



FDM Group (Holdings) plc

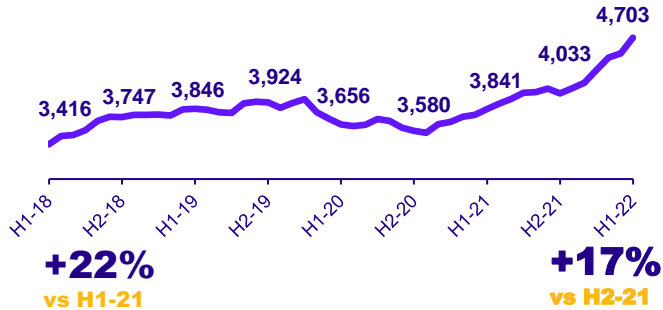
Results for the six months ended 30 June 2022

Rod Flavell - CEO

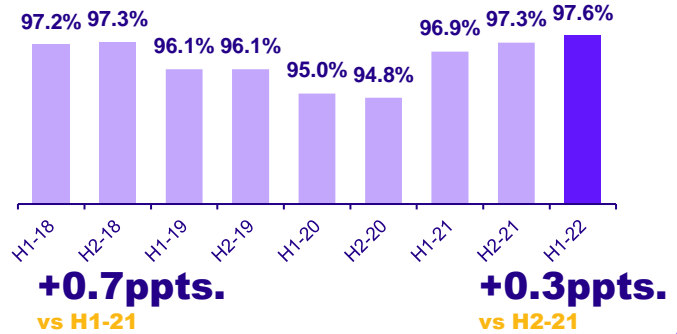
Mike McLaren - CFO

Highlights for the six months ended 30 June 2022

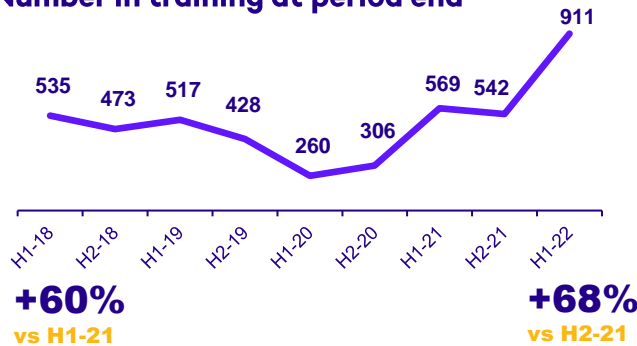
Consultants deployed



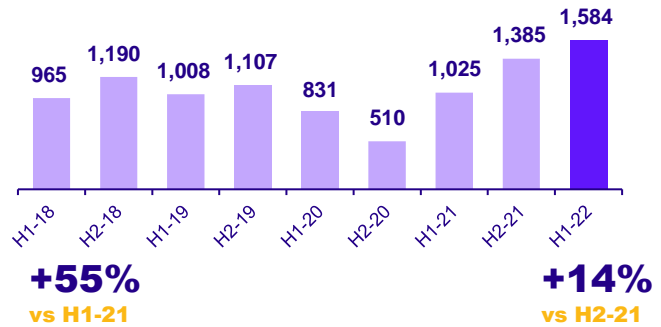
Consultant utilisation %



Number in training at period end

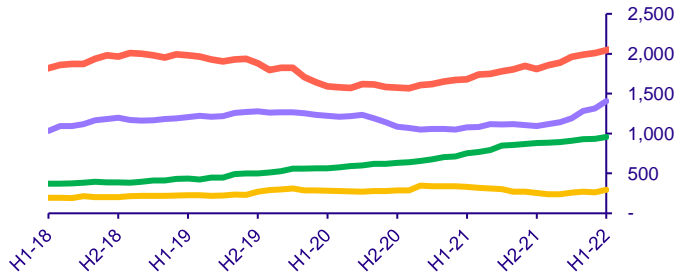


Training completions



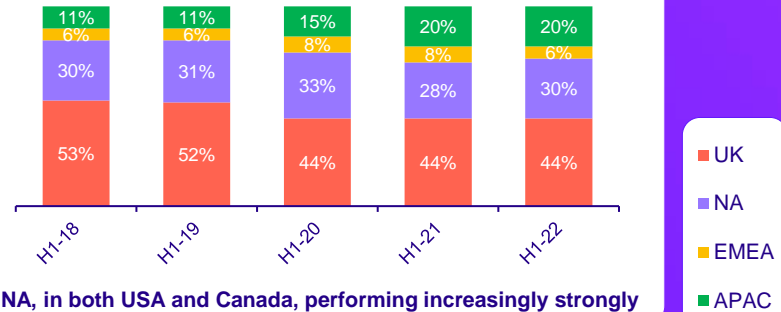
Highlights for the six months ended 30 June 2022

Consultants deployed by region



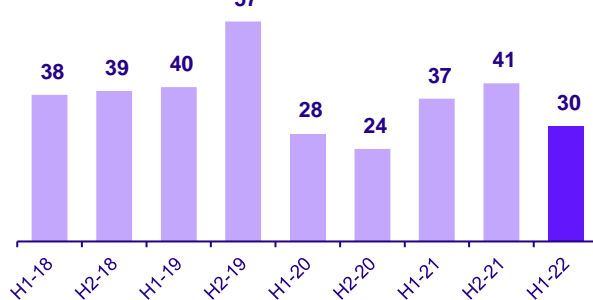
Record Consultant headcount achieved in UK, NA & APAC

Regional distribution of Consultants



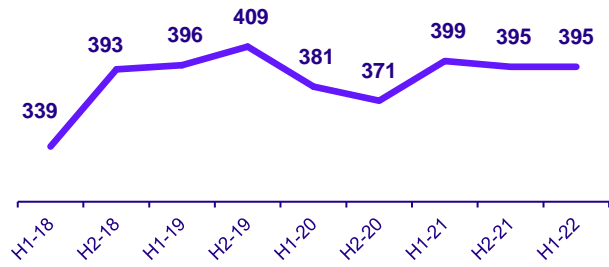
NA, in both USA and Canada, performing increasingly strongly

New clients



New clients have been opened in all regions in H1-22

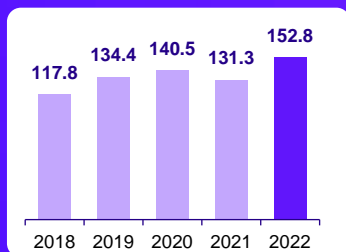
Active clients



Number of active clients has remained broadly flat with growth from existing client base

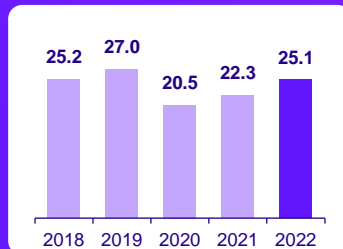
Highlights for the six months ended 30 June 2022

● Revenue (£m)



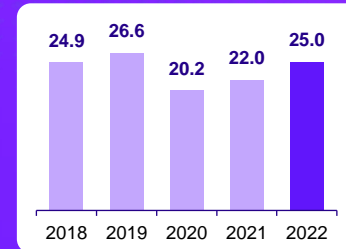
+16%
vs H1-21

● Adjusted Operating Profit (£m)



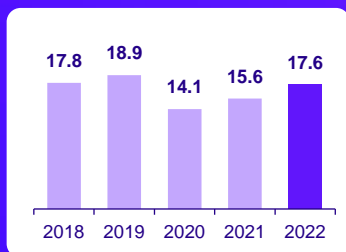
+13%
vs H1-21

● Adjusted Profit Before Tax (£m)



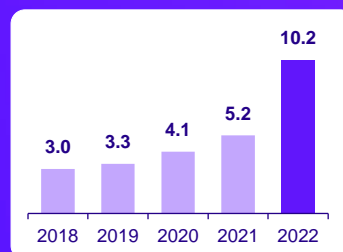
+14%
vs H1-21

● Adjusted Basic EPS (p)¹



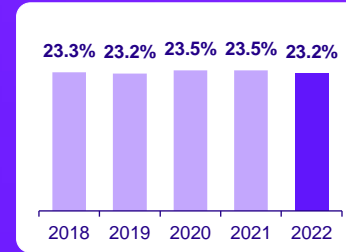
+13%
vs H1-21

● Paid Training (£m)



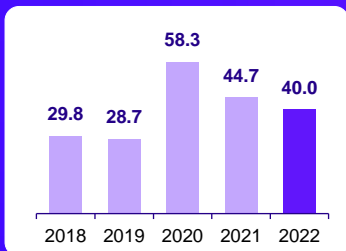
+96%
vs H1-21

● Effective Tax Rate (%)



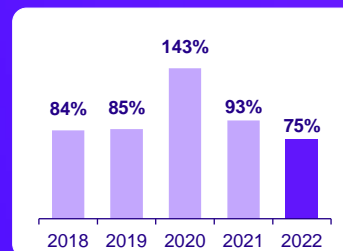
-0.3ppts.
vs H1-21

● Closing Cash (£m)



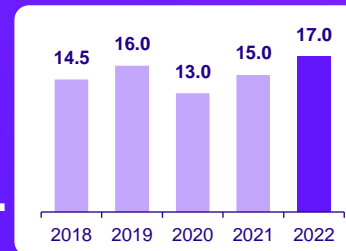
-11%
vs H1-21

● Cash Conversion (%)



-18ppts.
vs H1-21

● Interim Dividend per Share (p)²



+13%
vs H1-21

¹Earnings per share

²The final proposed 2019 dividend of 18.5p was withdrawn in March 2020 as the impact of COVID-19 was unfolding; as such no final dividend was paid for 2019. Three dividends were paid on the 2020 results, an 18.5p interim dividend in September 2020 (matching the withdrawn 2019 final), a 13.0p second interim dividend in February 2021 and a 15.0p final dividend in June 2021. For comparative purposes we have compared this trading period with the second interim dividend for 2020 ppts. (percentage points)

Our Markets



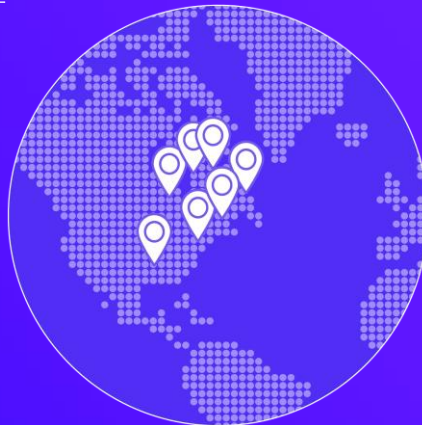
NA	2020	2021	2022	22 vs 21	22 vs 20
Consultants	1,222	1,077	1,405	30%	15%
Training Completions	281	264	646	145%	130%
Revenue	£51.1m	£39.8m	£50.2m	26%	(2%)
Adjusted operating profit	£4.6m	£4.9m	£6.6m	35%	43%
Adjusted operating profit margin %	9%	12%	13%	+1ppts.	+4ppts.

UK ¹	2020	2021	2022	22 vs 21	22 vs 20
Consultants	1,592	1,681	2,045	22%	28%
Training Completions	337	424	526	24%	56%
Revenue	£62.8m	£59.8m	£68.8m	15%	10%
Adjusted operating profit	£13.7m	£14.9m	£15.5m	4%	13%
Adjusted operating profit margin %	22%	25%	23%	(2ppts.)	+1ppts.

NA Consultant headcount has surpassed 1,400 for the first time with growth of 30% since June 2021

Strong Consultant growth in Canada and the US, with the initiatives we introduced to help us meet growing demand proving successful

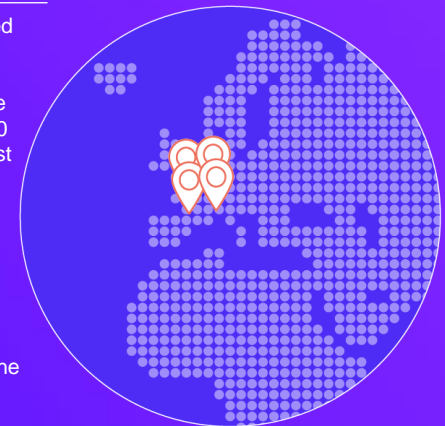
In the six months we trained 646 people (2021: 264), with record numbers in training at the period end



UK consultant headcount has surpassed 2,000 for the first time with growth of 22% since June 2021

Paid training was introduced in July 2021, bringing the UK in line with operations elsewhere in the world. The six month period to June 30 2022 includes £2.3m of cost relating to this change, which was not incurred in the comparative period

Strong demand for consultants continued; to facilitate this we trained a record 526 consultants in the period (2021: 424)



¹2020 & 2021 results for both the UK region and EMEA region have been restated to show results for Ireland as part of EMEA. Previously, results for Ireland were included in the region "UK and Ireland"

Our Markets



EMEA ¹	2020	2021	2022	22 vs 21	22 vs 20
Consultants	281	332	295	(11%)	5%
Training Completions	44	137	73	(47%)	66%
Revenue	£12.3m	£14.1m	£9.3m	(34%)	(24%)
Adjusted operating profit	£1.9m	£2.1m	£1.2m	(43%)	(37%)
Adjusted operating profit margin %	15%	15%	13%	(2ppts.)	(2ppts.)

APAC	2020	2021	2022	22 vs 21	22 vs 20
Consultants	561	751	958	28%	71%
Training Completions	169	200	339	70%	101%
Revenue	£14.3m	£17.6m	£24.5m	39%	71%
Adjusted operating profit	£0.3m	£0.4m	£1.8m	350%	500%
Adjusted operating profit margin %	2%	2%	7%	+5ppts.	+5ppts.

Consultant headcount reduced 11% from June 2021 following completion of a client project in the second half of 2021 in Luxembourg

Consultant headcount is up 17% from December 2021

Poland, our newest location in the region, has achieved headcount of 88 within its first 12 months of operation



Rapid Consultant headcount growth primarily fuelled by Australia which has surpassed 400 Consultants

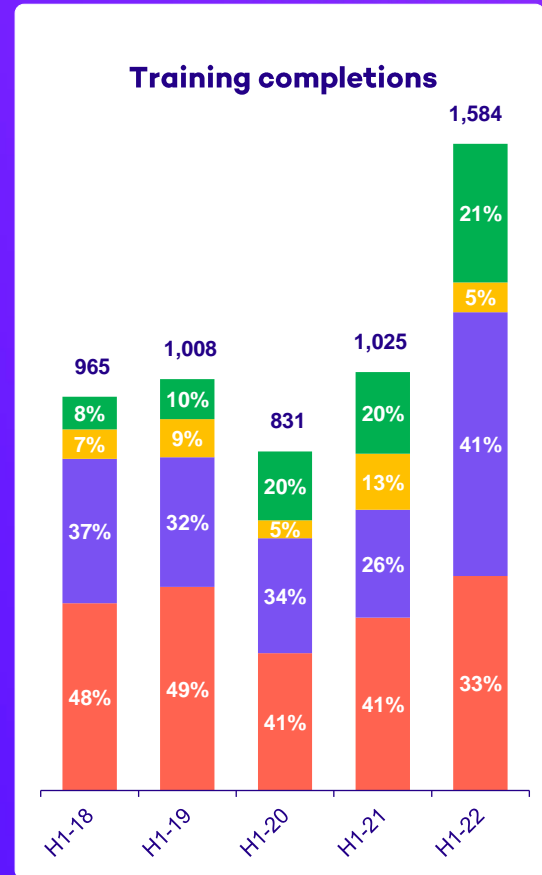
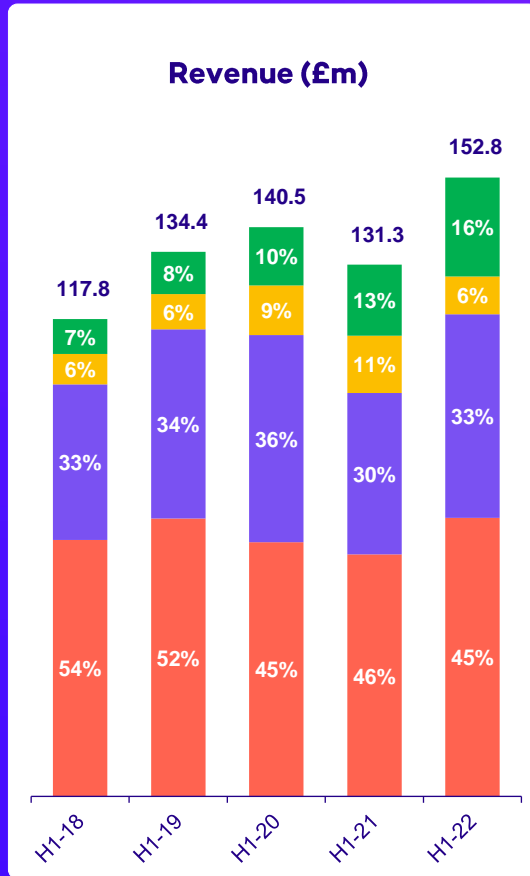
Our newest location, New Zealand, is proving to be a useful source of talent with Consultants being placed across the APAC region

Headcount in Hong Kong and China remains stable, notwithstanding complex conditions in Hong Kong and mainland China

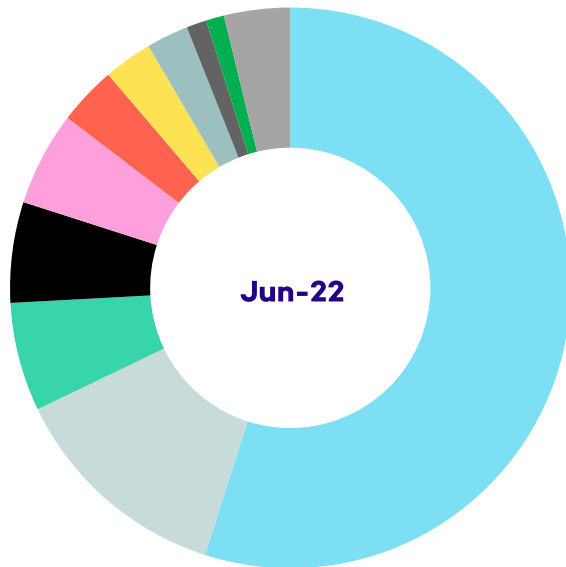


¹2020 & 2021 results for both the UK region and EMEA region have been restated to show results for Ireland as part of EMEA. Previously, results for Ireland were included in the region "UK and Ireland"

Regional Distribution



Headcount by Industry



Industries

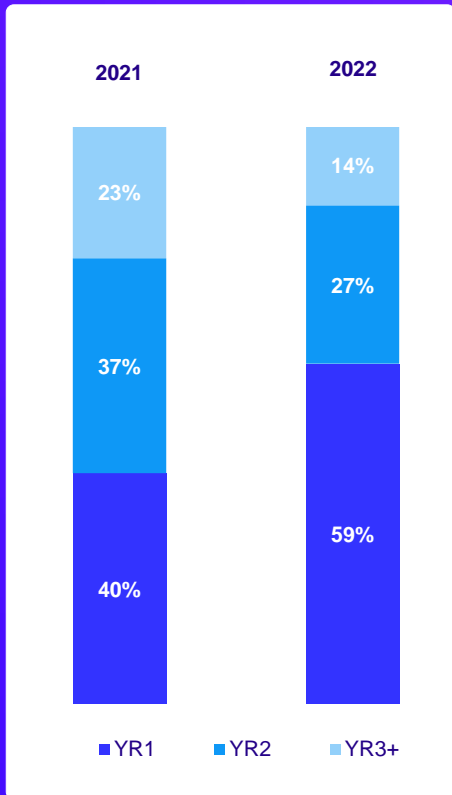
Industries	2020	2021	2022
Banks	51%	52%	55%
Diversified Financials	17%	13%	13%
Insurance	7%	6%	6%
Government	7%	8%	6%
Software & IT Services	6%	7%	5%
Commercial & Professional Services	1%	2%	3%
Energy	4%	3%	3%
Media & Entertainment	3%	3%	2%
Health Care Equipment & Services	1%	1%	1%
Consumer Services	1%	1%	1%
Other	2%	4%	5%

Other includes

- Automobiles & Components
- Capital Goods
- Food & Staples Retailing
- Household & Personal Products
- Materials
- Consumer Durables & Apparel
- Pharmaceuticals, Biotechnology & Life Sciences
- Retailing
- Telecommunication Services
- Transportation
- Utilities

Industry classification as per Standard & Poor's 'Global Industry Classification Standard' at 'Industry Group' level, with the addition of a "Government" sector

Tenure of total Consultant Headcount



Ex-Forces and Veterans Programme



900+ former service personnel placed on-site to date

2021	2022
213	210

- Supporting and transitioning former service personnel into tech and business Consultants
- Sword presentation took place following FDM winning the British Ex-Forces in Business Awards 2021 – Employer of the Year
- 50% YR1 (2021: 28%)
- 24% YR2 (2021: 32%)
- 26% YR3+ (2021: 40%)

Returners Programme



350+ returners placed on-site to date

2021	2022
146	198

- Supporting and training individuals returning after a career break
- First intake of Returners in Canada
- 52% YR1 (2021: 43%)
- 25% YR2 (2021: 28%)
- 23% YR3+ (2021: 29%)

CSR & Inclusivity

At FDM, diversity and inclusivity starts at the top. It is ingrained into the FDM culture and championed by the leadership team



Nationalities



95+

nationalities working together as a team at FDM

Gender



31%

of worldwide FDM employees are female

Disability



5%¹

consider themselves to have a disability

Social mobility



86%¹

attended a state school

Mean pay gap



-4.0%

The UK business also has reported a -4.3% median gender pay gap (in favour of females) for 2022

Emissions



-29%

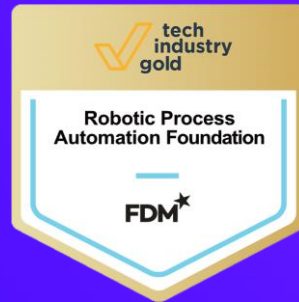
reduction in full scope GHG emissions intensity ratio in 2021²

¹ of our 2021 UK consultants

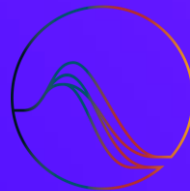
² Intensity ratio of tCO₂e per employee

Training Accreditation

Working with our accreditation partner, TechSkills, we achieved the Tech Industry gold standard accreditation for the following courses:



FDM Recognition



SCIENCE
BASED
TARGETS

DRIVING AMBITIOUS CORPORATE CLIMATE ACTION



Summary

- Strong levels of demand for our Consultants across all our regions, resulting in record levels of activity
- Consultants assigned to clients sites up 22% from June 2021 and up 17% from December 2021 (Jun-22: 4,703, Dec-21: 4,033, Jun-21: 3,841)
- Recruitment and training levels were high to meet high client demand; training completions in the first half were up 55% to 1,584 (2021: 1,025)
- Strong balance sheet with no debt
- Interim dividend of 17.0p (2021: 15.0p)
- While mindful of wider macro-economic uncertainties, the Board is confident that the Group is well placed to achieve its expectations for the full year and to deliver long-term, sustainable growth

Income Statement

for the six months ended 30 June 2022

	Six months to June 2022 £'000	Six months to June 2021 £'000
Revenue	152,805	131,289
Cost of sales	(79,148)	(69,708)
Gross profit	73,657	61,581
Administrative expenses	(51,320)	(40,809)
Operating profit	22,337	20,772
Finance income	148	43
Finance expense	(287)	(343)
Net finance costs	(139)	(300)
Profit before income tax	22,198	20,472
Taxation	(5,150)	(4,810)
Profit for the period	17,048	15,662

Statement of Financial Position

as at 30 June 2022

	30 June 2022 £'000	30 June 2021 £'000
Non-current assets		
Right-of-use assets	10,107	12,608
Property, plant and equipment	3,944	4,669
Intangible assets	19,629	19,673
Deferred income tax assets	2,437	1,334
	<hr/> 36,117	<hr/> 38,284
Current assets		
Trade and other receivables	50,306	43,871
Cash and cash equivalents	39,978	44,707
	<hr/> 90,284	<hr/> 88,578
Total assets	<hr/> 126,401	<hr/> 126,862
Current liabilities		
Trade and other payables	32,048	34,649
Lease liabilities	5,114	5,046
Current income tax liabilities	1,422	1,756
	<hr/> 38,584	<hr/> 41,451
Non-current liabilities		
Lease liabilities	8,306	11,657
	<hr/> 8,306	<hr/> 11,657
Total liabilities	<hr/> 46,890	<hr/> 53,108
Net assets	<hr/> 79,511	<hr/> 73,754

Statement of Cash Flows

for the six months ended 30 June 2022

	Six months to June 2022 £'000	Six months to June 2021 £'000
Cash flows generated from operations	16,825	19,384
Interest received	148	43
Income tax paid	(7,723)	(5,339)
Net cash flow from operating activities	9,250	14,088
Cash flows from investing activities		
Acquisition of property, plant and equipment	(542)	(107)
Net cash used in investing activities	(542)	(107)
Cash flows from financing activities		
Proceeds from sale of shares from EBT	264	190
Principal elements of lease payments	(2,739)	(2,624)
Interest elements of lease payments	(232)	(301)
Proceeds from sale of own shares	20	51
Finance costs paid	(55)	(43)
Dividends paid	(19,620)	(30,482)
Net cash used in financing activities	(22,362)	(33,209)
Exchange gains/ (losses) on cash and cash equivalents	512	(790)
Net (decrease) in cash and cash equivalents	(13,142)	(20,018)
Cash and cash equivalents at beginning of period	53,120	64,725
Cash and cash equivalents at end of period	39,978	44,707



Forward-looking statements

This report contains statements which constitute "forward-looking statements". Although the Group believes that the expectations reflected in these forward-looking statements are reasonable at the time they were made, it can give no assurance that these expectations will prove to be correct. Because these statements involve risks and uncertainties, actual results may differ materially from those expressed or implied by these forward-looking statements. Subject to any requirement under the Disclosure Guidance and Transparency Rules or other applicable legislation or regulation, the Group does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Shareholders and/or prospective shareholders should not place undue reliance on forward-looking statements, which speak only as of the date of this report.