UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2024

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number: 1-33472

TECHTARGET, INC.
(Exact name of registrant as specified in its charter)

Delaware	**04-3483216**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
275 Grove Street	
Newton	
,	
Massachusetts	**02466**
(Address of principal executive offices)	**(Zip Code)**

Registrant's telephone number, including area code: (617) 431-9200

Former name, former address and formal fiscal year, if changed since last report: Not applicable

Securities registered or to be registered pursuant to Section 12(b) of the Act.

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common Stock, $0.001 Par Value	TTGT	Nasdaq Global Market

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☒	Accelerated filer	☐
Non-accelerated filer	☐	Smaller reporting company	☐

Emerging growth company

☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of November 8, 2024 the registrant had

29,235,043

shares of common stock, $0.001 par value per share, outstanding.

TABLE OF CONTENTS

Item		Page
PART I.	FINANCIAL INFORMATION	
Item 1.	Financial Statements (unaudited)	3
	Condensed Consolidated Balance Sheets as of September 30, 2024 and December 31, 2023	3
	Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) for the three and nine months ended September 30, 2024 and 2023	4
	Condensed Consolidated Statements of Stockholders' Equity for the three and nine months ended September 30, 2024 and 2023	5
	Condensed Consolidated Statements of Cash Flows for the nine months ended September 30, 2024 and 2023	7
	Notes to Condensed Consolidated Financial Statements	8
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	24
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	39
Item 4.	Controls and Procedures	40
PART II.	OTHER INFORMATION	
Item 1.	Legal Proceedings	41
Item 1A.	Risk Factors	41
Item 5.	Other Information	42
Item 6.	Exhibits	43
	Signatures	44

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements (Unaudited)

TechTarget, Inc.
Condensed Consolidated Balance Sheets
(in thousands, except share and per share data)

Assets	**September 30, 2024 (Unaudited)**	**December 31, 2023 (Unaudited)**
Current assets:		
Cash and cash equivalents	$ 278,519	$ 226,668
Short-term investments	77,310	99,601
Accounts receivable, net of allowance for doubtful accounts of $ 2,996 and $ 5,028 , respectively	40,438	39,239
Prepaid taxes	3,928	1,634
Prepaid expenses and other current assets	5,660	4,331
Total current assets	405,855	371,473
Property and equipment, net	26,851	24,917
Goodwill	196,004	194,074
Intangible assets, net	84,755	89,163
Operating lease assets with right-of-use	14,605	17,166
Deferred tax assets	4,248	2,445
Other assets	652	650
Total assets	$ 732,970	$ 699,888
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	$ 6,616	$ 5,312
Current operating lease liabilities	3,556	4,049
Accrued expenses and other current liabilities	8,133	9,041

Accrued compensation expenses	1,817	1,345
Income taxes payable	1,201	2,522
Contract liabilities	17,354	14,721
Total current liabilities	38,677	36,990
Non-current operating lease liabilities	13,933	16,615
Convertible senior notes	412,154	410,500
Deferred tax liabilities	18,730	12,856
Total liabilities	483,494	476,961
Leases and contingencies (see Note 9)		
Stockholders' equity:		
Preferred stock, $ 0.001 par value; 5,000,000 shares authorized; no shares issued or outstanding	—	—
Common stock, $ 0.001 par value; 100,000,000 shares authorized; 59,480,004 and 58,659,065 shares issued, respectively; 29,235,043 and 28,415,144 shares outstanding, respectively	59	59
Treasury stock, at cost; 30,244,961 and 30,243,921 shares, respectively	(329,118)	(329,118)

Additional paid-in capital	504,471	471,696
Accumulated other comprehensive loss	(276)	(4,542)
Retained earnings	74,340	84,832
Total stockholders' equity	249,476	222,927
Total liabilities and stockholders' equity	$ 732,970	$ 699,888

See accompanying Notes to Condensed Consolidated Financial Statements.

TechTarget, Inc.
Condensed Consolidated Statements of Operations and Comprehensive Income (Loss)
(in thousands, except per share data)

	For the Three Months Ended September 30, 2024 (Unaudited)	For the Three Months Ended September 30, 2023 (Unaudited)	For the Nine Months Ended September 30, 2024 (Unaudited)	For the Nine Months Ended September 30, 2023 (Unaudited)
Revenue	$ 58,472	$ 57,128	$ 169,022	$ 172,671
Cost of revenue[1]	21,298	18,250	61,870	54,006
Amortization of acquired technology	723	700	2,128	2,067
Gross profit	36,451	38,178	105,024	116,598
Operating expenses:				
Selling and marketing[1]	22,269	23,944	68,419	73,615
Product development[1]	2,948	2,700	8,345	7,766
General and administrative[1]	6,607	7,383	20,927	23,007
Transaction and related expenses	2,645	—	11,240	—
Depreciation, excluding depreciation of $ 1,380 , $ 996 , $ 3,832 and $ 2,760 , respectively, included in cost of revenue	2,317	2,180	6,930	6,275
Amortization	1,513	1,502	4,509	4,501
Total operating expenses	38,299	37,709	120,370	115,164
Operating income (loss)	(1,848)	469	(15,346)	1,434
Interest and other income, net	3,609	2,791	9,958	8,463
Gain from early extinguishment of debt	—	5,033	—	5,033
Income (loss) before provision for income taxes	1,761	8,293	(5,388)	14,930

Provision for income taxes	3,477	6,551	5,104	8,868
Net income (loss)	$ (1,716)	$ 1,742	$ (10,492)	$ 6,062
Other comprehensive income (loss), net of tax:				
Unrealized gain (loss) on investments (net of tax provision effect of $217, $6, $213 and $(16), respectively)	$ 766	$ 21	$ 752	$ (58)
Foreign currency translation gain (loss)	4,067	(2,459)	3,514	1,228
Other comprehensive income (loss)	4,833	(2,438)	4,266	1,170
Comprehensive income (loss)	$ 3,117	$ (696)	$ (6,226)	$ 7,232
Net income (loss) per common share:				
Basic	$ (0.06)	$ 0.06	$ (0.37)	$ 0.21
Diluted	$ (0.06)	$ 0.06	$ (0.37)	$ 0.21
Weighted average common shares outstanding:				
Basic	28,868	28,073	28,646	28,295
Diluted	28,868	28,206	28,646	28,484

(1) Amounts include stock-based compensation expense as follows:

Cost of revenue	$ 725	$ 877	$ 2,096	$ 2,529
Selling and marketing	5,466	7,064	18,190	22,445
Product development	534	419	1,473	1,308
General and administrative	3,021	3,166	10,789	10,204

See accompanying Notes to Condensed Consolidated Financial Statements.

TechTarget, Inc.
Condensed Consolidated Statements of Stockholders' Equity
(in thousands, except share and per share data)
(Unaudited)

	Common Stock		Treasury Stock					
	Number of Shares	**$0.001 Par Value**	**Number of Shares**	**Cost**	**Additional Paid-In Capital**	**Accumulated Other Comprehensive Loss**	**Retained Earnings**	**Total Stockholders' Equity**
Balance, December 31, 2023	58,659,065	$ 59	30,243,921	$ (329,118)	$ 471,696	$ (4,542)	$ 84,832	$ 222,927
Issuance of common stock from restricted stock awards	133,490	—	—	—	—	—	—	—
Impact of net settlements	290	—	290	—	(139)	—	—	(139)
Stock-based compensation expense	—	—	—	—	11,459	—	—	11,459
Unrealized loss on investments	—	—	—	—	—	(23)	—	(23)
Unrealized loss on foreign currency exchange	—	—	—	—	—	(642)	—	(642)
Net loss	—	—	—	—	—	—	(10,088)	(10,088)
Balance, March 31, 2024	58,792,845	$ 59	30,244,211	$ (329,118)	$ 483,016	$ (5,207)	$ 74,744	$ 223,494
Issuance of common stock from restricted stock awards	2,000	—	—	—	—	—	—	—
Issuance of common stock from employee stock purchase plan	21,903	—	—	—	563	—	—	563
Stock-based compensation expense	—	—	—	—	11,343	—	—	11,343
Unrealized gain on investments	—	—	—	—	—	9	—	9
Unrealized gain on foreign currency exchange	—	—	—	—	—	89	—	89
Net income	—	—	—	—	—	—	1,312	1,312

Balance, June 30, 2024	58,816,748	$ 59	30,244,211	$ (329,118)	$ 494,922	$ (5,109)	$ 76,056	$ 236,810
Issuance of common stock from restricted stock awards	662,506	—	—	—	—	—	—	—
Impact of net settlements	750	—	750	—	(197)	—	—	(197)
Stock-based compensation expense	—	—	—	—	9,746	—	—	9,746
Unrealized gain on investments	—	—	—	—	—	766	—	766
Unrealized gain on foreign currency exchange	—	—	—	—	—	4,067	—	4,067
Net loss	—	—	—	—	—	—	(1,716)	(1,716)
Balance, September 30, 2024	59,480,004	$ 59	30,244,961	$ (329,118)	$ 504,471	$ (276)	$ 74,340	$ 249,476

TechTarget, Inc.
Condensed Consolidated Statements of Stockholders' Equity
(in thousands, except share and per share data)
(Unaudited)

	Common Stock		Treasury Stock					
	Number of Shares	**$0.001 Par Value**	**Number of Shares**	**Cost**	**Additional Paid-In Capital**	**Accumulated Other Comprehensive Loss**	**Retained Earnings**	**Total Stockholders' Equity**
Balance, December 31, 2022	57,919,501	$ 58	28,896,408	$ (278,876)	$ 425,458	$ (9,537)	$ 80,371	$ 217,474
Issuance of common stock from exercise of options	2,500	—	—	—	18	—	—	18
Issuance of common stock from restricted stock awards	91,152	—	—	—	—	—	—	—
Purchase of common stock through stock buyback	—	—	581,295	(25,000)	—	—	—	(25,000)
Impact of net settlements	912	—	912	—	(177)	—	—	(177)
Excise Tax on repurchased shares	—	—	—	—	(206)	—	—	(206)
Stock-based compensation expense[(1)]	—	—	—	—	14,176	—	—	14,176
Unrealized gain on investments	—	—	—	—	—	63	—	63
Unrealized gain on foreign currency exchange	—	—	—	—	—	2,029	—	2,029
Net income	—	—	—	—	—	—	1,645	1,645
Balance, March 31, 2023	58,014,065	$ 58	29,478,615	$ (303,876)	$ 439,269	$ (7,445)	$ 82,016	$ 210,022
Issuance of common stock from employee stock purchase plan	22,017	—	—	—	650	—	—	650
Issuance of common stock from restricted stock awards	650	—	—	—	—	—	—	—
Purchase of common stock through stock buyback	—	—	737,369	(25,000)	—	—	—	(25,000)
Excise Tax on repurchased shares	—	—	—	—	(250)	—	—	(250)

Stock-based compensation expense	—	—	—	—	12,684	—	—	12,684
Unrealized loss on investments	—	—	—	—	—	(142)	—	(142)
Unrealized gain on foreign currency exchange	—	—	—	—	—	1,658	—	1,658
Net income	—	—	—	—	—	—	2,675	2,675
Balance, June 30, 2023	58,036,732	$ 58	30,215,984	$ (328,876)	$ 452,353	$ (5,929)	$ 84,691	$ 202,297
Issuance of common stock from restricted stock awards	563,451	1	—	—	(1)	—	—	—
Impact of net settlements	27,937	—	27,937	—	(4,374)	—	—	(4,374)
Excise Tax on repurchased shares	—	—	—	(201)	456	—	—	255
Stock-based compensation expense	—	—	—	—	11,526	—	—	11,526
Unrealized gain on investments	—	—	—	—	—	21	—	21
Unrealized loss on foreign currency exchange	—	—	—	—	—	(2,459)	—	(2,459)
Net income	—	—	—	—	—	—	1,742	1,742
Balance, September 30, 2023	58,628,120	$ 59	30,243,921	$ (329,077)	$ 459,960	$ (8,367)	$ 86,433	$ 209,008

(1) Includes $ 1.9 million of accrued compensation expense recognized in the previous year for the nine months ended September 30, 2023 .

See accompanying Notes to Condensed Consolidated Financial Statements.

TechTarget, Inc.
Condensed Consolidated Statements of Cash Flows
(in thousands)

	For the Nine Months Ended September 30,	
	2024	2023
	(Unaudited)	
Operating activities:		
Net income (loss)	$ (10,492)	$ 6,062
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation	10,762	9,035
Amortization	6,637	6,568
Provision for bad debt	(1,125)	2,003
Stock-based compensation	32,548	36,486
Amortization of debt issuance costs	1,653	1,850
Deferred tax benefit	3,314	(2,137)
Gain on early extinguishment of debt	—	(5,033)
Changes in operating assets and liabilities:		
Accounts receivable	(9)	15,055
Operating lease assets with right of use	2,098	1,594
Prepaid expenses and other current assets	(5,160)	166
Other assets	—	(100)
Accounts payable	1,286	1,616
Income taxes payable	202	(4,336)
Accrued expenses and other current liabilities	(972)	(2,147)
Accrued compensation expenses	459	(1,380)
Operating lease liabilities with right of use	(2,786)	(2,435)

Contract liabilities	2,530	(9,067)
Net cash provided by operating activities	40,945	53,800
Investing activities:		
Purchases of property and equipment, and other capitalized assets, net	(12,572)	(10,906)
Purchases of investments	(3,383)	(77,261)
Maturities of investments	26,649	—
Net cash provided by (used in) investing activities	10,694	(88,167)
Financing activities:		
Tax withholdings related to net share settlements	(336)	(4,551)
Purchase of treasury shares and related costs	—	(50,000)
Proceeds from stock option exercises	—	18
Issuance of common stock from ESPP	563	650
Payment of repurchase of convertible senior notes	—	(42,560)
Payment of earnout liabilities	—	(2,267)
Net cash provided by (used in) financing activities	227	(98,710)
Effect of exchange rate changes on cash and cash equivalents	(15)	660
Net increase (decrease) in cash and cash equivalents	51,851	(132,417)
Cash and cash equivalents at beginning of period	226,668	344,523
Cash and cash equivalents at end of period	$ 278,519	$ 212,106
Supplemental disclosure of cash flow information:		
Cash paid for taxes, net	$ 5,506	$ 15,444
Schedule of non-cash investing and financing activities:		
Right of use assets and lease liabilities	$ 26	$ 492

See accompanying Notes to Condensed Consolidated Financial Statements.

TechTarget, Inc.
Notes to Condensed Consolidated Financial Statements
(In thousands, except share and per share data, where otherwise noted, or instances where expressed in millions)

1. Organization and Operations

TechTarget, Inc. (collectively with its subsidiaries, the “Company”) is a global data and analytics leader and software provider for buyers of purchase intent-driven marketing and sales data for enterprise technology vendors. The Company’s service offerings are designed to enable technology vendors to better identify, reach and influence corporate information technology (“IT”) decision-makers actively researching specific IT purchases. The Company offers products and services intended to improve IT vendors’ ability to impact these audiences for business growth using advanced targeting, analytics and data services complemented by customized marketing programs that integrate demand generation, brand advertising techniques, and content curation and creation. The Company operates a network of approximately

150
websites and

838
webinars and virtual event channels, which each focus on a specific IT sector such as storage, security or networking. IT and business professionals have become increasingly specialized, and they have come to rely on the Company’s sector-specific websites and webinars and virtual event channels for purchasing decision support. The Company’s content platforms are designed to enable IT and business professionals to navigate the complex and rapidly changing IT landscape where purchasing decisions can have significant financial and operational consequences. At critical stages of the purchase decision process, these content offerings through different channels are intended to meet IT and business professionals’ needs for expert, peer and IT vendor information and provide platforms on which business-to-business technology companies can launch targeted marketing campaigns which generate measurable return on investment. Based upon the logical clustering of members and users’ respective job responsibilities and the marketing focus of the products being promoted by the Company’s customers, the Company categorizes its content offerings to address the key market opportunities and audience extensions across a portfolio of distinct market categories: Security; Networking; Storage; Data Center and Virtualization Technologies; CIO/IT Strategy; Business Applications and Analytics; Application Architecture and Development; and ANCL Channel.

On January 10, 2024, we entered into an Agreement and Plan of Merger (the “Transaction Agreement”) with Informa PLC (“Informa”) and certain of our and their subsidiaries. Pursuant to the Transaction Agreement, we and Informa, among other things, agreed to combine our businesses with the business of Informa Intrepid Holdings Inc. (“Informa Tech”), a wholly owned subsidiary of Informa which will own and operate Informa’s digital businesses (Industry Dive, Omdia (including Canalys)), NetLine and certain of its digital media brands (e.g. Information Week, Light Reading, and AI Business), under a new publicly traded holding company (“New TechTarget”). Upon closing, among other things, Informa and its subsidiaries will collectively own

57
% of the outstanding common stock of New TechTarget (on a fully diluted basis) and our former stockholders will own the remaining outstanding common stock of New TechTarget. Our former stockholders will also receive a pro rata share of an amount in cash equal to $

350
million plus the amount of any EBITDA adjustment (which has been determined to be $

0
based upon the terms of the Transaction Agreement), which is estimated as of the date of the Transaction Agreement to be approximately $

11.71
per share of our common stock. The various transactions set forth in the Transaction Agreement (the “proposed transaction”) are expected to close in the last quarter of 2024, subject to satisfaction or waiver of certain customary conditions. A special meeting will be held on November 26, 2024, at 10:00 a.m., Eastern Time at the offices of Wilmer Cutler Pickering Hale and Dorr LLP, 60 State Street, Boston, Massachusetts 02109 for TechTarget stockholders of record as of the close of business on October 18, 2024, the record date (the “Special Meeting”). At the Special Meeting, the Company’s stockholders will be asked to consider and vote upon proposals to approve the proposed transaction and related matters.

We will be required to pay Informa a termination fee between $

30.0
and $

40.0
million if the Transaction Agreement is terminated under certain specified circumstances, including termination by us in connection with our entry into an agreement with respect to a Toro Superior Proposal (as defined in the Transaction Agreement) prior to us receiving stockholder approval of the proposed transaction, or termination by Informa upon a Toro Change in Recommendation (as defined in the Transaction Agreement).

2. Summary of Significant Accounting Policies

The accompanying condensed consolidated financial statements reflect the application of certain significant accounting policies as described below and elsewhere in these notes to condensed consolidated financial statements. The Company’s critical accounting policies are those that affect its more significant judgments used in the preparation of its condensed consolidated financial statements. A description of the Company’s critical accounting policies and estimates is contained in its Annual Report on Form 10-K for the year ended December 31, 2023, and in this note to the condensed consolidated financial statements.

Principles of Consolidation

The accompanying condensed consolidated financial statements include the accounts of the Company and its wholly-owned subsidiaries, TechTarget Securities Corporation (“TSC”), TechTarget Limited, TechTarget (HK) Limited (“TTGT HK”), TechTarget (Australia) Pty Ltd., TechTarget (Singapore) Pte Ltd., E-Magine Médias SAS (“LeMagIT”), TechTarget Germany GmbH, and BrightTALK Limited and its wholly owned subsidiary, BrightTALK, Inc. (together “BrightTALK”). TSC is a Massachusetts corporation. TechTarget Limited is a subsidiary doing business principally in the United Kingdom. TTGT HK is a subsidiary incorporated in Hong Kong in order to facilitate the Company’s activities in the Asia-Pacific region. TechTarget (Australia) Pty Ltd. and TechTarget (Singapore) Pte Ltd. are the entities through which the Company does business in Australia and Singapore, respectively; LeMagIT and TechTarget Germany GmbH, both wholly-owned subsidiaries of TechTarget Limited, are entities through which the Company does business in France and Germany, respectively. BrightTALK are the entities through which the Company conducts business related to its BrightTALK webinar and virtual event platform.

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted (Generally Accepted Accounting Principles or “U.S. GAAP”) in the United States (“U.S.”) for interim financial information and with the instructions to Form 10-Q and Rule 10-01 of Regulation S-X. Accordingly, they do not include all of the information and footnotes required by U.S. GAAP for complete financial statements. All adjustments, which, in the opinion of management, are considered necessary for a fair presentation of the results of operations for the periods shown, are of a normal, recurring nature and have been reflected in the condensed consolidated financial statements. The results of operations for the periods presented are not necessarily indicative of results to be expected for any other interim periods or for the full year. The information included in these condensed consolidated financial statements should be read in conjunction with “Management’s Discussion and Analysis of Financial Condition and Results of Operations” contained in this report and the condensed consolidated financial statements and accompanying notes included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2023.

Foreign Currency Translation

The functional currency of the Company’s major foreign subsidiaries is generally the local currency. Adjustments resulting from translating foreign functional currency financial statements into U.S. dollars are recorded as a separate component on the Condensed Consolidated Statement of Comprehensive Income as an element of accumulated other comprehensive income (loss). Foreign currency transaction gains and losses are included in interest and other income (expense), net in the Condensed Consolidated Statement of Income. All assets and liabilities denominated in foreign currency are translated into U.S. dollars at the exchange rate on the balance sheet date. Revenue and expenses are translated at the average exchange rate during the period.

Use of Estimates

The preparation of condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. On an ongoing basis, the Company evaluates its estimates, including those related to revenue, long-lived assets, goodwill, the allowance for doubtful accounts, stock-based compensation, earnouts, self-insurance accruals, the allocation of purchase price to intangibles and goodwill, and income taxes. The Company reduces its accounts receivable for an allowance for doubtful accounts based on its best estimate of the amount of probable credit losses. Estimates of the carrying value of certain assets and liabilities are based on historical experience and on various other assumptions that the Company believes to be reasonable. Actual results could differ from those estimates.

Revenue Recognition

The Company generates its revenue from the sale of targeted marketing and advertising campaigns, which it delivers via its network of websites, webinar and virtual events channels, and our data analytic services and solutions. Revenue is recognized when performance obligations are satisfied by transferring promised goods or services to customers, as determined by applying a five-step process consisting of: a) identifying the contract, or contracts, with a customer, b) identifying the performance obligations in the contract, c) determining the transaction price, d) allocating the transaction price to the performance obligations in the contract, and e) recognizing revenue when, or as, performance obligations are satisfied.

Cash and Cash Equivalents

The Company considers all highly liquid investments with original or remaining maturities of three months or less on the purchase date to be cash equivalents. Cash and cash equivalents carrying value approximate fair value and consist primarily of bank deposits and government backed money market funds.

Accounts Receivable

We maintain an allowance for credit losses for expected uncollectible accounts receivable, which is recorded as an offset to accounts receivable and changes in such are classified as general and administrative expense in the Condensed Consolidated Statements of Income and Comprehensive Income. We assess collectability by reviewing accounts receivable on an individual basis when we identify specific customers with known disputes, overdue amounts or collectability issues and also reserve for losses on all accounts based on historical information, current market conditions and reasonable and supportable forecasts of future economic conditions to inform adjustments to historical loss data. In determining the amount of the allowance for credit losses, we consider historical collectability based on past due status and make judgments about the creditworthiness of customers based on ongoing credit evaluations.

At September 30, 2024 , the Company's collectability assessment includes the business and market disruptions caused by macro-economic uncertainty currently being experienced in the technology sector and estimates of expected emerging credit and collectability trends. The continued volatility in market conditions and evolving shifts in credit trends are difficult to predict, causing variability and volatility that may have a material impact on our allowance for credit losses in future periods.

Fair Value of Financial Instruments

Financial instruments consist of cash, cash equivalents, short-term investments, accounts receivable, accounts payable, long-term debt and contingent consideration. Due to their short-term nature and liquidity, the carrying value of these instruments, with the exception of contingent consideration and long-term debt, approximates their estimated fair values. See Note 4 for further information on the fair value of the Company's investments. The Company classifies all of its short-term investments as available-for-sale. The fair value of contingent consideration was estimated using a discounted cash flow method.

Business Combinations and Valuation of Goodwill and Acquired Intangible Assets

The Company uses its best estimates and assumptions to allocate fair value to the net tangible and identifiable intangible assets acquired and liabilities assumed at the acquisition date. Any residual purchase price is recorded as goodwill. The Company's estimates are inherently uncertain and subject to refinement and can include but are not limited to, the cash flows that an asset is expected to generate in the future, and the appropriate weighted-average cost of capital.

During the measurement period, which may be up to one year from the acquisition date, the Company may record adjustments to the fair value of these tangible and intangible assets acquired and liabilities assumed, with the corresponding offset to goodwill. In addition, uncertain tax positions and tax-related valuation allowances are initially recorded in connection with a business combination as of the acquisition date. The Company continues to collect information and reevaluates these estimates and assumptions quarterly and records any adjustments to the Company's preliminary estimates to goodwill provided that the Company is within the measurement period. Upon the conclusion of the measurement period or final determination of the fair value of assets acquired or liabilities assumed, whichever comes first, any subsequent adjustments are recorded to the Company's Condensed Consolidated Statement of Income and Comprehensive Income.

Recent Accounting Pronouncements

Recently Adopted Accounting Guidance

In December 2023, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, which requires public entities, on an annual basis, to provide disclosure of specific categories in the rate reconciliation, as well as disclosure of income taxes paid disaggregated by jurisdiction. ASU 2023-09 is effective for fiscal years beginning after December 15, 2024, with early adoption permitted. The Company is currently evaluating the impact of adopting ASU 2023-09.

In November 2023, the FASB issued ASU 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures, which requires public entities to disclose information about their reportable segments' significant expenses and other segment items on an interim and annual basis. Public entities with a single reportable segment are required to apply the disclosure requirements in ASU 2023-07, as well as all existing segment disclosures and reconciliation requirements in ASC 280 on an interim and annual basis. ASU 2023-07 is effective for fiscal years beginning after December 15, 2023, and for interim periods within fiscal years beginning after December 15, 2024, with early adoption permitted. The Company is currently evaluating the impact of adopting ASU 2023-07.

3. Revenue

Disaggregation of Revenue

The following table depicts the disaggregation of revenue according to categories consistent with how the Company evaluates its financial performance and economic risk. International revenue consists of international geo-targeted campaigns, which are campaigns targeted at an audience of members outside of North America.

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2024	2023	2024	2023
North America	$ 41,544	$ 38,891	$ 118,224	$ 115,629
International	16,928	18,237	50,798	57,042
Total	$ 58,472	$ 57,128	$ 169,022	$ 172,671

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2024	2023	2024	2023
Revenue under short-term contracts	$ 39,154	$ 36,560	$ 112,631	$ 105,290
Revenue under longer-term contracts	19,318	20,568	56,391	67,381
Total	$ 58,472	$ 57,128	$ 169,022	$ 172,671

Contract Liabilities

Timing may differ between the satisfaction of performance obligations and the invoicing and collections of amounts related to the Company's contracts with customers. Liabilities are recorded for amounts that are collected in advance of the satisfaction of performance obligations. Additionally, certain customers may receive credits, which are accounted for as a material right. The Company estimates these amounts based on the expected amount of future services to be provided to the customer and allocates a portion of the transaction price to these material rights. The Company recognizes these material rights as the material rights are exercised. The resulting material rights amounts included in the contract liabilities on the accompanying Condensed Consolidated Balance Sheets was $

0.8
million and $

1.9
million at September 30, 2024 and December 31, 2023, respectively.

Year-to-Date Activity	Contract Liabilities
Balance at December 31, 2023	$ 14,721
Billings	54,290
Revenue Recognized	( ) 51,636

Balance at March 31, 2024	$ 17,375
Billings	$ 59,986
Revenue Recognized	(58,914)
Balance at June 30, 2024	$ 18,447
Billings	$ 57,379
Revenue Recognized	(58,472)
Balance at September 30, 2024	$ 17,354

The Company elected to apply the following practical expedients:

• *Existence of a Significant Financing Component in a Contract*. As a practical expedient, the Company has not assessed whether a contract has a significant financing component because the Company expects at contract inception that the period between payment by the customer and the transfer of promised goods or services by the Company to the customer will be one year or less. Payment terms and conditions vary by contract type, although terms generally include a requirement of payment within 30 to 90 days. In addition, the Company has determined that the payment terms that the Company provides to its customers are structured primarily for reasons other than the provision of financing to the customer.

• *Costs to Fulfill a Contract*. The Company's revenue is primarily generated from customer contracts that are for one year or less. Costs primarily consist of incentive compensation paid based on the achievement of sales targets. As a practical expedient, for amortization periods that are determined to be one year or less, the Company expenses any incremental costs of obtaining the contract with a customer when incurred. For those customer contracts greater than one year, the Company capitalizes and amortizes the expenses over the period of benefit.

• *Revenue Invoiced*. The Company has applied the practical expedient for certain revenue streams to exclude the value of remaining performance obligations for (i) contracts with an original expected term of one year or less or (ii) contracts for which the Company recognizes revenue in proportion to the amount it has the right to invoice for services performed.

4. Fair Value Measurements

The Company measures certain financial assets and liabilities at fair value on a recurring basis, including short-term investments. The fair value of these financial assets and liabilities was determined based on three levels of input as follows:

• *Level 1.* Quoted prices in active markets for identical assets and liabilities;

• *Level 2.* Observable inputs other than quoted prices in active markets; and

• *Level 3.* Unobservable inputs.

The fair value hierarchy of the Company's financial assets carried at fair value and measured on a recurring basis is as follows:

		Fair Value Measurements at September 30, 2024		
	September 30, 2024	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Assets:				
Pooled bond funds	$ 77,310	—	$ 77,310	—
Total short-term investments	$ 77,310	$ —	$ 77,310	$ —

		Fair Value Measurements at December 31, 2023		
	December 31, 2023	**Quoted Prices in Active Markets for Identical Assets (Level 1)**	**Significant Other Observable Inputs (Level 2)**	**Significant Unobservable Inputs (Level 3)**
Assets:				
Time deposits (1)	$ 25,877	$ —	$ 25,877	$ —
Pooled bond funds	73,724	—	73,724	—
Total short-term investments	$ 99,601	$ —	$ 99,601	$ —

(1) The Company ' s time deposits consist of domestic deposits which mature within six months (Level 2). All level 2 investments are priced using observable inputs, such as quoted prices in markets that are not active and yield curves.

5. Cash, Cash Equivalents and Short-Term Investments

Cash and cash equivalents are carried at cost, which approximates fair market value. As of September 30, 2024 and December 31, 2023, cash and cash equivalents totaled $

278.5
million and $

226.7
million, respectively.

Investments are recorded at fair value with the related unrealized gains and losses included in accumulated other comprehensive income, a component of stockholders' equity, net of tax. Realized gains and losses on the sale of these investments are determined using the specific identification method. There were

no

realized gains or losses as of September 30, 2024 or December 31, 2023.

Short-term investments consisted of the following:

	September 30, 2024			
	Adjusted Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Short-term investments:				
Pooled bond funds	$ 75,632	$ 1,678	$ —	$ 77,310
Total short-term investments	$ 75,632	$ 1,678	$ —	$ 77,310

	December 31, 2023			
	Adjusted Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Short-term investments:				
Time deposits	$ 25,877	$ —	$ —	$ 25,877
Pooled bond funds	73,021	703	—	73,724
Total short-term investments	$ 98,898	$ 703	$ —	$ 99,601

6. Goodwill and Intangible Assets

Goodwill and indefinite-lived intangible assets are not amortized but are reviewed annually for impairment or more frequently if impairment indicators arise. The Company did

no

t have any intangible assets with indefinite lives other than goodwill as of September 30, 2024 or December 31, 2023. There were

no
indications of impairment as of September 30, 2024, and the Company believes that, as of the balance sheet dates presented, none of the Company's goodwill or intangible assets were impaired.

The following table summarizes the Company's intangible assets, net:

		September 30, 2024		
	Estimated Useful Lives (Years)	Gross Carrying Amount	Accumulated Amortization	Net

Customer relationships	5 - 19	$ 85,432	$ (25,688)	$ 59,744
Developed websites, technology and patents	10	34,695	(13,767)	20,928
Trademark, trade name and domain name	5 - 16	7,873	(3,867)	4,006
Proprietary user information database and internet traffic	5	1,128	(1,128)	—
Non-compete agreements	1.5 - 3	600	(523)	77
Total intangible assets		$ 129,728	$ (44,973)	$ 84,755

			December 31, 2023	
	Estimated Useful Lives (Years)	Gross Carrying Amount	Accumulated Amortization	Net
Customer relationships	5 - 19	$ 83,959	$ (21,604)	$ 62,355
Developed websites, technology and patents	10	33,202	(10,802)	22,400
Trademark, trade name and domain name	5 - 16	7,627	(3,365)	4,262
Proprietary user information database and internet traffic	5	1,106	(1,106)	—
Non-compete agreements	1.5 - 3	600	(454)	146
Total intangible assets		$ 126,494	$ (37,331)	$ 89,163

Intangible assets are amortized over their estimated useful lives, which range from eighteen months to nineteen years, using methods of amortization that are expected to reflect the estimated pattern of economic use. The remaining amortization expense will be recognized over a weighted-average period of approximately 6.1 years. Amortization expense was $ 6.6 million for both the nine months ended September 30, 2024 and 2023, respectively. Amortization expense relating to developed websites, technology and patents is recorded within costs of revenues. All other amortization is recorded within operating expenses as the remaining intangible assets consist of customer-related assets which generate website traffic that the Company considers to be in support of selling and marketing activities. The Company did no t write off any fully amortized intangible assets in the first nine months of 2024 or 2023.

The Company expects amortization expense of intangible assets to be as follows:

Years Ending December 31:	Amortization Expense
2024 (October 1 – December 31)	$ 2,269
2025	9,038
2026	8,984
2027	8,979

2028		8,979
Thereafter		46,506
Total	$	84,755

7. Net Income (Loss) Per Common Share

A reconciliation of the numerator and denominator used in the calculation of basic and diluted net income (loss) per common share is as follows:

	For the Three Months Ended September 30, 2024	For the Three Months Ended September 30, 2023	For the Nine Months Ended September 30, 2024	For the Nine Months Ended September 30, 2023
Numerator:				
Net income (loss)	$ (1,716)	$ 1,742	$ (10,492)	$ 6,062
Denominator:				
Basic:				
Weighted average shares of common stock and vested, undelivered restricted stock units outstanding	28,867,873	28,073,459	28,646,451	28,295,306
Diluted:				
Weighted average shares of common stock and vested, undelivered restricted stock units outstanding	28,867,873	28,073,459	28,646,451	28,295,306
Effect of potentially dilutive shares (1)	—	132,877	—	188,314
Total weighted average shares of common stock and vested, undelivered restricted stock units outstanding and potentially dilutive shares	28,867,873	28,206,336	28,646,451	28,483,620
Net Income (Loss) Per Common Share:				
Basic:				
Net income (loss) applicable to common stockholders	$ (1,716)	$ 1,742	$ (10,492)	$ 6,062
Weighted average shares of stock outstanding	28,867,873	28,073,459	28,646,451	28,295,306
Basic net income (loss) per common share	$ (0.06)	$ 0.06	$ (0.37)	$ 0.21
Diluted:				
Net income (loss) applicable to common stockholders	$ (1,716)	$ 1,742	$ (10,492)	$ 6,062
Weighted average shares of stock outstanding	28,867,873	28,206,336	28,646,451	28,483,620
Diluted net income (loss) per common share (1)	$ (0.06)	$ 0.06	$ (0.37)	$ 0.21

(1) In calculating diluted net income (loss) per share, 641 thousand shares and 585 thousand shares related to outstanding stock options and unvested, undelivered restricted stock units were excluded for the three and nine months ended September 30, 2024, respectively;

1.3 million shares and 1.4 million shares related to outstanding stock options and unvested, undelivered restricted stock units were excluded for the three and nine months ended September 30, 2023, respectively. Additionally, for the three and nine months ended September 30, 2024 and September 30, 2023, the interest expense and amortization of note costs relating to the shares issuable upon conversion of our outstanding convertible notes were excluded from the calculation as they would have been anti-dilutive. The interest expense including amortization of note issuance costs, related to convertible notes was $0.6 million and $1.7 million for the three and nine months September 30, 2024, respectively, and $0.6 million and $1.9 million for the three and nine months ended September 30 2023, respectively.

8. Convertible Notes and Loan Agreement

Convertible Notes

In December 2020, the Company issued $201.3 million in aggregate principal amount of 0.125% convertible senior notes due December 15, 2025 (the "2025 Notes") and in December 2021, the Company issued $414 million in aggregate principal amount of 0.0% convertible senior notes due December 15, 2026 (the "2026 Notes"). At the time of the issuance of the 2026 Notes, a portion of the outstanding 2025 Notes were exchanged for shares of common stock and cash. In August 2023, the Company repurchased $48.3 million aggregate principal amount of the 2025 Notes for $42.6 million including transaction fees.

As of September 30, 2024, approximately $3 million aggregate principal amount of the 2025 Notes remain outstanding. Further details are included below:

Issuance	Maturity Date	Interest Rate	First Interest Payment Date	Effective Interest Rate	Semi-Annual Interest Payment Dates	Initial Conversion Rate per $1,000 Principal	Initial Conversion Price	Number of Shares (in millions)
2025 Notes	December 15, 2025	0.125 %	June 15, 2021	0.8 %	June 15, and December 15	14.1977	$ 70.43	0.1
2026 Notes	December 15, 2026	0.0 %	—	0.0 %	—	7.6043	$ 131.50	4.3

Each of the 2025 Notes and the 2026 Notes (collectively, the "Notes") is governed by an indenture between the Company, as issuer, and U.S. Bank, National Association, as trustee (together the "Indentures", and each such indenture, an "Indenture"). The Notes are unsecured and rank senior in right of payment to the Company's future indebtedness that is expressly subordinated in right of payment to the Notes and equal in right of payment to the Company's unsecured indebtedness that is not so subordinated.

Upon conversion, the Company will pay or deliver, as the case may be, cash, shares of the Company's common stock or a combination of cash and shares of common stock, at the Company's election.

Terms of the Notes

Prior to the close of business on September 15, 2025 and September 14, 2026, the 2025 Notes and 2026 Notes, respectively, will be convertible at the option of holders during certain periods, only upon satisfaction of certain conditions set forth below. On or after September 15, 2025 (for the 2025 Notes) and September 14, 2026 (for the 2026 Notes), until the close of business on the second scheduled trading day immediately preceding the applicable maturity date, holders may convert all or any portion of their Notes at the applicable conversion price at any time regardless of whether the conditions set forth below have been met.

Holders may convert all or a portion of their Notes prior to the close of business on the day immediately preceding their respective free convertibility date described above, in multiples of the $

1,000
principal amount, only under the following circumstances:

- during any calendar quarter commencing after the calendar quarter ending on March 31, 2021 for the 2025 Notes and March 31, 2022 for the 2026 Notes (and only during such calendar quarter), if the last reported sales price of the common stock for at least 20 trading days (whether or not consecutive) during a period of 30 consecutive trading days ending on, and including, the last trading day of the immediately preceding calendar quarter is greater than or equal to

  130
  % of the applicable conversion price on each applicable trading day;

- during the five business day period after any five consecutive trading day period, or the Notes measurement period, in which the "trading price" (as defined in each Indenture) per $

  1,000
  principal amount of Notes for each trading day of the Notes measurement period was less than

  98
  % of the product of the last reported sale price of the Company's common stock and the conversion rate on each such trading day;

- if the Company calls any or all of the Notes for redemption, at any time prior to the close of business on September 14, 2025 for the 2025 Notes or September 14, 2026 for the 2026 Notes; or

- upon the occurrence of specified corporate events as set forth in the Indentures.

As of September 30, 2024, the 2026 Notes and 2025 Notes are not convertible.

Whether the 2026 Notes or the 2025 Notes will be convertible in the future prior to the applicable free convertibility date will depend on the satisfaction of the trading price condition or another conversion condition specified in the Indentures. Since the Company may elect to repay the 2026 Notes and the 2025 Notes in cash, shares of our common stock, or a combination of both, the Company has continued to classify the 2026 and the 2025 Notes as long-term debt on its consolidated balance sheet as of September 30, 2024.

The Notes consist of the following:

	September 30, 2024		December 31, 2023	
Liability Component:	2026 Notes	2025 Notes	2026 Notes	2025 Notes
Principal	$ 414,000	$ 3,040	$ 414,000	$ 3,040
Less: unamortized debt issuance costs	4,861	25	6,500	40

Net carrying amount	$ 409,139	$ 3,015	$ 407,500	$ 3,000

The following table sets forth total interest expense recognized related to the Notes:

	September 30, 2024	September 30, 2023
0.125% Coupon on 2025 Notes	$ 3	$ 42
Amortization of debt discount and transaction costs	1,653	2,598
	$ 1,656	$ 2,640

The fair value of the Notes, which was determined based on inputs that are observable in the market or that could be derived from, or corroborated with, observable market data, quoted prices of the Notes in an over-the-counter market (Level 2), and carrying value of debt instruments (carrying value excludes the equity component of the Company's convertible notes classified in equity) were as follows:

	September 30, 2024		December 31, 2023	
	Fair Value	Carrying Value	Fair Value	Carrying Value
Convertible senior notes	$ 407,117	$ 412,154	$ 347,087	$ 410,500

2021 Loan Agreement

On October 29, 2021, the Company entered into a Loan and Security Agreement with Western Alliance Bank, as administrative agent and collateral agent for the lenders, and the banks and other financial institutions or entities from time to time party thereto as lenders (the "2021 Loan Agreement"). The 2021 Loan Agreement provided for a $

75

million revolving credit facility with a $

5

million letter-of-credit sublimit and expired on October 29, 2023 . The 2021 Loan Agreement was secured by substantially all of the Company's assets. Borrowings under the 2021 Loan Agreement bore interest based on a formula using certain market rates. The 2021 Loan Agreement was subject to various leverage and non-financial covenants. The 2021 Loan Agreement matured on its stated maturity date of October 29, 2023.

9. Leases and Contingencies

The Company conducts its operations in leased office facilities under various noncancelable operating lease agreements that expire through December 2029.

On October 26, 2017, the Company entered into a Third Amendment (the "Third Amendment") to the lease agreement for office space in Newton, Massachusetts, dated as of August 4, 2009 (the "Newton Lease"). The Third Amendment extended the lease term to December 31, 2029 and preserves the Company's option to extend the term for an additional five-year period subject to certain terms and conditions set forth in the Newton Lease. The Third Amendment reduced the rentable space from approximately

110,000

square feet to approximately

74,000

square feet effective January 1, 2018 . As of January 1, 2018, base monthly rent under the Third Amendment is $

0.3

million. The base rent increases biennially at a rate averaging approximately

1

% per year, as of January 1, 2023. The Company remains responsible for certain other costs under the Third Amendment, including operating expense and taxes.

In April 2021, the Company entered into a Fourth Amendment (the "Fourth Amendment") to the lease agreement. The Fourth Amendment became effective during May 2021 . The Fourth Amendment reduced the rentable space from approximately

74,000

square feet to approximately

68,000

square feet and provided the Company with a one-time payment of approximately $

0.6

million. As of May 1, 2021, base monthly rent is approximately $

0.3

million per month. All other terms and conditions are substantially similar to those terms in the Third Amendment.

Certain of the Company's operating leases, including the Newton Lease, include lease incentives and escalating payment amounts and are renewable for varying periods. The Company recognizes the related rent expense on a straight-line basis over the term of each lease, taking into account the lease incentives and escalating lease payments.

The Company has various non-cancelable lease agreements for certain of its offices with original lease periods expiring between 2024 and 2029. The Company's lease terms may include options to extend or terminate the lease when it is reasonably certain it will exercise that option. Leases with renewal options allow the Company to extend the lease term typically between 1 and 5 years. When determining the lease term, renewal options reasonably certain of being exercised are included in the lease term. When determining if a renewal option is reasonably certain of being exercised, the Company considers several economic factors, including but not limited to, the significance of leasehold improvements incurred on the property, whether the asset is difficult to replace, underlying contractual obligations, or specific characteristics unique to that particular lease that would make it reasonably certain that the Company would exercise such option. Renewal and termination options were generally not included in the lease term for the Company's existing operating leases. Certain of the arrangements have discounted rent periods or escalating rent payment provisions. Leases with an initial term of twelve months or less are not recorded on the condensed consolidated balance sheets. The Company recognizes rent expense on a straight-line basis over the lease term.

As of September 30, 2024, operating lease assets were $ 14.6 million and operating lease liabilities were $ 17.5 million. The maturities of the Company's operating lease liabilities as of September 30, 2024 were as follows:

Years Ending December 31:		**Minimum Lease Payments**
2024 (October 1 – December 31)	$	1,223
2025		4,115
2026		4,017
2027		3,582
2028		3,405
Thereafter		3,333
Total future minimum lease payments		19,675
Less imputed interest		2,186
Total operating lease liabilities	$	17,489
Included in the Consolidated Balance Sheet:		
Current operating lease liability	$	3,556
Non-current operating lease liability		13,933
Total operating lease liabilities	$	17,489

For the nine months ended September 30, 2024 and 2023, the total lease cost was comprised of the following amounts:

	Three Months Ended September 30,				**Nine Months Ended September 30,**			
		2024		**2023**		**2024**		**2023**
Operating lease expense	$	1,046	$	1,058	$	3,101	$	3,162

Short-term lease expense	4	4	13	13
Total lease expense	$ 1,050	$ 1,062	$ 3,114	$ 3,175

The following summarizes additional information related to operating leases as of September 30, 2024:

	As of September 30, 2024
Weighted-average remaining lease term — operating leases	3.0
Weighted-average discount rate — operating leases	3.4 %

If the rate implicit in the lease is not readily determinable, the Company uses its incremental borrowing rate as the discount rate. The Company uses its best judgment when determining the incremental borrowing rate, which is the rate of interest that the Company would have to pay to borrow on a collateralized basis over a similar term to the lease payments in a similar currency.

Litigation

Following the announcement of the execution of the Merger Agreement, two lawsuits have been filed in the Supreme Court of the State of New York by purported stockholders of the Company, each naming the Company and the members of its board of directors as defendants (the "**Complaints**"). The first action is captioned Catherine Coffman v. TechTarget, Inc. et al., 655891/2024, and was filed on November 7, 2024. The second action is captioned Susan Finger v. TechTarget, Inc. et al., 655885/2024, and was also filed on November 7, 2024. The Complaints claim that the Definitive Proxy Statement is materially incomplete and misleading in violation of New York common law. In particular, the Complaints generally allege that the Definitive Proxy Statement contains materially misleading and incomplete information concerning, among other things: (i) the Company's, Informa Tech's, and the pro forma company’s financial projections; (ii) the data and inputs underlying the financial analyses of the Company’s financial advisor, J.P. Morgan Securities LLC (“**J.P. Morgan**”); and (iii) potential conflicts of interest between Company insiders and BrightTower Securities, LLC (“**BrightTower**”). The Complaints also seek to enjoin the transaction, rescind the transaction should it be consummated or an award of damages if the transaction is consummated, and an award of fees and expenses.

The Company has also received correspondence from law firms claiming to represent purported stockholders, who have threatened litigation and/or made other demands relating to the Merger, including that additional disclosures be provided (the “**Litigation Matters**”). The Company cannot predict whether any of such demands or threats will result in litigation, whether additional demands or litigation may materialize, or the outcome of any such litigation relating to the Merger. If additional similar complaints are filed or additional demands are received, absent new or materially different allegations, the Company will not necessarily disclose them.

The Company and other named defendants in the Complaints deny that they have violated any laws or breached any duties to the Company’s stockholders, and the Company denies all allegations in the Litigation Matters. The Company believes that no supplemental disclosure to the Definitive Proxy Statement was or is required under any applicable law, rule or regulation. However, solely to eliminate the burden and expense of litigation, to moot the plaintiff’s disclosure claims, and to avoid potential delay or disruption to the Merger, the Company has determined to voluntarily supplement the Definitive Proxy Statement. The Company believes that the disclosures set forth in the Definitive Proxy Statement comply fully with applicable law, and nothing shall otherwise be deemed an admission of the legal necessity or materiality under applicable law of any of the disclosures set forth herein.

From time to time and in the ordinary course of business, the Company may be subject to various claims, charges, and litigation. Except as otherwise provided in this note 9, the Company did not have any pending or threatened claims, charges, or litigation that it expects would have a material adverse effect on its condensed consolidated financial position, results of operations, or cash flows.

10. Stock-Based Compensation

Stock Option and Incentive Plans

In April 2007, the Company’s board of directors approved the TechTarget, Inc. 2007 Stock Option and Incentive Plan (the “2007 Plan”), which was approved by the stockholders of the Company and became effective upon the consummation of the Company’s IPO in May 2007. The 2007 Plan allowed the Company to grant incentive stock options (“ISOs”), non-qualified stock options (“NSOs”), stock appreciation rights, deferred stock awards, restricted stock units and other awards. Under the 2007 Plan, stock options could not be granted at less than fair market value on the date of grant and grants generally vested over a three-year to four-year period. Stock options granted under the 2007 Plan expire no later than ten years after the grant date. Additionally, beginning with awards made in August 2015, the Company had the option to direct a net issuance of shares for satisfaction of tax liability with respect to vesting of awards and delivery of shares. Prior to August 2015, this choice of settlement method was solely at the discretion of the award recipient. The 2007 Plan expired in May 2017 .

No
new awards may be granted under the 2007 Plan; however, the shares of common stock remaining in the 2007 Plan are available for issuance in connection with previously awarded grants under the 2007 Plan. There are

20,000
shares of common stock that remain subject to outstanding stock grants under the 2007 Plan as of September 30, 2024.

In March 2017, the Company's board of directors approved the TechTarget, Inc. 2017 Stock Option and Incentive Plan (the "2017 Plan"), which was approved by the stockholders of the Company at the 2017 Annual Meeting and became effective June 16, 2017 . The 2017 Plan replaces the Company's 2007 Plan. On June 16, 2017,

3,000,000
shares of the Company's common stock were reserved for issuance under the 2017 Plan and, generally, shares that are forfeited or canceled from awards under the 2017 Plan also will be available for future awards. In April 2021, the stockholders of the Company authorized the issuance of up to an additional

3,800,000
shares of the Company's common stock under the 2017 Plan. Under the 2017 Plan, the Company may grant restricted stock and restricted stock units, non-qualified stock options, stock appreciation rights, performance awards, and other stock-based and cash-based awards. Grants generally vest in equal tranches over a three-year period. Stock options granted under the 2017 Plan expire no later than ten years after the grant date. Shares of stock issued pursuant to restricted stock awards are restricted in that they are not transferable until they vest. Shares of stock underlying awards of restricted stock units are not issued until the units vest. Non-qualified stock options cannot be exercised until they vest. Under the 2017 Plan, all stock options and stock appreciation rights must be granted with an exercise price that is at least equal to the fair market value of the common stock on the date of grant. The 2017 Plan broadly prohibits the repricing of options and stock appreciation rights without stockholder approval and requires that no dividends or dividend equivalents be paid with respect to options or stock appreciation rights. The 2017 Plan further provides that, in the event any dividends or dividend equivalents are declared with respect to restricted stock, restricted stock units, other stock-based awards and performance awards (referred to as "full-value awards"), such dividends or dividend equivalents would be subject to the same vesting and forfeiture provisions as the underlying award. There are a total of

1,675,300
shares of common stock that remain subject to outstanding stock-based grants under the 2017 Plan as of September 30, 2024. A total of

918,328
shares of common stock remain available for issuance under the 2017 Plan as of September 30, 2024.

Employee Stock Purchase Plan

In April 2022, the Company's board of directors approved the TechTarget, Inc. 2022 Employee Stock Purchase Plan (the "ESPP"), which was approved by the stockholders of the Company at the 2022 Annual Meeting of Stockholders and became effective June 7, 2022. On June 7, 2022,

600,000
shares of the Company's common stock were reserved for issuance under the ESPP. After the initial offering period of three months, commencing September 1, 2022, eligible employees may be offered shares of common stock over a twelve-month offering period, which consists of two consecutive six-month purchase periods. Employees may purchase a limited amount (up to $

25,000
) of shares of the Company's common stock under the ESPP at a discount of up to

15
% of the lesser of the market value of the common stock at either (a) the beginning of the six-month purchase period during which the shares of common stock are purchased or (b) the end of such six-month purchase period. As of September 30, 2024,

523,653
shares of common stock remain available for issuance under the ESPP.

Accounting for Stock-Based Compensation

The Company uses the Black-Scholes option pricing model to calculate the grant date fair value of an award.

The expected volatility of options granted has been determined using a weighted average of the historical volatility of the Company's common stock for a period equal to the expected life of the option. The expected life of options has been determined utilizing the "simplified" method. The risk-free interest rate is based on a zero coupon U.S. treasury instrument whose term is consistent with the expected life of the stock options. The Company has not paid and does not anticipate paying cash dividends on its shares of common stock; therefore, the expected dividend yield is assumed to be

zero
. The Company applied an estimated annual forfeiture rate based on historical averages in determining the expense recorded in each period.

A summary of the stock option activity under the Company's plans for the nine months ended September 30, 2024 is presented below:

Nine Month Activity	Options Outstanding	Weighted-Average Exercise Price Per Share	Weighted-Average Remaining Contractual Term in Years	Aggregate Intrinsic Value[(1)]
Options outstanding at December 31, 2023	140,000	$ 38.22	—	—
Granted	25,000	30.21	—	—
Exercised	—	—	—	—
Forfeited	—	—	—	—
Cancelled	—	—	—	—
Options outstanding at September 30, 2024	165,000	$ 37.01	6.21	$ 495,575
Options exercisable at September 30, 2024	140,000	$ 38.22	5.60	$ 495,575
Options vested or expected to vest at September 30, 2024	163,675	$ 37.07	6.19	$ 495,575

(1) The aggregate intrinsic value was calculated based on the positive difference between the fair value of the Company's common stock on September 30, 2024 of $ 24.45 per share and the exercise price of the underlying options . The total intrinsic value of options exercised was $ 0 and $ 81 thousand during the nine months ended September 30, 2024 and September 30, 2023 , respectively.

The total amount of cash received from exercise of these options was approximately $ 0 and $ 18 thousand during the nine months ended September 30, 2024 and September 30, 2023, respectively.

Restricted Stock Units

Restricted stock units are valued at the market price of a share of the Company's common stock on the date of the grant. A summary of the restricted stock unit activity under the Company's plans for the nine months ended September 30, 2024 is presented below:

Year-to-Date Activity	Shares	Weighted-Average Grant Date Fair Value Per Share	Aggregate Intrinsic Value
Nonvested outstanding at December 31, 2023	1,573,548	$ 50.22	—

Granted	725,585	27.26	—
Vested	(758,283)	55.41	—
Forfeited	(12,050)	54.35	—
Nonvested outstanding at September 30, 2024	1,528,800	$ 36.72	$ 37,379,160

There were 758,283 restricted stock units with a total grant-date fair value of $42.0 million that vested during the nine months ended September 30, 2024. There were 782,665 restricted stock units with a total grant-date fair value of $45.3 million that vested during the nine months ended September 30, 2023.

As of September 30, 2024, there was $48.1 million of total unrecognized compensation expense related to stock options and restricted stock units, which is expected to be recognized over a weighted average period of 2.0 years.

ESPP Valuation Assumptions

The valuation of ESPP purchase rights and the underlying weighted-average assumptions are summarized as follows:

	September 30, 2024
ESPP:	
Expected term in years	0.50
Risk-free interest rate	5.42 %
Expected volatility	42.27 %
Expected dividend yield	— %
Weighted-average fair value per right granted	$ 8.46

11. Stockholders' Equity

Common Stock Repurchase Programs

In May 2022, the Company announced that its board of directors had authorized a stock repurchase program (the "May 2022 Repurchase Program") whereby the Company was authorized to repurchase shares of the Company's common stock having an aggregate purchase price of up to $ 50.0 million from time to time on the open market or in privately negotiated transactions at prices and in the manner determined by management. There were no amounts purchased under this plan during the nine months ended September 30, 2024 and September 30, 2023, respectively. As of September 30, 2024, no amounts remained available under the May 2022 Repurchase Program.

In November 2022, the Company announced that its board of directors had authorized a repurchase program (the "November 2022 Repurchase Program") whereby the Company was authorized to repurchase shares of the Company's common stock and Notes having an aggregate purchase price of up to $ 200.0 million from time to time on the open market or in privately negotiated transactions at prices and in the manner determined by management over the next two years. During the nine month period ended September 30, 2023, the Company repurchased 1,318,664 shares for an aggregate purchase price of $ 50.0 million at an average share price of $ 37.90 and $ 48.3 million aggregate principal amount of the 2025 Notes under the November 2022 Repurchase Program. As of September 30, 2024, $ 92.9 million remained available under the November 2022 Repurchase Program.

Repurchased shares are recorded under the cost method and are reflected as treasury stock in the accompanying Condensed Consolidated Balance Sheets. The Company is restricted from making any repurchases during the period between the execution of the Transaction Agreement and the closing of the proposed transaction without Informa's approval.

Reserved Common Stock

As of September 30, 2024, the Company has reserved (i) 2,613,628 shares of common stock for settlement of outstanding and unexercised options, issuance following vesting of outstanding restricted stock units, and future awards available for grant under the 2007 Plan and 2017 Plan, (ii) 523,653 shares of common stock for use in settling purchases under the ESPP and (iii)

4,389,127
shares of common stock which may be issuable upon conversion of the Notes.

12. Income Taxes

The Company measures its interim period tax expense using an estimated annual effective tax rate and adjustments for discrete taxable events that occur during the interim period. The estimated annual effective income tax rate is based upon the Company's estimations of annual pre-tax income, the geographic mix of pre-tax income, and its interpretations of tax laws. The Company updates the estimate of its annual effective tax rate at the end of each quarterly period. The Company recorded income tax expense of $

3.5
million and $

5.1
million for the three and nine months ended September 30, 2024, respectively. The tax expense for the three months ended September 30, 2024 decreased by approximately $

3.1
million, as compared to the same period in 2023, primarily due to a decrease in pretax income that resulted in a $

3.0
million decrease in tax expense based on the Company's projected effective tax rate and a decrease of $

0.1
million in tax from discrete items related to stock based compensation awards. The tax expense for the nine months ended September 30, 2024 decreased by approximately $

3.8
million, as compared to the same period in 2023, primarily due to pretax loss for the nine months ended September 30, 2024 versus pretax income to the same period in 2023. The Company recorded income tax expense of $

6.5
million and $

8.9
million for the three and nine months ended September 30, 2023, respectively.

13. Segment Information

The Company views its operations and manages its business as

one

operating segment which is the business of providing purchase intent marketing and sales services. The Company aggregated its operating segment based upon the similar economic and operating characteristics of its operations.

Geographic Data

Net sales by campaign target area were as follows (1):

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2024	2023	2024	2023
North America	$ 41,544	$ 38,891	$ 118,224	$ 115,629
International	16,928	18,237	50,798	57,042
Total	$ 58,472	$ 57,128	$ 169,022	$ 172,671

(1) Net sales to customers by campaign target area is based on the geo-targeted (target audience) location of the campaign.

Net sales to unaffiliated customers by geographic area were as follows (2):

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2024	2023	2024	2023
United States	$ 46,184	$ 44,093	$ 132,769	$ 132,011
United Kingdom	5,869	5,651	16,436	17,741
Other international	6,419	7,384	19,817	22,919
Total	$ 58,472	$ 57,128	$ 169,022	$ 172,671

(2) Net sales to unaffiliated customers by geographic area is based on the customers’ current billing addresses and does not consider the geo-targeted (target audience) location of the campaign.

Long-lived assets by geographic area were as follows:

	September 30, 2024	December 31, 2023
United States	$ 220,376	$ 221,394
International	87,234	86,760
Total	$ 307,610	$ 308,154

Long-lived assets are comprised of property and equipment, net; goodwill; and intangible assets, net. No single country outside of the U.S. and the United Kingdom accounted for

1

% or more of the Company’s long-lived assets during either of these periods.

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

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the condensed consolidated financial statements and accompanying notes included elsewhere in this Quarterly Report on Form 10-Q. This discussion and analysis contains forward-looking statements that involve risks, uncertainties and assumptions. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of various factors including those discussed below in this Quarterly Report on Form 10-Q, in our Annual Report on Form 10-K for the year ended December 31, 2023 under Part I, Item 1A, "Risk Factors," and in the other documents we file with the Securities and Exchange Commission. Please refer to "Cautionary Note Regarding Forward-Looking Statements" on page 37 *of this Quarterly Report on Form 10-Q.*

Overview

Background

TechTarget, Inc. (the "Company", "we", "us" or "our") is a global data, software and analytics leader for purchase intent-driven marketing and sales data which delivers business impact for business-to-business ("B2B") companies. Our solutions are designed to enable B2B technology companies to identify, reach, and influence key enterprise technology decision makers faster and with higher efficacy. We offer products and services intended to improve information technology ("IT") vendors' abilities to impact highly targeted audiences for business growth using advanced targeting, first-party analytics and data services complemented with customized marketing programs that integrate content creation, demand generation, brand marketing, and other advertising techniques.

Our goal is to enable enterprise technology and business professionals to navigate the complex and rapidly-changing enterprise technology landscape where purchasing decisions can have significant financial and operational consequences. Our content strategy includes three primary sources which enterprise technology and business professionals use to assist them in their pre-purchase research: independent content provided by our professionals, vendor-generated content provided by our customers and member-generated or peer-to-peer content. In addition to utilizing our independent editorial content, registered members and users appreciate the ability to deepen their pre-purchase research by accessing the extensive vendor-supplied content available across our virtual events, webinar channels and website network (collectively, our "Network"). Likewise, these members and users can derive significant additional value from the ability our Network provides to seamlessly interact with and contribute to information exchanges.

We had approximately 32.7 million and 31.4 million registered members and users, which we refer to as our "audiences", as of September 30, 2024 and 2023, respectively. While the size of our audiences does not provide direct insight into our customer numbers or our revenue, we believe the value of the services we sell to our customers is a direct result of the breadth and reach of this content footprint. This footprint creates the opportunity for our clients to gain business leverage by targeting our audiences through customized marketing programs. Likewise, the behavior exhibited by these audiences enables us to provide our customers with data products designed to improve their marketing and sales efforts. The targeted nature of our audiences enables B2B technology companies to reach a specialized audience efficiently because our content is highly segmented and aligned with the B2B technology companies' specific products.

Through our ability to identify, reach and influence key decision makers, we have developed a broad customer base and, in 2024, expect to deliver marketing and sales services programs to over 2,000 customers.

On January 10, 2024, we entered into an Agreement and Plan of Merger (the "Transaction Agreement") with Informa PLC ("Informa") and certain of our and their subsidiaries. Pursuant to the Transaction Agreement, we and Informa, among other things, agreed to combine our businesses with the business of Informa Intrepid Holdings Inc. ("Informa Tech"), a wholly owned subsidiary of Informa which will own and operate Informa's digital businesses (Industry Dive, Omdia (including Canalys)), NetLine and certain of its digital media brands (e.g. Information Week, Light Reading, and AI Business), under a new publicly traded holding company ("New TechTarget"). Upon closing, among other things, Informa and its subsidiaries will collectively own 57% of the outstanding common stock of New TechTarget (on a fully diluted basis) and our former stockholders will own the remaining outstanding common stock of New TechTarget. Our former stockholders will also receive a pro rata share of an amount in cash equal to $350 million plus the amount of any EBITDA adjustment (which has been determined to be $0 based upon the terms of the Transaction Agreement), which is estimated as of the date of the Transaction Agreement to be approximately $11.71 per share of our common stock. The various transactions set forth in the Transaction Agreement (the "proposed transaction") are expected to close in the last quarter of 2024, subject to satisfaction or waiver of certain customary conditions. A special meeting will be held on November 26, 2024, at 10:00 a.m., Eastern Time at the offices of Wilmer Cutler Pickering Hale and Dorr LLP, 60 State Street, Boston, Massachusetts 02109 for TechTarget stockholders of record as of the close of business on October 18, 2024, the record date (the "Special Meeting"). At the Special Meeting, our stockholders will be asked to consider and vote upon proposals to approve the proposed transaction and related matters.

We will be required to pay Informa a termination fee between $30.0 and $40.0 million if the Transaction Agreement is terminated under certain specified circumstances, including termination by us in connection with our entry into an agreement with respect to a Toro Superior Proposal (as defined in the Transaction Agreement) prior to us receiving stockholder approval of the proposed transaction, or termination by Informa upon a Toro Change in Recommendation (as defined in the Transaction Agreement).

Executive Summary

Financial Results for the Nine Months Ended September 30, 2024

Our revenue for the nine months ended September 30, 2024 decreased by $3.6 million, or 2%, to $169.0 million, compared with $172.7 million, during the same period in 2023. We saw decreased customer spend across the majority of our product suite as continued macro-economic uncertainty in the technology sector remains prevalent. The amount of revenue that we derived from longer-term contracts, which we define as contracts with a term in excess of 270 days, in the third quarter of 2024 decreased 6%, compared to the third quarter of 2023, as customers continue to deploy their budgets across shorter-term solutions/products.

Our international geo-targeted revenue, where our target audience is outside North America (“International”), decreased approximately 11% for the nine months ended September 30, 2024, compared with the prior year period driven by the items noted above.

Gross profit percentage was 62% and 68% for the nine months ended September 30, 2024 and 2023, respectively. Gross profit decreased by $11.6 million, primarily due to a $3.6 million decrease in revenue and $7.9 million increase in cost of revenue compared to the same period a year ago.

Business Trends

The following discussion highlights key trends affecting our business.

- **Macro-economic Conditions.** Because most of our customers are B2B technology companies, the success of our business is intrinsically linked to the health of, and subject to, the market conditions, of the IT industry. Despite the current uncertainty in the economy (i.e. inflation risks, higher interest rates, Russia’s invasion of the Ukraine and conflict in the Middle East), there are several factors indicating positive IT spending over the next few years is likely. We believe there are several IT catalysts such as AI, security, data analytics, and cloud migrations, to name a few. Our growth continues to be driven in large part by the return on the investments we made in our data analytics suite of products, which continues to drive market share gains for us. While we will continue to invest in this growth area, management will also continue to carefully control discretionary spending such as travel and entertainment, and the filling of new and replacement positions, in an effort to maintain profit margins and cash flows.

- **Industry Trends.** Our business has been and is likely to continue to be impacted by macro-economic conditions. The macro-economic uncertainty has created a challenging selling environment where we have seen elongated sales cycles, budget cuts and freezes at many of our customers, which has impacted our near-term outlook. We are seeing our international markets perform worse than our domestic markets. We expect this dynamic to continue throughout 2024 because of uncertainty surrounding inflation, interest rates, and geopolitical issues internationally.

- **Customer Demographics.** In the three and nine months ended September 30, 2024, revenue from our legacy global customers (a static cohort comprised of our 10 historically largest on premises hardware technology companies), decreased by approximately 7% and increased by approximately 1%, respectively, compared to the same periods in the prior year. The metric measures the year-over-year increase in GAAP revenue from this cohort of customers and is calculated by dividing the GAAP revenue from this cohort of customers for the current year by the GAAP revenue from this cohort of customers for the prior year. We use this information to monitor customer concentration trends internally, which we deem an important metric for evaluating revenue diversification. Revenue from our other customers, excluding the legacy global customers described above, increased by approximately 5% and decreased by approximately 3%, compared to the same three and nine month periods in the prior year.

Our key strategic initiatives include:

- **Geographic.** During the three and nine months ended September 30, 2024, approximately 29% and 30% of our revenue was derived from internationally targeted campaigns, respectively. We continue to explore initiatives to grow our international presence.

- **Product.** Purchase intent data continues to drive our product road strategy. During 2024, we improved upon our Priority Engine™ offering through Account Intent Feeds, continue enhancement of our IntentMail AI offering, as well as expanding our integration offerings to sales engagement platforms.

Sources of revenues

Revenue changes for the three and nine month period ended September 30, 2024, as compared to the same period in 2023, are shown in the table below. See the discussion above and Notes 3 and 13 to our condensed consolidated financial statements for additional information on our revenues.

	For the Three Months Ended September 30,			For the Nine Months Ended September 30,		
(dollars in thousands)	2024	2023		2024	2023	
North America	$ 41,544	$ 38,891	7%	$ 118,224	$ 115,629	2%
International	16,928	18,237	-7%	50,798	57,042	-11%
Total	$ 58,472	$ 57,128	2%	$ 169,022	$ 172,671	-2%

	For the Three Months Ended September 30,			For the Nine Months Ended September 30,		
(dollars in thousands)	2024	2023		2024	2023	
Revenue under short-term contracts	$ 39,154	$ 36,560	7%	$ 112,631	$ 105,290	7%
Revenue under longer-term contracts	19,318	20,568	-6%	56,391	67,381	-16%
Total	$ 58,472	$ 57,128	2%	$ 169,022	$ 172,671	-2%

We sell customized marketing programs to B2B technology companies targeting a specific audience within a particular enterprise technology or business sector or sub-sector. We maintain multiple points of contact with our customers to provide support throughout their organizations and their customers' IT sales cycles. As a result, our customers often run multiple advertising programs with us in order to target their desired audience of enterprise technology and business professionals more effectively. There are multiple factors that can impact our customers' marketing and advertising objectives and spending with us, including but not limited to, IT product launches, increases or decreases to their advertising budgets, the timing of key industry marketing events, responses to competitor activities and efforts to address specific marketing objectives such as creating brand awareness or generating sales leads. Our products and services are generally delivered under short-term contracts that run for the length of a given program, typically less than nine months. In the quarter ended September 30, 2024, approximately 33% of our revenues were from longer-term contracts.

Product and Service Offerings

We use our offerings to provide B2B technology companies with numerous touch points to identify, reach and influence key enterprise technology decision makers. The following is a description of the products and services we offer:

- *IT Deal Alert*™ . A suite of data, software and services for B2B technology companies that leverages the detailed purchase intent data we collect on enterprise technology organizations and professionals researching IT purchases via our network of websites and our webinar community platform. Through our proprietary data-capture and scoring methodologies, we use this insight to help our customers identify and prioritize accounts and contacts whose content consumption and online research activities around specific enterprise technology topics indicate that they are "in-market" for a particular B2B technology product or service. The suite of products and services includes Priority Engine™ and Qualified Sales Opportunities™. Priority Engine™ is a subscription service powered by our Activity Intelligence™ platform, which integrates with customer relationship management ("CRM") and marketing automation platforms ("MAPs") including

Salesforce.com, Marketo, Hubspot, Eloqua, Pardot, and Integrate. The service delivers lead generation workflow solutions designed to enable marketers and sales forces to identify and prioritize accounts and individuals actively researching new technology purchases or upgrades, and then to engage those active prospects. We launched IntentMail AI™ in December 2023, which is Priority Engine's AI-powered messaging feature, which enables sellers to automatically generate personalized email copy. In April 2024, we launched Account Intent Feeds through Priority Engine™. Account Intent Feeds delivers a weekly stream of highly actionable account data directly into CRM and can fuel account-based marketing platforms and other connected systems to enhance the workflows and help go-to-market teams identify, engage and convert in-market accounts more effectively. In June 2024, we announced a strategic partnership with 6sense, a global leader in using AI to help B2B revenue teams create, manage, and convert high-quality pipelines to revenue. The partnership allows mutual customers to create segments through 6sense based on our Account Intent Feeds filters, enabling revenue teams to focus on the right accounts at the right time, drive deeper engagement and generate more revenue from account-based efforts. Qualified Sales Opportunities™ is a product that profiles specific in-progress purchase projects via surveys and interviews with business technology professionals whose research activity and content consumption is indicative of a pending technology purchase. Qualified Sales Opportunities™ includes information on project scope, purchase criteria and vendors considered. In July 2024, we announced the release of Market Monitor™, a new market intelligence offering powered by Priority Engine™ that helps B2B enterprise technology organizations plan their product and go-to-market strategies and adapt to dynamic market shifts and buyer needs. With Market Monitor™, product, business and marketing professionals have access to robust, first-party insights that can help them more accurately identify new market opportunities, the types of accounts and buyers actively researching purchases, topics generating the most interest, and most viewed content. Market Monitor is currently available only to clients of Enterprise Strategy Group's Annual Research, Advisory & Intent Insights program, with wider data subscription options anticipated later in 2024.

• *Demand Solutions.* Our offerings enable our customers to reach and influence prospective buyers through content marketing programs, such as white papers, webcasts, podcasts, videocasts, virtual trade shows, and content sponsorships, designed to generate demand for their solutions, and through display advertising and other brand programs that influence consideration by prospective buyers. We believe this allows B2B technology companies to maximize ROI on marketing and sales expenditures by capturing sales leads from the distribution and promotion of content to our audience of enterprise technology and business professionals.

• *Brand Solutions.* Our suite of brand solutions provide B2B technology companies with direct exposure to targeted audiences of enterprise technology and business professionals that are actively researching information related to their products and services. We leverage our Activity Intelligence™ platform to enable significant segmentation and behavioral targeting of audiences to improve the relevancy of digital ads to the researcher's needs. Branding solutions include on-network banner advertising and digital sponsorships, off-network banner targeting, and microsites and other related formats.

• *Custom Content Creation.* We deliver market insights and guidance to B2B technology companies through our Enterprise Strategy Group annual research and advisory subscription programs, custom market research services, and consulting engagements. In addition, our Enterprise Strategy Group experts author custom content products including technical and economic validations, white papers, infographics, videos and webinars. This content can be leveraged by B2B technology marketers to support product launches, enable demand-generation campaigns, and establish overall thought leadership. We also create white papers, case studies, webcasts or videos to our customers' specifications. These customized content assets are then promoted to our audience within both demand solutions and brand solutions programs. Additionally, we offer off-the-shelf editorial sponsorship products on topics aligned to customer markets, enabling them to engage and generate demand via packaged content created by our editorial staff to educate technology researchers on new technology trends and feature options.

• *BrightTALK platform.* Allows our customers to create, host and promote webinars, virtual events and video content. Customers create their own hosted Channels on the platform where they schedule both live and on-demand webinars for promotion to BrightTALK's community of in-market accounts and individuals. The BrightTALK Channel also enables customers to self-administer lead generation campaigns, set up workflow integrations between the Channel and their CRM and MAP systems, and access reporting detailing the size and growth of their community of subscribers over time. Customers may also create an off-network embedded Channel page on their own corporate website featuring content in their BrightTALK Channel, as well as an embedded BrightTALK registration form that captures and converts interested individuals to marketing leads.

Cost of Revenue, Operating Expenses, and Other

Expenses consist of cost of revenue, selling and marketing, product development, general and administrative, depreciation and amortization, and interest and other expense, net. Personnel-related costs are a significant component of each of these expense categories except for depreciation and amortization and interest and other expense, net.

Cost of Revenue. Cost of revenue consists primarily of salaries and related personnel costs; member acquisition expenses (primarily keyword purchases from leading internet search sites); lead generation expenses; freelance writer expenses; website hosting costs; vendor expenses associated with the delivery of webcast, podcast, videocast and similar content and other offerings; stock-based compensation expenses; facility expenses and other related overhead.

Selling and Marketing. Selling and marketing expenses consist primarily of salaries and related personnel costs; sales commissions; travel-related expenses; stock-based compensation expenses; facility expenses and other related overhead. Sales commissions are recorded as expense when earned by the employee.

Product Development. Product development includes the creation and maintenance of our network of websites, advertiser offerings and technical infrastructure. Product development expense consists primarily of salaries and related personnel costs; stock-based compensation expenses; facility expenses, and other related overhead.

General and Administrative. General and administrative expenses consist primarily of salaries and related personnel costs; facility expenses and related overhead; accounting, legal and other professional fees; and stock-based compensation expenses.

Transaction and related expenses. Cost related to the merger of the digital businesses of Informa's Informa Tech Division with TechTarget, Inc., including fees paid for financial advisors, legal services, planning costs, professional accounting and other services.

Depreciation. Depreciation expense consists of the depreciation of our property and equipment and other capitalized assets. Depreciation is calculated using the straight-line method over their estimated useful lives, ranging from three to ten years.

Amortization. Amortization expense consists of the amortization of intangible assets recorded in connection with our acquisitions, including changes in the value of contingent consideration in relation to certain of the acquisitions. Separable intangible assets that are not deemed to have an indefinite life are amortized over their estimated useful lives, which range from eighteen months to nineteen years, using methods that are expected to reflect the estimated pattern of economic use.

Interest and Other Expense, Net. Interest expense, net consists primarily of interest costs (offset by interest income), and the related amortization of deferred issuance costs on our Notes and amounts borrowed under our current and our prior loan agreements and amortization of premiums on our investments, less any interest income earned on cash, cash equivalents and short-term investments. We historically have invested our cash in money market accounts, municipal bonds, government agency bonds, U.S. Treasury securities, and corporate bonds. Other expense, net consists primarily of non-operating gains or losses, primarily related to realized and unrealized foreign currency gains and losses on trade assets and liabilities.

Application of Critical Accounting Policies and Use of Estimates

The discussion of our financial condition and results of operations is based upon our condensed consolidated financial statements, which have been prepared in accordance with U.S. GAAP. The preparation of these financial statements requires us to make estimates, judgments and assumptions that affect the reported amount of assets, liabilities, revenue and expenses and related disclosure of contingent assets and liabilities. On an ongoing basis, we evaluate our estimates, including those related to revenue, long-lived assets, goodwill, allowance for doubtful accounts, stock-based compensation, contingent liabilities, self-insurance accruals and income taxes. We base our estimates of the carrying value of certain assets and liabilities on historical experience and on various other assumptions that we believe to be reasonable. In some cases, changes in accounting estimates are reasonably likely to occur from period to period. Our actual results may differ from these estimates under different assumptions or conditions.

Our critical accounting policies are those that affect our more significant judgments used in the preparation of our condensed consolidated financial statements. A description of our critical accounting policies and estimates is contained in our Annual Report on Form 10-K for the year ended December 31, 2023. Other than those noted in Note 2 to our condensed consolidated financial statements, there were no material changes to our critical accounting policies and estimates during the first nine months of 2024.

Income Taxes

We are subject to income taxes in both the U.S. and foreign jurisdictions, and we use estimates in determining our provision for income taxes. We recognize deferred tax assets and liabilities based on temporary differences between the financial reporting and income tax bases of assets and liabilities using statutory rates expected to be in effect when such differences are settled.

Our net deferred tax liabilities are comprised primarily of book to tax differences on stock-based compensation, intangible asset basis, net operating loss carryforwards, valuation allowance and timing of deductions for right-of-use assets and lease liabilities, research and development expenditures, accrued expenses, depreciation, and amortization.

Results of Operations

The following table sets forth our results of operations for the periods indicated, including percentage of total revenue:

	Three Months Ended September 30,				Nine Months Ended September 30,			
(dollars in thousands)	2024		2023		2024		2023	
Revenue	$ 58,472	100 %	$ 57,128	100 %	$ 169,022	100 %	$ 172,671	100 %
Cost of revenue	21,298	36 %	18,250	32 %	61,870	37 %	54,006	31 %
Amortization of acquired technology	723	1 %	700	1 %	2,128	1 %	2,067	1 %
Gross profit	36,451	62 %	38,178	67 %	105,024	62 %	116,598	68 %
Operating expenses:								
Selling and marketing	22,269	38 %	23,944	42 %	68,419	40 %	73,615	43 %
Product development	2,948	5 %	2,700	5 %	8,345	5 %	7,766	4 %
General and administrative	6,607	11 %	7,383	13 %	20,927	12 %	23,007	13 %
Transaction and related expenses	2,645	5 %	—	0 %	11,240	7 %	—	0 %
Depreciation	2,317	4 %	2,180	4 %	6,930	4 %	6,275	4 %
Amortization	1,513	3 %	1,502	3 %	4,509	3 %	4,501	3 %
Total operating expenses	38,299	65 %	37,709	66 %	120,370	71 %	115,164	67 %
Operating income (loss)	(1,848)	-3 %	469	1 %	(15,346)	-9 %	1,434	1 %
Interest and other income, net	3,609	6 %	2,791	5 %	9,958	6 %	8,463	5 %
Gain from early extinguishment of debt	-	0 %	5,033	9 %	-	0 %	5,033	3 %
Income (loss) before provision for income taxes	1,761	3 %	8,293	15 %	(5,388)	-3 %	14,930	9 %
Provision for income taxes	3,477	6 %	6,551	11 %	5,104	3 %	8,868	5 %
Net income (loss)	$ (1,716)	-3 %	$ 1,742	3 %	$ (10,492)	-6 %	$ 6,062	4 %

Comparison of Three Months Ended September 30, 2024 and September 30, 2023

Revenue

	Three Months Ended September 30,			
(dollars in thousands)	2024	2023	Increase	Percent Change
Revenue	$ 58,472	$ 57,128	$ 1,344	2 %

Revenue increased by $1.3 million for the three months ended September 30, 2024, as compared to the same period in 2023, primarily due to the following:

- 178 new customers during the third quarter of 2024 which resulted in increased revenues of approximately $3.1 million.
- Our existing customers decreased their spend by approximately $1.7 million.

Cost of Revenue and Gross Profit

	Three Months Ended September 30,			
(dollars in thousands)	2024	2023	Increase (Decrease)	Percent Change
Cost of revenue	$ 21,298	$ 18,250	$ 3,048	17 %
Amortization of acquired technology	723	700	23	3 %
Total cost of revenue	$ 22,021	$ 18,950	$ 3,071	16 %
Gross profit	$ 36,451	$ 38,178	$ (1,727)	-5 %
Gross profit percentage	62 %	67 %		

Cost of Revenue. Cost of Revenue for the three months ended September 30, 2024 increased by $3.0 million as compared to the three months ended September 30, 2023, primarily due to the following:

- $1.3 million increase in labor and related costs;
- $1.5 million increase in variable costs attributable to contracted costs related to fulfilling campaigns; and
- $0.4 million increase in depreciation expense.

Gross Profit. Our gross profit is equal to the difference between our revenue and our cost of revenue for the period. Gross profit percentage was 62% and 67% for the three months ended September 30, 2024 and 2023, respectively. Gross profit decreased by $1.7 million for the three months ended September 30, 2024 compared to the same period in 2023, primarily due to increased cost of revenues. Because the majority of our costs are labor-related, we expect our gross profit to fluctuate from period to period depending on the total revenue for the period.

Operating Expenses and Other

	Three Months Ended September 30,			
(dollars in thousands)	**2024**	**2023**	**Increase (Decrease)**	**Percent Change**
Operating expenses:				
Selling and marketing	$ 22,269	$ 23,944	$ (1,675)	-7%
Product development	2,948	2,700	248	9%
General and administrative	6,607	7,383	(776)	-11%
Transaction and related expenses	2,645	—	2,645	100%
Depreciation	2,317	2,180	137	6%
Amortization	1,513	1,502	11	1%
Total operating expenses	$ 38,299	$ 37,709	$ 590	2%
Interest and other income, net	$ 3,609	$ 2,791	$ 818	29%
Gain from early extinguishment of debt	$ -	$ 5,033	$ (5,033)	-100%
Provision for income taxes	$ 3,477	$ 6,551	$ (3,074)	-47%

Selling and Marketing. Selling and marketing expenses decreased by $1.7 million for the three months ended September 30, 2024 as compared to the same period in 2023 primarily due to a $1.6 million decrease in stock based compensation and a $0.2 million decrease in labor and related costs.

Product Development. Product development expenses increased by $0.2 million for the three months ended September 30, 2024 as compared to the same period in 2023 primarily due to a $0.1 million increase in stock based compensation and a $0.1 million increase in labor and related costs.

General and Administrative. General and administrative expenses decreased by $0.8 million for the three months ended September 30, 2024 as compared to the same period in 2023 primarily due to a $0.7 million decrease in bad debt expense and a $0.1 million decrease in stock based compensation.

Transaction and related expenses. Transaction and related expenses increased by $2.6 million for the three months ended September 30, 2024 as compared to the same period in 2023 primarily due to a $2.6 million increase in non-recurring legal and advisor costs relating to the proposed transaction.

Depreciation. Depreciation expense increased by $0.1 million for the three months ended September 30, 2024 as compared to the same period in 2023 primarily due to increased capitalized software expenditures.

Amortization. Amortization expense was approximately the same for the three months ended September 30, 2024 as compared to the same period in 2023.

Interest and other income, net. Interest and other income, net, increased by $0.8 million for the three months ended September 30, 2024 as compared to the same period in 2023 primarily due to a $0.3 million increase in interest income, a $0.4 million decrease in foreign currency exchange losses, and a $0.1 million decrease in interest expense.

Gain on early extinguishment of debt. Gain on early extinguishment of debt relates to the repurchase of certain of our outstanding 2025 Notes. During the three months ended September 30, 2023, we repurchased $48.3 million aggregate principal amount of the 2025 Notes for $42.6 million, including transaction fees, which resulted in a gain on early extinguishment of debt of $5.0 million. No such repurchases occurred and no such gain was recognized during the three months ended September 30, 2024.

Provision for income taxes. We recorded an income tax expense of $3.5 million and $6.6 million for the three months ended September 30, 2024 and 2023, respectively, representing effective income tax rates of 197% and 79%, respectively. The tax expense for the three months ended September 30, 2024 decreased by approximately $3.1 million, as compared to the same period in 2023, primarily due to a decrease in pretax income that resulted in a $3.0 million decrease in tax expense based on our projected effective tax rate and a decrease of $0.1 million in tax from discrete items related to stock based compensation awards.

Comparison of Nine Months Ended September 30, 2024 and September 30, 2023

Revenue

	Nine Months Ended September 30,			
(dollars in thousands)	**2024**	**2023**	**Decrease**	**Percent Change**
Revenues	$ 169,022	$ 172,671	$ (3,649)	-2%

Revenue decreased by $3.6 million for the nine months ended September 30, 2024, as compared to the same period in 2023, primarily due to the following:

• 568 new customers during the first nine months of 2024 which resulted in increased revenues of approximately $20.9 million.

• Our existing customers decreased their spend by approximately $24.5 million.

Cost of Revenue and Gross Profit

	Nine Months Ended September 30,			
(dollars in thousands)	**2024**	**2023**	**Increase (Decrease)**	**Percent Change**
Cost of revenue	$ 61,870	$ 54,006	$ 7,864	15%
Amortization of acquired technology	2,128	2,067	61	3%
Total cost of revenue	$ 63,998	$ 56,073	$ 7,925	14%
Gross profit	$ 105,024	$ 116,598	$ (11,574)	-10%
Gross profit percentage	62%	68%		

Cost of Revenue. Cost of Revenue increased by $7.9 million for the nine months ended September 30, 2024 as compared to the nine months ended September 30, 2023, primarily due to the following:

• $3.1 million increase in labor and related costs;

• $3.4 million increase in variable costs attributable to contracted costs related to fulfilling campaigns; and

• $1.1 million increase in depreciation expense.

Gross Profit. Our gross profit is equal to the difference between our revenue and our cost of revenue for the period. Gross profit percentage was 62% and 68% for the nine months ended September 30, 2024 and 2023, respectively. Gross profit decreased by $11.6 million for the nine months ended September 30, 2024 compared to the same period in 2023, primarily due to increased cost of revenue. Because the majority of our costs are labor-related, we expect our gross profit to fluctuate from period to period depending on the total revenue for the period.

Operating Expenses and Other

	Nine Months Ended September 30,			
(dollars in thousands)	**2024**	**2023**	**Increase (Decrease)**	**Percent Change**
Operating expenses:				
Selling and marketing	$ 68,419	$ 73,615	$ (5,196)	-7%
Product development	8,345	7,766	579	7%
General and administrative	20,927	23,007	(2,080)	-9%
Transaction and related expenses	11,240	—	11,240	100%
Depreciation	6,930	6,275	655	10%
Amortization	4,509	4,501	8	0%
Total operating expenses	$ 120,370	$ 115,164	$ 5,206	5%
Interest and other income, net	$ 9,958	$ 8,463	$ 1,495	18%
Gain from early extinguishment of debt	$ -	$ 5,033	$ (5,033)	-100%
Provision for income taxes	$ 5,104	$ 8,868	$ (3,764)	-42%

Selling and Marketing. Selling and marketing expenses decreased by $5.2 million for the nine months ended September 30, 2024 as compared to the same period in 2023 primarily due to a $4.3 million decrease in stock based compensation and a $1.0 million decrease in labor and related costs.

Product Development. Product development expenses increased by $0.6 million for the nine months ended September 30, 2024 as compared to the same period in 2023 primarily due to a $0.5 million increase in labor and related costs and a $0.2 million increase in stock based compensation.

General and Administrative. General and administrative expenses decreased by $2.1 million for the nine months ended September 30, 2024 as compared to the same period in 2023 primarily due to $3.1 million decrease in bad debt expense offset by a $0.6 million increase in stock based compensation and a $0.5 million increase in labor and related costs.

Transaction and related expenses. Transaction and related expenses increased by $11.2 million for the nine months ended September 30, 2024 as compared to the same period in 2023 primarily due to an $11.2 million increase in non-recurring legal and advisor costs relating to the proposed transaction.

Depreciation. Depreciation expense increased by $0.7 million for the nine months ended September 30, 2024 as compared to the same period in 2023 primarily due to increased capitalized software expenditures.

Amortization. Amortization expense was approximately the same for the nine months ended September 30, 2024 as compared to the same period in 2023.

Interest and other income, net. Interest and other income, net, increased by $1.5 million for the nine months ended September 30, 2024 as compared to the same period in 2023 primarily due to a $1.0 million increase in interest income and a $0.4 million decrease in interest expense.

Gain on early extinguishment of debt. Gain on early extinguishment of debt relates to the repurchase of certain of our outstanding 2025 Notes. During the nine months ended September 30, 2023, we repurchased $48.3 million aggregate principal amount of the 2025 Notes for $42.6 million, including transaction fees, which resulted in a gain on early extinguishment of debt of $5.0 million. No such repurchases occurred and no such gain was recognized during the nine months ended September 30, 2024.

Provision for income taxes. We recorded an income tax expense of $5.1 million and $8.9 million for the nine months ended September 30, 2024 and 2023, respectively, representing effective income tax rate was (95%) and 59%, respectively. The tax expense for the nine months ended September 30, 2024 decreased by approximately $3.8 million primarily due to the fact we recorded a pretax loss for the nine months ended September 30, 2024 compared to pretax income during the same period in 2023.

Seasonality

The timing of our revenues is affected by seasonal factors, with revenues generally lower during the first quarter relative to subsequent quarters in a given year. Our revenues are seasonal primarily as a result of the annual budget approval process of many of our customers, the normal timing at which our customers introduce new products, and the historical decrease in advertising in summer months. The timing of revenues in relation to our expenses, much of which do not vary directly with revenues, has an impact on our cost of revenues, selling and marketing, product development, and general and administrative expenses as a percentage of revenues in each calendar quarter during the year.

The majority of our expenses are personnel-related and include salaries, stock-based compensation, benefits and incentive-based compensation plan expenses. As a result, we have not experienced significant seasonal fluctuations in the timing of our expenses period to period.

Liquidity and Capital Resources

Resources

Our cash, cash equivalents and short-term investments at September 30, 2024 totaled $355.8 million, a $29.5 million increase from December 31, 2023, primarily driven by the cash generated from our operating activities of $40.9 million and proceeds from ESPP of $0.6 million, offset in part by capital expenditures of $12.6 million. We believe that our existing cash, cash equivalents and short-term investments, and our cash flow from operating activities will be sufficient to meet our anticipated cash needs for at least the next twelve months. Our future working capital requirements will depend on many factors, including the operations of our existing business, our potential strategic expansion internationally, future acquisitions we might undertake and any expansion into complementary businesses. To the extent that our cash, cash equivalents and short-term investments, and cash flow from operating activities are insufficient to fund our future activities, we may raise additional funds through additional bank credit arrangements or public or private equity or debt financings; provided that with certain of the foregoing actions, if we were to move forward with them, we would be required to obtain Informa’s approval under the Transaction Agreement, subject to certain exceptions.

(dollars in thousands)	September 30, 2024	December 31, 2023
Cash, cash equivalents and short-term investments	$ 355,829	$ 326,269
Accounts receivable, net	$ 40,438	$ 39,239

Cash, Cash Equivalents and Short-Term Investments

Our cash, cash equivalents and short-term investments at September 30, 2024 were held for working capital purposes and were invested primarily in pooled bond funds. We do not enter into investments for trading or speculative purposes.

Accounts Receivable, Net

Our accounts receivable balance fluctuates from period to period, which affects our cash flows from operating activities. The fluctuations vary depending on the timing with which we meet our performance obligations and on the timing of our cash collections, as well as on changes to our allowance for doubtful accounts. We use days sales outstanding (“DSO”) as a measurement of the quality and status of our receivables since lower DSO is generally correlated with higher collection rates. We define DSO as net accounts receivable at quarter end divided by total revenue for the applicable period, multiplied by the number of days in the applicable period. DSO was 64 days and 63 days at September 30, 2024 and December 31, 2023, respectively.

Cash Flows

(dollars in thousands)	Nine Months Ended September 30, 2024	Nine Months Ended September 30, 2023
Net cash provided by operating activities	$ 40,945	$ 53,800
Net cash provided by (used in) investing activities	$ 10,694	$ (88,167)
Net cash provided by (used in) financing activities	$ 227	$ (98,710)

Operating Activities

Cash provided by operating activities primarily consists of net income adjusted for certain non-cash items including depreciation and amortization, provisions for bad debt, stock-based compensation, deferred income taxes, and the effect of changes in working capital and other activities. Cash provided by operating activities for the nine months ended September 30, 2024 and 2023 was $40.9 million and $53.8 million, respectively.

The decrease in cash provided by operating activities was primarily the result of transaction-related expenses charged to earnings.

Investing Activities

Cash provided by investing activities for the nine months ended September 30, 2024 was $10.7 million and cash used in investing activities for the nine months ended September 30, 2023 was $88.2 million. The change in cash provided by investing activities was primarily driven by the purchase and maturity of investments and the purchase of property and equipment, primarily for internal-use software, and to a lesser extent, computer equipment. We capitalized internal-use software and website development costs of $12.2 million and $10.6 million for the nine months ended September 30, 2024 and 2023, respectively.

Capital Expenditures

We have made capital expenditures primarily for computer equipment and related software needed to host our websites, internal-use software development costs, as well as for leasehold improvements and other general purposes to support our growth. Our capital expenditures totaled $12.6 million and $10.9 million for the nine months ended September 30, 2024 and 2023, respectively. The majority of our capital expenditures in the first nine months of 2024 were for internal-use software and website development costs and, to a lesser extent, computer equipment and related software. We capitalized internal-use software and website development costs of $12.2 million and $10.6 million for the nine months ended September 30, 2024 and 2023, respectively. We are not currently party to any purchase contracts related to future capital expenditures.

Financing Activities

In the first nine months of 2024, cash provided by financing activities was $0.2 million due primarily to a $0.6 million increase in proceeds from the issuance of common stock from ESPP offset by a $0.3 million increase in tax withholdings related to net share settlements. In the first nine months of 2023, we used $98.7 million for financing activities, consisting primarily of $2.3 million for the payment of contingent consideration related to our 2021 acquisitions, $4.6 million for tax withholdings related to net share settlements, $50.0 million for the repurchase of shares of our common stock and $42.6 million for the repurchase of certain of our 2025 Notes.

Repurchase Programs

In May 2022, we announced that our board of directors had authorized a stock repurchase program (the “May 2022 Repurchase Program”) whereby we were authorized to repurchase shares of our common stock having an aggregate purchase price of up to $50.0 million from time to time on the open market or in privately negotiated transactions at prices and in the manner determined by management. There were no amounts purchased under this plan during the nine months ended September 30, 2024 and September 30, 2023. As of September 30, 2024, no amounts remained available under the May 2022 Repurchase Program.

In November 2022, we announced that our board of directors had authorized a new repurchase program (the “November 2022 Repurchase Program”) whereby we were authorized to repurchase shares of our common stock and convertible senior notes having an aggregate purchase price of up to $200.0 million from time to time on the open market or in privately negotiated transactions at prices and in the manner determined by management over the next two years. During the nine month period ended September 30, 2023, we repurchased 1,318,664 shares for an aggregate purchase price of $50.0 million at an average share price of $37.90 and $48.3 million aggregate principal amount of the 2025 Notes under the November 2022 Repurchase Program. There were no amounts purchased under the November 2022 Repurchase Program during the nine months ended September 30, 2024. As of September 30, 2024, $92.9 million remained available under the November 2022 Repurchase Program. We are restricted from making any repurchases during the period between the execution of the Transaction Agreement and the closing of the proposed transaction without Informa's approval.

Repurchased shares were recorded under the cost method and are reflected as treasury stock in the accompanying condensed consolidated Balance Sheets.

Convertible Senior Notes and Term Loan and Credit Facility Borrowings

Convertible Senior Notes

In December 2021, we issued $414 million in aggregate principal amount of 0.00% convertible senior notes (the "2026 Notes") due December 15, 2026, unless earlier repurchased by us or converted by the holder pursuant to their terms. Special interest, if any, is payable semiannually in arrears on June 15 and December 15 of each year.

The 2026 Notes are governed by an indenture between us, as issuer, and U.S. Bank Trust Company, National Association, as trustee. The 2026 Notes are unsecured and rank senior in right of payment to our future indebtedness that is expressly subordinated in right of payment to the 2026 Notes and equal in right of payment to our unsecured indebtedness that is not so subordinated.

Upon conversion, we will pay or deliver, as the case may be, cash, shares of our common stock or a combination of cash and shares of common stock, at our election.

The 2026 Notes have an initial conversion rate of 7.6043 shares of common stock per $1,000 principal amount of 2026 Notes. This represents an initial effective conversion price of approximately $131.50 per share of common stock and 3,148,180 shares issuable upon conversion. Throughout the term of the 2026 Notes, the conversion rate may be adjusted upon the occurrence of certain events. As of September 30, 2024, no such adjustment has occurred. Holders of the 2026 Notes will not receive any cash payment representing accrued and unpaid interest, if any, upon conversion of a 2026 Note.

Proceeds from the 2026 Notes were utilized to retire $149.9 million of the 2025 Notes and for general corporate purposes.

In December 2020, we issued $201.3 million in aggregate principal amount of 0.125% convertible senior notes (the "2025 Notes") due December 15, 2025, unless earlier repurchased by us or converted by the holder pursuant to their terms. Interest is payable semiannually in arrears on June 15 and December 15 of each year, which commenced on June 15, 2021.

The 2025 Notes are governed by an indenture between us, as issuer, and U.S. Bank Trust Company, National Association, as trustee. The 2025 Notes are unsecured and rank senior in right of payment to our future indebtedness that is expressly subordinated in right of payment to the Notes and equal in right of payment to our unsecured indebtedness that is not so subordinated.

Upon conversion, we will pay or deliver, as the case may be, cash, shares of our common stock or a combination of cash and shares of common stock, at our election.

The 2025 Notes have an initial conversion rate of 14.1977 shares of common stock per $1,000 principal amount of the Notes. This represents an initial effective conversion price of approximately $70.43 per share of common stock and 2,857,447 shares issuable upon conversion of the full aggregate principal amount of the 2025 Notes. Throughout the term of the 2025 Notes, the conversion rate may be adjusted upon the occurrence of certain events. As of September 30, 2024, no such adjustment has occurred. Holders of the 2025 Notes will not receive any cash payment representing accrued and unpaid interest, if any, upon conversion of a Note, except in limited circumstances. Accrued but unpaid interest will be deemed to be paid by cash, shares of our common stock or a combination of cash and shares of our common stock paid or delivered, as the case may be, to the holder upon conversion of the Notes.

After the induced conversion of $149.9 million aggregate principal amount of the 2025 Notes in December 2021, approximately $51 million of aggregate principal of 2025 Notes remain outstanding. In August 2023, we repurchased $48.3 million aggregate principal amount of the 2025 Notes for $42.6 million in cash including transaction fees. As of September 30, 2024, 43,163 shares were issuable upon conversion of the full aggregate principal amounts of such remaining 2025 Notes.

In August 2023, under the November 2022 Repurchase Program we repurchased $48.3 million aggregate principal amount of the 2025 Notes for $42.6 million including transaction fees, which resulted in a gain on early extinguishment of debt of $5 million. See Note 8 to our condensed consolidated financial statements "Convertible Notes and Loan Agreement" for additional information.

We and New TechTarget are obligated under the Transaction Agreement to use our reasonable best efforts to enter into a revolving credit facility or other senior lending facility, which shall be entered into prior to (but effective upon) the closing of the proposed transaction, with commitments of at least $250,000,000 to be used (together with our and our subsidiaries available cash on hand) to satisfy our obligations under the Notes and for general working capital purposes.

2021 Loan Agreement

On October 29, 2021, we entered into the 2021 Loan Agreement with Western Alliance Bank. The 2021 Loan Agreement provided for a $75 million revolving credit facility with a $5 million letter-of-credit sublimit and expired on October 29, 2023. The 2021 Loan Agreement was secured by substantially all of our assets. Borrowings under the 2021 Loan Agreement bore interest based on a formula using certain market rates. The 2021 Loan Agreement was subject to various leverage and non-financial covenants. The 2021 Loan Agreement matured on its stated maturity date of October 29, 2023.

Contractual Obligations

There were no material changes to our contractual obligations and commitments described under “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Annual Report on Form 10-K for the year ended December 31, 2023.

Cautionary Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q contains “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) that involve substantial risks and uncertainties. All statements, other than statements of historical facts, included or referenced in this Quarterly Report on Form 10-Q that address activities, events or developments which we expect will or may occur in the future are forward-looking statements, including statements regarding the intent, belief or our current expectations of we and members of our management team. The words “may,” “will,” “should,” “potential,” “intend,” “expect,” “endeavor,” “seek,” “anticipate,” “estimate,” “overestimate,” “underestimate,” “believe,” “plan,” “could,” “would,” “project,” “predict,” “continue,” “target,” and similar expressions are also intended to identify forward looking statements. Such statements may include those regarding guidance on our future financial results and other projections or measures of our future performance; our expectations concerning market opportunities and our ability to capitalize on them; the amount and timing of the benefits expected from new products or services and other potential sources of additional revenues; the expected timing and structure of our proposed transaction with Informa PLC (“Informa”); our ability to complete the proposed transaction with Informa considering the various closing conditions; the expected benefits of the proposed transaction with Informa, such as improved operations, enhanced revenues and cash flow, synergies, growth potential, market profile, business plans, expanded portfolio and financial strength; and the competitive ability and position of the combined business following the completion of the proposed transaction. Such forward-looking statements are based upon current plans, estimates, and expectations that are subject to risks, uncertainties, and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, actual results may vary materially from those indicated or anticipated by such forward-looking statements. We can give no assurance that such plans, estimates, or expectations will be achieved, and therefore, actual results may differ materially from any plans, estimates, or expectations in such forward-looking statements. Important factors that could cause actual results to differ materially from such plans, estimates, or expectations include, but are not limited to, those relating to: market acceptance of our products and services, including continued increased sales of our IT Deal Alert™ offerings and continued increased international growth; that one or more closing conditions to the proposed transaction with Informa, including certain regulatory approvals, may not be satisfied or waived, on a timely basis or otherwise, including that a governmental entity may prohibit, delay, or refuse to grant approval for the consummation of the proposed transaction, may require conditions, limitations, or restrictions in connection with such approvals or that the required approval by our stockholders may not be obtained; the risk that the proposed transaction with Informa may not be completed in the time frame expected or at all; unexpected costs, charges, or expenses resulting from the proposed transaction; uncertainty of the expected financial performance of combined business following completion of the proposed transaction with Informa; failure to realize the anticipated benefits of the proposed transaction with Informa, including as a result of delay in completing the proposed transaction or integrating the relevant portion of the Informa assets being contributed in the proposed transaction (the “Informa Tech business”) with our business; difficulties and delays in achieving revenue and cost synergies; the occurrence of any event that could give rise to termination of the proposed transaction with Informa; potential litigation in connection with the proposed transaction with Informa or other settlements or investigations that may affect the timing or occurrence of the proposed transaction with Informa or result in significant costs of defense, indemnification, and liability; evolving legal, regulatory, and tax regimes; changes in economic, financial, political, and regulatory conditions, in the United States and elsewhere, and other factors that contribute to uncertainty and volatility, natural and man-made disasters, civil unrest, pandemics, geopolitical uncertainty, and conditions that may result from legislative, regulatory, trade, and policy changes associated with the current or subsequent U.S. administration; risks related to disruption of management time from ongoing business operations due to the proposed transaction with Informa; certain restrictions during the pendency of the proposed transaction that may impact our ability to pursue certain business opportunities or strategic transactions; our ability and the ability of the combined business to meet expectations regarding the accounting and tax treatments of the proposed transaction with Informa; the risk that any announcements relating to the proposed transaction with Informa could have adverse effects on the market price of our common stock; the risk that the proposed transaction with Informa and its announcement could have an adverse effect on our ability to retain customers and retain and hire key personnel and maintain relationships with customers, suppliers, employees, stockholders, strategic partners and other business relationships and on our operating results and business generally; market acceptance of our and the Informa Tech business’s products and services; changes in economic, tax, legal or regulatory conditions or other trends affecting the internet, internet advertising and information technology industries; data privacy and artificial intelligence laws, rules and regulations; the impact of foreign currency exchange rates; certain macroeconomic factors facing the global economy, including instability in the regional banking sector, disruptions in the capital markets, economic sanctions and economic slowdowns or recessions, rising inflation and interest rates fluctuations on our results and the results of the Informa Tech business; and other matters included in our SEC filings, including in our Annual Report on Form 10-K for the year ended December 31, 2023.

While the list of factors presented here is considered representative, no such list should be considered to be a complete statement of all potential risks and uncertainties. Unlisted factors may present significant additional obstacles to the realization of forward-looking statements. We caution you not to place undue reliance on any of these forward-looking statements as they are not guarantees of future performance or outcomes and that actual performance and outcomes, including, without limitation, our actual results of operations, financial condition and liquidity may differ materially from those made in or suggested by the forward-looking statements contained herein. Any forward-looking statements speak only as of the date of this Quarterly Report on Form 10-Q. We undertake no obligation to update any forward-looking statements, whether as a result of new information or developments, future events, or otherwise, except as required by law. Neither future distribution of this Quarterly Report on Form 10-Q nor the continued availability of this communication in archive form on our website should be deemed to constitute an update or re-affirmation of these statements as of any future date.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Market risk represents the risk of loss that may impact our financial position due to adverse changes in financial market prices and rates. Our market risk exposure is primarily a result of fluctuations in foreign exchange rates and interest rates. We do not hold or issue financial instruments for trading purposes.

Foreign Currency Exchange Risk

We currently have subsidiaries in the United Kingdom, Hong Kong, Australia, Singapore, Germany and France. Approximately 30% of our revenue for the nine months ended September 30, 2024 was derived from customers with billing addresses outside of the United States and our foreign exchange gains/losses were not significant. We currently believe our exposure to foreign currency exchange rate fluctuations is financially immaterial and therefore have not entered into foreign currency hedging transactions. We continue to review this issue and may consider hedging certain foreign exchange risks through the use of currency futures or options in the future. The volatility of exchange rates depends on many factors that we cannot forecast with reliable accuracy. Our continued international expansion increases our exposure to exchange rate fluctuations and as a result such fluctuations could have a significant impact on our future results of operations. We also maintain receivables and cash accounts denominated in currencies other than the local currency, which exposes us to foreign exchange rate movements.

In addition, our foreign subsidiaries have certain amounts of Goodwill and Intangibles which expose us to foreign currency exchange rate fluctuations. These exchange rate fluctuations are included as a component of other comprehensive (loss) income.

Interest Rate Risk

At September 30, 2024, we had cash, cash equivalents and short-term investments of $355.8 million. The investments were held in bond funds and time deposits. The cash, cash equivalents and short-term investments were held for working capital purposes. We have not entered into investments for trading or speculative purposes. Due to the short-term nature of these investments, we believe that we do not have any material exposure to changes in the fair value as a result of increases in interest rates. Declines in interest rates, however, would reduce future investment income.

Inflation

Although we cannot accurately anticipate the future effect of inflation on our financial condition or results of operations, inflation historically has not had a material impact on our operations. If our costs were to become subject to significant inflationary pressures, we may not be able to fully offset such higher costs through price increases for services. Our inability to do so could harm our business, financial condition or results of operations.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

We are required to maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our reports under the Securities Exchange Act of 1934 is recorded, processed, summarized and reported within the time periods specified in the Securities and Exchange Commission's rules and forms, and that such information is accumulated and communicated to management, including our Chief Executive Officer (Principal Executive Officer) and Chief Financial Officer (Principal Financial Officer) as appropriate, to allow timely decisions regarding required disclosure.

In connection with the preparation of this Quarterly Report on Form 10-Q for the period ended September 30, 2024, management, under the supervision of our Chief Executive Officer and Chief Financial Officer, conducted an evaluation of our disclosure controls and procedures as of September 30, 2024. Based on that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective at the reasonable assurance level.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting identified in connection with the evaluation of such internal controls that occurred during the third quarter of 2024 that have materially affected, or are reasonably likely to materially affect our internal control over financial reporting.

PART II—OTHER INFORMATION

Item 1. Legal Proceedings

From time to time and in the ordinary course of business, the Company may be subject to various claims, charges, and litigation. Information regarding legal proceedings is available in Note 9, “Leases and Contingencies”, to the condensed consolidated financial statements in this Quarterly Report on Form 10-Q.

Item 1A. Risk Factors

Our business is subject to a number of risks that could have a material effect on our business, results of operations, financial condition and/or liquidity and that could cause our operating results to vary significantly from period to period. In addition to the other information set forth in this Quarterly Report on Form 10-Q, you should carefully consider the risk factors we have previously disclosed in Item 1A – “Risk Factors” of our Annual Report on Form 10-K for the year ended December 31, 2023. We may disclose changes to any risk factors presented or disclose additional factors from time to time in our future filings with the Securities and Exchange Commission.

Item 5. Other Information

Trading Plans

There were no Rule 10b5-1 plans or non-Rule 10b5-1 trading arrangements (as defined in Item 408(c) of Regulation S-K) adopted , modified , or terminated by any directors or officers (as defined in Rule 16a-1(f)) of the Company during the quarterly period covered by this report.

Item 6. Exhibits

The exhibits listed below are filed as part of this Quarterly Report on Form 10-Q.

			Incorporated by Reference to		
Exhibit No.	Description of Exhibit	Form or Schedule	Exhibit No.	Filing Date with SEC	SEC File Number
2.1*	Agreement and Plan of Merger, dated as of January 10, 2024, by and among TechTarget, Inc., Toro CombineCo., Toro Acquisition Sub, LLC, Informa PLC, Informa US Holdings Limited, and Informa Intrepid Holdings Inc.	8-K	2.1	1/11/2024	001-33472
3.1	Fourth Amended and Restated Certificate of Incorporation of the Registrant.	10-Q	3.1	11/13/2007	001-33472
3.2	Amended and Restated Bylaws of TechTarget, Inc.	10-K	3.2	02/28/2024	001-33472
31.1**	Certification of Michael Cotoia, Chief Executive Officer of TechTarget, Inc., pursuant to Rules 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				
31.2**	Certification of Daniel Noreck, Chief Financial Officer and Treasurer of TechTarget, Inc., pursuant to Rules 13a-14(a) and 15d-14(a) of the Securities Exchange Act of 1934, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				
32.3**	Certifications of Michael Cotoia, Chief Executive Officer of TechTarget, Inc. and Daniel Noreck, Chief Financial Officer and Treasurer of TechTarget, Inc. pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				
101.INS	Inline XBRL Instance Document* The instance document does not appear in the Interactive Data File because its XBRL tags are Embedded within the Inline XBRL document.				
101.SCH	Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents*				
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)				

* Certain schedules, annexes and exhibits to the Transaction Agreement and Plan of Merger have been omitted pursuant to Item 601(b)(2) of Regulation S-K. The registrant will furnish copies of any such schedules, annexes and exhibits to the U.S. Securities and Exchange Commission upon request.
** Filed herewith.

SIGNATURES

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

	TECHTARGET, INC. *(Registrant)*
Date: November 12, 2024	By: /s/ MICHAEL COTOIA Michael Cotoia, *Chief Executive Officer and Director* *(Principal Executive Officer)*
Date: November 12, 2024	By: /s/ DANIEL NORECK Daniel Noreck, *Chief Financial Officer and Treasurer* *(Principal Accounting and Financial Officer)*

Exhibit 31.1

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER PURSUANT TO
SECURITIES EXCHANGE ACT RULES 13a-14(a) AND 15d-14(a),
AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Michael Cotoia, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of TechTarget, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 12, 2024

/s/ Michael Cotoia
Michael Cotoia
Chief Executive Officer

Exhibit 31.2

CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER PURSUANT TO SECURITIES EXCHANGE ACT RULES 13a-14(a) AND 15d-14(a), AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Daniel Noreck, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of TechTarget, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
    (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
    (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 12, 2024

/s/ Daniel Noreck
Daniel Noreck
Chief Financial Officer and Treasurer

Exhibit 32.3

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

Each of Michael Cotoia and Daniel Noreck hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, in his/her capacity as Chief Executive Officer and Chief Financial Officer and Treasurer, respectively of TechTarget, Inc. (the Company), that, to his/her knowledge, the Quarterly Report of the Company on Form 10-Q for the period ended September 30, 2024 as filed with the Securities and Exchange Commission (the Report) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 12, 2024	By:	/s/ Michael Cotoia
		Michael Cotoia *Chief Executive Officer*
Date: November 12, 2024	By:	/s/ Daniel Noreck
		Daniel Noreck *Chief Financial Officer and Treasurer*