Investor Factsheet 2023

SThree plc brings skilled people together to build the future. It is the only global specialist talent partner focused on roles in Science, Technology, Engineering and Mathematics ('STEM'), providing flexible contract and permanent talent to a diverse base of over 7,200 clients in 11 countries. The Group's c.2.7k staff cover the Technology, Life Sciences and Engineering sectors.

SThree is also at the centre of two long-term secular trends – the increasing demand for STEM skills and the changing nature of work, which is demanding more flexibility.

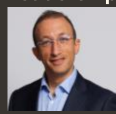
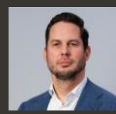
SThree is ideally positioned to maximise these opportunities due to:

- Our strong candidate networks with specialist STEM skills.
- Our focus on flexible contract and high barrier to entry Employed Contractor Model[1].
- Our investment in a market leading technology platform to drive growth and margins across our unique global footprint.

SThree is part of the Industrial Services sector. We are listed on the London Stock Exchange, trading with the ticker code STEM.

Market capitalisation	£537m
Shares outstanding	134.9m
Ticker Symbol	STEM
30/11/2023	

Leadership


Chairman James Bilefield

CEO Timo Lehne

CFO Andrew Beach

Our differentiated model and strategy set us apart from the UK-listed staffers

1 We focus only on hard-to-find **STEM skills** in the best STEM markets

74% of global STEM market by revenue covered by Top 5 SThree markets

2 Our focus on **Contract** underpins our outperformance through the cycle while providing **excellent visibility of repeatable fees** from the contractor order bBook

Contract **82%** of Net Fees

3 Our **ECM** offering has high barriers to entry and provides us with a competitive advantage

+3% yoy growth in FY23 ECM Net Fees

4 We are **investing in state-of-the art technology** to drive scale and sector leading returns

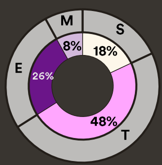
Total expenditure **£30m-£35m**

We are global: delivering STEM talent in the most important STEM markets guided by our market investment model

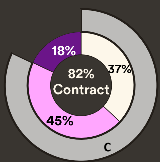
FY23 Net Fees: skills mix, service mix, and footprint[2]

Top 5 markets
Other markets

Skills mix

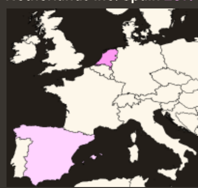


Service mix

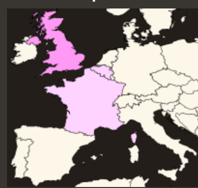


DACH 36%

Netherlands inc. Spain 20%



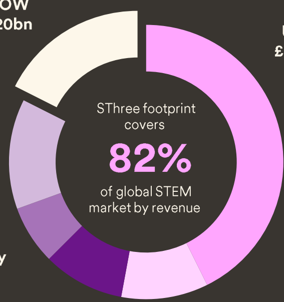
Rest of Europe 17%



USA 23%

Middle East & Asia 5%

STEM global market: £112bn[3]



Capital allocation policy

Is highly disciplined with core objective to maximise shareholder value

Maintaining a strong balance sheet and sustainable, through-the-cycle dividend[4]

Organic growth

Investing in our people, ensuring sufficient working capital on hand to fund growth of the contractor order book while developing new business opportunities

Business improvement

Digitalising our business, putting in place the technology and tools that are key to driving both scale and higher margins

Acquisitions

Strict inorganic growth discipline, with a focus on complementary and value enhancing acquisitions

Capital return to shareholders

If all organic and inorganic opportunities within an appropriate time horizon have been considered, return excess cash either through special dividend or share buybacks

Five-year financial summary

Financial metrics presented for continuing operations only	30 Nov 2023	30 Nov 2022	30 Nov 2021	30 Nov 2020	30 Nov 2019
Financial metrics					
Revenue (£m)	1,663.2	1,639.4	1,330.7	1,202.6	1,324.7
Net fees (£m)	418.8	430.6	355.7	308.6	338.0
Adjusted operating profit (£m)	76.4	77.6	60.8	31.3	60.0
Adjusted operating profit conversion ratio	18.2%	18.0%	17.1%	10.1%	17.8%
Adjusted basic EPS (pence)	42.4	41.0	31.8	13.9	33.2
Other Group ratios					
Total assets (£m)	472.3	470.4	400.6	334.5	305.1
Total equity (£m)	222.9	200.4	158.2	128.5	116.8
Net cash/(debt) (£m)	83.2	65.4	57.5	49.9	10.6
Adjusted cash from operations (£m)	93.3	64.4	54.5	76.9	54.8
Adjusted free cash conversion ratio	80.0%	40.2%	40.4%	177.8%	68.3%
Dividends per share (pence)	16.6	16.0	11.0	5.0	15.3
Group operational statistics					
Average total headcount[5]	2,819	2,890	2,588	2,894	3,109
Average sales headcount[5]	1,981	2,114	1,911	2,219	2,423
Active contractors at year end	11,606	12,533	11,809	9,523	11,110

Top 10 Shareholders as of 31 December 2023

Kempen Capital Management	11.6%
JPMorgan Asset Management	6.4%
JO Hambro Capital Management	5.7%
Littlejohn & Co	5.1%
Allianz Global Investors	4.9%
BlackRock	4.8%
Montanaro Asset Management	3.7%
Harris Associates	3.4%
GLG Partners	3.3%
Polar Capital	2.5%

Financial calendar

2024	
19 March	Q1 Trading Update
25 April	Annual General Meeting
23 July	Half year results

Note 1: Employed contractor model (ECM) where a skilled specialist is legally employed by SThree typically on a back-to-back contract with the end client
Note 2: Not all values sum to 100% because of rounding to nearest whole number
Note 3: Source SThree analysis and SIA data
Note 4: Committed to return between one third to 40% of our annual earnings based on a dividend cover range of 2.5x to 3.0x
Note 5: Based on full-time equivalents

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