Fourth Quarter and Full Year Earnings Presentation

February 17, 2021

BLUCORA™

Forward-Looking Statements and Non-GAAP Financial Measures

This presentation contains 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. Forward-looking statements provide current expectations of future events based on certain assumptions and include any statement that does not directly relate to any historical or current fact. Forward-looking statements can also be identified by words such as “believes,” “estimates,” “should,” “could,” “would,” “plans,” “expects,” “intends,” “anticipates,” “may,” “forecasts,” “future,” “will,” “projects,” “predicts,” “potential,” “continues,” “target,” “outlook” and similar expressions and variations. Actual results may differ significantly from management’s expectations due to various risks and uncertainties including, but not limited to: the impact of the COVID-19 pandemic on our results of operations and our business, including the impact of the resulting economic and market disruption, the extension of tax filing deadlines and other related relief; our ability to effectively implement our future business plans and growth strategy; our ability to effectively compete within our industry; our ability to attract and retain financial professionals, qualified employees, clients, and customers, as well as our ability to provide strong customer/client service; our ability to close, finance, and realize all of the anticipated benefits of acquisitions, as well as our ability to integrate the operations of recently acquired businesses, and the potential impact of such acquisitions on our existing indebtedness and leverage; our future capital requirements and the availability of financing, if necessary; our ability to meet our current and future debt service obligations, including our ability to maintain compliance with our debt covenants; any downgrade of the Company’s credit ratings; our ability to generate strong performance for our clients and the impact of the financial markets on our clients’ portfolios; the impact of new or changing legislation and regulations (or interpretations thereof) on our business, including our ability to successfully address and comply with such legislation and regulations (or interpretations thereof) and increased costs, reductions of revenue, and potential fines, penalties or disgorgement to which we may be subject as a result thereof; risks, burdens, and costs, including fines, penalties or disgorgement, associated with our business being subjected to regulatory inquiries, investigations or initiatives; risks associated with legal proceedings, including litigation and regulatory proceedings; our ability to manage leadership and employee transitions, including costs and time burdens on management and our board of directors related thereto; political and economic conditions and events that directly or indirectly impact the wealth management and tax preparation industries; our ability to respond to rapid technological changes, including our ability to successfully release new products and services or improve upon existing products and services; the compromising of confidentiality, availability or integrity of information, including cyberattacks; our expectations concerning the revenues we generate from fees associated with the financial products that we distribute; risks related to goodwill and other intangible asset impairment; our ability to develop, establish, and maintain strong brands; risks associated with the use and implementation of information technology and the effect of security breaches, computer viruses, and computer hacking attacks; our ability to comply with laws and regulations regarding privacy and protection of user data; our ability to maintain our relationships with third-party partners, providers, suppliers, vendors, distributors, contractors, financial institutions, industry associations, and licensing partners, and our expectations regarding and reliance on the products, tools, platforms, systems, and services provided by these third parties; our beliefs and expectations regarding the seasonality of our business; our assessments and estimates that determine our effective tax rate; and our ability to protect our intellectual property and the impact of any claim that we have infringed on the intellectual property rights of others.

This presentation contains non-GAAP financial measures such as Adjusted EBITDA, non-GAAP net income and non-GAAP net income per share. You can find the reconciliation of these measures to the most directly comparable GAAP financial measure in the Appendix at the end of this presentation. The non-GAAP financial measures disclosed by the Company should not be considered a substitute for, or superior to, the financial measures prepared in accordance with GAAP.

The Blucora Difference: Tax Solutions at the Core

The Challenge

Most approaches do not deliver effective, holistic, long-term tax minimization strategies

Tax Preparation Industry	Wealth Management Industry
Focus on maximizing once-a-year refund	Focus on returns; largely ignores taxes
	

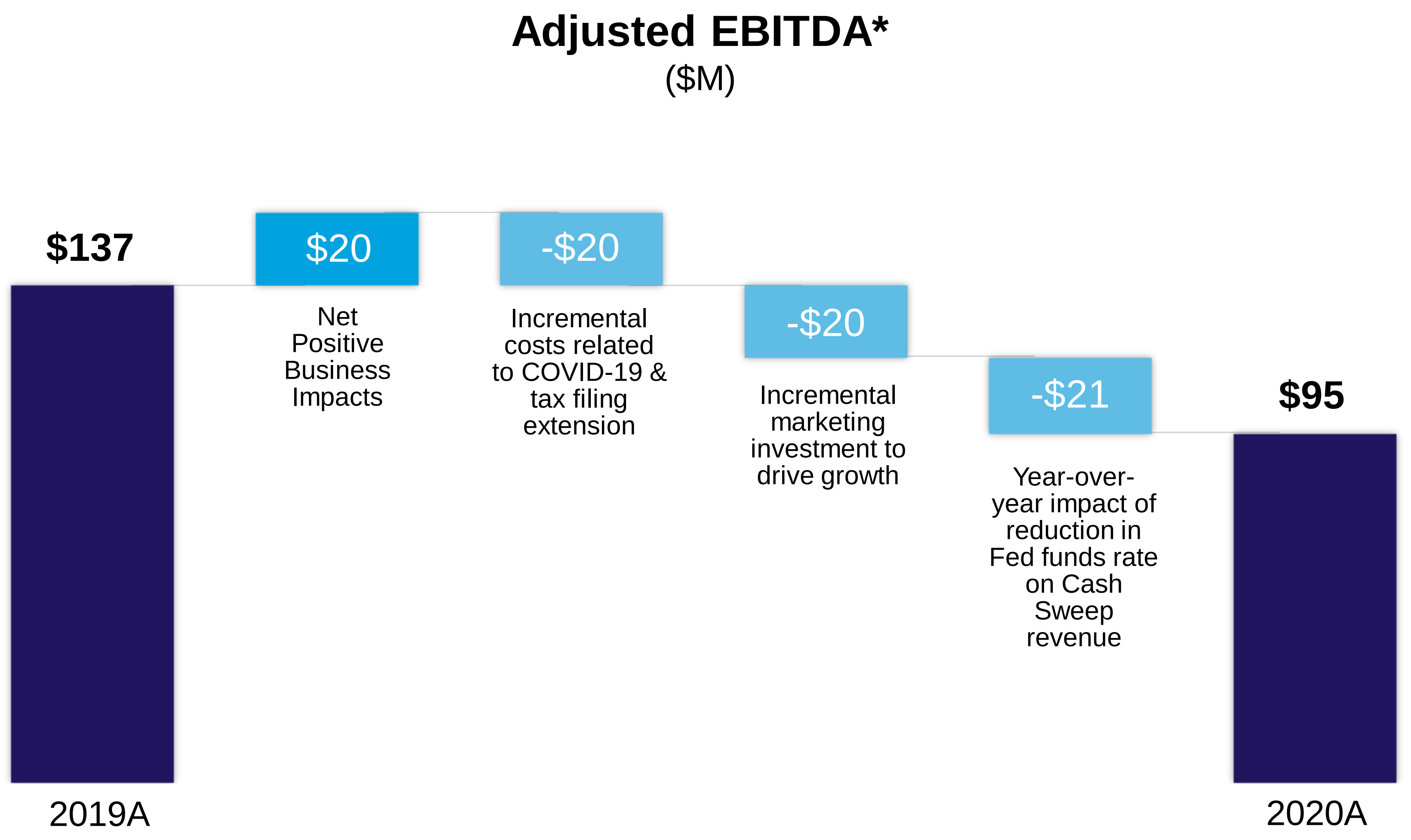
Taxes are one of life's largest expenses

The Blucora Solution

Holistic approach with taxes at the core

Tax-focused planning and financial guidance can most efficiently enable wealth preservation and creation

Impact of COVID-19 Pandemic and Extended Tax Season



* See reconciliations of all non-GAAP to GAAP measures presented in this presentation in the tables in the appendix.

Positioning TaxAct for Sustainable Long-Term Growth

Key 2020 Actions to Drive Growth

- Worked to optimize new marketing approach, shifting away from agency model to an internal marketing team and implementing capabilities such as lead scoring and multi-touch attribution
- Refined marketing messaging
- Continued to enhance product offering, focusing on refinements to drive paid unit conversion and retention
- Launched hybrid assisted offering for all customers, addressing significant new market opportunity
- Made strategic improvements in TaxAct Pro offering, including support for more tax situations and improved onboarding

Long-Term Outlook

- Sustainable top-line growth, leveraging differentiated strategy
- Significant EBITDA flow through and operating leverage

Positioning Wealth Management for Sustainable Long-Term Growth

Key 2020 Actions to Drive Growth

- Identified key pain points for financial professionals, with concrete improvements expected by end of Q2
- Moved forward with integrations of both 1st Global and HKFS
- Launched unified advisory program in late 2020, in response to significant financial professional demand
- Moving forward with new initiatives, like Retirement Planning Services
- Leveraging in-house RIA (through HKFS, now Avantax Planning Partners) to deliver multiple wealth management affiliation models for tax professionals, including TaxAct Pros, and offer turnkey succession solution to retiring independent financial professionals

Long-Term Outlook

- Stable, differentiated platform to retain and recruit financial professionals
- Increasing shift of assets to higher ROA advisory
- Expanding recruiting due to HKFS
- Sustainable asset and EBITDA growth

Positioning Blucora for Long-Term Growth

Key Long-Term Drivers

- Rebuilt executive leadership team and created additional scale in key areas, including technology
- Refreshed, diverse Board with experience in wealth management, tax, digital technology transformation, and product development, aligned with our strategies to drive value within and between our businesses
- Renewed company culture and focus on integrated vision and goals

Opportunities to Drive Growth Across Blucora

- Convert our ~23,000 TaxAct Pro users into Avantax financial professionals or referral partners via Avantax Planning Partners
- Leverage online marketing capabilities and apply to Wealth Management, driving new customer acquisition and higher asset flows for our financial professionals
- Leverage development expertise of Tax preparation segment to build tools to improve financial professional productivity, allowing more time for wealth management

Full Year 2020 Financial Results vs. Prior Guidance

$ millions, except per share amount	Full Year '20 Prior Guidance	Full Year Results Actual
Total Revenue	**$742.5 - $748.5**	**$755.0**
Wealth Management Revenue	$535.5 - $540.5	$546.2
TaxAct Revenue	$207.0 – $208.0	$208.8
Adjusted EBITDA*	**$88.5 – $92.5**	**$95.1**
Wealth Management Segment Operating Income	$68.5 - $70.5	$72.2
TaxAct Segment Operating Income	$47.5 – $48.5	$49.6
Corporate Unallocated G&A Expense	$27.5 - $26.5	$26.7
Net Income (loss)	($339.0) – ($333.0)	($342.8)
Net Income (loss) per share	($7.05) – ($6.94)	($7.14)
Non-GAAP Net Income*	$46.0 - $51.0	$54.1
Non-GAAP Net Income per share*	$0.95 - $1.05	$1.12

* See reconciliations of all non-GAAP to GAAP measures presented in this presentation in the tables in the appendix.

1st Quarter 2021 Financial Outlook

$ millions	1st Quarter ‘21 Outlook
Wealth Management Revenue	$150.0 - $155.5
Wealth Management Segment Operating Income	$17.0 - $19.5
Corporate Unallocated G&A Expense	$7.5 - $8.5

Appendix

Blucora Reconciliation of Adjusted EBITDA, Non-GAAP Net Income (Loss), and Non-GAAP Net Income (Loss) Per Share [1]

(In thousands, except per share amounts)	2019 FY 12/31	2020 FY 12/31
Adjusted EBITDA [1]		
Net income (loss) attributable to Blucora, Inc. [2]	$ 48,148	$ (342,755)
Stock-based compensation	16,300	10,066
Depreciation and amortization of acquired intangible assets	44,208	39,907
Other loss, net	16,915	31,304
Impairment of goodwill and an intangible asset	50,900	270,625
Acquisition and integration costs	25,763	31,085
Executive transition costs	-	10,701
Headquarters relocation costs	-	1,863
Income tax (benefit) expense	(65,054)	42,331
Adjusted EBITDA [1]	$ 137,180	$ 95,127
Non-GAAP Net Income (Loss) [1]		
Net income (loss) attributable to Blucora, Inc. [2]	$ 48,148	$ (342,755)
Stock-based compensation	16,300	10,066
Amortization of acquired intangible assets	37,357	29,745
Impairment of goodwill and an intangible asset	50,900	270,625
Gain on the sale of a business	(3,256)	(349)
Acquisition and integration costs	25,763	31,085
Executive transition costs	-	10,701
Headquarters relocation costs	-	1,863
Non-capitalized debt issuance expenses	-	3,687
Cash tax impact of adjustments to GAAP net income	(2,396)	(1,647)
Non-cash income tax (benefit) expense	(68,618)	41,059
Non-GAAP net income (loss) [1]	$ 104,198	$ 54,080
GAAP net income (loss) per share - diluted	$ 0.98	$ (7.14)
Non-GAAP net income (loss) per share [1] [3]	$ 2.11	$ 1.12
Weighted average shares outstanding [3]	49,282	48,244

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Blucora Reconciliation of Adjusted EBITDA for Prior Guidance (1)

(In thousands)	Ranges for the year ended December 31, 2020	
	Low	High
Net loss attributable to Blucora, Inc.[2]	$ (339,000)	$ (333,000)
Stock-based compensation	11,900	11,800
Depreciation and amortization of acquired intangible assets	40,800	40,500
Other loss, net	31,700	31,200
Acquisition, integration, executive transition, and headquarters relocation costs	40,900	40,600
Impairment of goodwill	270,600	270,600
Income tax expense	31,600	30,800
Adjusted EBITDA[1]	$ 88,500	$ 92,500

Blucora Reconciliation of Non-GAAP Net Income and Non-GAAP Net Income Per Share for Prior Guidance (1)

(In thousands, except per share amounts)	Ranges for the year ended December 31, 2020	
	Low	High
Net loss attributable to Blucora, Inc.[2]	$ (339,000)	$ (333,000)
Stock-based compensation	11,900	11,800
Amortization of acquired intangible assets	30,000	29,900
Acquisition, integration, executive transition, and headquarters relocation costs	40,900	40,600
Debt issuance expenses	3,700	3,700
Impairment of goodwill	270,600	270,600
Gain on sale of a business	(300)	(300)
Cash tax impact of adjustments to GAAP net income/loss	(1,900)	(1,800)
Non-cash income tax expense	30,100	29,500
Non-GAAP net income (loss) [1]	$ 46,000	$ 51,000
Per diluted share		
Net loss attributable to Blucora, Inc. [2][3]	$ (6.98)	$ (6.87)
Stock-based compensation	0.24	0.24
Amortization of acquired intangible assets	0.62	0.62
Acquisition, integration, executive transition, and headquarters relocation costs	0.84	0.84
Debt issuance expenses	0.08	0.08
Impairment of goodwill	5.57	5.58
Gain on sale of a business	-	0.00
Cash tax impact of adjustments to GAAP net income/loss	(0.04)	(0.04)
Non-cash income tax expense	0.62	0.60
Non-GAAP net income (loss) per share[1]	$ 0.95	$ 1.05

Notes to Reconciliations of Non-GAAP Financial Measures to the Nearest Comparable GAAP Measures

1. We define Adjusted EBITDA as net income (loss) attributable to Blucora, Inc., determined in accordance with GAAP, excluding the effects of stock-based compensation, depreciation and amortization of acquired intangible assets, other loss, net, acquisition and integration costs, impairment of goodwill and an intangible asset, executive transition costs, headquarters relocation costs, and income tax (benefit) expense. Acquisition and integration costs primarily relate to the 1st Global Acquisition and the HKFS Acquisition. Impairment of goodwill relates to the impairment of our Wealth Management reporting unit goodwill that was recognized in the first quarter of 2020. Impairment of an intangible asset relates to the impairment of the HD Vest trade name intangible asset following the rebranding of the Wealth Management business in the third quarter of 2019. Executive transition costs relate to the departure of certain Company executives primarily in the first quarter of 2020. Headquarters relocation costs relate to the process of moving from our original Dallas office and Irving office to our new headquarters.

   We believe that Adjusted EBITDA provides meaningful supplemental information regarding our performance. We use this non-GAAP financial measure for internal management and compensation purposes, when publicly providing guidance on possible future results, and as a means to evaluate period-to-period comparisons. We believe that Adjusted EBITDA is a common measure used by investors and analysts to evaluate our performance, that it provides a more complete understanding of the results of operations and trends affecting our business when viewed together with GAAP results, and that management and investors benefit from referring to this non-GAAP financial measure. Items excluded from Adjusted EBITDA are significant and necessary components to the operations of our business and, therefore, Adjusted EBITDA should be considered as a supplement to, and not as a substitute for or superior to, GAAP net income (loss). Other companies may calculate Adjusted EBITDA differently and, therefore, our Adjusted EBITDA may not be comparable to similarly titled measures of other companies.

   We define non-GAAP net income (loss) as net income (loss) attributable to Blucora, Inc., determined in accordance with GAAP, excluding the effects of stock-based compensation, amortization of acquired intangible assets (including acquired technology), impairment of goodwill and an intangible asset, gain on the sale of a business, acquisition and integration costs, executive transition costs, headquarters relocation costs, non-capitalized debt issuance expenses, the related cash tax impact of those adjustments, and non-cash income tax (benefit) expense. We exclude the non-cash portion of income taxes because of our ability to offset a substantial portion of our cash tax liabilities by using deferred tax assets, which primarily consist of U.S. federal net operating losses. The majority of these net operating losses will expire, if unutilized, between 2021 and 2024. Gain on the sale of a business relates to the disposition of SimpleTax in the third quarter of 2019 and the subsequent working capital adjustment in the third quarter of 2020. Non-capitalized debt issuance expense relates to the expense recognized as a result of the increase to our term loan in the third quarter of 2020.

   We believe that non-GAAP net income (loss) and non-GAAP net income (loss) per share provide meaningful supplemental information to management, investors, and analysts regarding our performance and the valuation of our business by excluding items in the statement of operations that we do not consider part of our ongoing operations or have not been, or are not expected to be, settled in cash. Additionally, we believe that non-GAAP net income (loss) and non-GAAP net income (loss) per share are common measures used by investors and analysts to evaluate our performance and the valuation of our business. Non-GAAP net income (loss) and non-GAAP net income (loss) per share should be evaluated in light of our financial results prepared in accordance with GAAP and should be considered as a supplement to, and not as a substitute for or superior to, GAAP net income (loss) and net income per share. Other companies may calculate non-GAAP net income (loss) and non-GAAP net income (loss) per share differently, and, therefore, our non-GAAP net income (loss) and non-GAAP net income (loss) per share may not be comparable to similarly titled measures of other companies.

2. As presented in the preliminary consolidated statements of operations (unaudited).

3. Any difference in the “per diluted share” amounts between this table and the preliminary consolidated statements of operations is due to using different weighted average shares outstanding in the event that there is GAAP net loss but non-GAAP net income and vice versa.