

29 January 2025

FDM GROUP (HOLDINGS) PLC ("FDM GROUP", "FDM" or "THE GROUP")

YEAR END TRADING UPDATE

FDM Group, a global professional services provider with a focus on Information Technology, today provides a trading update for the year to 31 December 2024, ahead of its full year results, which will be released on 19 March 2025.

Group Trading in the Period and Closing Balance Sheet

The Board anticipates that the Group's financial performance for the year to 31 December 2024 will be in line with its expectations.

Against a continuing backdrop of very challenging market conditions, the Group delivered a resilient performance in 2024. Throughout the period the Board maintained its focus on realigning recruitment, training, Consultant resource, and internal staffing levels to better match with the market conditions; this included a reduced number of training completions during the year (2024: 877 training completions; 2023: 1,338 training completions) and a reduction in internal headcount of approximately 30%.

Revenue for the year to 31 December 2024 is expected to be £258 million, down 23% in comparison to the prior year (2023: £334 million). On a constant currency basis revenue decreased by 21%, or £70 million.

The Group ended the year with 2,578 Consultants placed with clients (2023: 3,892) - a lower level of Consultants deployed than previously anticipated. The UK closed with 1,056 Consultants deployed (2023: 1,411); North America closed with 742 Consultants deployed (2023: 1,322); APAC closed with 524 Consultants deployed (2023: 832); and EMEA closed with 256 Consultants deployed (2023: 327). As at 28 January 2025 the Group has 2,626 Consultants placed with clients.

The Group's balance sheet remains robust with closing cash balances of £41 million (2023: £47 million), and cash conversion strong at 120% (2023: 112%). The Group has no debt.

Outlook

Rod Flavell, Group CEO, commented:

"We anticipate that market conditions will remain uncertain during 2025, and it is difficult to predict when they might demonstrate signs of a sustained improvement. While we continue to see encouraging levels of engagement with clients, it is unclear how soon clients' hiring budgets will be released to enable a recovery in our major end markets. Consequently, the Board will continue to take the appropriate measures to adjust recruitment, training, and staffing levels to align with market conditions and seek to optimise the performance of the Group for all of our stakeholders.

As noted above, we opened 2025 with a lower level of Consultants deployed than we had previously anticipated and this, taken with current market conditions, leads the Board to anticipate that the 2025 full year financial performance may be below its previous expectations.

FDM is a robust and agile business, with a strong balance sheet and experienced management team and Board, operating in fundamentally strong markets. The Board remains confident that our business is well positioned to return to growth as and when market conditions improve."

ENDS

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Forward-Looking Statements

This trading update may contain 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 have been 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, regulation or rules, 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. Neither shareholders nor prospective shareholders should place undue reliance on forward-looking statements, which speak only as of the date of this Trading Update.

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