

# Brunel

**Q3 2021**

**Press Release**

## **Brunel reports strong growth in revenue, gross profit and EBIT**

Amsterdam, 29 October 2021 - Brunel International N.V. (Brunel; BRNL), a global provider of flexible workforce solutions and expertise today announced its third quarter (Q3) 2021 results.

### **Key points Q3 2021**

- Revenue increased by 10% to EUR 227 million;
- Gross Profit increase of 15% compared to Q3 2020;
- Gross margin increased by 1.1 percentage points to 23.9%;
- All operating segments were profitable, with total EBIT increasing by 34% to 13.6 million.

### **Key points YTD 2021**

- Gross margin increased by 2.2 percentage points to 23.1%;
- Cost savings of EUR 4.9 million contribute to EBIT growth, up 68% to EUR 31.9 million;
- Strong cash position maintained at EUR 138.4 million.

### **Outlook**

Continued growth in Q4, resulting in:

- Full year revenue between EUR 880 million and EUR 900 million (2020: EUR 893 million);
- Full year EBIT between EUR 43 million and EUR 45 million (2020: EUR 28.8 million).

**Connecting  
Specialists**



“The month on month revenue growth over the past period has now resulted in strong growth for the year to date. Our revenue, gross margins and EBIT are improving fast, driven by our strategic focus on higher added value for our clients. The multi-year performance indicators in our markets show positive momentum, and our positioning leads to revenue growth in almost all regions, with the Americas, Asia and Russia standing out. Despite the increasing shortages in the labour markets, we

remain successful in connecting more and more specialists to pioneering projects. While doing so, we have been successful in increasing our added value as is reflected in the strong increase in gross profit. In combination with continued disciplined execution, this results in a strong increase in our profitability.

Whilst we continue to expand our business in our strategic verticals, we also continue to develop our capabilities. Some examples of new types of services we delivered in this quarter are a recruitment solution (RPO) for a large mining site in Finland and the commissioning of a newbuild chemicals plant in Singapore we executed with a partner. We also accelerated our success in our traditional global mobility and recruitment services with many off-shore wind and hydrogen projects. We are well-positioned to take advantage of the increased demand for specialist and solutions for a more sustainable world, evidenced by the high growth percentage in our renewable vertical.

Now that COVID-19 restrictions are getting lifted in most regions, the return to topline growth provides the fundament for high single digit growth in the years to come.”

**Jilko Andringa,**  
CEO of Brunel International N.V.

## Brunel International (unaudited)

P&L amounts in EUR million

	Q3 2021	Q3 2020	Δ%	YTD 2021	YTD 2020	Δ%
Revenue	227.2	207.1	10% <sup>a</sup>	654.3	683.2	-4% <sup>b</sup>
Gross Profit	54.3	47.1	15%	151.1	143.1	6%
Gross margin	23.9%	22.8%		23.1%	20.9%	
Operating costs	40.7	36.9	10% <sup>c</sup>	119.2	124.1	-4% <sup>d</sup>
EBIT	13.6	10.2	34%	31.9	19.0	68%
EBIT %	6.0%	4.9%		4.9%	2.8%	
Average directs	9,994	9,599	4%	9,636	10,464	-8%
Average indirects	1,299	1,395	-7%	1,303	1,481	-12%
Ratio direct / indirect	7.7	6.9		7.4	7.1	

a 9 % like-for-like

b -3 % like-for-like

c 10 % like-for-like

d -3 % like-for-like

## Q3 2021 results by division

P&L amounts in EUR million

### Summary:

Revenue	Q3 2021	Q3 2020	Δ%	YTD 2021	YTD 2020	Δ%
DACH region	55.6	54.6	2%	164.7	177.0	-7%
The Netherlands	44.4	45.5	-2%	136.6	142.7	-4%
Australasia	27.7	26.7	4%	77.6	85.0	-9%
Middle East & India	25.7	25.0	3%	75.9	88.7	-14%
Americas	25.4	18.2	40%	69.2	69.5	0%
Rest of world	48.4	37.1	30%	130.3	119.5	9%
Unallocated	0.0	0.0	100%	0.0	0.8	-100%
<b>Total</b>	<b>227.2</b>	<b>207.1</b>	<b>10%</b>	<b>654.3</b>	<b>683.2</b>	<b>-4%</b>
Gross Profit	Q3 2021	Q3 2020	Δ%	YTD 2021	YTD 2020	Δ%
DACH region	21.0	19.6	7%	58.2	55.2	5%
The Netherlands	14.3	12.4	16%	40.3	37.9	6%
Australasia	2.9	2.4	21%	7.9	7.2	10%
Middle East & India	4.2	4.1	3%	12.3	14.5	-15%
Americas	3.4	2.2	55%	9.1	7.9	15%
Rest of world	8.6	6.5	31%	23.4	20.5	14%
Unallocated	0.0	0.0	100%	0.0	0.0	100%
<b>Total</b>	<b>54.3</b>	<b>47.1</b>	<b>15%</b>	<b>151.1</b>	<b>143.1</b>	<b>6%</b>
EBIT	Q3 2021	Q3 2020	Δ%	YTD 2021	YTD 2020	Δ%
DACH region	7.4	6.8	9%	16.8	10.2	64%
The Netherlands	4.4	3.0	48%	11.6	7.8	48%
Australasia	0.3	0.1	114%	0.5	-0.2	429%
Middle East & India	2.2	2.0	10%	6.7	7.1	-6%
Americas	0.2	-0.5	142%	0.3	-1.9	114%
Rest of world	2.2	1.1	103%	5.1	3.0	70%
Unallocated	-3.1	-2.3	-33%	-9.0	-7.0	-28%
<b>Total</b>	<b>13.6</b>	<b>10.2</b>	<b>34%</b>	<b>31.9</b>	<b>19.0</b>	<b>68%</b>

In Q3 2021, the Group's revenue increased 10% or EUR 20.1 million y-o-y. Higher rates and a higher productivity resulted in an improved gross margin to 23.9%, which is an increase of 1.1 percentage points versus Q3 2020. All regions are both increasing both their gross margins and profitability, leading to an EBIT of 6%, an increase of EUR 3.4 million increase y-o-y, or 34%, compared to the same period last year.

## PERFORMANCE BY REGION

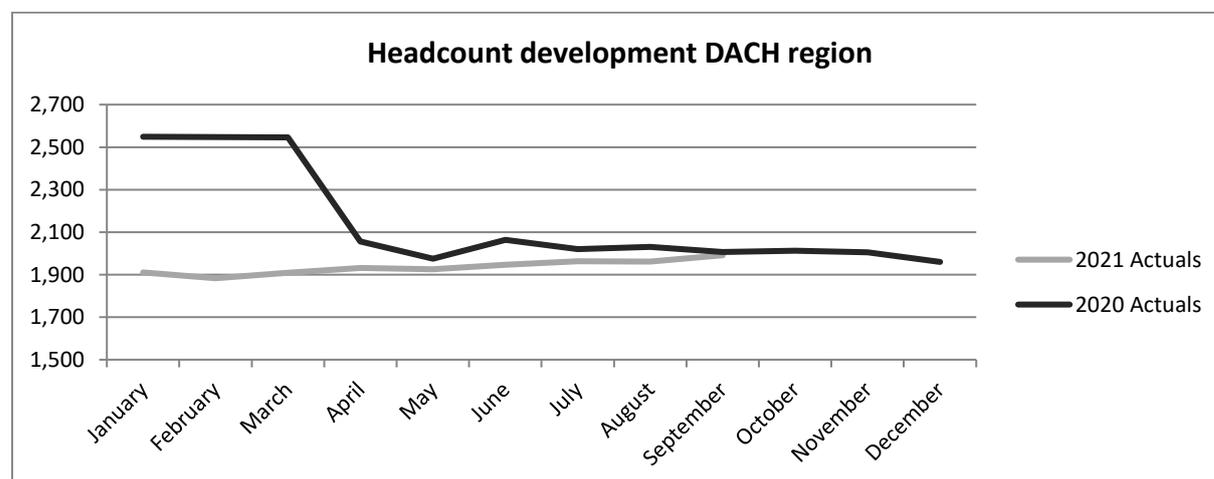
### DACH region (unaudited)

P&L amounts in EUR million

	Q3 2021	Q3 2020	Δ%	YTD 2021	YTD 2020	Δ%
Revenue	55.6	54.6	2%	164.7	177.0	-7%
Gross Profit	21.0	19.6	7%	58.2	55.2	5%
Gross margin	37.8%	35.8%		35.3%	31.2%	
Operating costs	13.6	12.8	6%	41.4	45.0	-8%
EBIT	7.4	6.8	9%	16.8	10.2	64%
EBIT %	13.3%	12.4%		10.2%	5.8%	
Average directs	1,972	2,019	-2%	1,936	2,200	-12%
Average indirects	371	432	-14%	378	475	-20%
Ratio direct / indirect	5.3	4.7		5.1	4.6	

Revenue in **DACH** increased by 2%, mainly driven by higher rates and a higher productivity, partially offset by a 2% lower average headcount over the quarter. The higher rates and productivity lead to a 2.0 percentage points increase in gross margin.

The number of specialists in short-time working reduced from 9 in Q2 2021 to 5 at the end of Q3 2021.



Headcount as of September 30<sup>th</sup> was 1,991 (2020: 2,007).

Working days Germany:

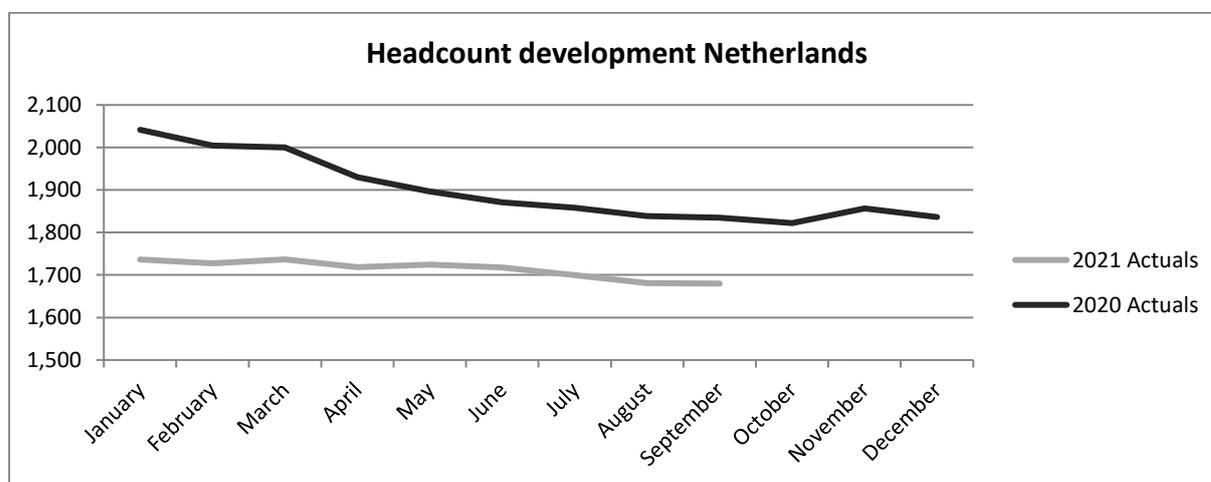
	Q1	Q2	Q3	Q4	FY
2021	63	60	66	65	254
2020	64	59	66	65	254

## Netherlands (unaudited)

P&L amounts in EUR million

	Q3 2021	Q3 2020	Δ%	YTD 2021	YTD 2020	Δ%
Revenue	44.4	45.5	-2%	136.6	142.7	-4%
Gross Profit	14.3	12.4	16%	40.3	37.9	6%
Gross margin	32.1%	27.2%		29.5%	26.6%	
Operating costs	9.9	9.4	5%	28.7	30.1	-5%
EBIT	4.4	3.0	48%	11.6	7.8	48%
EBIT %	9.9%	6.5%		8.5%	5.5%	
Average direct	1,687	1,844	-9%	1,713	1,919	-11%
Average indirect	269	327	-18%	282	346	-18%
Ratio direct / indirect	6.3	5.6		6.1	5.6	

Revenue in **The Netherlands** decreased by 2%. Gross margin increased by 4.9 percentage points in Q3 2021, mainly driven by higher rates and a higher productivity. While we saw a strong increase in gross profit, which was achieved in almost all business lines, there was only a limited increase in operating cost, showing our operational leverage. This resulted in a 48% higher EBIT.



Headcount as of September 30<sup>th</sup> was 1,680 (2020: 1,835).

Working days per Q 2021 / 2020:

	Q1	Q2	Q3	Q4	FY
2021	63	61	66	66	256
2020	64	60	66	65	255

## Australasia (unaudited)

P&L amounts in EUR million

	Q3 2021	Q3 2020	Δ%	YTD 2021	YTD 2020	Δ%
Revenue	27.7	26.7	4% <sup>a</sup>	77.6	85.0	-9% <sup>b</sup>
Gross Profit	2.9	2.4	21%	7.9	7.2	10%
Gross margin	10.5%	9.0%		10.2%	8.4%	
Operating costs	2.6	2.3	13% <sup>c</sup>	7.4	7.4	0% <sup>d</sup>
EBIT	0.3	0.1	114%	0.5	-0.2	429%
EBIT %	1.1%	0.5%		0.6%	-0.2%	
Average directs	981	936	5%	948	1,012	-6%
Average indirects	95	80	19%	88	82	8%
Ratio direct / indirect	10.3	11.7		10.7	12.4	

a 3 % like-for-like

b -12 % like-for-like

c 14 % like-for-like

d -2 % like-for-like

**Australasia** includes Australia and Papua New Guinea. Revenue was up 4% over Q3. Australia continued to be hindered by COVID-19 restrictions, while the travel restrictions in PNG were lifted, allowing expats to travel, supporting the region's performance. Focus on higher valued added activities increased the gross margin with 1.5 percentage points.

## Middle East & India (unaudited)

P&L amounts in EUR million

	Q3 2021	Q3 2020	Δ%	YTD 2021	YTD 2020	Δ%
Revenue	25.7	25.0	3% <sup>a</sup>	75.9	88.7	-14% <sup>b</sup>
Gross Profit	4.2	4.1	3%	12.3	14.5	-15%
Gross margin	16.3%	16.2%		16.2%	16.3%	
Operating costs	2.0	2.1	-5% <sup>c</sup>	5.6	7.4	-24% <sup>d</sup>
EBIT	2.2	2.0	10%	6.7	7.1	-6%
EBIT %	8.6%	8.0%		8.9%	8.0%	
Average directs	2,068	2,089	-1%	2,056	2,435	-16%
Average indirects	125	130	-3%	125	139	-10%
Ratio direct / indirect	16.5	16.1		16.5	17.5	

a 1 % like-for-like

b -10 % like-for-like

c -5 % like-for-like

d -21 % like-for-like

In **Middle East & India** we see the start of new projects as well as some extensions that drive the growth throughout the region compared with Q3 2020. Travel restrictions have eased in Qatar, India and the Emirates. Revenue is lower in Kuwait as travel restrictions continue to limit our activities. Supported by higher revenue, slightly better gross margin and lower costs, the EBIT percentage has increased with 0.6 percentage points to 8.6%.

## Americas (unaudited)

P&L amounts in EUR million

	Q3 2021	Q3 2020	Δ%	YTD 2021	YTD 2020	Δ%
Revenue	25.4	18.2	40% <sup>a</sup>	69.2	69.5	0% <sup>b</sup>
Gross Profit	3.4	2.2	55%	9.1	7.9	15%
Gross margin	13.5%	12.2%		13.1%	11.3%	
Operating costs	3.2	2.7	19% <sup>c</sup>	8.8	9.8	-10% <sup>d</sup>
EBIT	0.2	-0.5	142%	0.3	-1.9	114%
EBIT %	0.8%	-2.7%		0.4%	-2.8%	
Average directs	816	689	18%	801	771	4%
Average indirects	104	103	1%	102	109	-6%
Ratio direct / indirect	7.8	6.7		7.8	7.1	

a 35 % like-for-like

b 3 % like-for-like

c 15 % like-for-like

d -7 % like-for-like

Revenue growth in the **Americas** was very strong in Q3 and achieved in all countries in the region, proving our successful positioning. The gross margin increase of 1.3 percentage points is supported by an increase in recruitment revenue in the United States. All countries contributed to the increase, delivering a positive EBIT against a loss in 2020.

## Rest of world (unaudited)

P&L amounts in EUR million

	Q3 2021	Q3 2020	Δ%	YTD 2021	YTD 2020	Δ%
<b>Revenue</b>	48.4	37.1	<b>30%</b> <sup>a</sup>	130.3	119.5	<b>9%</b> <sup>b</sup>
<b>Gross Profit</b>	8.6	6.5	<b>31%</b>	23.4	20.5	<b>14%</b>
<b>Gross margin</b>	17.7%	17.6%		18.0%	17.2%	
<b>Operating costs</b>	6.4	5.4	<b>19%</b> <sup>c</sup>	18.3	17.5	<b>5%</b> <sup>d</sup>
<b>EBIT</b>	2.2	1.1	<b>103%</b>	5.1	3.0	<b>70%</b>
<b>EBIT %</b>	4.5%	2.9%		3.9%	2.5%	
<b>Average directs</b>	2,471	2,022	<b>22%</b>	2,182	2,107	<b>4%</b>
<b>Average indirects</b>	273	261	<b>5%</b>	266	267	<b>0%</b>
<b>Ratio direct / indirect</b>	9.0	7.7		8.2	7.9	

*a 34 % like-for-like*

*b 16 % like-for-like*

*c 16 % like-for-like*

*d 7 % like-for-like*

**Rest of world** includes Asia, Russia & Caspian, Belgium and rest of Europe & Africa. The main driver of growth continues to be Asia with two projects completed in Q3. In Russia we also achieved significant growth, leading to an overall 1.6 percentage points EBIT improvement. The region's growth is partially offset by unfavourable exchange rate developments.

## Cash position

The cash balance at 30 September 2021 amounts to EUR 138.4 million (EUR 155.0 per 31 December 2020), of which EUR 17.5 million restricted (EUR 15.1 per 31 December 2020). The cash balance decreased compared to 31 December 2020 in line with the normal seasonality, the distribution of dividend and the share buyback program in Q2.

## Outlook

We expect the current trends to continue in Q4 2021, supported by the lifting of COVID restrictions in most regions. The economic outlook for our sectors remains strong. Based on this, we expect revenue for the full year to be between EUR 880 million and EUR 900 million (2020: EUR 893 million), with EBIT between EUR 43 million and EUR 45 million (2020: EUR 28.8 million).

## 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 Oil & Gas, Renewable Energy, Future Mobility, Mining, Life Sciences and Infrastructure.

Incorporated in 1975, Brunel has since become a global company with over 12,000 employees and annual revenue of EUR 0,9 billion (2020). The company is listed at Euronext Amsterdam N.V. For more information on Brunel International N.V. visit our website [www.brunelinternational.net](http://www.brunelinternational.net).

## Financial Calendar

18 February 2022 Publication Full Year 2021 results

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. The financial figures as presented in this press release are unaudited.

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