

The Hackett Group, Inc.
RECONCILIATION OF GAAP TO NON-GAAP MEASURES
(in thousands, except per share data)
(unaudited)

RECONCILIATION OF GAAP TO NON-GAAP MEASURES (ADJUSTED NET INCOME)

| | Quarter Ended | | Twelve Months Ended | |
|------------------------------------------------------------------------------|----------------------|----------------------|----------------------|----------------------|
| | December 26, 2025 | December 27, 2024 | December 26, 2025 | December 27, 2024 |
| GAAP NET INCOME | \$ 5,592 | \$ 3,564 | \$ 12,943 | \$ 29,630 |
| Adjustments (1): | | | | |
| Non-cash stock based compensation expense (2) | 2,640 | 3,345 | 10,915 | 11,782 |
| Stock price award program compensation expense (2)(3) | 1,751 | 5,142 | 16,804 | 5,745 |
| Acquisition-related cash compensation (reversal) expense (4) | 102 | 349 | 178 | 390 |
| Acquisition-related non-cash stock based compensation (reversal) expense (4) | 956 | 1,765 | 2,911 | 1,997 |
| Acquisition-related costs | 2 | 72 | 399 | 125 |
| Legal settlement and related costs | - | - | - | 102 |
| Restructuring cost | - | - | 3,112 | - |
| Amortization of intangible assets (4) | 311 | 148 | 996 | 148 |
| ADJUSTED NET INCOME BEFORE INCOME TAXES ON ADJUSTMENTS (1) | 11,354 | 14,385 | 48,258 | 49,919 |
| Tax effect of adjustments above (5) | 492 | 819 | 4,938 | 2,641 |
| ADJUSTED NET INCOME (1) | \$ 10,862 | \$ 13,566 | \$ 43,320 | \$ 47,278 |
| GAAP diluted net income per common share | \$ 0.21 | \$ 0.12 | \$ 0.46 | \$ 1.05 |
| Adjusted diluted net income per common share (1) | \$ 0.40 | \$ 0.47 | \$ 1.55 | \$ 1.68 |
| Weighted average common and common equivalent shares outstanding | 27,145 | 28,604 | 27,907 | 28,091 |

RECONCILIATION OF GAAP TO NON-GAAP MEASURES (ADJUSTED EBITDA)

| | Quarter Ended | | Twelve Months Ended | |
|-------------------------------------------------------------------|----------------------|----------------------|----------------------|----------------------|
| | December 26, 2025 | December 27, 2024 | December 26, 2025 | December 27, 2024 |
| GAAP NET INCOME | \$ 5,592 | \$ 3,564 | \$ 12,943 | \$ 29,630 |
| Add back: | | | | |
| Income tax expense | 2,775 | 3,941 | 8,875 | 13,364 |
| Interest expense | 710 | 242 | 1,716 | 1,594 |
| Depreciation | 1,073 | 947 | 4,184 | 3,771 |
| Amortization | 311 | 148 | 996 | 148 |
| EBITDA | 10,461 | 8,842 | 28,714 | 48,507 |
| Adjustments: | | | | |
| Non-cash stock based compensation expense (2) | 2,640 | 3,345 | 10,915 | 11,782 |
| Stock price award program compensation expense (2)(3) | 1,751 | 5,142 | 16,804 | 5,745 |
| Acquisition-related cash compensation expense (4) | 102 | 349 | 178 | 390 |
| Acquisition-related non-cash stock based compensation expense (4) | 956 | 1,765 | 2,911 | 1,997 |
| Acquisition-related costs | 2 | 72 | 399 | 125 |
| Restructuring cost | - | - | 3,112 | - |
| Legal settlement and related costs | - | - | - | 102 |
| ADJUSTED EBITDA | \$ 15,912 | \$ 19,515 | \$ 63,033 | \$ 68,648 |

RECONCILIATION OF GAAP TO NON-GAAP MEASURES (ADJUSTED GROSS MARGIN)

| | Quarter Ended | | Twelve Months Ended | |
|-------------------------------------------------------------------|----------------------|----------------------|----------------------|----------------------|
| | December 26, 2025 | December 27, 2024 | December 26, 2025 | December 27, 2024 |
| Revenue: | | | | |
| Revenue before reimbursements | \$ 74,820 | \$ 77,456 | \$ 300,846 | \$ 307,028 |
| Reimbursements | 931 | 1,779 | 4,780 | 6,827 |
| Total revenue | 75,751 | 79,235 | 305,626 | 313,855 |
| Costs and expenses: | | | | |
| Cost of service: | | | | |
| Personnel costs before reimbursable expenses | 43,196 | 46,209 | 183,681 | 183,792 |
| Reimbursable expenses | 931 | 1,779 | 4,780 | 6,827 |
| Total cost of service | 44,127 | 47,988 | 188,461 | 190,619 |
| GAAP GROSS MARGIN | 31,624 | 31,247 | 117,165 | 123,236 |
| Adjustments: | | | | |
| Non-cash stock based compensation expense (2) | 1,598 | 1,962 | 6,418 | 6,723 |
| Stock price award program compensation expense (2)(3) | 554 | 1,614 | 5,277 | 1,791 |
| Acquisition-related cash compensation expense (4) | 102 | 349 | 178 | 390 |
| Acquisition-related non-cash stock based compensation expense (4) | 955 | 1,748 | 2,906 | 1,978 |
| ADJUSTED GROSS MARGIN | \$ 34,833 | \$ 36,920 | \$ 131,944 | \$ 134,118 |

RECONCILIATION OF GAAP TO NON-GAAP MEASURES (ADJUSTED COS)

| | Quarter Ended | | Twelve Months Ended | |
|-------------------------------------------------------------------|---------------|--------------|---------------------|--------------|
| | December 26, | December 27, | December 26, | December 27, |
| | 2025 | 2024 | 2025 | 2024 |
| GAAP TOTAL COST OF SERVICE | \$ 44,127 | \$ 47,988 | \$ 188,461 | \$ 190,619 |
| Adjustments: | | | | |
| Non-cash stock based compensation expense (2) | (1,598) | (1,962) | (6,418) | (6,723) |
| Stock price award program compensation expense (2)(3) | (554) | (1,614) | (5,277) | (1,791) |
| Acquisition-related cash compensation expense (4) | (102) | (349) | (178) | (390) |
| Acquisition-related non-cash stock based compensation expense (4) | (955) | (1,748) | (2,906) | (1,978) |
| Reimbursable expenses | (931) | (1,779) | (4,780) | (6,827) |
| ADJUSTED COS | \$ 39,987 | \$ 40,536 | \$ 168,902 | \$ 172,910 |

RECONCILIATION OF GAAP TO NON-GAAP MEASURES (ADJUSTED SGA)

| | Quarter Ended | | Twelve Months Ended | |
|-------------------------------------------------------|---------------|--------------|---------------------|--------------|
| | December 26, | December 27, | December 26, | December 27, |
| | 2025 | 2024 | 2025 | 2024 |
| GAAP SELLING, GENERAL AND ADMINISTRATIVE COSTS | \$ 22,547 | \$ 23,500 | \$ 90,519 | \$ 78,648 |
| Adjustments: | | | | |
| Non-cash stock based compensation expense (2) | (1,043) | (1,400) | (4,506) | (5,079) |
| Stock price award program compensation expense (2)(3) | (1,197) | (3,529) | (11,527) | (3,954) |
| Acquisition-related costs | (1) | (72) | (399) | (125) |
| Amortization expense | (311) | (148) | (996) | (148) |
| Legal settlement and related costs | - | - | - | (102) |
| ADJUSTED SGA | \$ 19,995 | \$ 18,351 | \$ 73,091 | \$ 69,240 |

(1) The Company provides adjusted earnings results (which excludes non-cash stock based compensation expense, stock price award program compensation expense, acquisition-related cash and non-cash stock based compensation expense, amortization expense, acquisition related costs and legal settlement and related costs and includes a GAAP tax rate) as a complement to results provided in accordance with Generally Accepted Accounting Principles (GAAP). These non-GAAP results are provided to enhance the users' overall understanding of the Company's current financial performance and its prospects for the future. The Company believes the non-GAAP results provide useful information to both management and investors and by excluding certain expenses that it believes are not indicative of its core operating results. The non-GAAP measures are included to provide investors and management with an alternative method for assessing operating results in a manner that is focused on the performance of its ongoing primary operations and to provide a consistent basis for comparison between quarters. Further, these non-GAAP results are one of the primary indicators management uses for planning and forecasting. The presentation of this additional non-GAAP information should be considered in addition to, and not as a substitute for or superior to, any results prepared in accordance with GAAP.

(2) Non-cash stock based compensation expense is accounted for under Financial Accounting Standards Board Accounting Standards Codification Topic 718, Compensation-Stock Compensation. The Company excludes non-cash stock based compensation expense and the related tax effects for the purposes of adjusted net income and adjusted diluted earnings per share. The Company believes that non-GAAP measures of profitability, which exclude non-cash stock based compensation expense, are widely used by investors.

(3) The stock price award program compensation expense relates to equity awards that were granted with certain market share price hurdles and service conditions to meet before they are vested. The market price hurdles include twenty consecutive trading days of equal to or greater than \$30, \$40 and \$50 per share price. As of December 26, 2025, the first market condition had been met, and although the shares have not vested they are included in the Company's dilutive shares outstanding for the quarter ended December 26, 2025. As of December 26, 2025, the second and third market conditions had not been met and as such the shares have not vested and are not included in the Company's basic or dilutive shares outstanding. Non-cash compensation of \$1.8 million and \$16.8 million was recorded in the fourth quarter and twelve months of 2025, respectively.

(4) The Company incurs cash and non-cash stock based compensation expense for acquisition related consideration that is recognized over time under GAAP. The Company believes excluding these amounts more consistently presents its ongoing results of operations because they are related to acquisitions and not due to normal operating activities. The acquisition-related non-cash stock based compensation expense is also accounted for under Financial Accounting Standards Board Accounting Standards Codification Topic 718, Compensation-Stock Compensation.

(5) The adjustment for the income tax expense is based on the accounting treatment and income tax rate for the jurisdiction of each item. The impact of all of the non-cash stock based compensation expense was \$0.4 million and \$0.7 million the fourth quarters of 2025 and 2024, respectively, and \$3.8 million and \$2.4 million for the twelve months of 2025 and 2024, respectively. The impact of acquisition related cash compensation expense was \$26 thousand and \$45 thousand in the fourth quarter and twelve months in 2025, respectively. The impact of the acquisition related costs including amortization was \$81 thousand and \$0.4 million in the fourth quarter and twelve month period of 2025, respectively. The impact of the legal settlement and related costs was \$27 thousand in the twelve months in 2024. The impact of the restructuring cost was \$0.8 million in the twelve months in 2025.