

The logo for IAS, consisting of the letters 'IAS' in a white, sans-serif font, followed by a small green square icon with a white '7' inside it.

IAS

Q3 2024

# INVESTOR PRESENTATION



# DISCLAIMER

## Important Information About This Presentation

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## Market Data

We include statements and information in this presentation concerning our industry ranking and the markets in which we operate, including our general expectations and market opportunity, which are based on information from the Company's internal estimates and research, independent industry organizations and other third-party sources (including a third-party market study, industry publications, surveys and forecasts). While IAS believes these Company internal and third-party sources to be reliable as of the date of this presentation, we have not independently verified any third-party information and such information is inherently imprecise. The Company's estimates are derived from independent industry analysts and publications, as well as our own internal estimates and research, and are based on such data and the Company's knowledge of its industry, which the Company believes to be reasonable. In addition, projections, assumptions and estimates of the future performance of the industry in which we operate and our future performance are necessarily subject to a high degree of uncertainty and risk due to a variety of risks. These and other factors could cause results to differ materially from those expressed in the estimates made by the independent parties and by us.

## Cautionary Note Regarding Forward-Looking Statements

This presentation contains forward-looking statements, which involve risks and uncertainties. These forward-looking statements are generally identified by the use of forward-looking terminology, including the terms "anticipate," "believe," "continue," "could," "estimate," "expect," "intend," "likely," "may," "plan," "possible," "potential," "predict," "project," "should," "target," "will," "would" and, in each case, their negative or other various or comparable terminology. All statements other than statements of historical facts contained in this presentation, including statements regarding our strategy, future operations, future financial position, future revenue, projected costs, prospects, plans, objectives of management and general economic trends and trends in the industry and markets are forward-looking statements. These statements involve known and unknown risks, uncertainties and other important factors, including those described in the Company's Annual Report on Form 10-K filed with the SEC on February 27, 2024 and other documents we file with the SEC that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. These forward-looking statements reflect our views with respect to future events as of the date of this presentation and are based on assumptions and subject to risks and uncertainties and actual results may differ materially from such forward-looking statements. Given these uncertainties, you should not place undue reliance on these forward-looking statements. We undertake no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise after the date of this presentation, except as required by law.

## Non-GAAP Financial Measures

This presentation includes certain non-GAAP financial measures, including adjusted EBITDA and adjusted EBITDA margin. These non-GAAP financial measures are not measures of financial performance in accordance with GAAP and may exclude items that are significant in understanding and assessing our financial results as well as certain other key performance indicators. Therefore, these measures should not be considered in isolation or as an alternative or superior to GAAP measures. You should be aware that our presentation of these measures may not be comparable to similarly-titled measures used by other companies. Please see the appendix of this presentation for of non-GAAP financial measures to the most closely comparable GAAP measures.

## Key Performance Indicators

In addition to our GAAP financial information, we review a number of operating and financial metrics, including net revenue retention to evaluate our business, measure our performance, identify trends affecting our business, formulate business plans and make strategic decisions. The key business metrics are presented based on our advertising customers, as revenue from these customers represents substantially all the revenue.

# OUR SOLUTIONS

IAS is a leading global media measurement and optimization platform



MEASUREMENT



OPTIMIZATION



PUBLISHER

# IAS AT A GLANCE

## 2023 FINANCIALS

**\$474.4MM**

2023 Revenue  
16% YoY Growth

**79%**

2023 Gross Profit Margin

**\$159.5MM**

2023 Adj. EBITDA<sup>(1)</sup>

**34%**

2023 Adj. EBITDA Margin<sup>(1)</sup>

## Q3 2024 FINANCIALS

**\$133.5MM**

Q3'2024 Revenue  
11% YoY Growth

**80%**

Q3'2024 Gross Profit Margin

**\$50.6MM**

Q3'2024 Adj. EBITDA<sup>(1)</sup>

**38%**

Q3'2024 Adj. EBITDA Margin<sup>(1)</sup>

## Q3 2024 BUSINESS STATS

**85%/15%**

Marketer/ Publisher  
Revenue Mix

**69%/31%**

Americas / Rest of  
World Revenue Mix

**108%**

NRR

**232**

Large advertising customers<sup>(2)</sup>

# IAS IS A LEADING GLOBAL MEDIA MEASUREMENT AND OPTIMIZATION PLATFORM

We provide the industry's most actionable data to drive superior results.

ADVERTISERS & AGENCIES

MEDIA MEASUREMENT & OPTIMIZATION PLATFORM

PUBLISHERS & PLATFORMS

2,000+ Advertisers

All Major Agency  
Holding Companies



## Comprehensive Data Collection

captures 280 billion interactions/day globally



## Proprietary Data Enrichment

with software and AI/ML



## Real-time Data Processing

real-time data collection and transformation

Over 400+ direct  
integrations on  
premium publishers  
worldwide

# IAS'S VALUE PROPOSITION



PROTECT BRAND EQUITY



INDEPENDENT VERIFICATION  
TO REDUCE FRAUD & WASTE

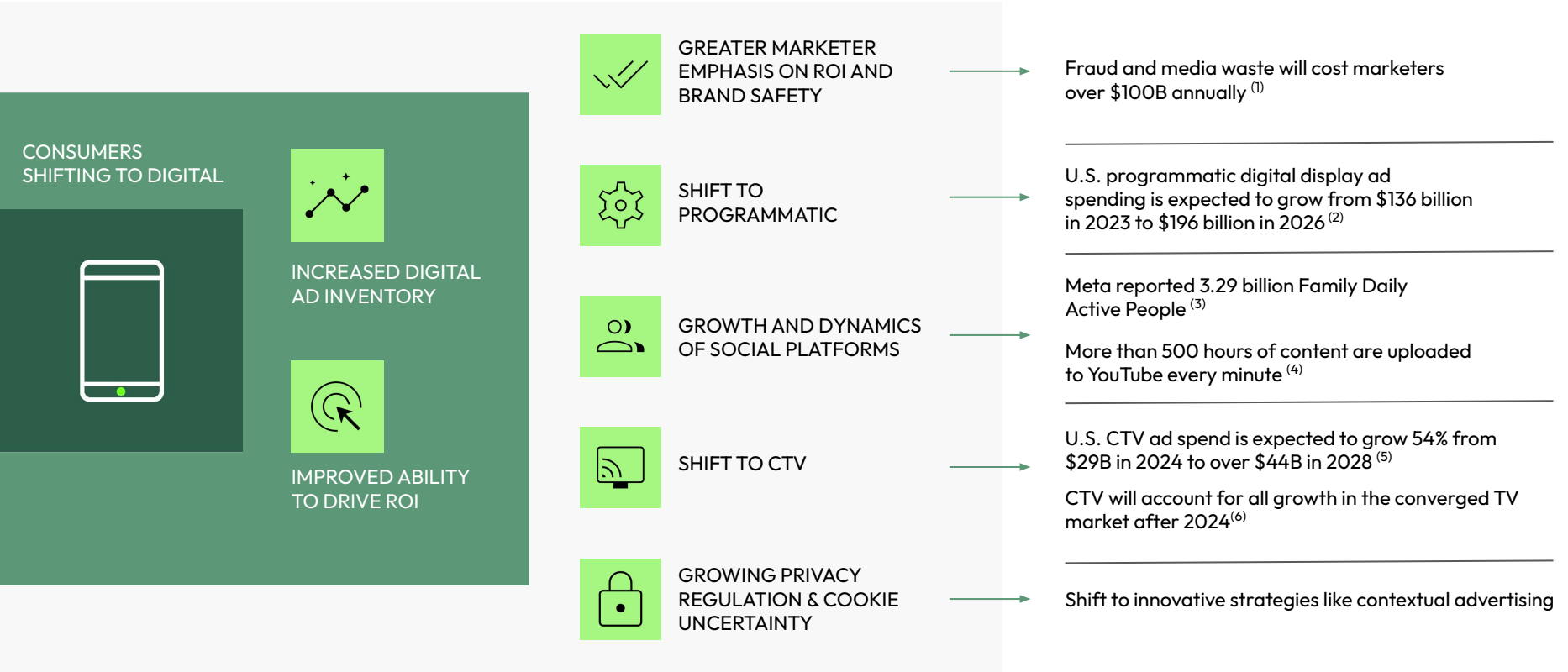


INCREASE MEDIA  
EFFECTIVENESS & DRIVE  
ENGAGEMENT

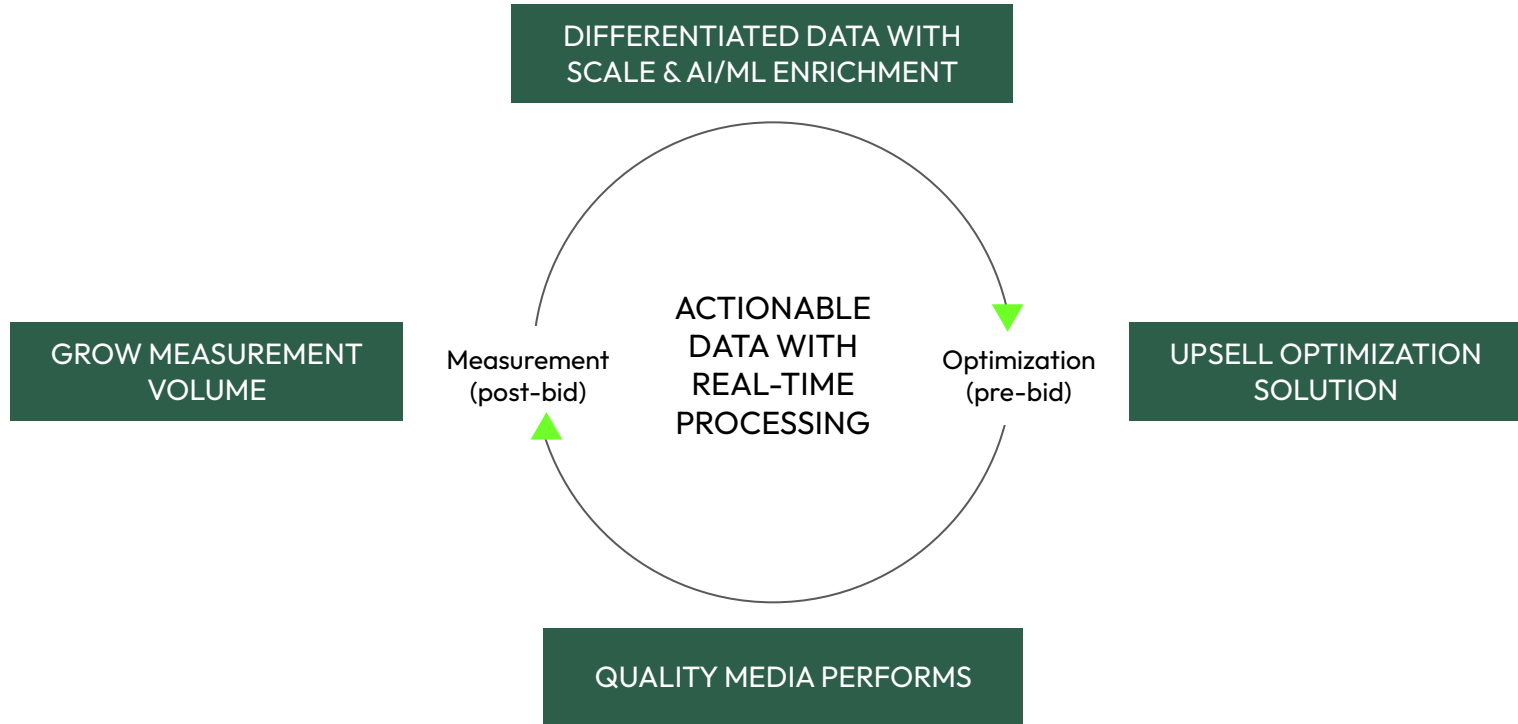


INCREASE TRANSPARENCY  
TO MAXIMIZE OUTCOMES

# FUNDAMENTAL SHIFTS HAVE CREATED MORE OPPORTUNITY



# PRODUCT SUITE DRIVES SUPERIOR RESULTS FOR MARKETERS AND YIELD FOR PUBLISHERS





# GLOBAL SOLUTION PORTFOLIO



## MEASUREMENT

- Total Media Quality
- Quality Attention
- Quality Impressions



## OPTIMIZATION

- Context Control
- Quality Sync
- Total Visibility

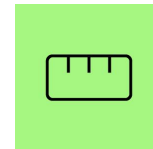


## PUBLISHER

- Publica Unified CTV Auction
- Publica CTV Ad Server
- Media Quality and Contextual Optimization

# MEASUREMENT SOLUTIONS

Protect your brand and verify the impact of digital media investments across all major digital channels and platforms



## IAS MULTIMEDIA TECHNOLOGY ANALYSIS

*For Social & Video platforms*



MORE ACCURATE,  
FRAME-BY-FRAME ANALYSIS

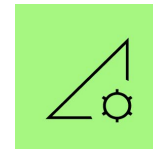
74%

More Effective than  
limited frame sampling  
at detecting some  
industry safety  
standards

Example for illustrative purposes. Methodology varies by platform due to multiple factors, including by what signals are available, and how the ad placements work, and the length of each video

# OPTIMIZATION SOLUTIONS

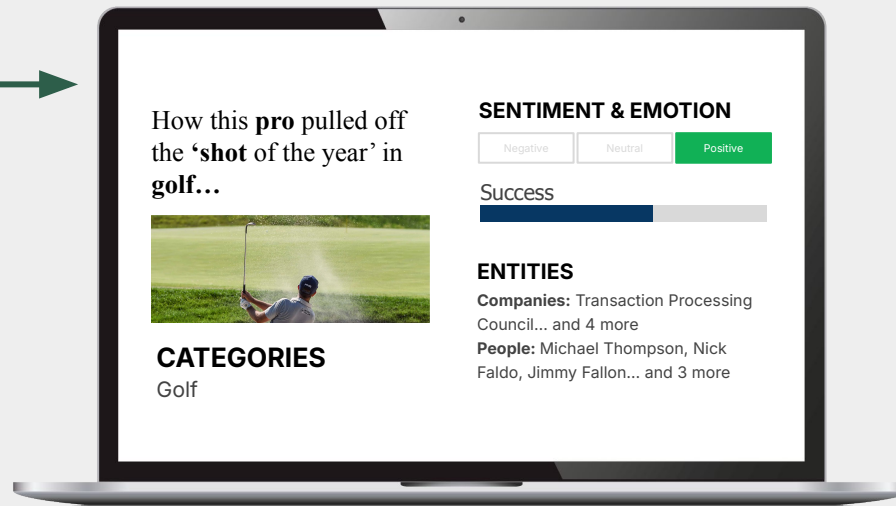
Maximize campaign ROI, optimize quality media investments across social, CTV, and programmatic across all major digital channels and platforms



## SOFTWARE CLASSIFICATION OF CONTENT AT SCALE WITH SENTIMENT AND EMOTION

*For open web*

- PRE-BID VERIFICATION
- CONTEXT CONTROL AVOIDANCE AND TARGETING
- TOTAL VISIBILITY
- QUALITY SYNC
- SOCIAL OPTIMIZATION



- 650+ industry vertical and topical segments available today for avoidance and targeting
- Brand-specific content avoidance
- Semantic technology powered by the largest knowledge graph in digital media quality
- Sentiment and emotion detection

54% Decrease in Block Rate  
Compared to Competitive Benchmark

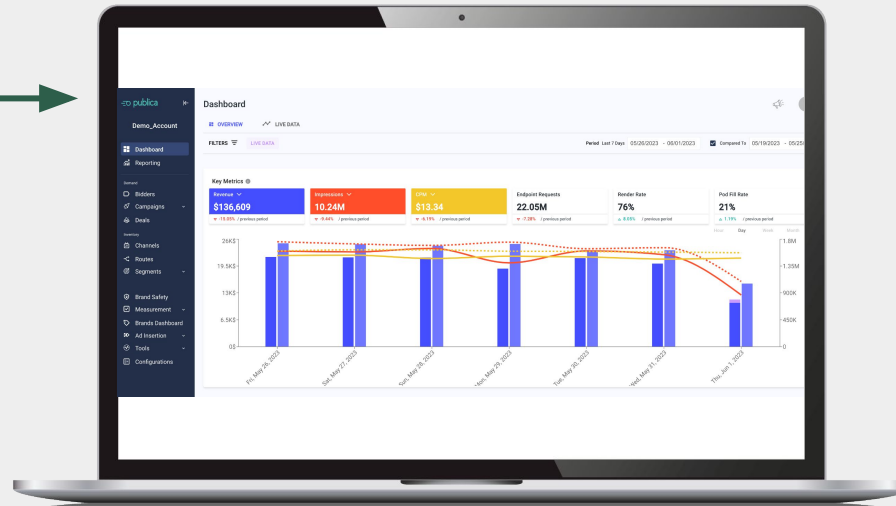
# PUBLISHER SOLUTIONS

Maximize yield and grow your audience with ad monetization services that power revenue growth and better streaming experiences



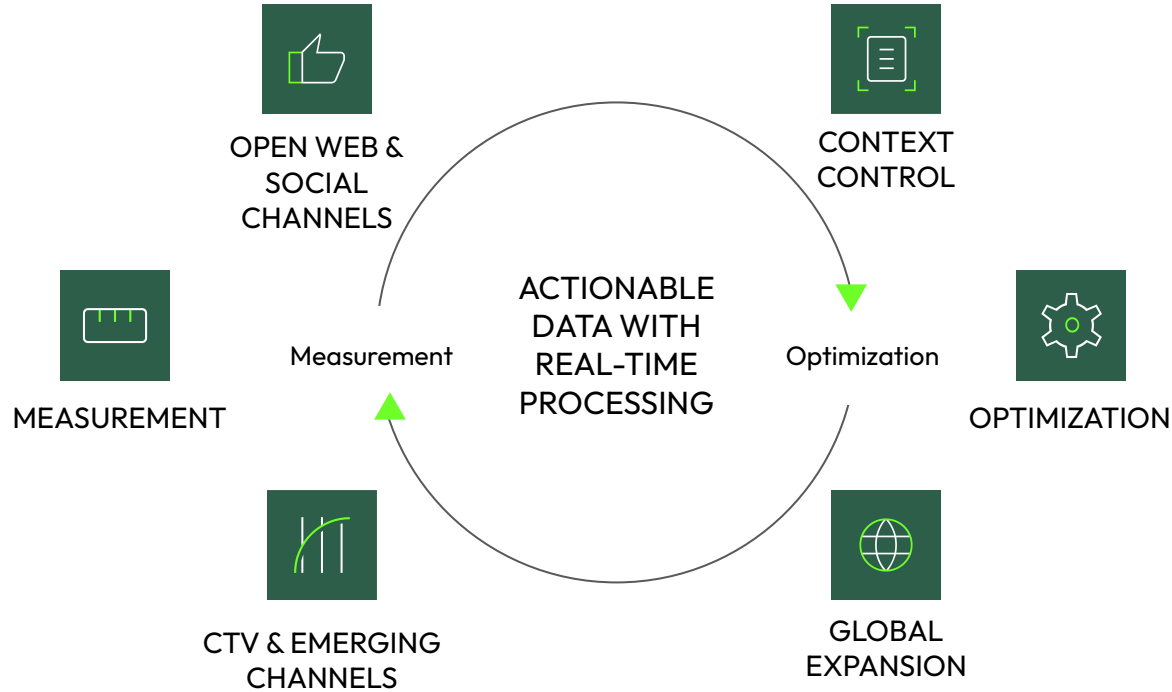
## INCREASE CTV YIELD AND DELIVER SEAMLESS AD BREAKS

- PUBLICA CTV UNIFIED AUCTION
- PUBLICA CTV AD SERVER
- PUBLICA SERVER SIDE AD INSERTION (SSAI)
- MEDIA QUALITY AND CONTEXTUAL VERIFICATION
- MEDIA QUALITY AND CONTEXTUAL OPTIMIZATION



- Demand-agnostic
- Only ad server specifically built for CTV publishers
- Reduce data loss, improve latency, increase yield, and improve user experiences

# ADVERTISER CUSTOMER JOURNEY



# WE WORK WITH SOME OF THE WORLD'S BIGGEST COMPANIES

## AUTOMOTIVE



## ENTERTAINMENT & MEDIA



## FINANCIAL



## FOOD & BEVERAGE



## TELECOM



## TRAVEL



## CPG



## PHARMA



## RESTAURANTS



## RETAIL



## TECH



## LUXURY



## AGENCIES



## PLATFORMS



## PUBLISHERS



NOTE: IAS customers/partners not to be referenced without IAS permission

AND MANY MORE...

# WHY CUSTOMERS CHOOSE IAS



TECHNOLOGY STRENGTH



GLOBAL SERVICE & SUPPORT



SUPERIOR RESULTS WITH ACTIONABLE DATA

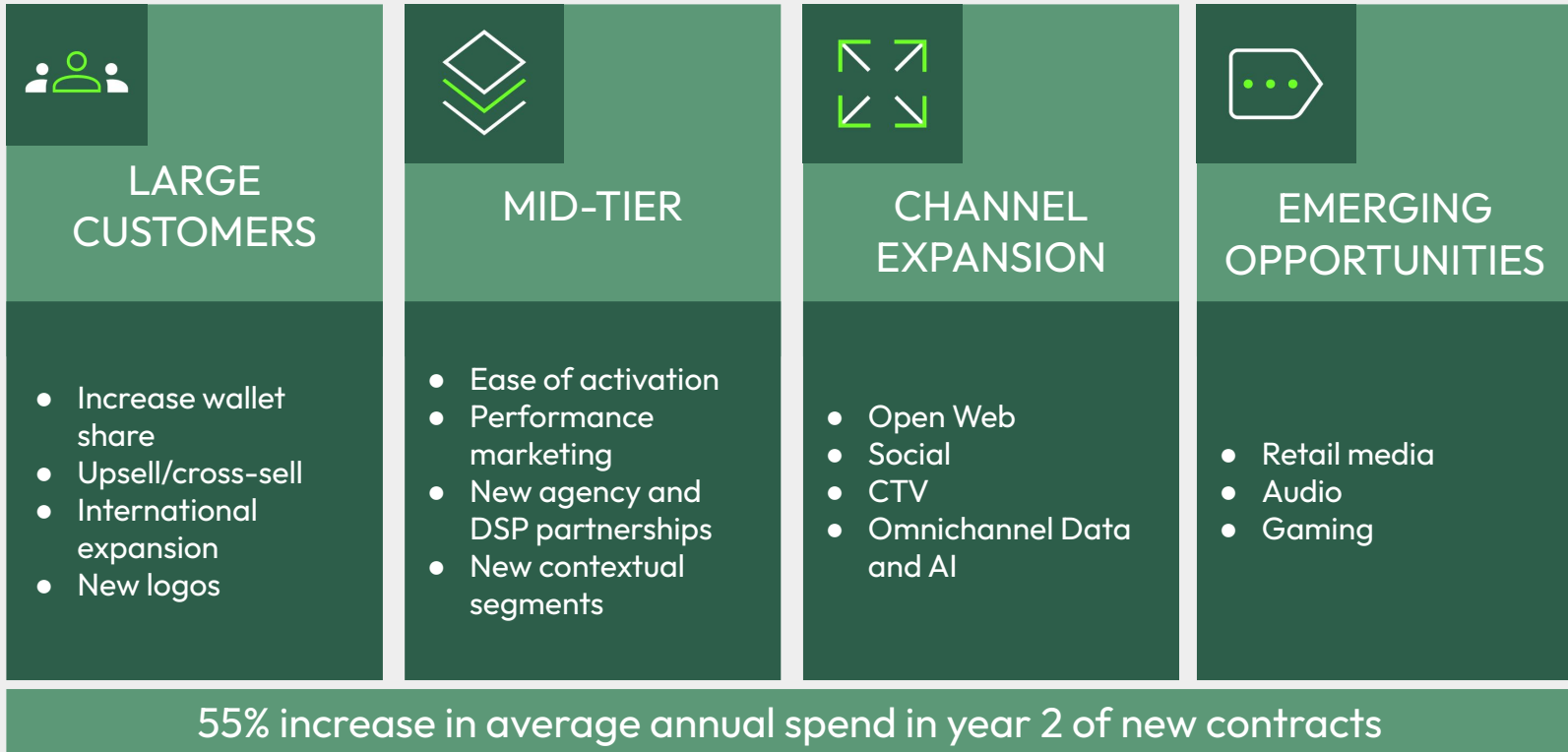
## FOR ADVERTISERS

- Improve return on ad spend
- Protect the brand
- Increase efficiencies

## FOR PUBLISHERS

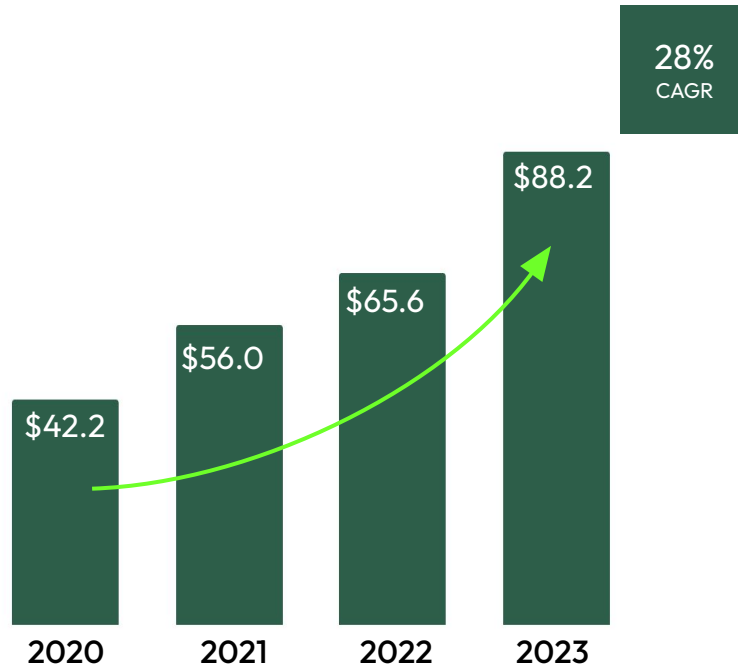
- Maximize yield
- Increase control
- Improve user and advertiser experience

# GROWING WITH OUR CUSTOMERS





# SOCIAL MEDIA – KEY GROWTH DRIVER



## Recent Social Media Highlights

- **Meta** – IAS announced the testing of first-to-market availability pre-bid optimization solutions for IAS's current advertisers on Meta.
- **TikTok** – IAS expanded its TMQ offering for TikTok to include viewability, invalid traffic, and brand safety and suitability measurement for advertisers across TikTok's newly available ad placements.
- **YouTube** – IAS announced the expansion of its TMQ offering on YouTube to include its industry-aligned misinformation brand safety and suitability reporting for advertisers running campaigns across YouTube ad inventory.

Global social media ad sales to reach \$212 billion in 2024<sup>1</sup>

# EXPERIENCED LEADERS WITH PROVEN ABILITY TO EXECUTE



**LISA  
UTZSCHNEIDER**  
Chief Executive Officer

Microsoft amazon yahoo!



**JILL  
PUTMAN**  
Interim Chief Financial Officer

jamf Kroll Ontrack.



**MARC  
GRABOWSKI**  
Chief Operating Officer

ORACLE CRITEO



**SRISHTI  
GUPTA**  
Chief Product Officer

ROKT amazon



**THOMAS  
JOSEPH**  
Chief Technology Officer

SiriusXM Microsoft pandora



**LISA  
NADLER**  
Chief HR Officer

shutterstock



**ROB  
JANECEK**  
Chief Information Officer

THOMSON REUTERS LIVEPERSON



**YOSSI  
ALMANI**  
Chief Legal Officer

affinity solutions REVLON



**JIM  
EGAN**  
SVP, Business Development

HealthiNation Sizmek

# FINANCIAL OVERVIEW

# ATTRACTIVE AND SUSTAINABLE FINANCIAL PROFILE

## TRACK RECORD OF PROFITABLE GROWTH

- Double-digit full-year revenue growth
- Adjusted EBITDA margin of 34% in 2023

## MULTIPLE DRIVERS OF SUSTAINABLE GROWTH

- Multiple expansion opportunities and favorable industry trends
- Favorable pricing structure with cart value up to 6x base

## LOYAL CUSTOMER BASE THAT GROWS WITH IAS

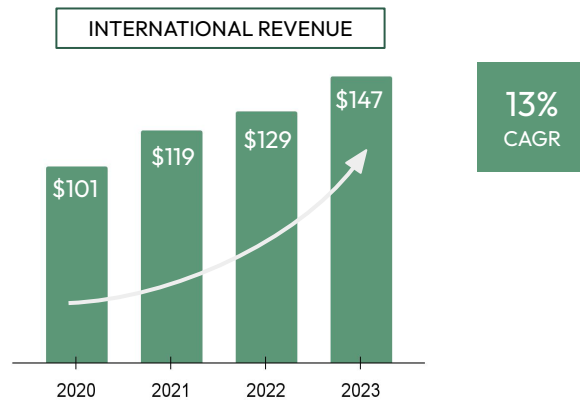
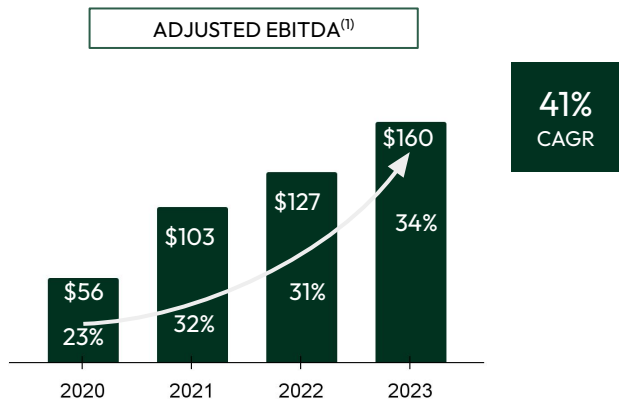
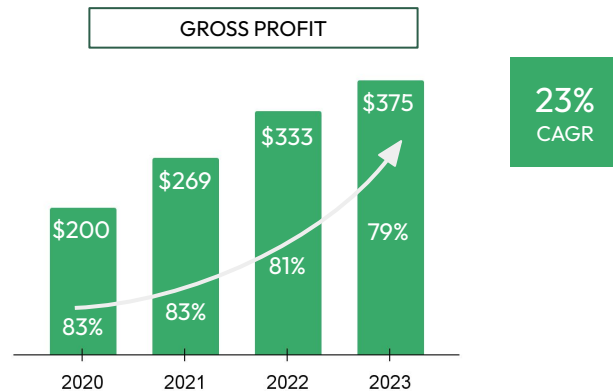
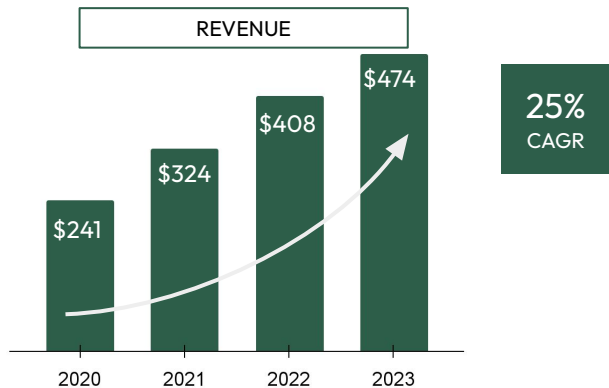
- Strong net revenue retention rate
- Growing revenue per large customer
- Average customer tenure of 8+ years

## STRONG FCF GENERATION AND CAPITAL POSITION

- Attractive free cash flow generation
- Strong capital position with excess cash and revolver capacity
- Productivity gains enabling investment for growth

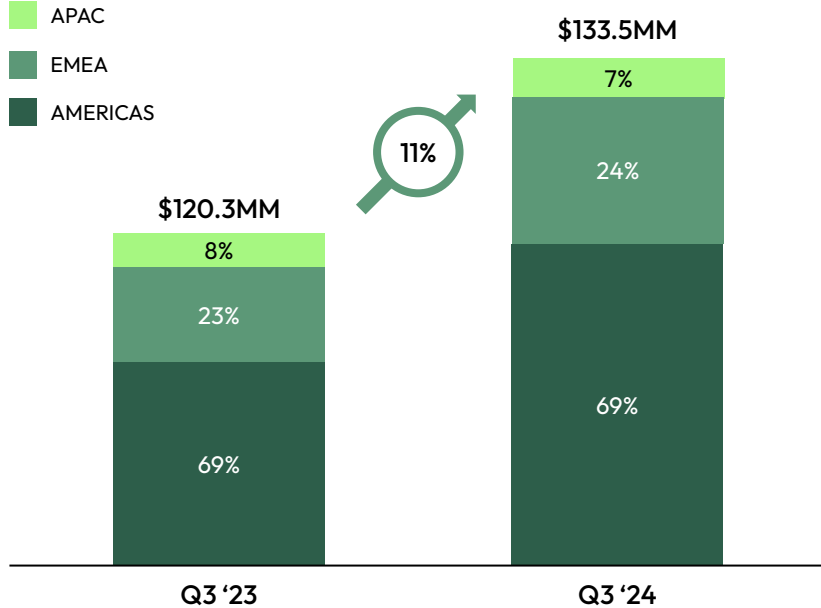
# PROVEN TRACK RECORD OF PROFITABLE GROWTH

(\$ Millions)

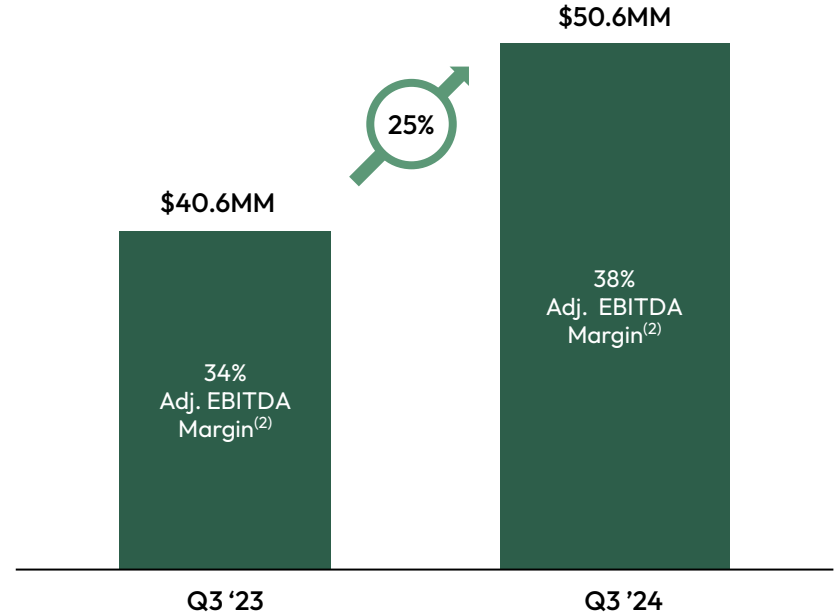


# Q3 2024 RESULTS

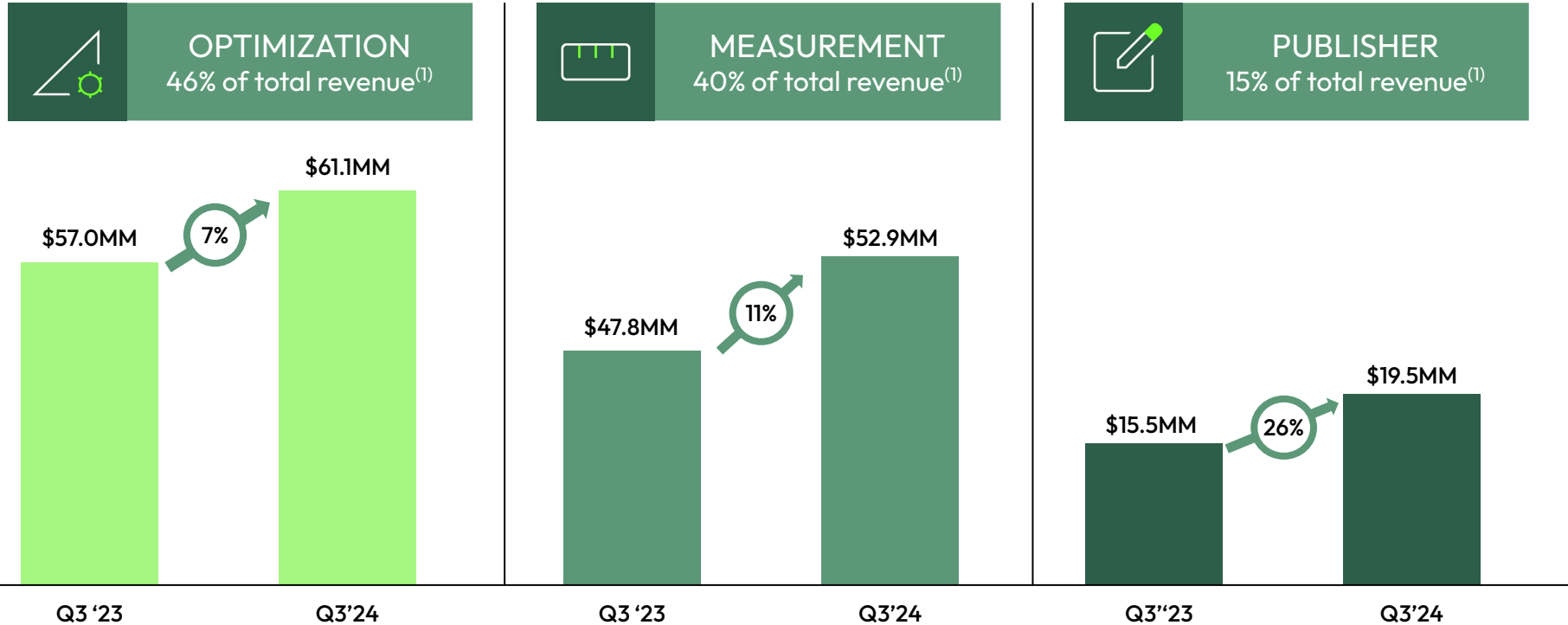
TOTAL REVENUE -  
QUARTERLY<sup>(1)</sup>



ADJUSTED EBITDA<sup>(2)</sup> - QUARTERLY



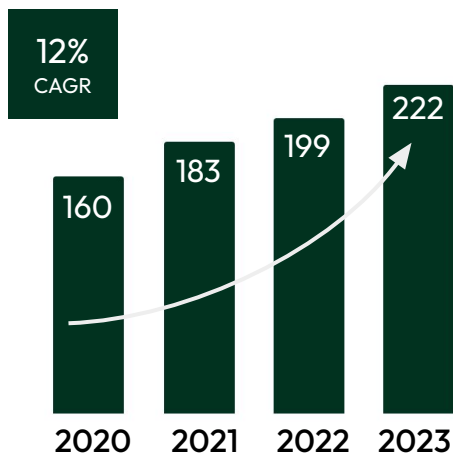
# Q3 2024 REVENUE: GROWTH AND MIX



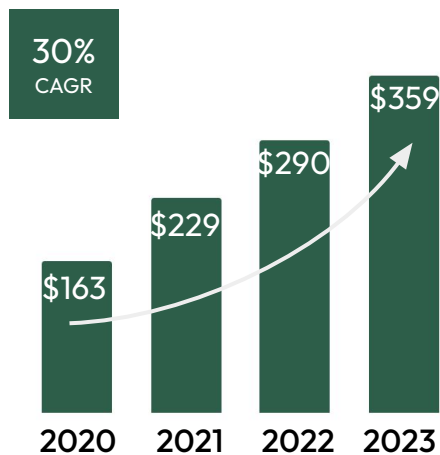
<sup>1)</sup> The sum of the total may not equal 100% due to rounding.

# INCREASING PENETRATION OF LARGE AD CUSTOMERS

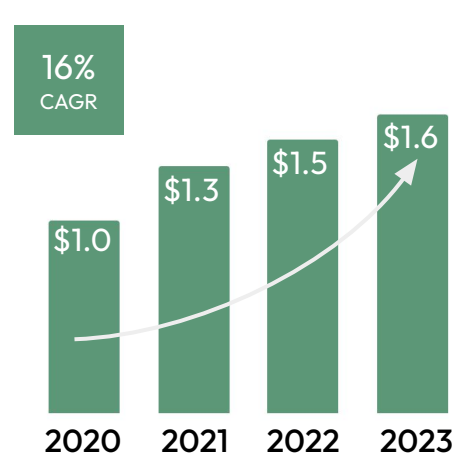
NUMBER OF LARGE AD CUSTOMERS (>\$200K)<sup>(1)</sup>



AD REVENUE FROM LARGE CUSTOMERS (\$ MILLIONS)<sup>(2)</sup>



AVG. AD REVENUE FROM LARGE CUSTOMERS (\$ MILLIONS)<sup>(2)</sup>



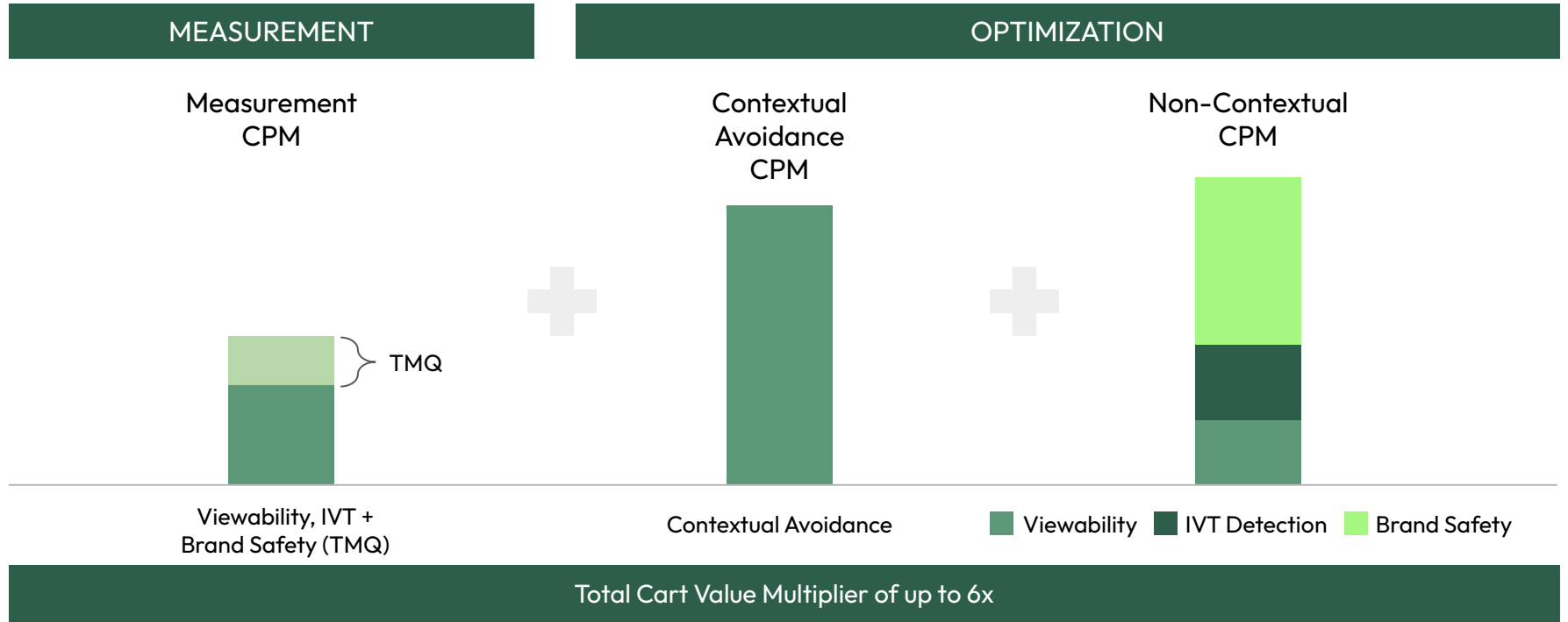
LARGE CUSTOMERS REPRESENT 87% OF ADVERTISING REVENUE<sup>(3)</sup>



# MULTIPLE OFFERINGS WITH FIXED PRICING



# PROVEN ABILITY TO EXPAND CART VALUE



# FINANCIAL MODEL HIGHLIGHTS



HIGH GROWTH

**16%**

FY 2023 YoY Revenue Growth



RE-OCCURRING REVENUE

**222**

Large Advertising Customers at 12/31/23<sup>(1)</sup>



STRONG REVENUE  
RETENTION

**116%**

Net Revenue Retention at 12/31/23<sup>(2)</sup>



HIGH PROFITABILITY AND  
ABILITY TO SCALE

**34%**

FY 2023 Adjusted EBITDA Margin<sup>(3)</sup>

1) Defined as those who spend at least \$200,000 per year

2) Reflects net revenue retention for all customers who have at least \$3,000 in annual spend (during the trailing twelve months). IAS defines net revenue retention as a metric to reflect the expansion or contraction of our customers' revenue by measuring the period-over-period change in revenues from these customers

3) Non-GAAP metric; see appendix for a reconciliation of adjusted EBITDA to GAAP net income and a calculation of adjusted EBITDA margin

# INVESTMENT HIGHLIGHTS

- Significant opportunity to address multiple large and growing markets
- Deeply integrated throughout ecosystem including today's leading tech platforms
- Large global footprint with solutions in over 50 languages
- Attractive business model with balanced mix of growth and profitability
- Healthy balance sheet and cash flows
- Strong management team with deep industry and enterprise-level experience

# APPENDIX

# NON-GAAP RECONCILIATION OF ADJUSTED EBITDA

\$ IN THOUSANDS	THREE MONTHS ENDED SEPTEMBER 30	
	2024	2023
<b>NET INCOME (LOSS)</b>	<b>\$16,089</b>	<b>(\$13,749)</b>
■ Depreciation and amortization	16,243	14,027
■ Stock-based compensation	16,443	13,900
■ Interest expense, net	1,325	3,109
■ Provision (benefit) for income taxes	2,773	19,841
■ Acquisition, restructuring and integration costs	290	1,353
■ Foreign exchange (gain) loss, net	(2,607)	2,078
■ Asset impairments and other costs	90	11
<b>ADJUSTED EBITDA</b>	<b>\$50,646</b>	<b>\$40,570</b>
<b>REVENUE</b>	<b>\$133,528</b>	<b>\$120,331</b>
<i>Net income margin</i>	<i>12%</i>	<i>(11)%</i>
<i>Adjusted EBITDA margin<sup>1</sup></i>	<i>38%</i>	<i>34%</i>

<sup>1</sup>) Adjusted EBITDA margin represents adjusted EBITDA over revenue for the periods presented

# NON-GAAP RECONCILIATION OF NET DEBT

\$ IN THOUSANDS	9/30/2024	12/31/2023
DEBT	\$65,000	\$155,000
LESS: CASH & CASH EQUIVALENTS	<u>\$57,085</u>	<u>\$124,759</u>
NET DEBT	\$7,915	\$30,241