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Norman Broadbent PLC
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Norman Broadbent plc
("Norman Broadbent" or the "Group")

Trading Update

Strategic turnaround delivers return to profitability and highest NFI and EBITDA in over a decade

Norman Broadbent (AIM: NBB), a leading Executive Search and Interim Management firm, provides the following trading update for the three months ended 31 December 2023 ("Q4 2023") and the year ended 31 December 2023 ("FY23"). The figures used in this announcement remain subject to audit.

Q4 2023 Highlights

- Group Net Fee Income ("NFI") up 13% to £2.6m (Q4 2021: £2.3m)
- Q4 2023 positive run rate continuing into Q1 2024 with contracted revenue up 15% to £1.5m (Q1 2023: £1.3m)

FY23 Highlights

- NFI up 44% to £10.5m (FY 2022: £7.3m)
- Underlying EBITDA¹ of approximately £0.9m, up more than £0.8m (FY 2022: £0.1m)
- Profit before tax of approximately £0.3m, up over £0.6m (FY 2022: loss before tax £0.3m) and net cash flow positive in the year
- Early redemption and conversion of outstanding £0.4m convertible loan notes
- Net cash position improved to £0.4m² as at 31 December 2023 from net debt of £1.1m² as at 31 December 2022

¹ excludes share based payment charges

² excluding lease liabilities

Kevin Davidson, Group CEO of Norman Broadbent, commented:

"Our strategic plan continues to deliver and I thank the whole team for their outstanding performance. In the two years since we started this journey, and amid challenging market conditions, we have almost doubled NFI, increased profit before tax by over £0.9m, returned to meaningful profitability and become net cash flow positive. This success is attributed to the strength of our team, the quality hires we have made and our continued focus on productivity improvements across the business.

While the executive search and broader recruitment markets were challenging in 2023, we have bucked the trend by growing the size of our team and still delivered a strong set of financial results. In 2024, we plan to continue to invest and pursue our aggressive growth strategy, whilst remaining profitable and generating positive net cash flows. This will be organically led, leveraging the renewed attractiveness of our brand proposition while exploring synergistic acquisition opportunities as appropriate.

While being cognisant of the macroeconomic headwinds, the strong momentum established across the business and some easing of inflationary pressures in the economy mean that we are increasingly confident in our ability to overachieve against our previously stated target of £1.25m of EBITDA in 2025."

For further information please contact:

Norman Broadbent plc Kevin Davidson, CEO Mehr Malik, CFO	+44 (0)20 7484 0000
Shore Capital (Nominated Adviser and Broker) Tom Griffiths / Tom Knibbs (Corporate Advisory) Henry Willcocks (Corporate Broking)	+44 (0)20 7408 4090
Alma (Financial Communications Adviser) Rebecca Sanders-Hewett Kinvara Verdon David Ison	normanbroadbent@almastrategic.com +44 (0)20 3405 0205

About Norman Broadbent:

Norman Broadbent (AIM: NBB) is a professional services firm focused on executive search, senior interim management solutions and bespoke leadership advisory services working across the UK and internationally.

Established as the first UK-headquartered search firm in 1979, the firm has a 40+ year track record of shaping leadership across industries including Consumer, Financial Services, Industrials, Life Sciences, Investor and TMT.

www.normanbroadbent.com

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