



# Q1 2025 Earnings Call

May 8, 2025

# Disclaimer

This presentation contains “forward-looking statements” that are based on management’s beliefs and assumptions and on information currently available to management. These forward-looking statements include, but are not limited to, statements about our plans, objectives, expectations and intentions and other statements contained herein that are not historical facts. When used herein, the words “expects,” “anticipates,” “intends,” “plans,” “believes,” “seeks,” “will,” “should,” “could,” “estimates” and similar expressions are generally intended to identify forward-looking statements. In particular, statements about the markets in which we operate, including growth of our various markets, and statements about our expectations, beliefs, plans, strategies, objectives, prospects, assumptions or future events or performance contained in this presentation are forward-looking statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievement to be materially different from any projected results, performance or achievements expressed or implied by the forward-looking statements. Forward-looking statements represent the beliefs and assumptions of DoubleVerify Holdings, Inc. (the “Company”) only as of the date of this presentation, and we undertake no obligation to update or revise, or to publicly announce any update or revision to, any such forward-looking statements, whether as a result of new information, future events or otherwise. As such, the Company’s results may vary from any expectations or goals expressed in, or implied by, the forward-looking statements included in this presentation, possibly to a material degree.

We cannot assure you that the assumptions made in preparing any of the forward-looking statements will prove accurate or that any long-term financial or operational goals or targets will be realized. For a discussion of some of the risks, uncertainties and other factors that could cause the Company’s results to differ materially from those expressed in, or implied by, the forward-looking statements included in this presentation, you should refer to the “Risk Factors” section and other sections in the Company’s Form 10-K filed with the SEC on February 27, 2025 and the Company’s other filings and reports with the SEC from time to time.

In addition to disclosing financial results that are determined in accordance with U.S. generally accepted accounting principles (“GAAP”), the Company also discloses in this presentation certain non-GAAP financial measures, including Adjusted EBITDA, Adjusted EBITDA Margin and Adjusted EBITDA less Capital Expenditures. We believe that these non-GAAP financial measures are useful to investors for period-to-period comparisons of the Company’s core business and for understanding and evaluating trends in the Company’s operating results on a consistent basis by excluding items that we do not believe are indicative of the Company’s core operating performance. These non-GAAP financial measures have limitations as analytical tools, and are presented for supplemental purposes and should be considered in addition to, and not in isolation or as substitutes for an analysis of the Company’s results as reported under GAAP. In addition, other companies in the Company’s industry may calculate these non-GAAP financial measures differently than the Company does, limiting their usefulness as a comparative measure. You should compensate for these limitations by relying primarily on the Company’s GAAP results and using the non-GAAP financial measures only supplementally. A reconciliation of these measures to the most directly comparable GAAP measures is included at the end of this presentation.

In addition, this presentation contains industry and market data and forecasts that are based on our analysis of multiple sources, including publicly available information, industry publications and surveys, reports from government agencies, reports by market research firms and consultants and our own estimates based on internal company data and management’s knowledge of and experience in the market sectors in which the Company competes. While management believes such information and data are reliable, we have not independently verified the accuracy or completeness of the data contained in these sources and other publicly available information. Accordingly, we make no representations as to the accuracy or completeness of that data nor do we undertake to update such data after the date of this presentation.

# Three Key Drivers of YTD Business Momentum



Strong Q1'25 Revenue Growth

1

Advertiser

**Existing Advertiser Expansion**

Broader and deeper adoption

2

**New Advertiser Scaling**

Rapid scaling across environments

Supply-Side

3

**New Partnerships & Retail Media Platforms**

Partner expansion fuels scale

# Strong Q1'25 Revenue Growth and Profitability



## Adj. EBITDA

**\$45** | **27%**  
MILLION | MARGIN



## Total Revenue

**\$165** | **+17%**  
MILLION | Y/Y GROWTH



## Net Operating Cash

**\$38** | **+19%**  
MILLION | Y/Y GROWTH

## Advertiser

**\$149** | **+16%**  
MILLION | Y/Y GROWTH

## Supply Side

**\$16** | **+35%**  
MILLION | Y/Y GROWTH

# Q1'25 Customer Wins and Land & Expand Momentum

Customer Wins



Land & Expand Momentum



337

DV CUSTOMERS  
GENERATE OVER  
\$200K ANNUALLY

14%

Y/Y GROWTH IN THE  
NUMBER OF CUSTOMERS  
GENERATING >\$200K  
ANNUALLY

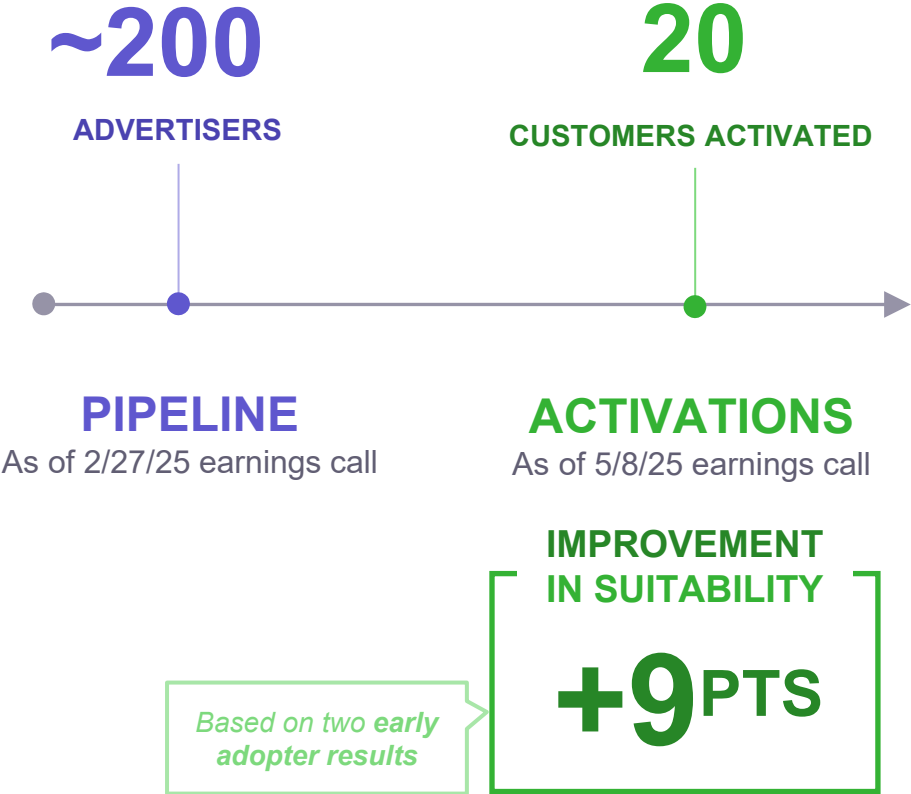
Adoption Opportunity

~ 50% of top 700 customers use < 50% of DV products

# Unlocking Growth in the \$200B+ Social Ad Market

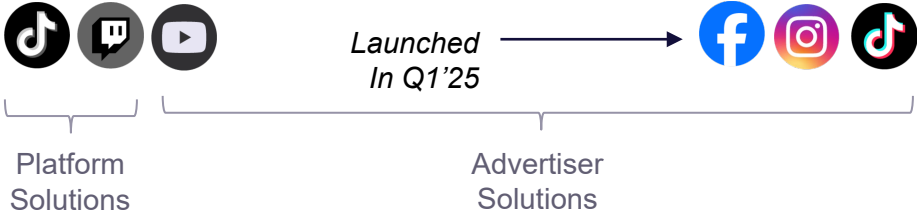
## Meta Pre-Bid Suitability Controls Adoption:

ENCOURAGING EARLY MOMENTUM



## Activation Coverage:

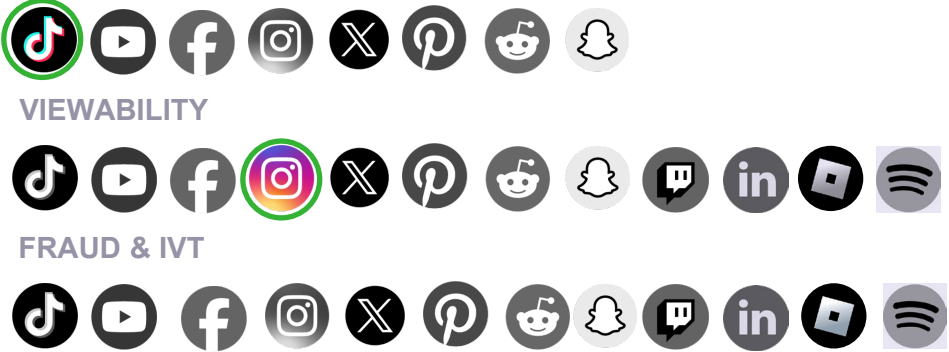
PRE-BID SUITABILITY CONTROLS



## Measurement Coverage:

BRAND SAFETY AND SUITABILITY

Expanded coverage on Instagram and TikTok



# CTV Momentum & Market Leadership

## CTV Fraud & Viewability Issues Abound

3.9M

Infected devices at peak generating extreme levels of invalid traffic daily

>\$7.5M

Monthly potential loss from just 1 bot variant at peak

110%

Increase in fraud and SIVT filtering

7.4%

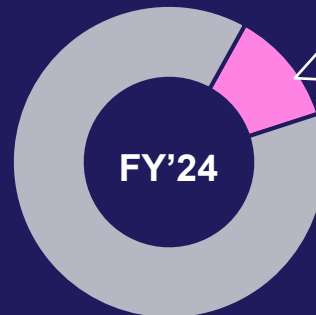
of 2H'24 CTV ads played on apps with TV off issues

## DV's CTV Momentum Continues

Q1 2025 VOLUME (MTM) GROWTH

+43%

MEASUREMENT MTM



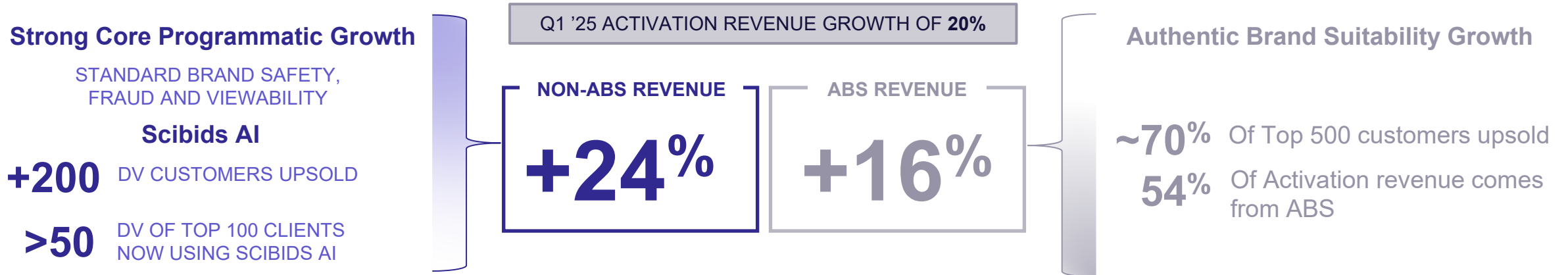
CTV was 11% of FY'24 Measurement impression volumes

## Key CTV Product Innovations in 2025

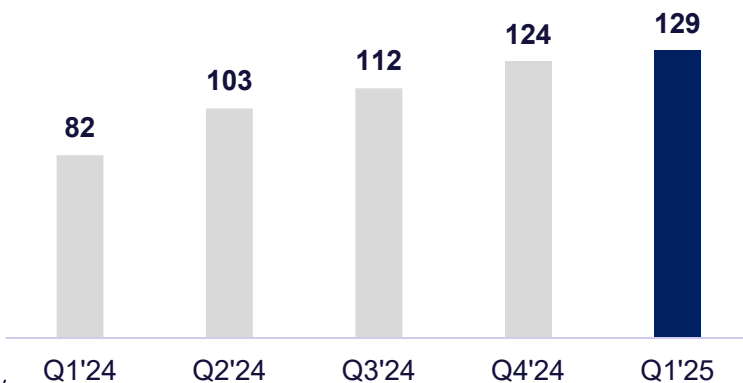
1. **Content level scoring** with major CTV platforms
2. **Enhanced reporting** for inventory validation and optimization
3. **AI-powered CTV performance** DV+ Scibids AI + EDO integration
4. **Expanded Measurement** Includes native ads across 3 major streamers

# Open Web Growth and Retail Media Scale

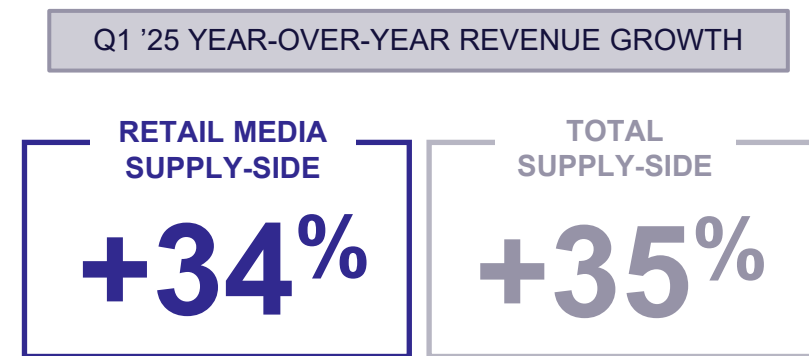
## Select Open Web Revenue Drivers: Non-ABS Activation, ABS and Retail Media Platform Demand



DV's measurement tags accepted across a growing number of global retail media networks and sites



Retail Media Platforms: A Key Supply-Side Growth Engine in Q1'25



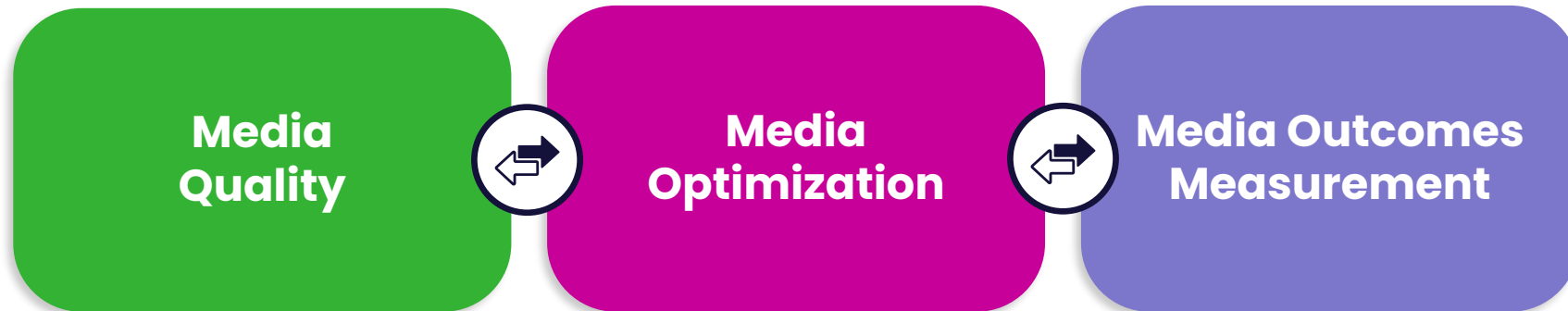
# Building the Unified Intelligence Platform

Unify **media quality**, **optimization**, and **outcomes measurement** to help advertisers maximize every ad dollar.

DV | QUALITY SOLUTIONS

DV | Scibids AI™

DV | rockerbox



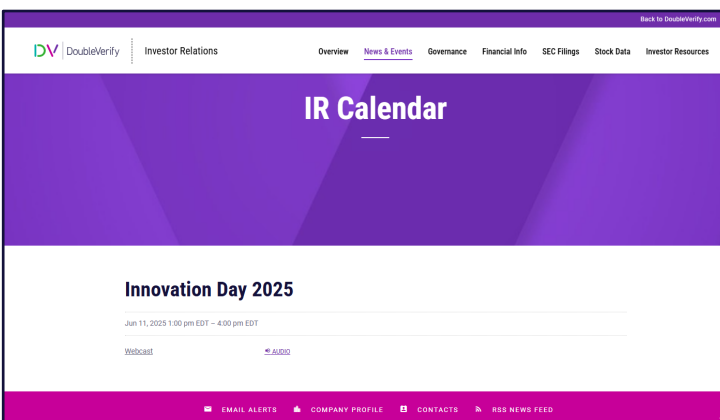
# Join us for Innovation Day 2025

## DV Innovation Day 2025

Wednesday, Jun 11  
New York Stock Exchange

12:00pm	Registration
1:00pm	Presentations
4:00pm	Cocktail reception

Email: [ir@doubleverify.com](mailto:ir@doubleverify.com)  
Or sign up for the webcast



# Q1 2025 Financial Highlights

**\$165**  
MILLION

Total  
Revenue

**17%**  
GROWTH

Total Revenue  
Growth

**\$38**  
MILLION

Net Cash from  
Operating Activities

**\$45**  
MILLION

Adjusted  
EBITDA

**27%**  
MARGIN

Adjusted EBITDA  
Margin

**\$0**  
DEBT

No long-term  
debt

# Q1 2025 Revenue Growth Drivers

Q1 '25 TOTAL REVENUE GROWTH OF 17%

GROWTH ACROSS ALL THREE REVENUE LINES

## Key Drivers



Core Programmatic, Scibids AI & Social Activation



Authentic Brand Suitability



Open Web & CTV Measurement



Retail Media Platforms

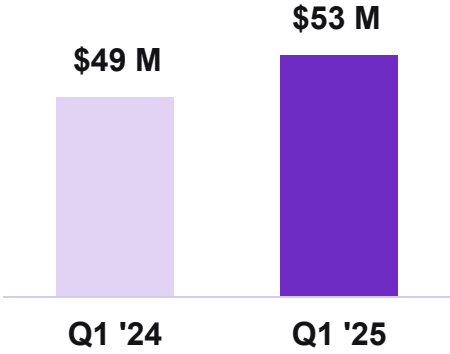
## Activation

+20%  
year-over-year growth



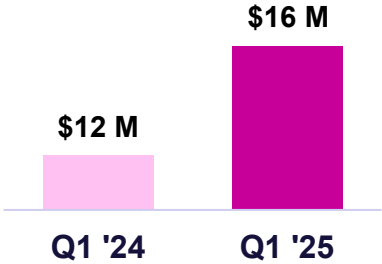
## Measurement

+8%  
year-over-year growth



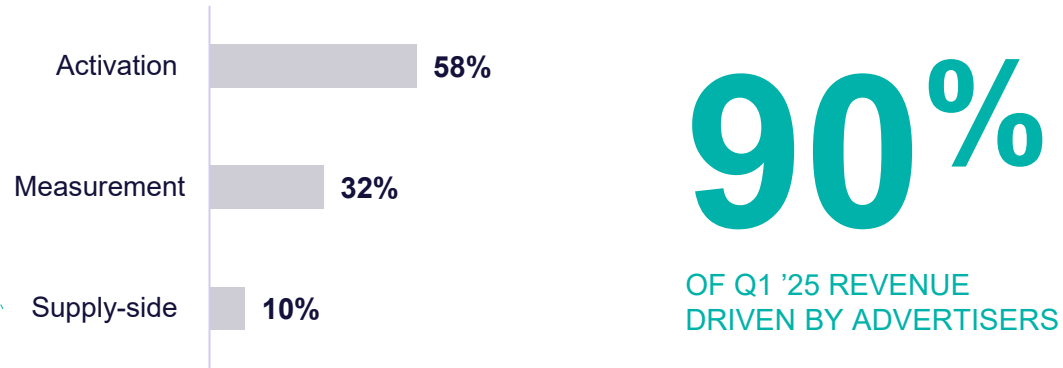
## Supply-Side

+35%  
year-over-year growth



# Q1 2025 Revenue Growth Drivers (cont'd)

## Business Line Contribution to Total Revenue



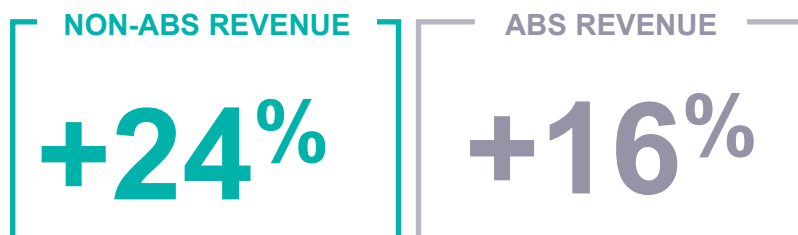
## Advertiser Revenue Growth Drivers

Q1 '25 ADVERTISER REVENUE GROWTH OF **16%**



## Activation Drivers: Non-ABS and ABS

Q1 '25 ACTIVATION REVENUE GROWTH OF **20%**



## Measurement Drivers: Non-Social and Social

Q1 '25 MEASUREMENT REVENUE GROWTH OF **8%**



# Strong Balance Sheet Creates Flexibility & Optionality



## ACQUISITIONS

Completed M&A

**Rockerbox** closed late Q1'25

**Scibids** closed mid Q3'23

Accelerating **product roadmap**, expanding into **adjacencies**, expanding **globally**



## SHARE REPURCHASES

Continued Progress

Purchased a total of **5.2M** shares for **\$82M** Q1'25

Purchased a total of **6.8M** shares for **\$128M** YTD'24

Total of **\$140M** authorized and remain available



## INVESTING IN CORE

Key Priorities

**Social Media**

**CTV**

**Retail Media Networks**

Underpinned by DV's **Strong Balance Sheet** and **Cash Flow Generation**

**\$38M**

Q1 '25 NET CASH FROM OPERATING ACTIVITIES

**~\$175M**

3/31 CASH & SHORT-TERM INVESTMENTS

**\$0M**

LONG-TERM DEBT

# Q2 & FY 2025 Guidance

## Q2 2025

### Revenue

**\$169 M - \$173 M**

Low-end

High-end

**+10%**

YEAR-OVER-YEAR  
GROWTH AT THE  
MIDPOINT

### Adjusted EBITDA

**\$48 M - \$52 M**

Low-end

High-end

**29%**

MARGIN  
AT THE  
MIDPOINT

## FY 2025

### Revenue

Expectations

**+10%**

YEAR-OVER-YEAR  
GROWTH  
(APPROXIMATELY)

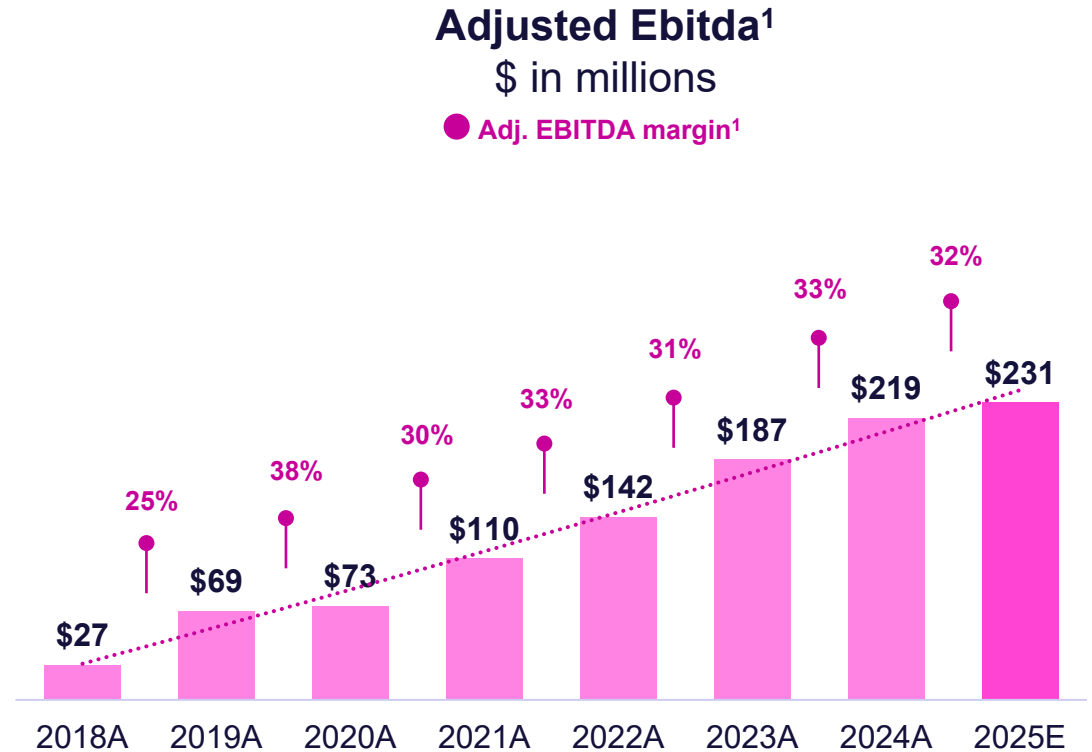
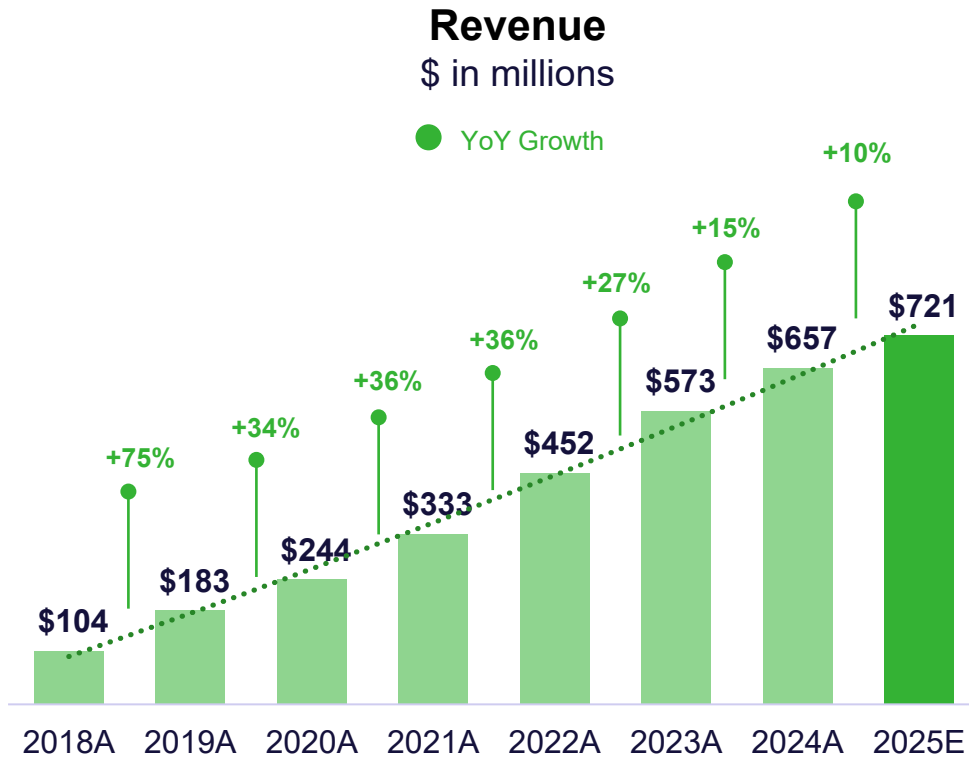
### Adjusted EBITDA

Expectations

**32%**

MARGIN  
(APPROXIMATELY)

# Proven History of Growth & Profitability



**2008**

Year  
Founded

**1197**

Employees at  
year-end 2024

**8.3T**

Media Transactions  
Measured in FY 2024

**\$56M**

Net Income in  
FY 2024

**\$160M**

Net Cash from Operating  
Activities FY 2024

**112%**

Net Revenue  
Retention FY 2024

# Non-GAAP Financial Measures Reconciliation

(\$mm)	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	YTD 2025
<b>Net income</b>	<b>\$20.5</b>	<b>\$29.3</b>	<b>\$43.3</b>	<b>\$71.5</b>	<b>\$56.2</b>	<b>\$2.4</b>
Depreciation and amortization	24.6	30.3	34.3	40.9	45.2	12.4
Stock-based compensation	20.5	21.9	42.3	59.2	90.7	24.3
Interest expense, net	4.9	1.2	0.9	1.1	1.1	0.4
Income tax expense (benefit)	(3.1)	(3.5)	16.1	24.4	32.6	7.2
M&A and restructuring costs (a)	0.2	3.5	1.2	1.3	0.5	1.2
Offering, IPO readiness and secondary offering costs (b)	4.9	23.6	1.3	0.9	0.1	-
Other (recoveries) costs	1.6	3.8	3.4	(1.0)	-	-
Other income (c)	(0.9)	(0.3)	(1.2)	(11.2)	(7.5)	(3.2)
<b>Adjusted EBITDA</b>	<b>\$73.2</b>	<b>\$109.7</b>	<b>\$141.6</b>	<b>\$187.1</b>	<b>\$218.9</b>	<b>\$44.7</b>
<b>% margin</b>	<b>30%</b>	<b>33%</b>	<b>31%</b>	<b>33%</b>	<b>33%</b>	<b>27%</b>

# Non-GAAP Financial Measures Reconciliation

- (a) M&A and restructuring costs for the three months ended March 31, 2025 consist of transaction costs related to the acquisition of Rockerbox. M&A and restructuring costs for the three months ended March 31, 2024 consist of transaction costs related to the acquisition of Scibids.
- (b) Offering and secondary offering costs for the three months ended March 31, 2024 consist of third-party costs incurred for underwritten secondary public offerings by certain stockholders of the Company.
- (c) Other income for the three months ended March 31, 2025 and March 31, 2024 consist of interest income earned on interest-bearing monetary assets, and the impact of changes in foreign currency exchange rates.

We use Adjusted EBITDA and Adjusted EBITDA Margin as measures of operational efficiency to understand and evaluate our core business operations. We believe that these non-GAAP financial measures are useful to investors for period to period comparisons of our core business and for understanding and evaluating trends in operating results on a consistent basis by excluding items that we do not believe are indicative of our core operating performance.

## **Second Quarter and Full-Year 2025 Guidance:**

With respect to the Company's expectations under "Second Quarter and Full Year 2025 Guidance" above, the Company has not reconciled the non-GAAP measure Adjusted EBITDA to the GAAP measure net income in this press release because the Company does not provide guidance for depreciation and amortization expense, acquisition-related costs, interest income, and income taxes on a consistent basis as the Company is unable to quantify these amounts without unreasonable efforts, which would be required to include a reconciliation of Adjusted EBITDA to GAAP net income. In addition, the Company believes such a reconciliation would imply a degree of precision that could be confusing or misleading to investors.

# Key Business Terms

- **Activation** revenue is generated from the evaluation, verification and measurement of advertising impressions purchased through programmatic demand-side and social media platforms.
- **Measurement** revenue is generated from the verification and measurement of advertising impressions that are directly purchased on digital media properties, including publishers and social media platforms.
- **Supply-Side** revenue is generated from platforms and publisher partners who use DoubleVerify's data analytics to evaluate, verify and measure their advertising inventory.
- **Gross Revenue Retention Rate** is the total prior period revenue earned from advertiser customers, less the portion of prior period revenue attributable to lost advertiser customers, divided by the total prior period revenue from advertiser customers.
- **Net Revenue Retention Rate** is the total current period revenue earned from advertiser customers, which were also customers during the entire most recent twelve-month period, divided by the total prior year period revenue earned from the same advertiser customers, excluding a portion of our revenues that cannot be allocated to specific advertiser customers.
- **Media Transactions Measured (MTM)** is the volume of media transactions that DoubleVerify's software platform measures.
- **Measured Transaction Fee (MTF)** is the fixed fee DoubleVerify charges per thousand Media Transactions Measured.
- **International Revenue Growth Rates** are inclusive of foreign currency fluctuations.