

**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, 2023

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

(State or other jurisdiction of
incorporation or organization)

275 Grove Street Newton, Massachusetts

(Address of principal executive offices)

04-3483216

(I.R.S. Employer
Identification No.)

02466

(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 6, 2023 the registrant had 28,384,199 shares of common stock, \$0.001 par value per share, outstanding.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements (Unaudited)

TechTarget, Inc.

Condensed Consolidated Balance Sheets

(in thousands, except share and per share data)

	September 30, 2023	December 31, 2022
	(Unaudited)	(Unaudited)
Assets		
Current assets:		
Cash and cash equivalents	\$ 212,106	\$ 344,523
Short-term investments	97,392	20,210
Accounts receivable, net of allowance for doubtful accounts of \$5,333 and \$4,494 respectively	43,342	60,359
Prepaid expenses and other current assets	5,583	5,745
Total current assets	358,423	430,837
Property and equipment, net	24,411	22,507
Goodwill	192,500	192,227
Intangible assets, net	89,415	95,517
Operating lease assets with right-of-use	18,015	20,039
Deferred tax assets	4,094	2,945
Other assets	742	645
Total assets	<u>\$ 687,600</u>	<u>\$ 764,717</u>
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable	\$ 4,915	\$ 3,298
Current operating lease liabilities	4,011	4,099
Accrued expenses and other current liabilities	6,886	10,935
Accrued compensation expenses	1,374	4,643
Income taxes payable	3,389	7,827
Contract liabilities	18,083	27,086
Total current liabilities	38,658	57,888
Non-current operating lease liabilities	17,602	20,371
Convertible senior notes	409,951	455,694
Deferred tax liabilities	12,381	13,290
Total liabilities	<u>478,592</u>	<u>547,243</u>
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; 58,628,120 and 57,919,501 shares issued, respectively; 28,384,199 and 29,023,093 shares outstanding, respectively	59	58
Treasury stock, at cost; 30,243,921 and 28,896,408 shares, respectively	(329,077)	(278,876)
Additional paid-in capital	459,960	425,458
Accumulated other comprehensive loss	(8,367)	(9,537)
Retained earnings	86,433	80,371
Total stockholders' equity	<u>209,008</u>	<u>217,474</u>
Total liabilities and stockholders' equity	<u>\$ 687,600</u>	<u>\$ 764,717</u>

See accompanying Notes to Condensed Consolidated Financial Statements.

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

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2023	2022	2023	2022
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Revenue	\$ 57,128	\$ 77,412	\$ 172,671	\$ 224,453
Cost of revenue ⁽¹⁾	18,250	19,118	54,006	56,715
Amortization of acquired technology	700	654	2,067	2,097
Gross profit	38,178	57,640	116,598	165,641
Operating expenses:				
Selling and marketing ⁽¹⁾	23,944	25,982	73,615	75,035
Product development ⁽¹⁾	2,700	2,791	7,766	8,990
General and administrative ⁽¹⁾	7,383	8,520	23,007	24,051
Depreciation, excluding depreciation of \$996, \$704, \$2,760 and \$1,980, respectively, included in cost of revenue	2,180	1,847	6,275	5,279
Amortization	1,502	120	4,501	4,109
Total operating expenses	37,709	39,260	115,164	117,464
Operating income	469	18,380	1,434	48,177
Interest and other income (expense), net	2,791	(109)	8,463	(1,653)
Gain from early extinguishment of debt	5,033	-	5,033	-
Income before provision for income taxes	8,293	18,271	14,930	46,524
Provision for income taxes	6,551	3,430	8,868	12,104
Net income	\$ 1,742	\$ 14,841	\$ 6,062	\$ 34,420
Other comprehensive income (loss), net of tax:				
Unrealized gain (loss) on investments (net of tax provision effect of \$6, \$(7), \$(16) and \$(66), respectively)	\$ 21	\$ (24)	(58)	\$ (231)
Foreign currency translation gain (loss)	(2,459)	(6,456)	1,228	(16,188)
Other comprehensive income (loss)	(2,438)	(6,480)	1,170	(16,419)
Comprehensive income (loss)	\$ (696)	\$ 8,361	\$ 7,232	\$ 18,001
Net income per common share:				
Basic	\$ 0.06	\$ 0.50	\$ 0.21	\$ 1.16
Diluted	\$ 0.06	\$ 0.46	\$ 0.21	\$ 1.06
Weighted average common shares outstanding:				
Basic	28,073	29,637	28,295	29,640
Diluted	28,206	33,934	28,484	34,226

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

Cost of revenue	\$ 877	\$ 744	\$ 2,529	\$ 2,153
Selling and marketing	\$ 7,064	\$ 6,290	\$ 22,445	\$ 16,886
Product development	\$ 419	\$ 391	\$ 1,308	\$ 1,222
General and administrative	\$ 3,166	\$ 3,289	\$ 10,204	\$ 9,243

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			Accumulated Other Comprehensive	Retained	Total
	Number of Shares	\$0.001 Par Value	Number of Shares	Cost	Additional Paid-In Capital	Income (Loss)	Earnings	Stockholder s' 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
Comprehensive income:								
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
Comprehensive income (loss):								
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 exercise of options	—	—	—	—	—	—	—	—
Issuance of common stock from restricted stock awards	563,451	1	—	—	(1)	—	—	—
Purchase of common stock through stock buyback	—	—	—	—	—	—	—	—
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
Comprehensive income (loss):								
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

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

	Common Stock		Treasury Stock			Accumulated Other Comprehensive Income (Loss)	Retained Earnings	Total Stockholders' Equity
	Number of Shares	\$0.001 Par Value	Number of Shares	Cost	Additional Paid-In Capital			
Balance, December 31, 2021	57,144,740	\$ 57	27,510,842	(199,796)	\$ 383,436	\$ 298	\$ 38,762	\$ 222,757
Issuance of common stock from restricted stock awards	122,571	—	—	—	—	—	—	—
Purchase of common stock through stock buyback	—	—	4,614	(323)	—	—	—	(323)
Impact of net settlements	1,340	—	1,340	—	(4,382)	—	—	(4,382)
Stock-based compensation expense(1)	—	—	—	—	18,744	—	—	18,744
Comprehensive loss:								
Unrealized loss on investments	—	—	—	—	—	(69)	—	(69)
Unrealized loss on foreign currency exchange	—	—	—	—	—	(2,695)	—	(2,695)
Net income	—	—	—	—	—	—	7,164	7,164
Balance, March 31, 2022	57,268,651	\$ 57	27,516,796	(200,119)	\$ 397,798	\$ (2,466)	\$ 45,926	\$ 241,196
Issuance of common stock from restricted stock awards	8,000	—	—	—	—	—	—	—
Purchase of common stock through stock buyback	—	—	252,493	(17,169)	—	—	—	(17,169)
Stock-based compensation expense	—	—	—	—	9,135	—	—	9,135
Comprehensive loss:								
Unrealized loss on investments	—	—	—	—	—	(138)	—	(138)
Unrealized loss on foreign currency exchange	—	—	—	—	—	(7,037)	—	(7,037)
Net income	—	—	—	—	—	—	12,415	12,415
Balance, June 30, 2022	57,276,651	\$ 57	27,769,289	(217,288)	\$ 406,933	\$ (9,641)	\$ 58,341	\$ 238,402
Issuance of common stock from exercise of options	12,500	—	—	—	98	—	—	98
Issuance of common stock from restricted stock awards	451,100	—	—	—	—	—	—	-
Purchase of common stock through stock buyback	—	—	450,373	(27,737)	—	—	—	(27,737)
Stock-based compensation expense	—	—	—	—	10,714	—	—	10,714
Comprehensive loss:								
Unrealized loss on investments	—	—	—	—	—	(24)	—	(24)
Unrealized loss on foreign currency exchange	—	—	—	—	—	(6,456)	—	(6,456)
Net income	—	—	—	—	—	—	14,841	14,841
Balance, September 30, 2022	57,740,251	\$ 57	28,219,662	(245,025)	\$ 417,745	\$ (16,121)	\$ 73,182	\$ 229,838

(1)Includes \$1.9 and \$9.1 million of accrued compensation expense recognized in the previous year for the nine months ended September 30, 2023 and 2022, respectively.

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,	
	2023	2022
	(Unaudited)	
Operating activities:		
Net income	\$ 6,062	\$ 34,420
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	9,035	7,259
Amortization	6,568	6,206
Provision for bad debt	2,003	1,886
Stock-based compensation	36,486	29,504
Amortization of debt issuance costs	1,850	1,873
Deferred tax benefit	(2,137)	(2,366)
Gain on early extinguishment of debt	(5,033)	—
Changes in operating assets and liabilities:		
Accounts receivable	15,055	(12,688)
Operating lease assets with right of use	1,594	1,997
Prepaid expenses and other current assets	166	384
Other assets	(100)	226
Accounts payable	1,616	3,529
Income taxes payable	(4,336)	2,255
Accrued expenses and other current liabilities	(2,147)	2,167
Accrued compensation expenses	(1,380)	(2,893)
Operating lease liabilities with right of use	(2,435)	(2,386)
Contract liabilities	(9,067)	2,324
Other liabilities	—	(2,777)
Net cash provided by operating activities	53,800	70,920
Investing activities:		
Purchases of property and equipment, and other capitalized assets, net	(10,906)	(10,859)
Purchases of investments	(77,261)	(211)
Net cash used in investing activities	(88,167)	(11,070)
Financing activities:		
Tax withholdings related to net share settlements	(4,551)	(4,382)
Purchase of treasury shares and related costs	(50,000)	(45,228)
Proceeds from stock option exercises	18	98
Issuance of common stock from ESPP	650	—
Payment for repurchase of convertible senior notes	(42,560)	—
Payment of earnout liabilities	(2,267)	(5,206)
Net cash used in financing activities	(98,710)	(54,718)
Effect of exchange rate changes on cash and cash equivalents	660	(2,486)
Net increase (decrease) in cash and cash equivalents	(132,417)	2,646
Cash and cash equivalents at beginning of period	344,523	361,623
Cash and cash equivalents at end of period	\$ 212,106	\$ 364,269
Supplemental disclosure of cash flow information:		
Cash paid for taxes, net	\$ 15,444	\$ 12,255
Schedule of non-cash investing and financing activities:		
Right of use assets and lease liabilities	\$ 492	\$ 726

See accompanying Notes to Condensed Consolidated Financial Statements.

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 900 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.

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 fiscal year ended December 31, 2022, 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, 2022.

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, 2023, 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 and 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. The Company classifies all of its short-term and long-term investments in debt securities 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 October 2021, the FASB issued ASU 2021-08, "Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers," which requires entities to apply Topic 606 to recognize and measure contract assets and contract liabilities in a business combination as if it had originated the contracts. The standard is effective for public companies for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2022. Early adoption is permitted. We adopted the new standard effective January 1, 2023 and the guidance did not have a material impact on our consolidated financial statements.

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.

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2023	2022	2023	2022
North America	\$ 38,891	\$ 49,532	\$ 115,629	\$ 143,289
International	18,237	27,880	57,042	81,164
Total	<u>\$ 57,128</u>	<u>\$ 77,412</u>	<u>\$ 172,671</u>	<u>\$ 224,453</u>

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2023	2022	2023	2022
Revenue under short-term contracts	\$ 36,560	\$ 44,444	\$ 105,290	\$ 130,726
Revenue under longer-term contracts	20,568	32,968	67,381	93,727
Total	\$ 57,128	\$ 77,412	\$ 172,671	\$ 224,453

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 \$2.1 million and \$1.9 million at September 30, 2023, and December 31, 2022, respectively.

Year-to-Date Activity	Contract Liabilities
Balance at December 31, 2022	\$ 27,086
Billings	52,378
Revenue Recognized	(57,114)
Balance at March 31, 2023	\$ 22,350
Billings	56,656
Revenue Recognized	(58,429)
Balance at June 30, 2023	\$ 20,577
Billings	54,634
Revenue Recognized	(57,128)
Balance at September 30, 2023	\$ 18,083

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 and long-term investments and contingent consideration. The Company's bank and money market accounts are in bank deposits and are not quoted instruments. As such, the Company's bank and money market accounts are all considered cash. 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, 2023		
	September 30, 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)	\$ 25,560	\$ —	\$ 25,560	\$ —
Pooled bond funds	71,832	—	71,832	—
Total short-term investments	\$ 97,392	\$ —	\$ 97,392	\$ —
		Fair Value Measurements at December 31, 2022		
	December 31, 2022	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	\$ 20,210	\$ —	\$ 20,210	\$ —
Total short-term investments	\$ 20,210	\$ —	\$ 20,210	\$ —
Liabilities:				
Contingent consideration - current (2)	\$ 2,259	\$ —	\$ —	\$ 2,259
Total liabilities	\$ 2,259	\$ —	\$ —	\$ 2,259

- (1) The Company's time deposits consist of domestic deposits which mature within nine months (Level 2). Level 2 investments are priced using observable inputs, such as quoted prices in markets that are not active and yield curves.
- (2) Contingent consideration liabilities are measured using the income approach and discounted to present value based on an assessment of the probability that the Company would be required to make such future payments. The contingent consideration liabilities are measured at fair value using significant Level 3 (unobservable) inputs, such as discount rates and probability measures. Remeasurement of the contingent consideration to fair value is expensed through the income statement in the period remeasured. Contingent consideration-current is included in accrued expenses and other current liabilities on the balance sheet.

The following table provides a roll-forward of the fair value of the contingent consideration for the nine months ended September 30, 2023:

Year-to-Date Activity	Fair Value
Balance at December 31, 2022	\$ 2,259
Payments on contingent liabilities	(2,267)
Amortization of discount on contingent liabilities	8
Balance at September 30, 2023	\$ —

As of September 30, 2023, the Company has no contingent consideration amounts remaining.

5. Cash, Cash Equivalents and Investments

Cash and cash equivalents are carried at cost, which approximates fair market value. As of September 30, 2023 and December 31, 2022, cash and cash equivalents totaled \$212.1 million and \$344.5 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, 2023 or December 31, 2022.

Short-term investments consisted of the following:

September 30, 2023				
	Adjusted Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Short-term investments:				
Time deposits	\$ 25,560	\$ —	\$ —	\$ 25,560
Pooled bond funds	72,214	—	(382)	71,832
Total short-term investments	<u>\$ 97,774</u>	<u>\$ —</u>	<u>\$ (382)</u>	<u>\$ 97,392</u>

December 31, 2022				
	Adjusted Cost	Gross Unrealized Gains	Gross Unrealized Losses	Estimated Fair Value
Short-term investments:				
Pooled bond funds	\$ 20,512	\$ —	\$ (302)	\$ 20,210
Total short-term investments	<u>\$ 20,512</u>	<u>\$ —</u>	<u>\$ (302)</u>	<u>\$ 20,210</u>

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 not have any intangible assets with indefinite lives other than goodwill as of September 30, 2023 or December 31, 2022. There were no indications of impairment as of September 30, 2023, 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, 2023				
	Estimated Useful Lives (Years)	Gross Carrying Amount	Accumulated Amortization	Net
Customer relationships	5-19	\$ 82,780	\$ (20,151)	\$ 62,629
Developed websites, technology and patents	10	31,975	(9,627)	22,348
Trademark, trade name and domain name	5-16	7,425	(3,162)	4,263
Proprietary user information database and internet traffic	5	1,085	(1,085)	—
Non-compete agreements	1.5-3	600	(425)	175
Total intangible assets		<u>\$ 123,865</u>	<u>\$ (34,450)</u>	<u>\$ 89,415</u>

	Estimated Useful Lives (Years)	December 31, 2022		
		Gross Carrying Amount	Accumulated Amortization	Net
Customer relationships	5-19	\$ 82,558	\$ (16,404)	\$ 66,154
Developed websites, technology and patents	10	31,768	(7,294)	24,474
Trademark, trade name and domain name	5-16	7,391	(2,770)	4,621
Proprietary user information database and internet traffic	5	1,083	(1,083)	—
Non-compete agreements	1.5-3	600	(332)	268
Total intangible assets		<u>\$ 123,400</u>	<u>\$ (27,883)</u>	<u>\$ 95,517</u>

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 6.5 years. Amortization expense was \$6.6 million and \$6.7 million for the nine months ended September 30, 2023 and 2022, 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 not write off any fully amortized intangible assets in the first nine months of 2023.

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

Years Ending December 31:	Amortization Expense
2023 (October 1 – December 31)	\$ 2,164
2024	8,635
2025	8,597
2026	8,543
2027	8,538
Thereafter	52,938
Total	<u>\$ 89,415</u>

7. Net Income Per Common Share

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

	For the Three Months Ended September 30,		For the Nine Months Ended September 30,	
	2023	2022	2023	2022
Numerator:				
Net income	\$ 1,742	\$ 14,841	\$ 6,062	\$ 34,420
Denominator:				
Basic:				
Weighted average shares of common stock and vested, undelivered restricted stock units outstanding	28,073,459	29,637,070	28,295,306	29,639,766
Diluted:				
Weighted average shares of common stock and vested, undelivered restricted stock units outstanding	28,073,459	29,637,070	28,295,306	29,639,766
Effect of potentially dilutive shares ⁽¹⁾	132,877	4,296,626	188,314	4,586,300
Total weighted average shares of common stock and vested, undelivered restricted stock units outstanding and potentially dilutive shares	28,206,336	33,933,696	28,483,620	34,226,066
Net Income Per Common Share:				
Basic:				
Net income applicable to common stockholders	\$ 1,742	\$ 14,841	\$ 6,062	\$ 34,420
Weighted average shares of stock outstanding	28,073,459	29,637,070	28,295,306	29,639,766
Basic net income per common share	\$ 0.06	\$ 0.50	\$ 0.21	\$ 1.16
Diluted:				
Net income applicable to common stockholders	\$ 1,742	\$ 15,482	\$ 6,062	\$ 36,341
Weighted average shares of stock outstanding	28,206,336	33,933,696	28,483,620	34,226,066
Diluted net income per common share ⁽¹⁾	\$ 0.06	\$ 0.46	\$ 0.21	\$ 1.06

- (1) In calculating diluted net income per share, 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; 116 thousand shares and 106 thousand shares related to outstanding stock options and unvested, undelivered restricted stock units were excluded three and nine months ended September 30, 2022, respectively. Additionally, for the three and nine months ended 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. In calculating diluted net income per share, we excluded the impact of interest expense and amortization of note costs relating to the convertible shares from net income and included the weighted average shares 3.9 million common shares under the if-converted method for the three and nine months ended September 30, 2022, respectively. The interest expense including amortization of note issuance costs, related to convertible notes was \$0.6 million for both the three months September 30, 2023 and September 30 2022 and \$1.9 million and for both the nine months ended September 30, 2023 and September 30, 2022.

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. During the three and nine months ended September 30, 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, 2023, 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, 2023, 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, 2023.

The Notes consist of the following:

Liability Component:	September 30, 2023		December 31, 2022	
	2026 Notes	2025 Notes	2026 Notes	2025 Notes
Principal	\$ 414,000	\$ 3,040	\$ 414,000	\$ 51,381
Less: unamortized debt issuance costs	7,044	45	8,673	1,014
Net carrying amount	<u>\$ 406,956</u>	<u>\$ 2,995</u>	<u>\$ 405,327</u>	<u>\$ 50,367</u>

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

	September 30, 2023	September 30, 2022
0.125% Coupon on 2025 Notes	\$ 42	\$ 48
Amortization of debt discount and transaction costs	2,598	1,873
	<u>\$ 2,640</u>	<u>\$ 1,921</u>

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, 2023		December 31, 2022	
	Fair Value	Carrying Value	Fair Value	Carrying Value
Convertible senior notes	\$ 334,572	\$ 409,951	\$ 361,658	\$ 455,694

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. As of September 30, 2023, the interest rate was 8.19%. The 2021 Loan Agreement was subject to various leverage and non-financial covenants. No amounts were outstanding under the 2021 Loan Agreement as of September 30, 2023. Subsequent to September 30, 2023, 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, 2022. 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"). 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, 2023, operating lease assets were \$18.0 million and operating lease liabilities were \$21.6 million. The maturities of the Company's operating lease liabilities as of September 30, 2023 were as follows:

Years Ending December 31:	Minimum Lease Payments	
2023 (October 1 – December 31)	\$	1,233
2024		4,963
2025		4,046
2026		3,954
2027		3,557
Thereafter		6,733
Total future minimum lease payments		24,486
Less imputed interest		2,873
Total operating lease liabilities	\$	21,613
Included in the Consolidated Balance Sheet:		
Current operating lease liability	\$	4,011
Non-current operating lease liability		17,602
Total operating lease liabilities	\$	21,613

For the three and nine months ended September 30, 2023 and 2022, the total lease cost was comprised of the following amounts:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Operating lease expense	\$ 1,058	\$ 1,029	\$ 3,162	\$ 2,883
Short-term lease expense	4	7	13	18
Total lease expense	\$ 1,062	\$ 1,036	\$ 3,175	\$ 2,901

The following summarizes additional information related to operating leases as of September 30, 2023:

	As of September 30, 2023
Weighted-average remaining lease term — operating leases	3.4 years
Weighted-average discount rate — operating leases	3.5 %

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

From time to time and in the ordinary course of business, the Company may be subject to various claims, charges, and litigation. At September 30, 2023 and December 31, 2022, 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 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- 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 22,500 shares of common stock that remain subject to outstanding stock grants under the 2007 Plan as of September 30, 2023.

In March 2017, the Company's board of directors approved the 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 1,757,148 shares of common stock that remain subject to outstanding stock-based grants under the 2017 Plan as of September 30, 2023. A total of 1,643,177 shares of common stock remain available for issuance under the 2017 Plan as of September 30, 2023.

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, 2023, 568,840 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, 2023 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, 2022	120,000	\$ 37.29	—	—
Granted	25,000	\$ 36.46	—	—
Exercised	(2,500)	\$ 7.03	—	\$ 81
Forfeited	—	—	—	—
Cancelled	—	—	—	—
Options outstanding at September 30, 2023	142,500	\$ 37.68	6.48	\$ 839
Options exercisable at September 30, 2023	117,500	\$ 37.94	5.80	\$ 839
Options vested or expected to vest at September 30, 2023	141,100	\$ 37.69	6.45	\$ 839

(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, 2023 of \$30.36 per share and the exercise price of the underlying options. The total intrinsic value of options exercised was \$81 thousand and \$772 thousand during the nine months ended September 30, 2023 and September 30, 2022, respectively.

The total amount of cash received from exercise of these options was approximately \$18 thousand during the nine months ended September 30, 2023. The total amount of cash received from exercise of these options was approximately \$98 thousand during the nine months ended September 30, 2022.

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, 2023 is presented below:

Year-to-Date Activity	Shares	Weighted-Average Grant Date Fair Value Per Share	Aggregate Intrinsic Value
Nonvested outstanding at December 31, 2022	1,642,799	\$ 62.40	—
Granted	792,664	33.63	—
Vested	(782,665)	57.88	—
Forfeited	(17,150)	67.46	—
Nonvested outstanding at September 30, 2023	1,635,648	\$ 50.57	\$ 49,658

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. There were 873,033 restricted stock units with a total grant-date fair value of \$42.8 million that vested during the nine months ended September 30, 2022.

As of September 30, 2023, there was \$72.1 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 2.1 years.

ESPP Valuation Assumptions

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

	<u>September 30, 2023</u>
ESPP:	
Expected term in years	0.50
Risk-free interest rate	5.27 %
Expected volatility	43 %
Expected dividend yield	—%
Weighted-average fair value per right granted	\$ 9.55

11. Stockholders' Equity

Common Stock Repurchase Programs

In May 2020, the Company announced that its board of directors had authorized a \$25.0 million stock repurchase program (the “May 2020 Repurchase Program”) whereby the Company was authorized to repurchase shares of the Company’s common stock from time to time on the open market or in privately negotiated transactions at prices and in the manner determined by management. The Company repurchased 206,114 shares at an aggregate purchase price of \$14.2 million at an average share price of \$68.82 under this plan for the nine months ended September 30, 2022. The May 2020 Repurchase Program expired on May 1, 2022, with \$10.8 million in authorized remaining capacity.

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 prices 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. During the nine months ended September 30, 2022, the Company repurchased 501,366 shares for an aggregate purchase price of \$31.0 million at an average share price of \$61.89 under the May 2022 Repurchase Program. As of September 30, 2023, 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 (i) repurchased 1,318,664 shares for an aggregate purchase price of \$50.0 million at an average share price of \$37.90 and (ii) repurchased \$48.3 million aggregate principal amount of the 2025 Notes for \$42.6 million including transaction fees, in each case under the November 2022 Repurchase Program. As of September 30, 2023, \$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.

Reserved Common Stock

As of September 30, 2023, the Company has reserved (i) 3,422,825 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) 568,840 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 \$6.5 million and \$8.9 million for the three and nine months ended September 30, 2023, respectively. The tax expense for the three months ended September 30, 2023 increased by approximately \$3.1 million, as compared to the same period in 2022, primarily due to a decrease in pretax income that resulted in a \$4.2 million decrease in tax expense based on the Company's projected effective tax rate offset by an increase of \$7.3 million in tax from discrete items related to stock based compensation awards. The tax expense for the nine months ended September 30, 2023 decreased by approximately \$3.2 million primarily due to a decrease in pretax income that resulted in a \$11.3 million decrease in tax expense based on the Company's projected effective tax rate offset by an increase of \$8.1 million in tax from discrete items related to stock based compensation awards. The Company recorded income tax expense of \$3.4 million and \$12.1 million for the three and nine months ended September 30, 2022, 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,	
	2023	2022	2023	2022
North America	\$ 38,891	\$ 49,532	\$ 115,629	\$ 143,289
International	18,237	27,880	57,042	81,164
Total	<u>\$ 57,128</u>	<u>\$ 77,412</u>	<u>\$ 172,671</u>	<u>\$ 224,453</u>

- (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,	
	2023	2022	2023	2022
United States	\$ 44,093	\$ 58,943	\$ 132,011	\$ 169,418
United Kingdom	5,651	7,866	17,741	23,437
Other international	7,384	10,603	22,919	31,598
Total	<u>\$ 57,128</u>	<u>\$ 77,412</u>	<u>\$ 172,671</u>	<u>\$ 224,453</u>

- (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, 2023	December 31, 2022
United States	221,849	\$ 222,488
International	84,477	87,763
Total	<u>\$ 306,326</u>	<u>\$ 310,251</u>

Long-lived assets are comprised of property and equipment, net; goodwill; and intangible assets, net. The United Kingdom accounted for 27% of the Company's long-lived assets for the nine months ended September 30, 2023 and no single country outside of the U.S. or 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, 2022 under Part I, Item 1A, "Risk Factors," and in the other documents we file with the Securities and Exchange Commission. Please refer to our cautionary note regarding "Forward-Looking Statements" section on page 36 of this Quarterly Report on Form 10-Q.

Overview

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 that 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 we make 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 to seamlessly interact with and contribute to information exchanges in a given field on our Network. To advance our ability to provide purchase intent-driven marketing and sales data, we have been acquisitive over the last three years. During 2021, we acquired Xtelligent Healthcare Media, LLC, a leading healthcare B2B media company focusing on healthcare-related technology. Similarly, during 2020, we acquired (i) BrightTALK Limited, a technology media company that provides customers with a platform to create, host and promote webinar and video content, (ii) The Enterprise Strategy Group, Inc., a leading provider of decision support content based on user research and market analysis for global enterprise companies, and (iii) Data Science Central, LLC, a digital publishing and media company focused on data science and business analytics.

We had approximately 31.4 million and 29.9 million registered members and users, which we refer to as our "audiences", as of September 30, 2023 and 2022, 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 2023, expect to deliver marketing and sales services programs to over 2,900 customers.

Executive Summary

Financial Results For the Nine Months Ended September 30, 2023

Our revenue for the nine months ended September 30, 2023 decreased by \$51.8 million, or 23%, to \$172.7 million, compared with \$224.5 million, during the same period in 2022. We saw decreased customer spend across our product suite. 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 2023 decreased 38%, compared to the third quarter of 2022.

Our international geo-targeted revenue, where our target audience is outside North America (“International”), decreased approximately 30% for the nine months ended September 30, 2023, compared with the prior year period driven by the items noted above.

Gross profit percentage was 68% and 74% for the nine months ended September 30, 2023 and 2022, respectively. Gross profit decreased by \$49.0 million, mainly due to the decrease in 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, and subject to the market conditions, of the IT industry. Despite the current uncertainty in the economy (i.e. inflation risks, rising 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. We have observed the enterprise technology market materially worsen through the nine months of 2022 and nine months of 2023, with third party data indicating that over 1,000 technology companies, including many of our largest customers, have announced layoffs. The layoffs have resulted in 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. Given the weak macroeconomic conditions, in December 2022, we announced a headcount reduction of approximately 5% of our workforce, which is expected to result in approximately \$7 million in annual savings.
- **Customer Demographics.** In the three and nine months ended September 30, 2023, revenue from our legacy global customers (a static cohort comprised of our 10 historically largest on premises hardware technology companies), decreased by approximately 19% and 21%, 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 within the Company, which we deem an important metric for evaluating revenue diversification. Revenue from our other customers, excluding the legacy global customers described above, decreased by approximately 28% and 24%, respectively, 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, 2023, approximately 32% and 33% 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 2023, we intend to improve upon our sales use case by revamping our sales alerts and ROI dashboard features among other strategic objectives (including expanding our salesforce.com connector functionality).

Our revenue was down 23% for the nine months ended September 30, 2023 compared to the same period in the prior year, which was primarily driven by the factors noted above.

Sources of revenues

Revenue changes for the three and nine month periods ended September 30, 2023, as compared to the same periods in 2022, 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.

(dollars in thousands)	For the Three Months Ended September 30,			For the Nine Months Ended September 30,		
	2023	2022		2023	2022	
North America	\$ 38,891	\$ 49,532	-21%	\$ 115,629	\$ 143,289	-19%
International	18,237	27,880	-35%	57,042	81,164	-30%
Total	\$ 57,128	\$ 77,412	-26%	\$ 172,671	\$ 224,453	-23%

(dollars in thousands)	For the Three Months Ended September 30,			For the Nine Months Ended September 30,		
	2023	2022		2023	2022	
Revenue under short-term contracts	\$ 36,560	\$ 44,444		\$ 105,290	\$ 130,726	
Revenue under longer-term contracts	20,568	32,968		67,381	93,727	
Total	\$ 57,128	\$ 77,412		\$ 172,671	\$ 224,453	

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, 2023, approximately 36% 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. 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.
- *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.

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), inducement expense 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.

Gain on early extinguishment of debt. Gain on early extinguishment of debt relates to our repurchase of certain of our outstanding 2025 Notes.

Non-GAAP Financial Measure

We use Adjusted Revenue, a non-GAAP financial measure, to assist us in evaluating our operating performance to understand and compare operating results across accounting periods, for internal budgeting and forecasting purposes, for short- and long-term operating plans, and to evaluate our financial performance. We believe that non-GAAP Adjusted Revenue reflects our ongoing business in a manner that allows for meaningful period-to-period comparisons and analysis of trends in our business. We also believe that this non-GAAP measure provides useful information to investors and others in understanding and evaluating our operating results and prospects in the same manner as management and in comparing financial results across accounting periods. Regulation S-K Item 10(e), "Use of non-GAAP financial measures in Commission filings," defines and prescribes the conditions for use of non-GAAP financial information.

A limitation of our non-GAAP financial measure of Adjusted Revenue is that it does not have a uniform definition. Our definition will likely differ from the definitions used by other companies, and therefore comparability may be limited.

We reconcile the non-GAAP financial measure to GAAP revenue, the most comparable GAAP financial measure. Adjusted Revenue should be considered in addition to, not as a substitute for or in isolation from, GAAP revenue. We encourage investors and others to review our financial information in its entirety, not to rely on any single financial measure, and to view our non-GAAP financial measure in conjunction with the most comparable GAAP financial measure.

Adjusted Revenue

We define Adjusted Revenue as the sum of revenue and the impact of fair value adjustments to acquired unearned revenue related to services billed by an acquired company prior to its acquisition. Management uses this measure to evaluate growth of the business period over period, excluding the impact of adjustments due to purchase accounting. We believe that it is important to evaluate growth on this basis. We expect our Adjusted Revenue to converge over time with our GAAP revenue.

The following table presents a reconciliation of GAAP revenue to Adjusted Revenue:

(dollars in thousands)	Three Months Ended September 30,		Nine Months Ended September 30,	
	2023	2022	2023	2022
Revenue	\$ 57,128	\$ 77,412	\$ 172,671	\$ 224,453
Impact of fair value adjustment on acquired unearned revenue	—	—	—	1,676
Adjusted Revenue	\$ 57,128	\$ 77,412	\$ 172,671	\$ 226,129
Revenue percentage change	-26 %		-23 %	
Adjusted revenue percentage change	-26 %		-24 %	

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 the 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 fiscal year ended December 31, 2022. 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 2023.

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:

(dollars in thousands)	Three Months Ended September 30,				Nine Months Ended September 30,			
	2023		2022		2023		2022	
Revenue	\$ 57,128	100 %	\$ 77,412	100 %	\$ 172,671	100 %	\$ 224,453	100 %
Cost of revenue	18,250	32 %	19,118	25 %	54,006	31 %	56,715	25 %
Amortization of acquired technology	700	1 %	654	1 %	2,067	1 %	2,097	1 %
Gross profit	38,178	67 %	57,640	74 %	116,598	68 %	165,641	74 %
Operating expenses:								
Selling and marketing	23,944	42 %	25,982	34 %	73,615	43 %	75,035	33 %
Product development	2,700	5 %	2,791	4 %	7,766	4 %	8,990	4 %
General and administrative	7,383	13 %	8,520	11 %	23,007	13 %	24,051	11 %
Depreciation	2,180	4 %	1,847	2 %	6,275	4 %	5,279	2 %
Amortization	1,502	3 %	120	0 %	4,501	3 %	4,109	2 %
Total operating expenses	37,709	66 %	39,260	51 %	115,164	67 %	117,464	52 %
Operating income	469	1 %	18,380	24 %	1,434	1 %	48,177	21 %
Interest and other income (expense), net	2,791	5 %	(109)	0 %	8,463	5 %	(1,653)	-1 %
Gain from early extinguishment of debt	5,033	9 %	-	0 %	5,033	3 %	-	0 %
Income before provision for income taxes	8,293	15 %	18,271	24 %	14,930	9 %	46,524	21 %
Provision for income taxes	6,551	11 %	3,430	4 %	8,868	5 %	12,104	5 %
Net income	\$ 1,742	3 %	\$ 14,841	19 %	\$ 6,062	4 %	\$ 34,420	15 %

Comparison of Three Months Ended September 30, 2023 and September 30, 2022

Revenue

(dollars in thousands)	Three Months Ended September 30,				Percent Change
	2023	2022	Decrease		
Revenue	\$ 57,128	\$ 77,412	\$ (20,284)		-26 %

Revenue decreased by \$20.3 million for the three months ended September 30, 2023, as compared to the same period in 2022, primarily due to the following:

- 422 new customers during the third quarter of 2023 compared to the third quarter of 2022 resulted in increased revenues of approximately \$7.3 million.
- Our existing customers decreased their spend by approximately \$27.6 million.

Cost of Revenue and Gross Profit

(dollars in thousands)	Three Months Ended September 30,			
	2023	2022	Increase (Decrease)	Percent Change
Cost of revenue	\$ 18,250	\$ 19,118	\$ (868)	-5 %
Amortization of acquired technology	700	654	46	7 %
Total cost of revenue	\$ 18,950	\$ 19,772	\$ (822)	-4 %
Gross profit	\$ 38,178	\$ 57,640	\$ (19,462)	-34 %
Gross profit percentage	67 %	74 %		

Cost of Revenue. Cost of Revenue for the three months ended September 30, 2023 decreased by \$0.8 million as compared to the three months ended September 30, 2022 primarily due to the following:

- \$0.8 million decrease in labor and related costs;

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 67% and 74% for the three months ended September 30, 2023 and 2022, respectively. Gross profit decreased by \$19.5 million in the three months ended September 30, 2023 compared to the same period in 2022, primarily due to decreased revenue compared to the same period a year ago. 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

(dollars in thousands)	Three Months Ended September 30,			
	2023	2022	Increase (Decrease)	Percent Change
Operating expenses:				
Selling and marketing	\$ 23,944	\$ 25,982	\$ (2,038)	-8 %
Product development	2,700	2,791	(91)	-3 %
General and administrative	7,383	8,520	(1,137)	-13 %
Depreciation	2,180	1,847	333	18 %
Amortization	1,502	120	1,382	1152 %
Total operating expenses	\$ 37,709	\$ 39,260	\$ (1,551)	-4 %
Interest and other income (expense), net	\$ 2,791	\$ (109)	\$ 2,900	2661 %
Gain from early extinguishment of debt	\$ 5,033	\$ -	\$ 5,033	100 %
Provision for income taxes	\$ 6,551	\$ 3,430	\$ 3,121	91 %

Selling and Marketing. Selling and marketing expenses decreased for the three months ended September 30, 2023, as compared to the same period in 2022, primarily due to a \$2.3 million decrease in labor and related costs.

Product Development. Product development expenses decreased for the three months ended September 30, 2023, as compared to the same period in 2022, primarily due to a decrease in labor and related costs and decreased contracted service costs.

General and Administrative. General and administrative expenses decreased for the three months ended September 30, 2023 as compared to the same period in 2022, primarily due to a \$0.1 million decrease in stock compensation, a \$0.2 million decrease in labor and related costs, a \$0.4 million decrease in bad debt expense, and a \$0.3 million decrease in software costs.

Depreciation. Depreciation expense increased for the three months ended September 30, 2023, as compared to the same period in 2022, primarily due to increased capitalized software expenses.

Amortization. Amortization expense increased for the three months ended September 30, 2023, as compared to the same period in 2022, primarily due to a \$1.4 million fair value of contingent consideration decrease recorded during the same period in 2022.

Interest and other income (expense). Interest and other income (expense) increased for the three months ended September 30, 2023, as compared to the same period in 2022, a \$2.2 million increase in interest income, a \$0.4 million decrease in unrealized/realized foreign currency exchange losses, and a \$0.2 million decrease in impairment expenses.

Gain on early extinguishment of debt. Gain on early extinguishment of debt relates to the repurchase of certain of our outstanding 2025 Notes. We repurchased \$48.3 million 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.

Provision for income taxes. Our effective income tax rate was 79% and 19% for the three months ended September 30, 2023 and 2022, respectively. The tax expense for the three months ended September 30, 2023 increased by approximately \$3.1 million primarily due to a decrease in pretax income that resulted in a \$4.2 million decrease in tax expense based on our projected effective tax rate, offset by an increase of \$7.3 million of tax from discrete items related to stock based compensation awards.

Comparison of Nine Months Ended September 30, 2023 and September 30, 2022

Revenue

(dollars in thousands)	Nine Months Ended September 30,				Percent Change
	2023	2022	Decrease		
Revenues	\$ 172,671	\$ 224,453	\$ (51,782)		-23 %

Revenues for the nine months ended September 30, 2023 decreased by \$51.8 million, or 23%, over the nine months ended September 30, 2022, primarily due to the following:

- 1,165 new customers during the nine months ended September 30, 2023 compared to the nine months ended September 30, 2022 resulted in increased revenues of approximately \$25.4 million⁽¹⁾.
- Our existing customers decreased their spend by approximately \$78.9 million.
- Revenues increased by \$1.7 million due to the renewal of acquired customer contracts previously recorded as unearned revenue.

Cost of Revenue and Gross Profit

(dollars in thousands)	Nine Months Ended September 30,				Percent Change
	2023	2022	Decrease		
Cost of revenue	\$ 54,006	\$ 56,715	\$ (2,709)		-5 %
Amortization of acquired technology	2,067	2,097	(30)		-1 %
Total cost of revenue	\$ 56,073	\$ 58,812	\$ (2,739)		-5 %
Gross profit	\$ 116,598	\$ 165,641	\$ (49,043)		-30 %
Gross profit percentage	68 %	74 %			

(1) - Effective for the nine months ended September 30, 2023, we changed our method for counting new customers for year-to-date periods to switch from a cumulative total of new customers in each of the quarters within such year-to-date period to counting as one new customer in the year-to-date period any customer that was new at any time during the year-to-date period as compared to the corresponding prior year year-to-date period.

Cost of Revenue. Cost of Revenue for the nine months ended September 30, 2023 decreased by \$2.7 million as compared to the nine months ended September 30, 2022 primarily due to the following:

- \$2.0 million decrease in variable costs attributable to contracted costs related to fulfilling campaigns;
- \$1.9 million decrease in labor and related costs
- \$0.4 million increase in stock compensation expense; and
- \$0.8 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 68% and 74% for the nine months ended September 30, 2023 and 2022, respectively. Gross profit decreased by \$49.0 million in the nine months ended September 30, 2023 compared to the same period in 2022, primarily due to decreased revenue compared to the same period a year ago. 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

(dollars in thousands)	Nine Months Ended September 30,			
	2023	2022	Increase (Decrease)	Percent Change
Operating expenses:				
Selling and marketing	\$ 73,615	\$ 75,035	\$ (1,420)	-2 %
Product development	7,766	8,990	(1,224)	-14 %
General and administrative	23,007	24,051	(1,044)	-4 %
Depreciation	6,275	5,279	996	19 %
Amortization	4,501	4,109	392	10 %
Total operating expenses	\$ 115,164	\$ 117,464	\$ (2,300)	-2 %
Interest and other income (expense), net	\$ 8,463	\$ (1,653)	\$ 10,116	612 %
Gain from early extinguishment of debt	5,033	-	5,033	100 %
Provision for income taxes	\$ 8,868	\$ 12,104	\$ (3,236)	-27 %

Selling and Marketing. Selling and marketing expenses decreased for the nine months ended September 30, 2023, as compared to the same period in 2022, primarily due to a \$5.6 million increase in stock-based compensation expense offset by a \$6.1 million decrease in labor and related costs and \$0.9 million of decreased other costs.

Product Development. Product development expenses decreased for the nine months ended September 30, 2023, as compared to the same period in 2022, primarily due to a \$1.1 million decrease in labor and related costs.

General and Administrative. General and administrative expenses decreased for the nine months ended September 30, 2023 as compared to the same period in 2022, primarily due to a \$0.7 million decrease in labor and related costs and decreased insurance costs.

Depreciation. Depreciation expense increased for the nine months ended September 30, 2023, as compared to the same period in 2022, primarily due to increased capitalized software expenses.

Amortization. Amortization expense increased for the nine months ended September 30, 2023, as compared to the same period in 2022, primarily due to a decrease in fair value of contingent consideration during the same period in 2022.

Interest and other income (expense). Interest and other income (expense) increased for the nine months ended September 30, 2023, as compared to the same period in 2022, a \$8.8 million increase in interest income, a \$1.2 million decrease in unrealized/realized foreign currency exchange losses, and a \$0.2 million decrease in impairment expenses.

Gain on early extinguishment of debt. Gain on early extinguishment of debt relates to the repurchase of certain of our outstanding 2025 Notes. 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.

Provision for income taxes. Our effective income tax rate was 59% and 26% for the nine months ended September 30, 2023 and 2022, respectively. The tax expense for the nine months ended September 30, 2023 decreased by approximately \$3.2 million primarily due to a decrease in pretax income that resulted in a \$11.3 million decrease in tax expense based on our projected effective tax rate and offset by an increase of \$8.1 million in tax from discrete items related to stock based compensation awards.

Seasonality

The timing of our revenues is affected by seasonal factors. 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 investments at September 30, 2023 totaled \$309.5 million, a \$55.2 million decrease from December 31, 2022, primarily driven by repurchases under stock buyback programs of \$50.0 million, \$42.6 million related to debt repurchase, including transaction fees, and capital expenditures of \$10.9 million offset by the cash generated from our operating activities of \$53.8 million. We believe that our existing cash, cash equivalents and investments, 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 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. We may also raise additional funds in the event we determine in the future to effect one or more additional acquisitions of businesses.

	September 30, 2023	December 31, 2022
(dollars in thousands)		
Cash, cash equivalents and investments	\$ 309,498	\$ 364,733
Accounts receivable, net	\$ 43,342	\$ 60,359

Cash, Cash Equivalents and Investments

Our cash, cash equivalents and investments at September 30, 2023 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 70 days and 76 days at September 30, 2023 and December 31, 2022, respectively.

Cash Flows

(dollars in thousands)	Nine Months Ended September 30,	
	2023	2022
Net cash provided by operating activities	\$ 53,800	\$ 70,920
Net cash used in investing activities	\$ (88,167)	\$ (11,070)
Net cash used in financing activities	\$ (98,710)	\$ (54,718)

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, 2023 was \$53.8 million compared to cash provided by operating activities of \$70.9 million for the nine months ended September 30, 2022.

The decrease in cash provided by operating activities was primarily the result of a decrease in revenue, changes in working capital and stock-based compensation charged to earnings.

Investing Activities

Cash used in investing activities in the nine months ended 2023 and 2022 was \$88.2 million and \$11.1 million respectively and was driven by the purchases 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 \$10.6 million and \$9.8 million for the nine months ended September 30, 2023 and 2022, respectively.

Financing Activities

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 TechTarget shares and \$42.6 million for the repurchase of certain of our 2025 Notes. In the first nine months of 2022, we used \$54.7 million for financing activities, consisting primarily of \$5.2 million for the payment of contingent consideration related to our 2020 and 2021 acquisitions, \$4.4 million for tax withholdings related to net share settlements and \$45.2 million for the repurchase of TechTarget shares.

Common Stock Repurchase Programs

In May 2020, we announced that our board of directors had authorized a \$25.0 million stock repurchase program (the “May 2020 Repurchase Program”) whereby we were authorized to repurchase shares of our common stock from time to time on the open market or in privately negotiated transactions at prices and in the manner determined by management. We repurchased 206,114 shares at an aggregate purchase price of \$14.2 million at an average share price of \$68.82 under this plan for the nine months ended September 30, 2022. The May 2020 Repurchase Program expired on May 1, 2022, with \$10.8 million in authorized remaining capacity.

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 prices 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. During the nine months ended September 30, 2022, we repurchased 501,366 shares for an aggregate purchase price of \$31.0 million at an average share price of \$61.89 under the May 2022 Repurchase Program. As of September 30, 2023, 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 (i) repurchased 1,318,664 shares for an aggregate purchase price of \$50.0 million at an average share price of \$37.90 and (ii) repurchased

\$48.3 million aggregate principal amount of the 2025 Notes for \$42.6 million including transaction fees, in each case under the November 2022 Repurchase Program. As of September 30, 2023, \$92.9 million remained available under the November 2022 Repurchase Program.

Repurchased shares were recorded under the cost method and are reflected as treasury stock in the accompanying condensed consolidated Balance Sheets. All repurchased shares were funded with cash on hand.

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 (“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, 2023, 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, 2023, 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, the Company repurchased \$48.3 million aggregate principal amount of the 2025 Notes for \$42.6 million in cash including transaction fees. As of September 30, 2023, 43,163 shares were issuable upon conversion of the full aggregate principal amounts of such remaining 2025 Notes.

During the nine months ended September 30, 2023, under the November 2022 Repurchase Program we repurchased \$48.3 million aggregate principal amount of the 2025 Notes for \$42.3 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.

2021 Loan Agreement

On October 29, 2021, we entered into the 2021 Loan Agreement with Western Alliance Bank. The 2021 Loan Agreement provides 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. As of September 30, 2023, the interest rate was 8.19%. The 2021 Loan Agreement is subject to various leverage and non-financial covenants. No amounts were outstanding under the 2021 Loan Agreement as of September 30, 2023. Subsequent to September 30, 2023, the 2021 Loan Agreement matured on its stated maturity date of October 29, 2023.

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 \$10.9 million for both the nine-month periods ended September 30, 2023 and 2022. A majority of our capital expenditures in the first nine months of 2023 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 \$10.6 million and \$9.8 million for the nine months ended September 30, 2023 and 2022, respectively. We are not currently party to any purchase contracts related to future capital expenditures.

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, 2022.

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 and Section 21E of the Securities Exchange Act of 1934 that involve substantial risks and uncertainties. All statements, other than statements of historical facts, included or referenced in this Quarterly Report that address activities, events or developments which we expect will or may occur in the future are forward-looking statements, including statements regarding our intent, beliefs or current expectations and those of our management team. In some cases, you can identify forward-looking statements because they contain words such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “going to,” “could,” “intends,” “target,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential,” or “continue,” or the negative of these words or other similar terms or expressions that concern our expectations, strategy, priorities, plans, or intentions. Such statements may include those regarding our future financial results and other projections or measures of our future operating performance, including the drivers of such growth, profitability, and performance (including, in each case, any potential impact of product and service development efforts, GDPR or other similar laws, potential changes to customer relationships, and other operational decisions); expectations concerning market opportunities and our ability to capitalize on them; the amount and timing of the benefits expected from acquisitions, new strategies, products or services and other potential sources of additional revenue; and the behavior of our members, partners, and customers. These statements speak only as of the date of this Quarterly Report on Form 10-Q and are based on our current plans and expectations. Such forward-looking statements are not guarantees of future performance and involve risks and uncertainties that could cause actual future events or results to be different than those described in or implied by such forward-looking statements. These risks and uncertainties 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; relationships with customers, strategic partners and employees; the duration and extent of the future health pandemics and any related economic downturns on our business, operations, and the markets in which we and our customers operate; difficulties in integrating acquired businesses; our ability to develop new products or technologies, to integrate our products with new technologies (e.g., artificial intelligence), or to compete with new products or technologies offered by new or existing competitors; changes in economic 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 macro-economic factors facing the global economy including disruptions in the capital or banking markets, economic sanctions and economic slowdowns or recessions, rising inflation and interest rates, and other matters included in our SEC filings, including in our Annual Report on Form 10-K for the year ended December 31, 2022. Actual results may differ materially from those contemplated by the forward-looking statements. We undertake no obligation to update our forward-looking statements to reflect future events or circumstances.

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 24% of our revenue for the nine months ended September 30, 2023 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, 2023, we had cash, cash equivalents and investments of \$309.5 million. The investments were held in bond funds and time deposits. The cash, cash equivalents and 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. Additionally, our 2021 Loan Agreement provided for a \$75 million revolving credit facility with a \$5 million letter-of-credit sublimit. Borrowings under the 2021 Loan Agreement bear interest based on a formula using certain market rates. No amounts were outstanding under the 2021 Loan Agreement as of September 30, 2023. Should interest rates rise, it would cost us more to borrow under the 2021 Loan Agreement.

Inflation Risk

Inflation generally affects us by increasing our cost of labor and certain services. We do not believe that inflation had a material effect on our financial statements included elsewhere in this Quarterly Report on Form 10-Q. However, the United States has recently experienced historically high levels of inflation. If the inflation rate continues to increase it may affect our expenses, such as increases in the costs of labor and supplies. Additionally, the United States is experiencing a workforce shortage, which in turn has created a competitive wage environment that may increase our operating costs in the future.

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, 2023, 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, 2023. 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 2023 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. We are not currently a party to any material legal proceedings and we are not aware of any pending or threatened litigation against us that we believe could have a material adverse effect on our business, operating results or financial condition. 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 2022 Annual Report on Form 10-K and the additional risk factor below. 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.

We may face risks associated with our use of certain artificial intelligence, machine learning, and large language models.

Our business uses artificial intelligence and machine learning (“AI/ML”) technologies, including those offered by third parties, to enhance our content, audience engagement, and overall service offerings and to drive innovation and organizational efficiencies. We are also exploring, developing, and introducing new AI/ML capabilities and large language models, including generative AI features, into our service offerings and platforms to offer enhanced application functionality, updated product offerings, and improved customer experiences. As with many new and emerging technologies, the use of AI/ML presents risks and challenges that could affect their adoption, and therefore our business. If we enable or offer AI/ML features and solutions that draw controversy due to their perceived or actual impact on human rights, privacy, employment, or in other social, economic, or political contexts, we may experience brand or reputational harm, competitive harm, or legal liability. Additionally, the use of AI/ML technologies may result in inaccurate outputs, contain biased information, or expose us to other risks, which could result in incidents that cause harm to our business, our customers, and to individuals. These deficiencies and other failures of AI/ML technologies could subject us to regulatory action, legal liability, including under new and proposed state, federal, and international rules and laws regulating AI/ML, as well as new applications or interpretations of existing data protection, privacy, intellectual property, and other laws.

Issues around the implementation and use of AI/ML technologies are complex and the regulatory landscape continues to evolve. It is likely that new laws and regulations will be adopted, or that existing laws and regulations may be interpreted in new ways that would affect our business and the ways in which we use, or contemplate the use of, AI/ML technology, our financial condition, and our results of operations, including as a result of the cost to comply with such laws or regulations. Further, potential government regulation related to AI/ML use and ethics may also increase the burden and cost of compliance and utilization of AI/ML, and failure to properly remediate AI/ML usage or ethics issues may cause public confidence in AI/ML to be undermined, which could slow their adoption in our offerings and services. In addition, market acceptance of AI/ML is uncertain, and we may be unsuccessful in our service and product development efforts. Any of these factors could adversely affect our business, financial condition, and results of operations.

Item 2. Unregistered Sales of Equity Securities, Use of Proceeds, and Issuer Purchases of Equity Securities

Our repurchases under our repurchase programs are made from time to time at management's discretion in accordance with applicable federal securities laws. All repurchases of our common stock have been recorded as treasury stock. The following table summarizes information relating to purchases made by or on our behalf of shares of our common stock during the quarter ended September 30, 2023.

Period	Total Number of Shares Purchased ⁽¹⁾	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Program ⁽¹⁾	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Program (in thousands)
April 1, 2023 - April 30, 2023	368,045	\$ 35.24	368,045	\$ 147,156
May 1, 2023 - May 31, 2023	369,324	\$ 32.53	369,324	\$ 135,142
June 1, 2023 - June 30, 2023	—	\$ —	—	\$ 135,142
July 1, 2023 - September 30, 2023	—	\$ —	—	\$ —
Total before purchase of senior convertible notes	737,369	\$ 33.88	737,369	\$ 135,142
Purchase of senior convertible notes ⁽⁴⁾	—	\$ —	—	\$ (42,265)
Total	737,369	33.88	737,369	\$ 92,877

(1) In November 2022, we announced that the Board of Directors approved a repurchase program (the "November 2022 Repurchase Program"), which authorized management to purchase shares of our common stock or 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 with an expiration in November of 2024.

(2) We purchased an aggregate of 737,369 shares of our common stock in the open market pursuant to our November 2022 Repurchase Program. No shares were transferred to us from employees in satisfaction of minimum tax withholding obligations associated with the vesting of restricted stock rights during the period.

(3) From the November 2022 Repurchase Program's inception through September 30, 2023, we purchased 1,660,447 shares at an average price of \$39.06 per share for a total of \$64.9 million.

(4) In August 2023, the Company repurchased \$48.3 million aggregate principal amount of the 2025 Notes for \$42.6 million including transaction fees under the November 2022 Repurchase Program.

Item 5. Other Information

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.

Exhibit No.	Description of Exhibit	Form or Schedule	Incorporated by Reference to		
			Exhibit No.	Filing Date with SEC	SEC File Number
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-Q	3.2	08/04/2021	001-33472
10.24	Form of Restricted Stock Unit Agreement				
10.25	Employment Agreement between the Registrant and Rebecca Kitchens (dated September 8, 2023)				
10.26	Employment Agreement between the Registrant and Steven Niemiec (dated September 8, 2023)				
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.				
32.1*	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 Document*				
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document*				
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document*				
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document*				
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document*				
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)				

* 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 8, 2023

By: /s/ MICHAEL COTOIA
Michael Cotoia, *Chief Executive Officer and Director*
(Principal Executive Officer)

Date: November 8, 2023

By: /s/ DANIEL NORECK
Daniel Noreck, *Chief Financial Officer and Treasurer*
(Principal Accounting and Financial Officer)



TECHTARGET, INC.
RESTRICTED STOCK UNIT AGREEMENT

TechTarget, Inc., a Delaware corporation (the “Company”), hereby grants the following restricted stock units pursuant to its 2017 Stock Option and Incentive Plan, as amended, and subject to the terms and conditions attached hereto and incorporated herein by reference.

NOTICE OF GRANT

Name of recipient (the “ <u>Participant</u> ”):	
Grant Date:	
Number of Restricted Stock Units (“ <u>RSUs</u> ”) granted:	
Vesting Start Date:	

Vesting Schedule:

<u>Vesting Date</u>	<u>Number of “Shares” that Vest on Vesting Date</u>
August 11, 2024	
August 11, 2025	
August 11, 2026	
All vesting is dependent on the Participant remaining an Eligible Participant, as provided herein. This grant of RSUs and the terms and conditions are subject to any special terms and conditions as set forth in any Appendix attached hereto and incorporated herein by reference.	

This grant of RSUs satisfies in full all commitments that the Company has to the Participant with respect to the issuance of stock, stock options or other equity securities.

TECHTARGET, INC.

Signature of Participant

By:
Name: Charles D. Rennick
Title: Vice President & General Counsel

Street Address

City/State/Zip Code

TECHTARGET, INC.
RESTRICTED STOCK UNIT AGREEMENT
INCORPORATED TERMS AND CONDITIONS

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1. Award of Restricted Stock Units.

In consideration of services rendered and to be rendered to the Company or any of its subsidiaries or other affiliates, by the Participant, the Company has granted to the Participant, subject to the terms and conditions set forth in this Restricted Stock Unit Agreement (this “Agreement”) and in the Company’s 2017 Stock Option and Incentive Plan (the “Plan”), an award with respect to the number of restricted stock units (the “RSUs”) set forth in the Notice of Grant that forms part of this Agreement (the “Notice of Grant”). Each RSU represents the right to receive one share of Common Stock, \$0.001 par value per share, of the Company (the “Common Stock”) upon vesting of the RSU, subject to the terms and conditions set forth herein.

2. Vesting.

The RSUs shall vest in accordance with the Vesting Schedule set forth in the Notice of Grant (the “Vesting Schedule”). Upon the vesting of the RSUs, the Company will deliver to the Participant subject to the distribution provisions set forth in Appendix A attached hereto and incorporated herein, for each RSU that becomes vested, one share of Common Stock, subject to the payment of any taxes pursuant to Section 7. The Common Stock will be delivered to the Participant as soon as practicable following each vesting date, but in any event, the shares will be delivered no later than March 15 of the year after the year of vesting except to the extent otherwise permitted or required by Section 409A of the Internal Revenue Code and the Treasury Regulations issued thereunder (“Section 409A”).

3. Forfeiture of Unvested RSUs Upon Cessation of Service.

In the event that the Participant ceases to be an employee, director or officer of, or consultant or advisor to, the Company or its applicable subsidiary or affiliate, as applicable, the employees, officers, directors, consultants, or advisors of which are eligible to receive awards under the Plan (an “Eligible Participant”), for any reason or no reason, with or without cause, all of the RSUs that are unvested as of the time of such cessation shall be forfeited immediately and automatically to the Company, without the payment of any consideration to the Participant, effective as of such cessation. The Participant shall have no further rights with respect to the unvested RSUs or any Common Stock that may have been issuable with respect thereto.

4. Restrictions on Transfer.

The Participant shall not sell, assign, transfer, pledge, hypothecate or otherwise dispose of, by operation of law or otherwise (collectively “transfer”) any RSUs, or any interest therein. The Company shall not be required to treat as the owner of any RSUs or issue any Common Stock to any transferee to whom such RSUs have been transferred in violation of any of the provisions of this Agreement.

5. Rights as a Shareholder.

The Participant shall have no rights as a stockholder of the Company with respect to any shares of Common Stock that may be issuable with respect to the RSUs until the issuance of the shares of Common Stock to the Participant following the vesting of the RSUs.

6. Provisions of the Plan.

This Agreement is subject to the provisions of the Plan, a copy of which can be obtained by the Participant by emailing legal@techtargget.com. The Participant hereby acknowledges and agrees to be bound by all the terms and provisions of the Plan.

7. Tax Matters.

(a) Acknowledgments; No Section 83(b) Election. The Participant acknowledges that he or she is responsible for obtaining the advice of the Participant's own tax advisors with respect to the award of RSUs and the Participant is relying solely on such advisors and not on any statements or representations of the Company or any of its agents with respect to the tax consequences relating to the RSUs. The Participant understands that the Participant (and not the Company) shall be responsible for the Participant's tax liability that may arise in connection with the acquisition, vesting and/or disposition of the RSUs. The Participant acknowledges that no election under Section 83(b) of the Internal Revenue Code, as amended, is available with respect to RSUs.

(b) Withholding. The Participant acknowledges and agrees that the Company has the right to deduct from payments of any kind otherwise due to the Participant any federal, state, local or other taxes of any kind required by law to be withheld with respect to the vesting of the RSUs. At the Company's sole option, the Participant shall satisfy the Company's required tax withholding obligation by, among other methods (i) the Company withholding shares of Common Stock that would otherwise be issued pursuant to the vesting of the RSUs with an aggregate fair market value as of the date of withholding that would satisfy the withholding amount due, (ii) the Participant transferring to the Company shares of Common Stock owned by the Participant with an aggregate fair market value as of the date of the withholding that would satisfy the withholding amount due (which shares are not subject to any vesting, forfeiture, transferability or other restrictions or limitations, or (iii) the Participant engaging in a "sale to cover", i.e. an open market sale of that number of shares of Common Stock required to be sold in order to satisfy the tax withholding liability due upon delivery of shares of Common Stock. The Company shall not deliver any shares of Common Stock to the Participant until it is satisfied that all required withholdings have been made.

8. Data Privacy.

The Participant hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of the Participant's personal data as described in this Agreement by and among, as applicable, the Company and any Subsidiary, for the exclusive purpose of implementing, administering and managing the Participant's participation in the Plan.

The Participant understands that the Company may hold certain personal information about the Participant, including, but not limited to, the Participant's name, home address and telephone number, e-mail address, date of birth, social insurance number or other identification number, salary, nationality, job title, any shares of stock or directorships held in the Company or any affiliate of the Company, details of all RSUs or any other entitlement to Shares of stock awarded, canceled, exercised, vested, unvested or outstanding in the Participant's favor, for the exclusive purpose of implementing, administering and managing the Plan ("Personal Data").

The Participant understands that Personal Data may be transferred to Morgan Stanley, E*TRADE, or such other stock plan service provider as may be selected by the Company in the future, which is assisting the Company with the implementation, administration and management of the Plan, that these recipients may be located in the Participant's country, or elsewhere, and that the recipient's country (e.g., the United States) may have different data privacy laws and protections than the Participant's country. The Participant understands that he or she may request a list with the names and addresses of any potential recipients of the Personal Data by contacting the Participant's local human resources representative. The Participant authorizes the Company, Morgan Stanley, E*TRADE, and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Personal Data, in electronic or other form, for the purposes of implementing, administering and managing the Participant's participation in the Plan, including any requisite transfer of such Personal Data as may be required to a broker or other third party with whom the Participant may elect to deposit any Shares received upon vesting of the RSUs. The Participant understands that Personal Data will be held only as long as is necessary to implement, administer and manage the Participant's participation in the Plan. The Participant understands that he or she may, at any time, view Personal Data, request additional information about the storage and processing of Personal Data, require any necessary amendments to Personal Data or refuse or withdraw the consents herein, without cost, by contacting in writing a representative of the Company's Legal Department at legal@techtargget.com. The Participant understands, however, that refusal or withdrawal of consent may affect the Participant's ability to realize benefits from the RSUs. For more information on the consequences of the Participant's refusal to consent or withdrawal of consent, the Participant understands that he or she may contact the Company's Legal Department.

9. Miscellaneous.

(a) Authority of Compensation Committee. In making any decisions or taking any actions with respect to the matters covered by this Agreement, the Compensation Committee shall have all of the authority and discretion, and shall be subject to all of the protections, provided for in the Plan. All decisions and actions by the Compensation Committee with respect to this Agreement shall be made in the Compensation Committee's discretion and shall be final and binding on the Participant.

(b) No Right to Continued Service. The Participant acknowledges and agrees that, notwithstanding the fact that the vesting of the RSUs is contingent upon his or her continued status as an Eligible Participant, this Agreement does not constitute an express or implied promise of continued service relationship with the Participant or confer upon the Participant any rights with

respect to a continued service relationship with the Company or any subsidiary or other affiliate of the Company.

(c) Section 409A. The RSUs awarded pursuant to this Agreement are intended to be exempt from or comply with the requirements of Section 409A. The delivery of shares of Common Stock on the vesting of the RSUs may not be accelerated or deferred unless permitted or required by Section 409A.

(d) Participant's Acknowledgements. The Participant acknowledges that he or she: (i) has read this Agreement; (ii) has been represented in the preparation, negotiation and execution of this Agreement by legal counsel of the Participant's own choice or has voluntarily declined to seek such counsel; (iii) understands the terms and consequences of this Agreement; and (iv) is fully aware of the legal and binding effect of this Agreement.

(e) Change in Control. In the event of Change in Control Event (as defined in the Plan), the provisions of Section 11(c)(3) of the Plan shall govern the RSUs granted under this Agreement.

(f) Severability. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement, and each other provision of this Agreement shall be severable and enforceable to the extent permitted by law.

(g) Waiver. Any provision for the benefit of the Company contained in this Agreement may be waived, either generally or in any particular instance, by the Compensation Committee of the Board of Directors of the Company.

(h) Notice. Each notice relating to this Agreement shall be in writing and delivered in person or by first class mail, postage prepaid, to the address as hereinafter provided. Each notice shall be deemed to have been given on the date it is received. Each notice to the Company shall be addressed to it at its office at 275 Grove St. Newton, MA 02466 Attn: General Counsel. Each notice to the Participant shall be addressed to the Participant at the Participant's address provided on the Notice of Grant.

(i) Governing Law; Dispute Resolution. This Agreement shall be construed, interpreted and enforced in accordance with the internal laws of the State of Delaware without regard to any applicable conflicts of laws provisions.

TECHTARGET, INC.
RESTRICTED STOCK UNIT AGREEMENT
APPENDIX A

Deferral Schedule Dated _____

Reference is hereby made to that certain Restricted Stock Unit Agreement with a Grant Date of _____, 20__ by and between TechTarget, Inc. and _____ (the “RSU Agreement”) pursuant to which the Participant was granted _____ RSUs (the “Award”). All capitalized terms used herein and not defined shall have the meanings ascribed thereto in the RSU Agreement.

1. Vesting Dates.

The Shares shall vest in equal tranches on each Vesting Date provided in the Notice of Grant (the “Vesting Dates”).

2. Delivery Dates.

In order to provide for the orderly delivery of Shares pursuant to the Award and within an open trading window period as provided under the Company’s Insider Trading and Public Communication Policy (or any successor policy) (the “Policy”), the _____, _____ and _____ vesting tranches shall be delivered to the Participant as follows:

- (i) if the Vesting Dates fall within an open trading window period, the shares will be delivered on the _____ day following the applicable Vesting Date in _____, _____ and _____, respectively, but in no event later than _____, _____ and _____, respectively, or
- (ii) if the Vesting Dates fall outside of an open trading window, the shares will be delivered on the _____ day of the next open trading window (following the applicable Vesting Date) in _____, _____ and _____, respectively, but in no event later than _____, _____ and _____, respectively.

In no event shall the Shares be delivered to the Participant earlier than, or later than, the dates provided herein unless permitted or required by Section 409A.

EMPLOYMENT AGREEMENT

This EMPLOYMENT AGREEMENT (the “Agreement”) is made as of September 8, 2023 (the “Effective Date”) by and between TechTarget, Inc., a Delaware corporation with a principal place of business at 275 Grove Street, Newton, MA 02466 (the “Employer”) and Rebecca Kitchens (the “Executive”).

WHEREAS, in connection with the hiring of the Executive to the position detailed in Section 2 below, the parties desire to enter into this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained in this Agreement, the Employer and the Executive agree as follows.

1. Employment. The Employer agrees to employ the Executive and the Executive agrees to be employed by the Employer upon the terms and subject to the conditions set forth in this Agreement.

2. Capacity. The Executive shall serve the Employer as President. The Executive shall also serve the Employer in such other or additional offices as the Executive may be requested to serve by the Chief Executive Officer. In such capacity or capacities, the Executive shall perform such services and duties in connection with the business, affairs and operations of the Employer as may be assigned or delegated to the Executive from time to time, consistent with the Executive’s education and experience, by or under the authority of the Chief Executive Officer. The Executive shall report directly to the Chief Executive Officer.

3. Term. Subject to the provisions of Section 6, the term of employment pursuant to this Agreement (the “Term”) shall be one (1) year from the Effective Date and shall be renewed automatically for periods of one (1) year commencing at the first anniversary of the Effective Date and on each subsequent anniversary thereafter unless either the Executive or the Employer gives written notice to the other not less than sixty (60) days prior to the date of any such anniversary of such party’s election not to extend the Term. In the event that the Employer elects to not extend this Agreement on such an anniversary date, the Executive shall be entitled to the benefits described in Section 7(b) below.

4. Compensation and Benefits. The regular compensation and benefits payable to the Executive under this Agreement shall be as follows:

(a) Salary. For all services rendered by the Executive under this Agreement, the Employer shall pay the Executive a salary (the “Salary”) at the annual rate of Four Hundred Thousand Dollars (\$400,000), subject to increase from time to time in the discretion of the Board of Directors or the Compensation Committee of the Board of Directors (the “Compensation Committee”). The Salary shall be payable in periodic installments in accordance with the Employer’s usual practice for its senior executives.

(b) Bonus. Beginning with the fiscal year starting January 1, 2023, the Executive shall be entitled to participate in an annual incentive program established by the Board of Directors or the Compensation Committee for the executive management team with such terms as may be

established in the sole discretion of the Board of Directors or Compensation Committee. For fiscal year 2023, the Executive's annual target bonus amount shall equal One Hundred and Five Thousand Dollars (\$105,000). For all subsequent years, the amount of the Executive's annual target bonus amount shall be established by the Board of Directors or the Compensation Committee. The specific terms of the bonus plan, including bonus targets, methods of payment and performance goals will be documented by the Board of Directors or the Compensation Committee.

(c) Regular Benefits. The Executive shall also be entitled to participate in any qualified retirement plans, deferred compensation plans, stock option and incentive plans, stock purchase plans, medical insurance plans, life insurance plans, disability income plans, retirement plans, vacation plans, expense reimbursement plans and other benefit plans which the Employer may from time to time have in effect for its senior executives. Such participation shall be subject to the terms of the applicable plan documents, generally applicable policies of the Employer, applicable law and the discretion of the Board of Directors, the Compensation Committee or any administrative or other committee provided for in, or contemplated by, any such plan. Nothing contained in this Agreement shall be construed to create any obligation on the part of the Employer to establish any such plan or to maintain the effectiveness of any such plan which may be in effect from time to time.

(d) Equity Grants. The Executive shall be provided equity awards as determined by the Board of Directors or the Compensation Committee, with such terms as may be established in the sole discretion of the Board of Directors or Compensation Committee. In connection with any grants of stock options, restricted stock units, or other equity instruments granted by the Employer to the Executive, the Employer and the Executive hereby acknowledge and agree that, in the event of a Change of Control within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended, with respect to (1) any stock option grants under the Employer's 2017 Stock Option Plan and (2) any restricted stock or restricted stock units, all unvested shares shall thereupon become fully vested, all stock options shall thereafter become immediately exercisable, and all restricted stock units shall become fully vested and shall be delivered in accordance with any restricted stock unit agreement between the Executive and the Employer.

(e) Reimbursement of Business Expenses. The Employer shall reimburse the Executive for all reasonable expenses incurred by him in performing services during the Term, in accordance with the Employer's policies and procedures for its senior executive officers, as in effect from time to time.

(f) Taxation of Payments and Benefits. The Employer shall undertake to make deductions, withholdings and tax reports with respect to payments and benefits under this Agreement to the extent that it reasonably and in good faith believes that it is required to make such deductions, withholdings and tax reports. Payments under this Agreement shall be in amounts net of any such deductions or withholdings. Nothing in this Agreement shall be construed to require the Employer to make any payments to compensate the Executive for any adverse tax effect associated with any payments or benefits or for any deduction or withholding from any payment or benefit.

(g) Exclusivity of Salary and Benefits. The Executive shall not be entitled to any payments or benefits other than those provided under this Agreement. During the Term, the Employer is obligated to document any changes in compensation terms applicable to the Agreement.

5. Extent of Service. During the Executive's employment under this Agreement, the Executive shall devote the Executive's best efforts and business judgment, skill and knowledge to the advancement of the Employer's interests and to the discharge of the Executive's duties and responsibilities under this Agreement. Notwithstanding anything contained herein to the contrary, this Agreement shall not be construed as preventing the Executive from:

(a) investing the Executive's assets in any company or other entity in a manner not prohibited by Section 8(d) and in such form or manner as shall not require any material activities on the Executive's part in connection with the operations or affairs of the companies or other entities in which such investments are made;

(b) serving on the Board of another company; provided that such service does not impair or compromise the Executive's ability to fulfill the Executive's duties and responsibilities under this Agreement; or

(c) engaging in religious, charitable or other community or non-profit activities that do not impair the Executive's ability to fulfill the Executive's duties and responsibilities under this Agreement.

6. Termination. Notwithstanding the provisions of Section 3, the Executive's employment under this Agreement shall terminate under the following circumstances set forth in this Section 6.

(a) Termination by the Employer for Cause. The Executive's employment under this Agreement may be terminated for Cause (as defined below) on the part of the Employer effective upon a vote of the Board of Directors, prior to which the Employer shall have given the Executive ten (10) days prior written notice and the opportunity to be heard on such matter at a meeting of the Board. Only the following shall constitute "Cause" for such termination:

(i) any act, whether or not involving the Employer or any affiliate of the Employer, of fraud or gross misconduct;

(ii) the commission by the Executive of (A) a felony or (B) any misdemeanor involving moral turpitude, deceit, dishonesty or fraud; or

(iii) gross negligence or willful misconduct of the Executive with respect to the Employer or any affiliate of the Employer.

(b) Termination by the Employer Without Cause. Subject to the payment of Termination Benefits pursuant to Section 7(b), the Executive's employment under this Agreement may be terminated by the Employer without Cause upon no less than sixty (60) days prior written notice to the Executive.

(c) Termination by the Executive for Good Reason. Subject to the payment of Termination Benefits pursuant to Section 7(b), the Executive's employment under this Agreement may be terminated by the Executive for Good Reason by written notice to the Board of Directors at least sixty (60) days prior to such termination. Only the following shall constitute "Good Reason" for such termination:

(i) a material reduction of the Executive's annual base salary and/or annual target bonus other than a such reduction that is similar to a reduction made to such salary and/or target bonus of all other senior executives of the Employer;

(ii) a change in the Executive's responsibilities and/or duties which constitutes a demotion or is inconsistent with the terms of Section 2 hereof;

(iii) a failure of the Company to pay any amounts due hereunder;

(iv) the failure of any successor in interest to the business of the Employer to assume the Employer's obligations under this Agreement; or

(v) the relocation of the offices at which the Executive is principally employed to a location more than fifty (50) miles from such offices, which relocation is not approved by the Executive.

(d) Death. The Executive's employment with the Employer shall terminate upon the Executive's death.

(e) Disability. If the Executive shall be disabled so as to be unable to perform the essential functions of the Executive's then-existing position or positions under this Agreement, with or without reasonable accommodation, the Chief Executive Officer may remove the Executive from any responsibilities and/or reassign the Executive to another position with the Employer for the remainder of the Term or during the period of such disability. Notwithstanding any such removal or reassignment, the Executive shall continue to receive the Executive's full Salary (less any disability pay or sick pay benefits to which the Executive may be entitled under the Employer's policies) and benefits under Section 4 of this Agreement (except to the extent that the Executive may be ineligible for one or more such benefits under applicable plan terms) for a period of time equal to the period set forth in Section 7(b)(i) below. If any question shall arise as to whether during any period the Executive is disabled so as to be unable to perform the essential functions of the Executive's then existing position or positions with or without reasonable accommodation, the Executive may, and at the request of the Employer shall, submit to the Employer a certification in reasonable detail by a physician selected by the Employer (to whom the Executive or the Executive's guardian has no reasonable objection) as to whether the Executive is so disabled or how long such disability is expected to continue, and such certification shall for the purposes of this Agreement be conclusive of the issue. The Executive shall cooperate with any reasonable request of the physician in connection with such certification. If such question shall arise and the Executive shall fail to submit such certification, the Employer's determination of such issue shall be binding on the Executive. Nothing in this Section 6(e) shall be construed to waive the Executive's rights, if any, under existing law

including, without limitation, the Family and Medical Leave Act of 1993, 29 U.S.C. §2601 *et seq.* and the Americans with Disabilities Act, 42 U.S.C. §12101 *et seq.*

(f) Termination by the Executive without Good Reason. The Executive may terminate this Agreement at any time on no less than sixty (60) days prior written notice. If the Executive terminates this Agreement without Good Reason, the Executive is not entitled to any additional compensation or benefits other than his Accrued Benefit (as defined in Section 7(a) below).

7. Compensation Upon Termination.

(a) Termination Generally. If the Executive's employment with the Employer is terminated for any reason during the Term, the Employer shall pay or provide to the Executive (or to his authorized representative or estate) any earned but unpaid base salary, incentive compensation earned but not yet paid, unpaid expense reimbursements, accrued but unused vacation and any vested benefits the Executive may have under any employee benefit plan of the Employer (the "Accrued Benefit").

(b) Termination by the Employer Without Cause or upon Executive Disability or Death, or by the Executive for Good Reason. In the event of termination of the Executive's employment with the Employer pursuant to Section 6(b), (c), (d) or (e) above, or the failure of the Company to extend this Agreement following the expiration of the then-current Term, the Employer shall provide to the Executive the following termination benefits ("Termination Benefits"):

(i) payments that provide for the continuation of the Executive's Salary at the rate then in effect pursuant to Section 4(a) for a period of nine (9) months;

(ii) continuation of group health plan benefits to the extent authorized by and consistent with 29 U.S.C. § 1161 *et seq.* (commonly known as "COBRA"), payment of premiums of which shall continue to be made by the Employer at the active employee's rate for the period set forth in clause 7(b)(i) above;

(iii) payments (prorated over the period described in Section 7(b)(i) above) equal in the aggregate to the greater of (x) fifty percent (50%) of the targeted bonus amount that was established by the Board of Directors or Compensation Committee for the Executive for the then-current fiscal year (the "Target Bonus Amount") or (y) the product of (I) the Target Bonus Amount multiplied by (II) a fraction, the numerator for which equals the number of months in the then-current fiscal year that have elapsed, and the denominator of which equals 12; and

(iv) for each year that the Executive has been employed by the Employer in any capacity, an additional ten percent (10%) of (x) all then unvested options to purchase shares of the Employer's stock that have been granted to the Executive shall become immediately, and without further action, exercisable by the Executive and (y) all then unvested restricted stock units that have been granted to the Executive shall become immediately, and without further action, vested and shall be delivered to the Executive in accordance with the Restricted Stock Unit Agreement(s) by and between the Company and the Executive; provided, that, in the event that the foregoing calculation results in the acceleration of less than fifty percent (50%) of Executive's then unvested such options and restricted stock units, the number of shares subject to

such acceleration shall be deemed to be increased to equal fifty percent (50%) (utilizing restricted stock units first and then options for any balance) .

(c) Termination by the Employer with Cause or the Executive without Good Reason. If the Executive's employment is terminated by the Employer with Cause under Section 6(a) or by the Executive without Good Reason under Section 6(f), the Employer shall have no further obligation to the Executive other than payment of his Accrued Benefit.

(d) Certain Tax Matters.

(i) The Company and the Executive agree to cooperate and negotiate with each other in good faith to minimize the impact of Sections 280G and 4999 of the Code on the Company and the Executive, respectively.

(ii) The following rules shall apply with respect to distribution of the payments and benefits, if any, to be provided to Executive under Section 7.

(1) It is intended that each installment of the payments and benefits provided under Section 7 shall be treated as a separate "payment" for purposes of Section 409A of the U.S. Internal Revenue Code of 1986, as amended, and the guidance issued thereunder ("Section 409A"). Neither Employer nor Executive shall have the right to accelerate or defer the delivery of any such payments or benefits except to the extent specifically permitted or required by Section 409A;

(2) If, as of the date of the Executive's "separation from service" (as defined below) from Employer, Executive is not a "specified employee (within the meaning of Section 409A), then each installment of the payments and benefits shall be made on the dates and terms set forth in Section 7; and

(3) If, as of the date of the Executive's "separation from service" from Employer, Executive is a "specified employee" (within the meaning of Section 409A), then:

(A) Each installment of the payments and benefits due under Section 7 that, in accordance with the dates and terms set forth herein, will in all circumstances, regardless of when the separation from service occurs, be paid within the Short-Term Deferral Period (as hereinafter defined) shall be treated as a short-term deferral within the meaning of Treasury Regulation Section 1.409A-1(b)(4) to the maximum extent permissible under Section 409A. For purposes of this Agreement, the "Short-Term Deferral Period" means the period ending on the later of the 15th day of the third month following the end of Executive's tax year in which the separation from service occurs and the 15th day of the third month following the end of Employer's tax year in which the separation from service occurs; and

(B) Each installment of the payments and benefits due under Section 7 that is not paid within the Short-Term Deferral Period and that would, absent this subsection, be paid within the nine-month period following the "separation from service" of Executive from Employer shall not be paid until the date that is six months and one day after such separation from service (or, if earlier, the Executive's death), with any such installments that are required to be delayed being accumulated during the nine-month period and paid in a lump sum on the date that is six months

and one day following Executive's separation from service and any subsequent installments, if any, being paid in accordance with the dates and terms set forth herein; provided, however, that the preceding provisions of this sentence shall not apply to any installment of payments and benefits if and to the maximum extent that that such installment is deemed to be paid under a separation pay plan that does not provide for a deferral of compensation by reason of the application of Treasury Regulation 1.409A-I (b)(9)(iii) (relating to separation pay upon an involuntary separation from service). Any installments that qualify for the exception under Treasury Regulation Section 1.409A-I(b)(9)(iii) must be paid no later than the last day of Executive's second taxable year following the taxable year of yours in which the separation from service occurs.

(4) For purposes of this Agreement, the determination of whether and when a separation from service has occurred shall be made in accordance with this subparagraph and in a manner consistent with Treasury Regulation Section 1.409A-I(h). Solely for purposes of this Section 7, "Employer" shall include all persons with whom the Employer would be considered a single employer under Sections 414(b) and 414(c) of the Internal Revenue Code of 1986, as amended.

8. Confidential Information, Noncompetition and Cooperation.

(a) Confidential Information. As used in this Agreement, "Confidential Information" means information belonging to the Employer which is of value to the Employer in the course of conducting its business and the disclosure of which could result in a competitive or other disadvantage to the Employer. Confidential Information includes, without limitation, financial information, reports, and forecasts; inventions, improvements and other intellectual property; trade secrets; know-how; designs, processes or formulae; software; market or sales information or plans; customer lists; and business plans, prospects and opportunities (such as possible acquisitions or dispositions of businesses or facilities) which have been discussed or considered by the management of the Employer. Confidential Information includes information developed by the Executive in the course of the Executive's employment by the Employer, as well as other information to which the Executive may have access in connection with the Executive's employment. Confidential Information also includes the confidential information of others with which the Employer has a business relationship. Notwithstanding the foregoing, Confidential Information does not include information in the public domain, unless due to breach of the Executive's duties under Section 8(b).

(b) Confidentiality. Executive's employment creates a relationship of confidence and trust between the Executive and the Employer with respect to all Confidential Information. At all times, both during the Executive's employment with the Employer and after its termination, the Executive will keep in confidence and trust all such Confidential Information, and will not use or disclose any such Confidential Information without the written consent of the Employer, except as may be necessary in the ordinary course of performing the Executive's duties to the Employer.

(c) Documents, Records, etc. All documents, records, data, apparatus, equipment and other physical property, whether or not pertaining to Confidential Information, which are furnished to the Executive by the Employer or are produced by the Executive in connection with the Executive's employment will be and remain the sole property of the Employer. The

Executive will return to the Employer all such materials and property as and when requested by the Employer. In any event, the Executive will return all such materials and property immediately upon termination of the Executive's employment for any reason. The Executive will not retain with the Executive any such material or property or any copies thereof after such termination.

(d) Noncompetition and Nonsolicitation. During the Term and for a period of twelve (12) months thereafter, the Executive (i) will not, directly or indirectly, whether as owner, partner, shareholder, consultant, agent, employee, co-venturer or otherwise, engage, participate, assist or invest in any Competing Business (as hereinafter defined); (ii) will refrain, either alone or in association with others, from directly or indirectly employing, attempting to employ, recruiting or otherwise soliciting, inducing or influencing any person to leave employment with the Employer (other than terminations of employment of subordinate employees undertaken in the course of the Executive's employment with the Employer); and (iii) will refrain, either alone or in association with others, from soliciting or encouraging any customer or supplier to terminate or otherwise modify adversely its business relationship with the Employer. The Executive understands that the restrictions set forth in this Section 8(d) are intended to protect the Employer's interest in its Confidential Information and established employee, customer and supplier relationships and goodwill, and agrees that such restrictions are reasonable and appropriate for this purpose. For purposes of this Agreement, the term "Competing Business" shall mean any of the following: a media company that publishes technology-related content or operates technology-related events and, in any case, derives its revenue from selling products and services similar to products and services offered by the Employer to customers and prospects similar to Employer's own customers and prospects. The Employee acknowledges that the following specific companies are considered examples of competitors of TechTarget: IDG, QuinStreet, PennWell, United Business MediaBM, Sirius, MRP, Integrate, CBS Corporation, J2 Global (Ziff Davis Media), RainKing, Harte Hanks, Discover.org, Gartner MRP, First Derivatives, 6Sense, Lattice Engines, J2 Global and Madison Logic. The Executive further acknowledges that the specific companies mentioned as competitors create only a limited list of potential competitors and that other companies or entities maybe deemed to be competitors based on the nature of their products and services and how they compete in the marketplace against Employer's customers and prospects. At the Executive's request, Employer will update the listing of specific companies mentioned above. Notwithstanding the foregoing, the Executive may own up to one percent (1%) of the outstanding stock of a publicly held corporation which constitutes or is affiliated with a Competing Business.

(e) Third-Party Agreements and Rights. The Executive hereby confirms that the Executive is not bound by the terms of any agreement with any previous employer or other party which restricts in any way the Executive's use or disclosure of information or the Executive's engagement in any business. The Executive represents to the Employer that the Executive's execution of this Agreement, the Executive's employment with the Employer and the performance of the Executive's proposed duties for the Employer will not violate any obligations the Executive may have to any such previous employer or other party. In the Executive's work for the Employer, the Executive will not disclose or make use of any information in violation of any agreements with or rights of any such previous employer or other party, and the Executive will not bring to the premises of the Employer any copies or other tangible embodiments of non-public information belonging to or obtained from any such previous employment or other party.

(f) Litigation and Regulatory Cooperation. During and after the Executive's employment, the Executive shall cooperate fully with the Employer in the defense or prosecution of any claims or actions now in existence or which may be brought in the future against or on behalf of the Employer which relate to events or occurrences that transpired while the Executive was employed by the Employer. The Executive's full cooperation in connection with such claims or actions shall- include, but not be limited to, being available to meet with counsel to prepare for discovery or trial and to act as a witness on behalf of the Employer at mutually convenient times. During and after the Executive's employment, the Executive also shall cooperate fully with the Employer in connection with any investigation or review of any federal, state or local regulatory authority as any such investigation or review relates to events or occurrences that transpired while the Executive was employed by the Employer. The Employer shall reimburse the Executive for any reasonable out-of-pocket expenses incurred in connection with the Executive's performance of obligations pursuant to this Section 8(f).

(g) Injunction. The Executive agrees that it would be difficult to measure any damages caused to the Employer which might result from any breach by the Executive of the promises set forth in this Section 8, and that in any event money damages would be an inadequate remedy for any such breach. Accordingly, subject to Section 9 of this Agreement, the Executive agrees that if the Executive breaches, or proposes to breach, any portion of this Agreement, the Employer shall be entitled, in addition to all other remedies that it may have, to an injunction or other appropriate equitable relief to restrain any such breach without showing or proving any actual damage to the Employer and without posting a bond.

(h) The Executive agrees that, during the non-competition and non-solicitation period, he will give notice to the Employer of each new business activity he plans to undertake, at least ten (10) business days prior to beginning any such activity. The notice shall state the name and address of the individual, corporation, association or other entity or organization ("Entity") for whom such activity is undertaken and the name of the Employee's business relationship or position with the entity. The Executive further agrees to provide the Employer with other pertinent information concerning such business activity as the Employer may reasonably request in order to determine the Executive's continued compliance with his obligations under this Agreement. The Executive agrees to provide a copy of the Agreement to all persons and Entities with whom the Executive seeks to be hired or do business before accepting employment or engagement with any of them.

(i) If the Executive violates the provisions of any of the preceding paragraphs of this Section, the Executive shall continue to be bound by the restrictions set forth in such paragraph until a period of one (1) year has expired without any violation of such provisions.

9. Arbitration of Disputes. Any controversy or claim arising out of or relating to this Agreement or the breach thereof or otherwise arising out of the Executive's employment or the termination of that employment (including, without limitation, any claims of unlawful employment discrimination whether based on age or otherwise) shall, to the fullest extent permitted by law, be settled by arbitration in any forum and form agreed upon by the parties or, in the absence of such an agreement, under the auspices of the American Arbitration Association ("AAA") in Boston, Massachusetts in accordance with the Employment Dispute Resolution

Rules of the AAA, including, but not limited to, the rules and procedures applicable to the selection of arbitrators. In the event that any person or entity other than the Executive or the Employer may be a party with regard to any such controversy or claim, such controversy or claim shall be submitted to arbitration subject to such other person or entity's agreement. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. This Section 9 shall be specifically enforceable. Notwithstanding the foregoing, this Section 9 shall not preclude either party from pursuing a court action for the sole purpose of obtaining a temporary restraining order or a preliminary injunction in circumstances in which such relief is appropriate; provided that any other relief shall be pursued through an arbitration proceeding pursuant to this Section 9.

10. Consent to Jurisdiction. To the extent that any court action is permitted consistent with or to enforce Section 9 of this Agreement, the parties hereby consent to the jurisdiction of the Superior Court of the Commonwealth of Massachusetts and the United States District Court for the District of Massachusetts. Accordingly, with respect to any such court action, the Executive (a) submits to the personal jurisdiction of such courts; (b) consents to service of process; and (c) waives any other requirement (whether imposed by statute, rule of court, or otherwise) with respect to personal jurisdiction or service of process.

11. Integration. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements between the parties with respect to any related subject matter. The Executive agrees that any change or changes in his employment duties, or compensation after the signing of this Agreement shall not affect the validity or scope of this Agreement.

12. Assignment; Successors and Assigns, etc. Neither the Employer nor the Executive may make any assignment of this Agreement or any interest herein, by operation of law or otherwise, without the prior written consent of the other party; provided that the Employer may assign its rights under this Agreement without the consent of the Executive in the event that the Employer shall effect a reorganization, consolidate with, or merge into, any other corporation, partnership, organization or other entity, or transfer all or substantially all of its properties or assets to any other corporation, partnership, organization or other entity. This Agreement shall inure to the benefit of and be binding upon the Employer and the Executive, their respective successors, executors, administrators, heirs and permitted assigns.

13. Enforceability. If any portion or provision of this Agreement (including, without limitation, any portion or provision of any section of this Agreement) shall to any extent be declared illegal or unenforceable by a court of competent jurisdiction, then the remainder of this Agreement, or the application of such portion or provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each portion and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

14. Waiver. No waiver of any provision hereof shall be effective unless made in writing and signed by the waiving party. The failure of any party to require the performance of any term or obligation of this Agreement, or the waiver by any party of any breach of this Agreement, shall

not prevent any subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach.

15. Notices. Any notices, requests, demands and other communications provided for by this Agreement shall be sufficient if in writing and delivered in person or sent by a nationally recognized overnight courier service or by registered or certified mail, postage prepaid, return receipt requested, to the Executive at the last address the Executive has filed in writing with the Employer or, in the case of the Employer, at its main offices, attention of the Chief Executive Officer, and shall be effective on the date of delivery in person or by courier or three (3) days after the date mailed.

16. Amendment. This Agreement may be amended or modified only by a written instrument signed by the Executive and by a duly authorized representative of the Employer.

17. Governing Law. This is a Massachusetts contract and shall be construed under and be governed in all respects by the law of the Commonwealth of Massachusetts, without giving effect to the conflict of laws principles of such Commonwealth. With respect to any disputes concerning federal law, such disputes shall be determined in accordance with the law as it would be interpreted and applied by the United States Court of Appeals for the First Circuit.

18. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be taken to be an original; but such counterparts shall together constitute one and the same document.

IN WITNESS WHEREOF, this Agreement has been executed as a sealed instrument by the Employer, by its duly authorized officer, and by the Executive, as of the Effective Date.

TECHTARGET, INC.

/s/ Michael Cotoia

By: Michael Cotoia

Title: Chief Executive Officer

Executive

/s/ Rebecca Kitchens

EMPLOYMENT AGREEMENT

This EMPLOYMENT AGREEMENT (the “Agreement”) is made as of September 8, 2023 (the “Effective Date”) by and between TechTarget, Inc., a Delaware corporation with a principal place of business at 275 Grove Street, Newton, MA 02466 (the “Employer”) and Steven Niemiec (the “Executive”).

WHEREAS, in connection with the hiring of the Executive to the position detailed in Section 2 below, the parties desire to enter into this Agreement.

NOW, THEREFORE, in consideration of the mutual covenants contained in this Agreement, the Employer and the Executive agree as follows.

1. Employment. The Employer agrees to employ the Executive and the Executive agrees to be employed by the Employer upon the terms and subject to the conditions set forth in this Agreement.

2. Capacity. The Executive shall serve the Employer as Chief Operating Officer and Chief Revenue Officer. The Executive shall also serve the Employer in such other or additional offices as the Executive may be requested to serve by the Chief Executive Officer. In such capacity or capacities, the Executive shall perform such services and duties in connection with the business, affairs and operations of the Employer as may be assigned or delegated to the Executive from time to time, consistent with the Executive’s education and experience, by or under the authority of the Chief Executive Officer. The Executive shall report directly to the Chief Executive Officer.

3. Term. Subject to the provisions of Section 6, the term of employment pursuant to this Agreement (the “Term”) shall be one (1) year from the Effective Date and shall be renewed automatically for periods of one (1) year commencing at the first anniversary of the Effective Date and on each subsequent anniversary thereafter unless either the Executive or the Employer gives written notice to the other not less than sixty (60) days prior to the date of any such anniversary of such party’s election not to extend the Term. In the event that the Employer elects to not extend this Agreement on such an anniversary date, the Executive shall be entitled to the benefits described in Section 7(b) below.

4. Compensation and Benefits. The regular compensation and benefits payable to the Executive under this Agreement shall be as follows:

(a) Salary. For all services rendered by the Executive under this Agreement, the Employer shall pay the Executive a salary (the “Salary”) at the annual rate of Four Hundred Thousand Dollars (\$400,000), subject to increase from time to time in the discretion of the Board of Directors or the Compensation Committee of the Board of Directors (the “Compensation Committee”). The Salary shall be payable in periodic installments in accordance with the Employer’s usual practice for its senior executives.

(b) Bonus. Beginning with the fiscal year starting January 1, 2023, the Executive shall be entitled to participate in an annual incentive program established by the Board of Directors or

the Compensation Committee for the executive management team with such terms as may be established in the sole discretion of the Board of Directors or Compensation Committee. For fiscal year 2023, the Executive's annual target bonus amount shall equal One Hundred and Five Thousand Dollars (\$105,000). For all subsequent years, the amount of the Executive's annual target bonus amount shall be established by the Board of Directors or the Compensation Committee. The specific terms of the bonus plan, including bonus targets, methods of payment and performance goals will be documented by the Board of Directors or the Compensation Committee.

(c) Regular Benefits. The Executive shall also be entitled to participate in any qualified retirement plans, deferred compensation plans, stock option and incentive plans, stock purchase plans, medical insurance plans, life insurance plans, disability income plans, retirement plans, vacation plans, expense reimbursement plans and other benefit plans which the Employer may from time to time have in effect for its senior executives. Such participation shall be subject to the terms of the applicable plan documents, generally applicable policies of the Employer, applicable law and the discretion of the Board of Directors, the Compensation Committee or any administrative or other committee provided for in, or contemplated by, any such plan. Nothing contained in this Agreement shall be construed to create any obligation on the part of the Employer to establish any such plan or to maintain the effectiveness of any such plan which may be in effect from time to time.

(d) Equity Grants. The Executive shall be provided equity awards as determined by the Board of Directors or the Compensation Committee, with such terms as may be established in the sole discretion of the Board of Directors or Compensation Committee. In connection with any grants of stock options, restricted stock units, or other equity instruments granted by the Employer to the Executive, the Employer and the Executive hereby acknowledge and agree that, in the event of a Change of Control within the meaning of Section 409A of the Internal Revenue Code of 1986, as amended, with respect to (1) any stock option grants under the Employer's 2017 Stock Option Plan and (2) any restricted stock or restricted stock units, all unvested shares shall thereupon become fully vested, all stock options shall thereafter become immediately exercisable, and all restricted stock units shall become fully vested and shall be delivered in accordance with any restricted stock unit agreement between the Executive and the Employer.

(e) Reimbursement of Business Expenses. The Employer shall reimburse the Executive for all reasonable expenses incurred by him in performing services during the Term, in accordance with the Employer's policies and procedures for its senior executive officers, as in effect from time to time.

(f) Taxation of Payments and Benefits. The Employer shall undertake to make deductions, withholdings and tax reports with respect to payments and benefits under this Agreement to the extent that it reasonably and in good faith believes that it is required to make such deductions, withholdings and tax reports. Payments under this Agreement shall be in amounts net of any such deductions or withholdings. Nothing in this Agreement shall be construed to require the Employer to make any payments to compensate the Executive for any adverse tax effect associated with any payments or benefits or for any deduction or withholding from any payment or benefit.

(g) Exclusivity of Salary and Benefits. The Executive shall not be entitled to any payments or benefits other than those provided under this Agreement. During the Term, the Employer is obligated to document any changes in compensation terms applicable to the Agreement.

5. Extent of Service. During the Executive's employment under this Agreement, the Executive shall devote the Executive's best efforts and business judgment, skill and knowledge to the advancement of the Employer's interests and to the discharge of the Executive's duties and responsibilities under this Agreement. Notwithstanding anything contained herein to the contrary, this Agreement shall not be construed as preventing the Executive from:

(a) investing the Executive's assets in any company or other entity in a manner not prohibited by Section 8(d) and in such form or manner as shall not require any material activities on the Executive's part in connection with the operations or affairs of the companies or other entities in which such investments are made;

(b) serving on the Board of another company; provided that such service does not impair or compromise the Executive's ability to fulfill the Executive's duties and responsibilities under this Agreement; or

(c) engaging in religious, charitable or other community or non-profit activities that do not impair the Executive's ability to fulfill the Executive's duties and responsibilities under this Agreement.

6. Termination. Notwithstanding the provisions of Section 3, the Executive's employment under this Agreement shall terminate under the following circumstances set forth in this Section 6.

(a) Termination by the Employer for Cause. The Executive's employment under this Agreement may be terminated for Cause (as defined below) on the part of the Employer effective upon a vote of the Board of Directors, prior to which the Employer shall have given the Executive ten (10) days prior written notice and the opportunity to be heard on such matter at a meeting of the Board. Only the following shall constitute "Cause" for such termination:

(i) any act, whether or not involving the Employer or any affiliate of the Employer, of fraud or gross misconduct;

(ii) the commission by the Executive of (A) a felony or (B) any misdemeanor involving moral turpitude, deceit, dishonesty or fraud; or

(iii) gross negligence or willful misconduct of the Executive with respect to the Employer or any affiliate of the Employer.

(b) Termination by the Employer Without Cause. Subject to the payment of Termination Benefits pursuant to Section 7(b), the Executive's employment under this Agreement may be terminated by the Employer without Cause upon no less than sixty (60) days prior written notice to the Executive.

(c) Termination by the Executive for Good Reason. Subject to the payment of Termination Benefits pursuant to Section 7(b), the Executive's employment under this Agreement may be terminated by the Executive for Good Reason by written notice to the Board of Directors at least sixty (60) days prior to such termination. Only the following shall constitute "Good Reason" for such termination:

(i) a material reduction of the Executive's annual base salary and/or annual target bonus other than a such reduction that is similar to a reduction made to such salary and/or target bonus of all other senior executives of the Employer;

(ii) a change in the Executive's responsibilities and/or duties which constitutes a demotion or is inconsistent with the terms of Section 2 hereof;

(iii) a failure of the Company to pay any amounts due hereunder;

(iv) the failure of any successor in interest to the business of the Employer to assume the Employer's obligations under this Agreement; or

(v) the relocation of the offices at which the Executive is principally employed to a location more than fifty (50) miles from such offices, which relocation is not approved by the Executive.

(d) Death. The Executive's employment with the Employer shall terminate upon the Executive's death.

(e) Disability. If the Executive shall be disabled so as to be unable to perform the essential functions of the Executive's then-existing position or positions under this Agreement, with or without reasonable accommodation, the Chief Executive Officer may remove the Executive from any responsibilities and/or reassign the Executive to another position with the Employer for the remainder of the Term or during the period of such disability. Notwithstanding any such removal or reassignment, the Executive shall continue to receive the Executive's full Salary (less any disability pay or sick pay benefits to which the Executive may be entitled under the Employer's policies) and benefits under Section 4 of this Agreement (except to the extent that the Executive may be ineligible for one or more such benefits under applicable plan terms) for a period of time equal to the period set forth in Section 7(b)(i) below. If any question shall arise as to whether during any period the Executive is disabled so as to be unable to perform the essential functions of the Executive's then existing position or positions with or without reasonable accommodation, the Executive may, and at the request of the Employer shall, submit to the Employer a certification in reasonable detail by a physician selected by the Employer (to whom the Executive or the Executive's guardian has no reasonable objection) as to whether the Executive is so disabled or how long such disability is expected to continue, and such certification shall for the purposes of this Agreement be conclusive of the issue. The Executive shall cooperate with any reasonable request of the physician in connection with such certification. If such question shall arise and the Executive shall fail to submit such certification, the Employer's determination of such issue shall be binding on the Executive. Nothing in this Section 6(e) shall be construed to waive the Executive's rights, if any, under existing law

including, without limitation, the Family and Medical Leave Act of 1993, 29 U.S.C. §2601 *et seq.* and the Americans with Disabilities Act, 42 U.S.C. §12101 *et seq.*

(f) Termination by the Executive without Good Reason. The Executive may terminate this Agreement at any time on no less than sixty (60) days prior written notice. If the Executive terminates this Agreement without Good Reason, the Executive is not entitled to any additional compensation or benefits other than his Accrued Benefit (as defined in Section 7(a) below).

7. Compensation Upon Termination.

(a) Termination Generally. If the Executive's employment with the Employer is terminated for any reason during the Term, the Employer shall pay or provide to the Executive (or to his authorized representative or estate) any earned but unpaid base salary, incentive compensation earned but not yet paid, unpaid expense reimbursements, accrued but unused vacation and any vested benefits the Executive may have under any employee benefit plan of the Employer (the "Accrued Benefit").

(b) Termination by the Employer Without Cause or upon Executive Disability or Death, or by the Executive for Good Reason. In the event of termination of the Executive's employment with the Employer pursuant to Section 6(b), (c), (d) or (e) above, or the failure of the Company to extend this Agreement following the expiration of the then-current Term, the Employer shall provide to the Executive the following termination benefits ("Termination Benefits"):

(i) payments that provide for the continuation of the Executive's Salary at the rate then in effect pursuant to Section 4(a) for a period of nine (9) months;

(ii) continuation of group health plan benefits to the extent authorized by and consistent with 29 U.S.C. § 1161 *et seq.* (commonly known as "COBRA"), payment of premiums of which shall continue to be made by the Employer at the active employee's rate for the period set forth in clause 7(b)(i) above;

(iii) payments (prorated over the period described in Section 7(b)(i) above) equal in the aggregate to the greater of (x) fifty percent (50%) of the targeted bonus amount that was established by the Board of Directors or Compensation Committee for the Executive for the then-current fiscal year (the "Target Bonus Amount") or (y) the product of (I) the Target Bonus Amount multiplied by (II) a fraction, the numerator for which equals the number of months in the then-current fiscal year that have elapsed, and the denominator of which equals 12; and

(iv) for each year that the Executive has been employed by the Employer in any capacity, an additional ten percent (10%) of (x) all then unvested options to purchase shares of the Employer's stock that have been granted to the Executive shall become immediately, and without further action, exercisable by the Executive and (y) all then unvested restricted stock units that have been granted to the Executive shall become immediately, and without further action, vested and shall be delivered to the Executive in accordance with the Restricted Stock Unit Agreement(s) by and between the Company and the Executive; provided, that, in the event that the foregoing calculation results in the acceleration of less than fifty percent (50%) of Executive's then unvested such options and restricted stock units, the number of shares subject to

such acceleration shall be deemed to be increased to equal fifty percent (50%) (utilizing restricted stock units first and then options for any balance) .

(c) Termination by the Employer with Cause or the Executive without Good Reason. If the Executive's employment is terminated by the Employer with Cause under Section 6(a) or by the Executive without Good Reason under Section 6(f), the Employer shall have no further obligation to the Executive other than payment of his Accrued Benefit.

(d) Certain Tax Matters.

(i) The Company and the Executive agree to cooperate and negotiate with each other in good faith to minimize the impact of Sections 280G and 4999 of the Code on the Company and the Executive, respectively.

(ii) The following rules shall apply with respect to distribution of the payments and benefits, if any, to be provided to Executive under Section 7.

(1) It is intended that each installment of the payments and benefits provided under Section 7 shall be treated as a separate "payment" for purposes of Section 409A of the U.S. Internal Revenue Code of 1986, as amended, and the guidance issued thereunder ("Section 409A"). Neither Employer nor Executive shall have the right to accelerate or defer the delivery of any such payments or benefits except to the extent specifically permitted or required by Section 409A;

(2) If, as of the date of the Executive's "separation from service" (as defined below) from Employer, Executive is not a "specified employee (within the meaning of Section 409A), then each installment of the payments and benefits shall be made on the dates and terms set forth in Section 7; and

(3) If, as of the date of the Executive's "separation from service" from Employer, Executive is a "specified employee" (within the meaning of Section 409A), then:

(A) Each installment of the payments and benefits due under Section 7 that, in accordance with the dates and terms set forth herein, will in all circumstances, regardless of when the separation from service occurs, be paid within the Short-Term Deferral Period (as hereinafter defined) shall be treated as a short-term deferral within the meaning of Treasury Regulation Section 1.409A-1(b)(4) to the maximum extent permissible under Section 409A. For purposes of this Agreement, the "Short-Term Deferral Period" means the period ending on the later of the 15th day of the third month following the end of Executive's tax year in which the separation from service occurs and the 15th day of the third month following the end of Employer's tax year in which the separation from service occurs; and

(B) Each installment of the payments and benefits due under Section 7 that is not paid within the Short-Term Deferral Period and that would, absent this subsection, be paid within the nine-month period following the "separation from service" of Executive from Employer shall not be paid until the date that is six months and one day after such separation from service (or, if earlier, the Executive's death), with any such installments that are required to be delayed being accumulated during the nine-month period and paid in a lump sum on the date that is six months

and one day following Executive's separation from service and any subsequent installments, if any, being paid in accordance with the dates and terms set forth herein; provided, however, that the preceding provisions of this sentence shall not apply to any installment of payments and benefits if and to the maximum extent that that such installment is deemed to be paid under a separation pay plan that does not provide for a deferral of compensation by reason of the application of Treasury Regulation 1.409A-I (b)(9)(iii) (relating to separation pay upon an involuntary separation from service). Any installments that qualify for the exception under Treasury Regulation Section 1.409A-I(b)(9)(iii) must be paid no later than the last day of Executive's second taxable year following the taxable year of yours in which the separation from service occurs.

(4) For purposes of this Agreement, the determination of whether and when a separation from service has occurred shall be made in accordance with this subparagraph and in a manner consistent with Treasury Regulation Section 1.409A-I(h). Solely for purposes of this Section 7, "Employer" shall include all persons with whom the Employer would be considered a single employer under Sections 414(b) and 414(c) of the Internal Revenue Code of 1986, as amended.

8. Confidential Information, Noncompetition and Cooperation.

(a) Confidential Information. As used in this Agreement, "Confidential Information" means information belonging to the Employer which is of value to the Employer in the course of conducting its business and the disclosure of which could result in a competitive or other disadvantage to the Employer. Confidential Information includes, without limitation, financial information, reports, and forecasts; inventions, improvements and other intellectual property; trade secrets; know-how; designs, processes or formulae; software; market or sales information or plans; customer lists; and business plans, prospects and opportunities (such as possible acquisitions or dispositions of businesses or facilities) which have been discussed or considered by the management of the Employer. Confidential Information includes information developed by the Executive in the course of the Executive's employment by the Employer, as well as other information to which the Executive may have access in connection with the Executive's employment. Confidential Information also includes the confidential information of others with which the Employer has a business relationship. Notwithstanding the foregoing, Confidential Information does not include information in the public domain, unless due to breach of the Executive's duties under Section 8(b).

(b) Confidentiality. Executive's employment creates a relationship of confidence and trust between the Executive and the Employer with respect to all Confidential Information. At all times, both during the Executive's employment with the Employer and after its termination, the Executive will keep in confidence and trust all such Confidential Information, and will not use or disclose any such Confidential Information without the written consent of the Employer, except as may be necessary in the ordinary course of performing the Executive's duties to the Employer.

(c) Documents, Records, etc. All documents, records, data, apparatus, equipment and other physical property, whether or not pertaining to Confidential Information, which are furnished to the Executive by the Employer or are produced by the Executive in connection with the Executive's employment will be and remain the sole property of the Employer. The

Executive will return to the Employer all such materials and property as and when requested by the Employer. In any event, the Executive will return all such materials and property immediately upon termination of the Executive's employment for any reason. The Executive will not retain with the Executive any such material or property or any copies thereof after such termination.

(d) Noncompetition and Nonsolicitation. During the Term and for a period of twelve (12) months thereafter, the Executive (i) will not, directly or indirectly, whether as owner, partner, shareholder, consultant, agent, employee, co-venturer or otherwise, engage, participate, assist or invest in any Competing Business (as hereinafter defined); (ii) will refrain, either alone or in association with others, from directly or indirectly employing, attempting to employ, recruiting or otherwise soliciting, inducing or influencing any person to leave employment with the Employer (other than terminations of employment of subordinate employees undertaken in the course of the Executive's employment with the Employer); and (iii) will refrain, either alone or in association with others, from soliciting or encouraging any customer or supplier to terminate or otherwise modify adversely its business relationship with the Employer. The Executive understands that the restrictions set forth in this Section 8(d) are intended to protect the Employer's interest in its Confidential Information and established employee, customer and supplier relationships and goodwill, and agrees that such restrictions are reasonable and appropriate for this purpose. For purposes of this Agreement, the term "Competing Business" shall mean any of the following: a media company that publishes technology-related content or operates technology-related events and, in any case, derives its revenue from selling products and services similar to products and services offered by the Employer to customers and prospects similar to Employer's own customers and prospects. The Employee acknowledges that the following specific companies are considered examples of competitors of TechTarget: IDG, QuinStreet, PennWell, United Business MediaBM, Sirius, MRP, Integrate, CBS Corporation, J2 Global (Ziff Davis Media), RainKing, Harte Hanks, Discover.org, Gartner MRP, First Derivatives, 6Sense, Lattice Engines, J2 Global and Madison Logic. The Executive further acknowledges that the specific companies mentioned as competitors create only a limited list of potential competitors and that other companies or entities maybe deemed to be competitors based on the nature of their products and services and how they compete in the marketplace against Employer's customers and prospects. At the Executive's request, Employer will update the listing of specific companies mentioned above. Notwithstanding the foregoing, the Executive may own up to one percent (1%) of the outstanding stock of a publicly held corporation which constitutes or is affiliated with a Competing Business.

(e) Third-Party Agreements and Rights. The Executive hereby confirms that the Executive is not bound by the terms of any agreement with any previous employer or other party which restricts in any way the Executive's use or disclosure of information or the Executive's engagement in any business. The Executive represents to the Employer that the Executive's execution of this Agreement, the Executive's employment with the Employer and the performance of the Executive's proposed duties for the Employer will not violate any obligations the Executive may have to any such previous employer or other party. In the Executive's work for the Employer, the Executive will not disclose or make use of any information in violation of any agreements with or rights of any such previous employer or other party, and the Executive will not bring to the premises of the Employer any copies or other tangible embodiments of non-public information belonging to or obtained from any such previous employment or other party.

(f) Litigation and Regulatory Cooperation. During and after the Executive's employment, the Executive shall cooperate fully with the Employer in the defense or prosecution of any claims or actions now in existence or which may be brought in the future against or on behalf of the Employer which relate to events or occurrences that transpired while the Executive was employed by the Employer. The Executive's full cooperation in connection with such claims or actions shall- include, but not be limited to, being available to meet with counsel to prepare for discovery or trial and to act as a witness on behalf of the Employer at mutually convenient times. During and after the Executive's employment, the Executive also shall cooperate fully with the Employer in connection with any investigation or review of any federal, state or local regulatory authority as any such investigation or review relates to events or occurrences that transpired while the Executive was employed by the Employer. The Employer shall reimburse the Executive for any reasonable out-of-pocket expenses incurred in connection with the Executive's performance of obligations pursuant to this Section 8(f).

(g) Injunction. The Executive agrees that it would be difficult to measure any damages caused to the Employer which might result from any breach by the Executive of the promises set forth in this Section 8, and that in any event money damages would be an inadequate remedy for any such breach. Accordingly, subject to Section 9 of this Agreement, the Executive agrees that if the Executive breaches, or proposes to breach, any portion of this Agreement, the Employer shall be entitled, in addition to all other remedies that it may have, to an injunction or other appropriate equitable relief to restrain any such breach without showing or proving any actual damage to the Employer and without posting a bond.

(h) The Executive agrees that, during the non-competition and non-solicitation period, he will give notice to the Employer of each new business activity he plans to undertake, at least ten (10) business days prior to beginning any such activity. The notice shall state the name and address of the individual, corporation, association or other entity or organization ("Entity") for whom such activity is undertaken and the name of the Employee's business relationship or position with the entity. The Executive further agrees to provide the Employer with other pertinent information concerning such business activity as the Employer may reasonably request in order to determine the Executive's continued compliance with his obligations under this Agreement. The Executive agrees to provide a copy of the Agreement to all persons and Entities with whom the Executive seeks to be hired or do business before accepting employment or engagement with any of them.

(i) If the Executive violates the provisions of any of the preceding paragraphs of this Section, the Executive shall continue to be bound by the restrictions set forth in such paragraph until a period of one (1) year has expired without any violation of such provisions.

9. Arbitration of Disputes. Any controversy or claim arising out of or relating to this Agreement or the breach thereof or otherwise arising out of the Executive's employment or the termination of that employment (including, without limitation, any claims of unlawful employment discrimination whether based on age or otherwise) shall, to the fullest extent permitted by law, be settled by arbitration in any forum and form agreed upon by the parties or, in the absence of such an agreement, under the auspices of the American Arbitration Association ("AAA") in Boston, Massachusetts in accordance with the Employment Dispute Resolution

Rules of the AAA, including, but not limited to, the rules and procedures applicable to the selection of arbitrators. In the event that any person or entity other than the Executive or the Employer may be a party with regard to any such controversy or claim, such controversy or claim shall be submitted to arbitration subject to such other person or entity's agreement. Judgment upon the award rendered by the arbitrator may be entered in any court having jurisdiction thereof. This Section 9 shall be specifically enforceable. Notwithstanding the foregoing, this Section 9 shall not preclude either party from pursuing a court action for the sole purpose of obtaining a temporary restraining order or a preliminary injunction in circumstances in which such relief is appropriate; provided that any other relief shall be pursued through an arbitration proceeding pursuant to this Section 9.

10. Consent to Jurisdiction. To the extent that any court action is permitted consistent with or to enforce Section 9 of this Agreement, the parties hereby consent to the jurisdiction of the Superior Court of the Commonwealth of Massachusetts and the United States District Court for the District of Massachusetts. Accordingly, with respect to any such court action, the Executive (a) submits to the personal jurisdiction of such courts; (b) consents to service of process; and (c) waives any other requirement (whether imposed by statute, rule of court, or otherwise) with respect to personal jurisdiction or service of process.

11. Integration. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements between the parties with respect to any related subject matter. The Executive agrees that any change or changes in his employment duties, or compensation after the signing of this Agreement shall not affect the validity or scope of this Agreement.

12. Assignment; Successors and Assigns, etc. Neither the Employer nor the Executive may make any assignment of this Agreement or any interest herein, by operation of law or otherwise, without the prior written consent of the other party; provided that the Employer may assign its rights under this Agreement without the consent of the Executive in the event that the Employer shall effect a reorganization, consolidate with, or merge into, any other corporation, partnership, organization or other entity, or transfer all or substantially all of its properties or assets to any other corporation, partnership, organization or other entity. This Agreement shall inure to the benefit of and be binding upon the Employer and the Executive, their respective successors, executors, administrators, heirs and permitted assigns.

13. Enforceability. If any portion or provision of this Agreement (including, without limitation, any portion or provision of any section of this Agreement) shall to any extent be declared illegal or unenforceable by a court of competent jurisdiction, then the remainder of this Agreement, or the application of such portion or provision in circumstances other than those as to which it is so declared illegal or unenforceable, shall not be affected thereby, and each portion and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

14. Waiver. No waiver of any provision hereof shall be effective unless made in writing and signed by the waiving party. The failure of any party to require the performance of any term or obligation of this Agreement, or the waiver by any party of any breach of this Agreement, shall

not prevent any subsequent enforcement of such term or obligation or be deemed a waiver of any subsequent breach.

15. Notices. Any notices, requests, demands and other communications provided for by this Agreement shall be sufficient if in writing and delivered in person or sent by a nationally recognized overnight courier service or by registered or certified mail, postage prepaid, return receipt requested, to the Executive at the last address the Executive has filed in writing with the Employer or, in the case of the Employer, at its main offices, attention of the Chief Executive Officer, and shall be effective on the date of delivery in person or by courier or three (3) days after the date mailed.

16. Amendment. This Agreement may be amended or modified only by a written instrument signed by the Executive and by a duly authorized representative of the Employer.

17. Governing Law. This is a Massachusetts contract and shall be construed under and be governed in all respects by the law of the Commonwealth of Massachusetts, without giving effect to the conflict of laws principles of such Commonwealth. With respect to any disputes concerning federal law, such disputes shall be determined in accordance with the law as it would be interpreted and applied by the United States Court of Appeals for the First Circuit.

18. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be taken to be an original; but such counterparts shall together constitute one and the same document.

IN WITNESS WHEREOF, this Agreement has been executed as a sealed instrument by the Employer, by its duly authorized officer, and by the Executive, as of the Effective Date.

TECHTARGET, INC.

/s/ Michael Cotoia

By: Michael Cotoia

Title: Chief Executive Officer

Executive

/s/ Steve Niemiec

**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 8, 2023

/s/ Michael Cotoia

Michael Cotoia

Chief Executive Officer

**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 8, 2023

/s/ Daniel Noreck

Daniel Noreck

Chief Financial Officer and Treasurer

**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, 2023 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 8, 2023

By: /s/ Michael Cotoia

Michael Cotoia
Chief Executive Officer

Date: November 8, 2023

By: /s/ Daniel Noreck

Daniel Noreck
Chief Financial Officer and Treasurer
