

SThree plc

FINAL RESULTS FOR THE YEAR ENDED 30 NOVEMBER 2025

FY25 PERFORMANCE IN LINE AND ENDING YEAR WITH ENCOURAGING MOMENTUM TIP ROLLOUT COMPLETE, LAUNCH OF FURTHER SHARE BUYBACK

SThree plc ('SThree' or the 'Group'), the global STEMworkforce consultancy, today announces its financial results for the year ended 30 November 2025.

Continuing operations	FY25	FY24	Variance	
			<i>Reported</i>	<i>Like-for-like⁽¹⁾</i>
Revenue (£ million)	1,302.2	1,492.9	-13%	-12%
Net fees (£ million)	322.7	369.1	-13%	-12%
Operating profit (£ million)	26.1	66.2	-61%	-60%
Operating profit conversion ratio	8.1%	17.9%	-10% pts	-10% pts
Profit before tax (£ million)	25.5	67.6	-62%	-62%
Basic earnings per share (pence)	13.7	37.4	-63%	-63%
Proposed final dividend per share (pence)	9.2	9.2	-	-
Total dividend (interim and final) per share (pence)	14.3	14.3	-	-
Net cash (£ million) ⁽²⁾	68.0	69.7	-2%	-2%

⁽¹⁾ Variance compares the reported results for FY25 against FY24 on a constant currency basis, whereby the prior year foreign exchange rates are applied to current and prior financial year results to remove the impact of exchange rate fluctuations.

⁽²⁾ Net cash represents cash and cash equivalents less borrowings and excluding leases.

FINANCIAL HIGHLIGHTS

- Group net fees declined by 12% YoY⁽³⁾ (FY24: YoY decline of 9%) in a challenging macroeconomic environment. Notably, across the year, the rate of decline improved sequentially each quarter, supported by the USA returning to growth.
 - Our three largest countries accounted for 72% of Group Net Fees: the USA grew by 4%, while Germany and the Netherlands declined by 16% and 21% respectively.
 - Skills: Engineering net fees declined by 6% YoY, with the performance supported by strong demand in the USA. Life Sciences and Technology declined by 13% and 18% YoY respectively, amid ongoing market uncertainty.
- Contract net fees, which represent 84% of Group net fees (FY24: 84%), declined 12% YoY. Softer new business activity earlier in the year offset the benefits of the recent improvement and the continued resilience in client extensions, which underline our strength in meeting our clients' needs to retain critical STEM skills and flexible talent.
- Permanent net fees, representing 16% of Group net fees (FY24: 16%), declined 9% YoY amid tough market conditions in most regions, but represented a sequential year-on-year improvement versus FY24, supported by growth in the US and Japan.
- Contractor order book⁽⁴⁾ of £156.6 million, down 2% YoY, continues to represent sector-leading visibility with the equivalent of circa five months' net fees.
- Profit before tax (PBT) of £25.5 million (down 62% YoY), in line with expectations, as the challenging economic conditions continue to impact net fees, partially offset by disciplined cost management. This included the FY25 efficiencies programme, which delivered net savings marginally ahead of plan.

TECHNOLOGY IMPROVEMENT PROGRAMME

- Technology Improvement Programme (TIP) successfully delivered across all 11 countries, on time and within budget.
- Early evidence of structural benefits, including an uplift to consultant productivity, improved sales engine quality, and greater operational velocity, alongside recurring efficiency gains.
- Provides a single platform that drives efficiency, positions the business for scalable growth and will underpin improved margins as the market recovers.

CAPITAL ALLOCATION

- Strong balance sheet with net cash of £68.0 million at year end (FY24: £69.7 million) after having returned £20.2 million to shareholders via a share buyback completed earlier in the year.
- Final dividend proposed of 9.2 pence per share (FY24: 9.2 pence per share), taking full year dividend to 14.3 pence per share (FY24: 14.3 pence per share), underpinned by the strength of our balance sheet and reflective of the company's commitment to return excess capital to shareholders.

In light of the Group's strong cash generation and balance sheet, the Board announces its intention to

in light of the Group's strong cash generation and balance sheet, the Board announces its intention to launch a further buyback programme of up to £20m, in line with its stated capital allocation policy.

OUTLOOK

- FY25 ended with encouraging new business activity, albeit at historically subdued levels, and good momentum in select markets, such as the USA, underpinning our expectations for the year ahead.
- Our cost optimisation programme is progressing, with costs to deliver weighted to H1 and the realisation of savings from H2, and our modest investment in next-generation AI, whilst in its early stages, remains on track.
- As previously announced, the Board expects FY26 profit before tax to be c.£10 million.
- Despite the challenging extended market cycle, we have used this period to build a lean, scalable operational backbone, positioning us well as market conditions begin to improve.

(3) All YoY growth rates expressed at constant currency.

(4) The contractor order book represents value of net fees until contractual end dates, assuming all contractual hours are worked.

Timo Lehne, Chief Executive Officer, commented:

"In a year marked by ongoing macro uncertainty, the Group delivered FY25 results in line with expectations, alongside material operational enhancements. We are pleased with the quality of our performance, underpinned by robust extensions with existing clients, improving new placement activity, and growth in two of our top five countries. This reflects the strategic value of our specialist STEM workforce consultancy model, which continues to align closely with critical skills demand across our markets. Following the completion of the global rollout of our Technology Improvement Programme we have reached a pivotal moment. We are now operating on integrated, scalable digital infrastructure that is enhancing productivity, strengthening execution discipline and positioning us well to capture opportunities as demand stabilises.

"We enter the new year with cautious optimism. Early signs of improvement are continuing in selected areas, our proposition remains well aligned to long-term workforce demand trends, and our service capabilities have been materially strengthened. Whilst new business remains challenging, and broader market recovery is yet to materialise, the investments made in recent years leave us well positioned to navigate the near-term environment and capitalise on new growth opportunities."

Analyst conference call

SThree is hosting a conference call for analysts and investors today at 08:30 to present the Group's results for the financial year ended 30 November 2025. If you would like to register for the webinar, please contact SThree@almastrategic.com.

Forward looking dates

The Group will present its FY26 Q1 Trading Update on 17 March 2026.

Enquiries:

SThree plc

Timo Lehne, CEO

SThree@almastrategic.com

Andrew Beach, CFO

Keren Oser, Investor Relations Director

Charlie Hildesley, Investor Relations Manager

Alma Strategic Communications

+44 20 3405 0205

Rebecca Sanders-Hewett

SThree@almastrategic.com

Hilary Buchanan

Sam Modlin

Rose Docherty

Notes to editors

SThree plc brings skilled people together to build the future. We are the global STEM workforce consultancy, placing highly skilled, STEM specialist workers in the industries where they are needed most. We advise businesses, build expert teams, and deliver project solutions for our clients. With 40 years of experience in pure-play STEM and a global team with local expertise across 11 countries, we cover high-demand skills across Engineering, Life Sciences and Technology roles.

We provide permanent and flexible contract talent to a diverse base of around 6,000 clients. By combining advanced technology with expertise, we push beyond traditional boundaries to deliver tailored solutions, leveraging data and insight from our world-class operating platform.

Outpace tomorrow, together

Important notice

Certain statements in this announcement are forward looking statements. By their nature, forward looking statements involve a number of risks, uncertainties or assumptions that could cause actual results or events to differ materially from those expressed or implied by those statements. Forward-looking statements regarding past trends or activities should not be taken as representation that such trends or activities will continue in the future. Certain data from the announcement is sourced from unaudited internal management information and is before any exceptional items. Accordingly, undue reliance should not be placed on forward looking statements.

CHAIR'S STATEMENT

The past year has been another challenging period, as the widespread recovery we were expecting did not fully materialise and market conditions remained uncertain. Despite this uncertainty, our FY25 performance has been in line with guidance set at the start of the year, and we have delivered growth in two of our top five countries, USA and Japan. Pleasingly, we saw improved momentum in new business activity through Q4, which gives us confidence that the environment is stabilising and underpins the reiteration of FY26 PBT guidance given in September 2025.

Our unique strategic focus on STEM skills and flexible talent, supported by the global megatrends that are driving long-term demand for workers with these specialist skills, gives us confidence that we are in the right markets and focusing on the right sectors where we can make a real difference, drive growth and increase market share. Whilst disruption is ongoing, organisations will require more STEM talent across their workforce.

Building for the future of STEM talent

Notwithstanding the challenges that we have faced from the external environment, we are incredibly pleased to have completed the rollout of our TIP. We are proud and excited by what we have built and believe that it provides a unique platform for growth, profitability and outperformance over the coming years. Additionally, it should not be understated that we have delivered this complex three-year programme on time and on budget.

Implementing change is never easy, so I would like to thank our teams around the world for their patience and commitment throughout this process, and for delivering these results. We have a dedicated and skilled workforce that are well set to drive the business forward. I would also like to express thanks to our shareholders and other stakeholders for their ongoing support during this challenging macro-economic period as we continue to strive to deliver growth and shareholder value over the mid-to-long term.

The Group has continued to take steps towards its long-term growth strategy. We remain focused on our people, platform, proposition, places of work, and ultimately our customers, as we look to grow market share by engaging existing and new clients and candidates who value specialism at scale.

Prudent stewardship of capital

In line with the Group's capital allocation policy, the Board is proposing a final dividend at 9.2 pence per share this year. This, combined with the interim dividend of 5.1 pence per share, gives the total dividend for the year of 14.3 pence per share. We remain committed to maximising shareholder value while ensuring effective and pragmatic capital allocation across the Group that allows us to deliver growth in net fees and margin, maintain a healthy balance sheet, invest in our people and technologies and grow through acquisition, should we find the right opportunity to do so.

Within the period, we returned approximately £20.2 million to shareholders through our share buyback programme. Additionally, post-period end we are pleased to announce the launch of an additional share buyback programme of up to £20 million; we consider this to be in the best interests of the Company and its shareholders, returning surplus capital to shareholders while maintaining the financial flexibility to invest in the Group's strategy.

Commitment to strong governance

We were delighted to welcome both Paula Coughlan and Rosie Shapland as Non-Executive Directors to the Board in April and November 2025 respectively. Paula's experience in leading transformation programmes, together with her strong management experience and ESG credentials, alongside Rosie's extensive experience in audit and risk, and deep governance understanding, will serve to strengthen the Board as it continues to execute its strategy.

Their appointments followed the retirement of Denise Collis, after nine years' service, and the resignation of Elaine O'Donnell due to other business commitments. On behalf of the Board, I would like to thank them for their contribution to the Company and the commitment and insight they provided. We wish them every success in the future.

Ending the year with positive momentum

Looking ahead, we have exited the year with a period of improving new placement activity, complemented by continued resilient extensions. We are focused on optimising what we have built through our TIP: an agile, digitally enabled STEM workforce consultancy that is efficient, scalable and ready to respond rapidly to new opportunities. This, alongside our strategic focus on STEM and Contract means that we are well placed to return to growth and fully capitalise when market

strategic focus on client and contract means that we are well placed to return to growth and fully capitalise when market conditions improve.

CHIEF EXECUTIVE OFFICER'S STATEMENT

Introduction: A defining year

FY25 was a year of resilience and change, and a disciplined execution against our vision for SThree. Despite operating in persistently challenging global talent markets, we delivered on the expectations we set at the start of the year. This achievement reflects the strength of our strategy, the adaptability of our people, and the trust placed in us by our clients and candidates.

We have used this year to build strength. We have maintained strategic momentum through uncertain times and remained laser focused on building towards our vision as game-changers in STEM workforce consulting. We have improved our position to capture emerging pockets of growth - achieving a return to growth in two of our top five countries - maintained sector-leading visibility with a robust contract orderbook, and closed the year with a strong balance sheet. We continued to prioritise areas of structural growth, ensuring that we remain aligned with long-term market trends.

The successful conclusion this year of the TIP rollout across all 11 of our countries marks a pivotal milestone in our journey. We are amongst few organisations that can point to a programme of this scale completing on time, within budget and delivering to an enhanced scope⁽⁵⁾. I am incredibly proud of what we have achieved together over the three years of the programme and would like to thank everyone for their commitment, persistence and resilience. TIP was designed to unify systems, streamline operations and embed best practices across the organisation, and the platform is performing as anticipated, providing the foundation for ongoing refinement and continuously evolving functionality. This achievement leaves us equipped with a fully integrated, end-to-end, scalable digital backbone that encourages innovation, accelerates future upgrades, and elevates the experience for clients and candidates. In doing so, we gain a significant competitive advantage in speed, efficiency and adaptability.

In addition, the capabilities enabled through TIP have driven us to scrutinise and elevate every aspect of our business, including our proposition, strategy, people and processes, resulting in meaningful improvements across the organisation. We have successfully realised our FY25 operational efficiencies programme, enhanced productivity of our Contract sales consultants as measured by placements per head, and strengthened our ability to serve stakeholders effectively. These gains not only supported profitability in a challenging market but also created a leaner, more agile organisation ready to scale as conditions improve. Our broad-based progress this year showcases the strength of SThree: clarity of purpose, sharper direction and the capability to lead from the front.

Market: STEM demand, digital transformation and evolving skills

A prolonged period of economic uncertainty has slowed clients' decision-making and investment across global STEM markets. As confidence returns, pent-up demand is expected to be released as organisations across sectors resume much-needed investment to remain competitive in a changing world. Rapid advances in AI and digital transformation are reshaping the skills employers need, tightening an already scarce STEM talent pool and pushing organisations to build workforces capable of adopting and scaling new technologies.

These same forces are reshaping the staffing industry itself, with AI-enabled tools raising the bar for service quality, efficiency and the value clients demand from their talent partners. As a result, the gap is widening between providers focused solely on placements and those also able to deliver more complex, high-value services and solutions. With SThree's scale, digital capabilities and deep STEM expertise, we are strongly positioned to meet this evolving demand and lead in a market where human insight - augmented by technology - will matter more than ever. As clients increasingly seek guidance on AI and emerging technologies, we are partners in transformation, not transactional suppliers, and are well placed to capitalise on this evolving landscape.

Strategy: Delivery against ambition

SThree reports operational progress against five clearly defined strategic pillars - Places, Platform, Customers, Proposition and People - which the Group believes work synergistically to unlock the Group's full growth potential.

Places

Since early 2023, we have been intentionally rebalancing towards a more focused footprint, guided by our 'Market Investment Model' to identify where our capabilities and the market opportunity are most aligned. This disciplined approach has enabled us to deploy resources more effectively, strengthen our competitive position, and ensure that we are investing in the markets with the greatest potential - resulting in an increased emphasis on the USA and Japan, where the scale of STEM demand and structural growth trends present significant opportunity. We were pleased to have recorded growth in both during the year, reinforcing our approach. Growth in the US, with net fees up 4% YoY, marked the reversal of two years of decline, with our initiatives to improve market positioning gaining traction throughout the year.

In Germany, our largest market, we have analysed the government's recently announced stimulus plans and identified the sectors where investment is most likely to materialise. These are all sectors in which SThree already operates, and we have

dedicated specialist teams in place. Following the announcements, we have mapped our customer base and identified potential targets in the sectors most likely to benefit from the stimulus. In the meantime, we have used the period between the announcement and the deployment of funds to ensure our teams are appropriately sized and positioned to capture opportunities as they emerge.

In addition to geographic focus, we are becoming far more industry-focused in the markets we serve, deepening our sector expertise and enhancing our market intelligence to identify skill-gaps early and better anticipate customer needs. This includes our alignment to industries undergoing long-term transformations - an example being our Energy segment in the US which continues to expand in line with sector-wide investment to meet rising electricity demand from AI applications, data centres and electric mobility, alongside ongoing grid strengthening to ensure reliable energy delivery.

Platform

The completion of our phased rollout of TIP this year is a huge achievement. Total outflow for the programme was £32 million (£19 million capital expenditure and £13 million operational expenditure), which is within the lower-to-mid range of the budget set at the start of the programme. In implementing a programme of this scale across global operations, our teams have consistently demonstrated the expertise and commitment needed to navigate challenges presented by a country-by-country rollout. We have also exceeded our original project scope, introducing new tools such as our Contract Lifecycle Management AI and Call Navigator functionality, further strengthening the foundation on which we will continue to scale.

We are already seeing clear structural benefits of the TIP being realised - both in terms of efficiencies and the second wave of wider value outputs, including:

- Cost efficiencies: as of today, TIP has delivered annualised cost efficiencies of £6.5m, demonstrating a financially compelling base case ROI, with more efficiencies to come in FY26 and beyond.
- Pipeline quality: the number of higher-quality jobs per consultant (A and B grade roles) has increased by 38% across the Group since FY23⁽⁶⁾. These are roles with stronger client engagement and higher conversion potential, meaning that consultants are spending more time on the right opportunities, earlier in the cycle.
- Operational velocity: the Group has seen a meaningful 9% reduction in time-to-placement since FY23, which is even more pronounced in the USA Contract business where the platform has been embedded the longest and time-to-placement is down 22% over the same time period⁽⁶⁾.
- Consultant productivity:
 - o USA: evidenced by an 18% improvement in placements per head for Contract consultants in the US business, the first market to roll-out TIP and therefore with the longest live operating history⁽⁶⁾.
 - o Germany: evidenced by the controlled comparison of our Independent Contractor (IC) and Employed Contractor Model (ECM) divisions, where IC new placement weekly net fees outperformed ECM by 10 percentage points since FY23⁽⁷⁾.

When looking at the cost efficiencies, these are being enabled by automation across back and middle office processes, and by the simplification of non-fee earning front office management layers. These gains reflect the programme's focus on system consolidation and a more standardised order to cash operating model, which removes duplication and rework and provides the foundations for enhanced data and reporting to support faster, more impactful decision making.

As mentioned above, the most decisive evidence of TIP's commercial impact to date comes from the German Contract business, where the performance of IC and ECM divisions provide a controlled environment given that both divisions operate under the same leadership, serve the same clients, and are subject to the same market conditions. Historically, the divisions' performances have been closely correlated, however a performance divergence emerged only after IC transitioned onto TIP in early 2024. What was shown was that the TIP-enabled business, being the IC division, preserved relatively stronger throughput than the ECM business, even despite experiencing a deeper reduction in sales headcount, with IC new placement weekly net fees outperforming ECM by 10 percentage points since FY23⁽⁷⁾. What this reflects in aggregate is that TIP has not only modernised SThree's technology foundations, but it has also redefined how the organisation operates and competes on a global scale.

Beyond immediate financial returns, TIP's greatest contribution is strategic. The Group has moved from reactive, retrospective performance reviews to proactive, real-time operational control to drive continuous improvement. By rebuilding SThree's core infrastructure on a unified, cloud-based architecture, it has laid the foundation for complementary next generation technology, including agentic AI, working to broaden our addressable market. With the foundational rollout now complete, we enter the new year with all of our resources now fully focused on driving customised, next generation enhancements and unlocking TIP's full potential.

Customers

Our recently introduced Customer pillar reflects our strategy to drive revenue growth through deeper client engagement and stronger candidate relationships. We are evolving our services to meet the changing needs of our clients, becoming more client-centric and enhancing the end-to-end experience across every interaction. As clients increasingly seek integrated solutions, and as we receive more demand for complex, consultative support, we are increasing our focus on large enterprise accounts and refining our account management approach to enable deeper penetration of our strategic accounts.

This focus is already delivering results, with double-digit growth recorded among our top client cohort⁽⁸⁾ demonstrating the

benefit of our Global Client Strategy and staying closer to those we serve. The value of our services is further evidenced by resilient contract extensions, robust and sustained pricing, and a 10% increase in average contract lengths over the year. Our success continues to rest on a simple but powerful promise: whatever the market demands, we are there for our clients. By listening, adapting and delivering with precision, we are deepening partnerships and creating sustainable value across the industries we support.

Proposition

Our branding refresh, as announced in the first half of the year, continues to receive strong customer and partner feedback, reinforcing our confidence that a unified brand architecture will unlock greater value and accelerate our ambition to be the authority in the STEM world of work. Bringing our go-to-market brands together under the strength and endorsement of the SThree parent brand is sharpening our position as the trusted global partner and more clearly articulates what we have long delivered: complex, consultative-led workforce solutions. At the core of this performance is our Contract business, with ECM, our most complex, value-added offering, continuing to outperform IC and now accounting for 49% of Contract net fees, reflecting sustained demand for sophisticated workforce solutions.

To amplify this progress, we have been elevating SThree's external profile to showcase how we have redefined the traditional staffing model with a more advisory, value-adding approach. This included the launch of the SThree STEM Skills Index, developed with the Centre for Economics and Business Research (CEBR), the only global measure of STEM skills readiness, which has quickly become a cornerstone of our thought leadership and a valuable tool for client engagement. We also introduced the STEM Workforce Report to capture the perspectives of STEM professionals across key markets. Together, these initiatives reinforce our commitment to providing evidence-based insights that help businesses and professionals succeed in an evolving STEM landscape.

People

We are equipping our people with technology that removes manual tasks and enables them to focus on high-value work, building stronger relationships with clients and candidates, while keeping human expertise at the heart of our proposition. As expected with a transformation of the scale of TIP, the rollout has brought both opportunities and challenges, with change management a major area of focus. Engagement levels have inevitably been affected by the pace of change internally and compounded by the wider market backdrop; our global eNPS score was 21, placing the Group within the middle range of the professional services sector. We have learned a great deal through this journey. With the rollout phase of TIP now complete, its functionality will continue to evolve, and we remain committed to supporting our teams and ensuring they are fully engaged with the platform to maximise its benefits.

TIP is now enabling us to manage our global operations in a more cohesive and consistent way. One of the year's major milestones was the launch of our unified HR platform, SuccessFactors. It will support the full employee life cycle and will allow managers to devote more time to client engagement and revenue generation as well as coaching. By consolidating multiple legacy systems, it will provide leaders with clean, reliable data to inform decision-making and workforce planning. Additional progress this year included the rollout of our AIR performance framework to enhance our high-performance culture, the launch of a refreshed global sales onboarding programme, and the introduction of a new global DE&I policy. With this infrastructure and these processes now firmly in place, our teams are becoming increasingly accustomed to our new ways of working, and going forward, we will be able to tailor the platform in ways that best support them.

Delivering impact beyond our business

At the heart of our business lies a commitment to sustainability and long-term positive impact. Despite economic fluctuations, we remain resolute in our focus to delivering on our ESG commitments, which we regard as a fundamental driver of long-term value creation. By embedding responsible practices throughout our business, we are enhancing resilience and aligning with the evolving expectations of our clients, candidates, and investors. Our sustainable business practices and ESG commitments are demonstrated by:

- Our net zero ambition: In FY25, our Scope 1 and 2 emissions declined by 54% YoY, with a 40% decrease from our 2019 baseline. Our absolute Scope 3 emissions reduced by 41% versus 2019. This year, the net zero Working Group has continued to implement our transition plan.
- Gender diversity in leadership: Our targets align with the FTSE Women Leaders Review, aiming for 40% women representation on the Board and in leadership roles. As of 30 November 2025, women represent 50% of our Board and hold 37% of leadership positions.
- Ethnic diversity targets: In line with the Parker Review, we have met and maintained our target of at least one Board member from an ethnic minority background since 2024. We are also working towards 18% ethnic minority representation in UK leadership by FY27, with current representation at 16%.

Outlook and priorities for FY26

While the extended market cycle has been challenging, we have used this period to build a lean, scalable operational backbone across both our front and back office, leaving us well positioned as conditions begin to improve. We have exited the year with encouraging new business activity, and good momentum in select countries, such as the US, whilst a broader recovery is yet to materialise, particularly in Europe. We start FY26 having successfully concluded a key contract renewal period, underpinning our expectations for the new year.

We are moving into the next phase, with clear priorities: driving further operational efficiencies, shifting from infrastructure rollout to service development, leveraging our workforce-consultancy offering to grow, scaling responsibly, and maintaining the right portfolio balance. We have established a proposition aligned to the new age of work, where technology removes non-value-added activity and human expertise delivers impact, and our TIP-enabled infrastructure now gives us the platform to accelerate new service capabilities. We planned early for this change, and the value-gap for future-built firms is widening⁽⁹⁾. By putting clients at the centre of everything we do, creating an agile organisation, and investing in innovation, we'll stay at the forefront of industry dynamics and outpace change.

(5) BCG, *Most Large-Scale Tech Programs Fail, Build for the Future* 2024: <https://www.bcg.com/publications/2024/most-large-scale-tech-programs-fail-how-to-succeed>

(6) KPI measures FY25 performance relative to FY23, which serves as the pre-TIP rollout baseline. The USA, our first market to adopt the new platform went live in Q4 FY23.

(7) KPI reflects the percentage point delta in the rate of change of average weekly Net Fees from new placements between IC and ECM divisions in Germany, calculated on a Q3 YTD FY25 basis (the final comparable period prior to ECM Germany's platform migration) and benchmarked against Q3 YTD FY23 on a like for like basis to remove seasonality effects.

(8) Top 10 clients.

(9) BCG, *The Widening AI Value Gap, Build for the Future* 2025: <https://www.bcg.com/publications/2025/are-you-generating-value-from-ai-the-widening-gap>

GROUP FINANCIAL AND OPERATIONAL REVIEW

Overview

Amid a persistently soft market environment, the Group's net fees declined by 12% YoY. Contract net fees were down 12% YoY as softness in new placement activity earlier in the year outweighed the benefit of the more recent improvement and consistently resilient extensions. Contract performance in the US was a notable highlight, returning to growth this year, and helping to partially mitigate softer performances in both Germany and the Netherlands. Our Permanent business declined 9% YoY, which was an improvement on the rate of decline in the prior year, driven by growth in both the US and Japan. Within our skill verticals, the Group's Engineering net fees were down 6% YoY, with the performance supported by strong demand in the US. Both Life Sciences and Technology saw declines of 13% and 18% YoY respectively, amid continued market uncertainty. Overall, the Group reported operating profit was £26.1 million (FY24: £66.2 million), down 60% YoY on a like-for-like basis driven primarily by the decline in net fees across key markets, partially offset by lower personnel costs (average headcount down 10% YoY), along with tight cost management. The operating profit conversion ratio for the financial period reduced to 8.1% (FY24: 17.9%).

The Group's historic measure of productivity⁽¹⁰⁾ for the year was down only 3% against the prior year, as the rate of net fee decline was moderately higher than the rate of decline in average headcount, which reflected careful management of natural churn and the realisation of operational efficiencies.

(10) Productivity expressed as net fees / average total employees

Group net fees by geography, skills and service

Group net fees	% of Group	FY25 (£'000)	FY24 (£'000)	Variance	
				Reported	Like-for-like ⁽¹¹⁾
Geographical mix					
DACH	33%	106,606	127,546	-16%	-16%
USA	26%	83,169	82,034	+1%	+4%
Netherlands including Spain	19%	62,255	78,532	-21%	-21%
Rest of Europe	16%	51,494	61,314	-16%	-16%
Middle East & Asia	6%	19,172	19,653	-2%	+2%
Total	100%	322,696	369,079	-12%	-12%
Skills mix					
Technology	45%	145,122	177,694	-18%	-18%
Engineering	30%	98,396	105,330	-7%	-6%
Life Sciences	16%	52,442	60,926	-14%	-13%
Other	9%	26,736	25,129	+6%	+7%
Total	100%	322,696	369,079	-12%	-12%
Service mix					
Contract	84%	270,659	310,617	-13%	-12%
Permanent	16%	52,037	58,462	-11%	-9%
Total	100%	322,696	369,079	-12%	-12%

(11) Like-for-like YoY growth rates are expressed in constant currency.

Business mix

The Group is well diversified, both geographically and by the skills we place across multiple sectors. Our market invest model enables us to continually review our markets to prioritise investments where we see opportunities for growth and the strongest returns. Our top three countries represent 72% of Group net fees, with Germany accounting for 29%, USA 26% and the Netherlands 17%.

Our Contract business declined by 12% on a like-for-like basis and represents 84% of Group net fees, with average Contract headcount down 9% YoY. Our Permanent business, which represents 16% of Group net fees, saw net fees decline 9% in the year on a like-for-like basis, with average Permanent headcount down 7% YoY.

Within our skill verticals, Engineering declined 6% YoY, with the performance supported by strong demand in the USA, and represents 30% of Group net fees. Life Sciences declined by 13% and Technology by 18%, reflecting ongoing market uncertainty. Technology and Life Sciences now represent 45% and 16% of Group net fees respectively.

Operational review by reporting segment

DACH (33% of Group net fees)

Performance highlights	FY25	FY24	Variance	
			Reported	Like-for-like
Revenue (£'000)	397,303	456,051	-14%	-13%
Net fees (£'000)	106,606	127,546	-16%	-16%
Average total headcount (FTE)	692	811	-15%	n/a

- DACH is our largest region, comprising businesses in Austria, Germany and Switzerland, with Germany accounting for 88% of net fees. Net fees declined by 16% YoY, with Contract down 14% and Permanent down 25%.
- Germany, our largest country in the region (88% of DACH net fees), saw Contract down 13%, with overall net fees down 16%, predominantly reflecting lower levels of demand for Technology skills, our largest vertical (down 16%). Germany's performance continues to reflect a challenging trading environment, with the anticipated uplift in job flows from the reform of the debt brake and the government's €500 billion investment fund yet to materialise.
- Switzerland saw net fees decline 17% YoY driven by Technology and Engineering, down 23% and 20% respectively.
- Austria net fees declined 30% YoY due to reduced demand for Technology roles.

USA (26% of Group net fees)

Performance highlights	FY25	FY24	Variance	
			Reported	Like-for-like
Revenue (£'000)	289,543	299,229	-3%	-1%
Net fees (£'000)	83,169	82,034	+1%	+4%
Average total headcount (FTE)	366	411	-11%	n/a

- The USA is the world's largest specialist STEM staffing market and our second-largest region on a net fee basis. It is a key area of focus for the Group, and we will continue to invest in the region as we align our resources with the best long-term opportunities.
- USA net fees increased 4% YoY, returning to growth after two years of declines, supported by the continued traction of our internal and go-to-market initiatives throughout the year.
- Contract net fees, which account for 87% of the region's net fees, returned to growth, increasing 1% YoY, supported by strong demand for Energy roles. This reflects sector-wide investment to meet rising electricity demand from AI applications, data centres and electric mobility, alongside ongoing grid hardening to address climate related challenges.
- This was complemented by an exceptional Permanent performance, with net fees up 32% YoY, driven by a recovery in demand across the three skill verticals it serves.

Netherlands including Spain (19% of Group net fees)

Performance highlights	FY25	FY24	Variance	
			Reported	Like-for-like
Revenue (£'000)	280,964	343,571	-18%	-18%
Net fees (£'000)	62,255	78,532	-21%	-21%
Average total headcount (FTE)	380	411	-7%	n/a

- The region saw net fees decline by 21% YoY, with Contract down 20% and Permanent down 28%.
- Netherlands, the larger of the two countries in the region (87% of net fees), closed the year down 24% YoY. The business, which sustained positive performance for longer than our other larger countries, is still working through strong prior-year comparatives, particularly in its two largest skill verticals, Technology and Engineering.
- Contract delivered a slightly more resilient performance (down 24% YoY) than Permanent (down 27%), with both declines driven by reduced demand for Engineering and Technology skills.
- Spain continued to deliver growth, increasing 8% YoY, primarily reflecting demand for Technology roles, its main discipline, and Engineering skills.

Rest of Europe (16% of Group net fees)

Performance highlights	FY25	FY24	Variance	
			Reported	Like-for-like
Revenue (£'000)	292,924	353,150	-17%	-17%
Net fees (£'000)	51,494	61,314	-16%	-16%
Average total headcount (FTE) ⁽¹²⁾	390	441	-12%	n/a

(12) Excludes central headcount located in the UK.

- Rest of Europe comprises the UK, Belgium and France, with overall business confidence in the region remaining subdued against a backdrop of persistent market uncertainty.
- Net fees declined 16% YoY. Contract, which represents 97% of net fees for the region, declined 16%, whilst Permanent declined 30%, reflecting the tough market conditions.
- The UK, our largest country in the region (54% of net fees), saw net fees decline 27%, driven primarily by reduced demand for Technology, its largest skill vertical, followed by Engineering, down 33% YoY and 18% YoY respectively.
- Belgium, our second largest country in the region (28% of net fees), delivered a positive net fee performance, increasing 15% YoY, supported by demand for roles in Life Sciences. In contrast, net fees in France declined 11% YoY.

Middle East & Asia (6% of Group net fees)

Performance highlights	FY25	FY24	Variance	
			Reported	Like-for-like
Revenue (£'000)	41,470	40,905	0%	+5%
Net fees (£'000)	19,172	19,653	-5%	+2%
Average total headcount (FTE)	221	202	+9%	n/a

- Our Middle East & Asia business includes Japan and UAE, and accounts for 6% of Group net fees.
- Net fees grew 2% YoY, with Permanent, which contributes 73% of net fees for the region, growing 8%, whilst Contract declined 12%.
- Japan, which represents 65% of the region's net fees, delivered its fifth consecutive year of growth, with net fees increasing 20% YoY. Growth was underpinned by strong demand for Technology roles, as digital transformation, AI, and data security remained high priorities for clients. Performance also benefited from the continued repositioning of the business to serve domestic Japanese companies, supported by an expanded base of Japanese speaking consultants and managers, enabling deeper client engagement and market share gains.
- Net fees in UAE were down 27%, driven by lower levels of demand across the three skill verticals it serves.

CHIEF FINANCIAL OFFICER'S STATEMENT

In FY25, Group net fees declined 12% on a like for like basis, reflecting the continued impact of political and macro economic uncertainty, particularly in Europe. However, the rate of decline improved sequentially through the year, supported by the USA returning to growth. We exited the year with encouraging new business activity and good momentum in select countries, although a broader recovery in Europe has yet to materialise.

Income statement

On a reported basis, revenue for the year was down 13%⁽¹³⁾ and amounted to £1.3 billion (FY24: £1.5 billion) while net fees declined by 13% to £322.7 million (FY24: £369.1 million). The weakening of the US Dollar against Sterling during the year, partially offset by a slight strengthening of the Euro, decreased total net fees by £1.6 million. Therefore, when presented on a constant currency basis, the net fees decreased by 12% YoY.

Contract net fees, which represented 84% of Group net fees in the year (FY24: 84%), declined by 12% YoY on a like-for-like basis. Performance reflected earlier softness in new business activity, which more than offset the benefits of recent improvement and consistently resilient contract extensions. Across our core regions, the USA our second largest Contract region, returned to growth after two years of declines, increasing 1% YoY, driven by strong demand from the Energy sector. This was offset by softer performances in our other core regions. DACH, our largest Contract region, declined 14%, primarily reflecting softer demand for Technology skills. The Netherlands including Spain, saw a decline of 20% in Contract net fees, driven by lower demand for Technology and Engineering roles. Rest of Europe declined 16% YoY, impacted by the performance of its largest skill vertical Technology, whilst Middle East & Asia, our smallest Contract region, declined 12%. By skill vertical, Engineering was the most resilient in Contract, down 6% YoY, underpinned by demand in the USA. Life Sciences and Technology declined 13% and 18% respectively, reflecting continued market uncertainty. The Group Contract net fee margin, calculated as Contract net fees as a percentage of Contract revenue⁽¹⁴⁾, remained flat YoY at 21.7% (FY24: 21.7%).

The contractor order book⁽¹⁵⁾ closed at £156.6 million, down only 2% YoY, equivalent to approximately five months' net fees, and providing sector-leading forward visibility. Under the contractor model, net fees are earned on a month-by-month basis, with the contractor order book reflecting the value of net fees under contract but yet to be recognised. During softer market conditions, this provides resilience with visibility over contract fees as contracts run their course (contract 'finishers'). In a market recovery context, the Board would expect the contractor order book to gradually increase as and when new

market recovery context, the Board would expect the contractor order book to gradually increase as and when new placements outpace finishers over a sustained period through the year.

Permanent net fee income declined 9% YoY reflecting challenging market conditions across most regions, but represented a marked improvement on the prior year (FY24: down 18%). This improvement was driven by strong performances in our second and third largest Permanent regions, Middle East & Asia and the USA, which delivered growth of 8% and 32% respectively. In contrast, our largest Permanent region, DACH, declined 25%, whilst the smaller Permanent regions of Rest of Europe and Netherlands including Spain declined 30% and 28% respectively. Permanent average fees increased by 25% YoY in the year, with average permanent fee margin (net fees as a percentage of salary) now at 28.0% (FY24: 27.2%).

Operating expenses were reduced by 2% YoY on a reported basis, amounting to £296.6 million (FY24: £302.9 million) despite incurring additional costs to deliver future savings. Overall, the reported operating profit was £26.1 million (FY24: £66.2 million), down 60% YoY in constant currency, while the Group operating profit conversion ratio⁽¹⁴⁾ decreased to 8.1% (FY24: 17.9%) reflecting the protracted challenging economic conditions impacting net fees, partially offset by disciplined management of operating costs and the realisation of further operational efficiencies. This programme, previously communicated in December, is primarily focused on the streamlining of operations through the removal of redundant back-office positions and non-fee earner front-office management layers. Early efficiencies achieved from the TIP, along with insights into its full potential, gave the business the confidence to accelerate its implementation. We made good progress this year, with the FY25 efficiencies programme delivering net savings of c.£7m, marginally ahead of plan. The net currency movements versus Sterling were unfavourable to the operating profit, reducing it by £0.3 million. Fluctuations in foreign currency exchange rates continue to be a sensitivity for the Group's reported results. By way of illustration, each 1% movement in annual exchange rates of the Euro and US Dollar against Sterling impacts the Group's operating profit by £0.6 million and £0.2 million respectively per annum.

Net finance income

The Group incurred net finance cost of £0.6 million (FY24: net finance income of £1.4 million) which included interest income of £1.5 million (FY24: £2.9 million) earned on the Group's bank deposits, offset by the interest charge on lease liabilities, £2.1 million (FY24: £1.4 million).

Income tax

The total tax charge for the year on the Group's profit before tax was £7.9 million (FY24: £18.0 million), representing a full-year effective tax rate (ETR) of 30.8% (FY24: 26.5%). The YoY increase in the Group's ETR reflects the benefit of a one-off credit recognised in FY24 following the resolution of the state aid case at the European Court of Justice. In addition, the Group has adopted a prudent view on the forecast utilisation of tax losses, taking into account the continued challenging conditions in the sector. The Group ETR can also vary YoY due to the mix of taxable profits by territory, non-deductibility of the accounting charge for LTIPs and other one-off tax items.

Overall, the reported profit before tax was £25.5 million (FY24: £67.6 million), down 62% YoY in constant currency and down 62% on a reported basis.

The reported profit after tax was £17.7 million, down 64% YoY in constant currency and down 64% on a reported basis (FY24: £49.7 million).

⁽¹³⁾ Unless specifically stated, all growth rates in revenue and net fees are expressed in constant currency.

⁽¹⁴⁾ The Group has identified and defined certain alternative performance measures (APMs). These are the key measures the Directors use to assess the SThree's underlying operational and financial performance. The APMs are fully explained and reconciled to IFRS line items in note 14.

⁽¹⁵⁾ The contractor order book represents value of net fees until contractual end dates, assuming all contractual hours are worked.

Earnings per share (EPS)

The EPS was 13.7 pence (FY24: 37.4 pence). The YoY movement is attributable to the overall trading performance, partially offset by the reduced weighted average number of shares, due to 7.8 million in shares bought back and immediately cancelled.

The diluted EPS was 13.6 pence (FY24: 37.1 pence). Share dilution mainly results from various share options in place and expected future settlement of vested tracker shares. The dilutive effect on EPS from tracker shares will vary in future periods, depending on the profitability of the underlying tracker businesses and the settlement of vested arrangements.

Dividends and distributable reserves

The Board monitors the appropriate level of dividend, considering achieved and expected trading of the Group, together with its balance sheet position. The Board aims to offer shareholders long-term ordinary dividend growth within a targeted dividend cover range of 2.5x to 3.0x through the cycle.

The Board has proposed to pay a final dividend of 9.2 pence (FY24: 9.2 pence) per share, which together with the interim dividend of 5.1 pence (FY24: 5.1 pence) per share, will give the total dividend of 14.3 pence (FY24: 14.3 pence) per share for FY25.

The final dividend, which amounts to approximately £11.9 million, will be subject to shareholder approval at the 2026 Annual General Meeting. It will be paid on 12 June 2026 to shareholders on the register on 15 May 2026. The Board's decision to maintain the dividend in-line with last year reflects a considered assessment of both the Group's trading performance to date and its future outlook, underpinned by a robust balance sheet and a strong track record of cash generation. It also underscores the Board's commitment to returning surplus capital to shareholders where appropriate.

As previously communicated alongside our interim results this year, the Directors determined that certain distributions, being the FY24 interim dividend paid 6 December 2024, the share buyback programme undertaken December 2024 to May 2025, and the FY24 final dividend paid 6 June 2025 (together the 'Relevant Distributions'), were made without complying fully with the technical requirements of the Companies Act 2006 ('the Act').

The Group as a whole has, at all times, had sufficient profits and other distributable reserves to pay the Relevant Distributions, however the parent Company itself had insufficient distributable reserves at the time these distributions were made. A course of action, consistent with the approach taken by other listed companies that have historically encountered similar issues, was followed to remedy this position without the Company pursuing any rights that it may have to seek repayments of the relevant funds. The Company has subsequently announced the Special Resolution set out in the notice of General Meeting dated 5 September 2025, was duly passed on a poll at the General Meeting held on 1 October 2025.

The Directors took action to remedy this technical issue by paying sufficient dividends to the Company from its subsidiaries and by preparing interim accounts (as defined in the Act) showing the requisite level of distributable reserves and net assets and filing them at Companies House. Consequently, as at the date of our interim results announcement on 29 July, the Company held distributable reserves in excess of the amount required in respect of both the Relevant Distributions and the known future committed capital returns in FY25.

The Company's past accounts will not need to be restated and no repayments are expected in respect of any dividends or the share buyback.

Balance sheet

Total Group net assets decreased to £235.1 million (FY24: £248.6 million), mainly driven by share buybacks and dividends paid in the year, partially offset by the net profit for the year.

Net working capital, including contract assets, decreased by £18.7 million on the prior year, driven mainly by the slowdown in trading, including reduced contractor order book. After taking account of the £20.2 million share buyback completed earlier in the year, the Group ended the year with a net cash position of £68.0 million. This was supported by a strong final quarter of cash collection, leaving the balance sheet in a robust position. In FY25 DSO decreased to 53 days (FY24: 55 days).

Overall, our business model remains highly cash generative, and we have no undue concentration of repayment obligations in respect of trade payables or borrowings.

Tracker shares

In FY25, the Group settled certain vested tracker shares for a total consideration of £0.8 million (FY24: £4.8 million) which was determined using a formula set out in the Articles of Association underpinning the tracker share businesses. The consideration was settled in SThree plc shares; 30,544 (FY24: 508,396) new shares were issued and 627,000 (FY24: 776,000) of shares held by the EBT were utilised. The arrangement is deemed to be an equity-settled share-based payment arrangement under IFRS 2 *Share-based payments*. There was no charge to the income statement as initially the tracker shareholders subscribed to the tracker shares at their fair value.

All current tracker share businesses remaining in existence will continue to be reviewed for settlement based on the pre-agreed criteria each year, until the full closure of the scheme in the next few years. As at the year end, the valuation of the outstanding shareholdings was approximately £0.9 million. These settlements may either dilute the earnings of SThree plc's existing ordinary shareholders if funded by a new issue of shares or result in a cash outflow if funded via treasury shares or shares held in the EBT.

Liquidity management

In FY25, cash generated from operations was £70.1 million (FY24: £59.8 million). The increase was primarily driven by a favourable working capital inflow, especially stronger cash collections and lower contract assets, partially offset by reduced payables. Income tax paid decreased to 9.9 million (FY24: £23.0 million).

Capital expenditure decreased to £8.6 million (FY24: £13.2 million), as the Group-wide TIP reached its final stage, with all developed assets brought to active use during the period. The capital expenditure also included costs of certain leasehold improvements and furniture/IT equipment purchases across our office portfolio.

The Group paid £14.6 million in rent including principal and interest portion (FY24: £14.4 million). The Group spent £21.4 million (FY23: £10.0 million) on the purchase of its own shares, the majority of which related to the share buyback programme and were subsequently cancelled. Dividend payments were £18.5 million comprising primarily the FY24 final dividend paid in June 2025 (FY24: £15.9 million).

Foreign exchange had a negative impact of £0.2 million (FY24: negative impact £0.1 million).

Overall, net cash closed at £68.0 million (FY24: £69.7 million), a modest £1.7 million decline despite returning £20.2 million to shareholders through the buyback programme. This resilience reflects a £22.0 million uplift in operating cash flow, driven by a significant working capital inflow from receivables, alongside reduced capital expenditure as the TIP rollout concluded, which largely offset higher outflows from buybacks and dividends.

Accessible funding

The Group's capital allocation priorities are financed mainly by retained earnings, cash generated from operations, and a £50.0 million RCF. This has remained undrawn during the year, but any funds borrowed under the RCF would bear a minimum annual interest rate of 1.2% above the benchmark Sterling Overnight Index Average. The Group also maintains a £30.0 million accordion facility as well as a substantial working capital position reflecting net cash due to SThree for placements already undertaken.

At the end of the current financial year, the Group had not drawn down any of the credit facilities (FY24: £nil).

On 30 November 2025, the Group had total accessible liquidity of £123.0 million, made up of £68.0 million in net cash (FY24: £69.7 million), the £50.0 million RCF and a £5.0 million overdraft facility (which was fully undrawn at the year end).

Capital allocation

SThree remains disciplined in its approach to allocating capital, with the core objective at all times being to maximise shareholder value. The Group's capital allocation policy is reviewed periodically by the Board and was last reviewed in January 2026:

- Balance sheet - our intention is to maintain a strong balance sheet at all times to provide operational flexibility throughout the business cycle.
- Dividend - we aim to pay a sustainable dividend, with a commitment to a through-the-cycle dividend cover range of 2.5x to 3.0x of EPS⁽¹⁶⁾.
- Deployment of capital prioritised in the order of:
 1. Organic growth: investing in our people and ensuring sufficient working capital on hand to fund growth in the contractor order book while developing new business opportunities.
 2. Business improvement: digitalising our business, putting in place the technology and tools that are key to driving both scale and higher margins.
 3. Acquisitions: strict inorganic growth discipline, with a focus on complementary and value enhancing acquisitions.
 4. Capital return to shareholders: after all organic and inorganic opportunities within an appropriate, time horizon have been assessed, further cash returns to shareholders may be considered.

During the year, the Company returned approximately £20.2 million to shareholders through its share buyback programme. This resulted in the purchase and cancellation of 7.8 million ordinary shares at an average price of 261 pence per share.

(16) In certain circumstances, the Board may exercise its discretion to depart from this policy, subject to careful and ongoing assessment of the Group's trading performance, future outlook, and balance sheet position. Any such departure would be considered as part of the Group's established dividend review schedule, and only where deemed appropriate in light of prevailing conditions.

PRINCIPAL AND EMERGING RISKS

Principal risks and uncertainties affecting the business activities of the Group will be detailed within the Strategic Report section of the Group's 2025 Annual Report and Accounts, a copy of which will be available on the Group's website www.sthree.com.

Delivering on our strategy requires all parts of our business to work together. In isolation risk mitigation helps SThree manage specific subjects and areas of the business. However, when brought into our day-to-day activities, successful risk management has helped us to maximise our competitive advantage and deliver on our strategic pillars in FY25. While the ultimate responsibility for risk management rests with the Board, the effective day-to-day management of risk is in the way we do business and our culture.

Aligning risks and strategy by using risk to help make the right strategic decisions - in order to deliver our strategy and competitive advantage throughout the business we must ensure that we maintain a balance between safeguarding against potential risks and taking advantage of all potential opportunities.

CONSOLIDATED INCOME STATEMENT

for the year ended 30 November 2025

£'000	Note	2025	2024
Revenue	2	1,302,204	1,492,906
Cost of sales	2	(979,508)	(1,123,827)
Net fees	2	322,696	369,079
Administrative expenses	3	(295,256)	(301,972)
Impairment losses on financial assets		(1,305)	(913)

Operating profit	26,135	66,194
Finance income	1,469	2,891
Finance costs	(2,071)	(1,445)
Profit before income tax	25,533	67,640
Income tax expense	4	(7,859)
Profit for the year attributable to the owners of the Company	17,674	49,692
 Earnings per share attributable to shareholders		
pence		
Basic	5	13.7
Diluted	5	13.6
		37.1

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

for the year ended 30 November 2025

£'000	2025	2024
Profit for the year	17,674	49,692
Other comprehensive profit/(loss):		
<i>Items that may be subsequently reclassified to income statement</i>		
Exchange differences on retranslation of foreign operations	4,352	(4,304)
Other comprehensive profit/(loss) for the year (net of tax)	4,352	(4,304)
Total comprehensive income for the year attributable to owners of the Company	22,026	45,388

The accompanying notes form an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 30 November 2025

£'000	Note	30 November 2025	30 November 2024
ASSETS			
Non-current assets			
Property, plant and equipment		54,051	46,217
Intangible assets	6	15,968	12,122
Deferred tax assets		3,292	3,408
Total non-current assets		73,311	61,747
Current assets			
Trade and other receivables		330,890	364,907
Current tax assets		11,242	10,315
Cash and cash equivalents	7	67,962	69,756
Total current assets		410,094	444,978
Total assets		483,405	506,725
EQUITY AND LIABILITIES			
Equity attributable to owners of the Company			
Share capital	8	1,279	1,356
Share premium	8	42,141	42,098
Other reserves		3,219	(7,195)
Retained earnings		188,457	212,385
Total equity		235,096	248,644
Current liabilities			
Bank overdraft	7	-	88
Trade and other payables		182,922	198,223
Lease liabilities	9, 10	10,549	10,419
Provisions		2,831	4,068
Current tax liabilities		11,635	12,275
Total current liabilities		207,937	225,073
Non-current liabilities			
Lease liabilities	9, 10	36,952	29,362
Provisions		2,581	2,784
Deferred tax liabilities		839	862
Total non-current liabilities		40,372	33,008
Total liabilities		248,309	258,081
Total equity and liabilities		483,405	506,725

The accompanying notes form an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
for the year ended 30 November 2025

£'000	Share capital	Share premium	Capital redemption reserve	Capital reserve	Treasury reserve	Curren translati reser
Balance at 1 December 2024	1,356	42,098	172	878	(7,246)	(9)
Profit for the year	-	-	-	-	-	-
Other comprehensive loss for the year	-	-	-	-	-	4,3
Total comprehensive (loss)/income for the year	-	-	-	-	-	4,3
Dividends paid to equity holders (note 11)	-	-	-	-	-	-
Distributions payable to tracker shareholders	-	-	-	-	-	-
Settlement of vested tracker shares (note 8)	1	42	-	-	2,509	
Settlement of share-based payments (note 8)	-	1	-	-	4,659	
Purchase of shares by Employee Benefit Trust (note 8)	-	-	-	-	(1,184)	
Cancellation of share capital	(78)	-	78	-	20,199	
Repurchase of shares	-	-	-	-	(20,199)	
Credit to equity for equity-settled share-based payments	-	-	-	-	-	
Current and deferred tax on share-based payment transactions	-	-	-	-	-	
Total movements in equity	(77)	43	78	-	5,984	4,3
Balance at 30 November 2025	1,279	42,141	250	878	(1,262)	3,3
 Balance at 1 December 2023	 1,349	 39,700	 172	 878	 (7,939)	 3,3
Profit for the year	-	-	-	-	-	-
Other comprehensive loss for the year	-	-	-	-	-	(4,3)
Total comprehensive (loss)/income for the year	-	-	-	-	-	(4,3)
Transfer of loss on disposal of equity investments through other comprehensive income to retained earnings	-	-	-	-	-	-
Dividends paid to equity holders (note 11)	-	-	-	-	-	-
Distributions payable to tracker shareholders	-	-	-	-	-	-
Settlement of vested tracker shares (note 8)	5	1,901	-	-	3,324	
Settlement of share-based payments (note 8)	2	497	-	-	7,369	
Purchase of shares by Employee Benefit Trust (note 8)	-	-	-	-	(10,000)	
Credit to equity for equity-settled share-based payments	-	-	-	-	-	
Current and deferred tax on share-based payment transactions	-	-	-	-	-	
Total movements in equity	7	2,398	-	-	693	(4,3)
Balance at 30 November 2024	1,356	42,098	172	878	(7,246)	(9)

The accompanying notes form an integral part of these Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF CASH FLOWS
for the year ended 30 November 2025

£'000	Note	2025	2024
Cash flows from operating activities			
Profit before tax		25,533	67,640
<i>Adjustments for:</i>			
Depreciation and amortisation charge		17,669	15,254
Loss on disposal of property, plant and equipment other than right-of-use assets		48	135
Gain on lease modification		(42)	(69)
Finance income		(1,469)	(2,891)
Finance costs		2,071	1,445
Gain on disposal of subsidiary	3	-	(135)
Non-cash charge for share-based payments		4,662	4,986
Operating cash flows before changes in working capital and provisions		48,472	86,365
(Decrease)/increase in receivables		44,151	(28,382)
(Decrease)/increase in payables		(20,973)	3,667
Decrease in provisions		(1,558)	(1,861)
Cash generated from operations		70,092	59,789
Interest received		1,469	2,891
Income tax paid		(9,894)	(23,002)

Net cash generated from operating activities	61,667	39,678
Cash flows from investing activities		
Purchase of property, plant and equipment	(3,386)	(6,830)
Purchase of intangible assets	6	(5,240)
Net cash used in investing activities		(8,626)
		(13,169)
Cash flows from financing activities		
Interest paid	10	(2,071)
Lease principal payments	10	(12,502)
Proceeds from exercise of share options		1
		499
Cancellation of share capital	8	(20,199)
Purchase of shares by Employee Benefit Trust	8	(1,184)
Dividends paid to equity holders	11	(18,542)
Distributions to tracker shareholders		(62)
Net cash used in financing activities		(54,559)
		(39,917)
Net decrease in cash and cash equivalents		(1,518)
Cash and cash equivalents at beginning of the year		69,668
Exchange losses relating to cash and cash equivalent		(188)
Net cash and cash equivalents at end of the year	7	67,692
		69,668

The accompanying notes form an integral part of these Consolidated Financial Statements.

NOTES TO THE FINANCIAL INFORMATION

for the year ended 30 November 2025

1. BASIS OF PREPARATION AND ACCOUNTING POLICIES

Basis of preparation

The financial information in this preliminary announcement has been extracted from the Group audited financial statements for the year ended 30 November 2025 and does not constitute statutory accounts within the meaning of Section 434 of the Companies Act 2006 ('the Act'). The Group financial statements and this preliminary announcement were approved by the Board of Directors on 26 January 2026.

The auditors have reported on the Group's financial statements for the years ended 30 November 2025 and 30 November 2024 under Section 495 of the Act. The auditors' reports are unqualified and do not contain a statement under Section 498(2) or (3) of the Act. The Group's statutory financial statements for the year ended 30 November 2024 were filed with the Registrar of Companies and those for the year ended 30 November 2025 will be filed following the Company's Annual General Meeting.

The Consolidated Financial Statements have been prepared in accordance with UK-adopted International Accounting Standards (IAS) and in accordance with the requirements of the Companies Act 2006 as applicable to companies reporting under those standards.

Going concern

The Consolidated Financial Statements have been prepared on a going concern basis. The Directors have reviewed the Group's cash flow forecasts, considered the assumptions contained in the budget and medium-term forecasts, and considered associated principal risks which may impact the Group's performance over the going concern assessment period to 31 July 2027.

At 30 November 2025, the Group had no debt except for lease liabilities of £47.5 million. Credit facilities relevant to the review period comprise a committed £50.0 million Revolving Credit Facility (RCF) (with the expiry date of 26 July 2027) and an uncommitted £30.0 million accordion facility, both jointly provided by HSBC and Citibank. These facilities remained undrawn on 30 November 2025. A further uncommitted £5.0 million bank overdraft facility is also held with HSBC, which was undrawn (FY24: £0.1 million drawn down) at the year end.

In addition, the Group has £68.0 million of cash and cash equivalents available to fund its short-term needs, as well as a substantial working capital position, reflecting net cash due to SThree for placements already undertaken.

In FY25, the Group's trading performance declined against the prior year, driven by persisting challenging market conditions, which have extended beyond the industry's expectations. The total Group net fees declined by 12% YoY on a like-for-like basis, reflecting protracted soft new placement activity across Permanent and Contract, partially offset by ongoing strong Contract extensions. Despite market uncertainties, the Group's long-term prospects and competitive positioning remain

strong, underpinned by its strategic focus on STEM and Contract, supported by a robust financial position and significant operational enhancements gradually materialising via our Technology Improvement Programme.

Based on this evaluation, the Directors have formed a judgement that the Group has adequate resources to continue in operational existence for the period to 31 July 2027, there are no plausible downside scenarios that would cause an issue for the Group's going concern status, and considered it appropriate to prepare the Consolidated and Company-only Financial Statements on the going concern basis.

Climate change consideration

Climate change is a significant issue for the world and the transition to a low-carbon economy will create both risks and opportunities for the Group. The management team has considered the impact of climate change in preparing these Consolidated Financial Statements in the areas as listed below. These considerations are not viewed to be key areas of judgement or sources of estimation uncertainty in the current financial year.

The management team considered the impact from climate change on the following areas:

- The going concern and viability of the Group over the next five years, including the potential impact of climate-related risks, such as SThree's offices impacted by heightened physical risks affecting our operational ability to place contractors and service the existing contracts, resulting in lower revenue and income. This is subject to the ongoing assessment by the management team performed using three climate-related scenarios for 2024-2040. The assessment helps to continually test SThree's strategic resilience and its flexibility to adapt operations to ever-changing risks and opportunities as a consequence of climate change to drive continued growth.
- Physical climate risks identified through the Group's TCFD disclosures are expected to arise over the short and medium term. Management has assessed whether these risks give rise to indicators of impairment, particularly in respect of right of use office assets and concluded that no impairment indicators exist. The Group's office leases have relatively short unexpired lease terms, are geographically diversified, and no climate related physical damage or disruption has been identified or is expected within the remaining lease periods. Accordingly, physical climate risks do not affect the recoverability of right of use assets or other asset classes at 30 November 2025.
- Climate related risks and the Groups net zero commitments have been assessed in determining useful lives, residual values and depreciation policies for non current assets. The Groups main assets comprise office ROU assets, internally developed software and short life IT and office equipment, all of which are expected to be fully depreciated within three to seven years. The climate initiatives outlined in the TCFD report (fleet transition, sustainable offices, supplier engagement and reduced travel) influence operational behaviours but do not require changes to, or early replacement of, existing assets. Management therefore considers the impact of climate change on the carrying amount of fixed assets to be immaterial.
- Share-based payments: some performance conditions of the Long-Term Incentive Plan (LTIP) for members of the Executive Committee are measured against ESG metrics since the 2022 financial year. This could impact the future amount of the share-based payment expense in the Group income statement. However, as the ESG-related performance condition constitutes 10% of each grant, the impact is low.
- Segmental reporting: in our response to climate change and transition to a net zero target, there has not yet been a change to the management information provided to, and reviewed by, the chief operating decision maker.

Whilst there is currently no material medium-term impact expected from climate change, the management team is aware of the ever-changing risks and will continue to regularly monitor these risks against judgements and estimates made in preparation of the Group's financial statements.

Accounting policies

The accounting policies used in the preparation of the Consolidated Financial Statements are consistent with those applied in the previous financial year, except for the adoption of new and amended standards effective as of 1 December 2024 as set out below.

New and amended standards effective in FY25 and adopted by the Group

The following amendments to the accounting standards, issued by the IASB and endorsed by the UK, have been adopted by the Group and became applicable as of 1 December 2024. The Group did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amended standards.

- New disclosure requirements for characteristics of supplier finance arrangements (Amendments to IAS 7 *Statement of Cash Flows* and IFRS 7 *Financial Instruments: Disclosures*).
- New requirements for measuring lease liability arising in a sale and leaseback transaction (Amendments to IFRS 16 *Leases*).
- New classification requirements for liabilities as current or non-current (Amendments to IAS 1 *Presentation of Financial Statements*).

New and amended standards that are applicable to the Group but not yet effective

As at the date of authorisation of this Annual Report and Accounts, the following new standards and amendments to existing standards were issued by the IASB, but not yet effective.

- New requirements for lack of exchangeability (Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates), endorsed by the UK Endorsement Board on 17 July 2024 and effective for annual reporting periods beginning on or after 1 January 2025. These amendments are not expected to have any impact on the Group in the current or future financial years, as the Group operates in the highly developed and established countries (refer to note 2 Operating segments).
- New requirements for presentation within the income statement (IFRS 18 Presentation and Disclosure in Financial Statements, which replaces IAS 1 Presentation of Financial Statements, endorsed by the UK Endorsement Board on 10 December 2025 and effective for annual reporting periods beginning on or after 1 January 2027. The Group has already initiated its planning process for adoption. This includes redesigning the income statement and cash flow statement, and reassessing the disclosures to be included in the notes to the financial statements.
- New requirements relating to the classification and measurement of financial instruments and enhanced disclosure requirements (Amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments), issued and endorsed by the UK Endorsement Board and effective for annual reporting periods beginning on or after 1 January 2026. The Group is currently assessing the impact of these amendments, which may result in additional disclosures and changes to the presentation of financial instruments once adopted.

The Group has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

2. OPERATING SEGMENTS

The Group's operating segments are established on the basis of those components of the Group that are regularly reviewed by the Group's chief operating decision making body, in deciding how to allocate resources and in assessing performance. The Group's business is considered primarily from a geographical perspective.

The Directors have determined the chief operating decision-making body (CODM) to be the Executive Committee made up of the Chief Executive Officer, the Chief Financial Officer, the Chief Operations Officer, the Chief Commercial Officer and the Chief People Officer and Regional Managing Directors, with other senior management attending via invitation.

The Group's five reporting segments are DACH, USA, Netherlands, Rest of Europe and Middle East & Asia.

The Group also presents separately the net fees of its five key markets: Germany, the Netherlands, the USA, the UK and Japan, as well as a breakdown of net fees per Contract and Permanent, referred to as 'service mix'.

DACH region comprises Austria, Germany and Switzerland. Rest of Europe comprises the UK, Belgium and France, and Middle East & Asia includes Japan and the UAE.

Countries aggregated into DACH, Rest of Europe, Netherlands (including Spain), and Middle East & Asia have similar economic risks and prospects, i.e. they are expected to generate similar average gross margins over the long term, and are similar in each of the following areas:

- the nature of the services (recruitment/candidate placement);
- the class of candidates (candidates, who we place with our clients, represent skill-sets in Life Sciences, Technology, Engineering and Mathematics disciplines); and
- the methods used in which they provide services to clients (independent contractors, employed contractors and permanent candidates).

The Group's management reporting and controlling systems use accounting policies that are the same as those described in these financial statements and the accompanying notes.

Revenue, cost of sales and net fees by reportable segment

The Group assesses the performance of its operating segments through a measure of segment profit or loss which is referred to as 'net fees' in the management reporting and controlling systems. Net fees is the measure of segment profit comprising revenue less cost of sales.

£'000	Revenue		Cost of sales		Net fees	
	2025	2024	2025	2024	2025	2024
DACH	397,303	456,051	290,697	328,505	106,606	127,546
Rest of Europe	292,924	353,150	241,430	291,836	51,494	61,314
Netherlands including Spain	280,964	343,571	218,709	265,039	62,255	78,532
USA	289,543	299,229	206,374	217,195	83,169	82,034
Middle East & Asia	41,470	40,905	22,298	21,252	19,172	19,653

1,302,204	1,492,906	979,508	1,123,827	322,696	369,079
-----------	-----------	---------	-----------	---------	---------

Split of revenue from contracts with customers

The Group derives revenue from the transfer of services over time and at a point in time in the following geographical regions:

2025 £'000	DACH	Rest of Europe	Netherlands including Spain		Middle East & Asia	Total
			USA			
Timing of revenue recognition						
Over time	375,436	291,460	274,968	278,666	27,508	1,248,038
At a point in time	21,867	1,464	5,996	10,877	13,962	54,166
	397,303	292,924	280,964	289,543	41,470	1,302,204

2024 £'000	DACH	Rest of Europe	Netherlands including Spain		Middle East & Asia	Total
			USA			
Timing of revenue recognition						
Over time	427,228	351,135	334,802	290,774	27,194	1,431,133
At a point in time	28,823	2,015	8,769	8,455	13,711	61,773
	456,051	353,150	343,571	299,229	40,905	1,492,906

Major customers

In FY25 and FY24, no single customer generated more than 10% of the Group's revenue.

Other information

The following segmental analysis has been included as additional disclosure to the requirements of IFRS 8 *Operating Segments*.

The Group's revenue from external customers, its net fees and information about its segment assets (non-current assets excluding deferred tax assets) by key location are detailed below:

£'000	Revenue		Cost of sales		Net fees	
	2025	2024	2025	2024	2025	2024
Germany	348,285	393,850	254,175	282,082	94,110	111,768
USA	289,543	299,229	206,374	217,195	83,169	82,034
Netherlands	252,858	318,665	198,726	247,706	54,132	70,959
UK	163,853	226,904	136,112	188,575	27,741	38,329
Japan	16,066	13,356	3,573	2,764	12,493	10,592
RoW*	231,599	240,902	180,548	185,505	51,051	55,397
	1,302,204	1,492,906	979,508	1,123,827	322,696	369,079

£'000	30 November		30 November	
	2025	2024	2025	2024
Non-current assets				
UK			29,611	28,334
Germany			19,166	13,887
USA			12,837	7,553
Netherlands			3,751	4,245
Japan			842	1,792
RoW*			3,812	2,528
	70,019		58,339	

* RoW (Rest of the World) includes all countries other than listed.

Non-current assets do not include Deferred Tax Assets as they are not reviewed by the CODM.

The following segmental analysis by brands, recruitment classification and sectors (being the profession of candidates placed) has been included as additional disclosure to the requirements of IFRS 8 *Operating Segments*.

£'000	Revenue		Cost of sales		Net fees	
	2025	2024	2025	2024	2025	2024
Brands						
Progressive	525,764	560,519	399,518	422,172	126,246	138,347
Computer Futures	340,335	454,982	250,318	338,826	90,017	116,156

Real Staffing Group	204,689	239,976	151,858	176,938	52,831	63,038
Huxley Associates	231,416	237,429	177,814	185,891	53,602	51,538
	1,302,204	1,492,906	979,508	1,123,827	322,696	369,079

Other brands including Global Enterprise Partners, JP Gray and Madison Black, are rolled into the above brands.

£'000	Revenue		Cost of sales		Net fees	
	2025	2024	2025	2024	2025	2024
Service mix						
Contract	1,248,038	1,431,133	977,379	1,120,516	270,659	310,617
Permanent	54,166	61,773	2,129	3,311	52,037	58,462
	1,302,204	1,492,906	979,508	1,123,827	322,696	369,079

£'000	Revenue		Cost of sales		Net fees	
	2025	2024	2025	2024	2025	2024
Skills mix						
Technology	603,704	747,598	458,582	569,904	145,122	177,694
Engineering	398,001	422,984	299,605	317,654	93,396	105,330
Life Sciences	196,285	221,295	143,843	160,369	52,442	60,926
Other	104,214	101,029	77,478	75,900	26,736	25,129
	1,302,204	1,492,906	979,508	1,123,827	322,696	369,079

3. ADMINISTRATIVE EXPENSES

Operating profit is stated after charging/(crediting):

£'000	2025	2024
Staff costs	222,183	234,741
Depreciation	16,095	15,230
Amortisation	1,581	24
Loss on disposal of property, plant and equipment	48	135
Gain on lease modification	(42)	(69)
Service lease charges - Buildings ¹	1,455	2,464
Service lease charges - Cars ¹	2,025	1,903
Foreign exchange losses	773	742
Research and development tax credits ²	224	(1,647)
Gain on disposal of subsidiary ³	-	(135)
Other income ⁴	(574)	(2,690)

1. Service lease charges represent payments that vary based on factors other than an index or a rate, such as building maintenance, small repairs, cleaning charges and other management fees, and are not included in the present value calculation of lease liabilities and are recognised in the income statement as they are incurred and presented as operating cash flows.
2. In FY24, the Group submitted claims under the Research and Development Expenditure Credit (RDEC) scheme for qualifying expenditure incurred on the TIP over the three years to 30 November 2024. The claims related to costs expensed to the income statement and amounts capitalised as assets under construction (see note 10). The RDEC claim reduced the capitalised cost and will impact the income statement over the useful life of the assets once amortisation begins.
In FY25, the Group recorded a true-up adjustment to reflect the difference between the estimated RDEC income recognised in prior year and the final claim determined during this year. This resulted in a charge of £0.2 million to operating expenses and an increase of £0.1 million in the credit applied to capitalised assets.
3. The accumulated foreign exchange net gain reclassified from the Group's currency translation reserve to the Consolidated Income Statement on liquidation of two subsidiary companies.
4. £0.6 million (FY24: £2.7 million) recorded during the year as other income relates to the release of accruals for historically unclaimed contractor invoices. These invoices, tied to services delivered in prior years, were during the year and found to be older than the statutory limitation periods in their respective countries. As a result, the accruals were released to the income statement.

4. INCOME TAX EXPENSE

(a) Analysis of tax charge for the year

£'000	2025	2024
Current income tax		
Corporation tax charged on profits for the year	9,908	18,966
Adjustments in respect of prior periods	(2,033)	(4,157)
Total current tax charge	7,875	14,809
Deferred income tax		
Origination and reversal of temporary differences	(1,355)	2,414
Adjustments in respect of prior periods	1,339	725
Total deferred tax (credit)/ charge	(16)	3,139
Total income tax charge in the Consolidated Income Statement	7,859	17,948

(b) Reconciliation of the effective tax rate

The Group's tax charge for the year exceeds (FY24: exceeds) the UK statutory rate and can be reconciled as follows:

£'000	2025	2024
Profit before income tax for the Group	25,533	67,640
Profit before income tax multiplied by the standard rate of corporation tax in the UK at 25.0% (FY24: 25.0%)	6,383	16,910
Effects of:		
Disallowable items	628	1,585
Uncertain tax positions - current year	1,237	826
Uncertain tax positions - prior year	(886)	(3,054)
Share-based payments	1,173	487
Differing tax rates on overseas earnings	(217)	1,744
Utilisation of tax losses brought forward	(1,074)	(691)
Adjustments in respect of prior periods	(694)	(396)
Adjustments due to tax rate changes	(317)	124
Tax losses for which deferred tax asset was not recognised or derecognised	1,626	413
Total tax charge for the year	7,859	17,948
At the effective tax rate	30.8%	26.5%

(c) Current and deferred tax movement recognised directly in equity

£'000	2025	2024
Equity-settled share-based payments:		
Current tax (charge)/credit	(2)	45
Deferred tax charge	(60)	(55)
	62	(10)

The Group expects to receive additional tax deductions in respect of share options currently unexercised. The Group is required to provide for deferred tax on all unexercised share options. Where the amount of the tax deduction (or estimated future tax deduction) exceeds the amount of the related cumulative remuneration expense, this indicates that the tax deduction relates not only to remuneration expense but also to an equity item. In this situation, the excess of the current or deferred tax should be recognised in equity. At 30 November 2025, a deferred tax asset of £0.2 million (FY24: £0.5 million) was recognised in respect of these options.

On 17 November 2022, the UK Government confirmed its intention to implement the G20-OECD Inclusive Framework Pillar 2 rules in the UK, including a Qualified Domestic Minimum Top-Up Tax rule. This legislation, which was enacted on 11 July 2023, will seek to ensure that UK-headquartered multinational enterprises pay a minimum tax rate of 15% on UK and overseas profit for accounting periods commencing after 31 December 2023.

While most jurisdictions in which the Group operates have statutory tax rates above 15% and are therefore expected to fall within the transitional safe harbour exemptions, the interim assessment performed indicated that a top-up tax may be applicable to profits arising from the Group's operations in Ireland. The impact was not considered material in the context of the Group's overall financial position and was therefore not recorded. No additional current or deferred tax has been recognised.

The Group applies the mandatory temporary exemption from recognising and disclosing deferred tax assets and liabilities related to Pillar Two income taxes, in accordance with the amendments to IAS 12 Income Taxes issued in May 2023. The safe harbour position has been analysed for each jurisdiction and we would expect all material jurisdictions to pass safe harbour tests, therefore no material impacts are expected.

5. EARNINGS PER SHARE

EPS is calculated by dividing the profit for the year attributable to owners of the Company by the weighted average number of ordinary shares outstanding during the year excluding shares held as treasury shares and those held in the EBT, which for accounting purposes are treated in the same manner as shares held in the treasury reserve.

Diluted EPS is calculated by adjusting the weighted average number of ordinary shares outstanding to assume conversion of all dilutive ordinary shares arising from exercising employee stock options and tracker shares.

The following tables reflect the income and share data used in the basic and diluted EPS calculations.

£'000	2025	2024
Earnings		
Profit for the year attributable to owners of the Company	17,674	49,692

million	2025	2024
Number of shares		
Weighted average number of shares used for basic EPS	129.0	132.8
Dilutive effect of share plans	1.1	1.3
Diluted weighted average number of shares used for diluted EPS	130.1	134.1

pence	2025	2024
Basic EPS	13.7	37.4
Diluted EPS	13.6	37.1

6. INTANGIBLE ASSETS

During the current year, the Group increased its intangible assets book value by a net amount of £3.8 million to £16.0 million (FY24: £12.1 million). This reflects the completion of the Group-wide TIP, with all developed assets under this project brought into active use during the year.

As part of the post implementation phase of TIP, the Group also undertook a review of its internally generated software and system development assets. This review identified a number of legacy systems and related assets that had become obsolete following the rollout of the new TIP platform. As a result, fully amortised software and system development assets with a gross cost of £36.9 million were derecognised during the year. These disposals had no impact on the income statement, as all assets were fully amortised before being written off.

In FY25, the Group also incurred £2.5 (FY24: £2.6 million) million in costs which were not directly attributable to the assets developed under the TIP (such as project management and other administration-related tasks) and which were expensed immediately to the income statement.

The Group continues to undertake development work, including the addition of new AI functionality and enhancements to the existing platform. Costs associated with this ongoing development are being capitalised and recorded under assets under development.

Amortisation of assets related to the TIP commenced early in the year and amounted to £1.6 million (FY24: £0.1 million), and was included in administrative expenses.

7. CASH AND CASH EQUIVALENTS

£'000	30 November 2025	30 November 2024
Cash at bank	67,962	69,756
Bank overdraft	-	(88)
Net cash and cash equivalents	67,962	69,668

Cash and cash equivalents comprise cash and short-term bank deposits with an original maturity of three months or less, net of outstanding bank overdrafts.

The Group has three cash pooling arrangements in place at HSBC US (USD), HSBC UK (GBP) and Citibank (EUR).

8. SHARE CAPITAL

Share capital

During the year, the Company purchased 7,779,335 (FY24: none) shares for immediate cancellation. When cancelling its ordinary shares, the Company transferred amounts equivalent to the nominal value of the cancelled shares into the capital redemption reserve. As a result, the share capital reduced by £0.1 million to £1.3 million (FY24: £1.4 million).

During the year, 30,610 new ordinary shares were issued (FY24: 698,585), resulting in a share premium of less than £0.1 million (FY24: £2.4 million). Of the shares issued, 30,544 (FY24: 508,396) were issued to tracker shareholders on settlement of vested tracker shares and 66 (FY24: 190,189) pursuant to the exercise of share awards under the Save-As-You-Earn (SAYE) scheme.

At 30 November 2025, the Company's issued share capital consisted of 127,858,067 ordinary shares of £0.01 each (FY24: 135,606,792). Of these, 35,767 shares (FY24: 35,767) were held directly by the Company as treasury shares. This is separate from shares held by the EBT, which are presented within the treasury reserve.

Employee Benefit Trust

During the year, the EBT purchased 578,761 (FY24: 2,340,585) of SThree plc shares. The average price paid per share was 205 pence (FY24: 427 pence). The total acquisition cost of the purchased shares was £1.2 million (FY24: £10.0 million), for which the treasury reserve was reduced. During the year, the EBT utilised 1,766,792 (FY24: 2,496,991) shares on settlement of vested tracker shares and LTIP awards. At the year end, the EBT held 579,021 (FY24: 1,767,052) shares.

9. LEASES

The leases which are recognised in the consolidated statement of financial position are principally in respect of buildings and cars. The Group's right-of-use assets and lease liabilities are presented below:

	30 November 2025	30 November 2024
£'000		
Buildings	42,220	35,577
Cars	908	976
Total right-of-use assets	43,128	36,553
Current lease liabilities	10,549	10,419
Non-current lease liabilities	36,952	29,362
Total lease liabilities	47,501	39,781

The consolidated income statement includes the following amounts relating to depreciation of right-to-use assets:

	2025	2024
£'000		
Buildings	12,249	11,868
Cars	859	1,076
Total depreciation charge of right-of-use assets	13,108	12,944

In the current year, interest expense on leases amounted to £2.1 million (FY24: £1.3 million) and was recognised within finance costs in the consolidated income statement.

The total cash outflow for leases in FY25 was £14.6 million (FY24: £14.4 million) and comprised the principal and interest element of recognised lease liabilities.

10. OTHER FINANCIAL LIABILITIES

The Group maintains a committed RCF of £50.0 million along with an uncommitted £30.0 million accordion facility, both jointly provided by HSBC and Citibank, giving the Group an option to increase its total borrowings under the facility to £80.0 million. During the current and previous year, the Group did not draw down under these facilities. The Group also has an uncommitted £5.0 million overdraft facility with HSBC, which was undrawn (FY24: £0.1 million draw down) at the year end..

The RCF is subject to financial covenants and any funds borrowed under the facility bear a minimum annual interest rate of 1.2% above the benchmark Sterling Overnight IndexAverage (SONIA). As the Group did not draw down under these facilities, the finance costs of £2.1 million (FY24: £1.4 million) were mainly related to lease interest.

The covenants, which the RCF is subject to, require the Group to maintain financial ratios over interest cover, leverage and guarantor cover. The Group has complied with these covenants throughout the year.

Reconciliation of financial liabilities to cash flows arising from financing activities:

£'000	
Balance at 1 December 2023	29,017
Cash flows:	
Interest paid to bank	(108)

Payments of principal and interest element of lease liabilities	(14,448)
Total cash flows	(14,556)
Lease increases	25,311
Lease termination	(868)
Other movements *	877
Balance at 30 November 2024 and 1 December 2024	39,781
Cash flows:	
Interest paid to bank	(20)
Payments of principal and interest element of lease liabilities	(14,553)
Total cash flows	(14,573)
Lease increases	21,447
Lease terminations	(1)
Other non-cash movements *	847
Balance at 30 November 2025	47,501

* Other movements in FY25 and FY24 primarily comprised unwind of the discount on lease liabilities and forex revaluation.

11. DIVIDENDS

£'000	2025	2024
Amounts recognised as distributions to equity holders in the year		
Interim dividend of 5.0 pence for FY23 per share (note a)	-	494
Final dividend of 11.6 pence for FY23 per share (note b)	-	15,366
Interim dividend of 5.1 pence for FY24 per share (note c)	6,807	-
Final dividend of 9.2 pence for FY24 per share (note d)	11,735	-
	18,542	15,860
£'000	2025	2024
Amounts arising in respect of the financial year		
Interim dividend of 5.1 pence for FY25 (5.1 pence for FY24) per share (note e)	6,490	6,824
Proposed final dividend of 9.2 pence for FY25 (9.2 pence for FY24) per share (note f)	11,866	12,221
	18,356	19,045

Note a

The FY23 interim dividend of 5.0 pence per share was paid on 8 December 2023. The £6.4 million in funds, required for its settlement, were transferred by the Group to the share administrator before 30 November 2023.

The £0.5 million shown as distributed in FY24 reflected primarily payments to shareholders who claimed the FY23 interim dividend post the FY23 year end.

Note b

The FY23 final dividend of 11.6 pence per share was paid on 7 June 2024 to shareholders on the register of SThree plc on 10 May 2024.

Note c

The FY24 interim dividend of 5.1 pence per share was paid on 6 December 2024 to shareholders on record at 8 November 2024.

Note d

The final dividend for the year ended 30 November 2024 of 9.2 pence per share was approved by shareholders at the Annual General Meeting on 29 April 2025. The £11.7 million in funds, required for settlement of the FY24 final dividend, were transferred to the share administrator on 4 June 2025, and the final dividend was paid on 6 June 2025 to those shareholders on record at 9 May 2025.

Note e

The FY25 interim dividend of 5.1 pence (5.1 pence for FY24) per share was paid on 12 December 2025 to shareholders on record at 14 November 2025. The £6.5 million in funds, required for settlement of the FY25 interim dividend, were transferred to the share administrator after 1 December 2025.

Note f

The Board has proposed the FY25 final dividend of 9.2 pence (9.2 pence for FY24) per share, to be paid on 12 June 2026 to shareholders on record at 15 May 2026. This proposed final dividend is subject to approval by shareholders at the Company's next Annual General Meeting on 29 April 2026, and therefore has not been included as a liability in these financial statements.

12. RELATED PARTY DISCLOSURES

The Group's significant related parties are as disclosed in the Group's 2025 annual financial statements. There were no other material differences in related parties or related party transactions in the year compared to the prior year.

13. SUBSEQUENT EVENTS

There were no subsequent events following 30 November 2025.

14. ALTERNATIVE PERFORMANCE MEASURES (APMs): DEFINITIONS AND RECONCILIATIONS

In discussing the performance of the Group, comparable measures are used.

The Group discloses comparable performance measures to enable users to focus on the underlying performance of the business on a basis which is common to both periods for which these measures are presented. The reconciliation of comparable measures to the directly related measures calculated in accordance with UK-adopted International Accounting Standards (IAS) is as follows.

APMs in constant currency

As the Group operates in 11 countries, and with many different currencies, it is affected by foreign exchange movements, and the reported financial results reflect this. However, the Group business is managed against targets which are set to be comparable between years and within them, for otherwise foreign currency movements would undermine the management ability to drive the business forward and control it. Within this results announcement, comparable results have been highlighted on a constant currency basis as well as the results on a reported basis which reflect the actual foreign currency effects experienced.

The Group evaluates its operating and financial performance on a constant currency basis (i.e. without giving effect to the impact of variation of foreign currency exchange rates from year to year). Constant currency APMs are calculated by applying the prior year foreign exchange rates to the current and prior financial year results to remove the impact of exchange rate.

Measures on a constant currency basis enable users to focus on the performance of the business on a basis which is not affected by changes in foreign currency exchange rates applicable to the Group's operating activities from period to period.

The calculations of the APMs on a constant currency basis and the reconciliation to the most directly related measures calculated in accordance with UK-adopted IAS are as follows:

£'000, unless otherwise stated	2025					
	Revenue	Net fees	Operating profit	Operating profit conversion ratio*	Profit before tax	Basic EPS (pence)
Reported	1,302,204	322,696	26,135	8.1%	25,533	13.7
Currency impact	4,500	1,635	316	0.1%	301	0.2
In constant currency	1,306,704	324,331	26,451	8.2%	25,834	13.9

£'000, unless otherwise stated	2024					
	Revenue	Net fees	Operating profit	Operating profit conversion ratio*	Profit before tax	Basic EPS (pence)
Reported	1,492,906	369,079	66,194	17.9%	67,640	37.4

*Operating profit conversion ratio represents operating profit over net fees.

To calculate the YoY variances in constant currency, management compared the FY25 results in constant currency versus the FY24 reported results.

Other APMs

Net cash excluding lease liabilities

Net cash is an APM used by the Directors to evaluate the Group's capital structure and leverage. Net cash is defined as cash and cash equivalents less current and non-current borrowings excluding lease liabilities, less bank overdraft, as illustrated below:

£'000	2025	2024
Cash and cash equivalents	67,962	69,756
Bank overdraft	-	(88)
Net cash	£7,962	£9,668

EBITDA

In addition to measuring financial performance of the Group based on operating profit, the Directors also measure performance based on EBITDA. It is calculated by adding back to the reported operating profit non-cash items such as the depreciation of property, plant and equipment (PPE), the amortisation and impairment of intangible assets, loss on disposal of PPE and intangible assets, gain on lease modification and the employee share options charge. Where relevant, the Group also uses EBITDA to measure the level of financial leverage of the Group by comparing EBITDA to net debt.

A reconciliation of reported operating profit for the year, the most directly comparable UK IAS measure, to EBITDA is set out below.

£'000	2025	2024
Reported operating profit for the year	26,135	66,194
Depreciation of PPE	16,095	15,230
Amortisation and impairment of intangible assets	1,581	24
Loss on disposal of PPE and intangible assets	48	135
Gain on lease modification	(42)	(69)
Gain on disposal of subsidiaries	-	(135)
Employee share options charge	4,662	4,986
EBITDA	48,479	86,365

Dividend cover

The Group uses dividend cover as an APM to ensure that its dividend policy is sustainable and in line with the overall strategy for the use of cash. Dividend cover is defined as the number of times the Company is capable of paying dividends to shareholders from the profits earned during a financial year, and it is calculated as the Group's profit for the year attributable to owners of the Company over the total dividend paid to ordinary shareholders.

£'000	2025	2024
Profit for the year attributable to owners of the Company	A 17,674	49,692
Dividend proposed to be paid to shareholders (note 11)	B 18,356	19,045
Dividend cover	(A ÷ B) 1.0	2.6

Contract margin

The Group uses contract margin as an APM to evaluate contract business quality and the service offered to customers. Contract margin is defined as contract net fees as a percentage of contract revenue.

£'000, unless otherwise stated	2025	2024
Contract net fees	A 270,659	310,617
Contract revenue	B 1,248,038	1,431,133
Contract margin	(A ÷ B) 21.7%	21.7%

Total shareholder return (TSR)

The Group uses TSR as an APM to measure the growth in value of a shareholding over three years, assuming that dividends are reinvested to purchase additional shares at the closing price applicable on the ex-dividend date. The TSR is calculated by the external independent data-stream party.

pence, unless otherwise stated	2025	2024
SThree plc TSR return index value: three-month average to 30 Nov 2022 (FY24: 30 Nov 2021)	355.43	528.47
SThree plc TSR return index value: three-month average to 30 Nov 2025 (FY24: 30 Nov 2024)	178.83	382.78
Total shareholder return	-49.7%	-27.6%

15. ANNUAL REPORT AND ANNUAL GENERAL MEETING

The Annual General Meeting of SThree plc is to be held on 29 April 2026.

The 2025 Annual Report and Accounts and Notice of 2026 Annual General Meeting will be sent to shareholders shortly. Copies will be available on the Company's website www.sthree.com or from the Company Secretary, Level 16, 8 Bishopsgate, London, EC2N 4BQ.

Primary Information Provider in the United Kingdom. Terms and conditions relating to the use and distribution of this information may apply. For further information, please contact ms@lse.com or visit www.ms.com.

RNS may use your IP address to confirm compliance with the terms and conditions, to analyse how you engage with the information contained in this communication, and to share such analysis on an anonymised basis with others as part of our commercial services. For further information about how RNS and the London Stock Exchange use the personal data you provide us, please see our [Privacy Policy](#).

END

FR PPUMPGUPQPWQ