UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): May 24, 2023

Advantage Solutions Inc.
(Exact name of Registrant as Specified in Its Charter)

Delaware	001-38990	83-4629508
(State or Other Jurisdiction of Incorporation)	(Commission File Number)	(IRS Employer Identification No.)

15310 Barranca Parkway, Suite 100 Irvine, California	92618
(Address of Principal Executive Offices)	(Zip Code)

Registrant's Telephone Number, Including Area Code: (949) 797-2900

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A common stock, $0.0001 par value per share	ADV	NASDAQ Global Select Market
Warrants exercisable for one share of Class A common stock at an exercise price of $11.50 per share	ADVWW	NASDAQ Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§ 230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§ 240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Approval of Amended and Restated Advantage Solutions Inc. 2020 Incentive Award Plan

On May 24, 2023, Advantage Solutions Inc. (the "Company") held its 2023 annual meeting of stockholders (the "Annual Meeting"). At the Annual Meeting, the Company's stockholders approved the amendment and restatement (the "Restated Plan") of the Company's 2020 Incentive Award Plan (the "Existing Plan"). The Restated Plan was adopted by the Company's Board of Directors (the "Board") on, and become effective as of, March 28, 2023, subject to approval by the Company's stockholders.
The Restated Plan makes the following material changes to the Existing Plan:

(i) Increases the share reserve by an additional 50,000,000 shares of the Company's Class A common stock (the "Common Stock"), resulting in an aggregate share reserve of 99,917,647 shares, and added an evergreen feature which provides that the share reserve will increase on the first day of each year beginning in 2024 and ending in and including 2033, by an amount equal to the lesser of (A) 3% of the outstanding shares of the Company's Common Stock on the last day of the immediately preceding fiscal year and (B) such lesser amount as determined by the Board;

(ii) Adds a limit on the number of shares of Common Stock that may be issued upon the exercise of incentive stock options under the Restated Plan equal to 300,000,000;

(iii) Removes the provision from the Existing Plan providing that subject to certain exceptions, all awards granted must be subject to a minimum vesting period of one year from the date of grant;

(iv) Changes the share recycling provisions to provide that shares of Common Stock delivered to the Company to satisfy exercise or purchase prices and/or to satisfy tax withholding obligations with respect to awards shall be added back into the share reserve under the Restated Plan;

(v) Clarifies that the limit on the grant date fair value of equity awards that may be granted to non-employee directors during any calendar year (which is equal to $500,000 and increased to $1,000,000 in the director's initial year of service) is subject to the administrator's discretion to make exceptions under extraordinary circumstances, provided that the non-employee director receiving additional compensation may not participate in such decisions; and

(vi) Extends the term of the Restated Plan to the ten-year anniversary of the date the Board approved the Restated Plan.

The terms and conditions of the Restated Plan are described in the section entitled "Proposal No. 4 - Approval of Amended and Restated Advantage Solutions Inc. 2020 Incentive Award Plan" in the Company's Definitive Proxy Statement on Schedule 14A filed with the Securities and Exchange Commission on April 24, 2023, and attached thereto as Annex A. The Company's directors and executive officers are eligible to participate in the Restated Plan. The foregoing description of the Restated Plan does not purport to be complete and is qualified in its entirety by reference to the complete text of the Restated Plan incorporated herein by reference.

Item 5.07 Submission of Matters to a Vote of Security Holders.

On May 24, 2023, the Company held the Annual Meeting and the following four proposals were voted on by the Company's Class A stockholders, as set forth below. As of the close of business on March 31, 2023, the record date for eligibility to vote at the Annual Meeting, there were 323,555,298 shares of Common Stock outstanding and entitled to vote at the Annual Meeting. At the Annual Meeting, a total of 300,742,507 shares of Common Stock were present in person or represented by proxy, representing approximately 93.0% of the Company's outstanding Common Stock as of the March 31, 2023 record date. Each of the proposals was described in detail in the Proxy Statement for the Annual Meeting. The vote totals noted below are final voting results from the Annual Meeting.

Proposal 1: Election of Class III Directors.

	For	Withheld	Broker Non-Vote
Tiffany Han	266,832,931	28,398,464	5,511,112
Jonathan K. Sokoloff	269,783,955	25,447,440	5,511,112
David J. West	271,754,558	23,476,837	5,511,112
David Peacock	294,823,848	407,547	5,511,112

This proposal received the required affirmative vote of holders of a plurality of the votes cast and all of the foregoing candidates were elected as the Company's directors.

Proposal 2: Ratification of the appointment of PricewaterhouseCoopers LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2023.

For	Against	Abstain	Broker Non-Vote
300,428,581	199,538	114,388	—

This proposal received the affirmative vote of the holders of a majority of the shares having voting power present in person or represented by proxy at the Annual Meeting and was approved as set forth above.

Proposal 3: Approval, on an advisory (non-binding) basis, the compensation of the Company's named executive officers.

For	Against	Abstain	Broker Non-Vote
294,792,112	418,725	20,558	5,511,112

This proposal received the affirmative vote of the holders of a majority of the shares of Common Stock having voting power present in person or represented by proxy at the Annual Meeting and was approved as set forth above.

Proposal 4: Approval of the Amended and Restated Advantage Solutions Inc. 2020 Incentive Award Plan.

For	Against	Abstain	Broker Non-Vote
256,676,939	38,510,613	43,843	5,511,112

This proposal received the affirmative vote of the holders of a majority of the shares of Common Stock having voting power present in person or represented by proxy at the Annual Meeting and was approved as set forth above.

Item 7.01 Regulation FD Disclosure

Investor Presentation

On May 25, 2023, the Company publicly disclosed an investor presentation on the Investor Relations section of its website (https://ir.advantagesolutions.net/). A copy of the investor presentation is furnished as Exhibit 99.1 to this Current Report on Form 8-K. Representatives of the Company intend to present some or all of this presentation to current and prospective investors at various conferences and meetings.

The information being furnished pursuant to Item 7.01 of this Current Report on Form 8-K, including the accompanying Exhibit 99.1, shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liability of that section, and shall not be incorporated by reference into any registration statement or other document filed under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
99.1	Advantage Solutions Inc. Investor Presentation May 2023.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

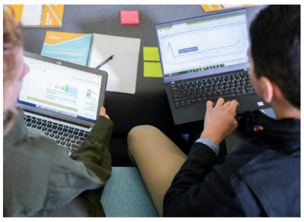
Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

ADVANTAGE SOLUTIONS INC.

Date:	May 25, 2023	By:	/s/ Chris Growe
			Chris Growe Chief Financial Officer

Advantage Solutions Inc.

Investor Presentation | May 2023
NASDAQ: ADV





ADVANTAGE SOLUTIONS

DISCLAIMER

Forward-Looking Statements

Certain statements in this presentation may be considered forward-looking statements within the meaning of the federal securities laws, including statements regarding the expected future performance of Advantage's business. Forward-looking statements generally relate to future events or Advantage's future financial or operating performance. These forward-looking statements generally are identified by the words "may", "should", "could", "expect", "intend", "will", "would", "estimate", "anticipate", "believe", "predict", "confident", "potential" or "continue", or the negatives of these terms or variations of them or similar terminology. Such forward-looking statements are predictions, projections and other statements about future events that are based on current expectations and assumptions and, as a result, are subject to risks, uncertainties, and other factors which could cause actual results to differ materially from those expressed or implied by such forward looking statements.

These forward-looking statements are based upon estimates and assumptions that, while considered reasonable by Advantage and its management at the time of such statements, are inherently uncertain. Factors that may cause actual results to differ materially from current expectations include, but are not limited to, market-driven wage changes or changes to labor laws or wage or job classification regulations, including minimum wage; the COVID-19 pandemic and the measures taken in response thereto; the availability, acceptance, administration and effectiveness of any COVID-19 vaccine; Advantage's ability to continue to generate significant operating cash flow; client procurement strategies and consolidation of Advantage's clients' industries creating pressure on the nature and pricing of its services; consumer goods manufacturers and retailers reviewing and changing their sales, retail, marketing, and technology programs and relationships; Advantage's ability to successfully develop and maintain relevant omni-channel services for our clients in an evolving industry and to otherwise adapt to significant technological change; Advantage's ability to maintain proper and effective internal control over financial reporting in the future; potential and actual harms to Advantage's business arising from the Take 5 Matter; Advantage's substantial indebtedness and our ability to refinance at favorable rates; and other risks and uncertainties set forth in the section titled "Risk Factors" in the Annual Report on Form 10-K filed by the Company with the Securities and Exchange Commission (the "SEC") on March 1, 2023, and in its other filings made from time to time with the SEC. These filings identify and address other important risks and uncertainties that could cause actual events and results to differ materially from those contained in the forward-looking statements. Forward-looking statements speak only as of the date they are made. Readers are cautioned not to put undue reliance on forward-looking statements, and Advantage assumes no obligation and does not intend to update or revise these forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by law.

Non-GAAP Financial Measures and Related Information

This presentation includes certain financial measures not presented in accordance with generally accepted accounting principles ("GAAP"), Adjusted EBITDA and Net Debt. These are not measures of financial performance calculated in accordance with GAAP and may exclude items that are significant in understanding and assessing Advantage's financial results. Therefore, the measures are in addition to, and not a substitute for or superior to, measures of financial performance prepared in accordance with GAAP, and should not be considered in isolation or as an alternative to net income, cash flows from operations or other measures of profitability, liquidity or performance under GAAP. You should be aware that Advantage's presentation of these measures may not be comparable to similarly-titled measures used by other companies. Reconciliations of historical non-GAAP measures to their most directly comparable GAAP counterparts are included below.

Advantage believes these non-GAAP measures provide useful information to management and investors regarding certain financial and business trends relating to Advantage's financial condition and results of operations. Advantage believes that the use of Adjusted EBITDA and Net Debt provides an additional tool for investors to use in evaluating ongoing operating results and trends and in comparing Advantage's financial measures with other similar companies, many of which present similar non-GAAP financial measures to investors. Non-GAAP financial measures are subject to inherent limitations as they reflect the exercise of judgments by management about which expense and income are excluded or included in determining these non-GAAP financial measures. Additionally, other companies may calculate non-GAAP measures differently, or may use other measures to calculate their financial performance, and therefore Advantage's non-GAAP measures may not be directly comparable to similarly titled measures of other companies.

Adjusted EBITDA means net income (loss) before (i) interest expense, net, (ii) (benefit from) provision for income taxes, (iii) depreciation, (iv) impairment of goodwill and indefinite-lived assets, (v) amortization of intangible assets, (vi) equity based compensation of Karman Topco L.P., (vii) change in fair value of warrant liability, (viii) stock-based compensation expense, (ix) fair value adjustments of contingent consideration related to acquisitions, (x) acquisition-related expenses, (xi) loss on disposal of assets, (xii) costs associated with COVID-19, net of benefits received, (xiii) EBITDA for economic interests in investments, (xiv) reorganization and restructuring expenses, (xv) litigation expenses, (xvi) costs associated with the Take 5 Matter and (xvii) other adjustments that management believes are helpful in evaluating our operating performance.

Adjusted Levered Free Cash Flow means net cash provided by (used in) operating activities less purchase of property and equipment as disclosed in the Statements of Cash Flows further adjusted by (i) cash paid for income taxes; (ii) cash paid for acquisition-related expenses; (iii) cash paid for reorganization and restructuring expenses; (iv) cash paid for costs associated with COVID-19, net of benefits received; (v) net effect of foreign currency fluctuations on cash; (vi) cash paid for costs associated with the Take 5 Matter; and (vii) other adjustments that management believes are helpful in evaluating our operating performance. Adjusted Unlevered Free Cash Flow means Adjusted Levered Free Cash Flow adjusted for cash interest paid less interest income received.

Net Debt represents the sum of current portion of long-term debt and long-term debt, less cash and cash equivalents and debt issuance costs. With respect to Net Debt, cash and cash equivalents are subtracted from the GAAP measure, total debt, because they could be used to reduce the debt obligations. We present Net Debt because we believe this non-GAAP measure provides useful information to management and investors regarding certain financial and business trends relating to the Company's financial condition and to evaluate changes to the Company's capital structure and credit quality assessment.

Due to rounding, numbers presented throughout this document may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures.

INVESTMENT HIGHLIGHTS

- Market leader in outsourced sales and marketing services industry for CPG brands and retailers
- Large, growing $10B+ total addressable market, anchored by growing retail food industry
- Diverse range of long-standing blue-chip customers with excellent retention
- Multiple sticky revenue streams and largely contractual nature provide durability and diversification
- Capital light business with historic track record of long-term growth throughout economic cycles
- Solid free cash flow generation despite recent inflationary and labor-related headwinds
- Tangible growth levers via strategic initiatives and operational improvements

COMPANY SNAPSHOT

Advantage Solutions' sales and retailer services help brands and retailers of all sizes get the right products on the shelf, whether physical or digital. Our marketing teams influence shoppers to buy those products, wherever and however they shop.

3,500+ Clients

75,000+ Associates

400+ Data Analytics Professionals

150,000+ Retail Outlets

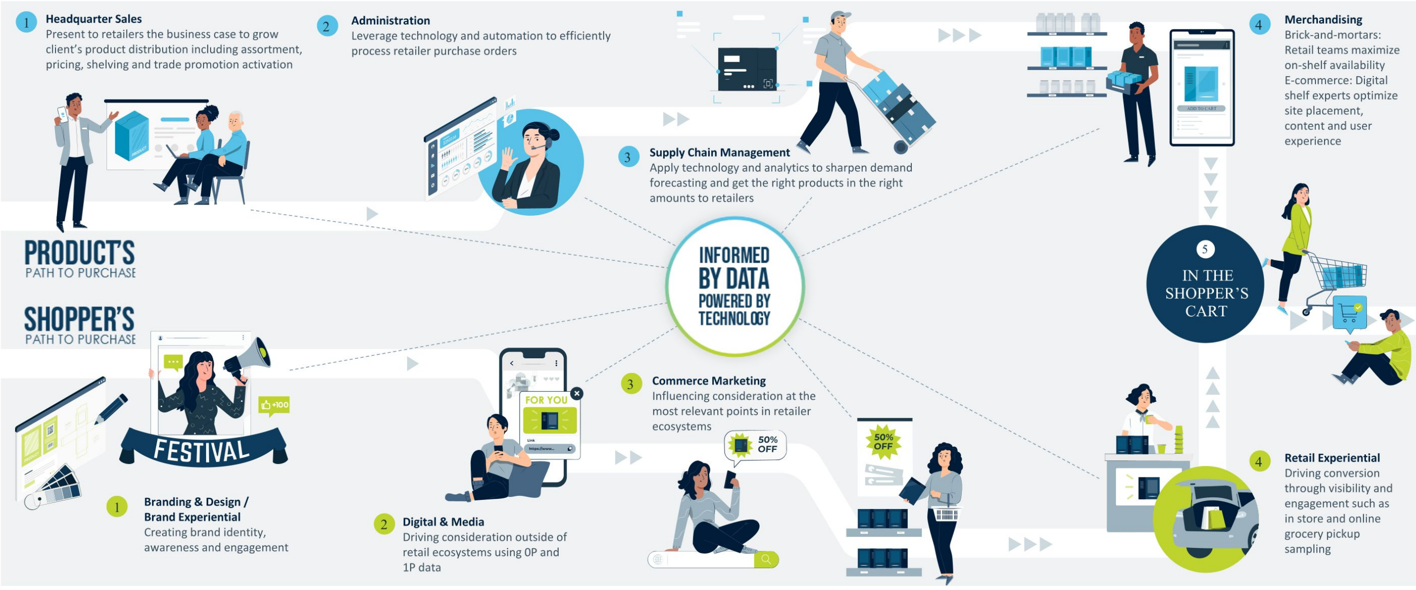
Brands	Retailers
Advantage Clients include **~90%+ of Top 25 CPG Brands**(1)	Advantage Customers include **~75%+ of Top 25 Retailers**(2)

Helping brands and retailers grow sales, lower costs, and solve problems

(1) Based on ranking of Nielsen 2021 total sales across AOC+C channels.
(2) National Retail Federation (NRF) ranking of industry's largest companies based on 2022 U.S. retail sales.
Note: Unless otherwise noted, figures as of March 31, 2023.

THE BASICS: WHAT ADVANTAGE DOES

Essential partner to leading brands and retailers, helping clients reach consumers every day, in-store and online, through technology-enabled sales and marketing solutions



ADVANTAGE'S TWO OPERATING SEGMENTS

Diversified across sales and marketing services for CPGs and retailers

Sales Segment
$2.5B *(61% of Revenues)*

- Leading position in **U.S. outsourced sales** and **merchandising** market: provision of essential **sales & merchandising services to increase CPG sales** in brick-and-mortar and online channels for brands and retailers
- Revenues generated on a commission, fee-for-service, or cost-plus basis

Marketing Segment
$1.6B *(39% of Revenues)*

- Leader in **experiential marketing and critical in-store and online sampling programs**
- **Agency of record for many of the most recognized brands** across the retail, packaged goods, technology, and hospitality industries
- Revenues generated on a fee-for-service, cost-plus, retainer, or commission basis
- Currently lower than pre-pandemic levels as a result of depressed in-store sampling and demonstration volumes; labor environment remains challenged

Competitive advantages across Sales and Marketing Segments driven by scale, talent, and technology, resulting in sticky relationships with long-term blue-chip customers

Note: Percentages based on LTM revenues as of March 31, 2023.

SALES SEGMENT

Leader in sales and merchandising services with 20%+ market share

Primary Sales Segment Services

HEADQUARTER SALES

- Customer Alignment and Partnership
- New Item Pitches
- Pricing, Promotion, and Sales Execution

ANALYTICS, INSIGHTS & INTELLIGENCE

- Retail and Sales Analytics
- Supply Chain Analytics
- Category Management
- Space Management

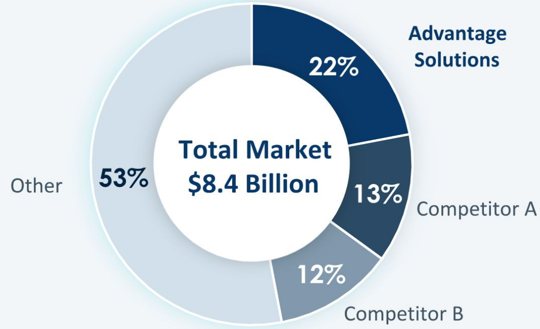
MERCHANDISING

- Physical and Digital Shelf Management
- Store-Level Selling
- Retail Environment Intelligence
- Resets and On-Demand Projects
- Brand and Retailer-Centric Models

ADMINISTRATION

- Order Processing / Customer Service
- Contract and Deduction Management
- Cash Applications and Collections

U.S. Sales and Merchandising Services 2021 Market Share(1)



- ✓ #1 market share position in essential sales and merchandising services
- ✓ Scale advantages
- ✓ Large and stable market
- ✓ Industry fragmentation presents opportunity to grow market share

(1) Based on Investment Bank estimates and Industry Research.

MARKETING SEGMENT

Leading promotions and experiential/event agency in U.S.

Primary Marketing Segment Services

EVENTS & EXPERIENTIAL

- Sampling and Demonstrations
- Festivals and Mobile Tours
- Logistics and Fulfillment
- Assisted Selling
- In-Store, Online, Brand, and Retailer-Centric Models

COMMERCE MARKETING

- Planning and Execution
- Account-Specific Omnichannel Activation
- National Consumer Promotions

DIGITAL & MEDIA

- Digital Strategy
- Digital Content and Advertising
- Media Planning / Buying
- Mobile and App Development

BRANDING & DESIGN

- Brand and Private Brand Development and Redesign
- Brand Packaging
- Communication Collateral
- Brand Style Guide Creation

U.S. Experiential/Event Marketing 2021 Market Share[1]

- ✓ Ad Age #1 position in Experiential / Events for 10 straight years
- ✓ Scale advantages
- ✓ Strong post-pandemic growth in in-store marketing and sampling programs

(1) Ad Age Agency Report 2022: U.S. Experiential/Event Marketing Networks based on U.S. revenue in 2021.

LONG-TERM CLIENTS DRIVE RECURRING REVENUE STREAMS

Brands

Client Description	Length of Relationship (years)	Service Offering	
		Sales	Marketing
$40B+ Confectionery/Food CPG	25+	✓	✓
$8B+ Food & Beverage CPG	25+	✓	✓
$50B+ Multinational CPG	25+	✓	✓
$5B+ Household CPG	15+	✓	✓
$30B Multinational OTC Pharma	15+	✓	✓
$80B+ Food & Beverage CPG	10+	✓	✓
$10B+ Household CPG	10+	✓	✓
$50B+ Chemical & OTC Pharma	10+	✓	✓

Retailers

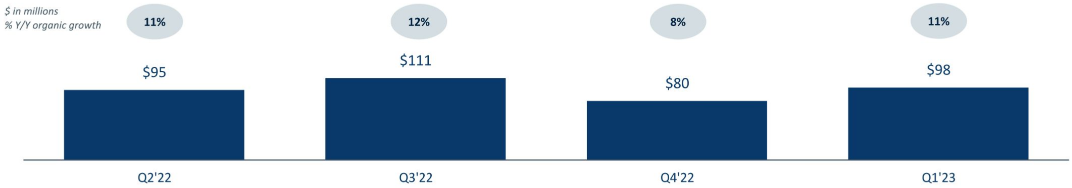
Client Description	Length of Relationship (years)	Service Offering	
		Sales	Marketing
$200B Membership Retailer	25+	✓	✓
$130B+ Grocer	25+	✓	✓
$560B Discount Retailer	25+	✓	✓
$90B Food Retailer	25+	✓	✓
$130B+ Home Improvement Retailer	25+	✓	✓
$8B+ Gourmet Supermarket	25+	✓	✓
$15B+ Membership Retailer	20+	✓	✓
$90B+ Discount Retailer	20+	✓	✓

100% of Advantage's top 100 clients in 2021 [1] were clients in 2022, with these clients representing only ~55% of total 2022 revenues, highlighting lack of concentration

(1) Top clients in 2021 as measured by contributions to Advantage's revenue.

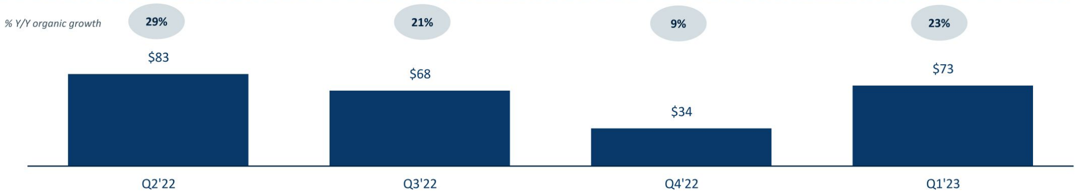
ORGANIC REVENUE GROWTH

Total Advantage



Sales Segment

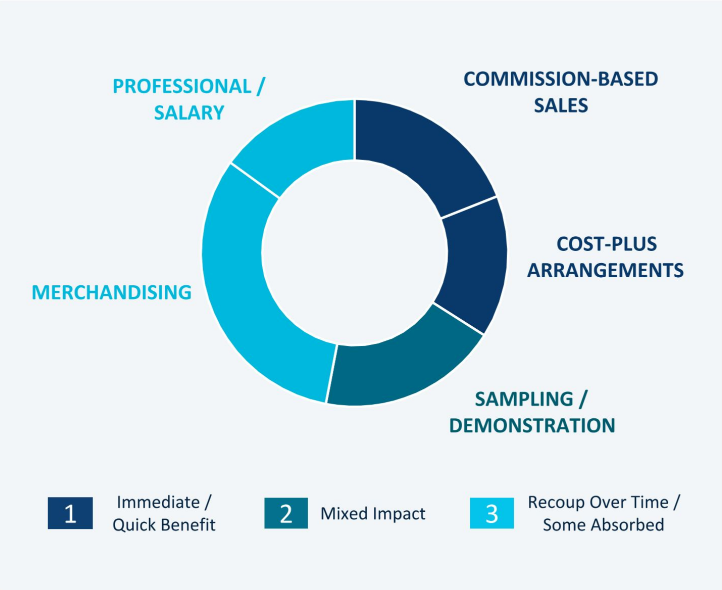
Marketing Segment



(1) Presented net of foreign exchange impact.

PRICING OVERVIEW

Mixed bag of pricing power across various businesses and contract types



1 **Commission-Based Sales** – CPG product inflation generates commission lift to offset associated white collar wage inflation

Cost-Plus Arrangements – Immediately pass-through wage inflation in price

2 **Sampling / Demonstration** – Recoup wage inflation quickly; work and negotiate with retailers and pass through to CPGs

3 **Merchandising** – Recoup wage inflation via price potentially absorbing some of the increase in costs temporarily; pass-through lag

Professional / Salary – Recoup wage inflation via price potentially absorbing some of the increase in costs temporarily; pass-through lag

Note: Business breakdown excludes zero-margin pass through revenue.

CUSTOMER CASE STUDY: MARUCHAN

For 20+ years, Advantage has evolved and grown with Maruchan

NATIONAL SALES AGENCY

SITUATION

Maruchan sought to grow sales and become the dominant ramen choice in the U.S.

ACTION

Hired Advantage Sales for full-service sales representation nationally.

RESULTS

84%
Sales growth over the last 14 years

39%
YOY sales growth of Maruchan Gold new product launch

15+
Percentage points of market share growth in 20 years

MARKETING AGENCY

SITUATION

Maruchan was looking to reach new audiences after sales began to plateau.

ACTION

AMP Agency identified target audiences, developed the brand architecture, and honed the brand's creative, including broadcast spots, product packaging, and digital and social advertising.

RESULTS

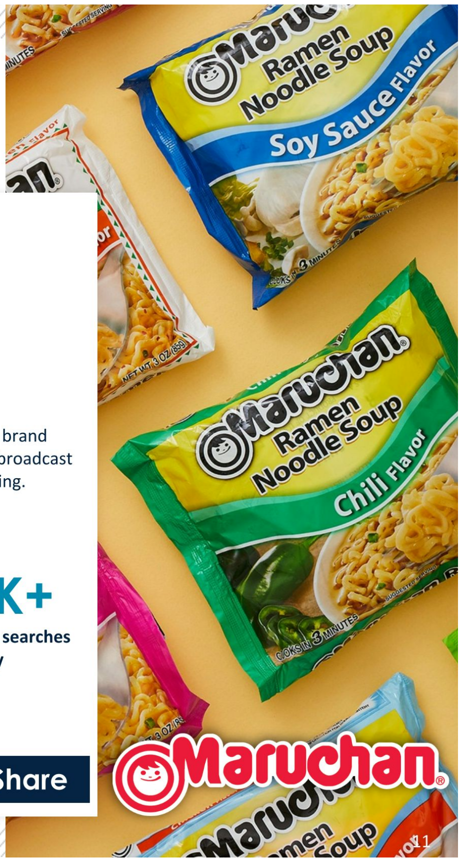
50K+
Followers across all organic social platforms since 2019 **and growing by 50% annually**

40M+
Impressions from 2019 Maruchan GOLD launch campaign and 2021 fully integrated brand campaign

50K+
Product searches annually

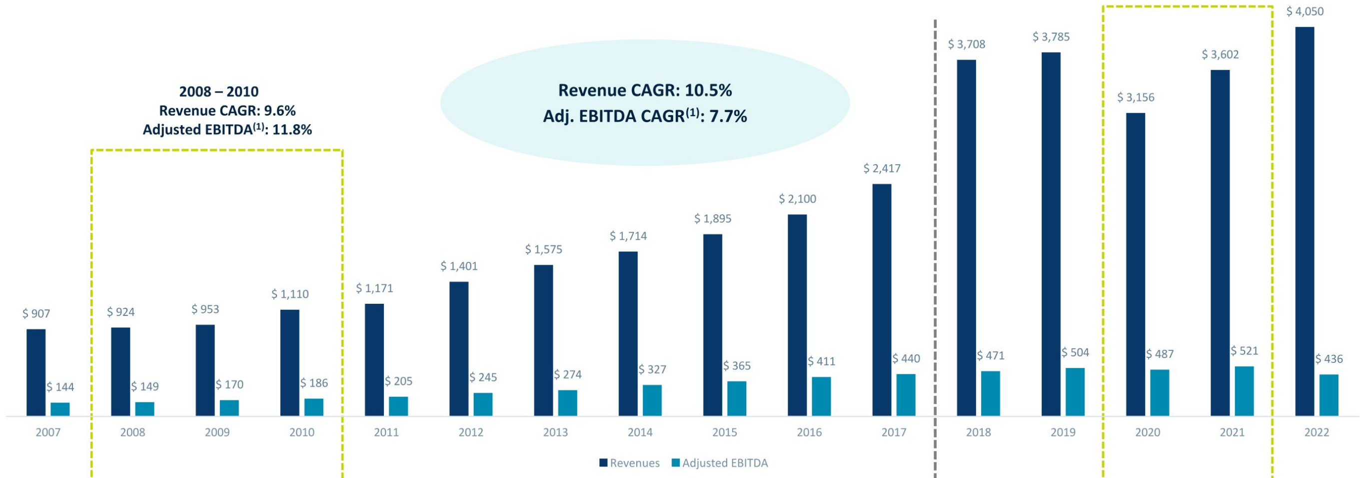
2000: **53.0% Share** → TODAY: **68.1 % Share**

Note: Reflects data as of December 31, 2022..



PROVEN TRACK RECORD ACROSS ECONOMIC CYCLES

2022 revenues topped $4B for first time despite unparalleled labor / inflation challenges



	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Adj. EBITDA Margin	15.8%	16.1%	17.8%	16.7%	17.5%	17.5%	17.4%	19.1%	19.3%	19.6%	18.2%	12.7%	13.3%	15.4%	14.5%	10.8%
Net Income ($MM)	$5.8	$(201.1)	$20.6	$(35.0)	$(24.4)	$4.3	$35.1	$(99.0)	$24.9	$31.2	$388.0	$(1,151.2)	$(19.8)	$(161.7)	$57.5	$(1,377.3)

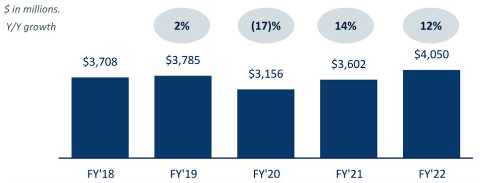
Great Recession | **Daymon Acquisition in December 2017** | **COVID-19 Pandemic**

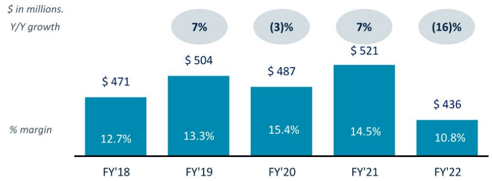
(1) Adjusted EBITDA and Adjusted EBITDA margin are measures that are not calculated in accordance with GAAP. For a reconciliation of Adjusted EBITDA to net income (loss), please see the appendix to this presentation.
Note: Dollars in millions. Acquisition of Daymon closed December 2017. Revenue and Adjusted EBITDA CAGRs based on 2007 – 2022 time period.

2018-2022 PERFORMANCE TRENDS

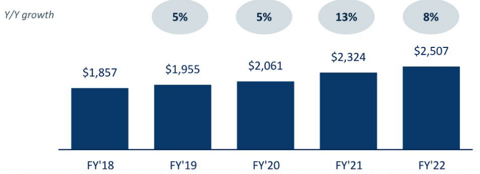
Revenues | Adjusted EBITDA

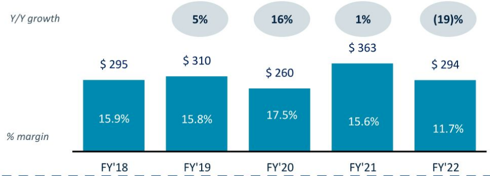
Total Advantage



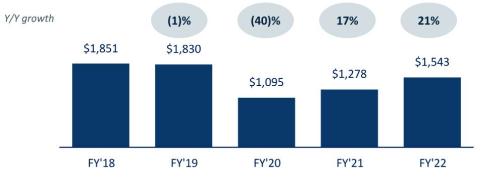


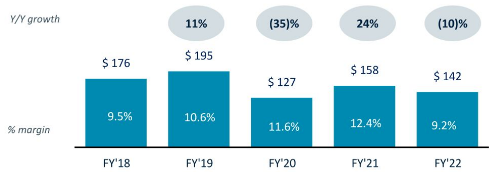
Sales Segment





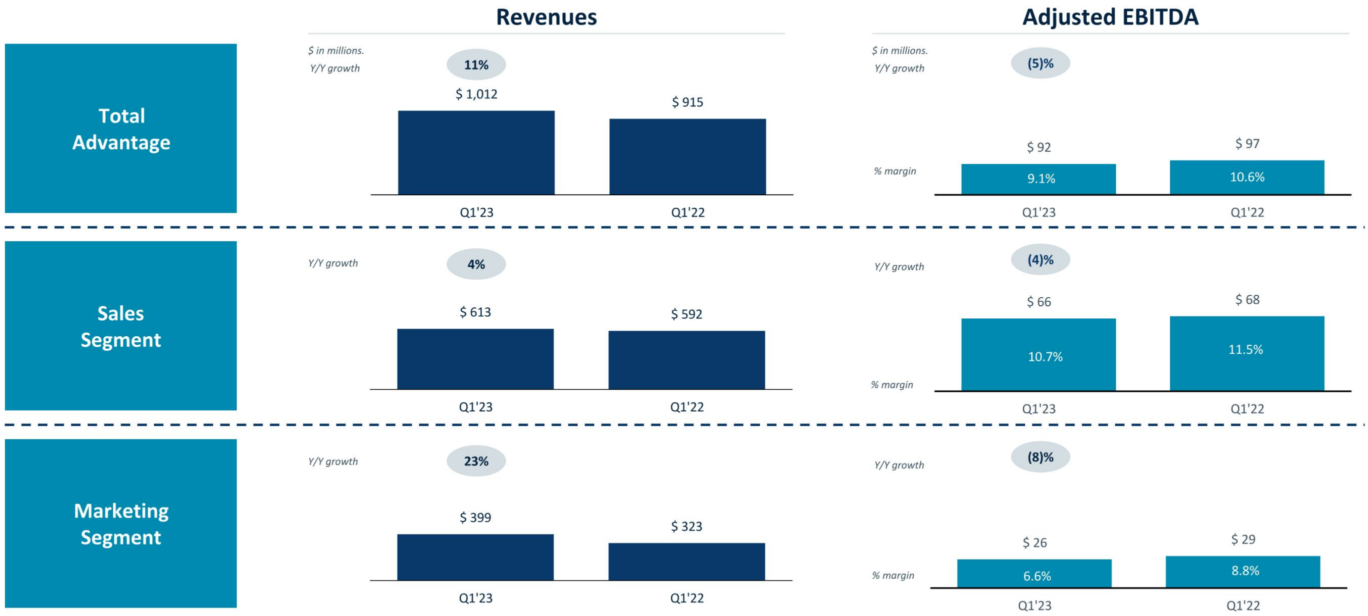
Marketing Segment





Note: Please see the appendix for a reconciliation of non-GAAP financial measures to most directly comparable GAAP measures. Totals may not add due to rounding.

Q1 FINANCIAL RESULTS

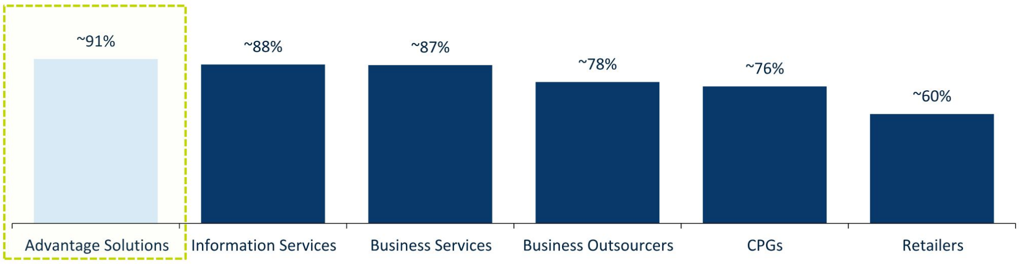


Note: Please see the appendix for a reconciliation of non-GAAP financial measures to most directly comparable GAAP measures. Totals may not add due to rounding.

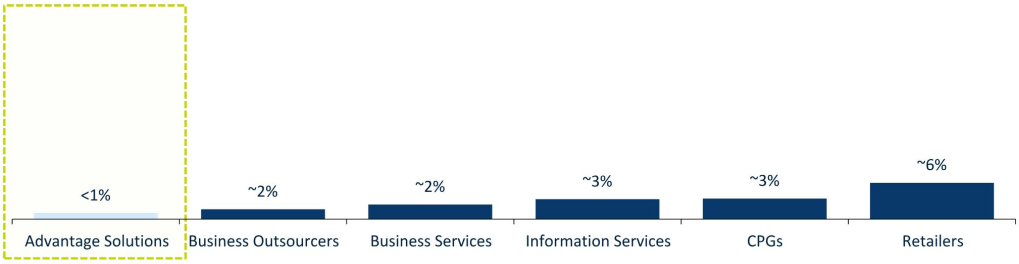
ASSET-LIGHT BUSINESS

Advantage differentiated from peers / industry participants due to limited capital intensity

(2022 Adj. EBITDA – 2022 Capex) / 2022 Adj. EBITDA



2022 Capital Expenditures to Sales



Note: Cash Flow Conversion defined as (Adj. EBITDA – Capex) / (Adj. EBITDA); Capital Expenditures to Sales Defined as Capex / LTM Sales; Market Data as of 12/31/2022; CPG comparables include Church & Dwight, Clorox, Coca-Cola Europacific Partners, PepsiCo, J. M. Smucker, and Reynolds; Business Services include Bright Horizons, BrightView, Healthcare Services, Omnicom Group, Publicis Groupe, WPP, Cintas, and Ecolab; Other Business Outsourcers include Aramark, Accenture, Genpact, Compass, and Sodexo; Information Services include ADP, Verisk Analytics, and Gartner; Retailers include Walmart, Costco, Kroger, and Koninklijke.

FREE CASH FLOW OVERVIEW

Generated $69M / $47M of unlevered / levered cash flow in Q1'23

	Adj. EBITDA	Adj. EBITDA – Capex	Adj. Unlevered Free Cash Flow	Adj. Levered Free Cash Flow
$:	**$92M**	**$85M**	**$69M**	**$47M**
%:	**100%**	**92%**	**75%**	**51%**

Note: Adj. EBITDA, Adj. Unlevered Free Cash Flow, and Adj. Levered Free Cash flow are non-GAAP financial measures. For reconciliation to the most directly comparable GAAP counterparts, please see the appendix attached hereto.
Percentages are based on Adj. EBITDA

CAPITAL ALLOCATION PRIORITIES

De-lever Balance Sheet

- Expect to steadily de-lever balance sheet throughout 2023
- Repurchased ~$2M of floating rate term loan at favorable discount
- Current leverage: 4.5x net debt[(1)] to LTM March Adjusted EBITDA

Organic Growth & Investment

- Investing in recruiting and retention given challenging labor environment
- Focus on executing critical activities within core business to improve infrastructure and grow
- Enhance analytic support for HQ Sales and enhance technology for Retail teams

M&A Opportunities

- No acquisitions completed since August 2022
- Completed small margin- and net leverage-accretive divestiture in third party reselling business subsequent to quarter end
- Any M&A should not be adverse to balance sheet or impact debt metrics

Share Repurchases

- Opportunistically repurchase shares with available cash
- $100M Open Share Repurchase Authorization; $13M repurchased through Q1 2023

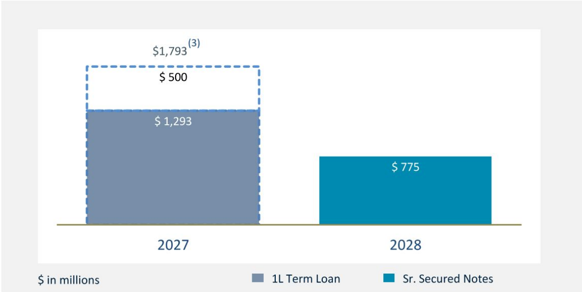
Advantage is focused on de-leveraging its balance sheet

(1) Net debt is a non-GAAP financial measure and includes Other Debt of approximately $6M. For a reconciliation of net debt to total debt, the most directly comparable GAAP counterpart, please see the appendix attached hereto.

CAPITALIZATION SUMMARY

- Total Debt of $2.1 billion(1)
  - Leverage at around 4.5x net debt(1) to LTM March Adjusted EBITDA
  - No meaningful maturities for the next 4 years
- Debt Capitalization:

$ in millions	Maturity	Rate	Outstanding
First Lien Term Loan	2027	L+4.50%(2)	$1,293
Senior Secured Notes	2028	6.50%	775
Other Debt			**6**
Total Gross Debt			**$2,074**
Less: Cash and Cash Equivalents			(149)
Total Net Debt[1]			**$1,925**



- Equity capitalization as of March 31, 2023:
  - 323,555,298 Class A Common shares outstanding
  - 1,610,014 Treasury shares
  - 18,578,321 Warrants with a $11.50 exercise price per share
  - 26,072,660 RSUs and PSUs(4)
  - 9,438,585 Options

Executed favorable interest rate collar, resulting in ~84% of debt being hedged or at fixed interest rate

(1) Net debt is a non-GAAP financial measure and includes Other Debt of approximately $6M. For a reconciliation of net debt to total debt, the most directly comparable GAAP counterpart, please see the appendix attached hereto.
(2) First Lien Term Loan rate subject to 0.75% LIBOR floor. See First Lien Credit Agreement, dated October 28, 2020 and First Lien Amendment dated October 28, 2021 for additional information.
(3) First Lien Term Loan that amortizes at 1% per annum, paid quarterly. Illustratively showing full $1,293 million obligation in 2027E maturity, including $500 million of borrowing capacity of Revolving Credit Facility.
(4) PSUs represent the number of underlying shares that would be issued at Target performance levels.

Appendix & Non-GAAP Reconciliation

NON-GAAP RECONCILIATION *(1/7)*

Year Ended December 31,

	2007	2008	2009	2010	2011	2012	2013	2014
Total Company (in thousands)				(Unaudited)[11]				(Unaudited)[11]
Net income (loss)	$ 5,790	$ (201,052)	$ 20,622	$ (34,984)	$ (24,442)	$ 4,253	$ 35,072	$ (98,984)
Add:								
Interest expense, net	69,403	255,211	26,199	96,606	106,738	112,426	106,020	168,123
Provision for (benefit from) income taxes	10,294	59,213	45,989	(50)	(8,471)	(8,106)	17,922	(16,965)
Depreciation and amortization	51,110	(13,074)	16,538	57,566	124,644	144,912	126,648	143,954
Impairment of goodwill and indefinite-lived assets	6,290	53,189	60,234	—	—	—	—	—
Equity-based compensation of Karman Topco L.P.[1]	665	931	668	758	1,771	1,855	1,724	3,032
Change in fair value of warrant liability	—	—	—	—	—	—	—	—
Stock-based compensation expense[2]	—	—	—	—	—	—	—	—
Fair value adjustments related to contingent consideration related to acquisitions[3]	—	(5,879)	(290)	—	—	—	(2,278)	(11,979)
Acquisition-related expenses[4]	—	—	—	65,754	5,115	719	2,547	140,423
EBITDA for economic interests in investments[6]	—	—	—	—	84	(11,107)	(13,355)	(469)
Reorganization and restructuring expenses[7]	—	—	—	—	—	—	—	—
Litigation expenses (recovery)[8]	—	—	—	—	—	—	—	—
Costs associated with COVID-19, net of benefits received[9]	—	—	—	—	—	—	—	—
Loss on (recovery from) Take 5	—	—	—	—	—	—	—	—
Costs associated with the Take 5 Matter[10]	—	—	—	—	—	—	—	—
Adjusted EBITDA	$ 143,552	$ 148,539	$ 169,960	$ 185,650	$ 205,439	$ 244,952	$ 274,300	$ 327,135

	2015	2016	2017	2018	2019	2020	2021	2022
Total Company (in thousands)								
Net income (loss)	$ 24,886	$ 31,165	$ 388,042	$ (1,151,223)	$ (19,756)	$ (161,707)	$ 57,549	$ (1,377,292)
Add:								
Interest expense, net	160,895	167,360	179,566	229,643	232,077	234,044	137,927	104,459
Provision for (benefit from) income taxes	18,202	22,623	(358,806)	(168,334)	1,353	(5,331)	33,617	(145,337)
Depreciation and amortization	164,584	170,260	179,990	225,233	232,573	238,598	240,041	233,075
Impairment of goodwill and indefinite-lived assets	—	—	—	1,232,000	—	—	—	1,572,523
Equity-based compensation of Karman Topco L.P.[1]	7,463	7,622	9,882	(2,432)	7,960	98,119	(10,313)	(6,934)
Change in fair value of warrant liability	—	—	—	—	—	—	955	(21,236)
Stock-based compensation expense[2]	—	—	—	—	—	—	34,602	39,825
Fair value adjustments related to contingent consideration related to acquisitions[3]	(31,305)	(841)	12,757	(54,464)	1,516	13,367	4,562	4,774
Acquisition-related expenses[4]	9,857	10,368	25,251	61,155	31,476	50,823	20,173	23,902
EBITDA for economic interests in investments[6]	1,426	1,778	(4,636)	(7,212)	(8,421)	(6,462)	(13,437)	(12,888)
Reorganization and restructuring expenses[7]	5,498	1,890	7,343	12,465	5,385	39,770	12,502	6,094
Litigation expenses (recovery)[8]	3,984	(975)	271	1,200	3,500	1,980	(910)	5,357
Costs associated with COVID-19, net of benefits received[9]	—	—	—	—	—	(11,954)	(991)	7,208
Loss on (recovery from) Take 5	—	—	—	79,165	—	(7,700)	—	—
Costs associated with the Take 5 Matter[10]	—	—	—	14,178	16,368	3,628	4,901	2,465
Adjusted EBITDA	$ 365,490	$ 411,250	$ 439,660	$ 471,374	$ 504,031	$ 487,175	$ 521,178	$ 435,995

(in thousands)	2007	2008	2009	2010	2011	2012	2013	2014
Numerator - Revenues	$ 907,174	$ 923,491	$ 953,060	$ 1,109,859	$ 1,170,623	$ 1,401,406	$ 1,575,254	$ 1,713,720
Denominator - Adjusted EBITDA	$ 143,552	$ 148,539	$ 169,960	$ 185,650	$ 205,439	$ 244,952	$ 274,300	$ 327,135
Adjusted EBITDA Margin	15.8%	16.1%	17.8%	16.7%	17.5%	17.5%	17.4%	19.1%

(in thousands)	2015	2016	2017	2018	2019	2020	2021	2022
Numerator - Revenues	$ 1,895,046	$ 2,100,235	$ 2,416,927	$ 3,707,628	$ 3,785,063	$ 3,155,671	$ 3,602,298	$ 4,049,742
Denominator - Adjusted EBITDA	$ 365,490	$ 411,250	$ 439,660	$ 471,374	$ 504,031	$ 487,175	$ 521,178	$ 435,995
Adjusted EBITDA Margin	19.3%	19.6%	18.2%	12.7%	13.3%	15.4%	14.5%	10.8%

NON-GAAP RECONCILIATION *(2/7)*

	Three Months Ended				
	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022	March 31, 2023
Total Company (in thousands)					
Net income (loss)	$ 17,534	$ 3,676	$ 23,227	$ (1,421,729)	$ (47,678)
Add:					
Interest expense, net	11,883	28,188	23,557	40,831	47,191
Provision for (benefit from) income taxes	9,049	1,316	1,158	(156,860)	(7,696)
Depreciation and amortization	57,768	58,444	57,785	59,078	57,104
Impairment of goodwill and indefinite-lived assets	—	—	—	1,572,523	—
Equity based compensation of Topco[1]	(2,795)	(3,519)	(828)	208	(2,269)
Change in fair value of warrant liability	(15,442)	(4,914)	(1,100)	220	(73)
Stock based compensation expense[2]	7,771	14,961	7,174	9,919	11,210
Fair value adjustments related to contingent consideration related to acquisitions[3]	2,134	3,654	(340)	(674)	4,292
Acquisition-related expenses[4]	9,585	5,998	4,260	4,059	2,432
Loss on disposal of assets[5]		—	—	—	16,497
EBITDA for economic interests in investments[6]	(4,052)	(1,020)	(2,474)	(5,342)	(1,185)
Reorganization and restructuring expenses[7]	643	253	3,562	1,636	11,148
Litigation (recovery) expenses[8]	—	(800)	—	6,157	—
Costs associated with COVID-19, net of benefits received[9]	1,574	1,362	2,009	2,263	1,017
Costs associated with the Take 5 Matter[10]	1,087	723	278	377	80
Adjusted EBITDA	$ 96,739	$ 108,322	$ 118,268	$ 112,666	$ 92,070

	Three Months Ended				
	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022	March 31, 2023
(amount in thousands)					
Numerator - Revenues	$ 914,808	$ 981,076	$ 1,051,095	$ 1,102,763	$ 1,011,983
Denominator - Adjusted EBITDA	$ 96,739	$ 108,322	$ 118,268	$ 112,666	$ 92,070
Adjusted EBITDA	10.6%	11.0%	11.3%	10.2%	9.1%

NON-GAAP RECONCILIATION *(3/7)*

	Three Months Ended				
	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022	March 31, 2023
Sales Segment (in thousands)					
Operating income (loss)	$ 18,973	$ 15,177	$ 31,765	$ (1,389,107)	$ (4,146)
Add:					
Depreciation and amortization	40,969	40,543	39,798	40,075	39,814
Impairment of goodwill and indefinite-lived assets	—	—	—	1,421,719	—
Equity based compensation of Topco[(1)]	(1,652)	(2,032)	(320)	283	(1,501)
Stock based compensation expense[(2)]	4,758	9,171	4,080	6,016	6,690
Fair value adjustments related to contingent consideration related to acquisitions[(3)]	803	6,090	(1,901)	(4,442)	4,097
Acquisition-related expenses[(4)]	7,314	3,540	2,880	808	1,734
Loss on disposal of assets[(5)]		—	—	—	11,744
EBITDA for economic interests in investments[(6)]	(4,207)	(1,155)	(2,656)	(5,351)	(1,275)
Reorganization and restructuring expenses[(7)]	819	340	2,360	1,307	8,602
Litigation (recovery) expenses[(8)]	—	(100)	—	6,157	—
Costs associated with COVID-19, net of benefits received[(9)]	456	179	166	611	80
Sales Segment Adjusted EBITDA	$ 68,233	$ 71,753	$ 76,172	$ 78,076	$ 65,839

	Three Months Ended				
	March 31, 2022	June 30, 2022	September 30, 2022	December 31, 2022	March 31, 2023
Marketing Segment (in thousands)					
Operating income (loss)	$ 4,051	$ 13,089	$ 15,077	$ (148,431)	$ (4,110)
Add:					
Depreciation and amortization	16,799	17,901	17,987	19,003	17,290
Impairment of goodwill and indefinite-lived assets	—	—	—	150,804	—
Equity based compensation of Topco[(1)]	(1,143)	(1,487)	(508)	(75)	(768)
Stock based compensation expense[(2)]	3,013	5,790	3,094	3,903	4,520
Fair value adjustments related to contingent consideration related to acquisitions[(3)]	1,331	(2,436)	1,561	3,768	195
Acquisition-related expenses[(4)]	2,271	2,458	1,380	3,251	698
Loss on disposal of assets[(5)]		—	—	—	4,753
EBITDA for economic interests in investments[(6)]	155	135	182	9	90
Reorganization and restructuring expenses[(7)]	(176)	(87)	1,202	329	2,546
Litigation recovery[(8)]	—	(700)	—	—	—
Costs associated with COVID-19, net of benefits received[(9)]	1,118	1,183	1,843	1,652	937
Costs associated with the Take 5 Matter[(10)]	1,087	723	278	377	80
Marketing Segment Adjusted EBITDA	$ 28,506	$ 36,569	$ 42,096	$ 34,590	$ 26,231

NON-GAAP RECONCILIATION *(4/7)*

	Year Ended December 31,				
	2018	2019	2020	2021	2022
Sales Segment (in thousands)					
Operating (loss) income	$ (1,072,702)	$ 127,961	$ 63,305	$ 182,529	$ (1,323,192)
Add:					
Depreciation and amortization	157,098	161,563	171,569	170,076	161,385
Impairment of goodwill and indefinite-lived assets	1,232,000	—	—	—	1,421,719
Equity-based compensation of Karman Topco L.P.[1]	1,020	6,418	71,124	(6,490)	(3,721)
Stock-based compensation expense[2]	—	—	—	18,357	24,025
Fair value adjustments related to contingent consideration related to acquisitions[3]	(54,628)	(2,720)	8,371	(6,553)	550
Acquisition-related expenses[4]	31,699	18,276	36,722	13,945	14,542
EBITDA for economic interests in investments[6]	(7,155)	(8,395)	(7,565)	(14,058)	(13,369)
Reorganization and restructuring expenses[7]	6,663	2,928	20,295	4,478	4,826
Litigation (recovery) expenses[8]	1,200	3,500	1,658	(584)	6,057
Costs associated with COVID-19, net of benefits received[9]	—	—	(5,462)	1,511	1,412
Sales Segment Adjusted EBITDA	$ 295,195	$ 309,531	$ 360,017	$ 363,211	$ 294,234

	Year Ended December 31,				
	2018	2019	2020	2021	2022
Marketing Segment (in thousands)					
Operating (loss) income	$ (17,212)	$ 85,713	$ 3,701	$ 47,519	$ (116,214)
Add:					
Depreciation and amortization	68,135	71,010	67,029	69,965	71,690
Impairment of goodwill and indefinite-lived assets	—	—	—	—	150,804
Equity-based compensation of Karman Topco L.P.[1]	(3,452)	1,542	26,995	(3,823)	(3,213)
Stock-based compensation expense[2]	—	—	—	16,245	15,800
Fair value adjustments related to contingent consideration related to acquisitions[3]	164	4,236	4,996	11,115	4,224
Acquisition-related expenses[4]	29,456	13,200	14,101	6,228	9,360
EBITDA for economic interests in investments[6]	(57)	(26)	1,103	621	481
Reorganization and restructuring expenses[7]	5,802	2,457	19,475	8,024	1,268
Litigation expenses (recovery)[8]	—	—	322	(326)	(700)
Costs associated with COVID-19, net of benefits received[9]	—	—	(6,492)	(2,502)	5,796
Loss on (recovery from) Take 5	79,165	—	(7,700)	—	—
Costs associated with the Take 5 Matter[10]	14,178	16,368	3,628	4,901	2,465
Marketing Segment Adjusted EBITDA	$ 176,179	$ 194,500	$ 127,158	$ 157,967	$ 141,761

NON-GAAP RECONCILIATION (5/7)

	Three Months Ended March 31, 2023
(in thousands)	
Net cash provided by (used in) operating activities	$ 43,086
Add (Less):	
Purchase of property and equipment	(7,278)
Cash payments for income taxes	3,880
Cash paid for acquisition-related expenses[10]	1,208
Cash paid for restructuring expenses[11]	3,259
Cash paid for costs associated with COVID-19, net of benefits received[12]	1,017
Net effect of foreign currency fluctuations on cash	1,301
Cash paid for costs associated with the Take 5 Matter[13]	80
Adjusted Levered Free Cash Flow	$ 46,553
Cash payments for interest	28,631
Cash received from interest rate derivatives	(6,017)
Adjusted Unlevered Free Cash Flow	$ 69,167

	Three Months Ended March 31, 2023
(amounts in thousands)	
Numerator - Adjusted Levered Free Cash Flow	$ 46,553
Denominator - Adjusted EBITDA	92,070
Adjusted Levered Free Cash Flow as a Percentage of Adjusted EBITDA	50.6%

	Three Months Ended March 31, 2023
(amounts in thousands)	
Numerator - Adjusted Unlevered Free Cash Flow	$ 69,167
Denominator - Adjusted EBITDA	92,070
Adjusted Unlevered Free Cash Flow as a Percentage of Adjusted EBITDA	75.1%

NON-GAAP RECONCILIATION *(6/7)*

(in millions)		March 31, 2023
Current portion of long-term debt	$	15.1
Long-term debt, net of current portion		2,018.8
Less: Debt issuance costs		(40.3)
Total Debt		2,074.2
Less: Cash and cash equivalents		149.1
Total Net Debt	$	1,925.1

NON-GAAP RECONCILIATION *(7/7)*

Note: Numerical figures included in this slide have been subject to rounding adjustments

(1) Represents expenses related to (i) equity-based compensation expense associated with grants of Common Series D Units of Karman Topco L.P. ("Topco") made to one of the equity holders of Topco and (ii) equity-based compensation expense associated with the Common Series C Units of Topco.

(2) Represents non-cash compensation expense related to the 2020 Incentive Award Plan and the 2020 Employee Stock Purchase Plan.

(3) Represents adjustments to the estimated fair value of our contingent consideration liabilities related to our acquisitions.

(4) Represents fees and costs associated with activities related to our acquisitions and reorganization activities including professional fees, due diligence, and integration activities.

(5) Represents losses on disposal of assets related to divestitures and losses on sale of businesses and classification of assets held for sale, less cost to sell.

(6) Represents additions to reflect our proportional share of Adjusted EBITDA related to our equity method investments and reductions to remove the Adjusted EBITDA related to the minority ownership percentage of the entities that we fully consolidate in our financial statements.

(7) Represents fees and costs associated with various internal reorganization activities, including professional fees, lease exit costs, severance, and nonrecurring compensation costs.

(8) Represents legal settlements, reserves, and expenses that are unusual or infrequent costs associated with our operating activities.

(9) Represents (a) costs related to implementation of strategies for workplace safety in response to COVID-19, including additional sick pay for front-line associates and personal protective equipment; and (b) benefits received from government grants for COVID-19 relief.

(10) Represents costs associated with the Take 5 Matter, primarily, professional fees and other related costs.

(11) Unaudited periods 2010 and 2014 are both comprised of audited stub periods to sum up to full year financials (individual stub periods within each year are audited, full year summations are unaudited).

(12) Represents cash paid for fees and costs associated with activities related to our acquisitions and reorganization activities including professional fees, due diligence, and integration activities.

(13) Represents cash paid for fees and costs associated with various reorganization activities, including professional fees, lease exit costs, severance, and nonrecurring compensation costs.

(14) Represents cash paid or (cash received) for (a) costs related to implementation of strategies for workplace safety in response to COVID-19, including additional sick pay for front-line associates and personal protective equipment; and (b) benefits received from government grants for COVID-19 relief.

(15) Represents cash paid for costs associated with the Take 5 Matter, primarily, professional fees and other related costs.