

ROBERT WALTERS PLC
(LSE: RWA)

(the 'Company' or the 'Group')

Trading update for the third quarter ended 30 September 2023

RESILIENT PERFORMANCE

Financial and operational highlights

Gross profit (Net fee income)	Q3 2023	Q3 2022	% change	% change (constant currency*)
Group	£93.4m	£112.0m	(17%)	(13%)
Asia Pacific	£40.9m	£53.6m	(24%)	(16%)
Europe	£29.3m	£30.1m	(3%)	(3%)
UK	£15.4m	£17.6m	(13%)	(13%)
Other International	£7.8m	£10.7m	(27%)	(22%)

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

Group highlights

- Group net fee income for the quarter down 13%* (down 17% actual) against a record prior year comparative.
- Global macro-economic conditions remained uncertain, with client and candidate confidence levels unchanged from the second quarter.
- Contract and interim recruitment continued to outperform permanent and now represent 33% of the Group's net fee income (2022: 30%).
- 84% (2022: 84%) of the Group's net fee income generated by our international businesses.
- Headcount down 2% quarter-on-quarter to 4,200 (30 June 2023: 4,280) as the Group continued to closely manage its cost base in line with market conditions.
- Strong balance sheet with net cash of £65.0m as at 30 September 2023 (30 June 2023: £69.9m).
- During the quarter, the Group purchased and cancelled a further 1.7m shares at an average price of £3.87 for £6.5m. The programme is now complete, and the total capital returned to shareholders was £10m for the year.

Regional highlights

- Asia Pacific net fee income down 16%* (down 24% actual) to £40.9m (2022: £53.6m).
 - Resilient performance in Japan, the Group's largest and most profitable business with net fee income down 8%* year-on-year.
 - Net fee income across Australia and New Zealand, and Mainland China was down 23%* and 16%* year-on-year respectively, reflecting the ongoing challenging market conditions.
 - The strongest rates of net fee income growth across the region were delivered by Thailand (up 14%*) and South Korea (up 4%*), both rapidly developing recruitment markets with strong long-term growth potential.
 - Our new CRM was successfully rolled out across all markets in the South-East Asia region, reflecting our long-term investment in Group infrastructure.
- Europe net fee income down 3%* (down 3% actual) to £29.3m (2022: £30.1m).
 - Good net fee income growth in Belgium (up 22%*) and Germany (up 4%*). Our newest business in Italy continues to perform well, with net fee income up 56%* year-on-year albeit from a low base.
 - Net fee income in the region's largest businesses, France, the Netherlands, and Spain, declined by 10%*, 6%* and 5%* respectively.
- UK net fee income down 13% to £15.4m (2022: £17.6m).
 - High inflation and interest rates affected confidence in the technology and financial services sectors. Legal recruitment remained relatively resilient.
 - Activity levels were strongest across the UK regions.
- Other International (the Americas, South Africa, and the Middle East) net fee income down 22%* (down 27% actual) to £7.8m (2022: £10.7m).
 - Challenges remain in the US recruitment market, especially across technology and financial services. Our new US office, Austin, performed well in finance and accounting, and sales and marketing.
 - Good growth across Latin America with Mexico and Brazil increasing net fee income by 78%* and 14%* respectively year-on-year.
 - The Middle East and South Africa grew net fee income by 3%* and 74%*.

Toby Fowlston, Chief Executive, commented:

"Our third quarter performance was resilient despite the ongoing global macro-economic uncertainties. Hiring activity levels remained largely stable quarter-on-quarter with contract and interim recruitment outperforming permanent recruitment as organisations focused on shorter-term solutions to meet their hiring needs.

"The Group's strategic core remains strong, and we are focused on consultant productivity, cost discipline and long-term investments in our people and global infrastructure. The Group is well positioned to swiftly capture opportunities when

there is an upturn in market confidence and our expectations for the full year remain unchanged.”

The Group will publish a trading update for the fourth quarter ending 31 December 2023 on 11 January 2024.

- Ends -

Further information

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About Robert Walters Group

The Robert Walters Group is a market-leading international specialist professional recruitment group. With 4,200 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 & finance, banking, engineering, HR, healthcare, technology, legal, sales, marketing, secretarial & support, and supply chain, logistics & procurement. Our client base ranges from the world's leading blue-chip corporates and financial services organisations through to SMEs and start-ups. www.robertwaltersgroup.com

Forward looking statements

This announcement contains certain forward-looking statements with respect to the financial condition, results, and business of Robert Walters plc. These statements are made by the directors in good faith based on the information available to them at the time of their approval of this announcement and such statements should be treated with caution due to the inherent uncertainties, including both economic and business risk factors, underlying any such forward-looking information. Robert Walters' actual future results may therefore differ materially from the results expressed or implied in these forward-looking statements. Nothing in this announcement should be construed as a profit forecast.

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