

**PARTY CITY HOLDCO INC.
AUDIT COMMITTEE CHARTER**

April 1, 2024

The Board of Directors (the “Board”) of Party City Holdco Inc. (the “Company”) hereby sets forth the authority and responsibilities of the Audit Committee (the “Committee”) as described below, subject to amendment by the Board from time to time.

Statement of Purpose

The primary purpose of the Committee is to: (i) appoint, oversee and replace, if necessary, the independent auditor, and pre-approve all audit, audit-related, tax and other services, if any, to be provided by the independent auditor; (ii) oversee the integrity of the Company’s financial statements and the system of internal control over financial reporting and internal control framework; (iii) oversee the integrity of the accounting and financial reporting processes of the Company; (iv) oversee the Company’s compliance with legal and regulatory requirements; (v) oversee the qualifications and independence of the independent auditor; (vi) oversee the Company’s charitable activities; and (vii) oversee the performance of the independent auditor and internal audit function.

Company management is responsible for preparing the Company’s financial statements and the independent auditor is responsible for auditing those financial statements. It is not the duty of the Committee to plan or conduct the audit or to determine that the Company’s statements are complete and accurate or are in accordance with generally accepted accounting principles (“GAAP”). Nothing in this Charter changes, or is intended to change, the responsibilities of management or the independent auditor. The Committee has the direct and sole responsibility for the appointment, compensation, oversight, evaluation and replacement, if necessary, of the independent auditor.

The Committee has the authority to obtain advice and assistance from outside legal counsel, accounting or other outside advisors as deemed appropriate by the Committee, in its sole discretion, to perform its duties and responsibilities. The Committee shall be entitled to rely on (i) the integrity of those persons and organizations within and outside the Company that it receives information from and (ii) the accuracy of the financial and other information provided to the Committee by such persons’ organizations absent actual knowledge to the contrary (which shall be promptly reported to the Board of Directors).

Organization

The Committee will be comprised of three or more directors as determined by the Board. All members of the Committee will be familiar with finance and accounting practices and principles and shall be financially literate, including being able to read and understand fundamental financial statements. Furthermore, at least one member of the Committee will be an “audit committee financial expert”, as more fully defined in SEC’s Regulation S-K, Item 407(d)(5)(ii).

The members of the Committee will be elected by the Board annually to serve until their successors are elected, or until their earlier resignation, removal or death. An affirmative vote of the Board may remove members from such Committee, with or without cause. No member of the Committee may sit on more than three separate audit committees, including this Committee, unless the Board determines that sitting on a fourth audit committee would not impair the ability of such member to effectively serve on the Committee. The Board will designate the Committee chairperson. In the absence of the chairperson, the members present at a meeting may appoint an acting chairperson for such meeting.

Operating Principles

In fulfilling its functions and responsibilities, the Committee should give due consideration to the following operating principles and processes:

1. Communication. Regular and meaningful contact throughout the year with the Chairperson of the Board, other committee chairpersons, members of senior management and other key Committee advisors, as applicable, is viewed as important for strengthening the Committee’s knowledge of sound accounting and finance policies and practices.
2. Committee Expectations and Information Needs. The Committee should communicate to the CEO the expectations of the Committee, and the nature, timing and extent of any specific information or other supporting materials requested by the Committee, for its meetings and deliberations.
3. Meeting Agendas. The Committee meeting agendas shall be the responsibility of the Committee chairperson with input from the Committee members and other members of the Board, with additional input from members of senior management and outside advisors to the extent deemed appropriate by the chairperson.
4. Committee Meeting Attendees. The Committee shall be authorized to request members of senior management and outside advisors to participate in Committee meetings.
5. Reporting to the Board of Directors. The Committee and any subcommittee thereof shall maintain the minutes of meetings and, through the Committee chairperson, may report all material activities of the Committee to the Board from time to time or whenever so requested by the Board. In addition, approved minutes from Committee and subcommittee meetings and any unanimous written consents should be distributed to each Board member prior to the next regular Board meeting.

RESPONSIBILITIES AND DUTIES

The Committee has the following responsibilities and duties:

Documents/Reports/Accounting Information Review

1. Review and discuss with management and the independent auditor the Company’s annual financial statements, quarterly financial statements and, as applicable, any notes to the financial statements and any “Management’s Discussion and Analysis of Financial Conditions and Results of Operations” (the “MD&A”) of the Company, including prior to any applicable issuance or public disclosure thereof. In such review, the Committee shall pay particular attention to the use of “pro forma” or “adjusted” non-GAAP information.
2. Discuss the results of the annual audit and quarterly review and any other matters required to be communicated to the Committee by the independent auditor under GAAP standards.
3. Review other relevant reports or financial information submitted by the Company to any governmental body or the public, including management certifications, and relevant reports rendered by the independent auditor (or summaries thereof).
4. Discuss with management and the independent auditor their judgment about the quality of accounting principles, the reasonableness of significant judgments, including a description of any transactions as

to which the management obtained a Report on the Application of Accounting Principles, and the clarity of the disclosures in the financial statements, including the Company's disclosures of critical accounting policies and other disclosures under any applicable MD&A.

5. Recommend to the Board whether the financial statements should be included in the Company's annual report, if any.
6. Review or establish standards for the financial information provided to creditors, analysts or ratings agencies, if any. Such discussions may be in general terms (e.g., discussion of the types of information to be disclosed and the type of presentations to be made).
7. Review the regular internal reports to management (or summaries thereof) prepared by the internal auditing department, as well as management's responses.
8. Review any financial statements related to the Company's benefit plans, if oversight is delegated to the Committee.

Independent Auditor

1. Annually appoint and determine the compensation of the independent auditor and oversee the work performed by the independent auditor for the purpose of preparing and issuing an audit letter and related work.
2. Annually review the performance of the independent auditor and remove the independent auditor or the lead audit partner if circumstances warrant. The independent auditor shall report directly to the Committee and the Committee shall oversee the resolution of disagreements between management and the independent auditor if they arise. Discuss with the independent auditor the matters required to be discussed under applicable auditing standards of the Public Company Accounting Oversight Board (the "PCAOB").
3. Review and evaluate the qualifications, performance and independence of the lead audit partner of the independent auditor.
4. Review with internal auditors and the independent auditor the overall scope and plans for audits, including authority and organizational reporting lines, and adequacy of staffing and compensation.
5. Review with internal auditors and independent auditor any problems or difficulties in conducting the audit, and any difficulties with management's responses.
6. Hold timely discussions with the independent auditor regarding the following:
 - All critical accounting estimates, policies and practices used in preparation of the Company's financial statements;
 - Any critical audit matters arising from the current period audit, if applicable;
 - Any alternative treatments of GAAP that have been discussed with management, the ramifications of the use of such alternative (including disclosures) and the treatment preferred by the independent auditor; and
 - Other material written communications between the independent auditor and management, including, but not limited to, the management letter and schedule of unadjusted differences.
7. At least annually, obtain and review formal written documentation from the independent auditor describing:

- Any material issues raised by the independent audit firm’s most recent internal quality-control review or peer review, or by any inquiry or investigation conducted by governmental or professional authorities during the preceding five years with respect to independent audits carried out by the firm, and any steps taken to deal with any such issues; and
 - The auditor’s independence and all relationships between the independent auditor and the Company, addressing the matters set forth in applicable PCAOB requirements. The formal reports from the independent auditor to the Committee should be used to evaluate the independent auditor’s qualifications, performance, and independence.
8. Actively engage in dialogue with the independent auditor with respect to any disclosed relationships or services that may affect the independence and objectivity of the auditor and take appropriate actions to oversee the independence of the outside auditor. Further, the Committee shall review the experience and qualifications of the lead partner and other senior members of the independent audit team each year, including compliance with applicable rotation requirements. The Committee shall also consider whether there should be rotation of the firm itself.
 9. Review and pre-approve (which may be pursuant to pre-approval policies and procedures) both audit and non-audit services to be provided by the independent auditor. Consider whether the auditor’s performance of permissible non-audit services is compatible with the auditor’s independence. The authority to grant pre-approvals may be delegated to one or more designated members of the Committee whose decisions shall be presented to the full Committee at its next regularly scheduled meeting.
 10. Set clear hiring policies, compliant with governing laws and regulations, for employees or former employees of the independent auditor.

Financial Reporting Processes, Accounting Policies, and Internal Control Structure

1. Discuss and review the effect of regulatory and accounting initiatives, as well as alternative GAAP methods, off-balance-sheet structures, on the financial statements of the Company.
2. Periodically review with management any significant deficiencies and material weaknesses in the design or operation of internal controls, any fraud that involves management or other employees who play a significant role in the Company’s internal controls, disagreements with management, or scope restrictions encountered in the course of the function’s work.
3. To review with management and the Company’s independent auditor the adequacy and effectiveness of the Company’s financial reporting processes and internal control over financial reporting, including any significant deficiencies or material weaknesses in the design or operation of, and any material changes in, the Company’s internal controls or processes, controls and procedures and any remedial steps adopted in connection therewith.
4. Establish procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters.
5. Establish procedures for the confidential, anonymous submission by Company employees of information regarding questionable accounting or auditing matters.
6. To review with management and, as necessary, the independent auditor, any Company disclosures with respect to any sustainability accounting standards that are publicly disclosed or reported to environmental, social and governance ratings agencies, if applicable.

Internal Audit

1. Review activities, organizational structure and qualifications of the internal audit function and establish an appropriate control process for reviewing and approving the Company's Internal Audit Plan, transactions and accounting.

Accounting Practices and Ethical Compliance, Legal Compliance, and Risk Management

1. Oversee and review periodically with management, legal counsel, and other experts, as appropriate, the programs and policies of the Company designed to ensure compliance with applicable laws and regulations, including compliance with financial crimes laws and regulations, the Foreign Corrupt Practices Act, foreign anti-corruption laws, and export control regulations, and with the Company's ethical standards, and the results of these compliance efforts.
2. Review the policies with respect to risk assessment and enterprise risk management, including appropriate guidelines and policies to govern the process, as well as the Company's major financial risk exposures and the steps management has undertaken to control them unless delegated to a separate committee of the Board.
3. Review, with the Company's counsel, any legal matter that could have a significant impact on the Company's financial statements.
4. Oversee and review the Corporate Code of Conduct and Business Ethics, including oversight and review with management, at least annually, regarding the implementation and effectiveness of the Company's compliance and ethics programs.

Other Responsibilities

1. Review and approve any transaction, arrangement or relationship in connection with the Company's Policy with Respect to Related Person Transactions.
2. Oversee and review the Company's Policy with Respect to Related Person Transactions.
3. Oversee, review and assess administration and operation of the Company's Whistleblower Policy, which shall cover the receipt of complaints relating to accounting, internal accounting controls or auditing matters as well as other illegal, dishonest, unethical or otherwise improper activities.
4. Regularly review the Company's cybersecurity and other information technology risks, controls and procedures. The Committee should also regularly review with management any specific cybersecurity issues that could affect the adequacy of the Company's internal controls.
5. Oversee and review the Company's insurance policies and coverage. This includes, but is not limited to, evaluating the adequacy of the Company's insurance coverage, and ensuring that the insurance policies align with the Company's risk management objectives and compliance requirements. The Committee is authorized to engage with insurance brokers, underwriters, and other relevant professionals to obtain comprehensive information and advice regarding insurance options and coverage.
6. Oversee the Company's business continuity and disaster preparedness planning.
7. The Committee shall review such other matters as the Board or the Committee shall deem appropriate.

The foregoing duties and responsibilities will serve as a guide with the understanding that the Committee may carry out additional functions and adopt additional policies and procedures as may be required or appropriate in light of changing business, legislative, regulatory, legal or other conditions. The Committee shall also have such powers as may be necessary or appropriate in the efficient and lawful discharge of its responsibilities.

Procedures and Administration

1. Meetings. The Committee shall hold regularly scheduled meetings, with a goal of holding four (4) regularly scheduled meetings per calendar year, and such special meetings as circumstances dictate and, to the extent practicable, in conjunction with the regularly scheduled Board meetings. The Committee shall report regularly to the Board on its activities. The Committee shall fix its own rules of procedure, subject to this Charter, the Company's governing documents and applicable law; provided, it shall follow the Board's rules of procedure if not otherwise fixed by the Committee. As part of its responsibility to foster open communication, the Committee shall meet periodically with management, the director of the internal audit function, and the independent auditor in separate executive sessions to discuss the results of examinations or any matters that the Committee or any of these persons or firms believe should be discussed privately. In addition, the Committee shall meet with the independent auditor and management to discuss the annual audited financial statements.
2. Action. A majority of regular members then serving on the Committee shall constitute a quorum. Action may be taken by the Committee (or any subcommittee of the Committee) upon the affirmative vote of a majority of the members of the Committee (or subcommittee). Action may be taken by the Committee (or any subcommittee of the Committee) without a meeting if all of the members of the Committee (or subcommittee) indicate their approval thereof in writing.
3. Notice. Any member of the Committee may call a meeting of the Committee upon due notice to each other member at least twenty-four hours prior to the meeting (provided that participation in any meeting shall be deemed to constitute waiver of any deficiency in such notice).
4. Charter. The Committee shall annually review and reassess the adequacy of this Charter and recommend any proposed changes to the Board for approval.
5. Authority and Resources of the Committee. The Committee has the authority, in its sole discretion, to appoint, retain or obtain the advice of an accounting consultant, legal counsel or other adviser, which includes the sole authority and direct responsibility to approve such accounting consultant's or other adviser's fees and other retention terms, to oversee the work of and to terminate such accounting consultant or other adviser, and the authority and responsibility to pay from funds of the Company reasonable compensation to such accounting consultant or other adviser retained by the Committee. Such funding will be provided by the Company and determined by the Committee.
6. Subcommittees and Delegation. The Committee shall have the authority to delegate to subcommittees of the Committee any responsibilities of the full Committee. The Committee shall also have to the authority to form committees comprised of members of the Company's management and to delegate to such committees as well as other persons (including, but not limited to, members of the Company's management) such tasks and responsibilities as it deems appropriate, in each case, not inconsistent with applicable law.
7. Expenses. The Committee is empowered, without further action by the Board, to cause the Company to pay the ordinary administrative expenses of the Committee that are necessary or appropriate in carrying out its duties.

