



Preliminary Results

For the year ended 31st July 2021

4 November 2021

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- The entire reporting period was impacted by the global pandemic resulting in Group continuing underlying NFI¹ of £42.1m, (-20% YoY)
- Strong cost management resulted in PBT¹ of £3.2m (2020 restated: £4.8m)
- Robust balance sheet:
 - Group adjusted net cash² position of £19.9m at 31 July 2021 (31 July 2020: £27.3m net cash)
 - RCF repaid in year
 - Group covenant free
- Dividends restarting at 1.5 pence per share (2020: nil pence)

¹ On a continuing underlying basis excluding the Mexico and South Africa businesses closed in 2021.

² Adjusted net cash excludes the impact of IFRS 16

Business Update



A leading provider of engineering and technology recruitment solutions

Business Update

Strategy and Markets

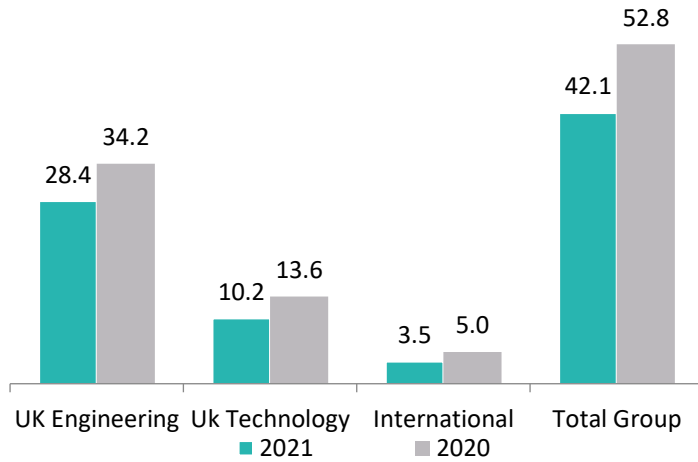
Financial Results

Summary & Outlook

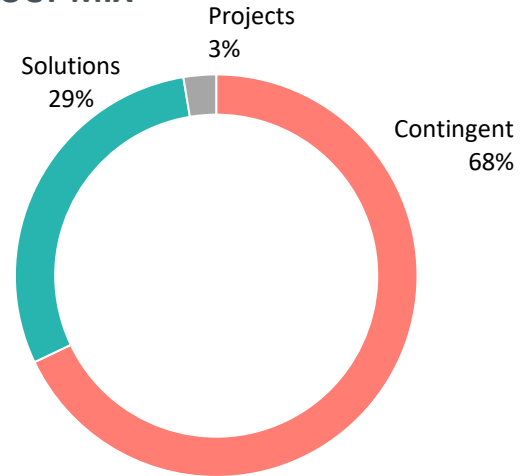
- Focused on in-demand STEM skills
- Operating in growth sectors
 - Consumer, Retail & Life Sciences
 - Defence
 - Energy
 - Finance, Insurance & Banking
 - Infrastructure
 - Mobility
 - Public Sector
 - Telecoms & Media
- Market-leading staffing solution
 - Traditional staffing
 - Packaged campaigns
 - Projects
 - Market insight reporting
 - Workforce solutions
 - Talent attraction and employer branding
- Deep expertise in our niches
- Resilient business model
 - 74% Contract mix
 - Solutions 29% of NFI
 - Strong balance sheet

Group overview¹

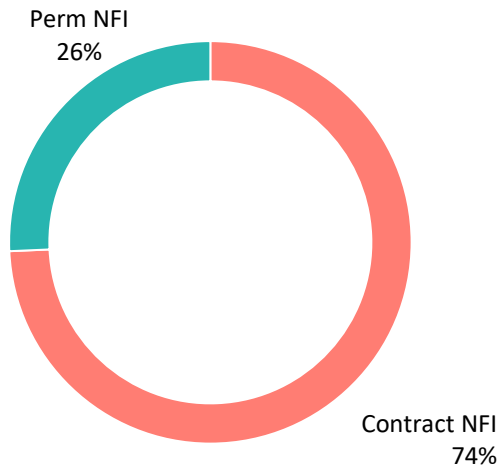
NFI BY SEGMENT



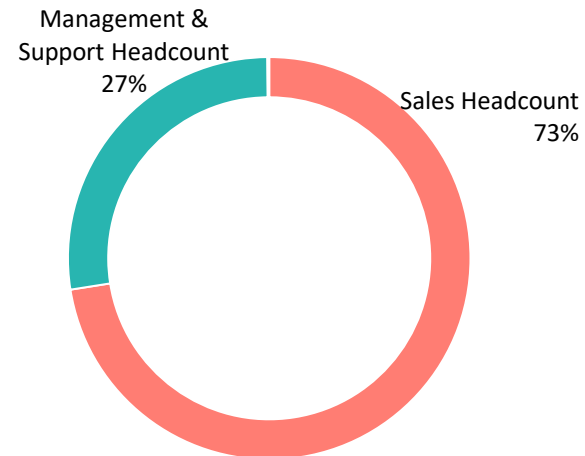
PRODUCT MIX



CONTRACT / PERM MIX



GROUP HEADCOUNT MIX



¹ All on a continuing underlying basis

Key initiatives in year

Business Update

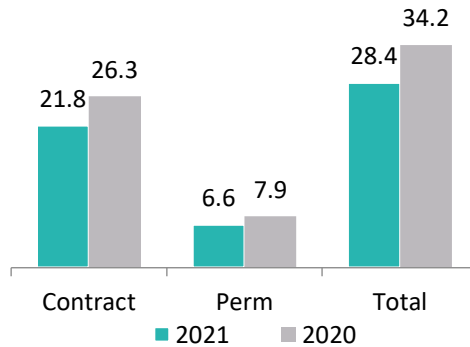
Strategy and Markets

Financial Results

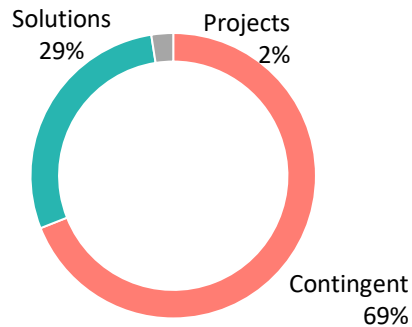
Summary & Outlook

- IR35 implemented
- As part of the reset Improvement plan completed:
 - Restructuring completed in October 2020
 - Fulfilment function expanding both in UK and via lower cost offshore resource
 - Global technology platform live across the group from April 2021+
 - Targeted marketing approach
 - New sales commission schemes launched
 - As we now capitalise on future growth opportunities this was the right time to refresh our purpose, vision, mission and values
- Hiring continues within our UK sales and fulfilment functions, +16% increase between Jan 21 and July 21, and as at end Oct 21 +23%

NFI



PRODUCT MIX



SALES HEADCOUNT (JUL 21)

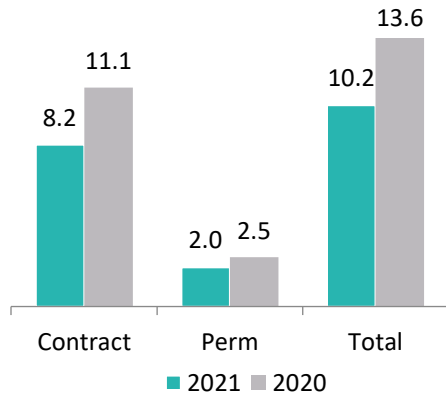
247 (up 13%
from Jan)

MARKET COMMENTARY

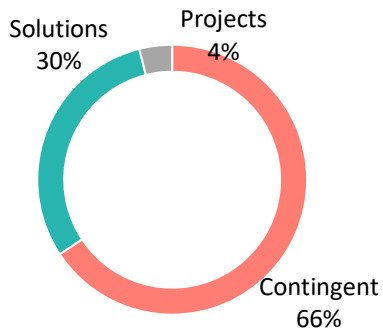
- Significant government focus on infrastructure investment but spend across the funding cycles (CP6 and AMP7) has been delayed during pandemic. We expect this to result in spend being compressed into a shorter timeframe with likely increased demand for contract labour. Infrastructure construction output in Aug 21 was 45.4% up on pre Covid Feb 21 levels¹
- Government focus on renewables presents opportunity in the energy market (UK and US)
- Mobility market starting to recover, push to renewables and automated technologies.
- Construction vacancies 30% and Engineering vacancies 3% above pre pandemic levels¹
- A candidate driven market.

¹ Source: ONS

NFI



PRODUCT MIX



SALES HEADCOUNT (JUL 21)

79 (up 23% from Jan)

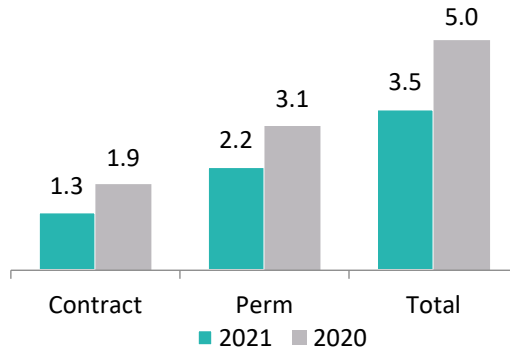
MARKET COMMENTARY

- UK Technology is recovering quickly from the pandemic and offers opportunity
- Growing demand for key skillsets: Software Development, Cloud, Infrastructure, Data and ERP. Data Software engineers are the 3rd highest shortfall of candidates versus the demand in the market¹.
- IT / Software vacancies are 31% above pre pandemic levels¹
- Market is candidate driven
- Signs of salaries increasing
- LinkedIn data indicates Tech roles are most open to remote working

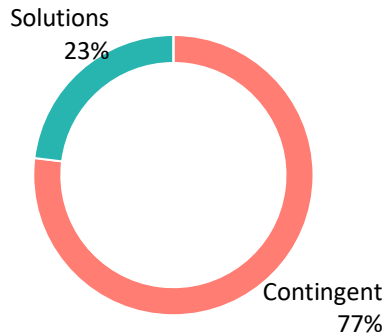
¹ Source: REC (Recruitment and Employment Confederation)

² Source: ONS

NFI



PRODUCT MIX



SALES HEADCOUNT (JUL 21)

24 (down 11%
from Jan)

MARKET COMMENTARY

- At the start of the pandemic, we took actions to de-risk the International business, focusing on US and Canada
- As with UK market, North America has been in recovery mode
- Focused on growth within the Energy and Technology markets from our locations in Dallas and Toronto
- Our RPO offering in region is developing and offers scalable opportunity for growth
- Opportunity to grow from a stable base

Strategy and Markets



Our Strategy

Business Update

Strategy and Markets

Financial Results

Summary & Outlook



An ambitious vision that will require us to outgrow the market



A mission that ensures trust is at the heart of our actions



The core principles of how we will bring our vision & mission into being.



The priority objectives for us to execute our strategic pillars, which will alter over time to reflect market conditions.



To be the STEM talent partner of choice

Everyday we deliver a service that is so trusted that our clients, candidates, colleagues and suppliers recommend us without hesitation

SELL TO A MARKET

ADD VALUE BY PRODUCT

EXPERT FULFILMENT BY SKILL

COLLABORATIVE HIGH-PERFORMING CULTURE

Focus on STEM sectors which offer long-term sustainable growth potential

Provide a full range of services to meet customers needs within our target Sectors and embed a systematic approach to selling them

Become the go-to supplier for the most in-demand STEM candidates

Enable our people to achieve their full potential

Maximise & grow geographic penetration from existing footprint

Grow workforce solutions as a % of our overall business

Provide a first-class candidate experience to improve retention & attraction

Harness our technology platform to deliver a better & more efficient service

Customer-driven insight to inform need & product development

Increase the capability & efficiency of candidate attraction by realising the potential of Fulfilment function

Become a more diverse and sustainable organisation



Trust

Professional

Ambition

Fun

Market sectors

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CONSUMER, RETAIL & LIFE SCIENCES

- Logistics
- eCommerce
- Pharmaceutical
- Medical

DEFENCE

- Air
- Land
- Sea
- Communications

ENERGY

- Renewables
- Oil & Gas
- Transmission & Distribution
- Nuclear
- Mining & Extraction

FINANCE, BANKING & INSURANCE

- Banking
- Insurance
- Fintech

INFRASTRUCTURE

- Highways, Traffic and Planning
- Buildings & Construction
- Rail
- Water, Fibre & Utilities

MOBILITY

- Aerospace
- Automotive
- Maritime

PUBLIC SECTOR

- Central Government
- Local Government
- NHS

TELECOMS & MEDIA

- Technology
- Media & Broadcasting
- Telecommunications

Financial Results



Net Fee Income

Business
Update

Strategy and
Markets

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Pandemic impacted entire reporting period, H2 grew 5% on H1.

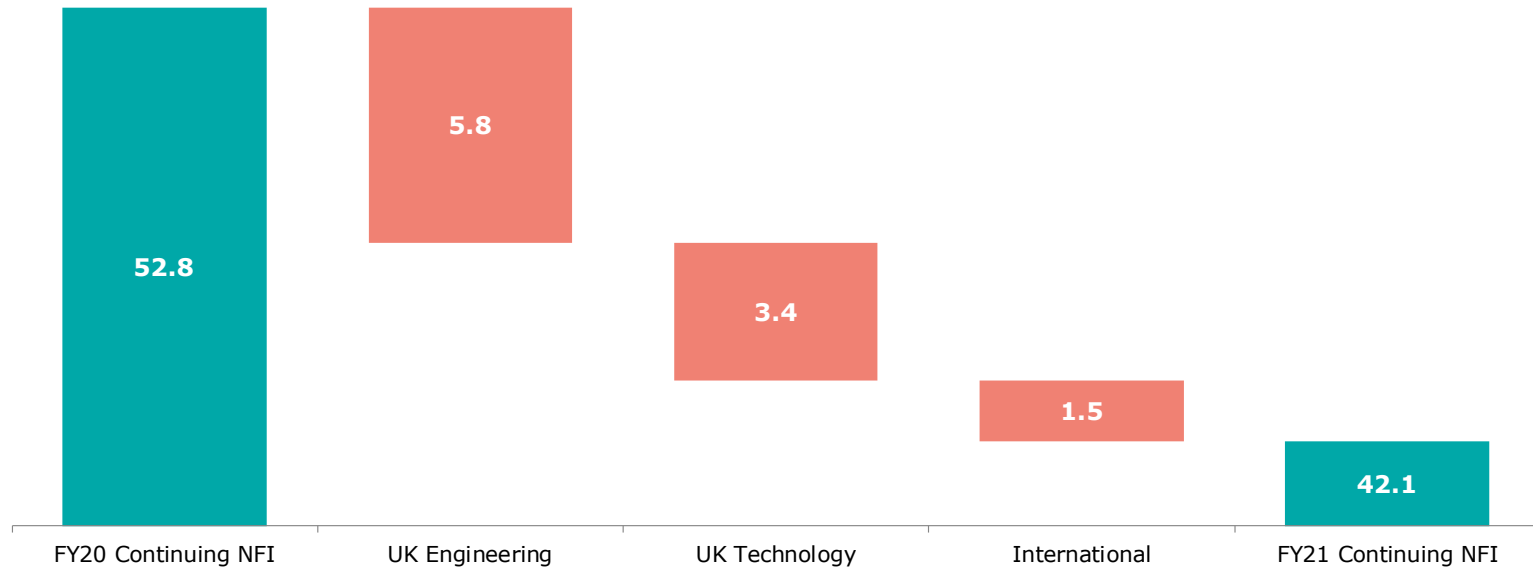
Net Fee Income (NFI) ¹ £'m	2021	2020 restated	Change
Engineering	28.4	34.2	-17%
Technology	10.2	13.6	-25%
UK	38.6	47.8	-19%
International	3.5	5.0	-30%
Continuing Total Group NFI^{2&3}	42.1	52.8	-20%
Contract	31.3	39.3	-20%
Perm	10.8	13.5	-20%
Continuing	42.1	52.8	-20%
Discontinued	1.0	1.9	-45%
Total Group NFI	43.1	54.7	-21%

1 Net Fee Income ("NFI") is calculated as revenue less contractor payroll costs, on a like for like constant currency basis

2 Continuing results exclude the results of the South Africa and Mexico business which were discontinued in 2021 and the China business which was discontinued in 2020

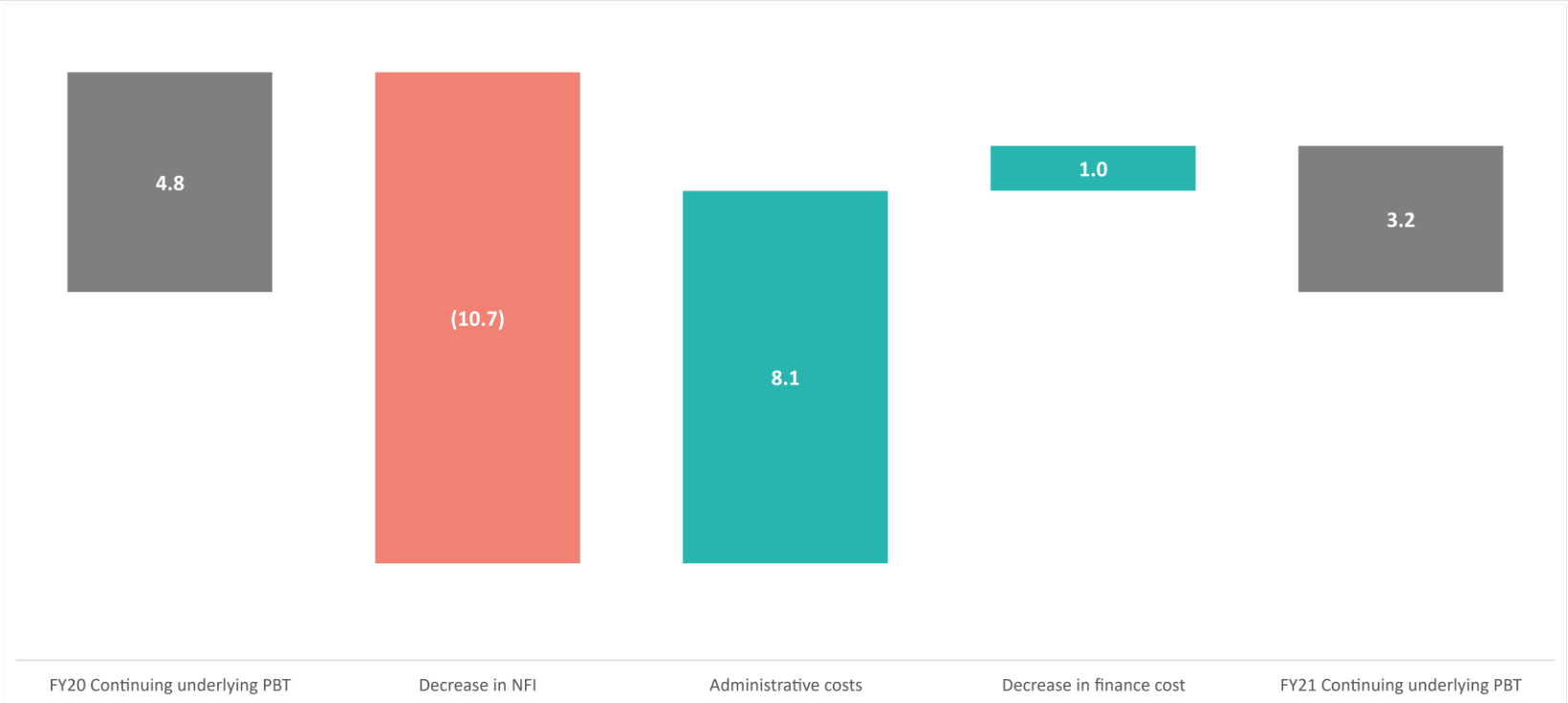
3 On a continuing basis there is no material impact from constant currency adjustment

Continuing business NFI bridge £'m



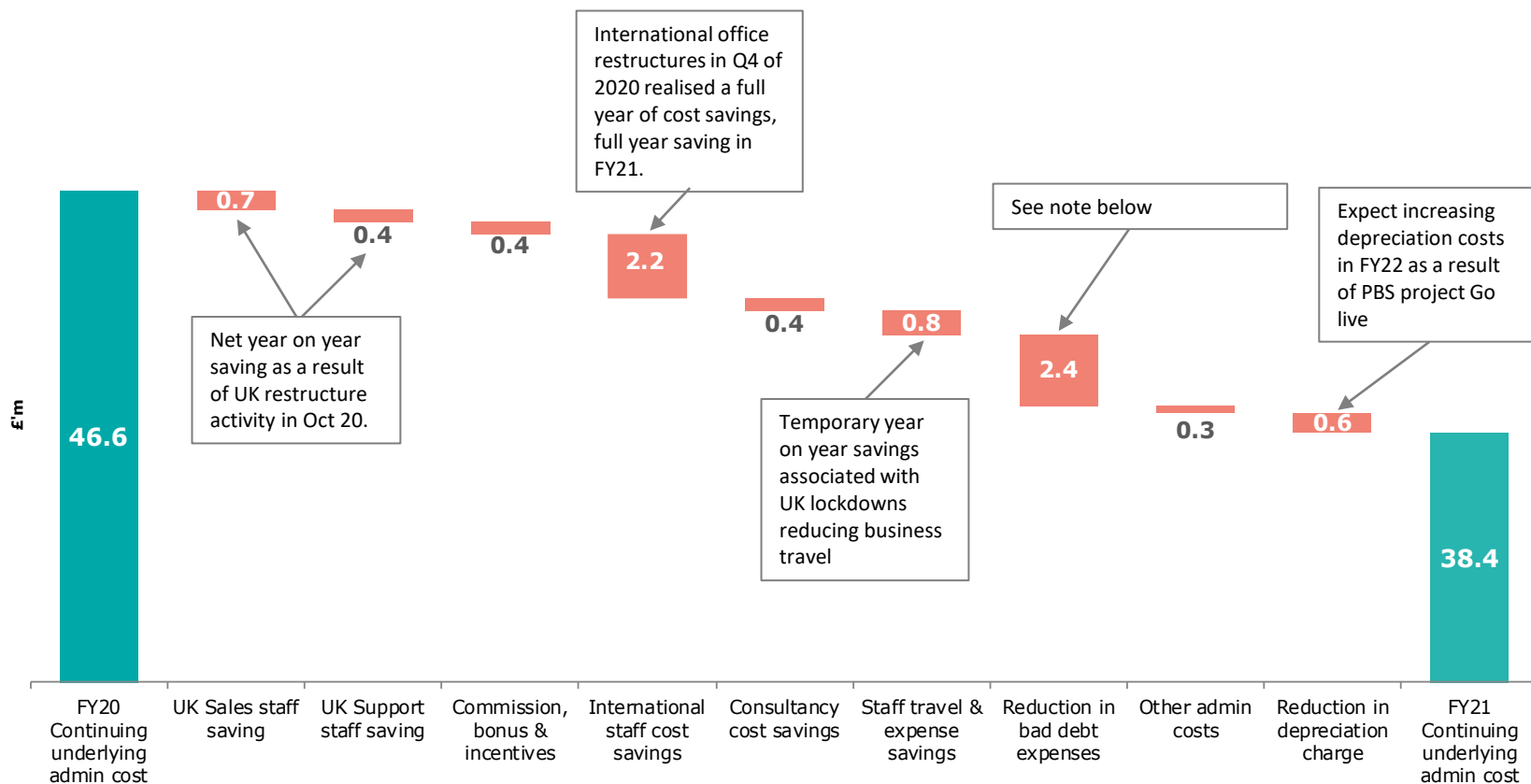
- Continuing underlying Group NFI 20% lower reflecting the impact of the pandemic on demand
- Client Solutions NFI for 2021 represented £11.6m (2020: £15.7m)
- Contract NFI for 2021 was 74% (2020 restated: 74%)

Impact of pandemic on NFI substantially mitigated through cost actions



- Continuing underlying Profit before tax at £3.2m (2020 : £4.8m)
- NFI decline of 20% y-o-y largely mitigated by substantial cost reduction
- Restructuring concluded in October 2020

Administrative cost bridge £'m



Bad debt expense: Due to prevailing risk conditions bad debt provisions were increased by £1.7m in FY2020, and by a further £0.2m in FY2021 to £4.5m. In July 2021 £0.8m of the exposure to NMCN plc was written off. The total exposure at the time of NMCN plc's bankruptcy in October 2021 was £1.4m including the £0.8m written off in 2021.

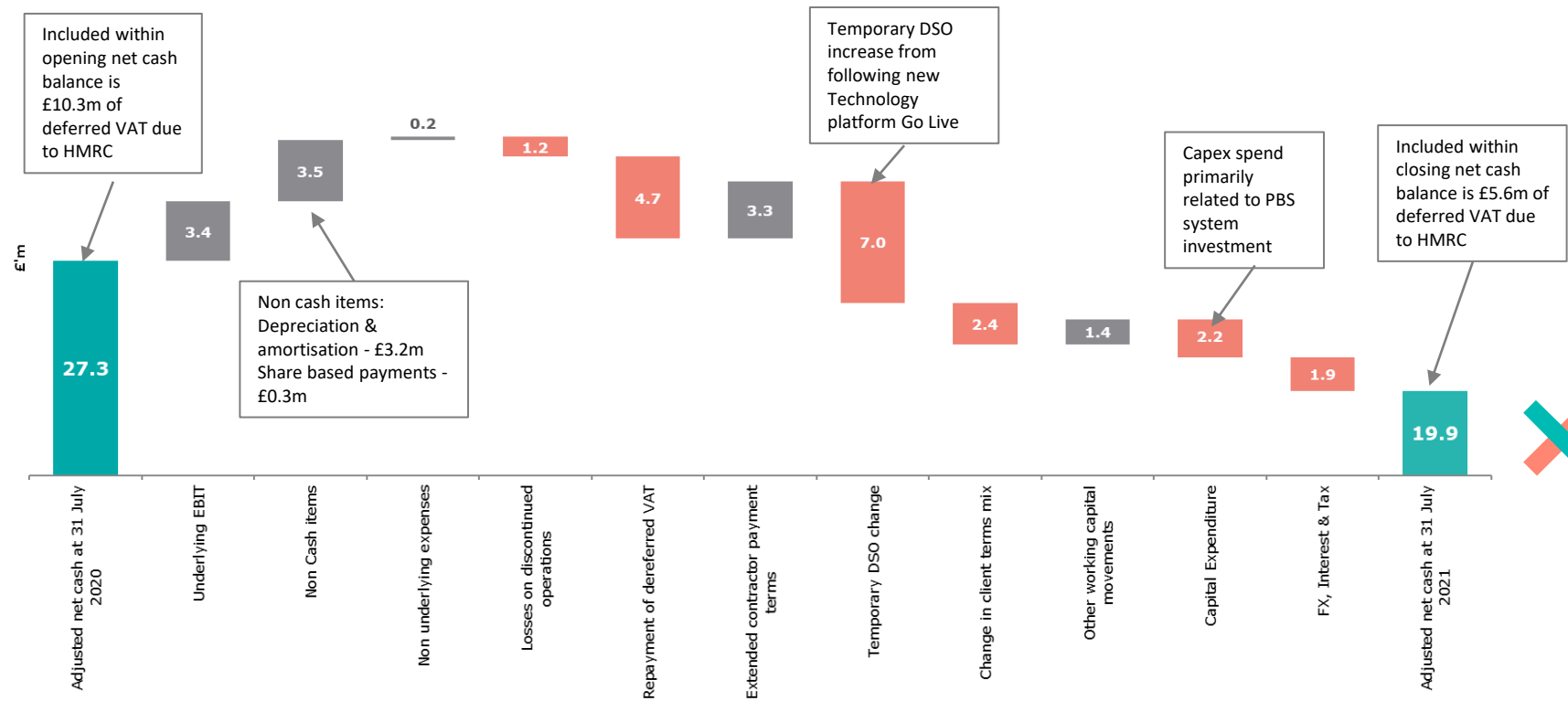
Substantial net cash balance

Business Update

Strategy and Markets

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- Group adjusted net cash position of £19.9m at 31 July 2021 (31 July 2020: £27.3m net cash). Reported net cash (including IFRS16 lease liabilities) was £14.1m (2020: £19.6m)
- DSO (days sales outstanding) at 43.9 (2020: 35.3) using the countback methodology. We estimate approximately 75% of the increase to be temporary as a result of short term disruption following systems implementation. The remainder was driven by client mix
- £14.2m of non-recourse working capital facility drawn (July 2020: £13.5m)
- Capex spend related to Primary Business Systems investment project

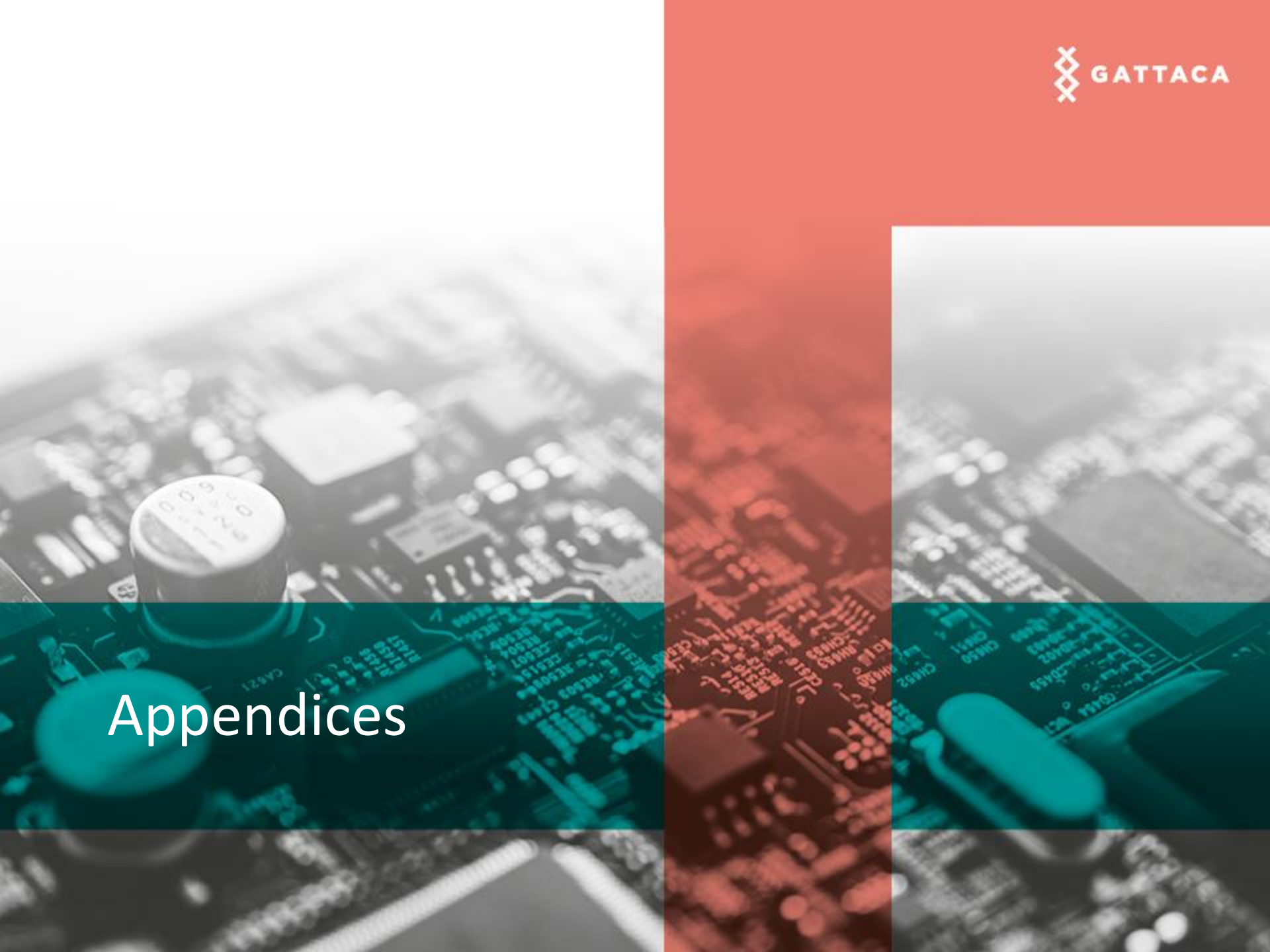
Summary & Outlook

Summary

- Successful completion of the Group's Improvement Plan enables us take full advantage of the opportunities in our chosen markets with excellent long-term potential
- Significant UK Infrastructure investment
- Acceleration of digitisation by all companies combined with economic growth creating high demand for STEM skills
- Revolving Credit Facility repaid; Group covenant free, and strong balance sheet to invest in growth
- Reintroduction of dividend at 1.5p per share (2020: nil) reflecting our confidence in the business

Outlook

- Given the current market conditions, our clients are finding it more challenging to identify and secure specialist talent, which plays well to Gattaca's expertise in delivering critical skills and talent for their businesses.
- Notwithstanding evolving pandemic and macro supply chain factors, the business continues to trade in line with market expectations.
- With strong demand for STEM skills, and our investment in our people and technology, we are well positioned for growth.



Appendices

Our Investment Case

Defining arguments:



Market leading solutions with a trusted reputation



Defined, long-term, high-growth markets



Deep expertise with revitalised leadership



Focused growth strategy



Resilient business model

Supporting evidence:

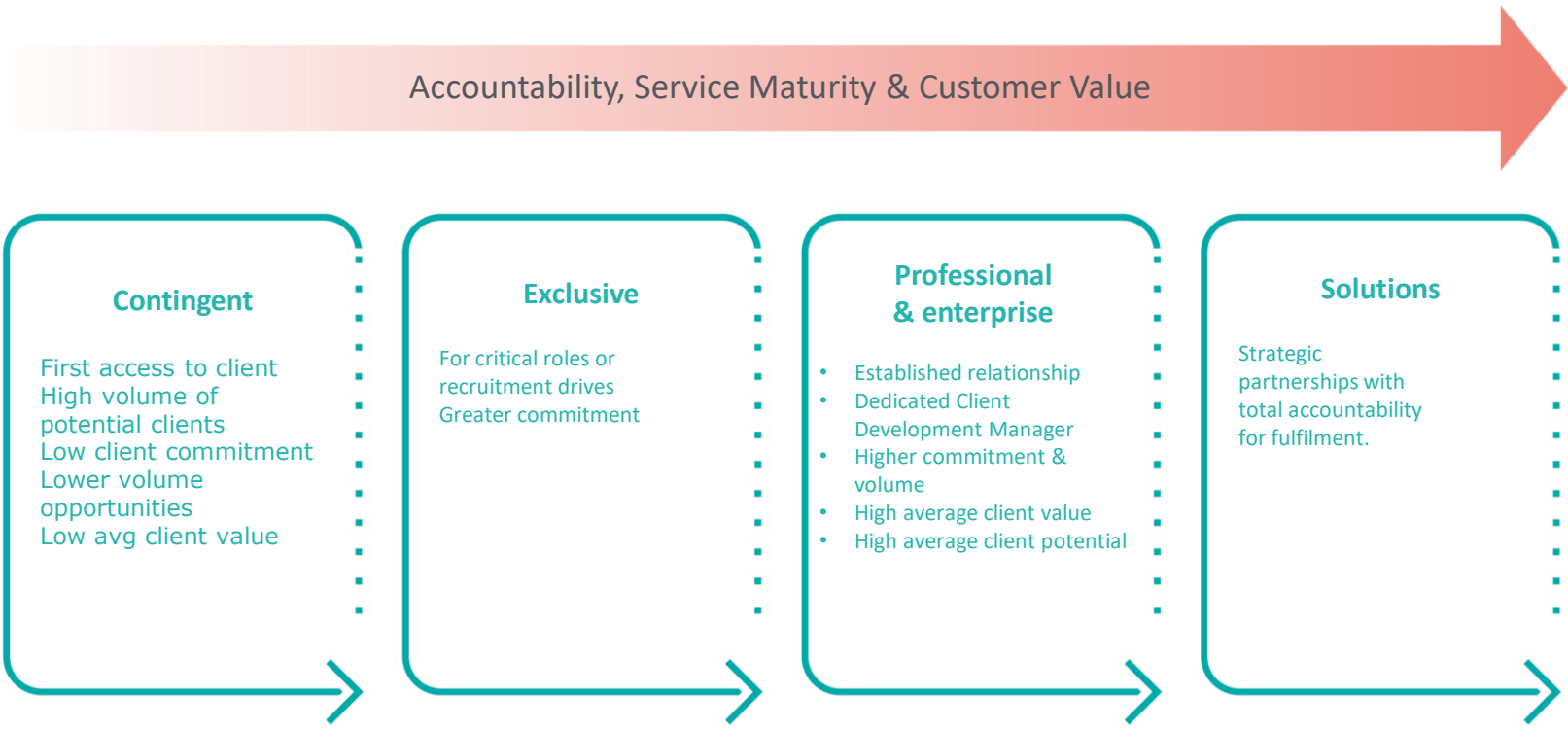
- A leading provider of specialised and in-demand engineering and technology skills
- Ability to deliver tailored solutions and products
- Broad client base and long-term partnerships
- Recently recognised with awards for a second year in:
 - HRO Today 'Bakers Dozen' in 5 different categories including being named as the Number 1 provider for both size and breadth of services for mid-sized deals.
 - 2021 TIARA Talent Solutions highly commended "Best Client Service" and "Best Long-Term Partnership"
 - 2020 TIARA Talent Solutions 'Best Candidate Experience'

- STEM skills are especially in demand across geographies and end-markets, driven by the growing importance of the digital economy. Well established and scalable UK business, with further growth and market share opportunity
- Extensive client base within high growth Engineering and Technology clients
- Presence in North America as well as UK markets

- Deep skill and market-based expertise within the business
- A motivated management team that brings fresh perspective and drive to professionalise the business
- Group-wide Improvement Plan completed over last three years, setting the business up for growth

- Cross-selling and focus on growing share of client staffing spend provides growth opportunity
- New integrated technology platform replacing all successfully implemented across all business units in April 2021, enabling productivity optimisation, coordinated sales activity and improved data and insights
- Investing in organic growth in geographies with clear growth prospects
- Growing and investing in Gattaca Solutions services which embed Gattaca within client operations and deliver incremental margin improvement
- A more agile, scalable business being built

- Focused on STEM skills which will remain in high demand
- Significantly strengthened and robust balance sheet and financial resilience
- No financial covenants
- Contract-perm NFI split of 74/26 continuing business provides more predictable and recurring revenues
- A growing Gattaca Solutions business further increasing quality of revenue
- Strong contract mix provides resilience and visibility but permanent market provides future growth opportunities



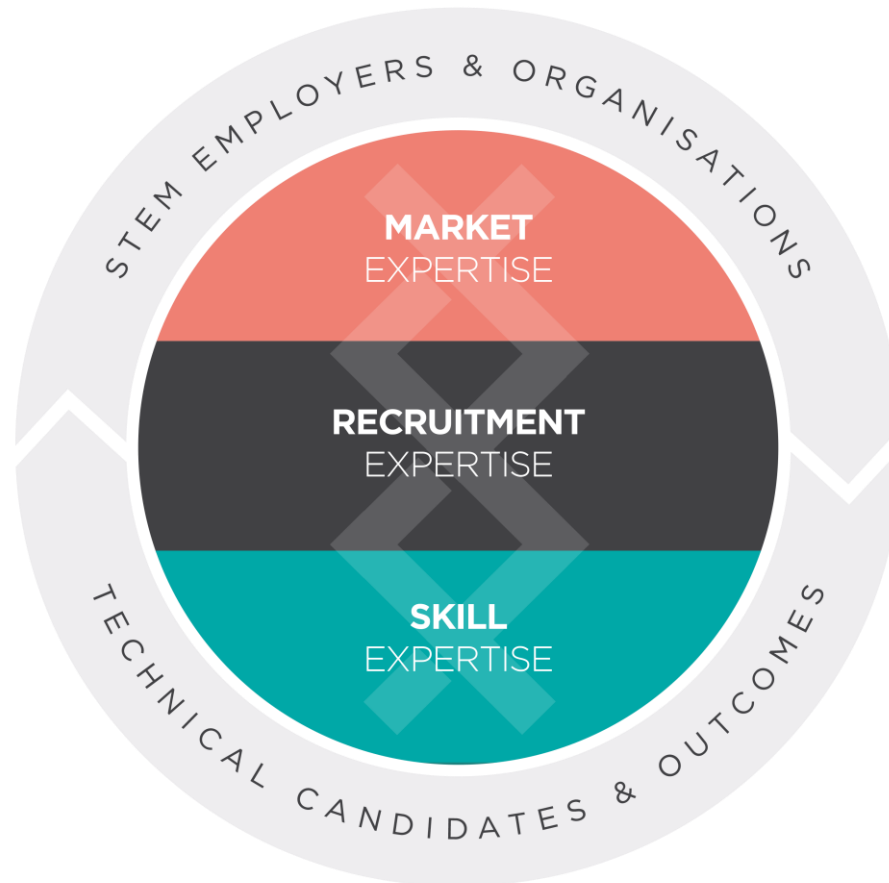
Fulfilment
A candidate resourcing engine supporting across all service models to enable fulfilment.

The business model

Excellent delivery enables us to fulfil more requirements, quicker and to higher quality

In depth knowledge of a market enables us to advise our candidates on the best option for them

In-depth candidate knowledge enables us to advise clients on attraction approach, location, speed, method and cost

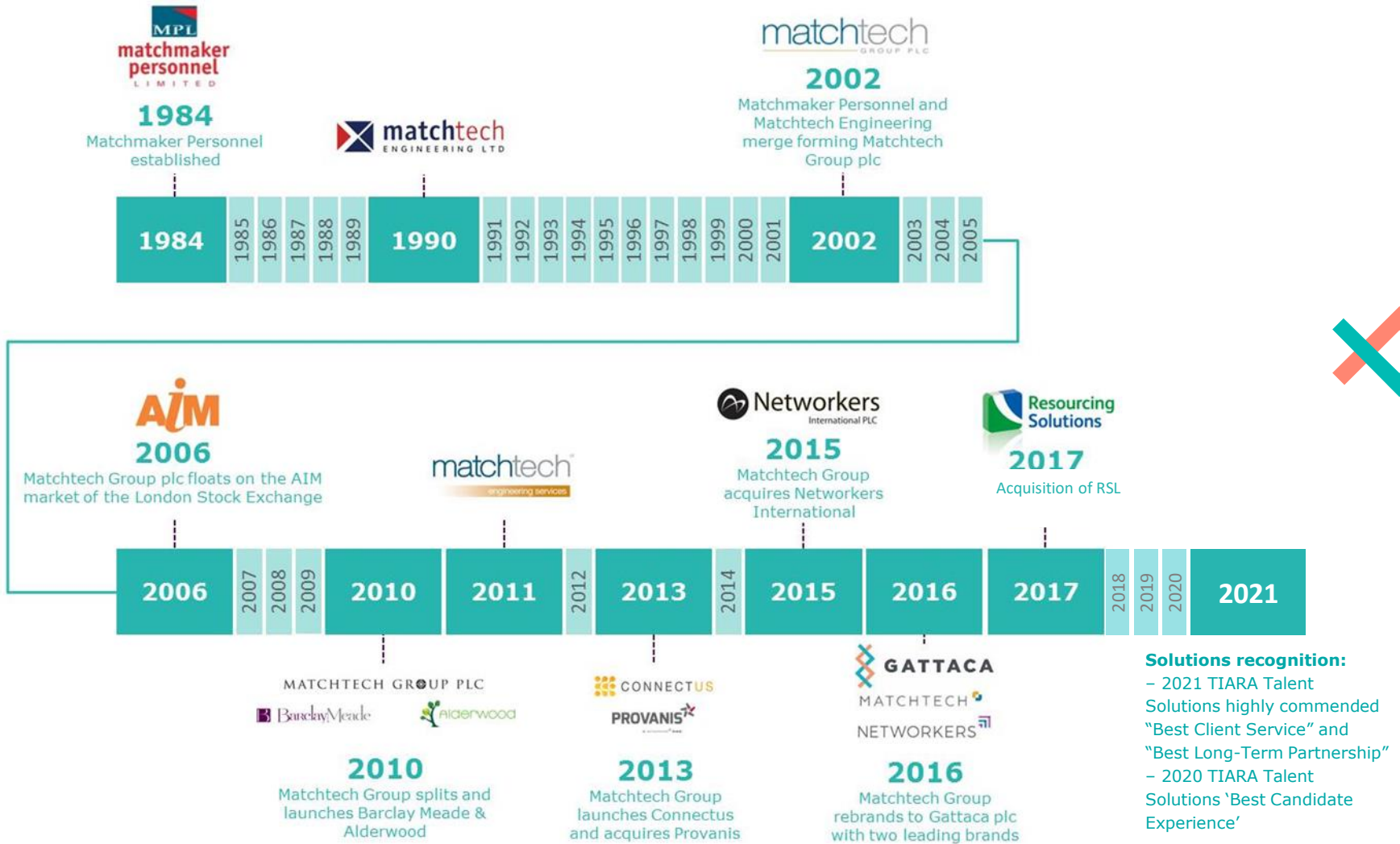


Being embedded in a market means we can prioritise our efforts to focus on skills and clients most likely to drive success

Our products enable us to solve specific clients needs for start-ups through to blue chips

In-depth knowledge of working with start-up businesses through to multinational blue chip giants, enables us to have a complete view on the entire market

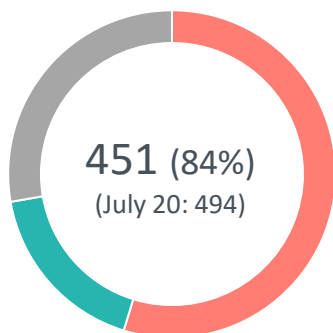
Our history



Group total headcount

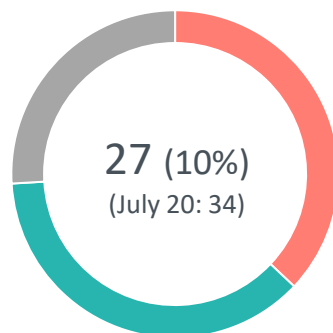
United Kingdom

(£39.0m, 92% of Group NFI)



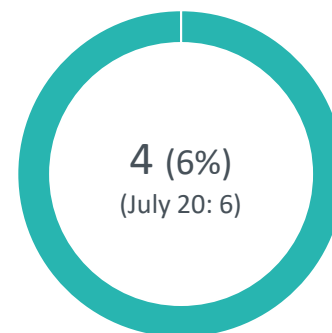
Americas

(£3.3m, 7% of Group NFI)



EMEA

(£0.2m, 1% of Group NFI)



Engineering headcount

Technology headcount

Management and Group Support headcount

GLOBAL HEADCOUNT¹

482

(July 20: 534¹)

10% lower than prior year

SALES

350 (73%)

(July 20: 388 73%)

10% lower

MANAGEMENT & SUPPORT

132 (27%)

(July 20: 146 27%)

10% lower

¹Headcount as presented above is as at July 2021 and relates to group headcount excluding all discontinued operations.

Continuing underlying PBT

Continuing underlying PBT of £3.2m, 32% lower YoY

Period to 31 July	2021			2020			Continuing reported change %	Continuing underlying change %
	Continuing Reported £m	Adjustments £m	Continuing underlying ² £m	Continuing Reported £m	Adjustments £m	Continuing underlying ² £m		
Revenue	415.7	-	415.7	534.7	-	534.7	-22%	-22%
Contract NFI	31.3	-	31.3	39.3	-	39.3	-20%	-20%
<i>Contract gross margin (%)</i>	7.7%		7.7%	7.5%		7.5%		
Permanent fees	10.8	-	10.8	13.5	-	13.5	-20%	-20%
Gross profit (NFI)¹	42.1	-	42.1	52.8	-	52.8	-20%	-20%
<i>Gross margin (%)</i>	10.1%		10.1%	9.9%		9.9%		
Admin expenses	(38.8)	0.4	(38.4)	(49.2)	2.6	(46.6)	-21%	-17%
EBIT	3.3	0.4	3.6	3.5	2.6	6.2	-7%	-41%
<i>NFI conversion (%)</i>	7.8%		8.6%	6.7%		11.7%		
<i>Operating margin (%)</i>	0.8%		0.9%	0.7%		1.2%		
Financing	(1.1)	0.7	(0.4)	(2.2)	0.8	(1.4)	-51%	-70%
Profit before tax	2.2	1.0	3.2	1.3	3.5	4.8	+68%	-32%

- Finance costs include £0.2m capitalised costs written off on repayment of revolving credit facility

1. NFI is calculated as revenue less contractor payroll costs
2. Continuing underlying results exclude the NFI and profits / (losses) before taxation of discontinued businesses predominantly being operations in Mexico and South Africa (2021: £(1.2)m, 2020 : £(2.5)m), non-underlying items within administrative expenses in 2021 primarily related to reversal of restructuring costs provided for in prior year (2021: £(0.2)m, 2020 : £1.2m), amortisation of acquired intangibles (2021: £0.5m, 2020: £0.6m), impairment of acquired intangibles (2021: £0.0m, 2020: £0.3m) and exchange (losses) / gains from revaluation of foreign assets and liabilities (2021: £(0.7)m, 2020 restated: £(0.8)m).
3. NFI commentary is on a continuing underlying like for like constant currency basis

Profit after tax and EPS

Period to 31 July	2021			2020			
	Total reported group	Continuing reported	Continuing underlying	Total reported group	Continuing reported (restated)	Continuing underlying (restated)	Underlying change
	£m	£m	£m	£m	£m	£m	%
Profit / (Loss) before tax	1.0	2.2	3.2	(1.2)	1.3	4.8	-32%
Taxation	(0.4)	(0.4)	(0.5)	(0.6)	(0.6)	(1.0)	-49%
Profit / (Loss) after tax	0.6	1.8	2.7	(1.8)	0.7	3.8	-28%
Earnings per share							
	pence	pence	pence	pence	pence	pence	
Basic	1.8	5.5	8.4	(5.5)	2.3	11.7	-28%
Diluted	1.8	5.5	8.4	(5.5)	2.2	11.7	-28%
Dividend per share			1.5			0.0	

- Basic continuing underlying EPS 8.4 pence per share (2020: 11.7 pence per share)
- Effective continuing underlying tax rate 16% (2020: 21%).
- The Board proposes to pay a final dividend of 1.5 pence (2020: nil pence), amounting to £0.6 million in total.

Pro Forma underlying PBT reconciliation

Period to 31 July (£'m)	2021	2020	Change
Group Profit before tax	1.0	(1.2)	2.2
Add back: discontinuing loss / (profit) before tax	1.2	2.5	(1.3)
Continuing Profit before tax as reported	2.2	1.3	0.9
Non-underlying Items	(0.2)	1.2	(1.4)
Amortisation of intangibles	0.5	1.0	(0.5)
Impairment of acquired intangibles	0.0	0.3	(0.3)
Foreign exchange differences	0.7	0.8	(0.2)
Continuing underlying Profit before tax	3.2	4.8	(1.6)



Backing sheet