

Q4 and Full Year 2022 Earnings Presentation

March 1, 2023



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This presentation includes certain non-GAAP financial measures that are not prepared in accordance with accounting principles generally accepted in the United States ("GAAP") and that may be different from non-GAAP financial measures used by other companies. The Company believes EBITDA, Adjusted EBITDA, Adjusted Net Income and Adjusted EPS are useful to investors in evaluating the Company's financial performance. The Company uses these measures internally to establish forecasts, budgets and operational goals to manage and monitor its business, as well as evaluate its underlying historical performance and to measure incentive compensation, as we believe that these non-GAAP financial measures depict the true performance of the business by encompassing only relevant and controllable events, enabling the Company to evaluate and plan more effectively for the future. Due to the forward-looking nature of the financial guidance included above, specific quantification of the charges excluded from the non-GAAP financial measures included in such financial guidance, including with respect to depreciation, amortization, interest, and taxes, that would be required to reconcile the non GAAP financial measures included in such financial guidance to GAAP measures are not available, so it is not feasible to provide accurate forecasted non-GAAP reconciliations without unreasonable effort. Consequently, no disclosure of estimated comparable GAAP measures is included, and no reconciliation of the forward-looking non-GAAP financial measures is included. In addition, the Company's debt agreements contain covenants that use a variation of these measures for purposes of determining debt covenant compliance. The Company believes that investors should have access to the same set of tools that its management uses in analyzing operating results. EBITDA, Adjusted EBITDA, Adjusted Net Income and Adjusted EPS should not be considered as measures of financial performance under U.S. GAAP, and the items excluded from EBITDA, Adjusted EBITDA, Adjusted Net Income and Adjusted EPS are significant components in understanding and assessing the Company's financial performance. Accordingly, these key business metrics have limitations as an analytical tool. They should not be considered as an alternative to net income or any other performance measures derived in accordance with U.S. GAAP or as an alternative to cash flows from operating activities as a measure of the Company's liquidity and may be different from similarly titled non-GAAP measures used by other companies. Please refer to the tables below for the reconciliation of net income to EBITDA, Adjusted EBITDA, Adjusted Net Income and Adjusted EPS for the quarters and twelve months ended December 31, 2022 and December 31, 2021.

Industry and Market Information

Statements in this presentation concerning our industry and the markets in which we operate, including our general expectations and competitive position, business opportunity and market size, growth and share, are based on information from independent industry organizations and other third-party sources, data from our internal research and management estimates. Management estimates are derived from publicly available information and the information and data referred to above and are based on assumptions and calculations made by us based upon our interpretation of such information and data. The information and data referred to above are imprecise and may prove to be inaccurate because the information cannot always be verified with complete certainty due to the limitations on the availability and reliability of raw data, the voluntary nature of the data gathering process and other limitations and uncertainties. As a result, please be aware that the data and statistical information in this presentation may differ from information provided by our competitors or from information found in current or future studies conducted by market research institutes, consultancy firms or independent sources.



Key Highlights

Full Year '22 vs. Full Year '21: Net Sales increased 41% to \$378mm (\$370mm to \$380mm guidance range) compared to \$268mm driven by both domestic (+35%) and international (+68%) customers. Net income increased 58% to \$132mm from \$82mm. Adjusted EBITDA¹ increased 33% to \$136mm (\$130mm to \$137mm guidance range) compared to \$102mm

Q4 '22 vs. Q4 '21: Net Sales increased 25% to \$94mm compared to \$75mm driven primarily by strong sales execution, growth from new and existing programs, and continued international demand. Net Income increased 12% to \$22mm compared to \$20mm. Adjusted EBITDA¹ increased 44% to \$31mm compared to \$21mm

Strong first year as a public company exceeding expectations on Revenue and EBITDA despite a challenging macroeconomic environment and major stock indices down significantly for year

Product innovation and security enhancements for our customers and the industry (credit and debit cards that can act as authentication tokens, Biometric cards, and Dynamic CVV) and new payment card form factors (LED card, Lux Glass, Echo Mirror, and the Airplane card made from a decommissioned 747)

Full year 2023 guidance of \$400mm to \$425mm in Net Sales and \$145mm to \$155mm in Adjusted EBITDA

¹Adjusted EBITDA is a non-GAAP financial measure. For reconciliation of Adjusted EBITDA to the most directly comparable measure prepared in accordance with GAAP, please see the Appendix

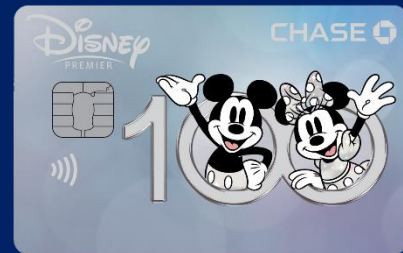


Payment Card Update



Payment Cards

Existing



Chase - Disney



Chase - Marriott

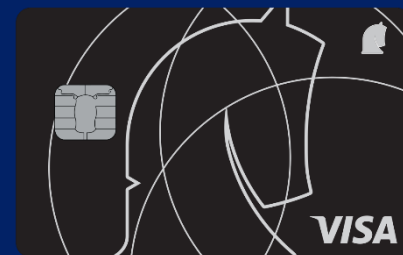


Cap One - Venture
X Business

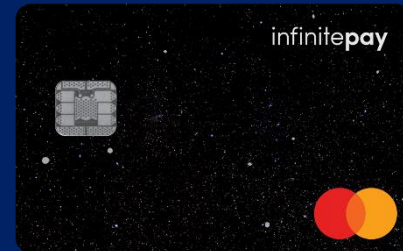
New



Porsche



Automata



Cloudwalk



Scheels



OCBC



VakifBank

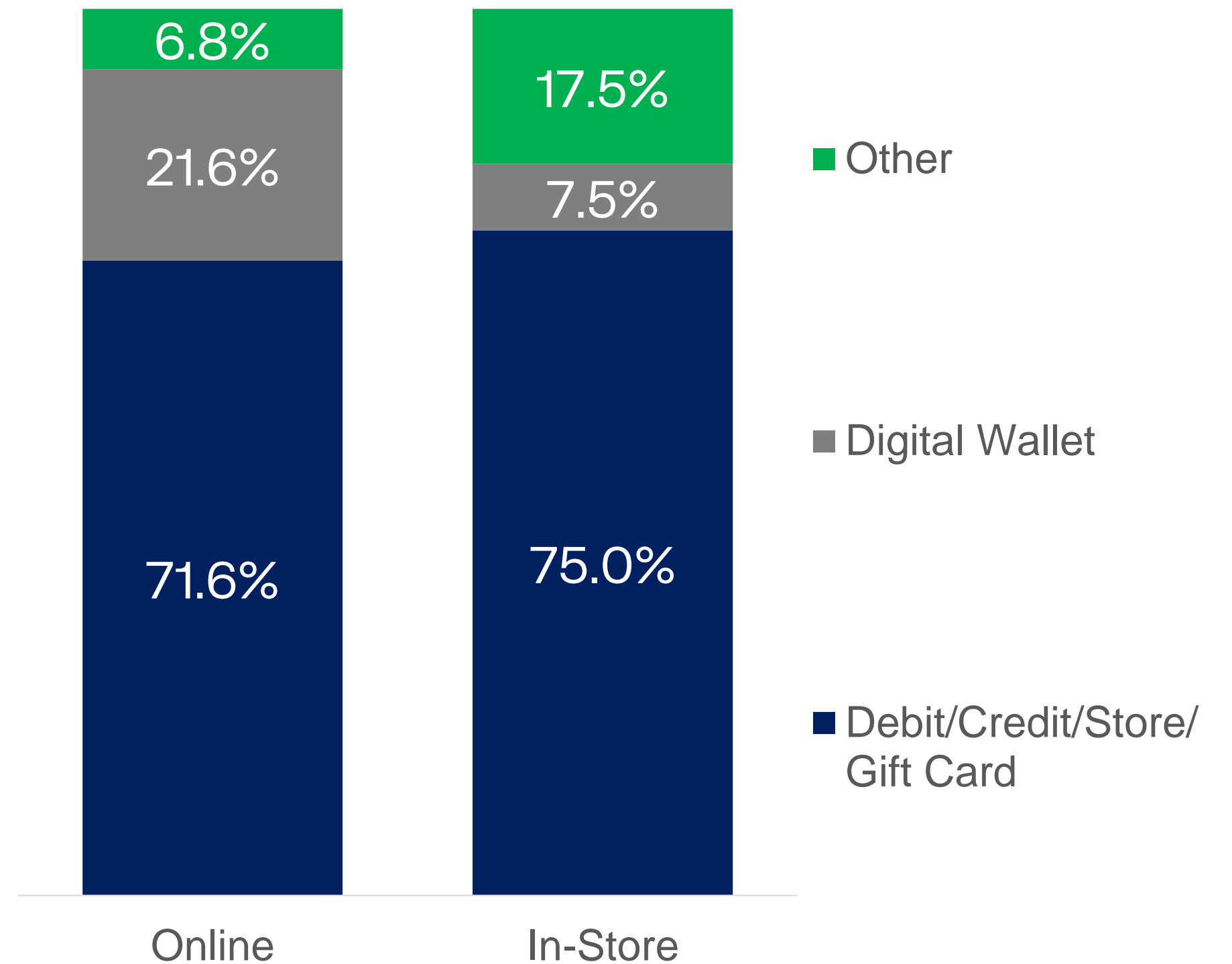
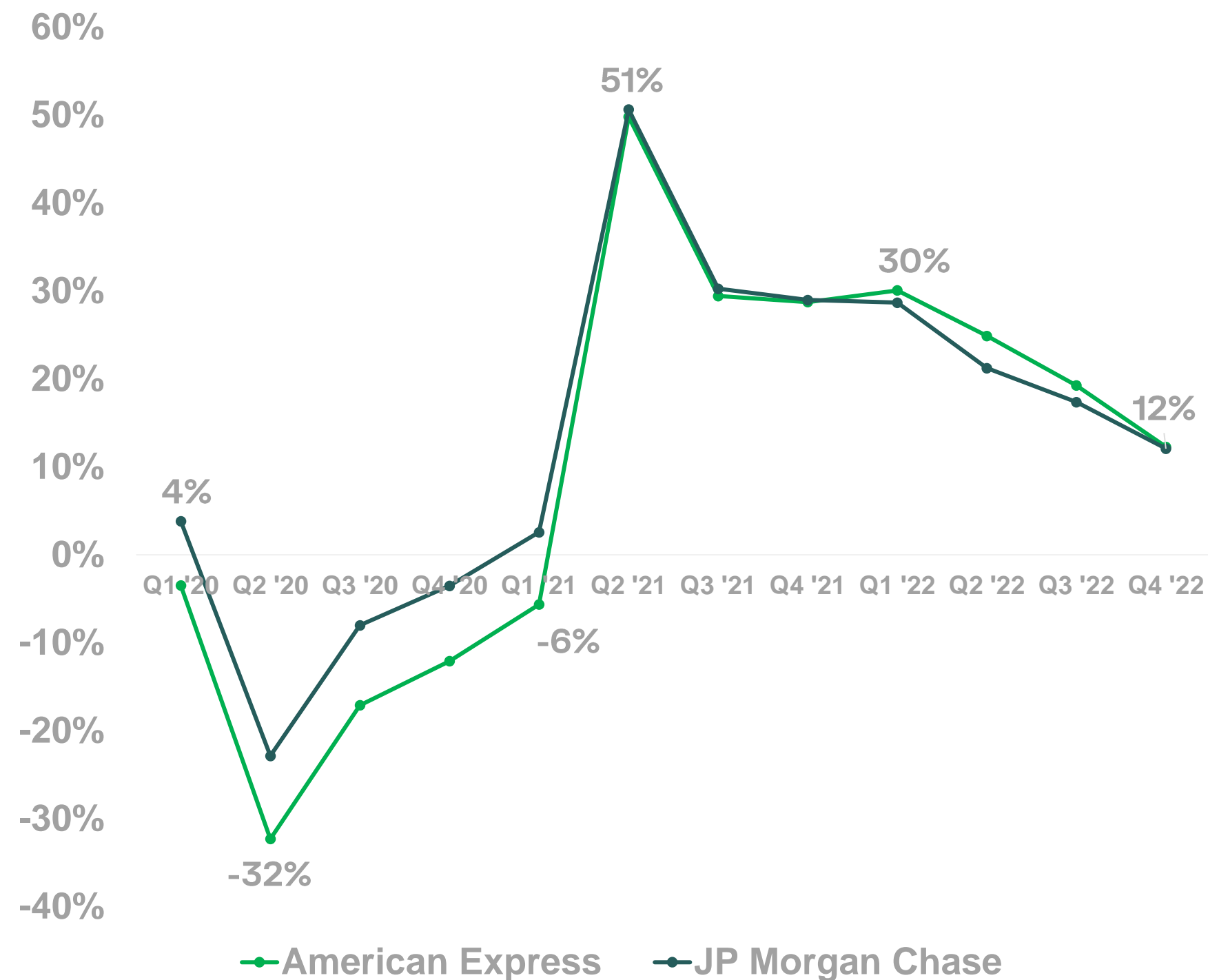
- Shipped approximately 30mm payment cards globally 2022 vs. 22mm in 2021
- Continued growth from new and existing traditional banking and fintech customers
- Unveiled new payment card tech innovations to deliver distinct experiences to consumers
- Dedicated to sustainability through environmental initiatives, received official certifications, and achieved carbon neutrality
- CEO and Chief Innovation & Product Officer recognized for leadership and innovation
- Company received awards for being a NJ Top Workplace for 3rd year in a row and fundraising
- Achieved SOC 2 Type 2 compliance

Positive Trends & Momentum across Payment Cards

CompoSecure's Largest Customers Continue to Report Over 12% Purchase Volume Growth vs. Prior Year

Physical Cards Remain the Most Used Method of Payment both Online and In-Store²

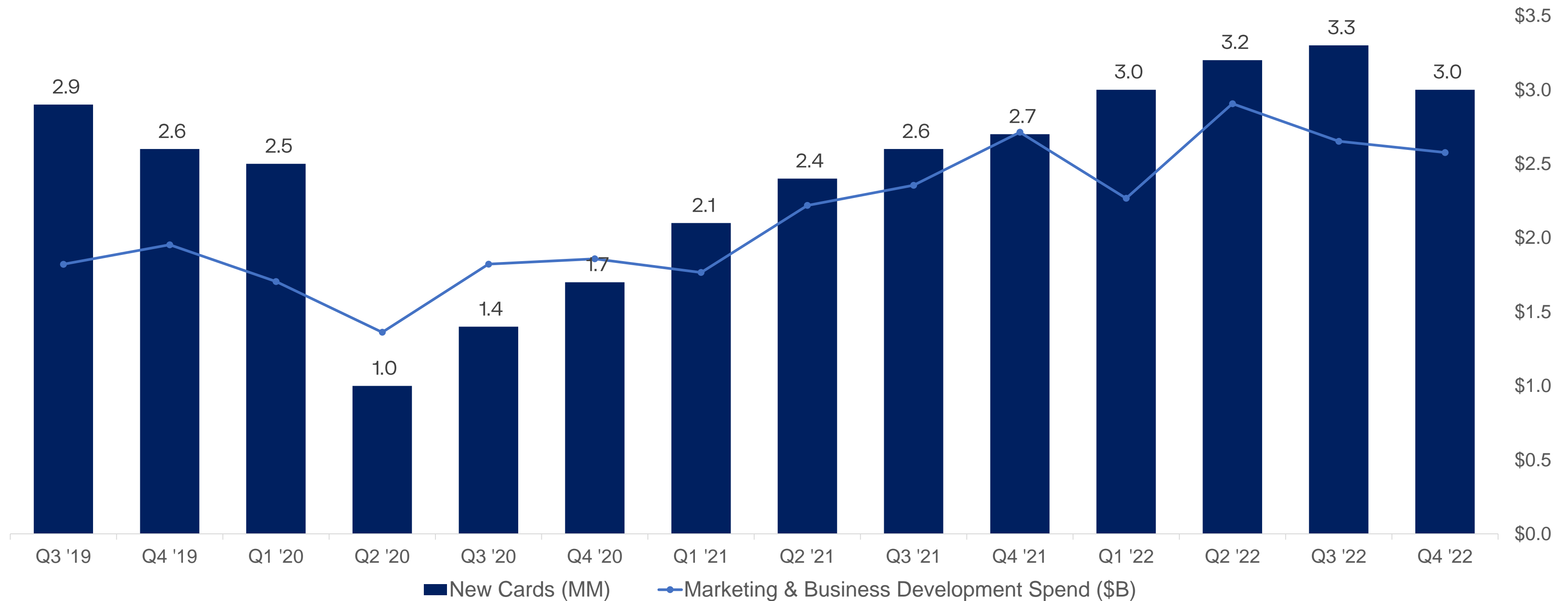
Year over Year Purchase Volume Growth¹



¹American Express & JP Morgan Chase Earnings Presentations
² PYMNTS – Digital Economy Payments: The Ascent of Digital Wallets (Feb 2023)

Positive Trends & Momentum across Payment Cards

American Express continues to grow acquisitions year over year



| | | | | | | | | | | |
|--------------------------------------|-------|-------|-------|-------|------|------|------|------|------|------|
| YoY Card Growth | (52%) | (35%) | (16%) | +140% | +86% | +59% | +43% | +33% | +27% | +11% |
| YoY Marketing & Bus Dev Spend Growth | +0% | (5%) | +4% | +63% | +29% | +46% | +28% | +31% | +13% | (5%) |



Large Issuers and Payment Networks Confident in Growth



“Our 2022 performance shows that our strategy is working...based on our performance to date and what we see for 2023, I'm even more confident in our ability to achieve our aspirations for double-digit annual revenue growth and mid-teens EPS growth in 2024 and beyond” – *Steve Squeri (Chairman & CEO)*¹



“In our domestic card business, we continue to lean into marketing to drive resilient growth. We're keeping a close eye on competitor actions and potential marketplace risks. We're seeing the success of our marketing and strong growth in domestic card new accounts, purchase volume and loans across our card business and strong momentum in our decade-long focus on heavy spenders at the top of the marketplace continues” – *Andrew Young (CFO)*¹



“While we are ready for a range of scenarios, our expectation is for another strong performance. So, as we look forward, we expect to continue to produce strong returns in the near term, and we remain confident in our ability to deliver on our through-the-cycle target of 17% ROTCE” – *Jeremy Barnum (CFO)*¹



“Well, we went through what we call our planning assumptions on the last call for the full year, and we told you we had assumed no recession. As you can see, business trends have been remarkably stable. The spend levels just around the world, they've indexed in the mid-140s for almost four quarters right now, and there's no evidence of a change in trend. That's reflected in our second-quarter outlook” – *Vasant Prabhu (CFO)*²

¹ Q4 '22 Earnings Transcript
² Q1 '23 Earnings Transcript

CompoSecure's Payment Card Innovation

Pioneering technology has enabled the introduction of distinguishing features to further instill feelings of quality, durability, exclusivity, and status

Lux Glass

Corning Gorilla Glass
w/Metal Frame



Echo Mirror

Buffed Stainless Steel
with Mirror Finish



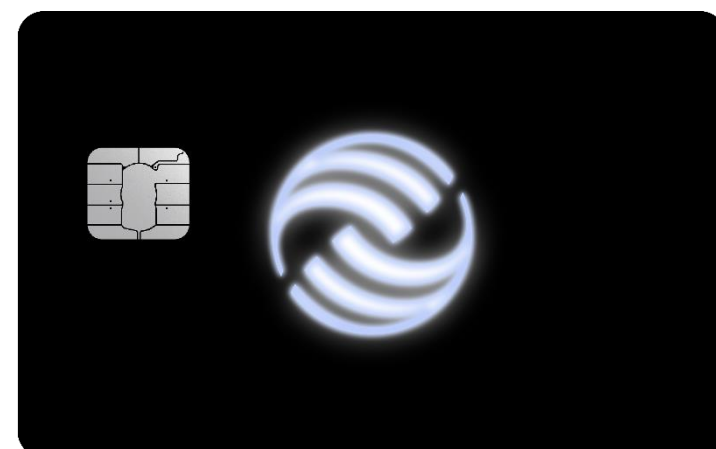
Airplane

Aluminum from Retired
Boeing 747 Fuselage



LED

Logo Lights up when
Transact at POS Terminal



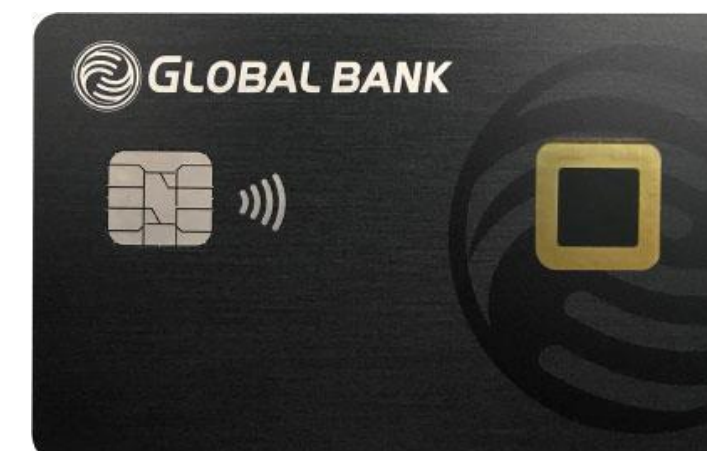
Ceramic Metal Hybrid

Premium Ceramic Coated
Metal



Biometrics

Fingerprint Sensor for
Additional Security



Dynamic CVV

CVV Changes
Dynamically for
Additional Security

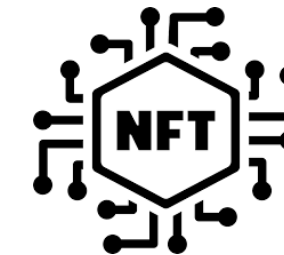
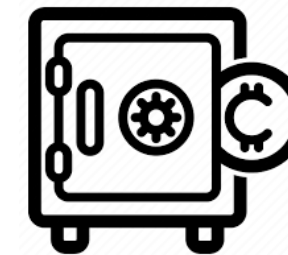


The Arculus Platform Offers a Broad Range of Security & Authentication Solutions for B2B & B2C

Secure Authentication Card



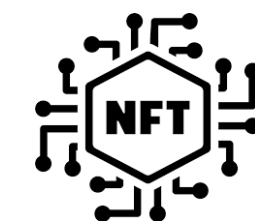
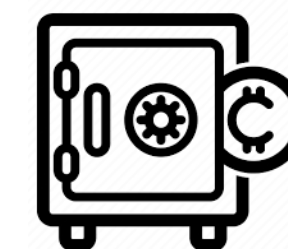
Digital Asset Cold Storage Card



Payment (Credit/Debit) + Secure Authentication Card

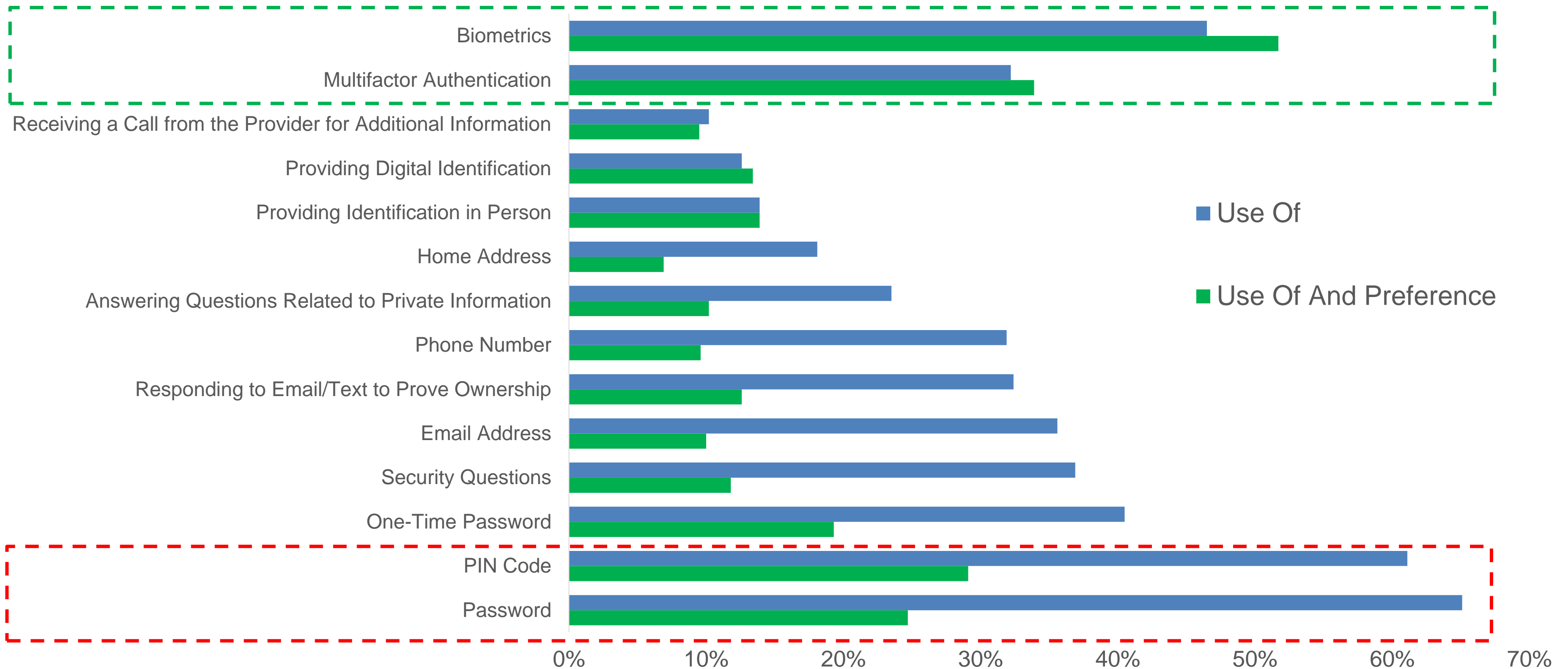


Payment (Credit/Debit) + Digital Asset Cold Storage Card



Market Opportunity for Arculus Secure Authentication

Advanced identity authentication measures (vs. PIN & passwords) are necessary and preferred by consumers to ensure security and integrity of sensitive information, especially for online transactions



Arculus Update



**Pilot for Global
Cryptocurrency Exchange
/ BaaS Provider**



- Security and digital authentication solution certified by FIDO2, Visa, & Mastercard can help banks and consumers protect their accounts with two or three-factor authentication
- We are initiating a pilot with a global Banking as a Service provider for a payment + authentication program for a major crypto exchange with over 1mm card holders
- Enhancing Arculus cold storage wallet B2B and B2C functionality to include support for 10K coins, superior security for card to mobile device communication, and expanded wallet connect and Defi access.
- Utilizing cold storage for crypto provides protection against exchanges going bankrupt or freezing customer withdrawals
- Recognized as top innovator in cold storage wallet industry
- Expanding distribution of consumer cold storage product to key international markets

Arculus Partners Leveraging Social Media to Promote

INBESTGO

¿Te preocupa la seguridad de tus criptos?

PROTÉGELAS CON
ARCULUS

ALMACENA TUS
CRIPTOMONEDAS DE
FORMA FÁCIL Y SEGURA

por solo
\$99.99

QUIERO MI ARCULUS

ARCULUS es una billetera de almacenamiento en frío de criptomonedas y NFTs que mantiene tus claves privadas accesibles solo para ti.

La tarjeta Arculus, junto con la aplicación Arculus Wallet, brindan una solución segura y fácil de usar para almacenar y administrar tus activos digitales.

1:50

Search

Change_677B7D2F55
Beginner mode

Pulse Credit card News

Get your Change
Black Label Package

VISA ARCULUS

1x hardware cold wallet
1x virtual credit card

Swap Margin Trading Earn

MELD @MELD_Defi

#25DaysOfMELD Day 17 is here!

We're happy to announce our partnership with @thisisarculus, a leading cold storage wallet solution, to offer even more unique features for our MELD Debit Card.

Partnership Announcement
MELD + ARCULUS

12:32 PM · Dec 17, 2022 · 15.4K Views

401 Retweets 3 Quote Tweets 582 Likes

Financial Overview



Full Year 2022 Results

| | FY '22 | FY '21 | % Change | Commentary |
|---|---------|---------|-----------|---|
| Net Sales | \$378mm | \$268mm | 41% | Demand for premium metal cards, strong sales execution, & increased international demand |
| Gross Margin | 58% | 54% | 398 bps | Economics of scale & efficiencies mitigated increasing supply chain costs |
| Net Income | \$132mm | \$83mm | 58% | \$42.3mm net increase from re-valuation of earnout & warrants |
| Adjusted EBITDA¹ | \$136mm | \$102mm | 33% | Excludes \$42.3mm net increase from re-valuation of earnout & warrants FY '22 includes (\$21mm) net impact from Arculus investment |
| Adjusted EBITDA Margin¹ | 36% | 38% | (220 bps) | |

¹Adjusted EBITDA is a non-GAAP financial metric. For a reconciliation of Adjusted EBITDA to the most-comparable GAAP metric, please see the Appendix to this presentation



Q4 2022 Results

| | Q4 '22 | Q4 '21 | % Change | Commentary |
|---|--------|--------|----------|---|
| Net Sales | \$94mm | \$75mm | 25% | Demand for premium metal cards, strong sales execution, & increased international demand |
| Gross Margin | 54% | 52% | 145 bps | Economics of scale & efficiencies mitigated increasing supply chain costs |
| Net Income | \$22mm | \$20mm | 12% | \$4.2mm net increase from re-valuation of earnout & warrants |
| Adjusted EBITDA¹ | \$31mm | \$21mm | 44% | Excludes \$4.2mm net increase from re-valuation of earnout & warrants Q4 '22 includes (\$6mm) net impact from Arculus investment |
| Adjusted EBITDA Margin¹ | 33% | 28% | 447 bps | |

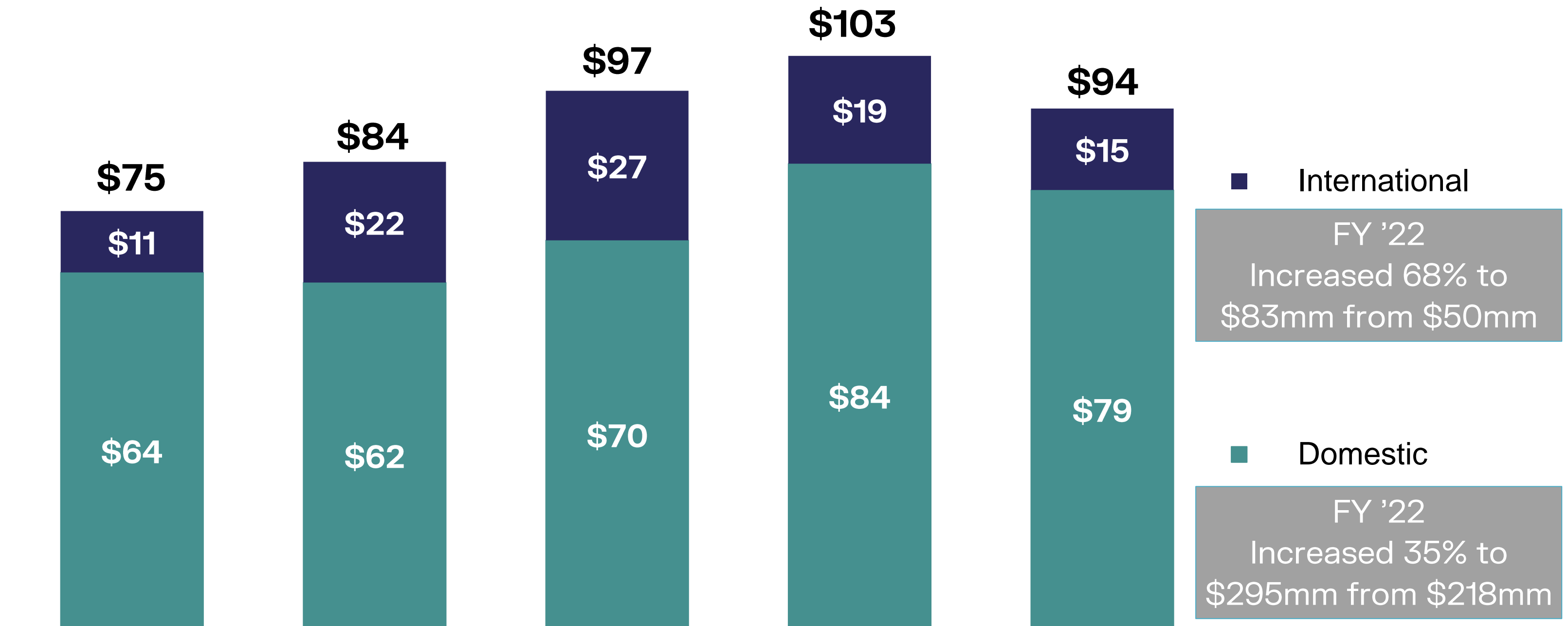
¹Adjusted EBITDA is a non-GAAP financial metric. For a reconciliation of Adjusted EBITDA to the most-comparable GAAP metric, please see the Appendix to this presentation



Net Sales Trend

Domestic and international continue to contribute to CompoSecure's growth

In millions



| | Q4 21 | Q1 22 | Q2 22 | Q3 22 | Q4 22 |
|---------------|-------|-------|-------|-------|-------|
| International | 15% | 26% | 28% | 19% | 16% |
| Domestic | 85% | 74% | 72% | 81% | 84% |

■ International
 FY '22
 Increased 68% to
 \$83mm from \$50mm

■ Domestic
 FY '22
 Increased 35% to
 \$295mm from \$218mm



Earnings per Share: GAAP

| | Three months ended 12/31/22 | | Twelve months ended 12/31/22 | |
|---------------------------------|--------------------------------|---------------------|---------------------------------|---------------------|
| | Basic | Diluted | Basic | Diluted |
| GAAP Net Income | \$22mm | \$22mm | \$132mm | \$132mm |
| Net Income used in EPS | \$2mm ¹ | \$2mm ² | \$19mm ³ | \$37mm ⁴ |
| % of Total Net Income | 10.0% | 10.0% | 14.2% | 27.8% |
| Total Shares used in EPS | 16.1mm ⁵ | 16.1mm ⁶ | 15.4mm ⁵ | 32.6mm ⁷ |
| Earnings per Share | \$0.14 | \$0.14 | \$1.21 | \$1.13 |

Source: Company Financials

¹ 21.4% of Operating Net Income of \$25.6mm less 100% of C-Corp Costs of \$3.2mm

² 21.4% of Operating Net Income of \$25.6mm less 100% of C-Corp Costs of \$3.2mm

³ 21.4% of Operating Net Income of \$144.0mm less 100% of C-Corp Costs of \$12.2mm

⁴ 35.1% of Operating Net Income of \$144.0mm less 100% of C-Corp Costs of \$12.2mm less Interest on Dilutive Convertible Debt of \$2.5mm

⁵ Weighted Average Class A Shares of 16.1mm and 15.4mm for the three months and twelve months, respectively

⁶ Weighted Average Class A Shares of 16.1mm for three months

⁷ Weighted Average Class A Shares of 15.4mm for twelve months plus 4.2mm dilutive equity awards plus 13.0mm Shares from Convertible Debt Conversion

Adjusted Earnings per Share

| | Three months ended 12/31/22 | | Twelve months ended 12/31/22 | |
|---------------------------------|--------------------------------|---------------------|---------------------------------|---------------------|
| | Basic | Diluted | Basic | Diluted |
| GAAP Net Income | \$22mm | \$22mm | \$132mm | \$132mm |
| Adjusted Net Income | \$18mm ¹ | \$18mm ¹ | \$83mm ² | \$83mm ² |
| % of GAAP Net Income | 79% | 79% | 63% | 63% |
| Total Shares used in EPS | 76.4mm ³ | 88.3mm ⁴ | 75.7mm ³ | 88.0mm ⁵ |
| Adjusted EPS⁶ | \$0.23 | \$0.20 | \$1.10 | \$0.94 |

Source: Company Financials

¹ GAAP Net Income of \$22.4mm less Additional Tax Provision of \$4.2mm less Fair Value Mark to Market Change for Warrants and Earnout and Stock Based Compensation Adjustment of \$0.5mm

² GAAP Net Income of \$131.8mm less Additional Tax Provision of \$18.1mm less Fair Value Mark to Market Change for Warrants and Earnout and Stock Based Compensation Adjustment of \$30.8mm

³ Outstanding Class A plus Class B Shares

⁴ Outstanding Class A plus Class B Shares plus 8.1mm Public and Private Warrants (Converted Using Treasury Stock Method) and 3.9mm dilutive equity awards

⁵ Outstanding Class A plus Class B Shares plus 8.1mm Public and Private Warrants (Converted Using Treasury Stock Method) and 4.2mm dilutive equity awards

⁶ Adjusted Net Income and Adjusted EPS are non-GAAP financial measures. For reconciliation of these non-GAAP measures to the most directly comparable measures prepared in accordance with GAAP, please see the Appendix



2023 Guidance

Full year net sales and adjusted EBITDA guidance

| | 2023E | 2022 |
|------------------------------------|-------------------|---------|
| Net Sales | \$400mm - \$425mm | \$378mm |
| <i>B/(W) vs. '22</i> | <i>+6% / +12%</i> | |
| Adjusted EBITDA¹ | \$145mm - \$155mm | \$136mm |
| <i>B/(W) vs. '22</i> | <i>+7% / +14%</i> | |



¹Adjusted EBITDA is a non-GAAP financial metric. For a reconciliation of Adjusted EBITDA to the most-comparable GAAP metric, please see the Appendix to this presentation

Strategic Priorities

A leader in Metal Payment Cards, Security, Storage, and Authentication Technology

Drive premium payment card sales through continued domestic growth, international expansion, and FinTechs

Deliver innovative new card constructs and leverage our scale and existing relationships

Enhance Arculus capabilities (blockchain support, payment card integration, & channel expansion) to drive adoption across key B2B verticals given demand for multi-factor authentication security solutions

Optimize investment in product lines across advertising initiatives, talent, software development, and partnerships to accelerate growth

Focus on process efficiencies, materials procurement, and upsell opportunities to maintain strong margins



Investor Relations Contact

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Appendix



CompoSecure, Inc. (Nasdaq: CMPO)

Summary Equity Capitalization Table (with net exercise model)

As of December 31, 2022

Current Enterprise Value is \$900mm¹

| <u> Holders </u> | <u> # of Shares Issued & Outstanding </u> | <u> # of Shares Issued & Outstanding </u> |
|---|--|--|
| Public Shareholders (including PIPE & Sponsor): Class A | 16.4mm | 16.4mm |
| Historic CompoSecure Owners: Class B | 60.3mm | 60.3mm |
| Subtotal | 76.7mm | 76.7mm |
| <u> Holders </u> | <u> # of Shares Reserved for Immediately Exercisable In-The-Money Options </u> | <u> # of Shares Reserved for Immediately Exercisable In-The-Money Options (assuming net exercise)² </u> |
| Merger Rollover Options | 4.6mm | 4.0mm |
| Total | 81.3mm | 80.7mm |
| <u> Convertible Instruments </u> | <u> # of Shares Reserved for Conversion </u> | <u> # of Shares Reserved for Conversion (assuming net exercise) </u> |
| Public Warrantholders ³ | 11.6mm | 4.2mm |
| Roman Sponsor Warrantholders ³ | 10.8mm | 3.9mm |
| Exchangeable Noteholders ⁴ | 11.3mm | 11.3mm |
| Grand Total | 115.0mm | 100.1mm |

Notes: The table above excludes shares which may be issued in the future for contingent "earnout", equity incentive plan, employee stock purchase plan, and 401K plan

¹ Includes Net Debt of \$219mm + Convertible of \$130mm. Equity of 80.7mm shares @ \$6.82 price/share as of market close 2/24

² Assumes exercise net of strike price, valuation at assumed FMV of \$10.00

³ Assumes treasury stock method, \$11.50 strike price, & valuation at assumed FMV of \$18.00

⁴ Assumes \$11.50 strike price with redemption (at company's discretion) after three years if FMV exceeds \$14.95

Balance Sheet

(Unaudited)

| (\$mm) | Q4 2022A | Q4 2021 |
|---|--------------|--------------|
| Assets | | |
| Current Assets | | |
| Cash & cash equivalents | \$14 | \$22 |
| Accounts receivable, net | 37 | 28 |
| Inventories | 42 | 26 |
| Prepaid expenses and other Current assets | 4 | 3 |
| Total Current Assets | 97 | 78 |
| Property and equipment, net | 23 | 22 |
| Deferred tax assets | 26 | 26 |
| Other assets | 18 | 5 |
| Total assets | \$163 | \$131 |
| Liabilities and Members' Equity | | |
| Current Liabilities | | |
| Accounts payable | \$7 | \$7 |
| Accrued expenses | 10 | 40 |
| Other current liabilities | 13 | 1 |
| Current portion of long-term debt | 14 | 13 |
| Total current liabilities | 45 | 61 |
| Long-term debt, net of deferred finance costs | 216 | 233 |
| Line of credit | 0 | 15 |
| Convertible Debt, net of debt discount | 128 | 127 |
| Other liabilities | 66 | 103 |
| Total liabilities | \$455 | \$539 |
| Members' Equity | (292) | (408) |
| Total liabilities and members' equity | \$163 | \$131 |

Source: Company financials

Note: Financial position has been derived from CompoSecure's consolidated financial statements for the quarters ended December 31, 2022 and December 31, 2021 respectively.

Statement of Operations

(Unaudited)

| (\$mm) | Q4 | | FY | |
|-------------------------------------|-------------|-------------|--------------|--------------|
| | Q4 2022A | Q4 2021A | FY 2022A | FY 2021A |
| Revenue | | | | |
| Net Sales | \$94 | \$75 | \$378 | \$268 |
| Cost of Sales | (44) | (36) | (159) | (123) |
| Gross Profit | \$50 | \$39 | \$220 | \$145 |
| Operating Expenses | | | | |
| Selling, general and administrative | (25) | (30) | (105) | (63) |
| Income from operations | \$25 | \$9 | \$115 | \$81 |
| Other expense | | | | |
| Other income (expense), net | (2) | 11 | 17 | 2 |
| Net Income | \$22 | \$20 | \$132 | \$83 |

Statement of Cash Flows

(Unaudited)

| (\$mm) | FY 2022A | FY 2021A |
|---|---------------|---------------|
| Cash flows from operating activities | | |
| Net income | \$132 | \$83 |
| Depreciation | 9 | 10 |
| Equity compensation expense | 11 | 6 |
| Inventory reserve | 2 | 1 |
| Amortization of deferred finance costs | 2 | 2 |
| Mark-to-market adjustments | (23) | (10) |
| Change in assets and liabilities | (19) | (3) |
| Accounts receivable | (9) | (19) |
| Inventories | (18) | 4 |
| Prepaid expenses and other assets | (1) | (2) |
| Other liabilities | 8 | 4 |
| Accrued expenses | 0 | 2 |
| Net cash provided by operating activities | \$93 | \$78 |
| Cash flows from investing activities | | |
| Acquisition of property and equipment | (9) | (5) |
| Net cash used in investing activities | (\$9) | (\$5) |
| Cash flows from financing activities | | |
| Business combination and PIPE financing | | 61 |
| Proceeds from convertible notes | | 127 |
| Proceeds from employee stock purchase plan and exercise of equity awards | 0 | |
| Proceeds from line of credit | 0 | 0 |
| Payment of line of credit | (15) | (5) |
| Proceeds from term loan | 0 | 250 |
| Payment of Tax receivable agreement liability | (0) | |
| Payment of term loan | (17) | (240) |
| Distributions | 0 | (218) |
| Deferred finance costs related to debt origination | 0 | (2) |
| Issuance cost related to business combination | (24) | (15) |
| Tax Distribution to members | (36) | (22) |
| Net cash used in financing activities | (\$92) | (\$65) |
| Net increase (decrease) cash, cash equivalents and restricted cash | (8) | 9 |
| Cash, cash equivalents and restricted cash, beginning of year | \$22 | \$13 |
| Cash, cash equivalents and restricted cash, end of year | \$14 | \$22 |
| Supplementary disclosure of cash flow information | | |
| Cash paid during the year for interest | 21 | 10 |
| Issuance costs payable | | 23 |
| Derivative asset - interest rate swap | 9 | |

Source: Company financials

Note: Cash flows have been derived from CompoSecure's consolidated financial statements for the twelve months ended December 31, 2022 and 2021 respectively

Non-GAAP Adjusted EBITDA Reconciliation

(Unaudited)

| \$mm | Q4 2022A | Q4 2021A | FY 2022A | FY 2021A |
|--------------------------------------|--------------|--------------|---------------|--------------|
| Net Income | \$22 | \$20 | \$132 | \$83 |
| Interest Expense | 6 | 3 | 23 | 12 |
| Depreciation and Amortization | 2 | 3 | 9 | 10 |
| Taxes | 1 | -1 | 4 | -1 |
| Unadjusted EBITDA | \$31 | \$25 | \$167 | \$105 |
| 1 Non-Cash Stock Comp Expense | 4 | 4 | 11 | 10 |
| 2 Mark-to-market Adjustments | -4 | -8 | -43 | -13 |
| Total EBITDA Adjustments | (\$1) | (\$4) | (\$31) | (\$3) |
| Adjusted EBITDA | \$31 | \$21 | \$136 | \$102 |
| Adjusted EBITDA % | 33% | 28% | 36% | 38% |

1 Non-Cash Stock Option Expense: Non-cash stock option expenses related to the equity incentive plan

2 Non-Cash Mark to Market Adjustments: Related to changes in fair value of liabilities for warrants, earnouts and derivatives assets.

Non-GAAP EPS Reconciliation

(Unaudited)

| (\$mm) | <u>Three months ended 12/31/2022</u> | | <u>Twelve months ended 12/31/2022</u> | |
|--|--------------------------------------|----------------|---------------------------------------|----------------|
| | <u>BASIC</u> | <u>DILUTED</u> | <u>BASIC</u> | <u>DILUTED</u> |
| GAAP Net Income | \$22.4 | \$22.4 | \$131.8 | \$131.8 |
| Add back tax provision | 0.6 | 0.6 | 4.4 | 4.4 |
| Tax Provision on 100% of Taxable Income | -4.8 | -4.8 | -22.4 | -22.4 |
| Adjusted Net Income | \$18.2 | \$18.2 | \$113.8 | \$113.8 |
| Fair Value and Stock Based Compensation Adjustment | -\$0.5 | -\$0.5 | -\$30.8 | -\$30.8 |
| Adjusted Net Income | \$17.7 | \$17.7 | \$83.0 | \$83.0 |
| Class A + Class B Shares | 76.4 | 76.4 | 75.7 | 75.7 |
| Public & Private Warrants ¹ | - | 8.1 | - | 8.1 |
| Dilutive Equity Awards ² | - | 3.9 | - | 4.2 |
| Total Shares | 76.4 | 88.3 | 75.7 | 88.0 |
| EPS | \$0.23 | \$0.20 | \$1.10 | \$0.94 |

Source: Company financials

¹ Assumes treasury stock method, valuation at assumed FMV of \$18.00

² Includes options, RSUs, and ESPP shares