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 September 30, 2022

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 001-38669

LiveRamp Holdings, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Delaware	**83-1269307**
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)
225 Bush Street, Seventeenth Floor **San Francisco, CA**	**94104**
(Address of Principal Executive Offices)	(Zip Code)

(888) 987-6764
(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, $.10 Par Value	RAMP	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

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 [X] 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 [X] 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 [X]	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 [X]

The number of shares of common stock, $ 0.10 par value per share, outstanding as of November 3, 2022 was 66,476,357.

LIVERAMP HOLDINGS, INC. AND SUBSIDIARIES
TABLE OF CONTENTS
REPORT ON FORM 10-Q
September 30, 2022

Forward-looking Statements

This Quarterly Report on Form 10-Q contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements are intended to enjoy the protection of the safe harbor for forward-looking statements provided by the Private Securities Litigation Report Act of 1995, as amended. These statements, which are not statements of historical fact, may contain estimates, assumptions, projections and/or expectations regarding the Company's financial position, results of operations, market position, product development, growth opportunities, economic conditions, and other similar forecasts and statements of expectation. Forward-looking statements are often identified by words or phrases such as "anticipate," "estimate," "plan," "expect," "believe," "intend," "foresee," or the negative of these terms or other similar variations thereof. These forward-looking statements are not guarantees of future performance and are subject to a number of factors and uncertainties that could cause the Company's actual results and experiences to differ materially from the anticipated results and expectations expressed in the forward-looking statements.

Forward-looking statements may include but are not limited to the following:

- management's expectations about the macro economy and trends within the consumer or business information industries, including the use of data and consumer expectations related thereto;
- statements regarding our competitive position within our industry and our differentiation strategies;
- our expectations regarding laws, regulations and industry practices governing the collection and use of personal data;
- our expectations regarding the potential impact of the pandemic related to the current and continuing outbreak of a novel strain of coronavirus ("COVID-19") on our business, operations, and the markets in which we and our partners and customers operate;
- our expectations regarding the elimination of certain deductions under the Tax Cuts and Jobs Act of 2017 and other tax-related legislation on our tax position;
- our estimates, assumptions, projections and/or expectations regarding the Company's annualized future cost savings and expenses associated with the announced reduction in force and real estate footprint reduction;
- statements regarding our liquidity needs or containing a projection of revenues, operating income (loss), income (loss), earnings (loss) per share, capital expenditures, dividends, capital structure, or other financial items;
- statements of the plans and objectives of management for future operations;
- statements of future performance, including, but not limited to, those statements contained in Management's Discussion and Analysis of Financial Condition and Results of Operations contained in this Quarterly Report on Form 10-Q;
- statements regarding future stock-based compensation expense;
- statements containing any assumptions underlying or relating to any of the above statements; and
- statements containing a projection or estimate.

Among the factors that may cause actual results and expectations to differ from anticipated results and expectations expressed in such forward-looking statements are the following:

- the risk factors described in Part I, "Item 1A. Risk Factors" included in the Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2022 filed with the Securities and Exchange Commission ("SEC") on May 24, 2022 and those described from time to time in our future reports filed with the SEC;

- the possibility that, in the event a change of control of the Company is sought, certain clients may attempt to invoke provisions in their contracts allowing for termination upon a change in control, which may result in a decline in revenue and profit;
- the possibility that the integration of acquired businesses may not be as successful as planned;
- the possibility that the fair value of certain of our assets may not be equal to the carrying value of those assets now or in future time periods;
- the possibility that sales cycles may lengthen;
- the possibility that we will not be able to properly motivate our sales force or other employees;
- the possibility that we may not be able to attract and retain qualified technical and leadership employees, or that we may lose key employees to other organizations;
- the possibility that we may not be able to sublease our exited office spaces on favorable terms and rates;
- the possibility that competent, competitive products, technologies or services will be introduced into the marketplace by other companies;
- the possibility that there will be changes in consumer or business information industries and markets that negatively impact the Company;
- the possibility that we will not be able to protect proprietary information and technology or to obtain necessary licenses on commercially reasonable terms;
- the possibility that there will be changes in the judicial, legislative, regulatory, accounting, cultural and consumer environments affecting our business, including but not limited to litigation, investigations, legislation, regulations and customs impairing our and our customers' ability to collect, process, manage, aggregate, store and/or use data, in particular that there is increasing momentum in the U.S. Congress towards a comprehensive U.S. data collection and use law;
- the possibility that data suppliers might withdraw data from us, leading to our inability to provide certain products and services, in particular that there might be restrictive legislation in the U.S. and other countries that restrict the availability of data;
- the possibility that data purchasers will reduce their reliance on us by developing and using their own, or alternative, sources of data generally or with respect to certain data elements or categories;
- the possibility that we may enter into short-term contracts that would affect the predictability of our revenues;
- the possibility that the amount of volume-based and other transactional-based work will not be as expected;
- the possibility that we may experience a loss of data center capacity or capability or interruption of telecommunication links or power sources;
- the possibility that we may experience failures or breaches of our network and data security systems, leading to potential adverse publicity, negative customer reaction, or liability to third parties;
- the possibility that our clients may cancel or modify their agreements with us, or may not make timely or complete payments due to the COVID-19 pandemic or other factors;
- the possibility that we will not successfully meet customer contract requirements or the service levels specified in the contracts, which may result in contract penalties or lost revenue;
- the possibility that we experience processing errors that result in credits to customers, re-performance of services or payment of damages to customers;
- the possibility that our performance may decline and we lose advertisers and revenue as the use of "third-party cookies" or other tracking technology continues to be pressured by Internet users, restricted or

otherwise subject to unfavorable regulation, blocked or limited by technical changes on end users' devices, or our clients' ability to use data on our platform is otherwise restricted;

- general and global negative conditions, risk of recession, the COVID-19 pandemic, rising interest rates, the military conflict between Russia and Ukraine, capital markets volatility, cost increases and general inflationary pressure and other related causes; and
- our tax rate and other effects of the changes to U.S. federal tax law.

With respect to the provision of products or services outside our primary base of operations in the United States, all of the above factors apply, along with the difficulty of doing business in numerous sovereign jurisdictions due to differences in scale, competition, culture, laws and regulations.

Other factors are detailed from time to time in periodic reports and registration statements filed with the SEC. The Company believes that it has the product and technology offerings, facilities, employees and competitive and financial resources for continued business success, but future revenues, costs, margins and profits are all influenced by a number of factors, including those discussed above, all of which are inherently difficult to forecast.

In light of these risks, uncertainties and assumptions, the Company cautions readers not to place undue reliance on any forward-looking statements. Forward-looking statements and such risks, uncertainties and assumptions speak only as of the date of this Quarterly Report on Form 10-Q, and the Company expressly disclaims any obligation or undertaking to update or revise any forward-looking statements contained herein, to reflect any change in our expectations with regard thereto, or any other change based on the occurrence of future events, the receipt of new information or otherwise, except to the extent otherwise required by law.

PART I. FINANCIAL INFORMATION
Item 1. Financial Statements

LIVERAMP HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
(Dollars in thousands)

ASSETS	September 30, 2022 (unaudited)	March 31, 2022
Current assets:		
Cash and cash equivalents	$ 485,602	$ 600,162
Trade accounts receivable, net	157,711	148,343
Refundable income taxes, net	29,971	30,354
Other current assets	31,512	36,975
Total current assets	704,796	815,834
Property and equipment, net of accumulated depreciation and amortization	11,041	11,531
Intangible assets, net	17,394	26,718
Goodwill	362,517	363,845
Deferred commissions, net	31,514	30,594
Other assets, net	61,237	85,214
	$ 1,188,499	$ 1,333,736
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Trade accounts payable	$ 70,312	$ 83,197
Accrued payroll and related expenses	22,822	39,188
Other accrued expenses	40,667	46,067
Deferred revenue	16,397	16,114
Total current liabilities	150,198	184,566
Other liabilities	78,232	86,110
Commitments and contingencies (Note 14)		
Stockholders' equity:		
Preferred stock	—	—
Common stock	15,148	14,984
Additional paid-in capital	1,780,803	1,721,118
Retained earnings	1,363,339	1,420,993
Accumulated other comprehensive income	1,925	5,730
Treasury stock, at cost	(2,201,146)	(2,099,765)
Total stockholders' equity	960,069	1,063,060
	$ 1,188,499	$ 1,333,736

See accompanying notes to condensed consolidated financial statements.

LIVERAMP HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)
(Dollars in thousands, except per share amounts)

	For the three months ended September 30, 2022	For the three months ended September 30, 2021	For the six months ended September 30, 2022	For the six months ended September 30, 2021
Revenues	$ 147,099	$ 127,290	$ 289,342	$ 246,328
Cost of revenue	42,304	35,079	83,325	69,394
Gross profit	104,795	92,211	206,017	176,934
Operating expenses:				
Research and development	46,139	35,788	93,800	70,564
Sales and marketing	45,949	39,509	97,229	81,488
General and administrative	28,718	23,078	55,862	47,369
Gains, losses and other items, net	13,111	18	13,850	1,296
Total operating expenses	133,917	98,393	260,741	200,717
Loss from operations	(29,122)	(6,182)	(54,724)	(23,783)
Total other income, net	2,248	150	2,947	30,751
Income (loss) before income taxes	(26,874)	(6,032)	(51,777)	6,968
Income tax expense (benefit)	3,562	399	5,877	(3,966)
Net earnings (loss)	$ (30,436)	$ (6,431)	$ (57,654)	$ 10,934
Basic earnings (loss) per share	$ (0.45)	$ (0.09)	$ (0.85)	$ 0.16
Diluted earnings (loss) per share	$ (0.45)	$ (0.09)	$ (0.85)	$ 0.16

See accompanying notes to condensed consolidated financial statements.

LIVERAMP HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Unaudited)
(Dollars in thousands)

	For the three months ended September 30,		For the six months ended September 30,	
	2022	**2021**	**2022**	**2021**
Net earnings (loss)	$ (30,436)	$ (6,431)	(57,654)	10,934
Other comprehensive loss:				
Change in foreign currency translation adjustment	(1,876)	(994)	(3,805)	(1,546)
Comprehensive income (loss)	$ (32,312)	$ (7,425)	(61,459)	9,388

See accompanying notes to condensed consolidated financial statements.

LIVERAMP HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
THREE AND SIX MONTHS ENDED SEPTEMBER 30, 2022
(Unaudited)
(Dollars in thousands)

For the three months ended September 30, 2022	Common Stock Number of shares	Common Stock Amount	Additional paid-in Capital	Retained earnings	Accumulated other comprehensive income (loss)	Treasury Stock Number of shares	Treasury Stock Amount	Total Equity
Balances at June 30, 2022	151,031,716	$ 15,103	$ 1,753,468	$ 1,393,775	$ 3,801	(83,299,201)	$ (2,160,400)	$ 1,005,747
Employee stock awards, benefit plans and other issuances	2,957	—	2	—	—	(31,465)	(708)	(706)
Non-cash stock-based compensation	13,227	2	26,173	—	—	—	—	26,175
Restricted stock units vested	384,920	38	(38)	—	—	—	—	—
Liability-classified restricted stock units vested	44,796	5	1,198	—	—	—	—	1,203
Acquisition of treasury stock	—	—	—	—	—	(1,726,665)	(40,038)	(40,038)
Comprehensive loss:								
Foreign currency translation	—	—	—	—	(1,876)	—	—	(1,876)
Net loss	—	—	—	(30,436)	—	—	—	(30,436)
Balances at September 30, 2022	151,477,616	$ 15,148	$ 1,780,803	$ 1,363,339	$ 1,925	(85,057,331)	$ (2,201,146)	$ 960,069

For the six months ended September 30, 2022	Common Stock Number of shares	Common Stock Amount	Additional paid-in Capital	Retained earnings	Accumulated other comprehensive income (loss)	Treasury Stock Number of shares	Treasury Stock Amount	Total Equity
Balances at March 31, 2022	149,840,925	$ 14,984	$ 1,721,118	$ 1,420,993	$ 5,730	(81,205,596)	$ (2,099,765)	$ 1,063,060
Employee stock awards, benefit plans and other issuances	281,853	28	4,563	—	—	(53,975)	(1,290)	3,301
Non-cash stock-based compensation	25,024	3	45,929	—	—	—	—	45,932
Restricted stock units vested	973,150	97	(97)	—	—	—	—	—
Liability-classified restricted stock units vested	356,664	36	9,290	—	—	—	—	9,326
Acquisition of treasury stock	—	—	—	—	—	(3,797,760)	(100,091)	(100,091)
Comprehensive loss:								
Foreign currency translation	—	—	—	—	(3,805)	—	—	(3,805)
Net loss	—	—	—	(57,654)	—	—	—	(57,654)
Balances at September 30, 2022	151,477,616	$ 15,148	$ 1,780,803	$ 1,363,339	$ 1,925	(85,057,331)	$ (2,201,146)	$ 960,069

See accompanying notes to condensed consolidated financial statements.

LIVERAMP HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
THREE AND SIX MONTHS ENDED SEPTEMBER 30, 2021
(Unaudited)
(Dollars in thousands)

	Common Stock		Additional		Accumulated other	Treasury Stock		
For the three months ended September 30, 2021	**Number of shares**	**Amount**	**paid-in Capital**	**Retained earnings**	**comprehensive income (loss)**	**Number of shares**	**Amount**	**Total Equity**
Balances at June 30, 2021	148,659,703	$ 14,866	$ 1,653,525	$ 1,472,191	$ 6,970	(80,439,519)	$ (2,066,956)	$ 1,080,596
Employee stock awards, benefit plans and other issuances	46,675	5	992	—	—	(25,403)	(1,181)	(184)
Non-cash stock-based compensation	29,538	3	13,256	—	—	—	—	13,259
Restricted stock units vested	96,622	9	(9)	—	—	—	—	—
Liability-classified restricted stock units vested	37,646	4	1,697	—	—	—	—	1,701
Acquisition of treasury stock	—	—	—	—	—	(366,859)	(15,000)	(15,000)
Comprehensive loss:								
Foreign currency translation	—	—	—	—	(994)	—	—	(994)
Net loss	—	—	—	(6,431)	—	—	—	(6,431)
Balances at September 30, 2021	148,870,184	$ 14,887	$ 1,669,461	$ 1,465,760	$ 5,976	(80,831,781)	$ (2,083,137)	$ 1,072,947

	Common Stock		Additional		Accumulated other	Treasury Stock		
For the six months ended September 30, 2021	**Number of shares**	**Amount**	**paid-in Capital**	**Retained earnings**	**comprehensive income (loss)**	**Number of shares**	**Amount**	**Total Equity**
Balances at March 31, 2021	147,814,965	$ 14,781	$ 1,630,072	$ 1,454,826	$ 7,522	(79,585,710)	$ (2,026,518)	$ 1,080,683
Employee stock awards, benefit plans and other issuances	166,230	17	4,261	—	—	(249,257)	(12,542)	(8,264)
Non-cash stock-based compensation	37,914	4	25,390	—	—	—	—	25,394
Restricted stock units vested	592,061	59	(59)	—	—	—	—	—
Acquisition-related restricted stock award	40,600	4	(4)	—	—	—	—	—
Liability-classified restricted stock units vested	218,414	22	9,801	—	—	—	—	9,823
Acquisition of treasury stock	—	—	—	—	—	(996,814)	(44,077)	(44,077)
Comprehensive income (loss):								
Foreign currency translation	—	—	—	—	(1,546)	—	—	(1,546)
Net earnings	—	—	—	10,934	—	—	—	10,934
Balances at September 30, 2021	148,870,184	$ 14,887	$ 1,669,461	$ 1,465,760	$ 5,976	(80,831,781)	$ (2,083,137)	$ 1,072,947

See accompanying notes to condensed consolidated financial statements.

LIVERAMP HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(Dollars in thousands)

	For the six months ended September 30, 2022	For the six months ended September 30, 2021
Cash flows from operating activities:		
Net earnings (loss)	$ (57,654)	$ 10,934
Non-cash operating activities:		
Depreciation and amortization	11,430	12,404
Loss on disposal or impairment of assets	(197)	142
Lease impairments	12,225	—
Gain on distribution from retained profits interest	—	(30,052)
Provision for doubtful accounts	1,115	1,282
Deferred income taxes	218	(771)
Non-cash stock compensation expense	51,518	37,717
Changes in operating assets and liabilities:		
Accounts receivable, net	(11,449)	(18,073)
Deferred commissions	(920)	(5,369)
Other assets	8,960	23,408
Accounts payable and other liabilities	(29,477)	(36,829)
Income taxes, net	1,513	(632)
Deferred revenue	724	(501)
Net cash used in operating activities	(11,994)	(6,340)
Cash flows from investing activities:		
Capital expenditures	(4,414)	(1,303)
Cash paid in acquisitions, net of cash received	—	(8,368)
Distribution from retained profits interest	—	31,000
Proceeds from sale of strategic investment	400	—
Net cash provided by (used in) investing activities	(4,014)	21,329
Cash flows from financing activities:		
Proceeds related to the issuance of common stock under stock and employee benefit plans	4,591	4,278
Shares repurchased for tax withholdings upon vesting of stock-based awards	(1,290)	(12,542)
Acquisition of treasury stock	(100,091)	(44,077)
Net cash used in financing activities	(96,790)	(52,341)
Effect of exchange rate changes on cash	(1,762)	(14)
Net change in cash and cash equivalents	(114,560)	(37,366)
Cash and cash equivalents at beginning of period	600,162	581,687
Cash and cash equivalents at end of period	$ 485,602	$ 544,321

LIVERAMP HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(Dollars in thousands)

	For the six months ended September 30,			
	2022		2021	
Supplemental cash flow information:				
Cash (received) for income taxes, net	$	4,169	$	(2,569)
Operating lease assets obtained in exchange for operating lease liabilities		—		35,691
Purchases of property, plant and equipment remaining unpaid at period end	$	187	$	195

See accompanying notes to condensed consolidated financial statements.

1. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

These condensed consolidated financial statements have been prepared by LiveRamp Holdings, Inc. ("LiveRamp", "we", "us" or the "Company"), without audit, pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC"). In the opinion of the Company's management, all adjustments necessary for a fair presentation of the results for the periods included have been made, and the disclosures are adequate to make the information presented not misleading. All such adjustments are of a normal recurring nature. Certain note information has been omitted because it has not changed significantly from that reflected in Notes 1 through 18 of the Notes to Consolidated Financial Statements filed as part of Item 8 of the Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2022 ("2022 Annual Report"), as filed with the SEC on May 24, 2022. This quarterly report and the accompanying condensed consolidated financial statements should be read in connection with the 2022 Annual Report. The financial information contained in this quarterly report is not necessarily indicative of the results to be expected for any other period or for the full fiscal year ending March 31, 2023.

Management of the Company has made a number of estimates and assumptions relating to the reporting of assets and liabilities and the disclosure of contingent assets and liabilities to prepare these condensed consolidated financial statements in conformity with accounting principles generally accepted in the United States ("U.S. GAAP"). Actual results could differ from those estimates. Certain of the accounting policies used in the preparation of these condensed consolidated financial statements are complex and require management to make judgments and/or significant estimates regarding amounts reported or disclosed in these financial statements. Additionally, the application of certain of these accounting policies is governed by complex accounting principles and their interpretation. A discussion of the Company's significant accounting principles and their application is included in Note 1 of the Notes to Consolidated Financial Statements and in Item 7, Management's Discussion and Analysis of Financial Condition and Results of Operations, of the Company's 2022 Annual Report.

Accounting pronouncements adopted during the current year

Standard	Description	Date of Adoption	Effect on Financial Statements or Other Significant Matters
Accounting Standard Update ("ASU") 2021-08 Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers	ASU 2021-08 requires companies to recognize and measure contract assets and contract liabilities acquired in a business combination in accordance with the revenue recognition guidance as if the acquirer had entered into the original contract at the same time, and on the same terms, as the acquiree. Generally, this will result in the acquirer recognizing contract assets and liabilities at the same amounts recorded by the acquiree as of the acquisition date. Under the previous standard, an acquirer generally recognizes such items at fair value on the acquisition date. This update is effective for fiscal years beginning after December 15, 2022 with early adoption permitted.	April 1, 2022	The adoption of this standard did not have a material impact on our condensed consolidated financial statements and related disclosures.

Recent accounting pronouncements not yet adopted

Standard	Description	Date of Adoption	Effect on Financial Statements or Other Significant Matters
There are no material accounting pronouncements applicable to the Company not yet adopted			

2. EARNINGS (LOSS) PER SHARE AND STOCKHOLDERS' EQUITY:

Earnings (Loss) Per Share

A reconciliation of the numerator and denominator of basic and diluted earnings (loss) per share is shown below (in thousands, except per share amounts):

	For the three months ended September 30,		For the six months ended September 30,	
	2022	2021	2022	2021
Basic earnings (loss) per share:				
Net earnings (loss)	$ (30,436)	$ (6,431)	$ (57,654)	$ 10,934
Basic weighted-average shares outstanding	67,096	68,042	67,750	68,185
Basic earnings (loss) per share	$ (0.45)	$ (0.09)	$ (0.85)	$ 0.16
Diluted earnings (loss) per share:				
Basic weighted-average shares outstanding	67,096	68,042	67,750	68,185
Dilutive effect of common stock options and restricted stock as computed under the treasury stock method (1)	—	—	—	1,288
Diluted weighted-average shares outstanding	67,096	68,042	67,750	69,473
Diluted earnings (loss) per share	$ (0.45)	$ (0.09)	$ (0.85)	$ 0.16

(1) The number of common stock options and restricted stock units as computed under the treasury stock method that would have otherwise been dilutive but are excluded from the table above because their effect would have been anti-dilutive due to the net loss position of the Company was 0.5 million and 1.3 million in the three months ended September 30, 2022 and 2021, respectively, and 0.6 million in the six months ended September 30, 2022.

Restricted stock units that were outstanding during the periods presented but were not included in the computation of diluted earnings (loss) per share because their effect would have been anti-dilutive (other than due to the net loss position of the Company) are shown below (shares in thousands):

	For the three months ended September 30,		For the six months ended September 30,	
	2022	2021	2022	2021
Number of shares underlying restricted stock units	5,919	981	3,289	766

Stockholders’ Equity

Under the modified common stock repurchase program, the Company may purchase up to $1.0 billion of its common stock through the period ending December 31, 2022. During the six months ended September 30, 2022, the Company repurchased 3.8 million shares of its common stock for $100.1 million under the stock repurchase program. Through September 30, 2022, the Company had repurchased a total of 33.4 million shares of its stock for $832.3 million under the stock repurchase program, leaving remaining capacity of $167.7 million.

Accumulated other comprehensive income balances of $1.9 million and $5.7 million at September 30, 2022 and March 31, 2022, respectively, reflect accumulated foreign currency translation adjustments.

3. REVENUE FROM CONTRACTS WITH CUSTOMERS:

Disaggregation of Revenue

In the following table, revenue is disaggregated by primary geographical market and major service offerings (dollars in thousands):

	For the six months ended September 30,	
Primary Geographical Markets	2022	2021
United States	$ 269,514	$ 231,300
Europe	15,955	11,898
Asia-Pacific ("APAC")	3,873	3,130
	$ 289,342	$ 246,328
Major Offerings/Services		
Subscription	$ 235,435	$ 201,930
Marketplace and Other	53,907	44,398
	$ 289,342	$ 246,328

Transaction Price Allocated to the Remaining Performance Obligations

We have performance obligations associated with fixed commitments in customer contracts for future services that have not yet been recognized in our condensed consolidated financial statements. The amount of fixed revenue not yet recognized was $388.8 million as of September 30, 2022, of which $293.1 million will be recognized over the next twelve months. The Company expects to recognize revenue on substantially all of these remaining performance obligations by March 31, 2026.

4. LEASES:

Right-of-use assets and lease liabilities balances consist of the following (dollars in thousands):

	September 30, 2022	March 31, 2022
Right-of-use assets included in other assets, net	$ 40,359	$ 59,459
Short-term lease liabilities included in other accrued expenses	$ 10,256	$ 8,984
Long-term lease liabilities included in other liabilities	$ 40,660	$ 52,241

Supplemental balance sheet information:		
Weighted average remaining lease term	6.0 years	6.4 years
Weighted average discount rate	3.5 %	3.6 %

The Company leases its office facilities under non-cancellable operating leases that expire at various dates through fiscal 2030. Certain leases contain provisions for property-related costs that are variable in nature for which the Company is responsible, including common area maintenance and other property operating services. These costs are calculated based on a variety of factors including property values, tax and utility rates, property service fees, and other factors. Operating lease costs were $6.2 million and $5.3 million for the six months ended September 30, 2022 and 2021, respectively.

During the six months ended September 30, 2022, the Company recorded $10.2 million of impairment charges that are included in gains, losses and other items, net in the condensed consolidated statements of operations related to the exit from certain leased office facilities. Please refer to Note 13, *Restructuring, Impairment and Other Charges* for further details.

Future minimum payments under all operating leases (including operating leases with a duration of one year or less) as of September 30, 2022 are as follows (dollars in thousands):

	Amount
Fiscal 2023	$ 5,063
Fiscal 2024	9,691
Fiscal 2025	8,448
Fiscal 2026	8,935
Fiscal 2027	8,017
Thereafter	16,583
Total undiscounted lease commitments	56,737
Less: Interest and short-term leases	5,821
Total discounted operating lease liabilities	$ 50,916

Future minimum payments as of September 30, 2022 related to restructuring plans as a result of the Company's exit from certain leased office facilities (see Note 13) are as follows (dollars in thousands): Fiscal 2023: $1,340; Fiscal 2024: $2,698; Fiscal 2025: $2,699; and Fiscal 2026: $1,799.

5. STOCK-BASED COMPENSATION:

Stock-based Compensation Plans

The Company has stock option and equity compensation plans for which a total of 43.6 million shares of the Company's common stock have been reserved for issuance since the inception of the plans. At September 30, 2022, there were a total of 3.7 million shares available for future grants under the plans.

During the quarter ended June 30, 2022, the Board voted to amend the Amended and Restated 2005 Equity Compensation Plan (the "2005 Plan") to increase the number of shares available under the plan by 4.5 million shares. The amendment received shareholder approval at the August 9, 2022 annual shareholders' meeting (the "2022 Annual Meeting") bringing the plan shares from 37.9 million shares at June 30, 2022 to 42.4 million shares beginning in the quarter ended September 30, 2022. This brings the total number of shares reserved for issuance since inception of all plans from 39.1 million shares at June 30, 2022 to 43.6 million shares beginning in the quarter ended September 30, 2022.

Stock-based Compensation Expense

The Company's stock-based compensation activity for the six months ended September 30, 2022 and 2021, by award type, was (dollars in thousands):

	For the six months ended September 30,	
	2022	2021
Stock options	$ 563	$ 1,039
Restricted stock units	43,420	21,634
Diablo restricted stock awards	249	524
DPM acquisition consideration holdback	2,031	4,061
Pacific Data Partners ("PDP") assumed performance plan	—	4,551
Acuity performance plan	531	1,204
DataFleets acquisition consideration holdback	3,021	3,019
Employee stock purchase plan	1,015	871
Directors stock-based compensation	688	814
Total non-cash stock-based compensation included in the condensed consolidated statements of operations	51,518	37,717
Less expense related to liability-based equity awards	(5,586)	(12,323)
Total non-cash stock-based compensation included in the condensed consolidated statements of equity	$ 45,932	$ 25,394

The effect of stock-based compensation expense on income, by financial statement line item, was (dollars in thousands):

	For the six months ended September 30,	
	2022	2021
Cost of revenue	$ 2,456	$ 1,738
Research and development	24,016	12,532
Sales and marketing	12,000	13,542
General and administrative	13,046	9,905
Total non-cash stock-based compensation included in the condensed consolidated statements of operations	$ 51,518	$ 37,717

The following table provides the expected future expense for all of the Company's outstanding equity awards at September 30, 2022, by award type. The amount for 2023 represents the remaining six months ending March 31, 2023. All other periods represent fiscal years ending March 31 (dollars in thousands).

	For the years ending March 31,				
	2023	2024	2025	2026	Total
Stock options	$ 431	$ 668	$ 157	$ —	$ 1,256
Restricted stock units	45,505	80,700	65,504	15,322	207,031
Diablo restricted stock awards	270	518	89	—	877
Acuity performance plan	283	165	—	—	448
DataFleets acquisition consideration holdback	3,021	5,288	—	—	8,309
Employee stock purchase plan	361	—	—	—	361
Expected future expense	$ 49,871	$ 87,339	$ 65,750	$ 15,322	$ 218,282

Stock Options Activity

Stock option activity for the six months ended September 30, 2022 was:

	Number of shares	Weighted-average exercise price per share	Weighted-average remaining contractual term (in years)	Aggregate Intrinsic value (in thousands)
Outstanding at March 31, 2022	730,004	$ 16.28		
Exercised	(171,125)	$ 12.80		$ 3,058
Forfeited or canceled	(2,397)	$ 3.51		
Outstanding at September 30, 2022	556,482	$ 17.40	2.2	$ 1,369
Exercisable at September 30, 2022	536,509	$ 18.02	2.0	$ 1,023

The aggregate intrinsic value at period end represents the total pre-tax intrinsic value (the difference between LiveRamp's closing stock price on the last trading day of the period and the exercise price for each in-the-money option) that would have been received by the option holders had they exercised their options on September 30, 2022. This amount changes based upon changes in the fair market value of LiveRamp's common stock.

A summary of stock options outstanding and exercisable as of September 30, 2022 was:

	Options outstanding			Options exercisable	
Range of exercise price per share	Options outstanding	Weighted-average remaining contractual life	Weighted-average exercise price per share	Options exercisable	Weighted-average exercise price per share
$ — — $ 9.99	72,544	4.9 years	$ 0.97	52,571	$ 1.03
$ 10.00 — $ 19.99	182,603	2.6 years	$ 17.49	182,603	$ 17.49
$ 20.00 — $ 24.99	301,335	1.3 years	$ 21.31	301,335	$ 21.31
	556,482	2.2 years	$ 17.40	536,509	$ 18.02

Diablo Restricted Stock Awards

During the six months ended September 30, 2022, in connection with the acquisition of Diablo.ai, Inc. ("Diablo"), the Company replaced the unvested outstanding restricted stock shares held by a Diablo employee immediately prior to the acquisition with restricted shares of LiveRamp common stock having substantially the same terms and conditions as were applicable under the original restricted stock agreement. Changes in the Company's restricted stock awards for the six months ended September 30, 2022 was:

	Number of shares		Weighted-average fair value per share at grant date	Weighted-average remaining contractual term (in years)
Unvested restricted stock awards at March 31, 2022	24,766	$	47.29	2.17
Vested	(5,278)	$	47.29	
Unvested restricted stock awards at September 30, 2022	19,488	$	47.29	1.67

The total fair value of restricted stock awards vested during the six months ended September 30, 2022 was $0.1 million and is measured as the quoted market price of the Company's common stock on the vesting date for the number of shares vested.

Restricted Stock Unit Activity

Time-vesting restricted stock units ("RSUs") -

During the six months ended September 30, 2022, the Company granted time-vesting RSUs covering 3,931,947 shares of common stock and having a fair value at the date of grant of $97.8 million. The RSUs granted in the current year primarily vest over three years. Grant date fair value of these units is equal to the quoted market price for the shares on the date of grant. RSU activity for the six months ended September 30, 2022 was:

	Number of shares		Weighted-average fair value per share at grant date	Weighted-average remaining contractual term (in years)
Outstanding at March 31, 2022	4,176,682	$	47.00	2.85
Granted	3,931,947	$	24.82	
Vested	(886,733)	$	46.18	
Forfeited or canceled	(597,584)	$	40.39	
Outstanding at September 30, 2022	6,624,312	$	34.54	2.58

The total fair value of RSUs vested during the six months ended September 30, 2022 was $21.7 million and is measured as the quoted market price of the Company's common stock on the vesting date for the number of shares vested.

Performance-based restricted stock units ("PSUs") -

Fiscal 2023 plan:
During the six months ended September 30, 2022, the Company granted PSUs covering 406,501 shares of common stock having a fair value at the date of grant of $10.0 million. The grants were made under two separate performance plans.

Under the total shareholder return ("TSR") performance plan, units covering 121,951 shares of common stock were granted having a fair value at the date of grant of $3.7 million, determined using a Monte Carlo simulation model. The units vest subject to attainment of market conditions established by the compensation committee of the board of directors (“compensation committee”) and continuous employment through the vesting date. The units may vest in a number of shares from 0% to 200% of the award, based on the TSR of LiveRamp common stock compared to the TSR of the Russell 2000 market index for the period from April 1, 2022 to March 31, 2025.

Under the operating metrics performance plan, units covering 284,550 shares of common stock were granted having a fair value at the date of grant of $6.3 million, which was equal to the quoted market price for the shares on the date of grant. The units vest subject to attainment of performance criteria established by the compensation committee and continuous employment through the vesting date. The units may vest in a number of shares from 0% to 200% of the award, at the end of the performance period, based on the average attainment of annual revenue growth and EBITDA margin targets for fiscal years 2023, 2024, and 2025. To the extent that shares are earned, 50% vest immediately and 50% vest on the one-year anniversary of attainment approval.

Fiscal 2022 plans:
Units under the Company's fiscal 2022 special incentive performance plan covering 36,425 shares of common stock will be measured and vesting evaluated on a quarterly basis beginning with the period ending March 31, 2023 and continuing through the end of the performance period. The units may vest in a number of shares from 0% to 100% of the award, based on the attainment of key productivity metrics for the period from January 1, 2023 to December 31, 2023.

Units under the Company's fiscal 2022 total shareholder return ("TSR") performance plan covering 49,977 shares of common stock will reach maturity of their relevant performance period at March 31, 2024. The units may vest in a number of shares from 0% to 200% of the award, based on the TSR of LiveRamp common stock compared to the TSR of the Russell 2000 market index for the period from April 1, 2021 to March 31, 2024.

The initial measurement date for the fiscal 2022 operating metrics performance plan was June 30, 2022. Through September 30, 2022 performance metrics have resulted in an accumulated 50% achievement, or 58,312 total earned units under this plan. Of the earned amount, one-half vested immediately, while the remaining one-half will vest one year later. As of September 30, 2022, there remains a maximum potential of 174,930 additional units eligible for attainment under the plan. Quarterly measurements of attainment will continue through March 31, 2024.

Fiscal 2021 plans:
Units under the Company's fiscal 2021 TSR PSU plan covering 59,634 shares of common stock will reach maturity of their relevant performance period at March 31, 2023. The units may vest in a number of shares from 0% to 200% of the award, based on the TSR of LiveRamp common stock compared to TSR of the Russell 2000 market index for the period from April 1, 2020 to March 31, 2023.

The initial measurement date for the fiscal 2021 operating metrics performance plan was June 30, 2021. Through September 30, 2022 performance measurements have resulted in an accumulated 50% achievement, or 71,666 total earned units under this plan. Of the earned amount, one-half vested immediately, while the remaining one-half vests one year later. As of September 30, 2022, there remains a maximum potential of 208,746 additional units eligible for attainment under the plan. Quarterly measurements of attainment will continue through March 31, 2023.

Fiscal 2019 plans:
The fiscal 2019 operating metrics performance plan reached maturity at September 30, 2020. Through the end of the performance period, performance measurements resulted in an accumulated 96% achievement, or 243,378 total earned units under this plan.

PSU activity for the six months ended September 30, 2022 was:

	Number of shares	Weighted-average fair value per share at grant date	Weighted-average remaining contractual term (in years)
Outstanding at March 31, 2022	584,468	$ 51.26	1.01
Granted	406,501	$ 24.65	
Vested	(86,417)	$ 47.40	
Forfeited or canceled	(138,050)	$ 62.11	
Outstanding at September 30, 2022	766,502	$ 35.63	1.75

The total fair value of PSUs vested in the six months ended September 30, 2022 was $2.0 million and is measured as the quoted market price of the Company’s common stock on the vesting date for the number of shares vested.

Contingent Equity Awards -

During the quarter ended June 30, 2022, the Company granted contingent time-based restricted stock units ("contingent RSUs") covering 338,101 shares of common stock and contingent performance-based stock units ("contingent PSUs") covering 284,550 shares of common stock (collectively, the "contingent awards") to certain Company executives. The contingent awards were issued subject to shareholder approval of an amendment to increase the shares available for issuance under the 2005 Plan (the "2005 Plan Share Increase Amendment") at the 2022 Annual Meeting, and would be automatically forfeited if shareholder approval was not obtained. In light of the nature of the contingent awards, the Company concurrently awarded the contingent award recipients long-term cash awards subject to similar terms and conditions as the contingent awards that would only remain effective in the event that the shareholders did not approve the 2005 Plan Share Increase Amendment (the “contingent cash awards”).

Shareholders approved the 2005 Plan Share Increase Amendment at the 2022 Annual Meeting. At that time, the contingent cash awards were automatically cancelled and, for accounting purposes, the contingent RSUs and contingent PSUs were modified and treated as non-contingent RSU and PSU grants effective as of August 9, 2022. The grants are included and reported above in the "Restricted Stock Unit Activity" section of this footnote under the time-vesting restricted stock units and performance-based restricted stock units sections, respectively.

Other Stock Compensation Activity

Acquisition-related Performance Plan

Through September 30, 2022, the Company has recognized a total of $4.7 million as stock-based compensation expense related to the Acuity performance earnout plan. At September 30, 2022, the recognized, but unpaid, balance in other accrued expense in the condensed consolidated balance sheet was $1.3 million. The next annual settlement of $1.7 million is expected to occur in the second quarter of fiscal 2024.

Acquisition-related Consideration Holdback

Through September 30, 2022, the Company has recognized a total of $9.8 million as stock-based compensation expense related to the DataFleets consideration holdback. At September 30, 2022, the recognized, but unpaid, balance related to the DataFleets consideration holdback in other accrued expenses in the condensed consolidated balance sheet was $3.8 million. The next annual settlement of $6.0 million is expected to occur in the fourth quarter of this fiscal year.

Through September 30, 2022, the Company has recognized a total of $24.4 million as stock-based compensation expense related to the DPM consideration holdback. The final annual settlement occurred in the quarter ended June 30, 2022.

Qualified Employee Stock Purchase Plan ("ESPP")

During the six months ended September 30, 2022, 109,396 shares of common stock were purchased under the ESPP at a weighted-average price of $21.76 per share, resulting in cash proceeds of $2.4 million over the relevant offering periods.

Stock-based compensation expense associated with the ESPP was $1.0 million for the six months ended September 30, 2022. At September 30, 2022, there was approximately $0.4 million of total unrecognized stock-based compensation expense related to the ESPP, which is expected to be recognized on a straight-line basis over the remaining term of the current offering period.

6. OTHER CURRENT AND NONCURRENT ASSETS:

Other current assets consist of the following (dollars in thousands):

	September 30, 2022	March 31, 2022
Prepaid expenses and other	$ 12,308	$ 13,947
Certificates of deposit	7,500	7,500
Assets of non-qualified retirement plan	11,704	15,528
Other current assets	$ 31,512	$ 36,975

Other noncurrent assets consist of the following (dollars in thousands):

	September 30, 2022	March 31, 2022
Long-term prepaid revenue share	$ 9,679	$ 13,468
Right-of-use assets (see Note 4)	40,359	59,459
Deferred tax asset	1,062	1,224
Deposits	3,856	4,486
Strategic investments	5,500	5,700
Other miscellaneous noncurrent assets	781	877
Other assets, net	$ 61,237	$ 85,214

7. PROPERTY AND EQUIPMENT:

Property and equipment is summarized as follows (dollars in thousands):

	September 30, 2022	March 31, 2022
Leasehold improvements	$ 28,438	$ 28,224
Data processing equipment	7,976	7,001
Office furniture and other equipment	9,200	9,776
	45,614	45,001
Less accumulated depreciation and amortization	34,573	33,470
Property and equipment, net of accumulated depreciation and amortization	$ 11,041	$ 11,531

Depreciation expense on property and equipment was $2.2 million and $3.0 million for the six months ended September 30, 2022 and 2021, respectively.

8. GOODWILL:

Changes in goodwill for the six months ended September 30, 2022 were as follows (dollars in thousands):

		Total
Balance at March 31, 2022	$	363,845
Purchase price accounting adjustment related to acquisition of Diablo		(205)
Change in foreign currency translation adjustment		(1,123)
Balance at September 30, 2022	$	362,517

Goodwill by geography as of September 30, 2022 was:

		Total
U.S.	$	359,663
APAC		2,854
Balance at September 30, 2022	$	362,517

9. INTANGIBLE ASSETS:

The amounts allocated to intangible assets from acquisitions include developed technology, customer relationships, trade names, and publisher and data supply relationships. The following table shows the amortization activity of intangible assets (dollars in thousands):

		September 30, 2022		March 31, 2022
Developed technology, gross	$	84,033	$	84,146
Accumulated amortization		(71,760)		(67,980)
Net developed technology	$	12,273	$	16,166
Customer relationship/trade name, gross	$	43,467	$	43,490
Accumulated amortization		(42,007)		(40,582)
Net customer/trade name	$	1,460	$	2,908
Publisher/data supply relationships, gross	$	39,800	$	39,800
Accumulated amortization		(36,139)		(32,156)
Net publisher/data supply relationships	$	3,661	$	7,644
Total intangible assets, gross	$	167,300	$	167,436
Total accumulated amortization		(149,906)		(140,718)
Total intangible assets, net	$	17,394	$	26,718

Total amortization expense related to intangible assets was $9.3 million and $9.2 million for the six months ended September 30, 2022 and 2021, respectively.

The following table presents the estimated future amortization expenses related to intangible assets. The amount for 2023 represents the remaining six months ending March 31, 2023. All other periods represent fiscal years ending March 31 (dollars in thousands).

Fiscal Year:		
2023	$	7,566
2024		6,807
2025		3,021
	$	17,394

10. OTHER ACCRUED EXPENSES:

Other accrued expenses consist of the following (dollars in thousands):

	September 30, 2022		March 31, 2022	
Liabilities of non-qualified retirement plan	$	11,704	$	15,528
Short-term lease liabilities (see Note 4)		10,256		8,984
DPM consideration holdback (see Note 5)		—		6,092
Acuity performance earnout liability (see Note 5)		1,251		2,420
DataFleets consideration holdback (see Note 5)		3,777		756
Diablo consideration holdback		1,200		1,200
Rakam consideration holdback		223		223
Other miscellaneous accrued expenses		12,256		10,864
Other accrued expenses	$	40,667	$	46,067

11. OTHER LIABILITIES:

Other liabilities consist of the following (dollars in thousands):

	September 30, 2022		March 31, 2022	
Uncertain tax positions	$	25,501	$	24,374
Long-term lease liabilities (see Note 4)		40,660		52,241
Restructuring accruals		5,161		3,619
Other		6,910		5,876
Other liabilities	$	78,232	$	86,110

12. ALLOWANCE FOR CREDIT LOSSES:

Trade accounts receivable are presented net of allowances for credit losses, returns and credits based on the probability of future collections. The probability of future collections is based on specific considerations of historical loss patterns and an assessment of the continuation of such patterns based on past collection trends and known or anticipated future economic events that may impair collectability. Accounts receivable that are determined to be uncollectible are charged against the allowance for doubtful accounts. Indicators that there is no reasonable expectation of recovery include past due status greater than 360 days or bankruptcy of the debtor.

The following table summarizes the Company's activity of allowance for credit losses, returns and credits (dollars in thousands):

	Balance at beginning of period	Additions charged to costs and expenses	Other changes	Bad debts written off, net of amounts recovered	Balance at end of period
For the six months ended September 30, 2022	$ 9,961	$ 1,115	$ (27)	$ (967)	$ 10,082

13. RESTRUCTURING, IMPAIRMENT AND OTHER CHARGES:

Restructuring activities result in various costs, including asset write-offs, right of use ("ROU") asset group impairments, exit charges including severance, contract termination fees, and decommissioning and other costs. Any impairment of the asset is recognized immediately in the period the plan is approved.

A reconciliation of the beginning and ending restructuring liabilities is shown below for the six months ended September 30, 2022. The restructuring charges and adjustments are included in gains, losses and other items, net in the condensed consolidated statement of operations. The reserve balances are included in other accrued expenses and other liabilities in the condensed consolidated balance sheets (dollars in thousands).

	Employee-related reserves	**Lease accruals**	**Total**
Balances at March 31, 2022	$ 47	$ 3,027	$ 3,074
Restructuring charges and adjustments	1,646	2,055	3,701
Payments	(1,551)	(513)	(2,064)
Balances at September 30, 2022	$ 142	$ 4,569	$ 4,711

Employee-related Restructuring Plans

During the six months ended September 30, 2022, the Company recorded a total of $1.6 million in employee-related restructuring charges and adjustments. The expense included severance and other employee-related charges primarily in the United States. Of the $1.6 million employee-related charges, $0.1 million remained accrued as of September 30, 2022 and are expected to be paid out during fiscal 2023.

In fiscal 2021, the Company recorded a total of $1.7 million in employee-related restructuring charges and adjustments. The expense included severance and other employee-related charges in the United States and Europe. Of the employee-related charges of $1.7 million, $0.1 million remained accrued as of September 30, 2022 and are expected to be paid out during fiscal 2023.

Lease-related Restructuring Plans and Impairments

During the quarter ended September 30, 2022, the Company initiated a restructuring plan to lower its operating expenses by reducing its real estate footprint in the United States. As part of this plan, we exited three leased office spaces, one located in Boston, one located in Philadelphia, and one floor of leased office space in San Francisco. Based on a comparison of undiscounted cash flows to the ROU asset group of each exited lease, the Company determined that each of the ROU asset groups were impaired, driven largely by the difference between the existing lease terms and rates on the Company’s leases and the expected sublease terms and rates available in the market. This resulted in an impairment charge of $10.2 million which reflects the excess of the ROU asset group book value over its fair value, which was determined based on estimates of future discounted cash flows and is classified as Level 3 in the fair value hierarchy. The lease impairment charges included impairments of the operating lease ROU assets and the associated furniture, equipment, and leasehold improvements. Additionally, the Company recorded $2.1 million in lease-related restructuring charges and adjustments that covered other retirement obligations related to the leased office space in San Francisco. Of the $2.1 million lease-related charges, $2.0 million remained accrued as of September 30, 2022 and will be satisfied over the remainder of the San Francisco property's lease term, which continues through April 2029.

In fiscal 2017, the Company made the strategic decision to exit and sub-lease a certain leased office facility under a staggered-exit plan. The full exit was completed in fiscal 2019. We intend to continue subleasing the facility to the extent possible. The liability will be satisfied over the remainder of the leased property's term, which continues through November 2025. Any future changes in the estimates or in the actual sublease income may require future adjustments to the liabilities, which would impact net earnings (loss) in the period the adjustment is recorded. Through September 30, 2022, the Company has recorded a total of $7.3 million of restructuring charges and adjustments related to this lease. Of the amount accrued for this facility lease, $2.5 million remained accrued at September 30, 2022.

Gains, Losses and Other Items, net

The following table summarizes the activity included in gains, losses and other items, net in the condensed consolidated statements of operations for each of the periods presented (dollars in thousands):

	Three Months Ended September 30,		Six Months Ended September 30,	
	2022	2021	2022	2021
Restructuring plan charges and adjustments	$ 2,962	$ —	$ 3,701	$ —
Early contract terminations	—	—	—	1,042
ROU asset group impairments	10,170		10,170	
Other	(21)	18	(21)	254
	$ 13,111	$ 18	$ 13,850	$ 1,296

14. COMMITMENTS AND CONTINGENCIES:

Legal Matters

The Company is involved in various claims and legal proceedings that arise in the ordinary course of business. Management routinely assesses the likelihood of adverse judgments or outcomes to these matters, as well as ranges of probable losses, to the extent losses are reasonably estimable. The Company records accruals for these matters to the extent that management concludes a loss is probable and the financial impact, should an adverse outcome occur, is reasonably estimable. These accruals are adjusted to reflect the impacts of negotiations, settlements, rulings, advice of legal counsel, and other information and events pertinent to a particular matter. These accruals are reflected in the Company’s condensed consolidated financial statements. In management’s opinion, the Company has made appropriate and adequate accruals for these matters, and management believes the probability of a material loss beyond the amounts accrued to be remote. However, the ultimate liability for these matters is uncertain, and if accruals are not adequate, an adverse outcome could have a material effect on the Company’s consolidated financial condition or results of operations. The Company maintains insurance coverage above certain limits.

Commitments

The following table presents the Company’s purchase commitments at September 30, 2022. Purchase commitments primarily include contractual commitments for the purchase of data, hosting services, software-as-a-service arrangements and leasehold improvements. The table does not include the future payment of liabilities related to uncertain tax positions of $25.5 million as the Company is not able to predict the periods in which the payments will be made (dollars in thousands):

	For the years ending March 31,					
	2023	2024	2025	2026	2027	Total
Purchase commitments	$ 34,911	$ 52,210	$ 48,502	$ 34,230	$ 675	$ 170,528

While the Company does not have any other material contractual commitments for capital expenditures, certain levels of investments in facilities and computer equipment continue to be necessary to support the growth of the business.

15. INCOME TAX:

In determining the quarterly provision for income taxes, the Company applies its estimated annual effective income tax rate to its year-to-date ordinary income or loss and adjusts for discrete tax items in the period. The estimated annual effective income tax rate for the current fiscal year is primarily driven by nondeductible stock-based compensation and the valuation allowance. Realization of the Company's net deferred tax assets is dependent upon its generation of sufficient taxable income of the proper character in future years in appropriate tax jurisdictions to obtain benefit from the reversal of temporary differences as well as net operating loss and tax credit carryforwards. As of September 30, 2022, the Company continues to maintain a full valuation allowance on its net deferred tax assets except in certain foreign jurisdictions. The current period tax expense reflects the impact of the capitalization of research and development expenditures in accordance with Internal Revenue Code ("IRC") Section 174, as modified by the Tax Cuts and Jobs Act of 2017.

On August 16, 2022, President Biden signed into law The Inflation Reduction Act of 2022 (the “Act”). Under the Act, share repurchases after December 31, 2022, will be subject to a 1% excise tax. The excise tax, as well as the corporate income tax changes included in the Act, are not expected to have a material impact on our condensed consolidated financial statements.

16. FAIR VALUE OF FINANCIAL INSTRUMENTS:

The Company measures certain financial assets at fair value. Fair value is determined based upon the exit price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, as determined by either the principal market or the most advantageous market. Inputs used in the valuation techniques to derive fair values are classified based on a three-level hierarchy, as follows:

- Level 1 - Quoted prices in active markets for identical assets or liabilities.
- Level 2 - Observable inputs other than Level 1 prices such as quoted prices for similar assets or liabilities; quoted prices in markets with insufficient volume or infrequent transactions (less active markets); or model-derived valuations in which all significant inputs are observable or can be derived principally from or corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 - Unobservable inputs to the valuation methodology that are significant to the measurement of fair value of assets or liabilities.

For certain financial instruments, including accounts receivable, certificates of deposit, and accounts payable, the carrying amounts approximate their fair value due to the relatively short maturity of these balances.

The following table details the fair value measurements within the fair value hierarchy of the Company's financial assets and liabilities at September 30, 2022 and March 31, 2022 that are measured at fair value on a recurring basis (dollars in thousands):

	September 30, 2022			
	Level 1	Level 2	Level 3	Total
Other current assets:				
Assets of non-qualified retirement plan	$ 11,704	$ —	$ —	$ 11,704
Total	$ 11,704	$ —	$ —	$ 11,704

	March 31, 2022			
	Level 1	Level 2	Level 3	Total
Other current assets:				
Assets of non-qualified retirement plan	$ 15,528	$ —	$ —	$ 15,528
Total	$ 15,528	$ —	$ —	$ 15,528

Strategic investments consist of non-controlling equity investments in privately held companies. The Company elected the measurement alternative for these investments without readily determinable fair values and for which the Company does not have the ability to exercise significant influence. These investments are accounted for under the cost method of accounting. Under the cost method of accounting, the non-marketable equity securities are carried at cost less any impairment, plus or minus adjustments resulting from observable price changes in orderly transactions for the identical or a similar investment of the same issuer, which is recorded within the statement of operations. The Company held $5.5 million and $5.7 million of strategic investments without readily determinable fair values at September 30, 2022 and March 31, 2022, respectively (see Note 6). These investments are included in other assets on the condensed consolidated balance sheets. There were no impairment charges for the six months ended September 30, 2022 and 2021, respectively.

Certain of the Company's non-financial assets were measured at fair value on a nonrecurring basis during the quarter ended September 30, 2022, including property and equipment and right-of-use assets that were reduced to fair value when they were impaired as a result of the Company's lease-related restructuring plans. For additional information on the Company's fair value measurement in connection with the impairment of certain property and equipment and right-of-use assets associated with office facilities, see note 13.

17. SUBSEQUENT EVENT

On November 3, 2022, the Company announced a reduction in force representing approximately 10% of our full-time employees, and the planned additional downsizing of our real estate footprint. We estimate that we will incur approximately $5.0 million of restructuring and related charges primarily related to employee severance and benefits costs and approximately $14.0 million to $17.0 million of charges related to the real estate restructuring, substantially all of which we expect to incur in the third and fourth quarters of our fiscal 2023.

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

Introduction and Overview

LiveRamp is a global technology company with a vision of making it safe and easy for companies to use data. We provide a best-in-class enterprise data enablement platform that helps organizations better leverage customer data within and outside their four walls. Powered by core identity capabilities and an extensive network, LiveRamp enables companies and their partners to better connect, control, and activate data to transform customer experiences and generate more valuable business outcomes.

LiveRamp is a Delaware corporation headquartered in San Francisco, California. Our common stock is listed on the New York Stock Exchange under the symbol “RAMP.” We serve a global client base from locations in the United States, Europe, and the Asia-Pacific (“APAC”) region. Our direct client list includes many of the world’s largest and best-known brands across most major industry verticals, including but not limited to financial, insurance and investment services, retail, automotive, telecommunications, high tech, consumer packaged goods, healthcare, travel, entertainment, non-profit, and government. Through our extensive reseller and partnership network, we serve thousands of additional companies, establishing LiveRamp as a foundational and neutral enabler of the customer experience economy.

Operating Segment

The Company operates as one operating segment. An operating segment is defined as a component of an enterprise for which separate financial information is evaluated regularly by the chief operating decision maker. Our chief operating decision maker evaluates our financial information and resources and assesses the performance of these resources on a consolidated basis. Since we operate as one operating segment, all required financial segment information can be found in the condensed consolidated financial statements.

Sources of Revenues

LiveRamp recognizes revenue from the following sources: (i) Subscription revenue, which consists primarily of subscription fees from clients accessing our platform; and (ii) Marketplace and Other revenue, which primarily consists of revenue-sharing fees generated from data transactions through our LiveRamp Data Marketplace, and transactional usage-based revenue from arrangements with certain publishers and addressable TV providers.

The LiveRamp Platform

As depicted in the graphic below, we power the industry’s leading enterprise data connectivity platform. We enable organizations to access and leverage data more effectively across the applications they use to interact with their customers. A core component of our platform is the omnichannel, deterministic identity asset that sits at its center. Leveraging deep expertise in identity and data collaboration, the LiveRamp platform enables an organization to unify customer and prospect data (first-, second-, or third-party) to build a single view of the customer in a way that protects consumer privacy. This single customer view can then be enhanced and activated across any of the partners in our ecosystem in order to support a variety of people-based marketing solutions, including:

- ***Activation.*** We enable organizations to leverage their customer and prospect data in the digital and TV ecosystems and across the customer experience applications they use through a safe and secure data matching process called data onboarding. Our technology ingests a customer’s first-party data, removes all offline data (personally identifiable information or "PII"), and replaces them with anonymized IDs called RampID™, a true people-based identifier. RampID can then be distributed through direct integrations to the top platforms our customers work with, including leading marketing cloud providers, publishers and social networks, personalization tools, and connected TV services.

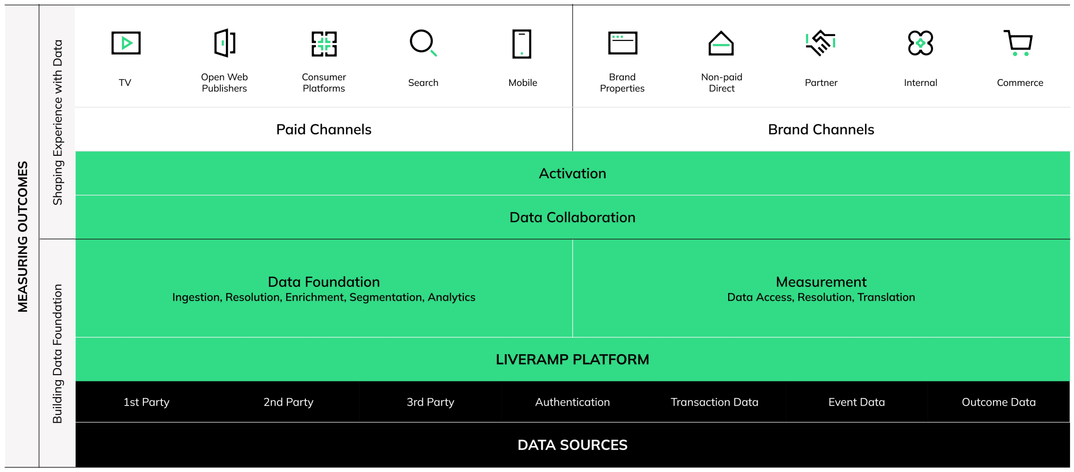
- ***Measurement & Analytics.*** We power accurate and complete measurement with the measurement vendors and partners our customers use. Our platform allows customers to combine disparate data files (typically ad exposure and customer events, like transactions), replacing customer identifiers with RampID. Customers then can use that aggregated view of each customer for measurement of reach and frequency, sales lift, closed loop offline-to-online conversion and cross-channel attribution.

- ***Identity***. We provide enterprise-level identity solutions that enable organizations to: 1) resolve and connect disparate identities, 2) enrich data sets with hygiene capabilities and additional audience data from Data Marketplace providers, and 3) translate data between different systems. Our approach to identity is built from two complementary graphs, combining offline data and online data and providing the highest level of accuracy with a focus on privacy. LiveRamp technology for PII gives brands and platforms the ability to connect and update what they know about consumers, resolving PII across enterprise databases and systems to deliver better customer experiences in a privacy-conscious manner. Our digital identity graph powered by our Authenticated Traffic Solution (or ATS) associates pseudonymous device IDs, TV IDs and other online customer IDs from premium publishers, platforms or data providers, around a RampID. This allows marketers to perform the personalized segmentation, targeting, and measurement use cases that require a consistent view of the user. There are currently more than 125 supply-side platforms and demand-side platforms live or committed to bid on RampID and ATS. In addition, to date more than 1,500 publishers, representing more than 11,500 publisher domains, have integrated ATS worldwide.

- ***Data Collaboration with Safe Haven.*** We enable trusted second-party data collaboration between organizations and their partners in a neutral, permissioned environment. Safe Haven provides customers with collaborative opportunities to safely and securely build a more accurate, dynamic view of their customers leveraging partner data. Advanced measurement and analytics use cases can be performed on this shared data without either party giving up control or compromising privacy.

- ***Data Marketplace.*** Our Data Marketplace provides customers with simplified access to trusted, industry-leading third-party data globally. The LiveRamp platform allows for the search, discovery and distribution of data to improve targeting, measurement, and customer intelligence. Data accessed through our Data Marketplace is connected via RampID and is utilized to enrich our customers' first-party data and can be leveraged across technology and media platforms, agencies, analytics environments, and TV partners. Our platform also provides tools for data providers to manage the organization, distribution, and operation of their data and services across our network of customers and partners. Today we work with more than 200 data providers across all verticals and data types (see below for discussion on Marketplace and Other).

LiveRamp Platform



Consumer privacy and data protection, what we call Data Ethics, are at the center of how we design our products and services. Accordingly, the LiveRamp platform operates with technical, operational, and personnel controls designed to keep our customers' data private and secure.

Our solutions are sold to enterprise marketers and the companies they partner with to execute their marketing, including agencies, marketing technology providers, publishers and data providers. Today, we work with 920 direct customers world-wide, including approximately 25% of the Fortune 500, and serve thousands of additional customers indirectly through our reseller partnership arrangements.

- ***Brands and Agencies.*** We work with over 495 of the largest brands and agencies in the world, helping them execute people-based marketing by creating an omni-channel understanding of the consumer and activating that understanding across their choice of best-of-breed digital marketing platforms.

- ***Marketing Technology Providers.*** We provide marketing technology providers with the identity foundation required to offer people-based targeting, measurement and personalization within their platforms. This adds value for brands by increasing reach, as well as the speed at which they can activate their marketing data.

- ***Publishers.*** We enable publishers of any size to offer people-based marketing on their properties. This adds value for brands by providing direct access to their customers and prospects in the publisher's premium inventory.

- ***Data Owners.*** Leveraging our vast network of integrations, we allow data owners to easily connect to the digital ecosystem and monetize their own data. Data can be distributed to clients or made available through the LiveRamp Data Marketplace feature. This adds value for brands as it allows them to augment their understanding of consumers and increase both their reach against and understanding of customers and prospects.

We primarily charge for our platform on an annual subscription basis. Our subscription pricing is based primarily on data volume, which is a function of data input records and connection points.

Marketplace and Other

As we have scaled the LiveRamp network and technology, we have found additional ways to leverage our platform, deliver more value to clients and create incremental revenue streams. Leveraging our common identity system and broad integration network, the LiveRamp Data Marketplace is a solution that seamlessly connects data owners' audience data across the marketing ecosystem. The Data Marketplace allows data owners to easily monetize their data across hundreds of marketing platforms and publishers with a single contract. At the same time, it provides a single gateway where data buyers, including platforms and publishers, in addition to brands and their agencies, can access third-party data from more than 200 data providers, supporting all industries and encompassing all types of data. Data providers include sources and brands exclusive to LiveRamp, emerging platforms with access to previously unavailable deterministic data, and data partnerships enabled by our platform.

We generate revenue from the Data Marketplace primarily through revenue-sharing arrangements with data owners that are monetizing their data assets on our marketplace. We also generate Marketplace and Other revenue through transactional usage-based arrangements with certain publishers and addressable TV providers.

COVID-19 Update

In March 2020, the World Health Organization, or WHO, declared the outbreak of a disease caused by a novel strain of the coronavirus ("COVID-19") to be a pandemic (the "pandemic"). This pandemic has had widespread, rapidly-evolving, and unpredictable impacts on global societies, economies, financial markets, and business practices. Federal and state governments have implemented various measures in an effort to contain the virus, which have caused, and are continuing to cause, business slowdowns or shutdowns in affected areas, both regionally and worldwide.

Our focus remains on promoting employee health and safety, serving our customers, complying with regulations, and ensuring business continuity. As we continue to monitor local regulations and restrictions, in conjunction with the administration of vaccines, and the number of new cases across the globe, we have reopened all of our offices globally in accordance with local authority guidelines while ensuring that our return to work is thoughtful, prudent, and handled with an abundance of caution with the health of our employees being the top priority.

The pandemic has not had a material adverse financial impact on our business to date. The broader implications of the pandemic on our results of operations and overall financial performance will depend on future developments and conditions.

Summary Results and Notable Events

A financial summary of the quarter ended September 30, 2022 compared to the same period in fiscal 2022 is presented below:

- Revenues were $147.1 million, a 15.6% increase from $127.3 million in fiscal 2022.
- Cost of revenue was $42.3 million, a 20.6% increase from $35.1 million in fiscal 2022.
- Gross margin decreased to 71.2% from 72.4% in fiscal 2022.
- Total operating expenses were $133.9 million, a 36.1% increase from $98.4 million in fiscal 2022.
- Cost of revenue and operating expenses for the second fiscal quarters of fiscal 2023 and 2022 included the following items:
    - Non-cash stock compensation of $27.3 million and $19.2 million, respectively (cost of revenue of $1.3 million and $0.9 million, respectively, and operating expenses of $26.0 million and $18.3 million, respectively)
    - Purchased intangible asset amortization of $4.6 million in both periods (cost of revenue)
    - Transformation costs of $1.3 million in fiscal 2023 (operating expenses)
    - Restructuring charges of $13.1 million in fiscal 2023 (gains, losses, and other)
- Net loss was $30.4 million, or $0.45 per diluted share, in fiscal 2023 compared to $6.4 million, or $0.09 per diluted share, in fiscal 2022.
- Net cash provided by operating activities was $21.4 million in fiscal 2023 compared to $10.9 million in fiscal 2022.
- The Company repurchased 1.7 million shares of its common stock for $40.0 million during the fiscal quarter ended September 30, 2022 under the Company's common stock repurchase program.

This summary and the following discussion and analysis highlight financial results as well as other significant events and transactions of the Company during the fiscal quarter ended September 30, 2022 compared to the same period in fiscal 2022, unless otherwise stated. However, this summary is not intended to be a full discussion of the Company's results. This summary should be read in conjunction with the following discussion of Results of Operations and Capital Resources and Liquidity and with the Company's condensed consolidated financial statements and footnotes accompanying this report.

Recent Development

Workforce Reduction and Restructuring: On November 3, 2022, the Company announced (i) a reduction in force involving approximately 10% of our full-time employees, and (ii) a planned downsizing of our real estate footprint in addition to the footprint reduction which occurred during our fiscal year second quarter. The headcount reduction is part of a broader strategic re-prioritization to build a stronger, more profitable company by tightening our focus and simplifying and driving efficiency into our business processes. These actions are expected to result in annualized operating expense savings of $30 million to $35 million.

We estimate that we will incur approximately $5 million of restructuring and related charges primarily related to employee severance and benefit costs and approximately $14 million to $17 million of charges related to the real estate restructuring, substantially all of which we expect to incur in the third and fourth quarters of our fiscal 2023.

Results of Operations

A summary of selected financial information for each of the periods reported is presented below (dollars in thousands, except per share amounts):

	For the three months ended September 30,			For the six months ended September 30,		
	2022	2021	% Change	2022	2021	% Change
Revenues	$ 147,099	$ 127,290	16	$ 289,342	$ 246,328	17
Cost of revenue	42,304	35,079	21	83,325	69,394	20
Gross profit	104,795	92,211	14	206,017	176,934	16
Total operating expenses	133,917	98,393	36	260,741	200,717	30
Loss from operations	(29,122)	(6,182)	(371)	(54,724)	(23,783)	(130)
Total other income, net	$ 2,248	$ 150	NA	2,947	30,751	NA
Net earnings (loss)	$ (30,436)	$ (6,431)	(373)	$ (57,654)	$ 10,934	(627)
Diluted earnings (loss) per share	$ (0.45)	$ (0.09)	(380)	$ (0.85)	$ 0.16	(641)

Revenues

The Company's revenues for each of the periods reported is presented below (dollars in thousands):

	For the three months ended September 30,			For the six months ended September 30,		
	2022	2021	% Change	2022	2021	% Change
Revenues:						
Subscription	$ 119,702	$ 105,420	14	$ 235,435	$ 201,930	17
Marketplace and Other	27,397	21,870	25	53,907	44,398	21
Total revenues	$ 147,099	$ 127,290	16	$ 289,342	$ 246,328	17

Total revenues for the quarter ended September 30, 2022 were $147.1 million, a $19.8 million or 15.6% increase from the same quarter a year ago. The increase was due to Subscription revenue growth of $14.3 million, or 13.5%, primarily due to new logo deals and upsell to existing customers. Marketplace and Other revenue growth was $5.5 million, or 25.3%, primarily due to Data Marketplace volume growth. On a geographic basis, U.S. revenue increased $17.8 million, or 14.9%. International revenue increased $2.0 million, or 25.9%. The differences in exchange rates in the current year quarter compared to those in the prior year quarter negatively impacted international revenue growth by approximately 13 percentage points..

Total revenues for the six months ended September 30, 2022 were $289.3 million, a $43.0 million or 17.5% increase from the same period a year ago. The increase was due to Subscription revenue growth of $33.5 million, or 16.6%, primarily due to new logo deals and upsell to existing customers. Marketplace and Other revenue growth was $9.5 million, or 21.4%, primarily due to Data Marketplace volume growth. On a geographic basis, U.S. revenue increased $38.2 million, or 16.5%. International revenue increased $4.8 million, or 32.2%. The differences in exchange rates in the current year quarter compared to those in the prior year quarter negatively impacted international revenue growth by approximately 13 percentage points.

Cost of Revenue and Gross Profit

The Company’s cost of revenue and gross profit for each of the periods reported is presented below (dollars in thousands):

	For the three months ended September 30,			For the six months ended September 30,		
	2022	2021	% Change	2022	2021	% Change
Cost of revenue	$ 42,304	$ 35,079	21	$ 83,325	$ 69,394	20
Gross profit	$ 104,795	$ 92,211	14	$ 206,017	$ 176,934	16
Gross margin (%)	71.2 %	72.4 %	(2)	71.2 %	71.8 %	(1)

Cost of revenue includes third-party direct costs including identity graph data, other data and cloud-based hosting costs, as well as costs of IT, security and product operations functions. Cost of revenue also includes amortization of acquisition-related intangibles.

Cost of revenue was $42.3 million for the quarter ended September 30, 2022, a $7.2 million, or 20.6%, increase from the same quarter a year ago. Gross margins decreased to 71.2% compared to 72.4% in the prior year quarter due to revenue increases offset by an increase in cost of revenue primarily from cloud infrastructure and security costs. U.S. gross margins decreased to 72.5% for the three months ended September 30, 2022 from 73.7% in the same quarter a year ago. International gross margins increased to 53.4% from 52.8%.

Cost of revenue was $83.3 million for the six months ended September 30, 2022, a $13.9 million, or 20.1%, increase from the same period a year ago. Gross margins decreased to 71.2% compared to 71.8% in the prior year period due to revenue increases offset by an increase in cost of revenue primarily from cloud infrastructure and security costs. U.S. gross margins decreased to 72.5% for the six months ended September 30, 2022 from 73.2% in the same period a year ago. International gross margins increased to 54.1% from 50.9%.

Operating Expenses

The Company’s operating expenses for each of the periods reported is presented below (dollars in thousands):

	For the three months ended September 30,			For the six months ended September 30,		
	2022	2021	% Change	2022	2021	% Change
Operating expenses:						
Research and development	$ 46,139	$ 35,788	29	$ 93,800	$ 70,564	33
Sales and marketing	45,949	39,509	16	97,229	81,488	19
General and administrative	28,718	23,078	24	55,862	47,369	18
Gains, losses and other items, net	13,111	18	NA	13,850	1,296	969
Total operating expenses	$ 133,917	$ 98,393	36	$ 260,741	$ 200,717	30

Research and development (“R&D”) expense includes operating expenses for the Company’s engineering and product/project management functions supporting research, new development, and related product enhancement.

R&D expenses were $46.1 million for the quarter ended September 30, 2022, an increase of $10.4 million, or 28.9% compared to the same quarter a year ago, and are 31.4% of total revenues compared to 28.1% in the same quarter a year ago. Current quarter expenses included $12.4 million of stock-based compensation expense compared to $7.2 million in the prior period. Excluding stock-based compensation expense, R&D expenses increased $5.2 million, or 18.1%, and are 23.0% of revenue compared to 22.5% in the prior year. The increase is due primarily to headcount investments (employee-related expenses increased $4.2 million) and hosting costs (increased $0.7 million).

R&D expenses were $93.8 million for the six months ended September 30, 2022, an increase of $23.2 million, or 32.9% compared to the same period a year ago, and are 32.4% of total revenues compared to 28.6% in the same period a year ago. Current period expenses included $24.0 million of stock-based compensation expense compared to $12.5 million in the prior year period. Excluding stock-based compensation expense, R&D expenses increased $11.8 million, or 20.3%, and are 24.1% of revenue compared to 23.6% in the prior year. The increase is due primarily to headcount investments (employee-related expenses increased $10.6 million) and hosting costs (increased $1.4 million).

Sales and marketing (“S&M”) expense includes operating expenses for the Company’s sales, marketing, and product marketing functions.

S&M expenses were $45.9 million for the quarter ended September 30, 2022, an increase of $6.4 million, or 16.3%, compared to the same quarter a year ago, and are 31.2% of total revenues compared to 31.0% in the same quarter a year ago. Current quarter expenses included $6.1 million of stock-based compensation expense compared to $6.7 million in the prior year. Excluding stock-based compensation expense, S&M expenses increased $7.1 million, or 21.6%, and are 27.1% of revenue compared to 25.7% in the prior year. The increase is due primarily to headcount investments (employee-related expenses increased $6.1 million) and travel and entertainment costs (increased $1.1 million).

S&M expenses were $97.2 million for the six months ended September 30, 2022, an increase of $15.7 million, or 19.3%, compared to the same period a year ago, and are 33.6% of total revenues compared to 33.1% in the same period a year ago. Current period expenses included $12.0 million of stock-based compensation expense compared to $13.5 million in the prior year. Excluding stock-based compensation expense, S&M expenses increased $17.3 million, or 25.4%, and are 29.3% of revenue compared to 27.6% in the prior year. The increase is due primarily to headcount investments (employee-related expenses increased $13.5 million) and travel and entertainment costs (increased $2.2 million).

General and administrative ("G&A") expense represents operating expenses for the Company's finance, human resources, legal, corporate IT, and other corporate administrative functions.

G&A expenses were $28.7 million for the quarter ended September 30, 2022, an increase of $5.6 million, or 24.4% compared to the same quarter a year ago, and are 19.5% of total revenues compared to 18.1% in the same quarter a year ago. Current quarter expenses included $7.5 million of stock-based compensation expense compared to $4.3 million in the prior year. Current quarter expenses also included $1.3 million in transformation costs. Excluding stock-based compensation expense and transformation costs, G&A expenses increased $1.2 million, or 6.4%, and are 13.6% of revenue compared to 14.7% in the prior year. The increase is due primarily to headcount investments (employee-related expenses increased $1.4 million).

G&A expenses were $55.9 million for the six months ended September 30, 2022, an increase of $8.5 million, or 17.9% compared to the same period a year ago, and are 19.3% of total revenues compared to 19.2% in the same period a year ago. Current period expenses included $13.0 million of stock-based compensation expense compared to $9.9 million in the prior year. Current quarter expenses also included $1.3 million in transformation costs. Excluding stock-based compensation expense and transformation costs, G&A expenses increased $4.1 million, or 10.9%, and are 14.4% of revenue compared to 15.2% in the prior year. The increase is due primarily to headcount investments (employee-related expenses increased $3.8 million).

Gains, losses, and other items, net represents restructuring costs and other adjustments.

Gains, losses and other items, net was $13.1 million for the quarter ended September 30, 2022, an increase of $13.1 million compared to the same quarter a year ago. The current year quarter amount includes $10.2 million in lease impairments and $2.1 million in lease restructuring related to a downsizing of our real estate footprint, and $0.9 million related to termination benefits for employees whose positions were eliminated.

Gains, losses and other items, net was $13.9 million for the six months ended September 30, 2022, an increase of $12.6 million compared to the same period a year ago. The current year period amount includes $10.2 million in lease impairments and $2.1 million in lease restructuring related to a downsizing of our real estate footprint, and $1.6 million related to termination benefits for employees whose positions were eliminated. The prior year period amount included $1.0 million related to the early termination of a data provider agreement.

Loss from Operations and Operating Margin

Loss from operations was $29.1 million for the quarter ended September 30, 2022 compared to $6.2 million in the same quarter a year ago. Operating margin was negative 19.8% compared to negative 4.9%. Margins were negatively impacted by higher operating expenses related primarily to headcount investments.

Loss from operations was $54.7 million for the six months ended September 30, 2022 compared to $23.8 million in the same period a year ago. Operating margin was negative 18.9% compared to negative 9.7%. Margins were negatively impacted by higher operating expenses related primarily to headcount investments.

Other Income and Income Taxes

Other income was $2.2 million for the quarter ended September 30, 2022 compared to other income of $0.2 million in the same quarter a year ago primarily due to interest rate increases on invested cash. Other income was $2.9 million for the six months ended September 30, 2022 compared to other income of $30.8 million in the same period a year ago. The prior year amount included a $30.1 million gain related to a cash distribution from our retained profits interest in a previous disposition. Excluding this gain, other income primarily consists of interest income from invested cash balances and net foreign exchange transaction gains and losses.

Income tax expense was $3.6 million on a pretax loss of $26.9 million for the quarter ended September 30, 2022, resulting in a negative 13% effective tax rate. This compares to a prior year income tax expense of $0.4 million on pretax loss of $6.0 million, or a negative 7% effective tax rate. The current period tax expense reflects the impact of the capitalization of research and development expenditures in accordance with IRC Section 174, as modified by the Tax Cuts and Jobs Act of 2017.

Income tax expense was $5.9 million on a pretax loss of $51.8 million for the six months ended September 30, 2022, resulting in a negative 11% effective tax rate. This compares to a prior year income tax benefit of $4.0 million on pretax income of $7.0 million, or a negative 57% effective tax rate. The current period tax expense reflects the impact of the capitalization of research and development expenditures in accordance with IRC Section 174, as modified by the Tax Cuts and Jobs Act of 2017. During the six months ended September 30, 2021, the Company released $2.6 million in tax contingency reserves as a result of the expiration of statutes of limitation.

Capital Resources and Liquidity

The Company’s cash and cash equivalents are primarily located in the United States. At September 30, 2022, approximately $15.3 million of the total cash balance of $485.6 million, or approximately 3.1%, was located outside of the United States. The Company has no current plans to repatriate this cash to the United States.

Net accounts receivable balances were $157.7 million at September 30, 2022, an increase of $9.4 million, compared to $148.3 million at March 31, 2022. Days sales outstanding ("DSO"), a measurement of the time it takes to collect receivables, were 99 days at September 30, 2022, compared to 94 days at March 31, 2022. DSO can fluctuate due to the timing and nature of contracts that lead to up-front billings related to deferred revenue on services not yet performed, and Marketplace and other contracts, which are billed on a gross basis, recognized on a net basis, but for which the amount that is due to data providers is not reflected as an offset to accounts receivable. Compared to March 31, 2022, DSO at September 30, 2022 was negatively impacted by approximately 3 days by the increased impact of Data Marketplace gross accounts receivable. All customer accounts are actively managed, and no losses in excess of amounts reserved are currently expected.

Working capital at September 30, 2022 totaled $554.6 million, a $76.7 million decrease when compared to $631.3 million at March 31, 2022. The decrease was primarily due to use of cash for acquisition of treasury shares.

For tax years beginning on or after January 1, 2022, the Tax Cuts and Jobs Act of 2017 modifies IRC Section 174 by eliminating the option to deduct research and development expenditures currently and requires taxpayers to capitalize and amortize them over five years for research performed in the U.S. and 15 years for research performed outside the U.S. Although Congress is considering legislation that would repeal or defer the capitalization and amortization requirement, it is not certain that this provision will be repealed or otherwise modified. If the requirement is not modified, it will increase our cash taxes and reduce cash flows by approximately $9 million in fiscal 2023.

Management believes that the Company's existing available cash will be sufficient to meet the Company's working capital and capital expenditure requirements for the foreseeable future. However, in light of the risk of recession, the ongoing global COVID-19 pandemic, the military conflict between Russia and Ukraine, cost increases, rising interest rates, capital markets volatility and general inflationary pressures, our liquidity position may change due to the inability to collect from our customers, inability to raise new capital via issuance of equity or debt, and disruption in completing repayments or disbursements to our creditors. We have historically taken and may continue to take advantage of opportunities to generate additional liquidity through capital market transactions. These impacts have caused significant disruptions to the global financial markets, which could increase the cost of capital and adversely impact our ability to raise additional capital, which could negatively affect our liquidity in the future. The amount, nature, and timing of any capital market transactions will depend on our operating performance and other circumstances; our then-current commitments and obligations; the amount, nature, and timing of our capital requirements; and overall market conditions. If we are unable to raise funds as and when we need them, we may be forced to curtail our operations.

Cash Flows

The following table summarizes our cash flows for the periods reported (dollars in thousands):

	For the six months ended September 30, 2022	For the six months ended September 30, 2021
Net cash used in operating activities	$ (11,994)	$ (6,340)
Net cash provided by (used in) investing activities	$ (4,014)	$ 21,329
Net cash used in financing activities	$ (96,790)	$ (52,341)

Operating Activities

Our cash flows from operating activities are primarily influenced by growth in our operations, increases or decreases in collections from our clients, and related payments to our suppliers. The timing of cash receipts from clients and payments to suppliers can significantly impact our cash flows from operating activities. Our collection and payment cycles can vary from period to period.

In the six months ended September 30, 2022, net cash used in operating activities of $12.0 million resulted primarily from net loss adjusted for non-cash items of $18.7 million offset by net cash used in operating assets and liabilities of $30.6 million. The net unfavorable changes in operating assets and liabilities was primarily related to unfavorable changes in accounts payable and other liabilities of $29.5 million and accounts receivable of $11.4 million. The change in accounts payable and other liabilities is primarily due to the payment of annual incentive compensation and the timing of payments to suppliers. The change in accounts receivable is primarily due to revenue growth and the timing of cash receipts from clients.

In the six months ended September 30, 2021, net cash used in operating activities of $6.3 million resulted primarily from net earnings adjusted for non-cash items of $31.7 million offset by cash used by operating assets and liabilities of $38.0 million. The net unfavorable change in operating assets and liabilities was primarily related to unfavorable changes in accounts payable and other liabilities of $35.5 million, accounts receivable of $18.1 million and deferred commissions of $5.4 million, partially offset by favorable changes in other assets of $22.0 million. The change in accounts payable and other liabilities is primarily due to the payment of annual incentive compensation, and the timing of payments to suppliers. The change in accounts receivable is primarily due to revenue growth and the timing of cash receipts from clients. The change in other assets was impacted by fiscal 2021 year-end prepayments of expenses to take advantage of cash tax savings opportunities.

Investing Activities

Our primary investing activities have consisted of capital expenditures in support of our expanding headcount as a result of our growth and acquisitions. Capital expenditures may vary from period to period due to the timing of the expansion of our operations, the addition of new headcount, new facilities, and acquisitions.

In the six months ended September 30, 2022, net cash used in investing activities of $4.0 million consisted of capital expenditures of $4.4 million, offset partially by proceeds from the sale of a strategic investment of $0.4 million.

In the six months ended September 30, 2021, net cash provided by investing activities of $21.3 million consisted of a $31.0 million distribution received from a retained profits interest in a previous disposition, offset partially by net cash paid in the Diablo acquisition of $8.4 million and capital expenditures of $1.3 million.

Financing Activities

Our financing activities have consisted of acquisition of treasury stock, proceeds from our equity compensation plans, and shares repurchased for tax withholdings upon vesting of stock-based awards.

In the six months ended September 30, 2022, net cash used in financing activities was $96.8 million, consisting of the acquisition of treasury shares pursuant to the board of directors' approved stock repurchase plan of $100.1 million (3.8 million shares), and $1.3 million for shares repurchased for tax withholdings upon vesting of stock-based awards. These uses of cash were partially offset by proceeds of $4.6 million from the sale of common stock from our equity compensation plans.

In the six months ended September 30, 2021, net cash used in financing activities was $52.3 million, consisting of the acquisition of treasury shares pursuant to the board of directors' approved stock repurchase plan of $44.1 million (1.0 million shares), and $12.5 million for shares repurchased for tax withholdings upon vesting of stock-based awards. These uses of cash were partially offset by proceeds of $4.3 million from the sale of common stock from our equity compensation plans.

Common Stock Repurchase Program

Under the modified common stock repurchase program, the Company may purchase up to $1.0 billion of its common stock through the period ending December 31, 2022. During the six months ended September 30, 2022, the Company repurchased 3.8 million shares of its common stock for $100.1 million under the stock repurchase program. Through September 30, 2022, the Company had repurchased a total of 33.4 million shares of its stock for $832.3 million under the stock repurchase program, leaving remaining capacity of $167.7 million. Pursuant to the Inflation Reduction Act of 2022, share repurchases after December 31, 2022, will be subject to a 1% excise tax. In determining the total taxable value of shares repurchased, a deduction is allowed for the fair market value of any newly issued shares. We do not expect the excise tax to have a material impact on our condensed consolidated financial statements.

Contractual Commitments

The following tables present the Company's contractual cash obligations and purchase commitments at September 30, 2022. Operating leases primarily consist of our various office facilities. Purchase commitments primarily include contractual commitments for the purchase of data, hosting services, software-as-a-service arrangements, and leasehold improvements. The tables do not include the future payment of liabilities related to uncertain tax positions of $25.5 million as the Company is not able to predict the periods in which the payments will be made. The amounts for 2023 represent the remaining six months ending March 31, 2023. All other periods represent fiscal years ended March 31 (dollars in thousands):

	For the years ending March 31,						
	2023	2024	2025	2026	2027	Thereafter	Total
Operating leases	$ 5,063	$ 9,691	$ 8,448	$ 8,935	$ 8,017	$ 16,583	$ 56,737

Future minimum payments as of September 30, 2022 related to restructuring plans as a result of the Company's exit from certain leased office facilities are (dollars in thousands): Fiscal 2023: $1,340; Fiscal 2024: $2,698; Fiscal 2025: $2,699; and Fiscal 2026: $1,799.

	For the years ending March 31,					
	2023	2024	2025	2026	2027	Total
Purchase commitments	$ 34,911	$ 52,210	$ 48,502	$ 34,230	$ 675	$ 170,528

While the Company does not have any other material contractual commitments for capital expenditures, certain levels of investments in facilities and computer equipment continue to be necessary to support the growth of the business.

For a description of certain risks that could have an impact on results of operations or financial condition, including liquidity and capital resources, see "Risk Factors" contained in Part I, Item 1A, of the Company's Annual Report on Form 10-K for the fiscal year ended March 31, 2022 ("2022 Annual Report"), as filed with the SEC on May 24, 2022.

Non-U.S. Operations

The Company has a presence in the United Kingdom, France, Netherlands, India, Australia, China, Singapore and Japan. Most of the Company's exposure to exchange rate fluctuation is due to translation gains and losses as there are no material transactions that cause exchange rate impact. In general, each of the foreign locations is expected to fund its own operations and cash flows, although funds may be loaned or invested from the U.S. to the foreign subsidiaries. These advances are considered long-term investments, and any gain or loss resulting from changes in exchange rates as well as gains or losses resulting from translating the foreign financial statements into U.S. dollars are included in accumulated other comprehensive income. Therefore, exchange rate movements of foreign currencies may have an impact on the Company's future costs or on future cash flows from foreign investments. The Company has not entered into any foreign currency forward exchange contracts or other derivative instruments to hedge the effects of adverse fluctuations in foreign currency exchange rates.

Critical Accounting Policies

We prepare our condensed consolidated financial statements in conformity with U.S. GAAP as set forth in the FASB ASC, and we consider the various staff accounting bulletins and other applicable guidance issued by the SEC. These accounting principles require management to make certain judgments and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. The consolidated financial statements in the Company's 2022 Annual Report include a summary of significant accounting policies used in the preparation of the Company's consolidated financial statements. In addition, the Management's Discussion and Analysis filed as part of the Company's 2022 Annual Report contains a discussion of the policies that management has identified as the most critical because they require management's use of complex and/or significant judgments. None of the Company’s critical accounting policies have materially changed since the date of the Company's 2022 Annual Report other than as described in the Accounting Pronouncements Adopted During the Current Year section of Note 1, “Basis of Presentation and Summary of Significant Accounting Policies,” of the Notes to Condensed Consolidated Financial Statements accompanying this report.

Recent Accounting Pronouncements

For information on recent accounting pronouncements, see “Accounting Pronouncements Adopted During the Current Year" and “Recent Accounting Pronouncements Not Yet Adopted” under Note 1, “Basis of Presentation and Summary of Significant Accounting Policies,” of the Notes to Condensed Consolidated Financial Statements accompanying this report.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

We believe there have been no material changes in our market risk exposures for the six months ended September 30, 2022, as compared with those discussed in the Company's 2022 Annual Report.

Item 4. Controls and Procedures

(a) Evaluation of Disclosure Controls and Procedures.

Our management, with the participation of our Chief Executive Officer (our principal executive officer) and our President, Chief Financial Officer and Executive Managing Director of International (our principal financial and accounting officer), evaluated the effectiveness of our disclosure controls and procedures (as defined under Rule 13a-15(e) of the Securities Exchange Act of 1934, as amended). Based on this evaluation, our principal executive officer and our principal financial and accounting officer concluded that as of September 30, 2022, our disclosure controls and procedures were effective.

(b) Changes in Internal Control over Financial Reporting.

There have been no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the fiscal quarter ended September 30, 2022 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

The information required by this item is set forth under Note 14, “Commitments and Contingencies,” to our unaudited condensed consolidated financial statements in Part I, Item 1 of this Quarterly Report and is incorporated herein by reference.

Item 1A. Risk Factors

The risks described in Part I, Item 1A, “Risk Factors” in the Company's 2022 Annual Report, remain current in all material respects. The risk factors in our 2022 Annual Report do not identify all risks that we face. Our operations could also be affected by factors that are not presently known to us or that we currently consider to be immaterial to our operations. If any of the identified risks or others not specified in our SEC filings materialize, our business, financial condition, or results of operations could be materially adversely affected. In these circumstances, the market price of our common stock could decline.

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

a. Not applicable.

b. Not applicable.

c. The table below provides information regarding purchases by LiveRamp of its common stock during the periods indicated.

Period	Total Number of Shares Purchased	Average Price Paid Per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares that May Yet Be Purchased Under the Plans or Programs
July 1, 2022 - July 31, 2022	605,188	$ 27.12	605,188	$ 191,357,954
August 1, 2022 - August 31, 2022	486,477	$ 22.77	486,477	$ 180,280,119
September 1, 2022 - September 30, 2022	635,000	$ 19.76	635,000	$ 167,732,585
Total	1,726,665	$ 23.19	1,726,665	

On August 29, 2011, the board of directors adopted a common stock repurchase program. That program was subsequently modified and expanded, most recently on November 3, 2020. Under the modified common stock repurchase program, the Company may purchase up to $1.0 billion of its common stock through the period ending December 31, 2022. Through September 30, 2022, the Company had repurchased a total of 33.4 million shares of its stock for $832.3 million, leaving remaining capacity of $167.7 million under the stock repurchase program.

Item 3. Defaults Upon Senior Securities

Not applicable.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

Not applicable.

Item 6. Exhibits

The following exhibits are filed with this quarterly report:

10.1	Amended and Restated 2010 Executive Officer Severance Policy
31.1	Certification of Chief Executive Officer (principal executive officer) pursuant to SEC Rule 13a-14(a)/15d-14(a), as adopted pursuant to Sections 302 and 404 of the Sarbanes-Oxley Act of 2002
31.2	Certification of President, Chief Financial Officer and Executive Managing Director of International (principal financial and accounting officer) pursuant to SEC Rule 13a-14(a)/15d-14(a), as adopted pursuant to Sections 302 and 404 of the Sarbanes-Oxley Act of 2002
32.1	Certification of Chief Executive Officer (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 President, Chief Financial Officer and Executive Managing Director of International (principal financial and accounting officer) pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101	The following financial information from our Quarterly Report on Form 10-Q for the quarter ended September 30, 2022, formatted in inline XBRL: (i) Condensed Consolidated Balance Sheets at September 30, 2022 and March 31, 2022, (ii) Condensed Consolidated Statements of Operations for the Three and Six Months Ended September 30, 2022 and 2021, (iii) Condensed Consolidated Statements of Comprehensive Income (Loss) for the Three and Six Months Ended September 30, 2022 and 2021, (iv) Condensed Consolidated Statements of Equity for the Three and Six Months Ended September 30, 2022, (v) Condensed Consolidated Statements of Equity for the Three and Six Months Ended September 30, 2021, (vi) Condensed Consolidated Statements of Cash Flows for the Six Months Ended September 30, 2022 and 2021, and (vii) the Notes to Condensed Consolidated Financial Statements, tagged in detail.
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

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.

LIVERAMP HOLDINGS, INC.

Dated: November 8, 2022 By: /s/ Warren C. Jenson

(Signature)
Warren C. Jenson
President, Chief Financial Officer and Executive Managing Director of International
(principal financial and accounting officer)

LIVERAMP HOLDINGS, INC.

AMENDED AND RESTATED

2010 EXECUTIVE OFFICER SEVERANCE POLICY

SECTION 1

PURPOSE

The purpose of the Policy is to provide Severance Benefits for the Executive Officers of the Company.

SECTION 2

DEFINITIONS

As used herein, the following words and phrases shall have the following meanings:

2.1 “Actual Cash Bonus” shall mean a cash bonus payment based on the extent to which the performance goals relating to such bonus are ultimately achieved, pro-rated based on the portion of the Fiscal Year the Participant worked for the Company.

2.2 “Affiliate” shall mean, with respect to any person or entity, any entity directly or indirectly controlled by, controlling or under common control with such person or entity. Notwithstanding the foregoing, for purposes of determining whether an Executive Officer has had a Separation from Service, Section 1.409A-1(h)(3) of the Treasury Regulations shall determine whether an Affiliate is a “service recipient” under Code Section 409A.

2.3 (a) “Annual Compensation Amount” shall mean the sum of a Participant’s base salary in effect on the Termination Date (or in the case of a Change in Control Termination, if greater, immediately before any reduction in such base salary giving rise to Good Reason) plus the two-Fiscal-Year average of all bonuses, commissions, premium pay, cost of living allowances and stock options, stock grants or other incentives received by a Participant within the relevant time period applicable to such Participant prior to the Termination Date, or, if applicable, the effective date of a Change in Control, without reduction for any pre-tax contributions to benefit and retirement plans or deductions for state, federal and local taxes.

(b) “Annual Salary Amount” shall mean a Participant’s annual base salary in effect on the Termination Date (or in the case of a Change in Control Termination, if greater, immediately before any reduction in such base salary giving rise to Good Reason), without reduction for any pre-tax contributions to benefit and retirement plans or deductions for local, state or federal taxes. Base salary does not include bonuses, commissions, premium pay, cost of living allowances or income from stock options, stock grants or other incentives.

2.4 “Average Annual Cash Bonus” shall mean the average annual cash bonus for the two Fiscal Years preceding the Termination Date. In the event a Participant has not been employed or otherwise eligible for a full Fiscal Year cash bonus payment in either or both of the two preceding Fiscal Years, 100% of the Participant’s cash bonus opportunity shall be substituted for the applicable year(s) in determining the Average Annual Cash Bonus.

2.5 “Board” shall mean the Board of Directors of the Company.

2.6 “Cash Severance Benefit” shall mean any severance benefit paid in cash due to a Qualifying Separation from Service in accordance with the terms of the Policy.

2.7 “Cause” for termination by the Company of the Participant’s employment shall mean: (i) the willful failure by the Participant to substantially perform his or her duties or follow the reasonable and lawful instructions of his or her supervisor; provided, that the Participant will be allowed to cure such failure within thirty (30) days of delivery to the Participant by the Company of written demand for performance, which such written demand will specifically identify the manner in which the Company believes the Participant has not substantially performed his or her duties; (ii) the engaging by the Participant in willful misconduct, or the Participant’s gross negligence, that is materially injurious to the Company, monetarily or otherwise; (iii) the conviction of, or pleading guilty or nolo contendere to, any felony or a fraud; or (iv) the Participant’s material breach of the provisions of this Policy or of any material employment policy of the Company, which, if curable, is not cured within thirty (30) days of delivery to the Participant by the Company of written notice thereof.

2.8 “Change in Control” shall mean the occurrence during the term of the Policy of any one of the following events:

(i) An acquisition of any securities of the Company entitled to vote generally in the election of directors (the “Voting Securities”) by any “person” (as the term person is used for purposes of Sections 13(d) or 14(d) of the Securities Exchange Act of 1934, as amended (the “1934 Act”)) immediately after which such person has “Beneficial Ownership” (within the meaning of Rule 13d-3 promulgated under the 1934 Act) of thirty percent (30%) or more of the combined voting power of the then outstanding Voting Securities; provided, however, that in determining whether a Change in Control has occurred, Voting Securities that are acquired in a “Non-Control Acquisition” will not constitute an acquisition that would cause a Change in Control. A “Non-Control Acquisition” will mean (i) an acquisition by an employee benefit plan (or a trust forming a part thereof) maintained by (A) the Company or (B) any corporation or other person of which a majority of its voting power or its equity securities or equity interest is owned directly or indirectly by the Company (a “Subsidiary”), (ii) any acquisition by or directly from the Company or any Subsidiary, or (iii) an acquisition pursuant to a Non-Qualifying Transaction (as defined in Section 2.8(iii) below);

(ii) The individuals who, on the Effective Date, constitute the Board of Directors of the Company (the “Incumbent Directors”) cease for any reason to constitute at least a majority of such board, provided that, any person becoming a director after the Effective Date and whose election or nomination for election was approved by a vote of at least a majority of the Incumbent Directors then on the Board of Directors will be an Incumbent Director; provided however, that no individual initially elected or nominated as a director of the Company as a result of an actual or threatened election contest with respect to the election or removal of directors (“Election Contest”) or other actual or threatened solicitation of proxies or consents by or on behalf of any “person” (such term for purposes of this definition being as defined in Section 3(a)(9) of the 1934 Act and as used in Section 13(d)(3) and 14(d)(2) of the 1934 Act) other than the Board of Directors (“Proxy Contest”), including by reason of any agreement intended to avoid or settle any Election Contest or Proxy Contest, will be deemed an Incumbent Director; or

(iii) Consummation of a reorganization, merger, consolidation, statutory share exchange or similar form of corporate transaction involving the Company (a “Reorganization”), or the sale or other disposition of all or substantially all of the Company’s assets (a “Sale”) or the acquisition of assets or stock of another corporation (an “Acquisition”), unless immediately following such Reorganization, Sale or Acquisition:

(A) The stockholders of the Company immediately before such Reorganization, Sale or Acquisition, beneficially own, directly or indirectly, immediately following such Reorganization, Sale or Acquisition, more than fifty percent (50%) of the combined voting power of the outstanding Voting Securities of the Company resulting from such Reorganization, Sale or Acquisition (including, without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company’s assets or stock either directly or through one or more subsidiaries, the “Surviving Corporation”) in substantially the same proportion as their ownership of the Voting Securities immediately before such Reorganization, Sale or Acquisition;

(B) The individuals who were members of the Incumbent Board immediately before the execution of the agreement providing for such Reorganization, Sale or Acquisition constitute at least a majority of the members of the board of directors of the Surviving Corporation; and

(C) No person (other than the Company, any Subsidiary, any employee benefit plan (or any trust forming a part thereof) maintained by the Company, the Surviving Corporation or any Subsidiary, or any person who, immediately before such Reorganization, Sale or Acquisition, had Beneficial Ownership of thirty percent (30%) or more of the then outstanding Voting Securities), has Beneficial Ownership of thirty percent (30%) or more of the combined voting power of the Surviving Corporation's then outstanding Voting Securities;

Any Reorganization, Sale or Acquisition which satisfies all of the criteria specified in subparts (A), (B) and (C) of this Section 2.8(iii) above will be deemed to be a "Non-Qualifying Transaction." Notwithstanding the foregoing, a "Change in Control" will not be deemed to occur solely because any Person (the "Subject Person") acquired Beneficial Ownership of more than the permitted amount of the outstanding Voting Securities of the Company as a result of the acquisition of Voting Securities by the Company which, by reducing the number of Voting Securities outstanding, increased the proportional number of shares Beneficially Owned by the Subject Person.

(iv) Approval by the stockholders of the Company of a complete liquidation or dissolution of the Company.

Notwithstanding the foregoing, to the extent that (i) any payment under this Policy is payable solely upon or following the occurrence of a Change in Control and (ii) such payment is treated as "deferred compensation" for purposes of Code Section 409A, a Change in Control shall mean a "change in the ownership of the Company," a "change in the effective control of the Company," or a "change in the ownership of a substantial portion of the assets of the Company" as such terms are defined in Section 1.409A-3(i)(5) of the Treasury Regulations.

2.9 "Change in Control Termination" shall mean a Participant's Separation from Service (i) initiated by the Company other than for Cause within the two years following a Change in Control or (ii) initiated by the Participant for Good Reason within two years following a Change in Control.

2.10 "Code" shall mean the Internal Revenue Code of 1986, as amended.

2.11 "Company" shall mean LiveRamp Holdings, Inc. and its successors and, when used in relation to the Participant's employment, includes all wholly owned subsidiaries of LiveRamp Holdings, Inc. For purposes of this Policy, the terms "employ," "employee" and "employment" shall be construed to refer to the provision of services by the Participant to the Company, irrespective of whether the Participant is classified as an employee of the Company under the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder. Notwithstanding the foregoing, for purposes of determining whether an Executive Officer has had a Separation from Service, Section 1.409A-1(h)(3) of the Treasury Regulations shall determine whether a subsidiary is a "service recipient" under Code Section 409A.

2.12 "Effective Date" of the Policy is November 9, 2010 and as amended herein on May 20, 2014, December 19, 2017, October 19, 2018, and May 17, 2022.

2.13 "Equity Severance Benefit" shall mean any benefit resulting in the vesting of outstanding non-qualified stock options, restricted stock, restricted stock units or any other equity award (other than Performance Units) granted by the Company, due to a Qualifying Separation from Service in accordance with the terms of the Policy.

2.14 "ERISA" shall mean the Employee Retirement Income Security Act of 1974, as amended, and the regulations promulgated thereunder.

2.15 "Executive Officer" shall mean as of a particular day, the officers of the Company designated as executive officers for purposes of Section 16 of the Securities Exchange Act of 1934 most recently by the Board, other than any "executive officer" who has an employment agreement with the Company that is in effect on that day.

2.16 "Fiscal Year" shall mean the period of time from April 1 of one year to March 31 of the following year and which is the annual period used by the Company for financial reporting purposes.

2.17 “Good Reason” for a Participant’s Separation from Service shall mean the occurrence (without the Participant’s express written consent) of any one of the following acts by the Company, or failures by the Company to act, following the occurrence of a Change in Control:

(i) a reduction by the Company in the Participant’s title or position, or a material reduction by the Company in the Participant’s authority, duties or responsibilities, or the assignment by the Company to the Participant of any duties or responsibilities that are materially inconsistent with such title, position, authority, duties or responsibilities;

(ii) a reduction in Annual Compensation Amount; or

(iii) the Company’s requiring the Participant to relocate his or her office location more than fifty (50) miles from his or her office location at the time of the Change in Control. For avoidance of doubt, “Good Reason” will exclude the death or Long-Term Disability of the Participant.

Notwithstanding the foregoing, the occurrence of an event that would otherwise constitute Good Reason hereunder shall cease to be an event constituting Good Reason if (i) the Participant fails to provide the Company with notice of the occurrence of any of the foregoing within the ninety-day period immediately following the occurrence of such event, (ii) the Participant fails to provide the Company with a period of at least thirty days from the date of such notice to cure such event prior to providing a Notice of Termination for Good Reason, or (iii) the Termination Date specified in the Notice of Termination delivered to Company is not within thirty days following the day on which the thirty-day period set forth in the preceding clause (ii) expires; provided, that the thirty-day notice period required by clause (ii) shall end two days prior to the second anniversary of the Change in Control in the event that the second anniversary of the Change in Control would occur during such thirty-day period.

2.18 “Notice of Termination” shall mean a notice that indicates the specific provisions in this Policy relied upon as the basis for any Separation from Service and sets forth in reasonable detail the facts and circumstances claimed to provide a basis for a Participant’s Separation from Service under the provision so indicated. No purported Separation from Service with or without Cause or for Good Reason shall be effective without a Notice of Termination.

2.19 “Participants” shall mean Executive Officers of the Company who meet the eligibility requirements of Section 3 of the Policy.

2.20 “Performance Unit” shall mean any equity incentive awards granted by the Company to Executive Officers that are earned based upon achievement of performance measures during a performance period as defined by the accompanying grant documents.

2.21 “Performance Unit Benefit” shall mean any benefits payable for earned or unearned, unvested Performance Units in accordance with the terms of this Policy.

2.22 “Long-Term Disability” shall have the same meaning as set forth in the Board’s Compensation Committee’s Equity Plan Administration Guidelines in effect as of a particular day.

2.23 “Policy” shall mean the LiveRamp Holdings, Inc. 2010 Executive Severance Policy as set forth in this document.

2.24 “Policy Administrator” shall mean the Compensation Committee of the Board or other person or group designated by the Company to serve as Policy Administrator.

2.25 “Qualifying Separation from Service” shall mean a Participant’s Separation from Service that (i) is involuntary and initiated by the Company without Cause at any time other than during the period specified in the Change in Control Termination definition; or (ii) meets the definition of a Change in Control Termination. For the avoidance of doubt, a Separation from Service will not constitute a Qualifying Separation from Service and no Severance Benefits shall be payable to a Participant should the Participant’s Separation from Service be (a) initiated by the Company for Cause, (b) by reason of Long-Term Disability, (c) by reason of the Participant’s death, or (d) initiated by the Participant; provided, however, that in the case of a Change in Control Termination, a Separation from Service initiated by the Participant for Good Reason will be considered a Qualifying Separation from Service.

2.26 “Release of Claims” shall mean the agreement that a Participant must execute in order to receive Severance Benefits under the Policy, which shall be approved by the Policy Administrator and shall contain, among such other terms and conditions determined by the Policy Administrator, typical post separation terms and a mutual general release of: (i) all claims that the Participant may have against the Company and any of its Affiliates relating to the employment and termination of employment of the Participant, including, but not limited to, any claims for bonus payments pursuant to the Company’s bonus plan or otherwise, and (ii) all claims that the Company and any of its Affiliates may have against the Participant relating to the employment and termination of employment of the Participant, excluding any claim arising from Participant’s contractual obligations or restrictions (whether contained herein, in equity grant agreements, or elsewhere) that are intended to extend beyond the termination of employment (including, but not limited to, non-competition, non-solicitation, confidentiality and clawback provisions) and any matters relating to a violation of law or that could otherwise result in Company liability. The Release of Claims will also contain an agreement by the Participant to be bound by the terms of Section 4.5 hereof.

2.27 “Separation from Service” shall mean an Executive Officer’s cessation of services to the Company and/or its Affiliates. For purposes of this Policy, an Executive Officer is treated as continuing in employment with the Company while the Executive Officer is on military leave, sick leave, or other bona fide leave of absence if the period of such leave does not exceed six months, or if longer, so long as the Executive Officer retains a right to reemployment with the Company under an applicable statute or by contract. A leave of absence shall constitute a bona fide leave of absence only if there is (i) to the extent applicable, a right to reemployment under an applicable statute or by contract or (ii) a reasonable expectation an Executive Officer will return to perform services for the Company following such leave. For purposes of this Policy and the application of Section 409A, if the period of leave exceeds six months and an Executive Officer does not retain a right to reemployment under an applicable statute or by contract, the Executive Officer will be deemed to have a Separation from Service on the first date immediately following such six-month period. For purposes of this Policy, an Executive Officer shall be deemed to have experienced a Separation from Service on any date that it is reasonably anticipated that the Executive Officer would perform no further services or that the Executive Officer’s level of bona fide services performed for the Company will decrease to a level equal to twenty percent or less of the average level of services rendered by the Executive Officer during the thirty-six-month period ending on such date or the full period of services rendered by the Executive Officer for the Company if the Executive Officer has been providing services to the Company for less than thirty-six months as of such date. Whether a Separation from Service has occurred will be determined in accordance with Treasury Regulation 1.409A-1(h), or any successor thereto.

2.28 “Severance Benefits” shall mean one or more of the following as provided by the Policy following a Qualifying Separation from Service: (i) Cash Severance Benefit, (ii) Equity Severance Benefit or (iii) Performance Unit Benefit.

2.29 “Severance Delay Period” shall mean the period beginning on the Termination Date and ending on the thirtieth day thereafter. Notwithstanding the foregoing, in the event that the Participant's Separation from Service occurs in connection with an exit incentive program or other employment termination program offered to a group or class of employees, as defined under the Older Worker Benefit Protection Act, 29 U.S.C. Section 626, the Severance Delay Period shall mean the period beginning on the Termination Date and ending on the sixtieth day thereafter.

2.30 “Termination Date” shall mean the date of a Participant’s Separation from Service with the Company as determined in accordance with Section 5.

SECTION 3

ELIGIBILITY

3.1 Commencement of Participation. Each Executive Officer shall automatically be a Participant in the Policy as of the Effective Date. Each individual who is designated by the Board as an Executive Officer following the Effective Date shall automatically be a Participant in the Policy as of the date of such designation. As a condition to any

Executive Officer's participation in the Policy he or she must acknowledge termination of any other employment agreements or severance arrangements with the Company. Additionally, the Policy Administrator may require as a condition of participation or continued participation that any Participant execute documents agreeing to be bound by any clawback policy adopted by the Board from time to time.

3.2 Duration of Participation.

(a) A Participant shall cease to be a Participant if he or she ceases to be an Executive Officer. To avoid any doubt, the Board shall have full discretion to add or remove Executive Officers.

(b) A Participant entitled to Severance Benefits under the terms of this Policy shall remain a Participant in the Policy until the full amount of the Severance Benefits have been paid to him or her, subject to the Restrictions provided in Section 4.5.

3.3 Eligibility for Severance Benefits.

(a) Subject to Section 3.3(b), a Participant shall be entitled to receive Severance Benefits from the Company as specified in Section 4.

(b) No Severance Benefits will be provided to a Participant unless the Participant has properly executed and delivered to the Company a Release of Claims and that Release of Claims has become irrevocable as provided therein prior to the expiration of the Severance Delay Period. Such Release of Claims shall not be accepted by the Company unless it is executed on or after the Participant's Termination Date.

(c) Subject to Section 1.409A-1(h)(3) of the Treasury Regulations, for purposes of determining a Participant's and the Company's rights and obligations under the Policy, the transfer of employment of a Participant from the Company to one of its Affiliates, or from such an Affiliate to the Company, in each case whether before or after the Change in Control, shall not constitute a Separation from Service for purposes of the Policy.

(d) To the extent consistent with Code Section 409A, a participant is not entitled to any Severance Benefits if his or her employment is terminated by the Company in connection with a sale, divestiture, or other disposition of all or a portion of the stock or assets of the Company or any of its Affiliates that does not constitute a Change in Control (a "Transaction") if: (i) the Participant is offered a position with the counterparty to the Transaction (or an Affiliate of such counterparty); and (ii) the Policy Administrator determines that the base salary, bonuses, commissions, premium pay, cost of living allowances and stock options, stock grants and other incentives to be provided to the Participant in such position is comparable to the Participant's then current Annual Compensation Amount. For clarification purposes, this Section 3.3(d) is intended solely to limit, and not to expand, the benefits provided for elsewhere in this Policy.

3.4 Death of a Participant. If a Participant whose employment terminates in a Qualifying Separation from Service dies after his or her Termination Date but before the Participant receives the Severance Benefits to which he or she is entitled, the payment will be made to the Participant's surviving spouse or, if the Participant does not have a surviving spouse, to the Participant's estate; *provided, however,* that no Severance Benefit will be paid pursuant to this Section 3.4 unless the surviving spouse or the executor of the Participant's estate, or any or all of the foregoing, upon the request of the Policy Administrator, properly execute and deliver to the Company a Release of Claims on behalf of the Participant that has become irrevocable as provided therein prior to the expiration of the Severance Delay Period.

SECTION 4

BENEFITS

4.1 Qualifying Separation from Service Other Than a Change in Control Termination.

(a) In the event a Participant has a Qualifying Separation from Service other than a Change in Control Termination, and the Policy Administrator determines that he or she is entitled to a Cash Severance Benefit, such Participant will be eligible to receive a Cash Severance Benefit in an amount equal to such Participant's Annual Salary Amount, Average Annual Cash Bonus, and Actual Cash Bonus, plus, if the Participant timely elects coverage under the Consolidated Omnibus Budget Reconciliation Act of 1986, as amended ("COBRA"), monthly payments to cover COBRA continuation coverage for the Participant and his or her eligible dependents for eighteen (18) months following the Termination Date.

(b) Notwithstanding anything contained in any equity plan or grant documents, in the event Participant has a Qualifying Separation from Service other than a Change in Control Termination, and the Policy Administrator determines that he or she is entitled to a Performance Unit Benefit, such Participant will be eligible to receive: (i) the number of Performance Units, if any, that were earned during a completed performance period but remain unvested, multiplied by a fraction, the numerator of which is the full number of calendar months that elapsed between the beginning of the performance period and the Termination Date and the denominator of which is the number of months between the beginning of the performance period and when the award would fully vest and no longer be subject to forfeiture; (ii) the number of Performance Units, if any, for performance periods that are ongoing as of the Termination Date and for which at least one-year of the performance period has elapsed as of the Termination Date, multiplied by a fraction, the numerator of which is the full number of calendar months that elapsed between the beginning of the performance period and the Termination Date and the denominator of which is the number of months between the beginning of the performance period and when the award would fully vest and no longer be subject to forfeiture, with the settlement of such performance units to occur after the completion of the applicable performance period based upon the Company's actual performance as determined following the completion of the applicable performance periods in accordance with the terms of the Performance Unit grant documents.

4.2 Change in Control and Performance Unit Benefit. In the event of a Change in Control, whether or not accompanied by a Qualifying Separation from Service, if the Policy Administrator determines that a Participant is entitled to a Performance Unit Benefit, unless provided otherwise in the applicable grant documents underlying the Performance Units, the applicable performance period (as set forth in the applicable grant documents) will be truncated to end on the date of such Change in Control (such date, the "Change in Control End Date"), and a number of Performance Units will become eligible to vest (the "Eligible PSUs") based on the degree of achievement of performance objectives (as set forth in the applicable grant documents) as of the Change in Control Date. Eligible PSUs will be treated as unvested restricted stock units, and if assumed or substituted for by the acquiring or surviving entity (or an affiliate of such entity) in accordance with the terms of the definitive agreements relating to the Change in Control (the "Definitive Agreements"), will convert into restricted stock units (or other compensatory arrangements) of equal value to be settled in cash or shares (determined in accordance with the Definitive Agreements) by the acquiring or surviving entity (or an affiliate of such entity), as applicable (the "Assumed Eligible PSUs"). In the event the Participant remains employed with the acquiring or surviving entity (or an affiliate of such entity), as applicable, through the end of the applicable performance period (such date, the "Performance Period End Date"), the Assumed Eligible PSUs will become fully vested and will be settled within thirty (30) days of the Performance Period End Date. Subject to the vesting acceleration set forth in Section 4.3(b), in the event the Participant's employment terminates for any reason before the Performance Period End Date, the Participant's Assumed Eligible Performance Units will be immediately forfeited.

4.3 Change in Control Termination.

(a) In the event of a Change in Control Termination, if the Policy Administrator determines that a Participant is entitled to a Cash Severance Benefit, such Participant will be eligible to receive an amount of cash equal to Participant's Actual Cash Bonus, one and one half times such Participant's Annual Salary Amount, and one and one half times such Participant's Average Annual Cash Bonus, plus, if the Participant timely elects COBRA continuation coverage, monthly payments to cover such coverage for the Participant and his or her eligible dependents for eighteen (18) months following the Termination Date. Notwithstanding the forgoing, any reduction in the Annual Compensation Amount taken by the Company or any of its Affiliates that (i) forms a basis of a Participant's Separation from Service for Good Reason or (ii) is taken following the provision of a Notice of Termination and would constitute Good Reason shall be disregarded in calculating the payments and benefits to be provided pursuant to this Section 4.3.

(b) In the event of a Change in Control Termination, a Participant's unvested outstanding non-qualified stock options, restricted stock, restricted stock units and any other equity awards (including Assumed Eligible PSUs, but excluding any other Performance Units, if applicable) granted prior to the date of the Change in Control and outstanding as of the Termination Date ("Stock Awards") shall vest, notwithstanding anything to the contrary in any equity incentive plan or agreement, including without limitation, the Company's Amended and Restated 2005 Equity Compensation Plan, or the related award agreements. Stock Awards shall include any awards covering the securities of a successor company and any rights to cash of an equivalent value (as of the Change in Control) substituted for equity awards of the Company.

4.4 Form and Time of Payment

(a) In the Event of a Qualifying Separation from Service other than a Change in Control Termination, the Cash Severance Benefit, other than the Actual Cash Bonus, shall be paid in twenty-four semi-monthly payments in accordance with the Company's normal payroll cycle, less any applicable state and federal taxes required to be withheld, with such payments commencing on the normal payroll cycle occurring immediately following the expiration of the Severance Delay Period. The Actual Cash Bonus shall be payable on the date when such bonus otherwise would be paid absent a termination of employment and following expiration of the Severance Delay Period. As a condition to receiving such payments, the Participant must execute the Release of Claims and let expire any period during which the Participant may revoke such Release of Claims pursuant to the terms of the Release of Claims prior to the expiration of the Severance Delay Period.

(b) In the Event of a Qualifying Separation from Service other than a Change in Control Termination, payment of any Performance Unit Benefit in accordance with Section 4.1(b)(i) shall be processed within thirty (30) days following the expiration of the Severance Delay Period, and any payment of any Performance Unit Benefit in accordance with Section 4.1(b)(ii) will be made as soon as administratively practicable after the end of the performance period stated in the applicable grant documents and at the time the Participant would have received payment had the Participant remained employed. As a condition to receiving such benefits, the Participant must execute the Release of Claims and let expire any period during which the Participant may revoke such Release of Claims pursuant to the terms of the Release of Claims prior to the expiration of the Severance Delay Period.

(c) In the event of a Change in Control only, payment of any Performance Unit Benefit in accordance with Section 4.2 shall be processed within thirty (30) days after the Change in Control.

(d) In the event of a Change in Control Termination only, any Cash Severance Benefit, other than the Actual Cash Bonus, shall be paid in a lump sum, less any applicable state and federal taxes required to be withheld, on the normal payroll cycle occurring immediately following the expiration of the Severance Delay Period. The Actual Cash Bonus shall be payable on the date when such bonus otherwise would be paid absent a termination of employment and following expiration of the Severance Delay Period. As a condition to receiving such payments, the Participant must execute the Release of Claims and let expire any period during which the Participant may revoke such Release of Claims pursuant to the terms of the Release of Claims prior to the expiration of the Severance Delay Period.

(e) In the event of a Change in Control Termination only, any Equity Severance Benefit shall be processed within thirty (30) days following the expiration of the Severance Delay Period. As a condition to receiving such Equity Severance Benefit, the Participant must execute the Release of Claims and let expire any period during which the Participant may revoke such Release of Claims pursuant to the terms of the Release of Claims prior to the expiration of the Severance Delay Period.

(f) It is intended that (i) each payment or installment of payments provided under this Policy is a separate "payment" for purposes of Code Section 409A and (ii) that the payments satisfy, to the greatest extent possible, the exemptions from the application of Code Section 409A including those exceptions provided under Treasury Regulations 1.409A-1(b)(4) (regarding short-term deferrals), 1.409A-1(b)(9)(iii) (regarding the two-times, two year exception), and 1.409A-1(b)(9)(v) (regarding reimbursements and other separation pay). Notwithstanding anything to the contrary in this Policy, if the Company determines (i) that on the date of an Executive Officer's Separation from Service or at such other time that the Company determines to be relevant, the Executive Officer is a "specified employee" (as such term is defined under Treasury Regulation 1.409A-1(i)(1)) of the Company and (ii) that any payments to be provided to the Executive Officer pursuant to this Policy are or may become subject to the additional tax under Code Section 409A(1)(B) or any other taxes or penalties under Code Section 409A ("Section 409A Taxes") if provided at the time otherwise required under this Policy, then such payments shall be delayed until the date that is six months after the date of the Executive Officer's Separation from Service with the Company, or if earlier, the Executive Officer's death. Any payments delayed pursuant to this Section 4.4(f) shall be made in a lump sum on the first day of the seventh month following the Executive Officer's Separation from Service or, if earlier, the Executive Officer's death and any remaining payments shall be made in accordance with the Policy.

4.5 Benefits Conditional

(a) Anything in this Policy to the contrary notwithstanding, all payments and benefits for each Participant eligible according to Sections 4.1, 4.2 and 4.3 are conditional upon such Participant's compliance with the Restrictions on Competitive Employment and Restrictions Against Solicitation and Inducement described below (collectively the "Restrictions"). Until such Restrictions are completely satisfied, the Participant shall be a constructive trustee of such payments and benefits and shall return them to the Company promptly if he/she violates any aspect of such Restrictions.

(b) During employment, and for a period of 12 months following a Qualifying Separation from Service, the Participant will not (as an individual, principal, agent, employee, consultant, director or otherwise), directly or indirectly in any territory in which the Company and/or any of its Affiliates does business and/or markets its products and services, engage in activities competitive with, nor render services to any firm or business engaged or about to become engaged in the Business of the Company (collectively, "Restrictions on Competitive Employment"). The Business of the Company includes, but is not limited to, information management products, marketing solutions and other services related to customer acquisition, growth and retention, including data collection, data integration technology and services, database services, information technology outsourcing, consulting and analytics services and consumer privacy products and services, or any other significant business in which the Company or any of its subsidiaries is engaged in, in each case where such products or services are competitive with products or services offered by the Company or any of its subsidiaries that constitute more than five percent (5%) of the Company's revenues in any of its eight (8) preceding fiscal quarters. In addition, the Participant will not have an equity interest in any such firm or business other than as a 1% or less shareholder of a public corporation.

(c) During employment and for a period of 12 months following a Qualifying Separation from Service, the Participant will not, directly or indirectly, on the Participant's own behalf or on behalf of any other person or entity, do any of the following (collectively, "Restrictions Against Solicitation and Inducement"): (i) solicit or contact any customer or targeted potential customer of the Company and/or its Affiliates upon whom he/she called or solicited or with whom he/she became acquainted after commencement of employment with the Company and/or its Affiliates; (ii) induce or attempt to induce, any employees, agents or consultants of the Company and/or its Affiliates to do anything from which he or she is restricted by reason of this Policy or any agreement between the Participant and the Company that restricts the Participant against solicitation or inducement; (iii) offer or aid others to offer employment to, otherwise solicit the services of, or solicit to terminate their employment or agency with the Company any employees, agents, or consultants of the Company and/or its Affiliates; or (iv) provide services to any customer, solicit any vendor or supplier of the Company for the purpose of either providing products or services to do a business competitive with the Company, or otherwise interfere with or disrupt or attempt to disrupt any contractual or potential contractual relationship between any customer, vendor or supplier and the Company and/or its Affiliates.

(d) The Restrictions applicable to Participants are effective for the time stated in this Policy and do not affect and are not affected by any other similar restrictions that may apply or may in the future apply to such Participant pursuant to any other plan, agreement or other arrangement. Any other similar obligations under other agreements, including the Employee Agreement and any Equity grant agreements, entered into between a Participant and Company shall remain in effect and the Participant shall remain bound by the terms of this Policy as well as such other agreements or obligations. Furthermore, the Release of Claims will contain the restrictions and covenants contained in this Section 4.5 (modified if necessary to comply with appropriate state law) and a provision that the restrictions and covenants contained in this Policy and the Release of Claims are reasonable and necessary to protect the legitimate interests of the Company and that the services rendered by the Participant were of a special, unique and extraordinary character. The Release of Claims will also contain a provision that the Company will be entitled to injunctive relief, which entails that (i) it would be difficult to replace the Participant's services; (ii) the Company would suffer irreparable harm that would not be adequately compensated by monetary damages; and (iii) the remedy at law for any breach of any of the restrictions and covenants contained in this Policy and the Release of Claims may be inadequate. The Participant will further agree and acknowledge in the Release of Claims that the Company will be entitled, in addition to any remedy at law or in equity, to obtain preliminary and permanent injunctive relief and specific performance for any actual or threatened violation of any of the restrictive covenants contained in this Policy and the Release of Claims. This provision with respect to injunctive relief will not, however, diminish the right to claim and recover damages, or to seek and obtain any other relief available to it at law or in equity, in addition to injunctive relief.

(e) Notwithstanding anything contained herein, any amounts paid or payable to a Participant pursuant to this Policy or otherwise by the Company, including any equity compensation granted to the Participant, may be subject to forfeiture or repayment to the Company pursuant to any clawback policy as adopted by the Board from time to time and applicable to Executive Officers of the Company to the extent permitted by Code Section 409A, and Participant will be bound by any such policy while an Executive Officer and will agree to continue to be bound in the Release of Claims.

4.6 Exclusive Payments; No Mitigation. Severance Benefits under this Policy are not intended to duplicate benefits such as (i) workers' compensation wage replacement benefits, disability benefits, and pay-in-lieu-of-notice, (ii) severance pay, or similar benefits under other benefit plans, severance programs or agreements, or employment contracts, or (iii) applicable laws, such as the WARN Act. Should such other benefits be payable, a Participant's benefits under this Policy will be reduced accordingly or, alternatively, benefits previously paid under this Policy will be treated as having been paid to satisfy such other benefit obligations in either case to the extent permitted by Code Section 409A. In either case, the Policy Administrator will determine how to apply this provision and may override other provisions in this Policy in doing so.

SECTION 5

TERMINATION OF EMPLOYMENT

5.1 Written Notice Required. Any purported Separation from Service for Cause, without Cause or for Good Reason, whether by the Company or by the Participant, shall be communicated by written Notice of Termination to the other.

5.2 Termination Date. In the case of the Participant's death, the Participant's Termination Date shall be his or her date of death. In the case of Long-Term Disability, the Termination Date shall be the date established by Company according to standard policy and procedure. In all other cases, the Participant's Termination Date shall be the date specified in the Notice of Termination; provided however, that upon a Participant's Separation from Service for Good Reason, the date specified in the Notice of Termination must comply with the provisions of Section 2.17.

SECTION 6

EFFECT OF SECTIONS 280G AND 4999 OF THE CODE

Notwithstanding anything contained in this Policy to the contrary, if any payment or benefit a Participant would receive from the Company pursuant to the Policy or otherwise ("Payment") would (i) constitute a "parachute payment" within the meaning of Section 280G of the Code, and (ii) but for this sentence, be subject to the excise tax imposed by Section 4999 of the Code (the "Excise Tax"), then the Payment will be equal to the Reduced Amount (defined below). The "Reduced Amount" will be either (1) the largest portion of the Payment that would result in no portion of the Payment (after reduction) being subject to the Excise Tax or (2) the entire Payment, whichever amount after taking into account all applicable federal, state and local employment taxes, income taxes, and the Excise Tax (all computed at the highest applicable marginal rate, net of the maximum reduction in federal income taxes which could be obtained from a deduction of such state and local taxes), results in the Participant's receipt, on an after-tax basis, of the greatest amount of the Payment. If a reduction in the Payment is to be made so that the Payment equals the Reduced Amount, the Payment will be paid only to the extent permitted under the Reduced Amount alternative, and the Participant will have no rights to additional payments and/or benefits constituting the Payment. In no event will the Company or any stockholder be liable to a Participant for any amounts not paid as a result of the operation of this Section 6. No portion of any Payment shall be taken into account which in the opinion of tax counsel does not constitute a "parachute payment" within the meaning of Code Section 280G(b)(2), including by reason of Code Section 280G(b)(4)(A).

To the extent permitted by Code Section 409A, unless Participant shall have given prior written notice specifying a different order to the Company to effectuate the Reduced Amount, the Company shall reduce or eliminate the Payments by (i) first reducing or eliminating those payments or benefits which are payable in cash and (ii) then reducing or eliminating non-cash payments, in each case in reverse order beginning with payments or benefits which are to be paid the furthest in time from the Change in Control. Any notice given by Participant pursuant to the preceding sentence shall take precedence over the provisions of any other plan, arrangement or agreement governing Participant's rights and entitlements to any benefits or compensation.

SECTION 7

SUCCESSORS TO COMPANY

This Policy shall bind any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business and/or assets of the Company, in the same manner and to the same extent that the Company would be obligated under this Policy if no succession had taken place. In the case of any transaction in which a successor would not by the foregoing provision or by operation of law be bound by this Policy, the Company shall require such successor expressly and unconditionally to assume and agree to perform the obligations of the Company under this Policy, in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place. The Participants shall be deemed to be third-party beneficiaries of the provisions of this Section 7.

SECTION 8

DURATION, AMENDMENT AND PLAN TERMINATION

8.1 Duration. This Policy shall continue in effect until terminated in accordance with Section 8.2. If a Change in Control occurs, this Policy shall continue in full force and effect and shall not terminate or expire until after all Participants who have become or may become entitled as a result of the Change in Control to Equity Severance Benefits, Performance Unit Benefits and/or Cash Severance Benefits hereunder shall have received such payments in full.

8.2 Amendment and Termination. Prior to a Change in Control, the Policy may be amended or modified in any respect, and may be terminated, in any such case by the Compensation Committee or the Board; provided, however, that no such amendment, modification or termination that would adversely affect the benefits or protections hereunder of any individual who is a Participant as of the date such amendment, modification or termination is adopted shall be effective (i) as to a Participant for whom a Qualifying Separation from Service of the Participant has already occurred; (ii) if a Change in Control occurs within one year after such adoption; or (iii) from or after the occurrence of a Change in Control and for twenty-seven (27) months thereafter. Any attempted amendment, modification or termination within one year prior to a Change in Control that would adversely affect the benefits or protections hereunder will be null and void ab initio as it relates to all such individuals who were Participants prior to such adoption (it being understood, however, that the hiring, termination of employment, promotion or demotion of any employee of the Company or any of its Affiliates prior to a Change in Control shall not be construed to be an amendment, modification or termination of the Policy). Any amendment, modification or termination that accelerates the payment of any benefit hereunder shall be deemed to not adversely affect the benefits or protections hereunder of any individual.

8.3 Form of Amendment. The form of any amendment or termination of the Policy in accordance with Section 8.2 hereof shall be a written instrument approved by the Compensation Committee or the Board certifying that the amendment or termination has been approved by the Compensation Committee or the Board, respectively.

SECTION 9

MISCELLANEOUS

9.1 Administration.

(a) The Policy will be interpreted by the Policy Administrator in accordance with the terms of the Policy and their intended meanings. The Policy Administrator shall have the discretion, in his or her sole judgment, to (i) make any findings of fact needed in the administration of the Policy, (ii) interpret or construe ambiguous, unclear or implied (but omitted) terms, (iii) establish rules and regulations for administering the Policy and (iv) take such other action as he or she deems necessary or appropriate. The validity of any such action or determination by the Policy Administrator will not be given *de novo* review if challenged in court, by arbitration or any other forum and will be upheld unless clearly arbitrary or capricious. All actions and all determinations made in good faith by the Policy Administrator shall be final, binding and conclusive upon all persons claiming any interest in or under the Policy. Benefits under the Policy will be paid only if the Policy Administrator decides in his or her discretion that a claimant is entitled to them.

(b) The Policy Administrator shall establish a claims procedure in accordance with ERISA and shall set forth such claims procedure in the summary plan description of the Policy.

9.2 Employment Status. This Policy does not constitute a contract of employment or impose on the Company any obligation to: (a) retain any Participant as an employee or maintain any compensation level (except as otherwise provided herein), (b) not change the status of any Participant's employment, (c) not change any employment policies of the Company, or (d) not change or continue the status of any Participant's employment as an Executive Officer.

9.3 Withholding of Taxes. The Company shall withhold from any amounts payable under this Policy all federal, state, local or other taxes that are legally required to be withheld.

9.4 No Effect on Other Benefits. Equity Severance Benefits, Performance Unit Benefits and Cash Severance Benefits shall not be counted as compensation for purposes of determining benefits under other benefit plans, programs, policies and agreements, except as required by law or to the extent expressly provided therein or herein.

9.5 Validity and Severability. The invalidity or unenforceability of any provision of the Policy shall not affect the validity or enforceability of any other provision of the Policy, which shall remain in full force and effect, and any prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

9.6 Settlement of Claims. The Company's obligation to make the payments provided for in this Policy and otherwise to perform its obligations hereunder shall not be affected by any circumstances, including, without limitation, any set-off, counterclaim, defense, recoupment, or other right which the Company may have against a Participant or others except as may be specifically permitted by Code Section 409A.

9.7 Unfunded Obligation. All Equity Severance Benefits, Performance Unit Benefits and Cash Severance Benefits provided under this Policy shall constitute an unfunded obligation of the Company. Cash payments shall be made, as due, from the general funds of the Company. This Policy shall constitute solely an unsecured promise by the Company to provide such benefits to Participants to the extent provided herein. This Policy does not provide the substantive benefits under such other employee benefit plans, and nothing in this Policy shall restrict the Company's ability to amend, modify or terminate such other employee benefit plans (whether before or after a Change in Control (but subject to Section 2.17 following a Change in Control).

9.8 Governing Law. It is intended that the Policy be an "employee welfare benefit plan" within the meaning of Section 3(1) of ERISA, and the Policy shall be administered in a manner consistent with such intent. The Policy and all rights thereunder shall be governed and construed in accordance with ERISA and, to the extent not preempted by federal law, with the laws of the state of California, wherein venue shall lie for any dispute arising hereunder. In addition, this Policy shall only cover certain employees of the Company who are members of a "select group" of management or highly compensated employees within the meaning of Section 201(2), 301(a)(3), and 401(a)(1) of ERISA. The Company shall have the authority to take any and all actions necessary or desirable in order for the Policy to satisfy the requirements set forth in ERISA and the regulations thereunder applicable to plans maintained for employees who are members of a select group of management or highly compensated employees. This Policy shall also be subject to all applicable non-U.S. laws as to Participants employed by subsidiaries of the Company located outside of the United States. Without limiting the generality of this Section 9.8, it is intended that the Policy comply and be interpreted in accordance with Section 409A of the Code, and the Board shall, as necessary, adopt such conforming amendments as are necessary to comply with Section 409A of the Code without reducing the Equity Severance Benefits, Performance Unit Benefits or Cash Severance Benefits due to Participants hereunder. Notwithstanding any other provision of this Policy, to the extent applicable, any amendment, modification or termination of the Policy, and the acceleration of any payments hereunder in connection thereto, shall be made in accordance with Code Section 409A and the Treasury Regulations promulgated thereunder, including Treasury Regulation 1.409A-3(j)(4)(ix).

9.9 Assignment. This Policy shall inure to the benefit of and shall be enforceable by a Participant's personal or legal representatives, executors, administrators, successors, heirs, distributees, devisees and legatees. A Participant's rights under this Policy shall not otherwise be transferable or subject to lien or attachment.

9.10 Enforcement. This Policy is intended to constitute an enforceable contract between the Company and each Participant subject to the terms hereof.

EXHIBIT 31.1

LIVERAMP HOLDINGS, INC. AND SUBSIDIARIES

CERTIFICATION

I, Scott E. Howe, certify that:

1. I have reviewed this quarterly report on Form 10-Q of LiveRamp 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.

Dated: November 8, 2022

By: /s/ Scott E. Howe
(Signature)
Scott E. Howe
Chief Executive Officer

EXHIBIT 31.2

LIVERAMP HOLDINGS, INC. AND SUBSIDIARIES

CERTIFICATION

I, Warren C. Jenson, certify that:

1. I have reviewed this quarterly report on Form 10-Q of LiveRamp 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.

Dated: November 8, 2022

By: /s/ Warren C. Jenson
(Signature)
Warren C. Jenson
President, Chief Financial Officer and Executive Managing Director of International

EXHIBIT 32.1

CERTIFICATION PURSUANT TO

18 U.S.C. SECTION 1350,

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the accompanying Quarterly Report on Form 10-Q of LiveRamp Holdings, Inc. (the “Company”) for the period ending September 30, 2022 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Scott E. Howe, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, to my knowledge, that:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

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

/s/ Scott E. Howe

Scott E. Howe
Chief Executive Officer
November 8, 2022

EXHIBIT 32.2

CERTIFICATION PURSUANT TO

18 U.S.C. SECTION 1350,

AS ADOPTED PURSUANT TO

SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the accompanying Quarterly Report on Form 10-Q of LiveRamp Holdings, Inc. (the “Company”) for the period ending September 30, 2022 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Warren C. Jenson, President, Chief Financial Officer & Executive Managing Director of International of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, to my knowledge, that:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

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

/s/ Warren C. Jenson

Warren C. Jenson
President, Chief Financial Officer and Executive Managing Director of International
November 8, 2022