Risk Factors Comparison 2024-02-23 to 2023-02-23 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text Moved Text Section

Investing in our common stock involves a high degree of risk. You should carefully consider the risks and uncertainties described below, together with all of the other information contained in this Annual Report on Form 10- K, including our consolidated financial statements and the related notes thereto, before making a decision to invest in our common stock. The risks and uncertainties summarized and described below are not the only ones we face. Additional risks and uncertainties that we are unaware of, or that we currently believe are not material, may also become important factors that affect us. If any of the following risks occur, our business, financial condition, operating results and prospects could be materially and adversely affected. In that event, the price of our common stock could decline, and you could lose part or all of your investment. SUMMARY OF RISK FACTORS Risks Related to our Financial Condition and Future Operating Results • **Our** ~~We have a~~ history of **recurring** losses and ~~declining~~ **negative operating cash flows raises substantial doubt about our ability to continue as a going concern unless we can increase our** revenues **, further reduce** ~~and we may not achieve or~~ **our** ~~sustain profitability~~ **expenses or raise additional capital to meet our obligations** in the ~~future~~ **near term** . • We expect to continue to incur losses and experience negative cash flows, and we may need to **further** reduce ~~operating~~ **our** expenses **, change our business plans** , sell additional securities, sell assets or borrow additional funds to ~~fund~~ **sustain** our business ~~plans~~ **operations** . • We may require additional capital to ~~support~~ **sustain and grow our** business ~~growth~~ , and this capital might not be available on acceptable terms, if at all. • We may experience quarterly fluctuations in our operating results due to a number of factors, including general macroeconomic conditions such as inflation or any recession, which make our future results difficult to predict. Risks Related to our Business and Market • If the market for digital advertising slows or declines, our business, growth prospects, and financial condition would be adversely affected. • We must develop and introduce enhancements and new features that achieve market acceptance or that keep pace with technological developments to remain competitive in our evolving industry. • If we are unable to maintain our relationships with, and access to, publishers, advertising exchange platforms and other platforms that aggregate the supply of advertising inventory, our business will suffer. • Our **ability to sustain and** ~~growth~~ -- **grow our business** depends in part on the success of our relationships with advertising agencies and our strategic relationships with third parties. We have recognized a significant percentage of our revenues during recent periods from our strategic relationship with Google, and any adverse change in such relationship **or failure to renew such relationship beyond the currently scheduled September 30, 2024 expiration date** could have a material adverse effect on our results of operations and business. • Our market is highly competitive and complex. We may not be able to compete successfully against current and future competitors. • Our business depends on our customers' continued willingness to manage advertising spend on our platform ~~. Risks Related to the COVID- 19 Pandemic • The COVID- 19 global pandemic has adversely affected, and any lingering effects of the pandemic may continue to adversely affect, our business and operating results. Among other things, the COVID- 19 global pandemic has caused, and any lingering effects of the pandemic could continue to cause, some of our customers to reduce their purchases of our products or to reduce the amount of digital advertising spend that they manage using our products, which could have a material adverse effect on our business~~ . Operational Risks • Our business depends on retaining ~~and attracting~~ qualified personnel, and turnover may result in operational inefficiencies that could negatively affect our business **. In July 2023, we commenced a significant reduction- in- force to reduce our expenses. These changes could be disruptive to our operations and could have a material adverse effect on our business and results of operations** . • We incur upfront costs associated with onboarding advertisers to our platform and may not recoup our investment if we do not maintain the advertiser relationship over time. • Because we generally bill our customers over the term of the contract, near term decline in new or renewed subscriptions may not be reflected immediately in our operating results. • Any decrease in our customers' use of search advertising or our inability to further penetrate social and eCommerce advertising channels would harm our business. • Our sales cycle can be long and unpredictable and require considerable time and expense, which may cause our operating results to fluctuate. • Our ability to generate revenue depends on our collection of significant amounts of data from various sources. • Material defects, errors or disruptions in our software platform could harm our reputation, result in significant costs to us and impair our ability to sell our subscription services. • If mobile connected devices, their operating systems or content distribution channels, including those controlled by our competitors, develop in ways that prevent our advertising campaigns from being delivered to their users, our ability to grow our business will be impaired. • If our security measures are breached or unauthorized access to customer data or our data is otherwise obtained, our solutions may be perceived as not being secure, customers may reduce the use of or stop using our solutions and we may incur significant liabilities. • We primarily use third- party data centers to deliver our services. Any disruption of service at these facilities could harm our business. • We may need to continually improve our hosting infrastructure to avoid service interruptions or slower system performance. • Our solutions must integrate with our customers' enterprise applications and infrastructures. If we cannot efficiently implement our solutions for our customers, we may lose customers. • If we are unable to maintain or expand our sales and marketing capabilities, we may not be able to generate anticipated revenues. • Any failure to offer high- quality technical support services may adversely affect our relationships with our customers and harm our financial results. • Any failure to protect our intellectual property rights could impair our ability to protect our proprietary technology and adversely affect our business, reputation or brand. Regulatory and Compliance Risks • Domestic and foreign government regulation and enforcement of data practices and data tracking technologies is expansive, not clearly defined and rapidly evolving. Such regulation could directly restrict portions of our business or indirectly affect our business by constraining our customers' use of our platform or limiting the growth of our markets. • If our customers fail to abide by applicable privacy laws or to provide adequate notice and / or obtain consent from end users, we could be subject to litigation or enforcement action or reduced demand for our services. Industry self- regulatory standards may be implemented in the future that could affect demand for our platform and our ability to access data we use to provide our platform. • **We have identified a material weakness in our internal controls over financial reporting.** If we ~~experience material weaknesses or deficiencies in the future or otherwise~~ fail to maintain an effective system of internal controls, we may not be able to accurately or timely report our financial condition or results of operations, which may adversely affect investor confidence in us and, as a result, the value of our common stock. Risks Related to the Ownership of Our Common Stock • The ~~market~~ **closing** price of our common stock **on the Nasdaq Capital Market (" Nasdaq")** has been ~~volatile~~ **below $ 1. 00 for more than 30 consecutive business days** and ~~may~~ **, as a result, we have received a deficiency notice from Nasdaq advising that we are not in compliance with a** ~~continue~~ **continued listing requirement** ~~to be subject to wide fluctuations due to circumstances beyond our control, which could subject us to litigation~~ . ~~•~~ If we cannot ~~meet~~ **regain compliance with** the continued listing requirements of ~~The~~ Nasdaq ~~Global Market~~ , ~~The~~ Nasdaq ~~Global Market~~ may de- list our common stock, which would have an adverse effect on the trading volume, liquidity and market price of our common stock. **To attempt to regain compliance with Nasdaq' s requirements, we intend to seek stockholder approval for a reverse stock split. • The market price of our common stock has been volatile and may continue to be subject to wide fluctuations due to circumstances beyond our control, which could subject us to litigation.** • If we sell additional shares of our common stock, the percentage ownership of our stockholders will be diluted. ~~Risks related to our Financial Condition and Future Operating Results~~ We have incurred significant losses in each fiscal year since our incorporation in 2006. We experienced a net loss of $ ~~18~~ **21** . ~~2~~ **9** million during the year ended December 31, ~~2022~~ **2023** and a net loss of $ ~~12~~ **18** . ~~9~~ **2** million during the year ended December 31, ~~2021~~ **2022** . As of December 31, ~~2022~~ **2023** , we had an accumulated deficit of $ ~~322~~ **344** . 3 **million and cash and cash equivalents of $ 11. 4** million. The losses and accumulated deficit were due largely to **declining revenues and** the ~~substantial~~ investments we **have** made **to attempt** to grow our business and acquire customers. ~~Our cost of revenues~~ **Management expects to incur additional losses** and **experience negative** operating **cash flows into** ~~expenses could increase in~~ the **foreseeable** future ~~due to investments designed to grow our business, acquire customers and develop our platform and new functionality. These efforts may prove more expensive than we currently anticipate, and we may not succeed in increasing our revenues sufficiently to offset these higher expenses~~ . Our revenues have decreased over the last several years, decreasing from $ 30. 0 million in 2020 ~~to~~ **,** $ 24. 4 million in 2021 **,** ~~and to~~ $ 20. 0 million in 2022 **and** ~~. To increase revenues, we need~~ to ~~sell~~ **$ 17. 7 million in 2023. Historically, we have relied primarily on the sale of our capital stock to fund operating activities. Although we have pursued, and may continue to pursue, additional sources of liquidity, including additional equity and debt financing, there is no assurance that any additional financing will be available on acceptable terms,** ~~our~~ **or** ~~services to more new customers~~ **at all. Based on the funds we have available as of the date of the filing of this Annual Report on Form 10- K** and **our history of recurring losses and negative operating cash flows, there is substantial doubt raised about our ability to continue as a going concern. Our ability to continue as a going concern is substantially dependent upon our ability to manage our cash flows, including the effectiveness of cost saving measures that we implemented in the second half of 2023, as well as our ability to maintain our strategic partnerships,** improve customer retention **rates and** ~~, which may also~~ increase ~~revenue earned from~~ **new bookings. If we are unable to manage our cash flows, maintain our strategic partnerships, improve customer retention rates, increase new bookings** ~~our~~ **or** ~~revenue share agreements. Many of~~ **raise sufficient additional capital, it is probable that we may be required to initiate further cost savings activities, extend payment terms with suppliers, liquidate assets where possible,** ~~our~~ **or** ~~efforts to generate revenues from~~ **wind- up operations. These actions could materially impact** our business ~~are new~~ **, results of operations** and **future prospects. Therefore,** ~~unproven and may be exacerbated by the~~ **there is substantial doubt about** ~~effects of any worsening of general macroeconomic conditions, and any failure to increase our revenues or~~ **our** ~~generate revenues from new solutions~~ **ability to continue as a going concern** ~~or~~ **for** ~~to maintain~~ **one year after the filing date of the accompanying consolidated financial statements. Our consolidated financial statements** ~~or~~ **for the year ended December 31,** ~~increase revenues from existing products and customers could prevent us from attaining or increasing profitability. We do not expect to be profitable in~~ 2023 **were prepared** on ~~the~~ **a going concern** basis ~~of generally accepted accounting principles~~ in **accordance with** ~~the United States, or~~ GAAP ~~, and~~ **. The going concern basis assumes that** we ~~cannot be certain~~ **will continue in operation for the next 12 months and** that we will be able to ~~attain profitability~~ **realize our assets and discharge our liabilities and commitments in the normal course of business. Thus, our consolidated financial statements included in this Annual Report** on ~~a quarterly or annual basis, or~~ **Form 10- K do not include any adjustments that might be necessary** if we ~~do, that we will sustain profitability~~ **are unable to continue as a going concern. These adjustments could materially impact our accompanying consolidated financial statements** . We currently operate at a loss and we anticipate that we will continue to have operating losses in the near term. Our business has not generated enough cash flow to fund our sales and marketing activities, research and development initiatives and other business activities. **Based on the funds we have available as of the date of the filing of this report and our history of recurring losses and negative operating cash flows, there is substantial doubt raised about our ability to continue as a going concern.** Our ability to ~~return to~~ **continue as a going concern and** ~~growth~~ -- **grow our business** and to realize profitability is substantially dependent upon our ability to improve customer retention rates, increase new bookings and manage our cash flows. To achieve this, we plan to attempt to increase our market share for our current services through sales and marketing efforts, continue development of new platform features and deliver efficient service to customers, which may require additional capital and expenditures, which may be difficult, especially if general macroeconomic conditions worsen. If we do not realize increases in our revenue, we may need to **further** reduce ~~operating~~ **our** expenses through ~~successful~~ **additional** cost- cutting measures **, change our business plans** or seek to sell additional securities, sell assets or borrow additional funds to ~~fund~~ **sustain** our business ~~plans~~ **operations** . **In July 2023, we commenced the 2023 Restructuring**

Plan, described in Note 1 of our accompanying consolidated financial statements, under the heading " Liquidity. " There is no guarantee that we will be able to ~~successfully~~ **realize the intended costs savings from this restructuring, or further** reduce our ~~operating~~ expenses through ~~successful~~ **any other future** cost – cutting measures. Further, there is no guarantee that we will be able to issue additional securities or sell assets in future periods or borrow funds on commercially reasonable terms, or at all, in order to meet our cash needs **and continue as a going concern** . Our ability to raise additional financing is subject to a number of uncertainties, including but not limited to, the market demand for our stock, our financial performance and outlook, the market demand for products and services, and adverse market conditions. We intend to continue to make investments to ~~support~~ **sustain and grow** our business ~~growth~~ and may require additional funds to respond to business challenges, including the need to develop new features or enhance our existing platform, continue the deployment of MarinOne, and improve our operating infrastructure. Accordingly, we may need to engage in equity or debt financing to secure additional funds. If we raise additional funds through further issuance of equity or convertible debt securities our existing stockholders could suffer significant dilution, and any new equity securities we issue could have rights, preferences and privileges superior to those of holders of our common stock. For example, during the year ended December 31, 2021, we sold 5. 5 million shares of our common stock under equity distribution agreements with JMP Securities LLC ~~, or~~ **("** JMP Securities **")** , and received proceeds of approximately $ 41. 7 million, net of offering costs of $ 1. 5 million, at a weighted average sales price of $ 7. 85 per share. The 5. 5 million shares of our common stock that we issued under the equity distribution agreements during 2021 increased the number of outstanding shares of our common stock by approximately 57 %, resulting in dilution to the percentage ownership of our previously existing stockholders. Additionally, during the year ended December 31, 2022, we sold 1. 1 million shares of our common stock under a new equity distribution agreement with JMP Securities for the sale of up to $ 50. 0 million of new securities in an " at- the- market " common stock offering facility and received proceeds of approximately $ 1. 3 million, net of offering costs of $ 0. 1 million, at a weighted average sales price of $ 1. 33 per share. In accordance with the SEC' s Instruction I. B. 6 of Registration Statement on Form S- 3, we adjusted the maximum aggregate market value of the securities that may be sold pursuant to this current" at- the- market" securities offering facility from $ 50. 0 million to approximately $ 22. 8 million based on our ~~estimated~~ market capitalization on the date we filed our Annual Report on Form 10- K for the year ended December 31, 2021 ~~until such time,~~ **. We cannot provide any assurance that we will be able to raise any additional financing under this facility. Our ability to raise any additional financing under this facility may be adversely affected** if ~~at all, when we are required to make any further adjustments to the maximum aggregate offering size or~~ **our** ~~we become eligible to conduct such offering in accordance~~ **common stock is delisted from The Nasdaq Capital Market (" Nasdaq"). For more information regarding our compliance** with ~~Instruction I. B. 1 of~~ **Nasdaq listing standards, please refer below to " Risks Related to** the ~~Registration Statement~~ **Ownership of Our Common Stock — If we cannot regain compliance with the continued listing requirements of Nasdaq, Nasdaq may de- list our common stock, which would have an adverse effect** on ~~Form S- 3~~ **the trading volume, liquidity and market price of our common stock** . **"** In May 2020, we entered into a loan agreement with Harvest Small Business Finance, LLC **(** ~~, or~~ the **"** Lender **")** , as the lender for a loan in an aggregate principal amount of $ 3. 3 million **(** ~~, or~~ the **"** Loan **")** , pursuant to the Paycheck Protection Program under the Coronavirus Aid, Relief, and Economic Security (CARES) Act. An aggregate principal amount of $ 3. 1 million of the Loan was forgiven in January 2022 and we repaid the remaining outstanding balance of $ 0. 2 million in February 2022. The U. S. Department of the Treasury **(** ~~, or~~ the **"** Treasury **")** , and the U. S. Small Business Administration **(** ~~, or~~ the **"** SBA **")** , have announced that they will review all Payroll Protection Program loans that equal or exceed $ 2. 0 million. While we believe that we acted in good faith and complied with all requirements of the Payroll Protection Program, if **the** Treasury or **the** SBA determined that our Loan application was not made in good faith or that we did not otherwise meet the eligibility requirements of the Payroll Protection Program, we could be required to return the Loan or a portion thereof. Any debt financing secured by us in the future could involve restrictive covenants relating to our capital raising activities and other financial and operational matters, which may make it more difficult for us to obtain additional capital and to pursue business opportunities. In addition, we may not be able to obtain additional financing on terms favorable to us, if at all. If we are unable to obtain adequate financing or financing on terms satisfactory to us, when we require it, our ability to continue to ~~support~~ **sustain or grow** our business ~~growth~~ and to respond to business challenges could be significantly impaired. Our usage- based pricing model makes it difficult to forecast revenues from our current customers and future prospects. We primarily have a usage- based pricing model in which most of our fees are calculated as a percentage of customers' advertising spend managed on our platform. This pricing model makes it difficult to accurately forecast revenues because our customers' advertising spend managed by our platform may vary from month to month based on the variety of industries in which our advertisers operate, the seasonality of those industries and fluctuations in our customers' advertising budgets or other factors. The market for digital advertising may be adversely affected by adverse market conditions, including inflation or ~~the effects of~~ any general ~~market recession or the~~ economic **weakening** ~~effects of the COVID- 19 pandemic~~ , which has **in the past** caused some advertisers to, and may ~~continue to~~ **in the future** lead advertisers to, reduce the amount of their digital advertising spend. Our subscription contracts with our direct advertiser customers generally contain a minimum monthly platform fee, which is generally greater than one- half of our estimated monthly revenues from the customer at the time the contract is signed, and, as a result, the minimum monthly platform fee may not be a good indicator of our revenues from that customer. In addition, advertisers that use our platform through our agency customers typically do not have a minimum monthly spend amount or a minimum term during which they must use our platform, and as a result, our ability to forecast revenues from these advertisers is difficult. If we incorrectly forecast revenues for these advertisers and the amount of revenue is less than projections we provide to investors, the price of our common stock could decline substantially. Additionally, if we overestimate usage, we may incur additional expenses in adding infrastructure, without a commensurate increase in revenues, which would harm our gross margins and other operating results. We may experience quarterly fluctuations in our operating results due to a number of factors which make our future results difficult to predict and could cause our operating results to fall below expectations or our guidance. Our quarterly operating results may fluctuate due to a variety of factors, many of which are outside of our control. As a result, comparing our operating results on a period- to- period basis may not be meaningful. You should not rely on our past results as indicative of our future performance. If our revenues or operating results fall below the expectations of investors or securities analysts, or below any guidance we may provide to the market, the price of our common stock could decline substantially. In addition to other risk factors listed in this section, factors that may affect our quarterly operating results include the following: • the impact of market volatility or other macroeconomic conditions such as inflation, increased interest rates and any recession, or other economic disruptions; • the level of advertising spend managed through our platform for a particular quarter; • fluctuations in the contractual rates of our strategic agreements with publishers; • customer renewal or contract termination rates, and the pricing and usage of our platform in any renewal term; • demand for our platform and the size and timing of our sales; • customers delaying purchasing decisions in anticipation of new releases by us or of new products by our competitors; • any termination or adverse changes in the Google Revenue Share Agreement, or any changes in any other current or future strategic agreements with publishers; • any **disruptions in our business resulting from the significant reduction- in- force that we commenced in July 2023 or other departures of employees or restructurings of our teams or personnel; • any** service defects and any costs related to any such service defects; • delays in projects to upgrade our own software platform infrastructure and any resulting delays in releasing new features; • network or system outages, platform downtime, software application or operations errors, software bugs, security breaches or other supplier system or supply chain changes or interruptions and any associated credits, warranty claims or other expenses; • changes in the competitive dynamics of our industry, including consolidation among competitors or customers; • market acceptance of our current and future solutions; • changes in spending on digital advertising or information technology and software by our current and / or prospective customers; • budgeting cycles of our customers ~~; • departures of employees or restructurings of our teams or personnel~~ ; • our potentially lengthy sales cycle; • our ability to control costs, including our operating expenses; • expenses we incur in relation to governmental investigations of Google and Meta; • foreign currency exchange rate fluctuations; and • political conditions in our domestic and international markets, including hostilities in international markets. Based upon all of the factors described above, we have a limited ability to forecast our future revenues, costs and expenses, and as a result, our operating results may from time to time fall below our estimates or the expectations of public market analysts and investors. ~~Risks related~~ **Our ability** to ~~our Business and Market The future growth~~ -- **grow** ~~of~~ **or sustain** our business could be constrained by the level of acceptance and expansion of emerging cloud- based advertising channels, as well as the continued use and growth of existing channels, such as search and social advertising. Even if these channels become widely adopted, advertisers and agencies may not make significant investments in solutions such as ours that help them manage their digital advertising spend across publisher platforms and advertising channels. It is difficult to predict customer adoption rates, customer demand for our platform, the future growth rate and size of the advertising cloud solutions market or the entry of competitive solutions. The market for digital advertising may be adversely affected by adverse market conditions, including inflation or the effects of any general ~~market recession or any lingering or renewed~~ economic **weakening** ~~effects of the COVID- 19 pandemic~~ , which caused some advertisers to, and may continue to lead advertisers to, reduce the amount of their digital advertising spend. Any expansion of the market for advertising cloud solutions depends on a number of factors, including growth of the cloud- based advertising market, growth of social and mobile as advertising channels and the cost, performance and perceived value associated with advertising cloud solutions, as well as the ability of cloud computing companies to address security and privacy concerns. Further, the cloud computing market is less developed in many jurisdictions outside the United States. If we or other cloud computing providers experience security incidents, loss of customer data, disruptions in delivery or other problems, the market for cloud computing as a whole, including our applications, may be negatively affected. We operate in a rapidly developing and changing industry, which makes it difficult to evaluate our current business and future prospects. We have encountered and will continue to encounter risks and difficulties frequently experienced by companies in rapidly developing and changing industries, including hiring and retaining qualified employees, determining appropriate investments of our limited resources, market acceptance of our existing and future solutions, competition from established companies with greater financial and technical resources, acquiring and retaining customers, managing customer deployments, making improvements to our existing products and developing new solutions. Our current operations infrastructure may require changes in order for us to achieve profitability and scale our operations efficiently. For example, we may need to automate portions of our solution to decrease our costs, ensure our marketing infrastructure is designed to drive highly qualified leads cost effectively and implement changes in our sales model to improve the predictability of our sales and reduce our sales cycle. In addition, from time to time, we may need to make additional investments in product development to address market demands, which may increase our overall expenses and reduce our ability to achieve profitability. **Our ability to implement changes to our business and operations successfully and on a timely basis may be adversely affected by the restructuring plan that we commenced in July 2023, which reduced our total full- time equivalent employee and contractor workforce by approximately 41 %.** If we fail to **successfully and timely** implement these changes ~~in a timely manner or are unable to implement them due to factors beyond our control~~ , our business may suffer, our revenue may decline and we may not be able to achieve growth or profitability. We cannot be assured that we will be successful in addressing these and other challenges we may face in the future. We operate in a dynamic market characterized by rapidly changing technologies and industry and legal standards. The introduction of new advertising platform solutions by our competitors, the market acceptance of solutions based on new or alternative technologies, or the emergence of new industry standards could render our platform obsolete. Our ability to compete successfully, attract new customers and increase revenues from existing customers depends in large part on our ability to enhance and improve our existing cross- channel, cross- device, enterprise marketing software platform and to continually introduce or acquire new features that are in demand by the market we serve. We also must update our software to reflect changes in publishers' application programming interfaces ~~, or~~ **("** APIs **")** , and terms of use. We have deployed our latest platform, MarinOne, and are in the process of deploying new features and services, including ~~MarinOne~~ --- **Marin** ~~Budget~~ **budget** ~~Optimizer~~ **pacing and dynamic allocation tools. In connection with the restructuring plan that we commenced in July 2023, we are focusing our business and product development efforts in more specific projects and initiatives** . The success of these projects or any other enhancement or new solution depends on several factors, including timely completion, adequate quality testing, effective migration of existing customers with minimal disruption and appropriate introduction and market acceptance. Any new platform or feature that we develop or acquire may not be introduced in a timely manner, may contain defects, may be more costly to compete than we anticipate or may not achieve the broad market acceptance necessary to generate significant revenues **. Our ability to develop new products and features successfully and on a timely basis may be adversely affected by the restructuring plan that we commenced in July 2023** . If we are unable to upgrade our software platform and features effectively or in a timely manner, or to anticipate or timely and successfully develop or acquire new offerings or features or enhance our existing platform to meet customer requirements, our business and operating results will be adversely affected. We currently depend on relationships with various publishers, including Amazon, Apple, Baidu, Bing, Meta, Google, Instagram, LinkedIn, Pinterest, Twitter, Verizon Media, Walmart and Yahoo!. Our subscription services interface with these publishers' platforms through APIs, such as the Google API or Meta API. We are subject to the respective platforms' standard API terms and conditions, which govern the use and distribution of data from these platforms. Our business significantly depends on having access to these APIs, particularly the Google API, which the substantial majority of our customers use, on commercially reasonable terms and our business would be harmed if any of these publishers, advertising exchanges or aggregators of advertising inventory discontinues or limits access to their platforms, modifies their terms of use or other policies or place additional restrictions on us as API users, or charges API license fees for API access. Moreover, some of these publishers, such as Google, market competitive solutions for their platforms. Because the advertising inventory suppliers control their APIs, they may develop competitive offerings that are not subject to the limits imposed on us through the API terms and conditions. Currently, restrictions in these API agreements limit our ability to implement certain functionality, require us to implement functionality in a particular manner or require us to implement certain required minimum functionality, causing us to devote development resources to implement certain functionality that we would not otherwise include in our subscription services and to incur costs for personnel to provide services to implement functionality that we are prohibited from automating. Publishers, advertising exchanges and advertising inventory aggregators update their API terms of use from time to time and new versions of these terms could impose additional restrictions on us. In addition, publishers, advertising exchanges and advertising inventory aggregators continually update their APIs and may update or modify functionality, which has required us to, and will likely continue to require us to modify our software to accommodate these changes and to devote technical resources and personnel to these efforts which could otherwise be used to focus on other priorities. In particular, we invested significant research and development resources in recent periods to transition to a new API recently released by Google. Any of these outcomes could cause disruptions in our service, demand for our products to decrease, our research and development costs to increase, and our results of operations and financial condition to be harmed. We have also entered into long- term strategic agreements with certain leading search publishers. Under these strategic agreements, we receive consideration based on a percentage of the search advertising spend that our customers manage on our platform. The majority of our strategic agreement revenue is concentrated in one revenue share agreement with Google. We entered into our original revenue share agreement with Google in December 2018 for a three- year term that ran from October 1, 2018 until September 30, 2021. We entered into a new revenue share agreement with Google in September 2021 for a three- year term scheduled to run from October 1, 2021 until September 30, 2024. Under these Google Revenue Share Agreements, we have been eligible to receive fixed and variable revenue share payments based on a percentage of the search advertising spend that is managed through our platform. For the years ended December 31, 2022 and 2021, we recognized revenues of $ 7. 2 million and $ 8. 6 million, respectively, from the applicable Google Revenue Share Agreement. Google has the right to terminate our current Google Revenue Share Agreement in certain circumstances ~~,~~ and ~~any~~ **the agreement requires us to make minimum investments in product development. Any** termination or amendment of this agreement **, any failure of us to comply with the terms of the agreement, or any failure to renew the agreement to extend beyond the currently scheduled expiration date of September 30, 2024** would have a material adverse effect on our results of operations. Our ~~future~~ **ability to** ~~growth~~ -- **grow or sustain our business depends in part on the success of our relationships with advertising agencies and our strategic relationships with third parties. Our ability to grow or sustain our business** will depend, in part, on our ability to enter into successful relationships with advertising agencies. Identifying agencies and negotiating and documenting relationships with them requires significant time and resources. These relationships may not result in additional customers or enable us to generate significant revenues. Our contracts for these relationships are typically non- exclusive and do not prohibit the agency from working with our competitors or from offering competing services. Frequently, these agencies do in fact work with our competitors and compete with us. In addition, we often work with, or seek to work with, high- profile brands directly. This may not be possible where, for example, those brands obtain advertising services exclusively or primarily from advertising agencies. We generally bill agencies for their customers' use of our platform, but in most cases the agency' s customer has no direct contractual commitment to make payment to us. Furthermore, some of these agency contracts include provisions whereby the agency is not liable for making payment to us for our subscription services if the agency does not receive a corresponding payment from its client on whose behalf the subscription services were rendered. These provisions may result in longer collections periods or our inability to collect payment for some of our subscription services. If we are unsuccessful in establishing or maintaining our relationships with these agencies on commercially reasonable terms, or if these relationships are not profitable for us, our ability to compete in the marketplace or to grow our revenues could be impaired and our operating results would suffer. Our ~~future~~ **ability to** ~~growth~~ -- **grow or sustain our business** will also depend, in part, on our ability to enter- into and retain successful strategic relationships with third- parties. For example, we are seeking to establish relationships with third- parties to develop integrations with complementary technology and content. These relationships may not result in additional customers or enable us to generate significant revenues. For example, we have entered into Revenue Share Agreements with Google pursuant to which we are or have been eligible to receive fixed and variable revenue share payments based on a percentage of the search advertising spend that is managed through our platform. Identifying partners and negotiating and documenting relationships with them require significant time and resources. Our contracts for these relationships are typically non- exclusive and do not prohibit the other party from working with our competitors or from offering competing services. If we are unsuccessful in establishing or maintaining our relationships with these third parties, our ability to compete in the marketplace or to grow our revenues could be impaired and our operating results would suffer. The overall market for advertising cloud solutions is rapidly evolving, highly competitive, complex, fragmented, and subject to changing technology and shifting customer needs. We face significant competition in this market and we expect competition to intensify in the future. We currently compete with large, well- established public companies, such as Adobe Systems Incorporated and Google Inc., and privately held companies, such as Skai. io. We also compete with channel- specific offerings, in- house proprietary tools, tools from publishers and custom solutions, including spreadsheets. We believe that our most significant competition comes from the SA360 product that is offered by Google and from other digital ad management tools offered by Google and other publishers. Increased competition may result in reduced pricing for our solutions, longer sales cycles or a decrease of our market share, any of which could negatively affect our revenues and future operating results and our ability to grow our business. A number of competitive factors could cause us to lose potential sales or to sell our solutions at lower prices or at reduced margins, including, among others: • Google and other publishers generally offer their tools for free, or at a reduced price, as their primary compensation is via the sale of advertising on their own or syndicated websites; • some of our competitors, such as Adobe, Meta and Google, have greater financial, marketing and technical resources than we do, allowing them to leverage a larger installed customer base, adopt more aggressive pricing policies, and devote greater resources to the development, promotion and sale of their products and services than we can; • channel- specific competitors, such as Skai. io and Smartly. io, may devote greater resources to the development, promotion and sale of their channel- specific products and services than we can; • companies may enter our market by expanding their platforms or acquiring a competitor; and • potential customers may choose to develop or continue to use internal solutions rather than paying for our solutions or may choose to use a competitor' s solution that has different or additional technical capabilities. We cannot assure you that we will be able to compete successfully against current and future competitors. If we cannot compete successfully, our business, results of operations and financial condition could be negatively impacted. We are incurring expenses related to governmental investigations of Google and Meta. In 2020, U. S. federal and state and foreign governments and regulatory agencies initiated lawsuits or investigations against Google and Meta related to certain of their anticompetitive business practices and conduct in the digital advertising and social media industries and we cannot be certain as to how such lawsuits and investigations might affect Google or Meta or otherwise affect the digital advertising industry. We are not a party to any such lawsuits or investigations. As a participant in the digital advertising industry and having business relationships with Google and Meta, certain governmental authorities and Google and have requested us to provide information to them in connection with such lawsuits and investigations, and responding to such requests has caused us to incur, and may cause us to incur in the future from time to time, professional fees and other expenses in connection with responding to such requests. In order for us to improve our operating results, it is important that our customers continue to manage their advertising spend on our platform, increase their usage and also purchase additional solutions from us. In the case of our direct advertiser customers, we offer our solutions primarily through subscription contracts and generally bill customers over the related subscription period, which is generally one year or longer. During the term of their contracts, our direct advertiser customers generally have no obligation to maintain or increase their advertising spend on our platform beyond a specified minimum monthly platform fee, which is typically set at the time the contract is signed and is generally greater than half of the monthly amount we anticipate the customer will spend. Our direct advertiser customers generally have no renewal obligation after the initial or then- current renewal subscription period expires, and even if customers renew contracts, they may decrease the level of their digital advertising spend managed through our platform, resulting in lower revenues from that customer. Some customers, including some of our largest customers, have contractual rights to terminate their agreements with us in some circumstances. Advertisers that we serve through our arrangements with our advertising agencies generally do not have any contractual commitment to use our platform. Our customers' usage may decline or fluctuate as a result of a number of factors, including, but not limited to, their satisfaction with our platform and our customer support, the frequency and severity of outages, the pricing of our, or competing, solutions, the effects of global economic conditions and reductions in spending levels or changes in our customers' strategies regarding digital advertising. We may not be able to accurately predict future usage trends. If our customers renew on less favorable terms or reduce their advertising spend on our platform, our revenues may grow more slowly than expected or decline. Unfavorable conditions in the market for digital advertising or the global economy or reductions in digital advertising spend could negatively affect our operating results. Potential revenue growth and profitability of our business depends on digital advertising spend by advertisers in the markets we serve. Our operating results may vary based on changes in the market for digital advertising or the global economy. To the extent that weak economic conditions cause our customers and potential customers to freeze or reduce their advertising budgets, particularly digital advertising, demand for our solution may be negatively affected. Historically, economic downturns have resulted in overall reductions in advertising spend. If general macroeconomic conditions deteriorate or the rise of geopolitical instability and military hostilities or global health emergencies and pandemics such as COVID- 19 causes economic uncertainty, our customers and potential customers may elect to decrease their advertising budgets or defer or reconsider software and service purchases, which would limit our ability to grow our business and negatively affect our operating results. **Our business depends on retaining** ~~Risks related to the COVID- 19 Pandemic The COVID- 19 global pandemic has adversely affected~~ and **attracting qualified personnel, and turnover** may ~~continue to adversely~~ **result in operational inefficiencies that could negatively** affect our business ~~and operating results. We~~

~~believe that the COVID- 19 pandemic has had, and any lingering effects of the pandemic may continue to have, an adverse effect on many of our customers and their businesses and their spending on digital advertising, which has had an adverse effect on our results of operations and may affect our future results of operations. We cannot predict the extent to which any lingering effects of the COVID- 19 pandemic may affect our future business or operating results, which is highly dependent on inherently uncertain future developments, including the severity of outbreaks of COVID- 19, the effects of new variants, the actions taken by governments and private businesses in relation to COVID- 19 containment, the availability, deployment and efficacy of vaccines, and the transition from COVID- 19 being a pandemic to an endemic illness. In geographies where we, our customers or our employees operate, health concerns and political or governmental developments in response to COVID- 19 have resulted in, and could in the future result in, economic, social or labor instability or prolonged contractions in the industries in which our customers operate, slowdowns in our sales process, customers not purchasing or renewing subscriptions to our platform or reducing the amount of digital advertising that they manage using our platform, customers failing to make payments, slowdowns in our product development efforts, or other effects that may have a material adverse effect on our business or our results of operations and financial condition. Recently, the effects of the pandemic have been most severe in China, where we employ several members of our product development team. Because our platform is offered as a subscription- based service, the effect of the pandemic may not be fully reflected in our operating results until future periods, if at all~~. Our success depends upon the continued service of our talented management, operational and key technical employees, as well as our ability to continue to attract additional highly qualified talent. We have experienced employee attrition and have conducted restructuring actions. ~~Any~~ **In July 2023, we commenced a global reduction- in- force and other restructuring actions designed to reduce our expenses. In connection with the 2023 Restructuring Plan, described in Note 1 of our accompanying consolidated financial statements, under the heading " Liquidity. " We substantially completed the 2023 Restructuring Plan in the fourth quarter of 2023. These** changes **, and any future changes,** in our operations and management team could be disruptive to our operations. ~~Any~~ **Our restructuring actions and any** future restructuring actions or employee attrition could have an adverse effect on our business as a result of operational and administrative inefficiencies and added costs, decreases in employee morale and the failure to meet operational targets due to the loss of employees. If key employees leave, we may not be able to fully integrate new personnel or replicate the prior working relationships, which could adversely affect our results of operations, stock price and customer relationships, and could make recruiting for future management and other positions more difficult. In addition, changes in other key positions may temporarily affect our financial performance and results of operations as new employees become familiar with our business. We do not maintain key person life insurance policies on any of our employees. Each of our executive officers, key technical personnel and other employees could terminate his or her relationship with us at any time. Our business also requires skilled technical, sales and other personnel, who are in high demand and are often subject to competing offers. If we expand into additional geographic markets, we will require personnel with expertise in these new areas. Competition for qualified employees is particularly intense in our industry and particularly in San Francisco, California. An inability to retain, attract, relocate and motivate employees required for our business could delay or prevent the achievement of our business objectives and could materially harm our business and our customer relationships. Since the start of the COVID- 19 pandemic in March 2020, most of our employees have been working remotely. In addition, the lease for our largest office, in San Francisco, California, expired in July 2022. As a result of these developments, we have transitioned to a more hybrid working environment with a larger number of employees dispersed remotely, which may present challenges to maintaining our corporate culture or employee productivity. We expect that most of our employees will work remotely for most of the time for the foreseeable future. Any failure to preserve our culture or productivity could negatively affect our future success, including our ability to retain and recruit personnel and to effectively focus on and pursue our corporate objectives. ~~Additionally, our equity incentive plan is scheduled to expire in accordance with its terms in 2023. We intend to seek shareholder approval for a new equity incentive plan in 2023. Any failure to obtain shareholder approval for a new equity incentive plan in 2023 could adversely affect our ability to attract and retain employees through equity incentives.~~ Our operating results may be negatively affected if we are unable to recoup our upfront costs for onboarding new advertisers to our platform. Upfront costs when adding new advertisers generally include sales commissions for our sales force, expenses associated with entering customer data into our platform and other implementation- related costs. Because our customers, including direct advertisers and agencies, are billed over the term of the contract, if new customers sign contracts with short initial subscription periods and do not renew their subscriptions, or otherwise do not continue to use our platform to a level that generates revenues in excess of our upfront expenses, our operating results could be negatively impacted. In cases in which the implementation process is particularly complex, the revenues resulting from the customer under our contract may not cover the upfront investment; therefore, if a significant number of these customers do not renew their contracts, it could negatively affect our operating results. In addition, because we capitalize certain upfront costs to obtain and fulfill contracts under authoritative accounting guidance, we could be required to record impairment expense for these upfront costs if the estimated revenue for these contracts is not realized. Most of our revenues in each quarter are derived from contracts entered into with our customers during previous quarters. Consequently, a decline in new or renewed subscriptions in any one quarter may not be fully reflected in our revenues for that quarter. Such declines, however, would negatively affect our revenues in future periods and the effect of significant downturns in sales and market acceptance of our solutions, and potential changes in our rate of renewals or renewal terms, may not be fully reflected in our results of operations until future periods. In addition, we may be unable to adjust our cost structure rapidly, or at all, to take account of reduced revenues. Our subscription model also makes it difficult for us to rapidly increase our total revenues through additional sales in any period, as revenues from new customers must be earned over the applicable subscription term based on the value of their monthly advertising spend. We have been dependent on our customers' use of search advertising. Any decrease in the use of search advertising or our inability to further penetrate social and eCommerce advertising channels would harm our business, growth prospects, operating results and financial condition. Historically, our customers have primarily used our solutions for managing their search advertising, including mobile search advertising, and the substantial majority of our revenue is derived from advertisers that use our platform to manage their search advertising. We expect that search advertising will continue to be the primary channel used by our customers for the foreseeable future. Should our customers lose confidence in the value or effectiveness of search advertising, or if search advertising growth moderates or declines, the demand for our solutions may decline, and it may negatively impact our revenues. In addition, our failure to achieve market acceptance of our solution for the management of social and eCommerce advertising spend would harm our growth prospects, operating results and financial condition. The sales cycle for our solutions, from initial contact with a potential lead to contract execution and implementation, varies widely by customer, but can take as long as three to nine months. Some of our customers undertake a significant evaluation process that frequently involves not only our solutions but also those of our competitors, which has in the past resulted in extended sales cycles. Our sales efforts involve educating our customers about the use, technical capabilities and benefits of our platform. In addition, under certain circumstances, we sometimes offer an initial term, typically of a few months in duration, to new customers who may terminate their subscription at any time during this initial period before the fixed term contract commences. We have no assurance that the substantial time and money spent on our sales efforts will produce any sales. If our sales efforts result in a new customer subscription, the customer may terminate its subscription during the initial period, after we have incurred the expenses associated with entering the customer' s data in our platform and related training and support. If sales expected from a customer are not realized in the time period expected or not realized at all, or if a customer terminates during the initial period, our business, operating results and financial condition could be adversely affected. ~~Historically, a significant portion of our field sales and professional services were conducted in- person. Since the work and travel restrictions related to the COVID- 19 pandemic began, substantially all of our sales and professional services activities have been, and continue to be, conducted remotely. As of the date of this report, we do not yet know the extent of any negative impact of these changes on our ability to attract, serve, retain or upsell customers.~~ Our ability to optimize the delivery of Internet advertisements for our customers depends on our ability to successfully leverage data, including data that we collect from our customers as well as data provided by publishers and from third parties. Using cookies and similar tracking technologies, we collect information about the interaction of users with our advertisers' and publishers' websites. Our ability to successfully leverage such data is dependent upon our continued ability to access and utilize such data. Our ability to access and use such data could be restricted by a number of factors, including consumer choice, restrictions imposed by advertisers and publishers, changes in technology, and new developments in laws, regulations, and industry standards. For example, the release by Apple of its iOS 14 operating systems in April 2021 brought with it a number of new changes, including the need for mobile app users to opt- in before their identifier for advertisers ~~, or~~ **("** IDFA **")** , can be accessed by an app. Apple' s IDFA is a string of numbers and letters assigned to Apple devices which advertisers use to identify app users to deliver personalized and targeted advertising. Although we do not rely heavily on IDFA, low opt- in rates to grant IDFA access may result in advertisers rethinking their conversion tracking strategy. Any reduced ability of advertisers to accurately target and measure their advertising campaigns may cause spend fluctuations. If consumer resistance to the collection and sharing of the data used to deliver targeted advertising continues to increase, or the use and adoption of consent / Do Not Track mechanisms increases as a result of industry regulatory and / or legal developments, and / or new technologies are developed and deployed that have a material impact on our ability to collect data, such developments could have a material adverse effect on our results of our operations. The software applications underlying our subscription services are inherently complex and may contain material defects or errors, which may cause disruptions in availability, misallocation of advertising spend or other performance problems. Any such errors, defects, disruptions in service or other performance problems with our software platform, including those resulting from new versions or updates to our software platform or from changes or interruptions to third party applications or systems that we interconnect with, could negatively impact our customers' businesses or the success of their advertising campaigns and cause harm to our reputation. If we have any errors, defects, disruptions in service or other performance problems with our software platform, customers could elect not to renew or reduce their usage or delay or withhold payment to us, which could result in an increase in our provision for doubtful accounts or an increase in the length of collection cycles for accounts receivable. Errors, defects, disruptions in service or other performance problems could also result in customers making warranty or other claims against us, us providing refunds or credits to our customers toward future advertising spend, or costly litigation. We implement bug fixes and upgrades as part of our regularly scheduled system maintenance. If we do not complete this maintenance according to schedule or if customers are otherwise dissatisfied with the frequency and / or duration of our maintenance services, customers could elect not to renew, or delay or withhold payment to us, or cause us to issue credits, make refunds or pay penalties. On occasion, we have granted credits to some of our customers in connection with product issues that resulted in unexpected ad spending, and we may agree to grant certain credits in the future, particularly as we gain experience with new products and features. After the release of new versions of our software or new products or features, defects or errors may be identified from time to time by our internal team and by our customers. We have recently launched our new MarinOne Budget Optimizer solution and we may observe performance issues with the product as it becomes more widely deployed with more customers and in more use cases. Changes or interruptions to third party applications or systems that we interconnect with could cause us to incur significant time and expense to remedy such issues or develop integrations with other third- party suppliers. As a result, material defects or errors in our platform could have a material adverse impact on our business and financial performance. We primarily derive our revenues from a single software platform and any factor adversely affecting subscriptions to our platform could harm our business and operating results. We primarily derive our revenues from sales of a single software platform. As such, any factor adversely affecting subscriptions to our platform, including product release cycles, market acceptance, product competition, performance and reliability, reputation, price competition, and economic and market conditions, could harm our business and operating results. Our success in the mobile channel depends upon the ability of our technology platform to integrate with mobile inventory suppliers and provide advertising for most mobile connected devices, as well as the major operating systems that run on them and the applications that are downloaded onto them. For example, the release of iOS 14 brought with it a number of new changes, including the need for app users to opt- in before their ~~identifier for advertisers, or~~ IDFA, can be accessed by an app (which was released April 26, 2021). Apple' s IDFA is a string of numbers and letters assigned to Apple devices which advertisers use to identify app users to deliver personalized and targeted advertising. Although we do not rely heavily on IDFA, low opt- in rates to grant IDFA access may result in advertisers rethinking their conversion tracking strategy. Any reduced ability of advertisers to accurately target and measure their advertising campaigns may cause spend fluctuations. Further, the design of mobile devices and operating systems is controlled by third parties with whom we do not have any formal relationships. These parties frequently introduce new devices, and from time to time they may introduce new operating systems or modify existing ones. Network carriers may also impact the ability to access specified content on mobile devices. If our solution were unable to work on these devices or operating systems, either because of technological constraints or because an operating system or app developer, device maker or carrier wished to impair our ability to purchase inventory and provide advertisements, our ability to generate revenue could be significantly harmed. In the ordinary course of our business, we maintain sensitive data on our networks, including our intellectual property and proprietary or confidential business information relating to our business and that of our customers and business partners. The secure maintenance of this information is critical to our business and reputation. Despite the implementation of security measures, our internal information technology systems and infrastructure, and those of our current and any future third parties on which we rely, are vulnerable to breakdown or other damage or interruption from service interruptions, system malfunction, computer viruses, malware, natural disasters, terrorism, war, telecommunication and electrical failures, cyber- attacks or cyber- intrusions over the Internet (including harmful attachments to emails, ransomware, denial- of- service attacks, social engineering, and other means to affect service reliability and threaten the confidentiality, integrity, and availability of information), by persons inside our organization, or by persons with access to systems inside our organization. Any of the foregoing may compromise our system infrastructure, or that of our third- party partners and other contractors and consultants, or lead to data leakage. The risk of a security breach or disruption, particularly through cyber- attacks or cyber- intrusion, including by computer hackers, foreign governments, and cyber terrorists, has generally increased as the number, intensity and sophistication of attempted attacks and intrusions from around the world have increased. We may not be able to anticipate all types of security threats, and we may not be able to implement preventive measures effective against all such security threats. The techniques used by cyber criminals change frequently, may not be recognized until launched, and can originate from a wide variety of sources. In addition, the prevalent use of mobile devices that access confidential information increases the risk of data security breaches, which could lead to the loss of confidential information or other intellectual property. Because techniques used to obtain unauthorized access or to sabotage systems change frequently and generally are not recognized until launched against a target, we may be unable to anticipate these techniques or to implement adequate preventative measures. Third parties may also attempt to fraudulently induce employees or customers into disclosing sensitive information such as usernames, passwords or other information in order to gain access to our customers' data or our data, including intellectual property and other confidential business information. Moreover, **many** ~~as a result~~ of ~~the COVID- 19 pandemic,~~ our employees, service providers and third parties work more frequently on a remote basis, which may involve relying on less secure systems and may increase the risk of, and susceptibility to, cybersecurity related incidents. We cannot guarantee these private work environments and electronic connections to our work environment have the same robust security measures deployed in our physical offices. If an actual or perceived breach of our security occurs, the market perception of the effectiveness of our security measures could be harmed, we could lose potential sales and existing customers or we could incur other liabilities, which could adversely affect our business. The costs to us to mitigate network security problems, bugs, viruses, worms, malicious software programs and security vulnerabilities could be material, and although we have implemented security measures to protect our data security and information technology systems, our efforts to address these problems may not be successful, and these problems could result in unexpected interruptions, delays, cessation of service and other harm to our business and our competitive position. If the information technology systems of our third- party partners and other contractors and consultants become subject to disruptions or security breaches, we may have insufficient recourse against such third parties and we may have to expend significant resources to mitigate the impact of such an event, and to develop and implement protections to prevent future events of this nature from occurring. We and our third- party service providers regularly defend against and respond to data security incidents, and we cannot assure you that our data protection efforts and our investment in information technology will prevent significant breakdowns, data leakages, breaches in our systems, or those of our third- party partners and other contractors and consultants, or other cyber incidents that could have a material adverse effect upon our reputation, business, operations, or financial condition. If such an event were to occur that causes interruptions in our operations, or those of our third- party vendors and other contractors and consultants, it could result in a material disruption or delay of our product development programs. Furthermore, significant disruptions of our internal information technology systems or those of our third- party vendors and other contractors and consultants, or security breaches could result in the loss, misappropriation, and / or unauthorized access, use, or disclosure of, or the prevention of access to, confidential information (including trade secrets or other intellectual property, proprietary business information, and personal information), which could result in financial, legal, business, and reputational harm to us. If any such event, including a computer security breach, results in the unauthorized access, use or release of personally identifiable information, our reputation could be materially damaged. In addition, such a breach may require notification to governmental agencies, the media or individuals pursuant to various federal and state privacy and security laws (and other similar non- U. S. laws), subject us to mandatory corrective action, and otherwise subject us to liability under laws and regulations that protect the privacy and security of personal information. For example, data breaches frequently result in regulatory actions and commercial and class action litigation based on a variety of laws and legal duties, such as the CCPA, which provides for a private right of action in the event of certain data security breaches. Such actions could result in significant legal and financial exposure and reputational damages that could have a material adverse effect on our business, results of operations, prospects and financial condition. In addition, our insurance may not cover all costs from a security incident or breach. The assertion of a claim against our insurance policies could result in premium increases, imposition of a large deductible or other adverse circumstances. We manage a significant portion of our services and serve substantially all of our customers from only a single third- party data center facility. While we control the actual computer, network and storage systems upon which our platform runs, and deploy them to the data center facility, we do not control the operation of the facility. The owner of the facility has no obligation to renew the agreement with us on commercially reasonable terms, or at all. If we are unable to renew the agreement on commercially reasonable terms, we may be required to transfer to a new facility or facilities, and we may incur significant costs and possible service interruption in connection with doing so. The facility is vulnerable to damage or service interruption resulting from human error, intentional bad acts, cyberattacks, earthquakes, hurricanes, floods, fires, war, terrorist attacks, power losses, hardware failures, systems failures, telecommunications failures and similar events. Moreover, while we have a disaster recovery plan in place, we do not maintain a " hot failover " instance of our software platform permitting us to immediately switch over in the event of damage or service interruption at our data center. The occurrence of a natural disaster or an act of terrorism, any outages or vandalism or other misconduct, or a decision to close the facility without adequate notice or other unanticipated problems could result in lengthy interruptions in our services. Any changes in service levels at the facility or any errors, defects, disruptions or other performance problems at or related to the facility that affect our services could harm our reputation and may damage our customers' businesses. Interruptions in our services might reduce our revenues, subject us to potential liability, or result in reduced usage of our platform. In addition, some of our customer contracts require us to issue credits for downtime in excess of certain levels and in some instances give our customers the ability to terminate their subscriptions. We also depend on third- party Internet- hosting providers and continuous and uninterrupted access to the Internet through third- party bandwidth providers to operate our business. If we lose the services of one or more of our Internet- hosting or bandwidth providers for any reason or if their services are disrupted, for example due to viruses or " denial- of- service " or other attacks on their systems, or due to human error, intentional bad acts, power loss, hardware failures, telecommunications failures, fires, wars, terrorist attacks, floods, earthquakes, hurricanes, tornadoes or similar events, we could experience disruption in our ability to offer our solutions or we could be required to retain the services of replacement providers, which could increase our operating costs and harm our business and reputation. Depending upon the level of our customers' usage of our software platform, we may need to continually improve our hosting infrastructure to avoid service interruptions or slower system performance. We seek to maintain sufficient excess capacity in our infrastructure to meet the needs of all of our customers. We also seek to maintain excess capacity to facilitate the rapid provision of new customer deployments and the expansion of existing customer deployments. For example, if we secure a large customer or a group of customers that require significant amounts of bandwidth or storage, we may need to increase bandwidth, storage, power or other elements of our application architecture and our infrastructure, and our existing systems may not be able to scale in a manner satisfactory to our existing or prospective customers. The amount of infrastructure needed to support our customers is based on our estimates of anticipated usage. If we were to experience unforeseen increases in usage, we could be required to increase our infrastructure investments resulting in increased costs or reduced gross margins, and if we do not accurately predict our infrastructure capacity requirements, our customers could experience service outages that may subject us to financial penalties and liabilities and result in customer losses. If our hosting infrastructure capacity fails to keep pace with sales, customers may experience service interruptions or slower system performance, which could harm our reputation and adversely affect our revenue growth. As customers use our software platform for more complicated tasks, we will need to devote resources to improve our application architecture and our infrastructure in order to maintain the performance of our software platform. We may need to incur additional costs to upgrade or expand our computer systems and architecture if our systems cannot handle current or higher volumes of usage. In addition, increasing our systems and infrastructure in advance of new customers would cause us to have increased cost of revenues, which can adversely affect our gross margins until we increase revenues that are spread over the increased costs. Our solutions must integrate with our customers' enterprise applications and infrastructures. If we cannot efficiently implement our solutions for customers, we may lose customers. Our customers have a variety of different data formats, enterprise applications and infrastructure and our platform must support our customers' data formats and integrate with complex enterprise applications and infrastructures. If our platform does not currently support a customer' s required data format or appropriately integrate with a customer' s applications and infrastructure, then we may choose to configure our platform to do so, which would increase our expenses. Additionally, we do not control our customers' implementation schedules. As a result, as we have experienced in the past, if our customers do not allocate internal resources necessary to meet their implementation responsibilities or if we face unanticipated implementation difficulties, the implementation may be delayed. Further, in the past, our implementation capacity has at times constrained our ability to successfully implement our solutions for our customers in a timely manner, particularly during periods of high demand. If the customer implementation process is not executed successfully or if execution is delayed, we could incur significant costs, customers could become dissatisfied and decide not to increase usage of our platform, not to use our platform beyond an initial period prior to their term commitment and revenue recognition could be delayed. In addition, competitors with more efficient operating models with lower implementation costs could penetrate our customer relationships. Additionally, large customers may request or require specific features or functions unique to their particular business processes, which increase our upfront investment in sales and deployment efforts and the revenues resulting from the customers under our typical contract length may not cover the upfront investments. If prospective large customers require specific features or functions that we do not offer, then the market for our solution will be more limited and our business could suffer. In addition, supporting large customers could require us to devote significant development services and support personnel and strain our personnel resources and infrastructure. If we are unable to address the needs of these customers in a timely fashion or further develop and enhance our solution, these customers may not renew their subscriptions, seek to terminate their relationship with us, renew on less favorable terms, or reduce their advertising spend on our platform. If any of these were to occur, our revenues may decline and our operating results could be adversely affected. **If we are unable to maintain our sales and marketing capabilities, we may not be able to generate anticipated revenues.** Increasing our customer base and achieving broader market acceptance of our software platform will depend to an extent on our ability to maintain ~~or expand~~ our sales and marketing operations and activities. We are substantially dependent on our sales force to obtain new customers and our marketing organization to generate a sufficient pipeline of qualified sales leads **; however, we** ~~. We may need to restructure~~ **restructured** ~~or expand~~ our sales team in ~~order~~ **2023** to ~~maintain~~ **decrease** ~~or~~ **our expenses, which may make** ~~increase revenues from new and existing customers and to further penetrate~~ our ~~existing~~ **sales and** ~~markets~~ **marketing activities more challenging** . ~~Our~~ **Additionally, our** solutions require a sophisticated sales force with specific sales skills and technical knowledge. Competition for qualified sales personnel is intense, and we may not be able to retain our existing sales personnel or attract, integrate, train or retain sufficient highly qualified sales personnel. In addition, we may need to invest in lead generation activities to develop our pipeline of qualified opportunities for our sales force, which could increase our marketing expenses. If our lead generation activities do not increase our pipeline or if our sales force is unable to close opportunities at a high rate, then we may not generate an increase in revenues. Our customers depend on our support organization to resolve any technical issues relating to our solutions. Any ~~future~~ changes in our customer support teams could be disruptive to our operations. In addition, our sales process is highly dependent on the quality of our solutions, our business reputation and on strong recommendations from our existing customers **. In July 2023, we commenced a global reduction- in- force and other restructuring actions designed to reduce our expenses, which resulted in the reduction of our total full- time equivalent employee and contractor workforce in the six months ended December 31, 2023 by approximately 41 % of our total full- time equivalent employee and contractor workforce as of June 30, 2023, which could adversely affect our ability to provide the same of level of high- quality technical support services as in the past** . Any failure to maintain high- quality technical support, or a market perception that we do not maintain high- quality support, could harm our reputation, adversely affect our ability to sell our solutions to existing and prospective customers, and harm our business, operating results and financial condition. We offer technical support services with our solutions and may be unable to respond quickly enough to accommodate short- term increases in customer demand for support services. We also may be unable to modify the format of our support services to compete with changes in support services provided by competitors. It is difficult to predict customer demand for technical support services and if customer demand increases significantly, we may be unable to provide satisfactory support services to our customers. Additionally, increased customer demand for these services, without corresponding revenues, could increase costs and adversely affect our operating results. Our success and ability to compete depends in part upon our intellectual property. We primarily rely on a combination of copyright, trade secret and trademark laws, as well as confidentiality procedures and contractual restrictions with our employees, customers, partners and others to establish and protect our intellectual property rights, reputation and brand. However, the steps we take to protect our intellectual property rights may be inadequate or we may be unable to secure intellectual property protection for all of our solutions. If we are unable to protect our intellectual property, our competitors could use our intellectual property to market products and services similar to ours and our ability to compete effectively would be impaired. Moreover, others may independently develop technologies that are competitive to ours or infringe our intellectual property. In addition, we are aware that third parties have been attempting to impersonate us in conducting online scams, which could harm our reputation and brand. The enforcement of our intellectual property rights and the protection of our reputation and brand depends on our legal actions against any infringers being successful, but we cannot be sure these actions will be successful, even when our rights have been infringed. In addition, defending our intellectual property rights and protecting our reputation and brand might entail significant expense and diversion of management resources. Any of our intellectual property rights may be challenged by others or invalidated through administrative processes or litigation. Any patents issued in the future may not provide us with competitive advantages or may be successfully challenged by third parties. Furthermore, legal standards relating to the validity, enforceability and scope of protection of intellectual property rights are uncertain. Effective protection of our intellectual property may not be available to us in every country in which our solutions are available. The laws of some foreign countries may not be as protective of intellectual property rights as those in the United States, and mechanisms for enforcement of intellectual property rights may be inadequate. Accordingly, despite our efforts, we may be unable to prevent third parties from infringing upon or misappropriating our intellectual property. We might be required to spend significant resources to monitor and protect our intellectual property rights, our reputation and our brand, and our efforts to enforce our intellectual property rights and protect our reputation and brand may be met with defenses, counterclaims and countersuits attacking the validity and enforceability of our intellectual property rights. Litigation to protect and enforce our intellectual property rights, our reputation and our brand could be costly, time- consuming and distracting to management, whether or not it is resolved in our favor, and could ultimately result in the impairment or loss of portions of our intellectual property. We could incur substantial costs as a result of any claim of infringement of another party' s intellectual property rights. In recent years, there has been significant litigation in the United States involving patents and other intellectual property rights. Companies in the Internet and technology industries are increasingly bringing and becoming subject to suits alleging infringement of proprietary rights, particularly patent rights, and our competitors may hold patents or have pending patent applications, which could be related to our business. These risks have been amplified by the increase in third parties, which we refer to as non- practicing entities, whose sole primary business is to assert such claims. We have received in the past, and expect to receive in the future, notices that claim we or our customers using our solutions have misappropriated or misused other parties' intellectual property rights. If we are sued by a third party that claims that our technology infringes its rights, the litigation could be expensive and could divert our management resources. We do not currently have an extensive patent portfolio of our own, which may limit the defenses available to us in any such litigation. In addition, in most instances, we have agreed to indemnify our customers against certain claims that our subscription services infringe the intellectual property rights of third parties. Our business could be adversely affected by any significant disputes between us and our customers as to the applicability or scope of our indemnification obligations to them. The results of any intellectual property litigation to which we might become a party, or for which we are required to provide indemnification, may require us to do one or more of the following: • cease offering or using technologies that incorporate the challenged intellectual property; • make substantial payments for legal fees, settlement payments or other costs or damages; • obtain a license, which may not be available on reasonable terms, to sell or use the relevant technology; or • redesign technology to avoid infringement. If we are required to make substantial payments or undertake any of the other actions noted above as a result of any intellectual property infringement claims against us or any obligation to indemnify our customers for such claims, such payments or costs could have a material adverse effect upon our business and financial results. Our use of open source technology could impose limitations on our ability to commercialize our software platform. We use open source software in our platform. Some open source software licenses require users who distribute open source software as part of their software to publicly disclose all or part of the source code to such software and / or make available any derivative works of the open source code on unfavorable terms or at no cost. The terms of various open source licenses have not been interpreted by the U. S. courts, and there is a risk that such licenses could be construed in a manner that imposes unanticipated conditions or restrictions on our ability to market our software platform. While we monitor our use of open source software and try to ensure that none is used in a manner that would require us to disclose our source code or that would otherwise breach the terms of an open source agreement, such use could inadvertently occur and we may be required to release our proprietary source code, pay damages for breach of contract, re- engineer our applications, discontinue sales in the event re- engineering cannot be accomplished on a timely basis or take other remedial action that may divert resources away from our development efforts, any of which could cause us to breach customer contracts, harm our reputation, result in customer losses or claims, increase our costs or otherwise adversely affect our business and operating results. Because our long- term success depends, in part, on our ability to expand our sales to customers outside the United States, our business will be susceptible to risks associated with international operations. We currently have personnel and / or customers in China, England, France, Ireland, Japan and Singapore, as well as the United States. Due to our international exposure, our business is susceptible to risks associated with international operations. Managing our business and operations internationally requires considerable management attention and resources and is subject to particular challenges of supporting a rapidly growing business in an environment of diverse cultures, languages, customs, tax laws, legal systems, alternate dispute systems and regulatory systems. In 2020, we restructured our international corporate structure to address changes in international tax laws and regulations, and completion of such restructuring may cause us to incur some additional expense. The risks and challenges associated with international expansion include: • the need to support and integrate with local publishers and partners; • continued localization of our platform, including translation into foreign languages and associated expenses; • competition with companies that have greater experience in the local markets than we do or who have pre- existing relationships with potential customers in those markets; • compliance with multiple, potentially conflicting and changing governmental laws and regulations, including employment, tax, privacy and data protection laws and regulations and legal and operational changes resulting from the departure of the United Kingdom from the European Union; • compliance with anti- bribery laws, including compliance with the Foreign Corrupt Practices Act; • difficulties in invoicing and collecting in foreign currencies and associated foreign currency exposure; • difficulties in staffing and managing foreign operations and the increased travel, infrastructure and legal compliance costs associated with international operations; • different or lesser protection of our intellectual property rights; • difficulties in enforcing contracts and collecting accounts receivable, longer payment cycles and other collection difficulties; • restrictions on repatriation of earnings; ~~• exposure to more affected areas of the COVID- 19 pandemic;~~ and • regional economic and political conditions. We have limited experience in marketing, selling and supporting our subscription services internationally, which increases the risk that any potential future expansion efforts that we may undertake will not be successful. Fluctuations in the exchange rate of foreign currencies could result in currency transactions losses. We currently have foreign sales denominated in Australian Dollars, British Pound Sterling, Chinese Yuan, Euros, Japanese Yen and Singaporean Dollars. In addition, we incur a portion of our operating expenses in currencies other than the U. S. Dollar. We face exposure to adverse movements in currency exchange rates, which may cause our revenues and operating results to differ materially from expectations. In addition, the continued uncertainty around the full impact of Brexit and the exact trade arrangements upon exit has adversely impacted global markets, including currencies, and resulted in a decline and volatility in the value of the British Pound Sterling and the Euro, as compared to the U. S. Dollar and other currencies. Volatility in exchange rates and global financial markets may continue due to a number of factors, including political and economic uncertainty. If the U. S. Dollar strengthens relative to foreign currencies, as it has from time to time in the past, our non- U. S. revenues would be adversely affected. Conversely, a decline in the U. S. Dollar relative to foreign currencies would increase our non- U. S. revenues when translated into U. S. Dollars. Our operating results could be negatively impacted depending on the amount of expense denominated in foreign currencies. As exchange rates vary, revenues, cost of revenues, operating expenses and other operating results, when translated, may differ materially from expectations. In addition, our revenues and operating results are subject to fluctuation if our mix of U. S. and foreign currency- denominated transactions or expenses changes in the future because we do not currently hedge our foreign currency exposure. Even if we were to implement hedging strategies to mitigate foreign currency risk, these strategies might not eliminate our exposure to foreign exchange rate fluctuations and would involve costs and risks of their own, such as ongoing management time and expertise, external costs to implement the strategies and potential accounting implications. Managing a global organization has placed, and may continue to place, significant demands on our management and infrastructure. If we fail to manage our operations effectively, we may be unable to execute our business plan, maintain high levels of service or address competitive challenges adequately. Managing a global and geographically dispersed workforce and operation has required substantial management effort, the allocation of valuable management resources and significant additional investment in our infrastructure. We will be required to continue to improve our operational, financial and management controls and operations reporting procedures, and we may not be able to do so effectively. Moreover, we may from time to time decide to undertake cost savings initiatives, such as ~~our~~ **the 2023** ~~restructuring~~ **Restructuring Plan** ~~in 2020~~ , disposing of, and / or otherwise discontinuing certain products, in an effort to focus our resources on key strategic initiatives and streamline our business. Further, **to** ~~supporting~~ --- **support** our customers and operations ~~, and driving future growth,~~ we must continually improve and maintain our technology, systems and network infrastructure. As such, we may be unable to manage our expenses effectively in the future, which may negatively impact our gross margins or operating expenses in any particular quarter. If we fail to manage our anticipated growth or change in a manner that does not preserve the key aspects of our corporate culture, the quality of our solutions may suffer, which could negatively affect our brand and reputation and harm our ability to retain and attract customers. Future acquisitions or divestitures, strategic investments, partnerships or alliances could be difficult to integrate or complete, divert the attention of key management personnel, disrupt our business, dilute shareholder value and adversely affect our results of operations and financial condition. We acquired and divested businesses in the past and may seek to acquire or divest businesses, products or technologies in the future. However, we have limited experience in acquiring ~~and integrating~~ **or divesting** businesses, products and technologies. If we identify an appropriate acquisition candidate, we may not be successful in negotiating the terms ~~and / or financing~~ of the ~~acquisition~~ **transaction** , and our due diligence may fail to identify all of the problems, liabilities or other shortcomings or challenges of an acquired business, product or technology, including issues related to intellectual property, product quality or architecture, regulatory compliance practices, revenue recognition or other accounting practices or employee or client issues. Any acquisition or investment may require us to use significant amounts of cash, issue potentially dilutive equity securities or incur debt. In addition, acquisitions involve numerous risks, any of which could harm our business, including: • regulatory and commercial risks relating to advertising technologies we may acquire; • difficulties in integrating the operations, technologies, services and personnel of acquired businesses, especially if those businesses operate outside of our core competency or in foreign countries; • cultural challenges associated with integrating employees from the acquired company into our organization; • reputation and perception risks associated with the acquired product or technology by the general public; • ineffectiveness or incompatibility of acquired technologies or services; • potential loss of key employees of acquired businesses or of our business; • inability to maintain the key business relationships and the reputations of acquired businesses or of our business; • diversion of management' s attention from other business concerns; • risks related to completing any proposed acquisition or other significant transaction, including obtaining any required approvals of stockholders, governmental agencies or other parties, and potential risks to our business if we fail to complete any planned acquisition or other significant strategic transaction; • litigation for activities of the acquired company, including claims from terminated employees, clients, former shareholders or other third parties; • failure to identify all of the problems, liabilities or other shortcomings or challenges of an acquired company, technology, or solution, including issues related to intellectual property, solution quality or architecture, regulatory compliance practices, revenue recognition or other accounting practices, employee or client issues, or transaction or integration costs; • in the case of foreign acquisitions, the need to integrate operations across different cultures and languages and to address the particular economic, currency, political and regulatory risks associated with specific countries; costs necessary to establish and maintain effective internal controls for acquired businesses; • failure to successfully further develop the acquired technology in order to recoup our investment; and • increased fixed costs. If we are unable to successfully integrate any future business, product or technology we acquire, our business and results of operations may suffer. In addition, a significant portion of the purchase price of companies we acquire may be allocated to acquired goodwill and other intangible assets, which must be assessed for impairment at least annually. If our acquisitions do not yield expected returns, we may be required to take charges to our operating results based on this impairment assessment process, which could adversely affect our results of operations. Acquisitions could also result in dilutive issuances of equity securities or the incurrence of debt, which could adversely affect our operating results. For instance, in connection with our prior acquisitions, we issued shares of our common stock. We may consider divestitures of certain non- core businesses, products, technologies or other assets from time to time. We may not be successful in identifying buyers for any such assets or in negotiating the terms of any such sale. Any such sale could disrupt our business and adversely affect our results of operations. Federal, state, municipal and / or foreign governments and agencies have adopted and could in the future adopt, modify, apply or enforce laws, policies, and regulations covering user privacy, data security, technologies such as cookies that are used to collect, store and / or process data, the taxation of products and services, unfair and deceptive practices, and / or the collection, use, processing, transfer, storage and / or disclosure of data associated with a unique individual. The categories of data regulated under these laws vary widely and are often ill- defined and subject to new applications or interpretation by regulators. Our subscription services enable our customers to display digital advertisements to targeted population segments, as well as collect, manage and store data regarding the measurement and valuation of their digital advertising and marketing campaigns, which may include data that is directly or indirectly obtained or derived through the activities of online or mobile visitors. The uncertainty and inconsistency among these laws, coupled with a lack of guidance as to how these laws will be applied to current and emerging Internet and mobile analytics technologies, creates a risk that regulators, lawmakers or other third parties, such as potential plaintiffs, may assert claims, pursue investigations or audits, or engage in civil or criminal enforcement. These actions could limit the market for our subscription services or impose burdensome requirements on our services and / or customers' use of our services, thereby rendering our business unprofitable. The ~~General Data Protection Regulation, or the~~ GDPR ~~,~~ is applicable in all European Union member states and prescribes data protection requirements in the European Union and substantial fines for non- compliance. We make use of model contractual clauses approved by the European Commission in relation to the transfer of personal data from the European Union to the United States. The European Commission' s model contractual clauses are subject to changes and legal challenges in the European Union, however, and it is unclear whether these will continue serve as appropriate means for us to transfer personal data from the European Union to the United States. Some features of our subscription services use cookies, which trigger the data protection requirements of certain foreign jurisdictions, such as the GDPR and the EU ePrivacy Directive.

In addition, our services collect data about visitors' interactions with our advertiser clients that may be subject to regulation under current or future laws or regulations. If our privacy or data security measures fail to comply with these current or future laws and regulations in any of the jurisdictions in which we collect information, we may be subject to litigation, regulatory investigations, civil or criminal enforcement, audits or other liabilities in such jurisdictions, or our advertisers may terminate their relationships with us. In addition, foreign court judgments or regulatory actions could impact our ability to transfer, process and / or receive transnational data that is critical to our operations, including data relating to users, clients, or partners outside the United States. Such judgments or actions could affect the manner in which we provide our services or adversely affect our financial results if foreign clients and partners are not able to lawfully transfer data to us. This area of the law is currently under intense government scrutiny and many governments, including the U. S. government, are considering a variety of proposed regulations that would restrict or impact the conditions under which data obtained from or through the activities of visitors could be collected, processed or stored. In addition, regulators such as the Federal Trade Commission and the California Attorney General are continually proposing new regulations and interpreting and applying existing regulations in new ways. For example, the ~~California Consumer Privacy Act, or the~~ CCPA, took effect January 1, 2020, which provides new data privacy rights for consumers and new disclosure and operational requirements for companies. The CCPA gives California residents expanded rights to access and delete their personal information, opt out of certain personal information sharing and receive detailed information about how their personal information is used. The CCPA provides for civil penalties for violations, as well as a private right of action for data breaches that is expected to increase data breach litigation. In connection with the United Kingdom leaving the European Union, new or amended data privacy laws may be adopted in the United Kingdom. The burdens imposed by the GDPR and CCPA, and changes to existing laws or new laws regulating the solicitation, collection or processing of personal and consumer information, truth- in- advertising and consumer protection could affect our customers' utilization of digital advertising and marketing, potentially reducing demand for our subscription services, or impose restrictions that make it more difficult or expensive for us to provide our services. If legislation dampens the growth in web and mobile usage or access to the Internet, our results of operations could be harmed. Legislation enacted in the future could dampen the growth in web and mobile usage and decrease its acceptance as a medium of communications and commerce or result in increased adoption of new modes of communication and commerce that may not be serviced by our products. In addition, government agencies or private organizations may begin to impose taxes, fees or other charges for accessing the Internet, which could result in slower growth or a decrease in eCommerce, use of social media and / or use of mobile devices. Any of these outcomes could cause demand for our platform to decrease, our costs to increase, and our results of operations and financial condition to be harmed. Our customers utilize our services to support and measure their direct interactions with visitors, and although we provide notice and choice mechanisms on our websites for our subscription services, we also must rely on our customers to implement and administer notice and choice mechanisms required under applicable laws. If we or our customers fail to abide by these laws, it could result in litigation or regulatory or enforcement action against our customers or against us directly. In addition, self- regulatory organizations (such as the Digital Advertising Network or Network Advertising Initiative) to which our customers, partners and suppliers may belong, may impose opt- in or opt- out requirements on our customers, which may in the future require our customers to provide various mechanisms for users to opt- in or opt- out of the collection of any data, including anonymous data, with respect to such users' web or mobile activities. The online and / or mobile industries may adopt technical or industry standards, or federal, state, local or foreign laws may be enacted that allow users to opt- in or opt- out of data that is necessary to our business. In particular, some government regulators and standard- setting organizations have suggested a " Do Not Track " standard that allows users to express a preference, independent of cookie settings in their browser, not to have website browsing recorded. All the major Internet browsers have implemented some version of a " Do Not Track " setting. Furthermore, publishers may implement alternative tracking technologies that make it more difficult to access the data necessary to our business or make it more difficult for us to compete with the publisher' s own advertising management solutions. If any of these events were to occur in the future, it could have a material effect on our ability to provide services and for our customers to collect the data that is necessary to use our services. Public scrutiny of Internet privacy and security issues may result in increased regulation and different industry standards, which could deter or prevent us from providing our current services to our customers, thereby harming our business. The regulatory framework for privacy and security issues worldwide is currently in flux and is likely to remain so for the foreseeable future. Practices regarding the collection, processing, use, storage, transmission, disclosure, and security of personal information by companies operating over the internet have recently come under increased public scrutiny. State, federal and foreign lawmakers and regulatory authorities have increased their attention on the collection and use of consumer data. In addition, many jurisdictions in which we operate have or are developing laws that protect the privacy and security of sensitive and personal information, including, but not limited to, those described under the heading " Business — Government Regulations. " The various privacy and cybersecurity laws and regulations with which we must comply are complex and evolving. Compliance with such laws and regulations require we expend significant resources, and we cannot guarantee that we will be able to successfully comply with all such privacy and cybersecurity laws and regulations, especially where they do or may in the future conflict with one another, nor can we predict the extent to which such new and evolving regulatory and legal requirements will impact our business strategies and the cost or availability of previously useful data, increase our potential liability, increase our compliance costs, require changes in business practices and policies, or otherwise adversely affect our business. Furthermore, any data breach or a failure by us to comply with the cybersecurity and privacy regulations and laws which we are subject to could result in penalties and fines, or in civil litigation against us, which could have a material adverse effect on our business, including on how we use personal data, on our financial condition, and our operating results. If we do not comply with applicable privacy guidelines and other applicable laws and regulations under which we are regulated, if there are changes to the guidelines, laws, or regulations, or their interpretation, or if new regulations are enacted that are inconsistent with our current business practices, our business could be harmed. We may be required to change our business practices, services, or privacy policy, among other changes. Changes like these could increase our operating costs and potentially make it more difficult for customers to use our services, resulting in less revenue or slower growth. Our revenues may be adversely affected if we are required to charge sales taxes in additional jurisdictions or other taxes for our solutions. We collect or have imposed upon us sales or other taxes related to the solutions we sell in certain states and other jurisdictions. An increasing number of states have considered or adopted laws that attempt to impose tax collection obligations on out- of- state companies. Additionally, the U. S. Supreme Court recently ruled in South Dakota v. Wayfair, Inc. et al ~~, or~~ **("** Wayfair **")** , that online sellers can be required to collect sales and use tax despite not having a physical presence in the buyer' s state. In response to Wayfair, or otherwise, states or local governments may adopt, or begin to enforce, laws requiring us to calculate, collect, and remit taxes on sales in their jurisdictions. A successful assertion by any state, country or other jurisdiction in which we do business that we should be collecting sales or other taxes on the sale of our products and services could, among other things, create significant administrative burdens for us, result in substantial tax liabilities for past sales, discourage clients from purchasing solutions from us or otherwise substantially harm our business and results of operations. **We** ~~In the past, we~~ have identified a material weakness in our **internal controls over financial reporting as of December 31, 2023. If we fail to maintain an effective system of internal controls, we may not be able to accurately or timely report our financial condition or results of operations, which may adversely affect investor confidence in us and, as a result, the value of our common stock. We have identified a material weakness in our internal controls over financial reporting as of December 31, 2023 relating to our review of the long- lived asset impairment analysis pursuant to ASC 360, Property, Plant and Equipment, specifically our review did not appropriately identify and evaluate an outlier in an assumption used to determine the fair value of internally developed software under the market approach valuation method. A material weakness is a deficiency, or a combination of deficiencies, in** internal control over financial reporting **such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected and corrected on a timely basis** . ~~While we~~ **There can be no assurance that our remediation efforts will ultimately** have **the intended effects. Additionally, measures to** ~~remediated~~ - **remediate** ~~such~~ **material weaknesses may be time- consuming and costly, and even if we remediate this** material weakness, there can be no assurance that we will not **have** ~~identify additional control deficiencies or~~ material weaknesses **or deficiencies in our internal control over financial reporting** in the future. If we **cannot remediate the material weakness identified above,** identify **other** material weaknesses or **significant** deficiencies in the future, if we are unable to comply with the requirements of Section 404 (b) of the Sarbanes- Oxley Act ~~, or~~ **("** Section 404 ~~,~~ **")** in a timely manner, if we are unable to assert that our internal ~~control~~ **controls** over financial reporting is effective **,** or if our independent registered public accounting firm is unable to express an opinion as to the effectiveness of our internal control over financial reporting, investors may lose confidence in the accuracy and completeness of our financial reports and the market price of our common stock could be negatively affected, and we could become subject to investigations by the stock exchange on which our securities are listed, the SEC, or other regulatory authorities, which could require additional financial and management resources. We are a smaller reporting company and we cannot be certain if the reduced disclosure requirements applicable to smaller reporting companies will make our common stock less attractive to investors. We are a smaller reporting company and as a result we can provide simplified executive compensation disclosures in our filings; are exempt from the provisions of Section 404 requiring that independent registered public accounting firms provide an attestation report on the effectiveness of internal control over financial reporting; and we have certain other decreased disclosure obligations in their SEC filings, including, among other things, only being required to provide two years of audited financial statements in **our** ~~annual~~ **Annual** ~~reports~~ **Reports on Form 10- K** . Decreased disclosures in our SEC filings due to our status as a smaller reporting company may make it harder for investors to analyze our results of operations and financial prospects. We cannot predict if investors will find our common stock less attractive because we will rely on the exemptions available to smaller reporting companies. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our stock price may be more volatile. We may not be able to utilize a significant portion of our net operating loss or research tax credit carryforwards, which could adversely affect our profitability. As of December 31, ~~2022~~ **2023** , we had federal and state net operating loss carryforwards due to prior period losses, which if not utilized will begin to expire in 2027 for federal purposes and began to expire in 2022 for state purposes. Our federal net operating loss generated in 2018 and after can be carried forward indefinitely. We also have federal research tax credit carryforwards, which if not utilized will begin to expire in 2026. These net operating loss and research tax credit carryforwards could expire unused and be unavailable to offset future income tax liabilities, which could adversely affect our profitability. In addition, under Section 382 of the Internal Revenue Code of 1986, as amended, ~~or~~ **(** the **"** Code **")** , our ability to utilize net operating loss carryforwards or other tax attributes, such as research tax credits, in any taxable year may be limited if we experience an " ownership change. " A Section 382 " ownership change " generally occurs if one or more stockholders or groups of stockholders who own at least 5 % of our stock increase their ownership by more than 50 percentage points over their lowest ownership percentage within a rolling three- year period. Similar rules may apply under state tax laws. Future issuances of our stock could cause an " ownership change. " It is possible that any future ownership change could have a material effect on the use of our net operating loss carryforwards or other tax attributes, which could adversely affect our profitability. ~~If we cannot meet the continued listing requirements of The Nasdaq Global Market, or Nasdaq, Nasdaq Global Market may de- list our common stock, which would have an adverse effect on the trading volume, liquidity and market price of our common stock.~~ Our common stock is listed on The Nasdaq ~~Global~~ **Capital** Market ~~, or Nasdaq~~ . ~~Although we currently meet~~ Nasdaq' s listing standards ~~, which~~ generally require that we meet certain requirements relating to stockholders' equity, market capitalization, stock price, the aggregate market value of publicly held shares, and distribution requirements, **and** we cannot assure you that we will be able to continue to meet **all of** Nasdaq' s listing requirements. One of Nasdaq' s listing requirements is that our shares maintain a minimum bid price of at least $ 1. 00. ~~If~~ **We received** a ~~company' s shares trade~~ **deficiency notice from Nasdaq on**

April 26, 2023, advising that the closing bid price of our stock for **the previous** 30 consecutive business days **was** below the $ 1. 00 minimum ~~closing~~ bid price requirement **and** , **therefore, we no longer satisfied this** Nasdaq ~~will likely send a deficiency notice to the company, advising that it has been afforded a " compliance period " of 180 calendar days to regain compliance with the applicable requirements~~ **requirement** . As of February ~~17~~ **15** , ~~2023~~ **2024** , the closing price of our common stock on Nasdaq was $ **0. 37. In accordance with Nasdaq rules, we had until October 23, 2023 (180 calendar days from the date of the Nasdaq deficiency notice) to regain compliance with the minimum bid price requirement, which we did not achieve prior to October 23, 2023. In October 2023, we applied to Nasdaq for an additional 180 calendar day compliance period and, in connection with such application, applied to transfer the listing of our common stock from the Nasdaq Global Market to the Nasdaq Capital Market. Nasdaq approved our application effective on October 24, 2023, and the listing of our common stock transferred to the Nasdaq Capital Market effective as of the opening of business on October 25, 2023. After the extension of the compliance period, we now have until April 22, 2024 to regain compliance with Nasdaq' s minimum bid price requirement. If at any time prior to April 22, 2024, the bid price of our common stock closes at or above $** 1. ~~20~~ **00 per share for a minimum of 10 consecutive business days, we expect that Nasdaq would provide us with a written confirmation of compliance and the matter will be closed** . ~~The closing~~ **In the event that we do not regain compliance with the minimum bid** price **requirement prior to April 22, 2024, or if we are not otherwise eligible to maintain the listing** of our common stock on **the** Nasdaq ~~was below $ 1. 00~~ **Capital Market, we expect Nasdaq will provide us with written notification that our securities are subject to delisting** from **the Nasdaq Capital Market** ~~December 19, 2022 until December 29, 2022~~ . ~~If~~ **At that time,** we ~~fail~~ **may appeal the delisting determination** to ~~satisfy~~ **a hearings panel. To attempt to regain compliance with** Nasdaq' s ~~continued listing~~ requirements, **we intend** ~~Nasdaq may take steps~~ to ~~de- list~~ **seek stockholder approval for a reverse stock split. We cannot provide any assurances that we will obtain stockholder approval for a reverse stock split, or that any reverse stock split would result in any sustained increase in the market price of** our common stock **. Because a reverse stock split will reduce the number of shares of common stock available in the public market, the trading market for common stock may be harmed, particularly if the stock price does not increase as a result of a reverse stock split** . If Nasdaq delists our securities for trading on the Nasdaq, we could face significant adverse consequences, including: • a limited availability of market quotations for our common stock; • reduced liquidity with respect to our common stock; • reduced trading volume in and market price of our common stock; • a limited amount of news and analyst coverage for our company; and • a decreased ability to issue additional securities or obtain additional financing in the future. Such a de- listing would likely have an adverse effect on the price of our common stock and would impair your ability to sell or purchase our common stock when you wish to do so. In the event of a de- listing, we may take actions to restore our compliance with **The** Nasdaq **Capital Market** ' s listing requirements, but we can provide no assurance that any such action taken by us would allow our common stock to become listed again, **or** stabilize the market price or improve the liquidity or trading volume of our common stock, **or** prevent our common capitalization and stockholder' s equity from dropping below ~~the~~ **The** Nasdaq **Capital Market** minimum requirements, or prevent other future non- compliance with **The** Nasdaq **Capital Market** ' s continued listing requirements. The market price of our common stock has been highly volatile and may continue to be subject to wide fluctuations due to circumstances beyond our control, which could result in stockholders incurring losses on their investments and subject us to litigation. Since our initial public offering, the closing sales price of our common stock on the New York Stock Exchange (from March 22, 2013 through June 19, 2018) ~~and The~~ **, the** Nasdaq Global Market (from June 20, 2018 to **October 24, 2023), and the Nasdaq Capital Market (from October 25, 2023 to** the date of this filing) has been volatile. From January 1, ~~2022~~ **2023** through December 31, ~~2022~~ **2023** , the closing sales price of our common stock ~~on The Nasdaq Global Market~~ ranged from $ 0. ~~93~~ **28** to $ ~~4~~ **1** . ~~53~~ **33** per share. From January 1, ~~2023~~ **2024** through February ~~17~~ **15** , ~~2023~~ **2024** , the closing sales price of our common stock ~~on The Nasdaq Global Market~~ ranged from $ ~~1~~ **0** . ~~01~~ **37** to $ ~~1~~ **0** . ~~33~~ **41** per share. Factors that may affect the market price of our common stock include: • variations in, or forward- looking guidance regarding, our revenues, gross margin, operating results, free cash flow, loss per share, revenue retention rates, annualized advertising spend on our platform, adjusted EBITDA and how these results compare to analyst and investor expectations; • announcements of technological innovations, new products or services, strategic alliances, acquisitions or significant agreements or other developments by us or related to our competitors, including any announcements of regulatory actions, lawsuits or other developments, such as the pending U. S. and state government lawsuits against Google and Meta; • the timing, volume and pricing of any sales of shares by us under our at- the- market offering program or otherwise; • disruptions in our cloud- based operations or services or disruptions of other prominent cloud- based operations or services; • disruptions to financial markets and market conditions as a result of the inflation, interest rate fluctuations, ~~potential~~ hostilities in international markets **and regions** , ~~the COVID- 19 pandemic~~ **pandemics** or other factors; • the economy as a whole, market conditions in our industry, and in the industries of our customers, and conditions in the U. S. and international stock trading markets; and • any other factors discussed herein. Because our stock price has been volatile, investing in our common stock is risky. In addition, the stock market in general has experienced substantial price and volume volatility that is often seemingly unrelated to the operating results of any particular companies ~~. In particular, the stock market experienced heightened volatility in connection with the COVID- 19 pandemic, and stock valuations generally decreased during 2022~~ . If the market for technology stocks, especially software and cloud computing- related stocks, or the stock market in general experiences uneven investor confidence, the market price of our common stock could decline for reasons unrelated to our business, operating results or financial condition. The market price for our stock might also decline in reaction to events that affect other companies within, or outside, our industry, even if these events do not directly affect us. Some companies that have experienced volatility in the trading price of their stock have been subject of securities litigation. If we are the subject of such litigation, it could result in substantial costs and a diversion of management' s attention and resources. We do not intend to pay dividends for the foreseeable future. We have never declared nor paid cash dividends on our capital stock. We currently intend to retain any future earnings to finance the operation and expansion of our business, and we do not expect to declare or pay any dividends in the foreseeable future. Consequently, stockholders must rely on sales of their common stock after price appreciation, which may never occur, as the only way to realize any future gains on their investment. If we sell additional shares of our common stock, or securities convertible into our common stock in the future, the percentage ownership of our stockholders will be diluted. Sales of a substantial number of shares of our common stock in the public market, or the perception that these sales might occur could depress the market price of our common stock and may make it more difficult for you to sell your common stock at a time and price that you deem appropriate. We are unable to predict the effect that sales may have on the prevailing market price of our common stock. Any sales of securities by existing stockholders or by us could adversely affect the trading price of our common stock. On March 14, 2019, we filed a shelf registration statement on Form S- 3 for the potential offering, issuance and sale by us of up to $ 50. 0 million of our common stock, preferred stock, debt securities, warrants to purchase our common stock, preferred stock and debt securities, subscription rights to purchase our common stock, preferred stock and debt securities, and units consisting of all or some of these securities. During the year ended December 31, 2021, we sold 5. 5 million shares of our common stock under equity distribution agreements with JMP Securities ~~LLC, or JMP Securities~~ , and received proceeds of approximately $ 41. 7 million, net of offering costs of $ 1. 5 million, at a weighted average sales price of $ 7. 85 per share. The 5. 5 million shares of our common stock that we issued under equity distribution agreements during 2021 increased the number of outstanding shares of our common stock by approximately 57 %, resulting in dilution to the percentage ownership of our previously existing stockholders. Additionally, during the year ended December 31, 2022, we sold 1. 1 million shares of our common stock under a new equity distribution agreement with JMP Securities for the sale of up to $ 50. 0 million of new securities in an “ at- the- market ” common stock offering facility and received proceeds of approximately $ 1. 3 million, net of offering costs of $ 0. 1 million, at a weighted average sales price of $ 1. 33 per share. In accordance with the SEC’ s Instruction I. B. 6 of Registration Statement on Form S- 3, we adjusted the maximum aggregate market value of the securities that may be sold pursuant to this current" at- the- market" securities offering facility from $ 50. 0 million to approximately $ 22. 8 million based on our ~~estimated~~ market capitalization on the date we filed our Annual Report on Form 10- K for the year ended December 31, 2021 ~~until such time,~~ **. We cannot provide any assurance that we will be able to raise any additional financing under this facility. Our ability to raise any additional financing under this facility would be materially adversely affected** if ~~at all, when we are required to make any further adjustments to the maximum aggregate offering size or~~ **our common stock is delisted from Nasdaq** ~~we become eligible to conduct such offering in accordance with Instruction I. B. 1 of the Registration Statement on Form S- 3~~ . Delaware law and provisions in our restated certificate of incorporation and restated bylaws could make a merger, tender offer, or proxy contest difficult, and limit our stockholders’ ability to obtain a favorable judicial forum for disputes with us or our directors, officers or employees, thereby depressing the trading price of our common stock. Our status as a Delaware corporation and the anti- takeover provisions of the Delaware General Corporation Law may discourage, delay, or prevent a change in control by prohibiting us from engaging in a business combination with an interested stockholder for a period of three years after the person becomes an interested stockholder, even if a change of control would be beneficial to our existing stockholders. In addition, our restated certificate of incorporation and restated bylaws contain provisions that may make the acquisition of our Company more difficult, including the following: • our Board is classified into three classes of directors with staggered three- year terms and directors can only be removed from office for cause; • only our Board has the right to fill a vacancy created by the expansion of our Board or the resignation, death or removal of a director, which prevents stockholders from being able to fill vacancies on our Board; • only our chairman of the Board, our lead independent director, our chief executive officer, our president, or a majority of our Board is authorized to call a special meeting of stockholders; • certain litigation against us can only be brought in Delaware; • our restated certificate of incorporation authorizes undesignated preferred stock, the terms of which may be established, and shares of which may be issued, without the approval of the holders of common stock; and • advance notice procedures apply for stockholders to nominate candidates for election as directors or to bring matters before an annual meeting of stockholders. In addition, our restated certificate of incorporation provides that the Court of Chancery of the State of Delaware will be the exclusive forum for: (1) any derivative action or proceeding brought on our behalf; (2) any action asserting a breach of fiduciary duty; (3) any action asserting a claim against us arising pursuant to the Delaware General Corporation Law, our restated certificate of incorporation, or our restated bylaws; (4) any action to interpret, apply, enforce or determine the validity of our restated certificate of incorporation or our restated bylaws, or (5) any action asserting a claim against us that is governed by the internal affairs doctrine. This choice of forum provision may limit a stockholder’ s ability to bring a claim in a judicial forum that it finds favorable for disputes with us or any of our directors, officers, or other employees, which may discourage lawsuits with respect to such claims. Alternatively, if a court were to find the choice of forum provision contained in our 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 harm our business, operating results, and financial condition. General Risk Factor Our reported financial results may be adversely affected by changes in accounting principles generally accepted in the United States. Generally accepted accounting principles in the United States are subject to interpretation by the Financial Accounting Standards Board, the SEC, and various bodies formed to promulgate and interpret appropriate accounting principles. A change in these principles or interpretations could have a significant effect on our reported financial results, and could affect the reporting of transactions completed before the announcement of a change.