

driver
group plc



INTERIM REPORT
2024



Driver Group plc is a specialist provider of consultancy, advisory, and project management services to the engineering and construction industries and its shares are quoted on AIM, the London Stock Exchange's specialist market for growing companies.

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Key Points

For the six months ended 31 March 2024

	6 months ended 31 March 2024 £000 Unaudited	6 months ended 31 March 2023 £000 Unaudited	Change £000
Continuing Operations			
Revenue	22,474	22,730	(256)
Gross Profit	6,068	6,246	(178)
Gross Profit %	27%	27%	-
Profit before tax	513	528	(15)
Add: Share-based payment charge	49	202	(153)
Underlying* profit before tax	562	730	(168)
Underlying* profit before tax %	3%	3%	-
Underlying* earnings per share	0.9p	1.0p	(0.1)p
Net cash**	3,569	5,277	(1,708)
Net cash per share	6.8p	10.1p	(3.3)p
Dividend per share	0.75p	0.75p	-

- Underlying* profit before tax at £0.6m (2023: £0.7m) resulting in an underlying* profit before tax margin of 3% (2023: 3%).
- Profit before tax at £0.5m (2023: £0.5m).
- Net cash** decrease year on year of £1.7m to £3.6m (2023: £5.3m).
- Revenue from continuing operations down by 1% to £22.5m (2023: £22.7m).
- Gross profit margin at 27% (2023: 27%), a £0.1m decrease to £6.1m (2023: 6.2m).
- Overall utilisation rates*** improved to 79.6% (2023: 79.2%). New method of calculation reflected for both periods.
- Europe & Americas (EuAm) reported underlying* profit before tax for the period of £2.3m (2023: £2.9m)
- Middle East (ME) reported underlying* profit before tax for the period of £0.1m (2023: loss £0.1m)
- Asia Pacific (APAC) reported underlying* profit before tax for the period of £0.1m (2023: loss £0.1m)

* Underlying figures are stated before the share-based payment costs (this is not a GAAP measure).

** Net cash consists of cash and cash equivalents and bank loans

*** Utilisation % is calculated by dividing the total hours billed by the total working hours available for chargeable staff

Business Review



INTRODUCTION

During the period, Driver Group has continued to trade profitably, and has focused on driving improvements in utilisation in the face of what has continued to be challenging trading conditions across global markets. We are pleased to report positive progress in H1 FY24 and that this momentum has continued into Q3 FY24.

The Group's underlying* profit before tax remained broadly constant at £0.6m (£0.7m in the corresponding FY23 period) on revenue which has remained stable. We have maintained the performance of FY23, and this has, in turn, laid solid foundations for further improvements in Group performance that are expected to drive the Group's future profitability.

The Group continues to make good progress on the delivery of its transformation strategy, announced in December 2023, in line with the four-year timeframe. It is expected that many of the key actions arising from the transformation strategy are likely to begin to have effect during H2 FY24. The Board looks forward to reporting further on this in due course.

The Group has taken steps to ensure a smooth transition to Diales, its premium professional services brand, which will take effect from 1 July 2024. This brand transition will consolidate the Group's services globally, allowing a unified approach to its global clients for the first time in the Group's history. Moving forward the Board expects this branding platform to increase leverage between regions.

The Group has further implemented its hub and spoke model across our global business to ensure overseas offices continue to focus on and benefit from work winning which is fed back to the central hub in Europe. This has necessitated a review of our Business Development and Marketing functions. As a result, Business Development is now represented on the Executive Board which will further strengthen our work winning efforts.

As announced in our transformation strategy, we continue to review the shape and structure of our global footprint in order to ensure that it performs optimally, and we expect to be able to provide further updates on this pillar of the transformation strategy in due course.

The promised benefits of our IT investment are now feeding through, with ERP now fully operational and

already supporting improvements to the Group's performance. The migration from manual processes to automated production of financial information has been challenging but is now helping us deliver closer to real time consolidated financial reporting. Our team in Europe are currently trialling a real time management information tool, enabling more efficient reporting on utilisation and we anticipate a wider roll-out of this system across the global business in due course with accompanying efficiency gains and improved management reporting. Following the implementation of the new ERP system, we changed to a more accurate method of calculating utilisation and the comparative figures are shown using the same methodology.

The resolution of legacy issues, particularly in relation to the Middle East, has moved into its final phase, with a significant proportion of aged cash now collected. The structuring of the Group's office locations and staffing levels had been adjusted to reflect the evolving needs of the business, promoting operational responsiveness and efficiency, and enhancing client experience.

We are pleased to report that the Middle East region has returned to an operational profit, following completion of the restructuring announced in November 2022. This region is now contributing work to the Group's central hub in Europe, and we do not anticipate any further issues relating to cash collection going forward. The EuAm region, our central business hub, has continued to perform well overall, in spite of exceptional short-term staffing issues in North America which materially affected H1 FY24 performance for the region. Challenges arising from phasing of work, with a number of significant commissions concluding coterminously, have been resolved and we do not expect this operational issue to recur.

APAC has also returned to an operational profit during H1 FY24 and we have seen an improvement in trading performance as a result of actions taken following the strategic review. Following a successful office launch in Seoul in March last year, the Group remains well positioned to expand its work with our South Korean clients. The Group does not expect any further substantial non-recurring costs to arise from the establishment of this new office and it is now meeting budget expectations. APAC continues to source high value expert and claims work for fulfilment across the Group, under our one business model.

The overheads review and cost saving measures, previously announced, have now completed. As expected, owing to the initial overlap period of leases in London and related moving costs, the full benefit of these savings will be realised during H2 FY24. The Board continues to monitor its global operations to identify opportunities to unlock further cost savings and efficiency gains.

PEOPLE

Driver Group continues to be a business focused on and driven by exceptionally talented and highly skilled staff and the recruitment, development, and retention of best-in-class team members remains our key priority.

The Group has made good progress on hiring key work winners and halo experts, in line with the ambitions set out in its transformation strategy. Targeted market analysis has yielded a pipeline of complementary acquisition opportunities within the engineering and technical expert disciplines which the business is actively considering.

TRADING PERFORMANCE

Group revenue for the six months to 31 March 2024 remained stable at £22.5m, compared to the same period in 2023 (£22.7m). Overall, the Group reported underlying* profit before tax of £0.6m (2023: £0.7m).

Revenues in the EuAm region decreased to £18.5m (2023: £19.1m) with revenues in the Middle East unchanged at £2.2m (2023: £2.2m) and revenues in APAC increased to £1.8m (2023: £1.4m).

The EuAm region delivered an underlying* profit before tax of £2.3m (2023: £2.9m) while the Middle East region reported an underlying* profit before tax of £0.1m (2023: loss £0.1m) and the APAC region reported an underlying* profit before tax of £0.1m (2023: loss £0.1m).

Underlying* basic earnings per share from continuing operations were 0.9p (2023: 1.0p).

The Group's net cash balance was £3.6m on 31 March 2024 (2023: £5.3m), reflecting dividend and tax payments and the timing of the planned cessation of a long-standing Joint Venture agreement in Canada and the Middle East. The cash as at 31 March 2024 includes March's UK payroll expenses which were omitted at the time of the April trading update. As at 31 May 2024 the cash balance was £4.2m.

DIVIDEND

The final dividend announced at the time of the results for the year to 30 September 2023 (0.75p per share) in December was paid in April 2024. Reflecting our confidence in the medium-term prospects for the Group, and with the strong balance sheet position, the Board recommends the payment of an interim dividend of 0.75p

per share for 2024 (2023: 0.75p per share). The interim dividend will be paid on 25 October 2024 to shareholders who are on the register of members at the close of business on 20 September 2024, with an ex-dividend date of 19 September 2024

CAPITAL ALLOCATION

As part of the Group's transformation strategy, announced on 14 December 2023, the Board will allocate its own generated cash to achieve the best returns for shareholders. The Group has been actively considering a number of acquisition prospects, and accordingly the Board has kept the timing of its capital allocation plans under constant review to ensure sufficient cash headroom remains available for an acquisition. This process remains ongoing. However the Group will today commence an initial ordinary share buyback programme of £250k. Having identified surplus cash of £1m, a further amount of up to £750k will be allocated to the programme, dependent on progress with potential acquisition targets, in line with the transformation strategy.

OUTLOOK

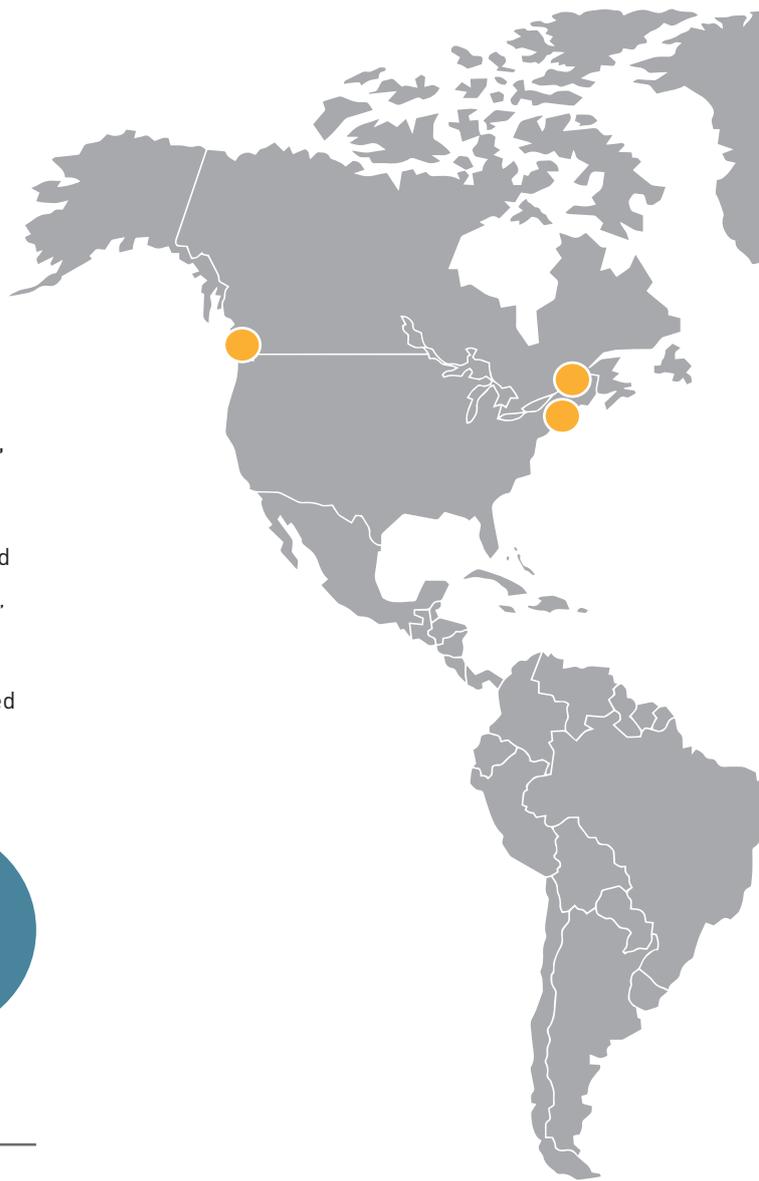
Driver Group's business has made an encouraging start to H2 FY24 with the UK, Middle East and, in particular, APAC, all performing strongly. The cost-savings strategies we implemented in FY23 have now been completed and we expect the benefits to be felt during the remainder of H2 FY24. Post-restructure, the Middle East and APAC are now contributing profitably, with APAC being well positioned to contribute further during FY24 as a consequence of work flowing from South Korea.

The Group saw strong trading in April this year, supported by increased utilisation, and is well placed for H2 FY24 and beyond.

* Underlying figures are stated before the share-based payment costs and exceptional costs (this is not a GAAP measure).

** Net cash consists of cash and cash equivalents and bank loans

ABOUT US



A global multi-disciplinary consultancy business, we have been providing specialist services to the engineering and construction industry since 1978.

We provide specialist dispute avoidance and dispute resolution services to our clients from the outset of a project to its completion, and beyond.

We offer strategic commercial improvement and contract management services; live planning and programme assistance and forensic delay analysis; dispute avoidance and dispute resolution support and expertise; and training seminars tailored to our clients' needs.

We have an experienced and highly qualified team who are dedicated to delivering exceptional services on time and within budget. We utilise their combined skills and expertise to create innovative and flexible solutions for our clients, at every opportunity.

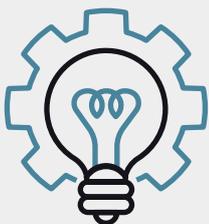


WORLDWIDE EXPERTISE, DELIVERED LOCALLY

All assignments we undertake are managed by a director who remains personally responsible; right through to conclusion.

The director will regularly evaluate the client's requirements to ensure that the most appropriate members of the Group's multi-disciplinary team are engaged on the assignment and that, where necessary, they are successfully integrating into the client's team. This approach consistently ensures that we add value to our clients.

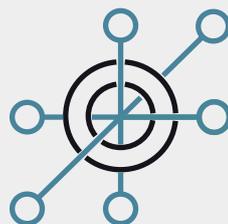
WE UNDERTAKE BUSINESS, BUILT ON VALUES



INNOVATION



OUR PEOPLE



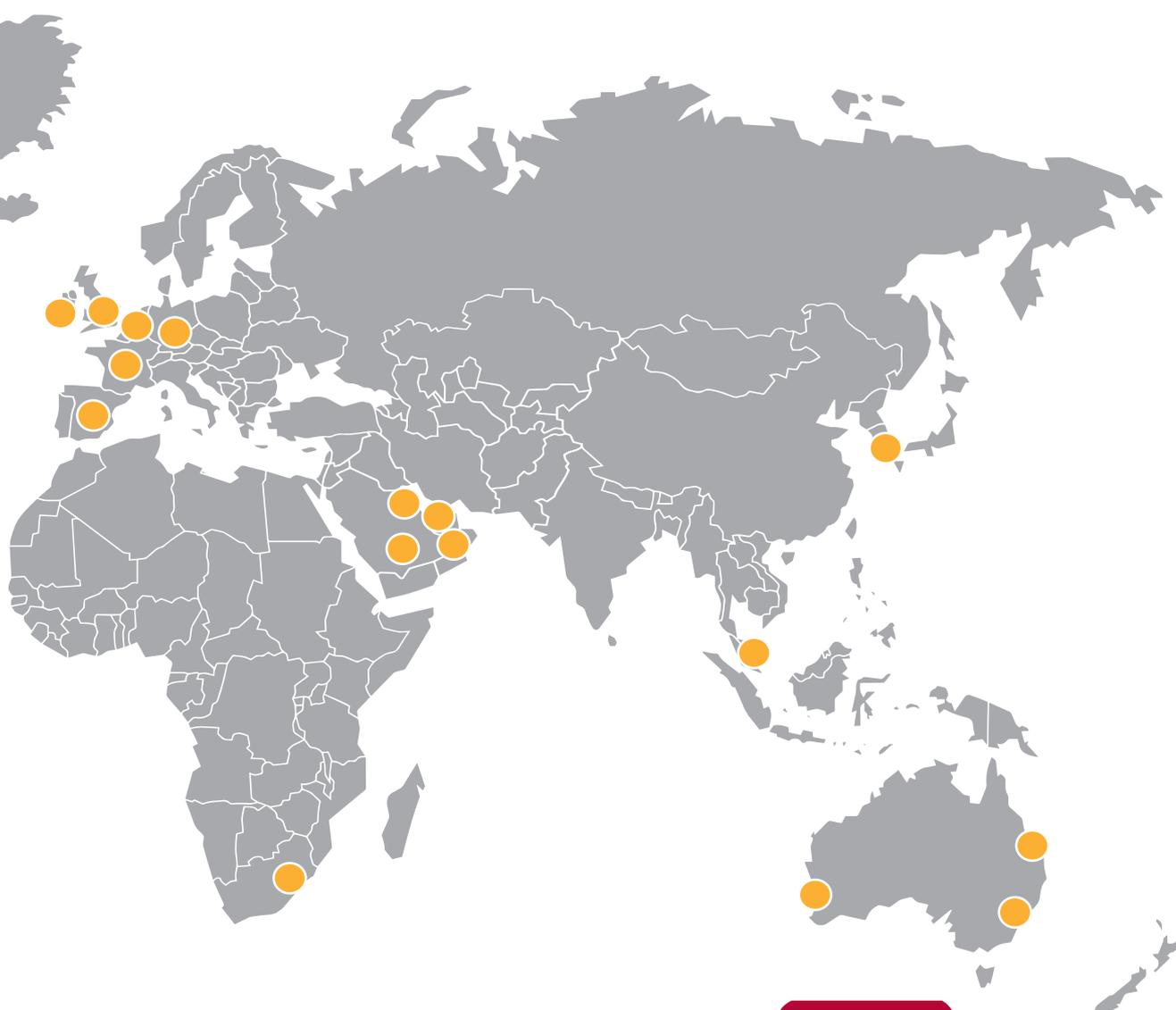
OUR CLIENTS



INTEGRITY



TRANSPARENCY



EXPERT WITNESS SERVICES



We have been providing expert services for nearly four decades.

The Driver Trett team has extensive expert knowledge, and for higher profile litigation and arbitration, we have our Diales team. Diales Experts offer uncompromised expertise to the legal profession in Arbitration, Litigation, and Alternative Dispute Resolution. Working across all areas of the construction and engineering industry, our Experts offer focused support within Delay analysis, Quantum and Damages, and Technical: Architectural, Mechanical, Electrical and Project Management.

DIALES EXPERTS



Have a minimum of 15 years' industry experience.



Have been cross-examined, or, have successfully completed internal and external training.



Have a proven track record in delivering concise, detailed reports, on time, and often against challenging deadlines



Understand their duties to the court, and to their clients.

Consolidated Income Statement

Interim report for the six months ended 31 March 2024

	6 months ended 31 March 2024 £000 Unaudited	6 months** ended 31 March 2023 £000 Unaudited	Year ended 30 September 2023 £000 Audited
REVENUE	22,474	22,730	42,633
Cost of sales	(16,469)	(16,334)	(31,800)
Impairment movement	63	(150)	(55)
GROSS PROFIT	6,068	6,246	10,778
Administrative expenses	(5,585)	(5,737)	(10,452)
Other operating income	-	41	47
Underlying* operating profit	532	752	998
Non-recurring operational costs	-	-	(255)
Share-based payment charge and associated costs	(49)	(202)	(370)
OPERATING PROFIT/(LOSS)	483	550	373
Finance income	37	32	129
Finance costs	(7)	(54)	(63)
PROFIT/(LOSS) BEFORE TAXATION	513	528	439
Tax expense (note 2)	(107)	(207)	(314)
PROFIT/(LOSS) FOR THE PERIOD FROM CONTINUING OPERATIONS	406	321	125
Profit/(Loss) for the period from discontinued operations	(103)	(20)	(461)
PROFIT/(LOSS) FOR THE PERIOD	303	301	(336)
Profit/(loss) attributable to non-controlling interests	-	-	-
Profit/(loss) attributable to equity shareholders of the parent	303	301	(336)
	303	301	(336)
Basic earnings/(loss) per share attributable to equity shareholders of the parent (pence)	0.6p	0.6p	(0.6)p
Diluted earnings/(loss) per share attributable to equity shareholders of the parent (pence)	0.6p	0.6p	(0.6)p
Underlying* basic earnings/(loss) per share attributable to equity shareholders of the parent (pence) from continuing operations	0.9p	1.0p	1.4p
Basic earnings/(loss) per share attributable to equity shareholders of the parent (pence) from continuing operations	0.8p	0.6p	0.2p
Diluted earnings/(loss) per share attributable to equity shareholders of the parent (pence) from continuing operations	0.8p	0.6p	0.2p

* Underlying figures are stated before the share-based payment costs and non-recurring operational costs (this is not a GAAP measure).

** Presentation of results restated to reflect separate disclosure of net losses from operations discontinued in the 2023 financial year.

Consolidated Statement of Comprehensive Income

Interim report for the six months ended 31 March 2024

	6 months ended 31 March 2024 £000 Unaudited	6 months ended 31 March 2023 £000 Unaudited	Year ended 30 September 2023 £000 Audited
PROFIT/(LOSS) FOR THE PERIOD	303	301	(336)
Other comprehensive income/(loss):			
<i>Items that could subsequently be reclassified to the Income Statement:</i>			
Exchange differences on translating foreign operations	(112)	473	431
Other comprehensive income/(loss) for the year net of tax	(112)	473	431
TOTAL COMPREHENSIVE INCOME/(LOSS) FOR THE PERIOD	191	774	95
Total comprehensive income/(loss) attributable to:			
Owners of the parent	191	774	95
Non-controlling interest	-	-	-
	191	774	95

Consolidated Statement of Financial Position

Interim report for the six months ended 31 March 2024

	31 March 2024 £000 Unaudited	31 March 2023 £000 Unaudited	30 September 2023 £000 Audited
NON-CURRENT ASSETS			
Goodwill	2,969	2,969	2,969
Property, plant and equipment	315	344	351
Right of use assets	1,094	400	1,140
Intangible asset	672	756	714
Deferred tax assets	242	202	247
	5,292	4,671	5,421
CURRENT ASSETS			
Trade and other receivables	14,505	16,065	14,033
Current tax receivable	137	166	69
Cash and cash equivalents	3,569	5,277	5,833
	18,211	21,508	19,935
TOTAL ASSETS	23,503	26,179	25,356
CURRENT LIABILITIES			
Trade and other payables	(6,807)	(9,087)	(8,052)
Lease creditor	(587)	(317)	(539)
Current tax payable	-	-	-
	(7,394)	(9,404)	(8,591)
NON-CURRENT LIABILITIES			
Lease creditor	(537)	(110)	(618)
Deferred tax liability	(160)	(167)	(160)
	(697)	(277)	(778)
TOTAL LIABILITIES	(8,091)	(9,681)	(9,369)
NET ASSETS	15,412	16,498	15,987
SHAREHOLDERS' EQUITY			
Share capital	216	216	216
Share premium	11,496	11,496	11,496
Merger reserve	1,055	1,055	1,055
Currency reserve	(1,062)	(908)	(950)
Capital redemption reserve	18	18	18
Treasury shares	(1,525)	(1,525)	(1,525)
Retained earnings	5,213	6,145	5,676
Own shares	(3)	(3)	(3)
TOTAL SHAREHOLDERS' EQUITY	15,408	16,494	15,983
NON-CONTROLLING INTEREST	4	4	4
TOTAL EQUITY	15,412	16,498	15,987

Consolidated Cash flow Statement

Interim report for the six months ended 31 March 2024

	6 months ended 31 March 2024 £000 Unaudited	6 months ended 31 March 2023 £000 Unaudited	Year ended 30 September 2023 £000 Audited
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) for the period	303	301	(336)
Adjustments for:			
Depreciation	47	84	162
Amortisation of right to use assets	298	375	611
Amortisation of intangible asset	42	42	84
Exchange adjustments	38	105	(79)
Finance income	(37)	(32)	(129)
Finance expense	7	54	63
Tax expense	107	207	314
Equity settled share-based payment charge	23	151	319
OPERATING CASH FLOW BEFORE CHANGES IN WORKING CAPITAL AND PROVISIONS	828	1,287	1,009
Decrease/(increase) in trade and other receivables	(472)	4,283	6,246
(Decrease)/increase in trade and other payables	(1,640)	(3,562)	(4,722)
CASH GENERATED/(USED) IN OPERATIONS	(1,284)	2,008	2,533
Tax paid	(181)	(139)	(172)
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	(1,465)	1,869	2,361
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	37	32	129
Acquisition of property, plant and equipment	(41)	(44)	(143)
Proceeds from the disposal of property, plant and equipment	4	-	-
Acquisition of intangible asset	-	-	-
NET CASH OUTFLOW FROM INVESTING ACTIVITIES	-	(12)	(14)
CASH FLOWS FROM FINANCING ACTIVITIES			
Interest paid	(3)	(54)	(63)
Repayment of borrowings	-	-	-
Proceeds of borrowings	-	-	-
Repayment of lease liabilities	(288)	(961)	(676)
Purchase of Treasury shares	-	-	-
Dividends paid to the equity shareholders of the parent	(394)	(391)	(785)
NET CASH OUTFLOW FROM FINANCING ACTIVITIES	(685)	(1,406)	(1,524)
Net increase/(decrease) in cash and cash equivalents	(2,150)	451	823
Effect of foreign exchange on cash and cash equivalents	(114)	(105)	79
Cash and cash equivalents at start of period	5,833	4,931	4,931
CASH AND CASH EQUIVALENTS AT END OF PERIOD	3,569	5,277	5,833

Consolidated Statement of Changes of Equity

For the six months ended 31 March 2024 (Unaudited):

	Share capital £000	Share premium £000	Treasury shares £000	Merger reserve £000	Other reserves ⁽²⁾ £000	Retained earnings £000	Own shares £000	Total ⁽¹⁾ £000	Non-controlling interest £000	Total Equity £000
CLOSING BALANCE AT 30 SEPTEMBER 2023	216	11,496	(1,525)	1,055	(932)	5,676	(3)	15,983	4	15,987
Profit for the period	-	-	-	-	-	303	-	303	-	303
Other comprehensive loss for the period	-	-	-	-	(112)	-	-	(112)	-	(112)
Total comprehensive loss for the period	-	-	-	-	(112)	303	-	191	-	191
Contributions by and distributions to owners										
Dividend	-	-	-	-	-	(789)	-	(789)	-	(789)
Share-based payment charge	-	-	-	-	-	23	-	23	-	23
Purchase of Treasury shares	-	-	-	-	-	-	-	-	-	-
Total contributions by and distributions to owners	-	-	-	-	-	(766)	-	(766)	-	(766)
CLOSING BALANCE AT 31 MARCH 2024	216	11,496	(1,525)	1,055	(1,044)	5,213	(3)	15,408	4	15,412

For the six months ended 31 March 2023 (Unaudited):

	Share capital £000	Share premium £000	Treasury shares £000	Merger reserve £000	Other reserves ⁽²⁾ £000	Retained earnings £000	Own shares £000	Total ⁽¹⁾ £000	Non-controlling interest £000	Total Equity £000
CLOSING BALANCE AT 30 SEPTEMBER 2022	216	11,496	(1,525)	1,055	(1,363)	6,478	(3)	16,354	4	16,358
Profit for the period	-	-	-	-	-	301	-	301	-	301
Other comprehensive loss for the period	-	-	-	-	473	-	-	473	-	473
Total comprehensive loss for the period	-	-	-	-	473	301	-	774	-	774
Contributions by and distributions to owners										
Dividend	-	-	-	-	-	(785)	-	(785)	-	(785)
Share-based payment charge	-	-	-	-	-	151	-	151	-	151
Purchase of Treasury shares	-	-	-	-	-	-	-	-	-	-
Total contributions by and distributions to owners	-	-	-	-	-	(634)	-	(634)	-	(634)
CLOSING BALANCE AT 31 MARCH 2023	216	11,496	(1,525)	1,055	(890)	6,145	(3)	16,494	4	16,498

Consolidated Statement of Changes of Equity

For the year ended 30 September 2023 (Audited):

	Share capital £000	Share premium £000	Treasury shares £000	Merger reserve £000	Other reserves ⁽²⁾ £000	Retained earnings £000	Own shares £000	Total ⁽¹⁾ £000	Non-controlling interest £000	Total Equity £000
CLOSING BALANCE AT 30 SEPTEMBER 2022	216	11,496	(1,525)	1,055	(1,363)	6,478	(3)	16,354	4	16,358
Loss for the year	-	-	-	-	-	(336)	-	(336)	-	(336)
Other comprehensive income for the year	-	-	-	-	431	-	-	431	-	431
Total comprehensive income for the year	-	-	-	-	431	(336)	-	95	-	95
Dividends	-	-	-	-	-	(785)	-	(785)	-	(785)
Share-based payment charge and associated costs	-	-	-	-	-	319	-	319	-	319
Purchase of Treasury shares	-	-	-	-	-	-	-	-	-	-
CLOSING BALANCE AT 30 SEPTEMBER 2023	216	11,496	(1,525)	1,055	(932)	5,676	(3)	15,983	4	15,987

(1) Total equity attributable to the equity holders of the Parent

(2) 'Other reserves' combines the currency reserve and capital redemption reserve. The movement in the current and prior year relates to the translation of foreign currency equity balances and foreign currency non-monetary items.

Notes to the Interim Financial Statements

For the six months ended 31 March 2024

1 BASIS OF PREPARATION

The consolidated interim financial information has been prepared using accounting policies which are consistent with those applied at the prior year end 30 September 2023 and that are expected to be adopted in the Group's full financial statements for the year ending 30 September 2024. The financial information in this interim report is in compliance with the recognition and measurement principles of international accounting standards but does not include all disclosures that would be required under IFRSs and are not IAS 34 compliant. The accounting policies have been applied consistently throughout the Group for the purposes of preparation of this financial information. The financial information for the half years ended 31 March 2024 and 31 March 2023 does not constitute statutory accounts within the meaning of Section 434(3) of the Companies Act 2006 and is unaudited but has been reviewed by our auditors.

The comparative financial information for the year ended 30 September 2023 included within this report does not constitute the full statutory accounts for that period. The statutory Annual Report and Financial Statements for 2023 have been filed with the Registrar of Companies. The Independent Auditor's Report on that Annual Report and Financial Statements for 2023 was unqualified, did not draw attention to any matters by way of emphasis, and did not contain a statement under 498(2) or 498(3) of the Companies Act 2006.

The Financial Statements have been prepared on a going concern basis. In reaching their assessment, the Directors have considered a period extending at least twelve months from the date of approval of this financial report.

The Directors have prepared cash flow forecasts covering a period of more than 12 months from the date of releasing these financial statements. This assessment has included consideration of the forecast performance of the business for the foreseeable future taking in to account the potential cost of the proposed initial share buy back programme and the cash and financing facilities available to the Group.

At 31 March 2024 the Group had cash reserves of £3.6m. Cash decreased by £2.3m from that reported at 30 September 2023 mainly due to dividend and tax payments and the timing of the planned cessation of a JV agreement in Canada and the Middle East.

The Directors have also prepared a stress case scenario that demonstrates the Group's ability to continue as a going concern even with a significant drop in revenues and limited mitigating cost reduction to re-align with the revenue drop.

Based on the cash flow forecasts prepared including appropriate stress testing, the Directors are confident that any funding needs required by the business will be sufficiently covered by the existing cash reserves. As such these Financial Statements have been prepared on a going concern basis.

2 TAXATION

The tax charge for the half-year ended 31 March 2024 is based on the estimated tax rates in the jurisdictions in which the Group operates, for the year ending 30 September 2024.

3 DIVIDEND

In view of the medium term prospects for the Group along with the strong balance sheet position, the Board recommends the payment of an interim dividend of 0.75p per share for 2024 (2023: 0.75p per share).

During the period, the Group paid an interim dividend for 2024 of 0.75p per share (2023: 0.75p per share) and approved a final dividend for 2023 of 0.75p per share which was paid in April 2024.

4 POST BALANCE SHEET EVENT

There have been no significant events requiring disclosure since 31 March 2024.

Notes to the Interim Financial Statements (continued)

5 SUMMARY SEGMENTAL ANALYSIS REPORTABLE SEGMENTS

For management purposes, the Group is organised into three operating divisions: Europe & Americas (EuAm), Middle East (ME) and Asia Pacific (APAC). These divisions are the basis on which the Group is structured and managed, based on its geographic structure. The following key service provisions are provided across all three operating divisions: quantity surveying, planning / programming, quantum and planning experts, dispute avoidance / resolution, litigation support, contract administration and commercial advice / management. Segment information about these reportable segments is presented below.

	Europe & Americas £000	Middle East £000	Asia Pacific £000	Eliminations £000	Unallocated £000	Continued £000	Discontinued £000
SIX MONTHS ENDED 31 MARCH 2024 (UNAUDITED)							
Total external revenue	18,467	2,247	1,760	-	-	22,474	-
Total inter-segment revenue	453	452	207	(1,112)	-	-	-
Total revenue	18,920	2,699	1,967	(1,112)	-	22,474	-
Segmental profit/(loss) ⁽²⁾	2,346	138	99	-	-	2,583	(103)
Unallocated corporate expenses ⁽¹⁾⁽²⁾	-	-	-	-	(2,051)	(2,051)	-
Share-based payment charge	-	-	-	-	(49)	(49)	-
Operating profit/(loss)	2,346	138	99	-	(2,100)	483	(103)
Finance income	-	-	-	-	37	37	-
Finance expense	-	-	-	-	(7)	(7)	-
Profit/(loss) before taxation	2,346	138	99	-	(2,070)	513	(103)
Taxation	-	-	-	-	(107)	(107)	-
Profit/(loss) for the period	2,346	138	99	-	(2,177)	406	(103)

(1) Unallocated costs represent Directors' remuneration, administration staff, corporate head office costs and expenses associated with AIM.

(2) Unallocated corporate expenses are stated before the central recharge.

	Europe & Americas £000	Middle East £000	Asia Pacific £000	Eliminations £000	Unallocated £000	Continued £000	Discontinued £000
SIX MONTHS ENDED 31 MARCH 2023 (UNAUDITED)							
Total external revenue	19,128	2,185	1,417	-	-	22,730	1,489
Total inter-segment revenue	760	237	318	(1,315)	-	-	-
Total revenue	19,888	2,422	1,735	(1,315)	-	22,730	1,489
Segmental profit/(loss) ⁽²⁾	2,939	(78)	(138)	-	-	2,723	(20)
Unallocated corporate expenses ⁽¹⁾⁽²⁾	-	-	-	-	(1,971)	(1,971)	-
Share-based payment charge	-	-	-	-	(202)	(202)	-
Operating profit/(loss)	2,939	(78)	(138)	-	(2,173)	550	(20)
Finance income	-	-	-	-	32	32	-
Finance expense	-	-	-	-	(54)	(54)	-
Profit/(loss) before taxation	2,939	(78)	(138)	-	(2,195)	528	(20)
Taxation	-	-	-	-	(207)	(207)	-
Profit/(loss) for the period	2,939	(78)	(138)	-	(2,402)	321	(20)

(1) Unallocated costs represent Directors' remuneration, administration staff, corporate head office costs and expenses associated with AIM.

(2) Unallocated corporate expenses are stated before the central recharge.

Notes to the Interim Financial Statements (continued)

YEAR ENDED 30 SEPTEMBER 2023 (AUDITED)	Europe & Americas £000	Middle East £000	Asia Pacific £000	Eliminations £000	Unallocated £000	Continued £000	Discontinued £000
Total external revenue	35,574	4,220	2,927	(88)	-	42,633	1,893
Total inter-segment revenue	998	388	473	(1,859)	-	-	-
Total revenue	36,572	4,608	3,400	(1,947)	-	42,633	1,893
Segmental profit/(loss) pre central cost charge	5,285	(88)	(239)	-	(3,685)	1,273	(325)
Central cost charge	(3,057)	(288)	(204)	-	3,685	136	(136)
Segmental profit/(loss)	2,228	(376)	(443)	-	-	1,409	(461)
Unallocated corporate expenses ⁽¹⁾	-	-	-	-	(411)	(411)	-
Share-based payments charge and associated costs	-	-	-	-	(370)	(370)	-
Non-recurring operational costs	(76)	(179)	-	-	-	(255)	-
Operating profit/(loss)	2,152	(555)	(443)	-	(781)	373	(461)
Finance income	-	-	-	-	129	129	-
Finance expense	-	-	-	-	(63)	(63)	-
Profit/(loss) before taxation	2,152	(555)	(443)	-	(715)	439	(461)
Taxation	-	-	-	-	(314)	(314)	-
Profit/(loss) for the period	2,152	(555)	(443)	-	(1,029)	125	(461)

(1) Unallocated costs represent Directors' remuneration, administration staff, corporate head office costs and expenses associated with AIM.

6 EARNINGS PER SHARE

	6 months ended 31 March 2024 £000 Unaudited	6 months ended 31 March 2023 £000 Unaudited	Year ended 30 September 2023 £000 Audited
Profit/(loss) for the financial period attributable to equity shareholders	303	301	(336)
Non-recurring operational costs	-	-	255
Share-based payments costs and associated costs	49	202	370
Loss from discontinued operations	103	20	461
Underlying* profit/(loss) for the financial period	455	523	750
Weighted average number of shares:			
- Ordinary shares in issue	53,962,868	53,962,868	53,962,868
- Shares held by EBT	(3,677)	(3,677)	(3,677)
- Treasury shares	(1,352,140)	(1,642,543)	(1,520,488)
Basic weighted average number of shares	52,607,051	52,316,648	52,438,703
Effect of employee share options	1,506,011	1,618,097	1,625,179
Diluted weighted average number of shares	54,113,062	53,934,745	54,063,882
Basic earnings/(loss) per share attributable to equity shareholders of the Parent (pence)	0.6p	0.6p	(0.6)p
Diluted earnings/(loss) per share attributable to equity shareholders of the Parent (pence)	0.6p	0.6p	(0.6)p
Underlying* basic earnings/(loss) per share attributable to equity shareholders of the parent (pence) from continuing operations	0.9p	1.0p	1.4p
Basic earnings/(loss) per share attributable to equity shareholders of the parent (pence) from continuing operations	0.8p	0.6p	0.2p
Diluted earnings/(loss) per share attributable to equity shareholders of the parent (pence) from continuing operations	0.8p	0.6p	0.2p

*Underlying figures are stated before the share-based payment costs and non-recurring operational costs (this is not a GAAP measure)

Independent review report to Driver Group plc

CONCLUSION

Based on our review, nothing has come to our attention that causes us to believe that the condensed set of financial statements in the half-yearly financial report for the six months ended 31 March 2024 is not prepared, in all material respects, in accordance with the London Stock Exchange AIM Rules for Companies.

We have been engaged by the company to review the condensed set of financial statements in the half-yearly financial report for the six months ended 31 March 2024 which comprises the Condensed Consolidated Income Statement, Condensed Consolidated Statement of Comprehensive Income, Condensed Consolidated Statement of Financial Position, Condensed Consolidated Statement of Cash Flows, Condensed Consolidated Statement of Changes in Equity and the related explanatory notes that have been reviewed.

BASIS FOR CONCLUSION

We conducted our review in accordance with International Standard on Review Engagements (UK) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" ("ISRE (UK) 2410"). A review of interim financial information consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (UK) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

As disclosed in note 1, the annual financial statements of the group are prepared in accordance with UK adopted international accounting standards. The condensed set of financial statements included in this half-yearly financial report has been prepared in accordance with the London Stock Exchange AIM Rules for Companies.

CONCLUSIONS RELATING TO GOING CONCERN

Based on our review procedures, which are less extensive than those performed in an audit as described in the Basis for conclusion section of this report, nothing has come to our attention to suggest that the directors have inappropriately adopted the going concern basis of accounting or that the directors have identified material uncertainties relating to going concern that are not appropriately disclosed.

This conclusion is based on the review procedures performed in accordance with ISRE (UK) 2410, however future events or conditions may cause the group to

cease to continue as a going concern..

RESPONSIBILITIES OF DIRECTORS

The directors are responsible for preparing the half-yearly financial report in accordance with the London Stock Exchange AIM Rules for Companies which require that the half-yearly report be presented and prepared in a form consistent with that which will be adopted in the group's annual accounts having regard to the accounting standards applicable to such annual accounts.

In preparing the half-yearly financial report, the directors are responsible for assessing the group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the group or to cease operations, or have no realistic alternative but to do so.

AUDITOR'S RESPONSIBILITIES FOR THE REVIEW OF THE FINANCIAL INFORMATION

In reviewing the half-yearly report, we are responsible for expressing to the Company a conclusion on the condensed set of financial statement in the half-yearly financial report. Our conclusion, including our Conclusions Relating to Going Concern, are based on procedures that are less extensive than audit procedures, as described in the Basis for Conclusion paragraph of this report.

USE OF OUR REPORT

Our report has been prepared in accordance with the terms of our engagement to assist the Company in meeting the requirements of the London Stock Exchange AIM Rules for Companies and for no other purpose. No person is entitled to rely on this report unless such a person is a person entitled to rely upon this report by virtue of and for the purpose of our terms of engagement or has been expressly authorised to do so by our prior written consent. Save as above, we do not accept responsibility for this report to any other person or for any other purpose and we hereby expressly disclaim any and all such liability.

KRESTON REEVES

*Chartered Accountants
London, United Kingdom*

12 June 2024

KRESTON REEVES LLP is a limited liability partnership registered in England and Wales (with registered number OC328775)

Directors and Advisors



Shaun Smith
Non-Executive Chairman

Shaun began his career in retail management and corporate treasury at Marks and Spencer plc before joining Glynwed International Plc in 1989 and subsequently becoming

Group Finance Director at AGA Rangemaster Group plc (formerly Glynwed International Plc) until its takeover in 2015. He then joined Norcross plc as Chief Financial Officer until July 2021.

He is currently an independent Non-Executive Director (and Audit, Remuneration, Nomination and ESG Committees member) of Cake Box Holdings plc and a Non-Executive Director (and Audit committee Chair) of Epwin Group Plc and INSPECS Group Plc.

Shaun is a qualified Corporate Treasurer and has a degree in economics.



Mark Wheeler
Chief Executive Officer

Mark is an Engineer and Surveyor with over 30 years' engineering experience within the construction industry, including major civil engineering, building and power projects.

He specialises in providing expert services support, quantum and technical reports for support in construction dispute resolution. This is achieved by means of litigation, adjudication, arbitration or mediation. He acts as an expert witness in both technical and quantum disputes and has cross examination experience in court, domestic and international arbitration. He is also head of our Diales expert team.



Charlotte Parsons
Chief Financial Officer

Charlotte has over 23 years' experience in international property, engineering, and construction consultancies, where she has an established track record of providing

high-level strategic and change management advice to the boards of PLCs and LLPs. Charlotte's experience as Finance Director at High-Point Rendel Ltd (since acquired by KPMG), and Chief Financial Officer of James R. Knowles (Holdings) PLC (since acquired by Hill International), means that she has a strong understanding of many of the same issues, sectors, markets and jurisdictions as those in which Driver Group operates.



Peter Collini
Senior Independent Director

Peter, ACA, is a corporate finance professional with over 25 years' experience of leading significant international transactions. He is Managing Director of Interpath

Advisory, a financial advisory business. Peter previously ran his own financial advisory practice, Riverhill Partners for 17 years, was a Managing Director at Deutsche Bank's Investment Bank and a chartered accountant practising tax with PwC. He holds an MA in Engineering from Oxford University.



Elizabeth Filkin CBE
Non-Executive Director

Former Parliamentary Standards Commissioner, Elizabeth has carried major roles in both the private and public sectors. She currently combines chairing The Advisory Council, The

Employers' Initiative on Domestic Abuse, TecSOS and she is also a Trustee of the Vodafone Foundation. Elizabeth has been the non-executive chair of Annington Homes, a non-executive director of Britannia Building Society, HBS, Logica, Jarvis and Hay Management Consultants and an Audit Commissioner



John Mullen
Non-Executive Director

John is a Chartered Quantity Surveyor and Civil Engineering Surveyor with over 40 years' experience across buildings, infrastructure, civils, engineering,

energy, oil and gas and process projects. He was one of the founders of Driver Group plc, having joined its predecessor partnership in 1983. One of the World's leading quantum experts, working in many different jurisdictions, matters appointed on have ranged in value up to US\$2.75 billion in dispute. He is co-author of the books Evaluating Contract Claims and The Expert Witness in Construction.





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