Q4 2021
Investor Presentation

March 10, 2022

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LegalZoom.com, Inc. Disclaimer

Forward-Looking Statements

Statements in this presentation of LegalZoom.com, Inc. (the “Company,” “our,” “we” or “us) that are not statements of historical fact are forward-looking statements made pursuant to the safe-harbor provisions of the Securities Exchange Act of 1934, as amended and the Securities Act of 1933, as amended. These statements include statements regarding our guidance for the first quarter and full year 2022 revenue, Adjusted EBITDA, other long-term targets and related disclosures. Forward-looking statements in some cases can be identified by the use of words such as “may,” “will,” “should,” “potential,” “intend,” “expect,” “seek,” “anticipate,” “estimate,” “believe,” “could,” “would,” “project,” “predict,” “continue,” “plan,” “propose” or other similar words or expressions. Forward-looking statements are made only as of the date of this press release and are based on our current intent, beliefs, plans and expectations. They involve risks and uncertainties that could cause actual future results, performance or developments to differ materially from those described in or implied by such forward-looking statements or historical results.

Factors that might cause or contribute to such differences include, but are not limited to, the risk that our recent growth may not be indicative of our future growth; our ability to sustain our revenue growth rate to main profitability in the future; our anticipation of increasing expenses in the future; our ability to attract and retain customers; our ability to continue to innovate and provide a platform that is useful to our customers; our dependence on business formations; the dependence of our subscription services on our transaction products; our dependence on our subscribers renewing their subscriptions with us; our ability to drive additional purchases and cross-sell to paying customers; the competitive legal solutions market; our dependence on top talent, including our senior management and other key personnel; risks and costs associated with complex and evolving laws and regulations; our ability to remediate material weaknesses in our internal control over financial reporting that we have previously identified; and other factors discussed in the section titled “Risk Factors” included in our filings with the Securities and Exchange Commission (“SEC”).Our business involves significant risks. You should carefully consider the risks and uncertainties described in our final prospectus, dated June 29, 2021, filed with the SEC in accordance with Rule 424(b) of the Securities Act on June 31, 2021, and subsequent filings with the SEC. The risks and uncertainties described in our filings with the SEC are not the only ones we face. Additional risk and uncertainties that we are unaware of or that we deem immaterial may also become important factors that adversely affect our business. The realization of any of these risks and uncertainties could have a material adverse effect on our reputation, business, financial condition, results of operations, growth and future prospects as well as our ability to accomplish our strategic objectives. In that event, the market price of our common stock could decline and you could lose part or all of your investment. In addition, please note that any forward-looking statements contained herein are based on assumptions that we believe to be reasonable as of the date of this press release. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

LegalZoom.com, Inc. Disclaimer (Continued)

About Non-GAAP Financial Measures

This presentation includes certain non-GAAP financial measures including Adjusted EBITDA, Adjusted EBITDA margin, non-GAAP net income (loss), non-GAAP net income (loss) margin, certain non-GAAP expenses (including non-GAAP cost of revenue, Non-GAAP sales and marketing, non-GAAP technology and development, and non-GAAP general and administrative), free cash flow, free cash flow margin, unlevered free cash flow, and unlevered free cash flow margin. To supplement our unaudited interim condensed consolidated financial statements, which are prepared and presented in accordance with U.S. generally accepted accounting principles, or GAAP, we use certain non-GAAP financial measures, as described below, to understand and evaluate our core operating performance. These non-GAAP financial measures, which may be different than similarly titled measures used by other companies, are presented to enhance investors' overall understanding of our financial performance and should not be considered a substitute for, or superior to, the financial information prepared and presented in accordance with GAAP. We believe that these non-GAAP financial measures provide useful information about our financial performance, enhance the overall understanding of our past performance and future prospects and allow for greater transparency with respect to important measures used by our management for financial and operational decision-making. We are presenting these non-GAAP measures to assist investors in seeing our financial performance using a management view and because we believe that these measures provide an additional tool for investors to use in comparing our core financial performance over multiple periods with other companies in our industry. The tables in the Appendix contain more details on the GAAP financial measures that are most directly comparable to non-GAAP financial measures and the related reconciliations between these financial measures. In addition, please see our earnings release and our filings with the SEC for the definitions of these non-GAAP financial measures and limitations on the use of such non-GAAP financial measures.

Our mission is to democratize law

We protect businesses, their ideas, and the families that create them

BUSINESS FORMATION | INTELLECTUAL PROPERTY | ESTATE PLANNING

Key Pain Points

Legal matters are difficult to navigate on your own	Expertise is expensive and difficult to find	Remaining compliant is a complex, evergreen problem

LegalZoom

The easiest way to form, protect, and keep your business compliant

Formation Solutions

- Formation Package (LLC, INC, Non-Profit)
- DBAs and EINs
- Annual Reports, Operating Agreement

15 min Designed to take under 15 minutes to complete

Compliance Solutions

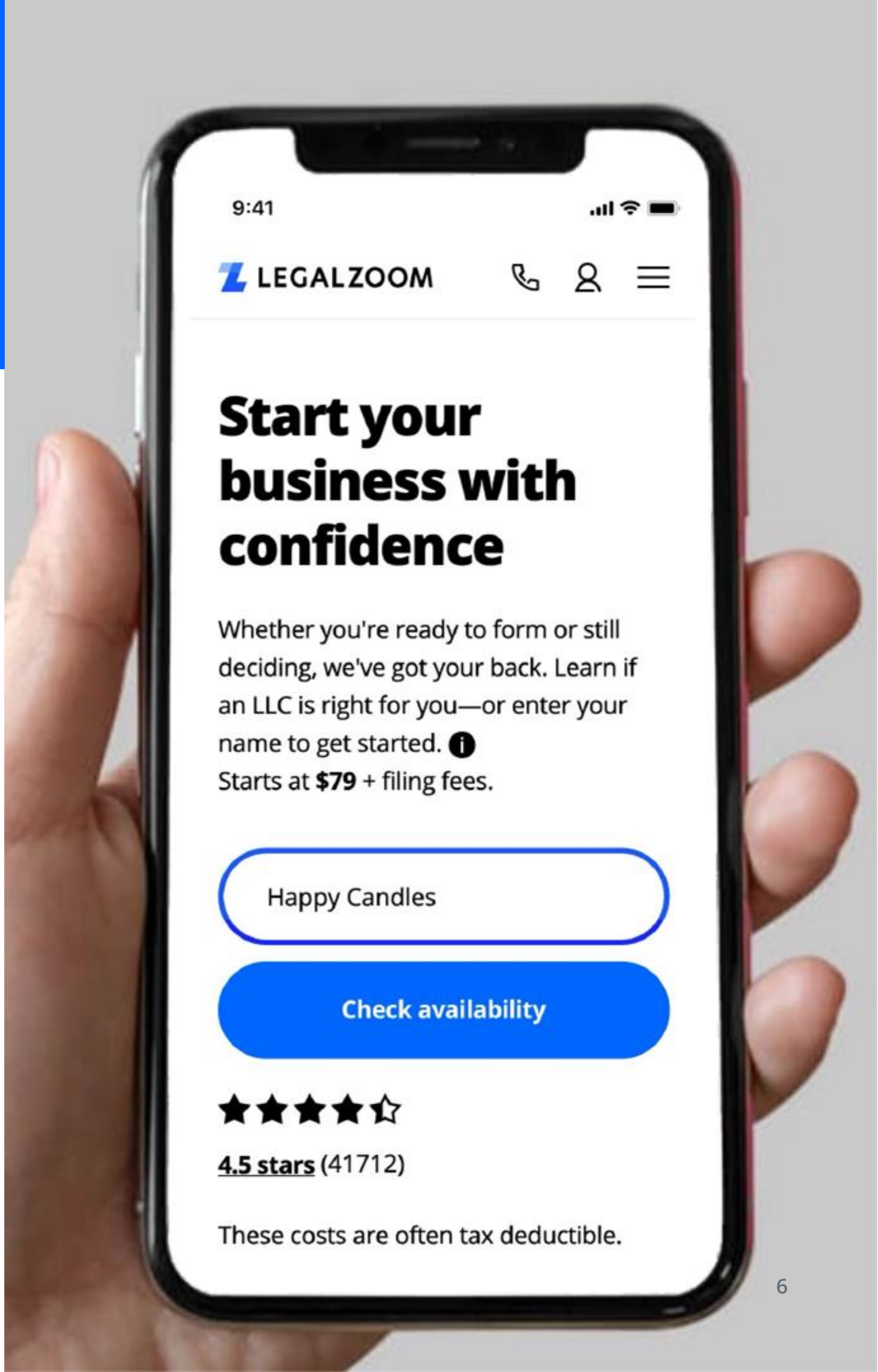
- Registered Agent / Compliance
- Legal Expertise / Legal Forms
- Tax Expertise

1.3M Active subscribers of compliance & legal solutions at 12/31/21

Intellectual Property

- Trademarks
- Copyrights
- Patents

39K Trademarks filed in 2021



The legal / compliance opportunity is very clear, we believe we are in a strong position to realize it

Our Market

A large market	Little product innovation	Low tech adoption	Low digital penetration
$48.7B	**25**	**8%**	**40%+**
Serviceable Addressable Market (SAM)	Offline Attorney Net Promoter Score (NPS) in 2020[1]	Legal services conducted online in the US[2]	Solo attorneys don't have a website[3]

The Largest Digital Player			Advantaged NPS	Brand Advantage	Efficient Payback
1 in 10	**3.2M**	**$575M**	**65**	**78%**	**<90 Day**
LLCs formed in the US in 2020	Businesses formed since Inception (2003)	2021 Revenue	NPS for Customer Care in 2020	Aided Brand Awareness as of Dec 2021[4]	Marketing Payback

(1) In 2018, according to Clio Legal Trends Report. (2) In 2020, according to IBISWorld. (3) In 2020, according to the American Bar Association. (4) According to a 2021 study hosted by Dynata LLC.

We have multiple ways to drive growth

Scale the Business

Core investments in product / marketing / ops

Accelerate growth and increase share

Build SMB Ecosystem

In-house compliance

Partner SMB services

Improve Average Revenue per Subscription Unit (ARPU) and Partnerships Revenue

Integrate Attorneys

Bundle attorneys with formation products

Increase Total Addressable Market (TAM), conversion, and Average Order Value (AOV)

Our management team is experienced in small business and consumer innovation at scale

Dan Wernikoff
Chief Executive Officer
Intuit · Charles Schwab

Noel Watson
Chief Financial Officer
TrueCar · Tripadvisor

John Buchanan
Chief Marketing Officer
NFL · Adobe · EA

Sheily Chhabria Panchal
Chief People Officer
ServiceTitan · Google · Activision Blizzard

Rich Preece
Chief Operating & Product Officer
Intuit

Nicole Miller
General Counsel
Honest · Cooley · Gibson Dunn

Shrisha Radhakrishna
Chief Technology Officer
Intuit · Covad

Kathy Tsitovich
Chief Partnerships Officer
Intuit

Financial Update

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Quarterly Q4 2021 Snapshot

$142M
total revenue
+16% yoy
+20% 2-yr CAGR

$96M
gross profit
+68% margin

$7M
adjusted ebitda(1)
+5% margin(1)

96K
business formations(2)
+10% yoy
+22% 2-yr CAGR

211K
transaction units
+8% yoy

1,329K
subscription units
+22% yoy

(1) This is a non-GAAP financial measure. Refer to the Appendix for a reconciliation from Net Income (Loss) to Adjusted EBITDA. (2) We define the number of business formations in a given period as the number of global LLC, incorporation, not-for-profit and other formation orders placed on our platform in such period. We consider the number of business formations to be an important metric considering that it is typically the first product or service small business customers purchase on our platform, creating the foundation for additional products and subsequent subscription and partner revenue as they adopt additional products and services throughout their business lifecycles. Beginning in the first quarter of 2022, we will update our definition of the number of business formations in a given period to include the number of LLC, incorporation, not-for-profit and doing business as, or DBA, orders placed through our platform in such period, excluding such orders from our operations in the United Kingdom.

Full Year 2021 Snapshot

$575M
total revenue
+22% yoy
+19% 2-yr CAGR

$394M
gross profit
+68% margin

$48M
adjusted ebitda[1]
+8% margin[1]

447K
business formations[2]
+18% yoy
+24% 2-yr CAGR

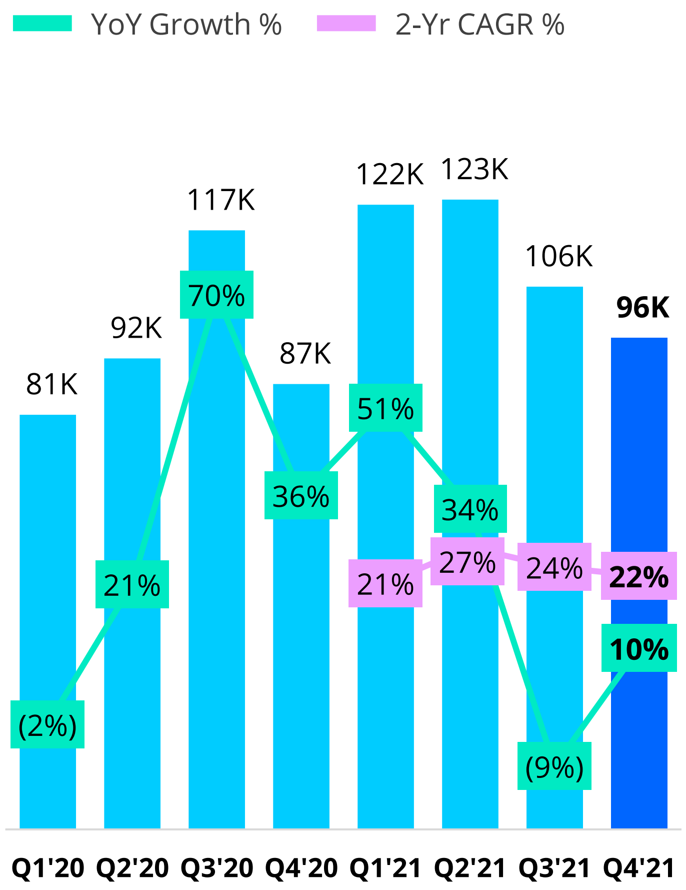
977K
transaction units
+10% yoy

1,329K
subscription units
+22% yoy

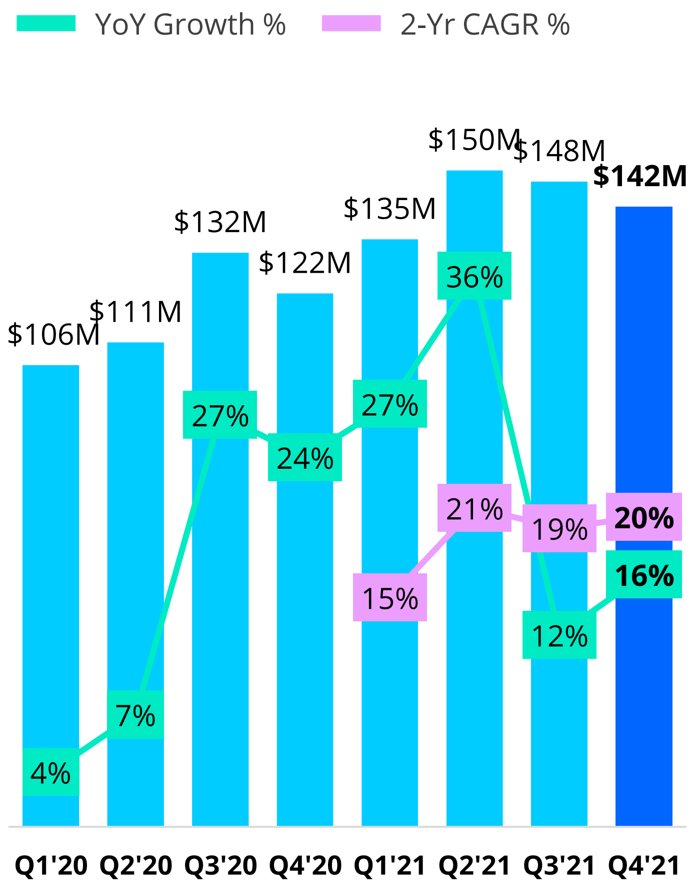
(1) This is a non-GAAP financial measure. Refer to the Appendix for a reconciliation from Net Income (Loss) to Adjusted EBITDA. (2) We define the number of business formations in a given period as the number of global LLC, incorporation, not-for-profit and other formation orders placed on our platform in such period. We consider the number of business formations to be an important metric considering that it is typically the first product or service small business customers purchase on our platform, creating the foundation for additional products and subsequent subscription and partner revenue as they adopt additional products and services throughout their business lifecycles. Beginning in the first quarter of 2022, we will update our definition of the number of business formations in a given period to include the number of LLC, incorporation, not-for-profit and doing business as, or DBA, orders placed through our platform in such period, excluding such orders from our operations in the United Kingdom.

Key Metrics

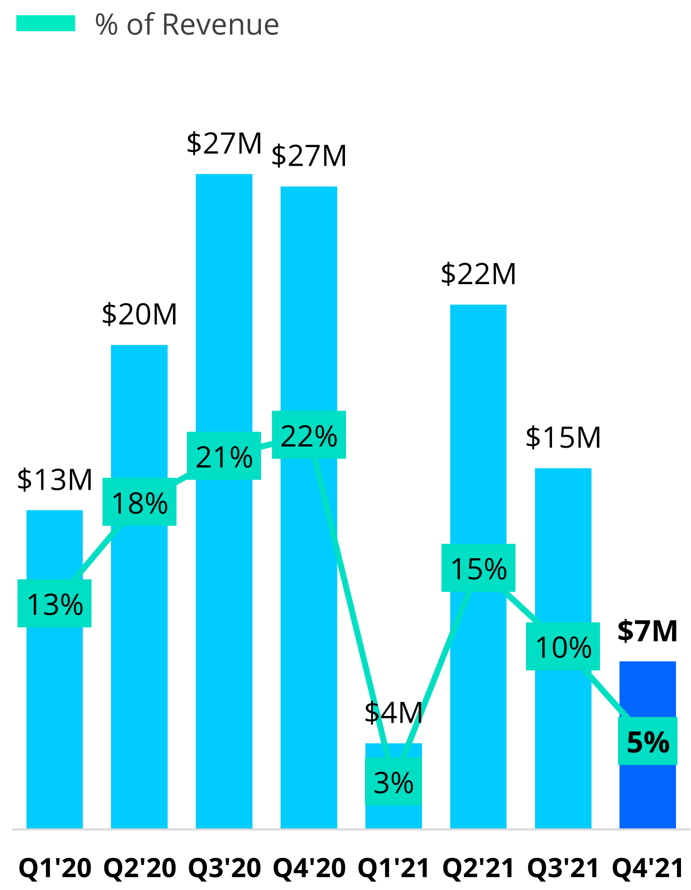
Business Formations(1)



GAAP Revenue

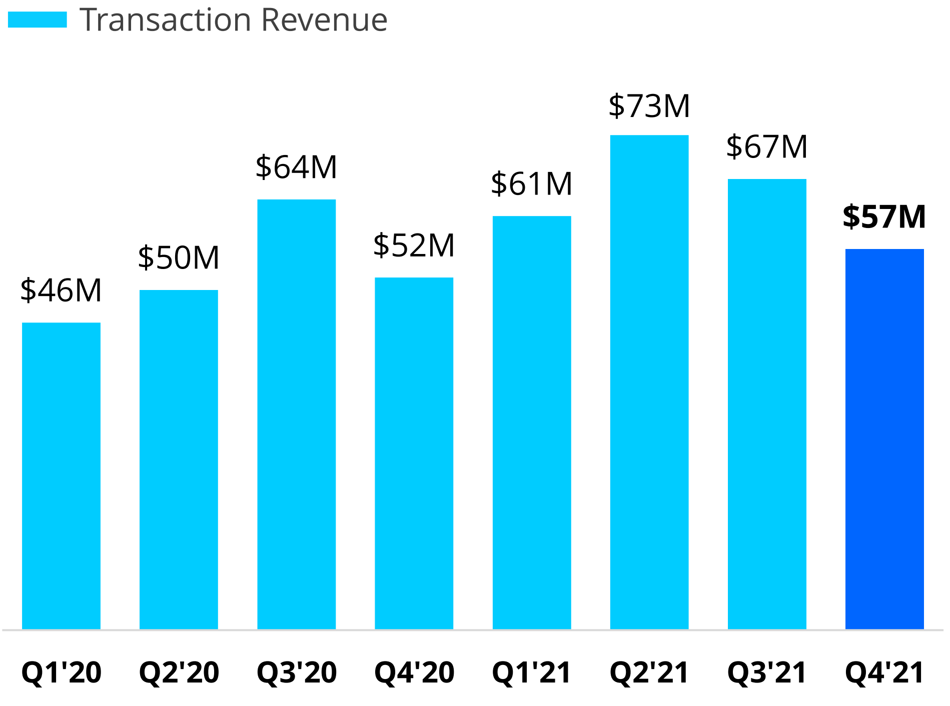


Adjusted EBITDA(2)

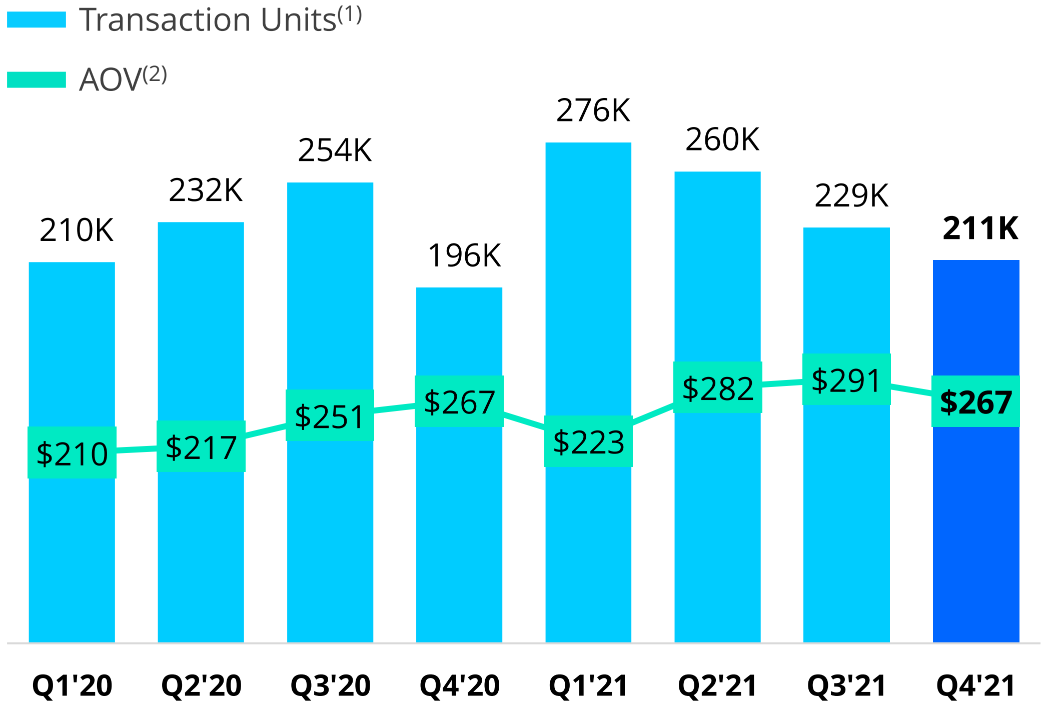


(1) We define the number of business formations in a given period as the number of global LLC, incorporation, not-for-profit and other formation orders placed on our platform in such period. We consider the number of business formations to be an important metric considering that it is typically the first product or service small business customers purchase on our platform, creating the foundation for additional products and subsequent subscription and partner revenue as they adopt additional products and services throughout their business lifecycles. Beginning in the first quarter of 2022, we will update our definition of the number of business formations in a given period to include the number of LLC, incorporation, not-for-profit and doing business as, or DBA, orders placed through our platform in such period, excluding such orders from our operations in the United Kingdom. (2) See the Appendix for a reconciliation from Net Income (Loss) to Adjusted EBITDA.

Transaction Revenue Details



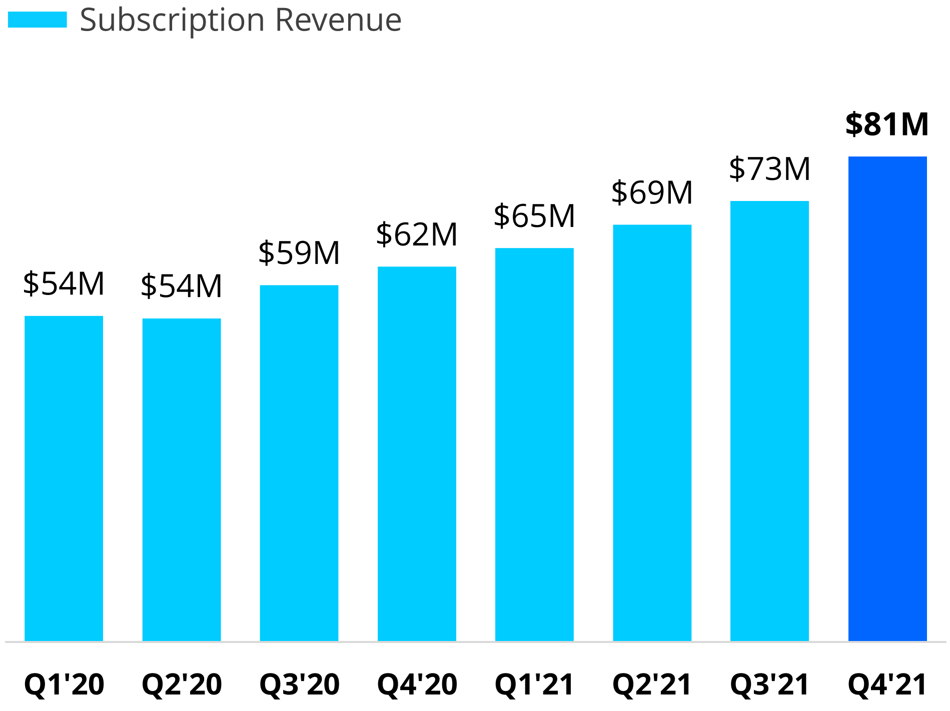
Year-over-year Growth %							
0%	11%	54%	46%	35%	45%	5%	8%



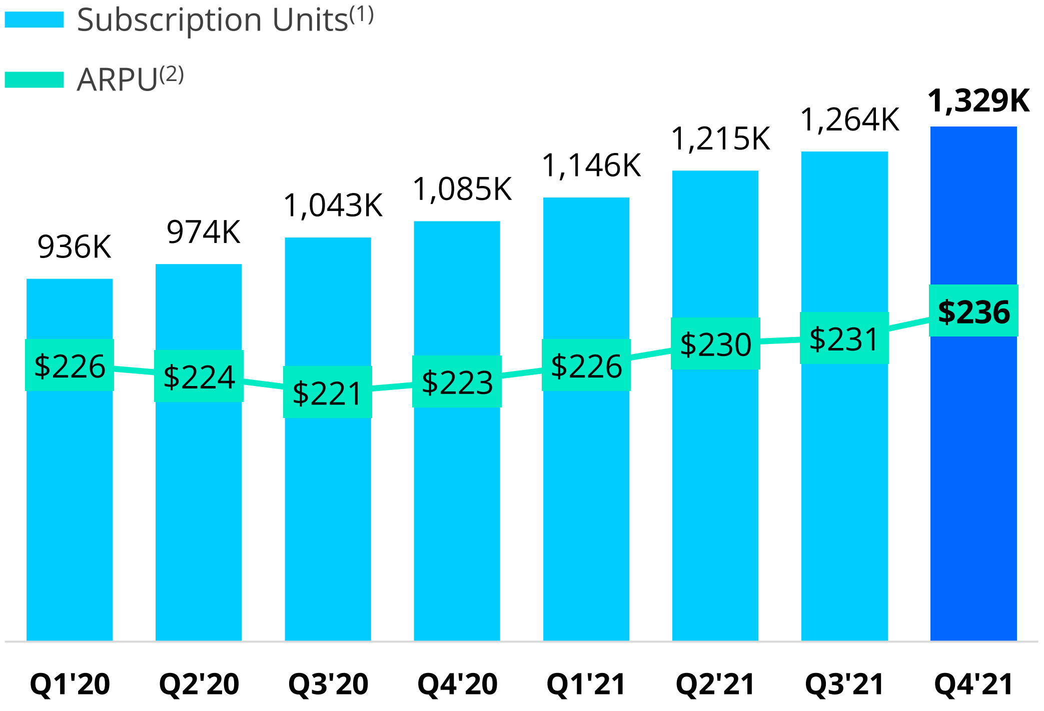
Year-over-year Growth %								
Trx Units	7%	30%	54%	31%	31%	12%	(10%)	8%
AOV	(4%)	(9%)	6%	18%	6%	30%	16%	0%

(1) We define the number of transaction units in a given period as gross transaction order volume, prior to refunds, on our platform during such period, excluding transactions from our subsidiary, Beaumont ABS Limited, which was divested in April 2020. Refunds, or partial refunds, may be issued under certain circumstances, pursuant to the terms of our customer satisfaction guarantee. (2) We define average order value for a given period as total transaction revenue divided by total number of transactions in such period, excluding revenue and related transactions from our subsidiary, Beaumont ABS Limited, which was divested in April 2020.

Subscription Revenue Details



Year-over-year Growth %							
14%	7%	10%	14%	21%	29%	24%	29%

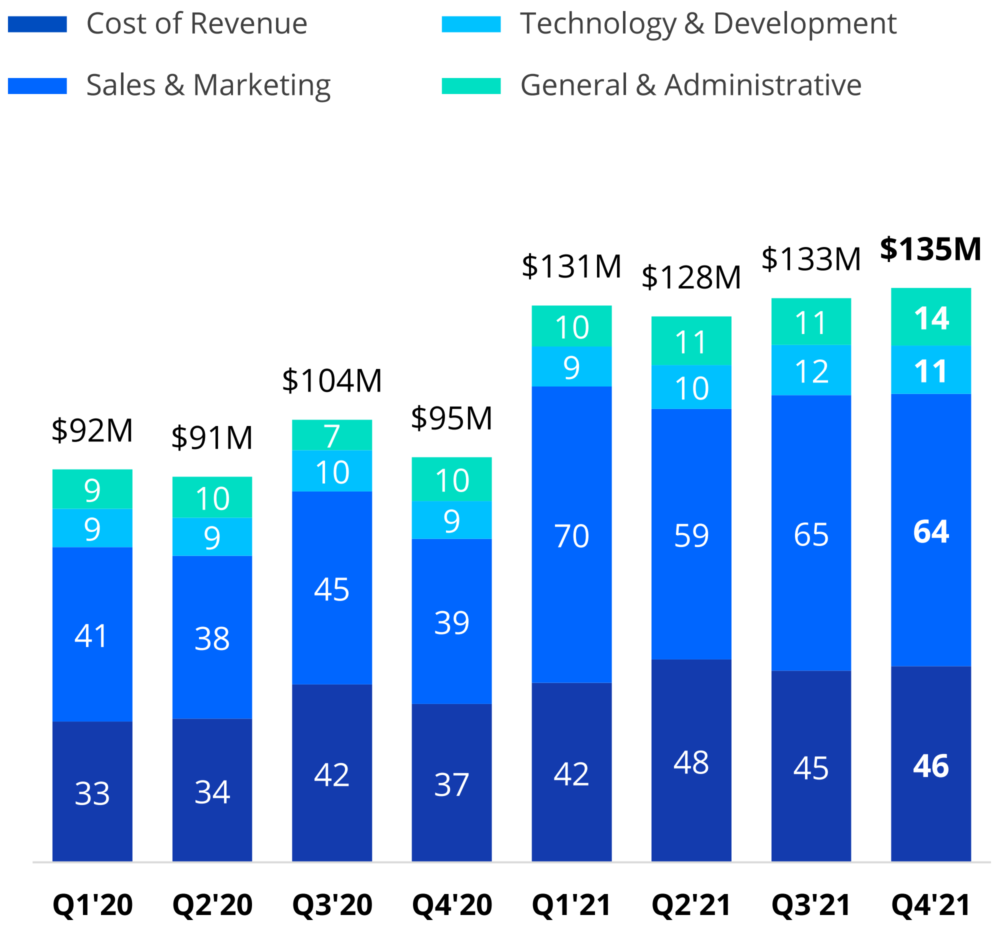


Year-over-year Growth %								
Sub Units	3%	7%	14%	18%	22%	25%	21%	22%
ARPU	13%	9%	4%	1%	0%	3%	5%	6%

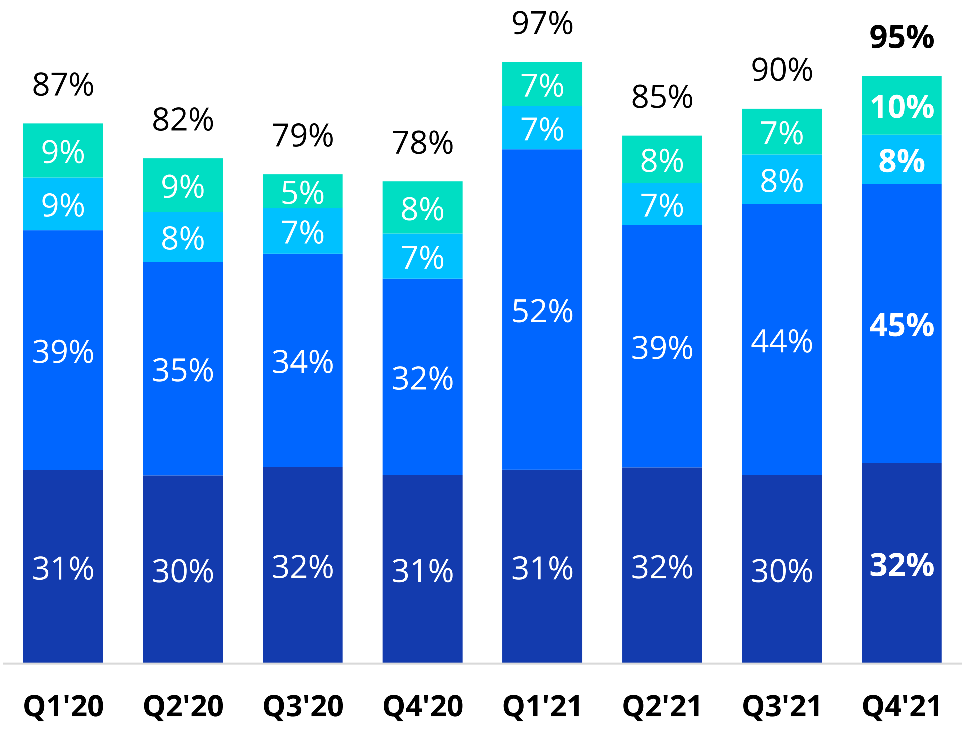
(1) We define the number of subscription units in a given period as the paid subscriptions that remain active at the end of such period, including those that are not yet 60 days past their subscription order dates, excluding subscriptions from our employer group legal plan and small business concierge subscription service, which we ceased acquiring new subscribers in October 2020. Refunds, or partial refunds, may be issued under certain circumstances pursuant to the terms of our customer satisfaction guarantee. (2) We define average revenue per subscription unit, or ARPU, as of a given date as subscription revenue for the 12-month period ended on such date, or LTM, divided by the average number of subscription units at the beginning and end of the LTM period, excluding revenue and subscription units from our employer group legal plan and small business concierge subscription services, which we ceased acquiring new subscribers in October 2020.

Non-GAAP Expenses[1]

$M by Spend Category



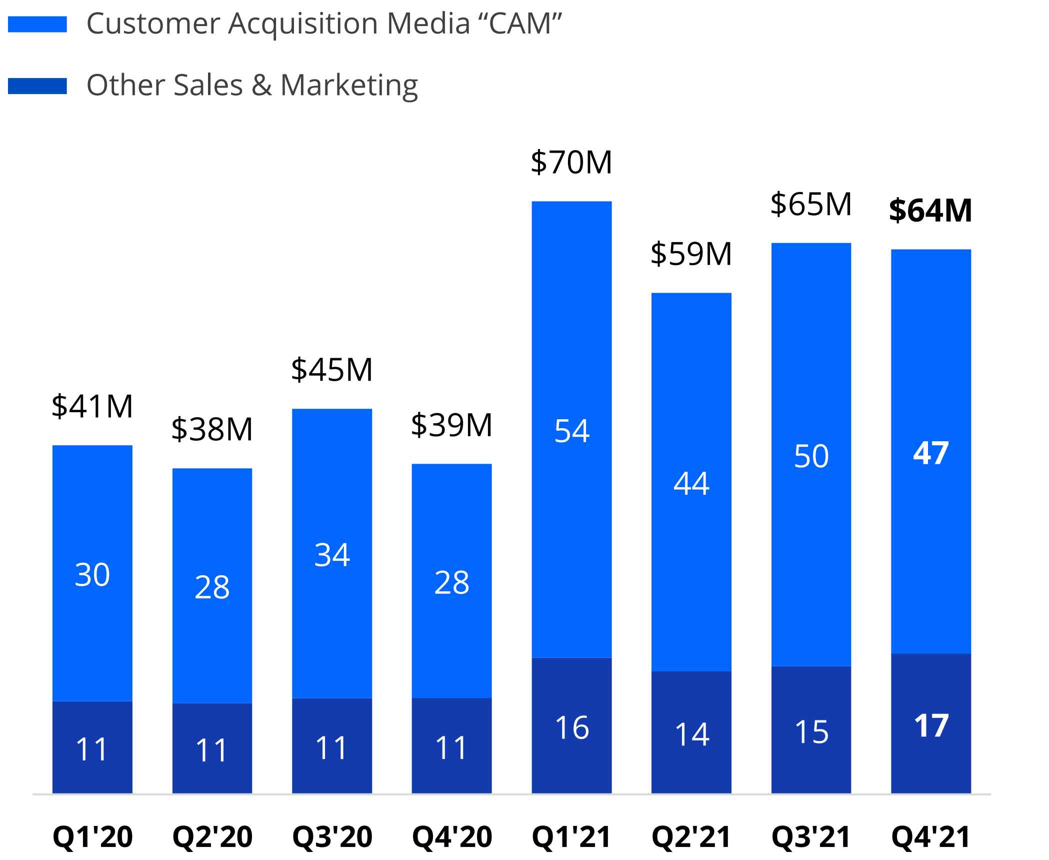
% of Revenue by Spend Category



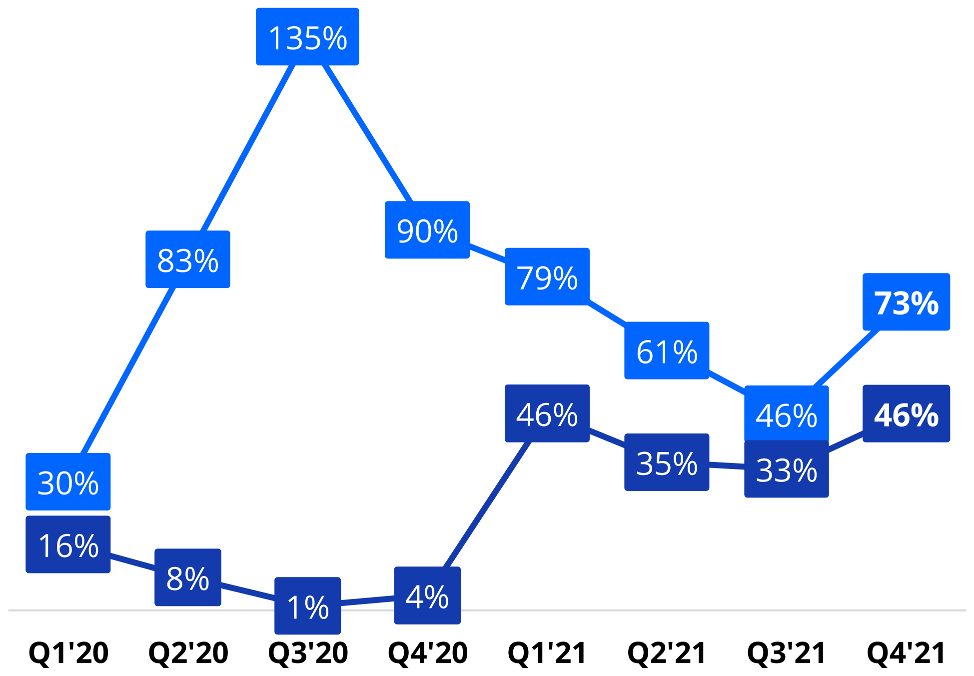
(1) These are non-GAAP financial measures. Refer to the Appendix for a reconciliation from the most directly comparable GAAP measures to these non-GAAP measures.

Non-GAAP Sales & Marketing Detail(1)

$M by Category



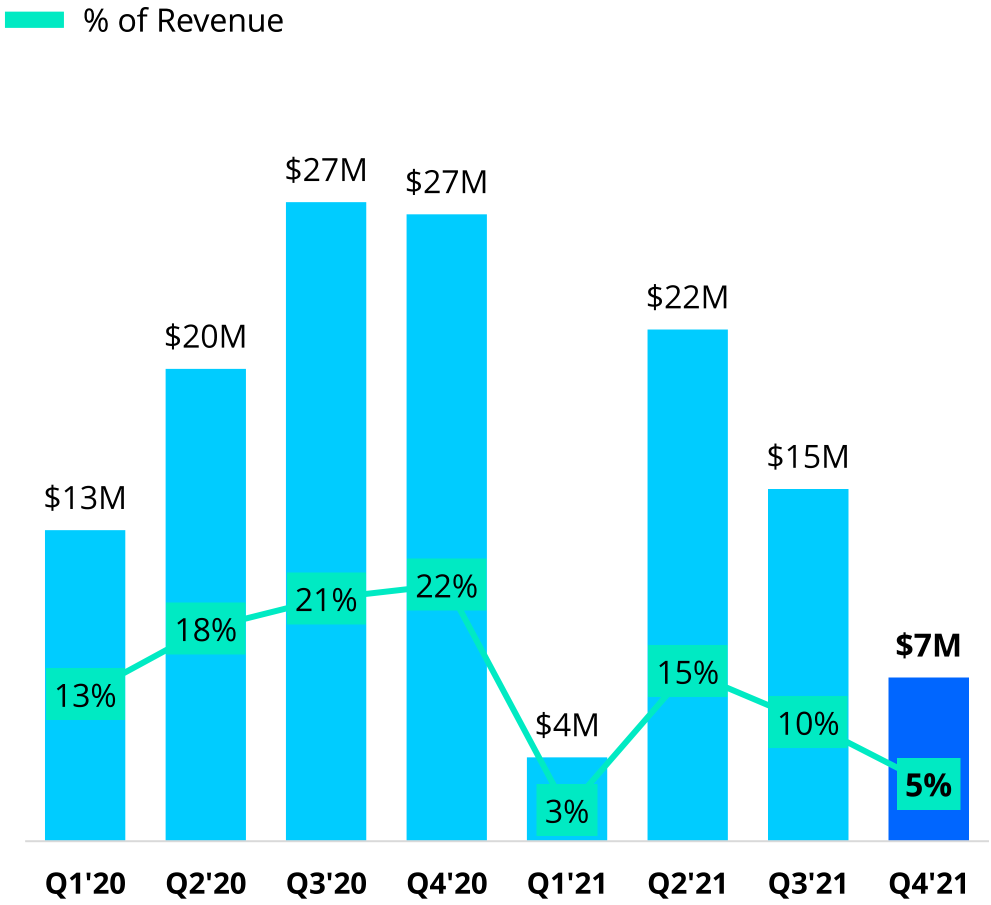
% YoY Growth by Category



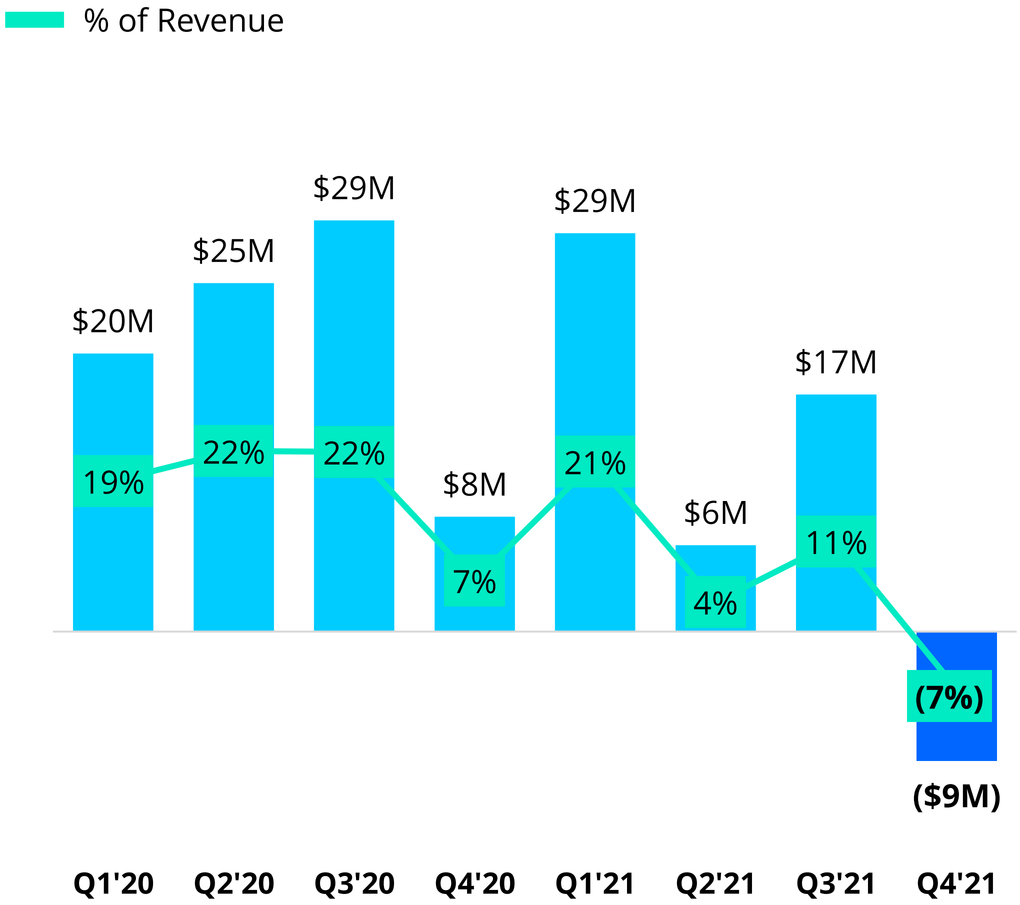
(1) This is a non-GAAP financial measure. Refer to the Appendix for a reconciliation from GAAP Sales and Marketing Expenses to non-GAAP Sales and Marketing Expenses.

Profitability Metrics

Adjusted EBITDA[1]



Free Cash Flow[1]



(1) These are non-GAAP financial measures. Refer to the Appendix for reconciliations from Net Income (Loss) to Adjusted EBITDA and from Net Cash Provided by Operating Activities to Free Cash Flow.

Q1 and FY22 Guidance Commentary

Q1 2022	
Total Revenue	$150M - $152M
Adj. EBITDA	$0M

FY 2022	
Total Revenue	$650M - $660M
Adj. EBITDA	$48M

Commentary

- We are facing a challenging first half comparison on the transaction side of the business, but expect growth to re-accelerate in the back half of the year
- We expect full year subscription revenue to grow approximately 25% year-over-year
- We expect full year Adjusted EBITDA to be in-line with 2021 as we scale OpEx investments to support long-term growth
- We expect to exit 2022 with margin expansion on a year-over-year basis

GAAP and Non-GAAP Long-term Financial Goals

GAAP and Non-GAAP Measures	'19A	'20A	'21A	Long-Term Target[(2)]
Revenue Growth	8%	15%	22%	24% +
Gross Margin (GAAP)	66%	67%	67%	71-73%
Customer Acquisition Marketing "CAM"	16%	25%	34%	18-22%
OpEx (excl. CAM)[(1)]	28%	25%	26%	21-23%
Adj. EBITDA Margin[(1)]	24%	19%	8%	30% +
FCF Margin[(1)]	8%	18%	7%	25% +

(1) Non-GAAP Measure. The company has not reconciled this non-GAAP measure to the most comparable GAAP measure because certain items are out of the company's control and/or cannot be reasonably predicted. Accordingly, a reconciliation is not available without unreasonable effort. (2) These are not projections; they are goals and are forward-looking, subject to significant business, economic, regulatory and competitive uncertainties and contingencies, many of which are beyond the control of the company and its management, and are based upon assumptions with respect to future decisions, which are subject to change. Actual results will vary and those variations may be material. For discussion of some of the important factors that could cause these variations, please consult the section titled 'Risk Factors' included in our filings with the Securities and Exchange Commission ("SEC"). Nothing in this presentation should be regarded as a representation by any person that these goals will be achieved and the company undertakes no duty to update its goals.

Appendix

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Reconciliation of GAAP Expenses to Non-GAAP Expenses

FYE Dec 31, $K	2019	2020	2021	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21
Cost of revenue	**$136,915**	**$154,563**	**$189,364**	**$35,112**	**$35,759**	**$43,841**	**$39,851**	**$43,960**	**$49,859**	**$47,267**	**$48,278**
Stock-based compensation(1)	116	108	1,662	23	27	30	28	28	707	779	148
Depreciation and amortization	6,773	8,324	6,430	1,958	1,934	1,904	2,528	1,678	1,398	1,403	1,951
Other non-reoccurring items	—	—	—	—	—	—	—	—	—	—	—
Non-GAAP cost of revenue	**130,026**	**146,131**	**181,272**	**33,131**	**33,798**	**41,907**	**37,295**	**42,254**	**47,754**	**45,085**	**46,179**
Sales and marketing	**115,913**	**171,390**	**279,281**	**43,481**	**40,173**	**46,833**	**40,903**	**71,361**	**65,431**	**72,572**	**69,917**
Stock-based compensation(1)	671	923	15,721	596	72	115	140	166	5,151	6,364	4,040
Depreciation and amortization	6,469	6,913	6,017	1,849	1,762	1,377	1,925	1,475	1,323	1,401	1,818
Other non-reoccurring items	—	—	—	—	—	—	—	—	—	—	—
Non-GAAP sales and marketing	**108,773**	**163,554**	**257,543**	**41,036**	**38,339**	**45,341**	**38,838**	**69,720**	**58,957**	**64,807**	**64,059**
Technology and development	**37,204**	**41,863**	**84,003**	**10,543**	**10,165**	**10,911**	**10,244**	**10,499**	**28,426**	**26,865**	**18,213**
Stock-based compensation(1)	739	2,450	38,726	871	518	529	532	496	17,566	14,459	6,205
Depreciation and amortization	1,055	2,800	2,361	650	667	656	827	587	584	538	652
Other non-reoccurring items	—	—	—	—	—	—	—	—	—	—	—
Non-GAAP technology and development	**35,410**	**36,613**	**42,916**	**9,022**	**8,980**	**9,726**	**8,885**	**9,416**	**10,276**	**11,868**	**11,356**
General and administrative	**57,762**	**51,017**	**106,584**	**12,661**	**12,612**	**10,424**	**15,320**	**13,165**	**33,845**	**28,192**	**31,382**
Stock-based compensation(1)	3,655	9,413	56,487	2,598	2,473	2,038	2,304	3,096	21,374	16,539	15,478
Depreciation and amortization	2,093	2,060	1,878	463	464	478	655	426	358	433	661
Other non-reoccurring items(2)	14,999	3,181	2,578	348	64	718	2,051	—	635	223	1,720
Non-GAAP general and administrative	**37,015**	**36,363**	**45,641**	**9,252**	**9,611**	**7,190**	**10,310**	**9,643**	**11,478**	**10,997**	**13,523**

(1) Stock-based compensation expense excludes amounts paid in cash to certain employees as part of a buyback program as further described in Note 15 to our consolidated financial statements included in our Prospectus, dated June 29, 2021, filed with the SEC on June 30, 2021. (2) Includes acquisition-related expenses, restructuring expenses, legal reserves and settlements, and other IPO-related costs and other transaction related expenses, as detailed in Reconciliation of Net Income (Loss) to Non-GAAP Net Income (Loss) below.

Reconciliation of Net Income (Loss) to Non-GAAP Net Income (Loss)

FYE Dec 31, $K	2019	2020	2021	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21
Net income (loss)	**$7,443**	**$9,896**	**($108,664)**	**($4,878)**	**($4,059)**	**$9,412**	**$9,421**	**($9,823)**	**($38,395)**	**($39,675)**	**($20,771)**
Amortization of acquired intangible assets	4,256	2,826	1,039	1,003	982	473	368	273	52	52	662
Stock-based compensation[1]	5,181	12,894	112,596	4,088	3,090	2,712	3,004	3,786	44,798	38,141	25,871
Loss on debt extinguishment	—	—	7,748	—	—	—	—	—	—	7,748	—
Impairment of goodwill, long-lived & other assets	14,321	1,105	924	555	—	—	550	—	379	493	52
Impairment of available-for-sale debt securities	—	4,818	—	—	4,818	—	—	—	—	—	—
Acquisition-related expenses	5,433	132	1,356	—	—	38	94	—	—	—	1,356
Restructuring expenses[2]	1,600	2,524	—	348	64	155	1,957	—	—	—	—
Legal reserves and settlements[3]	735	525	—	—	—	525	—	—	—	—	—
IPO-related costs & other transaction-related expenses[4]	—	—	852	—	—	—	—	—	635	217	—
Certain other non-recurring expenses[5]	6,911	1,764	369	—	1,764	—	—	—	—	5	364
Income tax effects	(4,313)	(4,148)	(10,519)	(1,099)	(846)	(883)	(1,320)	(665)	(2,880)	(4,399)	(2,575)
Non-GAAP net income (loss)[6]	**$41,567**	**$32,336**	**$5,701**	**$17**	**$5,813**	**$12,432**	**$14,074**	**($6,429)**	**$4,589**	**$2,582**	**$4,959**
Net income (loss) margin[6]	*2%*	*2%*	*(19%)*	*(5%)*	*(4%)*	*7%*	*8%*	*(7%)*	*(26%)*	*(27%)*	*(15%)*
Non-GAAP net income (loss) margin[6]	*10%*	*7%*	*1%*	*0%*	*5%*	*9%*	*12%*	*(5%)*	*3%*	*2%*	*4%*

(1) Stock-based compensation expense excludes amounts paid in cash to certain employees as part of a buyback program as further described in Note 15 to our consolidated financial statements included in our prospectus, dated June 29, 2021, filed with the SEC on June 30, 2021. (2) Restructuring expenses relate to certain one-time severance events for different components of our business, which were part of our overall reset of business strategy during 2019 and 2020. Such expenses are not expected to recur in the near or longer term. Due to continued decline in the business performance of Beaumont, our conveyancing business in the United Kingdom, we conducted a phased restructuring during 2019. In the fourth quarter of 2019, we restructured our United Kingdom Research and Development team, as part of the reset of our product strategy. In the first half of 2020, we restructured our United Kingdom business, mainly in our leadership and technology team. In the fourth quarter of 2020, we incurred $2.0 million in severance costs related to a reduction in headcount in our U.S. workforce. (3) Legal reserves and settlements include costs accrued or paid for potential litigation settlements, and are net of insurance recoveries, if any. (4) IPO-related costs and other transaction-related expenses includes certain non-recurring expenses, which occurred in connection with our IPO completed in July 2021. (5) In 2019, we incurred certain expenses for strategic transactions that were not consummated, including $4.6 million of costs associated with our filing of a registration statement during the first and second quarters of 2019 and which was later withdrawn in the third quarter of 2019, $1.9 million of compensation expense recorded in general and administrative expenses related the establishment of a financial guarantee for a former executive officer in the fourth quarter of 2019, and $0.4 million for other transaction related expenses. In the second quarter of 2020, we incurred a loss on sale from the disposal of Beaumont of $1.8 million. (6) We define non-GAAP net income (loss) as net income (loss) adjusted to exclude amortization of acquired intangible assets from our business combinations, non-cash stock-based compensation expense, losses from impairments of goodwill, long-lived and other assets, impairments of available-for-sale debt securities, acquisition related expenses, restructuring expenses, IPO-related costs and other transaction-related expenses and certain other non-recurring expenses, net of the related income tax impacts. Our non-GAAP net income (loss) financial measure differs from GAAP in that it excludes certain items of income and expense. We define net income (loss) margin as net loss as a percentage of revenue. We define non-GAAP net income (loss) margin as non-GAAP net income (loss) as a percentage of revenue.

Reconciliation of Net Cash Provided by Operating Activities to Free Cash Flow

FYE Dec 31, $K	2019	2020	2021	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21
Net cash provided by operating activities	**$52,695**	**$93,049**	**$54,152**	**$21,889**	**$27,431**	**$32,749**	**$10,980**	**$31,415**	**$9,281**	**$19,460**	**($6,004)**
Purchase of property and equipment	(18,349)	(10,587)	(11,740)	(1,988)	(2,503)	(3,328)	(2,768)	(2,911)	(3,093)	(2,496)	(3,239)
Free cash flow(1)	**34,346**	**82,462**	**42,412**	**19,901**	**24,928**	**29,421**	**8,213**	**28,504**	**6,188**	**16,964**	**(9,244)**
Cash interest paid	37,276	27,864	12,284	8,278	7,062	6,283	6,242	6,065	6,086	133	—
Unlevered free cash flow(2)	**71,622**	**110,326**	**54,696**	**28,179**	**31,990**	**35,704**	**14,454**	**34,569**	**12,274**	**17,097**	**(9,244)**
Operating cash flow margin(3)	*13%*	*20%*	*9%*	*21%*	*25%*	*25%*	*9%*	*23%*	*6%*	*13%*	*(4%)*
Unlevered free cash flow margin(3)	*18%*	*23%*	*10%*	*27%*	*29%*	*27%*	*12%*	*26%*	*8%*	*12%*	*(7%)*

(1) We define free cash flow as cash generated by operations after purchases of property and equipment including capitalized internal-use software. Free cash flow is a liquidity measure used by management in evaluating the cash generated by our operations after purchases of property and equipment including capitalized internal-use software. We consider free cash flow to be an important metric because it provides useful information to management and investors about the amount of cash generated by our business that can be used for strategic opportunities, including investing in our business and strengthening our balance sheet. Once our business needs and obligations are met, cash can be used to maintain a strong balance sheet and invest in future growth. The usefulness of free cash flow as an analytical tool has limitations because it excludes certain items, which are settled in cash, does not represent residual cash flow available for discretionary expenses, does not reflect our future contractual commitments, and may be calculated differently by other companies in our industry. Accordingly, it should not be considered in isolation or as a substitute for analysis of other GAAP financial measures, such as net cash provided by operating activities. (2) We define unlevered free cash flow as free cash flow plus cash interest paid. (3) We define operating cash flow margin as net cash provided by operating activities as a percentage of revenue. We define unlevered free cash flow margin as unlevered free cash flow as a percentage of revenue.

Reconciliation from Net Income (Loss) to Adjusted EBITDA

FYE Dec 31, $K	2019	2020	2021	Q1'20	Q2'20	Q3'20	Q4'20	Q1'21	Q2'21	Q3'21	Q4'21
Net income (loss)	**$7,443**	**$9,896**	**($108,664)**	**($4,878)**	**($4,059)**	**$9,412**	**$9,421**	**($9,823)**	**($38,395)**	**($39,675)**	**($20,771)**
Interest expense, net	38,559	35,504	27,984	9,270	8,857	8,658	8,719	8,654	9,312	9,957	61
Provision for (benefit from) income taxes	3,161	2,429	(10,951)	(2,055)	563	3,126	795	(2,936)	1,995	(5,908)	(4,102)
Depreciation and amortization	16,390	20,097	16,686	4,920	4,827	4,415	5,935	4,166	3,663	3,775	5,082
Other (income) expense, net	(2,577)	(3,713)	(1,193)	1,106	355	(1,610)	(3,564)	(248)	(420)	368	(893)
Stock-based compensation(1)	5,181	12,894	112,596	4,088	3,090	2,712	3,004	3,786	44,798	38,141	25,871
Loss on debt extinguishment	—	—	7,748	—	—	—	—	—	—	7,748	—
Impairment of goodwill, long-lived & other assets	14,321	1,105	924	555	—	—	550	—	379	493	52
Impairment of available-for-sale debt securities	—	4,818	—	—	4,818	—	—	—	—	—	—
Acquisition-related expenses	5,433	132	1,356	—	—	38	94	—	—	—	1,356
Restructuring expenses(2)	1,600	2,524	—	348	64	155	1,957	—	—	—	—
Legal reserves and settlements(3)	735	525	—	—	—	525	—	—	—	—	—
IPO-related costs & other transaction-related expenses(4)	—	—	852	—	—	—	—	—	635	217	—
Certain other non-recurring expenses(5)	6,911	1,764	369	—	1,764	—	—	—	—	5	364
Adjusted EBITDA(6)	**$97,157**	**$87,975**	**$47,707**	**$13,354**	**$20,279**	**$27,431**	**$26,911**	**$3,599**	**$21,967**	**$15,121**	**$7,020**
Revenue	408,380	470,636	575,080	105,795	111,007	131,595	122,239	134,632	150,432	147,879	$142,137
Adjusted EBITDA margin(7)	*24%*	*19%*	*8%*	*13%*	*18%*	*21%*	*22%*	*3%*	*15%*	*10%*	*5%*

(1) Stock-based compensation expense excludes amounts paid in cash to certain employees as part of a buyback program as further described in Note 15 to our consolidated financial statements included in our Prospectus, dated June 29, 2021, filed with the SEC on June 30, 2021. (2) Restructuring expenses relate to certain one-time severance events for different components of our business, which were part of our overall reset of business strategy during 2019 and 2020. Such expenses are not expected to recur in the near or longer term. Due to continued decline in the business performance of Beaumont, our conveyancing business in the United Kingdom, we conducted a phased restructuring during 2019. In the fourth quarter of 2019, we restructured our United Kingdom Research and Development team, as part of the reset of our product strategy. In the first half of 2020, we restructured our United Kingdom business, mainly in our leadership and technology team. In the fourth quarter of 2020, we incurred $2.0 million in severance costs related to a reduction in headcount in our U.S. workforce. (3) Legal reserves and settlements include costs accrued or paid for potential litigation settlements, and are net of insurance recoveries, if any. (4) IPO-related costs and other transaction-related expenses includes certain non-recurring expenses, which occurred in connection with our IPO completed in July 2021. (5) In 2019, we incurred certain expenses for strategic transactions that were not consummated, including $4.6 million of costs associated with our filing of a registration statement during the first and second quarters of 2019 and which was later withdrawn in the third quarter of 2019, $1.9 million of compensation expense recorded in general and administrative expenses related the establishment of a financial guarantee for a former executive officer in the fourth quarter of 2019, and $0.4 million for other transaction related expenses. In the second quarter of 2020, we incurred a loss on sale from the disposal of Beaumont of $1.8 million. (6) Adjusted EBITDA, a primary performance measure used by management and board of directors to understand and evaluate financial performance, operating trends including period-to-period comparisons, prepare and approve of our annual budget, develop short- and long-term operational plans and determine appropriate compensation plans for our employees. Limitations to this non-GAAP financial measure include the following: a) does not reflect interest expense, or the cash requirements necessary to service interest or principal payments, which reduces cash available to us; b) does not reflect provision for income taxes that may result in payments that reduce cash available to us; c) excludes depreciation and amortization and, although these are non-cash expenses, the assets being depreciated may be replaced in the future; d) does not reflect foreign currency exchange or other gains or losses, which are included in other income, net; e) excludes stock-based compensation expense, which has been, and will continue to be, a significant recurring expense for our business and an important part of our compensation strategy; f) excludes losses from impairments of goodwill, long-lived and other assets and available-for-sale debt securities; g) excludes acquisition related expenses, which reduce cash available to us; h) excludes restructuring expenses, which reduce cash available to us; and i) does not reflect certain other non-recurring expenses that are not considered representative of our underlying performance, which reduce 'cash available to us. We define Adjusted EBITDA as net income adjusted to exclude interest expense, net, provision for income taxes, depreciation and amortization, other income, net, stock-based compensation, losses from impairments of goodwill, long-lived and other assets, impairments of available-for-sale debt securities, acquisition related expenses, restructuring expenses, legal reserves and settlements, and certain other non-recurring expenses. (7) We define Adjusted EBITDA margin as Adjusted EBITDA as a percentage of revenue.

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