Kelly®

Q1 2024 Investor Presentation

May 2024

Non-GAAP Measures

Management believes that the non-GAAP (Generally Accepted Accounting Principles) information excluding the 2024 gain on the sale of our EMEA staffing operations, the 2024 gain on forward contract, the 2024 restructuring charges, the 2024 transaction costs, and the 2023 restructuring charges are useful to understand the Company's fiscal 2024 financial performance and increases comparability. Specifically, Management believes that removing the impact of these items allows for a meaningful comparison of current period operating performance with the operating results of prior periods. Management also believes that such measures are used by those analyzing performance of companies in the staffing industry to compare current performance to prior periods and to assess future performance.

Management uses Adjusted EBITDA (adjusted earnings before interest, taxes, depreciation and amortization) and Adjusted EBITDA Margin (percent of total GAAP revenue) which Management believes is useful to compare operating performance compared to prior periods and uses it in conjunction with GAAP measures to assess performance. Our calculation of Adjusted EBITDA may not be consistent with similarly titled measures of other companies and should be used in conjunction with GAAP measurements.

These non-GAAP measures may have limitations as analytical tools because they exclude items which can have a material impact on cash flow and earnings per share. As a result, Management considers these measures, along with reported results, when it reviews and evaluates the Company's financial performance. Management believes that these measures provide greater transparency to investors and provide insight into how Management is evaluating the Company's financial performance. Non-GAAP measures should not be considered a substitute for, or superior to, measures of financial performance prepared in accordance with GAAP.

Safe Harbor Statement

This presentation contains statements that are forward looking in nature and, accordingly, are subject to risks and uncertainties. These statements are made under the “safe harbor” provisions of the U.S. Private Securities Litigation Reform Act of 1995. Statements that are not historical facts, including statements about Kelly’s financial expectations, are forward-looking statements. Factors that could cause actual results to differ materially from those contained in this release include, but are not limited to, (i) changing market and economic conditions, (ii) disruption in the labor market and weakened demand for human capital resulting from technological advances, loss of large corporate customers and government contractor requirements, (iii) the impact of laws and regulations (including federal, state and international tax laws), (iv) unexpected changes in claim trends on workers’ compensation, unemployment, disability and medical benefit plans, (v) litigation and other legal liabilities (including tax liabilities) in excess of our estimates, (vi) our ability to achieve our business’s anticipated growth strategies, (vii) our future business development, results of operations and financial condition, (viii) damage to our brands, (ix) dependency on third parties for the execution of critical functions, (x) conducting business in foreign countries, including foreign currency fluctuations, (xi) availability of temporary workers with appropriate skills required by customers, (xii) cyberattacks or other breaches of network or information technology security, and (xiii) other risks, uncertainties and factors discussed in this release and in the Company’s filings with the Securities and Exchange Commission. In some cases, forward-looking statements can be identified by words or phrases such as “may,” “will,” “expect,” “anticipate,” “target,” “aim,” “estimate,” “intend,” “plan,” “believe,” “potential,” “continue,” “is/are likely to” or other similar expressions. All information provided in this presentation is as of the date of this presentation and we undertake no duty to update any forward-looking statement to conform the statement to actual results or changes in the Company’s expectations.

Kelly is a leading global specialty staffing and workforce solutions provider.

77
years of industry leadership

$4.8 billion
of revenue in 2023

500,000
individuals placed in positions with our customers in 2023

4
specialized, market-leading business units

6,200
internal employees as of December 31, 2023

#1
Temporary Staffing Company (Forbes 2024)

We partner with employers in high-growth markets to recruit and manage talent.

Delivering
workforce solutions to Fortune 500 companies across North America, EMEA and APAC

Largest
U.S. workforce provider in Education

(Staffing Industry Analysts, 2023)

Second largest
life sciences staffing firm in the U.S.

(Staffing Industry Analysts, 2023)

Fourth largest
engineering staffing firm in the U.S.

(Staffing Industry Analysts, 2023)

Leader
in Business & Professional Contingent Staffing Services

(Everest Group, 2023)

Major Contender
in IT Contingent Staffing Services

(Everest Group, 2023)

Leader
in Managed Service Provider (MSP) and Services Procurement solutions

(Everest Group, 2023)

We have made substantial progress on our Specialty Growth Journey.

Since initiating our specialty strategy in 2020, we have taken bold action to deliver profitable growth.

Transforming Our Business

- Launched specialty operating model focused on high-value, high growth markets
- Achieved >20% gross profit rate for the first time in 25 years
- Delivered >$1b of organic gross profit for the first time in Kelly's history
- Initiated transformation to optimize our business, unlock additional value-creating opportunities, and accelerate profitable growth

Unlocking Capital

- Sold/leased back Kelly HQ real estate
- Sold Brazilian staffing operations
- Unlocked $235 million in capital by unwinding non-EBITDA producing APAC investments
- Sold European staffing business, unlocking more than $100 million of capital

Making Specialty Acquisitions

- Completed three acquisitions that expand our Education specialty and introduce higher-value adjacencies
- Acquired an IT workforce solutions firm in the SET specialty (Kelly's largest acquisition to date)
- Acquired a specialty recruiting firm in the fast-growing RPO space
- Entered agreement in May 2024 to acquire Motion Recruitment Partners, LLC; transaction expected to close in Q2 2024

Investing Organically

- Launched/expanded three Education products
- Unlocked organic GP and revenue opportunities in SET
- Added higher-value solution to P&I
- Unwinding legacy systems to increase speed to revenue
- Developed comprehensive roadmap to align critical technology investments with ongoing transformation

We are well positioned to create long-term value.

Specialty strategy focused on value creation

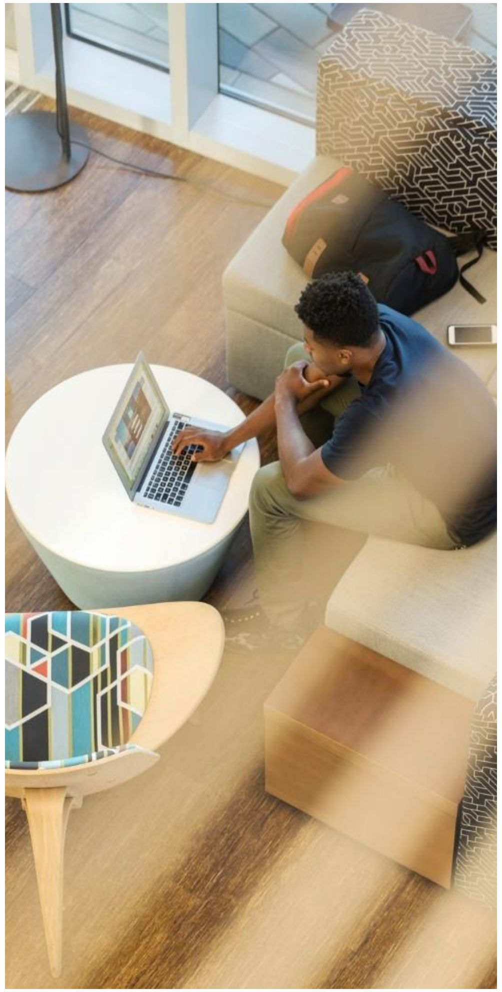
- Strategy is underpinned by a streamlined operating model comprising four operating segments: Science, Engineering & Technology; Education; Professional & Industrial; and KellyOCG
- Operating model sharpens focus on talent, customers, and market opportunities in each specialization
- Leading talent solutions provider in targeted specialties (education, life sciences, engineering, MSP)

Strong financial position to enable growth

- High-quality balance sheet
- Solid free cash flow generation
- Available debt financing
- Monetized non-EBITDA assets to unlock capital

Cash priorities designed to deliver value

- Redeployed non-EBITDA producing assets in support of growth areas
- Aggressive acquisitions in higher-margin specialties that create value
- Investments in talent, technology, and products enable organic growth
- Recently-completed share repurchase program complemented capital allocation strategy and disciplined pursuit of inorganic growth



Our M&A activities are shifting our portfolio.

2019
- Kelly acquires Global Technology Associates
- Kelly acquires NextGen Global Resources
- Kelly announces sale/leaseback of HQ real estate

2020
- Kelly acquires Insight
- Kelly acquires Greenwood/ Asher & Associates
- Kelly sells Brazil staffing business

2021
- Kelly acquires Softworld

2022
- Kelly acquires RocketPower
- Kelly acquires Pediatric Therapeutic Services
- Kelly reduces ownership in APAC JV, ends cross-shareholding with Persol
- Kelly sells Russian operations

2023
- Kelly enters agreement to sell European staffing business

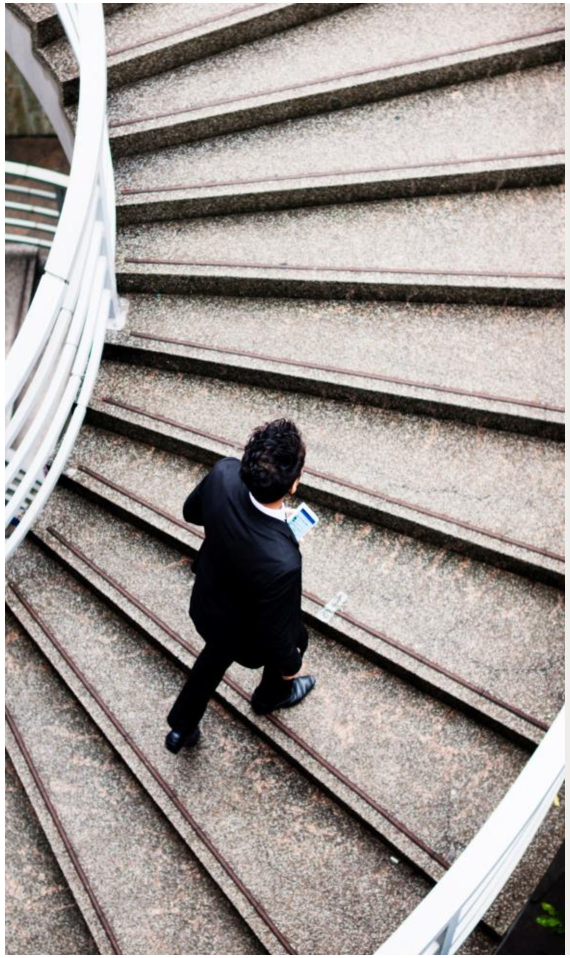
2024
- Kelly enters agreement to acquire Motion Recruitment Partners, LLC; transaction expected to close Q2 2024
- Kelly completes sale of European staffing business

Kelly

Prioritizing Our Focus

Our transformation is building on our achievements over the past 3+ years.

In 2023, we successfully delivered on structural cost optimization, and we will continue to execute on opportunities to accelerate profitable top- and bottom-line growth.



Delivering on three key outcomes:

- **Optimized** business and functional operations in a sustainable manner
    - Completed workforce reductions to enhance organizational efficiency and effectiveness and established controls to provide clear visibility into resources and expenses
- **Unlocking** additional value-creating opportunities
    - Executing several revenue growth initiatives related to technology enhancements, large enterprise account sales strategy, P&I local delivery model, and inorganic opportunities
- **Accelerating** profitable growth
    - Expect continued improvement in EBITDA margin

We have redesigned our operating model to drive profitable growth.

Our priorities for each segment are clear. Together, they contribute to a strong, balanced portfolio.

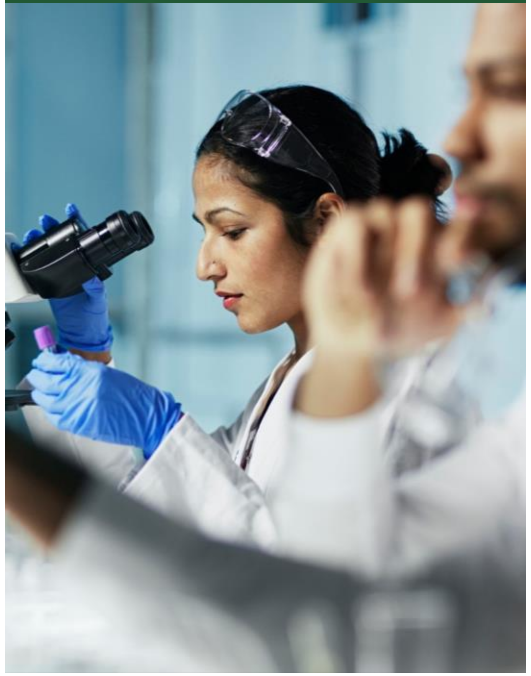
Optimize Operations and Drive Efficiencies → Accelerate Organic and Inorganic Growth

	Kelly Professional & Industrial	Kelly Science, Engineering & Technology	Kelly Education	KellyOCG	Kelly International[3]
Revenue[1]	$1.5B	$1.2B	$0.8B	$0.5B	$0.9B
GP Rate[1]	17.8%	22.8%	15.3%	36.0%	15.1%
Geography	North America	North America	U.S.	Global	EMEA and Mexico
Specialties	• Industrial • Contact Center • Office Clerical	• Engineering • Science & Clinical • Technology • Telecom	• K–12 • Special Ed/Needs • Tutoring • Therapy Services • Higher Education • Executive Search	• MSP[2] • RPO[2] • PPO[2]	• Life Sciences • IT • Finance • Other Local Professional Niches

[1]Kelly size and margin profiles are based on 2023 full year results;
[2]Managed Service Provider ("MSP"); Recruitment Process Outsourcing ("RPO"); Payroll Process Outsourcing ("PPO");
[3]On January 2, 2024, Kelly completed the sale of its EMEA staffing operations. Following the sale, its Mexico operations, which were previously included in the International segment, is now included in the P&I segment, and the International segment no longer exists as a reportable segment.

We are pursuing organic and inorganic investments in Kelly SET.

Kelly Science, Engineering, Technology & Telecom



Our prioritization is based on market opportunity, margin profiles, and our ability to win.

Market Opportunity

U.S. Stem Staffing
Market Size

$54.2b

U.S. Stem Outsourcing
Market Size

$30.3b

Combined CAGR
(2020–2023)

9.2%

Kelly's Margin Profile

Gross Profit Margin
(2023)

22.8%

Why Kelly is Positioned to Win

SIA Largest Life Sciences Staffing Firms In The U.S.

#2

SIA Largest Engineering Staffing Firms In The U.S.

#4

2023 Everest Group Peak Matrix U.S. Engineering Contingent Staffing Services

Leader

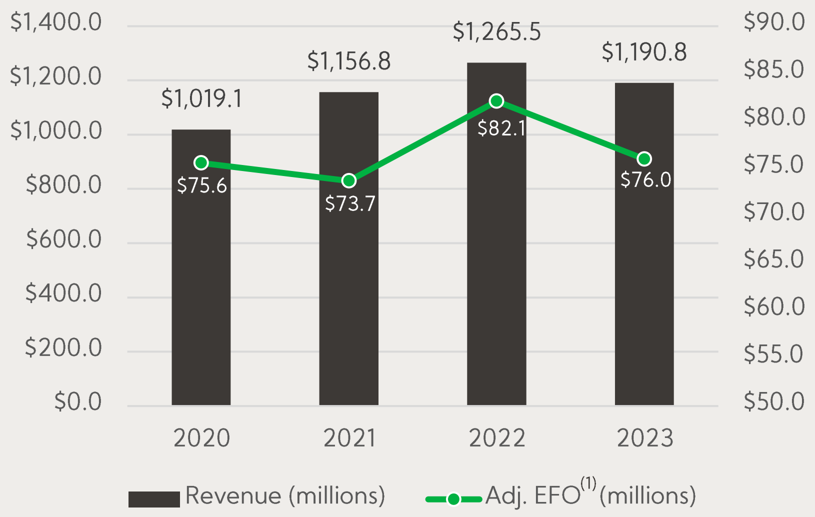
Market sizes and combined CAGR based on 2023 data from Staffing Industry Analysts

We are pursuing organic and inorganic investments in Kelly SET.

Kelly Science, Engineering, Technology & Telecom

SET Revenue (2023): $1,190.8 million

SET Revenue CAGR (2020–23): 5.3%



Jan. 2019: Acquired NextGen and GTA, providers of telecom, wireless and connected technology staffing solutions and consulting services

Apr. 2021: Acquired Softworld, a specialty technology staffing and workforce solutions firm

2019	2020	2021	2022	2023	2024
	Revenue (millions): $1,019.1	**Revenue (millions):** $1,156.8	**Revenue (millions):** $1,265.5	**Revenue (millions):** $1,190.8	
	Adj. EFO[1] (millions): $75.6	**Adj. EFO[1] (millions):** $73.7	**Adj. EFO[1] (millions):** $82.1	**Adj. EFO[1] (millions):** $76.0	

[1]See reconciliations of Non-GAAP Measures included in Form 8-K dated February 18, 2021; February 14, 2022; February 16, 2023; and February 15, 2024.

We are pursuing organic and inorganic investments in Kelly Education.

Our prioritization is based on market opportunity, margin profiles, and our ability to win.

Market Opportunity	Kelly's Margin Profile	Why Kelly is Positioned to Win
U.S. K–12 Staffing Market Size $1.7b	**Gross Profit Margin** (2023) 15.3%	**2023 SIA Largest Education Staffing Firms In The U.S.** #1
Early Childhood, Higher Ed, Exec Search and Special Needs Market Size $7.2b		**National Scale** 8,700+ schools across 37 states
Combined CAGR (2020–2023) 7.4%		

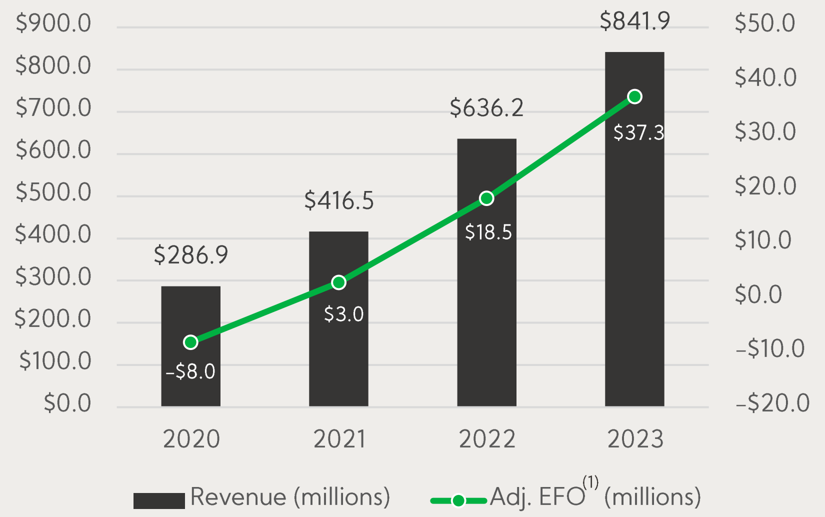
Market sizes and combined CAGR based on 2023 data from Staffing Industry Analysts and proprietary estimates

We are pursuing organic and inorganic investments in Kelly Education.

Kelly Education

EDU Revenue (2023): $841.9 million

EDU Revenue CAGR (2020-23): 43.2%



INSIGHT — AN EDUCATION SERVICE PARTNER

Jan. 2020: Acquired Insight, an education service staffing company

Greenwood Asher & Associates

Nov. 2020: Acquired Greenwood/Asher, a specialty education executive search firm

PTS PEDIATRIC THERAPEUTIC SERVICES

May 2022: Acquired PTS, a specialty firm that provides state and federally mandated in-school therapy services

2019

2020
Revenue (millions): $286.9
Adj. EFO[1] (millions): $(8.0)

2021
Revenue (millions): $416.5
Adj. EFO[1] (millions): $3.0

2022
Revenue (millions): $636.2
Adj. EFO[1] (millions): $18.5

2023
Revenue (millions): $841.9
Adj. EFO[1] (millions): $37.3

2024

[1]See reconciliations of Non-GAAP Measures included in Form 8-K dated February 18, 2021; February 14, 2022; February 16, 2023; and February 15, 2024.

We are pursuing organic and inorganic investments in Kelly OCG.

Our prioritization is based on market opportunity, margin profiles, and our ability to win.

Market Opportunity

Global MSP
Market Size

$248–253b

Global RPO
Market Size

$5.6–5.8b

Combined CAGR
(2020–2023)

16.8–17.6%

Kelly's Margin Profile

Gross Profit Margin
(2023)

36.0%

Why Kelly is Positioned to Win

2023 Everest Group Peak Matrix Contingent Workforce Management

Leader

2023 Everest Group Peak Matrix Services Procurement

Star Performer

2023 Everest Group Peak Matrix Recruitment Process Outsourcing In Global

Star Performer

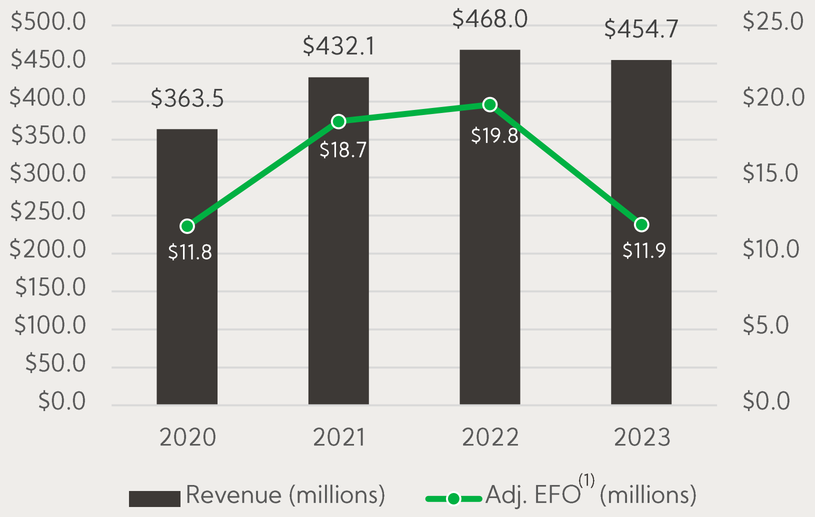
Market sizes and combined CAGR based on 2023 data from Everest Group

We are pursuing organic and inorganic investments in Kelly OCG.

KellyOCG

OCG Revenue (2023): $454.7 million

OCG Revenue CAGR (2020–23): 7.8%



rocketpower

Mar. 2022: Acquired RocketPower, a provider of RPO solutions to U.S. tech companies

2019

2020
Revenue (millions): $363.5
Adj. EFO(1) (millions): $11.8

2021
Revenue (millions): $432.1
Adj. EFO(1) (millions): $18.7

2022
Revenue (millions): $468.0
Adj. EFO(1) (millions): $19.8

2023
Revenue (millions): $454.7
Adj. EFO(1) (millions): $11.9

2024

(1)See reconciliations of Non-GAAP Measures included in Form 8-K dated February 18, 2021; February 14, 2022; February 16, 2023; and February 15, 2024.

We have unlocked more than $100 million of additional liquidity.

On January 2, 2024, Kelly announced that it completed the sale of its European staffing business for more than $100 million.

- Kelly maintains its global footprint, providing MSP and RPO solutions to customers in the EMEA region through KellyOCG, and our fast-growing FSP solutions through Kelly SETT
- Enables greater focus on higher margin, higher growth solutions and unlocks significant capital to invest in organic and inorganic growth
- Based on full-year 2023 results, transaction expected to contribute approximately 100 basis points of favorable impact to Kelly's gross profit margin; 40 basis points of favorable impact to adjusted EBITDA margin; and 17% reduction in revenue

We are rapidly redeploying capital toward the largest acquisition in Kelly's history.

On May 3, 2024, Kelly announced that it entered a definitive agreement acquire specialty talent solutions company, Motion Recruitment Partners, LLC ("MRP").

- Kelly to pay $425 million in cash at close, with additional earnout potential of up to $60 million based on certain performance criteria.
- With 2023 revenue in excess of $500 million, MRP will significantly strengthen the scale and capabilities of Kelly's staffing and consulting solutions across technology, telecommunications, and government specialties in North America, and recruitment process outsourcing (RPO) solutions globally.
- Transaction expected to close in Q2 2024, after which MRP will continue to deliver services through its existing companies and brands, including Motion Recruitment, Sevenstep®, Motion Telco, and TG Federal.

Kelly®

+

MOTION RECRUITMENT PARTNERS

Our inorganic strategy is disciplined and focused on growth.

Target Areas

- Education adjacencies
- Specialties within Science, Engineering & Technology (SET)
- Outsourcing & Consulting properties (OCG)

Profitability and Returns

- Robust top-line growth
- EBITDA profile
- Deal pricing discipline and execution focus to ensure attractive ROI

Market Dynamics and Growth Potential

- Greater penetration into fast-growing, high-margin specialty markets
- Platform for additional acquisition growth opportunities, accelerating our organic growth potential

Culture and Capabilities

- Brings additional talent and expertise to Kelly
- Potential to thrive in a culture of agility, performance and innovation
- High ethics, integrity and sense of teamwork

We are leveraging technology to create value for clients, talent and Kelly.

Our vision is to enable growth by improving efficiency, and generate growth through innovative offerings that create value for customers and talent.

- **Kelly** Helix – A powerful platform comprising our Helix UX, Helix Analytics, and Human Cloud solutions which enables employers to manage all their talent in one place.
- **Kelly** Arc – A digital recruitment platform that connects clients with job seekers who specialize in AI-powered automation.
- **Kelly** Fusion – A suite of people-first automated work solutions including digital workers, co-bots, and workforce automation consulting.
- **Kelly** Now – A mobile app that gets to know job seekers' career goals, priorities, and interests to match them with temporary and permanent jobs that fit their life and career needs.

Putting Our Strength to Work

Our capital deployment strategy is focused on driving long-term shareholder value.

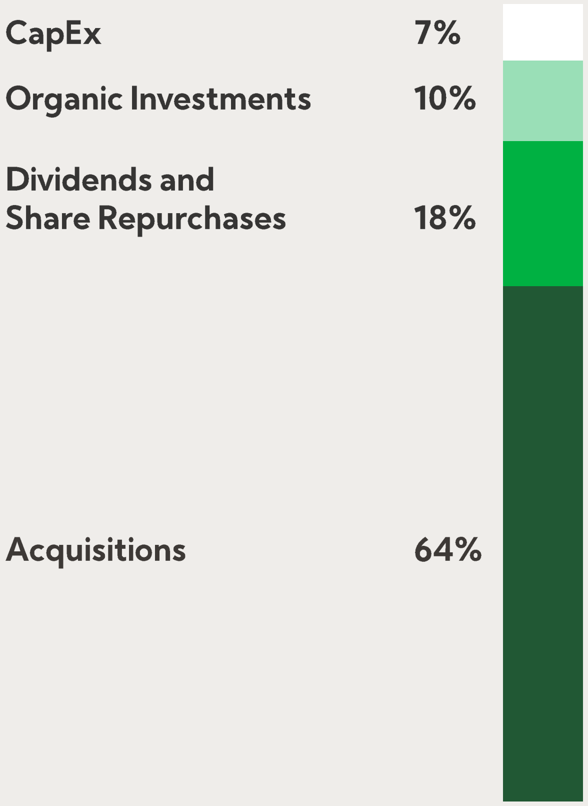
Disciplined and focused investment to drive organic growth.

Acquisitions and investments that align with strategy and financial targets.

Completed $50 million Class A common share repurchase plan in the third quarter of 2023[1].

Declared dividend based on economic and business conditions.

Cash Flow Deployment
2021 – 2023



Total Deployed

$557M

[1]Share repurchase plan approved November 2022.

Our balance sheet is strong.

With healthy debt capacity and free cash flow generation, we are well positioned to pursue our Board-approved M&A and investment strategy goals.

Debt Capacity

- Adequate capacity to execute strategy
- Total liquidity in excess of $500M
- Available Debt Capacity of $300M
- Potential to increase capacity due to our healthy balance sheet

Free Cash Flow (FCF)

- Solid FCF from operations
- Assume the DEBT/LTM EBITDA leverage is not higher than 2.0 on a long-term basis

Leadership Spotlight

Leadership Spotlight

2024 Staffing 100 North America

Staffing Industry Analysts named Tammy Browning to the 2024 Staffing 100 North America, an annual list that shines a spotlight on influential staffing leaders making the world of work, work better.

February 21, 2024

How AI is Infiltrating the Labor Market

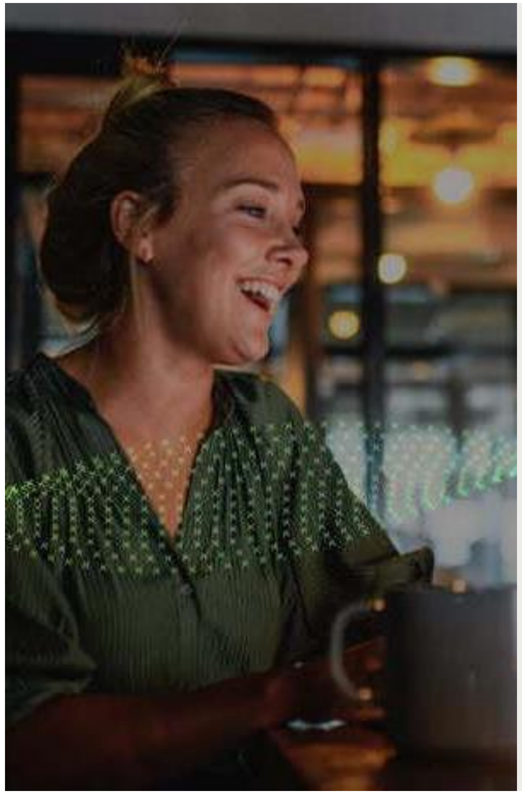
Peter Quigley joined Yahoo Finance to discuss the impact of artificial intelligence on workers and the labor market.

March 8, 2024

Financial Appendix

2024 Second-Quarter Outlook

With a streamlined operating model now comprising four business units with market-leading positions in North American staffing and global MSP and RPO solutions, we remain committed to the execution of our specialty growth strategy and transformation initiatives.

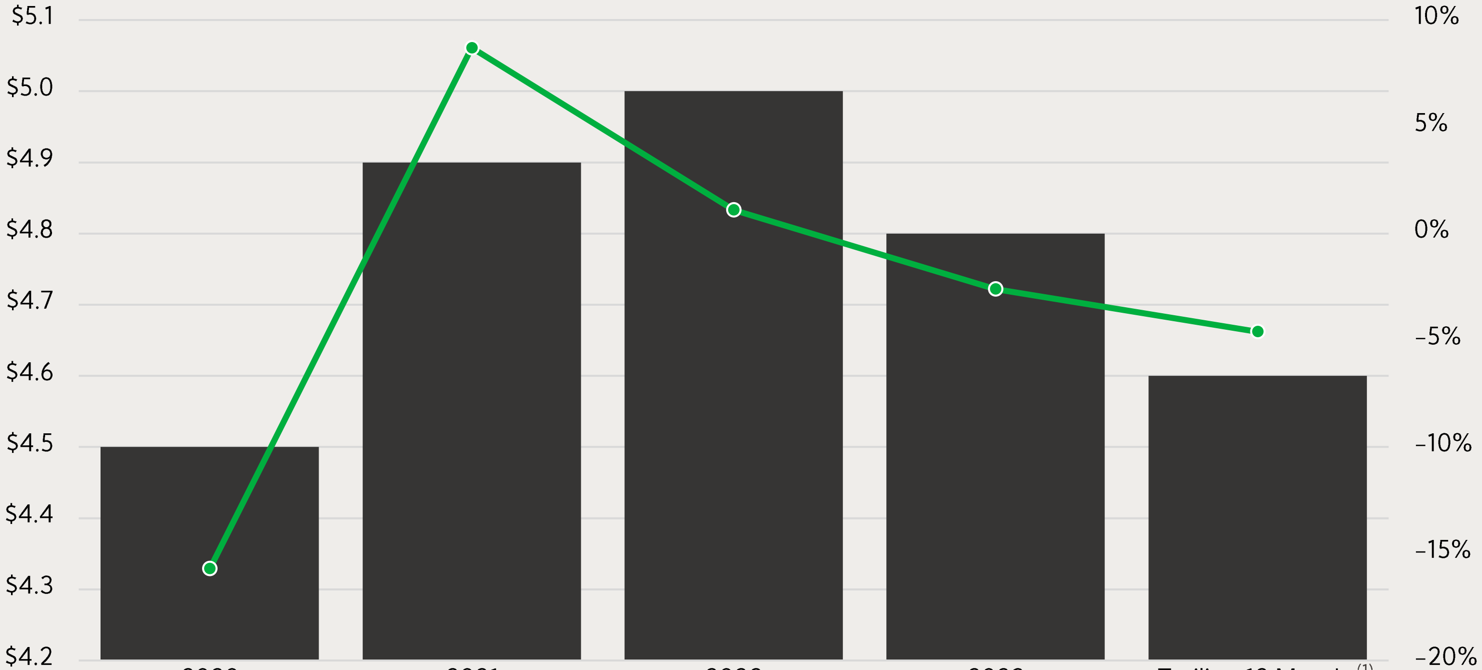


Assumes a continuation of the current environment and excludes the European staffing operations from the 2023 base and does not include any impact from the acquisition of MRP. On a like-for-like basis, our outlook for second quarter of 2024 reflects:

- ***Revenue*** – up 1% to 2%, with no significant FX impact; mid-point expectation of $1.03 billion for Q2 2024
- ***GP rate*** – 20.1% to 20.3%; 60 bps YOY decline on a like-for-like basis primarily resulting from changes in business mix
- ***Adjusted SG&A*** – sequentially consistent with Q1 2024 reflecting continued efficiency improvement from transformation actions
- ***Adjusted EBITDA margin*** – 3.3%, up 120 bps from Q2 2023; 40 bps resulting from European staffing operations sale and 80 bps of organic improvement
- ***Tax rate*** – effective rate in the mid-teens

Our Financial Journey: Revenue

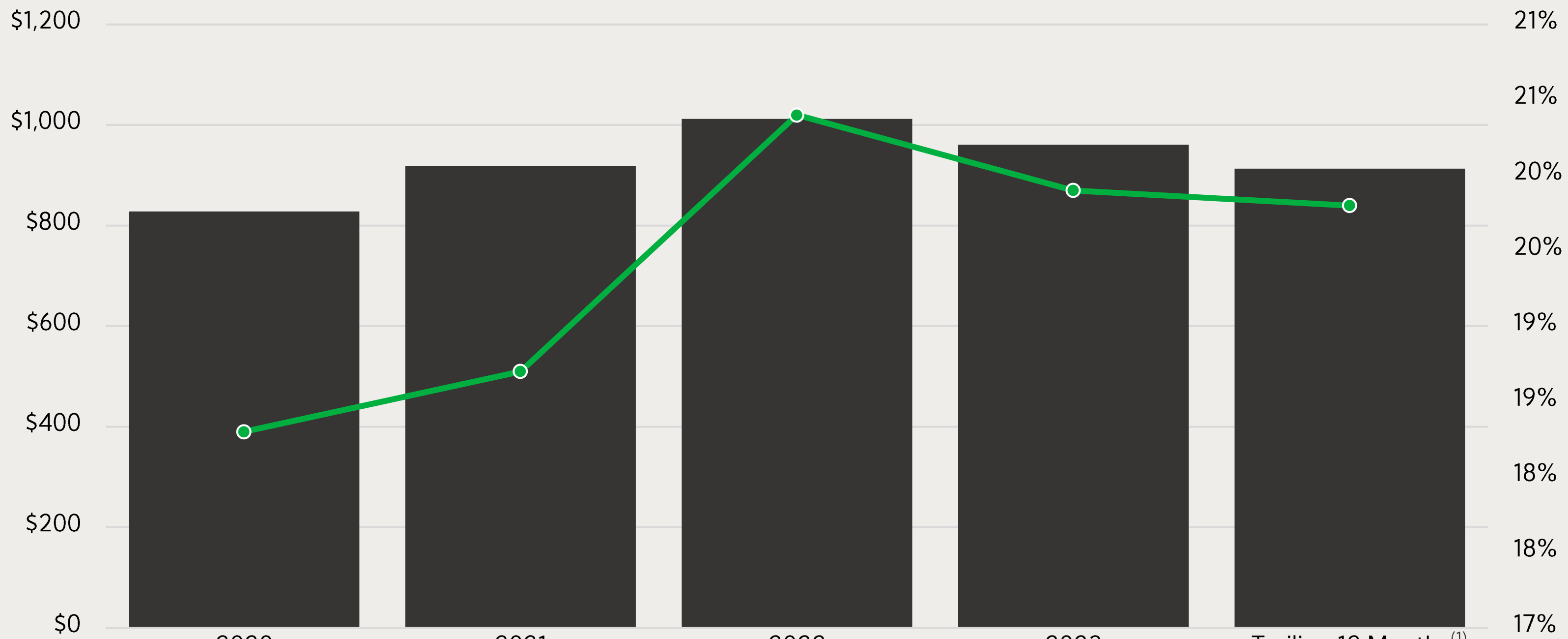
CAGR: 2.3%[2]



	2020	2021	2022	2023	Trailing 12 Months[1]
Revenue ($b)	$4.5	$4.9	$5.0	$4.8	$4.6
YoY Revenue Growth %	(15.7%)	8.7%	1.1%	(2.6%)	(4.6%)

[1]Trailing 12 months includes Q2 2023 through Q1 2024;
[2]CAGR is for 2020-2023.

Our Financial Journey: Gross Profit



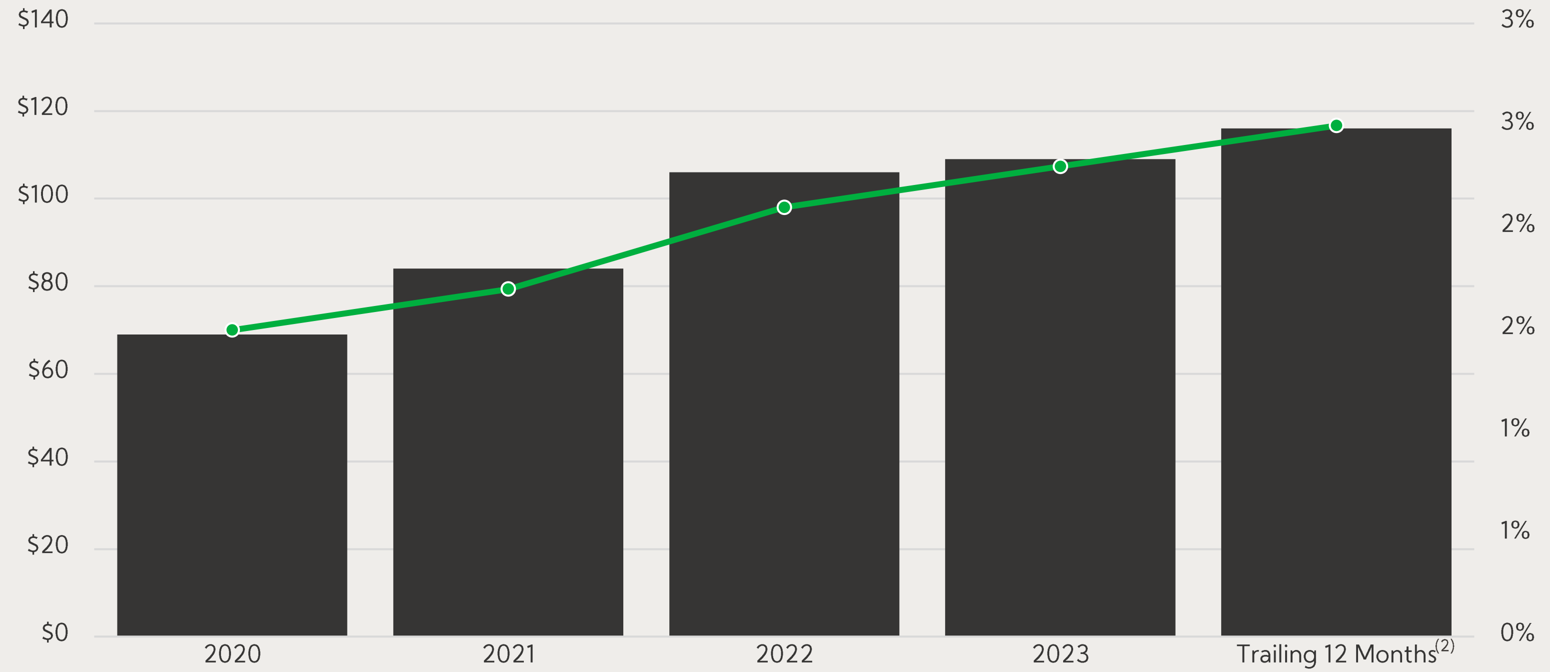
	2020	2021	2022	2023	Trailing 12 Months[1]
Gross Profit ($mm)	$828	$919	$1,012	$961	$913
Gross Profit %	18.3%	18.7%	20.4%	19.9%	19.8%

CAGR: 5.1%[2]

[1]Trailing 12 months includes Q2 2023 through Q1 2024;
[2]CAGR is for 2020-2023.

Our Financial Journey: Adjusted EBITDA[1]

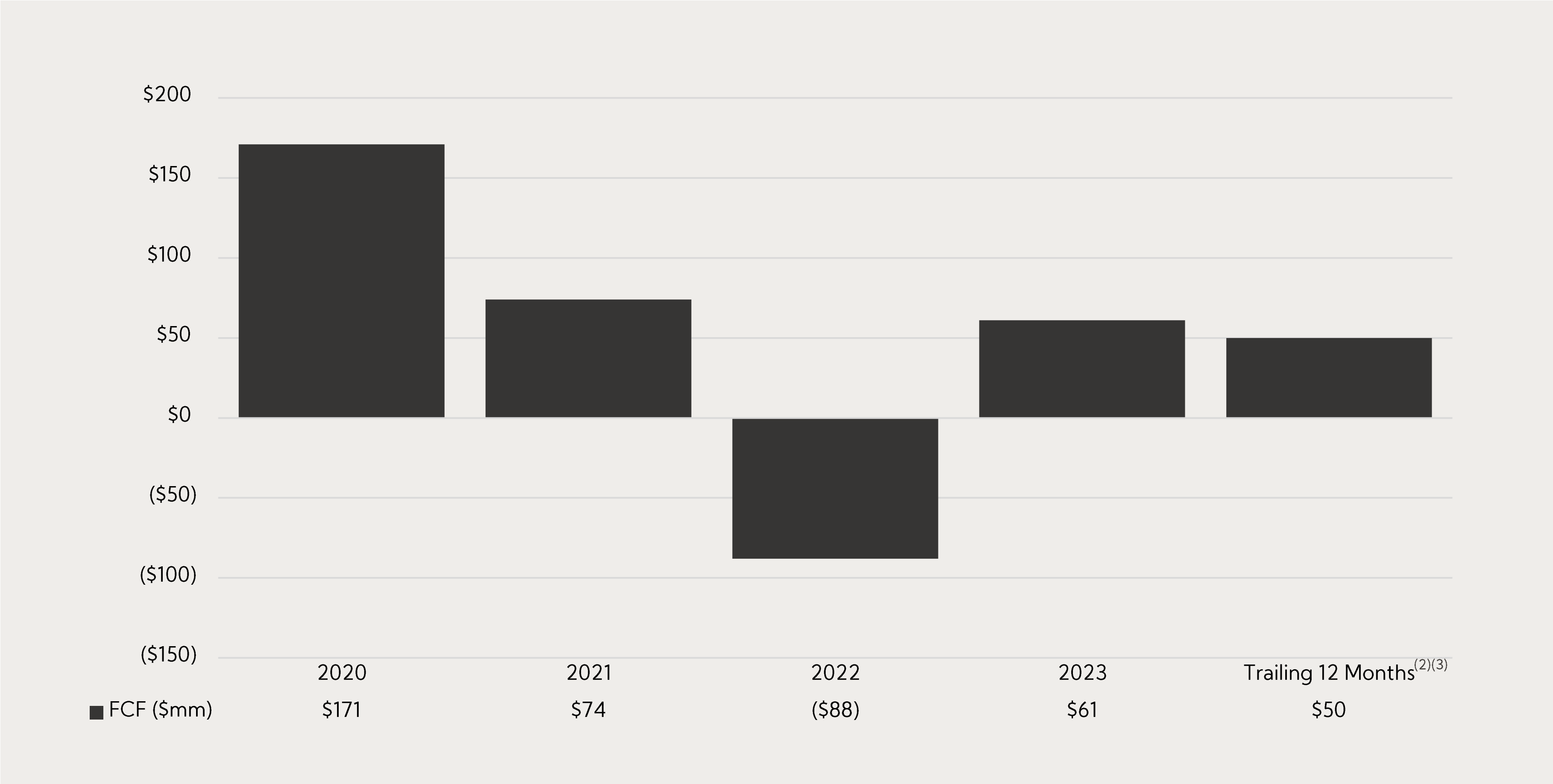
CAGR: 16.6%[3]



	2020	2021	2022	2023	Trailing 12 Months[2]
Adj. EBITDA ($mm)	$69	$84	$106	$109	$116
Adj. EBITDA Margin %	1.5%	1.7%	2.1%	2.3%	2.5%

[1]Adjusted EBITDA excludes from Net Income: (i) equity in earnings of affiliate, (ii) income taxes, (iii) other income or expenses net, (iv) Persol related gains or losses, (v) gains or losses on asset sales, (vi) asset impairment charges, (vii) gains on insurance settlement, (viii) gains or losses on foreign currency matters, (ix) restructuring expenses, (x) unrealized loss on forward contract, (xi) transaction costs, and (xii) depreciation & amortization;
[2]Trailing 12 months includes Q2 2023 through Q1 2024;
[3]CAGR is for 2020–2023.

Our Financial Journey: Free Cash Flow[1]



[1]Free Cash Flow ("FCF") is defined as net cash from operating activities minus capital expenditures;
[2]Trailing 12 months includes Q2 2023 through Q1 2024;
[3]FCF includes the cash outflows of $30 million in 2021 and $87 million in 2022 used to repay payroll taxes previously deferred under the CARES Act as well as $48 million in 2022 for income taxes related to the sale of Persol Holdings common stock.

First-Quarter 2024 Financial Summary

	Actual Results	Change Increase/(Decrease) As Reported	Change Increase/(Decrease) As Adjusted[(1)]
Revenue	$1.0B	(17.6%)	(17.6%)
Gross Profit Rate	19.7%	(30) bps	(30) bps
Earnings from Operations	$26.8M	150.2%	33.8%
Diluted Earnings per Share	$0.70	$0.41	$0.14
Adjusted EBITDA	$33.3M		24.5%
Adjusted EBITDA Margin	3.2%		110 bps

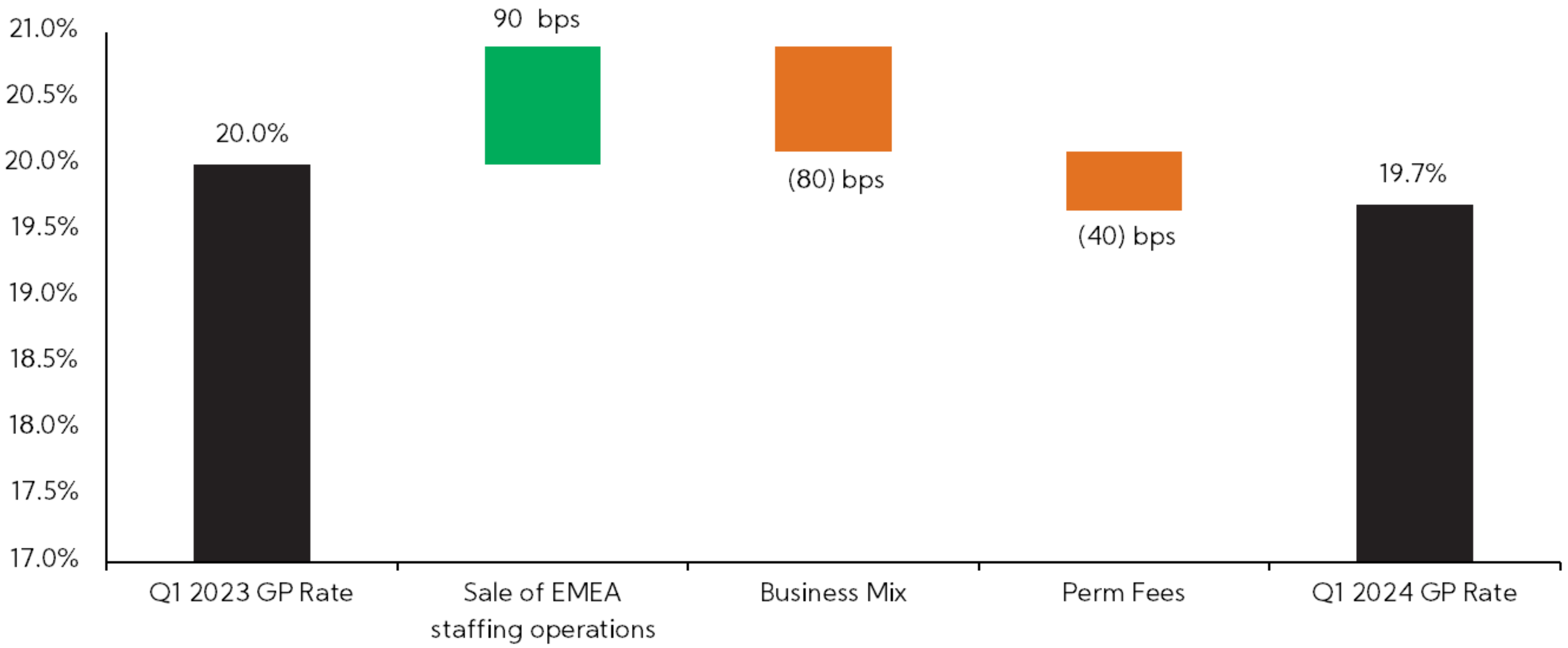
(1)See reconciliation of Non-GAAP Measures included in Form 8-K dated May 9, 2024.

First-Quarter 2024 Revenue Trends

	Reported[1]	Organic[2]
Total	(17.6%)	(2.6%)
Professional & Industrial	(11.0%)	
Science, Engineering & Technology	(5.6%)	
Education	16.2%	
Outsourcing & Consulting	(5.7%)	

[1]Reported includes the impact of the sale of our EMEA staffing operations in January 2024;
[2]Organic excludes the impact of the sale of our EMEA staffing operations in January 2024.

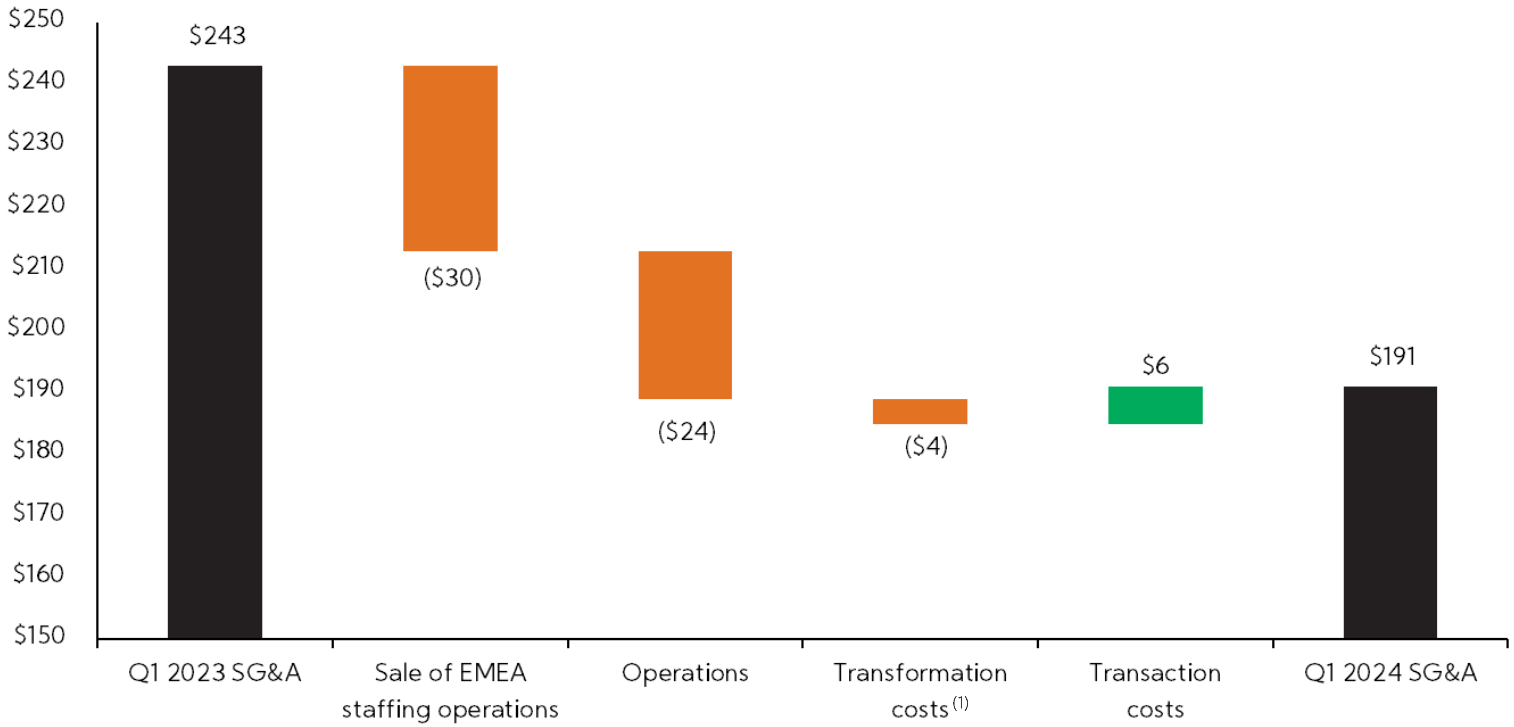
First-Quarter 2024 Gross Profit Rate



- GP rate favorably impacted by the sale of our EMEA staffing operations, which had lower margins, and was completed on January 2, 2024
- GP rate decreased due to unfavorable business mix as growth in Education and PPO, which generate lower gross margins, outpaced growth in our higher margin outcome-based and specialty staffing business
- Permanent placement fees decreased on lower customer demand

First-Quarter 2024 SG&A

$ in millions

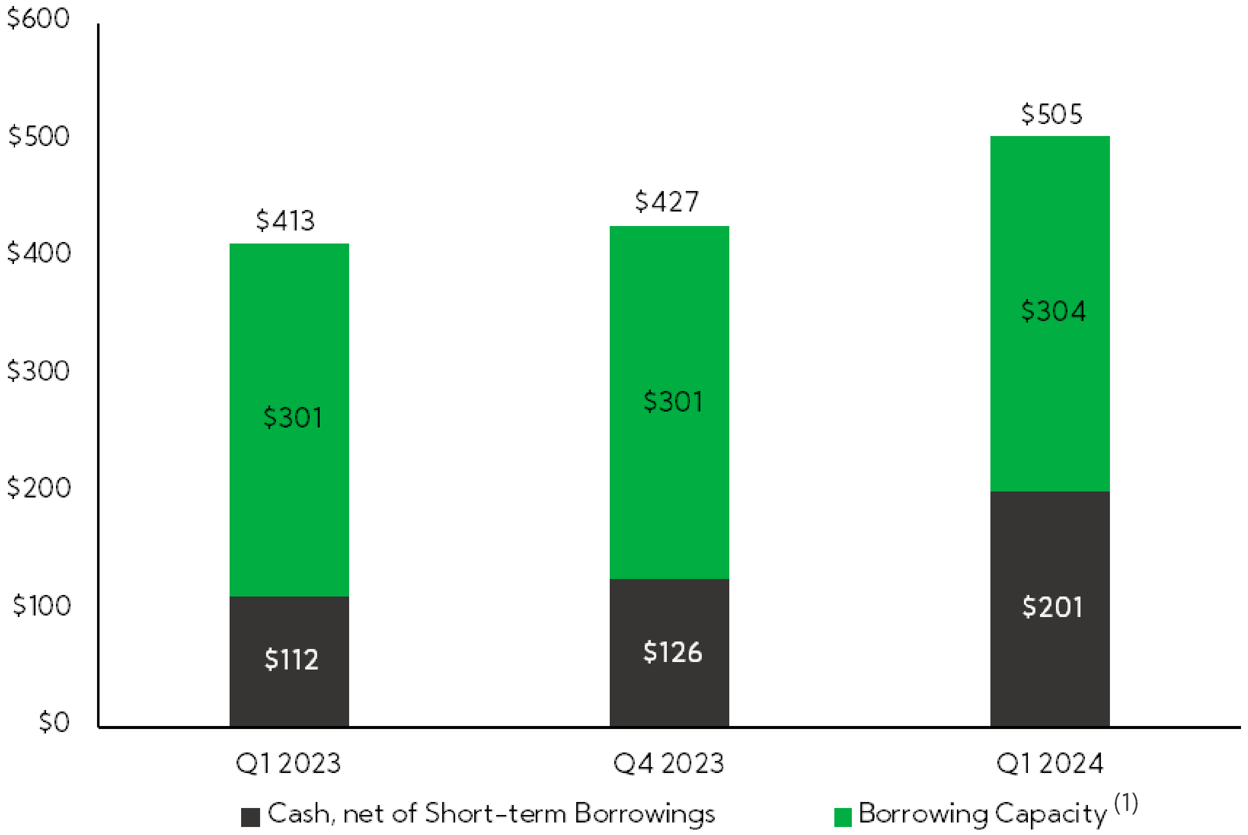


- SG&A expenses decreased following the sale of our EMEA staffing operations on January 2, 2024
- Expenses in Operations decreased as a result of workforce reductions and other cost management actions related to our transformation activities
- Transformation costs reflects that severance and third-party consultant fees for assistance with the execution of the transformation-related activities decreased as compared to prior year
- Transaction costs, which includes employee termination costs, reflects $5.6 million related to the sale of our EMEA staffing operations on January 2, 2024

(1)Transformation costs related to a comprehensive transformation initiative includes $1.2 million of costs to execute the transformation through the use of an external consultant and $1.1 million of severance costs in Q1 2024 as compared to $0.9 million of external consultant costs and $5.7 million of severance costs and lease and other termination costs in Q1 2023;

First-Quarter 2024 Liquidity

$ in millions



- As of the end of Q1 2024, we have more than $500 million of available liquidity
- As announced on May 3, 2024, the planned acquisition of MRP will be funded by cash on hand and borrowings on existing credit facilities
- To maintain financial flexibility, we expect to amend our credit facilities in the second quarter of 2024

[1]U.S. credit facilities, net of standby letters of credit related to workers' compensation.

2023 Adjusted EBITDA[1] by Segment

		Professional & Industrial	Science, Engineering & Technology	Education	Outsourcing & Consulting	International
Q1 2023	Business unit profit (loss)	(1.2)	18.5	15.4	(0.1)	(0.7)
	Restructuring	3.0	0.5	0.1	0.6	0.6
	Adjusted EBITDA	1.8	19.0	15.5	0.5	(0.1)
	Adjusted EBITDA margin	0.5%	6.2%	6.2%	0.3%	0.0%
Q2 2023	Business unit profit (loss)	3.2	17.9	9.3	0.2	–
	Restructuring	0.3	–	0.3	(0.1)	–
	Asset impairment	0.3	0.1	–	2.0	–
	Adjusted EBITDA	3.8	18.0	9.6	2.1	–
	Adjusted EBITDA margin	1.0%	6.0%	4.7%	2.0%	0.0%
Q2 YTD 2023	Business unit profit (loss)	2.0	36.4	24.7	0.1	(0.7)
	Restructuring	3.3	0.5	0.4	0.5	0.6
	Asset impairment	0.3	0.1	–	2.0	–
	Adjusted EBITDA	5.6	37.0	25.1	2.6	(0.1)
	Adjusted EBITDA margin	0.7%	6.1%	5.5%	1.2%	0.0%
Q3 2023	Business unit profit (loss)	5.7	20.7	(2.5)	1.5	1.4
	Restructuring	4.0	0.7	0.6	1.8	–
	Adjusted EBITDA	9.7	21.4	(1.9)	3.3	1.4
	Adjusted EBITDA margin	2.6%	7.3%	-1.5%	2.9%	0.7%
Q3 YTD 2023	Business unit profit (loss)	7.7	57.1	22.2	1.6	0.7
	Restructuring	7.3	1.2	1.0	2.3	0.6
	Asset impairment	0.3	0.1	–	2.0	–
	Adjusted EBITDA	15.3	58.4	23.2	5.9	1.3
	Adjusted EBITDA margin	1.3%	6.5%	4.0%	1.7%	0.2%
Q4 2023	Business unit profit (loss)	8.3	17.9	14.1	0.6	(2.6)
	Restructuring	(0.6)	0.4	–	0.7	2.7
	Adjusted EBITDA	7.7	18.3	14.1	1.3	0.1
	Adjusted EBITDA margin	2.1%	6.4%	5.5%	1.1%	0.0%
2023	Business unit profit (loss)	16.0	75.0	36.3	2.2	(1.9)
	Restructuring	6.7	1.6	1.0	3.0	3.3
	Asset impairment	0.3	0.1	–	2.0	–
	Adjusted EBITDA	23.0	76.7	37.3	7.2	1.4
	Adjusted EBITDA margin	1.5%	6.4%	4.4%	1.6%	0.2%

[1]Adjusted EBITDA excludes from Net Income: (i) equity in earnings of affiliate, (ii) income taxes, (iii) other income or expenses net, (iv) Persol related gains or losses, (v) gains or losses on asset sales, (vi) asset impairment charges, (vii) gains on insurance settlement, (viii) gains or losses on foreign currency matters, (ix) restructuring expenses, (x) unrealized loss on forward contract, (xi) transaction costs, and (xii) depreciation & amortization.

Adjusted EBITDA Non-GAAP Reconciliation

$ in millions

	2020	2021	2022	2023	Trailing 12 Months
Net earnings (loss)	($72.0)	$156.1	($62.5)	$36.4	$51.3
Other (income) expense, net	(3.4)	3.6	(1.6)	(4.2)	(4.0)
Income tax expense (benefit)	(34.0)	35.1	(7.9)	(11.5)	(9.3)
Depreciation & amortization	24.2	29.8	33.4	33.9	40.8
EBITDA	($85.2)	$224.6	($38.6)	54.6	78.8
Equity in net (earnings) loss of affiliate	(0.8)	(5.4)	(0.8)	–	–
(Gain) loss on investment in Persol Holdings[1]	16.6	(121.8)	67.2	–	–
Loss on foreign currency matters[2]	–	–	20.4	–	–
Gain on sale of assets[3]	(32.1)	–	(6.2)	–	–
Loss on Disposal[4]	–	–	18.7	–	–
Goodwill impairment charge[5]	147.7	–	41.0	–	–
Gain on insurance settlement[6]	–	(19.0)	–	–	–
Restructuring[7]	12.8	4.0	–	35.5	31.2
Asset impairment charge[8]	–	–	–	2.4	2.4
Customer dispute[9]	9.5	–	–	–	–
(Gain) loss on forward contract[10]	–	–	–	3.6	2.4
Transaction costs[11]	–	–	–	6.9	12.5
Gain on sale of EMEA staffing operations[12]	–	–	–	–	(11.6)
Other, net	0.5	1.7	3.9	6.4	0.2
Adjusted EBITDA	**$69.0**	**$84.1**	**$105.6**	**$109.4**	**$115.9**
Adjusted EBITDA Margin	**1.5%**	**1.7%**	**2.1%**	**2.3%**	**2.5%**

Management uses Adjusted EBITDA and Adjusted EBITDA margin which Management believes is useful to compare operating performance compared to prior periods and uses it in conjunction with GAAP measures to assess performance. Our calculation of Adjusted EBITDA may not be consistent with similarly titled measures of other companies and should be used in conjunction with GAAP measurements.

Adjusted EBITDA Non-GAAP Reconciliation Footnotes

(1)2022 loss on investment in Persol Holdings includes losses of $67.2 million on the sale of Persol Holdings in Q1 2022, $52.4 million of which related to changes in fair value up to the date of the transaction. Gain on investment in Persol Holdings of $121.8 million in 2021, and loss on investment in Persol Holdings of $16.6 million in 2020;

(2)Loss on foreign currency matters represents a $20.4 million loss on currency translation resulting from the substantially complete liquidation of the Company's Japan entity in Q1 2022;

(3)2022 gain on sale of assets represents $0.9 million in Q1 2022 for the sale of real property, $4.4 million in Q2 2022 for the sale of under-utilized real property and $0.9 million in Q4 2022 for the sale of real property. 2020 gain on sale of assets represents $32.1 million for the sale of three of the four headquarters buildings;

(4)2022 loss on disposal represents the write-off of the net assets of our Russian operations that were sold in Q3 2022;

(5)2022 goodwill impairment charge is the result of interim impairment tests the Company performed related to RocketPower due to triggering events caused by changes in market conditions. The goodwill impairment charge in Q1 2020 was caused by a decline in the Company's common stock price;

(6)Gain on insurance settlement represents a payment received in the fourth quarter of 2021 related to the settlement of claims under a representations and warranties insurance policy purchased by the Company in connection with the acquisition of Softworld;

(7)Restructuring charges in the first quarter of 2024 represent a continuation of the comprehensive transformation initiative that started in the second quarter of 2023 that will further streamline the Company's operating model to enhance organizational efficiency and effectiveness, including $1.2 million of costs to execute the transformation and $1.1 million of severance. 2023 restructuring charges of $35.5 million represent severance costs, costs to execute a transformation initiative, lease terminations and other costs to further cost management efforts in response to current demand levels and reflect a repositioning of our P&I staffing business to better capitalize on opportunities in local markets in the first quarter and to further streamline the Company's operating model to enhance organizational efficiency and effectiveness as part of the comprehensive transformation initiative which started in the second quarter of 2023. 2021 restructuring charges of $4.0 million represent severance costs as part of cost management actions designed to increase operational efficiencies within enterprise functions that provide centralized support to operating units. 2020 restructuring charges of $12.8 million represent severance costs and lease terminations in the first quarter of 2020 in preparation for the new operating model adopted in the third quarter of 2020 and additional severance costs in the fourth quarter of 2020 to provide sustainable cost reductions as a result of the continuing COVID-19 demand disruption;

(8)2023 asset impairment charge represents the impairment of right-of-use assets related to an occupied existing office space lease;

(9)Customer dispute represents a non-cash charge in Mexico to increase the reserve against a long-term receivable from a former customer based on an updated probability of loss assessment;

(10)(Gain) loss on forward contract represents the mark-to-market gains/losses on the foreign currency forward contract the Company entered into in the fourth quarter of 2023 to mitigate the exchange rate risk associated with the cash proceeds for the sale of the EMEA staffing operations;

(11)Transaction costs, which includes employee termination costs and transition costs, incurred in the first quarter of 2024 and the fourth quarter of 2023 directly related to the sale of the EMEA staffing operations;

(12)Gain on sale of EMEA staffing operations represents the gain as of the first quarter-end 2024 as a result of the sale in January 2024.

Investor Contacts

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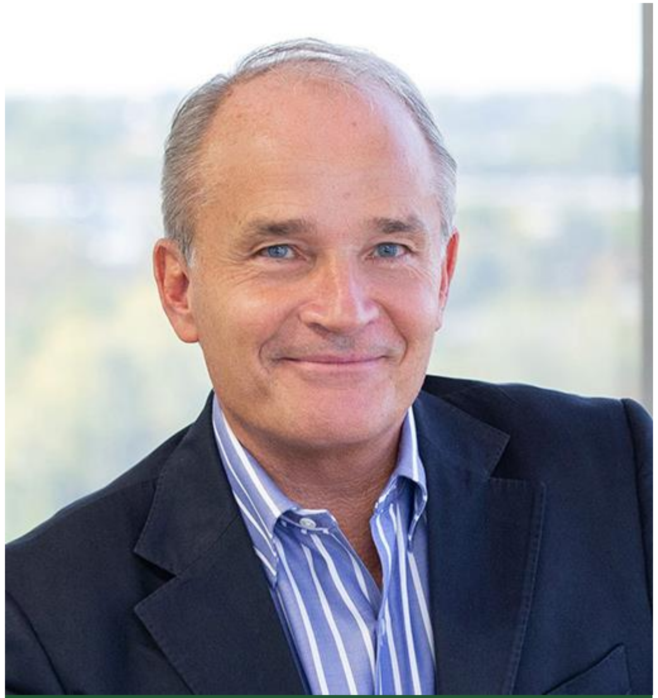

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