THE ADECCO GROUP

Q1 2025 report

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8 May 2025

Disclaimer & note on terminology

Forward-looking statements

Information in this release may involve guidance, expectations, beliefs, plans, intentions or strategies regarding the future. These forward-looking statements involve risks and uncertainties. All forward-looking statements included in this release are based on information available to the Adecco Group AG as of the date of this release, and we assume no duty to update any such forward-looking statements. The forward-looking statements in this release are not guarantees of future performance and actual results could differ materially from our current expectations. Numerous factors could cause or contribute to such differences. Factors that could affect the Company's forward-looking statements include, among other things: global GDP trends and the demand for temporary work; changes in regulation affecting temporary work; intense competition in the markets in which the Company operates; integration of acquired companies; changes in the Company's ability to attract and retain qualified internal and external personnel or clients; the potential impact of disruptions related to IT; any adverse developments in existing commercial relationships, disputes or legal and tax proceedings.

Non-US GAAP measures used

'Organic growth' excludes the impact of currency, acquisitions and divestitures. This presentation refers to revenue growth yoy on an organic, trading days adjusted basis for the Adecco GBU, unless otherwise stated.

This presentation refers to gross margin development yoy on an organic basis, unless otherwise stated.

'EBITA' refers to operating income before amortisation and impairment of goodwill and intangible assets. This presentation refers to EBITA, EBITA margin and yoy margin development excluding one-offs, unless otherwise stated.

'Net debt' comprises short-term and long-term debt less cash and cash equivalents and short-term investments.

'Free cash flow' comprises cash flows from operating activities less capital expenditures.

'Cash conversion' is calculated as last 4 quarters of free cash flow before interest and tax paid (FCFBIT) divided by last 4 quarters of EBITA excluding one-offs.

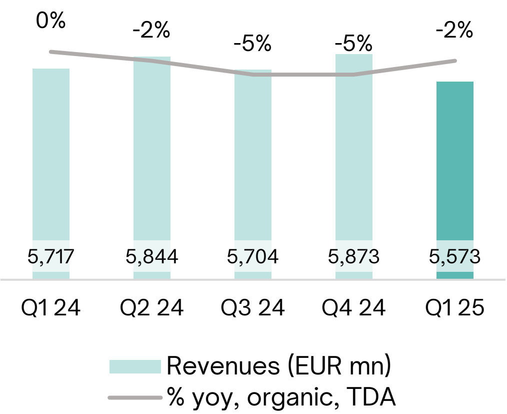
'Conversion ratio' is calculated as EBITA excluding one-offs divided by gross profit.

'Net debt to EBITDA' is calculated as net debt at period end divided by last 4 quarters of EBITA excluding one-offs plus depreciation.

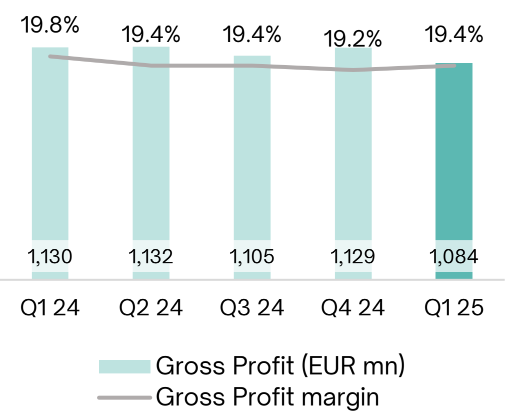
Q1 25 financial overview

- Strong +130 bps market share gain in Adecco
- Flex volumes improving through Q1, revenues +3% qoq; Adecco US returned to growth
- Strong execution with margins reflecting business mix, agile capacity management, good cost discipline and favourable timing of FESCO JV income

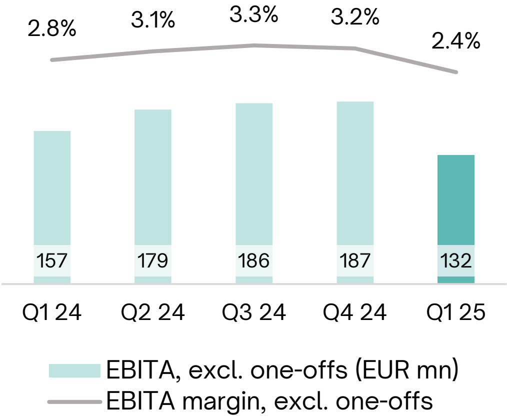
Revenues **€5.57 bn**
-2% yoy org. TDA



Gross Profit **€1,084 mn**
19.4% margin



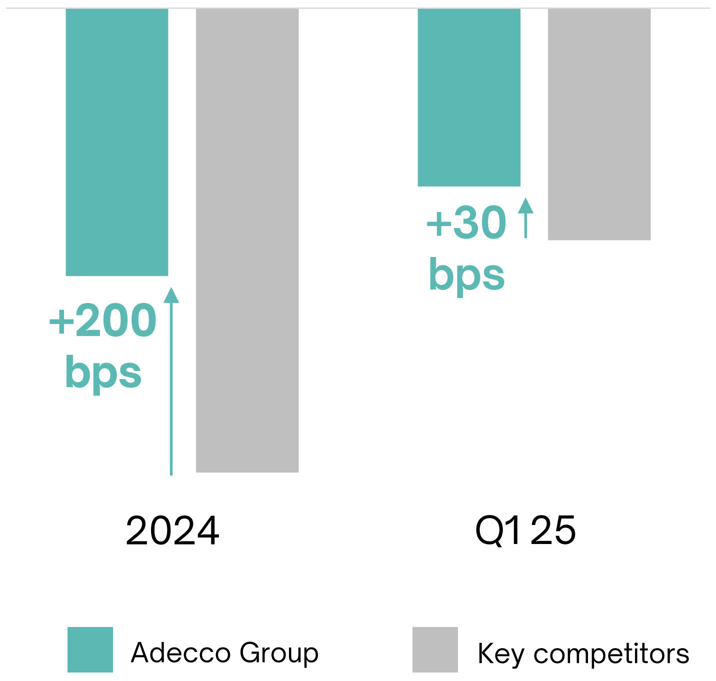
EBITA **€132 mn**
2.4% margin



Adj EPS	€0.48
Op CF	-€144 mn
LTM cash conversion	105%

Key wins driving market share

Relative revenue development



Q1 case studies

IT Services, Germany

Digital transformation, multi-year contract

Client need

Project management & software development capabilities

Value add

- Unified delivery model
- Level of expertise
- Ability to scale, support exceptional workloads

Business Services, Global

Cross-sell win

Client need

Strategic workforce management across multiple countries

Value add

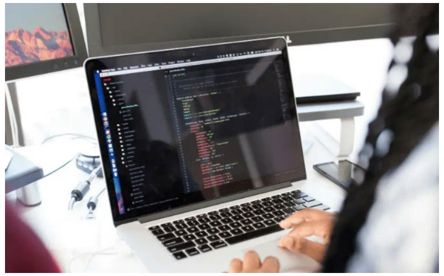
- Global reach and local knowledge
- End-to-end service, combining RS knowledge, RPO expertise, CT&M support

AI solutions to accelerate profitable growth

Pre-screening agent launched

- Agentic AI deployment based on Salesforce's Agentforce platform
- Enables 24/7 exchange for candidates
- Recruiters receive high quality pre-screened candidate lists
- Reduces need for recruiters to undertake pre-screening calls
- Ensures higher quality, automated data capture

AI-Core Platform suite



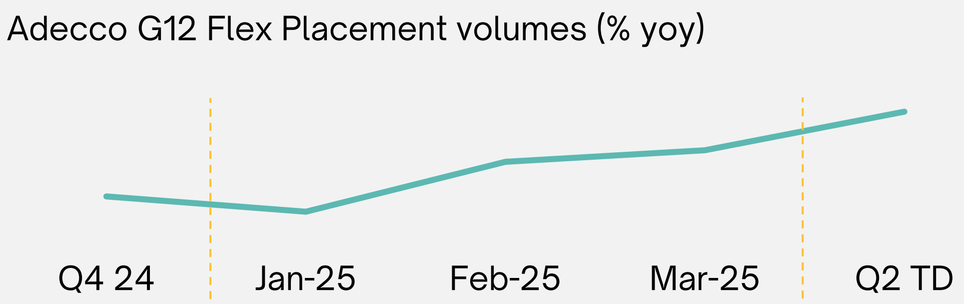
- Akkodis solution, helps companies build AI models using low / no code with ready-to-use plugins and agents
- Proven to deliver efficiency gains, cost savings, faster project delivery
- On-premise, highly secure, fully GDP compliant
- New capabilities incl. virtual assistant, intelligent document analysis tool, code generation support and analysis

r.Potential

- **New pioneering technology venture** with Salesforce
- Enterprise Platform will lever AI and agentic technology to optimise workforce configurations, how to distribute tasks between humans and digital workers
- Harnessing unique insights from Adecco Group's rich labour data sets
- Adecco Group is majority owner

Navigating macro-economic uncertainty and shifting trade policy

No discernible impact to date



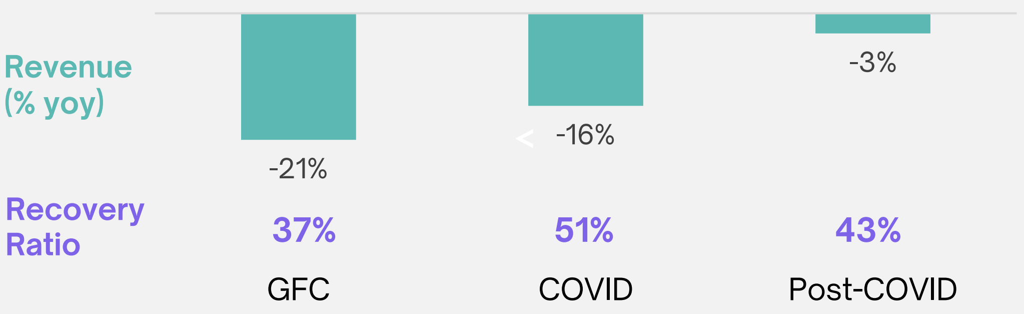
Resilient business model

Committed to 3% EBITA margin floor annually

Counter-cyclical cashflow profile

Robust financial structure

Flexible cost base



Agile, granular approach

- Ensuring proximity and support to clients
- Strengthening MSP, SOW engagements & outsourcing
- Lowering cost-to-serve; centralisation of tasks in hubs through Digital Delivery, deployment of agentic AI
- Executing turnaround of Akkodis Germany
- Driving free cash flow, strict DSO management
- Remaining agile with front-line capacity, driving productivity

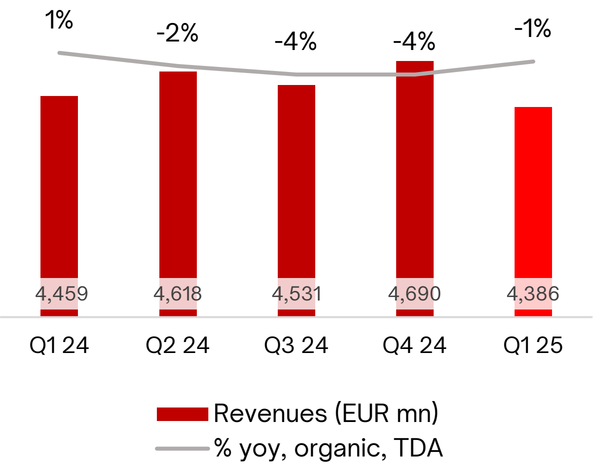
RR = Recovery ratio (calculated with reported gross profit and reported SG&A excl. one-offs). SOW = Statement of Work

Flex volumes improving through Q1

Adecco

Revenues **€4.4 bn, -1.2% yoy**

Share of Group 78%



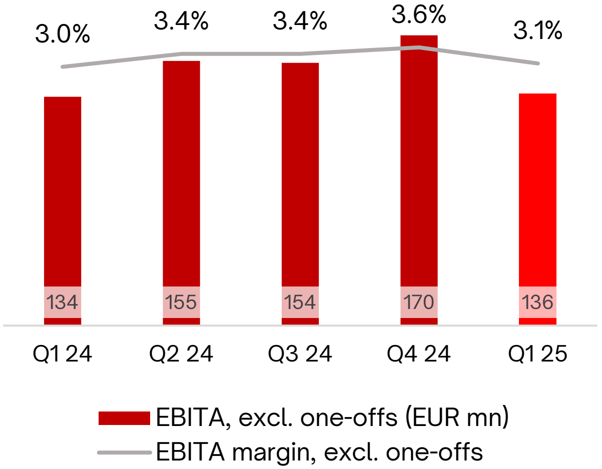
APAC strong

Americas improved

Europe soft

EBITA €136 mn, 3.1% margin

Share of Group 71%



Margin +10 bps yoy

FESCO JV income

Good cost mitigation

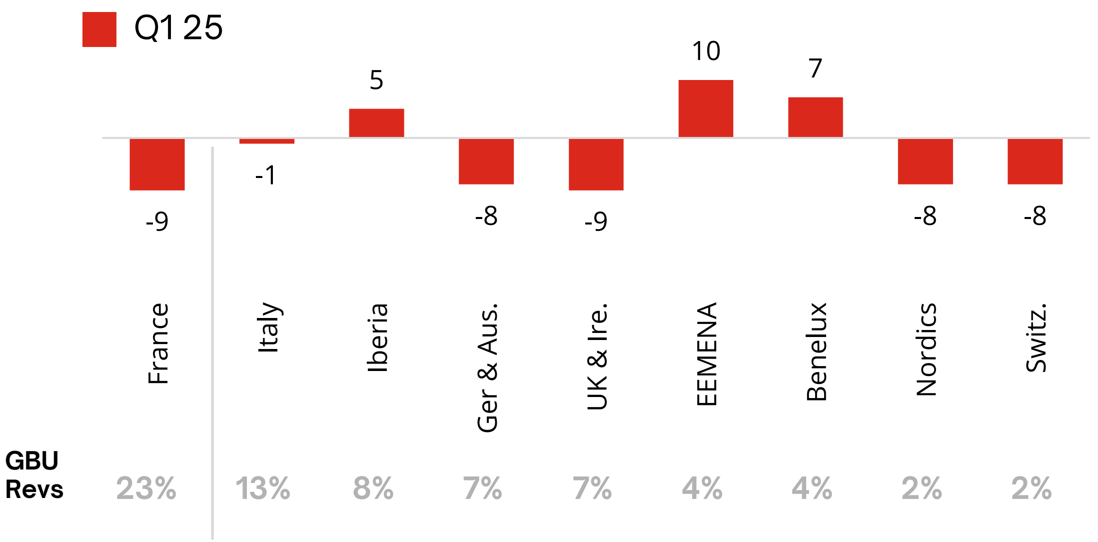
- +130 bps market share gain
- Organic revenues -2%, with flex -2.6%, outsourcing +6%, perm -12%. Enterprise soft; SMEs +3%
- Retail, F&B strong. Autos, manufacturing weak; logistics soft
- Healthy gross margin: lower perm volumes, firm pricing
- Productivity improved: GP/Selling FTE +2%, Selling FTEs -4% yoy
- EBITA margin reflecting G&A savings, agile capacity management, favourable timing of FESCO income
- Focus on accelerating expansion of Digital Delivery, strengthening MSP, deploying agentic AI

Adecco Europe performing well given challenging markets

Adecco

	Revenues Q1		Revenues Q4	EBITA excl. one-offs Q1		
	EUR mn	**% yoy org. TDA**	% yoy org. TDA	EUR mn	**EBITA %**	Change bps yoy
Adecco France	987	**-9%**	-10%	19	**1.9%**	(60)
Adecco EMEA excl. France	2,087	**-2%**	-3%	62	**3.0%**	(50)

Revenue developments by country/region (% yoy org. TDA)



France highlights

- Improved vs. market. Challenging trading backdrop, client pressures
- Logistics, autos challenged; manufacturing, healthcare weak
- EBITA margin mainly reflects lower volumes. FTEs -6% yoy
- Base effects, strong pipeline and restructuring actions to support future profitability

EMEA excl. France highlights

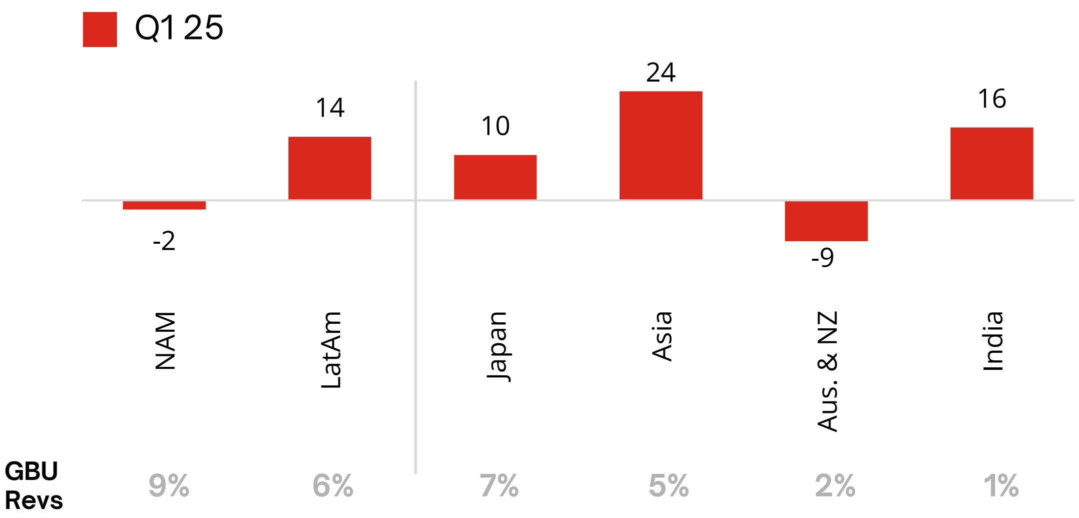
- Mixed conditions, strong relative performance in majority end-markets
- Manufacturing, autos weak; logistics solid, food & beverages strong
- EBITA margin reflecting business mix, lower volumes, SG&A savings

Strong execution in Adecco LatAm and APAC; US returned to growth

Adecco

	Revenues Q1		Revenues Q4	EBITA excl. one-offs Q1		
	EUR mn	**% yoy org. TDA**	% yoy org. TDA	EUR mn	**EBITA %**	Change bps yoy
Adecco Americas	667	**+4%**	-6%	7	**1.1%**	+50
Adecco APAC	645	**+11%**	+5%	48	**7.4%**	+260

Revenue developments by country/region (% yoy org. TDA)



Americas highlights

- NAM: significant US improvement. Solid exit rate, +4%. Consumer goods, manufacturing strong; autos weak
- LatAm: led by Argentina, Brazil, Colombia; Mexico subdued
- Margin benefiting from higher volumes, cost discipline
- NAM further optimising cost-to-serve; FTEs -17% yoy

APAC highlights

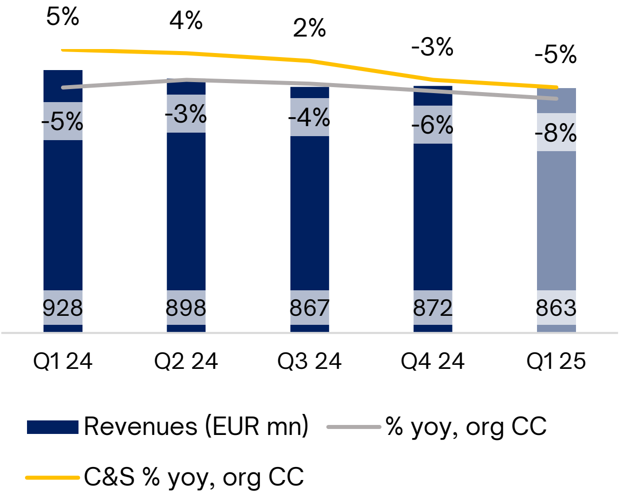
- Strong growth and market share gain
- Retail, consulting strong; manufacturing robust
- Margin boosted by timing of FESCO JV income, higher volumes, G&A savings

[1] yoy organic constant currency terms

Mixed performance driven by market headwinds in Germany, US

Revenues **€863 mn, -8% yoy**

Share of Group 16%



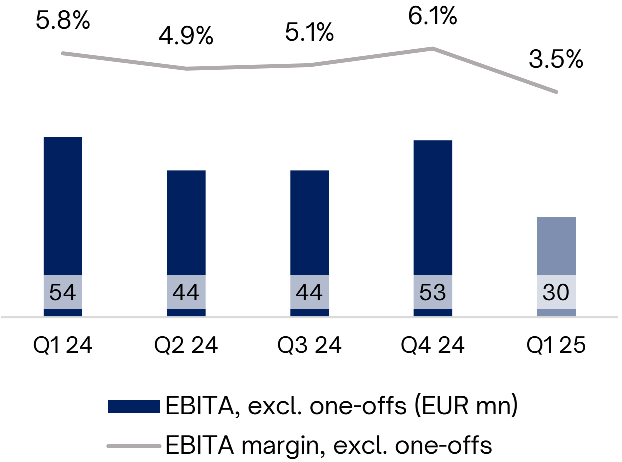
EMEA -9% yoy

NAM -11% yoy

APAC +3% yoy

EBITA €30 mn, 3.5% margin

Share of Group 15%



Margin -230 bps yoy

Lower volumes

- Consulting & Solutions (C&S) -5%; Tech Staffing -13%
- EMEA weak, reflecting increased pressure in Germany, -15%, impacted by weaker demand in autos; France -6%, autos, telcos soft. Italy +5%, Iberia +13%
- NAM tech sector downturn continues to weigh on staffing; C&S +12%
- APAC solid. Japan +2%, robust growth in C&S supported by high utilisation. Australia -3%, and +2% incl. Barhead[1]
- EBITA margin driven by lower volumes, particularly meaningful pressure on German operations
- New leadership in place. Swiftly executing turnaround plan in Germany; further optimisation of NAM, French operations

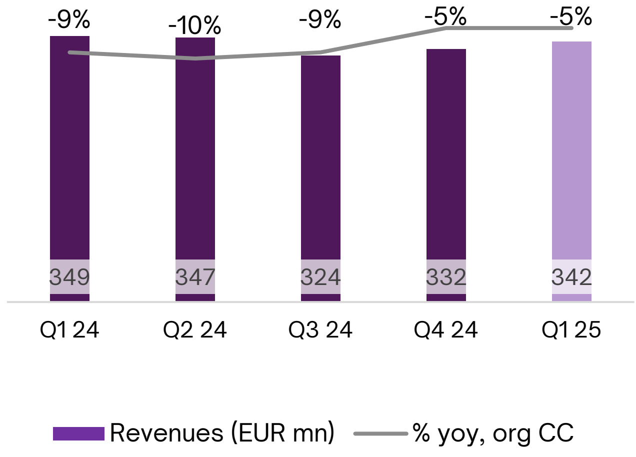
[1] Barhead acquisition closed February 2025

Sequential stabilisation and margin recovery

LHH

Revenues **€342 mn, -5% yoy**

Share of Group 6%



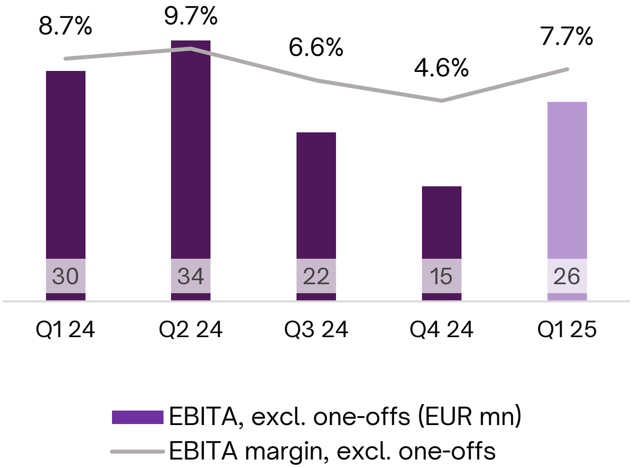
Professional Recruitment Solutions (PRS) -7% yoy

Career Transition (CT) 0% yoy

Coaching & Skilling (CS) -4% yoy

EBITA €26 mn, 7.7% margin

Share of Group 14%



Margin -100 bps yoy

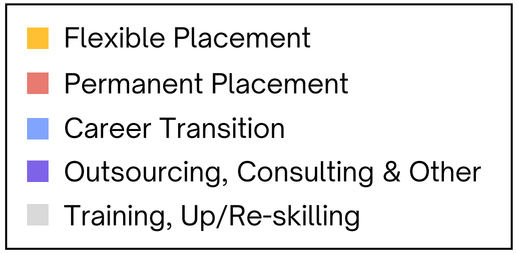
Geographic mix

Lower volumes

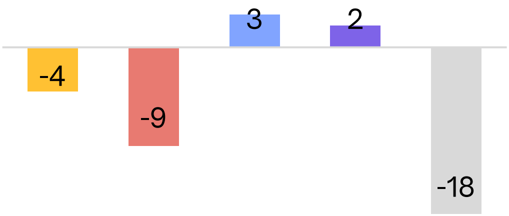
Good cost discipline

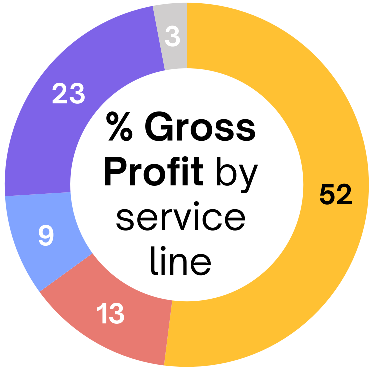
- PRS sequentially better, outperformed a tough market. RS and RPO soft. Gross profit -5%, perm –6%. RS productivity +2%, Billing FTEs -9% yoy
- CT strong given high comparison. US resilient; France, UK grew well. Pipeline improved
- CS weighed by progressive exit of General Assembly B2C; B2B +45% with strong pipeline, mostly related to AI upskilling. Ezra solid, +5% with strong exit rate and record pipeline
- Focus on delayering & right-sizing PRS, growing General Assembly B2B and Ezra

Healthy gross margin reflecting current business mix



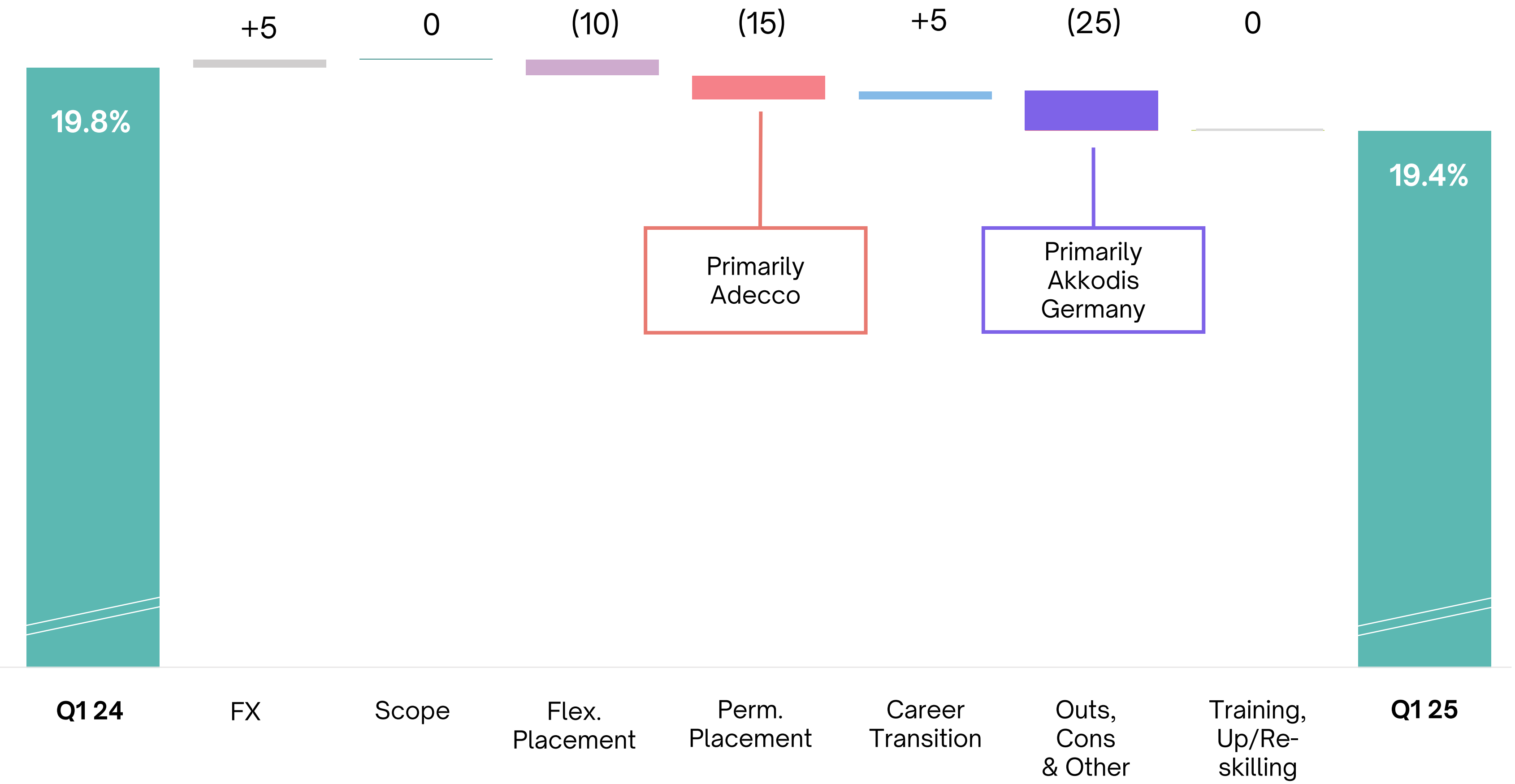
Revenues by service line
(% yoy org. CC)





Gross profit bridge

(As % of revenues yoy, in bps)



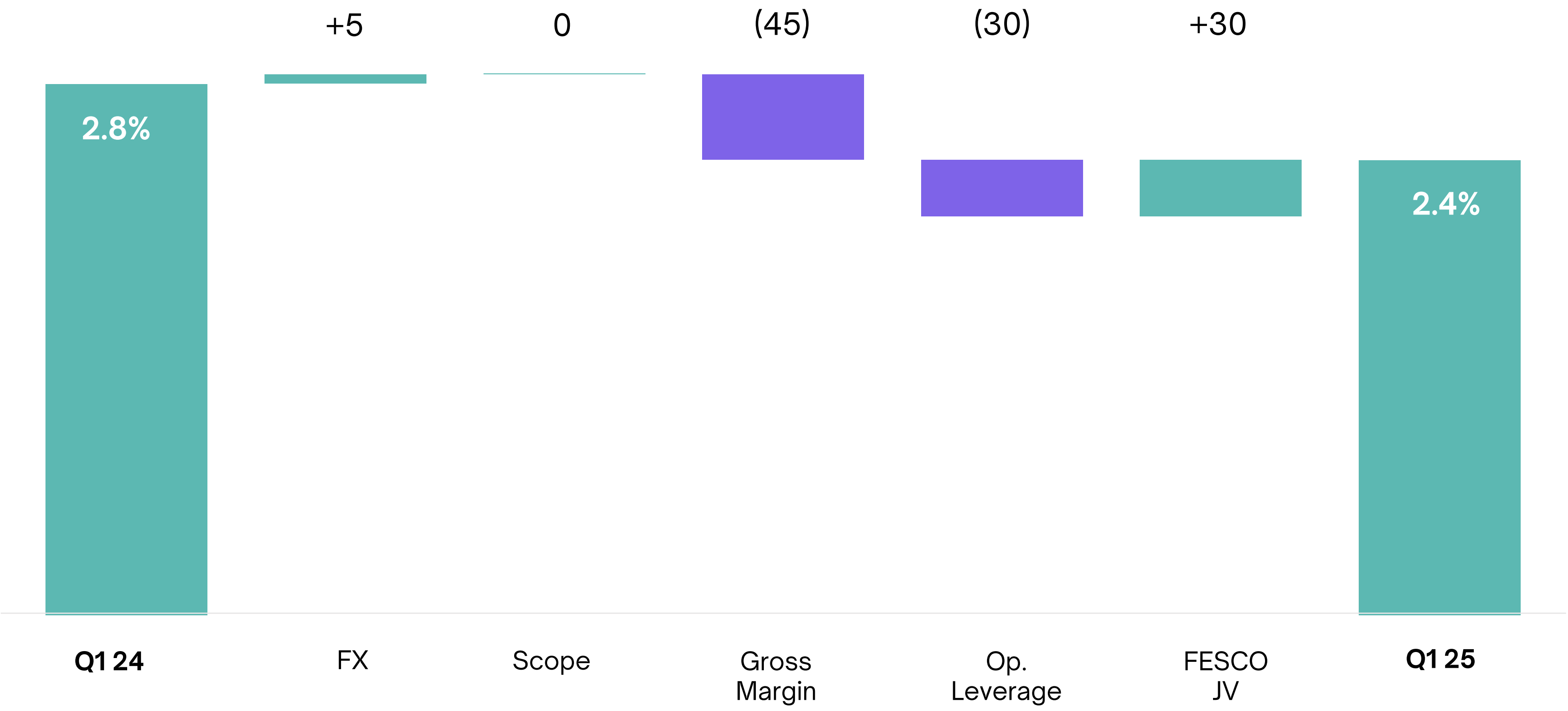
EBITA margin reflecting agile capacity management, good cost discipline, FESCO timing

KPIs

SG&A excl. one-offs	€974 mn -1% yoy 17.5% revenues
G&A	3.7% revenues
Productivity (GP/Selling FTE)	+1% yoy
Selling FTEs	-5% yoy
FTEs	-6% yoy

EBITA bridge, excl. one-offs

(As % of revenues yoy, in bps)



Robust financial structure

LTM CASH CONVERSION 105%

- DSO 52.5 days, half a day lower yoy; best-in-class
- Cash flow from operating activities -€144 mn, from -€67 mn. Capex -€21 mn

  On an underlying basis, the cash result reflects working capital absorption for growth and lower business income.

  NWC movements further influenced by timing differences in collections, payables and tax payments.
- Adecco Group normally sees cash outflows in H1, inflows in H2

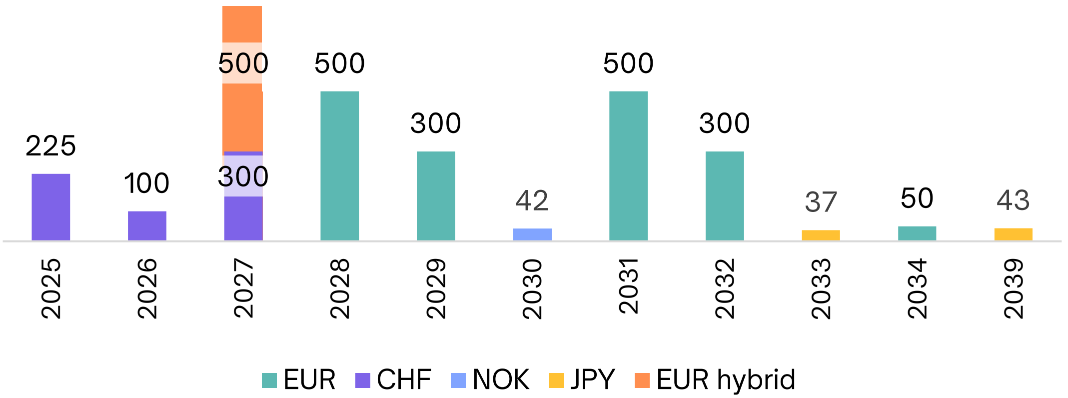
NET DEBT / EBITDA 3.2x

- End Q1 net debt €2,701 mn
- ND/EBITDA ratio weighed by lower EBITDA
- Targeting end-27 Net debt/EBITDA ≤1.5x[1]

STRONG LIQUIDITY, LOW INTEREST EXPENSES

- Undrawn €750 mn RCF
- 80% debt fixed; interest rate sensitivity +/- 1% = ~€6 mn
- No covenants on debt

WELL-BALANCED BOND MATURITY PROFILE



[1] Absent any major macroeconomic or geopolitical disruption

Near-term outlook

Volumes improved through Q1, and in Q2 to date, modest positive momentum continues.

For Q2, the Group expects gross margin to be lower sequentially, reflecting normal seasonality. It expects SG&A expenses excluding one-offs to be modestly lower sequentially.

Management is focused on managing capacity with agility to balance share gain and productivity in uncertain markets, in addition to securing G&A savings.

Key takeaways

1
Further market share gain with solid margins

2
Adecco US returned to growth. Executing Akkodis Germany turnaround

3
Agile capacity management and strong cost control

Q&A

APPENDIX

Additional financial framework

EUR mn, unless otherwise stated	FY 2024	FY 2025 Est.	Q1 2025	Q2 2025 Est.
One-off costs	(87)[1]	~ (50)	(5)	~ (20)
Depreciation	(162)	~ (160)	(35)	~ (40)
Amortisation	(81)	~ (60)	(16)	~ (15)
Interest expense	(73)	~ (80)	(17)	~ (20)
Other income/(expenses), net	(25)	~ (20)	(8)	~ (5)
Effective tax rate	32%[2]	~ 34%	31%[2]	~ 34%
Capital expenditure	(144)	~ (160)	(21)	~ (40)

	FY 2024	FY 2025 Est.	Q1 2025	Q2 2025 Est.
Foreign exchange impact on revenues *(at current rates, yoy)*	(1.1)%	0.0%	+0.5%	(0.2)%
Trading Days Adjustment *(difference in trading hours, yoy)*	0.8%	(0.3)%	(0.7)%	(0.6)%

[1] Of which, EUR 79 mn mainly G&A related, and EUR 8 mn AKKA integration and related costs. [2] Tax rate including discrete events.
Note: other income/(expenses), net, includes external interest income and exchange gain/losses, net

Rereported segment results

Revenues by segment

Revenues by segment

EUR millions	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2023 FY	2024 FY
Adecco France	1,182	1,275	1,253	1,240	1,101	1,178	1,158	1,138	4,950	4,575
Adecco EMEA	2,076	2,168	2,176	2,276	2,115	2,210	2,157	2,264	8,696	8,746
Adecco Americas	703	697	698	746	654	644	624	653	2,844	2,575
Adecco APAC	567	554	584	597	589	586	592	635	2,302	2,402
Adecco	**4,528**	**4,694**	**4,711**	**4,859**	**4,459**	**4,618**	**4,531**	**4,690**	**18,792**	**18,298**
Akkodis	**992**	**934**	**907**	**930**	**928**	**898**	**867**	**872**	**3,763**	**3,565**
LHH	**387**	**386**	**356**	**353**	**349**	**347**	**324**	**332**	**1,482**	**1,352**
Elimination	(15)	(16)	(16)	(33)	(19)	(19)	(18)	(21)	(80)	(77)
Adecco Group	**5,892**	**5,998**	**5,958**	**6,109**	**5,717**	**5,844**	**5,704**	**5,873**	**23,957**	**23,138**

The Company has updated the split by geography within the Adecco GBU to align with the current structure and responsibilities of regional management and transferred the MSP Pontoon operations from LHH to Adecco to accelerate synergies between MSP and the staffing business.

Revenues by segment

EUR (yoy)	2023 Q1	2023 Q2	2023 Q3	2023 Q4	2024 Q1	2024 Q2	2024 Q3	2024 Q4	2023 FY	2024 FY
Adecco France					-7%	-8%	-8%	-8%		-8%
Adecco EMEA					2%	2%	-1%	-1%		1%
Adecco Americas					-7%	-8%	-11%	-12%		-9%
Adecco APAC					4%	6%	1%	6%		4%
Adecco					**-2%**	**-2%**	**-4%**	**-3%**		**-3%**
Akkodis					**-6%**	**-4%**	**-4%**	**-6%**		**-5%**
LHH					**-10%**	**-10%**	**-9%**	**-6%**		**-9%**
Elimination										
Adecco Group					**-3%**	**-3%**	**-4%**	**-4%**		**-3%**

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Rereported segment results

Revenues by segment

	2023				2024				2023	2024
Organic (yoy)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	FY	FY
Adecco France					-7%	-8%	-8%	-8%		-8%
Adecco EMEA					2%	2%	-1%	-1%		0%
Adecco Americas					-3%	-5%	-5%	-4%		-4%
Adecco APAC					12%	14%	4%	6%		9%
Adecco					**0%**	**0%**	**-3%**	**-2%**		**-1%**
Akkodis					**-4%**	**-2%**	**-3%**	**-5%**		**-4%**
LHH					**-10%**	**-11%**	**-10%**	**-5%**		**-9%**
Elimination										
Adecco Group					**-2%**	**-1%**	**-3%**	**-3%**		**-2%**

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Revenues by segment

	2023				2024				2023	2024
Organic TDA change (yoy)	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	FY	FY
Adecco France					-7%	-8%	-9%	-10%		-8%
Adecco EMEA					4%	0%	-3%	-3%		-1%
Adecco Americas					-2%	-5%	-7%	-6%		-5%
Adecco APAC					14%	14%	4%	5%		9%
Adecco					**1%**	**-2%**	**-4%**	**-4%**		**-2%**
Akkodis					**-2%**	**-2%**	**-5%**	**-6%**		**-4%**
LHH					**-10%**	**-11%**	**-11%**	**-7%**		**-10%**
Elimination										
Adecco Group					**0%**	**-2%**	**-5%**	**-5%**		**-3%**

The Company has updated the split by geography within the Adecco GBU to align with the current structure and responsibilities of regional management and transferred the MSP Pontoon operations from LHH to Adecco to accelerate synergies between MSP and the staffing business.

Rereported segment results

EBITA[1] by segment

EBITA excl. one-offs by segment

	2023				2024				2023	2024
EUR millions	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	FY	FY
Adecco France	41	58	63	59	27	34	38	50	221	149
Adecco EMEA	77	71	93	71	75	79	86	76	312	316
Adecco Americas	-	8	10	24	4	3	2	11	42	20
Adecco APAC	39	25	27	31	28	39	28	33	122	128
Adecco	**157**	**162**	**193**	**185**	**134**	**155**	**154**	**170**	**697**	**613**
Akkodis	**48**	**48**	**56**	**82**	**54**	**44**	**44**	**53**	**234**	**195**
LHH	**31**	**34**	**31**	**26**	**30**	**34**	**22**	**15**	**122**	**101**
Corporate and Other	**(52)**	**(60)**	**(45)**	**(29)**	**(61)**	**(54)**	**(34)**	**(51)**	**(186)**	**(200)**
Adecco Group	**184**	**184**	**235**	**264**	**157**	**179**	**186**	**187**	**867**	**709**

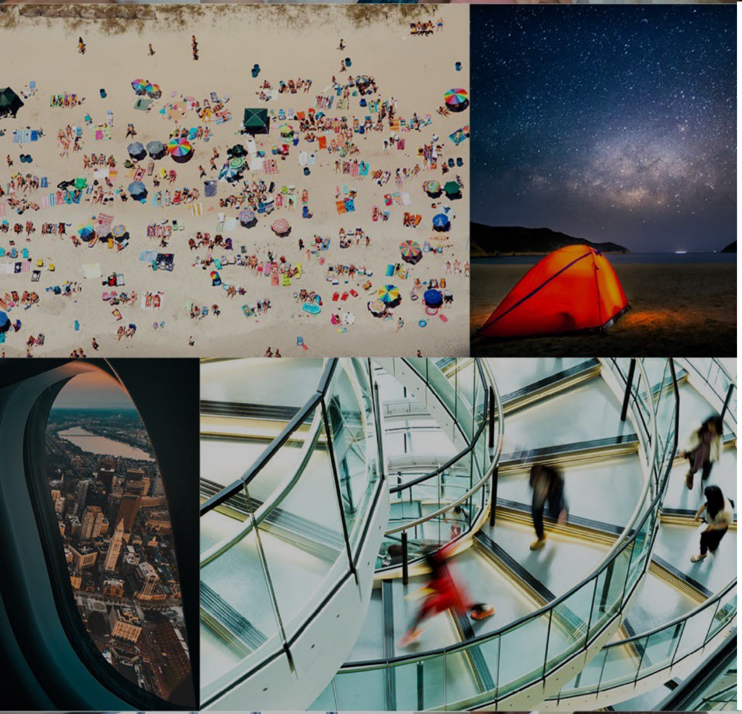
The Company has updated the split by geography within the Adecco GBU to align with the current structure and responsibilities of regional management and transferred the MSP Pontoon operations from LHH to Adecco to accelerate synergies between MSP and the staffing business.

1) EBITA is a non-US GAAP measure and refers to operating income before amortisation and impairment of goodwill and intangible assets.

EBITA excl. one-offs margin by segment

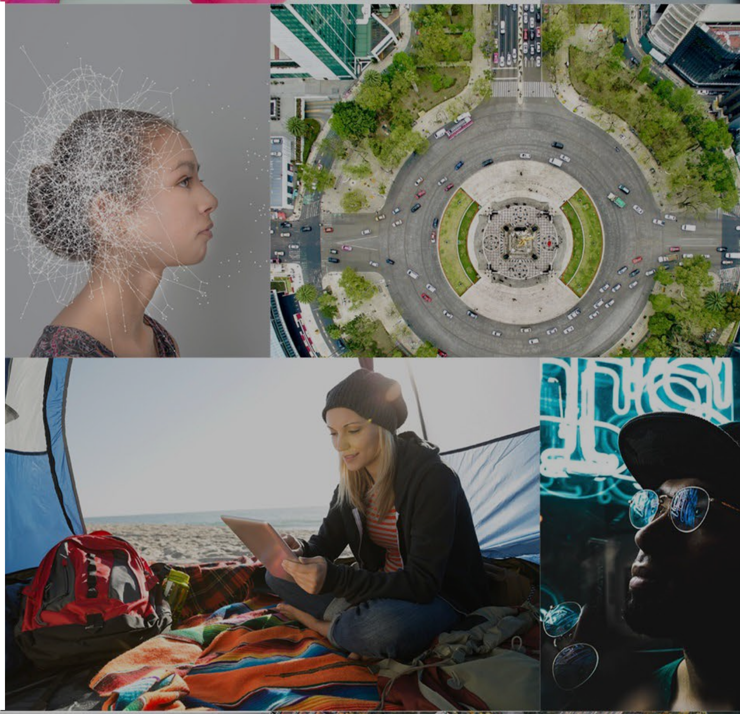
	2023				2024				2023	2024
%	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	FY	FY
Adecco France	3.5%	4.6%	5.0%	4.8%	2.5%	2.9%	3.2%	4.3%	4.5%	3.3%
Adecco EMEA	3.7%	3.3%	4.2%	3.1%	3.5%	3.6%	3.9%	3.4%	3.6%	3.6%
Adecco Americas	0.1%	1.0%	1.5%	3.1%	0.6%	0.5%	0.1%	1.8%	1.5%	0.8%
Adecco APAC	6.8%	4.6%	4.7%	5.1%	4.8%	6.6%	4.7%	5.3%	5.3%	5.4%
Adecco	**3.5%**	**3.5%**	**4.1%**	**3.8%**	**3.0%**	**3.4%**	**3.4%**	**3.6%**	**3.7%**	**3.4%**
Akkodis	**4.8%**	**5.2%**	**6.2%**	**8.8%**	**5.8%**	**4.9%**	**5.1%**	**6.1%**	**6.2%**	**5.5%**
LHH	**7.9%**	**8.6%**	**8.9%**	**7.7%**	**8.7%**	**9.7%**	**6.6%**	**4.6%**	**8.3%**	**7.4%**
Adecco Group	**3.1%**	**3.1%**	**4.0%**	**4.3%**	**2.8%**	**3.1%**	**3.3%**	**3.2%**	**3.6%**	**3.1%**

The Company has updated the split by geography within the Adecco GBU to align with the current structure and responsibilities of regional management and transferred the MSP Pontoon operations from LHH to Adecco to accelerate synergies between MSP and the staffing business.



THE ADECCO GROUP

Adecco AKKODIS LHH



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