Risk Factors Comparison 2024-02-28 to 2023-03-01 Form: 10-K

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Investing in our common stock involves a high degree of risk. You should consider and read carefully all of the risks and uncertainties described below, as well as other information contained in this Annual Report on Form 10- K, including the Management' s Discussion and Analysis of Financial Condition and Results of Operations and our consolidated financial statements and related notes appearing elsewhere in this Annual Report on Form 10- K, before making an investment in our common stock. The risks described below are not the only ones facing us. The occurrence of any of the following risks or additional risks and uncertainties not presently known to us could materially and adversely affect our business, financial condition, results of operations or cash flows. In any such case, the trading price of our common stock could decline, and you may lose all or part of your investment. This Annual Report on Form 10- K also contains forward- looking statements and estimates that involve risks and uncertainties. Our actual results could differ materially from those anticipated in the forward- looking statements as a result of specific factors, including the risks and uncertainties described below. Risk Factors Summary Below is a summary of the principal factors that make an investment in our common stock speculative or risky: ● If we fail to respond to technological developments or evolving industry standards, our solutions may become obsolete or less competitive. ● The market in which we participate is highly competitive. ● System failures, security breaches, cyberattacks or natural disasters could interrupt the operation of our platform and data centers and significantly harm our business, financial condition and results of operations. ● Our solutions rely on integrations with demand- and supply- side advertising platforms, ad servers and social platforms. ● Economic downturns and unstable market conditions could adversely affect our business, financial condition and results of operations. ● We have completed several acquisitions in the past and may consummate additional acquisitions in the future, which may be difficult to integrate, disrupt our business, expose us to unanticipated liabilities, dilute stockholder value or divert management attention. ● We are subject to payment- related risks, and if our ability to accurately and timely collect payments is impaired, our business, financial condition and results of operations may be adversely affected. ● Defects, errors or inaccuracies associated with our solutions could negatively impact our business, financial condition and results of operations. ● We often have long sales cycles, which can result in significant time between initial contact with a prospect and execution of a contractual agreement, making it difficult to project when, if at all, we will generate revenue from new customers. ● We depend on our senior management team and other key personnel to manage our business effectively, and if we are unable to retain such key personnel or hire additional qualified personnel, our ability to compete could be harmed. ● Increasing scrutiny and evolving expectations from customers, employees, regulators and other stakeholders with respect to our environmental, social and governance (" ESG ") practices may expose us to new or additional risks. ● Data privacy legislation and regulation on digital advertising and privacy and data protection may adversely affect our business. ● Public criticism of digital advertising technology in the U. S. and internationally, including digital advertising on social media platforms, could adversely affect the demand for and use of our solutions. ● The success of our business depends in large part on our ability to protect and enforce our intellectual property rights. ● An assertion from a third party that we are infringing its intellectual property rights, whether such assertion is valid or not, could subject us to costly and time- consuming litigation, expensive licenses or other impacts to our business. ● We **may face risks associated with our use of artificial intelligence and machine learning models. ● We** are exposed to the risks of operating internationally. ● Exposure to foreign currency exchange rate fluctuations could negatively impact our results of operations. ● Our use of " open source " software could subject our technology to general release or require us to re- engineer our platform, or subject us to litigation, which could harm our business, financial condition and results of operations. ● Seasonal fluctuations in advertising activity could have a negative impact on our revenue, cash flow and operating results. ● We have a limited operating history, which makes it difficult to evaluate our business and prospects and may increase the risks associated with your investment. ● Our revenues and results of operations may fluctuate in the future. As a result, we may fail to meet the expectations of securities analysts or investors, which could cause our stock price to decline. ~~23Risks~~ **20Risks** Relating to Our BusinessIf we fail to respond to technological developments or evolving industry standards, our solutions may become obsolete or less competitive. Our future success will depend in part on our ability to develop new solutions and modify or enhance our existing platform in order to meet customer needs, add functionality and address technological advancements. To remain competitive, we will need to continuously upgrade our existing platform and develop new solutions that address evolving technologies and standards across all major channels, formats and devices for digital advertising, including mobile, social, video, in- app, display and connected television, as well as across digital media buying platforms, such as programmatic, direct ad exchanges and trading networks. We may be unsuccessful in upgrading our existing platform or identifying new solutions in a timely or cost- effective manner, or we may be limited in our ability to develop or market new or upgraded solutions due to patents held by others. In addition, any new product innovations may not achieve the market penetration or price levels necessary for profitability **. Advancements in technology such as AI and machine learning are changing the way people work by automating tasks, enhancing communication, and improving decision- making processes, and our business may be harmed or we may face competitive disadvantage if we are slow to adopt these new technologies** . If we are unable to develop timely enhancements to, and new features for, our existing platform or if we are unable to develop new solutions that align with advertiser demands as priorities shift or keep pace with rapid technological developments or changing industry standards, the solutions we deliver may become obsolete, less marketable and less competitive, and our business, financial condition and results of operations may be adversely affected. Further, if our existing and future product offerings fail to maintain or achieve Media Rating Council (" MRC ") or other industry accreditation standards, customer acceptance of our products may decrease. The market in which we participate is highly competitive. The market for measurement, data analytics and authentication of digital advertising is competitive and evolving rapidly. As this market evolves, competition may intensify as existing companies expand their businesses and new companies enter the market, which could lead to commoditization and harm our ability to increase revenue and maintain profitability. Our success depends on our ability to retain and grow our existing customers and sell our platform and solutions to new customers. If existing or new companies develop, market or offer competitive products, acquire one of our competitors or form a strategic alliance with one of our competitors or integration partners, our ability to attract new customers or retain existing customers could be adversely impacted and our results of operations could be harmed. In addition, we have partnerships with platforms to allow our customers to utilize our solutions, and these integration partners, some of which have significant market share in the segment in which they operate, could develop products that compete with us in the future. Our current and potential competitors may have more financial, technical, marketing and other resources, as well as longer operating histories and greater name recognition than we do. As a result, these competitors may be better able to respond quickly to new technologies or devote greater resources to the development, promotion, sale and support of their products and services. We cannot assure you that our customers will continue to use our platform or that we will be able to replace, in a timely manner or at all, departing customers with new customers that generate comparable revenue. We believe that our ability to compete successfully in our market depends on a number of factors, both within and outside of our control, including: (i) the price, quality and effectiveness of our solutions and those of our competitors; (ii) our ability to retain and add new integration partners; (iii) the timing and success of new product introductions; (iv) our position as an independent third- party within the digital advertising ecosystem; (v) the emergence of new technologies; (vi) the number and nature of our competitors; (vii) the protection of our intellectual property rights; (viii) the adoption of new privacy standards or regulations; and (ix) general market and economic conditions. The competitive environment could result in price reductions that could result in lower profits and loss of market share. If we are unable to compete successfully against our current and future competitors, we may not be able to retain and acquire customers and our business, financial condition and results of operations could be adversely affected. ~~24System~~ **21System** failures, security breaches, cyberattacks or natural disasters could interrupt the operation of our platform and data centers and significantly harm our business, financial condition and results of operations. Our success depends on the efficient and uninterrupted operation of our platform. A failure of our computer systems, or those of our demand- side integration partners, could impede access to our platform, interfere with our data analytics, prevent the timely delivery of our solutions or damage our reputation. In the future, we may need to expand our systems at a significant cost and at a more rapid pace than we have to date. We may be unable to provide our solutions on a timely basis or experience performance issues with our platform if we fail to adequately expand or maintain our system capabilities to meet future requirements. Any disruption in our ability to operate our platform will prevent us from providing the solutions requested by our customers and partners, which may damage our reputation and result in the loss of customers or integration partners and the imposition of penalties or other legal or regulatory action, and our business, financial condition and results of operations could be adversely affected. In delivering our solutions, we are dependent on the operation of our data centers as well as those of third- party service providers whether in cloud or dedicated environments, which are vulnerable to damage or interruption from earthquakes, terrorist attacks, war, floods, fires, power loss, telecommunications failures, computer viruses, computer denial of service attacks or other attempts to harm our system and similar events. Some of our systems are not fully redundant, and our disaster recovery planning cannot account for all eventualities. The occurrence of any issues or failures at our data centers (or the data centers of any of our third party vendors) could result in interruptions in the delivery of our solutions to our customers. **The risk of cyberattacks has also increased and will continue to increase in connection with geopolitical conflicts and wars (including Russia' s invasion of Ukraine and conflicts arising from Hamas' attack against Israel). In light of these conflicts and wars, state- sponsored parties or their supporters may initiate retaliatory cyberattacks, and may attempt to cause supply chain disruptions, or to conduct other geopolitically motived retaliatory actions that may adversely disrupt or degrade our operations. State- sponsored parties have, and will continue, to conduct cyberattacks to achieve their goals that may include espionage, monetary gain, disruption, and destruction.** In addition, our ability to operate our platform and deliver our solutions may be interrupted by computer viruses, cyberattacks and security breaches. For example, unauthorized parties have in the past and may attempt in the future to gain access to our information systems and data. Outside parties have in the past and may also attempt in the future to fraudulently induce our employees or users of our platform to disclose sensitive information via illegal electronic spamming, **social engineering,** phishing **, account takeovers, mobile phone malware and SIM card swapping, credential stuffing** or other tactics. Our IT and security teams regularly review our systems and security measures and evaluate ways to enhance our processes and controls ~~. Nevertheless~~ , ~~we~~ **including to protect against the increasing sophistication of cyberattacks fueled by emerging technologies like AI. We** cannot guarantee that a security incident will not occur or that any such incident will be detected or remediated in a timely manner. Any breach of our security measures or the accidental loss, inadvertent disclosure or unauthorized dissemination of proprietary information or sensitive, personal or confidential data about us, our employees or our customers or integration partners, including the potential loss or disclosure of such information or data as a result of hacking, fraud, trickery or other forms of deception, could expose us, our employees, our customers or our integration partners to risks of loss or misuse of this information. Any such breach, loss, disclosure or dissemination may also result in potential liability or fines, governmental inquiry or oversight, litigation or a loss of customer confidence, any of which could harm our business and damage our reputation, possibly impeding our ability to retain and attract new customers, and cause a material adverse effect on our operations and financial condition. Certain of our third- party service providers and other vendors have access to portions of our IT system. Performance failures or acts of negligence by these service providers may cause material disruptions to our IT systems. **For more information about the cybersecurity risk management program, refer to " Item 1C. Cybersecurity " in this Annual Report on Form 10- K.** ~~25Our~~ **22Our** solutions rely on integrations with demand- and supply- side advertising platforms, ad servers and social platforms. Our solutions necessitate that demand- and supply- side advertising platforms, ad servers and social platforms accept and integrate with our technology. We have formed partnerships with these platforms to integrate our technology with their software, allowing our customers to utilize our solutions wherever they purchase or place an ad. These platforms may deploy code or change operations that may impact joint solution and combined functionality, which would have a significant effect on our ability to offer our solutions. Some of these integration partners have significant market share in the segment in which they operate. We can make no assurances that our existing integration partners will continue to, or that potential new integration partners will agree to, integrate our solutions. We also cannot assure you that our customers will continue to use our solutions available on these digital media platforms. Some of our integration partners have developed products that compete with us and we cannot assure you that other partners will not also develop competing products in the future. If our customers stopped using our solutions on these digital media platforms or if our integration partners decide to cease integrating our solutions, our business, financial condition and results of operations could be adversely affected. Even if our integration partners continue their partnerships with us, we are continuously required to update and enhance our solutions to adapt to changes in software, networking, browser, and database technologies. For example, we may be required to make changes based on a unilateral change that an integration partner makes to its platform in order to integrate our solutions or to have the integration operate in the same manner that it did prior to the integration partner' s change. The integration partner' s change may cause a malfunction in the integration leading to a break in services. We cannot assure you that any updated solutions will be compatible or accepted by our integration partners. Additionally, some of our integration partners are subject to regulatory actions, which, if successful, could cause our partners to be broken into separate companies. Certain of our partners have been the subject of allegations of taking illegal actions to acquire rivals and stifle competition. If our partners and their products are separated into separate companies, it could have a material effect on our ability to gather data and there can be no assurance that all of the separated companies will continue to be our partners, each of which could materially affect our business, results of operations, and revenues. Our business, financial condition and results of operations could also be adversely affected by social issues or disruptions. For example, if there is public disapproval or boycotting of a specific platform, our ability to optimize ad placement or to forecast usage may be impacted based on unforeseen trends or events. Additionally, how we categorize specific sites in the course of our normal business operations could expose us to risks from publishers or advertisers who may disagree with our categorizations and incur negative ramifications if they believe their ads were monetarily contributing to websites that contribute to the spread of hate speech, disinformation, white supremacist activity, or voter suppression efforts, among other things. If publishers or advertisers believe our categorizations are faulty or unreliable, they may decrease or cease to use our ~~services~~ **solutions** , which could affect our business, financial condition and results of operations. In addition, we rely on our demand- side and social integration partners to report to us on the usage of our solutions on their platforms, as well as revenue generated on their platforms. Any financial, technical or other difficulties our integration partners face may negatively impact our business, as a significant portion of our revenue depends on customers using our solutions on these digital media platforms, and we are unable to predict the nature and extent of any such impact. We exercise very little control over our integration partners, which increases our vulnerability to problems with the services they provide and our reliance upon them for accurate data and revenue reporting. Any errors, failures, interruptions or delays experienced in connection with our integration partners could adversely affect our business, reputation and financial condition. ~~26Economic~~ **23Economic** downturns and unstable market conditions could adversely affect our business, financial condition and results of operations. Our business depends on the demand for digital advertising measurement and authentication and on the overall economic health of our customers and integration partners. There is no assurance the digital advertising market will experience the growth we anticipate. The health of the digital advertising market and the related measurement and authentication sector is affected by many factors. Current or future economic downturns or unstable market conditions in the markets and geographies that we currently serve, and associated macroeconomic conditions such as ~~growing~~ **high** inflation **rates** , ~~rising~~ **high** interest rates, recessionary fears, changes in foreign currency exchange rates, the conditions caused by the 2019 novel coronavirus ~~(" COVID- 19 ")~~ or other future health pandemics and the impact of geopolitical instability in many parts of the world, may make it difficult for our customers and us to accurately forecast and plan future business activities, and could cause our customers to decrease their advertising budgets or slow the growth of their digital ad spend, which could adversely affect our business, financial condition and results of operations. As we explore new countries to expand our business, economic downturns or unstable market conditions for geo- political or other reasons in any of those countries could result in our investments not yielding the returns we anticipate. The macroeconomic conditions described above may affect how our customers conduct their businesses and adversely affect our customers' willingness to utilize our solutions and delay prospective customers' purchasing decisions. Our customers may decrease their overall advertising budgets as a response to economic uncertainty, a decline in their business activity, and other **macroeconomic** ~~COVID- 19- related~~ impacts on their business or industry. **We utilize** ~~In response to the COVID- 19 pandemic, we have transitioned to~~ a " hybrid " working model, combining both in- office and remote work environments. Remote working arrangements may expose us to increased security risk and privacy concerns and there may be heightened sensitivity from government regulators with respect to privacy compliance in the current environment. Over time, hybrid working arrangements may diminish the cohesiveness of our personnel teams and our ability to maintain our culture, both of which are critical to our success. Hybrid working arrangements may also adversely affect our ability to foster a creative environment, hire additional qualified personnel and retain existing key personnel, any of which could adversely affect our productivity and overall operations. In addition, in- office work environments could expose our employees to health risks, and us to associated liability, and we could incur additional costs. We may also have to close our offices again and return to a work- from- home model if ~~the COVID- 19 pandemic worsens or~~ a new pandemic arises. **We** ~~The long- term impacts, if any, of the global COVID- 19 pandemic on our business are currently unknown and our business, financial condition and results of operations may be materially impacted. For further discussion of the impact of the COVID- 19 pandemic on our business and~~

~~financial results, see " Management' s Discussion and Analysis of Financial Condition and Results of Operations — Factors Affecting Our Performance — COVID- 19. " To the extent the COVID- 19 pandemic adversely affects our business and financial results, it may also have the effect of heightening many of the other risks described in this " Risk Factors " section. 27We~~ have completed several acquisitions in the past and may consummate additional acquisitions in the future, which may be difficult to integrate, disrupt our business, expose us to unanticipated liabilities, dilute stockholder value or divert management attention. We have completed several strategic acquisitions, including of **Scibids in 2023, Outrigger Media, Inc. (d / b / a"** OpenSlate **")** and Meetrics **GmbH (" Meetrics")** in 2021, Ad- Juster **Inc. (" Ad- Juster")** and Zentrick **NV (" Zentrick")** in 2019 and Leiki **Oy** in 2018. As part of our growth strategy, we regularly evaluate and may consummate additional acquisitions in the future to enhance our technology platform, expand our product offerings, broaden our geographic footprint, or for other strategic reasons. We also may evaluate and enter into discussions regarding an array of potential strategic investments, including acquiring complementary products or technologies. Our recent acquisitions and any future acquisitions or investments may result in unforeseen operating difficulties and expenditures. In particular, we may encounter difficulties integrating the business, technologies, products, personnel or operations of an acquired company, and we may have difficulty retaining the customers or employees of any acquired business due to changes in management and ownership. An acquisition may also disrupt our ongoing business, divert our resources and require significant management attention that would otherwise be available for ongoing growth and development of our business. Moreover, we cannot assure you that the anticipated benefits of an acquisition or investment would be realized in a timely manner, if at all, or that we would not be exposed to unknown costs and liabilities. Acquisitions involve numerous risks, any of which could harm our business and financial performance, including: ● the difficulty of assimilating the operations and personnel of the acquired companies; ● the potential disruption of our business; **24** ● the inability of our management to maximize our financial and strategic position by the successful incorporation of acquired technology into our platform; ● unanticipated liabilities associated with an acquisition, including (i) technology, intellectual property and infringement issues, (ii) employment, retirement or severance related claims, (iii) claims by or amounts owed to customers or suppliers, (iv) adverse tax consequences and (v) other legal disputes; ● difficulty maintaining uniform standards, controls, procedures and policies, with respect to accounting matters and otherwise; ● the potential loss of key personnel of acquired companies; ● the impairment of relationships with employees and customers as a result of changes in management and operational structure; ● increased indebtedness to finance the acquisition; ● entrance into new geographic markets or new product segments that subjects us to different laws and regulations that may have an adverse impact on our business; and ● the diversion of management time and focus from operating our business to addressing acquisition integration challenges. Failure to appropriately mitigate these risks or other issues related to such acquisitions and strategic investments could result in reducing or completely eliminating any anticipated benefits of transactions, and harm our business generally. Future acquisitions could also result in the incurrence or assumption of debt, contingent liabilities, amortization expenses or the impairment of goodwill, any of which could harm our business, financial condition and results of operations. We cannot assure you that we will continue to acquire businesses at attractive valuations or that we will complete future acquisitions at all. ~~28We~~ **We** are subject to payment- related risks, and if our ability to accurately and timely collect payments is impaired, our business, financial condition and results of operations may be adversely affected. We have a large and diverse customer and integration partner base. At any given time, one or more of our customers or partners may experience financial difficulty, file for bankruptcy protection or cease operations. Unfavorable economic and financial conditions could result in an increase in customer or partner financial difficulties which could adversely affect us. **In addition, we rely on data from third parties to invoice our clients.** Our clients have in the past, and may in the future, dispute the way we calculate billing for our solutions **or the data on which rely to calculate billing** . If we are unable to resolve such disputes, we may lose clients or clients may decrease their use of our solutions and our financial performance and growth may be adversely affected. The direct impact on us could include reduced revenues and write- offs of accounts receivable and expenditures billable to customers, and if these effects were severe enough, the indirect impact could include impairments of intangible assets and reduced liquidity. Furthermore, the payment risks we face are heightened since (i) our programmatic and certain other partners collect payments from all of our advertiser customers utilizing their platform and remit to us such amounts on behalf of these advertiser customers and (ii) media agencies pay us on behalf of multiple customers who utilize them, each of whom are subject to independent billing and payment risks as well. Although no customer accounted for more than 10 % of our revenue in ~~2022~~ **2023** , two programmatic partner platforms collected approximately **18 % and** 17 % ~~and 14 %~~ each of our total revenue in ~~2022~~ **2023** on behalf of our advertiser customers using their platforms. In addition, each of our customers and integration partners may have different payment methods and cycles. The timing of receipt of payment from our customers and integration partners may impact our cash flows and working capital. ~~Defects~~ **25Defects** , errors or inaccuracies associated with our solutions could negatively impact our business, financial condition and results of operations. The technology underlying our platform may contain material defects or errors. If the data analytics we deliver to our customers are inaccurate or perceived to be inaccurate, due to defects or errors in our technology, our business may be harmed. Any inaccuracy or perceived inaccuracy in the solutions we provide could lead to consequences that adversely impact our business, financial condition and results of operations, including: ● loss of customers; ● the incurrence of substantial costs to correct any material defect or error; ● potential litigation; ● interruptions in the availability of our platform; ● diversion of development resources; ● loss of MRC or other industry accreditation; ● lost sales or delayed market acceptance of our solutions; and ● damage to our brand. ~~29We~~ **We** often have long sales cycles, which can result in significant time between initial contact with a prospect and execution of a contractual agreement, making it difficult to project when, if at all, we will generate revenue from new customers. Our sales cycle, from initial contact to contract execution and implementation, is often long and time consuming. Our sales efforts involve educating our customers about the use, technical capabilities and benefits of our software platform. Some of our customers undertake an evaluation process that involves reviewing the offerings of our competitors in addition to our platform. As a result, it is difficult to predict when a prospective customer will decide to execute an agreement and begin generating revenue for us. Even if our sales efforts result in obtaining a new customer, under our usage- based pricing model for most of our solutions, the customer controls when and to what extent it uses our platform. As a result, we may not be able to add customers or generate revenue as quickly as we may expect. We depend on our senior management team and other key personnel to manage our business effectively, and if we are unable to retain such key personnel or hire additional qualified personnel, our ability to compete could be harmed. Our company is led by a strong management team that has extensive experience leading technology and digital marketing companies. Our success and future growth depend to a significant degree on the leadership, knowledge, skills and continued services of our senior management team and other key personnel. The loss of any of these persons could adversely affect our business. ~~Our~~ **26Our** future success also depends on our ability to retain, attract and motivate highly skilled technical, managerial, marketing and customer service personnel. We have increased the size of our workforce by more than ~~50~~ **36** % since **the beginning of** ~~2020~~ **2022** to ~~902~~ **1, 101** employees and expect to continue to grow in the near term. We may incur significant costs to attract and retain qualified employees, including significant expenditures related to salaries and benefits and compensation expenses related to equity awards. Providing equity compensation to employees through our equity compensation program is critical to maintaining our attractiveness as an employer in the technology industry. If there is volatility in our stock price, or new regulations relating to employee equity compensation, it may harm our ability to attract and retain qualified employees. New regulations that prohibit the use of certain restrictive covenants in agreements with our employees could impact our ability to retain existing employees. Further, new employees often require significant training and we may lose new or existing employees to our competitors or other companies before we realize the benefit of our investment in recruiting and training them. In addition, changes to labor and immigration laws and regulations may adversely affect our access to technical and professional talent. Competition for personnel is intense, particularly those with technological expertise and our key areas of operations, including New York, Tel Aviv, Singapore, Berlin and London. A substantial majority of our employees work for us on an at- will basis, and we may experience a loss of productivity due to the departure of key personnel and the associated loss of institutional knowledge. Our inability to retain and attract the necessary personnel could adversely affect our business, financial condition and results of operations. In addition, our international expansion has led to an increasing number of employees based in countries outside of North America. As a result, we may experience increased competition for employees outside of North America as the trend toward globalization continues, which may impact our employee retention and increase our compensation expenses as we endeavor to attract and retain qualified employees globally. With ~~348~~ **453** employees based outside of the Americas as of December 31, ~~2022~~ **2023** , including ~~108~~ **127** employees in our Tel Aviv office and ~~70~~ **79** employees in our London office, we are exposed to a number of additional country- specific risks. See " We are exposed to the risks of operating internationally. " ~~30Increasing~~ -- **Increasing** scrutiny and evolving expectations from customers, employees, regulators and other stakeholders with respect to our environmental, social and governance (" ESG ") practices may expose us to new or additional risks. Customers, employees, governmental organizations, investors, proxy advisory services and other stakeholders are increasingly focused on ESG practices. While we are working to enhance our ESG efforts and related disclosures, if our stakeholders assess that our ESG efforts do not meet their expectations, which may continue to evolve, or we fail (or are perceived to fail) to meet the standards we set for our organization, our reputation, hiring initiatives, employee retention and customer and supplier relationships may be adversely affected. We may also incur significant costs and resources to monitor, report, and comply with various ESG initiatives, laws and regulations. New laws and regulations relating to ESG matters, including sustainability, climate change, human capital and diversity, are being developed in the United States, Europe and elsewhere. These laws and regulations may require considerable investment, including through the potential adoption of target- driven frameworks or disclosure requirements. Any failure, or perceived failure, by us to adhere to our stated ESG goals, comply fully with developing ESG law and regulation or failure to satisfy stakeholders with our ESG practices or the speed at which we implement them could harm our business, reputation, financial condition and operating results. ~~Data~~ **27Data** privacy legislation and regulation on digital advertising and privacy and data protection may adversely affect our business. There are a growing number of data privacy and protection laws and regulations in the digital advertising industry that apply to our business. We have dedicated, and expect to continue to dedicate, significant resources in our efforts to comply with such laws and regulations. For example, we have implemented policies and procedures to comply with applicable data privacy laws and regulations **, we complete several external privacy- related audits each calendar year** and **we** rely on contractual representations made to us by customers and partners that the information they provide to us and their use of our solutions do not violate these laws and regulations or their own privacy policies. However, the application, interpretation and enforcement of these laws and regulations are often uncertain and continue to evolve, particularly in the new and rapidly evolving industry in which we operate, and may be interpreted and applied inconsistently between states within a country or between countries, and our current policies and practices may be found not to comply **, which could subject us to legal or regulatory action** . Additionally, if our customers and partners' representations are false or inaccurate, or if our customers and partners do not otherwise comply with applicable privacy laws, we could face adverse publicity and possible legal or regulatory action. Conversely, our partners and communications services providers have adopted their own policies based on their own perceptions of legal requirements or other policy determinations, and these policies have in the past temporarily prevented us, and may again in the future prevent us, from operating on their platforms and possibly result in loss of business or litigation. Any perception of our practices, platform or solutions delivery as a violation of privacy rights may subject us to public criticism, loss of customers or partners, class action lawsuits, reputational harm, or investigations or claims by regulators, industry groups or other third parties, all of which could significantly disrupt our business and expose us to liability in ways that negatively affect our business, results of operations and financial condition. ~~31In~~ **In** addition, U. S. and foreign governments have enacted or are considering enacting new legislation related to privacy, data protection, data security and digital advertising and we expect to see an increase in, or changes to, legislation and regulation that affects our industry. For example, the EU ~~' s General~~

~~Data Protection Regulation (“~~GDPR ~~”)~~, which became effective on May 25, 2018, and has resulted and will continue to result in significantly greater compliance burdens and costs for companies with users and operations in the EU and European Economic Area (“ EEA ”). **In addition, the UK GDPR, which became effective in January 2021, imposes similar requirements as the EU GDPR.** Under **the EU GDPR and UK** GDPR, fines of up to 20 million Euros **or 17. 5 million Pounds, respectively,** or up to 4 % of the annual global revenues of the infringing party, whichever is greater, can be imposed for violations. The **EU** GDPR **and UK GDPR** ~~imposes~~ **impose** several stringent requirements for controllers and processors of personal data and could make it more difficult and / or more costly for us to use and share personal data. In addition, the ~~California Consumer Privacy Act (“~~CCPA ~~”)~~, which went into effect on January 1, 2020, limits how we may collect and use personal data. The effects of the CCPA potentially are far- reaching and may require us to modify our data processing practices and policies and incur substantial compliance- related costs and expenses. In November 2020, California voters passed the ~~California Privacy Rights and Enforcement Act (“~~CPRA ~~”)~~, which expands the CCPA with additional data privacy compliance requirements that ~~go~~ **went** into effect **in** ~~on January 1,~~ 2023 and may impact our business, and establishes a regulatory agency dedicated to enforcing those requirements. Other states have also recently introduced or enacted comprehensive consumer privacy laws that broadly protect personal data, including the right to opt out of targeted advertising and certain profiling activities, and more states are expected to follow. It remains unclear how various provisions of the CCPA, CPRA and other state laws will be interpreted and enforced. Further, the ~~Children’ s Online Privacy Protection Act (“~~COPPA ~~”)~~ applies to websites and other online services that are directed to children under thirteen (13) years of age and imposes certain restrictions on the collection, use and disclosure of personal information from these websites and online services. **The Data Privacy Framework, or DPF, recently adopted by the EU, UK and Switzerland to support data transfers to the United States, which DV relies on, has been challenged by European privacy activists.** Additionally, **as backup should the DPF be invalidated, we rely on** a data transfer mechanism ~~we rely on~~ called Standard Contractual Clauses **that** has **also** been subjected to regulatory and judicial scrutiny, ~~particularly after~~ **although they remain valid. In 2022, EU and U. S. officials announced that an agreement had been reached on** a ~~transfer~~ framework for data transferred from the EU to the United States **referred to** ~~called the Privacy Shield was~~ - **as** ~~invalidated by the Court of Justice of the European Union, although they remain valid. Although in 2022 EU and U. S. officials announced an agreement on~~ “ Privacy Shield 2. 0 ” ~~had been reached~~ , **but** it has not yet been officially adopted by the European Union. The continued uncertainty around the feasibility of onward transfers from the EU to the United States has the potential to adversely affect our operations and business. These and other data privacy laws and their interpretations continue to develop and may be inconsistent from jurisdiction to jurisdiction. Noncompliance with these laws could result in penalties or significant legal liability. **Our** ~~Although we take reasonable~~ efforts to comply with all applicable laws and regulations **may be ineffective** , **and** there can be no assurance that we will not be subject to regulatory action, including fines, in the event of an incident. We or our third- party service providers could be adversely affected if legislation or regulations are expanded ~~to~~ **28to** require changes in our or our third- party service providers’ business practices or if governing jurisdictions interpret or implement their legislation or regulations in ways that negatively affect our or our third- party service providers’ business, results of operations or financial condition. These federal, state and foreign laws and regulations, which in some cases can be enforced by private parties in addition to government entities, are increasingly restricting the collection, processing and use of personal data. These laws are constantly evolving and can be subject to significant change or interpretive application. We continue to monitor changes in laws and regulations, and the costs of compliance with, and the other burdens imposed by, these and other new laws or regulatory actions may increase our costs. **Our AI initiatives may also subject us to increased compliance costs associated with future laws and regulations.** In addition, failure to comply with these and other laws and regulations may result in, among other things, administrative enforcement actions and significant fines, class action lawsuits, significant legal fees, and civil or criminal liability. Any regulatory or civil action that is brought against us, even if unsuccessful, may distract our management’ s attention, divert our resources, negatively affect our public image or reputation among our customers and partners and within our industry, and, consequently, harm our business, results of operations and financial condition. ~~32Public~~ - **Public** criticism of digital advertising technology in the U. S. and internationally, including digital advertising on social media platforms, could adversely affect the demand for and use of our solutions. Our business depends, in part, on the demand for digital advertising technology. The digital advertising industry has been and may in the future be subject to reputational harm, negative media attention and public complaint relating to, among other things, the alleged lack of transparency and anti- competitive behavior among advertising technology companies. This public criticism could result in increased data privacy ~~and~~ **,** anti- trust **and other** regulation in the digital advertising industry in the U. S. and internationally. In addition, our ~~services~~ **solutions** are delivered in web browsers, mobile apps and other software environments where online advertising is displayed, and certain of these environments have announced future plans to phase out or end the use of cookies and other third- party tracking technology on their operating systems in order to provide more consumer privacy. While our core technology and solutions do not rely on persistent identifiers or cookie- based or cross- site tracking, these changes and other updates to software functionality in these environments could hurt our ability to effectively deliver our ~~services~~ **solutions** and make them less effective if our ~~services~~ **solutions** are restricted from operating **. Moreover, in response to these changes, advertisers may alter the mix of their advertising spend towards platforms on which we offer more limited solutions or towards higher cost inventory that may result in lower impression volumes** . We have also experienced significant growth in social media- related revenues and generate significant revenue from the use of our solutions on social media platforms, which have been and may in the future be the subject of avoidance campaigns or similar events, including ad boycotts on Facebook and **X (formerly** Twitter **). Additionally, social media platforms have been subject to regulatory scrutiny in various countries and jurisdictions, including the U. S., which has in the past and could in the future result in the use of certain social media platforms being banned in those locations** . Any change or decrease in the demand for digital advertising, including on social media platforms as a result of avoidance campaigns or similar events, may negatively affect the demand for and use of our solutions. If our customers significantly reduce or eliminate their digital ad spend in response to the public criticism of the digital advertising industry or its related effects, our business, financial condition and results of operations could be adversely affected. ~~The~~ **29The** success of our business depends in large part on our ability to protect and enforce our intellectual property rights. We rely on a combination of intellectual property rights in our business and rely on patent, copyright, service mark, trademark and trade secret laws, as well as confidentiality procedures and contractual restrictions, to establish and protect our proprietary rights, all of which provide limited protection. We endeavor to enter into agreements with our employees and contractors and with parties with whom we do business in order to limit access to and disclosure of our proprietary information. We cannot be certain that the steps we have taken will prevent unauthorized use of our technology or the reverse engineering of our technology. We cannot make assurances that any additional patents will be issued with respect to any of our pending or future patent applications, that any patents issued to us will provide adequate protection, or that any patents issued to us will not be challenged, invalidated, circumvented, or held to be unenforceable in actions against alleged infringers. Also, we cannot make assurances that any future trademark or service mark registrations will be issued with respect to pending or future applications or that any of our registered trademarks and service marks will be enforceable or provide adequate protection of our proprietary rights. In addition, the laws of some foreign countries where our platform is utilized do not protect our proprietary rights to the same extent as do the laws of the United States. A failure to protect our intellectual property rights in the U. S. or elsewhere could adversely affect our business, financial condition and results of operations. ~~33An~~ **An** assertion from a third party that we are infringing its intellectual property rights, whether such assertion is valid or not, could subject us to costly and time- consuming litigation, expensive licenses or other impacts to our business. There is significant intellectual property development activity in the measurement and authentication of digital ads. Third- party intellectual property rights may cover significant aspects of our technologies or business methods or block us from expanding our platform and delivering new solutions, and we cannot be certain that our current operations do not infringe the rights of a third party. We have received and may continue to receive allegations and / or claims from third parties that our technology infringes or violates such third parties' intellectual property rights. The cost of defending against such claims, whether or not the claims have merit, is significant and could divert the attention of management, technical personnel and other employees from our business operations. Litigation regarding intellectual property rights is inherently uncertain due to the complex issues involved, and we may not be successful in defending ourselves in such matters. Additionally, we may be obligated to indemnify our customers or partners in connection with any such litigation. Intellectual property claims could harm our relationships with our customers and deter future customers from buying our solutions or expose us to litigation. If we are found to infringe intellectual property rights, we could potentially be subject to injunctive or other relief that could affect our ability to provide our solutions. We may also be required to develop alternative non- infringing technology and may be unable to do so, or such development may require significant time and expense and may not be successful. In addition, we could be required to pay royalty payments, either as a one- time fee or ongoing, as well as damages for past use that was deemed to be infringing. If we cannot license or develop technology for any allegedly infringing aspect of our business, this may limit our platform and solutions, and we may be unable to compete effectively. Any of these results could adversely affect our business, financial condition and results of operations. We **may face risks associated with our use of artificial intelligence and machine learning models. We have made, and expect to continue to make, investments in AI initiatives, including generative AI to develop new products, develop new features of existing products, and enhance our solutions. For example, in August 2023, we acquired Scibids. Scibids builds AI that automates and optimizes an advertiser' s programmatic buying of digital ad campaigns. We also utilize AI and machine learning models in the development of our solutions. There are significant risks involved in developing and deploying AI solutions and there can be no assurance that the usage of AI will enhance our products or services or be beneficial to our business, including our profitability. Our competitors or other third parties may incorporate AI into their offerings more quickly, cost- effectively or successfully than we can, which could impair our ability to compete effectively and adversely affect our results of operations. 30We collect, store, use and share large amounts of data in the ordinary course of business. If the data we use to train our models is incomplete, biased, or inadequate in other ways, there is a risk that AI technologies could produce inaccurate or misleading content or other discriminatory or unexpected results or behaviors that could harm our reputation, business or customers. In addition, the use of AI involves significant technical complexity and requires specialized expertise. Any disruption or failure in our AI systems or infrastructure may result in delays or errors in our operations. Our AI- related initiatives may also give rise to risks related to intellectual property infringement or misappropriation, defamation, data privacy, cybersecurity, and other issues. For instance, we cannot ensure that we have not incorporated open source software in our AI software in a manner that is inconsistent with the terms of the applicable license or our current policies, and we may inadvertently use open source in a manner that we do not intend or that could expose us to claims for breach of contract or intellectual property infringement, misappropriation, or other violations. We are also subject to a variety of laws, regulations, industry standards, policies, contractual requirements, executive actions, and other obligations relating to privacy, security and data protection. As a result, the performance of our products, services, and business, as well as our reputation, may suffer or we may incur liability through the violation of laws, third- party privacy or other rights, or contracts to which we are a party. Furthermore, there is growing scrutiny from regulatory and governmental agencies in the United States and foreign jurisdictions regarding AI adoption and its potential impact. We may not always be able to anticipate how existing laws will be interpreted in relation to AI, predict how new legal frameworks will develop to address AI, or otherwise respond to the new and rapidly evolving AI regulatory landscape. We** are exposed to the risks of operating internationally. Our international operations are important to our current and future strategy, growth and prospects. We currently have operations in numerous foreign countries, including the United Kingdom, Israel, Singapore, Australia, Brazil, Mexico, France, Germany, Finland, Belgium ~~and~~ **,** Japan **, Italy and India** , and expect to continue to expand our operations internationally. Our international operations are subject to varying degrees of regulation in each of the jurisdictions in which our services are provided. Local laws and regulations, and their interpretation and enforcement, differ significantly among those jurisdictions, and can change significantly over time. Some of the risks inherent in conducting business internationally include: ● the complexities and expense of complying with a wide variety of foreign and domestic laws and regulations applicable to international operations, including privacy and data protection laws and regulations, the U. S. Foreign Corrupt Practices Act and other applicable anti- corruption and anti- bribery laws; ● difficulties in staffing and managing international operations, including complex and costly hiring and termination requirements; ● reduced or varied protection for intellectual property rights in some countries; ● challenges caused by distance, language and cultural differences; ● political, social and economic instability abroad, terrorist attacks and security concerns **, including due to the current war between Israel and Hamas** ; ● trade disruptions or political tensions between the U. S. and foreign countries (including as a result of Russia' s invasion of Ukraine); ● fluctuations in currency exchange rates; ● potentially adverse tax consequences and the complexities of foreign value- added taxes and the repatriation of earnings; ~~34~~ **31** ● increased accounting and reporting burdens and complexities; and ● difficulties and expenses associated with tailoring our platform and solutions to local markets as may be required by local customers, regulations and local industry organizations. In addition, we have a research and development center located in Tel Aviv, Israel, with a significant presence of software and data engineers and employees focused on product development. ~~Political~~ **On October 7** , ~~economic~~ **2023** , ~~and military conditions in~~ **the Hamas terrorist organization launched attacks against** Israel **,** and **conflict and disruption in** the ~~surrounding~~ region **is ongoing. The war** ~~, and any hostilities involving Israel or the interruption of trade~~ between Israel and ~~its trading partners~~ **Hamas could result in disruptions to our business operations in addition to unstable market conditions** , **which** could adversely affect our business **, financial condition** and **results of** operations **. We have no way to predict the progress** ~~for~~ - **or outcome** ~~a period~~ of ~~time~~ **the war between Israel and Hamas or its impacts in the region as the conflict and government reactions are rapidly developing** . Our ability to manage our business and conduct our operations internationally also requires considerable management attention and financial resources. We cannot be certain that the investments and additional resources required for establishing and maintaining operations in other countries will hold their value or produce desired levels of revenues or profitability. Any one or more of these factors could negatively impact our international operations and thus adversely affect our business, financial condition and results of operations. Exposure to foreign currency exchange rate fluctuations could negatively impact our results of operations. While the majority of our transactions are denominated in U. S. dollars, we frequently transact in foreign currencies, including for payments from clients, expenses and acquisition costs. We also have expenses denominated in currencies other than the U. S. dollar. Given our investment in international growth, we expect the number of our foreign currency transactions to increase in the future. Foreign currency exchange rate fluctuations could cause our operating results to differ materially from expectations. Our use of " open source " software could subject our technology to general release or require us to re- engineer our platform, or subject us to litigation, which could harm our business, financial condition and results of operations. Some of our technology incorporates so- called " open source " software, and we may incorporate additional open source software in the future. Open source software is generally licensed by its authors or other third parties under open source licenses, which typically do not provide for any representations, warranties or indemnity coverage by the licensor. Some of these licenses provide that combinations of open source software with a licensee' s proprietary software are subject to the open source license and require that the combination be made available to third parties in source code form or at no cost. Some open source licenses may also require the licensee to grant licenses under certain of its intellectual property to third parties. Additionally, there is little case law interpreting such licenses and there is a risk that open source licenses could be construed in a manner that imposes unanticipated conditions or restrictions on our ability to provide our platform. If a third party that distributes open source software were to allege that we had not complied with the conditions of one or more of these licenses, we could be required to incur significant legal expenses defending against such allegations and could be subject to significant damages, enjoined from the sale of our solutions that contain the open source software and required to comply with the foregoing conditions, which could disrupt the distribution and sale of some of our solutions. In addition, we may be forced to re- engineer our platform or discontinue use of certain open source software, and related solutions provided by our platform that use such open source software. Any of these events could adversely affect our business, financial condition and results of operations. ~~Seasonal~~ **32Seasonal** fluctuations in advertising activity could have a negative impact on our revenue, cash flow and operating results. Our revenue, cash flow, operating results and other key operating and performance metrics may vary from quarter to quarter due to the seasonal nature of our customers' spending on advertising campaigns. For example, advertisers typically allocate the largest portion of their media budgets to the fourth quarter of the calendar year in order to coincide with increased holiday purchasing. As a result, the fourth quarter of the year typically reflects our highest level of measurement activity while the first quarter reflects the lowest level of such activity. Our historical revenue growth has masked the impact of seasonality, but if our growth rate declines or seasonal spending becomes more pronounced, seasonality could have a more significant impact on our revenue, cash flow and operating results from period to period. ~~35We~~ **We** have a limited operating history, which makes it difficult to evaluate our business and prospects and may increase the risks associated with your investment. Our business was founded in 2008 and, as a result, we have a limited operating history upon which our business and prospects may be evaluated. Although we have experienced substantial revenue growth in our limited operating history, we may not be able to sustain this rate of growth or maintain our current revenue levels. We have encountered and will continue to encounter risks and challenges frequently experienced by rapidly growing companies in developing industries, including risks related to our ability to: ● build a reputation for providing superior customer service and for creating trust and long- term relationships with our customers; ● distinguish ourselves from competitors; ● scale our business efficiently; ● maintain and expand our relationships with customers and partners; ● respond to evolving industry standards and government regulation that impact our business, particularly in the areas of data privacy; ● respond to technological advances; ● prevent or mitigate security failures or breaches; ● expand our business internationally; and ● hire and retain qualified employees. We cannot assure you that we will be successful in addressing these and other challenges we may face in the future. If we are unable to do so, our business may suffer, our revenue and operating results may decline and we may not be able to achieve further growth or sustain profitability. ~~We~~ **33We** are subject to taxation in multiple jurisdictions. Any adverse development in the tax laws of any of these jurisdictions or any disagreement with our tax positions could have a material and adverse effect on our business, financial condition or results of operations. We are subject to taxation in, and to the tax laws and regulations of, multiple jurisdictions as a result of the international scope of our operations and our corporate entity structure. Adverse developments in these laws or regulations, or any change in position regarding the application, administration or interpretation thereof, in any applicable jurisdiction, could have a material and adverse effect on our business, financial condition or results of operations. ~~For example, the Tax Cuts and Jobs Act of 2017 eliminated the option to deduct research and development expenditures in the current period and requires taxpayers to capitalize and amortize these expenses effective January 1, 2022. Although the U. S. Congress may consider legislation that would defer the capitalization and amortization requirement, there is no assurance that the provision will be repealed or otherwise modified.~~ In addition, the tax authorities in any applicable jurisdiction, including the U. S., may disagree with the positions we have taken or intend to take regarding the tax treatment or characterization of any of our transactions. ~~36Our~~ -- **Our** revenues and results of operations may fluctuate in the future. As a result, we may fail to meet the expectations of securities analysts or investors, which could cause our stock price to decline. Our results of operations may fluctuate as a result of a variety of factors, many of which are outside of our control. If our revenues or results of operations do not meet the expectations of securities analysts or investors, the price of our common stock could decline. Factors that may cause fluctuations in our revenues or results of operations include: ● our ability to retain and grow relationships with existing customers and attract new customers; ● the loss of demand- side platforms as integration partners; ● the timing and success of new product introductions, including the introduction of new technologies or offerings, by us, our competitors or others in the advertising marketplace; ● changes in the pricing of our solutions or those of our competitors; ● our failure to accurately estimate or control costs, including those incurred as a result of investments, other business or product development initiatives and the integration of acquired businesses; ● multi- year commitments with minimum purchase requirements; ● the effects of acquisitions and their integration; ● changes and uncertainty in the regulatory environment; ● the amount and timing of capital expenditures and operating costs related to the maintenance and expansion of our operations and infrastructure; ● service outages, other technical difficulties or security breaches; ● limitations relating to the capacity of our networks, systems and processes; ● maintaining appropriate staffing levels and capabilities relative to projected growth, or retaining key personnel; ● the risks associated with operating internationally; and ● general economic, political, regulatory, industry and market conditions and those conditions specific to internet usage and digital media. ~~Based~~ **34Based** upon the factors above and others both within and beyond our control, we have a limited ability to forecast our future revenue, costs and expenses, and as a result, our operating results may, from time to time, fall below our estimates or the expectations of analysts and investors. We believe that our revenues and results of operations on a year- over- year and sequential quarter- over- quarter basis may vary significantly in the future. Investors are cautioned not to rely on the results of prior periods as an indication of future performance. **We maintain cash deposits in excess of federally insured limits. Adverse developments affecting financial institutions, including bank failures, could adversely affect our or our customers' liquidity. We maintain U. S. cash deposits in Federal Deposit Insurance Corporation (" FDIC ") insured banks that exceed the FDIC insurance limits. We also maintain cash deposits in banks in certain foreign jurisdictions in which we operate, some of which are not insured or are only partially insured by the FDIC or similar entities. In the past year, more than one FDIC insured bank abruptly failed. The failure of a bank at which we maintain balances could adversely impact our liquidity, and could similarly affect our customers. There can be no assurance that deposits in excess of the FDIC or other comparable insurance limits will be backstopped by the U. S. government or any applicable foreign government, or that any bank or financial institution with which we or our customers do business will be able to obtain the necessary liquidity in the event of a failure.** ~~37Our~~ -- **Our** estimates of market opportunity and forecasts of market growth included in this Annual Report on Form 10- K may prove to be inaccurate. Market opportunity estimates and growth forecasts are subject to significant uncertainty and are based on assumptions and estimates that may not prove to be accurate. Our estimates and forecasts relating to the size and expected growth of our market may prove to be inaccurate. For example, the digital advertising industry may not grow at the rate that we currently expect, the migration of advertising from linear television to CTV may not occur on the scale we currently anticipate, or the growth of subscription media platforms as opposed to platforms supported by advertising may all impact the estimates and growth forecasts we have included in this Annual Report on Form 10- K. Even if the market in which we compete meets our size estimates and forecasted growth, our business could fail to grow at similar rates, if at all. Our financial condition and results of operations could be adversely affected if we incur an impairment of goodwill or other intangible and long- lived assets. As of December 31, ~~2022~~ **2023** , we had $ ~~343~~ **436** . 0 million of goodwill and $ ~~248~~ **274** . ~~9~~ **0** million of other long- lived assets, including property, plant and equipment and intangible assets. We are required to test intangible assets and goodwill annually and on an interim basis if an event occurs or there is a change in circumstance that would more likely than not reduce the fair value below its carrying values or indicate that the carrying value of such intangibles is not recoverable. When the carrying value exceeds its fair value, an impairment loss is recognized in an amount equal to that excess. If the carrying amount of an intangible asset is not recoverable, a charge to operations is recognized. Either event would result in incremental expenses for that period, which would reduce any earnings or increase any loss for the period in which the impairment was determined to have occurred. Our impairment analysis is sensitive to changes in key assumptions used in our analysis, such as expected future cash flows. Additionally, changes in our strategy or significant technical developments could significantly impact the recoverability of our intangible assets. If the assumptions used in our analysis are not realized, it is possible that an impairment charge may need to be recorded in the future. We identified **an** impairment of long- lived assets of $ 1. 5 million for the year ended December 31, 2022. We did not identify **any** ~~impairment~~ **impairments** of goodwill or long- lived assets for the years ended December 31, ~~2021~~ **2023** ~~or~~ **and** December 31, ~~2020~~ **2021** . We cannot predict the amount and timing of any future impairment of goodwill or other intangible assets. See Note 5 to our audited consolidated financial statements included elsewhere in this Annual Report on Form 10- K for further discussion on the goodwill recognized from our recent acquisitions. ~~Restrictions~~ **35Restrictions** in the New Revolving Credit Facility could adversely affect our business, financial condition and results of operations. The operating and financial restrictions and covenants in the New Revolving Credit Facility, and any future financing agreements, could restrict the ability of DoubleVerify MidCo, Inc., DoubleVerify Inc. and their respective subsidiaries (the " Credit Group ") to finance future operations or capital needs or to expand or pursue the Credit Group' s business activities. The New Revolving Credit Facility contains limitations on the ability of the Credit Group to, among other things: ● pay dividends or purchase, redeem or retire capital stock; ● grant liens; ● incur or guarantee additional debt; ● make investments and acquisitions; ● enter into transactions with affiliates; ~~38~~ ● enter into any merger, consolidation or amalgamation or dispose of all or substantially all property or business; and ● dispose of property, including issuing capital stock. The New Revolving Credit Facility also contains covenants requiring the Credit Group to maintain certain financial ratios. The Credit Group' s ability to meet those financial ratios can be affected by events beyond our control, and we cannot assure you that the Credit Group will meet any such ratios in the future. The New Revolving Credit Facility is secured by substantially all of the assets (subject to customary exceptions) of the Credit Group. A failure to comply with the provisions of the New Revolving Credit Facility could result in a default or an event of default that could enable our lenders to declare the outstanding principal amount of that debt, together with accrued and unpaid interest, to be immediately due and payable. We might not have, or be able to obtain, sufficient funds to make these accelerated payments. If the payment of our debt is accelerated and we do not have sufficient cash available to repay such indebtedness, the lenders could enforce their security interests and liquidate some or all of the secured assets of the Credit Group to repay the outstanding principal and interest, and our stockholders could experience a partial or total loss of their investment. For more information about the New Revolving Credit Facility, see Note 9 to our audited consolidated financial statements included elsewhere in this Annual Report on Form 10- K. In the future, we may need to obtain additional financing that may not be available or may reduce our profitability or result in dilution to our stockholders. We may require additional capital in the future to develop and execute our ~~long- term~~ growth strategy. We believe our existing cash and cash generated from operations, together with the undrawn balance under the New Revolving Credit Facility, will be sufficient to meet our working capital and capital expenditure requirements for at least the next 12 months. However, we may need to raise additional funds in the future in order to, among other things: ● finance working capital requirements, capital investments or refinance existing or future indebtedness; ● acquire complementary businesses, technologies or products; ● develop or enhance our technological infrastructure and our existing platform and solutions; ● fund strategic relationships; ~~and~~ **and36** ● respond to competitive pressures. If we incur additional indebtedness, our profitability may be reduced. Any future indebtedness could be at higher interest rates and may require us to comply with restrictive covenants, which could place limitations on our business operations. Further, we may not be able to maintain sufficient cash flows from our operating activities to service our existing and any future indebtedness. If our operating results are not sufficient to service any future indebtedness, we will be forced to take actions such as reducing or delaying our business activities, investments or capital expenditures, selling assets or issuing equity. If we issue additional equity securities, our stockholders may experience significant dilution and the price of our common stock may decline. Alternatively, if adequate funds are not available or are not available on acceptable terms, our ability to fund our strategic initiatives, take advantage of unanticipated opportunities, develop or enhance our technology or services or otherwise respond to competitive pressures could be significantly limited. ~~39Risks~~ -- **Risks** Related to Our Common StockThe market price of our common stock may be volatile and could decline regardless of our operating performance. The market price of our common stock may fluctuate significantly based on a number of factors that are outside of our control. Among the factors that could affect our stock price are: ● actual or anticipated fluctuations in our quarterly operating results; ● changes in securities analysts' estimates of our financial performance or lack of research coverage and reports by industry analysts; ● actions by institutional stockholders or other large stockholders (including Providence), including future sales of our common stock; ● failure to meet any guidance given by us or any change in any guidance given by us, or changes by us in our guidance practices; ● industry, regulatory or general market conditions; ● domestic and international economic factors unrelated to our performance; ● changes in our customers' or partners' preferences; ● changes in law or regulation; ● lawsuits, enforcement actions and other claims by third parties or governmental authorities; ● adverse publicity related to us or another industry participant; ● announcements by us of significant impairment charges; ● speculation in the press or investment community; ● investor perception of us and our industry; ● changes in market valuations or earnings of similar companies; ● announcements by us or our competitors of significant contracts, acquisitions, dispositions or strategic partnerships; **37** ● war (including Russia' s invasion of Ukraine **and Hamas' attack against Israel**), terrorist acts and epidemic disease ~~(including the COVID- 19 pandemic)~~ ; ● any future offerings of our common stock or other securities; ● additions or departures of key personnel; and ● misconduct or other improper actions of our employees. ~~40In~~ **In** particular, we cannot assure you that you will be able to resell your shares at or above your purchase price. Stock markets have experienced extreme volatility in recent years that has been unrelated to the operating performance of particular companies. These broad market fluctuations may adversely affect the trading price of our common stock. DoubleVerify is a holding company with no operations of its own, and it depends on its subsidiaries for cash to fund all of its operations and expenses, including to make future dividend payments, if any. Our operations are conducted entirely through our subsidiaries, and our ability to generate cash to fund our operations and expenses, to pay dividends or to meet debt service obligations is highly dependent on the earnings and the receipt of funds from our subsidiaries through dividends or intercompany loans. Deterioration in the financial condition, earnings or cash flow of DoubleVerify and its subsidiaries for any reason could limit or impair their ability to pay such distributions. Additionally, to the extent our subsidiaries are restricted from making such distributions under applicable law or regulation or under the terms of our existing or future financing arrangements, or are otherwise unable to provide funds to the extent of our needs, there could be a material adverse effect on our business, financial condition or results of operations. Future sales of shares by us or our existing stockholders could cause our stock price to decline. Sales of substantial amounts of our common stock in the public market, including by Providence, or the perception that these sales could occur, could cause the market price of our common stock to decline. These sales, or the possibility that these sales may occur, also might make it more difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate. In the future, we may issue additional shares of common stock or other equity or debt securities convertible into or exercisable or exchangeable for shares of our common stock in connection with a financing, strategic investment, litigation settlement or employee arrangement or otherwise. Any of these issuances could result in substantial dilution to our existing stockholders and could cause the trading price of our common stock to decline. If securities or industry analysts do not publish research or publish misleading or unfavorable research about our business, our stock price and trading volume could decline. The trading market for our common stock depends in part on the research and reports that securities or industry analysts publish about us or our business. If one or more research analysts downgrades our stock or publishes misleading or unfavorable research about our business, our stock price would likely decline. If one or more of the analysts ceases coverage of our common stock or fails to publish reports on us regularly, demand for our common stock could decrease, which could cause our common stock price or trading volume to decline. Providence has significant influence over us and may not always exercise its influence in a way that benefits our public stockholders. Providence VII U. S. Holdings L. P. owns approximately ~~40~~ **15** % of the outstanding shares of our common stock. As a result, Providence will continue to exercise ~~significant~~ influence over all matters requiring stockholder approval for the foreseeable future, including approval of significant corporate transactions, which may reduce the market price of our common stock. ~~Because~~ **38Because** Providence' s interests may differ from your interests, actions Providence takes as a stockholder with ~~significant~~ influence may not be favorable to you. For example, the concentration of ownership held by Providence could delay, defer or prevent a change of control of us or impede a merger, takeover or other business combination that another stockholder may otherwise view favorably. Other potential conflicts could arise, for example, over matters such as employee retention or recruiting, or our dividend policy. ~~41Furthermore, by holding approximately 40 % of our common stock, Providence generally will be able to determine the outcome of corporate actions requiring stockholder approval, including the election of the members of our board of directors and the approval of significant corporate transactions, such as mergers and the sale of substantially all of our assets.~~ Additionally, Providence will continue to have the right to designate for nomination for election one ~~or more~~ of our directors so long as it beneficially owns at least 5 % of our common stock. Under our amended and restated certificate of incorporation, Providence and its affiliates and, in some circumstances, any of our directors and officers who is also a director, officer, employee, member or partner of Providence and its affiliates, have no obligation to offer us corporate opportunities. The policies relating to corporate opportunities and transactions with Providence set forth in our second amended and restated certificate of incorporation (the " amended and restated certificate of incorporation ") addresses potential conflicts of interest between DoubleVerify, on the one hand, and Providence and its officers, directors, employees, members or partners who are directors or officers of our company, on the other hand. In accordance with those policies, Providence may pursue corporate opportunities, including acquisition opportunities that may be complementary to our business, without offering those opportunities to us. By being a stockholder in DoubleVerify, you are deemed to have notice of and to have consented to these provisions of our amended and restated certificate of incorporation. Although these provisions are designed to resolve conflicts between us and Providence and its affiliates fairly, conflicts may not be resolved in our favor or be resolved at all. Future offerings of debt or equity securities which would rank senior to our common stock may adversely affect the market price of our common stock. If we decide to issue debt or equity securities that rank senior to our common stock, it is likely that such securities will be governed by an indenture or other instrument containing covenants restricting our operating flexibility. Additionally, any convertible or exchangeable securities that we issue in the future may have rights, preferences and privileges more favorable than those of our common stock and may result in dilution to owners of our common stock. We and, indirectly, our stockholders, will bear the cost of issuing and servicing such securities. Because our decision to issue debt or equity securities in any future offering will depend on market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing or nature of any future offerings. Thus, holders of our common stock will bear the risk of our future offerings reducing the market price of our common stock or diluting their ownership stake in us. Fulfilling our obligations incident to being a public company, including compliance with the Exchange Act and the requirements of the NYSE, the Sarbanes- Oxley Act and the Dodd- Frank Act, is expensive and time- consuming, and any delays or difficulties in satisfying these obligations could have a material adverse effect on our future results of operations and our stock price. As a public company, we are subject to the reporting, accounting and corporate governance requirements of the NYSE, the Exchange Act, the Sarbanes- Oxley Act and Section 619 of the Dodd- Frank Act that apply to issuers of listed equity, which impose certain significant compliance requirements, costs and obligations upon us. The requirements of being a publicly listed company require a significant commitment of resources and management oversight which increase our operating costs. These laws and regulations also could make it more difficult or costly for us to obtain certain types of insurance, including director and officer liability insurance, and we may be forced to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. These laws and regulations could also make it more difficult for us to attract and retain qualified persons to serve on our board of directors, our board committees or as our executive officers. ~~The~~ **39The** expenses associated with being a public company include ~~increased~~ auditing, accounting and legal fees and expenses, investor relations expenses, increased directors' fees and director and officer liability insurance costs, registrar and transfer agent fees and NYSE listing fees, as well as other expenses ~~, which we expect to further increase now that we are no longer an " emerging growth company. " Based on the market value of our common stock held by non- affiliates as of June 30, 2022, we ceased to be an " emerging growth company " on December 31, 2022~~ . Failure to comply with the requirements of being a public company could potentially subject us to sanctions or investigations by the SEC, the NYSE or other regulatory authorities, delisting of our common stock, and potentially civil litigation. ~~42Additionally~~ -- **Additionally** , the Sarbanes- Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. In order to maintain and improve the effectiveness of such controls, we have expended, and anticipate that we will continue to expend, significant resources. For example, since our IPO, we have hired additional accounting and financial staff with appropriate public company experience and technical accounting knowledge to assist in our compliance efforts. We have incurred and expect to continue to incur significant expenses and devote substantial management effort toward compliance with the auditor attestation requirements of Section 404 of the Sarbanes- Oxley Act. To assist us in complying with these requirements we may need to hire more employees in the future, or engage outside consultants, which will increase our operating expenses. Despite significant investment, our current controls and any new controls that we implement may become inadequate because of changes in business conditions. For example, because we have acquired companies in the past and may continue to do so in the future, we need to effectively expend resources to integrate the controls of these acquired entities with ours. Further, weaknesses in our disclosure controls and internal control over financial reporting may be discovered in the future. Any failure to implement and maintain effective internal control over financial reporting could adversely affect the results of periodic management evaluations and annual independent registered public accounting firm attestation reports regarding the effectiveness of our internal control over financial reporting that are required to be included in the periodic reports that we file with the SEC. If our management team or independent registered public accounting firm were to furnish an adverse report, or if it is determined that we have a material weakness or significant deficiency in our internal control over financial reporting, investors could lose confidence in the accuracy and completeness of our financial reports, the market price of our common stock could decline, and we could be subject to sanctions or investigations by the NYSE, the SEC or other regulatory authorities or shareholder litigation. Anti- takeover provisions in our amended and restated certificate of incorporation and amended and restated bylaws could discourage, delay or prevent a change of control of our company and may affect the trading price of our common stock. Our amended and restated certificate of incorporation and our amended and restated bylaws (the " amended and restated bylaws ") include a number of provisions that may discourage, delay or prevent a change in our management or control over us that stockholders may consider favorable. For example, our amended and restated certificate of incorporation and amended and restated bylaws collectively: ● authorize the issuance of " blank check " preferred stock that could be issued by our board of directors to thwart a takeover attempt; ● provide for a classified board of directors, which divides our board of directors into three classes, with members of each class serving staggered three- year terms, which prevents stockholders from electing an entirely new board of directors at an annual meeting; ● limit the ability of stockholders to remove directors ~~if Providence ceases to beneficially own at least 40 % of the outstanding shares of our common stock~~ ; ● provide that vacancies on our board of directors, including vacancies resulting from an enlargement of our board of directors, may be filled only by a majority vote of directors then in office; ● prohibit stockholders from calling special meetings of stockholders **;** ~~if Providence ceases to beneficially own at least~~ 40 ~~% of the outstanding shares of our common stock;~~ ● prohibit stockholder action by written consent, thereby requiring all actions to be taken at a meeting of the stockholders ~~, if Providence ceases to beneficially own at least 40 % of the outstanding shares of our common stock~~ ; ~~43~~ ● establish advance notice requirements for nominations of candidates for election as directors or to bring other business before an annual meeting of our stockholders; and ● require the approval of holders of at least 662 ⁄ 3 % in voting power of the outstanding shares of our capital stock to amend our amended and restated bylaws and certain provisions of our amended and restated certificate of incorporation ~~if Providence ceases to beneficially own at least 40 % of the outstanding shares of our common stock~~ . These provisions may prevent our stockholders from receiving the benefit from any premium to the market price of our common stock offered by a bidder in a takeover context. Even in the absence of a takeover attempt, the existence of these provisions may adversely affect the prevailing market price of our common stock if the provisions are viewed as discouraging takeover attempts in the future. Our amended and restated certificate of incorporation and amended and restated bylaws may also make it difficult for stockholders to replace or remove our management. Furthermore, the existence of the foregoing provisions, as well as the significant amount of common stock that Providence owns, may facilitate management entrenchment that may delay, deter, render more difficult or prevent a change in our control, which may not be in the best interests of our stockholders. We could be the subject of securities class action litigation due to future stock price volatility, which could divert management' s attention and materially and adversely affect our business, financial condition, results of operations or cash flows. The stock market in general, and market prices for the securities of companies like ours in particular, have from time to time experienced volatility that often has been unrelated to the operating performance of the underlying companies. A certain degree of stock price volatility can be attributed to being a newly public company. These broad market and industry fluctuations may adversely affect the market price of our common stock, regardless of our operating performance. In certain situations in which the market price of a stock has been volatile, holders of that stock have instituted securities class action litigation against the company that issued the stock. If any of our stockholders were to bring a similar lawsuit against us, the defense and disposition of the lawsuit could be costly and divert the time and attention of our management and could materially and adversely affect our business, financial condition, results of operations or cash flows. We do not intend to pay dividends on our common stock for the foreseeable future and, consequently, your ability to achieve a return on your investment depends on appreciation in the price of our common stock. We do not intend to declare and pay dividends on our common stock for the foreseeable future. We currently intend to use our future earnings, if any, to fund our growth, including through acquisitions, and for working capital needs and general corporate purposes. Therefore, you are not likely to receive any dividends on your common stock for the foreseeable future, and the success of an investment in shares of our common stock depends upon any future appreciation in their value. There is no guarantee that shares of our common stock will appreciate in value or even maintain the price at which our stockholders have purchased their shares. Payments of dividends, if any, are at the sole discretion of our board of directors after taking into account various factors, including general and economic conditions, our financial condition and operating results, our available cash and current and anticipated cash needs, capital requirements, contractual, legal, tax and regulatory restrictions and implications of the payment of dividends by us to our stockholders or by our subsidiaries to us, and such other factors as our board of directors may deem relevant. In addition, our operations are conducted almost entirely through our subsidiaries. As such, to the extent that we determine in the future to pay dividends on our common stock, we will rely on our subsidiaries to make funds available to us for the payment of dividends. Further, the New Revolving Credit Facility limits the ability of our subsidiaries to pay dividends or otherwise transfer assets to us. In addition, Delaware law imposes additional requirements that may restrict our ability to pay dividends to holders of our common stock. ~~44Our~~ **41Our** amended and restated certificate of incorporation designates the Court of Chancery of the State of Delaware as the sole and exclusive forum for certain litigation that may be initiated by our stockholders, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or our directors, officers or stockholders. Our amended and restated certificate of incorporation provides that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will, to the fullest extent permitted by law, be the sole and exclusive forum for (i) any derivative action or proceeding brought on our behalf, (ii) any action or proceeding asserting a claim of breach of a fiduciary duty owed to us or our stockholders by any of our current or former directors, officers, other employees, agents or stockholders, (iii) any action or proceeding asserting a claim arising out of or under the Delaware General Corporation Law (the " DGCL "), or as to which the DGCL confers jurisdiction on the Court of Chancery of the State of Delaware (including, without limitation, any action asserting a claim arising out of or pursuant to our amended and restated certificate of incorporation or our amended and restated bylaws) or (iv) any action or proceeding asserting a claim that is governed by the internal affairs doctrine, in each case, subject to such Court of Chancery of the State of Delaware having personal jurisdiction over the indispensable parties named as defendants; provided that, the exclusive forum provision will not apply to any action or proceeding brought to enforce any liability or duty created by the Exchange Act or any other action or proceeding asserting a claim for which the federal courts have exclusive jurisdiction; provided further that, if and only if the Court of Chancery of the State of Delaware dismisses any such action or proceeding for lack of subject matter jurisdiction, such action or proceeding may be brought in another state or federal court sitting in the State of Delaware. Accordingly, the exclusive forum provision does not relieve us of our duties to comply with the federal securities laws and the rules and regulations thereunder, and our stockholders are not deemed to have waived our compliance with these laws, rules and regulations. Unless the Company consents in writing to the selection of an alternative forum, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any claim arising under the Securities Act. By becoming a stockholder in our company, you will be deemed to have notice of and have consented to the provisions of our amended and restated certificate of incorporation related to choice of forum, provided that, if and only if the Court of Chancery of the State of Delaware dismisses any such action for lack of subject matter jurisdiction, such action may be brought in another state or federal court sitting in the State of Delaware. The choice of forum provision in our amended and restated certificate of incorporation may limit our stockholders' ability to obtain a favorable judicial forum for disputes with us or any of our directors, officers, other employees, agents or stockholders, which may discourage lawsuits with respect to such claims. Alternatively, if a court were to find the choice of forum provision contained in our amended and restated certificate of incorporation to be inapplicable or unenforceable in an action, we may incur additional costs associated with resolving such action in other jurisdictions, which could materially and adversely affect our business, financial condition or results of operations. Our amended and restated certificate of incorporation includes provisions limiting the personal liability of our directors for breaches of fiduciary duty under the DGCL. Our amended and restated certificate of incorporation contains provisions eliminating a director' s personal liability to the fullest extent permitted by the DGCL for monetary damages resulting from a breach of fiduciary duty, except in circumstances involving: ● any breach of the director' s duty of loyalty; ● acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of the law; ● under Section 174 of the DGCL (unlawful dividends); or ● any transaction from which the director derives an improper personal benefit. ~~45~~ **42**