

# Q1 2025 Earnings Presentation

May 12, 2025



# Disclaimers

## Forward Looking Statements

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## Non-GAAP Financial Measures

This presentation includes certain non-GAAP financial measures that are not prepared in accordance with accounting principles generally accepted in the United States ("GAAP") and that may be different from non-GAAP financial measures used by other companies. CompoSecure believes EBITDA, Adjusted EBITDA, Pro Forma Adjusted EBITDA, Adjusted Net Income, Adjusted EPS, Consolidated Net Sales, Consolidated Gross Profit, Consolidated Gross Margin, Consolidated Total Cash, Consolidated Net Debt and related measures are useful to investors in evaluating CompoSecure's financial performance. Specifically, we believe EBITDA, Adjusted EBITDA, and Pro Forma Adjusted EBITDA provide valuable insight into operational efficiency independent of capital structure and tax environment; Adjusted Net Income and Adjusted EPS offer investors a clearer view of ongoing profitability by excluding non-recurring and non-operational items and Consolidated Net Sales, Consolidated Gross Profit, Consolidated Gross Margin, Consolidated Total Cash, Consolidated Net Debt and related measures provide greater comparability with CompoSecure's historical results, following the change in accounting presentation required as a result of the spin-off of Resolute Holdings Management, Inc (the "Spin-Off"). Due to the Spin-Off of and the resulting shift to equity method accounting under GAAP beginning February 28, 2025, CompoSecure is presenting a broader set of non-GAAP measures, including an Adjusted Statement of Operations (Unaudited), an Adjusted Balance Sheet (Unaudited), Adjusted Consolidated Net Sales, and Adjusted Consolidated Gross Profit, each on a consolidated basis, to provide investors with financial information that we believe allows for greater comparability with our historical financial reporting and better represents the underlying performance of the business across reporting periods. CompoSecure uses these non-GAAP measures internally to establish forecasts, budgets and operational goals to manage and monitor its business, as well as evaluate its underlying historical performance and/or measure incentive compensation. We believe that these non-GAAP financial measures depict the true performance of the business by encompassing only relevant and controllable events, enabling CompoSecure to evaluate and plan more effectively for the future. Due to the forward-looking nature of the financial guidance included herein, the amounts included or excluded from the non-GAAP financial measures, including with respect to depreciation, amortization, interest, and taxes that would be required to reconcile the non-GAAP financial measures to GAAP measures are inherently uncertain or difficult to predict, so it is not feasible to provide accurate forecasted non-GAAP reconciliations without unreasonable effort. Consequently, no disclosure of estimated comparable GAAP measures is included, and no reconciliation of the forward-looking non-GAAP financial measures is included. Additionally, CompoSecure's debt agreements contain covenants based on variations of these measures for purposes of determining debt covenant compliance. CompoSecure believes that investors should have access to the same set of tools that its management uses in analyzing operating results. These non-GAAP measures should not be considered as measures of financial performance under U.S. GAAP, and the items included or excluded are significant components in understanding and assessing CompoSecure's financial performance. Accordingly, these key business metrics have limitations as an analytical tool. They should not be considered as an alternative to net income or any other performance measures derived in accordance with U.S. GAAP or as an alternative to cash flows from operating activities as a measure of CompoSecure's liquidity. These non-GAAP measures may be different from similarly titled non-GAAP measures used by other companies. Please refer to the tables below for the reconciliation of GAAP measures to these non-GAAP measures.

## Industry and Market Information

Statements in this presentation concerning our industry and the markets in which we operate, including our general expectations and competitive position, business opportunity and market size, growth and share, are based on information from independent industry organizations and other third-party sources, data from our internal research and management estimates. Management estimates are derived from publicly available information and the information and data referred to above and are based on assumptions and calculations made by us based upon our interpretation of such information and data. The information and data referred to above are imprecise and may prove to be inaccurate because the information cannot always be verified with complete certainty due to the limitations on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties. As a result, please be aware that the data and statistical information in this presentation may differ from information provided by our competitors or from information found in current or future studies conducted by market research institutes, consultancy firms or independent sources.



# Executive Summary

Spun-off Resolute Holdings Management, Inc. (Nasdaq: RHLD) and entered into Management Agreement on February 28<sup>th</sup>, driving requirement to report equity method<sup>1</sup> financial results going forward

Consolidated Net Sales<sup>2</sup> of the business were flat vs. Q1 2024 on a non-GAAP basis, in-line with expectations

Pro Forma Adjusted EBITDA<sup>2</sup> of the business decreased slightly on a non-GAAP basis, in-line with expectations, due to higher G&A expenses reflecting strategic investments in organic growth and implementation of the CompoSecure Operating System to drive operational efficiencies

New and expanding high-profile customer card programs include Citibank, Robinhood, Karta, Koho, WealthSimple, and Scotia Bank

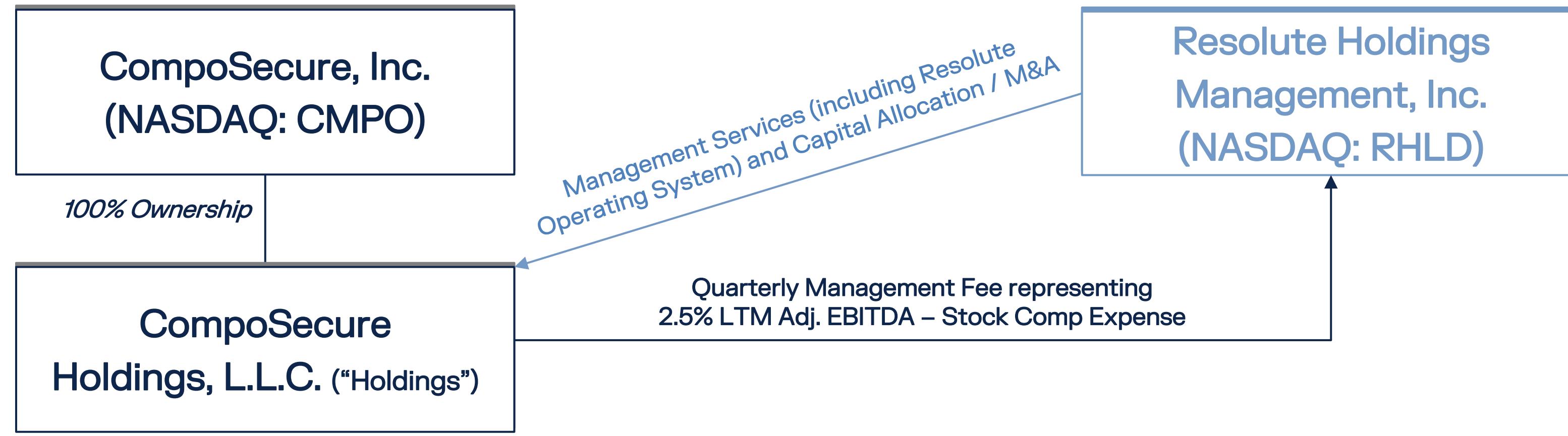
Delivered record results for Arculus, generating net positive contribution in Q1, with new vertical industry successes including MetaMask, MoneyGram, and Circular

For FY 2025, CompoSecure reiterates mid-single digit growth in both Consolidated Net Sales and Pro Forma Adjusted EBITDA, with sales momentum building through the year and inclusive of the new Resolute Holdings management fee in 2025 and 2024 (on a pro forma basis)

<sup>1</sup> New Equity Method Accounting, see explanation on page 12-13.

<sup>2</sup> For reconciliation of non-GAAP measures to the most directly comparable measure prepared in accordance with GAAP, please see the Appendix.

# Relationship Between RHLD & CMPO and Non-GAAP Financial Summary



## Non-GAAP Financials

Traditional Operating Results

Minus: Management Fee Paid to RHLD

Equals: Operating Earnings of CMPO

## Non-GAAP Financials

Management Fee from CompoSecure

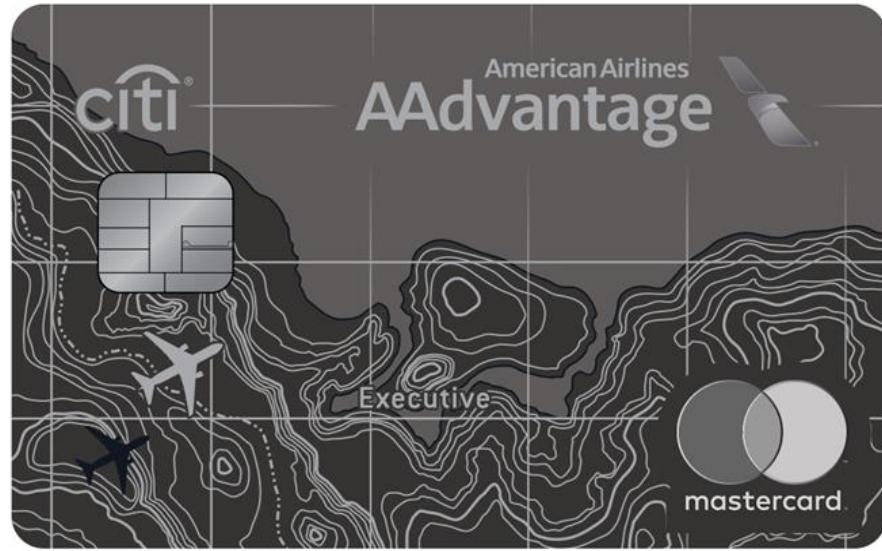
Minus: Salaries and Operating Expenses

Equals: Fee Related Earnings

CMPO is an operating business and RHLD is an asset management firm; Non-GAAP Financials show these economics



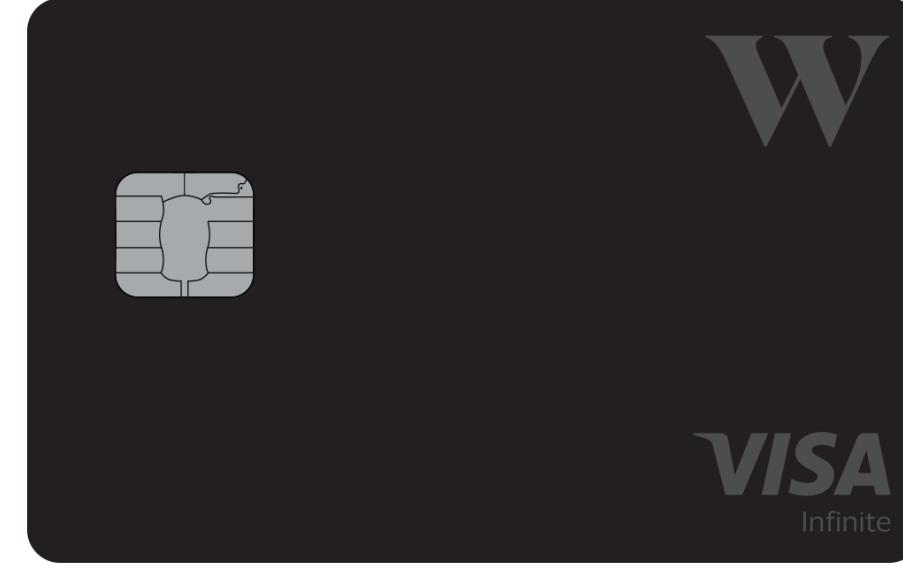
# High Profile Customer Programs



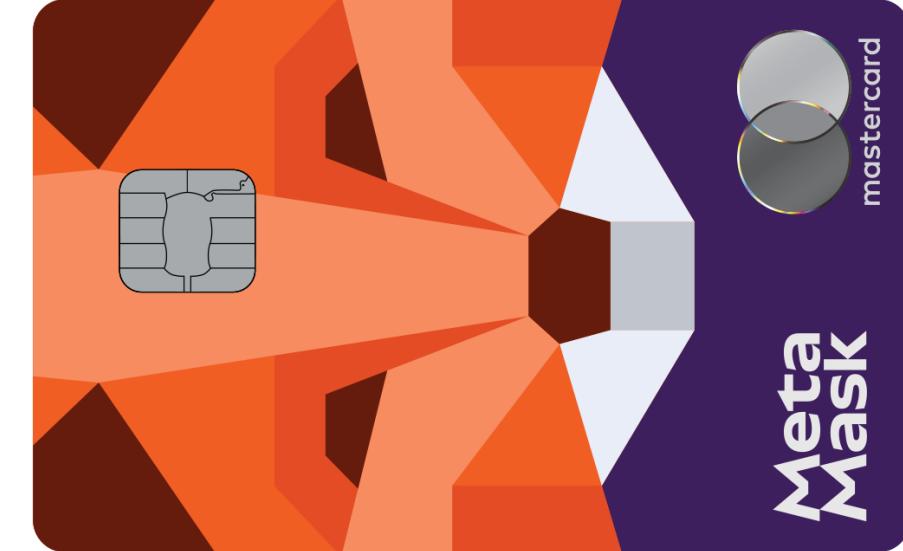
Citibank / American Airlines



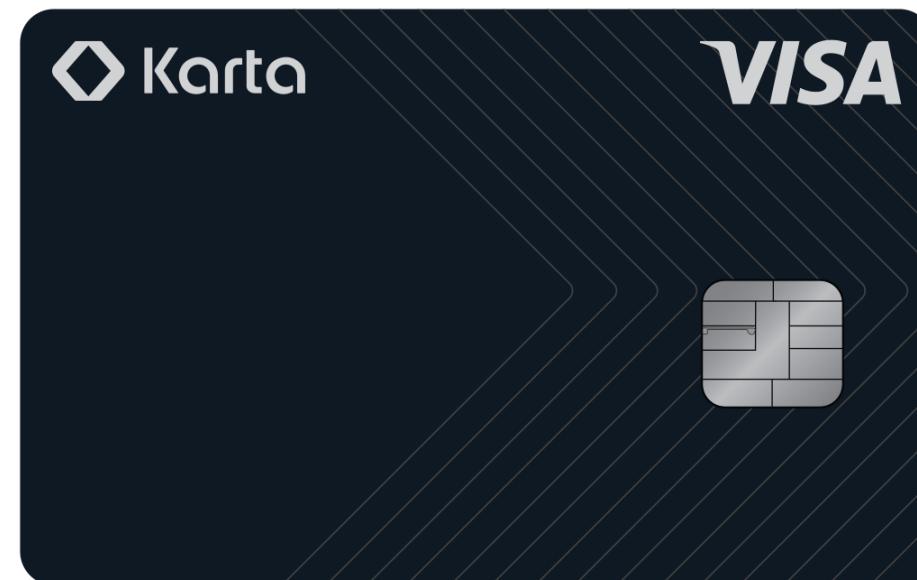
Robinhood Gold



WealthSimple



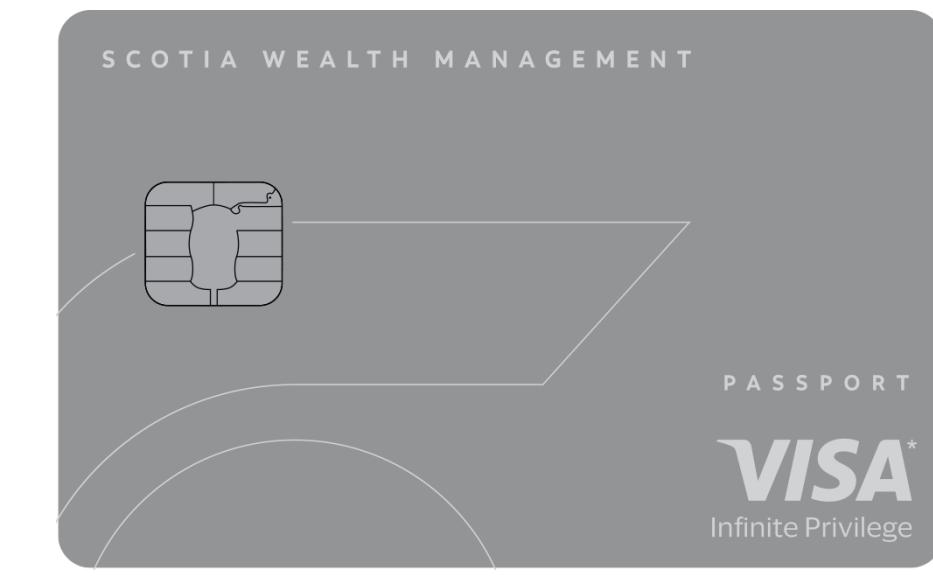
MetaMask



Karta



Koho

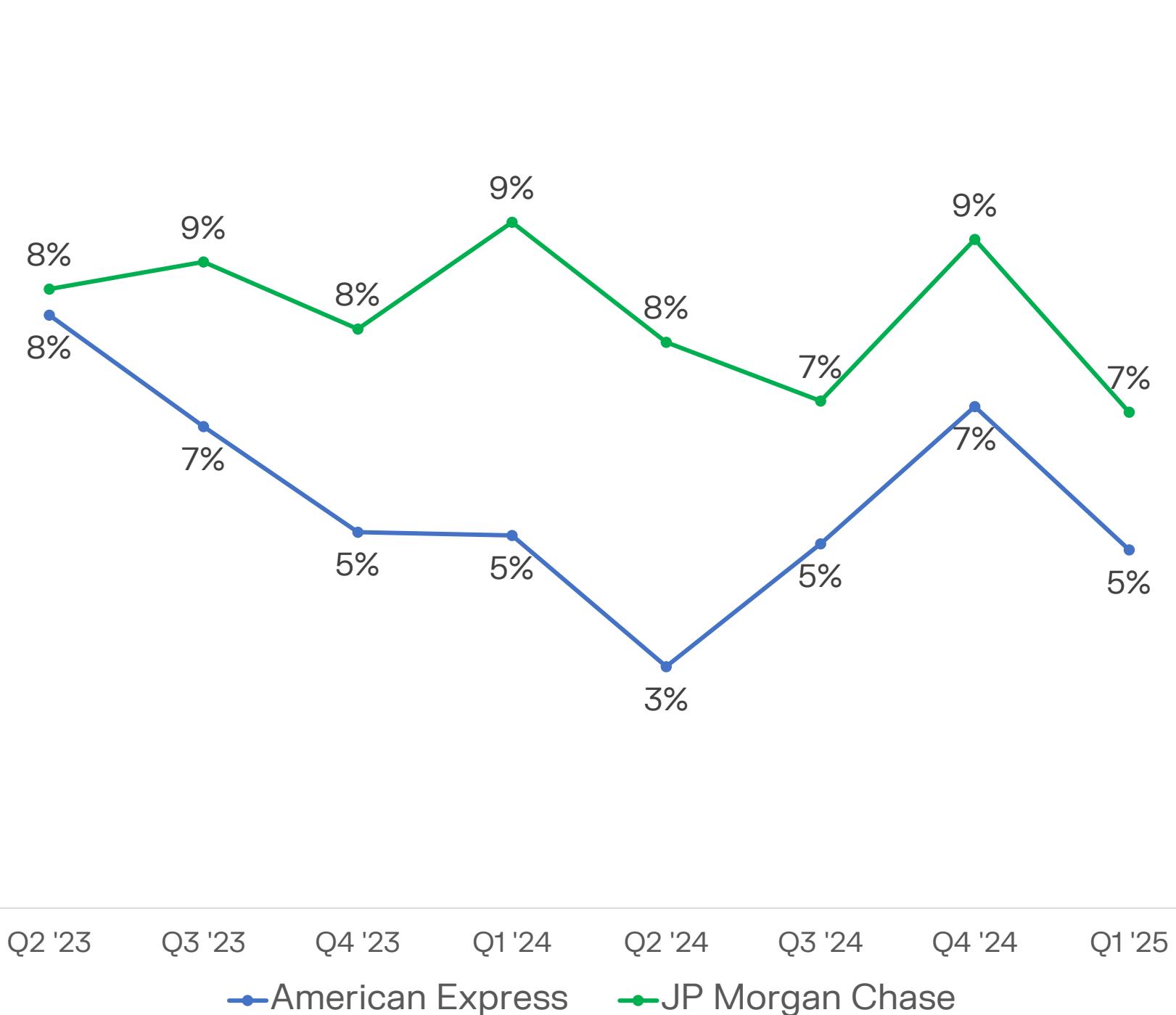


Scotia Bank

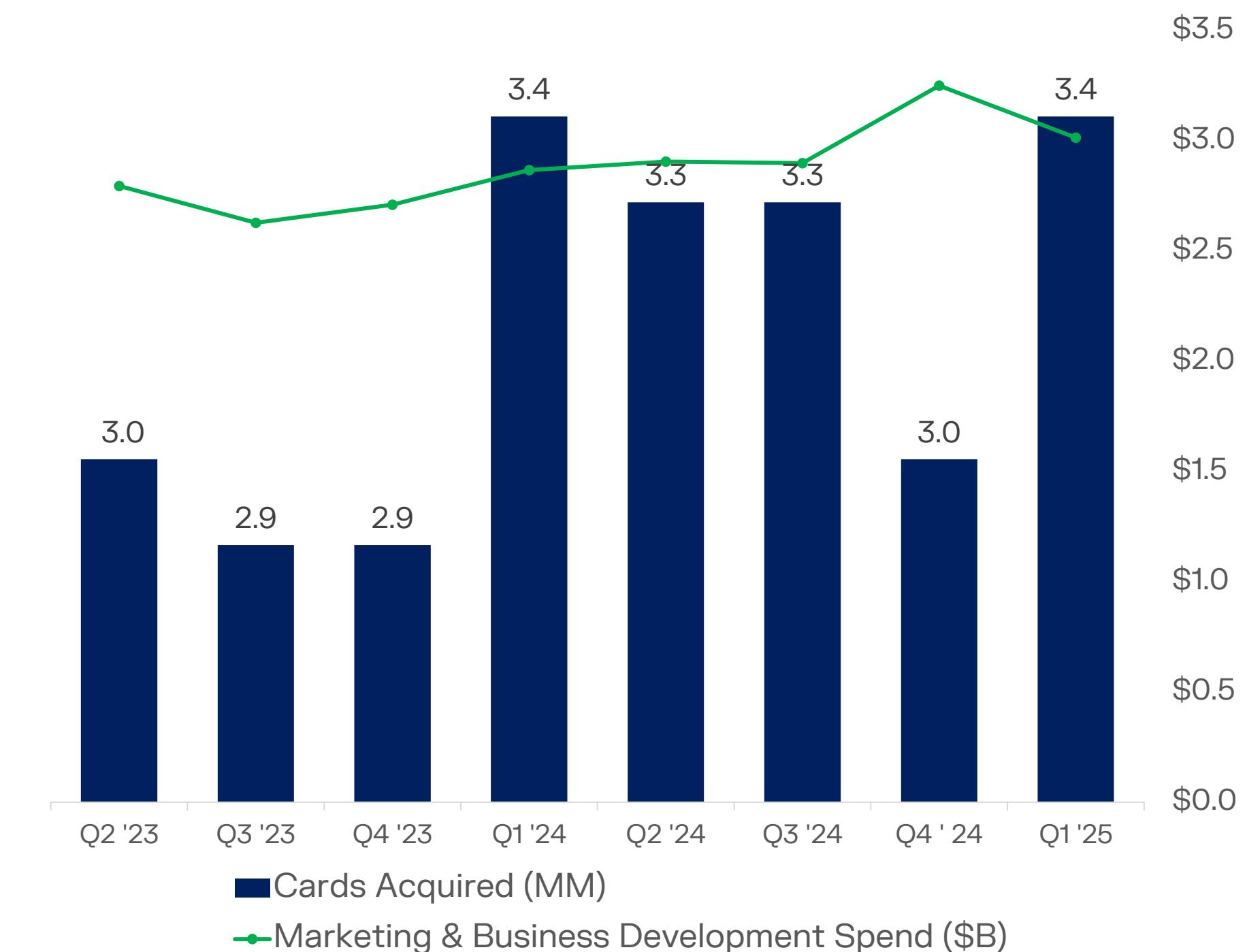
Several new and expanding high profile metal payment card programs reflect CMPO's market leadership with traditional banks and fintechs

# Recent Favorable Trends across Payment Cards

## Year over Year Purchase Volume Growth<sup>1</sup>



## American Express New Card Acquisitions and Investment<sup>2</sup>



CompoSecure's largest customers reported ongoing purchase volume growth vs. prior year while American Express acquired 3.4mm new cards with robust customer acquisition investments

<sup>1</sup> American Express & JP Morgan Chase Earnings Presentations

<sup>2</sup> American Express Earnings Presentations

# Arculus Capabilities

## Arculus Authenticate



### Capability

#### Hardware-bound PassKey authenticator

- Secure login on any iPhone, Android phone, or platform enabled with FIDO2 technology
- New device authentication (on-boarding new phone)
- Customer support authentication to call center
- Step-up authentication for high-risk transactions

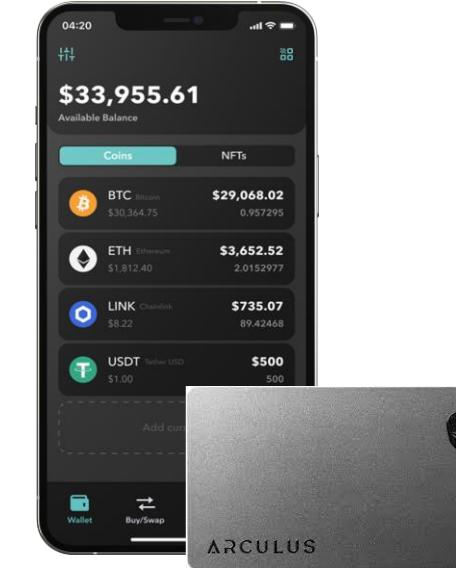
### Use Cases

- Secure account and prevent hackers from gaining access to banking or social media app

### Distribution Channels

- White-labeled or co-branded solution sold through businesses for usage by their customer base

## Arculus Cold Storage



### Crypto and NFT hardware cold storage wallet

- Advanced three-factor authentication (biometric, PIN, and tapping card)
- Securely store, send, and receive digital assets via user-friendly mobile application
- Secure element with NFC connectivity (no battery or charging required)

- Generate, store, and secure keys for digital assets such as Bitcoin, Ethereum, Cardano, Solana, and many more

- White-labeled or co-branded solution sold through businesses for usage by their customer base
- Direct to consumer

Arculus continues to resonate with customers looking to future-proof payments with secure authentication and digital asset solutions



# Financial Overview

# Q1 Operating Results – Summary

	Three Months Ended March 31, 2025		Three Months Ended March 31, 2024	
	GAAP	Non-GAAP	GAAP	Non-GAAP
<b>Net Sales</b>	\$59.8mm	\$103.9mm <sup>1</sup>	\$104.0mm <sup>1</sup>	\$104.0mm <sup>1</sup>
<b>Gross Profit</b>	\$28.7mm	\$54.5mm <sup>1</sup>	\$55.2mm <sup>1</sup>	\$55.2mm <sup>1</sup>
<b>Gross Margin %</b>	48.1%	52.5% <sup>1</sup>	53.1% <sup>1</sup>	53.1% <sup>1</sup>
<b>Pro Forma Adjusted EBITDA</b>		\$33.7mm <sup>2</sup>		\$34.5mm <sup>2</sup>
<b>EPS / Adjusted EPS – Diluted</b>	\$0.07	\$0.25	\$0.17	\$0.24
<b>Cash</b>	\$9.5mm	\$71.7mm <sup>1,3</sup>	\$55.1mm <sup>1,4</sup>	\$55.1mm <sup>1,4</sup>
<b>Total Debt</b>		\$195.0mm <sup>3</sup>		\$335.6mm <sup>4</sup>

The presentation of Non-GAAP financial results best reflect financial results associated with CompoSecure's standalone business, and are consistent with the historical presentation of results from prior quarters

(1) Refers to a Consolidated Non-GAAP Measure. For 1Q24, Net Sales, Gross Profit, Gross Margin, and Cash are identical on a GAAP and Non-GAAP basis, because such measures have historically been shown on a consolidated basis

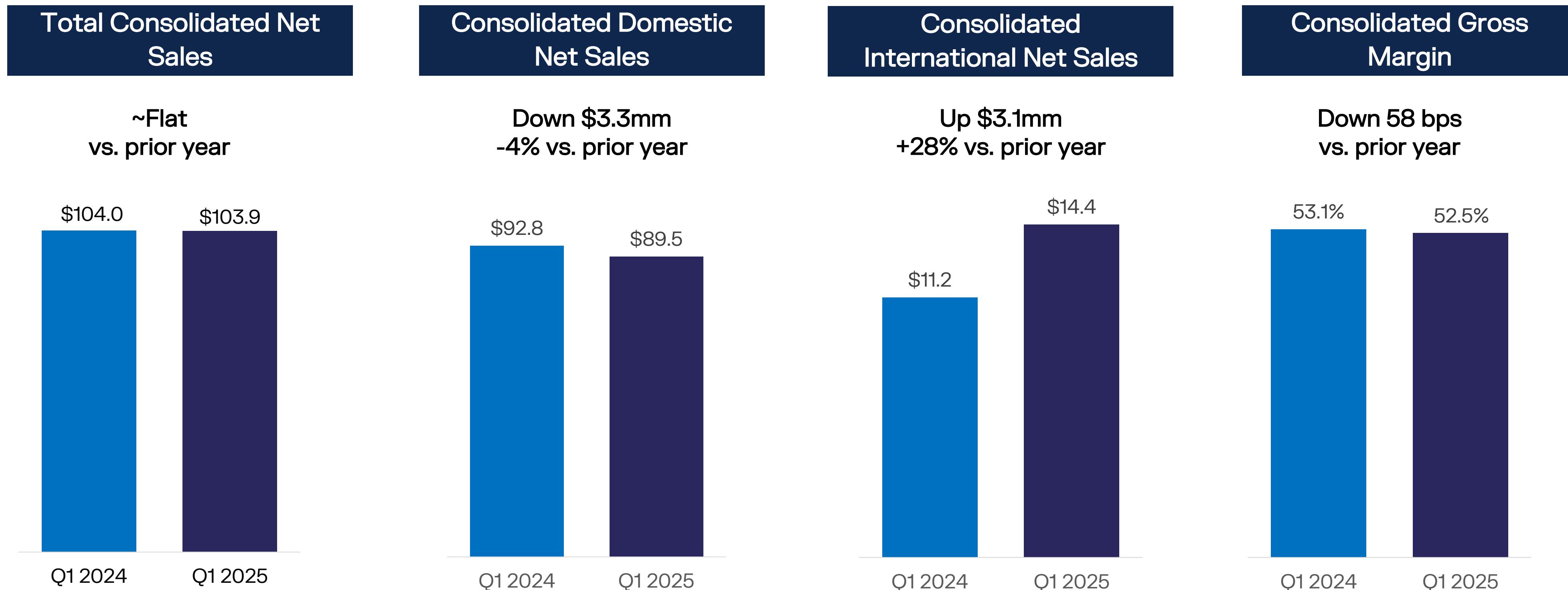
(2) Pro-Forma Adjusted EBITDA in the table includes (~\$3.2mm) expense in both 1Q25 and 1Q24. This expense represents a full quarter of management fees due to Resolute Holdings. The adjustment was made to allow for comparability across periods. The actual payment to Resolute Holdings in 1Q25 was \$1.1mm because the contract has been effective since February 28th spin-off. \$0 were paid in 1Q24 because Resolute Holdings did not exist. Please see Statement of Operations on page 13 for full reconciliation.

(3) As of March 31, 2025

(4) As of March 31, 2024

# Non-GAAP Highlights: Q1 2025

\$ Millions



First quarter results mostly flat to prior year



Note: These are non-GAAP measures. For a reconciliation to the most directly comparable measure prepared in accordance with GAAP, please see the Appendix.

# Non-GAAP Highlights: Q1 2025

\$ Millions

## Pro Forma Adjusted EBITDA

Down \$0.8mm  
-2% vs. prior year



## Pro Forma Adjusted EBITDA Margin

Down 74 bps  
vs. prior year



## Adjusted Net Income

Up \$5.1mm  
+21% vs. prior year



## Adjusted Diluted EPS

Up \$0.01  
vs. prior year



Adjusted EBITDA decrease driven by higher SG&A investment



Note: These are non-GAAP measures. For a reconciliation to the most directly comparable measure prepared in accordance with GAAP, please see the Appendix.

# New Equity Method Accounting Presentation

CompoSecure was required to account for its 100% wholly-owned operating subsidiary, CompoSecure Holdings, L.L.C. ("Holdings") and its subsidiaries under the equity method of accounting. A summary of the change in accounting is described below:

- Before February 28, 2025, results of our operating businesses were consolidated
- Effective February 28, 2025, due to the spin-off of Resolute Holdings and the Management Agreement, the accounting changed to equity method. Thus, the results from February 28, 2025 onward of our operating businesses are not consolidated and are reported under equity method of accounting
- For clarity of comparisons, we are also providing non-GAAP data to show comparable consolidated operating results, in line with the historical presentation of results from prior quarters
- We refer to our operating businesses as "Holdings". Our share of the earnings of Holdings is reported in our statements of operations. Our carrying value in the assets of Holdings is reported in our balance sheets

The GAAP results presented reflect the consolidated operating results of CompoSecure from January 1, 2025 to February 27, 2025 and the subsequent conversion to the equity method presentation from February 28, 2025 to March 31, 2025. For clarity of comparisons and to best reflect the financial results associated with the underlying payment card and authentication business, the Company is also presenting the full first quarter on a historical consolidated basis under the "Non-GAAP Results" heading.



# Statement of Operations (Unaudited)

## GAAP to Non-GAAP Operating Results

	Three Months Ended March 31, 2025			Three Months Ended March 31, 2024	
	GAAP	Equity Method Adjustments	Non-GAAP	Non-GAAP	
	<b>A</b> CompoSecure GAAP results	<b>B</b> Elimination of Equity Method Investment	<b>C</b> Addition of Holdings	<b>D</b> Adjusted March 31, 2025	Q1 2024 As Reported
Net sales	\$ 59,824	\$ -	\$ 44,065	\$ 103,889	\$ 104,010
Cost of sales	31,075	-	18,266	49,341	48,797
Gross profit	28,749	-	25,799	54,548	55,213
Operating expenses					
Selling, General and administrative	22,705	-	10,077	32,782	24,077
Income from operations	6,044	-	15,722	21,766	31,136
Other income (expense):					
Revaluation of warrant liability	17,921	-	-	17,921	(7,397)
Revaluation of earnout consideration liability	11,230	-	-	11,230	(1,459)
Change in fair value of derivative liability	-	-	-	-	(297)
Interest expense	(1,688)	-	(1,695)	(3,383)	(6,537)
Interest income	219	-	875	1,094	1,118
Amortization of deferred financing costs	(74)	-	(58)	(132)	(327)
Total other income (expenses), net	\$ 27,608	\$ -	\$ (878)	\$ 26,730	\$ (14,899)
Income before income taxes	33,652	-	14,844	48,496	16,237
Income tax (expense) benefit	\$ (27,004)	\$ -	\$ -	(27,004)	\$ 836
Earnings in CompoSecure Holdings L.L.C equity method investment	14,844	(14,844)	-	-	-
<b>Net income</b>	<b>\$ 21,492</b>	<b>\$ (14,844)</b>	<b>\$ 14,844</b>	<b>\$ 21,492</b>	<b>\$ 17,073</b>
Add:					
Depreciation and amortization (3)				2,273	2,221
Income tax expense (benefit)				27,004	(836)
Interest expense, net (1)(3)				2,421	5,746
EBITDA				53,190	24,204
All Other changes					
Stock-based compensation				5,720	4,397
Mark to market adjustments (2)				(29,151)	9,153
Spin-Off cost				5,019	-
All other changes				(18,412)	13,550
<b>Historical Adjusted EBITDA</b>				<b>34,778</b>	<b>37,754</b>
Add back actual Q1 25 Management fee for one month				1,129	
Add back expenses incurred on behalf of Resolute Holdings prior to Spin-Off				979	
Pro Forma full quarter Management Fee				(3,174)	(3,235)
<b>Pro Forma Adjusted EBITDA</b>				<b>33,712</b>	<b>34,519</b>

Source: Company financials

(1) Includes amortization of deferred financing cost and for the three months ended March 31, 2025 and 2024, respectively

(2) Includes the changes in fair value of warrant liability, derivative liabilities and earnout consideration liability for the three months ended March 31, 2025 and 2024, respectively

(3) The presented adjustments include amounts related to both the Company and its equity method investment in Holdings

Note: Operating results have been derived from CompoSecure's consolidated financial statements for the three months ended March 31, 2025 and 2024.

Note: The GAAP results presented reflect the consolidated operating results of CompoSecure from January 1, 2025 to February 27, 2025 and the subsequent conversion to the equity method presentation from February 28, 2025 to March 31, 2025. For clarity of comparisons and to best reflect the financial results associated with the underlying payment card and authentication business, the Company is also presenting the full first quarter on a historical consolidated basis under the "Non-GAAP Results" heading.

Column D shows the comparable financial results for CompoSecure as reported historically

**A** GAAP results including two months of consolidated "Holdings" financials and one month under the equity method of accounting

**B** Elimination of equity method investment represents the removal of the net income that we recorded from the equity method investment in Holdings

**C** Addition of Holdings' one month of results as they would have been presented historically

**D** Adjusted March 31, 2025 presents the statement of operations as the company had reported historically.

**E** Adjustments for one time spin-off related costs

**F** Pro Forma adjustments to show CompoSecure results on a go-forward basis assuming full management fees in both periods



# Non-GAAP – Adjusted Balance Sheet (Unaudited)

\$ Thousands

	GAAP	Non GAAP	
	March 31, 2025	March 31, 2025	December 31, 2024
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	\$ 9,506	\$ 71,676	\$ 77,461
Accounts Receivable	-	54,188	47,449
Inventories, net	-	47,501	44,833
Prepaid expenses and other current assets	1,321	4,138	4,159
<b>Total current assets</b>	<b>10,827</b>	<b>177,503</b>	<b>173,902</b>
Property and equipment, net and right of use asset	-	31,045	28,852
Deferred tax asset	266,652	266,652	264,815
Other assets	-	5,953	6,349
Equity method Investment	14,844	-	-
<b>Total Assets</b>	<b>\$ 292,323</b>	<b>\$ 481,153</b>	<b>\$ 473,918</b>

	GAAP	Non GAAP	
	March 31, 2025	March 31, 2025	December 31, 2024
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Accounts payable	\$ 4,025	\$ 15,263	\$ 11,544
Accrued expenses	28,594	50,865	25,711
Current portion of long-term debt	-	12,500	11,250
Other current liabilities	14,474	16,513	27,817
<b>Total current liabilities</b>	<b>47,093</b>	<b>95,141</b>	<b>76,322</b>
Long-term debt, net of deferred finance costs	-	180,713	184,389
Warrant liability	84,003	84,003	104,231
Lease liabilities, operating leases	-	7,723	3,888
Tax receivable agreement liability	248,534	248,534	248,534
<b>Total liabilities</b>	<b>379,630</b>	<b>616,114</b>	<b>617,364</b>
Shareholder's deficit	(87,307)	(134,961)	(143,446)
<b>Total liabilities and shareholder's deficit</b>	<b>\$ 292,323</b>	<b>\$ 481,153</b>	<b>\$ 473,918</b>

Finished the quarter with \$72mm in cash

Source: Company financials

Note: Financial position has been derived from CompoSecure's consolidated financial statements for the quarter ended March 31, 2025 and December 31, 2024, respectively

Note: This slide includes non-GAAP measures. For a reconciliation to the most directly comparable measure prepared in accordance with GAAP, please see the Appendix

# Statement of Cash Flows

(Unaudited)

(\$mm)	Three months ended	
Cash flows from operating activities	3/31/2025	3/31/2024
Net Income	\$ 21.5	\$ 17.1
Depreciation and amortization	2.3	2.2
Stock based compensation	5.7	4.4
Amortization of deferred finance costs	0.1	0.3
Change in fair value	(29.2)	9.2
Deferred tax change	(1.8)	(1.9)
Changes in assets and liabilities	19.5	2.4
<b>Net cash provided by operating activities</b>	<b>\$ 18.2</b>	<b>\$ 33.8</b>
<b>Cash flows from investing activities</b>		
Acquisition of property & equipment	\$ (0.6)	\$ (1.6)
Capitalized software	(0.6)	-
<b>Net cash used investing activities</b>	<b>\$ (1.2)</b>	<b>\$ (1.6)</b>
<b>Cash flows from financing activities</b>		
Proceeds from stock purchases and option exercised	\$ 5.0	\$ 0.1
Payments for taxes related to net settlement of equity awards	(15.3)	(3.5)
Payments due to spinoff	(10.0)	-
Payments of term loan	(2.5)	(4.7)
Tax distributions to non-controlling interest	-	(10.2)
<b>Net cash used in financing activities</b>	<b>\$ (22.8)</b>	<b>\$ (18.2)</b>
<b>Net change in cash</b>	<b>\$ (5.8)</b>	<b>\$ 13.9</b>
<b>Cash from beginning of the period</b>	<b>77.5</b>	<b>41.2</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>\$ 71.7</b>	<b>\$ 55.1</b>

Net cash from operating activities in Q1 '25 is \$18mm, impacted by one-time spin-off costs

Source: Company financials

Note: Cash flows have been derived from CompoSecure's consolidated financial statements for the three months ended March 31, 2025 and 2024 respectively

# 2025 Guidance

## 2025 Guidance

Reiterating previously issued full year 2025 guidance:

- Mid-single digit growth in both Net Sales and Adjusted EBITDA (non-GAAP financials)
- Sales momentum to continue building through the year
- Guidance includes payment of the Resolute Holdings management fee in 2025

## A Position of Strength

Established market leadership – long-tenured and blue-chip customer base, best-in-class innovative products, and a robust balance sheet

Focused growth strategy – planted seeds to drive organic and inorganic growth with execution of CompoSecure Operating System (COS)

Favorable industry backdrop – strong and growing market for metal payment cards

Arculus optionality – growth upside in mission-critical authentication and emerging digital assets

## Challenges Remain

Growing global political and economic tensions (including tariffs)

Metal card competitors/digital wallets

Rising labor costs and competition for top talent

Inflationary concerns and softening consumer strength



# 2025 Company Objectives



# Investor Relations Contact

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# Appendix

# Statement of Operations (Unaudited)

(in thousands)	GAAP					NON-GAAP				
	Three Months Ended March 31,					Three Months Ended March 31,				
	2025	2024	\$ Change	% Change	2025	2024	\$ Change	% Change		
Net sales	\$ 59,824	\$ 104,010	\$ (44,186)	-42.5%	\$ 103,889	\$ 104,010	\$ (121)	-0.1%		
Cost of sales	\$ 31,075	\$ 48,797	\$ 17,722	-36.3%	\$ 49,342	\$ 48,797	\$ (545)	1.1%		
<b>Gross profit</b>	<b>\$ 28,749</b>	<b>\$ 55,213</b>	<b>\$ (26,464)</b>	<b>-47.9%</b>	<b>\$ 54,547</b>	<b>\$ 55,213</b>	<b>\$ (666)</b>	<b>-1.2%</b>		
gross profit %	48.1%	53.1%			52.5%	53.1%				
<b>Operating expenses:</b>										
Selling, general and administrative expenses	\$ 22,705	\$ 24,077	\$ (1,372)	-5.7%	\$ 32,781	\$ 24,077	\$ 8,704	36.2%		
Income from operations	\$ 6,044	\$ 31,136	\$ (25,092)	-80.6%	\$ 21,766	\$ 31,136	\$ (9,370)	-30.1%		
Other income (expense), net	27,608	(14,899)	42,507	-285.3%	26,730	(14,899)	41,629	-279.4%		
Income before income taxes	\$ 33,652	\$ 16,237	\$ 17,415	107.3%	\$ 48,496	\$ 16,237	\$ 32,259	198.7%		
Income tax (expense) benefit	(27,004)	836	(27,840)	-3330.1%	(27,004)	836	(27,840)	-3330.1%		
Net income before earnings in equity method investment	\$ 6,648	\$ 17,073	\$ (10,425)	-61.1%	\$ 21,492	\$ 17,073	\$ 4,419	25.9%		
Earnings in equity method investment	14,844	-	-	NA	-	-	-	NA		
<b>Net income</b>	<b>\$ 21,492</b>	<b>\$ 17,073</b>	<b>\$ 4,419</b>	<b>25.9%</b>	<b>\$ 21,492</b>	<b>\$ 17,073</b>	<b>\$ 4,419</b>	<b>25.9%</b>		
Net income attributable to redeemable non-controlling interests	-	13,048	(13,048)	-100.0%	-	13,048	(13,048)	-100.0%		
<b>Net income attributable to CompoSecure</b>	<b>21,492</b>	<b>4,025</b>	<b>17,467</b>	<b>434.0%</b>	<b>21,492</b>	<b>4,025</b>	<b>17,467</b>	<b>434.0%</b>		

Source: Company financials

Note: Operating results have been derived from CompoSecure's consolidated financial statements for the three months ended March 31, 2025 and 2024

# Q1 Earnings per Share: Non-GAAP Reconciliation

	Basic		Diluted	
	Three Months Ended March 31,		Three Months Ended March 31,	
	2025	2024	2025	2024
(in thousands)			(in thousands)	
Net income	\$ 21,492	\$ 17,073	Adjusted net income	\$ 28,412
Add(less): provision (benefit) for income taxes	27,004	(836)	Add: Interest on Exchangeable Notes net of tax	-
Income before Income taxes	48,496	16,237	Adjusted net income used in computing net income per share, diluted (5)	28,412
Add (Less): mark-to-market adjustments (1)	(29,151)	9,153	Common shares outstanding used in computing earnings per share, diluted:	102,040
Add: stock-based compensation	5,720	4,397	Warrants (4)	9,878
Add: spin-off cost	5,019	-	Exchangeable Notes (5)	-
Adjusted net income before tax	30,084	29,787	Equity awards	3,533
Income tax expense (2)	1,672	6,470	Total Shares outstanding used in computing adjusted earnings per share-Diluted	115,451
Adjusted net income	28,412	23,317	Adjusted net income per share - Diluted	\$ 0.25
Common shares outstanding used in computing net income per share, basic:				\$ 0.24
Class A and Class B common shares (3)	102,040	80,525		
Adjusted net income per share - basic	\$ 0.28	\$ 0.29		

Source: Company Financials

1) Includes the changes in fair value of warrant liability, make-whole provision of Exchangeable Notes and earnout consideration liability.

2) Reflects current and deferred income tax expenses. For the three months ended March 31, 2024 it was calculated using the Company's blended tax rate as if the Company did not have any non-controlling interest associated with its historical Up-C structure. For the three months ended March 31, 2025, it was calculated by applying the Company's blended tax rate to the presented adjustments and including the Company's provision less tax associated with a taxable gain from the distribution of appreciated property related to the Spin-Off.

3) Assumes both Class A and Class B shares participate in earnings and are outstanding at the end of the period. There were no Class B shares outstanding as of March 31, 2025.

4) Assumes treasury stock method, valuation at assumed fair market value of \$14.47

5) The Exchangeable Notes were included through the application of the "if-converted" method. Interest related to the Exchangeable Notes, net of tax was excluded from net income. No Exchangeable notes were outstanding during the three months ended March 31, 2025.