UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT

PURSUANT TO SECTION 13 OR 15(D) OF THE SECURITIES EXCHANGE ACT OF 1934

Date of report (Date of earliest event reported): April 24, 2023

TrueBlue, Inc.

(Exact Name of Registrant as Specified in Its Charter)

Washington
(State or Other Jurisdiction of Incorporation)

001-14543	**91-1287341**
(Commission File Number)	**(IRS Employer Identification No.)**

1015 A Street, Tacoma, Washington 98402
(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: (253) 383-9101

Not Applicable
(Former Name or Former Address, if Changed Since Last Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, no par value	TBI	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02. Results of Operations and Financial Condition.

On April 24, 2023, TrueBlue, Inc. (the "company") issued a press release (the "Press Release") reporting its financial results for the first quarter ended March 26, 2023, and certain outlook information for the second quarter and fiscal year 2023, a copy of which is attached hereto as Exhibit 99.1 and the contents of which are incorporated herein by this reference. Also attached to this report as Exhibit 99.2 is a slide presentation relating to the financial results for the first quarter ended March 26, 2023 (the "Earnings Results Presentation"), which will be discussed by management of the company on a live conference call at 2:30 p.m. Pacific Time (5:30 p.m. Eastern Time) on Monday, April 24, 2023. The Earnings Results Presentation is also available on the company's website at www.trueblue.com.

In accordance with General Instruction B.2. of Form 8-K, the information contained above in this report (including the Press Release and the Earnings Results Presentation) shall not be deemed "Filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall the Press Release or the Earnings Results Presentation be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing. This report will not be deemed a determination or an admission as to the materiality of any information in the report that is required to be disclosed solely by Regulation FD.

Item 7.01. Regulation FD Disclosure.

We are also attaching our Investor Roadshow Presentation to this report as Exhibit 99.3, which we will reference in our Q1 2023 earnings results discussion and which may be used in future investor conferences. The Investor Roadshow Presentation is also available on the company's website at www.trueblue.com.

In accordance with General Instruction B.2. of Form 8-K, the information contained above in this report (including the Investor Roadshow Presentation) shall not be deemed "Filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section, nor shall the Investor Roadshow Presentation be deemed incorporated by reference in any filing under the Securities Act of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing. This report will not be deemed a determination or an admission as to the materiality of any information in the report that is required to be disclosed solely by Regulation FD.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit Number	Exhibit Description	Filed Herewith
99.1	Press Release dated April 24, 2023	X
99.2	Earnings Results Presentation for April 24, 2023 conference call	X
99.3	Investor Roadshow Presentation	X
104	Cover page interactive data file - The cover page from this Current Report on Form 8-K is formatted as Inline XBRL	X

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

		TRUEBLUE, INC. (Registrant)	
Date:	April 24, 2023	By:	*/s/ Derrek L. Gafford* **Derrek L. Gafford** **Chief Financial Officer and Executive Vice President**

TRUEBLUE REPORTS FIRST QUARTER 2023 RESULTS

Operational execution produces results in line with company outlook

TACOMA, WASH. - Apr. 24, 2023 -- TrueBlue (NYSE:TBI) today announced its first quarter results for 2023.

First quarter revenue was $465 million, a decrease of 16 percent compared to revenue of $552 million in the first quarter of 2022. Net loss per diluted share was $0.13 compared to net income per diluted share of $0.30 in the first quarter of 2022. First quarter adjusted net loss[1] per diluted share was $0.06 compared to adjusted net income per diluted share of $0.44 in the first quarter of 2022.

"Given the macroeconomic climate, we are pleased that demand for our services was right in line with our expectation," said Steve Cooper, CEO of TrueBlue. "Our PeopleReady business is one of the first to feel the impact from a change in macroeconomic conditions given the short duration of job assignments and project-based nature of its services. After experiencing the first signs of slowing demand during the second quarter last year, the underlying revenue trends at PeopleReady have been steady since October. As we expected, our PeopleScout and PeopleManagement businesses followed suit with slower demand trends during the first quarter this year as some clients trimmed their human capital spending due to macroeconomic uncertainty despite many clients having open positions.

"We have taken actions to reduce costs in our PeopleScout and PeopleManagement businesses and our team continues to be successful in pricing our services in a disciplined manner," continued Mr. Cooper.

"Our balance sheet is in great shape and our business is producing strong cash flow, which provided us with the opportunity to return capital to shareholders," said Derrek Gafford, CFO of TrueBlue. "We repurchased $25 million of common stock during the quarter leaving $64 million remaining under our authorization."

2023 Outlook

TrueBlue is providing certain forward-looking information to help investors form their own estimates, which can be found in the quarterly earnings presentation filed today.

Management will discuss first quarter 2023 results on a webcast at 2:30 p.m. PT (5:30 p.m. ET), today, Monday, **Apr. 24, 2023**. The webcast can be accessed on TrueBlue's website: www.trueblue.com.

About TrueBlue

TrueBlue (NYSE: TBI) is a leading provider of specialized workforce solutions that help clients achieve business growth and improve productivity. In 2022, TrueBlue connected approximately 611,000 people with work. Its PeopleReady segment offers on-demand, industrial staffing, PeopleScout offers recruitment process outsourcing (RPO) and managed service provider (MSP) solutions, and PeopleManagement offers contingent, on-site industrial staffing and commercial driver services. Learn more at www.trueblue.com.

[1] Refer to the financial statements accompanying this release for more information regarding non-GAAP terms.

Forward-looking statements and non-GAAP financial measures

This document contains forward-looking statements relating to our plans and expectations including, without limitation, statements regarding the future performance and operations of our business, and expected growth from our digital investments, all of which are subject to risks and uncertainties. Such statements are based on management's expectations and assumptions as of the date of this release and involve many risks and uncertainties that could cause actual results to differ materially from those expressed or implied in our forward-looking statements including: (1) national and global economic conditions which can be negatively impacted by factors such as rising interest rates, inflation, political instability, epidemics and global trade uncertainty, (2) our ability to attract sufficient qualified candidates and employees to meet the needs of our clients, (3) our ability to attract and retain clients, (4) our ability to maintain profit margins, (5) our ability to successfully execute on business strategies to further digitalize our business model, (6) the timing and amount of common stock repurchases, if any, which will be determined at management's discretion and depend upon several factors, including market and business conditions, the trading price of our common stock and the nature of other investment opportunities, (7) new laws, regulations, and government incentives that could affect our operations or financial results, (8) our ability to access sufficient capital to finance our operations, including our ability to comply with covenants contained in our revolving credit facility, and (9) any reduction or change in tax credits we utilize, including the Work Opportunity Tax Credit. Other information regarding factors that could affect our results is included in our

Securities Exchange Commission (SEC) filings, including the company's most recent reports on Forms 10-K and 10-Q, copies of which may be obtained by visiting our website at www.trueblue.com under the Investor Relations section or the SEC's website at www.sec.gov. We assume no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise, except as required by law. Any other references to future financial estimates are included for informational purposes only and subject to risk factors discussed in our most recent filings with the SEC.

In addition, we use several non-GAAP financial measures when presenting our financial results in this document. Please refer to the reconciliations between our GAAP and non-GAAP financial measures in the appendix to this document and on our website at www.trueblue.com under the Investor Relations section for additional information on both current and historical periods. The presentation of these non-GAAP financial measures is used to enhance the understanding of certain aspects of our financial performance. It is not meant to be considered in isolation, superior to, or as a substitute for the directly comparable financial measures prepared in accordance with U.S. GAAP, and may not be comparable to similarly titled measures of other companies.

Contact:
Derrek Gafford, Executive Vice President and CFO
253-680-8214

TRUEBLUE, INC.
SUMMARY CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)

(in thousands, except per share data)	13 weeks ended Mar 26, 2023	13 weeks ended Mar 27, 2022
Revenue from services	**$ 465,288**	$ 551,515
Cost of services	**342,175**	411,670
Gross profit	**123,113**	139,845
Selling, general and administrative expense	**122,645**	120,568
Depreciation and amortization	**6,411**	7,287
Income (loss) from operations	**(5,943)**	11,990
Interest expense and other income, net	**1,014**	505
Income (loss) before tax expense	**(4,929)**	12,495
Income tax expense (benefit)	**(640)**	1,976
Net income (loss)	**$ (4,289)**	$ 10,519
Net (loss) income per common share:		
Basic	**$ (0.13)**	$ 0.31
Diluted	**$ (0.13)**	$ 0.30
Weighted average shares outstanding:		
Basic	**32,292**	33,929
Diluted	**32,292**	34,544

TRUEBLUE, INC.
SUMMARY CONSOLIDATED BALANCE SHEETS
(Unaudited)

(in thousands)	Mar 26, 2023	Dec 25, 2022
ASSETS		
Cash and cash equivalents	**$ 47,223**	$ 72,054
Accounts receivable, net	**282,014**	314,275
Other current assets	**42,062**	43,883
Total current assets	**371,299**	430,212
Property and equipment, net	**97,972**	95,823
Restricted cash and investments	**212,840**	213,734
Goodwill and intangible assets, net	**108,731**	109,989
Other assets, net	**166,271**	169,650
Total assets	**$ 957,113**	$ 1,019,408
LIABILITIES AND SHAREHOLDERS' EQUITY		
Accounts payable and other accrued expenses	**$ 63,967**	$ 76,644
Accrued wages and benefits	**81,095**	92,237
Current portion of workers' compensation claims reserve	**46,543**	50,005
Other current liabilities	**23,291**	23,989
Total current liabilities	**214,896**	242,875
Workers' compensation claims reserve, less current portion	**192,884**	201,005
Other long-term liabilities	**81,710**	79,213
Total liabilities	**489,490**	523,093
Shareholders' equity	**467,623**	496,315
Total liabilities and shareholders' equity	**$ 957,113**	$ 1,019,408

TRUEBLUE, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)

(in thousands)	13 weeks ended Mar 26, 2023	13 weeks ended Mar 27, 2022
Cash flows from operating activities:		
Net income (loss)	**$ (4,289)**	$ 10,519
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	**6,411**	7,287
Provision for credit losses	**1,382**	989
Stock-based compensation	**2,630**	3,812
Deferred income taxes	**(47)**	1,258
Non-cash lease expense	**3,140**	3,281
Other operating activities	**20**	2,608
Changes in operating assets and liabilities:		
Accounts receivable	**31,025**	27,702
Income taxes receivable and payable	**(2,512)**	(1,252)
Other assets	**6,462**	4,267
Accounts payable and other accrued expenses	**(11,937)**	(13,257)
Accrued wages and benefits	**(11,143)**	(19,031)
Workers' compensation claims reserve	**(11,583)**	168
Operating lease liabilities	**(3,316)**	(3,319)
Other liabilities	**2,908**	1,410
Net cash provided by operating activities	**9,151**	26,442
Cash flows from investing activities:		
Capital expenditures	**(8,081)**	(5,779)
Purchases of restricted held-to-maturity investments	**(2,305)**	—
Maturities of restricted held-to-maturity investments	**2,010**	6,034
Net cash (used in) provided by investing activities	**(8,376)**	255
Cash flows from financing activities:		
Purchases and retirement of common stock	**(24,718)**	(36,326)
Net proceeds from employee stock purchase plans	**315**	319
Common stock repurchases for taxes upon vesting of restricted stock	**(2,377)**	(3,970)
Net change in revolving credit facility	**—**	4,000
Other	**(45)**	(72)
Net cash used in financing activities	**(26,825)**	(36,049)
Effect of exchange rate changes on cash, cash equivalents and restricted cash	**9**	(57)
Net change in cash, cash equivalents, and restricted cash	**(26,041)**	(9,409)
Cash, cash equivalents and restricted cash, beginning of period	**135,631**	103,185
Cash, cash equivalents and restricted cash, end of period	**$ 109,590**	$ 93,776

TRUEBLUE, INC.
SEGMENT DATA
(Unaudited)

(in thousands)	13 weeks ended Mar 26, 2023	13 weeks ended Mar 27, 2022
Revenue from services:		
PeopleReady	**$ 252,628**	$ 305,690
PeopleScout	**69,476**	82,006
PeopleManagement	**143,184**	163,819
Total company	**$ 465,288**	$ 551,515
Segment profit (loss) (1):		
PeopleReady	**$ 872**	$ 16,219
PeopleScout	**8,923**	10,972
PeopleManagement	**(202)**	2,979
Total segment profit	**9,593**	30,170
Corporate unallocated expense	**(6,708)**	(7,298)
Total company Adjusted EBITDA (2)	**2,885**	22,872
Third-party processing fees for hiring tax credits (3)	**(120)**	(162)
Amortization of software as a service assets (4)	**(868)**	(747)
PeopleReady technology upgrade costs (5)	**(32)**	(2,550)
Other adjustments, net (6)	**(1,397)**	(136)
EBITDA (2)	**468**	19,277
Depreciation and amortization	**(6,411)**	(7,287)
Interest expense and other income, net	**1,014**	505
Income (loss) before tax expense	**(4,929)**	12,495
Income tax benefit (expense)	**640**	(1,976)
Net income (loss)	**$ (4,289)**	$ 10,519

(1) We evaluate performance based on segment revenue and segment profit (loss). Segment profit (loss) includes revenue, related cost of services, and ongoing operating expenses directly attributable to the reportable segment. Segment profit (loss) excludes depreciation and amortization expense, unallocated corporate general and administrative expense, interest expense, other income, income taxes, and other adjustments not considered to be ongoing.

(2) See the Non-GAAP Financial Measures table on the next page for definitions of EBITDA and Adjusted EBITDA.

(3) These third-party processing fees are associated with generating hiring tax credits.

(4) Amortization of software as a service assets is reported in selling, general and administrative expense.

(5) Costs associated with upgrading legacy PeopleReady technology.

(6) Other adjustments for the 13 weeks ended March 26, 2023 primarily include workforce reduction costs of $1.2 million ($0.2 million in cost of services and $1.0 million in selling, general and administrative expense). Other adjustments for the 13 weeks ended March 27, 2022 primarily include costs of $0.1 million incurred while transitioning to a new third party administrator for workers' compensation.

TRUEBLUE, INC.
NON-GAAP FINANCIAL MEASURES AND NON-GAAP RECONCILIATIONS

In addition to financial measures presented in accordance with U.S. GAAP, we monitor certain non-GAAP key financial measures.The presentation of these non-GAAP financial measures is used to enhance the understanding of certain aspects of our financial performance. It is not meant to be considered in isolation, superior to, or as a substitute for the directly comparable financial measures prepared in accordance with U.S. GAAP, and may not be comparable to similarly titled measures of other companies.

Non-GAAP measure	Definition	Purpose of adjusted measures
Adjusted net income (loss) and Adjusted net income (loss) per diluted share	Net income (loss) and net income (loss) per diluted share, excluding: – amortization of intangibles, – amortization of software as a service assets, – accelerated depreciation, – PeopleReady technology upgrade costs, – other adjustments, net, and – tax effect of each adjustment to U.S. GAAP.	– Enhances comparability on a consistent basis and provides investors with useful insight into the underlying trends of the business. – Used by management to assess performance and effectiveness of our business strategies. – Provides a measure, among others, used in the determination of incentive compensation for management.
EBITDA and Adjusted EBITDA	EBITDA excludes from net income (loss): – income tax expense (benefit), – interest expense and other income, net, and – depreciation and amortization. Adjusted EBITDA, further excludes: – third-party processing fees for hiring tax credits, – amortization of software as a service assets, – PeopleReady technology upgrade costs, – other adjustments, net.	– Enhances comparability on a consistent basis and provides investors with useful insight into the underlying trends of the business. – Used by management to assess performance and effectiveness of our business strategies. – Provides a measure, among others, used in the determination of incentive compensation for management.
Adjusted SG&A expense	Selling, general and administrative expense excluding: – third-party processing fees for hiring tax credits, – amortization of software as a service assets, – PeopleReady technology upgrade costs, – other adjustments, net.	– Enhances comparability on a consistent basis and provides investors with useful insight into the underlying trends of the business.

1. **RECONCILIATION OF U.S. GAAP NET INCOME (LOSS) TO ADJUSTED NET INCOME (LOSS) AND ADJUSTED NET INCOME (LOSS) PER DILUTED SHARE**
(*Unaudited*)

	13 weeks ended	
(in thousands, except for per share data)	Mar 26, 2023	Mar 27, 2022
Net income (loss)	**$ (4,289)**	$ 10,519
Amortization of intangible assets	**1,270**	1,502
Amortization of software as a service assets (1)	**—**	747
Accelerated depreciation (2)	**—**	516
PeopleReady technology upgrade costs (3)	**32**	2,550
Other adjustments, net (4)	**1,397**	136
Tax effect of adjustments to net income (loss) (5)	**(351)**	(862)
Adjusted net income (loss)	**$ (1,941)**	$ 15,108
Adjusted net income (loss) per diluted share	**$ (0.06)**	$ 0.44
Diluted weighted average shares outstanding	**32,292**	34,544
Margin / % of revenue:		
Net income (loss)	**(0.9)%**	1.9%
Adjusted net income (loss)	**(0.4)%**	2.7%

2. **RECONCILIATION OF U.S. GAAP NET INCOME (LOSS) TO EBITDA AND ADJUSTED EBITDA**
(*Unaudited*)

	13 weeks ended	
(in thousands)	Mar 26, 2023	Mar 27, 2022
Net income (loss)	**$ (4,289)**	$ 10,519
Income tax expense (benefit)	**(640)**	1,976
Interest expense and other (income), net	**(1,014)**	(505)
Depreciation and amortization	**6,411**	7,287
EBITDA	**468**	19,277
Third-party processing fees for hiring tax credits (6)	**120**	162
Amortization of software as a service assets (1)	**868**	747
PeopleReady technology upgrade costs (3)	**32**	2,550
Other adjustments, net (4)	**1,397**	136
Adjusted EBITDA	**$ 2,885**	$ 22,872
Margin / % of revenue:		
Net income (loss)	**(0.9)%**	1.9%
Adjusted EBITDA	**0.6%**	4.1%

3. RECONCILIATION OF U.S. GAAP SELLING, GENERAL AND ADMINISTRATIVE EXPENSE TO ADJUSTED SG&A EXPENSE (Unaudited)

(in thousands)	13 weeks ended Mar 26, 2023	13 weeks ended Mar 27, 2022
Selling, general and administrative expense	**$ 122,645**	$ 120,568
Third-party processing fees for hiring tax credits (6)	**(120)**	(162)
Amortization of software as a service assets (1)	**(868)**	(747)
PeopleReady technology upgrade costs (3)	**(32)**	(2,550)
Other adjustments, net (4)	**(1,189)**	(136)
Adjusted SG&A expense	**$ 120,436**	$ 116,973
% of revenue:		
Selling, general and administrative expense	**26.4%**	21.9%
Adjusted SG&A expense	**25.9%**	21.2%

(1) Amortization of software as a service assets is reported in selling, general and administrative expense. Note, amortization of software as a service assets was included as an adjustment to net income during transitory periods ending with fiscal 2022 and is only considered an adjustment to EBITDA going forward to be consistent with the treatment of depreciation and amortization.

(2) Accelerated depreciation for the existing systems being replaced by the upgraded PeopleReady technology platform.

(3) Costs associated with upgrading legacy PeopleReady technology.

(4) Other adjustments for the 13 weeks ended March 26, 2023 primarily include workforce reduction costs of $1.2 million ($0.2 million in cost of services and $1.0 million in selling, general and administrative expense). Other adjustments for the 13 weeks ended March 27, 2022 primarily include costs of $0.1 million incurred while transitioning to a new third party administrator for workers' compensation.

(5) Total tax effect of each of the adjustments to U.S. GAAP net income using the effective income tax rate for the respective periods.

(6) These third-party processing fees are associated with generating hiring tax credits.


trueblue
THE PEOPLE COMPANY®
Q1 2023
Earnings

Forward-looking statements and non-GAAP financial measures

This document contains forward-looking statements relating to our plans and expectations including, without limitation, statements regarding the future performance and operations of our business, and expected growth from our digital investments, all of which are subject to risks and uncertainties. Such statements are based on management's expectations and assumptions as of the date of this release and involve many risks and uncertainties that could cause actual results to differ materially from those expressed or implied in our forward-looking statements including: (1) national and global economic conditions which can be negatively impacted by factors such as rising interest rates, inflation, political instability, epidemics and global trade uncertainty, (2) our ability to attract sufficient qualified candidates and employees to meet the needs of our clients, (3) our ability to attract and retain clients, (4) our ability to maintain profit margins, (5) our ability to successfully execute on business strategies to further digitalize our business model, (6) the timing and amount of common stock repurchases, if any, which will be determined at management's discretion and depend upon several factors, including market and business conditions, the trading price of our common stock and the nature of other investment opportunities, (7) new laws, regulations, and government incentives that could affect our operations or financial results, (8) our ability to access sufficient capital to finance our operations, including our ability to comply with covenants contained in our revolving credit facility, and (9) any reduction or change in tax credits we utilize, including the Work Opportunity Tax Credit. Other information regarding factors that could affect our results is included in our Securities Exchange Commission (SEC) filings, including the company's most recent reports on Forms 10-K and 10-Q, copies of which may be obtained by visiting our website at www.trueblue.com under the Investor Relations section or the SEC's website at www.sec.gov. We assume no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise, except as required by law. Any other references to future financial estimates are included for informational purposes only and subject to risk factors discussed in our most recent filings with the SEC.

In addition, we use several non-GAAP financial measures when presenting our financial results in this document. Please refer to the reconciliations between our GAAP and non-GAAP financial measures in the appendix to this presentation and on our website at www.trueblue.com under the Investor Relations section for additional information on both current and historical periods. The presentation of these non-GAAP financial measures is used to enhance the understanding of certain aspects of our financial performance. It is not meant to be considered in isolation, superior to, or as a substitute for the directly comparable financial measures prepared in accordance with U.S. GAAP, and may not be comparable to similarly titled measures of other companies. Any comparisons made herein to other periods are based on a comparison to the same period in the prior year unless otherwise stated.

Q1 2023 Overview

Total revenue -16% – in line with company outlook

- PeopleReady sequential revenue trends remained consistent with historical patterns
- PeopleScout and PeopleManagement demand slowed

Net loss was $4 million v. net income of $11 million in Q1 2022

- Revenue decline drove the drop in net income
  - As Q1 is seasonally our lowest revenue quarter, net results are the most volatile
- Gross margin +110 bps
  - +100 bps from lower workers' compensation costs
  - +20 bps from continued pricing strength in the PeopleReady business
- Cost reduction actions taken **–** $11 million of cost savings over the remainder of 2023

$25 million of stock repurchased

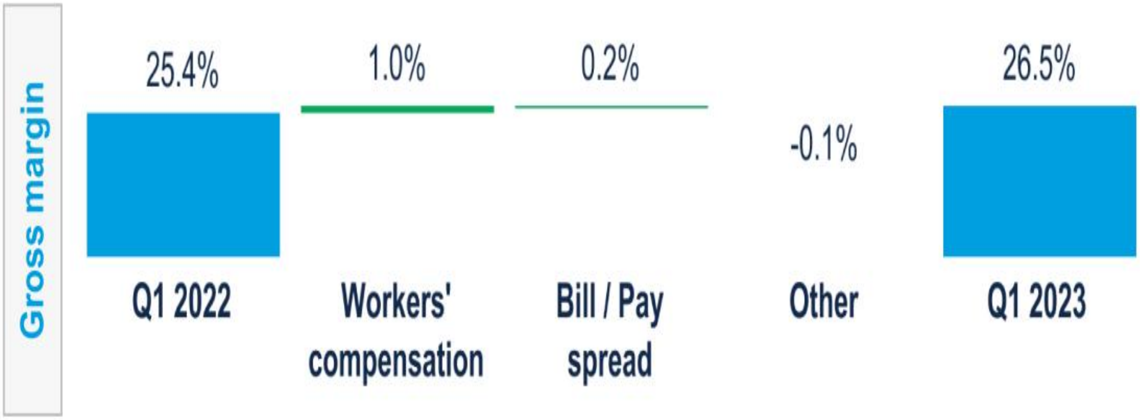
Financial summary

Amounts in millions, except per share data	Q1 2023	Q1 2022	Change
Revenue	$465	$552	-16%
Net income (loss)	-$4.3	$10.5	NM
Net income (loss) per diluted share	-$0.13	$0.30	NM
Net income (loss) margin	-0.9%	1.9%	-280 bps
Adjusted net income (loss)[2]	-$1.9	$15.1	NM
Adj. net income (loss) per diluted share	-$0.06	$0.44	NM
Adj. net income (loss) margin	-0.4%	2.7%	-310 bps
Adjusted EBITDA	$2.9	$22.9	-87%
Adjusted EBITDA margin	0.6%	4.1%	-350 bps
Notes:	▪ The changes in adjusted net income margin and adjusted EBITDA margin were less favorable than that of GAAP net income margin primarily due to higher PeopleReady technology costs in the prior year, which were excluded from adjusted results.		

NM - Not meaningful

[1] Refer to the appendix to this presentation for a definition and full reconciliation of non-GAAP financial measures to GAAP financial results.

Gross margin and SG&A bridges



[1] Represents the year-over-year change in Adjusted EBITDA exclusions impacting SG&A. Refer to the adjusted EBITDA reconciliation in the appendix to this presentation for more information.

Q1 2023 Results by segment

Amounts in millions	PeopleReady	PeopleScout	PeopleManagement
Revenue	$253	$69	$143
% Change	*-17%*	*-15%*	*-13%*
Segment profit[1]	$1	$9	$0
% Change	*-95%*	*-19%*	*NM*
% Margin *Change*	*0.3%* *-500 bps*	*12.8%* *-60 bps*	*-0.1%* *-190 bps*
Notes:	▪ Revenue: • -16% from prior year projects and surge[2] • Trends for the quarter followed historical sequential patterns ▪ Segment profit margin: • Contraction due to operational deleveraging associated with revenue decline, partially offset by lower workers' compensation costs and favorable bill / pay spreads	▪ Revenue: • Clients slowed hiring due to economic uncertainty ▪ Segment profit margin: • Contraction due to the revenue decline as well as the associated operational deleveraging	▪ Revenue: • Lower volume at on-site retail clients and commercial drivers ▪ Segment profit margin: • Contraction due to the revenue decline as well as the associated operational deleveraging

NM - Not meaningful

[1] We evaluate performance based on segment revenue and segment profit. Segment profit includes revenue, related cost of services, and ongoing operating expenses directly attributable to the reportable segment.

[2] PeopleReady benefited from a high volume of retail projects and above average base business results last year. As expected, the surge did not repeat this year. The impact to total TBI revenue was -9%.

Strategy highlights and priorities

peopleready A TRUEBLUE COMPANY

- Digitalize our business model to gain market share from smaller, less capitalized competitors and reduce expenses
- Advance JobStack™ capabilities to better accommodate our associates and increase worker supply
- Enhance training and expand geographic and vertical coverage to drive sales and improve the client and associate experience

peoplescout A TRUEBLUE COMPANY

- Augment sales team to enable specialization and gain market share in high growth sectors
- Seek opportunities to grow domestically and globally through acquisition and / or new product offerings
- Advance technology platform with a focus on improving client delivery and recruiting efficiency

peoplemanagement A TRUEBLUE DIVISION

- Leverage sales resource investments to expand into under-penetrated geographic markets
- Increase adoption of on-site workflow product offering to expand margin profile
- Invest in client and associate care in addition to retention programs

Advance technology and enhance the experience for those we serve to grow market share

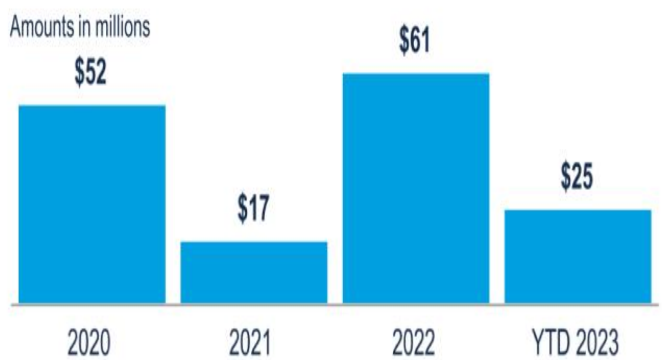
Balance sheet remains strong

Liquidity

Cash net of debt

Total debt to capital[1]

Share repurchases



Note: Figures may not sum to consolidated totals due to rounding. Balances as of fiscal period end.
[1] Total Debt to Capital calculated as total debt divided by the sum of total debt plus shareholders' equity.

Outlook

Select outlook information for Q2 2023

Item	Q2 2023	Commentary
Revenue	$487M to $512M *-14% to -10% v. prior year*	PeopleReady benefited from a high volume of retail projects and above average base business results during the first half of 2022, which are not expected to fully repeat. The impact to total TBI growth is roughly -4% in Q2 2023.
Gross margin	-60 to -20 bps v. prior year	Gross margin decline due to less contribution from PeopleScout.
SG&A	$120M to $124M	Refer to EBITDA adjustments for additional information on expected expense.
EBITDA adjustments[1]	~$2M	• ~$1M in PeopleReady technology upgrade costs • ~$1M in SaaS amortization
Pre-tax net income adjustments	~$2M	• ~$1M in PeopleReady technology upgrade costs • ~$1M in intangibles amortization
CapEx[2]	~$9M	Q2 depreciation is expected to be ~$5M.
Shares	~31.4M	Reflects diluted weighted average shares outstanding.

[1] Refer to the appendix to this presentation for a definition of non-GAAP financial measures.
[2] Includes planned investments in software as a service (SaaS) assets capitalized in other long-term assets with the related amortization recorded in SG&A.

Select outlook information for FY 2023

Item	FY 2023	Commentary
Gross margin	-20 to +40 bps v. prior year	Gross margin expected to hold relatively steady.
SG&A	$495M to $501M	Refer to EBITDA adjustments for additional information on expected expense.
EBITDA adjustments[1]	$6M to $10M	• ~$3M in PeopleReady technology upgrade costs • ~$4M in SaaS amortization
Pre-tax net income adjustments	$7M to $11M	• ~$3M in PeopleReady technology upgrade costs • ~$5M in intangibles amortization • ~$1M in other adjustments
CapEx[2]	$36M to $40M	FY 2023 depreciation is expected to be $19M to $23M.
Income Tax Rate	9% to 13%	Reflects effective income tax rate.
Other	Note: Fiscal 2023 includes a 53rd week, which will add $22M to $27M of revenue with minimal profit due to low seasonal volume.	

[1] Refer to the appendix to this presentation for a definition of non-GAAP financial measures.
[2] Includes planned investments in software as a service (SaaS) assets capitalized in other long-term assets with the related amortization recorded in SG&A.

Appendix

NON-GAAP FINANCIAL MEASURES AND NON-GAAP RECONCILIATIONS

In addition to financial measures presented in accordance with U.S. GAAP, we monitor certain non-GAAP key financial measures. The presentation of these non-GAAP financial measures is used to enhance the understanding of certain aspects of our financial performance. It is not meant to be considered in isolation, superior to, or as a substitute for the directly comparable financial measures prepared in accordance with U.S. GAAP, and may not be comparable to similarly titled measures of other companies.

Non-GAAP measure	Definition	Purpose of adjusted measures
Adjusted net income (loss) and Adjusted net income (loss) per diluted share	Net income (loss) and net income (loss) per diluted share, excluding: – amortization of intangibles, – amortization of software as a service assets, – accelerated depreciation, – PeopleReady technology upgrade costs, – other adjustments, net, and – tax effect of each adjustment to U.S. GAAP.	– Enhances comparability on a consistent basis and provides investors with useful insight into the underlying trends of the business. – Used by management to assess performance and effectiveness of our business strategies. – Provides a measure, among others, used in the determination of incentive compensation for management.
EBITDA and Adjusted EBITDA	EBITDA excludes from net income (loss): – income tax expense (benefit), – interest expense and other income, net, and – depreciation and amortization. Adjusted EBITDA, further excludes: – third-party processing fees for hiring tax credits, – amortization of software as a service assets, – PeopleReady technology upgrade costs, – other adjustments, net.	– Enhances comparability on a consistent basis and provides investors with useful insight into the underlying trends of the business. – Used by management to assess performance and effectiveness of our business strategies. – Provides a measure, among others, used in the determination of incentive compensation for management.
Adjusted SG&A expense	Selling, general and administrative expense excluding: – third-party processing fees for hiring tax credits, – amortization of software as a service assets, – PeopleReady technology upgrade costs, – other adjustments, net.	– Enhances comparability on a consistent basis and provides investors with useful insight into the underlying trends of the business.

[1] Refer to the appendix to this presentation for a definition and full reconciliation of non-GAAP financial measures to GAAP financial results.

1. RECONCILIATION OF U.S. GAAP NET INCOME (LOSS) TO ADJUSTED NET INCOME (LOSS) AND ADJUSTED NET INCOME (LOSS) PER DILUTED SHARE *(Unaudited)*

	13 weeks ended	
(in thousands, except for per share data)	Mar 26, 2023	Mar 27, 2022
Net income (loss)	**$ (4,289)**	$ 10,519
Amortization of intangible assets	**1,270**	1,502
Amortization of software as a service assets (1)	**—**	747
Accelerated depreciation (2)	**—**	516
PeopleReady technology upgrade costs (3)	**32**	2,550
Other adjustments, net (4)	**1,397**	136
Tax effect of adjustments to net income (loss) (5)	**(351)**	(862)
Adjusted net income (loss)	**$ (1,941)**	$ 15,108
Adjusted net income (loss) per diluted share	**$ (0.06)**	$ 0.44
Diluted weighted average shares outstanding	**32,292**	34,544
Margin / % of revenue:		
Net income (loss)	**(0.9)%**	1.9%
Adjusted net income (loss)	**(0.4)%**	2.7%

Refer to the last slide of the appendix for footnotes.

2. RECONCILIATION OF U.S. GAAP NET INCOME (LOSS) TO EBITDA AND ADJUSTED EBITDA
(Unaudited)

	13 weeks ended	
(in thousands)	Mar 26, 2023	Mar 27, 2022
Net income (loss)	**$ (4,289)**	$ 10,519
Income tax expense (benefit)	**(640)**	1,976
Interest expense and other (income), net	**(1,014)**	(505)
Depreciation and amortization	**6,411**	7,287
EBITDA	**468**	19,277
Third-party processing fees for hiring tax credits (6)	**120**	162
Amortization of software as a service assets (1)	**868**	747
PeopleReady technology upgrade costs (3)	**32**	2,550
Other adjustments, net (4)	**1,397**	136
Adjusted EBITDA	**$ 2,885**	$ 22,872
Margin / % of revenue:		
Net income (loss)	**(0.9)%**	1.9%
Adjusted EBITDA	**0.6%**	4.1%

Refer to the last slide of the appendix for footnotes.

3. RECONCILIATION OF U.S. GAAP SELLING, GENERAL AND ADMINISTRATIVE EXPENSE TO ADJUSTED SG&A EXPENSE *(Unaudited)*

	13 weeks ended			
(in thousands)	Mar 26, 2023		Mar 27, 2022	
Selling, general and administrative expense	$	**122,645**	$	120,568
Third-party processing fees for hiring tax credits (6)		**(120)**		(162)
Amortization of software as a service assets (1)		**(868)**		(747)
PeopleReady technology upgrade costs (3)		**(32)**		(2,550)
Other adjustments, net (4)		**(1,189)**		(136)
Adjusted SG&A expense	$	**120,436**	$	116,973
% of revenue:				
Selling, general and administrative expense		**26.4%**		21.9%
Adjusted SG&A expense		**25.9%**		21.2%

Refer to the last slide of the appendix for footnotes.

Footnotes:

1. Amortization of software as a service assets is reported in selling, general and administrative expense. Note, amortization of software as a service assets was included as an adjustment to net income during transitory periods ending with fiscal 2022 and is only considered an adjustment to EBITDA going forward to be consistent with the treatment of depreciation and amortization.
2. Accelerated depreciation for the existing systems being replaced by the upgraded PeopleReady technology platform.
3. Costs associated with upgrading legacy PeopleReady technology.
4. Other adjustments for the 13 weeks ended March 26, 2023 primarily include workforce reduction costs of $1.2 million ($0.2 million in cost of services and $1.0 million in selling, general and administrative expense). Other adjustments for the 13 weeks ended March 27, 2022 primarily include costs of $0.1 million incurred while transitioning to a new third party administrator for workers' compensation.
5. Total tax effect of each of the adjustments to U.S. GAAP net income using the effective income tax rate for the respective periods.
6. These third-party processing fees are associated with generating hiring tax credits.

trueblue
THE PEOPLE COMPANY®

Investor Roadshow Presentation

APRIL 2023

Forward-looking statements and non-GAAP financial measures

This document contains forward-looking statements relating to our plans and expectations including, without limitation, statements regarding the future performance and operations of our business, expected growth from our digital investments, and the expected amount and timing of any share repurchases, all of which are subject to risks and uncertainties. Such statements are based on management's expectations and assumptions as of the date of this release and involve many risks and uncertainties that could cause actual results to differ materially from those expressed or implied in our forward-looking statements including: (1) national and global economic conditions which can be negatively impacted by factors such as rising interest rates, inflation, political instability, epidemics and global trade uncertainty, (2) our ability to attract sufficient qualified candidates and employees to meet the needs of our clients, (3) our ability to attract and retain clients, (4) our ability to maintain profit margins, (5) our ability to successfully execute on business strategies to further digitalize our business model, (6) the timing and amount of common stock repurchases, if any, which will be determined at management's discretion and depend upon several factors, including market and business conditions, the trading price of our common stock and the nature of other investment opportunities, (7) new laws, regulations, and government incentives that could affect our operations or financial results, (8) our ability to access sufficient capital to finance our operations, including our ability to comply with covenants contained in our revolving credit facility, and (9) any reduction or change in tax credits we utilize, including the Work Opportunity Tax Credit. Other information regarding factors that could affect our results is included in our Securities Exchange Commission (SEC) filings, including the company's most recent reports on Forms 10-K and 10-Q, copies of which may be obtained by visiting our website at www.trueblue.com under the Investor Relations section or the SEC's website at www.sec.gov. We assume no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise, except as required by law. Any other references to future financial estimates are included for informational purposes only and subject to risk factors discussed in our most recent filings with the SEC.

In addition, we use several non-GAAP financial measures when presenting our financial results in this document. Please refer to the reconciliations between our GAAP and non-GAAP financial measures in the appendix to this presentation and on our website at www.trueblue.com under the Investor Relations section for additional information on both current and historical periods. The presentation of these non-GAAP financial measures is used to enhance the understanding of certain aspects of our financial performance. It is not meant to be considered in isolation, superior to, or as a substitute for the directly comparable financial measures prepared in accordance with U.S. GAAP, and may not be comparable to similarly titled measures of other companies. Any comparisons made herein to other periods are based on a comparison to the same period in the prior year unless otherwise stated.

Investment highlights

Market Leader	Market leader in U.S. blue collar staffing and global RPO with increasingly diverse service offerings
Industry Growth Prospects	Highly fragmented industry with strong growth potential from secular forces
Compelling Strategies	Advancing technology applications and enhancing the experience for those we serve to grow market share
Return of Capital	Strong balance sheet and cash flow to support stock buybacks
Experienced Leadership Team	Deep human capital expertise with proven success at driving growth and delivering value to stakeholders

Our Mission: Connecting People and Work

84,000
Clients served annually with strong diversity[1]

611,000
People connected to work during 2022

One of the largest U.S. industrial staffing providers

One of the largest global RPO providers

2022 Revenue
$2.3B

2018-2022 Average Return on Equity[2]
13%

Returning Value to Shareholders
(Share Repurchases last 5 years)
$204M

All segments earned the Top Workplaces USA Award issued by Energage

HRO Today magazine repeatedly recognizes PeopleScout as a global market leader

Thousands of veterans hired each year via internal programs as well as Hiring Our Heroes and Wounded Warriors

Recognized for breakthrough board practices that promote greater diversity and inclusion

[1] No single client accounted for more than 4% of total revenue for FY 2022.
[2] Calculated as adjusted net income divided by average shareholders' equity over the prior four quarters. See the appendix to this presentation and "Financial Information" in the Investors section of our website at www.trueblue.com for a definition and full reconciliation of non-GAAP financial measures to GAAP financial results.

Three specialized segments meet diverse client needs

peopleready (A TRUEBLUE COMPANY)	peoplescout (A TRUEBLUE COMPANY)	peoplemanagement (A TRUEBLUE DIVISION)
On-demand general and skilled labor for industrial jobs	Talent solutions for outsourcing the recruiting process for permanent employees	Contingent, on-site industrial staffing and commercial driver services

	PeopleReady	PeopleScout	PeopleManagement
Revenue[1]	57%	14%	29%
Segment profit mix[1]	59%	30%	11%
Segment profit margin[1]	7%	14%	2%

	PeopleReady	PeopleScout	PeopleManagement	TrueBlue
Incremental Segment profit / EBITDA margin[2]	15 – 20%	27 – 32%	8 – 13%	15 – 20%

[1] Revenue and segment profit calculations based on FY 2022. We evaluate performance based on segment revenue and segment profit. Segment profit includes revenue, related cost of services, and ongoing operating expenses directly attributable to the reportable segment. Segment profit excludes depreciation and amortization expense, unallocated corporate general and administrative expense, interest expense, other income, income taxes, and other adjustments not considered to be ongoing.

[2] Average, estimated margin associated with additional organic revenue. Refer to "Financial Information" in the investors section of our website at www.trueblue.com for more information regarding non-GAAP terms.

Solving workforce challenges

Workforce solutions are in high demand as businesses increasingly turn to human capital experts to solve talent challenges.

Remote Recruiting

The **worker supply chain** is becoming increasingly decentralized. TrueBlue's digital strategy connects people anywhere at any time.

Artificial Intelligence

Companies are seeking ways to become **nimbler** and **more efficient**. Deploying AI to source human capital will be a competitive differentiator.

Workforce Complexity

Many factors, including globalization, the "gig" economy and diversity are **changing the world of work** requiring a disciplined approach to hiring.

trueblue THE PEOPLE COMPANY®

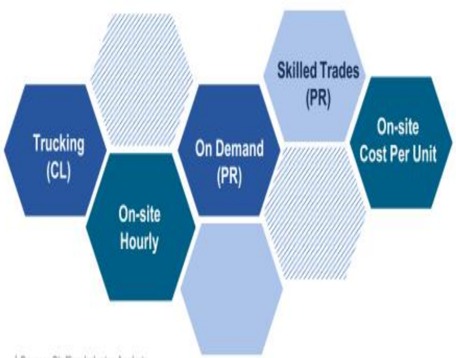
A **robust** value proposition with specialized, digital **solutions** for staffing, workforce management and recruitment process outsourcing.

US Industrial Staffing: Opportunity to capture market share

United States Staffing Market ~$220B[1]

Represents ~30% of $680B global staffing market

Industrial temporary staffing ($39B)
One of the largest U.S. segments (~20%)



Why Industrial Staffing?

- **One of the largest segments** of the U.S. staffing industry ($39B in 2022)
- **Highly fragmented** with no **dominant** competition
- **Digital adoption** by the industry can expand growth opportunity, like rideshare companies did for the taxi industry
- Capitalize on **ecommerce logistics** as online retail continues to grow
- Unique growth opportunity to fill key **skilled trades** positions as baby boomers retire
- The Biden Administration's **infrastructure** and **clean energy** plans are expected to inject **billions** into the labor market
- The industry **rebounds quickly** in the early stages of a recovery

[1] Source: Staffing Industry Analysts
Note, industrial temporary staffing includes various occupations such as: laborers, packers, construction workers, skilled trades, machinists, janitors, etc.

Recruitment Process Outsourcing: High margin plus double-digit revenue growth

Global RPO Market ~$6B[1]

Strong history of growth with a 2017-2022 market CAGR of ~13%

North America represents 50% followed by EMEA (30%) and APAC (20%)

50% in Technology, Manufacturing & Life Science industries

Why RPO?

- "**Immature**" market with no one dominant player
- Traditionally "**sticky**" business model with high client retention and engagement
- Industry produced **double-digit** annual revenue growth historically and recovered swiftly from recent recession
- Industry poised for **growth** as companies seek new solutions to increasing labor challenges

[1] Source: Everest Group

Strategically positioned for secular growth

Strong position in attractive vertical markets

Manufacturing – 20%
- Political climate favoring investments in domestic manufacturing facilities

Transportation – 16%
- Acute supply / demand gap and high turnover creating the need for temporary truck drivers

Construction – 16%
- Skilled worker shortages in key areas where TrueBlue specializes and has a recruiting edge (e.g. skilled construction)
- Flight to the suburbs will be a tailwind for the industry

Retail – 14%
- E-commerce driving the need for more warehouses and more workers per warehouse to facilitate expedited delivery and returns

TBI FY 2022 Mix by Vertical

Powerful secular forces in industrial staffing

Positive Demographic Trends
- Deepening of the general contingent labor pool as workers across the generational spectrum are embracing the gig economy (e.g. millennials with side-hustles and semi-retired baby boomers)

Compelling Technology
- Industry is ripe for digital disruption
- Potential for large providers with sizeable transaction volume to capture market share
- Opportunity to enhance efficiency and growth

Capitalizing on Industry Evolution
- Heightened scrutiny around worker classification (contractor v. employee)
- Offering a variety of workforce management solutions (e.g. PPO, Employer of Record, MSP) to help clients find compliant solutions

Strategy highlights and priorities

peopleready — A TRUEBLUE COMPANY

- Digitalize our business model to gain market share from smaller, less capitalized competitors and reduce expenses
- Advance JobStack™ capabilities to better accommodate our associates and increase worker supply
- Enhance training and expand geographic and vertical coverage to drive sales and improve the client and associate experience

peoplescout — A TRUEBLUE COMPANY

- Augment sales team to enable specialization and gain market share in high growth sectors
- Seek opportunities to grow domestically and globally through acquisition and / or new product offerings
- Advance technology platform with a focus on improving client delivery and recruiting efficiency

peoplemanagement — A TRUEBLUE DIVISION

- Leverage sales resource investments to expand into under-penetrated geographic markets
- Increase adoption of on-site workflow product offering to expand margin profile
- Invest in client and associate care in addition to retention programs

Advance technology and enhance the experience for those we serve to grow market share

PeopleReady: Focusing on digital transformation and operational excellence

- Combine the strength of our **geographic footprint** and **JobStack™** capabilities
  - Customers and associates can connect 24/7 via JobStack app
  - Expansive coverage through branches and regional service centers
  - Digitalization enables operational efficiencies
- **Enhance** customer and associate **experience**
  - Renewed emphasis on account management to improve customer retention
  - Employee programs emphasizing learning and development to strengthen service delivery and talent retention
- Grow market share in **specialized verticals**
  - Well-positioned to capitalize on growing renewable energy vertical
  - Skilled labor shortages in areas where we specialize

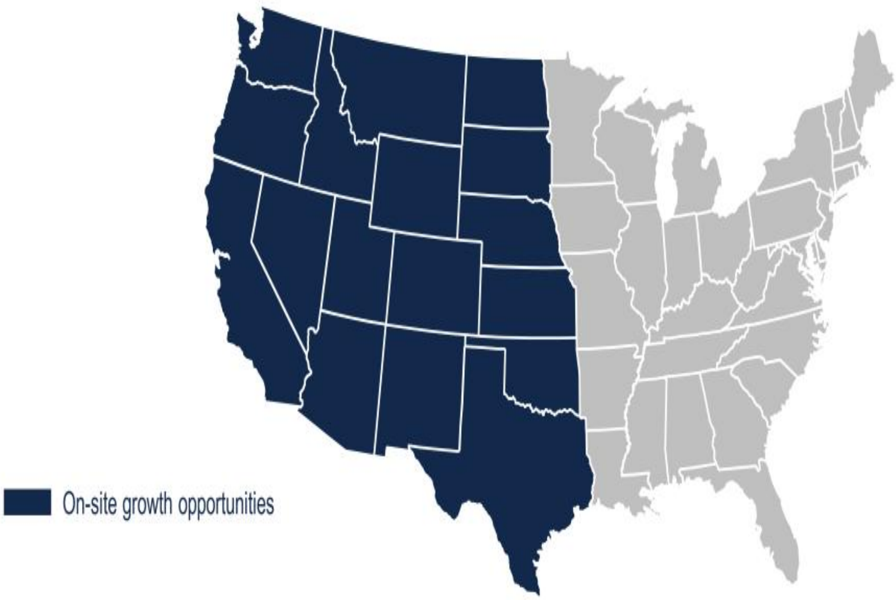
PeopleScout: Industry leader with historically high margins

- **Strong Growth Prospects**
  - **Demonstrated track record** servicing large employers with dynamic needs in growing industries
  - Augmenting sales teams to **gain market share** in high growth sectors
  - **Global focus** as growing number of deals are multi-region and multi-country

- **Affinix Technology: A Differentiated Experience**
  - Connects clients and candidates using AI, machine learnings and predictive analytics ideal in today's **remote recruiting** landscape
  - Provides a superior **candidate experience**, which is critical as our clients compete for talent

PeopleManagement: Expanding market share and margin

- Business model is more insulated from cyclical changes due to the **outsourced nature** of our client relationships
- Sales teams are scaling in **underserved markets** to **expand share**
- Opportunity to **raise margin profile** through higher penetration of workflow solutions, special project teams and mobile driver services



~80% of on-site revenue is in the East and Midwest

ESG principles help us make sound decisions

Key Statistics:

- 75% of board members are women or racially diverse
- 50% of senior management are women
- 97% of voting shareholders approved executive compensation

How ESG guides our decision making:

- Code of conduct and business ethics framework
- Board of directors oversight & governance
- Executive compensation structure
- Enterprise risk management program

External ESG Ratings

MSCI

AAA Rating

SUSTAINALYTICS

a Morningstar company

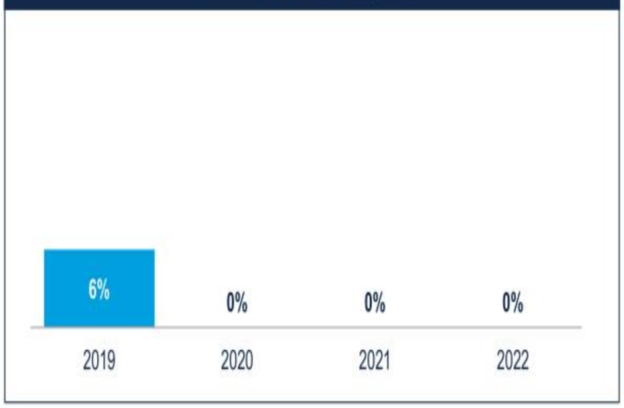
Risk Ranking: Low
Risk Exposure: Low
Risk Management: Average

Balance sheet remains strong

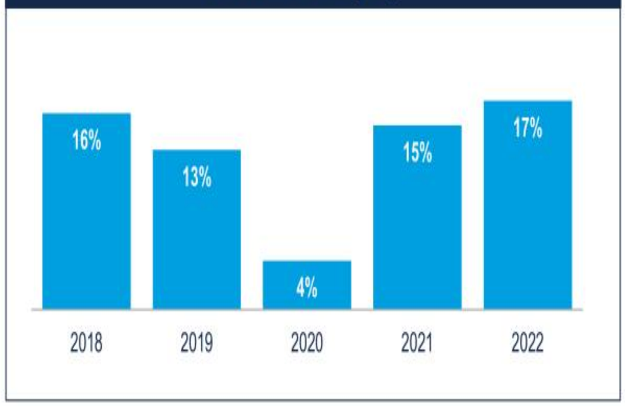
Liquidity

Cash net of debt

Total debt to capital[1]



Return on equity[2]



[1] Total debt to capital calculated as total debt divided by the sum of total debt plus shareholders' equity.

[2] Calculated as adjusted net income divided by average shareholders' equity over the prior four quarters. See the appendix to this presentation and "Financial Information" in the Investors section of our website at www.trueblue.com for a definition and full reconciliation of non-GAAP financial measures to GAAP financial results.

Focused capital strategy

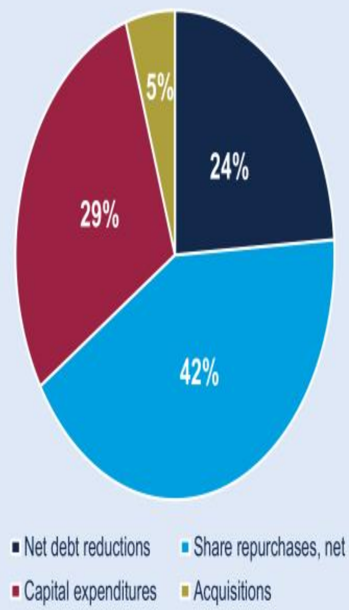
Investing in technology and returning excess capital to shareholders

Capital allocation priorities

- Strategic technology investments to further digitalize our business model
- Return excess capital to shareholders through share repurchases
- Disciplined acquisition strategy to supplement organic revenue growth

Historical use of capital

(2018 - 2022)



Strong track record of returning capital to shareholders

$204 million of capital returned to shareholders via share repurchases over the last five years (2018-2022)

1 Year	2.2M shares repurchased 6% reduction in shares outstanding
3 Years	6.4M shares repurchased 17% reduction in shares outstanding
5 Years	9.6M shares repurchased 23% reduction in shares outstanding

Leadership with deep industry experience

Steve Cooper
Director and CEO

20+ years of industry experience

12 years as TrueBlue CEO

TrueBlue Director since 2006

Derrek Gafford
EVP and CFO

20+ years of industry experience

19 years of CFO experience

TrueBlue CFO since 2006

Taryn Owen
President and COO

20+ years of industry experience

10 years as business leader

TrueBlue President & COO since 2022

Appendix

NON-GAAP FINANCIAL MEASURES AND NON-GAAP RECONCILIATIONS

In addition to financial measures presented in accordance with U.S. GAAP, we monitor certain non-GAAP key financial measures. The presentation of these non-GAAP financial measures is used to enhance the understanding of certain aspects of our financial performance. It is not meant to be considered in isolation, superior to, or as a substitute for the directly comparable financial measures prepared in accordance with U.S. GAAP, and may not be comparable to similarly titled measures of other companies.

Non-GAAP measure	Definition	Purpose of adjusted measures
Adjusted net income (loss)	Net income (loss), excluding: – gain on divestiture, – amortization of intangibles of acquired businesses, – amortization of software as a service assets, – acquisitions/integration costs, – goodwill and intangible asset impairment charge, – PeopleReady technology upgrade costs, – COVID-19 government subsidies, net, – other adjustments, net, – tax effect of each adjustment to U.S. GAAP, and – adjustment of income taxes to normalized effective rate for periods prior to Q2 2020.	– Enhances comparability on a consistent basis and provides investors with useful insight into the underlying trends of the business. – Used by management to assess performance and effectiveness of our business strategies. – Provides a measure, among others, used in the determination of incentive compensation for management.

RECONCILIATION OF U.S. GAAP NET INCOME (LOSS) TO ADJUSTED NET INCOME *(Unaudited)*

	52 weeks ended				
(in thousands)	Dec 25, 2022	Dec 26, 2021	Dec 27, 2020	Dec 29, 2019	Dec 30, 2018
Net income (loss)	**$ 62,273**	$ 61,634	$ (141,841)	$ 63,073	$ 65,754
Gain on divestiture (1)	**—**	—	—	—	(718)
Amortization of intangible assets of acquired businesses	**5,746**	6,704	10,144	17,899	20,750
Amortization of software as a service assets (2)	**2,985**	2,709	2,307	1,624	—
Acquisition/integration costs (3)	**—**	—	—	1,562	2,672
Goodwill and intangible asset impairment charge	**—**	—	175,189	—	—
Accelerated depreciation (4)	**1,658**	—	—	—	—
PeopleReady technology upgrade costs (5)	**7,935**	1,300	—	—	—
COVID-19 government subsidies, net (6)	**—**	(4,222)	(6,211)	—	—
Other adjustments, net (7)	**4,027**	4,404	8,074	2,291	10,317
Tax effect of adjustments to net income (loss) (8)	**(3,392)**	(1,802)	(28,729)	(3,273)	(5,074)
Adjustment of income taxes to normalized effective rate (9)	**—**	—	(3,719)	(2,835)	(1,843)
Adjusted net income	**$ 81,232**	$ 70,727	$ 15,214	$ 80,341	$ 91,858

Footnotes:

1. Gain on the divestiture of our PlaneTechs business, sold mid-March 2018.
2. Amortization of software as a service assets is reported in selling, general and administrative expense.
3. Acquisition and integration costs related to the acquisition of TMP Holdings LTD completed on June 12, 2018.
4. Accelerated depreciation for the existing systems being replaced by the upgraded PeopleReady technology platform.
5. Costs associated with upgrading legacy PeopleReady technology.
6. Net impact of COVID-19 related government subsidies. For fiscal 2020, we received government subsidies of $9.9 million. We elected to distribute a portion of the total benefit to our employees in the form of a $3.7 million bonus, resulting in a net benefit of $6.2 million for the fiscal year. These subsidies extended into 2021, providing a benefit of $4.2 million for fiscal year 2021.
7. Other adjustments for fiscal year 2022 primarily include $4.2 million in accelerated software costs and $1.1 million of costs incurred to transition to a new third-party claims administrator for workers' compensation, partially offset by a benefit of $1.4 million from forfeited stock awards associated with the CEO transition that were expensed in prior years. Other adjustments for fiscal year 2021 primarily include workforce reduction costs of $2.0 million to streamline our delivery teams within our PeopleReady and PeopleScout segments, costs incurred while transitioning into our new Chicago office of $1.8 million, and other technology implementation costs. Other adjustments for fiscal year 2020 primarily include workforce reduction costs of $12.6 million as part of our cost management actions in response to COVID-19, implementation costs for cloud-based systems of $0.9 million and costs incurred while transitioning into our new Chicago office of $0.7 million. These costs were partially offset by a $6.3 million benefit from reduction in expected costs to comply with the Affordable Care Act. Other adjustments for fiscal year 2019 primarily include workforce reduction costs of $3.3 million in the PeopleReady business and implementation costs for cloud-based systems of $3.2 million, partially offset by a $3.9 million workers' compensation benefit related to additional insurance coverage associated with former workers' compensation carriers in liquidation. Other adjustments for fiscal year 2018 primarily include implementation costs for cloud-based systems of 6.7 million and accelerated vesting of stock associated with our CEO transition of $3.6 million.
8. Total tax effect of each of the adjustments to U.S. GAAP net income (loss) using the effective income tax rate for fiscal years 2022, 2021 and 2020, and the expected long-term ongoing tax rate for fiscal years prior to 2020. For fiscal years 2019 and 2018 the long-term ongoing tax rate was expected to be 14 percent.
9. Beginning in Q2 2020, we decided not to adjust our GAAP tax rate to an expected long-term ongoing rate in our adjusted net income calculation. Thus the adjustment for fiscal year 2020 relates to the Q1 2020 adjustment of the effective income tax rate to the long-term ongoing rate of 12 percent expected at that time. The adjustment to fiscal years prior to 2020 reflect the adjustment of the effective income tax rate to the long-term ongoing rate expected at that time (14 percent for fiscal years 2019 and 2018).