



FDM Group (Holdings) plc

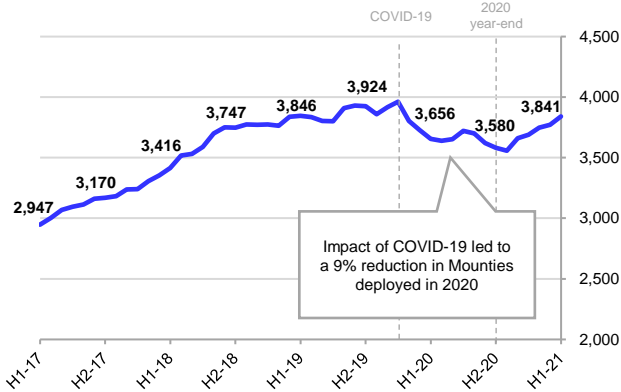
Results for the six months ended 30 June 2021

Rod Flavell - CEO

Mike McLaren - CFO

Highlights for the six months ended 30 June 2021

Mounties deployed



+7%

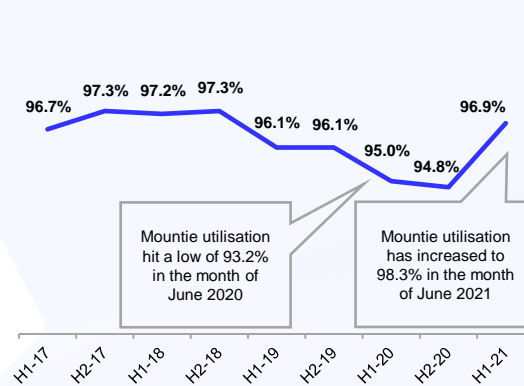
vs 2020 year-end

+5%

vs H1-20

Impact of COVID-19 led to a 9% reduction in Mounties deployed in 2020

Mountie utilisation %



+2.1 ppts.

vs 2020 year-end

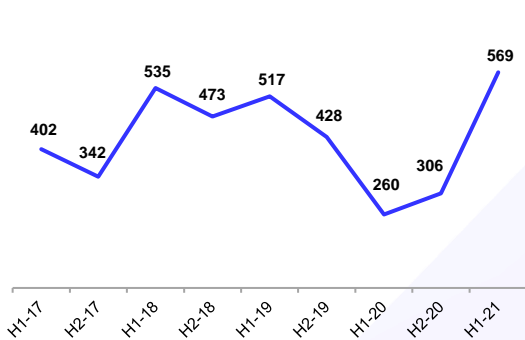
+1.9 ppts.

vs H1-20

Mountie utilisation hit a low of 93.2% in the month of June 2020

Mountie utilisation has increased to 98.3% in the month of June 2021

Trainee pipeline at period end



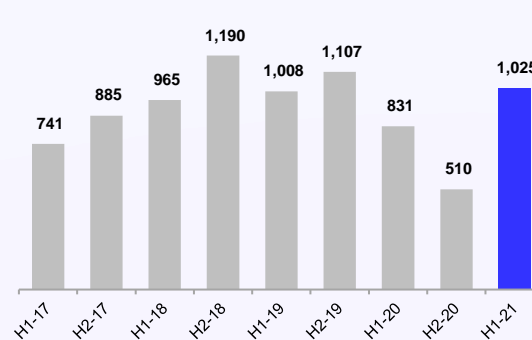
+86%

vs 2020 year-end

+119%

vs H1-20

Training completions



+101%

vs H2-20

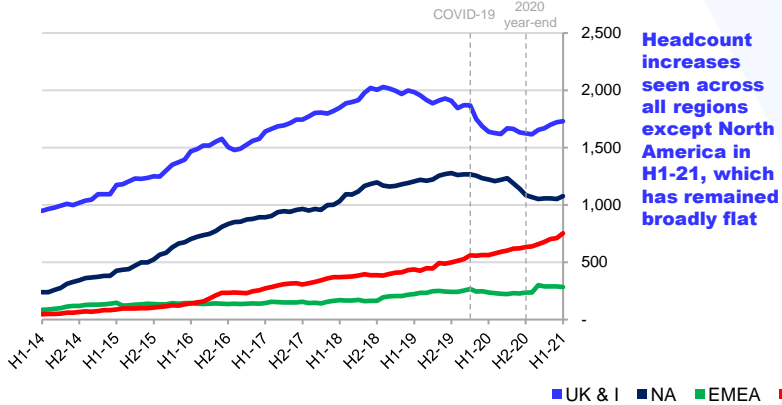
+23%

vs H1-20

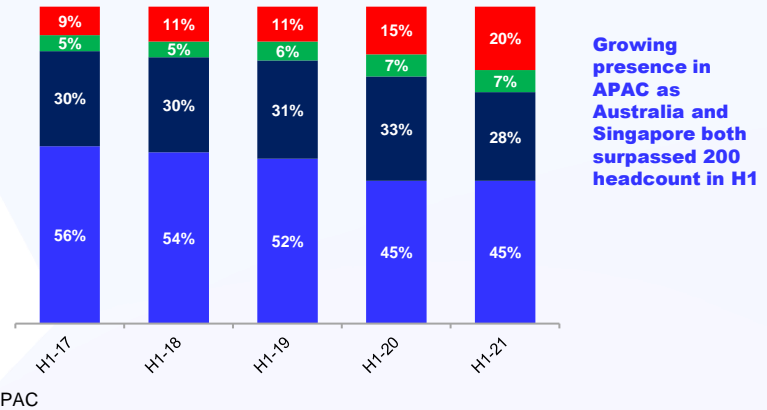
Record number of H1 completions

Highlights for the six months ended 30 June 2021

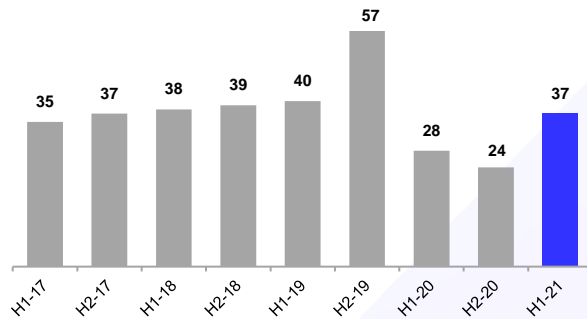
Regional Mounties deployed since IPO



Mounties deployed by region

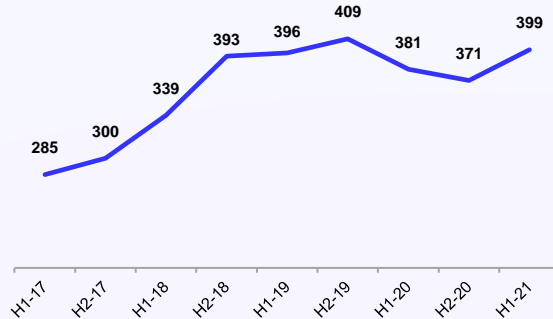


New clients



+9
vs H1-20
New client activity has returned to pre-pandemic levels

Active clients



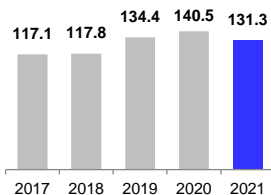
+8%
vs 2020 year-end
+5%
vs H1-20

Number of clients with Mounties deployed is expected to reach record highs in H2-21

Highlights for the six months ended 30 June 2021

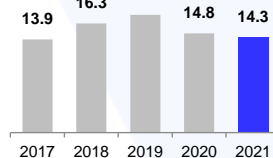
Revenue (£m)

-7%
+4% (CAGR)



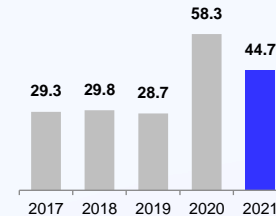
Basic Earnings per Share (p)

-3%
-4% (CAGR)



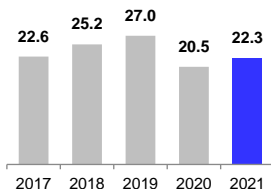
Closing Cash (£m)

-23%
+14% (CAGR)



Adjusted Operating Profit (£m)

+9%
-4% (CAGR)



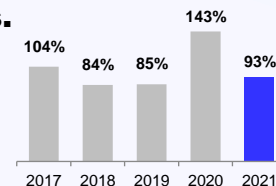
Adjusted Basic Earnings per Share (p)

+11%
-4% (CAGR)



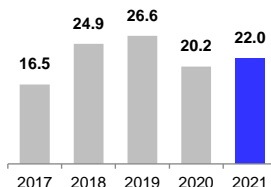
Cash Conversion (%)

-50ppts.



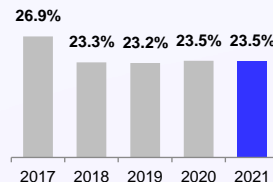
Adjusted Profit Before Tax (£m)

+9%
-4% (CAGR)



Effective Tax Rate (%)

No change



Interim Dividend per Share (p)¹

+15%
+1% (CAGR)



¹The 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
CAGR (Compound Annual Growth Rate) applied over three years
ppts. (percentage points)
2018 and 2017 comparative figures have been restated for IFRS 16 'Leases'

Our Markets

UK & Ireland	2021	2020	2019	2021 vs 2020	2021 vs 2019
Revenue	£61.5m	£64.3m	£69.7m	-4%	-12%
Mounties deployed	1,730	1,637	1,985	+6%	-13%
Adjusted operating profit	£15.5m	£14.2m	£18.8m	+9%	-18%
Adjusted operating profit margin %	25%	22%	27%	+3ppts.	-2ppts.

Mountie headcount recovering well from the impact of COVID-19, up 6% on both June and December 2020

Training ramped up to meet client demand; 424 training completions in H1 compared to 417 for the whole of 2020

Proportion of Mounties who have completed two years with FDM remains higher than in previous years (2021: 39%, 2020: 25%) as some clients are still refraining from internalising Mounties

From July 2021 our trainees in the UK will be employed and paid a salary from the first day of their training, in line with our other territories

North America	2021	2020	2019	2021 vs 2020	2021 vs 2019
Revenue	£39.8m	£51.1m	£46.7m	-22%	-15%
Mounties deployed	1,077	1,222	1,205	-12%	-11%
Adjusted operating profit	£4.9m	£4.6m	£7.7m	7%	-36%
Adjusted operating profit margin %	12%	9%	16%	+3ppts.	-4ppts.

Mountie headcount 12% lower against June 2020 and 1% lower against December 2020

Despite Canada's strict lockdown remaining in force, client demand has been good

US more subdued but showing encouraging signs of increased demand, in part reflecting a broadening of sector focus

EMEA	2021	2020	2019	2021 vs 2020	2021 vs 2019
Revenue	£12.4m	£10.8m	£7.6m	+15%	+63%
Mounties deployed	283	236	220	+20%	+29%
Adjusted operating profit	£1.6m	£1.4m	£1.0m	+14%	+60%
Adjusted operating profit margin %	13%	13%	13%	0ppts.	0ppts.

Mountie headcount up 20% on both June and December 2020

Established a presence in Poland, with the Consultants from the first two training classes now having been deployed

Mountie headcount increase driven primarily by client demand in Risk, Regulation and Compliance roles in Luxembourg

APAC	2021	2020	2019	2021 vs 2020	2021 vs 2019
Revenue	£17.6m	£14.3m	£10.4m	+23%	+69%
Mounties deployed	751	561	436	+34%	+72%
Adjusted operating profit/ (loss)	£0.4m	£0.3m	-£0.5m	+33%	+180%
Adjusted operating profit/ (loss) margin %	2%	2%	-5%	0ppts.	+7ppts.

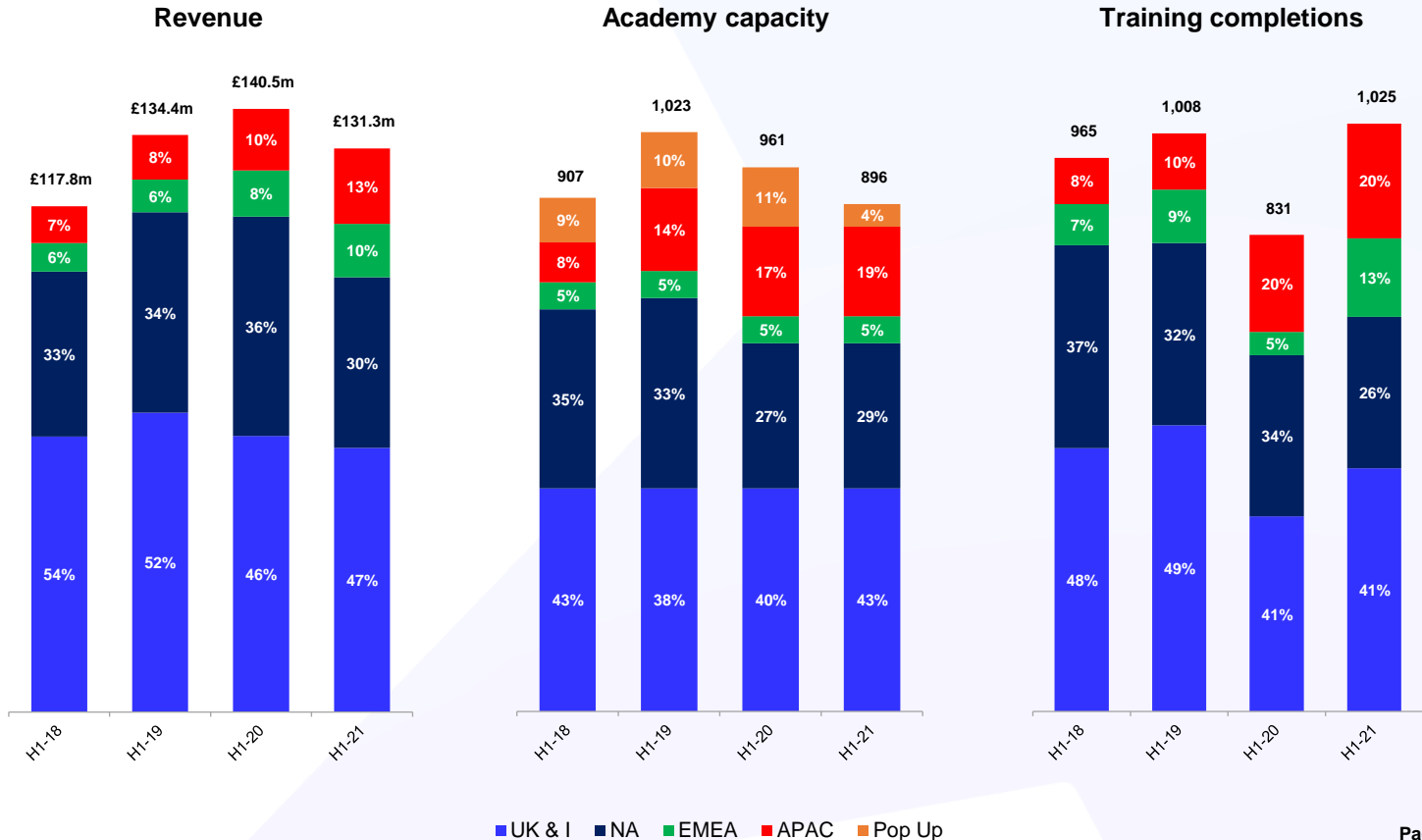
Mountie headcount up 34% on June 2020 and up 19% on December 2020

Opened an entity in New Zealand to meet client demand and benefit from the reciprocal visa arrangements between Australia and New Zealand

APAC continues to deliver strong headcount growth with Australia adding heads at a rapid pace

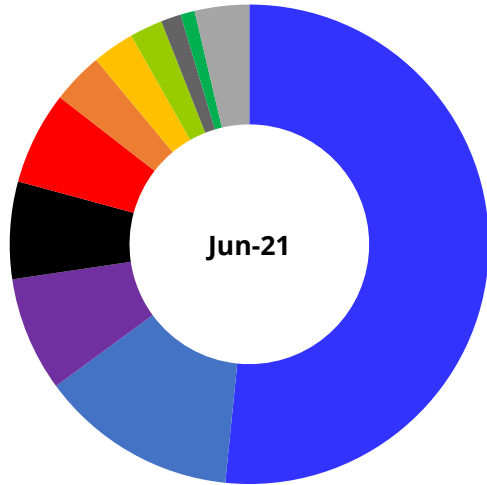
Regional Distribution

Pop-up training capacity has been flexed due to increased levels of remote working



Mountie Headcount

Headcount across the majority of industries has returned to pre-pandemic levels

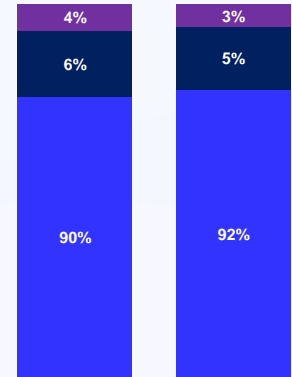


Industries	2021	2020
Banks	52%	51%
Diversified Financials	13%	17%
Government	8%	7%
Software & IT Services	7%	6%
Insurance	6%	7%
Energy	3%	4%
Media & Entertainment	3%	3%
Commercial & Professional Services	2%	1%
Consumer Services	1%	1%
Health Care Equipment & Services	1%	1%
Other	4%	2%

Other includes

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

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



2021

2020

- Returners
- Ex-Forces
- Graduates



Ex-Forces

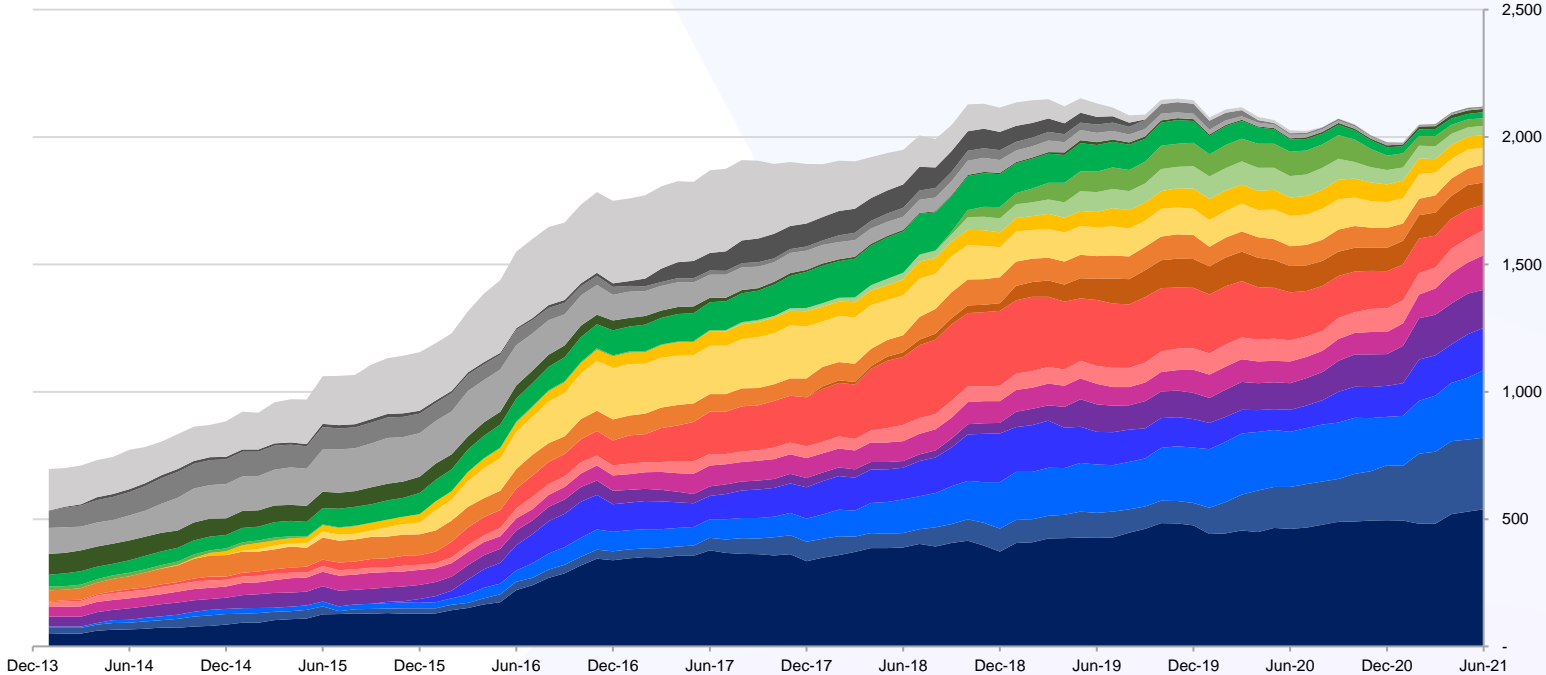
2021	2020
213	201



Returners

2021	2020
146	102

Top Clients by Headcount



- HSBC
- Deutsche Bank
- TD Bank
- DWP
- Lloyds
- Morgan Stanley
- Sky
- RBC
- Shell
- BAML
- Fannie Mae
- BMO
- Manulife
- JPMorgan
- BNP
- Credit Suisse
- UBS
- British Airways
- Home Office
- Barclays

CSR & Inclusivity

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

Nationalities



85+

nationalities working together as a team at FDM

Gender



31%

of worldwide FDM employees are female

Ethnicity



46%¹

are from a BAME² background

Disability



5%¹

consider themselves to have a disability

Mean pay gap



0.5%

The UK business also has reported a -9.6% median gender pay gap (in favour of females) for 2021

Social mobility



90%¹

attended a state school

Sexual orientation



6%¹

identify as LGBTQIA+

Ex-Forces



790+

former service personnel have been placed through the FDM Ex-Forces programme since its inception

Returners



260+

careers restarted through the FDM Returners programme since its inception

Emissions



-51%

reduction in total GHG emissions intensity ratio in 2020

¹ of our UK consultant intake in 2020

² Black, Asian or Minority Ethnic

FDM Recognition



JobCrowd Top 50 Companies For Graduates To Work For 2021



GradConnection Top 100 Graduate Employers



TalentEgg National Recruitment Excellence Awards - Best Grad Program (Canada)



GradSingapore Top 100 Leading Graduate Employers



GradAustralia Top 100 Graduate Employers



Vets Indexes Recognized Employer (USA)



Equal Opportunity Award For: Gender Equality, Racial Equality and Inclusion from the Equal Opportunities Employer Commission (Hong Kong)



MINT Minded Company (Germany)

Summary

- *Good progress in the first half of the year, comfortably in line with the Board's expectations, despite ongoing challenges presented by the pandemic*
- *Strong levels of demand, Mountie headcount up 7% since 2020 year end and 5% from a year previous*
- *Recruitment and training levels ramped up significantly in the first half to meet growing client demand; 1,025 training completions in first half (2020: 831)*
- *Investing in a programme to transform our Academy offering, using the latest technologies and training methods*
- *Strong balance sheet, with £44.7 million cash at period end (2020: £58.3 million)*
- *Interim dividend proposed of 15.0p. There were two interim dividends in respect of the prior year, 18.5p (which matched the withdrawn 2019 final dividend) and 13.0p*
- *The Board is confident that the Group is well placed to achieve its expectations for the current year and to deliver long-term, sustainable growth*

Income Statement

for the six months ended 30 June 2021

	Six months to 30 June 2021 £000	Six months to 30 June 2020 £000
Revenue	131,289	140,493
Cost of sales	(69,708)	(73,676)
Gross profit	61,581	66,817
Administrative expenses	(40,809)	(45,303)
Operating profit	20,772	21,514
Finance income	43	66
Finance expense	(343)	(421)
Net finance expense	(300)	(355)
Profit before income tax	20,472	21,159
Taxation	(4,810)	(4,972)
Profit for the period	15,662	16,187

Statement of Financial Position

as at 30 June 2021

	30 June 2021 £000	30 June 2020 £000
Non-current assets		
Right-of-use assets	12,608	17,371
Property, plant and equipment	4,669	6,425
Intangible assets	19,673	20,159
Deferred income tax assets	1,334	1,478
	38,284	45,433
Current assets		
Trade and other receivables	43,871	44,756
Cash and cash equivalents	44,707	58,281
	88,578	103,037
Total assets	126,862	148,470
Current liabilities		
Trade and other payables	34,649	32,937
Lease liabilities	5,046	5,943
Current income tax liabilities	1,756	1,247
	41,451	40,127
Non-current liabilities		
Lease liabilities	11,657	16,534
	11,657	16,534
Total liabilities	53,108	56,661
Net assets	73,754	91,809

Statement of Cash Flows

for the six months ended 30 June 2021

	Six months to 30 June 2021 £000	Six months to 30 June 2020 £000
Cash flows generated from operations	19,384	30,835
Interest received	43	66
Income tax paid	(5,339)	(6,780)
Net cash flow from operating activities	14,088	24,121
Cash flows from investing activities		
Acquisition of property, plant and equipment	(107)	(400)
Acquisition of intangibles assets	-	(79)
Net cash used in investing activities	(107)	(479)
Cash flows from financing activities		
Net cashflows from share transactions	241	165
Lease payments (net of incentives received)	(2,925)	(3,030)
Finance costs paid	(43)	(32)
Dividends paid	(30,482)	-
Net cash used in financing activities	(33,209)	(2,897)
Exchange (losses)/ gains on cash and cash equivalents	(790)	557
Net (decrease)/ increase in cash and cash equivalents	(20,018)	21,302
Cash and cash equivalents at beginning of period	64,725	36,979
Cash and cash equivalents at end of period	44,707	58,281



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, 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.