

Q3

Q3 2020 Trading Update



PageGroup



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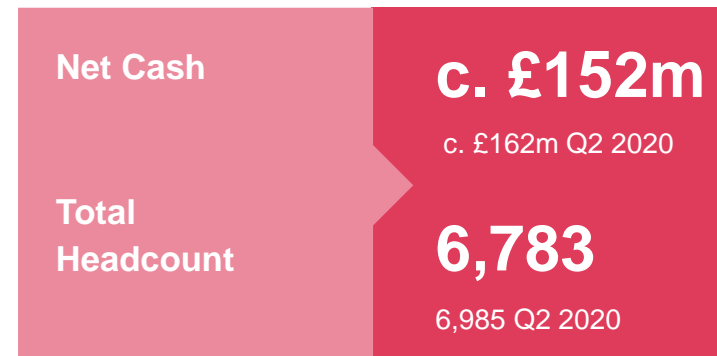
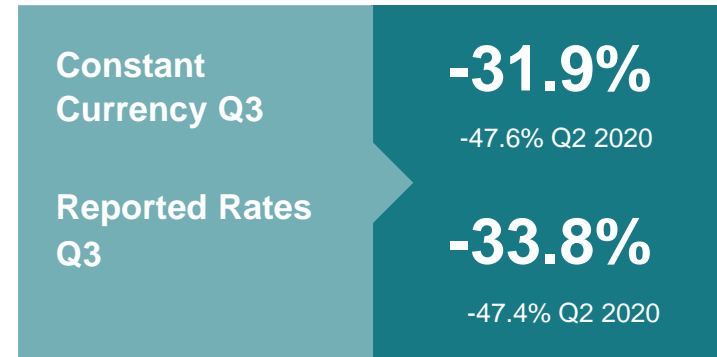
Q3 & COVID-19 Strategy

Steve Ingham, Chief Executive Officer



Q3 Overview

Group gross profit decline of -31.9%, September -26%



COVID-19 Strategy

Health and Safety our priority

Health and Safety our priority

Protecting and investing in our platform

Continuing to reopen offices

Returned majority of staff from furlough and to full pay in Q3

Increase in cost base compared to Q2

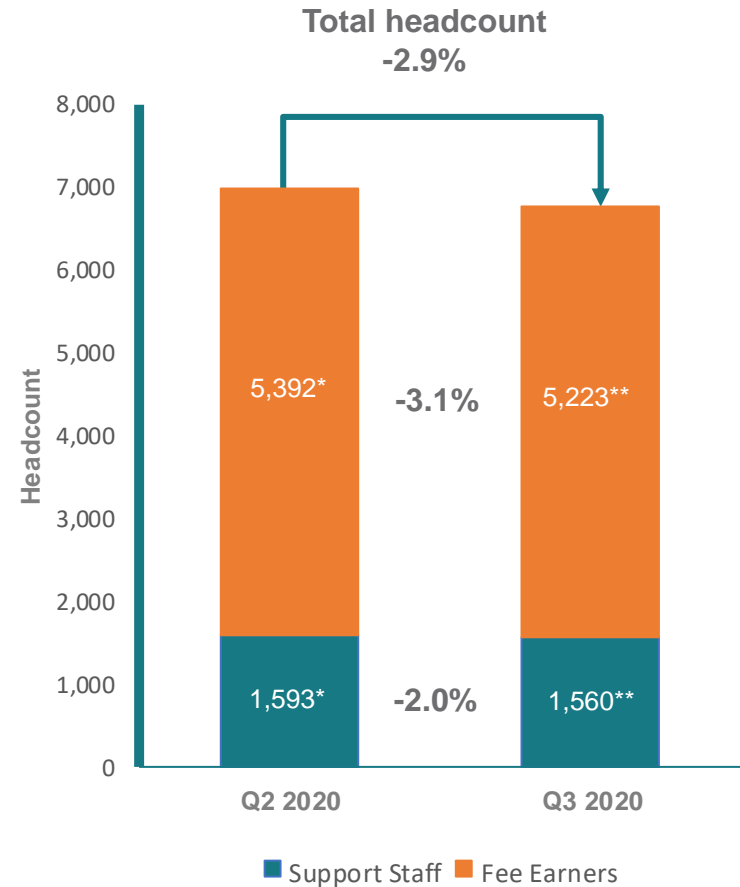
Selectively hiring experienced fee earners



Protecting and investing in our platform

Slower reduction of headcount in Q3

- Overall strategy is to protect the platform and position the Group for growth as conditions improve
- Gross profit down 31% for the year to date, fee headcount down 13%
- Overall decrease in fee earners of 169 (-3.1%) in the Quarter
- Operational support headcount reduced by 33 (-2.0%) in the Quarter
- Ratio of fee earners to operational support staff maintained at 77:23



*Including furloughed staff of 406 (327 Fee Earners and 79 Support Staff)

**Including furloughed staff of 65 (43 Fee Earners and 22 Support Staff)

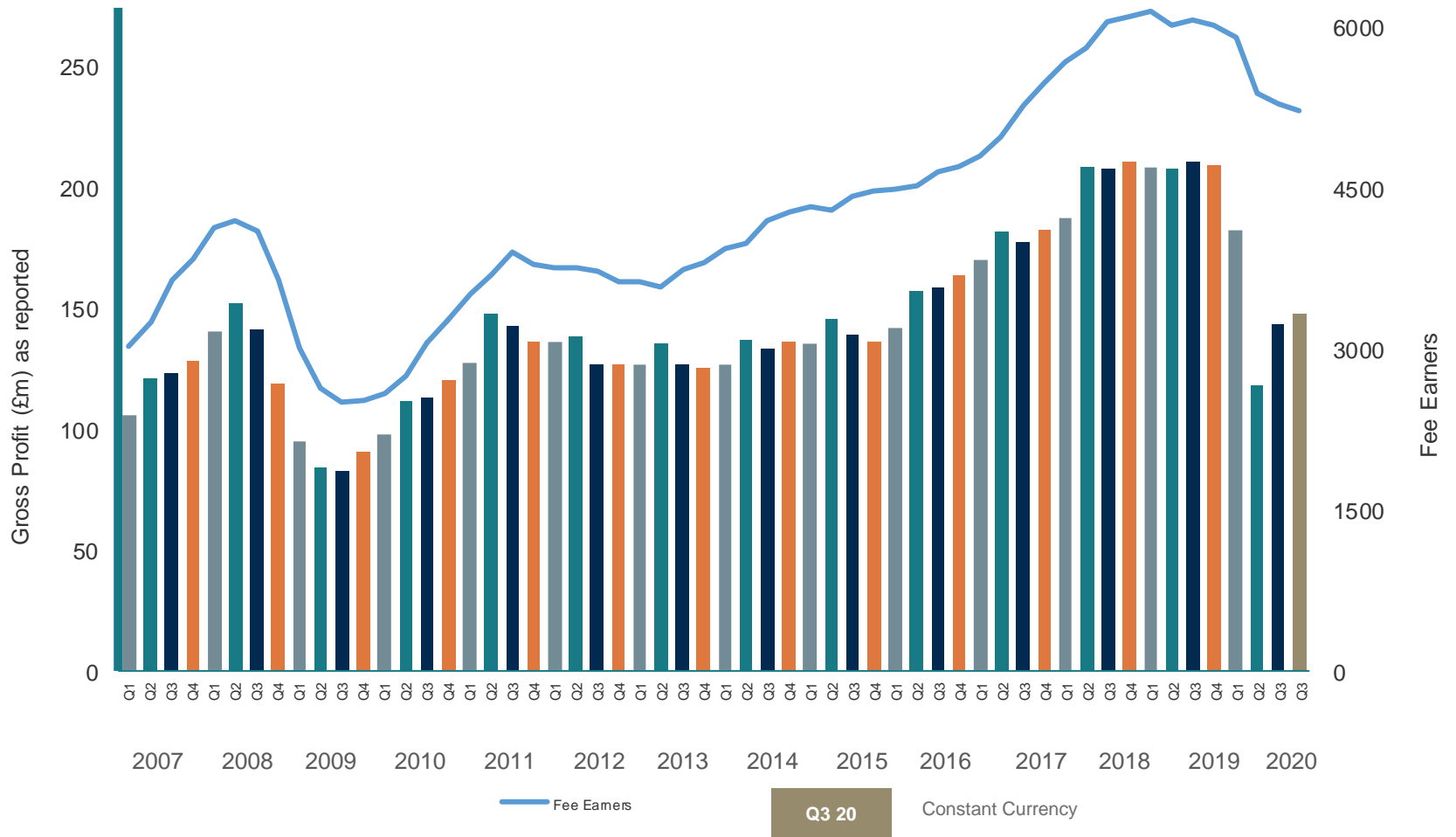
Financial and Regional Review

Kelvin Stagg, Chief Financial Officer



Gross profit sharp downturn

Decline in fee earner headcount much less than 2009

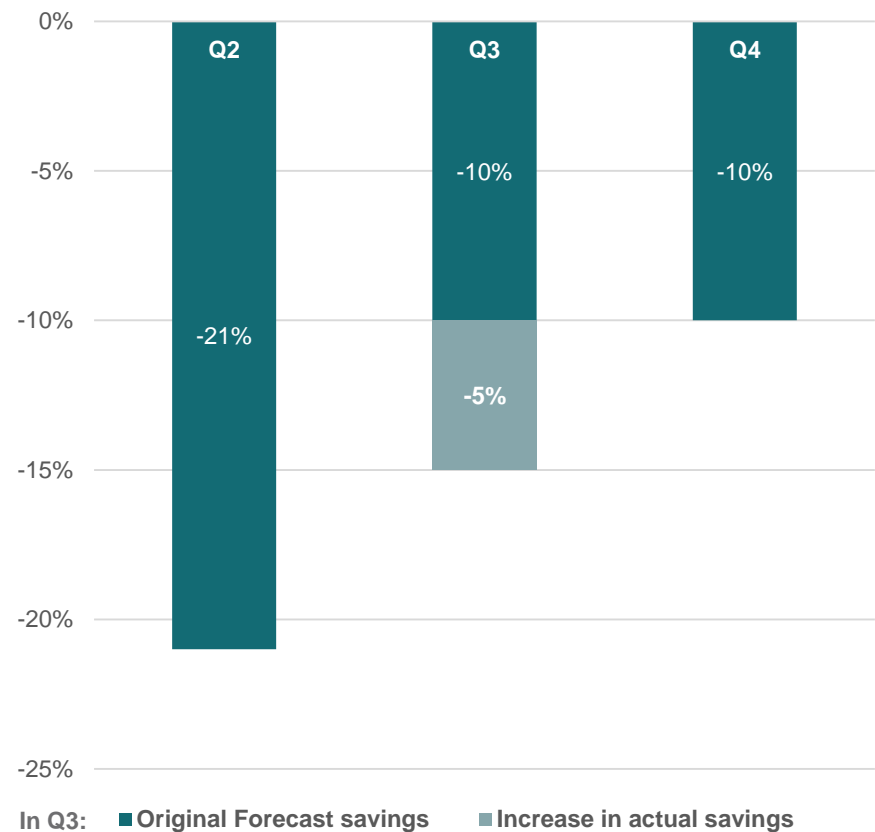


Managing our cost base

Q3 cost base reduction of c. 15% compared to March

- Q2 monthly cost base reduced by 21 percent compared to March, due to voluntary salary reductions, four day working weeks, furlough schemes and a reduction in headcount of 581
- Q3 monthly average cost base was down 15 percent compared to March, better than the 10 percent forecasted at the time of the Q2 Trading Statement. This was due to a net reduction in headcount of 202 in Q3, lower than estimated bad debt and holidays not taken in Q2 resulting in an increased holiday pay accrual unwind
- Q4 cost base is forecast to be c. 10 percent below March, in line with the September run rate

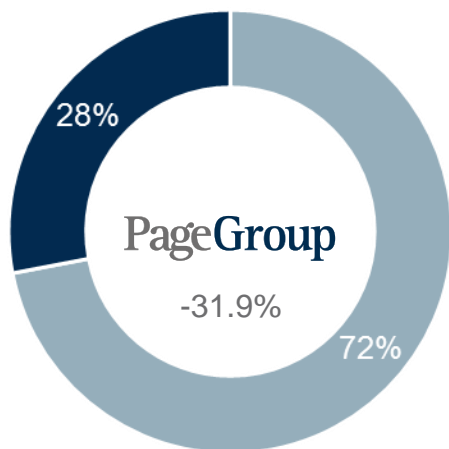
Average monthly cost base vs. March*



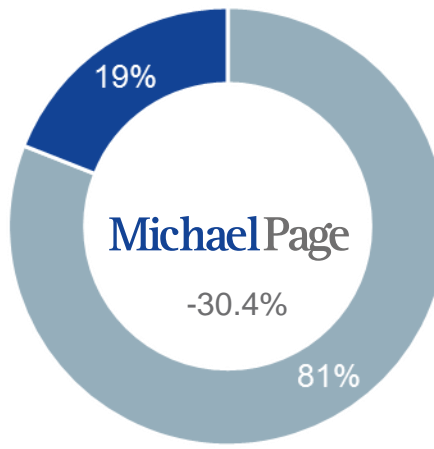
*Q3 and Q4 are latest estimates

Perm and Temp ratio

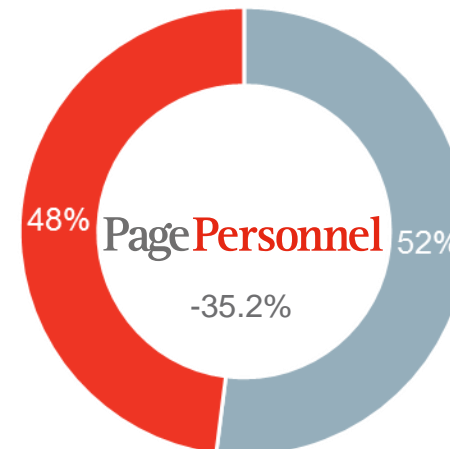
Permanent recruitment more impacted by COVID-19



■ Perm ■ Temp



■ Perm ■ Temp



■ Perm ■ Temp

- Gross Profit decline in permanent -34.2% to £103.5m
- Temporary -25.1% to £40.0m
- Perm:Temp ratio 72:28 (Q2 2020: 66:34)

- Gross Profit decline in permanent -32.5% to £81.7m
- Temporary -20.1% to £19.6m

- Gross Profit decline in permanent -40.0% to £21.8m
- Temporary -29.3% to £20.4m

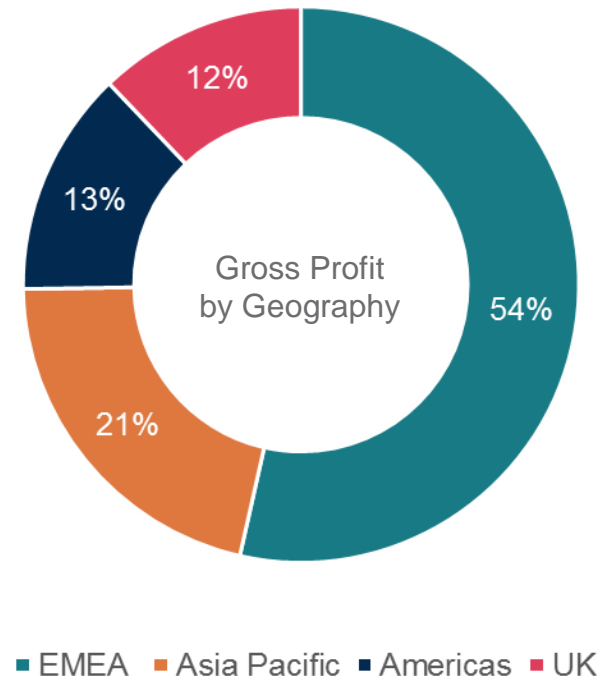


Group growth rate improved to -31.9%

Improving activity levels through Q3

- Trading conditions remained challenging, all regions impacted by COVID-19
- Large, High Potential markets* (37% of Group) -29%
- Technology, Contracting, Digital and Logistics the most resilient businesses
- Construction and Retail amongst the most challenging

Q3	2020 £m	2019 £m	Reported %	Constant %
EMEA	76.5	101.6	-24.7%	-24.5%
Asia Pacific	30.3	44.1	-31.2%	-28.2%
Americas	19.1	37.3	-48.8%	-41.9%
UK	17.6	33.8	-47.9%	-47.9%
Group Total	143.5	216.8	-33.8%	-31.9%



*Germany, Greater China, Latin America, South East Asia and the US

EMEA -24.5%

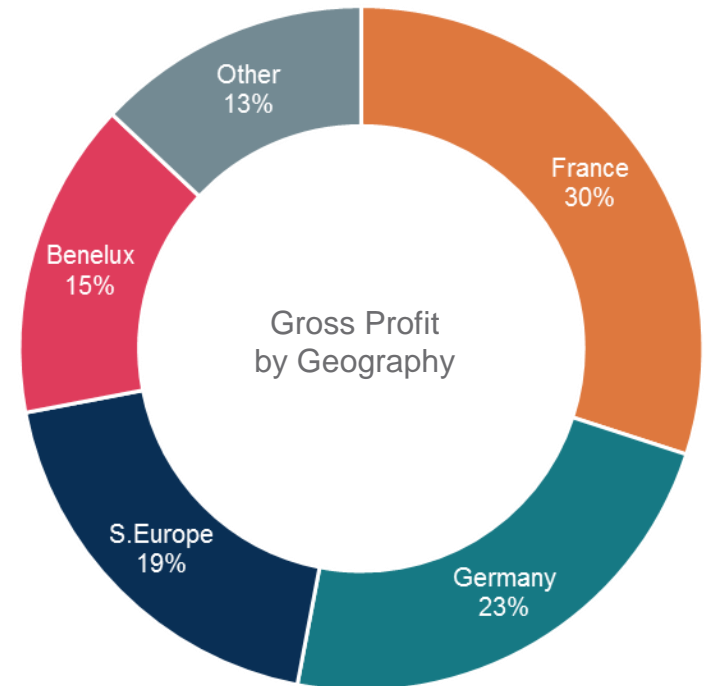
Improvement in trading conditions continued, Germany standout result

- France, 16% of the Group, -27% (-22% in September)
- Germany, 12% of the Group, -10% (-9% in September)
- Southern Europe -25%; Italy -23% (-14% in September), Spain -28% (-24% in September)
- Benelux -31% (-28% in September)
- Middle East & Africa -31% (-26% in September)

£m	Period	2020	2019	Reported %	Constant %
Gross Profit	Q3	76.5	101.6	-24.7%	-24.5%

No.	2020 Q3	2019 Q3	%	2020 Q2	%
Fee Earners	2,360	2,619	-9.9%	2,469*	-4.4%

*Including 3 furloughed employees



54% of Group

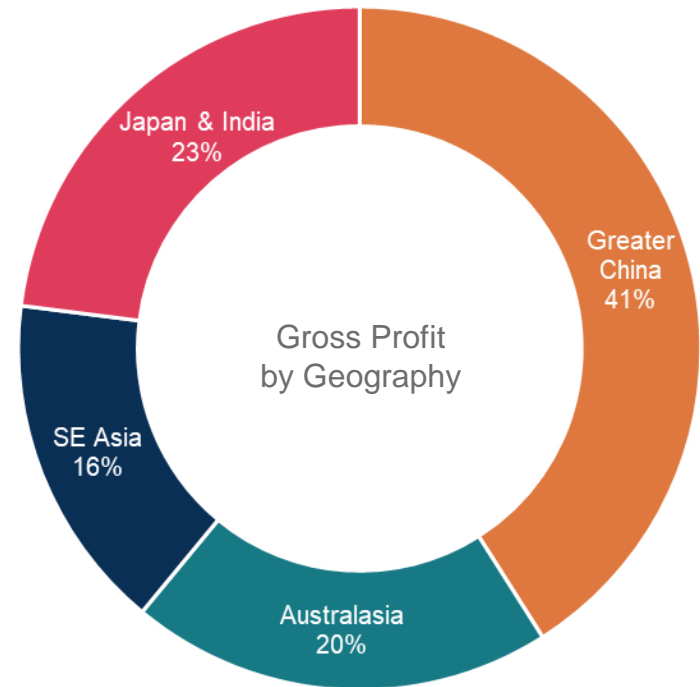
Asia Pacific -28.2%

Conditions in Mainland China improved through the quarter

- Greater China, -22% (-6% in September); Mainland China -11% (flat in September); Hong Kong -41% (-23% in September)
- Japan -16% (+1% in September) and India -32% (-27% in September)
- South East Asia -31% (-21% in September); Singapore -34% (-24% in September)
- Australia -42% (-37% in September)

£m	Period	2020	2019	Reported %	Constant %
Gross Profit	Q3	30.3	44.1	-31.2%	-28.2%

No.	2020 Q3	2019 Q3	%	2020 Q2	%
Fee Earners	1,120	1,383	-19.0%	1,171	-4.4%

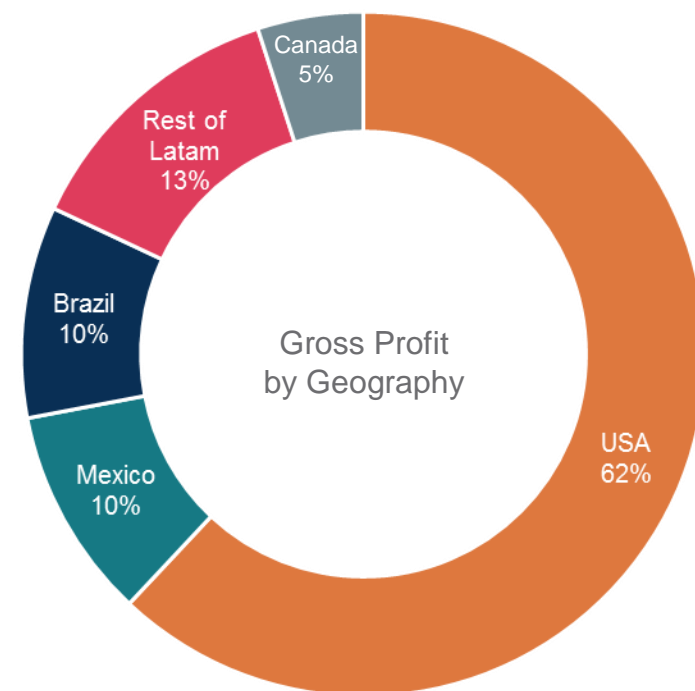


21% of Group

Americas -41.9%

Significant disruption from COVID-19

- US -39% (-39% in September)
- Latin America -47% (-34% in September)
- Brazil -40% (-29% in September); Mexico -56% (-48% in September)



£m	Period	2020	2019	Reported %	Constant %
Gross Profit	Q3	19.1	37.3	-48.8%	-41.9%

No.	2020 Q3	2019 Q3	%	2020 Q2	%
Fee Earners	937	1,134	-17.4%	959*	-2.2%

13% of Group

*Including 68 furloughed employees



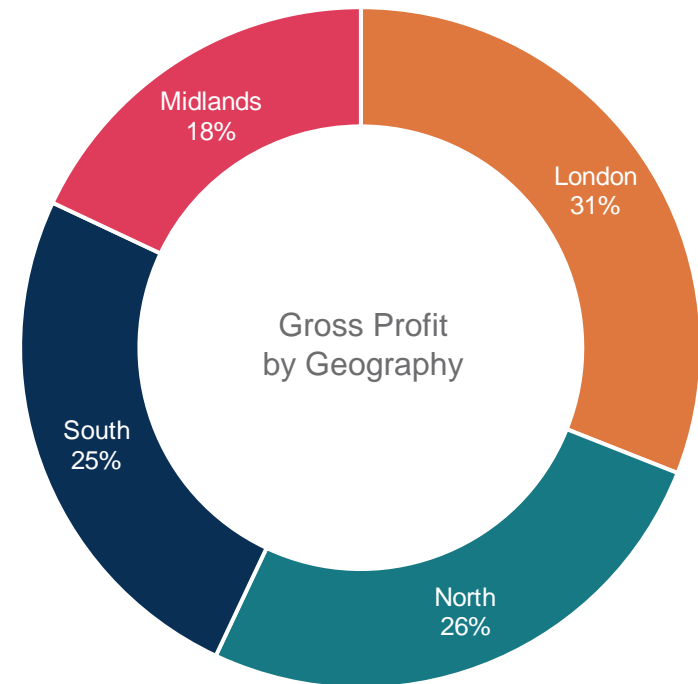
UK -47.9%

Conditions continued to improve as the quarter progressed

- Exited September at -42%
- Page Personnel -51%, Michael Page -47%
- Temporary -40%, Permanent -51%
- Public sector -41% (15% of UK), Private sector -49%

£m	Period	2020	2019	Reported %
Gross Profit	Q3	17.6	33.8	-47.9%

No.	2020 Q3	2019 Q3	%	2020 Q2	%
Fee Earners	806*	945	-14.7%	793**	+1.6%



12% of Group

*Including 43 furloughed employees

**Including 256 furloughed employees

Strategy

Steve Ingham, Chief Executive Officer



Competitor hires

Region	YTD		
	No. of competitor hires	Average years of recruitment experience	Total 2019 billings £m
EMEA	107	3.6	15.4
APAC	72	4.8	10.4
AMERICAS	38	3.8	6.9
UK	59	5.4	7.1
TOTAL	276	Average 4.3	£40 Million

- Hires focused in our targeted areas of investment, such as Technology, Healthcare & Life Sciences and Contracting
- Senior appointment made into Page Outsourcing to drive our offering within MSP, RPO and project recruitment



Customer Connect



Customer Connect

One integrated platform



Better visibility

of activity delivered and followed up...

Better alignment

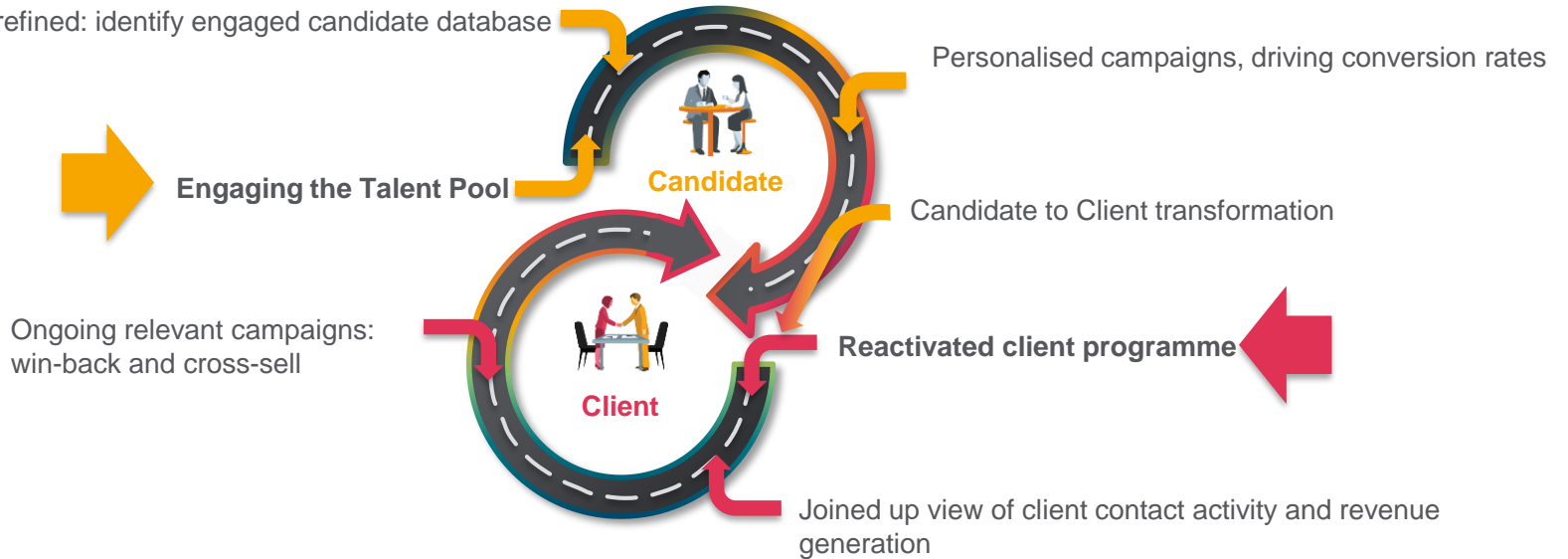
enabling consultants to do what they do best...

Better customer experience

by managing engagement across all touch points...

Intelligent automation engaging customers throughout lifecycle

Talent pools refined: identify engaged candidate database

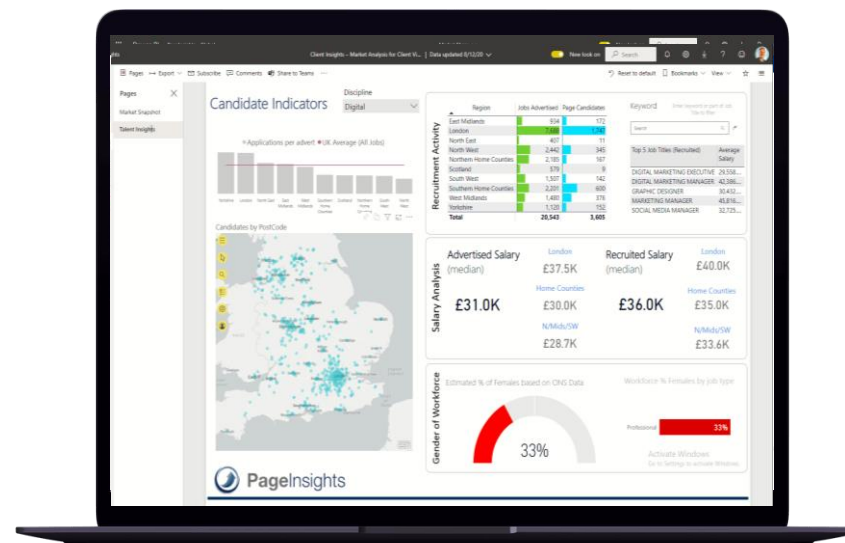
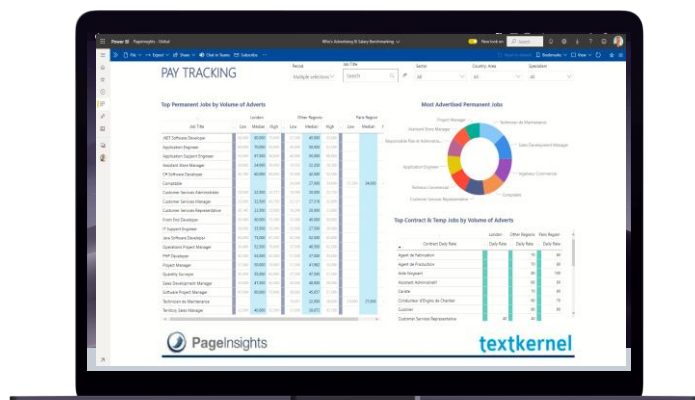


Page Insights

Unique business intelligence tool providing our customers invaluable insights and supporting our data-driven decisions and targeting

Combines internal and external data sources

- Global data from hundreds of millions of job postings
- Internal application data
- Government labour statistics





Page Outsourcing Potential



A growing track record



Significant **infrastructure** already in place



Coverage of both **temp** and **perm** markets



Ideally positioned for **multi country solutions**



Summary



Appendix



Our business model

PageGroup

Brands

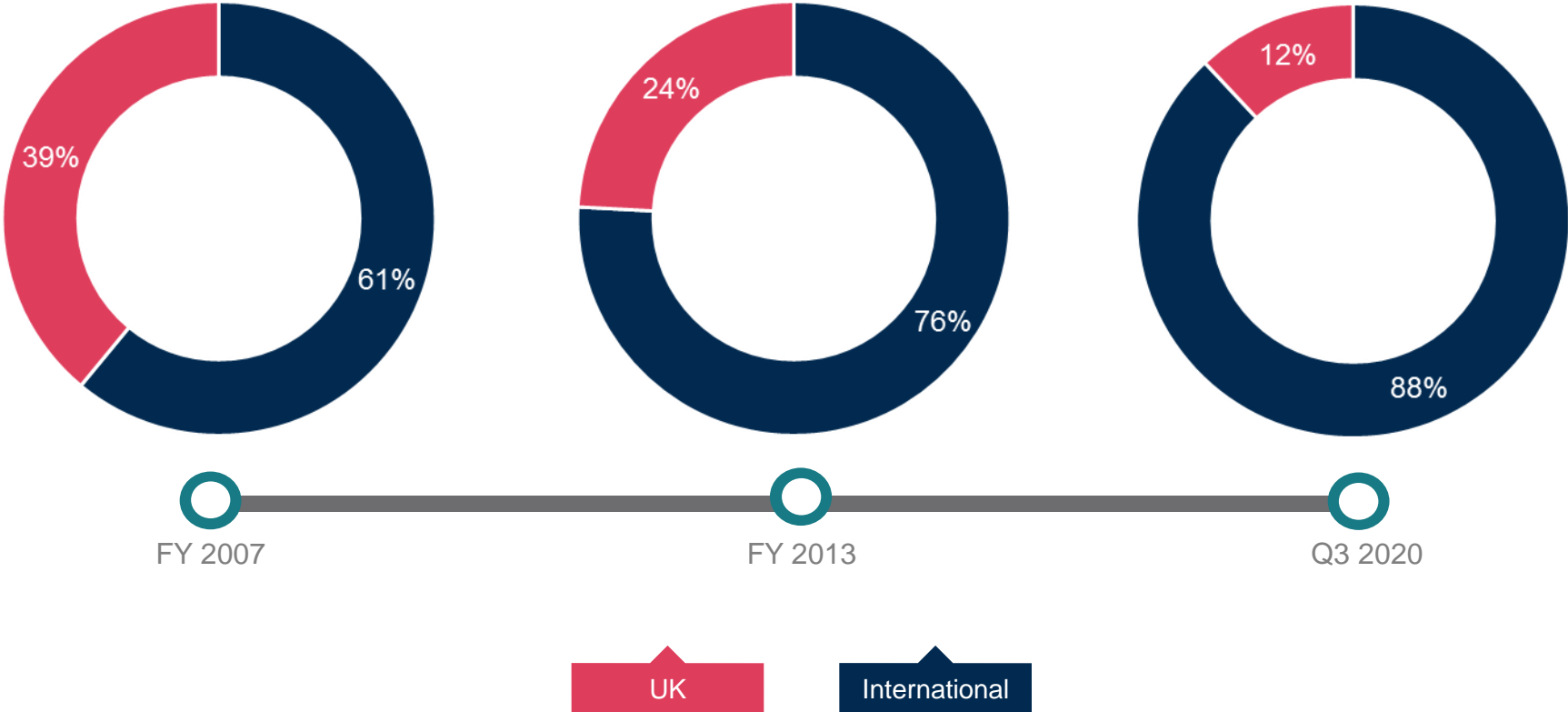
Significant Competitors



A growing international business

Delivering on our global diversification strategy

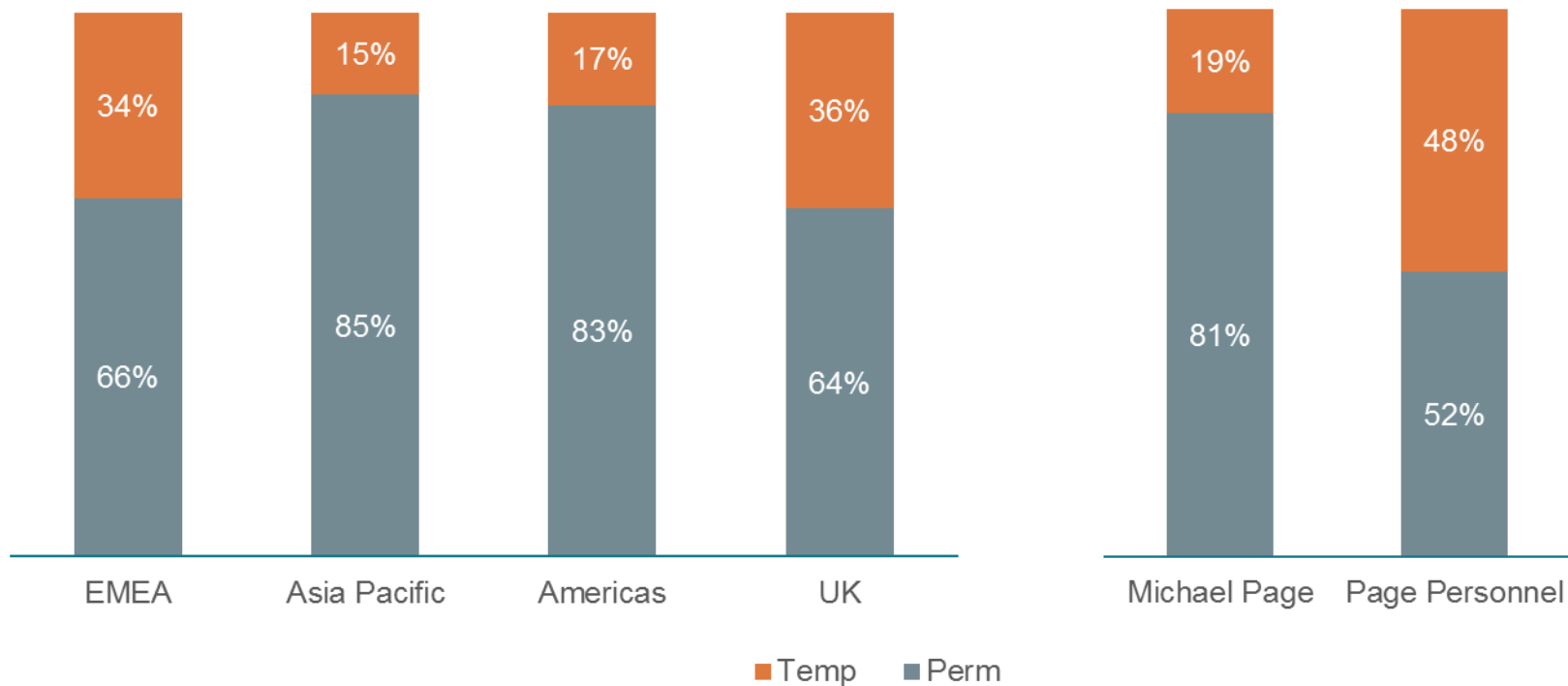
Gross Profit



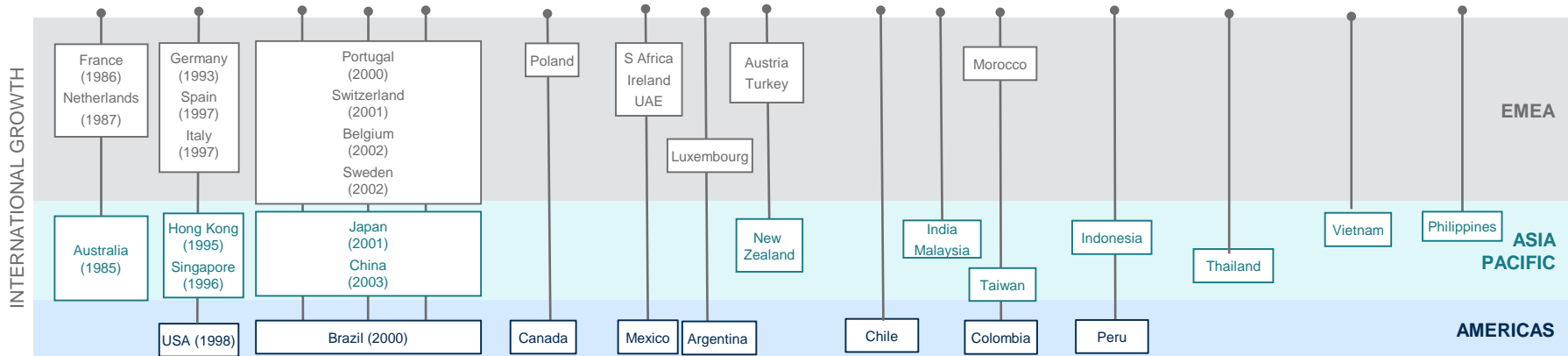
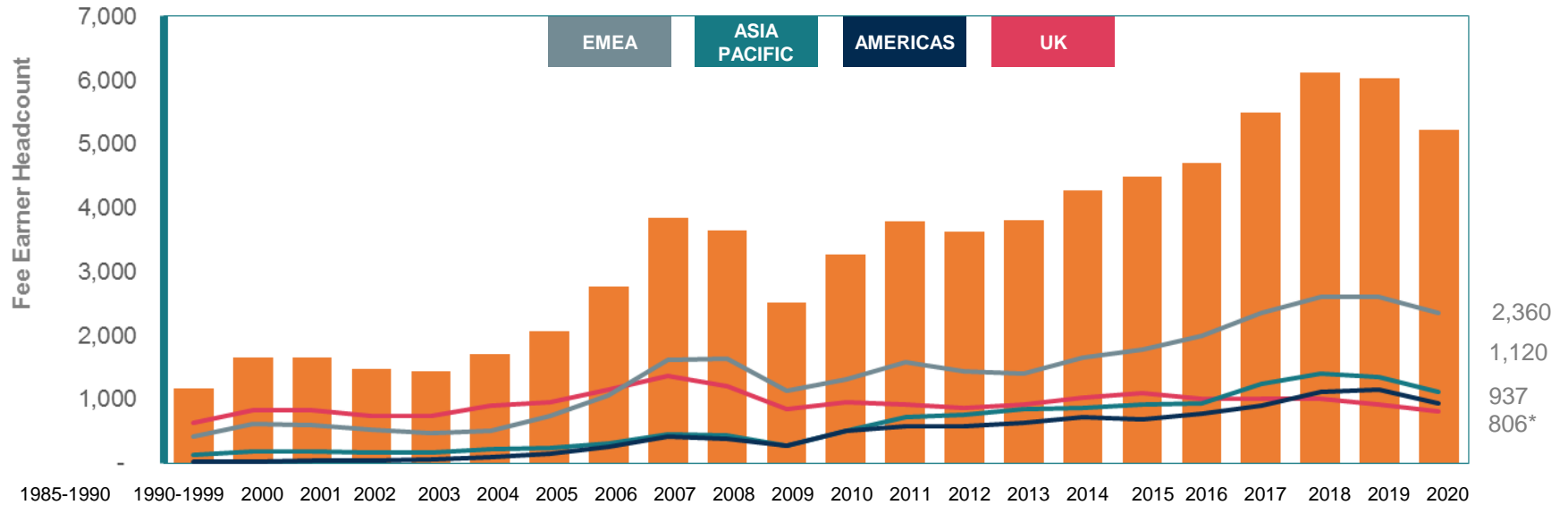
Significant variations in recruitment mix

Geography

Brands



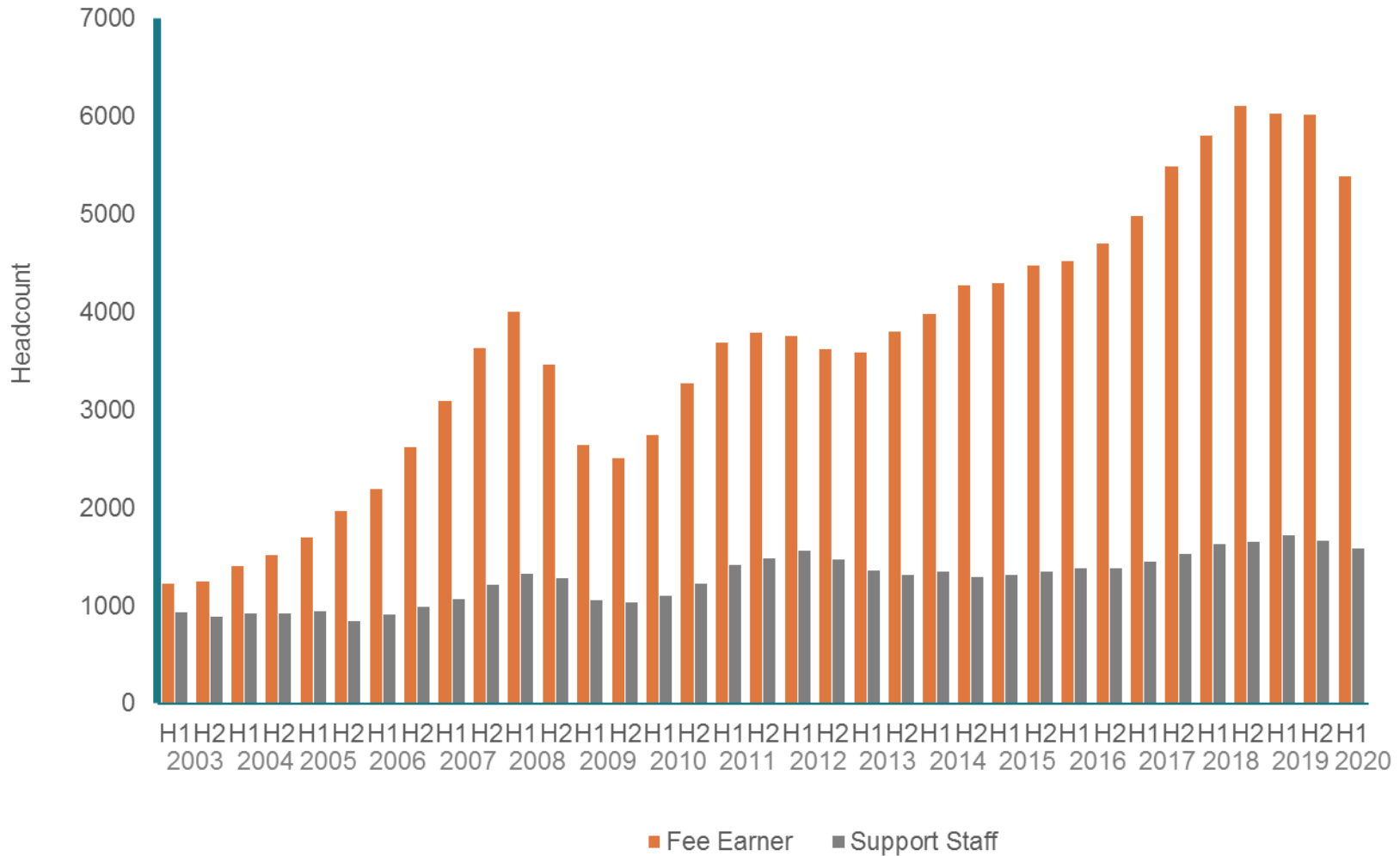
Long term fee earner and international growth



*including furloughed fee earners (UK : 43)



Fee earner investment and support staff



Year-on-Year Gross Profit Rates

	2018				2019				2020		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
EMEA	+18.2%	+18.6%	+20.9%	+13.9%	+11.4%	+9.0%	+5.6%	+2.3%	-11.1%	-42.9%	-24.5%
Asia Pacific	+13.8%	+18.4%	+27.7%	+22.0%	+14.9%	+4.7%	-8.1%	-7.9%	-16.6%	-41.7%	-28.2%
– Asia	+17.8%	+21.2%	+32.2%	+21.2%	+15.6%	+5.8%	-10.6%	-7.6%	-17.1%	-38.1%	-23.4%
– Australasia	+4.3%	+10.6%	+15.7%	+25.0%	+13.0%	+0.9%	+1.1%	-9.6%	-16.6%	-53.7%	-43.6%
Americas	+20.4%	+29.2%	+30.1%	+29.2%	+21.4%	+17.4%	+13.0%	+5.0%	-3.0%	-55.0%	-41.9%
– North America	+16.4%	+27.0%	+27.2%	+30.3%	+20.9%	+18.9%	+10.3%	+4.6%	+2.5%	-49.4%	-38.7%
– Latin America	+25.7%	+32.2%	+33.9%	+27.7%	+21.6%	+15.3%	+16.9%	+5.5%	-10.8%	-63.5%	-46.5%
UK	-7.1%	-1.9%	+0.8%	+2.1%	+1.7%	-2.4%	-4.1%	-4.8%	-16.0%	-61.5%	-47.9%
Group Total	+12.3%	+16.0%	+19.7%	+15.4%	+11.7%	+7.4%	+2.1%	-0.4%	-11.7%	-47.6%	-31.9%



Contacts and Calendar

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Date

13 January 2021

Event

Q4 2020 Trading Update



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