

For immediate release

29 October 2024

RWS Holdings plc
Year End Trading Statement and Notice of Results

*A return to growth in the second half, driven by encouraging performance
in AI-led solutions*

RWS Holdings plc ("RWS" or "the Group"), a unique world-leading provider of technology-enabled language, content and intellectual property services, today provides an update on trading for the year ended 30 September 2024 ("FY24") ahead of the announcement of its full year results on 12 December 2024.

FY24 Performance

The Group returned to growth in the second half, with organic constant currency ("OCC")¹ revenue up 2% compared with -2% in H1, bringing the full year in line with the prior year. This has been supported by meaningful improvements in H2 in both Regulated Industries and Language & Content Technology, as anticipated in the half year report. We saw continued progress with our AI-led products and services, particularly in relation to TrainAI, Language Weaver and Evolve. Both Language Services and IP Services continued their growth path and delivered encouraging growth for the full year.

Reflecting adverse currency movements, FY24 reported revenues are expected to be £718m, a decline of 2% compared with the prior year. The Group expects to deliver adjusted PBT within the range of market expectations² before adjusting for these currency movements.³

The Group had modest net debt of c.£14m at the end of September 2024 (31 March 2024: £39m net debt), supported by an improvement in receivables since the mid-year.

For FY25 we expect to deliver modest organic revenue growth at constant currency, with growth in volumes offsetting ongoing price pressure. We expect foreign exchange to continue to be a headwind to reported revenue and adjusted PBT.

Notice of Full Year Results

RWS will provide a further update with its full year results on 12 December 2024. To register your interest in attending the results presentation, please email RWS@mhpgroup.com.

Ian El-Mokadem, CEO of RWS, commented:

"We have driven significant improvements in performance across the Group in the second half. Language Services and IP Services returned to organic growth, on a constant currency basis, for the full year.

"Whilst our market has been more challenging than anticipated when we set out our medium-term strategy in 2022, it is clear that ongoing investments in our growth initiatives and the efficiency actions we have made in line with that strategy have enabled a more resilient performance.

"Our range of AI-centred solutions are gaining encouraging traction, with TrainAI and Language Weaver in particular seeing strong growth. These solutions, combined with our investment in sales effectiveness and our continued focus on efficiency, enabled by our unique LXD platform, mean we are well placed to emerge from the current market transition in a position of strength."

Notes:

¹ Adjusted to reflect a like-for-like comparison between reporting periods and assumes constant currency across both reporting periods.

² The latest Group-compiled view of analysts' expectations are available here - [consensus](#).

³ Reflecting exchange rate movements, primarily during the last two months of FY24, the currency headwind impact on market consensus is estimated to be c.£5m on reported revenue and c.£3m on adjusted PBT.

Net cash/net debt comprises cash and cash equivalents less loans but before deducting lease liabilities.

For further information, please contact:

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About RWS:

RWS Holdings plc is a unique, world-leading provider of technology-enabled language, content and intellectual property services. Through content transformation and multilingual data analysis, our combination of AI-enabled technology and human expertise helps our clients to grow by ensuring they are understood anywhere, in any language.

Our purpose is unlocking global understanding. By combining cultural understanding, client understanding and technical understanding, our services and technology assist our clients to acquire and retain customers, deliver engaging user experiences, maintain compliance and gain actionable insights into their data and content.

Over the past 20 years we've been evolving our own AI solutions as well as helping clients to explore, build and use multilingual AI applications. With 40+ AI-related patents and more than 100 peer-reviewed papers, we have the experience and expertise to support clients on their AI journey.

We work with over 80% of the world's top 100 brands, more than three-quarters of Fortune's 20 'Most Admired Companies' and almost all of the top pharmaceutical companies, investment banks, law firms and patent filers. Our client base spans Europe, Asia Pacific, Africa and North and South America. Our 65+ global locations across five continents service clients in the automotive, chemical, financial, legal, medical, pharmaceutical, technology and telecommunications sectors.

Founded in 1958, RWS is headquartered in the UK and publicly listed on AIM, the London Stock Exchange regulated market (RWS.L).

For further information, please visit: www.rws.com.

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