HALF-YEAR RESULTS

FOR THE SIX MONTHS ENDED 31 DECEMBER 2025

27 February 2026

PREPARED REMARKS

INTRODUCTION

< James Hilton, Chief Financial Officer >

Good morning and welcome everyone. You will have seen our separate announcement this morning that Dirk Hahn has stepped down as our CEO for personal reasons.

I would like to acknowledge Dirk's significant contribution to Hays over the last 28 years. As one of our very first Sales Consultants in Germany, right through to successfully growing our German business to the powerhouse it is today, and then for the last two and a half years as our CEO, Dirk has made an enormous contribution to our business and we wish him well in the future. On a personal level, and having worked with Dirk closely for many years I wish him the very best of luck.

Mark Dearnley, our Chief Digital and Technology Officer, who joined Hays back in September, will step in as Interim CEO while the Board conduct their process to appoint Hays' next CEO. Mark has already made a significant contribution to the business in the time he has been with us, including our Technology programme which I will cover later in this presentation.

But for today I will take you through our operational, financial and strategic review of our first half results, before as normal opening up to questions.

Let me start with the market context.

Global recruitment markets remained challenging, notably in Perm, through the first half against a backdrop of continued macroeconomic and political uncertainty.

However, we have executed our strategy well and remain resolutely focused on delivering against our Five Levers which are designed to increase our exposure to attractive, high potential markets and scale back where market forces are less supportive.

Our decisive actions delivered strong, sector-leading growth in net fee productivity, a structurally improved cost base and improved profit in UK&I and ANZ, two of our major markets.

The proportion of our business delivering YoY net fee growth increase from 15% in Q1 to 20% in Q2 as we saw improving performances across ANZ, Asia, and parts of Europe.

SLIDE 5: GOOD STRATEGIC PROGRESS

Let me briefly run through a high level overview of the half.

Group net fees decreased by 9%.

Temp & Contracting, down 7% was more resilient than Perm, down 14%.

And, as guided at our January trading update, pre-exceptional operating profit decreased 25% on a like for like basis to £20.1 million.

We are not satisfied with our current level of profitability but we are pleased with how we have remained highly disciplined.

We limited the profit impact of the Group's £47 million net fee reduction to £5 million and, as we will explore later, drove improved profit performances in several regions, including the UK&I and ANZ.

We also made strong strategic progress during the half.

Driven by improved resource allocation, consultant net fee productivity increased by a sector leading 7%.

Secondly, we delivered resilient net fees in Enterprise Solutions.

And thirdly, we have improved our business mix through resilience in Temp & Contracting and by reshaping our country portfolio.

Later in the presentation, I will provide examples outlining how we have achieved this but first let me examine our divisional performance.

I won't provide a detailed narrative because many of these figures have been previously disclosed and discussed.

SLIDE 6: GERMANY

In Germany, fees declined by 11%.

We took decisive action to protect profitability and the division has remained resilient in a challenging market, contributing £20.6m operating profit.

Contracting net fees were resilient, with Temp more challenging primarily due to greater exposure to the Automotive sector, and lower demand and slower client decision making impacted Perm.

However, there were bright spots.

Construction & Property performed strongly again and increased by 40%, driven by our focus on infrastructure and the energy sector, and has increased from 4% of net fees in FY24 to 8% in H1 26.

Despite this, headwinds from economic conditions and fewer working hours, predominantly in our Enterprise clients in the construction, infrastructure, and public sectors, more than offset cost efficiency initiatives and disciplined pricing.

We have taken significant cost actions in Q2 which will benefit our second half, including restructuring of operations and back office functions.

SLIDE 7: UK&I

In the UK&I, fees declined by 9% and the division recovered from losses in the prior year to deliver a £2.0m operating profit.

Markets remain challenging in the public sector but the private sector was more resilient and Technology, our largest specialism, moved back into positive YoY growth for the first time in three years. Our Enterprise Solutions business also recorded good levels of growth.

We delivered strong productivity growth and maintained good cost control.

We will examine the actions we have taken to return to the UK&I to profitability in a case study later.

SLIDE 8: ANZ

In ANZ fees declined by 3% and the division tripled its operating profit to £4.2m.

Temp & Contracting reduced slightly but trading improved modestly through the half and we returned to growth in Perm in Q2 for the first time in three years. We saw 5% growth in Enterprise Solutions, Resources & Mining was up 4% and C&P was flat.

We will also examine the actions we have taken to deliver this profit improvement in a case study later

SLIDE 9: ROW

Finally in ROW, fees declined by 10% and the division moved to a £6.7m operating loss from a small profit last year.

EMEA ex-Germany was particularly challenging, with fees down 12% driven by France down 20% and loss making in the half. But we reported all-time record fee and profit performances in Spain and Portugal where we executed our strategy well.

The US was impacted by the loss of a material RPO contract which was taken back in-house.

And Asia was mixed, but with China and Hong Kong back in growth, and Japan solid and up 1%, but Malaysia more challenging and down 18%.

We took decisive action in the half to return the ROW division to profitability, notably in France where we are delivering on plan and so we expect an improved performance in the second half.

We exited Thailand in December 2025 and in January closed our recruitment operations in Mexico.

Overall I expect an improved financial performance in H2.

Moving on to our financial performance in the half

SLIDE 11: OVERVIEW

Summarising our financial performance.

On a like-for-like basis, net fees decreased by 9% to £453 million, with pre-exceptional operating profit down 25% to £20.1 million. Our strong cash conversion drove cash from operations of £43.7 million, and we finished the half in a £40 million net cash position.

SLIDE 12: INCOME STATEMENT

Turnover decreased by 3%, with fees down 9%.

The higher decline in fees relative to turnover was due to the more resilient performance in Temp & Contracting versus Perm, in part due to a resilient performance in our MSP business.

Pre-exceptional earnings per share was 0.46p, a 43% decrease versus prior year, driven by lower operating profit and higher effective tax rate.

SLIDE 13: PERM VS. TEMP

Perm fees decreased by 14% as low client and candidate confidence drove reduced levels of activity and longer 'time-to-hire'. Volumes declined 14% and our average fee was flat.

Temp & Contracting fees were more resilient and decreased by 7%. Volumes declined by 7%, with a further 1% or c.£3 million fee impact from lower average hours worked in Germany. This was offset by a 1% increase in our average placement fee driven by improved mix, with a 20bps reduction in underlying margin.

Temp & Contracting fee growth was positive in five of our Focus countries driven by good volume growth as we continue to build scale in structurally attractive long-term markets.

HAYS

SLIDE 14: PROFIT BRIDGE

Over the next few slides we have set out the decisive actions we have taken to manage costs and protect profitability, and structurally improve our cost base for the longer term.

As explained, we saw a significant reduction in net fees and our pay rises in July 2025 increased payroll costs by £4m.

Our response has been decisive with our operating costs reduced by 8% or £40m YoY.

Payroll costs were reduced by £33m by actions taken to reduce consultant and non-fee earning headcount, down 15% and 6% respectively YoY.

Commissions and bonus payments, decreased in line with fees and profit.

We delivered property savings of £2.2m from closure of 27 offices over the last 12 months. And we secured £2.6m overhead savings primarily from travel & entertainment and marketing spend.

SLIDE 15: COST SAVINGS COMPOSITION

The next slide looks at our annualised cost savings delivered in the half.

We secured £9m from our Finance and Technology transformation programmes, and restructuring our back-office functions in Germany, UK&I, ANZ and Asia.

We also delivered £6 million through restructuring sales operations in the UK&I and Germany, and our Global Enterprise business.

SLIDE 16: PRODUCTIVITY AND COST SAVINGS

Our improved allocation of consultants once again resulted in a sector-leading productivity growth up 7% YoY.

And adjusting for our seasonally quieter second quarter, productivity has increased now for nine consecutive quarters.

We have worked hard to balance cost reductions with maintaining consultant capacity, and we continue to allocate consultants to markets with the most attractive growth opportunities.

UK&I productivity growth accelerated to 15% and ANZ grew by 7%.

And despite the market backdrop, we delivered 3% productivity growth in Germany.

As we examined on the previous slide, we have also continued to take decisive action to structurally improve the Group's cost base.

We delivered a further £15m pa savings in H1 and therefore made strong progress against the FY29 target of £45m we set ourselves in August.

We have now delivered £80m pa over the past two and a half years, and I expect to make substantial further progress in H2.

As we will explore later, our new Hays Digitised programme will further improve efficiency in our back-office and middle-office functional areas.

SLIDE 17: EXCEPTIONAL COSTS

Our exceptional cost of £8.8m comprised two parts.

We incurred £7.3 million costs related to senior management and back-office employee redundancies.

And we incurred a £1.5m exceptional charge in relation to the multi-year Technology Transformation and Finance Transformation programmes.

Due to the ongoing nature of our restructuring and transformation programmes we expect to incur further exceptional restructuring costs in the second half.

SLIDE 18: TAX & FINANCE CHARGE

Our net finance charge for the half increased slightly to £6.7m due to modestly higher average drawings on the Group's revolving credit facility. We expect the net finance charge for FY26 to be £13 million, slightly below FY25 due to the positive impact of the defined benefit pension buy-in and improving working capital.

Our pre-exceptional tax rate increased by 13 percentage points to 44.8%, driven primarily by the impact of tax losses in some country operations in H1 26, together with the impact of disallowable items.

We expect the Group's ETR for FY26 to be c45%, consistent with first half.

The ETR remains highly sensitive to both the geographic mix of profits and losses, and to disallowable items. We would expect the ETR to reduce materially to more normal levels as profits rebuild over time.

SLIDE 19: CASH FLOW

We delivered a strong cash performance in the half, with cash from operations of £43.7m. This represented a 217% cash conversion.

Our working capital inflow was £14.5m, driven by a reduction in Temp fees and a one day improvement in DSO.

We paid tax of £10.6m, and net interest of £4.1m. The cash impact of exceptional restructuring charges was £12.1 million.

Overall, this led to free cash flow of £16.9m.

Our uses of free cash flow were

- The payment of £4.6m of dividends
- Capex of £10.1m
- And purchase of own shares for PSP issuance of £1.2m.

The cash flow benefitted significantly YoY following the full pension buy-in that previously required deficit funding contributions of c£18m pa.

In addition, the cost of our Technology investment has been lower than initially expected and we now anticipate £30 million capex in FY26 versus our previous guidance of £35 million.

SLIDE 20: NET CASH POSITION & DSO

We ended the half with net cash of £40m. DSOs improved by one day, and remain below pre-pandemic levels, and our aged debt profile remains strong. Bad debt write-offs are in line with FY25 and remain at historically low levels.

SLIDE 21: BALANCE SHEET

Our balance sheet strength was maintained with minimal movements over the last 6 months.

SLIDE 22: REBASED DIVIDEND AND CAPITAL ALLOCATION FRAMEWORK

Our business model remains highly cash generative with a strong balance sheet and the Group maintains a clear capital allocation framework.

Our priorities for use of free cash flow are to fund the Group's investment and development requirements, to maintain a strong balance sheet, to fund a dividend that is affordable and appropriate, and return surplus cash to shareholders through a combination of special dividends and share buybacks.

The interim dividend of 0.15 pence per share is consistent with the revised capital allocation framework and dividend policy we announced at the FY25 results. We remain committed to maintaining balance sheet strength and 2-3x dividend cover while investing in the business.

SLIDE 23: SUMMARY

In summary, fees declined by 9%, but we saw clear progress in strategic delivery during the half, which together with our cost actions drove improved profit performances in UK&I and ANZ.

Volumes declined in both Temp and Perm, although Temp remains significantly more resilient.

We maintained a strong balance sheet underpinned by strong levels of cash conversion, further supported by lower than anticipated capex and our full pension buy-in has eliminated deficit funding commitments.

This will fund our long-term growth initiatives and generate attractive returns to shareholders.

SLIDE 25: CURRENT TRADING

Our Temp & Contracting New Year 'return to work' has been solid overall and in-line with the prior year and our expectations.

In UK&I and ANZ, Temp volumes have returned modestly ahead of prior year and are now at pre-Christmas levels. In Germany, Contracting is in line with prior year and Temp slightly behind, with working hours consistent with trends from our Q2.

Perm activity levels are in line with pre-Christmas levels.

Our Group consultant headcount capacity is appropriate for current market conditions and we expect it to remain broadly stable in Q3 as we balance focused investment with improving productivity in more challenging areas.

We will also continue to deliver on our structural efficiency programmes which will further reduce our cost base in the second half.

SLIDE 26: STRATEGY

SLIDE 27: OUR FIVE KEY STRATEGIC LEVERS

Our strategy will build a structurally more resilient, profitable and growing business underpinned by our culture and talented colleagues worldwide.

We are increasing our exposure to the most in-demand job categories, growing industries and end-markets, higher skilled and higher paid roles, Temp & Contracting and large Enterprise clients.

Our strategy is not 'one-size-fits-all' and we will tailor each region and country to its market and customer needs.

The next three slides present case studies to demonstrate our strategic progress, and improved financial performance.

SLIDE 28: UK&I

In the UK&I we have made good progress towards building a higher quality, focused business.

Under our new management team, we have focused our consultants on higher-value placements and stronger margins. Growth in our average candidate salary accelerated from 5% in Q1 to 8% in Q2.

We have invested in a new STEM leadership team and a launched a "Project Services" business to provide Statement of Work based solutions.

We have also forged stronger relationships with clients with Enterprise Solutions fees up 4%

These have driven an acceleration in consultant productivity growth to 15%.

We also delivered structural savings by delayering management and optimising our office portfolio.

Together these actions returned the division to profitability in the half.

SLIDE 29: ANZ

There are similar themes in ANZ where we delivered a three-fold improvement in profit. We delivered 7% productivity growth, including 10% in Q2, and maintained strong cost control.

Our Q2 average Perm and Temp & Contracting fee increased by 5% as we focused on higher skilled roles. We have grown our proportion of fees from Technology, with good Temp & Contracting momentum through H1, and are building scale in statement of work.

We returned our Perm business to growth in Q2 and delivered forward momentum in Temp & Contracting through H1, underpinned by good performance in Enterprise Solutions where net fees were up 5%.

SLIDE 30: SPAIN

In Spain we delivered 12% fee growth and a record fee and profit performance in H1. Temp & Contracting was up 32% driven by client wins and continued expansion into new specialisms and now contributes almost a quarter of Spain fees.

Construction & Property doubled YoY and Technology was up 14% driven by excellent growth in our Contracting business. We have also launched an Engineering Contracting business where we see significant long term growth potential.

We delivered 8% productivity growth and maintained good cost discipline which drove record profits.

Our performance in Spain demonstrates the long-term growth potential in our markets when the economic backdrop is stable, aligned with strong management execution.

SLIDE 31: RELENTLESS FOCUS ON STRATEGIC EXECUTION TO REPOSITION AND RESHAPE THE BUSINESS

We believe we have the right strategy in place and executed well against our Five Levers which will reposition and reshape our business.

Firstly, we will continue to invest in high potential and high performing business lines and will scale back or exit business lines with low performance and potential. We have exited four countries in recent months and will continue to review our country portfolio.

Secondly, we will remain focused on delivering a lower cost and scalable business, driving stronger profit leverage in the recovery.

Which brings me to our final area of focus.

We are developing a next generation Hays Digital Platform to reinforce our strong competitive position, improve productivity and drive further structural cost savings.

Building on many years of investment, Hays owns its core proprietary technology systems which include our CRM system, global client and candidate databases, and Vendor Management System. These provide a powerful cost and flexibility advantage versus off-the-shelf solutions and allow the rapid training and development of proprietary AI and analytics - essential to optimise staffing processes.

We have rolled out AI agents to provide our consultants with best-in-class tools, reduce administrative burden, improve back and middle office efficiency, improve our structured data and provide powerful and personalised insights to our customers.

Two live examples include:

Firstly, our "Smarter Meetings" AI agent which analyses client and candidate conversations, capturing structured actions, key CRM data, and actionable insights in real time – reducing manual administration and consistently recording high quality and structured information and data.

We are already seeing a material improvement in the volume of structured data captured per conversation, improving the quality and depth of our candidate records, which in turn drives better matching, stronger pipeline visibility, and more sophisticated analytics.

Secondly, our AI-curated "Market Intelligence" agents create bespoke daily market reports for our consultants. This enables them to engage clients with more informed and timely insights, demand trends, and opportunities, improving our business development and engagement. Our business development focus and returns are improving.

Our approach with AI is to focus on rapid deployment and high-ROI use cases. We are already seeing increased consultant capacity and productivity, improved speed and quality of execution, and the ability to scale revenue at low cost.

Our investments will provide our consultants with the best tools and drive a superior client and candidate experience.

SLIDE 32: DRIVERS OF LONG -TERM PROFIT RECOVERY

As we have mentioned before, we believe our actions will support a substantial recovery in profit over the longer term.

Delivering productivity growth above inflation remains a key focus for management driven by our actions to reallocate consultants, reshape our business to focus on higher skilled, higher paid roles, and provide our consultants with the best tools through the next generation Hays Digital Platform. These factors will increase net fees with a high drop through to operating profit.

In addition, we continue to make strong progress against our structural cost saving ambitions which will be accelerated by our Hays Digital Platform investment.

The performance of ANZ and Spain in the first half is evidence that when macroeconomic headwinds are stable, Hays can deliver material growth in profitability.

So, to close, markets remained challenging in the first half and the Board and I would like to thank our colleagues for their deep commitment, hard work and resilience.

We are not satisfied with current levels of profitability and will relentlessly focus on execution of our strategy. Our first half results provide evidence that we are making significant strategic and operational progress.

I will now hand you back to the administrator, and we are happy to take your questions.