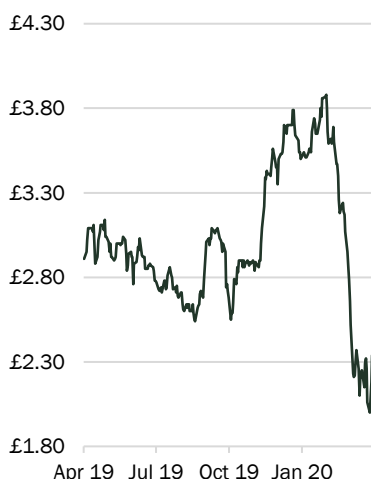


1 Year Chart



Following the Q1 trading update on 16th March, which referenced the early impacts of Covid-19, SThree has now provided a more specific update outlining immediate management actions. Heading into this crisis, SThree was very much in front-foot mode, unlike many of its peers, with 2019 having been a year of investment (headcount and capabilities). Covid-19 has bought this investment phase to a short-term halt as the immediate focus has shifted to pro-active cost management and cash discipline. Although we would expect headline reductions in headcount, our expectation is for this to vary considerably at the local level. The key focus is on retaining as much of the capacity, skills and capability as possible in anticipation of the recovery, whilst protecting the business in the short-term.

The suspension of guidance and the withdrawal of the final dividend come as no surprise and are logical and sensible responses. SThree has confirmed c.£60m of available headroom through both cash and facilities and also enjoys the resilience of the c.£100m net working capital position. In response to the suspension of guidance, we have also decided to withdraw our FY 21 estimates. We have also made some prudent reductions to our estimates for FY 20 and now look for adj PBT of £18.4m.

Short-term action; growth ambition undimmed

- **Balancing act:** SThree have been quick to respond to this crisis, with 98% of the group's global headcount working remotely within a very short period of time. Operational cost reductions are being prioritised, with proactive headcount management in response to specific local conditions and outlook. All levels of the group are being addressed with senior management and Board all taking a 20% cut and foregoing bonuses. Despite short-term cost and cash measures; the focus remains on leaving SThree well positioned to exit the crisis in shape to resume growth.
- **Ambition undimmed:** Heading into this crisis, SThree was in a good place with the strongest net fee momentum in the peer group. None of the strategic growth themes underpinning SThree's strategy have gone away. Arguably they will have been strengthened by this crisis (flexible working and STEM skills) and the group remains committed to its longer-term vision.
- **Valuation & estimates:** With guidance now suspended across the peer group, investors and analysts will be flying blind. We are suspending our FY 21 estimates until there is greater clarity around the timing of lockdown loosening in SThree's key markets. We have also made further reductions to our FY20 estimates as it is clear the impacts on SThree's Q2 and Q3 will be material. We also update for the withdrawal of the final dividend.

14th April 2020

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SThree PLC is a research client of Radnor Capital Partners Ltd.

MiFID II – this research is deemed to be a minor non-monetary benefit

YE – November	Net Fees, £m	PBT adj, £m	EPS (p)	Div (p)	Net Cash, £m	PER x	Yield %
FY 2017A	287.7	44.5	24.7	14.0	5.6	9.4	6.0
FY 2018A	321.1	53.3	29.6	14.5	-4.1	7.9	6.2
FY 2019A	342.4	59.2	32.3	5.1	10.6	7.2	2.2
FY 2020E	274.5	18.4	10.0	-	22.2	23.5	-
FY 2020E	-	-	-	-	-	-	-

Source: Radnor Capital Partners

Covid-19 impact and mitigation

The key highlights from most recent Covid-19 and AGM update (6th April, [link here](#)):

- Focus on managing and protecting the business in the short term, whilst being in a position to exit this period of stress able to resume growth in line with the group's strategic ambitions;
- Near term business impacts will be varied across the group's many geographical markets and end client industries;
- 98% of the group's global employees are now working remotely and since late February, the group has been convening a daily Covid-19 crisis team chaired by the CEO;
- The primary aims of this team is to ensure the operational capability of the group and the delicate task of balancing the needs of short-term financial security and resilience whilst maintaining the skills and capacity to be able to exit the crisis on the front foot.
- Proactive management of the group's cost base at all levels of the group's operations; to include:
 - (i) Ceased all hiring activity and managing headcount at a localised level to best fit the local trading conditions and demand / growth outlook. All the group businesses will be affected but the outcome is unlikely to be uniform across the group;
 - (ii) Near term focus on working capital management; cash preservation and the postponement of all non-essential capital expenditure;
 - (iii) Board and senior executive team salaries and fees have been reduced by 20% and FY2p bonuses for the senior executive team have been foregone;
 - (iv) Active participation in government backed support mechanisms, including the Bank of England Corporate Financing Facility. Discussions here are at an advanced stage and access to the Commercial Paper programme will materially de-risk the company's existing liquidity and RCF headroom;
 - (v) Financial guidance has been suspended and the previously announced final dividend will no longer be proposed at the AGM, conserving £13.5m of cash.

Estimate changes – FY20 estimates in place but suspending FY21

Q1 trading update – in-line with expectations

Before the impact of COVID 19, SThree had produced a creditable Q1 20 performance. Group net fees flat on a constant currency basis YoY, which was in line with our expectations.

By revenue type: Contract net fees + 2% YoY; Permanent net fees -6% YoY, reflecting weaker performances in Japan, USA and UK (Germany permanent however was +4% YoY).

- DACH overall saw strong growth in Q1, +9% YoY. Germany, c92% of DACH, was up 7% driven by Technology up 10% and Life Sciences up 12%.
- EMEA excluding DACH saw net fees declining 6%. The Netherlands was encouragingly up 3% however, against a tough market backdrop. EMEA was affected by the UK's performance, which was down 8%. This is felt attributable mainly to IR35 prompting change in client and candidate behaviour in the UK. Note however IR35 implementation is now delayed to April 2021, in response to COVID19.
- Net fees in USA were flat YoY in the quarter and below expectations, driven by a decline in Banking & Finance (net fees down 38%). APAC net fees declined 15% in the quarter, impacted by several factors including the wildfires in Australia.

By sector, Life Sciences and Engineering were the best performing: Life Sciences, +7.0% in Q1; Engineering, growth of 5.0% YoY. On the other hand, Banking & Finance (10% of group) was down 22%, reflecting well understood difficulties in the sector globally.

Group period end headcount was up 3% with average headcount up 5%, reflecting ongoing investment in Germany and USA offset by reductions in EMEA excluding DACH and APAC.

Radnor estimates – FY20 reduction and FY21 withdrawn

SThree's financial year end is November. As we have seen, SThree's financial and operating performance in Q1 FY20 (Dec-Feb inclusive) was largely in line with our prior expectations, allowing for various mix effects.

In recent weeks however, it has become very clear the extent to which Covid-19 is damaging for global economic activity. Whilst SThree is somewhat sensitive to GDP variations (no recruitment business can be wholly immune), SThree's specialisms would normally provide an insulating effect. It is clear however, that this crisis is different with all economic activity disrupted, rather than decelerating under its own forces.

In its most recent update on Apr 6, SThree has withdrawn formal guidance for FY20; in line with the rest of the peer group and large swathes of UK PLC. Given the pace of external news-flow, over which the company has no influence, and the direct impacts on the business there are simply too many moving parts for any client exposed business to have sufficient clarity on the range of outcomes.

The timing of lockdown easing will be the great imponderable and until this is clarified across SThree's key markets, we would not anticipate guidance being restored.

In response, we have decided to withdraw our FY 21-22 forecasts altogether. We intend to reinstate these forecasts when the market backdrop shows a degree of normalisation.

For the time being, we continue to publish our FY20 estimates. However, in response to the latest trading update, we are cutting our own FY 20 PBT/EPS forecasts by 68%. We now forecast £18.4m PBT and 10.0p EPS.

Q1 20 performance was encouraging. For the time being, our updated view is that SThree's group operating activities will be most affected in Q2 and Q3, before some stabilization in Q4 20 (Sep-Nov inclusive). We now forecast 20% decline yoy in NFI in FY 20. This is a key forecast variable, and still open to material revision, upwards as well as downwards.

Critically we assume c60% of this NFI reduction drops through to EBIT. This operational gearing is the driver of sharply revised profit expectations. Given the long-term opportunities

previously highlighted across multiple geographies, SThree had prioritised investment in headcount in 2020, with Germany and USA specific targets. There remains an opportunity to build market share selectively, and the company will continue to focus on the long-term.

Dividend

“The SThree Board has also taken the difficult decision not to propose the 2019 final dividend of 10.2 pence per share, detailed in the Final Results and Notice of AGM. A resolution was due to be proposed at the forthcoming Annual General Meeting (“AGM”) on 20 April 2020, but this resolution will now be withdrawn. This will conserve a further £13.5 million. The Board recognises the importance of dividends to our shareholders and will keep future dividend payments under review”

At the time of the GFC (Global Financial Crisis), SThree decided to maintain the dividend. Dividend cover was allowed to fall from of 2.4x (FY08) to 0.8x (FY09). In recent years, the dividend cover had expanded once more, reaching 2.0x in FY18. FY19 had been a year where a progressive, growing dividend was fully baked into expectations.

In a short-term environment where so much focus is on securing the balance sheet and near-term liquidity, the dividend was always going to be a challenge. The fact that SThree, like many others, could be an active beneficiary of a number of government support mechanisms whilst taking action over internal costs (at all levels of the business), also put further pressure on the appropriateness of the dividend in these exceptional circumstances.

We note the language around the recognition of the importance of dividends as a component of shareholder returns and await further guidance from the company.

Balance sheet and financial risk

As of the latest trading update, SThree has net cash of £2.4m, and total accessible liquidity of £57.4m. This is before taking into account the net working capital position (c.£98m as at the last November year-end).

Prima facie, this is a strong position to be in ahead of a period of significant external risk. Beyond the inevitable restructuring efforts catalysed by Covid-19, SThree is not a capital consumptive business beyond the working capital investment required to support growth in the contract book. The back-office relocation project (from London to Glasgow) is complete, and the company has greatly strengthened its shared services as a result.

Behind the £57.4m of total available liquidity; SThree has a committed, and drawn, RCF of £50.0m along with an uncommitted £20m accordion facility in place with HSBC and Citibank, hence the option to increase total borrowings under the facility to £70m.

In the last update, SThree highlighted that it is in advanced discussions to access the Bank of England’s Covid Corporate Financing Facility, which is an underwritten commercial paper programme. Whilst we await confirmation of the final outcome here; success would materially de-risk the existing £57m - £77m of available headroom.

The Group also has an uncommitted £5.0m overdraft facility with HSBC. The RCF itself is subject to the following covenants;

- (i) Interest cover: interest cover > ratio of 4:1;

- (ii) Leverage: the ratio of total net debt (on the last day of a given period) to adjusted EBITDA < 3:1; and

Taking note of the external developments around COVID 19, there is additional risk to SThree with increased currency volatility and credit and counterparty risk. For the purposes of this report, we highlight that SThree mitigates its credit risk from trade receivables by

- (i) using a credit rating agency to assess new clients and payment history to consider further credit extensions to existing clients. This credit rating service is real-time and will be a valuable tool in prioritising cash collection efforts;
- (ii) Active re-deployment of finance team headcount into the credit control function to allow greater focus on the outstanding debtor book;
- (iii) well-spread client base (circa 10,500 clients) which mitigates the risk of individual client failure.

Peer group impacts

The broader UK staffing peer group has been materially impacted by the current crisis. Below we outline the key, most recent commentary from the three main peers (Hays, PageGroup and Robert Walters).

Judging from the tone of commentary to date, and SThree's own Q1 trading update, our clear sense is that SThree has gone into this crisis in a better position in net fee income momentum terms than the peers. This is due in part to the higher contract exposure for SThree, where it is clear that contract net fees are proving more resilient in the short-term.

Hays PLC – YTD share price, down 40.8%

The most recent trading update was 2nd April ([link here](#)), which was an abbreviated update compared to traditional quarterly updates. Key points:

- Initial trading in January and February was in line with prior expectations (net fees down 5% yoy);
- Post mid-March, Hays has witnessed a “very material” reduction in client and candidate activity;
- Geographically, the impact has been concentrated in Europe;
- By recruitment type; Permanent (42% of net fees) has been impacted much more significantly than Temporary (58% of net fees). Hays Talent Solutions (larger enterprise staffing solutions based around contractor placements) is most resilient.
- No explicit profit guidance is given for the current financial year, although it is highlighted that operating profit for the year ended June 2020 is likely to be “materially below” the £190m market consensus.
- Various cost actions were outlined including a hiring freeze, managed headcount reductions, reductions to management remuneration and a halt to all non-discretionary costs and capex. The monthly cost base prior to the crisis was running at c.£70m and the target is to reduce this by £20m per month by the end of the year.

- Interim dividend cancelled and future payouts kept under review (immediate cash saving of £16.3m).
- Latest group net cash of £35m with £210m RCF (£165m undrawn). Hays also announced a £200m equity fundraise; successfully completed at 95p per share.

Since April 2019, the FY20 consensus EPS estimate for Hays has reduced from 12.4p to 2.3p, a downgrade of **81.5%**. Post this specific update the FY20 EPS estimate has fallen by **66%** alone.

PageGroup PLC – YTD share price, down 32.2%

The most recent trading update was 8nd April ([link here](#)), which was a detailed update in-line with traditional quarterly updates. Key points:

- Gross profit declines were 3% in January and February (in-line with prior expectations) but then accelerated significantly in March which was down 26% yoy;
- Geographically, the impacts have been varied. In Europe (-12.5%), Germany has proven more resilient with a 4% decline, North America -3%, while Asia Pacific was down 18% and UK down 16%;
- By recruitment type; Permanent (73% of net fees) has been impacted much more significantly (-15%) than Temporary (27% of net fees) which was flat in the quarter.
- Financial guidance has been suspended and no reference has been made to current year outcomes.
- Page is targeting a 20-25% reduction in the immediate cost base through a combination of headcount reductions (104 fee earners already cut with up to 250 planned); 20% salary reductions across all senior management and a four-day working week for the majority of consultants and other staff.
- The final dividend has been cancelled with the intent of resuming payouts once the situation normalises (immediate cash saving of £30.2m).
- Latest group net cash of £83m with a £30m RCF. In a similar fashion to SThree, Page has highlighted their current debtor receivable position of c.£125m.

Since April 2019, the FY20 consensus EPS estimate for PageGroup has reduced from 41.4p to 18p, a downgrade of **56.5%**. Post this update the FY20 EPS estimate reduced by **10%**. It is worth pointing out that the consensus range is broader than for Hays, with one analyst now forecasting an operating loss for Page in the current financial year.

Robert Walters PLC – YTD share price, down 23.2%

The most recent trading update was 8nd April ([link here](#)). Key points:

- Overall, net fee income was down 11% yoy for the first quarter;

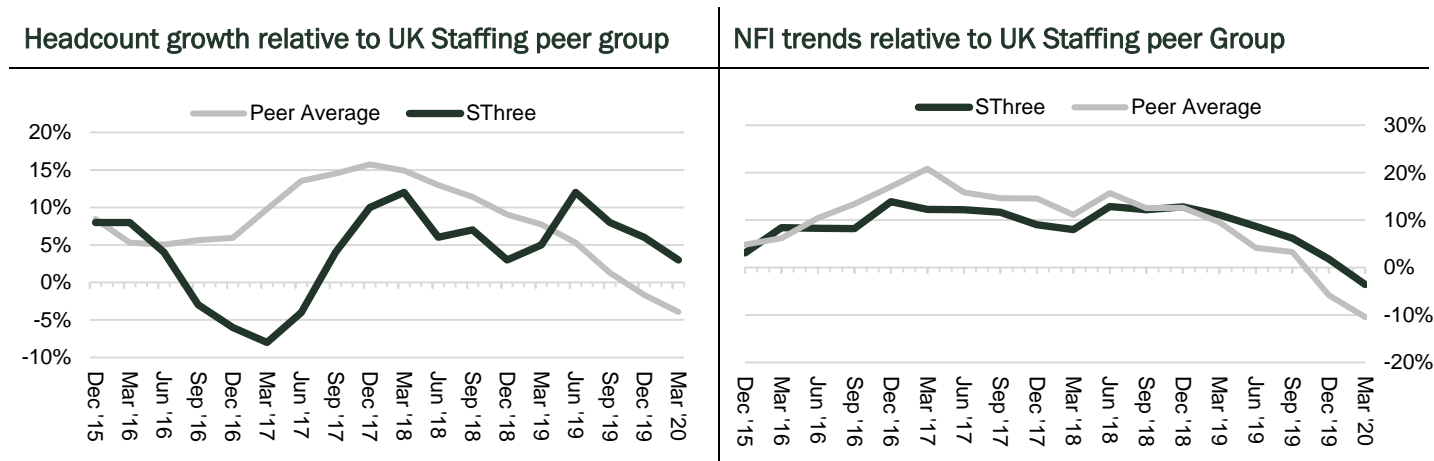
- Geographically, the sharpest decline was felt in the UK (-29% yoy) with Asia Pacific (RWA's largest region) down 5% and Europe down 3%;
- No split was provided between Permanent and Temporary.
- Financial guidance has not been formally suspended.
- Robert Walters has already cut operating costs by 15% for the second quarter compared to the first; including reductions in all discretionary spend and reduced working hours (on a voluntary basis) alongside more formal headcount reductions.
- Robert Walters had previously announced the final dividend would no longer be proposed and were non-committal on future dividends.
- Latest group net cash of £109.8m with a £60m committed loan facility (which we believe is undrawn).

Since April 2019, the FY20 consensus EPS estimate for Robert Walters has reduced from 54.2p to 30.7p, a downgrade of **43%**. Post this specific update the FY20 EPS estimate reduced by **11%**.

SThree – comparison to the peer group

In the following charts, we show how SThree has compared to the UK Staffing peer group heading into this crisis.

First, in the charts below, we show headcount growth for SThree relative to the UK peer group since 2015 and a similar picture for headline NFI growth.



Source: FactSet, Radnor

This is a critical point for SThree in the context of the current crisis. Prior to the onset of Covid-19, SThree was the only member of the peer group that were actively growing headcount in line with their strategic growth ambitions in their key markets. This growth in headcount was following a period of NFI growth outperformance.

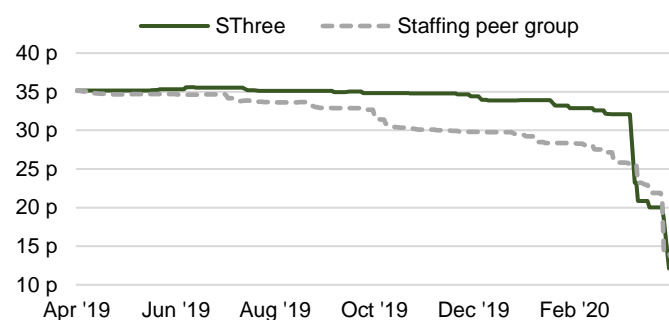
The net effect of this investment in headcount was always going to challenge H1 FY20 profitability as FY 2019 investments fully annualise leading into H1 FY20. Clearly, the immediate challenges posed by Covid-19 are highly unlikely to see this net positive

headcount investment continue. Whilst we expect to see net headcount reductions as the company pro-actively manages the cost base, we would make the following observations:

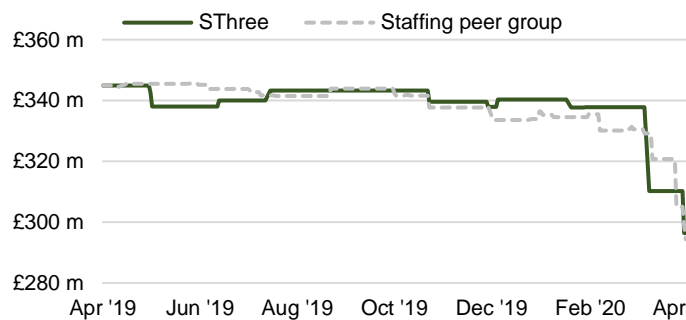
- SThree had been reporting the strongest overall NFI trends in the peer group prior to Covid-19 with group investment mirroring a fundamentally positive NFI growth outlook in Europe and North America;
- Pure headcount reduction is a blunt tool, especially for a less “spot” based contract focused business like SThree. There is a natural cost buffer with the mix of personnel costs split between fixed and variable remuneration. Also, certain key growth markets are less likely to see the same level of reductions than those that have been more challenging, or where the structural growth opportunity is less pronounced;
- The unique nature of this crisis has opened up a number of governmental support measures across a range of territories, which increase the range of management action options above and beyond simple reductions;
- Fundamentally, SThree has positioned itself squarely at the centre of two broad, long term trends around the growth of flexible working and growing demand for technical skills, which remain in short supply. Despite the severity of the short-term shock Covid-19 has created, these long-term trends will remain in place, or even accelerate. The key challenge for management is to strike the appropriate balance between protecting short term profitability and retaining the capacity to grow post crisis.

In the charts below, we show the evolution of SThree’s FY20 consensus estimates for both EPS and net fee income over the last 12 months. We also show the similar evolution for the UK peer group (rebased to SThree for ease of comparison).

SThree FY20 consensus EPS evolution



SThree FY20 consensus net fee income evolution



Source: FactSet, Radnor

Given the severity of the Covid-19 shock, it is not surprising to see extent of the downgrades that we have witnessed across the peer group. However, there are a number of points raised in these charts that are worth highlighting.

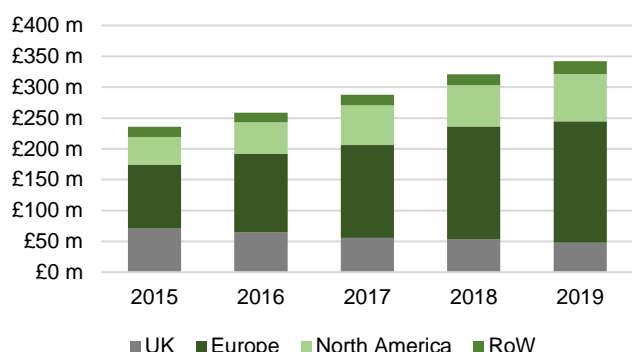
- In terms of net fee income estimates, SThree had been tracking ahead of the peer group for much of calendar 2019 and the start of 2020. Broadly speaking, SThree’s trading updates have pointed to stable, if not growing, net fees heading into FY20, whilst the peer group started to see downgrades during Q3 2019. This reflects the comparative resilience of SThree’s contract and geographic focus;
- The obvious question is whether the current crisis has demonstrated that contract net fees are less defensive than had been previously argued? Given the similar level

of downgrade momentum that all the UK Staffers have experienced in the last few weeks this is not an unreasonable question.

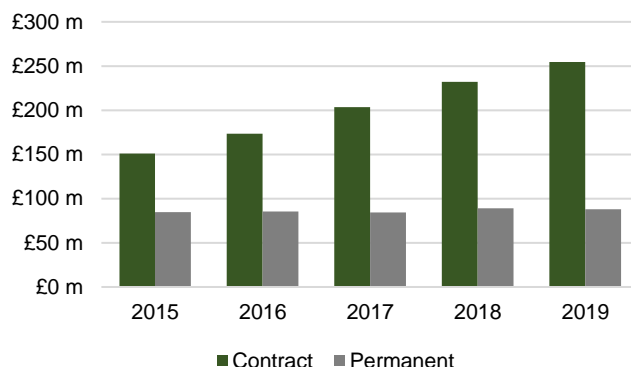
- The nature of this shock is somewhat unique. Unlike the GFC, which is the only real comparator in terms of scale, Covid-19 is an exogenous shock to the system that was completely disconnected from the fundamentals of the global economy. In that sense, clients (ie, companies) are having to react very quickly to something that was not even perceived as a tail risk six months ago. The resulting “shoot first and ask questions later” approach to hiring and discretionary activity, combined with imposed travel and workplace restrictions is not the “normal” behaviour as experienced during the GFC. In this sense Covid-19 has levelled the playing field between all the staffing companies regardless of perm / contract business mix.
- SThree’s own experience during the GFC is worth highlighting. In 2009, SThree’s permanent net fee income fell by -32%, then grew +12% in 2010 and +24% in 2011. Contract, on the other hand, fell by -13% in 2009, a further -14% in 2010 and then grew +11% in 2011, painting a far less volatile picture. We visualise SThree contract / perm YoY NFI growth on page 10 of this report. As a comparator, Hays witnessed a 2009 net fee decline (peak to trough) of c.40%, again as a much more permanent focused business.
- We still fundamentally believe that contract will prove more resilient than permanent, even in this environment. We note the commentary from a number of SThree’s peers (outlined above) and SThree itself, highlighting that the most extreme short-term effects have been seen in permanent as opposed to contract. When the dust settles on 2020, we firmly expect this still to be the picture that remains.

SThree - Key charts

Geographic Net Fees 5 year track record



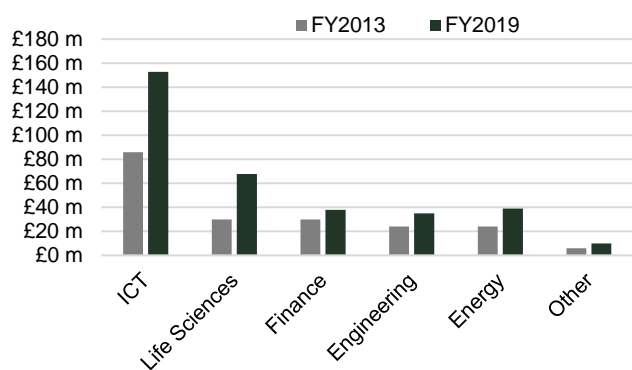
Contract / Perm Net Fees 5 year track record



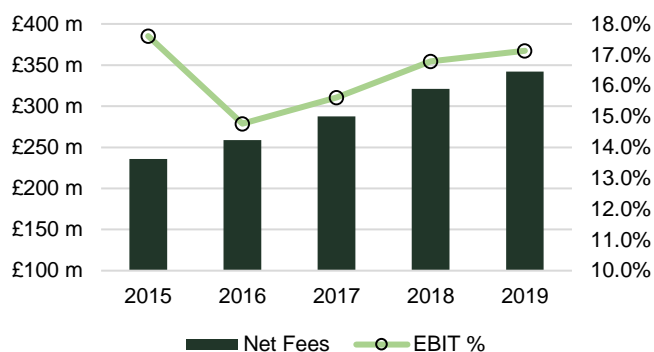
Source: FactSet, Radnor

Source: FactSet, Radnor

STEM market Net Fees 2013 vs 2019



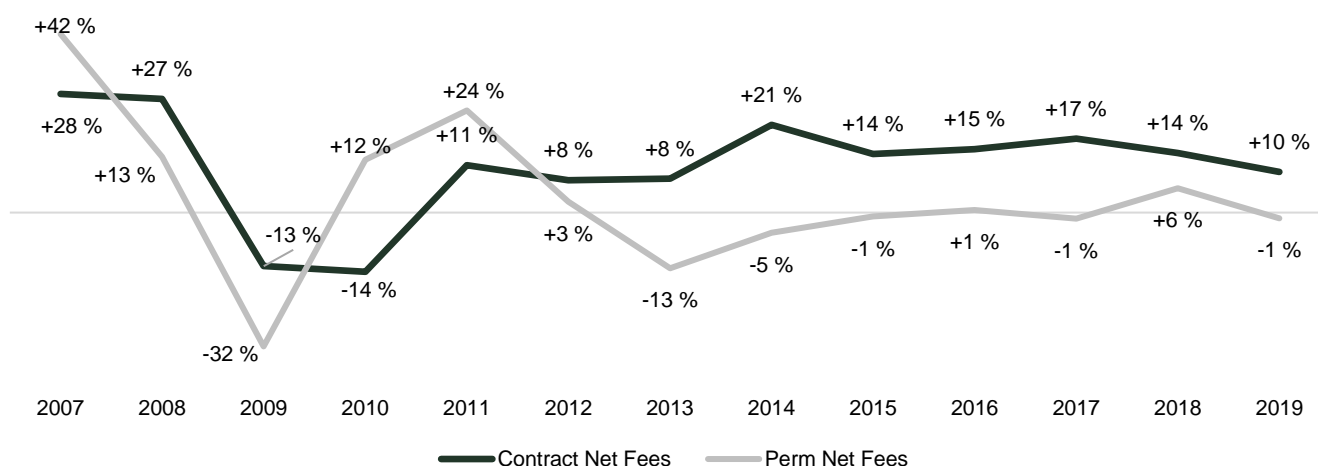
Net Fees and EBIT margins 5 year track record



Source: FactSet, Radnor

Source: FactSet, Radnor

SThree Net Fees YoY growth – Contract vs Permanent



Source: Radnor

Key Estimates

SThree PLC

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Price (p): 234 p
Market Cap: 311 m
EV: 315 m

PROFIT & LOSS

Year to 31 November, £m	2016	2017	2018	2019	2020E	2021E
Group Sales	960.0	1,114.5	1,258.2	1,345.0	1,098.0	-
Europe	126.8	150.6	183.4	196.7	153.3	-
UK	64.7	55.7	53.1	48.2	38.6	-
North America	51.7	64.4	66.7	76.7	64.9	-
Asia Pacific	15.5	17.0	18.0	20.8	17.7	-
Group Net Fees	258.7	287.7	321.1	342.4	274.5	-
Op. Exp.	(214.8)	(237.0)	(261.1)	(276.3)	(249.0)	-
EBITDA	43.9	50.7	60.1	66.1	25.5	-
Depr & Amort	(5.7)	(5.7)	(6.1)	(6.0)	(6.4)	-
EBITA - Adjusted	38.2	44.9	53.9	60.1	19.1	-
Associates & JV's	-	(0.1)	0.1	0.1	0.1	-
Net Bank Interest	(0.5)	(0.3)	(0.7)	(1.0)	(0.8)	-
PBT - Adjusted	37.7	44.5	53.3	59.2	18.4	-
Non Operating Items	-	(6.7)	(8.3)	-	-	-
Other Financial Items	-	-	-	-	-	-
PBT - IFRS	37.7	37.8	45.0	59.2	18.4	-
Tax - Adjusted	(9.9)	(11.4)	(13.9)	(15.9)	(5.1)	-
Tax rate - Adjusted	26.3%	25.6%	26.0%	26.9%	27.8%	-
Minority interests	-	-	-	-	-	-
No. shares m, diluted	132.0	132.6	133.1	133.6	133.6	133.6
Adj EPS (p), diluted	21.1	24.9	29.6	32.3	10.0	-
Total DPS (p)	14.0	14.0	14.5	5.1	-	-

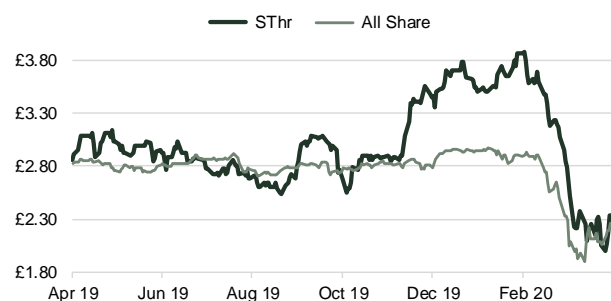
CASH FLOW

Year to 31 November, £m	2016	2017	2018	2019	2020E	2021E
EBITDA	43.9	50.7	60.1	66.1	25.5	-
Working Capital	(4.3)	(16.4)	(25.3)	(11.7)	15.6	-
Provisions / Exceptionals	2.6	5.8	(4.7)	(1.3)	(1.5)	-
Gross Op Cashflow	42.2	40.1	30.1	53.1	39.7	-
Cash Tax	(8.5)	(10.9)	(14.4)	(13.0)	(15.9)	-
Cash Interest	(0.5)	(0.3)	(0.5)	(1.0)	(0.8)	-
Net Op Cashflow	33.2	28.9	15.2	39.1	23.0	-
Capex	(6.1)	(5.8)	(5.2)	(4.5)	(4.5)	-
Free Cashflow	27.1	23.1	10.0	34.6	18.5	-
Dividends	(18.0)	(18.0)	(18.0)	(18.8)	(6.8)	-
Acquisitions & Inv.	(0.7)	(1.2)	-	-	-	-
Other Non Operating	(4.6)	(8.3)	(0.2)	1.4	-	-
Net Cashflow	3.8	(4.4)	(8.2)	17.2	11.7	-
Net Cash (Debt)	10.0	5.6	(4.1)	10.6	22.2	-

BALANCE SHEET

Year to 31 November, £m	2016	2017	2018	2019	2020E	2021E
Intangibles	11.6	11.4	9.6	8.0	8.0	-
P,P+E	7.1	6.7	6.9	6.8	8.7	-
Tax Asset & Other	3.2	6.0	4.7	4.2	4.2	-
Total Fixed Assets	21.9	24.1	21.3	19.0	20.9	-
Current Assets	193.9	228.1	288.4	271.0	225.7	-
Current Liabilities	(149.2)	(174.9)	(202.3)	(182.4)	(152.7)	-
Net Current Assets	44.7	53.2	86.1	88.6	73.0	-
Long Term Liabilities	(0.9)	(2.2)	(1.6)	(1.4)	(1.4)	-
Net Cash (Debt)	10.0	5.6	(4.1)	10.6	22.2	-
Net Assets	75.7	80.7	101.6	116.8	114.7	-

PRICE CHART - 1 YEAR ABSOLUTE vs FTSE ALL SHARE



SHAREHOLDERS

	% of ord. Share capital
JO Hambro Cap Mgmt	10.0%
SThree Founders	5.1%
Harris Assoc	5.1%
M&G	4.8%
BlackRock	4.7%
Allianz Global	4.2%
Chelverton Asset Mgmt	4.0%
Total	37.9%

Announcements

Date	Event
April 2020	Covid-19 update
March 2020	Q1 trading update
January 2020	FY19 final results
December 2019	Q4 trading update
November 2019	Capital Markets Day
September 2019	Q3 trading update

RATIOS

	2017	2018	2019	2020E	2021E
RoE	41.0%	38.8%	37.1%	11.6%	-
RoCE	59.6%	51.1%	56.7%	20.8%	-
Asset Turnover (x)	0.1x	0.1x	0.1x	0.1x	-
NWC % Revenue	16.5%	28.1%	22.8%	18.5%	-
Op Cash % EBITA	89.2%	55.8%	88.4%	207.4%	-
Net Debt / EBITDA	0.2x	0.1x	-0.1x	0.2x	-

VALUATION

Fiscal	2017	2018	2019	2020E	2021E
P/E	9.4x	7.9x	7.2x	23.5x	-
EV/EBITDA	6.2x	5.2x	4.8x	12.3x	-
Div Yield	6.0%	6.2%	2.2%	0.0%	-
FCF Yield	7.3%	3.2%	11.0%	5.9%	-

Net Fees growth	11.2%	11.6%	6.6%	-19.8%	-
EPS growth	18.4%	18.9%	9.1%	-69.2%	-
DPS growth	0.0%	3.6%	-64.8%	-	-

REGULATORY DISCLOSURES

Radnor Capital Partners Ltd is authorised and regulated by the Financial Conduct Authority.

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