

A|M|S

Half year up-date

30 June 2023

The AMS Group maintained a steady performance for the first six months of 2023 in an increasingly difficult trading environment. Volume reductions in the retail banking and investment banking sectors have impacted the Americas region in particular and the Group's Resource Augmentation business experienced significantly lower volumes as clients reduced their short-term headcount requirements in the face of economic headwinds.

So far this year, AMS has been successful in securing three new significant contracts, one global, one in EMEA and one in the Americas, together with significant increased service and geographical scope in a number of other established clients. The pipeline continues to be strong across the business but especially in the Americas, following targeted investment in the Sales and Marketing function.

Operating cash generation in H1 was good as a result of strong working capital management with a reduction in overdue debtors and tight control of accrued income. The focus on working capital management remains a high priority.

In August 2023 the Group completed an 'amend and extend' to its senior term facilities which resulted in £115m and US\$332.5m loans with a maturity date of 29 June 2027 and an extension to the £40m revolving credit facility to 29 December 2026. At the time of this transaction, the Group's risk profile was rebalanced by entering into a US\$110m pay GBP floating/receive USD floating cross-currency interest rate swap, maturing in July 2024.

In addition to the £40m revolving credit facility, the group continues to have a further committed working capital facility totalling £40m which expires in December 2024.

Following on from the acquisition of 100% of FlexAbility HR Solutions Private Limited in July 2022, the integration of the FlexAbility business into AMS has now been completed successfully. FlexAbility has been the company's longstanding Recruitment Process Outsourcing (RPO) partner in India and brings with it an array of capabilities in a market which is of great strategic importance to many of our clients.

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