NYSE: DHX

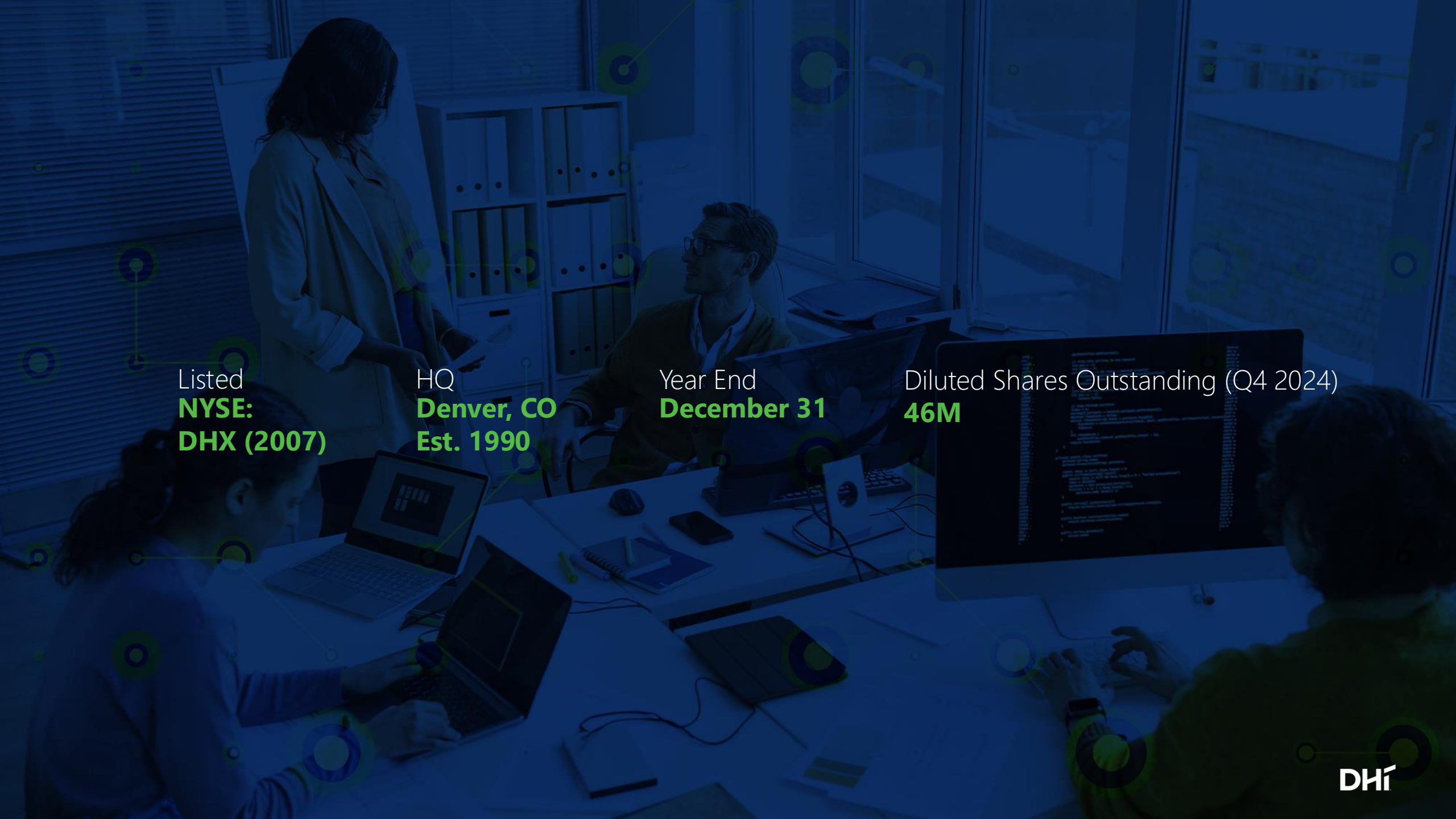
Q4 2024 Investor Presentation

February 5, 2025



Forward looking statements

This press release and oral statements made from time to time by our representatives contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. You should not place undue reliance on those statements because they are subject to numerous uncertainties and factors relating to our operations and business environment, all of which are difficult to predict and many of which are beyond our control. Forward-looking statements include, without limitation, information concerning our possible or assumed future financial condition, liquidity and results of operations, including expectations (financial or otherwise), our strategy, plans, objectives, and intentions, growth potential, and statements regarding our 2024 financial outlook. These statements often include words such as "may," "will," "should," "believe," "expect," "anticipate," "intend," "plan," "estimate," "target" or similar expressions. These statements are based on assumptions that we have made in light of our experience in the industry as well as our perceptions of historical trends, current conditions, expected future developments and other factors we believe are appropriate under the circumstances. Although we believe that these forward-looking statements are based on reasonable assumptions, you should be aware that many factors could affect our actual financial results or results of operations and could cause actual results to differ materially from those in the forward-looking statements. These factors include, but are not limited to, our ability to execute our tech-focused strategy, a write-off of all or a part of our goodwill and intangible assets may hurt our operating results, our backlog may not accurately represent future revenue, competition from existing and future competitors in the highly competitive markets in which we operate, failure to adapt our business model to keep pace with rapid changes in the recruiting and career services business, failure to maintain and develop our reputation and brand recognition, failure to increase or maintain the number of customers who purchase recruitment packages, failure to attract qualified professionals to our websites or grow the number of qualified professionals who use our websites, failure to successfully identify or integrate acquisitions, misappropriation or misuse of our intellectual property, claims against us for intellectual property infringement or failure to enforce our ownership of intellectual property, failure to attract and retain users who create and post original content on our web properties, taxation risks in various jurisdictions and the potential for unfavorable decisions related to tax assessments, taxation risks impacting our liability or past sales, and ability to make future sales, downturns in our customers' businesses, our ability to borrow funds under our revolving credit facility or refinance our indebtedness, restrictions on our current and future operations under such indebtedness, development and use of artificial intelligence, failure to scale, adapt and maintain our technology and infrastructure, cybersecurity risks, usefulness of our candidate profiles to our customers, decreases in our user engagement, changes in search engines' methodologies, failure to halt operations of third-party websites aggregating our data, reliance on third-party hosting facilities, our compliance with laws and regulations, U.S. and foreign government regulation of the Internet and taxation, failure to attract or retain key executives and personnel, our ability to navigate the cyclicality or downturns of the U.S. and worldwide economies, litigation related to infringement or other claims regarding our services or content, our ability to defend ownership of our intellectual property, global climate change and the impacts of public health issues. These factors and others are discussed in more detail in the Company's filings with the Securities and Exchange Commission, all of which are available on the Investors page of our website at www.dhigroupinc.com, including the Company's most recently filed reports on Form 10-K and Form 10-Q and subsequent filings under the headings "Risk Factors," "Forward-Looking Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations." You should keep in mind that any forward-looking statement made by the Company or its representatives herein, or elsewhere, speaks only as of the date on which it is made. New risks and uncertainties come up from time to time, and it is impossible to predict these events or how they may affect us. We have no obligation to update any forward-looking statements after the date hereof, except as required by applicable federal securities laws.



Listed
NYSE: DHX (2007)

HQ
Denver, CO Est. 1990

Year End
December 31

Diluted Shares Outstanding (Q4 2024)
46M

DHI Company Overview

2024 Annual Results and Five-Year Performance



$142M
Revenue
+6% CAGR[3]

$141M
Bookings[1]
+6% CAGR[3]

$35M
Adjusted EBITDA[2]
+12% CAGR[3]

25%
Adjusted EBITDA Margin[2]

$21M
Operating Cash Flow

$14M
Capex

$32M
Debt

$2M
Share Repurchases
$68M
From 2020 –2024

1 See definition of bookings later in this document.
2 Notes regarding the use of Non-GAAP financial measures and GAAP to Non-GAAP Reconciliation at end of document. The reconciliation applies to each use of this metric throughout this presentation.
3 CAGR represents Compound Annual Growth Rate, on dollars, from 2020 to 2024.

DHI Group: Two-Sided Marketplaces



- Help Companies and Recruiters Attract, Engage and Hire Tech Talent
- Two Online Recruiting Platforms with proprietary software technology
- SaaS Business Model with approximately 90% Recurring Revenue
- Millions of Candidate Profiles due to the Longevity of the Platforms

DHI Offers Candidates that Cannot be Found Elsewhere

- Many active Dice tech professionals are not found on Monster, CareerBuilder (Resumes), ZipRecruiter, Indeed or LinkedIn.
- In cases where competitors do have overlapping candidate profiles, the majority are outdated by at least 6 months.

- LinkedIn has no profile field for government clearance
- Government workers and contractors have freedom to use ClearanceJobs due to the lack of hostile actors on the platform
- Other smaller competitors are a fraction the size of ClearanceJobs

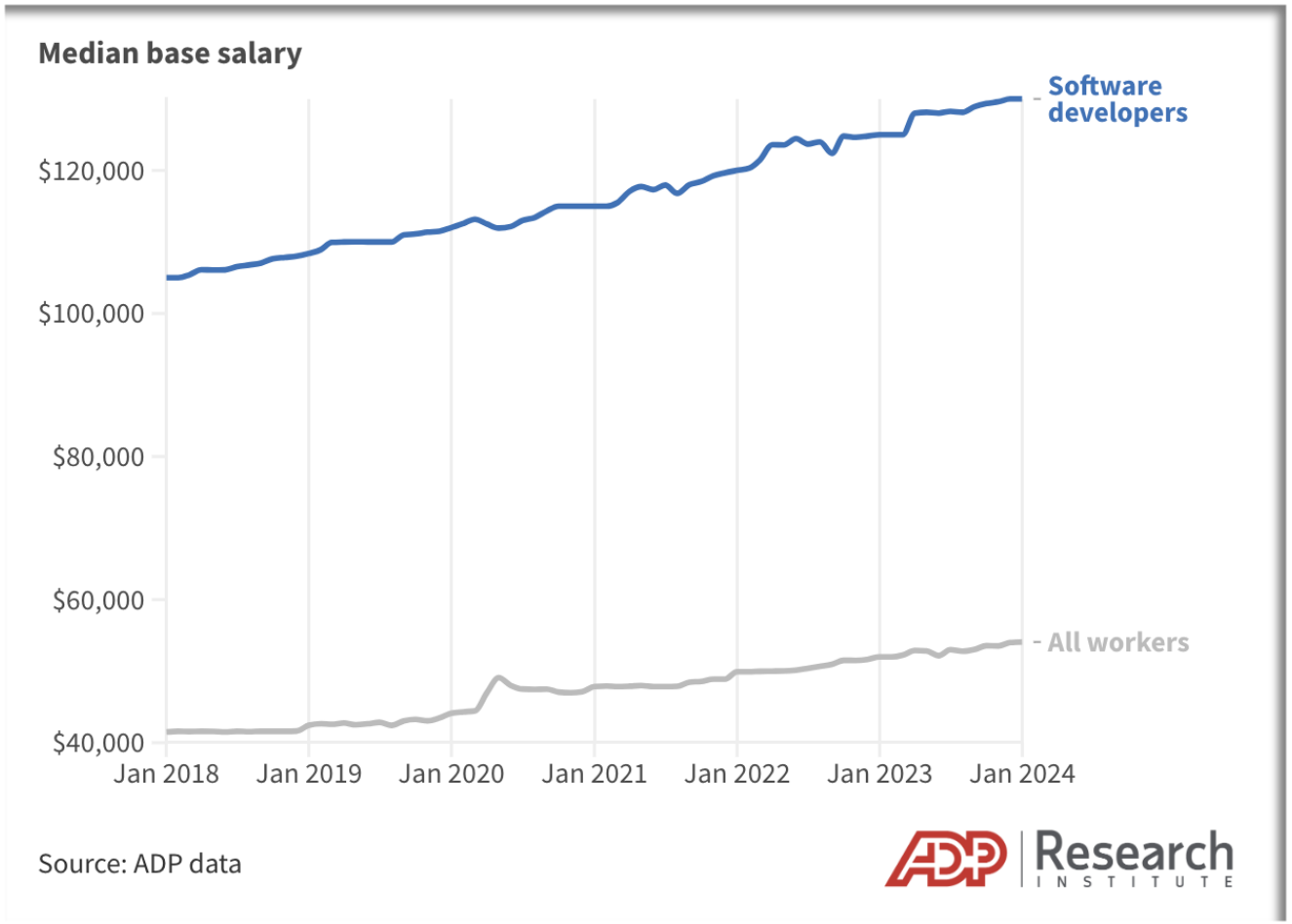
Compelling ROI for Companies

"Dice has paid for itself already as we made one hire that we could not find anywhere else."
American National Insurance

Tech Professionals are very expensive.

Most recruiters charge between 20-25% of the first-year salary of a candidate they place.

Dice and CJ charge between $8-$10k for an entry level license for clients. The ROI of making one placement using these platforms is high.



Forbes Claims Dice is the #1 Tech Job Resource

Source: Forbes: The Go-To Job Boards for Tech and IT Job Seekers, July 19, 2024

Forbes

5 Top Job Boards For Tech And IT Jobs

The top tech and IT job boards include well-established platforms and specialized tech-focused sites.

1. Dice

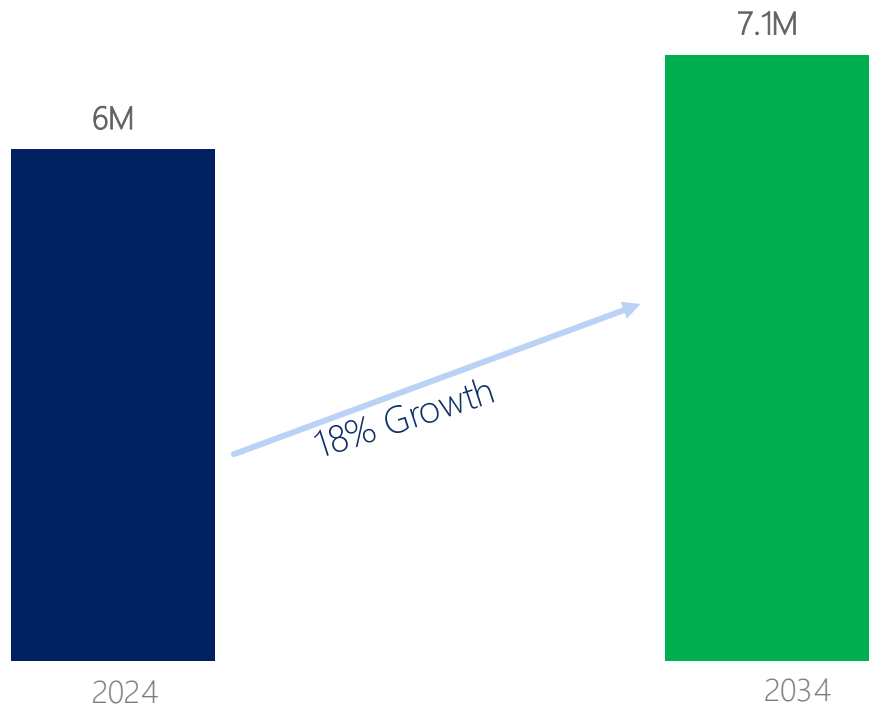
Although Dice is an exclusively tech-focused job board, it attracts employers from various industries, as today's businesses across all sectors rely heavily on technology and require skilled tech professionals. The companies posting on Dice range from startups and small businesses to large corporations and tech giants, all seeking to fill their technology-related positions.

The most in-demand jobs for tech and IT job seekers on Dice include cybersecurity analyst, data scientist, DevOps engineer, full-stack developer, IT support, network engineer, network administrator, project manager, product manager, scrum master, software engineer, tech sales, web developer and more.

Tech Workforce Growth

Over the next ten years, the tech workforce is projected to grow twice as fast as the overall U.S. workforce[1].

Projected tech population growth rate[2]



The growth consists of an expected 36% average annual turnover rate and overall population gain

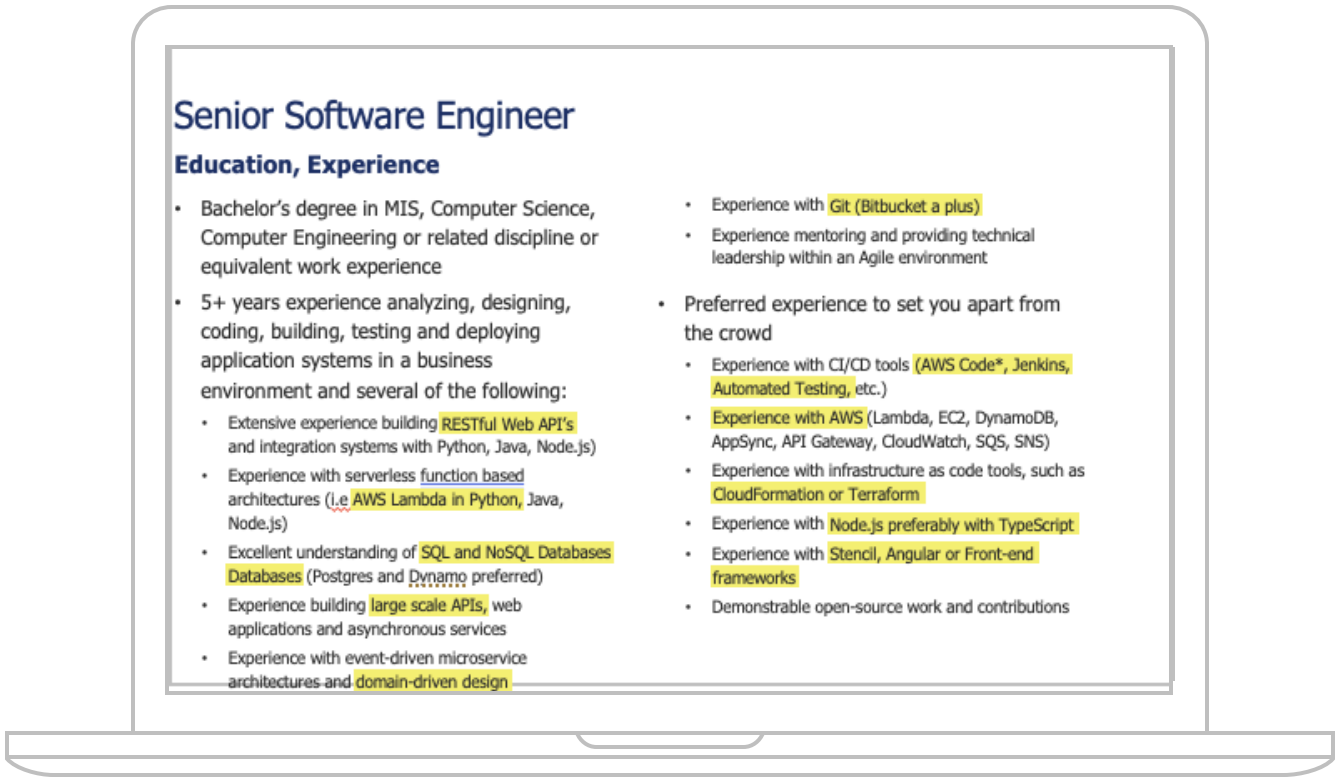
Projected tech growth rates above the national rate[2]:

304%	Data Scientists and Data Analysts
267%	Cybersecurity Analysts and Engineers
225%	Software Developers and Engineers
177%	Software QA and Testers
134%	Web Designers and UI/UX
134%	CIOs and IT Directors
125%	Web Developers
86%	Database Architects
82%	Emerging Tech, IT Project Mgt., Other
73%	Systems Analysts and Engineers
47%	Network, Cloud Admin and Engineers
38%	IT Support Specialists
17%	Network/Cloud Architects

The macro trend of digital transformation means demand for tech talent across the full spectrum of tech job roles.

1. U.S. Bureau of Labor Statistics and Lightcast
2. CompTIA State of the Tech Workforce, 2024

What's inside our profiles leads to better tech hires



Senior Software Engineer

Education, Experience

- Bachelor's degree in MIS, Computer Science, Computer Engineering or related discipline or equivalent work experience
- 5+ years experience analyzing, designing, coding, building, testing and deploying application systems in a business environment and several of the following:
  - Extensive experience building RESTful Web API's and integration systems with Python, Java, Node.js)
  - Experience with serverless function based architectures (i.e AWS Lambda in Python, Java, Node.js)
  - Excellent understanding of SQL and NoSQL Databases Databases (Postgres and Dynamo preferred)
  - Experience building large scale APIs, web applications and asynchronous services
  - Experience with event-driven microservice architectures and domain-driven design
  - Experience with Git (Bitbucket a plus)
  - Experience mentoring and providing technical leadership within an Agile environment
- Preferred experience to set you apart from the crowd
  - Experience with CI/CD tools (AWS Code*, Jenkins, Automated Testing, etc.)
  - Experience with AWS (Lambda, EC2, DynamoDB, AppSync, API Gateway, CloudWatch, SQS, SNS)
  - Experience with infrastructure as code tools, such as CloudFormation or Terraform
  - Experience with Node.js preferably with TypeScript
  - Experience with Stencil, Angular or Front-end frameworks
  - Demonstrable open-source work and contributions

Visible Profiles Include:

- Name
- Resume
- Job Title
- Work Authorization
- Work Preference
- At Least 5 Skills
- Location
- Email
- Clearance Level (ClearanceJobs)

Demonstrating ROI for Clients

ClearanceJobs: To Leidos, ClearanceJobs is more than a vendor

Leidos: ClearanceJobs customer for 10 years. Purchased additional database seats, career events and media programs since 2014

Challenge: Find software engineers for a variety of positions from Secret to Full-Scope poly

Leidos needs to recruit and build a pipeline of cleared candidates with technical experience in a competitive market with a trusted vendor.

Solution: Leverage ClearanceJobs' candidate database and recruiting tools

ClearanceJobs has been a go-to partner for Leidos recruiting needs due to the verified and vetted composition of the CJ platform.

Results:

- Great response time contacting cleared candidates
- Carry ClearanceJobs throughout the day from morning coffee to recruiting tasks
- Verified contacts keep Leidos coming back year after year
- ClearanceJobs is trusted partner

Dice: How Montefiore Used Branding to Differentiate Themselves

Montefiore: Dice customer for 10 years. Nearly double contract value since 2015

Challenge: Standing out in a highly competitive environment

Montefiore needed a more effective way to share their unique altruistic culture to stand out and attract top tech professionals due to competition with well-known hospitals in New York.

Solution: Leverage Dice's branding solutions to differentiate against competitors

Using Dice Company Profile and BrandMax, Montefiore strengthened its branding and showcased how mission driven values truly shape their culture.

Results:

- Increased awareness from utilizing branding tools
- Montefiore job postings appearing in Google search results
- Increased applicants
- Montefiore continues using Dice branding tools to attract top tech talent

Opportunity for ClearanceJobs and Dice

ClearanceJobs®

Cleared Professionals Marketplace

2024 Revenue[1]

$54M, +16% CAGR[2]

Subscription clients

1.9K

Growth opportunity

10,000+
Cleared employers

100+
Government agencies

Dice®

Tech Candidate Marketplace

2024 Revenue[1]

$88M, +2% CAGR[2]

Subscription clients

4.7K

Growth opportunity

80,000+
Commercial accounts

18,000
Staffing, Recruiting, Consulting Firms

1 We had previously disclosed that career events were recorded within Dice. Career events have been reclassified between ClearanceJobs and Dice based on the nature of the event for all periods presented.
2 CAGR represents Compound Annual Growth Rate from 2020 to 2024

DHI

How we do we make money?



Clients
Pay for Annual Subscription Contracts

90%+ annual recurring revenue



Candidates
Don't Pay to Create a Profile or Engage with Recruiters

Adding ~75k Candidates/Mo



Contracts
Most have an autorenewal clause and price escalator

Mid contract top-ups



Engagement
We strategically limit profile views and encourage connections

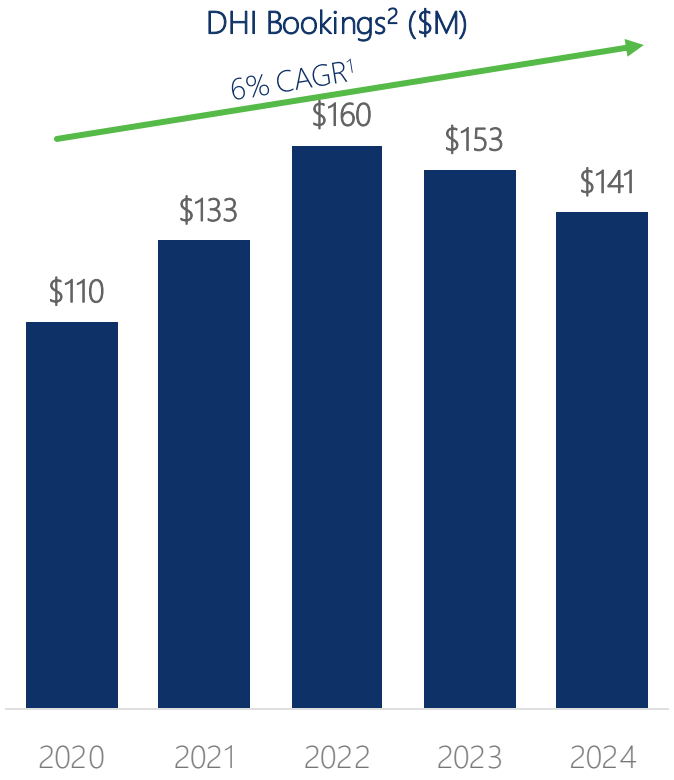
Recruiters Chase Candidates

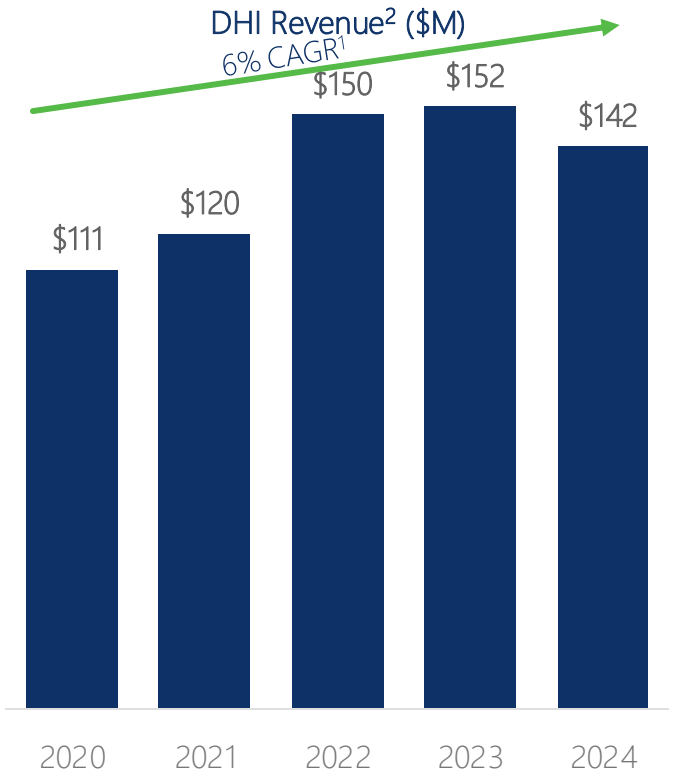
Service both Staffing and "Direct Hire" companies

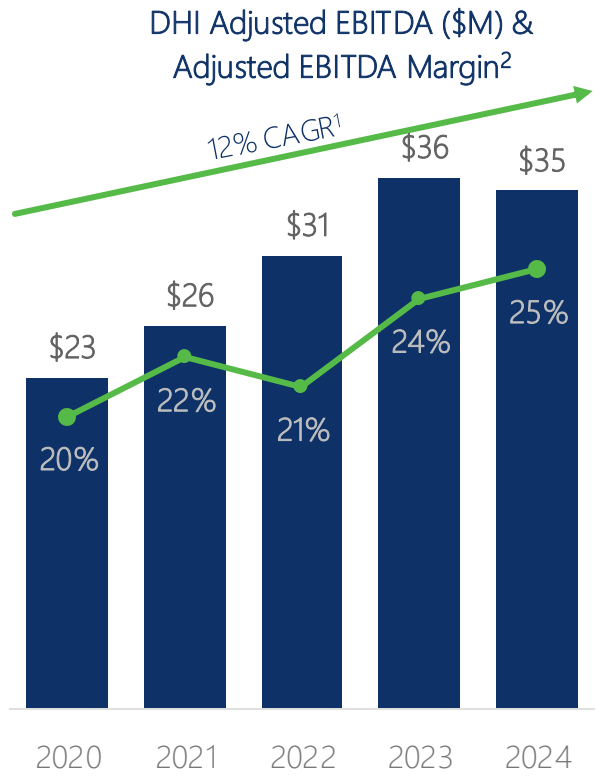
Software as a Service business model, limiting the number of candidate profiles viewed

Encourage maximum engagement between recruiters and candidates with text, email tools which leads to hiring success

DHI Group Annual Financial Performance

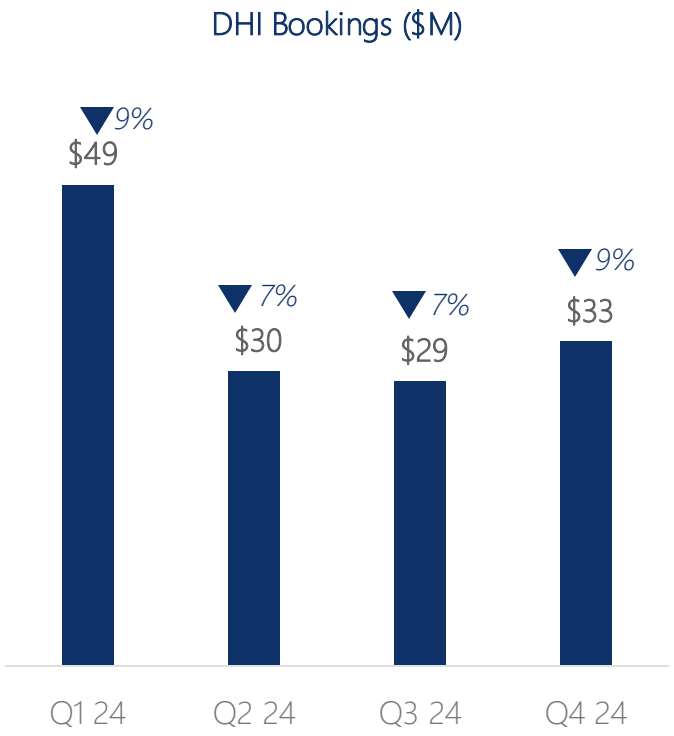


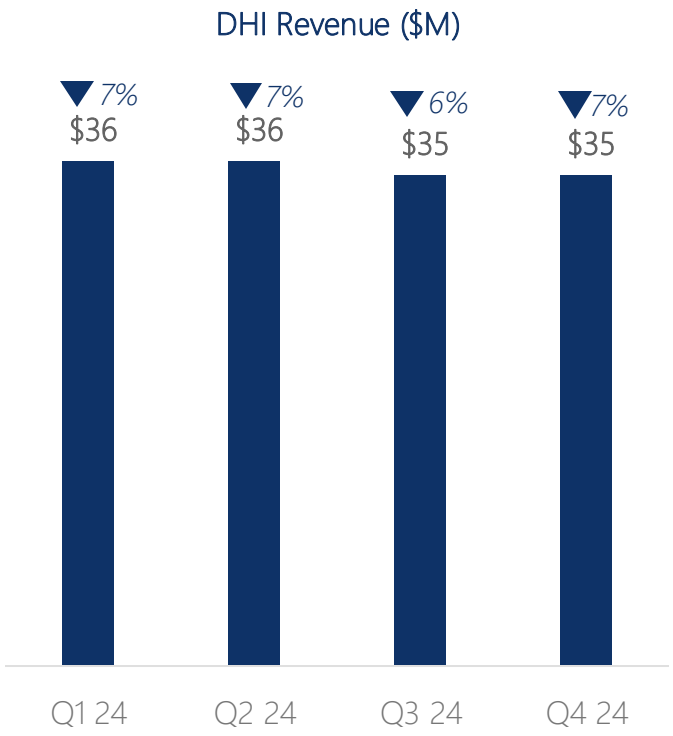


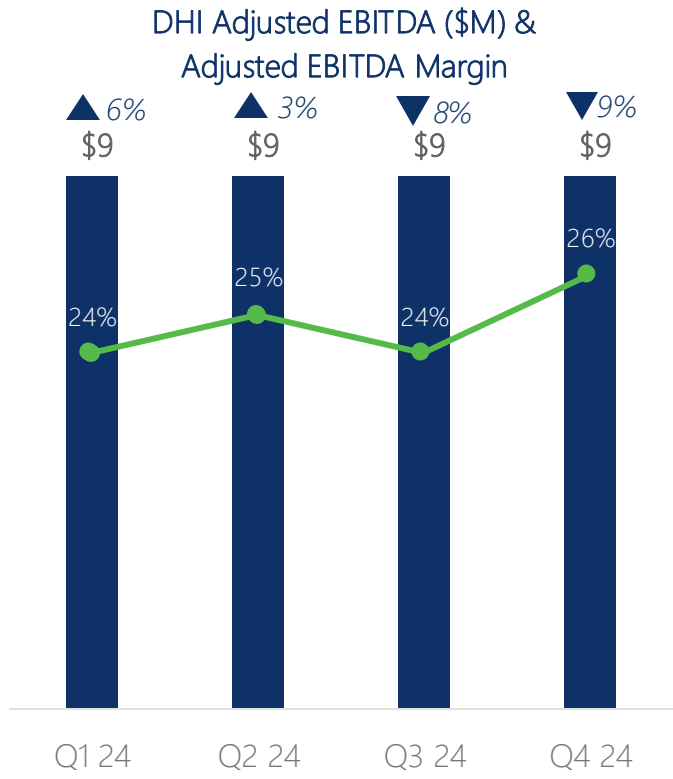


1 CAGR represents Compound Annual Growth Rate, in dollars, from 2020 to 2024.
2 In June 2021, the Company transferred majority ownership and control of its eFinancialCareers ("eFC") business to eFC's management. Bookings, revenue and Adjusted EBITDA throughout this document exclude eFC.

DHI Group Quarterly Financial Performance

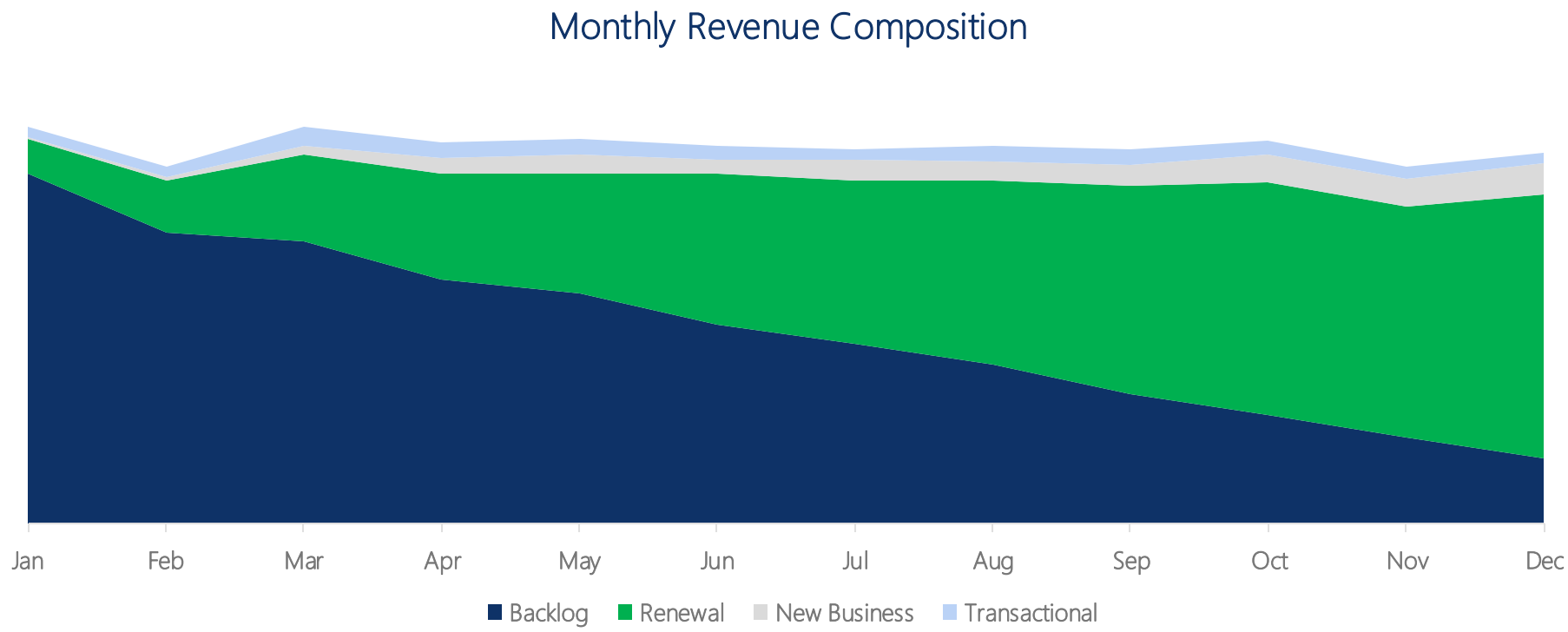






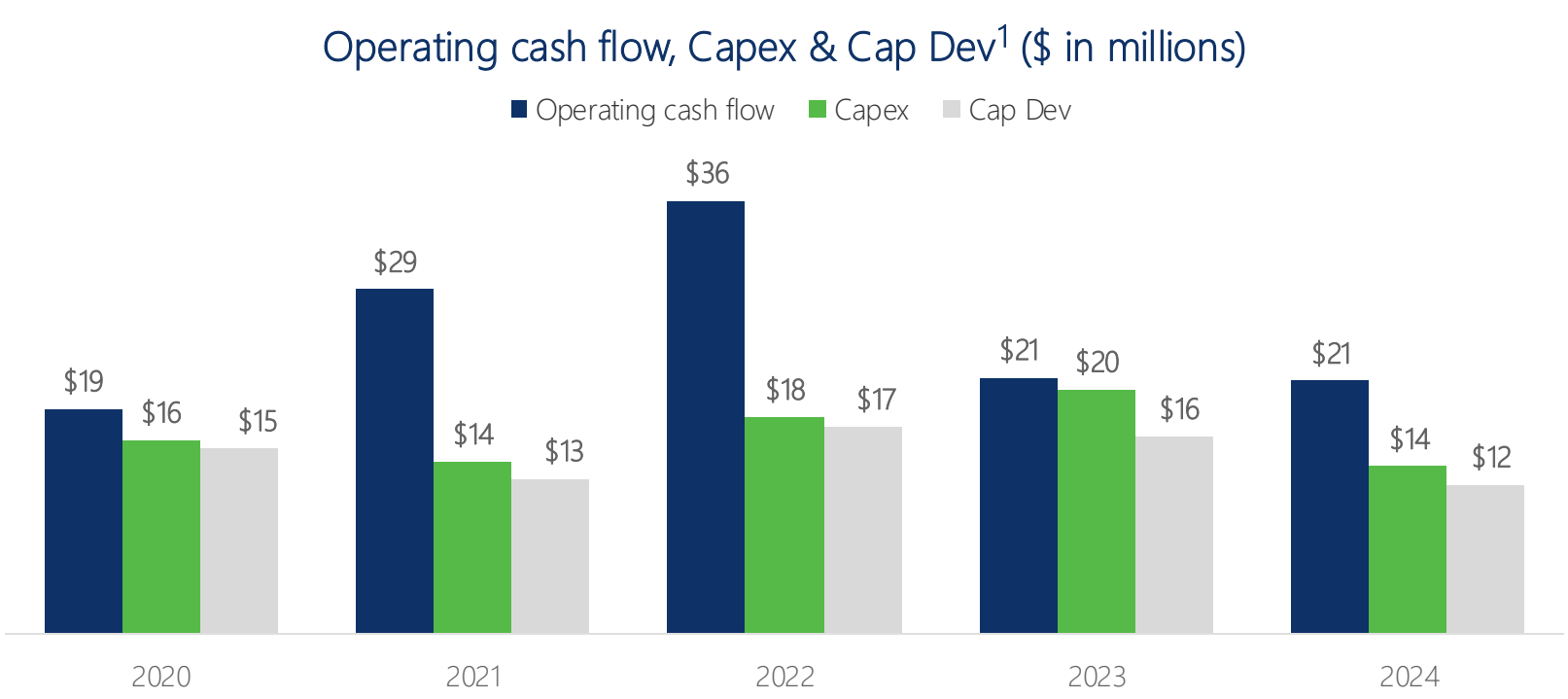
Percentages, other than Adjusted EBITDA Margin, reflect year-over-year performance changes.

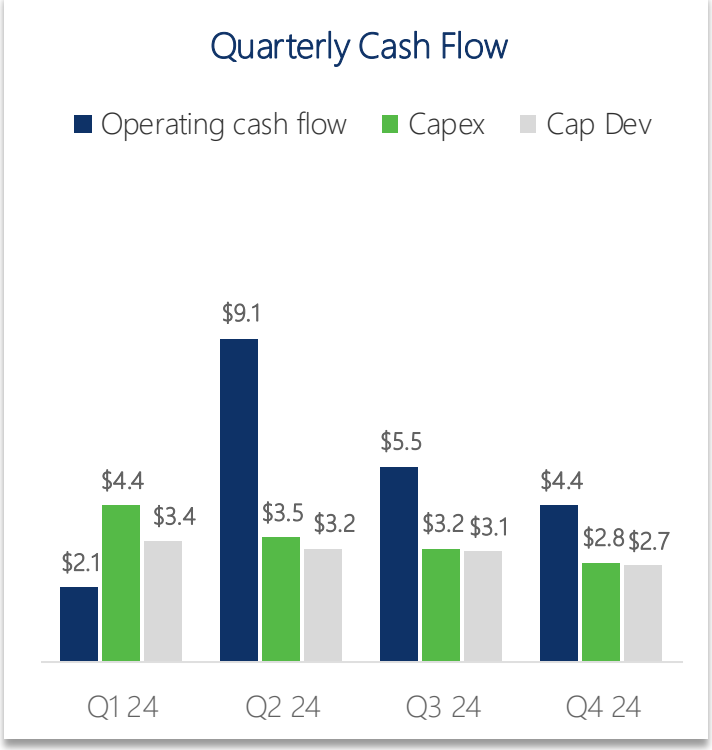
Revenue Stability: Recurring Revenue Model



With a subscription-based business, a large portion of revenue is contracted and booked at the beginning of each year with high predictability as we renew our contracts throughout the year.

DHI Group Cash Flow



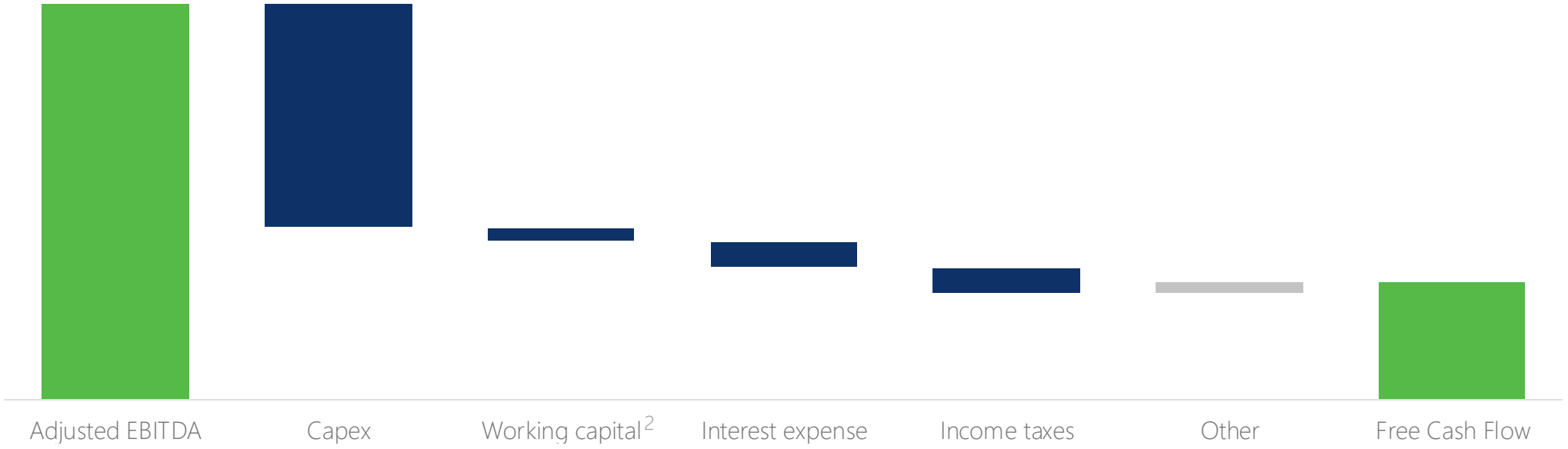


Operating cash flows in Q4 2024 were $4.4M and $21.0M YTD
Capitalized development costs comprise approximately 90% of capex

1 Cap Dev refers to capitalized development costs from both internal labor and external vendors incurred from building new products and features on the Company's platforms. Cap dev is included in capex.

Illustration of DHI Group Free Cash Flow

Adjusted EBITDA to Free Cash Flow[1]



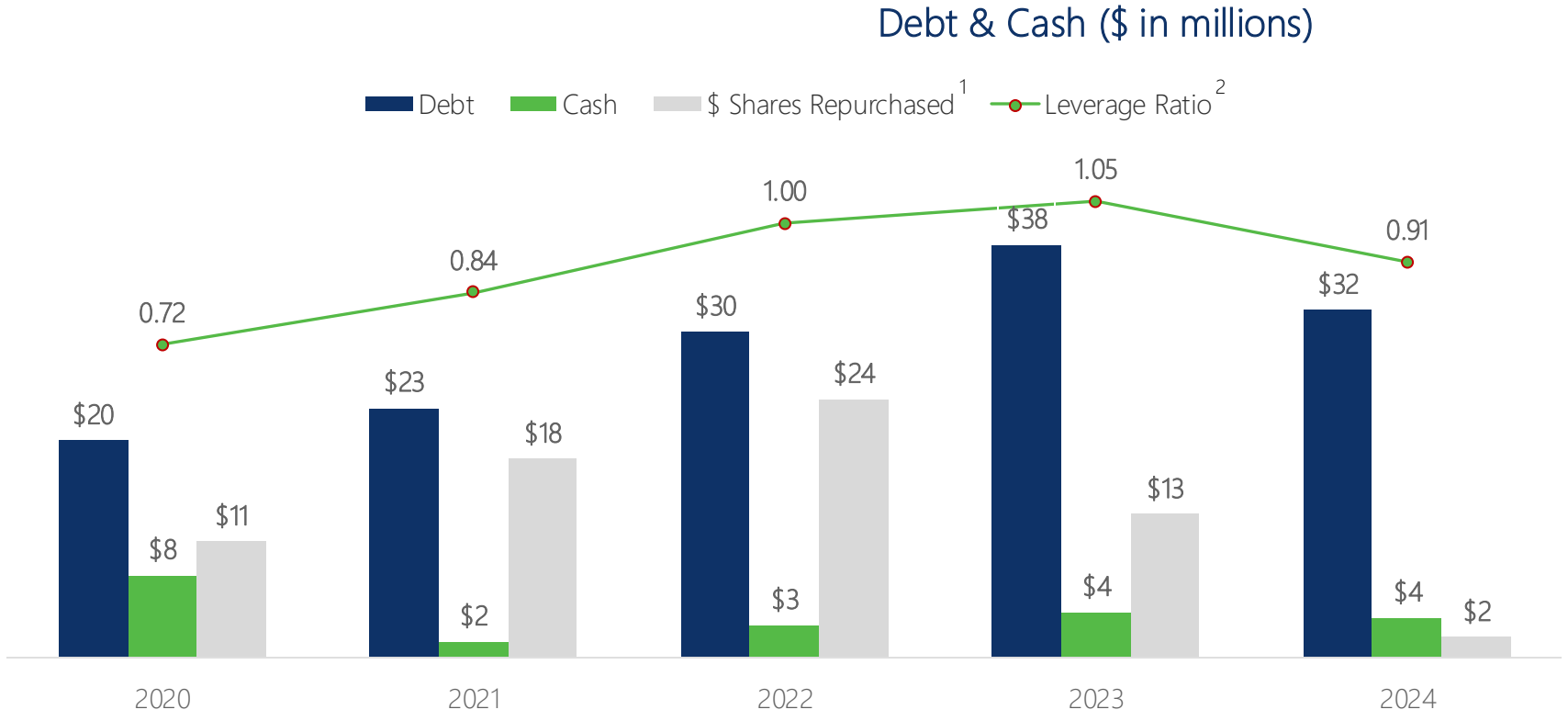
Long term goal to deliver free cash flow at 10% of Revenue

DHI Group Free Cash Flow Sources/ Uses composed of multiple elements, with Capex being the primary driver

Reduced product development technology costs will result in lower capex spend in 2025

1. Each component calculated using the five-year average (2020 to 2024)
2. Working capital excludes the impact of income taxes

DHI Group Liquidity

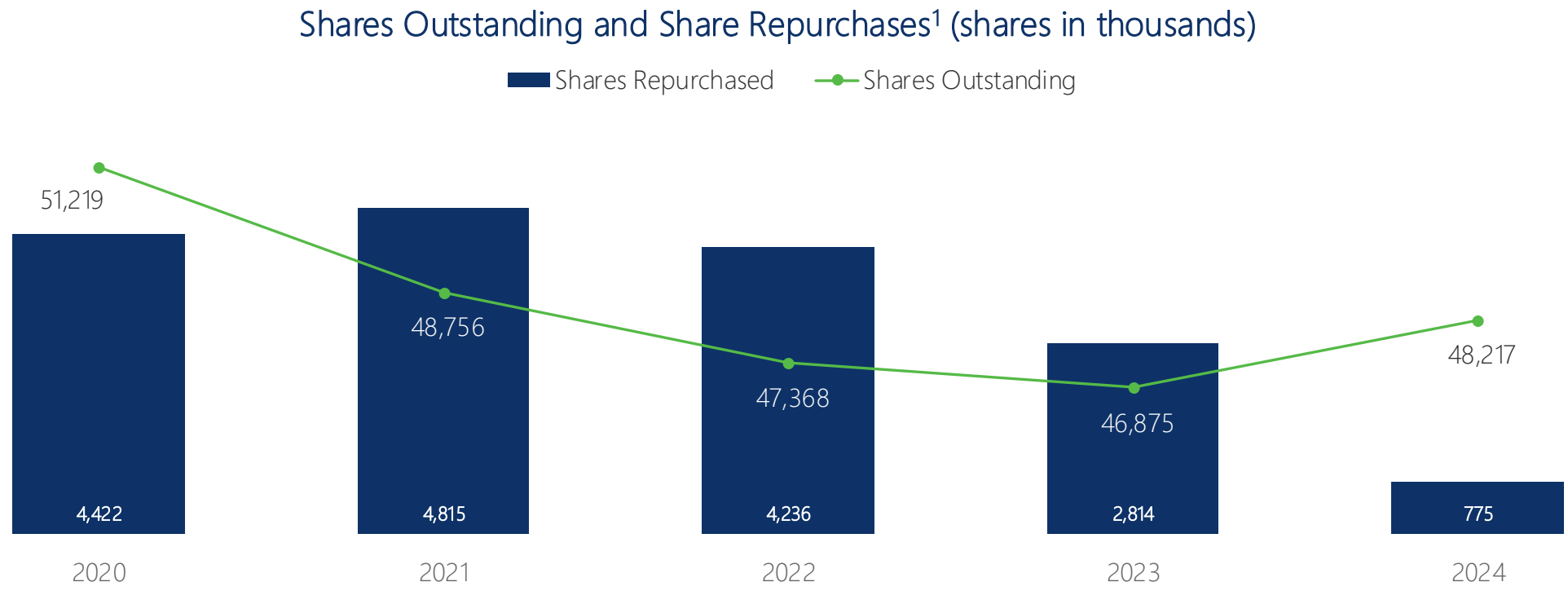




Q4 2024 cash of $4M, debt of $32M (flat from Q3 2024), leverage ratio of 0.91
$68M in shares repurchased since 2020

1. Includes shares repurchased under an approved stock repurchase plan and shares repurchased pursuant to our equity award plan as shares withheld for employee taxes from the vesting of employee restricted stock or performance-based restricted stock units.
2. Leverage Ratio, as defined in the Company's credit agreement, is computed by dividing debt by Adjusted EBITDA.

DHI Group Buyback History



Shares outstanding generally decreasing from share repurchase programs
No shares repurchased since Q2 2023; $5M stock repurchase plan approved January 2025
Shares repurchased outpacing equity grants to employees and directors, offsetting dilution

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BRAND PERFORMANCE

ClearanceJobs

ClearanceJobs®

Cleared Professionals Marketplace

2024 Revenue[1]

$54M, +16% CAGR[2]

Subscription clients

1.9K

Growth opportunity

10,000+

Cleared employers

100+

Government agencies

NORTHROP GRUMMAN · ManTech · SAIC · GENERAL DYNAMICS · Raytheon · Booz | Allen | Hamilton

TELEDYNE · CACI · ROCKET LAB · ACCENTURE FEDERAL SERVICES · BAE SYSTEMS · LOCKHEED MARTIN

FBI · leidos · BOEING · Peraton · CUSHMAN & WAKEFIELD · ASRC FEDERAL

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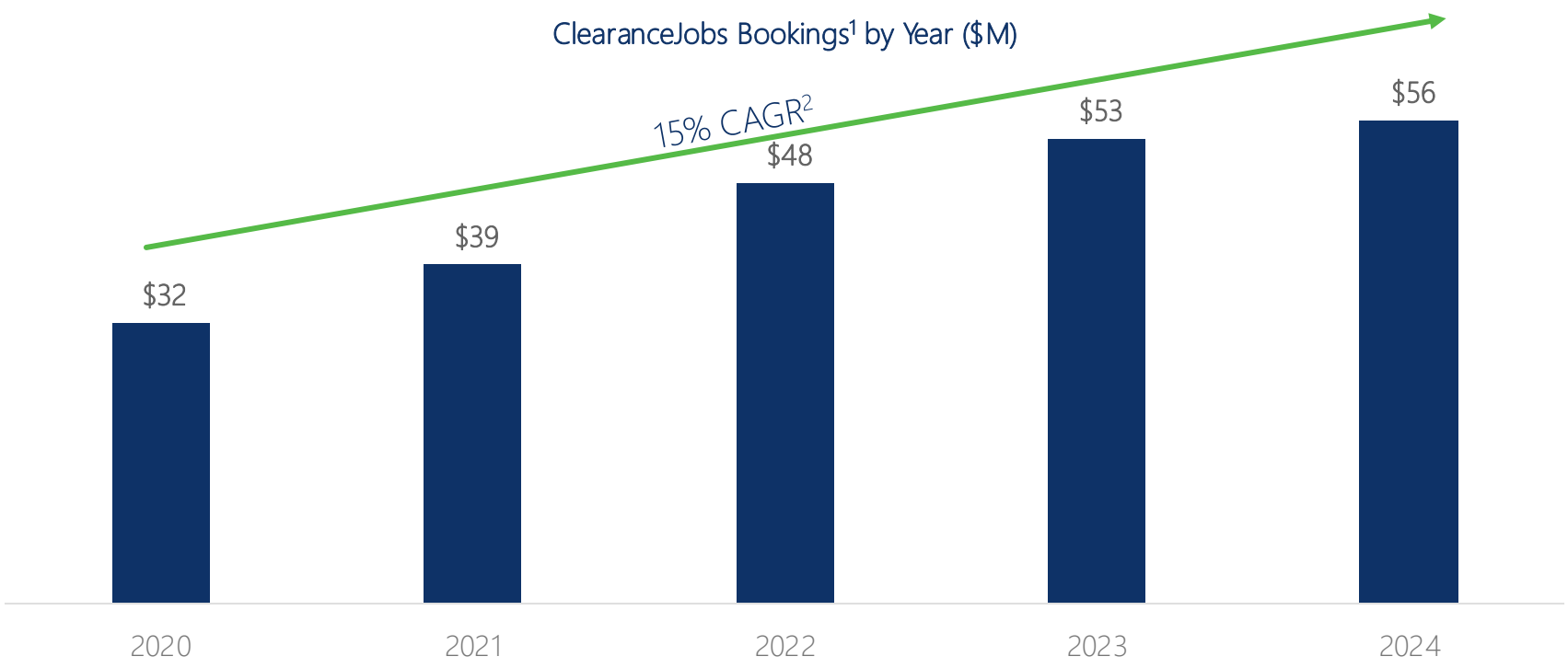
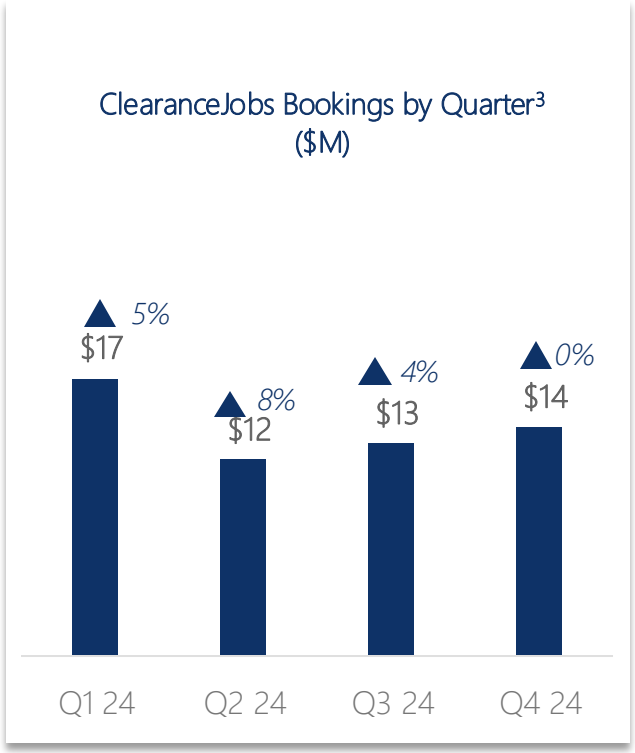
2 CAGR represents Compound Annual Growth Rate from 2020 to 2024.

DHI

ClearanceJobs Bookings





ClearanceJobs Bookings CAGR 15%
Q4 2024 Bookings for ClearanceJobs flat YoY
Q4 2024 revenue renewal rate for ClearanceJobs at 93%
Q4 2024 revenue retention rate for ClearanceJobs at 111%

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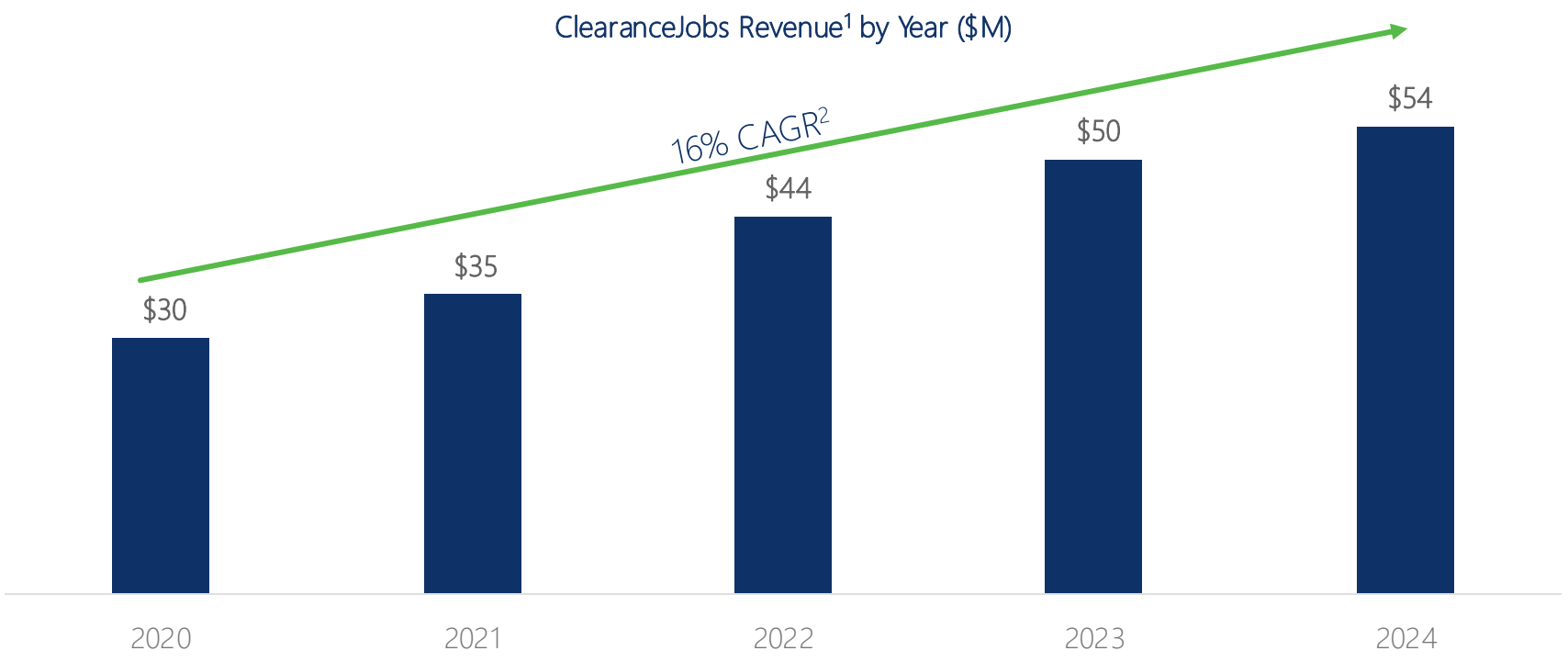
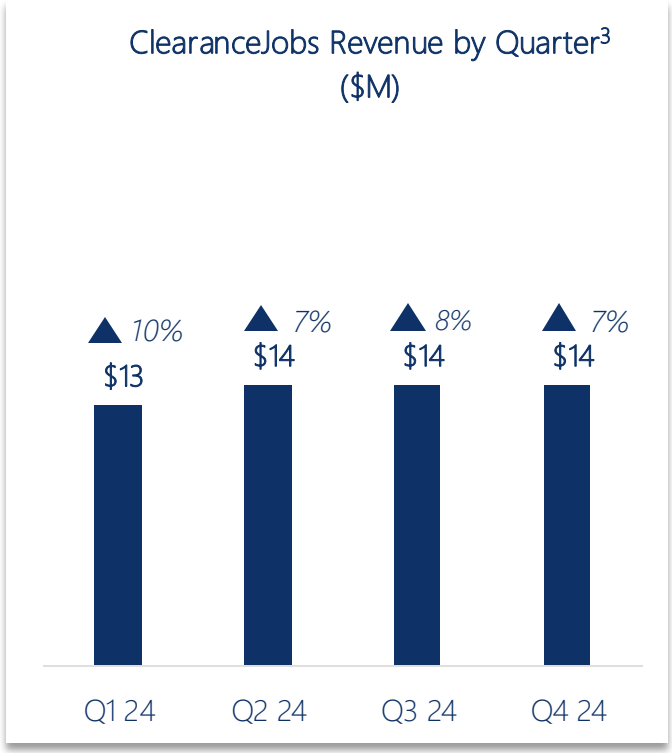
3 Percentage represents the change versus the prior year quarter.

ClearanceJobs Revenue





ClearanceJobs revenue CAGR 16%
ClearanceJobs revenue up +7% YoY in Q4 2024

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Dice

Tech Candidate Marketplace

2024 Revenue[1]
$88M, +2% CAGR[2]

Subscription clients
4.7K

Growth opportunity

80,000+
Commercial accounts

18,000
Staffing, Recruiting, Consulting Firms

BLUE ORIGIN · Montefiore · general motors · TEKsystems · dish · Coca-Cola

Deloitte. · leidos · BANK OF AMERICA · ASGN Incorporated · D·R·HORTON · KFORCE

MATLEN SILVER · CapitalOne · Judge · Adecco · Robert Half · NORTHROP GRUMMAN

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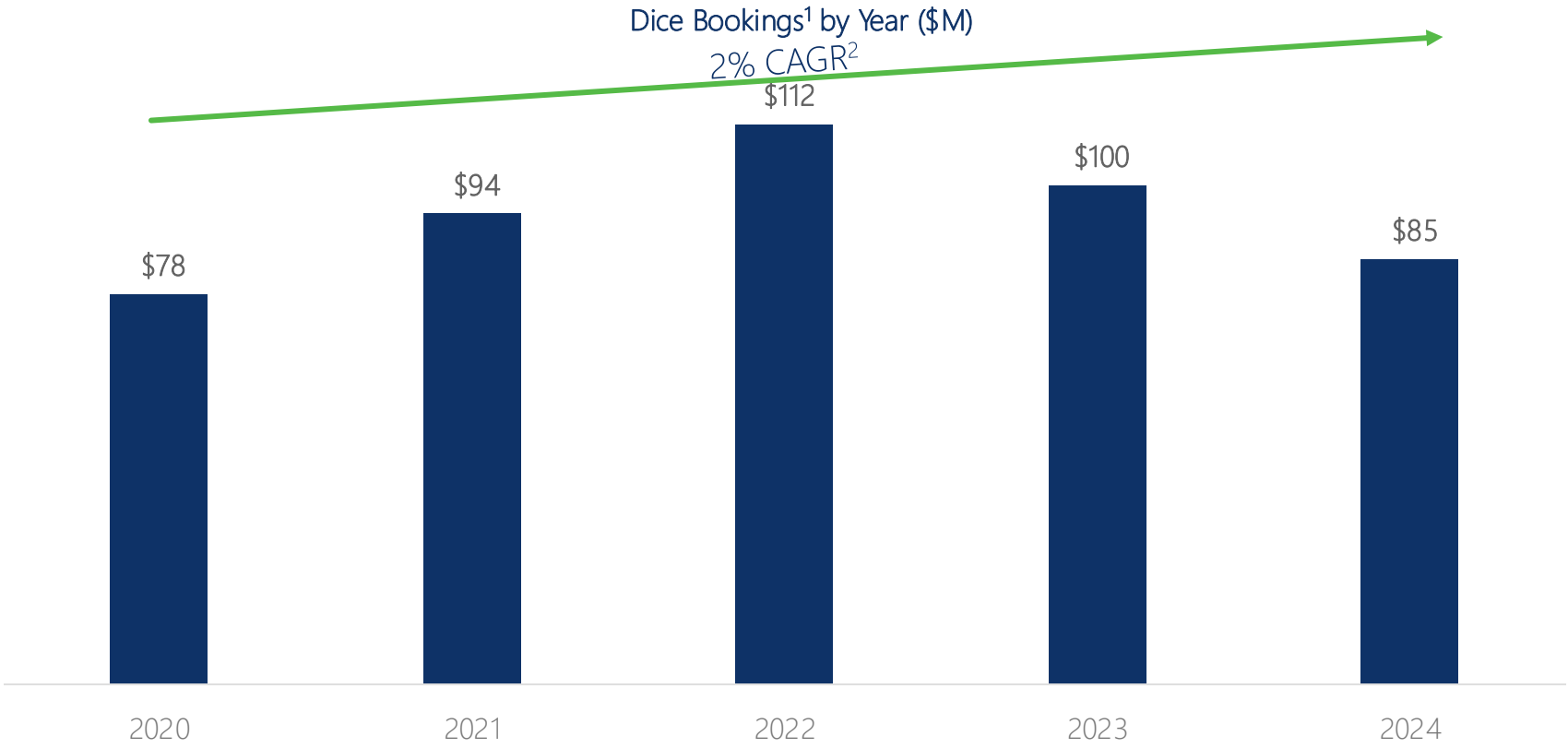
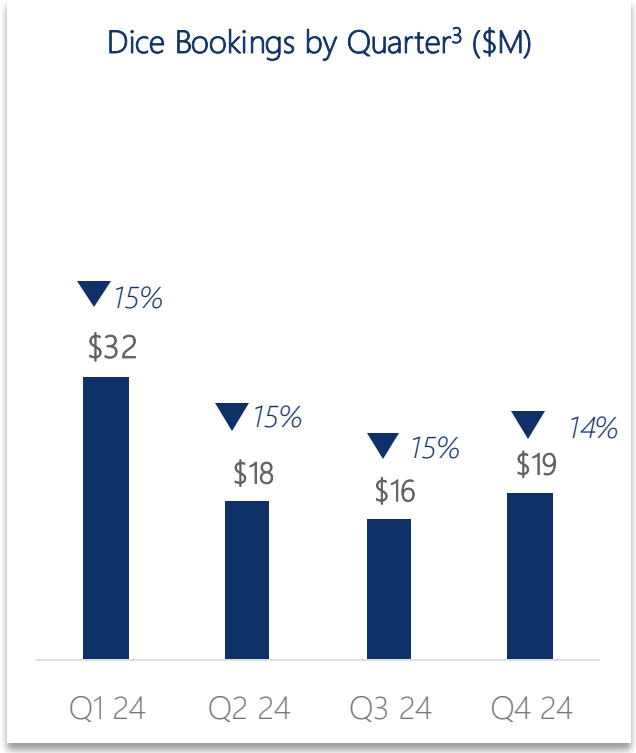
DHI

Dice Bookings





Dice Bookings CAGR 2%
Q4 2024 Dice bookings down $3M, or -14% YoY
Q4 2024 revenue renewal rate for Dice at 77%
Q4 2024 revenue retention rate for Dice at 97%

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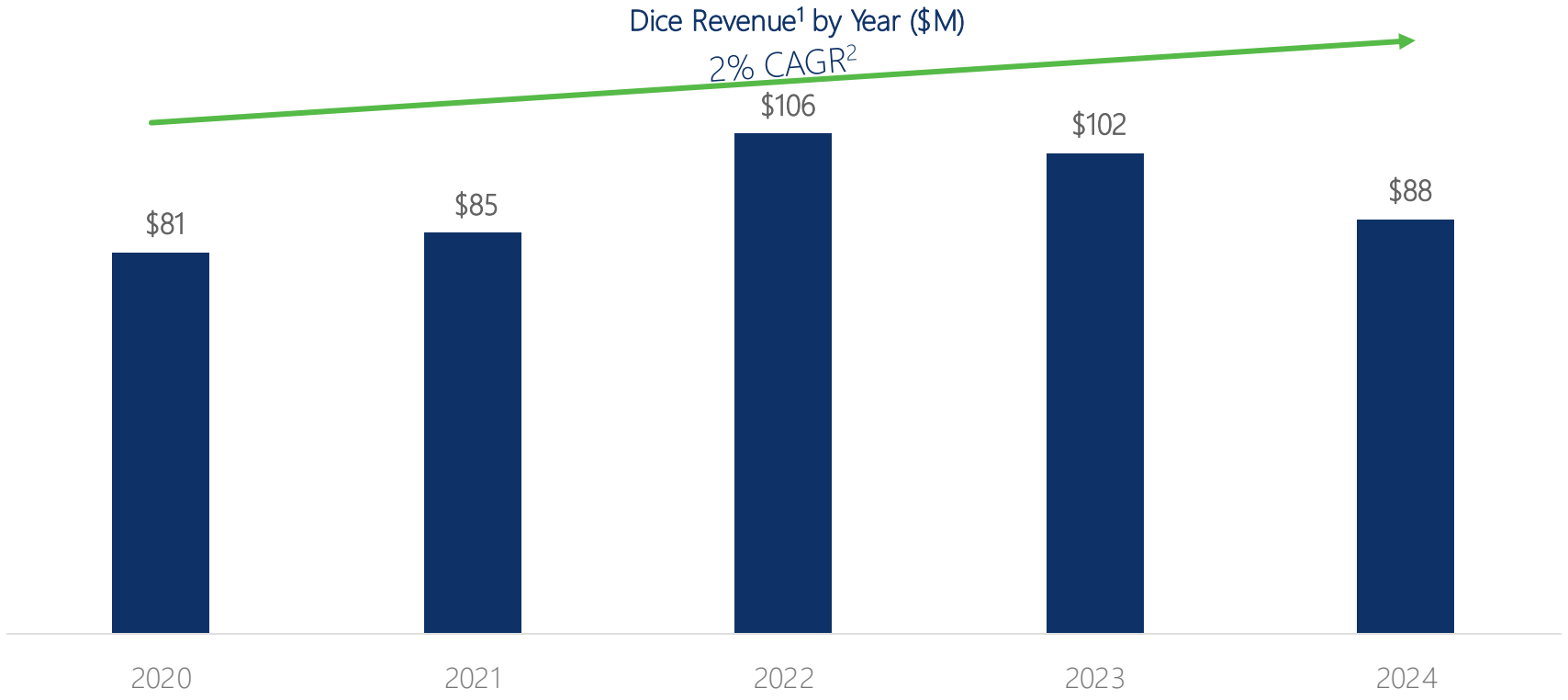
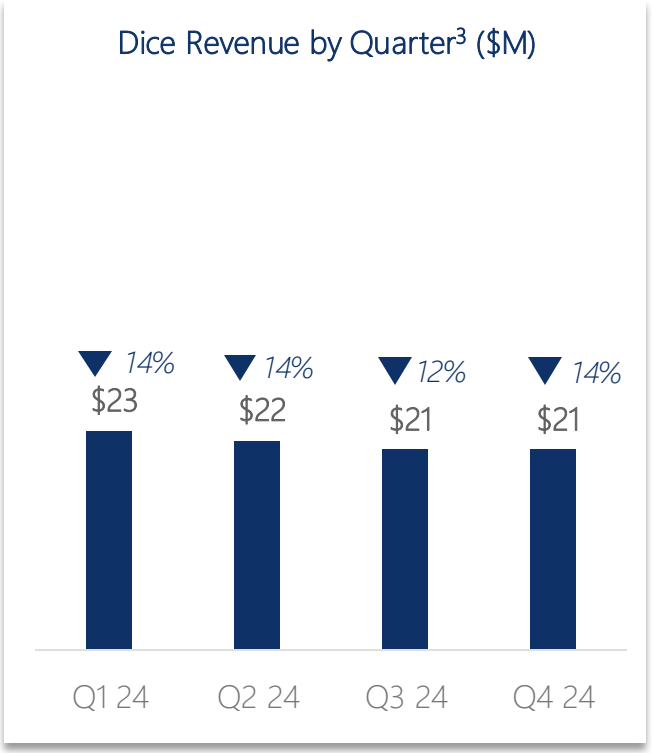
Dice Revenue





Dice Revenue CAGR 2%
Dice revenue down -14% YoY in Q4 2024

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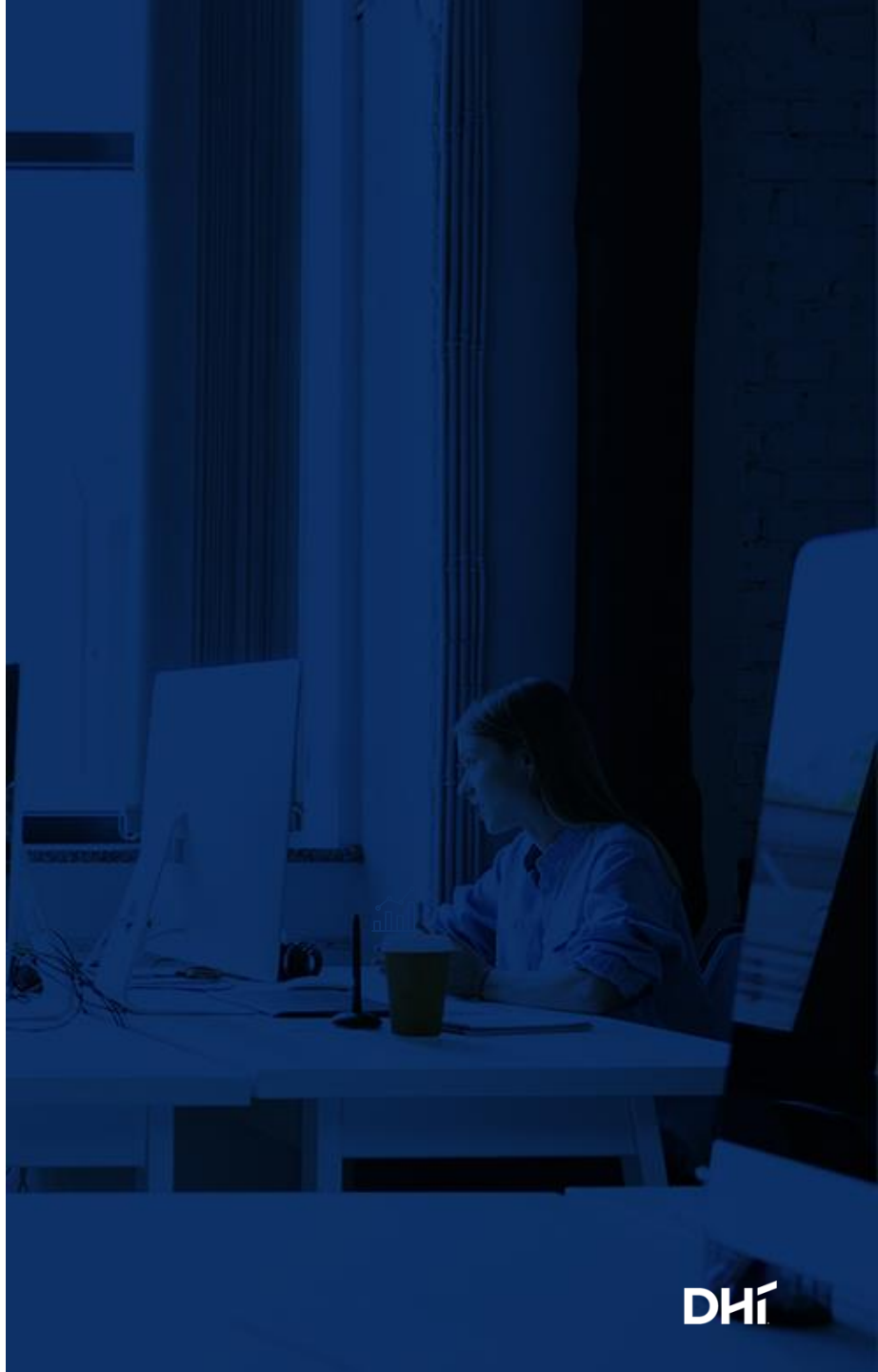
Catalysts for Expected Growth

- Annual contract value expansion through subscription packages
- Built for potential double-digit growth in a “normal” demand environment with Dice and ClearanceJobs Total Addressable Markets
- Expansion of Dice transactional services
- New CJ revenue line: Live Streaming

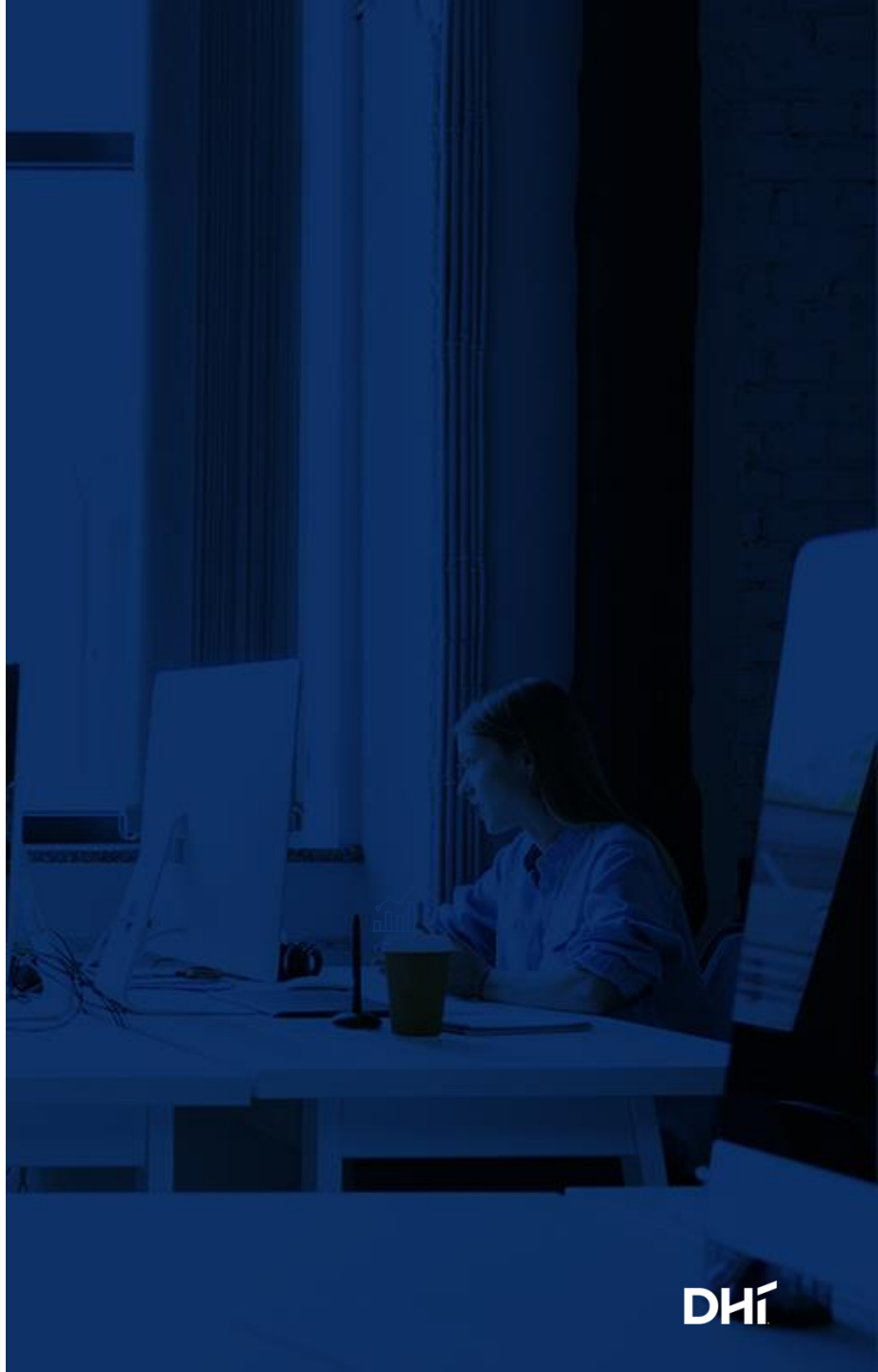




WHY BUY DHX STOCK

Why Buy DHX Stock

- SaaS business with market cap of <1x revenue and <4x Adjusted EBITDA
- 25%+ Adjusted EBITDA margin
- Approximately 90% annual recurring revenue
- CJ historically has minimal economic cycles or competition
- Dice is a cyclical business entering an expected growth phase
- Both CJ and Dice have brand recognition
- Tech workforce demand driving need for CJ and Dice



Appendix

DHI Group, Inc.

Supplemental data - customer data (unaudited)

ClearanceJobs	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
Bookings[1] [2](in millions)	$ 14.2	$ 9.9	$ 11.8	$ 12.4	$ 16.2	$ 10.7	$ 12.3	$ 14.2	$ 17.0	$ 11.5	$ 12.8	$ 14.2
Revenues[1] (in millions)	$ 9.9	$ 10.6	$ 11.4	$ 11.8	$ 11.9	$ 12.7	$ 12.9	$ 12.9	$ 13.0	$ 13.5	$ 13.8	$ 13.8
Recruitment Package Customers	1,928	1,976	2,030	2,064	2,078	2,069	2,054	2,055	2,032	2,009	1,982	1,949
Average Annual Revenue Per Recruitment Package Customer[3]	$ 18,408	$ 18,708	$ 19,308	$ 19,872	$ 20,520	$ 20,842	$ 21,422	$ 21,872	$ 23,050	$ 24,275	$ 24,762	$ 25,148
Revenue Renewal Rate	104 %	99 %	97 %	98 %	95 %	90 %	94 %	96 %	98 %	96 %	91 %	93 %
Customer Renewal Rate	87 %	84 %	84 %	80 %	83 %	81 %	81 %	78 %	78 %	78 %	78 %	76 %
Retention Rate[4]	115 %	113 %	110 %	117 %	109 %	110 %	112 %	110 %	115 %	113 %	109 %	111 %

Dice	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024
Bookings[1] [2] (in millions)	$ 36.5	$ 25.4	$ 24.7	$ 25.3	$ 37.4	$ 21.6	$ 18.9	$ 21.8	$ 31.8	$ 18.5	$ 16.1	$ 18.7
Revenues[1] (in millions)	$ 24.4	$ 26.5	$ 27.1	$ 27.9	$ 26.7	$ 25.8	$ 24.6	$ 24.4	$ 23.0	$ 22.3	$ 21.4	$ 21.0
Recruitment Package Customers	6,249	6,386	6,409	6,311	6,171	6,007	5,752	5,492	5,250	5,031	4,868	4,711
Average Annual Revenue Per Recruitment Package Customer[3]	$ 14,112	$ 14,304	$ 14,868	$ 15,384	$ 15,672	$ 15,534	$ 15,531	$ 15,788	$ 15,997	$ 16,294	$ 16,330	$ 16,380
Revenue Renewal Rate	104 %	99 %	98 %	94 %	92 %	84 %	78 %	78 %	82 %	78 %	74 %	77 %
Customer Renewal Rate	86 %	85 %	84 %	83 %	82 %	79 %	73 %	71 %	74 %	69 %	69 %	69 %
Retention Rate[4]	114 %	109 %	110 %	107 %	105 %	101 %	99 %	97 %	100 %	99 %	96 %	97 %

1 We had previously disclosed that career events were recorded within Dice. Career events have been reclassified between ClearanceJobs and Dice based on the nature of the event for all periods presented

2 Bookings represent the value of all contractually committed services in which the contract start date is during the period and will be recognized as revenue within 12 months of the contract start date. For contracts that extend beyond 12 months, the value of those contracts beyond 12 months is recognized as bookings on each annual anniversary of each contract start date valued as the amount of revenue that will be recognized within 12 months of the respective anniversary date.

3 Calculated by dividing recruitment package customer revenue by the daily average count of recruitment package customers during each month, adjusted to reflect a thirty-day month. The simple average of each month is used to derive the amount for each period and then annualized to reflect twelve months.

4 For customers that renewed their annual recruitment packages during the period, the retention rate represents the total contract value renewed, relative to the previous total contract value.

Notes regarding the use of non-GAAP financial measures and guidance

Notes Regarding the Use of Non-GAAP Financial Measures

The Company has provided certain non-GAAP financial information as additional information for its operating results. These measures are not in accordance with, or alternatives to, measures in accordance with generally accepted accounting principles in the United States ("GAAP") and may be different from similarly titled non-GAAP measures reported by other companies. The Company believes that its presentation of non-GAAP measures, such as Adjusted EBITDA, Adjusted EBITDA Margin, and non-GAAP Earnings Per Share provides useful information to management and investors regarding certain financial and business trends relating to the Company's financial condition and results of operations. In addition, the Company's management uses these measures for reviewing the financial results of the Company and for budgeting and planning purposes. Non-GAAP results exclude the impact of items that management believes affect the comparability or underlying business trends in our condensed consolidated financial statements in the periods presented. The non-GAAP measures apply to consolidated results or other measures as shown within this document. The Company has provided required reconciliations to the most comparable GAAP measures elsewhere in the document.

Free Cash Flow

We define free cash flow as net cash provided by operating activities minus fixed asset purchases. We believe free cash flow is an important non-GAAP measure for investors as it provides useful cash flow information regarding our ability to service, incur or pay down indebtedness or repurchase our common stock. Management uses free cash flow as a measure to reflect cash available to service our debt as well as to fund our expenditures. A limitation of using free cash flow versus the GAAP measure of net cash provided by operating activities is that free cash flow does not represent the total increase or decrease in the cash balance from operations for the period since it includes cash used for fixed asset purchases during the period.

Adjusted EBITDA and Adjusted EBITDA Margin

Adjusted EBITDA and Adjusted EBITDA Margin are non-GAAP measures used by management to measure operating performance. Management uses Adjusted EBITDA and Adjusted EBITDA Margin as performance measures for internal monitoring and planning, including preparation of annual budgets, analyzing investment decisions and evaluating profitability and performance comparisons between us and our competitors. The Company also uses these measures to calculate amounts of performance-based compensation under the senior management incentive bonus program. Adjusted EBITDA represents net income plus (to the extent deducted in calculating such net income) interest expense, income tax expense, depreciation and amortization, and items such as non-cash stock-based compensation, certain write-offs in connection with indebtedness, impairment charges with respect to long-lived assets, expenses incurred in connection with an equity offering or any other offering of securities by the Company, extraordinary or non-recurring non-cash expenses or losses, losses from equity method investments, transaction costs in connection with the credit agreement, deferred revenue written off in connection with acquisition purchase accounting adjustments, write-off of non-cash stock-based compensation expense, severance and retention costs related to dispositions and reorganizations of the Company, impairment of investment, restructuring charges and losses related to legal claims and fees that are unusual in nature or infrequent, minus (to the extent included in calculating such net income) non-cash income or gains, including income from equity method investments, interest income, business interruption insurance proceeds, and gains related to legal claims that are unusual in nature or infrequent. Adjusted EBITDA Margin is computed as Adjusted EBITDA divided by revenue. We also consider Adjusted EBITDA and Adjusted EBITDA Margin, as defined above, to be important indicators to investors because they provide information related to our ability to provide cash flows to meet future debt service, capital expenditures, working capital requirements, and to fund future growth. We present Adjusted EBITDA and Adjusted EBITDA Margin as supplemental performance measures because we believe that these measures provide our board of directors, management and investors with additional information to measure our performance, provide comparisons from period to period by excluding potential differences caused by variations in capital structures (affecting interest expense) and tax positions (such as the impact on periods or companies of changes in effective tax rates or net operating losses), and to estimate our value. We understand that although Adjusted EBITDA and Adjusted EBITDA Margin are frequently used by securities analysts, lenders and others in their evaluation of companies, Adjusted EBITDA and Adjusted EBITDA Margin have limitations as analytical tools, and you should not consider them in isolation, or as a substitute for analysis of our liquidity or results as reported under GAAP. Some limitations are: Adjusted EBITDA and Adjusted EBITDA Margin do not reflect our cash expenditures, or future requirements for capital expenditures or contractual commitments; Adjusted EBITDA and Adjusted EBITDA Margin do not reflect changes in, or cash requirements for, our working capital needs; Adjusted EBITDA and Adjusted EBITDA Margin do not reflect interest expense, or the cash requirements necessary to service interest or principal payments on our debt; Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized often will have to be replaced in the future, and Adjusted EBITDA and Adjusted EBITDA Margin do not reflect any cash requirements for such replacements; and Other companies in our industry may calculate Adjusted EBITDA and Adjusted EBITDA Margin differently than we do, limiting their usefulness as comparative measures. To compensate for these limitations, management evaluates our liquidity by considering the economic effect of excluded expense items independently, as well as in connection with its analysis of cash flows from operations and through the use of other financial measures, such as capital expenditure budget variances, investment spending levels and return on capital analysis. Adjusted EBITDA and Adjusted EBITDA Margin are not measurements of our financial performance under GAAP and should not be considered as an alternative to revenue, operating income, net income, net income margin, cash provided by operating activities, or any other performance measures derived in accordance with GAAP as a measure of our profitability or liquidity.

Guidance

Earlier in this press release, the Company provided guidance for Adjusted EBITDA margin, which is a non-GAAP financial measure. We are unable to reconcile expected Adjusted EBITDA margin to its nearest GAAP measure without unreasonable efforts because we are unable to predict with a reasonable degree of certainty the actual impact of items such as non-cash stock-based compensation, impairments, income tax expense, gains or losses from equity method investments, severance and related costs, restructuring charges and legal claims and fees. By their very nature, these items are difficult to anticipate with precision because they are generally associated with unexpected and unplanned events that impact our company and its financial results. Therefore, we are unable to provide a reconciliation of this non-GAAP financial measure without unreasonable efforts.

DHI Group, Inc.

Supplemental data - non-GAAP (unaudited)

(Dollars in millions)	Full Year 2020	Full Year 2021	Full Year 2022	Full Year 2023	Full Year 2024
Cash provided by operating activities	**$ 18.7**	**$ 28.6**	**$ 36.0**	**$ 21.3**	**$ 21.0**
Interest expense	1.0	0.7	1.6	3.5	3.2
Amortization of deferred financing costs	(0.1)	(0.1)	(0.1)	(0.1)	(0.1)
Income tax expense (benefit)	(2.8)	(0.6)	(0.6)	0.1	2.7
Deferred income taxes	2.9	0.6	3.8	3.3	0.8
Change in accrual for unrecognized tax benefits	0.4	0.2	—	(0.3)	—
Change in accounts receivable	(0.9)	1.1	2.1	1.4	(0.1)
Change in deferred revenue	8.2	(10.1)	(4.7)	0.9	4.5
Discontinued operations results	(7.3)	(3.6)	—	—	—
Severance, professional fees and related costs	1.2	2.0	0.4	1.2	1.8
Restructuring	—	—	—	2.4	1.1
Changes in working capital and other	1.3	7.4	(7.5)	2.6	0.4
Adjusted EBITDA	$ 22.6	$ 26.2	$ 31.0	$ 36.3	$ 35.3
Cash provided by operating activities	**$ 18.7**	**$ 28.6**	**$ 36.0**	**$ 21.3**	**$ 21.0**
Less:					
Capitalized development costs[1]	(15.4)	(12.9)	(17.2)	(16.4)	(12.5)
Other fixed asset purchases	$ (0.7)	$ (1.4)	$ (0.8)	(3.9)	(1.4)
Total fixed asset purchases	(16.1)	(14.3)	(18.0)	(20.3)	(13.9)
Free Cash Flow	$ 2.6	$ 14.3	$ 18.0	$ 1.0	$ 7.1
Adjusted EBITDA	$ 22.6	$ 26.2	$ 31.0	$ 36.3	$ 35.3
Capex	(16.1)	(14.3)	(18.0)	(20.4)	(13.9)
Working capital	(8.6)	1.5	10.2	(4.8)	(4.7)
Interest expense	(0.9)	(0.6)	(1.4)	(3.3)	(3.1)
Taxes	(0.5)	(0.1)	(3.2)	(3.2)	(3.5)
Other	6.1	1.6	(0.6)	(3.6)	(3.0)
Free Cash Flow	$ 2.6	$ 14.3	$ 18.0	$ 1.0	$ 7.1

1 Capitalized development costs consists of capitalized software costs and website development costs.

DHI Group, Inc.

Supplemental data - non-GAAP (unaudited)

(Dollars in millions)	Full Year 2020	Full Year 2021	Full Year 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Full Year 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Full Year 2024
Reconciliation of Net Income (loss) to Adjusted EBITDA													
Net Income (loss)	$ (30.0)	$ (29.7)	$ 4.2	$ 0.5	$ (0.1)	$ 1.0	$ 2.1	$ 3.5	$ (1.5)	$ 0.9	$ (0.2)	$ 1.0	$ 0.3
Interest Expense	1.0	0.7	1.6	0.8	0.9	0.9	0.9	3.5	0.9	0.8	0.8	0.7	3.2
Income tax expense (benefit)	(2.8)	(0.6)	(0.6)	(0.5)	(0.7)	0.8	0.6	0.1	2.3	0.4	0.1	(0.1)	2.7
Depreciation	10.3	16.3	17.5	4.2	4.2	4.2	4.3	16.9	4.5	4.6	4.5	4.4	18.0
Non-cash stock based compensation	5.8	7.7	9.5	2.9	2.4	2.0	2.2	9.5	2.1	2.2	1.8	1.9	8.1
Income from equity method investment	—	(0.2)	(1.6)	(0.2)	(0.1)	(0.2)	(0.1)	(0.5)	(0.1)	(0.2)	—	0.1	(0.2)
Proceeds from settlement	—	—	(2.1)	—	—	—	—	—	—	—	—	—	—
Impairment of intangible assets	15.2	—	—	—	—	—	—	—	—	—	—	—	—
Impairment of goodwill	22.6	—	—	—	—	—	—	—	—	—	—	—	—
Impairment of investment	2.0	—	2.3	—	—	0.3	—	0.3	0.4	—	—	—	0.4
Impairment of right-of-use asset	—	1.9	—	—	—	—	—	—	—	—	—	—	—
Loss (gain) on investments	(0.2)	(1.2)	(0.3)	—	—	(0.6)	—	(0.6)	—	—	—	—	—
Restructuring	—	—	—	—	2.1	0.3	—	2.4	—	—	1.1	—	1.1
Legal contingencies and related fees	—	—	—	—	—	—	—	—	—	—	—	—	—
Severance, professional fees and related costs	1.2	2.0	0.4	0.4	0.1	0.6	—	1.2	—	0.2	0.5	1.1	1.8
Loss (income) from discontinued operations, net of tax	(2.4)	29.3	—	—	—	—	—	—	—	—	—	—	—
Other	(0.1)	—	0.1	—	(0.1)	0.1	—	—	—	0.1	—	0.1	(0.1)
Adjusted EBITDA	$ 22.6	$ 26.2	$ 31.0	$ 8.1	$ 8.7	$ 9.4	$ 10.0	$ 36.3	$ 8.6	$ 9.0	$ 8.6	$ 9.2	$ 35.3
Reconciliation of Net Income (loss) Margin to Adjusted EBITDA Margin													
Revenue	$ 111.2	$ 119.9	$ 149.7	$ 38.6	$ 38.5	$ 37.4	$ 37.3	$ 151.9	$ 36.0	$ 35.8	$ 35.3	$ 34.8	$ 141.9
Net Income (loss) Margin[1]	(27)%	(25)%	3 %	1 %	— %	3 %	6 %	2 %	(4)%	3 %	(1)%	3 %	— %
Adjusted EBITDA Margin[1]	20 %	22 %	21 %	21 %	23 %	25 %	27 %	24 %	24 %	25 %	24 %	26 %	25 %

(1) Net income (loss) margin and Adjusted EBITDA margin are calculated by dividing the respective measure by that period's revenue.