GATTACA

Interim results

for the

6 months

ended 31st January 2024

Contents

Presenting today…

Matthew Wragg – CEO

Matt has been with Gattaca for 22 years, and was appointed as CEO in April 2022. His previous roles within Gattaca included Chief Customer Officer and Group Business Development Director and has been a Senior Leadership Team member since 2016. He has substantial knowledge of the recruitment industry and a deep understanding of Gattaca.

Oliver Whittaker – CFO

Oliver was appointed to the Board as CFO in April 2022, having joined Gattaca in January 2018 as Group Director of Financial Planning. Oliver was previously UK Finance Director for Fitness First where he was instrumental in the transformation and return to growth between 2012 and 2018, prior to which he held a number of operational finance roles within Serco and IBM. Oliver trained and qualified as a chartered accountant with RSM Robson Rhodes.

Summary

- Group NFI of £19.7m, down 13% year-on-year ("YoY")
  - Defence (excluding RPO exit) and Technology, Media & Telecoms (“TMT”) sectors, representing 25% of Group NFI, delivered strong NFI growth of 12% and 10% respectively YoY
  - Gattaca Projects Statement of Work (“SoW”) business achieved 14% YoY NFI growth
  - Contract & SoW vs Perm split 76% / 24% of Group NFI (FY23: 74% / 26%)
  - Contract NFI down 3% YoY, however exiting 2024 H1 with a growing contract book
- Continuing underlying profit before tax in 2024 H1 of £0.8m (2023 H1 restated: £0.7m)
- Total sales headcount of 306 at the end of the period down 1% versus 31 July 2023; maintained sales force in readiness for market return, and rebalanced to have greater critical mass in future focus areas
- Net cash stable at £22.3m (31 July 2023: £21.6m).
- Continued progress against all four strategic objectives, with continued focus on execution into FY24

[1] The presentation is presented on a continuing underlying basis

Key initiatives delivered in 2024 H1

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External focus

- Built and deployed our new **Business Development team** as part of our investment in front-line sales capability
- **Doubled our Energy sales team**, with a focus on **Renewables**
- **Implemented two** new major Solutions accounts and retained a further two major accounts that retendered during the period
- **Client and candidate service feedback** surveys improved, with average ratings of 8.8 and 8.9 (out of 10) respectively

Culture

- **Winner of two Business Culture awards;** Best Transformation and Leading with Purpose
- **People engagement score stable** at 8.1 for H1 24 (FY23: 8.1)
- **Reduction in attrition maintained at 30% at 31 Jan 2024** (31 July 2023: 33%)

Operational performance

- **Average NFI** per sales head +2%, and +1% per total head YoY, (excluding an exited RPO perm client from H1 23)
- Successfully launched a series of customer focused **automations** and enhanced customer platforms, which will streamline process on the back of digital transformation
- **Reset Board structure,** validated strategy and leadership structure

Cost rebalancing

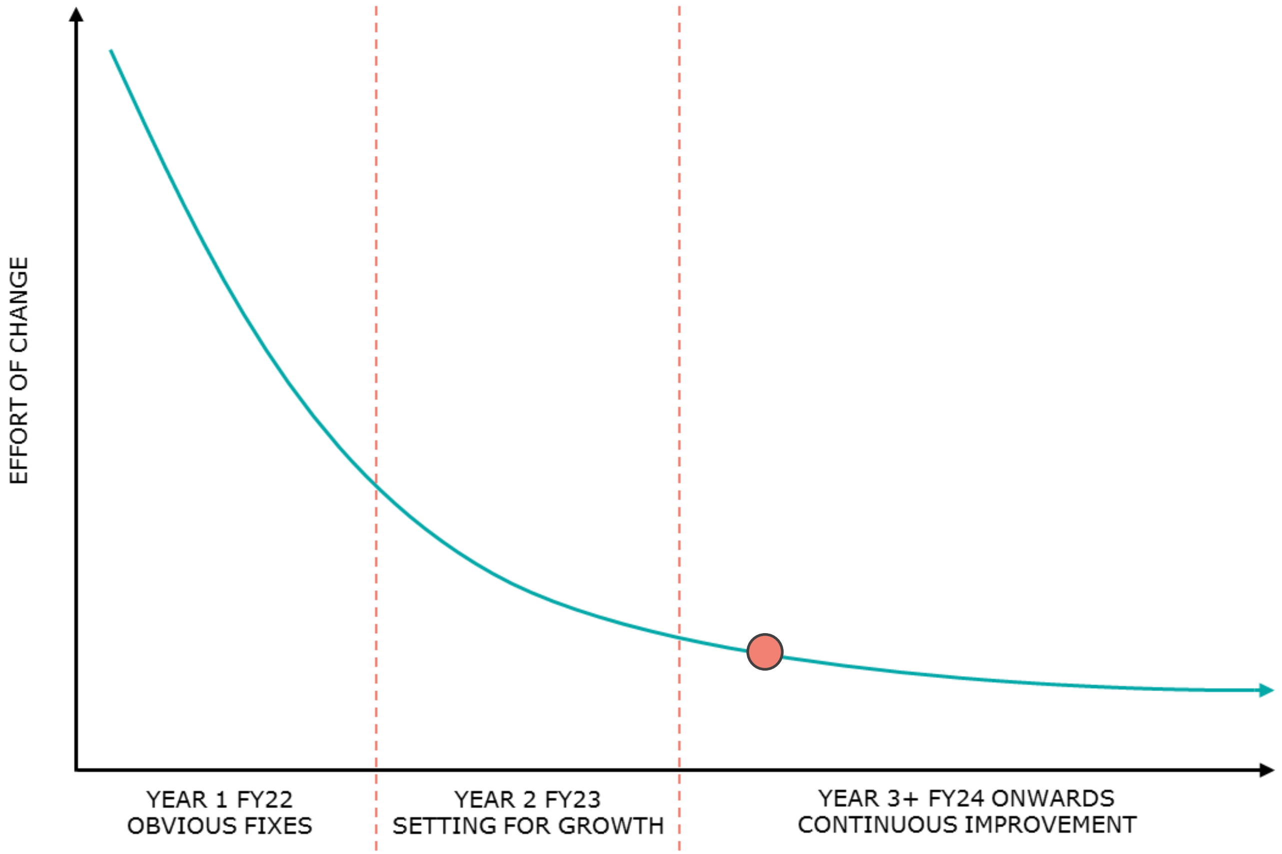
- Investment in **key new technologies** and specific **sector marketing**
- **Ongoing optimisation of our UK property footprint**, project to be completed in H2
- **Outsourcing the North America support functions** to right-size the cost base for the region
- **Slimmed down cost base for Board**

- For more details, see Appendix slide 19 - 22

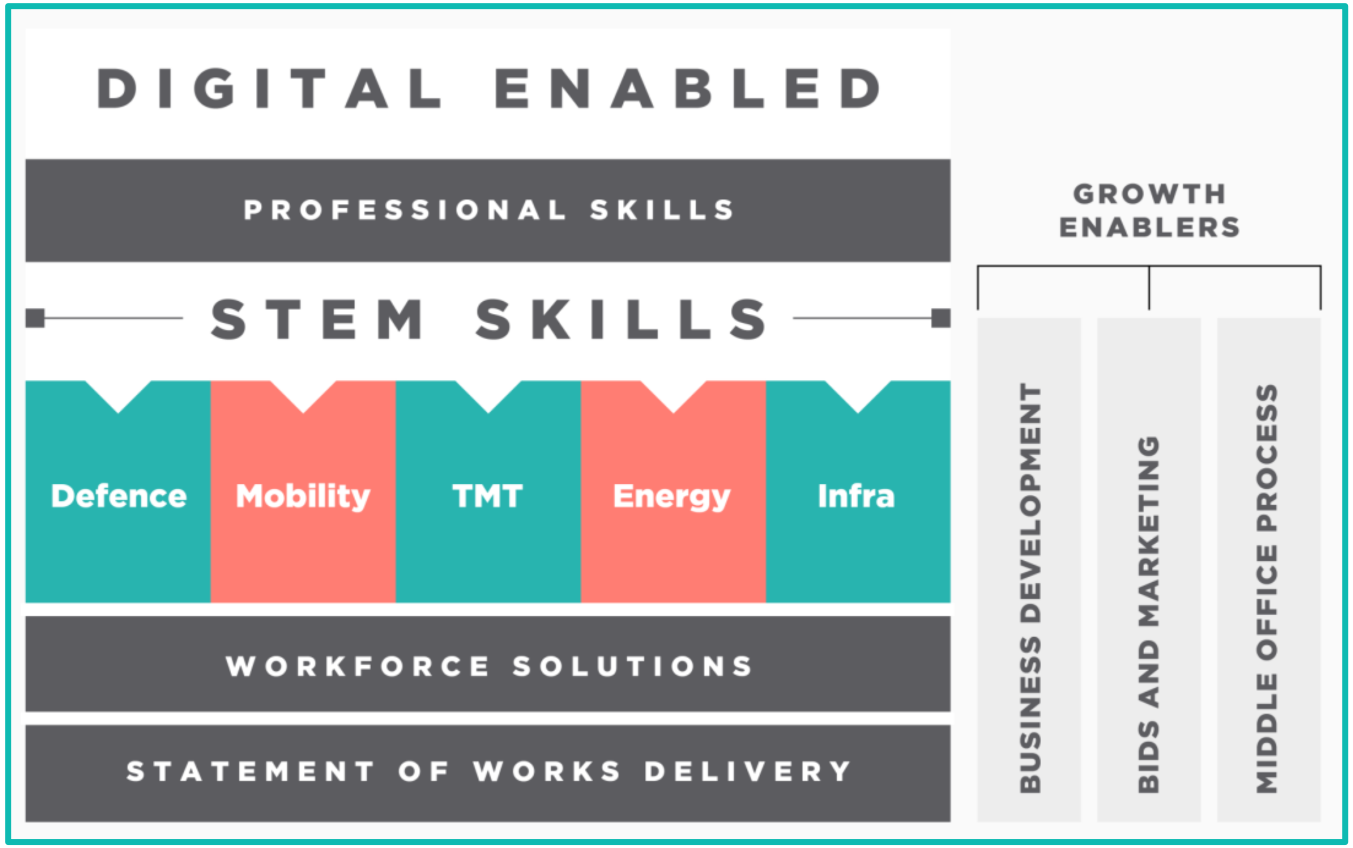
Strategy update: what's next

- New Chair on board, and has challenged and validated our strategic focus
- After two years of substantial change under our business strategy, we are settling into our "Continuous improvement" phase
- Operational ratio targets are validated
  - Contract focused (75:25)
  - Sales: Support staff (80:20)
  - Conversion ratio: 20%
- Prioritisation of capital:
  - Organic growth
  - Bolt on acquisition in strategic priority areas
  - Return to shareholders

GATTACA'S CHANGE JOURNEY



Strategy update: what's next



- Double down on our refined focused markets to remain or become dominant provider in all:
  - Defence
  - Energy
  - Infrastructure
  - TMT
  - Mobility
- Leadership structure reset for the future, with sector, service and geographical focus
- Platform enabling enhanced sales delivery, efficiency through utilisation of AI and automations
- Growth enablers, designed, built and deployed across the Group

Sector overview

	Overall economic sector growth		Demand trajectory for labour in our specific focus areas: CONTRACT	Demand trajectory for labour in our specific focus areas: PERM	Are we in a dominant position?
 DEFENCE	✓	• Continued commitment linked to % of GDP for NATO • Continued demand due to global market	→	↘	**TOP 5**
 INFRASTRUCTURE	✓	• Recovering market with funding being released post HS2 changes • New economic cycles commencing across Rail and Water	↗	↘	**TOP 10**
 ENERGY	✓	• Continued investment in Renewable Energy generation • Significant investment into Transmission and Distribution digitalisation and efficiency	↗	↘	**TOP 50**
 MOBILITY	✓	• Continued recovery within the Aerospace market post COVID • Further technological advancements across Auto and Marine	→	↘	**TOP 50**
 TECHNOLOGY, MEDIA & TELECOMS (TMT)	✓	• Large market, Tech has been hit hard over past 12-14 months • Growing confidence and investment will result in increased demand	→	↓	**TOP 100**

financial results

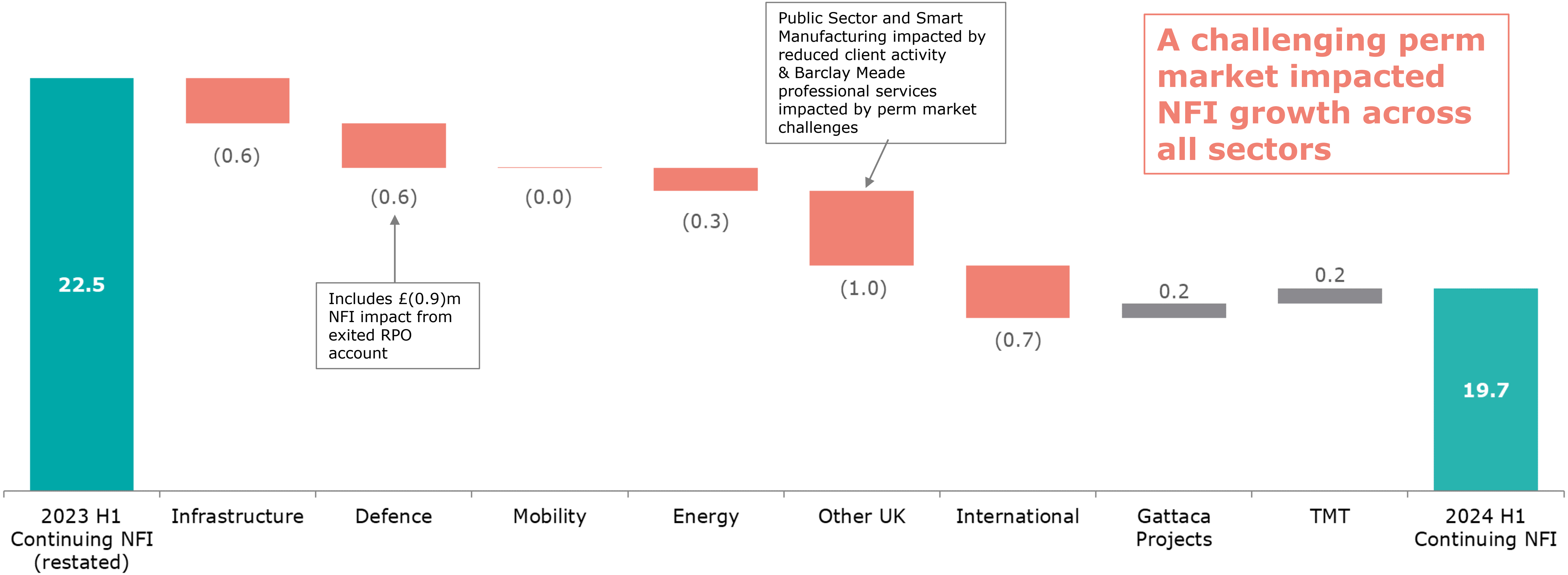
Interim Results | For the six months ended 31st January 2024

Continuing Group NFI by sector

Net Fee Income (NFI)[1] £'m	2024 H1	2023 H1 (restated)[2]	Change
Infrastructure	6.5	7.1	-9%
Defence	3.6	4.2	-12%
Mobility	2.2	2.2	1%
Energy	1.8	2.1	-15%
Technology, Media & Telecoms	1.4	1.2	10%
Gattaca Projects	1.2	1.0	14%
Other	2.4	3.5	-31%
UK	**19.1**	**21.3**	**-10%**
International	0.6	1.2	-56%
Continuing Total Group NFI[3]	**19.7**	**22.5**	**-13%**
Contract	13.9	14.2	-3%
Perm	4.6	7.3	-36%
Statement of Work	1.2	1.0	14%
Continuing	**19.7**	**22.5**	**-13%**
Discontinued	-	-	0%
Total Group NFI	19.7	22.5	-13%

1 Net Fee Income ("NFI") is calculated as revenue less contractor payroll costs.
2 HY23 results have been restated for the correction of a revenue cut-off error, and the subsequent reassessment of the Group's accounting policy over how accrued revenue and accrued cost balances have been calculated at each period end. The aggregated impact of these items on HY23 reported results is £0.2m reduction to reported profit before tax. Further details are provided in Note 1.5 of the HY24 Condensed Consolidated Interim Financial Statements.
3 On a continuing basis there is no material impact from constant currency adjustments.

Continuing business NFI bridge £'m

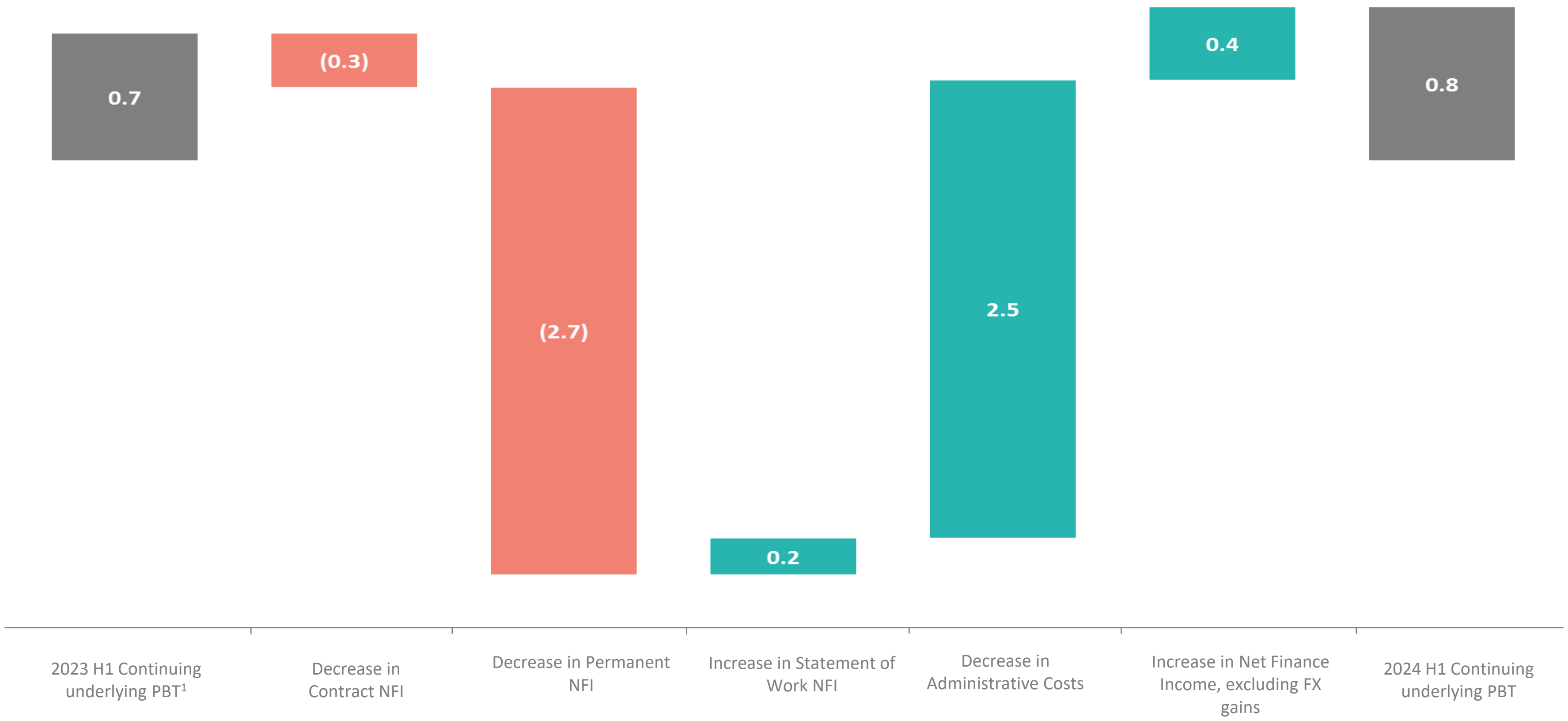


A challenging perm market impacted NFI growth across all sectors

- Continuing underlying Group NFI down 13% YoY, UK NFI down 10%
- Contract & SoW vs Perm split represents 75% / 25% of Group NFI (FY23: 74% / 26%)

Note: HY23 results have been restated for the correction of a revenue cut-off error, and the subsequent reassessment of the Group's accounting policy over how accrued revenue and accrued cost balances have been calculated at each period end. The aggregated impact of these items on HY23 reported results is £0.2m reduction to reported profit before tax. Further details are provided in Note 1.5 of the HY24 Condensed Consolidated Interim Financial Statements.

Underlying PBT bridge £'m



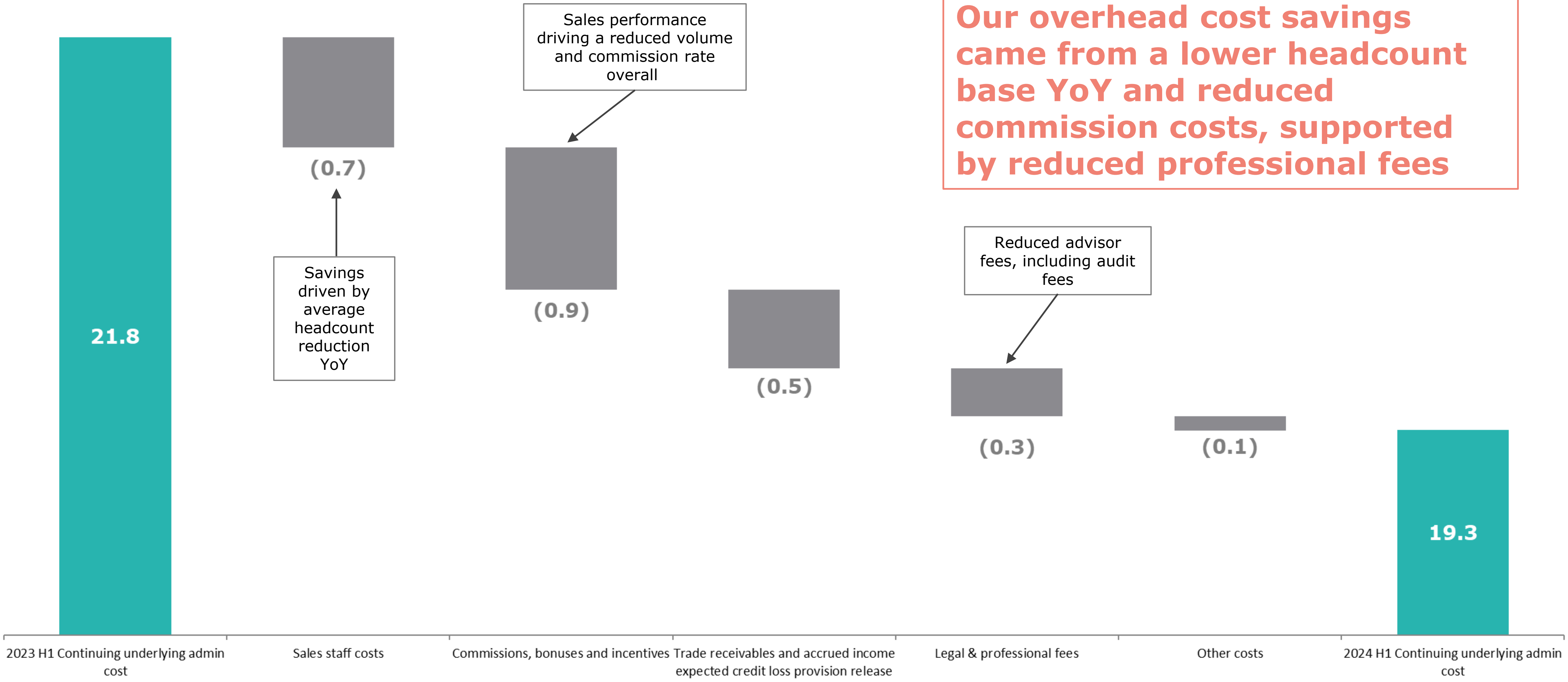
To protect shareholder value, we responded to challenging trading conditions by managing our cost base closely in 2024 H1

- Continuing underlying profit before tax £0.8m (2023 H1 restated: £0.7m)
- Admin cost detail, see slide 13

1 HY23 results have been restated for the correction of a revenue cut-off error, and the subsequent reassessment of the Group's accounting policy over how accrued revenue and accrued cost balances have been calculated at each period end. The aggregated impact of these items on HY23 reported results is £0.2m reduction to reported profit before tax. Further details are provided in Note 1.5 of the HY24 Condensed Consolidated Interim Financial Statements.

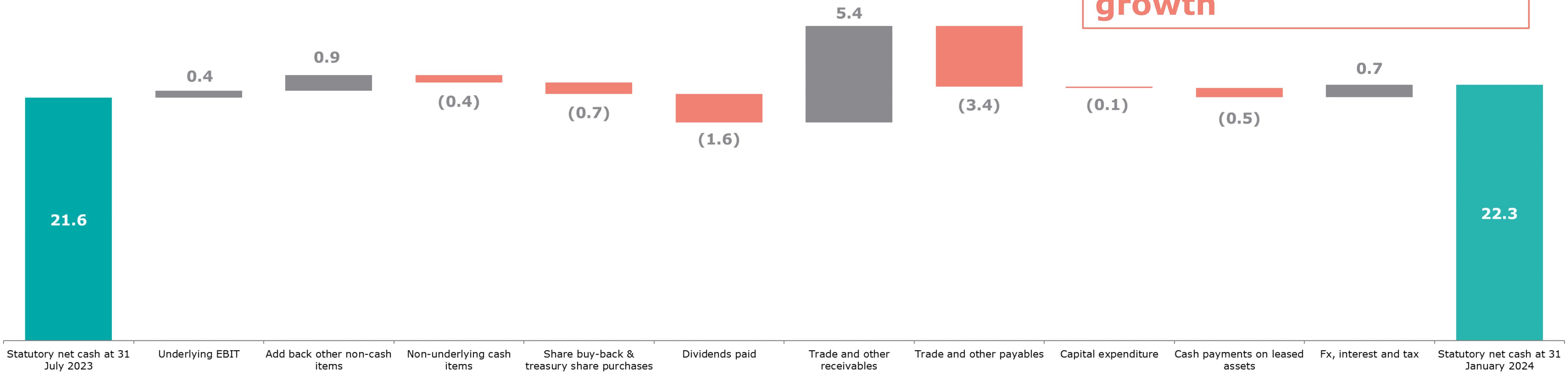
Administrative cost bridge £’m

Our overhead cost savings came from a lower headcount base YoY and reduced commission costs, supported by reduced professional fees



Net cash bridge £'m

Net cash stayed strong, in readiness for contract growth



- Group reported Net Cash of £22.3m at 31 January 2024 (31 July 2023: £21.6m net cash)
- DSO (days sales outstanding) at 31 January 2024 was 53 days (31 July 2023: 43 days); a normal increase seen between July and January due to the seasonal ageing of trade receivables over the Christmas period, as in previous years
- £(4.6)m of non-recourse invoice finance facility drawn (31 July 2023: £(3.8)m), and £2.0m in credit on the recourse invoice finance facility (31 July 2023: nil)

summary and outlook

Outlook

- We continue to be mindful of the macro-economic headwinds, which have impacted demand and candidate sentiment across the recruitment sector and negatively affected performance.
- We continue to see permanent recruitment subdued in the short term and our focus remains on growing our contractor base.
- Our strategy has been reviewed and validated, our commitment and focus is to double down on existing plans
- Ongoing activities remain fully focused on our four strategic priorities which will continue to strengthen the platform from which we grow in the future :
  - External focus
  - Culture
  - Operational performance
  - Cost rebalancing
- We expect full year 2024 continuing underlying PBT to be in a range of £2.4m to £2.7m.

appendices

Gattaca at a glance

Who we are

In 2023, we relaunched our go-to-market brand structure to help us become the **STEM talent partner of choice**, aligned to supporting customers' strategy, talent and outcome requirements.

What we do

GATTACA SOLUTIONS

SHAPING WORKFORCE STRATEGY

Gattaca Solutions enables the success of our clients' People strategies through recruitment supply chain management, process engineering, talent technology and consultancy around topics such as ED&I, future skills and, resource planning.

MATCHTECH / BARCLAYMEADE

FINDING & ENGAGING TALENT

Our specialist recruitment brands excel at finding the people our clients need to deliver the outcomes that drive their success. Barclay Meade specialises in professional staffing, while Matchtech has almost 40 years' heritage as a leading STEM recruiter.

GATTACA PROJECTS

DELIVERING TECHNICAL OUTCOMES

Gattaca Projects solves complex technical and operational challenges through tangible outcome-based services. They operate in a flexible and outcome-centric way, utilising the talent expertise of Matchtech and Barclay Meade to complement their strong in-house expertise.

Key skill areas we recruit within include:

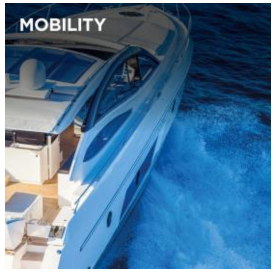
- Engineering & Embedded Technology
- Information Technology & Digital
- Construction & Civil Engineering
- Project Delivery & Support
- Manufacturing & Production
- Professional Skills & Business Support

We help clients find some of the scarcest talent in the market, such as:

- Human Factors Engineers
- Requirements Engineers
- Systems Modelling (MBSE)
- AI & Machine Learning Engineers
- Robotics & Automation Engineers
- Packet Core
- Penetration Testers
- Vulnerability Researchers
- Cloud Platform Engineers
- Power Electronics
- Functional Safety
- RF Engineers
- Systems Engineers
- DV Cleared Project Managers
- Renewable Energy Engineers
- Smart Grid Analyst/Engineer
- IRSE Licensed Signalling Engineers
- Cybersecurity Analysts/Engineers
- Data Analysts & Data Scientists
- Environmental Scientists & Engineers

...plus over 300 other unique disciplines, including business support staff with expertise in technical domains.

SECTORS WE SERVICE:



Delivery against our strategic priorities:

External Focus

FY23: What We Said

- Increase our volume of client and candidate feedback surveys building meaningful actionable insight
- Investment in front line sales capability, growing by 10%, scale in target sectors
- Build on simplified brand architecture to increase external market presence
- Launch our Sustainability Report and align our internal activities on ESG with our external approach

How we did

- Built and deployed our new Business Development team as part of our investment in front-line sales capability
- Doubled our Energy sales team, with a focus on Renewables
- Emphasised our client and candidate service feedback surveys. Average ratings of 8.8 and 8.9 (out of 10) respectively, vs 7.7 and 8.5 in FY23
- Market dynamics meant we controlled sales headcount investment
- Sustainability Report launched in November 2023

FY24: What's next?

- Focus on growing market share in current client base
- Continue to build consistent volumes of feedback from our client and candidate feedback surveys, learning from the insights
- Embed investment in front line sales capability, scale in target sectors of Energy and Defence
- Complete the delivery of our in-house commerciality training for our sales leaders and teams

KPIs	2024 H1	2023 H1 (restated)
Group Continuing Revenue	£188.4m	£192.8m
Group Continuing NFI	£19.7m	£22.5m

Delivery against our strategic priorities:

Culture

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FY23: What We Said

- Consistently apply our Performance Scorecard process to the performance management of our people
- Maintain people engagement score of at least 8.0 for FY24
- Continue focused work on retention to ensure a sustained reduction in our people attrition levels
- Develop our newly implemented "Onboarding for success" module to improve new sales hire progression to established billing consultant.

How we did

- Winner of two Business Culture awards; Best Transformation and Leading with Purpose
- Completed a further two quarters of performance management using the scorecard process with ongoing iterations for improvement
- People engagement was stable at 8.1 for H1 24 (FY23: 8.1) and attrition improved to 30% at 31 January 2024 (31 July 2023: 33%)
- All cohorts of new starters now being trained under our "Onboarding for Success" approach

FY24: What's next?

- Consistently apply our Performance Scorecard process to the performance management of our people
- Maintain people engagement score of at least 8.0 for FY24
- Continue focused work on retention to ensure a sustained reduction in our people attrition levels
- Deepen our diversity strategy, including our approach to supporting our emerging female talent on our journey to 40% gender balance in leadership and management positions

KPIs	2024 H1	FY23
People engagement score	8.1	8.1
Attrition	30%	33%

Delivery against our strategic priorities:
Operational Performance

FY23: What We Said

- A 12-month calendar of operational initiatives for FY24, focused on driving delivery efficiencies and raising standards
- Further automations planned, focused on sales operational performance improvement
- Focus on sales productivity driving up average NFI per head to FY24 target of £92k p/head and conversion target of 5.9%
- Optimise our technology stack, making the most out of what we already have, eliminating what we don't need
- Increase use of internal IP, reducing job board requirements

How we did

- Four focused operational initiatives delivered during H1, improving the stability of our contractor book
- Successfully launched a series of customer focused automations and enhanced customer platforms, which will streamline process on the back of digital transformation
- Reset Board structure, validated strategy and leadership structure
- Average NFI per sales head has increased by +2%, and by +1% per total head YoY, (excluding an RPO perm client from 2023 H1 we chose to exit)

FY24: What's next?

- Focus on sales productivity, driving towards our FY24 target of £92k p/head and increasing our conversion rate
- Deliver the reset of leadership organizational structure
- Further external-facing automations planned, focused on sales operational performance improvement
- Complete implementation of our new contractor onboarding platform

KPIs	2024 H1	2023 H1 (restated)
Conversion %	2.0%	3.1%
Total Group average NFI per head	£42k	£43k

Delivery against our strategic priorities:
Cost Rebalancing

FY23: What We Said

- Delivering on further reductions of third-party costs
- Continued investment in technology solutions, 'digital and automation-first’ approach; increasing the level of clients and candidates with fully digital processing, reducing admin time and cost
- Following on from the corporate restructure, implementation of a single billing entity arrangement for all clients
- Progress the simplification of the Group’s corporate structure through legal entity liquidations

How we did

- Investment in key new technologies and specific sector mark eting
- One UK property location moved to more flexible lower-cost option at lease break point
- Outsourced the North America support functions to right-size the cost base for the region
- UK billing moved from 9 entities to 2 in 2024 H1
- Slimmed down the Board cost base

FY24: What’s next?

- Complete our review of the UK property portfolio and office space reduction
- Complete next stage of Single Pay and Bill; reducing payroll and billing entities down to 1 for the UK
- Continue to progress the simplification of the Group’s corporate structure through legal entity liquidations, further reducing third party advisor costs around the world

KPIs	2024 H1	2023 H1 (restated)
Group continuing underlying PBT	£0.8m	£0.7m
Group continuing underlying EPS	1.6 p	1.6 p
Sales / Support staff mix	69/31	69/31

Continuing underlying PBT

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Period to 31 January	2024 H1			2023 H1 (restated)				
	Continuing Reported £m	Adjustments £m	Continuing underlying £m	Continuing Reported £m	Adjustments £m	Continuing underlying £m	Continuing reported change %	Continuing underlying change %
Revenue	188.4		188.4	192.8		192.8	-2%	-2%
Contract NFI	13.9		13.9	14.2		14.2	-2%	-2%
Contract gross margin (%)	*8.1%*		*8.1%*	*8.1%*		*8.1%*		
Permanent fees	4.6		4.6	7.3		7.3	-36%	-36%
Statement of Work	1.2		1.2	1.0		1.0	+14%	+14%
Gross Profit (NFI)	19.7		19.7	22.5		22.5	-13%	-13%
Gross margin (%)	*10.5%*		*10.5%*	*11.7%*		*11.7%*		
Admin expenses	(19.8)	0.5	(19.3)	(22.1)	0.3	(21.8)	-10%	-11%
EBIT	(0.1)	0.5	0.4	0.4	0.3	0.7	n/a	-43%
NFI conversion (%)	*-0.5%*		*2.0%*	*1.9%*		*3.1%*		
Operating margin (%)	*-0.1%*		*0.2%*	*0.2%*		*0.4%*		
Financing	0.6	(0.2)	0.4	0.2	(0.2)	(0.0)	n/a	n/a
Profit before tax	0.5	0.3	0.8	0.6	0.1	0.7	-17%	+10%

1. HY23 results have been restated for the correction of a revenue cut-off error, and the subsequent reassessment of the Group's accounting policy over how accrued revenue and accrued cost balances have been calculated at each period end. The aggregated impact of these items on HY23 reported results is £0.2m reduction to reported profit before tax. Further details are provided in Note 1.5 of the HY24 Condensed Consolidated Interim Financial Statements.
2. NFI is calculated as revenue less contractor payroll costs
3. Continuing underlying results exclude the NFI and (losses) before taxation of discontinued operations (2024 H1: nil, 2023 H1: £(0.2)m), non-underlying items within administrative expenses primarily related to restructuring costs (2024 H1: £0.5m, 2023 H1: £0.2m), amortisation of acquired intangibles (2024 H1: £0.0m, 2023 H1: £0.0m), impairment of goodwill, acquired intangibles and right of use assets (2024 H1: £0.0m, 2023 H1: nil), and exchange gains from revaluation of foreign assets and liabilities (2024 H1: £0.2m, 2023 H1: £0.2m).
4. NFI commentary is on a continuing underlying like for like basis

Profit after tax and EPS

Period to 31 January	2024 H1		2023 H1 (restated)		Continuing underlying change
	Continuing reported	Continuing underlying	Continuing reported	Continuing underlying	
	£m	£m	£m	£m	%
Profit before tax	0.5	0.8	0.6	0.7	10%
Taxation	(0.3)	(0.3)	(0.2)	(0.2)	50%
Profit after tax	0.2	0.5	0.4	0.5	-2%
Earnings per share					
	pence	pence	pence	pence	
Basic	0.7	1.6	1.3	1.6	+0%
Diluted	0.7	1.6	1.3	1.6	+0%
Dividend per share		0.0		0.0	

- Basic continuing underlying EPS 1.6 pence per share (2023 H1 restated: 1.6 pence per share)

Pro forma underlying profit before tax reconciliation

Period to 31 January	2024 H1 £m	2023 H1 (restated) £m	Change £m
Group Profit before tax	0.5	0.4	0.1
Add back: discontinued operations Loss before tax	0.0	0.2	(0.2)
Continuing Profit before tax as reported	**0.5**	**0.6**	**(0.1)**
Add back:			
Non-underlying items	0.5	0.3	0.2
Amortisation of intangibles	0.0	0.0	0.0
Foreign exchange differences	(0.2)	(0.2)	(0.0)
Continuing underlying Profit before tax	0.8	0.7	0.1

1. HY23 results have been restated for the correction of a revenue cut-off error, and the subsequent reassessment of the Group's accounting policy over how accrued revenue and accrued cost balances have been calculated at each period end. The aggregated impact of these items on HY23 reported results is £0.2m reduction to reported profit before tax. Further details are provided in Note 1.5 of the HY24 Condensed Consolidated Interim Financial Statements.

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MATCHTECH BARCLAYMEADE GATTACA SOLUTIONS GATTACA PROJECTS

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