Fourth Quarter 2019 Investor Conference Call

March 10, 2020

Introductions

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Cautionary Note about Forward-looking Statements & Non-GAAP Financial Measures

This presentation 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”). The Private Securities Litigation Reform Act of 1995 provides a “safe harbor” for forward looking statements. Forward–looking statements are not statements of historical facts, but rather reflect our current expectations concerning future events and results. We use words such as “expects,” “intends,” “believes,” “may,” “will,” “should,” “could,” “anticipates,” “estimates,” “plans” and similar expressions to indicate forward-looking statements, but their absence does not mean a statement is not forward-looking. Because these forward-looking statements are based upon management’s expectations and assumptions and are subject to risks and uncertainties, there are important factors that could cause actual results to differ materially from those expressed or implied by these forward-looking statements, including, but not limited to, those factors set forth under Item 1A – Risk Factors of our most recent Form 10-K and those other risks and uncertainties detailed in our periodic reports and registration statements filed with the Securities and Exchange Commission (“SEC”). We caution that these risk factors may not be exhaustive. We operate in a continually changing business environment, and new risk factors emerge from time to time. We cannot predict these new risk factors, nor can we assess the effect, if any, of the new risk factors on our business or the extent to which any factor or combination of factors may cause actual results to differ from those expressed or implied by these forward-looking statements.

If any one or more of these expectations and assumptions proves incorrect, actual results will likely differ materially from those contemplated by the forward-looking statements. Even if all of the foregoing assumptions and expectations prove correct, actual results may still differ materially from those expressed in the forward-looking statements as a result of factors we may not anticipate or that may be beyond our control. While we cannot assess the future impact that any of these differences could have on our business, financial condition, results of operations and cash flows or the market price of shares of our common stock, the differences could be significant. We do not undertake to update any forward-looking statements made by us, whether as a result of new information, future events or otherwise. You are cautioned not to unduly rely on such forward-looking statements when evaluating the information presented in this presentation.

Non-GAAP Financial Measures

This presentation includes non-GAAP financial information. This non-GAAP information is in addition to, not a substitute for or superior to, measures of financial performance or liquidity determined in accordance with GAAP. The Securities and Exchange Commission‘s Regulation G applies to any public disclosure or release of material information that includes a non-GAAP financial measure and requires: (i) the presentation of the most directly comparable financial measure calculated and presented in accordance with GAAP and (ii) a reconciliation of the differences between the non-GAAP financial measure presented and the most directly comparable financial measure calculated and presented in accordance with GAAP. The required presentations and reconciliations are contained in this presentation and can also be found at our website at www.gpstrategies.com.

Agenda

- Introductions – Ann Blank
- CEO Remarks – Scott Greenberg
- Operational Update – Adam Stedham
- Financial Review – Mike Dugan
- Q&A
- Closing

CEO Remarks

Q4 results include 17% increase in revenue, 12% of which is organic growth

Adjusted EBITDA increased 46% compared to Q4 2018

Progress with business development efforts

Strengthened balance sheet; $8.8M cash flow from operations in Q4

Net debt position reduced to $74.7M at 12/31/19 compared to $103.1M at 12/31/18

Operational Update

Strong Sales Strategy for Success

- 2019 organic growth of 5.4%
- End of year backlog up 16.7% (excluding backlog from divested businesses)
- Won >$10M/year in new managed services awards since last earnings call
- >$20M in open sales opportunities for new managed services contracts

Workforce Excellence

5.0% organic growth in 2019

Managed Learning Services
- Revenue up 14% in Q4 2019 vs. 2018
  - Ramp up of previously announced multi-year outsourcing contracts wins
  - UK Job Skills increased in Q4 2019 vs. 2018
- Increased proposal activity in the training outsourcing marketplace

Engineering/Technical Services
- Revenue up 2% in Q4 2019 vs. 2018
- Previously announced new aerospace contract ramping and combined with other opportunities will drive year-on-year growth in 2020

Business Transformation

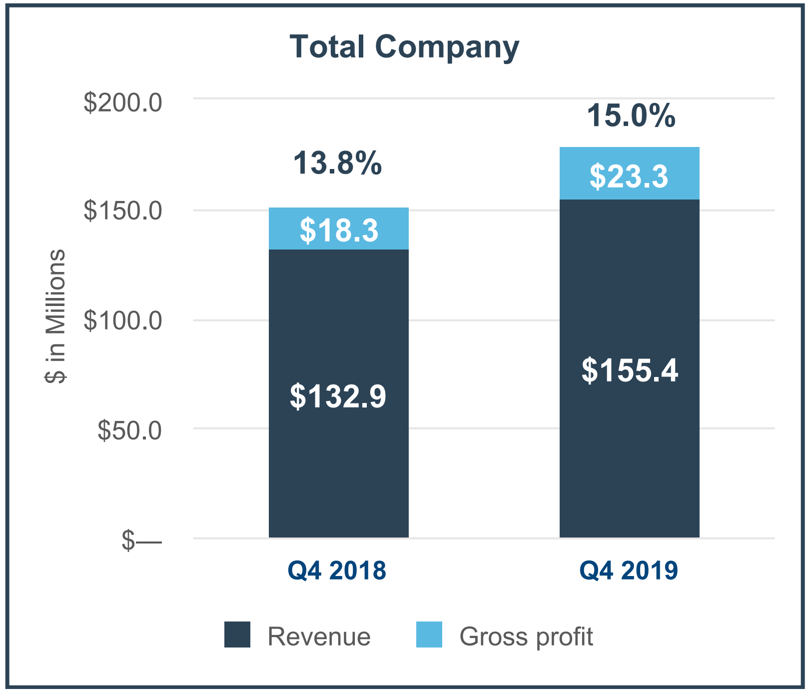
5.9% organic growth in 2019

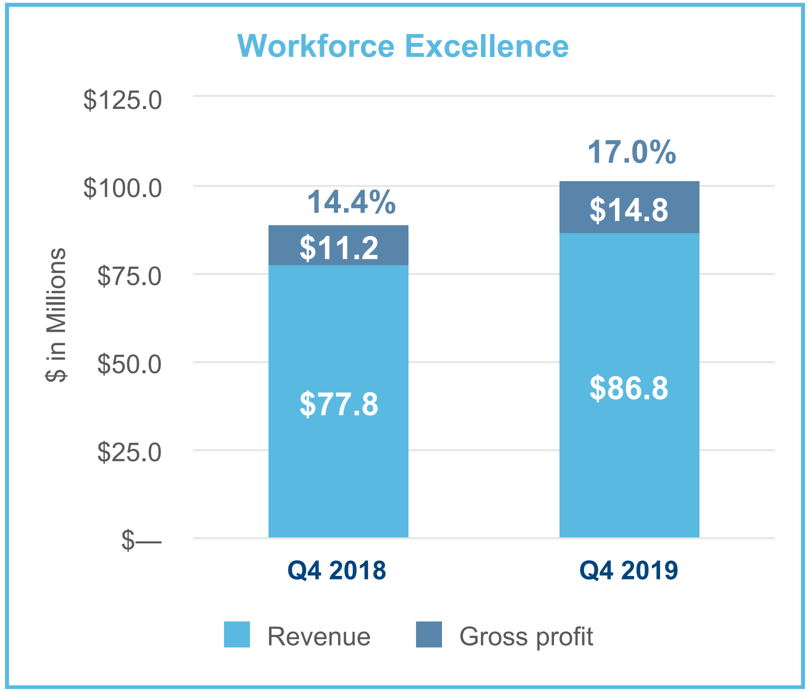
Sales Enablement Services
- Revenue up 41.7% in Q4 2019 vs. 2018
  - TTi revenue exceeds our acquisition pro forma revenue expectations; gross margins lower than previously expected but expect improvements in line with our automotive services for 2020
  - Increase in automotive sales training services
- Continue to see opportunities expand in automotive and submitted bids for European automotive projects

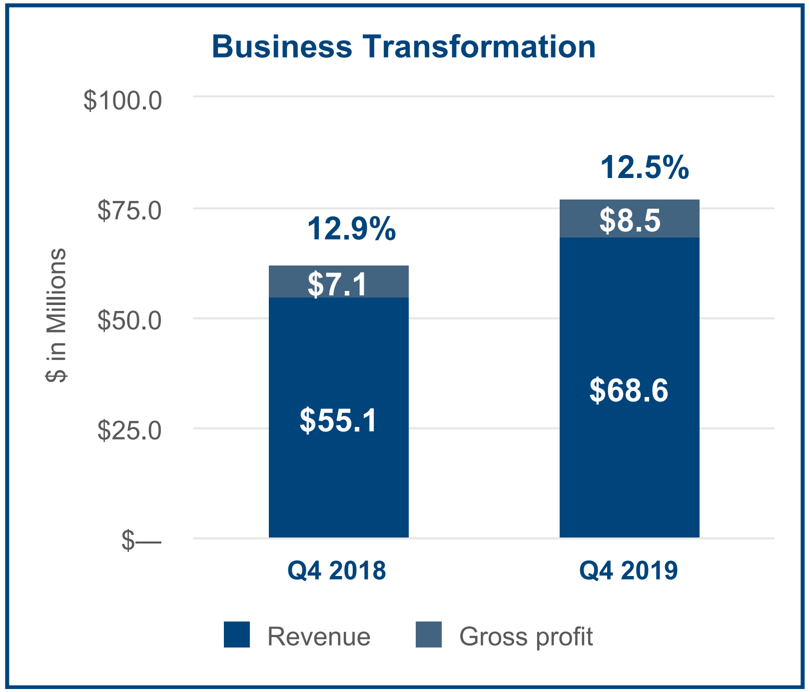
Organizational Development Services
- Revenue consistent in Q4 2019 vs. 2018
- Recent awards in Human Capital space expected to contribute to growth in second half of 2020 and demonstrate success of sales strategy change in Q4

Financial Review

Revenue & Gross Profit by Segment – Fourth Quarter







- Total revenue up $22.5M or 17.0%
- Gross profit up $5.0M or 27.4%
- Organic revenue growth of 11.9% (1)
- Foreign currency impact minimal in Q4 2019 vs. Q4 2018 (-$0.3M decline in revenue)

- Total segment revenue up $9.0M or 11.6%
- Managed learning services up $8.7M in revenue and $2.2M in gross profit
  - $6.9M net increase in training and content development services
  - $1.9M revenue increase in UK job skills
- Engineering & technical services up $0.5M in revenue and $1.5M in gross profit
- Organic revenue growth of 13.5% (1)

- Total segment revenue up $13.5M or 24.5%
- Sales enablement practice up $13.4M in revenue and $1.4M in gross profit
  - TTi acquisition contributed $8.8M of revenue in Q4 2019
  - $3.5M increase in automotive sales training services
  - $1.1M increase in publications
- Org. development practice revenue up $0.2M
- Organic revenue growth of 9.6% (1)

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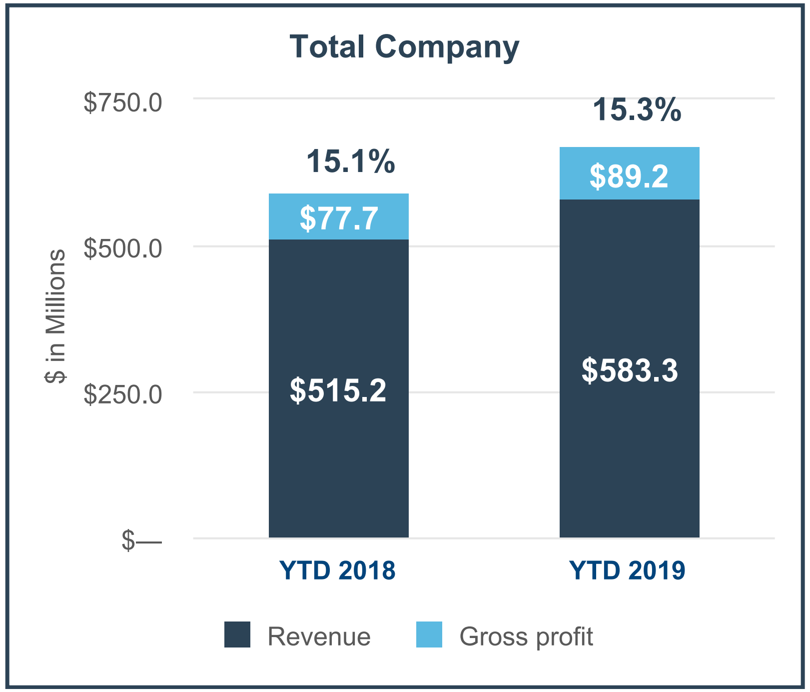
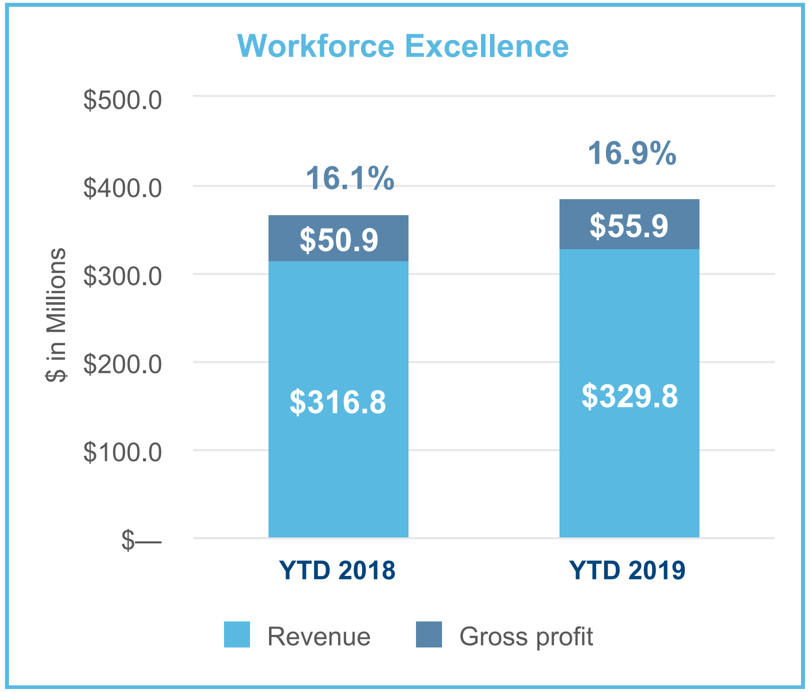
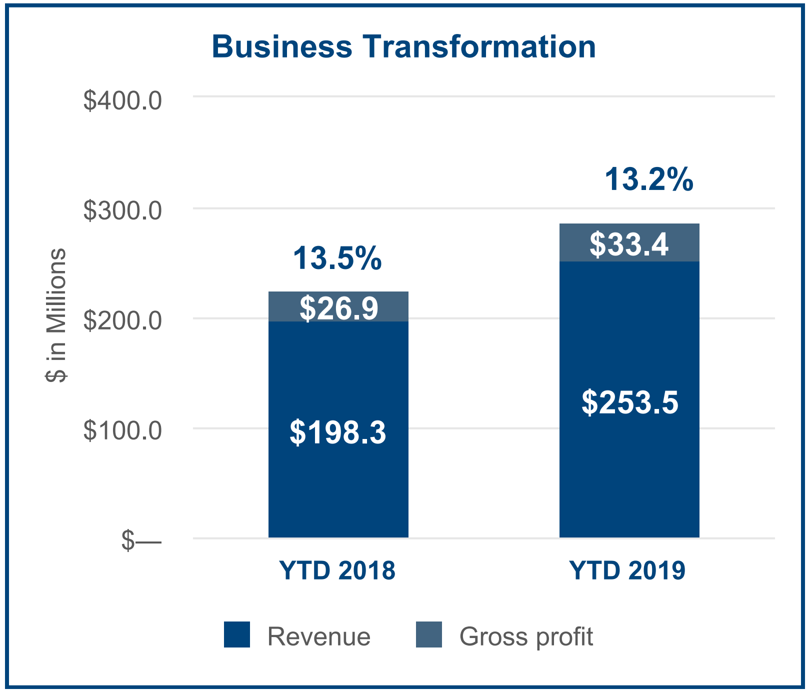
Revenue & Gross Profit by Segment – YTD December







- Total revenue up $68.1M or 13.2%
- Gross profit up $11.5M or 14.8%%
- Organic revenue growth 5.4% YTD 2019 (1)
- Foreign currency impact: -$7.5M decline in revenue and -$1.1M decline in gross profit

- Total segment revenue up $13.0M or 4.1%
- Gross profit up $5.0M or 9.8%
- Organic revenue growth 5.0% YTD 2019 (1)

- Total segment revenue up $55.1M or 27.8%
- Gross profit up $6.5M or 24.2%
- Organic revenue growth 5.9% YTD 2019 (1)

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SG&A Expenses

($ in millions)	Q4 2019	Q4 2018	$ Inc. (Dec.)	% Change	YTD 2019	YTD 2018	$ Inc. (Dec.)	% Change
General & Administrative Expenses	$17.7	$14.6	$3.1	21.1%	$64.5	$54.8	$9.6	17.6%
Sales & Marketing Expenses	$2.2	$1.7	$0.5	28.7%	$7.9	$4.8	$3.1	64.1%

GENERAL & ADMINISTRATIVE

- $2.1M increase in bad debt expense in Q4 2019, primarily due to $2.2M additional bad debt write-off upon final settlement of A/R with foreign oil and gas client which was in dispute since Q4 2017 (YTD 2019 bad debt expense up $2.8M)
- $0.5M increase in G&A (including amortization) in the acquired TTI Global business in Q4 2019 ($4.5M increase YTD 2019)
- a $0.3M increase in Q4 2019 due to internal labor costs that were capitalized in connection with our financial system implementation in 2018 but that are included in G&A expense in 2019 ($2.0M increase for YTD 2019)

SALES & MARKETING EXPENSES

- Increase due to investments in business development personnel, inside sales, and the centralization of our account management team, some of who were previously reported in cost of revenue

Other P&L Items

	($ in millions)			
	Q4 2019	Q4 2018	YTD 2019	YTD 2018
Restructuring charges	$0.2	—	$1.6	$2.9
Gain on change in fair value of contingent consideration	—	0.5	0.7	4.4
Gain on sale of business	12.1	—	12.1	—
Interest expense	1.2	1.3	6.1	2.9
Other income (expense)	0.1	0.0	0.4	(1.9)
Income tax expense	4.8	0.8	7.2	4.9
Effective income tax rate	33.4%	66.5%	32.1%	33.4%

RESTRUCTURING CHARGES: $1.6M YTD 2019 associated with TTi integration, compared to $2.9M in 2018 in connection with prior reorganization and related cost savings initiatives

GAIN ON CONTINGENT CONSIDERATION: as of Dec. 31, 2019, we have no contingent consideration liabilities

GAIN ON SALE OF BUSINESS: $12.1M pre-tax gain on sale of tuition business in Q4 2019

INTEREST EXPENSE: down slightly in Q4; up $3.2M for 2019 due to higher borrowings and interest rates under the credit facility

OTHER INCOME (EXPENSE): YTD 2019 includes non-cash Fx translation loss of $0.7M vs. $2.3M Fx loss in 2018;

INCOME TAX EXPENSE: Effective tax rate decreased for 2019 due to mix of income from higher to lower tax jurisdictions

Q4 2019 Earnings Summary

	($ in millions, except per share data)			
	Q4 2019	Q4 2018	YTD 2019	YTD 2018
Net income	$9.5	$0.4	$15.2	$9.8
Earnings per share – diluted	0.56	0.02	0.90	0.59
Adjusted EPS (1)	$0.23	$0.11	$0.84	$0.90
Adjusted EBITDA (1)	$11.0	$7.5	$40.9	$37.9

(1) The terms Adjusted EBITDA (earnings before interest, income taxes, depreciation and amortization) and Adjusted EPS are non-GAAP financial measures that the Company believes are useful to investors in evaluating its results. For a reconciliation of these non-GAAP financial measures to the most comparable GAAP equivalents, see the Non-GAAP Reconciliations, along with related footnotes, in the Appendices to this report.

Balance Sheet

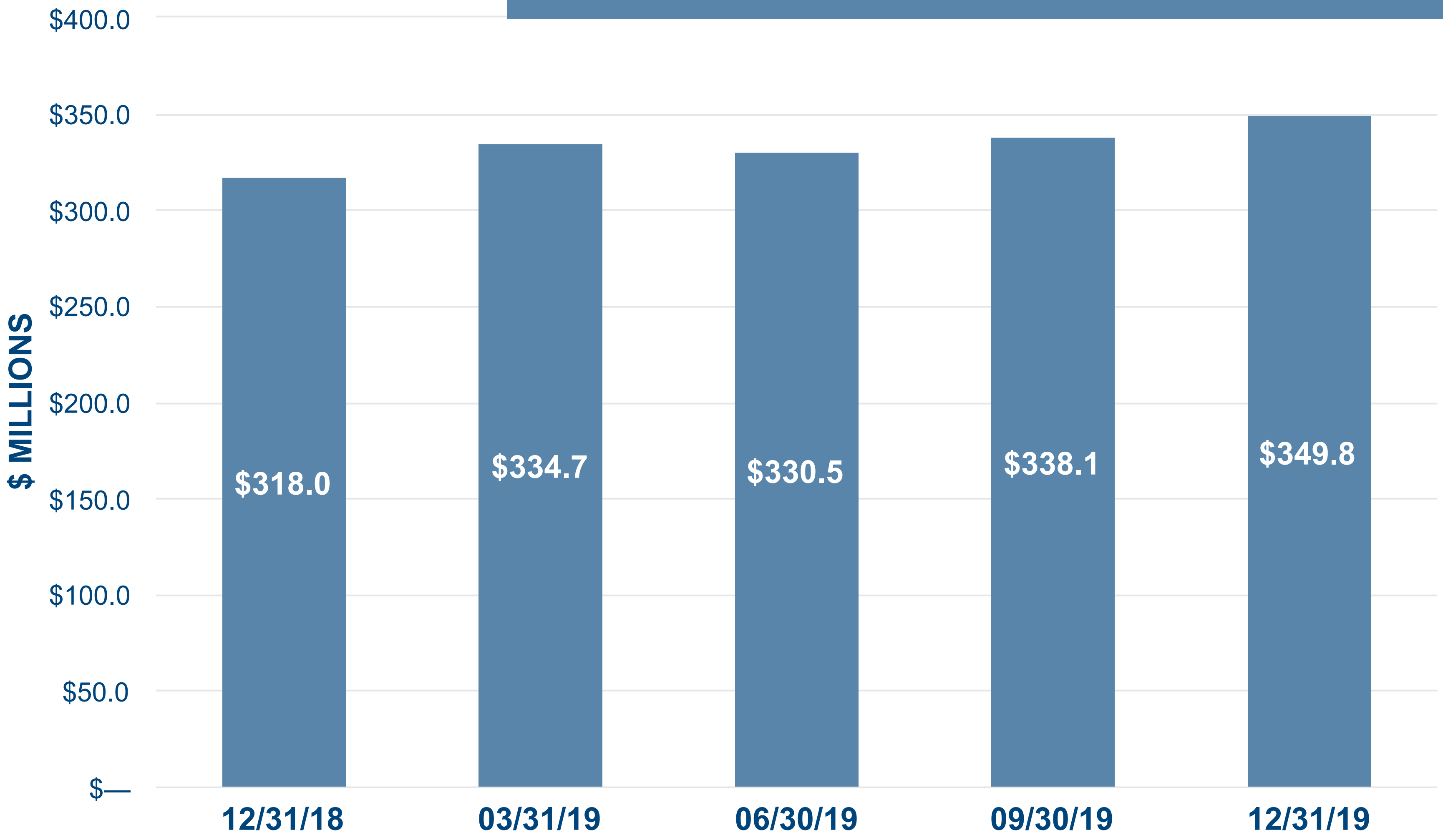
Significant Drivers

- **Operating Cash Flow in Q4 is $8.8M and YTD 2019 is $13.4M**
- Unbilled revenue down $23.5M compared to 12/31/18 and $2.7M compared to 9/30/19
- A/R is up $24.2M from 12/31/18
- Net debt was $74.7M as of 12/31/19 reduced from $103.1M as of 11/4/19
- Leverage ratio 2.3 as of 12/31/19 compared to 2.9 as of 12/31/18 and 3.3 as of 9/30/19

(unaudited) ($ in thousands)	December 31, 2018	December 31, 2019
Cash	$ 13,417	$ 8,159
Accounts receivable	107,673	131,852
Unbilled revenue	80,764	57,229
Prepaid expenses & other	19,048	19,115
Total current assets	220,902	216,355
Property, plant & equipment	5,859	5,803
Operating lease assets	—	27,251
Goodwill & intangible assets, net	197,057	187,907
Other assets	10,920	11,586
Total assets	$ 434,738	$ 448,902
Accounts payable	$ 93,254	$ 92,332
Current portion lease liabilities	—	7,871
Deferred revenue	23,704	23,234
Total current liabilities	116,958	123,437
Long-term debt	116,500	82,870
Long-term portion lease liabilities	—	22,159
Other non-current liabilities	14,711	10,522
Stockholders' Equity	186,569	209,914
Total	$ 434,738	$ 448,902

Backlog Trending

- Backlog up $31.8M, or 10.0%, from reported 12/31/18
- Backlog up approx. $50M or 17% when divested businesses excluded from 12/31/18 backlog



Q&A

Appendices

Non-GAAP Reconciliation – Adjusted EBITDA(1)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2019	2018	2019	2018
Net Income	$ 9,495	$ 385	$ 15,189	$ 9,836
Interest Expense	1,206	1,314	6,058	2,945
Income Tax Expense	4,772	763	7,180	4,927
Depreciation & Amortization	2,490	2,251	9,482	7,921
EBITDA	**$ 17,963**	$ 4,713	**37,909**	25,629
ADJUSTMENTS:				
Non-Cash Stock Compensation	1,656	809	5,595	4,310
Restructuring Charges	234	—	1,639	2,930
Severance Expense	206	515	2,232	515
Gain on Contingent Consideration	—	(466)	(677)	(4,438)
ERP Implementation Costs	585	1,081	2,188	4,037
Foreign Currency Transaction (Gains) Losses	(334)	274	718	2,298
Legal Acquisition & Transaction Costs	621	569	1,291	1,680
(Gain) Loss on Divested Business	**(12,126)**	—	**(12,126)**	956
Loss on Settlement with Foreign Oil & Gas Client	**2,154**	—	**2,154**	—
Adjusted EBITDA	**$ 10,959**	$ 7,495	**$ 40,923**	$ 37,917

(1) Adjusted earnings before interest, income taxes, depreciation and amortization (Adjusted EBITDA) is a widely used non-GAAP financial measure of operating performance. It is presented as supplemental information that the Company believes is useful to investors to evaluate its results because it excludes certain items that are not directly related to the Company's core operating performance. Adjusted EBITDA is calculated by adding back to net income interest expense, income tax expense, depreciation and amortization, non-cash stock compensation expense, gain or loss on the change in fair value of contingent consideration and other unusual or infrequently occurring items. For the periods presented, these other items are restructuring charges, severance expense, ERP implementation costs, foreign currency transaction losses, legal acquisition & transaction costs, loss on (gain) loss on divested business and loss on settlement with foreign oil & gas client. Adjusted EBITDA should not be considered as a substitute either for net income, as an indicator of the Company's operating performance, or for cash flow, as a measure of the Company's liquidity. In addition, because Adjusted EBITDA may not be calculated identically by all companies, the presentation here may not be comparable to other similarly titled measures of other companies.

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Non-GAAP Reconciliation – Adjusted EPS(1) Q4

($ in thousands, except per share amounts) (Unaudited)	Three Months Ended December 31,					
	2019			2018		
	Gross	Net of Tax	EPS	Gross	Net of Tax	EPS
			$ 0.56			$ 0.02
ADJUSTMENTS:						
Restructuring Charges	$ 234	$ 125	0.01	$ —	$ —	—
Severance Expense	206	92	0.01	515	381	0.02
Gain on Contingent Consideration	—	—	—	(466)	(344)	(0.02)
ERP Implementation Costs	585	359	0.02	1,081	799	0.05
Foreign Currency Transaction (Gains) Losses	(334)	(253)	(0.01)	274	203	0.01
Legal Acquisition & Transaction Costs	621	406	0.02	569	421	0.03
Settlement of Contingent Consideration in Shares	275	176	0.01	—	—	—
Gain on Divested Business	(12,126)	(8,234)	(0.48)	—	—	—
Loss on Settlement with Foreign Oil & Gas Client	2,154	1,463	0.09	—	—	—
Adjusted EPS			**$ 0.23**			**$ 0.11**

(1) Adjusted Earnings per Diluted Share ("Adjusted EPS"), is a widely used non-GAAP financial measure of operating performance. It is presented as supplemental information that the Company believes is useful to investors to evaluate its results because it excludes certain items that are not directly related to the Company's core operating performance. Adjusted EPS is calculated by adding back to earnings per share gain or loss on the change in fair value of contingent consideration and other unusual or infrequently occurring items. For the periods presented, these other items are restructuring charges, severance expense, ERP implementation costs, foreign currency transaction (gains) losses, legal acquisition & transaction costs, settlement of contingent consideration in shares, gain on divested business and loss on settlement with foreign oil & gas client. Management uses Adjusted EPS to assess total Company operating performance on a consistent basis. We believe that this non-GAAP financial measure, which excludes the gain or loss on the change in fair value of acquisition-related contingent consideration and other special charges, when considered together with our GAAP financial results, provides management and investors with an additional understanding of our business operating results, including underlying trends.

Non-GAAP Reconciliation – Adjusted EPS(1) YTD December

($ in thousands, except per share amounts) (Unaudited)	Twelve Months Ended December 31,					
	2019			2018		
	Gross	Net of Tax	EPS	Gross	Net of Tax	EPS
			$ 0.90			$ 0.59
ADJUSTMENTS:						
Restructuring Charges	$ 1,639	$ 1,113	0.07	$ 2,930	$ 2,166	0.13
Severance Expense	2,232	1,516	0.09	515	381	0.02
Gain on Contingent Consideration	(677)	(460)	(0.03)	(4,438)	(3,281)	(0.20)
U.S. Tax Cuts & Jobs Act of 2017	—	—	—	275	275	0.02
ERP Implementation Costs	2,188	1,486	0.09	4,037	2,984	0.18
Foreign Currency Transaction Losses	718	488	0.03	2,298	1,699	0.10
Legal Acquisition & Transaction Costs	1,291	877	0.05	1,680	1,242	0.07
Settlement of Contingent Consideration in Shares	700	475	0.03	—	—	—
(Gain) Loss on Divested Business	(12,126)	(8,234)	(0.48)	956	707	0.04
Loss on Settlement with Foreign Oil & Gas Client	2,154	1,463	0.09	—	—	—
Reversal of Contingent Interest	—	—	—	(1,094)	(808)	(0.05)
Adjusted EPS			**$ 0.84**			**$ 0.90**

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Non-GAAP Reconciliation – Organic Revenue Growth(1) Q4

($ in thousands) (Unaudited)	Three Months Ended December 31,					
	2019	2018	2019	2018	2019	2018
	Consolidated		Workforce Excellence Segment		Business Transformation Segment	
GAAP revenue	$ 155,399	$ 132,871	$ 86,796	$ 77,770	$ 68,603	$ 55,101
GAAP revenue growth	17.0 %		11.6 %		24.5 %	
Less: Acquisition and divestiture revenue	(7,001)		1,332		(8,333)	
Add: Foreign currency impact on revenue	303		170		133	
Non-GAAP revenue on constant currency basis	$ 148,701		$ 88,298		$ 60,403	
Organic revenue growth on constant currency basis	11.9 %		13.5 %		9.6 %	

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Non-GAAP Reconciliation – Organic Revenue Growth(1) YTD December

($ in thousands) (Unaudited)	Twelve Months Ended December 31,					
	2019	2018	2019	2018	2019	2018
	Consolidated		Workforce Excellence Segment		Business Transformation Segment	
GAAP revenue	$ 583,290	$ 515,160	$ 329,795	$ 316,814	$ 253,495	$ 198,346
GAAP revenue growth	13.2 %		4.1 %		27.8 %	
Less: Acquisition and divestiture revenue	(48,020)		(2,668)		(45,352)	
Add: Foreign currency impact on revenue	7,505		5,577		1,928	
Non-GAAP revenue on constant currency basis	$ 542,775		$ 332,704		$ 210,071	
Organic revenue growth on constant currency basis	5.4 %		5.0 %		5.9 %	

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