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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

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**FORM 8-K**

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**CURRENT REPORT**

Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 10, 2022

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**HUDSON GLOBAL, INC.**  
(Exact name of registrant as specified in charter)

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Delaware  
(State or other jurisdiction  
of incorporation)

001-38704  
(Commission  
File Number)

59-3547281  
(I.R.S. Employer  
Identification No.)

53 Forest Avenue, Suite 102  
Old Greenwich, CT 06870  
(Address of Principal Executive Offices)

Registrant's telephone number, including area code (475) 988-2068

N/A  
(Former name or former address, if changed since last report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

<u>Title of each class</u>	<u>Trading Symbol(s)</u>	<u>Name of each exchange on which registered</u>
Common Stock, \$0.001 par value	HSOON	The NASDAQ Stock Market LLC
Preferred Share Purchase Rights		The NASDAQ Stock Market LLC

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

Emerging growth company

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

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ITEM 2.02. RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On November 10, 2022, Hudson Global, Inc. (the "Company") issued a press release announcing its financial results for the three months ended September 30, 2022. A copy of such press release is furnished as Exhibit 99.1 to this Current Report on Form 8-K.

Included in Exhibit 99.1 are references to "liquidity." The Company believes that this non-GAAP measure provides investors useful information about its combined available cash and borrowing capacity.

ITEM 9.01. FINANCIAL STATEMENTS AND EXHIBITS.

(a) Financial Statements.

None.

(b) Pro Forma Financial Information.

None.

(c) Shell Company Transactions

None.

(d) Exhibits

The exhibit listed in the following Exhibit Index is provided as part of the information furnished under Item 2.02 of this Current Report on Form 8-K:

EXHIBIT INDEX

99.1 [Press Release of Hudson Global, Inc. issued on November 10, 2022.](#)

SIGNATURES

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

HUDSON GLOBAL, INC.  
(Registrant)

By: /s/ JEFFREY E. EBERWEIN  
Jeffrey E. Eberwein  
Chief Executive Officer

Dated: November 10, 2022

For Immediate Release

## **Hudson Global Reports 2022 Third Quarter Results**

**OLD GREENWICH, CT - November 10, 2022** - Hudson Global, Inc. (Nasdaq: HSON) ("Hudson Global" or "the Company"), a leading global total talent solutions company, announced today financial results for the third quarter ended September 30, 2022.

### **2022 Third Quarter Summary**

- Revenue of \$48.7 million increased 8.2% from the third quarter of 2021 and 15.9% in constant currency.
- Adjusted net revenue of \$24.2 million increased 34.2% from the third quarter of 2021 and 41.8% in constant currency.
- Net income was \$1.0 million, or \$0.30 per diluted share, compared to net income of \$1.5 million, or \$0.49 per diluted share, for the third quarter of 2021. Adjusted net income per diluted share (non-GAAP measure)\* was \$0.58 compared to adjusted net income per diluted share of \$0.78 in the third quarter of 2021.
- Adjusted EBITDA (non-GAAP measure)\* was \$3.0 million, flat versus adjusted EBITDA of \$3.0 million in the third quarter of 2021.
- Total cash including restricted cash was \$22.7 million at September 30, 2022.

“In the third quarter of 2022, our business exhibited solid revenue and adjusted net revenue growth versus the prior year quarter, while adjusted EBITDA remained flat year over year,” said Jeff Eberwein, Chief Executive Officer of Hudson Global. “The third quarter’s results were impacted by a reduction in Project RPO work as well as a slowdown in hiring activity in the technology sector, which is expected to continue into 2023. Despite these headwinds, activity at most existing clients remains robust and our sales pipeline is heavily focused on the healthcare sector. We are confident in our ability to manage the business in this environment, and we remain well positioned to respond to the needs of our clients going forward.”

\* The Company provides non-GAAP measures as a supplement to financial results based on accounting principles generally accepted in the United States ("GAAP"). Constant currency, adjusted EBITDA, EBITDA, adjusted net income or loss, and adjusted net income or loss per diluted share are defined in the segment tables at the end of this release and a reconciliation of such non-GAAP measures to the most directly comparable GAAP measures is included within such segment tables.

## **Regional Highlights**

*All growth rate comparisons are in constant currency.*

### **Americas**

In the third quarter of 2022, Americas revenue of \$12.6 million increased 69% and adjusted net revenue of \$11.9 million increased 70% from the third quarter of 2021. Organic growth as well as the acquisition of Karani in Q4 2021 contributed to the region's overall performance. EBITDA increased to \$0.8 million in the third quarter of 2022 from EBITDA of \$0.6 million in same period last year. The region generated adjusted EBITDA of \$1.8 million in the third quarter of 2022 compared to adjusted EBITDA of \$1.4 million in the same period last year.

### **Asia Pacific**

Asia Pacific revenue of \$30.0 million remained flat year-over-year while adjusted net revenue of \$8.3 million increased 12% in the third quarter of 2022 compared to the same period in 2021. EBITDA was \$1.2 million in the third quarter of 2022 compared to EBITDA of \$1.8 million in the same period one year ago, and adjusted EBITDA was \$1.7 million compared to adjusted EBITDA of \$2.2 million in the third quarter of 2021.

### **Europe**

Europe revenue in the third quarter of 2022 increased 36% to \$6.2 million and adjusted net revenue of \$3.9 million increased 51% from the third quarter of 2021. EBITDA increased to \$0.3 million in the third quarter of 2022 compared to EBITDA of \$0.1 million in the same period one year ago. Adjusted EBITDA increased to \$0.4 million in the third quarter of 2022 compared to adjusted EBITDA of \$0.2 million in the third quarter of 2021.

## **Corporate Costs**

In the third quarter of 2022, the Company's corporate costs were \$1.0 million compared to \$0.9 million in the prior year quarter. Corporate costs in the third quarter of 2022 and 2021 excluded non-recurring expenses of \$0.1 million and \$0.2 million, respectively.

## **Liquidity and Capital Resources**

The Company ended the third quarter of 2022 with \$22.7 million in cash, including \$0.3 million in restricted cash. The Company used \$0.1 million in cash flow from operations during the third quarter of 2022 compared to generating \$2.3 million of cash flow from operations in the third quarter of 2021.

## **Share Repurchase Program**

In the third quarter of 2022, the Company repurchased 32,615 shares for \$1.1 million. Since the beginning of 2019, the Company has reduced its share count by 13% and continues to view share repurchases as an attractive use of capital. Under its \$10 million common stock share repurchase program, the Company has \$0.6 million remaining.

## **NOL Carryforward**

As of December 31, 2021, Hudson Global has \$312 million of usable net operating losses ("NOL") in the U.S., which the Company considers to be a very valuable asset for its stockholders. In order to protect the value of the NOL for all stockholders, the Company has a rights agreement and charter amendment in place that limit beneficial ownership of Hudson Global common stock to 4.99%. Stockholders who wish to own more than 4.99% of Hudson Global common stock, or who already own more than 4.99% of Hudson Global common stock and wish to buy more, may only acquire additional shares with the Board's prior written approval.

## **COVID-19 Update**

The Company is monitoring the business environment surrounding COVID-19 and continues to proactively address this situation as it evolves. The Company believes it can continue to take appropriate actions to manage the business in this challenging environment due to the flexibility of its workforce and the strength of its balance sheet.

## **Conference Call/Webcast**

The Company will conduct a conference call today at 10:00 a.m. ET to discuss this announcement. Individuals wishing to listen can access the webcast on the investor information section of the Company's web site at [hudsonrpo.com](https://www.hudsonrpo.com).

If you wish to join the conference call, please use the dial-in information below:

- Toll-Free Dial-In Number: (866) 652-5200
- International Dial-In Number: (412) 317-6060

The archived call will be available on the investor information section of the Company's web site at [hudsonrpo.com](https://www.hudsonrpo.com).

## **About Hudson Global**

Hudson Global, Inc. is a leading global total talent solutions provider operating under the brand name Hudson RPO. We deliver innovative, customized recruitment outsourcing and total talent solutions to organizations worldwide. Through our consultative approach, we develop tailored talent solutions designed to meet our clients' strategic growth initiatives. As a trusted advisor, we meet our commitments, deliver quality and value, and strive to exceed expectations.

For more information, please visit us at [hudsonrpo.com](http://hudsonrpo.com) or contact us at [ir@hudsonrpo.com](mailto:ir@hudsonrpo.com).

Investor Relations:

The Equity Group

Lena Cati

212 836-9611 / [lcati@equityny.com](mailto:lcati@equityny.com)

## **Forward-Looking Statements**

*This press release contains statements that the Company believes to be "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, Section 21E of the Securities Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995. All statements other than statements of historical fact included in this press release, including statements regarding the Company's future financial condition, results of operations, business operations and business prospects, are forward-looking statements. Words such as "anticipate," "estimate," "expect," "project," "intend," "plan," "predict," "believe" and similar words, expressions and variations of these words and expressions are intended to identify forward-looking statements. All forward-looking statements are subject to important factors, risks, uncertainties, and assumptions, including industry and economic conditions that could cause actual results to differ materially from those described in the forward-looking statements. Such factors, risks, uncertainties and assumptions include, but are not limited to, global economic fluctuations; rising inflationary pressures and interest rates; the adverse impacts of the coronavirus, or COVID-19 pandemic; the Company's ability to successfully achieve its strategic initiatives; risks related to potential acquisitions or dispositions of businesses by the Company; the Company's ability to operate successfully as a company focused on its RPO business; risks related to fluctuations in the Company's operating results from quarter to quarter; the loss of or material reduction in our business with any of the Company's largest customers; the ability of clients to terminate their relationship with the Company at any time; competition in the Company's markets; the negative cash flows and operating losses that may recur in the future; risks relating to how future credit facilities may affect or restrict our operating flexibility; risks associated with the Company's investment strategy; risks related to international operations, including foreign currency fluctuations, political events, natural disasters or health crises, including the ongoing COVID-19 pandemic and Russia-Ukraine conflict; the Company's dependence on key management personnel; the Company's ability to attract and retain highly skilled professionals, management, and advisors; the Company's ability to collect accounts receivable; the Company's ability to maintain costs at an acceptable level; the Company's heavy reliance on information systems and the impact of potentially losing or failing to develop technology; risks related to providing uninterrupted service to clients; the Company's exposure to employment-related claims from clients, employers and regulatory authorities, current and former employees in connection with the Company's business reorganization initiatives, and limits on related insurance coverage; the Company's ability to utilize net operating loss carry-forwards; volatility of the Company's stock price; the impact of government regulations; and restrictions imposed by blocking arrangements. Additional information concerning these, and other factors is contained in the Company's filings with the Securities and Exchange Commission. These forward-looking statements speak only as of the date of this document. The Company assumes no obligation, and expressly disclaims any obligation, to update any forward-looking statements, whether as a result of new information, future events or otherwise.*

**Financial Tables Follow**

**HUDSON GLOBAL, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS**  
(in thousands, except per share amounts)  
(unaudited)

	<b>Three Months Ended September 30,</b>		<b>Nine Months Ended September 30,</b>	
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
Revenue	\$ 48,686	\$ 45,010	\$ 151,564	\$ 119,145
<b>Operating expenses:</b>				
Direct contracting costs and reimbursed expenses	24,487	26,979	74,518	73,305
Salaries and related	18,897	14,130	56,379	37,001
Office and general	2,675	1,883	7,863	5,525
Marketing and promotion	1,015	540	3,049	1,300
Depreciation and amortization	356	117	1,017	340
<b>Total operating expenses</b>	<b>47,430</b>	<b>43,649</b>	<b>142,826</b>	<b>117,471</b>
Operating income	1,256	1,361	8,738	1,674
<b>Non-operating income (expense):</b>				
Interest income, net	23	8	28	27
Other income (expense), net	16	33	(42)	(57)
Income before income taxes	1,295	1,402	8,724	1,644
Provision for (benefit from) income taxes	340	(92)	1,657	475
Net income	<u>\$ 955</u>	<u>\$ 1,494</u>	<u>\$ 7,067</u>	<u>\$ 1,169</u>
<b>Earnings per share:</b>				
Basic	\$ 0.31	\$ 0.51	\$ 2.35	\$ 0.40
Diluted	\$ 0.30	\$ 0.49	\$ 2.25	\$ 0.39
<b>Weighted-average shares outstanding:</b>				
Basic	3,034	2,931	3,010	2,910
Diluted	3,150	3,022	3,138	2,976

**HUDSON GLOBAL, INC.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**  
(in thousands, except per share amounts)  
(unaudited)

	September 30, 2022	December 31, 2021
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 22,406	\$ 21,714
Accounts receivable, less allowance for doubtful accounts of \$51 and \$196, respectively	29,149	25,748
Restricted cash, current	154	222
Prepaid and other	2,478	1,476
Total current assets	54,187	49,160
Property and equipment, net of accumulated depreciation of \$884 and \$807, respectively	677	371
Operating lease right-of-use assets	800	477
Deferred tax assets, net	1,422	1,345
Restricted cash	184	177
Goodwill	4,884	4,219
Intangible assets, net of accumulated amortization of \$1,369 and \$532, respectively	4,796	5,488
Other assets	13	5
Total assets	\$ 66,963	\$ 61,242
<b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>		
Current liabilities:		
Accounts payable	\$ 1,488	\$ 871
Accrued salaries, commissions, and benefits	11,384	10,961
Accrued expenses and other current liabilities	7,077	6,748
Note payable – short term	1,250	750
Operating lease obligations, current	395	363
Total current liabilities	21,594	19,693
Income tax payable	80	470
Operating lease obligations	404	118
Note payable – long term	—	1,250
Other liabilities	519	395
Total liabilities	22,597	21,926
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$0.001 par value, 10,000 shares authorized; none issued or outstanding	—	—
Common stock, \$0.001 par value, 20,000 shares authorized; 3,818 and 3,694 shares issued; 2,791 and 2,707 shares outstanding, respectively	4	4
Additional paid-in capital	491,035	489,249
Accumulated deficit	(427,456)	(434,523)
Accumulated other comprehensive loss, net of applicable tax	(2,511)	(85)
Treasury stock, 1,027 and 987 shares, respectively, at cost	(16,706)	(15,329)
Total stockholders' equity	44,366	39,316
Total liabilities and stockholders' equity	\$ 66,963	\$ 61,242

**HUDSON GLOBAL, INC.**  
**SEGMENT ANALYSIS - QUARTER TO DATE**  
**RECONCILIATION OF ADJUSTED EBITDA**

(in thousands)  
(unaudited)

<b>For The Three Months Ended September 30, 2022</b>	<b>Americas</b>	<b>Asia Pacific</b>	<b>Europe</b>	<b>Corporate</b>	<b>Total</b>
Revenue, from external customers	\$ 12,555	\$ 29,965	\$ 6,166	\$ —	\$ 48,686
Adjusted net revenue, from external customers <sup>(1)</sup>	\$ 11,926	\$ 8,324	\$ 3,949	\$ —	\$ 24,199
Net income					\$ 955
Provision from income taxes					340
Interest income, net					(23)
Depreciation and amortization					356
EBITDA (loss) <sup>(2)</sup>	\$ 810	\$ 1,244	\$ 279	\$ (705)	1,628
Non-operating expense (income), including corporate administration charges	140	339	73	(568)	(16)
Stock-based compensation expense	195	95	81	174	545
Non-recurring severance and professional fees	55	37	—	143	235
Compensation expense related to acquisitions <sup>(3)</sup>	620	—	—	—	620
Adjusted EBITDA (loss) <sup>(2)</sup>	\$ 1,820	\$ 1,715	\$ 433	\$ (956)	\$ 3,012
<b>For The Three Months Ended September 30, 2021</b>	<b>Americas</b>	<b>Asia Pacific</b>	<b>Europe</b>	<b>Corporate</b>	<b>Total</b>
Revenue, from external customers	\$ 7,423	\$ 32,273	\$ 5,314	\$ —	\$ 45,010
Adjusted net revenue, from external customers <sup>(1)</sup>	\$ 7,030	\$ 7,925	\$ 3,076	\$ —	\$ 18,031
Net income					\$ 1,494
Provision for income taxes					(92)
Interest income, net					(8)
Depreciation and amortization					117
EBITDA (loss) <sup>(2)</sup>	\$ 604	\$ 1,809	\$ 111	\$ (1,013)	1,511
Non-operating expense (income), including corporate administration charges	75	319	32	(459)	(33)
Stock-based compensation expense	139	102	91	367	699
Non-recurring severance and professional fees	—	—	—	231	231
Compensation expense related to acquisitions <sup>(3)</sup>	566	—	—	—	566
Adjusted EBITDA (loss) <sup>(2)</sup>	\$ 1,384	\$ 2,230	\$ 234	\$ (874)	\$ 2,974

- (1) Represents Revenue less the Direct contracting costs and reimbursed expenses caption on the Condensed Consolidated Statements of Operations.
- (2) Non-GAAP earnings before interest, income taxes, and depreciation and amortization (“EBITDA”) and non-GAAP earnings before interest, income taxes, depreciation and amortization, non-operating income (expense), stock-based compensation expense, and other non-recurring severance and professional fees (“Adjusted EBITDA”) are presented to provide additional information about the Company's operations on a basis consistent with the measures which the Company uses to manage its operations and evaluate its performance. Management also uses these measurements to evaluate capital needs and working capital requirements. EBITDA and Adjusted EBITDA should not be considered in isolation or as a substitute for operating income, cash flows from operating activities, and other income or cash flow statement data prepared in accordance with generally accepted accounting principles or as a measure of the Company's profitability or liquidity. Furthermore, EBITDA and Adjusted EBITDA as presented above may not be comparable with similarly titled measures reported by other companies.
- (3) Represents compensation expense payable per the terms of acquisition agreements.

**HUDSON GLOBAL, INC.**  
**SEGMENT ANALYSIS - YEAR TO DATE (continued)**  
**RECONCILIATION OF ADJUSTED EBITDA**

(in thousands)  
(unaudited)

<b>For The Nine Months Ended September 30, 2022</b>	<b>Americas</b>	<b>Asia Pacific</b>	<b>Europe</b>	<b>Corporate</b>	<b>Total</b>
Revenue, from external customers	\$ 41,581	\$ 91,042	\$ 18,941	\$ —	\$ 151,564
Adjusted net revenue, from external customers <sup>(1)</sup>	\$ 39,437	\$ 25,711	\$ 11,898	\$ —	\$ 77,046
Net income					\$ 7,067
Provision from income taxes					1,657
Interest income, net					(28)
Depreciation and amortization					1,017
EBITDA (loss) <sup>(2)</sup>	\$ 5,515	\$ 5,533	\$ 977	\$ (2,312)	9,713
Non-operating expense (income), including corporate administration charges	475	919	325	(1,677)	42
Stock-based compensation expense	516	227	195	848	1,786
Non-recurring severance and professional fees	183	37	—	171	391
Compensation expense related to acquisitions <sup>(3)</sup>	2,031	—	—	—	2,031
Adjusted EBITDA (loss) <sup>(2)</sup>	\$ 8,720	\$ 6,716	\$ 1,497	\$ (2,970)	\$ 13,963
<b>For The Nine Months Ended September 30, 2021</b>	<b>Americas</b>	<b>Asia Pacific</b>	<b>Europe</b>	<b>Corporate</b>	<b>Total</b>
Revenue, from external customers	\$ 17,350	\$ 86,414	\$ 15,381	\$ —	\$ 119,145
Adjusted net revenue, from external customers <sup>(1)</sup>	\$ 16,232	\$ 20,563	\$ 9,045	\$ —	\$ 45,840
Net income					\$ 1,169
Provision for income taxes					475
Interest income, net					(27)
Depreciation and amortization					340
EBITDA (loss) <sup>(2)</sup>	\$ 153	\$ 3,574	\$ 657	\$ (2,427)	1,957
Non-operating expense (income), including corporate administration charges	234	986	256	(1,419)	57
Stock-based compensation expense	395	231	172	997	1,795
Non-recurring severance and professional fees	23	—	—	330	353
Compensation expense related to acquisitions <sup>(3)</sup>	1,247	—	—	—	1,247
Adjusted EBITDA (loss) <sup>(2)</sup>	\$ 2,052	\$ 4,791	\$ 1,085	\$ (2,519)	\$ 5,409

(1) Represents Revenue less the Direct contracting costs and reimbursed expenses caption on the Condensed Consolidated Statements of Operations.

(2) Non-GAAP earnings before interest, income taxes, and depreciation and amortization (“EBITDA”) and non-GAAP earnings before interest, income taxes, depreciation and amortization, non-operating (income) expense, stock-based compensation expense, and other non-recurring severance and professional fees (“Adjusted EBITDA”) are presented to provide additional information about the Company's operations on a basis consistent with the measures which the Company uses to manage its operations and evaluate its performance. Management also uses these measurements to evaluate capital needs and working capital requirements. EBITDA and Adjusted EBITDA should not be considered in isolation or as a substitute for operating income, cash flows from operating activities, and other income or cash flow statement data prepared in accordance with generally accepted accounting principles or as a measure of the Company's profitability or liquidity. Furthermore, EBITDA and Adjusted EBITDA as presented above may not be comparable with similarly titled measures reported by other companies.

(3) Represents compensation expense payable per the terms of acquisition agreements.

**HUDSON GLOBAL, INC.**  
**RECONCILIATION OF CONSTANT CURRENCY MEASURES**  
**(in thousands) (unaudited)**

The Company operates on a global basis, with the majority of its revenue generated outside of the United States. Accordingly, fluctuations in foreign currency exchange rates can affect its results of operations. Constant currency information compares financial results between periods as if exchange rates had remained constant period-over-period. The Company defines the term “constant currency” to mean that financial data for a previously reported period are translated into U.S. dollars using the same foreign currency exchange rates that were used to translate financial data for the current period. Changes in revenue, adjusted net revenue, selling, general and administrative expenses (“SG&A”), other non-operating income (expense), operating income (loss) and EBITDA (loss) include the effect of changes in foreign currency exchange rates. The Company’s management reviews and analyzes business results in constant currency and believes these results better represent the Company’s underlying business trends. The Company believes that these calculations are a useful measure, indicating the actual change in operations. There are no significant gains or losses on foreign currency transactions between subsidiaries. Therefore, changes in foreign currency exchange rates generally impact only reported earnings.

	<b>Three Months Ended September 30,</b>			
	<b>2022</b>	<b>2021</b>		
	<b>As reported</b>	<b>As reported</b>	<b>Currency translation</b>	<b>Constant currency</b>
<b>Revenue:</b>				
Americas	\$ 12,555	\$ 7,423	\$ (13)	\$ 7,410
Asia Pacific	29,965	32,273	(2,193)	30,080
Europe	6,166	5,314	(787)	4,527
Total	<u>\$ 48,686</u>	<u>\$ 45,010</u>	<u>\$ (2,993)</u>	<u>\$ 42,017</u>
<b>Adjusted net revenue <sup>(1)</sup></b>				
Americas	\$ 11,926	\$ 7,030	\$ (12)	\$ 7,018
Asia Pacific	8,324	7,925	(498)	7,427
Europe	3,949	3,076	(454)	2,622
Total	<u>\$ 24,199</u>	<u>\$ 18,031</u>	<u>\$ (964)</u>	<u>\$ 17,067</u>
<b>SG&amp;A:<sup>(2)</sup></b>				
Americas	\$ 11,088	\$ 6,350	\$ (12)	\$ 6,338
Asia Pacific	6,647	5,795	(369)	5,426
Europe	3,607	2,934	(434)	2,500
Corporate	1,245	1,474	—	1,474
Total	<u>\$ 22,587</u>	<u>\$ 16,553</u>	<u>\$ (815)</u>	<u>\$ 15,738</u>
<b>Operating income (loss):</b>				
Americas	\$ 617	\$ 590	\$ (1)	\$ 589
Asia Pacific	1,569	2,108	(125)	1,983
Europe	345	137	(21)	116
Corporate	(1,275)	(1,474)	—	(1,474)
Total	<u>\$ 1,256</u>	<u>\$ 1,361</u>	<u>\$ (147)</u>	<u>\$ 1,214</u>
<b>EBITDA (loss):</b>				
Americas	\$ 810	\$ 604	\$ 2	\$ 606
Asia Pacific	1,244	1,809	(102)	1,707
Europe	279	111	(14)	97
Corporate	(705)	(1,013)	—	(1,013)
Total	<u>\$ 1,628</u>	<u>\$ 1,511</u>	<u>\$ (114)</u>	<u>\$ 1,397</u>

(1) Represents Revenue less the Direct contracting costs and reimbursed expenses caption on the Condensed Consolidated Statements of Operations.

(2) SG&A is a measure that management uses to evaluate the segments’ expenses and includes salaries and related costs and other selling, general and administrative costs.

**HUDSON GLOBAL INCOME PER DILUTED SHARE**  
**(in thousands, except per share amounts)**  
**(unaudited)**

<b>For The Three Months Ended September 30, 2022</b>	<b>Adjusted Net Income</b>	<b>Diluted Shares Outstanding</b>	<b>Per Diluted Share <sup>(1)</sup></b>
Net income	\$ 955	3,150	\$ 0.30
Non-recurring severance and professional fees (after tax)	236	3,150	0.08
Compensation expense related to acquisitions (after tax) <sup>(2)</sup>	637	3,150	0.20
Adjusted net income <sup>(3)</sup>	<u>\$ 1,828</u>	3,150	<u>\$ 0.58</u>

<b>For The Three Months Ended September 30, 2021</b>	<b>Adjusted Net Income</b>	<b>Diluted Shares Outstanding</b>	<b>Per Diluted Share <sup>(1)</sup></b>
Net income	\$ 1,494	3,022	\$ 0.49
Non-recurring severance and professional fees (after tax)	231	3,022	0.08
Compensation expense related to acquisitions (after tax) <sup>(2)</sup>	625	3,022	0.21
Adjusted net income <sup>(3)</sup>	<u>\$ 2,350</u>	3,022	<u>\$ 0.78</u>

(1) Amounts may not sum due to rounding.

(2) Represents compensation expense payable per the terms of the Coit acquisition, including a promissory note for \$1.35 million payable over three years, and \$500k of the Company's common stock vesting over 30 months, as well as earn out payments. In addition, in 2022 represents compensation expense payable in the form of a CFO retention payment per the terms of the Karani acquisition.

(3) Adjusted net income or loss per diluted share are Non-GAAP measures defined as reported net income or loss and reported net income or loss per diluted share before items such as acquisition-related costs and non-recurring severance and professional fees after tax that are presented to provide additional information about the Company's operations on a basis consistent with the measures that the Company uses to manage its operations and evaluate its performance. Management also uses these measurements to evaluate capital needs and working capital requirements. Adjusted net income or loss per diluted share should not be considered in isolation or as substitutes for net income or loss and net income or loss per share and other income or cash flow statement data prepared in accordance with generally accepted accounting principles or as measures of the Company's profitability or liquidity. Further, adjusted net income or loss and adjusted net income or loss per diluted share as presented above may not be comparable with similarly titled measures reported by other companies.