

QuinStreet Supplemental Financial Data and Metrics

Revenue	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22
Financial Services	\$ 98,789	\$ 88,486	\$ 94,213	\$ 104,154	\$ 116,284	\$ 112,168	\$ 117,912	\$ 90,158	\$ 108,277
Home Services	11,544	14,360	33,373	29,190	35,037	36,937	39,986	33,820	40,704
Other Revenue	—	—	—	1,624	1,731	2,093	1,710	1,353	1,677
Divested Businesses ⁽¹⁾	18,330	14,115	11,683	-	—	—	—	—	—
Total	\$ 128,663	\$ 116,961	\$ 139,269	\$ 134,968	\$ 153,052	\$ 151,198	\$ 159,608	\$ 125,331	\$ 150,658
Revenue Y/Y Growth	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22
Financial Services	22 %	(1) %	4 %	18 %	18 %	27 %	25 %	(13) %	(7) %
Home Services	8	29	156	165	204	157	20	16	16
Other Revenue	na	na	na	na	na	na	na	(17)	(3)
Divested Businesses ⁽¹⁾	(25)	(35)	(49)	na	na	na	na	na	na
Total	11 %	(4) %	10 %	14 %	19 %	29 %	15 %	(7) %	(2) %
Revenue Mix	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22
Financial Services	77 %	76 %	68 %	77 %	76 %	75 %	74 %	72 %	72 %
Home Services	9	12	24	22	23	24	25	27	27
Other Revenue	—	—	—	1	1	1	1	1	1
Divested Businesses ⁽¹⁾	14	12	8	0	0	—	—	—	—
Total	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %	100 %
Key Operational Metrics	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22
Adjusted net income ⁽²⁾	\$ 6,957	\$ 7,361	\$ 8,845	\$ 7,047	\$ 10,936	\$ 9,281	\$ 9,409	\$ 3,229	\$ 4,896
Adjusted EBITDA ⁽³⁾	9,332	8,398	12,503	10,032	15,411	14,242	13,439	5,618	6,891
Free cash flow ⁽⁴⁾	14,221	11,715	16,425	4,272	11,801	13,017	4,379	12,329	(1,587)
Normalized free cash flow ⁽⁵⁾	10,956	6,345	10,446	7,532	13,101	11,587	11,434	3,190	3,623
Net cash provided by operating activities	\$ 15,155	\$ 12,972	\$ 17,558	\$ 5,579	\$ 13,066	\$ 14,412	\$ 5,753	\$ 13,934	\$ 1,294
Key Operational Metrics as a % of Revenue	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22
Adjusted net income ⁽²⁾	5 %	6 %	6 %	5 %	7 %	6 %	6 %	3 %	3 %
Adjusted EBITDA ⁽³⁾	7	7	9	7	10	9	8	4	5
Free cash flow ⁽⁴⁾	11	10	12	3	8	9	3	10	(1)
Normalized free cash flow ⁽⁵⁾	9	5	8	6	9	8	7	3	2
Net cash provided by operating activities	12 %	11 %	13 %	4 %	9 %	10 %	4 %	11 %	1 %

⁽¹⁾ Represents revenue recognized from the businesses divested in fiscal years 2021 and 2020 (including our former education client vertical, business-to-business technology client vertical, mortgage business, and Brazil businesses)

⁽²⁾ Adjusted net income is defined as net income (loss) adjusted for amortization expense, stock-based compensation expense, acquisition and divestiture costs, gain on divestitures of businesses, net, strategic review costs, contingent consideration adjustment, litigation settlement expense, tax settlement expense, restructuring costs, release of deferred tax valuation allowance, net of estimated taxes

⁽³⁾ Adjusted EBITDA is defined as net income (loss) less interest and other expense, net, benefit from (provision for) income taxes, depreciation, amortization, stock-based compensation, acquisition and divestiture costs, gain on divestitures of businesses, net, strategic review costs, litigation settlement expense, tax settlement expense, restructuring costs and contingent consideration adjustment

⁽⁴⁾ Free cash flow is defined as net cash provided by operating activities less capital expenditures and internal software development costs

⁽⁵⁾ Normalized free cash flow is defined as free cash flow less changes in operating assets and liabilities

QuinStreet Metric Reconciliation

Reconciliation of Net Income (Loss) to

Adjusted Net Income	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22
Net income (loss)	\$ 13,919	\$ 1,502	\$ 14,681	\$ 466	\$ 5,037	\$ 3,371	\$ 3,093	\$ (5,628)	\$ 2,230
Amortization of intangible assets	1,932	3,128	3,128	2,929	2,789	3,024	3,016	2,937	2,820
Stock-based compensation	1,869	5,500	4,780	5,555	4,856	4,442	4,906	5,573	1,411
Acquisition and divestiture costs	40	634	276	330	160	45	362	104	51
Gain on divestitures of businesses, net	(10,819)	(2,759)	(16,615)	—	—	—	—	—	—
Strategic review costs	63	68	—	—	—	—	—	—	—
Contingent consideration adjustment	—	—	—	—	—	—	—	2,698	—
Litigation settlement expense	80	15	—	—	—	231	—	—	—
Tax settlement expense	—	—	—	—	—	310	—	516	—
Restructuring costs	418	3	391	375	267	43	33	67	122
Tax impact after non-GAAP items	(545)	387	2,204	(2,608)	(2,173)	(2,185)	(2,001)	(3,038)	(1,738)
Adjusted net income	\$ 6,957	\$ 7,361	\$ 8,845	\$ 7,047	\$ 10,936	\$ 9,281	\$ 9,409	\$ 3,229	\$ 4,896
Adjusted diluted net income per share	\$ 0.13	\$ 0.14	\$ 0.16	\$ 0.13	\$ 0.20	\$ 0.17	\$ 0.17	\$ 0.06	\$ 0.09
Weighted average shares used in computing adjusted diluted net income per	53,439	53,301	54,269	55,163	55,623	55,473	55,789	55,675	55,536

Reconciliation of Net Income (Loss) to

Adjusted EBITDA	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22
Net income (loss)	\$ 13,919	\$ 1,502	\$ 14,681	\$ 466	\$ 5,037	\$ 3,371	\$ 3,093	\$ (5,628)	\$ 2,230
Interest and other expense, net	462	106	243	261	324	384	269	265	225
Provision for (benefit from) income taxes	449	370	4,614	(958)	893	1,225	576	(2,190)	(1,395)
Depreciation and amortization	2,851	2,959	4,133	4,003	3,874	4,191	4,200	4,213	4,247
Stock-based compensation	1,869	5,500	4,780	5,555	4,856	4,442	4,906	5,573	1,411
Acquisition and divestiture costs	40	634	276	330	160	45	362	104	51
Gain on divestitures of businesses, net	(10,819)	(2,759)	(16,615)	—	—	—	—	—	—
Strategic review costs	63	68	—	—	—	—	—	—	—
Litigation settlement expense	80	15	—	—	—	231	—	—	—
Tax settlement expense	—	—	—	—	—	310	—	516	—
Restructuring costs	418	3	391	375	267	43	33	67	122
Contingent consideration adjustment	—	—	—	—	—	—	—	2,698	—
Adjusted EBITDA	\$ 9,332	\$ 8,398	\$ 12,503	\$ 10,032	\$ 15,411	\$ 14,242	\$ 13,439	\$ 5,618	\$ 6,891

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

	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22
Net cash provided by operating activities	\$ 15,155	\$ 12,972	\$ 17,558	\$ 5,579	\$ 13,066	\$ 14,412	\$ 5,753	\$ 13,934	\$ 1,294
Capital expenditures	(373)	(641)	(437)	(604)	(326)	(602)	(409)	(311)	(1,656)
Internal software development costs	(561)	(616)	(696)	(703)	(939)	(793)	(965)	(1,294)	(1,225)
Free cash flow	\$ 14,221	\$ 11,715	\$ 16,425	\$ 4,272	\$ 11,801	\$ 13,017	\$ 4,379	\$ 12,329	\$ (1,587)

Reconciliation of Free Cash Flow to Normalized Free Cash Flow

	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22
Free cash flow	\$ 14,221	\$ 11,715	\$ 16,425	\$ 4,272	\$ 11,801	\$ 13,017	\$ 4,379	\$ 12,329	\$ (1,587)
Changes in operating assets and liabilities	(3,265)	(5,370)	(5,979)	3,260	1,300	(1,430)	7,055	(9,139)	5,210
Normalized free cash flow	\$ 10,956	\$ 6,345	\$ 10,446	\$ 7,532	\$ 13,101	\$ 11,587	\$ 11,434	\$ 3,190	\$ 3,623

**QuinStreet Depreciation, Amortization of Intangible Assets and Stock-Based Compensation
by Expense Category**

Depreciation	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22
Cost of revenue	\$ 801	\$ 827	\$ 867	\$ 923	\$ 922	\$ 1,000	\$ 1,010	\$ 1,073	\$ 1,197
Product development	56	65	72	79	87	86	89	110	132
Sales and marketing	31	22	35	38	40	43	44	47	50
General and administrative	31	35	31	34	36	38	41	46	48
Total	\$ 919	\$ 949	\$ 1,005	\$ 1,074	\$ 1,085	\$ 1,167	\$ 1,184	\$ 1,276	\$ 1,427
Amortization of Intangible Assets	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22
Cost of revenue	\$ 1,932	\$ 2,011	\$ 3,128	\$ 2,929	\$ 2,789	\$ 3,024	\$ 3,016	\$ 2,937	\$ 2,820
Product development	—	—	—	—	—	—	—	—	—
Sales and marketing	—	—	—	—	—	—	—	—	—
General and administrative	—	—	—	—	—	—	—	—	—
Total	\$ 1,932	\$ 2,011	\$ 3,128	\$ 2,929	\$ 2,789	\$ 3,024	\$ 3,016	\$ 2,937	\$ 2,820
Stock-Based Compensation	Q3 20	Q4 20	Q1 21	Q2 21	Q3 21	Q4 21	Q1 22	Q2 22	Q3 22
Cost of revenue	\$ 978	\$ 2,754	\$ 2,201	\$ 2,544	\$ 2,261	\$ 1,991	\$ 1,821	\$ 2,267	\$ 491
Product development	185	632	549	643	576	571	606	688	203
Sales and marketing	152	570	547	765	584	563	732	727	18
General and administrative	554	1,544	1,483	1,603	1,435	1,317	1,747	1,891	699
Total	\$ 1,869	\$ 5,500	\$ 4,780	\$ 5,555	\$ 4,856	\$ 4,442	\$ 4,906	\$ 5,573	\$ 1,411