

# meridianlink®

## Connecting you to better

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Investor Presentation

August 2024

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Information in this presentation and the accompanying oral presentation contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, which statements involve substantial risks and uncertainties. Forward-looking statements generally relate to future events or our future financial or operating performance. All statements other than statements of historical fact included in this presentation and the accompanying oral presentation, including statements regarding, and guidance with respect to, our strategy, future operations, financial position, projected costs, our future financial and operational performance, prospects, market size and growth opportunities, future economic conditions, competitive position, strategic initiatives, development or delivery of new or enhanced solutions, technological capabilities, plans, and objectives of management are forward-looking statements. In some cases, you can identify forward-looking statements because they contain words such as “may,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “target,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “potential,” or “continue” or the negative of these words or other similar terms or expressions that concern our expectations, strategy, plans, or intentions. These forward-looking statements reflect our predictions, expectations, or forecasts. Actual results may differ materially from those described in the forward-looking statements and will be affected by a variety of risks and factors that are beyond our control including, without limitation, risks related to economic and market conditions, including interest rate fluctuations; our ability to retain and attract customers; our ability to expand and evolve our offerings, features, and functionalities or respond to rapid technological changes; our ability to identify and integrate strategic initiatives; our realignment plan, including expected associated timing, benefits, and costs; our stock repurchase programs, including the execution and amount of repurchases; our ability to maintain effective internal control over financial reporting and disclosure controls and procedures; the status of litigation matters, including expected or contemplated settlements, associated timing, and estimated fees and expenses; our ability to compete in a highly-fragmented and competitive landscape; market demand for our products and solutions; our ability to effectively implement, integrate, and service our customers; our ability to retain and attract product partners; the benefit to us and our customers of integrations with our product partners; our commercial disputes, including potential losses related thereto; our future financial performance, including, but not limited to, trends in revenue, costs of revenue, gross profit or gross margin, operating expenses, and number of customers; and our high levels of indebtedness; as well as those set forth in Item 1A. Risk Factors, or elsewhere, in our Annual Report on Form 10-K for the most recently ended fiscal year, any updates in our Quarterly Reports on Form 10-Q filed for periods subsequent to such Form 10-K, and our other SEC filings. These forward-looking statements are based on reasonable assumptions as of the date hereof. The plans, intentions, or expectations disclosed in our forward-looking statements may not be achieved, and you should not rely upon forward-looking statements as predictions of future events. We undertake no obligation, other than as required by applicable law, to update any forward-looking statements, whether as a result of new information, future events, or otherwise.

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# MeridianLink at a Glance

## A leading provider of cloud-based software solutions for regional and community financial institutions

- Provider of digital lending, credit data, and account opening software solutions
- A leading position serving ~2,000 customers across the middle market<sup>(1)</sup>
- Named to IDC Global FinTech Top 50<sup>(2)</sup>
- Headquartered in Costa Mesa, CA
- Founded in 1998



### GROWTH AND SCALE

**\$307.6M**  
Total Revenue

**4%**  
Growth YoY

**\$241.0M**  
Lending Solutions Revenue

**9%**  
Growth YoY

**\$66.6M**  
Data Verification Solutions Revenue

**(10)%**  
Growth YoY



### PREDICTABLE, RECURRING & ATTRACTIVE MARGIN PROFILE

**84%**  
Subscription Fee Revenue

**73%**  
Adj. Gross Margin<sup>(3)</sup>

**40%**  
Adj. EBITDA Margin<sup>(3)</sup>

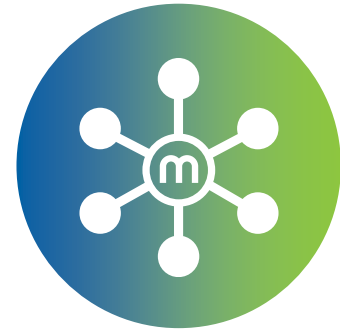
Note: Financial data as of the last-twelve-month period ended June 30, 2024.

(1) As of June 30, 2024.

(2) Source: 2023 IDC FinTech Rankings Top 100, as of September 2023

(3) Adj. gross profit and adj. EBITDA are non-GAAP Measures. Adj. gross profit is calculated by subtracting non-GAAP cost of revenue from net revenues. Adj. gross profit margin represents adj. gross profit as a percentage of revenues. Adj. EBITDA margin represents Adj. EBITDA as a percentage of revenues. For a definition and reconciliation of non-GAAP cost of revenue and adj. EBITDA, please refer to the Appendix.

# Strong Execution and Transformation as a Public Company



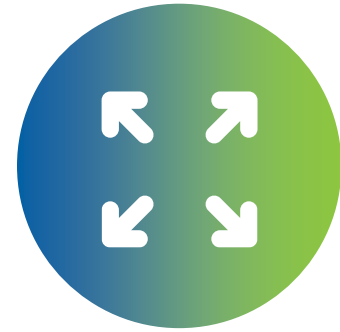
## Key Leadership

Up-tiering executive leadership across key functional areas



## M&A Execution

Successfully executed two acquisitions of OpenClose and StreetShares



## Next-Gen Platform Launch and Innovation

Strengthened positioning by accelerating product and automation capabilities post-cloud migration



## Transformed Go-to-Market

Strategic investments in go-to-market to enable next stage of growth



## Optimized Services

Accelerated implementation driving faster revenue and ACV release



## Rule of 40+<sup>(1)</sup> Company

Operating with stable, adj. EBITDA-positive growth since IPO



# Goals for 2024 and Beyond

## Next phase of growth acceleration

- 1** Empower customer's growth journey and generate demand through digitalization and automation
- 2** Invest in customer success to achieve full utilization of MeridianLink One, which increases retention and cross-sell opportunity
- 3** Improve implementation capabilities to accelerate growth for the company through ACV release
- 4** Strengthen competitive positioning and value of MeridianLink One by acquiring differentiating capabilities and increasing market share



# MeridianLink Investment Highlights

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# Investment Highlights

1 Attractive Positioning in Large TAM with Significant Runway

2 Digital Transformation is Imperative, Driving Demand Among Mid-Market FIs

3 A Leader in Strategic Consumer Lending Ecosystem

4 MeridianLink One: a Unified, Modern Cloud Native Platform

5 Multiple Vectors to Sustain Future Growth

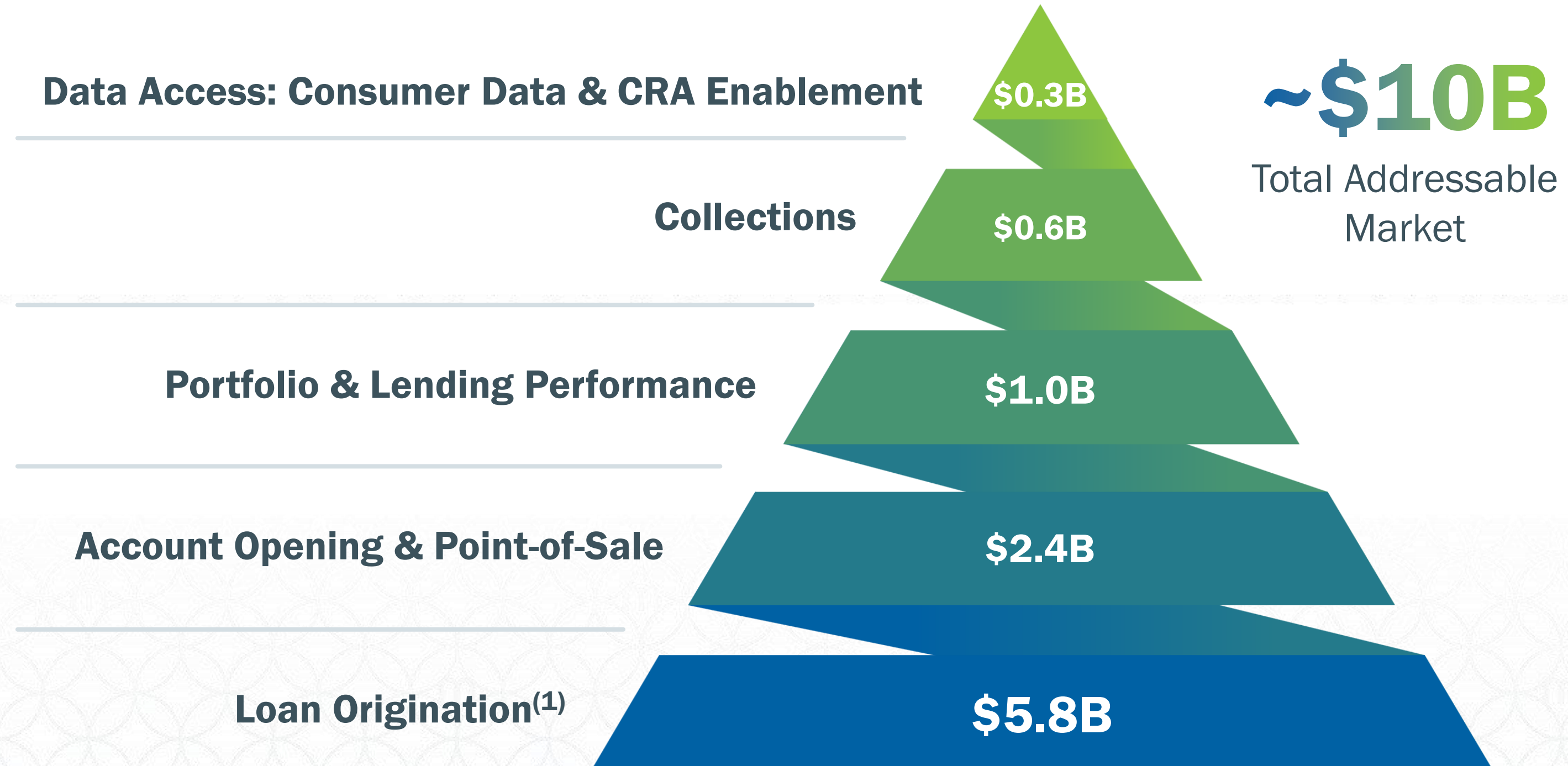
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# Large TAM with Significant Runway

MeridianLink serves nearly the entire consumer lending wallet with runway to expand across the entire addressable market





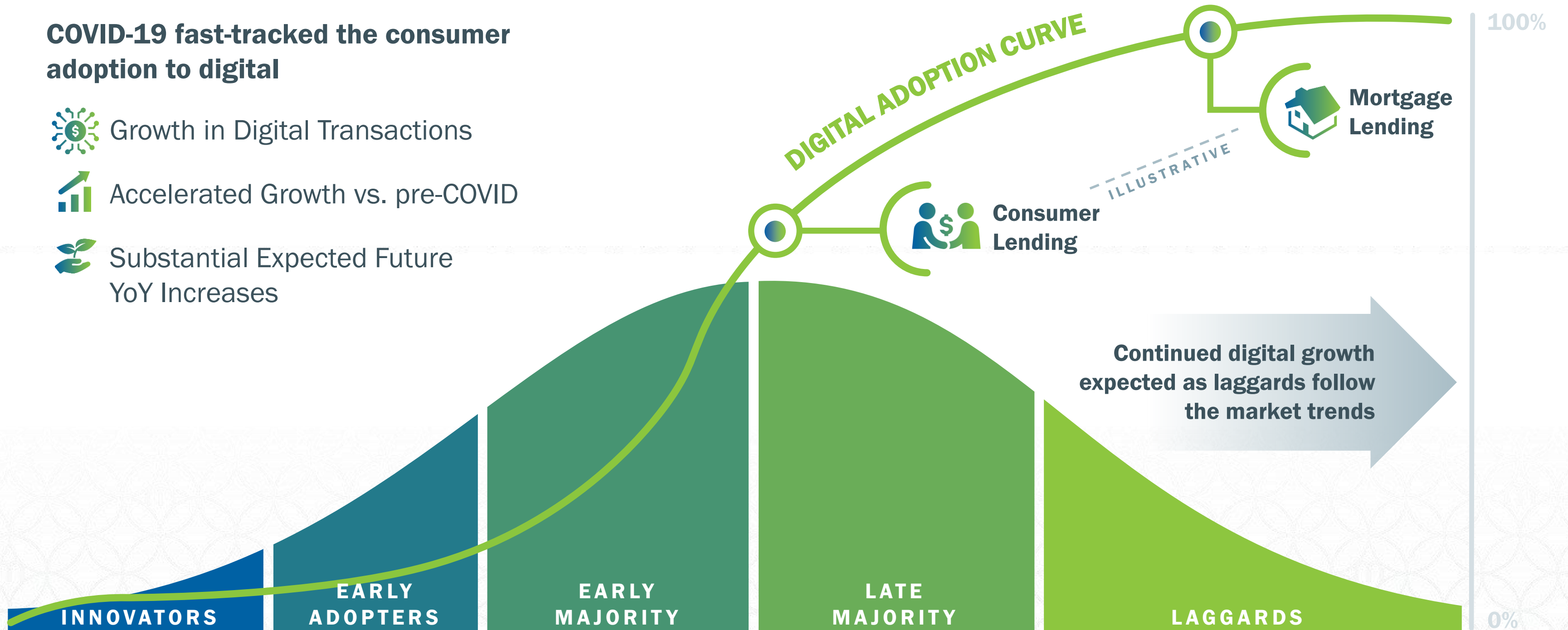


# Digital Transformation Has Significantly Accelerated

Consumer lending is at the forefront of a 10+ year digitalization opportunity

COVID-19 fast-tracked the consumer adoption to digital

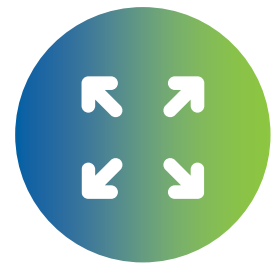
-  Growth in Digital Transactions
-  Accelerated Growth vs. pre-COVID
-  Substantial Expected Future YoY Increases



# 97% of FIs Plan to Enhance Their Lending Capabilities Over Next Two Years

Software investment growth to drive required digitalization and optimization, empowering mid-market FIs to more effectively compete

## DIGITAL PRIORITIZATION



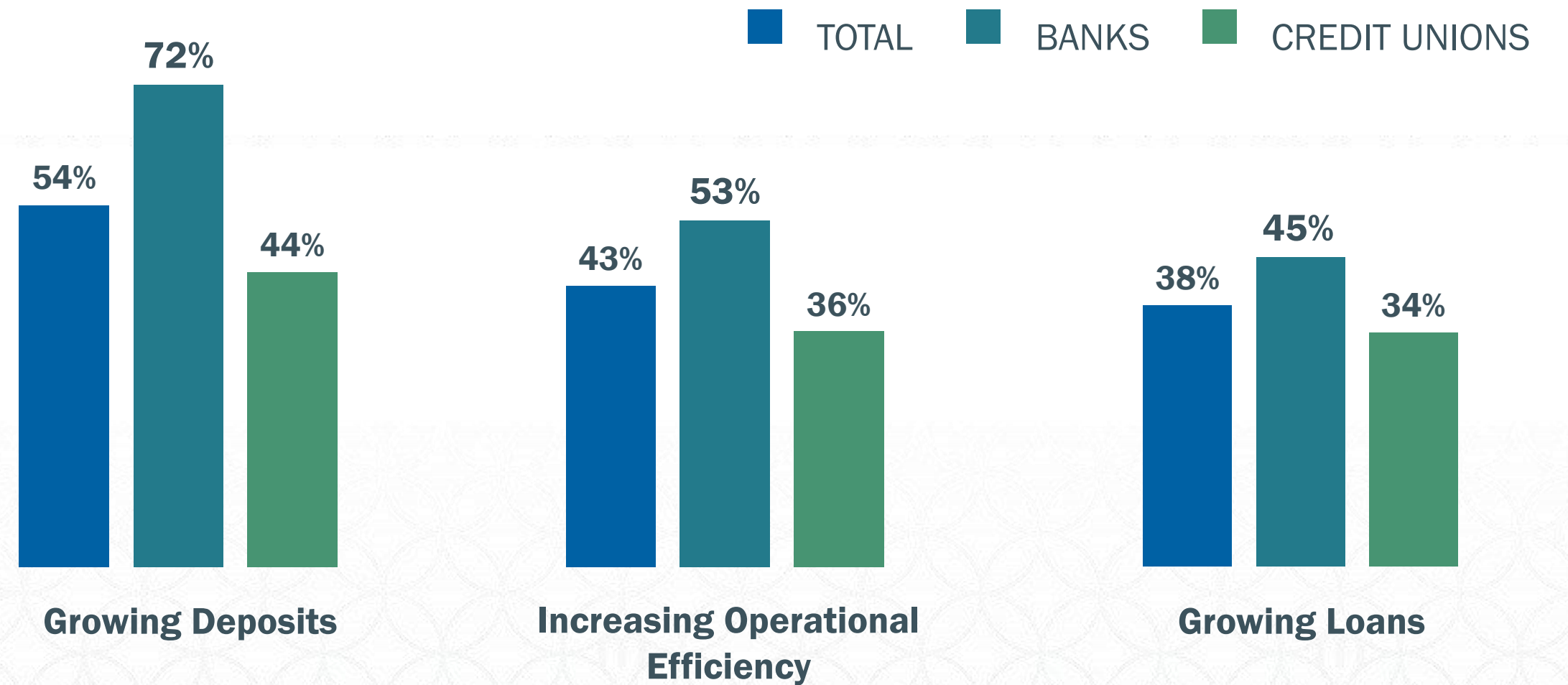
**80%**  
of banks and CUs plan to increase technology spend over next 2 years



**19%**  
of financial institutions plan to enable digital lending within 1 year

## Top Three Strategic Priorities

Over the next two years, what are your top three strategic priorities?





# Platform Leader Among A Generally Fragmented Competitor Set

More comprehensive solutions relative to incumbent and early-stage alternatives



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## Why Do We Win?

- Modern, cloud-based solution
- Compelling innovation and delivery
- Extensive partner marketplace
- Comprehensive and diversified coverage across the consumer debt wallet
- Focused on the middle market
- Lending implementation efficiency



### Consumer Loan Origination

 **CU DIRECT**

 **FIS**  **fiserv.**

 **jack henry**  
& ASSOCIATES INC.

 **ncino.**

 **Q2**  **Sync**  
Systems

 **temenos**

### Mortgage Loan Origination

 **calyx**

 **ICE** Mortgage  
Technology

 **MORTGAGE**  
CADENCE

 **CONSTELLATION**  
SOFTWARE  
INC.

### Data Verification

 **CBC Innovis**



 **checkr**

 **CoreLogic**

 **HIRE RIGHT**

# MeridianLink One: A Leading Cloud Native Digital Lending Platform

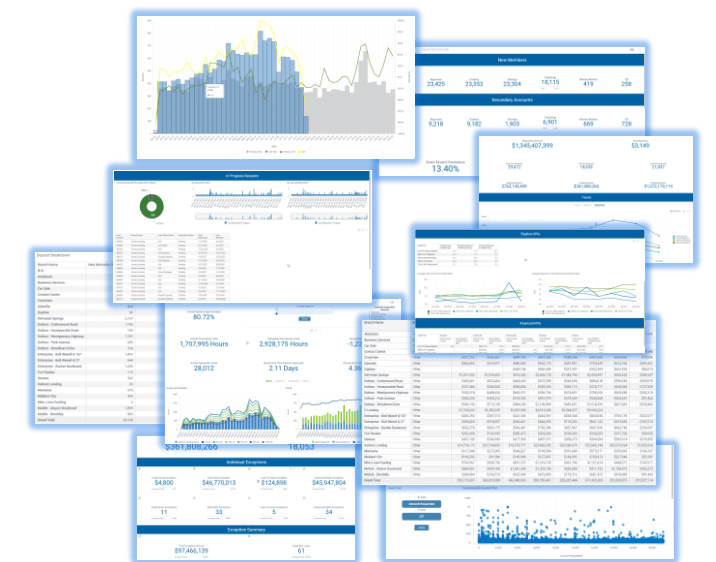
MeridianLink® One unifies the financial institution experience with a powerful, integrated mid-market lending solution to originate consumer and mortgage loans



## EXPECTATIONS FOR THE NEAR FUTURE

### borrower AI

- Shared Data Lake
- Enhanced Product Connectivity
- Centralized Insights





# Multi-Vector Growth Strategy

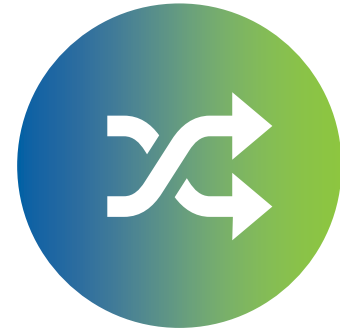
Multiple actionable initiatives to accelerate growth



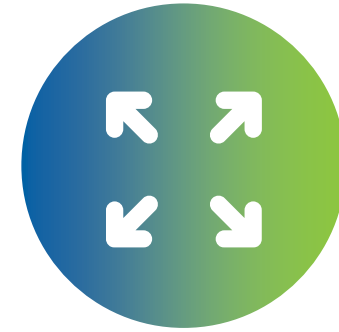
**Capitalize on Organic Volume Growth**



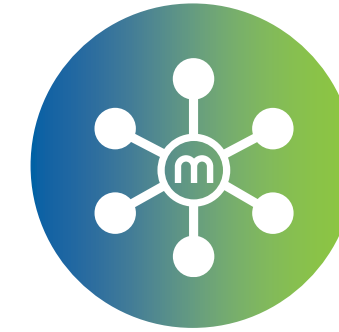
**Add New Logos**



**Pursue Unrealized Upsell & Cross-Sell**



**Expand Product Offerings**



**Enhance Partner Marketplace Monetization**



**Robust Pipeline of M&A Opportunities**

## Key Customer Themes Underpinning Growth



**Paper-to-Digital Transition in Target Market**

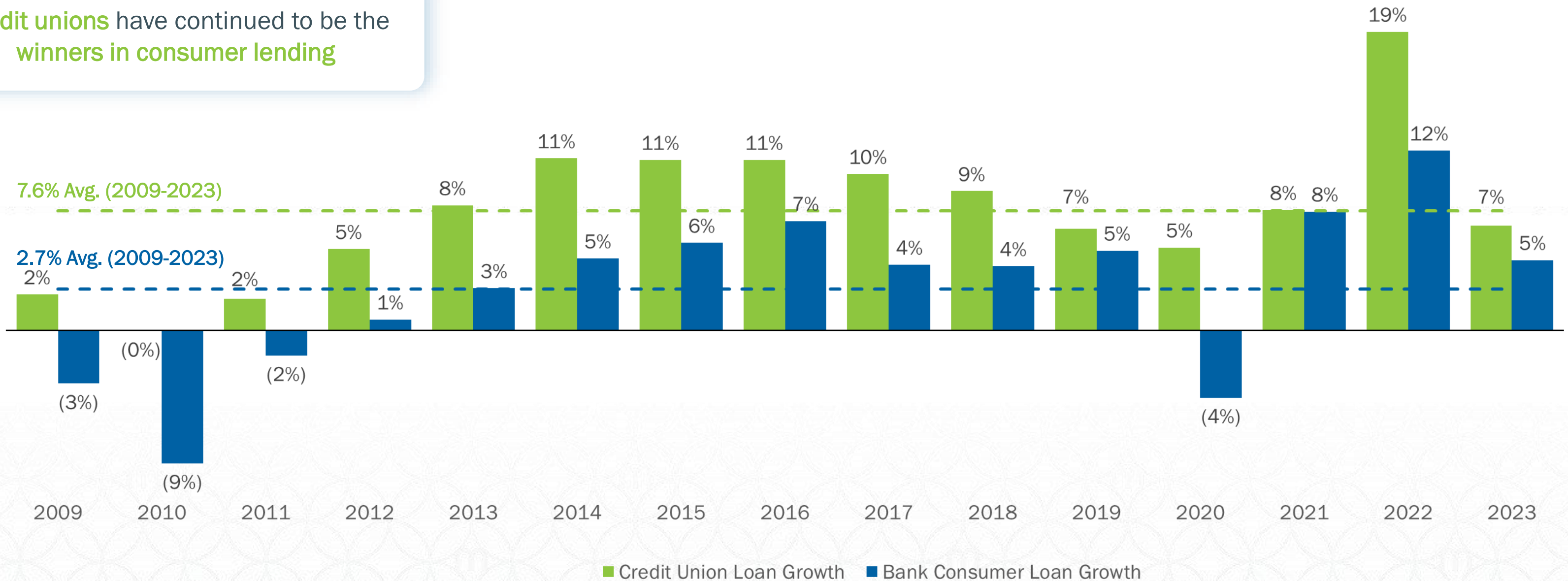


**Competition Among Financial Institutions**

# Resilient Target Market Growth

## FI Loan Growth Trends Over the Long-Term (% Change Y/Y)

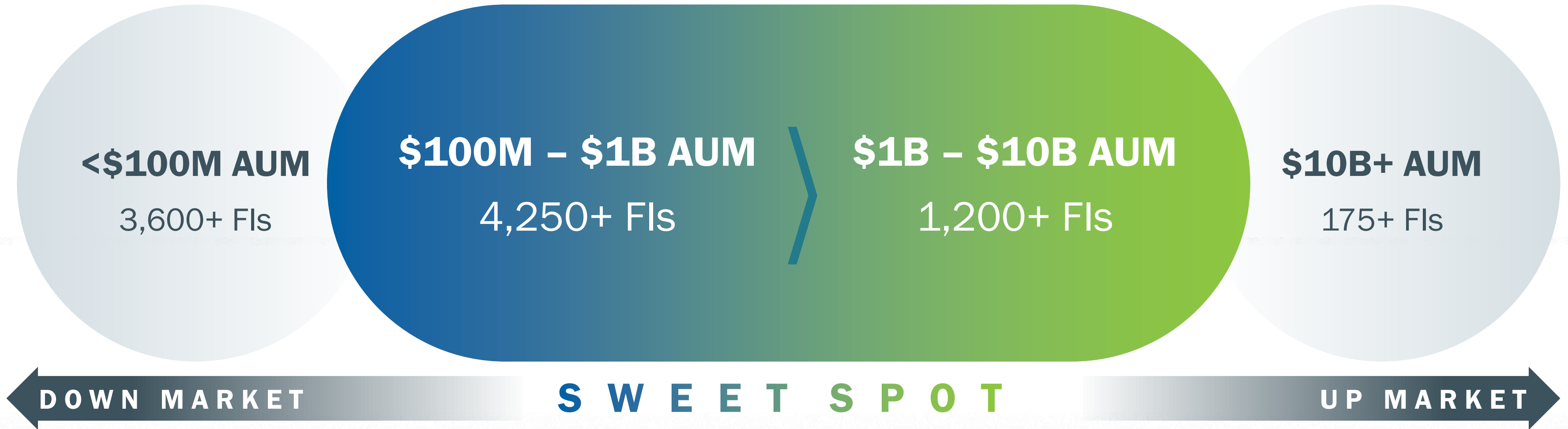
Credit unions have continued to be the winners in consumer lending





# Targeting New Logos and Expanding the Sweet Spot for Sales

Focused sales strategies to strategically grow FI base up and down market



Inside Sales



Multi-Pronged Direct Sales  
Focused on Market Segments



Big Game Hunters

# Increasing Platform Connectivity Unlocking Cross-Sell Opportunity



Increase deposits and liquidity



Drive engagement and grow revenue from existing relationships



Enhance loan origination pipeline to fund more loans



Provide a consistent digital consumer experience across all loan types





# Expansive Partner Marketplace Provides FI Flexibility

MeridianLink is the gateway for a deep network of partners participating in originations



## Digital Applications

- Indirect Auto Portals
- Home Banking Portals
- Lead Gen
- POS Portals



## Funding & Closing

- Verification Services
- Fraud Detection
- Account Funding
- Switch Kit



## Underwriting

- Credit Bureaus / Data
- Custom Scoring
- Alternative Decisioning



## Compliance

- Doc Engines / Compliance
- Vehicle Valuation
- Settlement Services
- eSignature

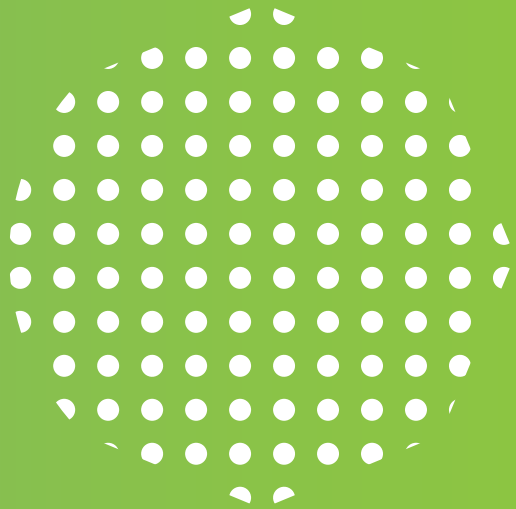


## Origination Services

- Core Banking
- Imaging
- Cold Storage
- HMDA Reporting

# MeridianLink Financial Highlights

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# Financial Highlights

- 1 Recurring Revenue Model of Subscription Fees
- 2 Lending Revenues Growing High Single-Digits at Scale
- 3 Attractive Margin Profile Driven by Cost Discipline
- 4 Investing in Future Growth & Transformation
- 5 Strong Non-GAAP Operating Income & Free Cash Flow Conversion

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Note: Non-GAAP free cash flow and non-GAAP operating income are non-GAAP measures. For a definition and reconciliation of non-GAAP adj. EBITDA, free cash flow and operating income, please refer to the Appendix. FCF Conversion refers to non-GAAP free cash flow / non-GAAP operating income.

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# Recurring Revenue Model of Subscription Fees

## Revenue by Solution Type

### Revenue by Source

(\$ millions)



% Subscription

85%

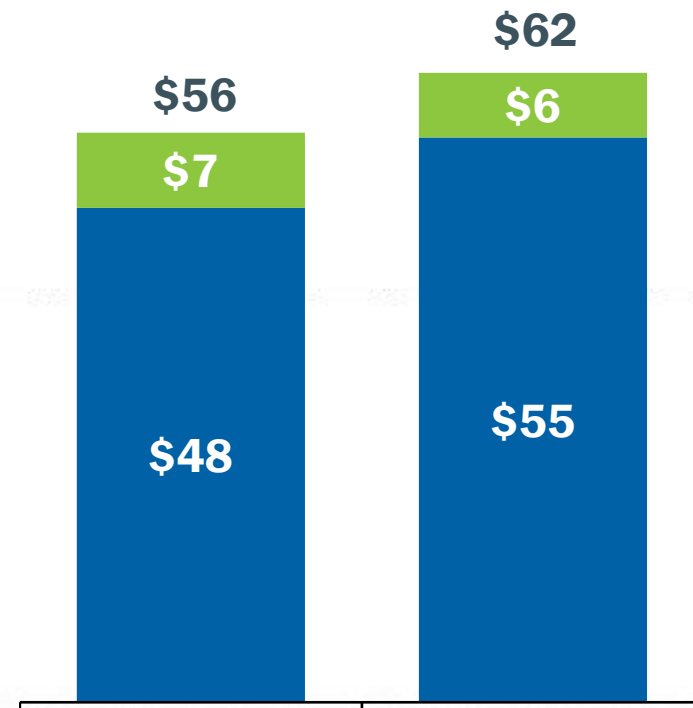
84%

Subscription Fees

Professional Services

Other

### Lending Software Solutions



% Mortgage

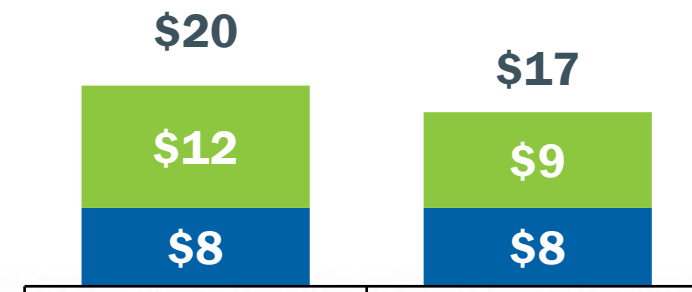
13%

10%

Non-Mortgage

Mortgage

### Data Verification Software Solutions



% Mortgage

61%

55%

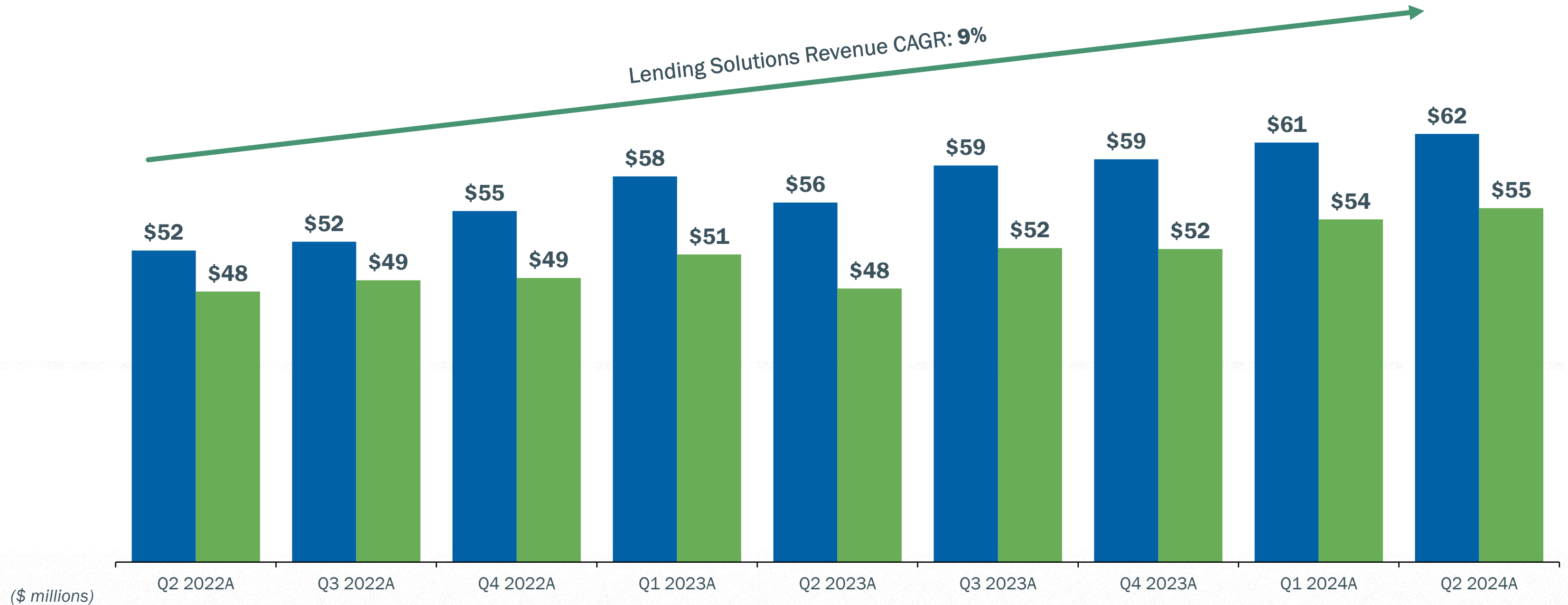
Non-Mortgage

Mortgage



# Lending Revenues Growing High Single-Digits at Scale

Lending Solutions Revenue CAGR: 9%



■ Lending Software Solutions Revenue ■ Non-Mortgage Lending Software Solutions Revenue

	Q2 2022A	Q3 2022A	Q4 2022A	Q1 2023A	Q2 2023A	Q3 2023A	Q4 2023A	Q1 2024A	Q2 2024A
% YoY Lending Software Solutions Revenue Growth <sup>1</sup>	14%	17%	26%	18%	8%	12%	8%	5%	11%
% YoY Non-Mortgage Lending Software Solutions Revenue Growth <sup>1</sup>	16%	21%	23%	13%	1%	6%	5%	6%	14%

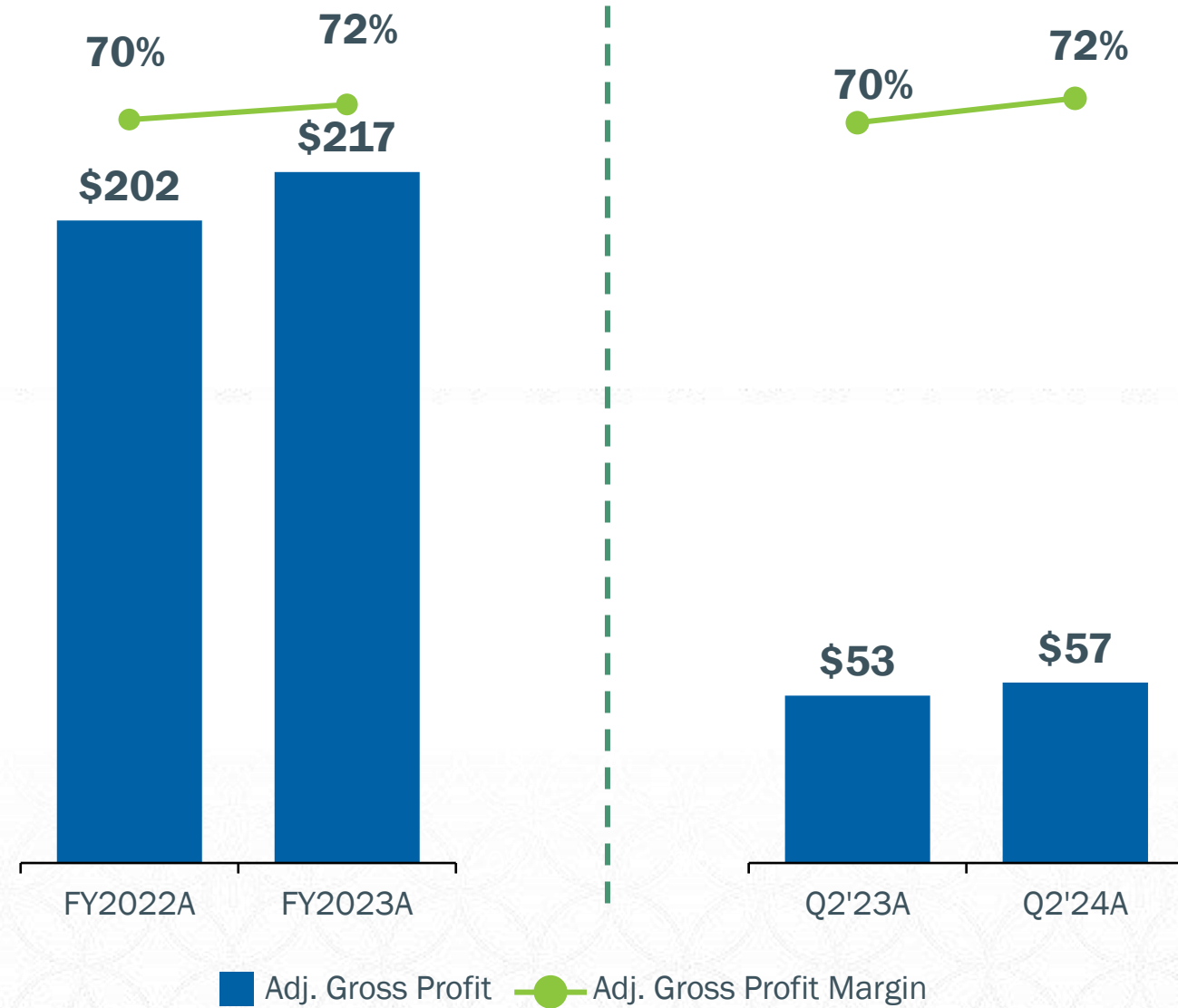


(1) YoY Growth is calculated as the quarter financial performance divided by financial performance of the same quarter in the prior year.

# Attractive Margin Profile Driven by Cost Discipline

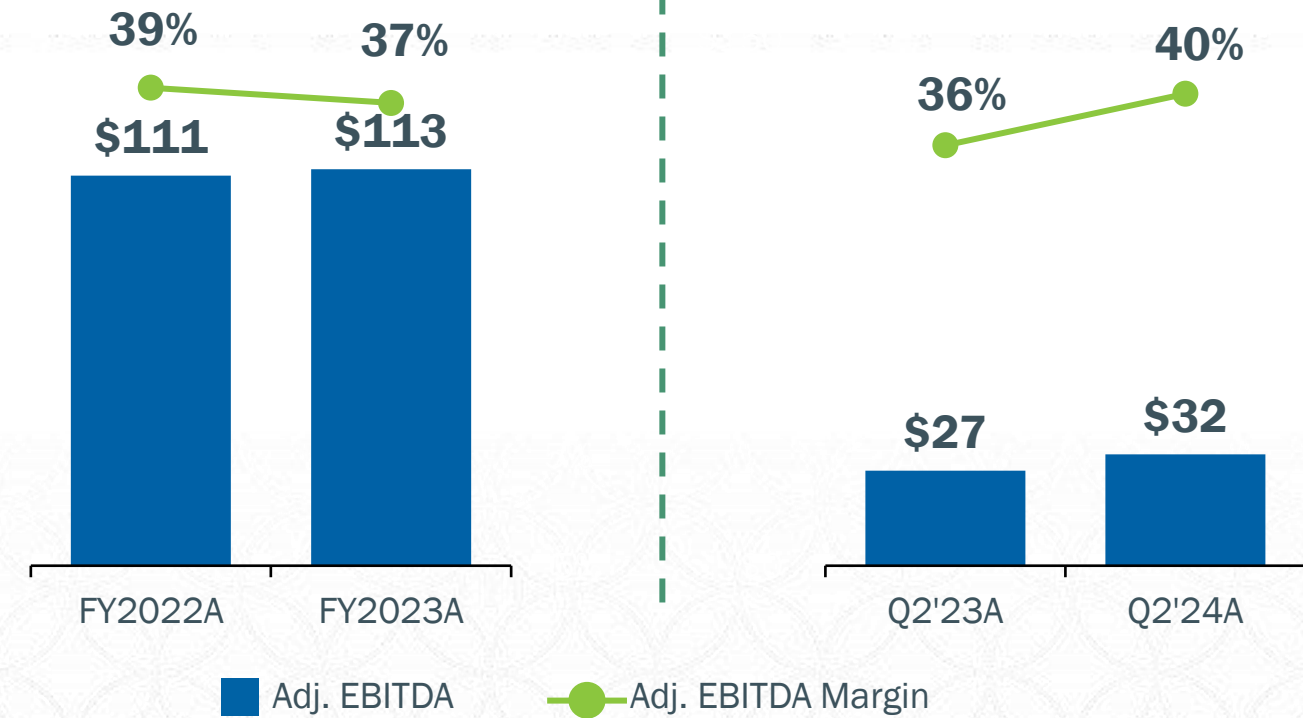
## Adj. Gross Profit

(\$ millions)



## Adj. EBITDA

(\$ millions)

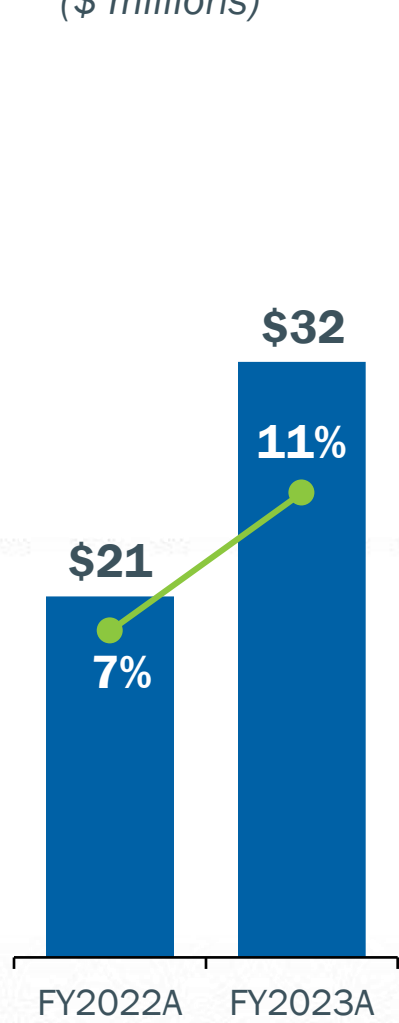




# Investing in Future Growth & Transformation

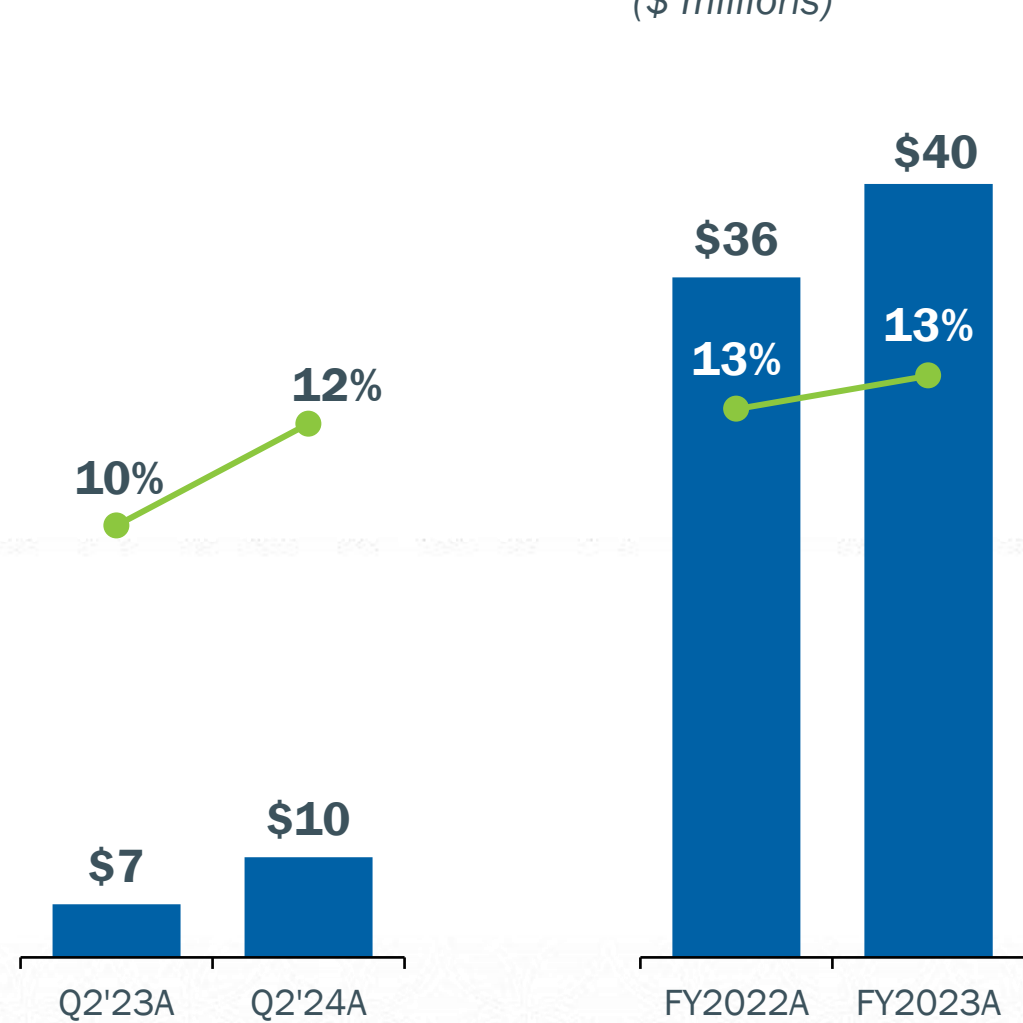
## Non-GAAP Sales & Marketing

(\$ millions)



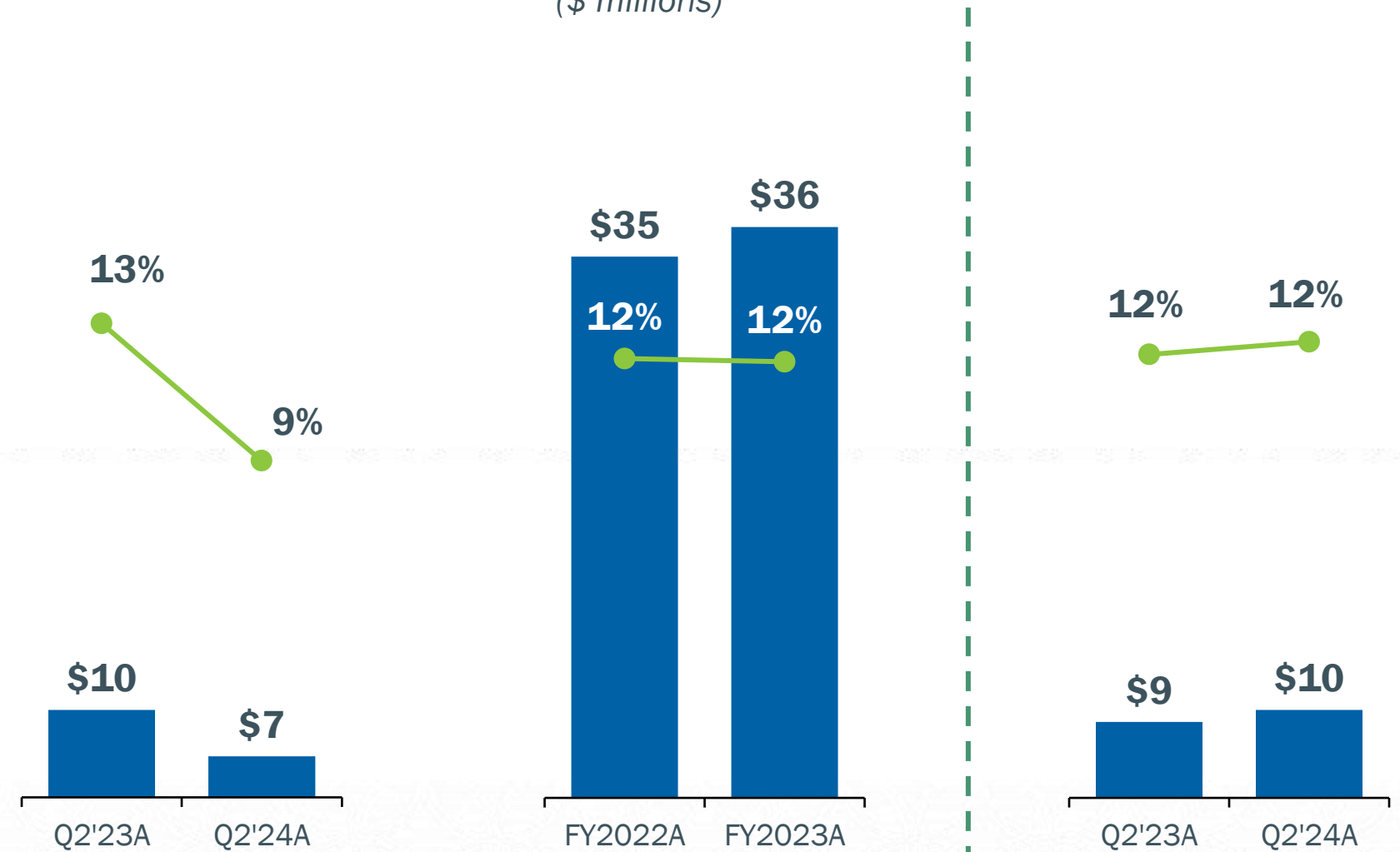
## Non-GAAP Research & Development

(\$ millions)



## Non-GAAP General & Administrative

(\$ millions)



■ S&M    ● % of Revenue

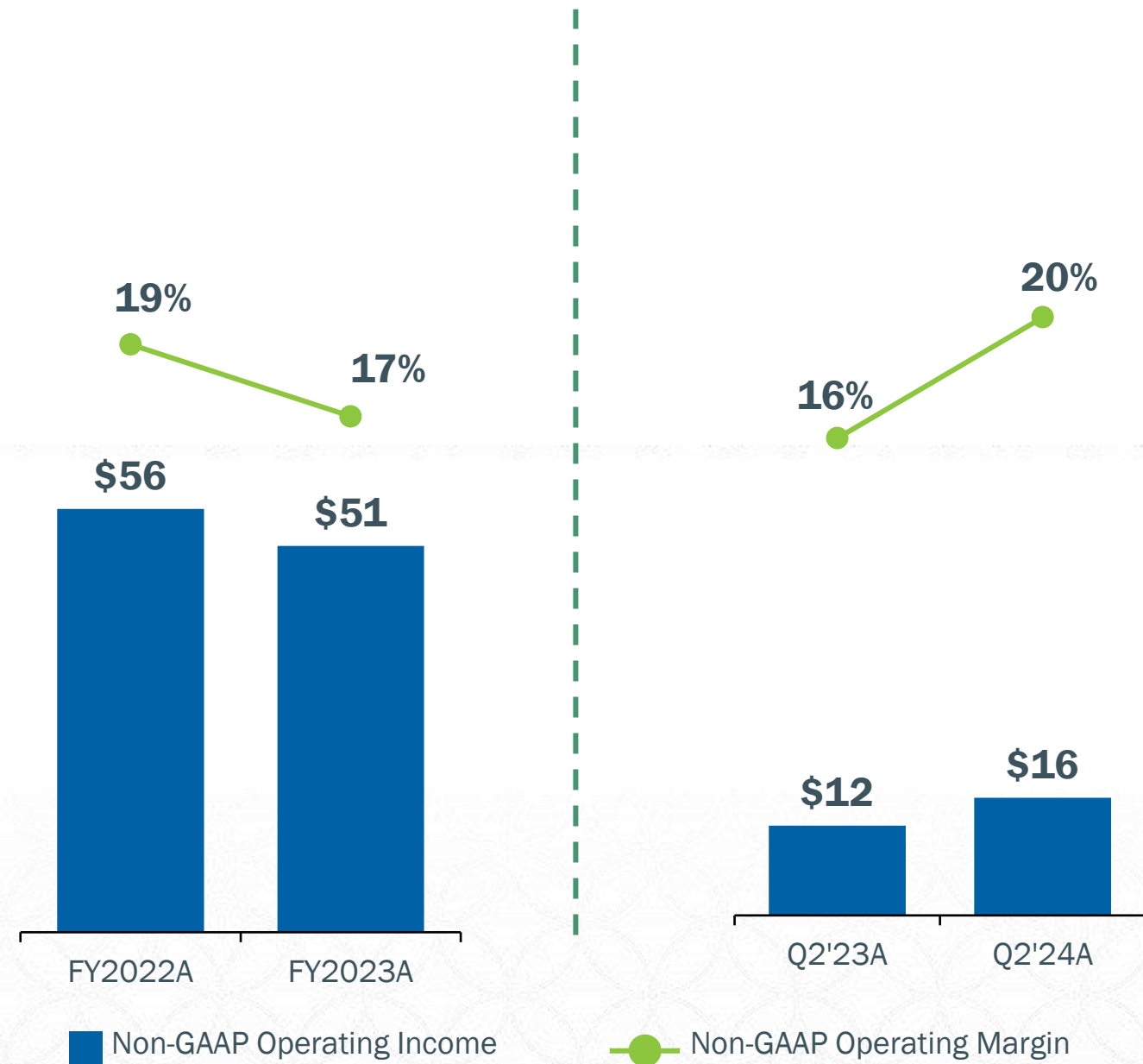
■ R&D    ● % of Revenue

■ G&A    ● % of Revenue

# Strong Operating Income & Free Cash Flow Conversion

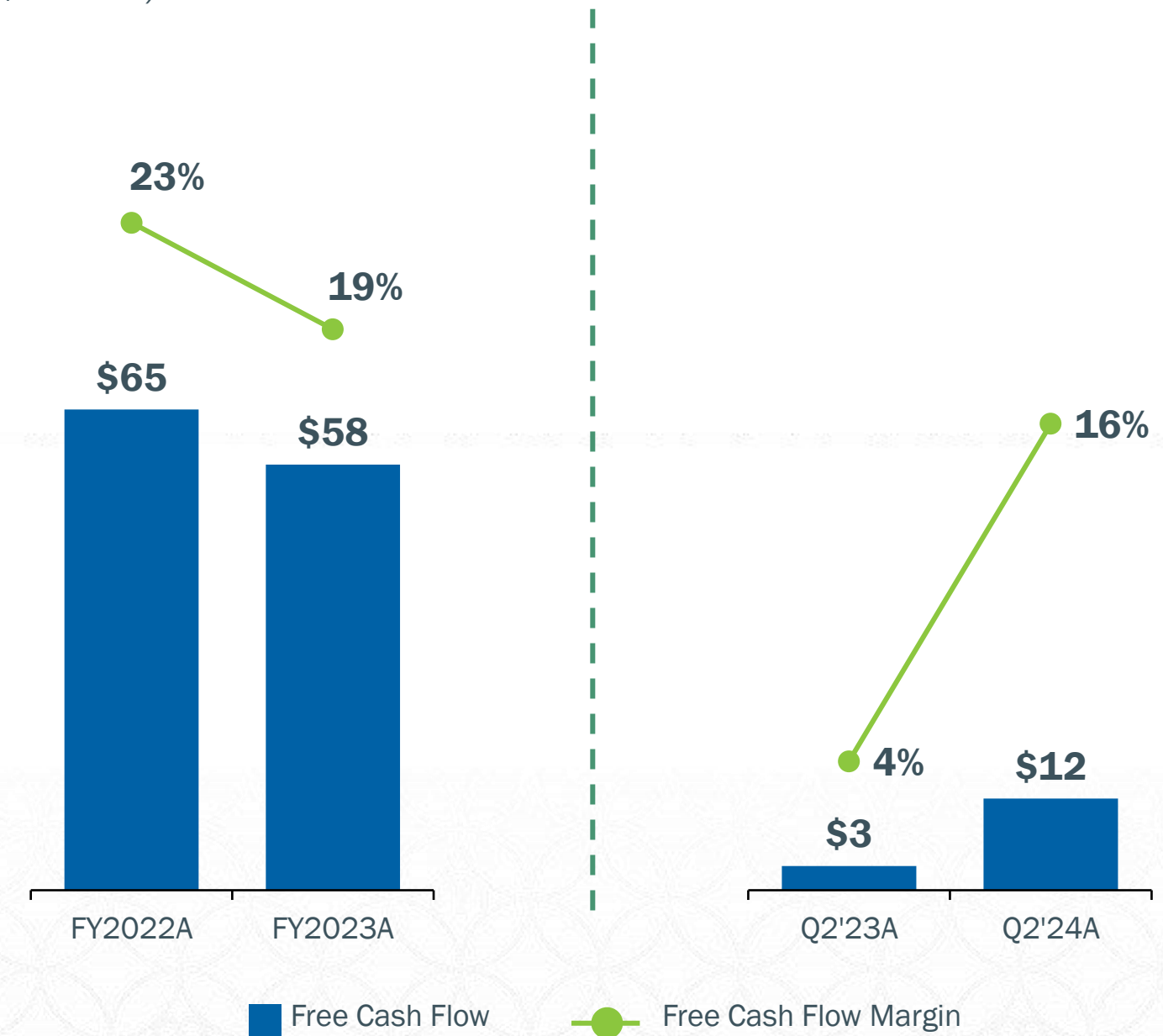
## Non-GAAP Operating Income

(\$ millions)



## Free Cash Flow

(\$ millions)





# Q2 2024 Performance

(\$ in thousands)	Q2 2023A	Q2 2024A	Delta
<b>Consolidated Statements of Operations Data</b>			
Revenue	\$75,415	\$78,676	\$3,261
Gross profit	46,921	50,500	3,579
<i>% Gross margin</i>	62%	64%	2%
Net (loss)	(5,230)	(9,670)	(4,440)
<i>% Net (loss) margin</i>	(7)%	(12)%	(5)%
<b>Non-GAAP Financial Data</b>			
Adj. EBITDA <sup>(1)</sup>	27,116	31,753	4,637
<i>% Adj. EBITDA margin<sup>(1)</sup></i>	36%	40%	4%
Free cash flow <sup>(2)</sup>	3,295	12,449	9,154
<i>% Free cash flow margin<sup>(2)</sup></i>	4%	16%	12%

Note: This financial information has been prepared by and is the responsibility of our management. Our independent registered public accounting firm has not audited, reviewed or performed any procedures with respect to this preliminary financial data or the accounting treatment thereof and does not express an opinion or any other form of assurance with respect thereto.

(1) Adj. EBITDA is a non-GAAP measure. Adj. EBITDA margin represents Adj. EBITDA as a percentage of revenues.

For a definition and reconciliation of Adj. EBITDA, please refer to the Appendix.

(2) Free cash flow is a non-GAAP measure. Free cash flow margin represents free cash flow as a percentage of revenues. For a definition and reconciliation of free cash flow, please refer to the Appendix.

# Guidance Update

Guidance Update	Three Months Ended September 30, 2024			Year Ended December 31, 2024		
	Q3 2023A	Low (Estimated)	High (Estimated)	2023A	Low (Estimated)	High (Estimated)
Revenue	\$76,488	\$78,000	\$81,000	\$303,617	\$312,000	\$318,000
% Growth	7%	2%	6%	5%	3%	5%
Adj. EBITDA <sup>(1)</sup>	29,835	30,000	33,000	112,990	123,000	128,000
% Growth	0%	1%	11%	2%	9%	13%
% Margin <sup>(1)</sup>	39%	38%	41%	37%	39%	40%

Note: This financial information has been prepared by and is the responsibility of our management. Our independent registered public accounting firm has not audited, reviewed or performed any procedures with respect to this preliminary financial data or the accounting treatment thereof and does not express an opinion or any other form of assurance with respect thereto.





# Appendix

# Non-GAAP Financial Measures

To supplement the financial measures presented in accordance with United States generally accepted accounting principles, or GAAP, we provide certain non-GAAP financial measures, such as adjusted EBITDA and adjusted EBITDA margin; non-GAAP operating income (loss); non-GAAP net income (loss); non-GAAP cost of revenue; non-GAAP sales and marketing expenses; non-GAAP research and development expenses; non-GAAP general and administrative expenses; and Free Cash Flow. The presentation of these financial measures is not intended to be considered in isolation or as a substitute for, or superior to, financial information prepared and presented in accordance with GAAP. Rather, we believe that these non-GAAP financial measures, when viewed in addition to and not in lieu of our reported GAAP financial results, provide investors with additional meaningful information to assess our financial performance and trends, enable comparison of financial results between periods, and allow for greater transparency with respect to key metrics utilized internally in analyzing and operating our business. The following definitions are provided:

- Non-GAAP operating income (loss): GAAP operating income (loss), excluding the impact of share-based compensation, employer payroll taxes on employee stock transactions, expenses associated with our secondary offering, restructuring related costs, expenses related to debt modification, charges in connection with litigation unrelated to our core business, and sponsor and third-party acquisition-related costs.
- Non-GAAP net income (loss): GAAP net income (loss), excluding the impact of share-based compensation, employer payroll taxes on employee stock transactions, expenses associated with our secondary offering, restructuring related costs, expenses related to debt modification, charges in connection with litigation unrelated to our core business, and the effect of income taxes, including the partial valuation allowance, on non-GAAP items. The effects of income taxes on non-GAAP items reflect a fixed long-term projected tax rate of 24%.

The Company employs a structural long-term projected non-GAAP income tax rate of 24% for greater consistency across reporting periods, eliminating effects of items not directly related to the Company's operating structure that may vary in size and frequency. This long-term projected non-GAAP income tax rate is determined by analyzing a mix of historical and projected tax filing positions, assumes no additional acquisitions during the projection period or include the impact from the partial deferred tax asset valuation allowance, and takes into account various factors, including the Company's anticipated tax structure, its tax positions in different jurisdictions, and current impacts from key U.S. legislation where the Company operates. We will reevaluate this tax rate, as necessary, for significant events such as significant alterations in the U.S. tax environment, substantial changes in the Company's geographic earnings mix due to acquisition activity, or other shifts in the Company's strategy or business operations.

- Adjusted EBITDA: net income (loss) before interest expense, taxes, depreciation and amortization, share-based compensation expense, employer payroll taxes on employee stock transactions, expenses associated with our secondary offering, restructuring related costs, expenses related to debt modification, charges in connection with litigation unrelated to our core business, and deferred revenue reductions from purchase accounting for acquisitions prior to the adoption of ASU 2021-08, "Business Combinations (Topic 805): Accounting for Contract Assets and Contract Liabilities from Contracts with Customers," which we early adopted on January 1, 2022 on a prospective basis. Deferred revenue from acquisitions prior to the adoption of ASU 2021-08 was recognized on a straight line basis through December 31, 2023.
- Non-GAAP cost of revenue: GAAP cost of revenue, excluding the impact of share-based compensation, employer payroll taxes on employee stock transactions, and amortization of developed technology.
- Non-GAAP operating expenses: GAAP operating expenses, excluding the impact of share-based compensation, employer payroll taxes on employee stock transactions, expenses associated with our secondary offering, expenses related to debt modification, litigation related charges not related to our core business, and depreciation and amortization, as applicable.
- Free cash flow: GAAP cash flow from operating activities less GAAP purchases of property and equipment (Capital Expenditures) and capitalized costs related to developed technology (Capitalized Software).

Reconciliations to comparable GAAP financial measures are available in the accompanying schedules, which are included in the Appendix of this presentation. No reconciliation is provided with respect to certain forward-looking non-GAAP financial measures as the GAAP measures are not accessible on a forward-looking basis. We cannot reliably predict all necessary components or their impact to reconcile such financial measures without unreasonable effort. The events necessitating a non-GAAP adjustment are inherently unpredictable and may have a significant impact on our future GAAP financial results.



# Financial Reconciliations

## Non-GAAP Adjusted EBITDA<sup>(1)</sup>

(\$ in thousands)	2022A	2023A	Q2'23A	Q2'24A
Reconciliation of Net Income (Loss) to Adjusted EBITDA <sup>(1)</sup>				
Net income (loss)	\$1,294	(\$42,539)	(\$5,230)	(\$9,670)
(+) Interest expense, net	24,227	38,158	9,316	9,797
(+/-) Tax expense <sup>3</sup>	4,130	23,943	(1,819)	412
(+) Depreciation & amortization	53,982	57,829	14,424	14,573
(+) Share-based compensation expense	22,761	31,213	9,367	12,500
(+) Employer payroll taxes on employee stock transactions	350	687	322	508
(+) Expenses associated with public offering	–	–	–	308
(+) Litigation-related charges <sup>4</sup>	–	–	–	1,864
(+) Expenses related to debt modification	–	–	–	473
(+) Restructuring related costs <sup>5</sup>	–	3,621	717	988
(+) Sponsor and third-party acquisition related costs	4,228	–	–	–
(+) Deferred revenue reduction from purchase accounting for acquisitions prior to 2022	227	78	19	–
<b>Adjusted EBITDA<sup>(1)</sup></b>	<b>\$111,199</b>	<b>\$112,990</b>	<b>\$27,116</b>	<b>\$31,753</b>
<i>Net income (loss) margin</i>	0%	(14)%	(7)%	(12)%
<i>Adjusted EBITDA margin<sup>(2)</sup></i>	39%	37%	36%	40%

(1) We define Adj. EBITDA as net income (loss) before interest expense, taxes, depreciation and amortization, share-based compensation expense, employer payroll taxes on employee stock transactions, expenses associated with our secondary offering, restructuring related costs, expenses related to debt modification, charges in connection with litigation unrelated to our core business, and deferred revenue reductions from purchase accounting.

(2) Adj. EBITDA margin represents Adj. EBITDA as a percentage of revenues.

(3) Taxes reflects a one-time non-cash tax expense of \$29.4 million recorded during the quarter ended December 31, 2023, for the recognition of a partial valuation allowance on certain deferred tax assets.

(4) Litigation-related charges pertains to litigation settlements and related legal fees. During the three months ended June 30, 2024, \$1.5 million relates to estimated settlements of class action lawsuits and \$0.4 million relates to third-party legal fees directly related to the settlements.

(5) Restructuring related costs for the year ended December 31, 2023 and the three months ended June 30, 2024 are inclusive of net acceleration (forfeitures) of share-based compensation associated with restructuring in the amount of \$(663) thousand and \$126 thousand, respectively.

# Financial Reconciliations (Cont'd)

## Adjusted Gross Profit

(\$ in thousands)	2022A	2023A	Q2'23A	Q2'24A
Revenues, net	\$288,046	\$303,617	\$75,415	\$78,676
Cost of revenue	106,331	108,491	28,494	28,176
(-) Share-based compensation expense	4,630	3,848	1,157	1,363
(-) Employer payroll taxes on employee stock transactions	127	157	88	97
(-) Amortization of developed technology	15,553	18,129	4,510	4,803
Non-GAAP cost of revenue	86,021	86,357	22,739	21,913
<b>Adjusted gross profit</b>	<b>\$202,025</b>	<b>\$217,260</b>	<b>\$52,676</b>	<b>\$56,763</b>
<i>GAAP gross margin</i>	63%	66%	62%	64%
<i>Adjusted gross margin</i>	70%	72%	70%	72%

## Non-GAAP Operating Income

(\$ in thousands)	2022A	2023A	Q2'23A	Q2'24A
Operating income (loss)	\$28,588	\$15,533	\$1,483	(\$1,097)
(+) Share-based compensation expense	22,761	31,213	9,367	12,500
(+) Employer payroll taxes on employee stock transactions	350	687	322	508
(+) Expenses associated with public offering	–	–	–	308
(+) Litigation-related charges <sup>(1)</sup>	–	–	–	1,864
(+) Expenses related to debt modification	–	–	–	473
(+) Sponsor and third-party acquisition related costs	4,228	–	–	–
(+) Restructuring related costs <sup>(2)</sup>	–	3,621	717	988
<b>Non-GAAP operating income</b>	<b>\$55,927</b>	<b>\$51,054</b>	<b>\$11,889</b>	<b>\$15,544</b>
<i>GAAP operating margin</i>	10%	5%	2%	(1)%
<i>Non-GAAP operating margin</i>	19%	17%	16%	20%

Note: Adj. gross profit is a non-GAAP Measure. Adj. gross profit is calculated by subtracting non-GAAP cost of revenue from net revenues. Adj. gross profit margin represents adj. gross profit as a percentage of revenues.

(1) Litigation-related charges pertains to litigation settlements and related legal fees. During the three months ended June 30, 2024, \$1.5 million relates to estimated settlements of class action lawsuits and \$0.4 million relates to third-party legal fees directly related to the settlements.

(2) Restructuring related costs for the year ended December 31, 2023 and the three months ended June 30, 2024 are inclusive of net acceleration (forfeitures) of share-based compensation associated with restructuring in the amount of \$(663) thousand and \$126 thousand, respectively.



# Financial Reconciliations (Cont'd)

## Non-GAAP General and Administrative Expense

(\$ in thousands)	2022A	2023A	Q2'23A	Q2'24A
General and administrative	\$82,649	\$92,663	\$24,409	\$29,237
(-) Share-based compensation expense	9,499	16,456	5,231	6,792
(-) Employer payroll taxes on employee stock transactions	81	246	107	206
(-) Expenses associated with public offering	-	-	-	308
(-) Litigation-related charges <sup>(1)</sup>	-	-	-	1,864
(-) Expenses associated with debt modification	-	-	-	473
(-) Depreciation expense	2,319	1,860	495	363
(-) Amortization of intangibles	36,110	37,840	9,419	9,407
<b>Non-GAAP general and administrative</b>	<b>\$34,640</b>	<b>\$36,261</b>	<b>\$9,157</b>	<b>\$9,824</b>
GAAP general and administrative as a % of revenue	29%	31%	32%	37%
Non-GAAP general and administrative as a % of revenue	12%	12%	12%	12%

## Non-GAAP Research and Development Expense

(\$ in thousands)	2022A	2023A	Q2'23A	Q2'24A
Research and development	\$42,592	\$47,517	\$11,754	\$9,905
(-) Share-based compensation expense	6,472	7,060	1,875	2,531
(-) Employer payroll taxes on employee stock transactions	102	189	97	125
<b>Non-GAAP research and development</b>	<b>\$36,018</b>	<b>\$40,268</b>	<b>\$9,782</b>	<b>\$7,249</b>
GAAP research and development as a % of revenue	15%	16%	16%	13%
Non-GAAP research and development as a % of revenue	13%	13%	13%	9%

## Non-GAAP Sales and Marketing Expense

(\$ in thousands)	2022A	2023A	Q2'23A	Q2'24A
Sales and marketing	\$23,658	\$35,792	\$8,558	\$11,467
(-) Share-based compensation expense	2,160	3,849	1,104	1,814
(-) Employer payroll taxes on employee stock transactions	40	95	30	80
<b>Non-GAAP sales and marketing</b>	<b>\$21,458</b>	<b>\$31,848</b>	<b>\$7,424</b>	<b>\$9,573</b>
GAAP sales and marketing as a % of revenue	8%	12%	11%	15%
Non-GAAP sales and marketing as a % of revenue	7%	10%	10%	12%

(1) Litigation-related charges pertains to litigation settlements and related legal fees. During the three months ended June 30, 2024, \$1.5 million relates to estimated settlements of class action lawsuits and \$0.4 million relates to third-party legal fees directly related to the settlements.

# Balance Sheet Highlights

(\$ in thousands)	2022A	2023A	Q2'24A
Total current assets	\$128,132	\$124,427	\$140,256
Property and equipment, net	4,245	3,337	2,664
Intangible assets, net	297,475	251,060	226,525
Goodwill	608,657	610,063	610,063
Other assets	20,648	7,364	7,428
<b>Total assets</b>	<b>\$1,059,157</b>	<b>\$996,251</b>	<b>\$986,936</b>
Total current liabilities	\$54,199	\$55,844	\$68,748
Long-term debt, net of debt issuance costs	423,404	420,004	467,073
Other liabilities	2,463	12,156	11,579
<b>Total liabilities</b>	<b>\$480,066</b>	<b>\$488,004</b>	<b>\$547,400</b>
Total stockholders' equity	579,091	508,247	439,536
<b>Total liabilities and stockholders' equity</b>	<b>\$1,059,157</b>	<b>\$996,251</b>	<b>\$986,936</b>



# FCF & Net Leverage

## Free Cash Flow

(\$ in thousands)	2022A	2023A	Q2'23A	Q2'24A
Net cash provided by operating activities	\$74,587	\$67,964	\$6,104	\$14,356
(-) Capital expenditures	1,136	943	171	60
(-) Capitalized software	8,228	9,250	2,638	1,847
<b>Non-GAAP free cash flow</b>	<b>\$65,223</b>	<b>\$57,771</b>	<b>\$3,295</b>	<b>\$12,449</b>
<i>Net cash provided by operating activities as a % of revenue</i>	26%	22%	8%	18%
<i>Free cash flow as a % of revenue</i>	23%	19%	4%	16%

## Net Leverage

(\$ in thousands)	2022A	2023A	Q2'23A	Q2'24A
2021 Term loan	\$431,738	\$427,388	\$429,563	\$475,109
(-) Debt issuance costs	4,829	3,842	4,210	4,268
(-) Cash and cash equivalents	55,780	80,441	108,872	93,009
<b>Net Leverage</b>	<b>\$371,129</b>	<b>\$343,105</b>	<b>\$316,481</b>	<b>\$377,832</b>
LTM Adjusted EBITDA	111,199	112,990	101,103	124,460
<i>Leverage multiple</i>	3.3x	3.0x	3.1x	3.0x

# Financial Supplement

## Annual Recurring Revenue (ARR)<sup>1</sup>

	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
Lending software solutions	\$193.7	\$191.1	\$189.2	\$188.1	\$186.4	\$185.5	\$182.3	\$166.2	\$160.0
Data verification software solutions	\$63.6	\$ 65.3	\$68.4	\$69.3	\$71.3	\$73.4	\$77.1	\$81.8	\$85.1
<b>Total</b>	<b>\$257.3</b>	<b>\$256.4</b>	<b>\$257.5</b>	<b>\$257.4</b>	<b>\$257.7</b>	<b>\$258.9</b>	<b>\$259.4</b>	<b>\$248.1</b>	<b>\$245.1</b>

## Net Retention Rate<sup>2</sup>

	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
Lending software solutions	101.9%	101.1%	101.4%	106.0%	108.9%	113.3%	113.1%	109.1%	107.8%
Data verification software solutions	89.9%	90.3%	88.5%	84.3%	83.5%	84.0%	87.0%	89.9%	92.1%
<b>Total</b>	<b>98.6%</b>	<b>98.1%</b>	<b>97.5%</b>	<b>98.8%</b>	<b>100.0%</b>	<b>102.6%</b>	<b>103.4%</b>	<b>101.8%</b>	<b>101.7%</b>

## Total Customer<sup>3</sup> Count

	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
Lending software solutions	1,544	1,555	1,567	1,588	1,594	1,603	1,606	1,519	1,510
Data verification software solutions	430	430	429	435	436	430	427	431	427
<b>Total</b>	<b>1,974</b>	<b>1,985</b>	<b>1,996</b>	<b>2,023</b>	<b>2,030</b>	<b>2,033</b>	<b>2,033</b>	<b>1,950</b>	<b>1,937</b>

## Organic Customer Growth Rate<sup>4</sup>

	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
Lending software solutions	(3.1%)	(3.0)%	(2.4)%	(0.9)%	0.1%	1.5%	2.8%	3.3%	2.9%
Data verification software solutions	(1.4%)	0.0%	0.5%	0.9%	2.1%	1.9%	0.5%	0.0%	0.2%
<b>Total</b>	<b>(2.8%)</b>	<b>(2.4)%</b>	<b>(1.8)%</b>	<b>(0.5)%</b>	<b>0.5%</b>	<b>1.6%</b>	<b>2.3%</b>	<b>2.5%</b>	<b>2.3%</b>

(1) Annual Recurring Revenue, or ARR, is calculated as the total subscription fee revenues calculated in the latest twelve-month measurement period for those revenue-generating entities in place throughout the entire twelve-month measurement period plus the subscription fee revenues calculated on an annualized basis from new entity activations in the measurement period.

(2) ARR Net Retention Rate is calculated as the total ARR in the latest twelve-month period from the revenue-generating entities in place as of the prior-year period, expressed as a percentage of the total ARR for the prior-year period from the same cohort of entities.

(3) Customer defined as a legal entity that has a contractual relationship with us to use our software solutions.

(4) Organic Customer Growth Rate is the percentage increase in the number of total customers on the last day of the measurement period compared to the number of total customers on the day twelve months prior to the measurement date, which measures the change in total customers, net of both customer terminations and customer additions between the respective measurement periods.





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