

The logo for Robert Walters Group, consisting of the company name in a clean, sans-serif font, centered within a white square. The background of the entire slide is a photograph of a modern building's facade, featuring curved, layered architectural elements in shades of white, grey, and deep red, with a dark purple gradient at the bottom.

ROBERT  
WALTERS  
GROUP

# Half yearly results

Robert Walters Plc  
28 July 2022

## About us

# Our strategy

The Group's strategy for growth is centred on organic international expansion and discipline diversification, ensuring a balanced footprint covering mature and developing markets.

### **International expansion**

Driving growth through expansion into new geographic locations.

### **Discipline diversification**

Driving growth through the building of new and existing disciplines.

### **Our mission**

To be the world's leading specialist professional recruitment group.

## Strategy in action



### Core disciplines

- Accountancy & finance
- Banking
- Engineering
- Healthcare
- HR
- IT
- Legal
- Sales
- Marketing
- Secretarial & support
- Supply chain & procurement

**49** New teams opened in 2022

## About us

# Our brands



ROBERT WALTERS

### Specialist professional recruitment

Robert Walters recruits specialists for permanent, contract and interim roles across our core disciplines of accountancy & finance, banking, engineering, healthcare, HR, IT, legal, sales, marketing, secretarial & support and supply chain, logistics & procurement.



Walters  
— People

### Specialist staffing

Walters People specialises in temporary/contract and junior permanent recruitment with a focus on financial and business support positions.



RESOURCESOLUTIONS

### Recruitment process outsourcing

Resource Solutions is a market leader in recruitment process outsourcing (RPO) and managed services. Resource Solutions designs and deploys tailored recruitment outsourcing solutions for clients across the world.

# Financial review

## Group highlights

# Group performance

- Net fee income up 27% (27%\*) to £210.5m (2021: £166.2m)
- Operating profit up 15% (7%\*) to £27.7m (2021: £24.1m)
- Profit before taxation up 19% (22%\*) to £26.4m (2021: £22.1m)
- Group headcount now stands at 4,051 (2021: 3,230)
- Permanent recruitment now represents 71% (2021: 67%) of the Group's net fee income

# Regional analysis

- 82% (2021: 79%) of net fee income generated from international businesses. Record high reflecting the strength of the Group's global brand and geographic footprint
- All regions delivered increases in both net fee income and operating profit
  - Asia Pacific – net fee income up 27% (27%\*), operating profit up 15% (17%\*)
  - Europe – net fee income up 35% (39%\*), operating profit up 18% (24%\*)
  - UK – net fee income up 8%, operating profit up 8%
  - Other International – net fee income up 46% (38%\*), operating profit up 3% (11%\*)

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

## Consolidated Group income statement and financial review

£	6 months to 30 June 2022	6 months to 30 June 2021	% Change	% Change (constant currency*)	12 months to 31 Dec 2021
Revenue <sup>1</sup>	538.6m	468.2m	15%	16%	970.7m
Net fee income <sup>2</sup>	210.5m	166.2m	27%	27%	353.6m
Operating profit	27.7m	24.1m	15%	17%	54.1m
Interest and foreign exchange	(1.3m)	(2.0m)	-	-	(3.9m)
Profit before taxation	26.4m	22.1m	19%	22%	50.2m
Taxation	(7.0m)	(7.0m)	-	-	(16.7m)
Profit for the period	19.4m	15.1m	-	-	33.5m
Basic EPS	27.5p	20.9p	32%	-	46.3p

- Interim dividend increased by 20% to 6.5p per share (2021: 5.4p)
- Strong balance sheet with net cash of £81.8m as at 30 June 2022 (30 June 2021: £122.8m)

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

<sup>1</sup>Revenue is the total income from the placement of permanent and contract staff and therefore includes the remuneration costs of contract 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 Resource Solutions to its clients.

<sup>2</sup>Net fee income is the total placement fees of permanent candidates, the margin earned on the placement of contract candidates and the margin from advertising. It also includes the outsourcing, consultancy and payrolling margin earned by Resource Solutions.

## Summary of Group balance sheet

£m	As at 30 June 2022	As at 30 June 2021	As at 31 Dec 2021
Goodwill	8.1	8.1	8.1
Tangible assets and computer software	29.2	20.1	25.6
Right-of-use assets	61.2	59.9	62.6
	98.5	88.1	96.3
Receivables	236.8	161.3	190.4
Payables and provisions	(183.4)	(145.4)	(176.7)
Lease liabilities	(65.3)	(64.4)	(66.4)
	(11.9)	(48.5)	(52.7)
Current and deferred tax	7.8	9.1	4.6
Net cash	81.8	122.8	126.6
Net assets	176.2	171.5	174.8

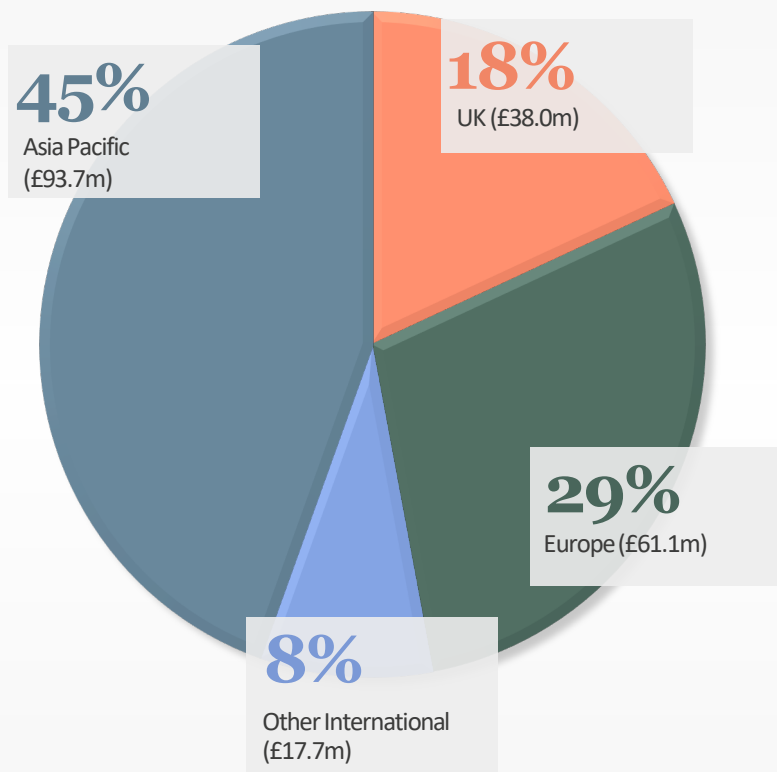


## Summary of cash flow

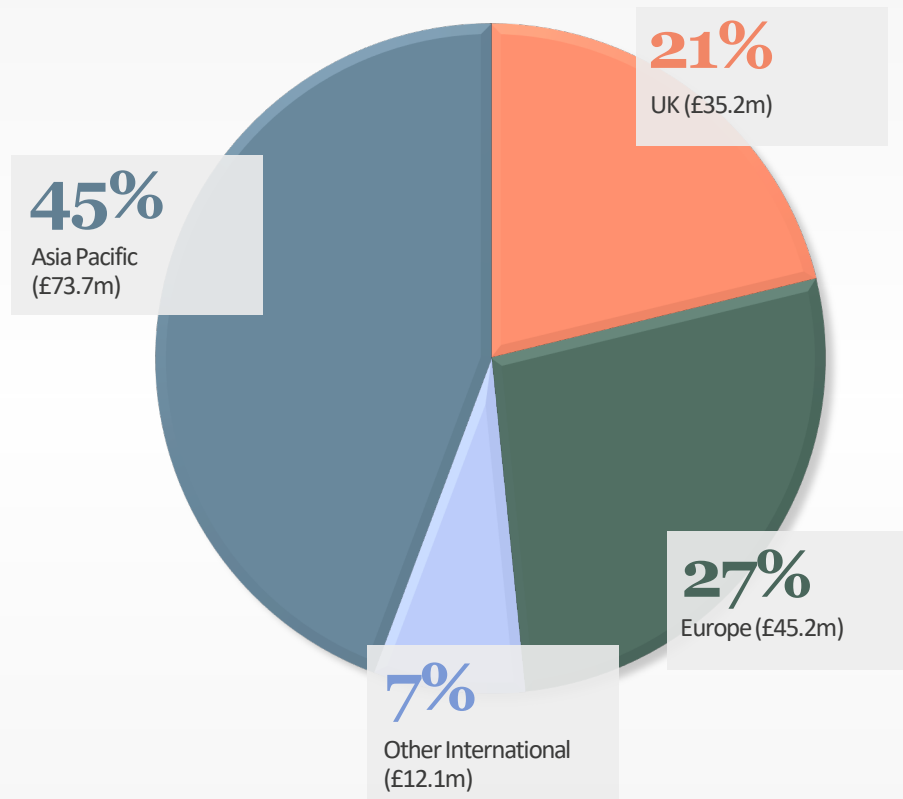
£m	6 months to 30 June 2022	6 months to 30 June 2021	12 months to 31 Dec 2021
Operating profit	27.7	24.1	54.1
Depreciation, amortisation and impairment	10.7	11.1	20.2
Share-based payments and other non-cash items	1.6	1.4	2.3
Unrealised foreign exchange loss (gain)	1.5	(1.8)	(0.3)
Working capital movements	(39.5)	(36.3)	(33.6)
Cash generated by operating activities	2.0	(1.5)	42.7
Principal paid on lease liabilities	(7.0)	(7.6)	(16.4)
Taxation paid	(11.0)	(4.1)	(9.1)
Capital expenditure	(6.9)	(4.8)	(13.2)
Interest and foreign exchange movements	1.3	(6.8)	(9.4)
Dividends paid	(10.6)	(8.0)	(11.9)
Proceeds from issue of equity and exercise of share options	0.1	0.1	0.7
Purchase of own shares	(12.7)	-	(12.3)
Movement in net cash	(44.8)	(32.7)	(28.9)
Net cash at end of the period	81.8	122.8	126.6

## Regional analysis (net fee income)

### 6 months to 30 June 2022



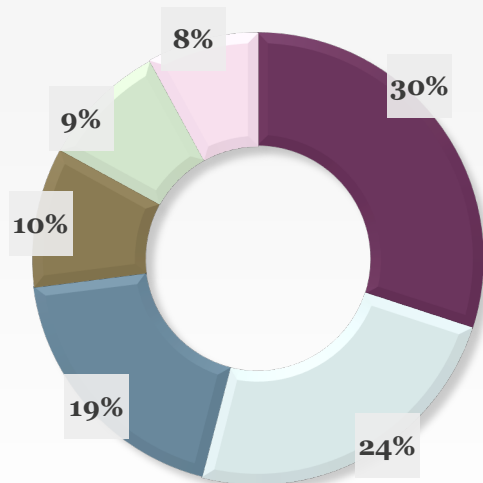
### 6 months to 30 June 2021



## Net fee income by geography (H1 2022 v H1 2018)

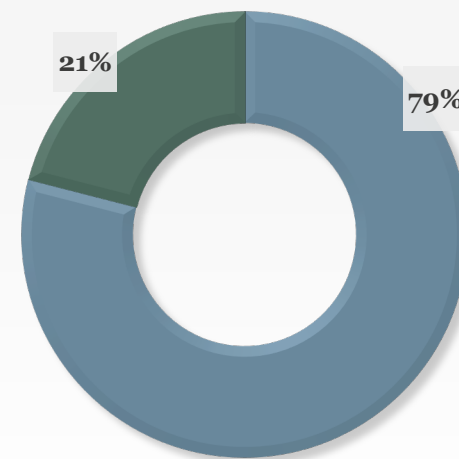
### Asia Pacific (45% of Group NFI)

- Japan 30% 2018: 29%
- Other 24% 2018: 23%
- Australia 19% 2018: 22%
- Hong Kong 10% 2018: 12%
- New Zealand 9% 2018: 6%
- Singapore 8% 2018: 8%



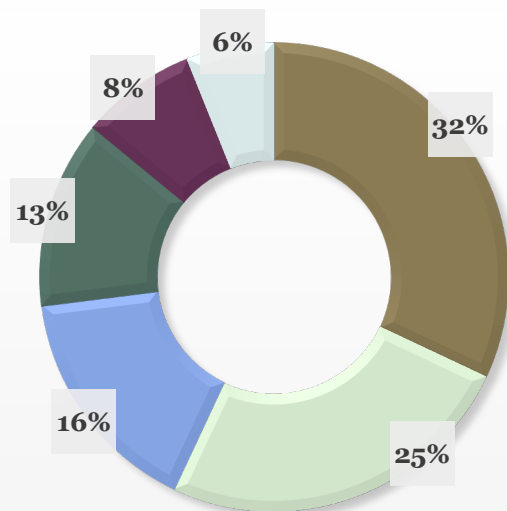
### UK (18% of Group NFI)

- London 79% 2018: 85%
- Regions 21% 2018: 15%



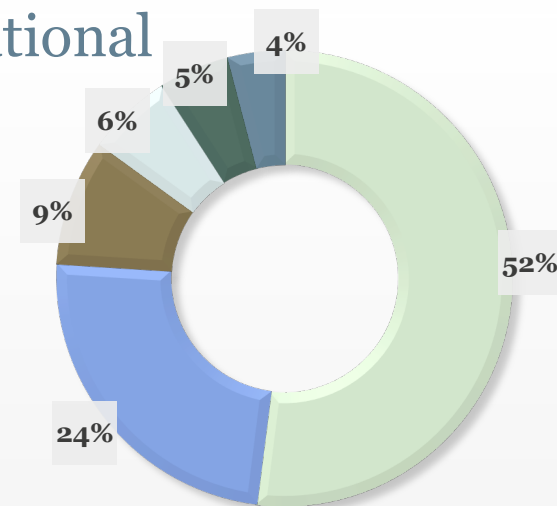
### Europe (29% of Group NFI)

- France 32% 2018: 39%
- Netherlands 25% 2018: 22%
- Spain 16% 2018: 12%
- Belgium 13% 2018: 14%
- Germany 8% 2018: 5%
- Other 6% 2018: 8%

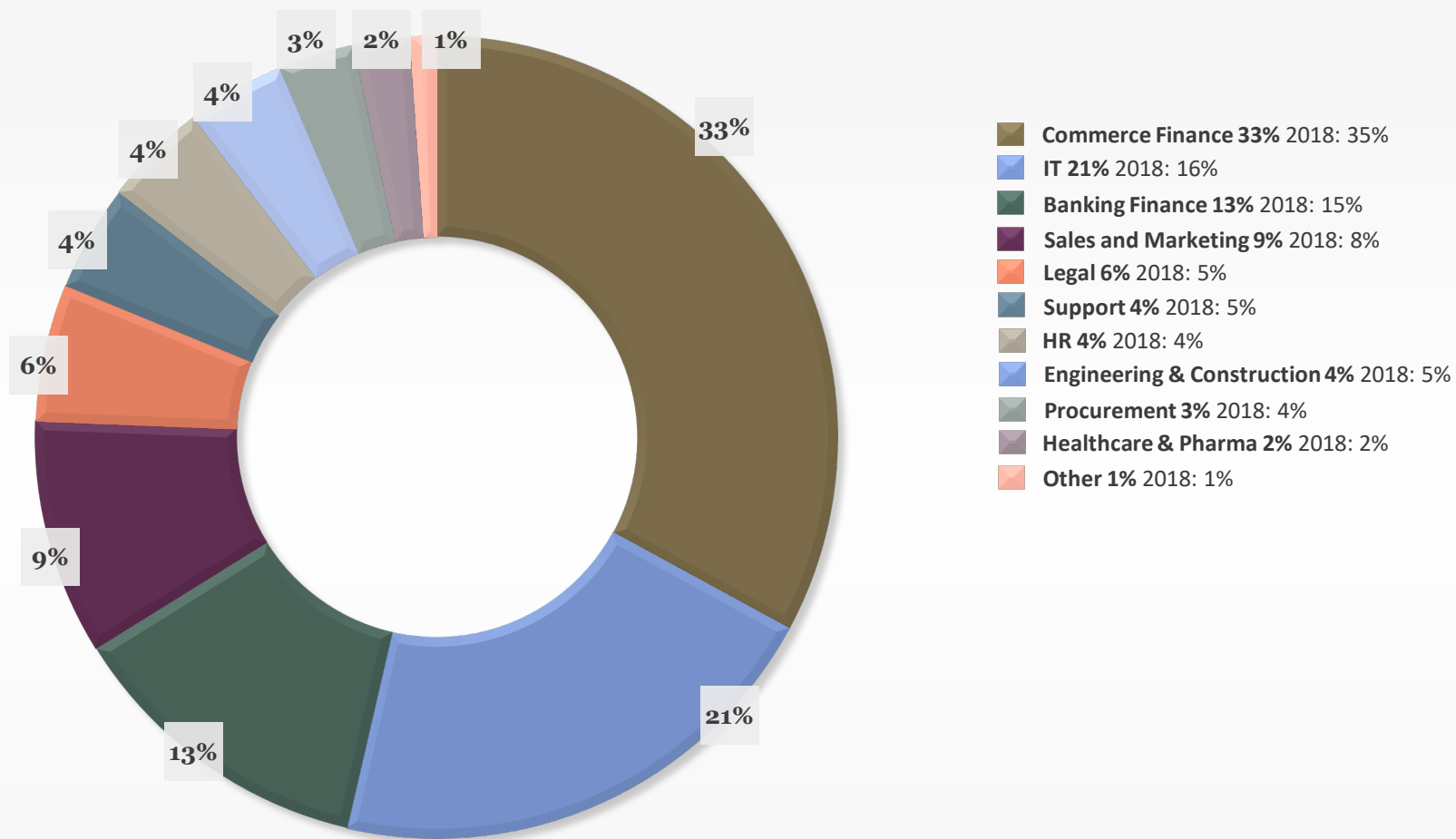


### Other International (8% of Group NFI)

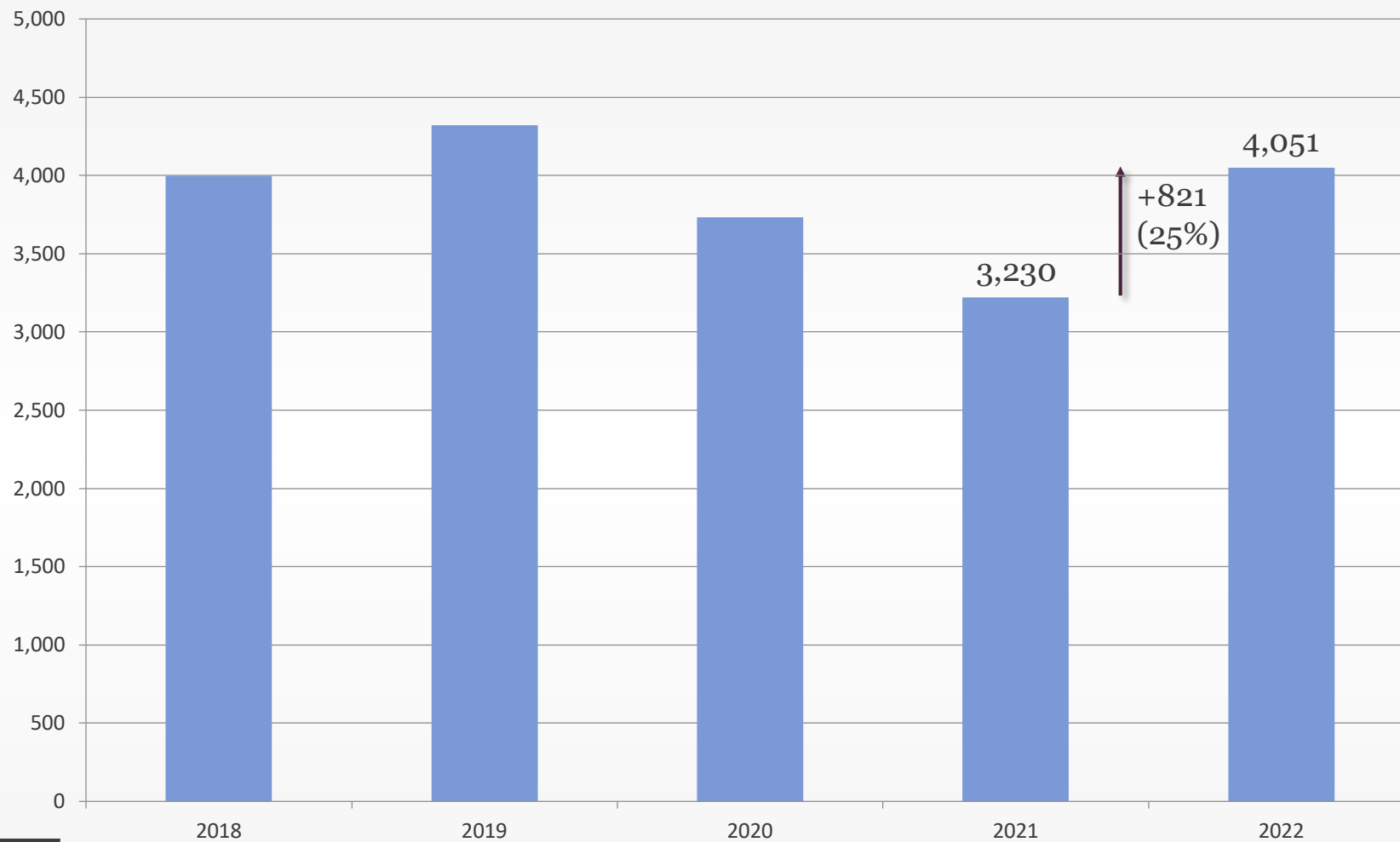
- USA 52% 2018: 73%
- Middle East 24% 2018: 14%
- Chile 9% 2018: 0%
- Other 6% 2018: 4%
- Canada 5% 2018: 2%
- South Africa 4% 2018: 7%



## Net fee income by discipline (H1 2022 v H1 2018)

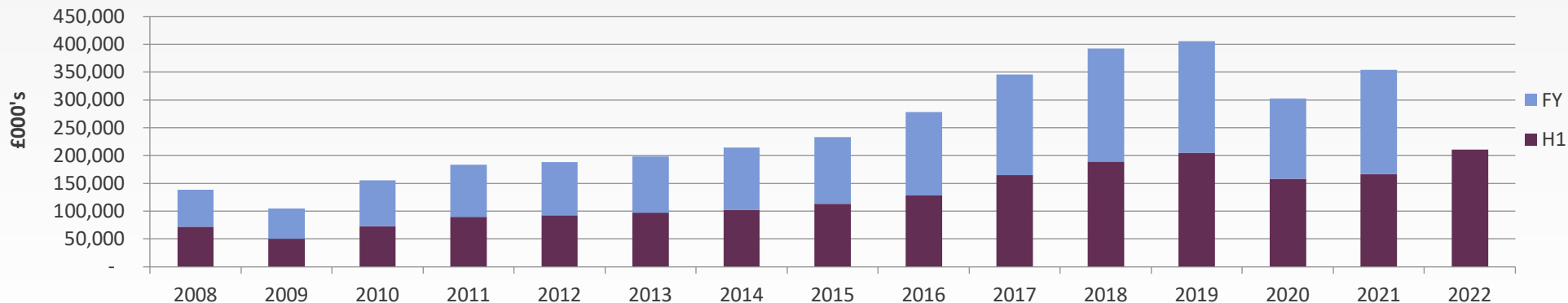


## Significant investment in headcount

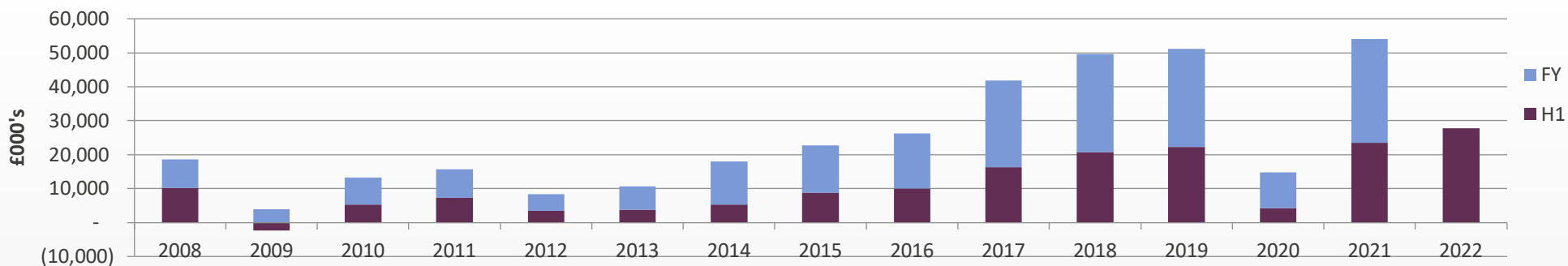


## Track record of growth

### Net fee income 2008 - 2022

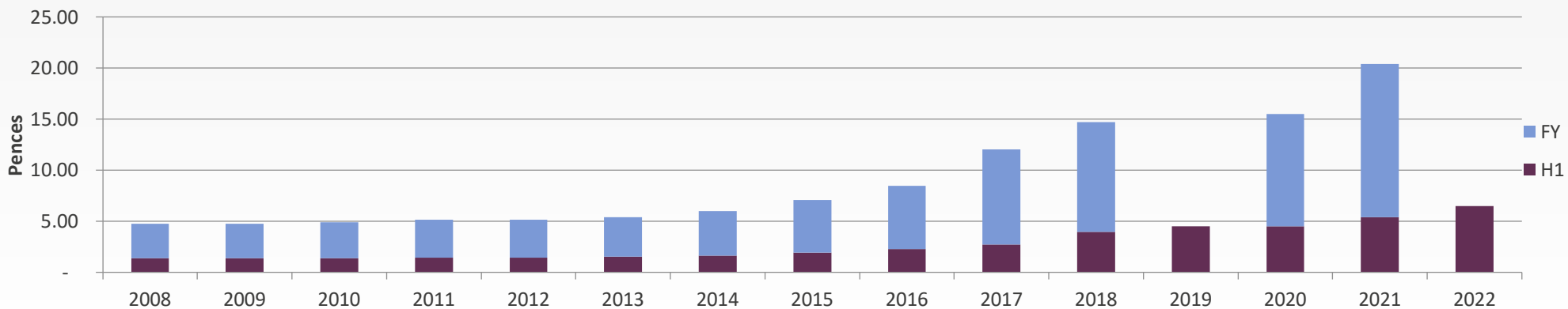


### Operating profit 2008 - 2022

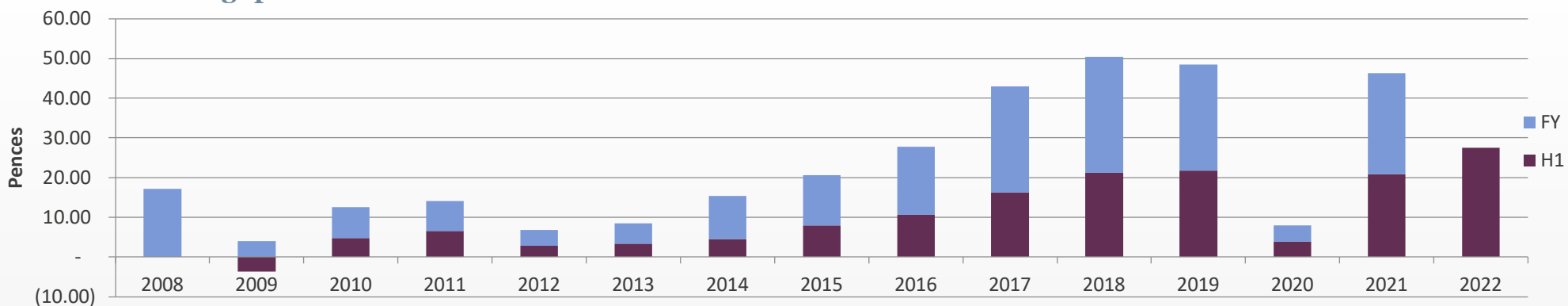


## Track record of growth

### Dividend payments 2008 - 2022



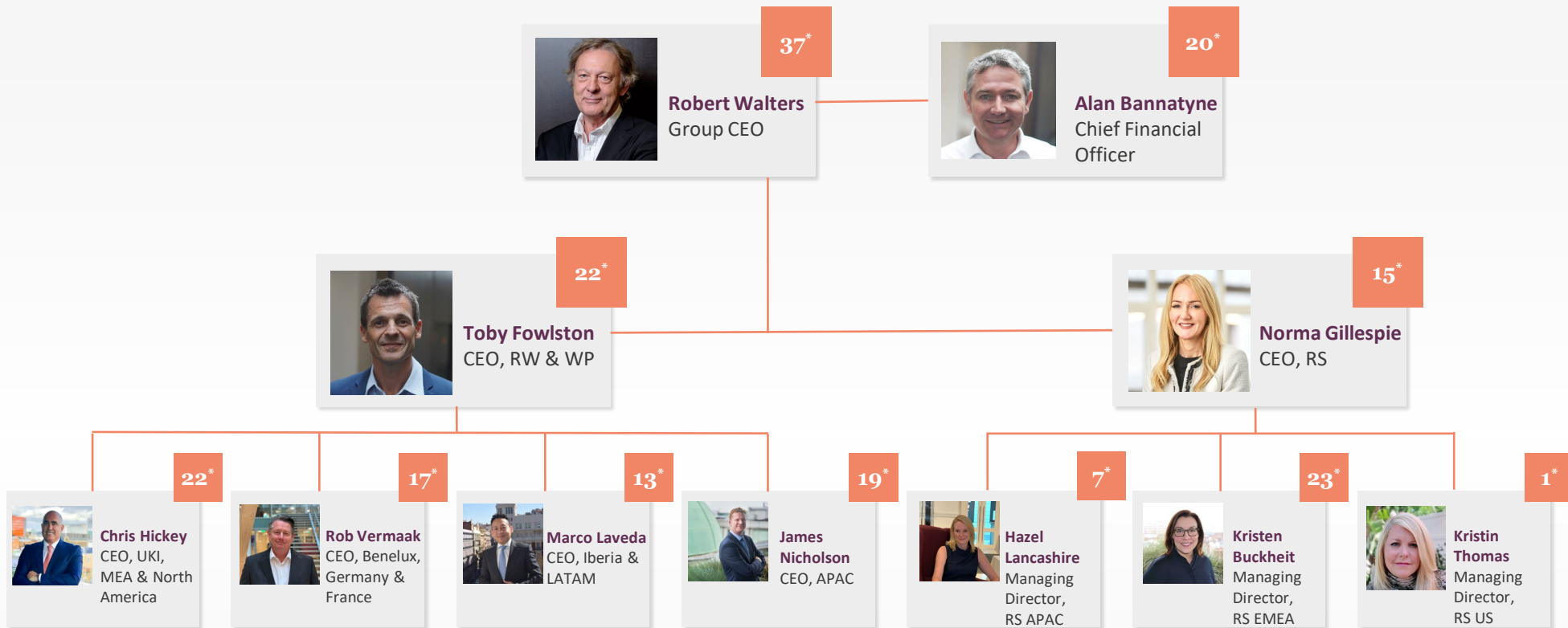
### Earnings per share 2008 - 2022



# Operations review



# Operational management team



\*Denotes length of tenure in years

## Asia Pacific (45% of net fee income)

### Asia Pacific

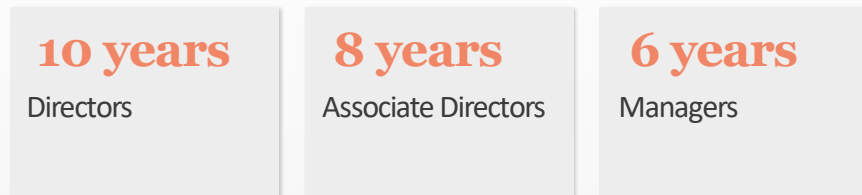
- Net fee income: £93.7m (2021: £73.7m)
- Operating profit: £16.2m (2021: £14.0m)



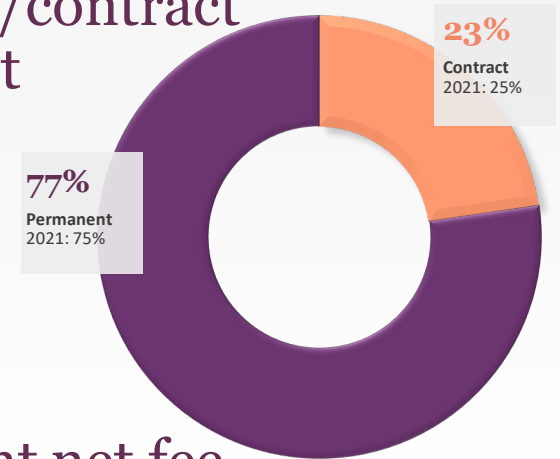
**Locations:**

- |                |             |
|----------------|-------------|
| Australia      | New Zealand |
| Hong Kong      | Philippines |
| India          | Singapore   |
| Indonesia      | South Korea |
| Japan          | Taiwan      |
| Mainland China | Thailand    |
| Malaysia       | Vietnam     |

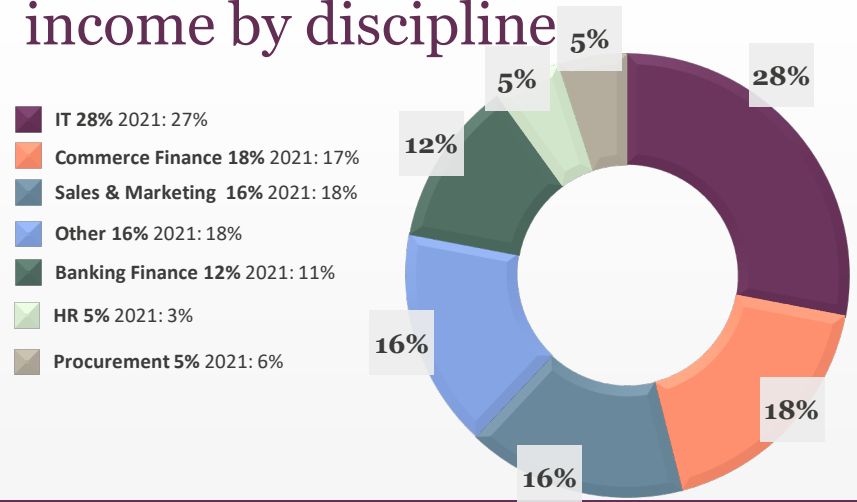
### Average tenure



### Permanent/contract recruitment



### Recruitment net fee income by discipline



## Asia Pacific

# Japan and South Korea

### Japan

- The Group's largest and most profitable business – net fee income increased by 25%\* year-on-year
- Acute shortage of bilingual professionals remains across all sectors – both perm and temp
- Wage inflation – increases of 15-20%+ when moving jobs in high demand roles/sectors (e.g. technology, sales and marketing, manufacturing)
- Demand also fueled by accelerating cross-industry digital transformation programmes and the beginnings of a recovery across Covid-impacted sectors such as hospitality and travel

### South Korea

- Record first half performance across both net fee income and operating profit
- Noticeable shift to 'living with Covid' policy
- Bilingual professionals remain in short supply and high demand particularly across HR, legal and finance
- Wage inflation running at 20%+ for high demand roles (e.g. technology, sales and marketing)
- Hiring demand strongest across technology, digital transformation, data, AI and sales and marketing

## Asia Pacific

# Greater China and South-East Asia

- Unrivalled footprint – including some of the world’s fastest growing, emerging recruitment markets

### Greater China

- Mainland China impacted by periods of extended lockdown during the first half. Operating profit remained flat year-on-year
- Bounce-back in Hong Kong continued despite the exodus of international talent from the local market and strict Covid policy. Organisations forced to hire to replace staff with ESG-related hiring, private banking and technology particularly active
  - Net fee income was up 49%\* year-on-year and operating profit more than doubled
- Record performance in Taiwan with net fee income up 96%\* year-on-year
  - Shift in policy to ‘living with Covid’
  - Broad-based demand across semi-conductor and related industries. Software developers and engineers in high demand

### South-East Asia

- Record net fee income delivered in Malaysia, Thailand and Vietnam
- Wage inflation of 15-20% commonplace for job movers. Technology, digital transformation and financial services (risk and compliance) all active
- Return home campaigns gaining increased traction as international borders re-open

## Asia Pacific

# Australia and New Zealand

### Australia

- Region's second largest and second most profitable business
- Good net fee income growth (17%\*)
- Skills shortages across every discipline and geography exacerbated by talent migrating overseas
- Permanent market remains solid but contract market now more active as contract rates outpace permanent salary growth
- Wage inflation of 10%+ across the board – all disciplines

### New Zealand

- Clear market leader. Strong blend of public and private sector. Net fee income increased by 36%\* year-on-year
- End-to-end recruitment solutions – permanent, contract, MSA, SoW
- Technology, professional and corporate services particularly active

## Europe (29% of net fee income)

### Europe

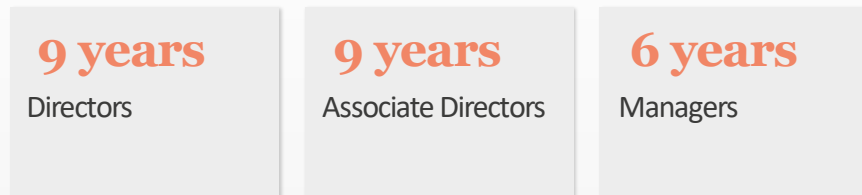
- Net fee income: £61.1m (2021: £45.2m)
- Operating profit: £7.3m (2021: £6.2m)



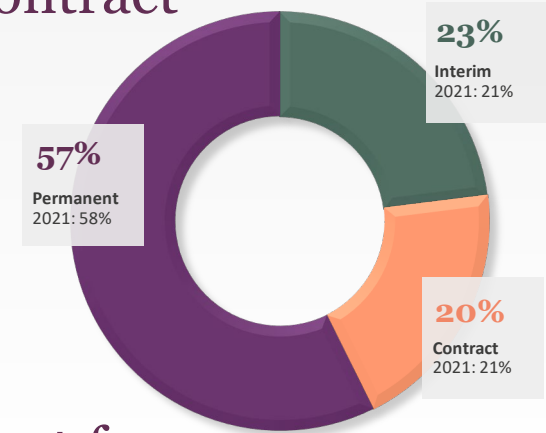
**Locations:**

- Belgium
- France
- Germany
- Ireland
- Italy
- Netherlands
- Poland
- Portugal
- Spain
- Switzerland

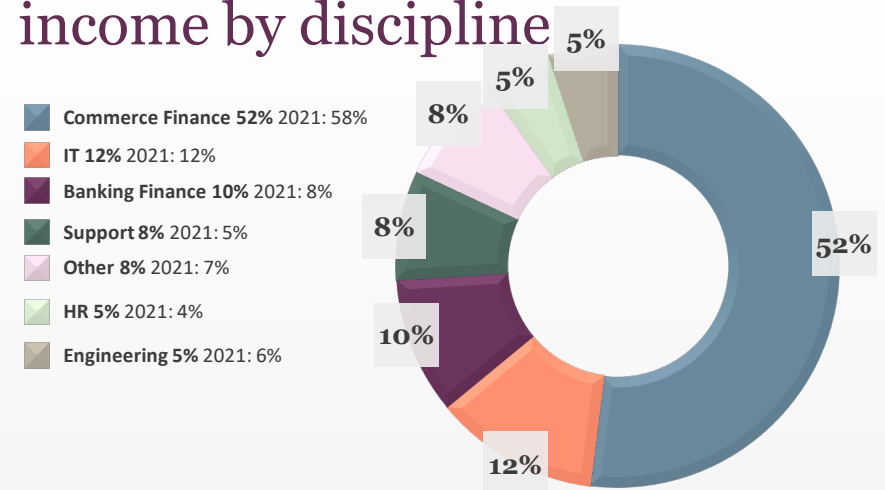
### Average tenure



### Permanent/contract recruitment



### Recruitment net fee income by discipline



## Europe

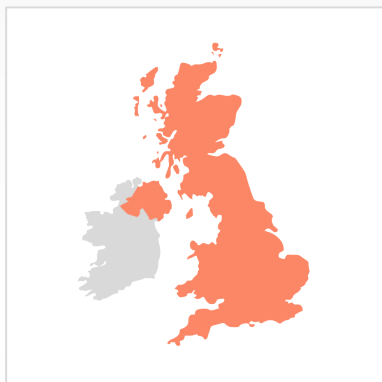
# Europe

- Breadth of permanent, contract and interim recruitment solutions provides a competitive advantage which continues to enable us to service the full range of client requirements
- Excellent performance across the region with all markets delivering net fee income growth in excess of 25%\* year-on-year
- Permanent and interim continued to perform most strongly but contract recruitment also grew well during the first half
- France, the region's largest business, net fee income up 26%\*
  - Legal, finance, sales, technology and real estate particularly active
  - Welcome bonuses emerging as a strategy to attract talent
- Record performance in Spain across both net fee income and operating profit
  - New office opened in Bilbao during the period
- Belgium and Netherlands very resilient and highly profitable with record levels of net fee income across both. Shortage of specialist talent across finance, legal and supply chain. Trilingual talent remains in short supply in Belgium
- First office opened in Italy (Milan)
- Encouraging that Germany continued to build on a strong 2021 with a record first half performance

## UK (18% of net fee income)

### UK

- Net fee income: £38.0m (2021: £35.2m)
- Operating profit: £3.6m (2021: £3.3m)



**Locations:**  
Birmingham  
Bracknell  
Liverpool  
London  
Manchester  
Milton Keynes  
St Albans

### Average tenure

**10 years**

Directors

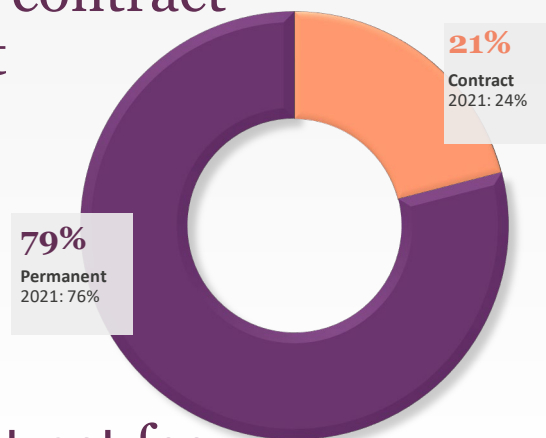
**8 years**

Associate Directors

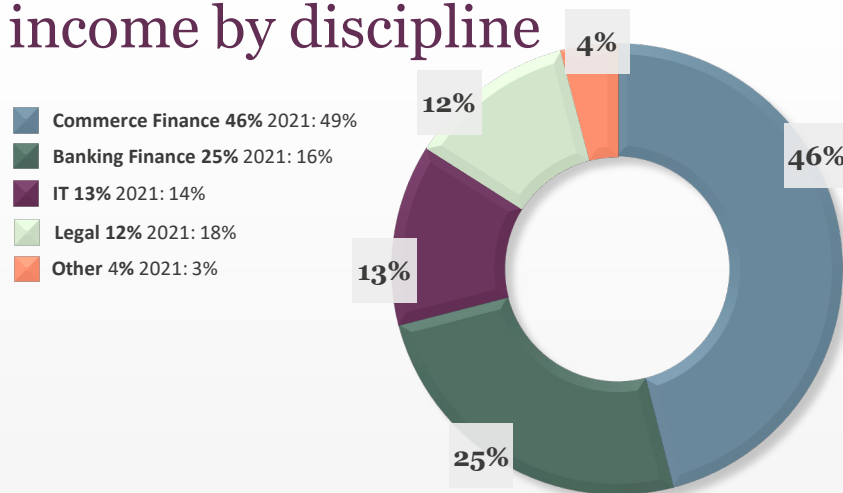
**6 years**

Managers

### Permanent/contract recruitment



### Recruitment net fee income by discipline





## UK

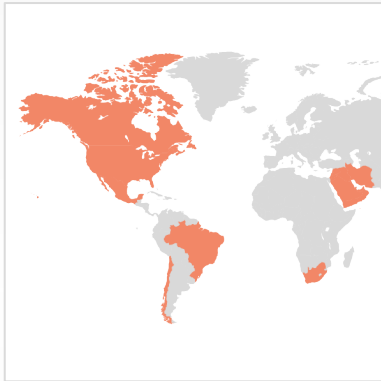
### UK

- Recruitment volumes across London and the regions accelerated through the first half of the year
- Wage inflation (circa 20%) continued to fuel candidate confidence and created significant job churn
  - Blanket cross-organisation pay rises becoming more common in the battle to retain staff
- Demand strongest at the junior to mid-level professional space (particularly digitally fluent talent)
- Skills in highest demand include:
  - Commerce finance – particularly in audit and compliance
  - Financial services – grew particularly strongly during the second quarter – front and middle office including compliance, risk and regulation
  - Legal – record year for vacancy growth. Real estate and employment lawyers in strong demand. Surge in demand for lawyers with energy law experience
  - Technology – developers, product, project and change specialists
- Candidate expectations around long-term hybrid working options and aligned purpose are both increasingly vital considerations for hiring managers

## Other International (8% of net fee income)

### Other International

- Net fee income: £17.7m (2021: £12.1m)
- Operating profit: £0.6m (2021: £0.6m)



**Locations:**

- Brazil
- Canada
- Chile
- Mexico
- Middle East
- South Africa
- USA

### Average tenure

**5 years**

Directors

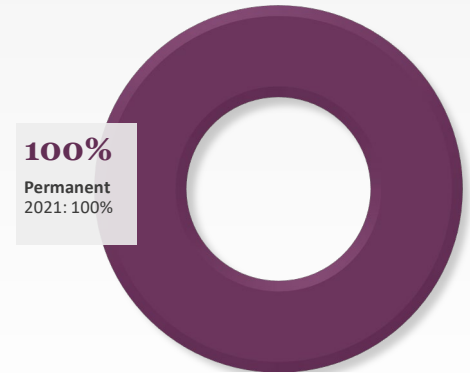
**4 years**

Associate Directors

**4 years**

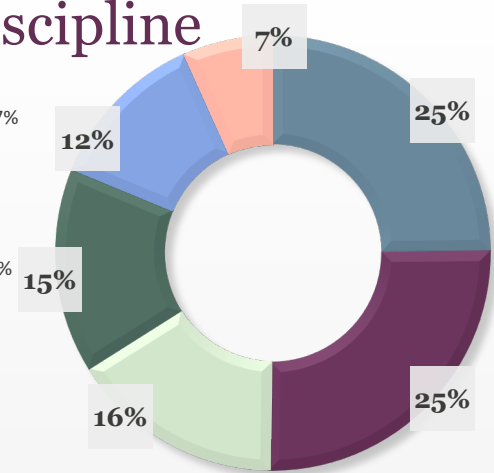
Managers

### Permanent/contract recruitment



### Recruitment net fee income by discipline

- Commerce Finance 25% 2021: 27%
- IT 25% 2021: 19%
- Legal 16% 2021: 9%
- Banking Finance 15% 2021: 26%
- Sales & Marketing 12% 2021: 15%
- Engineering 7% 2021: 4%



## Other International

### Americas

- Tech lay-offs impacted the US market particularly during the second quarter
- US market has hinged away from the candidate towards the employer
  - Salary expectations now flattening off
  - Hybrid vs remote vs in-office debate still volatile
- Canada – record net fee income
- Exciting growth in our fledgling Chile business with net fee income more than doubling year-on-year
- Mexico also more than doubled net fee income year-on-year albeit from a lower base

### South Africa

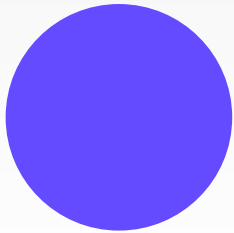
- Volatile economic backdrop with rising fuel prices and wider inflation
- Net fee income was largely flat year-on-year
- Lifting of travel restrictions means that qualified professionals now more able to migrate overseas

### Middle East

- Record levels of net fee income and operating profit
- Normalisation of region's economies post Covid
- High oil price
- Strength and quality of brand

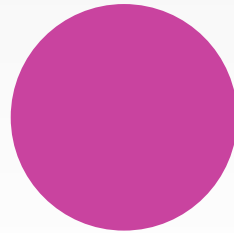
## Resource Solutions

# Core product propositions



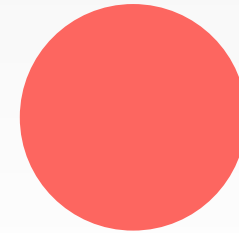
### RPO

From full RPO to modular and project RPO, our services are designed with client and candidate needs at the core; agile, experience-led and empowered by technology



### Non-permanent workforce solutions

Helping our clients build a balanced, flexible workforce. Driven by cutting-edge insight, control and compliance, efficiency and our focus on hiring-manager and candidate experience



### Advisory

Our consulting services are delivered with deep speciality and grounded in a single vision – to improve recruitment outcomes.

Our promise is to meet our clients' briefs and show real, measurable impact. We focus on experience of the candidate, hiring manager and recruiter

## Resource Solutions

- UK business saw an 8%\* decline in net fee income due to both the lag effect of clients re-hiring on-site teams following Covid forced restructures and lengthening times to onboard new staff
  - Recruitment levels more muted relative to core UK recruitment business but activity levels trended positively as the first half progressed
  - New client wins and extensions across IT, mining, healthcare and insurance – strong platform for growth in H2 and beyond
- Record net fee income levels in Asia Pacific – up 51%\* year-on-year
  - Recent client wins coming fully on stream
  - Strong and diversified client base by geography and sector
- New advisory services gaining good traction with existing and new clients and becoming a growing revenue stream:
  - Workforce consultancy
  - RSIntelligence
  - D&I audit and advisory
  - Rejoin

## Technology & Transformation

As a business with innovation embedded at its core, being at the cutting edge of technological change has paid dividends in terms of our readiness to face the continued and unique challenges presented to us whilst realising strong commercial benefits



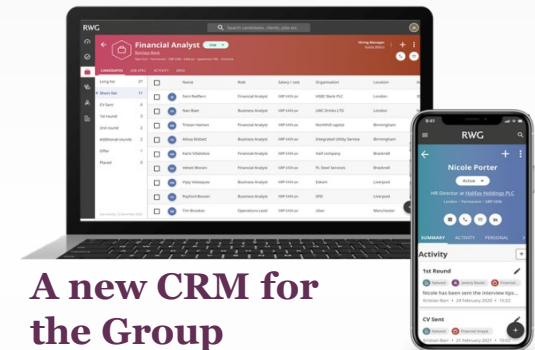
### Leveraging our Microsoft relationship for efficiency

- Deployed Unified Comms through **MS Teams** to ensure our consultants are always available to support our candidates and clients
- Group data centres have been migrated to **Microsoft Azure** cloud increasing security, agility and commercial benefit
- Use of **Microsoft Power Platform** to automate workflows in RS



### Enhanced data integration, business reporting and insights

- Further enhancement of our global instance of **Microsoft D365 Finance & Talent**
- We continue to leverage **Microsoft Power BI** and our **Snowflake DWH** to deliver meaningful business insights and MI
- A **Digital Integration Platform** has been established to ensure rapid and secure connectivity and data transfer between our own and our clients' systems



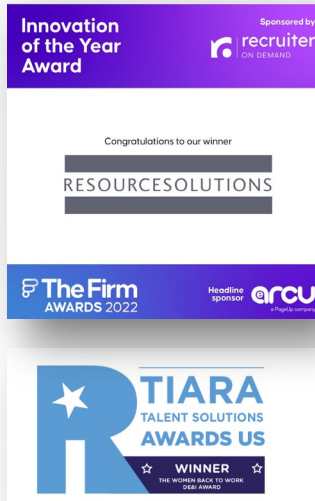
### A new CRM for the Group

- Custom solution to replace our existing CRM platform (Profile). Focus on user experience and simplicity
- Built to suit the way *our* consultants do business — putting people first
- Zenith now live in Middle East, North America and South America. Deployment activities under way for SEA

# Innovation

## Awards & Recognition in 2022

During H1 2022 we added Innovation of the Year Awards and winner status for our progressive consultancy services in Equity, Diversity & Inclusion to our growing list of accolades



## Adding to awards from 2021:



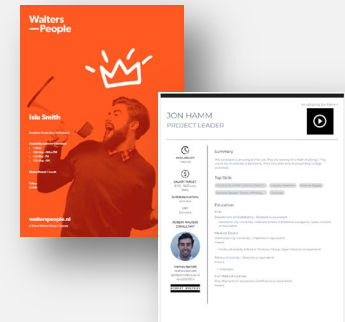
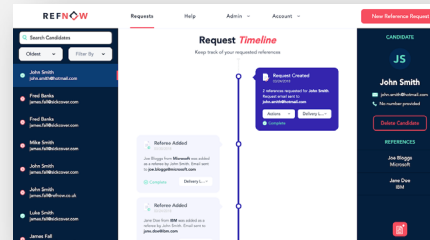
## Automation & Productivity

The Innovation team continues to drive productivity gains in their partnership programme with the business.

**Automating the reference checking process for Walters People** has delivered a **c.37%** increase in references completed and saved **nearly two weeks** per reference

Development of our Digital CV of the Future is already delivering business efficiencies.

Converting skills data into digital records will enable us to track skills in our new CRM and recent figures show our state-of-the-art digital CV formatting code delivering **c.40% in administrative time savings**



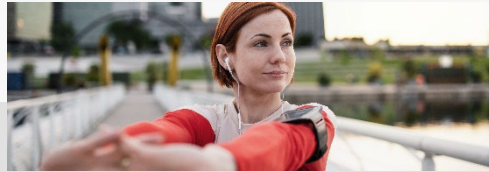
## ESG

Our strategy is based upon three strategic pillars which align to ESG and are underpinned by our purpose



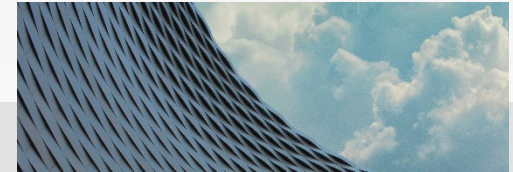
### Protecting the planet ENVIRONMENT

- The Group has been offsetting the equivalent of our carbon emissions since 2015
- Planted over 15,000 trees in 2021 through our 'Plant a Tree' initiative with World Land Trust
- Regular greenhouse gas reporting
- New environmental KPIs set in 2021, with the commitment to reduce our global carbon emissions by 30% per head by the end of 2030



### Powering people potential SOCIAL

- Helped over 23,700 candidates and over 8,500 clients fulfil their unique potential in H1
- Continued our five-year partnership with Global Angels supporting sustainable development in Tsavo, Kenya
- Providing our people with long-term careers, with 589 promotions (60% female) during the first half of the year and over 1,200 coaching and training sessions delivered



### Responsible business GOVERNANCE

- Appointed the Group's first Global Head of ED&I last year
- Appointment of Vercida Consulting as Group's ED&I global partner in 2021
- Completed global roll out of ED&I training programme to Managers and above following internal ED&I global survey
- Award-winning D&I advisory service and hiring toolkits to support client activity

◀ **Powering people and organisations to fulfil their unique potential** ▶



## ESG

# Timeline to 2030 - our commitments to act:

- We have committed to reducing our global carbon emissions by 30% per head by the end of 2030\*. Ambition of targets will be kept under constant review
- In the first half we appointed Sillion, a market leading ESG consultancy, as the Group's ESG strategic partner to undertake a Group-wide materiality assessment to identify the ESG issues most critical to our business



### Reducing our carbon emissions

By the end of 2030, the Group aims to reduce our carbon emissions from business travel (cars, trains, flights) by 30% per head and to convert our vehicle fleet to electric, wherever possible.



### Choosing low-carbon energy

By the end of 2030, 75% of all electricity purchased by the Group will be sourced from energy providers who can guarantee that it comes from renewable or low-carbon sources.



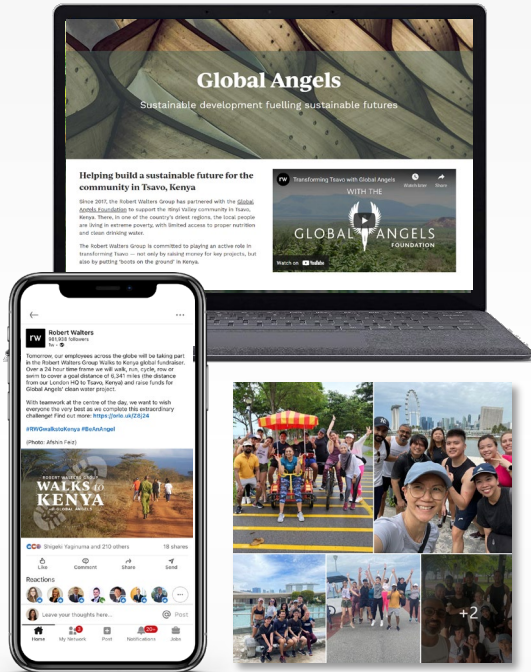
### Minimising paper consumption

By the end of 2030, the Group will reduce paper consumption by 25% per head, actively promoting increased utilisation of digital alternatives across our global workforce.

*\*The Group's commitment to achieve a 30% reduction in carbon emissions per head by the end of 2030 will be measured using 2019 emissions as the baseline due to lower-than-average emission levels in 2020 during the global pandemic.*

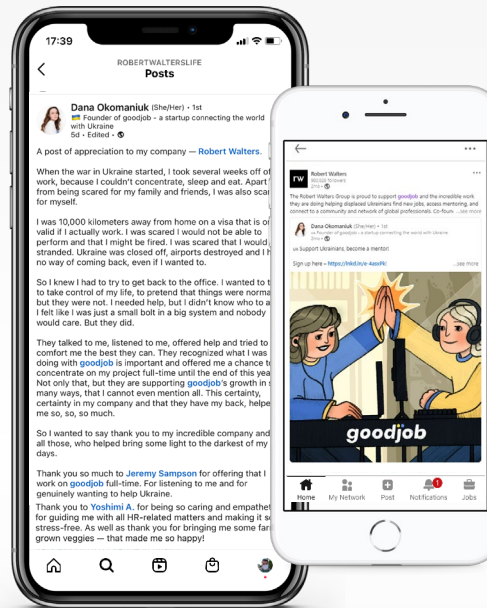
# HY 2022: Telling our ESG story

## Protecting the planet



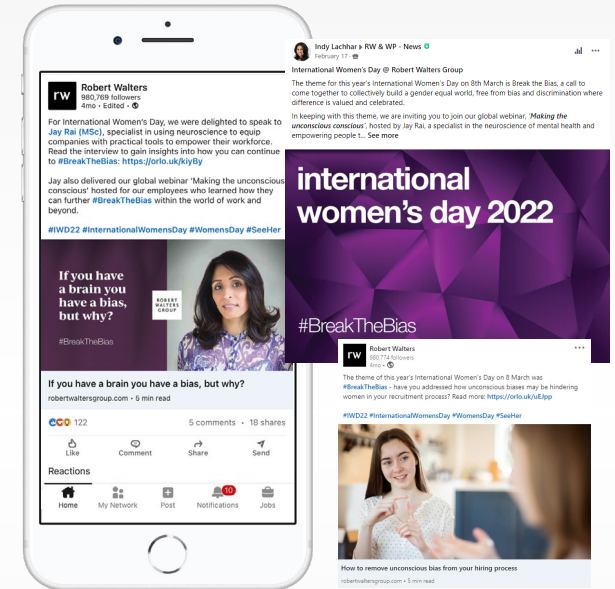
Our global fundraiser **Robert Walters Group Walks to Kenya** launched for the second year, raising vital funds for Global Angels' sustainable Clean Water Project

## Powering people potential



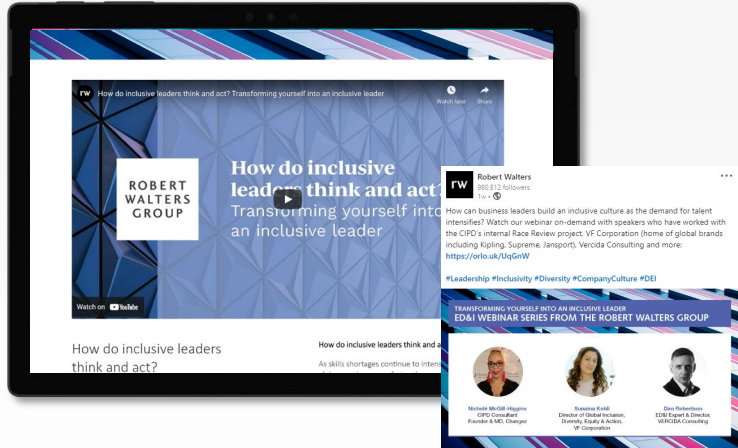
We are proud to support **GoodJob**, co-founded by one of our own consultants Dana Okomaniuk, helping **Ukrainians displaced by the war find jobs**

## Responsible business

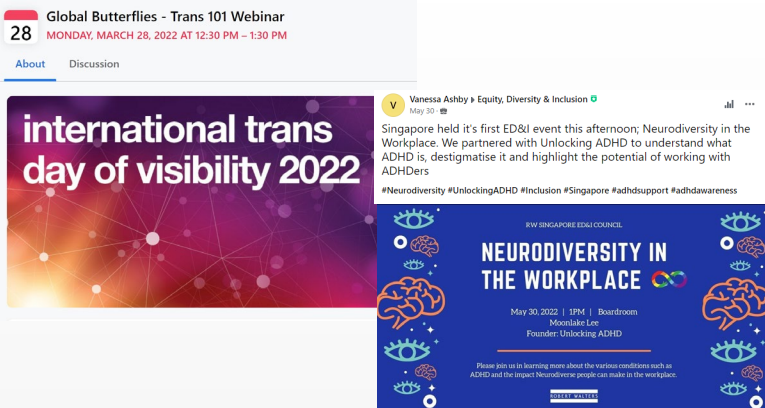


We celebrated **International Women's Day** with a global series of webinars for staff on **Making the unconscious conscious**, looking at bias from a neuroscience perspective

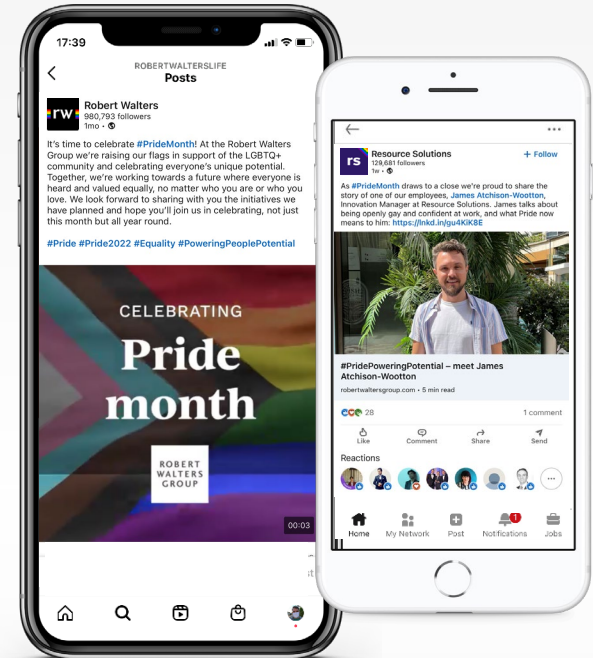
# HY 2022: Equity, Diversity & Inclusion (ED&I)



We held our second global group-wide **ED&I webinar** for clients, *How do inclusive leaders think and act? Transforming yourself into an inclusive leader*



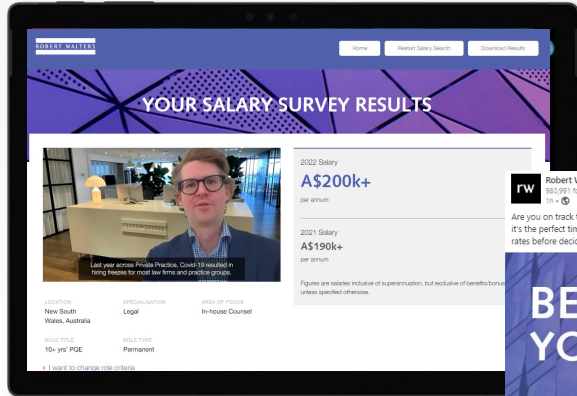
Our global and regional ED&I councils hosted a number of **ED&I events** for staff, including events on trans inclusivity and neurodiversity in the workplace



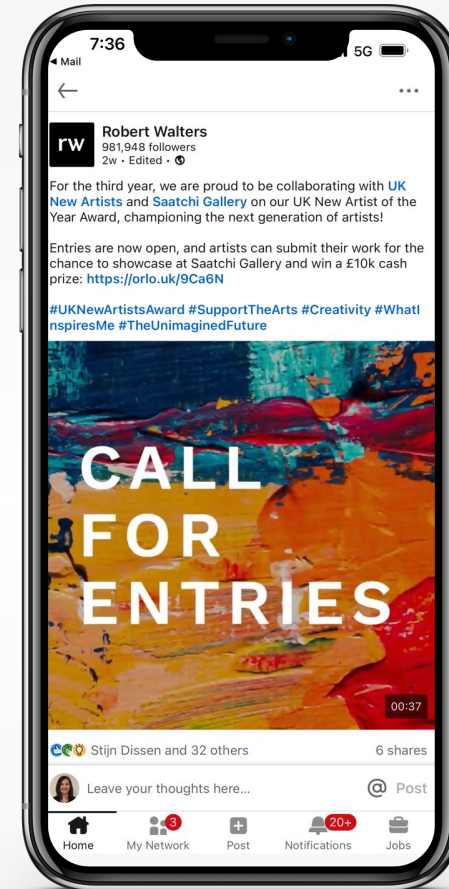
Our three businesses shared content celebrating **LGBTQ+ Pride** and hosted events around the world



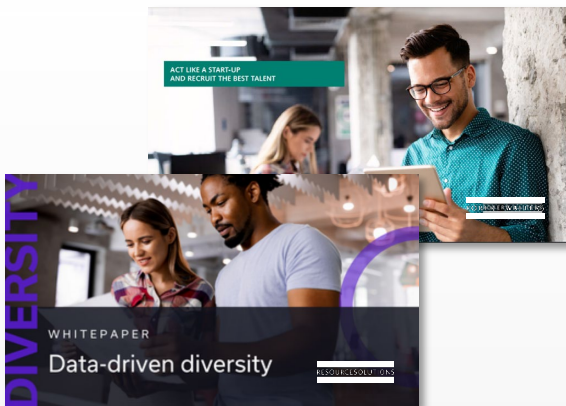
## HY 2022: Brand-building and market share



2022 digital **Salary Survey** available for hiring managers and candidates



The **Robert Walters Group UK New Artist of the Year Award** launched. Now in its third year, the award in collaboration with UK New Artists and Saatchi Gallery helps to discover and champion the work of exceptional emerging artists



Our global thought leadership programme shares our research, insights and expert analysis of the key trends impacting recruitment today, including topics on how **startups** are edging ahead in the race for talent, our global **fintech** report, and **ED&I**

## HY 2022: Our people

# Continuing to invest in our people in the long term

Figures as at 30 June 2022

**589**

Internal promotions across  
the Group in H1 2022  
(60% female)

**73**

Languages spoken by our  
employees

**1,200+**

Coaching and training  
sessions delivered

**74**

Nationalities represented  
across the Group

### Recent employer awards



**glassdoor**

**UK's Top 25 Companies  
for Senior Leadership**

**Have  
your  
say**

Complete our employee  
engagement survey

"Thank you to  
everyone who  
participated in our  
Global Employee  
Engagement Survey  
- your feedback will  
help us create an even  
better place to work."

**Robert Walters**  
Chief Executive



◀ We launched our first **global employee engagement survey** in February, to better understand what our people value to ensure we can take real action to create an even better working environment

## Corporate Responsibility


# Supporting the communities where we work




## HY 2022: Awards

# A snapshot of our recent awards

**Group**




**UK**




UK's Top 25 Companies for Senior Leadership


**Hong Kong**




**South Korea**



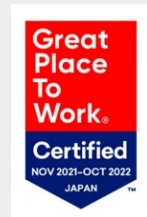
**Netherlands**



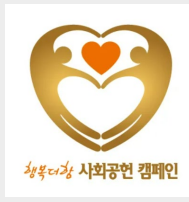
**Australia**







**Japan**




**South Korea**



**Resource Solutions**



Best HR Outsourcing Providers



HR Vendor of the Year



# Outlook



## Outlook

*“The jobs market remained active throughout the first half of the year and we are yet to see signs of any slowdown despite the volatile macro-economic backdrop and inflationary pressure that is being experienced across global markets.*”

*“Current trading remains in line with the recently upwardly revised market expectations.”*