

HAYS PLC

INVESTOR CALL SCRIPT – Q3: 16 April 2026

INTRODUCTION

Thank you, Kean. Good morning, everyone, and thanks for joining us today.

I will present the key points and regional details of today's trading update, before taking questions. As usual, all net fee growth percentages are on a like-for-like basis versus prior year unless stated otherwise and consequently exclude our previously communicated exits from operations in Chile, Colombia, Thailand, and Mexico.

OVERVIEW

Group net fees decreased by 8%, with Temp & Contracting down 6% and Perm down 12%.

I'm pleased to confirm that strong consultant net fee productivity growth and cost discipline continues to offset our lower net fees. Although near term market conditions are likely to remain challenging, and we remain mindful of heightened global macro-economic uncertainty, we currently expect FY26 pre-exceptional operating profit will be in line with consensus.

I would highlight the following key items from the results:

1. Temp & Contracting net fees decreased by 6% as we saw a modestly stronger return to work in UK&I and ANZ, and the YoY decline in volumes and average hours worked in Germany was in line with our expectations during the quarter. Group Temp & Contracting volumes decreased by 5%

YoY including Germany down 9%, UK&I down 8%, ANZ down 6%, and RoW up 2%.

2. Perm net fees decreased by 12%, driven by a 15% decline in volumes as conversion of activity in UK&I and ANZ reduced modestly versus Q2. This was partially offset by a 3% increase in the Group average Perm fee supported by our actions to target higher salary roles.
3. We continue to manage our consultant capacity on a business line basis and, despite challenging markets, our actions delivered 7% YoY growth in average consultant net fee productivity in Q3 including notable increases in the UK&I and ROW. On a seasonally adjusted basis, productivity has increased now for a sector leading ten consecutive quarters. Consultant headcount reduced by 3% in the quarter and by 14% versus prior year.
4. We have continued to make strong progress towards our structural cost savings programme with a further £15m per annum savings delivered in Q3. We have now achieved £30m annualised savings in FY26, making excellent progress towards our target of £45m by FY29. In total, we have now delivered £95m annualised cumulative structural savings since the start of FY24. Our non-consultant headcount exited the quarter down 7% YoY.
5. The Group's net debt position was c.£15m which is in line with our expectations and reflects normal seasonal cashflows.

I will now comment on the performance by each division in more detail.

Our largest market of **GERMANY** saw fees down 11% YoY.

Temp & Contracting net fees decreased by 11% with volumes down 9% and a further 2% impact from negative hours and mix.

Temp & Contracting volumes remained solid overall with Return to Work in line with prior year and the YoY decline in average hours worked during the quarter, predominantly in our public sector and Enterprise clients, was in line with our expectations. These sectors hired in anticipation of fiscal stimulus, hence our placement volumes have been resilient, but hours worked remained softer in the quarter after federal budget approval was delayed.

Perm was sequentially stable through the quarter and the YoY decline in net fees eased to 10%.

At the specialism level, Technology and Engineering, our two largest specialisms, were flat year on year and down 27% respectively, the latter impacted by ongoing subdued performance of the Automotive sector. Accounting & Finance was down 22%. Construction & Property performed strongly once again with 37% net fee growth, driven by our focus on infrastructure and the energy sector, and it now contributes 9% of our net fees in Germany.

Consultant headcount decreased by 6% in the quarter and by 15% year-on-year. Net fee productivity increased by 5% YoY, driven by our ongoing focus on resource allocation, and we made strong progress with our structural cost savings initiatives.

In **UK & IRELAND**, fees decreased by 10% with a modestly stronger return to work in Temp & Contracting, down 6%, but Perm remained subdued, down 15%.

Fees in the private sector declined by 8% YoY, while the public sector was tougher down 13%.

At the specialism level, Technology, was flat versus prior year while Construction & Property and Accountancy & Finance decreased by 8% and 6% respectively. Enterprise net fees declined by 4%. Office Support was flat as our actions to target higher salary roles offset lower volumes in junior roles.

Consultant headcount decreased by 4% in the quarter and 16% year-on-year.

Consultant net fee productivity increased by 11% YoY and we made further good progress in improving operational efficiency. Once again, a key driver has been greater focus from our consultants on high skilled roles consistent with our Five Levers strategy. As a result, YoY growth in average candidate salary remained at 8% for Perm in Q3 and accelerated to 9% in Temp & Contracting.

As expected, our sustained focus on cost discipline, including ongoing initiatives to optimise our office portfolio and delayer management, has driven a further structural improvement in costs. We have made good progress towards building a higher quality, focused business and consequently anticipate improved profitability in the second half.

In **ANZ**, fees decreased by 2% YoY with modestly improved momentum in Temp & Contracting but Perm was more subdued.

Temp & Contracting decreased by 1% YoY with a return to work modestly ahead of previous years. Perm net fees, down 6%, slipped back into modest YoY decline as conversion of activity to placement became more challenging.

The Private sector decreased slightly by 1%, with the Public sector down 6%.

At the specialism level, Construction & Property (our largest at 21% of ANZ net fees) increased by 6% with Office Support and Accountancy & Finance up by 7% and 5% respectively. Technology declined by 11%.

Australia net fees were down 2% YoY with New Zealand at minus 11%

ANZ consultant headcount was up 2% through the quarter but decreased by 4% year-on-year. Driven by our focus on resource allocation, consultant net fee productivity grew by 7% YoY. As with the UK & Ireland, a key driver of our profit recovery has been greater focus from our consultants on high skilled roles. As a result, YoY growth in the average salary of our Perm placements was maintained at 5% in Q3.

In our **REST OF WORLD** division, comprising 24 countries, LFL fees decreased by 6%. Temp moved back into positive YoY growth and fees were up 3% but Perm declined by 12%. As a reminder, our total actual growth rate includes the impact from our previously communicated exits from operations in Chile, Colombia, Thailand, and Mexico.

In **EMEA ex-Germany**, net fees decreased by 8%. France, our largest RoW country, remained tough and loss-making with net fees down 17% but our actions to address productivity and costs are being delivered on plan and we continue to expect an improved performance in H2 26. Southern Europe performed strongly with Spain and Portugal again achieving record quarterly net fees, up 17% and 6% respectively. Poland grew by 2%.

In **Americas**, net fees decreased by 7%. The US and Canada were down 8% and 2% respectively. We have previously highlighted a “substantial” bid pipeline with large Enterprise clients in North America and I’m pleased to share that several contracts have now reached financial close with mobilisation anticipated over the coming quarters. Brazil, down 12%, was again challenging.

Asia net fees increased by 8% with improved activity overall through the quarter. Japan grew by 33% driven by strong growth in our Temp & Contracting business and an easy comparable. Mainland China grew by 16% and Hong Kong by 9%.

For RoW as a whole, consultant headcount decreased by 3% in the quarter and by 14% year-on-year.

Before moving to current trading, I wanted to take a few moments to update you on our strong **strategic progress** during the quarter. As we have previously shared with you, our initiatives to improve consultant net fee productivity in real terms through our Five Levers and structurally improve our cost-base will be key drivers of profit recovery.

Amidst challenging markets, we are executing well and continue to make significant operational progress. We continue to invest in high potential and high performing business lines and scale back or exit those with low performance and potential. As previously communicated, we have exited four countries over the last year and will continue to review our country portfolio in the medium term.

Consultant fee productivity, up 7% in the quarter, has increased for a sector leading ten consecutive quarters driven by careful allocation of consultants to business lines with the most attractive productivity and long-term structural growth opportunity, greater focus from our consultants on high skilled roles, and our investments to provide them with the best tools.

Within Temp & Contracting, net fee growth was positive in three of our eight Focus countries in Q3. At the group level, Temp & Contracting contributed 65% of net fees in the quarter.

In Enterprise Solutions, we have recently signed several new contracts which we expect to contribute to net fees over the coming quarters

And our programmes to structurally reduce our cost base are performing well with £95m per annum aggregate structural savings now secured since the start of FY24. We continue to make strong progress with our initiatives and expect the full financial benefits to build over time.

Moving on to **current trading and guidance**.

1. To date, we have observed minimal impact from developments in the Middle East, but we remain vigilant. Although we have limited forward visibility, given heightened levels of global macro-economic uncertainty, we expect near term Perm market conditions to remain challenging but expect greater resilience in Temp & Contracting to continue.
2. We were pleased once again with our net fee productivity through Q3 and believe our Group consultant headcount capacity is appropriate for current market conditions and therefore expect it to remain broadly stable in Q4 as we balance focused investment in high performing and potential business lines with improving productivity in more challenging areas.
3. We will continue to structurally reduce our cost base, to position Hays strongly for when end markets recover, and expect to make further substantial progress in Q4. As a result of the acceleration of our cost programme, we have incurred around £20m of exceptional restructuring costs to date in fiscal 2026.
4. There are no material working-day impacts anticipated in Q4 26.

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

Q&A

If that is all the questions, thank you again for joining the call.

I look forward to speaking to you next at our Q4 results on 10th July. Should anyone have any follow up questions, Kean, Prash and I will be available to take calls for the rest of the day.