ROBERT WALTERS GROUP

Half-yearly Financial Results 2021

www.robertwaltersgroup.com

Robert Walters Group

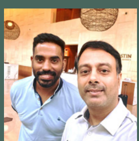
Powering people and organisations to fulfil their unique potential.

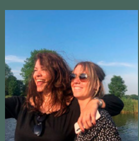
The Robert Walters Group is a market-leading international specialist professional recruitment group.

With over 3,200 staff spanning 31 countries, we deliver specialist recruitment consultancy, staffing, recruitment process outsourcing and managed services across the globe.

We match highly skilled professionals to permanent, contract and interim roles across the disciplines of accountancy and finance, banking, engineering, HR, IT, legal, sales, marketing, secretarial and support and supply chain, logistics and procurement. Our client base ranges from the world's leading blue-chip corporates and financial services organisations through to SMEs and start-ups.

Our commitment to teamwork, integrity, passion, innovation, quality and inclusion means that we are always striving to set the standard for the industry. We deliver engaging candidate experiences and power rewarding careers, giving talented individuals the freedom to choose and the opportunity to grow.





View our Half-yearly Financial Results online:
robertwaltersgroup.com/investors

Contents

Half-yearly Financial Statements

1	H1 2021 Highlights
2	Half-yearly Management Report
5	Condensed Consolidated Income Statement
5	Condensed Consolidated Statement of Comprehensive Income and Expense
6	Condensed Consolidated Balance Sheet
7	Condensed Consolidated Cash Flow Statement
8	Condensed Consolidated Statement of Changes in Equity
9	Notes to the Condensed Set of Financial Statements
14	Responsibility Statement
15	Independent Review Report to Robert Walters plc

H1 2021 Highlights

Revenue
H1 2020: £496.4m

6% ↓

£468.2m

Gross profit (net fee income)
H1 2020: £158.5m

5% ↑

£166.2m

Operating profit
H1 2020: £4.2m

478% ↑

£24.1m

Profit before taxation
H1 2020: £4.3m

414% ↑

£22.1m

Basic earnings per share
H1 2020: 3.9p

428% ↑

20.9p

Interim dividend per share
H1 2020: 4.5p

20% ↑

5.4p

Half-yearly Management Report

The Group delivered a record first half performance with profit before taxation increasing by 414% (443%*) year-on-year to £22.1m (2020: £4.3m). This performance is testament to the Group's proven track record and ability to profitably weather international crises and benefit from operational gearing when market conditions become more favourable.

To produce such a strong performance during a period when many of the Group's markets were still in either full or partial lockdown is a credit to the hard work, dedication and resilience of our people across the globe and their commitment to providing our clients and candidates with the highest quality of service. It is particularly pleasing to report that consultant productivity increased by 24% year-on-year during the first half.

A global war for talent is underway, driven by acute shortages of professionals across almost all disciplines. The shortages are uniquely acute during this period due to the restrictions on talent mobility caused by the pandemic. Significant wage inflation is emerging across a number of markets as organisations battle to both attract and retain key talent.

Activity levels were highest across permanent and interim recruitment as is typical during periods when both candidate and client confidence are growing. Permanent recruitment now represents 67% (2020: 62%) of the Group's net fee income.

Recruitment activity levels accelerated markedly through the period and encouragingly all of the Group's regions delivered significant increases in both net fee income and operating profit during the second quarter. Geographically, the bounce-back has been strongest across our Asia Pacific business with net fee income increasing by 15% (20%*) year-on-year. Asia Pacific now represents 45% (2020: 40%) of the Group's net fee income.

The majority of the Group's offices are open, albeit many still with reduced capacities in order to adhere to local government guidelines. With infection rates remaining volatile across the globe, we still anticipate ongoing disruption to our office network through the second half of the year. Nevertheless, our long-term investment in technology and well established Covid protocols mean that our ability to work remotely or on a hybrid basis enables our people to seamlessly and productively service the needs of our candidates and clients.

Group Financials

Revenue was down 6% (5%*) to £468.2m (£471.7m*) (2020: £496.4m) and gross profit (net fee income) increased by 5% (8%*) to £166.2m (£170.9m*) (2020: £158.5m). Operating profit increased by 478% (507%*) to £24.1m (£25.4m*) (2020: £4.2m). Profit before taxation increased by 414% (443%*) to £22.1m (£23.4m*) (2020: £4.3m).

The Group has a strong balance sheet with net cash of £122.8m as at 30 June 2021 (30 June 2020: £119.0m). The Group also has a £60.0m committed loan facility due for renewal in 2024. At 30 June 2021, £9.4m (2020: £13.2m) was drawn down under this facility.

Group headcount is down 13% year-on-year and stands at 3,230 (30 June 2020: 3,734), which has contributed to an 8% decrease in administrative expenses. To capitalise on market momentum, we are already investing in additional headcount in those geographies and disciplines showing the strongest signs of growth. Assuming market conditions remain favourable, we would expect to add circa 200 new heads during the second half of the year.

Asia Pacific (45% of net fee income)

Revenue was £194.0m (2020: £187.0m) and net fee income increased by 15% (20%*) to £73.7m (£76.8m*) (2020: £63.9m), delivering an operating profit of £14.0m (£15.1m*) (2020: £2.9m).

Shortages of professionals across multiple disciplines drove a significant increase in net fee income and operating profit across the region. In Asia, our market-leading business in Japan, the Group's most profitable operation, increased net fee income by 18%* year-on-year despite multiple states of emergency being declared through the period. In Mainland China, recruitment activity levels increased significantly across both the industrial and technology sectors with net fee income increasing by 90%* year-on-year. Hong Kong bounced back from both a Covid and political unrest-impacted 2020, increasing both net fee income and operating profit, whilst Malaysia also produced a strong performance with net fee income up 44%*.

Australia and New Zealand have benefited significantly from keeping infection rates relatively low, with the demand for talent increasing markedly and outstripping supply. Talent shortages have been exacerbated by a lack of immigration, which has, in turn, driven wage inflation and fierce competition for talent.

Resource Solutions, our recruitment process outsourcing business, delivered single-digit growth in net fee income despite severe Covid-related challenges in India, the location of a key global service centre for the business. Encouragingly, a number of renewals and contract extensions were secured during the first half.

Europe (27% of net fee income)
Revenue was £100.8m (2020: £111.3m) and net fee income increased by 2% (3%*) to £45.2m (£45.8m*) (2020: £44.5m), delivering an operating profit of £6.2m (£6.3m*) (2020: £1.5m).

The breadth of our service offering across Europe, covering permanent, contract and interim recruitment, has continued to enable our businesses to be agile and respond to end-to-end client recruitment needs across the region.

In France, our largest business in the region, and Spain, where we now have over 80 consultants spanning three offices, recruitment activity bounced back strongly with both delivering significant increases in operating profit year-on-year. Our well established businesses in the Netherlands and Belgium proved incredibly resilient through 2020 and have again delivered robust performances, with operating profit increasing despite a single-digit decline in net fee income as a result of more challenging conditions in the contract market.

Positively, our smaller businesses in Ireland, Portugal and Switzerland delivered 57%*, 23%* and 10%* increases in net fee income respectively.

United Kingdom (21% of net fee income)
Revenue in the UK was £159.2m (2020: £182.3m) and net fee income decreased by 3% to £35.2m (2020: £36.3m), delivering an operating profit of £3.3m (2020: £0.0m).

Client and candidate confidence levels accelerated through the first half of the year as lockdown restrictions were progressively lifted. Pent-up demand for talent has been released following a number of years of both Covid and Brexit-related uncertainty, with activity levels strongest in London and across the commerce finance, legal and technology disciplines. Wage inflation has begun to emerge, with salary uplifts of 20-30% now commonplace for hard-to-source roles and talent.

Activity levels in Resource Solutions were negatively impacted as a result of the lag effect of organisations rebuilding recruitment teams at the beginning of recovery cycles. However, it is pleasing to report a net positive number of clients for the period. We are also incredibly proud of the work that Resource Solutions has done during the period to onboard vaccinators to help the UK in its Covid vaccination programme.

Other International (7% of net fee income)
Other International comprises the Americas, Middle East and South Africa. Revenue was £14.2m (2020: £15.8m) and net fee income was down 12% (5%*) to £12.1m (£13.1m*) (2020: £13.8m), delivering an operating profit of £0.6m (operating profit of £0.6m*) (2020: operating loss of £0.2m).

Our core recruitment business in North America increased operating profit by 16%* with Canada delivering a particularly strong performance. In line with the UK, activity levels in our North American Resource Solutions business declined year-on-year however sequential quarter-on-quarter growth was delivered through the period. Our new business in Chile and our rapidly growing Middle East business continue to go from strength to strength with net fee income increasing 47%* and 37%* respectively year-on-year.

ESG
ESG continues to be a key priority for the Group and we were delighted to be named a finalist in the ESG Reporting Awards 2021, an international awards programme that recognises the best in sustainability and climate-related reporting by listed companies. Since 2015, the Group's operations have been certified as Carbon Balanced by the World Land Trust, and we continue to invest in reforestation projects around the world to ensure our carbon offsetting exceeds our total annual carbon emissions.

During the first quarter, we launched our refreshed corporate responsibility strategy, which aligns to the UN's Sustainable Development Goals (SDGs) and focuses on three priority areas:

— **Protecting the planet.** Although the Group's operations have been fully Carbon Balanced through the World Land Trust since 2015, we acknowledge the significant threat of climate change and have set a new target for reducing carbon emissions by 30% per employee by 2030. Further information about our new environmental KPIs can be found on our website.
— **Powering people potential.** Our strategy focuses on giving back to our local communities, creating pathways to employment for those from disadvantaged backgrounds and investing in emerging talent.
— **Responsible business.** Delivering value for our shareholders and stakeholders through strong governance and ethical business practices.

*Constant currency is calculated by applying prior period exchange rates to local currency results for the current and prior period.

Cash flow
The Group maintained a strong net cash position of £122.8m as at 30 June 2021 (30 June 2020: £119.0m). Working capital in the period has increased by £36.3m and notable cash outflows included a dividend payment of £8.0m, £7.6m of principal paid on lease liabilities, £4.1m of tax payments and £4.8m of capital expenditure.

Dividend
The interim dividend will be increased by 20% to 5.4p per share (2020: 4.5p) and will be paid on 1 October 2021 to those shareholders on the Company's register as at 3 September 2021.

Treasury management, currency risk and other principal risks and uncertainties affecting the business
The Group does not have material transactional exposures, although it is exposed to translation differences on the profits and cash flows generated in its overseas operations. Overseas currency balances that are surplus to local working capital requirements are converted on a regular basis to Pounds Sterling. The main functional currencies of the Group's operating divisions are Pounds Sterling, the Euro, the Australian Dollar and the Japanese Yen.

The other principal risks and uncertainties affecting the Group's business activities remain those detailed within the Principal Risks and Uncertainties section of the Annual Report and Accounts for the year ended 31 December 2020, namely, political factors, economic, environmental and market uncertainty; talent attraction and retention; competition and emerging technologies; brand, reputation and business strategy; candidate risk; non-compliance with laws, regulations and contractual obligations; regulatory environment, data breach and cyber security; reliance on technology infrastructure; and treasury risk. The Board does not foresee a material change in respect of these factors for the remainder of the year.

Related party transactions
There were no related party transactions in the year to 30 June 2021 (30 June 2020: none), other than employment remuneration payments to key management personnel and a payment of £10.0m to the Employee Benefit Trust to meet future employee share obligations.

Outlook
Trading is comfortably ahead of current market expectations for the full year, and we enter the second half of the year with cautious optimism and confidence that we will continue to take advantage of market opportunities as they arise.

Ron Mobed
Chairman
26 July 2021

Robert Walters
Chief Executive

Condensed Consolidated Income Statement

	Note	**2021 6 months to 30 June Unaudited £s million**	2020 6 months to 30 June Unaudited £s million	2020 12 months to 31 December Audited £s million
Continuing operations				
Revenue	4	**468.2**	496.4	938.4
Cost of sales		**(302.0)**	(337.9)	(636.0)
Gross profit (net fee income)	4	**166.2**	158.5	302.4
Administrative expenses		**(142.1)**	(154.3)	(287.6)
Operating profit	4	**24.1**	4.2	14.8
Finance income		**0.1**	0.3	1.0
Finance costs		**(1.4)**	(1.8)	(3.8)
(Loss) gain on foreign exchange		**(0.7)**	1.6	0.1
Profit before taxation	4	**22.1**	4.3	12.1
Taxation	5	**(7.0)**	(1.5)	(6.4)
Profit for the period		**15.1**	2.8	5.7
Earnings per share (pence):	7			
Basic		**20.9**	3.9	8.0
Diluted		**19.6**	3.7	7.5

Condensed Consolidated Statement of Comprehensive Income and Expense

	2021 6 months to 30 June Unaudited £s million	2020 6 months to 30 June Unaudited £s million	2020 12 months to 31 December Audited £s million
Profit for the period	**15.1**	2.8	5.7
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of overseas operations	**(6.8)**	7.9	3.4
Total comprehensive income and expense for the period	**8.3**	10.7	9.1

Condensed Consolidated Balance Sheet

	Note	2021 30 June Unaudited £s million	2020 30 June Unaudited £s million	2020 31 December Audited £s million
Non-current assets				
Intangible assets		**20.7**	15.4	18.2
Property, plant and equipment		**7.5**	10.2	9.1
Right-of-use assets		**59.9**	69.0	59.5
Deferred tax assets		**10.2**	11.5	12.2
		98.3	106.1	99.0
Current assets				
Trade and other receivables		**161.3**	172.5	153.0
Corporation tax receivables		**3.4**	11.4	5.1
Cash and cash equivalents		**132.2**	133.4	155.5
		296.9	317.3	313.6
Total assets		**395.2**	423.4	412.6
Current liabilities				
Trade and other payables		**(142.3)**	(151.3)	(170.5)
Corporation tax liabilities		**(4.4)**	(8.9)	(5.5)
Bank overdrafts and borrowings	8	**(9.4)**	(14.4)	-
Lease liabilities		**(15.1)**	(17.5)	(15.7)
Provisions		**(1.4)**	(1.2)	(2.0)
		(172.6)	(193.3)	(193.7)
Net current assets		**124.3**	124.0	119.9
Non-current liabilities				
Deferred tax liabilities		**(0.1)**	–	(0.2)
Lease liabilities		**(49.3)**	(54.7)	(48.1)
Provisions		**(1.7)**	(1.7)	(1.3)
		(51.1)	(56.4)	(49.6)
Total liabilities		**(223.7)**	(249.7)	(243.3)
Net assets		**171.5**	173.7	169.3
Equity				
Share capital		**16.1**	16.0	16.0
Share premium		**22.2**	22.2	22.2
Other reserves		**(71.8)**	(71.8)	(71.8)
Own shares held		**(18.0)**	(18.9)	(18.1)
Treasury shares held		**(9.1)**	(9.1)	(9.1)
Foreign exchange reserves		**5.7**	17.0	12.5
Retained earnings		**226.4**	218.3	217.6
Equity attributable to owners of the Company		**171.5**	173.7	169.3

Condensed Consolidated Cash Flow Statement

	2021 6 months to 30 June Unaudited £s million	2020 6 months to 30 June Unaudited £s million	2020 12 months to 31 December Audited £s million
Operating profit for the period	**24.1**	4.2	14.8
Adjustments for:			
Depreciation and amortisation charges	**10.9**	11.4	23.3
Impairment of intangible assets	**-**	-	0.6
Impairment of right-of-use assets	**-**	-	1.3
Loss on disposal of property, plant and equipment and computer software	**0.2**	-	0.3
Charge in respect of share-based payment transactions	**1.4**	2.9	2.2
Unrealised foreign exchange (gain) loss	**(1.8)**	3.5	1.2
Operating cash flows before movements in working capital	**34.8**	22.0	43.7
(Increase) decrease in receivables	**(12.1)**	41.0	64.2
(Decrease) increase in payables	**(24.2)**	(13.7)	5.7
Cash generated from operating activities	**(1.5)**	49.3	113.6
Income taxes paid	**(4.1)**	(9.0)	(14.7)
Net cash generated from operating activities	**(5.6)**	40.3	98.9
Investing activities			
Interest received	**0.1**	0.3	1.0
Purchases of computer software	**(3.9)**	(2.9)	(7.4)
Purchases of property, plant and equipment	**(0.9)**	(0.8)	(2.5)
Net cash used in investing activities	**(4.7)**	(3.4)	(8.9)
Financing activities			
Equity dividends paid	**(8.0)**	-	(3.2)
Proceeds from issue of equity	**0.1**	-	0.7
Interest paid	**(0.3)**	(0.6)	(1.4)
Interest on lease liabilities	**(1.1)**	(1.2)	(2.4)
Principal paid on lease liabilities	**(7.6)**	(9.0)	(16.2)
Proceeds from financing facility	**17.3**	-	17.7
Repayment of financing facility	**(7.9)**	(12.3)	(44.3)
Net cash used in financing activities	**(7.5)**	(23.1)	(49.1)
Net (decrease) increase in cash and cash equivalents	**(17.8)**	13.8	40.9
Cash and cash equivalents at beginning of the period	**155.5**	112.4	112.4
Effect of foreign exchange rate changes	**(5.5)**	7.2	2.2
Cash and cash equivalents at end of the period	**132.2**	133.4	155.5

Condensed Consolidated Statement of Changes in Equity

	Share capital £s million	Share premium £s million	Other reserves £s million	Own shares held £s million	Treasury shares held £s million	Foreign exchange reserves £s million	Retained earnings £s million	Total equity £s million
Balance at 1 January 2020	16.0	22.2	(71.8)	(26.5)	(9.1)	9.1	220.7	160.6
Profit for the period	–	–	–	–	–	–	2.8	2.8
Foreign currency translation differences	–	–	–	–	–	7.9	–	7.9
Total comprehensive income and expense for the period	–	–	–	–	–	7.9	2.8	10.7
Dividends paid	–	–	–	–	–	–	–	–
Credit to equity for equity-settled share-based payments	–	–	–	–	–	–	2.9	2.9
Deferred tax on share-based payment transactions	–	–	–	–	–	–	(0.5)	(0.5)
Transfer to own shares held on exercise of equity incentives	–	–	–	7.6	–	–	(7.6)	–
New shares issued and movement in own shares	–	–	–	–	–	–	–	–
Unaudited balance at 30 June 2020	16.0	22.2	(71.8)	(18.9)	(9.1)	17.0	218.3	173.7
Profit for the period	–	–	–	–	–	–	2.9	2.9
Foreign currency translation differences	–	–	–	–	–	(4.5)	–	(4.5)
Total comprehensive income and expense for the period	–	–	–	–	–	(4.5)	2.9	(1.6)
Dividends paid	–	–	–	–	–	–	(3.2)	(3.2)
Credit to equity for equity-settled share-based payments	–	–	–	–	–	–	(0.7)	(0.7)
Deferred tax on share-based payment transactions	–	–	–	–	–	–	0.4	0.4
Transfer to own shares held on exercise of equity incentives	–	–	–	0.1	–	–	(0.1)	–
New shares issued and movement in own shares	–	–	–	0.7	–	–	–	0.7
Balance at 31 December 2020	16.0	22.2	(71.8)	(18.1)	(9.1)	12.5	217.6	169.3
Profit for the period	–	–	–	–	–	–	15.1	15.1
Foreign currency translation differences	–	–	–	–	–	(6.8)	–	(6.8)
Total comprehensive income and expense for the period	–	–	–	–	–	(6.8)	15.1	8.3
Dividends paid	–	–	–	–	–	–	(8.0)	(8.0)
Credit to equity for equity-settled share-based payments	–	–	–	–	–	–	1.4	1.4
Deferred tax on share-based payment transactions	–	–	–	–	–	–	0.3	0.3
Transfer to own shares held on exercise of equity incentives	–	–	–	–	–	–	–	–
New shares issued and movement in own shares	0.1	–	–	0.1	–	–	–	0.2
Unaudited Balance at 30 June 2021	**16.1**	**22.2**	**(71.8)**	**(18.0)**	**(9.1)**	**5.7**	**226.4**	**171.5**

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 2021 have been prepared in accordance with IAS 34 'Interim financial reporting' and also in accordance with the measurement and recognition principles of UK adopted international accounting standards. They do not include all of the information required for full annual financial statements and should be read in conjunction with the 2020 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 international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union.

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 2020.

Going Concern

The Group was profitable for the period and has considerable financial resources, including £122.8m of net cash at 30 June 2021, 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 Group based upon business plans, cash flow projections for the remaining six months ending 31 December 2021, the three-year period ending 31 December 2024 and the impact of Covid.

The three-year period was chosen as it is considered the longest timeframe over which any reasonable view can be formed, given the cyclical nature of the market in which the Group operates. The forward visibility of permanent recruitment can be measured in weeks, and whilst temporary recruitment and recruitment process outsourcing may be less affected, with 67% of the Group based upon permanent recruitment activity, three years is considered to be the maximum period over which to consider the future cash flows of the business.

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 Covid, the Directors have completed reverse stress testing (as per the FRC guidance), by running various downside scenarios, including but not limited to, no revenue for four months from July to October 2021, no further cost management, significant increase in debtor days and loss of key clients.

The Group has produced a record first half performance, with operating profit increasing 478% year-on-year to £24.1m, even though many of the Group's markets were in partial lockdown or with social distancing measures remaining in place. It should be noted that the Group has limited forward visibility and like all organisations, it remains hard to predict the continuing impact of Covid. 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 will be able to meet its liabilities as they fall due. Historically, the Group has successfully managed its cost base during previous economic downturns. The same policy and cost management measures have been put in place, which is testament to the Group's proven track record and ability to profitably weather international crises and benefit from operational gearing when market conditions become more favourable. The Group has also taken advantage of the various Government's schemes available throughout the pandemic, with most coming to an end in the first half of the year.

In the event that there is a more significant downturn than in the scenarios tested, there are mitigating actions which can include 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.

Following from a strong performance during a period when many of the Group's markets were still in either full or partial lockdown, the Directors remain confident of the Group's long-term growth prospects, and a diverse range of clients and suppliers across different geographic locations and sectors means that the Group benefited from a strong bounce-back across the Asia Pacific region.

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.

Accordingly, the Group continues to adopt the going concern basis in preparing its financial statements.

Impact of Covid on the half-yearly financial results:

Trade Debtors decreased by 9% on the year-end balance through increased contact with clients and credit control initiatives put in place since the start of Covid. The Directors adjusted the forward-looking analysis within the expected credit loss model to consider the improved level of recruitment activity, the historical recovery rate of the trade debtors balance while considering the potential risk arising from various Government's schemes no longer being available. As a result, the Group released part of the provision and recognised an expected credit loss and related balance sheet accrual of £3.2m at 30 June 2021 (30 June 2020: £3.8m, 31 December 2020: £3.7m).

Cash management

At 30 June 2021, the Group has £122.8m of net cash, compared to £119.0m in 2020. The Group has a committed financing facility of £60.0m, which expires in March 2024 and at 30 June 2021, £9.4m (2020: £13.2m) was drawn down under this facility. The Group also has a non-recourse £15.0m facility.

Cost reduction and control measures were quickly put in place at the beginning of 2020 as the spread of the pandemic accelerated across all of the Group's regions; including voluntary Executive Director salary reductions of 20%, voluntary reduced working hour schemes globally and reductions in all discretionary spending. Most of the cost control measures around salary reductions and reduced working hours ended at the end of September 2020, while discretionary spending still remains below pre-Covid levels.

Government grants

The Group took advantage of the various government schemes available in response to the global pandemic. The judgement applied in releasing part of the government grants from the 31 December 2020 balance sheet to the profit and loss account, where scheme criteria are now expected to be met in full and not revoked, resulted in £3.3m relating to employment protection schemes (30 June 2020: £3.4m) being included in the profit for the period. Of the £3.3m recognised in the profit for the period, £0.3m relates to UK employees, which has now been refunded. The Group has elected to present the government grants released to the Income Statement by reducing the related expenses.

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, consequences of any decision in the long term, appropriate risk mitigation strategies and identification and consideration of emerging risks, 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 2020. The Board continues to monitor the ongoing impact of and uncertainty caused by Covid on the business, including return to the office, additional lockdowns and Covid variants.

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.

In light of Covid, further review of the judgements and estimates have been performed when preparing the half-yearly financial results. Following the review, it was concluded that, with the exception of the expected credit loss and the government grants mentioned above, 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 2020.

2. Financial information

The financial information on pages 5 to 13 was formally approved by the Board of Directors on 26 July 2021. 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 2020 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 2021 is unaudited but has been reviewed by the Company's auditor. Their report is included on page 15. The financial information in respect of the period ended 30 June 2020 is also unaudited.

3. Currency conversion

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

The Condensed Consolidated Income Statement for the period ended 30 June 2021 has been prepared using, among other currencies, the average exchange rate of €1.1517 to the Pound (period ended 30 June 2020: €1.1441; year ended 31 December 2020: €1.1250); ¥149.5407 to the Pound (30 June 2020: ¥136.4874; 31 December 2020: ¥136.9776) and AU$1.7995 to the Pound (30 June 2020: AU$1.9182; 31 December 2020: AU$1.8620).

The Condensed Consolidated Balance Sheet as at 30 June 2021 has been prepared using the exchange rates on that day of €1.1646 to the Pound (30 June 2020: €1.0977; 31 December 2020: €1.1128); ¥153.2083 to the Pound (30 June 2020: ¥132.8544; 31 December 2020: ¥140.8064) and AU$1.8428 to the Pound (30 June 2020: AU$1.7922; 31 December 2020: AU$1.7705).

4. Segmental Information

	2021 6 months to 30 June Unaudited £'s million	2020 6 months to 30 June Unaudited £'s million	2020 12 months to 31 December Audited £'s million
i) Revenue:			
Asia Pacific	**194.0**	187.0	373.6
UK	**159.2**	182.3	329.1
Europe	**100.8**	111.3	204.6
Other International	**14.2**	15.8	31.1
	468.2	496.4	938.4
ii) Gross profit (net fee income):			
Asia Pacific	**73.7**	63.9	124.1
UK	**35.2**	36.3	66.9
Europe	**45.2**	44.5	85.7
Other International	**12.1**	13.8	25.7
	166.2	158.5	302.4
iii) Profit before taxation:			
Asia Pacific	**14.0**	2.9	8.4
UK	**3.3**	-	1.3
Europe	**6.2**	1.5	4.7
Other International	**0.6**	(0.2)	0.4
Operating profit	**24.1**	4.2	14.8
Net finance costs	**(2.0)**	0.1	(2.7)
Profit before taxation	**22.1**	4.3	12.1
iv) Total assets:			
Asia Pacific	**86.3**	78.1	75.9
UK	**92.2**	112.4	98.6
Europe	**57.2**	61.5	53.9
Other International	**13.7**	15.2	11.4
Unallocated corporate assets*	**145.8**	156.2	172.8
	395.2	423.4	412.6
v) Total liabilities:			
Asia Pacific	**(58.3)**	(50.9)	(57.1)
UK	**(95.5)**	(114.9)	(126.1)
Europe	**(47.2)**	(45.4)	(45.8)
Other International	**(8.9)**	(10.5)	(8.6)
Unallocated corporate liabilities*	**(13.8)**	(28.0)	(5.7)
	(223.7)	(249.7)	(243.3)
vi) Revenue by business grouping:			
Robert Walters	**317.2**	320.2	627.7
Resource Solutions	**151.0**	176.2	310.7
	468.2	496.4	938.4

*For the purpose of segmental analysis, unallocated corporate assets and liabilities include cash, bank loans, corporation and deferred tax balances.

5. Taxation

	2021 6 months to 30 June Unaudited £'s million	2020 6 months to 30 June Unaudited £'s million	2020 12 months to 31 December Audited £'s million
Current tax	**6.3**	1.5	6.9
Deferred tax	**0.7**	–	(0.5)
Total tax charge for the period	**7.0**	1.5	6.4

The tax charge is based on the expected annual effective tax rate of 31.6% (2020: 35.7%) on profit before taxation. The effective tax rate is higher than the standard UK rate of 19%, primarily as a result of overseas taxation in Japan, Australia and the Netherlands, the impact of adjustments to accounting profit in the tax calculation, and the movement in deferred tax asset in relation to accruals and provisions.

The UK Government announced its intention to increase the rate of corporation tax from 19% to 25% effective from 1 April 2023. The change in corporation tax from 19% to 25% has been substantively enacted and therefore the effects of the increase have been included in the calculation of deferred tax in the half-yearly financial results.

6. Dividends

	2021 6 months to 30 June Unaudited £'s million	2020 6 months to 30 June Unaudited £'s million	2020 12 months to 31 December Audited £'s million
Amounts recognised as distributions to equity holders in the period:			
Final dividend for 2020 of 11.0p per share (2019: nil)	**8.0**	–	–
Interim dividend for 2020 of 4.5p (2019: 4.5p)	**–**	–	3.2
	8.0	–	3.2
Interim dividend for 2021 of 5.4p (2020: 4.5p)	**3.9**	–	3.2

The proposed final dividend of £7.7m for 2019 was cancelled in 2020 as a result of Covid.

The interim dividend was approved by the Board on 26 July 2021 and has not been included as a liability at 30 June 2021.

7. Earnings per share

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

	2021 6 months to 30 June Unaudited £'s million	2020 6 months to 30 June Unaudited £'s million	2020 12 months to 31 December Audited £'s million
Profit for the period attributable to equity holders of the Parent	**15.1**	2.8	5.7
	Number of shares	**Number of shares**	**Number of shares**
Weighted average number of shares:			
Shares in issue throughout the period	**80,167,760**	79,936,753	80,121,475
Shares issued in the period	**170,333**	12,302	18,850
Treasury and own shares held	**(7,943,789)**	(9,016,621)	(8,507,237)
For basic earnings per share	**72,394,304**	70,932,434	71,633,088
Outstanding share options	**4,464,893**	5,334,086	4,034,123
For diluted earnings per share	**76,859,197**	76,266,520	75,667,211

8. Bank loans

The Group has a committed financing facility of £60.0m, which expires in March 2024.

At 30 June 2021, £9.4m (30 June 2020: £13.2m) was drawn down under this facility.

The Group also has a non-recourse £15.0m facility.

The Group has a short-term facility of Renminbi 25m (£2.9m) of which Renminbi nil (£nil) was drawn down as at 30 June 2021 (30 June 2020: Renminbi 10m (£1.2m)). The loan is secured against cash deposits in Hong Kong.

9. Related party transactions

There were no related party transactions in the year to 30 June 2021 (30 June 2020: none), other than employment remuneration payments to key management personnel and a payment of £10.0m to the Employee Benefit Trust to meet future employee share obligations.

There were no outstanding balances as at 30 June 2021.

10. 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 9 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,

Alan Bannatyne
Chief Financial Officer
26 July 2021

Independent Review Report to Robert Walters plc

Introduction

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 2021 which comprises 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 10.

We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

Directors’ responsibilities

The half-yearly financial report is the responsibility of and has been approved by the 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.

As disclosed in note 1, the annual financial statements of the group are prepared in accordance with international accounting standards in conformity with the Companies Act 2006 and international financial reporting standards adopted pursuant to Regulation (EC) No 1606/2002 as it applies in the European Union. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with International Accounting Standard 34, “Interim Financial Reporting”, as adopted by the European Union.

Our responsibility

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

Scope of review

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”, issued by the Financial Reporting Council for use in the United Kingdom. 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.

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 2021 is not prepared, in all material respects, in accordance with International Accounting Standard 34, as adopted by the European Union, and the Disclosure Guidance and Transparency Rules of the United Kingdom’s Financial Conduct Authority.

Use of our report

Our report has been prepared in accordance with the terms of our engagement to assist the Company in meeting its responsibilities in respect of half-yearly financial reporting in accordance with 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

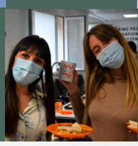
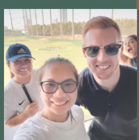
BDO LLP
Chartered Accountants
London, United Kingdom
26th July 2021

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

This report is printed on 100% recycled material sourced from well-managed, responsible, FSC-certified forests. Both the printer and paper company are ISO 14001 and FSC accredited. The printer is also a carbon neutral company.





POWERING PEOPLE AND
ORGANISATIONS TO FULFIL THEIR
UNIQUE POTENTIAL

Australia
Belgium
Brazil
Canada
Chile
Czech Republic
France
Germany
Hong Kong
India
Indonesia
Ireland
Japan
Luxembourg
Mainland China
Malaysia
Mexico
Netherlands
New Zealand
Philippines
Portugal
Singapore
South Africa
South Korea
Spain
Switzerland
Taiwan
Thailand
UAE
UK
USA
Vietnam

ROBERT WALTERS Walters People RESOURCESOLUTIONS

www.robertwaltersgroup.com