

MARCH 2025

Investor Presentation





Notice to Investors

Certain statements made herein or else whereby, or on behalf of, the Company that are not historical facts are intended to be forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements are based on assumptions that the Company believes are reasonable; however, many important factors, as discussed under "Risk Factors" and "Forward-Looking Statements" in the Company's Annual Report on Form 10-K for the year ended December 31, 2024, could cause the Company's results in the future to differ materially from the forward-looking statements made herein and in any other documents or oral presentations made by, or on behalf of, the Company.

This presentation constitutes the views of the Company at the time they were generated. Any past performance information presented herein is not a guarantee or indication of future results and should not be relied upon for such reason. Forward-looking statements contained herein include any statements regarding any expectations and projections of earnings, revenue, cash flow, investment returns, capital allocation, debt levels, equity performance, death rates, market share growth, cost inflation, overhead, preneed sales or other financial items. Forward-looking statements contained herein also include any statements of the plans, strategies, objectives, expectations and timing of management for future operations or financing activities, including, but not limited to, capital allocation, organizational performance, execution of our strategic objectives and growth plan, planned divestitures, technology improvements, product development, the ability to obtain credit or financing, anticipated integration, performance and other benefits of recently completed acquisitions, and cost management and debt reductions. We can provide no assurances that these planned activities and objectives will be successfully implemented nor can we provide any assurances that we will generate the revenue growth, free cash flow, market share growth and operational performance referenced herein. We can provide no assurances that our strategic objectives and growth plans will be successfully executed nor can we provide any assurances that we will meet the timing, objectives and expectations related to our capital allocation framework, including our forecasted rates of return, leverage ratio targets, planned uses of free cash flow and future capital allocation, including potential strategic acquisitions, divestiture transactions, internal growth projects or debt reduction plans. We can provide no assurance that we will meet the expectations related to our ability to generate preneed sales, including implementing our cemetery portfolio sales strategy, product development and optimization plans. These statements are not facts and are made based upon such expectations, assumptions and views as they exist as of the date of this presentation. Because forward-looking statements relate to the future, they are subject to inherent uncertainties, risks, contingencies and changes in circumstances that are difficult to predict, many of which are beyond the Company's control. The Company's actual results may differ materially from those contemplated by the forward-looking statements. There is no assurance that such views are correct or will prove, with the passage of time, to be correct. Caution should be taken with respect to such statements and recipients should not place undue reliance on any such statements. The Company assumes no obligation to publicly update or revise any forward-looking statements made herein or any other forward-looking statements after the date they are made, whether as a result of new information, future events or otherwise. In this presentation, the Company relies on and refers to certain information and statistics from third-party sources which they believe to be reliable. The Company has not independently verified the accuracy or completeness of any such third-party information.

This presentation uses Non-GAAP financial measures to present the financial performance of the Company. Non-GAAP financial measures should be viewed in addition to, and not as an alternative for, the Company's reported operating results or cash flow from operations or any other measure of performance as determined in accordance with GAAP. We believe the Non-GAAP results are useful to investors because such results help investors compare our results to previous periods and provide insights into underlying trends in our business. In addition, the Company's presentation of these measures may not be comparable to similarly titled measures of other companies. Pursuant to the requirements of Regulation G, the Company has provided quantitative reconciliations of the non-GAAP financial measures to the most directly comparable GAAP financial measures within the most current press release and on our Investor Relations page of the website.

A copy of the Company's Annual Report on Form 10-K for the year ended December 31, 2024, and other public filings and news releases, are available at www.carriageservices.com



Key Investment Highlights



Attractive EBITDA Margins and Cash Flow

- Business model historically generates >30% consolidated EBITDA margins and ample free cash flow
- Disciplined capital allocation strategy focused on enhances shareholder value



Repeatable Consolidation Platform

- Recent history of larger, highly accretive acquisitions demonstrate ability to operationally create value for shareholders
- Since 2019, has deployed ~\$250 million of capital for acquisitions



Strong, Near-term Growth Drivers

- Recent focus on pre-need sales has proven a true organic growth driver and increased growth in our pre-need backlog
- Newer capital investments in cemetery inventory have yielded significant growth, with potential upside on cost structure driven by increased emphasis on supply-chain initiatives



Favorable Industry and Demographic Tailwinds

- Industry remains highly fragmented, with ~77% of revenue opportunity owned independently
- Baby boomer demographic has begun to coincide with the average age of death in the United States

Our Long-Term Strategic Framework

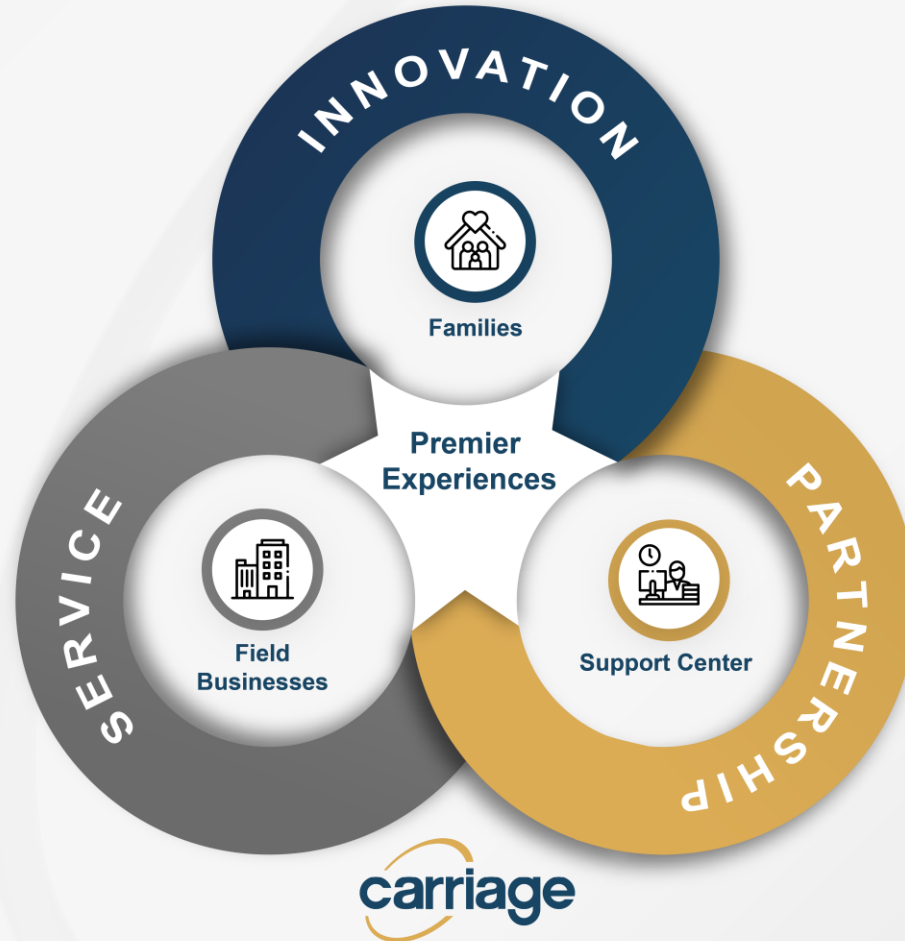


Note: "CAGR" defined as compounded annual growth rate.



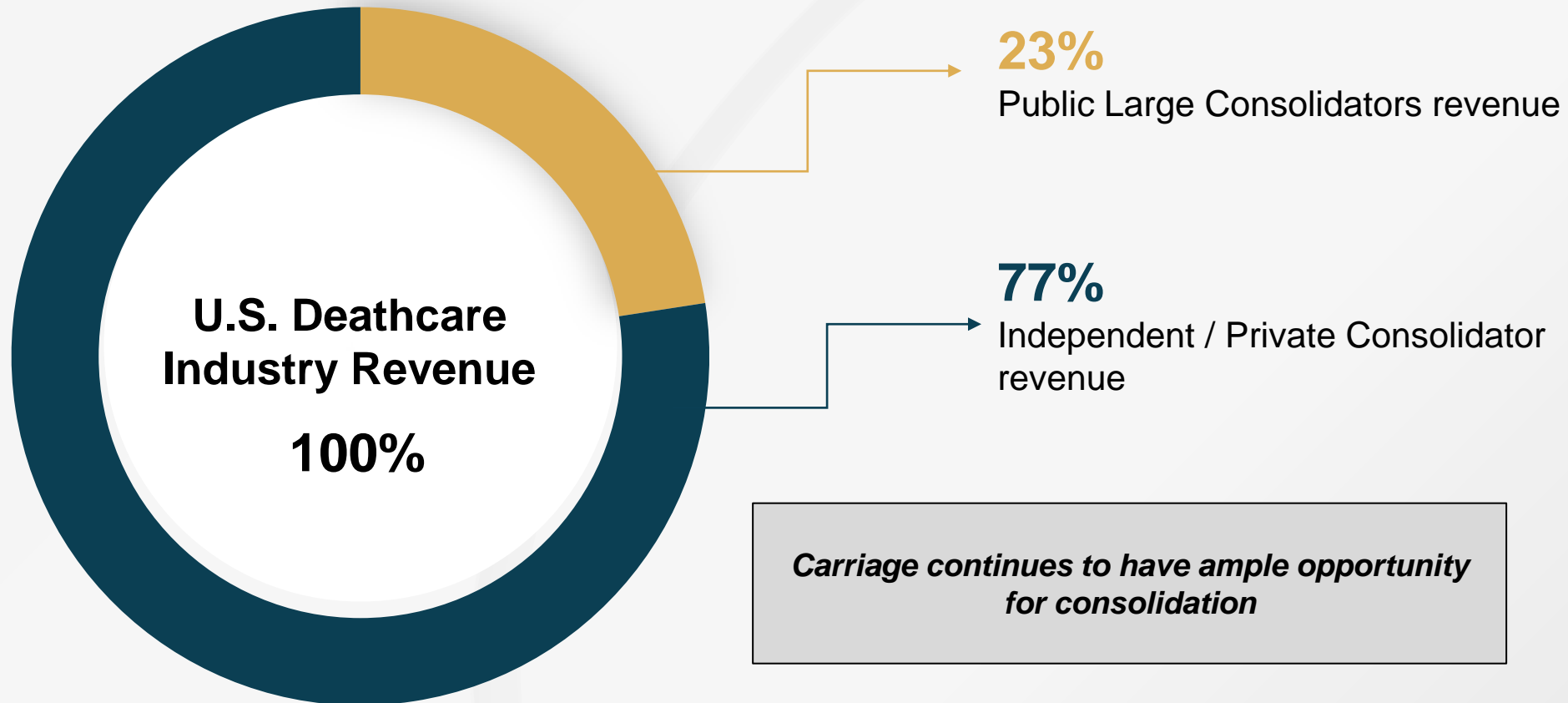
Purpose Statement Framework

Purpose Statement: Create **premier experiences** through **innovation**, empowered **partnership**, and elevated **service**.





Highly Fragmented Industry

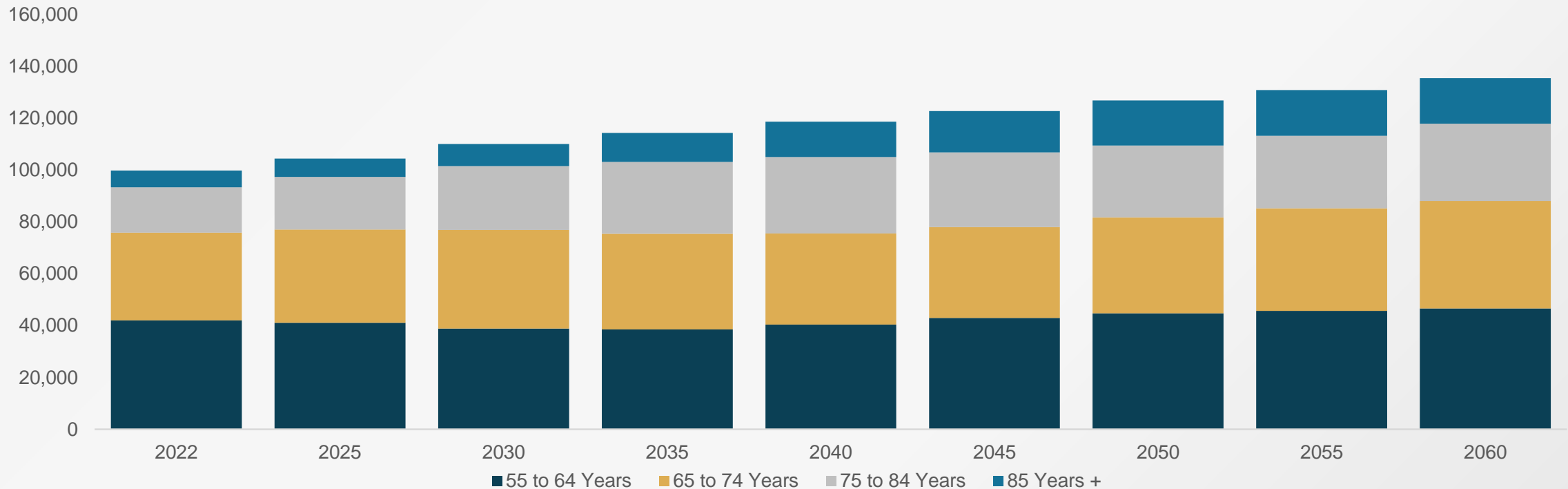


Note: Total market size derived from the NFDA (National Funeral Directors Association), for which data was last updated on September 24, 2024.



Aging Population Provide Tailwinds

United States Aging Population Overview (in millions)



The demographics data⁽¹⁾ obtained from the U.S. Census Bureau reflects a growing aging population. The growth in aging population gives Carriage the opportunity for long-term and steady revenue growth for years to come

(1) Taken from "2023 National Population Projections Tables: Main Series" from the U.S. Census Bureau.



Carriage Services at a Glance

Company Overview ⁽¹⁾	
NYSE listed	<ul style="list-style-type: none"> • Ticker: CSV • Market cap: ~\$625 mm⁽²⁾ • One of two publicly traded funeral and cemetery services and merchandise companies in the United States
Overview & History	<ul style="list-style-type: none"> • Based in Houston, TX • 2,420 employees (1,200 full-time) • Founded in 1991
Geographic reach	<ul style="list-style-type: none"> • Operations in United States only • 162 funeral homes in 26 states • 31 cemeteries in 11 states

Financial Overview			
<i>\$ in mm, unless per share amounts</i>	2024	2023	Change
Total Revenue	\$404.2	\$382.5	+\$21.7
Total Field EBITDA	\$180.7	\$161.1	+\$19.6
<i>% Margin</i>	44.8%	42.1%	+2.7%
Adjusted Consolidated EBITDA	\$126.2	\$113.2	+\$13.1
<i>% Margin</i>	31.2%	29.6%	+1.6%
Adjusted Diluted EPS	\$2.65	\$2.19	+\$0.46
Adjusted Free Cash Flow⁽³⁾	\$42.7	\$45.1	-\$2.5

(1) As of December 31, 2024.

(2) As of market close on February 25, 2025.

(3) Defined as cash provided by operation activities, less total capital expenditures. Differs from prior methodology which only incorporated maintenance capital expenditures.

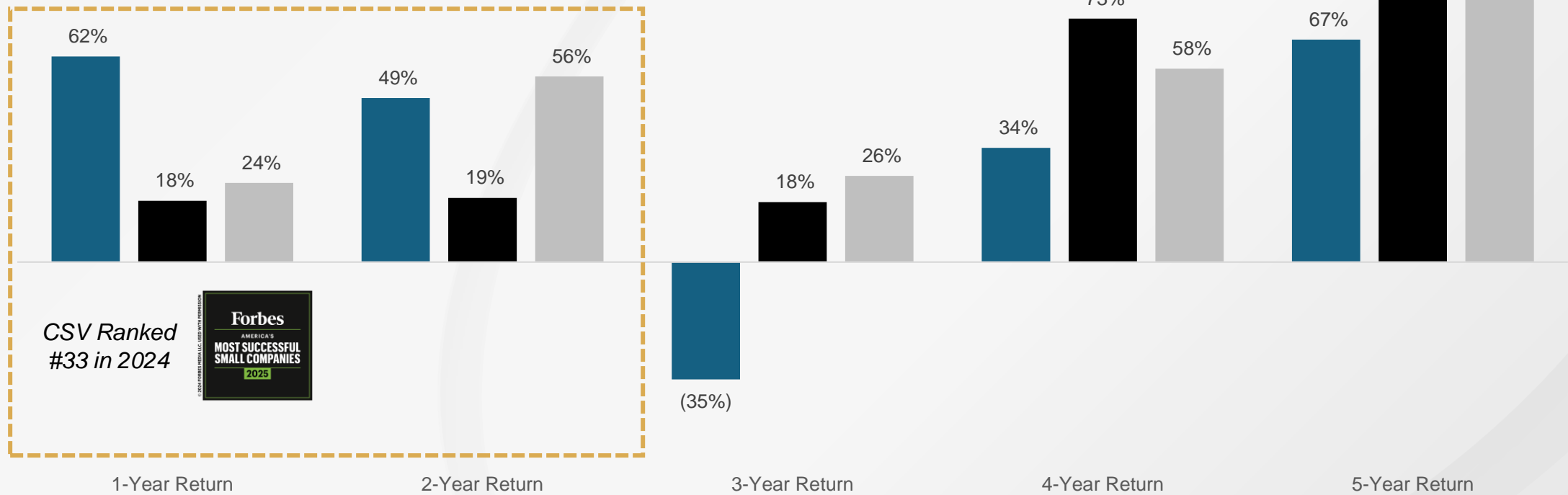


Carriage Services Share Performance

Total Shareholder Return⁽¹⁾

- CSV
- SCI
- Russell 3000

New Management team in place June 2023



CSV Ranked #33 in 2024



(1) Returns are as of December 31, 2024, and include the reinvestment of dividends.



Carriage Operates in Two Primary Segments

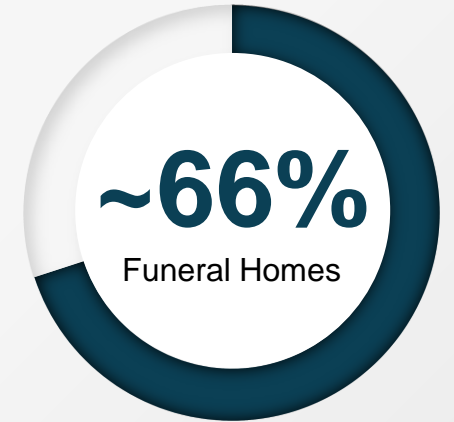
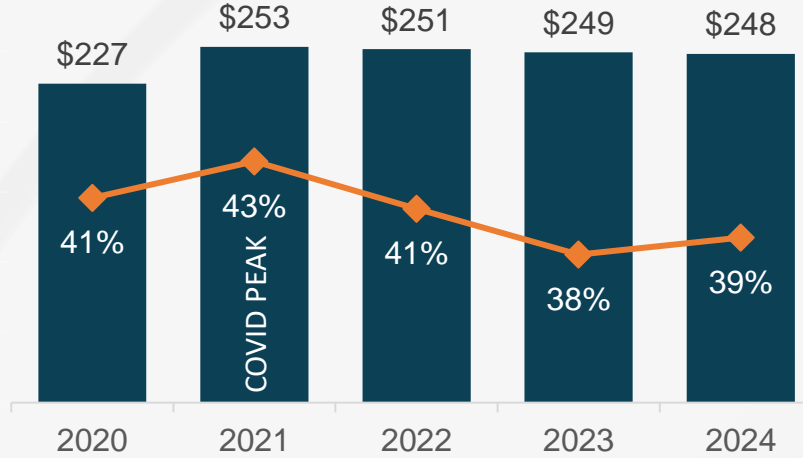
Segment Overview

5-Year Field Operating Revenue & EBITDA Margins⁽¹⁾

2024 Operating Revenue Mix

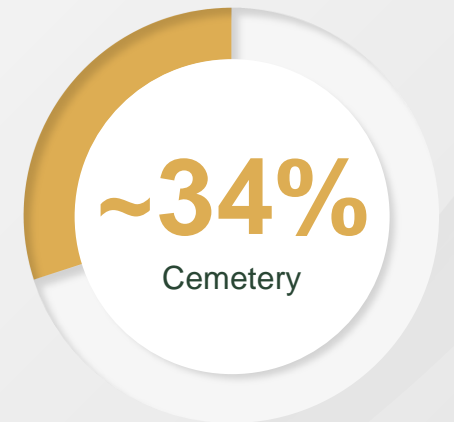
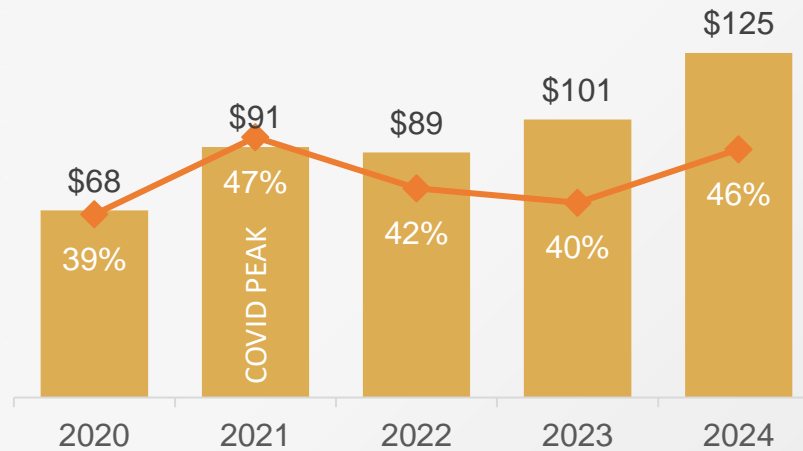
Funeral

- Burial and cremation
- Arrangements, transfers, sale of caskets and related funeral merchandise
- Use of funeral home facilities for visitation and memorial services
- Preneed funeral sales



Cemetery

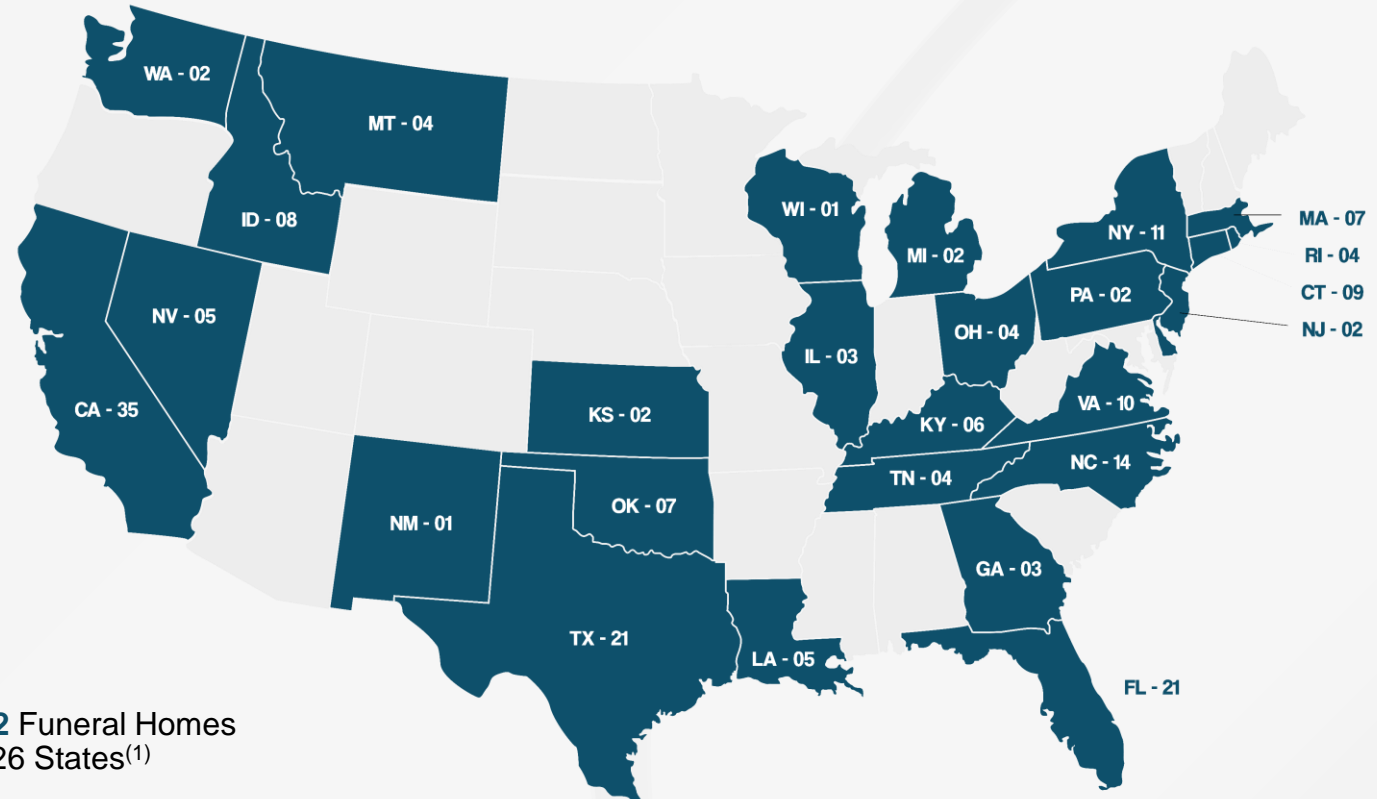
- Burials, sale of interment rights (grave sites, lawn crypts, mausoleum spaces and niches), cemetery merchandise and services
- Preneed cemetery sales through advance planning



(1) Figures as reported for each year-end.



Diverse National Footprint



162 Funeral Homes
in 26 States⁽¹⁾

31 Cemeteries
in 11 States⁽¹⁾

⁽¹⁾ As of December 31, 2024.

Established footprint in the most populous states with opportunities to enter new high-growth markets and capitalize on acquisition opportunities that can easily be integrated into existing operations

Favorable age demographics within states across the Company's footprint



Management Team with Industry Expertise

New management team in-place since June 2023



Carlos R. Quezada

Vice Chairman of the Board &
Chief Executive Officer

- Named CEO in June 2023
- Previously held the roles of VP of Cemetery Sales & Marketing, SVP Sales & Marketing, EVP and COO, and President
- Prior to joining Carriage, served as Managing Director for SCI for 12 years where he held leadership roles for both sales and operations
- Two decades experience in the hospitality industry holding diverse leadership positions



Steven D. Metzger

President

- Named President in June 2023 and leads Corporate Development, Legal, HR, Risk Management, and Continuous Improvement
- Previously held roles of SVP and General Counsel, EVP and Chief Administrative Officer
- Prior to joining Carriage, served as SVP, General Counsel and Secretary for a publicly-traded company in the restaurant industry and served multiple leadership roles at SCI



John Enwright

Senior Vice President,
Chief Financial Officer & Treasurer

- Joined Carriage in January 2025 as SVP, Chief Financial Officer and Treasurer
- Previously served as Chief Financial Officer for Edible Brand, LLC
- Prior to joining Carriage, served as Chief Financial Officer of Vera Bradley, Inc. and spent 15 years at Tiffany & Co. with expertise in financial planning, treasury, and business transformation

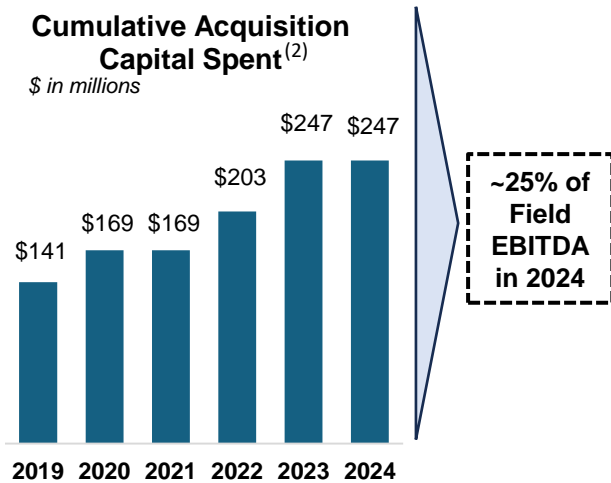


Purposeful Growth

M&A Strategy

- Carriage began an new approach towards M&A, **beginning in 2019**
- Capital deployed since 2019 represents **~25%⁽¹⁾** of current field EBITDA

Cumulative Acquisition Capital Spent⁽²⁾
\$ in millions

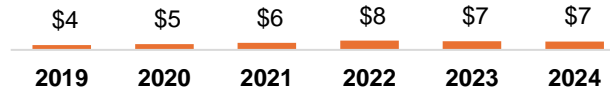


Cemetery Development

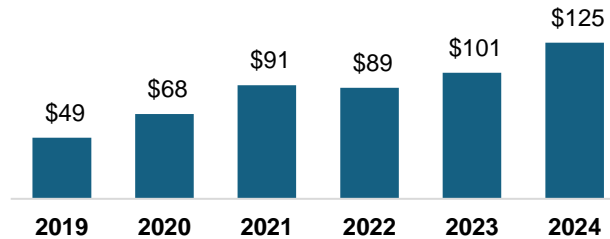
- New cemetery sales team strategy began in 2H 2022
- Included additional capital expenditure investment in cemetery property

Historical Cemetery Capex

\$ in millions



Historical Cemetery Revenue



Preneed Sales

- Cemetery sales team has been hyper-focused **on pre-need property sales**, the largest driver for growth in Cemetery Revenue
- Growth in Preneed Cemetery growth will defer cash conversion upfront, but begin creating a **preneed backlog** for deferred cash payments
- With recent NGL-Precoa agreement in place, Carriage is well-positioned to **grow preneed-sales commission revenue**

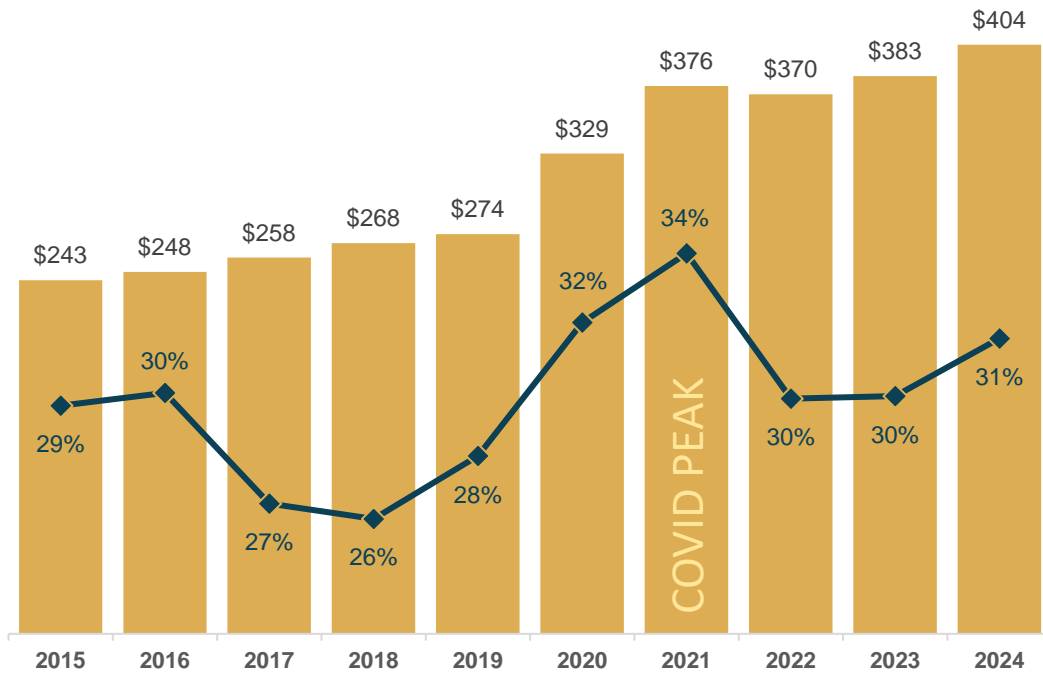
(1) As of December 31, 2024.

(2) 2021 acquisition capital expenditures exclude \$3 million of real property purchases.



Historical Growth Profile

Total Revenue & Adjusted Consolidated EBITDA Margin



6.0% Total Revenue CAGR⁽¹⁾ over the last ten years

Adjusted Diluted EPS



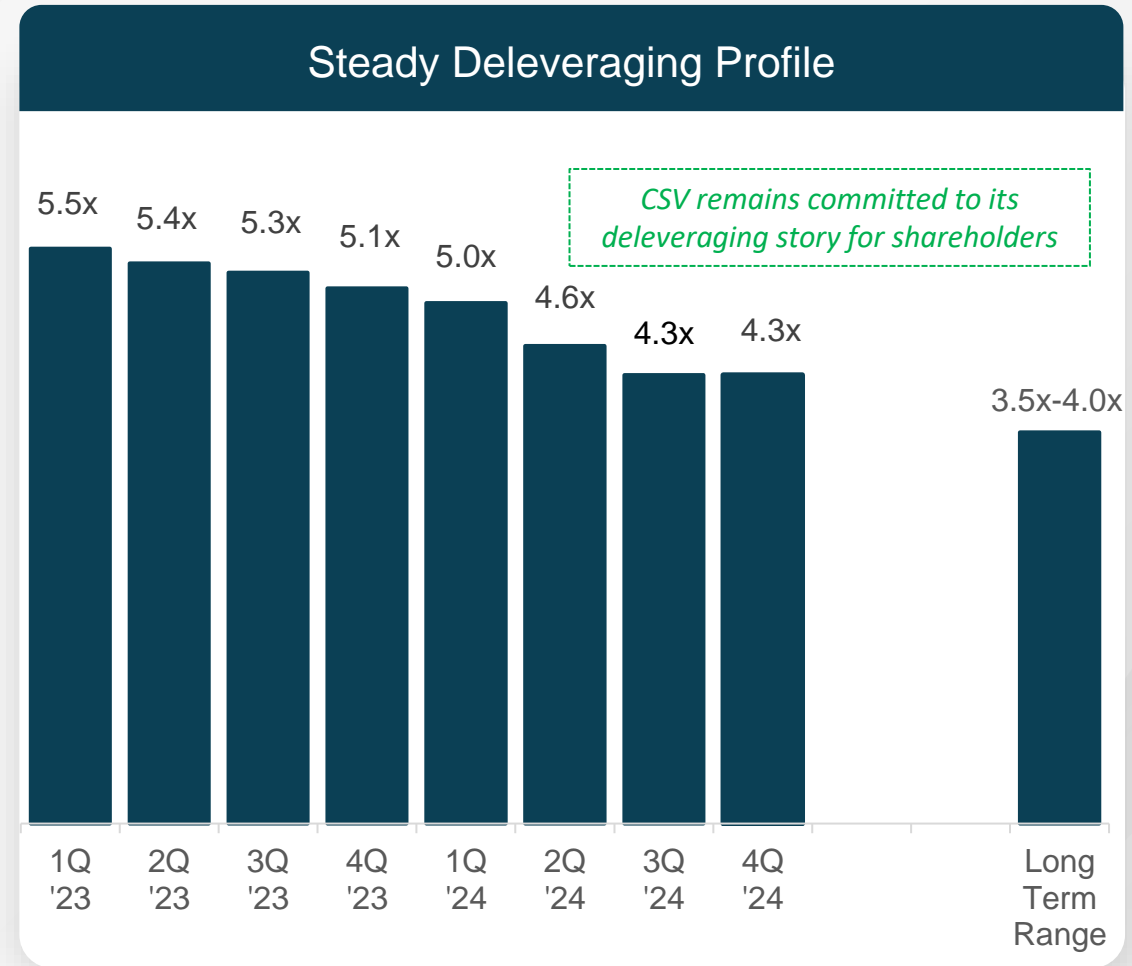
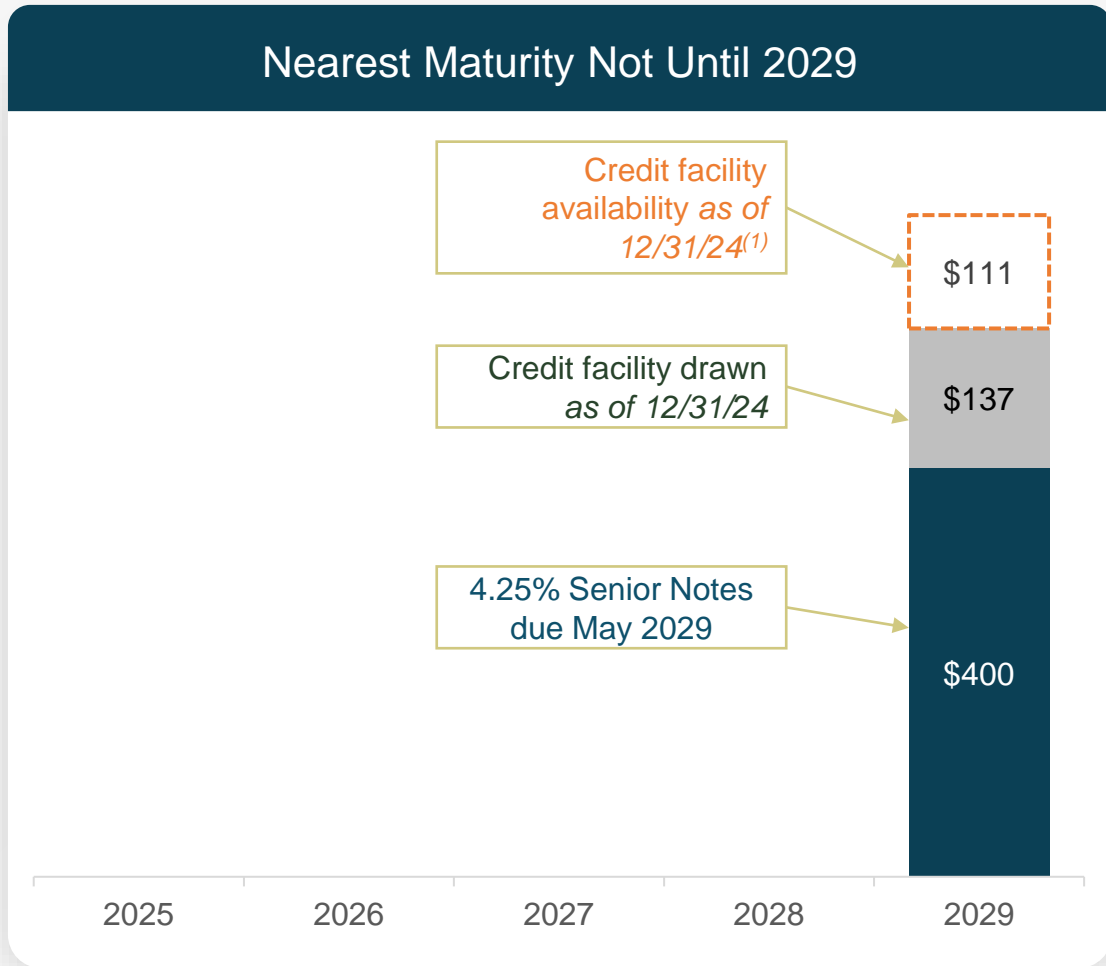
7.1% Adjusted Diluted EPS CAGR⁽²⁾ over the last ten years

(1) Total Revenue CAGR 2014 base year is \$226 mm.

(2) Adjusted Diluted EPS 2014 base year is \$1.34 per share.



Favorable Debt Maturity and Deleveraging Profile



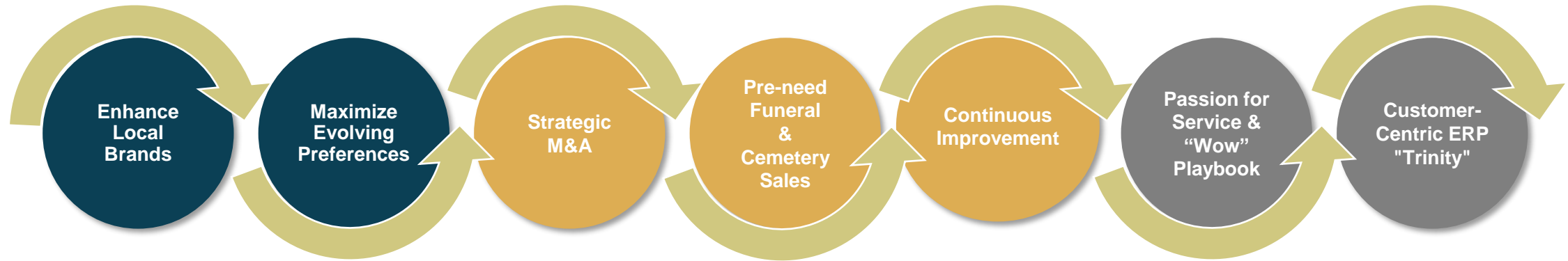
(1) Net of outstanding letters of credit.



Transformational Initiatives Underway

Implementing changes to enhance our market position and financial performance, while elevating the consumer experience

Opportunities to Further Distinguish Carriage from Competitors



Market Position

Financial Performance

Consumer Experience



Appendix



Appendix: 2025 Outlook

Full Year 2025 Outlook

\$ in mm, unless per share amounts

	2025 Outlook
Total Revenue	\$400 - \$410
Adjusted Consolidated EBITDA	\$128 - \$133
Adjusted Diluted EPS	\$3.10 - \$3.30
Adjusted Free Cash Flow	\$40 - \$50



Appendix: Reconciliation of non-GAAP measures

Cash Provided by Operating Activities to Adjusted Free Cash Flow

\$ in thousands

	<u>2024</u>
Cash provided by operating activities	\$ 51,996
Cash used for capital expenditures	<u>(16,098)</u>
Free cash flow	\$ 35,898
Plus: incremental special items:	
Severance Costs	\$ 3,531
Other special items	<u>3,256</u>
Adjusted free cash flow	<u>\$ 42,685</u>

Components of Total Field EBITDA

\$ in thousands

	<u>2024</u>
Funeral field EBITDA	\$ 95,113
Cemetery field EBITDA	57,233
Funeral financial field EBITDA	12,124
Cemetery financial field EBITDA	15,299
Ancillary EBITDA	673
Divested funeral EBITDA	80
Divested cemetery EBITDA	129
Total field EBITDA	<u>\$ 180,651</u>



Appendix: Reconciliation of non-GAAP measures

Funeral Operating Income to Funeral Field EBITDA⁽¹⁾

\$ in thousands

	2020	2021	2022	2023	2024
Funeral operating income	\$ 57,622	\$ 88,591	\$ 81,043	\$ 80,954	\$ 84,257
Depreciation & amortization	11,586	11,062	11,591	12,197	11,736
Regional & unallocated Costs	14,348	18,918	16,813	10,888	8,605
Net loss on divestitures, disposals and impairment charges	21,442	436	2,024	958	3,392
Less:					
Funeral financial field EBITDA	(8,186)	(8,354)	(8,484)	(9,603)	(12,124)
Ancillary EBITDA	(1,186)	(1,006)	(841)	(455)	(673)
Divested funeral EBITDA	(2,192)	(605)	(195)	10	(80)
Funeral field EBITDA	\$ 93,434	\$ 109,042	\$ 101,951	\$ 94,949	\$ 95,113
Funeral operating revenue	\$ 226,676	\$ 253,070	\$ 251,396	\$ 249,180	\$ 243,709
Funeral field EBITDA margin	41.2%	43.1%	40.6%	38.1%	39.0%
Funeral operating income margin	25.4%	35.0%	32.2%	32.5%	34.6%

(1) Figures as reported for each year-end.



Appendix: Reconciliation of non-GAAP measures

Cemetery Operating Income to Cemetery Field EBITDA⁽¹⁾

\$ in thousands

	2020	2021	2022	2023	2024
Cemetery Operating Income	\$ 26,859	\$ 40,249	\$ 36,132	\$ 42,276	\$ 56,583
Depreciation & amortization	6,376	8,217	7,584	8,008	10,161
Regional & unallocated Costs	3,709	6,928	6,147	5,688	6,759
Net loss on divestitures, disposals and impairment charges	-	240	27	107	(842)
Less:					
Cemetery financial field EBITDA	(10,218)	(13,011)	(12,283)	(14,958)	(15,299)
Divested cemetery EBITDA	(129)	(82)	(98)	(25)	(129)
Cemetery Field EBITDA	\$ 26,597	\$ 42,541	\$ 37,509	\$ 41,096	\$ 57,233
Cemetery operating revenue	\$ 69,277	\$ 92,000	\$ 90,033	\$ 102,216	\$ 125,095
Cemetery field EBITDA margin	38.4%	46.2%	41.7%	40.2%	45.8%
Cemetery operating income margin	38.8%	43.7%	40.1%	41.4%	45.2%

(1) Figures as reported for each year-end.



Appendix: Reconciliation of non-GAAP measures

Operating Income to Adjusted Consolidated EBITDA

\$ in thousands

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Operating income	\$ 48,648	\$ 50,204	\$ 48,941	\$ 43,307	\$ 47,443	\$ 57,227	\$ 93,660	\$ 79,726	\$ 80,979	\$ 81,799
Depreciation & amortization	13,780	15,421	15,979	17,430	17,771	19,389	20,520	19,799	21,117	22,890
Non-cash stock compensation	4,444	2,890	3,162	6,583	2,153	3,370	5,513	5,959	7,703	6,520
Net loss on divestitures, disposals and impairment charges	-	-	-	-	4,846	21,442	666	2,029	1,191	2,580
Consolidated EBITDA	\$ 66,872	\$ 68,515	\$ 68,082	\$ 67,320	\$ 72,213	\$ 101,428	\$ 120,359	\$ 107,513	\$ 110,990	\$ 113,789
Adjusted for:										
Withdrawable trust income	\$ 555	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Acquisition and divestiture expenses	614	701	-	-	2,083	(11)	-	-	-	-
Severance and separation costs	959	3,979	-	1,435	1,205	563	1,575	1,431	-	6,228
Consulting fees	1,913	496	-	-	-	-	-	-	-	-
Litigation reserve	-	-	-	1,000	750	270	1,050	200	-	-
Disaster recovery and pandemic costs	-	-	620	437	-	1,627	2,157	-	-	-
Other special items	220	-	-	-	336	373	1,020	168	2,192	6,228
Adjusted consolidated EBITDA	\$ 71,133	\$ 73,691	\$ 68,702	\$ 70,192	\$ 76,587	\$ 104,250	\$ 126,161	\$ 109,312	\$ 113,182	\$ 126,245
Total revenue	\$ 242,502	\$ 248,200	\$ 258,139	\$ 267,992	\$ 274,107	\$ 329,448	\$ 375,886	\$ 370,174	\$ 382,520	\$ 404,198
Adjusted consolidated EBITDA margin	29.3%	29.7%	26.6%	26.2%	27.9%	31.6%	33.6%	29.5%	29.6%	31.2%

GAAP Diluted Earnings per Share to Adjusted Diluted Earnings per Share

	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
GAAP diluted earnings per share	\$ 1.12	\$ 1.12	\$ 2.09	\$ 0.63	\$ 0.80	\$ 0.89	\$ 1.81	\$ 2.63	\$ 2.14	\$ 2.10
Special items	0.36	0.50	(0.70)	0.54	0.45	0.97	1.21	(0.02)	0.05	0.55
Adjusted diluted earnings per share	\$ 1.48	\$ 1.62	\$ 1.39	\$ 1.17	\$ 1.25	\$ 1.86	\$ 3.02	\$ 2.61	\$ 2.19	\$ 2.65