HALF-YEAR REPORT

SIX MONTHS ENDED 31 DECEMBER 2024

20 February 2025

OPERATIONAL DISCIPLINE AND STRATEGIC PROGRESS IN CHALLENGING MARKETS

Six months ended 31 December (In £s million)	**2024**	2023	Actual growth	LFL growth
Net fees [(1)]	**496.0**	583.3	(15)%	(13)%
Operating profit (before exceptional items) [(2)]	**25.5**	60.1	(58)%	(56)%
Conversion rate [(3)]	**5.1%**	10.3%	(520) bps	
Profit before tax (before exceptional items) [(2)]	**19.0**	55.5	(66)%	(65)%
Profit before tax	**9.1**	27.6	(67)%	(66)%
Cash generated by operations [(4)]	**65.5**	67.3	(3)%	
Basic earnings per share (before exceptional items) [(2)]	**0.81p**	2.37p	(66)%	
Basic earnings per share	**0.19p**	0.77p	(75)%	
Core dividend per share	**0.95p**	0.95p	-	

Note: unless otherwise stated all growth rates discussed in this statement are LFL (like-for-like) net fees and profits, representing year-on-year organic growth of continuing operations at constant currency.

- **Group net fees decreased by 13%.** Temp & Contracting, down 9%, was more resilient than Perm, down 19%. As guided at our Q2 results, pre-exceptional operating profit decreased 56% YoY to £25.5 million, impacted by tough conditions in key markets, particularly towards the end of the half in Perm
- **Driving strategic progress despite challenging markets.** Driven by improved resource allocation, our 4% YoY consultant fee productivity increase in H1 25 is sector leading and net fees with Enterprise clients grew by 12% in Q2. Temp & Contracting was more resilient than Perm and included strong performances in several of our Focus countries
- **Further improvement in cost base** delivering additional c.£25 million per annum structural cost savings in H1 25 through operational restructuring and back office efficiency programmes, bringing aggregate savings since the start of FY24 to c.£55 million. Due to these actions, we incurred a £9.9 million exceptional charge
- **Strong cash flow** with 257% cash conversion and net cash of £29.0 million. During the half, we refinanced our revolving credit facility and completed the full buy-in of our defined benefit pension which is expected to have a materially positive impact on free cash flow from FY26
- The Board proposes an **unchanged interim dividend** of 0.95 pence per share
- New Year Temp & Contracting **Return to Work** volumes are building in line with prior year in UK&I and ANZ, although are modestly behind in Germany. Perm remains tough overall, with slower decision-making impacting time-to-hire

Dirk Hahn, Chief Executive Officer, commented:

"Our focussed strategy has five levers designed to build a structurally more profitable, resilient and growing business and, despite ongoing macroeconomic uncertainty, we have remained relentlessly focussed on delivering them. Our 4% consultant fee productivity increase is sector leading, our structural cost savings initiatives are progressing well, net fee growth in Enterprise accelerated to 12% in Q2, and Temp & Contracting net fees are growing strongly in several of our Focus countries. However, we continue to face considerable headwinds from economic conditions and our like-for-like operating profit declined by 56% YoY. The Board and I are very grateful for the deep commitment shown by all our colleagues through this challenging period.

We remain focussed on long-term growth markets underpinned by our culture and talented colleagues worldwide. Our key markets are being driven by powerful, supportive megatrends and remain characterised by significant talent shortages, which we help solve for our clients. When client and candidate confidence improves and the cycle recovers, I am confident we will deliver a healthy drop through of net fees to operating profit."

(1) Net fees comprise turnover less remuneration of temporary workers and other recruitment agencies.

(2) Exceptional items for the six months to 31 December 2024 of £9.9 million relate to restructuring charges; the prior year charge of £27.9 million consists of goodwill impairment of £15.3 million and a restructuring charge of £12.6 million

(3) Conversion rate is the conversion of net fees into pre-exceptional operating profit

(4) Cash generated by operations is stated after lease payments of £27.1 million (H1 24: £26.2. million). Cash conversion represents cash generated by operations divided by pre-exceptional Group operating profit.

(5) Underlying Temp margin is calculated as Temp net fees divided by Temp gross revenue and relates solely to Temp placements in which Hays generates net fees. This specifically excludes transactions in which Hays acts as agent on behalf of workers supplied by third party agencies and arrangements where Hays provides major payrolling services.

(6) Represents percentage of Group net fees and pre-exceptional operating profit.

(7) Due to our internal Group reporting cycle, the Group's annual cost base equates to c.12.3x our cost base per period.

Enquiries

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Results presentation & webcast

Our results webcast will take place at 9.00am on 20 February 2025. To register for the webcast only, please click or copy https://edge.media-server.com/mmc/p/s3644ynw To register and be able to ask questions via our audio link, please click or copy this link https://register.vevent.com/register/BI0c4b0b219b9f402cb6092c437010f00e

A recording of the webcast will be available on our website later the same day along with a copy of this press release and all presentation materials.

Reporting calendar

Trading update for the quarter ending 31 March 2025 (Q3 FY25)	16 April 2025
Trading update for the quarter ending 30 June 2025 (Q4 FY25)	11 July 2025
Full-year results for the year ending 30 June 2025 (FY 25)	21 August 2025

Hays Group overview

As at 31 December 2024, Hays had c.10,300 employees in 225 offices in 33 countries. In many of our global markets, the vast majority of professional and skilled recruitment is still done in-house, with minimal outsourcing to recruitment agencies, which presents substantial long-term structural growth opportunities. This has been a key driver of the diversification and internationalisation of the Group, with the International business representing 80% of the Group's net fees in H1 FY25, compared with 25% in FY05.

Our consultants work in a broad range of industries covering recruitment in 21 professional and skilled specialisms. Our four largest specialisms of Technology (25% of Group net fees), Accountancy & Finance (15%), Engineering (11%) and Construction & Property (11%) collectively represented c.62% of Group net fees in H1 25.

In addition to our international and sectoral diversification, in H1 FY25 the Group's net fees were generated 62% from temporary and 38% from permanent placement markets. This well-diversified business model continues to be a key driver of the Group's financial performance.

Current trading

Our Temp & Contracting New Year 'return to work' has been in line with the prior year in the UK&I and ANZ.

Temp & Contracting volumes in Germany are rebuilding modestly behind the prior year driven by automotive related headwinds in Temp but greater resilience in Contracting. Germany Temp & Contracting average hours worked remain sequentially stable and, as expected due to the easier comparable, the YoY headwind is likely to be modest in Q3 25.

Perm job flow and activity levels are in line with pre-Christmas levels and remain tough in EMEA (particularly France), UK&I, and Germany. We continue to see slower client and candidate decision-making, leading to a longer time-to-hire.

At a Group level there are no material working-day effects in H2 FY25. However, Easter falls entirely in Q4, while in FY24 it was evenly split between Q3 and Q4. We expect this to have a c.1% positive impact on year-on-year net fee growth in Q3 FY25, with a corresponding c.1% headwind to Q4 FY25.

As previously reported, we expect Group consultant headcount will remain broadly stable in Q3 25. We will also continue to deliver further structural cost efficiencies which will further reduce our cost base per period[7] in H2 25.

H1 25 operational and strategic review

Market backdrop and trading summary

Market conditions remained challenging in H1 25, as economic and political uncertainty weighed on client and candidate confidence driving lower placement volumes and a material lengthening of our 'time-to-hire'. Nevertheless, our YoY net fee decline moderated slightly, down 13% in H1 25 from down 15% in H2 24.

Temp & Contracting net fees decreased by 9% and were sequentially stable through the half. Volumes declined by 6% YoY and the combined impact of margin and mix reduced net fees by a further 3%. Importantly, net fee growth was positive in five of our Focus countries driven by good volume growth in structurally attractive markets.

Perm net fees decreased by 19% and slowed through the second quarter in EMEA, UK&I, and Germany. Markets were subdued but stable elsewhere. A 22% volume decline was partially offset by 3% higher average pricing.

A prolonged feature of our key markets over the last 18 months has been relatively high activity levels and solid levels of job inflow so our consultants remain busy and have worked extremely hard. The Board is very grateful for this as well as the deep commitment shown by all our colleagues. However, closing placements has been harder with a significant impact on our average placement volume per consultant, or volume productivity, which currently sits below normal levels. This has created a headwind to Group profitability and conversion rate.

Despite this, our business line prioritisation and improved resource allocation of consultants to strategically important markets has resulted in a sector leading productivity increase and net fees per consultant were up 4% YoY in H1 25. We have worked hard to balance cost reductions with protecting our productive capacity in key markets. Consultant headcount declined sequentially by 3% during the half, through a mix of natural attrition and performance management.

Non-consultant headcount declined by 18% YoY, which included accelerating our back-office efficiency programmes, the restructuring of operations in several regions, and delayering of management. These projects drove a further c.£25 million structural cost reduction in addition to the c.£30 million savings delivered in FY24. Overall, our actions have structurally lowered our costs by c.£55 million per annum since the start of the last fiscal year. The Group's periodic cost base was reduced from c.£81 million in Q4 FY24 to c.£77 million in Q2 FY25.

Despite these actions, Group pre-exceptional operating profit declined by 56%.

Building a structurally more resilient, profitable and growing business

We are making progress on our strategy to build a structurally more resilient, profitable and growing business underpinned by our culture and talented colleagues worldwide. Through our five levers, we will achieve this by increasing our exposure to the most in-demand future job categories, growing industries and end-markets, higher skilled and higher paid roles, non-Perm recruitment 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.

Business line prioritisation, optimised resource allocation, and scaling our eight Focus countries will establish a broader base and enable the Group to return to, and then exceed, our previous peak profits of £250 million.

Our Focussed strategy and Golden Rule

We are market leaders in some of the most attractive, long-term growth recruitment markets globally and our focussed strategy, announced at our H1 24 results, is designed to better position Hays to benefit from recovery and capitalise on our many long term growth opportunities. We intend to build a structurally more profitable, resilient and growing business underpinned by our culture and talented colleagues worldwide.

As a reminder, our focussed strategy is based on five key strategic levers:

1. Enhancing our leading positions in the most in-demand job categories
2. Increased focus on resilient and growing end markets, including STEM
3. Greater focus on higher skilled, higher paid roles
4. Increasing the proportion of non-Perm fees in our businesses
5. Building stronger relationships with our clients and candidates

For strategic levers 1, 2 and 3 we will make better use of data to track growth in job categories and evaluate each business line's performance and investment plans against local market opportunities. We are closely tracking our progress in areas like STEM recruitment, and the development of our pricing and average candidate salary.

Non-Perm is highly complementary to many of our future job categories and targeted resilient industries. For lever 4, we will closely manage our resources in-country, and better automate our end-to-end Temp workflow, reducing compliance and admin time, and costs.

For lever 5, we will assess the delivery models in place and drive productivity in our delivery teams. In Enterprise, we are gaining a better understanding of the client's needs and structure, and have increased our network effect within them to win market share.

Recognising that each Hays country faces a different starting point, we have defined three categories based on current market position, expertise, management capability and the strength and depth of these five strategic levers:

- **Key Countries** (Germany, Australia and the UK), where we have the management expertise, scale, structure and track record to both increase our conversion rates and materially grow each business.
- **Focus Countries** (Austria, France, Italy, Japan, Poland, Spain, Switzerland and the USA) are future key drivers of long-term growth and will deliver greater profit diversity.
- **Emerging Countries** represent the 22 countries in our global network. Each has the potential to be an attractive growth market and are also important from a network standpoint to service our Enterprise clients.

However, we expect all business lines to be able to deliver a conversion rate of at least 25% (pre-central costs) in normal market conditions, with an overall Group conversion rate of 22-25%.

We intend to maintain operational rigour, retain structural cost savings, and deliver a healthy drop through of net fee growth to operating profit during an upturn consistent with our Golden Rule that operating profit growth should be greater than fee growth, which should in turn exceed headcount growth through the cycle. Business line prioritisation, optimised resource allocation, and scaling our eight Focus countries will establish a broader base and enable the Group to achieve its long-term objective of returning to, and then exceeding, our previous peak profits of £250 million.

Driving strategic progress despite challenging markets

Since launching the new strategy, we have instigated a cultural shift in our mindset to focus as much on delivering profit growth as well as net fees. Guided by our Golden Rule, we will maintain a disciplined approach to consultant headcount investment.

Cultural change has been further embedded thorough several personnel changes over the last 18 months including dedicated Chief Technology Officer and Chief People Officer leadership positions, and we have announced an external appointment to lead the UK&I business, Thomas Way, who joins Hays in June. These appointments add external experience and fresh thinking which complements the deep operational knowledge provided by the CEO, the CFO, and the divisional CEOs.

We have applied a more forensic analysis of our business lines to focus on those with most attractive productivity and conversion rates and have removed split Perm/Temp desks and 180 degree consultants where appropriate to optimise our delivery models.

Despite challenging markets, we are driving strategic progress and are pleased with progress during the half year.

1. Business line prioritisation and optimised resource allocation have resulted in a sector leading productivity increase over the last two quarters
2. Net fees with our Enterprise clients are growing well
3. Net fees in Temp & Contracting are more resilient than Perm, and are growing strongly in several Focus countries
4. We secured an additional c.£25 million per annum in structural cost savings

1. Sector leading productivity momentum over the last two quarters

Consultant net fee productivity increased YoY by 5% and 4% respectively in Q1 and Q2 and our momentum has led the sector over this period. On a seasonally adjusted basis, adjusting for our quieter second quarter, productivity has increased now for five consecutive quarters driven by our continued focus on operational rigour and resource allocation.

In the US, consultant fee productivity is up 40% YoY and the business has moved from monthly losses a year ago to consistent profitability. After an extensive review, our new management team closed business lines and offices where we lacked appropriate leadership and critical mass, and now has a highly focussed core. With the correct operational rigour now in place, we intend to seize growth opportunities and scale up, while maintaining our disciplined approach to headcount investment and our Golden Rule.

In ANZ, consultant fee productivity has improved by 12% YoY to its highest level since FY22. Our new management team has increased accountability and alignment to a performance based culture. We have removed split Perm/Temp desks, more clearly differentiated between 180 and 360 degree consultants, and moved up the value chain in Temp & Contracting. Going forward, we will intensify our initiatives to target high skilled roles in the most in-demand job categories with faster growing end markets.

In the UK&I, we have more actively managed our less productive consultant population to transition to a more focussed core and secured structural savings in both front and back office functions. We transferred more than 50 Healthcare and Social Care consultants to Construction & Property and Senior Finance, reallocating them from roles with £6k per period fee productivity and a 5% conversion rate to specialisms where they can generate more than £10k fee productivity and a mid-teens % conversion rate within 12 months. Technology and Enterprise were highlights during the half, with productivity up by double digits, driven mainly by Temp & Contracting. Momentum was also positive in Construction & Property.

2. Enterprise net fee growth accelerated to 12% in Q2 FY25

Hays provides a range of recruitment and other HR services to Enterprise clients including blue chip, government and other large organisations. These tend to be delivered under more complex and structured agreements, such as MSP and RPO.

Enterprise delivered a strong performance in the half, with 9% net fee growth including an acceleration to 12% in the second quarter, driven by in-contract growth with existing clients and several new wins. In our view, net fees are likely to be approximately £225-250 million in FY25 which, in contrast to broader labour markets, is stable versus the recent FY23 peak and validates our strategy to win market share with Enterprise clients.

Our positive momentum was supported by several factors:

1. We grew within existing clients driven by headcount investment, higher fill rates, and geographic expansion. The latter is a key element of our ‘Enterprise Solutions Global Strategy’ and 24 Enterprise clients appointed Hays to provide services in additional countries in the first half.
2. We secured new clients including first generation MSP outsourcing opportunities and rewarding wins from competitors.
3. Underpinned by our service quality, which 3M recently recognised when they announced Hays as their supplier of the year, we have retained key contracts including a three-year renewal with AstraZeneca which will extend our relationship to 25 continuous years.

Enterprise currently has a substantial bid pipeline and we look forward to updating you further during 2025.

3. Temp & Contracting net fees have been more resilient than Perm

Our five levers include the intention to increase the proportion of non-Perm net fees in our businesses. In contrast to Perm, Temp & Contracting net fees were resilient and sequentially stable through the half and the contribution to Group increased to 62% from 59% in H1 24.

The YoY decline in Temp & Contracting net fees moderated to -9% in H1 25. Growth was positive in five of our eight Focus countries in the first half, including notably strong performances in the USA, Spain, Poland and Italy, and profitability increased.

- Italy (H1 25 Temp & Contracting net fees +42%) as our business line prioritisation and optimised resource allocation initiatives generated attractive returns
- Poland (+27%) despite client and candidate nervousness regarding high inflation, political uncertainty, and challenges in neighbouring Germany and Ukraine, due to strong handling of large contracting accounts and an agile MSP offering
- Spain (+8%) driven by a large new client win, changes to the operating model and increased operational rigour
- USA (+7%) following earlier initiatives to focus on a narrower range of business lines and Enterprise client successes
- Austria (+2%) driven by focus on key industries such as Life Sciences, Energy, Manufacturing/Engineering, and IT Services

4. An additional c.£25 million per annum of structural cost savings

Our cost base declined by 8% YoY in H1 25 and, on a periodic and constant currency basis, from c.£81 million in Q4 FY24 to c.£77 million in Q2 FY25. Our programme to deliver c.£30 million per annum structural back-office efficiency cost savings by the end of FY27, notably in our finance and technology functions, is progressing well and we exited the period with a c.£13 million per annum saving run-rate against this target.

In addition, we generated c.£12 million annual savings from operational efficiencies including restructuring operations in Germany and the UK&I, and closing or merging 11 offices, ending the half with 225 offices. We have removed duplicated costs, delayered management, outsourced selective opportunities, further standardised and globalised processes, and expanded our shared service centres. Non-consultant headcount declined by 18% YoY.

As a result of these actions, we incurred exceptional restructuring charges of £9.9 million[(2)], detailed on page 8. Due to the ongoing and multi-year nature of our restructuring and transformation programmes we expect to incur further exceptional costs in H2 25.

Financial Review

Summary Income Statement

Six months ended 31 December

(In £s million)	**2024**	2023	Growth Reported	Growth LFL
Turnover	**3,365.4**	3,538.4	(5)%	(3)%
Temp	**305.7**	341.6	(11)%	(9)%
Perm	**190.3**	241.7	(21)%	(19)%
Net fees (1)	**496.0**	583.3	(15)%	(13)%
Operating costs	**(470.5)**	(523.2)	(10)%	(8)%
Operating profit (before exceptional items) (2)	**25.5**	60.1	(58)%	(56)%
Operating profit (after exceptional items) (2)	**15.6**	32.2	(52)%	(50)%
Conversion rate (3)	**5.1%**	10.3%		
Underlying Temp margin (5)	**14.8%**	15.2%		
Temp net fees as % of total net fees	**62%**	59%		
Period-end consultant headcount	**6,810**	7,971	(15)%	
Period-end non-consultant headcount	**3,526**	4,307	(18)%	

Turnover for the six months ended 31 December 2024 decreased by 3% (5% on a reported basis). Net fees for the six-months ended 31 December 2024 decreased by 13% on a like-for-like basis, and by 15% on a reported basis, to £496.0 million. This represented a like-for-like fee decline of £74.0 million versus the prior year. The higher net fee decline compared to turnover was due to the relatively resilient performance in Temp & Contracting versus Perm, and the impact of greater resilience in our Enterprise MSP contracts.

Temp & Contracting net fees (62% of Group) decreased by 9%. Volumes declined by 6% YoY, with a further 2% or c.£8 million fee impact from lower average hours worked per contractor in Germany. We also saw a decrease of 1% from lower Temp rates, and a 40bp YoY decline in our underlying Temp margin(5) to 14.8%, due to stronger growth in Enterprise clients which tend to be slightly lower margin.

Perm net fees (38% of Group) decreased by 19%. Perm volumes were down by 22% driven by lower job inflow and extended hiring processes. As with prior years, this was partially offset by growth in our average Perm fee, up 3%. Net fees in the Private sector (84% of Group), decreased by 12%, with the Public sector also challenging, down 18%.

Our largest global specialism of Technology (25% of Group net fees) decreased by 15%, with Perm significantly more challenging than Temp & Contracting. Accountancy & Finance decreased by 11%, which included Senior Finance outperforming Junior Finance. Construction and Property was down 9%, with Engineering also down 14%. Our Enterprise business was strong and net fee growth accelerated to 9% in H1 25, driven by good performance in MSP contracts and several new client wins.

Operating Profit declined but we are structurally improving Hays despite challenging markets

H1 25 pre-exceptional(2) Group operating profit of £25.5 million represented a like-for-like decrease of 56% (down 58% reported). The Group conversion rate(2) decreased by 520 bps year-on-year to 5.1%.

Like-for-like operating costs decreased by 8% YoY or £41.0 million (£52.7 million on reported basis, down 10%). This was driven by a 14% lower average Group headcount, lower commissions and bonuses, and reduced operational overhead spend. This was partially offset by our own salary increases and underlying cost inflation, notably insurance costs.

Exchange rate movements decreased net fees and operating profit by £13.3 million and £1.6 million, respectively. This resulted from the strengthening in the average rate of exchange of sterling versus our main trading currencies, notably the Euro. Currency fluctuations remain a significant Group sensitivity.

Exceptional restructuring charge

During the six months ended 31 December 2024, the Group incurred an exceptional restructuring charge of £9.9 million (H1 24: £27.9 million).

In the United Kingdom & Ireland division, we closed our Statement of Works business, restructured management and several of our back office functions to better position the business going forwards. Alongside this, the Group also restructured the operations of the Statement of Works business in Germany. The restructuring exercises led to the redundancy of a number of employees, including senior management, operational, and back-office positions at a combined cost of £4.0 million. The Group also incurred a £5.9 million exceptional charge in relation to the Technology Transformation and Finance Transformation programmes, comprising both staff costs and third-party costs. These costs are considered exceptional given their size and impact on business operations.

The cash impact of the exceptional charge in the half-year was £5.5 million, with an additional £10.4 million of cash payments in respect of the prior year exceptional charge.

During the prior year, the Group incurred an exceptional charge of £27.9 million in the first half. Of this, £12.6 million related to a restructuring charge and the remaining £15.3 million was non-cash, related to the partial impairment of goodwill in the US business.

Net finance charge

The net finance charge for H1 25 was £6.5 million (H1 24: £4.6 million). The increase YoY was primarily due to a £2.1 million increase in net bank interest payable (including amortisation of arrangement fees) to £3.4 million (H1 24: £1.3 million) due to higher average drawings on the Group's revolving credit facility. A £0.8 million charge on defined benefit pension scheme obligations (H1 24: £0.8 million) is non-cash. The non-cash interest charge on lease liabilities under IFRS 16 was £2.3 million (H1 24: £2.4 million) and The Pension Protection Fund levy was £nil (H1 24: £0.1 million).

We expect the net finance charge for FY25 to be c.£13 million due to higher average drawings on our revolving credit facility.

Taxation

The tax charge for the six months ended 31 December 2024 of £6.1 million (H1 24: £15.3 million) represented a pre-exceptional effective tax rate of 32.1% (H1 24: 32.0%). On a post-exceptional basis, the effective tax rate was 67.0% in which a £2.1 million tax credit in respect of exceptional items was offset by a £2.1 million tax charge arising from the derecognition of a deferred tax asset, following the pension buy-in.

Earnings per share

The Group's pre-exceptional basic earnings per share (EPS) of 0.81p was 66% lower than the prior year. The reduction was primarily driven by the lower pre-exceptional operating profit together with the higher net finance charge as noted above. On a post-exceptional basis, EPS of 0.19p was down 75% YoY.

Balance sheet and cash generation

Our net cash position at 31 December 2024 was £29.0 million. We converted 257% of operating profit(2) into operating cash flow(4), up year-on-year (H1 24: 112%(4)) due to a working capital inflow of £31.0 million in H1 25 (H1 24: £3.6 million outflow) as Temp fees and placements reduced. Debtor days increased slightly to 37 days (H1 24: 36 days), largely due to greater resilience in our Enterprise client business which have longer payment terms than the Group average. Debtor days remain below pre-pandemic levels and our aged debt profile remains strong. Group bad debt write-offs remain in line with H1 24 and are at historically low levels.

Cash tax paid in the half-year was £6.6 million (H1 24: £28.5 million). Net capital expenditure was £9.9 million (H1 24: £13.7 million), with continued investments in infrastructure and cyber security. We expect capital expenditure will be c.£25 million in FY25.

Company pension contributions were £21.0 million (H1 24: £9.1 million) which comprised £8.4 million in respect of normal pension deficit contributions and an additional £12.6 million related to the full pension buy-in completed in December 2024. There will be no further deficit contributions following the scheme's full buy-in in December 2024, which will provide a material cash flow benefit from FY26.

Net interest paid was £3.4 million (H1 24: £1.3 million). The cash impact of exceptional restructuring charge in H1 25 was £15.9 million.

During the half-year we paid a £32.6 million final core dividend for FY24.

Retirement benefits

As previously announced, on 9 December 2024, Hays Pension Trustee Limited in agreement with Hays plc entered into a £370 million bulk purchase annuity policy (buy-in) contract with Pension Insurance Corporation plc ("PIC"). Building on the purchase of a bulk annuity policy with Canada Life for a premium of £270.6 million on 6 August 2018, the new PIC policy fully insures the Scheme's remaining benefit obligations. The impact of this transaction is reflected in the IAS 19 valuation as at 31 December 2024.

The Group's pension position under IAS 19 at 31 December 2024 has resulted in a surplus of £nil (31 December 2023: surplus of £26.4 million, 30 June 2024: surplus of £19.4 million). The reduction in the surplus since 30 June 2024 is primarily due to the impact of the full pension buy-in, as noted above. The transfer to provisions of £7.2 million comprises the unfunded pension scheme (£5.2 million), which was not part of the buy-in due to the members' benefits being outside of the Registered Pension Regime, and the net impact of anticipated post buy-in adjustments on the scheme (£2.0 million).

Interim dividend

Our business model remains highly cash generative. The Board's free cash flow priorities are to fund the Group's investment and development, maintain a strong balance sheet, deliver a progressive, sustainable and appropriate core dividend and to return any surplus cash to shareholders through a combination of special dividends and share buybacks subject to the economic outlook.

The Board has declared an unchanged interim core dividend of 0.95 pence per ordinary share, reflecting our strong cash flow and the Board's confidence in the Group's strategy. The dividend is covered 0.9x by pre-exceptional EPS.

The interim dividend will be paid on 9 April 2025 to shareholders on the register on 28 February 2025. A Dividend Reinvestment Plan (DRIP) is provided by Equiniti Financial Services Limited. The DRIP enables the Company's shareholders to elect to have their cash dividend payments used to purchase the Company's shares. More information can be found at *www.shareview.co.uk/info/drip*. The deadline to elect to participate in the DRIP is 19 March 2025.

Foreign exchange

Overall, net currency movements versus sterling negatively impacted results in the half-year, decreasing net fees by £13.3 million, and operating profit by £1.6 million, primarily due to the strengthening of sterling versus the Euro.

Fluctuations in the rates of the Group's key operating currencies versus sterling represent a significant sensitivity for the reported performance of our business. By way of illustration, based on our FY24 results, each 1 cent movement in annual exchange rates of the Euro and Australian dollar impacts net fees by c.£4.4 million and c.£1.0 million respectively per annum, and operating profits by c.£0.7 million and c.£0.1 million respectively per annum.

The rate of exchange between the Australian dollar and sterling over the year averaged AUD $1.9534 and closed at AUD $2.0254. As at 18 February 2025 the rate stood at AUD 1.9855. The rate of exchange between the euro and sterling over the half-year averaged €1.1925 and closed at €1.2097. As at 18 February 2025 the rate stood at €1.2060.

The strengthening of sterling versus our main trading currencies of the Euro and Australian dollar is currently a modest headwind to Group operating profit in FY25.

Movements in consultant headcount and office network changes

Consultant headcount at 31 December 2024 was 6,810, down 15% year-on-year and 26% lower versus peak (Q1 23). Total Group headcount decreased by 16% year-on-year, including the impact of our restructuring programmes noted earlier. Given our focus on driving consultant productivity in recent quarters, we believe our consultant capacity is appropriate for current market conditions and expect overall consultant headcount will remain broadly stable in Q3 25. We expect total group headcount will decrease slightly as we continue our back-office efficiency programmes.

Consultant headcount	**31 Dec 2024**	31 Dec 2023	*Net change YoY*	30 Jun 2024	*Net change (vs. 30 Jun 2024)*
Germany	**1,784**	2,055	*(13)%*	1,858	*(4)%*
United Kingdom & Ireland	**1,503**	1,800	*(17)%*	1,629	*(8)%*
Australia & New Zealand	**714**	887	*(20)%*	729	*(2)%*
Rest of World	**2,809**	3,229	*(13)%*	2,829	*(1)%*
Group	**6,810**	7,971	*(15)%*	7,045	*(3)%*

As part of our focus on operational rigour, we closed or consolidated 11 locations in H1 25.

Office network	**31 Dec 2024**	31 Dec 2023	*Net change YoY*	30 Jun 2024
Germany	**26**	26	-	26
United Kingdom & Ireland	**70**	85	*(15)*	75
Australia & New Zealand	**35**	38	*(3)*	37
Rest of World	**94**	100	*(6)*	98
Group	**225**	249	*(24)*	236

Germany

Relative resilience in a challenging market

Six-Months ended 31 December (In £s million)	2024	2023	Growth Reported	Growth LFL
Net fees (1)	**157.1**	186.2	(16)%	(13)%
Pre-exceptional operating profit (2)	**27.5**	40.8	(33)%	(31)%
Conversion rate (3)	**17.5%**	21.9%		
Period-end consultant headcount	**1,784**	2,055	(13)%	

Our largest market of Germany saw net fees decrease by 13% to £157.1 million. Operating profit(2) decreased by 31% to £27.5 million at a conversion rate of 17.5% (H1 24: 21.9%). Currency impacts were negative in the year, decreasing net fees by £5.3 million and operating profit by £1.6 million.

We continue to see greater resilience in Contracting but more challenging markets in Temp where we have greater exposure to the Automotive sector. Client cost controls again drove a 5% reduction in average hours worked, and a c.£8 million YoY headwind to net fees and operating profit. Hours worked were sequentially stable through the half and the comparable eases from next quarter. Activity levels remain subdued in Perm as client decision making slowed during the half and we saw a corresponding reduction in placements in Q2.

Temp & Contracting, (84% of Germany net fees), decreased by 11%. This was driven by 9% decline in volumes and 5% from average hours worked, partially offset by a 3% increase in pricing and mix, benefiting from our pricing initiatives and targeting of resilient sectors.

In Perm, net fees decreased by 22%, including Q2 down 27%. This resulted from a 25% decrease in Perm volumes, partially offset by a 3% increase in our average Perm fee.

At the specialism level, our largest specialism of Technology (33% of Germany net fees), decreased by 14%, with Engineering, our second largest, down 18%. Construction & Property increased by 7% with Accountancy & Finance and HR down 1% and 33% respectively. Net fees in our Public sector business (16% of Germany net fees) decreased by 9%.

Although conditions were tough, and after several years of significantly outperforming the market, in H1 25 we further consolidated our market-leading share in Germany. Fees with outsource / MSP clients were up slightly in the year, demonstrating greater resilience than more transactional parts of the market, and overall we are very well-positioned to benefit from recovery when it comes.

Significant actions were also taken to restructure Germany, notably in our Statement of Works business, and details of the resulting exceptional costs are provided in note 3. Consultant headcount decreased by 13% YoY.

United Kingdom & Ireland

Significant actions taken to better position the business

Six months ended 31 December (In £s million)	2024	2023	Growth Reported	Growth LFL
Net fees [1]	**97.4**	118.1	(18)%	(17)%
Pre-exceptional operating loss [2]	**(6.5)**	5.7	(214)%	(214)%
Conversion rate [3]	**(6.7)%**	4.8%		
Period-end consultant headcount	**1,503**	1,800	(17)%	

In the United Kingdom & Ireland ("UK&I"), net fees decreased by 17% to £97.4 million. Operating loss[2] of £6.5 million represented a decrease of 214% versus the prior year, at a conversion rate of minus 6.7% (H1 24: 4.8%).

Temp & Contracting net fees were sequentially stable through the half but Perm slowed in Q2 impacted by reduced client and candidate confidence. Given the pace of decline in net fees we incurred negative operating profit leverage, which was amplified by a soft exit rate.

Temp & Contracting (59% of UK&I), decreased by 13%, with volumes down 11% and the mix of price and margin down 2%. Our Perm business saw net fees decrease by 22%, with volumes down 24%, partially offset by a 2% increase in average fee. The Private sector (69% of UK&I net fees) declined by 14% but the Public sector was tougher, down 23%.

Significant actions were taken to restructure the UK&I business appropriately for market conditions and to better position the business going forwards. We have more actively managed our less productive consultant population to transition to a more focussed core and secured structural savings in front and back office functions. Since June 2024, we have reduced our office footprint by 7%, delayered our management structure, closed our Statement of Works business, and we have today announced a new external hire to lead the UK&I who will join Hays in June 2025. Consultant headcount decreased by 17% YoY. Details of the resulting exceptional costs are provided in note 3.

We transferred more than 50 Healthcare and Social Care consultants to Construction & Property and Senior Finance, reallocating them from roles with £6k per period fee productivity and a 5% conversion rate to specialisms where they can generate more than £10k fee productivity and a mid-teens conversion rate within 12 months. Technology and Enterprise were highlights during the half, with productivity up by double digits, driven mainly by Temp & Contracting. Momentum was also positive in Construction & Property.

All UK regions traded broadly in line with the overall UK&I business, except for Northern Ireland, flat, Yorkshire and North, down 32%, and South West, down 26%. Our largest region of London decreased by 16%, while Ireland declined by 27%. Direct outsourced net fees with Enterprise clients performed strongly, up 9%.

Our largest UK&I specialism of Accountancy & Finance decreased by 19%, with Construction & Property down 9%. Technology and Office Support decreased by 27% and 24% respectively.

Australia & New Zealand

Good progress in driving improved productivity despite tough market conditions

Six months ended 31 December (In £s million)	2024	2023	Growth Reported	Growth LFL
Net fees [1]	**60.4**	74.3	(19)%	(17)%
Pre-exceptional operating profit [2]	**1.4**	6.4	(78)%	(78)%
Conversion rate [3]	**2.3%**	8.6%		
Period-end consultant headcount	**714**	887	(20)%	

In Australia & New Zealand ("ANZ"), net fees decreased by 17% to £60.4 million, with operating profit[2] down 78% to £1.4 million. This represented a conversion rate of 2.3% (H1 24: 8.6%). Currency impacts were negative in the year, decreasing net fees by £1.4 million and operating profit by £0.1 million.

Temp & Contracting net fees (68% of ANZ) decreased by 11%, with volumes down 15%, but remained sequentially stable through the half. Perm net fees decreased by 28%, with volumes down 29%. The Private sector (62% of ANZ net fees), declined by 17%, with Public sector net fees down 17%.

Although conditions in ANZ remain challenging, we maintained our market share in Australia and our new management team has increased accountability and alignment to a performance-based culture. Consultant fee productivity improved by 12% YoY to its highest level since FY22. We have removed split Perm/Temp desks, more clearly differentiated between 180 and 360 degree consultants, and moved up the value chain in Temp & Contracting. Going forward, we will intensify our initiatives to target high skilled roles in the most in-demand job categories with faster growing end markets.

Australia, 94% of ANZ, saw net fees decrease by 16%. New South Wales and Victoria decreased by 20% and 21% respectively. Queensland fell by 5%, with ACT down 18%. At the ANZ specialism level, Construction & Property (19% of net fees), decreased by 17%, with Technology down 11%. Accountancy & Finance decreased by 21%. New Zealand net fees decreased by 35%.

ANZ consultant headcount declined by 20% YoY.

Rest of World

EMEA Perm slowed through the half, negatively impacting operating profit. Improved profitability in Asia and the Americas

Six months ended 31 December (In £s million)	2024	2023	Growth Reported	Growth LFL
Net fees [1]	**181.1**	204.7	(12)%	(9)%
Pre-exceptional operating profit [2]	**3.1**	7.2	(57)%	(55)%
Conversion rate [3]	**1.7%**	3.5%		
Period-end consultant headcount	**2,809**	3,229	(13)%	

Net fees in our Rest of World ("RoW") division, which comprises 28 countries, decreased by 9%. Temp & Contracting (42% of RoW) performed well and was up 3% YoY, whilst Perm was down 16% as markets slowed through the half in EMEA. Operating profit[2] decreased by 55% to £3.1 million, with RoW operating costs down 7% YoY, representing a conversion rate of 1.7% (H1 24: 3.5%). Currency impacts were negative, decreasing net fees by £6.4 million and operating profit by £0.3 million.

EMEA ex-Germany (62% of RoW) net fees decreased by 12%. France, our largest RoW country, decreased by 19%, as activity slowed through the half, particularly with the impact of elections being felt across Northern Europe. Southern Europe was more resilient with Portugal flat, Italy increasing by 1%, and Spain down 5%. Switzerland, Poland, and Austria decreased by 12%, 8% and 2% respectively. In response to market conditions, we reduced EMEA ex-Germany consultant headcount by 14% YoY.

The Americas (22% of RoW) was resilient with net fees flat YoY led by stronger performances in Canada and the US, up 7% and 3% respectively. US consultant fee productivity increased by 40% YoY and the country has moved from monthly losses a year ago to a consistent profitability. After an extensive review, our new management team closed business lines and offices where we lacked critical mass, and now has a highly focussed core. Latam, down 20%, was more challenging. Overall, having been modestly loss-making in H1 24 the Americas returned to profit in H1 25.

Asia (16% RoW) net fees decreased by 8%, with Mainland China up 14%, and our actions taken to reduce costs drove a return to profitability in China. Japan and Malaysia net fees decreased by 1% and 11% respectively. Overall, Asia delivered 42% operating profit growth in H1 25.

Overall consultant headcount in the RoW division decreased by 13% YoY. EMEA ex-Germany consultant headcount decreased by 14%, the Americas decreased by 20% and Asia was down 2%.

Purpose, Net Zero, Equity and our Communities

Our purpose is to benefit society by investing in lifelong partnerships that empower people and organisations to succeed, creating opportunities and improving lives. Becoming lifelong partners to millions of people and thousands of organisations also helps to make our business sustainable. Our core company value is that we should always strive to 'do the right thing' by acting in the best interests of our candidates, clients, colleagues and communities. Linked to this and our commitment to Environmental, Social & Governance (ESG) matters, Hays has shaped its Sustainability Framework around the United Nations Sustainable Development Goals (UNSDG's), and further details can be found on pages 48-78 of our FY24 Annual report.

Treasury management

The Group successfully refinanced the existing £210 million revolving credit facility in October 2024 at the increased value of £240 million. The new facility will expire in October 2029 with options to extend by a further two years by agreement. The financial covenants within the facility remain unchanged and require the interest cover ratio (EBITDA to interest) to be at least 4:1 and its leverage ratio (net debt to EBITDA) to be no greater than 2.5:1. The interest rate of the facility is based on a ratchet mechanism with a margin payable over risk-free rate plus credit adjustment spread of between 0.7% to 1.5%.

As at 31 December 2024, £115 million of the committed facility was undrawn (31 December 2023: £125 million of the committed facility was undrawn).

The Group's UK-based Treasury function manages the Group's currency and interest rate risks in accordance with policies and procedures set by the Board and is responsible for day-to-day cash management; the arrangement of external borrowing facilities; and the investment of surplus funds. The Treasury function does not operate as a profit centre or use derivative financial instruments for speculative purposes.

Principal risks facing the business

Hays plc operates a comprehensive enterprise risk management framework, which is monitored and reviewed by the Board. There are a number of potential risks and uncertainties that could have a material impact on the Group's financial performance and position. These include risks relating to the cyclical nature of our business and inflation, business model, talent recruitment and retention, compliance, reliance on technology, cyber security, data protection and contracts. These risks and our mitigating actions are set out in the 2024 Annual Report, and remain relevant. There are no additional risks since this date which impact Hays' financial position or performance, although as noted earlier in this statement, with macroeconomic uncertainties increasing, we are closely monitoring our activity levels and KPI's.

Responsibility Statement

We confirm that, to the best of our knowledge:

- The unaudited condensed Consolidated Interim Financial Statements have been presented in accordance with IAS 34 "Interim Financial Reporting" and give a true and fair view of the assets, liabilities, financial position and profit for the Group;
- The interim management report includes a fair review of the information required by DTR 4.2.7R (indication of important events during the first six months of the financial year and their impact on the condensed financial statements, and description of principal risks and uncertainties for the remaining six months of the financial year); and
- The interim management report includes a fair review of the information required by DTR 4.2.8R (disclosure of related parties transactions in the first six months of the financial year and any changes in the related parties transactions described in the last Annual Report). This interim report was approved and authorised for issue by the Board of Directors on 19 February 2025.

This interim report was approved and authorised for issue by the Board of Directors on 19 February 2025.

Dirk Hahn

Chief Executive

James Hilton

Chief Financial Officer

Hays plc
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London
NW1 3BF
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Cautionary statement

This Interim Report (the “Report”) has been prepared in accordance with the Disclosure Guidance and Transparency Rules of the UK Financial Conduct Authority and is not audited. No representation or warranty, express or implied, is or will be made in relation to the accuracy, fairness or completeness of the information or opinions contained in this Report. Statements in this Report reflect the knowledge and information available at the time of its preparation. Certain statements included or incorporated by reference within this Report may constitute “forward-looking statements” in respect of the Group’s operations, performance, prospects and/or financial condition. By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions and actual results or events may differ materially from those expressed or implied by those statements. Accordingly, no assurance can be given that any particular expectation will be met and reliance shall not be placed on any forward-looking statement. Additionally, forward-looking statements regarding past trends or activities shall not be taken as a representation that such trends or activities will continue in the future. The information contained in this Report is subject to change without notice and no responsibility or obligation is accepted to update or revise any forward-looking statement resulting from new information, future events or otherwise. Nothing in this Report shall be construed as a profit forecast. This Report does not constitute or form part of any offer or invitation to sell, or any solicitation of any offer to purchase or subscribe for any shares in the Company, nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any contract or commitment or investment decisions relating thereto, nor does it constitute a recommendation regarding the shares of the Company or any invitation or inducement to engage in investment activity under section 21 of the Financial Services and Markets Act 2000. Past performance cannot be relied upon as a guide to future performance. Liability arising from anything in this Report shall be governed by English Law, and neither the Company nor any of its affiliates, advisors or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of this Report or its contents or otherwise arising in connection with this Report. Nothing in this Report shall exclude any liability under applicable laws that cannot be excluded in accordance with such laws.

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Independent Review Report to Hays plc
Report on the Condensed Consolidated Interim Financial Statements

Our conclusion

We have reviewed Hays plc's condensed consolidated interim financial statements (the "interim financial statements") in the Half-year report of Hays plc for the 6 month period ended 31 December 2024 (the "period").

Based on our review, nothing has come to our attention that causes us to believe that the interim financial statements are not prepared, in all material respects, in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

The interim financial statements comprise:

- the Condensed Consolidated Balance Sheet as at 31 December 2024;
- the Condensed Consolidated Income Statement and the Condensed Consolidated Statement of Comprehensive Income for the period then ended;
- the Condensed Consolidated Cash Flow Statement for the period then ended;
- the Condensed Consolidated Statement of Changes in Equity for the period then ended; and
- the explanatory notes to the interim financial statements.

The interim financial statements included in the Half-year report of Hays plc have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority.

Basis for conclusion

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, 'Review of Interim Financial Information Performed by the Independent Auditor of the Entity' issued by the Financial Reporting Council for use in the United Kingdom ("ISRE (UK) 2410"). A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures.

A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and, consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We have read the other information contained in the Half-year report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the interim financial statements.

Conclusions relating to Going Concern

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed. This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410. However, future events or conditions may cause the group to cease to continue as a going concern.

Responsibilities for the interim financial statements and the review

Our responsibilities and those of the Directors

The Half-year report, including the interim financial statements, is the responsibility of, and has been approved by the directors. The directors are responsible for preparing the Half-year report in accordance with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority. In preparing the Half-year report, including the interim financial statements, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

Our responsibility is to express a conclusion on the interim financial statements in the Half-year report based on our review. Our conclusion, including our Conclusions relating to going concern, is based on procedures that are less extensive than audit procedures, as described in the Basis for conclusion paragraph of this report. This report, including the conclusion, has been prepared for and only for the company for the purpose of complying with the Disclosure Guidance and Transparency Rules sourcebook of the United Kingdom's Financial Conduct Authority and for no other purpose. We do not, in giving this conclusion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

PricewaterhouseCoopers LLP
Chartered Accountants
London
19 February 2025

Condensed Consolidated Income Statement

(In £s million)	Note	**Six months to 31 December 2024 (unaudited)**	Six months to 31 December 2023 (unaudited)	Year to 30 June 2024 (audited)
Turnover	2	**3,365.4**	3,538.4	6,949.1
Net fees [1]	2	**496.0**	583.3	1,113.6
Administrative expenses [2]		**(470.5)**	(523.2)	(1,008.5)
Operating profit before exceptional items	2	**25.5**	60.1	105.1
Exceptional items	3	**(9.9)**	(27.9)	(80.0)
Operating profit	2	**15.6**	32.2	25.1
Net finance charge	4	**(6.5)**	(4.6)	(10.4)
Profit before tax		**9.1**	27.6	14.7
Tax [3]	5	**(6.1)**	(15.3)	(19.6)
Profit/(loss) after tax		**3.0**	12.3	(4.9)
Profit/(loss) attributable to equity holders of the parent company		**3.0**	12.3	(4.9)
Earnings per share before exceptional items (pence)				
- Basic	7	**0.81p**	2.37p	4.03p
- Diluted	7	**0.81p**	2.36p	4.00p
Earnings per share (pence)				
- Basic	7	**0.19p**	0.77p	(0.31p)
- Diluted	7	**0.19p**	0.77p	(0.31p)

[1] Net fees comprise turnover less remuneration of temporary workers and other recruitment agencies.

[2] Administrative expenses include impairment loss on trade receivables of £0.5 million (2023: £1.7 million).

[3] The tax charge for the six months ended 31 December 2024 of £6.1 million (2023: £15.3 million) included a net £nil tax charge (2023: tax credit of £2.5 million) in respect of exceptional items. The pre-exceptional tax charge of £6.1 million represents an effective tax rate of 32.1% (2023: 32.0%) against a pre-exceptional profit before tax of £19.0 million. On a post-exceptional basis the effective tax rate was 67.0%.

Condensed Consolidated Statement of Comprehensive Income

(In £s million)	**Six months to 31 December 2024 (unaudited)**	Six months to 31 December 2023 (unaudited)	Year to 30 June 2024 (audited)
Profit/(loss) for the period	**3.0**	12.3	(4.9)
Items that will not be reclassified subsequently to profit or loss:			
Actuarial remeasurement of defined benefit pension schemes	**(46.8)**	(7.6)	(23.2)
Tax relating to components of other comprehensive income	**10.5**	1.8	5.6
	(36.3)	(5.8)	(17.6)
Items that may be reclassified subsequently to profit or loss:			
Currency translation adjustments	**(12.6)**	6.6	(4.1)
Other comprehensive (loss)/income for the period net of tax	**(48.9)**	0.8	(21.7)
Total comprehensive (loss)/income for the period	**(45.9)**	13.1	(26.6)
Attributable to equity shareholders of the parent company	**(45.9)**	13.1	(26.6)

Condensed Consolidated Balance Sheet

(In £s million)	Note	**31 December 2024 (unaudited)**	31 December 2023 (unaudited)	30 June 2024 (audited)
Non-current assets				
Goodwill	8	**182.0**	186.1	182.9
Other intangible assets		**39.3**	59.6	37.7
Property, plant and equipment		**22.1**	27.5	25.2
Right-of-use assets	9	**151.8**	180.6	162.2
Deferred tax assets		**32.4**	21.4	25.4
Retirement benefit surplus	11	**-**	26.4	19.4
		427.6	501.6	452.8
Current assets				
Trade and other receivables	10	**1,126.2**	1,119.8	1,194.5
Corporation tax debtor		**9.1**	6.8	9.1
Cash and cash equivalents	13	**154.0**	151.9	121.8
		1,289.3	1,278.5	1,325.4
Total assets		**1,716.9**	1,780.1	1,778.2
Current liabilities				
Trade and other payables		**(894.3)**	(862.0)	(926.6)
Lease liabilities	9	**(43.9)**	(45.6)	(44.2)
Corporation tax liabilities		**(10.2)**	(0.8)	(13.0)
Provisions	12	**(20.7)**	(16.3)	(24.0)
		(969.1)	(924.7)	(1,007.8)
Non-current liabilities				
Bank loans	13	**(125.0)**	(85.0)	(65.0)
Deferred tax liabilities		**-**	(2.9)	-
Lease liabilities	9	**(122.1)**	(149.2)	(135.1)
Provisions	12	**(17.6)**	(9.1)	(12.7)
		(264.7)	(246.2)	(212.8)
Total liabilities		**(1,233.8)**	(1,170.9)	(1,220.6)
Net assets		**483.1**	609.2	557.6
Equity				
Called up share capital		**16.0**	16.0	16.0
Share premium		**369.6**	369.6	369.6
Merger reserve		**-**	43.8	28.8
Capital redemption reserve		**3.4**	3.4	3.4
Retained earnings		**35.5**	90.6	62.0
Cumulative translation reserve		**41.3**	64.6	53.9
Equity reserve		**17.3**	21.2	23.9
Total equity		**483.1**	609.2	557.6

Condensed Consolidated Statement of Changes in Equity

For the six months ended 31 December 2024

(In £s million)	Called up share capital	Share premium	Merger reserve	Capital redemption reserve	Retained earnings	Cumulative translation reserve	Equity reserve	Total equity
At 1 July 2024	16.0	369.6	28.8	3.4	62.0	53.9	23.9	557.6
Currency translation adjustments	-	-	-	-	-	(12.6)	-	(12.6)
Remeasurement of defined benefit pension schemes	-	-	-	-	(46.8)	-	-	(46.8)
Tax relating to components of other comprehensive income	-	-	-	-	10.5	-	-	10.5
Net expense recognised in other comprehensive income	-	-	-	-	(36.3)	(12.6)	-	(48.9)
Profit for the period	-	-	-	-	3.0	-	-	3.0
Total comprehensive loss for the period	-	-	-	-	(33.3)	(12.6)	-	(45.9)
Dividends paid	-	-	(28.8)	-	(3.8)	-	-	(32.6)
Share-based payments charged to the income statement	-	-	-	-	-	-	4.0	4.0
Share-based payments settled on vesting	-	-	-	-	10.6	-	(10.6)	-
At 31 December 2024 (unaudited)	**16.0**	**369.6**	**-**	**3.4**	**35.5**	**41.3**	**17.3**	**483.1**

For the six months ended 31 December 2023

(In £s million)	Called up share capital	Share premium	Merger reserve	Capital redemption reserve	Retained earnings	Cumulative translation reserve	Equity reserve	Total equity
At 1 July 2023	16.0	369.6	43.8	3.4	155.4	58.0	24.1	670.3
Currency translation adjustments	-	-	-	-	-	6.6	-	6.6
Remeasurement of defined benefit pension schemes	-	-	-	-	(7.6)	-	-	(7.6)
Tax relating to components of other comprehensive income	-	-	-	-	1.8	-	-	1.8
Net income recognised in other comprehensive income	-	-	-	-	(5.8)	6.6	-	0.8
Profit for the period	-	-	-	-	12.3	-	-	12.3
Total comprehensive income for the period	-	-	-	-	6.5	6.6	-	13.1
Dividends paid	-	-	-	-	(68.3)	-	-	(68.3)
Purchase of own shares	-	-	-	-	(12.3)	-	-	(12.3)
Share-based payments charged to the income statement	-	-	-	-	-	-	6.4	6.4
Share-based payments settled on vesting	-	-	-	-	9.3	-	(9.3)	-
At 31 December 2023 (unaudited)	16.0	369.6	43.8	3.4	90.6	64.6	21.2	609.2

For the year ended 30 June 2024

(In £s million)	Called up share capital	Share premium	Merger reserve	Capital redemption reserve	Retained earnings	Cumulative translation reserve	Equity reserve	Total equity
At 1 July 2023	16.0	369.6	43.8	3.4	155.4	58.0	24.1	670.3
Currency translation adjustments	-	-	-	-	-	(4.1)	-	(4.1)
Remeasurement of defined benefit pension schemes	-	-	-	-	(23.2)	-	-	(23.2)
Tax relating to components of other comprehensive income	-	-	-	-	5.6	-	-	5.6
Net expense recognised in other comprehensive income	-	-	-	-	(17.6)	(4.1)	-	(21.7)
Loss for the year	-	-	-	-	(4.9)	-	-	(4.9)
Total comprehensive loss for the year	-	-	-	-	(22.5)	(4.1)	-	(26.6)
Dividends paid	-	-	(15.0)	-	(68.3)	-	-	(83.3)
Purchase of own shares	-	-	-	-	(12.3)	-	-	(12.3)
Share-based payments charged to the income statement	-	-	-	-	-	-	9.5	9.5
Share-based payments settled on vesting	-	-	-	-	9.7	-	(9.7)	-
At 30 June 2024 (audited)	16.0	369.6	28.8	3.4	62.0	53.9	23.9	557.6

Condensed Consolidated Cash Flow Statement

(In £s million)	Note	**Six months to 31 December 2024 (unaudited)**	Six months to 31 December 2023 (unaudited)	Year to 30 June 2024 (audited)
Operating profit		**15.6**	32.2	25.1
Adjustments for:				
Exceptional items	3	**9.9**	27.9	80.0
Depreciation of property, plant and equipment		**5.7**	5.5	11.1
Depreciation of right-of-use assets	9	**23.0**	23.9	46.0
Amortisation of intangible assets		**4.6**	5.4	9.2
Net movements in provisions (excluding exceptional items)		**(0.6)**	(2.5)	0.2
Share-based payments		**3.4**	4.7	8.2
		46.0	64.9	154.7
Operating cash flow before movement in working capital		**61.6**	97.1	179.8
Movement in working capital:				
Decrease in receivables		**49.0**	136.3	43.2
Decrease in payables		**(18.0)**	(139.9)	(59.7)
Movement in working capital		**31.0**	(3.6)	(16.5)
Cash generated by operations		**92.6**	93.5	163.3
Cash paid in respect of exceptional items from current period and prior year		**(15.9)**	(6.8)	(22.9)
Pension scheme deficit funding	11	**(21.0)**	(9.1)	(18.2)
Income taxes paid		**(6.6)**	(28.5)	(26.4)
Net cash inflow from operating activities		**49.1**	49.1	95.8
Investing activities				
Purchase of property, plant and equipment		**(3.0)**	(3.6)	(7.6)
Purchase of intangible assets		**(6.9)**	(10.1)	(15.8)
Interest received		**1.2**	1.7	3.2
Net cash used in investing activities		**(8.7)**	(12.0)	(20.2)
Financing activities				
Interest paid		**(4.6)**	(3.0)	(7.2)
Lease liability repayments	9	**(27.1)**	(26.2)	(51.0)
Purchase of own shares		**-**	(12.3)	(12.3)
Equity dividends paid	6	**(32.6)**	(68.3)	(83.3)
Increase in bank loans and overdrafts	13	**60.0**	75.0	55.0
Net cash used in financing activities		**(4.3)**	(34.8)	(98.8)
Net increase/(decrease) in cash and cash equivalents		**36.1**	2.3	(23.2)
Cash and cash equivalents at beginning of period		**121.8**	145.6	145.6
Effect of foreign exchange rate movements		**(3.9)**	4.0	(0.6)
Cash and cash equivalents at end of period	13	**154.0**	151.9	121.8
Bank loans and overdrafts at beginning of period		**(65.0)**	(10.0)	(10.0)
Increase in period	13	**(60.0)**	(75.0)	(55.0)
Repayment on refinancing of credit facility [1]		**(135.0)**	-	-
Drawdown on refinancing of credit facility [1]		**135.0**	-	-
Bank loans and overdrafts at end of period		**(125.0)**	(85.0)	(65.0)
Net cash at end of period	13	**29.0**	66.9	56.8

[1] Under IAS 7 'Statement of Cash Flows' , upon refinancing the revolving credit facility in October 2024, the repayment of the old facility and drawdown under the new facility are required to be disclosed separately on the face of the Consolidated Cash Flow Statement.

The notes on pages 23 to 31 form part of these Interim Financial Statements.

Notes to the Condensed Consolidated Interim Financial Statements

For the six months ended 31 December 2024

1 Basis of preparation

The condensed Consolidated Interim Financial Statements ("Interim Financial Statements") are the results for the six months ended 31 December 2024. The Interim Financial Statements have been prepared in accordance with UK adopted International Accounting Standard 34, 'Interim Financial Reporting' and the Disclosure Guidance and Transparency Rules (DTR) sourcebook of the United Kingdom's Financial Conduct Authority. The Interim Financial Statements are presented in sterling, the functional currency of Hays plc.

The Interim Financial Statements represent a 'condensed set of financial statements' as referred to in the DTR. Accordingly, they do not include all of the information required for a full annual financial report and are to be read in conjunction with the Consolidated Financial Statements for the year ended 30 June 2024 which have been prepared in accordance with UK adopted International Accounting Standards.

The Interim Financial Statements do not constitute statutory accounts as defined in section 434 of the Companies Act 2006. The financial information for the year ended 30 June 2024 included in this report was derived from the statutory accounts for the year ended 30 June 2024, a copy of which has been delivered to the Registrar of Companies. The auditor's report on these accounts was unqualified, did not include a reference to any matters to which the auditor drew attention by way of an emphasis of matter and did not contain a statement under sections 498 (2) or (3) of the Companies Act 2006.

Accounting policies

The Interim Financial Statements have been prepared on the basis of the accounting policies and methods of computation applicable for the year ended 30 June 2024. These accounting policies are consistent with those applied in the preparation of the Consolidated Financial Statements for the year ended 30 June 2024, except as where stated below:

- The tax charge recognised for the interim period is based on the estimated weighted average annual income tax expense for the full financial year.

The fair value of trade receivables, trade payables, financial assets, bank loans and overdraft is not materially different to their book value.

The following new standard is mandatory for the first time in the Group's accounting period beginning on 1 July 2024 and no new standards have been early adopted. The Group's interim financial statements have adopted the new standard, but it has had no material impact on the Group's results or financial position:

- IFRS 16 (amendments) 'Lease accounting', on sale and leaseback (effective 1 January 2024);
- IAS 1 (amendments) 'Presentation of Financial Statements', on non-current liabilities with covenants (effective 1 January 2024); and
- IAS 7 (amendments) 'Financial instruments', on supplier finance (effective 1 January 2024).

The Group's accounting policies align to the requirements of IAS 1 and IAS 8. There have been no alterations made to the accounting policies as a result of considering all of the other amendments above that became effective in the period, as these were either not material or were not relevant.

The Group has not yet adopted certain new standards, amendments and interpretations to existing standards, which have been published but which are only effective for the Group accounting periods beginning on or after 1 July 2025. These new pronouncements include:

- IAS 21 (amendments) 'Lack of Exchangeability', The Effects of Changes in Foreign Exchange Rates (effective 1 January 2025).

The Directors are currently evaluating the impact of the adoption of all standards, amendments and interpretations but do not expect them to have a material impact on the Group's operations or results.

1 Basis of preparation continued

Going Concern

The Group’s business activities, together with the factors likely to affect its future development, performance and financial position, including its cash flows and liquidity position, are described in the Half-year report.

In addition, and in making this statement, the Board carried out a robust assessment of the principal risks facing the Group, including those that would threaten the Group’s business model, future performance and liquidity. Whilst the review has considered all the principal risks identified by the Group, the resilience of the Group to the occurrence of these risks in severe yet plausible scenarios has been evaluated.

At 31 December 2024, the Group had a net cash position of £29.0 million. The Group successfully refinanced the existing £210 million revolving credit facility in October 2024 at the increased value of £240 million. The new facility will expire in October 2029 with options to extend by a further two years by agreement. As at 31 December 2024, £115 million of the facility was undrawn. The net cash position is stated after deducting the amount drawn on the RCF.

The Board approves an annual budget and reviews monthly management reports and quarterly forecasts. The output of the planning and budgeting processes has been used to forecast the Group’s cash flow throughout the Going Concern period, being at least 12 months from the date of approval of the Interim Financial Statements.

The Board also considered the possible impact on the Group's financial position in the event of a sustained loss of business arising from a further worsening of the macro economic environment and increased competition. This scenario also forecasted significant headroom against both the Group's revolving credit facility and its banking covenants throughout the Going Concern period.

In addition, the Group's strong balance sheet position and history of strong cash generation, tight cost control and flexible workforce management provides further protection.

The Group has sufficient financial resources which, together with internally generated cash flows, will continue to provide sufficient sources of liquidity to fund its current operations, including its contractual and commercial commitments and any proposed dividends. The Group is therefore well-placed to manage its business risks. After making enquiries, the Directors have formed the judgment at the time of approving the Interim Financial Statements that there is a reasonable expectation that the Group has adequate resources to continue in operational existence throughout the Going Concern period, being at least 12 months from the date of approval of the Interim Financial Statements. For this reason, they continue to adopt the Going Concern basis of accounting in preparing the Interim Financial Statements.

2 Segmental information

IFRS 8, Operating segments

IFRS 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker to allocate resources to the segment and to assess their performance.

As a result, the Group segments the business into four regions, Germany, United Kingdom & Ireland, Australia & New Zealand and Rest of World. There is no material difference between the segmentation of the Group's turnover by geographic origin and destination.

The Group’s operations comprise one class of business, that of qualified, professional and skilled recruitment.

Turnover, net fees and operating profit

The Group's Executive Leadership Team, which is regarded as the chief operating decision maker, uses net fees by segment as its measure of revenue in internal reports, rather than turnover. This is because net fees exclude the remuneration of temporary workers, and payments to other recruitment agencies where the Group acts as principal, which are not considered relevant in allocating resources to segments. The Group's Executive Leadership Team considers net fees for the purpose of making decisions about allocating resources. The Group does not report items below operating profit by segment in its internal management reporting. The full detail of these items can be seen in the Condensed Consolidated Income Statement.

2 Segmental information continued

Turnover

(In £s million)	**Six months to 31 December 2024 (unaudited)**	Six months to 31 December 2023 (unaudited)	Year to 30 June 2024 (audited)
Germany	**892.1**	989.1	1,900.3
United Kingdom & Ireland	**750.9**	810.4	1,594.4
Australia & New Zealand	**580.8**	670.9	1,286.9
Rest of World	**1,141.6**	1,068.0	2,167.5
Group	**3,365.4**	3,538.4	6,949.1

Net fees

(In £s million)	**Six months to 31 December 2024 (unaudited)**	Six months to 31 December 2023 (unaudited)	Year to 30 June 2024 (audited)
Germany	**157.1**	186.2	351.8
United Kingdom & Ireland	**97.4**	118.1	225.7
Australia & New Zealand	**60.4**	74.3	139.7
Rest of World	**181.1**	204.7	396.4
Group	**496.0**	583.3	1,113.6

Operating profit for the six months to 31 December 2024

(In £s million)	Six months to 31 December 2024 Pre-exceptional items (unaudited)	Six months to 31 December 2024 Exceptional items (unaudited)	**Six months to 31 December 2024 (unaudited)**
Germany	27.5	(4.3)	**23.2**
United Kingdom & Ireland	(6.5)	(3.2)	**(9.7)**
Australia & New Zealand	1.4	(0.6)	**0.8**
Rest of World	3.1	(1.8)	**1.3**
Group	25.5	(9.9)	**15.6**

Operating profit for the six months to 31 December 2023

(In £s million)	Six months to 31 December 2023 Pre-exceptional items (unaudited)	Six months to 31 December 2023 Exceptional items (unaudited)	**Six months to 31 December 2023 (unaudited)**
Germany	40.8	(2.5)	**38.3**
United Kingdom & Ireland	5.7	(1.6)	**4.1**
Australia & New Zealand	6.4	(2.7)	**3.7**
Rest of World	7.2	(21.1)	**(13.9)**
Group	60.1	(27.9)	**32.2**

Operating profit for the year to 30 June 2024

(In £s million)	Year to 30 June 2024 Pre-exceptional items (audited)	Year to 30 June 2024 Exceptional items (audited)	**Year to 30 June 2024 (audited)**
Germany	68.0	(23.6)	**44.4**
United Kingdom & Ireland	6.4	(7.3)	**(0.9)**
Australia & New Zealand	11.5	(5.3)	**6.2**
Rest of World	19.2	(43.8)	**(24.6)**
Group	105.1	(80.0)	**25.1**

3 Exceptional items

During the six months ended 31 December 2024, the Group incurred an exceptional restructuring charge of £9.9 million (six months to 31 December 2023: £27.9 million, year ended 30 June 2024: £80.0 million) being administrative in nature.

In the United Kingdom and Ireland division we closed the Statement of Works business, and restructured management and several of our back-office functions. We also closed five offices. Alongside this, the Group also restructured the operations of the Statement of Works business in Germany. The restructuring exercises led to the redundancy of a number of employees, including senior management and back office positions at a combined cost of £4.0 million. The Group also incurred a £5.9 million exceptional charge in relation to the multi-year Technology Transformation and Finance Transformation programmes, comprising both staff costs and third party costs. The restructuring costs were incurred as part of the Group's strategy to build a structurally more resilient business and to better position the business going forwards. The restructuring costs are considered exceptional given their size and impact on business operations.

During the year ended 30 June 2024, the Group incurred an exceptional charge of £80.0 million (of which £27.9 million was incurred in the six months ended 31 December 2023). Following the appointment of the new CEO, Dirk Hahn, and in response to increasingly challenging market conditions and a clear slowdown in most markets, we restructured the business operations of many countries across the Group, to better align business operations to market opportunities and reduce operating costs. The restructuring exercise led to the redundancy of a number of employees, including senior and operational management and back-office positions and the closure of 17 offices. This resulted in the Group incurring a restructuring cost of £42.2 million (of which £12.6 million was incurred in the six months to 31 December 2023). The restructuring costs were expected to generate significant cost savings and were considered exceptional given their size and impact on business operations. The remaining £37.8 million was non-cash, comprising a £22.5 million charge relating to impairment of intangible assets and a £15.3 million charge related to the partial impairment of goodwill in the US business (of which £15.3 million was incurred in the six months to 31 December 2023).

The cash impact of the exceptional charge in the half-year was £5.5 million, with an additional £10.4 million of cash payments in respect of the prior year exceptional charge, including £1.0 million of lease liability repayments relating to right-of-use assets that were impaired in the prior year (see note 9).

The exceptional charge generated a net £nil tax credit (2024: tax credit of £2.5 million).

4 Net finance charge

(In £s million)	**Six months to 31 December 2024 (unaudited)**	Six months to 31 December 2023 (unaudited)	Year to 30 June 2024 (audited)
Interest received on bank deposits	**1.2**	1.7	3.2
Interest payable on bank loans and overdrafts	**(4.6)**	(3.0)	(7.2)
Interest on lease liabilities	**(2.3)**	(2.4)	(5.0)
Pension Protection Fund levy	**-**	(0.1)	(0.1)
Net interest on pension obligations	**(0.8)**	(0.8)	(1.3)
Net finance charge	**(6.5)**	(4.6)	(10.4)

5 Tax

The Group's consolidated effective tax rate for the six months ended 31 December 2024 is based on the forecasted pre-exceptional effective tax rate for the full year of 32.1% (31 December 2023: 32.0%, 30 June 2024: 32.4%). The tax rate is higher than the UK statutory tax rate of 25.0% due to higher tax rates in a number of jurisdictions in which the Group operates.

The tax charge for the six months ended 31 December 2024 of £6.1 million (2023: £15.3 million) included a net £nil tax credit in respect of exceptional items (2023: £2.5 million tax credit) comprising a £2.1 million exceptional tax credit in respect of the exceptional restructuring charge, offset by a £2.1 million exceptional tax charge arising from the derecognition of a deferred tax asset following the pension buy-in. The pre-exceptional tax charge of £6.1 million represents an effective tax rate of 32.1% against a pre-exceptional profit before tax of £19.0 million. On a post-exceptional basis the effective tax rate was 67.0%.

The net deferred tax balance at 31 December 2024 is an asset of £32.4 million (31 December 2023: asset of £18.5 million, 30 June 2024: asset of £25.4 million).

On 20 June 2023, Finance (No 2) Act 2023 was substantively enacted in the UK, introducing a global minimum effective tax rate of 15%. The legislation implements a domestic top-up tax and a multinational top-up tax, effective for accounting periods starting on or after 31 December 2023. The Group applied the exemption under the IAS12 amendment to recognising and disclosing information about deferred tax assets and liabilities related to top-up income taxes. The impact of the global minimum tax regime on the Group's tax charge is not material.

6 Dividends

The following dividends were paid by the Group and have been recognised as distributions to equity shareholders:

(In £s million)	**Six months to 31 December 2024 (unaudited)**	Six months to 31 December 2023 (unaudited)	Year to 30 June 2024 (audited)
Final dividend for the year ended 30 June 2023 of 2.05 pence per share	**-**	32.6	32.6
Special dividend for the year ended 30 June 2023 of 2.24 pence per share	**-**	35.7	35.7
Interim dividend for the period to 31 December 2023 of 0.95 pence per share	**-**	-	15.0
Final dividend for the year ended 30 June 2024 of 2.05 pence per share	**32.6**	-	-
Total dividends paid	**32.6**	68.3	83.3

The final dividend for the year ended 30 June 2024 of 2.05 pence per share was paid out of a combination of the merger reserve and retained earnings.

The proposed interim dividend for the six months ended 31 December 2024 of 0.95 pence per share is not included as a liability in the balance sheet as at 31 December 2024.

7 Earnings per share

(In £s million)	**Six months to 31 December 2024 (unaudited)**	Six months to 31 December 2023 (unaudited)	Year to 30 June 2024 (audited)
Earnings from operations before exceptional items	**19.0**	55.5	94.7
Tax on earnings from operations before exceptional items	**(6.1)**	(17.8)	(30.7)
Basic earnings before exceptional items	**12.9**	37.7	64.0
Profit before tax	**9.1**	27.6	14.7
Tax on earnings after exceptional items	**(6.1)**	(15.3)	(19.6)
Profit/(loss) after tax	**3.0**	12.3	(4.9)
Number of shares (millions):			
Weighted average number of shares	**1,588.5**	1,588.5	1,586.6
Dilution effect of share options	**7.0**	6.3	13.7
Weighted average number of shares used for diluted EPS	**1,595.5**	1,594.8	1,600.3
Before exceptional items (in pence):			
Basic earnings per share before exceptional items	**0.81p**	2.37p	4.03p
Diluted earnings per share before exceptional items	**0.81p**	2.36p	4.00p
After exceptional items (in pence):			
Basic earnings per share	**0.19p**	0.77p	(0.31p)
Diluted earnings per share	**0.19p**	0.77p	(0.31p)

Reconciliation of earnings

(In £s million)	**Six months to 31 December 2024 (unaudited)**	Six months to 31 December 2023 (unaudited)	Year to 30 June 2024 (audited)
Basic earnings before exceptional items	**12.9**	37.7	64.0
Exceptional items (note 3)	**(9.9)**	(27.9)	(80.0)
Tax credit on exceptional items (note 3)	**-**	2.5	11.1
Profit/(loss) after tax	**3.0**	12.3	(4.9)

8 Goodwill

(In £s million)	**Six months to 31 December 2024 (unaudited)**	Six months to 31 December 2023 (unaudited)	Year to 30 June 2024 (audited)
At 1 July	**182.9**	200.3	200.3
Exchange adjustments	**(0.9)**	1.1	(2.1)
Impairment loss	**-**	(15.3)	(15.3)
Carried forward	**182.0**	186.1	182.9

Goodwill arising on business combinations is reviewed and tested on an annual basis for impairment, or more frequently if there is an indication that goodwill might be impaired. Goodwill as at 31 December 2024 has been assessed for triggers for impairment as required under IAS 34 and no impairment was required.

9 Right-of-use assets and lease liabilities

	Right-of-use assets				
(In £s million)	Property	Motor vehicles	Other assets	**Total lease assets**	**Lease liabilities**
As at 1 July 2024	147.8	14.3	0.1	**162.2**	**(179.3)**
Exchange adjustments	(2.9)	(0.3)	-	**(3.2)**	**3.3**
Lease additions	13.7	3.5	-	**17.2**	**(17.2)**
Lease disposals	(1.3)	(0.1)	-	**(1.4)**	**1.4**
Depreciation of right-of-use assets	(19.1)	(3.9)	-	**(23.0)**	**-**
Lease liability repayments	-	-	-	**-**	**27.1**
Lease liability repayments on previously impaired right-of-use assets	-	-	-	**-**	**1.0**
Interest on lease liabilities	-	-	-	**-**	**(2.3)**
At 31 December 2024 (unaudited)	**138.2**	**13.5**	**0.1**	**151.8**	**(166.0)**

(In £s million)	**31 December 2024 (unaudited)**	31 December 2023 (unaudited)	30 June 2024 (audited)
Current	**(43.9)**	(45.6)	(44.2)
Non-current	**(122.1)**	(149.2)	(135.1)
Total lease liabilities	**(166.0)**	(194.8)	(179.3)

10 Trade and other receivables

(In £s million)	**31 December 2024 (unaudited)**	31 December 2023 (unaudited)	30 June 2024 (audited)
Trade receivables	**751.7**	756.5	772.8
Less provision for impairment	**(17.2)**	(20.1)	(18.5)
Net trade receivables	**734.5**	736.4	754.3
Net accrued income	**331.9**	335.2	394.5
Prepayments and other debtors	**59.8**	48.2	45.7
Trade and other receivables	**1,126.2**	1,119.8	1,194.5

The required provision for impairment of both trade receivables and accrued income is analysed using a provision matrix to measure the expected credit losses, in which the allowance for impairment increases as balances age. Expected credit losses are measured using historical losses for the past five years, adjusted for forward-looking factors impacting the economic environment, such as the GDP growth outlook, and commercial factors deemed to have a significant impact on expected credit loss rates.

11 Retirement benefit surplus

(In £s million)	**Six months to 31 December 2024 (unaudited)**	Six months to 31 December 2023 (unaudited)	Year to 30 June 2024 (audited)
Surplus in the scheme brought forward	**19.4**	25.7	25.7
Administration costs	**(1.5)**	(1.5)	(3.0)
Employer contributions (towards funded and unfunded schemes)	**21.0**	9.1	18.2
Net interest income	**0.7**	0.7	1.7
Remeasurement of the net defined benefit surplus	**(46.8)**	(7.6)	(23.2)
Transfer to provisions (note 12)	**7.2**	-	-
Retirement benefit surplus	**-**	26.4	19.4

As previously announced, on 9 December 2024, Hays Pension Trustee Limited in agreement with Hays plc entered into a £370 million bulk purchase annuity policy (buy-in) contract with Pension Insurance Corporation plc ("PIC"). Building on the purchase of a bulk annuity policy with Canada Life for a premium of £270.6 million on 6 August 2018, the new PIC policy fully insures the Scheme's remaining benefit obligations. The impact of this transaction is reflected in the IAS 19 valuation as at 31 December 2024.

The Group's pension position under IAS 19 at 31 December 2024 has resulted in a surplus of £nil (31 December 2023: surplus of £26.4 million, 30 June 2024: surplus of £19.4 million). The reduction in the surplus since 30 June 2024 is primarily due to the impact of the full pension buy-in, as noted above. The transfer of £7.2 million comprises the unfunded pension scheme (£5.2 million), which was not part of the buy-in due to the members' benefits being outside of the Registered Pension Regime, and the net impact of anticipated post buy-in adjustments on the scheme (£2.0 million).

12 Provisions

(In £s million)	Retirement Benefits	Property	Restructuring	Legal, tax and other matters	Total
At 1 July 2024	-	5.4	12.8	18.5	36.7
Charged to income statement	-	-	9.9	-	9.9
Transfer from Retirement benefit surplus (note 11)	7.2	-	-	-	7.2
Utilised	-	(0.2)	(14.9)	(0.4)	(15.5)
At 31 December 2024 (unaudited)	**7.2**	**5.2**	**7.8**	**18.1**	**38.3**

(In £s million)	**31 December 2024 (unaudited)**	31 December 2023 (unaudited)	30 June 2024 (audited)
Current	**20.7**	16.3	24.0
Non-current	**17.6**	9.1	12.7
Total provisions	**38.3**	25.4	36.7

Restructuring provisions are disclosed in note 3.

Provisions for retirement benefits represent the defined benefit pension obligation under the unfunded scheme and the net impact of anticipated post buy-in transaction adjustments as discussed in note 11. During the half year the Directors made the decision to reclassify the obligation under the unfunded scheme to provisions, which was previously recognised within the net retirement benefit surplus. The liability related to the unfunded pension scheme were not part of the buy-in as the members' benefits are outside of the Registered Pension Regime and it should have been disclosed separately instead of being offset against the net retirement benefit surplus. Given that the amount is not material, a prior year restatement has not been made (31 December 2023: £5.9 million; 30 June 2024: £5.4 million).

As a global specialist in recruitment and workforce solutions and in common with other similar organisations, in the ordinary course of our business the Group is exposed to the risk of legal, tax and other disputes. Where costs are likely to arise in defending and concluding such disputes, and these costs can be measured reliably, they are provided for in the Consolidated Financial Statements. These items affect various Group subsidiaries in different geographic regions and the amounts provided for are based on management's assessment of the specific circumstances in each case. The timing of settlement depends on the circumstances in each case and is uncertain.

Management does not consider it reasonably possible that any of these balances will materially change in the next 12 months, other than through utilisation of the provisions when settled.

13 Cash and cash equivalents

(In £s million)	**31 December 2024 (unaudited)**	31 December 2023 (unaudited)	30 June 2024 (audited)
Cash and cash equivalents	**154.0**	151.9	121.8
Bank loans and overdrafts	**(125.0)**	(85.0)	(65.0)
Net cash	**29.0**	66.9	56.8

The Group refinanced the existing £210 million revolving credit facility in October 2024 at the increased value of £240 million. The new facility will expire in October 2029 with options to extend by a further 2 years by agreement. The financial covenants within the facility remain unchanged and require the interest cover ratio (EBITDA to interest) to be at least 4:1 and its leverage ratio (net debt to EBITDA) to be no greater than 2.5:1. The interest rate of the facility is based on a ratchet mechanism with a margin payable over Risk-free rate plus Credit adjustment spread of between 0.7% to 1.5%.

As at 31 December 2024, £115 million of the committed facility was undrawn (31 December 2023: £125 million of the committed facility was undrawn).

14 Events after the balance sheet date

There are no significant events after the balance sheet date to report.

15 Like-for-like results

Like-for-like results represent organic growth of operations at constant currency. For the six months ended 31 December 2024 these are calculated as follows:

(In £s million)	Six months to 31 December 2023 (unaudited)	Foreign exchange impact	31 December 2023 at constant currency	Organic growth	**Six months to 31 December 2024 (unaudited)**
Net fees					
Germany	186.2	(5.3)	180.9	(23.8)	**157.1**
United Kingdom & Ireland	118.1	(0.2)	117.9	(20.5)	**97.4**
Australia & New Zealand	74.3	(1.4)	72.9	(12.5)	**60.4**
Rest of World	204.7	(6.4)	198.3	(17.2)	**181.1**
Group	583.3	(13.3)	570.0	(74.0)	**496.0**
Operating profit before exceptional items					
Germany	40.8	(1.2)	39.6	(12.1)	**27.5**
United Kingdom & Ireland	5.7	-	5.7	(12.2)	**(6.5)**
Australia & New Zealand	6.4	(0.1)	6.3	(4.9)	**1.4**
Rest of World	7.2	(0.3)	6.9	(3.8)	**3.1**
Group	60.1	(1.6)	58.5	(33.0)	**25.5**

16 Like-for-like results H1 analysis by division

Net fee decline versus same period last year:	Q1 2025 (unaudited)	Q2 2025 (unaudited)	**H1 2025 (unaudited)**
Germany	(13)%	(13)%	**(13)%**
United Kingdom & Ireland	(20)%	(14)%	**(17)%**
Australia & New Zealand	(20)%	(14)%	**(17)%**
Rest of World	(9)%	(9)%	**(9)%**
Group	(14)%	(12)%	**(13)%**

H1 2025 is the period from 1 July 2024 to 31 December 2024.

The Q1 and Q2 net fee like-for-like growth percentages are as reported in the Q1 and the Q2 Quarterly Updates.

17 Disaggregation of net fees H1 2025

IFRS 15 requires entities to disaggregate revenue recognised from contracts with customers into relevant categories that depict how the nature, amount and cash flows are affected by economic factors. As a result, the following information is considered to be relevant:

(unaudited)	Germany	United Kingdom & Ireland	Australia & New Zealand	Rest of World	Group
Temporary placements	84%	59%	68%	42%	**62%**
Permanent placements	16%	41%	32%	58%	**38%**
Total	**100%**	**100%**	**100%**	**100%**	**100%**
Private sector	84%	69%	62%	98%	**84%**
Public sector	16%	31%	38%	2%	**16%**
Total	**100%**	**100%**	**100%**	**100%**	**100%**
Technology	33%	14%	17%	27%	**25%**
Accountancy & Finance	19%	20%	11%	11%	**15%**
Engineering	25%	2%	0%	7%	**11%**
Construction & Property	5%	18%	19%	9%	**11%**
Office Support	0%	9%	11%	4%	**5%**
Other	18%	37%	42%	42%	**33%**
Total	**100%**	**100%**	**100%**	**100%**	**100%**