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 March 31, 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: 001-40349

DoubleVerify Holdings, Inc.
(Exact name of registrant as specified in its charter)

Delaware	**82-2714562**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification Number)**

462 Broadway
New York, NY, 10013
(Address of Principal Executive Offices)

(212) 631-2111
(Registrant’s telephone number)

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

Title of Each Class	Trading symbol	Name of Exchange on which registered
Common Stock, par value $0.001 per share	DV	New York Stock Exchange

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

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

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

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

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

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

As of April 29, 2024, there were 171,796,441 shares of the registrant’s common stock, par value $0.001 per share, outstanding.

DoubleVerify Holdings, Inc.
Quarterly Report on Form 10-Q
For the Quarter Ended March 31, 2024

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Special Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q (“Quarterly Report”) includes “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”) and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”). All statements other than statements of historical facts included in this Quarterly Report, including, without limitation, statements regarding our future financial position, business strategy, budgets, projected costs, savings and plans and objectives of management for future operations, are forward-looking statements. In addition, forward-looking statements generally can be identified by the use of forward-looking terminology such as “may,” “will,” “expect,” “intend,” “estimate,” “plan,” “anticipate,” “believe” or “continue” or the negative thereof or variations thereon or similar terminology. Although we believe that the expectations reflected in such forward-looking statements are reasonable, we can give no assurance that such expectations will prove to have been correct.

You should read the “Special Note Regarding Forward-Looking Statements” and “Risk Factors” sections of our Annual Report on Form 10-K, for the year ended December 31, 2023 and filed with the Securities and Exchange Commission (“SEC”), on February 28, 2024, for a discussion of important factors that could cause actual results to differ materially from the results described in or implied by the forward-looking statements contained in this report. There may be other factors not presently known to us or which we currently consider to be immaterial that may cause our actual results to differ materially from the forward-looking statements.

All forward-looking statements attributable to us or persons acting on our behalf apply only as of the date of this Quarterly Report and are expressly qualified in their entirety by the cautionary statements included in this Quarterly Report and in the Annual Report on Form 10-K for the year ended December 31, 2023. We undertake no obligation to publicly update or revise any forward-looking statements to reflect events or circumstances after the date made or to reflect the occurrence of unanticipated events.

“DoubleVerify,” “the DV Authentic Ad,” “Authentic Brand Suitability,” “DV Pinnacle” and other trademarks of ours appearing in this report are our property and we deem them particularly important to the marketing activities conducted by each of our businesses. Solely for convenience, the trademarks, service marks and trade names referred to in this report are without the ® and ™ symbols, but such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights to these trademarks, service marks and trade names. This report contains additional trade names and trademarks of other companies. We do not intend our use or display of other companies’ trade names or trademarks to imply an endorsement or sponsorship of us by such companies, or any relationship with any of these companies.

Unless the context otherwise requires, the terms “DoubleVerify,” “we,” “us,” “our,” and the “Company,” as used in this report refer to DoubleVerify Holdings, Inc. and its consolidated subsidiaries.

PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

DoubleVerify Holdings, Inc.
CONDENSED CONSOLIDATED BALANCE SHEETS (UNAUDITED)

(in thousands, except per share data)	As of March 31, 2024	As of December 31, 2023
Assets:		
Current assets		
Cash and cash equivalents	$ 302,017	$ 310,131
Short-term investments	32,312	—
Trade receivables, net of allowances for doubtful accounts of $9,580 and $9,442 as of March 31, 2024 and December 31, 2023, respectively	195,638	206,941
Prepaid expenses and other current assets	20,356	15,930
Total current assets	550,323	533,002
Property, plant and equipment, net	60,851	58,020
Operating lease right-of-use assets, net	64,910	60,470
Goodwill	432,865	436,008
Intangible assets, net	132,815	140,883
Deferred tax assets	16,619	13,077
Other non-current assets	1,810	1,571
Total assets	$ 1,260,193	$ 1,243,031
Liabilities and Stockholders' Equity:		
Current liabilities		
Trade payables	$ 12,761	$ 12,932
Accrued expenses	34,218	44,264
Operating lease liabilities, current	9,844	9,029
Income tax liabilities	6,064	5,833
Current portion of finance lease obligations	2,640	2,934
Other current liabilities	9,841	8,863
Total current liabilities	75,368	83,855
Operating lease liabilities, non-current	75,124	71,563
Finance lease obligations	2,344	2,865
Deferred tax liabilities	7,514	8,119
Other non-current liabilities	2,752	2,690
Total liabilities	163,102	169,092
Commitments and contingencies (Note 14)		
Stockholders' equity		
Common stock, $0.001 par value, 1,000,000 shares authorized, 171,756 shares issued and 171,724 outstanding as of March 31, 2024; 1,000,000 shares authorized, 171,168 shares issued and 171,146 outstanding as of December 31, 2023	172	171
Additional paid-in capital	899,354	878,331
Treasury stock, at cost, 32 shares and 22 shares as of March 31, 2024 and December 31, 2023, respectively	(1,146)	(743)
Retained earnings	206,139	198,983
Accumulated other comprehensive loss, net of income taxes	(7,428)	(2,803)
Total stockholders' equity	1,097,091	1,073,939
Total liabilities and stockholders' equity	$ 1,260,193	$ 1,243,031

See accompanying Notes to unaudited Condensed Consolidated Financial Statements.

DoubleVerify Holdings, Inc.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (UNAUDITED)

(in thousands, except per share data)	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Revenue	$ 140,782	$ 122,594
Cost of revenue (exclusive of depreciation and amortization shown separately below)	26,618	23,952
Product development	36,394	28,555
Sales, marketing and customer support	37,872	25,712
General and administrative	22,075	20,188
Depreciation and amortization	10,928	8,983
Income from operations	6,895	15,204
Interest expense	232	256
Other income, net	(2,272)	(2,734)
Income before income taxes	8,935	17,682
Income tax expense	1,779	5,507
Net income	$ 7,156	$ 12,175
Earnings per share:		
Basic	$ 0.04	$ 0.07
Diluted	$ 0.04	$ 0.07
Weighted-average common stock outstanding:		
Basic	171,306	165,631
Diluted	176,124	171,657
Comprehensive income:		
Net income	$ 7,156	$ 12,175
Other comprehensive (loss) income:		
Foreign currency cumulative translation adjustment	(4,625)	1,193
Total comprehensive income	$ 2,531	$ 13,368

See accompanying Notes to unaudited Condensed Consolidated Financial Statements.

DoubleVerify Holdings, Inc.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY (UNAUDITED)

(in thousands)	Common Stock Shares	Common Stock Amount	Treasury Stock Shares	Treasury Stock Amount	Additional Paid-in Capital	Retained Earnings	Accumulated Other Comprehensive (Loss) Income Net of Income Taxes	Total Stockholders' Equity
Balance as of January 1, 2024	171,168	$ 171	22	$ (743)	$878,331	$198,983	$ (2,803)	$ 1,073,939
Foreign currency translation adjustment	—	—	—	—	—	—	(4,625)	(4,625)
Shares repurchased for settlement of employee tax withholdings	—	—	48	(1,792)	—	—	—	(1,792)
Stock-based compensation expense	—	—	—	—	20,718	—	—	20,718
Common stock issued upon exercise of stock options	153	—	—	—	1,695	—	—	1,695
Common stock issued upon vesting of restricted stock units	435	1	—	—	(1)	—	—	—
Treasury stock reissued upon settlement of equity awards	—	—	(38)	1,389	(1,389)	—	—	—
Net income	—	—	—	—	—	7,156	—	7,156
Balance as of March 31, 2024	171,756	$ 172	32	$(1,146)	$899,354	$206,139	$ (7,428)	$ 1,097,091
Balance as of January 1, 2023	165,448	$ 165	31	$ (796)	$756,299	$127,517	$ (6,326)	$ 876,859
Foreign currency translation adjustment	—	—	—	—	—	—	1,193	1,193
Shares repurchased for settlement of employee tax withholdings	—	—	30	(787)	—	—	—	(787)
Stock-based compensation expense	—	—	—	—	11,992	—	—	11,992
Common stock issued upon exercise of stock options	527	1	—	—	1,765	—	—	1,766
Common stock issued upon vesting of restricted stock units	182	—	—	—	—	—	—	—
Treasury stock reissued upon settlement of equity awards	—	—	(35)	914	(914)	—	—	—
Net income	—	—	—	—	—	12,175	—	12,175
Balance as of March 31, 2023	166,157	$ 166	26	$ (669)	$769,142	$139,692	$ (5,133)	$ 903,198

See accompanying Notes to unaudited Condensed Consolidated Financial Statements.

DoubleVerify Holdings, Inc.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)

(in thousands)	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Operating activities:		
Net income	$ 7,156	$ 12,175
Adjustments to reconcile net income to net cash provided by operating activities		
Bad debt expense	907	1,285
Depreciation and amortization expense	10,928	8,983
Amortization of debt issuance costs	74	74
Non-cash lease expense	1,569	1,658
Deferred taxes	(3,963)	(5,382)
Stock-based compensation expense	20,241	11,813
Interest expense, net	64	—
Other	677	(2)
Changes in operating assets and liabilities		
Trade receivables	9,626	(8,052)
Prepaid expenses and other assets	(5,218)	(6,874)
Trade payables	55	3,700
Accrued expenses and other liabilities	(10,342)	2,048
Net cash provided by operating activities	31,774	21,426
Investing activities:		
Purchase of property, plant and equipment	(6,393)	(4,099)
Purchase of short-term investments	(32,211)	—
Net cash used in investing activities	(38,604)	(4,099)
Financing activities:		
Proceeds from revolving credit facility	—	50,000
Payments to revolving credit facility	—	(50,000)
Proceeds from common stock issued upon exercise of stock options	1,695	1,766
Finance lease payments	(815)	(513)
Shares repurchased for settlement of employee tax withholdings	(1,792)	(787)
Net cash (used in) provided by financing activities	(912)	466
Effect of exchange rate changes on cash and cash equivalents and restricted cash	(377)	131
Net (decrease) increase in cash, cash equivalents, and restricted cash	(8,119)	17,924
Cash, cash equivalents, and restricted cash - Beginning of period	310,257	267,938
Cash, cash equivalents, and restricted cash - End of period	$ 302,138	$ 285,862
Cash and cash equivalents	$ 302,017	$ 285,738
Restricted cash (included in prepaid expenses and other current assets on the Condensed Consolidated Balance Sheets)	121	124
Total cash and cash equivalents and restricted cash	$ 302,138	$ 285,862
Supplemental cash flow information:		
Cash paid for taxes	$ 1,324	$ 1,708
Cash paid for interest	$ 74	$ 266
Non-cash investing and financing activities:		
Right-of-use assets obtained in exchange for new operating lease liabilities, net of impairments and tenant improvement allowances	$ 6,207	$ 1,415
Capital assets financed by accounts payable and accrued expenses	$ 45	$ 378
Stock-based compensation included in capitalized software development costs	$ 471	$ 179

See accompanying Notes to unaudited Condensed Consolidated Financial Statements.

DoubleVerify Holdings, Inc.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
(Amounts in thousands, except per share data, unless otherwise stated)

1. Description of Business

DoubleVerify Holdings, Inc. (the "Company") is one of the industry's leading media effectiveness platforms that leverages AI to drive superior outcomes for global brands. By creating more effective, transparent ad transactions, we make the digital advertising ecosystem stronger, safer and more secure, thereby preserving the fair value exchange between buyers and sellers of digital media. The Company's solutions provide advertisers unbiased data analytics that enable advertisers to increase the effectiveness, quality and return on their digital advertising investments. The DV Authentic Ad is our proprietary metric of digital media quality, which measures whether a digital ad was delivered in a brand suitable environment, fully viewable, by a real person and in the intended geography. The Company's software interface, DV Pinnacle, delivers these metrics to our customers in real time, allowing them to access critical performance data on their digital transactions. The Company's software solutions are integrated across the entire digital advertising ecosystem, including programmatic platforms, social media channels and digital publishers. The Company's solutions are accredited by the Media Rating Council, which allows the Company's data to be used as a single source standard in the evaluation and measurement of digital ads.

The Company was incorporated on August 16, 2017, is registered in the state of Delaware and is the parent company of DoubleVerify Midco, Inc. ("MidCo"), which is in turn the parent company of DoubleVerify Inc. On August 18, 2017, DoubleVerify Inc. entered into an agreement and plan of merger (the "Agreement"), whereby the Company and Pixel Merger Sub, Inc. ("Merger Sub"), a wholly-owned subsidiary of the Company, agreed to provide for the merger of the Merger Sub with DoubleVerify Inc. pursuant to the terms and conditions of the Agreement.

On the effective date, Merger Sub was merged with and into DoubleVerify Inc. whereupon the separate corporate existence of Merger Sub ceased and DoubleVerify Inc. continued as the surviving corporation.

Through the merger, the Company acquired 100% of the outstanding equity instruments of DoubleVerify Inc., (the "Acquisition") resulting in a change of control at the parent level. The merger resulted in the application of acquisition accounting under the provisions of Financial Accounting Standards Board ("FASB") Topic Accounting Standards Codification ("ASC") 805*,* "Business Combinations."

The Company is headquartered in New York, New York and has wholly-owned subsidiaries in numerous jurisdictions, including Israel, the United Kingdom, the United Arab Emirates, Germany, Singapore, Australia, Canada, Brazil, Belgium, Mexico, France, Japan, Spain, Finland, Italy and India, and operates in one reportable segment.

2. Basis of Presentation and Summary of Significant Accounting Policies

Basis of Preparation and Principles of Consolidation

The accompanying Condensed Consolidated Balance Sheets as of March 31, 2024 and December 31, 2023, the Condensed Consolidated Statements of Operations and Comprehensive Income for the three months ended March 31, 2024 and 2023, the Condensed Consolidated Statements of Stockholders' Equity for the three months ended March 31, 2024 and 2023, and the Condensed Consolidated Statements of Cash Flows for the three months ended March 31, 2024 and 2023 reflect all adjustments that are of a normal recurring nature and that are considered necessary for a fair presentation of the results for the periods shown in accordance with accounting principles generally accepted in the United States of America ("GAAP") and the applicable rules and regulations of the SEC for interim financial reporting periods. Accordingly, certain information and footnote disclosures have been condensed or omitted pursuant to SEC rules that would ordinarily be required under GAAP for complete financial statements. These unaudited interim Condensed Consolidated Financial Statements should be read in conjunction with the Company's audited consolidated financial statements and related notes included in its Annual Report on Form 10-K for the year ended December 31, 2023.

DoubleVerify Holdings, Inc.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
(Amounts in thousands, except per share data, unless otherwise stated)

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 measurement of items including, but not limited to: revenue recognition criteria including the determination of principal versus agent revenue considerations, income taxes, the valuation and recoverability of goodwill and intangible assets, the assessment of potential loss from contingencies, assumptions in valuing acquired assets and liabilities assumed in business combinations, the allowance for doubtful accounts, and assumptions used in determining the fair value of stock-based compensation. 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. These estimates are based on the information available as of the date of the Condensed Consolidated Financial Statements.

Short-term Investments

Debt Securities

The Company's accounting for debt securities varies depending on the legal form of the security, our intended holding period for the security, and the nature of the transaction. Investments in marketable debt securities include U.S. treasury bills. The Company considers all of its marketable debt securities as available for use in current operations and, therefore, classifies these securities as Short-term investments on the Condensed Consolidated Balance Sheets. Marketable debt securities are classified as available-for-sale and are initially recorded at fair value. Unrealized gains and losses related to available-for-sale debt securities are recorded as a separate component of Other comprehensive (loss) income, net of tax on the Condensed Consolidated Statements of Operations and Comprehensive Income until realized. Interest on marketable debt securities classified as available-for-sale is included as a component of Other income, net on the Condensed Consolidated Statements of Operations and Comprehensive Income. Refer to Footnote 8, Fair Value Measurement, for further information.

The Company accounts for credit losses on available-for-sale debt securities in accordance with ASC 326, "Financial Instruments - Credit Losses" ("ASC 326"). The Company uses ASC 326 to assess the investment portfolio for impairment at the individual security level and evaluates all securities in an unrealized loss position to determine if the impairment is credit related (realized loss recorded in earnings) or non-credit related (unrealized loss).

Recently Issued Accounting Pronouncements

Segment Reporting – Improvements to Reportable Segment Disclosures

In November 2023, the FASB issued Accounting Standards Update ("ASU") No. 2023-07, "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 updated standard is effective for fiscal years beginning after December 15, 2023 and interim periods within fiscal years beginning after December 15, 2024. Early adoption is permitted and the update requires retrospective application to all prior periods presented. The Company is currently in the process of evaluating the impact of this standard on the Company's Condensed Consolidated Financial Statements.

DoubleVerify Holdings, Inc.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
(Amounts in thousands, except per share data, unless otherwise stated)

Income Taxes – Improvements to Income Tax Disclosures

In December 2023, the FASB issued ASU No. 2023-09, "Income Taxes (Topic 740): Improvements to Income Tax Disclosures" ("ASU 2023-09"), which expands annual disclosure requirements related to the rate reconciliation and income taxes paid disclosures. ASU 2023-09 requires consistent categories and greater disaggregation of information in the rate reconciliation and income taxes paid to be disaggregated by jurisdiction. The updated standard is effective for fiscal years beginning after December 15, 2024. Early adoption is permitted and the update may be applied on a prospective basis with retrospective application permitted. The Company is currently in the process of evaluating the impact of this standard on the Company's Condensed Consolidated Financial Statements.

3. Revenue

The following table disaggregates revenue between advertiser customers, where revenue is generated based on the number of ads measured for Measurement or measured and purchased for Activation, and Supply-side customers, where revenue is generated based on contracts with minimum guarantees or contracts that contain overages after minimum guarantees are achieved.

Disaggregated revenue by customer type was as follows:

	Three Months Ended March 31,	
(in thousands)	**2024**	**2023**
Activation	$ 79,322	$ 69,892
Measurement	49,275	41,385
Supply-side customer	12,185	11,317
Total revenue	$ 140,782	$ 122,594

Contract assets relate to the Company's conditional right to consideration for completed performance under the contract (e.g., unbilled receivables). Trade receivables, net of allowance for doubtful accounts, include unbilled receivable balances of $55.1 million and $55.0 million as of March 31, 2024 and December 31, 2023, respectively.

Remaining Performance Obligations

As of March 31, 2024, the Company had $13.9 million of remaining performance obligations which are expected to be recognized over the next one to three years. These non-cancelable supply-side arrangements have original expected durations longer than one year and for which the consideration is not variable. These obligations relate primarily to the Company's supply-side revenue which represented $12.2 million, or 8.7% of the Company's total revenue as of March 31, 2024. The vast majority of the Company's revenue is derived primarily from our advertising customers and partners based on the volume of media transactions, or ads, that our software platform measures, and not from supply-side arrangements. In determining the remaining performance obligations, the Company applied the allowable practical expedient and did not disclose information about (1) contracts remaining performance obligations that have original expected durations of one year or less and (2) contracts for which the Company recognizes revenue at the amount to which it has the right to invoice for services performed.

DoubleVerify Holdings, Inc.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
(Amounts in thousands, except per share data, unless otherwise stated)

4. Business Combinations

Scibids Technology SAS

On August 14, 2023, the Company acquired all of the outstanding stock of Scibids Technology SAS ("Scibids"), a global leader in artificial intelligence ("AI") technology for digital campaign optimization. The acquisition combines DoubleVerify's proprietary data with Scibids' AI-powered optimization technology to provide advertiser customers with enhanced insights and control over their advertising performance.

The preliminary allocations of the purchase price for Scibids are subject to revisions as additional information is obtained about the facts and circumstances that existed as of the acquisition date. The revisions may have a significant impact on the accompanying Condensed Consolidated Financial Statements. The allocations of the purchase price will be finalized once all information is obtained and assessed, not to exceed one year from the acquisition date. As of March 31, 2024, the purchase price allocation for Scibids is subject to the finalization of working capital adjustments.

5. Goodwill and Intangible Assets

The following is a summary of changes to the goodwill carrying value from December 31, 2023 to March 31, 2024:

(in thousands)	
Goodwill at December 31, 2023	$ 436,008
Foreign exchange impact	(3,143)
Goodwill at March 31, 2024	$ 432,865

The following table summarizes the Company's intangible assets and related accumulated amortization:

(in thousands)	March 31, 2024			December 31, 2023		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Trademarks and brands	$ 11,733	$ (5,351)	$ 6,382	$ 11,734	$ (5,140)	$ 6,594
Customer relationships	160,687	(66,462)	94,225	161,173	(62,955)	98,218
Developed technology	92,443	(60,235)	32,208	93,013	(56,942)	36,071
Non-compete agreements	65	(65)	—	66	(66)	—
Total intangible assets	$ 264,928	$ (132,113)	$ 132,815	$ 265,986	$ (125,103)	$ 140,883

Amortization expense related to intangible assets for the three months ended March 31, 2024 and March 31, 2023 was $7.3 million and $6.2 million, respectively.

Estimated future expected amortization expense of intangible assets as of March 31, 2024 is as follows:

(in thousands)	
2024 (for remaining nine months)	$ 21,417
2025	26,751
2026	21,997
2027	18,081
2028	14,928
2029	12,577
Thereafter	17,064
Total	$ 132,815

DoubleVerify Holdings, Inc.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
(Amounts in thousands, except per share data, unless otherwise stated)

The weighted-average remaining useful life by major asset classes as of March 31, 2024 is as follows:

	(In years)
Trademarks and brands	8
Customer relationships	7
Developed technology	2

There were no impairments of Goodwill or Intangible assets identified during the three months ended March 31, 2024 and March 31, 2023.

6. Property, Plant and Equipment

Property, plant and equipment, including equipment under finance lease obligations and capitalized software development costs, consisted of the following:

	As of	
(in thousands)	**March 31, 2024**	**December 31, 2023**
Computers and peripheral equipment	$ 25,982	$ 25,013
Office furniture and equipment	3,334	3,170
Leasehold improvements	33,153	32,595
Capitalized software development costs	39,708	35,039
Less accumulated depreciation and amortization	(41,326)	(37,797)
Total property, plant and equipment, net	$ 60,851	$ 58,020

For the three months ended March 31, 2024 and March 31, 2023, total depreciation expense was $3.6 million and $2.7 million, respectively.

Property and equipment under finance lease obligations, consisting of computer equipment, totaled $17.8 million as of March 31, 2024 and December 31, 2023, respectively. As of March 31, 2024 and December 31, 2023, accumulated depreciation related to property and equipment under finance lease obligations totaled $13.6 million and $12.9 million, respectively. Refer to Note 7, Leases.

There were no impairments of Property, plant and equipment identified during the three months ended March 31, 2024 and March 31, 2023.

DoubleVerify Holdings, Inc.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)
(Amounts in thousands, except per share data, unless otherwise stated)

7. Leases

The following table presents lease cost and cash paid for amounts included in the measurement of lease liabilities for finance and operating leases for the three months ended March 31, 2024 and 2023, respectively.

	Three Months Ended March 31,	
(in thousands)	2024	2023
Lease cost:		
Operating lease cost (1)	$ 2,637	$ 2,587
Finance lease cost:		
Depreciation of finance lease assets (2)	619	217
Interest on finance lease liabilities (3)	64	23
Short-term lease cost (1)	317	246
Sublease income (1)	—	(267)
Total lease cost	$ 3,637	$ 2,806
Other information:		
Cash paid for amounts included in the measurement of lease liabilities		
Operating cash outflows from operating leases	$ 2,516	$ 1,336
Operating cash outflows from finance leases	$ 74	$ 23
Financing cash outflows from finance leases	$ 815	$ 513

(1) Included in Cost of revenue, Sales, marketing and customer support, Product development and General and administrative expenses in the accompanying Condensed Consolidated Statements of Operations and Comprehensive Income.
(2) Included in Depreciation and amortization in the accompanying Condensed Consolidated Statements of Operations and Comprehensive Income.
(3) Included in Interest expense in the accompanying Condensed Consolidated Statements of Operations and Comprehensive Income.

The following table presents weighted-average remaining lease terms and weighted-average discount rates for finance and operating leases as of March 31, 2024 and 2023, respectively:

	March 31,	
	2024	2023
Weighted-average remaining lease term - operating leases (in years)	12.9	13.9
Weighted-average remaining lease term - finance leases (in years)	2.1	1.4
Weighted-average discount rate - operating leases	4.7%	4.5%
Weighted-average discount rate - finance leases	5.4%	3.7%

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Maturities of lease liabilities as of March 31, 2024 were as follows:

	March 31, 2024	
(in thousands)	Operating Leases	Finance Leases
2024 (for remaining nine months)	$ 7,802	$ 2,325
2025	9,410	2,150
2026	8,140	819
2027	7,586	—
2028	7,731	—
2029	8,154	—
Thereafter	67,157	—
Total lease payments	115,980	5,294
Less amount representing interest	(31,012)	(310)
Present value of total lease payments	$ 84,968	$ 4,984

There were no impairments of Operating lease right-of-use assets identified during the three months ended March 31, 2024 and March 31, 2023.

8. Fair Value Measurement

The following tables present the Company's financial instruments that are measured at fair value on a recurring basis:

	As of March 31, 2024			
(in thousands)	Quoted Market Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total Fair Value Measurements
Assets:				
Cash equivalents	$ 50,083	$ —	$ —	$ 50,083
Short-term investments	$ 32,312	$ —	$ —	$ 32,312

	As of December 31, 2023			
(in thousands)	Quoted Market Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Tota1 Fair Value Measurements
Assets:				
Cash equivalents	$ 61,463	$ —	$ —	$ 61,463

Cash equivalents consisted of treasury bills with original maturities at the date of purchase of three months or less and money market funds of $50.1 million and $61.5 million as of March 31, 2024 and December 31, 2023, respectively.

Short-term investments consisted of treasury bills of $32.3 million as of March 31, 2024. As of March 31, 2024, all of the Company's Short-term investments are contractually due within one year.

As of March 31, 2024 and December 31, 2023, the amortized cost of the Company's treasury bills approximated fair value. For the three months ended March 31, 2024, the Company did not record any unrealized gains, unrealized losses, or credit losses.

9. Long-term Debt

On October 1, 2020, DoubleVerify Inc., as borrower (the "Borrower"), and MidCo, as guarantor, entered into an amendment and restatement agreement with the banks and other financial institutions party thereto, as lenders, and Capital One, National Association, as administrative agent, letter of credit issuer and swing lender, and others, to (i) amend and restate the Company's prior credit agreement, as amended and restated on October 1, 2020 (the "Credit Agreement") and (ii) replace the Company's prior credit facilities with a new senior secured revolving credit facility (the "New Revolving Credit Facility") in an aggregate principal amount of $150.0 million (with a letter of credit facility of up to $15.0 million as a sublimit). Subject to certain terms and conditions, the Borrower is entitled to request additional term loan facilities or increases in the revolving credit commitments under the New Revolving Credit Facility. The New Revolving Credit Facility is payable in quarterly installments for interest, with the principal balance due in full at maturity on October 1, 2025. Additional fees paid quarterly include fees for the unused revolving facility and unused letter of credit. The commitment fee on any unused balance is payable periodically and may range from 0.25% to 0.40% based upon the Borrower's total net leverage ratio calculated in accordance with the Credit Agreement.

On March 29, 2023, the Company entered into an amendment to the New Revolving Credit Facility to replace the LIBOR based interest rate with a Secured Overnight Financing Rate ("SOFR") based interest rate. The New Revolving Credit Facility bears interest at SOFR plus 2.00% or the Alternate Base Rate plus 1.00% (at the Company's option), which may vary from time to time based on the Borrower's total net leverage ratio calculated in accordance with the Credit Agreement.

The New Revolving Credit Facility contains a number of significant negative covenants. Subject to certain exceptions, these covenants require the Borrower to comply with certain requirements and restrictions on its ability to, among other things: incur indebtedness; create liens; engage in mergers or consolidations; make investments, loans and advances; pay dividends or other distributions and repurchase capital stock; sell assets; engage in certain transactions with affiliates; enter into sale and leaseback transactions; and make certain accounting changes. As a result of these restrictions, substantially all of the net assets of the Borrower are restricted from distribution to the Company or any holders of its equity.

The New Revolving Credit Facility has a first priority lien on substantially all of the assets of MidCo, the Borrower and Ad-Juster Inc., the Company's indirect subsidiary. The New Revolving Credit Facility requires the Borrower to remain in compliance with a maximum total net leverage ratio and a minimum fixed charge coverage ratio, each as defined in the Credit Agreement.

As of March 31, 2024, the maximum total net leverage ratio and minimum fixed charge coverage ratio was 3.5x and 1.25x, respectively. The Borrower was in compliance with all covenants under the New Revolving Credit Facility as of March 31, 2024.

As of March 31, 2024 and December 31, 2023, there was no outstanding debt under the New Revolving Credit Facility.

10. Income Tax

The Company's quarterly income tax provision is calculated using an estimated annual effective income tax rate ("ETR") based on historical information and forward-looking estimates. The Company's estimated annual ETR may fluctuate due to changes in forecasted annual pre-tax income, and changes to forecasted permanent book to tax differences (e.g., non-deductible expenses).

(Amounts in thousands, except per share data, unless otherwise stated)

The Company's ETR for a particular reporting period may fluctuate as the result of changes to the valuation allowance for net deferred tax assets, the impact of anticipated tax settlements with federal, state, or foreign tax authorities, or the impact of tax law changes. The Company identifies items that are unusual and non-recurring in nature and treats these as discrete events. The tax effect of these discrete events is booked entirely in the quarter in which they occur.

During the three months ended March 31, 2024, the Company recorded an income tax provision of $1.8 million, resulting in an effective tax rate of 19.9%, that includes the effects of various permanent book-to-tax adjustments, foreign tax rate differences, U.S. tax on foreign operations, and U.S. state/local taxes, which represent a rate impact of (10.9%). During the three months ended March 31, 2023, the Company recorded an income tax provision of $5.5 million, resulting in an effective tax rate of 31.1%.

A valuation allowance has been established against a small amount of foreign capital losses and certain U.S. tax loss carryforwards. All other net deferred tax assets have been determined to be more likely than not realizable. The Company regularly reviews its deferred tax assets for recoverability and would establish a valuation allowance if it believed that such assets may not be recovered, taking into consideration historical operating results, expectations of future earnings, changes in its operations, and the expected timing of the reversals of existing temporary differences.

The Company accounts for uncertainty in income taxes utilizing ASC 740-10, "Income Taxes." ASC 740-10 clarifies whether or not to recognize assets or liabilities for tax positions taken that may be challenged by a tax authority. It prescribes a recognition threshold and measurement attribute for financial statement disclosure of tax positions taken or expected to be taken. This interpretation also provides guidance on derecognition, classification, interest and penalties, accounting in interim periods, and disclosures. The application of ASC 740-10 requires judgment related to the uncertainty in income taxes and could impact the Company's effective tax rate.

The Company and its subsidiaries file income tax returns with the Internal Revenue Service ("IRS") in various state and international jurisdictions. The Company's Israeli subsidiary is under audit by the Israeli Tax Authority for the 2021 and later tax years. The Company is also under audit by the Commonwealth of Massachusetts for the 2019 and 2020 tax years. These examinations may lead to ordinary course adjustments or proposed adjustments to the Company's taxes. Aside from the aforementioned, the Company is not currently under audit in any other jurisdiction.

11. Earnings Per Share

The following table reconciles the numerators and denominators used in computations of the basic and diluted EPS for the three months ended March 31, 2024 and March 31, 2023:

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Numerator:		
Net Income (basic and diluted)	$ 7,156	$ 12,175
Denominator:		
Weighted-average common shares outstanding	171,306	165,631
Dilutive effect of share-based awards	4,818	6,026
Weighted-average dilutive shares outstanding	**176,124**	**171,657**
Basic earnings per share	$ 0.04	$ 0.07
Diluted earnings per share	$ 0.04	$ 0.07

Approximately 6.2 million and 7.1 million weighted average shares issuable under stock-based awards were not included in the diluted EPS calculation in the three months ended March 31, 2024 and March 31, 2023, respectively, because they were antidilutive.

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12. Stock-Based Compensation

Employee Equity Incentive Plan

On September 20, 2017, the Company established its 2017 Omnibus Equity Incentive Program (the "2017 Plan") which provides for the granting of equity-based awards to certain employees, directors, independent contractors, consultants and agents. Under the 2017 Plan, the Company may grant non-qualified stock options, stock appreciation rights, restricted stock units, and other stock-based awards.

On April 19, 2021, the Company established its 2021 Omnibus Equity Incentive Plan ("2021 Equity Plan"). The 2021 Equity Plan provides for the grant of stock options (including qualified incentive stock options and nonqualified stock options), stock appreciation rights, restricted stock, restricted stock units, dividend equivalents, and other stock or cash settled incentive awards.

Stock Options

Options become exercisable subject to vesting schedules up to four years from the date of the grant and subject to certain timing restrictions upon an employee's separation of service and no later than 10 years after the grant date.

A summary of stock option activity as of and for the three months ended March 31, 2024 is as follows:

	Stock Option			
	Number of Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (Years)	Aggregate Intrinsic Value
Outstanding as of December 31, 2023	9,992	$ 17.01	6.91	$ 197,598
Options granted	—	—		
Options exercised	(194)	8.78		
Options forfeited	(23)	28.49		
Outstanding as of March 31, 2024	9,775	$ 17.15	6.67	$ 176,726
Options expected to vest as of March 31, 2024	2,744	$ 25.70	8.07	$ 26,257
Options exercisable as of March 31, 2024	6,906	$ 13.58	6.08	$ 149,377

Stock options include grants to executives that contain both market-based and performance-based vesting conditions. There were no stock options granted that contain both market-based and performance-based vesting conditions during the three months ended March 31, 2024. During the three months ended March 31, 2024, there were no stock options exercised and 1,373 market-based and performance-based stock options remain outstanding as of March 31, 2024.

The total intrinsic value of options exercised during the three months ended March 31, 2024 and March 31, 2023 was $5.1 million and $12.8 million, respectively.

The Company's board of directors (the "Board") did not declare or pay dividends on any Company stock during the three months ended March 31, 2024 and March 31, 2023.

Restricted Stock Units ("RSUs")

RSUs are subject to vesting schedules up to four years from the date of the grant and subject to certain restrictions upon employee separation.

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A summary of RSUs activity as of and for the three months ended March 31, 2024 is as follows:

	RSUs	
	Number of Shares	Weighted Average Grant Date Fair Value
Outstanding as of December 31, 2023	4,720	$ 28.03
Granted	2,387	33.88
Vested	(435)	27.13
Forfeited	(65)	28.48
Outstanding as of March 31, 2024	6,607	$ 30.20

The total grant date fair value of RSUs that vested during the three months ended March 31, 2024 was $11.8 million.

Performance Stock Units ("PSUs")

PSUs are subject to vesting and performance periods of up to approximately three years from the date of the grant.

A summary of PSUs activity as of and for the three months ended March 31, 2024 is as follows:

	PSUs	
	Number of Shares	Weighted Average Grant Date Fair Value
Outstanding as of December 31, 2023	480	$ 41.31
Granted	186	41.28
Vested	—	—
Forfeited	—	—
Outstanding as of March 31, 2024	666	$ 41.30

The fair market value of PSUs with market-based and service-based vesting conditions granted for the years presented has been estimated on the grant date using the Monte Carlo Simulation model with the following assumptions:

	2024
Risk-free interest rate (percentage)	3.9 - 4.1
Expected dividend yield (percentage)	—
Expected volatility (percentage)	46.7

Stock-based Compensation Expense

Total stock-based compensation expense recorded in the Condensed Consolidated Statements of Operations and Comprehensive Income was as follows:

	Three Months Ended March 31,	
(in thousands)	2024	2023
Product development	$ 7,373	$ 4,379
Sales, marketing and customer support	5,936	3,507
General and administrative	6,932	3,927
Total stock-based compensation	$ 20,241	$ 11,813

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As of March 31, 2024, unrecognized stock-based compensation expense was $217.7 million, which is expected to be recognized over a weighted-average period of 1.5 years.

Employee Stock Purchase Plan ("ESPP")

In March 2021, the Board approved the Company's 2021 ESPP. Purchases are accomplished through participation in discrete offering periods. The ESPP is available to U.S.-based employees and most of the Company's non-U.S.-based employees. The current offering period began on December 1, 2023 and will end on May 31, 2024. The Company expects the program to continue consecutively for six-month offering periods for the foreseeable future.

Under the ESPP, eligible employees are able to acquire shares of the Company's common stock by accumulating funds through payroll deductions. The purchase price for shares of common stock purchased under the ESPP is 85% of the lesser of the fair market value of the common stock on (i) the first trading day of the applicable offering period and (ii) the last trading day of the applicable offering period. Employees are required to hold shares purchased for a minimum of six months following the purchase date.

Stock-based compensation expense for the ESPP is recognized on a straight-line basis over the requisite service period of each award. Stock-based compensation expense related to the ESPP totaled $0.3 million and $0.2 million for the three months ended March 31, 2024 and March 31, 2023, respectively.

13. Supplemental Financial Statement Information

Accrued Expenses

Accrued expenses as of March 31, 2024 and December 31, 2023 were as follows:

	As of	
(in thousands)	March 31, 2024	December 31, 2023
Vendor payments	$ 7,506	$ 6,286
Employee commissions and bonuses	9,793	20,809
Payroll and other employee related expense	11,526	10,602
401k and pension expense	1,026	2,982
Other taxes	4,367	3,585
Total accrued expenses	$ 34,218	$ 44,264

Other Income, Net

The components of Other income, net recorded in the Condensed Consolidated Statements of Operations and Comprehensive Income were as follows:

	Three Months Ended March 31,	
(in thousands)	2024	2023
Interest income	$ (3,279)	$ (2,756)
Foreign currency exchange loss	978	20
Other miscellaneous expense, net	29	2
Other income, net	$ (2,272)	$ (2,734)

DoubleVerify Holdings, Inc.
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14. Commitments and Contingencies

Contingencies

Litigation

From time to time, the Company is subject to various legal proceedings and claims, either asserted or unasserted, that arise in the ordinary course of business. The Company records liabilities for contingencies including legal costs when it is probable that a liability has been incurred and when the amount can be reasonably estimated. Legal costs are expensed as incurred. Although the outcome of the various legal proceedings and claims cannot be predicted with certainty, management does not believe that any of these proceedings or other claims will have a material effect on the Company's business, financial condition, results of operations or cash flows.

15. Segment Information

The Company has determined that it operates as one operating and reportable segment. The Company's chief operating decision maker reviews financial information on a consolidated basis, together with certain operating and performance measures principally to make decisions about how to allocate resources and measure performance.

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 interim Condensed Consolidated Financial Statements and related notes appearing elsewhere in this Quarterly Report and our audited financial statements and notes contained in our Annual Report on Form 10-K for the year ended December 31, 2023. In addition to our historical condensed consolidated financial information, the following discussion contains forward-looking statements that reflect our plans, estimates, and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements. Factors that could cause or contribute to these differences include those discussed in our Annual Report on Form 10-K for the year ended December 31, 2023 and elsewhere in this Quarterly Report, including under the heading "Special Note Regarding Forward-Looking Statements."

Company Overview

We are one of the industry's leading media effectiveness platforms that leverages AI to drive superior outcomes for global brands. By creating more effective, transparent ad transactions, we make the digital advertising ecosystem stronger, safer and more secure, thereby preserving the fair value exchange between buyers and sellers of digital media.

Our software platform is integrated across the entire digital advertising ecosystem, including programmatic platforms, social media channels, and digital publishers. We deliver unique data analytics through our customer interface, DV Pinnacle, to provide detailed insights into our customers' media performance on both direct and programmatic media buying platforms and across all key digital media channels, formats, and devices. In 2023, our coverage spanned 110 countries where our customers activate our services. Our customers include many of the largest global advertisers and digital ad platforms and publishers. We provide a consistent, cross-platform measurement standard across all major forms of digital media, making it easier for advertisers and supply-side customers to benchmark performance across all of their digital ads and optimize business outcomes in real-time.

We derive revenue primarily from our advertiser customers based on the volume of media transactions, or ads, that our software platform measures ("Media Transactions Measured"). Advertisers utilize the DV Authentic Ad, our definitive metric of digital media quality, to evaluate the existence of fraud, brand safety, viewability and geography for each digital ad. Advertisers pay us an analysis fee ("Measured Transaction Fee") per thousand impressions based on the volume of Media Transactions Measured on their behalf. The price of most of our solutions is fixed. On platforms that charge based on percent of media spend, our pricing includes caps which effectively mirror our standard fixed fees. We maintain an expansive set of direct integrations across the entire digital advertising ecosystem, including with leading programmatic, CTV, and social platforms, which enable us to deliver our metrics to the platforms where our customers buy ads. Further, our services are not reliant on any single source of impressions and we can service our customers as their digital advertising needs change.

We generate revenue from supply-side customers based on monthly or annual contracts with minimum guarantees and tiered pricing when guarantees are met.

Components of Our Results of Operations

We manage our business operations and report our financial results in a single segment.

Revenue

Our customers use our solutions to measure the effectiveness of their digital advertisements. We generate revenue from our advertising customers based on the volume of Media Transactions Measured on our software platform, and for supply-side customers, based on contracts with minimum guarantees or contracts that have tiered pricing after minimum guarantees are achieved. Our existing customer base has remained largely stable, and our gross revenue retention rate was over 95% for the three months ended March 31, 2024. We define our gross revenue retention rate as the total prior period revenue earned from advertiser customers, less the portion of prior period revenue attributable to lost advertiser customers, divided by the total prior period revenue from advertiser customers, excluding a portion of our revenues that cannot be allocated to specific advertiser customers.

For each of the three months ended March 31, 2024 and March 31, 2023, we generated 91% of our revenue from advertiser customers. Advertisers can purchase our services to measure the quality and performance of ads after they are purchased directly from digital properties, including publishers and social media platforms, which we track as Measurement revenue. Advertisers can also purchase our services through programmatic and social media platforms to evaluate the quality of ad inventories before they are purchased, which we track as Activation revenue. We generate the majority of our revenue from advertisers by charging a Measured Transaction Fee based on the volume of Media Transactions Measured on behalf of our customers. We recognize revenue from advertisers in the period in which we provide our measurement and activation solutions.

For each of the three months ended March 31, 2024 and March 31, 2023, we generated 9% of our revenue from supply-side customers who use our data analytics to validate the quality of their ad inventory and provide data to their customers to facilitate targeting and purchasing of digital ads, which we refer to as Supply-side revenue. We generate revenue for certain supply-side arrangements that include minimum guaranteed fees that reset monthly and are recognized on a straight-line basis over the access period, which is usually twelve months. For contracts that contain overages, once the minimum guaranteed amount is achieved, overages are recognized as earned over time based on a tiered pricing structure.

The following table disaggregates revenue between advertiser customers, where revenue is generated based on number of ads measured for Measurement or measured and purchased for Activation, and Supply-side customers.

	Three Months Ended March 31,		Change	Change
	2024	2023	$	%
	(In Thousands)			
Revenue by customer type:				
Activation	$ 79,322	$ 69,892	$ 9,430	13 %
Measurement	49,275	41,385	7,890	19
Supply-side customer	12,185	11,317	868	8
Total revenue	$ 140,782	$ 122,594	$ 18,188	15 %

Operating Expenses

Our operating expenses consist of the following categories:

Cost of revenue. Cost of revenue consists primarily of costs from revenue-sharing arrangements with our partners, platform hosting fees, data center costs, software and other technology expenses, other costs directly associated with data infrastructure, and personnel costs, including salaries, bonuses, stock-based compensation and benefits, directly associated with the support and delivery of our software platform and data solutions.

Product development. Product development expenses consist primarily of personnel costs, including salaries, bonuses, stock-based compensation and benefits, third party vendors and outsourced engineering services, and allocated overhead. Overhead costs such as information technology infrastructure, rent and occupancy charges are allocated based on headcount. Product development expenses are expensed as incurred, except to the extent that such costs are associated with software development that qualifies for capitalization, which are then recorded as capitalized software development costs included in Property, plant and equipment, net on our Condensed Consolidated Balance Sheets. Capitalized software development costs are amortized to depreciation and amortization.

Sales, marketing, and customer support. Sales, marketing, and customer support expenses consist primarily of personnel costs directly associated with sales, marketing, and customer support departments, including salaries, bonuses, commissions, stock-based compensation and benefits, and allocated overhead. Overhead costs such as information technology infrastructure, rent and occupancy charges are allocated based on headcount. Sales and marketing expense also includes costs for promotional marketing activities, advertising costs, and attendance at events and trade shows. Sales commissions are expensed as incurred.

General and administrative. General and administrative expenses consist primarily of personnel expenses associated with our executive, finance, legal, human resources and other administrative employees. General and administrative expenses also include professional fees for external accounting, legal, investor relations and other consulting services, expenses to operate as a public company, including costs to comply with rules and regulations applicable to companies listed on a U.S. securities exchange, costs related to compliance and reporting obligations pursuant to the rules and regulations of the SEC, other overhead expenses including insurance, as well as third-party costs related to acquisitions.

Interest expense. Interest expense for the three months ended March 31, 2024 and March 31, 2023 consists primarily of debt issuance costs, commitment fees associated with the unused portion of the New Revolving Credit Facility, interest on balances that were outstanding under the New Revolving Credit Facility and interest on finance leases. The New Revolving Credit Facility bears interest at SOFR plus an applicable margin per annum. See "Liquidity and Capital Resources—Debt Obligations."

Other income, net. Other income, net consists primarily of interest earned on interest-bearing monetary assets and gains and losses on foreign currency transactions.

Results of Operations

Comparison of the Three Months Ended March 31, 2024 and March 31, 2023

The following table shows our Condensed Consolidated Results of Operations:

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023	Change $	Change %
	(In Thousands)			
Revenue	$ 140,782	$ 122,594	$ 18,188	15 %
Cost of revenue (exclusive of depreciation and amortization shown separately below)	26,618	23,952	2,666	11
Product development	36,394	28,555	7,839	27
Sales, marketing and customer support	37,872	25,712	12,160	47
General and administrative	22,075	20,188	1,887	9
Depreciation and amortization	10,928	8,983	1,945	22
Income from operations	6,895	15,204	(8,309)	(55)
Interest expense	232	256	(24)	(9)
Other income, net	(2,272)	(2,734)	(462)	(17)
Income before income taxes	8,935	17,682	(8,747)	(49)
Income tax expense	1,779	5,507	(3,728)	(68)
Net income	$ 7,156	$ 12,175	$ (5,019)	(41)%

The following table sets forth our Condensed Consolidated Results of Operations for the specified periods as a percentage of our revenue for those periods presented:

	Three Months Ended March 31,	
	2024	2023
Revenue	100 %	100 %
Cost of revenue (exclusive of depreciation and amortization shown separately below)	19	20
Product development	26	23
Sales, marketing and customer support	27	21
General and administrative	16	16
Depreciation and amortization	8	7
Income from operations	5	12
Interest expense	—	—
Other income, net	(2)	(2)
Income before income taxes	6	14
Income tax expense	1	4
Net income	5 %	10 %

Note: Percentages may not sum due to rounding.

Revenue

Total revenue increased by $18.2 million, or 15%, from $122.6 million in the three months ended March 31, 2023 to $140.8 million in the three months ended March 31, 2024.

Total Advertiser revenue increased by $17.3 million, or 16%, in the three months ended March 31, 2024 as compared to the three months ended March 31, 2023, driven primarily by an 18% increase in Media Transactions Measured, partially offset by a 2% decrease in Measured Transaction Fees.

Activation revenue increased by $9.4 million, or 13%, in the three months ended March 31, 2024 as compared to the three months ended March 31, 2023, driven primarily by greater adoption of our Authentic Brand Suitability (ABS) solution as well as our core (non-ABS) programmatic solutions, including Scibids Technology SAS ("Scibids").

Measurement revenue increased $7.9 million, or 19%, in the three months ended March 31, 2024 as compared to the three months ended March 31, 2023, driven primarily by the increased adoption of our social measurement solutions by existing and new customers both within and outside the United States.

Supply-side revenue increased $0.9 million, or 8%, in the three months ended March 31, 2024 as compared to the three months ended March 31, 2023, driven primarily by increased revenue from platform customers.

Cost of Revenue (exclusive of depreciation and amortization shown below)

Cost of revenue increased by $2.7 million, or 11%, from $24.0 million in the three months ended March 31, 2023 to $26.6 million in the three months ended March 31, 2024. The increase was primarily due to growth in our Activation revenue which drove increases in partner costs from revenue-sharing arrangements, as well as continued investments in cloud services to provide scale and flexibility necessary to support future growth.

Product Development Expenses

Product development expenses increased by $7.8 million, or 27%, from $28.6 million in the three months ended March 31, 2023 to $36.4 million in the three months ended March 31, 2024. The increase was primarily due to an increase in personnel costs, including stock-based compensation, of $6.3 million, and an increase in third-party software costs and professional fees of $1.2 million primarily to support product development efforts.

Sales, Marketing and Customer Support Expenses

Sales, marketing and customer support expenses increased by $12.2 million, or 47%, from $25.7 million in the three months ended March 31, 2023 to $37.9 million in the three months ended March 31, 2024. The increase was primarily due to an increase in personnel costs, including stock-based compensation and sales commissions, of $9.7 million, an increase in marketing activities, including advertising, promotions, events and other activities of $0.2 million, and an increase in personnel travel and entertainment expenses to support marketing and sales activities of $0.8 million.

General and Administrative Expenses

General and administrative expenses increased by $1.9 million, or 9%, from $20.2 million in the three months ended March 31, 2023 to $22.1 million in the three months ended March 31, 2024. The increase was primarily due to an increase in personnel costs, including stock-based compensation, of $2.7 million, partially offset by a reduction in general corporate insurance costs of $0.7 million.

Depreciation and Amortization

Depreciation and amortization increased by $1.9 million, or 22%, from $9.0 million in the three months ended March 31, 2023, to $10.9 million in the three months ended March 31, 2024. The increase was primarily due to an increase in intangible assets related to the acquisition of Scibids.

Interest Expense

Interest expense decreased by less than $0.1 million, from $0.3 million in the three months ended March 31, 2023 to $0.2 million in the three months ended March 31, 2024.

Other Income, Net

Other income, net decreased by $0.5 million, from income of $2.7 million in the three months ended March 31, 2023 to income of $2.3 million in the three months ended March 31, 2024. The decrease was primarily due to an increase in losses from changes in foreign exchange rates, partially offset by an increase in interest earned on interest-bearing monetary assets.

Income Tax Expense

Income tax expense decreased by $3.7 million from a $5.5 million expense in the three months ended March 31, 2023 to a $1.8 million expense in the three months ended March 31, 2024. The decrease was primarily due to a decrease in pre-tax book income and permanent book-to-tax income adjustments.

Adjusted EBITDA

In addition to our results determined in accordance with GAAP, management believes that certain non-GAAP financial measures, including Adjusted EBITDA and Adjusted EBITDA Margin, are useful in evaluating our business. We calculate Adjusted EBITDA Margin as Adjusted EBITDA divided by total revenue. The following table presents a reconciliation of Adjusted EBITDA, a non-GAAP financial measure, to the most directly comparable financial measure prepared in accordance with GAAP.

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
	(In Thousands)	
Net income	$ 7,156	$ 12,175
Net income margin	5%	10%
Depreciation and amortization	10,928	8,983
Stock-based compensation	20,241	11,813
Interest expense	232	256
Income tax expense	1,779	5,507
M&A and restructuring costs (a)	11	—
Offering and secondary offering costs (b)	58	187
Other recoveries (c)	—	(267)
Other income (d)	(2,272)	(2,734)
Adjusted EBITDA	$ 38,133	$ 35,920
Adjusted EBITDA margin	27%	29%

(a) M&A and restructuring costs for the three months ended March 31, 2024 consist of transaction costs related to the acquisition of Scibids.
(b) Offering and secondary offering costs for the three months ended March 31, 2024 and March 31, 2023 consist of third-party costs incurred for underwritten secondary public offerings by certain stockholders of the Company.
(c) Other recoveries for the three months ended March 31, 2023 consist of sublease income for leased office space.
(d) Other income for the three months ended March 31, 2024 and March 31, 2023 consist of interest income earned on interest-bearing monetary assets, and the impact of changes in foreign currency exchange rates.

We use Adjusted EBITDA and Adjusted EBITDA Margin as measures of operational efficiency to understand and evaluate our core business operations. We believe that these non-GAAP financial measures are useful to investors for period to period comparisons of our core business and for understanding and evaluating trends in operating results on a consistent basis by excluding items that we do not believe are indicative of our core operating performance.

These non-GAAP financial measures have limitations as analytical tools and should not be considered in isolation or as substitutes for an analysis of our results as reported under GAAP. Some of the limitations of these measures are:

- they do not reflect changes in, or cash requirements for, working capital needs;
- Adjusted EBITDA does not reflect capital expenditures or future requirements for capital expenditures or contractual commitments;
- they do not reflect income tax expense or the cash requirements to pay income taxes;
- they do not reflect interest expense or the cash requirements necessary to service interest or principal debt payments; and
- although depreciation and amortization are non-cash charges related mainly to intangible assets, certain assets being depreciated and amortized will have to be replaced in the future, and Adjusted EBITDA does not reflect any cash requirements for such replacements.

In addition, other companies in our industry may calculate these non-GAAP financial measures differently, therefore limiting their usefulness as a comparative measure. You should compensate for these limitations by relying primarily on our GAAP results and using the non-GAAP financial measures only supplementally.

Liquidity and Capital Resources

Our operations are financed primarily through cash generated from operations. As of March 31, 2024, we had cash and cash equivalents of $302.0 million and net working capital, consisting of current assets (excluding cash) less current liabilities, of $172.9 million.

We believe existing cash and cash generated from operations, together with the $150.0 million undrawn balance under the New Revolving Credit Facility as of March 31, 2024, will be sufficient to meet working capital and capital expenditure requirements on a short-term and long-term basis.

Total future capital requirements and the adequacy of available funds will depend on many factors, including those discussed above as well as the risks and uncertainties set forth under "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2023.

Debt Obligations

As of March 31, 2024, there was no outstanding debt under the New Revolving Credit Facility.

Cash Flows

The following table summarizes our cash flows for the periods indicated:

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
	(In Thousands)	
Cash flows provided by operating activities	$ 31,774	$ 21,426
Cash flows used in investing activities	(38,604)	(4,099)
Cash flows (used in) provided by financing activities	(912)	466
Effect of exchange rate changes on cash and cash equivalents and restricted cash	(377)	131
(Decrease) increase in cash, cash equivalents, and restricted cash	$ (8,119)	$ 17,924

Operating Activities

Our cash flows from operating activities are primarily influenced by growth in our operations and by changes in our working capital. In particular, trade receivables increase in conjunction with our rapid growth in sales and decrease based on timing of cash receipts from our customers. The timing of payments of trade payables also impacts our cash flows from operating activities. We typically pay suppliers in advance of collections from our customers. Our collection and payment cycles can vary from period to period.

For the three months ended March 31, 2024, cash provided by operating activities was $31.8 million, attributable to net income of $7.2 million, adjusted for non-cash charges of $30.5 million and $5.9 million use of cash from changes in operating assets and liabilities. Non-cash charges primarily consisted of $10.9 million in depreciation and amortization and $20.2 million in stock-based compensation, offset by $4.0 million in deferred taxes. The main drivers of the changes in operating assets and liabilities were a $4.4 million decrease in trade receivables, prepaid assets and other assets, and a $10.3 million decrease in trade payables, accrued expenses and other liabilities primarily related to the timing of payments for accrued expenses.

For the three months ended March 31, 2023, cash provided by operating activities was $21.4 million, attributable to net income of $12.2 million, adjusted for non-cash charges of $18.4 million and $9.2 million use of cash from changes in operating assets and liabilities. Non-cash charges primarily consisted of $9.0 million in depreciation and amortization and $11.8 million in stock-based compensation. The main drivers of the changes in operating assets and liabilities were a $14.9 million increase in trade receivables, prepaid assets and other assets due mainly to an increase in sales and the timing of collections, and a $5.7 million increase in trade payables and accrued expenses primarily related to the timing of vendor payments.

Investing Activities

For the three months ended March 31, 2024, cash used in investing activities was $38.6 million, including $32.2 million attributable to investments in short-term financial instruments and $6.4 million attributable to purchases of property, plant and equipment, and capitalized software development costs. For the three months ended March 31, 2023, cash used in investing activities of $4.1 million was attributable to purchases of property, plant and equipment, and capitalized software development costs.

Financing Activities

For the three months ended March 31, 2024, cash used in financing activities of $0.9 million was primarily due to $1.7 million proceeds from common stock issued upon exercise of stock options, offset by $1.8 million related to shares repurchased for settlement of employee tax withholding and $0.8 million related to finance lease payments. For the three months ended March 31, 2023, cash provided by financing activities of $0.5 million was primarily due to $1.8 million proceeds from common stock issued upon exercise of stock options, offset by $0.8 million of shares repurchased for settlement of employee tax withholding and by $0.5 million of finance lease payments.

Critical Accounting Policies and Estimates

Management's discussion and analysis of our financial condition and results of operations is 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 and assumptions for the reported amounts of assets and liabilities and related disclosures at the dates of the financial statements, and revenue and expenses during the reporting periods. Our estimates are based on our historical experience and on various other factors that we believe are reasonable for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. We evaluate these estimates on an ongoing basis. Actual results may differ from these estimates under different assumptions or conditions, and any such differences may be material.

Some of the judgments that management makes in applying its accounting estimates in these areas are discussed in Note 2 to our audited Consolidated Financial Statements appearing in our Annual Report on Form 10-K for the year ended December 31, 2023. Since the date of our most recent Annual Report on Form 10-K, there have been no material changes to our critical accounting policies and estimates.

Item 3: Quantitative and Qualitative Disclosures about Market Risk

Market risks at March 31, 2024 have not materially changed from those discussed in the Annual Report on Form 10-K for the year ended December 31, 2023 under the heading “Quantitative and Qualitative Disclosures about Market Risk.”

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Management, with the participation of our Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of our disclosure controls and procedures, as defined in Rule 13a-15(e) and 15d-15(e) under the Exchange Act, as of March 31, 2024. Our disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed in the reports we file or submit under the Exchange Act is recorded, processed, summarized, and reported as and when required, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, to allow timely decisions regarding its required disclosure. Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective as of March 31, 2024.

Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting during the quarter ended March 31, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Limitations on the Effectiveness of Controls and Procedures

Management recognizes that a control system, no matter how well designed and implemented, can provide only reasonable, not absolute, assurance that the control system’s objectives will be met. Further, the design of a control system must reflect the fact that there are resource constraints and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud or error, if any, have been detected. The inherent limitations include the realities that judgments in decision-making can be faulty and that breakdowns can occur because of simple errors or mistakes. Additionally, controls can also be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goal under all potential future conditions. Also, 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. Because of the inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings

We are not currently a party to any legal proceedings that would, either individually or in the aggregate, have a material adverse effect on our business, financial condition or cash flows. We may, from time to time, be involved in legal proceedings arising in the normal course of business. The outcome of legal proceedings is unpredictable and may have an adverse impact on our business or financial condition.

Item 1A. Risk Factors

There have been no material changes to the risk factors described in the section titled "Risk Factors" in the Annual Report on Form 10-K for the year ended December 31, 2023.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Not applicable.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Not applicable.

Item 6. Exhibits

Exhibit No.	Description
31.1†	Certification of Chief Executive Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2†	Certification of Chief Financial Officer pursuant to Rule 13a-14(a) and Rule 15d-14(a) of the Exchange Act, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1†*	Certification of Chief 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 Chief 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†	XBRL Taxonomy Extension Schema Document
101.CAL†	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF†	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB†	XBRL Taxonomy Extension Label Linkbase Document
101.PRE†	XBRL Taxonomy Extension Presentation Linkbase Document
104†	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101)

† Filed herewith.

* Pursuant to SEC Release No. 33-8212, this certification will be treated as “accompanying” this Quarterly Report and not “filed” as part of such report for purposes of Section 18 of the Exchange Act, or otherwise subject to the liability of Section 18 of the Exchange Act, and this certification will not be deemed to be incorporated by reference into any filing under the Securities Act, except to the extent that the registrant specifically incorporates it by reference.

SIGNATURES

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

Date: May 7, 2024

DOUBLEVERIFY HOLDINGS, INC.

By:	/s/ Mark Zagorski
Name:	Mark Zagorski
Title:	Chief Executive Officer and Director (Principal Executive Officer)

By:	/s/ Nicola Allais
Name:	Nicola Allais
Title:	Chief Financial Officer (Principal Financial Officer and Principal Accounting Officer)

Exhibit 31.1

Certification of Principal Executive Officer
pursuant to
Exchange Act Rules 13a-14(a) and 15d-14(a),
as adopted pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002

I, Mark Zagorski, certify that:

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

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

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

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

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

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

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

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

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

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

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

Date: May 7, 2024

/s/ Mark Zagorski
Mark Zagorski
Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

Certification of Principal Financial Officer
pursuant to
Exchange Act Rules 13a-14(a) and 15d-14(a),
as adopted pursuant to
Section 302 of the Sarbanes-Oxley Act of 2002

I, Nicola Allais, certify that:

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

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

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

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

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

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

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

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

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

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

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

Date: May 7, 2024

/s/ Nicola Allais
Nicola Allais
Chief Financial Officer
(Principal Financial Officer)

Exhibit 32.1

Certifications 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

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, Mark Zagorski, Chief Executive Officer (Principal Executive Officer) of DoubleVerify Holdings, Inc. (the "Company"), hereby certify that, to the best of my knowledge:

1) The Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2024 (the "Report"), to which this certification is attached as Exhibit 32.1, 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.

Date: May 7, 2024

/s/ Mark Zagorski
Mark Zagorski
Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

Certifications 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

Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, I, Nicola Allais, Chief Financial Officer (Principal Financial Officer) of DoubleVerify Holdings, Inc. (the "Company"), hereby certify that, to the best of my knowledge:

1) The Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2024 (the "Report"), to which this certification is attached as Exhibit 32.2, 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.

Date: May 7, 2024

/s/ Nicola Allais
Nicola Allais
Chief Financial Officer
(Principal Financial Officer)