



**BLACK RIFLE<sup>®</sup>**  
**COFFEE COMPANY**

**Third Quarter 2024**



**We are America's Coffee**

# DISCLAIMER



## Forward-Looking Statements

This presentation contains forward-looking statements about the BRC Inc. (the "Company") and its industry that involve substantial risks and uncertainties. All statements other than statements of historical fact contained in this presentation, including statements regarding the Company's intentions, beliefs or current expectations concerning, among other things, the launch of Black Rifle Energy™, the Company's financial condition, liquidity, prospects, growth, strategies, future market conditions, developments in the capital and credit markets and expected future financial performance, as well as any information concerning possible or assumed future results of operations, are forward-looking statements. In some cases, you can identify forward-looking statements because they contain words such as "anticipate," "believe," "continue," "could," "estimate," "expect," "intends," "may," "might," "plan," "possible," "potential," "predict," "project," "should," "will," "would" and similar expressions, but the absence of these words does not mean that a statement is not forward-looking. The events and circumstances reflected in the Company's forward-looking statements may not be achieved or occur and actual results could differ materially from those projected in the forward-looking statements. Factors that may cause such forward-looking statements to differ from actual results include, but are not limited to: competition and our ability to grow and manage growth sustainably and retain our key employees; failure to achieve sustained profitability; negative publicity affecting our brand and reputation, or the reputation of key employees; failure to manage our debt obligations; failure to effectively make use of assets received under bartering transactions; failure by us to maintain our message as a supportive member of the Veteran and military communities and any other factors which may negatively affect the perception of our brand; our limited operating history, which may make it difficult to successfully execute our strategic initiatives and accurately evaluate future risks and challenges; failed marketing campaigns, which may cause us to incur costs without attracting new customers or realizing higher revenue; failure to attract new customers or retain existing customers; risks related to the use of social media platforms, including dependence on third-party platforms; failure to provide high-quality customer experience to retail partners and end users, including as a result of production defaults, or issues, including due to failures by one or more of our co-manufacturers, affecting the quality of our products, which may adversely affect our brand; decrease in success of the direct to consumer revenue channel; loss of one or more co-manufacturers, or delays, quality, or other production issues, including labor-related production issues at any of our co-manufacturers; failure to manage our supply chain, and accurately forecast our raw material and co-manufacturing requirements to support our needs; failure to effectively manage or distribute our products through our Wholesale business partners, especially our key Wholesale business partners; failure by third parties involved in the supply chain of coffee, store supplies or merchandise to produce or deliver products, including as a result of ongoing supply chain disruptions, or our failure to effectively manage such third parties; changes in the market for high-quality coffee beans and other commodities; fluctuations in costs and availability of real estate, labor, raw materials, equipment, transportation or shipping; failure to successfully compete with other producers and retailers of coffee; failure to successfully open new Black Rifle Coffee shops ("Outposts"), including failure to timely proceed through permitting and other development processes, or the failure of any new or existing Outposts to generate sufficient sales; failure to properly manage our rapid growth, inventory needs, and relationships with various business partners; failure to protect against software or hardware vulnerabilities; failure to build brand recognition using our intellectual properties or otherwise; shifts in consumer spending, lack of interest in new products or changes in brand perception upon evolving consumer preferences and tastes; failure to adequately maintain food safety or quality and comply with food safety regulations; failure to successfully integrate into new domestic and international markets; risks related to leasing space subject to long-term non-cancelable leases and with respect to real property; failure of our franchise partners to successfully manage their franchises; failure to raise additional capital to develop the business; risks related to supply chain disruptions; risks related to unionization of employees; failure to comply with federal state and local laws and regulations, or failure to prevail in civil litigation matters; and other risks and uncertainties indicated in our Annual Report on Form 10-K for the year ended December 31, 2023 filed with the Securities and Exchange Commission (the "SEC") on March 6, 2024 including those set forth under "Item 1A. Risk Factors" included therein, as well as in our other filings with the SEC. Such forward-looking statements are based on information available as of the date of this presentation and the Company's current beliefs and expectations concerning future developments and their effects on the Company. Because forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified, you should not place undue reliance on these forward-looking statements as predictions of future events. Although the Company believes that it has a reasonable basis for each forward-looking statement contained in this presentation, the Company cannot guarantee that the future results, growth, performance or events or circumstances reflected in these forward-looking statements will be achieved or occur at all. These forward-looking statements speak only as of the date of this presentation. The Company does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws.

The Company uses certain measures that were not prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). The Company believes the presentation of its non-GAAP financial measures enhances the overall understanding of the Company's historical financial performance. The presentation of the Company's non-GAAP financial measures is not meant to be considered in isolation or as a substitute for the Company's financial results prepared in accordance with GAAP, and the Company's non-GAAP measures may be different from non-GAAP measures used by other Companies. Further information relevant to the interpretation of non-GAAP financial measures, and reconciliations of these non-GAAP financial measures to the most comparable GAAP measures, may be found in Slides 23-26 of this presentation.

# TODAY'S SPEAKERS



**Evan  
Hafer**

Founder and Executive Chairman



**Chris  
Mondzelewski**

President and Chief Executive Officer



**Steve  
Kadenacy**

Chief Financial Officer

“The Black Rifle brand continues to perform well, and I’m proud of our progress in gaining market share and improving profitability this quarter. This momentum enables us to invest in key growth areas, including the upcoming Q4 launch of Black Rifle Energy™ - a significant addition to our portfolio that expands consumption opportunities and complements our coffee offerings. This quarter, we also announced a strategic partnership with Keurig Dr Pepper (KDP) for the manufacture and distribution of Black Rifle Energy™, positioning us for accelerated growth and a successful national rollout in 2025. As we grow, our mission to support Veterans remains central, ensuring that our success continues to create meaningful impact in the communities we serve.”

- *Chris Mondzelewski, President and CEO*

# 2024 Q3 HIGHLIGHTS



## Revenue

Net Revenue

**\$98.2 million**

Sales to FDM retailers grew **3x** compared to Q3 2023

## Gross Margin

Gross Margin Expanded to

**42.1%**

compared to 33.9% in Q3 2023

## Profitability

Adjusted EBITDA<sup>1</sup>

**\$7.1 million**

up **\$0.9M** YoY

## Free Cash Flow

Free Cash Flow<sup>2</sup>

**\$(0.2) million**

compared to \$(3.38) million in Q3 2023

<sup>1</sup> Refer to slide 23 for a reconciliation of "Adjusted EBITDA"

<sup>2</sup> Refer to slide 25 for a reconciliation of "Free Cash Flow"

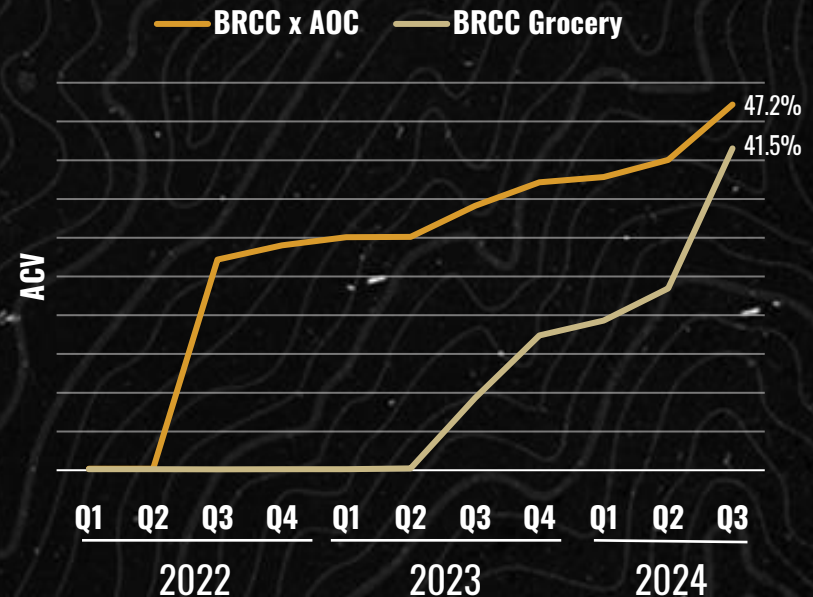
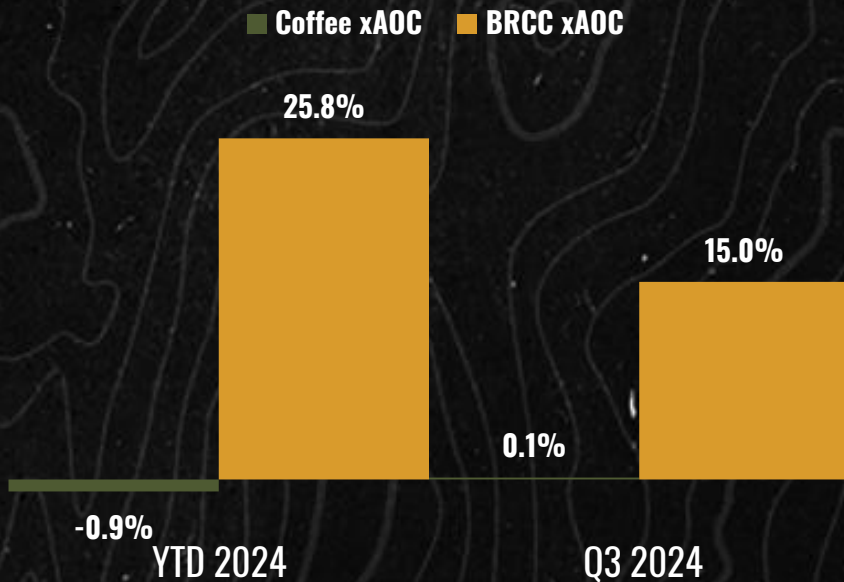
# Channel Highlights



# WE CONTINUE TO GROW OUR RETAIL PARTNERSHIPS WHILE OUTPACING THE FDM CATEGORY GROWTH



**ACV GAINS CONTINUE, WITH SIGNIFICANT ADDITIONAL POTENTIAL**

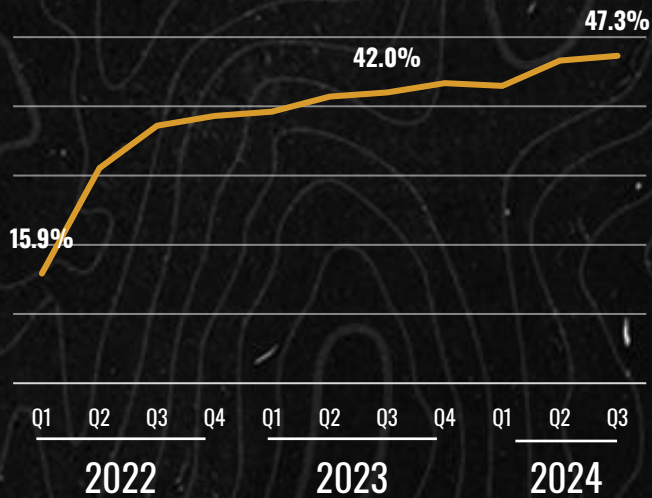


Nielsen Total US Food, Total US xAOC during YTD - 41 w/e 10/12/24, JAS 24 - w/e 09/28/24  
 Dollar Growth & ACV: Calculated for the sum of "Coffee" + "Espresso" categories within Nielsen

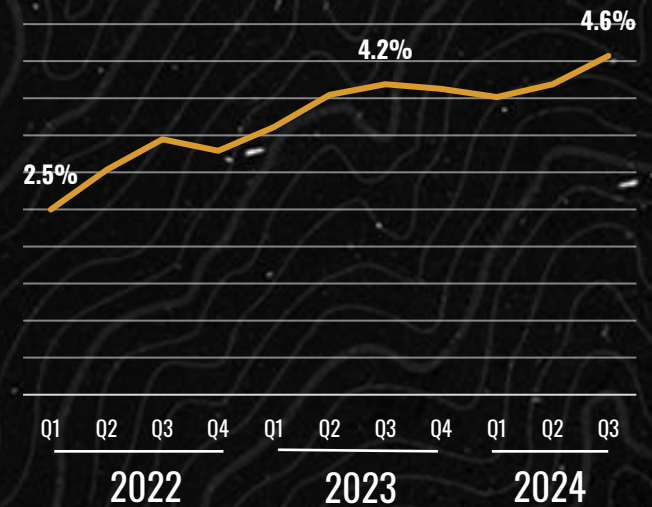
# RTD GAINS SHARE AND DISTRIBUTION CONTINUES TO BUILD

In addition to top line growth, we have line of sight to drive higher margins throughout the RTD business

BRCC ACV By Quarter  
Total US xAOC + Conv



BRCC \$-Share-% By Quarter  
Total US xAOC + Conv



Nielsen Total US xAOC + Conv, Quarterly, w/e 10/5/2024  
Dollar Share & ACV: Calculated for the "RTD Coffee" category (Plus Monster-Java) for Single-Serve\* within Nielsen  
\* Single-Serve RTD-Coffee Market excludes large-format brands like Stok, Bizzy, etc.

# BLACK RIFLE

E N E R G Y™

LAUNCHING December 2024



**Black Rifle Energy™ brings a zero-sugar, clean energy option to a consumer market ready for our unique mission-driven approach**



# WE CONTINUE TO OPTIMIZE THE BRCC ECOMMERCE EXPERIENCE

Our digital roots are fundamental to our success

## DTC Highlights

Total Subscribers

**194k+**

New Subscriber

**AOV +10%**

Higher than Existing Subs

Partnership with

**ID.me**

Generated

**\$2.2mn in Revenue**

In first 100 days

The screenshot shows the Black Rifle Coffee Company website. The top navigation bar includes links for SUBSCRIPTIONS, COFFEE, APPAREL, GEAR, BEST SELLERS, ABOUT, and ACCOUNT, along with a search icon and a CART icon showing 0 items. The main banner features a soldier in camouflage gear drinking from a Black Rifle Coffee mug. The text on the banner reads: "FUEL FOR HEROES: JOIN AMERICA'S COFFEE CLUB" and "Get 30% Off Your First Order with a Subscription and ID.me Verification - Founded by Veterans, Supporting Our Heroes". Below this text are two buttons: "START A SUBSCRIPTION" and "VERIFY WITH ID.ME". At the bottom of the banner, the text "BLACK RIFLE COFFEE ROASTS" is displayed, and a "Chat" button is visible in the bottom right corner.

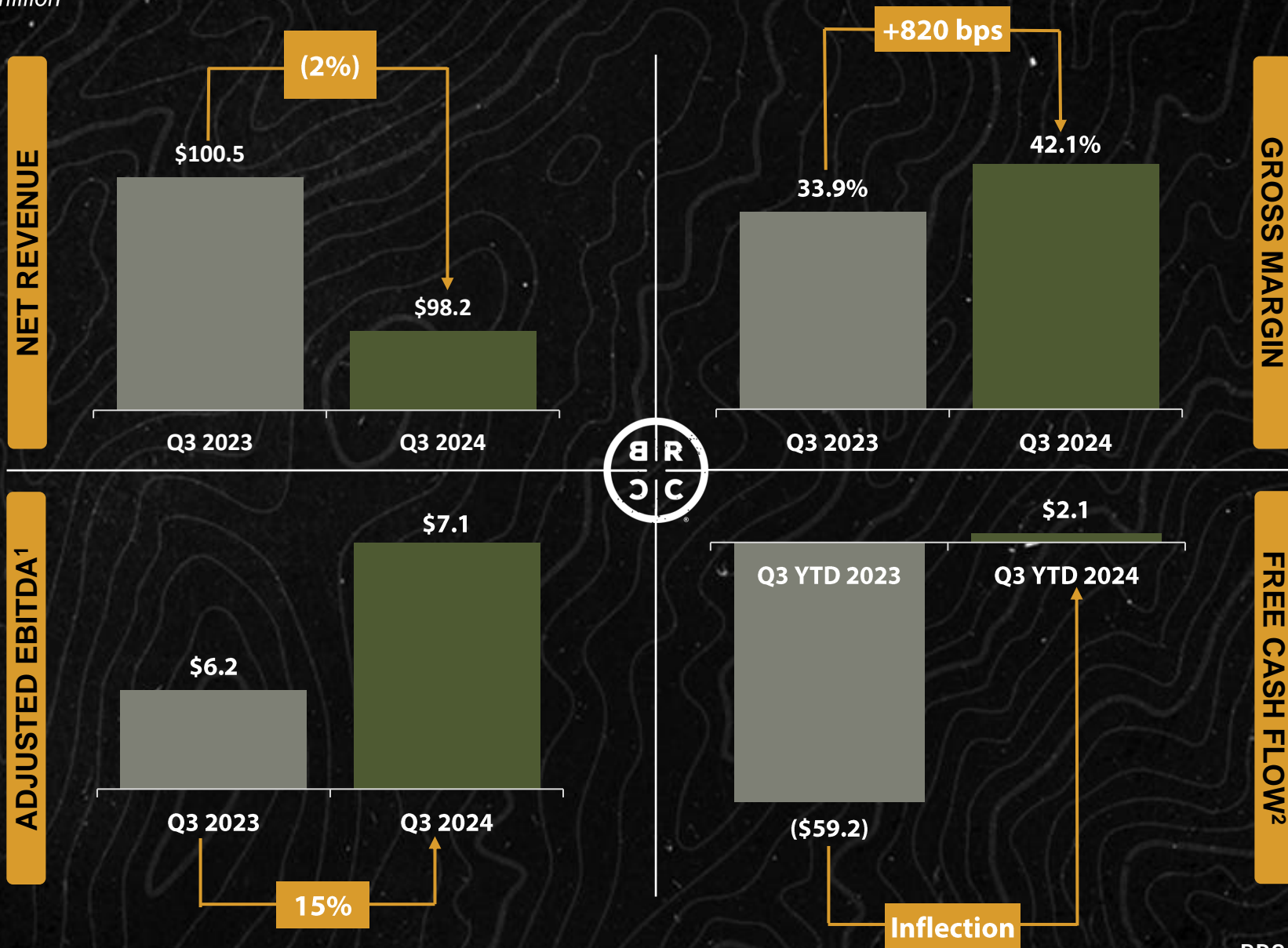
Partnership with **ID.me** provides access to pre-verified veterans and first responders

A close-up photograph of a clear glass pitcher pouring a golden beer into a blue ceramic mug. The mug has a white circular logo on its handle with the letters 'U', 'B', 'R', and 'C' in a cross pattern. The background is a blurred wooden surface. A dark diagonal overlay covers the bottom right corner, containing white text.

**Operational  
Excellence &  
Financial Results**

# QUARTERLY FINANCIALS

\$ million

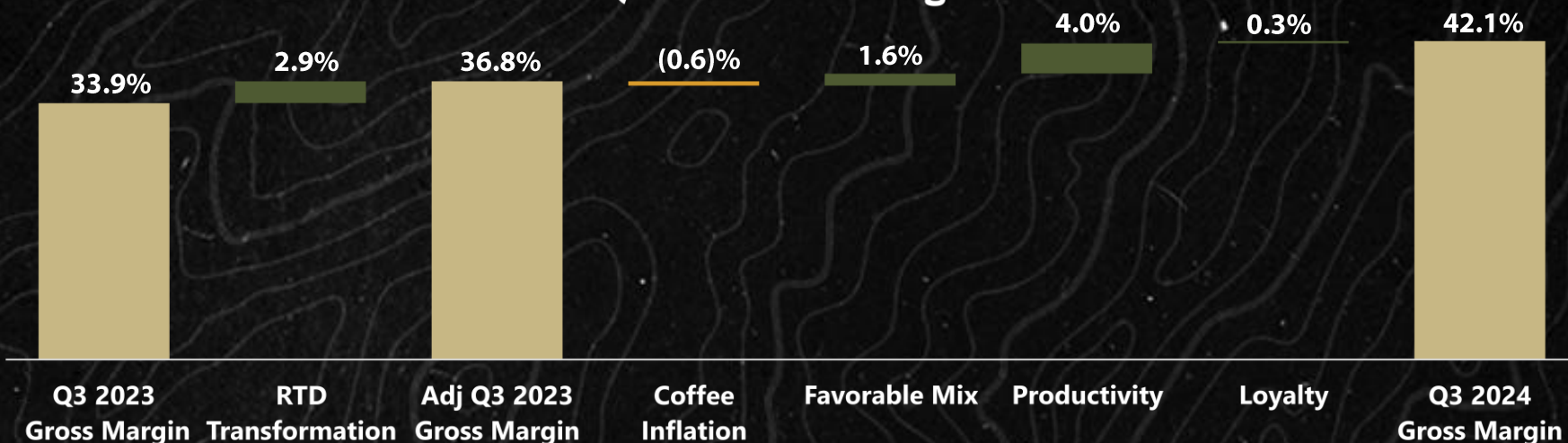


<sup>1</sup> Refer to slide 23 for Adjusted EBITDA – GAAP Reconciliation

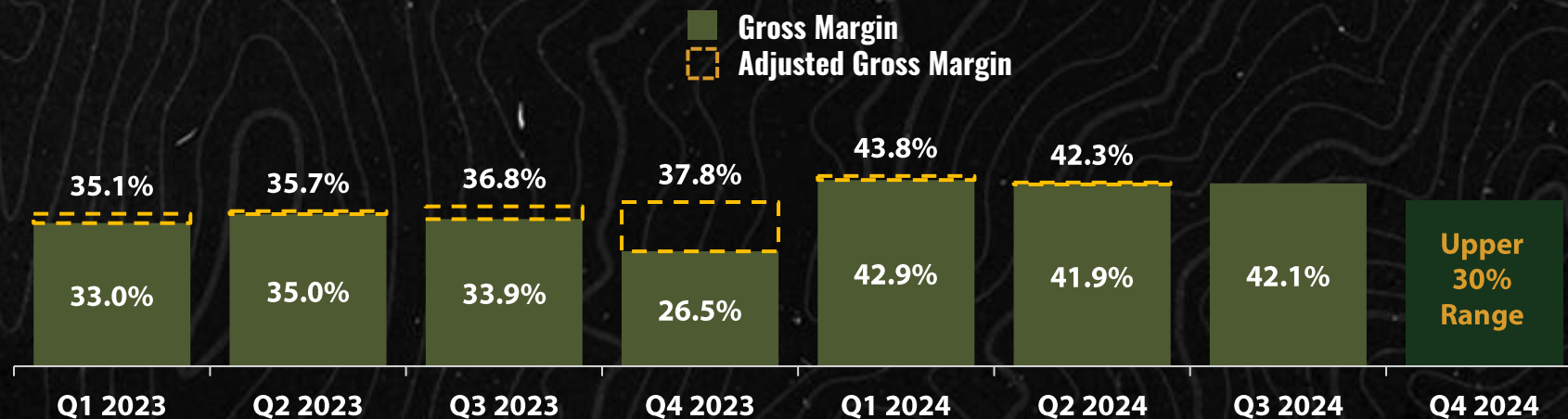
<sup>2</sup> Refer to slide 25 for Free Cash Flow – GAAP Reconciliation

# DELIVERY OF GROSS MARGIN ABOVE 40%+ TARGET

## Q3 YoY Gross Margin



As part of our supply chain culture, we are constantly looking to optimize our gross margin through productivity and other initiatives



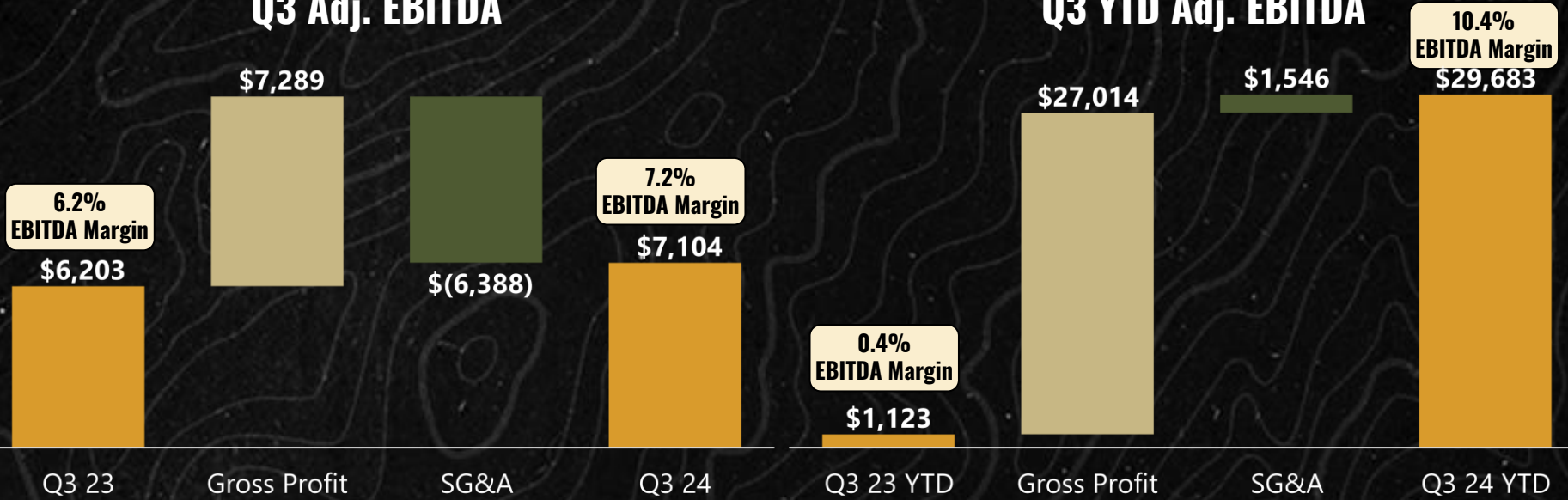
<sup>1</sup> Adjusted Gross Margins exclude RTD transformation costs for the quarter – refer to slide 24 for GAAP Reconciliation

# YTD ADJ. EBITDA MARGIN GREATER THAN 10%+

\$ thousand

## Q3 Adj. EBITDA

## Q3 YTD Adj. EBITDA



**EBITDA improvement due to rightsized organizational spend and healthy margins**

## YTD profitability improvement driven by:



Focused Margin Improvement Initiatives



Reduced Reliance on External Consultants



Mix Between Channels and Products



Aligned Headcount with FDM Focus



# Outlook

# UPDATED 2024 OUTLOOK

**TOPLINE GROWTH<sup>1</sup>**

**\$390M - \$395M**

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**OPTIMIZED GROSS MARGIN BETWEEN**

**40% - 42%**

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**HEALTHY BOTTOM LINE**

**\$35M-\$40M ADJ EBITDA**  
**Free Cash Flow Positive**

<sup>1</sup> A barter transaction favorably impacted Net Revenue in 2023 by \$28.9 million and projected Net Revenue in 2024 by \$15.2 million. Excluding the impact of the barter transaction reduces revenue growth from 2022 to 2023 by 10%.

# Appendix





# FINANCIAL HIGHLIGHTS

Third Quarter 2024 Financial Highlights *(in millions, except % data)*

	Quarter To Date Comparisons			
	2024	2023	\$ Change	% Change
Net Revenue	\$98.2	\$100.5	(\$2.3)	-2%
Gross Profit	\$41.3	\$34.1	\$7.2	21%
Gross Margin	42.1%	33.9%		
Net Loss	(\$1.4)	(\$10.7)	\$9.3	87%
Adjusted EBITDA	\$7.1	\$6.2	\$0.9	15%
Adjusted EBITDA as a % of Net Revenue	7.2%	6.2%		

# INCOME STATEMENT

## Consolidated Statements of Operations

(in thousands, except share and per share amounts)

	Three Months Ended September 30,	
	2024	2023
<b>Revenue, net</b>	\$98,204	\$100,536
<b>Cost of goods sold</b>	\$56,856	\$66,477
Gross profit	\$41,348	\$34,059
<b>Operating expenses</b>		
Marketing and advertising	\$10,109	\$8,260
Salaries, wages and benefits	\$16,548	\$13,907
General and administrative	\$12,324	\$19,474
Other operating expense (income), net	\$1,261	(\$596)
Total operating expenses	\$40,242	\$41,045
<b>Operating income (loss)</b>	\$1,106	(\$6,986)
<b>Non-operating expenses</b>		
Interest expense, net	(\$2,453)	(\$3,544)
Other income (expense), net	-	(\$108)
Total non-operating expenses	(\$2,453)	(\$3,652)
<b>Loss before income taxes</b>	(\$1,347)	(\$10,638)
Income tax expense	\$50	\$56
<b>Net loss</b>	<b>(\$1,397)</b>	<b>(\$10,694)</b>
Less: Net loss attributable to non-controlling interest	(\$862)	(\$7,462)
<b>Net loss attributable to BRC Inc.</b>	<b>(\$535)</b>	<b>(\$3,232)</b>
<b>Net loss per share attributable to Class A Common Stock</b>		
Basic and diluted	(\$0.01)	(\$0.05)
<b>Weighted-average shares of Class A Common Stock Outstanding</b>		
Basic and diluted	72,154,931	61,964,157

# BALANCE SHEET

## Consolidated Balance Sheets

(in thousands, except share and par value amounts)

	September 30, 2024	December 31, 2023
<b>Assets</b>		
Current assets:		
Cash and cash equivalents	\$7,336	\$12,448
Restricted cash	\$315	\$1,465
Accounts receivable, net	\$28,884	\$25,207
Inventories, net	\$50,210	\$56,465
Prepaid expenses and other current assets	\$16,243	\$12,153
Total current assets	\$102,988	\$107,738
Property, plant and equipment, net	\$64,670	\$68,326
Operating lease, right-of-use asset	\$29,293	\$36,214
Identifiable intangibles, net	\$373	\$418
Other	\$36,340	\$23,080
<b>Total assets</b>	<b>\$233,664</b>	<b>\$235,776</b>
<b>Liabilities and stockholders' equity</b>		
Current liabilities:		
Accounts payable	\$31,227	\$33,564
Accrued liabilities	\$36,412	\$34,911
Deferred revenue and gift card liability	\$4,869	\$11,030
Current maturities of long-term debt	\$15,866	\$2,297
Current operating lease liability	\$2,195	\$2,249
Current maturities of finance lease obligations	\$19	\$58
Total current liabilities	\$90,588	\$84,109
Non-current liabilities:		
Long-term debt, net	\$49,034	\$68,683
Finance lease obligations, net of current maturities	-	\$23
Operating lease liability	\$29,336	\$35,929
Other non-current liabilities	\$11,141	\$524
Total non-current liabilities	\$89,511	\$105,159
<b>Total liabilities</b>	<b>\$180,099</b>	<b>\$189,268</b>
Stockholders' equity:		
Preferred Stock, \$0.0001 par value, 1,000,000 shares authorized; no shares issued or outstanding as of September 30, 2024 and December 31, 2023, respectively	-	-
Class A Common Stock, \$0.0001 par value, 2,500,000,000 shares authorized; 77,265,412 and 65,637,806 shares issued and outstanding as of September 30, 2024 and December 31, 2023, respectively	\$8	\$6
Class B Common Stock, \$0.0001 par value, 300,000,000 shares authorized; 135,473,335 and 146,484,989 shares issued and outstanding as of September 30, 2024 and December 31, 2023, respectively	\$14	\$15
Class C Common Stock, \$0.0001 par value, 1,500,000 shares authorized; no shares issued or outstanding as of September 30, 2024 and December 31, 2023, respectively	-	-
Additional paid in capital	\$135,453	\$133,728
Accumulated deficit	(\$120,947)	(\$120,478)
Total BRC Inc.'s stockholders' equity	\$14,528	\$13,271
Non-controlling interests	\$39,037	\$33,237
Total stockholders' equity	\$53,565	\$46,508
<b>Total liabilities and stockholders' equity</b>	<b>\$233,664</b>	<b>\$235,776</b>

# CASH FLOW

## Consolidated Statements of Cash Flow (in thousands)

	Nine Months Ended September 30,	
	2024	2023
<b>Operating activities</b>		
Net loss	(\$916)	(\$42,680)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and amortization	\$7,458	\$5,354
Equity-based compensation	\$7,862	\$5,645
Amortization of debt issuance costs	\$908	\$260
Loss on disposal of assets	\$1,236	\$3,622
Paid-in-kind interest	\$2,014	-
Other	\$30	\$252
Changes in operating assets and liabilities:		
Accounts receivable, net	(\$3,960)	(\$2,284)
Inventories, net	(\$8,965)	(\$14,190)
Prepaid expenses and other assets	(\$2,289)	(\$7,374)
Accounts payable	(\$1,010)	\$12,629
Accrued liabilities	\$1,081	(\$3,285)
Deferred revenue and gift card liability	(\$6,161)	\$655
Operating lease liability	\$462	\$915
Other liabilities	\$11,395	\$122
Net cash provided by (used in) operating activities	\$9,145	(\$40,359)
<b>Investing activities</b>		
Purchases of property, plant and equipment	(\$7,007)	(\$18,872)
Proceeds from sale of property and equipment	\$911	\$5,576
Net cash used in investing activities	(\$6,096)	(\$13,296)
<b>Financing activities</b>		
Proceeds from issuance of long-term debt, net of discount	\$206,182	\$294,501
Debt issuance costs paid	(\$164)	(\$3,876)
Repayment of long-term debt	(\$214,751)	(\$267,381)
Financing lease obligations	(\$62)	(\$73)
Repayment of promissory note	(\$1,047)	(\$1,047)
Issuance of stock from the Employee Stock Purchase Plan	\$518	\$673
Proceeds from exercise of stock options	\$13	-
Net cash (used in) provided by financing activities	(\$9,311)	\$22,797
Net decrease in cash, cash equivalents and restricted cash	(\$6,262)	(\$30,858)
Cash and cash equivalents, beginning of period	\$12,448	\$38,990
Restricted cash, beginning of period	\$1,465	-
Cash and cash equivalents, end of period	\$7,336	\$6,667
Restricted cash, end of period	\$315	\$1,465

# CASH FLOW (CONTINUED)

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## Consolidated Statements of Cash Flow Continued (*in thousands*)

	Nine Months Ended September 30,	
	2024	2023
<b>Non-cash operating activities</b>		
(Derecognition) Recognition of right-of-use operating lease assets	(\$5,363)	\$15,913
Recognition of revenue for inventory exchanged for prepaid advertising	\$15,220	\$7,480
<b>Non-cash investing and financing activities</b>		
Property and equipment purchased but not yet paid	\$530	\$3,349
<b>Supplemental cash flow information</b>		
Cash paid for income taxes	\$385	\$665
Cash paid for interest	\$5,372	\$2,591

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# KEY OPERATIONAL METRICS

## Revenue by Sales Channel

(in thousands)

	Three Months Ended September 30,	
	2024	2023
Wholesale	\$63,655	\$61,527
Direct to Consumer	\$29,044	\$32,794
Outpost	\$5,505	\$6,215
Total net sales	<u>\$98,204</u>	<u>\$100,536</u>

## Key Operational Metrics

	September 30,	
	2024	2023
FDM ACV %	47.2%	34.1%
RTD ACV %	47.3%	42.0%
DTC Subscribers	194,000	230,300
Outposts		
Company-owned stores	18	17
Franchise stores	19	17
Total Outposts	<u>37</u>	<u>34</u>

# RECONCILIATION OF NET (LOSS) TO ADJUSTED EBITDA

## Reconciliation of Net Income (Loss) to Adjusted EBITDA

(amounts in thousands)

	Three Months Ended September		Nine Months Ended September	
	2024	2023	2024	2023
Net loss	(\$1,397)	(\$10,694)	(\$916)	(\$42,680)
Interest expense	\$2,453	\$3,544	\$6,805	\$4,658
Tax expense	\$50	\$56	\$151	\$169
Depreciation and amortization	\$2,661	\$2,002	\$7,458	\$5,354
EBITDA	\$3,767	(\$5,092)	\$13,498	(\$32,499)
Equity-based compensation(1)	\$2,605	\$596	\$7,862	\$5,645
System implementation costs(2)	—	\$1,195	\$520	\$3,057
Executive recruiting, relocation and sign-on bonus(3)	—	\$477	\$279	\$1,544
Write-off of site development costs(4)	\$441	\$1,430	\$2,663	\$2,492
Strategic initiative related costs(5)	—	—	—	\$1,505
Non-routine legal expense(6)	\$291	\$3,134	\$2,335	\$7,381
RTD start-up and production issues(7)	—	—	—	\$2,394
Contract termination costs(8)	—	—	—	\$730
Restructuring fees and related costs(9)	—	\$1,911	\$266	\$5,120
RTD transformation costs(10)	—	\$3,649	\$2,260	\$3,649
(Gain) Loss on assets held for sale(11)	—	(\$1,097)	—	\$105
<b>Adjusted EBITDA</b>	<b>\$7,104</b>	<b>\$6,203</b>	<b>\$29,683</b>	<b>\$1,123</b>

(1) Represents the non-cash expense related to our equity-based compensation arrangements for employees, directors, consultants and a Wholesale channel partner.

(2) Represents non-capitalizable costs associated with the implementation of our enterprise-wide systems.

(3) Represents payments made for executive recruitment, relocation, and sign-on bonuses connected with RTD transformation.

(4) Represents the write-off of development costs for abandoned retail locations.

(5) Represents nonrecurring third-party consulting costs related to the planning and execution of our growth and productivity strategic initiatives.

(6) Represents legal costs and fees incurred in connection with certain non-routine legal disputes consisting of certain claims relating to deSPAC warrants and a commercial dispute with a former consultant resulting from the Company in-housing certain activities.

(7) Represents nonrecurring, non-cash costs and expense incurred as a result of our RTD start-up and production issue.

(8) Represents nonrecurring costs incurred for early termination of software and service contracts.

(9) Represents restructuring advisory fees, severance, and other related costs associated with RTD transformation.

(10) Represents non-recurring, non-cash or non-operational costs associated with the transformation of our RTD business (excluding those reported separately in (3) and (9) including loss on write-off of RTD inventory, discounts recognized on non-cash transactions, and other non-cash costs to transform our RTD business.

(11) Represents the adjustment recorded to recognize assets held for sale at their estimate net realizable value less estimated cost to sell.

# RECONCILIATION OF GROSS MARGIN TO ADJUSTED GROSS MARGIN

## GAAP to Non-GAAP Financial Measures: Gross Margin

(in thousands, except % data)

	Three Months Ended,				
	September 30, 2023	December 31, 2023	March 31, 2024	June 30, 2024	September 30, 2024
<b>GAAP Results: Revenue, Net</b>	<b>\$100,536</b>	<b>\$119,650</b>	<b>\$98,392</b>	<b>\$89,017</b>	<b>\$98,204</b>
RTD transformation costs, Revenue	2,045	4,605	1,609	651	-
<b>Non-GAAP Results: Adjusted Revenue, Net</b>	<b>102,581</b>	<b>124,255</b>	<b>100,001</b>	<b>\$89,668</b>	<b>\$98,204</b>
<b>GAAP Results: Gross Profit</b>	<b>\$34,059</b>	<b>\$31,672</b>	<b>\$42,185</b>	<b>\$37,259</b>	<b>\$41,348</b>
% GAAP Gross Profit of Revenue, Net	33.9%	26.5%	42.9%	41.9%	42.1%
RTD transformation costs, Gross Profit	3,649	15,268	1,609	651	-
<b>Non-GAAP Results: Adjusted Gross Profit</b>	<b>\$37,708</b>	<b>\$46,940</b>	<b>\$43,794</b>	<b>\$37,910</b>	<b>\$41,348</b>
% Non-GAAP Adjusted Gross Profit of Revenue, Net	36.8%	37.8%	43.8%	42.3%	42.1%



# RECONCILIATION OF NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES TO FREE CASH FLOW

## Reconciliation of Net Cash Provided by (Used in) Operating Activities to Free Cash Flow

(amounts in thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2024	2023	2024	2023
<b>Net cash provided by (used in) operating activities</b>	<b>\$1,933</b>	<b>\$98</b>	<b>\$9,145</b>	<b>(\$40,359)</b>
Capital expenditures	(\$2,138)	(\$8,863)	(\$7,007)	(\$18,872)
<b>Free Cash Flow</b>	<b>(\$205)</b>	<b>(\$8,765)</b>	<b>\$2,138</b>	<b>(\$59,231)</b>

# GUIDANCE

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**For the Full-year fiscal 2024, the Company expects:**

	<b>FY2023</b>	<b>FY2024 Guidance</b>	
	<b>Actual</b>	<b>Low</b>	<b>High</b>
Net Revenue <sup>1</sup>	\$395.6	\$390.0	\$395.0
	<i>Growth</i>	<i>31%</i>	<i>-1%</i>
		<i>0%</i>	
Gross Margin	32%	40%	42%
Adj. EBITDA	\$13.3	\$35.0	\$40.0
Free Cash Flow Conversion <sup>2</sup>		Positive for the Year	

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<sup>1</sup> A barter transaction favorably impacted Net Revenue in 2023 by \$28.9 million and projected Net Revenue in 2024 by \$15.2 million. Excluding the impact of the barter transaction reduces revenue growth from 2022 to 2023 by 10%.

<sup>2</sup> We define Free Cash Flow Conversion as Free Cash Flow divided by Adjusted EBITDA