

# Third Quarter 2023 Earnings Call

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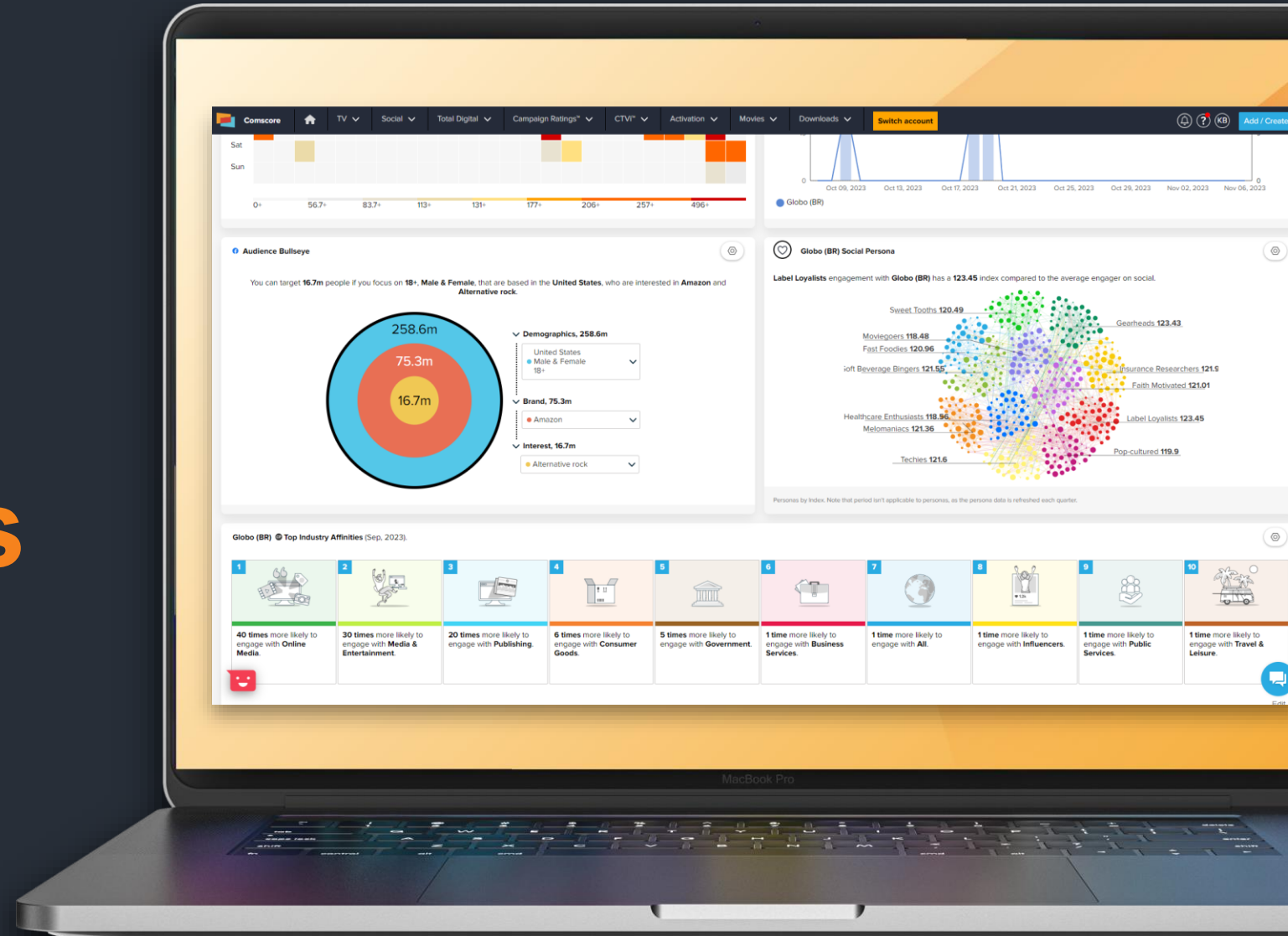
## Cautionary Note Regarding Forward-Looking Statements

This presentation contains forward-looking statements within the meaning of federal and state securities laws, including, without limitation, our expectations, forecasts, plans and opinions regarding our strategic plans; market opportunities; commercial agreements; product development initiatives; expected revenue performance, growth areas and adjusted EBITDA margin for 2023-2025; and ongoing and planned expense reductions. These statements involve risks and uncertainties that could cause actual events to differ materially from expectations, including, but not limited to, changes in our business, customer relationships or product plans, external market conditions, and our ability to achieve our expected strategic, financial and operational plans. For additional discussion of risks and uncertainties that could cause actual results to differ from expectations, please refer to our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q, and other filings we make from time to time with the U.S. Securities and Exchange Commission (the "SEC"), which are available on the SEC's website ([www.sec.gov](http://www.sec.gov)).

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This presentation contains information regarding adjusted EBITDA, adjusted EBITDA margin and FX adjusted EBITDA, which are non-GAAP financial measures used by our management to understand and evaluate our core operating performance and trends. Our use of these non-GAAP financial measures has limitations, and investors should not consider these measures in isolation or as a substitute for analysis of our results as reported under GAAP. Please see the appendix to this presentation for further explanation and reconciliations of these non-GAAP financial measures to their most directly comparable GAAP financial measures, net income (loss) and net income (loss) margin.

# Third Quarter 2023 Earnings



## REVENUE

**\$91M**

Down \$1.8M VPY

- Custom down VPY
- + Solid double-digit growth in Local TV
- + Activation & CCR up 20%+ VPY

## ADJ. EBITDA

**\$13.4M**

Up 14% VPY

- + Cost discipline
- + Streamlining tech and product
- + Margin rate acceleration

Focusing on Profitable, Sustainable Syndicated Growth



## IMPROVING ADJ EBITDA MARGIN

15%

Q3 2023

~15%

2024 GOAL

## LOCAL TV FOUNDATION

8

Consecutive Quarters Of  
Double-Digit Growth

Double-Digit

2024 EXPECTED  
GROWTH

## ACCLERATING CROSS SCREEN MEASUREMENT

Delivering **Scalable Growth**  
With Activation and CCR

**Interoperable** across  
platforms

+ 30%

2024 EXPECTED  
GROWTH

**Data & Programmatic INSIDER**  
 COMMENTARY  
**What's The Frequency, Google? How Comscore Proved YouTube's CTV Worth**  
 by Laurie Sullivan, Staff Writer @lauriesullivan, 3 hours ago

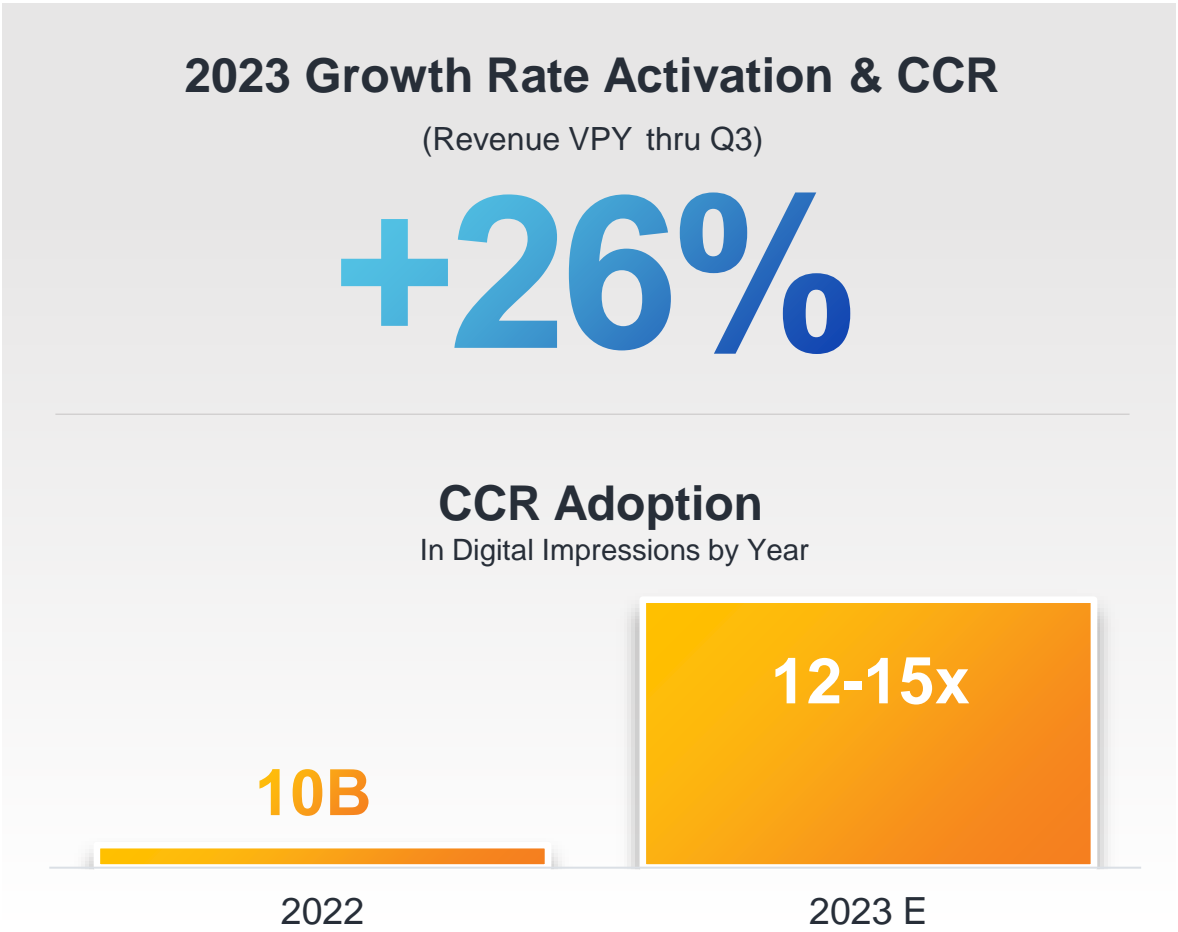
**MediaDailyNews**  
**Comscore Integrates Roku In Cross-Platform Measurement Solution**  
 by Karlene Lukovitz @KLmarketdaily, October 23, 2023

Home / Digital News / PubMatic joins hands with Comscore's Proximic for offering ID-less targeting solutions  
**PubMatic joins hands with Comscore's Proximic for offering ID-less targeting solutions**  
 Data from Proximic by Comscore is now available to media buyers via PubMatic's Con platform  
 by exchange4media Staff  
 Published: Mar 27, 2023 12:25 PM | 2 MIN READ





**Digital Marketing & Ad Tech News**  
**NEW AI TOOL FOR POLITICAL ADS AIMS TO IMPROVE CONNECTED TV TARGETING**  
 The Trade Desk and Comscore announced new audience segments that they hope will drive more political ad dollars to streaming TV  
 By Lindsay Kittenhouse, Published on October 24, 2023.

**RESEARCHLIVE** SECTORS TOPICS INDUSTRY WORLD BRANDS INDUSTRY REPORTS  
 NEWS 1 NOVEMBER 2023  
**PROXIMIC BY COMSCORE PARTNERS WITH CADENT**  
 MEDIA NEW BUSINESS NEWS NORTH AMERICA

**ADWEEK WIRE**  
**FreeWheel and Comscore Launch Advanced Connected TV Contextual Targeting Capabilities**  
 Comscore's advanced contextual segments are now available directly in the Beeswax Platform for advertisers to target across all major industry verticals. The integration is the first step to enable more advanced contextual services for FreeWheel and Beeswax.



**Accelerating Growth & Adoption Heading Into 2024**

	Digital & Cross-Platform Products*	All Other
Margin Opportunity		
Share of YTD Revenue 2023	40%	60%
Target Share of Revenue 2025		



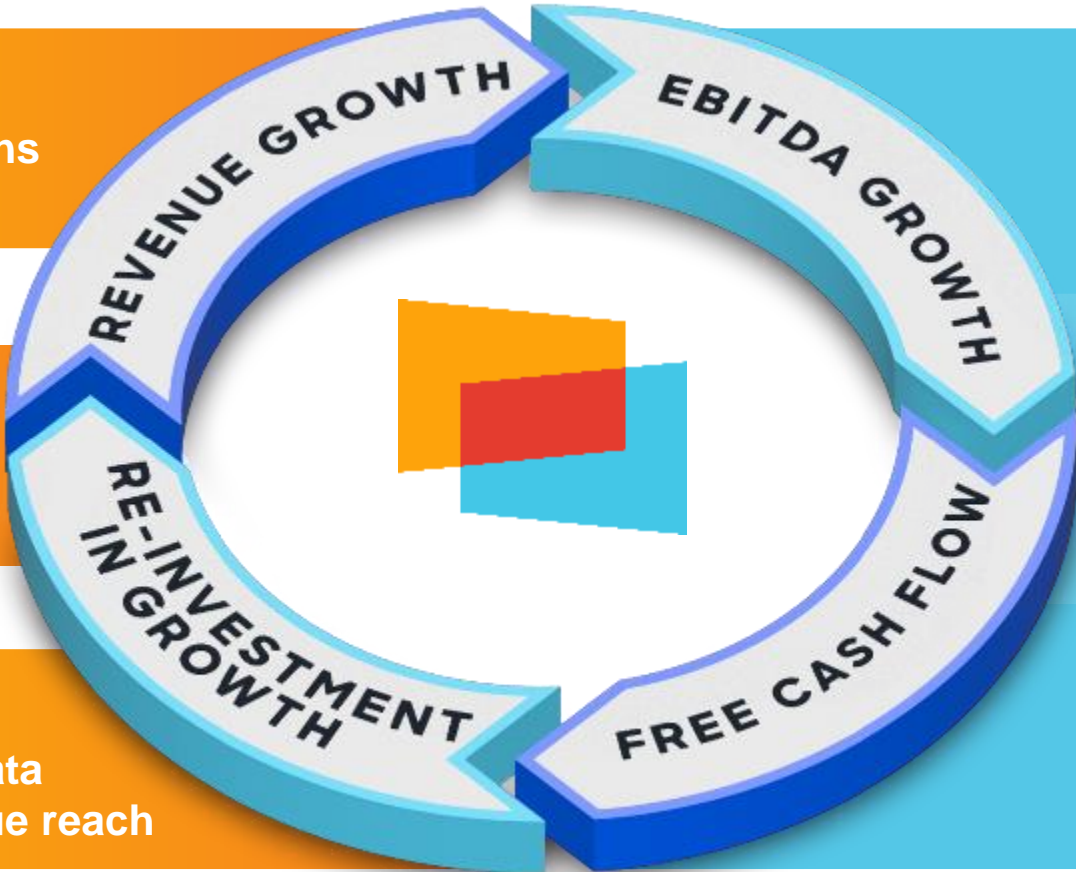
**Full Spectrum Solutions Driving Higher Margin Opportunity**



**True Big-Data Scale –**  
Closing the gaps that fuel billions of dollars in waste

**Interoperability –**  
Actionable data living where transactions happen

**Speed –**  
Flexible, portable, actionable data to deliver incrementality and true reach

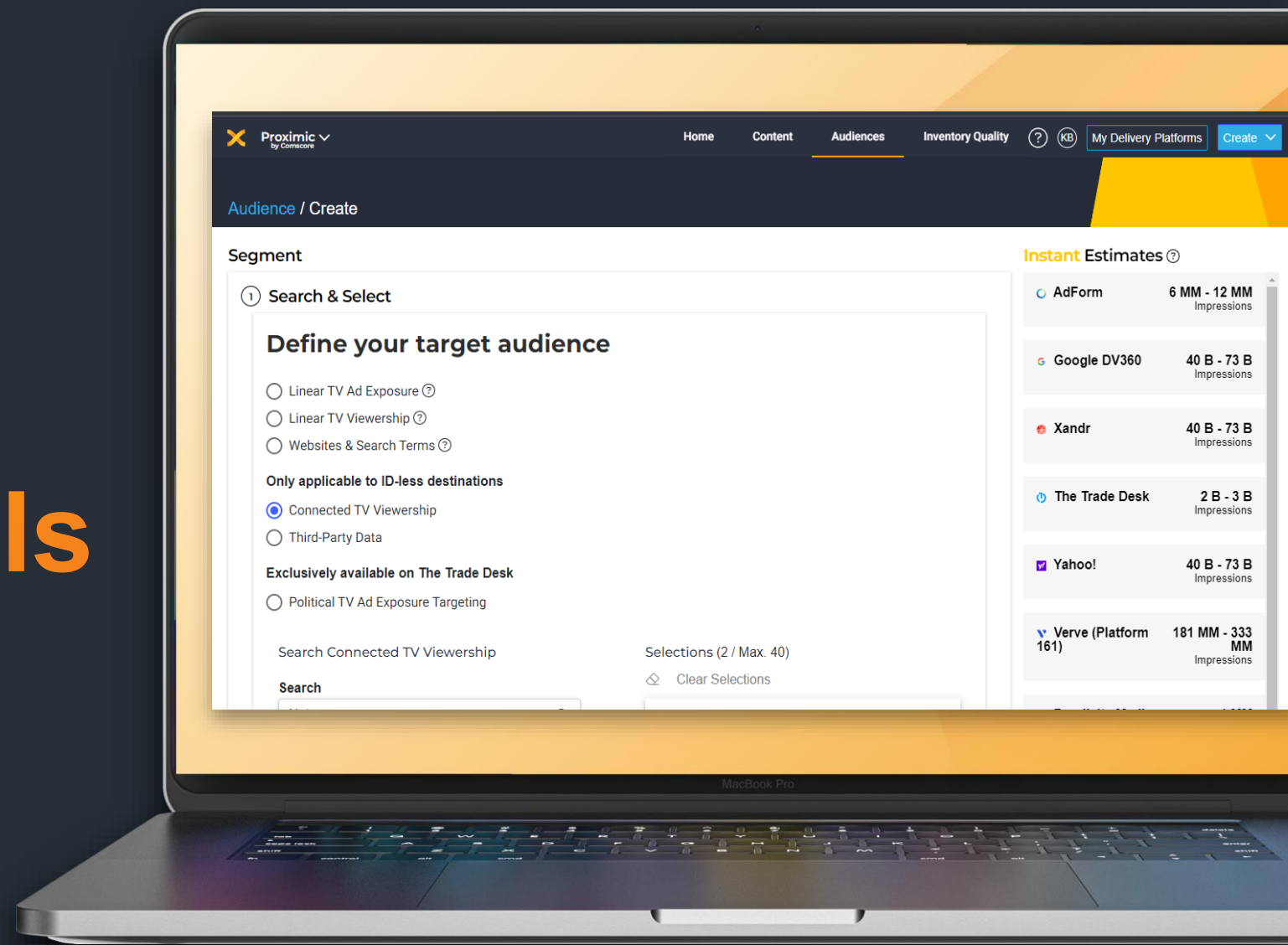


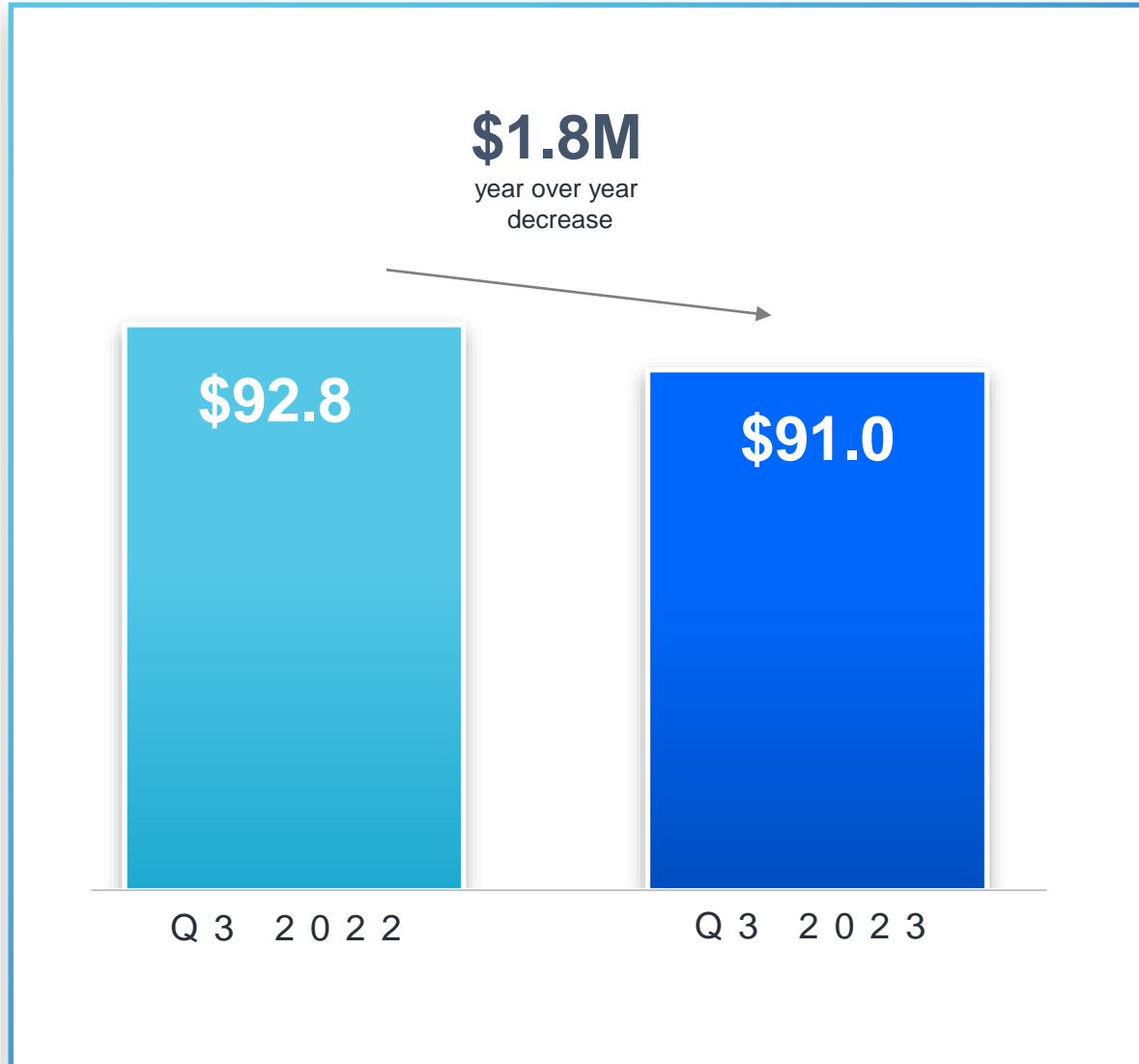
**Stakeholder  
Value  
Creation**

POSITIONED FOR GROWTH

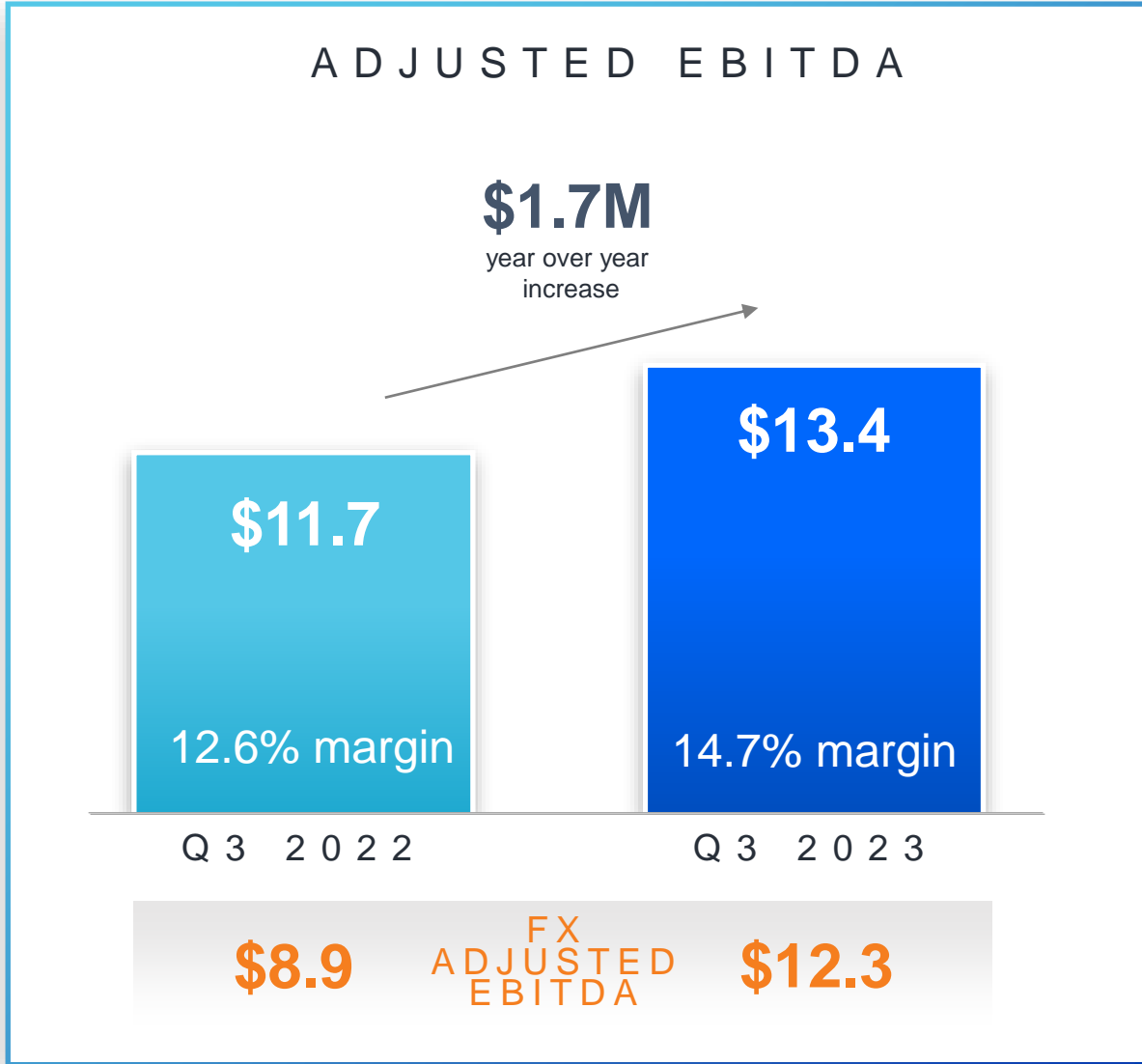


# Third Quarter 2023 Financials





- ✓ Cross Platform Solutions roughly flat to the prior year quarter:
  - Continued double digit growth in Local TV, offset by National TV
  - Movies revenue flat year over year
- ✓ Digital Ad Solutions down 4% year over year:
  - Lower custom deliverables and syndicated digital revenue
  - Meaningful growth in Activation

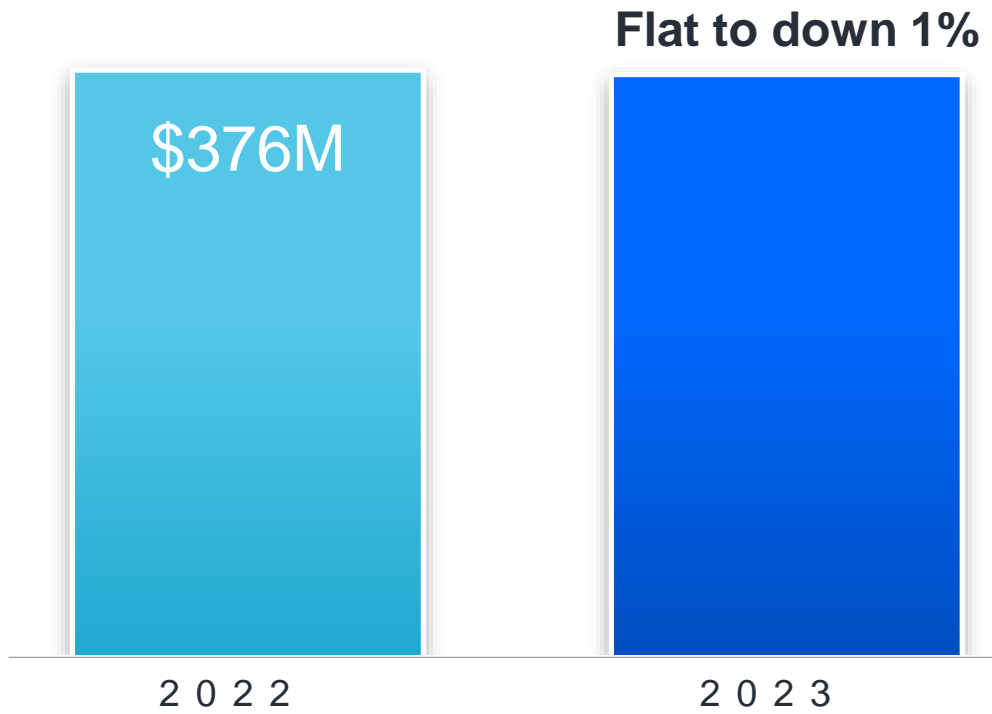


- ✓ Excluding FX, adjusted EBITDA up 38% over prior year
- ✓ Disciplined cost execution - core operating expenses\* down 4.5% year over year
- ✓ Continued execution of our restructuring plan including footprint reduction
- ✓ Accelerating operational transformation initiatives to drive future efficiencies

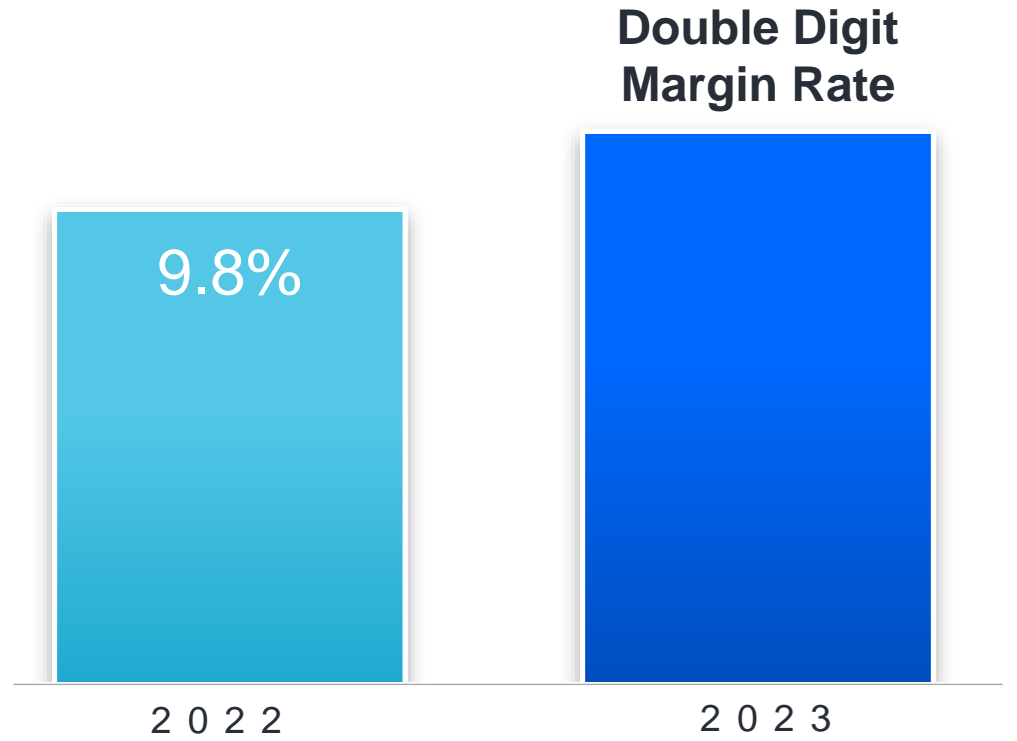
\* Core operating expenses are composed of cost of revenues, selling and marketing, research and development, and general and administrative expenses



### TOTAL REVENUE



### TOTAL ADJUSTED EBITDA MARGIN



**Thank you!**



To provide investors with additional information regarding our financial results, we are disclosing adjusted EBITDA, adjusted EBITDA margin and FX adjusted EBITDA, which are non-GAAP financial measures used by our management to understand and evaluate our core operating performance and trends. We believe that these measures provide useful information to investors and others in understanding and evaluating our operating results, as they permit our investors to view our core business performance using the same metrics that management uses to evaluate our performance. Nevertheless, our use of these measures has limitations as an analytical tool, and investors should not consider these measures in isolation or as a substitute for analysis of our results as reported under GAAP. Instead, you should consider these measures alongside GAAP-based financial performance measures, net income (loss), net income (loss) margin, various cash flow metrics, and our other GAAP financial results. Set forth below are reconciliations of these non-GAAP measures to their most directly comparable GAAP financial measures, net income (loss) and net income (loss) margin. These reconciliations should be carefully evaluated.

We do not provide GAAP net income (loss) and net income (loss) margin on a forward-looking basis because we are unable to predict with reasonable certainty our future stock-based compensation expense, fair value adjustments, variable interest expense, litigation and restructuring expense, and any unusual gains or losses without unreasonable effort. These items are uncertain, depend on various factors, and could be material to results computed in accordance with GAAP. For this reason, we are unable without unreasonable effort to provide a reconciliation of adjusted EBITDA or adjusted EBITDA margin to the most directly comparable GAAP measures, GAAP net income (loss) and net income (loss) margin, on a forward-looking basis.

## Reconciliation of Non-GAAP Financial Measures

The following table presents a reconciliation of GAAP net income (loss) and net income (loss) margin to non-GAAP adjusted EBITDA, adjusted EBITDA margin and non-GAAP FX adjusted EBITDA for each of the periods identified:

(In thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023 (Unaudited)	2022 (Unaudited)	2023 (Unaudited)	2022 (Unaudited)
GAAP net income (loss)	\$ 2,618	\$ (52,382)	\$ (50,962)	\$ (66,708)
Depreciation	5,020	4,186	14,613	12,542
Income tax provision (benefit)	741	(86)	563	1,945
Amortization of intangible assets	800	6,772	4,412	20,323
Interest expense, net	426	284	1,141	660
Amortization expense of finance leases	419	515	1,268	1,875
EBITDA	10,024	(40,711)	(28,965)	(29,363)
Adjustments:				
Impairment of right-of-use and long-lived assets	1,502	—	1,502	—
Stock-based compensation expense	1,041	1,416	3,819	7,214
Transformation costs <sup>(1)</sup>	653	—	753	460
Amortization of cloud-computing implementation costs	360	358	1,078	1,076
Restructuring	353	5,784	5,455	5,784
Change in fair value of contingent consideration liability	97	44	252	2,447
Other income <sup>(2)</sup>	(634)	(1,476)	(407)	(8,464)
Impairment of goodwill	—	46,300	44,100	46,300
Non-GAAP adjusted EBITDA	\$ 13,396	\$ 11,715	\$ 27,587	\$ 25,454
Net income (loss) margin <sup>(3)</sup>	2.9 %	(56.5)%	(18.4)%	(24.0)%
Non-GAAP adjusted EBITDA margin <sup>(4)</sup>	14.7 %	12.6 %	10.0 %	9.2 %
Adjustments:				
(Gain) loss from foreign currency transactions	(1,090)	(2,781)	544	(5,728)
Non-GAAP FX adjusted EBITDA	\$ 12,306	\$ 8,934	\$ 28,131	\$ 19,726

<sup>(1)</sup> Transformation costs represent expenses incurred prior to formal launch of identified strategic projects with anticipated long-term benefits to the company. These costs generally relate to third-party consulting and non-capitalizable technology costs tied directly to the identified projects. We added transformation costs as an adjustment in Q3 2023 for greater transparency around these costs and have applied the adjustment to prior periods for comparison.

<sup>(2)</sup> Adjustments to other income, net reflects non-cash changes in the fair value of warrants liability included in other income, net on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss).

<sup>(3)</sup> Net income (loss) margin is calculated by dividing net income (loss) by revenues reported on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) for the applicable period.

<sup>(4)</sup> Adjusted EBITDA margin is calculated by dividing adjusted EBITDA by revenues reported on our Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) for the applicable period.