

**System1, Inc.**  
**Unaudited Statements of Operations**  
**(in thousands)**

	QTD	QTD	QTD	QTD	QTD	QTD	YTD	YTD	YTD	YTD
	30-Jun-25	31-Mar-25	31-Dec-24	30-Sep-24	30-Jun-24	31-Mar-24	30-Jun-25	31-Dec-24	30-Sep-24	30-Jun-24
Revenue	78,116	74,513	75,594	88,832	94,581	84,917	152,628	343,925	268,330	179,498
Operating cost and expenses:										
Cost of revenues	50,213	46,077	43,777	63,999	68,507	66,319	96,290	242,602	198,825	134,826
Salaries, commissions, and benefits	26,297	24,988	25,915	29,177	33,937	24,483	51,285	113,512	87,597	58,420
Selling, general, and administrative	17,510	16,574	17,806	17,472	21,223	19,911	34,085	76,411	58,606	41,134
Total operating costs and expenses	94,020	87,639	87,498	110,648	123,667	110,712	181,659	432,525	345,028	234,379
Operating income	(15,904)	(13,127)	(11,903)	(21,816)	(29,086)	(25,795)	(29,031)	(88,601)	(76,698)	(54,881)
Loss (gain) on fair value of warrants	68	32	(915)	281	(1,501)	(251)	100	(2,386)	(1,471)	(1,752)
Loss on extinguishment of related-party debt	-	-	-	-	(433)	(19,676)	-	(20,109)	(20,109)	(20,109)
Interest expense	7,116	7,085	7,764	7,957	7,871	7,970	14,201	31,562	23,799	15,841
Income (loss) from continuing operations before income tax	(23,087)	(20,244)	(18,752)	(30,054)	(35,023)	(13,839)	(43,331)	(97,668)	(78,916)	(48,862)
Income tax expense	(1,547)	(387)	(729)	585	(178)	(48)	(1,934)	(370)	359	(226)
Net income (loss) from continuing operations	(21,540)	(19,857)	(18,023)	(30,639)	(34,845)	(13,791)	(41,397)	(97,298)	(79,275)	(48,636)
Net Income (Loss) Attributable to Noncontrolling Interest	(4,079)	(3,973)	(3,862)	(7,037)	(8,472)	(3,254)	(8,052)	(22,625)	(18,763)	(11,726)
Net income	(17,461)	(15,884)	(14,161)	(23,602)	(26,373)	(10,537)	(33,345)	(74,673)	(60,512)	(36,910)
Depreciation and amortization expense in Cost of revenues and Selling, general, and administrative:										
Cost of Revenues - D&A	13,091	13,050	12,884	12,828	12,709	12,620	26,141	51,041	38,157	25,329
SG&A - D&A	7,475	7,427	7,348	7,300	7,234	7,183	14,902	29,065	21,717	14,418
<b>Total Depreciation &amp; Amortization</b>	<b>20,566</b>	<b>20,477</b>	<b>20,232</b>	<b>20,128</b>	<b>19,943</b>	<b>19,804</b>	<b>41,042</b>	<b>80,107</b>	<b>59,875</b>	<b>39,747</b>

**System1, Inc**  
**Non-GAAP Financials**  
(in thousands)

	QTD		QTD		QTD		QTD		QTD		QTD		YTD		YTD		YTD		YTD			
	30-Jun-25	31-Mar-25	31-Dec-24	30-Sep-24	30-Jun-24	31-Mar-24	30-Jun-25	31-Dec-24	30-Sep-24	30-Jun-24												
<b>Net income (loss) from continuing operations</b>	\$ (21,540)	\$ (19,857)	\$ (18,023)	\$ (30,639)	\$ (34,845)	\$ (13,791)	\$ (41,397)	\$ (97,298)	\$ (79,275)	\$ (48,636)	\$ (41,397)	\$ (97,298)	\$ (79,275)	\$ (48,636)	\$ (41,397)	\$ (97,298)	\$ (79,275)	\$ (48,636)	\$ (41,397)	\$ (97,298)	\$ (79,275)	\$ (48,636)
Income tax expense	(1,547)	(387)	(729)	585	(178)	(48)	(1,934)	(370)	359	(226)	(1,934)	(370)	359	(226)	(1,934)	(370)	359	(226)	(1,934)	(370)	359	(226)
Interest expense	7,116	7,085	7,764	7,957	7,871	7,970	14,201	31,562	23,799	15,841	14,201	31,562	23,799	15,841	14,201	31,562	23,799	15,841	14,201	31,562	23,799	15,841
Depreciation & amortization	20,566	20,477	20,232	20,128	19,943	19,804	41,042	80,107	59,875	39,747	41,042	80,107	59,875	39,747	41,042	80,107	59,875	39,747	41,042	80,107	59,875	39,747
Other income/expense (1)	246	(39)	(111)	127	(36)	(97)	207	(117)	(6)	(133)	207	(117)	(6)	(133)	207	(117)	(6)	(133)	207	(117)	(6)	(133)
Stock-based compensation and distributions to Members (2)	4,542	2,651	4,567	3,783	3,442	3,971	7,193	15,763	11,197	7,413	7,193	15,763	11,197	7,413	7,193	15,763	11,197	7,413	7,193	15,763	11,197	7,413
Revaluation of non-cash warrant liability	68	32	(915)	281	(1,501)	(251)	100	(2,386)	(1,471)	(1,752)	100	(2,386)	(1,471)	(1,752)	100	(2,386)	(1,471)	(1,752)	100	(2,386)	(1,471)	(1,752)
Loss on Extinguishment of related-party debt	-	-	-	-	(433)	(19,676)	-	(20,109)	(20,109)	(20,109)	-	(20,109)	(20,109)	(20,109)	-	(20,109)	(20,109)	(20,109)	-	(20,109)	(20,109)	(20,109)
Costs related to acquisitions/business combinations	715	1,034	3,028	7,441	11,854	2,244	1,749	24,567	21,539	14,098	1,749	24,567	21,539	14,098	1,749	24,567	21,539	14,098	1,749	24,567	21,539	14,098
Other costs, including restructuring and legal settlements	1,557	1,091	2,067	683	3,810	297	2,648	6,857	4,790	4,107	2,648	6,857	4,790	4,107	2,648	6,857	4,790	4,107	2,648	6,857	4,790	4,107
<b>Adjusted EBITDA</b>	\$ 11,722	\$ 12,085	\$ 17,880	\$ 10,346	\$ 9,927	\$ 423	\$ 23,807	\$ 38,577	\$ 20,697	\$ 10,350	\$ 23,807	\$ 38,577	\$ 20,697	\$ 10,350	\$ 23,807	\$ 38,577	\$ 20,697	\$ 10,350	\$ 23,807	\$ 38,577	\$ 20,697	\$ 10,350

(1) Non-cash adjustments related to foreign exchange and asset disposals

(2) Comprised of distributions to equity holders and non-cash stock-based compensation

**System1, Inc**  
**Non-Financial Metrics**  
(In thousands except ratios)

	QTD		QTD		QTD		QTD		QTD		QTD		YTD		YTD		YTD		YTD	
	30-Jun-25	31-Mar-25	31-Dec-24	30-Sep-24	30-Jun-24	31-Mar-24	30-Jun-25	31-Dec-24	30-Sep-24	30-Jun-24	30-Jun-25	31-Dec-24	30-Sep-24	30-Jun-24						
<b>Marketing</b>																				
Platform Revenue (1)	\$ 134,559	\$ 107,717	\$ 119,989	\$ 130,162	\$ 143,819	\$ 126,800	\$ 242,275	\$ 520,770	\$ 400,781	\$ 270,619										
GAAP Revenue	\$ 54,143	\$ 52,250	\$ 48,520	\$ 68,083	\$ 76,654	\$ 70,131	\$ 106,392	\$ 263,388	\$ 214,868	\$ 146,785										
Traffic Acquisition Cost (TAC) (2)	\$ 114,925	\$ 85,930	\$ 99,187	\$ 110,770	\$ 120,197	\$ 107,143	\$ 200,855	\$ 437,298	\$ 338,111	\$ 227,340										
Return on TAC (3)	<b>117%</b>	<b>125%</b>	<b>121%</b>	<b>118%</b>	<b>120%</b>	<b>118%</b>	<b>121%</b>	<b>119%</b>	<b>119%</b>	<b>119%</b>										
<b>Products</b>																				
GAAP Revenue	\$ 23,973	\$ 22,263	\$ 27,074	\$ 20,749	\$ 17,927	\$ 14,787	\$ 46,236	\$ 80,536	\$ 53,462	\$ 32,713										
Sessions (4)	522,452	475,741	520,015	473,428	464,929	435,850	998,193	1,894,221	1,374,206	900,779										
RPS (5)	<b>\$0.05</b>	<b>\$0.05</b>	<b>\$0.05</b>	<b>\$0.04</b>	<b>\$0.04</b>	<b>\$0.03</b>	<b>\$0.05</b>	<b>\$0.04</b>	<b>\$0.04</b>	<b>\$0.04</b>										

(1) Platform revenue is the revenue paid to the Company by its advertising partners before payments are made to Network partners

(2) Traffic Acquisition Cost is defined as Advertising Spend + Agency Fees + Network Partner Rev Share. Advertising spend is the amount of advertising that is spent to acquire traffic.

Agency fees are the amount of costs for agencies acquiring traffic to Owned & Operated websites

(3) Return on TAC is defined as Marketing Platform Revenue divided by Traffic Acquisition Costs

(4) Sessions are the total number of monetizable user visits to Products websites

(5) RPS is GAAP Revenue divided by Sessions