the existing Term, except that (A) there shall be no further option to renew the Term of this Lease in the Renewal Term, (B) Landlord shall not be required to furnish any materials or perform any work to prepare the Premises for Tenant's continued occupancy and Landlord shall not be required to reimburse Tenant for any Alterations made or to be made by Tenant, and (C) the Fixed Rent for the Renewal Term shall be payable at a rate per annum equal to the Fair Rental Value for the Premises as of the first day of the Renewal Term. During the Renewal Term, all Additional Rent that Tenant is obligated to pay under Article 3 of this Lease during the existing Term hereof shall continue without interruption, it being the intention of the parties hereto that the Renewal Term shall be deemed a part of and continuation of the existing Term of this Lease.

Section 41.2. If Tenant has given the Renewal Notice in accordance with Section 41.1, the parties shall make good faith efforts to agree upon the Fair Rental Value of the Premises, determined as of the commencement date of the Renewal Term. In the event that the parties are unable to agree upon the Fair Rental Value for the Renewal Term within six (6) months prior to the first day of the Renewal Term, then the same shall be determined as follows.

(A) Landlord, at any time within such six (6) month period or within thirty (30) days after Tenant's request, shall notify Tenant of Landlord's good faith determination of the Fair Rental Value, which shall constitute the maximum that Landlord can claim is the Fair Rental Value of the Premises for the Renewal Term in any arbitration thereof ("Landlord's Maximum Determination"). Within thirty (30) days after Landlord shall have given Tenant Landlord's Maximum Determination (time being of the essence), Tenant shall notify Landlord whether Tenant disputes Landlord's Maximum Determination and, if Tenant disputes Landlord's Maximum Determination, Tenant shall set forth in such notice Tenant's

good faith determination of the Fair Rental Value of the Premises for the Renewal Term, which shall constitute the minimum that Tenant can claim is the Fair Rental Value for the Premises for the Renewal Term in any arbitration or dispute thereof ("Tenant's Minimum Determination"). If Tenant fails to dispute Landlord's Maximum Determination or to set forth Tenant's Minimum Determination within the time period set forth above (time being of the essence), then Tenant shall be deemed to have accepted Landlord's Maximum Determination as the Fair Rental Value. If Landlord fails to notify Tenant of Landlord's Maximum Determination within thirty (30) days after Tenant's request therefor, then Tenant may notify Landlord of Tenant's Minimum Determination, in which event Landlord may notify Tenant whether Landlord disputes Tenant's Minimum Determination within forty-five (45) days after Tenant's notice thereof (time being of the essence) and set forth in such notice Landlord's Maximum Determination.

(B) If Landlord and Tenant dispute the determination of Fair Rental Value, and Landlord and Tenant fail to agree as to the amount thereof within thirty (30) days after the exchange of Landlord's Maximum Determination and Tenant's Minimum Determination, then the dispute shall be resolved by arbitration as set forth in Section 41.2(C) below. The parties agree to cooperate throughout the arbitration proceeding and to pursue an expeditious resolution thereof. If the dispute shall not have been resolved on or before the first day of the Renewal Term, then pending such resolution, Tenant shall pay, as Fixed Rent for the Renewal Term, an amount equal to the average of Landlord's Maximum Determination and Tenant's Minimum Determination (the "Temporary Average Amount"). If such resolution shall be less than the Temporary Average Amount, then within thirty (30) days after the final determination of Fair Rental Value, Landlord shall refund to Tenant any overpayment, and if such resolution shall be more than the Temporary Average Amount, then within thirty (30) days after the final determination of Fair Rental Value, Tenant shall pay to Landlord any underpayment.

(C) (1) Any dispute as to Fair Rental Value shall be determined as follows: A senior officer of a recognized New York City leasing brokerage firm (the "Baseball Arbitrator"), shall be selected by Landlord and reasonably approved by Tenant, and shall be paid for jointly by Landlord and Tenant. If Landlord and Tenant are unable to agree upon the Baseball Arbitrator, then the same shall be designated by the AAA. The Baseball Arbitrator selected by the parties or designated by the AAA shall not have been employed or hired, nor be employed or hired by a leasing or brokerage firm employed or hired, by Landlord (or its affiliates or the Manager) or Tenant during the previous three (3) year period and shall have at least ten (10) years' experience in (i) the leasing of office space in midtown Manhattan, or (ii) the appraisal of first class office buildings in midtown Manhattan.

(2) Landlord and Tenant shall each submit to the Baseball Arbitrator and to the other its determination of the Fair Rental Value for the Renewal Term, as set forth above; provided, however that (x) Landlord's such determination of the Fair Rental Value for the Renewal Term ("Landlord's Determination") may not be greater than Landlord's Maximum Determination, and (y) Tenant's such determination of the Fair Rental Value for the Renewal Term ("Tenant's Determination") may not be less than Tenant's Minimum Determination. The Baseball Arbitrator shall determine which of Landlord's Determination and Tenant's Determination more closely represents the Fair Rental Value for the Renewal Term, taking into account all relevant factors, whether favorable to Landlord or Tenant. The Baseball

Arbitrator may not select any other rental value for the Renewal Term other than Landlord's Determination or Tenant's Determination, and such determination of the Baseball Arbitrator shall serve as the Fair Rental Value for the Renewal Term.

(3) Landlord and Tenant hereby agree to, and hereby do: (i) waive any and all rights either of them at any time may have to revoke their agreement hereunder to submit to arbitration as set forth in this Article 41; (ii) consent to the entry of judgment in any court upon any award rendered in any arbitration held pursuant to this Article and; (iii) acknowledge that any award rendered in any arbitration held pursuant to this Article, whether or not such award has been entered for judgment, shall be final and binding upon Landlord and Tenant.

(D) After the Fixed Rent payable for the Renewal Term has been agreed to or otherwise determined as set forth in this Article 41, the parties shall execute and deliver an instrument setting forth same, but the failure to so execute and deliver any such instrument shall not affect the determination of such Fixed Rent in accordance with this Article 41.

Section 41.3. The rights granted to Tenant in this Article 41 shall be personal to the Tenant named in this Lease (or its Permitted Transferee), and may not be assigned to any other Tenant.

ARTICLE 42

RIGHT OF FIRST OFFER

Section 42.1. As used herein:

(A) "Available" means, as to each Offer Space (as hereinafter defined), that such space is vacant and free of any present or future possessory right now existing in favor of any third party. Notwithstanding the foregoing, such space shall not be deemed Available and Landlord shall not be obligated to notify Tenant of the Availability of such space if Landlord is negotiating an extension of a lease or a new direct lease with an existing tenant or occupant of such space, and Landlord shall be free to enter into any such extension of lease or new direct lease.

(B) "Offer Space" shall mean each of the following: (i) the entire rentable area of the seventh (7th) floor of the Building, and (ii) the entire rentable area of the tenth (10th) floor of the Building.

Section 42.2. (A) Provided that (i) this Lease shall be in full force and effect, (ii) there shall not then be an existing Event of Default under this Lease, (iii) Tenant or a Permitted Transferee shall be the tenant under this Lease, (iv) Tenant or a Permitted Transferee shall be in physical occupancy of the entire rentable area of the Premises, and (v) as of the Anticipated Inclusion Date (as defined below), there shall be at least three (3) full years remaining in the Term, if an Offer Space becomes, or Landlord reasonably anticipates that such Offer Space will become, Available, Landlord shall give to Tenant notice (an "Offer Notice") thereof, specifying (a) the applicable Offer Space and the rentable square footage thereof, (b)

Landlord's determination of the Fair Rental Value of such Offer Space, which shall constitute the maximum thereof Landlord can claim as the Fair Rental Value for such space in any arbitration thereof ("Landlord's Maximum Offer Determination"), (c) the date or estimated date that the applicable Offer Space has or shall become Available (the "Anticipated Inclusion Date"), which shall be at least two (2) months after the date of the Offer Notice, and (d) any other relevant economic terms, including concessions, selected by Landlord which Landlord in good faith believes is then customary in the marketplace. Notwithstanding the foregoing, if as of the Anticipated Inclusion Date, there shall be less than three (3) full years remaining in the Term when Offer Space has or is anticipated to become available, Landlord shall nevertheless give Tenant the Offer Notice so long as Tenant shall then have the right to exercise the Renewal Option hereunder, provided that then, as a further condition of Tenant's exercise of the Offer Space Option (as hereinafter defined), Tenant must simultaneously exercise the Renewal Option.

(B) Provided that on the date that Tenant exercises the Offer Space Option and on the Offer Space Inclusion Date (as hereinafter defined) the conditions described in clauses (i) through (v) of Section 42.2(A) continue to be satisfied, Tenant shall have one (1) option (the "Offer Space Option"), exercisable by notice (an "Acceptance Notice") given to Landlord on or before the date that is ten (10) Business Days after the giving of the Offer Notice (time being of the essence) to include the applicable Offer Space in the Premises for a term ending on the Fixed Expiration Date, as same may be extended pursuant to Article 41 hereof (it being agreed that if there shall not be at least three (3) years remaining in the Term as of the Anticipated Inclusion Date, then Tenant shall still have the right to lease the Offer Space if Tenant shall simultaneously exercise the Renewal Option and thereby have at least three (3)) years remaining in the Term (including any Renewal Term)). Tenant shall notify Landlord in the Acceptance Notice whether Tenant accepts or disputes Landlord's Maximum Offer Determination (if applicable), and if Tenant disputes Landlord's Maximum Offer Determination, the Acceptance Notice shall set forth Tenant's good faith determination of the Fair Rental Value for the applicable Offer Space, which shall constitute the minimum that Tenant can claim as the Fair Rental Value for such space in any arbitration thereof ("Tenant's Minimum Offer Determination"). If Tenant fails to object to Landlord's Maximum Offer Determination in the Acceptance Notice and to set forth therein Tenant's Minimum Offer Determination, then Tenant shall be deemed to have accepted Landlord's Maximum Offer Determination as the Fair Rental Value for the applicable Offer Space.

Section 42.3. If Tenant timely delivers the Acceptance Notice, then, on the date on which Landlord delivers vacant, in good order and condition (including with the Building Systems serving the same in good working order), and broom-clean possession of the Offer Space to Tenant (the "Offer Space Inclusion Date"), the Offer Space shall become part of the Premises, upon all of the terms and conditions set forth in this Lease, except (i) the Fixed Rent for the Offer Space shall be as determined pursuant to Section 42.2(B) or Section 42.4, (ii) unless otherwise specified by Landlord in the Offer Notice, Landlord shall not be required to perform any work, pay a Landlord's contribution or a work allowance or any other amount, or render any services to make the Building or the applicable Offer Space ready for Tenant's use or occupancy, and Tenant shall accept the applicable Offer Space vacant, free of any possessory interest thereon, in good order and condition (including with the Building Systems serving the same in good working order), broom clean and otherwise in its "as is" condition as of the date

of the Offer Notice, reasonable wear and tear excepted; (iii) Tenant shall deliver an additional Security Deposit equal to the number of months of Fixed Rent then held by Landlord under Article 35, multiplied by the Fixed Rent for the Offer Space; (iv) Tenant shall receive an allocation of condenser water applicable to the Offer Space (it being agreed that the applicable Maximum Number of Tons shall be fifteen (15) tons per full floor of the Offer Space); and (v) as may be otherwise reasonably set forth in the Offer Notice.

Section 42.4. If in the Acceptance Notice Tenant disputes Landlord's determination of Fair Rental Value, and Landlord and Tenant fail to agree as to the amount thereof within thirty (30) days after the giving of the Acceptance Notice, then the dispute shall be resolved by arbitration as set forth in Article 41. If the dispute shall not have been resolved on or before the Offer Space Inclusion Date, then pending such resolution, Tenant shall pay, as Fixed Rent for the Offer Space, an amount equal to the average of Landlord's Maximum Offer Determination and Tenant's Minimum Offer Determination. If such resolution shall be in favor of Tenant, then within thirty (30) days after the final determination of Fair Rental Value, Landlord shall refund to Tenant any overpayment and if such resolution shall be in favor of Landlord, then within thirty (30) days after the final determination of Fair Rental Value for the Renewal Term, Tenant shall pay to Landlord the amount of any underpayment.

Section 42.5. If Landlord is unable to deliver possession of the Offer Space to Tenant for any reason on or before the Anticipated Inclusion Date, the Offer Space Inclusion Date shall be the date on which Landlord is able to so deliver possession and Landlord shall have no liability to Tenant therefor and this Lease shall not in any way be impaired. If an existing tenant of the Offer Space holds over, Landlord shall use commercially reasonable efforts, which may include the commencement of an eviction action against such holdover tenant, if such action is determined by Landlord to be commercially reasonable in the circumstances, to obtain possession of the Offer Space. Notwithstanding anything to the contrary contained herein, if Landlord is unable to deliver possession of the Offer Space to Tenant by the date that is twelve (12) months after the Anticipated Inclusion Date (the "Offer Space Outside Date"), then Tenant shall have the right, as Tenant's sole and exclusive remedy for such delay, at any time within the thirty (30) day period next following the Offer Space Outside Date (but before the Offer Space Inclusion Date shall have occurred), but not thereafter (with time being of the essence), to rescind Tenant's exercise of the Offer Space Option upon written notice to Landlord, effective the tenth (10th) day after such notice is given, failing which Tenant shall be deemed to have waived Tenant's right to rescind such exercise of the Offer Space Option. The parties hereto acknowledge and agree that such rescission right shall be Tenant's sole and exclusive remedy if the Offer Space Inclusion Date shall not have occurred on or before the Offer Space Outside Date, and that Landlord shall have no other liability for failure to give Tenant possession of the Offer Space. This Section 42.5 constitutes "an express provision to the contrary" within the meaning of Section 223-a of the New York Real Property Law and any other law of like import now or hereafter in effect.

Section 42.6. If, after receiving an Offer Notice as set forth above, Tenant fails timely to give an Acceptance Notice, then (i) Landlord may enter into one or more leases of the applicable Offer Space with third parties on such terms and conditions as Landlord shall determine, the applicable Offer Space Option shall be null and void and of no further force and effect with respect to the applicable Offer Space and Landlord shall have no further obligation

to offer such Offer Space to Tenant, and (ii) Tenant shall, as soon as reasonably practicable after demand by Landlord, execute an instrument reasonably satisfactory to Landlord and Tenant confirming Tenant's waiver of such Offer Space Option.

Section 42.7. Promptly after the occurrence of an Offer Space Inclusion Date, Landlord and Tenant shall confirm the occurrence thereof and the inclusion of the applicable Offer Space in the Premises by executing an instrument reasonably satisfactory to Landlord and Tenant; provided, however, that failure by Landlord or Tenant to execute such instrument shall not affect the inclusion of the Offer Space in the Premises in accordance with this Article 42.

Section 42.8. The rights granted to Tenant in this Article 42 shall be personal to the Tenant named in this Lease (or its Permitted Transferee), and may not be assigned to any other Tenant.

* * *

IN WITNESS WHEREOF, Landlord and Tenant have duly executed this Lease as of the day and year first above written.

LANDLORD:

1250 BROADWAY ASSOCIATES LLC, a Delaware limited liability company

By: /s/ Wendy Mosler
Name: Wendy Mosler
Title: President

TENANT:

MAGNITE, INC., a Delaware corporation

By: /s/ Michael Barrett
Name: Michael Barrett
Title: Chief Executive Office

Tenant's Federal Employer Identification Number

_____

SCHEDULE A-1

FLOOR PLAN OF THE EIGHTH FLOOR PREMISES

SCHEDULE A-2

FLOOR PLAN OF THE NINTH FLOOR PREMISES

SCHEDULE B

BUILDING ALTERATION RULES AND REGULATIONS

SCHEDULE C

GENERAL CLEANING SPECIFICATIONS

SCHEDULE D

FORM OF EXISTING MORTGAGEE SNDA

SCHEDULE E

RULES AND REGULATIONS

SCHEDULE F

HVAC SPECIFICATIONS

SCHEDULE G

OVERTIME RATES

SCHEDULE H

LOBBY ELEVATOR BANK SIGNAGE SPECIFICATIONS

MAGNITE, INC.

INSIDER TRADING POLICY

1. BACKGROUND AND PURPOSE.

The federal securities laws prohibit any member of the Board of Directors (the "**Directors**") of Magnite, Inc. (together with its subsidiaries, the "**Company**") and any employee of the Company from purchasing, selling, gifting, or otherwise trading Company securities (which include stocks, bonds, debentures, options, puts and calls) on the basis of "**material nonpublic information**" concerning the Company, or from disclosing material nonpublic information to others who might trade on the basis of that information. You are responsible for seeing that you do not violate federal or state securities laws or this Policy. We designed this Policy to promote compliance with the federal securities laws and to help protect the Company and you from the serious liabilities and penalties that can result from violations of these laws. These laws impose severe sanctions on individuals who violate them. In addition, the SEC has the authority to impose large fines on the Company and on the Directors, executive officers and controlling stockholders if the Company's employees engage in insider trading and the Company has failed to take appropriate steps to prevent it (so-called "**Controlling Person**" liability).

Information is generally considered "**material**" if there is a likelihood a reasonable investor would consider such information important in making a decision to buy, hold, or sell securities. Either positive or negative information may be material. Information regarding the following subjects is often considered to be material and should be carefully assessed in context: actual financial results prior to general release; revenue or earnings estimates or other forecasts; extraordinary management developments; securities offerings; significant reductions in force or layoffs; major price or marketing changes; addition or loss of significant customers or business; significant customer disputes; commencement or termination of significant commercial relationships; development of new products or technologies; strategic plans; decision to increase, decrease, commence, resume or terminate payment of dividends; acquisitions or dispositions, including mergers and tender offers; purchase or sale of substantial assets; significant borrowing; liquidity problems; significant contingent liabilities; significant changes in debt ratings; business interruptions as a result of an accident, fire or natural disaster; data or security breaches or cyber-related incidents and vulnerabilities; and significant litigation or investigations by government bodies. The foregoing is not an exhaustive list; information regarding many other subjects may also be material.

"**Nonpublic**" information is information that is not generally known or available to the public. We consider information to be available to the public only when: (i) it has been released by the Company through appropriate channels (e.g., by means of an SEC filing, a press release or a widely disseminated statement from a senior officer); and (ii) enough time has elapsed to permit the investment market to absorb and evaluate the information. As a general rule, you should consider information to be nonpublic until two full trading days have lapsed following public disclosure.

If you are unsure of whether you possess material nonpublic information, please contact the Company's Chief Legal Officer or his or her designee, who will address your concerns. For purposes of enforcement of this Policy, the Chief Legal Officer or his or her designee shall serve as the Company's Compliance Officer for purposes of this policy. This insider trading policy (the "**Policy**") is being adopted in light of these legal requirements, and with the following goals:

- preventing inadvertent violations of the insider trading laws;
- avoiding embarrassing proxy disclosure of reporting violations by persons (*i.e.*, the Section 16 Officers) subject to Section 16 of the Securities Exchange Act of 1934, as amended (the "**Exchange Act**");
- avoiding even the appearance of impropriety on the part of those employed by, or associated with, the Company;
- protecting the Company from Controlling Person liability; and
- protecting the reputation of the Company, its Directors and its employees.

2. PROHIBITION ON TRADING WHILE AWARE OF MATERIAL NONPUBLIC INFORMATION; PROHIBITION ON TIPPING OTHERS.

2.1 This Section 2 of the Policy applies to the following persons:

- all Directors;
- all employees;
- all family members or life partners of Directors and employees who share the same address as, are financially dependent on, or whose transactions in the Company's securities are influenced, controlled or directed by the Director or employee;
- all corporations, partnerships, trusts or other entities owned or controlled by any of the above persons; and
- those consultants that may be designated by the Company from time to time.

2.2 Persons covered by this Section 2 may not:

- purchase, sell, pledge, gift, donate, or otherwise transact in any securities of the Company while aware of any material nonpublic information concerning the Company;

- disclose to any other person (inside or outside of the Company) any material nonpublic information concerning the Company or suggest, while aware of material nonpublic information about the Company that anyone purchase or sell any Company securities; provided, however, that this Policy does not restrict legitimate business communications to Company personnel who require the information in order to perform their business duties;

- purchase, sell, pledge, donate or otherwise transact in any securities of another company while aware of any material nonpublic information concerning such other company, which information was learned in the course of service as a Director or employee (or as a family member or life partner of a Director or employee) of the Company; or

- disclose to any other person any material nonpublic information concerning another company, which information was learned in the course of service as a Director or employee (or as a family member or life partner of a Director or employee) of the Company; provided, however, that this Policy does not restrict legitimate business communications to Company personnel who require the information in order to perform their business duties.

2.3 There is no exception for small transactions or transactions that may seem necessary or justifiable for independent reasons, such as the need to raise money for an emergency expenditure.

2.4 The prohibition on purchases, sales, pledges, gifts, or other acquisitions or dispositions of Company securities, while aware of "material nonpublic information" concerning the Company, does not apply to Exempt Transactions (as defined in Section 3.3).

2.5 The prohibitions on disclosure of material nonpublic information concerning the Company, and material nonpublic information concerning another company learned in the course of services to the Company, do not limit other obligations to maintain confidentiality of confidential information of the Company or third parties with which the Company does business.

3. **BLACKOUT PERIODS.**

3.1 The prohibitions in Section 3.2 of the Policy apply to the following persons:

- all Directors;

- all Section 16 officers, as defined by the Securities Exchange Commission rules ("**Section 16 Officers**");

- such other employees as are designated from time to time by the Board or its Nominating & Governance Committee, or the Chief Legal Officer ("**Other Designated Employees**");

- all family members or life partners of Directors, Section 16 Officers and Other Designated Employees who share the same address as, are financially dependent on, or whose transactions in the Company's securities are influenced, controlled or directed by the Director, Section 16 Officer or Other Designated Employee; and

- all corporations, partnerships, trusts or other entities owned or controlled by any of the above persons; and

- those consultants that may be designated by the Company from time to time.

3.2 No person described in Section 3.1 may purchase, sell, pledge, donate, or otherwise transact in any securities of the Company during the following time periods (each, a "**Corporate Blackout Period**"):

- beginning upon the close of regular trading hours on the fifteenth day of the last month of each fiscal quarter (or the previous trading day if the fifteenth is not a trading day) and ending upon the day after the completion of two full-day trading sessions of the principal exchange or market system upon which the Company's common stock trades following the filing of the SEC report on Form 10-Q or Form 10-K that includes financial statements for the most recently completed fiscal quarter or year of the Company;

- beginning at the time of any public earnings-related announcement or public announcement of a significant corporate transaction or event and ending upon the completion of the second full trading day after such announcement; or

- during such other periods as may be established from time to time by the Board or its Nominating & Governance Committee, or the Chief Legal Officer in light of particular events or developments affecting the Company.

In addition, no person covered by this Section 3 shall inform a person not covered by this Section 3 that a Corporate Blackout Period imposed as a result of particular events or developments is in effect.

3.3 The prohibitions in Section 3.2 do not apply to any of the following (each, an "**Exempt Transaction**"):

- purchases made under an employee stock purchase plan operated by the Company; provided, however, that the securities so acquired may not be sold during a Corporate Blackout Period or otherwise in violation of this Policy;

- (i) "cash" exercises of stock options in payment of the exercise price and any applicable taxes, in a manner permitted by the Company, (ii) the surrender of shares to the Company, or automatic and non-discretionary sales by a broker pursuant to a pre-established plan or agreement to cover the tax obligations of the employee in connection with the vesting of awards (which for the avoidance of doubt does not have to be a Trading Plan as defined below, but rather can be a Company-wide approach as permitted by the Company's equity incentive plans and award agreements thereunder), and (iii) an award of Company securities pursuant a Company equity incentive plan; provided, however, that any securities acquired under this provision may not be sold (either outright or in connection with a "cashless" exercise transaction through a broker) during a Corporate Blackout Period (unless pursuant to a Trading Plan as defined below) or otherwise in violation of this Policy; an acquisition of Company securities pursuant to a stock split, stock dividend or pro rata distribution to Company stockholders;

- an acquisition or disposition of Company securities pursuant to a domestic relations order, as defined in the Internal Revenue Code;

- transfers to any trust for the direct or indirect benefit of the transferee or his or her family, or other transfers for estate or tax planning purposes that do not change beneficial ownership; and

- purchases or sales made pursuant to a binding contract, written plan or specific instruction that is adopted and operated in compliance with Rule 10b5-1 under the Exchange Act (a "**Trading Plan**"), provided such Trading Plan: (1) is in writing; (2) satisfies the requirements of our 10b5-1 Trading Plans: Requirements and Best Practices guidelines; and (3) was submitted to the Company for review and approval by the Company; or transfers pursuant to an arrangement made before the transferor became subject to this Policy and not involving exercise of discretion by the transferor during a Corporate Blackout Period.

4. **PRE-CLEARANCE OF SECURITIES TRANSACTIONS.**

4.1 This Section 4 of the Policy applies to the following persons:

- all Directors;
- all Section 16 Officers;
- Other Designated Employees;
- all family members or life partners of Directors, Section 16 Officers and Other Designated Employees who share the same address as, are financially dependent on, or whose transactions in the Company's securities are influenced, controlled or directed by the Director, Section 16 Officers or Other Designated Employees;
- all corporations, partnerships, trusts or other entities owned or controlled by any of the above persons; and
- those consultants that may be designated by the Company from time to time.

4.2 No person covered by this Section 4 may purchase, sell or otherwise transact in securities of the Company unless such transaction is first pre-cleared by the Company's Chief Legal Officer or their designee. However, this pre-clearance requirement does not apply to Exempt Transactions. If a transaction is approved under the Policy, the transaction should be executed reasonably promptly after the approval is obtained. Notwithstanding the foregoing, the proposed trade may not be executed if the person acquires material nonpublic information concerning the Company prior to executing the trade. If a proposed transaction is not approved under the pre-clearance policy, the person should refrain from initiating any transaction in Company securities, and should not inform anyone within or outside of the Company of the restriction.

4.3 Each Director and Section 16 Officer shall also notify the Chief Legal Officer or his or her designee of the occurrence of any purchase, sale or other acquisition or disposition of securities of the Company (including an Exempt Transaction) as soon as possible following the transaction, but in any event, within one business day after the transaction. This notification, which may be oral, in writing or via e-mail, should describe the type of transaction that occurred (*i.e.*, an open market purchase, a privately negotiated sale, an option exercise, etc.), the date of the transaction, the number of shares covered by the transaction, the purchase or sale price (if applicable), and whether the transaction was effected by the Director, or executive officer, other employees or consultants as are designated from time to time, or by a relative or affiliated entity of the foregoing. For purposes of this Section 4.3, a purchase, sale or other acquisition or disposition shall be deemed to occur at the time that the person becomes irrevocably committed to it; in the case of an open market purchase or sale, this occurs when the trade is executed (not when it settles).

5. **OTHER PROHIBITIONS ON TRADING ACTIVITIES.**

5.1 This Section 5 of the Policy applies to the following persons:

- all Directors;
- all Section 16 Officers;
- all Other Designated Employees;
- all family members or life partners of Directors, Section 16 Officers and Other Designated Employees who share the same address as, are financially dependent on, or whose transactions in the Company's securities are influenced, controlled or directed by the Director, Section 16 Officers or Other Designated Employees;
- all corporations, partnerships, trusts or other entities owned or controlled by any of the above persons; and
- those consultants that may be designated by the Company from time to time.

5.2 Persons covered by this Section 5 may not engage in any of the following types of transactions:

- short sales and margin purchases of Company securities;
- pledges of Company securities as collateral;
- transactions that are designed to hedge or offset any decrease in the market value of Company securities, including prepaid variable forward contracts, equity swaps, futures, collars, exchange funds, options, puts, and calls; or
- purchases or sales of puts, calls or other derivative securities involving the Company's equity securities for speculative purposes.

5.3 If a person covered by this Section 5 is in possession of material, non-public information when his or her service terminates, that person may not trade in the Company's securities until that information has become public or is no longer material.

6. **ADVANCE NOTICE.**

6.1 This Section 6 of the Policy applies to all of the persons covered by Section 2 of the Policy who are not also subject to the pre-clearance requirements in Section 4.

6.2 Each person subject to this Section 6 must notify the Chief Legal Officer or their designee at least two business days in advance of any purchase or sale of the securities of the Company.

7. **PENALTIES FOR VIOLATION.**

Violation of any of the foregoing rules is grounds for disciplinary action by the Company, including employment termination.

8. **COMPANY ASSISTANCE AND EDUCATION.**

8.1 The Company shall take reasonable steps designed to ensure that all Directors and employees of the Company are educated about, and periodically reminded of, the federal securities law restrictions and Company policies regarding insider trading.

8.2 The Company may provide assistance to Directors and Section 16 Officers in connection with the filing of Forms 3, 4 and 5 under Section 16 of the Exchange Act. However, the ultimate responsibility, and liability, for timely filing remains with the Directors and Section 16 Officers.

9. **APPLICABILITY.**

No person subject to this Policy shall be determined to have been in possession of material nonpublic information solely by virtue of the fact that such person is subject to this Policy.

From time to time, the Company may engage in transactions in its own securities. It is the Company's policy to comply with all applicable securities and state laws (including appropriate approvals by the Board of Directors or appropriate committee, if required) when engaging in transactions in the Company's securities.

Exhibit 21.1

List of Subsidiaries

Magnite Australia PTY Limited
Magnite Holdings Pty Ltd
Magnite CTV Pty Ltd
SpotX Australia Pty Ltd
Magnite Servicos De Internet Ltda
Magnite Canada, Inc.
The Rubicon Project Canada ULC
Magnite SARL
Magnite GmbH
Magnite Advertising Solutions India Private Limited
Magnite S.R.L.
Magnite K.K.
SpotX Japan G.K.
Magnite Netherlands B.V.
Magnite CTV (NZ) Limited
Magnite Singapore Pte Ltd.
Magnite Spain, S.L.
Magnite AB
Magnite Ltd
SpotX Limited
Magnite Apex, Inc.
Magnite Bell, Inc.
Rubicon Project Unlatch, Inc.
Magnite Hopper, Inc.
Project Daylight, LLC
Rubicon Project Daylight, Inc.

EXHIBIT 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We consent to the incorporation by reference in Registration Statement Nos. 333-195972, 333-201174, 333-204012, 333-219563, 333-237613 and 333-263222 on Form S-8 of our reports dated February 25, 2026, relating to the financial statements of Magnite, Inc. and the effectiveness of Magnite, Inc.'s internal control over financial reporting appearing in this Annual Report on Form 10-K for the year ended December 31, 2025.

/s/ Deloitte & Touche LLP

Los Angeles, California
February 25, 2026

Exhibit 31.1

Certification of Principal Executive Officer
pursuant to
Exchange Act Rules 13a-14(a) and 15d-14(a),
as adopted pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002

I, Michael Barrett, certify that:

1. I have reviewed this Annual Report on Form 10-K of Magnite, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Signature: /s/ Michael Barrett

Michael Barrett
Chief Executive Officer
(Principal Executive Officer)

Date February 25, 2026

Exhibit 31.2

Certification of Principal Financial Officer
pursuant to
Exchange Act Rules 13a-14(a) and 15d-14(a),
as adopted pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002

I, David Day, certify that:

1. I have reviewed this Annual Report on Form 10-K of Magnite, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Signature: /s/ David Day

David Day
Chief Financial Officer
(Principal Financial Officer)

Date February 25, 2026

Exhibit 32

CERTIFICATIONS OF PRINCIPAL EXECUTIVE OFFICER AND PRINCIPAL FINANCIAL OFFICER PURSUANT TO 18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. 1350), Michael Barrett, Chief Executive Officer (Principal Executive Officer) of Magnite, Inc. (the "Company"), and David Day, Chief Financial Officer (Principal Financial Officer) of the Company, each hereby certifies that, to the best of his knowledge:

1. Our Annual Report on Form 10-K for the quarter ended December 31, 2025, to which this certification is attached as Exhibit 32 (the "Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date February 25, 2026

/s/ Michael Barrett

Michael Barrett
Chief Executive Officer
(Principal Executive Officer)

/s/ David Day

David Day
Chief Financial Officer
(Principal Financial Officer)

The foregoing certifications are being furnished pursuant to 13 U.S.C. Section 1350. They are not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and are not to be incorporated by reference into any filing of the Company, regardless of any general incorporation language in such filing.