

An aerial photograph of a dense urban skyline, likely New York City, featuring numerous skyscrapers and buildings. A diagonal line splits the image, with the upper right portion showing a clear, bright view of the city and the lower left portion being in shadow.

Supplemental Information Post-Transaction

# Alight, Inc.

July 18, 2024



# 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 regarding the sale of our Payroll and Professional Services business, including the anticipated benefits of the transaction (including the achievement of our financial objectives), support plans, opportunities, anticipated future performance (including our expected recurring revenue and margin profile) and expected stock buyback programs, statements related to our cloud migration project and its expected impact, statements related to our expected revenue under contract and statements related to the expectations regarding the performance and outlook for Alight's business, financial results, liquidity and capital resources, our strategic portfolio review, our investments in our products and clients, statements regarding our capital structure, expectations regarding our project revenue, and other non-historical statements, including certain statements in the "New Alight revenue growth profile & visibility", "Strong New Alight normalized earnings power", and "Key drivers of +600 bps. Adj. EBITDA margin expansion opportunity" 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 declines in economic activity in the industries, markets, and regions our clients serve, including as a result of elevated interest rates or changes in monetary and fiscal policies, competition in our industry, risks related to the performance of our information technology systems and networks, risks related to our ability to maintain the security and privacy of confidential and proprietary information, risks related to actions or proposals from activist stockholders, risks related to the ability to meet the contingent payment conditions of the seller note, and risks related to changes in regulation, including developments on the use of artificial intelligence and machine learning. 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 29, 2024, and Quarterly Report on Form 10-Q, filed with the SEC on May 8, 2024, 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](http://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

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 pro forma financial information. In particular, this presentation includes supplemental management pro forma financial information for New Alight that includes certain adjustments in addition to those permitted by Regulation S-X. We believe the supplemental information is helpful in, among other things, presenting New Alight's results more consistently across prior periods. For pro forma information presented in accordance with Regulation S-X, please see our Current Report on Form 8-K filed with the SEC on July 18, 2024.

Amounts in tables may not sum or calculate due to rounding.

## Non-GAAP financial measures

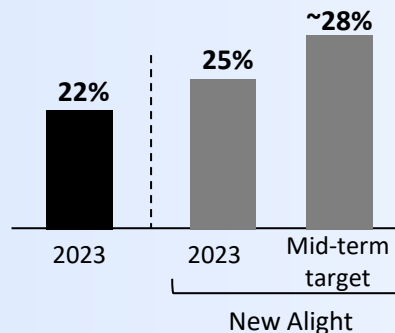
Included in this presentation are certain non-GAAP financial measures, such as Adjusted EBITDA, Adjusted EBITDA Margin, Adjusted Gross Profit, Adjusted Gross Profit Margin, Adjusted Net Income, Adjusted Earnings per Share, Adjusted Diluted Earnings per Share, Operating Cash Flow Conversion, Free Cash Flow, Free Cash Flow Conversion, Net Leverage Ratio 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. 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 an explanation of management adjustments and 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.

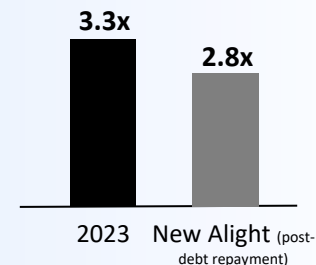
# Simplified, capital efficient, and focused platform & wellbeing strategy

- Completed sale of Payroll & Professional Services for \$1.0B in upfront gross proceeds, with up to \$200M in seller notes
- \$740M debt repayment reduces net leverage to 2.8x with debt 100% fixed for remainder of 2024
- Additional proceeds to fund share repurchases and for general corporate purposes
  - \$155M shares repurchased post 1Q earnings
- Remaining business has history of growth with revenue CAGR of 10% since 2021
- Immediate uplift in Adjusted EBITDA margin profile to 25% with continued expansion expected through the mid-term

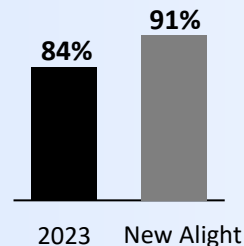
## Adjusted EBITDA Margin<sup>1</sup>



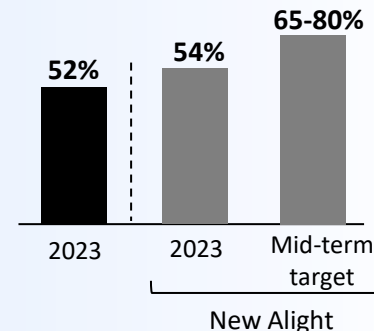
## Net Leverage<sup>2</sup>



## Recurring Revenue %



## Operating Cash Flow Conversion



<sup>1</sup> Adjusted EBITDA is defined as earnings before interest, taxes, depreciation and intangible amortization adjusted for the impact of certain non-cash and other items that we do not consider in the evaluation of ongoing operational performance. Adjusted EBITDA margin is defined as Adjusted EBITDA divided by revenue. A reconciliation of this non-GAAP financial metric to its closest comparable GAAP metric is included in the appendix.

<sup>2</sup> Net leverage ratio is defined as total balance sheet debt less cash and cash equivalents divided by Adjusted EBITDA. Please refer to "Disclaimer--Forward-looking Statements" and "Disclaimer--Non-GAAP financial measures and financial statement presentation". Refer to slide 12 for details.

Note: Operating cash flow conversion is cash provided by operations divided by Adjusted EBITDA. A reconciliation of this non-GAAP financial metric to its closest comparable GAAP metric is included in the appendix. Please refer to "Disclaimer--Forward-looking statements" and "Disclaimer--Non-GAAP financial measures and financial statement presentation."

# Transaction proceeds

- \$986M of net unrestricted cash available from transaction to fund debt repayment, share repurchases and for general corporate purposes
  - Estimated deal-related tax payment of \$14M in 2025 and TRA payment of \$152M in 2026
- Terms of seller notes are 5.5 years from the closing date and structured as a PIK note with 8% annual interest
- Finalized tax structure and TRA payment more favorable to prior estimate by \$84M

**Upfront Proceeds |  
Seller Notes<sup>1</sup>** **\$1B | up to \$200M**

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**Upfront Net Proceeds<sup>2</sup>** **\$986M**

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**Initial Proceed Usage** **\$740M** Debt principal repayment  
**\$75M** Accelerated share repurchase

Note: This summary is qualified by reference to the Stock and Asset Purchase Agreement, dated as of March 20, 2024, which is filed as Exhibit 2.1 to the Current Report on Form 8-K filed as of March 20, 2024

<sup>1</sup> \$50M of seller notes are non-contingent and \$150M are contingent on the 2025 performance of the divested business. The contingent seller note is earned on a sliding scale

<sup>2</sup> Excludes \$152M deal-related TRA payment due in 2026 as well as transaction costs

# Revenue growth & key metrics

(Financials exclude Hosted, Payroll & Professional Services)

## Management Adjusted Financials

| in millions                                   | 2021         | 2022         | 2023         |
|-----------------------------------------------|--------------|--------------|--------------|
| Recurring                                     | 1,780        | 1,988        | 2,177        |
| YoY %                                         |              | 12%          | 10%          |
| Project                                       | 199          | 204          | 219          |
| YoY %                                         |              | 3%           | 7%           |
| <b>Total Revenue</b>                          | <b>1,979</b> | <b>2,192</b> | <b>2,396</b> |
| YoY %                                         |              | 11%          | 9%           |
| <b>Recurring Revenue %</b>                    | <b>90%</b>   | <b>91%</b>   | <b>91%</b>   |
| BPaaS Revenue                                 | 139          | 300          | 434          |
| YoY %                                         |              | 116%         | 45%          |
| Non-BPaaS Revenue                             | 1,840        | 1,892        | 1,962        |
| YoY %                                         |              | 3%           | 4%           |
| <b>BPaaS % of Total Revenue</b>               | <b>7%</b>    | <b>14%</b>   | <b>18%</b>   |
| <b>1/1 Revenue Under Contract<sup>1</sup></b> | <b>1,533</b> | <b>1,808</b> | <b>2,132</b> |
| <b>Revenue Retention %</b>                    | <b>95%</b>   | <b>99%</b>   | <b>97%</b>   |

<sup>1</sup> Revenue Under Contract is an operational metric that represents management's estimate of anticipated revenue expected to be recognized in the period referenced based on available information that includes historical client contracting practices. The metric does not reflect potential future events such as unexpected client volume fluctuations, early contract terminations or early contract renewals. Our metric may differ from similar terms used by other companies and therefore comparability may be limited.

<sup>2</sup> Management estimate

## Key Commentary

- Historical CAGR of 10% driven by recurring revenue bookings growth & large new deal go-lives including Federal Thrift
- Organic revenue growth of roughly 6% when normalizing for acquisitions<sup>2</sup>
- BPaaS revenue CAGR of 77% and non-BPaaS CAGR of 3%
- BPaaS remains the high-growth category and represented 18% of total revenue in 2023
- Higher percentage of average revenue under contract to begin each year post-transaction driven by 91% recurring revenue
- High revenue retention above 95% across last three years

# Revenue growth by quarter

(Financials exclude Hosted, Payroll & Professional Services)

## Management Adjusted Financials

| in millions                     | 1Q23       | 2Q23       | 3Q23       | 4Q23       | 1Q24       |
|---------------------------------|------------|------------|------------|------------|------------|
| Recurring                       | 543        | 514        | 505        | 615        | 530        |
| YoY %                           |            |            |            |            | (2%)       |
| Project                         | 43         | 47         | 53         | 76         | 38         |
| YoY %                           |            |            |            |            | (12%)      |
| <b>Total Revenue</b>            | <b>586</b> | <b>561</b> | <b>558</b> | <b>691</b> | <b>568</b> |
| YoY %                           |            |            |            |            | (3%)       |
| <b>Recurring Revenue %</b>      | <b>93%</b> | <b>92%</b> | <b>91%</b> | <b>89%</b> | <b>93%</b> |
| BPaaS Revenue                   | 97         | 102        | 102        | 133        | 117        |
| YoY %                           |            |            |            |            | 21%        |
| Non-BPaaS Revenue               | 489        | 459        | 456        | 558        | 451        |
| YoY %                           |            |            |            |            | (8%)       |
| <b>BPaaS % of Total Revenue</b> | <b>17%</b> | <b>18%</b> | <b>18%</b> | <b>19%</b> | <b>21%</b> |

## Modeling Seasonality

- Typical seasonality with 4Q the largest revenue quarter driven by annual enrollment activity & Retiree Health Exchange commissions
- 1Q slightly elevated relative to 2Q & 3Q with Jan 1<sup>st</sup> go-lives and project work to support clients
- 2Q & 3Q typically lowest and similar revenue profile

## Key Commentary

- 1Q24 impacted by bookings in 1H 2023 with fewer Jan 1st go-lives to offset churn as well as non-repeat of 2023 COBRA volume benefits from Affordable Care Act (volumes represent just over 2 points of decline through 3Q24)
- 1Q24 Non-BPaaS revenue impacted by lower project revenue and BPaaS conversions from Reed acquisition
- BPaaS continues to increase as a percent of sales, 19% on TTM basis

# New Alight revenue growth profile & visibility

## Typical seasonality of recurring revenue

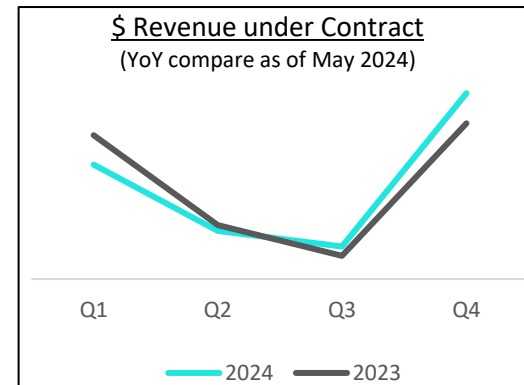
- Historic revenue retention of 96-98% with natural business cycle churn of 2-4% (large majority within non-BPaaS) taking place at end of year, offset through following year by new deal go-lives
- Government contract and M&A historically offset 1Q seasonality over last few years

## 1Q and 2Q 2024 dynamics

- Lower 1H 2023 bookings did not offset the year-end churn for non-BPaaS recurring revenue
- Project revenue fell short of expectations in 1Q, not expecting rebound in 2Q
- 2Q has similar dynamics with go-lives not offsetting churn, project softness and volumes

## New Alight: 2H & going forward

- Focus remains on profitable growth with high quality & higher margin recurring revenue, which is 91% of the total on a pro forma basis
- With our recurring revenue visibility, revenue under contract for 2H24 is ahead of 2H23 on a comparable basis; with remaining sales execution we expect sequential growth from 2Q24 into 3Q24 and 4Q24
- Beginning to benefit from cloud migration savings in 2H24, \$75M expected annualized run-rate & driver towards ~28% margin



### 2024 Revenue Under Contract by Quarter

As of May 2024

**~95%**  
of Q2'24

**~90%**  
of Q3'24

**~85%**  
of Q4'24

### Go-Forward Revenue Under Contract by Year

|      | 01/01/2024 | Growth | 03/31/2024 |
|------|------------|--------|------------|
| 2024 | \$2,133M   | +55M   | \$2,188M   |
| 2025 | \$1,475M   | +90M   | \$1,565M   |
| 2026 | \$1,039M   | +86M   | \$1,125M   |

**10%**

Revenue CAGR  
2020-2023

**50%**

BPaaS Revenue CAGR 2020-  
2023

**\$700M+**

Incremental Revenue Under Contract to start  
fiscal year 2020-2023

# Margins & Profitability

(Financials exclude Hosted, Payroll & Professional Services)

## Management Adjusted Financials

| in millions                               | 2021         | 2022         | 2023         | 1Q23         | 2Q23         | 3Q23         | 4Q23         | 1Q24         |
|-------------------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| <b>Total Revenue</b>                      | <b>1,979</b> | <b>2,192</b> | <b>2,396</b> | <b>586</b>   | <b>561</b>   | <b>558</b>   | <b>691</b>   | <b>568</b>   |
| <b>Adjusted Gross Profit</b> <sup>1</sup> | <b>764</b>   | <b>816</b>   | <b>971</b>   | <b>225</b>   | <b>228</b>   | <b>210</b>   | <b>308</b>   | <b>223</b>   |
| <i>Adjusted Gross Profit Margin</i>       | <i>38.6%</i> | <i>37.2%</i> | <i>40.5%</i> | <i>38.4%</i> | <i>40.6%</i> | <i>37.6%</i> | <i>44.6%</i> | <i>39.3%</i> |
| <b>Adjusted EBITDA</b> <sup>2</sup>       | <b>507</b>   | <b>544</b>   | <b>596</b>   | <b>127</b>   | <b>134</b>   | <b>117</b>   | <b>217</b>   | <b>131</b>   |
| <i>Adjusted EBITDA Margin</i>             | <i>25.6%</i> | <i>24.8%</i> | <i>24.9%</i> | <i>21.7%</i> | <i>23.9%</i> | <i>21.0%</i> | <i>31.4%</i> | <i>23.1%</i> |

## Key Commentary

- Over 300 bps. increase in Adj. EBITDA margin profile post-transaction, unlocking the benefits of productivity initiatives over the past three years
- Key investments in Alight Worklife® platform technology, commercial go-to-market and large contract implementations muted historic Adjusted EBITDA margin expansion; SG&A elevated in 2023 primarily due to the acquisition of ReedGroup
- Expect these investments coupled with benefits from restructuring and streamlining to drive margin expansion starting in 2H 2024 with initial benefit from cloud migration
- Typical seasonality includes lower 3Q margin with upfront resource investments to support 4Q annual enrollment process with higher revenue & margin

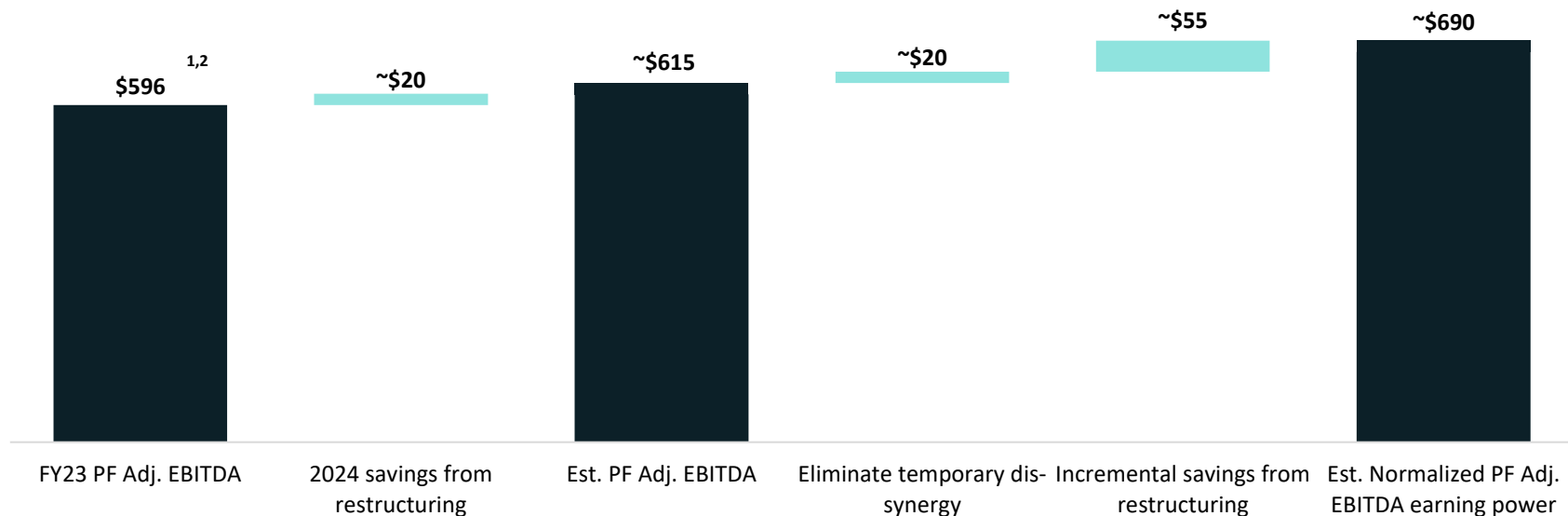
<sup>1</sup> Adjusted gross profit is defined as revenue less cost of services adjusted for depreciation, amortization and share-based compensation. Adjusted gross profit margin percent is defined as adjusted gross profit divided by revenue. A reconciliation of this non-GAAP financial metric to its closest comparable GAAP metric is included in the appendix.

<sup>2</sup> Adjusted EBITDA is defined as earnings before interest, taxes, depreciation and intangible amortization adjusted for the impact of certain non-cash and other items that we do not consider in the evaluation of ongoing operational performance. Includes \$20M of temporary dis-synergy. Adjusted EBITDA margin is defined as adjusted EBITDA divided by revenue. A reconciliation of this non-GAAP financial metric to its closest comparable GAAP metric is included in the appendix.

# Strong New Alight normalized earnings power

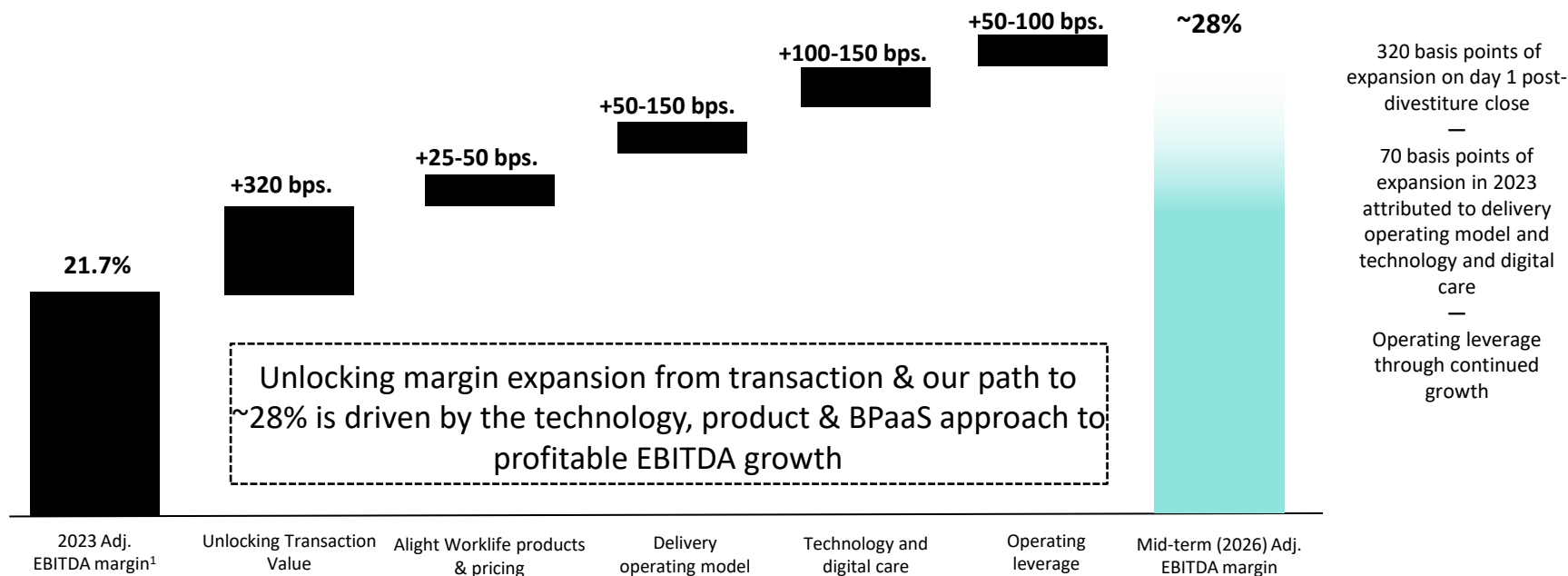
## Normalized Proforma (PF) Adj. EBITDA bridge

(\$ millions)



**Normalized earnings power after restructuring savings and temporary divestiture costs eliminated, which provides a strong base for growth & margin expansion through technology and continued productivity**

# Key drivers of +600 bps. Adj. EBITDA margin expansion opportunity



<sup>1</sup>Adjusted EBITDA is defined as earnings before interest, taxes, depreciation and intangible amortization adjusted for the impact of certain non-cash and other items that we do not consider in the evaluation of ongoing operational performance. Adjusted EBITDA margin is defined as adjusted EBITDA divided by revenue. A reconciliation of this non-GAAP financial metric to its closest comparable GAAP metric is included in the appendix.

# Other key metrics

(Financials exclude Hosted, Payroll & Professional Services)

## Management Adjusted Financials

| in millions; except per share amounts | 2022   | 2023   | 1Q23   | 2Q23   | 3Q23   | 4Q23   | 1Q24   |
|---------------------------------------|--------|--------|--------|--------|--------|--------|--------|
| Adjusted EBITDA <sup>1</sup>          | 544    | 596    | 127    | 134    | 117    | 217    | 131    |
| Interest Expense                      | (83)   | (78)   | (20)   | (20)   | (21)   | (18)   | (18)   |
| Tax (Expense)/Benefit                 | (45)   | (20)   | 16     | 1      | (13)   | (23)   | 20     |
| Adjusted Net Income                   | 242    | 316    | 72     | 81     | 70     | 93     | 78     |
| Adjusted WASO - diluted <sup>2</sup>  | 541    | 544    | 545    | 545    | 543    | 543    | 557    |
| Adjusted Earnings Per Share           | \$0.45 | \$0.58 | \$0.13 | \$0.15 | \$0.13 | \$0.17 | \$0.14 |

## Key Commentary

- 1Q24 share count elevated due to vesting of large 2021 grant, 2022-2024 grants more normalized
- The company continues to pursue share repurchases as part of its capital allocation strategy including \$80M of repurchases in 2Q24 and \$75M accelerated share repurchase that is expected to settle in 3Q24
- Interest expense is adjusted to account for debt repayment as if it happened in 2022
- Tax structure to continue benefitting from TRA post-transaction, do not expect any material changes after divestiture other than a larger than normal TRA payment in 1Q26

<sup>1</sup> Adjusted EBITDA is defined as earnings before interest, taxes, depreciation and intangible amortization adjusted for the impact of certain non-cash and other items that we do not consider in the evaluation of ongoing operational performance. A reconciliation of this non-GAAP financial metric to its closest comparable GAAP metric is included in the appendix.

<sup>2</sup> Adjusted WASO is defined as adjusted weighted average shares outstanding - diluted

# Cash & capital structure

## Management Adjusted Financials

| in millions                             | 2022       | 2023       |
|-----------------------------------------|------------|------------|
| Net Working Capital                     | (67)       | (80)       |
| <b>Operating Cash Flow</b>              | <b>291</b> | <b>321</b> |
| <i>Operating Cash Flow Conversion %</i> | <i>53%</i> | <i>54%</i> |
| Capital Expenditures                    | (131)      | (140)      |
| <b>Free Cash Flow</b>                   | <b>160</b> | <b>181</b> |
| <i>Free Cash Flow Conversion %</i>      | <i>29%</i> | <i>30%</i> |

### Cash Flow Key Commentary

- Restructuring program flows through operating cash flow, expect wind down in near-term to coincide with initial benefits
- CapEx as a percent of revenue slightly higher as Professional Services had minimal CapEx; benefit of exiting data centers will drive CapEx profile lower moving forward

<sup>1</sup> Cash assumes proceeds of \$1 billion offset by debt repayment of \$740 million, second quarter share repurchases of \$80 million, third quarter accelerated share repurchase of \$75 million and \$30 million of 3/31/24 divested cash and cash equivalents. Proforma cash excludes future payments for tax and TRA liabilities

Note: Operating cash flow conversion is cash provided by operations divided by Adjusted EBITDA. Free cash flow is defined as operating cash flow net of capital expenditures and free cash flow conversion is free cash flow divided by Adjusted EBITDA. A reconciliation of this non-GAAP financial metric to its closest comparable GAAP metric is included in the appendix. Please refer to "Disclaimer--Forward-looking statements" and "Disclaimer--Non-GAAP financial measures and financial statement presentation."

| (\$ millions)       | Legacy Company<br>3/31/24 | After Debt<br>Repayment |
|---------------------|---------------------------|-------------------------|
| Term Loan B         | \$2,487                   | \$2,047                 |
| Sr. Secured Notes   | \$300                     | \$0                     |
| <b>Total Debt</b>   | <b>\$2,787</b>            | <b>\$2,047</b>          |
| Less Proforma Cash  | \$286                     | \$361 <sup>1</sup>      |
| <b>Net Debt</b>     | <b>\$2,501</b>            | <b>\$1,686</b>          |
| PF Adj EBITDA TTM   |                           | \$599                   |
| <b>Net Leverage</b> |                           | <b>2.8x</b>             |

### Debt Profile Key Commentary

- Redemption notices given on date of signing to fully pay off the Sr. Secured Notes and reduce Term Loan B by \$440M
- Net leverage expected to be 2.8x on date of paydown
- Remaining debt is 100% fixed for remainder of 2024, 70% for 2025

# Key Takeaways

1

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Alight is a simpler and more capital efficient company

2

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Stronger financial profile with greater revenue visibility, enhanced margins & cash flow to drive long-term value creation

3

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Capital allocation priorities accelerated with transaction proceeds & focused on shareholder return

A simplified platform company focused on employee wellbeing and benefits

# Appendix



# Proforma filings & management supplemental overview

1. Required SEC proforma filing (Article 11, Reg. S-X) presents financials as if the transaction occurred on 1/1/23 (“Transaction Adjustments”) with prior years only adjusted for Discontinued Operations

## **Includes:**

- Disposition Adjustments:
  - Reflects adjustment for discontinued operations for FY 2021-2023, 1Q24
- Other Transaction Adjustments for 2023 only:
  - Includes new commercial agreement, transition services agreement (“TSA”) and tax impacts

2. Management Supplemental includes other transaction adjustments to aid in viewing results more consistently across prior periods

## **Includes:**

- Adjusted income statement metrics for 2021- 2023, quarterly results for 2023 and 1Q24
- Adjusted cash flow metrics for 2022 & 2023
- Adjustments for lower interest expense from debt paydown
- Non-GAAP metrics disclosed on a regular basis

## WHAT WE DO

Through our **proprietary integrated platform, Alight Worklife®**, and combined with world-class service capabilities and commercial partnerships, **we implement and administer Health and Wealth benefits solutions for many of the world's largest companies**

## POST-TRANSACTION ALIGHT BY THE NUMBERS

Significant  
and growing install  
base

35M+

employees and dependents<sup>1</sup>

5,000+

clients

Durable and  
strengthening  
revenue model

97%

PF avg. revenue retention<sup>2</sup>

91%

PF annual recurring  
revenue

Leading  
global scale

\$1.3T+

in DC assets under  
administration<sup>3</sup>

200M+

Client interactions annually

Largest and most  
complex global  
clients

~70%

Fortune 100 are  
Alight clients



CINTAS



CAMPING  
WORLD

NAVISTAR

Genworth

<sup>1</sup> Number of participants as of 12/31/23

<sup>2</sup> Pro forma retention defined as prior year's active client revenue compared to the following year measured as of 12/31/23

<sup>3</sup> As of 9/30/23

# Total Revenue Disaggregation with Management Adjustments

(unaudited)

|                                 | Twelve Months<br>Ended<br>December 31,<br>2021 | Twelve Months<br>Ended<br>December 31,<br>2022 | Twelve Months<br>Ended<br>December 31,<br>2023 | Three Months<br>Ended<br>March 31,<br>2023 | Three Months<br>Ended<br>June 30,<br>2023 | Three Months<br>Ended<br>September 30,<br>2023 | Three Months<br>Ended<br>December 31,<br>2023 | Three Months<br>Ended<br>March 31,<br>2024 |
|---------------------------------|------------------------------------------------|------------------------------------------------|------------------------------------------------|--------------------------------------------|-------------------------------------------|------------------------------------------------|-----------------------------------------------|--------------------------------------------|
| (\$ in millions)                |                                                |                                                |                                                |                                            |                                           |                                                |                                               |                                            |
| Revenue:                        |                                                |                                                |                                                |                                            |                                           |                                                |                                               |                                            |
| Recurring                       | \$ 1,753                                       | \$ 1,959                                       | \$ 2,141                                       | \$ 533                                     | \$ 505                                    | \$ 497                                         | \$ 606                                        | \$ 521                                     |
| Management Adjustments          | 27                                             | 29                                             | 36                                             | 10                                         | 9                                         | 8                                              | 9                                             | 9                                          |
| Recurring - adjusted            | 1,780                                          | 1,988                                          | 2,177                                          | 543                                        | 514                                       | 505                                            | 615                                           | 530                                        |
| Project                         | 199                                            | 204                                            | 219                                            | 43                                         | 47                                        | 53                                             | 76                                            | 38                                         |
| Total Revenue, excluding Hosted | 1,979                                          | 2,192                                          | 2,396                                          | 586                                        | 561                                       | 558                                            | 691                                           | 568                                        |
| Hosted Revenue                  | 42                                             | 43                                             | 26                                             | 10                                         | 9                                         | 7                                              | -                                             | -                                          |
| Total Revenue                   | \$ 2,021                                       | \$ 2,235                                       | \$ 2,422                                       | \$ 596                                     | \$ 570                                    | \$ 565                                         | \$ 691                                        | \$ 568                                     |

See definition of management adjustments on slide 15

# Reconciliation of Gross Profit to Adjusted Gross Profit with Management Adjustments *(unaudited)*

|                                     | Twelve Months Ended<br>December 31, 2021 | Twelve Months Ended<br>December 31, 2022 | Twelve Months Ended<br>December 31, 2023 |
|-------------------------------------|------------------------------------------|------------------------------------------|------------------------------------------|
| (\$ in millions)                    |                                          |                                          |                                          |
| <b>Gross Profit</b>                 | \$ 651                                   | \$ 687                                   | \$ 812                                   |
| Add: stock-based compensation       | 17                                       | 34                                       | 30                                       |
| Add: depreciation and amortization  | 50                                       | 47                                       | 70                                       |
| Add: Management Adjustments         | 46                                       | 48                                       | 59                                       |
| <b>Adjusted Gross Profit</b>        | <u>\$ 764</u>                            | <u>\$ 816</u>                            | <u>\$ 971</u>                            |
| Gross Profit Margin                 | 32.9%                                    | 31.3%                                    | 33.9%                                    |
| <b>Adjusted Gross Profit Margin</b> | 38.6%                                    | 37.2%                                    | 40.5%                                    |

|                                     | Three Months Ended<br>March 31, 2023 | Three Months Ended June<br>30, 2023 | Three Months Ended<br>September 30, 2023 | Three Months Ended<br>December 31, 2023 |
|-------------------------------------|--------------------------------------|-------------------------------------|------------------------------------------|-----------------------------------------|
| (\$ in millions)                    |                                      |                                     |                                          |                                         |
| <b>Gross Profit</b>                 | \$ 187                               | \$ 189                              | \$ 169                                   | \$ 267                                  |
| Add: stock-based compensation       | 7                                    | 7                                   | 7                                        | 9                                       |
| Add: depreciation and amortization  | 16                                   | 17                                  | 19                                       | 18                                      |
| Add: Management Adjustments         | 15                                   | 15                                  | 15                                       | 14                                      |
| <b>Adjusted Gross Profit</b>        | <u>\$ 225</u>                        | <u>\$ 228</u>                       | <u>\$ 210</u>                            | <u>\$ 308</u>                           |
| Gross Profit Margin                 | 31.9%                                | 33.7%                               | 30.3%                                    | 38.6%                                   |
| <b>Adjusted Gross Profit Margin</b> | 38.4%                                | 40.6%                               | 37.6%                                    | 44.6%                                   |

|                                     | Three Months Ended<br>March 31, 2024 |
|-------------------------------------|--------------------------------------|
| (\$ in millions)                    |                                      |
| <b>Gross Profit</b>                 | \$ 182                               |
| Add: stock-based compensation       | 5                                    |
| Add: depreciation and amortization  | 21                                   |
| Add: Management Adjustments         | 15                                   |
| <b>Adjusted Gross Profit</b>        | <u>\$ 223</u>                        |
| Gross Profit Margin                 | 32.6%                                |
| <b>Adjusted Gross Profit Margin</b> | 39.3%                                |

See definition of management adjustments on slide 15

# Reconciliation of Net Income (Loss) to Adjusted EBITDA with Management Adjustments *(unaudited)*

|                                                                   | Twelve Months<br>Ended<br>December 31,<br>2021 | Twelve Months<br>Ended<br>December 31,<br>2022 | Twelve Months<br>Ended<br>December 31,<br>2023 | Three Months<br>Ended<br>March 31,<br>2023 | Three Months<br>Ended<br>June 30,<br>2023 | Three Months<br>Ended<br>September 30,<br>2023 | Three Months<br>Ended<br>December 31,<br>2023 | Three Months<br>Ended<br>March 31,<br>2024 |
|-------------------------------------------------------------------|------------------------------------------------|------------------------------------------------|------------------------------------------------|--------------------------------------------|-------------------------------------------|------------------------------------------------|-----------------------------------------------|--------------------------------------------|
| (in millions)                                                     |                                                |                                                |                                                |                                            |                                           |                                                |                                               |                                            |
| <b>Net Income (Loss) From Continuing Operations</b>               | (193)                                          | (147)                                          | (328)                                          | (84)                                       | (72)                                      | (57)                                           | (115)                                         | (121)                                      |
| Interest expense                                                  | 179                                            | 121                                            | 131                                            | 33                                         | 33                                        | 34                                             | 31                                            | 31                                         |
| Income tax expense (benefit)                                      | 25                                             | 23                                             | (9)                                            | (23)                                       | (8)                                       | 6                                              | 16                                            | (27)                                       |
| Depreciation                                                      | 73                                             | 72                                             | 92                                             | 22                                         | 22                                        | 25                                             | 23                                            | 26                                         |
| Intangible amortization                                           | 228                                            | 278                                            | 281                                            | 71                                         | 70                                        | 69                                             | 71                                            | 71                                         |
| <b>EBITDA From Continuing Operations</b>                          | 312                                            | 347                                            | 167                                            | 19                                         | 45                                        | 77                                             | 26                                            | (20)                                       |
| Share-based compensation                                          | 66                                             | 164                                            | 139                                            | 34                                         | 30                                        | 29                                             | 46                                            | 28                                         |
| Transaction and integration expenses <sup>(2)</sup>               | 13                                             | 19                                             | 29                                             | 2                                          | 8                                         | 6                                              | 13                                            | 17                                         |
| Non-recurring professional expenses                               | 37                                             | -                                              | -                                              | -                                          | -                                         | -                                              | -                                             | -                                          |
| Restructuring                                                     | 8                                              | 46                                             | 73                                             | 23                                         | 25                                        | 15                                             | 10                                            | 15                                         |
| (Gain) Loss from change in fair value of financial instruments    | 65                                             | (38)                                           | 10                                             | 25                                         | -                                         | (36)                                           | 21                                            | 21                                         |
| (Gain) Loss from change in fair value of tax receivable agreement | (37)                                           | (41)                                           | 118                                            | 8                                          | 11                                        | 11                                             | 88                                            | 55                                         |
| Other                                                             | (3)                                            | (1)                                            | 1                                              | 1                                          | -                                         | 1                                              | (1)                                           | -                                          |
| <b>Adjusted EBITDA From Continuing Operations</b>                 | 461                                            | 496                                            | 537                                            | 112                                        | 119                                       | 103                                            | 203                                           | 116                                        |
| <b>Management Adjustments</b>                                     | 46                                             | 48                                             | 59                                             | 15                                         | 15                                        | 14                                             | 14                                            | 15                                         |
| <b>Adjusted EBITDA w/ Management Adjustments</b>                  | 507                                            | 544                                            | 596                                            | 127                                        | 134                                       | 117                                            | 217                                           | 131                                        |
| Total Revenue, excluding Hosted                                   | 1,979                                          | 2,192                                          | 2,396                                          | 586                                        | 561                                       | 558                                            | 691                                           | 568                                        |
| <b>Adjusted EBITDA Margin</b>                                     | 25.6%                                          | 24.8%                                          | 24.9%                                          | 21.7%                                      | 23.9%                                     | 21.0%                                          | 31.4%                                         | 23.1%                                      |

See definition of management adjustments on slide 15

# Reconciliation of Net Income (Loss) Attributable to Alight, Inc. to Adjusted Net Income and Adjusted Diluted EPS with Management Adjustments *(unaudited)*

|                                                                      | Twelve Months Ended<br>December 31,<br>2022 | Twelve Months Ended<br>December 31,<br>2023 | Three Months Ended<br>March 31,<br>2023 | Three Months Ended<br>June 30,<br>2023 | Three Months Ended<br>September 30,<br>2023 | Three Months Ended<br>December 31,<br>2023 | Three Months Ended<br>March 31,<br>2024 |
|----------------------------------------------------------------------|---------------------------------------------|---------------------------------------------|-----------------------------------------|----------------------------------------|---------------------------------------------|--------------------------------------------|-----------------------------------------|
| (in millions, except share and per share amounts)                    |                                             |                                             |                                         |                                        |                                             |                                            |                                         |
| <b>Numerator:</b>                                                    |                                             |                                             |                                         |                                        |                                             |                                            |                                         |
| Net Income (Loss) Attributable to Alight, Inc.                       | \$ (137)                                    | \$ (311)                                    | \$ (78)                                 | \$ (67)                                | \$ (59)                                     | \$ (107)                                   | \$ (119)                                |
| Conversion of noncontrolling interest                                | \$ (10)                                     | \$ (17)                                     | \$ (6)                                  | \$ (5)                                 | \$ 2                                        | \$ (8)                                     | \$ (2)                                  |
| Intangible amortization                                              | 278                                         | 281                                         | 71                                      | 70                                     | 69                                          | 71                                         | 71                                      |
| Share-based compensation                                             | 164                                         | 139                                         | 34                                      | 30                                     | 29                                          | 46                                         | 28                                      |
| Transaction and integration expenses                                 | 19                                          | 29                                          | 2                                       | 8                                      | 6                                           | 13                                         | 17                                      |
| Restructuring                                                        | 46                                          | 73                                          | 23                                      | 25                                     | 15                                          | 10                                         | 15                                      |
| (Gain) Loss from change in fair value of financial instruments       | (38)                                        | 10                                          | 25                                      | -                                      | (36)                                        | 21                                         | 21                                      |
| (Gain) Loss from change in fair value of tax receivable agreement    | (41)                                        | 118                                         | 8                                       | 11                                     | 11                                          | 88                                         | 55                                      |
| Other                                                                | (1)                                         | 1                                           | 1                                       | -                                      | 1                                           | (1)                                        | -                                       |
| Tax effect of adjustments                                            | (102)                                       | (89)                                        | (29)                                    | (12)                                   | 12                                          | (60)                                       | (29)                                    |
| <b>Adjusted Net Income</b>                                           | <b>178.0</b>                                | <b>\$ 234</b>                               | <b>\$ 51</b>                            | <b>\$ 60</b>                           | <b>\$ 50</b>                                | <b>\$ 73</b>                               | <b>\$ 57</b>                            |
| <i>Management Adjustments</i>                                        | <i>\$ 64</i>                                | <i>\$ 82</i>                                | <i>\$ 21</i>                            | <i>\$ 21</i>                           | <i>\$ 20</i>                                | <i>\$ 20</i>                               | <i>\$ 21</i>                            |
| <b>Adjusted Net Income with Management Adjustments</b>               | <b>\$ 242</b>                               | <b>\$ 316</b>                               | <b>\$ 72</b>                            | <b>\$ 81</b>                           | <b>\$ 70</b>                                | <b>\$ 93</b>                               | <b>\$ 78</b>                            |
| <b>Denominator:</b>                                                  |                                             |                                             |                                         |                                        |                                             |                                            |                                         |
| Weighted average shares outstanding - basic                          | 458,558,192                                 | 489,461,259                                 | 476,145,761                             | 490,306,205                            | 493,226,324                                 | 497,702,644                                | 540,780,315                             |
| Exchange of noncontrolling interest units                            | 74,665,373                                  | 44,569,341                                  | 57,966,505                              | 44,103,939                             | 40,858,016                                  | 35,520,344                                 | 5,660,433                               |
| Impact of unvested RSUs                                              | 7,624,817                                   | 10,080,390                                  | 10,412,840                              | 10,109,595                             | 9,161,197                                   | 10,080,390                                 | 10,158,541                              |
| <b>Adjusted shares of Class A Common Stock outstanding - diluted</b> | <b>540,848,382</b>                          | <b>544,110,990</b>                          | <b>544,525,106</b>                      | <b>544,519,739</b>                     | <b>543,245,537</b>                          | <b>543,303,379</b>                         | <b>556,599,289</b>                      |
| <b>Basic (Net Loss) Earnings Per Share</b>                           | <b>\$ (0.30)</b>                            | <b>\$ (0.64)</b>                            | <b>\$ (0.16)</b>                        | <b>\$ (0.14)</b>                       | <b>\$ (0.12)</b>                            | <b>\$ (0.21)</b>                           | <b>\$ (0.22)</b>                        |
| <b>Diluted (Net Loss) Earnings Per Share</b>                         | <b>\$ (0.30)</b>                            | <b>\$ (0.64)</b>                            | <b>\$ (0.16)</b>                        | <b>\$ (0.14)</b>                       | <b>\$ (0.12)</b>                            | <b>\$ (0.21)</b>                           | <b>\$ (0.22)</b>                        |
| <b>Adj Diluted EPS w/ Management Adjustments</b>                     | <b>\$ 0.45</b>                              | <b>\$ 0.58</b>                              | <b>\$ 0.13</b>                          | <b>\$ 0.15</b>                         | <b>\$ 0.13</b>                              | <b>\$ 0.17</b>                             | <b>\$ 0.14</b>                          |

See definition of management adjustments on slide 15

# Reconciliation of Free Cash Flow *(unaudited)*

(in millions)

|                                                              | Twelve Months Ended December 31, |            |           |            |
|--------------------------------------------------------------|----------------------------------|------------|-----------|------------|
|                                                              | 2022                             |            | 2023      |            |
| Net cash provided by operating activities                    | \$                               | 227        | \$        | 239        |
| <i>Management Adjustments</i>                                |                                  | 64         |           | 82         |
| Net cash provided by operating activities w/ management adjs |                                  | 291        |           | 321        |
| Capital Expenditures                                         |                                  | (131)      |           | (140)      |
| <b>Free Cash Flow</b>                                        | <b>\$</b>                        | <b>160</b> | <b>\$</b> | <b>181</b> |
| Adjusted EBITDA                                              | \$                               | 544        | \$        | 596        |
| <b>Operating Cash Flow Conversion</b>                        |                                  | <b>53%</b> |           | <b>54%</b> |
| <b>Free Cash Flow Conversion</b>                             |                                  | <b>29%</b> |           | <b>30%</b> |

See definition of management adjustments on slide 15

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

| (in millions)                                                     | Year ended December 31, |               |
|-------------------------------------------------------------------|-------------------------|---------------|
|                                                                   | 2023                    | 2022          |
| <b>Net Income (Loss)</b>                                          | \$ (362)                | \$ (72)       |
| Interest expense                                                  | 131                     | 122           |
| Income tax expense (benefit)                                      | (4)                     | 31            |
| Depreciation                                                      | 102                     | 79            |
| Intangible amortization                                           | 319                     | 316           |
| <b>EBITDA</b>                                                     | 186                     | 476           |
| Share-based compensation                                          | 160                     | 181           |
| Transaction and integration expenses <sup>(1)</sup>               | 29                      | 19            |
| Restructuring                                                     | 85                      | 63            |
| (Gain) Loss from change in fair value of financial instruments    | 10                      | (38)          |
| (Gain) Loss from change in fair value of tax receivable agreement | 118                     | (41)          |
| Other <sup>(2)</sup>                                              | 151                     | (1)           |
| <b>Adjusted EBITDA</b>                                            | <b>\$ 739</b>           | <b>\$ 659</b> |
| Revenue                                                           | \$ 3,410                | \$ 3,132      |
| <b>Adjusted EBITDA Margin<sup>(3)</sup></b>                       | <b>21.7%</b>            | <b>21.0%</b>  |
| Cash provided by (used for) operating activities                  | \$ 386                  | \$ 286        |
| <b>Operating Cash Flow Conversion<sup>(4)</sup></b>               | <b>52.2%</b>            | <b>43.4%</b>  |
| Total Debt                                                        | \$ 2,794                | \$ 2,823      |
| Cash and cash equivalents                                         | \$ 358                  | \$ 250        |
| <b>Net Leverage Ratio<sup>(5)</sup></b>                           | <b>3.3x</b>             | <b>3.9x</b>   |

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

(2) Other primarily includes a \$148 million non-cash goodwill impairment charge for the three months and year ended December 31, 2023 related to the Company's Cloud Services reporting unit.

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

(4) Operating Cash Flow Conversion is defined as cash provided by operating activities divided by Adjusted EBITDA. Operating Cash Flow Conversion is used by management and stakeholders to evaluate our core operating performance.

(5) Net leverage ratio is defined as total balance sheet debt less cash and cash equivalents divided by Adjusted EBITDA.

*See definition of management adjustments on slide 15*