
4th Quarter and FY 2025 Earnings Presentation

Alight, Inc.

February 19, 2026

alight

Disclaimer

Forward-looking statements

This presentation contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements include, but are not limited to, statements related to our expectations regarding the performance and outlook for Alight's business, financial results, liquidity and capital resources, including statements regarding our partnerships and our use of artificial intelligence ("AI"), statements regarding our capital structure, expectations regarding our project revenue, and other non-historical statements, including certain statements in the "Maximizing capital position," "Capital allocation" and "2026: the year of execution" sections of this presentation. In some cases, these forward-looking statements can be identified by the use of words such as "outlook," "believes," "expects," "potential," "continues," "may," "will," "should," "could," "seeks," "projects," "predicts," "intends," "plans," "estimates," "anticipates" or the negative version of these words or other comparable words. Such forward-looking statements are subject to various risks and uncertainties including, among others, risks related to our ability to successfully execute the next phase of our strategic transformation, including our ability to effectively and appropriately separate the Payroll and Professional Services business, risks related to declines in economic activity in the industries, markets, and regions our clients serve, including as a result of macroeconomic factors beyond our control, heightened interest rates or changes in monetary, trade and fiscal policies, competition in our industry, risks related to cyber-attacks and security vulnerabilities and other significant disruptions in our information technology systems and networks, risks related to our ability to maintain the security and privacy of confidential, personal or proprietary data, risks related to actions or proposals from activist stockholders, and risks related to our compliance with applicable laws and regulations, including changes thereto. Additional factors that could cause Alight's results to differ materially from those described in the forward-looking statements can be found under the section entitled "Risk Factors" of Alight's Annual Report on Form 10-K, filed with the Securities and Exchange Commission (the "SEC") on February 27, 2025, as such factors may be updated from time to time in Alight's filings with the SEC, which are, or will be, accessible on the SEC's website at www.sec.gov. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. These factors should not be construed as exhaustive and should be considered along with other factors noted in this presentation and in Alight's filings with the SEC. Alight undertakes no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments or otherwise, except as required by law.

Financial statement presentation

This presentation is not considered to be prepared in accordance with GAAP and has not been prepared as proforma results under applicable regulations. Additionally, certain of the information in this presentation is not presented in accordance with GAAP or the requirements of Article 11 of Regulation S-X ("Regulation S-X") with respect to proforma financial information. In particular, this presentation includes supplemental proforma financial information that includes certain management adjustments in addition to those permitted under Regulation S-X. We believe the supplemental information is helpful in, among other things, presenting our results more consistently across prior periods. For more about those management adjustments, please see "Background regarding proforma adjusted supplemental financial results" in the appendix. For information presented in accordance with Regulation S-X, please see our Current Report on Form 8-K filed with the SEC on February 20, 2025.

Non-GAAP financial measures and other information

Included in this presentation are certain non-GAAP financial measures, such as Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Gross Profit, Adjusted Gross Profit Margin, Adjusted Net Income, Free Cash Flow, and Net Debt, designed to complement the financial information presented in accordance with U.S. GAAP because management believes such measures are useful to investors. Additionally, Net Debt, as presented herein, differ from the Net Debt figures as those relate to the Credit Facility, as the Borrower under the Credit Facility is Tempo Acquisition, LLC rather than Alight. These non-GAAP financial measures should be considered only as supplemental to, and not superior to, financial measures provided in accordance with GAAP. Please refer to the appendix of this presentation for a reconciliation of the historical non-GAAP financial measures included in this presentation to the most directly comparable financial measures prepared in accordance with GAAP.

Reconciliations of the historical financial measures used in this presentation that are not recognized under U.S. GAAP are included or described in the tables attached to the appendix. Because GAAP financial measures on a forward-looking basis are not accessible, and reconciling information is not available without unreasonable effort, we have not provided reconciliations for forward-looking non-GAAP measures. For the same reasons, we are unable to address the probable significance of the unavailable information, which could be material to future results.

4TH QUARTER AND FY 2025 EARNINGS

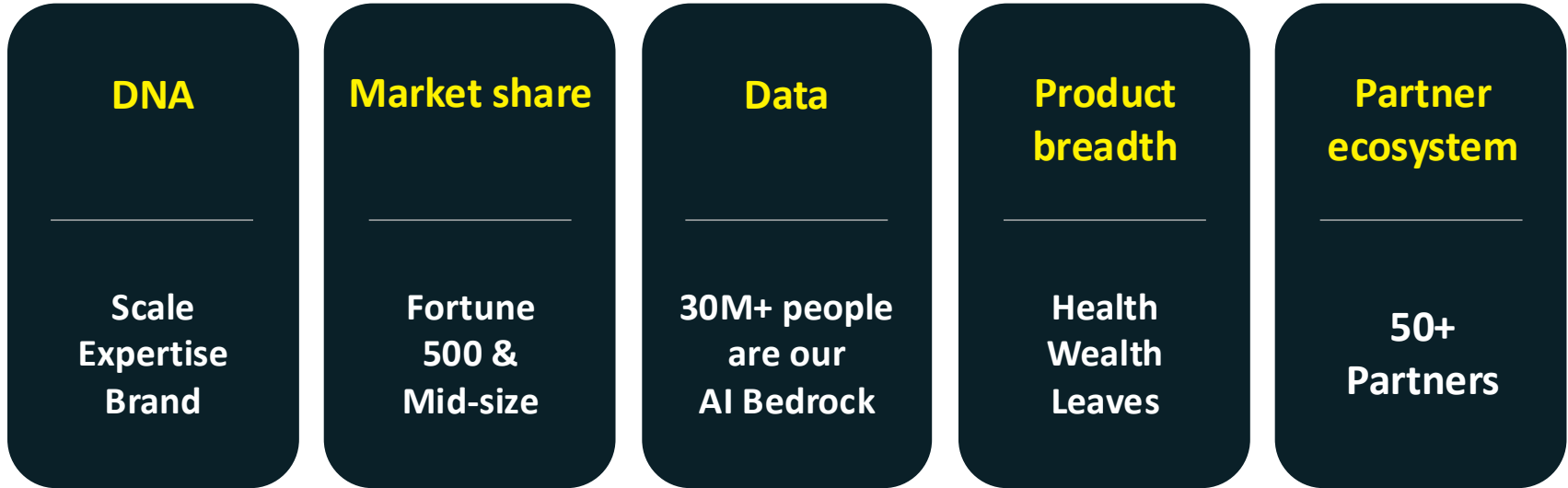
Strategic update

Rohit Verma

Chief Executive Officer

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The opportunity



Helping people in their most critical moments

Attractive market dynamics



Increasing complexity

Employers often lack in-house expertise to manage the increasing complexity of benefits compliance, delivery, and technology, making outsourced administration a vital alternative.



Non-discretionary buy

Healthcare is a non-discretionary sector where access to medication, treatment and services remain essential.



Resilient business model

Employee benefits administration is resilient to economic cycles.

OUR WAY FORWARD

Three operating principles



Deliver service and operational excellence



Innovate products that create real value and actionable insights



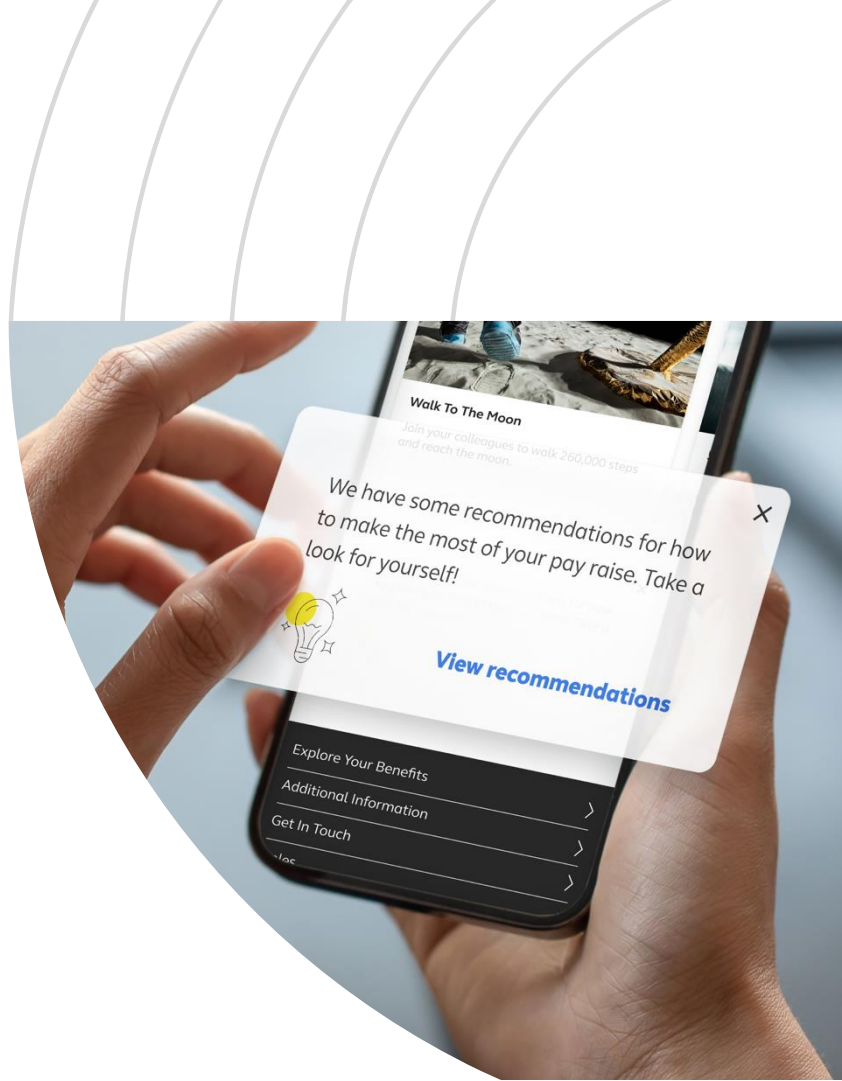
Build relationships that result in enduring, trusted partnerships

Innovating the user experience with AI

Increased annual enrollment participant satisfaction in Q4

Piloted conversational AI assist during annual enrollment

- **Significant decrease in channel jumping from digital to other channels**
- Results demonstrate **the efficiency and satisfaction gains AI can provide**
- **Feature rollout planned for the 2026 annual enrollment cycle**



FY 2025 performance overview

\$2.3B

Revenue

\$561M

Adj. EBITDA

24.8%

Adj. EBITDA
margin

\$250M

Free cash flow

- Revenue was down 3.9% YoY compared to FY24 revenue¹
 - Non-recurring revenues down 21.8% to \$154M
- Adjusted EBITDA impacted by increased compensation expense in Q4
- Strong liquidity with \$250M in free cash flow

¹2024 results are presented on a proforma adjusted basis in light of the July 2024 divestiture of our Payroll and Professional Services business. Please see disclaimer slide for additional information about proforma adjustment presentation and see appendix for details regarding adjustments and reconciliations, where applicable.

4TH QUARTER AND FY 2025 EARNINGS

Financial results

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4Q & FY25 financial results

(\$ in millions)	4Q25	4Q24	Change	FY25	FY24 ¹	Change
Revenue						
Recurring Revenue	\$607	\$617	-1.6%	\$2,108	\$2,156	-2.2%
Project Revenue	\$46	\$63	-27.0%	\$154	\$197	-21.8%
Total Revenue	\$653	\$680	-4.0%	\$2,262	\$2,353	-3.9%
Adjusted Gross Profit ²	\$272	\$300	-9.3%	\$883	\$942	-6.3%
<i>% margin</i>	<i>41.7%</i>	<i>44.1%</i>	<i>-240 bps</i>	<i>39.0%</i>	<i>40.0%</i>	<i>-100 bps</i>
Adjusted EBITDA	\$178	\$217	-18.0%	\$561	\$594	-5.6%
<i>% margin</i>	<i>27.3%</i>	<i>31.9%</i>	<i>-460 bps</i>	<i>24.8%</i>	<i>25.2%</i>	<i>-40 bps</i>
Adjusted Net Income	\$96	\$127	-24.4%	\$266	\$313	-15.0%
Adjusted EPS	\$0.18	\$0.24	-25.0%	\$0.50	\$0.57	-12.3%

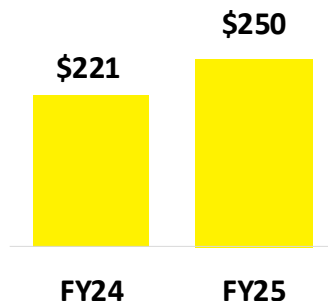
¹2024 results are presented on a proforma adjusted basis in light of the July 2024 divestiture of our Payroll and Professional Services business. Please see disclaimer slide for additional information about proforma adjustment presentation and see appendix for details regarding adjustments and reconciliations, where applicable.

²Adjusted gross profit is defined as revenue less cost of services adjusted for depreciation, amortization and share-based compensation. Adjusted gross profit margin percent is defined as adjusted gross profit divided by revenue. A reconciliation of this non-GAAP financial metric to its closest comparable GAAP metric is included in the appendix.

Maximizing capital position

(\$ millions)	12/31/2025	12/31/2024
Total Debt	\$2,005	\$2,025
Less Cash	\$273	\$343
Net Debt	\$1,732	\$1,682

Full-Year Free Cash Flow^{1,2} (\$M)



- Entering 2026 with **\$603M of liquidity**
 - **\$273M in cash and equivalents**
 - **\$330M available on revolver**
- Sufficient to cover 2026 TRA payment
- No significant TRA payment expected in 2027 and 2028
- Reallocate FCF towards **long-term growth of the business, deleveraging, and opportunistic share repurchases**

¹Free cash flow is defined as cash provided by operating activities net of capital expenditures

² 2024 results are presented on a proforma adjusted basis in light of the July 2024 divestiture of our Payroll and Professional Services business. Please see disclaimer slide for additional information about proforma adjustment presentation and see appendix for details regarding adjustments and reconciliations, where applicable.

4TH QUARTER AND FY 2025 EARNINGS

Looking forward

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Capital allocation focus

AVAILABLE OPTIONS

Re-investment

Dividend

Buyback

Deleverage

M&A

TRA

CURRENT ALLOCATION

Re-investment

Dividend

Buyback

TRA

NEAR-TERM FOCUS

Re-investment

Deleverage

Buyback

*No significant TRA payment expected in 2027 and 2028

2026

The year of
execution

**\$100M+
CAPEX**



Deliver service and operational
excellence

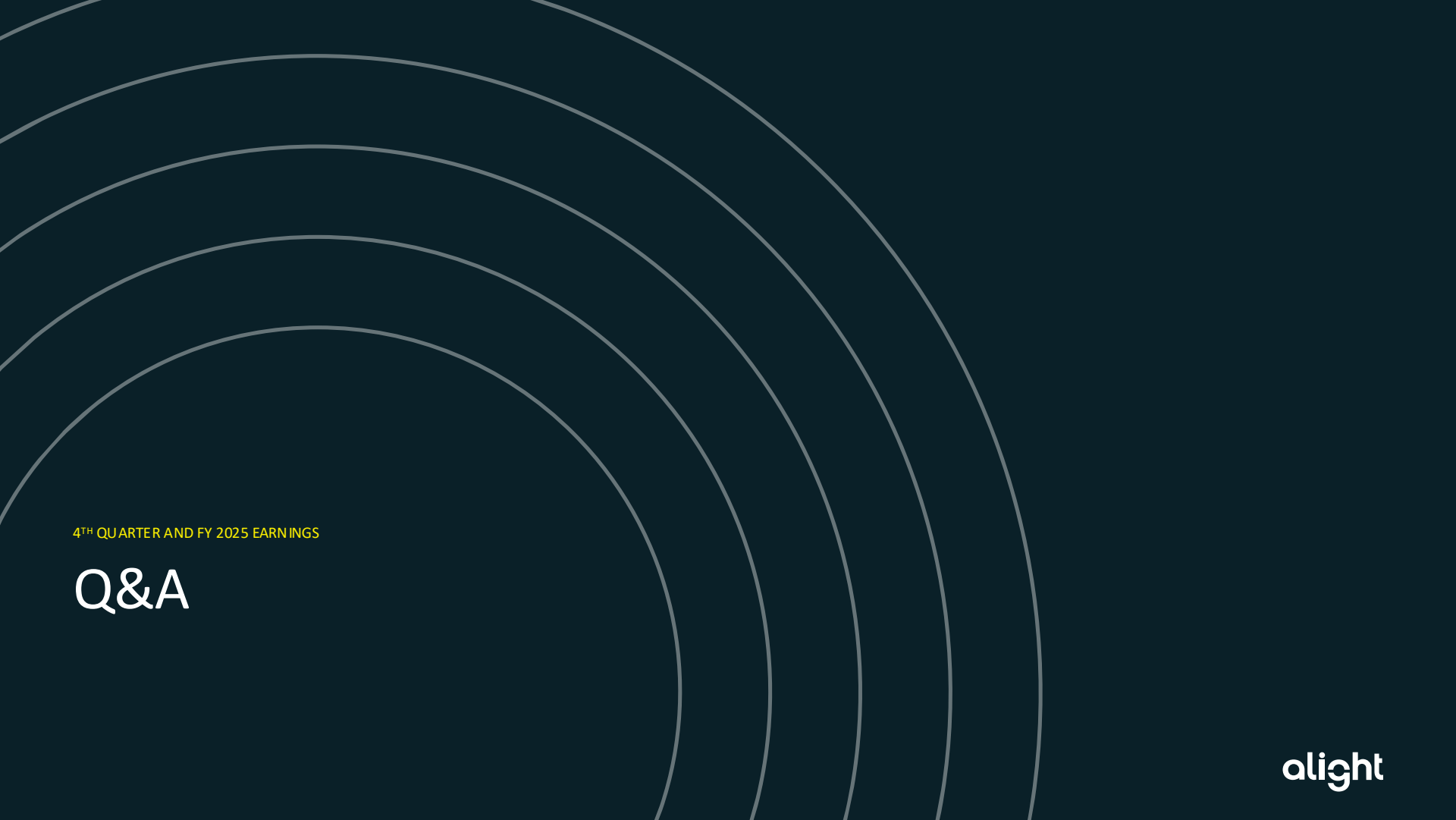


Innovate products that create real
value and actionable insights




Build relationships that result in
enduring, trusted partnerships

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4TH QUARTER AND FY 2025 EARNINGS

Q&A



APPENDIX

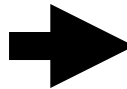
Proforma adjustment reconciliations

Background regarding proforma adjusted supplemental financial results

Proforma adjusted supplemental financial results are designed to show the impact of the sale of the Payroll and Professional Services business as if it had happened at the beginning of 2023 with the objective of providing better comparability between periods. It includes the Company's actual results from continuing operations 'adjusted' for certain items that are the direct result of the transaction and our use of transaction proceeds. While we believe this presentation is useful to investors, these proforma adjusted financials should be viewed only as supplemental information to our previously and future reported results.

Key Proforma Adjustments

1. Services (e.g., customer care) that Alight is providing to Strada and receiving revenue pursuant to a Commercial Agreement
2. Certain shared delivery and technology costs that Alight either no longer incurs or will be reimbursed for under Transition Services Agreement (TSA)
3. Adjustments for lower interest expense from debt paydown in July '24
4. Tax impacts from above adjustments



Proforma Adjusted Financial Metrics

1. Adjusted income statement metrics for FY24 may include:
 - Proforma adjusted Revenue
 - Proforma adjusted EBITDA/margin
2. Adjusted cash flow metrics for FY24

2024 Total Revenue Disaggregation with Proforma Adjustments (unaudited)

(\$ in millions)	Twelve Months Ended December 31,	
	2024	
Revenue:		
Recurring	\$	2,135
<i>Proforma Adjustments</i>		<i>21</i>
Recurring - adjusted		2,156
Project		197
Total Revenue	\$	2,353

Reconciliation of 2024 Gross Profit to Adjusted Gross Profit with Proforma Adjustments (unaudited)

(\$ in millions)	<u>Twelve Months Ended December 31,</u>	
	2024	
Gross Profit	\$	794
Add: stock-based compensation		14
Add: depreciation and amortization		96
<i>Add: Proforma Adjustments</i>		38
Adjusted Gross Profit	\$	942
Gross Profit Margin		33.7%
Adjusted Gross Profit Margin		40.0%

Reconciliation of 2024 Net Income (Loss) to Adjusted EBITDA with Proforma Adjustments (unaudited)

(in millions)	Twelve Months Ended December 31, 2024	
Net Income (Loss) From Continuing Operations	\$	(140)
Interest expense		103
Income tax expense (benefit)		(8)
Depreciation		115
Intangible amortization		280
EBITDA From Continuing Operations		350
Share-based compensation		76
Transaction and integration expenses ⁽¹⁾		82
Restructuring		63
(Gain) Loss from change in fair value of financial instruments		(57)
(Gain) Loss from change in fair value of tax receivable agreement		34
Goodwill Impairment and Other		8
Adjusted EBITDA From Continuing Operations	\$	556
<i>Proforma Adjustments</i>	\$	38
Adjusted EBITDA w/ Proforma Adjustments	\$	594
Total Revenue	\$	2,353
Adjusted EBITDA Margin ⁽²⁾		25.2%

(1) Transaction and integration expenses primarily relate to acquisition and divestiture activities.


(2) Adjusted EBITDA Margin is defined as Adjusted EBITDA as a percentage of revenue.

Reconciliation of 2024 Free Cash Flow with Proforma Adjustments (unaudited)

(in millions)	Twelve Months Ended December 31,	
	2024	
Non-GAAP Free Cash Flow Reconciliation		
Cash provided by operating activities - continuing operations	\$	193
<i>Proforma Adjustments</i>		<i>149</i>
Cash provided by operating activities - continuing operations - adjusted	\$	342
Capital Expenditures	\$	(121)
Non-GAAP Free Cash Flow	\$	221

Reconciliation of Net Income (Loss) to Adjusted Net Income and Adjusted Diluted Earnings per Share From Continuing Operations with Proforma Adjustments (unaudited)

	Year Ended December 31, 2024	
(in millions, except share and per share amounts)		
Numerator:		
Net Income (Loss) Attributable to Alight, Inc.	\$	(138)
Conversion of noncontrolling interest		(2)
Intangible amortization		280
Share-based compensation		76
Transaction and integration expenses		82
Restructuring		63
(Gain) Loss from change in fair value of financial instruments		(57)
(Gain) Loss from change in fair value of tax receivable agreement		34
Other		8
Tax effect of adjustments		(85)
Adjusted Net Income	\$	261
<i>Proforma Adjustments</i>	<i>\$</i>	<i>52</i>
Adjusted Net Income with Proforma Adjustments	\$	313
Denominator:		
Weighted average shares outstanding - basic		539,861,208
Dilutive effect of the exchange of noncontrolling interest units		510,237
Dilutive effect of RSUs		—
Weighted average shares outstanding - diluted		540,371,445
Exchange of noncontrolling interest units		518,412
Impact of unvested RSUs		7,325,106
Adjusted shares of Class A Common Stock outstanding - diluted		548,214,963
Basic (Net Loss) Earnings Per Share	\$	(0.25)
Diluted (Net Loss) Earnings Per Share	\$	(0.25)
Adj Diluted EPS w/ Proforma Adjustments	\$	0.57



APPENDIX

GAAP to Non-GAAP Reconciliations

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

(in millions)	Three Months Ended December 31,		Year Ended December 31,	
	2025	2024	2025	2024
Net Income (Loss) From Continuing Operations	\$ (933)	\$ 29	\$ (3,078)	\$ (140)
Interest expense	24	20	92	103
Income tax expense (benefit)	220	26	16	(8)
Depreciation	33	32	126	115
Intangible amortization	70	70	281	280
EBITDA From Continuing Operations	(586)	177	(2,563)	350
Share-based compensation	5	17	19	76
Transaction and integration expenses ⁽¹⁾	4	25	16	82
Restructuring	11	18	55	63
(Gain) Loss from change in fair value of financial instruments	(2)	(3)	(1)	(57)
(Gain) Loss from change in fair value of tax receivable agreement	(59)	(17)	(93)	34
Goodwill impairment and other ⁽²⁾	805	—	3,128	8
Adjusted EBITDA From Continuing Operations ⁽³⁾	\$ 178	\$ 217	\$ 561	\$ 556
Revenue	\$ 653	\$ 680	\$ 2,262	\$ 2,332
Adjusted EBITDA Margin From Continuing Operations ⁽⁴⁾	27.3%	31.9%	24.8%	23.8%

(1) Transaction and integration expenses primarily relate to acquisition and divestiture activities.

(2) Goodwill impairment and other primarily includes \$3,124 non-cash goodwill impairment charges for the year ended December 31, 2025.

(3) Adjusted EBITDA excludes the impact of discontinued operation.

(4) Adjusted EBITDA Margin From Continuing Operations is defined as Adjusted EBITDA From Continuing Operations as a percentage of revenue.

Reconciliation of Gross Profit to Adjusted Gross Profit (unaudited)

(\$ in millions)	Three Months Ended December 31,		Year Ended December 31,	
	2025	2024	2025	2024
Gross Profit	\$ 240	\$ 271	\$ 765	\$ 794
Add: stock-based compensation	2	3	7	14
Add: depreciation and amortization	30	26	111	96
Adjusted Gross Profit	\$ 272	\$ 300	\$ 883	\$ 904
Gross Profit Margin	36.8 %	39.9 %	33.8 %	34.0 %
Adjusted Gross Profit Margin	41.7 %	44.1 %	39.0 %	38.8 %

Reconciliation of Net (Loss) Income to Adjusted Net Income & Adjusted Diluted Earnings per Share (unaudited)

	Three Months Ended December 31,		Year Ended December 31,	
	2025	2024	2025	2024
(in millions, except share and per share amounts)				
Numerator:				
Net Income (Loss) From Continuing Operations Attributable to Alight, Inc. ⁽¹⁾	\$ (933)	\$ 29	\$ (3,076)	\$ (138)
Conversion of noncontrolling interest	—	—	(2)	(2)
Intangible amortization	70	70	281	280
Share-based compensation	5	17	19	76
Transaction and integration expenses ⁽²⁾	4	25	16	82
Restructuring	11	18	55	63
(Gain) Loss from change in fair value of financial instruments	(2)	(3)	(1)	(57)
(Gain) Loss from change in fair value of tax receivable agreement	(59)	(17)	(93)	34
Goodwill impairment and other ⁽³⁾	805	—	3,128	8
Tax effect of adjustments ⁽⁴⁾	195	(12)	(61)	(85)
Adjusted Net Income From Continuing Operations	\$ 96	\$ 127	\$ 266	\$ 261
Denominator:				
Weighted average shares outstanding - basic	523,003,557	532,282,913	527,567,685	539,861,208
Dilutive effect of the exchange of noncontrolling interest units	—	510,237	—	510,237
Dilutive effect of RSUs	—	1,287,553	—	—
Weighted average shares outstanding - diluted	523,003,557	534,080,703	527,567,685	540,371,445
Exchange of noncontrolling interest units ⁽⁵⁾	494,717	28,080	506,234	518,412
Impact of unvested RSUs ⁽⁶⁾	7,617,889	6,037,553	7,617,889	7,325,106
Adjusted shares of Class A Common Stock outstanding - diluted⁽⁷⁾⁽⁸⁾	531,116,163	540,146,336	535,691,808	548,214,963
Basic (Net Loss) Earnings Per Share From Continuing Operations	\$ (1.78)	\$ 0.05	\$ (5.83)	\$ (0.25)
Diluted (Net Loss) Earnings Per Share From Continuing Operations	\$ (1.78)	\$ 0.05	\$ (5.83)	\$ (0.25)
Adjusted Diluted Earnings Per Share From Continuing Operations	\$ 0.18	\$ 0.24	\$ 0.50	\$ 0.48

- (1) Excludes the impact of discontinued operations.
- (2) Transaction and integration expenses primarily relate to acquisition and divestiture activities.
- (3) Goodwill impairment and other primarily includes \$3,124 million non-cash goodwill impairment charges for the year ended December 31, 2025.
- (4) Income tax effects have been calculated based on the statutory tax rates for both U.S. and foreign jurisdictions based on the Company's mix of income and adjusted for significant changes in fair value measurement.
- (5) Assumes the full exchange of the units held by noncontrolling interests for shares of Class A Common Stock of Alight, Inc. pursuant to the exchange agreement.
- (6) Includes non-vested time-based restricted stock units that were determined to be antidilutive for U.S. GAAP diluted earnings per share purposes.
- (7) Excludes two tranches of contingently issuable seller earnout shares: (i) 7.5 million shares will be issued if the Company's Class A Common Stock's volume-weighted average price ("VWAP") is >\$12.50 for any 20 trading days within a consecutive period of 30 trading days; (ii) 7.5 million shares will be issued if the Company's Class A Common Stock VWAP is >\$15.00 for any 20 trading days within a consecutive period of 30 trading days. Both tranches have a seven-year duration.
- (8) Excludes approximately 0.7 million and 10.9 million performance-based units, which represents the gross number of shares expected to vest based on achievement of performance conditions as of December 31, 2025 and 2024, respectively.