

Brunel

Q4 2023 Press Release

Brunel Q4 and FY 2023 results: continued revenue growth; ready for the next level

Amsterdam, 23 February 2024 – Brunel International N.V. (Brunel; BRNL), a global provider of flexible workforce solutions and expertise, today announced its fourth quarter and full year 2023 results.

Key points Q4 2023

- Revenue of EUR 344 million, up 9% (14% organically)
- Underlying EBIT of EUR 15.5, down 13% (up 3% organically)

Key points full year 2023

- Revenue of EUR 1.3 billion, up 13% (18% organically)
- Underlying EBIT of EUR 61.1, 0% year-on-year (10% organically)
- Net cash position at EUR 31.8 million
- Earnings per share of EUR 0.63, up 9% year-on-year
- Proposed dividend of EUR 0.55 (pay-out: 87%)



“In 2023 we celebrated many highlights. Based on the strong first nine months, we continued high single digit growth in the year while we attracted many new clients. We strengthened our leadership team through internal promotions, had a high engagement score from candidates and colleagues, and attracted many new talents.

In the last quarter, we experienced some unexpected headwinds. While our revenues continued to grow, the impact of high interest rates and inflation on the offshore wind industry caused sudden project stops and reconsiderations of projects in the pipeline. This hit our perm business at Taylor Hopkinson quite hard.

At the same time, the German market slowed down across all industries. We responded fast, rightsizing our organisation and adjusting our cost levels where needed and made a step up in executing our entrepreneurial sales approach. Through these actions, we are well positioned to weather these circumstances.

During our Capital Markets Day in November, we showed how we executed our strategy over the last 3 years. We now have a well-diversified portfolio of markets and capabilities. Our conversion ratio has grown significantly, and we are on track to reach our long-term goals. We presented data on the expected capital investments in our focus markets, underlining our high confidence that our clients need us more and more in the quarters and years to come. That's why we reconfirmed our growth ambitions, while new tooling, smarter processes and more leverage of our infrastructure will drive conversion and profitability even more.

In this year we also made important steps in executing our ESG strategy. We trained many colleagues on reducing unconscious bias, continued to work with autism organizations around the world to bring talent with an identification in this spectrum, closer to job-opportunities and our foundation enlarged our Brunel Foundation Forrest, organized 'Offshore Wind for Kids' events and Trash and Trace events with clients, candidates and internal colleagues.

With our unique infrastructure of more than 12,000 Brunellers in over 45 countries serving more than 1,000 clients, we are strongly positioned to benefit from the energy and digital transformation. Through our high integrity standards, our entrepreneurial spirit, our result driven mindset and our passion for people we are ready for all business challenges and can turn them into opportunities.”

Jilko Andringa,
CEO of Brunel International N.V.

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Brunel Q4 and FY 2023 results: continued revenue growth; ready for the next level

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GROUP PERFORMANCE

Brunel International (unaudited)

P&L amounts in EUR million

	Q4 2023	Q4 2022	Δ%	Organic Δ%	FY 2023	FY 2022	Δ%	Organic Δ%
Revenue	344.2	316.3	9%	14%	1,330.5	1,181.8	13%	18%
Gross Profit	66.2	65.7	1%	6%	273.6	252.1	9%	13%
Gross margin	19.2%	20.8%			20.6%	21.3%		
Operating costs	51.5	46.9	10%	12%	211.6	187.0	13%	16%
Operating result	14.7	18.8	-22%	-7%	62.0	65.1	-5%	5%
Earn out related share based payments*	-0.8	1.0	-180%	-180%	0.9	4.2	-79%	-79%
Underlying EBIT	15.5	17.8	-13%	3%	61.1	60.9	0%	10%
EBIT % (underlying)	4.5%	5.6%			4.6%	5.2%		
One-off costs**	4.8	-			4.8	-		
EBIT (after one-off)	10.7	17.8	-40%	-24%	56.3	60.9	-7%	1%
Average direct	11,041	11,148	-1%	-1%	11,138	11,187	0%	0%
Average indirect	1,610	1,478	9%	9%	1,574	1,452	8%	8%
Ratio direct / Indirect	6.9	7.5			7.1	7.7		

Organic change is measured by excluding the impact of currencies, acquisitions, disposals and by adjusting for working days

*Relates to the acquisition related expenses for Taylor Hopkinson

**Relates to one-off costs, mainly restructuring costs

Fourth quarter developments

Revenue

Organic revenue was up 14% YoY in Q4 2023. Reported revenue was up 9% YoY, with a negative impact from working days of 2% and a negative effect of FX of 3%.

Gross profit

Organic gross profit was up 6.5% YoY in Q4 2023. Reported gross profit was up 0.8% YoY, of which working days had a negative impact of 3.7% while FX had a negative effect of 2%. The gross margin decreased mainly as a result of a change in the mix due to stronger growth in regions with a relatively lower gross margin.

EBIT

Organic EBIT was up 3.1% YoY in Q4 2023. Reported EBIT was down 12.8% YoY, of which working days had a negative impact of 13.5% while FX had a negative effect of 2.4%.

Gross profit (net fees) per vertical

The breakdown of gross profit per vertical is as follows:

	2023		2022		Δ%
Global verticals					
Conventional Energy	67.9	25%	62.0	25%	10%
Renewable Energy	38.8	14%	29.6	12%	31%
Future Mobility	33.4	12%	25.3	10%	32%
Mining	21.1	8%	12.4	5%	70%
Infrastructure	11.6	4%	12.1	5%	-4%
Local verticals					
Industrials & Technology	40.3	15%	43.2	17%	-7%
Public Sector	20.0	6%	19.0	7%	5%
Life Sciences	17.8	7%	10.7	4%	66%
Financial Services	15.4	6%	14.5	6%	6%
Other	7.3	3%	23.3	9%	-69%
Total	273.6	100%	252.1	100%	9%

To provide further insights into the underlying performance, Brunel has updated the verticals, with Engineering split into Industrials & Technology and Life Sciences, and Financial Services and Public Sector excluded from Other and reported separately.

We managed to achieve growth in all our global markets, supported by high levels of capital investments in those markets. Renewable energy additionally benefitted from the synergies of Taylor Hopkinson's expertise in offshore wind with Brunel's global infrastructure and contracting capabilities and managed to achieve significant growth despite the headwind in Q4.

Headline performance by region

Summary (amounts in EUR million)

Revenue	Q4 2023	Q4 2022	Δ%	Organic Δ%	FY 2023	FY 2022	Δ%	Organic Δ%
DACH region	59.3	57.0	4%	5%	249.3	229.2	9%	9%
The Netherlands	55.8	50.3	11%	13%	213.2	190.3	12%	12%
Australasia	54.0	45.1	20%	29%	192.9	161.9	19%	27%
Middle East & India	44.0	39.8	10%	18%	160.7	143.3	12%	17%
Americas	43.3	40.4	7%	13%	177.8	146.6	21%	26%
Asia	46.4	46.7	-1%	6%	182.2	161.1	13%	20%
Rest of world	50.8	44.8	13%	16%	188.0	177.0	6%	20%
Eliminations	-9.4	-8.0	-18%	-18%	-33.7	-27.5	-23%	-23%
Total	344.2	316.3	9%	14%	1330.5	1181.8	13%	18%
Gross Profit	Q4 2023	Q4 2022	Δ%	Organic Δ%	FY 2023	FY 2022	Δ%	Organic Δ%
DACH region	18.7	19.1	-2%	3%	85.8	81.0	6%	8%
The Netherlands	14.5	14.7	-2%	4%	56.6	55.7	2%	3%
Australasia	5.5	4.7	15%	24%	20.4	16.2	26%	34%
Middle East & India	6.1	7.2	-15%	-10%	22.6	23.9	-6%	-2%
Americas	6.2	5.6	12%	18%	24.8	19.9	25%	29%
Asia	8.5	7.2	18%	26%	30.8	23.6	31%	39%
Rest of world	6.8	7.2	-5%	21%	32.6	31.8	2%	31%
Total	66.2	65.7	1%	6%	273.6	252.1	9%	13%
EBIT (underlying)	Q4 2023	Q4 2022	Δ%	Organic Δ%	FY 2023	FY 2022	Δ%	Organic Δ%
DACH region	4.0	5.6	-29%	-12%	23.6	24.4	-3%	5%
The Netherlands	4.5	4.9	-8%	10%	16.5	16.7	-1%	4%
Australasia	1.7	1.2	38%	53%	5.3	3.3	62%	72%
Middle East & India	3.6	4.6	-22%	-16%	12.3	14.3	-14%	-10%
Americas	1.5	1.0	52%	62%	4.5	2.6	76%	84%
Asia	3.5	3.2	9%	20%	11.9	9.4	27%	36%
Rest of world	-0.5	-0.5	6%	17%	0.2	1.4	-86%	-12%
Unallocated	-2.7	-2.2	-25%	-25%	-13.2	-11.0	-20%	-20%
Total	15.5	17.8	-13%	3%	61.1	60.9	0%	10%

PERFORMANCE BY REGION

DACH region (unaudited)

P&L amounts in EUR million

	Q4 2023	Q4 2022	Δ%	Organic Δ%	FY 2023	FY 2022	Δ%	Organic Δ%
Revenue	59.3	57.0	4%	5%	249.3	229.2	9%	9%
Gross Profit	18.7	19.1	-2%	3%	85.8	81.0	6%	8%
Gross margin	31.6%	33.5%			34.4%	35.3%		
Operating costs	14.7	13.5	9%	9%	62.2	56.6	10%	10%
EBIT	4.0	5.6	-29%	-12%	23.6	24.4	-3%	5%
EBIT %	6.7%	9.8%			9.5%	10.6%		
Average directs	2,025	2,114	-4%		2,062	2,042	1%	
Average indirects	445	414	8%		435	405	7%	
Ratio direct / Indirect	4.6	5.1			4.7	5.0		

Organic change is measured by excluding the impact of currencies, acquisitions, disposals and by adjusting for working days

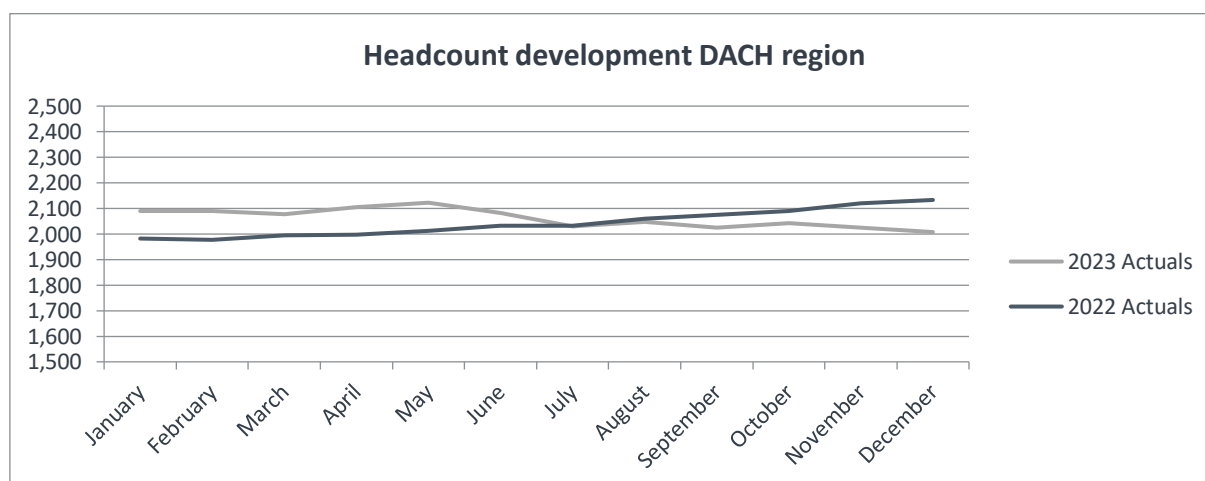
The **DACH region** includes Germany, Switzerland, Austria and Czech Republic.

Despite the weaker market conditions, specifically in the German market, we achieved growth per working day in revenue and gross profit. The decrease in headcount and the lower productivity were offset by higher rates. The productivity was lower in Q4 due to more vacation taken and slightly higher bench and illness. Gross margin adjusted for working days was 32.6% in Q4 2023 (Q4 2022: 33.5%). The year-on-year decrease in gross margin is the result of the lower productivity.

The drop at the change of the year was in line with last year, and as a result our headcount in the beginning of 2024 was slightly down year-on-year.

Operating cost increased in Q4, amongst others as a result of inflation. As a result, EBIT in Q4 decreased compared to Q4 2022, also when adjusted for one less working day. We have taken actions in Q4 to adjust our organisation to the current activity level in order to return to EBIT growth in the course of 2024.

The headcount development in 2023 is as follows:



Headcount as of 31 December 2023 was 2,008 (2022: 2,133).

Working days Germany:

	Q1	Q2	Q3	Q4	FY
2024	63	61	66	62	252
2023	65	60	65	61	251
2022	64	61	66	62	253

Brunel Netherlands (unaudited)

P&L amounts in EUR million

	Q4 2023	Q4 2022	Δ%	Organic Δ%	FY 2023	FY 2022	Δ%	Organic Δ%
Revenue	55.8	50.3	11%	13%	213.2	190.3	12%	12%
Gross Profit	14.5	14.7	-2%	4%	56.6	55.7	2%	3%
Gross margin	25.9%	29.3%			26.5%	29.3%		
Operating costs	10.0	9.8	2%	1%	40.1	39.0	3%	3%
EBIT	4.5	4.9	-8%	10%	16.5	16.7	-1%	4%
EBIT %	8.1%	9.7%			7.7%	8.7%		
Average directs	1,752	1,687	4%		1,726	1,667	4%	
Average indirects	272	282	-3%		270	279	-3%	
Ratio direct / Indirect	6.4	6.0			6.4	6.0		

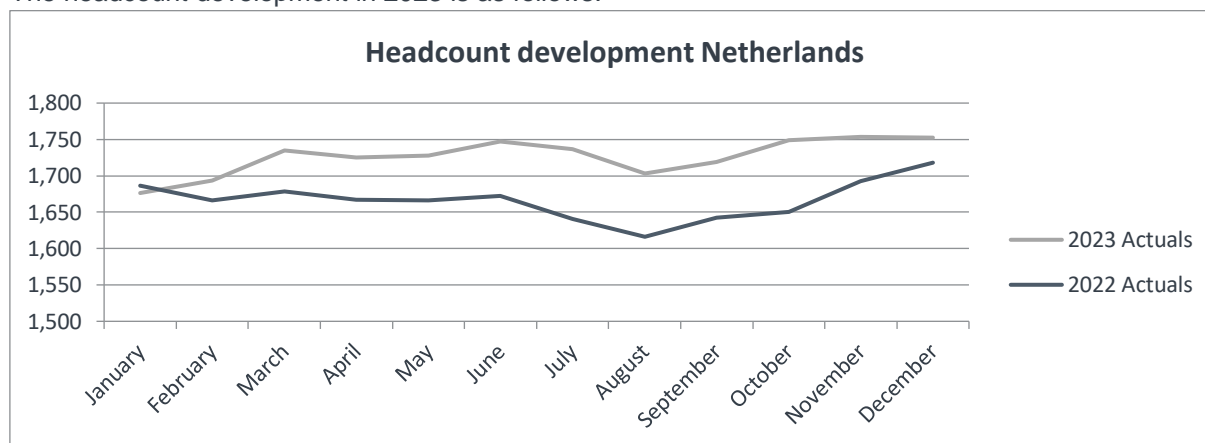
Organic change is measured by excluding the impact of currencies, acquisitions, disposals and by adjusting for working days

Revenue increased as a result of higher headcount and rates, slightly offset by a lower productivity due to a higher bench. Gross margin decreased as a result of the ongoing inflation on the compensation of our specialists, which we can only partly pass on. The gross margin adjusted for working days is 26.7% in Q4 2023 (Q4 2022: 29.3%).

Operating cost remain under control. The decrease in EBIT compared to Q4 2022 is the result of the one less working day (impact EUR 0.6 million).

The start in 2024 shows a continuation of the trend of Q4 2023.

The headcount development in 2023 is as follows:



Headcount as of 31 December 2023 was 1,753 (2022: 1,718).

Working days The Netherlands:

	Q1	Q2	Q3	Q4	FY
2024	64	62	66	64	256
2023	65	61	65	63	254
2022	64	61	66	64	255

Australasia (unaudited)

P&L amounts in EUR million

	Q4 2023	Q4 2022	Δ%	Organic Δ%	FY 2023	FY 2022	Δ%	Organic Δ%
Revenue	54.0	45.1	20%	29%	192.9	161.9	19%	27%
Gross Profit	5.5	4.7	15%	24%	20.4	16.2	26%	34%
Gross margin	10.1%	10.5%			10.6%	10.0%		
Operating costs	3.8	3.5	9%	14%	15.1	12.9	17%	25%
EBIT	1.7	1.2	38%	53%	5.3	3.3	62%	72%
EBIT %	3.1%	2.7%			2.7%	2.0%		
Average directs	1,670	1,479	13%		1,575	1,375	15%	
Average indirects	129	109	18%		124	107	16%	
Ratio direct / Indirect	12.9	13.5			12.7	12.9		

Organic change is measured by excluding the impact of currencies, acquisitions, disposals and by adjusting for working days

Australasia includes Australia and Papua New Guinea.

The strong performance continued in Australasia, especially in mining and conventional energy. Leveraging the growth is resulting in an increased conversion and increased profitability.

We have joined forces with the small expert team of Advance Careers, a boutique agency specialized in energy and sustainability recruitment. Advance Careers' existing staff, clients and contracts are incorporated into Brunel from January 2024.

Middle East & India (unaudited)

P&L amounts in EUR million

	Q4 2023	Q4 2022	Δ%	Organic Δ%	FY 2023	FY 2022	Δ%	Organic Δ%
Revenue	44.0	39.8	10%	18%	160.7	143.3	12%	17%
Gross Profit	6.1	7.2	-15%	-10%	22.6	23.9	-6%	-2%
Gross margin	13.8%	18.0%			14.1%	16.7%		
Operating costs	2.5	2.6	-4%	1%	10.3	9.6	7%	11%
EBIT	3.6	4.6	-22%	-16%	12.3	14.3	-14%	-10%
EBIT %	8.2%	11.6%			7.6%	9.9%		
Average direct	1,982	2,281	-13%		2,103	2,235	-6%	
Average indirect	173	153	13%		167	139	20%	
Ratio direct / Indirect	11.5	14.9			12.6	16.0		

Organic change is measured by excluding the impact of currencies, acquisitions, disposals and by adjusting for working days

Middle East & India includes Qatar, Dubai, Kuwait, Iraq and India.

Our activities on yards for construction in Dubai were the main driver of the growth in Q4, and the outlook for the region remains very promising. The project in which we experienced a delay earlier in 2023, started in 2024. Gross margin decreased as a result of a change in the project mix, and the completion of a higher margin project in Q3. The region continues to deliver an outstanding conversion and strong profitability.

Americas (unaudited)

P&L amounts in EUR million

	Q4 2023	Q4 2022	Δ%	Organic Δ%	FY 2023	FY 2022	Δ%	Organic Δ%
Revenue	43.3	40.4	7%	13%	177.8	146.6	21%	26%
Gross Profit	6.2	5.6	12%	18%	24.8	19.9	25%	29%
Gross margin	14.4%	13.8%			14.0%	13.6%		
Operating costs	4.7	4.6	2%	8%	20.3	17.3	17%	21%
EBIT	1.5	1.0	52%	62%	4.5	2.6	76%	84%
EBIT %	3.4%	2.4%			2.6%	1.8%		
Average directs	990	1,012	-2%		1,028	929	11%	
Average indirects	144	137	5%		147	125	18%	
Ratio direct / Indirect	6.9	7.4			7.0	7.4		

Organic change is measured by excluding the impact of currencies, acquisitions, disposals and by adjusting for working days

The **Americas** includes Brazil, Canada, USA, Guyana and Suriname.

Most of the countries achieved strong growth, in our main markets conventional energy, renewable energy and mining. Supported by the growth, in combination with cost control, our conversion and profitability is improving.

Asia (unaudited)

P&L amounts in EUR million

	Q4 2023	Q4 2022	Δ%	Organic Δ%	FY 2023	FY 2022	Δ%	Organic Δ%
Revenue	46.4	46.7	-1%	6%	182.2	161.1	13%	20%
Gross Profit	8.5	7.2	18%	26%	30.8	23.6	31%	39%
Gross margin	18.3%	15.4%			16.9%	14.6%		
Operating costs	5.0	4.0	25%	32%	18.9	14.2	33%	40%
EBIT	3.5	3.2	9%	20%	11.9	9.4	27%	36%
EBIT %	7.6%	6.9%			6.5%	5.8%		
Average directs	1,375	1,524	-10%		1,424	1,481	-4%	
Average indirects	167	135	24%		156	132	18%	
Ratio direct / Indirect	8.2	11.3			9.1	11.2		

Organic change is measured by excluding the impact of currencies, acquisitions, disposals and by adjusting for working days

Asia includes Singapore, China, Hong Kong, South Korea, Taiwan, Japan, Indonesia, Thailand and Malaysia.

The strong trend in mining in Indonesia and at fabrication yards in China continued, resulting in increased gross margins, conversion and profitability. This region is benefitting significantly from our position in renewable energy and achieving fast growth in yard construction projects in this vertical.

Rest of world (unaudited)

P&L amounts in EUR million

	Q4 2023	Q4 2022	Δ%	Organic Δ%	FY 2023	FY 2022	Δ%	Organic Δ%
Revenue	50.8	44.8	13%	16%	188.0	177.0	6%	20%
Gross Profit	6.8	7.2	-5%	-4%	32.6	31.8	2%	14%
Gross margin	13.3%	16.0%			17.3%	18.0%		
Operating costs	8.1	6.7	21%	21%	31.5	26.2	20%	31%
Operating result	-1.3	0.5	-390%	-355%	1.1	5.6	-81%	-71%
Earn out related share based payments	-0.8	1.0	-180%	-180%	0.9	4.2	-79%	-79%
EBIT	-0.5	-0.5	6%	17%	0.2	1.4	-86%	-12%
EBIT %	-1.0%	-1.2%			0.1%	0.8%		
Average direct	1,246	1,051	19%		1,219	1,459	-16%	
Average indirect	214	188	14%		213	205	3%	
Ratio direct / Indirect	5.8	5.6			5.7	7.1		

Organic change is measured by excluding the impact of currencies, acquisitions, disposals and by adjusting for working days

Rest of World includes Taylor Hopkinson, Belgium and our other energy activities in Europe. Until June 2022, this region also included Russia which activities were divested.

Despite the challenging market circumstances, and perm revenues decreasing 26% year-on-year, Taylor Hopkinson continued to achieve revenue growth. We are seeing the first signs of a slow recovery in the perm market for Taylor Hopkinson. Due to the lower activity level, we have reduced the estimated liability related to the earn out for the remaining shares.

Our energy activities in Europe & Africa continued their strong performance in a strong market.

In Q2 2022 we sold our Russian activities to local management. Revenue and EBIT included in our 2022 results amounted to EUR 18 million and EUR 0.8 million respectively. After a slight adjustment of the payment plan, we have now received the first installments relating to the divestments of our activities in Russia.

Tax and net profit

The effective tax rate increased from 35.2% in 2022 to 35.8% in 2023. Net profit came in at EUR 32.2 million (2022: EUR 30.8 million), up 5% and resulting in earnings per share of EUR 0.63 (2022: EUR 0.58).

Dividend

We propose a cash dividend of EUR 0.55 per share over the 2023 financial year (2022: EUR 0.55 per share), which represents a pay-out ratio of 87%.

Cash position

The net cash balance at 31 December 2023 is EUR 31.8 million (EUR 77.8 per 31 December 2022), of which EUR 20.1 million is restricted (EUR 15.5 per 31 December 2022). The decrease in net cash is mainly the result of the increase in working capital as a result of our revenue growth, combined with a slight delay in collection.

Outlook Q1 2024

We started the year with high single digit revenue growth and expect the current trend to continue, whilst we start to see the first benefits of our cost saving initiatives.

Just Spee to step down from the Supervisory Board

Due to health reasons, Just Spee has decided to step down from the Supervisory Board as of the AGM in May this year.

New role Tom Hopkinson

Founder of Taylor Hopkinson, Tom Hopkinson, has successfully managed growth acceleration in our Renewables vertical, after the acquisition of Taylor Hopkinson by Brunel in December 2021. Combining Taylor Hopkinson's expertise in offshore wind with Brunel's global infrastructure and expertise in contracting, has resulted in many revenue synergies. Preparing for the next phase and level, we agreed that from January 2024, Tom Hopkinson will move into a global advisory role. Tom will focus on sharing industry expertise across the entire business, extending professional networks and industry relationships and developing our brand as an industry partner and enabler to clients worldwide. With Tom's extensive knowledge, expertise and network in renewables, he will continue to add significant value to the business and will be available for advice to the new leadership team upon their request. Considering the change in role and responsibilities, we have agreed to an earlier exercise of the put and call option on the shares in Taylor Hopkinson (20%) he still owns. This will be settled in Q1 2024, instead of Q1 2025 as was initially agreed.

ESG update

Future professionals

The Brunel Foundation and OffshoreWind4Kids had the opportunity to teach children from Weekendschool Eindhoven more about wind energy. The Weekendschool helps children develop their talents and gives them a glimpse into what their future job could look like. The kids were stimulated to imagine an exciting future in the field of wind energy. Trying on the mandatory clothing when building wind turbines at sea, made the day complete.

Autism Awareness

The Brunel Foundation was invited by Taylor Hopkinson to organize a Lunch and Learn inspiration session about autism. As part of the session, we invited guest speaker Elise Cordaro. Elise gave a spotlight on what it is like to live with an ADHD and Autism diagnosis. She talked about how she navigates the workplace and provided hints and tips for working with and managing people with Autism.

Clean ups

The Delft colleagues rolled up their sleeves for a lunch break clean up this quarter. Besides, marketing colleagues from around the world joined a lunch break cleanup as part of their Global Marketing Summit in Amsterdam. Altogether they collected over 50 kg of litter. The numbers in our Global Trash 'n Trace Challenge with Litterati grew to over 493,000 pieces of litter picked and registered in our challenge.

Progress on next level targets 2027

	Revenue High Single digit YOY growth Progress : Year 2023 : 13% (organically 18%) Q4 2023: 9% (organically 14%)	Gross Profit High Single digit YOY growth Progress : Year 2023 : 9% (organically 13%) Q4 2023: 1% (organically 6%)
Financial	EBIT/GP >32% yearly fall through 40-50% Progress : Year 2023 -22.3% Q4 2023- 23.4%	EBIT > 6.5% Progress – Year 2023 -4.6% Q4 2023- 4.5%
Non-Financial	Connected specialists Contracting >13,000 Perm > 2,000 Progress – Contracting -11,138 Perm - on track	Market leading engagement NPS > 25% Progress – Again far above target in Q4 2023

Results call

Today (February 23, 2024), at 10:30 AM CET, Brunel will be hosting a results call.

To join the conference call, use access code 544241 and dial, depending on your location.

The dial-in number for the Netherlands is +31.85.888.7233

Other locations – see www.brunelinternational.net.

You can listen to the call through a real-time audio webcast. You can access the webcast and presentation at **<https://events.q4inc.com/attendee/654645681>**. A replay of the presentation and the Q&A will be available on our website by the end of the day.

Use of performance measures

Acquisition-related expenses

Costs that are directly triggered by the acquisition of a company, such as transaction costs, purchase accounting related costs and integration-related expenses.

Organic growth

Externally reported income statement line items (revenue, gross profit, operating expenses & EBIT) adjusted for the impact of changes in foreign currency ("FX"), excluding the impact of one-offs, acquisitions and disposals on revenues and adjusted for the number of working days. Brunel operates in an industry where for each additional working day compared to the previous period, additional revenue/gross profit can be generated. Therefore, the organic growth is a measure that best shows underlying/ comparable performance isolating the working day effect.

Gross Profit (GP)

Contribution margin, i.e. Revenue minus direct personnel expenses

Gross Margin

Gross profit as a percentage of Revenue

Divestment

The action or process of selling off subsidiary business interests or investments.

Elimination

Exclusion of intercompany revenue within the group companies of Brunel.

Underlying EBIT

Refers to Brunel's EBIT, excluding certain one-off and/or exceptional items that may distort the true operational performance of the business. It provides a clearer picture of the company's ongoing profitability by eliminating the impact of restructuring costs, integration and M&A costs related to acquisitions and other exceptional items.

One- offs

Exceptional nonrecurring items that distort the true operational performance of the business. It provides a clearer picture of the company's ongoing profitability by eliminating the impact of restructuring costs, integration and M&A costs related to acquisitions and other exceptional items.

Net Cash

Net cash is the sum of all cash and cash equivalent, restricted cash minus loans and borrowings.

Directs/ specialists

Direct employees are those employees of an entity that are billed to an external client.

Indirect

Staff whose time is not billable to a client.

EBIT

Operating profit.

EBIT% (underlying)

Operating profit excluding restructuring costs, acquisition-related charges and other incidental charges expressed as a percentage of total revenue.

Conversion ratio (EBIT/GP)

A performance measure on how Brunel's EBIT develops in relation to the Gross Profit. This makes the performance per region better comparable, taking out margin differences between regions.

Rev/Directs

The ratio of total revenue to the direct employees.

Revenue growth organic

The percentage of growth in revenue compared to the previous period, measured by excluding the impact of currencies, acquisitions, disposals and by adjusting for working days.

Gross Profit growth organic

The percentage of growth in contribution margin over the previous period, measured by excluding the impact of currencies, acquisitions, disposals and by adjusting for working days.

Operating cost growth organic

The percentage of growth in operating cost over the previous period, measured by excluding the impact of one-offs, currencies, acquisitions, disposals and by adjusting for working days.

EBIT growth organic

The percentage of growth in operating profit over the previous period, measured by excluding the impact of one-offs, currencies, acquisitions, disposals and by adjusting for working days.

For further information:

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Brunel International N.V. is a global provider of flexible specialist workforce solutions. We deliver tailor made solutions like Recruitment, Global Mobility, Project Management, Secondment, Consultancy or scope of work for our clients, both on a global scale and on a local level. Our ability to help our clients beyond their expectations is a testament to our people and their entrepreneurial spirit, knowledge and results-driven approach. Our people are at the heart of everything we do.

We connect the most talented professionals with leading clients in Conventional Energy, Renewable Energy, Future Mobility, Mining, Life Sciences and Infrastructure.

Incorporated in 1975, Brunel has since become a global company with over 11,000 employees and annual revenue of EUR 1,3 billion (2023). The company is listed at Euronext Amsterdam N.V. For more information on Brunel International N.V. visit our website www.brunelinternational.net.

Financial Calendar

3 May 2024	Trading update for the first quarter 2024
16 May 2024	Annual general meeting of shareholders
20 May 2024	Ex-dividend listing
14 June 2024	Dividend available for payment
2 August 2024	Publication half-year 2024 results
1 November 2024	Trading update for the third quarter 2024

Certain statements in this document concern prognoses about the future financial condition and the results of operations of Brunel International N.V. as well as plans and objectives. Obviously, such prognoses involve risks and a degree of uncertainty since they concern future events and depend on circumstances that will apply then. Many factors may contribute to the actual results and developments differing from the prognoses made in this document. These factors include general economic conditions, a shortage on the job market, changes in the demand for (flexible) personnel, changes in employment legislation, future currency and interest fluctuations, future takeovers, acquisitions and disposals and the rate of technological developments. These prognoses therefore apply only on the date on which the document was compiled. The financial figures as presented in this press release are unaudited.

Appendix to the press release

Appendix to the press release 23 February 2024
Full year 2023

Financial Highlights for the period ended 31 December (unaudited)
(EUR '000)

	FY 2023	FY 2022	Δ%
Revenue	1,330,535	1,181,824	13%
Gross Profit	273,582	252,116	9%
EBIT	56,321	60,874	-7%
Group result after tax	32,159	30,764	5%
Non-controlling interests	-507	-1,374	63%
Net profit for the year	31,652	29,390	8%
Gross profit as % of revenue	20.6%	21.3%	-
Net profit as % of revenue	2.4%	2.5%	-

Workforce

Average directs (average-YTD)	11,138	11,187	0%
Average indirects (average-YTD)	1,574	1,452	8%
Total	12,712	12,639	1%
Direct employees (period end)	10,939	11,083	-1%
Indirect employees (period end)	1,600	1,479	8%
Total	12,539	12,562	0%

Earnings per share (in euro)

Earnings per share for ordinary shareholders	0.63	0.58
Diluted earnings per share	0.63	0.58
Dividend per share	0.55	0.55
Weighted average number of ordinary shares for the purpose of basic earnings per share	50,400,988	50,400,988
Weighted average number of ordinary shares for the purpose of diluted earnings per share	50,461,602	50,538,200

Condensed consolidated profit & loss account for the period ended 31 December (unaudited) (EUR '000)

	FY 2023	FY 2022	Δ%
Revenue	1,330,535	1,181,824	13%
Direct personnel expenses	1,056,953	929,708	14%
Gross Profit	273,582	252,116	9%
Indirect personnel expenses	147,647	128,549	15%
Depreciation and amortisation	22,019	21,328	3%
Other expenses	47,595	41,365	15%
Total operating costs	217,261	191,242	14%
EBIT	56,321	60,874	-7%
Financial income and expenses	-6,219	-2,939	-112%
Loss on disposal of subsidiaries	0	-10,431	
Share of profit of investments accounted for using the equity method	0	0	
Group result before tax	50,102	47,504	5%
Income tax	17,943	16,740	7%
Group result after tax	32,159	30,764	5%

Attributable to:

Net profit attributable to equity holders of the parent (ordinary shares)	31,652	29,390	8%
Net profit/loss attributable to non-controlling interest	507	1,374	-63%
Net profit for the year	32,159	30,764	5%

Condensed consolidated statement of comprehensive income for the period ended 31 December (unaudited)
(EUR '000)

	FY 2023	FY 2022
Net profit	32,159	30,764
Other comprehensive income/expense		
<i>Items that may be reclassified subsequently to profit or loss</i>		
Exchange differences arising on translation of foreign operations	-7,832	9,284
Income tax relating to components of other comprehensive income	732	-634
	-7,100	8,650
<i>Items that will not be reclassified subsequently to profit or loss</i>		
Actuarial gains/(losses) on defined benefit plans	-255	733
	-255	733
Total other comprehensive income/expense (net of tax)	-7,355	9,383
Total comprehensive income	24,804	40,147
Attributable to:		
Ordinary shareholders	24,572	38,625
Non-controlling interest	232	1,522
Total comprehensive income	24,804	40,147

Condensed consolidated balance sheet (unaudited) (EUR '000)

	31 December 2023		31 December 2022	
Non-current assets				
Goodwill	44,268		44,443	
Other intangible assets	24,657		21,259	
Property, plant and equipment	11,952		11,620	
Right-of-use assets	37,223		43,962	
Financial fixed assets	6,717		8,689	
Investments accounted for using the equity method	-		-	
Non-current restricted cash	5,618		8,769	
Deferred income tax assets	17,265		14,725	
Total non-current assets		147,700		153,467
Current assets				
Trade and other receivables	351,374		303,050	
Income tax receivables	7,429		2,994	
Restricted cash	14,556		6,768	
Cash and cash equivalents	90,225		80,861	
Total current assets		463,584		393,673
Total assets		611,284		547,140
Group equity				
Share capital	1,517		1,517	
Share premium	86,145		86,145	
Reserves	182,141		187,627	
Unappropriated result	31,651		29,390	
Shareholders' equity		301,454		304,679
Non-controlling interest	11,081		13,138	
Total equity		312,535		317,817
Non-current liabilities				
Provisions	7,129		6,750	
Deferred income tax liabilities	2,460		1,782	
Lease liability	27,028		32,449	
Other non-current liabilities	83,448		32,604	
Total non-current liabilities		120,065		73,585
Current liabilities				
Lease liability	12,179		13,176	
Trade and other payables	150,098		130,629	
Income tax payables	16,407		11,933	
Total current liabilities		178,684		155,738
Total liabilities		298,749		229,323
Total equity & liabilities		611,284		547,140

Condensed consolidated statement of changes in shareholders' equity (unaudited) (EUR '000)

	2023			2022		
	Attributable to ordinary shareholders	Non- controlling interest	Total	Attributable to ordinary shareholders	Non- controlling interest	Total
Balance at 1 January	304,679	13,138	317,817	288,236	13,693	301,929
Net profit/loss	31,652	507	32,159	29,390	1,374	30,764
Exchange differences arising on translation of foreign operations	-7,557	-275	-7,832	9,136	148	9,284
Actuarial gains/(losses)	-255		-255	733		733
Income tax relating to components of other comprehensive income/expense	732		732	-634		-634
Total comprehensive income/expense	24,572	232	24,804	38,625	1,522	40,147
	-		0	-		0
Cash dividend	-27,721	-2,222	-29,943	-22,680	-2,240	-24,920
Share based payments	-143		-143	498		498
Acquisition of subsidiary	0		0	0	163	163
Gain on liquidation of subsidiary	67	-67	0	0		0
Balance at 31 December	301,454	11,081	312,535	304,679	13,138	317,817

Condensed consolidated Cash flow statement (unaudited) (EUR '000)

	2023	2022
Cash flow from operating activities		
Result after tax	32,159	30,764
Adjustments for:		
Income tax expense	17,942	16,740
Depreciation and amortisation	22,019	21,328
Exchange differences	1,559	1,352
Interest income	-904	-545
Interest expense	4,232	1,173
Loss on disposal of subsidiaries	0	10,431
Other non-cash expenses	1,482	4,176
Share based payments	1,723	-190
Changes in:		
Receivables	-53,853	-49,818
Provisions	380	-183
Trade and other payables	7,844	11,467
Restricted cash	-5,230	3,790
	-50,859	-34,744
Income tax paid	-19,193	-23,563
Interest paid	-3,379	-754
Interest received	950	165
Cash flow generated from operating activities	7,733	26,333
Cash flow from investing activities		
Additions to property, plant and equipment	-2,998	-3,088
Additions to intangible fixed assets	-8,734	-8,183
Disposals of property, plant and equipment	17	49
Disposals of intangible assets	3	0
Acquisition of subsidiaries	0	-733
Disposal of subsidiaries	0	-9,497
Repayment of loans by third parties	402	0
Cash flow used in investing activities	-11,311	-21,452
Cash flow from financing activities		
Dividend non-controlling interest	-2,222	-2,240
Dividend ordinary shareholders	-27,721	-22,680
Proceeds from drawing of loans and borrowings	59,968	18,634
Principal elements of lease payments	-14,008	-14,731
Cash flow used in financing activities	16,017	-21,017
Total cash flow	12,439	-16,136
Cash and cash equivalents at 1 January	80,861	93,757
Exchange rate fluctuations	-3,075	3,240
Cash and cash equivalents at 31 December	90,225	80,861

Segment reporting (unaudited)

Reportable segments (EUR '000)

Segments	<u>Revenue</u>		<u>Gross Profit</u>		<u>EBIT</u>	
	2023	2022	2023	2022	2023	2022
DACH region	249,278	229,242	85,826	80,966	20,124	24,362
Netherlands	213,205	190,326	56,582	55,727	16,103	16,652
Australasia	192,893	161,854	20,355	16,210	5,267	3,250
Middle East & India	160,709	143,281	22,588	23,911	12,285	14,253
Americas	177,840	146,560	24,832	19,917	4,547	2,586
Asia	182,248	161,086	30,809	23,553	11,873	9,359
Rest of World	188,020	176,950	32,591	31,832	-716	1,362
Unallocated	0	0	0	0	-13,163	-10,950
Eliminations	-33,658	-27,475	0	0	0	0
Total	1,330,535	1,181,824	273,582	252,116	56,321	60,874

Employees

The total number of direct and indirect employees with the group companies is set out below:

Average workforce:

	<u>2023</u>		<u>2022</u>	
	Direct	Indirect	Direct	Indirect
DACH region	2,062	435	2,042	405
Netherlands	1,726	270	1,667	279
Australasia	1,575	124	1,375	107
Middle East & India	2,103	167	2,235	139
Americas	1,028	147	929	125
Rest of World	2,644	367	2,939	338
Unallocated	-	64	-	59
Total	11,138	1,574	11,187	1,452
Total workforce	12,712		12,639	

Workforce at 31 December:

	<u>2023</u>		<u>2022</u>	
	Direct	Indirect	Direct	Indirect
DACH region	2,008	438	2,133	412
Netherlands	1,753	274	1,718	281
Australasia	1,692	128	1,491	109
Middle East & India	1,930	174	2,260	155
Americas	958	142	999	143
Rest of World	2,598	379	2,482	317
Unallocated	-	65	-	62
Total	10,939	1,600	11,083	1,479
Total workforce	12,539		12,562	

Disaggregation of revenue (unaudited) (EUR '000)


	Convention al Energy	Future mobility	Industrials & Technology	Life Sciences	Mining	Renewables	Financial Services	Public Sector	Other	Total 2023
DACH region	10,590	95,387	80,874	25,996	1,076	12,811	-	-	22,544	249,278
The Netherlands	4,262	9,020	24,392	10,087	297	15,663	50,153	84,411	14,920	213,205
Australasia	92,004	-	505	675	76,652	8,036	5,796	293	8,932	192,893
Middle East & India	142,173	43	2,669	41	268	5,979	-	-	9,536	160,709
Americas	127,312	8	846	8,960	29,487	9,703	-	-	1,524	177,840
Asia	115,995	3,804	1,878	1,071	40,752	14,876	-	-	3,872	182,248
Rest of world	27,008	182	2,795	2,913	1,611	108,568	-	-	11,285	154,362
Total	519,344	108,444	113,959	49,743	150,143	175,636	55,949	84,704	72,613	1,330,535

	Convention al Energy	Future mobility	Industrials & Technology	Life Sciences	Mining	Renewables	Financial Services	Public Sector	Other	Total 2022
DACH region	12,681	74,484	90,734	13,057	145	6,164	-	-	31,977	229,242
The Netherlands	5,139	2,773	22,270	7,487	65	5,234	48,397	90,324	8,637	190,326
Australasia	73,906	-	1,217	6	53,157	13,051	9,434	-	11,083	161,854
Middle East & India	115,590	40	1,019	68	114	2,541	-	-	23,909	143,281
Americas	108,204	237	768	8,831	21,104	6,672	-	-	744	146,560
Asia	114,559	309	2,865	1,362	26,691	12,188	-	-	3,112	161,086
Rest of world	30,793	298	2,737	3,085	1,641	96,330	-	-	14,591	149,475
Total	460,872	78,141	121,610	33,896	102,917	142,180	57,831	90,324	94,054	1,181,824

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