



FDM Group (Holdings) plc

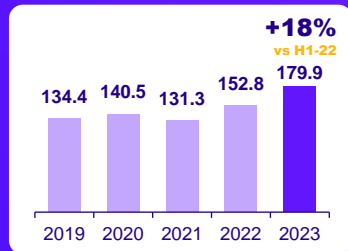
Results for the six months ended 30 June 2023

Rod Flavell - CEO

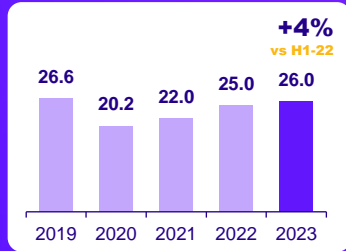
Mike McLaren - CFO

Highlights for the six months ended 30 June 2023

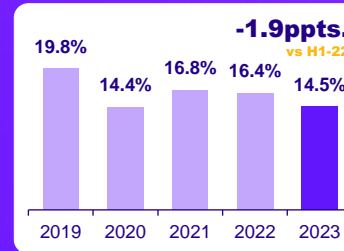
Revenue (£m)



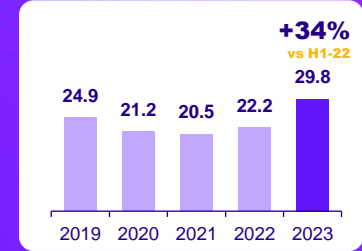
Adjusted PBT (£m)¹



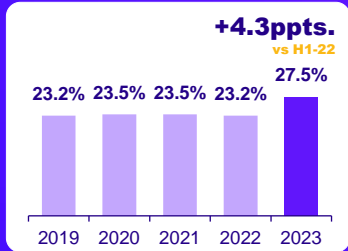
Adjusted PBT margin (%)¹



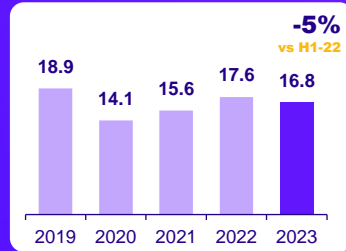
Profit Before Tax (£m)



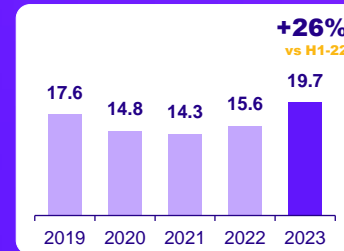
Effective Tax Rate (%)



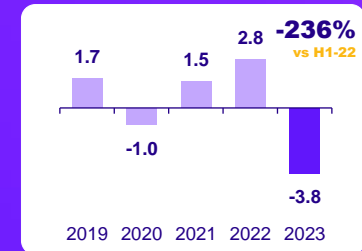
Adjusted Basic EPS (p)²



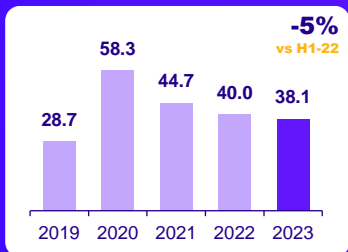
Earnings Per Share (p)



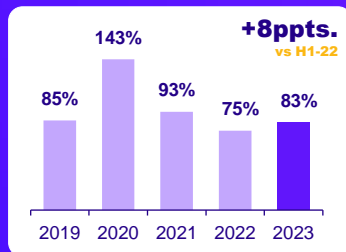
Share-based Payment (£m)



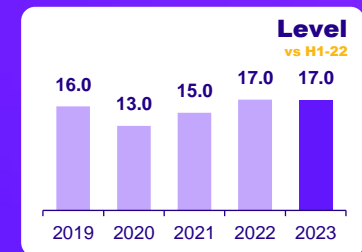
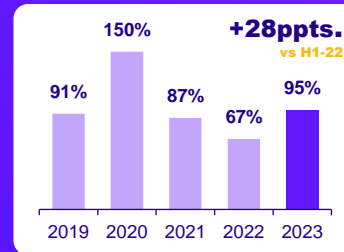
Closing Cash (£m)



Cash Conversion (%)



Adjusted Cash Conversion (%) Interim Dividend per Share (p)³



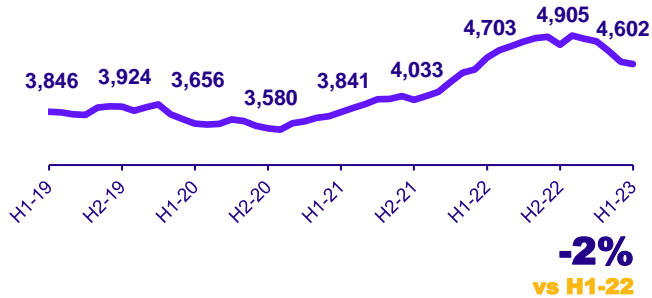
¹Profit before tax

²Earnings per share

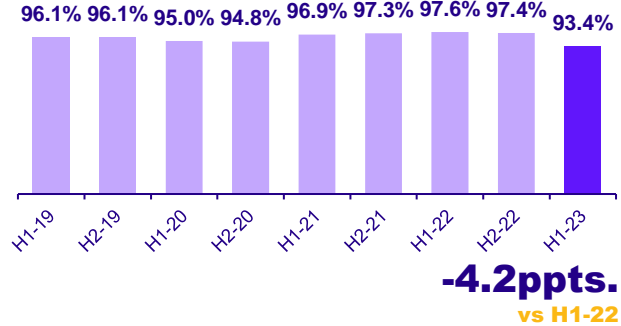
³The final proposed 2019 dividend of 18.5p was withdrawn in March 2020 as the impact of COVID-19 was unfolding, as such no final dividend was paid for 2019. Three dividends were paid on the 2020 results, an 18.5p interim dividend in September 2020 (matching the withdrawn 2019 final), a 13.0p second interim 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)

Highlights for the six months ended 30 June 2023

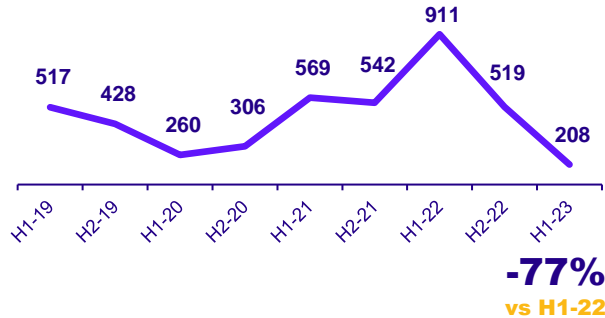
Consultants deployed



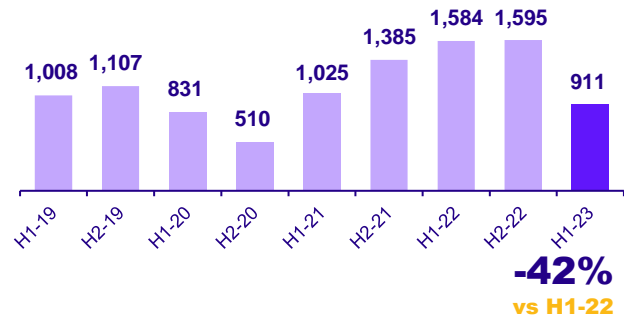
Consultant utilisation %



Number in training at period end

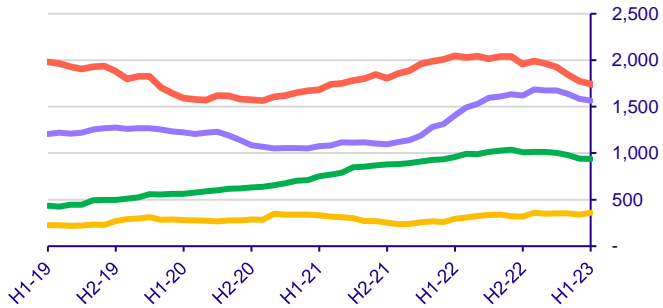


Training completions

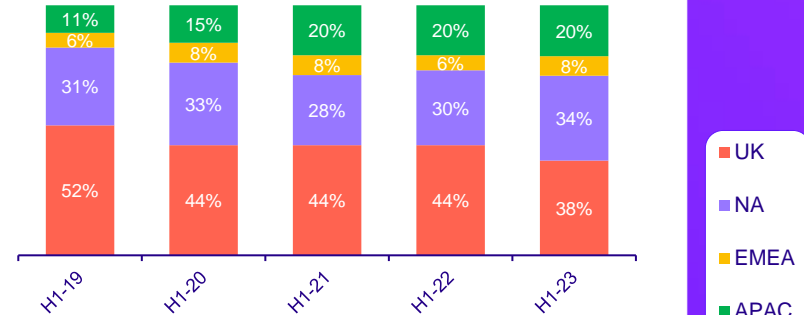


Highlights for the six months ended 30 June 2023

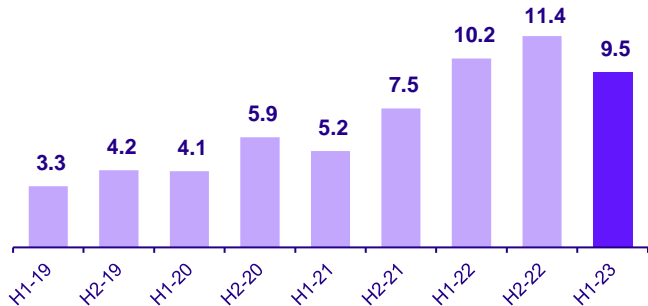
Consultants deployed by region



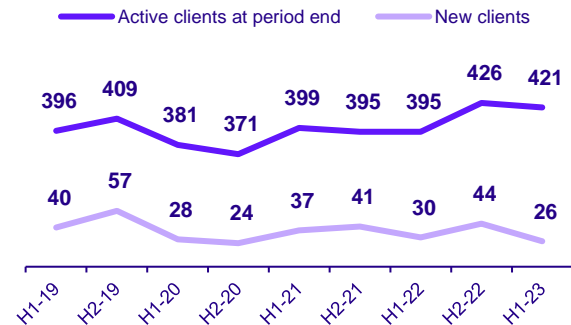
Regional distribution of Consultants



Paid Training (£m)



Clients



Our Markets



NA	2021	2022	2023	23 vs 22	23 vs 21
Consultants	1,077	1,405	1,563	11%	45%
Training Completions	264	646	299	(54%)	13%
Revenue	£39.8m	£50.2m	£70.6m	41%	77%
Adjusted Operating Profit	£4.9m	£6.6m	£10.5m	59%	114%
Adjusted Operating Profit Margin %	12%	13%	15%	+2ppts.	+3ppts.

UK ¹	2021	2022	2023	23 vs 22	23 vs 21
Consultants	1,681	2,045	1,743	(15%)	4%
Training Completions	424	526	259	(51%)	(39%)
Revenue	£59.8m	£68.8m	£69.7m	1%	17%
Adjusted Operating Profit	£14.9m	£15.5m	£12.2m	(21%)	(18%)
Adjusted Operating Profit Margin %	25%	23%	18%	(5ppts.)	(7ppts.)

Consultant headcount increased by 11% from June 2022, closing at 1,563

Adjusted operating profit increased by 59% as the region benefitted from strong headcount growth during 2022

Uncertainty in the market impacted demand for new Consultants and we have adjusted our training schedules accordingly



Consultant headcount decreased by 15% from June 2022, reflecting challenging market conditions, closing at 1,743

Uncertainty in the market impacted demand for new Consultants and we have adjusted our training schedules accordingly

We opened 14 new clients in the period (2022: 21)



¹2021 results for both the UK region and EMEA region have been restated to show results for Ireland as part of EMEA. When published in 2021, results for Ireland were included in the region "UK and Ireland".

Our Markets



EMEA ¹	2021	2022	2023	23 vs 22	23 vs 21
Consultants	332	295	359	22%	8%
Training Completions	137	73	143	96%	4%
Revenue	£14.1m	£9.3m	£12.2m	31%	(13%)
Adjusted Operating Profit	£2.1m	£1.2m	£1.3m	8%	(38%)
Adjusted Operating Profit Margin %	15%	13%	11%	(2ppts.)	(4ppts.)

APAC	2021	2022	2023	23 vs 22	23 vs 21
Consultants	751	958	937	(2%)	25%
Training Completions	200	339	210	(38%)	5%
Revenue	£17.6m	£24.5m	£27.4m	12%	56%
Adjusted Operating Profit	£0.4m	£1.8m	£1.5m	(17%)	275%
Adjusted Operating Profit Margin %	2%	7%	6%	(1ppts.)	+4ppts.

Consultant headcount increased 22% from June 2022, closing at 359

Headcount growth was driven by a strong performance in Ireland which grew headcount from 14 in June 2022 to 79 in June 2023

We trained 143 Consultants in the period, a 96% increase on 2022 and 4% increase on 2021



Consultant headcount decreased by 2% from June 2022, closing at 937

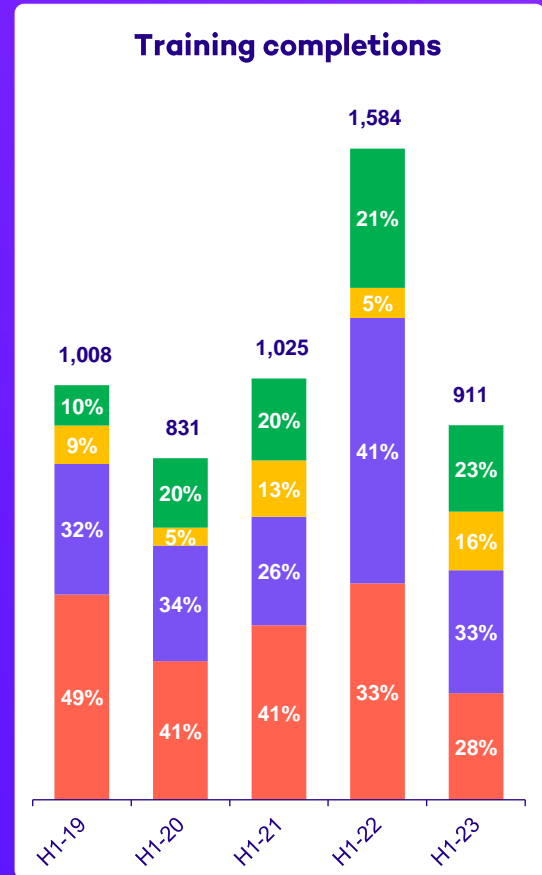
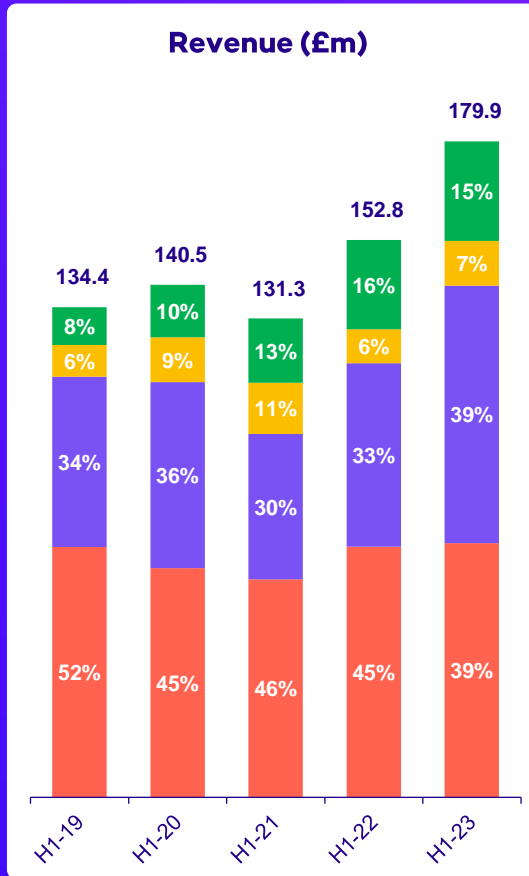
Revenue increased by 12% to £27.4m (2022: £24.5m)

During the period we trained 210 Consultants (2022: 339)

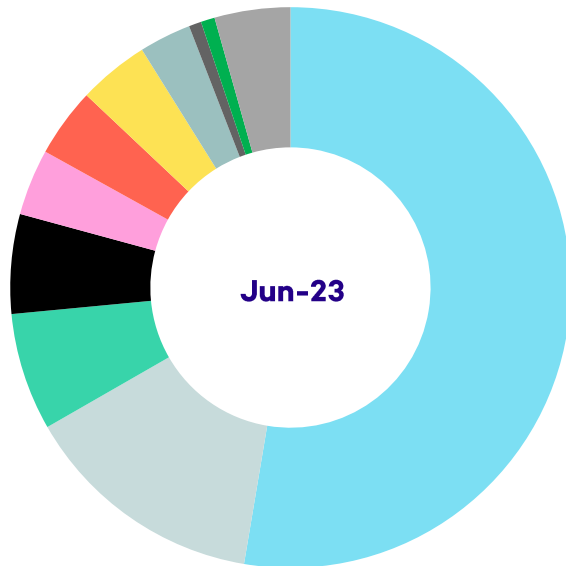


¹2021 results for both the UK region and EMEA region have been restated to show results for Ireland as part of EMEA. When published in 2021, results for Ireland were included in the region "UK and Ireland".

Regional Distribution



Headcount by Industry



Industries

■ Banks	52%
■ Diversified Financials	13%
■ Insurance	6%
■ Government	8%
■ Software & IT Services	7%
■ Commercial & Professional Services	2%
■ Energy	3%
■ Media & Entertainment	3%
■ Health Care Equipment & Services	1%
■ Consumer Services	1%
■ Other	4%

2021

52%
13%
6%
8%
7%
2%
3%
3%
1%
1%
4%

2022

55%
13%
6%
6%
5%
3%
3%
2%
1%
1%
5%

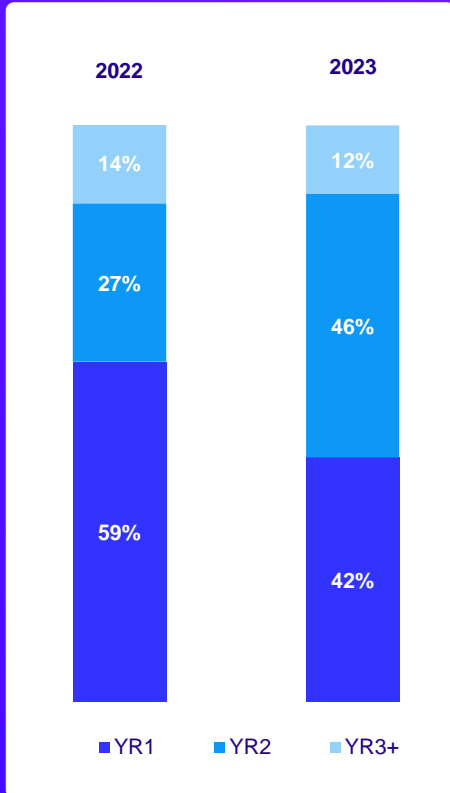
2023

53%
14%
7%
6%
4%
4%
4%
3%
1%
1%
3%

Other includes

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

Tenure of total Consultant Headcount



Ex-Forces and Veterans Programme



1,000+ former service personnel placed on-site to date

2022	2023
210	201

- Supporting and transitioning former service personnel into tech and business Consultants
- Tech Industry Gold standard accreditation achieved for the Ex-Forces Advanced Course

Returners Programme



440+ returners placed on-site to date

2022	2023
198	239

- Supporting and training individuals returning after a career break
- Tech Industry Gold standard accreditation achieved for the Returners (Business) Programme

CSR & Inclusivity

At FDM, diversity, equity 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



6%¹

consider themselves to have a disability

Social mobility



87%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



-2%

reduction in full scope GHG emissions intensity ratio in 2022²

¹ of our 2022 UK Consultants

² Intensity ratio of: Scope 1, 2 and 3 emissions per employee (tCO₂e)

Strategic Alliances and Partnerships



FDM Recognition



Summary

- Revenue increased by 18% and PBT increased by 34% against H1 2022; adjusted PBT increased by 4%
- After a good start to the year, market conditions weakened through Q2 and remain uncertain, disrupting some clients' buying patterns
- Consultants assigned to clients closed 2% lower against H1 2022 and 6% lower against FY 2022
- Recruitment, training and unallocated resource levels were adjusted to better align supply with current demand for Consultants
- Structural skills shortages remain across our geographies. Client engagement remains encouraging, and we will ensure that we are well placed to assist clients to overcome these shortages when market conditions improve
- Strong balance sheet with no debt
- Interim dividend of 17.0p (2022: 17.0p)
- We remain optimistic that there will be an improvement in client confidence as the second half progresses and the Board anticipates that the Group's financial performance for the year as a whole will be broadly in line with its expectations

Income Statement

for the six months ended 30 June 2023

	Six months to June 2023 £'000	Six months to June 2022 £'000
Revenue	179,888	152,805
Cost of sales	(96,278)	(79,148)
Gross profit	83,610	73,657
Administrative expenses	(54,307)	(51,320)
Operating profit	29,303	22,337
Finance income	709	148
Finance expense	(243)	(287)
Net finance costs	466	(139)
Profit before income tax	29,769	22,198
Taxation	(8,187)	(5,150)
Profit for the period	21,582	17,048

Statement of Financial Position

as at 30 June 2023

	30 June 2023 £'000	30 June 2022 £'000
Non-current assets		
Right-of-use assets	7,897	10,107
Property, plant and equipment	3,399	3,944
Intangible assets	19,552	19,629
Deferred income tax assets	951	2,437
	<hr/> 31,799	<hr/> 36,117
Current assets		
Trade and other receivables	53,339	50,306
Cash and cash equivalents	38,074	39,978
	<hr/> 91,413	<hr/> 90,284
Total assets	<hr/> 123,212	<hr/> 126,401
Current liabilities		
Trade and other payables	31,535	32,048
Lease liabilities	3,504	5,114
Current income tax liabilities	2,467	1,422
	<hr/> 37,506	<hr/> 38,584
Non-current liabilities		
Lease liabilities	6,412	8,306
	<hr/> 43,918	<hr/> 46,890
Total liabilities	<hr/> 43,918	<hr/> 46,890
Net assets	<hr/> 79,294	<hr/> 79,511

Statement of Cash Flows

for the six months ended 30 June 2023

	Six months to June 2023 £'000	Six months to June 2022 £'000
Cash flows generated from operations	24,348	16,825
Interest received	709	148
Income tax paid	(7,127)	(7,723)
Net cash flow from operating activities	17,930	9,250
Cash flows from investing activities		
Acquisition of property, plant and equipment	(581)	(542)
Net cash used in investing activities	(581)	(542)
Cash flows from financing activities		
Proceeds from issue of ordinary shares	3	-
Proceeds from sale of own shares	16	20
Proceeds from sale of shares from EBT	254	264
Payment for shares bought back	(500)	-
Principle elements of lease payments	(2,844)	(2,739)
Interest elements of lease payments	(222)	(232)
Finance costs paid	(20)	(55)
Dividends paid	(20,794)	(19,620)
Net cash used in financing activities	(24,107)	(22,362)
Exchange (losses)/gains on cash and cash equivalents	(691)	512
Net (decrease) in cash and cash equivalents	(7,449)	(13,142)
Cash and cash equivalents at beginning of period	45,523	53,120
Cash and cash equivalents at end of period	38,074	39,978



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.