

Interim results for the six months ended 30 June 2024

***Continued actions to strengthen performance amidst challenging market conditions***

<b>Group financial summary</b> Six months ended 30 June	<b>2024</b>	<b>2023</b>	<b>Change</b>	<b>CC change*</b>
Revenue	<b>£459.3m</b>	£548.3m	(16%)	(13%)
Gross profit (net fee income)	<b>£166.1m</b>	£202.3m	(18%)	(14%)
Operating profit	<b>£0.2m</b>	£11.2m	(98%)	(96%)
Conversion rate %**	<b>0.1%</b>	5.5%	(5.4) pp	
(Loss)/Profit before taxation	<b>£(2.3)m</b>	£8.1m	nm	
Basic (loss)/earnings per share	<b>(3.7)p</b>	7.8p	nm	
Interim dividend per share	<b>6.5p</b>	6.5p	-	
Net cash***	<b>£48.8m</b>	£69.8m	nm	

\* Constant currency is calculated by applying prior year exchange rates to local currency results for the current and prior years and denoted by \*\* throughout this announcement

\*\* Conversion rate is calculated by expressing operating profit as a proportion of net fee income.

\*\*\* Net cash is cash and cash equivalents net of bank overdrafts and borrowings.

'nm' denotes where change is 'not measured'

**Group strategic and operational summary**

- Group net fee income down 14%\* to £166.1m, reflecting the rebasing in hiring market conditions relative to the post-pandemic peak.
  - Specialist professional recruitment net fee income down 12%\*, with permanent (66% of fees) down 14%\* and temporary (33% of fees, being contract and interim) more resilient and down 9%\*.
  - Recruitment outsourcing net fee income down 23%\*.
  - Fees remain geographically well-diversified, with no single country accounting for more than a sixth of Group net fee income in the first half.
- Operating profit of £0.2m (H1 2023: £11.2m), reflective of the reduced trading volumes, the operating leverage of the Group's model and the foreign exchange impact particularly from the Japanese Yen. Included in operating costs is c.£2m of redundancy costs.
- Period end headcount down 15% year-on-year to 3,625 (30 June 2023: 4,280). The Group continues to match headcount with demand in local markets, whilst being well-positioned for an improvement in conditions.
- Actions to strengthen medium-term performance in progress, including: differentiating on the quality of service; better penetration of existing markets; and improved fee earner productivity and people efficiency, underpinned by technology.
- Balance sheet remains strong, with period-end net cash of £48.8m (30 June 2023: £69.8m).
- Reflecting the strong balance sheet and actions taken to date to ensure the business is well-positioned for an improvement in end markets, interim dividend maintained at 6.5p per share.

**Toby Fowlston, Chief Executive, commented:**

*"During the first half, the business continued to experience challenging hiring market conditions. This reflects the sustained period of lower client and candidate confidence impacting the sector since hiring markets reached their most recent peak in the second quarter of 2022. This had a marked impact on our financial performance during the first half.*

*Our near-term planning assumes that any material improvement in confidence levels will be gradual, and likely not occur before 2025, however 2024 is not a lost year. We are implementing the key elements of our medium-term plan to further strengthen the business. We are pursuing the right actions to continue to differentiate Robert Walters on the quality of its service, drive higher penetration in our existing markets, and improve productivity and people efficiency. We look forward to sharing fuller details on our activities at our capital markets event in September."*

## Group trading summary

Net fee income Six months ended 30 June £m unless stated otherwise	2024	2023	Change <sup>1</sup>	Constant currency change <sup>1</sup>
<b>Specialist professional recruitment</b>	<b>139.6</b>	<b>167.6</b>	<b>(17%)</b>	<b>(12%)</b>
<i>Of which permanent</i>	91.8	112.9	(19%)	(14%)
<i>Of which temporary</i>	46.8	53.9	(13%)	(9%)
<i>Perm % mix</i>	66%	67%	(1) pp	n/a
<i>Temp % mix</i>	33%	32%	1 pp	n/a
<b>Recruitment outsourcing</b>	<b>26.5</b>	<b>34.7</b>	<b>(24%)</b>	<b>(23%)</b>

<sup>1</sup>Percentage movements throughout this announcement are based on full unrounded results, not the rounded figures in the tables.

NB c.1% of specialist professional recruitment net fee income is classified as 'Other', and not categorised in either perm or temp. As such the aggregate of perm and temp % mix may not sum to 100%.

- **Asia-Pacific** (42% of Group net fee income): net fee income down 13%\*, with specialist professional recruitment down 10%\* and recruitment outsourcing down 30%\*. Japan grew by 2%\* and Greater China (-8%\*) demonstrated relative resilience. Conditions in Australia and New Zealand (-21%\*) remain tough.
- **Europe** (34% of Group net fee income): net fee income down 13%\*, almost wholly reflecting specialist professional recruitment (-13%\*). Softness in France (-18%\*) was compounded by recent political uncertainty, with both the Netherlands (-9%\*) and Belgium (-3%\*) more resilient.
- **UK** (16% of Group net fee income): net fee income down 18%, with specialist professional recruitment down 20% and recruitment outsourcing down 17%. London (-16%) developed sequential momentum, whilst the regions (-25%) remain softer.
- **Rest of World** (8% of Group net fee income): net fee income down 15%\*, with specialist professional recruitment down 9%\* and recruitment outsourcing down 24%\*. The Middle East (-4%\*) was sequentially stable across the first half, with a solid performance also seen in Mexico (+1%\*). The USA (-18%\*) remains challenging.

## Outlook

Current trading remains unchanged from that reported at the Company's second quarter update on 15 July 2024. Notwithstanding challenging markets, good progress was made on cost reduction during the first half. Further momentum is expected as we move through the year, helping to mitigate the second half year-on-year fee income impact to an even greater degree than achieved during the first half.

## Results presentation

The Company will host a results presentation webcast at 8:30am today, accessible live via the following link:

[https://brrmedia.news/RWA\\_HY24](https://brrmedia.news/RWA_HY24)

A recording of the presentation and subsequent conference call will be available on the Company's website shortly after the event.

## Capital markets event

As previously announced, the Company will host a capital markets event on Thursday 26 September 2024 at its central London offices, starting at 2pm. To register, please contact [investor.relations@robertwalters.com](mailto:investor.relations@robertwalters.com).

- Ends -

## Enquiries

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### About Robert Walters

Established in 1985, Robert Walters is a global talent solutions business operating in 31 countries across the globe. We support organisations to build high-performing teams, and help professionals to grow meaningful careers. Our client base ranges from the world's leading blue-chip corporates through to SMEs and start-ups.

We deliver three core services:

- **Specialist professional recruitment** – encompassing permanent and temporary recruitment, executive search and interim management.
- **Recruitment outsourcing** – enabling organisations to transfer all, or part of, their recruitment needs to us either through recruitment process outsourcing (RPO) or contingent workforce solutions (CWS).
- **Talent Advisory** – supporting the growth of organisations through market intelligence, talent development, and future of work consultancy.

Our approximately 3,600 employees are passionate about powering people and organisations to fulfil their unique potential. We take the time to listen to, and fully connect with, the people and organisations we partner with. Our ability to truly understand them and create and share their compelling stories is what sets us apart.

[www.robertwalters.com](http://www.robertwalters.com)

### Forward looking statements

This announcement contains certain forward-looking statements. These statements are made by the directors in good faith based on the information available to them at the time of their approval of this announcement and such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information.

## **CHIEF EXECUTIVE'S REVIEW**

During the first half, the business faced the challenging conditions of current hiring markets. Since hiring markets reached their most recent peak in the second quarter of 2022, there has been a material, and now sustained, period of lower client and candidate confidence. In this context, our business was not immune, as seen by first-half Group net fee income which was down 14%\* on the prior year and a reported loss before tax. As disappointing as those financial results are, the challenging market conditions we face also bring with them opportunities. For my leadership team and I, it has served to deepen our conviction in our medium-term plan to further strengthen the business.

During the first half, in addition to tightly managing the cost base and pursuing operational excellence, we took steps to clarify the key elements of our medium-term plan and to pursue the right actions.

### **People**

At Robert Walters, our purpose is to power people and organisations to fulfil their unique potential. Our clients rely on us to understand their unique business strategy, culture and hiring needs, and match that with the highest quality talent. People leadership is, therefore, essential to how we run our own business – including creating an environment which allows all of our people, whatever their background, to perform to the best of their ability.

A hugely important element of people leadership has been having the right people in the right roles within my immediate team. The team I am privileged to lead combines several decades of Robert Walters experience with recent key hires who bring fresh perspectives, complementary business experience, critical core competences, and have made an immediate positive impact on the business in the first half.

More widely across our business, we have defined our key leadership behaviours, placing an emphasis on authenticity, care and an entrepreneurial mindset. As a relationship-based recruiter, in our specialist professional recruitment offering for example, these behaviours will continue to help us differentiate our services from purely transactional competitors, and ensure that our pipeline is consistently bringing through future leaders. This approach also positions us strongly for when the pace of hiring in our markets begins to accelerate, underpinned by the trusted relationships we have nurtured with our clients and candidates through challenging markets.

### **Geographical penetration**

We have well-scaled businesses in some of the largest hiring markets globally. However, we also have businesses in mid-sized markets where Robert Walters is not yet a top three competitor. We see an opportunity to develop our portfolio, appropriately and selectively scaling in our existing markets that most excite us.

Our Japan business best exhibits this blueprint. Since launching in Tokyo in 1999, our Japan business has grown to contain over 70 teams, serving increasingly specialised industry verticals. With the structural tailwind of acute labour shortages in Japan forecast for the next few decades, Robert Walters has a differentiated offering particularly catering to bilingual candidates and the multinational enterprises that seek them. This combines to support sustainably strong fee rates and a well-above Group average conversion rate.

In continental Europe, Belgium, the Netherlands and France stand out in terms of their critical mass. These businesses are more evenly-weighted between perm and temp than the two-thirds (perm) one-third (temp) specialist professional recruitment global average seen during the first half. Specifically on

the temp side, we are building competency in the 'interim' space – being senior executive and mid-managerial candidates able to bring their experience to bear for clients over shorter fixed terms.

We will continue to pursue geographical penetration as a key driver of our medium-term organic growth strategy.

### **Fee earner productivity and people efficiency**

As a business, we are increasingly focused on fee earner productivity and, more broadly, people efficiency.

Looked at in terms of perm placements per fee earner per month, our regions are at different levels of productivity today relative to their most recent peaks in the second quarter of 2022. In Asia-Pacific, whilst North-East Asia, South-East Asia and Greater China are approaching their recent peak fee earner productivity, Australia & New Zealand remain further behind. In some of our European markets, fee earner productivity has surpassed the post-pandemic peak, whilst the UK, though much improved over the first half, still lags. We will continue to closely monitor fee earner productivity trends in the second half, using the data to ensure we are adequately matched to demand in our local markets, whilst well-positioned for a sustained improvement in confidence levels as and when they arrive.

There is also work to be done to ensure our non-fee earner headcount is appropriately based and structured to support the needs of our global business. We are reviewing the best operating model for our central support functions (finance, HR, legal, marketing and technology) to determine whether roles should be based in each of our trading markets – as is sometimes optimal – or 'offshore' in service centres that cater for a whole region.

Fee earner productivity and wider people efficiency is also underpinned by our technology. During the first half we extended the rollout of 'Zenith', our custom-built CRM, to our teams in the UK, Ireland and South Africa. Currently, 60% of the Group's markets are now benefiting from this significant upgrade. As a great example of how we are leveraging the benefits of generative AI in our human relationship-based business, our AI job ad writer was integrated into Zenith during the first half – giving our fee earners more time to invest in client and candidate relationships.

Finally, we are also giving thought to our office footprint. Our offices are where our people come together to collaborate and be close to the clients and candidates they serve. However, the needs we have in this area have evolved, particularly given the changes brought by the pandemic. Since I became Group Chief Executive, and in recognition of this, we have consolidated our office footprint in Australia, France, Malaysia, the Netherlands, Thailand, the UK and the USA, being very clear that the consolidated in-country network enables our people to more effectively serve their clients and candidates. We can see further opportunities in this area.

### **Winning as one Robert Walters**

Just after the end of the first half, we externally launched our new brand identity – bringing the multiple brands through which we have traded historically under the single banner of 'Robert Walters'. At its core, the brand unification will enable us to better serve our clients and will help us fulfil our vision to be the world's most trusted talent solutions business.

We know that the talent requirements and hiring processes of businesses have arguably evolved more rapidly in the last four years than the 20 that preceded them. We also know that the needs and expectations of today's professionals are changing just as quickly. In response, we have combined all of our expertise, across specialist professional recruitment, recruitment outsourcing and talent advisory, to go to market as one, enabling us to offer a full suite of talent solutions to help organisations address their hiring challenges.

As our clients benefit from the solutions we offer as one Robert Walters, we see a clear opportunity to introduce them to the full suite of our offering where we currently only partner with them in one area. For example, client awareness of our recruitment process outsourcing offering is just 11%, compared to considerably higher levels for professional recruitment. Our move to one Robert Walters will help us convert this opportunity.

### **Conclusion**

As I conclude this review, I want to recognise our people – who make Robert Walters such a great place to work. The current market conditions mean we must demonstrate tenacity and resilience to an even greater extent than during the hiring surge of the recent past, and I see this dedication in action from so many of our people each day.

I believe we have clear opportunities within our grasp to further strengthen Robert Walters over the medium-term and, together with all our people, I'm excited to do so on behalf of all our stakeholders.

**Toby Fowlston**  
**Chief Executive Officer**  
**31 July 2024**

## OPERATING REVIEW

### Asia Pacific (42% of Group net fee income)

The Group's Asia-Pacific business comprises the specialist professional recruitment offering in North-East Asia (Japan and South Korea), Australia & New Zealand, South-East Asia (Indonesia, Malaysia, Philippines, Singapore, Thailand and Vietnam) and Greater China (Mainland China, Hong Kong and Taiwan), as well as the region-wide recruitment outsourcing offering. Recruitment outsourcing accounted for 10% of Asia-Pacific net fee income in the first half.

Six months ended 30 June £m unless otherwise stated	2024	2023	Change <sup>1</sup>	% Chg. <sup>1</sup> CCY
<b>Net fee income</b>	<b>70.0</b>	<b>87.2</b>	<b>(20%)</b>	<b>(13%)</b>
Specialist professional recruitment	63.3	77.1	(18%)	(10%)
Recruitment outsourcing	6.7	10.1	(33%)	(30%)
<i>Spec. professional recruitment Perm % mix</i>	<i>72%</i>	<i>72%</i>	-	
<i>Spec. professional recruitment Temp % mix</i>	<i>27%</i>	<i>27%</i>	-	
Operating costs	(66.9)	(78.6)	(15%)	(7%)
<b>Operating profit</b>	<b>3.1</b>	<b>8.6</b>	<b>(64%)</b>	<b>(62%)</b>
Conversion rate	4.4%	9.8%	(5.4) pp	n/a

<sup>1</sup>Percentage movements throughout this announcement are based on full unrounded results, not the rounded figures in the tables.

NB c.1% of specialist professional recruitment net fee income is classified as 'Other', and not categorised in either perm or temp. As such the aggregate of perm and temp % mix may not sum to 100%.

#### Specialist professional recruitment

H1 net fee income was down 10%\*, with both perm and temp fees lower year-on-year by this proportion and the perm/temp mix therefore unchanged. The reduction in perm fee income was driven by lower placement volumes, reflective of market conditions, with average fees broadly stable. The reduction in temp fee income was driven by lower temp volumes year-on-year, with the most marked reduction in Australia and New Zealand where, in the case of the latter, the government reduced the use of temp labour following the late 2023 national elections.

Elsewhere in the region, fee income was resilient in North-East Asia (-1%\*), driven by a 2%\* increase in Japan where both the number of temps working and fee earner productivity in perm were up marginally on the prior year. As a result of the foreign exchange headwind from the weaker Japanese Yen, in reported terms Japan net fee income was down 12% on the prior year. Greater China net fee income was down 8%\*, with a strong performance in mainland China (+13%\*) - where new leadership has re-focused the go-to-market strategy - more than offset by Hong Kong (-23%\*), where financial services sectoral confidence levels remain low. In South-East Asia, net fee income was down 15%\* on the prior year, with a lengthened time-to-hire observed particularly for more senior roles.

#### Recruitment outsourcing

H1 net fee income was down 30%\*, reflecting lower hiring volumes from the largely financial services-weighted client base.

#### Operating costs

Operating costs were down 7%\*. Period end headcount reduced by 14% year-on-year, with a reduction in both fee earners and support staff.

## Europe (34% of Group net fee income)

The Group's Europe business predominantly comprises the specialist professional recruitment offering in Northern Europe (Belgium, France, Germany, Ireland, the Netherlands and Switzerland) and Southern Europe (Italy, Portugal and Spain). Recruitment outsourcing accounted for 1% of Europe net fee income in the first half.

Six months ended 30 June £m unless otherwise stated	2024	2023	Change <sup>1</sup>	% Chg <sup>1</sup> CCY
<b>Net fee income</b>	<b>56.5</b>	<b>66.5</b>	<b>(15%)</b>	<b>(13%)</b>
Specialist professional recruitment	56.0	65.7	(15%)	(13%)
Recruitment outsourcing	0.5	0.8	(44%)	(45%)
<i>Spec. professional recruitment Perm % mix</i>	<i>53%</i>	<i>56%</i>	<i>(3) pp</i>	
<i>Spec. professional recruitment Temp % mix</i>	<i>47%</i>	<i>44%</i>	<i>3 pp</i>	
Operating costs	(54.1)	(62.2)	(13%)	(11%)
<b>Operating profit</b>	<b>2.4</b>	<b>4.3</b>	<b>(45%)</b>	<b>(42%)</b>
Conversion rate	4.2%	6.5%	(2.3) pp	n/a

<sup>1</sup>Percentage movements throughout this announcement are based on full unrounded results, not the rounded figures in the tables.

NB c.1% of specialist professional recruitment net fee income is classified as 'Other', and not categorised in either perm or temp. As such the aggregate of perm and temp % mix may not sum to 100%.

### Specialist professional recruitment

H1 net fee income was down 13%\*, with perm down 17%\*, whilst temp (-7%\*) was more resilient – thereby growing its share of the mix year-on-year. The reduction in perm fee income was broadly proportionate with lower placement volumes year-on-year, whilst average fees were stable. Lower temp fee income is reflective of lower temp volumes, with weaker conditions in the Group's largest European temp markets of France and the Netherlands partly offset by growth in Belgium.

In the Group's largest European market of France, H1 fee income was down 18%\*. Muted confidence amongst French clients and candidates as the year began (reflected in Q1 fee income -15%\* year-on-year) was further impacted towards the end of the half by political uncertainty. Combined with the Paris Olympics, this pulled forward the commencement of the seasonal lull in hiring activity typically seen during the third quarter. Netherlands (-9%\*) was more resilient and has been broadly stable sequentially since the third quarter of 2023, whilst Belgium (-3%\*) annualised a record H1 prior year comparative. The continued rebasing in market conditions relative to the post-pandemic peak was also seen in Spain (-19%\*), which also annualised a record level of H1 fee income in 2023. In Germany (-13%\*), the group's fifth largest European market, performance improved as the half progressed (Q1: -21%\* year-on-year, Q2: -4%\* year-on-year).

### Operating costs

Operating costs were down by 11%\*. Period end headcount fell 21% year-on-year, with a reduction in both fee earners and support staff.



## UK (16% of Group net fee income)

The Group's UK business comprises the specialist professional recruitment offering in London and the regions, as well as recruitment outsourcing and talent advisory services. Recruitment outsourcing is the most material in the UK of any of the Group's reportable segments, accounting for 56% of net fee income in the first half. As well as Robert Walters co-locating its people on client sites to perform volume hiring (in common with the other reportable segments), UK recruitment outsourcing also includes the provision of contingent workforce solutions such as the fledgling, but high growth, 'Workforce Consultancy' offering.

Six months ended 30 June £m unless otherwise stated	2024	2023	% Change <sup>1</sup>
<b>Net fee income</b>	<b>26.3</b>	<b>32.3</b>	<b>(18%)</b>
Specialist professional recruitment	11.4	14.4	(20%)
Recruitment outsourcing	14.9	17.9	(17%)
<i>Spec. professional recruitment Perm % mix</i>	<i>74%</i>	<i>75%</i>	<i>(1) pp</i>
<i>Spec. professional recruitment Temp % mix</i>	<i>26%</i>	<i>25%</i>	<i>1 pp</i>
Operating costs	(28.6)	(32.2)	(11%)
<b>Operating (loss)/ profit</b>	<b>(2.3)</b>	<b>0.1</b>	<b>nm</b>
Conversion rate	nm	0.2%	n/a

<sup>1</sup>Percentage movements throughout this announcement are based on full unrounded results, not the rounded figures in the tables.

NB c.1% of specialist professional recruitment net fee income is classified as 'Other', and not categorised in either perm or temp. As such the aggregate of perm and temp % mix may not sum to 100%.

### Specialist professional recruitment

H1 net fee income was down 20%, with perm fee income down 21% and temp slightly more resilient – with its mix share marginally up as a result. Lower perm fee income was driven by lower placement volumes, with average fees up year-on-year. Lower temp fee income reflects the lower temp volumes year-on-year. In London (-16%), improved momentum (Q1: -26% year-on-year, Q2: -6% year-on-year) was driven by two consecutive quarters of sequential growth, led by the accounting and finance vertical. Conditions were softer in the regions (-25%), however sequential momentum was stable as the half closed (Q2 fee income up 4% v. Q1).

### Recruitment outsourcing

H1 net fee income was down 17%, primarily driven by lower perm hiring volumes through the predominantly financial services sector client base. Client confidence levels re-set sharply lower in the first quarter of 2023 and, though recovery commenced through the first half of this year, perm hiring requirements still lagged those of a year ago. The lower confidence levels were also seen in volume temp hiring requirements being more resilient year-on-year.

Although still a modest proportion of UK recruitment outsourcing net fee income today, Workforce Consultancy continued to perform well during the first half – and indeed ahead of management's expectations. Having been launched in 2022, and initially offered to existing Robert Walters' clients only, first half fee income was up 40% on the prior year, with a product conversion ratio in excess of 30%.

### Operating costs

Operating costs were down by 11%. Period end headcount fell 8% year-on-year, with a reduction in both fee earners and support staff.

## Rest of World (8% of Group net fee income)

The Group's Rest of World business comprises the specialist professional recruitment offering in North America (Canada and USA), South America (Brazil, Chile and Mexico), the Middle East and South Africa, as well as the region-wide recruitment outsourcing and talent advisory offering. Recruitment outsourcing accounted for 33% of Rest of World net fee income in the first half.

Six months ended 30 June £m unless otherwise stated	2024	2023	Change <sup>1</sup>	% Chg. <sup>1</sup> CCY
<b>Net fee income</b>	<b>13.3</b>	<b>16.3</b>	<b>(18%)</b>	<b>(15%)</b>
Specialist professional recruitment	8.9	10.3	(14%)	(9%)
Recruitment outsourcing	4.4	6.0	(26%)	(24%)
<i>Spec. professional recruitment Perm % mix</i>	<i>98%</i>	<i>100%</i>	<i>(2) pp</i>	
<i>Spec. professional recruitment Temp % mix</i>	<i>1%</i>	<i>-</i>	<i>1 pp</i>	
Operating costs	(16.3)	(18.1)	(9%)	(6%)
<b>Operating loss</b>	<b>(3.0)</b>	<b>(1.8)</b>	<b>nm</b>	<b>nm</b>
Conversion rate	nm	nm	n/a	n/a

<sup>1</sup>Percentage movements throughout this announcement are based on full unrounded results, not the rounded figures in the tables.

NB c.1% of specialist professional recruitment net fee income is classified as 'Other', and not categorised in either perm or temp. As such the aggregate of perm and temp % mix may not sum to 100%.

### Specialist professional recruitment

H1 net fee income was down 9%\*, almost wholly reflecting perm performance. Lower perm placement volumes were partially offset by growth in average fees year-on-year in both North and South American markets.

H1 fee income in the Middle East, the Group's largest Rest of World market, was down 4%\* and stable sequentially across the first two quarters. Meanwhile, in the USA (-18%\*), hiring conditions in the technology sector remained tough. Mexico (+1%\*) saw the strongest performance of the South American markets. While Chile (-13%\*) was softer, it remains an attractive market given its prospects for continued export-led GDP growth.

### Recruitment outsourcing

H1 net fee income was down 24%\*, largely driven by lower levels of volume hiring in perm on behalf of financial services clients.

### Operating costs

Operating costs fell by 6%\*. Period end headcount was 24% lower year-on-year, with reductions in both fee earners and support staff.

## FINANCIAL REVIEW

These financial results have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the United Kingdom.

### Group statutory results

The headline statutory financial results for the Company are presented below.

£m	Six months ended 30 June 2024	Six months ended 30 June 2023
Revenue	459.3	548.3
Cost of sales	(293.2)	(346.0)
<b>Gross profit (net fee income)</b>	<b>166.1</b>	202.3
Administrative expenses	(165.9)	(191.1)
<b>Operating profit</b>	<b>0.2</b>	11.2
Net finance costs	(2.0)	(2.2)
Loss on foreign exchange	(0.5)	(0.9)
<b>(Loss)/profit before tax</b>	<b>(2.3)</b>	8.1
Taxation	(0.1)	(2.8)
<b>(Loss)/profit for the period</b>	<b>(2.4)</b>	5.3
<b>Attributable to:</b>		
Equity holders of the Company	(2.4)	5.3

### Revenue

Revenue for the Group is the total income from the placement of permanent and temporary (comprising contract and interim) staff, and therefore includes the remuneration costs of temporary candidates and the total cost of advertising recharged to clients. It also includes outsourcing fees, consultancy fees and the margin derived from payrolling contracts charged by Robert Walters to its clients. Revenue in the period decreased by 16% to £459.3m.

### Gross profit (net fee income)

Net fee income is the total placement fees of permanent candidates, the margin earned on the placement of temporary candidates and the margin from advertising. It also includes the outsourcing, consultancy and payrolling margin earned by the Company. Net fee income is the primary financial top-line metric used to evaluate business performance.

Net fee income in the period decreased by 18% to £166.1m, principally driven by the lower volume of permanent placements and on-payroll temporary workers in specialist professional recruitment, and the lower level of volume hiring in recruitment outsourcing.

## **Operating profit**

Operating profit in the period decreased to £0.2m, reflecting the underlying trading performance and the inherent operating leverage in the Group's model whereby the lower net fee income (down 18%) was not proportionately matched, in the short-term, by lower operating costs (down 13%).

The majority of the Group's operating costs (c.70%) relate to staff, being front office fee earners (recruitment consultants) and non-fee earners (front office support staff as well as back-office support staff across various corporate functions such as finance, HR, IT, legal and marketing). Included in operating costs is c.£2m of redundancy costs incurred in the period.

## **Interest and financing costs**

The Group incurred a net interest charge for the period of £2.0m (H1 2023: £2.2m).

A foreign exchange loss of £0.5m (H1 2023: £0.9m) arose during the period on translation of the Group's intercompany balances and external borrowings.

## **Taxation**

The tax charge in the period was £0.1m (H1 2023: £2.8m), which is substantially lower than the expected effective tax rate for the full year due to the incidence of interim profits and losses in various overseas markets, versus the expected outturn in each market for the full financial year.

The effective tax rate ("ETR") for the full year is expected to be higher than the prior full-year ETR (2023 ETR: 36.0%), reflecting both the higher rate of taxation on profits in many of the overseas markets in which the Group operates, as well as the incidence of losses in a number of overseas markets in the current year.

## Cash flow and financing

Cash generated from operations in the period was £0.4m (H1 2023: £14.9m).

£m	Six months ended 30 June 2024	Six months ended 30 June 2023
Operating profit	0.2	11.2
Depreciation and amortisation charges	11.4	11.8
Other non-cash items	(2.2)	(0.8)
Increase in working capital	(9.0)	(7.3)
<b>Cash generated by operations</b>	<b>0.4</b>	<b>14.9</b>
Net interest and associated borrowing costs	(0.1)	(2.2)
Repayment of lease principal	(8.9)	(7.6)
Taxation	(3.5)	(4.3)
Capital expenditure – Intangibles	(3.4)	(2.7)
Capital expenditure – property, plant & equipment	(1.4)	(5.8)
<b>Free cash flow</b>	<b>(16.9)</b>	<b>(7.7)</b>
Share buyback	-	(1.9)
Equity dividends paid	(11.2)	(11.5)
Other	0.2	0.2
<b>Net movement in cash (exc. financing facility)</b>	<b>(27.9)</b>	<b>(20.9)</b>
Impact of foreign exchange	(3.2)	(6.4)
Opening net cash	79.9	97.1
<b>Closing net cash</b>	<b>48.8</b>	<b>69.8</b>

During the period, net cash decreased by £31.1m to £48.8m (31 December 2023 net cash: £79.9m).

Working capital increased during the period by £9.0m (H1 2023: £7.3m), reflecting the usual first half working capital cycle of the Group.

The Company was free cash flow negative in the period in the sum of £16.9m (H1 2023: £7.7m). Repayment of lease liabilities of £8.9m (H1 2023: £7.6m) relates to the Group's office estate. There were also additions in the right of use assets of £9.3m (H1 2023: £9.5m) relating to the Group's office estate which are non-cash items. Intangibles capital expenditure of £3.4m (H1 2023: £2.7m) principally comprises spend to further develop the Group's in-house CRM system. Property, plant and equipment capital expenditure of £1.4m (H1 2023: £5.8m) principally relates to the Group's office estate.

During the period, the average amount drawn on the Group's financing facility reduced and amounted to £14.6m at the period end (30 June 2023: £19.1m) as stronger cash management saw more cash repatriated to the UK, which resulted in a reduction in the related interest paid.

## Dividend

Reflecting the strong balance sheet, and the actions taken to date to ensure the business is well-positioned for an improvement in end markets, the Board has declared an interim dividend of 6.5p per share (H1 2023: 6.5p), which will be paid on 27 September 2024 to shareholders on the register on 30 August 2024.

**Foreign exchange impact**

The Group's primary overseas functional currencies are the Japanese Yen, the Euro and the Australian Dollar.

The impact of foreign exchange movements between H1 2024 and H1 2023 resulted in a £8.0m decrease in reported net fee income and a £0.2m decrease in operating profit for the Group.

**Principal risks and uncertainties**

The Group's principal risks and uncertainties, together with mitigating actions, are detailed on pages 52-58 of the Company's Annual Report & Accounts 2023. Since the publication of the Annual Report & Accounts, the Board has assessed the Group's risk profile and does not believe the principal risks and uncertainties are different in nature overall to those detailed.

**ROBERT WALTERS PLC**  
**HALF-YEARLY FINANCIAL RESULTS 2024**  
**CONDENSED CONSOLIDATED INCOME STATEMENT**

	Note	2024 6 mths to 30 June Unaudited £m	2023 6 mths to 30 June Unaudited £m	2023 12 mths to 31 Dec Audited £m
<b>Continuing operations</b>				
Revenue	3	459.3	548.3	1,064.1
Cost of sales		(293.2)	(346.0)	(677.3)
<b>Gross profit (net fee income)</b>	3	<b>166.1</b>	<b>202.3</b>	<b>386.8</b>
Administrative expenses		(165.9)	(191.1)	(360.5)
<b>Operating profit</b>	3	<b>0.2</b>	<b>11.2</b>	<b>26.3</b>
Finance income		0.4	0.2	0.6
Finance costs		(2.4)	(2.4)	(4.8)
Loss on foreign exchange		(0.5)	(0.9)	(1.3)
<b>(Loss) profit before taxation</b>	3	<b>(2.3)</b>	<b>8.1</b>	<b>20.8</b>
Taxation	4	(0.1)	(2.8)	(7.4)
<b>(Loss) profit for the period</b>		<b>(2.4)</b>	<b>5.3</b>	<b>13.4</b>
<b>(Loss) earnings per share (pence):</b>				
	6			
Basic		(3.7)	7.8	20.1
Diluted		(3.7)	7.4	19.0

**CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME AND EXPENSE**

	2024 6 mths to 30 June Unaudited £m	2023 6 mths to 30 June Unaudited £m	2023 12 mths to 31 Dec Audited £m
(Loss) profit for the period	(2.4)	5.3	13.4
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Exchange differences on translation of overseas operations	(5.1)	(10.7)	(8.6)
<b>Total comprehensive income and expense for the period</b>	<b>(7.5)</b>	<b>(5.4)</b>	<b>4.8</b>

**ROBERT WALTERS PLC**  
**HALF-YEARLY FINANCIAL RESULTS 2024**  
**CONDENSED CONSOLIDATED BALANCE SHEET**

	2024 30 June Unaudited £m	2023 30 June Unaudited £m	2023 31 December Audited £m
<b>Note</b>			
<b>Non-current assets</b>			
Intangible assets	36.1	30.9	33.8
Property, plant and equipment	13.5	15.7	15.3
Right-of-use assets	68.9	71.9	67.5
Lease receivables	3.8	-	4.0
Deferred tax assets	14.3	9.9	11.8
	<b>136.6</b>	<b>128.4</b>	<b>132.4</b>
<b>Current assets</b>			
Trade and other receivables	168.5	202.2	182.5
Lease receivables	1.0	-	0.8
Corporation tax receivables	4.1	5.9	4.3
Cash and cash equivalents	63.4	88.9	95.7
	<b>237.0</b>	<b>297.0</b>	<b>283.3</b>
<b>Total assets</b>	<b>373.6</b>	<b>425.4</b>	<b>415.7</b>
<b>Current liabilities</b>			
Trade and other payables	(123.7)	(155.8)	(148.0)
Corporation tax liabilities	(3.5)	(3.4)	(4.8)
Bank overdrafts and borrowings	7	(19.1)	(15.8)
Lease liabilities	(18.3)	(17.6)	(18.0)
Provisions	(1.5)	(1.0)	(0.7)
	<b>(161.6)</b>	<b>(196.9)</b>	<b>(187.3)</b>
<b>Net current assets</b>	<b>75.4</b>	<b>100.1</b>	<b>96.0</b>
<b>Non-current liabilities</b>			
Deferred tax liabilities	(0.1)	(2.0)	(0.2)
Lease liabilities	(62.1)	(58.9)	(61.2)
Provisions	(2.0)	(2.0)	(2.1)
	<b>(64.2)</b>	<b>(62.9)</b>	<b>(63.5)</b>
Total liabilities	<b>(225.8)</b>	<b>(259.8)</b>	<b>(250.8)</b>
<b>Net assets</b>	<b>147.8</b>	<b>165.6</b>	<b>164.9</b>
<b>Equity</b>			
Share capital	15.3	15.6	15.3
Share premium	22.6	22.6	22.6
Other reserves	(70.9)	(71.2)	(70.9)
Own shares held	(37.4)	(39.6)	(37.8)
Treasury shares held	(9.1)	(9.1)	(9.1)
Foreign exchange reserves	(2.6)	0.4	2.5
Retained earnings	229.9	246.9	242.3
<b>Equity attributable to owners of the Company</b>	<b>147.8</b>	<b>165.6</b>	<b>164.9</b>



**ROBERT WALTERS PLC**  
**HALF-YEARLY FINANCIAL RESULTS 2024**  
**CONDENSED CONSOLIDATED CASH FLOW STATEMENT**

	<b>2024</b> <b>6 mths to</b> <b>30 June</b> <b>Unaudited</b> <b>£m</b>	2023 6 mths to 30 June Unaudited £m	2023 12 mths to 31 Dec Audited £m
<b>Operating profit for the period</b>	<b>0.2</b>	<b>11.2</b>	<b>26.3</b>
<b>Adjustments for:</b>			
Depreciation and amortisation charges	11.4	11.8	24.0
Impairment of right-of-use assets	-	0.2	0.2
Gain on disposal of property, plant and equipment and computer software	-	(0.1)	(0.2)
Charge in respect of share-based payment transactions	0.8	2.2	0.7
Unrealised foreign exchange gain	(3.0)	(3.1)	(3.0)
<b>Operating cash flows before movements in working capital</b>	<b>9.4</b>	<b>22.2</b>	<b>48.0</b>
Decrease in receivables	9.5	10.8	32.2
Decrease in payables	(18.5)	(18.1)	(25.7)
<b>Cash generated from operating activities</b>	<b>0.4</b>	<b>14.9</b>	<b>54.5</b>
Income taxes paid	(3.5)	(4.3)	(9.0)
<b>Net cash (used in) generated from operating activities</b>	<b>(3.1)</b>	<b>10.6</b>	<b>45.5</b>
<b>Investing activities</b>			
Interest received	0.4	0.2	0.6
Investment in intangible assets	(3.4)	(2.7)	(7.6)
Purchases of property, plant and equipment	(1.4)	(5.8)	(8.3)
Sale of property, plant and equipment	-	-	1.1
<b>Net cash used in investing activities</b>	<b>(4.4)</b>	<b>(8.3)</b>	<b>(14.2)</b>
<b>Financing activities</b>			
Equity dividends paid	(11.2)	(11.5)	(15.8)
Interest paid	(0.5)	(0.7)	(1.4)
Interest on lease liabilities	-	(1.7)	-
Principal paid on lease liabilities	(8.9)	(7.6)	(15.9)
Proceeds from financing facility	16.4	6.5	10.4
Repayment of financing facility	(17.6)	(13.5)	(20.7)
Proceeds from issue of equity	0.2	0.2	-
Share buy-back for cancellation	-	(1.9)	(10.0)
Proceeds from exercise of share options	-	-	1.2
<b>Net cash used in financing activities</b>	<b>(21.6)</b>	<b>(30.2)</b>	<b>(52.2)</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(29.1)</b>	<b>(27.9)</b>	<b>(20.9)</b>
Cash and cash equivalents at beginning of the period	95.7	123.2	123.2
Effect of foreign exchange rate changes	(3.2)	(6.4)	(6.6)
<b>Cash and cash equivalents at end of the period</b>	<b>63.4</b>	<b>88.9</b>	<b>95.7</b>

**ROBERT WALTERS PLC**  
**HALF-YEARLY FINANCIAL RESULTS 2024**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**

	Share capital	Share premium	Other reserves	Own shares held	Treasury shares held	Foreign exchange reserves	Retained earnings	Total equity
	£m	£m	£m	£m	£m	£m	£m	£m
<b>Balance at 1 January 2023</b>	<b>15.8</b>	<b>22.6</b>	<b>(71.4)</b>	<b>(40.5)</b>	<b>(9.1)</b>	<b>11.1</b>	<b>255.4</b>	<b>183.9</b>
Profit for the period	-	-	-	-	-	-	5.3	5.3
Foreign currency translation differences	-	-	-	-	-	(10.7)	-	(10.7)
Total comprehensive income and expense for the period	-	-	-	-	-	(10.7)	5.3	(5.4)
Dividends paid	-	-	-	-	-	-	(11.5)	(11.5)
Credit to equity for equity-settled share-based payments	-	-	-	-	-	-	2.2	2.2
Tax on share-based payment transactions	-	-	-	-	-	-	(0.4)	(0.4)
Transfer to own shares held on exercise of equity incentives	-	-	-	0.7	-	-	(0.7)	-
Share repurchase and cancellation	(0.2)	-	0.2	-	-	-	(3.4)	(3.4)
New shares issued and own shares purchased	-	-	-	0.2	-	-	-	0.2
<b>Unaudited balance at 30 June 2023</b>	<b>15.6</b>	<b>22.6</b>	<b>(71.2)</b>	<b>(39.6)</b>	<b>(9.1)</b>	<b>0.4</b>	<b>246.9</b>	<b>165.6</b>
Profit for the period	-	-	-	-	-	-	8.1	8.1
Foreign currency translation differences	-	-	-	-	-	2.1	-	2.1
Total comprehensive income and expense for the period	-	-	-	-	-	2.1	8.1	10.2
Dividends paid	-	-	-	-	-	-	(4.3)	(4.3)
Charge to equity for equity-settled share-based payments	-	-	-	-	-	-	(1.5)	(1.5)
Tax on share-based payment transactions	-	-	-	-	-	-	0.5	0.5
Transfer to own shares held on exercise of equity incentives	-	-	-	0.8	-	-	(0.8)	-
Share repurchase and cancellation	(0.3)	-	0.3	-	-	-	(6.6)	(6.6)
New shares issued and own shares purchased	-	-	-	1.0	-	-	-	1.0
<b>Balance at 31 December 2023</b>	<b>15.3</b>	<b>22.6</b>	<b>(70.9)</b>	<b>(37.8)</b>	<b>(9.1)</b>	<b>2.5</b>	<b>242.3</b>	<b>164.9</b>
Profit for the period	-	-	-	-	-	-	(2.4)	(2.4)
Foreign currency translation differences	-	-	-	-	-	(5.1)	-	(5.1)
Total comprehensive income and expense for the period	-	-	-	-	-	(5.1)	(2.4)	(7.5)
Dividends paid	-	-	-	-	-	-	(11.2)	(11.2)
Share repurchase and cancellation	-	-	-	-	-	-	-	-
Credit to equity for equity-settled share-based payments	-	-	-	-	-	-	0.8	0.8
Tax on share-based payment transactions	-	-	-	-	-	-	0.6	0.6
Transfer to own shares held on exercise of equity incentives	-	-	-	0.2	-	-	(0.2)	-
New shares issued and own shares purchased	-	-	-	0.2	-	-	-	0.2
<b>Unaudited balance at 30 June 2024</b>	<b>15.3</b>	<b>22.6</b>	<b>(70.9)</b>	<b>(37.4)</b>	<b>(9.1)</b>	<b>(2.6)</b>	<b>229.9</b>	<b>147.8</b>

**ROBERT WALTERS PLC**  
**HALF-YEARLY FINANCIAL RESULTS 2024**  
**NOTES TO THE CONDENSED SET OF FINANCIAL STATEMENTS**

**1. Statement of accounting policies**

**Basis of preparation**

These condensed set of interim financial statements for the six months to 30 June 2024 have been prepared in accordance with IAS 34 'Interim Financial Reporting' and in compliance with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

They do not include all of the information required for full annual financial statements and should be read in conjunction with the 2023 Annual Report and Accounts, which were prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and in accordance with UK-adopted International Financial Reporting Standards (IFRSs).

The accounting policies applied by the Group are as set out in detail in the Annual Report and Accounts for the year ended 31 December 2023. The Group has applied the same accounting policies and methods of computation in its interim consolidated financial statements as in its 2023 annual financial statements, accounting which is consistent with the Group's current accounting policies except for amendments which applied for the first time in 2024, none of which are expected to impact the Group as they are either not relevant to the Group's activities or require accounting which is consistent with the Group's current accounting policies.

There are a number of standards and interpretations which have been issued by the International Accounting Standards Board that are effective for periods beginning subsequent to 31 December 2024 that the Group has not adopted early and which the Group does not believe will have a material impact on the financial statements when adopted.

The financial information on pages 15 to 24 was formally approved by the Board of Directors on 31 July 2024. The financial information set out in this document does not constitute statutory accounts within the meaning of section 434 of the Companies Act 2006.

Statutory accounts prepared under IFRSs for the year ended 31 December 2023 for Robert Walters plc have been delivered to the Registrar of Companies. The auditor's report on these accounts was not qualified, did not draw attention to any matters by way of emphasis and did not contain statements under section 498(2) or (3) of the Companies Act 2006.

The financial information in respect of the period ended 30 June 2024 is unaudited but has been reviewed by the Company's auditor. Their report is included on page 26 and 27. The financial information in respect of the period ended 30 June 2023 is also unaudited.

**Going concern**

Net fee income for the first half of 2024 continued to reflect the rebasing in market conditions relative to the post-pandemic peak. This period of market adjustment is now longer in duration than previously expected, with macroeconomic turbulence and political uncertainty restraining client and candidate confidence in certain geographies. However, the Group has considerable financial resources, including £48.8m of net cash at 30 June 2024, together with a diverse range of clients and suppliers across different geographic locations and sectors. As a consequence, the Directors believe the Group is well placed to manage its business risks successfully.

The Directors have assessed the long-term prospects of the Company and the Group based upon business plans, cash flow projections for the remaining 6 months ending 31 December 2024, the three-year period ending 31 December 2027, and consideration of the uncertainties arising in the current economic environment.

The three-year period was chosen as it is considered the longest timeframe over which any reasonable view can be formed, given the nature of the market in which the Group operates. Furthermore, the nature of recruitment activity is highly reactive to market sentiment and the forward visibility of permanent recruitment, which represents 62% of the Group's net fee income, can be measured in weeks, whilst temporary recruitment and recruitment process outsourcing may be less affected.

The forecasts and cash flow projections being used to assess going concern have been comprehensively stress-tested by using simulation techniques involving sensitivity analysis applying, in particular, projections of reduced net fee income of up to 20% from forecasts each year over a three-year period. In light of the current economic uncertainties, the Directors have completed reverse stress testing, designed to explore the resilience of the Group to the potential impact of the principal risks using various downside scenarios. The scenarios included but were not limited to significant reductions in revenue, losses of key clients, losses of key internal talent, reputation damage, technology disintermediation, increases in debtor days, and limited cost management. The Group also considered mitigating actions that could be undertaken in the event of one or more of the scenarios occurring, or that of an even more significant downturn, which included but are not limited to, further reductions in capital expenditure, further reductions in non-business critical expenditure as well as the potential for headcount reductions. The scenarios were designed to be impactful but at the same time realistic and the Group remained viable throughout.

It should be noted that the Group has limited forward visibility and consequently there is still a high degree of uncertainty in respect of future outcomes, however, the various stress test scenarios indicate that the Group still has a strong balance sheet and can continue to operate within its banking covenants.

Historically, the Group has successfully managed its cost base during previous economic downturns. The Directors remain confident of the Group's long-term growth prospects, with structural recruitment market fundamentals including job vacancy levels, salary inflation and candidate shortages still holding strong which continues to suggest that when market confidence recovers there will likely be an increase in demand and candidate movement across all areas of recruitment.

As a consequence, the Directors have formed a judgement, at the time of approving the condensed set of financial statements, that there is a reasonable expectation that the Group has adequate resources to continue in operational existence and meet its liabilities as they fall due over the three-year assessment period. For this reason, the Directors continue to adopt the going concern basis in preparing the condensed set of financial statements.

### **Cash management**

At 30 June 2024, the Group has £48.8m of net cash, compared to £69.8m at 30 June 2023. The Group has a committed financing facility of £60.0m, which expires in March 2027 and at 30 June 2024, £14.6m (30 June 2023: £19.1m) was drawn down under this facility.

### **Principal risks and uncertainties**

The Board recognises the importance of identifying and actively monitoring the full range of financial and non-financial risks facing the business, at both a local and Group level. Since the year-end, the Board has assessed the Company's risk profile and the likely consequences of any decision on the long-term success of the Company, and inherently do not believe the principal risks for the business are different in nature overall as those detailed within the Principal Risks and Uncertainties section of the Annual Report and Accounts for the year ended 31 December 2023. The Group continues to navigate challenging macro-economic conditions and has implemented appropriate risk mitigation strategies to address those risks. The Board continues to monitor the ongoing impact on the business, with a robust Group-wide assessment of the Company's risk profile currently in progress, incorporating both top-down and bottom-up perspectives, including the identification and consideration of emerging risks such as climate-related and cyber-related risk.

### **Significant accounting judgements and estimates**

Judgement and estimates are continually evaluated and are based on historical experience and other factors, including expectation of future events that are believed to be reasonable under the circumstances. Due to inherent uncertainty involved in making estimates and assumptions, actual outcomes could differ from those assumptions and estimates.

Given the impact on the economy from the ongoing conflicts, political changes and the current economic uncertainties, further review of the judgements and estimates have been performed when preparing the half-yearly financial results. Following the review, it was concluded that the significant accounting judgements and estimates made by management were the same as those that applied in the Group's Annual Report and Accounts for the year ended 31 December 2023.

## **2. Currency conversion**

The presentational currency of the Group is Pounds Sterling and the condensed set of financial statements have been prepared on this basis.

The Condensed Consolidated Income Statement for the period ended 30 June 2024 has been prepared using, among other currencies, the average exchange rate of €1.1700 to the Pound (period ended 30 June 2023: €1.1409 ; year ended 31 December 2023: €1.1496); ¥192.4762 to the Pound (30 June 2023: ¥166.2789 ; 31 December 2023: ¥174.7122) and AU\$1.9210 to the Pound (30 June 2023: AU\$1.8243; 31 December 2023: AU\$1.8720).

The Condensed Consolidated Balance Sheet as at 30 June 2024 has been prepared using the exchange rates on that day of €1.1798 to the Pound (30 June 2023: €1.1631 ; 31 December 2023: €1.1528); ¥203.3960 to the Pound (30 June 2023: ¥183.0240 ; 31 December 2023: ¥179.4630) and AU\$1.8953 to the Pound (30 June 2023: AU\$1.9064 ; 31 December 2023: AU\$1.8671).

### 3. Segmental information

	<b>2024</b> <b>6 mths to</b> <b>30 June</b> <b>Unaudited</b> <b>£m</b>	2023 6 mths to 30 June Unaudited £m	2023 12 mths to 31 Dec Audited £m
<b>i) Revenue:</b>			
Asia Pacific	202.7	253.0	484.9
UK	108.2	126.0	254.9
Europe	130.3	147.2	281.9
Rest of World	18.1	22.1	42.4
	<b>459.3</b>	<b>548.3</b>	<b>1,064.1</b>
<b>ii) Gross profit (net fee income):</b>			
Asia Pacific	70.0	87.2	167.9
UK	26.3	32.3	60.9
Europe	56.5	66.5	126.3
Rest of World	13.3	16.3	31.7
	<b>166.1</b>	<b>202.3</b>	<b>386.8</b>
<b>iii) Operating profit and (loss) profit before taxation:</b>			
Asia Pacific	3.1	8.6	19.3
UK	(2.3)	0.1	(0.4)
Europe	2.4	4.3	11.4
Rest of World	(3.0)	(1.8)	(4.0)
<b>Operating profit</b>	<b>0.2</b>	<b>11.2</b>	<b>26.3</b>
Net finance costs	(2.5)	(3.1)	(5.5)
<b>(Loss) profit before taxation</b>	<b>(2.3)</b>	<b>8.1</b>	<b>20.8</b>
<b>iv) Revenue by business grouping:</b>			
Specialist Professional Recruitment	360.2	430.8	836.0
Recruitment Outsourcing	99.1	117.5	228.1
	<b>459.3</b>	<b>548.3</b>	<b>1,064.1</b>
<b>v) Revenue by service grouping:</b>			
Permanent	102.2	128.0	242.7
Temporary	269.4	330.3	628.9
Interim	64.6	65.2	128.7
Other	23.1	24.8	63.8
	<b>459.3</b>	<b>548.3</b>	<b>1,064.1</b>

The analysis of revenue by destination is not materially different to the analysis by origin and the analysis of finance income and costs are not significant.

The Group is divided into geographical areas for management purposes, and it is on this basis that the segmental information has been prepared.

#### 4. Taxation

	<b>2024</b> <b>6 mths to</b> <b>30 June</b> <b>Unaudited</b> <b>£m</b>	2023 6 mths to 30 June Unaudited £m	2023 12 mths to 31 Dec Audited £m
Current tax	2.7	1.3	9.3
Deferred tax	(2.6)	1.5	(1.9)
<b>Total tax charge for the period</b>	<b>0.1</b>	<b>2.8</b>	<b>7.4</b>

The interim tax charge for the period is calculated, on a country-by-country basis, by assessing the expected full year effective tax rate for each country and then applying that rate to the interim result for each country. Due to the mix of loss and profit during the year, the tax charge for the interim period was £0.1m, resulting in an effective tax rate of -2.4% (30 June 2023: 35.4%).

On 20 December 2021, the OECD published its proposal in relation to Global Anti-Base Erosion Rules, which provide for an internationally co-ordinated system of taxation to ensure that large multinational groups pay a minimum level of corporate income tax in countries where they operate. On 23 March 2023, the UK government introduced draft legislation in Finance (No.2) Bill 2022-23 to implement Pillar 2 of the OECD/G20 inclusive framework. The new rules will take effect from 2024 onwards. There remains a considerable amount of uncertainty with respect to the detailed operation of the rules and their impact. From an initial review of the Group's business and tax profile, it is unlikely that the rules will have a material impact on the Group's tax profile.

#### 5. Dividends

	<b>2024</b> <b>6 mths to</b> <b>30 June</b> <b>Unaudited</b> <b>£m</b>	2023 6 mths to 30 June Unaudited £m	2023 12 mths to 31 Dec Audited £m
Amounts recognised as distributions to equity holders in the period:			
Final dividend for 2023 of 17.0p per share (2022: 17.0p)	11.2	11.5	11.5
Interim dividend for 2023 of 6.5p (2022: 6.5p)	-	-	4.3
	<b>11.2</b>	<b>11.5</b>	<b>15.8</b>
Proposed interim dividend for 2024 of 6.5p (2023: 6.5p)	<b>4.3</b>	<b>4.4</b>	n/a

The proposed interim dividend was approved by the Board on 31 July 2024 and has not been included as a liability at 30 June 2024.

## 6. Earnings per share

The calculation of earnings per ordinary share is based on the (loss) profit for the period attributable to equity holders of the Parent and the weighted average number of shares of the Company.

	<b>2024</b> <b>6 mths to</b> <b>30 June</b> <b>Unaudited</b> <b>Number of</b> <b>shares</b>	2023 6 mths to 30 June Unaudited Number of shares	2023 12 mths to 31 Dec Audited Number of shares
Weighted average number of shares:			
Shares in issue throughout the period	76,429,714	78,928,095	78,928,095
Shares issued in the period	1,031	-	631
Shares cancelled in the period	-	(61,080)	(1,121,137)
Treasury and own shares held	(10,697,728)	(11,112,624)	(11,022,701)
<b>For basic earnings per share</b>	<b>65,733,017</b>	<b>67,754,391</b>	<b>66,784,888</b>
Outstanding share options	3,887,021	3,885,704	3,700,484
<b>For diluted earnings per share</b>	<b>69,620,038</b>	<b>71,640,095</b>	<b>70,485,372</b>

	<b>2024</b> <b>6 mths to</b> <b>30 June</b> <b>Unaudited</b> <b>£m</b>	2023 6 mths to 30 June Unaudited £m	2023 12 mths to 31 Dec Audited £m
(Loss) profit for the period attributable to equity holders of the Parent	(2.4)	5.3	13.4

	<b>2024</b> <b>6 mths to</b> <b>30 June</b> <b>Unaudited</b>	2023 6 mths to 30 June Unaudited	2023 12 mths to 31 Dec Audited
<b>(Loss) earnings per share (pence):</b>			
Basic	(3.7)	7.8	20.1
Diluted	(3.7)	7.4	19.0

## 7. Bank overdrafts and borrowings

The Group has a committed financing facility of £60.0m, which expires in March 2027. At 30 June 2024, £14.6m (30 June 2023: £19.1m) was drawn down under this facility.

## 8. Related party transactions

There were no related party transactions in the period to 30 June 2024 (30 June 2023: none), other than employment and share-based remuneration payments to key management personnel and receipt of dividends for key management shareholders. There were no outstanding balances as at 30 June 2024 (30 June 2023: none).

## 9. Registered office

The Company's registered office is located at 11 Slingsby Place, St Martin's Courtyard, London, WC2E 9AB.



## **Responsibility Statement**

We confirm to the best of our knowledge:

- a) the condensed set of financial statements has been prepared in accordance with IAS 34 'Interim Financial Reporting';
- b) the interim management report includes a fair review of the information required by DTR 4.2.7R (indication of the important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year); and
- c) the interim management report and note 8 includes a fair review of the information required by DTR 4.2.8R (disclosure of related parties' transactions and changes therein).

By order of the Board,

David Bower

Chief Financial Officer

31 July 2024

## **INDEPENDENT REVIEW REPORT TO ROBERT WALTERS PLC**

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2024 is not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34 and the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 30 June 2024 which comprises of the Condensed Consolidated Income Statement, the Condensed Consolidated Statement of Comprehensive Income and Expense, the Condensed Consolidated Balance Sheet, the Condensed Consolidated Cash Flow Statement, the Condensed Consolidated Statement of Changes in Equity, and related notes 1 to 9.

### **Basis for conclusion**

We conducted our review in accordance with Revised International Standard on Review Engagements (UK) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" ("ISRE (UK) 2410 (Revised)"). A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 1, the annual financial statements of the group are prepared in accordance with UK adopted international accounting standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with UK adopted International Accounting Standard 34, "Interim Financial Reporting".

### **Conclusions relating to going concern**

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410 (Revised), however future events or conditions may cause the group to cease to continue as a going concern.

### **Responsibilities of directors**

The directors are responsible for preparing the half-yearly financial report in accordance with the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority.

In preparing the half-yearly financial report, the directors are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

### **Auditor's responsibilities for the review of the financial information**

In reviewing the half-yearly report, we are responsible for expressing to the Company a conclusion on the condensed set of financial statement in the half-yearly financial report. Our conclusion, including our Conclusions Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

### **Use of our report**

Our report has been prepared in accordance with the terms of our engagement to assist the Company in meeting the requirements of the Disclosure Guidance and Transparency Rules of the United Kingdom's Financial Conduct Authority and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of our terms of engagement or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

BDO LLP

Chartered Accountants

London, UK

31 July 2024

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127).