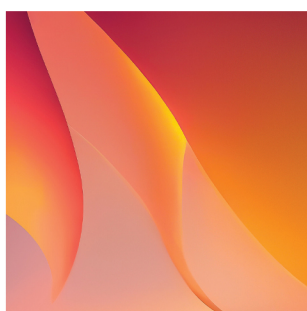
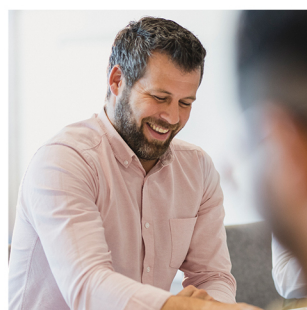
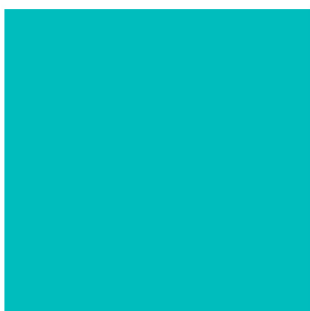


DARE TO WORK DIFFERENTLY®

2026 Annual Report.





Dear Stockholders,

Fiscal Year 2026 was a year of meaningful transition for RGP. While demand across our on-demand talent and consulting services remained uneven, we took decisive steps to strengthen the business, simplifying our operations, aligning our cost structure with market conditions, investing in priority growth areas, and building a stronger foundation for sustainable growth and long-term shareholder value.

Fiscal 2026 Key Highlights & Financial Performance

For the full fiscal year, revenue was \$452.0 million, compared with \$551.3 million in fiscal year 2025, a decline of 18.0%, or 17.4% on a same-day constant currency basis. Gross margin remained stable at 37.5%, compared with 37.6% in the prior year; however, our GAAP SG&A expenses, including several non-recurring restructuring costs, contributed to us having a net loss of \$40.6 million. On an adjusted basis, our fiscal year 2026 Adjusted EBITDA was \$5.0 million, compared with \$23.5 million in fiscal 2025.

The Year in Perspective

These results were not where we wanted them to be and reinforced the need for greater focus in our go-to-market execution and greater clarity around the services we bring to clients. While market conditions and client demand remain cautious, extending the time it takes opportunities to convert to revenue, we believe the actions we have taken position us to accelerate growth as conditions stabilize. At the same time, we continue to take decisive steps to strengthen our business, building on the actions we took in fiscal year 2026 to reduce SG&A, streamline operations, and divest our Sitrick crisis communications business. These actions are creating a stronger foundation and greater capacity to invest in growth.

Where We're Focused

Our strategy is centered on a simple idea: clients increasingly need a partner that can close the gap between advice and execution. They want speed, flexibility, specialized expertise, and measurable outcomes. RGP is built for that environment. We combine the flexibility of on-demand talent, the rigor of consulting, and the accountability of managed services to help clients address critical needs across finance, operations, technology, data, and AI.

Our Fiscal Year 2026 execution centered on four priorities:

- Refocusing On-Demand Talent offerings to align our talent base with evolving market demand.
- Scaling Consulting and sharpening our focus on higher-value transformation work.
- Advancing AI as both an internal productivity opportunity and a client-service opportunity.
- Streamlining how we operate and aligning our cost structure with revenue levels.

During fiscal year 2026, we took decisive steps to strengthen our capabilities, including expanding our leadership in the areas of CFO Advisory, data analytics, and AI. AI is a central part of our strategy. As organizations move from AI experimentation to enterprise adoption, we believe RGP is well positioned to help clients navigate that transition while creating meaningful long-term growth opportunities for the firm. Our approach is practical and disciplined. Internally, we are using AI to improve productivity and accelerate delivery. Externally, we are building AI-enabled solutions, talent, and partnerships that help clients adopt AI responsibly and generate measurable business outcomes.

These actions support a more focused, execution-oriented RGP, and going forward, we will continue to align our services portfolio and related investments to support our strategy where we believe RGP has a competitive right to win.

Balance Sheet, Client Relationships, and Outlook

Our balance sheet remained a source of strength. We ended fiscal year 2026 with \$82.4 million in cash and cash equivalents. We generated \$1.4 million in cash from operations during the year, while also funding our cost reduction actions and investments for growth. And we continued to return capital to stockholders through our quarterly dividend. We also strengthened our financial flexibility after fiscal year-end by entering a new credit facility in July 2026. The new facility provides secured revolving loans up to \$30.0 million, subject to a borrowing base tied to eligible receivables.

Most importantly, our client relationships remain strong. We completed a Voice of the Customer survey of 500 decision-makers and buyers from current and former RGP clients. Results showed that clients value RGP for trusted partnership, speed of execution, flexibility of our delivery model, and the quality of our people and services. Importantly, 95% of customers surveyed indicated that they intend to increase or maintain their level of engagement with RGP, providing a strong backdrop for our investments to drive future revenue growth.

Looking ahead to fiscal year 2027, our priorities are clear: ramp the investments we have made to strengthen go-to-market execution, scale Consulting, and return On-Demand to growth, while continuing to simplify our operations and cost structure and accelerate AI adoption to drive productivity internally and deliver greater value to our clients.

RGP has been redefining professional services for more than 30 years by helping clients move from advice to execution. We continue to serve leading organizations around the world, including 90% of the Fortune 100 and 70% of the Fortune 500, and we have earned recognition from U.S. News & World Report and Forbes for our workplace and consulting capabilities.

Fiscal year 2026 tested our resilience and required us to make hard decisions. We did so with discipline, urgency, and confidence in RGP's long-term potential. We enter fiscal year 2027 with a more focused portfolio, a better aligned cost structure, targeted investments in growth, a strong balance sheet, and a team committed to serving clients with speed, flexibility, and impact.

Thank you for your continued support.

Best,



Roger D. Carlile
President and Chief Executive Officer

RESOURCES CONNECTION, INC.
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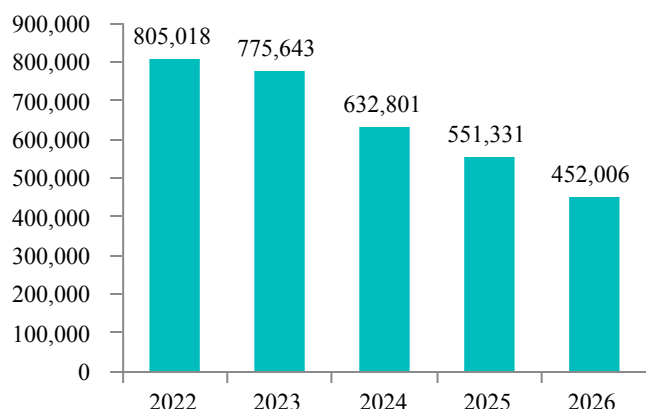
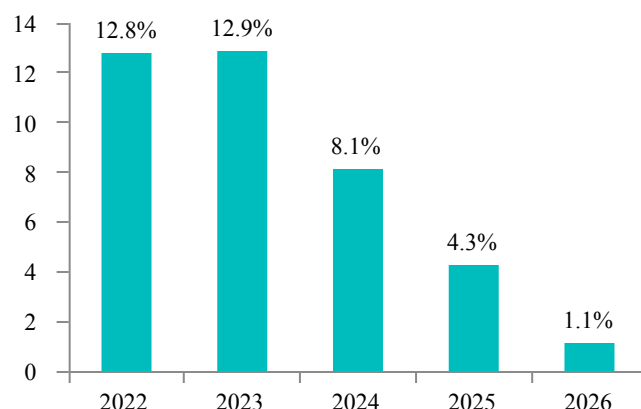
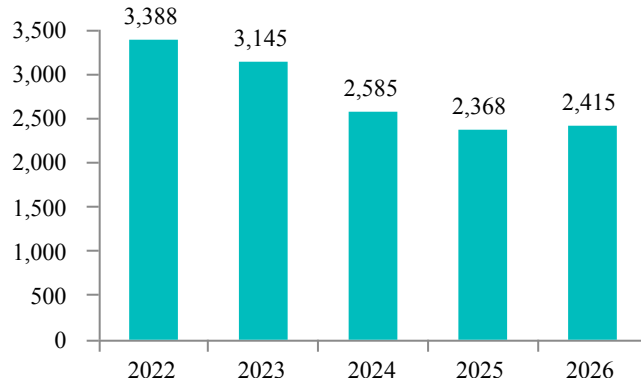
FORWARD LOOKING STATEMENTS

This Annual Report, including information incorporated herein by reference, contains “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 (the “Exchange Act”). These statements relate to expectations concerning matters that are not historical facts. For example, statements discussing, among other things, expectations regarding our operating segments, expectations regarding our transformation efforts and the macroeconomic environment, expected costs and liabilities, business strategies, growth strategies and initiatives, future revenues and future performance, are forward-looking statements. Such forward-looking statements may be identified by words such as “anticipates,” “believes,” “can,” “continue,” “could,” “estimates,” “expects,” “forecast,” “future,” “intends,” “may,” “might,” “plans,” “potential,” “predicts,” “remain,” “should,” “strategy,” “target,” “will,” “would” or similar terms, future or conditional tense verbs or the negative of these terms or other comparable terminology. In this Annual Report, such statements include statements regarding our growth, operational and strategic plans.

Although we believe that we have a reasonable basis for each forward-looking statement contained in this report, these statements and all phases of our 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, 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 or key sales professionals, 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 digital expansion and technology transformation efforts may not be successful, our ability to use artificial intelligence (“AI”) and machine learning in our business, 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, 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 possible impact of activist shareholders, the possibility that we are unable to or elect not to pay our quarterly dividend payment, our ability to establish and maintain effective internal control over financial reporting, and other factors and uncertainties as are identified in this Annual Report on Form 10-K and our other public filings made with the Securities and Exchange Commission (“SEC”) (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. Readers are cautioned not to place undue reliance on these forward-looking statements included herein, which speak only as of the date of this Annual Report. We do not intend, and undertake no obligation, to update the forward-looking statements in this filing to reflect events or circumstances after the date of this Annual Report or to reflect the occurrence of unanticipated events, unless required by law to do so.

FINANCIAL HIGHLIGHTS

(In thousands, except per share data)	Years Ended	
	May 30, 2026	May 31, 2025
Financial Results:		
Revenue	\$ 452,006	\$ 551,331
Gross profit	169,680	207,424
Restructuring charges	8,446	5,061
Operating loss	(38,265)	(196,757)
Net loss	\$ (40,601)	\$ (191,780)
Net loss per common share - Diluted	\$ (1.21)	\$ (5.80)
Cash dividends declared per common share	\$ 0.28	\$ 0.49
	May 30, 2026	May 31, 2025
Balance Sheet Data:		
Cash, cash equivalents	\$ 82,372	\$ 86,147
Trade accounts receivable, net	\$ 71,923	99,210
Total assets	\$ 257,399	\$ 304,688
Total Stockholders' equity	169,774	207,081
	May 30, 2026	May 31, 2025
Cash Flow Data:		
Cash flows provided by operating activities	1,427	18,899
Cash flows provided by (used in) investing activities	1,077	(13,571)
Cash flows used in financing activities	(7,526)	(27,731)

Total Revenues**Adjusted EBITDA Margin (1)****Cash Dividends Declared per Common Share****Total Number of Consultants on Assignment at End of Period**

(1) Adjusted EBITDA is a key performance indicator we use to assess our financial and operating performance. We define Adjusted EBITDA as net income (loss) before amortization expense, depreciation expense, interest and income taxes, excluding stock-based compensation expense, amortized Enterprise Resource Planning (“ERP”) system costs, technology transformation costs, goodwill impairment, acquisition costs, gain on sale of assets, restructuring costs, executive transition costs, Sitrick related transaction costs, contingent consideration adjustment and other items we believe are not representative of the Company's core operations. Adjusted EBITDA is a non-GAAP financial measure. A non-GAAP financial measure is defined as a numerical measure of a company's financial performance that (i) excludes amounts, or is subject to adjustments that have the effect of excluding amounts, that are included in the comparable measure calculated and presented in accordance with generally accepted accounting principles (“GAAP”) in the Consolidated Statements of Operations; or (ii) includes amounts, or is subject to adjustments that have the effect of including amounts, that are excluded from the comparable GAAP measure so calculated and presented. Adjusted EBITDA Margin is calculated by dividing Adjusted EBITDA by revenue. For further discussion of Adjusted EBITDA and Adjusted EBITDA margin, see page 19.

SERVICES AND STRATEGY OF RESOURCES GLOBAL PROFESSIONALS

Resources Connection, Inc. (“RGP,” the “Company,” “we” or “us”) is a global professional services firm based in Dallas, Texas (with offices worldwide) with three decades of experience helping the world’s top organizations navigate change and seize opportunity. With three integrated offerings—On-Demand Talent, Consulting, and Outsourced Services—the Company provides CFOs and other C-suite leaders with the flexibility to solve today’s most pressing challenges. The Company’s principal markets of operations are North America, Europe & Asia Pacific.

The Company operates under the following business units: (i) On-Demand Talent, (ii) Consulting, (iii) Europe & Asia Pacific, (iv) Outsourced Services, and (v) Sitrick (disclosed as “All Other”). As noted below, we divested our Sitrick business on May 2, 2026.

We serve more than 1,500 clients around the world with approximately 3,000 professionals collectively engaged from 35 physical practice offices and multiple virtual offices. Headquartered in Dallas, Texas, we are proud to have served 90% of the Fortune 100 as of May 2026.

Business Segments

For fiscal 2026, the Company’s operating segments were as follows:

- On-Demand Talent – provides businesses with a go-to source for bringing in experts when they need them, serving predominantly the office of the CFO.
- Consulting – drives transformation across people, processes and technology across domain areas including finance, technology and digital, risk and compliance and operational performance.
- Europe & Asia Pacific – a geographically defined segment that offers both on-demand and consulting services to clients throughout Europe and Asia Pacific.
- Outsourced Services – operating under the County by RGP™ brand, this segment offers outsourced finance, accounting and human resource (“HR”) services to startups, spinouts and scale-up enterprises, utilizing a technology platform and fractional team.
- Sitrick – a crisis communications and public relations firm that provides corporate, financial, transactional and crisis communication and management services.

On April 7, 2026, the Company entered into a Membership Interest Purchase Agreement (the “Purchase Agreement”) with Sitrick Group, LLC (“Sitrick”) and Sitrick, LLC (the “Buyer”), pursuant to which the Company agreed to sell 100% of the membership interests of Sitrick to the Buyer. The sale was completed on May 2, 2026. As a result of the sale of Sitrick, the “All Other” segment was eliminated as of May 30, 2026. See Note 3 – *Acquisitions and Dispositions* in the Notes to Consolidated Financial Statements included herein under “Item 8., Financial Statements and Supplemental Data” for further discussion.

Industry Background and Trends

Changing Market for Project- or Initiative-Based Professional Services

Our services respond to what we believe is a permanent marketplace shift: namely, organizations are increasingly choosing to address their workforce needs in more flexible ways. Permanent professional personnel positions are being reduced as organizations engage agile talent for project initiatives and transformation work.

Organizations use a mix of alternative resources to execute initiatives and projects. Some companies rely solely on their own employees who may lack the requisite time, experience or skills for specific projects. Other companies may outsource entire projects to consulting firms, which provides them access to the expertise of the firm but often entails significant cost, insufficient management control of the project and a lack of ultimate ownership at project completion. As a more cost-efficient alternative, companies sometimes use temporary employees from traditional and internet-based staffing firms, although these employees may be less experienced or less qualified than employees from professional services firms. Finally, companies can execute initiatives and projects by leveraging professional services firms like RGP to fill resource

or skills gap or provide end-to-end outcome-based solutions. The use of project consultants as a viable alternative to traditional accounting, consulting, and law firms allows companies to:

- Strategically access specialized skills and expertise for projects of set durations;
- Engage the very best expert talent across regions and geographies;
- Be nimble and mobilize quickly;
- Blend independent and fresh points of view;
- Effectively supplement internal resources;
- Increase labor flexibility; and
- Reduce overall hiring, training and termination costs.

Supply of Project Consultants

Based on our review of labor market dynamics and discussions with our consultants, we believe that there is sustained demand among professionals seeking to work on an agile basis due to a desire for:

- More flexible hours and work arrangements, coupled with an evolving professional culture that offers competitive wages and benefits;
- The ability to learn and contribute to different environments and collaborate with diverse team members;
- Challenging engagements that advance their careers, develop their skills and add to their portfolio of experience;
- A work environment that provides a diversity of, and more control over, client engagements; and
- Alternative employment opportunities throughout the world.

The traditional employment options available to professionals may fulfill some, but not all, of an individual's career objectives. A professional working for a Big Four firm or a consulting firm may receive challenging assignments and training; however, he or she may encounter a career path with less choice and less flexible hours, extensive travel demands and limited control over work engagements. On the other hand, a professional who works as an independent contractor assumes the ongoing burden of sourcing assignments and significant administrative obligations, including potential tax and legal issues.

RGP's Solution

We believe RGP is ideally positioned to capitalize on the confluence of the industry shifts described above. We believe, based on discussions with our clients, that RGP provides the agility companies desire in today's highly competitive and quickly evolving business environment. Our solution offers the following elements:

- A relationship-oriented and collaborative approach to client service;
- Flexible engagement models to meet clients where they need us, whether it's embedded expertise, strategic and execution oriented consulting or fully outsourced solutions;
- A dedicated talent acquisition and management team adept at developing, managing and deploying a project-based workforce;
- Deep functional and/or technical experts who can assess clients' project needs and customize solutions to meet those needs;
- Highly qualified and pedigreed consultants with the requisite expertise, experience and points of view;
- Competitive rates on an hourly basis as well as on a project basis; and
- Significant client control of their projects with effective knowledge transfer and change management.

RGP's Strategic Priorities

Our Business Strategy

We are dedicated to serving our clients with flexible engagement models and highly qualified and experienced talent in support of projects and initiatives in a broad array of functional areas, including:

Finance & Accounting

- Finance transformation
- Operational & technical accounting
- Tax & treasury
- Financial planning & analysis

Governance, Risk & Compliance

- Accounting regulations
- Internal audit & SOX compliance
- Data privacy & security
- IT & operational risk
- Regulatory compliance

Enterprise Strategy & Operational Performance

- Change & transformation management
- Process optimization & automation
- Supply chain management
- Merger integration
- Cost reduction & optimization

Digital, Technology & Data

- Digital transformation
- Technology strategy & transformation
- Data & analytics
- Artificial intelligence

Our objective is to build and maintain RGP's reputation as the premier provider of project execution and consulting services for companies facing transformation, change and compliance challenges through flexible engagement models including on-demand resourcing, consulting and outsourced services.. We have developed the following business strategies to achieve our objectives:

- *Hire and retain highly qualified, experienced consultants.* We believe our highly qualified, experienced consultants provide us with a distinct competitive advantage. Therefore, one of our top priorities is to continue to attract and retain high-caliber consultants who are committed to serving clients and solving their problems. We believe we have been successful in attracting and retaining qualified professionals by providing interesting work assignments within a blue-chip client base, competitive compensation and benefits, and continuing professional development and learning opportunities, as well as membership in an exclusive community of like-minded professionals, while offering flexible work schedules and more control over choosing client engagements.
- *Maintain our distinctive culture.* Our corporate culture is a core pillar of our business strategy, and we believe it has been a significant component of our success. See "Human Capital Management" below for further discussions about our culture.
- *Deepen our consulting capabilities and establish consultative relationships with clients.* We emphasize a relationship-oriented approach to business rather than a transaction-oriented or assignment-oriented approach. We believe the professional services experience of our management and consultants enables us to understand the needs of our clients and deliver an integrated, relationship-based approach to meeting those needs. Client relationships and needs are addressed from a client-centric, not geographic, perspective. Our team regularly meets with our existing and prospective clients to understand their business issues and identify tailored solutions to meet the clients' objectives, whether it's resourcing with highly skilled experts or strategic consulting with RGP's specific points of view. We believe that by establishing relationships with our clients to solve their professional service needs, we are more likely to identify new opportunities to serve them. The strength and depth of our client relationships is demonstrated by the 83% retention rate of our top 100 clients over the last five fiscal years.
- *Build the RGP brand.* We have historically built our brand through the consistent and reliable delivery of high-quality, value-added services to our clients as well as a significant referral network of approximately 2,400 consultants and approximately 600 management and administrative employees as of May 30, 2026. In recent years, we have invested in global, regional and local marketing and brand building and activation efforts that reinforce our brand. In fiscal 2026, we continued to bolster our brand through a refreshed website and marketing strategy to clarify what we do, who we serve, when to engage us, and the impact we deliver. We expect to continue our marketing efforts in the upcoming fiscal year. We rely on trademark registrations and common law trademark rights to protect the distinctiveness of our brand.

Our Growth Strategy

Since inception, our growth has been primarily organic with certain strategic acquisitions along the way that augmented our geographic presence or solution offerings. We believe we have significant opportunity to drive organic growth in our core business as well as through strategic and highly targeted acquisitions. Key elements of our growth strategy include:

- *Increase penetration of existing client base.* A principal component of our strategy is to secure additional work from the clients that we serve. Based on discussions with our clients, we believe that the amount of revenue that we currently generate from many of our clients represents a relatively small percentage of the total amount that they spend on professional services. We believe our clients may increase that spend as businesses adopt a more agile workforce strategy. We believe that by continuing to deliver high-quality services and by deepening our relationships with our clients, we can capture a significantly larger share of our clients' professional services budgets. We maintain our Strategic Client Account program to serve a number of our largest clients with dedicated global account teams. We have and will continue to expand the Strategic Client Account program by taking a more client-centric and borderless approach to serving these clients. We believe this focus enhances our opportunity to develop in-depth knowledge of these clients' needs and the ability to increase the scope and size of projects with those clients. The Strategic Client Account program have been key drivers for our revenue and business development.
- *Accelerate Market and Client Growth.* We continue to focus on attracting new clients and growing our presence within our existing clients. We strive to develop new client relationships primarily by leveraging the significant contact networks of our management and consultants, through referrals from existing clients as well as marketing efforts including client events and roundtables, thought leadership whitepapers and targeted digital marketing campaigns. We believe we can continue to attract new clients and to expand our presence within our existing client base by building our brand identity and reputation, supplemented by our global, regional and local marketing efforts. We anticipate our growth efforts will continue to focus on identifying strategic target accounts especially in the large and middle-market client segments and within certain focus industries, such as healthcare, technology and financial services.
- *Optimize service offerings with a focus on digital and AI capabilities.* We continue to evolve and optimize our portfolio of professional service offerings, and when appropriate, consider entry into new professional service offerings. Since our founding, we have diversified our professional service offerings from a primary focus on accounting and finance to other areas in which our clients have significant needs such as digital transformation, finance transformation, accounting regulations, internal audit and compliance, acquisition integration and divestitures, and supply chain management. We continuously identify project opportunities we can market at a broader level with our talent, tools and methodologies and commercialize into solution offerings. When evaluating new or existing solution offerings to invest in, we consider (among other things) profitability, cross-marketing opportunities, buyer personas, competition, growth potential and cultural fit. We offer valuable digital consulting services, particularly related to experience and automation. With our acquisition of Reference Point LLC ("Reference Point") in July 2024, we expanded our tailored technology and data modernization offerings to our many financial services industry clients. Customer experience and employee and workspace experience continue to be growing themes in the marketplace and within our client portfolio. The need for automation and self-service has also been an increasing trend. We will continue to focus on expanding our technology, digital and artificial intelligence consulting capabilities and their geographic reach to drive growth in the business by capturing the market demand and opportunities. Where appropriate, and with proper data security protocols in place, we seek to embed AI into our client solutions and our own operations to improve productivity, accelerate innovation and deliver differentiated value.
- *Further our strategic brand marketing.* RGP has always focused our business on project execution, which is a distinct space on the continuum between enterprise strategy consulting and interim deployment. Our business model of utilizing experienced talent to flatten the traditional consulting delivery pyramid is highly sought after in today's market. Most clients are capable of formulating business strategy organically or with the help of a strategy firm; where they need help is in the ownership of executing the strategy. Our co-delivery ethos is focused around partnering with clients on project execution with a flexible model, whether through on-demand resourcing or delivery of outcome based solutions. Our brand marketing will continue to emphasize and accentuate our unique qualifications in this arena. We believe clear articulation and successful marketing of our distinctive market position is key to attracting and retaining both clients and talent, enabling us to drive continued growth.

- *Engage in strategic acquisitions.* Our acquisition strategy is to engage in targeted M&A efforts that are designed to complement our core service offerings and enhance our consulting capabilities that are in line with market demands and trends. Our acquisition of Veracity Consulting Group, LLC and CloudGo Pte. Ltd. and its subsidiaries, now integrated into our Consulting practice, expanded our ServiceNow capabilities as well as our ServiceNow footprint in the Asia Pacific region. In addition, as noted above, our acquisition of Reference Point in July 2024 has allowed us to expand our offerings to clients within the financial services industry. We will continue to seek acquisition opportunities to augment and expand the breadth and depth of our digital and other core capabilities.

Our Service Offerings

- *Project Consulting Services.* We partner with our people and clients to deliver value and impact, bringing our depth of experience and “sleeves up” approach to project execution. While many companies find their internal employees lack the time, experience, or skills for project execution, we seek out talent who can bring fresh ideas to drive any project to a successful conclusion.
- *On-demand Talent Services.* Tapping into our agile talent pool, we mobilize the right resources to build delivery teams for our consulting offerings and directly support client talent needs in today’s rapidly changing business environment. Our workforce strategy provides flexible, collaborative resources to meet our clients’ needs.
- *Outsourced Services.* We offer outsourced finance, accounting and HR services to startups, spinouts and scale-up enterprises, utilizing a technology platform and fractional team.

Human Capital Management

Our internal employees and consultants represent our greatest asset and operate together to provide the highest quality of service to our clients. As of May 30, 2026, we had 3,006 employees, including 591 management and administrative employees and 2,415 consultants. None of our employees were covered by any collective bargaining agreements.

Our Culture and Values

Our culture is the cornerstone of all our human capital programs. Our senior management team, the majority of whom are Big Four, management consulting and/or Fortune 500 alumni, has created a culture that combines the commitment to quality and the client service focus of a Big Four firm with the entrepreneurial energy of an innovative, high-growth company. Our culture is built upon our shared, core values of Dare to Belong, Dare to Grow, Dare to Collaborate and Dare to Lead, and we believe this is a key reason for our success.

We strive to earn the trust of our clients, employees, and the communities we serve by operating in a legal, ethical and trustworthy manner. Our corporate policies and structure allow our employees, executives and board to lead with integrity and transparency. Along with our core values, we act in accordance with our Code of Business Conduct and Ethics (“Code of Conduct”), which sets forth the standards our employees and board members must adhere to at all times in the execution of their duties. Our Code of Conduct covers topics such as honest and candid conduct, conflicts of interest, disclosure controls and procedures, protecting confidential information, anti-corruption, compliance with laws, rules and regulations, fair dealing, equal opportunities and non-harassment and maintaining a safe workplace. The Code of Conduct also provides direction for reporting complaints in the event of alleged violations of our policies, including through our Corporate Integrity Hotline, which is available 24/7 and monitored by the Chair of the Audit Committee. The Code of Conduct reflects our commitment to operating in a fair, honest, responsible and ethical manner. Our Code of Conduct is available on our website at <https://rgp.com/>.

Inclusion and Belonging

At RGP, we aim to create a workplace where people feel valued and supported. We believe our success comes from building teams with unique skills, perspectives and backgrounds. We offer multiple employee resource groups (“ERGs”) open to all employees — Asians at RGP, Black & Hispanic at RGP, Interfaith ERG, Multicultural ERG, Pride ERG and Women in Leadership—which are voluntary, employee-led groups that are dedicated to fostering an inclusive work environment.

Engagement with our Communities

Through both volunteerism and philanthropic efforts, we are dedicated to contributing to the communities in which we operate. We support and encourage our employees to volunteer their time and donate to local or national charitable causes. In fiscal 2026, we continued our charitable giving matching fund with company matching contributions upwards of \$100,000. Since fiscal 2021, we have supported over 250 unique charitable organizations with over \$600,000 in contributions. We also encourage our employees' community involvement through our Spirit of Volunteerism Initiative, which supports causes important to employees. We are committed to fostering growth, community and connections both inside and outside of RGP.

Employee Wellbeing and Resilience

Employee safety and wellbeing is of paramount importance to us. Our Global Business Continuity Team continued to improve our disaster preparedness plans and implement strategies to manage the health and security of our employees, business continuity, client confidence, and excellent customer service.

To promote employee wellbeing and collaboration, we continued to offer a hybrid work policy, where employees are invited to work collaboratively with colleagues in the office and are permitted to work remotely as desired. Our goal is to help every human in our workforce maintain a positive, productive and connected work experience. We provide productivity and collaboration tools and resources for employees working remotely. During fiscal 2026, we also continued to enhance and promote programs to support our employees' physical and mental wellbeing, including the continued use of a wellness app, YuLife, to all U.S. employees. This gamified app is designed to promote healthy habits by rewarding employees for walking, cycling, meditating and brain training. We continue to support physical, mental and financial wellness through communications and webinars. Our You Matter recognition program is ongoing and allows employees to share gratitude and kudos for colleagues. We also offer an Employee Assistance Program for U.S. employees and a Global Workforce Support Program for our international employees. Both programs provide resources to support personal and family health and wellbeing.

Building Strong Leaders and Talent Management

Strong "human leadership" is critical to fostering employee engagement and positioning employees to perform at their best. We offer "Leadership U" to foster leadership development, peer mentorship opportunities and to support the building and maintenance of high-performing teams. We designed and delivered curated programs such as "Leadership U" to onboard and acclimate employees to the business and promote personal, professional and leadership growth.

Successful talent development starts with hiring the right people. We seek to recruit and hire candidates that demonstrate skills and competencies that align with our core values and that have an aptitude to further develop and expand those capabilities. After onboarding, our Life + Learning team remains committed to providing employees with training and development opportunities to allow our employees to progress in their careers. We offer newly hired employees the opportunity to participate in our "RGP U" program to accelerate and support their integration into our organization. This program gives our new hires a connected cohort to drive a sense of belonging early in their career at RGP and offers their leaders a more efficient use of individual coaching time with new employees. We also offer "RGP U Consultant" to ensure strong connectivity and supported success in a consultant's first year with RGP. Additionally, we offer a Sales Effectiveness curriculum focused on deepening sales and client service acumen and effectiveness.

In addition, we continued to invest in the professional development and growth of our employees as we focused on employee experience, effectiveness, upskilling and reskilling in a changing work environment. This support is focused and delivered to all employees with emphasis in the areas of leadership development, on-boarding, functional/technical learning and digital fluency. We continued to actively engage with our internal leaders by conducting intentional leader listening forums and mentorship programs to help guide our leaders during fiscal 2026. We also engaged with employees by conducting regular employee sentiment surveys and "Voice of the Employee" listening tours. We utilized this feedback to identify areas for improvement and inform actionable goals for the Company.

Compensation and Benefits

We provide a competitive compensation and benefits program to attract and reward our employees. In addition to salaries or hourly rates, our eligible employees, including our consultants, are offered participation in a comprehensive benefits program (based on location) including: paid time off and holidays, group medical and dental programs, a basic term life insurance program, health savings accounts, flexible spending accounts, a 401(k) retirement plan, contributions to statutory retirement programs, the 2019 Employee Stock Purchase Plan, as amended ("ESPP"), which enables employees

to purchase shares of our stock at a discount, and an employee assistance program. In addition, eligible management and administrative employees may participate in annual cash incentive programs or receive stock-based awards. We also allow eligible consultants in the U.S. to maintain continuation of benefits for 60 days following the completion of a consulting project.

We utilize a Pay for Success Total Rewards Philosophy that promotes consistent and transparent practices for rewarding and incentivizing our employees and the alignment of pay results with the Company's success. The Total Rewards Philosophy is comprised of three main components: (i) base pay, designed to reflect an individual's value, knowledge and skills that contribute to the organization through an individual's day-to-day job performance; (ii) short-term incentives, awarded to employees based on results delivered during the applicable fiscal year and determined by quantitative metrics, qualitative contributions, individual goals, and demonstration of company values; and (iii) long-term incentives, granted to recognize and retain employees who have strategic influence on the long-term success of the Company. As a listening organization, we continue to communicate with our people to understand what components of Total Rewards are priority for them and leverage that feedback, along with quantitative benchmarking data and affordability considerations, to continually evolve our Total Rewards offerings in a way that positions us to attract and retain top talent.

During fiscal 2026, we also continued our "You Matter" digital global employee recognition and appreciation program. You Matter includes service awards to acknowledge key milestones, including employment anniversaries and hours of service. This program provides all employees with the ability to both give and receive recognition, contributing to our culture of gratitude and excellence.

Clients

We provide our services and solutions to a diverse client base in a broad range of industries. In fiscal 2026, we served nearly 1,500 clients in 26 countries. Our revenues are not concentrated with any particular client. No single client accounted for more than 10% of revenue for the 2026, 2025 or 2024 fiscal years. In fiscal 2026, our 10 largest clients accounted for approximately 23% of our revenue.

Operations

We generally provide our professional services to clients at a local level, with the oversight of our revenue team (including market or account leaders) and engagement leaders when delivering solutions on consulting projects. The revenue team in each market, in collaboration with subject matter experts in the consulting business, are responsible for new client acquisition, expanding client relationships, ensuring client satisfaction throughout engagements, coordinating services for clients on a national and international level and maintaining client relationships post-engagement. Market or account revenue leadership and their teams identify, develop and close new and existing client opportunities, often working in a coordinated effort with other markets on multi-national/multi-location proposals. While the majority of our client relationships are driven at a local market level, our Strategic Client Accounts are led by account leaders responsible for relationships across markets and who are specifically tasked with growing our global relationships in these key accounts.

Market or account level leadership works closely with our talent management team to identify, hire and cultivate a relationship with seasoned professionals that fit our clients' needs. Our consultant recruiting efforts are regionally and nationally based, depending upon the skill sets required and our clients' preference for local talent. Recognizing the complexity of multinational client relationships, we've also utilized a hybrid approach that leverages the strengths of both local relationships and global delivery. In addition, in order to meet our clients where they need us and expand our reach for in-demand talent and skill sets, we operate global delivery centers in India and the Philippines. We often blend our delivery teams with talent across the globe to maximize the impact we deliver to our clients.

Our consulting business is organized by practice areas. Each practice has team members with deep subject matter expertise who focus on a combination of sales pursuit (in collaboration with the revenue team), project delivery/oversight and solution development.

We believe our ability to deliver professional services successfully to clients is dependent on our leaders in the field working together as a collegial and collaborative team. To build a sense of team spirit and increase camaraderie among our leaders, we have a program for field personnel that awards annual incentives based on specific agreed-upon goals focused on the performance of the individual and performance of the Company. We also share across the Company and with new team members the best and most effective practices of our highest achieving offices, consulting practices and accounts. New leadership also spends time in other markets or otherwise partners with experienced personnel to understand how best to serve current clients, expand our presence with prospects and identify and recruit highly qualified consultants,

among many other important skills. This allows the veteran leadership to share their success stories, foster our culture with new team members and review specific client and consultant development programs. We believe these team-based practices enable us to better serve clients who prefer a centrally organized service approach.

We provide administrative, marketing, finance, HR, information technology (“IT”), legal and real estate support throughout our U.S. offices. We also have a business support operations center in our Utrecht, Netherlands office to provide centralized finance, HR, IT, payroll and legal support to our European offices. These centralized functions minimize the administrative burdens on our front office market leaders and enable operational efficiency and scalability throughout the enterprise.

Competition

We operate in an extremely competitive, highly fragmented market and compete for clients and consultants with a variety of organizations that offer similar services. The competition for talent and clients is likely to increase in the future due to workforce gaps caused by the tightening labor market, a changing market for project- or initiative-based services and the relatively few barriers to entry. Our principal competitors include:

- business operations and financial consulting firms;
- local, regional, national and international accounting and other traditional professional services firms;
- independent contractors;
- traditional and internet-based staffing firms; and
- the in-house or former in-house resources of our clients.

We compete for clients based on the quality of professionals we bring to our clients, the knowledge base they possess, our ability to mobilize the right talent quickly, the flexibility in our engagement model, the effectiveness of our solutions, the scope and price of services, and the geographic reach of services. We believe our attractive value proposition, consisting of our diversified and relevant solution offerings, highly qualified consultants, relationship-oriented approach, delivery model (agile, bench and offshore) and professional culture, enables us to compete effectively in the marketplace.

Regulatory Environment

Our operations are subject to regulations by federal, state, local and professional governing bodies and laws and regulations in various foreign countries, including, but not limited to: (a) licensing and registration requirements and (b) regulation of the employer/employee relationship, such as worker classification regulations, wage and hour regulations, tax withholding and reporting, immigration/H-1B visa regulations, social security and other retirement, anti-discrimination, and employee benefits and workers’ compensation regulations. Our operations could be impacted by legislative changes by these bodies, particularly with respect to provisions relating to payroll and benefits, tax and accounting, employment, worker classification and data privacy which could materially affect our capital expenditures, earnings and/or competitive position. Due to the complex regulatory environment that we operate in, we remain focused on compliance with governmental and professional organizations’ regulations. **For more discussion of the potential impact that the regulatory environment could have on our financial results, refer to Item 1A “Risk Factors” of our Annual Report on Form 10-K filed with the SEC on July 24, 2026.**

Market Information and Holders

Our common stock is listed on The Nasdaq Stock Market LLC and trades on the Nasdaq Global Select Market under the symbol “RGP.” As of July 15, 2026, the approximate number of holders of record of our common stock was 37 (a holder of record is the name of an individual or entity that an issuer carries in its records as the registered holder (not necessarily the beneficial owner) of the issuer’s securities).

Dividend Policy

Our Board of Directors has established a quarterly dividend, subject to quarterly Board of Directors’ approval. Pursuant to declaration and approval by our Board of Directors, we declared a dividend of \$0.07 per share of common stock during each quarter in fiscal 2026. On April 28, 2026, our Board of Directors approved a regular quarterly dividend of \$0.07 per share of our common stock, which was subsequently paid on June 19, 2026 to stockholders of record at the close of business on May 21, 2026. Continuation of the quarterly dividend will be at the discretion of our Board of Directors and will depend upon our financial condition, results of operations, capital requirements, general business condition, contractual restrictions contained in our current or future credit agreements and other agreements, and other factors deemed relevant by our Board of Directors.

Issuances of Unregistered Securities

None.

Issuer Purchases of Equity Securities

Our Board of Directors has previously approved two stock repurchase programs authorizing the repurchase, at the discretion of our senior executives, of our common stock for a designated aggregate dollar limit. In July 2015, the first program was authorized for an aggregate dollar limit not to exceed \$150 million, and in October 2024, the second program was authorized for an additional dollar limit not to exceed \$50 million (collectively, the “Stock Repurchase Programs”). Subject to the aggregate dollar limits, the currently authorized Stock Repurchase Programs do not have an expiration date. Repurchases under the Stock Repurchase Programs may take place in the open market or in privately negotiated transactions and may be made pursuant to a Rule 10b5-1 plan. As of May 30, 2026, approximately \$79.2 million remained available for future repurchases of the Company’s common stock under the Stock Repurchase Programs.

There were no repurchases of our common stock under the Stock Repurchase Programs during the fourth quarter of fiscal 2026 and there were 38,160 shares of our common stock withheld to cover taxes on the vesting of restricted stock awards during the fourth quarter of fiscal 2026.

<u>Period</u>	<u>Total Number of Shares Purchased ⁽¹⁾</u>	<u>Average Price Paid per Share</u>	<u>Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs</u>	<u>Approximate Dollar Value of Shares that May Yet be Purchased Under the Plans or Programs</u>
March 1, 2026 — March 28, 2026	—	\$ —	—	\$ 79,247,018
March 29 — April 25, 2026	—	\$ —	—	\$ 79,247,018
April 26, 2026 - May 30, 2026	38,160	\$ 4.39	—	\$ 79,247,018
Total March 1, 2026 — May 30, 2026	<u>38,160</u>	<u>\$ 4.39</u>	<u>—</u>	<u>\$ 79,247,018</u>

⁽¹⁾ Shares repurchased represent shares transferred from employees in satisfaction of tax withholding obligations upon the vesting of certain restricted stock awards during the period.

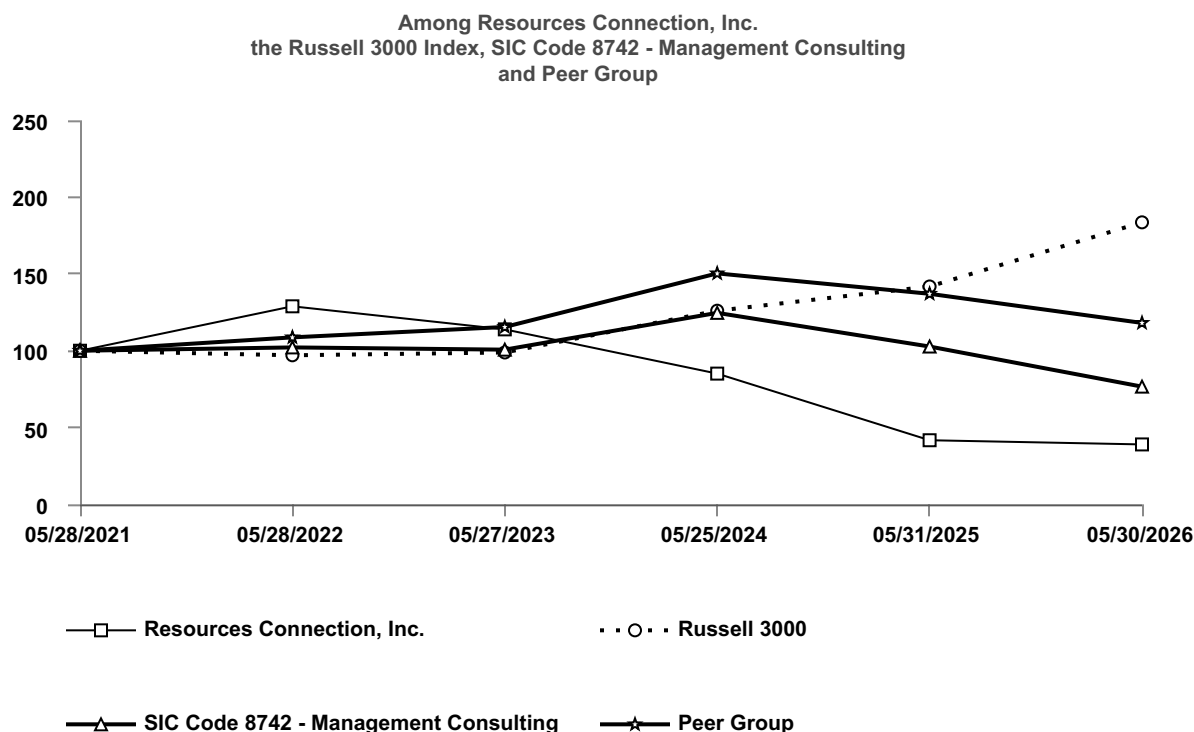
Performance Graph

Set forth below is a line graph comparing the annual percentage change in the cumulative total return to the holders of our common stock against the cumulative total return of each of the Russell 3000 Index, a customized peer

group consisting of eight companies listed below the following table and a combined classification of companies under Standard Industry Codes as 8742-Management Consulting Services, in each case for the five years ended May 30, 2026. The graph assumes \$100 was invested at market close on May 28, 2021 in our common stock and in each index (based on prices from the close of trading on May 28, 2021), and that all dividends are reinvested. Stockholder returns over the indicated period may not be indicative of future stockholder returns.

The information contained in the performance graph shall not be deemed to be “soliciting material” or to be “filed” with the SEC, nor shall such information be incorporated by reference into any future filing under the Securities Act of 1933, as amended or the Securities Exchange Act of 1934, as amended except to the extent that we specifically incorporate it by reference into such filing.

COMPARISON OF 5 YEAR CUMULATIVE TOTAL RETURN*



*\$100 invested on 5/28/2021 in stock or index, including reinvestment of dividends.

	May 28, 2021	May 28, 2022	May 27, 2023	May 25, 2024	May 31, 2025	May 30, 2026
Resources Connection, Inc.	\$ 100.00	\$ 128.92	\$ 113.91	\$ 85.11	\$ 41.73	\$ 39.00
Russell 3000	\$ 100.00	\$ 97.03	\$ 98.86	\$ 126.06	\$ 141.83	\$ 183.59
SIC Code 8742 - Management Consulting	\$ 100.00	\$ 102.16	\$ 100.70	\$ 124.65	\$ 102.73	\$ 76.63
Peer Group	\$ 100.00	\$ 108.70	\$ 115.46	\$ 150.35	\$ 137.07	\$ 118.11

Our customized peer group includes the following ten professional services companies that we believe reflect the competitive landscape in which we operate and acquire talent: Barrett Business Services, Inc.; CBIZ, Inc.; CRA International, Inc.; FTI Consulting, Inc.; Huron Consulting Group Inc.; ICF International, Inc.; Kforce, Inc.; Korn Ferry; MISTRAS Group, Inc.; and Heidrick & Struggles International, Inc. ("Heidrick"). Heidrick was delisted on December 10, 2025. Accordingly, Heidrick was included in the peer group analysis through its last trading date and reflected in the calculations up to that date.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our financial statements and related notes. This discussion and analysis contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors including, but not limited to, those discussed in Part I, Item 1A "Risk Factors" of our Annual Report on Form 10-K filed with the SEC on July 24, 2026. See "Forward Looking Statements" above for further explanation.

Overview

Resources Global Professionals ("RGP," "we" or "us") is a global professional services firm based in Dallas, Texas (with offices worldwide) with three decades of experience helping the world's top organizations navigate change and seize opportunity. With three integrated offerings — On-Demand Talent, Consulting, and Outsourced Services — we provide CFOs and other C-suite leaders with the flexibility to solve today's most pressing challenges. The Company's principal markets of operations are North America, Europe & Asia Pacific.

We operate under the following reporting units: (i) On-Demand Talent, (ii) Consulting, (iii) Europe & Asia Pacific, and (iv) Outsourced Services. Our previous reportable segments included Sitrick, a crisis communications and public relations firm, which did not individually meet the quantitative thresholds to qualify as a reportable segment (disclosed as "All Other"). On May 2, 2026, we completed the sale of 100% of the membership interests of Sitrick Group, LLC ("Sitrick"), to Sitrick, LLC, an entity owned by one of the original founders of Sitrick Group, LLC. The Company initiated the sale in connection with its broader transformation initiative to simplify its business portfolio. As a result of the sale of Sitrick, the All Other segment was eliminated as of May 30, 2026. The Company has presented the results of the All Other segment through the date the sale was completed for the year ended May 30, 2026. Following the sale, the Company received no new income from Sitrick, other than rent payments on sub-leased office buildings, and had no further involvement or continuing influence over its operations.

Fiscal 2026 Strategic Focus Areas

In fiscal 2026, we focused and executed upon the following enterprise growth drivers:

- Expand cross-sell opportunities through our diversified services platform;
- Scale our high-value Consulting solutions and refocus On-Demand Talent offerings to address the evolving needs of our clients;
- Drive improvement in cost structure, simplify and optimize our business portfolio; and
- Further leverage value-based pricing to improve profitability.

Expand cross-sell opportunities through our diversified services platform – We offer a unique blend of services in On-Demand Talent, Consulting, and Outsourced Services, enabling high flexibility and high impact solutions for enterprises worldwide. This unique model is designed to meet clients' evolving needs in a disrupted business environment. Our Consulting capability provides us with deeper visibility into our clients' transformation agendas to drive greater opportunities for our On-Demand execution capabilities, while our agile talent base within our On-Demand business provides greater financial flexibility and better skill set alignment for our Consulting business. In our Outsourced Services business, we have and will continue to expand Countsy's total addressable market beyond the start-up ecosystem to serve the finance, accounting and human resources needs surrounding spin-outs and carve-outs. In fiscal 2026, we made progress in broadening client relationships by cross-selling across our diversified service offerings and introducing complementary solutions as client needs evolve. We believe this will continue to enable us to deepen our partnerships with CFOs and other C-suite business leaders, strengthen client retention, and increase wallet share while positioning the Company as a long-term, trusted partner for transformation and performance improvement.

Scale our high-value Consulting solutions and refocus On-Demand offerings to address the evolving needs of our clients – In a volatile and rapidly shifting global economic environment, CFOs and business leaders need partners who combine expertise with flexibility. We continue to build strong relationships with C-suite leaders, to support their organizations' transformation journeys with specialized on-demand expertise, high-value consulting, and integrated outsourced delivery. In fiscal 2026, we completed the integration of our consulting assets including Reference Point LLC ("Reference Point") into one cohesive consulting business unit. In addition, we have made focused investments to bring more sales capacity and depth to the consulting team and to further expand our service capabilities in Mergers and

Acquisitions, Data Analytics and artificial intelligence ("AI"). Our core solutions are: enterprise resource planning ("ERP") and cloud finance systems modernization, financial planning and analysis enhancement, accounting close process optimization, SEC compliance, post acquisitions integration, enterprise risk management, data strategy and analytics, AI adoption and enterprise digital transformation. Concurrent to evolving our solutions to meet market demand, we have also made progress to evolve our talent strategy to modernize and refresh the skillsets within our consultant base, both bench and agile, to serve our clients across On-Demand or Consulting engagements, particularly in the area of technology and AI fluency.

Drive improvement in cost structure, simplify and optimize our business portfolio – As we execute strategic initiatives to improve our topline, we have also prioritized reducing our cost structure and maintaining ongoing cost discipline to deliver improved profitability. In fiscal 2026, we performed a comprehensive review of our operating model to redesign and streamline our cost structure, including simplification of business processes. In connection with this effort, we completed two workforce reductions affecting management and administrative roles improving our annual selling, general and administrative expenses ("SG&A") by \$12.0 million to \$14.0 million. In addition, as the result of our business portfolio review, we completed the sale of Sitrick in May 2026. Finally, we continue to improve the functionalities and user adoption of our recently implemented technology to achieve further operating efficiencies.

Further leverage value-based pricing – Building on the progress we made in previous fiscal years, we continued to advance our value-based pricing strategy to improve bill rates and pricing leverage, particularly in the Consulting business, as we pursue larger-scale, higher-value engagements that deliver measurable impact for clients.

Fiscal 2026 Developments

Management Changes

Effective November 3, 2025, Roger Carlile, a director of the Company, was appointed as the Company's President and Chief Executive Officer ("CEO"). In connection with his appointment, the Company entered into an employment agreement with Mr. Carlile with a term that extends through November 3, 2028 and will automatically renew annually thereafter. In October 2025, the Company's Board of Directors elected not to renew the "Period of Employment" under the Company's existing Employment Agreement, dated February 3, 2020 and as subsequently amended, with Kate W. Duchene, the Company's former President and CEO. Ms. Duchene stepped down as the Company's President and CEO, and as a member of the Board, on November 2, 2025. She served as an Executive Advisor through January 3, 2026 to assist the Company and Mr. Carlile with the continuity of leadership. See Note 1 – *Description of the Company and its Business* in the Notes to Consolidated Financial Statements included in Part II, Item 8 "Financial Statements and Supplementary Data" of this Annual Report on Form 10-K for additional information regarding the severance benefits paid to Ms. Duchene.

On March 3, 2026, the Company entered into a Separation and General Release Agreement with Bhadreskumar Patel, the Company's Chief Operating Officer ("COO"), that provided the last day of Mr. Patel's employment by the Company would be May 15, 2026. See Note 1 – *Description of the Company and its Business* in the Notes to Consolidated Financial Statements included in Part II, Item 8 "Financial Statements and Supplementary Data" of this Annual Report on Form 10-K for additional information regarding the severance benefits paid to Mr. Patel.

Company Transformation Initiative — Cost Structure Improvement

In fiscal 2026, the Company began a transformation initiative to redesign and streamline its operating model to achieve a reduced cost structure, as well as integrate Reference Point's consulting capabilities into the existing consulting business to form a more cohesive consulting segment (the "2026 Transformation Initiative"). As part of this initiative, we engaged a third-party advisor to assist us in conducting a comprehensive review of our global operations. In October 2025, in connection with this effort, we began certain workforce reductions affecting management and administrative roles, aimed at improving efficiency, reducing costs and streamlining operations (the "October RIF"). As disclosed in the Company's Form 8-K filed with the SEC on January 28, 2026, the Company began a second reduction in force under the 2026 Transformation Initiative in January 2026 (the "January RIF"). In addition to these reductions in force, the Company identified an opportunity for cost savings through exiting and subleasing certain office space. The Company recorded an impairment charge of \$1.0 million in connection with the sublease.

Restructuring costs were \$8.4 million and \$5.1 million for the year ended May 30, 2026 and May 31, 2025, respectively. We expect our transformation efforts to be substantially complete in the first half of fiscal 2027, though the scope, timing, and impact of such actions may evolve as the review progresses.

As a part of the transformation to simplify and optimize our business portfolio, on April 27, 2026, the Company entered into a Membership Interest Purchase Agreement (the “Purchase Agreement”) with Sitrick and Sitrick, LLC (the “Buyer”), pursuant to which the Company agreed to sell 100% of the membership interests of Sitrick to the Buyer.

The Purchase Agreement provided for a cash purchase price equal to the agreed realizable value of Sitrick client receivables. The purchase price was subject to adjustments for the outstanding Sitrick client receivables as of the closing and the funding of certain Sitrick liabilities by the Company as of the closing. The purchase price amounted to \$1.9 million. The Purchase Agreement also provided that the Company shall retain certain assets and liabilities of Sitrick, including all assets and liabilities related to certain office space lease agreements. The Company also agreed to pay Michael Sitrick, Sitrick’s chief executive officer, a cash payment of \$4.0 million, which is equivalent to the cash severance that would have been payable under the terms of the employment agreement with Sitrick, and in connection with the closing of the transaction, to accelerate the vesting of any equity awards granted by the Company to continuing employees of Sitrick that are unvested and outstanding immediately prior to the closing. The sale was completed on May 2, 2026.

Critical Accounting Policies and Estimates

The discussion and analysis of our financial condition and results of operations included in this Item 7 “Management’s Discussion and Analysis of Financial Condition and Results of Operations” are based upon our Consolidated Financial Statements, which have been prepared in accordance with accounting principles generally accepted in the U.S. (“GAAP”). The preparation of these financial statements requires us to make estimates and judgments that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period.

We base our estimates on historical experience and on various other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities. Actual results may differ from these estimates under different assumptions or conditions.

The following represents a summary of our accounting policies that involve critical accounting estimates, defined as those estimates made in accordance with GAAP that involve a significant level of estimation uncertainty and have had or are reasonably likely to have a material impact on our financial condition or results of operations.

Revenue recognition — Revenue is recognized when control of the promised service is transferred to our clients, in an amount that reflects the consideration expected in exchange for the services. Revenue is recorded net of sales or other transaction taxes collected from clients and remitted to taxing authorities. Revenues for the vast majority of our contracts are recognized over time, based on hours worked by our professionals. The performance of the agreed-upon service over time is the single performance obligation for revenues.

On a limited basis, the Company may have fixed-price contracts, for which revenue is recognized over time using the input method based on time incurred as a proportion of estimated total time. Time incurred represents work performed, which corresponds with, and therefore best depicts, the transfer of control to the client. Management uses significant judgments when estimating the total hours expected to complete the contract performance obligation. It is possible that updated estimates for consulting engagements may vary from initial estimates with such updates being recognized in the period of determination. Depending on the timing of billings and services rendered, the Company accrues or defers revenue as appropriate.

Certain clients may receive discounts (for example, volume discounts or rebates) to the amounts billed. These discounts or rebates are considered variable consideration. Management evaluates the facts and circumstances of each contract and client relationship to estimate the variable consideration, assessing the most likely amount to recognize and considering management’s expectation of the volume of services to be provided over the applicable period. Rebates are the largest component of variable consideration and are estimated using the most-likely-amount method prescribed by Accounting Standards Codification Topic 606, *Revenue from Contracts with Customers*, contracts terms and estimates of revenue. Revenues are recognized net of variable consideration to the extent that it is probable that a significant reversal of revenues will not occur in subsequent periods. Changes in estimates would result in cumulative catch-up adjustments and could materially impact our financial results. Rebates recognized as contra-revenue for the years ended May 30, 2026, May 31, 2025 and May 25, 2024 were \$2.5 million, \$2.2 million and \$2.5 million, respectively.

Goodwill — Goodwill represents the excess of the purchase price over the fair value of the net tangible and identifiable intangible assets acquired in each business combination. We evaluate goodwill for impairment annually as of

the first day of the fourth quarter, and whenever events indicate that it is more likely than not that the fair value of a reporting unit could be less than its carrying amount. In assessing the recoverability of goodwill, we make a series of assumptions including forecasted revenue and costs, estimates of future cash flows, discount rates and other factors, which require significant judgment. A potential impairment in the future, although a non-cash expense, could materially affect our financial results and financial condition.

In testing the goodwill of our reporting units for impairment, we have the option to first assess qualitative factors to determine whether it is more likely than not that the fair value of each of our reporting units is less than their respective carrying amounts. If it is deemed more likely than not that the fair value of a reporting unit is greater than its carrying value, no further testing is needed and goodwill is not impaired. Otherwise, we perform a quantitative comparison of the fair value of the reporting unit to its carrying amount. We have the option to bypass the qualitative assessment for any reporting unit and proceed directly to performing the quantitative goodwill impairment test. If a reporting unit's estimated fair value is equal to or greater than that reporting unit's carrying value, no impairment of goodwill exists and the testing is complete. If the reporting unit's carrying amount is greater than the estimated fair value, then a non-cash impairment charge is recorded for the amount of the difference, not exceeding the total amount of goodwill allocated to the reporting unit.

Under the quantitative analysis, the estimated fair value of goodwill is determined by using a combination of a market approach and an income approach. The market approach estimates fair value by applying revenue and EBITDA multiples to each reporting unit's operating performance. The multiples are derived from guideline public companies with similar operating and investment characteristics to our reporting units, and are evaluated and adjusted, if needed, based on specific characteristics of the reporting units relative to the selected guideline companies. The market approach requires us to make a series of assumptions that involve significant judgment, such as the selection of comparable companies and the evaluation of the multiples. The income approach estimates fair value based on our estimated future cash flows of each reporting unit, discounted by an estimated weighted-average cost of capital that reflects the relevant risks associated with each reporting unit and the time value of money. The income approach also requires us to make a series of assumptions that involve significant judgment, such as discount rates, revenue, earnings and free cash flow projections. We estimate our discount rates on a blended rate of return considering both debt and equity for comparable guideline public companies. We forecast our revenue, earnings and free cash flows based on historical experience and internal forecasts about future performance. While we believe that the assumptions underlying our quantitative assessment are reasonable, these assumptions could have a significant impact on whether a non-cash impairment charge is recognized and the magnitude of such charge. The results of an impairment analysis are as of a point in time. There is no assurance that the actual future earnings or cash flows of our reporting units will be consistent with the Company's projections.

In fiscal 2025, due to the presence of indicators of potential impairment, we performed quantitative goodwill impairment assessments in each of the fiscal quarters. See Note 4 – *Goodwill and Intangible Assets* in the Notes to Consolidated Financial Statements included in Part II, Item 8, "Financial Statements and Supplementary Data" of this Annual Report on Form 10-K for further discussion.

Market Trends and Uncertainties

The Company continues to operate in a macroeconomic environment characterized by moderate but uneven global growth. While demand for professional services remains resilient, clients are increasingly selective, prioritizing projects with near-term, measurable returns on investment, with some focus on AI, digital transformation, and cost optimization, which has resulted in some variability in demand across service offerings. Additionally, heightened geopolitical tensions (including the recent Iran conflict), fluctuations in currency exchange rates, recent government and policy changes implemented in the United States, and tariff actions and uncertainties related to trade wars have caused economic disruption and uncertainty, which may impact client spending, project timing and overall demand for the Company's services. These factors may continue to negatively affect our financial results and operating cash flows.

Non-GAAP Financial Measures

We use certain non-GAAP financial measures to assess our financial and operating performance that are not defined by or calculated in accordance with GAAP. A non-GAAP financial measure is defined as a numerical measure of a company's financial performance that (i) excludes amounts, or is subject to adjustments that have the effect of excluding amounts, that are included in the comparable measure calculated and presented in accordance with GAAP in the Consolidated Statements of Operations; or (ii) includes amounts, or is subject to adjustments that have the effect of including amounts, that are excluded from the comparable GAAP measure so calculated and presented.

Our primary non-GAAP financial measures are listed below and reflect how we evaluate our operating results:

- Same-day constant currency revenue is adjusted for the following items:
 - Currency impact. In order to remove the impact of fluctuations in foreign currency exchange rates, we calculate same-day constant currency revenue, which represents the outcome that would have resulted had exchange rates in the current period been the same as those in effect in the comparable prior period.
 - Business days impact. In order to remove the fluctuations caused by comparable periods having a different number of business days, we calculate same-day revenue as current period revenue (adjusted for currency impact) divided by the number of business days in the current period, multiplied by the number of business days in the comparable prior period. The number of business days in each respective period is provided in the "Number of Business Days" section in the table below.
- EBITDA is calculated as net income (loss) before amortization expense, depreciation expense, interest and income taxes.
- Adjusted EBITDA is calculated as EBITDA excluding stock-based compensation expense, amortized ERP system costs, technology transformation costs, goodwill impairment, acquisition costs, gain on sale of assets, restructuring costs, executive transition costs, Sitrick related transaction costs, contingent consideration adjustment and other items we believe are not representative of the Company's core operations. We also present herein Adjusted EBITDA at the segment level as a measure used to assess the performance of our segments. Segment Adjusted EBITDA excludes certain shared corporate administrative costs that are not practical to allocate. See Note 18 – *Segment Information and Enterprise Reporting* in the Notes to Consolidated Financial Statements included in Part II, Item 8, "Financial Statements and Supplementary Data" of this Annual Report on Form 10-K for further information.
- Adjusted EBITDA Margin is calculated by dividing Adjusted EBITDA by revenue.

Same-Day Constant Currency Revenue

Same-day constant currency revenue assists us in evaluating revenue trends on a more comparable and consistent basis. Revenue performance is primarily driven by change in billable hours and average bill rates; same-day constant currency revenue is presented to provide better comparability between reporting periods by eliminating the effects of foreign currency fluctuations and fiscal calendar differences. We believe this measure provides more clarity to our investors in evaluating our core operating performance.

The following table presents a reconciliation of same-day constant currency revenue, a non-GAAP financial measure, to revenue as reported in the Consolidated Statements of Operations, the most directly comparable GAAP financial measure, by segment (in thousands, except number of business days).

	For the Years Ended				
	May 30, 2026				May 31, 2025
	(Unaudited)				
	As reported (GAAP)	Currency impact	Business days impact	Same-day constant currency revenue	As reported (GAAP)
On-Demand Talent	\$ 168,796	\$ (367)	\$ 2,009	\$ 170,438	\$ 205,976
Consulting	159,796	(541)	1,882	161,137	219,215
Europe & Asia Pacific	75,139	(1,717)	1,320	74,742	77,602
Outsourced Services	39,206	-	467	39,672	39,618
All Other	9,069	-	108	9,177	8,920
Total Consolidated	\$ 452,006	\$ (2,625)	\$ 5,786	\$ 455,166	\$ 551,331

Number of Business Days	For the Years Ended	
	May 30, 2026	May 31, 2025
	(Unaudited)	(Unaudited)
On-Demand Talent (1)	252	255
Consulting (1)	252	255
Europe & Asia Pacific (2)	250	254
Outsourced Services (1)	252	255
All Other (1)	252	255

(1) This represents the number of business days in the U.S.

(2) The business days in international regions represent the weighted average number of business days.

EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin

EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin assist us in assessing our core operating performance. We also believe these measures provide investors with a useful perspective on underlying business results and trends and facilitate a comparison of our performance from period to period. The following table presents EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin for the periods indicated and includes a reconciliation of such measures to net loss and net loss margin, the most directly comparable GAAP financial measures (in thousands, except percentages).

	For the Years Ended					
	May 30, 2026	% of Revenue (1)	May 31, 2025	% of Revenue (1)	May 25, 2024	% of Revenue (1)
Net income (loss)	\$ (40,601)	(9.0)%	\$ (191,780)	(34.8)%	\$ 21,034	3.3 %
Adjustments:						
Amortization expense	3,829	0.8	5,880	1.1	5,378	0.9
Depreciation expense	1,325	0.3	1,868	0.3	3,050	0.5
Interest income, net	(615)	(0.1)	(544)	(0.1)	(1,064)	(0.2)
Income tax expense (benefit)	2,458	0.5	(4,295)	(0.8)	8,795	1.4
EBITDA	(33,604)	(7.5)	(188,871)	(34.3)	37,193	5.9
Stock-based compensation expense	6,356	1.4	6,754	1.2	5,732	0.9
Amortized ERP system costs (2)	2,807	0.6	1,287	0.2	-	-
Technology transformation costs (3)	-	-	5,474	1.0	6,901	1.1
Acquisition costs (4)	1,667	0.4	2,763	0.5	1,970	0.3
Goodwill impairment (5)	-	-	194,409	35.3	-	-
Gain on sale of assets (6)	-	-	(3,420)	(0.6)	-	-
Restructuring costs (7)	8,446	1.9	5,061	0.9	4,087	0.6
Executive transition costs (8)	12,232	2.7	-	-	-	-
Sitrick related transaction costs (9)	7,142	1.6	-	-	-	-
Contingent consideration adjustment (10)	-	-	-	-	(4,400)	(0.7)
Adjusted EBITDA	\$ 5,046	1.1 %	\$ 23,457	4.3 %	\$ 51,483	8.1 %

(1) The percentage of revenue may not foot due to rounding.

(2) Amortized ERP system costs represent the amortization of capitalized technology transformation costs related to newly implemented ERP system, which was recorded within SG&A expenses on the Consolidated Statements of Operations.

(3) Technology transformation costs represent costs included in net income (loss) related to the Company's initiative to upgrade its technology platform globally, including a cloud-based ERP system and talent acquisition and management systems. Such costs primarily include hosting and certain other software licensing costs, third-party consulting fees and costs associated with dedicated internal resources that are not capitalized.

(4) Acquisition costs primarily represent costs included in net income (loss) related to the Company's business acquisition of Reference Point. These costs include transaction bonuses, cash retention bonus accruals, and fees paid to the Company's broker, legal counsel, and other professional services firms. See Note 3 – Acquisitions and Dispositions in the Notes to Consolidated Financial Statements in Part II, Item 8, "Financial Statements and Supplemental Data" for further discussion.

(5) Goodwill impairment charges recognized during the year ended May 31, 2025 were related to the On-Demand Talent, Consulting and Europe & Asia Pacific segments. See Note 4 – Goodwill and Intangible Assets in the Notes to Consolidated Financial Statements in Part II, Item 8, "Financial Statements and Supplemental Data" for further discussion.

⁽⁶⁾ Gain on sale of assets was related to the Company's sale of its Irvine office building, which was completed on August 15, 2024.

⁽⁷⁾ Restructuring costs during the year ended May 30, 2026 include employee termination costs incurred in workforce reductions, impairment of ROU asset, and non-recurring third-party consulting costs associated with the 2026 Transformation Initiative. Restructuring costs for the year ended May 31, 2025 related to the Company's global cost reduction plan, including a reduction in force intended to reduce costs and streamline operations, which were authorized in December 2024 and May 2025 (the "2025 Restructuring Plan"). Restructuring costs for the year ended May 25, 2024 related to the Company's cost reduction plan, including a reduction in force, which was authorized in October 2023, and was substantially completed during fiscal 2024 (the "U.S. Restructuring Plan").

⁽⁸⁾ Executive transition costs represent non-recurring costs incurred in connection with the separation of the Company's former CEO and former COO. These costs include \$7.6 million of cash severance and \$4.6 million of non-cash stock compensation expense reflecting the acceleration of equity awards pursuant to ASC 718 – Compensation - Stock Compensation ("ASC 718").

⁽⁹⁾ Sitrick related transaction costs represent \$4.1 million of severance expense incurred in connection with the sale of Sitrick, \$2.4 million of loss on the sale of Sitrick, consisting of a \$1.5 million non-cash impairment on right-of-use assets and a \$0.9 million loss, and \$0.6 million of non-cash stock compensation expense reflecting the acceleration of equity awards.

⁽¹⁰⁾ Contingent consideration adjustment related to the remeasurement of contingent liabilities related to the acquisition of CloudGo Pte Ltd. and its subsidiaries (collectively, "CloudGo").

Our non-GAAP financial measures are not measurements of financial performance or liquidity under GAAP and should not be considered in isolation or construed as substitutes for revenue, net income (loss) or other measures of financial performance or financial condition prepared in accordance with GAAP for purposes of analyzing our revenue, profitability or liquidity. Further, a limitation of our non-GAAP financial measures is they exclude items detailed above that have an impact on our GAAP reported results. Other companies in our industry may calculate these non-GAAP financial measures differently than we do, limiting their usefulness as a comparative measure. Because of these limitations, these non-GAAP financial measures should not be considered a substitute but rather considered in addition to performance measures calculated in accordance with GAAP.

Results of Operations

The following table set forth, for the periods indicated, our Consolidated Statements of Operations data. These historical results are not necessarily indicative of future results. Our operating results for the periods indicated are expressed as a percentage of revenue below. The fiscal year ended May 30, 2026 consisted of 52 weeks, the fiscal year ended May 31, 2025 consisted of 53 weeks, and the fiscal year ended May 25, 2024 consisted of 52 weeks (in thousands, except percentages).

	For the Years Ended					
	May 30, 2026	% of Revenue (1)	May 31, 2025	% of Revenue (1)	May 25, 2024	% of Revenue (1)
Revenue	\$ 452,006	100.0 %	\$ 551,331	100.0 %	\$ 632,801	100.0 %
Cost of services	282,326	62.5	343,907	62.4	386,733	61.1
Gross profit	169,680	37.5	207,424	37.6	246,068	38.9
Selling, general and administrative expenses	202,791	44.9	202,024	36.6	208,864	33.0
Goodwill impairment	-	-	194,409	35.3	-	-
Amortization expense	3,829	0.8	5,880	1.1	5,378	0.9
Depreciation expense	1,325	0.3	1,868	0.3	3,050	0.5
Income (loss) from operations	(38,265)	(8.5)	(196,757)	(35.7)	28,776	4.5
Interest income, net	(615)	(0.1)	(544)	(0.1)	(1,064)	(0.2)
Other (income) expense	493	0.1	(138)	-	11	-
Income (loss) before income tax expense (benefit)	(38,143)	(8.4)	(196,075)	(35.6)	29,829	4.7
Income tax expense (benefit)	2,458	0.5	(4,295)	(0.8)	8,795	1.4
Net income (loss)	<u>\$ (40,601)</u>	<u>(9.0)%</u>	<u>\$ (191,780)</u>	<u>(34.8)%</u>	<u>\$ 21,034</u>	<u>3.3 %</u>

(1) The percentage of revenue may not foot due to rounding.

Year Ended May 30, 2026 Compared to Year Ended May 31, 2025

Revenue

Revenue decreased \$99.3 million, or 18.0%, to \$452.0 million for the year ended May 30, 2026 from \$551.3 million for the year ended May 31, 2025. On a same-day constant currency basis, revenue during fiscal 2026 decreased 17.4%, compared to fiscal 2025. Billable hours decreased 17.5% and the average bill rate decreased 0.9% (or 1.5% on a constant currency basis) during the year ended May 30, 2026 compared to the year ended May 31, 2025.

The decline in billable hours was primarily attributable to softer demand for traditional operational accounting skills within our On-Demand Talent segment as clients continue to adopt AI and automation as well as longer sales cycle within our Consulting projects. While enterprise average bill rate declined year over year driven by a shift in revenue mix towards regions with lower average bill rates, average bill rates in the U.S. improved by 2.4% reflecting our continued focus on value-based pricing and increased pricing power within our consulting segment as we expand our service capabilities to deliver more impactful solutions.

Cost of Services

Cost of services decreased \$61.6 million, or 17.9%, to \$282.3 million during fiscal 2026 from \$343.9 million for fiscal 2025. The decrease in cost of services was primarily attributable to a 17.5% decline in billable hours and a decrease of 2.4% in the average pay rate during the year ended May 30, 2026.

Cost of services as a percentage of revenue was 62.5% for fiscal 2026 compared to 62.4% for fiscal 2025.

The number of agile consultants on assignment as of May 30, 2026 was 2,026 compared to 2,445 as of May 31, 2025. The average number of salaried consultants as of the year ended May 30, 2026 was 389 compared to 438 as of the year ended May 31, 2025.

Selling, General and Administrative Expenses

SG&A expenses were \$202.8 million, or 44.9% of revenue, for the year ended May 30, 2026 compared to \$202.0 million, or 36.6% of revenue, for the year ended May 31, 2025. The \$0.8 million increase in SG&A expenses year-over-year was primarily attributed to \$12.2 million of costs associated with the separation of the Company's former Chief Executive Officer and former COO, and \$4.6 million of severance and stock-based compensation expense incurred in connection with the sale of Sitrick, a \$3.4 million gain on the sale of the Irvine office building during fiscal 2025 with no comparable activity occurring during fiscal 2026, a \$3.4 million increase in restructuring charges primarily related to an additional RIF in fiscal 2026, and a \$2.4 million loss on the sale of Sitrick. These increases were largely offset by a \$9.5 million decrease in employee compensation and benefits costs following the reduction in force in fiscal 2025 and most recently in connection with the October RIF and the January RIF, a \$5.5 million decrease in technology transformation costs primarily associated with the completion of our North America technology implementation during fiscal 2025, a \$3.3 million decrease in costs associated with the internal use of consultants that supported various internal business initiatives, a \$1.8 million decrease in travel related expenses, a \$1.6 million decrease in occupancy expenses, a \$1.0 million decrease in acquisition costs a \$0.9 million decrease in variable employee compensation as a result of financial performance, a \$0.9 million decrease in professional services fees, and a \$0.8 million decrease related to other general and administrative costs due to our efforts to achieve an improved cost structure.

Management and administrative headcount was 591 at the end of fiscal 2026 and 662 at the end of fiscal 2025. Management and administrative headcount includes full-time equivalent headcount for our seller-doer group, which is determined by utilization levels achieved by the seller-doers. Any unutilized time is converted to full-time equivalent headcount.

Goodwill Impairment

No goodwill impairment was recorded during fiscal 2026. During the year ended May 31, 2025, there were indicators of potential impairment in each of the fiscal quarters related to a combination of business performance and decline in share price. As a result, the Company conducted four interim quantitative goodwill impairment assessments for each reporting segment during the year ended May 31, 2025, as a result of which the Company recorded an aggregate impairment charge of \$194.4 million. See Note 4 – *Goodwill and Intangible Assets* in the Notes to Consolidated Financial Statements included in Part II, Item 8. "Financial Statements and Supplementary Data" of this Annual Report on Form 10-K for further information.

Income Taxes

Income tax expense was \$2.5 million (effective tax rate of 6.4%) for the year ended May 30, 2026 compared to income tax benefit of \$4.3 million (effective tax rate of 2.2%) for the year ended May 31, 2025.

The income tax expense in fiscal 2026 was primarily attributable to income tax expense from profitable foreign jurisdictions, while losses in certain domestic and foreign jurisdictions do not result in a tax benefit due to the existence of valuation allowances. The income tax benefit in fiscal 2025 was primarily attributed to the Company's consolidated pretax loss, reduced by the permanent disallowance of a portion of the goodwill impairment for tax purposes and the establishment of a valuation allowance on the Company's domestic and United Kingdom net deferred tax assets.

We reviewed the components of both book and taxable income to prepare the tax provision. There can be no assurance that our effective tax rate will remain constant in the future due to changes in the mix of income earned or losses incurred in jurisdictions with differing statutory tax rates, changes in the valuation of our deferred tax assets or liabilities, and the fluctuations in our stock price and stock-based compensation expense. Based upon ongoing economic circumstances and our business performance, management has currently reserved against deferred tax assets in our domestic and certain foreign jurisdictions, and will continue to monitor the need to record additional or release existing valuation allowances in the future. Realization of the currently reserved deferred tax assets is dependent upon generating sufficient future taxable income of the appropriate character in the domestic and foreign territories.

As of May 30, 2026, we have recorded an estimated deferred tax liability of approximately \$0.2 million in relation to the portion of undistributed earnings that are expected to be repatriated in the foreseeable future. We have maintained the

position of being indefinitely reinvested in the remainder of our foreign subsidiaries' earnings. Management's indefinite reinvestment position is supported by:

- RGP in the U.S. has generated more than enough cash to fund operations and expansion, including acquisitions. RGP uses its excess cash to, at its discretion, return cash to stockholders through dividend payments and stock repurchases.
- RGP has sufficient cash flow from operations in the U.S. to service its debt and other current or known obligations without requiring cash to be remitted from foreign subsidiaries.
- Management's growth objectives include allowing cash to accumulate in RGP's profitable foreign subsidiaries with the expectation of finding strategic expansion plans to further penetrate RGP's most successful locations.
- The consequences of distributing foreign earnings have historically been deemed to be tax-inefficient for RGP or not materially beneficial.

Operating Results of Segments

The Company's operating segments are as follows:

- On-Demand Talent – provides businesses with a go-to source for bringing in experts when they need them, serving predominately the office of the CFO.
- Consulting – drives transformation across people, processes and technology across domain areas including finance, technology and digital, risk and compliance and operational performance.
- Europe & Asia Pacific – a geographically defined segment that offers both on-demand and consulting services (excluding the digital consulting business, which is included in our Consulting segment) to clients throughout Europe & Asia Pacific.
- Outsourced Services – operating under the Countsy by RGP™ brand, this segment offers finance, accounting and human resource services provided to startups, spinouts and scale-up enterprises, utilizing a technology platform and fractional team.
- Sitrick – a crisis communications and public relations firm that provides corporate, financial, transactional and crisis communication and management services.

Each of these segments reports through separate segment managers to the Company's Chief Executive Officer, who is designated as the Chief Operating Decision Maker for segment reporting purposes. The Company's reportable segments are comprised of On-Demand Talent, Consulting, Europe & Asia Pacific, and Outsourced Services. Sitrick did not individually meet the quantitative thresholds to qualify as a reportable segment. Therefore, Sitrick is disclosed under the "All Other" segment. The Company has presented the results of the All Other segment through the date the sale of Sitrick was completed for the year ended May 30, 2026. Following the sale, the Company received no new income from Sitrick, other than rent received for the sub-lease of office buildings, and had no further involvement or continuing influence over its operations. Each of these segments represents a reporting unit for the purposes of assessing goodwill for impairment.

The following table presents our operating results by segment for years ended May 30, 2026, May 31, 2025, and May 25, 2024 respectively (in thousands). Revenue information by segment, on a GAAP basis and on a same-day constant currency basis, is set forth above under "Non-GAAP Financial Measures – Same Day Constant Currency Revenue."

	For the Years Ended		
	May 30, 2026	May 31, 2025	May 25, 2024
Adjusted EBITDA:			
On-Demand Talent	\$ 14,415	\$ 17,116	\$ 31,673
Consulting	13,502	31,718	38,420
Europe & Asia Pacific	3,470	4,478	5,289
Outsourced Services	7,568	7,581	7,641
All Other	(519)	(1,838)	(675)
Unallocated items ⁽¹⁾	(33,390)	(35,598)	(30,865)
Adjustments:			
Stock-based compensation expense	(6,356)	(6,754)	(5,732)
Amortized ERP system costs ⁽²⁾	(2,807)	(1,287)	-
Technology transformation costs ⁽³⁾	-	(5,474)	(6,901)
Acquisition costs ⁽⁴⁾	(1,667)	(2,763)	(1,970)
Goodwill impairment ⁽⁵⁾	-	(194,409)	-
Gain on sale of assets ⁽⁶⁾	-	3,420	-
Restructuring costs ⁽⁷⁾	(8,446)	(5,061)	(4,087)
Executive transition costs ⁽⁸⁾	(12,232)	-	-
Sitrick related transaction costs ⁽⁹⁾	(7,142)	-	-
Contingent consideration adjustment ⁽¹⁰⁾	-	-	4,400
Amortization expense	(3,829)	(5,880)	(5,378)
Depreciation expense	(1,325)	(1,868)	(3,050)
Interest income, net	615	544	1,064
Income (loss) before income tax expense (benefit)	(38,143)	(196,075)	29,829
Income tax expense (benefit)	(2,458)	4,295	(8,795)
Net income (loss)	\$ (40,601)	\$ (191,780)	\$ 21,034

⁽¹⁾ Unallocated items are generally comprised of unallocated corporate administrative costs, including management and board compensation, corporate support function costs and other general corporate costs that are not allocated to segments.

⁽²⁾ Amortized ERP system costs represent the amortization of capitalized technology transformation costs related to newly implemented ERP system, which was recorded within SG&A expenses on the Consolidated Statements of Operations.

⁽³⁾ Technology transformation costs represent costs included in net income (loss) related to the Company's initiative to upgrade its technology platform globally, including a cloud-based ERP system and talent acquisition and management systems. Such costs primarily include hosting and certain other software licensing costs, third-party consulting fees and costs associated with dedicated internal resources that are not capitalized.

⁽⁴⁾ Acquisition costs primarily represent costs included in net income (loss) related to the Company's business acquisition of Reference Point. These costs include transaction bonuses, cash retention bonus accruals, and fees paid to the Company's broker, legal counsel, and other professional services firms. See Note 3 – Acquisitions and Dispositions in the Notes to Consolidated Financial Statements in Part II, Item 8, "Financial Statements and Supplemental Data" for further discussion.

⁽⁵⁾ Goodwill impairment charges recognized during the year ended May 31, 2025 were related to the On-Demand Talent, Consulting and Europe & Asia Pacific segments. See Note 4 – Goodwill and Intangible Assets in the Notes to Consolidated Financial Statements in Part II, Item 8, "Financial Statements and Supplemental Data" for further discussion.

⁽⁶⁾ Gain on sale of assets was related to the Company's sale of its Irvine office building, which was completed on August 15, 2024.

⁽⁷⁾ Restructuring costs during the year ended May 30, 2026 include employee termination costs incurred in workforce reductions, impairment of ROU asset in connection with reduction in office footprint, and non-recurring third-party consulting costs associated with the 2026 Transformation Initiative. Restructuring costs for the year ended May 31, 2025 related to the 2025 Restructuring Plan. Restructuring costs for the year ended May 25, 2024 related to the Company's cost reduction plan, including a reduction in force, which was authorized in October 2023, and was substantially completed during fiscal 2024.

⁽⁸⁾ Executive transition costs represent non-recurring costs incurred in connection with the separation of the Company's former CEO and former COO. These costs include \$7.6 million of cash severance and \$4.6 million of non-cash stock compensation expense reflecting the acceleration equity awards pursuant to ASC 718.

⁽⁹⁾ Sitrick related transaction costs represent \$4.1 million of severance expense incurred in connection with the sale of Sitrick, \$2.4 million of loss on the sale of Sitrick, consisting of a \$1.5 million non-cash impairment on right-of-use assets and a \$0.9 million loss, and \$0.6 million of non-cash stock compensation expense reflecting the acceleration of equity awards.

⁽¹⁰⁾ Contingent consideration adjustment related to the remeasurement of contingent liabilities related to the acquisition of CloudGo Pte Ltd. and its subsidiaries (collectively, "CloudGo").

Revenue by Segment

On-Demand Talent – Revenue in the On-Demand Talent segment declined by \$37.2 million or 18.1% (17.3% on a constant currency basis), to \$168.8 million during the year ended May 30, 2026 compared to \$206.0 million during the year ended May 31, 2025 due primarily to a decrease of 19.8% in billable hours partially offset by a 2.1% (or 1.9% on a constant currency basis) increase in average bill rate.

The Company experienced softer demand in traditional accounting and finance roles as clients increasingly adopt AI and automation, although the market for on-demand resourcing showed signs of stabilization in the second half of the fiscal year. The Company remains focused on evolving the on-demand talent base and skillset to align with changing market demand. The improvement in average bill rate was the result of the Company's continued focus on pricing discipline.

Consulting – Revenue in the Consulting segment declined by \$59.4 million or 27.1% (26.5% on a constant currency basis), to \$159.8 million during the year ended May 30, 2026 compared to \$219.2 million during the year ended May 31, 2025. The decline was primarily due to a 31.0% decrease in billable hours, partially offset by a 5.7% (or 5.4% on a constant currency basis) increase in the average bill rate. The decline in billable hours reflected slower sale execution during the fiscal year coupled with longer sales cycles for consulting projects, while average bill rates continue to increase due to pricing discipline and higher value consulting projects.

Europe & Asia Pacific – Revenue in the Europe & Asia Pacific segment declined by \$2.5 million or 3.2% (3.7% on a constant currency basis), to \$75.1 million during the year ended May 30, 2026 compared to \$77.6 million during the year ended May 31, 2025. The decline was primarily due to a 3.8% decrease in billable hours, partially offset by a 0.5% increase in the average bill rate. Adjusting for currency impact, average bill rate decreased by 1.8% year over year, reflecting pricing pressure in Europe.

Outsourced Services – Revenue in the Outsourced Services segment decreased by \$0.4 million or 1.0% to \$39.2 million during the year ended May 30, 2026 compared to \$39.6 million during the year ended May 31, 2025. The decrease is primarily due to a 2.3% decrease in the average bill rate, partially offset by a 0.2% increase in billable hours.

All Other – Revenue in the All Other segment increased by \$0.1 million or 1.7% to \$9.1 million during the year ended May 30, 2026 compared to \$8.9 million during the year ended May 31, 2025

Adjusted EBITDA by Segment

On-Demand Talent – The On-Demand Talent segment’s Adjusted EBITDA decreased by \$2.7 million or 15.8%, to \$14.4 million for the year ended May 30, 2026, compared to \$17.1 million for the year ended May 31, 2025. The decrease is attributed to a decrease in gross profit of \$13.5 million largely resulting from revenue decline, partially offset by a decrease in segment expenses of \$10.8 million. The improvement in SG&A expenses was primarily due to lower employee compensation expense, following our reductions in force in fiscal 2025 and most recently in connection with the January RIF and the October RIF.

Consulting – The Consulting segment’s Adjusted EBITDA decreased by \$18.2 million or 57.4%, to \$13.5 million for the year ended May 30, 2026, compared to \$31.7 million for the year ended May 31, 2025. The decrease is attributed to a decrease in gross profit of \$24.7 million largely resulting from revenue decline, partially offset by a decrease in segment expenses of \$6.5 million. This improvement in SG&A expenses was primarily due to lower employee compensation expense following our reduction in force in fiscal 2025 and most recently in connection with the January RIF and the October RIF.

Europe & Asia Pacific – The Europe & Asia Pacific segment’s Adjusted EBITDA decreased by \$1.0 million or 22.5%, to \$3.5 million for the year ended May 30, 2026, compared to \$4.5 million for the year ended May 31, 2025. The decrease is attributed to a decrease in gross profit of \$0.7 million and an increase in segment expenses of \$0.3 million.

Outsourced Services – The Outsourced Services segment’s Adjusted EBITDA of \$7.6 million for the year ended May 30, 2026 remained flat compared to the year ended May 31, 2025.

All Other – The All Other segment’s Adjusted EBITDA improved by \$1.3 million or 71.8% to \$(0.5) million for the year ended May 30, 2026 compared to \$(1.8) million for the year ended May 31, 2025. The increase is attributed to a decrease in segment expenses of \$0.6 million and an increase in gross profit of \$0.7 million.

Year Ended May 31, 2025 Compared to Year Ended May 25, 2024

For a comparison of our results of operations at the consolidated level for the years ended May 31, 2025 and May 25, 2024, see Part II, Item 7 “Management’s Discussion and Analysis of Financial Condition and Results of Operations” of our Annual Report on Form 10-K for the fiscal year ended May 31, 2025, filed with the SEC on July 28, 2025 (File No. 0-32113).

Liquidity and Capital Resources

Our primary sources of liquidity are cash provided by operating activities, our senior secured revolving credit facility (as discussed further below) and historically, to a lesser extent, stock option exercises and purchases under the Company’s ESPP. During fiscal 2026, we generated positive cash flow from operations and have generated positive cash flows from operations on an annual basis since inception. Our ability to generate positive cash flows from operations in the future will depend, at least in part, on customer demand and global economic conditions and our ability to remain resilient during periods of deteriorating macroeconomic conditions and any economic downturns. As of May 30, 2026, we had \$82.4 million of cash and cash equivalents, including \$34.4 million held in international operations.

From November 12, 2021 to July 2, 2025, the Company had a revolving credit facility with Bank of America, N.A., pursuant to the terms of the credit agreement dated November 12, 2021 by the Company and Resources Connection LLC, as borrowers, and all of the Company’s domestic subsidiaries, as guarantors, with the lenders that are party thereto and Bank of America, N.A. as administrative agent for the lenders (the “2021 Credit Facility”). The Company terminated the 2021 Credit Facility on July 2, 2025 and entered into a new credit agreement dated July 2, 2025 by and among the Company and Resources Connection LLC, as borrowers, and all of the Company’s domestic subsidiaries, as guarantors, with the lenders that are party thereto and Bank of America, N.A. as administrative agent, L/C issuer and swingline lender (the “2025 Credit Facility”). As of May 30, 2026, the Company had no debt outstanding under the 2025 Credit Facility, had \$0.7 million of letters of credit outstanding under the 2025 Credit Facility and was not in compliance with all financial covenants under the 2025 Credit Facility as of such date.

The Company terminated the 2025 Credit Facility on July 13, 2026 and on July 15, 2026, the Company and Resources Connection LLC, as borrowers, and all of the Company’s other domestic subsidiaries, as guarantors, entered into a Revolving Credit, Guaranty and Security Agreement with the lenders that are party thereto and PNC Bank, National Association, as agent for the Lenders (the “2026 Credit Facility”). See Note 19 – *Subsequent Events* in the Notes to

Consolidated Financial Statements included in Part II, Item 8, “Financial Statements and Supplementary Data” of this Annual Report on Form 10-K for further information regarding the 2026 Credit Facility. As of July 15, 2026, no borrowings were outstanding under the 2026 Credit Facility.

As of May 30, 2026, Resources Global Enterprise Consulting (Beijing) Co., Ltd, (a wholly owned subsidiary of the Company), as borrower, and the Company, as guarantor, had another revolving credit facility with Bank of America, N.A. (Beijing) as the lender (the “Beijing Revolver”). The Company terminated the Beijing Revolver on July 13, 2026. As of May 30, 2026, the Company had no debt outstanding under the Beijing Revolver.

In addition to cash needs for ongoing business operations, from time to time, we have strategic initiatives that could generate significant additional cash requirements. Such costs primarily include software licensing fees and other costs in areas including change management and training. We believe our current cash, ongoing cash flows from our operations and funding available under our 2026 Credit Facility will provide sufficient funds for these initiatives. As of May 30, 2026, we have non-cancellable purchase obligations totaling \$9.5 million, which primarily consist of payments pursuant to the licensing arrangements that we have entered into: \$3.6 million due during fiscal 2027; \$4.6 million due during fiscal 2028; and \$1.2 million due during fiscal 2029. We lease office space under non-cancelable operating leases with various expiration dates. See Note 6 - *Leases* in the Notes to Consolidated Financial Statements included in Part II, Item 8, “Financial Statements and Supplementary Data” of this Annual Report on Form 10-K for our future minimum commitments related to our operating leases.

We pay a regular quarterly dividend to our stockholders, subject to approval each quarter by our Board of Directors. Most recently, on April 28, 2026, our Board of Directors approved a cash dividend of \$0.07 per share of our common stock, payable on June 19, 2026 to stockholders of record at the close of business on May 21, 2026. Continuation of the quarterly dividend is at the discretion of the Board of Directors and depends upon our financial condition, results of operations, capital requirements, general business condition, contractual restrictions contained in the 2026 Credit Facility and other agreements, and other factors deemed relevant by our Board of Directors.

As described under "Market Trends and Uncertainties" above, demand for professional services has become increasingly selective, which has resulted in variability in demand across service offerings and uncertain macroeconomic conditions including heightened geopolitical tensions (including the recent Iran conflict), fluctuations in currency exchange rates, recent government and policy changes implemented in the United States, and tariff actions and uncertainties related to trade wars have created significant uncertainty in the global economy, which have adversely impacted, and may continue to adversely impact, our financial results, operating cash flows and liquidity needs. If we are required to raise additional capital or incur additional indebtedness for our operations or to invest in our business, we can provide no assurances that we would be able to do so on acceptable terms or at all. Our ongoing operations and growth strategy may require us to continue to make investments in critical markets and further expand our internal technology and digital capabilities. In addition, we may consider making additional strategic acquisitions or dispositions or initiating additional restructuring initiatives, which could require significant liquidity and adversely impact our financial results due to higher cost of borrowings. We believe that our current cash, ongoing cash flows from our operations and funding available under our 2026 Credit Facility will be adequate to meet our working capital and capital expenditure needs for at least the next 12 months.

Beyond the next 12 months, if we require additional capital resources to grow our business, either organically or through acquisitions, we may seek to sell additional equity securities, increase the use of our 2026 Credit Facility, expand the size of our 2026 Credit Facility or raise additional debt. In addition, if we decide to make additional share repurchases, we may fund these through existing cash balances or the use of our 2026 Credit Facility. The sale of additional equity securities or certain forms of debt financing could result in additional dilution to our stockholders. Our ability to secure additional financing in the future, if needed, will depend on several factors. These include our future profitability and the overall condition of the credit markets. Notwithstanding these considerations, we expect to meet our long-term liquidity needs with cash flows from operations and financing arrangements.

Operating Activities, Fiscal 2026 and 2025

Operating activities provided cash of \$1.4 million in fiscal 2026 compared to \$18.9 million in fiscal 2025. The cash provided by operations during fiscal 2026 was primarily due to a net loss of \$40.6 million, which was partially offset by non-cash adjustments of \$27.3 million (resulting primarily from \$11.6 million adjustment in non-cash stock-based compensation). Additionally, during fiscal 2026, net favorable changes in operating assets and liabilities totaled \$14.8 million, primarily consisting of a \$23.4 million decrease in trade accounts receivable, a \$3.2 million decrease in income taxes receivable and a \$3.2 million decrease in other assets. This favorable change was partially offset by a \$12.5 million

decrease in accrued salaries and related obligations, mainly due to the timing of our pay cycle and a \$1.8 million decrease in accounts payable and accrued expenses.

During fiscal 2025, cash provided by operations was primarily due to a net loss of \$191.8 million, offset by non-cash adjustments of \$206.6 million, which included a \$194.4 million non-cash goodwill impairment charge. Additionally, during fiscal 2025, net favorable changes in operating assets and liabilities totaled \$4.0 million, primarily consisting of a \$10.4 million decrease in trade accounts receivable and a \$3.1 million increase in accrued salaries and related obligations, mainly due to the timing of our pay cycle. This favorable change was partially offset by a \$4.0 million decrease in other liabilities, a \$3.6 million increase in prepaid expenses and other assets and a \$1.2 million decrease in accounts payable and accrued expenses.

Investing Activities, Fiscal 2026 and 2025

Net cash provided by investing activities was \$1.1 million in fiscal 2026 compared to net cash used of \$13.6 million in fiscal 2025. Net cash provided by investing activities during fiscal 2026 was primarily related to \$1.9 million in net proceeds from the sale of Sitrick assets, partially offset by \$0.8 million of cash used for leasehold improvements and computer equipment.

Net cash used in investing activities during fiscal 2025 was primarily related to the net \$23.2 million of cash used for the acquisition of Reference Point and \$2.7 million of cash used for the development of internal-use software and acquisition of property and equipment, partially offset by the \$12.3 million in net proceeds from the sale of the Irvine office building.

Financing Activities, Fiscal 2026 and 2025

Net cash used in financing activities totaled \$7.5 million during fiscal 2026 compared to \$27.7 million during fiscal 2025. Net cash used in financing activities during fiscal 2026 consisted of cash dividend payments of \$9.4 million and \$0.3 million of debt issuance costs, which were partially offset by \$2.2 million in proceeds received from ESPP share purchases and employee stock option exercises.

Net cash used in financing activities during fiscal 2025 consisted of \$13.0 million to purchase 1,382,820 shares of common stock on the open market and cash dividend payments of \$18.6 million; these uses were partially offset by \$3.9 million in proceeds received from ESPP share purchases and employee stock option exercises.

For a comparison of our cash flow activities for the years ended May 31, 2025 and May 25, 2024, see Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" of our Annual Report on Form 10-K for the fiscal year ended May 31, 2025, filed with the SEC on July 28, 2025 (File No. 0-32113).

Recent Accounting Pronouncements

Information regarding recent accounting pronouncements is contained in Note 2 — *Summary of Significant Accounting Policies* in the Notes to Consolidated Financial Statements included in Part II, Item 8, "Financial Statements and Supplementary Data" of this Annual Report on Form 10-K.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Interest Rate Risk. We are primarily exposed to market risks from fluctuations in interest rates and the effects of those fluctuations on the market values of our cash and cash equivalents and our borrowings under the 2026 Credit Facility (which became effective July 15, 2026 following the termination of the 2025 Credit Facility) that bear interest at a variable market rate.

As of May 30, 2026, we had approximately \$82.4 million of cash and cash equivalents and no borrowings under the 2025 Credit Facility. The earnings on cash and cash equivalents are subject to changes in interest rates; however, assuming a constant balance available for investment, a 10% decline in interest rates would have reduced our interest income but would not have had a material impact on our consolidated financial position or results of operations.

We may become exposed to interest rate risk related to fluctuations in the Term SOFR rate used under our 2026 Credit Facility. See “Liquidity and Capital Resources” above and Note 8 – *Long-Term Debt* in the Notes to Consolidated Financial Statements included in Part II, Item 8, “Financial Statements and Supplementary Data” of this Annual Report on Form 10-K for further discussion about the interest rate on our 2026 Credit Facility. We currently have no borrowings outstanding under our 2026 Credit Facility.

Foreign Currency Exchange Rate Risk. For the year ended May 30, 2026, approximately 20.1% of our revenues were generated outside of the U.S. compared to approximately 18.2% of our revenues for the year ended May 31, 2025. As a result, our operating results are subject to fluctuations in the exchange rates of foreign currencies in relation to the U.S. dollar. Revenues and expenses denominated in foreign currencies are translated into U.S. dollars at the monthly average exchange rates prevailing during the period. Thus, as the value of the U.S. dollar fluctuates relative to the currencies in our non-U.S.-based operations, our reported results may vary.

Assets and liabilities of our non-U.S.-based operations are translated into U.S. dollars at the exchange rate effective at the end of each monthly reporting period. Approximately 58.2% of our cash and cash equivalents balances as of May 30, 2026 were denominated in U.S. dollars. The remaining amount of approximately 41.8% was comprised primarily of cash balances translated from Euros, Mexican Pesos, Canadian Dollar, Chinese Yuan, Indian Rupee, Japanese Yen and British Pound Sterling. This compares to approximately 54.2% of our cash and cash equivalents balances as of May 31, 2025 that were denominated in U.S. dollars and approximately 45.8% that were comprised primarily of cash balances translated from Euros, Mexican Pesos, Canadian Dollar, Chinese Yuan, Indian Rupee, Japanese Yen and British Pound Sterling. The difference resulting from the translation in each period of assets and liabilities of our non-U.S.-based operations is recorded as a component of stockholders’ equity in accumulated other comprehensive income or loss.

Although we monitor our exposure to foreign currency fluctuations, we do not currently use financial hedges to mitigate risks associated with foreign currency fluctuations including in a limited number of circumstances when we may be asked to transact with our client in one currency but are obligated to pay our consultants in another currency. Our foreign entities typically transact with clients and consultants in their local currencies and generate enough operating cash flows to fund their own operations. We believe our economic exposure to exchange rate fluctuations has not been material. However, we cannot provide assurance that exchange rate fluctuations will not adversely affect our financial results in the future.

CONSOLIDATED FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Resources Connection, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheet of Resources Connection, Inc. and its subsidiaries (the Company) as of May 30, 2026, the related consolidated statements of operations, comprehensive income (loss), stockholders' equity and cash flows for the year in the period ended May 30, 2026, and the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at May 30, 2026, and the results of its operations and its cash flows for the year in the period ended May 30, 2026, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of May 30, 2026, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated July 24, 2026 expressed an adverse opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audit included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audit also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the account or disclosure to which it relates.

Revenue recognition

Description of the Matter

The Company generates substantially all its revenues providing professional consulting services to its clients. As described in Note 2 to the consolidated financial statements, revenues are recognized when control of the promised service is transferred to the Company's clients, in an amount that reflects the consideration expected in exchange for the services rendered. Revenues for the vast majority of the Company's contracts are recognized over time, based on hours worked by the Company's professionals. The performance of the agreed-to service over time is the single performance obligation for revenues.

Auditing revenue recognition was especially challenging due to the high degree of audit effort resulting from the volume of transactions, reliance on data generated from multiple systems, and a greater degree of audit judgement needed to test the underlying data supporting management's revenue calculations.

How We Addressed the Matter in Our Audit

Addressing the matter involved audit procedures that included, among others (i) evaluating the recognition of revenue transactions by testing the issuance and settlement of invoices, tracing transactions not settled to a detailed listing of accounts receivable or unbilled receivables, and testing the completeness and accuracy of data that was used in the revenue calculations; (ii) performing data analytics to evaluate the recognition of revenue; and (iii) testing a sample of contracts to assess whether revenue recognition terms were appropriately considered, performance obligations were properly identified, and revenue was recognized as services were rendered.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2025.

Irvine, California

July 24, 2026

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Resources Connection, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheet of Resources Connection, Inc. and subsidiaries (the Company) as of May 31, 2025, the related consolidated statements of operations, comprehensive income (loss), stockholders' equity and cash flows, for each of the two years in the period ended May 31, 2025, and the related notes (collectively, the financial statements). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of May 31, 2025, and the results of its operations and its cash flows for each of the two years in the period ended May 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ RSM US LLP

We served as the Company's auditor from 2012 to 2025.

Irvine, California
July 28, 2025

RESOURCES CONNECTION, INC.
CONSOLIDATED BALANCE SHEETS
(In thousands, except par value per share)

	May 30, 2026	May 31, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 82,372	\$ 86,147
Trade accounts receivable, net of allowances of \$1,339 and \$2,603 as of May 30, 2026 and May 31, 2025, respectively	71,923	99,210
Prepaid expenses and other current assets	10,551	10,246
Income taxes receivable	4,708	8,083
Total current assets	169,554	203,686
Goodwill	28,757	28,757
Intangible assets, net	15,150	18,978
Property and equipment, net	3,441	4,423
Operating right-of-use assets	17,289	22,551
Deferred tax assets	9,346	9,280
Other non-current assets	13,862	17,013
Total assets	\$ 257,399	\$ 304,688
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable and other accrued expenses	\$ 12,024	\$ 13,902
Accrued salaries and related obligations	37,398	47,931
Operating lease liabilities, current	4,566	5,149
Other liabilities	13,467	8,420
Total current liabilities	67,455	75,402
Operating lease liabilities, non-current	17,956	20,156
Deferred tax liabilities	192	92
Other non-current liabilities	2,022	1,957
Total liabilities	87,625	97,607
Commitments and contingencies (Note 17)		
Stockholders' equity:		
Preferred stock, \$0.01 par value, 5,000 shares authorized; zero shares issued and outstanding	-	-
Common stock, \$0.01 par value, 70,000 shares authorized; 38,295 and 37,027 shares issued, and 34,440 and 33,075 shares outstanding as of May 30, 2026 and May 31, 2025, respectively	383	370
Additional paid-in capital	412,770	400,180
Accumulated other comprehensive loss	(16,741)	(17,863)
Accumulated deficit	(174,256)	(121,575)
Treasury stock at cost, 3,855 and 3,952 shares as of May 30, 2026 and May 31, 2025, respectively	(52,382)	(54,031)
Total stockholders' equity	169,774	207,081
Total liabilities and stockholders' equity	\$ 257,399	\$ 304,688

The accompanying notes are an integral part of these consolidated financial statements.

RESOURCES CONNECTION, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per share amounts)

	For the Years Ended		
	May 30, 2026	May 31, 2025	May 25, 2024
Revenue	\$ 452,006	\$ 551,331	\$ 632,801
Cost of services	282,326	343,907	386,733
Gross profit	169,680	207,424	246,068
Selling, general and administrative expenses	202,791	202,024	208,864
Goodwill impairment	-	194,409	-
Amortization expense	3,829	5,880	5,378
Depreciation expense	1,325	1,868	3,050
Income (loss) from operations	(38,265)	(196,757)	28,776
Interest income, net	(615)	(544)	(1,064)
Other (income) expense	493	(138)	11
Income (loss) before income tax expense (benefit)	(38,143)	(196,075)	29,829
Income tax expense (benefit)	2,458	(4,295)	8,795
Net income (loss)	<u>\$ (40,601)</u>	<u>\$ (191,780)</u>	<u>\$ 21,034</u>
Net income (loss) per common share:			
Basic	<u>\$ (1.21)</u>	<u>\$ (5.80)</u>	<u>\$ 0.63</u>
Diluted	<u>\$ (1.21)</u>	<u>\$ (5.80)</u>	<u>\$ 0.62</u>
Weighted-average number of common and common equivalent shares outstanding:			
Basic	<u>33,551</u>	<u>33,063</u>	<u>33,445</u>
Diluted	<u>33,551</u>	<u>33,063</u>	<u>33,895</u>
Cash dividends declared per common share	\$ 0.28	\$ 0.49	\$ 0.56

The accompanying notes are an integral part of these consolidated financial statements.

RESOURCES CONNECTION, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(In thousands)

	For the Years Ended		
	May 30, 2026	May 31, 2025	May 25, 2024
Net income (loss)	\$ (40,601)	\$ (191,780)	\$ 21,034
Foreign currency translation adjustment, net of tax	1,122	(150)	(423)
Total comprehensive income (loss)	\$ (39,479)	\$ (191,930)	\$ 20,611

The accompanying notes are an integral part of these consolidated financial statements.

RESOURCES CONNECTION, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(In thousands, except per share amounts)

	Common Stock		Additional	Treasury Stock		Other	Earnings	Total
	Shares	Amount	Paid-in Capital	Shares	Amount	Comprehensive Loss	(Accumulated deficit)	Stockholders' Equity
Balances as of May 27, 2023	35,545	\$ 355	\$ 378,657	2,070	\$ (34,850)	\$ (17,290)	\$ 87,648	\$ 414,520
Exercise of stock options	32	1	451	-	-	-	-	452
Stock-based compensation expense	-	-	5,703	-	-	-	-	5,703
Issuance of common stock purchased under Employee Stock Purchase Plan	456	5	5,646	-	-	-	-	5,651
Issuance of restricted stock	75	1	(1)	(38)	648	-	(648)	-
Issuance of common stock upon vesting of restricted stock units, net shares withheld to cover taxes	86	1	(1,336)	-	-	-	-	(1,335)
Cash dividends declared (\$0.56 per share)	-	-	-	-	-	-	(18,839)	(18,839)
Repurchase of common stock	-	-	-	606	(8,000)	-	-	(8,000)
Dividend equivalents on equity awards	-	-	600	-	-	-	(600)	-
Currency translation adjustment	-	-	-	-	-	(423)	-	(423)
Net income for the year ended May 25, 2024	-	-	-	-	-	-	21,034	21,034
Balances as of May 25, 2024	36,194	\$ 363	\$ 389,720	2,638	\$ (42,202)	\$ (17,713)	\$ 88,595	\$ 418,763
Exercise of stock options	-	-	-	-	-	-	-	-
Stock-based compensation expense	-	-	7,249	-	-	-	-	7,249
Issuance of common stock purchased under Employee Stock Purchase Plan	493	4	3,910	-	-	-	-	3,914
Issuance of restricted stock	80	1	(1)	(69)	1,170	-	(1,170)	-
Issuance of common stock upon vesting of restricted stock units, net shares withheld to cover taxes	260	2	(1,639)	-	-	-	-	(1,637)
Cash dividends declared (\$0.49 per share)	-	-	-	-	-	-	(16,282)	(16,282)
Repurchase of common stock	-	-	-	1,383	(12,999)	-	-	(12,999)
Dividend equivalents on equity awards	-	-	938	-	-	-	(938)	-
Currency translation adjustment	-	-	3	-	-	(150)	-	(147)
Net loss for the year ended May 31, 2025	-	-	-	-	-	-	(191,780)	(191,780)
Balances as of May 31, 2025	37,027	\$ 370	\$ 400,180	3,952	\$ (54,031)	\$ (17,863)	\$ (121,575)	\$ 207,081
Stock-based compensation expense	-	-	11,354	-	-	-	-	11,354
Issuance of common stock purchased under Employee Stock Purchase Plan	527	5	2,207	-	-	-	-	2,212
Issuance of restricted stock	-	-	-	(97)	1,649	-	(1,649)	-
Issuance of common stock upon vesting of restricted stock units, net shares withheld to cover taxes	741	8	(1,941)	-	-	-	-	(1,933)
Cash dividends declared (\$0.28 per share)	-	-	-	-	-	-	(9,461)	(9,461)
Dividend equivalents on equity awards	-	-	970	-	-	-	(970)	-
Currency translation adjustment	-	-	-	-	-	1,122	-	1,122
Net loss for the year ended May 30, 2026	-	-	-	-	-	-	(40,601)	(40,601)
Balances as of May 30, 2026	38,295	\$ 383	\$ 412,770	3,855	\$ (52,382)	\$ (16,741)	\$ (174,256)	\$ 169,774

The accompanying notes are an integral part of these consolidated financial statements.

RESOURCES CONNECTION, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	For the Years Ended		
	May 30, 2026	May 31, 2025	May 25, 2024
Cash flows from operating activities:			
Net income (loss)	\$ (40,601)	\$ (191,780)	\$ 21,034
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortization expense	5,154	7,748	8,428
Amortization of right-of-use assets	5,178	5,871	6,618
Stock-based compensation expense	11,583	6,754	5,732
Contingent consideration adjustment	-	-	(4,400)
Loss on sale of Sitrick	2,450	-	-
(Gain) loss on sale of assets	-	(3,687)	574
Goodwill impairment	-	194,409	-
Impairment of right-of-use assets	906	-	-
Adjustment to allowances	1,257	1,239	137
Deferred income taxes	303	(6,305)	440
Other, net	443	612	336
Changes in operating assets and liabilities, net of acquisitions and dispositions:			
Trade accounts receivable	23,372	10,416	29,631
Prepaid expenses and other current assets	(470)	(3,604)	(766)
Income taxes	3,195	(545)	(3,252)
Other assets	3,235	(83)	(9,862)
Accounts payable and other accrued expenses	(1,785)	(1,209)	305
Accrued salaries and related obligations	(12,526)	3,078	(24,531)
Other liabilities	(267)	(4,015)	(8,505)
Net cash provided by operating activities	1,427	18,899	21,919
Cash flows from investing activities:			
Net proceeds from the sale of assets	-	12,309	-
Proceeds from the sale of Sitrick	1,885	-	-
Acquisition of Reference Point, net of cash acquired	-	(23,169)	-
Acquisition of CloudGo, net of cash acquired	-	-	(7,411)
Investments in property and equipment and internal-use software	(808)	(2,711)	(1,143)
Net cash provided by (used in) investing activities	1,077	(13,571)	(8,554)
Cash flows from financing activities:			
Proceeds from exercise of stock options	-	-	465
Proceeds from issuance of common stock under Employee Stock Purchase Plan	2,212	3,914	5,651
Repurchase of common stock	-	(12,999)	(8,000)
Payment of debt issuance costs	(343)	-	-
Payment of cash dividends	(9,395)	(18,646)	(18,825)
Net cash used in financing activities	(7,526)	(27,731)	(20,709)
Effect of exchange rate changes on cash	1,247	(342)	(548)
Net decrease in cash	(3,775)	(22,745)	(7,892)
Cash and cash equivalents at beginning of period	86,147	108,892	116,784
Cash and cash equivalents at end of period	<u>\$ 82,372</u>	<u>\$ 86,147</u>	<u>\$ 108,892</u>
Supplemental cash flow disclosures			
Income taxes paid (refund), net	\$ (1,206)	\$ 2,353	\$ 11,161
Interest paid	\$ 158	\$ 354	\$ 352
Non-cash investing and financing activities			
Capitalized leasehold improvements paid directly by landlord	\$ -	\$ 1,095	\$ -
Dividends declared, not paid	\$ 2,401	\$ 2,317	\$ 4,695

The accompanying notes are an integral part of these consolidated financial statements.

RESOURCES CONNECTION, INC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Description of the Company and its Business

Resources Connection, Inc. (the “Company”), a Delaware corporation, was incorporated on November 16, 1998. The Company’s operating entities provide services primarily under the name Resources Global Professionals (“RGP”). RGP is a global professional services firm with three decades of experience helping the world’s top organizations navigate change and seize opportunity. With three integrated offerings—On-Demand Talent, Consulting, and Outsourced Services—the Company provides CFOs and other C-suite leaders with the flexibility to solve today’s most pressing challenges. The Company’s principal markets of operations are North America, Europe & Asia Pacific.

The Company’s fiscal year consists of 52 or 53 weeks, ending on the Saturday in May closest to May 31. Fiscal year 2026 consisted of four 13-week quarters for a total of 52 weeks. Fiscal year 2025 consisted of three 13-week quarters and one 14-week fourth quarter for a total of 53 weeks. Fiscal 2024 consisted of four 13-week quarters for a total of 52 weeks.

Company Management Changes

On October 30, 2025, the Board appointed Roger Carlile, a director of the Company, to succeed Kate W. Duchene as the Company’s President and Chief Executive Officer (“CEO”), effective November 3, 2025. Concurrently, in October 2025, the Company’s Board of Directors elected not to renew the “Period of Employment” under the Company’s existing Employment Agreement, dated February 3, 2020 and as subsequently amended, with Ms. Duchene (the “Duchene Employment Agreement”), the Company’s former President and CEO. Ms. Duchene stepped down as the Company’s President and CEO, and as a member of the Board, on November 2, 2025. She served as an Executive Advisor through January 3, 2026 to assist the Company and its new President and CEO with the continuity of leadership. Ms. Duchene will continue to provide transition support to the Company as a consultant from January 4, 2026 through December 31, 2028.

In connection with the Board’s determination not to extend the “Period of Employment” under the Duchene Employment Agreement, the Company and Ms. Duchene entered into a Transition Agreement on October 31, 2025 (the “Duchene Transition Agreement”). The Company’s non-renewal of the Period of Employment under the Duchene Employment Agreement triggered Ms. Duchene’s rights to severance benefits under that agreement. The Duchene Transition Agreement provides that Ms. Duchene will receive the following severance benefits, to be paid in twelve monthly installments, which began in January 2026, following her execution and delivery of a general release of claims in favor of the Company: (i) a cash severance benefit of \$5,325,000 (three times the sum of her annual base salary and annual target bonus opportunity) and (ii) a pro-rated target cash bonus of \$554,167 for fiscal year 2026. Ms. Duchene also received a lump sum cash payment that approximates Ms. Duchene’s cost to continue healthcare coverage for two years following her Separation Date and accelerated vesting of all of Ms. Duchene’s then-outstanding and unvested Company equity awards. Beginning January 3, 2026, the Company began paying Ms. Duchene a monthly consulting fee of \$12,500.

On March 3, 2026, the Company entered into a Separation and General Release Agreement (the “Separation Agreement”) with Bhadreshkumar Patel, the Company’s Chief Operating Officer (“COO”), that provided the last day of Mr. Patel’s employment by the Company was May 15, 2026 (the “Separation Date”). Mr. Patel received the following severance benefits in connection with the Separation Agreement: (i) a lump sum cash payment of \$1,650,000; (ii) a lump sum cash payment that approximates Mr. Patel’s cost to continue healthcare coverage under COBRA for eighteen months following the Separation Date; and (iii) accelerated vesting of all of Mr. Patel’s then-outstanding and unvested Company equity awards, including restricted stock units and performance-based restricted stock units (with performance-based restricted stock units vesting at the applicable “target” number of shares subject to the award), and the full term to exercise any outstanding Company stock options.

2. Summary of Significant Accounting Policies

Basis of Presentation and Principles of Consolidation

The Consolidated Financial Statements of the Company (“financial statements”) have been prepared in conformity with accounting principles generally accepted in the United States (“GAAP”) and the rules of the Securities and Exchange Commission (“SEC”). The financial statements include the accounts of the Company and its subsidiaries. All significant intercompany accounts and transactions have been eliminated in consolidation.

Reporting Segments

The Company's reportable segments are comprised of On-Demand Talent, Consulting, Europe & Asia Pacific, and Outsourced Services. See Note 18 — *Segment Information and Enterprise Reporting* for additional information on these segments. Each segment reports through separate segment managers to the Company's CEO, who is designated as the Chief Operating Decision Maker ("CODM") for segment reporting purposes. Each of these segments represents a reporting unit for the purposes of assessing goodwill for impairment.

The Company's previous reportable segments included Sitrick, a crisis communications and public relations firm, which did not individually meet the quantitative thresholds to qualify as a reportable segment (disclosed as "All Other"). On April 7, 2026, the Company entered into a Membership Interest Purchase Agreement (the "Purchase Agreement") with Sitrick Group, LLC ("Sitrick") and Sitrick, LLC (the "Buyer"), pursuant to which the Company agreed to sell 100% of the membership interests of Sitrick to the Buyer. The sale was completed on May 2, 2026. See Note 3 — *Acquisitions and Dispositions* for further information.

As a result of the sale of Sitrick, the Other segment was eliminated as of May 30, 2026. The sale did not represent a strategic shift in the Company's business and therefore it did not meet the criteria for classification as discontinued operations. The Company has presented the results of the Other segment through the date the sale was completed for the year ended May 30, 2026. Following the sale, the Company received no new income from Sitrick and had no further involvement or continuing influence over its operations.

Reclassifications

Certain prior period amounts have been reclassified to conform to current period presentation specifically as it relates to reclassification of amortization of right-of-use assets presented in the Company's Consolidated Statements of Cash Flows. These reclassifications had no effect on previously reported totals for assets, liabilities, stockholders' equity, cash flows or net income.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Although management believes these estimates and assumptions are adequate, actual results could materially differ from the estimates and assumptions used as new information is learned or upon the amounts becoming fixed or determinable.

Revenue Recognition

The Company generates substantially all of its revenues from providing professional consulting services to its clients. Revenues are recognized when control of the promised service is transferred to the Company's clients, in an amount that reflects the consideration expected in exchange for the services rendered. Revenue is recorded net of sales or other transaction taxes collected from clients and remitted to taxing authorities. Revenues for the vast majority of the Company's contracts are recognized over time, based on hours worked by the Company's professionals. The performance of the agreed-to service over time is the single performance obligation for revenues. Certain clients may receive discounts (for example, volume discounts or rebates) to the amounts billed. These discounts or rebates are considered variable consideration. Management evaluates the facts and circumstances of each contract and client relationship to estimate the variable consideration assessing the most likely amount to recognize and considering management's expectation of the volume of services to be provided over the applicable period. Rebates are the largest component of variable consideration and are estimated using the most-likely-amount method, contracts terms and estimates of revenue. Revenues are recognized net of variable consideration to the extent that it is probable that a significant reversal of revenues will not occur in subsequent periods.

On a limited basis, the Company may have fixed-price contracts, for which revenues are recognized over time using the input method based on time incurred as a proportion of estimated total time. Time incurred represents work performed, which corresponds with, and therefore best depicts, the transfer of control to the client. Management uses judgments when estimating the total hours expected to complete the contract performance obligation. It is possible that updated estimates for consulting engagements may vary from initial estimates with such updates being recognized in the period of determination. Depending on the timing of billings and services rendered, the Company accrues or defers revenue as appropriate.

The Company recognizes revenues primarily on a gross basis as it acts as a principal for primarily all of its revenue transactions. The Company has concluded that gross reporting is appropriate because it controls the services before they are transferred to the customers. The Company a) has the risk of identifying and hiring qualified consultants; b) has the discretion to select the consultants and establish the price and responsibilities for services to be provided; c) is primarily responsible for fulfilling the promise to provide the service to the customer; and d) bears the risk for services provided that are not fully paid for by clients. The Company recognizes all reimbursements received from clients for “out-of-pocket” expenses as revenue and all such expenses as cost of services. Reimbursements received from clients were \$4.8 million, \$4.4 million and \$4.3 million for the years ended May 30, 2026, May 31, 2025, and May 25, 2024, respectively.

Commissions earned by the Company’s sales professionals are considered incremental and recoverable costs of obtaining a contract with a customer. The Company elected to apply the practical expedient to expense sales commissions as incurred as the expected amortization period is one year or less. Sales commissions are recorded in selling, general and administrative expenses in the Company’s Consolidated Statements of Operations. During the years ended May 30, 2026, May 31, 2025 and May 25, 2024, sales commission expense was \$3.0 million, \$3.1 million, and \$2.8 million, respectively.

The Company’s clients are contractually obligated to pay the Company for all hours billed. The Company invoices most of its clients on a weekly basis or, in certain circumstances, on a bi-weekly or monthly basis, and its typical arrangement of payment is due within 30 days. To a much lesser extent, in certain circumstances, the Company also earns revenue if one of its consultants is hired by, or if the Company places an outside candidate with, its client. Conversion fees or permanent placement fees are recognized when one of the Company’s professionals, or a candidate identified by the Company, accepts an offer of permanent employment from a client and all requisite terms of the agreement have been met. Such conversion fees or permanent placement fees are recognized when the performance obligation is considered complete, which the Company considers a) when the consultant or candidate accepts the position; b) the consultant or candidate has notified either RGP or their current employer of their decision; and c) the start date is within the Company’s current quarter. Conversion fees were 0.2% of revenue for each of the years ended May 30, 2026 and May 31, 2025, and 0.3% of revenue for the year ended May 25, 2024. Permanent placement fees were 0.1% of revenue for each of the years ended May 30, 2026 and May 31, 2025, and 0.2% of revenue for the year ended and May 25, 2024.

The Company’s contracts generally have termination-for-convenience provisions and do not have termination penalties. While clients are contractually obligated to pay the Company for all hours billed, the Company does not have long-term agreements with its clients for the provision of services and the Company’s clients may terminate engagements at any time. All costs of compensating the Company’s professionals for services provided are the responsibility of the Company and are included in cost of services.

Foreign Currency Translation

The financial statements of subsidiaries outside the United States (“U.S.”) are measured using the local currency as the functional currency. Assets and liabilities of these subsidiaries are translated at current exchange rates, income and expense items are translated at average exchange rates prevailing during the period and the related translation adjustments are recorded as a component of comprehensive income or loss within stockholders’ equity. Gains and losses from foreign currency transactions are included in selling, general and administrative expenses in the Consolidated Statements of Operations.

Cash and Cash Equivalents

The Company considers cash on hand, deposits in banks, and short-term investments purchased with an original maturity date of three months or less to be cash and cash equivalents. The carrying amounts reflected in the Consolidated Balance Sheets for cash equivalents approximate the fair values due to the short maturities of these instruments.

Allowance for Credit Losses

The Company maintains an allowance for credit losses for estimated losses resulting from its clients’ failure to make required payments for services rendered. Management estimates this allowance based upon knowledge of the financial condition of the Company’s clients (which may not include knowledge of all significant events), review of

historical receivable and reserve trends and other pertinent information. If the financial condition of the Company's clients deteriorates or there is an unfavorable trend in aggregate receivable collections, additional allowances may be required.

The following table summarizes the activity in the allowance for credit losses (in thousands):

	Beginning Balance	Charged to Operations	Currency Rate Changes	Other ⁽¹⁾	(Write-offs)/ Recoveries	Ending Balance
Years Ended:						
May 25, 2024	\$ 3,283	\$ 137	\$ 5	\$ 2	\$ (672)	\$ 2,755
May 31, 2025	\$ 2,755	\$ 1,239	\$ (15)	\$ -	\$ (1,376)	\$ 2,603
May 30, 2026	\$ 2,603	\$ 1,257	\$ 4	\$ (2,240)	\$ (285)	\$ 1,339

⁽¹⁾ Other activity for the year ended May 30, 2026 represents the allowance on accounts receivable transferred in connection with the disposal of Sitrick.

Long-lived Assets

In accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") 360, Property, Plant, and Equipment, the Company evaluates the recoverability of long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The impairment test is comprised of two steps. The first step compares the carrying amount of the asset to the sum of expected undiscounted future cash flows. If the sum of expected undiscounted future cash flows exceeds the carrying amount of the asset, no impairment is taken. If the sum of expected undiscounted future cash flows is less than the carrying amount of the asset, a second step is warranted and an impairment loss is measured as the amount by which the carrying amount of the asset exceeds its fair value calculated using the present value of estimated net future cash flows. The Company recorded an impairment against its right of use ("ROU") assets of \$2.4 million, zero and \$0.2 million for the years ended May 30, 2026, May 31, 2025 and May 25, 2024, respectively, primarily associated with exiting certain real estate leases as part of its restructuring initiatives. The impairment charges are included in selling, general and administrative expense in the Company's Consolidated Statements of Operations.

During fiscal 2026, the Company entered into subleases at certain of its office locations in connection with its restructuring activities and the sale of Sitrick. Due to the change in future use of the impacted office spaces, management assessed recoverability of the related ROU assets in accordance with the Company's policy on impairment of long-lived assets. Based on an analysis of future undiscounted cash flows associated with the sublease of the right-of-use assets, management determined that the carrying value of the assets was not recoverable. The fair value was based on observable market rates of the assets in the area of the office locations. The Company recorded an impairment charge on right-of-use assets of \$2.4 million, of which \$1.5 million related to the sale of Sitrick and \$0.9 million related to restructuring activities, to selling, general and administrative expenses in the accompanying Consolidated Statements of Operations in connection with the recoverability assessments. The Company did not record any impairment of long-lived assets during the year ended May 31, 2025. During the year ended May 25, 2024, the Company recorded an impairment charge on long-lived assets of approximately \$0.2 million.

Goodwill and Intangible Assets

Goodwill is recorded at the time of an acquisition and is calculated as the difference between the aggregate consideration paid for an acquisition and the fair value of the net tangible and intangible assets acquired. Goodwill is not subject to amortization but the carrying value is tested for impairment on an annual basis, as of the first day of the fourth quarter, or more frequently if the Company believes indicators of impairment exist.

Impairment testing is conducted at the reporting unit level. Under ASC 350, *Intangibles - Goodwill and Other*, the qualitative assessment requires the consideration of factors such as recent market transactions, macroeconomic conditions, and changes in projected future cash flows or planned revenue or earnings of the reporting unit as potential indicators when determining the need for a quantitative assessment of impairment. There were no impairment indicators within the operating segment where goodwill resides during fiscal 2026 and as such, the Company performed its annual qualitative assessment on the carrying value of goodwill as of the first day of the fourth quarter and determined that it is more likely than not that no impairment of goodwill existed at such date. During fiscal 2025, there were indicators of potential impairment in each of the fiscal quarters related to a combination of business performance and decline in share price. As a result, the Company performed interim quantitative goodwill impairment assessments for its reporting units, each of which

is also a reporting segment. The Company recorded an aggregate impairment charge of \$194.4 million in connection with the impairment assessments. See Note 4 – *Goodwill and Intangible Assets* for further information.

Under the quantitative analysis, the fair value of the reporting units is determined by using a market-based approach, an income-based approach or a combination thereof. The market-based approach estimates fair value by applying revenue and EBITDA multiples to each reporting unit's operating performance. The multiples are derived from guideline public companies with similar operating and investment characteristics to the Company's reporting units, and are evaluated and adjusted, if needed, based on specific characteristics of the reporting units relative to the selected guideline companies. The market-based approach requires the Company to make a series of assumptions that involve significant judgment, such as the selection of comparable companies and the evaluation of the multiples. The income-based approach estimates fair value based on estimated future cash flows of each reporting unit, discounted by an estimated weighted-average cost of capital that reflects the relevant risks associated with each reporting unit and the time value of money. The income approach also requires a series of assumptions that involve significant judgment, such as revenue projections and Adjusted EBITDA margin projections, which are based on historical experience and internal forecasts about future performance.

While the Company believes that the assumptions underlying its quantitative assessment are reasonable, these assumptions could have a significant impact on whether a non-cash impairment charge is recognized and the magnitude of such charge. The results of an impairment analysis are as of a point in time. There is no assurance that the actual future earnings or cash flows of the reporting units will be consistent with the Company's projections.

The Company's identifiable intangible assets include customer contracts and relationships, and computer software, including internally-developed software. These assets are amortized on a straight-line basis over lives ranging from one to twelve years. For intangible assets subject to amortization, if the estimated undiscounted expected future cash flows are less than the net book value, an impairment loss is recognized equal to the amount by which the net book value exceeds the estimated fair value of assets. The Company reviewed its intangible assets and did not identify any impairment during the years ended May 30, 2026, May 31, 2025, and May 25, 2024. See Note 4 – *Goodwill and Intangible Assets* for further information.

Leases

The Company currently leases office space, vehicles and certain equipment under operating lease agreements. All of the Company's leases are operating leases. The Company's operating leases are primarily for real estate, which include fixed payments plus, in some cases, scheduled base rent increases over the term of the lease. Certain leases require variable payments, which are excluded from the measurements of lease liabilities and are expensed as incurred. Any tenant improvement allowances received from the lessor are recorded as a reduction to rent expense over the term of the lease. None of the Company's lease agreements contained residual value guarantees or material restrictive covenants.

Most of the Company's leases do not provide an implicit rate that can be readily determined. Therefore, the Company uses a discount rate based on its incremental borrowing rate and the information available at the commencement date. The incremental borrowing rate is the rate of interest that the Company would have to pay to borrow on a fully collateralized basis over a similar term in an amount equal to the total lease payments in a similar economic environment. The Company has a centrally managed treasury function; therefore, the portfolio approach is applied in determining the incremental borrowing rate. Application at the portfolio level is not materially different from applying guidance at the individual lease level.

Certain of the Company's leases include one or more options to renew or terminate the lease at the Company's discretion. Generally, the renewal and termination options are not included in the ROU assets and lease liabilities as they are not reasonably certain of exercise. The Company regularly evaluates lease renewal and termination options and, when they are reasonably certain of exercise, includes the renewal or termination option in the lease term.

In some instances, the Company subleases excess office space to third-party tenants. The Company, as sublessor, continues to account for the head lease. If the lease cost for the term of the sublease exceeds the Company's anticipated sublease income for the same period, this indicates that the ROU asset associated with the head lease should be assessed for impairment under the long-lived asset impairment provisions. Sublease income is included in selling, general and administrative expenses in the Company's Consolidated Statements of Operations.

The Company accounts for lease and non-lease components in its contracts as a single lease component. The non-lease components typically represent additional services transferred to the Company, such as common area maintenance for real estate, which are variable in nature and recorded in variable lease expense in the period incurred. Additionally, the

Company has also made an accounting policy election to recognize the lease payments under short-term leases as an expense on a straight-line basis over the lease term without recognizing the lease liability and the ROU asset.

See Note 6 — *Leases* for further information on the Company's leases.

Capitalized Hosting Arrangements

The capitalized hosting arrangements costs are primarily related to the Company's implementation of a cloud-based enterprise resource planning system and talent acquisition and management system. Such costs include third party implementation costs and costs associated with internal resources directly involved in the implementation. Capitalized hosting arrangements are stated at historical cost and amortized on a straight-line basis over an estimated useful life of the expected term of the hosting arrangement, taking into consideration several other factors such as, but not limited to, options to extend the hosting arrangement or options to terminate the hosting arrangement. The amortization of capitalized implementation costs for hosting arrangements will commence when the systems are ready for their intended use and are presented in selling, general and administrative expenses in the Company's Consolidated Statements of Operations on the Company's Consolidated Statements of Operations consistent with the presentation for expensing the fees for the associated hosting arrangement.

As of May 30, 2026 and May 31, 2025, the capitalized costs related to hosting arrangements, net of accumulated amortization, were \$15.7 million and \$19.0 million, respectively. These capitalized hosting arrangements are included in prepaid expenses and other non-current assets on the Consolidated Balance Sheets. The Company incurred \$3.3 million, \$1.8 million, and \$0.2 million of amortization expense during the years ended May 30, 2026, May 31, 2025, and May 25, 2024 respectively, related to these arrangements.

Stock-Based Compensation

The Company recognizes compensation expense for all share-based payment awards made to employees and directors, including restricted stock awards, restricted stock units, employee stock options, performance stock units awarded under the Company's 2020 Performance Incentive Plan (the "2020 Plan") and the Company's 2014 Performance Incentive Plan (the "2014 Plan"), stock units credited under the Directors Deferred Compensation Plan and employee stock purchases made via the Company's 2019 Employee Stock Purchase Plan, as amended (the "ESPP"), based on estimated fair value at the date of grant.

The Company estimates the fair value of share-based payment awards on the date of grant using the Black-Scholes valuation model for stock options, including options under the ESPP, and the closing price of the Company's common stock on the date of grant for restricted stock awards, restricted stock units and performance stock units. The value of the portion of the award that is ultimately expected to vest is recognized on a straight-line basis as an expense over the requisite service periods. If the actual number of forfeitures, and in the case of performance stock units, the actual performance, differs from that estimated by management, additional adjustments to compensation expense may be required in future periods. Excess income tax benefits and deficiencies from stock-based compensation are recognized as a discrete item within the provision for income taxes on the Company's Consolidated Statements of Operations. Stock options and restricted stock units typically vest over three to four years and restricted stock award vesting is determined on an individual grant basis under the 2014 Plan or the 2020 Plan. Performance stock units vest on the last day of the three-year performance period, based on the actual performance for the performance period.

See Note 15 — *Stock-Based Compensation Plans* for further information on the 2020 Plan and stock-based compensation.

Income Taxes

The Company recognizes deferred income taxes for the estimated tax consequences in future years of differences between the tax basis of assets and liabilities and their financial reporting amounts at each year-end based on enacted tax laws and statutory rates applicable to the periods in which the differences are expected to affect taxable income. Valuation allowances are established to reduce deferred tax assets to the amount expected to be realized when, in management's opinion, it is more likely than not that some portion of the deferred tax assets will not be realized. The provision for income taxes represents current taxes payable net of the change during the period in deferred tax assets and liabilities. The Company also evaluates its uncertain tax positions and only recognizes the tax benefit from an uncertain tax position if it is more likely than not that the tax position will be sustained on examination by the taxing authorities, based on the technical merits of the position. The tax benefits recognized in the financial statements from such positions are measured based on the largest benefit that has a greater than 50 percent likelihood of being realized upon settlement. The Company records a

liability for unrecognized tax benefits resulting from uncertain tax positions taken or expected to be taken in a tax return. Any change in judgment related to the expected ultimate resolution of uncertain tax positions is recognized in earnings in the period in which such change occurs. The Company recognizes interest and penalties related to income tax matters, if applicable, in income tax expense.

Restructuring Charges

Restructuring charges incurred by the Company are associated with cost optimization initiatives and consist primarily of severance costs for reductions in force and professional fees incurred in connection with the initiative. The Company evaluates the nature of the severance costs to determine if they relate to ongoing benefit arrangements, which are accounted for under ASC 712, Compensation - Nonretirement Postemployment Benefits ("ASC 712"), or one-time benefit arrangements, which are accounted for under ASC 420, Exit or Disposal Cost Obligations. The Company records a liability for ongoing employee termination benefits when it is probable that an employee is entitled to them and the amount of the benefit can be reasonably estimated. One-time employee termination costs are recognized when management has communicated the termination plan to employees, unless future service is required, in which case the costs are recognized ratably over the future service period. All other related costs are recognized when incurred. Restructuring charges are recorded in selling, general and administrative expenses in the Consolidated Statements of Operations. See Note 14 — *Restructuring and Transformation Initiative*, for additional information on restructuring charges.

Recent Accounting Pronouncements

Recently Issued Accounting Guidance

In December 2025, the FASB issued Accounting Standards Update ("ASU") 2025-11, Interim Reporting (Topic 270): Narrow-Scope Improvements ("ASU 2025-11"), which clarifies interim disclosure requirements by improving the navigability of the required interim disclosures and clarifying when that guidance is applicable. The standard is intended to help entities determine whether disclosures not specified in Topic 270 should be provided in interim reporting periods. ASU 2025-11 is effective for interim reporting periods within annual reporting period beginning after December 15, 2027. Early adoption is permitted. The Company is currently evaluating the impact of ASU 2025-11 on its financial statements and disclosures.

In September 2025, the FASB issued ASU 2025-06, Intangibles — Goodwill and Other — Internal-Use Software ("ASU 2025-06"), which removes all references to prescriptive and sequential software development stages (referred to as "project stages"). An entity will be required to start capitalizing software costs when (i) management has authorized and committed to funding the software project and (ii) it is probable that the project will be completed and the software will be used to perform the function intended (referred to as the "probable-to-complete recognition threshold"). ASU 2025-06 is effective for fiscal years beginning after December 15, 2027, and interim reporting periods within those annual periods. Early adoption is permitted as of the beginning of the annual reporting period. The Company does not expect this guidance to have a material impact on its financial statements and disclosures.

In July 2025, the FASB issued ASU 2025-05, Financial Instruments – Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets ("ASU 2025-05"). ASU 2025-05 provides a practical expedient that all entities can use when estimating expected credit losses for current accounts receivable and current contract assets arising from transactions accounted for under ASC 606, *Revenue from Contracts with Customers*. Under this practical expedient, an entity is allowed to assume that the current conditions it has applied in determining credit loss allowances for current accounts receivable and current contract assets remain unchanged for the remaining life of those assets. ASU 2025-05 is effective for fiscal years beginning after December 15, 2025, and interim reporting periods in those years. Entities that elect the practical expedient and, if applicable, make the accounting policy election are required to apply the amendments prospectively. The Company currently expects to adopt this guidance in its fiscal year beginning May 31, 2026. The Company is currently evaluating the impact of ASU 2025-05 on its financial statements and disclosures.

In November 2024, the FASB issued ASU 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses requiring disaggregated disclosure of certain expense captions into specified categories in the notes to financial statements on an annual and interim basis ("ASU 2024-03"). ASU 2024-03 is effective for fiscal years beginning after December 15, 2026, and interim periods within annual reporting periods beginning after December 15, 2027, with updates to be applied on a prospective basis with the option to apply the standard retrospectively. Early adoption is permitted. The Company expects to adopt this guidance in its fiscal year beginning May 30, 2027. The Company is evaluating the potential impact of this guidance on its financial statement disclosures.

Recently Adopted Accounting Guidance

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures ("ASU 2023-09"). ASU 2023-09 is intended to expand the disclosure requirements for income taxes, specifically related to the rate reconciliation and income taxes paid. The guidance was effective for annual periods beginning after December 15, 2024. The Company adopted this guidance in the fiscal year ended May 30, 2026 and applied the guidance prospectively.

3. Acquisitions and Dispositions

Acquisition of Reference Point

On July 1, 2024, the Company entered into an Amended and Restated Membership Interest Purchase Agreement with Reference Point LLC ("Reference Point") and the holder of all the outstanding membership interests of Reference Point, in which the Company acquired 100% of the membership interests of Reference Point. Reference Point is a strategy, management, and technology consulting firm serving the financial services sector across four areas of focus: Strategy & Management, Risk & Regulatory Compliance, Digital & Technology and Data & Analytics. The Company paid cash consideration of \$23.2 million (net of \$0.2 million cash acquired).

Results of operations of Reference Point are included within the Consulting Services operating segment in the Consolidated Statements of Operations from the date of acquisition. Reference Point contributed \$16.3 million of revenue and \$16.1 million of operating income to the Consolidated Statements of Operations during the years ended May 30, 2026 and May 31, 2025, respectively. During the years ended May 30, 2026 and May 31, 2025, the Company recognized approximately \$1.7 million and \$2.8 million, respectively, of acquisition-related costs in connection with the acquisition of Reference Point that were recorded in selling, general and administrative expenses in the Consolidated Statements of Operations.

In accordance with ASC 805 *Business Combinations*, the Company made an initial provisional allocation of the purchase price for Reference Point based on the fair value of the assets acquired and liabilities assumed, with the residual amount recorded as goodwill. The Company's purchase price allocation considered a number of factors, including the valuation of identifiable intangible assets. In connection with this acquisition, the Company recorded total intangible assets consisting of \$14.4 million for customer relationships (to be amortized over 12 years), \$0.7 million related to a non-compete agreement (to be amortized over 5 years) and \$0.6 million for trade name (to be amortized over 1 year). The Company also recorded \$6.9 million of goodwill, which is expected to be deductible for tax purposes. The goodwill is attributable primarily to expected synergies and the assembled workforce of Reference Point.

The following table summarizes the consideration for the acquisition of Reference Point and the amounts of the identified assets acquired and liabilities assumed at the acquisition date:

Fair value of consideration transferred (in thousands):

Cash	\$	23,417
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The following table summarizes the amounts of identifiable assets acquired and liabilities assumed that were recognized at the acquisition date (in thousands):

Cash and cash equivalents	\$	248
Trade accounts receivable ⁽¹⁾		2,013
Prepaid expenses and other current assets		52
Intangible assets		15,720
Property and equipment		28
Other non-current assets		63
Total identifiable assets		18,124
Accounts payable and other accrued expenses		47
Accrued salaries and related obligations		988
Other liabilities		527
Total liabilities assumed		1,562
Net identifiable assets acquired		16,562
Goodwill		6,855
Net assets acquired	\$	23,417

⁽¹⁾ The gross contractual amount of accounts receivable of \$2.0 million was fully collected during fiscal 2025.

The weighted-average useful life of all Reference Point's intangible assets is 11.3 years as of the date of acquisition.

Acquisition of CloudGo

On November 15, 2023, the Company acquired 100% of the equity interests in CloudGo Pte Ltd. and its subsidiaries (collectively, "CloudGo") pursuant to the terms of a Share Purchase Agreement entered into by and between the Company, CloudGo, and the shareholders of CloudGo (the "CloudGo SPA"). Headquartered in Singapore, CloudGo is a digital transformation firm primarily focused on technology implementation through the ServiceNow platform. The Company paid cash consideration of \$7.4 million (net of \$0.3 million of cash acquired).

In addition, the CloudGo SPA provides for contingent consideration of up to \$12.0 million to be paid based on CloudGo's revenue and operating profit margin performance during two one-year performance periods that began after the acquisition date. The Company determined the fair value of the contingent consideration as of the acquisition date using the Monte Carlo simulation model and the application of an appropriate discount rate (Level 3 fair value). The preliminary fair value of the contractual obligation to pay the contingent consideration amounted to \$4.4 million. Due to a revision in the Company's estimate in the fourth quarter of fiscal 2024, the Company decreased the fair value of the CloudGo contingent consideration liability to zero. The Company has concluded that a fair value of zero for the contingent consideration liability as of May 30, 2026 was appropriate. The estimate of fair value of contingent consideration liability requires assumptions to be made of various levels of potential revenue and operating profit performance as well as discount rates. Future revisions to these assumptions could materially change the estimate of the fair value of contingent consideration and therefore could materially affect the Company's future operating results.

Results of operations of CloudGo are included within the Consulting Services operating segment in the Consolidated Statements of Operations from the date of acquisition. CloudGo contributed \$3.4 million and \$6.5 million of revenue to the consolidated results of operations during the years ended May 30, 2026 and May 31, 2025, respectively. During the year ended May 25, 2024, the Company recognized approximately \$2.0 million of acquisition-related costs in

connection with the acquisition of CloudGo. Such costs were recorded in selling, general and administrative expenses in the Consolidated Statements of Operations.

In accordance with ASC 805 *Business Combinations*, the Company made an allocation of the purchase price for CloudGo based on the fair value of the assets acquired and liabilities assumed, with the residual amount recorded as goodwill. The Company's purchase price allocation considered a number of factors, including the valuation of identifiable intangible assets. In connection with this acquisition, the Company recorded total intangible assets consisting of \$3.1 million for customer relationships (to be amortized over 9 to 12 years). The Company also recorded \$9.6 million of goodwill. The goodwill is attributable primarily to expected synergies and the assembled workforce of CloudGo.

The following table summarizes the consideration for the acquisition of CloudGo and the amounts of the identified assets acquired and liabilities assumed at the acquisition date:

Fair value of consideration transferred (in thousands):

Cash	\$	7,753
Contingent consideration		4,400
Total	\$	12,153

Recognized amounts of identifiable assets acquired and liabilities assumed (in thousands):

Cash and cash equivalents	\$	342
Trade accounts receivable ⁽¹⁾		778
Prepaid expenses and other current assets		78
Income taxes receivable		2
Intangible assets		3,100
Property and equipment		36
Other non-current assets		13
Total identifiable assets		4,349
Accounts payable and other accrued expenses		411
Accrued salaries and related obligations		366
Deferred tax liabilities		490
Other liabilities		566
Total liabilities assumed		1,833
Net identifiable assets acquired		2,516
Goodwill		9,637
Net assets acquired	\$	12,153

⁽¹⁾ As of the acquisition date, the gross contractual amount of accounts receivable of \$0.8 million was expected to be fully collected, and was subsequently collected.

The weighted-average useful life of CloudGo's customer relationships and intangible assets is approximately 10.9 years.

Sitrick Disposition

The Company entered into the Purchase Agreement to sell Sitrick on April 7, 2026 (the "Purchase Agreement") and completed the sale on May 2, 2026. The sale was initiated in connection with the Company's broader transformation initiative to simplify its business portfolio. The purchase price amounted to \$1.9 million, and the Company recognized a loss of approximately \$2.4 million in connection with the sale. The loss on sale is recorded in selling, general and administrative expenses in the Consolidated Statements of Operations. The Purchase Agreement also provided that the Company shall retain certain assets and liabilities of Sitrick, including all assets and liabilities related to certain office space lease agreements. The Company entered into subleases with Sitrick for the office space retained in connection with the Purchase Agreement. See Note 6 — *Leases* for additional information on the subleases.

The Company also agreed to pay Michael Sitrick, Sitrick's chief executive officer, a cash payment of \$4.0 million, which is equivalent to the cash severance that would have been payable under the terms of the employment agreement with Sitrick. The cash payment is recorded in selling, general and administrative expenses in the Consolidated Statements of Operations. In connection with the closing of the transaction, the Company also agreed to accelerate the vesting of any equity awards granted by the Company to continuing employees of Sitrick that are unvested and outstanding immediately prior to the closing. Mr. Sitrick was the only employee of Sitrick whose equity was accelerated.

The Company will receive no new income from Sitrick as a result of the disposal. Pre-tax loss from Sitrick amounted to \$5.6 million, \$2.3 million, and \$0.8 million during the years ended May 30, 2026, May 31, 2025, and May 25, 2024.

Other Dispositions

During fiscal 2026, the Company completed the dissolution of its foreign subsidiary, Resources Global Professionals Sweden AB. No gain/loss was recognized in connection with the dissolution. The Company recognized an approximately \$0.6 million loss related to the recognition of the accumulated translation adjustment associated with the subsidiary, which was reclassified from accumulated other comprehensive loss in the Company's Consolidated Balance Sheet and included in other expense (income) in the Company's Consolidated Statements of Operations for the year ended May 30, 2026.

4. Goodwill and Intangible Assets

As described in Note 2 – *Summary of Significant Accounting Policies*, the Company performs its annual impairment test for goodwill impairment in the fourth quarter, unless indicators of impairment exist, at which point the Company may perform interim quantitative goodwill impairment analysis. There were no impairment indicators during fiscal year 2026 and as such, the Company performed its qualitative annual goodwill impairment analysis in the fourth quarter of fiscal 2026. There were no changes in the carrying amount of goodwill during fiscal year 2026 and all goodwill on the Company's Consolidated Balance Sheet is allocated to the Outsourced Services segment.

During the year ended May 31, 2025, there were indicators of potential impairment in each of the fiscal quarters related to a combination of business performance and decline in share price. As a result, the Company performed four interim quantitative goodwill impairment assessments for its reporting units, each of which is also a reporting segment. The Company used a combination of income-based and market-based approaches to determine the fair value of its reporting units with goodwill and recorded an aggregate non-cash impairment charge of \$194.4 million for fiscal 2025 in connection with its assessments.

During the year ended May 25, 2024, the Company performed an annual goodwill impairment on its reporting units and elected to perform a quantitative goodwill impairment analysis. As a result of the quantitative impairment test performed on February 25, 2024, the Company concluded that there was no goodwill impairment.

The Company's determination of the estimated fair value may be based on the market-based approach, the income-based approach or a combination of both approaches as described in Note 2 — *Summary of Significant Accounting Policies*. As part of the goodwill impairment test, the Company reconciled the aggregated estimated fair value of the Company's operating segments to the Company's market capitalization, including consideration of any asymmetry in information, and control premium representing the estimated amount a market participant would pay to obtain a controlling interest in the Company.

The following table summarizes the activity in the Company's goodwill balance (in thousands):

	On-Demand Talent	Consulting	Europe & Asia Pacific	Outsourced Services	All Other	Total
Balance as of May 25, 2024	\$ 70,202	\$ 91,770	\$ 25,850	\$ 28,757	\$ -	\$ 216,579
Acquisition (see Note 3)	-	6,855	-	-	-	6,855
Goodwill Impairment	(70,202)	(98,625)	(25,582)	-	-	(194,409)
Impact of foreign currency exchange rate changes	-	-	(268)	-	-	(268)
Balance as of May 31, 2025	\$ -	\$ -	\$ -	\$ 28,757	\$ -	\$ 28,757
Balance as of May 30, 2026	\$ -	\$ -	\$ -	\$ 28,757	\$ -	\$ 28,757

The following table presents details of the Company's intangible assets, estimated lives and related accumulated amortization (in thousands, except for estimated useful life):

	Estimated Useful Life	As of May 30, 2026			As of May 31, 2025		
		Gross	Accumulated Amortization	Net Carrying Amount	Gross	Accumulated Amortization	Net Carrying Amount
Customer contracts and relationships	7 - 12 years	\$ 39,500	\$ (24,794)	\$ 14,706	\$ 39,500	\$ (21,160)	\$ 18,340
Trade names	1 year	600	(600)	-	600	(550)	50
Non-Compete Agreements	5 years	720	(276)	444	720	(132)	588
Total		<u>\$ 40,820</u>	<u>\$ (25,670)</u>	<u>\$ 15,150</u>	<u>\$ 40,820</u>	<u>\$ (21,842)</u>	<u>\$ 18,978</u>

The remaining weighted-average useful life of all of the Company's intangible assets was approximately 4.1 years and 4.7 years as of May 30, 2026 and May 31, 2025, respectively.

For the year ended May 31, 2025, the Company determined that the computer software component of its intangible assets no longer provides future economic benefit and recorded a \$0.4 million charge to write-off the unamortized asset.

The Company recorded amortization expense of \$3.8 million, \$5.9 million, and \$5.4 million for the years ended May 30, 2026, May 31, 2025 and May 25, 2024, respectively. The following table presents future estimated amortization expense based on existing intangible assets held for use (in thousands):

Fiscal Years:

2027	\$ 1,859
2028	1,633
2029	1,633
2030	1,501
2031 and thereafter	\$ 8,524
Total	<u>\$ 15,150</u>

Actual future estimated amortization expense could differ from these estimated amounts as a result of future acquisitions, dispositions, impairments, and other factors or changes.

5. Property and Equipment

Property and equipment consist of the following (in thousands):

	As of May 30, 2026	As of May 31, 2025
Computers, equipment and software	5,744	6,859
Leasehold improvements	9,308	10,253
Furniture	3,583	4,346
Property and equipment, gross	\$ 18,635	\$ 21,458
Less: accumulated depreciation and amortization	(15,194)	(17,035)
Property and equipment, net	<u>\$ 3,441</u>	<u>\$ 4,423</u>

The Company recorded depreciation expense of \$1.3 million, \$1.9 million, and \$3.1 million for the years ended May 30, 2026, May 31, 2025 and May 25, 2024, respectively. Property and equipment is stated at cost, less accumulated depreciation and amortization. Depreciation is computed using the straight-line method over the following estimated useful lives:

Furniture and fixtures	5 to 10 years
Leasehold improvements	Lesser of useful life of asset or term of lease
Computer, equipment and software	3 to 5 years

Costs for normal repairs and maintenance are expensed to operations as incurred, while renewals and major refurbishments are capitalized.

6. Leases

The Company currently leases office space, vehicles and certain equipment under operating leases expiring through 2034. At May 30, 2026, the Company had no finance leases. The Company determines if an arrangement is a lease at the inception of the contract, which is the date on which the terms of the contract are agreed, and if the arrangement creates enforceable rights and obligations. Specifically, the Company considers whether it can control the underlying asset and have the right to obtain substantially all of the economic benefits or outputs from the assets. The Company evaluates its ROU assets for impairment consistent with its policy for evaluating long-lived assets for impairment. Operating lease expense is recognized on a straight-line basis over the lease term, and is recognized in selling, general and administrative expenses in the Company's Consolidated Statements of Operations.

Lease cost components included within selling, general and administrative expenses in the Consolidated Statements of Operations were as follows (in thousands):

	For the Years Ended		
	May 30, 2026	May 31, 2025	May 25, 2024
Operating lease cost	\$ 6,476	\$ 7,096	\$ 7,280
Short-term lease cost	360	297	192
Variable lease cost	1,121	1,367	1,586
Sublease income (I)	(334)	(702)	(740)
Total lease cost	<u>\$ 7,623</u>	<u>\$ 8,058</u>	<u>\$ 8,318</u>

(1) *Sublease income represents rental income received by the Company as sublessor.*

In the fourth quarter of 2026, the Company entered into subleases with Sitrick for the office locations in Los Angeles and New York that were utilized by Sitrick prior to the sale. The subleases of the retained office locations terminate on September 30, 2029 and July 31, 2031, unless terminated sooner as provided in the sublease agreements. Sitrick may elect to terminate the subleases on either the second or third anniversary of the sublease effective dates.

Due to the change in future use of the office space, management assessed recoverability of the related ROU assets for the offices in accordance with the Company's policy on impairment of long-lived assets and recorded an impairment

charge of \$1.5 million to selling, general and administrative expenses in the accompanying Consolidated Statements of Operations. See Note 2 — *Summary of Significant Accounting Policies* for additional information.

The weighted-average lease terms and discount rates for operating leases are presented in the following table:

	As of May 30, 2026	As of May 31, 2025
Weighted-average remaining lease term	5.8 years	6.2 years
Weighted-average discount rate	5.17%	5.12%

Cash flow and other information related to operating leases is included in the following table (in thousands):

	For the Years Ended		
	May 30, 2026	May 31, 2025	May 25, 2024
Cash paid for amounts included in the measurement of operating lease liabilities	\$ 6,773	\$ 7,005	\$ 8,406
Right-of-use assets obtained in exchange for new operating lease obligations	\$ 3,537	\$ 16,252	\$ 3,707

Future maturities of operating lease liabilities at May 30, 2026 are presented in the following table (in thousands):

Fiscal Years	Operating Lease Maturity
2027	\$ 5,604
2028	4,539
2029	4,216
2030	3,469
2031	3,061
Thereafter	5,413
Total future lease payments	26,302
Less: interest	(3,780)
Present value of operating lease liabilities	\$ 22,522

7. Long-Term Debt

On July 2, 2025, the Company, Resources Connection LLC, as borrowers, and all of the Company's domestic subsidiaries, as guarantors, entered into a credit agreement with the lenders party thereto and Bank of America, N.A. as administrative agent, L/C issuer and the swingline lender (the "2025 Credit Facility"), and concurrently terminated the 2021 Credit Facility (as defined below). The 2025 Credit Facility provided for a secured revolving loan, available in an amount up to the lesser of \$50.0 million and a borrowing base formula tied to eligible receivables, which included a \$10.0 million sublimit for the issuance of standby letters of credit. The 2025 Credit Facility also included an option to increase the amount of the revolving loan up to an additional \$15.0 million. The 2025 Credit Facility was scheduled to mature on November 30, 2029. The obligations under the 2025 Credit Facility were secured by substantially all assets of the Company, Resources Connection LLC and all of the Company's domestic subsidiaries.

Prior to July 2, 2025, the Company had a revolving credit facility with Bank of America, N.A., pursuant to the terms of the credit agreement dated November 12, 2021 by and among the Company and Resources Connection LLC, as borrowers, all of the Company's domestic subsidiaries, as guarantors, the lenders that are party thereto and Bank of America, N.A. as administrative agent for the lenders (the "2021 Credit Facility"). The 2021 Credit Facility, which was originally set to mature on November 12, 2026, was terminated on July 2, 2025 in connection with entering into the 2025 Credit Facility.

Borrowings under the 2025 Credit Facility bore interest at a rate per annum of either, at the Company's election (i) Term SOFR (as defined in the 2025 Credit Facility) plus a margin ranging from 1.25% to 2.50% or (ii) the Base Rate (as defined in the 2025 Credit Facility), plus a margin of 0.25% to 1.50%, in either case, with the applicable margin depending

on the Company's Consolidated EBITDA (as defined in the 2025 Credit Facility). The Company was also obligated to pay other customary facility fees for a credit facility of this size and type.

The 2025 Credit Facility contained customary covenants, including covenants that limited or restricted the Company's and its subsidiaries' ability to incur liens, incur indebtedness, make certain restricted payments, merge or consolidate and make dispositions of assets and financial covenants to maintain a certain consolidated total net leverage ratio and a consolidated fixed charge coverage ratio. Upon the occurrence of an event of default under the 2025 Credit Facility, the lender may cease making loans, terminate the 2025 Credit Facility, and declare all amounts outstanding to be immediately due and payable. The 2025 Credit Facility specified a number of events of default (some of which were subject to applicable grace or cure periods), including, among other things, non-payment defaults, covenant defaults, cross-defaults to other material indebtedness, bankruptcy and insolvency defaults and material judgment defaults.

On January 30, 2026, the Company, Resources Connection LLC, as borrowers, and all of the Company's domestic subsidiaries, as guarantors, entered into a first amendment to the 2025 Credit Facility (the "First Amended Credit Facility"). The purpose of the First Amended Credit Facility was to amend certain covenants related to the Company's definition of Consolidated EBITDA, as such term is defined in the 2025 Credit Facility. Except as expressly modified and amended in the First Amended Credit Facility, all terms, provisions, and conditions of the 2025 Credit Facility remained unchanged and in full force and effect.

The Company had no debt outstanding under the 2025 Credit Facility as of May 30, 2026 and no debt outstanding under the 2021 Credit Facility as of May 31, 2025. However, the Company had \$0.7 million and \$1.0 million of outstanding letters of credit issued as of May 30, 2026 and May 31, 2025, respectively, under the 2025 Credit Facility and the 2021 Credit Facility, respectively. As of May 30, 2026, there was up to \$49.3 million of potential remaining capacity under the 2025 Credit Facility subject to the terms of the 2025 Credit Facility and related financial covenants.

On November 2, 2022, Resources Global Enterprise Consulting (Beijing) Co., Ltd. (a wholly-owned subsidiary of the Company), as borrower, and the Company, as guarantor, entered into a RMB 13.4 million (USD \$1.8 million based on the prevailing exchange rate on November 2, 2022) revolving credit facility with Bank of America, N.A. (Beijing) as the lender (the "Beijing Revolver"). The Beijing Revolver bears interest at loan prime rate plus 0.80%. Interest incurred on borrowings will be payable monthly in arrears. As of May 30, 2026, the Company had no debt outstanding under the Beijing Revolver and RMB 13.4 million (\$2.0 million based on the prevailing exchange rate on May 30, 2026) in available credit. The availability of proceeds under the Beijing Revolver is at the lender's absolute discretion and may be terminated at any time by the lender, with or without prior notice to the borrower.

As of May 30, 2026, the Company was not in compliance with all financial covenants under the 2025 Credit Facility. On July 13, 2026, the Company terminated the 2025 Credit Facility and the Beijing Revolver. Subsequently, on July 15, 2026, the Company entered into a new credit agreement with PNC Bank (the "2026 Credit Facility"). See Note 19 — *Subsequent Events* for additional information regarding the 2026 Credit Facility.

8. Income Taxes

The following table represents the current and deferred income tax expense (benefit) for federal, state and foreign income taxes attributable to operations (in thousands):

	For the Years Ended		
	May 30, 2026	May 31, 2025	May 25, 2024
Current:			
Federal	\$ 4	\$ 51	\$ 3,245
State	248	(387)	1,422
Foreign	1,905	2,296	3,596
	2,157	1,960	8,263
Deferred:			
Federal	186	(6,540)	935
State	-	(1,793)	273
Foreign	115	2,078	(676)
	301	(6,255)	532
Income tax expense (benefit)	\$ 2,458	\$ (4,295)	\$ 8,795

Income (loss) before income tax expense (benefit) is as follows (in thousands):

	For the Years Ended		
	May 30, 2026	May 31, 2025	May 25, 2024
Domestic	\$ (36,843)	\$ (181,733)	\$ 23,084
Foreign	(1,300)	(14,342)	6,745
Income (loss) before income tax expense (benefit)	\$ (38,143)	\$ (196,075)	\$ 29,829

The Company adopted ASU 2023-09, "Income Taxes (Topic 740): Improvements To Income Tax Disclosures", ("ASU 2023-09") on a prospective basis beginning with the year ended May 30, 2026. The following table presents the required disclosures pursuant to ASU 2023-09 and reconciles the provision for income taxes to the amount that would result from applying the statutory U.S. federal income tax rate for the year ended May 30, 2026 (in thousands, except for percentages):

	For the Year Ended	
	May 30,	
	2026	
	Amount	Percent
U.S. Federal Statutory Tax Rate	\$ (8,010)	21.0 %
Domestic state and local income taxes, net of federal benefit ⁽¹⁾	204	(0.5) %
Foreign tax effects		
United Kingdom		
Changes in valuation allowances	566	(1.5) %
Other	(114)	0.3 %
Sweden		
Changes in valuation allowances	(1,488)	3.9 %
Removal of tax attribute due to sale of the entity	1,488	(3.9) %
Other	11	- %
Japan	443	(1.2) %
Singapore	433	(1.1) %
Other foreign jurisdictions	1,306	(3.5) %
Tax credits	(146)	0.4 %
Nontaxable and nondeductible items		
Share-based payment awards	1,745	(4.6) %
Section 162(m)	1,879	(4.9) %
Other	421	(1.1) %
Cross-border tax laws	44	(0.1) %
Changes in tax laws or rates enacted in the current period	-	- %
Changes in valuation allowances	4,082	(10.7) %
Other adjustments	(486)	1.3 %
Changes in unrecognized tax benefits	80	(0.2) %
Total	\$ 2,458	(6.4)%

⁽¹⁾ State taxes in Texas and New York for the year ended May 30, 2026 made up the majority (greater than 50%) of the tax effect in this category.

The following table presents the required disclosures prior to the Company's adoption of ASU 2023-09 and reconciles the U.S. federal statutory income tax rate to the worldwide effective income tax rate for the years ended May 31, 2025 and May 25, 2024 (in thousands):

	For the Years Ended	
	May 31, 2025	May 25, 2024
Statutory tax rate	21.0 %	21.0 %
State taxes, net of federal benefit	1.0	4.6
Non-U.S. rate adjustments	(0.3)	2.8
Stock-based compensation	(0.6)	2.2
Valuation allowance	(8.6)	5.8
U.S. international tax impact, net of credits	(0.3)	0.9
Contingent consideration	-	(3.1)
Section 986(c) foreign exchange loss	-	(1.3)
Capital loss carryforward	-	(6.2)
Goodwill impairment	(9.8)	-
Permanent items	(0.2)	2.5
Return-to-provision & other adjustments	0.1	(0.5)
Other, net	(0.1)	0.8
Effective tax rate	2.2 %	29.5 %

The impact of state taxes, net of federal benefit, and foreign income taxed at other than U.S. rates fluctuates year over year due to the changes in the mix of operating income and losses amongst the various states and foreign jurisdictions in which we operate. The Company's accounting policy is to recognize the U.S. tax effects of global intangible low-taxed income as a component of income tax expense in the period it arises.

Income Taxes Paid

The Company included the following table as a result of the adoption of ASU 2023-09, which represents income taxes paid (net of refunds received) for the year ended May 30, 2026 (in thousands):

	For the Year Ended	
	May 30, 2026	
Federal	\$	(3,207)
State		
California		70
Illinois		(144)
New Jersey		(293)
New York		(75)
Other		(4)
Foreign		
Canada		109
India		490
Japan		1,001
Philippines		630
Other		217
Total	\$	(1,206)

The components of the net deferred tax asset (liability) consist of the following (in thousands):

	As of May 30, 2026	As of May 31, 2025
Deferred tax assets:		
Allowance for credit losses	\$ 343	\$ 369
Accrued compensation	2,719	3,583
Accrued expenses	1,475	1,215
Lease liability	5,732	6,684
Stock options and restricted stock	1,862	2,770
Foreign tax credit	491	345
Net operating losses	27,307	19,632
Capital loss carryforwards	1,604	1,606
Property and equipment	517	520
Goodwill and intangibles	6,308	7,700
Gross deferred tax asset	48,358	44,424
Valuation allowance	(34,675)	(29,402)
Gross deferred tax asset, net of valuation allowance	13,683	15,022
Deferred tax liabilities:		
ROU asset	(4,343)	(5,834)
Deferred tax on foreign earnings	(186)	-
Net deferred tax asset	<u>\$ 9,154</u>	<u>\$ 9,188</u>

On July 4, 2025, One Big Beautiful Bill Act (“OBBBA”) was signed into law. Among other changes, OBBBA makes permanent several expiring provisions from the Tax Cuts and Jobs Act of 2017, restores favorable tax treatment of various business provisions, and modifies the international tax regime. The legislation has varying effective dates, with certain provisions effective in fiscal 2026 and others implemented through fiscal 2027. The tax effects of the enacted legislation are reflected in the year of enactment ended May 30, 2026, and there was no material impact on the Company's income tax provision. The Company will continue to monitor and assess the impact of OBBBA on its consolidated financial statements.

The Company has tax-effected foreign net operating loss carryforwards of \$19.2 million (\$76.6 million on a gross basis), tax-effected federal net operating loss carryforwards of \$6.1 million, tax-effected state net operating loss carryforwards of \$1.9 million, capital loss carryforwards of \$1.6 million, and foreign tax credit carryforwards of \$0.5 million. The federal net operating loss is carried forward indefinitely, but it may only reduce 80% of taxable income in a carryforward tax year. The state net operating loss carryforwards will expire beginning in fiscal 2030, the capital loss carryforwards will expire in fiscal 2028, and the foreign tax credits will expire beginning in fiscal 2028. The following table summarizes the foreign net operating losses expiration periods (in thousands):

Expiration Periods	Amount of Net Operating Losses
Fiscal Years Ending:	
2027	\$ 241
2028 and beyond	4,372
Unlimited	71,972
Total	<u>\$ 76,585</u>

The following table summarizes the activity in the Company's valuation allowance accounts (in thousands):

	Beginning Balance	Charged to Operations	Currency Rate Changes	Ending Balance
Years Ended:				
May 25, 2024	\$ 6,514	\$ 1,964	\$ 72	\$ 8,550
May 31, 2025	\$ 8,550	\$ 20,450	\$ 402	\$ 29,402
May 30, 2026	\$ 29,402	\$ 4,911	\$ 362	\$ 34,675

Realization of deferred tax assets is dependent upon generating sufficient future taxable income of the appropriate character. Management believes that it is more likely than not that all remaining deferred tax assets will be realized through future taxable earnings. Given the current economic outlook, management believes there is a reasonable possibility that within the next 12 months, sufficient evidence may become available to allow it to reach a conclusion to establish or release a valuation allowance on the deferred tax assets of certain foreign entities.

As of May 30, 2026, the Company recorded an estimated deferred tax liability of approximately \$0.2 million in relation to the portion of undistributed earnings that are expected to be repatriated in the foreseeable future. Deferred income taxes have not been provided on the remaining undistributed earnings of approximately \$27.0 million from the Company's foreign subsidiaries since these amounts are intended to be indefinitely reinvested in foreign operations. If the earnings of the Company's foreign subsidiaries were to be distributed, management estimates that the income tax impact would primarily be related to foreign withholding taxes.

The following table summarizes the activity related to the gross unrecognized tax benefits (in thousands):

	For the Years Ended		
	May 30, 2026	May 31, 2025	May 25, 2024
Unrecognized tax benefits, beginning of year	\$ 1,115	\$ 1,033	\$ 962
Gross increases-tax positions in prior period	80	82	71
Unrecognized tax benefits, end of year	\$ 1,195	\$ 1,115	\$ 1,033

The Company's total liability for unrecognized gross tax benefits, including accrued interest and penalties, was \$1.2 million, \$1.1 million and \$1.0 million as of May 30, 2026, May 31, 2025 and May 25, 2024, respectively, which, if ultimately recognized, any differences in assessment or non-assessment would impact the effective tax rate in future periods. The unrecognized tax benefits are included in long-term liabilities in the Consolidated Balance Sheets. None of the unrecognized tax benefits are short-term liabilities as management does not anticipate any cash payments within 12 months to settle the liability.

The Company's major income tax jurisdiction is the U.S., with federal statutes of limitations remaining open for fiscal 2020 and thereafter. For states within the U.S. in which the Company does significant business, the Company remains subject to examination for fiscal 2020 and thereafter. Most major foreign jurisdictions remain open for fiscal years ended 2021 and thereafter.

The Company recognizes interest and penalties related to unrecognized tax benefits as a part of its provision for income taxes. During the years ended May 30, 2026, May 31, 2025 and May 25, 2024, the Company accrued interest of \$80,000, \$82,000 and \$71,000, respectively, as a component of the liability for unrecognized tax benefits. The Company's cumulative accrued interest was \$348,000, \$267,000 and \$185,000 as of May 30, 2026, May 31, 2025 and May 25, 2024, respectively.

9. Accrued Salaries and Related Obligations

Accrued salaries and related obligations consist of the following (in thousands):

	As of May 30, 2026	As of May 31, 2025
Accrued salaries and related obligations	\$ 13,796	\$ 17,807
Accrued bonuses	11,528	14,911
Accrued vacation	12,074	15,213
	<u>\$ 37,398</u>	<u>\$ 47,931</u>

10. Concentrations of Credit Risk

The Company currently maintains cash and cash equivalents in commercial paper or money market accounts.

Financial instruments, which potentially subject the Company to concentration of credit risk, consist primarily of trade receivables. However, concentrations of credit risk are limited due to the large number of customers comprising the Company's client base and their dispersion across different business and geographic areas. The Company monitors its exposure to credit losses and maintains an allowance for anticipated losses. A significant change in the liquidity or financial position of one or more of the Company's clients could result in an increase in the allowance for anticipated losses. No single client accounted for more than 10% of revenue for the years ended May 30, 2026, May 31, 2025 and May 25, 2024. No single client accounted for more than 10% of trade accounts receivable as of May 30, 2026, or May 31, 2025.

11. Stockholders' Equity

Summary of Rights and Key Provisions

As of May 30, 2026, the authorized capital stock of the Company consists of 70,000 shares of common stock, par value \$0.01 per share, and 5,000 shares of undesignated preferred stock, par value \$0.01 per share.

Common Stock

The holders of common stock are entitled to one vote per share on all matters to be voted on by the stockholders. After payment of any dividends due and owing to the holders of preferred stock, holders of common stock are entitled to receive dividends declared by the Company's Board of Directors out of funds legally available for dividends. In the event of the Company's liquidation, dissolution or winding up, holders of common stock are entitled to share in all assets remaining after payment of liabilities and liquidation preferences of outstanding shares of preferred stock. Holders of common stock have no preemptive, conversion, subscription or other rights. There are no redemption or sinking fund provisions applicable to the common stock. All outstanding shares of common stock are fully paid and nonassessable.

Preferred Stock

The Company's Board of Directors may, without further action by the Company's stockholders, to issue up to 5,000,000 shares of preferred stock. The Company's Board of Directors may issue preferred stock in one or more series and may determine the rights, preferences, privileges, qualifications and restrictions granted to or imposed upon the preferred stock, including dividend rights, conversion rights, voting rights, rights and terms of redemption, liquidation preferences and sinking fund terms, any or all of which may be greater than the rights of the common stock. The issuance of preferred stock could adversely affect the voting power of holders of common stock and reduce the likelihood that common stockholders will receive dividend payments and payments upon liquidation. The issuance of preferred stock could also have the effect of decreasing the market price of the common stock and could delay, deter or prevent a change in control of the Company. However, it is not possible to state the actual effect of the issuance of any shares of the Company's preferred stock on the rights of holders of the Company's common stock until the Company's Board of Directors determines the specific rights attached to that class or series of preferred stock.

Stock Repurchase Program

The Company's Board of Directors has previously approved two stock repurchase programs authorizing the repurchase, at the discretion of the Company's senior executives, of the Company's common stock for a designated aggregate dollar limit. In July 2015, the first program was authorized for an aggregate dollar limit not to exceed \$150 million, and in October 2024, the second program was authorized for an additional dollar limit not to exceed \$50 million (collectively, the "Stock Repurchase Programs"). Subject to the aggregate dollar limits, the currently authorized Stock Repurchase Programs do not have an expiration date. Repurchases under the programs may take place in the open market or in privately negotiated transactions and may be made pursuant to a Rule 10b5-1 plan.

Pursuant to the Stock Repurchase Programs, the Company may repurchase shares at the discretion of the Company's senior executives based on numerous factors, including, without limitation, share price and other market conditions, the Company's ongoing capital allocation planning, the levels of cash and debt balances, and other demands for cash. The Company records the shares repurchased as treasury stock based on the amount paid to repurchase its shares. Direct costs incurred to acquire treasury stock are treated like stock issue costs and added to the cost of the treasury stock.

The Company accounts for the retirement of treasury shares using the par-value method under which the cost of repurchased and retired treasury shares in excess of the par value is allocated between additional paid-in capital and retained earnings. When the repurchase price is greater than the original issue proceeds, the excess is charged to retained earnings. The Company uses the weighted-average cost flow assumption to identify and assign the original issue proceeds to the cost of the repurchased and retired treasury shares. The Company believes that this allocation method is preferable because it more accurately reflects its paid-in capital balances by allocating the cost of the repurchased and retired treasury shares to paid-in capital in proportion to paid-in capital associated with the original issuance of those shares.

No shares of the Company's common stock were purchased under the Stock Repurchase Programs during the year ended May 30, 2026. During the year ended May 31, 2025, the Company purchased 1,382,820 shares of its common stock on the open market at an average price of \$9.40 per share, for an aggregate total purchase price of approximately \$13.0 million. As of May 30, 2026, approximately \$79.2 million remained available for future repurchases of the Company's common stock under the Stock Repurchase Programs.

Quarterly Dividend

Subject to approval each quarter by the Company's Board of Directors, the Company pays a regular dividend. On April 28, 2026, the Board of Directors approved a regular quarterly dividend of \$0.07 per share of the Company's common stock. The dividend was paid on June 19, 2026 to stockholders of record at the close of business on May 21, 2026. As of May 30, 2026 and May 31, 2025, approximately \$2.4 million and \$2.3 million, respectively, was accrued and recorded in other current liabilities in the Company's Consolidated Balance Sheets for dividends declared but not yet paid. Continuation of the quarterly dividend is at the discretion of the Board of Directors and depends upon the Company's financial condition, results of operations, capital requirements, general business condition, contractual restrictions contained in the 2026 Credit Facility and other agreements, and other factors deemed relevant by the Board of Directors.

12. Loss Per Common Share

The Company presents both basic and diluted earnings (loss) per share ("EPS"). Basic EPS is calculated by dividing net income (loss) by the weighted-average number of common shares outstanding during the period. Diluted EPS is based upon the weighted-average number of common shares and potentially dilutive common shares outstanding during the period. Potentially dilutive shares of common stock include the assumed exercise of outstanding in-the-money stock options, assumed issuance of common stock under the ESPP, assumed release of outstanding restricted stock awards ("RSAs"), restricted stock units ("RSUs") and performance stock units ("PSUs") using the treasury stock method. However, potentially dilutive shares of common stock are excluded from the computation in periods in which they have an anti-dilutive effect.

During the year ended May 30, 2026, the Company incurred a net loss, and as a result potentially dilutive common shares issuable from the assumed exercise of stock options and the assumed release of shares of common stock under the outstanding ESPP, RSAs, RSUs, and PSUs awards were not included in the diluted shares used to calculate net loss per share, as their inclusion would have been anti-dilutive.

The following table summarizes the calculation of net loss per common share for the years ended May 30, 2026, May 31, 2025 and May 25, 2024 (in thousands, except per share amounts):

	For the Years Ended		
	May 30, 2026	May 31, 2025	May 25, 2024
Net income (loss)	\$ (40,601)	\$ (191,780)	\$ 21,034
Weighted average shares outstanding:			
Basic weighted-average shares outstanding	33,551	33,063	33,445
Potentially dilutive stock options	-	-	48
Potentially dilutive employee stock purchase plan	-	-	14
Potentially dilutive restricted stock awards	-	-	56
Potentially dilutive restricted stock units	-	-	179
Potentially dilutive performance stock units	-	-	153
Diluted weighted-average shares outstanding	33,551	33,063	33,895
Net income (loss) per common share:			
Basic	\$ (1.21)	\$ (5.80)	\$ 0.63
Diluted	\$ (1.21)	\$ (5.80)	\$ 0.62
Anti-dilutive shares not included above	2,283	2,730	2,152

13. Revenue Recognition

The timing of revenue recognition, billings and cash collections affects the recognition of accounts receivable, contract assets and contract liabilities.

Contract assets represent the Company's rights to consideration for completed performance under the contract (e.g., unbilled receivables), in which the Company has transferred control of the product or services before there is an unconditional right to payment. Contract assets were \$21.3 million and \$30.7 million as of May 30, 2026 and May 31, 2025, respectively, which were included in trade accounts receivable in the Consolidated Balance Sheets.

Contract liabilities represent deferred revenue when cash is received in advance of performance and are presented in other current liabilities in the Consolidated Balance Sheets. Contract liabilities were \$4.3 million as of both May 30, 2026 and May 31, 2025. Revenues recognized during the year ended May 30, 2026 that were included in deferred revenues as of May 31, 2025 were \$3.2 million. Revenues recognized during the year ended May 31, 2025 that were included in deferred revenues as of May 25, 2024 were \$1.9 million. Revenues recognized during the year ended May 25, 2024 that were included in deferred revenues as of May 27, 2023 were \$2.5 million.

14. Restructuring and Transformation Initiative

In fiscal 2026, the Company engaged in a transformation initiative to redesign and streamline its operating model to achieve a reduced cost structure, as well as integrate Reference Point's consulting capabilities into the existing consulting business to form a more cohesive consulting segment (the "2026 Transformation Initiative"). As part of this initiative, the Company conducted a comprehensive review of its global operations. In connection with this effort, the Company executed workforce reductions in October 2025 (the "October RIF") and January 2026 (the "January RIF") affecting management and administrative roles, aimed at improving efficiency, reducing costs and streamlining operations. In addition to the reductions in force, the Company identified additional cost savings through exiting and subleasing a certain office space, resulting in an impairment charge of \$0.9 million. See Note 2 – *Summary of Significant Accounting Policies* for further information.

Activity under the 2026 Transformation Initiative represents ongoing benefit arrangements, which are accounted for under ASC 712. All costs associated with the 2026 Transformation Initiative were recorded in selling, general and administrative expenses in the Company's Consolidated Statements of Operations. The components of the restructuring charges related to the 2026 Transformation Initiative are included in the table below (in thousands):

	For the Years Ended	
	May 30, 2026	
Severance and benefits ⁽¹⁾	\$	6,433
Professional fees		1,071
Right-of-use asset impairment		942
	\$	<u>8,446</u>

⁽¹⁾ *Severance and benefits include costs of \$2.1 million and \$4.3 million related to the October RIF and the January RIF, respectively.*

The liability for restructuring charges as of May 30, 2026 under the 2026 Transformation Initiative was related to severance and benefits costs incurred for the January RIF and was recorded in accounts payable and other accrued expenses on the Company's Consolidated Balance Sheets. The table below summarizes the restructuring liability (in thousands):

	Employee Termination Costs
Balance as of May 31, 2025	\$ -
Restructuring charges (Severance and benefits)	4,343
Payments	<u>(2,085)</u>
Balance as of May 30, 2026	<u>\$ 2,258</u>

The Company currently expects its transformation efforts to be substantially complete in the first half of fiscal 2027, though the scope, timing, and impact of such actions may evolve as the review progresses.

On December 2, 2024, the Company authorized a global cost reduction plan, including a reduction in force (the “2025 Restructuring Plan”) intended to reduce costs and streamline operations. The 2025 Restructuring Plan resulted in a reduction of force of the Company’s global management and administrative workforce. The Company incurred employee termination costs of \$5.1 million associated with the 2025 Restructuring Plan for the year ended May 31, 2025, which were recorded in selling, general and administrative expenses in the Company's Consolidated Statements of Operations. The restructuring liability related to the 2025 Restructuring Plan was nominal as of May 31, 2025.

15. Stock-Based Compensation Plans

General

The Company’s stockholders approved the 2020 Plan on October 22, 2020, which replaced and succeeded in its entirety the 2014 Plan. On October 17, 2024, the Company’s stockholders approved an amendment and restatement of the 2020 Plan, which increased the maximum number of shares of the Company’s common stock authorized for issuance under the 2020 Plan by 815,000 shares. Executive officers and certain employees, as well as non-employee directors of the Company and certain consultants and advisors are eligible to participate in the 2020 Plan. The maximum number of shares of the Company’s common stock that may be issued or transferred pursuant to awards under the 2020 Plan equals: (1) 815,000 shares, plus (2) 1,797,440 (which represents the number of shares that were available for additional award grant purposes under the 2014 Plan immediately prior to the termination of the authority to grant new awards under the 2014 Plan as of October 22, 2020), plus (3) the number of any shares subject to stock options granted under the 2014 Plan or the Resources Connection, Inc. 2004 Performance Incentive Plan (together with the 2014 Plan, the “Prior Plans”) and outstanding as of October 22, 2020 which expire, or for any reason are cancelled or terminated, after that date without being exercised, plus (4) the number of any shares subject to RSA and RSU awards granted under the Prior Plans that are outstanding and unvested as of October 22, 2020 which are forfeited, terminated, cancelled, or otherwise reacquired after that date without having become vested.

Awards under the 2020 Plan may include, but are not limited to, stock options, stock appreciation rights, restricted stock, performance stock, stock units, stock bonuses and other forms of awards granted or denominated in shares of common stock or units of common stock, as well as certain cash bonus awards. Historically, the Company has granted RSA, RSUs and stock option awards under the 2020 Plan that typically vest in equal annual installments, and PSU awards

under the 2020 Plan that vest upon the achievement of certain Company-wide performance targets at the end of the defined performance period. Stock option grants typically terminate ten years from the date of grant. Vesting periods for RSA, RSU and stock option awards range from three to four years. The performance period for the PSU awards is three years. As of May 30, 2026, there were 927,662 shares available for further award grants under the 2020 Plan (with outstanding PSUs counted for this purpose based on the target number of shares granted).

Stock-Based Compensation Expense

The Company recognizes stock-based compensation expense on time-vesting equity awards ratably over the applicable vesting period based on the grant date fair value, net of estimated forfeitures. Expense related to the liability-classified awards reflects the change in fair value during the reporting period. The number of performance stock units earned at the end of the performance period may equal, exceed or be less than the targeted number of shares depending on whether the performance criteria are met, surpassed or not met. During each reporting period, the Company uses the latest forecasted results to estimate the number of shares to be issued at the end of the performance period. Any resulting changes to stock compensation expense are adjusted in the period in which the change in estimates occur.

Stock-based compensation expense included in selling, general and administrative expenses was \$11.6 million, \$6.8 million and \$5.7 million for the years ended May 30, 2026, May 31, 2025 and May 25, 2024, respectively. These amounts consisted of stock-based compensation expense related to employee stock options, RSAs, RSU awards and PSU awards under the 2020 Plan and Prior Plans, employee stock purchases made via the ESPP, and stock units credited under the Directors Deferred Compensation Plan. Stock-based compensation expense for the year ended May 30, 2026 also included the impact of accelerated expense recognition of stock awards related to the separation of the Company's former CEO pursuant to ASC 718.

Stock-Based Award Acceleration

In connection with the separation of the Company's former CEO, Ms. Duchene's then-outstanding and unvested equity awards accelerated and vested upon her termination date of January 3, 2026. Her outstanding PSUs vested based on the applicable "target" number of shares subject to the award. The Company recognized all remaining fair value of Ms. Duchene's unvested equity awards in the second quarter of fiscal 2026, which totaled \$3.1 million and is recorded in selling, general and administrative expenses in the Consolidated Statements of Operations.

In connection with the separation of the Company's former COO, Mr. Patel's then-outstanding and unvested equity awards accelerated and vested upon his termination date of May 15, 2026. His outstanding PSUs vested based on the applicable "target" number of shares subject to the award. The Company recognized all remaining fair value of Mr. Patel's unvested equity awards in the fourth quarter of fiscal 2026, which totaled \$1.5 million and is recorded in selling, general and administrative expenses in the Consolidated Statements of Operations.

Stock Options

The following table summarizes the stock option activity for the year ended May 30, 2026 (in thousands, except weighted average exercise price):

	Number of Shares Under Option	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (in years)	Aggregate Intrinsic Value
Awards outstanding at May 31, 2025	1,527	\$ 16.89	2.62	\$ -
Exercised	-	-		
Forfeited	-	-		
Expired	(477)	16.25		
Awards outstanding at May 30, 2026	1,050	\$ 17.18	2.01	\$ -
Exercisable at May 30, 2026	1,050	\$ 17.18	2.01	\$ -
Vested and expected to vest as of May 30, 2026 ⁽¹⁾	1,050	\$ 17.18	2.01	\$ -

⁽¹⁾ As of May 30, 2026, all outstanding options have vested, and there was no unrecognized compensation cost related to unvested and outstanding employee stock options.

The aggregate intrinsic value represents the total pre-tax intrinsic value, based on the Company's closing stock price of \$4.52 as of May 29, 2026 (the last trading day of fiscal 2026), which would have been received by the option holders had all option holders exercised their options as of that date.

The total pre-tax intrinsic value related to stock options exercised during the years ended May 25, 2024 was \$0.5 million. The total estimated fair value of stock options that vested during the years ended May 25, 2024 was \$0.3 million. There were no stock options exercised during the year ended May 30, 2026 and May 31, 2025, respectively.

Valuation and Expense Information for Stock Based Compensation Plans

There were no employee stock options granted during the years ended May 30, 2026 and May 31, 2025.

Employee Stock Purchase Plan

On October 20, 2022, the Company's stockholders approved an amendment and restatement of the ESPP that increased the number of shares authorized for issuance under the ESPP by 1,500,000, resulting in a maximum number of shares of the Company's common stock authorized for issuance under the ESPP of 3,325,000 shares.

The Company's ESPP allows qualified employees (as defined in the ESPP) to purchase designated shares of the Company's common stock at a price equal to 85% of the lesser of the fair market value of common stock at the beginning or end of each semi-annual stock purchase period. The Company issued 527,119, 492,858 and 455,678 shares of common stock pursuant to the ESPP for the years ended May 30, 2026, May 31, 2025 and May 25, 2024, respectively. There were 303,269 shares of common stock available for issuance under the ESPP as of May 30, 2026.

Restricted Stock Awards

The following table summarizes the activities for the RSAs for the year ended May 30, 2026 (in thousands, except weighted average grant-date fair value):

	Shares	Weighted-Average Grant-Date Fair Value
Unvested at May 31, 2025	269	\$ 11.80
Granted	118	\$ 5.12
Vested	(196)	\$ 12.10
Forfeited	(20)	\$ 11.95
Unvested as of May 30, 2026	171	\$ 6.83
Expected to vest as of May 30, 2026	169	\$ 6.73

As of May 30, 2026, there was \$0.9 million of total unrecognized compensation costs related to RSAs. The cost is expected to be recognized over a weighted-average period of 1.63 years. The weighted average estimated fair value per share of RSA granted during the years ended May 30, 2026, May 31, 2025 and May 25, 2024 was \$5.12, \$8.91 and \$13.79, respectively.

Stock Units

In 2018, the Company adopted the amended and restated Directors Deferred Compensation Plan, which provides the non-employee members of the Company's Board of Directors with the opportunity to defer certain cash compensation and equity awards earned or granted for their service in the form of stock units ("Stock Units"). The Stock Units are used solely as a device for determining the amount of cash eventually paid to the director. Each Stock Unit has the same value as one share of the Company's common stock. Stock Units are not paid out until the director leaves the Board of Directors, at which time the cash value of the Stock Units is paid out in accordance with terms of the plan and the director's election. Additional Stock Units are credited to reflect dividends paid on shares of the Company's common stock. Stock Units credited to a director pursuant to an election to defer cash compensation (and any dividend equivalents credited thereon) are fully vested at all times. Stock Units credited to a director pursuant to an election to defer an equity award are subject to the vesting conditions applicable to the equity award, except that dividend equivalents credited to a director with respect to such Stock Units are vested at all times. These liability-classified awards are re-measured at each reporting date and on

settlement using the closing price of the Company's common stock on that date. Any change in fair value is recorded as stock-based compensation expense in the period. The Company recognizes stock-based compensation expense on these Stock Units using the straight-line method over the requisite service period.

The Company may issue stock units that are either equity-classified, which are awards of RSUs granted to employees under the 2020 Plan that settle in shares of the Company's common stock, or liability-classified, which are awards of Stock Units credited to Board of Director members under the Directors Deferred Compensation Plan that settle in cash.

The following table summarizes the activities for the unvested stock units, including both equity-classified RSUs and liability-classified Stock Units, for the year ended May 30, 2026 (in thousands, except weighted average grant-date fair value):

	Equity-Classified RSUs		Liability-Classified Stock Units		Total	
	Shares	Weighted-Average Grant-Date Fair Value	Shares	Weighted-Average Grant-Date Fair Value	Shares	Weighted-Average Grant-Date Fair Value
Unvested at May 31, 2025	1,323	\$ 11.16	63	\$ 11.95	1,386	\$ 11.20
Granted ⁽¹⁾	2,154	4.41	50	4.98	2,204	4.42
Vested	(950)	10.70	(46)	10.83	(996)	10.71
Forfeited	(265)	10.00	-	-	(265)	10.00
Unvested as of May 30, 2026	<u>2,262</u>	\$ 5.15	<u>67</u>	\$ 7.50	<u>2,329</u>	\$ 5.22
Expected to vest as of May 30, 2026	<u>2,245</u>	\$ 5.11	<u>67</u>	\$ 7.50	<u>2,312</u>	\$ 5.18

⁽¹⁾ Dividend equivalents are included in the granted shares.

As of May 30, 2026, there was \$8.8 million of total unrecognized compensation costs related to unvested equity-classified RSUs. The cost is expected to be recognized over a weighted-average period of 1.67 years.

As of May 30, 2026, there was \$0.4 million of total unrecognized compensation costs related to unvested liability-classified Stock Units. The cost is expected to be recognized over a weighted average period of 1.15 years.

The weighted average estimated fair value per share of RSUs and Stock Units granted during the years ended May 30, 2026, May 31, 2025 and May 25, 2024 was \$4.42, \$9.90 and \$13.54, respectively.

Performance Stock Units

The Company granted PSUs to certain members of management and other select employees. The total number of shares that will vest under the PSUs will be determined at the end of a three-year performance period based on the Company's achievement of certain revenue and Adjusted EBITDA percentage targets over the performance period. The total number of shares that may be earned for these awards based on performance over the performance period ranges from zero to 150% of the target number of shares.

The following table summarizes the activities for the unvested PSUs for the year ended May 30, 2026 (in thousands, except weighted average grant-date fair value):

	Shares (1)	Weighted-Average Grant-Date Fair Value
Unvested at May 31, 2025	698	\$ 12.60
Granted ⁽²⁾	30	-
Vested	(241)	10.91
Forfeited	(291)	15.04
Unvested as of May 30, 2026	196	\$ 11.08
Expected to vest as of May 30, 2026	104	\$ 8.93

⁽¹⁾ Shares are presented at the stated target, which represents the base number of shares that would vest. Actual shares that vest may be zero-150% of the target based on the achievement of the specific company-wide performance targets.

⁽²⁾ Dividend equivalents are included in the granted shares.

As of May 30, 2026, there was no unrecognized compensation costs related to unvested PSUs.

16. Benefit Plan

The Company maintains the Resources Global Professionals 401(k) Savings Plan, a defined contribution plan (the “401(k) Plan”) which generally covers all employees in the U.S. who have completed three months of service. Participants may contribute up to 75% of their annual salary, up to the maximum amount allowed by applicable law. Pursuant to the terms of the 401(k) Plan, the Company may make discretionary matching contributions. The Company, at its sole discretion, determines the matching contribution made at each pay period. For the years ended May 30, 2026, May 31, 2025 and May 25, 2024, the Company contributed \$4.9 million, \$3.1 million and \$7.9 million, respectively, to the 401(k) Plan as Company matching contributions.

17. Commitments and Contingencies

Legal Proceedings

The Company is involved in certain legal matters in the ordinary course of business. In the opinion of management, all such matters, if disposed of unfavorably, would not have a material adverse effect on the Company’s financial position, cash flows or results of operations.

18. Segment Information and Enterprise Reporting

For fiscal 2026, the Company's operating segments were as follows:

- On-Demand Talent – provides businesses with a go-to source for bringing in experts when they need them, serving predominantly the office of the CFO.
- Consulting – drives transformation across people, processes and technology across domain areas including finance, technology and digital, risk and compliance and operational performance.
- Europe & Asia Pacific – geographically defined segment that offers both on-demand and consulting services (excluding the digital consulting business, which is included in our Consulting segment) to clients throughout Europe & Asia Pacific.
- Outsourced Services – operating under the Countsy by RGP™ brand, this segment offers finance, accounting and HR services provided to startups, spinouts and scale-up enterprises, utilizing a technology platform and fractional team.
- Sitrick – a crisis communications and public relations firm that provides corporate, financial, transactional and crisis communication and management services.

Each of these operating segments reports through separate segment managers to the Company's Chief Executive Officer, who is designated as the CODM for segment reporting purposes. The Company's reportable segments are comprised of On-Demand Talent, Consulting, Europe & Asia Pacific, and Outsourced Services. Sitrick did not individually meet the quantitative thresholds to qualify as a reportable segment. Therefore, Sitrick is disclosed under the "All Other" segment.

As a result of the sale of Sitrick, the "All Other" segment was eliminated as of May 30, 2026. The sale did not represent a strategic shift in the Company's business and therefore it did not meet the criteria for classification as discontinued operations. The Company has presented the results of the All Other segment through the date the sale was completed for the year ended May 30, 2026. Following the sale, the Company received no new income from Sitrick, other than rent for sub-lease of office buildings, and had no further involvement or continuing influence over its operations.

The tables below reflect the operating results of the Company's segments consistent with the management and performance measurement system utilized by the Company. Performance measurement is based on segment Adjusted EBITDA. Adjusted EBITDA is defined as net income (loss) before amortization expense, depreciation expense, interest and income taxes excluding stock-based compensation expense, amortized Enterprise Resource Planning ("ERP") system costs, technology transformation costs, goodwill impairment, acquisition costs, gain on sale of assets, restructuring costs, executive transition costs, Sitrick related transaction costs, and contingent consideration adjustments. Adjusted EBITDA at the segment level excludes certain shared corporate administrative costs that are not practical to allocate. The Company's CODM does not evaluate segments using asset information. See Note 2 — *Summary of Significant Accounting Policies* for a description of the Company's CODM.

The table below represents a reconciliation of the Company's net income (loss) to Adjusted EBITDA for all periods presented (in thousands):

	For the Years Ended		
	May 30, 2026	May 31, 2025	May 25, 2024
Revenue:			
On-Demand Talent	\$ 168,796	\$ 205,976	\$ 272,600
Consulting	159,796	219,215	227,967
Europe & Asia Pacific	75,139	77,602	84,207
Outsourced Services	39,206	39,618	38,122
All Other	9,069	8,920	9,905
Total consolidated revenue	<u>\$ 452,006</u>	<u>\$ 551,331</u>	<u>\$ 632,801</u>
Adjusted EBITDA:			
On-Demand Talent	\$ 14,415	\$ 17,116	\$ 31,673
Consulting	13,502	31,718	38,420
Europe & Asia Pacific	3,470	4,478	5,289
Outsourced Services	7,568	7,581	7,641
All Other	(519)	(1,838)	(675)
Unallocated items ⁽¹⁾	(33,390)	(35,598)	(30,865)
Adjustments:			
Stock-based compensation expense	(6,356)	(6,754)	(5,732)
Amortized ERP system costs ⁽²⁾	(2,807)	(1,287)	-
Technology transformation costs ⁽³⁾	-	(5,474)	(6,901)
Acquisition costs ⁽⁴⁾	(1,667)	(2,763)	(1,970)
Goodwill impairment ⁽⁵⁾	-	(194,409)	-
Gain on sale of assets ⁽⁶⁾	-	3,420	-
Restructuring costs ⁽⁷⁾	(8,446)	(5,061)	(4,087)
Executive transition costs ⁽⁸⁾	(12,232)	-	-
Sitrick related transaction costs ⁽⁹⁾	(7,142)	-	-
Contingent consideration adjustment ⁽¹⁰⁾	-	-	4,400
Amortization expense	(3,829)	(5,880)	(5,378)
Depreciation expense	(1,325)	(1,868)	(3,050)
Interest income, net	615	544	1,064
Income (loss) before income tax expense (benefit)	<u>(38,143)</u>	<u>(196,075)</u>	<u>29,829</u>
Income tax expense (benefit)	<u>(2,458)</u>	<u>4,295</u>	<u>(8,795)</u>
Net income (loss)	<u><u>\$ (40,601)</u></u>	<u><u>\$ (191,780)</u></u>	<u><u>\$ 21,034</u></u>

⁽¹⁾ Unallocated items are generally comprised of unallocated corporate administrative costs, including management and board compensation, corporate support function costs and other general corporate costs that are not allocated to segments.

⁽²⁾ Amortized ERP system costs represent the amortization of capitalized technology transformation costs related to newly implemented ERP system, which was recorded within SG&A expenses on the Consolidated Statements of Operations.

(3) Technology transformation costs represent costs included in net income (loss) related to the Company's initiative to upgrade its technology platform globally, including a cloud-based ERP system and talent acquisition and management systems. Such costs primarily include hosting and certain other software licensing costs, third-party consulting fees and costs associated with dedicated internal resources that are not capitalized.

(4) Acquisition costs primarily represent costs included in net income (loss) related to the Company's business acquisition of Reference Point. These costs include transaction bonuses, cash retention bonus accruals, and fees paid to the Company's broker, legal counsel, and other professional services firms. See Note 3 – Acquisitions and Dispositions for further discussion.

(5) Goodwill impairment charges recognized during the year ended May 31, 2025 were related to the On-Demand Talent, Consulting and Europe & Asia Pacific segments. See Note 4 – Goodwill and Intangible Assets for further discussion.

(6) Gain on sale of assets was related to the Company's sale of its Irvine office building, which was completed on August 15, 2024.

(7) Restructuring costs during the year ended May 30, 2026 include employee termination costs incurred in workforce reductions, impairment of ROU asset in connection with reduction in office footprint, and non-recurring third-party consulting costs associated with the 2026 Transformation Initiative. Restructuring costs for the year ended May 31, 2025 related to the 2025 Restructuring Plan. Restructuring costs for the year ended May 25, 2024 related to the Company's cost reduction plan, including a reduction in force, which was authorized in October 2023, and was substantially completed during fiscal 2024.

(8) Executive transition costs represent non-recurring costs incurred in connection with the separation of the Company's former CEO and former COO. These costs include \$7.6 million of cash severance and \$4.6 million of non-cash stock compensation expense reflecting the acceleration of equity awards pursuant to ASC 718.

(9) Sitrick related transaction costs represent \$4.1 million of severance expense incurred in connection with the sale of Sitrick, \$2.4 million of loss on the sale of Sitrick, consisting of a \$1.5 million non-cash impairment on right-of-use assets and a \$0.9 million loss, and \$0.6 million of non-cash stock compensation expense reflecting the acceleration of equity awards.

(10) Contingent consideration adjustment related to the remeasurement of contingent liabilities related to the acquisition of CloudGo Pte Ltd. and its subsidiaries (collectively, "CloudGo").

The tables below disclose the Company's revenue, gross profit, significant expenses, and Adjusted EBITDA by segment (amount in thousands):

Year Ended May 30, 2026					
	On-Demand Talent	Consulting	Europe & Asia Pacific	Outsourced Services	All Other
Revenue	\$ 168,796	\$ 159,796	\$ 75,139	\$ 39,206	\$ 9,069
Cost of services	103,485	102,913	48,417	22,895	4,616
Gross Profit	65,311	56,883	26,722	16,311	4,453
Compensation, bonus and commissions ⁽¹⁾	43,939	31,078	16,748	6,916	1,580
Other segment expenses ⁽²⁾	6,957	12,303	6,504	1,827	3,392
Adjusted EBITDA	\$ 14,415	\$ 13,502	\$ 3,470	\$ 7,568	\$ (519)

Year Ended May 31, 2025					
	On-Demand Talent	Consulting	Europe & Asia Pacific	Outsourced Services	All Other
Revenue	\$ 205,976	\$ 219,215	\$ 77,602	\$ 39,618	\$ 8,920
Cost of services	127,195	137,619	50,216	23,646	5,231
Gross Profit	78,781	81,596	27,386	15,972	3,689
Compensation, bonus and commissions ⁽¹⁾	47,048	38,313	16,390	5,977	2,134
Other segment expenses ⁽²⁾	14,617	11,565	6,518	2,414	3,393
Adjusted EBITDA	\$ 17,116	\$ 31,718	\$ 4,478	\$ 7,581	\$ (1,838)

Year Ended May 25, 2024					
	On-Demand Talent	Consulting	Europe & Asia Pacific	Outsourced Services	All Other
Revenue	\$ 272,600	\$ 227,967	\$ 84,207	\$ 38,122	\$ 9,905
Cost of services	167,796	138,119	53,231	22,239	5,348
Gross Profit	104,804	89,848	30,976	15,883	4,557
Compensation, bonus and commissions ⁽¹⁾	53,910	41,714	17,804	6,472	2,098
Other segment expenses ⁽²⁾	19,221	9,714	7,883	1,770	3,134
Adjusted EBITDA	\$ 31,673	\$ 38,420	\$ 5,289	\$ 7,641	\$ (675)

⁽¹⁾ The significant expense category and amounts align with the segment-level information that is regularly provided to the CODM.

⁽²⁾ Other segment expenses include occupancy expenses, business expenses, marketing expenses, recruiting expenses and other operating expenses.

The table below represents the Company's revenue by geographic location (in thousands):

	Revenue for the Years Ended		
	May 30, 2026	May 31, 2025	May 25, 2024
United States	\$ 361,226	\$ 451,228	\$ 519,869
International	90,780	100,103	112,932
Total	<u>\$ 452,006</u>	<u>\$ 551,331</u>	<u>\$ 632,801</u>

The table below presents the Company's long-lived assets, which consist of property and equipment and ROU assets, by geographic location (in thousands):

	Long-Lived Assets as of	
	May 30, 2026	May 31, 2025
Long-lived assets:		
United States	\$ 18,530	\$ 25,297
International	2,200	1,677
Total	<u>\$ 20,729</u>	<u>\$ 26,974</u>

19. Subsequent Events

On July 15, 2026, the Company entered into the 2026 Credit Facility. The 2026 Credit Facility provides for secured revolving loans, available in an amount up to the lesser of \$30.0 million and a borrowing base formula tied to eligible receivables and eligible unbilled receivables and subject to established reserves, which includes a \$5,000,000 sublimit for the issuance of standby letters of credit and a \$15,000,000 sublimit for swing loans. The 2026 Credit Facility also includes an uncommitted option at any time prior to the third anniversary of the closing date to increase the amount of the revolving loans up to an additional \$20.0 million; provided that the Company may not increase the 2026 Credit Facility more than two times during the term of the 2026 Credit Facility. The proceeds of the 2026 Credit Facility may be used to pay fees and expenses in connection with the transaction, provide for the Company's working capital needs and reimburse drawings under letters of credit, finance a portion of future capital expenditures, and finance permitted dividends and distributions. The 2026 Credit Facility is scheduled to mature July 15, 2031.

The obligations under the 2026 Credit Facility are secured by substantially all assets of the Company and the Company's domestic subsidiaries.

Borrowings under the 2026 Credit Facility will bear interest at a rate per annum of either, at the Company's election, (i) Term SOFR (as defined in the 2026 Credit Facility) plus a margin ranging from 1.75% to 2.25% or (ii) the Alternate Base Rate (as defined in the 2026 Credit Facility), plus a margin of 0.75% to 1.25%, in either case, with the applicable margin depending on the Company's Consolidated EBITDA (as defined in the 2026 Credit Facility). The Company is also obligated to pay other customary facility fees for a credit facility of this size and type.

The 2026 Credit Facility contains customary covenants, including covenants that limit or restrict the Company's and its subsidiaries' ability to incur liens, incur indebtedness, make certain dividends and distributions, merge or consolidate and make dispositions of assets and financial covenants to maintain a certain fixed charge coverage ratio and a certain minimum liquidity. Upon the occurrence of an event of default under the 2026 Credit Facility, the lenders may cease making loans, terminate the 2026 Credit Facility, and declare all amounts outstanding to be immediately due and payable. The 2026 Credit Facility specifies a number of events of default (some of which are subject to applicable grace or cure periods), including, among other things, non-payment defaults, covenant defaults, cross-defaults to other material indebtedness, bankruptcy and insolvency defaults and material judgment defaults.

In connection with entry into the 2026 Credit Facility, on July 13, 2026 the Company terminated the 2025 Credit Facility.

Evaluation of Disclosure Controls and Procedures

As required by SEC Rule 13a-15(b) under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), the Company carried out an evaluation, under the supervision and with the participation of the Company’s management, including the Company’s Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of the Company’s disclosure controls and procedures (as such term is defined in Rule 13a-15(e) under the Exchange Act) as of May 30, 2026. Based on this evaluation, the Company’s Chief Executive Officer and Chief Financial Officer concluded that the Company’s disclosure controls and procedures were not effective as of May 30, 2026 due to a material weakness in internal control over financial reporting, as described below.

Management’s Report on Internal Control Over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). We maintain internal control over financial reporting designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with accounting principles generally accepted in the United States (“GAAP”).

Under the supervision and with the participation of management, including the Company’s Chief Executive Officer and Chief Financial Officer, the Company conducted an evaluation of the effectiveness of its internal control over financial reporting based on the criteria established in the 2013 *Internal Control – Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission. This evaluation included an assessment of the design of the Company’s internal control over financial reporting and testing of the operational effectiveness of its internal control over financial reporting.

Based on this evaluation, management has concluded that the Company’s internal control over financial reporting was not effective as of May 30, 2026 due to the material weakness described below. However, after giving full consideration to the material weakness, and the additional analysis and other procedures we performed to ensure that our consolidated financial statements included in this Annual Report on Form 10-K were prepared in accordance with GAAP, our management has concluded that our consolidated financial statements present fairly, in all material respects, our financial position, results of operations and cash flows for the period disclosed in conformity with GAAP.

Material Weakness in Internal Control over Financial Reporting

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company’s annual or interim financial statements will not be prevented or detected on a timely basis.

Management identified a material weakness in our internal control over financial reporting associated with ineffective information technology general controls (“ITGCs”) that support our financial reporting processes. Management determined that we did not design and maintain effective controls to adequately restrict user and privileged access to financial applications, programs and data to authorized personnel. Management also determined that program change management controls were not designed and operating effectively to ensure that information technology (“IT”) program and configuration changes affecting IT applications and underlying accounting records were appropriately identified, tested, authorized and implemented. As a result, the related IT dependent manual and application controls that relied on the affected ITGCs, or on information generated by IT systems with affected ITGCs could have been adversely impacted, and were also deemed to be ineffective.

Notwithstanding the identified material weakness, management does not believe that the deficiencies had an adverse effect on our reported operating results or financial condition, and management has determined that the financial statements and other information included in this report and other periodic filings present fairly in all material respects our financial condition and results of operations at and for the period presented.

Our independent registered public accounting firm, Ernst & Young LLP, has issued a report on the effectiveness of our internal control over financial reporting as of May 30, 2026, which is included in Item 9 of this Annual Report on Form 10-K.

Management's Plan to Remediate the Material Weakness

Our remediation efforts are ongoing and we will continue our initiatives to implement measures designed to ensure that control deficiencies contributing to the material weakness are remediated, such that these controls are designed,

implemented, and operating effectively. We are committed to making the necessary changes and improvements to our system of controls to address the material weakness in internal control over financial reporting described above.

Our emphasis of designing and implementing improved processes and controls will involve but is not limited to the following:

- Enhance the design of our user access controls, including limiting privileged access to only appropriate personnel, defining and maintaining access profiles commensurate with job responsibilities, and increasing the frequency of user access review controls.
- Improve audit logging across our financial applications and IT systems to enhance the completeness and traceability of user access changes and system and program changes.
- Establish guidance and standardized procedures for the performance of user access and change management reviews and perform ongoing training with control operators to improve documentation to support effective control activities, including evidence over the completeness and accuracy of reports used by the Company when conducting such reviews
- Enhance our segregation of duties review process.

We are in the process of implementing the remediation activities as of the date of this report and believe that upon completion, we will have strengthened our ITGCs to address and successfully remediate the identified material weakness. However, a control weakness is not considered remediated until new internal controls have been operational for a period of time, are tested, and management concludes that these controls are operating effectively. We expect to complete the remediation activities as early as practicable in the fiscal year 2027. We will continue to monitor the effectiveness of these remediation measures, and we will make any changes to the design of this plan and take such other actions that we deem appropriate given the circumstances.

Changes in Internal Control Over Financial Reporting

Other than the changes associated with the material weakness and remediation actions noted above, there were no changes in the Company's internal control over financial reporting during the fiscal quarter ended May 30, 2026 that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

Inherent Limitations on Effectiveness of Disclosure Controls and Procedures, and Internal Controls Over Financial Reporting

Our management, including our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent all errors and all fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by management override of the controls. The design of any system of controls is also based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, controls may become inadequate because of changes in conditions, or the degree of compliance with policies or procedures may deteriorate. Due to inherent limitations in a cost-effective control system, misstatements due to error or fraud may occur and not be detected

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of Resources Connection, Inc.

Opinion on Internal Control Over Financial Reporting

We have audited Resources Connection, Inc. and its subsidiaries' internal control over financial reporting as of May 30, 2026, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, because of the effect of the material weakness described below on the achievement of the objectives of the control criteria, Resources Connection, Inc. and its subsidiaries (the Company) has not maintained effective internal control over financial reporting as of May 30, 2026, based on the COSO criteria.

A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis. The following material weakness has been identified and included in management's assessment.

The Company did not design and maintain effective controls over information technology general controls (ITGCs) for information systems and applications that are relevant to the preparation of the consolidated financial statements. Specifically, the Company did not design and maintain effective controls over user access and program change management for financial applications, programs and data, including controls to appropriately restrict access to authorized personnel and controls to appropriately identify, test, authorize, approve and implement system changes. Business process controls (automated and manual) that are dependent on the ineffective ITGCs, or that rely on data produced from systems impacted by the ITGCs could have been adversely impacted, and were also deemed to be ineffective.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated balance sheet of the Company as of May 30, 2026, the related consolidated statements of operations and comprehensive loss, changes in stockholders' equity and cash flows, for the year in the period ended May 30, 2026. This material weakness was considered in determining the nature, timing and extent of audit tests applied in our audit of the 2026 consolidated financial statements, and this report does not affect our report dated July 24, 2026, which expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and

directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Irvine, California

July 24, 2026

Locations

Domestic Locations

Irvine, California
 Los Angeles, California
 Mountain View, California
 Sacramento, California
 Denver, Colorado
 Atlanta, Georgia
 Chicago, Illinois
 Troy, Michigan

Parsippany, New Jersey
 New York, New York
 Dallas, Texas
 Houston, Texas
 Arlington, Virginia
 Glen Allen, Virginia
 Bellevue, Washington
 Seattle, Washington

International Locations

Bangalore, India
 Mumbai, India
 Tokyo, Japan
 Kuala Lumpur, Malaysia
 Mexico City, Mexico
 Amsterdam (Utrecht), Netherlands
 Beijing, People's Republic of China
 Hong Kong, People's Republic of China
 Guangzhou, People's Republic of China

Shanghai, People's Republic of China
 Manila, Philippines
 Singapore
 Taipei, Taiwan
 London, United Kingdom
 Sydney, Australia
 Zurich, Switzerland
 Riyadh, Saudi Arabia

Shareholder Information

Corporate Publications

Copies of Resources Connection Inc.'s Annual Report on Form 10-K for the year ended May 30, 2026 (excluding exhibits thereto), as well as historical Resources Connection, Inc. quarterly reports on Form 10-Q and other Securities and Exchange Commission filings (excluding exhibits thereto) are available without charge upon request to the Investor Relations Department, Resources Connection Inc., 15950 North Dallas Parkway, Suite 330, Dallas, TX 75248, or from the Company's Investor Relations website at <http://ir.rgp.com>.

Forward-Looking Statements

Please refer to the section entitled "Forward-Looking Statements" included in this Annual Report.

Transfer Agent

Equiniti Trust Company, LLC
 800-937-5449
 Address: 6201 15th Avenue
 Brooklyn, NY 11219

Independent Registered Public Accounting Firm

Ernst & Young LLP
 Irvine, CA

Resources Connection, Inc. Board of Directors

A. Robert Pisano

Chair, Resources Connection, Inc.
Former President and Chief Operating Officer,
Motion Picture Association of America
Independent Director

Roger D. Carlile

Chief Executive Officer, Resources Connection, Inc.

Susan M. Collyns

Chief Financial Officer, Fabletics
Independent Director

Filip J.L. Gydé

Former President and Chief Executive Officer,
Computer Task Group (CTG)
Independent Director

Jeffrey H. Fox

Chief Executive Officer, Circumference Group
Independent Director

Robert F. Kisting

Executive Advisor and former Chief Operating
Officer, Bonita Banana Company
Independent Director

Marco von Maltzan

Former Chief Executive Officer, Profine Group
Independent Director

Lisa M. Pierozzi

Former Executive Vice President and Chief Financial
Officer, Motion Picture Association of America
Independent Director

Executive Officers

Roger D. Carlile

President and Chief Executive Officer

Jennifer Y. Ryu

Executive Vice President and Chief Financial Officer

Scott G. Rottmann

President, Consulting Services

Michael W. Lane

President, On Demand Talent

Venkat Ramaswamy Iyer

President, Europe and Asia Pacific

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