

Strategy update

Jan Gupta
President of Akkodis

7 November, London

AKKODIS

**Capital
Markets
Day 2023**



What has happened so far?

BUILD phase 2022-2023

AKKA and **Modis** combined
Feb 22, creating **Akkodis**

Integration well-advanced

Overdelivered versus
year 1-2 **synergy targets**

Increased **utilisation rates**

Expand Digital Practices,
i.e. in **Germany**

Agile management
of tech staffing downturn

**Business
strengthened by
AKKA/Modis
combination**

A man with glasses and a beard, wearing a light blue sweater over a collared shirt, stands in a server room. He is holding a laptop in his left hand and pointing with his right hand towards a server rack. The room is dimly lit with blue ambient lighting. The background shows rows of server racks with various components visible.

Who we are, What we do, How we create value

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Delivering expertise in technology & digital engineering

AKAIA

A leading engineering
and technology
consulting player

**A Global
Leader in
Smart Industry**

modis

A technology IT
consulting and talent
services player

Differentiated Offering

Rich in Talent

Well Diversified

Clear Ambition

The Group's specialist technology & digital engineering business

AKKODiS



THE ADECCO GROUP

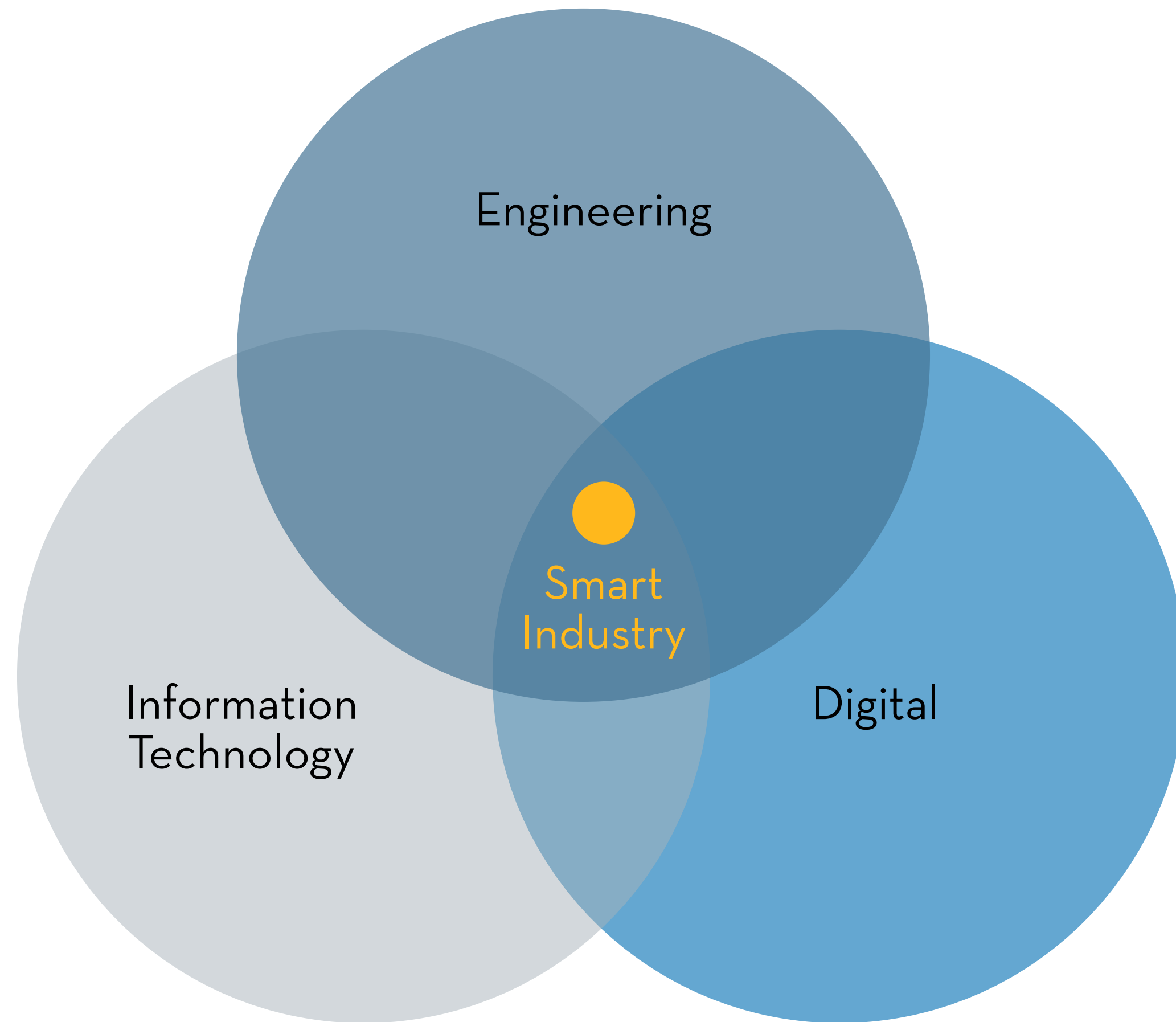
**A Global
Leader in
Smart Industry**



Creating Value

- Supporting Group's clients in their transformation in a digital world
- Specialised in most dynamic talent market: technology & digital engineering
- Strong contributor to synergies across the Group

What does it mean – Smart Industry?



By your side, every day...



Engineering a Smarter Future Together



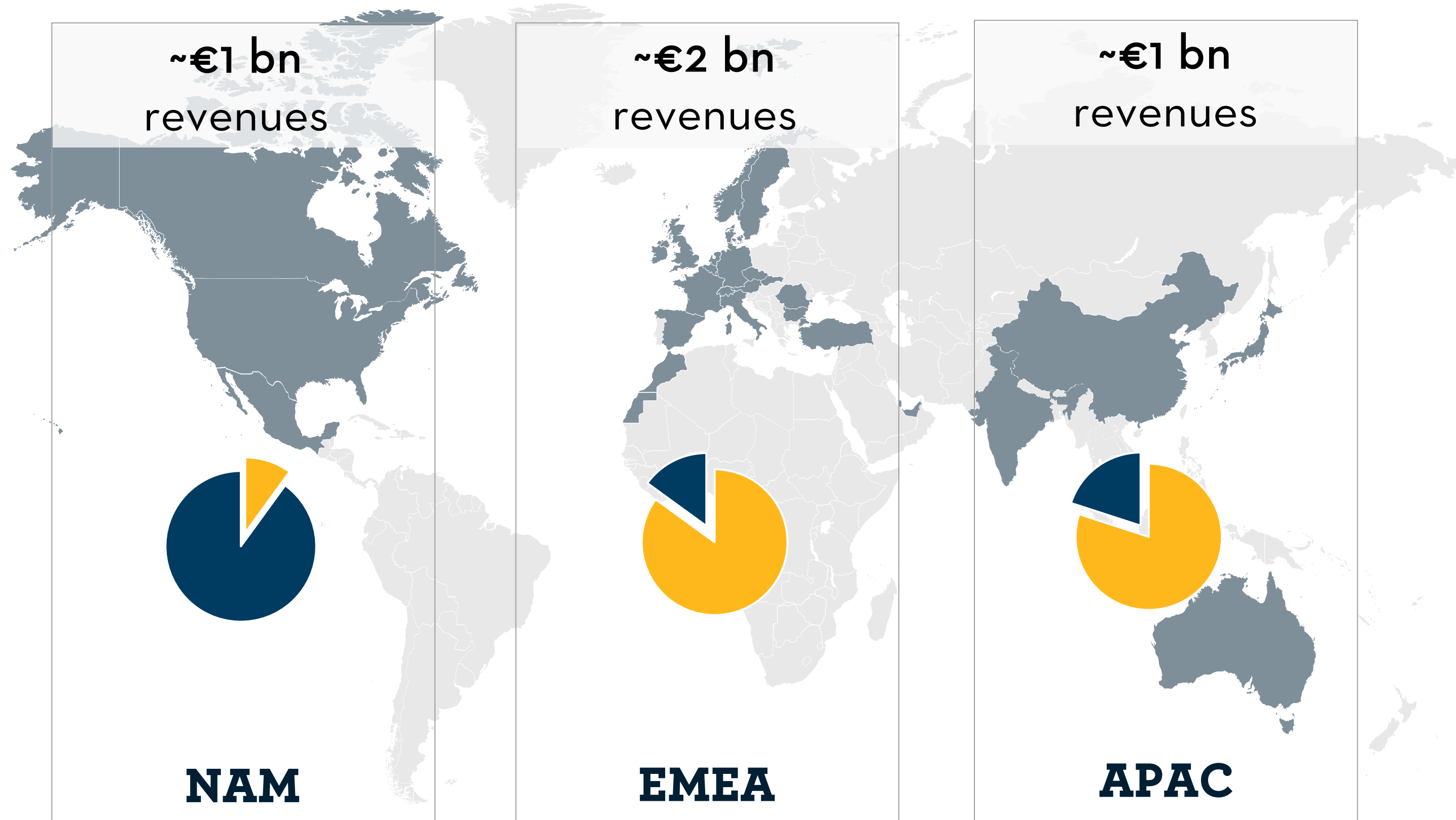
Creating value for clients across multiple levels



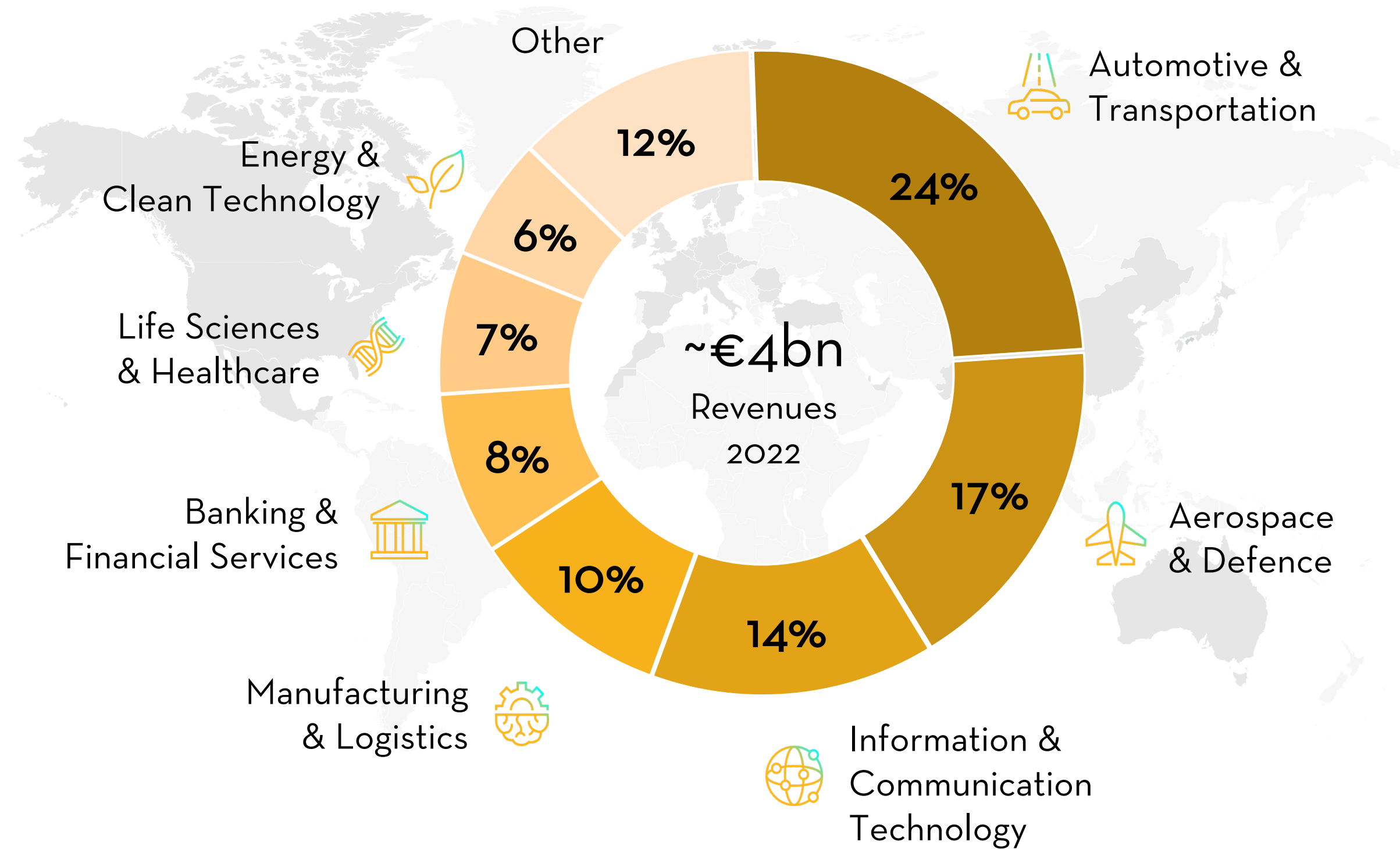
Akkodis offers clients a global footprint

Regional business split

- Consulting & Solutions
- Talent Services



And deep domain expertise across multiple industries



As evidenced by recent global deals



CAD¹⁾ Factory

- Managed Engineering Services across all brands of a major **European Car Manufacturer**
- Access to the client gained via former **Modis network**
- Trust from the client by leveraging former **Akka engineering expertise**



Digital Hub

- Building a Digital Hub for a major **European Telecoms Operator** to support its IT Strategy
- Cross-country collaboration with former **Modis digital competencies**
- Sold to a former **Akka client**, supported by the **Adecco Group** providing facilities

Driving growth

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Akkodis is well-positioned

Providing solutions tackling megatrends shaping our fast-growing market

1. Industry softwarisation
2. Green transition
3. Digital talent race
4. Tech outsourcing
5. Artificial Intelligence

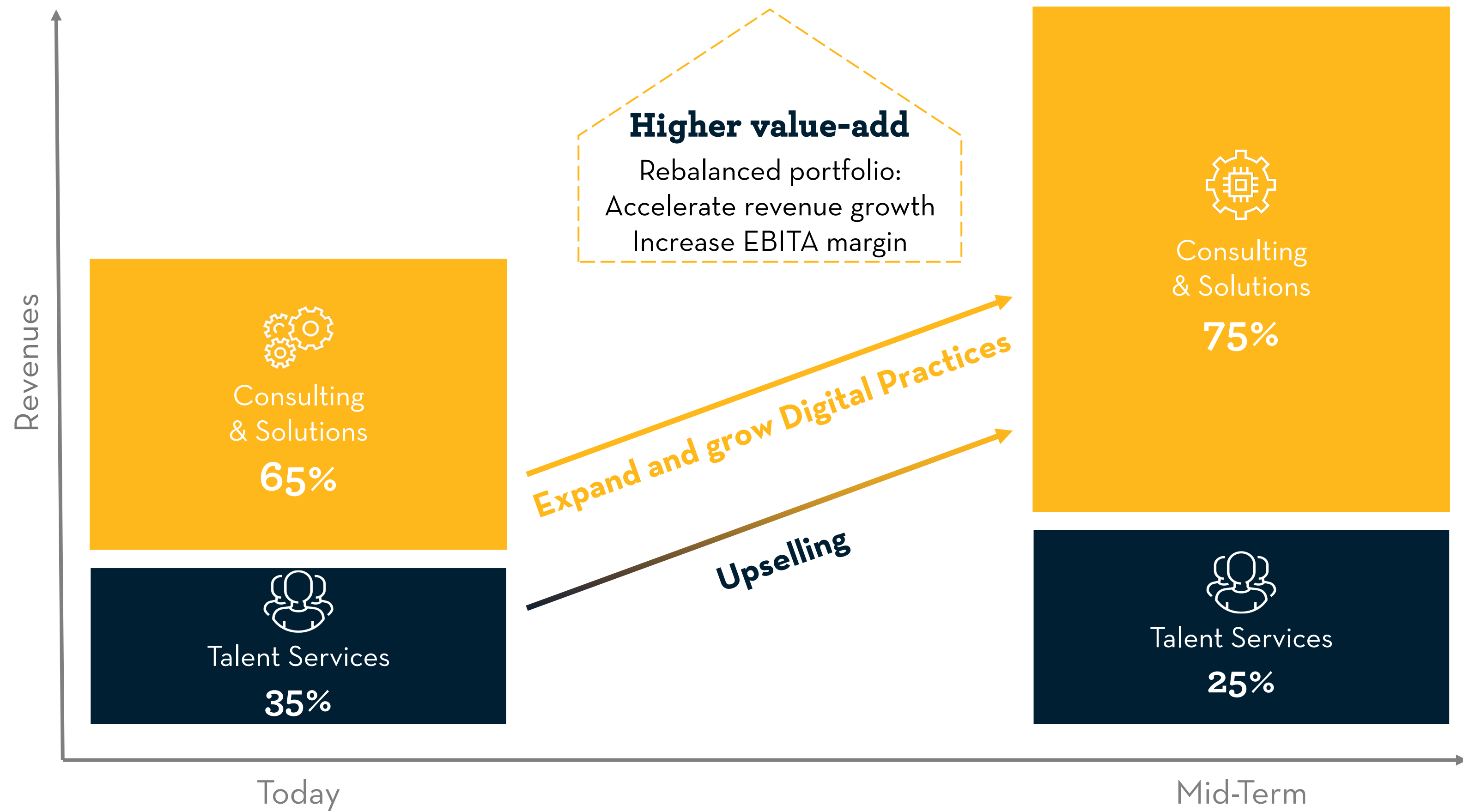
Market growth opportunity to accelerate toward digital-centric tech consulting

Addressable Outsourced ER&D market¹

€100 bn

YoY ▲ 10-12%

Driving profitable growth



Case study: Upselling Talent to Consulting & Solutions



Fleet management solution
for trucks in North America

Tech Solution

Application development
and support

Cloud & IoT application,
using AI for predictive
maintenance, supported by
near- and offshore delivery

3 years, \$\$\$

Managed Capacity

Manage teams and timelines

9 months, \$\$

Traditional Talent Services

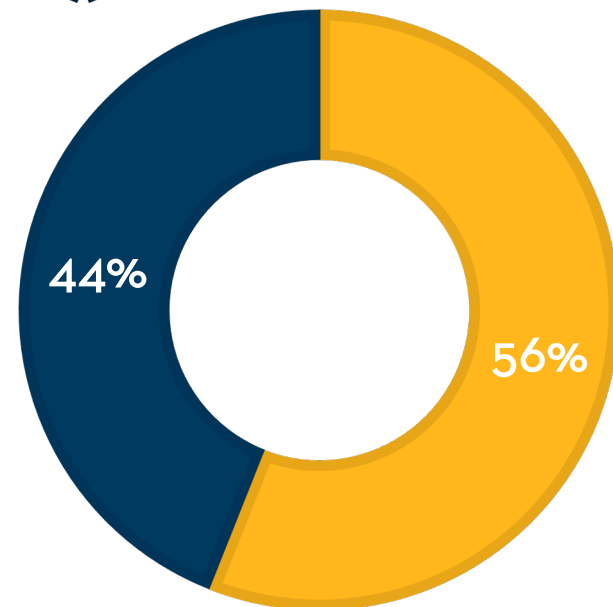
Placements

3 months, \$

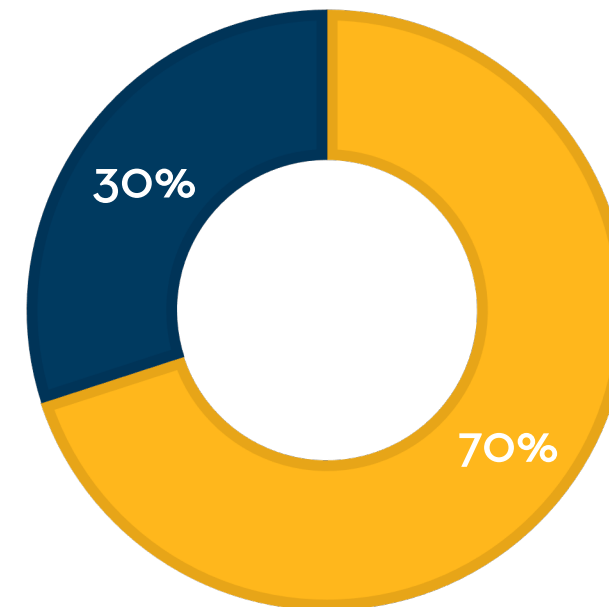
Expansion towards Digital Practices

Accelerating profitable growth by expanding Digital Practices

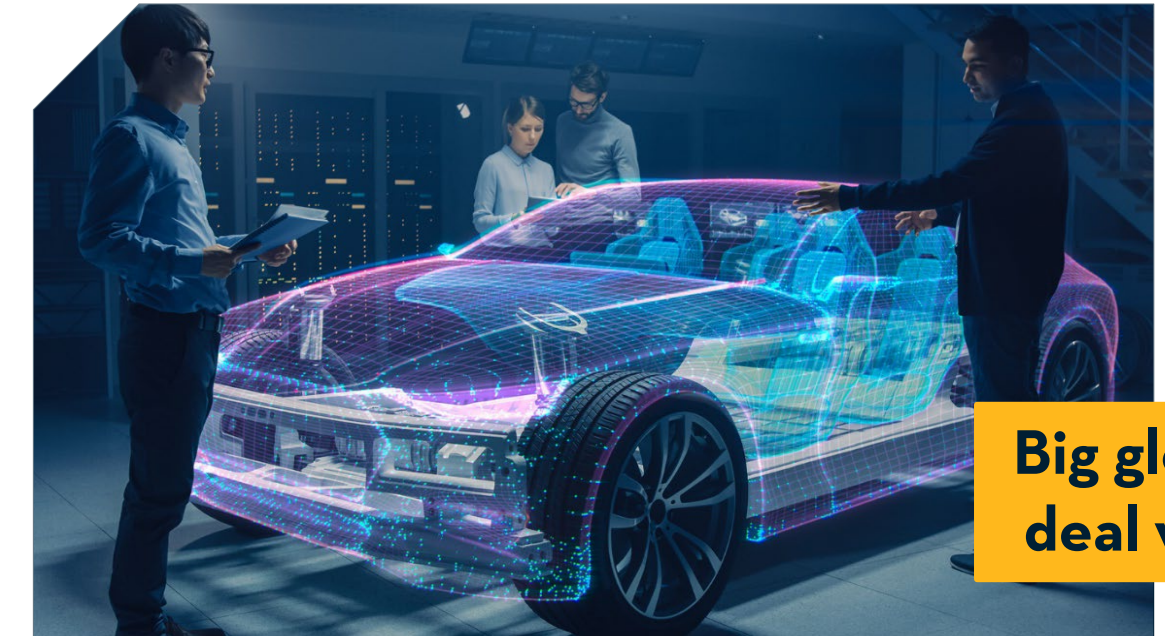
 Today



 Mid-Term



 Traditional Practices  Digital Practices



Big global deal won

“Connected Cockpit”

From engine & transmission focus to smart cars & connected cockpits.

Key technologies:

- Cloud & Connectivity
- IoT
- Cybersecurity
- UI/UX design

Case study: Akkodis Germany

2022

Traditional Practices

Onshore delivery

Low project margins

Limited growth

Today

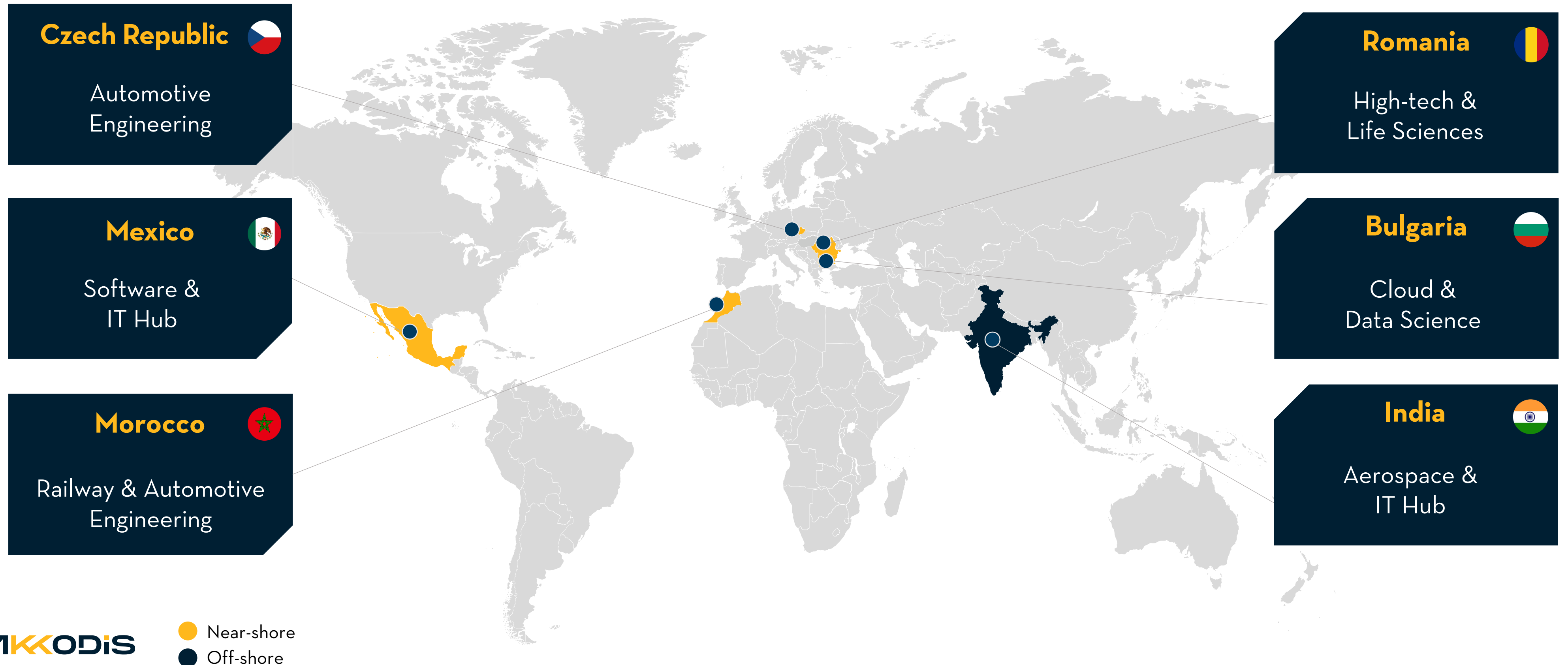
Technology portfolio focus changed, with phase out of inefficient, commoditised business

Growing **Digital Practices** by upskilling FTEs and reducing >200 FTEs & 18 locations

Ramp up of off-shore capabilities in India, focused on engineering skill sets

Improved margin by **>200 bps YTD**

Underpinned by a substantial increase in near/off-shore delivery



Why do we win?

1.

Global reach

- New leader with strong global footprint
- Access to Adecco & LHH client base and C-suite
- Significant capability to source and skill talent

2.

Strong credentials

- Established domain expertise in multiple sectors
- Complementary skill sets (IT, Digital and Engineering)
- Cutting-edge Digital Practices in Data Analytics & AI

3.

Scale & flexibility

- Scale quickly due to size of consultant base
- +5 mn pre-qualified tech specialists
- Growing capability to deliver from near- and off-shore

Concrete actions to accelerate

BUILD phase 2022-2023

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year 1-2 synergy targets

Increased utilisation rates

Expand Digital Practices,
i.e. in Germany

Agile management
of tech staffing downturn

ACCELERATE 2024-2025

Increased sales intensity

Balanced industry diversification

Expand Digital Practices

Upsell from Talent to Consulting

Grow off-shore delivery

Scaling up to win

Delivering value through strong execution

André van der Toorn

Group SVP Finance & Integration Akkodis

7 November, London

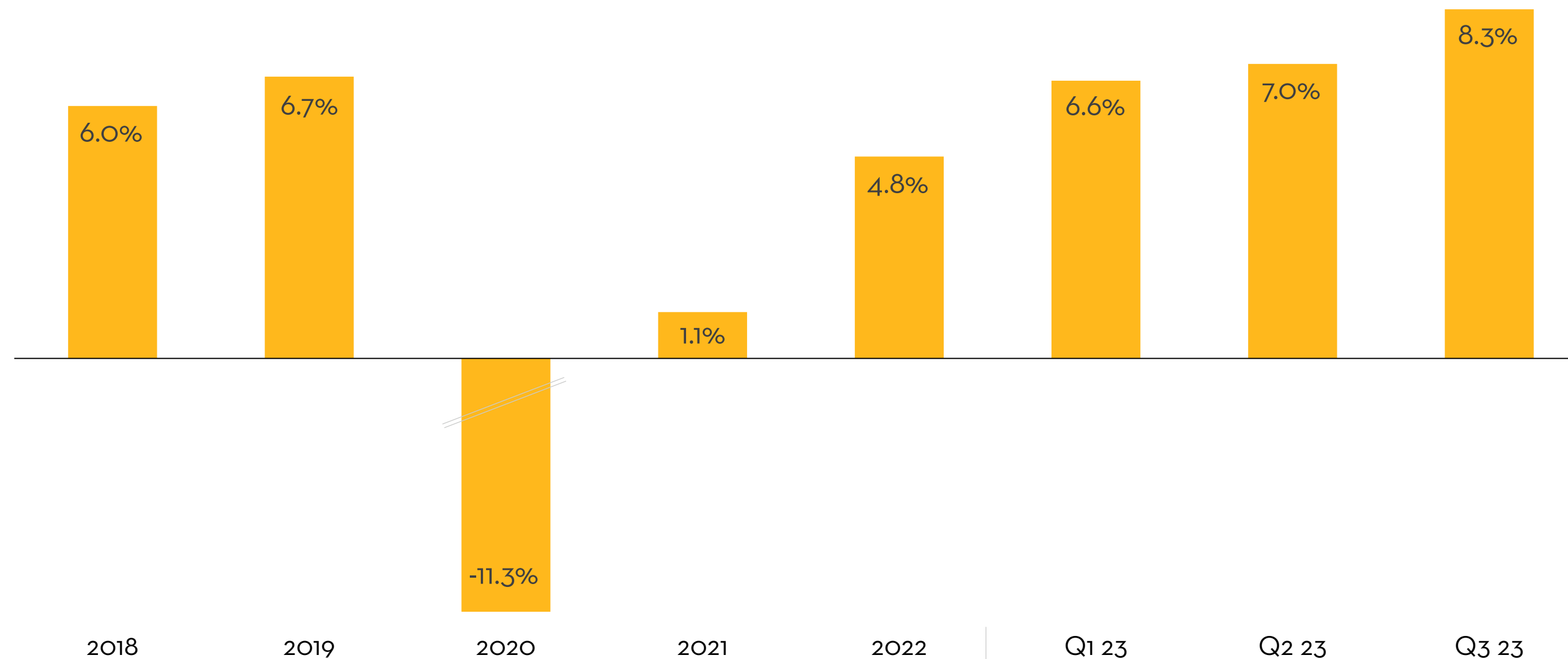
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Realising value from the AKKA transaction

EMEA Consulting & Solutions, EBITA margin development

AKKA perimeter pre-2022 / Akkodis 2022 onwards



On-track to deliver value creation

Mid to high single-digit EPS accretion in year 1

Double-digit EPS accretion in year 2

EVA positive in year 3

Q3 2023 development

EMEA

56% of revenues

Revenues +4% yoy, AKKA integration well advanced

Consulting revenues +5% yoy

APAC

19% of revenues

Revenues +4% yoy; investments in growth, talent downturn weigh

Consulting revenues +11% yoy

North America

25% of revenues

Revenues -16% yoy, talent services weighed by sharp talent downturn

Solid performance in tough market,
Consulting revenues +24% yoy

Deep dive - North America

Performance in line with market

- **Strong growth in US Consulting**
+24% yoy in Q3, driving service-line mix margin improvement
- **Strong Consulting “bookings”**
€265 mn to date, as strong foundation for 2024
- **US Talent Services weighed by tech downturn,**
-18% yoy in Q3, performance in line with tough market
- **Strong delivery of revenue synergies**
Growth in Consulting partly mitigating margin impact

Consulting & Solutions

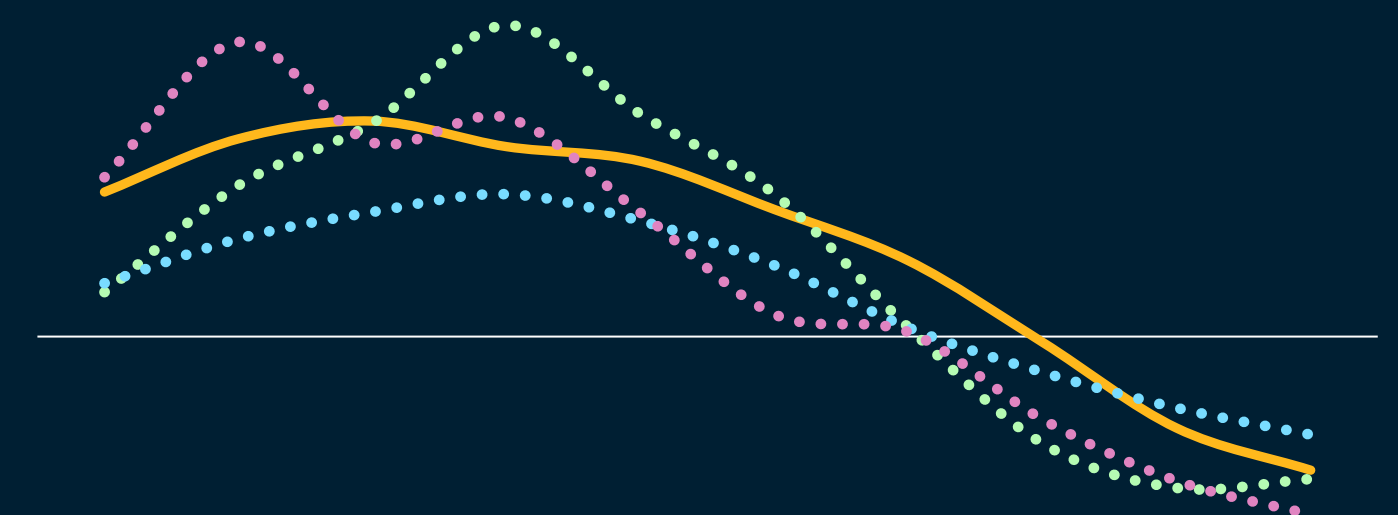
Revenues (EUR mn)



Q1 22 Q2 22 Q3 22 Q4 22 Q1 23 Q2 23 Q3 23

Tech Talent Services

Revenue growth (% yoy)

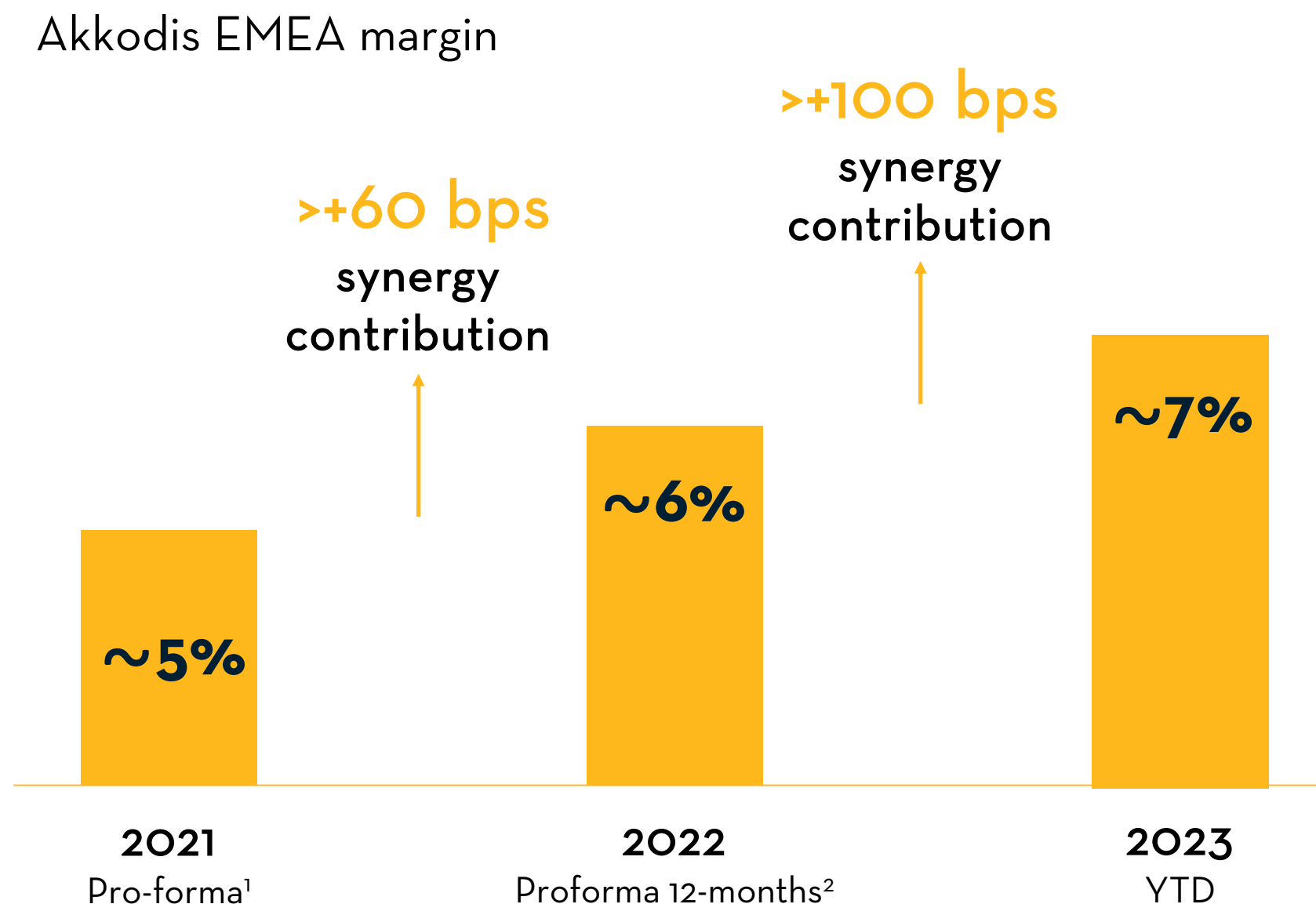


Q2 21 Q3 21 Q4 21 Q1 22 Q2 22 Q3 22 Q4 22 Q1 23 Q2 23 Q3 23

— Akkodis US ••••• Competitor A ••••• Competitor B ••••• Competitor C

Deep dive – EMEA

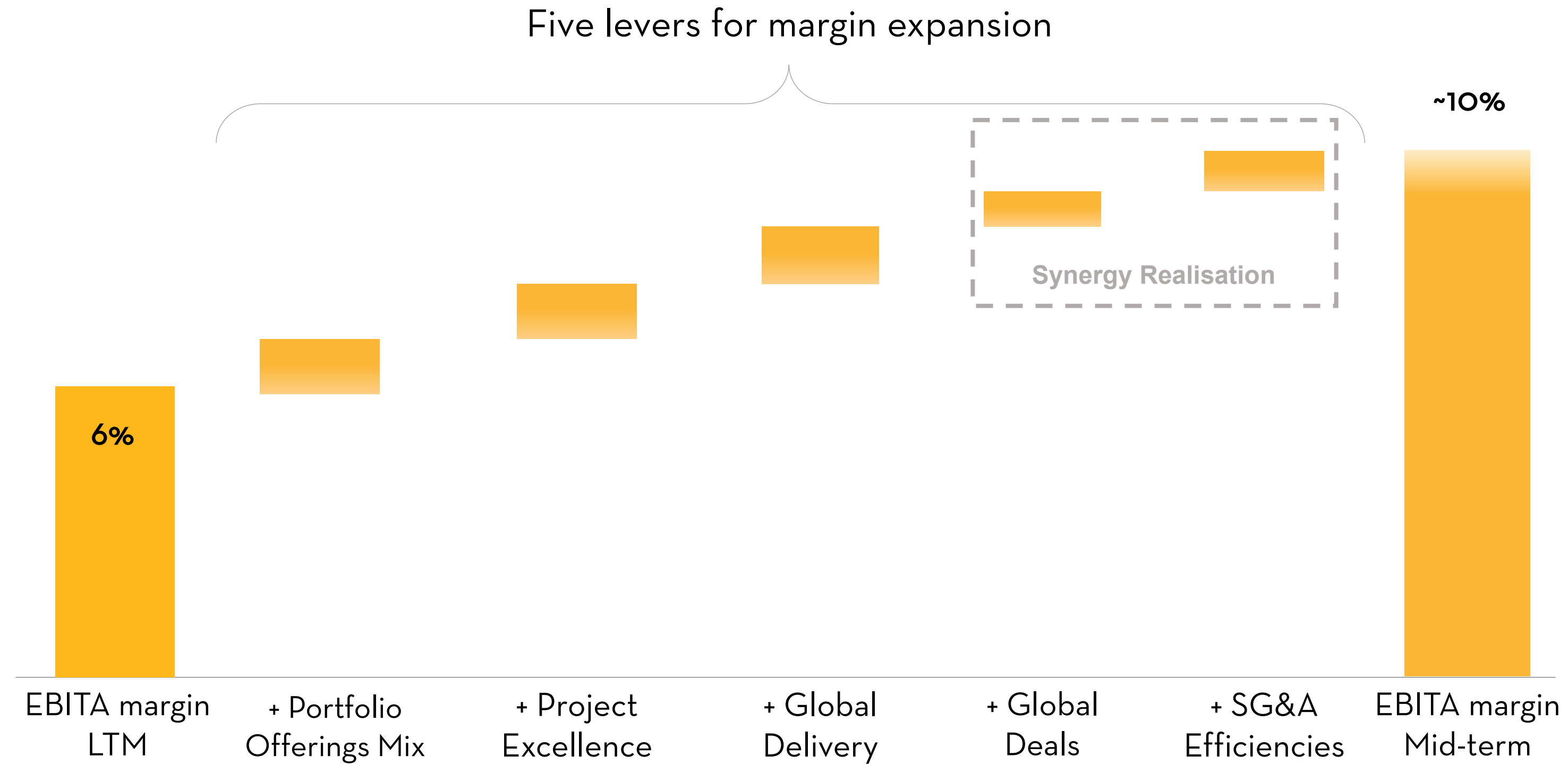
Strategic and financial rationale for AKKA confirmed



Integration of AKKA well advanced, synergy achievement ahead of plan

- **Strong synergy delivery**, €59 mn secured for 2023
- **Overachievement of cost synergies**
 - HQ synergies implemented, sustainable run-rate impact
 - All regions with solid achievement or overachievement
- **Revenue synergies** in line with plan
- **Integration costs** in line vs. original guidance ~€120 mn

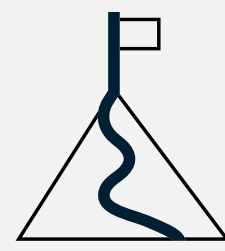
Moving to the high-end of Akkodis' target margin corridor



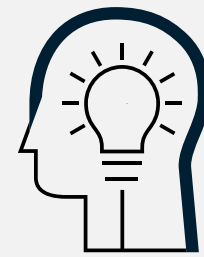
Key takeaways



Aligned to
significant market
opportunity



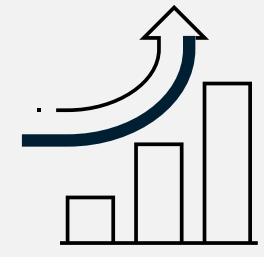
Executing on
a clear plan to
drive profitable
growth



Able to win in our
chosen markets
with strong
credentials



Delivering
promised value
creation from
AKKA



Improving
financial
performance,
year-by-year

Tech Roadshow

Live Demos

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Introduction of our Tech Roadshow

Life Sciences & Healthcare

Demo

Human 2.0 Simulation
based learning

Presenter

Isabelle Stewart (BE)

Aerospace & Defence

Demo

Data-driven engineering
in Aerospace

Presenter

Erwan Tallec (FR)

Automotive & Transportation

Demo

Smart Energy
Battery Concept

Presenter

Peter Mehrle (DE)

Artificial Intelligence

Demo

AI agent-powered
product development

Presenter

Josh Morley (AU)

Engineering a Smarter Future Together

Tech Roadshow - Logistics

