

## 2024 Guidance

Following is our guidance for 2024, including the first quarter of 2024. Please refer to the accompanying financial tables at the end of this document for the reconciliation of non-GAAP financial measures to the comparable GAAP financial measures.

	Q1 2024			Full Year 2024		
Average WSEEs paid	303,625	—	306,700	318,350	—	321,500
Year-over-year increase (decrease)	(1%)	—	0%	2%	—	3%
Adjusted EPS	\$1.94	—	\$2.24	\$3.02	—	\$3.88
Year-over-year decrease	(27%)	—	(16%)	(45%)	—	(30%)
Adjusted EBITDA (in millions)	\$121	—	\$137	\$241	—	\$285
Year-over-year decrease	(21%)	—	(10%)	(32%)	—	(19%)

### Definition of Key Metrics

Average WSEEs paid — Determined by calculating the company's cumulative WSEEs paid during the period divided by the number of months in the period.

Adjusted EPS — Represents diluted net income per share computed in accordance with GAAP, excluding the impact of non-cash stock-based compensation.

Adjusted EBITDA — Represents net income computed in accordance with GAAP, plus interest expense, income taxes, depreciation and amortization expense, amortization of SaaS implementation costs and non-cash stock-based compensation.

## Forward-Looking Statements

The statements contained herein that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. You can identify such forward-looking statements by the words “anticipates,” “expects,” “intends,” “plans,” “projects,” “believes,” “estimates,” “likely,” “possibly,” “probably,” “could,” “goal,” “opportunity,” “objective,” “target,” “assume,” “outlook,” “guidance,” “predicts,” “appears,” “indicator” and similar expressions. Forward-looking statements involve a number of risks and uncertainties. In the normal course of business, in an effort to help keep our stockholders and the public informed about our operations, from time to time, we may issue such forward-looking statements, either orally or in writing. Generally, these statements relate to business plans or strategies; including our strategic partnership with Workday, Inc.; projected or anticipated benefits or other consequences of such plans or strategies; or projections involving anticipated revenues, earnings, average number of worksite employees, benefits and workers' compensation costs, or other operating results. We base these forward-looking statements on our current expectations, estimates and projections. We caution you that these statements are not guarantees of future performance and involve risks, uncertainties and assumptions that we cannot predict. In addition, we have based many of these forward-looking statements on assumptions about future events that may prove to be inaccurate. Therefore, the actual results of the future events described in such forward-looking statements could differ materially from those stated in such forward-looking statements. Among the factors that could cause actual results to differ materially are:

- adverse economic conditions;

- failure to comply with or meet client expectations regarding certain COVID-19 relief programs;
- bank failures or other events affecting financial institutions; labor shortages, increasing competition for highly skilled workers, and evolving employee expectations regarding the workplace;
- impact of inflation;
- vulnerability to regional economic factors because of our geographic market concentration;
- failure to comply with covenants under our credit facility;
- impact of a future outbreak of highly infectious or contagious disease;
- our liability for WSEE payroll, payroll taxes and benefits costs, or other liabilities associated with actions of our client companies or WSEEs, including if our clients fail to pay us;
- increases in health insurance costs and workers' compensation rates and underlying claims trends, health care reform, financial solvency of workers' compensation carriers, other insurers or financial institutions, state unemployment tax rates, liabilities for employee and client actions or payroll-related claims;
- an adverse determination regarding our status as the employer of our WSEEs for tax and benefit purposes and an inability to offer alternative benefit plans following such a determination;
- cancellation of client contracts on short notice, or the inability to renew client contracts or attract new clients;
- the ability to secure competitive replacement contracts for health insurance and workers' compensation insurance at expiration of current contracts;
- regulatory and tax developments and possible adverse application of various federal, state and local regulations;
- failure to manage growth of our operations and the effectiveness of our sales and marketing efforts;
- the impact of the competitive environment and other developments in the human resources services industry, including the PEO industry, on our growth and/or profitability;
- an adverse final judgment or settlement of claims against Insperity;
- disruptions of our information technology systems or failure to enhance our service and technology offerings to address new regulations or client expectations;
- our liability or damage to our reputation relating to disclosure of sensitive or private information as a result of data theft, cyberattacks or security vulnerabilities;
- failure of third-party providers, such as financial institutions, data centers or cloud service providers;
- our ability to fully realize the anticipated benefits of our strategic partnership and plans to develop a joint solution with Workday, Inc.; and
- our ability to integrate or realize expected returns on future product offerings, including through acquisitions, strategic partnerships, and investments.

These factors are discussed in further detail in Insperity's filings with the U.S. Securities and Exchange Commission. Any of these factors, or a combination of such factors, could materially affect the results of our operations and whether forward-looking statements we make ultimately prove to be accurate.

Any forward-looking statements are made only as of the date hereof and, unless otherwise required by applicable securities laws, we undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

## NON-GAAP FINANCIAL MEASURES

The following is a reconciliation of GAAP to non-GAAP financial measures for first quarter and full year 2024 guidance:

	Q1 2024 Guidance	Full Year 2024 Guidance
<i>(in millions, except per share amounts)</i>		
<b>Net income</b>	<b>\$64 - \$76</b>	<b>\$69 - \$101</b>
Income tax expense	22 - 26	24 - 36
Interest expense	7	29
SaaS implementation amortization	3	11
Depreciation and amortization	11	46
<b>EBITDA</b>	<b>107 - 123</b>	<b>179 - 223</b>
Stock-based compensation	14	62
<b>Adjusted EBITDA</b>	<b>\$121 - \$137</b>	<b>\$241 - \$285</b>
<b>Diluted EPS</b>	<b>\$1.67 - \$1.97</b>	<b>\$1.82 - \$2.68</b>
Non-GAAP adjustments:		
Stock-based compensation	0.37	1.62
Tax effect	(0.10)	(0.42)
<b>Total non-GAAP adjustments, net</b>	<b>0.27</b>	<b>1.20</b>
<b>Adjusted EPS</b>	<b>\$1.94 - \$2.24</b>	<b>\$3.02 - \$3.88</b>