

# RGP<sup>®</sup>

Dare to Work Differently™

## Investor Presentation

July 2024



Within this presentation, we make “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 relate to expectations concerning matters that are not historical facts. Such forward-looking statements may be identified by words such as “anticipates,” “believes,” “can,” “continue,” “could,” “estimates,” “expects,” “intends,” “may,” “plans,” “potential,” “predicts,” “remain,” “should” or “will” or the negative of these terms or other comparable terminology. In this presentation, such statements include statements regarding our expected recovery and growth and operational plans. These statements and all phases of the Company’s operations are subject to known and unknown risks, uncertainties and other factors that could cause our actual results, levels of activity, performance or achievements and those of our industry to differ materially from those expressed or implied by these forward-looking statements.

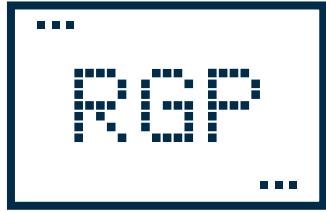
Risks and uncertainties include, but are not limited to, the following: risks related to an economic downturn or deterioration of general macroeconomic conditions, potential adverse effects to our and our clients’ liquidity and financial performances from bank failures or other events affecting financial institutions, risks arising from epidemic diseases or pandemics, the highly competitive nature of the market for professional services, risks related to the loss of a significant number of our consultants, or an inability to attract and retain new consultants, the possible impact on our business from the loss of the services of one or more key members of our senior management, risks related to potential significant increases in wages or payroll-related costs, our ability to secure new projects from clients, our ability to achieve or maintain a suitable pay/bill ratio, our ability to compete effectively in the competitive bidding process, risks related to unfavorable provisions in our contracts which may permit our clients to, among other things, terminate the contracts partially or completely at any time prior to completion, our ability to realize the level of benefit that we expect from our restructuring initiatives, risks that our recent digital expansion and technology transformation efforts may not be successful, our ability to build an efficient support structure as our business continues to grow and transform, our ability to grow our business, manage our growth or sustain our current business, our ability to serve clients internationally, additional operational challenges from our international activities, possible disruption of our business from our past and future acquisitions, the possibility that our recent rebranding efforts may not be successful, our potential inability to adequately protect our intellectual property rights, risks that our computer hardware and software and telecommunications systems are damaged, breached or interrupted, risks related to the failure to comply with data privacy laws and regulations and the adverse effect it may have on our reputation, results of operations or financial condition, our ability to comply with governmental, regulatory and legal requirements and company policies, the possible legal liability for damages resulting from the performance of projects by our consultants or for our clients’ mistreatment of our personnel, risks arising from changes in applicable tax laws or adverse results in tax audits or interpretations, the possible adverse effect on our business model from the reclassification of our independent contractors by foreign tax and regulatory authorities, the possible difficulty for a third party to acquire us and resulting depression of our stock price, the operating and financial restrictions from our credit facility, risks related to the variable rate of interest in our credit facility, the possibility that we are unable to or elect not to pay our quarterly dividend payment, and other factors and uncertainties as are identified in our most recent Annual Report on Form 10-K for the year ended May 25, 2024, and our other public filings made with the Securities and Exchange Commission (File No. 0-32113). Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also affect our business or operating results.

You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date hereof.

The Company does not intend, and undertakes no obligation, to update the forward-looking statements in this presentation to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events, unless required by law to do so.



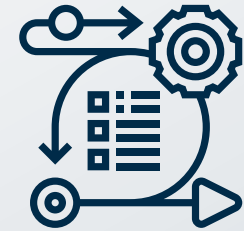
# RGP in a Nutshell.



Nasdaq Ticker: RGP



Global footprint across North America, Europe, and Asia Pacific



Big Four heritage, brought agility to professional services in the late 90s



Modern professional services firm powering clients' operational and transformative initiatives



Compelling destination for seasoned knowledge workers seeking flexibility, control, and project choice



Labor trends strongly favor RGP's model

Forbes **2024**

**AMERICA'S BEST  
MANAGEMENT  
CONSULTING FIRMS**



POWERED BY STATISTA

Forbes **2024**

**AMERICA'S  
BEST MIDSIZE  
EMPLOYERS**



POWERED BY STATISTA



## Investment Highlights.

RGP®

- Emerging leader in a rapidly shifting employment paradigm driven by changing employee preferences and adoption of new workforce strategies given unprecedented pace of change
- Secular macro trends driving both supply and demand curves favor RGP's business model and position the company for significant and sustained growth
- Extensive global client base propelling consistent growth from marquee client and industry programs
- Competitive pricing for deeper expertise and higher quality services differentiates RGP in the marketplace
- Achieved foundational operational efficiency and executing holistic technology transformation to further drive operating leverage
- 70% variable cost structure and pristine balance sheet creates flexibility during economic downturns
- Robust free cash flow generation supporting reliable return of capital to shareholders; industry-leading dividend yield

# By the Numbers.

**1,800**  
clients

**1,700**  
MSAs globally

**\$633M**

FY24  
Revenue

**3,400**  
borderless employees  
(Billable consultants\* and management personnel)  
\* Not all are full-time equivalents

**88%**  
of Fortune 100

**77%**  
of Fortune 500

**38.9%**

FY24  
Gross Margin

**5-Year average**  
consultant tenure

**74%** retention rate of  
**Top 100** clients over last 5 years

**8.1%**

FY24  
Adj EBITDA Margin\*\*

**32%** North American consultants  
hired via employee referrals

Clients served in  
**37 countries**

**69%** employees comprised of  
racially/ethnically diverse or women

\*\* See the Appendix for reconciliations of Non-GAAP Measures.



# Our Business Model is Organically Diverse and Inclusive.

RGP<sup>®</sup>

## Racially/Ethnically Diverse or Women



**69%**

of our US  
employees\*

\*As of May 25, 2024



**100%**

of our  
executive  
leadership team



**40%**

of our  
directors

**Paradigm for Parity Coalition Company**

# Our Time is Now.

Changing market dynamics serve as robust tailwinds for our business model.

01

Accelerated pace of change is creating a **world-wide skills gap** & unprecedented level of **transformation activity**

03

Transformation mandates are driving forward a **Project Economy**

02

Reduced geographic barriers driving increased access to **global talent pools** for value and specialized skillsets

04

Employee preferences are shifting from engagement to **experience**



We support project needs

## Run this Place

### Operational Needs

- Supporting clients' operational needs and filling gaps to help clients maintain operational excellence
- Bringing highly experienced talent with professional services and industry experience to co-deliver alongside client teams
- Key buyer set includes C-Suite leaders like the CFO, CAO, CPO, CIO, CMO, and CHRO
- Widening knowledge worker skills gap has spurred demand for these services

## Change this place

### Transformational Needs

- Leading and supporting complex change initiatives with a Sleeves Up ethos
- Bringing expertise in Project Management and Organizational Change Management across a myriad of subject matter areas
- Projects focused on Finance, Digital, Supply Chain and Regulatory Transformation
- Relentless pace of change driving unprecedented transformation activity in our client base

# Our Portfolio of Brands.

RGP®



A global consulting firm focused on project execution with experienced and diverse talent



Digitally obsessed, human-centered problem solvers transforming business for the modern world



On-demand Backoffice  
Accounting | HR | CFO | Platform



Corporate, financial, transactional and crisis communications – ranked among the nation’s top strategic communications firms



A strategy, management and technology consulting firm serving enterprise clients in the financial services sector

# Enterprise Growth Drivers.

A number of transformative levers, bolstered by highly favorable macro trends, position RGP for strong growth in the coming years.

## Brand Clarity + Amplification

Bring clarity and focus to our brand architecture and brand positioning to own the opportunity around project execution

## Digital

Expand high-demand digital offerings and improve operating efficiency and scale growth through global technology transformation

## Operating Model

Evolve operating model in view of global technology transformation and solution diversification

## Pricing

Continue to evolve and enhance pricing strategy to adopt a value-based approach

## M&A

Selectively pursue strategic acquisitions with special interest in financial advisory and digital transformation firms.

# Financial Highlights.

RGP<sup>®</sup>

## Results of Operations

(\$ in thousands)	FY2021	FY2022	FY2023	FY2024
Revenue	\$ 629,516	\$ 805,018	\$775,643	\$ 632,801
Revenue Growth Rate	(10.5%)	27.9%	(3.6%)	(18.4%)
Gross Margin	38.3%	39.3%	40.4%	38.9%
<b>Adjusted SG&amp;A Percentage <sup>(1)</sup></b>	<b>30.2%</b>	<b>26.6%</b>	<b>27.5%</b>	<b>30.7%</b>
Adjusted EBITDA <sup>(2)</sup>	\$ 52,794	\$ 103,131	\$100,194	\$51,483
Adjusted EBITDA Margin <sup>(2)</sup>	8.4%	12.8%	12.9%	8.1%

(1) Excludes stock-based compensation expense, technology transformation costs, acquisition costs, restructuring costs, and contingent consideration adjustments

(2) Adjusted EBITDA is earnings before interest, taxes, depreciation, amortization, stock-based compensation expense, goodwill impairment charge, technology transformation costs, acquisition costs, restructuring costs, and contingent consideration adjustments. See the Appendix for reconciliations of Non-GAAP Measures.

# Financial Highlights.

RGP<sup>®</sup>

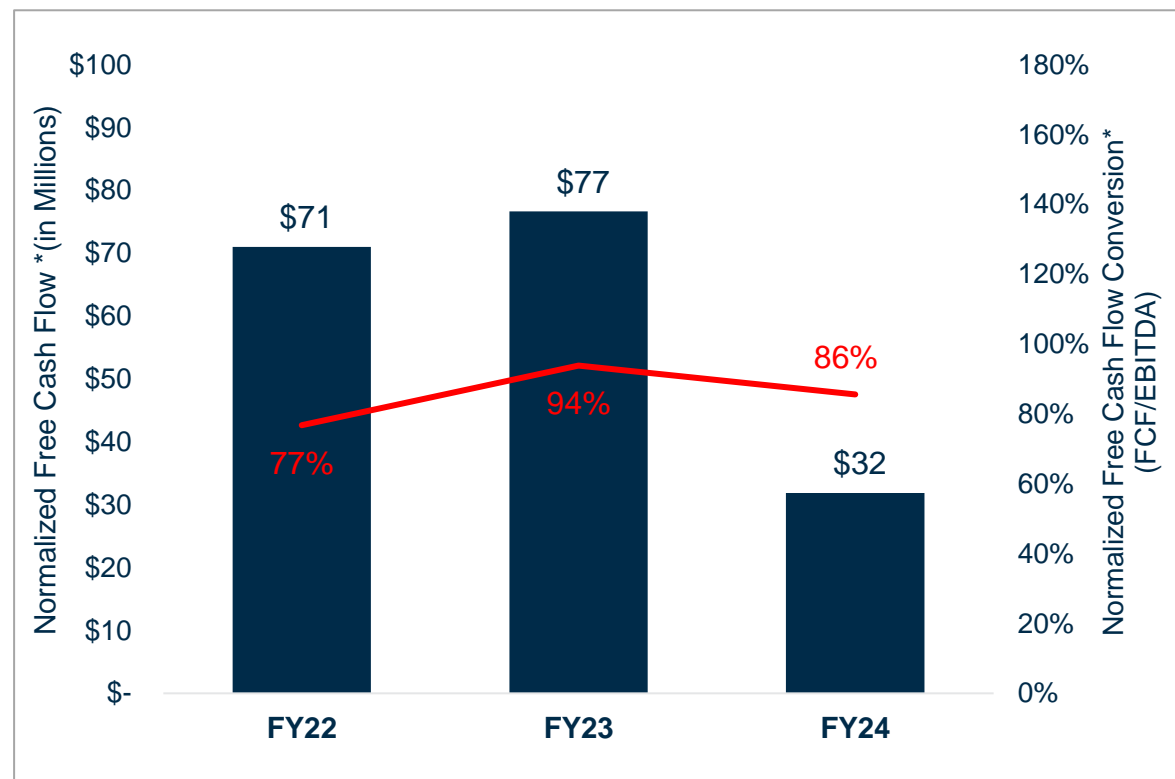
## Balance Sheet

(\$ in thousands)	FY2021	FY2022	FY2023	FY2024
Cash	\$ 74,391	\$ 104,224	\$116,784	\$108,892
Current Assets	\$ 235,265	\$ 308,541	\$264,066	\$240,755
Total Assets	\$ 520,644	\$ 581,473	\$531,999	\$510,914
Current Liabilities	\$ 100,906	\$ 124,322	\$97,084	\$72,433
Long-term Debt	\$ 43,000	\$ 54,000	-	-
Total Liabilities	\$ 191,098	\$ 209,024	\$117,479	\$92,151
Equity	\$ 329,546	\$ 372,449	\$414,520	\$418,763
Working Capital	\$ 134,359	\$ 184,219	\$166,982	\$168,322
<b>Net Cash*</b>	<b>\$ 31,391</b>	<b>\$ 50,224</b>	<b>\$ 116,784</b>	<b>\$ 108,892</b>

\* Net Cash is calculated as Cash less Long-term Debt

# Strong Cash Flow Generation.

(\$ in millions)	FY2022	FY2023	FY2024
Cash from operating activities	\$ 49.4	\$ 81.6	\$ 21.9
Less: Capital expenditures	\$ (3.0)	\$ (2.0)	\$ (1.1)
Free Cash Flow*	\$ 46.4	\$ 79.6	\$ 20.8
Income taxes paid (refund)	\$ 24.6	\$ (2.9)	\$ 11.2
Normalized Free Cash Flow*	\$ 71.0	\$ 76.7	\$ 32.0
EBITDA*	\$ 92.5	\$ 81.7	\$ 37.2
Normalized Free Cash Flow conversion* (FCF/EBITDA)	76.8%	93.9%	86.0%



\* EBITDA, Free Cash Flow, Normalized Free Cash Flow and Normalized Free Cash Flow conversion presented are Non-GAAP Measures. Please refer to the Appendix for reconciliations of Non-GAAP Measures.

# Capital Allocation Framework.

RGP generates strong operating cash flow and allocates capital between organic investments, acquisitions, debt repayment, and direct return to stockholders, while maintaining a balanced leverage ratio.



## Investment in Growth

Strategically allocate capital to organic investments and targeted M&A that drive long-term value for our stockholders.



## Debt Repayment

Strong free cash flow supports borrowing capacity and expedited deleveraging.



## Return to Stockholders

Provide return to our stockholders through dividends and share repurchases.

# Focused on Creating and Unlocking Stockholder Value.

RGP delivers competitive returns to its stockholders.

\$48M

Share Repurchases\*

\$92M

Dividends\*

5%

Industry Leading Dividend Yield

10

Years

Consistent Dividend Return

\*over the last 5 years  
Note: share count as of 7/12/2024 is 33,560,150





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**Thank You**



# Appendix

# Reconciliations of non-GAAP measures.

## Reconciliation of net income to Adjusted EBITDA

(\$ in millions)

	FY2021	FY2022	FY2023	FY2024
Net income	\$ 25.2	\$ 67.2	\$ 54.3	\$ 21.0
Adjustments:				
Amortization expense	5.2	4.9	5.0	\$ 5.4
Depreciation expense	3.9	3.6	3.5	3.1
Interest expense, net	1.6	1.0	0.6	(1.1)
Income tax expense (benefit)	(2.5)	15.8	18.3	8.8
EBITDA	\$ 33.4	\$ 92.5	\$ 81.7	\$ 37.2
Stock-based compensation expense	6.6	8.2	9.5	5.7
Technology transformation costs	-	1.4	6.4	6.9
Goodwill Impairment	-	-	3.0	-
Acquisition costs	-	-	-	2.0
Restructuring costs	8.3	0.8	(0.4)	4.1
Contingent consideration adjustment	4.5	0.2	-	(4.4)
Adjusted EBITDA	\$ 52.8	\$103.1	\$100.2	\$ 51.5
Revenue	\$629.5	\$805.0	\$775.6	\$632.8
Net Income Margin	4.0%	8.3%	7.0%	3.3%
Adjusted EBITDA Margin	8.4%	12.8%	12.9%	8.1%

# Reconciliations of non-GAAP measures.

## Reconciliation of cash from operating activities to Free Cash Flow and Normalized Free Cash Flow

(\$ in millions)	FY2021	FY2022	FY2023	FY2024
Cash from operating activities	\$ 39.9	\$ 49.4	\$ 81.6	\$ 21.9
Less: Capital expenditures	(3.8)	(3.0)	\$ (2.0)	\$ (1.1)
Free Cash Flow	\$ 36.1	\$ 46.4	\$ 79.6	\$ 20.8
EBITDA	\$ 33.4	\$ 92.5	\$ 81.7	\$ 37.2
Free Cash Flow conversion	108.1%	50.2%	97.4%	55.9%
Free Cash Flow	\$ 36.1	\$ 46.4	\$ 79.6	\$ 20.8
Income taxes paid (refund)	18.0	24.6	(2.9)	\$ 11.2
Normalized Free Cash Flow	\$ 54.1	\$ 71.0	\$ 76.7	\$ 32.0
EBITDA	\$ 33.4	\$ 92.5	\$ 81.7	\$ 37.2
Normalized Free Cash Flow conversion	161.9%	76.8%	93.9%	86.0%

# Reconciliations of non-GAAP measures.

## Reconciliation of run-rate SG&A leverage

(\$ in millions)

	FY2021	FY2022	FY2023	FY2024
GAAP SG&A expense	\$209.3	\$224.7	\$228.8	\$208.9
Less:				-
Stock-based compensation expense	6.6	8.2	9.5	5.7
Technology transformation costs	-	1.4	6.4	6.9
Acquisition costs	-	-	-	2.0
Restructuring costs	8.3	0.8	(0.4)	4.1
Contingent consideration adjustment	4.5	0.2	-	(4.4)
Adjusted SG&A	\$189.9	\$214.1	\$213.3	\$194.6
Revenue	\$629.5	\$805.0	\$775.6	\$632.8
Adjusted SG&A leverage	30.2%	26.6%	27.5%	30.7%