

Company Overview

Updated Through Q1 2025¹

May 12, 2025



FiscalNote

Safe Harbor Statement

Safe Harbor Statement

Certain statements herein may be considered forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements generally relate to future events or FiscalNote's future financial or operating performance. For example, statements regarding FiscalNote's financial outlook for future periods, expectations regarding profitability, capital resources and anticipated growth in the industry in which FiscalNote operates are forward-looking statements. In some cases, you can identify forward-looking statements by terminology such as "pro forma," "may," "should," "could," "might," "plan," "possible," "project," "strive," "budget," "forecast," "expect," "intend," "will," "estimate," "anticipate," "believe," "predict," "potential" or "continue," or the negatives of these terms or variations of them or similar terminology.

Such forward-looking statements are subject to risks, uncertainties, and other important factors that could cause actual results to differ materially from those expressed or implied by such forward-looking statements.

Factors that may impact such forward-looking statements include:

- FiscalNote's concentration of revenues from U.S. government agencies, changes in the U.S. government spending priorities, dependence on winning or renewing U.S. government contracts, delay, disruption or unavailability of funding on U.S. government contracts, and the U.S. government's right to modify, delay, curtail or terminate contracts;
- FiscalNote's ability to successfully execute on its strategy to achieve and sustain organic growth through a focus on its core Policy business, including risks to FiscalNote's ability to develop, enhance, and integrate its existing platforms, products, and services, bring highly useful, reliable, secure and innovative products, product features and services to market, attract new customers, retain existing customers, expand its products and service offerings with existing customers, expand into geographic markets or identify other opportunities for growth;
- FiscalNote's future capital requirements, as well as its ability to service its repayment obligations and maintain compliance with covenants and restrictions under its existing debt agreements;
- demand for FiscalNote's services and the drivers of that demand;
- the impact of cost reduction initiatives undertaken by FiscalNote;
- risks associated with international operations, including compliance complexity and costs, increased exposure to fluctuations in currency exchange rates, political, social and economic instability, and supply chain disruptions;
- FiscalNote's ability to introduce new features, integrations, capabilities, and enhancements to its products and services, as well as obtain and maintain accurate, comprehensive, or reliable data to support its products and services;
- FiscalNote's reliance on third-party systems and data, its ability to integrate such systems and data with its solutions and its potential inability to continue to support integration;
- FiscalNote's ability to maintain and improve its methods and technologies, and anticipate new methods or technologies, for data collection, organization, and analysis to support its products and services;
- potential technical disruptions, cyberattacks, security, privacy or data breaches or other technical or security incidents that affect FiscalNote's networks or systems or those of its service providers;
- competition and competitive pressures in the markets in which FiscalNote operates, including larger well-funded companies shifting their existing business models to become more competitive with FiscalNote;
- FiscalNote's ability to comply with laws and regulations in connection with selling products and services to U.S. and foreign governments and other highly regulated industries;
- FiscalNote's ability to retain or recruit key personnel;
- FiscalNote's ability to adapt its products and services for changes in laws and regulations or public perception, or changes in the enforcement of such laws, relating to artificial intelligence, machine learning, data privacy and government contracts;
- adverse general economic and market conditions reducing spending on our products and services;
- the outcome of any known and unknown litigation and regulatory proceedings;
- FiscalNote's ability to maintain public company-quality internal control over financial reporting; and
- FiscalNote's ability to protect and maintain its brands and other intellectual property rights.

These and other factors discussed in FiscalNote's SEC filings, including its most recent reports on Forms 10-K and 10-Q, particularly the "Risk Factors" sections of those reports, could cause actual results to differ materially from those indicated by the forward-looking statements made herein. These forward-looking statements are based upon estimates and assumptions that, while considered reasonable by FiscalNote and its management, are inherently uncertain. Nothing herein should be regarded as a representation by any person that the forward-looking statements set forth herein will occur or that any of the contemplated results of such forward-looking statements will be achieved. You should not place undue reliance on forward-looking statements, which speak only as of the date they are made. FiscalNote undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws. FiscalNote assumes no obligation to update such information.

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SECTION I: Products, Markets, and Customers



FiscalNote

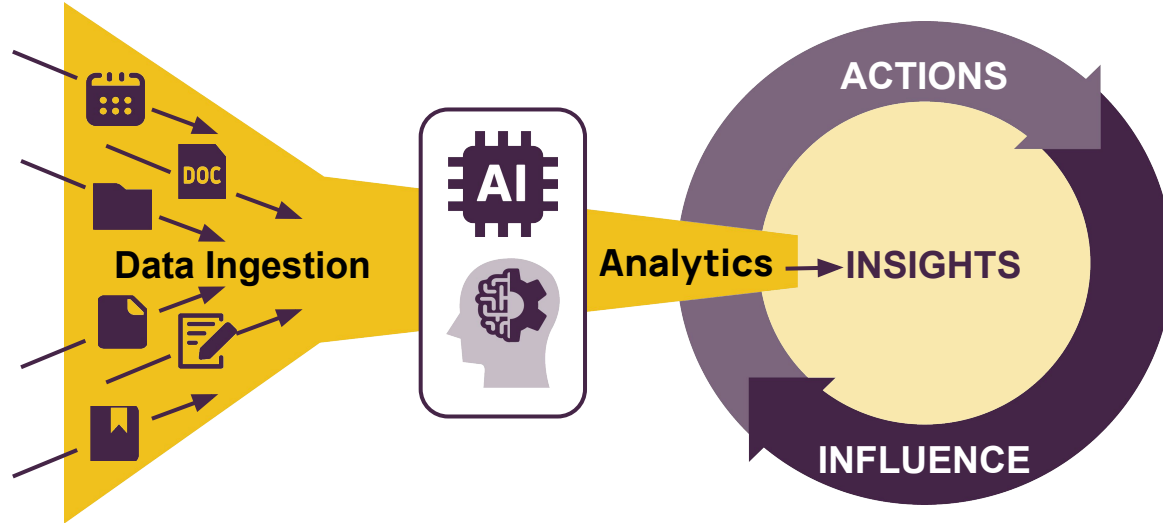


WHAT WE DO

Deliver subscription based access to essential and proprietary policy data, insights and workflow tools via an AI-driven SaaS platform

AI-Enhanced, SaaS-Based, Proprietary Information Services Business

FiscalNote provides policy and regulatory intelligence to enable actionable outcomes for customers globally.



Connect Data:

Cross the silos between data sets and professionals to create relationships between structured and unstructured data

Create Insights:











































Identify useful connections between data at scale to fill in knowledge gaps and provide value-add insights

Augment End-to-End Workflows:

Integrate AI seamlessly into existing human-driven processes with appropriate level of automation to reduce time and cost

Combining proprietary data, analytics, and workflows to drive actionable insights that enable customers to manage political and business risk.

Our Customers – Sample Logos (as of 03/31/25)

Private Sector / Corporates			Public Sector / Govt Orgs.	Non-Profits & NGOs	
<p>HEALTHCARE</p>     	<p>ENERGY</p>     	<p>CONSUMER & RETAIL</p>    	<p>FINANCE</p>     	          	           
<p>TRANSPORT</p>    	<p>EDUCATION</p>    	<p>TMT</p>    	<p>BUSINESS SERVICES</p>    	  	

Our Customers At A Glance (as of 03/31/25)

Global Target Customers



End Users

Legal

Government Affairs

External & Public Affairs

Regulatory

Market Access

Risk

Customer Dynamics



4,100+
Customers

92%
Subscription Revenue as
% of Total Revenues

>50
Of Fortune 100

80+
Countries Legislative &
Regulatory Monitoring

1. Indicates percentage of total revenues represented by each target customer segment, as of 1Q25.

Use Case: Global Technology Company

FiscalNote Value Providing a centralized, integrated process to track global policy with comprehensive policy intelligence (e.g., public consultations, multilateral negotiations) and a dashboard of key regulatory issues across 35 countries



Buyers

- Global Affairs
- Public Policy Manager

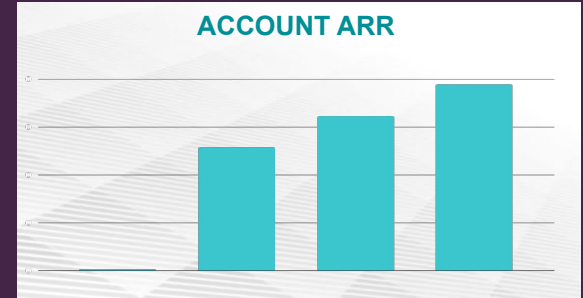


Initial Business Challenge / Solution

- Inefficient and ineffective manual process for global policy monitoring
- Initially selected FiscalNote global policy for coverage of 13 issues across 20 countries

EXPANSION JOURNEY

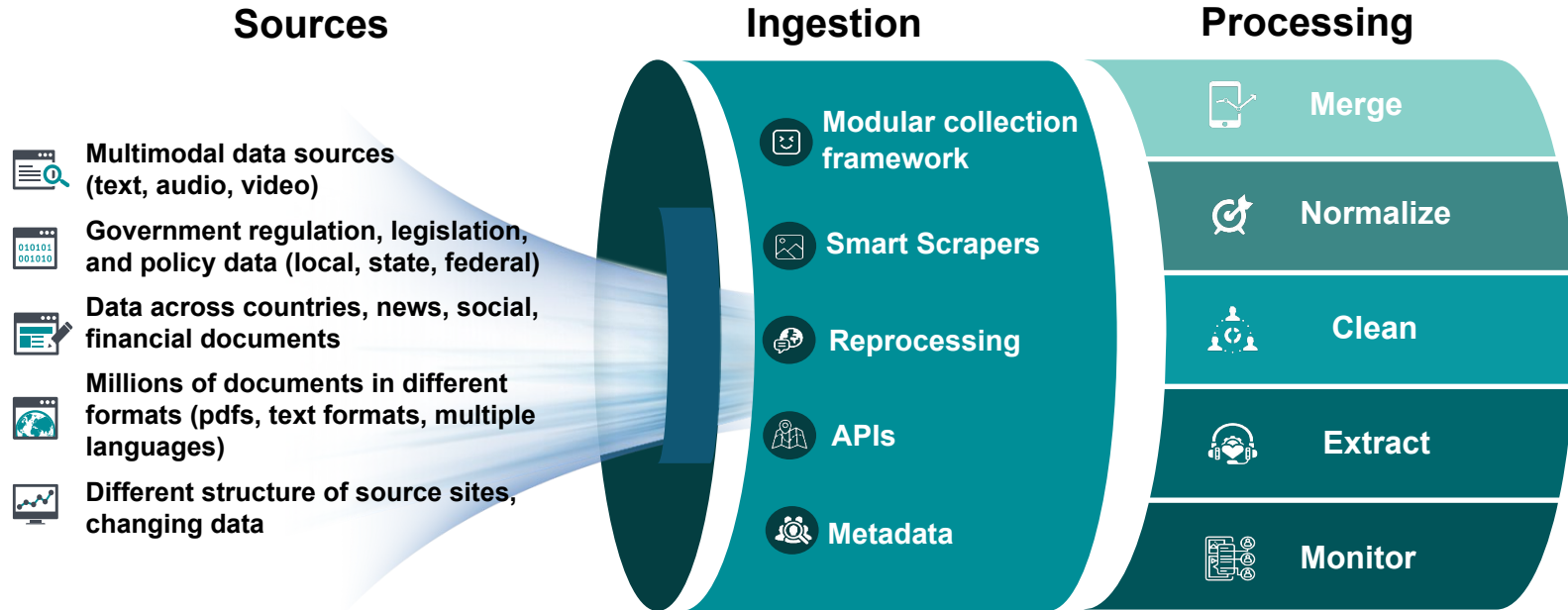
- ➔ Small user of FiscalNote congressional information
- ➔ FiscalNote selected by public policy team to implement a global policy monitoring solution across 20 countries (trial solution)
- ➔ Expanded types of policies monitored, categories of information and jurisdictions, and other relevant elements (e.g., likelihood of passage, and products impacted)
- ➔ Expanded attribute list for 13 issues across 35 countries (15 country upsell); customized reports and dashboards to meet needs of various stakeholders
- ➔ Expanded attribute list for 18 issue areas, with audience expanding to legal, regulatory compliance, and product safety teams



Continued growth opportunities with additional countries, issue area coverage, and attribute coverage (e.g., judicial enforcement).

Proprietary Infrastructure and Expert Intelligence

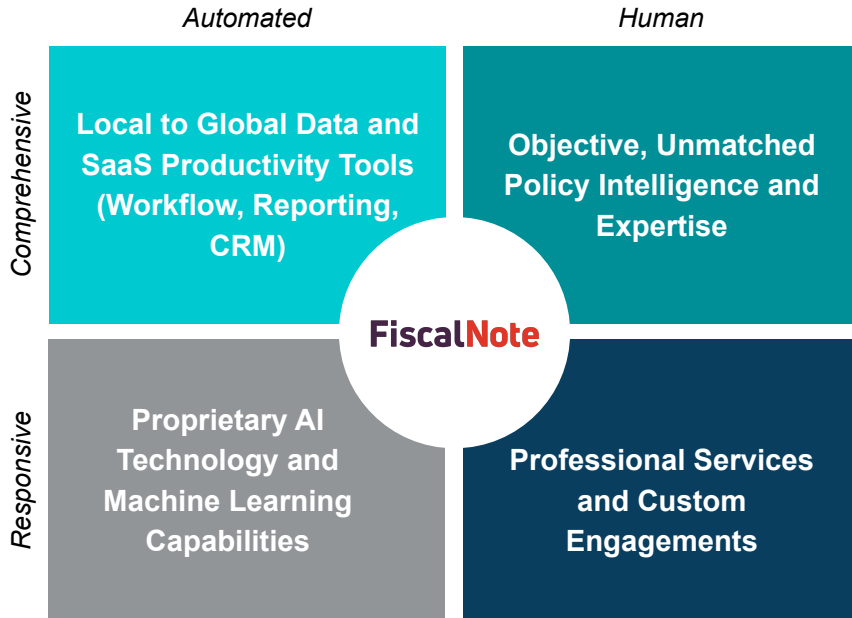
Differentiators that are 10+ years in the making



Data augmented with proprietary AI and expert (human) insights, providing comprehensive and differentiated value for customers.

How We Differentiate

An award-winning and unmatched combination of AI-powered technology, global policy expertise, and comprehensive data.



FISCALNOTE DIFFERENTIATORS

Trustworthy Data and Intelligence

Comprehensive and real-time policy and regulatory intelligence tailored to specific industries and issues

AI-powered Technology and Workflow Tools

Advanced AI and machine learning technologies that provide intuitive insights and facilitate collaboration

News and Analysis

Award-winning content and analysis covering Congress, the White House, and federal courts

Professional Services

Customizable solutions that can be tailored to the specific needs and requirements of different organizations

Leveraging Key Competitive Advantages

1 AI Technology for Actionable Data Intelligence

- Transforming unstructured information into consumer-ready insights
- Modular data services and tooling to quickly onboard new data sources and to enrich and incorporate into products, improving the range and depth of data analysis
- Augmenting AI with human intelligence to ensure a more comprehensive and nuanced understanding of issues and trends


2 Workflow & Reporting Capabilities for Proactive Decision Making

- Discovery capabilities to identify risks and opportunities faster by sorting through the volume of constantly changing data to keep customers ahead of the curve
- Embedded, purpose-built workflows, dashboards, and reporting to automatically monitor for updates, with centralized data and records to enable collaboration and informed planning

3 Over a Decade of Expertise

- A first-mover in the space, shaping the industry with over 10 years of pioneering technology for legislation and policy intelligence
- Proven track record of success, trusted by strong base of global blue-chip customers

Well Positioned to Serve an Expansive Market



**Enterprise
Info Solutions
TAM: \$314B¹**

**Legal &
Regulatory Info
TAM: \$40B²**

Increasingly complex world of regulations and policy making

No such thing as an unregulated entity anymore

Relevant professionals have increasing seniority and responsibility

Use of technology and AI is expanding in a rapidly changing environment

1. Outsell: Market landscape (as of August 12, 2021), denotes estimated TAM in 2020.

2. Outsell: Market landscape (as of April 24, 2023)

SECTION II: The Company



FiscalNote

Where We've Been

CONTINUED IMPROVEMENTS SINCE PUBLIC LISTING IN 2022

1

Profitability

- Right sized our cost structure and went from consistently negative AEBITDA to seven quarters in a row of positive AEBITDA (3Q23-1Q25)
- Achieved AEBITDA profitability for the first time in 3Q23 — one quarter earlier than planned; continued to expand that profitability across 2024
- FY25 guidance reflects continued AEBITDA margin expansion

2

Simplification & Product Rationalization

- Refined our product portfolio to focus in the areas with the greatest opportunities
- Continued to optimize commercial organization, giving us a solid foundation to embark on a new phase of growth
- Sunset non-core, underperforming products and divest non-core businesses (Board.org, Aicel, Oxford Analytica, and Dragonfly) to reduce business complexity, delever the balance sheet, and drive efficient and profitable growth

3

Product Focus

- Leveraged AI technologies as the centerpiece of new products, such as our Copilots for Policy and Global Intelligence
- Integrated these technologies into our core offerings to surface critical information more quickly and help customers drive better outcomes for their organizations
- Hired a Chief Product Officer who has seen tremendous success with an AI-powered product in legal tech

Driving continuous and proactive improvements to contribute to future stabilization and growth.

Building for Long-Term, Sustainable Growth

CURRENT FOCUS

[2025 Onward]

1 Product-Centric Growth

- Continue to drive product enhancements and launches for improved user experience, customer retention, and increased cross-sell/up-sell opportunities
- Consolidate platforms and focus on AI-forward product development with new data sets
- Grow ACVs and increase deal velocity

2 Expanding Profitability

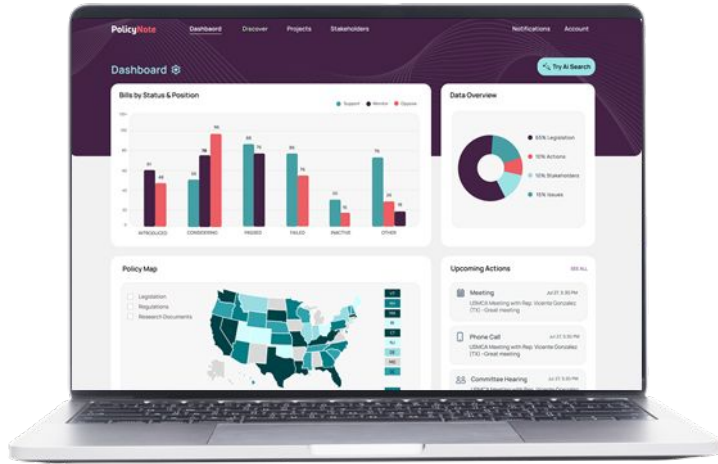
- Established operating leverage generates high contribution margins on organic revenue growth and expands long-term margins
- Continue to identify efficiencies through platform consolidation, portfolio optimization, and automation
- Prioritize path to sustainable free cash flow





3 Strengthening Capital Structure

- Sunset, reduce investment in, or divest assets deemed non-core or not part of the long-term portfolio strategy
- De-lever the balance sheet
- Actively engage in investor relations outreach and engagement

Well-positioned to execute on a proven playbook to drive enduring growth and generate sustained, long-term value for customers and shareholders.

New Product Launch: PolicyNote



-  **Accelerate your next move** by using the built-in AI to summarize bills, create briefings or draft position statements.
-  **Cut through the clutter** with features like our AI-assisted search and customizable dashboard that help you quickly zero in on what matters.
-  **Bring it all together** with FiscalNote's trusted policy & stakeholder data, news, analysis, and transcripts – all in one place.
-  **Show results** to leadership and prove your team's value with in-depth reports created in just a few clicks.

Combining Data, Analytics & Workflow to Drive Actionable Insights



Secure Government Funding



Generate Incremental Revenue



Minimize Costs



Mitigate Reputational Risk

PolicyNote: Specialized AI For Policy

Intuitive, Insightful AI Alerts

Project Alert: Daily

Taralinda, you have 1 new policy match in your **Ethanol [TL]** project

[SEE ALL 1 NEW MATCH](#)

Legislation • United States • Federal • Bill

US HR 10445

Further Continuing Appropriations and Disaster Relief Supplemental Appropriations Act, 2025

Introduced • 2023-2024 Regular Session (118th)

Introduction Date: Dec 17, 2024 • Last Action Date: Dec 17, 2024

Matched to alert **Ethanol**

AI Explanation: The policy addresses agricultural disaster relief, which may indirectly support ethanol production by aiding affected farmers, though it does not specifically mention ethanol initiatives.

Keyword matches (3): (2) Section 211(h) of the Clean Air Act (42 U.S.C. 7545(h)) is amended— (A) by striking vapor pressure each place it appears and inserting Vapor Pressure; (B) in paragraph (4), in the matter preceding subparagraph (A), by striking 10 percent and inserting 10 to 15 percent; and (C) in paragraph (5)(A)— (i) by striking

“I don’t have the hours in a day to track everything single handedly. **It used to take a lot of time and staff** to do that, but **with PolicyNote, I can quickly summarize, put the issue in context, and see if the bill is being duplicated in other states.**”

“So we don’t have to read through the entire bill text...**it’s adding that next layer down to save us time and efficiency.**”

“The AI intelligence tool is **extremely helpful in summarizing legislation and understanding how it impacts the organization.**”

Most Recent Reported Financials: 1Q25

FINANCIAL HIGHLIGHTS

(as reported)

	<u>1Q25</u>	<u>1Q24</u>
• Total Revenues	\$27.5M	\$32.1M
• Gross Profit	\$20.5M	\$24.9M
• Gross Margin	75%	77%
• Net Income (Loss)	\$(4.3)M	\$50.6M
• Adjusted Gross Profit ¹	\$24.1M	\$27.3M
• Adjusted Gross Margin ¹	87%	85%
• Adjusted EBITDA ¹	\$2.8M	\$1.2M
• Adjusted EBITDA Margin ¹	10%	4%
• Cash ²	\$46.9M	\$44.5M

KEY PERFORMANCE INDICATORS³

(as reported)

	<u>1Q25</u>	<u>1Q24</u>
• Annual Recurring Revenue (ARR)	\$87.7M	\$109.6M
• Proforma ARR	\$87.7M	\$94.4M
• Quarterly Net Revenue Retention (NRR)	93%	96%
• Proforma NRR	93%	96%

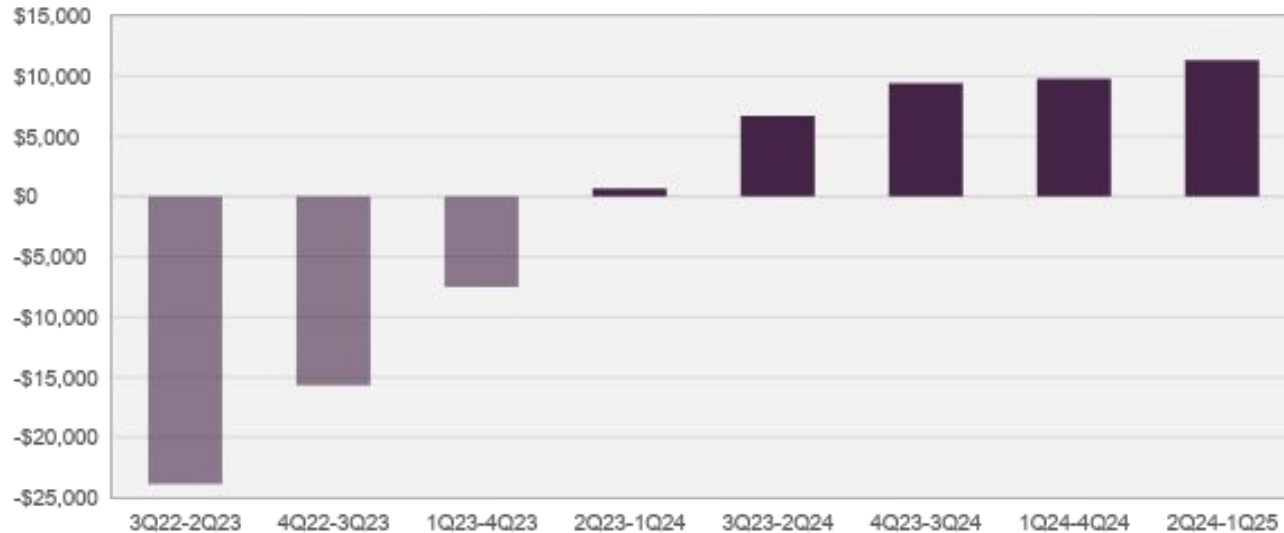
(1) Non-GAAP measure. Please see "Non-GAAP Financial Measures" for definitions and important disclosures regarding these financial measures, including reconciliations to the most directly comparable GAAP measure.

(2) As of March 31, 2025 and inclusive of short-term investments.

(3) "Annual Recurring Revenue," and "Net Retention Revenue" are key performance indicators (KPIs). See "Key Performance Indicators" for the definitions and important disclosures related to these measures.

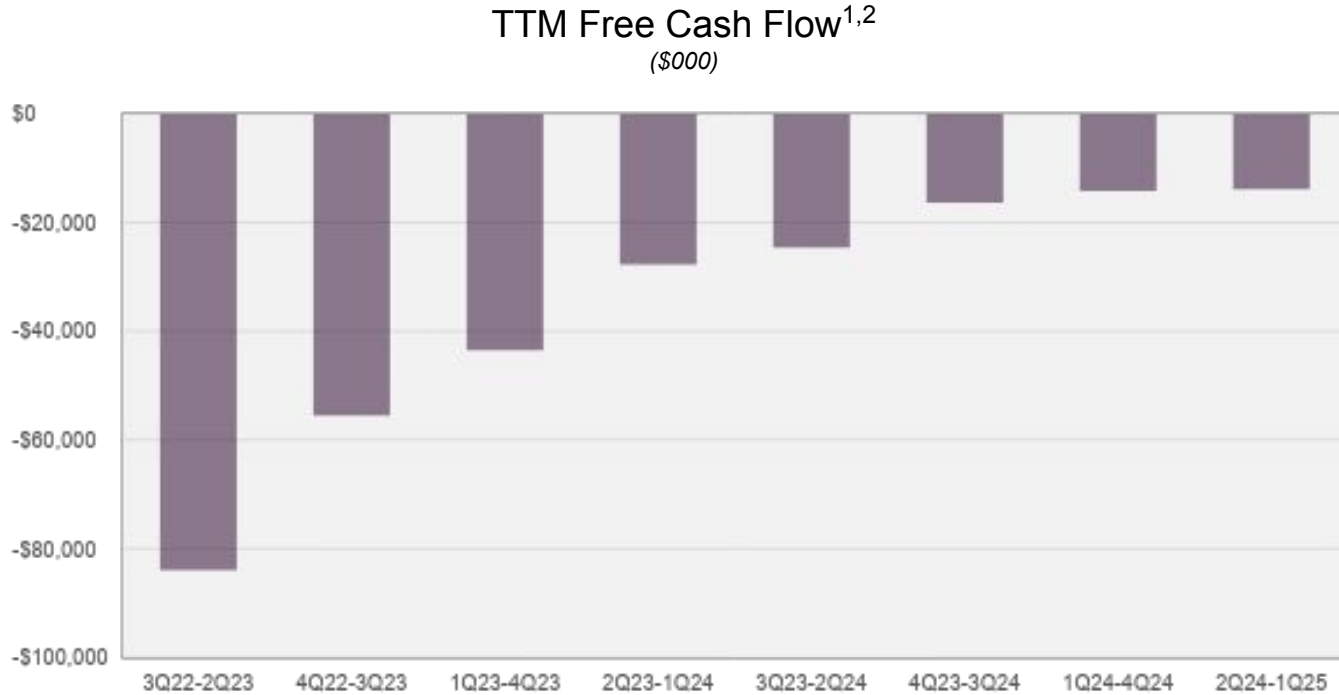
Historical Financials: Trailing Twelve Months

TTM AEBITDA¹
(\$000)



(1) Non-GAAP measure. Please see "Non-GAAP Financial Measures" for definitions and important disclosures regarding these financial measures; also refer to "Appendix" for reconciliations to the most directly comparable GAAP measure.

Historical Financials: Trailing Twelve Months

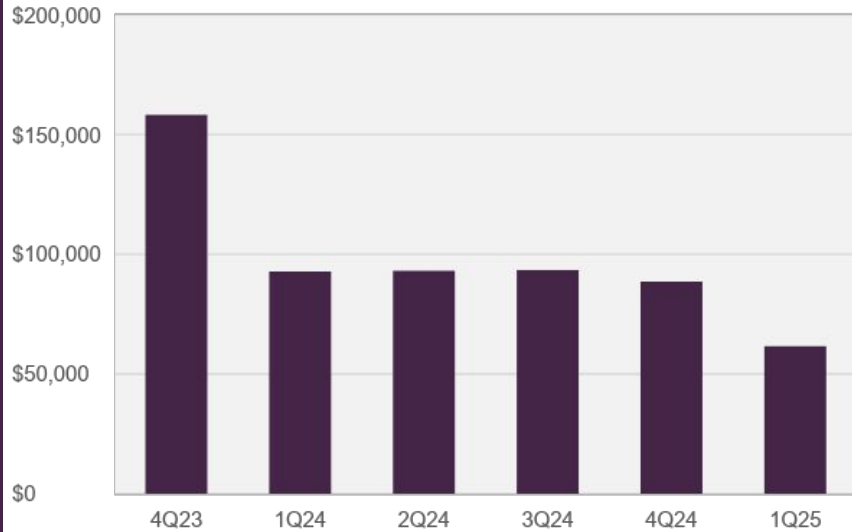


1. Free Cash Flow is calculated as Cash Flow From Operating Activities minus Capex.

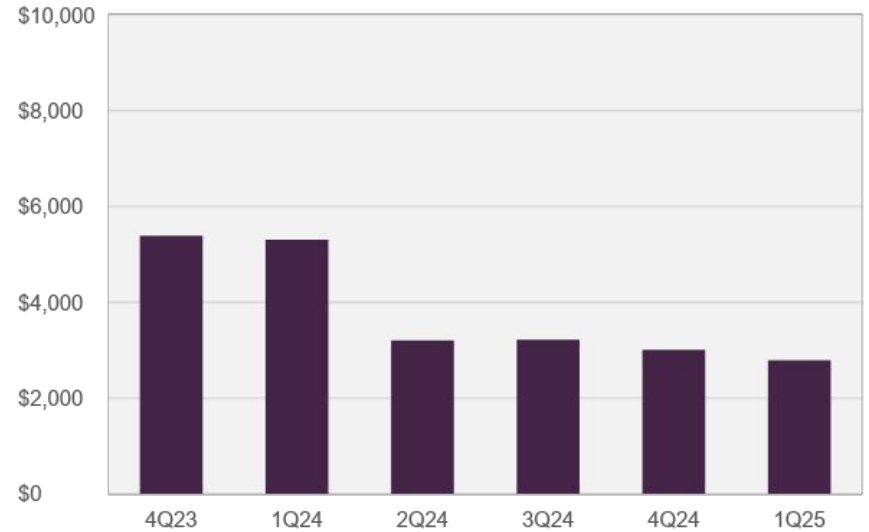
2. Non-GAAP measure; refer to "Non-GAAP Financial Measures" for definitions and important disclosures regarding these financial measures; also refer to "Appendix" for reconciliations to the most directly comparable GAAP measure

Historical Financials: 4Q23 – 1Q25

Senior Term Loan (\$000)



Cash Interest Expense (\$000)



Financial Forecast: 2025

FULL YEAR	
(\$ in millions)	REAFFIRMED Forecast ¹ (As of 05/12/2025)
Total Revenues	\$94 to \$100
Adjusted EBITDA ³	\$10 to \$12

SECOND QUARTER	
(\$ in millions)	INITIAL Forecast (As of 05/12/2025)
Total Revenues	\$22 to \$24
Adjusted EBITDA ³	~\$2

Key Considerations Informing 2025 Forecast

- incremental cost savings related to ongoing operating discipline initiatives;
- further reduction in debt service costs;
- pacing of the migration to PolicyNote and the anticipated sales and customer retention benefits expected to accrue from this new consolidated customer interface;
- current market volatility, in particular in the private sector, where macroeconomic unpredictability is likely to impact corporate buying decisions and timelines over the course of the year; and
- potential impact in the public sector due to significant changes in the federal government.

1. Includes the contribution in the first quarter of 2025 of approximately \$4.0 million of revenues and approximately \$1.0 million of adjusted EBITDA related to Oxford Analytica and Dragonfly Intelligence, two businesses divested on March 31, 2025.

2. Non-GAAP measure; refer to "Non-GAAP Financial Measures" for definitions and important disclosures regarding these financial measures; also refer to "Appendix" for reconciliations to the most directly comparable GAAP measure.

3. Because of the variability of items impacting net income and unpredictability of future events, management is unable to reconcile without unreasonable effort the Company's forecasted adjusted EBITDA to a comparable GAAP measure.

SECTION III: Key Takeaways



FiscalNote

Key Takeaways



1

Continue to Implement Strategic Shift to **Product-Led Growth** and Drive Improvements to Key Performance Metrics

2

Continue to Exercise **Operational Discipline** and Drive Margin Expansion Through Operating Leverage

3

Continue to **Optimize Costs and Rationalize Portfolio** and Drive Sustainable Profitability and Durable FCF

4

Continue to **De-lever Balance Sheet** and Drive Strengthening of the Capital Structure to Fund Future Growth

SECTION IV: Appendix



FiscalNote

Non-GAAP Financial Measures

Non-GAAP Financial Measures

In addition to financial measures prepared in accordance with GAAP, we use certain non-GAAP financial measures to clarify and enhance our understanding, and aid in the period-to-period comparison, of our performance. Where applicable, we provide reconciliations of these non-GAAP measures to the corresponding most closely related GAAP measure. Investors are encouraged to review the reconciliation of each of these non-GAAP financial measures to its most comparable GAAP financial measure. While we believe that these non-GAAP financial measures provide useful supplemental information, non-GAAP financial measures have limitations and should not be considered in isolation from, or as a substitute for, their most comparable GAAP measures. These non-GAAP financial measures are not prepared in accordance with GAAP, do not reflect a comprehensive system of accounting and may not be comparable to similarly titled measures of other companies due to potential differences in their financing and accounting methods, the book value of their assets, their capital structures, the method by which their assets were acquired and the manner in which they define non-GAAP measures.

Adjusted Gross Profit and Adjusted Gross Profit Margin

We define Adjusted Gross Profit as Total Revenue minus cost of revenues, before amortization of intangible assets that are included in costs of revenues. We define Adjusted Gross Profit Margin as Adjusted Gross Profit divided by Total Revenue. We use Adjusted Gross Profit and Adjusted Gross Profit Margin to understand and evaluate our core operating performance and trends. We believe these metrics are useful measures to us and to our investors to assist in evaluating our core operating performance because they provide consistency and direct comparability with our past financial performance and between fiscal periods, as the metrics eliminate the non-cash effects of amortization of intangible assets and deferred revenue, which are non-cash impacts that may fluctuate for reasons unrelated to overall operating performance. Adjusted Gross Profit and Adjusted Gross Profit Margin have limitations as analytical tools, and you should not consider them in isolation, or as a substitute for analysis of our results as reported under GAAP. They should not be considered as replacements for gross profit and gross profit margin, as determined by GAAP, or as measures of our profitability. We compensate for these limitations by relying primarily on our GAAP results and using non-GAAP measures only for supplemental purposes. Adjusted Gross Profit and Adjusted Gross Profit Margin as presented herein are not necessarily comparable to similarly titled measures presented by other companies.

EBITDA, Adjusted EBITDA, and Adjusted EBITDA Margin

EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin are non-GAAP financial measures. EBITDA represents earnings before interest expense, income taxes, depreciation and amortization. Adjusted EBITDA reflects further adjustments to EBITDA to exclude certain non-cash items and other items that management believes are not indicative of ongoing operations. We define Adjusted EBITDA Margin as Adjusted EBITDA divided by Total Revenue. We disclose EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin herein because these non-GAAP measures are key measures used by management to evaluate our business, measure our operating performance and make strategic decisions. We believe that EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin are useful for investors and others in understanding and evaluating our operating results in the same manner as management. EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin are not financial measures calculated in accordance with GAAP and should not be considered as substitutes for net loss, net loss before income taxes, or any other operating performance measure calculated in accordance with GAAP. Using these non-GAAP financial measures to analyze our business would have material limitations because the calculations are based on the subjective determination of management regarding the nature and classification of events and circumstances that investors may find significant. In addition, although other companies in our industry may report measures titled EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin or similar measures, such non-GAAP financial measures may be calculated differently from how we calculate non-GAAP financial measures, which reduces their comparability. Because of these limitations, you should consider EBITDA, Adjusted EBITDA, and Adjusted EBITDA Margin alongside other financial performance measures, including net income and our other financial results presented in accordance with GAAP.

Free Cash Flow

Free Cash Flow is a non-GAAP financial measure. We define Free Cash Flow as Cash Flow From Operating Activities minus Capital Expenditures (CAPEX). The Company believes that Free Cash Flow is useful to investors as it provides a measure to compare cash flow from operating activities on a consistent basis. This measure should not be considered as an alternative to, or more meaningful than, net cash provided by operating activities as an indicator of operating performance. The Company's computation of Free Cash Flow may not be comparable to other similarly titled measures of other companies.

Q1 2025: Reconciliation to Non-GAAP Measures

Adjusted Gross Profit and Adjusted Gross Profit Margin

	Three Months Ended March 31,	
	2025	2024
<i>(\$ in thousands)</i>		
Total revenues	\$ 27,511	\$ 32,112
Costs of revenue, including amortization of capitalized software development costs and acquired developed technology	(6,984)	(7,244)
Gross Profit	\$ 20,527	\$ 24,868
Gross Profit Margin	75%	77%
Gross Profit	20,527	24,868
Amortization of intangible assets	3,532	2,428
Adjusted Gross Profit	\$ 24,059	\$ 27,296
Adjusted Gross Profit Margin	87%	85%

Q1 2025: Reconciliation to Non-GAAP Measures

EBITDA, Adjusted EBITDA, and Adjusted EBITDA Margin

	Three Months Ended March 31,	
	2025	2024
<i>(\$ in thousands)</i>		
Net loss	\$ (4,250)	\$ (50,599)
Income tax (benefit) / provision	(39)	1,426
Depreciation and amortization	6,118	5,417
Interest expense, net	5,127	7,362
EBITDA	6,956	64,804
Gain on sale of businesses (a)	(15,743)	(71,599)
Stock-based compensation	3,375	6,175
Change in fair value of financial instruments (b)	(671)	527
Other non-cash charges (c)	2,139	45
Acquisition and disposal related costs (d)	4,974	704
Employee severance costs (e)	1,344	107
Non-capitalizable debt costs	407	254
Costs incurred related to the Special Committee (f)	--	200
Adjusted EBITDA	\$ 2,781	\$ 1,217
<i>Adjusted EBITDA Margin</i>	<i>10.1%</i>	<i>3.8%</i>

FOOTNOTES:

- a) Reflects the gain on disposal of Dragonfly and Oxford Analytica on March 31, 2025 and the gain on sale of Board.org on March 11, 2024 and the sale of Aicel on October 31, 2024.
- b) Reflects the non-cash impact from the mark to market adjustments on our financial instruments.
- c) Reflects the non-cash impact of the following: (i) charge of \$40 in the first quarter of 2025 related to the unrealized loss on investments; (ii) charge of \$315 for fees satisfied with Common Stock of the Company; (iii) charge of \$1,784 from the loss on debt extinguishment; (iv) charge of \$49 in the first quarter of 2024 related to the unrealized loss on investments; and (v) gain of \$4 in the first quarter of 2024 from the change in fair value related to the contingent consideration and contingent compensation related to the 2021, 2022, and 2023 Acquisitions.
- d) Reflects the costs incurred related to the sale of Oxford Analytica and Dragonfly in Q1 2025 and Board.org in Q1 2024, principally consisting of transaction advisory, accounting, tax, and legal fees.
- e) Severance costs associated with workforce changes related to business realignment actions.
- f) Reflects costs incurred related to the Special Committee.

Reconciliation to Non-GAAP Measures

Free Cash Flow

	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25
<i>(\$ in thousands)</i>											
Operating Cash Flow	\$ (39,151)	\$ (15,126)	\$ (12,826)	\$ (7,380)	\$ (11,734)	\$ (3,554)	\$ 2,741	\$ (3,729)	\$ (2,961)	\$ (1,349)	\$ 3,286
- Capital Expenditures	(2,818)	(2,508)	(1,869)	(2,217)	(1,871)	(1,981)	(1,692)	(2,741)	(2,442)	(2,009)	(1,982)
Free Cash Flow	\$ (41,969)	\$ (17,634)	\$ (14,695)	\$ (9,597)	\$ (13,605)	\$ (5,535)	\$ 1,049	\$ (6,470)	\$ (5,403)	\$ (3,358)	\$ 1,304

Reconciliation to Non-GAAP Measures

EBITDA, Adjusted EBITDA, and Adjusted EBITDA Margin

	3Q22	4Q22	1Q23	2Q23	3Q23	4Q23	1Q24	2Q24	3Q24	4Q24	1Q25
<i>(\$ in thousands)</i>											
Net income (loss)	\$ (109,002)	\$ (42,544)	\$ (19,273)	\$ (30,973)	\$ (14,467)	\$ (50,748)	\$ 50,599	\$ (12,764)	\$ (14,935)	\$ (13,383)	\$ (4,250)
Income tax (benefit) / provision	(2,286)	(418)	30	213	(62)	42	1,426	324	(621)	(593)	(39)
Depreciation and amortization	5,743	5,409	5,747	6,297	8,030	8,644	5,417	5,226	4,962	4,264	6,118
Interest expense, net	42,894	6,069	6,681	7,154	8,018	8,087	7,362	5,320	5,585	5,322	5,127
EBITDA	(62,651)	(31,484)	(6,815)	(17,309)	1,519	(33,975)	64,804	(1,894)	(5,009)	(4,390)	6,956
Gain on sale of business	--	--	--	--	--	--	(71,599)	--	--	(418)	(15,743)
Stock-based compensation	30,043	7,179	6,506	5,482	6,224	8,845	6,175	3,529	4,181	4,064	3,375
Change in fair value of financial instruments	(21,910)	5,778	(14,680)	2,987	(7,157)	2,867	527	(854)	3,501	3,234	(671)
Other non-cash charges	(948)	217	5,873	58	(704)	24,295	45	31	17	7	2,139
Acquisition and disposal related costs	431	178	1,222	157	12	--	704	394	40	461	4,974
Employee severance costs	149	426	369	381	560	729	107	91	437	--	1,344
Non-capitalizable debt costs	--	--	206	110	--	226	254	224	49	150	407
Deferred revenue adjustment	123	43	--	--	--	--	--	--	--	--	--
Loss contingency	--	11,700	--	3,474	--	--	--	--	--	--	--
Loss on debt extinguishment, net	45,250	--	--	--	--	--	--	--	--	--	--
Costs incurred related to the Business Combination with DSAC	1,791	743	184	150	81	--	--	--	--	--	--
Note-related legal fees and other infrequent costs	286	2	168	248	201	--	--	--	--	--	--
Costs incurred related to the Special Committee	--	--	--	--	--	--	200	253	229	237	--
Adjusted EBITDA	\$ (7,436)	\$ (5,218)	\$ (6,967)	\$ (4,262)	\$ 736	\$ 2,987	\$ 1,217	\$ 1,774	\$ 3,445	\$ 3,345	\$ 2,781
<i>Adjusted EBITDA Margin</i>	<i>(26)%</i>	<i>(17)%</i>	<i>(22)%</i>	<i>(13)%</i>	<i>2%</i>	<i>9%</i>	<i>4%</i>	<i>6%</i>	<i>12%</i>	<i>11%</i>	<i>10%</i>

Glossary

AI	Artificial intelligence (“AI”) refers to the simulation of human intelligence in machines that are programmed to think like humans and mimic their actions.
ARR	Annual Recurring Revenue (“ARR”) is the value of the contracted recurring revenue components of term subscriptions normalized to a one-year period.
NRR	Net Revenue Retention (“NRR”) is calculated as ARR at the end of the period minus ARR contracted from new clients for which there is no historical revenue booked during the period, divided by the beginning ARR for the period. We calculate NRR at a parent account level. Customers from acquisitions are not included in NRR until they have been part of our consolidated results for 12 months.
Customers	Individual buyers within a parent organization.
LTM	Referring to period consisting of the previous, or last, twelve (12) months.
ML	Machine learning (“ML”) is a branch of artificial intelligence and computer science which focuses on the use of data and algorithms to imitate the way that humans learn, gradually improving its accuracy.
YTD	Year to date (“YTD”) refers to the period of time beginning the first day of the current calendar year or fiscal year up to the current date.

Contact

ir@fiscalnote.com



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