UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended June 30, 2023

OR

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

FOR THE TRANSITION PERIOD FROM TO
Commission File Number: 001-33584

DHI Group, Inc.

(Exact name of Registrant as specified in its Charter)

Delaware	**20-3179218**
(State or other jurisdiction of incorporation or organization)	**(I.R.S. Employer Identification No.)**
6465 South Greenwood Plaza, Suite 400	**80111**
Centennial, Colorado	**(Zip Code)**
(Address of principal executive offices)	

(212) 448-6605
(Registrant's telephone number, including area code)
Securities registered pursuant to Section 12(b) of the Act:

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.01 per share	**DHX**	**New York Stock Exchange**

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

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

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

Large accelerated filer ☐ **Accelerated filer** ☑ **Non-accelerated filer** ☐ **Smaller Reporting Company** ☑ **Emerging Growth Company** ☐

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

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

As of July 28, 2023, there were 47,341,386 shares of the registrant's common stock, par value $.01 per share, outstanding.

DHI GROUP, INC.
TABLE OF CONTENTS

		Page
PART I.	**FINANCIAL INFORMATION**	
Item 1.	Unaudited Financial Statements	2
	Condensed Consolidated Balance Sheets as of June 30, 2023 and December 31, 2022	
	Condensed Consolidated Statements of Operations for the three and six month periods ended June 30, 2023 and 2022	
	Condensed Consolidated Statements of Comprehensive Income for the three and six month periods ended June 30, 2023 and 2022	
	Condensed Consolidated Statements of Stockholders' Equity for the three and six month periods ended June 30, 2023 and 2022	
	Condensed Consolidated Statements of Cash Flows for the six-month periods ended June 30, 2023 and 2022	
	Notes to Condensed Consolidated Financial Statements	
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations	19
Item 3.	Quantitative and Qualitative Disclosures About Market Risk	34
Item 4.	Controls and Procedures	34
PART II.	**OTHER INFORMATION**	
Item 1.	Legal Proceedings	36
Item 1A.	Risk Factors	36
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	36
Item 5.	Other Information	38
Item 6.	Exhibits	39

SIGNATURES
Certification of Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
Certification of Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
Certification of Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
Certification of Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

PART I
ITEM 1. Financial Statements

DHI GROUP, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(unaudited)
(in thousands, except per share data)

	June 30, 2023	December 31, 2022
ASSETS		
Current assets		
Cash	$ 2,724	$ 3,006
Accounts receivable, net of allowance for doubtful accounts of $1,434 and $1,374	18,990	20,494
Income taxes receivable	1,197	—
Prepaid and other current assets	3,597	4,294
Total current assets	**26,508**	**27,794**
Fixed assets, net	22,133	21,252
Capitalized contract costs	7,352	9,677
Operating lease right-of-use assets	5,592	6,581
Investments	6,077	5,646
Acquired intangible assets	23,800	23,800
Goodwill	128,100	128,100
Other assets	4,150	3,854
Total assets	**$ 223,712**	**$ 226,704**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities		
Accounts payable and accrued expenses	$ 14,257	$ 23,818
Deferred revenue	52,768	50,121
Income taxes payable	—	34
Operating lease liabilities	—	105
Total current liabilities	**67,025**	**74,078**
Deferred revenue	666	743
Operating lease liabilities	7,503	8,428
Long-term debt	43,000	30,000
Deferred income taxes	3,440	5,515
Accrual for unrecognized tax benefits	1,072	769
Other long-term liabilities	530	932
Total liabilities	**123,236**	**120,465**
Commitments and Contingencies (Note 11)		
Stockholders' equity		
Convertible preferred stock, $.01 par value, authorized 20,000 shares; no shares issued and outstanding	—	—
Common stock, $.01 par value, authorized 240,000; issued: 78,761 and 76,442 shares, respectively; outstanding: 47,100 and 47,367 shares, respectively	789	766
Additional paid-in capital	257,311	251,632
Accumulated other comprehensive loss	(325)	(481)
Accumulated earnings	29,070	28,405
Treasury stock, 31,661 and 29,075 shares, respectively	(186,369)	(174,083)
Total stockholders' equity	**100,476**	**106,239**
Total liabilities and stockholders' equity	**$ 223,712**	**$ 226,704**

See accompanying notes to the condensed consolidated financial statements.

DHI GROUP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(unaudited)
(in thousands, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	**2022**	**2023**	**2022**
Revenue	$ 38,538	$ 37,057	$ 77,158	$ 71,391
Operating expenses:				
Cost of revenue	4,956	4,181	9,868	8,280
Product development	4,158	4,360	8,852	8,302
Sales and marketing	14,723	14,274	30,783	28,215
General and administrative	8,453	9,109	16,661	16,875
Depreciation	4,162	4,228	8,335	8,186
Restructuring	2,115	—	2,115	—
Total operating expenses	38,567	36,152	76,614	69,858
Operating income (loss)	(29)	905	544	1,533
Income from equity method investment	104	361	275	516
Gain on investment	—	320	—	320
Interest expense and other	(879)	(298)	(1,677)	(543)
Income (loss) before income taxes	(804)	1,288	(858)	1,826
Income tax benefit	(677)	(162)	(1,191)	(925)
Net income (loss)	$ (127)	$ 1,450	$ 333	$ 2,751
Basic earnings (loss) per share	$ —	$ 0.03	$ 0.01	$ 0.06
Diluted earnings (loss) per share	$ —	$ 0.03	$ 0.01	$ 0.06
Weighted-average basic shares outstanding	43,460	44,682	43,672	44,692
Weighted-average diluted shares outstanding	43,460	46,961	44,682	46,977

See accompanying notes to the condensed consolidated financial statements.

DHI GROUP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(unaudited)
(in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	**2022**	**2023**	**2022**
Net income (loss)	$ (127)	$ 1,450	$ 333	$ 2,751
Other comprehensive income (loss):				
Foreign currency translation adjustment	6	(58)	156	(50)
Total other comprehensive income (loss)	6	(58)	156	(50)
Comprehensive income (loss)	$ (121)	$ 1,392	$ 489	$ 2,701

See accompanying notes to the condensed consolidated financial statements.

DHI GROUP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(unaudited)
(in thousands)

	Convertible Preferred Stock		Common Stock		Additional Paid-in Capital	Treasury Stock		Accumulated Earnings	Accumulated Other Comprehensive Income (Loss)	Total
	Shares Issued	Amount	Shares Issued	Amount		Shares	Amount			
Balance at December 31, 2022	—	$ —	76,442	$ 766	$ 251,632	29,075	$ (174,083)	$ 28,405	$ (481)	$ 106,239
Net income								460		460
Other comprehensive income - translation adjustments									150	150
Stock-based compensation					2,887					2,887
Restricted stock issued			1,107	11	(11)					—
Performance-Based Restricted Stock Units eligible to vest			1,288	13	(13)					—
Restricted stock forfeited or withheld to satisfy tax obligations			(4)	—	—	386	(2,278)			(2,278)
Performance-Based Restricted Stock Units forfeited or withheld to satisfy tax obligations			—	—	—	512	(3,017)			(3,017)
Purchase of treasury stock under stock repurchase plan						743	(3,521)			(3,521)
Cumulative-effect of new accounting principle (See Note 2)								332		332
Balance at March 31, 2023	—	$ —	78,833	$ 790	$ 254,495	30,716	$ (182,899)	$ 29,197	$ (331)	$ 101,252
Net loss								(127)		(127)
Other comprehensive income - translation adjustments									6	6
Stock-based compensation					2,667					2,667
Restricted stock issued			176	2	(2)					—
Restricted stock forfeited or withheld to satisfy tax obligations			(183)	(2)	2	26	(95)			(95)
Performance-Based Restricted Stock Units forfeited or withheld to satisfy tax obligations			(110)	(1)	1	—	—			—
Purchase of treasury stock under stock repurchase plan						919	(3,375)			(3,375)
Issuance of common stock upon ESPP purchase			45	—	148					148
Balance at June 30, 2023	—	$ —	78,761	$ 789	$ 257,311	31,661	$ (186,369)	$ 29,070	$ (325)	$ 100,476

	Convertible Preferred Stock		Common Stock		Additional Paid-in Capital	Treasury Stock		Accumulated Earnings	Accumulated Other Comprehensive Income (Loss)	Total
	Shares Issued	Amount	Shares Issued	Amount		Shares	Amount			
Balance at December 31, 2021	**—**	**$ —**	**73,584**	**$ 738**	**$ 241,854**	**24,828**	**$ (150,398)**	**$ 24,229**	**$ (61)**	**$ 116,362**
Net income								1,301		1,301
Other comprehensive income - translation adjustments									8	8
Stock-based compensation					2,235					2,235
Restricted stock issued			932	9	(9)					—
Performance-Based Restricted Stock Units eligible to vest			1,773	17	(17)					—
Restricted stock forfeited or withheld to satisfy tax obligations			(82)	(1)	1	417	(2,309)			(2,309)
Performance-Based Restricted Stock Units forfeited or withheld to satisfy tax obligations			(93)	(1)	1	356	(1,893)			(1,893)
Purchase of treasury stock under stock repurchase plan						1,302	(7,499)			(7,499)
Balance at March 31, 2022	**—**	**$ —**	**76,114**	**$ 762**	**$ 244,065**	**26,903**	**$ (162,099)**	**$ 25,530**	**$ (53)**	**$ 108,205**
Net income								1,450		1,450
Other comprehensive loss - translation adjustments									(58)	(58)
Stock-based compensation					2,456					2,456
Restricted stock forfeited or withheld to satisfy tax obligations			(26)	(1)	—	59	(348)			(349)
Performance-Based Restricted Stock Units forfeited or withheld to satisfy tax obligations			—	—	—	5	(22)			(22)
Purchase of treasury stock under stock repurchase plan						625	(3,701)			(3,701)
Issuance of common stock upon ESPP purchase			29	—	124					124
Balance at June 30, 2022	**—**	**$ —**	**76,117**	**$ 761**	**$ 246,645**	**27,592**	**$ (166,170)**	**$ 26,980**	**$ (111)**	**$ 108,105**

See accompanying notes to the condensed consolidated financial statements.

DHI GROUP, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(unaudited)
(in thousands)

	Six Months Ended June 30,	
	2023	**2022**
Cash flows from (used in) operating activities:		
Net income	$ 333	$ 2,751
Adjustments to reconcile net income to net cash flows from (used in) operating activities:		
Depreciation	8,335	8,186
Deferred income taxes	(2,075)	(3,092)
Amortization of deferred financing costs	72	73
Stock-based compensation	5,554	4,691
Income from equity method investment	(275)	(516)
Gain on investment	—	(320)
Change in accrual for unrecognized tax benefits	303	194
Changes in operating assets and liabilities:		
Accounts receivable	1,837	43
Prepaid expenses and other assets	329	(2,189)
Capitalized contract costs	2,325	(147)
Accounts payable and accrued expenses	(9,557)	1,113
Income taxes receivable/payable	(1,231)	976
Deferred revenue	2,570	7,998
Other, net	(443)	(313)
Net cash flows from operating activities	8,077	19,448
Cash flows from (used in) investing activities:		
Cash received from sale of investment	—	320
Purchases of fixed assets	(9,221)	(8,530)
Net cash flows used in investing activities	(9,221)	(8,210)
Cash flows from (used in) financing activities:		
Payments on long-term debt	(12,000)	(8,000)
Proceeds from long-term debt	25,000	15,000
Financing costs paid	—	(515)
Payments under stock repurchase plan	(6,896)	(11,200)
Purchase of treasury stock related to vested restricted and performance stock units	(5,390)	(4,572)
Proceeds from issuance of common stock through ESPP	148	124
Net cash flows from (used in) financing activities	862	(9,163)
Net change in cash for the period	(282)	2,075
Cash, beginning of period	3,006	1,540
Cash, end of period	$ 2,724	$ 3,615

'ee accompanying notes to the condensed consolidated financial statements.

DHI GROUP, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. BASIS OF PRESENTATION

The accompanying unaudited condensed consolidated financial statements of DHI Group, Inc. (“DHI” or the “Company” or "we," "our" or "us") have been prepared by the Company pursuant to the rules and regulations of the Securities and Exchange Commission (the "SEC"). Certain information and disclosures normally included in annual audited consolidated financial statements prepared in accordance with generally accepted accounting principles in the United States of America (“U.S. GAAP”) have been omitted and condensed pursuant to such rules and regulations. In the opinion of the Company’s management, all adjustments (consisting of only normal and recurring accruals) have been made to present fairly the financial position, results of operations and cash flows of the Company for the periods presented. Although the Company believes that the disclosures are adequate to make the information presented not misleading, these financial statements should be read in conjunction with the Company’s audited consolidated financial statements as of and for the year ended December 31, 2022 included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2022 (the “Annual Report on Form 10-K”). Operating results for the three and six-month periods ended June 30, 2023 are not necessarily indicative of the results to be achieved for the full year.

Preparation of the condensed consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenue and expenses during the period. Management believes the most complex and sensitive judgments, because of their significance to the condensed consolidated financial statements, result primarily from the need to make estimates about the effects of matters that are inherently uncertain. Actual results could differ materially from management’s estimates reported in the condensed consolidated financial statements and footnotes thereto. There have been no significant changes in the Company’s assumptions regarding critical accounting estimates during the six-month period ended June 30, 2023.

The Company allocates resources and assesses financial performance on a consolidated basis, as all services pertain to the Company's Tech-focused strategy. As a result, the Company has a single reportable segment, Tech-focused, which includes the Dice and ClearanceJobs brands, as well as corporate related costs. All operations are in the United States.

2. NEW ACCOUNTING STANDARDS

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*. ASU 2016-13 changes how entities will account for credit losses for most financial assets and certain other instruments that are not measured at fair value through net income. The guidance replaces the current "incurred loss" model with an "expected loss" model that requires consideration of a broader range of information to estimate expected credit losses over the lifetime of a financial asset. ASU 2016-13 is effective for interim and annual reporting periods in fiscal years beginning after December 15, 2022 for Smaller Reporting Companies. On January 1, 2023, under the modified retrospective method as required by the standard, the Company recorded a cumulative-effect adjustment of $0.3 million to increase accumulated earnings and reduce the allowance for doubtful accounts. Prior period amounts were not adjusted, and will continue to be reported under the accounting standards in effect for the period presented.

3. FAIR VALUE MEASUREMENTS

The FASB ASC topic on Fair Value Measurements and Disclosures defines fair value, establishes a framework for measuring fair value and requires certain disclosures for each major asset and liability category measured at fair value on either a recurring or nonrecurring basis. As a basis for considering assumptions, a three-tier fair value hierarchy is used, which prioritizes the inputs used in measuring fair value as follows:

- Level 1 – Quoted prices for identical instruments in active markets.
- Level 2 – Quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active and model-derived valuations, in which all significant inputs are observable in active markets.
- Level 3 – Unobservable inputs in which there is little or no market data, which require the reporting entity to develop its own assumptions.

The carrying amounts reported in the condensed consolidated balance sheets for cash, accounts receivable, other assets, accounts payable and accrued expenses and long-term debt approximate their fair values. Investments, non-current that were carried at fair value, prior to the conversion to preferred shares as described in Note 7, used a discounted cash flow technique based on the probability of one or more possible outcomes, based on Level 3 inputs, which inputs and fair value did not change during the 2022 period prior to the conversion. The estimated fair value of long-term debt is based on Level 2 inputs.

Certain assets and liabilities are measured at fair value on a non-recurring basis as they are subject to fair value adjustments in certain circumstances, for example, when there is evidence of impairment. Such instruments are not measured at fair value on an ongoing basis. These assets include equity investments, operating lease right-of-use assets, and goodwill and intangible assets which resulted from prior acquisitions. Items valued using such internally generated valuation techniques are classified according to the lowest level input or value driver that is significant to the valuation. Thus, an item may be classified in Level 3 even though there may be some significant inputs that are readily observable.

4. REVENUE RECOGNITION

The Company recognizes revenue when control of the promised goods or services is transferred to our customers at an amount that reflects the consideration which we expect to receive in exchange for those goods or services. Revenue is recognized net of customer discounts ratably over the service period. Customer billings delivered in advance of services being rendered are recorded as deferred revenue and recognized over the service period. The Company generates revenue from recruitment packages, advertising, classifieds, and virtual and live career fair and recruitment event booth rentals.

Disaggregation of revenue

Our brands primarily serve the technology and security cleared professions. The following table provides information about disaggregated revenue by brand and includes a reconciliation of the disaggregated revenue (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Dice[(1)]	$ 26,272	$ 26,823	$ 53,182	$ 51,457
ClearanceJobs	12,266	10,234	23,976	19,934
Total	$ 38,538	$ 37,057	$ 77,158	$ 71,391

(1) Includes Dice and Career Events

Contract Balances

The following table provides information about opening and closing balances of receivables and contract liabilities from contracts with customers as required under Topic 606 (in thousands):

	As of June 30, 2023	As of December 31, 2022
Receivables	$ 18,990	$ 20,494
Short-term contract liabilities (deferred revenue)	52,768	50,121
Long-term contract liabilities (deferred revenue)	666	743

We receive payments from customers based upon contractual billing schedules; accounts receivable are recorded when customers are invoiced per the contractual billings schedules. As the Company's standard payment terms are less than one year, the Company elected the practical expedient, where applicable. As a result, the Company does not consider the effects of a significant financing component. Contract liabilities include customer billings delivered in advance of performance under the contract, and associated revenue is realized when services are rendered under the contract.

Receivables increase due to customer billings and decrease by cash collected from customers. Contract liabilities increase due to customer billings and are decreased as performance obligations are satisfied under the contracts.

The Company recognized the following revenue as a result of changes in the contract liability balances in the respective periods (in thousands):

DHI GROUP, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

	Three Months Ended		Six Months Ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Revenue recognized in the period from:				
Amounts included in the contract liability at the beginning of the period	$ 27,225	$ 25,928	$ 36,218	$ 33,289

The following table includes estimated deferred revenue expected to be recognized in the future related to performance obligations that are unsatisfied or partially unsatisfied at the end of the reporting period (in thousands):

	Remainder of 2023	2024	2025	2026	Total
Tech-focused	$ 42,665	$ 10,556	$ 191	$ 22	$ 53,434

Credit Losses

The Company is exposed to credit losses through the inability of its customers to make required payments on accounts receivable. The Company segments accounts receivable based on credit risk characteristics and estimates future losses for each segment based on historical trends and current market conditions, as applicable. Expected losses on accounts receivable are recorded as allowance for doubtful accounts in the condensed consolidated balance sheets and as an expense in the condensed consolidated statement of operations. The portion of accounts receivable that is reflected as deferred revenue in the condensed consolidated balance sheets is not considered at risk for credit losses. If the financial condition of DHI's customers were to deteriorate, resulting in an impairment of their ability to make payments, additional allowances may be required.

5. RESTRUCTURING

In May 2023, the Company announced an organizational restructuring intended to streamline its operations, drive business objectives, reduce operating expenses and improve operating margins. The restructuring included a reduction of the Company's then-current workforce by approximately 10%. As a result of the restructuring, the Company recognized a charge of $2.1 million in the second quarter of 2023 consisting of $1.8 million of employee severance costs, of which $0.5 million was paid during the second quarter of 2023, and $0.3 million of stock-based compensation related to the acceleration of restricted stock and performance-based restricted stock units.

6. LEASES

The Company has operating leases for corporate office space and certain equipment. The leases have original terms from one year to eight years, some of which include options to renew the lease, and are included in the lease term when it is reasonably certain that the Company will exercise the option. No leases include options to purchase the leased property. Our lease agreements do not contain any material residual value guarantees or material restrictive covenants. We do not have any lease agreements with related parties.

The components of lease cost were as follows (in thousands):

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2023	2022	2023	2022
Operating lease cost(1)	$ 575	$ 535	$ 1,178	$ 1,081
Sublease income	(169)	(127)	(299)	(250)
Total lease cost	$ 406	$ 408	$ 879	$ 831

(1) Includes short-term lease costs and variable lease costs, which are immaterial.

Supplemental cash flow information related to leases was as follows (in thousands):

	For the Six Months Ended June 30,	
	2023	2022
Cash paid for amounts included in measurement of lease liabilities:		
Operating cash flows from operating leases	$ 1,329	$ 703

Supplemental balance sheet information related to leases was as follows (in thousands, except lease term and discount):

	June 30, 2023	December 31, 2022
Operating lease right-of-use-assets	$ 5,592	$ 6,581
Operating lease liabilities - current	2,047	2,231
Less: tenant improvement allowance	(2,047)	(2,126)
Operating lease liabilities - current (as reported)	—	105
Operating lease liabilities - non-current (as reported)	7,503	8,428
Total operating lease liabilities	$ 7,503	$ 8,533
Weighted Average Remaining Lease Term (in years)		
Operating leases	6.1	5.8
Weighted Average Discount Rate		
Operating leases	4.5 %	4.4 %

The Company reviews its right-of-use ("ROU") assets for impairment if indicators of impairment exist. The impairment review process compares the fair value of the ROU asset to its carrying value. If the carrying value exceeds the fair value, an impairment loss is recorded. No impairment was recorded during the three and six month periods ended June 30, 2023 and 2022.

As of June 30, 2023, future operating lease payments were as follows (in thousands):

	Operating Leases
July 1, 2023 through December 31, 2023	$ 1,122
2024	2,316
2025	2,421
2026	1,476
2027	578
2028 and thereafter	3,316
Total lease payments	$ 11,229
Less: imputed interest	1,679
Less: tenant improvement allowance	2,047
Total	$ 7,503

As of June 30, 2023 the Company has no additional operating or finance leases that have not yet commenced.

7. INVESTMENTS

Investments, Non-current, at Fair Value

DHI GROUP, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

During the third quarter of 2021, the Company invested $3.0 million through a subordinated convertible promissory note (the "Note") of $3.0 million with a values-based career destination company that allows the next generation workforce to search for jobs at companies whose people, perks and values align with their unique professional needs. The Note earned interest at 6.00% and matured at the earlier of a Qualified Financing, as described in the Note, or settled in cash on or after August 20, 2022, at the option of the Company. Upon a Qualified Financing, the Company would convert its investment into shares of preferred stock at 80% of the per share value in the Qualified Financing. Prior to the Qualified Financing, the investment was recorded at $3.0 million and as a trading security at fair value with realized and unrealized gains and losses included in earnings.

On September 20, 2022, a Qualified Financing occurred and the Note was converted into preferred shares representing 4.9% of the outstanding equity in the underlying business, on a fully-diluted basis. The Company's preferred shares are substantially similar to shares purchased by a third party investor in the Qualified Financing that resulted in such investor becoming the majority owner of the business, holding 50.5% of the outstanding equity in the business, on a fully-diluted basis. Therefore, the Company's shares in the business were recorded at fair value based on the price per share realized in the Qualified Financing. Subsequent to the Qualified Financing, the Company valued the investment at $0.7 million, and it is recorded as an investment in the condensed consolidated balance sheet as of June 30, 2023. The Company recognized an impairment loss during the three months ended September 30, 2022 of $2.3 million. No impairment was recognized during the three and six months ended June 30, 2023 and 2022. During the first quarter of 2023, the majority investor purchased additional shares of the business as was contemplated in, and at the same price as, in the Qualified Financing. As a result, the Company's ownership, on a fully-diluted basis, on June 30, 2023 was reduced to 4.1%.

The Company has elected the measurement alternative in accordance with FASB ASC 321, Investments – Equity Securities. As of June 30, 2023, subsequent to the Qualified Financing, it was not practicable to estimate the fair value of its interest because there were no observable transactions for the investment. Accordingly, the investment was carried at the value realized in the Qualified Financing as of June 30, 2023, as described above.

Investments, Non-current

Rigzone is a website dedicated to delivering online content, data, and career services in the oil and gas industry in North America, Europe, the Middle East, and Asia Pacific. Oil and gas companies, as well as companies that serve the energy industry, use Rigzone to find talent for roles such as petroleum engineers, sales professionals with energy industry expertise and skilled tradesmen. On August 31, 2018, the Company transferred a majority ownership and control of the Rigzone business to Rigzone management, while retaining a 40% common share interest, with zero proceeds received from the transfer. During the second quarter of 2022, the Company sold its 40% interest in Rigzone to Rigzone management for $0.3 million. At the time of the sale, the recorded value of the investment was zero. Accordingly, the Company recognized a $0.3 million gain on sale, which was included in gain on investment on the condensed consolidated statements of operations.

On June 30, 2021, the Company transferred majority ownership and control of its eFC business to eFC's management, while retaining a 40% common share interest with zero proceeds received from the transfer. The Company incurred approximately $0.1 million in selling costs and recognized a $30.2 million loss on the transfer in the second quarter of 2021, which included a $28.1 million charge related to accumulated foreign currency loss that was previously a reduction to equity.

eFinancialCareers ("eFC") is a financial services careers website, operating websites in multiple markets in four languages mainly across the United Kingdom, Continental Europe, Asia, the Middle East and North America. Professionals from across many sectors of the financial services industry, including asset management, risk management, investment banking, and information technology, use eFC to advance their careers. The Company has evaluated the 40% common share interest in the eFC business and has determined the investment meets the definition and criteria of a variable interest entity ("VIE"). The Company evaluated the VIE and determined that the Company does not have a controlling financial interest in the VIE, as the Company does not have the power to direct the activities of the VIE that most significantly impact the VIE's economic performance. The common share interest is being accounted for under the equity method of accounting as the Company has the ability to exercise significant influence over eFC. The investment was recorded at its fair value on June 30, 2021, the date of transfer, which was $3.6 million. The Company's equity in the net assets of eFC as of June 30, 2021 was $2.2 million. The difference between the Company's recorded value and its equity in net assets of eFC is amortized against the recorded value of the investment in accordance with ASC 323 *Investments - Equity Method and Joint Ventures*. Accordingly, the Company recorded amortization of $0.1 million for the three and six month periods ended June 30, 2023. There was no amortization recorded during the three and six month periods ended June 30, 2022 because it was not material. The recorded value is further adjusted based on the Company's proportionate share of eFC's net income and is recorded three months in arrears. The Company recorded income related to its proportionate share of eFC's net income, net of currency translation adjustments and amortization of the basis difference, of $0.1 million and $0.3 million for the three and six month periods ended June 30, 2023, respectively, and recorded $0.4 million and $0.5 million for the three and six month periods ended June 30, 2022, respectively.

At June 30, 2023, the Company held preferred stock representing a 7.6% interest in the fully diluted shares of a tech skills assessment company. The investment is recorded at zero as of June 30, 2023 and December 31, 2022. The Company recorded no gain or loss related to the investment during the three and six month periods ended June 30, 2023 and 2022.

8. ACQUIRED INTANGIBLE ASSETS, NET

Considering the recognition of the Dice brand, its long history, awareness in the talent acquisition and staffing services market, and the intended use, the remaining useful life of the Dice.com trademarks and brand name was determined to be indefinite. We determine whether the carrying value of recorded indefinite-lived acquired intangible assets is impaired on an annual basis or more frequently if indicators of potential impairment exist. The annual impairment test for the Dice.com trademarks and brand name is performed on October 1 of each year. The impairment review process compares the fair value of the indefinite-lived acquired intangible assets to its carrying value. If the carrying value exceeds the fair value, an impairment loss is recorded.

As of June 30, 2023 and December 31, 2022, the Company had an indefinite-lived acquired intangible asset of $23.8 million related to the Dice trademarks and brand name. No impairment was recorded during the three and six month periods ended June 30, 2023 and 2022.

The projections utilized in the October 1, 2022 analysis (the "October 1, 2022 analysis") included increasing revenue at rates approximating industry growth projections. The Company’s ability to achieve these revenue projections may be impacted by, among other things, general market conditions, competition in the technology recruiting market, challenges in developing and introducing new products and product enhancements to the market and the Company’s ability to attribute value delivered to customers. The October 1, 2022 analysis included operating margins during the year ending December 31, 2022 that approximate operating margins for the year ended December 31, 2021 and then increasing modestly. If future cash flows that are attributable to the Dice trademarks and brand name are not achieved, the Company could realize an impairment in a future period.

During the second quarter of 2023, the Company's revenue attributable to the Dice trademarks and brand name fell below the October 1, 2022 analysis and the revenue is expected to continue to be lower than that set forth in the October 1, 2022 analysis into the first half of 2024 and then to approximate the October 1, 2022 analysis thereafter. Operating margin attributable to the Dice trademarks and brand name, however, was higher than the operating margin in the October 1, 2022 analysis and is expected to be higher through 2024 then approximate the October 1, 2022 analysis thereafter. In the October 1, 2022 analysis, the Company utilized a relief from royalty rate method to value the Dice trademarks and brand name using a royalty rate of 4.0% based on comparable industry licensing agreements and the operating margin attributable to the Dice trademarks and brand name and a discount rate of 12.0%.

The determination of whether or not indefinite-lived acquired intangible assets have become impaired involves a significant level of judgment in the assumptions underlying the approach used to determine the value of the indefinite-lived acquired intangible assets. Fair values are determined using a profit allocation methodology which estimates the value of the trademarks and brand name by capitalizing the profits saved because the company owns the asset. We consider factors such as historical performance, anticipated market conditions, operating expense trends and capital expenditure requirements. Changes in our strategy and/or changes in market conditions could significantly impact these judgments and require adjustments to recorded amounts of intangible assets. If projections are not achieved, the Company could realize an impairment in the foreseeable future.

9. GOODWILL

Goodwill as of June 30, 2023 and December 31, 2022, which was allocated to the Tech-focused reporting unit, was $128.1 million.

The annual impairment test for the Tech-focused reporting unit is performed on October 1 of each year. The results of the impairment test indicated that the fair value of the Tech-focused reporting unit was substantially in excess of the carrying value as of October 1, 2022.

The projections utilized in the October 1, 2022 analysis included increasing revenue at rates approximating industry growth projections. The Company's ability to achieve these revenue projections may be impacted by, among other things, general market conditions, competition in the technology recruiting market, challenges in developing and introducing new products and product enhancements to the market and the Company's ability to attribute value delivered to customers. The October 1, 2022 analysis included operating margins during the year ending December 31, 2022 that approximate operating margins for the year ended December 31, 2021 and then increasing modestly. If future cash flows that are attributable to the Tech-focused reporting unit are not achieved, the Company could realize an impairment in a future period.

During the second quarter of 2023, the Company's revenue attributable to the Tech-focused reporting unit fell below the October 1, 2022 analysis and the revenue is expected to continue to be lower than that set forth in the October 1, 2022 analysis into the first half of 2024 and then to approximate the October 1, 2022 analysis thereafter. Operating margin attributable to the Tech-focused reporting unit, however, was higher than the operating margin in the October 1, 2022 analysis and is expected to be higher through 2024 and then approximate the October 1, 2022 analysis thereafter. As a result, the Company believes it is not more likely than not that the fair value of the reporting unit is less than the carrying value as of June 30, 2023. Therefore, no quantitative impairment test was performed as of June 30, 2023. There were no changes to goodwill and no impairments were recorded during the three and six month periods ended June 30, 2023 and 2022.

The discount rate applied for the Tech-focused reporting unit in the October 1, 2022 analysis was 11.0%. An increase to the discount rate applied or reductions to future projected operating results could result in future impairment of the Tech-focused reporting unit's goodwill. It is reasonably possible that changes in judgments, assumptions and estimates the Company made in assessing the fair value of goodwill could cause the Company to consider some portion or all of the goodwill of the Tech-focused reporting unit to become impaired. In addition, a future decline in the overall market conditions and/or changes in the Company's market share could negatively impact the estimated future cash flows and discount rates used to determine the fair value of the reporting unit and could result in an impairment charge in the foreseeable future.

10. INDEBTEDNESS

Credit Agreement—In June 2022, the Company, together with Dice Inc. (a wholly-owned subsidiary of the Company) and its wholly-owned subsidiary, Dice Career Solutions, Inc. (collectively, the "Borrowers"), entered into a Third Amended and Restated Credit Agreement (the "Credit Agreement"), which matures in June 2027 and replaces the Company's Old Credit Agreement (defined below). The Credit Agreement provides for a revolving loan facility of $100 million ($90 million under the Old Credit Agreement), with an expansion option of $50 million, bringing the total facility to $150 million, as permitted under the terms of the Credit Agreement. At the closing of the Credit Agreement, the Company borrowed $30 million to repay, in full, all outstanding indebtedness, including accrued interest, under the Old Credit Agreement. Unamortized debt issuance costs from the previous credit agreement of $0.2 million and debt issuance costs of $0.5 million related to the new agreement were recorded as other assets on the condensed consolidated balance sheets and are recorded to interest expense over the term of the Credit Agreement.

Borrowings under the Credit Agreement denominated in U.S. dollars bear interest, payable at least quarterly, at the Company's option, at the Secured Overnight Financing Rate ("SOFR") or a base rate plus a margin. Borrowings under the Credit Agreement denominated in pounds sterling, if any, bear interest at the Sterling Overnight Index Average ("SONIA") rate plus a margin. The margin ranges from 2.00% to 2.75% on SOFR and SONIA loans and 1.00% to 1.75% on base rate loans, determined by the Company's most recent consolidated leverage ratio, plus an additional spread of 0.10%. The Company incurs a commitment fee ranging from 0.35% to 0.50% on any unused capacity under the revolving loan facility, determined by the Company's most recent consolidated leverage ratio. Borrowings in U.S. dollars as of June 30, 2023 and December 31, 2022 were $43 million and $30 million, respectively. There were no borrowings in pounds sterling as of June 30, 2023 and December 31, 2022. The facility may be prepaid at any time without penalty.

The Credit Agreement contains various customary affirmative and negative covenants and also contains certain financial covenants, including a consolidated leverage ratio and a consolidated interest coverage ratio. Borrowings are allowed under the Credit Agreement to the extent the consolidated leverage ratio is equal to or less than 2.50 to 1.00, subject to the terms of the Credit Agreement. Negative covenants include restrictions on incurring certain liens; making certain payments, such as stock repurchases and dividend payments; making certain investments; making certain acquisitions; making certain dispositions; and incurring additional indebtedness. Restricted payments are allowed under the Credit Agreement to the extent the consolidated leverage ratio, calculated on a pro forma basis, is equal to or less than 2.00 to 1.00, plus an additional $7.5 million of restricted payments each fiscal year, as described in the Credit Agreement. The Credit Agreement also provides that the payment of obligations may be accelerated upon the occurrence of customary events of default, including, but not limited to, non-payment, change of control, or insolvency. As of June 30, 2023, the Company was in compliance with all of the financial covenants under the Credit Agreement.

The obligations under the Credit Agreement are guaranteed by one of the Company's wholly-owned subsidiaries and secured by substantially all of the assets of the Borrowers and the guarantors.

Previous Credit Agreement - The Borrowers previously maintained a Second Amended and Restated Credit Agreement (the "Old Credit Agreement"), which was scheduled to mature in November 2023. The Old Credit Agreement, when entered into during November 2018, provided for a revolving loan facility of $90 million, with an expansion option of $50 million, bringing the total facility to $140 million, as permitted by the terms of the Old Credit Agreement.

Borrowings under the Old Credit Agreement accrued interest, at the Company's option, at the London Inter-bank Offered Rate ("LIBOR") or a base rate plus a margin. The margin ranged from 1.75% to 2.50% on LIBOR loans and 0.75% to 1.50% on base rate loans, determined by the Company's most recent consolidated leverage ratio. The Company incurred a commitment fee ranging from 0.30% to 0.45% on any unused capacity under the revolving loan facility, determined by the Company's most recent consolidated leverage ratio. The was no penalty for prepayment of the Old Credit Agreement.

The amounts borrowed as of June 30, 2023 and December 31, 2022 are as follows (dollars in thousands):

	June 30, 2023	December 31, 2022
Long-term debt under revolving credit facility(1)	$ 43,000	$ 30,000
Available to be borrowed under revolving facility(2)	$ 57,000	$ 70,000
Interest rates:		
SOFR rate loans:		
Interest margin(3)	2.32 %	2.35 %
Actual interest rates(4)	7.52 %	6.67 %
Commitment fee	0.40 %	0.40 %

(1) In connection with the new Credit Agreement entered into during the three months ended June 30, 2022, the Company recorded deferred financing costs of $0.7 million to other assets on the condensed consolidated balance sheets. Accumulated amortization as of June 30, 2023 was $0.2 million.

(2) The amount available to be borrowed is subject to certain limitations, such as a consolidated leverage ratio, as defined in the Credit Agreement.

(3) Includes additional spread of 0.10%.

(4) Computed as the weighted average interest rate on all borrowings.

There are no scheduled principal payments until maturity of the Credit Agreement in June 2027.

11. COMMITMENTS AND CONTINGENCIES

Litigation

The Company is subject to various claims from taxing authorities, lawsuits and other complaints arising in the ordinary course of business. The Company records provisions for losses when claims become probable and the amounts are reasonably estimable. Although the outcome of these legal matters, except as described below and recorded in the condensed consolidated financial statements, cannot be determined, it is the opinion of management that the final resolution of these matters will not have a material effect on the Company's financial condition, operations or liquidity.

Tax Contingencies

The Company operates in a number of tax jurisdictions and is routinely subject to examinations by various tax authorities with respect to income taxes and indirect taxes. The determination of the Company's liability for taxes requires judgment and estimation. The Company has reserved for potential examination adjustments to our provision for income taxes and accrual of indirect taxes in amounts which the Company believes are reasonable.

12. EQUITY TRANSACTIONS

Stock Repurchase Plans—The Company's Board of Directors ("Board") approved a stock repurchase program that permits the Company to repurchase its common stock. Management has discretion in determining the conditions under which shares may be purchased from time to time. The number, price, structure, and timing of the repurchases, if any, will be at our sole discretion and future repurchases will be evaluated by us depending on market conditions, liquidity needs, restrictions under the agreements governing our indebtedness, and other factors. Share repurchases may be made in the open market or in privately negotiated transactions. The repurchase authorization does not oblige us to acquire any particular amount of our common stock. The Board may suspend, modify, or terminate the repurchase program at any time without prior notice. The following table summarizes the stock repurchase plans approved by the Board:

	February 2021 to June 2022(1)	February 2022 to February 2023(2)	February 2023 to February 2024(3)
Approval Date	February 2021	February 2022	February 2023
Authorized Repurchase Amount of Common Stock	$20 million	$15 million	$10 million

(1) During the second quarter of 2021, the Company amended its $8.0 million stock repurchase program approved in February 2021 and allowed for the purchase of an additional $12.0 million of our common stock through June 2022, bringing total authorized purchases under the plan to $20.0 million. During the first quarter of 2022, the Company completed its purchases under the plan, which consisted of approximately 4.4 million shares for $20.0 million, effectively ending the plan prior to its original expiration date.

(2) During February 2023, the stock repurchase program approved in February 2022 expired with a total of 2.6 million shares purchased for $14.7 million.

(3) On February 9, 2023, the Company announced that its Board approved a new stock repurchase program that permits the purchase of up to $10.0 million of the Company's common stock through February 2024.

As of June 30, 2023 the value of shares that may yet be purchased under the current plan was $4.8 million.

Purchases of the Company's common stock pursuant to the stock repurchase plans were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Shares repurchased	918,742	625,069	1,661,278	1,927,295
Average purchase price per share(1)	$ 3.69	$ 5.94	$ 4.17	$ 5.83
Dollar value of shares repurchased (in thousands)(1)	$ 3,393	$ 3,714	$ 6,928	$ 11,239

(1) Average price paid per share and dollar value of shares repurchased include costs associated with the repurchases.

There were 24,758 unsettled share repurchases as of June 30, 2022 and none as of June 30, 2023.

Stock Repurchases Pursuant to the 2022 Omnibus Equity Award Plan, as Amended and Restated—Under the 2022 Omnibus Equity Award Plan, as Amended and Restated, and as further described in note 13 to the condensed consolidated financial statements, the Company repurchases its common stock withheld for income tax from the vesting of employee restricted stock or Performance-Based Restricted Stock Units (“PSUs”). The Company remits the value, which is based on the closing share price on the vesting date, of the common stock withheld to the appropriate tax authority on behalf of the employee and the related shares become treasury stock.

Purchases of the Company’s common stock pursuant to the 2022 Omnibus Equity Award Plan, as Amended and Restated, were as follows:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Shares repurchased upon restricted stock/PSU vesting	26,261	64,381	925,151	837,429
Average purchase price per share	$ 3.62	$ 5.75	$ 5.83	$ 5.46
Dollar value of shares repurchased upon restricted stock/PSU vesting (in thousands)	$ 95	$ 370	$ 5,390	$ 4,572

No shares of the Company's common stock were purchased other than through the stock repurchase plans and the 2022 Omnibus Equity Award Plan, as Amended and Restated, as described above.

13. STOCK-BASED COMPENSATION

On July 13, 2022, the stockholders of the Company approved the DHI Group, Inc. 2022 Omnibus Equity Award Plan, which had been previously approved by the Company's Board of Directors on May 13, 2022 (the "2022 Omnibus Equity Award Plan"). The 2022 Omnibus Equity Award Plan generally mirrors the terms of the Company's prior omnibus equity award plan, which expired in accordance with its terms on April 20, 2022 (the "2012 Omnibus Equity Award Plan"). On April 26, 2023, the stockholders of the Company approved the DHI Group, Inc. 2022 Omnibus Equity Award Plan, as Amended and Restated, which had been previously approved by the Company's Board of Directors on March 16, 2023 (the "2022 Omnibus Equity Award Plan, as Amended and Restated"). The 2022 Omnibus Equity Award Plan was amended and restated to, among other things, increase the number of shares of common stock authorized for issuance as equity awards under the plan by 2.9 million shares. The Company has previously granted restricted stock and PSUs to certain employees and directors pursuant to the 2012 Omnibus Equity Award Plan and the 2022 Omnibus Equity Award Plan and will continue to grant restricted stock and PSUs to certain employees and directors pursuant to the 2022 Omnibus Equity Award Plan, as Amended and Restated. The Company also offers an Employee Stock Purchase Plan.

The Company recorded total stock-based compensation expense of $2.7 million and $5.6 million during the three and six month periods ended June 30, 2023, respectively, and $2.5 million and $4.7 million during the three and six month periods ended June 30, 2022, respectively. At June 30, 2023, there was $16.4 million of unrecognized compensation expense related to unvested awards, which is expected to be recognized over a weighted-average period of approximately 1.4 years.

Restricted Stock—Restricted stock is granted to employees of the Company and its subsidiaries, and to non-employee members of the Company's Board. These shares are part of the compensation plan for services provided by the employees or Board members. The closing price of the Company's stock on the date of grant is used to determine the fair value of the grants. The expense related to restricted stock grants is recorded over the vesting period as described below. There was no cash flow impact resulting from the grants.

Restricted stock vests in various increments on the anniversaries of each grant, subject to the recipient's continued employment or service through each applicable vesting date. Vesting occurs over one year for Board members and over two to four years for employees.

A summary of the status of restricted stock awards as of June 30, 2023 and 2022 and the changes during the periods then ended is presented below:

	Three Months Ended June 30, 2023		Three Months Ended June 30, 2022	
	Shares	Weighted- Average Fair Value at Grant Date	Shares	Weighted- Average Fair Value at Grant Date
Non-vested at beginning of the period	2,780,108	$ 4.88	3,124,491	$ 3.62
Granted	175,998	$ 3.67	—	$ —
Forfeited	(182,679)	$ 4.75	(27,002)	$ 4.01
Vested	(198,502)	$ 4.55	(411,416)	$ 2.64
Non-vested at end of period	2,574,925	$ 4.82	2,686,073	$ 3.77
Expected to vest	2,574,925	$ 4.82	2,686,073	$ 3.77

DHI GROUP, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

	Six Months Ended June 30, 2023		Six Months Ended June 30, 2022	
	Shares	Weighted- Average Fair Value at Grant Date	Shares	Weighted- Average Fair Value at Grant Date
Non-vested at beginning of the period	2,639,286	$ 3.96	3,371,832	$ 2.80
Granted	1,282,998	$ 5.56	932,500	$ 5.17
Forfeited	(186,679)	$ 4.92	(108,716)	$ 3.18
Vested	(1,160,680)	$ 3.66	(1,509,543)	$ 2.52
Non-vested at end of period	2,574,925	$ 4.82	2,686,073	$ 3.77
Expected to vest	2,574,925	$ 4.82	2,686,073	$ 3.77

PSUs—PSUs are granted to employees of the Company and its subsidiaries. These shares are granted under compensation agreements that are for services provided by the employees. The fair value of the PSUs is measured at the grant date fair value of the award, which was determined based on an analysis of the probable performance outcomes. The performance period is over one year and is based on the achievement of bookings targets during the year of grant, as defined in the applicable award agreement. The earned shares will then vest over a three year period, one-third on each of the first, second, and third anniversaries of the grant date, or if later, the date the Compensation Committee certifies the performance results with respect to the performance period.

There was no cash flow impact resulting from the grants.

A summary of the status of PSUs as of June 30, 2023 and 2022 and the changes during the periods then ended is presented below:

	Three Months Ended June 30, 2023		Three Months Ended June 30, 2022	
	Shares	Weighted- Average Fair Value at Grant Date	Shares	Weighted- Average Fair Value at Grant Date
Non-vested at beginning of the period	2,208,445	$ 4.77	2,125,049	$ 3.48
Forfeited	(163,018)	$ 4.77	—	$ —
Vested	—	$ —	(14,553)	$ 3.00
Non-vested at end of period	2,045,427	$ 4.78	2,110,496	$ 3.48
Expected to vest	2,045,427	$ 4.78	2,110,496	$ 3.48

	Six Months Ended June 30, 2023		Six Months Ended June 30, 2022	
	Shares	Weighted- Average Fair Value at Grant Date	Shares	Weighted- Average Fair Value at Grant Date
Non-vested at beginning of the period	2,086,932	$ 3.48	1,593,775	$ 2.62
Granted(1)	1,357,587	$ 5.62	1,553,332	$ 3.77
Forfeited	(163,018)	$ 4.77	(93,341)	$ 2.40
Vested	(1,236,074)	$ 3.51	(943,270)	$ 2.61
Non-vested at end of period	2,045,427	$ 4.78	2,110,496	$ 3.48
Expected to vest	2,045,427	$ 4.78	2,110,496	$ 3.48

(1) PSUs granted during the six months ended June 30, 2023 includes 587,587 additional PSUs related to the bookings achievement for the performance period ended December 31, 2022. PSUs granted during the six months ended June 30, 2022 includes 853,332 additional PSUs related to the bookings achievement for the performance period ended December 31, 2021.

Employee Stock Purchase Plan—On March 11, 2020 the Company's Board of Directors adopted an Employee Stock Purchase Plan ("ESPP"). The ESPP was approved by the Company's stockholders on April 21, 2020. The ESPP provides eligible employees the opportunity to purchase shares of the Company's common stock through payroll deductions during six-month offering periods. The purchase price per share of common stock is 85% of the lower of the closing stock price on the first or last trading day of each offering period. The offering periods are January 1 to June 30 and July 1 to December 31. The maximum number of shares of common stock available for purchase under the ESPP is 500,000, subject to adjustment as provided under the ESPP. Individual employee purchases are limited to $25,000 per calendar year, based on the fair market value of the shares on the purchase date. During each of the three and six month periods ended June 30, 2023, 45,407 shares were issued under the plan. During each of the three and six month periods ended June 30, 2022, 29,253 shares were issued under the plan.

14. INCOME TAXES

The Company's effective tax rate was 84% and 139% for the three and six months ended June 30, 2023, respectively, and (13)% and (51)% for the three and six months ended June 30, 2022, respectively. The following items caused the effective tax rate to differ from the U.S. statutory rate:

- Tax benefits of $0.4 million during the six months ended June 30, 2023, and $0.2 million and $1.0 million during the three and six months ended June 30, 2022, respectively, from the vesting of share-based compensation awards.
- Tax benefits of $0.4 million during the three and six months ended June 30, 2023, and $0.1 million during the three and six months ended June 30, 2022, from research tax credits.
- A tax benefit of $0.1 million during the three and six months ended June 30, 2022, from the release of a valuation allowance on the Company's capital loss carryforward.

15. EARNINGS PER SHARE

Basic earnings per share ("EPS") is computed based on the weighted-average number of shares of common stock outstanding. Diluted EPS is computed based on the weighted-average number of shares of common stock outstanding plus common stock equivalents, where dilutive. The following is a calculation of basic and diluted earnings per share and weighted-average shares outstanding (in thousands, except per share amounts):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
Net income (loss)	$ (127)	$ 1,450	$ 333	$ 2,751
Weighted-average shares outstanding—basic	43,460	44,682	43,672	44,692
Add shares issuable from stock-based awards[1]	—	2,279	1,010	2,285
Weighted-average shares outstanding—diluted	43,460	46,961	44,682	46,977
Basic earnings (loss) per share	$ —	$ 0.03	$ 0.01	$ 0.06
Diluted earnings (loss) per share	$ —	$ 0.03	$ 0.01	$ 0.06
Shares excluded from the calculation of diluted earnings per share[2]	2,611	—	2,194	936

(1) For the three months ended June 30, 2023, 0.7 million shares, were excluded from the computation of shares contingently issuable upon exercise as we recognized a net loss.
(2) Represents outstanding stock-based awards that were anti-dilutive and excluded from the calculation of diluted earnings per share.

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

The following discussion should be read in conjunction with our unaudited condensed consolidated financial statements and the related notes included elsewhere in this report. See also our consolidated financial statements and the notes thereto and the section entitled "Note Concerning Forward-Looking Statements" in our Annual Report on Form 10-K for the year ended December 31, 2022.

Information contained herein contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of

1934, as amended. You should not place undue reliance on those statements because they are subject to numerous uncertainties and factors relating to our operations and business environment, all of which are difficult to predict and many of which are beyond our control. Forward-looking statements include, without limitation, information concerning our possible or assumed future financial condition, liquidity and results of operations, including expectations (financial or otherwise), our strategy, plans, objectives, expectations (financial or otherwise) and intentions, and growth potential. These statements often include words such as “may,” “will,” “should,” “believe,” “expect,” “anticipate,” “intend,” “plan,” “estimate” or similar expressions. These statements are based on assumptions that we have made in light of our experience in the industry as well as our perceptions of historical trends, current conditions, expected future developments and other factors we believe are appropriate under the circumstances. Although we believe that these forward-looking statements are based on reasonable assumptions, you should be aware that many factors could affect our actual financial results or results of operations and could cause actual results to differ materially from those in the forward-looking statements. These factors include, but are not limited to: our ability to execute our tech-focused strategy; write-offs of goodwill, tradename and intangible assets; competition from existing and future competitors; changes in the recruiting and career services business and technologies, and the development of new products and services; failure to develop and maintain our reputation and brand recognition; failure to increase or maintain the number of customers who purchase recruitment packages; failure to attract qualified professionals or grow the number of qualified professionals who use our websites; inability to successfully integrate future acquisitions or identify and consummate future acquisitions; misappropriation or misuse of our intellectual property, claims against us for intellectual property infringement or the failure to enforce our ownership or use of intellectual property; failure of our businesses to attract, retain and engage users; unfavorable decisions in proceedings related to future tax assessments; taxation risks in various jurisdictions for past or future sales; significant downturn not immediately reflected in our operating results; our indebtedness and the potential inability to borrow funds under our Credit Agreement (as defined below); our ability to incur additional debt; covenants in our Credit Agreement; the development and use of artificial intelligence; failure to timely and efficiently scale and adapt our existing technology and network infrastructure; capacity constraints, systems failures or breaches of network security; the usefulness of our candidate profiles; decrease in user engagement; Internet search engine methodologies and their impact on our search result rankings; failure to halt the operations of websites that aggregate our data, as well as data from other companies; our reliance on third-party data hosting facilities; compliance with laws and regulations concerning collection, storage and use of professionals’ professional and personal information; U.S. regulation of the internet; a review of strategic alternatives may occur from time to time and the possibility that such review will not result in a transaction; loss of key executives and technical personnel and our ability to attract and retain key executives, including our CEO; increases in the unemployment rate, cyclicality or downturns in the United States or worldwide economies or the industries we serve, labor shortages, or job shortages; litigation related to infringement or other claims regarding our services or content; our ability to defend ownership of our intellectual property; global climate change; compliance with changing corporate governance requirements and costs incurred in connection with being a public company; compliance with the continued listing standards of the New York Stock Exchange (the “NYSE”); volatility in our stock price; failure to maintain internal controls over financial reporting; results of operations fluctuating on a quarterly and annual basis; and disruption resulting from unsolicited offers to purchase the company. These factors and others are discussed in more detail below and in our filings with the Securities and Exchange Commission, including our Annual Report on Form 10-K for the fiscal year ended December 31, 2022, under the headings “Risk Factors,” “Forward-Looking Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

You should keep in mind that any forward-looking statement made by us herein, or elsewhere, speaks only as of the date on which it is made. New risks and uncertainties come up from time to time, and it is impossible to predict these events or how they may affect us. We have no obligation to update any forward-looking statements after the date hereof, except as required by federal securities laws.

In addition, information contained herein contains certain non-GAAP financial measures. These measures are not in accordance with, or an alternative for, measures in accordance with generally accepted accounting principles in the United States ("U.S. GAAP"). Such measures presented herein include adjusted earnings before interest, taxes, depreciation and amortization, and items such as non-cash stock-based compensation, gain or loss on investments, and certain other income or expense items, as defined. See “Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources" for definitions of these measures as well as reconciliations to the mostly directly comparable GAAP measure.

Overview

We are a provider of software products, online tools and services that deliver career marketplaces to candidates and employers in the United States. DHI’s brands, Dice and ClearanceJobs, enable recruiters and hiring managers to efficiently search, match and connect with highly skilled technologists in specialized fields, particularly technology and active government security clearance. Professionals find ideal employment opportunities, relevant job advice and personalized data that help manage their technologist lives.

In online recruitment, we specialize in employment categories in which there has been a long-term scarcity of highly skilled, highly qualified professionals relative to market demand, specifically technologists who work in a variety of industries or have active government security clearances. Our websites serve as online two-sided marketplaces where employers and recruiters source and connect with prospective employees, and where technologists find relevant job opportunities, data and information to further their careers. Our websites offer job postings, news and content, career development and recruiting services tailored to the specific needs of the professional community that each website serves.

We have been in the recruiting and career development business for over 30 years. Based on our operating structure, we have identified one reportable segment, Tech-focused, which includes the Dice and ClearanceJobs businesses and corporate related costs. The Dice and ClearanceJobs businesses and corporate related costs are aggregated into the Tech-focused reportable segment primarily because the Company does not have discrete financial information for those brands or costs.

Recent Developments

None.

Our Revenue and Expenses

We derive the majority of our revenue from customers who pay fees, either annually, quarterly or monthly, to post jobs on our websites and to access our searchable databases of resumes. Our fees vary by customer based on the number of individual users of our databases of resumes, the number and type of job postings and profile views purchased and the terms of the packages purchased, which are predominately annual agreements. Our Company sells recruitment packages, which comprise approximately 90% or our total revenue, that can include access to our databases of resumes and job posting capabilities. We believe the key metrics that are material to an analysis of our businesses are our total number of Dice and ClearanceJobs recruitment package customers and the revenue, on average, that these customers generate. The Company's management uses these metrics to monitor the current and future activity of the businesses. The tables below detail this customer data.

	As of June 30,		Increase	Percent
Recruitment Package Customers:	**2023**	**2022**	**(Decrease)**	**Change**
Dice	6,007	6,386	(379)	(6)%
ClearanceJobs	2,069	1,976	93	5%

	Average Annual Revenue per Recruitment Package Customer[(1)]							
	Three months ended June 30,				**Six months ended June 30,**			
	2023	**2022**	**Increase**	**Percent Change**	**2023**	**2022**	**Increase**	**Percent Change**
Dice	$ 15,534	$ 14,304	$ 1,230	9 %	$ 15,602	$ 14,208	$ 1,394	10 %
ClearanceJobs	$ 20,842	$ 18,708	$ 2,134	11 %	$ 20,681	$ 18,564	$ 2,117	11 %

(1) Calculated by dividing recruitment package customer revenue by the daily average count of recruitment package customers during each month, adjusted to reflect a 30-day month. The simple average of each month is used to derive the amount for each period and then annualized to reflect 12 months.

Dice had 6,007 recruitment package customers as of June 30, 2023, which was a decrease of 379, or 6%, and average annual revenue per recruitment package customer for Dice increased $1,230, or 9%, from the prior year quarter. The decrease in recruitment package customers was due to macroeconomic conditions causing customer counts to decline while the average annual revenue per recruitment package customer increased driven by strong renewal and retention rates as our larger recurring customers continue to renew with Dice. ClearanceJobs had 2,069 recruitment package customers as of June 30, 2023 compared to 1,976 as of June 30, 2022, an increase of 5%, and average annual revenue per recruitment package customer increased $2,134, or 11%, from the prior year quarter. The increases for ClearanceJobs were due to continued high demand for professionals with government clearance and consistent product releases and enhancements driving activity on the site.

Deferred revenue, as shown on the condensed consolidated balance sheets, reflects customer billings made in advance of services being rendered. Backlog consists of deferred revenue plus customer contractual commitments not invoiced representing the value of future services to be rendered under committed contracts. We believe backlog to be an important measure of our business as it represents our ability to generate future revenue. A summary of our deferred revenue and backlog is as follows:

		Comparison to Prior Year End			Comparison Year Over Year		
	6/30/2023	12/31/2022	Increase (Decrease)	Percent Change	6/30/2022	Increase (Decrease)	Percent Change
Deferred Revenue	**$ 53,434**	**$ 50,864**	**$ 2,570**	**5 %**	**$ 54,144**	**$ (710)**	**(1)%**
Contractual commitments not invoiced	64,328	66,391	(2,063)	(3) %	49,981	14,347	29 %
Backlog[1]	$ 117,762	$ 117,255	$ 507	— %	$ 104,125	$ 13,637	13 %

(1) Backlog consists of deferred revenue plus customer contractual commitments not invoiced representing the value of future services to be rendered under committed contracts.

Backlog at June 30, 2023 increased $0.5 million and $13.6 million from December 31, 2022 and June 30, 2022, respectively. The increase in backlog compared to December 31, 2022 and June 30, 2022 is due to the Company's focus on signing multi-year contracts. The first quarter of each year is generally the largest bookings quarter of the year, also contributing to the growth from December 31, 2022.

To a lesser extent, we also generate revenue from advertising on our various websites or from lead generation and marketing solutions provided to our customers. Advertisements include various forms of rich media and banner advertising, text links, sponsorships, and custom content marketing solutions. Lead generation information utilizes advertising and other methods to deliver leads to customers.

The Company continues to evolve and present new software products and features to attract and engage qualified professionals and match them with employers. Our ability to grow our revenue will largely depend on our ability to grow our customer bases in the markets in which we operate by acquiring new customers while retaining a high proportion of the customers we currently serve, and to expand the breadth of services our customers purchase from us. We continue to make investments in our business and infrastructure to help us achieve our long-term growth objectives, such as the innovative products in the table below.

Product Releases

2023	2022
Dice Premium Enhanced Company Profile, Dice Remote and Company Preferences, Dice Invite To Apply, Dice Matchscore on Jobs	New Job Apply Flow, Dice TalentSearch Time Zone Search
ClearanceJobs Comments, ClearanceJobs Expressed Interest, ClearanceJobs Enhanced Employer Profile	Multi-Factor Authentication, ClearanceJobs Live Video

Other material factors that may affect our results of operations include our ability to attract qualified professionals that become engaged with our websites and our ability to attract customers with relevant job opportunities. The more qualified professionals that use our websites, the more attractive our websites become to employers and advertisers, which in turn makes them more likely to become our customers, resulting positively on our results of operations. If we are unable to continue to attract qualified professionals to engage with our two-sided marketplaces, our customers may no longer find our services attractive, which could have a negative impact on our results of operations. Additionally, we need to ensure that our websites remain relevant in order to attract qualified professionals to our websites and to engage them in high-value tasks, such as posting resumes and/or applying for jobs.

The largest components of our expenses are personnel costs and marketing and sales expenditures. Personnel costs consist of salaries, benefits, and incentive compensation for our employees, including commissions for salespeople. Personnel costs are categorized in our statement of operations based on each employee’s principal function. Personnel costs incurred during the application development stage of internal use software and website development are recorded as fixed assets and amortized to depreciation expense in the statement of operations over the estimated useful life of the asset. Marketing expenditures primarily consist of online advertising, brand promotion and lead generation to employers and job seekers.

Critical Accounting Estimates

There have been no material changes to our critical accounting estimates as compared to the critical accounting policies described in our Annual Report on Form 10-K for the fiscal year ended December 31, 2022.

Three Months Ended June 30, 2023 Compared to the Three Months Ended June 30, 2022

Revenue

	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Increase (Decrease)	Percent Change
	(in thousands, except percentages)			
Dice[1]	$ 26,272	$ 26,823	$ (551)	(2) %
ClearanceJobs	12,266	10,234	2,032	20 %
Total revenue	**$ 38,538**	**$ 37,057**	**$ 1,481**	**4 %**

(1) Includes Dice and Career Events

For the three months ended June 30, 2023 we experienced an increase in revenue of $1.5 million, or 4%. Revenue at Dice decreased $0.6 million, or 2%, compared to the same period in 2022 due to macroeconomic conditions driving lower new business activity and lower activity with Dice's non-annual products. Revenues for ClearanceJobs increased $2.0 million, or 20%, as compared to the same period in 2022, primarily driven by continued high demand for professionals with government clearance and consistent product releases and enhancements driving activity on the site.

Cost of Revenue

	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Increase	Percent Change
	(in thousands, except percentages)			
Cost of revenue	$ 4,956	$ 4,181	$ 775	19 %
Percentage of revenue	12.9 %	11.3 %		

Cost of revenue increased $0.8 million, or 19%, driven by an increase of $0.4 million from higher compensation related costs. Operational costs, including the amortization of cloud computing costs and software subscriptions, increased by $0.3 million.

Product Development Expenses

	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Decrease	Percent Change
	(in thousands, except percentages)			
Product development	$ 4,158	$ 4,360	$ (202)	(5)%
Percentage of revenue	10.8 %	11.8 %		

Product development expenses decreased $0.2 million, or 5% from the prior year. The decrease was driven by a $0.6 million reduction in compensation related costs, primarily related to lower headcount and bonus expenses. These decreases were partially offset by lower capitalized labor of $0.3 million from the prior year, which increases operating expenses.

Sales and Marketing Expenses

	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Increase	Percent Change
	(in thousands, except percentages)			
Sales and marketing	$ 14,723	$ 14,274	$ 449	3 %
Percentage of revenue	38.2 %	38.5 %		

Sales and marketing expenses increased $0.4 million, or 3% from the prior year. This increase was driven by a $0.8 million increase in amortization related to capitalized contract costs and a $0.2 million increase in operational costs, including Company events and consulting. The increase was partially offset by $0.3 million decrease in discretionary marketing expenses and $0.2 million decrease in compensation related costs, primarily related to lower headcount and bonus expense.

General and Administrative Expenses

	Three Months Ended June 30,			
	2023	2022	Decrease	Percent Change
	(in thousands, except percentages)			
General and administrative	$ 8,453	$ 9,109	$ (656)	(7)%
Percentage of revenue	21.9 %	24.6 %		

General and administrative expenses decreased $0.7 million, or 7% from the prior year. The decrease was driven by a $0.6 million decrease in compensation expense, primarily related to lower headcount and bonus expense.

Depreciation

	Three Months Ended June 30,			
	2023	2022	Decrease	Percent Change
	(in thousands, except percentages)			
Depreciation	$ 4,162	$ 4,228	$ (66)	(2)%
Percentage of revenue	10.8 %	11.4 %		

Depreciation expense decreased $0.1 million, or 2%, compared to the same period in 2022. The decrease was driven by the timing of assets being placed into service.

Restructuring

	Three Months Ended June 30,			
	2023	2022	Increase	Percent Change
	(in thousands, except percentages)			
Restructuring	$ 2,115	$ —	$ 2,115	n/a
Percentage of revenue	5.5 %	— %		

During the three months ended June 30, 2023, the Company recorded restructuring charges of $2.1 million as part of an organizational restructuring intended to streamline its operations, drive business objectives, reduce operating expenses and improve operating margins. The restructuring included a reduction of the Company's then-current workforce by approximately 10%. There were no restructuring charges during the three months ended June 30, 2022.

Operating Income

	Three Months Ended June 30,			
	2023	2022	Increase (Decrease)	Percent Change
	(in thousands, except percentages)			
Revenue	$ 38,538	$ 37,057	$ 1,481	4 %
Operating income (loss)	(29)	905	(934)	(103)%
Operating margin	(0.1)%	2.4 %		

Operating income (loss) for the three months ended June 30, 2023 was approximately zero compared to operating income of $0.9 million, a positive margin of 2.4%, for the same period in 2022, a decrease of $0.9 million. The decrease in operating income and percentage margin was primarily driven by the restructuring charges, as discussed above.

Income from Equity Method Investment

	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Decrease	Percent Change
	(in thousands, except percentages)			
Income from equity method investment	$ 104	$ 361	$ (257)	(71)%
Percentage of revenue	0.3 %	1.0 %		

During the three month periods ended June 30, 2023 and 2022, the Company recorded $0.1 million and $0.4 million, respectively, of income related to its proportionate share of eFinancialCareer's net income. The Company records its proportionate share of eFinancialCareer's net income three months in arrears. See note 7 for additional information.

Gain on Investment

	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Decrease	Percent Change
	(in thousands, except percentages)			
Gain on Investment	$ —	$ 320	$ (320)	(100)%
Percentage of revenue	— %	0.9 %		

During the three months ended June 30, 2022, the Company recognized a $0.3 million gain from the sale of its 40% common share interest in Rigzone. See note 7 for additional information.

Interest Expense and Other

	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Increase	Percent Change
	(in thousands, except percentages)			
Interest expense and other	$ 879	$ 298	$ 581	195 %
Percentage of revenue	2.3 %	0.8 %		

Interest expense and other increased from the prior year, primarily due to higher debt outstanding on our revolving credit facility during the current period and higher interest rates.

Income Taxes

	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022
	(in thousands, except percentages)	
Income (loss) before income taxes	$ (804)	$ 1,288
Income tax benefit	(677)	(162)
Effective tax rate	84.2 %	(12.6)%

Our effective tax rate for the three months ended June 30, 2023, differed from the U.S. statutory rate due to a tax benefit of $0.4 million from research tax credits. The tax rate for the three months ended June 30, 2022, differed from the statutory rate due to tax benefits of $0.2 million from the vesting of share-based compensation awards, $0.1 million from research tax credits, and $0.1 million from the release of a valuation allowance on our capital loss carryforward.

Earnings per Share

	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022
	(in thousands, except per share amounts)	
Net Income (loss)	$ (127)	$ 1,450
Weighted-average shares outstanding - basic	43,460	44,682
Weighted-average shares outstanding - diluted	43,460	46,961
Diluted earnings per share	$ —	$ 0.03

Diluted earnings per share was zero and $0.03 for the three months ended June 30, 2023 and 2022, respectively. The decrease was primarily driven by the restructuring charges, as discussed above.

Six Months Ended June 30, 2023 Compared to the Six Months Ended June 30, 2022

Revenue

	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022	Increase	Percent Change
	(in thousands, except percentages)			
Tech-focused				
Dice [(1)]	$ 53,182	$ 51,457	$ 1,725	3 %
ClearanceJobs	23,976	19,934	4,042	20 %
Total revenue	**$ 77,158**	**$ 71,391**	**$ 5,767**	**8 %**

(1) Includes Dice U.S. and Career Events

We experienced an increase in revenue of $5.8 million, or 8%. Revenue at Dice increased by $1.7 million, or 3%, compared to the prior year as bookings performance in 2022 delivered revenue in the first half of 2023 while macroeconomic conditions in the first half of 2023 have driven lower new business activity and lower activity with Dice's non-annual products. Revenue at ClearanceJobs increased by $4.0 million, or 20%, as compared to the prior year, primarily driven by continued high demand for professionals with government clearance and consistent product releases and enhancements driving activity on the site.

Cost of Revenue

	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022	Increase	Percent Change
	(in thousands, except percentages)			
Cost of revenue	$ 9,868	$ 8,280	$ 1,589	19 %
Percentage of revenue	12.8 %	11.6 %		

Cost of revenue increased $1.6 million, or 19%, driven by an increase of $1.2 million from higher compensation related costs, primarily from higher headcount. Operational costs, including amortization of cloud computing, increased by $0.3 million.

Product Development Expenses

	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022	Increase	Percent Change
	(in thousands, except percentages)			
Product development	$ 8,852	$ 8,302	$ 550	7 %
Percentage of revenue	11.5 %	11.6 %		

Product development increased $0.6 million, or 7%, driven primarily by an increase of $0.6 million from higher compensation related costs.

Sales and Marketing Expenses

	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022	Increase	Percent Change
	(in thousands, except percentages)			
Sales and marketing	$ 30,783	$ 28,215	$ 2,568	9 %
Percentage of revenue	39.9 %	39.5 %		

Sales and marketing expenses increased $2.6 million, or 9% from the prior year. The increase was driven by a $2.7 million increase in compensation related costs, including higher headcount during the periods and an increase in the amortization of capitalized contract costs as commissions from the strong bookings performance during 2022 increased the amortization of capitalized contract costs during the current period. Also contributing to the increase was a $0.5 million increase in operational costs, including consulting, travel and entertainment, and company events. These increases were partially offset by a $0.6 million decrease in discretionary marketing expenses.

General and Administrative Expenses

	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022	Decrease	Percent Change
	(in thousands, except percentages)			
General and administrative	$ 16,661	$ 16,875	$ (214)	(1)%
Percentage of revenue	21.6 %	23.6 %		

General and administrative costs decreased $0.2 million, or 1%, from the prior year. The decrease was driven by a $0.7 million decrease in compensation related costs, primarily due to lower bonus expense in the current period. The decrease was partially offset by an increase in stock-based compensation of $0.5 million, which is driven by strong performance of the 2022 performance-based restricted stock units.

Depreciation

	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022	Increase	Percent Change
	(in thousands, except percentages)			
Depreciation	$ 8,335	$ 8,186	$ 149	2 %
Percentage of revenue	10.8 %	11.5 %		

Depreciation expense increased $0.1 million, or 2%, from the prior year in connection with increasing capitalized development costs throughout 2022 and projects being placed into service driving higher depreciation in 2023.

Restructuring

	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022	Increase	Percent Change
	(in thousands, except percentages)			
Restructuring	$ 2,115	$ —	$ 2,115	n/a
Percentage of revenue	2.7 %	— %		

During the six months ended June 30, 2023, the Company recorded restructuring charges of $2.1 million as part of an organizational restructuring intended to streamline its operations, drive business objectives, reduce operating expenses and improve operating margins. The restructuring included a reduction of the Company's then-current workforce by approximately 10%. There were no restructuring charges during the six months ended June 30, 2022.

Operating Income

	Six Months Ended June 30,		Increase (Decrease)	Percent Change
	2023	2022		
	(in thousands, except percentages)			
Revenue	$ 77,158	$ 71,391	$ 5,767	8 %
Operating income	544	1,533	(989)	(65)%
Operating margin	0.7 %	2.1 %		

Operating income for the six months ended June 30, 2023 was $0.5 million, a positive margin of 0.7%, compared to operating income of $1.5 million, a positive margin of 2.1%, for the same period in 2022, a decrease of $1.0 million. The decrease in operating income and lower percentage margin was driven by the restructuring charges, as discussed above.

Income from Equity Method Investment

	Six Months Ended June 30,		Decrease	Percent Change
	2023	2022		
	(in thousands, except percentages)			
Income from equity method investment	$ 275	$ 516	$ (241)	(47)%
Percentage of revenue	0.4 %	0.7 %		

During the six month periods ended June 30, 2023 and 2022, the Company recorded $0.3 million and $0.5 million, respectively, of income related to its proportionate share of eFC's net income. The Company records its proportionate share of eFC's net income three months in arrears. See note 7 for additional information.

Gain on Investment

	Six Months Ended June 30,		Decrease	Percent Change
	2023	2022		
	(in thousands, except percentages)			
Gain on investment	$ —	$ 320	$ (320)	(100)%
Percentage of revenue	— %	0.4 %		

During the six months ended June 30, 2022, the Company recognized a $0.3 million gain from the sale of its 40% common share interest in Rigzone. See note 7 for additional information.

Interest Expense and Other

	Six Months Ended June 30,		Increase	Percent Change
	2023	2022		
	(in thousands, except percentages)			
Interest expense and other	$ 1,677	$ 543	$ 1,134	209 %
Percentage of revenue	2.2 %	0.8 %		

Interest expense and other increased $1.1 million, or 209%, compared to the same period in 2022, due to higher debt outstanding on our revolving credit facility during the current period and higher interest rates.

Income Taxes

	Six Months Ended June 30,	
	2023	2022
	(in thousands, except percentages)	
Income (loss) before income taxes	$ (858)	$ 1,826
Income tax benefit	(1,191)	(925)
Effective tax rate	138.8 %	(50.7)%

Our effective tax rate for the six months ended June 30, 2023, differed from the U.S. statutory rate due to tax benefits of $0.4 million from the vesting of share-based compensation awards and $0.4 million from research tax credits. The tax rate for the six months ended June 30, 2022, differed from the statutory rate due to tax benefits of $1.0 million from the vesting of share-based compensation awards, $0.1 million from research tax credits, and $0.1 million from the release of a valuation allowance on our capital loss carryforward.

Earnings (Loss) per Share

	Six Months Ended June 30,	
	2023	2022
	(in thousands, except per share amounts)	
Net income	$ 333	$ 2,751
Weighted-average shares outstanding - basic	43,672	44,692
Weighted-average shares outstanding - diluted	44,682	46,977
Diluted earnings per share	$ 0.01	$ 0.06

Diluted earnings per share were $0.01 and $0.06 for the six months ended June 30, 2023 and 2022, respectively. The current year earnings per share was driven by lower operating income, primarily driven by the restructuring charges, as discussed above and an increase in interest expense in the current period.

Non-GAAP Financial Measures

We have provided certain non-GAAP financial information as additional measures for our operating results. These measures are not in accordance with, or an alternative for, measures in accordance with U.S. GAAP and may be different from similarly titled non-GAAP measures reported by other companies. We believe the presentation of non-GAAP measures, such as Adjusted EBITDA and Adjusted EBITDA Margin, provides useful information to management and investors regarding certain financial and business trends relating to our financial condition and results of operations.

Adjusted EBITDA and Adjusted EBITDA Margin

Adjusted EBITDA and Adjusted EBITDA Margin are non-GAAP measures used by management to measure operating performance. Management uses Adjusted EBITDA and Adjusted EBITDA Margin as performance measures for internal monitoring and planning, including preparation of annual budgets, analyzing investment decisions and evaluating profitability and performance comparisons between us and our competitors. The Company also uses these measures to calculate amounts of performance-based compensation under the senior management incentive bonus program. Adjusted EBITDA represents net income plus (to the extent deducted in calculating such net income) interest expense, income tax expense, depreciation and amortization, and items such as non-cash stock-based compensation expense, losses resulting from certain dispositions outside the ordinary course of business including prior negative operating results of those divested businesses, certain write-offs in connection with indebtedness, impairment charges with respect to long-lived assets, expenses incurred in connection with an equity offering or any other offering of securities by the Company, extraordinary or non-recurring non-cash expenses or losses, losses from equity method investments, transaction costs in connection with the credit agreement, deferred revenue written off in connection with acquisition purchase accounting adjustments, write-off of non-cash stock-based compensation expense, severance and retention costs related to dispositions and reorganizations of the Company, restructuring charges and losses related to legal claims and fees that are unusual in nature or infrequent, minus (to the extent included in calculating such net income) non-cash income or gains, including income from equity method investments, interest income, business interruption insurance proceeds, and any income or gain resulting from certain dispositions outside the ordinary course of business, including prior positive operating results of those divested businesses, and gains related to legal claims that are unusual in nature or infrequent.

Adjusted EBITDA Margin is computed as Adjusted EBITDA divided by revenue.

We also consider Adjusted EBITDA and Adjusted EBITDA Margin, as defined above, to be important indicators to investors because they provide information related to our ability to provide cash flows to meet future debt service, capital expenditures, working capital requirements, and to fund future growth. We present Adjusted EBITDA and Adjusted EBITDA Margin as supplemental performance measures because we believe that these measures provide our Board of Directors (the "Board"), management and investors with additional information to measure our performance, provide comparisons from period to period by excluding potential differences caused by variations in capital structures (affecting interest expense) and tax positions (such as the impact on periods or companies of changes in effective tax rates or net operating losses), and to estimate our value.

We understand that although Adjusted EBITDA and Adjusted EBITDA Margin are frequently used by securities analysts, lenders and others in their evaluation of companies, Adjusted EBITDA and Adjusted EBITDA Margin have limitations as analytical tools, and you should not consider them in isolation, or as a substitute for analysis of our liquidity or results as reported under GAAP. Some limitations are:

- Adjusted EBITDA and Adjusted EBITDA Margin do not reflect our cash expenditures, or future requirements for capital expenditures or contractual commitments;
- Adjusted EBITDA and Adjusted EBITDA Margin do not reflect changes in, or cash requirements for, our working capital needs;
- Adjusted EBITDA and Adjusted EBITDA Margin do not reflect interest expense, or the cash requirements necessary to service interest or principal payments on our debt;
- Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized often will have to be replaced in the future, and Adjusted EBITDA and Adjusted EBITDA Margin do not reflect any cash requirements for such replacements; and
- Other companies in our industry may calculate Adjusted EBITDA and Adjusted EBITDA Margin differently than we do, limiting their usefulness as comparative measures.

To compensate for these limitations, management evaluates our liquidity by considering the economic effect of excluded expense items independently, as well as in connection with its analysis of cash flows from operations and through the use of other financial measures, such as capital expenditure budget variances, investment spending levels and return on capital analysis.

Adjusted EBITDA and Adjusted EBITDA Margin are not measurements of our financial performance under GAAP and should not be considered as an alternative to revenue, operating income, net income, net income margin, cash provided by operating activities, or any other performance measures derived in accordance with GAAP as a measure of our profitability or liquidity.

A reconciliation of Adjusted EBITDA for the six months ended June 30, 2023 and 2022 follows (in thousands):

	Six Months Ended June 30,	
	Dollars	
	2023	2022
Reconciliation of Net Income to Adjusted EBITDA:		
Net income	**$ 333**	**$ 2,751**
Interest expense	1,677	543
Income tax benefit	(1,191)	(925)
Depreciation	8,335	8,186
Non-cash stock-based compensation	5,284	4,691
Income from equity method investment	(275)	(516)
Gain on investment	—	(320)
Severance and related costs	521	323
Restructuring	2,115	—
Adjusted EBITDA	$ 16,799	$ 14,733
Reconciliation of cash provided by operating activities to Adjusted EBITDA		
Net cash provided by operating activities	**$ 8,077**	**$ 19,448**
Interest expense	1,677	543
Amortization of deferred financing costs	(72)	(73)
Income tax benefit	(1,191)	(925)
Deferred income taxes	2,075	3,092
Change in accrual for unrecognized tax benefits	(303)	(194)
Change in accounts receivable	(1,837)	(43)
Change in deferred revenue	(2,570)	(7,998)
Severance and related costs	521	323
Restructuring	2,115	—
Changes in working capital and other	8,307	560
Adjusted EBITDA	$ 16,799	$ 14,733

A reconciliation of Adjusted EBITDA Margin for the six months ended June 30, 2023 and 2022 follows (in thousands):

	Six Months Ended June 30,	
	2023	2022
Revenue	**$ 77,158**	**$ 71,391**
Net income	**$ 333**	**$ 2,751**
Net income margin(1)	**— %**	**4 %**
Adjusted EBITDA	$ 16,799	$ 14,733
Adjusted EBITDA Margin(1)	22 %	21 %

(1) Net income margin and Adjusted EBITDA Margin are calculated by dividing the respective measure by that period's revenue.

Liquidity and Capital Resources

Cash Flows

A summary of our cash flows for the six months ended June 30, 2023 and 2022 follows (in thousands):

	Six Months Ended June 30,	
	2023	2022
Cash from operating activities	$ 8,077	$ 19,448
Cash used in investing activities	$ (9,221)	$ (8,210)
Cash from (used in) financing activities	$ 862	$ (9,163)

We have financed our operations primarily through cash provided by operating activities and borrowings under our revolving credit facility. At June 30, 2023, we had cash of $2.7 million compared to $3.0 million at December 31, 2022.

Liquidity

Our principal internal sources of liquidity are cash, as well as the cash flow that we generate from our operations. In addition, we had $57.0 million in borrowing capacity under our $100.0 million Credit Agreement, as defined below, at June 30, 2023, subject to certain availability limits including our consolidated leverage ratio, which generally limits borrowings to 2.5 times annual Adjusted EBITDA levels, as defined in the Credit Agreement. We believe that our existing cash, cash generated from our continuing operations and available borrowings under our Credit Agreement will be sufficient to satisfy our currently anticipated cash requirements through at least the next 12 months and the foreseeable future thereafter. However, it is possible that one or more lenders under the Credit Agreement may refuse or be unable to satisfy their commitment to lend to us, we may violate one or more of our covenants or financial ratios contained in our Credit Agreement or we may need to refinance our debt and be unable to do so. In addition, our liquidity could be negatively affected by a decrease in demand for our products and services and the ability of our customers to pay for current or future services. We may also make acquisitions and may need to raise additional capital through future debt financings or equity offerings to the extent necessary to fund such acquisitions, which we may not be able to do on a timely basis or on terms satisfactory to us or at all.

Operating Activities

Net cash flows from operating activities primarily consist of net income adjusted for certain non-cash items, including depreciation, amortization, changes in deferred tax assets and liabilities, stock-based compensation, income from equity method investments, gain or impairments on investments, and the effect of changes in working capital. Net cash flows from operating activities were $8.1 million and $19.4 million for the six-month periods ended June 30, 2023 and 2022, respectively. Cash inflow from operations is driven by earnings and is dependent on the amount and timing of payments to vendors and employees and billings to and cash collections from our customers. Cash provided by operating activities during the 2023 period decreased $11.4 million compared to the same period of 2022 due to higher overall headcount, the timing of bonus payments, and the timing of payments to vendors and billings to and cash collections from our customers.

Investing Activities

Cash used in investing activities during the six-month period ended June 30, 2023 was $9.2 million compared to $8.2 million used in the same period of 2022. Cash used in investing activities in the six-month period ended June 30, 2023 increased from comparable 2022 period due to higher purchases of fixed assets, which is primarily comprised of capitalized development costs, as the Company continues to invest in its products.

Financing Activities

Cash from financing activities during the six-month ended June 30, 2023 was $0.9 million and was driven by $13.0 million of net proceeds on long-term debt, partially offset by $12.1 million, net, related to share repurchases. Cash used in financing activities during the six-month period ended June 30, 2022 was $9.2 million and was driven by $15.8 million related to share repurchases and $0.5 million of financing costs paid related to the Company's Credit Agreement, partially offset by $7.0 million of net proceeds on long-term debt.

Financing and Capital Requirements

Credit Agreement

We have a $100 million revolving credit facility, which matures June 2027, with $43.0 million of borrowings on the facility at June 30, 2023, leaving $57.0 million available for future borrowings, subject to the terms of the Credit Agreement. Borrowings under the Credit Agreement denominated in U.S. dollars bear interest, payable at least quarterly, at the Company's option, at the Secured Overnight Financing Rate ("SOFR") or a base rate, plus a margin. Borrowings under the credit agreement denominated in pounds sterling, if any, bear interest at the Sterling Overnight Index Average ("SONIA") rate plus a margin. The margin ranges from 2.00% to 2.75% on SOFR and SONIA loans and 1.00% to 1.75% on base rate loans, determined by the Company's most recent consolidated leverage ratio, plus an additional spread of 0.10%. The Company incurs a commitment fee ranging from 0.35% to 0.50% on any unused capacity under the revolving loan facility, determined by the Company's most recent consolidated leverage ratio. Assuming an interest rate of 7.52% (the rate in effect on June 30, 2023) on our current borrowings, interest payments are expected to be $1.6 million from July 1, 2023 to December 31, 2023, $3.2 million in each of 2024, 2025 and 2026 and $1.6 million in 2027. The Credit Agreement contains various customary affirmative and negative covenants and also contains certain financial covenants, including a consolidated leverage ratio and a consolidated interest coverage ratio. As of June 30, 2023, the Company was in compliance with all of the financial covenants under the Credit Agreement. Refer to Note 10 in the notes to the condensed consolidated financial statements and Item 3. "Quantitative and Qualitative Disclosures about Market Risk - Interest Rate Risk."

Contractual Obligations

The Company has operating leases for corporate office space and certain equipment. The leases have terms from one year to eight years, some of which include options to renew the lease, and are included in the lease term when it is reasonably certain that the Company will exercise the option. No leases include options to purchase the leased property. As of June 30, 2023, the value of our lease right-of-use asset was $5.6 million and the value of our lease liability was $7.5 million. See note 6 to the condensed consolidated financial statements for further information.

We make commitments to purchase advertising from online vendors, which we pay for on a monthly basis. We have no significant long-term obligations to purchase a fixed or minimum amount with these vendors.

Other Capital Requirements

As of June 30, 2023, we recorded approximately $1.1 million of unrecognized tax benefits as liabilities, and we are uncertain if or when such amounts may be settled. Related to the unrecognized tax benefits considered permanent differences, we have also recorded a liability for potential penalties and interest. Included in the balance of unrecognized tax benefits at June 30, 2023 are $1.1 million of tax benefits that would affect the effective tax rate if recognized. The Company believes it is reasonably possible that as much as $0.2 million of its unrecognized tax benefits may be recognized in the next 12 months.

The Board previously approved a stock repurchase program that permits the Company to repurchase its common stock. As of June 30, 2023, the value of shares available to be purchased under the current plan was $4.8 million. Management has discretion in determining the conditions under which shares may be purchased from time to time. See note 12 of the notes to the condensed consolidated financial statements for further information.

We anticipate capital expenditures for the year ending December 31, 2023 to be approximately $21 million to $23 million. The increase over prior periods is due to the additional investments in the development of new products and features and leasehold improvements. We intend to use operating cash flows to fund capital expenditures.

Cyclicality

The labor market and certain of the industries that we serve have historically experienced short-term cyclicality. However, we believe that online career websites and marketplaces continue to provide economic and strategic value to the labor market and industries that we serve.

Any slowdown in recruitment activity that occurs could negatively impact our revenue and results of operations. For instance, the COVID-19 pandemic resulted in a slowdown of recruiting activity in 2020, which negatively impacted our business. Alternatively, a decrease in the unemployment rate or a labor shortage, including as a result of an increase in job turnover, generally means that employers (including our customers) are seeking to hire more individuals, which would generally lead to more job postings and database licenses and have a positive impact on our revenue and results of operations. Based on historical trends, improvements in labor markets and the need for our services generally lag behind overall economic improvements. Additionally, there has historically been a lag from the time customers begin to increase purchases of our recruitment services and the impact to our revenue due to the recognition of revenue occurring over the length of the contract, which can be several months to over a year.

From time to time, we see market slowdowns, which can lead to lower demand for recruiting technologists and security cleared professionals.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

We have exposure to financial market risks, including changes in foreign currency exchange rates, interest rates, and other relevant market prices.

Foreign Exchange Risk

Our operations are conducted within the United States. As a result, our current operations are not subject to foreign exchange risk

The Company's investment in eFC, as described in note 7 to the condensed consolidated financial statements, which is recorded under the equity method of accounting, subjects the Company to foreign exchange risk because the functional currency of eFC is the British Pound Sterling. Accordingly, the Company must translate its share of eFC's net income into United States dollars. The foreign currency translation related to the Company's share of eFC's net income is not expected to be significant.

Interest Rate Risk

We have interest rate risk primarily related to borrowings under our Credit Agreement. Borrowings under the Credit Agreement denominated in U.S. dollars bear interest, payable at least quarterly, at the Company’s option, at the SOFR or a base rate, plus a margin. Borrowings under the Credit Agreement denominated in pounds sterling, if any, bear interest at the SONIA rate plus a margin. The margin ranges from 2.00% to 2.75% on SOFR and SONIA loans and 1.00% to 1.75% on base rate loans, as determined by our most recent consolidated leverage ratio. As of June 30, 2023, we had outstanding borrowings of $43.0 million under our Credit Agreement. A hypothetical increase of 1.0% on these variable rate borrowings would have increased our interest expense for the three and six month periods ended June 30, 2023 by approximately $0.1 million and $0.2 million, respectively.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

Our management, under supervision and with the participation of our Chief Executive Officer (“CEO”) and our Chief Financial Officer (“CFO”), has conducted an evaluation (pursuant to Rule 13a-15(b) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”)) of the effectiveness of the Company’s disclosure controls and procedures (as defined in Rules 13a-15(e) under the Exchange Act) as of the end of the fiscal period covered by this report.

These disclosure controls and procedures are designed to ensure that information required to be disclosed in our reports that are filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified by the Exchange Act and in the rules and forms of the SEC. These disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that this information is accumulated and communicated to management, including the principal executive and principal financial officers, or persons performing similar functions, as appropriate, to allow timely decisions regarding required disclosure.

Based on such evaluations, our CEO and CFO have concluded that the disclosure controls and procedures are effective to provide reasonable assurance that information required to be disclosed in our Exchange Act reports is recorded, processed, summarized and reported within the time periods specified by the SEC, and that such information is accumulated and communicated to management, including the CEO and CFO, as appropriate, to allow timely decisions regarding required disclosure.

Changes in Internal Controls

No change in our internal controls over financial reporting (as defined in Rules 13a-15(f) under the Exchange Act) occurred during the quarter ended June 30, 2023 that has materially affected, or is reasonably likely to materially affect, our internal controls over financial reporting.

PART II

Item 1. Legal Proceedings

From time to time we may be involved in disputes or litigation relating to claims arising out of our operations. Except as noted in Note 11 of the notes to condensed consolidated financial statements, we are currently not a party to any material pending legal proceedings.

Item 1A. Risk Factors

We have disclosed under the heading "Risk Factors" in our Annual Report on Form 10-K the risk factors which materially affect our business, financial condition or results of operations. As of August 2, 2023, there have been no material changes from the risk factors previously disclosed. You should carefully consider the risk factors set forth in the Annual Report on Form 10-K and the other information set forth elsewhere in this Quarterly Report on Form 10-Q. You should be aware that these risk factors and other information may not describe every risk facing our Company. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition and/or operating results.

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

Repurchases of Equity Securities

Stock Repurchase Plans—Our Board approved a stock repurchase program that permits the Company to repurchase our common stock. Management has discretion in determining the conditions under which shares may be purchased from time to time. The number, price, structure, and timing of the repurchases, if any, will be at our sole discretion and future repurchases will be evaluated by us depending on market conditions, liquidity needs, restrictions under the agreements governing our indebtedness, and other factors. Share repurchases may be made in the open market or in privately negotiated transactions. The repurchase authorization does not oblige us to acquire any particular amount of our common stock. The Board may suspend, modify, or terminate the repurchase program at any time without prior notice.

The following tables reflect purchases of the Company's common stock pursuant to the Company's stock repurchase plans and reflect the related stock repurchase plans, both of which were approved by the Board:

Period	(a) Total Number of Shares Purchased (1)	(b) Average Price Paid per Share (2)	(c) Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs (3)	(d) Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs
April 1 through April 30, 2023	496,680	$ 3.81	472,146	$ 6,386,242
May 1 through May 31, 2023	416,025	$ 3.54	416,025	$ 4,914,161
June 1 through June 30, 2023	32,298	$ 3.83	30,571	$ 4,796,796
Total	945,003		918,742	

(1) Total number of shares purchased includes 0.9 million shares purchased under our stock repurchase plans described above and approximately 26,000 shares withheld to satisfy employee income tax obligations upon the vesting of restricted stock awards.
(2) Average price paid per share includes costs associated with the repurchases.
(3) Total number of shares purchased as part of publicly announced plans or programs includes shares purchased under our stock repurchase plans described above. As noted above, the stock repurchase plans approved by the Board are presented in the table immediately following.

	February 2021 to June 2022[1]	February 2022 to February 2023[2]	February 2023 to February 2024[3]
Approval Date	February 2021	February 2022	February 2023
Authorized Repurchase Amount of Common Stock	$20 million	$15 million	$10 million

(1) During the second quarter of 2021, the Company amended its $8.0 million stock repurchase program approved in February 2021 and allowed for the purchase of an additional $12.0 million of our common stock through June 2022, bringing total authorized purchases under the plan to $20.0 million. During the first quarter of 2022, the Company completed its purchases under the plan, which consisted of approximately 4.4 million shares for $20.0 million, effectively ending the plan prior to its original expiration date.

(2) During February 2023, the $15.0 million stock repurchase program approved in February 2022 expired with a total of 2.6 million shares purchased for $14.7 million.

(3) On February 9, 2023, the Company announced that its Board approved a new stock repurchase program that permits the purchase of up to $10.0 million of the Company's common stock through February 2024.

Item 5. Other Information

On June 12, 2023, Kathleen Swann, one of our directors, adopted a Rule 10b5-1 trading arrangement that is intended to satisfy the affirmative defense of Rule 10b5-1(c) for the sale of up to 11,733 shares of our common stock from May 14, 2024 until December 31, 2024.

Item 6. Exhibits

3.1	Amended and Restated Certificate of Incorporation (incorporated by reference from Exhibit 3.1 to the Company's Current Report on Form 8-K (File No. 001-33584) filed on July 23, 2007).
3.2	Second Amended and Restated By-laws (incorporated by reference from Exhibit 3.1 to the Company's Current Report on Form 8-K (File No. 001-33584) filed on March 9, 2016).
3.3	Certificate of Amendment to the Amended and Restated Certificate of Incorporation, effective April 21, 2015 (incorporated by reference from Exhibit 3.1 to Company's Current Report on Form 8-K (File No. 001-33584) filed on April 21, 2015).
4.1	Specimen Stock Certificate (incorporated by reference from Exhibit 4.1 to Amendment No. 4 to the Company's Registration Statement on Form S-1 (File No. 333-141876) filed on June 22, 2007).
10.1+	DHI Group, Inc. 2022 Omnibus Equity Award Plan, as Amended and Restated (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 001-33584) filed on April 28, 2023.
10.2+	General Release, dated as of May 17, 2023, between DHI Group, Inc. and Chris Henderson (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K (File No. 001-33584) filed on May 19, 2023.
10.3*+	Form of Non-Employee Director Restricted Stock Award Agreement pursuant to the DHI Group, Inc. 2022 Omnibus Equity Award Plan, as Amended and Restated.
10.4*+	Form of Restricted Stock Award Agreement pursuant to the DHI Group, Inc. 2022 Omnibus Equity Award Plan, as Amended and Restated.
10.5*+	Form of Performance-Based Restricted Stock Unit Award Agreement pursuant to the DHI Group, Inc. 2022 Omnibus Equity Award Plan, as Amended and Restated.
31.1*	Certifications of Art Zeile, Chief Executive Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certifications of Kevin Bostick, Chief Financial Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certifications of Art Zeile, Chief Executive Officer, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2**	Certifications of Kevin Bostick, Chief Financial Officer, pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	XBRL Taxonomy Extension Schema Document.
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (formatted as inline XBRL and contained in Exhibit 101)

*	Filed herewith.
**	Furnished herewith
+	Identifies a management contract or compensatory plan or arrangement

SIGNATURES

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

Date: August 2, 2023

DHI Group, Inc.
Registrant

By: /S/ Art Zeile
Art Zeile
President and Chief Executive Officer
(Principal Executive Officer)

/S/ Kevin Bostick
Kevin Bostick
Chief Financial Officer
(Principal Financial Officer)

DHI Group, Inc.
2022 OMNIBUS EQUITY AWARD PLAN

NON-EMPLOYEE DIRECTOR RESTRICTED STOCK AWARD AGREEMENT

THIS NON-EMPLOYEE DIRECTOR RESTRICTED STOCK AWARD AGREEMENT (the "Agreement") is made by and between DHI Group, Inc., a Delaware corporation (the "Company"), and you (the "Participant"), and is dated as of the date separately communicated to the Participant by the Company (either electronically through the Merrill Lynch Benefits Online system or by such other method as specified by the Committee) (the "Date of Grant").

R E C I T A L S:

WHEREAS, the Company has adopted the DHI Group, Inc. 2022 Omnibus Equity Award Plan, as may be amended and restated from time to time, (the "Plan"), pursuant to which awards of restricted shares of the Company's Common Stock may be granted; and

WHEREAS, the Committee has determined that it is in the best interests of the Company and its stockholders to grant to the Participant an award of restricted shares of the Company's Common Stock provided for herein.

NOW, THEREFORE, for and in consideration of the premises and the covenants of the parties contained in this Agreement, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto, for themselves, their successors and assigns, hereby agree as follows:

1. Grant of Restricted Stock.

The Company hereby grants on the Date of Grant to the Participant a total number of shares of Common Stock separately communicated to the Participant by the Company (either electronically through the Merrill Lynch Benefits Online system or by such other method as specified by the Committee) (such shares of Common Stock, the "Restricted Shares"), on the terms and conditions set forth in this Agreement and as otherwise provided in the Plan.

2. Award Subject to Plan.

(a) By entering into this Agreement, the Participant acknowledges that the Participant has received and read a copy of the Plan, and agrees to be bound by all the terms and provisions of the Plan.

(b) The Plan is hereby incorporated herein by reference. Except as otherwise expressly set forth herein, this Agreement shall be construed in accordance with the provisions of the Plan and any capitalized terms not otherwise defined in this Agreement shall have the definitions set forth in the Plan. The Committee shall have final authority to interpret and construe the Plan and this Agreement and to make any and all determinations under them, and its decision shall be binding and conclusive upon Participant and their legal representative in respect of any questions arising under the Plan or this Agreement. In the event of a conflict between any term or provision contained herein and any terms or provisions of the Plan, the applicable terms and provisions of this Agreement will govern and prevail.

3. Terms and Conditions.

(a) Vesting. The Restricted Shares shall be one hundred percent (100%) unvested as of the Date of Grant. The Vesting Commencement Date shall be the ________. The Restricted Shares shall be subject to the following vesting schedule: ______________. The unvested portion of Restricted Shares shall terminate and be forfeited upon Participant's termination of employment or service with the Company. Notwithstanding anything in the Plan to the contrary, 100% of the unvested Restricted Shares shall vest upon a Change in Control, subject to the participant's continued service with the Company as of such date.

(b) Issuance. The Restricted Shares shall be issued by the Company and shall be registered in the Participant's name on the stock transfer books of the Company promptly after the date hereof in book-entry form, subject to the Company's directions at all times prior to the date the Restricted Shares vest. As a condition to the receipt of the Restricted Shares, the Participant shall at the request of the Company deliver to the Company one or more stock powers, duly endorsed in blank, relating to the Restricted Shares. The Committee may cause a legend or legends to be put on any stock certificate relating to the Restricted Shares to make appropriate reference to such restrictions as the Committee may deem advisable under the Plan or as may be required by the rules, regulations, and other requirements of the Securities and Exchange Commission, any exchange that lists the Restricted Shares, and any applicable federal or state laws.

(c) Rights as a Stockholder; Dividends. The Participant shall be the record owner of the Restricted Shares unless and until such shares are forfeited pursuant to the Plan and this Agreement or sold or otherwise disposed of, and as record owner shall be entitled to all rights of a common stockholder of the Company, including, without limitation, voting rights, if any, with respect to the Restricted Shares; provided, that any cash or in-kind dividends paid with respect to unvested Restricted Shares shall be withheld by the Company and shall be paid to the Participant, without interest, only when, and if, the Restricted Period with respect to such Restricted Shares shall lapse as provided in the Plan and this Agreement.

(d) Tax Withholding. Upon the vesting of the Restricted Shares, the Participant shall be required to pay to the Company in cash (by check or wire transfer) such amount as the Company determines that it is required to withhold under applicable federal, state or local tax laws in respect of the Restricted Shares, and the Company shall have the right and is hereby authorized to withhold any cash, shares of Common Stock, other securities or other property deliverable under the Restricted Shares, the amount (in cash, Restricted Shares, other securities or other property) of any required withholding taxes in respect of the Restricted Shares, and to take such other action as may be necessary in the opinion of the Committee to satisfy all obligations for the payment of such withholding taxes, if applicable; provided that the Committee may, in its sole discretion, allow such withholding obligation to be satisfied by any other method described in Section 15(d) of the Plan. The obligations of the Company under this Agreement will be conditional on such payment or arrangements, and the Company will, to the extent permitted by law, have the right to deduct any such withholding taxes from any payment of any kind otherwise due to Participant.

(e) Compliance with Legal Requirements. The granting of the Restricted Shares, and any other obligations of the Company under this Agreement shall be subject to all applicable federal and state laws, rules and regulations and to such approvals by any regulatory or governmental agency as may be required. The Committee, in its sole discretion, may postpone the issuance or delivery of Restricted Shares as the Committee may consider appropriate and may require the Participant to make such representations and furnish such information as it may consider appropriate in connection with the issuance or delivery of Restricted Shares in compliance with applicable laws, rules and regulations.

(f) Transferability. Restricted Shares for which the applicable Restricted Period has not yet lapsed shall not be transferable by the Participant other than by will or the laws of descent and distribution.

(g) Clawback/Forfeiture. The Committee may in its sole discretion cancel this Award if the Participant, without the consent of the Company, while employed by or providing services to the Company or any Affiliate or after termination of such employment or service, violates a non-competition, non-solicitation, non-disparagement or non-disclosure covenant or agreement, or otherwise has engaged in or engages in activity that is in conflict with or adverse to the interest of the Company or any Affiliate, including fraud or conduct contributing to any financial restatements or irregularities, as determined by the Committee in its sole discretion. If the Participant otherwise has engaged in or engages in any activity referred to in the preceding sentence, the Participant shall forfeit any compensation, gain or other value realized thereafter on the vesting of the Restricted Shares, or the sale of the Restricted Shares, and must promptly repay such amounts to the Company.

4. Miscellaneous.

(a) Intentionally Omitted

(b) Notices. All notices, demands and other communications provided for or permitted hereunder shall be made in writing and shall be by registered or certified first-class mail, return receipt requested, telecopier, courier service or personal delivery:

if to the Company:

DHI Group, Inc.
6465 South Greenwood Plaza, Suite 400
Centennial, CO 80111
Attention: Corporate Secretary

if to the Participant, at the Participant's last known address on file with the Company.

All such notices, demands and other communications shall be deemed to have been duly given when delivered by hand, if personally delivered; when delivered by courier, if delivered by commercial courier service; five (5) business days after being deposited in the mail, postage prepaid, if mailed; and when receipt is mechanically acknowledged, if telecopied.

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

(d) No Rights to Service. Nothing contained in this Agreement shall be construed as giving the Participant any right to be retained, in any position, as an employee, consultant or director of the Company or its Affiliates, or shall interfere with or restrict in any way the right of the Company or its Affiliates, which are hereby expressly reserved, to remove, terminate or discharge the Participant at any time for any reason whatsoever.

(e) Beneficiary. The Participant may file with the Committee a written designation of a beneficiary on such form as may be prescribed by the Committee and may, from time to time, amend or revoke such designation. If no designated beneficiary survives the Participant, the executor or administrator of the Participant's estate shall be deemed to be the Participant's beneficiary.

(f) Successors. The terms of this Agreement shall be binding upon and inure to the benefit of the Company and its successors and assigns, and of the Participant and the beneficiaries, executors, administrators, heirs and successors of the Participant.

(g) Entire Agreement. Except as otherwise provided in Section 4(a) hereof, this Agreement and the Plan contain the entire agreement and understanding of the parties hereto with respect to the subject matter contained herein and supersede all prior communications, representations and negotiations in respect thereto. No change, modification or waiver of any provision of this Agreement shall be valid unless the same be in writing and signed by the parties hereto.

(h) Governing Law. This Agreement shall be construed and interpreted in accordance with the laws of the State of New York without regard to principles of conflicts of law thereof, or principles of conflicts of laws of any other jurisdiction which could cause the application of the laws of any jurisdiction other than the State of New York.

(a) Headings. The headings of the Sections hereof are provided for convenience only and are not to serve as a basis for interpretation or construction, and shall not constitute a part, of this Agreement.

(b) Signature in Counterparts. This Agreement may be signed (including electronically as specified by the Committee), as counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

[Remainder of page intentionally left blank; signature page to follow]

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

DHI Group, Inc.

By: ____________________
Name:
Title:

<u>Accepted and Agreed by the Participant:</u>

____

[Name of Participant]

or via electronic acceptance on the Merrill Lynch Benefits Online system or such other method as specified by the Committee

[Signature Page to Non-Employee Director Restricted Stock Award Agreement]

DHI Group, Inc.

2022 OMNIBUS EQUITY AWARD PLAN RESTRICTED STOCK AWARD

AGREEMENT

THIS RESTRICTED STOCK AWARD AGREEMENT (the "Agreement") is made by and between DHI Group, Inc., a Delaware corporation (the "Company"), and you (the "Participant"), and is dated as of the date separately communicated to the Participant by the Company (either electronically through the Merrill Lynch Benefits Online system or by such other method as specified by the Committee) (the "Date of Grant").

R E C I T A L S:

WHEREAS, the Company has adopted the DHI Group, Inc. 2022 Omnibus Equity Award Plan, as may be amended and restated from time to time, (the "Plan"), pursuant to which awards of restricted shares of the Company's Common Stock may be granted; and

WHEREAS, the Committee has determined that it is in the best interests of the Company and its stockholders to grant to the Participant an award of restricted shares of the Company's Common Stock provided for herein.

NOW, THEREFORE, for and in consideration of the premises and the covenants of the parties contained in this Agreement, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto, for themselves, their successors and assigns, hereby agree as follows:

1. Grant of Restricted Stock.

The Company hereby grants on the Date of Grant to the Participant a total number of shares of Common Stock separately communicated to the Participant by the Company (either electronically through the Merrill Lynch Benefits Online system or by such other method as specified by the Committee) (such shares of Common Stock, the "Restricted Shares"), on the terms and conditions set forth in this Agreement and as otherwise provided in the Plan.

2. Award Subject to Plan.

(a) By entering into this Agreement, the Participant acknowledges that the Participant has received and read a copy of the Plan, and agrees to be bound by all the terms and provisions of the Plan.

(b) The Plan is hereby incorporated herein by reference. Except as otherwise expressly set forth herein, this Agreement shall be construed in accordance with the provisions of the Plan and any capitalized terms not otherwise defined in this Agreement shall have the definitions set forth in the Plan. The Committee shall have final authority to interpret and construe the Plan and this Agreement and to make any and all determinations under them, and its decision shall be binding and conclusive upon Participant and their legal representative in respect of any questions arising under the Plan or this Agreement. In the event of a conflict between any term or provision contained herein and any terms or provisions of the Plan, the applicable terms and provisions of this Agreement will govern and prevail.

3. Terms and Conditions.

(a) Vesting. The Restricted Shares shall be one hundred percent (100%) unvested as of the Date of Grant. The Vesting Commencement Date shall be __________. The Restricted Shares shall be subject to the following vesting schedule: _________. The unvested portion of Restricted Shares shall terminate and be forfeited upon Participant's termination of employment or service with the Company.

(b) Issuance. The Restricted Shares shall be issued by the Company and shall be registered in the Participant's name on the stock transfer books of the Company promptly after the date hereof in book-entry form, subject to the Company's directions at all times prior to the date the Restricted Shares vest. As a condition to the receipt of the Restricted Shares, the Participant shall at the request of the Company deliver to the Company one or more stock powers, duly endorsed in blank, relating to the Restricted Shares. The Committee may cause a legend or legends to be put on any stock certificate relating to the Restricted Shares to make appropriate reference to such restrictions as the Committee may deem advisable under the Plan or as may be required by the rules, regulations, and other requirements of the Securities and Exchange Commission, any exchange that lists the Restricted Shares, and any applicable federal or state laws.

(c) Rights as a Stockholder; Dividends. The Participant shall be the record owner of the Restricted Shares unless and until such shares are forfeited pursuant to the Plan and this Agreement or sold or otherwise disposed of, and as record owner shall be entitled to all rights of a common stockholder of the Company, including, without limitation, voting rights, if any, with respect to the Restricted Shares; provided, that any cash or in-kind dividends paid with respect to unvested Restricted Shares shall be withheld by the Company and shall be paid to the Participant, without interest, only when, and if, the Restricted Period with respect to such Restricted Shares shall lapse as provided in the Plan and this Agreement.

(d) Tax Withholding. Upon the vesting of the Restricted Shares, the Participant shall be required to pay to the Company in cash (by check or wire transfer) such amount as the Company determines that it is required to withhold under applicable federal, state or local tax laws in respect of the Restricted Shares, and the Company shall have the right and is hereby authorized to withhold any cash, shares of Common Stock, other securities or other property deliverable under the Restricted Shares, the amount (in cash, Restricted Shares, other securities or other property) of any required withholding taxes in respect of the Restricted Shares, and to take such other action as may be necessary in the opinion of the Committee to satisfy all obligations for the payment of such withholding taxes, if applicable; provided that the Committee may, in its sole discretion, allow such withholding obligation to be satisfied by any other method described in Section 15(d) of the Plan. The obligations of the Company under this Agreement will be conditional on such payment or arrangements, and the Company will, to the extent permitted by law, have the right to deduct any such withholding taxes from any payment of any kind otherwise due to Participant. As a condition and term of the Restricted Shares, no election under Section 83(b) of the Code may be made by you or any other person with respect to all or any portion of the Restricted Shares.

(e) Compliance with Legal Requirements. The granting of the Restricted Shares, and any other obligations of the Company under this Agreement shall be subject to all applicable federal and state laws, rules and regulations and to such approvals by any regulatory or governmental agency as may be required. The Committee, in its sole discretion, may postpone the issuance or delivery of Restricted Shares as the Committee may consider appropriate and may require the Participant to make such representations and furnish such information as it may consider appropriate in connection with the issuance or delivery of Restricted Shares in compliance with applicable laws, rules and regulations.

(f) Transferability. Restricted Shares for which the applicable Restricted Period has not yet lapsed shall not be transferable by the Participant other than by will or the laws of descent and distribution.

(g) Clawback/Forfeiture. The Committee may in its sole discretion cancel this Award if the Participant, without the consent of the Company, while employed by or providing services to the Company or any Affiliate or after termination of such employment or service, violates a non-competition, non-solicitation, non-disparagement or non-disclosure covenant or agreement, or otherwise has engaged in or engages in activity that is in conflict with or adverse to the interest of the Company or any Affiliate, including fraud or conduct contributing to any financial restatements or irregularities, as determined by the Committee in its sole discretion. If the Participant otherwise has engaged in or engages in any activity referred to in the preceding sentence, the Participant shall forfeit any compensation, gain or other value realized thereafter on the vesting of the Restricted Shares, or the sale of the Restricted Shares, and must promptly repay such amounts to the Company.

4. Miscellaneous.

(a) Employment Agreement. This Agreement is subject to any provisions concerning restricted stock of any employment agreement in effect from time to time between the Participant and the Company or an Affiliate that has been approved by the Board or a committee thereof, which provisions are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained herein and any terms or provisions of such employment agreement concerning restricted stock, the applicable terms and provisions of such employment agreement will govern and prevail.

(b) Notices. All notices, demands and other communications provided for or permitted hereunder shall be made in writing and shall be by registered or certified first-class mail, return receipt requested, telecopier, courier service or personal delivery:

if to the Company:

DHI Group, Inc.
6465 South Greenwood Plaza, Suite 400
Centennial, CO 80111
Attention: Corporate Secretary

if to the Participant, at the Participant’s last known address on file with the Company.

All such notices, demands and other communications shall be deemed to have been duly given when delivered by hand, if personally delivered; when delivered by courier, if delivered by commercial courier service; five (5) business days after being deposited in the mail, postage prepaid, if mailed; and when receipt is mechanically acknowledged, if telecopied.

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

(d) No Rights to Employment. Nothing contained in this Agreement shall be construed as giving the Participant any right to be retained, in any position, as an employee, consultant or director of the Company or its Affiliates or shall interfere with or restrict in any way the right of the Company or its Affiliates, which are hereby expressly reserved, to remove, terminate or discharge the Participant at any time for any reason whatsoever.

(e) Beneficiary. The Participant may file with the Committee a written designation of a beneficiary on such form as may be prescribed by the Committee and may, from time to time, amend or revoke such designation. If no designated beneficiary survives the Participant, the executor or administrator of the Participant's estate shall be deemed to be the Participant's beneficiary.

(f) Successors. The terms of this Agreement shall be binding upon and inure to the benefit of the Company and its successors and assigns, and of the Participant and the beneficiaries, executors, administrators, heirs and successors of the Participant.

(g) Entire Agreement. Except as otherwise provided in Section 4(a) hereof, this Agreement and the Plan contain the entire agreement and understanding of the parties hereto with respect to the subject matter contained herein and supersede all prior communications, representations and negotiations in respect thereto. No change, modification or waiver of any provision of this Agreement shall be valid unless the same be in writing and signed by the parties hereto.

(h) Governing Law. This Agreement shall be construed and interpreted in accordance with the laws of the State of New York without regard to principles of conflicts of law thereof, or principles of conflicts of laws of any other jurisdiction which could cause the application of the laws of any jurisdiction other than the State of New York.

(i) Headings. The headings of the Sections hereof are provided for convenience only and are not to serve as a basis for interpretation or construction, and shall not constitute a part, of this Agreement.

(j) Signature in Counterparts. This Agreement may be signed (including electronically as specified by the Committee), as counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

[Remainder of page intentionally left blank; signature page to follow]

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

DHI Group, Inc.

By:

Name:

Title:

Accepted and Agreed by the Participant:

____

[Name of Participant]

or via electronic acceptance on the Merrill Lynch Benefits Online system or such other method as specified by the Committee

DHI Group, Inc.
2022 OMNIBUS EQUITY AWARD PLAN

PERFORMANCE-BASED RESTRICTED STOCK UNIT AWARD AGREEMENT

THIS PERFORMANCE-BASED RESTRICTED STOCK UNIT AWARD AGREEMENT (the "Agreement") is made by and between DHI Group, Inc., a Delaware corporation (the "Company"), and you (the "Participant"), and is dated as of the date separately communicated to the Participant by the Company (either electronically through the Merrill Lynch Benefits Online system or by such other method as specified by the Committee) (the "Date of Grant").

R E C I T A L S:

WHEREAS, the Company has adopted the DHI Group, Inc. 2022 Omnibus Equity Award Plan, as may be amended and restated from time to time, (the "Plan"), pursuant to which performance-compensation awards of the Company's Common Stock may be granted; and

WHEREAS, the Committee has determined that it is in the best interests of the Company and its stockholders to grant to the Participant an award of restricted stock units with respect to the Company's Common Stock, which may be earned based on achievement of the Performance Criteria during the Performance Period, each as approved by the Committee (the "PSUs").

NOW, THEREFORE, for and in consideration of the premises and the covenants of the parties contained in this Agreement, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto, for themselves, their successors and assigns, hereby agree as follows:

1. Grant of PSUs.

The Company hereby grants on the Date of Grant to the Participant that number of PSUs separately communicated to the Participant by the Company (either electronically through the Merrill Lynch Benefits Online system or by such other method as specified by the Committee) (the "Award"), on the terms and conditions set forth in this Agreement and as otherwise provided in the Plan. The Award shall be credited to a separate book-entry account maintained for the Participant on the books of the Company. The Award shall vest and be settled in accordance with Section 3 hereof.

2. Award Subject to Plan.

(a) By entering into this Agreement, the Participant acknowledges that the Participant has received and read a copy of the Plan, and agrees to be bound by all the terms and provisions of the Plan.

(b) The Plan is hereby incorporated herein by reference. Except as otherwise expressly set forth herein, this Agreement shall be construed in accordance with the provisions of the Plan and any capitalized terms not otherwise defined in this Agreement shall have the definitions set forth in the Plan. The Committee shall have final authority to interpret and construe the Plan and this Agreement and to make any and all determinations under them, and its decision shall be binding and conclusive upon Participant and their legal representative in respect of any questions arising under the Plan or this Agreement. In the event of a conflict between any term or provision contained herein and any terms or provisions of the Plan, the applicable terms and provisions of this Agreement will govern and prevail.

3. Terms and Conditions.

(a) Vesting. The Award shall be one hundred percent (100%) unearned and unvested as of the Date of Grant. Except as otherwise provided in the Plan and this Agreement, the Award shall be earned for that number of PSUs (if any) as determined in accordance the PSU criteria approved by the Committee (the "Earned PSUs"). Earned PSUs will vest at a rate of ______________ (each, a "Vesting Date"), provided that the Participant remains in continuous employment or service with the Company or any of its subsidiaries on each such Vesting Date.

(b) Termination of Employment. Except as provided in this Section 3 or any employment or similar agreement with the Participant, in the event that the Participant's continuous service is terminated by the Company or by the Participant for any reason (including for death or Disability), the Participant shall forfeit the unvested Award as of the Participant's termination date.

(c) Settlement. Within 30 days following each Vesting Date, the Company shall settle the applicable portion of the Award and shall therefore, subject to any required tax withholding and the execution of any required documentation, (i) issue and deliver to the Participant one share of Common Stock for each earned and vested PSU as determined hereunder (the "PSU Shares") (and, upon such settlement, the PSUs shall cease to be credited to the account) and (ii) enter the Participant's name as a shareholder of record with respect to the PSU Shares on the books of the Company. Alternatively, the Committee may, in its sole discretion, elect to pay cash or part cash and part PSU Shares in lieu of settling the vested PSUs solely in PSU Shares. If a cash payment is made in lieu of delivering PSU Shares, the amount of such payment shall be equal to the Fair Market Value of the PSU Shares (determined as of the Vesting Date) less an amount equal to any federal, state, and local income and employment taxes required to be withheld.

(d) Rights as a Stockholder; Dividends. The Participant shall not be deemed for any purpose to be the owner of any shares of Common Stock underlying the PSUs unless, until and to the extent that (i) the Company shall have issued and delivered to the Participant the shares of Common Stock underlying the PSUs and (ii) the Participant's name shall have been entered as a stockholder of record with respect to such shares of Common Stock on the books of the Company. Simultaneously with the settlement and delivery of PSU Shares as contemplated by Section 3(c), the Participant shall be entitled to receive an additional amount (the "Dividend Equivalent Amount") equal to the product of (i) the cash amount of each per share dividend that was paid by the Company on shares of its Common Stock ("Shares") on any date that the Participant's PSUs remained outstanding hereunder (or, in the case of a dividend payable in Shares or other property, the per Share equivalent cash value of such dividend as determined in good faith by the Committee) and (ii) the number of PSU Shares so delivered (or, if the PSUs are not settled exclusively in Shares, the number of PSU Shares that would have been delivered had they been settled exclusively in Shares). The Dividend Equivalent Amount shall be payable in cash or, at the discretion of the Committee, in Shares with an equivalent Fair Market Value on the date of payment. The Company shall establish a bookkeeping methodology to account for the Dividend Equivalent Amount. The Dividend Equivalent Amount shall not bear interest.

(e) Tax Withholding. Upon the settlement of the PSUs, the Participant shall be required to pay to the Company in cash (by check or wire transfer) such amount as the Company determines that it is required to withhold under applicable federal, state or local tax laws in respect of the PSUs, and the Company shall have the right and is hereby authorized to withhold any cash, shares of Common Stock, other securities or other property deliverable under the Award, the amount (in cash, PSUs, other securities or other property) of any required withholding taxes in respect of the PSUs, and to take such other action as may be necessary in the opinion of the Committee to satisfy all obligations for the payment of such withholding taxes, if applicable; provided that the Committee may, in its sole discretion, allow such withholding obligation to be satisfied by any other method described in Section 15(d) of the Plan. The obligations of the Company under this Agreement will be conditional on such payment or arrangements, and the Company will, to the extent permitted by law, have the right to deduct any such withholding taxes from any payment of any kind otherwise due to Participant.

(f) Compliance with Legal Requirements. The granting of the Award, and any other obligations of the Company under this Agreement shall be subject to all applicable federal and state laws, rules and regulations and to such approvals by any regulatory or governmental agency as may be required. The Committee, in its sole discretion, may postpone the issuance or delivery of the PSU Shares as the Committee may consider appropriate and may require the Participant to make such representations and furnish such information as it may consider appropriate in connection with the issuance or delivery of PSU Shares in compliance with applicable laws, rules and regulations.

(g) Transferability. The PSUs may not be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by a Participant other than by will or by the laws of descent and distribution, pursuant to a qualified domestic relations order or as otherwise permitted under Section 15(b) of the Plan.

(h) Clawback/Forfeiture. The Committee may in its sole discretion cancel this Award if the Participant, without the consent of the Company, while employed by or providing services to the Company or any Affiliate or after termination of such employment or service, violates a non-competition, non-solicitation, non-disparagement or non-disclosure covenant or agreement, or otherwise has engaged in or engages in activity that is in conflict with or adverse to the interest of the Company or any Affiliate, including fraud or conduct contributing to any financial restatements or irregularities, as determined by the Committee in its sole discretion. If the Participant otherwise has engaged in or engages in any activity referred to in the preceding sentence, the Participant shall forfeit any compensation, gain or other value realized thereafter on the vesting of the Award, or the sale of the Award, and must promptly repay such amounts to the Company.

4. Miscellaneous.

(a) Employment Agreement. This Agreement is subject to any provisions concerning PSUs of any employment agreement in effect from time to time between the Participant and the Company or an Affiliate that has been approved by the Board or a committee thereof, which provisions are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained herein and any terms or provisions of such employment agreement concerning PSUs, the applicable terms and provisions of such employment agreement will govern and prevail.

(b) Notices. All notices, demands and other communications provided for or permitted hereunder shall be made in writing and shall be by registered or certified first-class mail, return receipt requested, telecopier, courier service or personal delivery:

if to the Company:

DHI Group, Inc.
6465 South Greenwood Plaza, Suite 400
Centennial, CO 80111
Attention: Corporate Secretary

if to the Participant, at the Participant's last known address on file with the Company.

All such notices, demands and other communications shall be deemed to have been duly given when delivered by hand, if personally delivered; when delivered by courier, if delivered by commercial courier service; five (5) business days after being deposited in the mail, postage prepaid, if mailed; and when receipt is mechanically acknowledged, if telecopied.

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

(d) No Rights to Employment. Nothing contained in this Agreement shall be construed as giving the Participant any right to be retained, in any position, as an employee, consultant or director of the Company or its Affiliates or shall interfere with or restrict in any way the right of the Company or its Affiliates, which are hereby expressly reserved, to remove, terminate or discharge the Participant at any time for any reason whatsoever.

(e) Beneficiary. The Participant may file with the Committee a written designation of a beneficiary on such form as may be prescribed by the Committee and may, from time to time, amend or revoke such designation. If no designated beneficiary survives the Participant, the executor or administrator of the Participant's estate shall be deemed to be the Participant's beneficiary.

(f) Successors. The terms of this Agreement shall be binding upon and inure to the benefit of the Company and its successors and assigns, and of the Participant and the beneficiaries, executors, administrators, heirs and successors of the Participant.

(g) Entire Agreement. Except as otherwise provided in Section 4(a) hereof, this Agreement and the Plan contain the entire agreement and understanding of the parties hereto with respect to the subject matter contained herein and supersede all prior communications, representations and negotiations in respect thereto. No change, modification or waiver of any provision of this Agreement shall be valid unless the same be in writing and signed by the parties hereto.

(h) Governing Law. This Agreement shall be construed and interpreted in accordance with the laws of the State of New York without regard to principles of conflicts of law thereof, or principles of conflicts of laws of any other jurisdiction which could cause the application of the laws of any jurisdiction other than the State of New York.

(i) Headings. The headings of the Sections hereof are provided for convenience only and are not to serve as a basis for interpretation or construction, and shall not constitute a part, of this Agreement.

(j) Signature in Counterparts. This Agreement may be signed (including electronically as specified by the Committee), in counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument.

[Remainder of page intentionally left blank; signature page to follow]

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

DHI Group, Inc.

By: ____________

Name:

Title:

Accepted and Agreed by the Participant:

____

[Name of Participant]

or via electronic acceptance on the Merrill Lynch Benefits Online system or such other method as specified by the Committee

[Signature Page to Performance-Based Restricted Stock Unit Award Agreement]

EXHIBIT 31.1

CEO CERTIFICATION
PURSUANT TO SECTION 302 OF THE
SARBANES – OXLEY ACT OF 2002

I, Art Zeile, certify that:

1. I have reviewed this quarterly report on Form 10-Q of DHI Group, 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; and

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; and

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.

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 registrant's board of directors (or persons performing the equivalent functions):

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

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

Date: August 2, 2023

By: /s/ Art Zeile
Art Zeile
Chief Executive Officer
DHI Group, Inc.

EXHIBIT 31.2

CFO CERTIFICATION
PURSUANT TO SECTION 302 OF THE
SARBANES – OXLEY ACT OF 2002

I, Kevin Bostick, certify that:

1. I have reviewed this quarterly report on Form 10-Q of DHI Group, 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; and

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; and

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.

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 registrant's board of directors (or persons performing the equivalent functions):

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

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

Date: August 2, 2023

By: /s/ Kevin Bostick
Kevin Bostick
Chief Financial Officer
DHI Group, Inc.

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 Quarterly Report of DHI Group, Inc. (the “Company”) on Form 10-Q for the period ending June 30, 2023 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Art Zeile, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

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

August 2, 2023

/s/ Art Zeile
Art Zeile
Chief Executive Officer
DHI Group, Inc.

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 Quarterly Report of DHI Group, Inc. (the “Company”) on Form 10-Q for the period ending June 30, 2023 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Kevin Bostick, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of my knowledge:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and

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

August 2, 2023	/s/ Kevin Bostick
	Kevin Bostick Chief Financial Officer DHI Group, Inc.