

# ALTISOURCE

THIRD QUARTER 2024

SUPPLEMENTARY INFORMATION



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OCTOBER 24, 2024

# DISCLAIMER

This presentation contains forward-looking statements that involve a number of risks and uncertainties. These forward-looking statements include all statements that are not historical fact, including statements that relate to, among other things, future events or our future performance or financial condition. These statements may be identified by words such as “anticipate,” “intend,” “expect,” “may,” “could,” “should,” “would,” “plan,” “estimate,” “seek,” “believe,” “potential” or “continue” or the negative of these terms and comparable terminology. Such statements are based on expectations as to the future and are not statements of historical fact. Furthermore, forward-looking statements are not guarantees of future performance and involve a number of assumptions, risks and uncertainties that could cause actual results to differ materially. Important factors that could cause actual results to differ materially from those suggested by the forward-looking statements include, but are not limited to, the risks discussed in Item 1A of Part I “Risk Factors” in our Form 10-K filing with the Securities and Exchange Commission, as the same may be updated from time to time in our Form 10-Q filings. We caution you not to place undue reliance on these forward-looking statements which reflect our view only as of the date of this report. We are under no obligation (and expressly disclaim any obligation) to update or alter any forward-looking statements contained herein to reflect any change in our expectations with regard thereto or change in events, conditions or circumstances on which any such statement is based. The risks and uncertainties to which forward-looking statements are subject include, but are not limited to, risks related to the COVID-19

pandemic, customer concentration, the timing of the anticipated increase in default related referrals following the expiration of foreclosure and eviction moratoriums and forbearance programs, the timing of the expiration of such moratoriums and programs, and any other delays occasioned by government, investor or servicer actions, the use and success of our products and services, our ability to retain existing customers and attract new customers and the potential for expansion or changes in our customer relationships, technology disruptions, our compliance with applicable data requirements, our use of third party vendors and contractors, our ability to effectively manage potential conflicts of interest, macro-economic and industry specific conditions, our ability to effectively manage our regulatory and contractual obligations, the adequacy of our financial resources, including our sources of liquidity and ability to repay borrowings and comply with our Credit Agreement, including the financial and other covenants contained therein, as well as Altisource’s ability to retain key executives or employees, behavior of customers, suppliers and/or competitors, technological developments, governmental regulations, taxes and policies. The financial projections and scenarios contained in this presentation are expressly qualified as forward-looking statements and, as with other forward-looking statements, should not be unduly relied upon. We undertake no obligation to update these statements, scenarios and projections as a result of a change in circumstances, new information or future events.

# NON-GAAP MEASURES

Adjusted operating income (loss), pretax loss attributable to Altisource, adjusted pretax loss attributable to Altisource, adjusted net loss attributable to Altisource, adjusted diluted loss per share, earnings before interest, taxes, depreciation and amortization (“EBITDA”), Adjusted EBITDA, and Segment Adjusted EBITDA, which are presented elsewhere in this presentation, are non-GAAP measures used by management, existing shareholders, potential shareholders and other users of our financial information to measure Altisource’s performance and do not purport to be alternatives to income (loss) from operations, loss before income taxes and non-controlling interests, net loss attributable to Altisource, and diluted loss per share as measures of Altisource’s performance. We believe these measures are useful to management, existing shareholders, potential shareholders and other users of our financial information in evaluating operating profitability and cash flow generation more on the basis of continuing cost and cash flows as they exclude amortization expense related to acquisitions that occurred in prior periods and non-cash share-based compensation, as well as the effect of more significant non-operational items from earnings, and cash flows from operating activities. We believe these measures are also useful in evaluating the effectiveness of our operations and underlying business trends in a manner that is consistent with management’s evaluation of business performance.

Furthermore, we believe the exclusion of more significant non-operational items enables comparability to prior period performance and trend analysis.

It is management’s intent to provide non-GAAP financial information to enhance the understanding of Altisource’s GAAP financial information, and it should be considered by the reader in addition to, but not instead of, the financial statements prepared in accordance with GAAP. Each non-GAAP financial measure is presented along with the corresponding GAAP measure so as not to imply that more emphasis should be placed on the non-GAAP measure. The non-GAAP financial information presented may be determined or calculated differently by other companies. The non-GAAP financial information presented should not be unduly relied upon.

These non-GAAP measures are presented as supplemental information and reconciled to the appropriate GAAP measures in the Appendix.

# THIRD QUARTER 2024 OVERVIEW



- Service revenue of \$38.2 million grew both sequentially and year-over-year despite August 2024 YTD declines in default metrics compared to the same period last year:

- 15% decline in average serious delinquency rates<sup>1</sup>
- 7% decline in foreclosure initiations<sup>1</sup>
- 14% decline in foreclosure sales<sup>1</sup>



- Service revenue growth compared to Q3 2023 of \$4.0 million, or 11.8%, primarily from sales wins; represents our strongest quarterly Service revenue performance in twelve quarters

- Service revenue growth compared to Q2 2024 of \$1.3 million, or 3.5%, primarily from ramping sales wins

- Adjusted EBITDA<sup>2</sup> of \$3.6 million represents a \$2.8 million improvement over Q3 2023 and a \$0.8 million decline compared to Q2 2024

- Compared to Q3 2023, Adjusted EBITDA<sup>2</sup> benefited from higher revenue and lower Corporate costs
- Compared to each period, Adjusted EBITDA<sup>2</sup> impacted by:

- Margin expansion in the Origination segment
- A change in Service revenue mix from fewer homes sold in our higher margin Hubzu business and growth in our lower margin Field Services and recently launched Renovations businesses
- Higher Q3 2024 SG&A costs in the Servicer and Real Estate segment from legacy indemnity claims and bad debt expense (\$1.2 million and \$0.8 million higher than Q3 2023 and Q2 2024, respectively)

- Ended the quarter with \$28.3 million of cash and cash equivalents



<sup>1</sup> Source: ICE Mortgage Monitor Report October 2024

<sup>2</sup> This is a non-GAAP measure defined and reconciled in the Appendix

# TOTAL COMPANY FINANCIAL PERFORMANCE

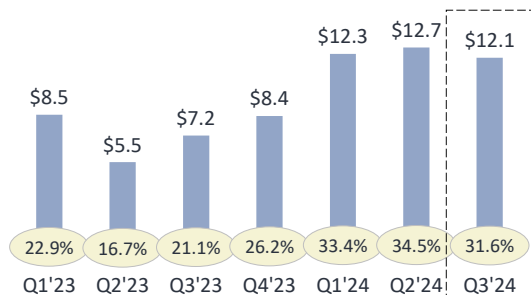
## Service Revenue



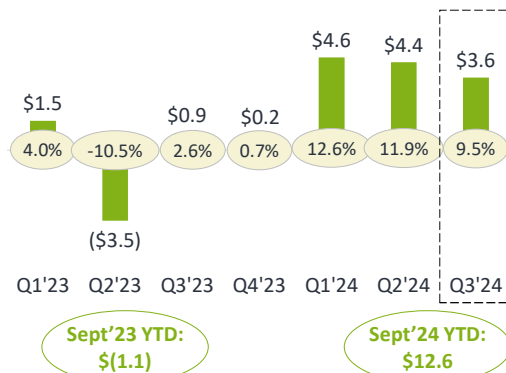
## Financial Performance

- September 2024 year-to-date compared to the same period in 2023:
  - \$7.5 million growth in Service revenue primarily driven by sales wins and price increases for certain services
  - \$13.8 million improvement in Adjusted EBITDA<sup>1</sup> and Adjusted EBITDA<sup>1</sup> margin expansion from (1.1)% to 11.3% primarily driven by higher Service revenue, Business Segment<sup>2</sup> margin expansion and lower corporate costs, partially offset by:
    - \$1.8 million of higher SG&A expenses in the Servicer and Real Estate segment driven by legacy indemnity claims and bad debt expense, and
    - Service revenue mix from fewer homes sold in our higher margin Hubzu business and growth in our lower margin Field Services and recently launched Renovations businesses

## Gross Profit



## Adjusted EBITDA<sup>1</sup>



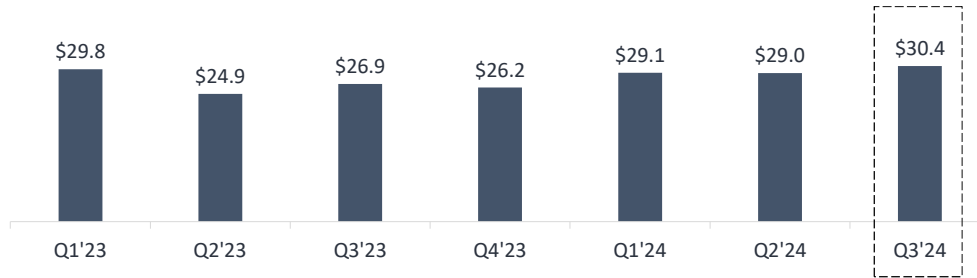
Note: Charts above present \$ in millions and profitability measures as a % of Service revenue

<sup>1</sup> This is a non-GAAP measure reconciled in the Appendix

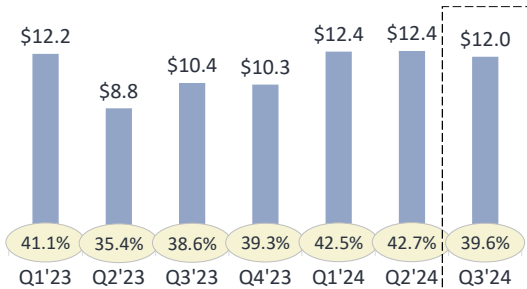
<sup>2</sup> Business Segment collectively refers to the Servicer and Real Estate and Origination segments

# SERVICER AND REAL ESTATE SEGMENT

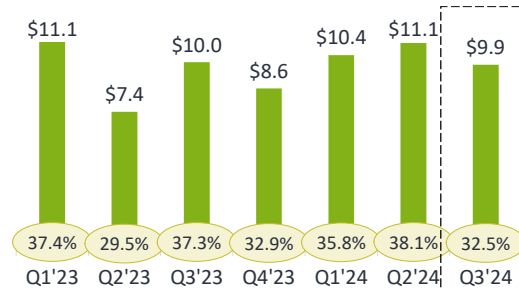
## Segment Service Revenue



## Segment Gross Profit



## Segment Adjusted EBITDA<sup>1</sup>



## Segment Financial Performance

- Q3 2024 Service revenue was 4.7% higher than Q2 2024 and 13.0% higher than Q3 2023
- Q3 2024 Adjusted EBITDA<sup>1</sup> of \$9.9 million was roughly flat compared to Q3 2023 and 10.6% lower than Q2 2024
- Q3 2024 Adjusted EBITDA<sup>1</sup> performance reflects:
  - Higher Q3 2024 SG&A expenses (\$1.2 million and \$0.8 million higher than Q3 2023 and Q2 2024, respectively) from legacy indemnity claims and bad debt expense
  - A change in Service revenue mix from fewer homes sold in our higher margin Hubzu business and growth in our lower margin Field Services and recently launched Renovations businesses

Note: Charts above present \$ in millions and profitability measures as a % of segment Service revenue

<sup>1</sup>This is a non-GAAP measure reconciled in the Appendix

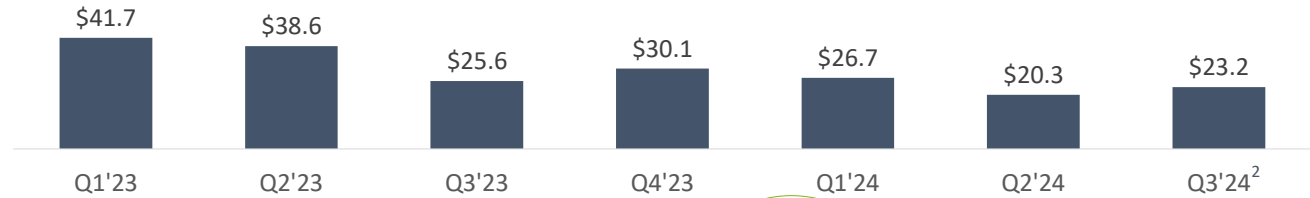
# SERVICER AND REAL ESTATE SALES PIPELINE AND WINS

(\$ millions)



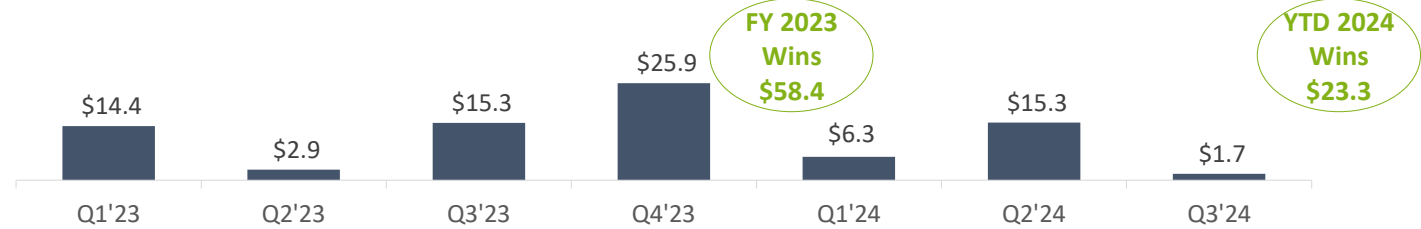
## Attractive Sales Pipeline<sup>1</sup>

Weighted Average Pipeline Estimated Revenue – End of Quarter



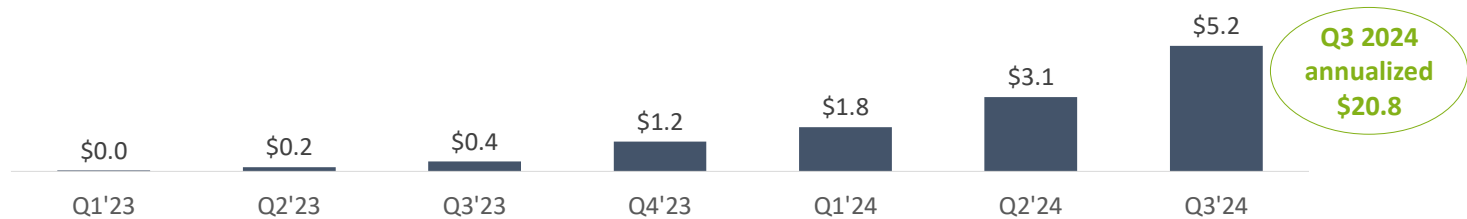
## Strong Sales Wins<sup>3</sup>

Estimated Annualized Revenue on a Stabilized Basis



## Growth in Service Revenue<sup>4</sup>

Service Revenue Generated from Sales Wins



Note: Numbers may not sum due to rounding

<sup>1</sup> Sales pipeline represents a weighted estimate of the annualized revenue on a stabilized basis from the sales pipeline at the end of the applicable quarter. The pipeline can and will change based on won and lost deals, new prospects, pipeline funnel stage changes, stabilized revenue estimate changes, weighted revenue estimate changes and additional information. Actual results could differ materially from the estimates. Sales wins are removed from the sales pipeline in the quarter in which the applicable contract for the business is executed

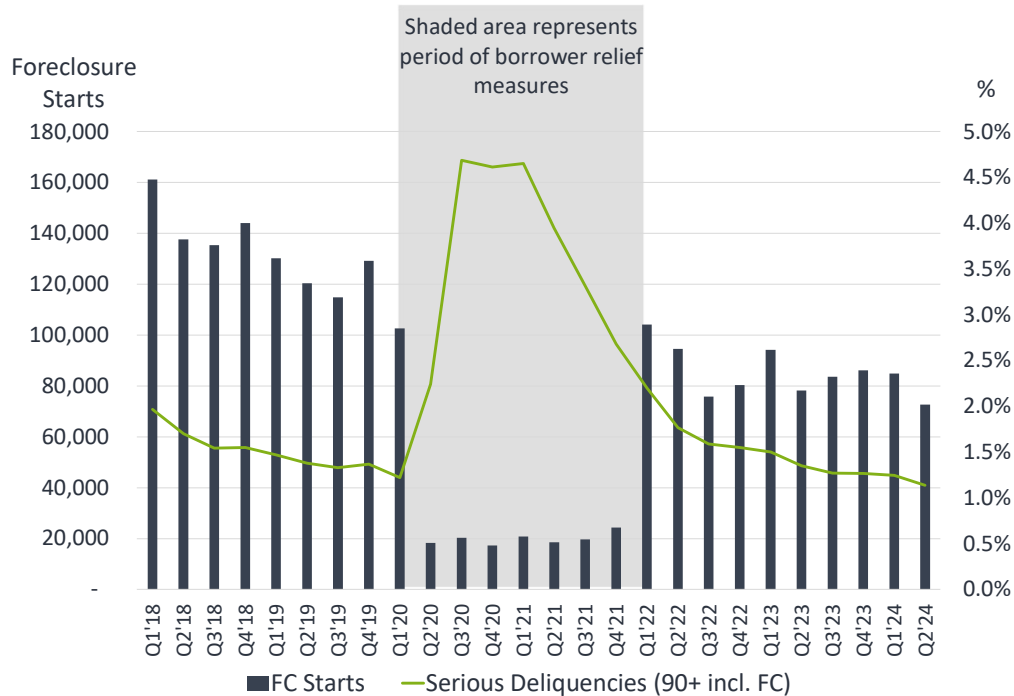
<sup>2</sup> Q3'24 weighted sales pipeline represents \$21 million to \$26 million in annual revenue on a stabilized basis based upon the Company's forecasted probability of closing

<sup>3</sup> Sales wins represent an estimate of the annualized revenue on a stabilized basis from the total sales wins in the applicable quarter. It is anticipated that stabilized revenue will be achieved after an initial ramp-up period for most sales wins. The period of time for the Company to begin to realize revenue on a stabilized basis, if at all, from a sales win can significantly vary based on a variety of conditions, including those related to the applicable client, the subject service, the applicable industry and the broader economy. Actual results could differ materially from applicable estimates. A sales win is included in the estimate of the applicable quarter in which the applicable contract for the business is executed. Estimates are not updated to reflect revenue recognized or changes to estimated revenue subsequent to the sales wins. Recognized revenue from sales wins is set forth in Growth in Service revenue

<sup>4</sup> Represents Service revenue recognized in the applicable quarter from FY 2023 and FY 2024 sales wins

# RETURN TO A NORMAL DEFAULT MORTGAGE MARKET

## Foreclosure Starts and Timing



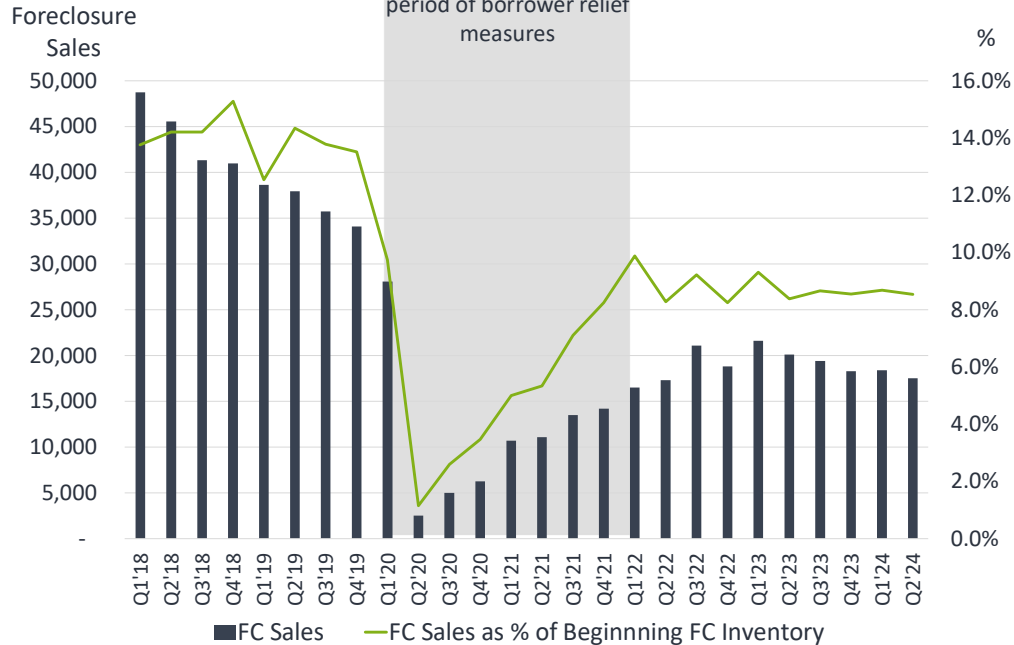
- In response to the COVID-19 pandemic, borrowers were provided various relief measures including foreclosure and eviction moratoriums, forbearance programs and loss mitigation measures
  - These relief measures largely expired at the end of 2021
- Following the expiration of these measures, 2022 and 2023 foreclosure starts grew, but remained below pre-pandemic levels
- YTD August 2024 Foreclosure starts were 34% lower than the same period in 2019 and 7% lower than the same period in 2023
- The average YTD serious delinquency rate through August 2024 is 1.2%, which is 15% lower than the same periods in 2019 and 2023
- Should the market return to pre-pandemic foreclosure start levels, there is a significant opportunity for revenue growth in our pre-foreclosure and foreclosure solutions, with upside in a higher delinquency rate environment

Source: ICE Mortgage Monitor and First Look Reports with data from January 2018 through August 2024



# RETURN TO A NORMAL DEFAULT MORTGAGE MARKET

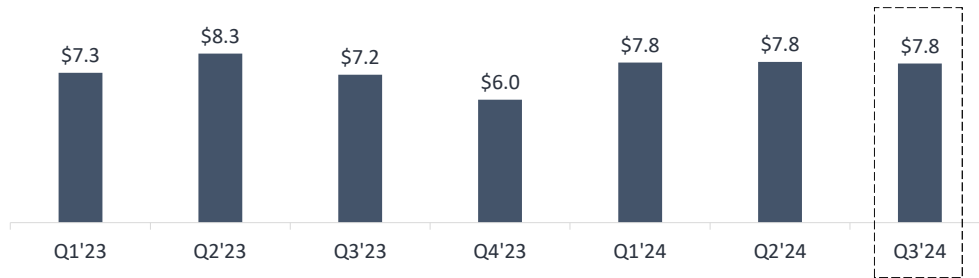
## Foreclosures that Convert to Foreclosure Sales



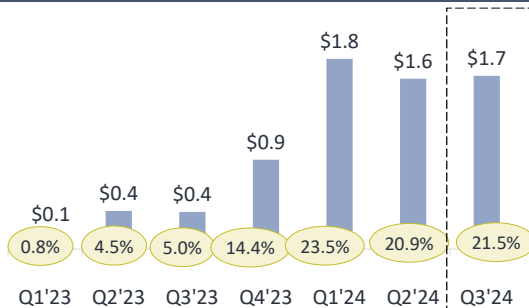
- Foreclosure sales remain significantly lower than pre-pandemic and 2023 levels
  - YTD August 2024 Foreclosure sales were 54% lower than the same period in 2019 and 14% lower than the same period in 2023
  - In today’s environment, for those files that complete the process, we estimate it typically takes an average of two years to convert foreclosure starts to foreclosure sales and another six months to market and sell the resulting REO
- We anticipate foreclosure sales to increase should the percentage of foreclosure sales to foreclosure inventory return to pre-pandemic levels from (1) the aging of higher post-pandemic foreclosure starts and (2) a normalizing environment for borrower loss mitigation options
- Should the market return to pre-pandemic foreclosure sales levels, there is a significant opportunity for revenue growth for our online foreclosure real estate marketing platform and REO management and disposition solutions, with upside in a higher delinquency rate environment

# ORIGINATION SEGMENT

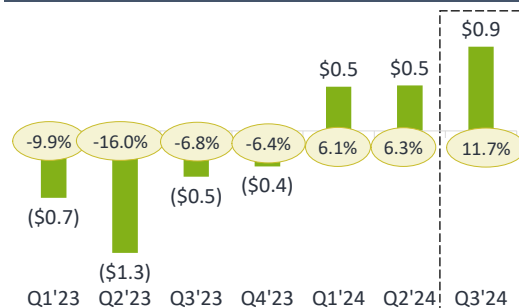
## Segment Service Revenue



## Segment Gross Profit



## Segment Adjusted EBITDA<sup>1</sup>



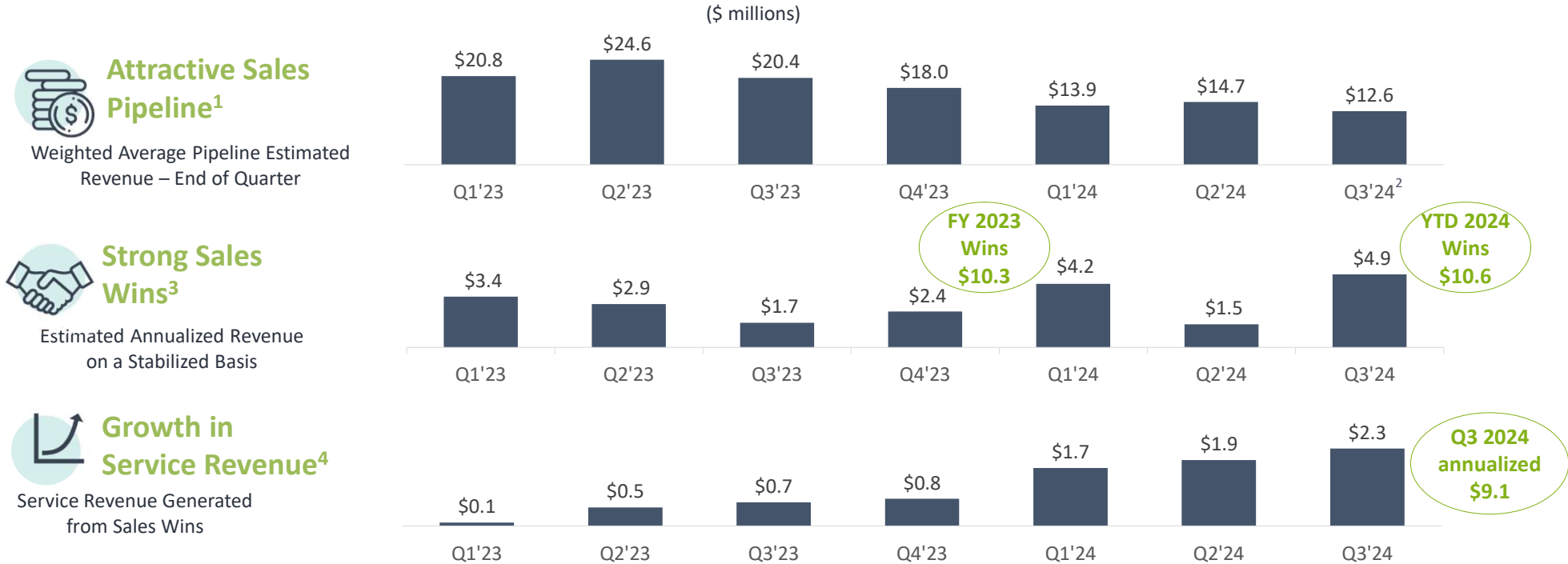
## Segment Financial Performance

- Compared to Q3 2023, Adjusted EBITDA<sup>1</sup> improved \$1.4 million on \$0.5 million of Service revenue growth
  - Improvement driven by cost savings and efficiency initiatives
- Compared to Q2 2024, Adjusted EBITDA<sup>1</sup> improved \$0.4 million on similar Service Revenue
  - Adjusted EBITDA<sup>1</sup> improvement driven by reversal of bad debt expense and lower professional services expense
- Gross profit, gross profit margins, Adjusted EBITDA<sup>1</sup> and Adjusted EBITDA<sup>1</sup> margins all improved relative to prior year and last quarter

Note: Charts above present \$ in millions and profitability measures as a % of segment Service revenue

<sup>1</sup>This is a non-GAAP measure reconciled in the Appendix

# ORIGINATION SALES PIPELINE AND WINS



Note: Numbers may not sum due to rounding

<sup>1</sup> Sales pipeline represents a weighted estimate of the annualized revenue on a stabilized basis from the sales pipeline at the end of the applicable quarter. The pipeline can and will change based on won and lost deals, new prospects, pipeline funnel stage changes, stabilized revenue estimate changes, weighted revenue estimate changes and additional information. Actual results could differ materially from the estimates. Sales wins are removed from the sales pipeline in the quarter in which the applicable contract for the business is executed

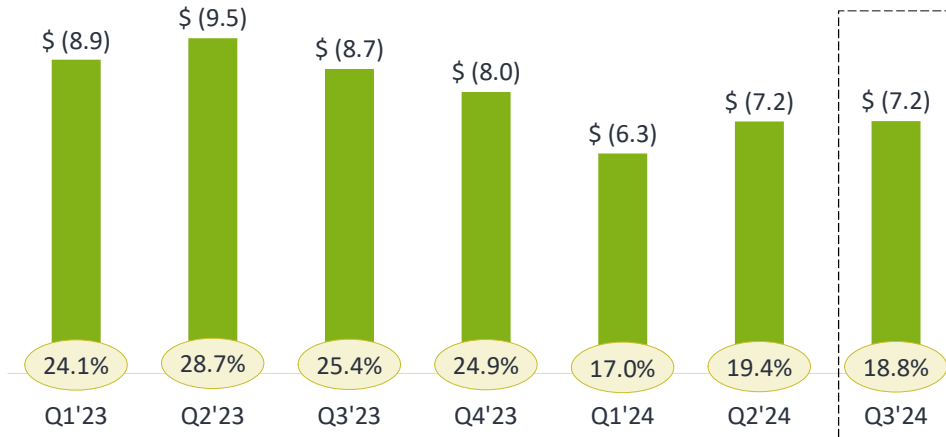
<sup>2</sup> Q3'24 weighted sales pipeline represents \$11 million to \$14 million in annual revenue on a stabilized basis based upon the Company's forecasted probability of closing

<sup>3</sup> Sales wins represent an estimate of the annualized revenue on a stabilized basis from the total sales wins in the applicable quarter. It is anticipated that stabilized revenue will be achieved after an initial ramp-up period for most sales wins. The period of time for the Company to begin to realize revenue on a stabilized basis, if at all, from a sales win can significantly vary based on a variety of conditions, including those related to the applicable client, the subject service, the applicable industry and the broader economy. Actual results could differ materially from applicable estimates. A sales win is included in the estimate of the applicable quarter in which the applicable contract for the business is executed. Estimates are not updated to reflect revenue recognized or changes to estimated revenue subsequent to the sales wins. Recognized revenue from sales wins is set forth in Growth in Service revenue

<sup>4</sup> Represents Service revenue recognized in the applicable quarter from FY 2023 and FY 2024 sales wins

# CORPORATE AND OTHERS

## Corporate and Others Adjusted EBITDA<sup>1</sup> Loss



## Corporate Financial Performance

- Corporate and Others includes costs related to corporate functions including executive, infrastructure and certain technology groups, finance, law, compliance, human resources, vendor management, facilities, risk management, and eliminations between reportable segments
- Q3 2024 Adjusted EBITDA<sup>1</sup> loss of \$7.2 million improved by \$1.5 million, or 17%, compared to Q3 2023 and was roughly flat compared to Q2 2024
- The lower Adjusted EBITDA<sup>1</sup> loss compared to last year reflects our cost savings and efficiency initiatives

Note: Chart above presents \$ in millions and Corporate and Others Adjusted EBITDA<sup>1</sup> Loss as a percentage of total Company Service revenue

<sup>1</sup>This is a non-GAAP measure reconciled in the Appendix

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# CONCLUSION



- Strong third quarter and year-to-date 2024 financial performance despite the decline in serious delinquency rates, foreclosure starts and foreclosure sales over the same period in 2023



- Service revenue for the first nine of months of 2024 is \$7.5 million, or 7%, higher and Adjusted EBITDA<sup>1</sup> is \$13.8 million higher than the same period in 2023
- With the recent launch and on-going ramp of our Renovation business and sales wins, we are diversifying our revenue streams and customer base and positioning the Company for further anticipated growth

<sup>1</sup> This is a non-GAAP measure defined and reconciled in the Appendix

# APPENDIX

THIRD  
QUARTER 2024  
FINANCIAL  
RESULTS

15

CONSOLIDATED  
SALES  
PIPELINE AND  
WINS

17

OPERATING  
METRICS

18

NON-GAAP  
MEASURES

21

INVESTOR  
RELATIONS  
INFORMATION

30

# THIRD QUARTER 2024 FINANCIAL RESULTS

\$ millions (except per share data)	Q3	Q3	Vs.	YTD	YTD	Vs.
	2024	2023	Q3 2023	2024	2023	YTD 2023
Service revenue	\$ 38.2	\$ 34.1	12%	\$ 111.9	\$ 104.4	7%
Revenue	40.5	36.2	12%	119.1	110.9	7%
Gross profit	12.1	7.2	68%	37.1	21.2	75%
Income (loss) from operations	1.1	(3.5)	131%	2.6	(13.9)	119%
Adjusted operating income (loss) <sup>1</sup>	3.4	(2.0)	275%	10.6	(2.0)	n/m
Pretax loss attributable to Altisource <sup>1</sup>	(8.6)	(10.9)	22%	(24.6)	(40.6)	39%
Adjusted pretax loss attributable to Altisource <sup>1</sup>	(6.2)	(9.3)	33%	(16.7)	(28.6)	42%
Adjusted EBITDA <sup>1</sup>	3.6	0.9	315%	12.6	(1.1)	n/m
Net loss attributable to Altisource	(9.4)	(11.3)	17%	(26.9)	(43.1)	38%
Adjusted net loss attributable to Altisource <sup>1</sup>	(6.6)	(9.8)	33%	(18.1)	(31.1)	42%
Diluted loss per share <sup>2</sup>	(0.33)	(0.51)	35%	(0.94)	(2.10)	55%
Adjusted diluted loss per share <sup>1</sup>	(0.23)	(0.44)	48%	(0.64)	(1.51)	58%
Gross profit / Service revenue	32%	21%		33%	20%	
Adjusted EBITDA <sup>1</sup> / Service revenue	9%	3%		11%	-1%	

n/m – Not meaningful

<sup>1</sup> This is a non-GAAP measure defined and reconciled in the Appendix

<sup>2</sup> Stock options, restricted shares and restricted share units were excluded from the computation of diluted loss per share because their impact would be anti-dilutive

# PROGRESS WITH SELECT<sup>1</sup> CUSTOMER WINS

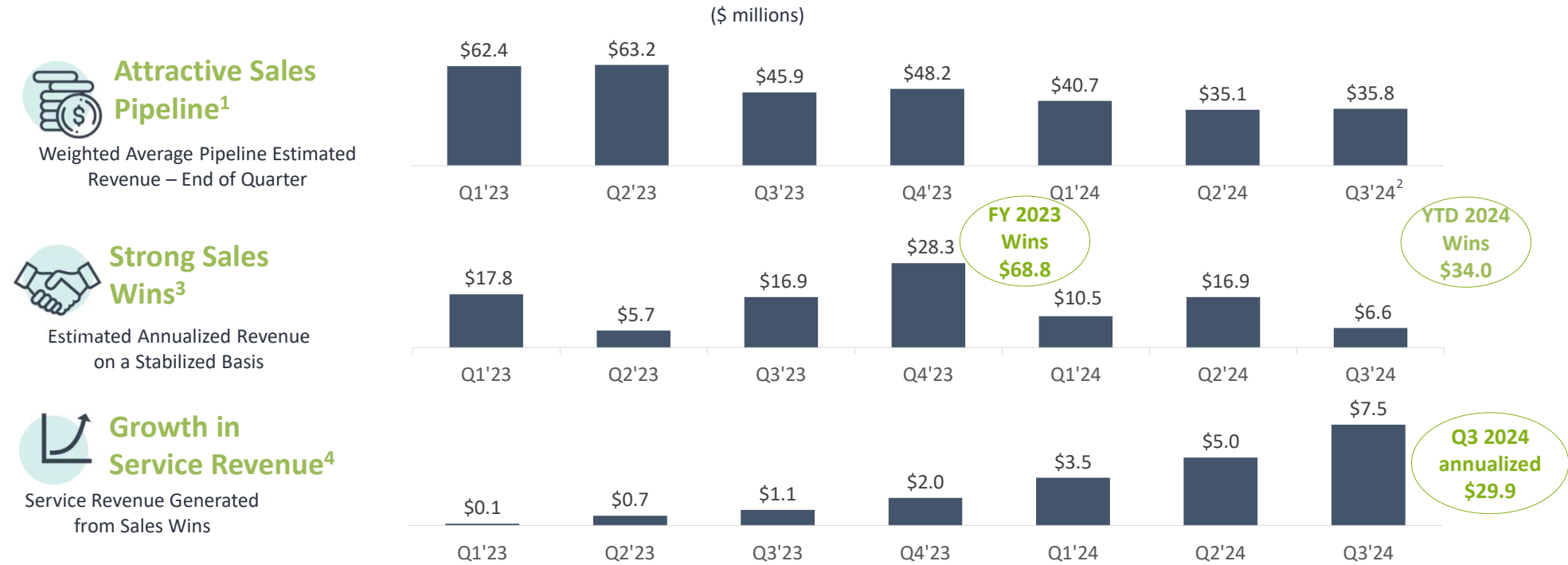
Notified of Win	Customer description	Service	Agreements executed	Agreements in negotiation	Anticipated "Go Live" Date	Began receiving referrals in	Est. Stabilized revenue opportunity <sup>1</sup>
Q3'23	Servicer	Multiple Default Solutions	√			Q3'23	Large
Q3'23	Multiple (Servicer and GSE)	Field Services	√			Q3'23	Medium
Q4'23	Large Mortgage and Real Estate Owner	Renovations	√			Q2'24	Large
Q4'23	Servicer	Field Services	√			Q1'24	Medium
Q4'23	Originator	Lenders One	√			Q1'24	Medium
Q1'24	Servicer	Foreclosure Trustee	√			Q1'24	Medium
Q1'24	Servicer	Hubzu	√			Q1'24	Medium
Q1'24	Originator (Multiple)	Lenders One	√			Q1'24	Medium
Q2'24	Servicer	Foreclosure Trustee	√			Q2'24	Large
Q2'24	Servicer	Foreclosure Trustee	√			Q2'24	Medium
Q2'24	Servicer	Granite	√			Q2'24	Medium
Q2'24	Originator (Multiple)	Lenders One	√			Q2'24	Medium
<b>Q3'24 Wins</b>							
Q3'24	Originator (Multiple)	Lenders One	√			Q3'24	Medium
Q3'24	Originator (Multiple)	Trelix	√			Q3'24	Medium

<sup>1</sup> List excludes Wins with estimated stabilized annual revenue opportunities of less than \$1 million. Categories are as follows:

- Large: Estimated stabilized annual revenue opportunity of \$5 million – \$25 million
- Medium: Estimated stabilized annual revenue opportunity of \$1 million - \$4.9 million



# CONSOLIDATED SALES PIPELINE AND WINS



Note: Numbers may not sum due to rounding

<sup>1</sup> Sales pipeline represents a weighted estimate of the annualized revenue on a stabilized basis from the sales pipeline at the end of the applicable quarter. The pipeline can and will change based on won and lost deals, new prospects, pipeline funnel stage changes, stabilized revenue estimate changes, weighted revenue estimate changes and additional information. Actual results could differ materially from the estimates. Sales wins are removed from the sales pipeline in the quarter in which the applicable contract for the business is executed

<sup>2</sup> Q3'24 weighted sales pipeline represents \$32 million to \$40 million in annual revenue on a stabilized basis based upon the Company's forecasted probability of closing

<sup>3</sup> Sales wins represent an estimate of the annualized revenue on a stabilized basis from the total sales wins in the applicable quarter. It is anticipated that stabilized revenue will be achieved after an initial ramp-up period for most sales wins. The period of time for the Company to begin to realize revenue on a stabilized basis, if at all, from a sales win can significantly vary based on a variety of conditions, including those related to the applicable client, the subject service, the applicable industry and the broader economy. Actual results could differ materially from applicable estimates. A sales win is included in the estimate of the applicable quarter in which the applicable contract for the business is executed. Estimates are not updated to reflect revenue recognized or changes to estimated revenue subsequent to the sales wins. Recognized revenue from sales wins is set forth in Growth in Service revenue

<sup>4</sup> Represents Service revenue recognized in the applicable quarter from FY 2023 and FY 2024 sales wins

# OPERATING METRICS

	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24
<b>Default Related Services</b>													
<b>Onity<sup>1</sup> Serviced Forward Loan Portfolio<sup>2</sup>:</b>													
Service revenue <sup>3</sup> per delinquent loan <sup>4</sup> per quarter													
Non-GSE	\$ 156	\$ 158	\$ 210	\$ 244	\$ 260	\$ 241	\$ 288	\$ 246	\$ 275	\$ 262	\$ 316	\$ 331	\$ 328
GSE and FHA	\$ 42	\$ 39	\$ 77	\$ 87	\$ 109	\$ 139	\$ 161	\$ 166	\$ 199	\$ 180	\$ 175	\$ 181	\$ 170
Average number of delinquent loans serviced by Onity <sup>2</sup>													
Non-GSE (in thousands)	112	93	86	81	77	75	71	67	64	63	61	56	55
GSE and FHA (in thousands)	17	16	15	12	11	13	13	12	13	14	14	14	16
Average delinquency rate of loans serviced by Onity <sup>2</sup>													
Non-GSE	18.7%	16.5%	16.0%	15.6%	15.4%	15.3%	14.7%	14.1%	13.7%	13.7%	13.4%	12.5%	12.3%
GSE and FHA	3.2%	2.3%	2.1%	1.7%	1.6%	1.7%	1.7%	1.6%	1.6%	1.7%	1.7%	1.7%	1.9%
Provisional loan count serviced by Onity as of the end of the period <sup>2</sup>													
Non-GSE (in thousands)	588	551	531	512	499	489	481	473	464	460	456	449	439
GSE and FHA (in thousands)	669	705	708	742	729	750	790	764	792	777	824	835	817

<sup>1</sup> Onity Group Inc. (together with its subsidiaries, "Onity") (formerly Ocwen Financial Corporation, or Ocwen)

<sup>2</sup> Amounts presented herein for Q3'21 through Q3'24 are based on all forward loans serviced by Onity; information contained herein is based upon information reported to us by Onity. Delinquency rates include loans in forbearance programs

<sup>3</sup> Includes Service revenue related to the portfolios serviced or subserviced by Onity when a party other than Onity/Rithm Capital Corp. (individually, together with one or more of its subsidiaries or one or more of its subsidiaries individually, "Rithm") selects Altisource as a service provider. Service revenue generated from certain services is not recorded separately for non-GSE and GSE/FHA loans. For these services, Service revenue has been allocated between non-GSE and GSE/FHA loans based on estimates

<sup>4</sup> Delinquent loans include loans that are delinquent for more than 30 days including loans in bankruptcy, foreclosure and REO

# OPERATING METRICS

	Q3'21	Q4'21	Q1'22	Q2'22	Q3'22	Q4'22	Q1'23	Q2'23	Q3'23	Q4'23	Q1'24	Q2'24	Q3'24
<b>Hubzu<sup>1</sup>:</b>													
Service revenue (in millions) <sup>2</sup>	\$ 6.1	\$ 5.8	\$ 8.0	\$ 8.1	\$ 6.7	\$ 5.9	\$ 7.7	\$ 7.1	\$ 7.1	\$ 5.8	\$ 7.1	\$ 7.3	\$ 6.4
Number of homes sold on Hubzu:													
Onity serviced portfolios <sup>3</sup>	514	510	653	772	645	579	599	567	556	443	494	505	431
All other	172	148	234	188	230	190	218	219	193	189	200	211	196
Total	686	658	887	960	875	769	817	786	749	632	694	716	627

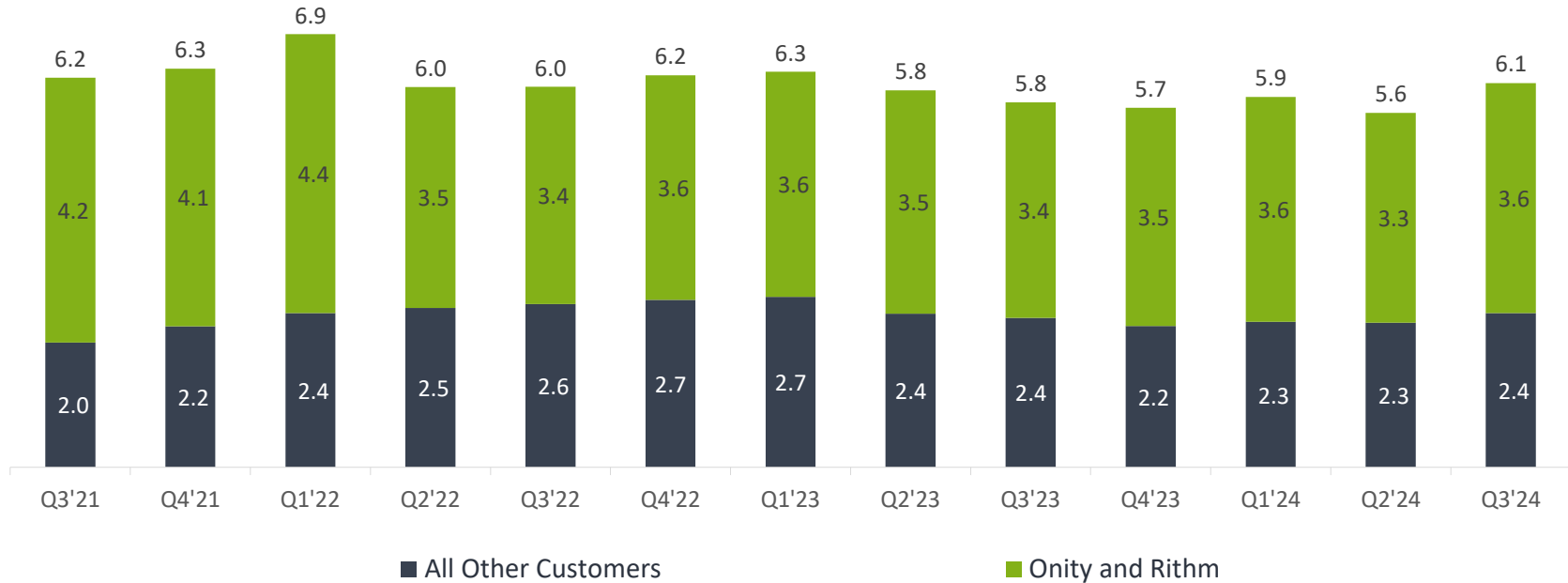
<sup>1</sup> Hubzu is a collection of businesses that includes asset management, real estate brokerage, auction and Hubzu.com

<sup>2</sup> Revenue from Onity/Rithm homes sold on Hubzu is also reflected in Service revenue per delinquent loan per quarter reported in the previous slide

<sup>3</sup> Includes the portfolios acquired (or anticipated to be acquired) by Rithm from Onity

# HUBZU INVENTORY

Ending Inventory (in 000's)



# NON-GAAP MEASURES

Adjusted operating income (loss), pretax loss attributable to Altisource, adjusted pretax loss attributable to Altisource, adjusted net loss attributable to Altisource, adjusted diluted loss per share, EBITDA, Adjusted EBITDA and Segment Adjusted EBITDA are non-GAAP measures used by management, existing shareholders, potential shareholders and other users of our financial information to measure Altisource's performance and do not purport to be alternatives to income (loss) from operations, loss before income taxes and non-controlling interests, net loss attributable to Altisource, and diluted loss per share<sup>1</sup> as measures of Altisource's performance.

- Adjusted operating income (loss) is calculated by removing intangible asset amortization expense, share-based compensation expense, cost of cost savings initiatives and other, debt amendment costs and unrealized gain on warrant liability from income (loss) from operations
- Pretax loss attributable to Altisource is calculated by removing non-controlling interest from loss before income taxes and non-controlling interests
- Adjusted pretax loss attributable to Altisource is calculated by removing non-controlling interest, intangible asset amortization expense, share-based compensation expense, cost of cost savings initiatives and other, debt amendment costs and unrealized gain on warrant liability from loss before income taxes and non-controlling interests
- Adjusted net loss attributable to Altisource is calculated by removing intangible asset amortization expense (net of tax), share-based compensation expense (net of tax), cost of cost savings initiatives and other (net of tax), debt amendment costs (net of tax), unrealized gain on warrant liability (net of tax) and certain income tax related items from net loss attributable to Altisource

<sup>1</sup> Stock options, restricted shares and restricted share units were excluded from the computation of diluted loss per share because their impact would be anti-dilutive

# NON-GAAP MEASURES

- Adjusted diluted loss per share is calculated by dividing net loss attributable to Altisource after removing intangible asset amortization expense (net of tax), share-based compensation expense (net of tax), cost of cost savings initiatives and other (net of tax), debt amendment costs (net of tax), unrealized gain on warrant liability (net of tax) and certain income tax related items by the weighted average number of diluted shares
- EBITDA is calculated by removing the income tax provision, interest expense (net of interest income)<sup>1</sup>, depreciation and amortization and intangible asset amortization expense from GAAP net loss attributable to Altisource
- Adjusted EBITDA is calculated by removing the income tax provision, interest expense (net of interest income)<sup>1</sup>, depreciation and amortization, intangible asset amortization expense, share-based compensation expense, cost of cost savings initiatives and other, debt amendment costs and unrealized gain on warrant liability from net loss attributable to Altisource
- Segment Adjusted EBITDA is calculated by removing interest expense (net of interest income)<sup>1</sup>, depreciation and amortization, intangible asset amortization expense, share-based compensation expense, cost of cost savings initiatives and other, debt amendment costs and unrealized gain on warrant liability from income (loss) before income taxes and non-controlling interests
- The reconciliations of non-GAAP measures to GAAP measures are shown on slides 23 to 29

<sup>1</sup> Interest expense, net of interest income, includes interest payable in cash, interest payable in kind and amortization of debt discount and issuance costs

# NON-GAAP MEASURES

Reconciliation (\$ in millions except per share data)	Q3 2024	Q3 2023	YTD 2024	YTD 2023
Income (loss) from operations	\$ 1.1	\$ (3.5)	\$ 2.6	\$ (13.9)
Intangible asset amortization expense	1.3	1.4	3.8	3.9
Share-based compensation expense	0.9	1.2	3.9	3.9
Cost of cost savings initiatives and other	0.2	1.2	0.2	1.8
Debt amendment costs	-	0.1	-	3.4
Unrealized gain on warrant liability	-	(2.2)	-	(1.1)
Adjusted operating income (loss)	\$ 3.4	\$ (2.0)	\$ 10.6	\$ (2.0)
Loss before income taxes and non-controlling interests	\$ (8.5)	\$ (10.9)	\$ (24.5)	\$ (40.4)
Non-controlling interests	(0.1)	(0.1)	(0.1)	(0.2)
Pretax loss attributable to Altisource	(8.6)	(10.9)	(24.6)	(40.6)
Intangible asset amortization expense	1.3	1.4	3.8	3.9
Share-based compensation expense	0.9	1.2	3.9	3.9
Cost of cost savings initiatives and other	0.2	1.2	0.2	1.8
Debt amendment costs	-	0.1	-	3.4
Unrealized gain on warrant liability	-	(2.2)	-	(1.1)
Adjusted pretax loss attributable to Altisource	\$ (6.2)	\$ (9.3)	\$ (16.7)	\$ (28.6)

# NON-GAAP MEASURES

Reconciliation (\$ in millions except per share data)	Q3 2024	Q3 2023	YTD 2024	YTD 2023
Net loss attributable to Altisource	\$ (9.4)	\$ (11.3)	\$ (26.9)	\$ (43.1)
Intangible asset amortization expense, net of tax	1.3	1.3	3.8	3.9
Share-based compensation expense, net of tax	0.7	1.1	3.4	3.4
Cost of cost savings initiatives and other, net of tax	0.2	0.9	0.2	1.5
Debt amendment costs, net of tax	-	0.1	-	3.4
Unrealized gain on warrant liability, net of tax	-	(2.2)	-	(1.1)
Certain income tax related items	0.6	0.4	1.3	1.1
Adjusted net loss attributable to Altisource	\$ (6.6)	\$ (9.8)	\$ (18.1)	\$ (31.1)
Diluted loss per share <sup>1</sup>	\$ (0.33)	\$ (0.51)	\$ (0.94)	\$ (2.10)
Intangible asset amortization expense, net of tax, per diluted share	0.04	0.06	0.13	0.19
Share-based compensation expense, net of tax, per diluted share	0.03	0.05	0.12	0.16
Cost of cost savings initiatives and other, net of tax, per diluted share	0.01	0.04	0.01	0.07
Debt amendment costs, net of tax, per diluted share	-	-	-	0.17
Unrealized gain on warrant liability, net of tax, per diluted share	-	(0.10)	-	(0.06)
Certain income tax related items per diluted share	0.02	0.02	0.05	0.05
Adjusted diluted loss per share	\$ (0.23)	\$ (0.44)	\$ (0.64)	\$ (1.51)

<sup>1</sup> Stock options, restricted shares and restricted share units were excluded from the computation of diluted loss per share because their impact would be anti-dilutive



# NON-GAAP MEASURES

Reconciliation (\$ in millions except per share data)	Q3 2024	Q3 2023	YTD 2024	YTD 2023
<b>Calculation of the impact of intangible asset amortization expense, net of tax</b>				
Intangible asset amortization expense	\$ 1.3	\$ 1.4	\$ 3.8	\$ 3.9
Tax benefit from intangible asset amortization	-	(0.0)	-	(0.0)
Intangible asset amortization expense, net of tax	1.3	1.3	3.8	3.9
Diluted share count (in 000s)	28,672	22,181	28,469	20,538
Intangible asset amortization expense, net of tax, per diluted share	\$ 0.04	\$ 0.06	\$ 0.13	\$ 0.19
<b>Calculation of the impact of share-based compensation expense, net of tax</b>				
Share-based compensation expense	\$ 0.9	\$ 1.2	\$ 3.9	\$ 3.9
Tax benefit from share-based compensation expense	(0.1)	(0.1)	(0.5)	(0.6)
Share-based compensation expense, net of tax	0.7	1.1	3.4	3.4
Diluted share count (in 000s)	28,672	22,181	28,469	20,538
Share-based compensation expense, net of tax, per diluted share	\$ 0.03	\$ 0.05	\$ 0.12	\$ 0.16
<b>Calculation of the impact of cost of cost savings initiatives and other, net of tax</b>				
Cost of cost savings initiatives and other	\$ 0.2	\$ 1.2	\$ 0.2	\$ 1.8
Tax benefit from cost of cost savings initiatives and other	(0.0)	(0.3)	(0.0)	(0.4)
Cost of cost savings initiatives and other, net of tax	0.2	0.9	0.2	1.5
Diluted share count (in 000s)	28,672	22,181	28,469	20,538
Cost of cost savings initiatives and other, net of tax, per diluted share	\$ 0.01	\$ 0.04	\$ 0.01	\$ 0.07

# NON-GAAP MEASURES

Reconciliation (\$ in millions except per share data)	Q3 2024	Q3 2023	YTD 2024	YTD 2023
Calculation of the impact of debt amendment costs, net of tax				
Debt amendment costs	\$ -	\$ 0.1	\$ -	\$ 3.4
Tax benefit from debt amendment costs	-	-	-	-
Debt amendment costs, net of tax	-	0.1	-	3.4
Diluted share count (in 000s)	28,672	22,181	28,469	20,538
Debt amendment costs, net of tax, per diluted share	\$ -	\$ 0.00	\$ -	\$ 0.17
Calculation of the impact of unrealized gain on warrant liability, net of tax				
Unrealized gain on warrant liability	\$ -	\$ (2.2)	\$ -	\$ (1.1)
Tax benefit from unrealized gain on warrant liability	-	-	-	-
Unrealized gain on warrant liability, net of tax	-	(2.2)	-	(1.1)
Diluted share count (in 000s)	28,672	22,181	28,469	20,538
Unrealized gain on warrant liability, net of tax, per diluted share	\$ -	\$ (0.10)	\$ -	\$ (0.06)
Certain income tax related items resulting from:				
Certain income tax related items	\$ 0.6	\$ 0.4	\$ 1.3	\$ 1.1
Diluted share count (in 000s)	28,672	22,181	28,469	20,538
Certain income tax related items per diluted share	\$ 0.02	\$ 0.02	\$ 0.05	\$ 0.05

# NON-GAAP MEASURES

Reconciliation (\$ in millions except per share data)	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
Net loss attributable to Altisource	\$ (12.9)	\$ (18.9)	\$ (11.3)	\$ (13.2)	\$ (9.2)	\$ (8.3)	\$ (9.4)
Income tax provision	1.5	0.6	0.4	1.1	0.7	0.7	0.8
Interest expense, net of interest income <sup>1</sup>	6.3	9.6	9.6	9.2	9.3	9.6	9.6
Depreciation and amortization	0.7	0.7	0.6	0.5	0.3	0.3	0.2
Intangible asset amortization expense	1.3	1.3	1.4	1.3	1.3	1.3	1.3
EBITDA	\$ (3.1)	\$ (6.7)	\$ 0.6	\$ (1.0)	\$ 2.4	\$ 3.5	\$ 2.6
Share-based compensation expense	1.4	1.2	1.2	1.2	2.2	0.8	0.9
Cost of cost savings initiatives and other	0.6	0.1	1.2	0.1	0.0	0.0	0.2
Debt amendment costs	3.2	0.1	0.1	0.0	-	-	-
Unrealized (gain) loss on warrant liability	(0.7)	1.8	(2.2)	-	-	-	-
Adjusted EBITDA	\$ 1.5	\$ (3.5)	\$ 0.9	\$ 0.2	\$ 4.6	\$ 4.4	\$ 3.6

<sup>1</sup> Interest expense, net of interest income, includes interest payable in cash, interest payable in kind and amortization of debt discount and issuance costs

# NON-GAAP MEASURES

Reconciliation (\$ in millions except per share data)	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
<b>Servicer and Real Estate:</b>							
Income before income taxes and non-controlling interests	\$ 9.9	\$ 6.2	\$ 8.4	\$ 7.6	\$ 9.3	\$ 10.0	\$ 8.9
Interest (income)expense, net of interest expense/income <sup>1</sup>	-	-	-	-	-	0.0	(0.1)
Depreciation and amortization	0.2	0.2	0.2	0.1	0.1	0.1	0.1
Intangible asset amortization expense	0.7	0.7	0.7	0.7	0.7	0.7	0.7
EBITDA	\$ 10.9	\$ 7.1	\$ 9.4	\$ 8.4	\$ 10.1	\$ 10.8	\$ 9.7
Share-based compensation expense	0.2	0.2	0.3	0.2	0.3	0.2	0.2
Cost of cost savings initiatives and other	0.0	0.0	0.4	0.0	0.0	0.0	0.0
Segment Adjusted EBITDA - Servicer and Real Estate	\$ 11.1	\$ 7.4	\$ 10.0	\$ 8.6	\$ 10.4	\$ 11.1	\$ 9.9
<b>Origination:</b>							
Income (loss) before income taxes and non-controlling interests	\$ (1.7)	\$ (2.0)	\$ (1.4)	\$ (1.0)	\$ (0.1)	\$ (0.1)	\$ 0.3
Non-controlling interests	(0.1)	(0.0)	(0.1)	(0.1)	(0.0)	(0.0)	(0.1)
Depreciation and amortization	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Intangible asset amortization expense	0.5	0.5	0.6	0.5	0.5	0.5	0.5
EBITDA	\$ (1.2)	\$ (1.4)	\$ (0.9)	\$ (0.5)	\$ 0.4	\$ 0.4	\$ 0.8
Share-based compensation expense	0.1	0.1	\$ 0.1	\$ 0.1	0.1	0.1	0.1
Cost of cost savings initiatives and other	0.4	0.0	\$ 0.3	\$ 0.0	-	-	0.0
Segment Adjusted EBITDA - Origination	\$ (0.7)	\$ (1.3)	\$ (0.5)	\$ (0.4)	\$ 0.5	\$ 0.5	\$ 0.9

<sup>1</sup> Interest expense, net of interest income, includes interest payable in cash, interest payable in kind and amortization of debt discount and issuance costs

# NON-GAAP MEASURES

Reconciliation (\$ in millions except per share data)	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024
Corporate and Others:							
Loss before income taxes and non-controlling interests	\$ (19.6)	(22.4)	\$ (17.8)	\$ (18.6)	\$ (17.6)	\$ (17.5)	\$ (17.7)
Interest (income) expense, net of interest expense/income <sup>1</sup>	6.3	9.6	9.6	9.2	9.3	9.6	9.7
Depreciation and amortization	0.5	0.4	0.4	0.3	0.2	0.2	0.1
EBITDA	\$ (12.8)	\$ (12.4)	\$ (7.9)	\$ (9.0)	\$ (8.1)	\$ (7.7)	\$ (7.9)
Share-based compensation expense	1.1	0.9	0.9	0.9	1.8	0.5	0.6
Cost of cost savings initiatives and other	0.2	0.0	0.5	0.1	0.0	0.0	0.2
Debt amendment costs	3.2	0.1	0.1	0.0	-	-	-
Unrealized (gain) loss on warrant liability	(0.7)	1.8	(2.2)	-	-	-	-
Segment Adjusted EBITDA - Corporate and Others	\$ (8.9)	(9.5)	\$ (8.7)	\$ (8.0)	\$ (6.3)	\$ (7.2)	\$ (7.2)

<sup>1</sup> Interest expense, net of interest income, includes interest payable in cash, interest payable in kind and amortization of debt discount and issuance costs

# INVESTOR RELATIONS INFORMATION

<b>ABOUT ALTISOURCE</b>	Altisource Portfolio Solutions S.A. is an integrated service provider and marketplace for the real estate and mortgage industries. Combining operational excellence with a suite of innovative services and technologies, Altisource helps solve the demands of the ever-changing markets we serve.
<b>CONTACT INFORMATION</b>	All Investor Relations inquiries should be sent to: <b><a href="mailto:Investor.relations@altisource.com">Investor.relations@altisource.com</a></b>
<b>EXCHANGE</b>	NASDAQ Global Select Market
<b>TICKER</b>	ASPS
<b>HEADQUARTERS</b>	Luxembourg
<b>EMPLOYEES</b>	Approximately 1,150



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