ROBERT WALTERS GROUP

Half-yearly Financial Results 2022

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 4,000 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, healthcare, 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

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Half-yearly Financial Statements

H1 2022 Highlights

Revenue
H1 2021: £468.2m

15% ↑

£538.6m

Gross profit (net fee income)
H1 2021: £166.2m

27% ↑

£210.5m

Operating profit
H1 2021: £24.1m

15% ↑

£27.7m

Profit before taxation
H1 2021: £22.1m

19% ↑

£26.4m

Basic earnings per share
H1 2021: 20.9p

32% ↑

27.5p

Interim dividend per share
H1 2021: 5.4p

20% ↑

6.5p

Half-yearly Management Report

The Group delivered a record first half performance with profit before taxation increasing by 19% (22%*) year-on-year to £26.4m (2021: £22.1m). Activity levels were strong across all forms of recruitment – permanent, contract, interim and recruitment process outsourcing – and the Group's ability to provide an end-to-end recruitment solution to our clients and candidates remains a key source of competitive advantage. Permanent recruitment currently represents 71% (2021: 67%) of the Group's net fee income.

All of the Group's regions delivered increases in both net fee income and operating profit, with Asia Pacific and Europe delivering the standout performances in terms of operating profit growth. A record high of 82% (2021: 79%) of the Group's net fee income is now derived from our international businesses reflecting the strength of the Group's global brand and geographic footprint. With Covid restrictions also easing across many countries, talent has begun to move more frictionlessly across international borders and our International Candidate Management function is once again proving a valuable asset to the Group.

During the period, we continued to invest in growing the business to capitalise on the acute talent shortages that exist right across both our international footprint and our range of specialist disciplines. We have grown our headcount by 16% since the beginning of the year and also opened our first office in Italy, in Milan, and are excited about the opportunity to develop a thriving business in one of Europe's largest economies.

Wage inflation continued to grow, creating significant churn in the job market right across the globe as candidates capitalised on the salary premiums on offer for job movers. With job churn high and the competition for talent fierce, the Group was able to successfully increase fee margins during the period and also benefited from higher candidate salary levels.

The Group's hybrid working model is operating successfully across the globe underpinned by our long-term investment in technology – it was particularly encouraging to receive excellent feedback on how the Group responded and continues to respond to the needs of our people through our global employee engagement survey that was launched in February. The health and wellbeing of our people remains our number one priority and we will continue to listen to feedback through regular surveys.

ESG

ESG remains a key priority and we continue to strive to ensure the Group is adopting all relevant best practice. Highlights from the first half include:

Activity	Progress
Purpose	— The Group's purpose is to power people and organisations to fulfil their unique potential and it is the foundation that underpins what we do as a business. — During the first half, we helped over 23,700 people and 8,500 organisations fulfil that unique potential through providing new careers and valued team members.
Materiality Assessment	— The Group engaged Sillion, a leading sustainability strategy and communications consultancy, to undertake a Group-wide ESG materiality assessment – the findings will be disclosed in the Group's annual report and will further inform and influence our policies and approach moving forward.
Investment in our People	— We continued to invest in the development of our people with over 1,200 training, coaching and leadership sessions delivered across the globe during the first half. — 589 (60% female) promotions.
Corporate Social Responsibility	— Investment and resourcing and mentoring support to GoodJob, an initiative co-founded by one of the Group's consultants, to help displaced Ukrainian professionals find meaningful employment. — The Group has employed six Ukrainian professionals within our Technology & Transformation team. — Donation to RefuAid, a charity supporting refugees in the UK.
Equity, Diversity & Inclusion (ED&I)	— The Group's Diversity Audit client service won two further industry awards including the Innovation of the Year Award at the Firm Awards 2022. — Hosted our second global ED&I Webinar for clients with our global ED&I partner, Vercida Consulting. — Held a series of internal and external events and campaigns on a broad range of initiatives such as Pride, Neurodiversity and International Women's Day.

Technology and Insights

The roll out of Zenith, the Group's new customer relationship management system, progressed well through the first half with successful deployments to our businesses in the US, Canada, Brazil, Mexico and Chile. The next stage of the roll out will cover the South-East Asia region.

The Group continued to provide market insights and analysis to our clients and candidates by harnessing comprehensive internal and external data sources to better inform recruitment searches and decision-making. This has proven to be a source of competitive advantage and a successful revenue-generating tool.

Group Financials

Revenue was up 15% (16%*) to £538.6m (£541.3m*) (2021: £468.2m) and gross profit (net fee income) increased by 27% (27%*) to £210.5m (£211.3m*) (2021: £166.2m). Operating profit increased by 15% (17%*) to £27.7m (£28.4m*) (2021: £24.1m). Profit before taxation increased by 19% (22%*) to £26.4m (£27.1m*) (2021: £22.1m).

The Group has a strong balance sheet with net cash of £81.8m as at 30 June 2022 (30 June 2021: £122.8m). The Group also has a £60.0m committed loan facility due for renewal in 2025. At 30 June 2022, £26.6m (2021: £9.4m) was drawn down under this facility.

Asia Pacific (45% of net fee income)

Revenue was £240.1m (2021: £194.0m) and net fee income increased by 27% (27%*) to £93.7m (£93.9m*) (2021: £73.7m), delivering an operating profit of £16.2m (£16.5m*) (2021: £14.0m).

All markets across the region delivered double-digit growth in net fee income year-on-year. In Japan, the Group's largest and most profitable business, net fee income increased by 25%* year-on-year driven by the ongoing demand for bilingual professionals, digital transformation, and the recovery of Covid-impacted sectors. Elsewhere across Asia, Korea, Malaysia and Thailand all delivered record performances in terms of both net fee income and operating profit. Activity levels in Mainland China were however negatively impacted by the prolonged period of Covid-enforced lockdown with operating profit remaining flat year-on-year.

Skill shortages remain particularly acute across both Australia and New Zealand, a situation exacerbated by the re-opening of international borders and the negative net migration that exists. Whilst permanent recruitment activity remained solid, contract recruitment activity increased during the period as the shortage of permanent talent began to bite. Net fee income in Australia grew by 17%* year-on-year and in New Zealand, where we have a dominant market position, net fee income increased by 36%* year-on-year.

Resource Solutions, our recruitment process outsourcing business, delivered a strong performance in the first half as a number of recent new client wins came fully on stream. The business has a broad range of clients spanning multiple markets across the region and is well positioned to deliver long-term growth.

Europe (29% of net fee income)

Revenue was £136.6m (2021: £100.8m) and net fee income increased by 35% (39%*) to £61.1m (£62.7m*) (2021: £45.2m), delivering an operating profit of £7.3m (£7.7m*) (2021: £6.2m).

A strong performance right across the region with all markets delivering net fee income growth of more than 25%* year-on-year.

In France, our largest business in the region, net fee income increased by 26%* year-on-year as permanent and interim recruitment continued to bounce-back well.

Our operations in the Netherlands and Belgium delivered record levels of net fee income, further cementing our market-leading position across this region. Spain also produced record net fee income and during the period we opened a new office in Bilbao giving us four offices across this rapidly growing recruitment market. Our business in Germany built upon its strong 2021 performance and delivered a record first half performance in terms of both net fee income and operating profit.

United Kingdom (18% of net fee income)

Revenue in the UK was £141.2m (2021: £159.2m) and net fee income increased by 8% to £38.0m (2021: £35.2m), delivering an operating profit of £3.6m (2021: £3.3m).

Recruitment volumes across both London and the regions accelerated through the first half of the year, with live job numbers increasing month-on-month. Wage inflation further fuelled candidate confidence to move roles with activity levels across the disciplines of commerce finance, banking, legal and technology particularly strong. Financial services recruitment bounced back particularly strongly during the second quarter. To counter the premiums on offer for job movers, many organisations have been forced to implement blanket pay rises in the battle to retain existing staff.

Net fee income in Resource Solutions in the UK declined by 8% year-on-year. Recruitment activity levels improved as the period progressed however placement rates were impacted by candidate shortages and delays in the time taken to onboard new hires. A number of new client wins and extensions were secured during the first half across a range of sectors including mining, healthcare, technology and insurance which will deliver returns in the second half of the year and beyond.

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

Other International (8% of net fee income)

Other International comprises the Americas, Middle East and South Africa. Revenue was £20.7m (2021: £14.2m) and net fee income was up 46% (38%*) to £17.7m (£16.7m*) (2021: £12.1m), delivering an operating profit of £0.6m (£0.7m*) (2021: £0.6m).

We invested significantly during the period to grow scale in many of our newer businesses across the Americas. Chile and Mexico produced record performances in terms of both net fee income and operating profit. In the US net fee income, whilst up by 4%* year-on-year, was impacted by large-scale lay-offs in the tech start-up space. Our business in the Middle East continued to perform very strongly aided by a post-Covid normalisation of the region's economies, high oil prices and the breadth and strength of the Robert Walters brand.

Cash flow

The Group maintained a strong net cash position of £81.8m as at 30 June 2022 (30 June 2021: £122.8m). Working capital in the period has increased by £39.5m in line with improved trading and a positive increase in contract recruitment activity. Notable cash outflows included a dividend payment of £10.6m, £8.2m of lease liabilities, £11.0m of corporation tax payments and £6.9m of capital expenditure. On behalf of global governments, the Group has collected and paid £142.3m in payroll taxes, £54.0m in net sales and VAT taxes and £11.0m in corporation taxes, totalling £207.3m.

Dividend and Share Buybacks

The interim dividend will be increased by 20% to 6.5p per share (2021: 5.4p) and will be paid on 30 September 2022 to those shareholders on the Company's register as at 2 September 2022.

During the first half of the year, the Group purchased 2,024,071 shares at an average price of £6.25 per share for £12.7m through the Group's Employee Benefit Trust. The Board has authorised a share buyback of up to £10m shares for cancellation.

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 2021, 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 period to 30 June 2022 (30 June 2021: 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 2022.

Board

Ron Mobed stepped down from his role as Non-Executive Chair on 15 July. On behalf of the Board, we would like to thank Ron for his commitment to best practice, professionalism and contribution to the development of the Group. The Group has commenced a formal search process for a successor to the role. Brian McArthur-Muscroft stepped down from the Board, at the Group's Annual General Meeting in April, after completing his nine-year term. Brian made a significant contribution to the business during his tenure and we wish him well for the future.

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.

Tanith Dodge
Interim Non-Executive Chair
27 July 2022

Robert Walters
Chief Executive

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

Condensed Consolidated Income Statement

	Note	**2022 6 months to 30 June Unaudited £s million**	2021 6 months to 30 June Unaudited £s million	2021 12 months to 31 December Audited £s million
Continuing operations				
Revenue	4	**538.6**	468.2	970.7
Cost of sales		**(328.1)**	(302.0)	(617.1)
Gross profit (net fee income)	4	**210.5**	166.2	353.6
Administrative expenses		**(182.8)**	(142.1)	(299.5)
Operating profit	4	**27.7**	24.1	54.1
Finance income		**0.1**	0.1	0.4
Finance costs		**(1.6)**	(1.4)	(3.0)
Gain (loss) on foreign exchange		**0.2**	(0.7)	(1.3)
Profit before taxation	4	**26.4**	22.1	50.2
Taxation	5	**(7.0)**	(7.0)	(16.7)
Profit for the period		**19.4**	15.1	33.5
Earnings per share (pence):	7			
Basic		**27.5**	20.9	46.3
Diluted		**26.0**	19.6	43.7

Condensed Consolidated Statement of Comprehensive Income and Expense

	2022 6 months to 30 June Unaudited £s million	2021 6 months to 30 June Unaudited £s million	2021 12 months to 31 December Audited £s million
Profit for the period	**19.4**	15.1	33.5
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of overseas operations	**4.7**	(6.8)	(7.4)
Total comprehensive income and expense for the period	**24.1**	8.3	26.1

Condensed Consolidated Balance Sheet

	Note	2022 30 June Unaudited £s million	2021 30 June Unaudited £s million	2021 31 December Audited £s million
Non-current assets				
Intangible assets		**27.2**	20.7	24.7
Property, plant and equipment		**10.1**	7.5	9.0
Right-of-use assets		**61.2**	59.9	62.6
Deferred tax assets		**10.5**	10.2	11.2
		109.0	98.3	107.5
Current assets				
Trade and other receivables		**236.8**	161.3	190.4
Corporation tax receivables		**4.0**	3.4	6.1
Cash and cash equivalents		**108.4**	132.2	142.3
		349.2	296.9	338.8
Total assets		**458.2**	395.2	446.3
Current liabilities				
Trade and other payables		**(180.5)**	(142.3)	(173.5)
Corporation tax liabilities		**(6.6)**	(4.4)	(12.5)
Bank overdrafts and borrowings	8	**(26.6)**	(9.4)	(15.7)
Lease liabilities		**(15.6)**	(15.1)	(15.2)
Provisions		**(1.1)**	(1.4)	(1.3)
		(230.4)	(172.6)	(218.2)
Net current assets		**118.8**	124.3	120.6
Non-current liabilities				
Deferred tax liabilities		**(0.1)**	(0.1)	(0.2)
Lease liabilities		**(49.7)**	(49.3)	(51.2)
Provisions		**(1.8)**	(1.7)	(1.9)
		(51.6)	(51.1)	(53.3)
Total liabilities		**(282.0)**	(223.7)	(271.5)
Net assets		**176.2**	171.5	174.8
Equity				
Share capital		**16.2**	16.1	16.1
Share premium		**22.6**	22.2	22.6
Other reserves		**(71.8)**	(71.8)	(71.8)
Own shares held		**(41.0)**	(18.0)	(29.9)
Treasury shares held		**(9.1)**	(9.1)	(9.1)
Foreign exchange reserves		**9.8**	5.7	5.1
Retained earnings		**249.5**	226.4	241.8
Equity attributable to owners of the Company		**176.2**	171.5	174.8

Condensed Consolidated Cash Flow Statement

	2022 6 months to 30 June Unaudited £s million	2021 6 months to 30 June Unaudited £s million	2021 12 months to 31 December Audited £s million
Operating profit for the period	**27.7**	24.1	54.1
Adjustments for:			
Depreciation and amortisation charges	**10.4**	10.9	21.0
Impairment of right-of-use assets (reversal)	**-**	-	(1.1)
Loss on disposal of property, plant and equipment and computer software	**0.3**	0.2	0.3
Charge in respect of share-based payment transactions	**1.6**	1.4	2.3
Unrealised foreign exchange loss (gain)	**1.5**	(1.8)	(0.3)
Operating cash flows before movements in working capital	**41.5**	34.8	76.3
Increase in receivables	**(42.6)**	(12.1)	(42.2)
Increase (decrease) in payables	**3.1**	(24.2)	8.6
Cash generated from operating activities	**2.0**	(1.5)	42.7
Income taxes paid	**(11.0)**	(4.1)	(9.1)
Net cash generated from operating activities	**(9.0)**	(5.6)	33.6
Investing activities			
Interest received	**0.1**	0.1	0.4
Purchases of computer software	**(3.9)**	(3.9)	(8.7)
Purchases of property, plant and equipment	**(3.0)**	(0.9)	(4.5)
Net cash used in investing activities	**(6.8)**	(4.7)	(12.8)
Financing activities			
Equity dividends paid	**(10.6)**	(8.0)	(11.9)
Interest paid	**(0.4)**	(0.3)	(0.8)
Interest on lease liabilities	**(1.2)**	(1.1)	(2.2)
Principal paid on lease liabilities	**(7.0)**	(7.6)	(16.4)
Proceeds from financing facility	**18.1**	17.3	41.8
Repayment of financing facility	**(7.2)**	(7.9)	(26.1)
Proceeds from issue of equity	**-**	0.1	0.5
Proceeds from exercise of share options	**0.1**	-	0.2
Purchase of own shares	**(12.7)**	-	(12.3)
Net cash used in financing activities	**(20.9)**	(7.5)	(27.2)
Net decrease in cash and cash equivalents	**(36.7)**	(17.8)	(6.4)
Cash and cash equivalents at beginning of the period	**142.3**	155.5	155.5
Effect of foreign exchange rate changes	**2.8**	(5.5)	(6.8)
Cash and cash equivalents at end of the period	**108.4**	132.2	142.3

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 2021	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 of own shares held on exercise of equity incentives	–	–	–	–	–	–	–	-
New shares issued and own shares purchased	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
Profit for the period	–	–	–	–	–	–	18.4	18.4
Foreign currency translation differences	–	–	–	–	–	(0.6)	–	(0.6)
Total comprehensive income and expense for the period	–	–	–	–	–	(0.6)	18.4	17.8
Dividends paid	–	–	–	–	–	–	(3.9)	(3.9)
Credit to equity for equity-settled share-based payments	–	–	–	–	–	–	0.9	0.9
Deferred tax on share-based payment transactions	–	–	–	–	–	–	0.3	0.3
Transfer of own shares held on exercise of equity incentives	–	–	–	0.3	–	–	(0.3)	-
New shares issued and own shares purchased	–	0.4	–	(12.2)	–	–	–	(11.8)
Balance at 31 December 2021	16.1	22.6	(71.8)	(29.9)	(9.1)	5.1	241.8	174.8
Profit for the period	–	–	–	–	–	–	19.4	19.4
Foreign currency translation differences	–	–	–	–	–	4.7	–	4.7
Total comprehensive income and expense for the period	–	–	–	–	–	4.7	19.4	24.1
Dividends paid	–	–	–	–	–	–	(10.6)	(10.6)
Credit to equity for equity-settled share-based payments	–	–	–	–	–	–	1.6	1.6
Deferred tax on share-based payment transactions	–	–	–	–	–	–	(1.1)	(1.1)
Transfer of own shares held on exercise of equity incentives	–	–	–	1.6	–	–	(1.6)	-
New shares issued and own shares purchased	0.1	–	–	(12.7)	–	–	–	(12.6)
Unaudited balance at 30 June 2022	**16.2**	**22.6**	**(71.8)**	**(41.0)**	**(9.1)**	**9.8**	**249.5**	**176.2**

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 2022 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 2021 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 2021. The Group has applied the same accounting policies and methods of computation in its interim consolidated financial statements as in its 2021 annual financial statements, except for amendments which applied for the first time in 2022, 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 2022 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.

Going Concern

The Group has delivered a record performance in the first half of 2022 and has considerable financial resources, including £81.8m of net cash at 30 June 2022, 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 six months ending 31 December 2022, the three-year period ending 31 December 2025, and consideration of the ongoing impact of the Covid pandemic, the Ukraine-Russia conflict and the current economic uncertainties.

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 71% 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 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 Covid pandemic and 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 cash resources and can continue to operate within its banking covenants.

Historically, the Group has successfully managed its cost base during economic downturns. The same policy and cost management measures were put in place throughout the pandemic. Following on from a record performance in 2021 and the first half of 2022 when Covid restrictions were still in place in several of the Group's markets, 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 and Europe regions.

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 and the Company continues to adopt the going concern basis in preparing its financial statements.

Impact of Covid on the half-yearly financial results
Trade debtors increased by 23% during the first half of 2022 mainly as a result of the growth in revenue. 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 the ongoing impact of Covid, higher inflation and weaker growth in the global economy. As a result, the Group recognised an expected credit loss provision of £4.0m at 30 June 2022 (30 June 2021: £3.2m, 31 December 2021: £3.7m).

Cash management
At 30 June 2022, the Group has £81.8m of net cash, compared to £122.8m in 2021. The Group has a committed financing facility of £60.0m, which expires in March 2025 and at 30 June 2022, £26.6m (2021: £9.4m) 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 reviewed the risk profile of the business, 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 2021. The impact of the Covid pandemic, political factors, and the Ukraine-Russia conflict on the economic and market uncertainty risk remains ongoing. The Group has taken a number of actions to mitigate the impact of those risks. The Board continues to assess the Company's risk profile, consequences of any decision in the long term, appropriate risk mitigation strategies and identification and consideration of emerging risks.

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 the inherent uncertainty involved in making estimates and assumptions, actual outcomes could differ from those assumptions and estimates.

In light of the ongoing impact of the Covid pandemic, the Ukraine-Russia conflict and the current economic uncertainties, further review of the judgements and estimates has 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 2021.

2. Financial information
The financial information on pages 5 to 13 was formally approved by the Board of Directors on 27 July 2022. 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 2021 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 2022 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 2021 is also unaudited.

3. 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 2022 has been prepared using, among other currencies, the average exchange rate of €1.1874 to the Pound (period ended 30 June 2021: €1.1517; year ended 31 December 2021: €1.1626); ¥159.3960 to the Pound (30 June 2021: ¥149.5407; 31 December 2021: ¥150.9885) and AU$1.8060 to the Pound (30 June 2021: AU$1.7995; 31 December 2021: AU$1.8310).

The Condensed Consolidated Balance Sheet as at 30 June 2022 has been prepared using the exchange rates on that day of €1.1622 to the Pound (30 June 2021: €1.1646; 31 December 2021: €1.1910); ¥165.3122 to the Pound (30 June 2021: ¥153.2083; 31 December 2021: ¥155.4925) and AU$1.7621 to the Pound (30 June 2021: AU$1.8428; 31 December 2021: AU$1.8603).

4. Segmental information

	2022 6 months to 30 June Unaudited £s million	2021 6 months to 30 June Unaudited £s million	2021 12 months to 31 December Audited £s million
i) Revenue:			
Asia Pacific	**240.1**	194.0	427.0
UK	**141.2**	159.2	297.6
Europe	**136.6**	100.8	216.1
Other International	**20.7**	14.2	30.0
	538.6	468.2	970.7
ii) Gross profit (net fee income):			
Asia Pacific	**93.7**	73.7	164.2
UK	**38.0**	35.2	68.7
Europe	**61.1**	45.2	95.3
Other International	**17.7**	12.1	25.4
	210.5	166.2	353.6
iii) Operating profit and profit before taxation:			
Asia Pacific	**16.2**	14.0	36.5
UK	**3.6**	3.3	3.3
Europe	**7.3**	6.2	13.7
Other International	**0.6**	0.6	0.6
Operating profit	**27.7**	24.1	54.1
Net finance costs	**(1.3)**	(2.0)	(3.9)
Profit before taxation	**26.4**	22.1	50.2
iv) Revenue by business grouping:			
Robert Walters[1]	**406.4**	317.2	700.0
Resource Solutions (recruitment process outsourcing)	**132.2**	151.0	270.7
	538.6	468.2	970.7

1. Walters People is included within Robert Walters

5. Taxation

	2022 6 months to 30 June Unaudited £s million	2021 6 months to 30 June Unaudited £s million	2021 12 months to 31 December Audited £s million
Current tax	**7.5**	6.3	15.4
Deferred tax	**(0.5)**	0.7	1.3
Total tax charge for the period	**7.0**	7.0	16.7

The tax charge is based on the expected annual effective tax rate of 26.5% (2021: 31.6%) 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 assets in relation to accruals and provisions.

6. Dividends

	2022 6 months to 30 June Unaudited £s million	2021 6 months to 30 June Unaudited £s million	2021 12 months to 31 December Audited £s million
Amounts recognised as distributions to equity holders in the period:			
Final dividend for 2021 of 15.0p per share (2020: 11.0p)	**10.6**	8.0	8.0
Interim dividend for 2021 of 5.4p (2020: 4.5p)	**-**	-	3.9
	10.6	8.0	11.9
Proposed interim dividend for 2022 of 6.5p (2021: 5.4p)	**4.5**	3.9	N/A

The proposed interim dividend was approved by the Board on 27 July 2022 and has not been included as a liability at 30 June 2022.

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.

	2022 6 months to 30 June Unaudited £s million	2021 6 months to 30 June Unaudited £s million	2021 12 months to 31 December Audited £s million
Profit for the period attributable to equity holders of the Parent	**19.4**	15.1	33.5

	Number of shares	**Number of shares**	**Number of shares**
Weighted average number of shares:			
Shares in issue throughout the period	**80,689,295**	80,167,760	80,167,760
Shares issued in the period	**146,996**	170,333	310,858
Treasury and own shares held	**(10,314,787)**	(7,943,789)	(8,152,297)
For basic earnings per share	**70,521,504**	72,394,304	72,326,321
Outstanding share options	**4,068,262**	4,464,893	4,266,350
For diluted earnings per share	**74,589,766**	76,859,197	76,592,671

8. Bank loans
The Group has a committed financing facility of £60.0m, which expires in March 2025.
At 30 June 2022, £26.6m (2021: £9.4m) was drawn down under this 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 2022 (2021: Renminbi nil (£nil)). The loan is secured against cash deposits in Hong Kong.

9. Related party transactions
There were no related party transactions in the period to 30 June 2022 (30 June 2021: 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 2022.

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
27 July 2022

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 2022 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 2022 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.

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' ('ISRE (UK) 2410'). 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, 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 statements 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 conclusions 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

BDO LLP
Chartered Accountants
London, United Kingdom
27 July 2022

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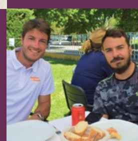



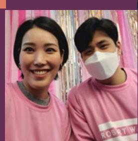



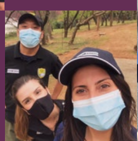

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