Net leverage ratio as of Q4 2022 was 4.5x

Reconciliation of Fiscal 2022 Net Income and Debt Agreement Adjusted EBITDA

($ thousands)	Twelve months ended December 31, 2022
Net Income	$43,173
Income tax expense	25,167
Interest expense, net	114,096
Depreciation and amortization	147,156
EBITDA	**$329,592**
Acquisition related costs[(a)]	15,304
Non-core items and project costs, net[(b)]	20,241
Straight-line rent adjustment[(c)]	14,965
Equity-based compensation expense[(d)]	20,583
Foreign currency transaction loss, net[(e)]	17,168
Bad debt recovery[(f)]	(449)
Asset sale leaseback (gain) loss, impairment and closed store expenses[(g)]	96,367
Adjusted EBITDA	**$513,771**
Acquisition EBITDA adjustments[(h)]	27,076
Run Rate adjustments related to store opening and closings[(i)]	12,639
Other adjustments permitted under Debt Agreement	10,484
Debt Agreement Adjusted EBITDA	**$563,970**

($ thousands)	**December 31, 2022**
Total Debt	$2,738,267
Less: Cash and cash equivalents	227,110
Net Debt	**$2,511,157**

($ thousands)	**December 31, 2022**
Net Debt	$2,511,157
LTM Debt Agreement Adjusted EBITDA	$563,970
Net Leverage Ratio	**4.5x**

Net leverage ratio as of Q4 2022 was 4.5x

Notes:

a. Consists of acquisition costs as reflected within the consolidated statement of operations, including legal, consulting and other fees and expenses incurred in connection with acquisitions completed during the applicable period, as well as inventory rationalization expenses incurred in connection with acquisitions. We expect to incur similar costs in connection with other acquisitions in the future and, under U.S. GAAP, such costs relating to acquisitions are expensed as incurred and not capitalized.

b. Consists of discrete items and project costs, including third-party consulting and professional fees associated with strategic transformation initiatives, as well as a $15 million change in estimate related to the Tax Receivable Agreement that we entered into at the IPO related to the filing of our 2021 tax returns in the fourth quarter 2022.

c. Consists of the non-cash portion of rent expense, which reflects the extent to which our straight-line rent expense recognized under U.S. GAAP exceeds or is less than our cash rent payments.

d. Represents non-cash equity-based compensation expense.

e. Represents foreign currency transaction gains/losses, net that primarily related to the remeasurement of our intercompany loans. These losses are partially offset by unrealized gains/losses on remeasurement of cross currency swaps and forward contracts.

f. Represents the recovery of previously uncollectible receivables outside of normal operations.

g. Represents net (gain) loss on sale leasebacks, the discontinuation of trade names, as well as impairment of certain fixed assets and operating lease right-of-use assets related to closed locations. Also represents lease exit costs and other costs associated with stores that were closed prior to the respective lease termination dates.

h. Represents our estimate of our anticipated annual operating results, including, without limitation, our estimates of the contribution of businesses acquired as if such acquisitions had occurred on the first day of the twelve-month period ended December 31, 2022

i. Represents our estimate of our anticipated annual operating results from new store openings and store closings annualized as if such store openings and store closings had occurred on the first day of the twelve-month period ended December 31, 2022.