

**The Hackett Group, Inc.**  
**Supplemental Data Discussed During Q1 2026 Earnings Conference Call**

Q1 2026 % of recurring revenue before reimbursements to total Company revenue before reimbursements	approx. 24%
Q1 2026 total Company adjusted cost of sales	\$39.2M
Q1 2026 total Company adjusted cost of sales as % of revenue before reimbursements	57.7%
Q1 2025 total Company adjusted cost of sales	\$43.1M
Q1 2025 total Company adjusted cost of sales as % of revenue before reimbursements	56.6%
Q1 2026 total Company adjusted gross margin as % of revenue before reimbursements	42.3%
Q1 2025 total Company adjusted gross margin as % of revenue before reimbursements	43.4%
Q1 2026 total Company adjusted SGA	\$16.1M
Q1 2026 total Company adjusted SGA as % of revenue before reimbursements	23.7%
Q1 2025 total Company adjusted SGA	\$18.4M
Q1 2025 total Company adjusted SGA as % of total revenue	24.1%
Q1 2026 adjusted EBITDA	\$13.8M
Q1 2026 adjusted EBITDA as a % of revenue before reimbursements	23.7%
Q1 2025 adjusted EBITDA	\$15.7M
Q1 2025 adjusted EBITDA as a % of revenue before reimbursements	20.7%

**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	
	March 27, 2026	March 28, 2025
GAAP NET INCOME	\$ 4,281	\$ 3,143
Adjustments (1):		
Non-cash stock based compensation expense (2)	2,396	2,765
Stock price award program compensation expense (2)(3)	1,096	5,142
Acquisition-related cash compensation expense (4)	(64)	308
Acquisition-related non-cash stock based compensation expense (4)	(2,013)	1,765
Acquisition-related costs	-	194
Restructuring costs	1,956	-
Amortization of intangible assets (4)	315	145
ADJUSTED NET INCOME BEFORE INCOME TAXES ON ADJUSTMENTS (1)	7,967	13,462
Tax effect of adjustments above (5)	(685)	1,856
ADJUSTED NET INCOME (1)	\$ 8,652	\$ 11,606
GAAP diluted net income per common share	\$ 0.17	\$ 0.11
Adjusted diluted net income per common share (1)	\$ 0.34	\$ 0.41
Weighted average common and common equivalent shares outstanding	25,258	28,385

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

	Quarter Ended	
	March 27, 2026	March 28, 2025
GAAP NET INCOME	\$ 4,281	\$ 3,143
Add back:		
Income tax expense	3,647	1,058
Interest expense	1,008	202
Depreciation	1,165	1,025
Amortization	315	145
EBITDA	10,416	5,573
Adjustments:		
Non-cash stock based compensation expense (2)	2,396	2,765
Stock price award program compensation expense (2)(3)	1,096	5,142
Acquisition-related cash compensation expense (4)	(64)	308
Acquisition-related non-cash stock based compensation expense (4)	(2,013)	1,765
Acquisition-related costs	-	194
Legal settlement and related costs	1,956	-
ADJUSTED EBITDA	\$ 13,787	\$ 15,747

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

	Quarter Ended	
	March 27, 2026	March 28, 2025
Revenue:		
Revenue before reimbursements	\$ 67,843	\$ 76,231
Reimbursements	954	1,634
Total revenue	68,797	77,865
Costs and expenses:		
Cost of service:		
Personnel costs before reimbursable expenses	38,505	48,380
Reimbursable expenses	954	1,634
Total cost of service	39,459	50,014
GAAP GROSS MARGIN	29,338	27,851
Adjustments:		
Non-cash stock based compensation expense (2)	1,526	1,551
Stock price award program compensation expense (2)(3)	(100)	1,614
Acquisition-related cash compensation expense (4)	(64)	308
Acquisition-related non-cash stock based compensation expense (4)	(2,015)	1,763
ADJUSTED GROSS MARGIN	\$ 28,685	\$ 33,087

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

	Quarter Ended	
	March 27, 2026	March 28, 2025
GAAP TOTAL COST OF SERVICE	\$ 39,459	\$ 50,014
Adjustments:		
Non-cash stock based compensation expense (2)	(1,526)	(1,551)
Stock price award program compensation expense (2)(3)	100	(1,614)
Acquisition-related cash compensation expense (4)	64	(308)
Acquisition-related non-cash stock based compensation expense (4)	2,015	(1,763)
Reimbursable expenses	(954)	(1,634)
<b>ADJUSTED COS</b>	<b>\$ 39,158</b>	<b>\$ 43,144</b>

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

	Quarter Ended	
	March 27, 2026	March 28, 2025
GAAP SELLING, GENERAL AND ADMINISTRATIVE COSTS	\$ 20,402	\$ 23,448
Adjustments:		
Non-cash stock based compensation expense (2)	(870)	(1,215)
Stock price award program compensation expense (2)(3)	(1,196)	(3,529)
Acquisition-related non-cash stock based compensation expense (4)	(2)	
Acquisition-related costs	-	(194)
Amortization expense	(315)	(145)
Legal settlement and related costs	-	-
<b>ADJUSTED SGA</b>	<b>\$ 18,019</b>	<b>\$ 18,365</b>

(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 March 27, 2026, 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 March 27, 2026. As of March 27, 2026, 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 \$1.1 million was recorded in the first quarter of 2026.

(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 \$404 thousand and \$1.7 million in the first quarter of 2026 and 2025, respectively. The impact of acquisition related cash compensation expense was \$16 thousand and \$78 thousand in the first quarter of 2026 and 2025, respectively. The impact of the acquisition related costs including amortization was \$82 thousand and \$50 thousand in the first quarter of 2026 and 2025, respectively. The impact of the restructuring cost was \$0.5 million in the first quarter of 2026.