



driver
group plc

INTERIM REPORT
2021



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.

CONTENTS

Chairman's Statement	4	Consolidated Statement of Changes in Equity	12
Consolidated Income Statement	8	Notes to the Interim Financial Statements	14
Consolidated Statement of Comprehensive Income	9	Independent Review Report	17
Consolidated Statement of Financial Position	10	Directors and Advisers	18
Consolidated Cashflow Statement	11		

Key Points

For the six months ended 31 March 2021

	6 months ended 31 March 2021 £000 Unaudited	6 months ended 31 March 2020 £000 Unaudited	Change £000
Revenue	24,957	28,042	(3,085)
Gross Profit	6,397	7,175	(778)
Gross Profit %	26%	26%	-
Profit before tax	855	1,252	(397)
Add: Share-based payment charge	158	-	158
Underlying* profit before tax	1,013	1,252	(239)
Underlying* profit before tax %	4%	4%	-
Underlying* earnings per share	1.4p	1.8p	(0.4p)
Net cash**	7,222	3,301	3,921

- Underlying* profit before tax at £1.0m (2020: £1.3m) resulting in an underlying* profit before tax margin of 4% (2020: 4%).
- Profit before tax at £0.9m (2020: £1.3m).
- Net cash increase year on year of £3.9m to £7.2m (2020: £3.3m).
- Revenue down by 11.0% to £25.0m (2020: £28.0m) as a result of the impact of COVID-19.
- Gross profit at 26%, a £0.8m decrease to £6.4m (2020: £7.2m).
- Fee earner headcount decreased by 28 to 301 with an increase in EuAm offset by decreases in both APAC and Middle East.
- Overall utilisation rates of 72.1% (2020: 73.1%).
- Europe & Americas (EuAm) reported underlying* profit before tax for the period of £2.5m (2020: £1.7m) with utilisation rates at 71.6% (2020: 71.6%).
- Middle East (ME) reported underlying* loss before tax for the period of £0.4m (2020: breakeven) with utilisation rates at 75.0% (2020: 72.3%).
- Asia Pacific (APAC) reported underlying* loss before tax for the period of £0.3m (2020: £0.6m profit) with utilisation rates at 67.6% (2020: 77.1%).

* 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

Chairman's statement



Steven Norris
Non-Executive
Chairman
7 June 2021

INTRODUCTION

During the COVID-19 affected first half of the 2021 financial year the Group has performed in line with the second half of the 2020 financial year. This resilient performance is creditable during the first half of the financial year with underlying* profit before tax (stated before share based payment charges) being slightly below the result for the same period last year, which was largely unaffected by COVID-19. Whilst the performance during the period has been adversely impacted by various lockdowns in key territories and the loss of senior staff and associated team members to a competitor in the APAC region, we have made meaningful progress in implementing the five year strategic plan which was announced in December 2020. We have successfully established and grown a presence in the United States and Spain which has resulted in developing opportunities in these markets and in South America. Additionally, we have achieved the following strategic objectives:

- Grown the number of testifying Diales experts to 50
- Focused recruitment to further enhance our technical and geographic service offering
- Implemented a new long term incentive plan to aid the retention of key staff
- Won a long term contract with a major South Korean contractor based in Seoul which will help to further grow this sector
- Reduced the Group's cost base by approximately 13% year-on-year by bearing down selectively on operating costs whilst maintaining the Group's fee-earning capacity at maximum utilisation at pre-COVID levels

In addition, it is our intention to establish a forensic accounting service offering under the Diales brand. This new service line represents an excellent and complementary fit alongside our core construction-related quantum, delay and technical expert services. Implementation of these actions is consistent with the Group's stated strategic ambition to generate increased shareholder value through growing the proportion of revenues derived from higher margin expert assignments.

TRADING PERFORMANCE

Group revenue for the six months to 31 March 2021 was £25.0m, a decrease of 11.0% on the same period in 2020 (£28.0m), however the latter period was mainly unaffected by COVID-19. Overall, the Group reported an underlying* profit before tax of £1.0m (2020: £1.3m). Revenues in the EuAm region of £17.2m increased by 11.8% which was offset by decreases of 28.4% in ME and

55.7% in APAC respectively £5.7m and £2.1m. The EuAm region delivered operating profits of £2.5m (2020: £1.7m) whilst the ME region recorded an operating loss of £0.4m (2020: breakeven) and APAC region an operating loss of £0.3m (2020: operating profit £0.6m). The strong performance in EuAm was delivered across the region increasing the operating margin to 14.7% (2020: 11.2%) whilst the poor performances in ME and APAC regions reflect a combination of COVID-19 affected markets and the loss of key staff in Singapore to a competitor. Decisive action has been taken with a view to improving operating performance in both the ME and APAC regions, with both regions under the common leadership of a very experienced operational business leader, who joined the Group from a major competitor in September 2020. The Group's effective tax rate is 34% (2020: 24%) reflecting a shift in the geographic split of overall Group profits with taxable profits generated in the EuAm region and losses in low tax regime in the ME region. Profit per share was 1.1p (2020: 1.8p).

The Group continues to maintain strict discipline over the management of its net working capital position and the Group's net cash** balance stood at £7.2m at 31 March 2021 compared to £8.2m at the traditionally seasonally higher financial year end position at 30 September 2020 and £3.3m at 31 March 2020.

Net cash inflow from operations was £0.3m (2020: £0.5m outflow) during the first six months, including a net inflow from a decrease in trade and other receivables of £0.1m (2020: £2.1m cash outflow) and a net cash outflow from a decrease in trade and other payables of £1.5m (2020: £0.4m). Tax paid totalled £0.2m (2020: £0.3m) and the acquisition of fixed assets absorbed £0.2m (2020: £0.1m). A further cash outflow during the period was the payment of dividends of £0.4m (2020: £0.7m).

DIVIDEND

The final dividend announced at the time of the results for the year to 30 September 2020 (0.75p per share) in December was paid in March 2021. Reflecting our confidence in the medium term prospects for the Group and the inherently cash generative nature of our business along with the strong balance sheet position the Board recommends the payment of an interim dividend of 0.75p per share for 2021 (2020: nil p per share).

OUTLOOK

Activity levels during April and May were broadly unchanged from those witnessed during the first half and while the pipeline of opportunities continues to build, the COVID impact on pipeline conversion timelines suggests

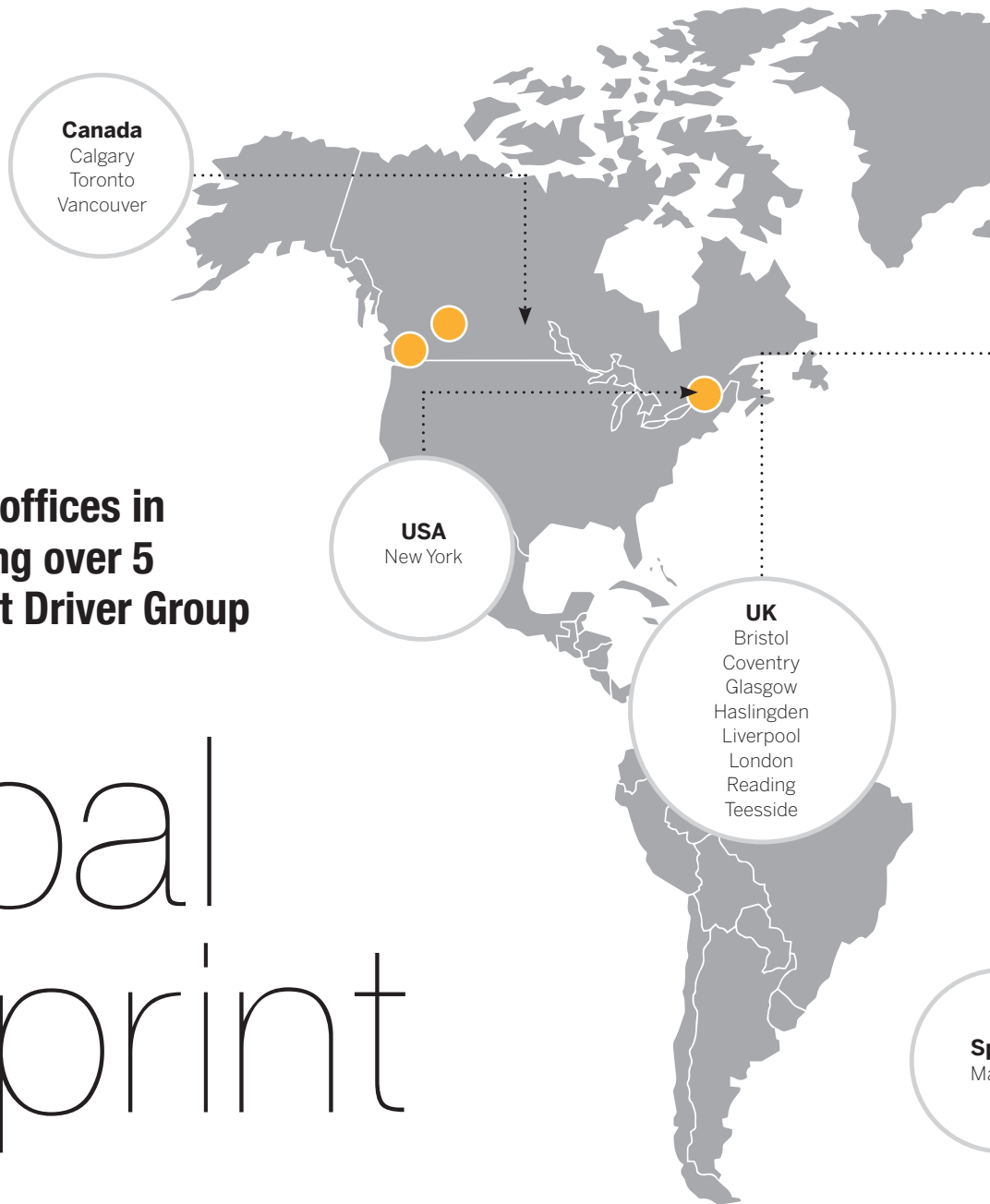


that the prospects of a meaningful uptick during the remainder of the current financial year are now limited. Construction-related claims activity is a lagging indicator of broader trends in infrastructure spend and the Board's belief is that Driver's current activity levels are reflective of the wider market. Looking beyond the current financial year, recognising that Driver typically operates with limited forward revenue visibility, our expectation is that the very significant constraints on routine business development which have existed throughout the last twelve months will start to abate. The building blocks which underpin our five year plan are in place and the Board is confident that the actions already implemented to reposition the business with growth focussed on higher margin expert service lines and, including the significant reduction in the cost base and hence monthly revenue break-even level noted above, together ensure that the Group is well placed to take advantage of the widely anticipated improvement in our key markets as infrastructure spend recovers and the sector confronts the reality of a COVID-induced backlog of claims and disputes.

I would like to pay particular tribute to our CEO Mark Wheeler and CFO David Kilgour for the way they have managed the business during the COVID-19 affected times and in tandem have still made significant progress in implementing the objectives of the five year strategic plan. I also thank my Board colleagues, Peter Collini, Elizabeth Filkin and John Mullen for their unstinting support and most of all, I thank every one of our staff wherever they are in the world for their continued diligence and loyalty. I am grateful for the confidence our shareholders have consistently demonstrated and I assure them that the Group will continue to do its utmost to repay that confidence.

* 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



Operating through 31 offices in 18 Countries, spreading over 5 Continents means that Driver Group plc offers a...

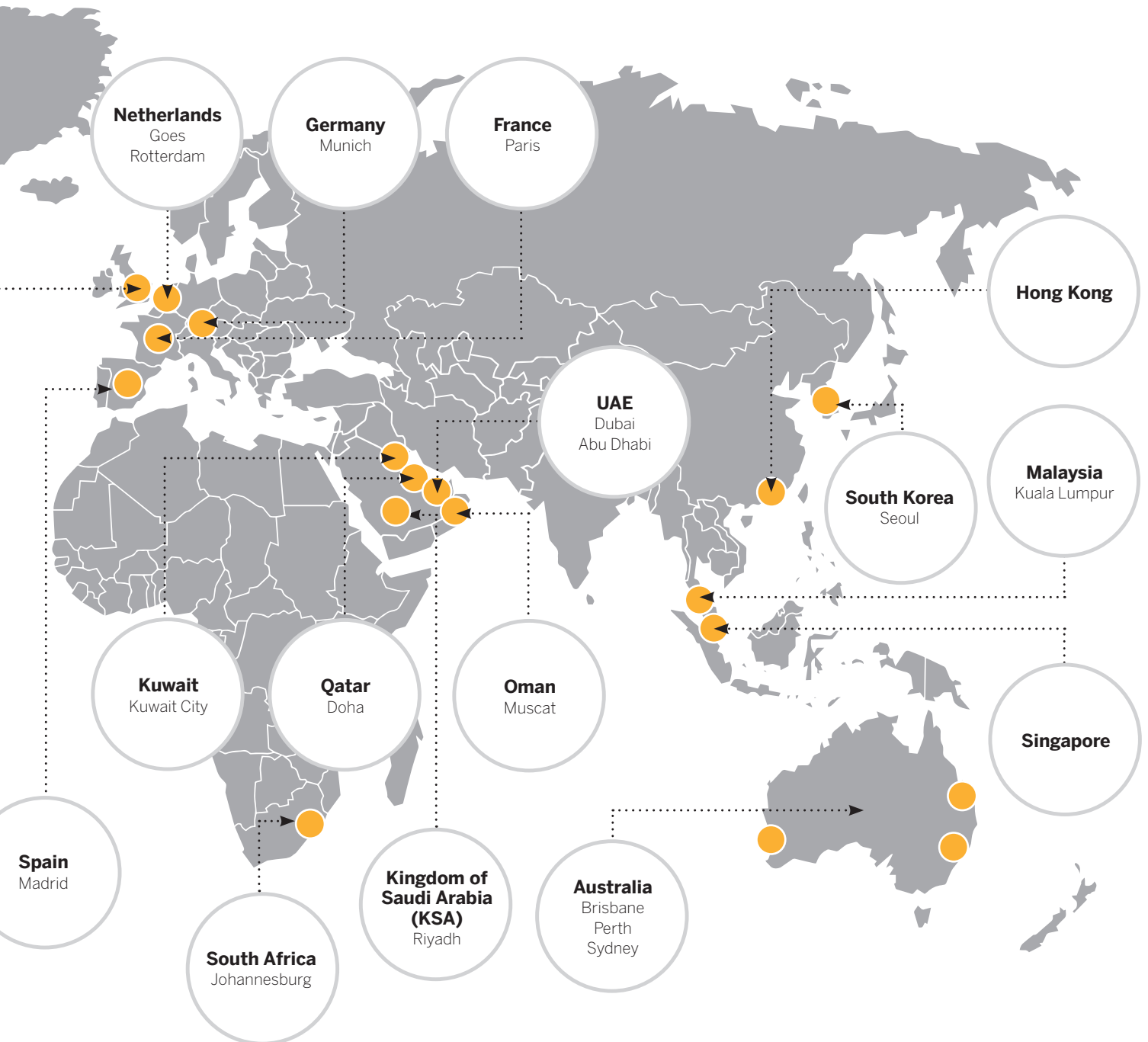
Global footprint

driver trett

Driver Trett provides 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 programming; assistance and forensic delay analysis; dispute avoidance, dispute resolution support and expertise; as well as training and seminars tailored to our clients' needs.

driver project services

Driver Project Services provides site-based commercial management, project management and planning and programming services to our clients. Our staff work seamlessly with our clients' teams, offering additional project support at the point of need or for the duration of the project.



Diales is the Group's Expert Witness and expert advisory services provider. Our world-class quantum, delay, and technical experts assist in litigation, arbitration, and adjudication, as well as in negotiation, mediation, and other dispute resolution forums. Diales also provides highly experienced adjudicators, arbitrators, and mediators, as well as offering third party neutral evaluation and determination.

Consolidated Income Statement

Interim report for the six months ended 31 March 2021

	6 months ended 31 March 2021 £000 Unaudited	6 months ended 31 March 2020 £000 Unaudited	Year ended 30 September 2020 £000 Audited
REVENUE	24,957	28,042	53,074
Cost of sales	(18,500)	(20,748)	(39,162)
Impairment movement	(60)	(119)	(778)
GROSS PROFIT	6,397	7,175	13,134
Administrative expenses	(5,576)	(5,946)	(11,413)
Other operating income	67	73	130
Underlying* operating profit	1,046	1,302	2,618
One off severance costs	-	-	(767)
Share-based payment charge and associated costs	(158)	-	-
OPERATING PROFIT	888	1,302	1,851
Finance income	-	14	14
Finance costs	(33)	(64)	(128)
PROFIT BEFORE TAXATION	855	1,252	1,737
Tax expense (note 2)	(291)	(301)	(399)
PROFIT FOR THE PERIOD	564	951	1,338
Profit/(loss) attributable to non-controlling interests	-	1	(1)
Profit attributable to equity shareholders of the parent	564	950	1,339
	564	951	1,338
Basic earnings per share attributable to equity shareholders of the parent (pence)	1.1p	1.8p	2.6p
Diluted earnings per share attributable to equity shareholders of the parent (pence)	1.0p	1.7p	2.5p

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

Consolidated Statement of Comprehensive Income

Interim report for the six months ended 31 March 2021

	6 months ended 31 March 2021 £000 Unaudited	6 months ended 31 March 2020 £000 Unaudited	Year ended 30 September 2020 £000 Audited
PROFIT FOR THE PERIOD	564	951	1,338
Other comprehensive income:			
<i>Items that could subsequently be reclassified to the Income Statement:</i>			
Exchange differences on translating foreign operations	37	73	(24)
Other comprehensive income for the year net of tax	37	73	(24)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	601	1,024	1,314
Total comprehensive income attributable to:			
Owners of the parent	601	1,023	1,315
Non-controlling interest	-	1	(1)
	601	1,024	1,314

Consolidated Statement of Financial Position

Interim report for the six months ended 31 March 2021

	31 March 2021 £000 Unaudited	31 March 2020 £000 Unaudited	30 September 2020 £000 Audited
NON-CURRENT ASSETS			
Goodwill	2,969	2,969	2,969
Property, plant and equipment	433	593	501
Right of use asset	2,124	2,226	1,831
Intangible asset	319	57	182
Deferred tax asset	303	268	308
	6,148	6,113	5,791
CURRENT ASSETS			
Trade and other receivables	17,606	21,767	17,819
Derivative financial asset	317	275	171
Cash and cash equivalents	7,472	3,301	11,215
	25,395	25,343	29,205
TOTAL ASSETS	31,543	31,456	34,996
CURRENT LIABILITIES			
Borrowings	(250)	-	(3,000)
Trade and other payables	(8,139)	(8,788)	(9,446)
Derivative financial liability	(1)	(64)	(178)
Lease creditor	(826)	(916)	(679)
Current tax payable	(346)	(405)	(264)
	(9,562)	(10,173)	(13,567)
NON-CURRENT LIABILITIES			
Lease creditor	(1,224)	(1,184)	(1,040)
	(1,224)	(1,184)	(1,040)
TOTAL LIABILITIES	(10,786)	(11,357)	(14,607)
NET ASSETS	20,757	20,099	20,389
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	(412)	(352)	(449)
Capital redemption reserve	18	18	18
Treasury shares	(1,025)	(1,025)	(1,025)
Retained earnings	9,406	8,686	9,075
Own shares	(3)	(3)	(3)
TOTAL SHAREHOLDERS' EQUITY	20,751	20,091	20,383
NON-CONTROLLING INTEREST	6	8	6
TOTAL EQUITY	20,757	20,099	20,389

Consolidated Cashflow Statement

Interim report for the six months ended 31 March 2021

	6 months ended 31 March 2021 £000 Unaudited	6 months ended 31 March 2020 £000 Unaudited	Year ended 30 September 2020 £000 Audited
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit for the year	564	951	1,338
Adjustments for:			
Depreciation	141	162	321
Amortisation of right to use assets	464	514	1,051
Exchange adjustments	32	(7)	55
Finance income	-	(14)	(14)
Finance expense	33	64	128
Tax expense	291	301	399
Equity settled share-based payment charge	158	-	-
OPERATING CASH FLOW BEFORE CHANGES IN WORKING CAPITAL AND PROVISIONS	1,683	1,971	3,278
Decrease/(increase) in trade and other receivables	126	(2,051)	2,056
(Decrease)/increase in trade and other payables	(1,486)	(394)	240
CASH GENERATED/(USED) IN OPERATIONS	323	(474)	5,574
Tax paid	(184)	(274)	(519)
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	139	(748)	5,055
CASH FLOWS FROM INVESTING ACTIVITIES			
Interest received	-	14	14
Acquisition of property, plant and equipment	(103)	(70)	(167)
Acquisition of intangible asset	(136)	(57)	(182)
NET CASH OUTFLOW FROM INVESTING ACTIVITIES	(239)	(113)	(335)
CASH FLOWS FROM FINANCING ACTIVITIES			
Interest paid	(33)	(64)	(107)
Repayment of borrowings	(3,000)	(2,125)	(3,191)
Proceeds of borrowings	250	-	3,000
Repayment of lease liabilities	(437)	(505)	-
Dividends paid to the equity shareholders of the parent	(391)	(652)	(653)
Purchase of Treasury shares	-	(25)	(25)
NET CASH OUTFLOW FROM FINANCING ACTIVITIES	(3,611)	(3,371)	(976)
Net decrease in cash and cash equivalents	(3,711)	(4,232)	3,744
Effect of foreign exchange on cash and cash equivalents	(32)	7	(55)
Cash and cash equivalents at start of period	11,215	7,526	7,526
CASH AND CASH EQUIVALENTS AT END OF PERIOD	7,472	3,301	11,215

Consolidated Statement of Changes of Equity

For the six months ended 31 March 2021 (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 2020	216	11,496	(1,025)	1,055	(431)	9,075	(3)	20,383	6	20,389
Profit for the period	-	-	-	-	-	564	-	564	-	564
Other comprehensive income for the period	-	-	-	-	37	-	-	37	-	37
Total comprehensive income for the period	-	-	-	-	37	564	-	601	-	601
Contributions by and distributions to owners										
Dividend	-	-	-	-	-	(391)	-	(391)	-	(391)
Share-based payment charge	-	-	-	-	-	158	-	158	-	158
Purchase of Treasury shares	-	-	-	-	-	-	-	-	-	-
Total contributions by and distributions to owners	-	-	-	-	-	(233)	-	(233)	-	(233)
CLOSING BALANCE AT 31 MARCH 2021	216	11,496	(1,025)	1,055	(394)	9,406	(3)	20,751	6	20,757

For the six months ended 31 March 2020 (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 2019	216	11,496	(1,000)	1,055	(407)	8,127	(3)	19,484	7	19,491
Profit for the period	-	-	-	-	-	950	-	950	1	951
Other comprehensive income for the period	-	-	-	-	73	-	-	73	-	73
Total comprehensive income for the period	-	-	-	-	73	950	-	1,023	1	1,024
Contributions by and distributions to owners										
Dividend	-	-	-	-	-	(391)	-	(391)	-	(391)
Issue of new shares	-	-	-	-	-	-	-	-	-	-
Purchase of Treasury shares	-	-	(25)	-	-	-	-	(25)	-	(25)
Total contributions by and distributions to owners	-	-	(25)	-	-	(391)	-	(416)	-	(416)
CLOSING BALANCE AT 31 MARCH 2020	216	11,496	(1,025)	1,055	(334)	8,686	(3)	20,091	8	20,099

Consolidated Statement of Changes of Equity

For the year ended 30 September 2020 (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
OPENING BALANCE AT 1 OCTOBER 2019	216	11,496	(1,000)	1,055	(407)	8,127	(3)	19,484	7	19,491
Profit for the year	-	-	-	-	-	1,339	-	1,339	(1)	1,338
Other comprehensive income for the year	-	-	-	-	(24)	-	-	(24)	-	(24)
Total comprehensive income for the year	-	-	-	-	(24)	1,339	-	1,315	(1)	1,314
Dividends	-	-	-	-	-	(391)	-	(391)	-	(391)
Share-based payment charge and associated costs	-	-	-	-	-	-	-	-	-	-
Purchase of Treasury shares	-	-	(25)	-	-	-	-	(25)	-	(25)
Issue of new shares	-	-	-	-	-	-	-	-	-	-
CLOSING BALANCE AT 30 SEPTEMBER 2020	216	11,496	(1,025)	1,055	(431)	9,075	(3)	20,383	6	20,389

(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 2021

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 2020 and that are expected to be adopted in the Group's full financial statements for the year ending 30 September 2021.

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 2021 and 31 March 2020 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 2020 included within this report does not constitute the full statutory accounts for that period. The statutory Annual Report and Financial Statements for 2020 have been filed with the Registrar of Companies. The Independent Auditor's Report on that Annual Report and Financial Statements for 2020 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 continue to monitor developments across the markets the Group operate in and the potential impact of COVID-19 in the short and medium term and is in particular focussed on the key risks of: delays by clients in contracting for claims advice; projects being suspended or planned projects not proceeding which could potentially result in a reduction in staff utilisation levels; and the impact of the current situation on the financial stability of clients causing delays to payments.

As Driver's business is geographically well spread across the world the Directors have been managing the impact of COVID-19 since January 2020 when the Singapore and Hong Kong offices started working remotely. As COVID-19 has spread, remote working has been successfully adopted at varying times in the Middle East offices and across Europe including the UK with minimal disruption of service to our clients. Whilst the COVID-19 restrictions have been relaxed across some jurisdictions the ongoing impact continues to be felt. The Directors are continuing to closely monitor the impact on the business to ensure the welfare of the staff and the clients.

The Directors have prepared cash flow forecasts and a reverse stress test 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, the cash and financing facilities available to the Group and the mitigating actions undertaken to reduce the impact of COVID-19. In preparing these forecasts, the Directors have considered sensitivities incorporating the potential impact of COVID-19 such as a reduction in both revenues and debtor receipts. The forecasts show that the Group could incur a further reduction in revenues of up to approximately 19% compared to existing depressed COVID-19 levels if combined with a minimal change to the cost base and a reduction of cash collections by up to 24% compared to current levels and still have sufficient headroom to operate. In all scenarios, the Group remained in a cash positive position with headroom throughout and as such there were no concerns with the banking covenants associated with the Group's facilities.

At 31 March 2021 the Group had cash reserves of £7.45m with an undrawn revolving credit facility of £5.0m and an undrawn £1.75m Coronavirus Large Business Interruption Loan Scheme Facility (£0.25m drawn). In addition to the above, the Group has also agreed a relaxation of its banking covenants until 30 September 2021.

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 and the undrawn additional credit facility. As such these Financial Statements have been prepared on a going concern basis.

2 TAXATION

The tax charge on the profit for the half-year ended 31 March 2021 is based on the estimated tax rates in the jurisdictions in which the Group operates, for the year ending 30 September 2021.

3 DIVIDEND

In view of the medium term prospects for the Group and the inherently cash generative nature of the business along with the strong balance sheet position, the Board recommends the payment of an interim dividend of 0.75p per share for 2021 (2020: interim dividend nil p per share).

Notes to the Interim Financial Statements (continued)

4 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	Consolidated £000
SIX MONTHS ENDED 31 MARCH 2021 (UNAUDITED)						
Total external revenue	17,179	5,689	2,089	-	-	24,957
Total inter-segment revenue	-	-	18	(18)	-	-
Total revenue	17,179	5,689	2,107	(18)	-	24,957
Segmental profit	2,527	(398)	(278)	-	-	1,851
Unallocated corporate expenses ⁽¹⁾	-	-	-	-	(805)	(805)
Share-based payment charge	-	-	-	-	(158)	(158)
Operating profit/(loss)	2,527	(398)	(278)	-	(963)	888
Finance income	-	-	-	-	-	-
Finance expense	-	-	-	-	(33)	(33)
Profit/(loss) before taxation	2,527	(398)	(278)	-	(996)	855
Taxation	-	-	-	-	(291)	(291)
Profit/(loss) for the period	2,527	(398)	(278)	-	(1,287)	564

	Europe & Americas £000	Middle East £000	Asia Pacific £000	Eliminations £000	Unallocated £000	Consolidated £000
SIX MONTHS ENDED 31 MARCH 2020 (UNAUDITED)						
Total external revenue	15,371	7,951	4,720	-	-	28,042
Total inter-segment revenue	61	256	7	(324)	-	-
Total revenue	15,432	8,207	4,727	(324)	-	28,042
Segmental profit	1,715	30	633	-	-	2,378
Unallocated corporate expenses ⁽¹⁾	-	-	-	-	(1,076)	(1,076)
Operating profit/(loss)	1,715	30	633	-	(1,076)	1,302
Finance income	-	-	-	-	14	14
Finance expense	-	-	-	-	(64)	(64)
Profit/(loss) before taxation	1,715	30	633	-	(1,126)	1,252
Taxation	-	-	-	-	(301)	(301)
Profit/(loss) for the period	1,715	30	633	-	(1,427)	951

Notes to the Interim Financial Statements (continued)

YEAR ENDED 30 SEPTEMBER 2020 (AUDITED)	Europe & Americas £000	Middle East £000	Asia Pacific £000	Eliminations £000	Unallocated £000	Consolidated £000
Total external revenue	31,033	14,373	7,668	-	-	53,074
Total inter-segment revenue	53	576	24	(653)	-	-
Total revenue	31,086	14,949	7,692	(653)	-	53,074
Segmental profit	3,988	111	511	-	-	4,610
Unallocated corporate expenses ⁽¹⁾	-	-	-	-	(1,992)	(1,992)
One off severance costs	-	-	-	-	(767)	(767)
Operating profit	3,988	111	511	-	(2,759)	1,851
Finance income	-	-	-	-	14	14
Finance expense	-	-	-	-	(128)	(128)
Profit before taxation	3,988	111	511	-	(2,873)	1,737
Taxation	-	-	-	-	(399)	(399)
Profit for the period	3,988	111	511	-	(3,272)	(1,338)
OTHER INFORMATION						
Non current assets	3,192	270	87	-	2,242	5,791
Reportable segment assets	16,061	8,796	2,117	-	8,022	34,996
Capital additions ⁽²⁾	82	37	18	-	212	349
Depreciation and amortisation	543	327	247	-	255	1,372

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

(2) Capital additions comprise of additions to property, plant and equipment and intangible assets.

5 EARNINGS PER SHARE

	6 months ended 31 March 2021 £000 Unaudited	6 months ended 31 March 2020 £000 Unaudited	Year ended 30 September 2020 £000 Audited
Profit for the financial period attributable to equity shareholders	564	950	1,339
Compensation for loss of office	-	-	767
Share-based payments cost and associated costs	158	-	-
Underlying* profit for the financial period	722	950	2,106
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	(1,787,811)	(1,786,062)	(1,786,937)
Basic weighted average number of shares	52,171,380	52,173,129	52,172,254
Effect of employee share options	1,939,155	2,759,618	2,558,796
Diluted weighted average number of shares	54,110,535	54,932,747	54,731,050
Basic earnings per share attributable to equity shareholders of the Parent (pence)	1.1p	1.8p	2.6p
Diluted earnings per share attributable to equity shareholders of the Parent (pence)	1.0p	1.7p	2.5p
Underlying* basic earnings per share	1.4p	1.8p	4.0p

6 POST BALANCE SHEET EVENT

There have been no significant events requiring disclosure since 31 March 2021.

*Underlying figures are stated before the share-based payment costs (this is not a GAAP measure) and compensation for loss of office.

Independent review report to Driver Group plc

INTRODUCTION

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 2021 which comprises the Consolidated Income Statement, the Consolidated Statement of Comprehensive Income, the Consolidated Statement of Financial Position, the Consolidated Cash Flow Statement, the Consolidated Statement of Changes in Equity and the related explanatory notes.

We have read the other information contained in the half-yearly financial report and considered whether it contains any apparent misstatements or material inconsistencies with the information in the condensed set of financial statements.

DIRECTORS' RESPONSIBILITIES

The interim report, including the financial information contained therein, is the responsibility of and has been approved by the directors. The directors are responsible for preparing the interim report in accordance with the rules of the London Stock Exchange for companies trading securities on AIM which require that the half-yearly report be presented and prepared in a form consistent with that which will be adopted in the Company's annual accounts having regard to the accounting standards applicable to such annual accounts.

OUR RESPONSIBILITY

Our responsibility is to express to the Company a conclusion on the condensed set of financial statements in the half-yearly financial report based on our review.

SCOPE OF REVIEW

We conducted our review in accordance with International Standard on Review Engagements (UK and Ireland) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Financial Reporting Council for use in the United Kingdom. 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.

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 2021 is not prepared, in all material respects, in accordance with the rules of the London Stock Exchange for companies trading securities on AIM.

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 rules of the London Stock Exchange for companies trading securities on AIM 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.

BDO LLP

*Chartered Accountants
Manchester, United Kingdom*

7 June 2021

BDO LLP is a limited liability partnership registered in England and Wales (with registered number OC305127)

Directors and Advisors



Steven Norris
Non-Executive Chairman

Steve was a Member of Parliament from 1983 – 1997 serving as Parliamentary Private Secretary in the Departments of Environment, Trade and Industry and the Home Office before becoming Minister for Transport in 1992. He is Chairman of Soho Estates and of This Land, the arms-length property development arm of Cambridgeshire County Council. He is a member of the Board of Cubic Corporation Inc (NYSE: CUB) and Deputy Chairman of Optare plc. Steve is also Chairman of the National Infrastructure Planning Association and a Commissioner of the Independent Transport Commission. He served on HM Treasury's HS2 Growth Task Force and is an Honorary Fellow of the Association for Project Management, a Companion of the Institution of Civil Engineers, an Eminent Fellow of the Royal Institution of Chartered Surveyors and an Honorary Life Member of the Railway Civil Engineers Association.



Mark Wheeler
Chief Executive Officer

Mark is an Engineer and Surveyor with over 25 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. Mark also has experience in working with a wide range of contracts, including JCT, FIDIC and the NEC3 & NEC4 forms. He regularly advises on the practical application and use of NEC3.



David Kilgour
Chief Financial Officer

David is a Chartered Accountant with over 25 years' experience in the engineering, infrastructure and utilities sectors. He was formerly Managing Director for Amec plc of a renewable power developer and consultancy business and previously Finance Director for United Utilities plc of the international and non-regulated operations. David has extensive financial and operational experience of managing international businesses.



Elizabeth Filkin
Non-Executive Director

Former Parliamentary Standards Commissioner, Elizabeth has carried major roles in both the private and public sectors. She is currently chair of The Employers' Initiative on Domestic Abuse, TecSOS and also serves on several Trusts. Elizabeth has been the non-executive chair of Annington Homes and The Independent Advisory Board, Marston Holdings, a non-executive director of Britannia Building Society, HBS, Logica, Jarvis and Hay Management Consultants, an Audit Commissioner and held board membership of the Chartered Institute of Legal Executives.



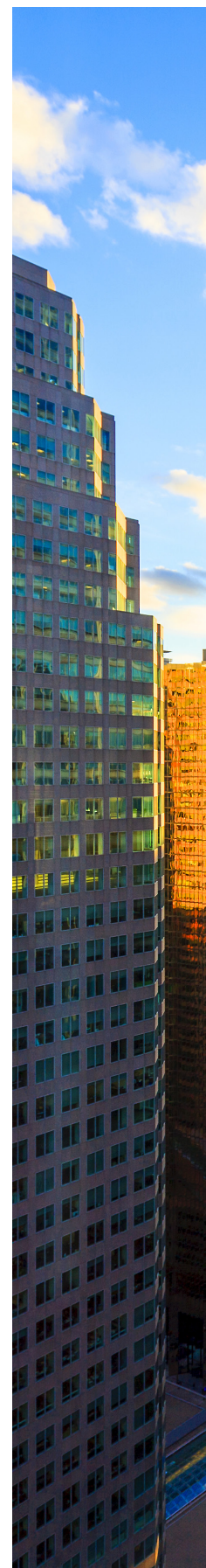
Peter Collini
Non-Executive Director

Peter, ACA, is a corporate finance professional with extensive experience leading significant international transactions. He set up Riverhill Partners, an independent advisory practice, in 2005 and advises public, private equity and state-owned businesses. Peter was a Managing Director at Deutsche Bank's Investment Bank, a chartered accountant practising tax with PwC and holds an MA in Engineering from Oxford University.



John Mullen
Non-Executive Director

John Mullen 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.





COMPANY SECRETARY

Thomas Ferns

REGISTERED OFFICE

Driver House,
4 St Crispin Way, Haslingden,
Lancashire, BB4 4PW

Tel: +44 (0)1706 223 999

Email: [InvestorRelations@
driver-group.com](mailto:InvestorRelations@driver-group.com)

Tel: +44 (0)20 7377 0005

www.driver-group.com

Fax: +44 (0)20 7377 0705

Email: info@driver-group.com

REGISTERED NUMBER

03475146

AUDITORS

BDO LLP,
3 Hardman Street,
Spinningfields,
Manchester, M3 3AT

BANKERS

HSBC Bank plc,
1 Forest Green,
Caxton Road,
Fulwood,
Preston PR2 9LJ

SOLICITORS

Haynes and Boone CDG LLP,
1 New Fetter Lane,
London, EC4A 1AN

NOMINATED ADVISORS

Nplus 1 Singer
Advisory LLP,
One Bartholomew Lane,
London, EC2N 2AX

BROKERS

Nplus 1 Singer
Advisory LLP,
One Bartholomew Lane,
London, EC2N 2AX

REGISTRARS

Neville Registrars Limited,
Neville House,
Steelpark Road,
Halesowen, B62 8HD

Registered Office:

Driver House
4 St Crispin Way
Haslingden
Lancashire
BB4 4PW

Tel: +44 (0) 1706 223 999

Email: info@driver-group.com

www.driver-group.com

driver
group plc