

FY 2024 Earnings

March 7, 2025



Disclaimer

Forward-Looking Statements

Certain statements in this presentation may be considered forward-looking statements within the meaning of the federal securities laws, including statements regarding the expected future performance of Advantage's business and projected financial results. Forward-looking statements generally relate to future events or Advantage's future financial or operating performance. These forward-looking statements generally are identified by the words "may", "should", "expect", "intend", "will", "would", "could", "estimate", "anticipate", "believe", "predict", "confident", "potential", "guidance", or "continue", or the negatives of these terms or variations of them or similar terminology. Such forward-looking statements are predictions, projections and other statements about future events that are based on current expectations and assumptions and, as a result, are subject to risks, uncertainties and other factors which could cause actual results to differ materially from those expressed or implied by such forward looking statements.

These forward-looking statements are based upon estimates and assumptions that, while considered reasonable by Advantage and its management at the time of such statements, are inherently uncertain. Factors that may cause actual results to differ materially from current expectations include, but are not limited to, market-driven wage changes or changes to labor laws or wage or job classification regulations, including minimum wage; the COVID-19 pandemic, or any future similar pandemic or health epidemic; the impact from tariffs; Advantage's ability to continue to generate significant operating cash flow; client procurement strategies and consolidation of Advantage's clients' industries creating pressure on the nature and pricing of its services; consumer goods manufacturers and retailers reviewing and changing their sales, retail, marketing and technology programs and relationships; Advantage's ability to successfully develop and maintain relevant omni-channel services for our clients in an evolving industry and to otherwise adapt to significant technological change; Advantage's ability to maintain proper and effective internal control over financial reporting in the future; potential and actual harms to Advantage's business arising from the Take 5 Matter; Advantage's substantial indebtedness and our ability to refinance at favorable rates; and other risks and uncertainties set forth in the section titled "Risk Factors" in the Annual Report on Form 10-K to be filed by the company with the Securities and Exchange Commission (the "SEC") on March 7, 2025, and in its other filings made from time to time with the SEC. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Forward-looking statements speak only as of the date they are made. Readers are cautioned not to put undue reliance on forward-looking statements, and Advantage assumes no obligation and does not intend to update or revise these forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Non-GAAP Financial Measures and Related Information

This presentation includes certain financial measures not presented in accordance with generally accepted accounting principles ("GAAP"), Adjusted EBITDA from Continuing Operations, Adjusted EBITDA from Discontinued Operations, Adjusted EBITDA by Segment, Adjusted EBITDA margin, Revenues net of pass-through costs, Net Debt, Adjusted Unlevered Free Cash Flow and Adjusted Unlevered Free Cash Flow as a percentage of LTM Adjusted EBITDA from Continuing and Discontinued Operations. These are not measures of financial performance calculated in accordance with GAAP and may exclude items that are significant in understanding and assessing Advantage's financial results.

Therefore, the measures are in addition to, and not a substitute for or superior to, measures of financial performance prepared in accordance with GAAP, and should not be considered in isolation or as an alternative to net income, cash flows from operations or other measures of profitability, liquidity or performance under GAAP. You should be aware that Advantage's presentation of these measures may not be comparable to similarly-titled measures used by other companies. Reconciliations of historical non-GAAP measures to their most directly comparable GAAP counterparts are included in this document.

Advantage believes these non-GAAP measures provide useful information to management and investors regarding certain financial and business trends relating to Advantage's financial condition and results of operations.

Advantage believes that the use of Adjusted EBITDA from Continuing Operations, Adjusted EBITDA from Discontinued Operations, Adjusted EBITDA by Segment, Adjusted EBITDA margin, Revenues net of pass-through costs, Net Debt, Adjusted Unlevered Free Cash Flow and Adjusted Unlevered Free Cash Flow as a percentage of LTM Adjusted EBITDA from Continuing and Discontinued Operations provides an additional tool for investors to use in evaluating ongoing operating results and trends and in comparing Advantage's financial measures with other similar companies, many of which present similar non-GAAP financial measures to investors. Non-GAAP financial measures are subject to inherent limitations as they reflect the exercise of judgments by management about which expense and income are excluded or included in determining these non-GAAP financial measures. Additionally, other companies may calculate non-GAAP measures differently or may use other measures to calculate their financial performance, and therefore Advantage's non-GAAP measures may not be directly comparable to similarly titled measures of other companies.

Adjusted EBITDA from Continuing Operations and Adjusted EBITDA from Discontinued Operations mean net (loss) income before (i) interest expense (net), (ii) provision for (benefit from) income taxes, (iii) depreciation, (iv) amortization of intangible assets, (v) impairment of goodwill, (vi) changes in fair value of warrant liability, (vii) stock-based compensation expense, (viii) equity-based compensation of Karman Topco L.P., (ix) fair value adjustments of contingent consideration related to acquisitions, (x) acquisition and divestiture related expenses, (xi) (gain) loss on divestitures, (xii) restructuring expenses, (xiii) reorganization expenses, (xiv) litigation expenses (recovery), (xv) costs associated with COVID-19, net of benefits received, (xvi) costs associated with (recovery from) the Take 5 Matter, (xvii) EBITDA for economic interests in investments and (xviii) other adjustments that management believes are helpful in evaluating our operating performance.

Adjusted EBITDA Margin means Adjusted EBITDA divided by total revenues and revenues net of pass-through costs.

Adjusted EBITDA by Segment means, with respect to each segment, operating income (loss) from continuing operations before (i) depreciation, (ii) amortization of intangible assets, (iii) impairment of goodwill, (iv) stock-based compensation expense, (v) equity-based compensation of Karman Topco L.P., (vi) fair value adjustments of contingent consideration related to acquisitions, (vii) acquisition and divestiture related expenses, (viii) restructuring expenses, (ix) reorganization expenses, (x) litigation expenses (recovery), (xi) costs associated with COVID-19, net of benefits received, (xii) costs associated with (recovery from) the Take 5 Matter, (xiii) EBITDA for economic interests in investments and (xiv) other adjustments that management believes are helpful in evaluating our operating performance, in each case, attributable to such segment. Adjusted EBITDA Margin with respect to the applicable segment means Adjusted EBITDA by Segment divided by total Segment revenues and revenues net of pass-through costs.

Revenues net of pass-through costs and Revenues net of pass-through costs by segment means revenues less pass-through costs that are paid by Advantage's clients, including media, product samples, retailer fees and other marketing and production costs.

Net Debt represents the sum of current portion of long-term debt and long-term debt, less cash and cash equivalents and debt issuance costs. With respect to Net Debt, cash and cash equivalents are subtracted from the GAAP measure, total debt, because they could be used to reduce the debt obligations. We present Net Debt because we believe this non-GAAP measure provides useful information to management and investors regarding certain financial and business trends relating to the Company's financial condition and to evaluate changes to the Company's capital structure and credit quality assessment.

Adjusted Unlevered Free Cash Flow represents net cash provided by (used in) operating activities from continuing and discontinued operations less purchase of property, equipment and software as disclosed in the Statements of Cash Flows further adjusted by (i) cash payments for interest, (ii) cash received from interest rate derivatives, (iii) cash paid for income taxes; (iv) cash paid for acquisition and divestiture related expenses, (v) cash paid for restructuring expenses, (vi) cash paid for reorganization expenses, (vii) cash paid for contingent earnout payments included in operating cash flow, (viii) cash paid for costs associated with COVID-19, net of benefits received, (ix) cash paid for costs associated with the Take 5 Matter, (x) net effect of foreign currency fluctuations on cash, and (xi) other adjustments that management believes are helpful in evaluating our operating performance. Adjusted Unlevered Free Cash Flow as a percentage of Adjusted EBITDA means Adjusted Unlevered Free Cash Flow divided by Adjusted EBITDA from Continuing Operations and Adjusted EBITDA from Discontinued Operations.

Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

2024: Progressing On Multi-Year Transformation

\$3.0B

Revenues⁽¹⁾
-11% YOY
+0.2% organic

\$356M

Adj. EBITDA⁽²⁾
+1.1% YOY

\$335M

Adj. Unlevered
FCF; ~90%
conversion⁽³⁾

4.0X

Net Leverage
Ratio⁽³⁾

- ▶ Simplified the business and divested non-core assets
- ▶ Re-segmented operations to better align with clients
- ▶ Centralized shared services and laid groundwork for launch of new ERP system
- ▶ Effectively managed through a challenging consumer environment and achieved growth while enhancing our capabilities to better support our customers' needs



Navigating a Challenging Consumer Environment

Softer Consumer Shopping Behaviors

- ▶ Consumers have become more value-seeking
- ▶ Club stores and mass merchandisers benefiting versus regional grocery and other channels where Advantage has significant exposure

CPG & Retailers Adapting

- ▶ Clients reacting with innovation, price promotions and disciplined vendor cost management
- ▶ Advantage impacted by scope changes, client insourcing decisions and peer competition

Advantage has a track record of successfully navigating various economic cycles and maintaining strong client retention via its high-quality, diverse service offerings and cost leadership

Enhancing Capabilities for Future Growth

Executing the transformation phase



Simplify

Simplify Advantage's portfolio, operations and financial reporting



Transform

Modernize tech, equip teammates to work smarter and build capabilities



Accelerate

Sustainable long-term growth

2024 Highlights By Segment

Branded Services

- ▶ Results impacted by challenging macro backdrop
- ▶ Right-sized the business in response to the evolving consumer environment
- ▶ Focused on achieving optimal cost with highest-quality client services

Experiential Services

- ▶ Strong growth with increased events per day and execution rate
- ▶ Improved labor utilization and operating efficiency
- ▶ Price discipline helped to mitigate high wage inflation

Retailer Services

- ▶ Solid performance from improved execution
- ▶ Better cost discipline
- ▶ Managed higher part-time wages to attract and retain talent

Implementing IT Transformation Initiatives

Prioritizing activities in 2025 given the market environment; expect to largely complete implementation in 2026

New IT Systems



Modernizing systems for increased speed, accuracy, and deeper insights

- ▶ Launched new ERP system (Phase I)
- ▶ Modernizing cybersecurity, Cloud migration and data lake for advanced analytics
- ▶ Beginning to deploy enhanced tools for frontline teammates

Modernizing Technology



Equipping teammates with the right tools to drive efficiency and capitalize on growth opportunities

- ▶ Image recognition
- ▶ Shelf-level intelligence
- ▶ Proprietary planogram technology
- ▶ Data-driven tools like Power BI to translate real-time insights into action faster and at scale

AI Initiatives



Enabling competitive differentiation and improve productivity

- ▶ Contract management, routing merchandisers, HR workflow, sales tools and data analysis
- ▶ Potential partnerships and vendor relationships to build AI platforms and applications on a larger scale

Workforce Optimization Expected to Unlock Value

Enhancing how Advantage assigns and deploys talent in 85,000+ retail stores



Enhance Teammate Experience

- ▶ Increase teammate retention and help build careers at Advantage
- ▶ Benefits can include additional efficiencies related to talent acquisition, training and development



Optimize Operating Structure

- ▶ Improve service efficiency through centralization
- ▶ Ensure Advantage remains a nimble and highly effective organization



Leverage Technology

- ▶ Optimize workforce management for greater speed and agility
- ▶ AI-assisted shared staffing pilot program underway

Branded Services

Serving as the strategic extension of CPG sales and marketing teams with services including selling to retailers, retail merchandising, omnichannel marketing and leading brand and retail execution for a large and diverse client base

2025: Increasing agility to help clients succeed in this challenging consumer environment

- Launching next generation selling model
- Enhancing real-time analytics to increase speed, precision and insights
- Strategic collaborations to augment client services



Experiential Services

Helping brands break through to consumers, build loyalty and drive sales with omnichannel sampling experiences in-store and online

2025: Transitioning to more normalized growth following rebuilding years post-COVID

- Growing traditional sampling activity with existing clients and win new banners
- Expanding premium brand activation services with a steady build-up in new business pipeline
- Increasing presence in digital sampling to meet consumers where they shop



Retailer Services

Providing end-to-end solutions for retailers, including resets, merchandising, aisle-shelf optimization, private brand strategy and retail media

2025: Focus on execution and scoping new markets

- Enhancing retail merchandising and private brand client services
- Expanding retail media services, including third-party collaborations like Swiftly's digital media
- Building service lines in market adjacencies



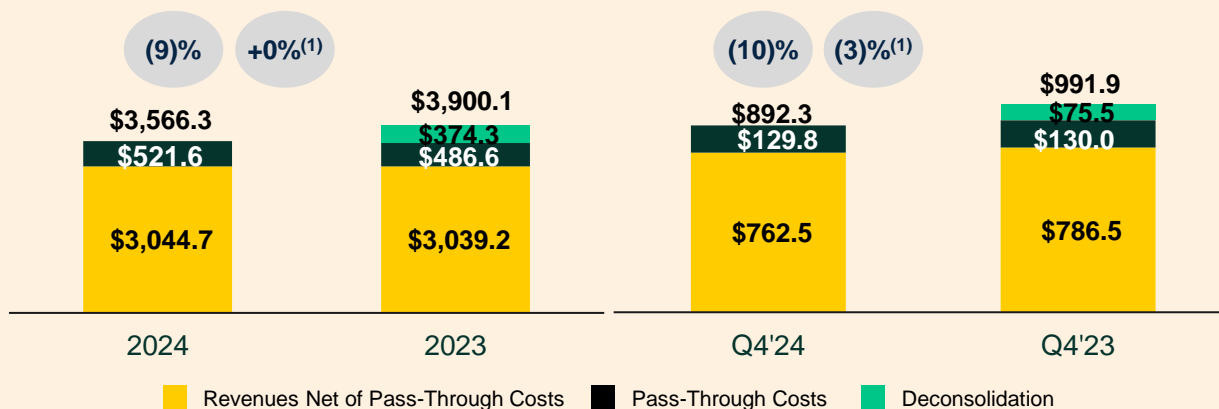
EBITDA Growth Through Transformation and Challenging Environment

TOTAL ADVANTAGE

Revenues

(Continuing Operations)

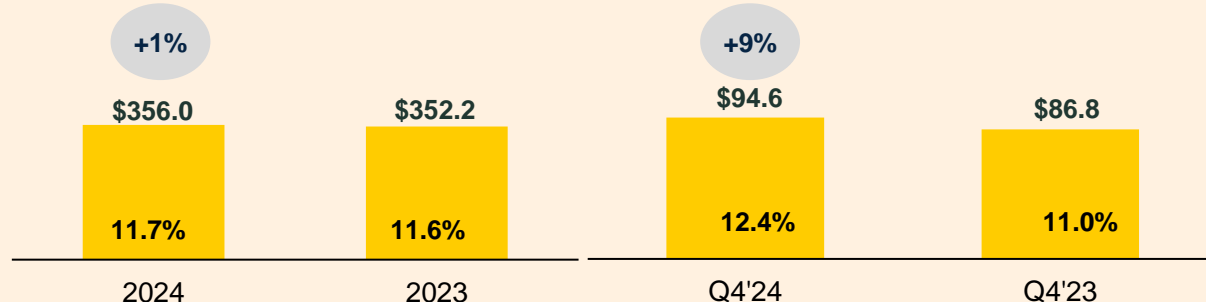
\$ in millions
Y/Y growth



Adjusted EBITDA

(Continuing Operations)

\$ in millions
Y/Y growth



Highlights

- ▶ Softness in revenues indicative of market headwinds across CPG and retail
- ▶ Adjusted EBITDA growth driven by continued cost discipline and operating efficiencies, partially offset by transformation-related investments
- ▶ Investing behind infrastructure to drive sustainable growth algorithm over medium- to long-term

(1) Excludes the impact of the deconsolidation of European JV in 4Q'23 and pass-through costs

(2) Adjusted EBITDA as a percent of revenues excluding pass-through costs and deconsolidation of European JV
Adjusted EBITDA (Earnings before Interest, Taxes, Depreciation, Amortization, and non-recurring items) is a non-GAAP financial measure
See the appendix for a reconciliation of non-GAAP financial measures to most directly comparable GAAP measures
Totals may not add due to rounding

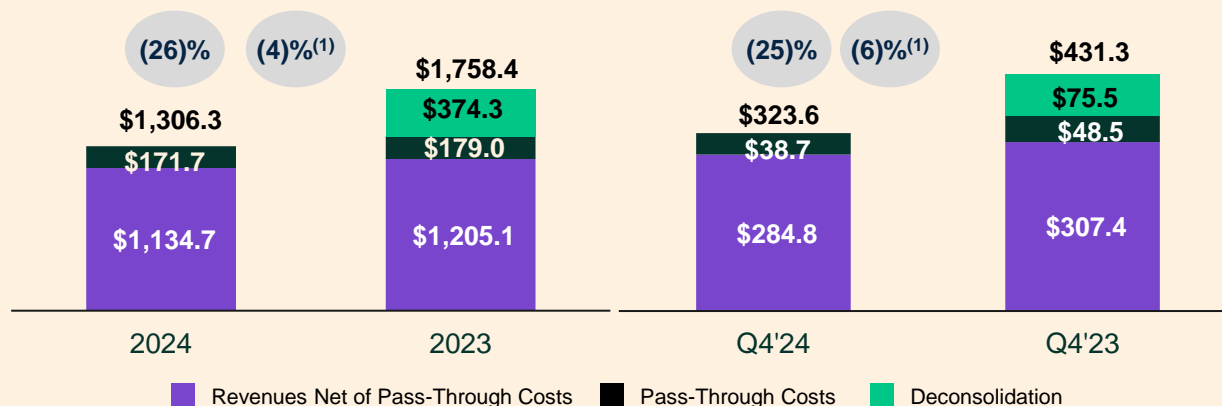
Navigating Cyclical CPG Challenges

BRANDED SERVICES

Revenues

(Continuing Operations)

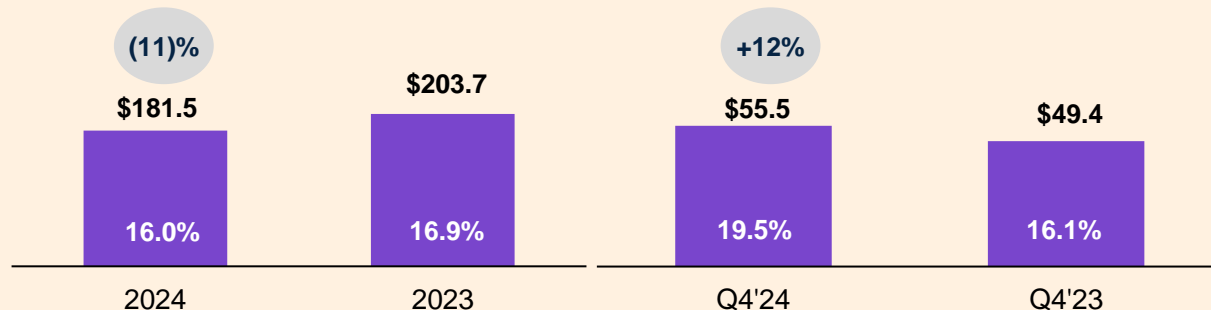
\$ in millions
Y/Y growth



Adjusted EBITDA

(Continuing Operations)

\$ in millions
Y/Y growth



Highlights

- ▶ Challenging market environment adversely impacted Branded Services' full-year performance
- ▶ Optimized organization while broadening capabilities through transformation initiatives
 - Realized significant benefits from right-sizing actions in Q4
 - Enhancing breadth and depth of services
 - Expanding new business pipeline

(1) Excludes the impact of the deconsolidation of European JV in 4Q'23 and pass-through costs

(2) Adjusted EBITDA as a percent of revenues excludes pass-through costs and deconsolidation of European JV
Adjusted EBITDA (Earnings before Interest, Taxes, Depreciation, Amortization, and non-recurring items) is a non-GAAP financial measure
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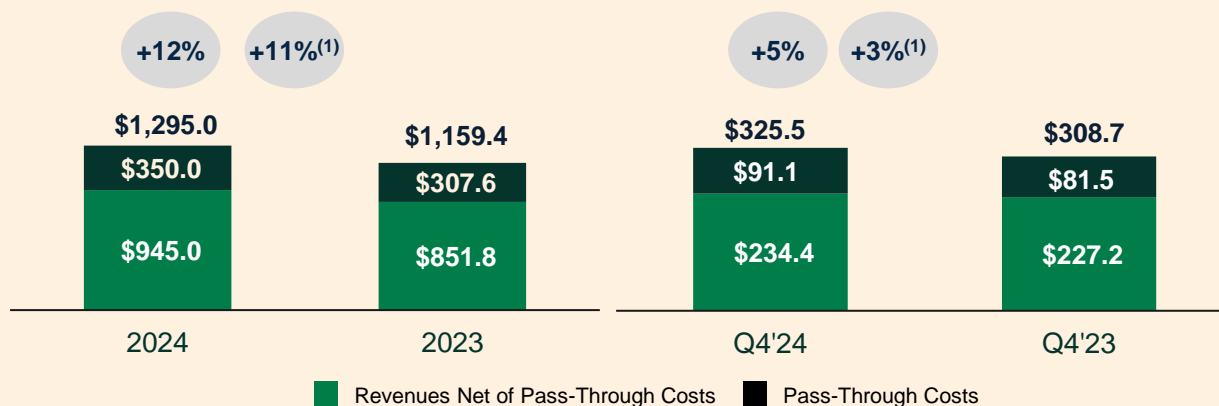
Strong Client Demand and Improved Execution

EXPERIENTIAL SERVICES

Revenues

(Continuing Operations)

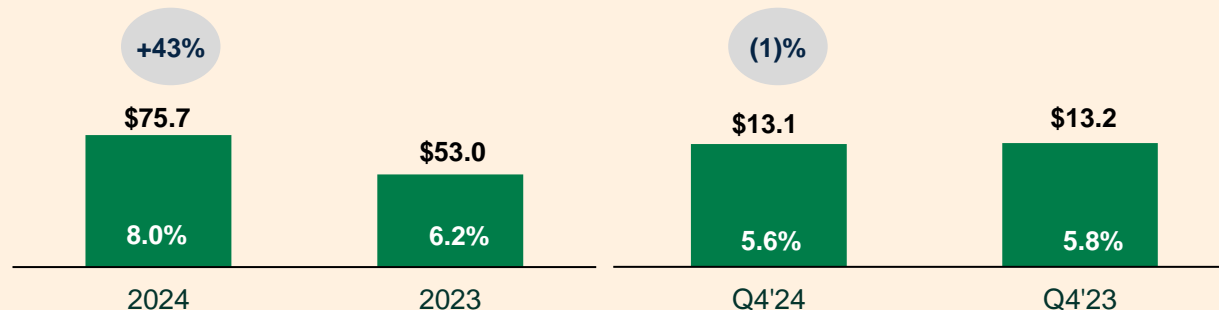
\$ in millions
Y/Y growth



Adjusted EBITDA

(Continuing Operations)

\$ in millions
Y/Y growth



(1) Excludes pass-through costs in revenues

(2) Adjusted EBITDA as a percent of revenues excludes pass-through costs

Adjusted EBITDA (Earnings before Interest, Taxes, Depreciation, and non-recurring items) is a non-GAAP financial measure. See the appendix for a reconciliation of non-GAAP financial measures to most directly comparable GAAP measures.

Totals may not add due to rounding

Highlights

- ▶ Strong client demand drove 2024 revenue and Adjusted EBITDA growth
 - Average events per day grew ~10% YOY
 - Execution rate > 90%
- ▶ Q4 performance impacted by a client loss and one-time expenses
- ▶ Fixed cost leverage drove gains in operating efficiency

Improved Execution Drove Solid Performance

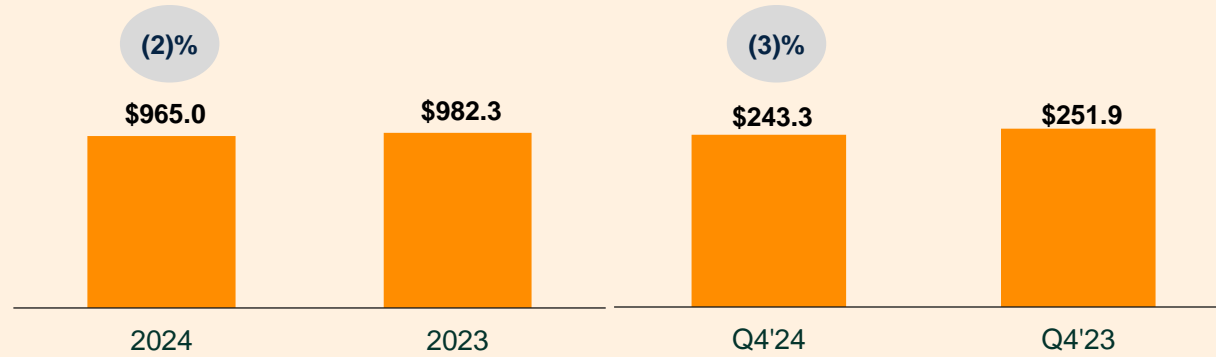
RETAILER SERVICES

Revenues

(Continuing Operations)

\$ in millions

Y/Y growth

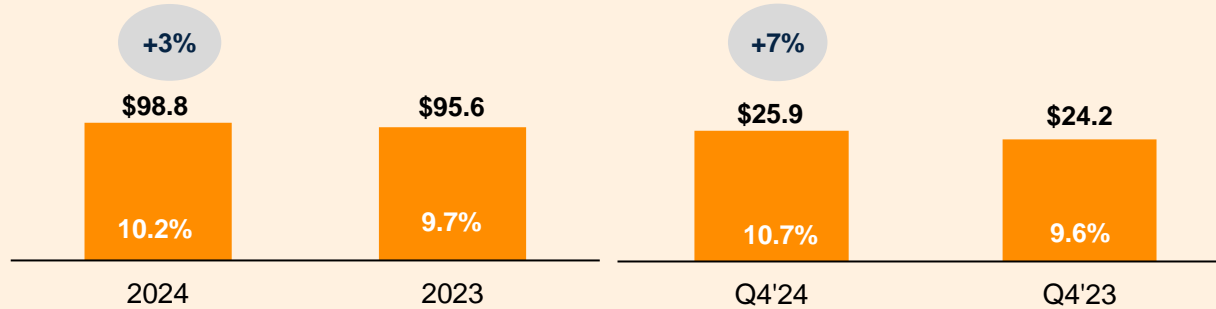


Adjusted EBITDA

(Continuing Operations)

\$ in millions

Y/Y growth



Highlights

- ▶ Solid Adjusted EBITDA performance in 2024 due to efficient talent deployment and cost management efforts
- ▶ Q4 revenues negatively impacted primarily by headwinds in regional grocery

Balance Sheet and Cash Summary

As of 12/31/2024

Net Debt Overview

\$ in millions	Maturity	Rate	Outstanding
First Lien Term Loan	2027	S+4.25% ⁽²⁾	\$1,106
Senior Secured Notes	2028	6.50%	615
Total Gross Debt			\$1,721
Less: Cash and Cash Equivalents			(205)
Total Net Debt⁽¹⁾			\$1,516

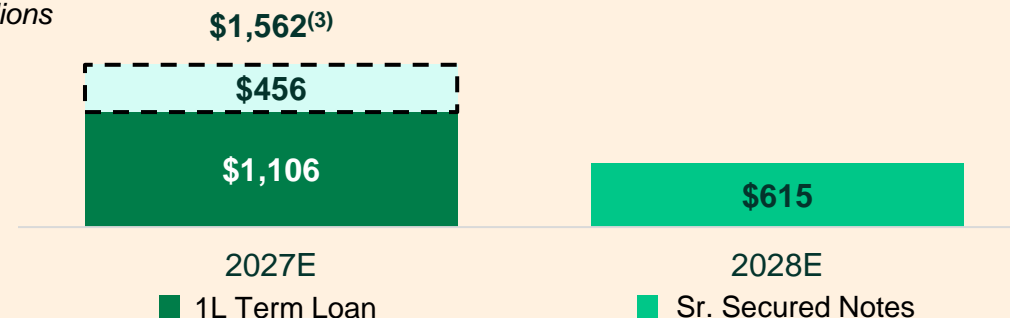
4.0x Net Debt / LTM Adj. EBITDA; ~76% hedged / fixed
(inclusive of discontinued operations)

Capex & Adj. Unlevered FCF

- ▶ Capex from continuing operations was \$55M in 2024
- ▶ Generated \$335M in Adj. Unlevered FCF in 2024, ~90% of Adjusted EBITDA including discontinued operations
 - Net working capital improvement with DSO reduction
 - Lower-than-planned capex with carryover spend into 2025

Maturity Schedule

\$ in millions



~\$456M of gross availability under Revolving Credit Facility
(no meaningful maturities until Q4 2027)

Capital Allocation Detail

- ▶ 2024 voluntary debt repurchases, at attractive discounts, were ~\$158M (face value)
- ▶ ~9M shares repurchased in 2024
- ▶ No voluntary debt or share repurchases in 4Q'24

(1) Net debt is a non-GAAP financial measure and includes Other Debt of ~\$0.2M. For a reconciliation of net debt to total debt, the most directly comparable GAAP counterpart, please see the appendix attached hereto

(2) First Lien Term Loan rate subject to 0.75% SOFR floor plus 0.26% SOFR spread. In April 2024, the Company's Term Loan Facility was amended to reduce the applicable interest rate margin on the term loan by 0.25% (a) from 4.50% to 4.25% for SOFR loans or (b) from 3.50% to 3.25% for base rate loans

(3) First Lien Term Loan that amortizes at 1% per annum, paid quarterly. Illustratively showing full \$1,106M obligation in 2027E maturity as of 12/31/24. \$456M of the borrowing capacity of Revolving Credit Facility includes \$44M letter of credit

Initiating 2025 Guidance

\$ in millions, unless otherwise noted

	2025 Guidance
Revenues	Up low single digits
Adjusted EBITDA	Up low single digits
Adjusted UFCF Conversion	>50% of Adj. EBITDA
Net Interest Expense	\$140 - \$150
Capex	\$65 - \$75

Long-term Net Leverage Target: < 3.5x

2024-2026 IT Transformation Capex: \$140M to \$150M

2025 Commentary

- ▶ Expect headwinds in 1Q'25 from poor January weather patterns and retail inventory shifts; ongoing market challenges driven by softer consumer spending and CPG growth, and tariff uncertainty
- ▶ Cash flow impacted by additional payroll period impact and timing of new business pipeline, partially offset by lower restructuring costs
- ▶ Expect modestly higher net interest expense and capex in 2025 relative to 2024
- ▶ Net leverage ratio is expected to be slightly higher than in 2024

Laid Groundwork for Execution Focus in 2025

2024

Ongoing Focus Areas

Made Significant Progress

- ✓ Simplified organization
- ✓ Re-segmented Businesses
- ✓ Right-sized Branded Services
- ✓ Centralized shared services
- ✓ Designed and built new ERP system

Relentless Execution

- ▶ Increasing operating efficiency
- ▶ Growing our capabilities
- ▶ Raising the bar for effective client services

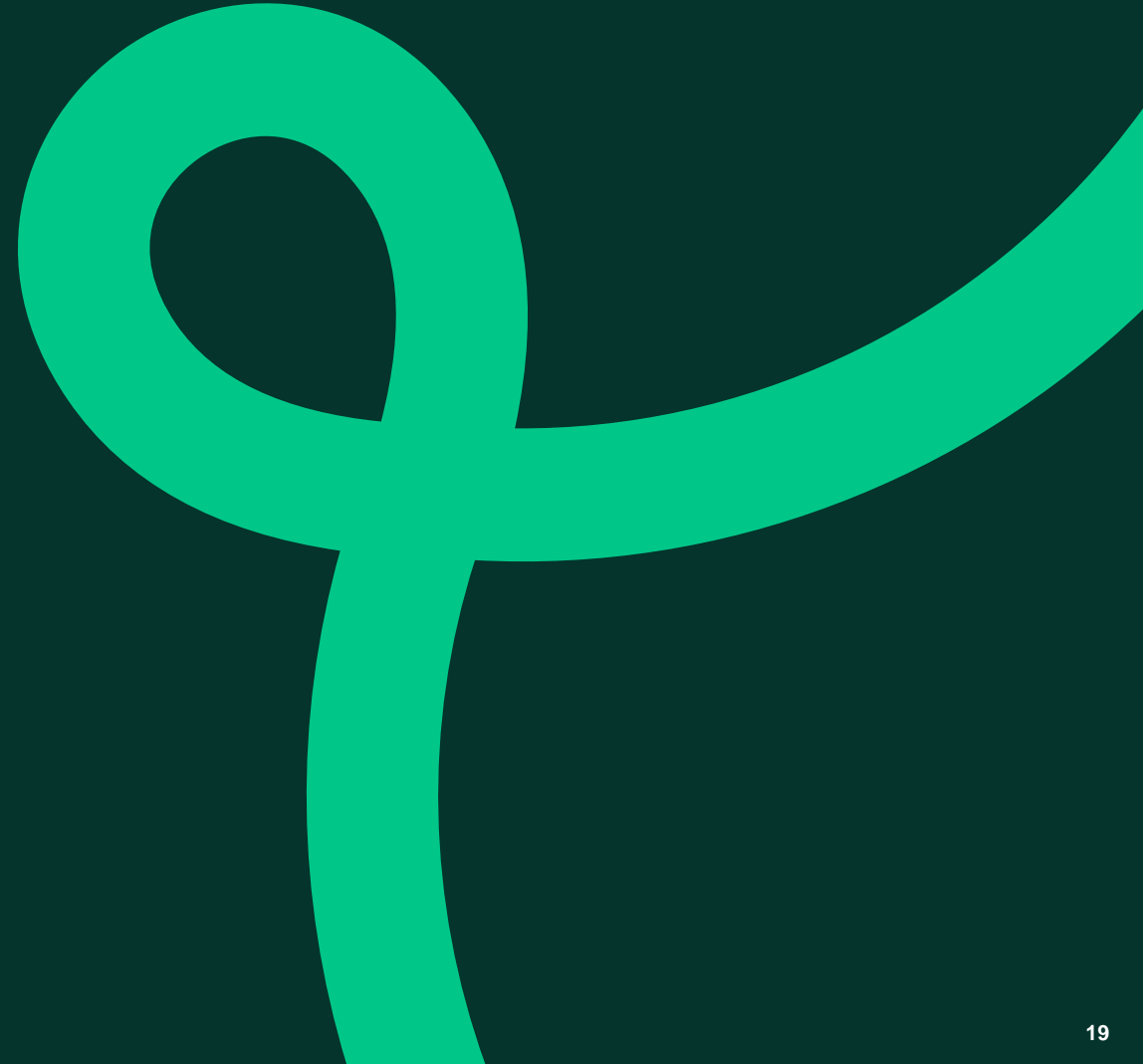
Strengthen Financial Rigor

- ▶ Increasing cost discipline
- ▶ Maximizing future cash generation
- ▶ Maintaining a strong balance sheet

Support Clients' Needs

- ▶ Track record of success in various economic cycles
- ▶ Leveraging scale, talent and extensive experience to best service clients

Appendix



Strengthening Position as a Provider of Choice

Building on Proven Strengths

- Unparalleled Insights and Expertise
- Unmatched Execution
- Lasting Relationships



Enhancing Commercial Capabilities

- High-Tech
Advanced, real-time insights and on-demand solutions enhancing speed and precision
- High-Touch
Interconnected operations model delivering dedicated expertise and exceptional service
- High-Value
Top talent delivering customized solutions for clients



Generating Stronger Results, Returns and Value

- Expertise in generating consumer demand and client ROI
- Broad services to convert shoppers into buyers
- Accelerate ability to deliver long-term profitable growth

On Track to Deliver Technology Enhancements

IT Transformation Capex (2024-2026): \$140M to \$150M

Modernize financial systems

Upgrade talent management system

Unify front-line staffing and scheduling

Consolidate retail services, product demonstration platforms

Unlock value of data and analytics

Innovate through AI/automation

Move to the cloud

Upgrade cybersecurity

Centralize billing

Build a data and analytics platform

Create new capabilities

Non-GAAP Reconciliation (1/8)

Net Income to Adjusted EBITDA from Continuing Operations and Discontinued Operations

Continuing Operations (in thousands)	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
Net loss from continuing operations	\$ (177,935)	\$ (2,663)	\$ (378,404)	\$ (81,211)
Add:				
Interest expense, net	32,308	45,851	146,792	165,734
Benefit from income taxes from continuing operations	(24,745)	(21,653)	(62,787)	(37,648)
Depreciation and amortization	51,622	51,420	204,553	208,856
Impairment of goodwill and indefinite-lived asset	175,500	43,500	275,170	43,500
Gain on deconsolidation of subsidiaries	—	(58,891)	—	(58,891)
Changes in fair value of warrant liability	(225)	(873)	(584)	(286)
Stock-based compensation expense ^(a)	6,794	9,533	31,019	38,933
Equity-based compensation of Karman Topco L.P. ^(b)	1,381	754	723	(2,524)
Fair value adjustments related to contingent consideration related to acquisitions ^(c)	—	665	1,678	11,152
Acquisition and divestiture related expenses ^(d)	39	142	(1,168)	3,206
Restructuring expenses ^(e)	5,933	—	30,051	—
Reorganization expenses ^(f)	14,820	17,829	88,800	56,133
Litigation (recovery) expenses ^(g)	482	855	(1,940)	9,519
Costs associated with COVID-19, net of benefits received ^(h)	—	(2)	—	3,283
Costs associated with the Take 5 Matter, net of (recoveries) ⁽ⁱ⁾	764	63	1,845	(1,380)
EBITDA for economic interests in investments ^(j)	7,817	295	20,266	(6,128)
Adjusted EBITDA from Continuing Operations	\$ 94,555	\$ 86,825	\$ 356,014	\$ 352,248

Discontinued Operations (in thousands)	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
Net income from discontinued operations, net of tax	\$ (108)	\$ 20,879	\$ 53,634	\$ 20,829
Add:				
Interest expense, net	—	—	48	68
Provision for income taxes from discontinued operations	(53)	4,652	41,318	8,639
Depreciation and amortization	—	2,970	4,695	15,841
(Gain) loss on divestitures ^(k)	160	(1,140)	(95,099)	19,068
Stock-based compensation expense ^(a)	—	837	(2,808)	3,947
Fair value adjustments related to contingent consideration related to acquisitions ^(c)	—	(1,894)	1,883	(790)
Acquisition and divestiture related expenses ^(d)	—	2,361	5,537	3,818
Reorganization expenses ^(f)	—	(209)	9,535	888
EBITDA for economic interests in investments ^(j)	1	(364)	(384)	(274)
Adjusted EBITDA from Discontinued Operations	\$ —	\$ 28,092	\$ 18,359	\$ 72,034

(in thousands)	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
Total revenues net of pass-through costs and deconsolidation of ASL	\$ 762,451	\$ 861,945	\$ 3,044,679	\$ 2,875,811
Adjusted EBITDA from Continuing Operations	\$ 94,555	\$ 86,825	\$ 356,014	\$ 352,248
Adjusted EBITDA to revenues net of pass-through costs and deconsolidation of European JV	12.4%	10.1%	11.7%	12.2%

Non-GAAP Reconciliation (2/8)

Branded Services Operating (Loss) Income to Adjusted EBITDA by Segment

Branded Services segment (in thousands)	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
Operating (loss) income	\$ (176,973)	\$ 15,586	\$ (318,573)	\$ 27,193
Add:				
Depreciation and amortization	32,811	34,382	130,212	140,932
Impairment of goodwill and indefinite-lived asset	175,500	43,500	275,170	43,500
Gain on deconsolidation of subsidiaries	—	(58,891)	—	(58,891)
Stock-based compensation expense ^(a)	3,839	4,342	12,391	15,651
Equity-based compensation of Karman Topco L.P. ^(b)	1,521	522	2,445	(687)
Fair value adjustments related to contingent consideration related to acquisitions ^(c)	—	665	1,678	11,136
Acquisition and divestiture related expenses ^(d)	15	293	168	1,777
Restructuring expenses ^(e)	3,951	—	19,343	—
Reorganization expenses ^(f)	6,047	8,459	35,910	28,739
Litigation expenses ^(g)	178	187	610	2,181
Costs associated with COVID-19, net of benefits received ^(h)	—	3	—	(323)
Costs associated with the Take 5 Matter, net of (recoveries) ⁽ⁱ⁾	764	63	1,845	(1,380)
EBITDA for economic interests in investments ^(j)	7,817	274	20,266	(6,145)
Branded Services segment Adjusted EBITDA	\$ 55,470	\$ 49,385	\$ 181,465	\$ 203,683

(in thousands)	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
Total revenues net of pass-through costs	\$ 284,840	\$ 382,785	\$ 1,134,685	\$ 1,579,389
Branded Services segment Adjusted EBITDA	\$ 55,470	\$ 49,385	\$ 181,465	\$ 203,683
Adjusted EBITDA to revenues net of pass-through costs and deconsolidation of European JV	19.5%	12.9%	16.0%	12.9%

Non-GAAP Reconciliation (3/8)

Experiential Services Operating (Loss) Income to Adjusted EBITDA by Segment

Experiential Services segment (in thousands)	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
Operating income (loss)	\$ (3,103)	\$ 845	\$ 255	\$ 3,295
Add:				
Depreciation and amortization	10,504	9,298	41,728	36,584
Impairment of goodwill and indefinite-lived asset	—	—	—	—
Stock-based compensation expense ^(a)	292	(1,560)	7,761	(3,420)
Equity-based compensation of Karman Topco L.P. ^(b)	(42)	129	(825)	(805)
Fair value adjustments related to contingent consideration related to acquisitions ^(c)	—	—	—	7
Acquisition and divestiture related expenses ^(d)	10	71	47	512
Restructuring expenses ^(e)	938	—	4,368	—
Reorganization expenses ^(f)	4,363	3,869	21,757	12,099
Litigation expenses (recoveries) ^(g)	172	566	606	1,842
Costs associated with COVID-19, net of benefits received ^(h)	—	(7)	—	2,889
Experiential Services segment Adjusted EBITDA	\$ 13,134	\$ 13,211	\$ 75,697	\$ 53,003

(in thousands)	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
Total revenues net of pass-through costs	\$ 234,350	\$ 227,221	\$ 945,035	\$ 851,838
Experiential Services segment Adjusted EBITDA	\$ 13,134	\$ 13,211	\$ 75,697	\$ 53,003
Adjusted EBITDA to revenues net of pass-through costs	5.6%	5.8%	8.0%	6.2%

Non-GAAP Reconciliation (4/8)

Retailer Services Operating Income to Adjusted EBITDA by Segment

Retailer Services segment (in thousands)	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
Operating (loss) income	\$ 9,479	\$ 4,231	\$ 23,335	\$ 16,101
Add:				
Depreciation and amortization	8,307	7,740	32,613	31,340
Stock-based compensation expense ^(a)	2,663	6,751	10,867	26,702
Equity-based compensation of Karman Topco L.P. ^(b)	(98)	103	(897)	(1,032)
Fair value adjustments related to contingent consideration related to acquisitions ^(c)	—	—	—	9
Acquisition and divestiture related expenses ^(d)	14	(222)	(1,383)	917
Restructuring expenses ^(e)	1,044	—	6,340	—
Reorganization expenses ^(f)	4,410	5,501	31,133	15,295
Litigation (recovery) expenses ^(g)	132	102	(3,156)	5,496
Costs associated with COVID-19, net of benefits received ^(h)	—	2	—	717
EBITDA for economic interests in investments ⁽ⁱ⁾	—	21	—	17
Retailer Services segment Adjusted EBITDA	\$ 25,951	\$ 24,229	\$ 98,852	\$ 95,562

(in thousands)	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
Total revenues net of pass-through costs	\$ 243,261	\$ 251,939	\$ 964,959	\$ 982,259
Retailer Services segment Adjusted EBITDA	\$ 25,951	\$ 24,229	\$ 98,852	\$ 95,562
Adjusted EBITDA to revenues net of pass-through costs	10.7%	9.6%	10.2%	9.7%

Non-GAAP Reconciliation (5/8)

Revenues to Revenues Net of Pass-Through Costs

(in thousands)	Three Months Ended December 31,		Year Ended December 31,	
	2024	2023	2024	2023
Revenues				
Branded services	\$ 323,584	\$ 431,282	\$ 1,306,336	\$ 1,758,417
Experiential services	325,439	308,727	1,295,029	1,159,449
Retail services	243,262	251,939	964,959	982,259
Total revenues	<u>\$ 892,285</u>	<u>\$ 991,948</u>	<u>\$ 3,566,324</u>	<u>\$ 3,900,125</u>
Less: Pass-through costs ⁽¹⁾				
Branded services	\$ 38,744	\$ 48,497	\$ 171,651	\$ 179,029
Experiential services	91,089	81,506	349,994	307,611
Retail services	—	—	—	—
Total revenues	<u>\$ 129,833</u>	<u>\$ 130,003</u>	<u>\$ 521,645</u>	<u>\$ 486,640</u>
Revenues net of pass-through costs				
Branded services	\$ 284,840	\$ 382,785	\$ 1,134,685	\$ 1,579,389
Experiential services	234,350	227,221	945,035	851,839
Retail services	243,262	251,939	964,959	982,258
Total revenues net of pass-through costs	<u>\$ 762,452</u>	<u>\$ 861,945</u>	<u>\$ 3,044,679</u>	<u>\$ 3,413,486</u>
Less: European joint venture revenues ⁽²⁾				
Branded services	\$ —	\$ 75,549	\$ —	\$ 374,366
Experiential services	—	—	—	—
Retail services	—	—	—	—
Total revenues net of pass-through costs	<u>\$ —</u>	<u>\$ 75,549</u>	<u>\$ —</u>	<u>\$ 374,366</u>
Revenues net of pass-through costs and deconsolidation of European JV				
Branded services	\$ 284,840	\$ 307,236	\$ 1,134,685	\$ 1,205,023
Experiential services	234,350	227,221	945,035	851,839
Retail services	243,262	251,939	964,959	982,258
Total revenues net of pass-through costs and deconsolidation of European JV	<u>\$ 762,452</u>	<u>\$ 786,396</u>	<u>\$ 3,044,679</u>	<u>\$ 3,039,120</u>

Non-GAAP Reconciliation (6/8)

Adjusted EBITDA and Adjusted Unlevered Free Cash Flow

(in thousands)	Year Ended December 31, 2024
Net Loss	\$ (324,770)
Add:	
Interest expense, net	146,840
(Benefit from) provision for income taxes	(21,469)
Depreciation and amortization	209,248
Impairment of goodwill and indefinite-lived asset	275,170
(Gain) loss on divestitures ^(k)	(95,099)
Change in fair value of warrant liability	(584)
Stock-based compensation expense ^(a)	28,211
Equity-based compensation of Karman Topco L.P. ^(b)	723
Fair value adjustments related to contingent consideration related to acquisitions ^(c)	3,561
Acquisitions and divestiture related expenses ^(d)	4,369
Restructuring expenses ^(e)	30,051
Reorganization expenses ^(e)	98,335
Litigation expenses (recovery) ^(g)	(1,940)
Costs associated with (recovery from) the Take 5 Matter ⁽ⁱ⁾	1,845
EBITDA for economic interests in investments ⁽ⁱ⁾	19,882
Total Adjusted EBITDA from Continuing and Discontinued Operations ^(a)	<u>\$ 374,373</u>

(amounts in thousands)	Year Ended December 31, 2024
Net cash provided by operating activities from continuing and discontinued operations	\$ 99,532
Less:	
Purchase of property and equipment	(10,358)
Purchase of capitalized software	(47,501)
Cash received from interest rate derivatives	(30,824)
Add:	
Cash payments for interest	163,202
Cash payments for income taxes	31,269
Cash paid for acquisition and divestiture related expenses ^(l)	6,324
Cash paid for restructuring expenses ^(m)	15,983
Cash paid for reorganization expenses ⁽ⁿ⁾	97,969
Cash paid for contingent consideration included in operating activities ^(o)	12,135
Cash paid (received) for costs associated with (recovery from) the Take 5 Matter ^(p)	1,845
Net effect of foreign currency fluctuations on cash	(4,987)
Adjusted Unlevered Free Cash Flow	<u>\$ 334,589</u>
Numerator - Adjusted Unlevered Free Cash Flow	\$ 334,589
Denominator - Adjusted EBITDA from Continuing and Discontinued Operations ^(a)	\$ 374,373
Adjusted Unlevered Free Cash Flow as a percentage of Adjusted EBITDA	<u>89.4%</u>

Non-GAAP Reconciliation (7/8)

Net Debt

(in thousands)	Year Ended December 31, 2024	
Current portion of long-term debt	\$	13,250
Long-term debt, net of current portion		1,686,690
Less: Debt issuance costs		21,142
Total Debt		1,721,082
Less: Cash and cash equivalents		(205,233)
Total Net Debt	\$	1,515,849
Adjusted EBITDA from Continuing and Discontinued Operations	\$	374,373
Net Debt / Adjusted EBITDA ratio		4.0x

Non-GAAP Reconciliation (8/8)

Footnotes

- (a) Represents non-cash compensation expense related to performance stock units, restricted stock units, and stock options under the 2020 Advantage Solutions Incentive Award Plan and the Advantage Solutions 2020 Employee Stock Purchase Plan.
- (b) Represents expenses related to (i) equity-based compensation expense associated with grants of Common Series D Units of Karman Topco L.P. made to one of the sponsors of Advantage and (ii) equity-based compensation expense associated with the Common Series C Units of Karman Topco L.P.
- (c) Represents adjustments to the estimated fair value of our contingent consideration liabilities related to our acquisitions, for the applicable periods.
- (d) Represents fees and costs associated with activities related to our acquisitions, divestitures, and related reorganization activities, including professional fees, due diligence, and integration activities.
- (e) Restructuring charges including programs designed to integrate and reduce costs intended to further improve efficiencies in operational activities and align cost structures consistent with revenue levels associated with business changes. Restructuring expenses include costs associated with the Voluntary Early Retirement Program ("VERP") and special termination benefits associated with a reduction-in-force ("2024 RIF") and other optimization initiatives.
- (f) Represents fees and costs associated with various internal reorganization activities, including professional fees, lease exit costs, severance, and nonrecurring compensation costs.
- (g) Represents legal settlements, reserves, and expenses that are unusual or infrequent costs associated with our operating activities.
- (h) Represents (i) costs related to implementation of strategies for workplace safety in response to COVID-19, including employee-relief fund, additional sick pay for front-line associates, medical benefit payments for furloughed associates, and personal protective equipment; and (ii) benefits received from government grants for COVID-19 relief.
- (i) Represents cash receipts from an insurance policy for claims related to the Take 5 Matter and costs associated with investigation and remediation activities related to the Take 5 Matter, primarily professional fees and other related costs.
- (j) Represents additions to reflect our proportional share of Adjusted EBITDA related to our equity method investments and reductions to remove the Adjusted EBITDA related to the minority ownership percentage of the entities that we fully consolidate in our financial statements.
- (k) Represents gains and losses on disposal of assets related to divestitures and losses on sale of businesses and assets held for sale, less cost to sell.
- (l) Represents cash paid included in operating cash flow for our contingent consideration liabilities related to our acquisitions.
- (m) Restructuring charges including programs designed to integrate and reduce costs intended to further improve efficiencies in operational activities and align cost structures consistent with revenue levels associated with business changes. Restructuring expenses include costs associated with the VERP and special termination benefits associated with the 2024 RIF and other optimization initiatives.
- (n) Represents fees and costs associated with various internal reorganization activities, including professional fees, lease exit costs, severance, and nonrecurring compensation costs.
- (o) Represents cash paid included in operating cash flow for our contingent consideration liabilities related to our acquisitions.
- (p) Represents cash paid for costs associated with the Take 5 Matter, primarily, professional fees and other related costs.
- (q) Represents unaudited periods January 1, 2024 to December 31, 2024 to sum up to the last twelve months of financials inclusive of discontinued operations (summations are unaudited).
- (r) Pass-through costs are costs that are paid by our clients, including media, sample, retailer fees and other marketing and production costs.
- (s) Represents the deconsolidation of the European JV in Branded Services