UNITED STATES SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 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 June 30, 2024

or

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

For the transition period from to

Commission file number: 001-33520

COMSCORE, INC.

(Exact name of registrant as specified in its charter)

Delaware	54-1955550
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)

11950 Democracy Drive, Suite 600
Reston, Virginia 20190
(Address of Principal Executive Offices)
(703) 438-2000
(Registrant's Telephone Number, Including Area Code)

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

Title of Each Class	Trading Symbol	Name of Each Exchange on Which Registered
Common Stock, par value $0.001 per share	SCOR	NASDAQ Global Select 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 ☑

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date: As of August 5, 2024, there were 4,889,646 shares of the registrant's Common Stock outstanding.

COMSCORE, INC.

QUARTERLY REPORT ON FORM 10-Q
FOR THE QUARTER ENDED JUNE 30, 2024

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

We may make certain statements, including in this Quarterly Report on Form 10-Q, or 10-Q, including the information contained in Item 2, "Management's Discussion and Analysis of Financial Condition and Results of Operations", and the information incorporated by reference in this 10-Q, that constitute forward-looking statements within the meaning of federal and state securities laws. Forward-looking statements are all statements other than statements of historical fact. We attempt to identify these forward-looking statements by words such as "may," "will," "should," "could," "might," "expect," "plan," "anticipate," "believe," "estimate," "target," "goal," "predict," "intend," "potential," "continue," "seek" and other comparable words. Similarly, statements that describe our business strategy, goals, prospects, opportunities, outlook, objectives, plans or intentions are also forward-looking statements. These statements may relate to, but are not limited to, expectations of future operating results or financial performance; expectations regarding our restructuring activities and cost-reduction initiatives; macroeconomic trends that we expect may influence our business, including declines in discretionary advertising spending; plans for financing and capital expenditures; expectations regarding liquidity, customer payments and compliance with debt and financing covenants, dividend requirements and other payment obligations; expectations regarding our commercial relationships and the development and introduction of new products; potential limitations on our net operating loss carryforwards and other tax assets; regulatory compliance and expected changes in the regulatory, industry or privacy landscape affecting our business; expected impact of contractual disputes, litigation and regulatory proceedings; and plans for growth and future operations, as well as assumptions relating to the foregoing.

Forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified. These statements are based on expectations and assumptions as of the date of this 10-Q regarding future events and business performance and involve known and unknown risks, uncertainties and other factors that may cause actual events or results to be materially different from any future events or results expressed or implied by these statements. These factors include those set forth in the following discussion and within Item 1A, "Risk Factors" of this 10-Q and elsewhere within this report; those identified within Item 1A, "Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2023; and those identified in other documents that we file from time to time with the U.S. Securities and Exchange Commission, or SEC.

We believe that it is important to communicate our future expectations to our investors. However, there may be events in the future that we are not able to accurately predict or control and that may cause our actual results to differ materially from the expectations we describe in our forward-looking statements. You should not place undue reliance on forward-looking statements, which apply only as of the date of this 10-Q. You should carefully review the risk factors described in this 10-Q and in other documents that we file from time to time with the SEC. Except as required by applicable law, including the rules and regulations of the SEC, we undertake no obligation, and expressly disclaim any duty, to publicly update or revise forward-looking statements, whether as a result of any new information, future events or otherwise. Although we believe the expectations reflected in the forward-looking statements are reasonable as of the date of this 10-Q, our statements are not guarantees of future results, levels of activity, performance, or achievements, and actual outcomes and results may differ materially from those expressed in, or implied by, any of our statements.

PART I. FINANCIAL INFORMATION

ITEM 1. ***FINANCIAL STATEMENTS***

COMSCORE, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, except share and per share data)	As of June 30, 2024 (Unaudited)	As of December 31, 2023
Assets		
Current assets:		
Cash and cash equivalents	$ 14,655	$ 22,750
Restricted cash	188	186
Accounts receivable, net of allowances of $441 and $614, respectively ($626 and $786 of accounts receivable attributable to related parties, respectively)	53,904	63,826
Prepaid expenses and other current assets	12,019	11,228
Total current assets	80,766	97,990
Property and equipment, net	49,162	41,574
Operating right-of-use assets	15,920	18,628
Deferred tax assets	2,424	2,588
Intangible assets, net	6,514	8,115
Goodwill	309,649	310,360
Other non-current assets	9,707	12,040
Total assets	$ 474,142	$ 491,295
Liabilities, Convertible Redeemable Preferred Stock and Stockholders' Equity		
Current liabilities:		
Accounts payable ($15,217 and $11,996 attributable to related parties, respectively)	$ 32,088	$ 30,551
Accrued expenses ($6,102 and $3,781 attributable to related parties, respectively)	30,696	34,422
Contract liabilities ($1,669 and $1,784 attributable to related parties, respectively)	47,758	48,912
Revolving line of credit	10,000	16,000
Accrued dividends (related parties)	32,616	24,132
Customer advances	7,953	11,076
Current operating lease liabilities	8,299	7,982
Contingent consideration	1,191	4,806
Other current liabilities	4,168	4,680
Total current liabilities	174,769	182,561
Non-current operating lease liabilities	17,948	23,003
Non-current portion of accrued data costs ($23,903 and $21,908 attributable to related parties, respectively)	35,190	32,833
Deferred tax liabilities	970	1,321
Other non-current liabilities	11,543	7,589
Total liabilities	240,420	247,307
Commitments and contingencies		
Convertible redeemable preferred stock, $0.001 par value; 100,000,000 shares authorized and 82,527,609 shares issued and outstanding as of June 30, 2024 and December 31, 2023; aggregate liquidation preference of $236,616 as of June 30, 2024, and $228,132 as of December 31, 2023 (related parties)	187,885	187,885
Stockholders' equity:		
Preferred stock, $0.001 par value; 5,000,000 shares authorized as of June 30, 2024 and December 31, 2023; no shares issued or outstanding as of June 30, 2024 or December 31, 2023	—	—
Common stock, $0.001 par value; 13,750,000 shares authorized as of June 30, 2024 and December 31, 2023; 5,227,876 shares issued and 4,889,637 shares outstanding as of June 30, 2024, and 5,093,380 shares issued and 4,755,141 shares outstanding as of December 31, 2023	5	5
Additional paid-in capital	1,699,689	1,696,612
Accumulated other comprehensive loss	(16,207)	(14,110)
Accumulated deficit	(1,407,666)	(1,396,420)
Treasury stock, at cost, 338,239 shares as of June 30, 2024 and December 31, 2023	(229,984)	(229,984)
Total stockholders' equity	45,837	56,103
Total liabilities, convertible redeemable preferred stock and stockholders' equity	$ 474,142	$ 491,295

See accompanying Notes to Condensed Consolidated Financial Statements.

COMSCORE, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(Unaudited)

(In thousands, except share and per share data)	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Revenues [1]	$ 85,837	$ 93,684	$ 172,632	$ 185,242
Cost of revenues [1] [2] [3]	51,953	52,958	102,020	104,887
Selling and marketing [2] [3]	14,812	17,036	30,176	34,190
Research and development [2] [3]	8,373	8,790	17,140	17,709
General and administrative [2] [3]	11,334	13,274	24,547	26,848
Amortization of intangible assets	800	801	1,601	3,612
Restructuring	493	4,104	953	5,102
Impairment of goodwill	—	44,100	—	44,100
Total expenses from operations	87,765	141,063	176,437	236,448
Loss from operations	(1,928)	(47,379)	(3,805)	(51,206)
Other income (expense), net	376	1,609	651	(203)
(Loss) gain from foreign currency transactions	(248)	(168)	715	(1,634)
Interest expense, net	(444)	(363)	(1,016)	(715)
Loss before income taxes	(2,244)	(46,301)	(3,455)	(53,758)
Income tax benefit	536	1,392	693	178
Net loss	$ (1,708)	$ (44,909)	$ (2,762)	$ (53,580)
Net loss available to common stockholders:				
Net loss	$ (1,708)	$ (44,909)	$ (2,762)	$ (53,580)
Convertible redeemable preferred stock dividends [1]	(4,244)	(3,872)	(8,484)	(7,697)
Total net loss available to common stockholders	$ (5,952)	$ (48,781)	$ (11,246)	$ (61,277)
Net loss per common share [4]:				
Basic and diluted	$ (1.19)	$ (10.21)	$ (2.28)	$ (12.94)
Weighted-average number of shares used in per share calculation - Common Stock [4]:				
Basic and diluted	4,991,496	4,776,431	4,938,464	4,734,519
Comprehensive loss:				
Net loss	$ (1,708)	$ (44,909)	$ (2,762)	$ (53,580)
Other comprehensive (loss) income:				
Foreign currency cumulative translation adjustment	(110)	(119)	(2,097)	1,398
Total comprehensive loss	$ (1,818)	$ (45,028)	$ (4,859)	$ (52,182)

[1] Transactions with related parties are included in the line items above as follows (refer to Footnote 9, *Related Party Transactions*, of the Notes to Condensed Consolidated Financial Statements for additional information):

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Revenues	$ 2,397	$ 2,937	$ 4,915	$ 5,946
Cost of revenues	8,012	7,366	15,600	15,073
Convertible redeemable preferred stock dividends	(4,244)	(3,872)	(8,484)	(7,697)

[2] Excludes amortization of intangible assets, which is presented as a separate line item.

[3] Stock-based compensation expense is included in the line items above as follows:

	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Cost of revenues	$ 156	$ 244	$ 399	$ 322
Selling and marketing	139	210	279	315
Research and development	105	193	285	248
General and administrative	611	1,014	1,426	1,893
Total stock-based compensation expense	$ 1,011	$ 1,661	$ 2,389	$ 2,778

[4] Adjusted retroactively for the Reverse Stock Split, refer to Footnote 2, *Summary of Significant Accounting Policies*.

See accompanying Notes to Condensed Consolidated Financial Statements.

COMSCORE, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CONVERTIBLE REDEEMABLE PREFERRED STOCK AND STOCKHOLDERS' EQUITY
(Unaudited)

(In thousands, except share data)	Convertible Redeemable Preferred Stock Shares	Convertible Redeemable Preferred Stock Amount	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Accumulated Other Comprehensive Loss	Accumulated Deficit	Treasury stock, at cost	Total Stockholders' Equity
Balance as of December 31, 2023	**82,527,609**	**$ 187,885**	**4,755,141**	**$ 5**	**$1,696,612**	**$ (14,110)**	**$(1,396,420)**	**$ (229,984)**	**$ 56,103**
Net loss	—	—	—	—	—	—	(1,054)	—	(1,054)
Convertible redeemable preferred stock dividends [1]	—	—	—	—	—	—	(4,240)	—	(4,240)
Restricted stock units distributed	—	—	7,780	—	—	—	—	—	—
Exercise of Common Stock options	—	—	33	—	—	—	—	—	—
Payments for taxes related to net share settlement of equity awards	—	—	(2,684)	—	(46)	—	—	—	(46)
Amortization of stock-based compensation	—	—	—	—	681	—	—	—	681
Settlement of restricted stock unit liability	—	—	—	—	1,895	—	—	—	1,895
Foreign currency translation adjustment	—	—	—	—	—	(1,987)	—	—	(1,987)
Other	—	—	(39)	—	—	—	—	—	—
Balance as of March 31, 2024	**82,527,609**	**$ 187,885**	**4,760,231**	**$ 5**	**$1,699,142**	**$ (16,097)**	**$(1,401,714)**	**$ (229,984)**	**$ 51,352**
Net loss	—	—	—	—	—	—	(1,708)	—	(1,708)
Convertible redeemable preferred stock dividends [1]	—	—	—	—	—	—	(4,244)	—	(4,244)
Restricted stock units distributed	—	—	131,817	—	—	—	—	—	—
Payments for taxes related to net share settlement of equity awards	—	—	(2,411)	—	(33)	—	—	—	(33)
Amortization of stock-based compensation	—	—	—	—	580	—	—	—	580
Foreign currency translation adjustment	—	—	—	—	—	(110)	—	—	(110)
Balance as of June 30, 2024	**82,527,609**	**$ 187,885**	**4,889,637**	**$ 5**	**$1,699,689**	**$ (16,207)**	**$(1,407,666)**	**$ (229,984)**	**$ 45,837**

(In thousands, except share data)	Convertible Redeemable Preferred Stock		Common Stock [2]		Additional Paid-In Capital [2]	Accumulated Other Comprehensive Loss	Accumulated Deficit	Treasury stock, at cost	Total Stockholders' Equity
	Shares	Amount	Shares	Amount					
Balance as of December 31, 2022	**82,527,609**	**$ 187,885**	**4,605,247**	**$ 5**	**$1,690,870**	**$ (15,940)**	**$(1,300,789)**	**$ (229,984)**	**$ 144,162**
Net loss	—	—	—	—	—	—	(8,671)	—	(8,671)
Convertible redeemable preferred stock dividends [1]	—	—	—	—	—	—	(3,825)	—	(3,825)
Restricted stock units distributed	—	—	14,301	—	—	—	—	—	—
Exercise of Common Stock options	—	—	150	—	3	—	—	—	3
Payments for taxes related to net share settlement of equity awards	—	—	(1,722)	—	(48)	—	—	—	(48)
Amortization of stock-based compensation	—	—	—	—	879	—	—	—	879
Settlement of restricted stock unit liability	—	—	—	—	2,761	—	—	—	2,761
Foreign currency translation adjustment	—	—	—	—	—	1,517	—	—	1,517
Balance as of March 31, 2023	**82,527,609**	**$ 187,885**	**4,617,976**	**$ 5**	**$1,694,465**	**$ (14,423)**	**$(1,313,285)**	**$ (229,984)**	**$ 136,778**
Net loss	—	—	—	—	—	—	(44,909)	—	(44,909)
Convertible redeemable preferred stock dividends [1]	—	—	—	—	—	—	(3,872)	—	(3,872)
Restricted stock units distributed	—	—	136,799	—	3	—	—	—	3
Payments for taxes related to net share settlement of equity awards	—	—	(459)	—	(12)	—	—	—	(12)
Amortization of stock-based compensation	—	—	—	—	915	—	—	—	915
Foreign currency translation adjustment	—	—	—	—	—	(119)	—	—	(119)
Balance as of June 30, 2023	**82,527,609**	**$ 187,885**	**4,754,316**	**$ 5**	**$1,695,371**	**$ (14,542)**	**$(1,362,066)**	**$ (229,984)**	**$ 88,784**

[1] Transactions for these line items were exclusively with related parties (refer to Footnote 5, *Convertible Redeemable Preferred Stock and Stockholders' Equity* and Footnote 9, *Related Party Transactions*, of the Notes to Condensed Consolidated Financial Statements for additional information).
[2] Adjusted retroactively for the Reverse Stock Split, refer to Footnote 2, *Summary of Significant Accounting Policies*.

See accompanying Notes to Condensed Consolidated Financial Statements.

COMSCORE, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(In thousands)	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Operating activities:		
Net loss	$ (2,762)	$ (53,580)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation	10,657	9,593
Non-cash operating lease expense	2,653	2,847
Stock-based compensation expense	2,389	2,778
Amortization expense of finance leases	1,656	849
Amortization of intangible assets	1,601	3,612
Impairment of goodwill	—	44,100
Deferred tax benefit	(365)	(675)
Other	453	1,242
Changes in operating assets and liabilities:		
Accounts receivable	9,322	14,301
Prepaid expenses and other assets	492	2,093
Accounts payable, accrued expenses and other liabilities	(1,584)	(4,094)
Contract liabilities and customer advances	(4,151)	(3,070)
Operating lease liabilities	(4,758)	(3,778)
Net cash provided by operating activities	15,603	16,218
Investing activities:		
Capitalized internal-use software costs	(11,664)	(10,884)
Purchases of property and equipment	(456)	(1,122)
Net cash used in investing activities	(12,120)	(12,006)
Financing activities:		
Payments of line of credit	(6,000)	—
Contingent consideration payment at initial value	(3,704)	(1,037)
Principal payments on finance leases	(1,161)	(888)
Other	(95)	(254)
Net cash used in financing activities	(10,960)	(2,179)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(616)	580
Net (decrease) increase in cash, cash equivalents and restricted cash	(8,093)	2,613
Cash, cash equivalents and restricted cash at beginning of period	22,936	20,442
Cash, cash equivalents and restricted cash at end of period	$ 14,843	$ 23,055

	As of June 30, 2024	As of June 30, 2023
Cash and cash equivalents	$ 14,655	$ 22,657
Restricted cash	188	398
Total cash, cash equivalents and restricted cash	$ 14,843	$ 23,055

	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Supplemental disclosures of non-cash investing and financing activities:		
Convertible redeemable preferred stock dividends accrued but not yet paid (related parties)	$ 8,484	$ 7,697
Right-of-use assets obtained in exchange for finance lease liabilities	7,861	—
Settlement of restricted stock unit liability	1,895	2,761
Change in accounts payable and accrued expenses related to capital expenditures	1,083	722
Right-of-use assets obtained in exchange for operating lease liabilities	—	1,239

See accompanying Notes to Condensed Consolidated Financial Statements.

COMSCORE, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. Organization

comScore, Inc., together with its consolidated subsidiaries (collectively, "Comscore" or the "Company"), headquartered in Reston, Virginia, is a global information and analytics company that measures audiences, consumer behavior and advertising across media platforms.

Operating segments are defined as components of a business that can earn revenues and incur expenses for which discrete financial information is available that is evaluated on a regular basis by the chief operating decision maker ("CODM"). The Company's CODM is its Chief Executive Officer ("CEO"), who decides how to allocate resources and assess performance. The Company has one operating segment. A single management team reports to the CODM, who manages the entire business. The Company's CODM reviews consolidated results of operations to make decisions, allocate resources and assess performance and does not evaluate the profit or loss from any separate geography or product line.

2. Summary of Significant Accounting Policies

Basis of Presentation and Consolidation

The accompanying Condensed Consolidated Financial Statements include the accounts of the Company and its wholly-owned domestic and foreign subsidiaries. All intercompany transactions and balances are eliminated upon consolidation.

Reclassification

Certain amounts in the prior year financial statements have been reclassified to conform to the current year presentation. Specifically, change in fair value of warrants liability and contingent consideration have been aggregated within other operating activities on the Condensed Consolidated Statements of Cash Flows.

Reverse Stock Split

On December 12, 2023, the Company held a special meeting of stockholders of the Company (the "Special Meeting"). At the Special Meeting, the stockholders approved an amendment to the Company's Amended and Restated Certificate of Incorporation (the "Certificate of Amendment") for the purpose of effecting a reverse stock split (the "Reverse Stock Split") of all outstanding shares of Common Stock, par value $0.001 per share (the "Common Stock") and reducing the number of authorized shares of Common Stock by the same ratio as the Reverse Stock Split. Following the Special Meeting, the Board of Directors approved a final ratio of 1-for-20 for the Reverse Stock Split with an effective date of December 20, 2023.

On December 20, 2023, the Company filed the Certificate of Amendment with the Secretary of State of the State of Delaware to implement the Reverse Stock Split, without any change to the par value of the Common Stock. The Certificate of Amendment reduced the number of authorized shares of Common Stock from 275,000,000 to 13,750,000 and the total number of shares of stock authorized for issuance from 380,000,000 to 118,750,000. The Company implemented the Reverse Stock Split on December 20, 2023.

The Common Stock began trading on a split-adjusted basis on the Nasdaq Global Select Market on December 20, 2023 under the existing trading symbol "SCOR", but the security has been assigned a new CUSIP number (20564W204).

As a result of the Reverse Stock Split, every 20 shares of Common Stock issued and outstanding or held in treasury immediately prior to the Reverse Stock Split were converted into one share of Common Stock after the Reverse Stock Split. The Reverse Stock Split applied uniformly to all holders of Common Stock and did not alter any stockholder's percentage interest in the Company, except to the extent that the Reverse Stock Split would have resulted in some stockholders owning a fractional share. No fractional shares were issued in connection with the Reverse Stock Split, as all fractional shares were rounded down to the nearest whole share. Stockholders who would otherwise have been entitled to a fractional share of Common Stock were instead entitled to receive a proportional cash payment.

Unless noted, all shares of Common Stock, including Common Stock underlying warrants, stock options, and restricted stock units, as well as all conversion ratios, exercise prices, conversion prices and per share information in the Condensed Consolidated Financial Statements have been retroactively adjusted to reflect the 1-for-20 Reverse Stock Split, as if the split occurred at the beginning of the earliest period presented in this quarterly report.

Unaudited Interim Financial Information

The interim Condensed Consolidated Financial Statements included in this quarterly report have been prepared by the Company and are unaudited, pursuant to the rules and regulations of the United States Securities and Exchange Commission ("SEC"). Certain information and footnote disclosures normally included in financial statements prepared in accordance with generally accepted accounting principles in the United States ("GAAP") have been condensed or omitted pursuant to such rules and regulations. However, the Company believes that the disclosures contained in this quarterly report comply with the requirements of Section 13(a) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), for a quarterly report on Form 10-Q and are adequate to make the information presented not misleading. The interim Condensed Consolidated Financial Statements included herein reflect all adjustments (consisting of normal recurring adjustments) which are, in the opinion of management, necessary for a fair presentation of the financial position, results of operations and cash flows for the interim periods presented. These interim Condensed Consolidated Financial Statements should be read in conjunction with the Consolidated Financial Statements and Notes thereto contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2023 (the "2023 10-K"). The Condensed Consolidated Results of Operations for the three and six months ended June 30, 2024 are not necessarily indicative of the results to be anticipated for the entire year ending December 31, 2024 or thereafter. All references to June 30, 2024 and 2023 in the Notes to Condensed Consolidated Financial Statements are unaudited.

Use of Estimates and Judgments in the Preparation of the Condensed Consolidated Financial Statements

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the reported amounts of revenue and expense during the reporting periods. Significant estimates and judgments are inherent in the analysis and the measurement of management's standalone selling price, principal versus agent revenue recognition, determination of performance obligations, determination of transaction price, including the determination of variable consideration and allocation of transaction price to performance obligations, deferred tax assets and liabilities, including the identification and quantification of income tax liabilities due to uncertain tax positions, the valuation and recoverability of goodwill, intangible and other long-lived assets, the determination of appropriate discount rates for lease accounting, the probability of exercising either lease renewal or termination clauses, the assessment of potential loss from contingencies, the fair value determination of contingent consideration from business combinations, financing-related liabilities and warrants, and the valuation of options, performance-based and market-based stock awards. Management bases its estimates and assumptions on historical experience and on various other factors that are believed to be reasonable under the circumstances.

Due to the inherent uncertainty involved in making estimates, actual results reported in future periods may be affected by changes in those estimates. The Company evaluates its estimates and assumptions on an ongoing basis.

Goodwill

The Company tests goodwill for impairment annually during the fourth quarter as of October 1, or more frequently when events or changes in circumstances indicate that fair value is below carrying value.

The Company has a single reporting unit. Accordingly, the impairment assessment for goodwill is performed at the enterprise level. Goodwill is reviewed for possible impairment between annual tests if an event occurs or circumstances change that would more likely than not reduce the fair value of the reporting unit below its carrying value. The Company has the option to first perform qualitative testing to determine whether it is more likely than not that the fair value of the reporting unit is less than its carrying value. The qualitative evaluation is an assessment of factors, including operating results and cost factors, as well as industry, market and macroeconomic conditions, to determine whether it is more likely than not that the fair value of the reporting unit is less than the respective carrying amount, including goodwill. If the Company chooses not to complete a qualitative assessment or if the initial assessment indicates that it is more likely than not that the carrying value of the reporting unit exceeds its estimated fair value, additional quantitative testing is required.

The fair value of the reporting unit is determined utilizing a discounted cash flow model, and a market value approach is utilized to supplement the discounted cash flow model. The estimated fair value of a reporting unit is determined based on assumptions regarding estimated future cash flows, discount rates, long-term growth rates and market values. Additionally, the Company considers income tax effects from any tax-deductible goodwill on the carrying amount of the reporting unit when measuring the goodwill impairment charge.

The Company monitors for events and circumstances that could negatively impact the key assumptions in determining fair value, including long-term revenue growth projections, profitability, discount rates, volatility in the Company's market capitalization, and general industry, market and macroeconomic conditions.

In the second quarter of 2023, the Company performed a quantitative goodwill impairment test using a discounted cash flow model, supported by a market approach. The Company's reporting unit did not pass the goodwill impairment test, and as a result, the Company recorded a $44.1 million non-cash impairment charge during the three and six months ended June 30, 2023.

For further information refer to Footnote 4, *Goodwill*.

Preferred Stock

In January 2021, the Company entered into separate Securities Purchase Agreements with each of Charter Communications Holding Company, LLC ("Charter"), Qurate Retail, Inc. (together with its affiliate Qurate SCOR, LLC, "Qurate") and Pine Investor, LLC ("Pine") (the "Securities Purchase Agreements") for the issuance and sale of shares of Series B Convertible Preferred Stock, par value $0.001 ("Preferred Stock") described in Footnote 5, *Convertible Redeemable Preferred Stock and Stockholders' Equity*. The issuance of the Preferred Stock pursuant to the Securities Purchase Agreements (the "Transactions") and related matters were approved by the Company's stockholders on March 9, 2021 and completed on March 10, 2021.

On May 16, 2023, Qurate sold 27,509,203 shares of Preferred Stock to Liberty Broadband Corporation ("Liberty") in a privately negotiated transaction.

The Preferred Stock is contingently redeemable upon certain deemed liquidation events, such as a change in control. Because a deemed liquidation event could constitute a redemption event outside of the Company's control, all shares of Preferred Stock have been presented outside of permanent equity in mezzanine equity on the Condensed Consolidated Balance Sheets. The instrument was initially recognized at fair value net of issuance costs. The Company reassesses whether the Preferred Stock is currently redeemable, or probable to become redeemable in the future, as of each reporting date. If the instrument meets either of these criteria, the Company will accrete the carrying value to the redemption value. The Preferred Stock has not been adjusted to its redemption amount as of June 30, 2024 because a deemed liquidation event is not considered probable.

The Preferred Stock includes a change of control put option which allows the holders of the Preferred Stock to require the Company to repurchase such holders' shares in cash in an amount equal to the initial purchase price plus accrued dividends. The change of control put option was determined to be a derivative liability. As of June 30, 2024, the probability of a change of control was determined to be remote and the fair value of the change of control derivative was determined to be negligible.

Other Income (Expense), Net

Other income (expense), net represents income and expenses incurred that are generally not recurring in nature or are not part of the Company's normal operations. The following is a summary of the significant components of other income (expense), net:

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	2024	2023	2024	2023
Change in fair value of warrants liability	$ 383	$ 1,588	$ 669	$ (227)
Other	(7)	21	(18)	24
Total other income (expense), net	$ 376	$ 1,609	$ 651	$ (203)

Loss Per Share

The Company uses the two-class method to calculate net loss per share. The two-class method is an earnings allocation formula that treats a participating security as having rights to earnings that otherwise would have been available to common stockholders. Under the two-class method, earnings for the period are allocated between common stockholders and participating security holders based on their respective rights to receive dividends as if all undistributed book earnings for the period were distributed.

Basic loss per share is computed by dividing total net loss available to common stockholders by the weighted-average number of common shares outstanding for the period. This includes the effect of vested and deferred stock units granted to members of the Company's Board of Directors ("Board") and certain employees. These awards are expected to be settled in shares of Common Stock and generally distributed upon the earlier of the individual's separation from service or a change of control. Diluted loss per share includes the effect of potential common shares, such as the Company's Preferred Stock, warrants, stock options and restricted stock units, and contingent consideration liability to the extent the effect is dilutive. In periods with a net loss available to common stockholders, the anti-dilutive effect of these potential common shares is excluded and diluted net loss per share is equal to basic net loss per share.

The following is a summary of the Common Stock equivalents for the securities outstanding during the respective periods that have been excluded from the computation of diluted net loss per common share, as their effect would be anti-dilutive:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Preferred stock (1)	4,700,278	4,362,787	4,614,513	4,285,418
Warrants	260,858	272,851	266,854	272,851
Stock options and restricted stock units	295,756	314,552	304,022	298,859
Contingent consideration (2)	84,003	302,222	84,003	302,222
Total	5,340,895	5,252,412	5,269,392	5,159,350

(1) Includes the effect of potential Common Stock that would be issued to settle unpaid dividends accrued to holders of the Preferred Stock if they elected to convert their shares at the beginning of the period (or at the time of issuance, if later).

(2) A contingent consideration liability was recognized as part of the Company's acquisition of Shareablee, Inc. ("Shareablee") in December 2021. The liability payments may be settled in any combination of cash or shares of Common Stock (at the Company's election) based on the volume-weighted average trading price of the Common Stock for the ten trading days prior to the date of each payment. Settlement of this liability in Common Stock could potentially dilute basic earnings per share in future periods. The Company paid the first installment of $3.7 million in cash in 2023 and the second installment of $3.7 million in cash in the first quarter of 2024. The Company calculated a potential anti-dilutive share count for the three and six months ended June 30, 2024 based on the remaining expected payments totaling $1.2 million and the $14.19 per share closing price of the Company's Common Stock on the Nasdaq Global Select Market on June 28, 2024. The Company calculated a potential anti-dilutive share count for the three and six months ended June 30, 2023 based on the expected payments totaling $4.9 million and the $16.20 per share closing price of the Company's Common Stock on the Nasdaq Global Select Market on June 30, 2023.

Income Taxes

The Company's net operating loss carryforwards are subject to an annual limitation under Section 382 of the Internal Revenue Code. The Company completed a Section 382 study in 2023 and concluded that an ownership change occurred in May 2021 as a result of its Preferred Stock transactions. Therefore, all of the Company's U.S. net operating loss carryforwards are subject to annual limitations under Section 382. The Company's deferred tax asset related to its U.S. federal net operating loss carryforwards has been revalued to reflect the amount of carryforwards that are utilizable under the Section 382 limitations; however, the same analysis for the Company's state net operating loss carryforwards has not yet been completed. Due to the Company's valuation allowance position in the United States, the required revaluation of its deferred tax asset related to these limited U.S. state net operating loss carryforwards is not expected to have a material impact on the Condensed Consolidated Financial Statements or related disclosures.

Recent Accounting Guidance Issued But Not Adopted at June 30, 2024

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, to improve the transparency of income tax disclosures by requiring consistent categories and greater disaggregation of information in the rate reconciliation and income taxes paid disaggregated by jurisdiction. The amendments are effective for fiscal years beginning after December 15, 2024 and early adoption is permitted. The amendments in this update should be applied on a prospective basis. Retroactive application is permitted. The Company expects to adopt the new standard effective January 1, 2025 and is currently evaluating the impact that this standard will have on its Consolidated Financial Statements and related disclosures.

In November 2023, the FASB issued ASU 2023-08, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures, which expands annual and interim disclosure requirements for reportable segments, primarily through enhanced disclosures about significant segment expenses. The amendments are effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted. The Company is currently evaluating the impact that this standard will have on its Consolidated Financial Statements or related disclosures, but the Company does not believe that the adoption of this standard will have a significant impact to its Consolidated Financial Statements or related disclosures.

3. Revenue Recognition

The Company has one reportable segment in accordance with ASC 280, *Segment Reporting*; as such, the disaggregation of revenue below reconciles directly to its unique reportable segment. The following table presents the Company's revenue disaggregated by solution group.

(In thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
By solution group:	**2024**	**2023**	**2024**	**2023**
Content & Ad Measurement				
Syndicated Audience	$ 64,189	$ 69,139	$ 128,789	$ 139,605
Cross-Platform	8,000	8,208	16,020	14,453
Total Content & Ad Measurement	72,189	77,347	144,809	154,058
Research & Insight Solutions	13,648	16,337	27,823	31,184
Total	$ 85,837	$ 93,684	$ 172,632	$ 185,242

The following table presents the Company's revenue disaggregated by geographical market and timing of transfer of products and services. The Company attributes revenue to geographical markets based on the location of the customer.

(In thousands)	Three Months Ended June 30,		Six Months Ended June 30,	
By geographical market:	**2024**	**2023**	**2024**	**2023**
United States	$ 76,543	$ 84,999	$ 154,212	$ 167,640
Europe	5,063	4,545	10,174	9,228
Latin America	1,769	1,705	3,445	3,425
Canada	1,449	1,420	2,853	2,841
Other	1,013	1,015	1,948	2,108
Total	$ 85,837	$ 93,684	$ 172,632	$ 185,242
By timing of revenue recognition:				
Products and services transferred over time	$ 74,656	$ 78,968	$ 149,675	$ 156,624
Products and services transferred at a point in time	11,181	14,716	22,957	28,618
Total	$ 85,837	$ 93,684	$ 172,632	$ 185,242

Contract Balances

The following table provides information about receivables, contract assets, contract liabilities and customer advances from contracts with customers:

(In thousands)	As of June 30, 2024	As of December 31, 2023
Accounts receivable, net	$ 53,904	$ 63,826
Current and non-current contract assets	7,057	8,833
Current contract liabilities	47,758	48,912
Current customer advances	7,953	11,076
Non-current contract liabilities	235	605

Significant changes in the current contract liabilities balance are as follows:

	Six Months Ended June 30,	
(In thousands)	2024	2023
Revenue recognized that was included in the opening contract liabilities balance	$ (42,702)	$ (41,009)
Cash received or amounts billed in advance and not recognized as revenue	37,443	40,832

Remaining Performance Obligations

As of June 30, 2024, approximately $220 million of revenue is expected to be recognized from remaining performance obligations that are unsatisfied (or partially unsatisfied) for non-cancelable contracts with an original expected duration of longer than one year. The Company expects to recognize revenue on approximately 30% of these remaining performance obligations during the remainder of 2024, approximately 41% in 2025, and approximately 19% in 2026, with the remainder recognized thereafter.

4. Goodwill

The Company tests goodwill for impairment annually during the fourth quarter as of October 1, or more frequently when events or changes in circumstances indicate that fair value is below carrying value.

The change in the carrying value of goodwill is as follows:

(In thousands)	
Balance as of December 31, 2022	$ 387,973
Translation adjustments	587
Impairment charge	(78,200)
Balance as of December 31, 2023	310,360
Translation adjustments	(711)
Balance as of June 30, 2024	$ 309,649

5. Convertible Redeemable Preferred Stock and Stockholders' Equity

2021 Issuance of Preferred Stock

On March 10, 2021, the Company issued and sold 82,527,609 shares of Preferred Stock in exchange for aggregate gross proceeds of $204.0 million. Net proceeds from the Transactions totaled $187.9 million after deducting issuance costs.

The Preferred Stock is convertible at the option of the holders at any time into a number of shares of Common Stock based on a conversion rate set in accordance with the Certificate of Designations of the Preferred Stock. The conversion right is subject to certain anti-dilution adjustments and customary provisions related to partial dividend periods. Due to the Reverse Stock Split effected on December 20, 2023, the conversion factor was adjusted to 0.05 pursuant to the Certificate of Designations of the Preferred Stock. As of June 30, 2024, each share of Preferred Stock was convertible into 0.057994 shares of Common Stock, with such assumed conversion rate scheduled to return to 0.05 upon payment of accrued dividends.

As of June 30, 2024, no shares of Preferred Stock have been converted into Common Stock.

The holders of Preferred Stock are entitled to participate in all dividends declared on the Common Stock on an as-converted basis and are also entitled to a cumulative dividend at the rate of 7.5% per annum, payable annually in arrears (on June 30 of each year) and subject to increase under certain specified circumstances. The annual dividend accrues on a daily basis from and including the issuance date of such shares, whether or not declared. In the event the annual dividends are not paid on the annual payment date, the dividends otherwise payable on such date shall continue to accrue and cumulate at a rate of 9.5% per annum, until such failure is cured.

In addition, the holders of Preferred Stock are entitled to request, and the Company will take all actions reasonably necessary to pay, a one-time dividend ("Special Dividend") equal to the highest dividend that the Company's Board determines can be paid at the applicable time (or a lesser amount agreed upon by the holders), subject to additional conditions and limitations set forth in a Stockholders Agreement entered into by the Company and the holders on March 10, 2021 (the "Stockholders Agreement"). As set forth in the Stockholders Agreement, the Company may be obligated to obtain debt financing in order to effectuate the Special Dividend.

At the annual meeting of stockholders of the Company held on June 15, 2023 (the "Annual Meeting"), the Company's stockholders approved proposals permitting the payment of annual dividends on the Preferred Stock in the form of cash, shares of Common Stock, additional shares of Preferred Stock, or a combination thereof, subject to conditions set forth in the Certificate of Designations. On the same date, each holder of Preferred Stock waived its right to receive on June 30, 2023 the annual dividends otherwise payable by the Company on that date (the "June 2023 Waivers"). Upon receipt of the June 2023 Waivers, the Company's Board elected to defer the June 30, 2023 payment. Under the June 2023 Waivers and the Certificate of Designations, the deferred dividends would accrue and accumulate at a rate of 9.5% per year from June 30, 2023 until declared and paid, with payment to occur on or before December 31, 2023.

On December 26, 2023, each holder of Preferred Stock waived its right to receive the deferred dividends on or before December 31, 2023 (the "December Waivers"). Under the December Waivers and the Certificate of Designations, the deferred dividends would continue to accrue and accumulate at a rate of 9.5% per year until declared and paid, with payment to occur on or before June 30, 2024.

On June 27, 2024, each holder of Preferred Stock further waived its right to receive the deferred dividends on or before June 30, 2024 (the "June 2024 Waivers"). In addition, each holder waived its right to receive on June 30, 2024 the annual dividends otherwise payable on that date for the dividend period ending June 29, 2024. Under the June 2024 Waivers and the Certificate of Designations, the deferred dividends for both periods (2023 and 2024) would continue to accrue and accumulate at a rate of 9.5% per year until declared and paid, with payment to occur on or before July 31, 2024, subject to certain conditions.

As of June 30, 2024, accrued dividends for the Preferred Stock totaled $32.6 million.

On July 24, 2024, the Company issued additional shares of Preferred Stock to the existing holders in exchange for cancellation of the Company's obligation to pay the deferred dividends described above. For further information about this issuance, refer to Footnote 12, *Subsequent Events*.

2019 Issuance and Sale of Common Stock and Warrants

On June 23, 2019, the Company entered into a Securities Purchase Agreement with CVI Investments, Inc. ("CVI"), pursuant to which CVI agreed to purchase (i) 136,425 shares of Common Stock (the "Initial Shares"), at a price of $146.60 per share and (ii) Series A Warrants, Series B-1 Warrants, Series B-2 Warrants and Series C Warrants, for aggregate gross proceeds of $20.0 million (the "Private Placement"). The Private Placement closed on June 26, 2019 (the "CVI Closing Date"). The Series B-1 Warrants and Series B-2 Warrants expired in 2020.

The Series C Warrants were exercised on October 10, 2019. As a result of this exercise, the Company issued 136,425 shares of Common Stock to CVI on October 14, 2019. In addition, the number of shares that were issuable under the Series A Warrants was increased by 136,425.

The Series A Warrants were exercisable by the holders for a period of five years from the CVI Closing Date and were exercisable into 272,851 shares of Common Stock, which was equal to the Initial Shares plus the number of shares issued pursuant to the exercise of the Series C Warrants (described above), at an adjusted exercise price equal to $15.83. The Series A Warrants expired on June 26, 2024.

6. Debt

Revolving Credit Agreement

On May 5, 2021, the Company entered into a senior secured revolving credit agreement (the "Revolving Credit Agreement") among the Company, as borrower, certain subsidiaries of the Company, as guarantors, Bank of America N.A., as administrative agent (in such capacity, the "Agent"), and the lenders from time to time party thereto.

The Revolving Credit Agreement had an original borrowing capacity equal to $25.0 million and bore interest on borrowings at a Eurodollar Rate (as defined in the Revolving Credit Agreement) that was based on LIBOR. The Company may also request the issuance of letters of credit under the Revolving Credit Agreement in an aggregate amount up to $5.0 million, which reduces the amount of available borrowings by the amount of such issued and outstanding letters of credit. The facility originally had a maturity of three years from the closing date of the agreement.

On February 25, 2022, the Company entered into an amendment (the "2022 Amendment") to the Revolving Credit Agreement to expand its aggregate borrowing capacity from $25.0 million to $40.0 million. The 2022 Amendment also replaced the Eurodollar Rate with a SOFR-based interest rate and modified the Applicable Rate definition in the Revolving Credit Agreement to increase the Applicable Rate payable on SOFR-based loans to 2.50%. Finally, the 2022 Amendment modified certain financial covenants under the Revolving Credit Agreement.

On February 24, 2023, the Company entered into an additional amendment (the "2023 Amendment") to the Revolving Credit Agreement. Among other things, the 2023 Amendment (i) increased the minimum Consolidated EBITDA and Consolidated Asset Coverage Ratio financial covenant requirements under the Revolving Credit Agreement, (ii) modified the measurement periods for certain financial covenants contained in the Revolving Credit Agreement, (iii) introduced a minimum liquidity covenant, and (iv) modified the Applicable Rate definition in the Revolving Credit Agreement to increase the Applicable Rate payable on SOFR-based loans to 3.50%.

On May 3, 2024, the Company entered into a third amendment (the "2024 Amendment") to the Revolving Credit Agreement. Among other things, the 2024 Amendment (i) extended the maturity date of the facility from May 5, 2024 to November 5, 2024; (ii) reduced the Company's aggregate borrowing capacity under the facility from $40.0 million to $25.0 million; (iii) increased the Applicable Rate payable on SOFR-based loans to 4.50%; (iv) increased the minimum Consolidated Asset Coverage Ratio covenant and decreased the minimum liquidity covenant; (v) limited certain Restricted Payments (as defined in the Revolving Credit Agreement) with respect to the Company's equity interests; (vi) required a repayment of $6.0 million to reduce the principal amount outstanding under the Revolving Credit Agreement; (vii) updated certain defined terms in the Revolving Credit Agreement to reflect the May 2023 transfer of shares of Preferred Stock from Qurate to Liberty; and (viii) provided for certain amendment fees, including a fee of 2.0% of aggregate commitments due on the maturity date (November 5, 2024) unless all obligations are paid in full prior to such date.

As of June 30, 2024, the Revolving Credit Agreement requires the Company to maintain:

- a minimum Consolidated Asset Coverage Ratio (as defined in the Revolving Credit Agreement) of not less than 2.5 to 1.0, tested as of the last day of each calendar month from and after the calendar month ending May 31, 2024;

- a minimum Consolidated Fixed Charge Coverage Ratio (as defined in the Revolving Credit Agreement) of not less than 1.25 to 1.0 for the most recently ended four fiscal quarter period, tested as of the last day of each fiscal quarter ending on or after March 31, 2024; and
- minimum Liquidity (as defined in the Revolving Credit Agreement) of $22.0 million, tested as of the last business day of each calendar month from and after the calendar month ending March 31, 2024.

The Revolving Credit Agreement contains restrictive covenants that limit the Company's ability to, among other things, incur additional indebtedness or liens, make investments and loans, enter into mergers and acquisitions, make or declare dividends and other payments, enter into certain contracts, sell assets and engage in transactions with affiliates. The Revolving Credit Agreement is also subject to customary events of default, including a change in control. If an event of default occurs and is continuing, the Agent or the Required Lenders may accelerate any amounts outstanding and terminate lender commitments. The Company was in compliance with the covenants under the Revolving Credit Agreement as of June 30, 2024.

The Revolving Credit Agreement is guaranteed by the Company and its domestic subsidiaries (other than Excluded Subsidiaries (as defined in the Revolving Credit Agreement)) and is secured by a first lien security interest in substantially all assets of the Company and its domestic subsidiaries (other than Excluded Subsidiaries), subject to certain customary exclusions.

In May 2024, the Company paid $6.0 million of the principal amount outstanding under the Revolving Credit Agreement in connection with the 2024 Amendment. As of June 30, 2024, the Company had outstanding borrowings of $10.0 million, and issued and outstanding letters of credit of $3.2 million, under the amended Revolving Credit Agreement, with remaining borrowing capacity of $11.8 million. The outstanding borrowings are classified within current liabilities based on the maturity date of the facility.

7. Fair Value Measurements

The Company's financial instruments measured at fair value in the accompanying Condensed Consolidated Balance Sheets on a recurring basis consist of the following:

	As of June 30, 2024				As of December 31, 2023			
(In thousands)	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Liabilities								
Contingent consideration liability [1]	$ —	$ 1,191	$ —	$ 1,191	$ —	$ 4,806	$ —	$ 4,806
Warrants liability [2]	—	—	—	—	—	—	669	669
Total liabilities	$ —	$ 1,191	$ —	$ 1,191	$ —	$ 4,806	$ 669	$ 5,475

[1] The fair value of this liability as of June 30, 2024 and December 31, 2023 is derived from a technique which utilizes market-corroborated inputs that result in classification as a Level 2 fair value measurement as of such date. The contingent consideration liability is classified as current on the Condensed Consolidated Balance Sheets as of June 30, 2024 and December 31, 2023.
[2] The fair value of this liability was derived from a technique which utilized inputs, certain of which were significant and unobservable, that resulted in classification as a Level 3 fair value measurement. Warrants liability included only the Series A warrants as of December 31, 2023. Warrants liability was classified within other current liabilities on the Condensed Consolidated Balance Sheets. The Series A Warrants expired on June 26, 2024 and there are no warrants outstanding as of June 30, 2024.

There were no changes to the Company's valuation techniques or methodologies during the three and six months ended June 30, 2024 and 2023.

The following tables present the changes in the Company's recurring Level 3 fair valued instruments for the six months ended June 30, 2024 and 2023, respectively:

(In thousands)	Warrants Liability
Balance as of December 31, 2023	$ 669
Total gain recognized due to remeasurement and expiration of warrants [1]	(669)
Balance as of June 30, 2024	$ —

[1] The gain due to remeasurement and expiration of warrants was recorded in other income (expense), net, in the Condensed Consolidated Statements of Operations and Comprehensive Loss. The Series A warrants expired unexercised on June 26, 2024.

(In thousands)	Warrants Liability
Balance as of December 31, 2022	$ 718
Total loss recognized due to remeasurement [1]	227
Balance as of June 30, 2023	$ 945

[1] The loss due to remeasurement of the warrants liability was recorded in other income (expense), net, in the Condensed Consolidated Statements of Operations and Comprehensive Loss.

The following table displays the valuation technique and the significant inputs, certain of which were unobservable, for the Company's Level 3 liabilities that existed as of December 31, 2023:

	Fair Value Measurements		
	Significant Valuation Technique	Significant Valuation Inputs	December 31, 2023
Warrants liability	Option pricing	Stock price	$16.70
		Exercise price	$20.20
		Volatility	75.0%
		Term	0.49 years
		Risk-free rate	5.3%

The primary sensitivities in the valuation of the warrants liability were driven by the exercise price, the Common Stock price at the measurement date and the expected volatility of the Common Stock over the remaining term.

Fair Value Measurements on a Nonrecurring Basis

For the three months ended June 30, 2023, the Company recorded a goodwill impairment charge of $44.1 million. Refer to Footnote 4, *Goodwill* for further details. The remeasurement of goodwill is classified as a non-recurring Level 3 fair value assessment due to the significance of unobservable inputs developed in the determination of the fair value. The Company used a discounted cash flow model to determine the estimated fair value of the reporting unit. The Company made estimates and assumptions regarding future cash flows, discount rates, long-term growth rates and market values to determine the reporting unit's estimated fair value. It is possible that future changes in such circumstances, or in the variables associated with the judgments, assumptions and estimates used in assessing the fair value of the reporting unit, would require the Company to record additional non-cash impairment charges.

8. Accrued Expenses

(In thousands)	As of June 30, 2024	As of December 31, 2023
Accrued data costs	$ 16,660	$ 15,529
Payroll and payroll-related	8,625	10,604
Professional fees	1,567	2,203
Restructuring accrual	944	1,630
Other	2,900	4,456
Total accrued expenses	$ 30,696	$ 34,422

9. Related Party Transactions

Transactions with WPP

As of June 30, 2024 (based on public filings), WPP plc and its affiliates ("WPP") owned 565,968 shares of the Company's outstanding Common Stock, representing 11.6% of the outstanding Common Stock. The Company provides WPP, in the normal course of business, services amongst its different product lines and receives various services from WPP supporting the Company's data collection efforts.

The Company's results from transactions with WPP, as reflected in the Condensed Consolidated Statements of Operations and Comprehensive Loss, are as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	2024	2023	2024	2023
Revenues	$ 1,591	$ 2,116	$ 3,262	$ 4,424
Cost of revenues	2,405	2,387	4,387	5,123

The Company has the following balances related to transactions with WPP, as reflected in the Condensed Consolidated Balance Sheets:

(In thousands)	As of June 30, 2024	As of December 31, 2023
Assets		
Accounts receivable, net	$ 400	$ 525
Liabilities		
Accounts payable	$ 1,513	$ 1,673
Accrued expenses	514	399
Contract liabilities	1,358	1,447

Transactions with Charter, Qurate, Liberty and Pine

Through May 15, 2023, Charter, Qurate, and Pine each held 33.3% of the outstanding shares of Preferred Stock. On May 16, 2023, Qurate sold its Preferred Stock to Liberty, and as of June 30, 2024, Charter, Liberty and Pine each hold 33.3% of the outstanding shares of Preferred Stock. Charter, Liberty and Pine are entitled to convert the Preferred Stock into shares of Common Stock and to vote as a single class with the holders of the Common Stock as set forth in the Certificate of Designations. As of June 30, 2024 (based on public filings), Pine also owned 109,654 shares of the Company's outstanding Common Stock, representing 2.2% of the outstanding Common Stock. In addition, Charter, Liberty and Pine each designated two members of the Company's Board in accordance with the Stockholders Agreement.

At the Annual Meeting on June 15, 2023, the Company's stockholders approved proposals permitting the payment of annual dividends on the Preferred Stock in the form of cash, shares of Common Stock, additional shares of Preferred Stock, or a combination thereof. On the same date, each holder of Preferred Stock waived its right to receive on June 30, 2023 the annual dividends otherwise payable by the Company on that date. Under the waivers and the Certificate of Designations, the deferred dividends would accrue at a rate of 9.5% per year from June 30, 2023 until declared and paid, with payment to occur on or before December 31, 2023.

On December 26, 2023, each holder of Preferred Stock waived its right to receive the deferred dividends on or before December 31, 2023. Under the December Waivers and the Certificate of Designations, the deferred dividends would continue to accrue and accumulate at a rate of 9.5% per year until declared and paid, with payment to occur on or before June 30, 2024.

On June 27, 2024, each holder of Preferred Stock further waived its right to receive the deferred dividends on or before June 30, 2024. In addition, each holder waived its right to receive on June 30, 2024 the annual dividends otherwise payable on that date for the dividend period ending June 29, 2024. Under the June 2024 Waivers and the Certificate of Designations, the deferred dividends for both periods (2023 and 2024) would continue to accrue and accumulate at a rate of 9.5% per year until declared and paid, with payment to occur on or before July 31, 2024, subject to certain conditions.

As of June 30, 2024 and December 31, 2023, Charter, Liberty and Pine each owned 27,509,203 shares of Preferred Stock. Accrued dividends to the holders of Preferred Stock as of June 30, 2024 and December 31, 2023 were $32.6 million and $24.1 million, respectively.

Concurrent with the closing of the Transactions on March 10, 2021, the Company entered into a ten-year Data License Agreement ("DLA") with Charter Communications Operating, LLC ("Charter Operating"), an affiliate of Charter. Under the DLA, Charter Operating will bill the Company for license fees according to a payment schedule that gradually increases from $10.0 million in the first year of the term to $32.3 million in the tenth year of the term. The Company recognizes expense for the license fees ratably over the term. On November 6, 2022, the Company and Charter Operating entered into an amendment to the DLA, pursuant to which the Company received license fee credits totaling $7.0 million. In June 2023, the Company exchanged correspondence with counsel to Charter Operating regarding Charter Operating's compliance with certain terms of the DLA. In response, Charter Operating denied the Company's concerns and notified the Company of alleged breaches of the DLA by the Company. If either party were to terminate the DLA, all amounts then due to Charter Operating would be immediately due and payable, and Charter Operating could seek liquidated damages as set forth in the DLA. To date, however, neither party has indicated that it intends to terminate the DLA, and the parties are discussing a resolution to the matter.

The Company's results from transactions with Charter and its affiliates, as reflected in the Condensed Consolidated Statements of Operations and Comprehensive Loss, are detailed below:

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	2024	2023	2024	2023
Revenues	$ 501	$ 514	$ 1,042	$ 999
Cost of revenues	5,607	4,979	11,213	9,950

The Company has the following liability balances related to transactions with Charter and its affiliates, as reflected in the Condensed Consolidated Balance Sheets:

(In thousands)	As of June 30, 2024	As of December 31, 2023
Accounts payable	$ 13,704	$ 10,323
Accrued expenses	5,588	3,382
Non-current portion of accrued data costs	23,903	21,908

The Company had no transactions with Pine and Liberty for the three and six months ended June 30, 2024 and 2023.

The Company recognized revenues of $0.2 million during the three months ended June 30, 2024 and 2023, and $0.4 million during the six months ended June 30, 2024 and 2023 from transactions with Qurate and its affiliates in the normal course of business as reflected in the Condensed Consolidated Statements of Operations and Comprehensive Loss.

10. Organizational Restructuring

On September 29, 2022, the Company communicated a workforce reduction as part of its broader efforts to improve cost efficiency and better align its operating structure and resources with strategic priorities (collectively, the "Restructuring Plan"). In addition to employee terminations, the Restructuring Plan has included the reallocation of commercial and product development resources; reinvestment in and modernization of key technology platforms; consolidation of data storage and processing activities to reduce the Company's data center footprint; and reduction of other operating expenses, including software and facility costs. In connection with the Restructuring Plan, which was authorized by the Board on September 19, 2022, the Company has incurred certain exit-related costs. These costs were estimated to range between $10 million and $15 million. The Company believes that the Restructuring Plan, including cash payments, will be substantially complete in 2024.

The following table summarizes costs incurred related to the Restructuring Plan for the three and six months ended June 30, 2024 and 2023.

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	2024	2023	2024	2023
Severance and related costs	$ 425	$ 3,773	$ 826	$ 4,661
Other	68	331	127	441
Total restructuring	$ 493	$ 4,104	$ 953	$ 5,102

The table below summarizes the balance of restructuring liability as of June 30, 2024 and December 31, 2023, which is recorded in accrued expenses in the Condensed Consolidated Balance Sheets:

(In thousands)	Severance and related costs	Other	Total Restructuring
Balance as of December 31, 2023	$ 1,524	$ 106	$ 1,630
Restructuring expense	826	127	953
Payments	(1,720)	(62)	(1,782)
Other	314	(171)	143
Balance as of June 30, 2024	$ 944	$ —	$ 944

11. Commitments and Contingencies

Commitments

The Company has certain long-term contractual arrangements that have fixed and determinable payment obligations including unconditional purchase obligations with multichannel video programming distributors ("MVPDs") and other providers for set-top box and connected (Smart) television data. These agreements have remaining terms of less than one year to seven years. As of June 30, 2024, the total fixed payment obligations related to set-top box and connected television data agreements are $301.8 million and $28.2 million, respectively.

The information set forth below summarizes the contractual obligations, by year, as of June 30, 2024:

		(In thousands)
2024 (remaining)	$	29,488
2025		55,381
2026		59,572
2027		47,781
2028		39,756
Thereafter		97,944
Total	$	329,922

Contingencies

The Company is involved in various legal proceedings from time to time. The Company establishes reserves for specific legal proceedings when management determines that the likelihood of an unfavorable outcome is probable, and the amount of loss can be reasonably estimated. The Company has also identified certain other legal matters where an unfavorable outcome is reasonably possible and/or for which no estimate of possible losses can be made. In these cases, the Company does not establish a reserve until it can reasonably estimate the loss. Legal fees related to contingencies are expensed as incurred. The outcomes of legal proceedings are inherently unpredictable, subject to significant uncertainties, and could be material to the Company's operating results and cash flows for a particular period.

Current Matters

The Company is, and may become, a party to a variety of legal proceedings from time to time that arise in the normal course of the Company's business. While the results of such legal proceedings cannot be predicted with certainty, management believes that, based on current knowledge, the final outcome of any such current pending matters will not have a material adverse effect on the Company's financial position, results of operations or cash flows. Regardless of the outcome, legal proceedings can have a material effect on the Company because of defense costs, diversion of management resources and other factors.

Indemnification

The Company has entered into indemnification agreements with each of the Company's directors and certain officers, and the Company's amended and restated certificate of incorporation requires it to indemnify each of its directors and officers, to the fullest extent permitted by Delaware law, who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by reason of the fact that he or she is or was a director or officer of the Company. The Company has paid and may in the future pay legal counsel fees incurred by current and former directors and officers who are involved in legal proceedings that require indemnification.

Similarly, certain of the Company's commercial contracts require it to indemnify contract counterparties under specified circumstances, and the Company may incur legal counsel fees and other costs in connection with these obligations.

12. Subsequent Events

On July 24, 2024, the Company issued 13,257,294 additional shares of Preferred Stock to the existing holders of Preferred Stock in exchange for cancellation of the Company's obligation to pay accrued dividends totaling $32.8 million to such holders for annual dividend periods ended in 2023 and 2024. As of the issuance date, the additional shares of Preferred Stock were convertible into 662,862 shares of the Company's Common Stock, representing an effective conversion price of $49.438 per share for the canceled dividend obligation.

The additional shares of Preferred Stock have the same terms and conditions as the Preferred Stock previously issued by the Company, including that holders are entitled to cumulative dividends at a rate of 7.5% per annum, payable annually in arrears and subject to increase under certain circumstances.

In connection with the issuance, the Company and the holders of Preferred Stock also entered into an amendment to the Stockholders Agreement between the parties. Among other things, the amendment reduced the $100.0 million Special Dividend threshold set forth in the Stockholders Agreement by an amount equal to the liquidation preference of the additional Preferred Stock ($32.8 million). After further reducing the threshold by annual dividends paid in prior years, the current Special Dividend threshold is $47.0 million.

ITEM 2. *MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS*

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our Condensed Consolidated Financial Statements and the related Notes to Condensed Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q, or 10-Q. In addition to historical financial information, the following discussion and analysis contains forward-looking statements that involve risks, uncertainties and assumptions. Our actual results and timing of selected events in future periods may differ materially from those anticipated or implied in these forward-looking statements as a result of many factors, including those discussed under Item 1A, "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2023 (the "2023 10-K"), under Item 1A, "Risk Factors" in this 10-Q and elsewhere in this 10-Q. See also "Cautionary Note Regarding Forward-Looking Statements" at the beginning of this 10-Q.

Overview

We are a global information and analytics company that measures advertising, content, and the consumer audiences of each, across media platforms. We create our products using a global data platform that combines information on digital platforms (connected (Smart) televisions, mobile devices, tablets and computers), TV, direct to consumer applications, and movie screens with demographics and other descriptive information. We have developed proprietary data science that enables measurement of person-level and household-level audiences, removing duplicated viewing across devices and over time. This combination of data and methods enables a common standard for buyers and sellers to transact on advertising. This helps companies across the media ecosystem better understand and monetize their audiences and develop marketing plans and products to more efficiently and effectively reach those audiences. Our ability to unify behavioral and other descriptive data enables us to provide audience ratings, advertising verification and granular consumer segments that describe hundreds of millions of consumers. Our customers include digital publishers, television networks, movie studios, content owners, brand advertisers, agencies and technology providers.

The platforms we measure include televisions, mobile devices, computers, tablets, connected TV (CTV) devices and movie theaters. The information we analyze crosses geographies, types of content and activities, including websites, mobile and over-the-top applications, video games, television and movie programming, e-commerce and advertising.

Results of Operations

The following table sets forth selected Condensed Consolidated Statements of Operations and Comprehensive Loss data as a percentage of revenues for each of the periods indicated. Percentages may not add due to rounding.

	Three Months Ended June 30,				Six Months Ended June 30,			
	2024		2023		2024		2023	
(In thousands)	Dollars	% of Revenue	Dollars	% of Revenue	Dollars	% of Revenue	Dollars	% of Revenue
Revenues	$ 85,837	100.0 %	$ 93,684	100.0 %	$ 172,632	100.0 %	$ 185,242	100.0 %
Cost of revenues	51,953	60.5 %	52,958	56.5 %	102,020	59.1 %	104,887	56.6 %
Selling and marketing	14,812	17.3 %	17,036	18.2 %	30,176	17.5 %	34,190	18.5 %
Research and development	8,373	9.8 %	8,790	9.4 %	17,140	9.9 %	17,709	9.6 %
General and administrative	11,334	13.2 %	13,274	14.2 %	24,547	14.2 %	26,848	14.5 %
Amortization of intangible assets	800	0.9 %	801	0.9 %	1,601	0.9 %	3,612	1.9 %
Restructuring	493	0.6 %	4,104	4.4 %	953	0.6 %	5,102	2.8 %
Impairment of goodwill	—	— %	44,100	47.1 %	—	— %	44,100	23.8 %
Total expenses from operations	87,765	102.2 %	141,063	150.6 %	176,437	102.2 %	236,448	127.6 %
Loss from operations	(1,928)	(2.2)%	(47,379)	(50.6)%	(3,805)	(2.2)%	(51,206)	(27.6)%
Other income (expense), net	376	0.4 %	1,609	1.7 %	651	0.4 %	(203)	(0.1)%
(Loss) gain from foreign currency transactions	(248)	(0.3)%	(168)	(0.2)%	715	0.4 %	(1,634)	(0.9)%
Interest expense, net	(444)	(0.5)%	(363)	(0.4)%	(1,016)	(0.6)%	(715)	(0.4)%
Loss before income taxes	(2,244)	(2.6)%	(46,301)	(49.4)%	(3,455)	(2.0)%	(53,758)	(29.0)%
Income tax benefit	536	0.6 %	1,392	1.5 %	693	0.4 %	178	0.1 %
Net loss	$ (1,708)	(2.0)%	$ (44,909)	(47.9)%	$ (2,762)	(1.6)%	$ (53,580)	(28.9)%

Revenues

Our products and services are organized around solution groups that address customer needs, which are largely centered around measurement and insights. Accordingly, we evaluate revenues in the following two solution groups:

- Content & Ad Measurement represents the measurement portion of our business - measuring audiences across content and advertisements for linear TV, CTV, desktops, laptops, tablets and mobile devices. Product offerings reported in this solution group include our legacy subscription-based syndicated offerings that measure audiences for linear TV (national and local), digital and streaming, as well as theatrical box office receipts. Also included in this solution group are our transaction-based cross-platform products, Proximic by Comscore ("Proximic"), our Activation solution suite, and Comscore Campaign Ratings ("CCR"). These syndicated and cross-platform products are used as currency to plan and execute ad campaigns, measure the outcome of ad campaigns, optimize ad campaigns that are in-flight, activate programmatic campaigns, and make content easier for programmatic advertisers to reach.
- Research & Insight Solutions represents the custom solutions we provide that are tailored to our clients' specific needs. These offerings include custom TV, digital and cross-platform data feeds, as well as other data integrations. They also include our survey business, our Consumer Brand Health business, and other bespoke research, data and insight deliverables that help our clients better understand their business, competitive landscape, clients and market.

We categorize our revenue along these two solution groups; however, our cost structure is tracked at the corporate level and not by our solution groups. These costs include, but are not limited to, employee costs, purchased data, operational overhead, data storage and technology that supports multiple solution groups.

Revenues for the three months ended June 30, 2024 and 2023 were as follows:

	Three Months Ended June 30,					
(In thousands)	2024	% of Revenue	2023	% of Revenue	$ Variance	% Variance
Content & Ad Measurement						
Syndicated Audience	$ 64,189	74.8 %	$ 69,139	73.8 %	$ (4,950)	(7.2)%
Cross-Platform	8,000	9.3 %	8,208	8.8 %	(208)	(2.5)%
Total Content & Ad measurement	72,189	84.1 %	77,347	82.6 %	(5,158)	(6.7)%
Research & Insight Solutions	13,648	15.9 %	16,337	17.4 %	(2,689)	(16.5)%
Total revenues	$ 85,837	100.0 %	$ 93,684	100.0 %	$ (7,847)	(8.4)%

Content & Ad Measurement revenue decreased due to lower revenue from our Syndicated Audience offerings, primarily related to lower renewals of our national TV and syndicated digital products, as well as lower variable cloud computing and processing reimbursements for certain custom TV data set deliveries.

Research & Insight Solutions revenue decreased primarily due to lower deliveries of certain custom digital products.

Revenues for the six months ended June 30, 2024 and 2023 were as follows:

	Six Months Ended June 30,					
(In thousands)	2024	% of Revenue	2023	% of Revenue	$ Variance	% Variance
Content & Ad Measurement						
Syndicated Audience	$ 128,789	74.6 %	$ 139,605	75.4 %	$ (10,816)	(7.7)%
Cross-Platform	16,020	9.3 %	14,453	7.8 %	1,567	10.8 %
Total Content & Ad measurement	144,809	83.9 %	154,058	83.2 %	(9,249)	(6.0)%
Research & Insight Solutions	27,823	16.1 %	31,184	16.8 %	(3,361)	(10.8)%
Total revenues	$ 172,632	100.0 %	$ 185,242	100.0 %	$ (12,610)	(6.8)%

Content & Ad Measurement revenue decreased due to lower revenue from our Syndicated Audience offerings, primarily related to lower renewals of our national TV and syndicated digital products, as well as lower variable cloud computing and processing reimbursements for certain custom TV data set deliveries. This decrease was partially offset by an increase in Cross-Platform revenue primarily driven by increased usage of our Proximic products.

Research & Insight Solutions revenue decreased primarily due to lower deliveries of certain custom digital products.

Cost of Revenues

Cost of revenues consists primarily of expenses related to producing our products, operating our network infrastructure, the recruitment, maintenance and support of our consumer panels and amortization of capitalized fulfillment costs. These expenses include employee costs for salaries, benefits, stock-based compensation and other related personnel costs of network operations, survey operations, custom analytics and technical support, all of which are expensed as they are incurred. Cost of revenues also includes costs to obtain MVPD data sets and panel, census-based and other data sets used in our products as well as operational costs associated with our data centers, including depreciation expense associated with computer equipment and internally developed software that supports our panels and systems. Additionally, cost of revenues includes allocated overhead, which is comprised of lease expense and other facilities-related costs, and depreciation expense generated by general purpose equipment and software.

Cost of revenues for the three months ended June 30, 2024 and 2023 were as follows:

	Three Months Ended June 30,					
(In thousands)	2024	% of Revenue	2023	% of Revenue	$ Change	% Change
Data costs	$ 19,543	22.7 %	$ 18,078	19.2 %	$ 1,465	8.1 %
Employee costs	9,930	11.6 %	9,910	10.6 %	20	0.2 %
Systems and bandwidth costs	6,548	7.6 %	10,321	11.0 %	(3,773)	(36.6)%
Lease expense and depreciation	6,543	7.6 %	5,507	5.9 %	1,036	18.8 %
Panel costs	3,073	3.6 %	3,539	3.8 %	(466)	(13.2)%
Professional fees	2,048	2.4 %	1,707	1.8 %	341	20.0 %
Royalties and resellers	1,472	1.7 %	960	1.0 %	512	53.3 %
Sample and survey costs	1,438	1.7 %	1,646	1.8 %	(208)	(12.6)%
Technology	1,076	1.3 %	1,023	1.1 %	53	5.2 %
Other	282	0.3 %	267	0.3 %	15	5.6 %
Total cost of revenues	$ 51,953	60.5 %	$ 52,958	56.5 %	$ (1,005)	(1.9)%

Systems and bandwidth costs decreased primarily due to lower cloud computing and processing costs attributable to certain custom TV data set deliveries. The decrease was partially offset by an increase in data costs primarily due to higher TV data licensing costs to expand our data footprint and data rights. Additionally, lease expense and depreciation increased due to higher depreciation primarily driven by an increase in capitalized internal-use software costs.

Cost of revenues for the six months ended June 30, 2024 and 2023 were as follows:

	Six Months Ended June 30,					
(In thousands)	2024	% of Revenue	2023	% of Revenue	$ Change	% Change
Data costs	$ 38,330	22.4 %	$ 36,207	19.6 %	$ 2,123	5.9 %
Employee costs	19,825	11.5 %	19,616	10.6 %	209	1.1 %
Systems and bandwidth costs	13,329	7.7 %	19,198	10.4 %	(5,869)	(30.6)%
Lease expense and depreciation	12,642	7.3 %	11,025	6.0 %	1,617	14.7 %
Panel costs	6,110	3.5 %	7,461	4.0 %	(1,351)	(18.1)%
Professional fees	3,305	1.9 %	3,565	1.9 %	(260)	(7.3)%
Sample and survey costs	3,178	1.8 %	3,226	1.7 %	(48)	(1.5)%
Royalties and resellers	2,675	1.5 %	1,930	1.0 %	745	38.6 %
Technology	2,111	1.2 %	2,101	1.1 %	10	0.5 %
Other	515	0.3 %	558	0.3 %	(43)	(7.7)%
Total cost of revenues	$ 102,020	59.1 %	$ 104,887	56.6 %	$ (2,867)	(2.7)%

Systems and bandwidth costs decreased primarily due to lower cloud computing and processing costs attributable to certain custom TV data set deliveries. Additionally, panel costs decreased primarily due to lower recruitment and support costs for our desktop and mobile panels. These decreases were partially offset by an increase in data costs primarily due to higher TV data licensing costs to expand our data footprint and data rights. Lease expense and depreciation increased due to higher depreciation primarily driven by an increase in capitalized internal-use software costs.

Selling and Marketing

Selling and marketing expenses consist primarily of employee costs for salaries, benefits, commissions, stock-based compensation and other related costs for personnel associated with sales and marketing activities, as well as costs related to online and offline advertising, industry conferences, promotional materials, public relations, other sales and marketing programs and allocated overhead, which is comprised of lease expense and other facilities-related costs, and depreciation expense generated by general purpose equipment and software.

Selling and marketing expenses for the three months ended June 30, 2024 and 2023 were as follows:

(In thousands)	Three Months Ended June 30, 2024	% of Revenue	2023	% of Revenue	$ Change	% Change
Employee costs	$ 11,508	13.4 %	$ 13,904	14.9 %	$ (2,396)	(17.2)%
Lease expense and depreciation	836	1.0 %	672	0.7 %	164	24.4 %
Technology	796	0.9 %	777	0.8 %	19	2.4 %
Marketing and advertising	653	0.8 %	639	0.7 %	14	2.2 %
Professional fees	519	0.6 %	725	0.8 %	(206)	(28.4)%
Other	500	0.6 %	319	0.3 %	181	56.7 %
Total selling and marketing expenses	$ 14,812	17.3 %	$ 17,036	18.2 %	$ (2,224)	(13.1)%

Employee costs decreased primarily due to a decrease in employee headcount related to our restructuring plan.

Selling and marketing expenses for the six months ended June 30, 2024 and 2023 were as follows:

(In thousands)	Six Months Ended June 30, 2024	% of Revenue	2023	% of Revenue	$ Change	% Change
Employee costs	$ 23,436	13.6 %	$ 27,751	15.1 %	$ (4,315)	(15.5)%
Technology	1,590	0.9 %	1,555	0.8 %	35	2.3 %
Lease expense and depreciation	1,526	0.9 %	1,517	0.8 %	9	0.6 %
Marketing and advertising	1,500	0.9 %	1,105	0.6 %	395	35.7 %
Professional fees	1,216	0.7 %	1,513	0.8 %	(297)	(19.6)%
Other	908	0.5 %	749	0.4 %	159	21.2 %
Total selling and marketing expenses	$ 30,176	17.5 %	$ 34,190	18.5 %	$ (4,014)	(11.7)%

Employee costs decreased primarily due to a decrease in employee headcount related to our restructuring plan.

Research and Development

Research and development expenses include product development costs, consisting primarily of employee costs for salaries, benefits, stock-based compensation and other related costs for personnel associated with research and development activities, third-party expenses to develop new products and third-party data costs and allocated overhead, which is comprised of lease expense and other facilities-related costs, and depreciation expense related to general purpose equipment and software.

Research and development expenses for the three months ended June 30, 2024 and 2023 were as follows:

(In thousands)	Three Months Ended June 30, 2024	% of Revenue	2023	% of Revenue	$ Change	% Change
Employee costs	$ 6,129	7.2 %	$ 7,160	7.6 %	$ (1,031)	(14.4)%
Technology	750	0.9 %	837	0.9 %	(87)	(10.4)%
Professional fees	691	0.8 %	97	0.1 %	594	612.4 %
Lease expense and depreciation	676	0.8 %	549	0.6 %	127	23.1 %
Other	127	0.1 %	147	0.2 %	(20)	(13.6)%
Total research and development expenses	$ 8,373	9.8 %	$ 8,790	9.4 %	$ (417)	(4.7)%

Employee costs decreased primarily due to a decrease in employee headcount related to our restructuring plan.

Research and development expenses for the six months ended June 30, 2024 and 2023 were as follows:

(In thousands)	Six Months Ended June 30, 2024	% of Revenue	2023	% of Revenue	$ Change	% Change
Employee costs	$ 12,880	7.5 %	$ 14,144	7.7 %	$ (1,264)	(8.9)%
Technology	1,540	0.9 %	1,718	0.9 %	(178)	(10.4)%
Lease expense and depreciation	1,275	0.7 %	1,188	0.6 %	87	7.3 %
Professional fees	1,217	0.7 %	353	0.2 %	864	244.8 %
Other	228	0.1 %	306	0.2 %	(78)	(25.5)%
Total research and development expenses	$ 17,140	9.9 %	$ 17,709	9.6 %	$ (569)	(3.2)%

Employee costs decreased primarily due to a decrease in employee headcount related to our restructuring plan.

General and Administrative

General and administrative expenses consist primarily of employee costs for salaries, benefits, stock-based compensation and other related costs, and related expenses for executive management, finance, human capital, legal and other administrative functions, as well as professional fees, overhead, including allocated overhead, which is comprised of lease expense and other facilities-related costs, depreciation expense related to general purpose equipment and software, amortization of cloud-computing implementation costs, changes in the fair value of our contingent consideration liability, Board of Directors compensation and expenses incurred for other general corporate purposes.

General and administrative expenses for the three months ended June 30, 2024 and 2023 were as follows:

	Three Months Ended June 30,					
(In thousands)	2024	% of Revenue	2023	% of Revenue	$ Change	% Change
Employee costs	$ 5,992	6.9 %	$ 6,961	7.5 %	$ (969)	(13.9)%
Professional fees	2,749	3.2 %	3,598	3.8 %	(849)	(23.6)%
Technology	836	1.0 %	840	0.9 %	(4)	(0.5)%
Lease expense and depreciation	400	0.5 %	311	0.3 %	89	28.6 %
Other	1,357	1.6 %	1,564	1.7 %	(207)	(13.2)%
Total general and administrative expenses	$ 11,334	13.2 %	$ 13,274	14.2 %	$ (1,940)	(14.6)%

General and administrative expenses for the six months ended June 30, 2024 and 2023 were as follows:

	Six Months Ended June 30,					
(In thousands)	2024	% of Revenue	2023	% of Revenue	$ Change	% Change
Employee costs	$ 12,407	7.2 %	$ 14,197	7.7 %	$ (1,790)	(12.6)%
Professional fees	6,696	3.9 %	7,408	4.0 %	(712)	(9.6)%
Technology	1,693	1.0 %	1,703	0.9 %	(10)	(0.6)%
Lease expense and depreciation	750	0.4 %	679	0.4 %	71	10.5 %
Other	3,001	1.7 %	2,861	1.5 %	140	4.9 %
Total general and administrative expenses	$ 24,547	14.2 %	$ 26,848	14.5 %	$ (2,301)	(8.6)%

Employee costs decreased primarily due to a decrease in employee headcount related to our restructuring plan.

Amortization of Intangible Assets

Amortization expense consists of charges related to the amortization of intangible assets associated with acquisitions. Amortization of intangible assets was $0.8 million and $1.6 million during the three and six months ended June 30, 2024 and $0.8 million and $3.6 million during the three and six months ended June 30, 2023, respectively. The decrease of $2.0 million for the six months ended June 30, 2024 versus the six months ended June 30, 2023 was primarily due to amortization for certain customer relationships, methodologies and technology intangibles related to our 2016 Rentrak merger reaching the end of their useful lives in 2023.

Organizational Restructuring

We incurred $0.5 million and $1.0 million of restructuring expense during the three and six months ended June 30, 2024 and $4.1 million and $5.1 million of restructuring expense during the three and six months ended June 30, 2023, respectively, related to the implementation of a restructuring plan that included a workforce reduction communicated in 2022. We expect the 2022 restructuring plan to be substantially complete in 2024. For further information refer to Footnote 10, *Organizational Restructuring*.

Impairment of Goodwill

In the second quarter of 2023, as a result of a decline in our stock price and market capitalization, among other factors, we performed an interim impairment review of our goodwill. Our reporting unit did not pass the goodwill impairment test, and as a result we recorded a $44.1 million non-cash impairment charge in the three and six months ended June 30, 2023. For further information on our goodwill, refer to Footnote 4, *Goodwill* in this 10-Q and Item 7, "*Critical Accounting Estimates"* within our 2023 10-K.

Other Income (Expense), Net

Other income (expense), net represents income and expenses incurred that are generally not recurring in nature or are not part of our regular operations. The following is a summary of other income (expense), net for the three and six months ended June 30, 2024 and 2023:

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	2024	2023	2024	2023
Change in fair value of warrants liability	$ 383	$ 1,588	$ 669	$ (227)
Other	(7)	21	(18)	24
Total other income (expense), net	$ 376	$ 1,609	$ 651	$ (203)

The change in other income (expense), net for the three and six months ended June 30, 2024 as compared to three and six months ended June 30, 2023 was largely driven by changes in the fair value of our warrants liability. The gain on the warrants liability for the three and six months ended June 30, 2024 was primarily due to a decrease in the trading price of our Common Stock during the first quarter of 2024 and the Series A warrants expiring unexercised in the second quarter of 2024, as described in Footnote 5, *Convertible Redeemable Preferred Stock and Stockholders' Equity*. The gain on the warrants liability for the three months ended June 30, 2023 was primarily due to a decrease in the trading price of our Common Stock during the quarter. The loss on the warrants liability for the six months ended June 30, 2023 was primarily due to an exercise price adjustment during the period, offset by the decrease in the trading price of our Common Stock during the second quarter of 2023.

(Loss) Gain From Foreign Currency Transactions

Our foreign currency transactions are recorded as a result of fluctuations in the exchange rate between the transactional currency and the functional currency of foreign subsidiary transactions. Our foreign currency exposures that relate to the translation to U.S. Dollars are in a net liability position and our foreign currency exposures that relate to the translation from U.S. Dollars are in a net asset position.

For the three and six months ended June 30, 2024, the (loss) gain from foreign currency transactions was $(0.2) million and $0.7 million, respectively. For the three and six months ended June 30, 2023, the loss from foreign currency transactions was $0.2 million and $1.6 million, respectively. The loss during the three months ended June 30, 2024 and gain during the six months ended June 30, 2024 were primarily driven by fluctuations in the Euro and Chilean Peso against the U.S. Dollar and the Chilean Peso against the Euro. The loss during the three and six months ended June 30, 2023 was primarily driven by fluctuations between the Chilean Peso, Euro, Brazilian Lira and U.S. Dollar exchange rates.

Interest Expense, Net

Interest expense, net consists of interest income and interest expense. Interest income primarily consists of interest earned from our cash and cash equivalent balances. Interest expense relates to interest on our senior secured revolving credit agreement (the "Revolving Credit Agreement") and our finance leases.

We incurred interest expense, net of $0.4 million and $0.4 million during the three months ended June 30, 2024 and 2023, respectively, and $1.0 million and $0.7 million during the six months ended June 30, 2024 and 2023, respectively.

Income Tax Benefit

A valuation allowance has been established against our net U.S. federal and state deferred tax assets and certain foreign deferred tax assets, including net operating loss carryforwards. As a result, our income tax position is primarily related to foreign tax activity and U.S. deferred taxes for tax deductible goodwill and other indefinite-lived liabilities.

For the three months ended June 30, 2024 and 2023, we recorded an income tax benefit of $0.5 million and $1.4 million, respectively, resulting in effective tax rates of 23.9% and 3.0%, respectively. For the six months ended June 30, 2024 and 2023, we recorded an income tax benefit of $0.7 million and $0.2 million, respectively, resulting in effective tax rates of 20.1% and 0.3%, respectively. These effective tax rates differ from the U.S. federal statutory rate primarily due to the effects of certain permanent items, foreign tax rate differences, and changes in the valuation allowance against our domestic deferred tax assets. A deferred income tax benefit of $1.3 million related to the impairment of goodwill is included in the amounts recorded in the three and six months ended June 30, 2023. The difference in income tax position during 2024 as compared to 2023 is primarily due to the income tax benefit related to the impairment of goodwill in 2023.

Liquidity and Capital Resources

The following table summarizes our cash flows for each of the periods identified:

	Six Months Ended June 30,	
(In thousands)	2024	2023
Net cash provided by operating activities	$ 15,603	$ 16,218
Net cash used in investing activities	(12,120)	(12,006)
Net cash used in financing activities	(10,960)	(2,179)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(616)	580
Net (decrease) increase in cash, cash equivalents and restricted cash	(8,093)	2,613

Overview

Our principal uses of cash consist of cash paid for data, payroll and other operating expenses, including expenses incurred in prior periods; payments related to investments in equipment, primarily to support our consumer panels and technical infrastructure required to deliver our products and services and support our customers; service of our debt and lease facilities; and deferred payment obligations with respect to our 2021 acquisition of Shareablee.

As of June 30, 2024, our principal sources of liquidity consisted of cash, cash equivalents and restricted cash totaling $14.8 million (including $0.2 million in restricted cash), cash flows from our operations, and amounts available to us under our Revolving Credit Agreement, as described below.

On May 3, 2024, we entered into an amendment to the Revolving Credit Agreement. Among other things, the amendment extended the maturity date of the facility from May 5, 2024 to November 5, 2024 and reduced our aggregate borrowing capacity under the Revolving Credit Agreement from $40.0 million to $25.0 million. The amendment also limited our ability to make certain restricted payments (including dividends) with respect to our equity interests and required a repayment of $6.0 million to reduce the principal amount outstanding under the Revolving Credit Agreement. As of June 30, 2024, after taking into account the $6.0 million repayment, we had outstanding borrowings of $10.0 million and outstanding letters of credit totaling $3.2 million under the Revolving Credit Agreement, leaving a remaining borrowing capacity of $11.8 million.

At an annual meeting of stockholders held on June 15, 2023 (the "Annual Meeting"), our stockholders approved proposals permitting the payment of annual dividends on the Preferred Stock in the form of cash, shares of Common Stock, additional shares of Preferred Stock, or a combination thereof, subject to conditions set forth in the Certificate of Designations governing the Preferred Stock. In 2023, each holder of Preferred Stock waived its right to receive on June 30, 2023 (and subsequently on December 31, 2023) the annual dividends otherwise payable by us on that date. On June 27, 2024, each holder of Preferred Stock further waived its right to receive the deferred dividends on or before June 30, 2024. In addition, each holder waived its right to receive on June 30, 2024 the annual dividends otherwise payable on that date for the dividend period ending June 29, 2024. Under the waivers and the Certificate of Designations, the deferred dividends accrued at a rate of 9.5% per year until July 24, 2024, when we issued additional shares of Preferred Stock in exchange for cancellation of the deferred dividend obligation.

Macroeconomic Factors

Over the past two years, macroeconomic challenges such as inflation, rising interest rates, capital market disruptions and recession concerns have caused some advertisers to reduce or delay advertising expenditures. These declines have had a direct impact on demand for our products, particularly those that are tied to discretionary advertising spend. We expect that softness in the advertising market will continue to affect our business in the second half of 2024. Although we cannot quantify the impact of macroeconomic factors on our future results, any worsening of ad market conditions could negatively impact our financial position and liquidity.

Preferred Stock

On March 10, 2021, we issued 82,527,609 shares of Preferred Stock in exchange for gross cash proceeds of $204.0 million. Net proceeds from the issuance totaled $187.9 million after deducting issuance costs. Shares of Preferred Stock are convertible into Common Stock as described in Footnote 5, *Convertible Redeemable Preferred Stock and Stockholders' Equity*. As of June 30, 2024, each share of Preferred Stock was convertible into 0.057994 shares of Common Stock, with such conversion rate scheduled to return to 0.05 upon payment of accrued dividends.

The holders of Preferred Stock are entitled to participate in all dividends declared on the Common Stock on an as-converted basis and are also entitled to a cumulative dividend at the rate of 7.5% per annum, payable annually in arrears and subject to increase under certain specified circumstances (including in connection with the dividend waivers described below). In addition, such holders are entitled to request, and we must take all actions reasonably necessary to pay, a one-time special dividend on the Preferred Stock equal to the highest dividend that our Board of Directors determines can be paid at the applicable time (or a lesser amount agreed by the holders), subject to additional conditions and limitations described in Footnote 5, *Convertible Redeemable Preferred Stock and Stockholders' Equity*. We may be obligated to obtain debt financing in order to effectuate the special dividend, which could significantly impact our financial position and liquidity depending on the timing and scope of the dividend payment and related financing. Moreover, this obligation could lead us to refinance or terminate the Revolving Credit Agreement prior to its maturity, due to its restrictions on our ability to incur additional debt and pay dividends.

At the Annual Meeting held on June 15, 2023, our stockholders approved proposals permitting the payment of annual dividends on the Preferred Stock in the form of cash, shares of Common Stock, additional shares of Preferred Stock, or a combination thereof, subject to conditions set forth in the Certificate of Designations governing the Preferred Stock. On the same date, each holder of Preferred Stock waived its right to receive on June 30, 2023 the annual dividends otherwise payable by us on that date. Upon receipt of the waivers, our Board elected to defer the June 2023 payment. Under the waivers and the Certificate of Designations, the deferred dividends would accrue and accumulate at a rate of 9.5% per year from June 30, 2023 until declared and paid, with payment to occur on or before December 31, 2023.

On December 26, 2023, each holder of our Preferred Stock waived its right to receive the deferred dividends on or before December 31, 2023. Under these waivers and the Certificate of Designations, the deferred dividends would continue to accrue and accumulate at a rate of 9.5% per year until declared and paid, with payment to occur on or before June 30, 2024.

On June 27, 2024, each holder of Preferred Stock further waived its right to receive the deferred dividends on or before June 30, 2024. In addition, each holder waived its right to receive on June 30, 2024 the annual dividends otherwise payable on that date for the dividend period ending June 29, 2024. Under these waivers and the Certificate of Designations, the deferred dividends for both periods (2023 and 2024) would continue to accrue and accumulate at a rate of 9.5% per year until declared and paid, with payment to occur on or before July 31, 2024, subject to certain conditions.

On July 24, 2024, we issued 13,257,294 additional shares of Preferred Stock to the existing holders of Preferred Stock in exchange for cancellation of our obligation to pay the deferred dividends described above, which totaled $32.8 million on the issuance date. As of the issuance date, the additional shares of Preferred Stock were convertible into 662,862 shares of our Common Stock, representing an effective conversion price of $49.438 per share for the canceled dividend obligation. The additional shares of Preferred Stock have the same terms and conditions as the Preferred Stock previously issued, including that holders are entitled to cumulative dividends at a rate of 7.5% per annum, payable annually in arrears and subject to increase under certain circumstances.

In connection with the issuance, we also entered into an amendment to the Stockholders Agreement with the holders of Preferred Stock. Among other things, the amendment reduced the $100.0 million special dividend threshold set forth in the Stockholders Agreement by an amount equal to the liquidation preference of the additional Preferred Stock ($32.8 million). After further reducing the threshold by annual dividends paid in prior years, the current special dividend threshold is $47.0 million.

Any payment of dividends (annual or special) in the form of cash could significantly impact our financial position and liquidity, including by requiring us to refinance or terminate the Revolving Credit Agreement.

Revolving Credit Agreement

On May 5, 2021, we entered into the Revolving Credit Agreement, which matures in November 2024. The Revolving Credit Agreement provides a borrowing capacity equal to $25.0 million, which was reduced from $40.0 million on May 3, 2024. We may also request the issuance of letters of credit under the Revolving Credit Agreement in an aggregate amount up to $5.0 million, which reduces the amount of available borrowings by the amount of such issued and outstanding letters of credit.

The amount we are able to borrow under the Revolving Credit Agreement is subject to compliance with the financial covenants, satisfaction of various conditions precedent to borrowing and other provisions of the Revolving Credit Agreement. Notably, the Revolving Credit Agreement contains financial covenants that require us to maintain a minimum Consolidated Fixed Charge Coverage Ratio, a minimum Consolidated Asset Coverage Ratio and minimum Liquidity through maturity (each term as defined in the Revolving Credit Agreement). As of June 30, 2024, we were in compliance with our covenants under the Revolving Credit Agreement, and based on our current plans, we do not anticipate a breach of these covenants that would result in an event of default under the Revolving Credit Agreement.

On May 3, 2024, we entered into an amendment to the Revolving Credit Agreement that, among other things, (i) extended the maturity date of the facility from May 5, 2024 to November 5, 2024; (ii) reduced our borrowing capacity from $40.0 million to $25.0 million; (iii) increased the Applicable Rate payable on SOFR-based loans to 4.50%; (iv) increased the minimum Consolidated Asset Coverage Ratio covenant and decreased the minimum Liquidity covenant; (v) limited certain restricted payments (including dividends) with respect to our equity interests; (vi) required a repayment of $6.0 million to reduce the principal amount outstanding under the facility; and (vii) provided for certain amendment fees, including a fee of 2.0% of aggregate commitments due on the maturity date unless all obligations are paid in full prior to such date.

As of June 30, 2024, we had outstanding borrowings of $10.0 million and outstanding letters of credit totaling $3.2 million under the Revolving Credit Agreement, leaving a remaining borrowing capacity of $11.8 million. The borrowed funds were used to reduce our accounts payable balances, primarily related to expenses incurred in prior periods, and support our working capital position. While we continue to take steps to reduce our outstanding trade payables and improve our working capital position, our liquidity could be negatively affected if we are unable to generate sufficient cash from operations to satisfy outstanding payables and meet our other financial obligations as they come due. Our liquidity could also be negatively affected if we are unable to repay or refinance our outstanding borrowings under the Revolving Credit Agreement upon its maturity in November 2024.

For additional information on the Revolving Credit Agreement, refer to Footnote 6, *Debt*.

Sale of Common Stock and Warrants

On June 23, 2019, we entered into a Securities Purchase Agreement with CVI pursuant to which we sold to CVI for aggregate gross proceeds of $20.0 million (i) 136,425 shares of Common Stock and (ii) Series A Warrants, Series B-1 Warrants, Series B-2 Warrants and Series C Warrants to initially purchase up to 582,701 shares of Common Stock (the "Private Placement"). On October 14, 2019, we issued 136,425 shares of Common Stock to CVI upon exercise by CVI of the Series C Warrants. As a result of this exercise, the number of shares issuable under our Series A Warrants was increased by 136,425. On January 29, 2020, the Series B-1 Warrants expired unexercised. On August 3, 2020, the Series B-2 Warrants expired unexercised. On June 26, 2024, the Series A Warrants expired unexercised. Refer to Footnote 5, *Convertible Redeemable Preferred Stock and Stockholders' Equity*.

Operating Activities

Our primary source of cash provided by operating activities is revenues generated from sales of our products and services. Our primary uses of cash from operating activities include personnel costs and costs related to data and infrastructure used to develop and maintain our products and services.

Cash provided by operating activities is calculated by adjusting our net loss for changes in working capital, as well as by excluding non-cash items such as: depreciation, stock-based compensation, non-cash operating lease expense, amortization expense of finance leases and intangible assets, deferred tax benefit or provision and change in the fair value of contingent consideration and warrants liability.

Net cash provided by operating activities for the six months ended June 30, 2024 was $15.6 million compared to $16.2 million for the six months ended June 30, 2023. The decrease in cash provided by operating activities was partially attributable to a net decrease in cash generated from operating assets and liabilities, with $0.7 million of cash used for the six months ended June 30, 2024 as compared to $5.5 million of cash provided for the six months ended June 30, 2023, due to lower customer billings and cash receipts in 2024.

Investing Activities

Cash used in investing activities primarily consists of payments related to capitalized internal-use software costs, purchases of computer and network equipment to support our technical infrastructure, and furniture and equipment. The extent of these investments will be affected by our ability to expand relationships with existing customers, grow our customer base and introduce new digital formats, as well as constraints on cash expenditures due to our financial position and the current economic environment.

Net cash used in investing activities for the six months ended June 30, 2024 was $12.1 million compared to $12.0 million for the six months ended June 30, 2023.

Financing Activities

Net cash used in financing activities during the six months ended June 30, 2024 was $11.0 million compared to $2.2 million during the six months ended June 30, 2023. The increase in cash used in financing activities was primarily due to the repayment of $6.0 million of the principal amount outstanding under the Revolving Credit Agreement and the payment of the second installment of contingent consideration for our 2021 Shareablee acquisition initially recorded at fair value during the six months ended June 30, 2024.

Contractual Payment Obligations

We have certain long-term contractual arrangements that have fixed and determinable payment obligations including purchase obligations with MVPDs and connected (Smart) TV providers, operating and financing leases, and data storage and bandwidth arrangements.

We have data licensing agreements with a number of MVPDs and other providers for set-top box and connected TV data. These agreements have remaining terms of less than one year to seven years. As of June 30, 2024, the total fixed payment obligations related to set-top box and connected TV data agreements are $301.8 million and $28.2 million, respectively.

We have both operating and financing leases related to corporate office space and equipment. Our leases have remaining terms from less than one year to five years. As of June 30, 2024, the total fixed payment obligation related to these agreements is $43.6 million.

We have an agreement for cloud-based data storage and bandwidth to help process and store our data. The remaining term for this agreement is less than two years. As of June 30, 2024, the total fixed payment obligation related to this agreement is $21.3 million.

Future Capital Requirements

Our ability to generate cash is subject to our performance, general economic conditions, industry trends and other factors, including the timing of cash collections from our customers, data costs and other trade payables, service of our debt and lease facilities, dividend payment obligations, and expenses from ongoing compliance efforts and legal matters. To the extent that our existing cash, cash equivalents and operating cash flow, together with savings from cost-reduction initiatives undertaken by our management, are insufficient to fund our future activities and requirements, we may need to raise additional funds through public or private equity or debt financing. We may also be required to raise additional funds in order to repay our Revolving Credit Agreement upon maturity or pay dividends to holders of our Preferred Stock, as described above. Our history of net losses, as well as disruption and volatility in global capital and credit markets, could impact our ability to access capital resources on terms acceptable to us or at all. If we issue additional equity securities in order to raise additional funds, pay dividends or for other purposes, further dilution to existing stockholders may occur.

Critical Accounting Estimates

Our discussion and analysis of our financial condition and results of operations are based on our Condensed Consolidated Financial Statements, which have been prepared in accordance with GAAP. The preparation of these financial statements requires us to make estimates, assumptions and judgments that affect the amounts reported in our Condensed Consolidated Financial Statements and the accompanying Notes to Condensed Consolidated Financial Statements. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances.

Refer to the critical accounting estimates disclosed in Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations," in our 2023 10-K for detailed information about the estimates and assumptions that we consider to be the most critical to an understanding of our financial condition and results of operations. These estimates and assumptions involve significant judgments and uncertainties, and actual results in these areas could differ from our estimates.

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. We have interest rate risk for amounts outstanding under our Revolving Credit Agreement, and we have foreign currency exchange rate risk from our global operations.

On May 3, 2024, we entered into an amendment to our Revolving Credit Agreement that, among other things, modified the Applicable Rate definition in the Revolving Credit Agreement to increase the Applicable Rate payable on SOFR-based loans to 4.50%.

For additional discussion of the market risk associated with our interest rate and foreign currency risks, refer to Item 7A, "Quantitative and Qualitative Disclosures About Market Risk" within the 2023 10-K.

ITEM 4. *CONTROLS AND PROCEDURES*

Evaluation of Disclosure Controls and Procedures

We carried out an evaluation required by the Securities Exchange Act of 1934 (the "Exchange Act"), under the supervision and with the participation of our principal executive officer and our principal financial officer, of the effectiveness of the design and operation of our disclosure controls and procedures, as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act, as of June 30, 2024. Based on this evaluation, our principal executive officer and principal financial officer concluded that as of June 30, 2024, these disclosure controls and procedures were effective to provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms and to provide reasonable assurance that such information is accumulated and communicated to our management, including our principal executive officer and principal financial officer, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control over Financial Reporting

Under Exchange Act Rules 13a-15(d) and 15d-15(d), management is required to evaluate, with the participation of our principal executive officer and principal financial officer, any changes in internal control over financial reporting that occurred during each fiscal quarter that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting. There were no changes in our internal control over financial reporting during our most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Inherent Limitation on the Effectiveness of Internal Controls

The effectiveness of any system of internal control over financial reporting is subject to inherent limitations, including the exercise of judgment in designing, implementing, operating, and evaluating the controls and procedures, and the inability to eliminate misconduct completely. Accordingly, any system of internal control over financial reporting can only provide reasonable, not absolute, assurance that its objectives will be met. In addition, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate. We intend to continue to monitor and upgrade our internal controls as necessary or appropriate for our business, but we cannot assure that such improvements will be sufficient to provide us with effective internal control over financial reporting in future periods.

PART II. OTHER INFORMATION

ITEM 1. *LEGAL PROCEEDINGS*

Refer to Footnote 11, *Commitments and Contingencies* of the Notes to Condensed Consolidated Financial Statements included in Part I, Item 1 of this 10-Q, which is incorporated herein by reference.

ITEM 1A. *RISK FACTORS*

An investment in our Common Stock involves a substantial risk of loss. In addition to the information in this report, you should carefully consider the risks discussed in Item 1A, "Risk Factors" of our 2023 10-K before you decide whether to invest in our stock. The risks identified below and in our 2023 10-K could materially and adversely affect our business, financial condition and operating results. In that case, the trading price of our Common Stock could decline, and you could lose part or all of your investment. The risks described below and in our 2023 10-K are not the only risks we face. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially and adversely affect our business, financial condition and operating results, and may result in the loss of part or all of your investment.

We may not be able to generate or obtain sufficient cash to service our debt, dividend obligations, lease facilities and trade payables.

We currently have indebtedness and lease facilities, as well as trade payables, including expenses incurred in prior periods. In addition, we are required to pay annual dividends on our Preferred Stock, and we may incur additional debt for operations or to fund a special dividend to the holders of our Preferred Stock. Moreover, our existing credit facility matures in November 2024, and we do not currently have an agreement in place to extend or refinance the facility upon its maturity. As of the date of this 10-Q, we had borrowings and letters of credit outstanding under the Revolving Credit Agreement totaling $13.2 million. These obligations could require us to use a large portion of our cash flow from operations to service our debt, dividend obligations, and lease facilities and pay accrued expenses. They could also limit our flexibility to invest in our business and adjust to market conditions, which could impact our customer relationships and place us at a competitive disadvantage.

We expect to obtain the funds to pay our expenses and meet our financial obligations from cash flow from our operations and, potentially, from other debt or equity offerings and transactions. Accordingly, our ability to meet our obligations depends on our performance and corporate activities, which will be affected by financial, business, contractual, economic and other factors, some of which are beyond our control. Failure to meet our payment obligations could disrupt our supply of goods and services and impact our reputation, creditworthiness and relations with customers, partners, creditors and holders of our Preferred Stock. It could also lead to costly litigation.

If our cash flow and capital resources prove inadequate to allow us to pay the interest and principal on our debt when due and meet our other financial obligations, we could face substantial liquidity challenges and might be required to dispose of material assets or operations, restructure or refinance our debt (which we may be unable to do on acceptable terms) or forego attractive business opportunities. In addition, the terms of our existing or future financing agreements and Preferred Stock may restrict us from pursuing these alternatives. Failure to meet our financial obligations could have significant consequences including, potentially, forcing us into bankruptcy or liquidation.

Our outstanding securities, the stock or securities that we may issue under existing or future agreements, and certain provisions of those securities, may cause immediate and substantial dilution to our existing stockholders.

Our existing stockholders have and may continue to experience substantial dilution as a result of our obligations to issue shares of Common Stock. As of June 30, 2024, our Preferred Stock was convertible into an aggregate of 4,786,125 shares of Common Stock at the election of the holders. We have also issued 403,342 shares of Common Stock to the selling stockholders of Shareablee (which we acquired in December 2021), and we may elect to pay any deferred consideration due to the Shareablee sellers in 2024 in shares of Common Stock. In addition, in June 2023 our stockholders adopted an amendment to the Certificate of Designations of our Preferred Stock to permit payment of annual dividends on the Preferred Stock in the form of cash, shares of Common Stock, additional shares of Preferred Stock (which would be convertible into shares of Common Stock) or a combination thereof. As of June 30, 2024, accrued dividends for the Preferred Stock totaled $32.6 million. On July 24, 2024, we issued additional shares of Preferred Stock in exchange for the cancellation of accrued dividend obligations totaling $32.8 million.

As of June 30, 2024, 107,229 shares of Common Stock were reserved for issuance pursuant to outstanding stock options under our equity incentive plans (including stock option awards we assumed in the Shareablee acquisition), 275,617 shares of Common Stock were reserved for issuance pursuant to outstanding restricted stock unit and deferred stock unit awards under our equity incentive plans and arrangements (including Shareablee plan awards and an employment inducement award we granted in 2021), and 1,046,486 shares of Common Stock were available for future equity awards under our 2018 Equity and Incentive Compensation Plan.

The issuance of shares of Common Stock (i) upon the conversion of or payment of dividends on our Preferred Stock, (ii) as deferred consideration to the Shareablee sellers, (iii) pursuant to outstanding and future equity awards, or (iv) upon the conversion of other existing or future convertible securities, may result in substantial dilution to each of our stockholders by reducing that stockholder's percentage ownership of our outstanding Common Stock.

ITEM 2. *UNREGISTERED SALES OF EQUITY SECURITIES, USE OF PROCEEDS, AND ISSUER PURCHASES OF EQUITY SECURITIES*

(a) ***Unregistered Sales of Equity Securities during the Three Months Ended June 30, 2024***

None.

(b) ***Use of Proceeds from Sale of Registered Equity Securities***

None.

(c) ***Purchases of Equity Securities by the Issuer and Affiliated Purchasers***

None.

ITEM 3. *DEFAULTS UPON SENIOR SECURITIES*

Not applicable.

ITEM 4. *MINE SAFETY DISCLOSURES*

Not applicable.

ITEM 5. *OTHER INFORMATION*

During the quarter ended June 30, 2024, no director or officer (as defined in Rule 16a-1(f) under the Exchange Act) of the Company adopted or terminated any Rule 10b5-1 trading arrangements or non-Rule 10b5-1 trading arrangements (in each case, as defined in Item 408(a) of Regulation S-K).

ITEM 6. *EXHIBITS*

Exhibit No.	Exhibit Document
3.1	Amended and Restated Certificate of Incorporation of the Registrant (incorporated by reference to Exhibit 3.3 to the Registrant's Registration Statement on Form S-1, as amended, filed June 12, 2007) (File No. 333-141740)
3.2	Certificate of Amendment of Amended and Restated Certificate of Incorporation of comScore, Inc. (incorporated by reference to Exhibit 4.2 to the Registrant's Registration Statement on Form S-8, filed June 4, 2018) (File No. 333-225400)
3.3	Certificate of Designation of Series A Junior Participating Preferred Stock of comScore, Inc., as filed with the Secretary of State of the State of Delaware on February 9, 2017 (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K, filed February 9, 2017) (File No. 001-33520)
3.4	Certificate of Elimination of Designation of Series A Junior Participating Preferred Stock of comScore, Inc., as filed with the Secretary of State of the State of Delaware on September 29, 2017 (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K, filed October 4, 2017) (File No. 001-33520)
3.5	Certificate of Amendment to Amended and Restated Certificate of Incorporation of comScore, Inc., dated March 10, 2021 (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K, filed March 15, 2021) (File No. 001-33520)
3.6	Certificate of Designations of Series B Convertible Preferred Stock, par value $0.001, of comScore, Inc. (incorporated by reference to Exhibit 3.2 to the Registrant's Current Report on Form 8-K, filed March 15, 2021) (File No. 001-33520)
3.7	Certificate of Amendment of Amended and Restated Certificate of Incorporation of comScore, Inc. (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K, filed June 22, 2023) (File No. 001-33520)
3.8	Certificate of Amendment to the Certificate of Designations of Series B Convertible Preferred Stock, par value $0.001, of comScore, Inc. (incorporated by reference to Exhibit 3.2 to the Registrant's Current Report on Form 8-K, filed June 22, 2023) (File No. 001-33520)
3.9	Certificate of Amendment of Amended and Restated Certificate of Incorporation of comScore, Inc. (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K, filed December 27, 2023) (File No. 001-33520)
3.10	Certificate of Amendment to the Certificate of Designations of Series B Convertible Preferred Stock, par value $0.001, of comScore, Inc. (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K, filed June 18, 2024) (File No. 001-33520)
3.11	Amended and Restated Bylaws of comScore, Inc. (incorporated by reference to Exhibit 3.2 to the Registrant's Quarterly Report on Form 10-Q for the period ended June 30, 2018, filed August 10, 2018) (File No. 001-33520)
4.1	Series B Preferred Stockholder Waiver, dated June 27, 2024, from Charter Communications Holding Company, LLC (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K, filed June 28, 2024) (File No. 001-33520)
4.2	Series B Preferred Stockholder Waiver, dated June 27, 2024, from Liberty Broadband Corporation (incorporated by reference to Exhibit 4.2 to the Registrant's Current Report on Form 8-K, filed June 28, 2024) (File No. 001-33520)
4.3	Series B Preferred Stockholder Waiver, dated June 27, 2024, from Pine Investor, LLC (incorporated by reference to Exhibit 10.3 to the Registrant's Current Report on Form 8-K, filed June 28, 2024) (File No. 001-33520)
4.4	Series B Preferred Stockholder Waiver, dated July 23, 2024, from Charter Communications Holding Company, LLC (incorporated by reference to Exhibit 4.1 to the Registrant's Current Report on Form 8-K, filed July 25, 2024) (File No. 001-33520)
4.5	Series B Preferred Stockholder Waiver, dated July 23, 2024, from Liberty Broadband Corporation (incorporated by reference to Exhibit 4.2 to the Registrant's Current Report on Form 8-K, filed July 25, 2024) (File No. 001-33520)
4.6	Series B Preferred Stockholder Waiver, dated July 23, 2024, from Pine Investor, LLC (incorporated by reference to Exhibit 4.3 to the Registrant's Current Report on Form 8-K, filed July 25, 2024) (File No. 001-33520)
10.1	Third Amendment, dated as of May 3, 2024, to the Credit Agreement among comScore, Inc. (as Borrower), certain subsidiaries of the Borrower (as Guarantors), Bank of America N.A. (as Administrative Agent), and the lenders party thereto (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K, filed May 7, 2024) (File No. 001-33520)
10.2*+	Fourth Amendment to the comScore, Inc. Amended and Restated 2018 Equity and Incentive Compensation Plan
10.3*	comScore, Inc. Cash Incentive Plan (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K, filed May 24, 2024) (File No. 001-33520)
10.4*+	Form of comScore, Inc. Cash Incentive Plan Participation Agreement for Employees

10.5	Subscription Agreement, dated July 24, 2024, by and between comScore, Inc. and Charter Communications Holding Company, LLC (incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K, filed July 25, 2024) (File No. 001-33520)
10.6	Subscription Agreement, dated July 24, 2024, by and between comScore, Inc. and Liberty Broadband Corporation (incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K, filed July 25, 2024) (File No. 001-33520)
10.7	Subscription Agreement, dated July 24, 2024, by and between comScore, Inc. and Pine Investor, LLC (incorporated by reference to Exhibit 10.3 to the Registrant's Current Report on Form 8-K, filed July 25, 2024) (File No. 001-33520)
10.8	Amended and Restated Stockholders Agreement, dated July 24, 2024, by and among comScore, Inc., Charter Communications Holding Company, LLC, Liberty Broadband Corporation and Pine Investor, LLC (incorporated by reference to Exhibit 10.4 to the Registrant's Current Report on Form 8-K, filed July 25, 2024) (File No. 001-33520)
31.1+	Certification of Principal Executive Officer pursuant to Rule 13a-14(a) and Rule 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 Principal Financial Officer pursuant to Rule 13a-14(a) and Rule 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+	Certification of Principal Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2+	Certification of Principal Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
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 - the cover page iXBRL tags are embedded within the Inline XBRL document

* Management contract or compensatory plan or arrangement

+ Filed or furnished herewith

SIGNATURE

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.

COMSCORE, INC.

By: /s/ Mary Margaret Curry
Mary Margaret Curry
Chief Financial Officer and Treasurer
(Principal Financial Officer, Principal Accounting Officer and Duly Authorized Officer)

August 9, 2024

Fourth Amendment to the
comScore, Inc.
Amended and Restated
2018 Equity and Incentive Compensation Plan

THIS FOURTH AMENDMENT (the "**Fourth Amendment**") to the comScore, Inc. Amended and Restated 2018 Equity and Incentive Compensation Plan (as amended, modified or supplemented from time to time, the "**Plan**") was adopted by comScore, Inc.'s (the "**Company's**") board of directors (the "**Board**") on April 5, 2024, to be effective June 12, 2024 (the "**Fourth Amendment Effective Date**").

W I T N E S S E T H:

WHEREAS, the Company previously adopted the Plan, under which the Company is authorized to grant equity-based incentive awards to certain employees and service providers of the Company;

WHEREAS, the Company's Board has determined that it is desirable to amend the Plan, effective as of the Fourth Amendment Effective Date and subject to approval by the stockholders of the Company, to increase the maximum number of shares for which Awards may be granted under the Plan; and

WHEREAS, Section 18 of the Plan provides that the Board may amend the Plan from time to time, subject to approval by the stockholders of the Company as required by applicable law.

NOW, THEREFORE, the Plan shall be amended as of the Fourth Amendment Effective Date, subject to approval by the Company's stockholders, as set forth below:

1. Section 3(a)(i) of the Plan shall be deleted in its entirety and replaced with the following:

Subject to adjustment as provided in **Section 11** of this Plan and the share counting rules set forth in **Section 3(b)** of this Plan, the number of shares of Common Stock available under this Plan for awards of (A) Option Rights or Appreciation Rights, (B) Restricted Stock, (C) Restricted Stock Units, (D) Performance Shares or Performance Units, (E) awards contemplated by **Section 9** of this Plan, (F) dividend equivalents paid with respect to awards made under this Plan, or (G) awards corresponding to those described in the preceding clauses (A) through (F) that were made under the Prior Plan will not exceed in the aggregate the sum of (x) 37,850,000 shares of Common Stock; provided, however, that the remaining shares available for issuance as of December 19, 2023 (including any shares covered by unsettled awards outstanding as of such date) shall be adjusted by dividing such remaining shares by 20 to give effect to the Company's reverse stock split of Common Stock, effective as of December 20, 2023, plus (y) 900,000 shares of Common Stock. Such shares may be shares of original issuance or treasury shares or a combination of the foregoing.

NOW, THEREFORE, be it further provided that, except as set forth above, the Plan shall continue to read in its current state.

IN WITNESS WHEREOF, the Company has caused the execution of this Fourth Amendment by its duly authorized officer, effective as of the Fourth Amendment Effective Date and subject to approval of the Company's stockholders.

COMSCORE, INC.

By: */s/ Ashley Wright*
Name: Ashley Wright
Title: Secretary
Date: April 5, 2024

COMSCORE, INC.
CASH INCENTIVE PLAN
PARTICIPATION AGREEMENT

This Participation Agreement (this "***Agreement***") is entered and effective as of [_____________] (the "***Grant Date***"), by and between comScore, Inc., a Delaware corporation (the "***Company***"), and [_____________] ("***Participant***").

To carry out the purposes of the comScore, Inc. Cash Incentive Plan (the "**Plan**"), by granting an Award to Participant pursuant to the Plan, the Company and Participant hereby agree as follows:

1. **Definitions**. Capitalized terms used in this Agreement but not defined herein are defined in the Plan and are used herein with the meanings ascribed to them in the Plan. For purposes of this Agreement, the following definitions apply:

(a) "***Cause***" means: (i) Participant's indictment, plea of nolo contendere or conviction, of any felony or of any crime involving dishonesty by Participant; (ii) a material breach by Participant of Participant's duties or of a Company policy that is not cured by Participant within thirty (30) days following written notice of same to Participant by the Company, to the extent such breach is curable; or (iii) or a commission of any act of dishonesty, embezzlement, theft, fraud or misconduct (including harassment) by Participant with respect to the Company, any of which in the good faith and reasonable determination of the Board or the Compensation Committee of the Board is materially detrimental to the Company, its business or its reputation.

(b) "***Good Reason***" means: Participant's termination of employment within ninety (90) days following the expiration of any cure period (discussed below) following the occurrence of one or more of the following, without Participant's consent:

(i) a material diminution in Participant's base compensation (unless such reduction is done as part of a reduction program effective for all of the Company's similarly situated employees); or

(ii) the relocation of Participant's primary workplace to a location more than fifty (50) miles away from Participant's workplace in effect immediately prior to such relocation.

In addition, in order for a voluntary termination to be considered a termination for "Good Reason" under this Agreement, Participant must provide written notice to the Company of the existence of one or more of the above conditions within ninety (90) days of its initial existence and the Company must be provided thirty (30) days from the notice to remedy the condition. Notwithstanding the foregoing, a termination will not be considered a termination for "Good Reason" if (x) Participant's conduct is such that Participant's compensation is subject to clawback provisions under any policy or agreement of the Company, or pursuant to applicable law, statute, rule or regulation of any branch of the federal government, or (y) the event described in (i) above is caused by the intentional or reckless conduct of Participant.

2. **Grant of Award**. The Company hereby grants to Participant, effective as of the Grant Date, an Award on the terms and conditions set forth in this Agreement and in the Plan, which Plan is incorporated herein by reference as a part of this Agreement. The Award represents the right to receive, subject to the conditions set forth herein, a cash payment in an amount equal to $[______] in accordance with Sections 3 and 4. The Award constitutes an unsecured obligation of the Company, payable (if at all) only from the general assets of the Company. In the event of any conflict between the terms of this Agreement and the Plan, the Plan shall control.

3. **Vesting**. Except as provided in Section 4, so long as Participant remains continuously employed by the Company from the Grant Date through the [____] anniversary of the Grant Date (the “***Vesting Date***”), the Company shall pay Participant the cash payment with respect to the Award as soon as practicable following the Vesting Date but no later than [____________].

4. **Change in Control; Termination of Employment**.

(a) Upon a Change in Control, so long as Participant remains continuously employed by the Company from the Grant Date through the date of the Change in Control (the “***CIC Date***”), the Award shall become fully vested and the Company shall pay Participant the cash payment with respect to the Award as soon as practicable but no later than sixty (60) days following the CIC Date.

(b) If Participant’s employment with the Company is terminated by the Company without Cause or by Participant for Good Reason prior to the Vesting Date, and subject to Participant’s timely execution and non-revocation of a release of claims in a form and within the time period prescribed by the Company, the Award shall become fully vested and the Company shall pay Participant the cash payment with respect to the Award as soon as practicable but no later than sixty (60) days following such termination date.

(c) If Participant’s employment with the Company terminates prior to the Vesting Date for any reason other than as provided in Section 4(b), Participant shall automatically forfeit this Award and all rights arising from this Award and being a holder thereof, without consideration as of such termination date.

5. **Modifications and Termination**. The Administrator may modify, amend or terminate this Agreement as provided in the Plan; provided that such modification, amendment or termination shall not materially and adversely affect the rights of Participant under this Agreement, as reasonably determined by the Administrator, without Participant’s consent.

6. **Entire Agreement**. The Plan and this Agreement constitute the entire agreement of the parties with regard to the subject matter hereof. By execution below, Participant acknowledges that Participant has received a copy of, read and understands the Plan and this Agreement. Any statements, representations or promises (oral or written) made by the Company, any of its affiliates or any of the foregoing entities’ agents, directors, employees or other persons prior to, or contemporaneously with, the execution of this Agreement and concerning the Plan or this Agreement are of no force or effect whatsoever in determining the obligations of the Company under the Plan or this Agreement.

7. **Governing Law**. This Agreement shall be construed, enforced, and administered according to the laws of the State of Delaware, without giving effect to any conflict of law provisions thereof, except to the extent Delaware law is preempted by federal law.

8. **No Right To An Award**. Nothing in this Agreement or the Plan or any action of the Board or the Administrator shall be deemed to give Participant any right to be granted any Award in the future or any other rights hereunder except as may be evidenced by the express terms and conditions of this Agreement.

9. **Tax Matters**. All payments made by the Company to Participant with respect to this Award shall be reduced by the amounts required to be withheld by the Company under any applicable tax laws. This Agreement is intended to comply with, or be exempt from, Section 409A of the Code and the Treasury Regulations issued thereunder and shall be construed and interpreted in a manner that is consistent with the requirements for avoiding additional taxes or penalties under Section 409A of the Code. The Company and Participant agree to work together in good faith to consider amendments to this Agreement and to take such reasonable actions which are necessary, appropriate, or desirable to avoid

imposition of any additional tax or income recognition before actual payment to Participant under Section 409A.

10. **Limitation on Payments**. In the event that the Award provided for in this Agreement or otherwise payable to Participant (i) constitutes a "parachute payment" within the meaning of Section 280G of the Code, and (ii) but for this Section 10, would be subject to the excise tax imposed by Section 4999 of the Code, then Participant's payments provided for in this Agreement will be either: (a) delivered in full or (b) delivered as to such lesser extent which would result in no portion of such payments being subject to excise tax under Section 4999 of the Code, whichever of the foregoing amounts, taking into account the applicable federal, state and local income taxes and the excise tax imposed by Section 4999 of the Code, results in the receipt by Participant on an after-tax basis, of the greatest amount, notwithstanding that all or some portion of such amounts may be taxable under Section 4999 of the Code. Unless the Company and Participant otherwise agree in writing, any determination required under this Section 10 will be made in writing by the Company's independent public accountants immediately prior to a Change in Control or such other person or entity to which the parties mutually agree (the "***Accountants***"), whose determination will be conclusive and binding upon Participant and the Company. For purposes of making the calculations required by this Section 10, the Accountants may make reasonable assumptions and approximations concerning applicable taxes and may rely on reasonable, good faith interpretations concerning the application of Sections 280G and 4999 of the Code. The Company and Participant will furnish to the Accountants such information and documents as the Accountants may reasonably request in order to make a determination under this Section 10. The Company will bear all costs the Accountants may incur in connection with any calculations contemplated by this Section 10.

11. **Compensation Recovery**. Notwithstanding anything in this Agreement to the contrary, Participant acknowledges and agrees that this Agreement and any compensation described herein are subject to the terms and conditions of the Company's clawback policy as may be in effect from time to time, including to implement Section 10D of the Securities Exchange Act of 1934, as amended, and any applicable rules or regulations promulgated thereunder (including applicable rules and regulations of any national securities exchange on which the common stock of the Company may be traded).

[*Signature Page Follows*]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement effective for all purposes as of the Grant Date.

COMSCORE, INC.

By:

Name:
Title:

PARTICIPANT

Name:

Signature Page to
Participation Agreement

Exhibit 31.1

CERTIFICATIONS

I, Jonathan Carpenter, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of comScore, 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(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

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

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

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

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

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

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

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

/s/ Jonathan Carpenter

Jonathan Carpenter
Chief Executive Officer
(Principal Executive Officer)

Date: August 9, 2024

CERTIFICATIONS

I, Mary Margaret Curry, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of comScore, 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(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

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

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

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

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

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

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

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

/s/ Mary Margaret Curry

Mary Margaret Curry
Chief Financial Officer and Treasurer
(Principal Financial Officer)

Date: August 9, 2024

Exhibit 32.1

Certification Pursuant to 18 U.S.C. Section 1350

In connection with the Quarterly Report of comScore, Inc. (the "Company") on Form 10-Q for the quarter ended June 30, 2024, as filed with the Securities and Exchange Commission (the "SEC") on the date hereof (the "Report"), I, Jonathan Carpenter, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

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

A signed original of this written statement has been provided to the Company and will be retained by the Company and furnished to the SEC or its staff upon request.

/s/ Jonathan Carpenter

Jonathan Carpenter
Chief Executive Officer
(Principal Executive Officer)

Date: August 9, 2024

Exhibit 32.2

Certification Pursuant to 18 U.S.C. Section 1350

In connection with the Quarterly Report of comScore, Inc. (the "Company") on Form 10-Q for the quarter ended June 30, 2024, as filed with the Securities and Exchange Commission (the "SEC") on the date hereof (the "Report"), I, Mary Margaret Curry, Chief Financial Officer and Treasurer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

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

A signed original of this written statement has been provided to the Company and will be retained by the Company and furnished to the SEC or its staff upon request.

/s/ Mary Margaret Curry

Mary Margaret Curry
Chief Financial Officer and Treasurer
(Principal Financial Officer)

Date: August 9, 2024