
**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 7, 2026

SABRE CORPORATION

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

001-36422
(Commission
File Number)

20-8647322
(IRS Employer
Identification No.)

3150 Sabre Drive
Southlake, TX
(Address of principal executive offices)

76092
(Zip Code)

(682) 605-1000
(Registrant's telephone number, including area code)

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	Name of each exchange on which registered
Common Stock, \$.01 par value	SABR	The NASDAQ Stock Market LLC

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 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 2.02 Results of Operations and Financial Condition.

On May 7, 2026, Sabre Corporation (“Sabre”) issued a press release and will hold a conference call regarding its financial results for the quarter ended March 31, 2026. A copy of the press release is attached as Exhibit 99.1.

The information in this Item 2.02 of Form 8-K and the attached exhibit shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), nor shall it be deemed incorporated by reference in any filing 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.

Sabre makes reference to non-GAAP financial measures in the press release. A reconciliation of these non-GAAP financial measures to the comparable GAAP financial measures is contained in the attached press release.

Item 9.01. Financial Statements and Exhibits.

(d) *Exhibits*

Exhibit Number	Description
99.1	Press Release dated May 7, 2026.
104	Cover Page Interactive Data File - formatted as Inline XBRL.

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 hereunto duly authorized.

Sabre Corporation

Dated: May 7, 2026

By: /s/ Michael Randolfi
Name: Michael Randolfi
Title: Executive Vice President and Chief Financial Officer



Sabre reports first quarter 2026 results

First quarter revenue growth of 8% and air distribution bookings growth of 6%; reaffirms full year 2026 Pro Forma Adjusted EBITDA and Free Cash Flow guidance

Business Highlights:

- Exceeded revenue and Pro Forma Adjusted EBITDA guidance and achieved air distribution bookings guidance, reflecting continued execution of our growth strategies and effective cost management
- Reaffirming 2026 guidance for Pro Forma Adjusted EBITDA and Free Cash Flow
- Grew Marketplace revenue 9% year-on-year, driven by strong bookings and higher booking fees
- Achieved 6% air distribution bookings growth, the highest in over two years
- Delivered 27% year-on-year increase in operating income and expanded margin two percentage points from 13% to 15%
- Sabre's AI platform successfully launched first agentic AI experience for travel with MindTrip and PayPal

First Quarter 2026 Financial Results:

- First quarter revenue of \$760 million, up 8% from Q1'25
- Operating income of \$116 million, up 27% from Q1'25
- Net income attributable to common stockholders of \$8 million
- Adjusted EBITDA⁽¹⁾ of \$159 million, up 21% from Q1'25
- Normalized Adjusted EBITDA⁽¹⁾ of \$169 million, up 21% from Q1'25
- Ended quarter with cash balance of \$665 million

SOUTHLAKE, Texas – May 7, 2026 – Sabre Corporation ("Sabre" or the "Company") (NASDAQ: SABR) today announced financial results for the quarter ended March 31, 2026.

"We are pleased with our strong start to the year, delivering 8% revenue growth and a 21% increase in Normalized Adjusted EBITDA, significantly exceeding our first quarter outlook. Air distribution bookings grew 6%, our highest rate in more than two years, and we believe it outpaced the broader industry, underscoring our solid execution and continued momentum across our growth initiatives," said Kurt Ekert, President and CEO.

Ekert continued, "While the conflict in the Middle East and higher fuel prices have weighed on near-term air bookings, our outlook assumes the conflict subsides during the second quarter. We expect a gradual recovery through the summer and fall, driving positive full-year air bookings growth. Given our strong first-quarter performance and current outlook, we are reaffirming our full-year guidance for Pro Forma Adjusted EBITDA and Free Cash Flow. Through continued share gains, disciplined execution, and our leadership role in next-generation, AI-powered travel solutions, we are confident in our ability to deliver sustained, long-term growth."

Q1 2026 Financial Summary

Effective this quarter, we have updated the terminology used to describe our revenue to better reflect our evolving brand identity and market positioning. Historically referred to as "Distribution" and "IT Solutions", these revenue streams have been renamed to "Marketplace" and "Airline Technology", respectively. The specific revenue from products, services, and underlying solutions offered within each category remain unchanged.

First quarter revenue totaled \$760 million, compared to \$702 million in the first quarter of 2025.

- Marketplace revenue increased by \$49 million, or 9%, to \$618 million, driven by a \$42 million increase in transaction-based revenue primarily due to an increase in distribution bookings and favorable rate impacts, and a \$7 million increase in other revenue.
 - Total Marketplace bookings, net of cancellations, were 101 million, an increase of approximately 5% from first quarter 2025 levels.
 - Average booking fee totaled \$6.10, an increase of approximately 3% from first quarter 2025.
- Airline Technology revenue increased by \$9 million, or 7%, to \$142 million, driven primarily by revenue that was previously deferred being recognized.

Operating income totaled \$116 million versus \$91 million in the first quarter of 2025. The increase in operating income was driven by the increase in revenue described above, partially offset by an increase in incentive and other expenses.

Income from continuing operations totaled \$9 million, versus a loss of \$3 million in the first quarter of 2025. The increase in net income from continuing operations in the first quarter of 2026 is primarily attributed to an increase in operating income described above, partially offset by an increase in interest expense, net.

Income attributable to common stockholders totaled \$8 million, versus income of \$35 million in the first quarter of 2025. The decrease in income attributable to common stockholders in the first quarter of 2026 was primarily driven by a decrease in income from discontinued operations, net of tax, partially offset by the items impacting net income from continuing operations described above.

Normalized Adjusted EBITDA⁽¹⁾ was \$169 million, up 21% year-on-year, an improvement versus Normalized Adjusted EBITDA⁽¹⁾ of \$140 million in the first quarter of 2025. The improvement in Normalized Adjusted EBITDA⁽¹⁾ was driven by the items impacting revenue described above, partially offset by increased incentive expense.

With regard to Sabre's first quarter 2026 cash flows (versus prior year):

- Cash used in operating activities totaled \$134 million (vs. \$64 million)
- Cash used in investing activities totaled \$21 million (vs. \$7 million)
- Cash used in financing activities totaled \$92 million (vs. \$13 million provided by)
- Capitalized expenditures totaled \$21 million (vs. \$17 million)

Free Cash Flow⁽¹⁾ was negative \$155 million, compared to Free Cash Flow⁽¹⁾ of negative \$81 million and Pro Forma Free Cash Flow⁽¹⁾ of negative \$70 million in the first quarter of 2025.

Financial Highlights
(in thousands, except for EPS; unaudited):

	Three Months Ended March 31,		
	2026	2025	% Change (B/W)
Total Company:			
Revenue	\$760,326	\$702,126	8
Marketplace Revenue	\$618,011	\$569,115	9
Airline Technology Revenue	\$142,315	\$133,011	7
Operating Income	\$115,917	\$91,395	27
Operating Margin	15.2%	13.0%	
Net income attributable to common stockholders	\$8,116	\$35,335	(77)
Diluted net income (loss) per share attributable to common stockholders (EPS) from continuing operations	\$0.02	\$(0.01)	300
Net Income Margin	1.1%	5.0%	
Adjusted EBITDA⁽¹⁾	\$158,710	\$130,818	21
Adjusted EBITDA Margin⁽¹⁾	20.9%	18.6%	
Normalized Adjusted EBITDA⁽¹⁾	\$169,089	\$139,656	21
Normalized Adjusted EBITDA Margin⁽¹⁾	22.2%	19.9%	
Adjusted Net Income⁽¹⁾	\$24,293	\$2,783	773
Adjusted EPS⁽¹⁾	\$0.06	\$0.01	500
Cash used in operating activities	\$(134,160)	\$(63,961)	(110)
Cash used in investing activities	\$(21,230)	\$(7,230)	(194)
Cash (used in) provided by financing activities	\$(92,006)	\$13,208	(797)
Capitalized expenditures	\$(21,230)	\$(16,871)	(26)
Free Cash Flow⁽¹⁾	\$(155,390)	\$(80,832)	(92)
Pro Forma Free Cash Flow⁽¹⁾	NA	\$(70,321)	NM
Net Debt (total debt, less cash and cash equivalents)	\$3,795,267	\$4,613,756	
Volume Metrics:			
Total Bookings	101,262	96,356	5
Air Bookings	86,973	82,438	6
Lodging and Other Bookings	14,289	13,918	3
Passengers Boarded	170,035	165,826	3

⁽¹⁾Indicates non-GAAP financial measure; see descriptions and reconciliations below.

NM - not meaningful

Business and Pro Forma Financial Outlook

With respect to the second quarter and full-year 2026 financial outlook below:

- Second quarter Pro Forma Adjusted EBITDA guidance consists of expected net loss from continuing operations of approximately \$63 million; less impact of acquisition-related amortization of approximately \$8 million; expected stock-based compensation expense of approximately \$18 million; expected depreciation and amortization of property and equipment and amortization of capitalized implementation costs of approximately \$18 million; expected interest expense, inclusive of issuance costs and debt discounts, net of approximately \$124 million; expected provision for income taxes of approximately \$17 million; expected pro forma adjustments of approximately \$8 million associated with costs previously allocated to Hospitality Solutions.
- Full-year Pro Forma Adjusted EBITDA guidance consists of expected net loss from continuing operations of approximately \$128 million; less impact of acquisition-related amortization of approximately \$31 million; expected stock-based compensation expense of approximately \$59 million; expected depreciation and amortization of property and equipment and amortization of capitalized implementation costs of approximately \$73 million; expected interest expense, inclusive of issuance costs and debt discounts, net of approximately \$491 million; expected restructuring and other expenses, net of approximately \$6 million; expected provision for income taxes of approximately \$26 million; expected pro forma adjustments of approximately \$27 million associated with costs previously allocated to Hospitality Solutions.
- Full year Free Cash Flow guidance consists of expected cash provided by operating activities of approximately \$10 million, and less expected additions to property and equipment of approximately \$80 million.

Second Quarter and Full Year 2026 Pro Forma Financial Outlook

Sabre's second quarter and full year 2026 outlook is set forth below:

	<u>Q2 2026</u>	<u>FY 2026</u>
Air Distribution Bookings	Near flat YoY growth	Low-to-mid-single-digit YoY growth
Revenue	Flat-to-nominal YoY Growth	Low-to-mid-single-digit YoY growth
Pro Forma Adjusted EBITDA	~\$130M +2% YoY	~\$585M +9% YoY
Free Cash Flow		~(\$70M)

Conference Call

Sabre will conduct its first quarter 2026 investor conference call today at 9:00 a.m. ET. The live webcast and accompanying slide presentation can be accessed via the Investor Relations section of our website, investors.sabre.com. A replay of the event will be available on the website for at least 90 days following the event.

About Sabre

Powering the agentic revolution in travel. Sabre is an AI-native technology leader, backed by one of the world's largest travel data clouds. With AI at its core and operating at unparalleled scale, Sabre transforms insights into innovation, empowering airlines, hoteliers, agencies and other partners to retail, distribute and fulfill travel worldwide. Sabre is built on an open, modular, cloud-native architecture and serves as the backbone for both established leaders and bold, new disruptors, guiding them to the next age of travel retailing through intelligent, connected, and personalized experiences. For more information visit www.sabre.com.

Website Information

Sabre routinely posts important information for investors on the Investor Relations section of its website, investors.sabre.com, on its LinkedIn account, and on its X account, @Sabre_Corp. The Company intends to use the Investor Relations section of its website, its LinkedIn account, and

its X account as a means of disclosing material, non-public information and for complying with disclosure obligations under Regulation FD. Accordingly, investors should monitor the Investor Relations section of Sabre's website, its LinkedIn account and its X account, in addition to following its press releases, SEC filings, public conference calls, presentations and webcasts. The information contained on, or that may be accessed through, Sabre's website, its LinkedIn account or its X account is not incorporated by reference into, and is not a part of, this document.

Supplemental Financial Information

In conjunction with today's earnings report, a file of supplemental financial information will be available on the Investor Relations section of our website, investors.sabre.com.

Industry Data

This release contains industry data, forecasts and other information that Sabre obtained from industry publications and surveys, public filings and internal company sources, and there can be no assurance as to the accuracy or completeness of the included information. Statements as to Sabre's ranking, market position, bookings share and market estimates are based on independent industry publications, government publications, third-party forecasts and management's estimates and assumptions about our markets and our internal research. The Company has not independently verified this third-party information nor has it ascertained the underlying economic assumptions relied upon in those sources, and cannot assure you of the accuracy or completeness of this information.

Note on Non-GAAP Financial Measures

This press release includes unaudited non-GAAP financial measures, including Adjusted Net Income from continuing operations ("Adjusted Net Income"), Adjusted EBITDA, Adjusted EBITDA margin, Normalized Adjusted EBITDA, Normalized Adjusted EBITDA margin, Adjusted Net Income from continuing operations per share ("Adjusted EPS"), Free Cash Flow and the ratios based on these financial measures. In addition, we provide certain forward guidance with respect to Adjusted EBITDA on a pro forma basis and Free Cash Flow. We do not provide reconciliations of these forward-looking non-GAAP financial measures to the respective GAAP metrics as we are unable to predict the components of the non-GAAP adjustments contained in the guidance with reasonable certainty and without unreasonable effort; however, see "Business and Pro Forma Financial Outlook" for additional information including estimates of certain components of the non-GAAP adjustments contained in the guidance.

We present non-GAAP measures when our management believes that the additional information provides useful information about our operating performance. Non-GAAP financial measures do not have any standardized meaning and are therefore unlikely to be comparable to similar measures presented by other companies. The presentation of non-GAAP financial measures is not intended to be a substitute for, and should not be considered in isolation from, the financial measures reported in accordance with GAAP. See “Non-GAAP Financial Measures” below for an explanation of the non-GAAP measures and “Tabular Reconciliations for Non-GAAP Measures” below for a reconciliation of the non-GAAP financial measures to the comparable GAAP measures.

Discontinued Operations

On April 27, 2025, we entered into a definitive agreement with an affiliate of TPG (the “Buyer”) pursuant to which the Buyer agreed to purchase our Hospitality Solutions business, and on July 3, 2025, we closed the sale (the “Hospitality Solutions Sale”). The operating results of our Hospitality Solutions business are presented as discontinued operations on our consolidated statements of operations for all periods presented. Unless otherwise noted, results presented are based on continuing operations.

Forward-Looking Statements

Certain statements herein are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements include, without limitation, statements about trends, future events, uncertainties and our plans and expectations of what may happen in the future, including regarding the Company's plan for long-term growth and the impact and timing of geopolitical events.. Any statements that are not historical or current facts are forward-looking statements and in many cases, you can identify forward-looking statements by terms such as "outlook," "pro forma," "believe," "momentum," "expect," "guidance," "confident," "encouraged," "normalize," "anticipate," "growth," "position," "foundation," "intend," "plan," "well-positioned," "sustained," "focus," "optimistic," "will," "long-term," "accelerate," "potential," "opportunity," "goal," "estimate," "commitment," "temporary," "continue," "progress," "possible," "outcome," "assume," "challenge," "enhance," "strategy," "on track," "objective," "target," "pipeline," "trajectory," "benefit," "forecast," "estimate," "project," "may," "should," "would," or the negative of these terms, where applicable, or other comparable terminology. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Sabre's actual results, performance or achievements to be materially different from any future results, performances or achievements expressed or implied

by the forward-looking statements. The potential risks and uncertainties include, among others, dependency on transaction volumes in the global travel industry, particularly air travel transaction volumes, the effects of the Middle East conflict and fuel prices, the implementation and effects of our growth strategies, the completion and effects of travel platforms, exposure to pricing pressure from travel suppliers, changes affecting travel supplier customers, maintenance of the integrity of our systems and infrastructure and the effect of any security incidents, our ability to recruit, train and retain employees, competition in the travel distribution industry and solutions industry, failure to adapt to technological advancements, including AI, implementation of software solutions, implementation and effects of new, amended or renewed agreements and strategic partnerships, dependence on establishing, maintaining and renewing contracts with customers and other counterparties and collecting amounts due to us under these agreements, dependence on relationships with travel buyers, the ability to achieve our cost savings and efficiency goals and the effects of these goals, our collection, processing, storage, use and transmission of personal data and risks associated with PCI compliance, the effects of cost savings initiatives, the effects of new legislation or regulations or the failure to comply with regulations or other legal requirements, use of third-party distributor partners, the financial and business results and effects of acquisitions and divestitures of businesses or business operations, including the sale of Hospitality Solutions, reliance on the value of our brands, reliance on third parties to provide information technology services and the effects of these services, the effects of any profit enhancing measures we implement, the effects of any litigation, regulatory reviews and investigations, adverse global and regional economic and political conditions, risks related to global conflicts, risks arising from global operations, risks related to our significant amount of indebtedness, including increases in interest rates and our ability to refinance our debt, and tax-related matters.

More information about potential risks and uncertainties that could affect our business and results of operations is included in the "Risk Factors" and "Forward-Looking Statements" sections in our Quarterly Report on Form 10-Q filed with the SEC on May 7, 2026, in our Annual Report on Form 10-K filed with the SEC on February 18, 2026 and in our other filings with the SEC. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future events, outlook, guidance, results, actions, levels of activity, performance or achievements. Readers are cautioned not to place undue reliance on these forward-looking statements. Unless required by law, Sabre undertakes no obligation to publicly update or revise any forward-looking statements to reflect circumstances or events after the date they are made.

- (1) Adjusted Net Income, Adjusted EPS, Adjusted EBITDA, Normalized Adjusted EBITDA, Adjusted EBITDA Margin, Normalized Adjusted EBITDA Margin, Pro Forma Adjusted EBITDA, Free Cash Flow, and Pro Forma Free Cash Flow are non-GAAP measures. See the appendix to this release for a discussion of non-GAAP financial measures, including reconciliations to the most closely correlated GAAP measure. Normalized Adjusted EBITDA is Adjusted EBITDA adjusted for estimated costs historically allocated to Hospitality Solutions. Pro Forma Free Cash Flow is calculated to give effect to the Hospitality Solutions Sale. Pro Forma Free Cash Flow is no longer utilized in the current period as there are no further adjustments to be made to Free Cash Flow for the sale of Hospitality Solutions. We have included Pro Forma Free Cash Flow in this release for comparability. We believe this presentation will enhance investors' ability to evaluate and compare the Company's operations on a go-forward basis.

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SABRE CORPORATION
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)
(Unaudited)

	Three Months Ended March 31,	
	2026	2025
Revenue	\$ 760,326	\$ 702,126
Cost of revenue, excluding technology costs	334,983	305,471
Technology costs	175,421	175,307
Selling, general and administrative	134,005	129,953
Operating income	115,917	91,395
Other expense:		
Interest expense, net	(122,963)	(109,790)
Loss on extinguishment of debt	(2,728)	—
Equity method income	769	665
Other, net	7,001	2,705
Total other expense, net	(117,921)	(106,420)
Loss from continuing operations before income taxes	(2,004)	(15,025)
Benefit for income taxes	(11,398)	(11,648)
Income (loss) from continuing operations	9,394	(3,377)
(Loss) income from discontinued operations, net of tax	(1,386)	38,925
Net income	8,008	35,548
Net (loss) income attributable to noncontrolling interests	(108)	213
Income attributable to common stockholders	\$ 8,116	\$ 35,335
Basic net income (loss) per share attributable to common stockholders:		
Income (loss) from continuing operations	\$ 0.02	\$ (0.01)
Income from discontinued operations	—	0.10
Net income per common share	\$ 0.02	\$ 0.09
Diluted net income (loss) per share attributable to common stockholders:		
Income (loss) from continuing operations	\$ 0.02	\$ (0.01)
Income from discontinued operations	—	0.10
Net income per common share	\$ 0.02	\$ 0.09
Weighted-average common shares outstanding:		
Basic	395,154	386,271
Diluted	397,564	386,271

SABRE CORPORATION
CONSOLIDATED BALANCE SHEETS
(In thousands)
(Unaudited)

	March 31, 2026	December 31, 2025
Assets		
Current assets		
Cash and cash equivalents	\$ 643,575	\$ 791,555
Restricted cash	21,026	118,558
Accounts receivable, net of allowance for credit losses of \$21,431 and \$17,953	367,118	311,870
Prepaid expenses and other current assets	102,087	74,055
Total current assets	1,133,806	1,296,038
Property and equipment, net of accumulated depreciation of \$1,739,141 and \$1,724,044	261,043	255,323
Equity method investments	23,076	23,082
Goodwill	2,382,974	2,384,191
Acquired customer relationships, net of accumulated amortization of \$801,362 and \$796,767	154,618	159,326
Other intangible assets, net of accumulated amortization of \$598,538 and \$595,403	122,308	125,556
Deferred income taxes	4,517	3,874
Other assets, net	250,170	254,738
Total assets	<u>\$ 4,332,512</u>	<u>\$ 4,502,128</u>
Liabilities and stockholders' deficit		
Current liabilities		
Accounts payable	\$ 207,627	\$ 260,035
Accrued compensation and related benefits	83,832	103,521
Accrued subscriber incentives	299,168	289,095
Deferred revenues	54,500	58,413
Other accrued liabilities	225,663	256,856
Current portion of debt	354,684	245,651
Total current liabilities	1,225,474	1,213,571
Deferred income taxes	36,254	36,614
Other noncurrent liabilities	173,262	173,172
Long-term debt	3,911,577	4,103,208
Redeemable noncontrolling interests	11,625	12,057
Stockholders' deficit		
Common Stock: \$0.01 par value; 1,000,000 authorized shares; 427,742 and 427,366 shares issued, 395,311 and 395,004 shares outstanding at March 31, 2026 and December 31, 2025, respectively	4,278	4,274
Additional paid-in capital	3,354,189	3,351,111
Treasury Stock, at cost, 32,431 and 32,362 shares at March 31, 2026 and December 31, 2025, respectively	(537,302)	(537,197)
Accumulated deficit	(3,794,419)	(3,802,535)
Accumulated other comprehensive loss	(67,260)	(66,656)
Noncontrolling interest	14,834	14,509
Total stockholders' deficit	(1,025,680)	(1,036,494)
Total liabilities and stockholders' deficit	<u>\$ 4,332,512</u>	<u>\$ 4,502,128</u>

SABRE CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Three Months Ended March 31,	
	2026	2025
Operating Activities		
Net income	\$ 8,008	\$ 35,548
Adjustments to reconcile net income to cash used in operating activities:		
Depreciation and amortization	26,465	25,489
Amortization of upfront incentive consideration	10,311	8,979
Amortization of debt discount and issuance costs	9,862	7,718
Stock-based compensation expense	5,661	12,312
Provision for expected credit losses	4,182	1,237
Other	2,953	(591)
Loss on extinguishment of debt	2,728	—
Deferred income taxes	(1,631)	(5,004)
Loss (income) from discontinued operations	1,386	(38,925)
Paid-in-kind interest	—	28,327
Gain on sale of assets	—	(5,191)
Changes in operating assets and liabilities:		
Accounts and other receivables	(79,908)	(106,658)
Prepaid expenses and other current assets	(18,830)	(13,600)
Capitalized implementation costs	(1,061)	(2,305)
Upfront incentive consideration	(4,621)	(5,859)
Other assets	(4,291)	583
Accrued compensation and related benefits	(24,045)	(56,197)
Accounts payable and other accrued liabilities	(64,604)	57,116
Deferred revenue including upfront solution fees	(6,725)	(6,940)
Cash used in operating activities	(134,160)	(63,961)
Investing Activities		
Additions to property and equipment	(21,230)	(16,871)
Proceeds from sale of assets	—	9,641
Cash used in investing activities	(21,230)	(7,230)
Financing Activities		
Payments on borrowings from lenders	(94,290)	(2,948)
Payments on borrowings under Securitization Facility	(72,300)	(22,500)
Proceeds from borrowings under Securitization Facility	73,400	41,100
Debt prepayment fees and issuance costs	(3,841)	—
Net Receipts on Behalf under TSA	3,131	—
Other financing activities	2,000	—
Net payment on the settlement of equity-based awards	(106)	(2,444)
Cash (used in) provided by financing activities	(92,006)	13,208
Cash Flows from Discontinued Operations		
Cash used in operating activities	(971)	(16,643)
Cash provided by (used in) investing activities	4,389	(1,019)
Cash provided by (used in) discontinued operations	3,418	(17,662)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	(1,534)	2,295
Decrease in cash, cash equivalents and restricted cash	(245,512)	(73,350)
Cash, cash equivalents and restricted cash at beginning of period	910,113	745,518
Cash, cash equivalents and restricted cash at end of period	<u>\$ 664,601</u>	<u>\$ 672,168</u>

Non-GAAP Financial Measures

We have included both financial measures prepared in accordance with U.S. generally accepted accounting principles ("GAAP") as well as certain supplemental non-GAAP financial measures, including Adjusted Net Income from continuing operations ("Adjusted Net Income"), Adjusted EBITDA, Normalized Adjusted EBITDA, Adjusted EPS, Free Cash Flow, and ratios derived from these measures. The non-GAAP financial measures are presented in addition to, and not as a substitute for, financial results prepared in accordance with GAAP. GAAP financial measures are presented with equal or greater prominence wherever non-GAAP financial measures are discussed.

Definitions

Adjusted Net Income is defined as income (loss) from continuing operations adjusted to exclude acquisition-related amortization; restructuring and other costs; loss on extinguishment of debt; other, net; disposition-related costs; litigation costs, net; indirect tax matters; stock-based compensation; and the related tax impacts of these adjustments.

Adjusted EBITDA is defined as income (loss) from continuing operations adjusted to exclude depreciation and amortization of property and equipment; amortization of capitalized implementation costs; acquisition-related amortization; restructuring and other costs; interest expense, net; other, net; loss on extinguishment of debt; disposition-related costs; litigation costs, net; indirect tax matters; stock-based compensation; and the provision for income taxes.

Normalized Adjusted EBITDA and Pro Forma Adjusted EBITDA are defined as Adjusted EBITDA adjusted for the estimated costs historically allocated to Hospitality Solutions.

Free Cash Flow is defined as cash (used in) provided by operating activities, less cash used for additions to property and equipment.

Pro Forma Free Cash Flow is defined as Free Cash Flow adjusted to give effect to the Hospitality Solutions Sale.

Adjusted EPS is defined as Adjusted Net Income divided by diluted weighted-average common shares outstanding.

Purpose and Use by Management

Management and the board of directors use these non-GAAP financial measures to evaluate trends in our operating performance, assess period-to-period comparability, and support internal planning and decision-making. These measures are particularly useful in evaluating operating performance because historical results have been affected by items that management believes are not indicative of ongoing core operations. In addition, amounts derived from Adjusted EBITDA are used in connection with certain financial covenants under our senior secured credit facilities.

These non-GAAP financial measures should not be considered measures of liquidity, nor do they represent cash available for discretionary use. Free Cash Flow does not represent residual cash available for distribution and does not reflect all cash requirements of the business. Other companies, including those within our industry, may define or calculate similarly titled non-GAAP financial measures differently, limiting the usefulness of such measures as comparative tools.

Limitations of Non-GAAP Financial Measures

Adjusted Net Income, Adjusted EBITDA, Normalized Adjusted EBITDA, Adjusted EPS, Free Cash Flow, and related ratios are not recognized measures under GAAP and have inherent limitations as analytical tools. Accordingly, they should not be considered in isolation or as substitutes for net income (loss), income (loss) from continuing operations, or cash flows from operating activities prepared in accordance with GAAP.

The limitations of these non-GAAP financial measures include, but are not limited to, the following:

- They exclude certain expenses that are recurring in nature, including stock-based compensation and amortization of acquired intangible assets.
- Although depreciation and amortization are non-cash expenses, the assets being depreciated and amortized may require replacement in the future, and Adjusted EBITDA does not reflect the capital expenditures required for these replacements.
- Adjusted EBITDA excludes amortization of capitalized implementation costs related to revenue contracts, which may result in future working capital or cash requirements.
- Adjusted Net Income and Adjusted EBITDA do not reflect changes in, or cash requirements associated with, working capital.
- Adjusted EBITDA does not reflect interest expense, principal repayments, or other cash requirements necessary to service our indebtedness.
- Adjusted EBITDA does not reflect income tax payments that could reduce cash available to us.
- Free Cash Flow reflects changes in operating assets and liabilities determined under accrual accounting and does not reflect all cash requirements, including mandatory debt service obligations.
- Other companies, including those within our industry, may define or calculate similarly titled non-GAAP financial measures differently, limiting the usefulness of such measures as comparative tools.

Non-GAAP Pro Forma Outlook

The non-GAAP pro forma financial outlook in this press release, including Pro Forma Adjusted EBITDA and Pro Forma Free Cash Flow, is not necessarily indicative of the operating results of the Company after the closing of the Hospitality Solutions Sale and utilization of the net proceeds from the sale to pay down outstanding indebtedness, or of the operating results of the Company in the future. The non-GAAP pro forma financial outlook included in this press release is not pro forma information prepared in accordance with Article 11 of Regulation S-X of the SEC, and the preparation of information in accordance with Article 11 would result in a different presentation.

Investor Considerations

Investors are encouraged to review the reconciliation of non-GAAP financial measures to the most directly comparable GAAP financial measures and to evaluate our operating performance, financial position, and liquidity using GAAP measures in conjunction with, and not in lieu of, these non-GAAP financial measures.

Tabular Reconciliations for Non-GAAP Measures

(In thousands, except per share amounts; unaudited)

Reconciliation of Income (loss) from continuing operations to Adjusted Net Income from continuing operations and Income (loss) from continuing operations to Adjusted EBITDA:

	Three Months Ended March 31,	
	2026	2025
Income (loss) from continuing operations	9,394	(3,377)
Adjustments:		
Acquisition-related amortization ^(1a)	7,730	7,732
Restructuring and other costs ⁽²⁾	9,767	—
Loss on extinguishment of debt	2,728	—
Other, net ⁽³⁾	(7,001)	(2,705)
Disposition-related costs ⁽⁴⁾	—	683
Indirect tax matters ⁽⁵⁾	(3,360)	274
Stock-based compensation ⁽⁶⁾	5,661	12,312
Stockholder Matter Costs ⁽⁷⁾	3,491	—
Tax impact of adjustments ⁽⁸⁾	(4,117)	(12,136)
Adjusted Net Income from continuing operations	\$ 24,293	\$ 2,783
Adjusted Net Income from continuing operations per share	\$ 0.06	\$ 0.01
Adjusted diluted weighted-average common shares outstanding ⁽⁹⁾	430,897	455,260
Income (loss) from continuing operations	\$ 9,394	\$ (3,377)
Adjustments:		
Depreciation and amortization of property and equipment ^(1b)	16,146	14,795
Amortization of capitalized implementation costs ^(1c)	2,589	2,962
Acquisition-related amortization ^(1a)	7,730	7,732
Restructuring and other costs ⁽²⁾	9,767	—
Interest expense, net	122,963	109,790
Other, net ⁽³⁾	(7,001)	(2,705)
Loss on extinguishment of debt	2,728	—
Disposition-related costs ⁽⁴⁾	—	683
Indirect tax matters ⁽⁵⁾	(3,360)	274
Stock-based compensation ⁽⁶⁾	5,661	12,312
Stockholder Matter Costs ⁽⁷⁾	3,491	—
Benefit for income taxes	(11,398)	(11,648)
Adjusted EBITDA	\$ 158,710	\$ 130,818
Plus estimated costs historically allocated to Hospitality Solutions	10,379	8,838
Normalized Adjusted EBITDA	\$ 169,089	\$ 139,656
Net Income Margin	1.1 %	5.0 %
Adjusted EBITDA margin	20.9 %	18.6 %
Normalized Adjusted EBITDA margin	22.2 %	19.9 %

Reconciliation of Free Cash Flow:

Cash used in operating activities
Cash used in investing activities
Cash (used in) provided by financing activities

Three Months Ended March 31,			
2026		2025	
\$	(134,160)	\$	(63,961)
	(21,230)		(7,230)
	(92,006)		13,208

Cash used in operating activities
Additions to property and equipment
Free Cash Flow

Three Months Ended March 31,			
2026		2025	
\$	(134,160)	\$	(63,961)
	(21,230)		(16,871)
\$	(155,390)	\$	(80,832)

Reconciliation of Free Cash Flow from Discontinued Operations:

Cash used in operating activities from Discontinued Operations
Additions to property and equipment from Discontinued Operations
Free Cash Flow from Discontinued Operations

Three Months Ended March 31,			
2026		2025	
\$	(971)	\$	(16,643)
	—		(1,019)
\$	(971)	\$	(17,662)

Non-GAAP Footnotes

(1) Depreciation and amortization expenses:

- (a) Acquisition-related amortization represents amortization of intangible assets from the take-private transaction in 2007 as well as intangibles associated with acquisitions since that date.
- (b) Depreciation and amortization of property and equipment includes software developed for internal use as well as amortization of contract acquisition costs.
- (c) Amortization of capitalized implementation costs represents amortization of upfront costs to implement new customer contracts under our SaaS and hosted revenue model.

(2) Restructuring and other costs primarily represent charges related to the inflation offset program we began implementing in the fourth quarter of 2025.

(3) Other, net includes \$10 million of transition services agreement income, net, in the current year period and a gain on the sale of assets of \$5 million recognized in the prior year period. In addition, all periods presented include non-operating gains and losses as well as foreign exchange gains and losses related to the remeasurement of foreign currency denominated balances included in our consolidated balance sheets into the relevant functional currency.

(4) Disposition-related costs represent fees and expenses incurred associated with disposition-related activities.

(5) Indirect tax matters represents charges and adjustments to charges associated with certain digital services taxes ("DST") and other indirect tax matters related to historical periods, which may ultimately be settled in cash, and certain foreign non-income tax litigation matters.

(6) Stock-based compensation represents expense associated with restricted stock units, performance-based restricted stock units, and liability-classified awards related to our 2026 short-term incentive compensation program.

(7) Stockholder matter costs represents external legal and professional advisory fees associated with a strategic governance agreement. These costs are considered non-recurring and are not representative of our core ongoing operating performance.

- (8) The tax impact of adjustments includes the tax effect of each separate adjustment based on the statutory tax rate for the jurisdiction(s) in which the adjustment was taxable or deductible, and the tax effect of items that relate to tax specific financial transactions, tax law changes, uncertain tax positions, valuation allowances and other items.
- (9) The Adjusted diluted weighted-average common shares outstanding calculation includes approximately 33 million resulting common shares related to the Exchangeable Notes for the three months ended March 31, 2026. The Adjusted diluted weighted-average common shares outstanding calculation includes 12 million of dilutive stock options and restricted stock awards and approximately 57 million resulting common shares related to the Exchangeable Notes for the three months ended March 31, 2025.