Michael Page Half Year 2026 Results

Thursday, 6th August 2026

Introduction

Nick Kirk

CEO, Michael Page

Welcome

Good morning, everyone. Welcome to the Michael Page Interim Results Presentation. I am Nick Kirk, Chief Executive Officer. On the call with me today is Kelvin Stagg, Chief Financial Officer.

Key Highlights

The Group delivered a resilient performance in H1 despite ongoing challenging market conditions. We saw continued growth in Asia Pacific and the Americas, as well as a return to growth in Q2 in Southern Europe.

In total, around 50% of the Group was in growth in H1. However, trading remained more challenging across France, Northern Europe, and the UK.

The progress we are making in productivity, technological innovation, operational efficiency, and execution demonstrates that our strategy is working and positions us well for future growth. We continue to harness the power of Page, as well as our position as the global leader for specialist, management and leadership perm recruitment, placing more senior talent at higher salary levels and at higher fees. This has helped drive our highest level of productivity since our record year in 2022, as well as a record performance for Page Executive.

We continue to control the cost base tightly and have undertaken various programmes since the launch of our new strategy to manage it in light of the tougher market conditions, which we will cover in more detail later.

I will now hand you over to Kelvin to talk you through our financial review.

Overview

Kelvin Stagg

CFO, Michael Page

Headline Numbers

Thank you, Nick. Although I will not read it through, I would just like to make reference to the legal formalities that are covered in the cautionary statement in the appendix to this presentation, and which will also be available on our website following the call.

Key Financial Highlights

Resilient performance

Group gross profit for H1 was £385.2 million, down 2.4% in constant currencies. Operating profit in the first half was £9.7 million, up from £2.1 million in H1 2025. Conversion rate of 2.5%. Gross profit per fee earner, our measure of productivity, was up 3.7% compared to H1 2025, and is at the highest level we have seen since our record year in 2022.

We continue to balance managing our headcount in markets where conditions are tough, such as France, Northern Europe, and the UK, and with reallocating headcount into markets

showing the most significant long-term structural opportunities, such as the US and Japan. Earnings per share was 1.2p.

We closed the first half with net debt of £7.2 million, in line with expectations, and we are today announcing an interim dividend of 1.46p per share or £4.6 million, which I will cover in more detail later.

Financial Review

I will now take you through the financial review.

Operating Profit

Group conversion rate of 2.5%

Overall, we delivered Group operating profit of £9.7 million at a conversion rate of 2.5%. Looking at each of our regions and starting with the largest, EMEA, our conversion rate was 7.5%, the highest conversion rate of the Group. This was despite the tougher trading conditions in France and Northern Europe.

The Americas remained profitable with a conversion rate of 4.2%. However, in Asia Pacific and the UK, while trading conversion was positive, after central cost allocations and one-off costs, both regions had a negative conversion rate.

Cost Base

Annualised savings of c. £40m

We have a flexible cost base throughout fee earner headcount, which we align to market conditions. Alongside this, we have undertaken various programmes since the launch of our new strategy to reduce our costs in light of the tougher market conditions. These programmes included reducing our non-operational headcount alongside moving these functions to more cost-effective locations, consolidating offices, and reducing management layers.

Collectively, since the launch of our strategy and excluding savings due to the reduction in fee earner headcount, these initiatives have delivered annualised savings of around £40 million. This cost base control has continued in H1 2026, incurring around £2.5 million of net one-off costs in relation to senior exits, which will result in an annualised equivalent saving from 2027.

Effective tax rate (ETR)

Effective tax rate of 41.2%

The effective tax rate continued to be elevated due to the lower profit environment. For the first half, the rate was 41.2%, which is consistent with our expectations for the full year. The elevated tax rate results primarily from non-deductible items such as client entertaining and employee benefits.

Going forward, as profitability improves, the impact of these will be reduced, and we expect our tax rate to normalise at around 35%.

Robust balance sheet

Net debt of £7.2m

The most significant item in our balance sheet was trade and other receivables for £346.6 million. Net debt at the end of June was £7.2 million, in line with expectations. We had borrowings of £30 million under the revolving credit facility and £7.6 million under our UK trade debtor discounting facility, partially offset by cash of £30.4 million.

Overall, net assets decreased from £217 million in H1 2025 to £211.6 million in H1 2026.

Resilient cash flow generation

Expect to close the year with net of cash of c.£30m

This chart shows the movements in our cash in the first half of 2026. Our H1 EBITDA inflow was £40 million, partially offset by an increase in net working capital of £33.9 million, which I will talk in more detail on the next slide.

Tax and net interest payments were £7.3 million. Net capital expenditure was £3.2 million, down from £7.1 million in H1 2025. The lower capital expenditure was driven by a sustainably lower spend on software as the majority of our system investments are now Software-as-a-Service, and therefore directly expensed.

In addition, the majority of the larger post-pandemic office fit-outs have been completed by the end of 2025. Payments made in relation to lease liabilities reduced cash by £20.6 million. The group paid out £10 million for the 2025 final dividend in June.

Overall, the impact of these cash flows decreased the Group's net cash position since year end by £38.6 million, to net debt of £7.2 million at the end of June. We expect to close the year with around £30 million of net cash after the payment of the interim dividend of £4.6 million.

Working capital

Debtor book remains strong

Net working capital reduced cash by £34 million in H1. We paid 2025 annual bonuses to senior staff and Q4 profit share in the first half, albeit at a reduced level than last year, reflecting the performance of the business.

Our debtor book remains strong and we have seen no deterioration in debtor days across either permanent or temporary recruitment. We have also not experienced an increase in debt write-offs. We saw an increase in trade and other debtors compared to December 2025. This was due partially to temporary recruitment, which has a greater working capital requirement, being more resilient in the current market uncertainty.

We also had an increase of around £11 million in prepayments compared to December due to most of our significant software license renewals being in H1. This will unwind over the second half of the year.

Clear capital allocation policy

£4.6m dividend to be paid in October

The Group aims to run the balance sheet in a position of net cash. We have a clear, well-established capital allocation policy with three defined uses of cash.

The first is to satisfy the operational investment requirements of the Group, as well as to hedge liability under the Group share plans.

The second is for the payment of ordinary dividends, where our policy is to increase them at the long-term growth rate of the Group.

Finally, any remaining cash surplus is to be distributed to shareholders by way of a supplementary return. While reviewing the Group's current and future cash position in light of the sustained challenging trading environment and the ongoing unpredictable nature of our markets, the Board believes it is prudent to declare an interim dividend for 2026 of 1.46p per share, a total of £4.6 million. This action balances the Group's current level of profitability and affordability with the desire to continue to invest in growth areas.

The Board recognises the importance of dividends to shareholders and will continue to assess the level of dividend payments while considering the Group's future outlook. The interim dividend will be paid on 9th October to shareholders on the register as at 28th August.

I will now hand you over to Nick to take you through our strategic review.

Strategic Review

Nick Kirk

CEO, Michael Page

A sea of brands and sub-brands

Thank you, Kelvin. Since the launch of our strategy in 2023, we have used three key phrases to act as our North Star:

- Less is more;
- What we are famous for; and
- Building on our existing strengths.

We looked to those same principles when it came to developing our brand structure.

Over the past 50 years, we have built a sea of brands and sub-brands to explain what we do. Each of them was created to label different services, specialisms and parts of our business. In an increasingly noisy world, we need to make it easier for our customers to quickly engage with us.

One new single identity

That is why we have simplified and brought everything together under one single identity, Michael Page. People know Michael Page. They recognise us as a global professional recruitment business with scale, reach, expertise, and a strong market presence. Where customers previously saw many brands, they will now see one, and the one they know the best, Michael Page.

Why Perm?

At the heart of our strategy is our focus on permanent recruitment, where we are the leading player with the most global reach with presence in 34 markets. Despite the tougher trading conditions, which up until recently have favoured temporary recruitment, we still generate

nearly three quarters of Group gross profit through permanent recruitment. We continue to harness the power of Page in our position as a global leader for specialist, management and leadership recruitment.

We continue to trade up in line with our strategy, placing more senior talent at higher salary levels and at higher fee rates, which in turn has driven increased levels of fee earner productivity, as well as a standout result from our global executive search business.

Being clear on what we do

As we have brought everything together under Michael Page, we want to give clarity for customers to understand the different things we do. We start with Specialist Recruitment Services, our core business, delivering permanent and non-permanent recruitment for specialist and management roles.

Next is Executive Search, our Page Executive business, offering assessment and advisory, alongside search and selection. Over the last 30 years, we have built up strong equity around our capability in Executive Search, so we will retain the Page Executive brand sitting under the master brand of Michael Page.

Then we have Enterprise Solutions. This business will continue to support our largest global customers with delivery through scaled recruitment and outsourcing capabilities. When customers ask what Michael Page does, the answer is clear. Instead of navigating multiple brands and sub-brands, they will experience three distinct service areas:

- Specialist Recruitment Services;
- Executive Search; and
- Enterprise Solutions.

We continue to make significant strides in our use of AI. Based on feedback from our technology partners, we know we are in a strong position compared to our global competitors. Our implementation and adoption of AI continues to grow, and our smart agents are in use every day across the business, increasing productivity and saving time.

We believe for the roles that we recruit, people will remain at the heart of the process. At Michael Page, we specialise in senior-level appointments, and in an AI-enabled world, we strongly believe that the need for human judgment increases rather than decreases. This is due to the criticality of relationships to build trust and credibility, which is a vital part of the process of delivering successful recruitment outcomes.

People-AI framework

We have a clear vision of the relationship between AI and our people, the balance between technology and the human. The role of our people remains critical in delivering for our customers, building our principles to create the people-AI framework. We deploy this across three layers.

On the left, what only our people can do, understanding context, judging human potential, and leaning into differentiation. On the right are the tasks technology should do, how we drive efficiencies and take away the time spent completing administrative tasks, enabling our people to do what they do best, consulting with our customers.

In the middle sits what our people do better with AI, screening, talent mapping, providing insights, and enhancing candidate outreach, driving more consistency and an uplift in performance.

Overall, the goal is to use AI to support the human, supercharging the trust we have built in relationships, as well as our proprietary data and platforms to deliver our customer promise, connecting talent that makes a difference.

Our strategic goals

We launched our strategy in 2023 with three key strategic goals:

- Delivering operating profit of £400 million;
- Changing one million lives; and
- Increasing our Net Promoter Score to over 60.

Despite the challenging market conditions since we launched the strategy, we continue to position the Group to ensure we can maximise opportunities as trading improves. I will expand on the progress made on the implementation of this part of the strategy in the following slides.

Against our social impact objective of changing one million lives, we again performed well in the first half of 2026. Overall, we changed over 75,000 lives in H1, which means that since we set our target in 2020, we have changed over 865,000 lives. This puts us well on track to deliver our target of changing one million lives by 2030.

We have also continued to make strong progress on our customer experience goal of achieving a client Net Promoter Score of over 60. From our pre-strategy baseline of 52, our Net Promoter Score increased to 61 in 2024, and then again to 66 in 2025. In H1, this increased further to 67. This score rates as excellent and is a clear recognition of the work we continue to do at Michael Page to deliver best-in-class service for our customers.

Our strategic pillars

Our strategy is based around four key pillars:

- The core business;
- Technology recruitment;
- Page Executive; and
- Enterprise Solutions.

Over the last six months, we have experienced improved trading conditions in a number of our core markets. We have seen continued growth in Asia Pacific and the Americas, as well as a return to growth in Southern Europe in Q2.

At a country level, we delivered a record performance in India. We saw good growth across a number of individual markets, including the US, Colombia, Greater China, and Japan. That said, in Northern Europe, France, and the UK, we continue to experience challenging but stable market conditions. As a result of the mixed performance by region, we continue to review our business operations and reallocate resource into the areas of the business where

we see the most significant long-term structural opportunities, such as the US and Japan, the two largest recruitment markets in the world.

As has been widely reported, the technology sector has been impacted heavily by macro factors. Despite this, technology remains our second-largest discipline. We continue to see a highly dynamic sector with demand for skills changing rapidly, and we continue to see a more resilient performance from non-perm. Despite the tough conditions globally, there were some individual markets which delivered good growth in H1, in particular, Spain, Colombia, Japan, Greater China, and India.

Page Executive delivered a record performance in H1, with growth of 8% and particularly strong performances from Germany, Southern Europe, Greater China, Southeast Asia, and India. A key element of our Page Executive strategy has been to focus on more senior leadership roles and, as a result, increase the salary levels at which we operate. It has become increasingly clear that the market gap for Page Executive is a significant opportunity for the Group, and we remain confident that we are the best-placed global recruiter to exploit it.

Enterprise Solutions supports our largest strategic customers with their often complex international requirements. Our well-established global platform allows us to consult with clients as they look to launch into new markets or expand in existing geographies.

Our customer-centric approach, highlighted by our excellent Net Promoter Score, increasingly makes us the partner of choice. Within Enterprise Solutions, our outsourcing business delivered a record H1 with growth of 22%, and we remain focused on winning business that delivers conversion rates in line with our strategy.

Summary and Outlook

I will now finish with a brief summary and outlook. The Group delivered a resilient performance in H1 despite ongoing challenging conditions. We saw continued growth in Asia Pacific and the Americas, as well as a return to growth in Q2 in Southern Europe. In total, around 50% of the Group was in growth in H1. However, trading remained more challenging across France, Northern Europe and the UK.

Against these trading conditions, we continue to take actions to optimise our cost base, incurring a net one-off charge at £2.5 million in H1. This will deliver an equivalent annualised saving from 2027 onwards. We have a highly diversified and adaptable business model, strong balance sheet, and our cost base is under continuous review.

We are announcing today an interim dividend of 1.46p per share, or £4.6 million. The Board expects full-year operating profit to be in line with company compiled consensus of £28 million.

Kelvin and I will now be happy to take any questions you may have.

Q&A

Karl Green (RBC Capital Markets): I have got one question on slide 18, which was super interesting in terms of framing how you are thinking about that technology deployment. At one end of the spectrum, you have got the human uniqueness, and at the other, you have got the more tech-enabled dynamics. The question without asking for specific numbers is, how

far do you think you are along the journey in terms of giving the consultants what they need with the best available technology? Or is this an area where, as we go forward, there is going to be further productivity and efficiency gains to be brought through?

Just thinking again, in terms of the consulting capacity, there is clearly a frustration amongst some of them that the conversion ratios are not quite where they are, so clearly working very hard. Just thinking about in the future, how many placements per month or per annum do you think that this tech strategy could deliver an uplift of? Just in terms of further consultant productivity. So two sub-questions that are closely linked.

Nick Kirk: Thanks, Karl. It is a really interesting question. It feels like we are right at the start of the journey is the answer to the question at the moment. I guess as the technology continues to adapt and change, we will continue to move along with it. We have often said that we do not really want to be right at the leading edge of technology as it is just coming into the market. It is not been tested. People do not know the implications or risks involved.

We want to see that it is been tested, it is robust, it fits within the guidelines of any compliance or governance or legal frameworks in any of the countries that we operate in before we put it into our ecosystem.

As regards to your question around anything that we invest in, whether it is technology or other areas, is always aimed at driving productivity. We have tried to make it pretty clear in terms of the framework that we are adopting, that we see certain areas that really are not going to change in terms of the way the consultant operates with customers. Areas where we can save consultants time, and therefore giving them more time in theory, means that they spend more time doing the bits that only they can do, which is speaking to customers, which you would logically believe over time will drive up productivity. More conversations means more jobs, means more interviews, which ultimately should mean more placements.

Then I guess what everybody is looking for at the moment, having defined what AI can do well and what the human can do well is, where is the sweet spot? Where is the augmentation? That is the bit that will continue to adapt over time. It just feels like we are right at the beginning. I guess what we wanted to do by putting the framework out there was just make it very clear that as we put technology in place, we have got really clear categorisation in our mind as to where we want to invest, where it is saving time, where it is driving productivity and where we really want to keep the human in front of the customer and not have them driven by technology. Yes, super powered by it, but not driven by it.

Karl Green: Makes sense. Just a quick follow-up question just on the rebrand. That sea of brands as you put on slide 14 as well. Have you had any instances whatsoever of clients slightly befuddled by the changes or any sense there might have been one or two volume opportunities that have been lost because of the rebranding?

Nick Kirk: We only rebranded probably a week and a half ago. There is not really a huge amount to add. It felt like we took over LinkedIn for about a week, which was great. Great to see our brand everywhere. There is a lot of excitement internally, which is lovely. The people are excited by the change. It makes things a lot clearer for our customers.

In many cases, quite a few of them thought we were called Michael Page already. It really is just bringing something to the forefront, maybe of a view that already existed.

There has clearly been a long process to get to this point in terms of a very diligent plan that has taken place over 18 months for the countries that were left to transfer across, which was around about six that moved from Page Personnel into Michael Page a week and a half ago. Over that time, as you would imagine, we have spent a lot of time consulting with customers, speaking to them about the planned change, making sure they are aware of it, that we are comfortable with it.

Overall, it just positions us in a way now that makes it a lot clearer for everybody to understand who we are, what we do, the services we provide. I know internally everybody is really excited to go forward into H2, working with the new brand and the new positioning. It is good times.

Abi Bell (UBS): Just two questions from me. Appreciate tough conditions everywhere, but UK and Ireland losses stand out quite a bit. What do you see as the path to return to profitability, and can you share any detail on the shape of the division? Are there any segments that are probably more profitable in their own right today, and which bits do you think you need to cut back on?

Secondly, you highlighted a record performance from Page Executive in H1. Could you give us some sense of the scale of the business today, and whether it has the potential to become a more meaningful driver of Group profitability in the coming years?

Nick Kirk: Thanks, Abi. Page Executive first. To give you an idea, it is about 10% of gross profit. It is a business that we have really dialled up our investment in since the launch of the new strategy. As I said in the narrative, it has existed as an offering in a number of countries for around about 30 years. This is not something that is new to us, but we really drew it out as part of the strategy because there is not only opportunities for the Page Executive brand itself to grow bigger.

If you think about it, the net impact of putting a new CFO into an organisation, someone that you have built a relationship, is often that he or she goes into the new role, reflect on the finance team that they have in place, and perhaps want to make some changes. The first call that they will typically make then is to the consultant in Page Executive that placed them, that will refer them to the colleagues in Michael Page, and we pick up an assignments. Or we are putting someone in as their Chief Transformation Officer, and again, they are looking at a role within an organisation. They are looking at a piece of transformation they want to do. They are back in touch with us to speak to Enterprise Solutions.

This referral opportunity that has created by building the Page Executive business should not be just looked at in isolation in terms of it is 10% of the Group, it is 15%, it is 20% of the Group because of the broader impact placing senior leaders makes to an organisation like ours for referral into Michael Page or Enterprise Solutions, or by geography.

Moving on to the UK for a moment. It has been tough trading, but I have been really pleased with the decisions that the UK leadership team have made over the last six months in terms of some restructuring that they have done. They have really focused in on driving productivity. They are starting to see some results from that.

I would not be surprised. It depends a little bit, I suppose, on the political backdrop and the macro backdrop. Based on what we are seeing, I would expect that we will start to see

certainly improving results in the second half. Who knows, maybe when we get into Q4, into Q1, we might start to see the UK back in growth.

From there, we want to grow it based on the restructured business, which, as you know, we closed the Page Personnel brand in the UK a couple of years ago. We are trading now very much in that Michael Page, Page Executive space. We are focusing more on interim recruitment than temp recruitment. Not only is the level that we are working at going up, but the productivity is going up dramatically.

The core focus then will be based on market conditions, is scaling that model. A model where we work at more senior levels on higher salaries with higher productivity, then let us make it bigger. That is the bit where we need to be very cautious, careful, and make sure that we do it in pace with the market conditions so that we do not draw down on profitability. Because as you know, Kelvin said it in the presentation, is that at a trading level, the UK is profitable. It is just that we carry quite a lot of Group costs here in the UK, which have always then gone across to the UK business when we announce these results.

The business itself is trading well. It is trading profitably, as a business. That profit will get better as market conditions improve, but also some of the self-help actions that the UK leadership have taken come into play, and I feel very confident that they will in the second half of the year.

Thank you. Thanks for joining us this morning. Our next update to the market will be our Q3 Trading Update on 13th October. Thank you for joining us.

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