

Reconciliation of Non-GAAP Items (Unaudited)

(in thousands)	Three Months Ended			Nine Months Ended	
	September 30,		June 30,	September 30,	
	2025	2024	2025	2025	2024
Net income (loss)	\$ 29,288	\$ 6,989	\$ (116,202)	\$ (88,006)	\$ 40,554
Net income (loss) as a % of revenue	4.6 %	1.0 %	(17.7)%	(4.4)%	1.8 %
Income tax expense (benefit)	8,703	819	(18,873)	(8,895)	12,538
Income (loss) before income taxes	37,991	7,808	(135,075)	(96,901)	53,092
Interest expense, net, and other	9,627	14,444	11,360	33,311	46,787
Income (loss) from operations	47,618	22,252	(123,715)	(63,590)	99,879
Operating margin ⁽⁷⁾	7.5 %	3.2 %	(18.8)%	(3.2)%	4.4 %
Depreciation and amortization	37,380	41,122	37,753	113,015	126,942
Depreciation (included in cost of revenue) ⁽⁸⁾	2,248	1,928	2,132	6,355	5,363
Gain on sale of disposal group	(39,180)	—	—	(39,180)	—
Goodwill impairment loss	—	—	109,515	109,515	—
Long-lived assets impairment loss	—	—	18,262	18,262	—
Share-based compensation	6,713	5,555	8,827	24,921	19,651
Acquisition, integration, and other costs ⁽⁹⁾	2,727	3,017	5,515	10,697	13,792
Adjusted EBITDA ⁽³⁾	\$ 57,506	\$ 73,874	\$ 58,289	\$ 179,995	\$ 265,627
Selling, general and administrative (“SG&A”) expenses	\$ 138,594	\$ 149,681	\$ 154,584	\$ 440,909	\$ 473,567
SG&A margin ⁽¹⁰⁾	21.8 %	21.8 %	23.5 %	22.2 %	21.1 %
Share-based compensation	6,713	5,555	8,827	24,921	19,651
Acquisition, integration, and other costs ⁽⁹⁾	2,727	3,017	5,515	10,697	13,792
Adjusted SG&A expenses ⁽¹¹⁾	\$ 129,154	\$ 141,109	\$ 140,242	\$ 405,291	\$ 440,124
Adjusted SG&A margin ⁽¹²⁾	20.4 %	20.5 %	21.3 %	20.4 %	19.6 %

Reconciliation of Non-GAAP Items (Unaudited)

	Three Months Ended			Nine Months Ended	
	September 30,		June 30,	September 30,	
	2025	2024	2025	2025	2024
Net income (loss)	\$ 29,288	\$ 6,989	\$ (116,202)	\$ (88,006)	\$ 40,554
Adjustments:					
Amortization of intangible assets	20,441	22,104	19,608	59,476	71,734
Acquisition, integration, and other costs ⁽⁹⁾	2,727	3,017	5,515	10,697	13,792
Gain on sale of disposal group	(39,180)	—	—	(39,180)	—
Goodwill impairment loss	—	—	109,515	109,515	—
Long-lived assets impairment loss	—	—	18,262	18,262	—
Tax effect of above adjustments	4,163	(6,532)	(26,011)	(27,537)	(22,237)
Tax effect of COLI fair value changes ⁽¹³⁾	(2,848)	(2,530)	(2,779)	(4,924)	(6,174)
State tax audit reserve ⁽¹⁴⁾	—	—	2,889	2,889	—
Tax deficiencies (benefits) related to equity awards and ESPP ⁽¹⁵⁾	463	206	764	2,750	145
Adjusted net income ⁽¹⁶⁾	<u>\$ 15,054</u>	<u>\$ 23,254</u>	<u>\$ 11,561</u>	<u>\$ 43,942</u>	<u>\$ 97,814</u>
GAAP diluted net income (loss) per share (EPS)	\$ 0.76	\$ 0.18	\$ (3.02)	\$ (2.29)	\$ 1.06
Adjustments	(0.37)	0.43	3.32	3.43	1.50
Adjusted diluted EPS ⁽¹⁷⁾⁽¹⁸⁾	<u>\$ 0.39</u>	<u>\$ 0.61</u>	<u>\$ 0.30</u>	<u>\$ 1.14</u>	<u>\$ 2.56</u>



Reconciliation of Non-GAAP Items (Unaudited)

- (1) **Segment operating income** represents net income (loss) plus interest expense (net of interest income) and other, income tax expense (benefit), depreciation and amortization, depreciation (included in cost of revenue), unallocated corporate overhead, acquisition, integration, and other costs, legal settlement accrual changes, share-based compensation, goodwill impairment loss, long-lived assets impairment loss, and gain on sale of disposal group.
- (2) **Unallocated corporate overhead** (as presented in the tables above) consists of unallocated corporate overhead (as reflected in our quarterly and annual financial statements filed with the SEC) less acquisition, integration, and other costs and legal settlement accrual changes.
- (3) **Adjusted EBITDA** represents net income (loss) plus interest expense (net of interest income) and other, income tax expense (benefit), depreciation and amortization, depreciation (included in cost of revenue), gain on sale of disposal group, goodwill impairment loss, long-lived assets impairment loss, share-based compensation, acquisition, integration, and other costs, restructuring expenses, and certain legal expenses. Management believes that adjusted EBITDA provides an effective measure of the Company's results, as it excludes certain items that management believes are not indicative of the Company's operating performance. Adjusted EBITDA is not intended to represent cash flows for the period, nor has it been presented as an alternative to income (loss) from operations or net income (loss) as an indicator of operating performance. Although management believes that some of the items excluded from adjusted EBITDA are not indicative of the Company's operating performance, these items do impact the statement of comprehensive income (loss), and management therefore utilizes adjusted EBITDA as an operating performance measure in conjunction with GAAP measures such as net income (loss).
- (4) **Adjusted EBITDA margin** represents adjusted EBITDA divided by revenue.
- (5) **Segment operating margin** represents segment operating income divided by revenue.
- (6) **Leverage ratio** represents the ratio of the consolidated funded indebtedness (as calculated per the Company's credit agreement) at the end of the subject period to the consolidated adjusted EBITDA (as calculated per the Company's credit agreement) for the twelve-month period ended at the end of the subject period.
- (7) **Operating margin** represents income (loss) from operations divided by revenue.
- (8) A portion of depreciation expense for AMN Language Services is included in cost of revenue. We exclude the impact of depreciation included in cost of revenue from the calculation of adjusted EBITDA.
- (9) **Acquisition, integration, and other costs** include acquisition and integration costs, net changes in the fair value of contingent consideration liabilities for recently acquired companies, certain legal expenses, restructuring expenses and other costs associated with exit or disposal activities, and certain nonrecurring expenses, which we exclude from the calculation of adjusted EBITDA, adjusted net income, and adjusted diluted EPS because we believe that these expenses are not indicative of the Company's operating performance. For the three and nine months ended September 30, 2025, acquisition and integration costs were approximately \$0.8 million and \$1.8 million, respectively, expenses related to the closures of certain office leases were approximately \$0.1 million and \$0.5 million, respectively, certain legal expenses were approximately \$0.1 million and \$4.4 million, respectively, restructuring expenses and other costs associated with exit or disposal activities were approximately \$1.6 million and \$2.3 million, respectively, and other nonrecurring expenses were approximately \$0.1 million and \$1.7 million, respectively. For the three and nine months ended September 30, 2024, acquisition and integration costs were approximately \$0.3 million and \$1.8 million, respectively, expenses related to the closures of certain office leases were approximately \$0.7 million and \$1.8 million, respectively, certain legal expenses of approximately (\$2.3) million and \$1.0 million, respectively, restructuring expenses and other costs associated with exit or disposal activities were approximately \$3.3 million and \$6.3 million, respectively, and other nonrecurring expenses were approximately \$1.0 million and \$5.3 million, respectively. Additionally, the aforementioned costs for the nine months ended September 30, 2024 were partially offset by an immaterial out-of-period adjustment of \$2.4 million related to acquisition-related costs incurred in connection with the acquisition of MSDR.

Reconciliation of Non-GAAP Items (Unaudited)

(10) **SG&A margin** represents selling, general and administrative (“SG&A”) expenses divided by revenue.

(11) **Adjusted SG&A expenses** represent SG&A expenses excluding the impact of share-based compensation, acquisition, integration, and other costs and legal settlement accrual changes. Management included this non-GAAP measure to provide investors and prospective investors with an alternative method for assessing the Company’s operating results in a manner that is focused on its operating performance and to provide a more consistent basis for comparison between periods. However, investors and prospective investors should note that this non-GAAP measure involves judgment by management (in particular, judgment as to what is classified as a special item to be excluded in the calculation of adjusted SG&A expenses). Although management believes the items in the calculation of adjusted SG&A expenses are not indicative of the Company’s operating performance, these items do impact the consolidated statements of comprehensive income (loss), and management therefore utilizes adjusted SG&A expenses as an operating performance measure in conjunction with GAAP measures such as GAAP SG&A expenses.

(12) **Adjusted SG&A margin** represents adjusted SG&A expenses divided by revenue.

(13) The Company records net tax expense (benefit) related to the income tax treatment of the fair value changes in the cash surrender value of its company owned life insurance (“COLI”). Since this change in fair value is unrelated to the Company’s operating performance, we excluded the impact on adjusted net income and adjusted diluted EPS.

(14) The Company recorded a reserve related to a state tax audit during the three months ended June 30, 2025. Since this reserve is largely unrelated to our income (loss) before taxes and is unrepresentative of our normal effective tax rate, we excluded its impact in the calculation of adjusted net income and adjusted diluted EPS.

(15) The consolidated effective tax rate is affected by the recording of tax benefits and tax deficiencies related to equity awards vested during the period and tax benefits recognized for disqualifying dispositions related to our employee stock purchase plan (“ESPP”). The magnitude of the impact of tax benefits and tax deficiencies generated in the future related to equity awards and ESPP is dependent upon the Company’s future grants of share-based compensation, the Company’s future stock price on the date equity awards vest in relation to the fair value of the awards on the grant date, the Company’s future stock price on either the ESPP’s offering date or purchase date, whichever is lower, and the length of time the shares issued under the ESPP are held by employees. Since these tax benefits and tax deficiencies related to equity awards and ESPP are largely unrelated to our income (loss) before income taxes and are unrepresentative of our normal effective tax rate, we excluded their impact in the calculation of adjusted net income and adjusted diluted EPS.

(16) **Adjusted net income** represents GAAP net income (loss) excluding the impact of the (A) amortization of intangible assets, (B) acquisition, integration, and other costs, (C) gain on sale of disposal group, (D) goodwill impairment loss, (E) long-lived assets impairment loss, (F) certain legal expenses, (G) changes in fair value of equity investments and instruments, (H) deferred financing related costs, (I) tax effect, if any, of the foregoing adjustments, (J) net tax expense (benefit) related to the income tax treatment of fair value changes in the cash surrender value of its COLI, (K) state tax audit reserve, and (L) tax benefits and tax deficiencies related to equity awards vested and ESPP. Management included this non-GAAP measure to provide investors and prospective investors with an alternative method for assessing the Company’s operating results in a manner that is focused on its operating performance and to provide a more consistent basis for comparison between periods. However, investors and prospective investors should note that this non-GAAP measure involves judgment by management (in particular, judgment as to what is classified as a special item to be excluded in the calculation of adjusted net income). Although management believes the items in the calculation of adjusted net income are not indicative of the Company’s operating performance, these items do impact the statement of comprehensive income (loss), and management therefore utilizes adjusted net income as an operating performance measure in conjunction with GAAP measures such as GAAP net income (loss).

Reconciliation of Non-GAAP Items (Unaudited)

(17) **Adjusted diluted EPS** represents adjusted net income divided by diluted weighted average common shares outstanding. Management included this non-GAAP measure to provide investors and prospective investors with an alternative method for assessing the Company's operating results in a manner that is focused on its operating performance and to provide a more consistent basis for comparison between periods. However, investors and prospective investors should note that this non-GAAP measure involves judgment by management (in particular, judgment as to what is classified as a special item to be excluded in the calculation of adjusted net income). Although management believes the items in the calculation of adjusted net income are not indicative of the Company's operating performance, these items do impact the statement of comprehensive income (loss), and management therefore utilizes adjusted diluted EPS as an operating performance measure in conjunction with GAAP measures such as GAAP diluted EPS.

(18) As GAAP net loss is reported for the three months ended June 30, 2025 and nine months ended September 30, 2025, basic weighted average common shares outstanding was used to calculate GAAP diluted EPS for those periods because the dilutive potential common shares have an anti-dilutive effect (i.e., result in a lower loss per share). As adjusted net income is reported for the three months ended June 30, 2025 and nine months ended September 30, 2025, diluted weighted average common shares outstanding (including dilutive potential common shares) of 38,571 and 38,542, respectively, were used to calculate adjusted diluted EPS.

Reconciliation of Guidance Operating Margin to Guidance Adjusted EBITDA Margin

	Three Months Ending	
	December 31, 2025	
	Low ⁽¹⁾	High ⁽¹⁾
Operating margin	0.2%	0.8%
Depreciation and amortization (total)	5.3%	5.2%
EBITDA margin	5.5%	6.0%
Share-based compensation	0.9%	0.9%
Integration and other costs	0.4%	0.4%
Adjusted EBITDA margin	6.8%	7.3%

(1) Guidance percentage metrics are approximate.