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

FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
FOR THE QUARTERLY PERIOD ENDED June 30, 2025

☐ 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: 001-40464

ZETA GLOBAL HOLDINGS CORP.
(Exact name of registrant as specified in its charter)

Delaware		**80-0814458**
(State or other jurisdiction of incorporation or organization)		**(I.R.S. Employer Identification No.)**

3 Park Ave, 33rd Floor
New York, NY 10016
(Address of principal executive offices) (Zip Code)
(212) 967-5055
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock, par value $0.001 per share	**ZETA**	**The New York Stock Exchange**

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 is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

The total number of shares of the registrant's common stock outstanding as of July 29, 2025 was 238,040,782, comprised of 213,945,711 shares of Class A Common Stock and 24,095,071 shares of Class B Common Stock.

ZETA GLOBAL HOLDINGS CORP.
Quarterly Report on Form 10-Q

For the Quarterly Period Ended June 30, 2025

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which involve substantial risks and uncertainties. All statements made in this Quarterly Report on Form 10-Q that are not statements of historical fact, including statements about our beliefs and expectations and regarding future events or our future results of operations, financial condition, business, strategies, financial needs, and the plans and objectives of management, are forward-looking statements and should be evaluated as such. These statements often include words such as "anticipate," "expect," "suggests," "plan," "believe," "intend," "estimates," "targets," "projects," "should," "could," "would," "may," "will," "forecast" and other similar expressions or the negative of those terms. We base these forward-looking statements on our current expectations, plans and assumptions that we have made in light of our experience in the industry, as well as our perceptions of historical trends, current conditions, expected future developments and other factors we believe are appropriate under the circumstances at such time. As you read this Quarterly Report on Form 10-Q, you should understand that these statements are not guarantees of future performance or results. The forward-looking statements are subject to and involve risks, uncertainties and assumptions, and you should not place undue reliance on these forward-looking statements. Although we believe that these forward-looking statements are based on reasonable assumptions at the time they are made, you should be aware that many factors could affect our business, results of operations and financial condition and could cause actual results to differ materially from those expressed in the forward-looking statements. The following important factors, along with the factors discussed in "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2024 ("2024 Annual Report"), may materially affect such forward-looking statements:

- Our success and revenue growth depends on our ability to add and retain scaled customers and convert our scaled customers into super-scaled customers;
- We often have long sales cycles, which can result in significant time between initial contact with a potential customer and execution of a customer agreement, making it difficult to project when, if at all, we will generate revenue from those customers;
- We may experience fluctuations in our operating results, including during presidential elections years where we generally generate higher revenues, which could make our future operating results difficult to compare and predict;
- If we do not manage our growth effectively, the quality of our platform and solutions may suffer, and our business, operating results and financial condition may be adversely affected;
- Our industry is intensely competitive, and if we do not effectively compete against current and future competitors or fail to innovate and make the right investment decisions in our product offerings and platform, our business, operating results and financial condition could be harmed;
- Acquisitions or strategic investments could be difficult to identify and integrate, divert the attention of management and disrupt our business, dilute stockholder value and adversely affect our business, operating results and financial condition;
- The technology industry is subject to increasing scrutiny that could result in U.S. federal or state government actions that could negatively affect our business;
- Our business and the effectiveness of our platform depends on our ability to collect and use data online. New consumer tools, regulatory restrictions and potential changes to web browsers and mobile operating systems all threaten our ability to collect such data, which could harm our operating results and financial condition and adversely affect the demand for our products and solutions;
- Actual or perceived failures to comply with applicable data protection, privacy and security laws, regulations, standards and other requirements could adversely affect our business, results of operations and financial condition;
- Any unfavorable publicity or negative public perception of current data collection practices could result in additional regulations which may impact the effectiveness of our data cloud and platform;
- A significant inadvertent disclosure or breach of confidential and/or personal information we process, or a security breach of our or our customers', suppliers' or other partners' IT Systems could be detrimental to our business, reputation, financial performance and results of operations;
- We depend on third-party data centers, systems and technologies to operate our business, the disruption of which could adversely affect our business, operating results and financial condition;

- If we fail to detect or prevent fraud or malware intrusion on our platform, devices, or systems, or into the systems or devices of our customers and their consumers, publishers could lose confidence in our platform, and we could face legal claims and regulatory investigations, any of which could adversely affect our business, operating results and financial condition;
- The standards that private entities and inbox service providers adopt in the future to regulate the use and delivery of email may interfere with the effectiveness of our platform and our ability to conduct business;
- Any actual or perceived failure to comply with evolving regulatory frameworks around the development and use of artificial intelligence ("AI") could adversely affect our business, results of operations, and financial condition;
- General economic and market conditions, including as a result of changes in U.S. trade policies, such as new or increased tariffs, and the resulting impact on our or on our customers' business;
- The impact on our business and financial condition of incurring additional debt or issuing new debt or equity securities;
- Catastrophic events such as pandemics, hurricanes, wildfires, tornadoes, earthquakes, flooding, droughts and power outages, and business and operational interruption by man-made problems such as war, conflicts and acts of terrorism; and
- Other factors discussed in other sections of this Quarterly Report on Form 10-Q, including the section titled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations."

You should not place undue reliance on our forward-looking statements, and you should not rely on forward-looking statements as predictions of future events. The results, events and circumstances reflected in the forward-looking statements may not be achieved or occur, and actual results, events or circumstances could differ materially from those described in the forward-looking statements. The forward-looking statements made in this Quarterly Report on Form 10-Q should not be construed to be exhaustive and speak only as of the date of this report. We undertake no obligation to update any forward-looking statements made in this Quarterly Report on Form 10-Q to reflect events or circumstances after the date of this Quarterly Report on Form 10-Q or to reflect new information or the occurrence of unanticipated events, except as required by law. If we update one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements.

Unless the context otherwise requires, references in this Quarterly Report on Form 10-Q to "Zeta," "we," "us," "our" or "the Company" refer to Zeta Global Holdings Corp. and its consolidated subsidiaries.

Our Website and Availability of SEC Reports and Other Information

The Company maintains a website at the following address: https://zetaglobal.com. The information on the Company's website is not incorporated by reference in, or otherwise to be regarded as part of, this Quarterly Report on Form 10-Q.

We make available on or through our website certain reports and amendments to those reports we file with or furnish to the Securities and Exchange Commission ("SEC") pursuant to Section 13(a) or 15(d) of the Exchange Act. These include our annual reports on Form 10-K, our quarterly reports on Form 10-Q, and our current reports on Form 8-K. We make this information available on our website free of charge as soon as reasonably practicable after we electronically file the information with, or furnish it to, the SEC.

Investors and others should note that we routinely announce material information to investors and the marketplace using SEC filings, press releases, public conference calls, webcasts, and the Zeta Global Investor Relations website. We use these channels as well as social media channels (e.g., the Zeta Facebook account (facebook.com/ZetaGlobal); the Zeta Instagram account (instagram.com/zetaglobal); the Zeta X account (x.com/zetaglobal); and the Zeta LinkedIn account (linkedin.com/company/zetaglobal)) as a means of disclosing information about our business to our customers, colleagues, investors, and the public. While not all of the information that we post to the Zeta Investor Relations website or on our social media channels is of a material nature, some information could be deemed to be material. Accordingly, we encourage investors, the media, and others interested in Zeta to review the information that we share on the Zeta Investor Relations website and on our social media channels. The information on the Zeta Investor Relations website and the Company's social media channels is not incorporated by reference in, or otherwise to be regarded as part of, this Quarterly Report on Form 10-Q.

PART I - FINANCIAL INFORMATION

Item 1. Financial Statements

Condensed Unaudited Consolidated Balance Sheets
(In thousands, except shares, per share and par values)

	As of	
	June 30, 2025	**December 31, 2024**
Assets		
Current assets:		
Cash and cash equivalents	**$ 365,314**	$ 366,157
Accounts receivable, net of allowance of $4,691 and $4,291 as of June 30, 2025 and December 31, 2024, respectively	**251,007**	235,227
Prepaid expenses	**11,346**	13,348
Other current assets	**2,531**	1,808
Total current assets	**$ 630,198**	$ 616,540
Non-current assets:		
Property and equipment, net	**$ 10,804**	$ 8,856
Website and software development costs, net	**29,865**	28,949
Right-to-use assets - operating leases, net	**10,147**	8,806
Intangible assets, net	**95,181**	115,180
Goodwill	**317,672**	325,992
Deferred tax assets, net	**960**	619
Other non-current assets	**5,266**	6,431
Total non-current assets	**$ 469,895**	$ 494,833
Total assets	**$ 1,100,093**	$ 1,111,373
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	**$ 48,035**	$ 43,665
Accrued expenses	**115,948**	121,400
Acquisition-related liabilities	**13,834**	12,727
Deferred revenue	**3,856**	10,348
Other current liabilities	**12,156**	11,197
Total current liabilities	**$ 193,829**	$ 199,337
Non-current liabilities:		
Long-term borrowings	**$ 196,686**	$ 196,288
Acquisition-related liabilities	**25,327**	29,137
Other non-current liabilities	**10,995**	9,810
Total non-current liabilities	**$ 233,008**	$ 235,235
Total liabilities	**$ 426,837**	$ 434,572
Commitments and contingencies (See Note 8)		
Stockholders' equity:		
Class A Common Stock $0.001 per share par value, up to 3,750,000,000 shares authorized, 213,263,264 and 213,175,179 shares issued and outstanding as of June 30, 2025 and December 31, 2024, respectively	**$ 213**	$ 213
Class B Common Stock $0.001 per share par value, up to 50,000,000 shares authorized, 24,095,071 shares issued and outstanding as of June 30, 2025 and December 31, 2024, respectively	**24**	24
Additional paid-in capital	**1,737,840**	1,706,885
Accumulated deficit	**(1,062,722)**	(1,028,308)
Accumulated other comprehensive loss	**(2,099)**	(2,013)
Total stockholders' equity	**$ 673,256**	$ 676,801
Total liabilities and stockholders' equity	**$ 1,100,093**	$ 1,111,373

See accompanying notes to condensed unaudited consolidated financial statements.

Condensed Unaudited Consolidated Statements of Operations and Comprehensive Loss
(In thousands, except shares and per share amounts)

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Revenues	**$ 308,442**	$ 227,839	**$ 572,861**	$ 422,786
Operating expenses:				
Cost of revenues (excluding depreciation and amortization)	**116,988**	91,082	**220,476**	167,955
General and administrative expenses	**62,172**	51,159	**116,209**	99,965
Selling and marketing expenses	**86,392**	75,604	**161,761**	147,019
Research and development expenses	**30,592**	23,614	**57,391**	43,600
Depreciation and amortization	**17,403**	12,964	**35,090**	26,705
Restructuring expenses	**—**	—	**3,152**	—
Total operating expenses	**$ 313,547**	$ 254,423	**$ 594,079**	$ 485,244
Loss from operations	**(5,105)**	(26,584)	**(21,218)**	(62,458)
Interest expense, net	**166**	2,560	**497**	5,185
Other expenses / (income)	**6,351**	(1,564)	**9,863**	(893)
Total other expenses	**$ 6,517**	$ 996	**$ 10,360**	$ 4,292
Loss before income taxes	**(11,622)**	(27,580)	**(31,578)**	(66,750)
Income tax provision	**1,192**	486	**2,836**	882
Net loss	**$ (12,814)**	$ (28,066)	**$ (34,414)**	$ (67,632)
Other comprehensive loss / (income):				
Foreign currency translation adjustment	**65**	(51)	**86**	(1)
Total comprehensive loss	**$ (12,879)**	$ (28,015)	**$ (34,500)**	$ (67,631)
Net loss per share				
Net loss available to common stockholders	**$ (12,814)**	$ (28,066)	**$ (34,414)**	$ (67,632)
Basic loss per share	**$ (0.06)**	$ (0.16)	**$ (0.16)**	$ (0.39)
Diluted loss per share	**$ (0.06)**	$ (0.16)	**$ (0.16)**	$ (0.39)
Weighted average number of shares used to compute net loss per share				
Basic	**217,253,856**	177,870,238	**214,918,925**	174,475,591
Diluted	**217,253,856**	177,870,238	**214,918,925**	174,475,591

The Company recorded stock-based compensation under respective lines of the above condensed unaudited consolidated statements of operations and comprehensive loss:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Cost of revenues (excluding depreciation and amortization)	**$ 302**	$ 499	**$ 563**	$ 770
General and administrative expenses	**14,896**	16,728	**30,315**	35,627
Selling and marketing expenses	**22,460**	26,947	**42,005**	53,497
Research and development expenses	**8,813**	7,985	**15,575**	14,903
Total	**$ 46,471**	$ 52,159	**$ 88,458**	$ 104,797

See accompanying notes to condensed unaudited consolidated financial statements.

Condensed Unaudited Consolidated Statements of Changes in Stockholders' Equity
(In thousands, except shares)

	Six months ended June 30, 2025							
	Class A Common Stock		Class B Common Stock		Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehensive Loss	Total
	Shares	Amount	Shares	Amount				
Balance as of January 1, 2025[1]	**213,175,179**	**$ 213**	**24,095,071**	**$ 24**	**$ 1,706,885**	**$ (1,028,308)**	**$ (2,013)**	**$ 676,801**
Shares issued in connection with certain agreements	197,028	—	—	—	3,667	—	—	3,667
Restricted stock grants	30,388	—	—	—	—	—	—	—
Restricted stock forfeitures	(247,629)	—	—	—	—	—	—	—
Shares repurchased	(1,616,625)	(1)	—	—	(25,010)	—	—	(25,011)
Performance stock units vested	312,724	—	—	—	—	—	—	—
Options exercised	15,368	—	—	—	123	—	—	123
Stock-based compensation	—	—	—	—	42,638	—	—	42,638
Restricted stock units vested	100,513	—	—	—	—	—	—	—
Foreign currency translation adjustment	—	—	—	—	—	—	(21)	(21)
Net loss	—	—	—	—	—	(21,600)	—	(21,600)
Balance as of March 31, 2025[2]	**211,966,946**	**$ 212**	**24,095,071**	**$ 24**	**$ 1,728,303**	**$ (1,049,908)**	**$ (2,034)**	**$ 676,597**
Shares issued in connection with certain agreements	50,736	—	—	—	667	—	—	667
Purchase price allocation adjustments	—	—	—	—	(9,006)	—	—	(9,006)
Restricted stock grants	189,508	—	—	—	—	—	—	—
Restricted stock forfeitures	(101,057)	—	—	—	—	—	—	—
Shares issued in connection with employee stock purchase plan	170,483	—	—	—	1,904	—	—	1,904
Shares repurchased	(2,673,451)	(2)	—	—	(32,046)	—	—	(32,048)
Performance stock units vested	2,201,123	2	—	—	(2)	—	—	—
Options exercised	129,712	—	—	—	853	—	—	853
Stock-based compensation	—	—	—	—	47,168	—	—	47,168
Restricted stock units vested	1,329,264	1	—	—	(1)	—	—	—
Foreign currency translation adjustment	—	—	—	—	—	—	(65)	(65)
Net loss	—	—	—	—	—	(12,814)	—	(12,814)
Balance as of June 30, 2025[3]	**213,263,264**	**$ 213**	**24,095,071**	**$ 24**	**$ 1,737,840**	**$ (1,062,722)**	**$ (2,099)**	**$ 673,256**

1. Includes 193,189,610 outstanding shares of Class A Common Stock, 17,776,198 outstanding shares of Class B Common Stock, 19,985,569 unvested shares of Class A restricted stock and 6,318,873 unvested shares of Class B restricted stock.
2. Includes 196,372,966 outstanding shares of Class A Common Stock, 18,593,583 outstanding shares of Class B Common Stock, 15,593,980 unvested shares of Class A restricted stock and 5,501,488 unvested shares of Class B restricted stock.
3. Includes 200,966,624 outstanding shares of Class A Common Stock, 19,410,968 outstanding shares of Class B Common Stock, 12,296,640 unvested shares of Class A restricted stock and 4,684,103 unvested shares of Class B restricted stock.

See accompanying notes to condensed unaudited consolidated financial statements.

	Six months ended June 30, 2024							
	Class A Common Stock		Class B Common Stock		Additional Paid-	Accumulated	Accumulated Other Comprehensive	
	Shares	Amount	Shares	Amount	in Capital	Deficit	Loss	Total
Balance as of January 1, 2024[4]	**188,631,432**	**$ 189**	**29,055,489**	**$ 29**	**$ 1,140,849**	**$ (958,537)**	**$ (2,010)**	**$ 180,520**
Restricted stock grants	1,420,286	1	—	—	(1)	—	—	—
Shares repurchased	(324,753)	—	—	—	(3,466)	—	—	(3,466)
Restricted stock forfeitures	(331,160)	—	—	—	—	—	—	—
Options exercised	97,158	—	—	—	434	—	—	434
Stock-based compensation	—	—	—	—	53,729	—	—	53,729
Restricted stock units vested	130,149	—	—	—	—	—	—	—
Foreign currency translation adjustment	—	—	—	—	—	—	(50)	(50)
Net loss	—	—	—	—	—	(39,566)	—	(39,566)
Balance as of March 31, 2024[5]	**189,623,112**	**$ 190**	**29,055,489**	**$ 29**	**$ 1,191,545**	**$ (998,103)**	**$ (2,060)**	**$ 191,601**
Shares issued in connection with certain agreements	43,152	—	—	—	667	—	—	667
Restricted stock grants	67,862	—	—	—	—	—	—	—
Shares issued in connection with employee stock purchase plan	212,650	—	—	—	1,525	—	—	1,525
Shares repurchased	(172,346)	—	—	—	(2,919)	—	—	(2,919)
Restricted stock forfeitures	(221,824)	—	—	—	—	—	—	—
Performance stock units vested	150,315	—	—	—	—	—	—	—
Options exercised	170,697	—	—	—	1,407	—	—	1,407
Stock-based compensation	—	—	—	—	52,780	—	—	52,780
Class B common stock transferred to Class A common stock	1,904,383	2	(1,904,383)	(2)	—	—	—	-
Restricted stock units vested	153,932	—	—	—	—	—	—	—
Foreign currency translation adjustment	—	—	—	—	—	—	51	51
Net loss	—	—	—	—	—	(28,066)	—	(28,066)
Balance as of June 30, 2024[6]	**191,931,933**	**$ 192**	**27,151,106**	**$ 27**	**$ 1,245,005**	**$ (1,026,169)**	**$ (2,009)**	**$ 217,046**

4. Includes 150,989,571 outstanding shares of Class A Common Stock, 17,886,352 outstanding shares of Class B Common Stock, 37,641,861 unvested shares of Class A restricted stock and 11,169,137 unvested shares of Class B restricted stock.
5. Includes 156,444,731 outstanding shares of Class A Common Stock, 18,301,427 outstanding shares of Class B Common Stock, 33,178,381 unvested shares of Class A restricted stock and 10,754,062 unvested shares of Class B restricted stock.
6. Includes 164,510,430 outstanding shares of Class A Common Stock, 17,607,759 outstanding shares of Class B Common Stock, 27,421,503 unvested shares of Class A restricted stock and 9,543,347 unvested shares of Class B restricted stock.

See accompanying notes to condensed unaudited consolidated financial statements.

Condensed Unaudited Consolidated Statements of Cash Flows
(In thousands)

	Six months ended June 30,	
	2025	**2024**
Cash flows from operating activities:		
Net loss	**$ (34,414)**	$ (67,632)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	**35,090**	26,705
Stock-based compensation	**88,458**	104,797
Deferred income taxes	**(345)**	(67)
Change in fair value of acquisition-related liabilities	**9,165**	(1,261)
Others, net	**2,761**	450
Change in non-cash working capital (net of acquisitions):		
Accounts receivable	**(19,067)**	(13,070)
Prepaid expenses	**1,938**	(2,352)
Other current assets	**(723)**	161
Other non-current assets	**156**	(1,153)
Deferred revenue	**(6,543)**	369
Accounts payable	**2,703**	(15,406)
Accrued expenses and other current liabilities	**(3,515)**	24,321
Other non-current liabilities	**1,184**	(86)
Net cash provided by operating activities	**$ 76,848**	$ 55,776
Cash flows from investing activities:		
Capital expenditures	**(5,085)**	(12,565)
Website and software development costs	**(9,953)**	(8,212)
Acquisitions and other investments, net of cash acquired	**(1,202)**	—
Net cash used for investing activities	**$ (16,240)**	$ (20,777)
Cash flows from financing activities:		
Cash paid for acquisition-related liabilities	**(6,333)**	(6,952)
Proceeds from credit facilities, net of issuance cost	**6,250**	11,250
Issuance under employee stock purchase plan	**1,904**	1,525
Exercise of options	**964**	1,841
Repurchase of shares	**(57,931)**	(8,363)
Repayments against the credit facilities	**(6,250)**	(11,250)
Net cash used for financing activities	**$ (61,396)**	$ (11,949)
Effect of exchange rate changes on cash and cash equivalents	**(55)**	(78)
Net (decrease) / increase in cash and cash equivalents	**$ (843)**	$ 22,972
Cash and cash equivalents, beginning of period	**366,157**	131,732
Cash and cash equivalents, end of period	**$ 365,314**	$ 154,704
Supplemental cash flow disclosures including non-cash activities:		
Cash paid for interest, net	**$ 1,415**	$ 5,016
Cash paid for income taxes, net	**$ 1,459**	$ 638
Liability established in connection with acquisitions	**$ 9,165**	$ —
Capitalized stock-based compensation as website and software development	**$ 1,348**	$ 1,712
Shares issued in connection with acquisitions and other agreements	**$ 4,333**	$ 667
Right-to-use assets established	**$ 1,792**	$ 1,081
Operating lease liabilities established	**$ 1,792**	$ 1,081
Non-cash consideration for website and software development	**$ 774**	$ 402

See accompanying notes to condensed unaudited consolidated financial statements.

Notes to Condensed Unaudited Consolidated Financial Statements
(In thousands, except shares and per share amounts)

NOTE 1. Organization and Background

(a) Nature of Business

Zeta Global Holdings Corp., a Delaware Corporation ("Zeta" or "Zeta Global Holdings"), and Zeta Global Corp., a Delaware Corporation and the operating company ("Zeta Global" individually, or collectively with Zeta Global Holdings Corp. and its consolidated entities, as context dictates, the "Company") is a marketing technology company that uses proprietary data, artificial intelligence and software to create a technology platform that enables marketers to acquire, retain and grow customer relationships. The Company's technology platform powers data-driven marketing programs for enterprises across a wide range of industries and utilizes all digital distribution channels including email, search, social, mobile, display and connected TV. Zeta Global was incorporated and began operations in October 2007.

NOTE 2. Basis of Presentation and Summary of Significant Accounting Policies

(a) Principles of consolidation:

The accompanying condensed unaudited consolidated financial statements have been prepared by the Company in accordance with accounting principles generally accepted in the United States ("GAAP") for interim financial reporting and as required by Rule 10-01 of Regulation S-X. Accordingly, the condensed unaudited consolidated financial statements may not include all of the information and notes required by GAAP for audited financial statements. The year-end December 31, 2024 consolidated financial statements data included herein was derived from audited financial statements but does not include all disclosures required by GAAP for complete financial statements. In the opinion of the Company's management, the accompanying condensed unaudited consolidated financial statements contain all adjustments, consisting of items of a normal and recurring nature, necessary to present fairly the Company's financial position as of June 30, 2025, the results of operations, comprehensive loss and changes in stockholders' equity for the three and six months ended June 30, 2025 and 2024, and cash flows for the six months ended June 30, 2025 and 2024. The results of operations for the three and six months ended June 30, 2025 and 2024 are not necessarily indicative of the results to be expected for the full year. The preparation of consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts of assets and liabilities, and related disclosures, as of the date of the financial statements, and the amounts of revenues and expenses reported during the period. Actual results could differ from estimates. The accompanying condensed unaudited consolidated financial statements should be read in conjunction with the Company's audited financial statements and the accompanying notes for the year ended December 31, 2024, which were included in the Company's Annual Report on Form 10-K for the year ended December 31, 2024, filed with the SEC on February 26, 2025.

The accompanying condensed unaudited consolidated financial statements include the accounts of Zeta and its wholly owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

The Company's management considers events or transactions that occur after the balance sheet date but before the financial statements are issued to provide additional evidence relative to certain estimates or to identify matters that require additional disclosure. Subsequent events have been evaluated through the date of issuance of these financial statements.

(b) Revenue recognition:

Revenues arise primarily from the Company's technology platform via subscription fees, volume-based utilization fees and fees for professional services designed to maximize the customers usage of the technology.

Revenues are recognized when control of these services is transferred to the customers, in an amount that reflects the consideration we expect to be entitled to in exchange for those services. Sales and other taxes collected by the Company concurrent with revenue-producing activities are excluded from revenues.

When the Company enters into contracts with third parties in which the Company is acting as both a vendor and a customer, the Company performs an assessment of the services transferred to determine the independent nature of both the transactions. The Company presents the revenue and expense based on the fair value of the services provided or received.

Contract assets and liabilities

Contract assets represent revenue recognized for contracts that have not been invoiced to customers. Total contract assets were $14,353 and $11,101 as of June 30, 2025 and December 31, 2024, respectively, and are included in the accounts receivables, net, in the condensed unaudited consolidated balance sheets.

Contract liabilities consist of deferred revenues that represent amounts billed to the customers in excess of the revenue recognized. Deferred revenues are subsequently recorded as revenues when earned in accordance with the Company's revenue recognition policies. During the six months ended June 30, 2025 and 2024, the Company billed and collected $10,845 and $7,878 in advance, respectively, and recognized $17,337 and $7,496, respectively, as revenues. As of June 30, 2025 and December 31, 2024, the deferred revenues were $3,856 and $10,348, respectively.

Remaining performance obligations

Remaining performance obligations represents contractual obligations that are not yet fulfilled. Revenues for such contractual obligations will be recognized in future periods. The remaining performance obligations are influenced by several factors, including seasonality, the timing of renewals, average contract terms and foreign currency exchange rates. The remaining performance obligations are subject to future economic risks including counterparty risks, bankruptcies, regulatory changes and other market factors.

As of June 30, 2025, the Company's remaining performance obligations for the next 12 months and thereafter were approximately $67,000 and $68,700, respectively.

Disaggregation of revenues from contract with customers

The Company reports disaggregation of revenues based on primary geographical markets and delivery channels / platforms. Revenues by delivery channels / platforms are based on whether the customer requirements necessitate integration with platforms or delivery channels not owned by the Company. When the Company generates revenues entirely through the Company platform, the Company considers it to be direct platform revenue. When the Company generates revenue by leveraging its platform's integration with third parties, it is considered integrated platform revenue.

The following table summarizes disaggregation for the three and six months ended June 30, 2025 and 2024, respectively.

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Direct platform revenue	75%	67%	74%	67%
Integrated platform revenue	25%	33%	26%	33%

Refer to the Company's accounting policy on "Segments" below for more information about disaggregation based on primary geographical markets.

(c) Stock-based compensation and other stock-based payments:

The measurement of stock-based compensation for all stock-based payment awards, including restricted stock, restricted stock units ("RSUs"), performance-based stock units ("PSUs"), and stock options granted to the employees, consultants or advisors and non-employee directors, as well as shares purchased under the Company's 2021 Employee Stock Purchase Plan ("2021 ESPP"), is based on the estimated fair value of the awards on the date of grant or date of modification of such grants. The Company accounts for the modification to already issued awards as per guidance in ASC 718-20-35-3 (Refer to "Note 9. Stock-Based Compensation").

The Company accounts for all stock-based payment awards using a fair value-based method. The fair value of the stock options granted to employees and the shares purchased under the 2021 ESPP is estimated on the date of the grant using the Black-Scholes-Merton pricing model, and the related stock-based compensation is recognized over the vesting term of the option. The fair value of the restricted shares granted prior to the Company's initial public offering (the "IPO") was determined using the Monte-Carlo simulation method and for the restricted shares granted post-IPO is based on the Company's closing stock price as of the day prior to the date of the grants.

The Company accounts for its PSU awards that are subject to market conditions based on the fair value determined using the Monte Carlo simulation method, by a third-party valuation firm engaged by the Company. The Company accounts for PSU awards that are not subject to market conditions based on the Company's closing stock price as of the day prior to the date of grant. The Company accounts for the forfeitures, as they occur. The Company uses the graded vesting attribution method to recognize the stock-based compensation related to restricted stock awards, RSUs and stock options and straight-line over the term method for all the other awards.

(d) Segments:

The Company operates as one operating segment. Operating segments are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the Chief Operating Decision Maker ("CODM") in deciding how to allocate resources and in assessing performance. The Company's CODM is the Chief Executive Officer. Since it operates as one operating segment, all required financial segment information can be found in the condensed unaudited consolidated financial statements.

The CODM uses net loss and Adjusted EBITDA to allocate resources. Adjusted EBITDA is defined as the Company's net income / (loss) from operations before interest expense, net, income taxes, depreciation, and amortization adjusted for certain non-recurring expenses. The CODM considers budget-to-actual variances on a monthly basis for these metrics when making decisions about allocating capital and personnel resources of the Company.

Revenues and long-lived assets by geographic region are based on the physical location of the customers being served or the assets are as follows:

Revenues by geographic region consisted of the following:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
US	**$ 298,490**	$ 222,156	**$ 553,151**	$ 410,334
International	**9,952**	5,683	**19,710**	12,452
Total revenues	**$ 308,442**	$ 227,839	**$ 572,861**	$ 422,786

Total long-lived assets (including right-to-use assets) by geographic region consisted of the following:

	As of	
	June 30, 2025	December 31, 2024
US	**$ 14,719**	$ 13,914
International	**6,232**	3,748
Total long-lived assets	**$ 20,951**	$ 17,662

(e) Concentration of credit risk:

One customer accounted for more than 10% of the Company's total revenues during the six months ended June 30, 2025, and no customer accounted for more than 10% of the Company's total revenues during the six months ended June 30, 2024.

Financial instruments that potentially subject the Company to concentration risk consist primarily of accounts receivable from customers. As of both June 30, 2025 and December 31, 2024, there was one customer that represented more than 10% of the Company's accounts receivables balance. The Company continuously monitors whether there is an expected credit loss arising from customers, and accordingly makes provisions as warranted.

(f) Operating leases:

The Company determines if an arrangement is, or contains, a lease at inception, and whether lease and non-lease components are combined or not. A contract is or contains a lease when, (1) the contract contains an identified asset and (2) the customer obtains substantially all of the economic benefits from the use of that underlying asset and directs how and for what purpose the asset is used during the term of the contract in exchange for consideration.

Right-to-use assets and lease liabilities are initially recorded based on the present value of lease payments over the lease term, which includes the minimum unconditional term of the lease, and may include options to extend or terminate the lease when it is reasonably certain at the commencement date that such options will be exercised.

As the rate implicit for each of the Company's leases is not readily determinable, the Company uses its incremental borrowing rate at commencement date in determining the present value of lease payments. Right-to-use assets also include any initial direct costs and any lease payments made prior to the lease commencement date and are reduced by any lease incentives received. Lease expense is recognized on a straight-line basis over the term of the lease. Lease expense is a combination of interest on lease liability and amortization of Right-to-use assets. Operating lease expenses are included in general and administrative expenses in the condensed unaudited consolidated statements of operations and comprehensive loss. Refer to "Note 11. Leases" for additional information.

New accounting pronouncements

Not yet adopted:

In November 2024, the Financial Accounting Standards Board (the "FASB") issued ASU No. 2024-03, *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses*. The new guidance is intended to provide investors more detailed disclosures about specified categories of expenses (including purchases of inventory, employee compensation, intangible asset amortization, and depreciation) included in certain expense captions presented on the face of the income statement. The amendments in this ASU are effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the impact of this standard on its consolidated financial statements and related disclosures.

In December 2023, the FASB issued ASU No. 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures* ("ASU 2023-09"). ASU 2023-09 is intended to enhance the transparency and decision usefulness of income tax disclosures. The amendments in ASU 2023-09 address investor requests for enhanced income tax information primarily through changes to the rate reconciliation and income taxes paid information. Early adoption is permitted. A public entity should apply the amendments in ASU 2023-09 prospectively to all annual periods beginning after December 15, 2024. The Company is currently evaluating the impact of incorporating ASU 2023-09 guidance on its consolidated financial statements and related disclosures.

NOTE 3. Intangible Assets, Net

The details of intangible assets and related accumulated amortization are set forth below:

	As of June 30, 2025			As of December 31, 2024		
	Gross value	Accumulated amortization	Net Value	Gross value	Accumulated amortization	Net Value
Data supply relationships	**$ 63,925**	**$ (44,732)**	**$ 19,193**	$ 61,342	$ (36,682)	$ 24,660
Tradenames	**14,940**	**(3,935)**	**11,005**	14,940	(3,063)	11,877
Completed technologies	**71,112**	**(40,063)**	**31,049**	71,112	(32,437)	38,675
Customer relationships	**104,213**	**(70,279)**	**33,934**	104,213	(64,245)	39,968
Total intangible assets	**$ 254,190**	**$ (159,009)**	**$ 95,181**	$ 251,607	$ (136,427)	$ 115,180

Amortization expense of intangible assets for the three and six months ended June 30, 2025 was $11,173 and $22,582, respectively, and for the three and six months ended June 30, 2024 was $6,094 and $12,813, respectively

Weighted average useful life of the unamortized intangible assets as of June 30, 2025 was 2.96 years. As of June 30, 2025, based on the amount of intangible assets subject to amortization, the Company's estimated future amortization over the next five years and beyond are as follows:

Year ending December 31,	
Remainder of 2025	$ 21,106
2026	35,339
2027	24,524
2028	9,317
2029	1,746
2030 and thereafter	3,149
Total	**$ 95,181**

NOTE 4. Goodwill

The following is a summary of the carrying amount of goodwill:

Balance as of January 1, 2025	**$ 325,992**
Purchase price allocation adjustments	**(8,343)**
Foreign currency translation	**23**
Balance as of June 30, 2025	**$ 317,672**

There were no events during the six months ended June 30, 2025 to which an impairment analysis would be warranted.

NOTE 5. Acquisition

The Company uses the purchase method of accounting in accordance with ASC 805, *Business Combinations*. This standard requires that the total cost of an acquisition be allocated to the tangible and intangible assets acquired and liabilities assumed based on the fair value of the tangible and intangible assets acquired and liabilities assumed at the acquisition date. The Company's estimates and assumptions used in assessing fair value are inherently uncertain and subject to refinement. During the measurement period, which may be up to one year from the acquisition date, the Company may record adjustments to the fair value of these tangible and intangible assets acquired and liabilities assumed, with the corresponding offset to goodwill. In addition, uncertain tax positions and tax-related valuation allowances are initially recorded in connection with a business combination as of the acquisition date. Acquisition-related expenses are expensed when incurred.

The Company may also agree to pay a portion of the purchase price for certain acquisitions in the form of contingent consideration. The unpaid amounts of these liabilities are included in the acquisition-related liabilities on the condensed unaudited consolidated balance sheets as of June 30, 2025 and December 31, 2024.

LiveIntent, Inc.

On October 7, 2024, the Company entered into a stock purchase agreement with the seller of LiveIntent, Inc. ("LiveIntent") to purchase all of its issued and outstanding shares of common stock. The Company closed this acquisition on October 21, 2024. The Company concluded that the transaction represents an acquisition of a business under ASC 805, *Business Combinations*. The fair value of the aggregate purchase consideration for the LiveIntent acquisition was $276,976, including $26,983 paid for cash acquired as part of this acquisition, $16,898 as estimated earn-outs based on the achievement of certain operating targets of the acquired business and $14,350 as certain holdbacks. The Company paid $55,819 (net of cash acquired) and issued 5,839,656 shares of Class A Common Stock. The Company has recorded this transaction based on the preliminary purchase price allocation. Accordingly, the Company has recognized $29,760 as customer relationships intangibles, $36,180 as completed technologies, $12,220 as tradenames, $176,748 as goodwill, and $22,068 as other net assets associated with this acquisition. The Company amortizes the intangible assets over the weighted average life of 4.0 years.

The Company paid $672 and $1,202 for certain acquisition-related liabilities during the three and six months ended June 30, 2025, respectively.

Prior to the acquisition, LiveIntent was a pioneer in people-based marketing, with proprietary technology powering mobile-centric experiences and first-party identity solutions to identify, unlock, engage, and monetize audiences across channels. Therefore, the Company paid a premium to acquire LiveIntent assets, which is represented as goodwill in the above purchase price allocation. The Company incurred $8,229 as acquisition-related expenses related to this acquisition during the year ended December 31, 2024.

Goodwill acquired by the Company in its LiveIntent acquisition is not deductible for tax purposes.

NOTE 6. Acquisition-Related Liabilities

The following is a summary of acquisition-related liabilities:

	Apptness	ArcaMax	LiveIntent	Total
Balance as of January 1, 2025	**$ 7,333**	**$ 3,283**	**$ 31,248**	**$ 41,864**
Additions	—	—	—	—
Payments made during the period	(7,333)	(3,333)	(1,202)	(11,868)
Change in fair value of earn-out	—	50	9,115	9,165
Balance as of June 30, 2025	**$ -**	**$ -**	**$ 39,161**	**$ 39,161**

As of June 30, 2025, the Company revised the forecasted financial performance of the business acquired in its LiveIntent acquisition as compared to the estimates used in the initial purchase price allocation. As such, the Company recorded changes in the fair value of the earn-outs, which are included in "Other expenses / (income)" on the condensed unaudited consolidated statements of operations and comprehensive loss.

NOTE 7. Credit Facilities

The Company's long-term borrowings are as follows:

	As of June 30, 2025	As of December 31, 2024
Credit facility	**$ 200,000**	$ 200,000
Less: Unamortized deferred financing cost	**(3,314)**	(3,712)
Long-term borrowings	**$ 196,686**	$ 196,288

On February 3, 2021, the Company entered into a credit agreement (the "Existing Credit Agreement") with a syndicate of financial institutions and institutional lenders, providing for a $222,500 senior secured credit facility (the "Existing Senior Secured Credit Facility"), which consisted of (i) a $73,750 initial revolving facility, (ii) a $111,250 term loan facility, and (iii) a $37,500 incremental revolving facility commitment. On March 22, 2023, the Company entered into a $25,000 incremental revolving facility commitment pursuant to an amendment to the Existing Credit Agreement, thereby increasing the Existing Senior Secured Credit Facility to $247,500. The effective interest rate on this debt for the six months ended June 30, 2024 was 7.6%.

On August 30, 2024, the Company refinanced and replaced the Existing Senior Secured Credit Facility by entering into a new credit agreement (the "Credit Agreement") with a syndicate of financial institutions and institutional lenders, providing for a five-year $550,000 senior secured credit facility (the "Senior Secured Credit Facility"), which consists of (i) a senior secured term loan in an aggregate principal amount of $200,000 (the "Term Loan") and (ii) a $350,000 senior secured revolving credit facility (the "Revolving Facility"). Concurrently with entering into the Credit Agreement, the Company drew down the $200,000 Term Loan and repaid all outstanding obligations in the amount of $185,000 under the Existing Senior Secured Credit Facility and terminated all commitments thereunder. The Senior Secured Credit Facility is fully secured with a first lien on the Company's assets. The extensions of credit may be used solely (a) to refinance existing indebtedness, (b) to pay any expenses associated with this line of credit agreement, (c) for acquisitions, and (d) for other general corporate purposes. The Company is required to repay the principal balance and any unpaid accrued interest on the Senior Secured Credit Facility on August 30, 2029. Out of the total Senior Secured Credit Facility, $342,500 remains undrawn as of June 30, 2025. In addition, the Company has an outstanding letter of credit amounting to $1,190 against the available Revolving Facility.

At the Company's election, loans made under the Credit Agreement will bear interest at (i) Secured Overnight Financing Rate ("SOFR") plus a margin of between 1.875% and 2.625% per annum depending on the Company's Consolidated Net Leverage Ratio (as defined in the Credit Agreement), plus an adjustment of 0.10% per annum or (ii) the Base Rate (as defined in the Credit Agreement) plus a margin of between 0.875% and 1.625% per annum depending on the Company's Consolidated Net Leverage Ratio. Interest shall be payable at the end of the selected interest period. The effective interest rate of the facility was 6.4% for the six months ended June 30, 2025.

The Company accounted for the refinancing in accordance with ASC 470, *Debt*, as a modification of existing debt, and accordingly the debt issuance cost of $3,397 incurred on the Senior Secured Credit Facility along with the $580 of remaining deferred financing costs of the Existing Senior Secured Credit Facility were capitalized and were recognized as a reduction in long-term borrowings in the condensed unaudited consolidated balance sheets. These deferred financing costs are being amortized over the term of the Senior Secured Credit Facility on a straight-line basis. During the six months ended June 30, 2025, the Company borrowed $6,250 against the Revolving Facility and repaid the same amount against the Term Loan under the Senior Secured Credit Facility. As of June 30, 2025, the outstanding balance of the Term Loan was $192,500 and Revolving Facility was $7,500.

The Senior Secured Credit Facility contains certain financial maintenance covenants including a Consolidated Net Leverage Ratio and Consolidated Fixed Charge Coverage Ratio (each as defined in the Credit Agreement). The Credit Agreement includes customary negative covenants that, among other things, restrict the Company's ability to incur additional indebtedness, grant liens, engage in transactions with affiliates and make certain asset dispositions. Additionally, the Company is required to submit periodic financial covenant letters that would include the Company's current Consolidated Net Leverage Ratio and Consolidated Fixed Charge Coverage Ratio, among others. As of June 30, 2025, the applicable Consolidated Net Leverage Ratio and Consolidated Fixed Charge Coverage Ratio were 3.25 and 1.25, respectively, and the Company was in compliance with these covenants.

The Company determined that the Term Loan is classified as Level 3 and the relevant fair value as of June 30, 2025 was approximately $196,682. The fair value as of December 31, 2024 was approximately equal to its carrying value.

As of June 30, 2025, the repayment schedule for the Term Loan and Revolving Facility borrowings was as follows:

Year ended December 31,		
Remainder of 2025	$	—
2026		10,000
2027		12,500
2028		20,000
2029		157,500
2030 and thereafter		—
Total*	**$**	**200,000**

*Includes $5,000 repayable against the Term Loan within the 12-month period ending June 30, 2026. The Company intends to draw against the available Revolving Facility to pay off Term Loan installments and therefore the total borrowings are included in "Long-term borrowings" on the condensed unaudited consolidated balance sheets as of June 30, 2025.

NOTE 8. Commitments and Contingencies

(a) Purchase obligations

The Company entered into non-cancelable vendor agreements to purchase services. As of June 30, 2025, the Company was party to outstanding purchase contracts as follows:

Year ended December 31,		
Remainder of 2025	$	27,082
2026		39,894
2027		10,202
2028		56
2029		—
2030 and thereafter		—
Total	**$**	**77,234**

(b) Other contingencies

The Company is a party to various litigations and administrative proceedings related to claims arising from its operations in the ordinary course of business. The Company records provisions for losses when claims become probable and the amounts are estimable. Although the outcome of these matters cannot be predicted with certainty, the Company's management believes that the resolution of the matters will not have a material impact on the Company's business, results of operations, financial condition, or cash flows.

NOTE 9. Stock-Based Compensation

Stock-based compensation plan

In 2008, the Company adopted its 2008 Stock Option/Stock Issuance Plan, and, in 2017, adopted the Zeta Global Holdings Corp. 2017 Incentive Plan (collectively, the "Plans").

The Plans permitted the issuance of stock options, restricted stock and RSUs to employees, officers, consultants or advisors and non-employee directors of the Company. Options granted under the Plans expire no later than ten years from the grant date. Prior to the IPO, the restricted stock and RSUs granted under the Plans generally did not vest until a change in control. Upon a change in control, restricted stock and RSUs vest as to 25% of the shares with the balance of the shares vesting in equal quarterly installments following the change in control over the remainder of a five-year term from the original date of grant. The restricted stock and RSUs fully vest upon a change in control to the extent five years have passed from the original date of grant of the restricted stock or RSUs. Since the vesting of these awards was contingent upon the change of control event, which was not considered probable until it occurred, the Company did not record any stock-based compensation for such awards prior to the IPO, a change in control event.

The stock-based compensation has been recognized following the vesting of restricted stock, RSUs and options as described below. The Company ceased granting awards under the Plans following its adoption of the 2021 Plan (as defined below) in connection with the IPO.

In connection with the IPO, the Company adopted the Zeta Global Holdings Corp. 2021 Incentive Award Plan (the "2021 Plan"), which was effective as of the day prior to the first public trading date of the Company's Class A Common Stock and under which restricted stock, RSUs and options have been granted to service providers. With certain exceptions, the equity awards granted under the 2021 Plan generally vest over four years, with 25% of the shares vesting upon the first anniversary of the grant date and the remainder of the shares vesting in equal quarterly installments thereafter.

During the three months ended June 30, 2025 and 2024, the Company recognized stock-based compensation expense of $46,471 and $52,159, respectively. During the six months ended June 30, 2025 and 2024, the Company recognized stock-based compensation expense of $88,458 and $104,797, respectively.

Restricted Stock and Restricted Stock Units

As noted above, the Company's restricted stock and RSUs granted prior to the IPO did not vest until a change of control. On March 24, 2021, the Company's board of directors approved a modification in the vesting terms of its restricted stock and RSU awards. This modification was accounted for under the guidance in ASC 718-20-35-3. Given the vesting of the modified awards contained a performance condition associated with the IPO, the Company had determined that the modification was considered improbable-to-improbable under ASC 718-20-55-118 through 119. The Company recognized compensation expense over the modified vesting terms, based on the fair value as of the date of modification.

Following is the activity of restricted stock and RSUs granted by the Company:

	Shares	Weighted-Average Grant Date Fair Value
Non-vested as of January 1, 2025	**32,029,604**	**$ 11.26**
Granted [(1)]	4,608,334	15.44
Vested [(2)]	(10,624,686)	10.54
Forfeited [(3)]	(777,612)	12.37
Non-vested as of June 30, 2025 [(4)]	**25,235,640**	**$ 12.30**

(1) During the six months ended June 30, 2025, the Company granted 219,896 shares of restricted stock and 4,388,438 RSUs to its employees, advisors and non-employee directors.
(2) During the six months ended June 30, 2025, 9,194,909 shares of restricted stock and 1,429,777 RSUs were vested.
(3) During the six months ended June 30, 2025, 348,686 shares of restricted stock and 428,926 RSUs were forfeited.
(4) Includes 12,296,640 unvested shares of Class A restricted stock, 4,684,103 unvested shares of Class B restricted stock and 8,254,897 unvested RSUs, each as of June 30, 2025.

Stock options

Following is the summary of transactions under the Plans and the 2021 Plan:

	Number of options	Weighted-average exercise price	Weighted-average remaining contractual life (years)	Aggregate intrinsic value (per share)
Outstanding options as of January 1, 2025	**3,814,015**	**$ 9.70**	**8.35**	**$ 8.45**
Granted	9,290,214	12.57	—	—
Exercised	(145,080)	6.73	—	—
Forfeited	(130,308)	10.64	—	—
Outstanding options as of June 30, 2025	**12,828,841**	**$ 11.80**	**9.40**	**$ 1.53**

As of June 30, 2025, the Company had 1,448,784 outstanding exercisable options with a weighted-average exercise price of $9.05. Options granted by the Company expire no later than ten years from the grant date.

The Company granted 9,290,214 options during the six months ended June 30, 2025. The Company determined the estimated fair value of the options using the Black-Scholes-Merton method as $7.09. The following assumptions were used by the Company for the options valuation:

	As of June 30, 2025
Dividend yield	0.0%
Volatility	55.0%
Expected Term (years)	6.11
Risk free rate of interest	4.0%

Performance-Based Stock Unit ("PSUs") Award

On April 3, 2024, the Compensation Committee of the Board of Directors approved the grant of 2,989,850 PSUs subject to market conditions (at the target level) under the 2021 Plan (the "2024 PSUs"). Upon achievement of certain conditions described below, the 2024 PSUs could result in the issuance of up to 5,979,700 shares of Class A Common Stock.

The 2024 PSUs may be earned on the determination date, which is after the end of each fiscal quarter beginning with the three-month period ending on December 31, 2024 and ending with, and including, the three-month period ending on December 31, 2028, based on the 20-day volume-weighted average closing price per share ("VWAP") for the applicable quarter. In no event shall (i) any 2024 PSUs be earned if the VWAP for the applicable quarter is below $10.30 and (ii) more than 200% of the target 2024 PSUs be earned. The number of 2024 PSUs earned for such quarter shall be reduced by the number of 2024 PSUs, if any, earned in any prior quarter.

Each 2024 PSU represents the right to receive shares of Class A Common Stock as set forth in the 2024 PSU grant agreement or, at the option of the Company, an equivalent amount of cash. Participants have no right to the distribution of any shares or payment of any cash until the time the 2024 PSUs are earned and have vested. Each 2024 PSU provides for the right to receive a dividend equivalent to the value of any ordinary cash dividends paid on substantially all the outstanding shares of Class A Common Stock if the 2024 PSUs are earned and vested. Earned 2024 PSUs vest as to 33.33% on the date the Company determines the number of 2024 PSUs that are earned for such quarter, and the remaining earned 2024 PSUs vest in eight equal quarterly installments thereafter, subject to accelerated vesting in connection with certain qualifying terminations of employment or a change in control.

Following is the summary of PSUs subject to market conditions under the Company's 2021 Plan:

	Number of PSUs	Weighted Average Grant Date Fair Value
Outstanding PSUs as of January 1, 2025	**9,913,174**	**$ 16.27**
Granted	—	—
Performance Adjustment	2,694,032	17.83
Vested and Issued	(2,513,847)	17.10
Forfeited	(213,571)	16.20
Outstanding PSUs as of June 30, 2025	**9,879,788**	**$ 16.48**

The number of shares to be issued upon achievement of the applicable performance condition and satisfaction of the vesting schedule are specified in the applicable PSU award agreements. In the table above, the number of "granted" PSUs are presented at 100% of the specified target shares. Of the total PSUs subject to market conditions granted by the Company, the Company determined that 16,317,251 PSUs were earned through June 30, 2025, of which 9,879,788 earned PSUs remained unissued. The performance adjustment shown in the table above reflects the incremental PSUs that were earned in excess of target (100%).

As of June 30, 2025, the Company has outstanding 849,183 PSUs granted to certain employees that are not subject to market conditions. Upon achievement of certain operating targets, these PSUs could result in the issuance of 849,183 shares of Class A Common Stock.

2021 Employee Stock Purchase Plan

The Company maintains the 2021 Employee Stock Purchase Plan (the "2021 ESPP"). The 2021 ESPP permits participants to purchase the Company's Class A Common Stock through contributions up to a specified percentage of their eligible compensation. The maximum number of shares that may be purchased by a participant during any offering period is capped at 10,000.

In addition, no employee will be permitted to accrue the right to purchase shares under the Section 423 component at a rate in excess of $25 worth of shares during any calendar year during which such a purchase right is outstanding (based on the fair market value per share of the Company's Class A Common Stock as of the first day of the offering period).

The 2021 ESPP has consecutive offering periods of approximately six months in length commencing each year on December 1 and June 1 and ending on each May 31 and November 30, as applicable. The Company determined the estimated fair value of the shares purchased under the 2021 ESPP using the Black-Scholes-Merton method.

During the six months ended June 30, 2025, the Company issued 170,483 shares of Class A common stock related to the ESPP offering that ended on May 31, 2025.

The fair value of shares for the offering that commenced on June 1, 2025 was estimated at $4.45 per share, using the following assumptions, and this offering that will end on November 30, 2025, is expected to result in the issuance of approximately 232,560 shares of Class A Common Stock.

	As of June 30, 2025
Dividend yield	**0.0%**
Risk free interest rate	**4.3%**
Volatility	**65.4%**

Unrecognized stock-based compensation

The Company has $255,943 of unrecognized compensation expense related to its 25,235,640 shares of unvested restricted stock and RSUs, 16,075,818 PSUs subject to market conditions, 11,380,009 options, 849,183 additional PSUs that are not subject to market conditions and approximately 232,560 shares of Class A Common Stock to be issued under the 2021 ESPP offering that will end on November 30, 2025. This unrecognized stock-based compensation will be recognized over a weighted average period of 1.11 years.

NOTE 10. Stockholders' Equity

Share repurchase plan

On November 13, 2024, the Company's Board of Directors authorized a new stock repurchase and withholding program (the "2024 SRP") of up to $100,000 in the aggregate for (i) repurchases of the Company's outstanding shares of Class A Common Stock through December 31, 2026 and (ii) the withholding of shares as an alternative to market sales by certain executives and other employees to satisfy tax withholding requirements upon vesting of restricted stock awards (the "RSA Withholding Program"). The 2024 SRP supplements the Company's prior stock repurchase program authorized in 2022.

During the three and six months ended June 30, 2025, the Company repurchased 2,673,451 and 4,290,076 shares of Class A Common Stock, respectively, for a value of $32,048 and $57,059, respectively. The Company had an unsettled amount of $873 related to repurchases during the year ended December 31, 2024, which was subsequently paid by the Company during the six months ended June 30, 2025. As of June 30, 2025, $26,944 remained available for purchases under this discretionary plan.

Issuance of Class A Common Stock

During the six months ended June 30, 2025, the Company issued 197,028 shares of Class A Common Stock valued at $3,667 and 50,736 shares of Class A Common Stock valued at $667 for the earn-out payment related to its Apptness and ArcaMax acquisitions, respectively.

NOTE 11. Leases

The Company maintains leased offices in the United States of America, United Kingdom, India, Belgium and France.

The balance for right-to-use assets and lease liabilities are as follows:

	As of June 30, 2025	As of December 31, 2024
Operating Leases		
Right-to-use assets - operating leases, net	$ 10,147	$ 8,806
Current portion of long-term operating lease liabilities*	$ 3,788	$ 3,631
Long-term operating lease liabilities*	$ 8,218	$ 7,139

* Current portion of long-term operating lease liabilities and long-term operating lease liabilities are included in other current liabilities and other non-current liabilities, respectively, in the condensed unaudited consolidated balance sheets.

Minimum lease obligations - future minimum payments under all operating leases (including leases with a duration of one year or less) as of June 30, 2025 are as follows:

Year ended December 31,		
Remainder of 2025	$	2,517
2026		3,625
2027		3,353
2028		2,831
2029		876
2030 and thereafter		174
Total undiscounted lease commitments	**$**	**13,376**
Less: Imputed interest		(1,370)
Total discounted operating lease liabilities	**$**	**12,006**

NOTE 12. Fair Value Disclosures

Fair value is the price that would be received from the sale of an asset or paid to transfer a liability assuming an orderly transaction in the most advantageous market at the measurement date. U.S. GAAP establishes a hierarchical disclosure framework which prioritizes and ranks the level of observability of inputs used in measuring fair value. These tiers include Level 1, Level 2 and Level 3.

Level 1 is defined as observable inputs such as quoted prices in active markets for identical assets;

Level 2 is defined as observable inputs other than Level 1 prices such as quoted prices for similar assets; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities; and

Level 3 is defined as unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions.

The following table represents the fair value of the financial instruments measured at fair value on a recurring basis:

	As of June 30, 2025			
	Level 1	**Level 2**	**Level 3**	**Total**
Assets				
Cash and cash equivalents*	$ 349,492	$ —	$ —	$ 349,492
Total assets measured at fair value	**$ 349,492**	**$ —**	**$ —**	**$ 349,492**
Liabilities				
Acquisition-related liabilities	$ —	$ —	$ 39,161	$ 39,161
Total liabilities measured at fair value	**$ —**	**$ —**	**$ 39,161**	**$ 39,161**

	As of December 31, 2024			
	Level 1	**Level 2**	**Level 3**	**Total**
Assets				
Cash and cash equivalents*	$ 352,230	$ —	$ —	$ 352,230
Total assets measured at fair value	$ 352,230	$ —	$ —	$ 352,230
Liabilities				
Acquisition-related liabilities	$ —	$ —	$ 41,864	$ 41,864
Total liabilities measured at fair value	$ —	$ —	$ 41,864	$ 41,864

* Includes cash invested by the Company in money market accounts with certain financial institutions.

The fair value of the acquisition-related liabilities was estimated using the Monte-Carlo simulation model and was classified as a Level 3 financial instrument. The significant assumptions used in the model are the forecasted financial performance of the acquired businesses in future periods.

There were no transfers of financial instruments into or out of Level 3 during the six months ended June 30, 2025 and 2024.

The following table reconciles the changes in the fair value of the liabilities categorized within Level 3 of the fair value hierarchy for the three and six months ended June 30, 2025 and 2024:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Balance, beginning of period	**$ 37,461**	**$ 18,625**	**$ 41,864**	**$ 20,294**
Payments made during the period	(4,005)	(5,446)	(11,868)	(7,619)
Change in fair value of earn-out	5,705	(1,765)	9,165	(1,261)
Balance, end of period	**$ 39,161**	**$ 11,414**	**$ 39,161**	**$ 11,414**

In connection with certain business combinations, the Company may owe additional purchase consideration (contingent consideration included in the acquisition-related liabilities) based on the financial performance of the acquired entities after their acquisition. The fair value of the contingent consideration was determined using an unobservable input such as projected revenues, collections of accounts receivables, etc. Changes in any of the assumptions related to the unobservable inputs identified above may change the fair value of the contingent consideration.

NOTE 13. Income Taxes

The Company's income tax provision consists of federal, foreign, and state taxes necessary to align the Company's year-to-date tax provision with the annual effective rate that it expects to achieve for the full year. At each interim period, the Company updates its estimate of the annual effective tax rate and records cumulative adjustments as necessary.

For the three and six months ended June 30, 2025, the Company recorded an income tax provision of $1,192 and $2,836, respectively, which included a discrete tax benefit of $201 and $510, respectively, related to windfall tax benefits for stock-based compensation. The effective tax rate for the three months ended June 30, 2025 was negative 10.3% on a pre-tax loss of $11,622 and for the six months ended June 30, 2025 was negative 9.0% on a pre-tax loss of $31,578.

For the three and six months ended June 30, 2024, the Company recorded an income tax provision of $486 and $882, respectively. The effective tax rate for the three months ended June 30, 2024 was negative 1.8% on a pre-tax loss of $27,580 and for the six months ended June 30, 2024 was negative 1.3% on a pre-tax loss of $66,750.

On July 4, 2025, the One Big Beautiful Bill Act was enacted into law. The Company will account for the tax effects of changes in tax law in the period of enactment, which is the third quarter of 2025. The Company is currently evaluating the tax impacts of the law change.

The effective tax rate differs from the U.S. statutory rate primarily related to limited tax benefit on its U.S. operating losses as the Company maintains a full valuation allowance against its U.S. deferred tax assets.

NOTE 14. Net Loss Per Share Attributable to Common Stockholders

Basic net loss per share is computed using the two-class method, by dividing the net loss by the weighted-average number of shares of common stock of the Company outstanding during the period. Diluted net loss per share is computed by giving effect to all potential shares of common stock of the Company, outstanding stock options, warrants, to the extent dilutive. However, the unvested restricted stock, RSUs and PSUs as of June 30, 2025 and 2024 of 35,115,428 and 50,036,335, respectively, are not considered as participating securities and are anti-dilutive and as such are excluded from the weighted average number of shares used for calculating basic and diluted net loss per share. For periods in which the Company has reported net losses, diluted net loss per common share is the same as basic net loss per common share, since dilutive common shares are not assumed to have been issued if their effect is anti-dilutive.

The following table sets forth the calculation of basic and diluted net loss per share attributable to common stockholders during the periods presented:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Numerator:				
Numerator for Basic and Diluted loss per share – loss available to common stockholders	**$ (12,814)**	$ (28,066)	**$ (34,414)**	$ (67,632)
Denominator:				
Class A Common Stock	198,507,575	160,039,714	196,573,719	156,645,066
Class B Common Stock	18,746,281	17,830,524	18,345,206	17,830,524
Denominator for Basic and Diluted loss per share – weighted-average common stock	**217,253,856**	177,870,238	**214,918,925**	174,475,591
Basic and Diluted loss per share	**$ (0.06)**	$ (0.16)	**$ (0.16)**	$ (0.39)

Since the Company was in a net loss position for all periods presented, the inclusion of all potential common equivalent shares outstanding would have been anti-dilutive. Therefore, net loss per share attributable to common stockholders was the same on a basic and diluted basis.

Anti-dilutive weighted-average common equivalent shares were as follows:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Options	593,713	4,203,861	986,571	3,386,749
Restricted stock and RSUs	17,824,761	46,026,163	19,058,743	47,022,047
PSUs	4,564,966	7,529,122	5,115,962	6,142,399

NOTE 15. Subsequent Event

On July 23, 2025, the Company's Board of Directors authorized a share repurchase program to repurchase up to $200,000 of our outstanding Class A common stock through December 31, 2027 (the “2025 SRP”). The actual timing, number and value of shares repurchased in the future will be determined by the Company at its discretion and will depend on a number of factors, including market conditions, applicable legal requirements, our capital needs, and whether there is a better alternative use of capital. Repurchases during any given fiscal period under the 2025 SRP, including withholdings under the RSA Withholding Program, will reduce the number of weighted-average common shares outstanding for the period.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our condensed unaudited consolidated financial statements and related notes included elsewhere in this Quarterly Report on Form 10-Q. In addition to historical financial information, the following discussion contains forward-looking statements that are based upon current plans, expectations and beliefs that involve risks and uncertainties. Our actual results and the timing of events may differ materially from those anticipated and discussed in the forward-looking statements as a result of various factors, including those set forth in Part 1, Item 1A "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2024 ("2024 Annual Report") filed on February 26, 2025, and in Part II, Item IA "Risk Factors" included in this Quarterly Report on Form 10-Q.

Overview

Zeta is a leading AI-powered omnichannel data-driven cloud platform that provides enterprises with consumer intelligence and marketing automation software. We empower our customers to target, connect and engage consumers through software that delivers personalized marketing across all addressable channels, including email, social media, web, chat, Connected TV ("CTV") and video, among others. Our Generative AI (GenAI)-driven marketing solutions enable brands to personalize experiences at scale, measure impact with precision and optimize marketing spend to increase return on investment ("ROI"). With the integration of LiveIntent's identity graph and publisher network, we have strengthened our Data Cloud assets and our ability to deliver authenticated, people-based marketing across addressable channels.

Our Zeta Marketing Platform, or ZMP, is an AI-powered marketing platform with identity data at its core. Leveraging GenAI and machine learning, the ZMP processes billions of structured and unstructured data signals to predict consumer intent, optimize messaging and drive personalized messaging across all channels. The integration of LiveIntent's identity graph expands Zeta's first-party data foundation, strengthening authenticated identity resolution and deterministic targeting. The ZMP enables brands to connect with consumers through native integration of marketing channels and application programming interface ("API") integration with third parties. The ZMP's data-driven algorithms and processes learn and optimize each customer's marketing program in real time, producing a 'flywheel effect' that enables our customers to test, learn and improve their marketing programs in real time.

The ZMP enhances our customers' ability to personalize consumer experiences at scale across multiple touchpoints. With AI-driven automation, brands can orchestrate highly effective programs through intuitive workflows and real-time intelligence. Our Consumer Data Platform ("CDP+") now integrates LiveIntent's identity graph, improving identity resolution while maintaining compliance with evolving privacy standards. Our Agile Intelligence suite synthesizes Zeta's proprietary data and data generated by our customers to uncover consumer insights that are translated into marketing programs designed for highly targeted audiences across digital channels, including email, SMS, websites, applications, social media, CTV and chat.

Macroeconomic trends

Our business and the businesses and operations of our customers depend on the overall state of the economy, and we and they could be negatively impacted by slower economic growth and the potential for a recession. While core inflation has remained relatively steady for the first half of the year, the economy continues to be impacted by the looming potential of increased inflation rates and faces further inflation risk. To date, the effects of tariffs and changes in global trade policies on the overall state of the economy and on our business have had no material impact on our costs or operations. However, the evolving tariffs and changes in global trade policies continue to cause overall economic uncertainty and may increase our costs and adversely impact our operations as well as customers' businesses and operations. Additionally, other potential challenging macroeconomic conditions, and the resulting impact on the economy and consumer spending, could negatively impact our and our customers' businesses and operations.

Factors Affecting Results of Operations

For a discussion of the factors affecting our results of operations, please see "Factors Affecting Results of Operations" in Part II, Item 7 "Management's Discussion and Analysis of Financial Condition and Results of Operations" and Part 1, Item 1A "Risk Factors" of our 2024 Annual Report, as well as in Part II, Item 1A "Risk Factors" included in this Quarterly Report on Form 10-Q.

Key Performance Metrics

We review key performance metrics, discussed below, to evaluate our business, track performance, identify trends, formulate plans and make strategic decisions. We believe that the presentation of such metrics provides investors with effective ways to measure and model the performance of companies such as ours, with recurring revenue streams.

Scaled customers increased 21% to 567 as of June 30, 2025, compared to 468 as of June 30, 2024, primarily due to higher usage of our platform among our customers and new additions to our scaled customer base. Of our scaled customers, 168 and 144 were super-scaled customers as of June 30, 2025 and June 30, 2024, respectively.

Scaled customer Average Revenue Per User ("ARPU") increased 11% to $532 thousand for the three months ended June 30, 2025, compared to $479 thousand for the three months ended June 30, 2024, primarily due to higher usage of our platform among scaled customers. ARPU for our super-scaled customers increased 19% to $1.6 million (across 168 customers) for the three months ended June 30, 2025, compared to $1.3 million (across 144 customers) for the three months ended June 30, 2024.

Description of Certain Components of Financial Data

Revenues

Our revenue primarily arises from use of our technology platform via subscription fees, volume-based utilization fees and fees for professional services. Our platform revenue is comprised of a mix of direct platform revenue and integrated platform revenue, which leverages API integrations with third parties. For the six months ended June 30, 2025 and 2024, we derived 74% and 67% of our revenues from direct platforms, respectively, and 26% and 33% of our revenues from integrated platforms, respectively. Revenues are recognized when control of these services is transferred to our customers, in an amount that reflects the consideration we expect to be entitled to in exchange for those services. Sales and other taxes collected by us are excluded from revenue. Our revenue recognition policies are discussed in more detail below under "Critical Accounting Estimates."

Cost of revenues (excluding depreciation and amortization)

Cost of revenues excludes depreciation and amortization and consists primarily of media and marketing costs and certain employee-related costs. Media and marketing costs consist primarily of fees paid to third-party publishers, media owners or managers, and strategic partners that are directly related to revenue-generating events. We pay these third-party publishers, media owners or managers and strategic partners on revenue-share, a cost-per-lead, cost-per-click, or cost-per-thousand-impressions basis. Expenses related to "internet traffic" associated with the viewing of available impressions or queries per second and costs of providing support to our customers are also included in the cost of revenues (excluding depreciation and amortization). Employee-related costs included in cost of revenues (excluding depreciation and amortization) include salaries, bonuses, commissions, stock-based compensation and employee benefit costs primarily related to individuals directly associated with providing services to our customers. Our cost of revenues (excluding depreciation and amortization) are dependent on the revenue mix and therefore can slightly increase or decrease in the future as a percentage of revenue over the long term.

General and administrative expenses

General and administrative expenses primarily consist of computer and telecom expenses, employee-related costs, including salaries, bonuses, stock-based compensation and employee benefits costs associated with our executives, finance, legal, human resources and other administrative personnel, as well as accounting and legal professional services fees and platform and related infrastructure costs. We expect general and administrative expenses to increase in absolute dollars in future periods. We expect that general and administrative expenses to decrease as a percentage of revenue over the long term.

Selling and marketing expenses

Selling and marketing expenses primarily consist of employee-related costs, including salaries, bonuses, employee benefits costs, stock-based compensation and commission costs for our sales and marketing personnel. Selling and marketing expenses also include costs for market development programs, advertising, promotional and other marketing activities. We intend to continue to invest in marketing initiatives, and as a result, we expect selling and marketing expenses to increase in absolute dollars in future periods. Selling and marketing expenses as a percentage of revenue may fluctuate from period to period based on revenue levels and the timing of our investments in these functions over the long term.

Research and development expenses

Research and development expenses primarily consist of employee-related costs, including salaries, bonuses and employee benefit costs, stock-based compensation associated with engineering and IT services associated with the ongoing research and maintenance of internal use software. We expect to continue to invest in research and development in order to develop our technology platform to drive incremental value and growth, and as a result we expect research and development expenses to increase in absolute dollars in future periods. We also expect that research and development expenses to fluctuate from period to period as a percentage of revenue over the long term.

Depreciation and amortization

Depreciation and amortization relate to property and equipment, website and software development costs as well as acquisition-related and other acquired intangible assets. We record depreciation and amortization using straight-line method over the estimated useful life of the assets.

Restructuring expenses

Restructuring expenses primarily consist of employee termination costs due to internal restructuring. We expect that restructuring expenses will be correlated with future restructuring activities (if any), which could be greater than or less than our historic levels. During the six months ended June 30, 2025, we recognized $3.2 million of restructuring expenses. We did not have any such restructuring expenses during the six months ended June 30, 2024.

Interest expense, net

Interest expense, net primarily consists of interest payable on our long-term borrowings, net of interest earned on our short-term investments in money market accounts and other short-term deposits. We anticipate interest expense to be impacted by changes in variable interest rates.

Other expenses / (income)

Other expenses / (income) primarily consists of changes in fair value of acquisition-related liabilities, gains and losses on sale of assets and foreign exchange gains and losses. We expect that the magnitude of other income and expenses will depend on external factors such as foreign exchange rates and the remeasurement impact of acquisition-related liabilities, which depends on the performance of our acquisitions and could be greater than or less than our historic levels.

Income tax provision

The Company's income tax provision consists of federal, foreign, and state taxes necessary to align the Company's year-to-date tax provision with the annual effective rate that it expects to achieve for the full year. At each interim period, the Company updates its estimate of the annual effective tax rate and records cumulative adjustments as necessary.

Stock-based compensation

The measurement of stock-based compensation for all stock-based payment awards, including restricted stock, restricted stock units ("RSU"), performance-based stock units ("PSUs") and stock options granted to employees, consultants or advisors and non-employee directors, and shares purchased under the Company's employee stock purchase plan, is based on the estimated fair value of the awards on the date of grant or date of modification of such grants. See "Note 9. Stock-Based Compensation" to our condensed unaudited consolidated financial statements for further details.

We estimate the recognition of unrecognized stock-based compensation as follows, subject to future forfeitures:

	Year ended December 31,					
	Remainder of 2025	**2026**	**2027**	**2028**	**2029**	**Total**
	$ 87,276	$ 99,868	$ 49,220	$ 19,005	$ 574	$ 255,943

Results of Operations

We operate as a single reportable segment to reflect the way our Chief Operating Decision Maker ("CODM") reviews and assesses the performance of the business. The Company's CODM is the Chief Executive Officer.

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Revenues	**$ 308,442**	$ 227,839	**$ 572,861**	$ 422,786
Operating expenses:				
Cost of revenues (excluding depreciation and amortization)	**116,988**	91,082	**220,476**	167,955
General and administrative expenses	**62,172**	51,159	**116,209**	99,965
Selling and marketing expenses	**86,392**	75,604	**161,761**	147,019
Research and development expenses	**30,592**	23,614	**57,391**	43,600
Depreciation and amortization	**17,403**	12,964	**35,090**	26,705
Restructuring expenses	**—**	—	**3,152**	—
Total operating expenses	**$ 313,547**	$ 254,423	**$ 594,079**	$ 485,244
Loss from operations	**(5,105)**	(26,584)	**(21,218)**	(62,458)
Interest expense, net	**166**	2,560	**497**	5,185
Other expenses / (income)	**6,351**	(1,564)	**9,863**	(893)
Total other expenses	**$ 6,517**	$ 996	**$ 10,360**	$ 4,292
Loss before income taxes	**(11,622)**	(27,580)	**(31,578)**	(66,750)
Income tax provision	**1,192**	486	**2,836**	882
Net loss	**$ (12,814)**	$ (28,066)	**$ (34,414)**	$ (67,632)

Comparison of the Three Months Ended June 30, 2025 and 2024

Revenues

	Three months ended June 30,		Change	
	2025	2024	Amount	%
Revenues	**$ 308,442**	$ 227,839	$ 80,603	35.4%

Revenues increased by $80.6 million, or 35.4%, for the three months ended June 30, 2025 as compared to the three months ended June 30, 2024. The increase in revenues is attributable to incremental revenues of $52.4 million from new customers (including approximately $20.1 million from the acquisition of LiveIntent, which closed during the year ended December 31, 2024) and $28.2 million from existing customers.

Cost of revenues (excluding depreciation and amortization)

	Three months ended June 30,		Change	
	2025	2024	Amount	%
Cost of revenues (excluding depreciation and amortization)	**$ 116,988**	$ 91,082	$ 25,906	28.4%

Cost of revenues (excluding depreciation and amortization) increased by $25.9 million, or 28.4%, for the three months ended June 30, 2025 as compared to the three months ended June 30, 2024. This increase was primarily driven by $19.6 million of incremental media costs related to incremental revenues and higher technology expenses of $6.6 million, partially offset by lower employee-related costs of $0.3 million.

General and administrative expenses

	Three months ended June 30,		Change	
	2025	2024	Amount	%
General and administrative expenses	**$ 62,172**	$ 51,159	$ 11,013	21.5%

General and administrative expenses increased by $11.0 million, or 21.5%, for the three months ended June 30, 2025 as compared to the three months ended June 30, 2024. This increase was primarily driven by higher employee-related costs of $3.8 million, computer and telecom related expenses of $3.0 million, professional services fees of $3.0 million and other general and administrative expenses of $3.0 million, partially offset by lower stock-based compensation of $1.8 million.

Selling and marketing expenses

	Three months ended June 30,		Change	
	2025	2024	Amount	%
Selling and marketing expenses	**$ 86,392**	$ 75,604	$ 10,788	14.3%

Selling and marketing expenses increased by $10.8 million, or 14.3%, for the three months ended June 30, 2025 as compared to the three months ended June 30, 2024. This increase was primarily driven by higher employee-related costs of $12.9 million and other sales and marketing-related expenses of $2.4 million, partially offset by lower stock-based compensation of $4.5 million.

Research and development expenses

	Three months ended June 30,		Change	
	2025	2024	Amount	%
Research and development expenses	**$ 30,592**	$ 23,614	$ 6,978	29.6%

Research and development expenses increased by $7.0 million, or 29.6%, for the three months ended June 30, 2025 as compared to the three months ended June 30, 2024. This increase was primarily driven by an increase in employee-related costs of $5.4 million, higher consulting fees of $0.8 million and higher stock-based compensation of $0.8 million.

Depreciation and amortization

	Three months ended June 30,		Change	
	2025	2024	Amount	%
Depreciation and amortization	**$ 17,403**	$ 12,964	$ 4,439	34.2%

Depreciation and amortization increased by $4.4 million, or 34.2%, for the three months ended June 30, 2025 as compared to the three months ended June 30, 2024. This increase was primarily driven by higher amortization expenses related to intangible assets.

Interest expense, net

	Three months ended June 30,		Change	
	2025	2024	Amount	%
Interest expense, net	**$ 166**	$ 2,560	$ (2,394)	(93.5)%

Interest expense, net decreased by $2.4 million, or 93.5%, for the three months ended June 30, 2025 as compared to the three months ended June 30, 2024, primarily due to higher interest income earned on our money market accounts and short-term deposits.

Other expenses / (income)

	Three months ended June 30,		Change	
	2025	2024	Amount	%
Other expenses / (income)	**$ 6,351**	$ (1,564)	$ 7,915	NM*

Other expenses increased by $7.9 million for the three months ended June 30, 2025 as compared to the three months ended June 30, 2024. This increase in other expenses was primarily driven by an increase in the fair value change of acquisition-related liabilities recorded during the three months ended June 30, 2025 as compared to the three months ended June 30, 2024.

*Not Meaningful

Income tax provision

	Three months ended June 30,		Change	
	2025	2024	Amount	%
Income tax provision	**$ 1,192**	$ 486	$ 706	145.3%

For the three months ended June 30, 2025 and 2024, the Company recorded an income tax provision of $1.2 million and $0.5 million, respectively, yielding an effective tax rate of negative 10.3% and negative 1.8%, respectively. The effective tax rate for both interim periods was different than the U.S. statutory rate, primarily due to a limited tax benefit being recorded for U.S. operating losses, as the Company maintains a full valuation allowance against its U.S. deferred tax assets.

Comparison of the Six Months Ended June 30, 2025 and 2024

Revenues

	Six months ended June 30,		Change	
	2025	2024	Amount	%
Revenues	**$ 572,861**	$ 422,786	$ 150,075	35.5%

Revenues increased by $150.1 million, or 35.5%, for the six months ended June 30, 2025 as compared to the six months ended June 30, 2024. The increase in revenues is attributable to incremental revenues of $106.6 million from new customers (including approximately $39.5 million from the acquisition of LiveIntent, which closed during the year ended December 31, 2024) and $43.5 million from existing customers.

Cost of revenues (excluding depreciation and amortization)

	Six months ended June 30,		Change	
	2025	2024	Amount	%
Cost of revenues (excluding depreciation and amortization)	**$ 220,476**	$ 167,955	$ 52,521	31.3%

Cost of revenues (excluding depreciation and amortization) increased by $52.5 million, or 31.3%, for the six months ended June 30, 2025 as compared to the six months ended June 30, 2024. This increase was primarily driven by $40.2 million of incremental media costs related to incremental revenues and higher technology expenses of $13.0 million, partially offset by lower employee-related costs of $0.7 million.

General and administrative expenses

	Six months ended June 30,		Change	
	2025	2024	Amount	%
General and administrative expenses	**$ 116,209**	$ 99,965	$ 16,244	16.2%

General and administrative expenses increased by $16.2 million, or 16.2%, for the six months ended June 30, 2025 as compared to the six months ended June 30, 2024. This increase was primarily driven by higher employee-related costs of $7.1 million, computer and telecom related expenses of $6.6 million, professional services fees of $5.1 million and other general and administrative expenses of $2.7 million, partially offset by lower stock-based compensation of $5.3 million.

Selling and marketing expenses

	Six months ended June 30,		Change	
	2025	2024	Amount	%
Selling and marketing expenses	**$ 161,761**	$ 147,019	$ 14,742	10.0%

Selling and marketing expenses increased by $14.7 million, or 10.0%, for the six months ended June 30, 2025 as compared to the six months ended June 30, 2024. This increase was primarily driven by higher employee-related costs of $22.7 million and other sales and marketing-related expenses of $3.5 million, partially offset by lower stock-based compensation of $11.5 million.

Research and development expenses

	Six months ended June 30,		Change	
	2025	2024	Amount	%
Research and development expenses	**$ 57,391**	$ 43,600	$ 13,791	31.6%

Research and development expenses increased by $13.8 million, or 31.6%, for the six months ended June 30, 2025 as compared to the six months ended June 30, 2024. This increase was primarily driven by an increase in employee-related costs of $11.3 million, higher consulting fees of $1.7 million and higher stock-based compensation of $0.8 million.

Depreciation and amortization

	Six months ended June 30,		Change	
	2025	2024	Amount	%
Depreciation and amortization	**$ 35,090**	$ 26,705	$ 8,385	31.4%

Depreciation and amortization increased by $8.4 million, or 31.4%, for the six months ended June 30, 2025 as compared to the six months ended June 30, 2024. This increase was primarily driven by higher amortization expenses related to intangible assets.

Restructuring expenses

	Six months ended June 30,		Change	
	2025	2024	Amount	%
Restructuring expenses	**$ 3,152**	$ —	$ 3,152	100.0%

We recorded restructuring expenses of $3.2 million for the six months ended June 30, 2025 related to employee termination costs due to internal restructuring. We did not have any restructuring expenses during the six months ended June 30, 2024.

Interest expense, net

	Six months ended June 30,		Change	
	2025	2024	Amount	%
Interest expense, net	**$ 497**	$ 5,185	$ (4,688)	(90.4)%

Interest expense, net decreased by $4.7 million, or 90.4%, for the six months ended June 30, 2025 as compared to the six months ended June 30, 2024, primarily due to higher interest income earned on our money market accounts and short-term deposits.

Other expenses / (income)

	Six months ended June 30,		Change	
	2025	2024	Amount	%
Other expenses / (income)	**$ 9,863**	$ (893)	$ 10,756	NM*

Other expenses increased by $10.8 million for the six months ended June 30, 2025 as compared to the six months ended June 30, 2024. This increase in other expenses was primarily driven by an increase in the fair value change of acquisition-related liabilities recorded during the six months ended June 30, 2025 as compared to the six months ended June 30, 2024.

*Not Meaningful

Income tax provision

	Six months ended June 30,		Change	
	2025	2024	Amount	%
Income tax provision	**$ 2,836**	$ 882	$ 1,954	221.5%

For the six months ended June 30, 2025 and 2024, the Company recorded an income tax provision of $2.8 million and $0.9 million, respectively, yielding an effective tax rate of negative 9.0% and negative 1.3%, respectively. The effective tax rate for both interim periods was different than the U.S. statutory rate, primarily due to a limited tax benefit being recorded for U.S. operating losses, as the Company maintains a full valuation allowance against its U.S. deferred tax assets.

Non-GAAP Financial Measures

We use the following non-GAAP financial information, collectively, to evaluate our ongoing operations and for internal planning and forecasting purposes. Non-GAAP financial information is presented for supplemental informational purposes only, should not be considered a substitute for financial information presented in accordance with generally accepted accounting principles, and may be different from similarly titled non-GAAP measures used by other companies. Whenever we use a non-GAAP financial measure, a reconciliation is provided to the most closely applicable financial measure stated in accordance with generally accepted accounting principles. We believe that these non-GAAP financial measures may be useful to investors in analyzing our financial and operational performance.

Adjusted EBITDA and adjusted EBITDA margin

Adjusted EBITDA is a non-GAAP financial measure defined as net income / (loss) adjusted for interest expense, net, depreciation and amortization, stock-based compensation, income tax (benefit) / provision, acquisition-related expenses, restructuring expenses, change in fair value of warrants and derivative liabilities, certain dispute settlement expenses, gain on extinguishment of debt, certain non-recurring capital raise related (including initial public offering ("IPO")) expenses, including the payroll taxes related to vesting of restricted stock and restricted stock units upon the completion of the IPO, and other expenses / (income). Acquisition-related expenses and restructuring expenses primarily consist of professional services fees, severance and other employee-related costs, which may vary from period to period depending on the timing of our acquisitions and restructuring activities and may distort the comparability of the results of operations. Change in fair value of warrants and derivative liabilities is a non-cash expense related to periodically recording "mark-to-market" changes in the valuation of derivatives and warrants. Other expenses / (income) consists of

non-cash expenses such as changes in fair value of acquisition-related liabilities, gains and losses on extinguishment of acquisition-related liabilities, gains and losses on sales of assets and foreign exchange gains and losses. In particular, we believe that the exclusion of stock-based compensation, certain dispute settlement expenses and non-recurring capital raise related (including IPO) expenses that are not related to our core operations provides measures for period-to-period comparisons of our business and provides additional insight into our core controllable costs. We exclude these charges because these expenses are not reflective of ongoing business and operating results. Adjusted EBITDA margin is a non-GAAP metric defined as adjusted EBITDA divided by the total revenues for the same period. Adjusted EBITDA and adjusted EBITDA margin provide us with a useful measure for period-to period comparisons of our business as well as comparison to our peers. Our use of adjusted EBITDA and adjusted EBITDA margin has limitations as an analytical tool, and you should not consider these measures in isolation or as a substitute for analysis of our financial results as reported under GAAP. Because of these and other limitations, you should consider our non-GAAP measures only as supplemental to other GAAP-based financial performance measures, including revenues and net income / (loss).

The following table reconciles adjusted EBITDA and adjusted EBITDA margin to net loss and net loss margin, the most directly comparable financial measure calculated and presented in accordance with GAAP.

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Net loss	**$ (12,814)**	**$ (28,066)**	**$ (34,414)**	**$ (67,632)**
Net loss margin	**(4.2)%**	**(12.3)%**	**(6.0)%**	**(16.0)%**
Add back:				
Depreciation and amortization	17,403	12,964	35,090	26,705
Restructuring expenses	—	—	3,152	—
Stock-based compensation	46,471	52,159	88,458	104,797
Other expenses / (income)	6,351	(1,564)	9,863	(893)
Interest expense, net	166	2,560	497	5,185
Income tax provision	1,192	486	2,836	882
Adjusted EBITDA	**$ 58,769**	**$ 38,539**	**$ 105,482**	**$ 69,044**
Adjusted EBITDA margin	**19.1%**	**16.9%**	**18.4%**	**16.3%**

Liquidity and Capital Resources

We have financed our operations and capital expenditures primarily through utilization of cash generated from operations, as well as borrowings under our credit facilities.

As of June 30, 2025, we had cash and cash equivalents of $365.3 million and net working capital, consisting of current assets less current liabilities of $436.4 million. As of June 30, 2025, we had an accumulated deficit of $1,062.7 million.

We believe our existing cash and anticipated net cash provided by operating activities, together with available borrowings under our Revolving Facility (as defined below), will be sufficient to meet our working capital requirements for at least the next 12 months and thereafter for the foreseeable future. However, if our operating performance during the next 12 months is below our expectations, our liquidity and ability to operate our business could be adversely affected. Our future capital requirements and the adequacy of available funds will depend on many factors, including those set forth under "Risk Factors" in our 2024 Annual Report. In the future, we may attempt to raise additional capital through sales of equity securities or through equity linked or debt financing arrangements. Any future indebtedness we incur may result in terms that could be unfavorable to our equity investors. We cannot guarantee that we will be able to raise additional capital in the future on favorable terms, or at all. Any inability to raise capital could adversely affect our ability to achieve our business objectives.

Cash flows

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

	Six months ended June 30,	
	2025	**2024**
Net cash provided by / (used for):		
Cash provided by operating activities	**$ 76,848**	$ 55,776
Cash used for investing activities	**(16,240)**	(20,777)
Cash used for financing activities	**(61,396)**	(11,949)
Effect of exchange rate changes on cash and cash equivalents	**(55)**	(78)
Net (decrease) / increase in cash and cash equivalents	**$ (843)**	$ 22,972

Net cash provided by operating activities

During the six months ended June 30, 2025, net cash provided by operating activities of $76.8 million resulted primarily from adjusted non-cash items of $135.1 million, more than offsetting our net loss of $34.4 million. Non-cash items include stock-based compensation of $88.5 million, depreciation and amortization expense of $35.1 million and a change in fair value of acquisition-related liabilities of $9.2 million. Changes in working capital were primarily driven by increases in accounts receivable of $19.1 million and other current assets of $0.7 million and decreases in deferred revenue of $6.5 million and accrued expenses and other current liabilities of $3.5 million, partially offset by an increase in accounts payable of $2.7 million and other non-current liabilities of $1.2 million and decreases in prepaid expenses of $1.9 million.

During the six months ended June 30, 2024, net cash provided by operating activities of $55.8 million resulted primarily from adjusted non-cash items of $130.6 million, more than offsetting our net loss of $67.6 million. Non-cash items include stock-based compensation of $104.8 million, depreciation and amortization of $26.7 million and a change in fair value of acquisition related liabilities of $1.3 million. Changes in working capital were primarily driven by decreases in accounts payable of $15.4 million, increases in accounts receivable of $13.1 million and prepaid expenses of $2.4 million, partially offset by a decrease in accrued expenses and other current liabilities of $24.3 million.

Net cash used for investing activities

During the six months ended June 30, 2025, we used $16.2 million of cash for investing activities, primarily consisting of website and software development costs of $10.0 million, capital expenditures of $5.1 million (including a $2.6 million investment in data and partnership agreements), and $1.2 million for certain acquisition-related liabilities related to the LiveIntent acquisition.

During the six months ended June 30, 2024, we used $20.8 million of cash in investing activities, primarily consisting of capital expenditures of $12.6 million (including a $10.6 million investment in data and partnership agreements) and website and software development costs of $8.2 million.

Net cash used for financing activities

During the six months ended June 30, 2025, we used $61.4 million of cash for financing activities, primarily due to the repurchase of $57.9 million of shares of our common stock repurchased under the 2024 SRP (as defined below), including the RSA Withholding Program (as defined below), and the payment of acquisition-related liabilities of $6.3 million, partially offset by receipt from the ESPP and exercise of options of $2.9 million.

During the six months ended June 30, 2024, we used $11.9 million of cash in financing activities, primarily due to the repurchase of $8.4 million of common stock under our share repurchase and withholding program and payment of acquisition related liabilities of $7.0 million, partially offset by receipt from the ESPP and exercise of options of $3.4 million.

Debt

On February 3, 2021, we entered into a credit agreement (the "Existing Credit Agreement") with a syndicate of financial institutions and institutional lenders, providing for a $222.5 million senior secured credit facility (the "Existing Senior Secured Credit Facility"), which consisted of (i) a $73.8 million initial revolving facility, (ii) a $111.3 million term loan facility, and (iii) a $37.5 million incremental revolving facility commitment. On March 22, 2023, the Company entered into a $25.0 million incremental revolving facility commitment pursuant to an amendment to the Existing Credit Agreement, thereby increasing the Existing Senior Secured Credit Facility to $247.5 million.

On August 30, 2024, we refinanced and replaced the Existing Senior Secured Credit Facility by entering into a new credit agreement (the "Credit Agreement") with a syndicate of financial institutions and institutional lenders, providing for a five-year $550.0 million senior secured credit facility (the "Senior Secured Credit Facility"), which consists of (i) a senior secured term loan in an aggregate principal amount of $200.0 million (the "Term Loan") and (ii) a $350.0 million senior secured revolving credit facility (the "Revolving Facility"). Concurrently with entering into the Credit Agreement, we drew down the $200.0 million Term Loan and repaid all outstanding obligations in the amount of $185.0 million under the Existing Senior Secured Credit Facility and terminated all commitments thereunder. Interest shall be payable at the end of the selected interest period. We are required to repay the principal balance and any unpaid accrued interest on the Senior Secured Credit Facility on August 30, 2029. As of June 30, 2025, we had $196.7 million (net of $3.3 million of unamortized debt acquisition costs) of outstanding long-term borrowings.

We are currently in compliance with our financial covenants under the Senior Secured Credit Facility, and, based upon our current expectations, believe that we will continue to comply with our financial maintenance covenants for the next 12 months. The Senior Secured Credit Facility contains restrictive covenants that place restrictions on us and may limit our ability to, among other things, incur additional debt and liens, purchase our securities, undertake transactions with affiliates, make other investments, pay dividends or distribute excess cash flow. During the six months ended June 30, 2025, we borrowed $6.3 million against the Revolving Facility and repaid the same amount against the Term Loan under the Senior Secured Credit Facility.

Contractual obligations

There have been no material changes to our contractual obligations as compared to the contractual obligations described in our "Management's Discussion and Analysis of Financial Condition and Results of Operations" set forth in our 2024 Annual Report.

Share Repurchase and RSA Withholding Program

On November 13, 2024, the Company's Board of Directors authorized a new stock repurchase and withholding program (the "2024 SRP") of up to $100.0 million in the aggregate for (i) repurchases of the Company's outstanding shares of Class A Common Stock through December 31, 2026 and (ii) the withholding of shares as an alternative to market sales by certain executives and other employees to satisfy tax withholding requirements upon vesting of restricted stock awards (the "RSA Withholding Program"). The 2024 SRP supplements the Company's prior stock repurchase program authorized in 2022.

As such, we may use corporate cash to make required tax payments associated with the vesting of certain executive RSAs and withhold a corresponding number of shares from such executives. The actual timing, number and value of shares repurchased will be determined by the Company at its discretion and will depend on a number of factors, including market conditions, applicable legal requirements, our capital needs, and whether there is a better alternative use of capital. Repurchases and withholdings during any given fiscal period under the 2024 SRP will reduce the number of weighted-average common shares outstanding for the period. Refer to Part II, Item 2 for details of repurchases made under the 2024 SRP during the three months ended June 30, 2025.

Critical Accounting Estimates

Our financial statements are prepared in accordance with U.S. GAAP. The preparation of our financial statements in conformity with U.S. GAAP requires us to make estimates and assumptions that affect reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Estimates are based on management's judgment and the best available information, and as such actual results could differ from those estimates.

There have been no material changes to our critical accounting estimates as compared to the critical accounting policies and estimates described in our "Management's Discussion and Analysis of Financial Condition and Results of Operations" set forth in our 2024 Annual Report.

Recent Accounting Pronouncements

See "Note 2. Basis of Presentation and Summary of Significant Accounting Policies" to our condensed unaudited consolidated financial statements for our discussion about new accounting pronouncements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

There have been no material changes in our market risk during the six months ended June 30, 2025 from the disclosure included in Part II, Item 7A. "Quantitative and Qualitative Disclosures About Market Risk" in our 2024 Annual Report.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

Our management, with the participation of our Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), evaluated the effectiveness of our disclosure controls and procedures as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), as of June 30, 2025.

Our disclosure controls and procedures are designed to provide reasonable assurance 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 CEO and CFO, 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. Based on this evaluation, our CEO and CFO have concluded that our disclosure controls and procedures were effective at the reasonable assurance level as of June 30, 2025.

Our management, including our CEO and CFO, does not expect that our disclosure controls and procedures will prevent or detect all errors and all fraud. While our disclosure controls and procedures are designed to provide reasonable assurance of their effectiveness, 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, if any, within the Company have been detected.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting in connection with the evaluation required by Rules 13a-15(d) and 15d-15(d) of the Exchange Act that occurred during the quarter ended June 30, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

From time to time, we are involved in various legal proceedings arising from the normal course of business activities. We are not currently a party to any litigation the outcome of which, we believe, if determined adversely to us, would individually or taken together have a material adverse effect on our business, operating results, cash flows, or financial condition. The outcome of claims, lawsuits and legal proceedings brought against us, however, is subject to significant uncertainties. There have been no material changes from the legal proceedings previously disclosed under the heading "Item 3. Legal Proceedings" in Part I of our 2024 Annual Report.

Item 1A. Risk Factors

There have been no material changes to the risk factors previously disclosed in Part 1, Item 1A "Risk Factors" in our 2024 Annual Report, other than the risk factors below.

Our use and reliance upon technology and development resources in India may expose us to unanticipated costs and liabilities, which could affect our ability to realize cost savings from our technology operations in India and other non-U.S. locations.

We conduct a significant amount of our technology and product development work in India and other global locations. We cannot ensure that our reliance upon development resources in India and other non-U.S. locations will enable us to achieve meaningful cost reductions or greater resource efficiency. Further, our operations in India involve significant risks, including:

- difficulty hiring and retaining engineering and management resources due to intense competition for such resources and resulting wage inflation;
- heightened exposure to changes in economic, security and political conditions, war, conflicts and acts of terrorism;
- different standards of protection for intellectual property rights and confidentiality protection;
- the effects of pandemics, epidemics or other health crises on general health and economic conditions; and
- fluctuations in currency exchange rates and tax compliance.

The enforcement of intellectual property rights and confidentiality protections in India may not be as effective as in the U.S. or other countries. Policing unauthorized use of proprietary technology is difficult and expensive, and we might need to resort to litigation to protect our trade secrets and confidential information. The experience and capabilities of Indian courts in handling intellectual property litigation vary, and outcomes are unpredictable. Further, such litigation may require significant management efforts and result in significant cash expenditures and could harm our business, operating results and financial condition. An adverse determination in any such litigation will impair our intellectual property rights and may harm our business, operating results and financial condition.

We expect to continue to rely on significant cost savings obtained by concentrating our technology and development and engineering work in India and other non-U.S. locations, but difficulties resulting from the factors noted above and other risks related to our operations in India or such other non-U.S. locations could increase our expenses and harm our competitive position. The historical rate of wage inflation has been higher in India than in the U.S. In addition, if the Rupee strengthens against the U.S. Dollar, including as a result of ongoing changes in global trade policies and macroeconomic conditions, our costs would increase, and such increase could be material. If the cost of technology and development work in India significantly increases or the labor environment in India changes unfavorably, our cost savings may be diminished. Any such developments could adversely affect our business, operating results and financial condition.

We are subject to payment-related risks if customers dispute, do not pay their invoices, or decrease their amount of spend due to unforeseen downturns in their financial condition. Any decreases or significant delays in payments could have a material adverse effect on our business, operating results and financial condition. These risks may be heightened during economic downturns, including from supply chain disruptions or shortages or due to tariffs and changes in global trade policies.

We may become involved in disputes with our customers over the operation of our platform, the terms of our agreements or our billings for purchases made by them through our platform. In the past, certain customers have sought to slow their payments to us or been forced into filing for bankruptcy protection, resulting in delay or cancelation of their pending payments to us. In certain cases, customers have been unable to timely make payments, and we have suffered losses. Certain of our contracts with marketing agencies state that if their customer does not pay the agency, the agency is not liable to us, and we must seek payment solely from their customer, a type of arrangement called sequential liability. Contracting with these agencies, which in some cases have or may develop higher-risk credit profiles, may subject us to greater credit risk than if we were to contract directly with the customer. These risks may be heightened during economic downturns or due to customer impacts from such downturns, including from supply chain disruptions or shortages or due to tariffs and changes in global trade policies.

If we are unable to collect customers' fees on a timely basis or at all, we could incur write-offs for bad debt, which could have a material adverse effect on our business, operating results and financial condition for the periods in which the write-offs occur. In the future, bad debt may exceed reserves for such contingencies, and our bad debt exposure may increase over time. Even if we are not paid by our customers on time or at all, we may still be obligated to pay for the inventory we have purchased for our customers' marketing campaigns, and consequently, our results of operations and financial condition would be adversely impacted.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Recent Sale of Unregistered Securities

On June 23, 2025, the Company issued 50,736 shares of Class A Common Stock valued at $13.14 per share, for an aggregate value of $0.7 million, to former shareholders of ArcaMax Publishing, Inc. ("ArcaMax") in connection with the ArcaMax acquisition. The Company did not receive any proceeds from such issuance.

The securities described above were issued in reliance on the exemption from registration provided in Section 4(a)(2) of the Securities Act of 1933, as amended, for transactions by an issuer not involving a public offering. Each acquirer of the Company's securities confirmed that he was an accredited investor and acknowledged that the securities must be acquired and held for investment.

Stock Repurchase and Withholding Program

Common stock repurchases during the quarter ended June 30, 2025 were as follows:

Period	(a) Total Number of Shares Purchased	(b) Average Price Paid per Share	(c) Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs[1]	(d) Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (in millions)[1]
April 1, 2025 – April 30, 2025	1,808,623	$ 11.62	1,808,623	$ 37.9
May 1, 2025 – May 31, 2025	-	$ -	-	$ 37.9
June 1, 2025 – June 30, 2025	864,828	$ 12.72	864,828	$ 26.9
Total	**2,673,451**		**2,673,451**	

(1) On November 13, 2024, the Company's Board of Directors authorized the 2024 SRP, which authorized up to $100.0 million in the aggregate for (i) repurchases of the Company's outstanding Class A Common Stock through December 31, 2026 and (ii) the RSA Withholding Program.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit Number	Exhibit Description	Incorporated by Reference				Filed Herewith	Furnished Herewith
		Form	File No.	Exhibit	Filing Date		
3.1	Amended and Restated Certificate of Incorporation of Zeta Global Holdings Corp.	8-K	001-40464	3.1	6/15/2021		
3.2	Amended and Restated Bylaws of Zeta Global Holdings Corp.	8-K	001-40464	3.2	6/15/2021		
31.1	Certification of Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X	
31.2	Certification of Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					X	
32.1*	Certification of Principal Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002						X
32.2*	Certification of Principal Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002						X
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.					X	
101.SCH	Inline XBRL Taxonomy Extension Schema Document					X	
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document					X	
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document					X	
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document					X	
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document					X	
104	Cover Page Interactive Data File (formatted as Inline XBRL And contained in Exhibit 101)						

* The certifications attached as Exhibit 32.1 and Exhibit 32.2 that accompany this Quarterly Report on Form 10-Q are deemed furnished and not filed with the SEC and are not to be incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Exchange Act whether made before or after the date of this Quarterly Report on Form 10-Q, irrespective of any general incorporation language contained in such filing.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Zeta Global Holdings Corp.

Date: August 6, 2025

By: /s/ David A. Steinberg

David A. Steinberg
President, Chief Executive Officer
(Principal Executive Officer)

Date: August 6, 2025

By: /s/ Christopher Greiner

Christopher Greiner
Chief Financial Officer
(Principal Financial Officer)

Exhibit 31.1

Certification of Chief Executive Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, David A. Steinberg, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Zeta Global Holdings Corp.;

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.

Date: August 6, 2025

By: /s/ David A. Steinberg

David A. Steinberg
Chief Executive Officer
(*principal executive officer*)

Exhibit 31.2

Certification of Chief Financial Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Christopher Greiner, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Zeta Global Holdings Corp.;

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.

Date: August 6, 2025

By: /s/ Christopher Greiner

Christopher Greiner
Chief Financial Officer
(*principal financial officer*)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to 18 U.S.C. § 1350, as adopted by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Zeta Global Holdings Corp. (the "Company") hereby certifies, to such officer's knowledge, that:

(1) the accompanying Quarterly Report on Form 10-Q of the Company for the quarterly period ended June 30, 2025 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 6, 2025

/s/ David A. Steinberg

By:

David A. Steinberg
Chief Executive Officer
(principal executive officer)

The foregoing certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. § 1350, and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to 18 U.S.C. § 1350, as adopted by Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned officer of Zeta Global Holdings Corp. (the "Company") hereby certifies, to such officer's knowledge, that:

(1) the accompanying Quarterly Report on Form 10-Q of the Company for the quarterly period ended June 30, 2025 (the "Report") fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: August 6, 2025

/s/ Christopher Greiner

By:

Christopher Greiner
Chief Financial Officer
(principal financial officer)

The foregoing certification is being furnished solely to accompany the Report pursuant to 18 U.S.C. § 1350, and is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.