

Interim report for 1 January – 30 June 2025

Continued robust financial development. Second tranche of the share buyback programme increased by DKK 500 million to DKK 1,750 million

Highlights

Financial performance

- Organic growth was 3.8% in Q2 2025 (Q2 2024: 5.8%), and 4.1% in H1 2025 (H1 2024: 5.9%), mainly driven by price increases and projects and above-base work, partially offset by net negative contract wins as previously communicated.
- Operating margin before other items (excl. IAS 29) improved to 4.2% in H1 2025 from 4.0% in H1 2024 as a result of continued operational improvements across the Group.
- Free cash flow improved to DKK (0.5) billion in H1 2025 (H1 2024: DKK (1.1) billion) mainly due to increased operating profit and improved changes in working capital.

Business update

- ISS secured six new large key account contracts, each with annual revenue above DKK 100 million, alongside several smaller and mid-sized local IFS contracts. In addition, a number of existing contracts were extended, several with significant scope expansions of above DKK 100 million.
- Strategy execution developed according to plan, where especially commercial model, workforce management and finance shared service centre gained momentum.
- The final oral hearing in the arbitration proceedings with Deutsche Telekom took place in mid July. The parties now await a ruling by the Tribunal.

Capital distribution and outlook

- On 27 May 2025, ISS established a Euro-Commercial Paper (ECP) programme to enable more efficient and timely access to short-term financing. The programme has a maximum principal value of EUR 900 million.
- On 11 August 2025, ISS concluded the first DKK 1,250 million tranche of its 2025 share buyback programme. The second tranche has been increased by DKK 500 million to DKK 1,750 million in accordance with our capital allocation policy. The total programme will thereby amount to DKK 3.0 billion.
- The 2025 outlook is unchanged for all three financial KPIs; organic growth of 4 – 6%, operating margin above 5% and free cash flow above DKK 2.4 billion.

Kasper Fangel Group CEO, ISS A/S, says:

“Over the past quarter, we’ve maintained a steadfast focus on executing our strategic priorities - driving customer-centric growth, improving efficiency, and becoming the world’s leading frontline employer. I’m pleased to see this reflected in continued robust financial performance, including an improved operating margin. So far this year, we’ve announced expansions and wins of 14 contracts, each with additional annual revenue of more than DKK 100 million. Additionally, with our strong capital position, we’ve decided to increase our share buyback programme by DKK 500 million. We still have more to accomplish, but I’m pleased with the current focus and speed of execution across our organisation. This collective drive is not only fuelling our momentum - it is laying the foundation for sustained success.”

Financial overview	Q1 2025	Q2 2025	H1 2025	H1 2024
DKK million (unless otherwise stated)				
Revenue	20,930	20,683	41,613	40,681
Organic growth, %	4.3	3.8	4.1	5.9
Operating profit before other items			1,688	1,580
Operating profit before other items, excl. IAS 29			1,736	1,600
Operating margin (before other items), %			4.1	3.9
Operating margin (before other items), %, excl. IAS 29			4.2	4.0
Free cash flow			(542)	(1,095)
Free cash flow, excl. IAS 29			(558)	(1,100)

Key figures and financial ratios

Financials	H1 2025	H1 2024	2024
Results (DKK million)			
Revenue, excl. IAS 29	41,821	40,496	83,005
Revenue	41,613	40,681	83,761
Operating profit before other items, excl. IAS 29	1,736	1,600	4,155
Operating profit before other items	1,688	1,580	4,143
Operating profit	1,580	1,517	3,889
EBITDA before other items	2,453	2,314	5,612
EBITDA	2,393	2,291	5,449
Pro forma adjusted EBITDA, LTM	5,726	5,118	5,585
Finance costs, net	(296)	(288)	(590)
Net profit from continuing operations	995	940	2,641
Net profit from discontinued operations	-	(71)	(52)
Net profit	995	869	2,589
Net profit (adjusted)	1,088	990	2,876
Cash flow (DKK million)			
Cash flow from operating activities	135	(333)	3,727
Acquisition of intangible assets, property and equipment, net	(309)	(289)	(619)
Free cash flow, excl. IAS 29	(558)	(1,100)	1,994
Free cash flow	(542)	(1,095)	1,996
Financial position (DKK million)			
Total assets	51,084	50,139	50,641
Goodwill	19,930	20,102	20,501
Additions to property and equipment, right-of-use assets	575	637	1,432
Equity	10,395	10,793	11,913
Net debt	14,140	13,230	11,340
Shares ('000)			
Shares issued	174,200	185,668	185,668
Treasury shares	4,991	2,545	9,220
Average shares (basic)	171,192	183,135	180,954
Average shares (diluted)	172,214	185,864	183,358
Ratios			
Financial ratios (% , unless otherwise stated)			
Organic growth	4.1	5.9	6.3
Acquisitions/divestments, net	0.9	1.0	1.0
Currency adjustments	(2.7)	(0.8)	(0.8)
Total revenue growth	2.3	6.1	6.5
Operating margin, excl. IAS 29	4.2	4.0	5.0
Operating margin	4.1	3.9	4.9
Cash conversion	(32.1)	(69.3)	48.2
Equity ratio	20.3	21.5	23.5
Net debt/Pro forma adjusted EBITDA	2.5x	2.6x	2.0x
Share ratios (DKK)			
Basic earnings per share (EPS)	5.9	4.7	14.3
Diluted EPS	5.9	4.6	14.1
Basic EPS (continuing operations)	5.9	5.1	14.5
Diluted EPS (continuing operations)	5.9	5.0	14.4
Non-financials			
Social data			
Full-time employees, %	79	79	79
Number of employees (end of period)	318,105	327,704	326,483
Definitions, see Annual Report 2024.			

Business update

Following the strategic review conducted in 2024, we sharpened our focus from previously five strategic OneISS priorities to three Global priorities and eight global initiatives to be executed from 2025 and onwards.

Priorities	Global initiatives
<p>Customer Centric Growth</p>	<p>Group Commercial Operating model</p> <p>Segment-focused service products</p>
<p>Leading Frontline Employer</p>	<p>Digital recruiting</p> <p>Digital onboarding and engagement</p> <p>Social sustainability</p> <p>People Data and Analytics</p>
<p>Efficiency</p>	<p>Workforce management</p> <p>Finance shared service center</p>

In the first six months of 2025, main focus has been on establishing governance and management oversight of the programme as well as initiating execution of each global initiative. Overall, the programme developed according to plan, with commercial model, workforce management and finance shared service centre initiatives gaining most momentum. The finance shared services centre is established in Gdansk, Poland, and focuses on driving cost efficiencies in transactional services. As such, the transition of transactional services from primarily the UK, Denmark, Sweden, the Netherlands and Finland continued in H1 2025 with several other countries being in preparation phase to complete migration before the end of 2025.

Operationally, the business developed as expected in the first six months of 2025 as we continued to successfully manage wage inflation by implementing price increases with our customers in parallel with improving productivity across local markets. Mobilisation activities for contracts secured in 2024 also continued according to plan, most notably related to the key account contract with DWP in the UK.

Commercially we gained more momentum with several wins in H1 2025, especially during Q2 2025, see Commercial development on page 7.

Geopolitical uncertainties

In the first six months of 2025, macroeconomic and geopolitical uncertainties remained high with uncertainty from imposed tariffs and trade barriers, especially from the US. Since ISS delivers services locally, rather than exports goods, we are less exposed to such global events. The escalating events in the Middle East added further uncertainty. ISS has no direct activities in the region, neither any significant customers that are significantly exposed, however we continue to monitor the development.

Deutsche Telekom

As previously disclosed, ISS and Deutsche Telekom (DTAG) have certain contractual disagreements, and in December 2022, ISS initiated the establishment of an Arbitration Tribunal under the German Institute of Arbitration (DIS) to decide on these disagreements.

In the proceedings, ISS and DTAG have exchanged claims against each other. ISS has claimed remuneration for services performed. DTAG has disputed the claims. The final oral hearing in the arbitration proceedings took place in mid July 2025. The parties now await a ruling by the Tribunal.

Share buyback programme 2024 programme

On 19 February 2025, ISS completed the share buyback programme launched in 2024 as shares for a total consideration of DKK 1.5 billion had been repurchased.

2025 programme

On 11 August 2025, ISS completed the first tranche of the DKK 2.5 billion share buyback programme as 7,409,554 of shares had been acquired for a total consideration of DKK 1,250 million. The second tranche of the programme commenced on 12 August 2025. In line with our capital allocation policy, the second tranche has been increased by DKK 500 million taking the total value of the programme to DKK 3.0 billion to complete 13 February 2026 at the latest.

Group Performance

Q2 2025

Revenue

Group revenue in Q2 2025 was DKK 20.7 billion, an increase of 0.4% compared with the same period last year. Organic growth was 3.8% (Q2 2024: 5.8%), acquisitions and divestments, net increased revenue by 0.6%, while currency effects and the net impact from hyperinflation restatement in Türkiye (IAS 29) were negative with 2.7% and 1.3%, respectively.

Organic growth continued to be driven by price increases implemented across the Group and volume growth. Price increases contributed around 4.5%-points, of which around half came from Türkiye.

Volume growth was driven by a combination of increased activity levels at customer sites and expansion of contracts with existing customers and contributed around 0.5%-point to organic growth.

In the second quarter, the contribution from net new contract wins was negative around 2%-points, as a result of contracts lost in H1 2024 as well as certain deliberate contract exits in 2024, especially in the Americas region.

Revenue from projects and above-base work accounted for 16% of Group revenue (Q2 2024: 15%) and grew organically by 6% mainly as a result of projects related to customers' refurbishment programmes and other smaller above-base work.

All regions, except Americas, contributed to the positive organic growth. Central & Southern Europe showed the highest organic growth, mainly due to price increases in Türkiye. In Northern Europe the organic growth was lower compared with the same period last year mainly due to the annualisation effect from Defra in the UK and the Danish Building and Property Agency with go-live in Q2 2024. Asia & Pacific was mainly supported by solid growth in Australia and Singapore. In Americas, growth continued to be negative mainly due to deliberate contract exits and losses in prior year.

Revenue and growth

(DKKm)	Q2 2025	Q2 2024	Organic growth	Acq./ div.	Currency & other adj.	Revenue Growth
Northern Europe	8,002	7,848	1%	0%	1%	2%
Central & Southern Europe	7,144	6,657	9%	2%	(4)%	7%
Asia & Pacific	3,586	3,528	8%	-	(6)%	2%
Americas	1,917	2,293	(10)%	-	(6)%	(16)%
Other countries	205	181	15%	-	(2)%	13%
Corporate / eliminations	(18)	(14)	-	-	-	-
Group, excl. IAS 29	20,836	20,493	3.8%	0.6%	(2.7)%	1.7%
Group ¹⁾	20,683	20,591	3.8%	0.6%	(4.0)%	0.4%

¹⁾ The net impact from hyperinflation restatement in Türkiye (IAS 29) was (1.3)% on Group-level, that has been included in Currency & other adj.

H1 2025

Revenue

Group revenue in the first six months of 2025 was DKK 41.6 billion, an increase of 2.3% compared with the same period last year. Organic growth was 4.1%, acquisitions and divestments, net were positive by 0.9%, whereas currency effects and the net impact from hyperinflation restatement in Türkiye (IAS 29) were negative with 1.7% and 1.0%, respectively.

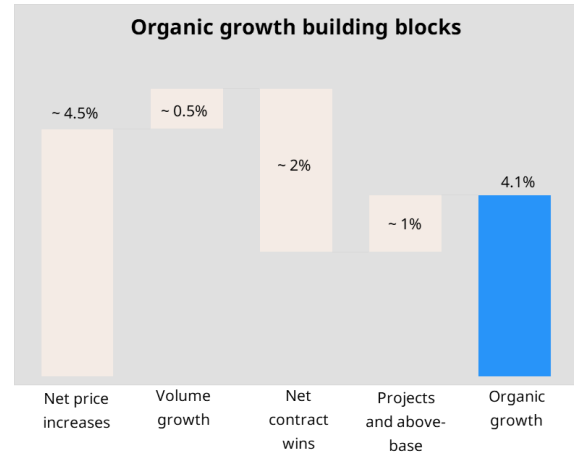
Organic growth was 4.1% in the first half of 2025 (H1 2024: 5.9%), primarily driven by price increases and projects and above-base work.

ISS continued to implement price increases across the Group in line with contractual agreements to mitigate the effects of wage increases and general cost inflation. This had a positive effect on organic growth of around 4.5%-points of which around half related to Türkiye.

Volume growth contributed around 0.5%-point to organic growth primarily driven by increased activity levels at customer sites, mainly in Northern Europe and Asia & Pacific.

Net contract wins were negative by around 2%-points, primarily driven by contracts lost as well as certain deliberate contract exits during 2024, especially in Americas. This was partly offset by the annualisation effect of the startup of Defra in the UK and the Danish Building and Property Agency in Denmark.

Projects and above-base work accounted for 16% of Group revenue (H1 2024: 15%) and grew organically by 7% in H1 2025. Growth was mainly related to customers' refurbishment programmes and other above-base work, especially in Central & Southern Europe and Asia & Pacific.



Key account customers accounted for 70% of Group revenue (H1 2024: 71%).

All regions, except Americas, contributed to the positive organic growth. Central & Southern Europe reported the highest organic growth, mainly due to price increases in Türkiye and projects and above-base work. Asia & Pacific was mainly supported by solid growth in Australia and Singapore. In Northern Europe growth was positively impacted by contract startups in 2024, mainly Defra in the UK and the Danish Building and Property Agency in Denmark. In Americas, growth was negative mainly due to deliberate contract exits during H1 2024.

Revenue and growth

(DKKm)	H1 2025	H1 2024	Organic growth	Acq./ div.	Currency & other adj.	Revenue Growth
Northern Europe	15,852	15,376	2%	0%	1%	3%
Central & Southern Europe	14,377	13,212	9%	3%	(3)%	9%
Asia & Pacific	7,267	7,049	6%	-	(3)%	3%
Americas	3,973	4,535	(9)%	-	(3)%	(12)%
Other countries	392	349	13%	-	(1)%	12%
Corporate / eliminations	(40)	(25)	-	-	-	-
Group, excl. IAS 29	41,821	40,496	4.1%	0.9%	(1.7)%	3.3%
Group ¹⁾	41,613	40,681	4.1%	0.9%	(2.7)%	2.3%

¹⁾ The net impact from hyperinflation restatement in Türkiye (IAS 29) was (1.0)% on Group-level, that has been included in Currency & other adj.

Operating results

Operating profit before other items was DKK 1,688 million (H1 2024: DKK 1,580 million) and operating margin was 4.1% (H1 2024: 3.9%). Excluding the effect from IAS 29 (Türkiye hyperinflation) operating profit before other items amounted to DKK 1,736 million (H1 2024: DKK 1,600 million) corresponding to an operating margin of 4.2% (H1 2024: 4.0%).

The increase in operating margin in the first half of 2025 was mainly a result of continued operational improvements and efficiencies realised across the Group, including the positive impact from structural adjustments performed at corporate level in previous years.

In the UK, operational and financial improvements continued in the first half of 2025, and thus contributed to the Group's margin enhancement. Despite solid improvement, the UK remained dilutive to the Group operating margin.

From a regional perspective, the margin enhancement was supported by Central & Southern Europe, driven by generally robust developments, most significantly in Switzerland and Spain. In Northern Europe, margin improved as a result of operational improvements in general as well as certain one-off income. In Asia & Pacific, margin decreased slightly as H1 2024 was supported by certain one-off income in Australia and Singapore. The margin in the Americas was impacted by commercial investments, primarily related to staffing and infrastructure to further strengthen our platform.

Corporate costs amounted to DKK 460 million (H1 2024: DKK 481 million) corresponding to 1.1% of Group revenue (H1 2024: 1.2%). The slight decrease relative to revenue reflected savings and efficiencies achieved as a result of the Group's strategic initiatives.

Finance income and costs, net was DKK 296 million (H1 2024: DKK 288 million) including a monetary gain of DKK 55 million relating to hyperinflation restatement in Türkiye (IAS 29). Excluding the impact from IAS 29, finance costs, net of DKK 351 million were unchanged compared with last year (H1 2024: DKK 351 million).

The effective tax rate in H1 2025 was 22.5% (H1 2024: 23.5%) and 21.6% (H1 2024: 21.8%) when adjusted for the impact of IAS 29. The effective tax rate was positively impacted by the release of valuation allowances on deferred tax assets in Germany similar to last year, whereas the impact from hyperinflation adjustments in Türkiye impacted negatively.

Net profit was DKK 995 million (H1 2024: DKK 869 million).

Operating profit before other items

(DKKm)	H1 2025		H1 2024	
Northern Europe	774	4.9%	680	4.4%
Central & Southern Europe ¹⁾	802	5.6%	697	5.3%
Asia & Pacific	484	6.7%	481	6.8%
Americas	111	2.8%	209	4.6%
Other countries	25	6.4%	14	4.0%
Corporate / eliminations	(460)	-	(481)	-
Group, excl. IAS 29	1,736	4.2 %	1,600	4.0%
Group	1,688	4.1 %	1,580	3.9%

¹⁾ Edited as of 13th August 2025

Commercial development

As previously announced, a new Group Commercial and Revenue function was formed in January 2025 to lead the strategic priority “Customer Centric Growth”. In the first six months of 2025, focus has been on mobilising the new function, including the updated strategic initiative, while at the same time keeping momentum on ongoing commercial processes and retentions.

In H1 2025, ISS won six new contracts, mainly with large key account customers in Europe, including a new contract with Danish-based Velux covering 12 countries in Northern and Central & Southern Europe. Under the new contract, ISS will deliver a wide range of services such as cleaning, food, waste management, reception and outdoor maintenance.

Furthermore, ISS extended and expanded several large key account contracts across the Group, eight of which included significant scope expansions, reflecting our focus on driving volume growth across

geographies and verticals. In addition, we extended several mid-sized and smaller contracts and announced one scope reduction with an Energy Customer in Europe. As a result, the customer retention rate was 93% (LTM) in H1 2025.

In July 2025, ISS also announced the strengthening of the partnership in Europe with a major global beverage manufacturer and distributor. ISS already delivers cleaning services to the customer in Spain. Under the new five-year agreement to commence 1 January 2026, the scope will expand significantly to include a broader range of integrated facility services, including technical maintenance, reception, greenery, winter services, and pest control. The contract will also extend across borders to cover Portugal, Norway, and Sweden.

The commercial pipeline for integrated facility services solutions remains attractive, mainly driven by local and regional opportunities.

H1 2025				
Major key account developments ¹⁾	Countries	Segment	Term	Effective
Wins				
Insurance Customer	Europe	Financial services	5 years	Q1 2025
Professional services Customer	Europe	Professional services	5 years	Q1 2025
Aroundtown	Germany	Financial services	3 years	Q2 2025
Technology Customer	India	Business Service and IT	5 years	Q2 2025
Velux	Europe	Industry & Manufacturing	5 years	Q4 2025
Healthcare Customer	Austria	Healthcare	Multi years	Q2 2026
Extensions				
Danish Crown A/S	Denmark	Food & Beverages	5 years	Q1 2025
Salling Group A/S	Denmark	Retail & Wholesale	5 years	Q1 2025
Healthcare Customer	Spain	Healthcare	5 years	Q2 2025
Real Estate Customer	Hong Kong	Real Estate	3 years	Q2 2025
Healthcare Customer	UK	Healthcare	1 year	Q2 2025
Healthcare Customer	UK	Healthcare	11 years	Q2 2025
Healthcare Customer	UK	Healthcare	2 years	Q4 2025
Healthcare Customer	UK	Healthcare	1 year	Q4 2025
Communications Customer	Norway	Business Service and IT	1 year	Q4 2025
Extensions, including expansions				
Construction Customer	Türkiye	Industry & Manufacturing	1 year	Q1 2025
Melbourne Airport	Australia	Transportation & Infrastructure	1 year	Q1 2025
Natural Resources Customer	APAC	Energy and Resources	5 years	Q2 2025
Healthcare Customer (FM)	Singapore	Healthcare	5 years	Q2 2025
Healthcare Customer (Cleaning)	Singapore	Healthcare	5 years	Q2 2025
Technology Customer	Europe	Business Service and IT	3 years	Q3 2025
Professional services Customer	India	Professional services	5 years	Q2 2025
Reductions				
Energy Customer	Europe	Energy and Resources		Q1 2026

¹⁾ Annual revenue above DKK 100 million.

Free cash flow

Free cash flow in H1 2025 was DKK (542) million (H1 2024: DKK (1,095) million), an improvement of DKK 553 million compared with the same period last year mainly due to a positive development in changes in working capital and improved operating profit before other items.

Cash flow from operating activities in H1 2025 amounted to DKK 135 million (H1 2024: DKK (333) million), an improvement of DKK 468 million compared with H1 2024 due to an increase in operating profit before other items and a less negative development in changes in working capital.

In line with normal seasonality, changes in working capital in H1 2025 was an outflow of DKK 1,578 million (H1 2024: outflow of DKK 1,854 million). However, as a result of improved collection of trade receivables across the Group and lower growth than previous periods, the outflow improved DKK 268 million compared with the same period last year.

Utilisation of factoring decreased to DKK 1.52 billion (H1 2024: DKK 1.61 billion) driven by less invoices eligible for factoring.

Cash flow from investing activities in H1 2025 amounted to DKK (515) million (H1 2024: DKK (1,669) million). The decreased outflow of DKK 1,154 million related to acquisitions and divestments in H1 2024 as well as fixed-term deposit investments for placement of excess liquidity at 30 June 2024 until bond repayment in December 2024.

Investments in intangible assets and property and equipment, net, was DKK 309 million (H1 2024: DKK 289 million), which represented 0.7% of Group revenue (H1 2024: 0.7%) and reflected continued strict investment discipline.

Cash flow from financing activities in H1 2025 was an inflow of DKK 1,176 million (H1 2024: DKK 2,066 million).

Proceeds from the Euro-Commercial Paper (ECP) programme established in May 2025 amounted to DKK 3,474 million.

Purchase of own shares was an outflow of DKK 1,254 million (H1 2024: DKK 378 million) and related to the Group's share buyback programme.

Capital structure

In line with ISS's capital allocation policy, a key objective is to maintain an investment grade rating as it is important from both a financial and commercial perspective. To adhere to the investment grade rating, ISS targets a net debt to pro-forma adjusted EBITDA (LTM) of 2.0x-2.5x. ISS currently holds BBB / Stable outlook by S&P Global and Baa3 / Positive outlook by Moody's.

On 30 June 2025, net debt amounted to DKK 14.1 billion, an increase of DKK 2.8 billion compared with 31 December 2024. The increase was driven by negative free cash flow in H1 2025, dividends paid to shareholders and execution of the share buyback programme. Despite EBITDA growth, the higher net debt resulted in an increase in financial leverage to 2.5x at 30 June 2025 based on pro forma EBITDA (LTM) compared with 2.0x at year-end 2024. The increased leverage at half-year reflects normal seasonality, although slightly improved from leverage of 2.6x at 30 June 2024.

On 27 May 2025, ISS established a Euro-Commercial Paper (ECP) programme to enhance financial flexibility and diversify the Group's funding structure, enabling more efficient and timely access to short-term financing. The programme allows for the issuance of unsecured notes up to a maximum principal amount of EUR 900 million. Notes under the programme have maturities of up to 364 days, typically shorter than six months. Each note carries a fixed interest rate for its duration and may be issued either at a discount or on an interest-bearing basis, depending on market conditions. S&P Global has assigned an A-2 short-term credit rating to the ECP Programme. At 30 June 2025, the outstanding amount under the ECP programme was DKK 3,474 million.

Subsequent to 30 June 2025, EUR 500 million of the Group's EMTNs reached maturity on 7 July 2025 and were repaid in full through a combination of cash and funding obtained in the newly established ECP programme.

An additional EUR 500 million of EMTN bonds will mature in June 2026. Over the next 12 months, the Group will evaluate different financing options. Except for this, and notes outstanding under the ECP programme, ISS had no material short-term debt maturities at 30 June 2025.

Equity

At 30 June 2025, equity was DKK 10,395 million (31 December 2024: DKK 11,913 million), equivalent to an equity ratio of 20.3% (31 December 2024: 23.5%). The decrease in equity from year-end 2024 was mainly a result of purchase of own shares of DKK 1,254 million and dividends paid to shareholders of DKK 534 million partly offset by net profit of DKK 995 million. Additionally, foreign currency adjustments were negative DKK 1,009 million, primarily related to the US, Hong Kong and Australia. Hyperinflation (IAS 29) restatement of equity in Türkiye as of 1 January 2025 was DKK 193 million (1 January 2024: DKK 242 million).

On 11 April 2025, the Annual General Meeting adopted the Board of Directors' proposal to reduce the Company's share capital from 185,668,226 to 174,200,000 shares. The reduction was implemented on 12 May 2025 by way of cancellation of 11,468,226 own shares with an average price of 131.96 and amounting to a total value of DKK 1,513 million.

Management changes

On 11 April 2025, Henrik Lind and Jens Bjørn Andersen were elected as new members of the Board of Directors at the Annual General Meeting. Søren Thorup Sørensen did not seek re-election and stepped down as a member of the Board of Directors. In addition, Jens Bjørn Andersen was elected new Deputy Chair and replaced Lars Petersson who will continue as a member of the Board of Directors. With these changes, ISS has expanded the Board of Directors from 10 members to 11 members.

Events after the reporting period

On 7 July 2025, EUR 500 million of the Group's EMTNs reached maturity and were repaid in full.

Other than as set out above, no events have occurred subsequent to 30 June 2025, which are expected to have a material impact on the Group's financial position.

Regional Performance

Northern Europe

Q2 2025

Revenue amounted to DKK 8,002 million, which was an increase of 2% compared with the same period last year. Organic growth was 1% (Q2 2024: 7%), currency effects were positive with 1%, and the effect from acquisitions and divestments, net, was neutral.



Organic growth was driven by price increases implemented across the region and volume growth from higher activity levels at customer sites, offset by net negative contract wins. As a consequence, portfolio revenue and projects and above-base work both grew organically by 1%. The decrease in organic growth compared with Q2 2024 was mainly due to the annualisation effect from startup of new contracts in Q2 2024, predominantly Defra in the UK the Danish Building and Property Agency in Denmark.

H1 2025

Revenue amounted to DKK 15,852 million in the first six months of 2025, which was an increase of 3% compared with the same period last year. Organic growth was 2% (H1 2024: 6%), currency effects were positive by 1%, while the effect from acquisitions and divestments, net was neutral.

Organic growth was mainly driven by price increases implemented across the region and positive contribution from startup of new contracts, including annualisation effects predominately from Defra in the UK and the Danish Building and Property Agency in Denmark. This was partially offset by smaller contracts lost or exited. Portfolio revenue grew organically by around 2% and revenue from projects and above-base work grew by around 3% organically. All countries, except Norway, reported positive organic growth, though most notably the UK and Finland.

Operating profit before other items amounted to DKK 774 million in H1 2025 (H1 2024: DKK 680 million) corresponding to an operating margin of 4.9% (H1 2024: 4.4%). During the first half of the year, operational execution and efficiencies drove margin improvements in all countries across the

region. In the UK, operating margin continued to improve in line with expectations, impacted by run-rate improvements and certain one-off income.

Central & Southern Europe

Q2 2025

Revenue amounted to DKK 7,144 million, which was an increase of 7% compared with the same period last year. Organic growth was 9% (Q2 2024: 12%), acquisitions and divestments, net increased revenue by 2%, while currency effects and the net impact from hyperinflation restatement in Türkiye (IAS 29) were negative with 4% and 1.3%, respectively.



Organic growth was predominately driven by implemented price increases in Türkiye and a robust development across the region. Portfolio revenue grew 9% organically, while organic growth from projects and above-base work was 13%.

H1 2025

Revenue amounted to DKK 14,377 million in the first six months of 2025, which was an increase of 9% compared with the same period last year. Organic growth was 9% (H1 2024: 12%). Acquisitions and divestments, net in Switzerland, Spain and Austria increased revenue by 3%. Currency effects and the net impact from hyperinflation restatement in Türkiye (IAS 29) was negative with 3% and 1.0%, respectively.

Organic growth was primarily driven by Türkiye where price increases were successfully passed on to customers to offset the high level of wage inflation. Like in previous years, another round of minimum wage increases was imposed in the beginning of the year. Portfolio revenue grew by 9% organically, and revenue from projects and above-base work showed organic growth of 13% driven by increased demand for refurbishment projects. Organic growth was broad based in the region.

Operating profit before other items excluding IAS 29 amounted to DKK 802 million in H1 2025 (H1 2024:

DKK 697 million) corresponding to an operating margin of 5.6% (H1 2024: 5.3%). The margin enhancement was driven by generally robust developments, most significantly in Switzerland and Spain. All countries, except Türkiye, where margins reduced slightly, reported margin improvements compared with the same period last year. Including the effect of IAS 29, operating profit before other items amounted to DKK 754 million, corresponding to an operating margin of 5.3% (H1 2024: 5.1%).

Ownership of ISS Türkiye

ISS Türkiye is jointly owned by private equity fund Actera (39.9%), management of ISS Türkiye (10%) and ISS (50.1%) being the controlling shareholder. The shareholders' agreement between ISS, Actera and management establishes the rights and obligations of the parties, including rights and restrictions on transferring shares, such as right of first refusal, drag along rights from Q4 2024 and right to explore a potential Initial Public Offering (IPO). As previously mentioned, and in line with the terms of the shareholders' agreement, Actera has initiated a dialogue to explore their potential exit options, and that dialogue remains ongoing. Please refer to page 23 in the Annual Report 2024.

Asia & Pacific

Q2 2025

Revenue amounted to DKK 3,586 million, which was an increase of 2% compared with the same period last year. Organic growth was 8% (Q2 2024: 1%), while acquisitions and divestments, net was neutral, and currency effects reduced revenue by 6%. Organic growth was driven by price increases implemented across the region, volume growth from higher activity levels at customer sites and positive organic growth from projects and above-base work. This development was partly offset by a number of smaller contract exits across the region.



H1 2025

Revenue amounted to DKK 7,267 million in the first six months of 2025, which was an increase of 3% compared with the same period last year. Organic growth was 6% (H1 2024: 3%). The effect from

acquisitions and divestments, net was neutral, and currency effects impacted revenue negatively by 3%.

Organic growth was driven by price increases implemented across the region and volume growth from increased activity levels at customer sites, which was partly offset by effects from deliberate contract exits in 2024. As a result, portfolio revenue grew organically by 5%. Revenue from projects and above-base work grew 13% organically mainly due to demand for refurbishment projects. Australia, New Zealand, Hong Kong and Singapore reported solid organic growth, whereas growth in China, Indonesia and India was negative, mainly related to deliberate smaller contract exits.

Operating profit before other items amounted to DKK 484 million in H1 2025 (H1 2024: DKK 481 million) corresponding to an operating margin of 6.7% (H1 2024: 6.8%). The development reflected operational improvements and efficiencies being executed across the region, which was offset by the effect from certain one-off income in H1 2024 related to employee tax refunds in Australia and government grants in Singapore.

Americas

Q2 2025

Revenue amounted to DKK 1,917 million, which was a decrease of 16% compared with the same period last year. Organic growth was negative by 10% (Q2 2024: negative 5%). The effect from acquisitions and divestments, net was neutral, and currency effects reduced revenue by 6%. The negative organic growth was primarily driven by deliberate contract exits in H1 2024, though partly offset by price increases and positive volume growth leading to negative 9% organic growth from portfolio revenue. The contracts lost and exited also had a negative effect on revenue from projects and above-base work, which declined 22% organically.



H1 2025

Revenue amounted to DKK 3,973 million in the first six months of 2025, which was a decrease of 12% compared with the same period last year. Organic growth was negative 9% (H1 2024: negative 3%). The effect from acquisitions and divestments, net was



neutral, while currency effects impacted revenue negatively by 3%.

The negative organic growth was primarily driven by deliberate contract exits and losses in H1 2024 having full effect in the period as well as volume reductions with existing customers. This was only partly offset by price increases implemented across the region to offset wage and cost inflation. As a result, portfolio revenue decreased by 10% organically.

Operating profit before other items amounted to DKK 111 million in H1 2025 (H1 2024: DKK 209 million) corresponding to an operating margin of 2.8% (H1 2024: 4.6%). The margin was impacted by commercial investments, primarily related to staffing and infrastructure, to strengthen our platform for future growth.

Outlook

Outlook 2025

This section should be read in conjunction with “Forward-looking statements” as shown in the table on next page.

In H1 2025, organic growth, operating margin and free cash flow developed in line with expectations. The 2025 outlook is thus confirmed for all three financial KPIs.

The outlook assumes that macroeconomic and geopolitical uncertainties remain elevated, at the same time making ISS's business model more relevant than ever. The execution of the OneISS strategy through our updated strategic priorities continues and will support the commercial growth agenda, enable further cost efficiencies and ensure continued high focus on driving shareholder value.

The outlook is excluding any effects of hyperinflation (IAS 29).

Organic growth is still expected to be 4 – 6% for 2025 (2024: 6.3%). Growth will be driven by price increases across the Group to offset wage and cost inflation and protect operating margins. We now expect a slightly higher positive volume contribution from growing with our existing customers. Due to phasing, the contribution from net contract wins is now slightly lower compared to our original expectations. The total impact from the two components is unchanged. The impact from projects and above-base work is still expected to be neutral to slightly negative.

Operating margin is still expected to be above 5% (2024: 5.0%). Across the Group, we expect to see further operational improvements and efficiencies, including scale benefits. Our focus is on increasing nominal operating profit before other items and thereby driving increased shareholder value.

The expectation for **free cash flow** is still based on an underlying free cash flow of above DKK 2.6 billion, equalling a cash conversion of above 60%. However, adjusted for DKK 0.2 billion in 2024 prepayments for 2025 services not yet rendered and receivables paid before due date, the reported free cash flow is expected to be above DKK 2.4 billion for 2025. Assuming payments withheld by Deutsche Telekom (DTAG) in 2024 are received in 2025, reported free cash flow is expected to be above DKK 3.0 billion.

Outlook 2025		
	Annual Report 2024	Interim Report H1 2025
Organic growth	4 - 6%	4 - 6%
Operating margin ¹⁾	Above 5%	Above 5%
Free cash flow	Above DKK 2.4 bn ²⁾	Above DKK 2.4 bn ²⁾

¹⁾ Based on operating profit before other items
²⁾ Underlying free cash flow. Above DKK 2.6bn

Expected revenue impact from acquisitions, divestments and foreign exchange rates in 2025

Acquisitions and divestments completed by 31 July 2025 (including in 2024) are expected to have a positive impact on revenue growth in 2025 of around 0.5%-point.

Based on the current exchange rates, a negative impact on revenue growth of around 3-4%-points¹⁾ (previously negative around 2-3%-point) is expected in 2025 from the development of foreign exchange rates, excluding any effects of hyperinflation (IAS 29).

¹⁾ The forecasted average exchange rates for the financial year 2025 are calculated using the actual average exchange rates for the first seven months of 2025 and the average forward exchange rates (as of 11 August 2025) for the remaining five months of 2025.

Financial targets

At the Capital Markets Day in November 2022, new financial targets were announced for organic growth, operating margin and cash conversion. From 2024 and beyond, ISS targets to deliver strong growth at attractive and sustainable margins:

- Organic growth of 4 – 6%
- Operating margin above 5%
- Cash conversion above 60%

Forward-looking statements

This report contains forward-looking statements, including, but not limited to, the guidance and expectations in Outlook. Statements herein, other than statements of historical fact, regarding future event or prospects, are forward looking statements. The words may, will, should, expect, anticipate, believe, estimate, plan, predict, intend or variations of such words, and other statements on matters that are not historical fact or regarding future events or prospects, are forward-looking statements. ISS has based these statements on its current views with respect to future events and financial performance. These views involve risks and uncertainties that could cause actual results to differ materially from those predicted in the forward-looking statements and from the past performance of ISS.

Although ISS believes that the estimates and projections reflected in the forward-looking statements are reasonable, they may prove materially incorrect, and actual results may materially differ, e.g. as the result of risks related to the facility service industry in general or ISS in particular including those described in this report and other information made available by ISS. As a result, you should not rely on these forward-looking statements. ISS undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent required by law.

The Annual Report of 2024 of ISS A/S is available at the Group's website, www.issworld.com.

Management statement

Copenhagen, 12 August 2025

The Board of Directors and the Executive Group Management Board have today discussed and approved the interim report of ISS A/S for the period 1 January – 30 June 2025.

The condensed consolidated interim financial statements have been prepared in accordance with IAS 34 “Interim Financial Reporting” as adopted by the EU and additional requirements of the Danish Financial Statements Act. The interim report has not been reviewed or audited.

In our opinion, the condensed consolidated interim financial statements give a true and fair view of the Group's assets, liabilities and financial position at 30 June 2025 and of the results of the Group's operations and consolidated cash flows for the financial period 1 January – 30 June 2025.

In our opinion, the Management review includes a fair review of the development in the Group's operations and financial conditions, the results for the period, cash flows and financial position as well as a description of the most significant risks and uncertainty factors that the Group faces.

Executive Group Management Board

Kasper Fangel
Group CEO

Mads Holm
Group CFO

Board of Directors

Niels Smedegaard
Chair

Jens Bjørn Andersen
Deputy Chair

Kelly Kuhn

Henrik Lind

Lars Petersson

Reshma Ramachandran

Ben Stevens

Henriette Hallberg Thygesen

Signe Adamsen (E)

Rune Christensen (E)

Tove Møller Eriksen (E)

E = Employee representative

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Statement of profit or loss

1 January – 30 June

(DKKm)	Note	YTD 2025	YTD 2024
Revenue	3, 4, 15	41,613	40,681
Employee costs	3, 5	(27,226)	(26,365)
Consumables		(3,460)	(3,727)
Other operating expenses		(8,474)	(8,275)
Depreciation and amortisation	3	(765)	(734)
Operating profit before other items	15	1,688	1,580
Other income and expenses, net	6	(60)	(23)
Amortisation/impairment of customer contracts		(48)	(40)
Operating profit	3, 15	1,580	1,517
Finance income	7	149	144
Finance costs	7	(445)	(432)
Profit before tax		1,284	1,229
Income tax		(289)	(289)
Net profit from continuing operations		995	940
Net profit from discontinued operations		-	(71)
Net profit	15	995	869
Attributable to:			
Owners of ISS A/S		1,016	864
Non-controlling interests		(21)	5
Net profit		995	869
Earnings per share, DKK			
Basic earnings per share (EPS)		5.9	4.7
Diluted earnings per share		5.9	4.6
Earnings per share for continuing operations, DKK			
Basic earnings per share (EPS)		5.9	5.1
Diluted earnings per share		5.9	5.0



Statement of comprehensive income

1 January – 30 June

(DKKm)	Note	YTD 2025	YTD 2024
Net profit		995	869
<i>Items that will not be reclassified to profit or loss:</i>			
Remeasurement gain/(loss), defined benefit plans	13	251	240
Asset ceiling, defined benefit plans	13	(183)	(332)
Tax		(25)	21
<i>Items that may be reclassified to profit or loss:</i>			
FX adjustments of foreign entities		(1,009)	(11)
Hyperinflation restatement of equity at 1 January	15	193	242
Other comprehensive income		(773)	160
Comprehensive income		222	1,029
Attributable to:			
Owners of ISS A/S		291	960
Non-controlling interests		(69)	69
Comprehensive income		222	1,029

Statement of cash flows

1 January – 30 June

(DKKm)	Note	YTD 2025	YTD 2024
Operating profit before other items		1,688	1,580
Operating profit before other items from discontinued operations		-	(42)
Depreciation and amortisation		765	734
Non-cash items related to hyperinflation	15	(13)	(20)
Share-based payments		48	45
Changes in working capital	8	(1,578)	(1,854)
Changes in provisions, pensions and similar obligations		(102)	(204)
Other expenses paid		(23)	(15)
Interest received		97	68
Interest paid		(395)	(296)
Income tax paid		(352)	(329)
Cash flow from operating activities	15	135	(333)
Acquisitions		(6)	(302)
Divestments		(19)	(330)
Acquisition of intangible assets, property and equipment		(315)	(297)
Disposal of intangible assets, property and equipment		6	8
Changes in cash deposits and pledges		(187)	-
Changes in financial assets		6	(3)
Fixed-term deposit investments		-	(745)
Cash flow from investing activities	15	(515)	(1,669)
Proceeds from issued bonds		-	3,696
Proceeds from Euro-Commercial Paper (ECP) programme, net	12	3,474	-
Repayment of lease liabilities		(440)	(531)
Other financial payments, net		(70)	(290)
Transactions with non-controlling interests		-	(6)
Dividends paid to shareholders		(534)	(425)
Purchase of treasury shares		(1,254)	(378)
Cash flow from financing activities	15	1,176	2,066
Total cash flow		796	64
Cash and cash equivalents at 1 January		6,829	6,093
Total cash flow		796	64
Foreign exchange adjustments		(220)	(32)
Cash and cash equivalents at 30 June		7,405	6,125
Free cash flow	9, 15	(542)	(1,095)

Statement of financial position

(DKKm)	Note	30 June 2025	30 June 2024	31 December 2024
Assets				
Intangible assets	15	23,667	23,852	24,359
Right-of-use assets	15	2,306	2,246	2,424
Property and equipment	15	996	939	998
Deferred tax assets		806	1,084	885
Cash deposits and pledges		187	-	-
Financial assets		584	197	605
Non-current assets		28,546	28,318	29,271
Inventories		243	251	251
Trade receivables		12,885	12,488	12,449
Tax receivables		95	151	120
Other receivables		1,910	2,061	1,721
Fixed-term deposit investments		-	745	-
Cash and cash equivalents		7,405	6,125	6,829
Current assets		22,538	21,821	21,370
Total assets		51,084	50,139	50,641
Equity and liabilities				
Equity attributable to owners of ISS A/S		9,694	10,095	11,143
Non-controlling interests		701	698	770
Total equity	15	10,395	10,793	11,913
Borrowings	12	9,832	17,165	13,584
Pensions and similar obligations	13	1,167	1,029	1,316
Deferred tax liabilities	15	1,095	1,446	1,156
Provisions	14	317	405	372
Non-current liabilities		12,411	20,045	16,428
Borrowings	12	11,915	3,028	4,757
Trade and other payables		6,494	6,830	7,387
Tax payables		357	131	420
Other liabilities		9,314	9,018	9,505
Provisions	14	198	294	231
Current liabilities		28,278	19,301	22,300
Total liabilities		40,689	39,346	38,728
Total equity and liabilities		51,084	50,139	50,641

Statement of changes in equity

1 January – 30 June

		Attributable to owners of ISS A/S						
(DKKm)	Note	Share capital	Treasury shares	Retained earnings	Trans-lation reserve	Total	Non-con-trolling interests	Total equity
2025								
Equity at 1 January		185	(1,204)	13,133	(971)	11,143	770	11,913
Net profit		-	-	1,016	-	1,016	(21)	995
Other comprehensive income		-	-	57	(782)	(725)	(48)	(773)
Comprehensive income		-	-	1,073	(782)	291	(69)	222
Dividends		-	-	(534)	-	(534)	-	(534)
Share-based payments	5	-	-	48	-	48	-	48
Settlement of vested PSUs/RSUs		-	128	(128)	-	-	-	-
Purchase of treasury shares		-	(1,254)	-	-	(1,254)	-	(1,254)
Cancellation of own shares	11	(11)	1,513	(1,502)	-	-	-	-
Transactions with owners		(11)	387	(2,116)	-	(1,740)	-	(1,740)
Changes in equity		(11)	387	(1,043)	(782)	(1,449)	(69)	(1,518)
Equity at 30 June		174	(817)	12,090	(1,753)	9,694	701	10,395
2024								
Equity at 1 January		185	(66)	11,051	(1,277)	9,893	629	10,522
Net profit		-	-	864	-	864	5	869
Other comprehensive income		-	-	(71)	167	96	64	160
Comprehensive income		-	-	793	167	960	69	1,029
Dividends		-	-	(425)	-	(425)	-	(425)
Share-based payments		-	-	45	-	45	-	45
Settlement of vested PSUs/RSUs		-	79	(79)	-	-	-	-
Purchase of treasury shares		-	(378)	-	-	(378)	-	(378)
Transactions with owners		-	(299)	(459)	-	(758)	-	(758)
Changes in equity		-	(299)	334	167	202	69	271
Equity at 30 June		185	(365)	11,385	(1,110)	10,095	698	10,793

1 Basis of preparation

The condensed consolidated interim financial statements of ISS A/S for the period 1 January - 30 June 2025 comprise ISS A/S and its subsidiaries (collectively, the Group) and have been prepared in accordance with IAS 34 "Interim Financial Reporting" as adopted by the EU and additional requirements of the Danish Financial Statements Act.

The report does not include all the information and note disclosures required in the annual consolidated financial statements, and should be read in conjunction with the Group's consolidated financial statements as at 31 December 2024.

The accounting policies applied are consistent with those applied in the preparation of the Group's consolidated financial statements for the year ended 31 December 2024, except for the adoption of a number of new and amended standards, which became applicable for the current reporting period. None of these amendments have had a material impact on the Group's financial statements, including notes.

2 Significant estimates and judgements

The preparation of condensed consolidated interim financial statements requires management to make judgements, estimates and assumptions that affected the application of policies and reported amounts of assets and liabilities, income and expenses as well as the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities in future periods.

Except for the judgements and estimates commented upon in the notes of these condensed consolidated interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 31 December 2024, cf. Significant estimates and judgements on p. 109 in the consolidated financial statements for 2024.

3 Operating segments

ISS is a leading, global provider of workplace and facility service solutions operating in ~30 countries. Operations and business performance are generally managed based on a geographical structure in which countries are grouped into four regions. These regions make up the Group's reportable segments.

The regions have been identified based on a key principle of grouping countries that share market conditions and cultures. Countries where we do not have a full country-based support structure (global managed services) are combined in a separate segment "Other countries".

(DKKm)	Northern Europe	Central & Southern Europe	Asia & Pacific	Americas	Other countries	Total segments
YTD 2025						
Revenue, excl. IAS 29	15,852	14,377	7,267	3,973	392	41,861
Revenue	15,852	14,169	7,267	3,973	392	41,653
Employee costs	(9,416)	(9,777)	(5,124)	(2,265)	(87)	(26,669)
Depreciation and amortisation	(293)	(270)	(69)	(49)	(2)	(683)
Operating profit before other items, excl. IAS 29	774	802	484	111	25	2,196
Operating profit before other items	774	754	484	111	25	2,148
Operating profit	756	706	484	94	25	2,065

YTD 2024						
Revenue, excl. IAS 29	15,376	13,212	7,049	4,535	349	40,521
Revenue	15,376	13,397	7,049	4,535	349	40,706
Employee costs	(9,175)	(9,215)	(4,887)	(2,436)	(97)	(25,810)
Depreciation and amortisation	(272)	(255)	(71)	(56)	(2)	(656)
Operating profit before other items, excl. IAS 29	680	697	481	209	14	2,081
Operating profit before other items	680	677	481	209	14	2,061
Operating profit	679	632	478	200	14	2,003

Reconciliation of operating profit

(DKKm)	YTD 2025	YTD 2024
Operating profit for reportable segments	2,065	2,003
Unallocated corporate costs	(485)	(486)
Operating profit	1,580	1,517

4 Revenue disaggregation

(DKKm)	Northern Europe	Central & Southern Europe	Asia & Pacific	Americas	Other countries	Unall./ IC elim.	Total
YTD 2025							
Revenue base							
Portfolio	12,860	11,902	6,564	3,542	292	(24)	35,136
Projects and above-base work	2,992	2,267	703	431	100	(16)	6,477
Total	15,852	14,169	7,267	3,973	392	(40)	41,613
Customer category							
Key accounts	11,408	9,017	5,258	3,035	388	(37)	29,069
Large and medium	3,337	4,426	1,626	929	-	(1)	10,317
Small and route-based	1,107	726	383	9	4	(2)	2,227
Total	15,852	14,169	7,267	3,973	392	(40)	41,613
Customer segments							
Office-based	6,669	5,656	2,295	1,841	196	(38)	16,619
Production-based	3,109	2,928	1,581	1,146	179	(3)	8,940
Healthcare	2,418	2,220	1,557	55	-	1	6,251
Other	3,656	3,365	1,834	931	17	-	9,803
Total	15,852	14,169	7,267	3,973	392	(40)	41,613
Core services							
Cleaning	6,495	6,631	3,425	1,055	47	(10)	17,643
Technical	3,858	4,092	610	794	100	(17)	9,437
Food	2,765	1,273	566	1,655	30	(4)	6,285
Other	2,734	2,173	2,666	469	215	(9)	8,248
Total	15,852	14,169	7,267	3,973	392	(40)	41,613
YTD 2024							
Revenue base							
Portfolio	12,540	11,417	6,412	4,079	251	(22)	34,677
Projects and above-base work	2,836	1,980	637	456	98	(3)	6,004
Total	15,376	13,397	7,049	4,535	349	(25)	40,681
Customer category							
Key accounts	11,056	8,872	4,962	3,557	344	(18)	28,773
Large and medium	3,370	3,862	1,655	970	-	(3)	9,854
Small and route-based	950	663	432	8	5	(4)	2,054
Total	15,376	13,397	7,049	4,535	349	(25)	40,681
Customer segments							
Office-based	6,475	5,200	2,135	1,940	175	(23)	15,902
Production-based	3,087	2,996	1,666	1,577	156	(1)	9,481
Healthcare	2,290	2,066	1,609	47	-	-	6,012
Other	3,524	3,135	1,639	971	18	(1)	9,286
Total	15,376	13,397	7,049	4,535	349	(25)	40,681
Core services							
Cleaning	6,536	6,102	3,382	1,137	61	(14)	17,204
Technical	3,443	3,886	533	998	65	1	8,926
Food	2,854	1,151	620	1,732	28	1	6,386
Other	2,543	2,258	2,514	668	195	(13)	8,165
Total	15,376	13,397	7,049	4,535	349	(25)	40,681

5 Share-based payments

Long-Term Incentive Programme (LTIP)

In March 2025, a new LTIP programme (LTIP 2025) was established, and a total of 847,696 performance-based share units (PSUs) were granted to members of the EGM and other senior officers of the Group. Upon vesting, each PSU entitles the holder to receive one share at no cost. Subject to certain criteria, the PSUs will vest after three years. The programme and vesting criteria are described in note 6.2 in the consolidated financial statements for 2024.

	LTIP 2025
Fair value (DKKm)	
At grant date	102
PSUs and participants (number)	
Participants	125
PSUs granted	847,696
Maximum PSUs at initial grant date	927,921

Vested programmes

In March 2025, the LTIP 2022 programme vested. Based on the annual EPS and TSR performance for 2022, 2023 and 2024, 75% of the granted PSUs vested. After this vesting, no further PSUs are outstanding under the LTIP 2022, and the programme has lapsed.

6 Other income and expenses, net

(DKKm)	YTD 2025	YTD 2024
Gain on divestments	-	6
Other income	-	6
Loss on divestments	(17)	(3)
Acquisition and integration costs	(17)	(16)
Other	(26)	(10)
Other expenses	(60)	(29)
Other income and expenses, net	(60)	(23)

[Gain on divestments](#) in 2024 related to the divestment of the travel management business in Sweden.

[Loss on divestments](#) mainly related to an adjustment of the deferred consideration for the Specialized Services business in the US, which was divested in 2021. In 2024, the loss mainly related to the divestment of the Ground Service business in Austria.

[Acquisition and integration costs](#) related to the Group's acquisitions in Spain, Switzerland and Belgium.

[Other](#) comprised mainly remeasurement of the contingent consideration related to the transaction in 2021, where ISS disposed a minority stake in ISS Türkiye.

7 Finance income and costs

(DKKm)	YTD 2025	YTD 2024
Interest income on cash and cash equivalents	94	81
Monetary gain on hyperinflation restatement (ISS Türkiye)	55	63
Finance income	149	144
Interest expenses on borrowings ¹⁾	(237)	(228)
Interest expenses on lease liabilities ¹⁾	(76)	(72)
Net interest on defined benefit obligations	(34)	(19)
Bank fees	(28)	(31)
Interest expenses on factoring ¹⁾	(27)	(41)
Amortisation of financing fees (non-cash) ¹⁾	(14)	(12)
Commitment fees	(6)	(2)
Hedge ineffectiveness of interest rate swaps	(4)	-
Other	(4)	(12)
Foreign exchange losses	(15)	(15)
Finance costs	(445)	(432)

¹⁾ The total interest expensed determined on an amortised cost basis was DKK 354 million (2024: DKK 353 million).

[Interest expenses on borrowings](#) comprised mainly interest on issued bonds. The increase compared to 2024 was driven by issuance of a new EMTN in May 2024 and was largely offset by lower net interests on the bond interest rate swaps due to decreasing EUR interest rates.

[Net interest on defined benefit obligations](#) increased due to higher interest rates in Türkiye.

[Interest expenses on factoring](#) decreased due to lower interest rates throughout 2025.

8 Changes in working capital

(DKKm)	YTD 2025	YTD 2024
Changes in inventories	(5)	(12)
Changes in receivables	(1,185)	(1,453)
Changes in payables	(388)	(389)
Total	(1,578)	(1,854)

9 Free cash flow

Free cash flow as defined by management is summarised below. Free cash flow is not a financial performance measure defined by IFRS. Accordingly, the measure and its calculation is presented as it is used by management as an alternative performance measure in managing the business.

The free cash flow measure should not be considered a substitute for those measures required by IFRS and may not be calculated by other companies in the same manner. As such, reference is made to the IFRS measures included in the consolidated statement of cash flows of the consolidated financial statements.

(DKKm)	YTD 2025	YTD 2024
Cash flow from operating activities	135	(333)
Acquisition of intangible assets, property and equipment	(315)	(297)
Disposal of intangible assets, property and equipment	6	8
Changes in financial assets ¹⁾	9	6
Addition of right-of-use assets, net	(377)	(479)
Total	(542)	(1,095)

¹⁾ Excluding changes in equity-accounted investments of DKK (3) million (2024: DKK (9) million).

10 Impairment tests

The Group performs impairment tests on intangibles, i.e. goodwill, brands and customer contracts, annually and whenever there is an indication that intangibles may be impaired. The annual impairment test is performed as per 31 December based on financial forecasts approved by management covering the following financial year.

At 30 June 2025, the review performed did not indicate impairment of the carrying amount of intangibles. Based on the review performed, it is management's opinion, that excess values are fairly resilient to any likely and reasonable deteriorations in the key assumptions applied and presented in note 3.2 in the consolidated financial statements for 2024.

11 Equity

On 11 April 2025, the Annual General Meeting adopted the Board of Directors' proposal to reduce the Company's share capital from 185,668,226 to 174,200,000 shares. The reduction was implemented on 12 May 2025 by way of cancellation of 11,468,226 own shares with an average price of 131.96 and amounting to a total value of DKK 1,513 million.

12 Borrowings

(DKKm)	YTD 2025	YTD 2024
Issued bonds	15,675	17,806
Euro-Commercial Paper (ECP) programme	3,474	-
Lease liabilities	2,365	2,281
Bank loans	233	106
Borrowings	21,747	20,193
Non-current liabilities	9,832	17,165
Current liabilities	11,915	3,028
Borrowings	21,747	20,193

Non-current vs. current borrowings

At 30 June 2025, current borrowings amounted to 11.9 billion, an increase of DKK 8.9 billion compared to 30 June 2024. The increase was mainly related to the issue of ECP notes as described below and reclassification of the Group's EUR 500 million EMTN, maturing in June 2026, from non-current borrowings. The latter resulted in a corresponding decrease in non-current borrowings, which combined with the repayment of EUR 300 million of the Group's EMTNs in December 2024, were the main drivers of the decrease in non-current borrowings compared to 30 June 2024 of DKK 7.3 billion.

Euro-Commercial Paper (ECP) programme

On 27 May 2025, ISS established a Euro-Commercial Paper (ECP) programme to enhance financial flexibility and diversify the Group's funding structure, enabling more efficient and timely access to short-term financing.

The programme allows for the issuance of unsecured notes up to a maximum principal amount of EUR 900 million. Notes under the programme have maturities of up to 364 days, typically shorter than six months. Each note carries a fixed interest rate for its duration and may be issued either at a discount or on an interest-bearing basis, depending on market conditions.

S&P Global has assigned an A-2 short-term credit rating to the ECP Programme.

As of 30 June 2025, the outstanding amount under the programme was DKK 3,474 million, with a weighted average interest rate of 2.4% and a weighted average remaining maturity of 52 days.

EMTN repayment on 7 July 2025

Subsequent to 30 June 2025, EUR 500 million of the Group's EMTNs reached maturity on 7 July 2025 and were repaid in full through a combination of cash and funding obtained through the newly established ECP programme.

13 Pensions and similar obligations

For interim periods, the Group's defined benefit obligations are based on valuations from external actuaries carried out at the end of the prior financial year taking into account any subsequent movements in the obligation due to pension costs, contributions etc. up until the reporting date. Actuarial calculations are only updated to the extent that significant changes in applied assumptions have occurred since 1 January. Based on an overall analysis carried out by management, it is determined whether updated actuarial calculations should be obtained for interim periods.

At 30 June 2025, the overall evaluation carried out by management resulted in updated actuarial calculations being obtained for Switzerland, the UK, Germany and Türkiye due to market fluctuations, which had impacted interest rates, inflation rates and asset values. The updated calculations led to recognition of an actuarial gain of DKK 244 million and gain on plan assets of DKK 7 million, which was largely offset by a net change in asset ceiling of DKK 183 million due to surplus restrictions. The net gain of DKK 68 million was recognised in other comprehensive income with a resulting decrease in the Group's defined benefit obligations.

14 Provisions

(DKKm)	Legal claims and disputes	Self- insurance	Restruc- turings	Onerous contracts	Other	YTD 2025	YTD 2024
At 1 January	95	242	3	25	238	603	752
FX adjustments	(7)	(28)	-	-	(11)	(46)	15
<i>Profit or loss impact:</i>							
Additions	22	142	11	-	1	176	165
Unused amounts reversed	(17)	(3)	-	(6)	(7)	(33)	(34)
Used during the year (payment)	(23)	(146)	(4)	-	(20)	(193)	(276)
Reclass (to)/from other liabilities	8	-	-	-	-	8	77
At 30 June	78	207	10	19	201	515	699
Non-current	34	112	1	10	160	317	405
Current	44	95	9	9	41	198	294

15 Hyperinflation in Türkiye

During the first six months of 2025, the inflation rate decreased to 16.67% (H1 2024: 24.73%) and the exchange rate for TRY/DKK decreased from 20.30 in the beginning of year to 16.02 at 30 June 2025, leading to an average rate of 18.16 (H1 2024: 21.78).

The table below shows the accounting impact of the hyperinflation restatements for the period 1 January - 30 June 2025:

(DKKm)	YTD 2025 (excl. IAS 29)	Inflation restatement, in year effect			Retrans- lation (end rates)	Total adjust- ments	YTD 2025
		Non- monetary items	Profit or loss				
Profit or loss							
Revenue	41,821	-	191	(399)	(208)	41,613	
Operating profit before other items	1,736	(38)	13	(23)	(48)	1,688	
Operating profit	1,637	(47)	13	(23)	(57)	1,580	
Net profit	990	-	-	5	5	995	
Financial ratios							
Organic growth (non-IFRS)	4.1%	-	-	-	-	4.1%	
Operating margin (non-IFRS)	4.2%	(0.1%)	0.1%	(0.1%)	(0.1%)	4.1%	
Cash flows							
Operating activities	125	-	-	10	10	135	
Investing activities	(517)	-	-	2	2	(515)	
Financing activities	1,183	-	-	(7)	(7)	1,176	
Free cash flow (non-IFRS)	(558)	-	-	16	16	(542)	

	YTD 2025 (excl. IAS 29)	Inflation re- statement, accumu- lated		YTD 2025
Financial position				
Goodwill	19,002	928		19,930
Other intangible assets	3,361	376		3,737
Right-of-use assets, property and equipment	3,189	113		3,302
Total assets	49,667	1,417		51,084
Other comprehensive income ¹⁾	(1,971)	1,198		(773)
Other equity elements	11,072	96		11,168
Total equity	9,101	1,294		10,395
Deferred tax liabilities	972	123		1,095
Total equity and liabilities	49,667	1,417		51,084

¹⁾ In year impact of restatement amounted to DKK 193 million (2024: DKK 242 million).



16 Subsequent events

On July 7 2025, EUR 500 million of the Group's EMTNs reached maturity and were repaid in full, see note 12.

Other than as set out above, no events have occurred subsequent to 30 June 2025, which are expected to have a material impact on the Group's condensed consolidated financial statements.



Other

Conference Call

A conference call will be held on 12 August 2025 at 10:00 am CEST. Presentation material will be available online prior to the conference call.

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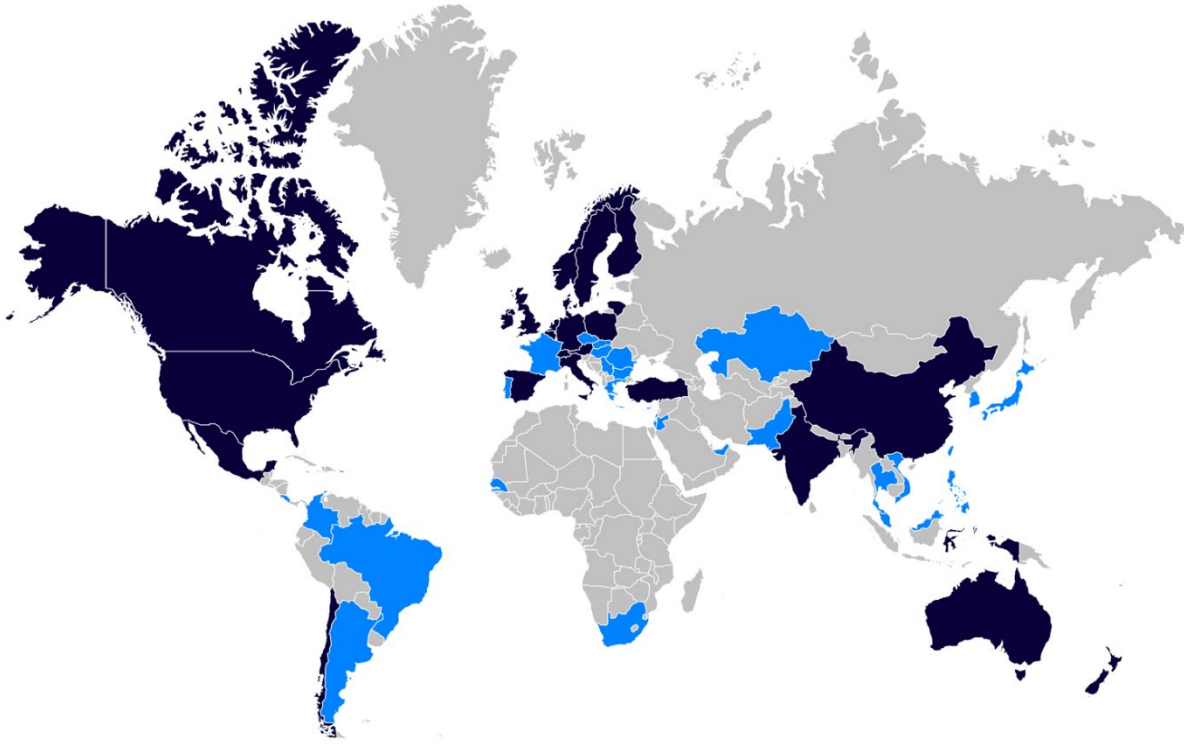
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Principal activities: Workplace and facility service solutions
Name of the parent entity: ISS A/S
Name of the ultimate parent and Group: ISS A/S

Our global footprint



ISS is a leading, global provider of workplace and facility service solutions. In partnership with customers, ISS drives the engagement and well-being of people, minimises the impact on the environment, and protects and maintains property. ISS brings all of this to life through a unique combination of data, insight and service excellence at offices, factories, airports, hospitals and other locations across the globe. In 2024, Group revenue was DKK 83.8 billion.