



FY 2022 Results Trading update

Albert Ellis, CEO
Daniel Quint, CFO

A leading national recruitment and training provider

c. 38,000

Temp
workers

c. 400

On-sites

c. 45

Driving
Onsites

c. 30

Branches

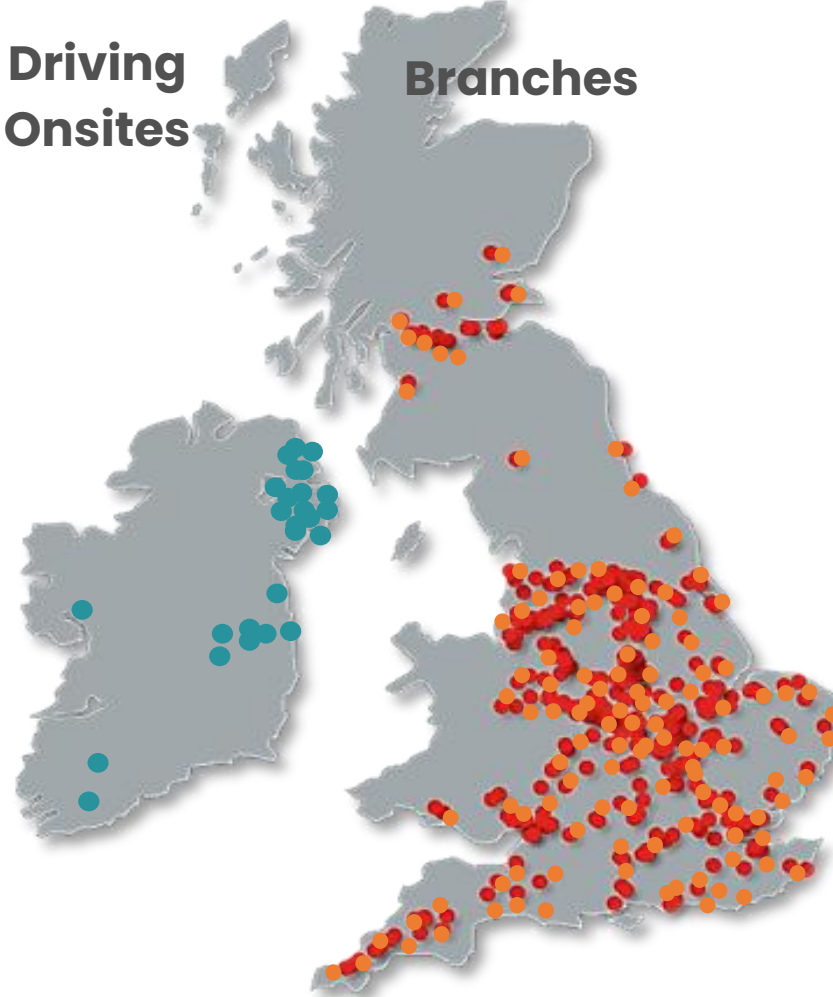
c. 15,000

Learners

54

Prisons

Staffline
(Ireland)



Staffline

DatumRPO

Omega

Brightwork
Recruitment

PeoplePlus
skills for growth

Locations key:

- - Recruitment GB
- - PeoplePlus
- - Recruitment Ireland



Highlights

- FY2022 results ahead of market expectations
 - Revenue growth achieved in H2 2022
 - Gross Profit up 0.5%
 - Operating profit up 12.6%
 - Permanent fees up 66%, 9.5% of Recruitment Gross Profit (2021: 6.0%)
 - Net cash achieved after all Covid related liabilities settled
- Successful implementation of new contracts BMW & Vinci
- Restart contract mobilised and profitable H2
- Further expansion in the Republic of Ireland
- PeoplePlus awarded new £15m contract (Justice)

Revenue and profits*

Revenue
+0.4%

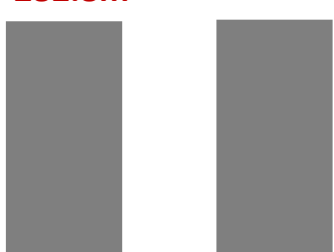
£942.7m **£946.8m**



FY 2021 **FY 2022**

Gross profit
+2.3%

£82.8m **£83.2m**

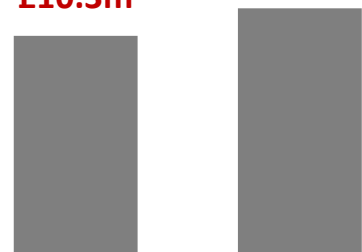


FY 2021 **FY 2022**

Gross margin
8.8% → 8.8%

Underlying operating profit**
+12.6%

£10.3m **£11.6m**



FY 2021 **FY 2022**

Gross profit conversion to operating profit
12.4% → 13.9%

- Revenue: New wins offsetting softening demand from COVID benefitting clients
- Recruitment offsetting decline in PeoplePlus
- Perm fees up 66% v 2021 and 177% v 2020
- Organic growth combined with tight control of costs increased conversion ratio
- First profit from Restart contract

Notes:

*Presented on a continuing basis. The figures are unaudited and provisional.

**Underlying results exclude goodwill impairment, amortisation of intangible assets arising on business combinations, reorganisation costs and other non-underlying charges

Net cash and a strong balance sheet

Strong trading cashflow and balance sheet supported by interest rate protection

Net cash (pre-IFRS16)
-£1.9m



Facilities and covenant strength with interest rate protection

- Facilities headroom of +£75m
- Leverage @ 0.6x EBITDA
- 3 year Interest rate cap purchased Q4 2021, hedging 2/3 exposure over 1.00% SONIA*

- Strengthened balance sheet with strong trading cashflow despite repayment of c.£12m of COVID government support
- Net cash decreased by £1.9m on a pre-IFRS16 basis, but actually increased by £10.1m on an underlying basis
- Tight working capital management
- Three year Interest rate cap purchased in Q4 2021 gives significant protection against rising interest rates

Notes:

*Sterling Overnight Interbank Average Rate

What we said in H1 2022

H1 2022

- **Recruitment BMW & Vinci**
 - H1 incurred implementation costs
 - H2 will benefit from full 6 months of operating profit
- **Restart (PeoplePlus)**
 - Operating profit commencing H2
- **H2 standard seasonal peak uplift**
 - Traditional H2 seasonal uplift & World Cup
- **Organic market share growth**
 - Seeing organic growth pipeline of opportunity in existing customers

Actual H2 outcomes

- **BMW (Recruitment GB)**
 - Onboarded c.1,800 workers during H2
 - £60m revenue per annum, 3 year contract with option for 2 year extension
- **Restart (PeoplePlus)**
 - Successful delivery of operating profit
- **H2 standard seasonal peak uplift**
 - Delivered robust peak with strong service delivery
- **Organic market share growth**
 - Managed service contract implemented in Q3/4 with leading supermarket

Expanding market share and winning new accounts



Outlook

Albert Ellis, CEO





Group Outlook

Macro economic backdrop

- Recruitment businesses not immune to the widely reported weakness in the sector
- Cautious approach to PeoplePlus's lower than predicted volumes in Skills and Restart

But we have a “.... healthy pipeline of new opportunities, a strengthened balance sheet... an experienced management team.. the Group remains well placed to capitalise on the considerable market opportunitiesand further grow our market share.”

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