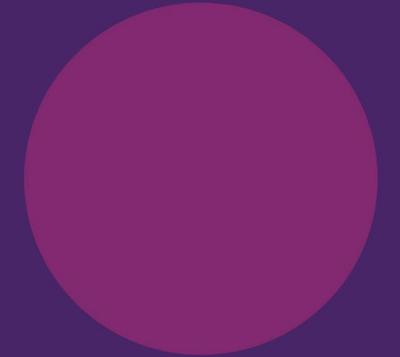
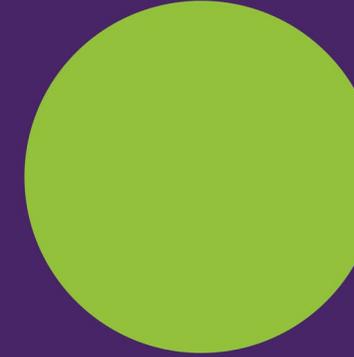
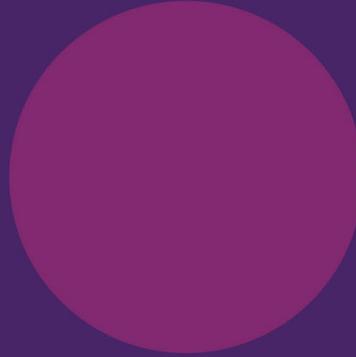




# Results for the six months ended 31 January 2025

Graham Charlton, CEO  
Katy Mecklenburgh, CFO

19 March 2025



# We are the largest provider of cyber security, cloud, workplace and IT infrastructure solutions and services in the UK<sup>1</sup>, supporting local customers with their global needs



We support commercial and public sector organisations to design, procure, implement and manage their IT infrastructure

## Corporate and public sector customers

10,254

## Customer satisfaction

98% NPS: 63  
as surveyed in May 2024



## Gross invoiced income FY24<sup>2</sup>

£2.9bn



## Employees at 31 January 2025

2,617



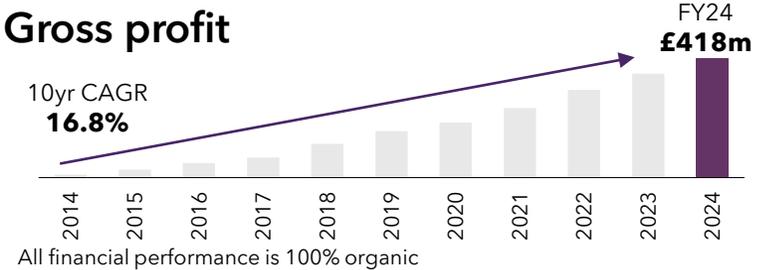
## Employee engagement

88% NPS: 55  
as surveyed in October 2024



## Gross profit

10yr CAGR  
16.8%



## Offices across the UK and Ireland

10



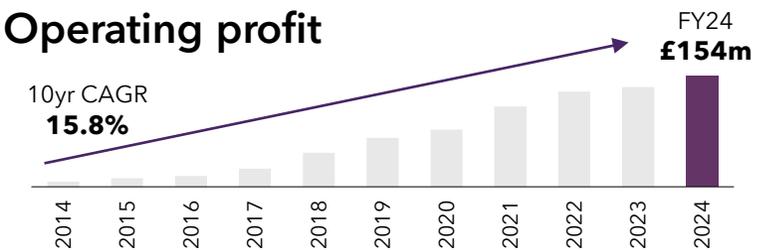
## International offices and branches

6



## Operating profit

10yr CAGR  
15.8%



400+ vendors



<sup>1</sup> Source: Channelweb CRN Top VARs 2024

<sup>2</sup> Gross invoiced income ('GII') is an alternative performance measure and represents the full value of invoices raised to customers before the IFRS 15 net down process overlaid on certain items such as cloud-based software. Working capital movements are therefore more closely correlated with GII than revenue

# H1 FY25 Financial Review

Katy Mecklenburgh, CFO



# Consistent strategic execution driving further profitable growth

GII\*  
**£1.51bn**  
H1 FY24: £1.26bn  
↑ +19.3%

Gross profit  
**£220.2m**  
H1 FY24: £196.5m  
↑ +12.1%

Operating profit  
**£73.7m**  
H1 FY24: £66.7m  
↑ +10.4%

Cash conversion\*\*  
**110.9%**  
H1 FY24: 101.1%  
*£141.0m closing cash*

Basic EPS  
**28.7p**  
H1 FY24: 25.6p  
↑ +12.3%

Interim dividend  
**8.9p**  
H1 FY24: 8.5p  
↑ +4.7%

Customers  
**10,254**  
H1 FY24: 10,114  
↑ +1.4%

Gross profit per customer  
**£43.1k**  
H1 FY24: £38.9k  
↑ +10.7%

\* Gross invoiced income ('GII') is an alternative performance measure and represents the full value of invoices raised to customers before the IFRS 15 net down process overlaid on certain items such as cloud-based software. Working capital movements are therefore more closely correlated with GII than revenue.

\*\* Defined as cash flow from operations before tax but after capital expenditure, as a percentage of operating profit.

# Summary income statement

£m	H1 FY25	H1 FY24	Change
Gross invoiced income	1,507.1	1,263.5	19.3%
Revenue	545.6	467.2	16.8%
Gross profit	220.2	196.5	12.1%
GP/GII %	14.6%	15.6%	(1.0%) pts
Admin. expenses	(146.5)	(129.8)	12.9%
Operating profit	73.7	66.7	10.4%
OP/GP %	33.5%	34.0%	(0.5%) pts
Net interest	3.0	1.5	
Tax	(19.3)	(17.2)	
Profit after tax	57.4	51.0	12.5%
Average headcount	2,591	2,430	6.6%
Gross profit per employee <sup>1</sup> (£'000)	173.2	168.2	3.0%

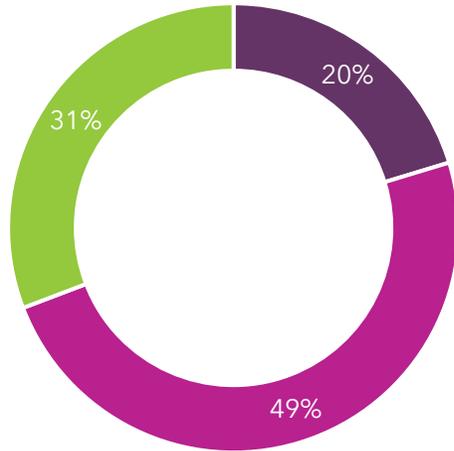
- GII growth driven by 22.5% growth in software and 18.5% in hardware, with services growing 8.8%
- Revenue growth reflects the strong GII growth, lower software gross margin and mix of internal services
- Broad-based growth in gross profit across all customer segments, with cyber security, data centres and networking driving growth by technology area
- GP/GII reduced by 1.0% pts YoY, reflecting the impact of several higher volume, low margin sales, together with a decline in software margins
- Slight reduction in OP/GP ratio reflecting ongoing investment to drive future growth. In H1 FY25 we increased average headcount by 6.6%, while commissions increased broadly in line with gross profit

<sup>1</sup> Calculated on an annual basis, using gross profit and average headcount over the 12-month period to 31 January 2025

# Well-diversified customer base and extensive customer offering

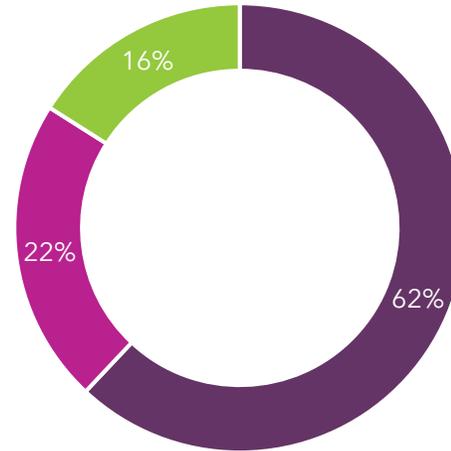
Our well-balanced customer base, together with the breadth and depth of our customer proposition, supports continued growth and drives significant competitive advantage

## Customer segment



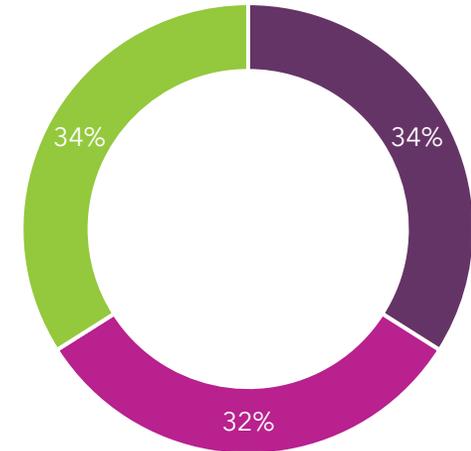
■ Enterprise ■ SMB ■ Public sector

## Product



■ Software ■ Hardware ■ Services

## Technology

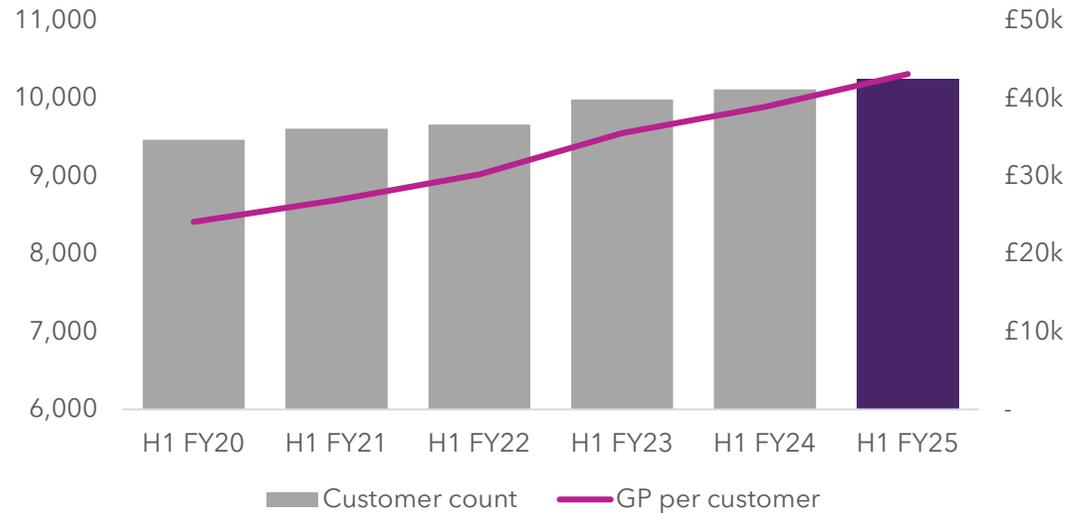


■ Public cloud and datacentre  
■ Networking and security  
■ Hybrid workplace

Percentages represent the proportion of H1 FY25 GII

# Growth driven by adding new customers and selling more to existing customers

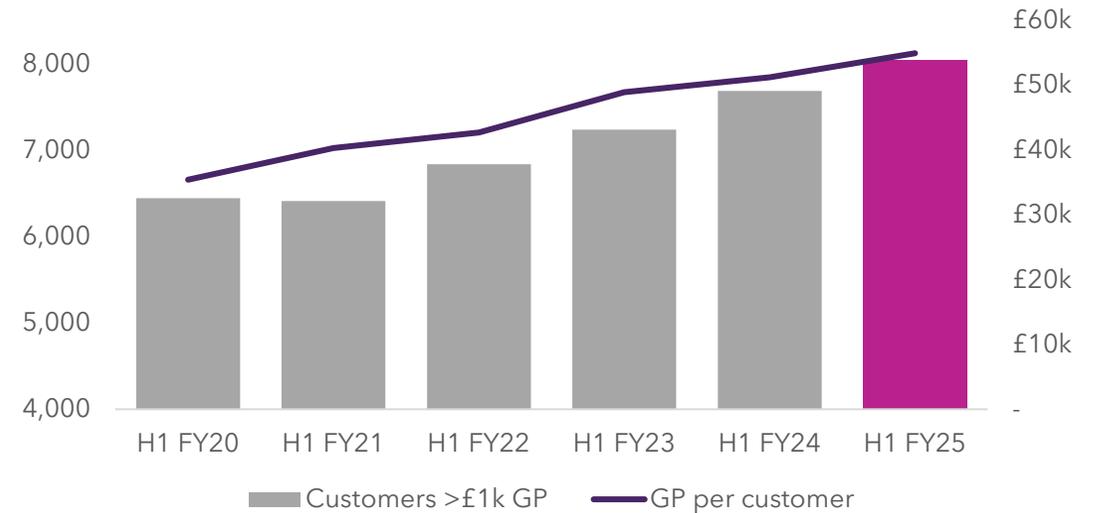
## Customer count and GP per customer



	H1 FY25	5yr CAGR
GP per customer	10.7%	12.3%
Customer count	1.4%	1.6%

- Customer count is defined as the number of entities which spent at least £1 with Softcat in each of the two preceding 12-month periods

## Customers delivering at least £1k GP in a single year



	H1 FY25	5yr CAGR
GP per customer	7.0%	9.1%
Customer count	4.9%	4.6%

- Customers that trade >£1k GP in a single year comprise approx. 99% of GP in each year
- The rate of growth in GP per customer and number of customers in this cohort is more evenly balanced than in the total customer count

# Strong cash generation

£m	H1 FY25	H1 FY24
Operating profit	73.7	66.7
Depreciation and amortisation	4.0	3.2
Net movement in working capital	10.4	(1.2)
Net capital expenditure	(7.9)	(2.8)
Other	1.5	1.6
Cash from operations before tax, after capex	81.7	67.5
As % of operating profit	110.9%	101.1%
Income taxes paid	(24.3)	(19.1)
Dividends paid	(77.9)	(59.1)
Other	2.8	0.5
Net increase/(decrease) in cash during the period	(17.5)	(10.2)
Closing cash balance	141.0	112.5

- Strong cash conversion of 110.9%, reflecting underlying performance of 89.2%, within our 85%-95% target range, alongside an upfront customer payment
- Good net working capital management
- Increased capex primarily reflecting investments in new office openings
- Higher cash tax reflects growth in profits
- Returned £78m of cash to shareholders in the period, reflecting final ordinary and special dividend announced at FY24 results

## Further dividend growth

	<b>H1 FY25</b>	H1 FY24
Interim	8.9p	8.5p
Ex-dividend date	10 April 2025	
Payment date	21 May 2025	

- Interim ordinary dividend of 8.9p, up 4.7% versus H1 FY24, in line with our amended policy of paying one-third of the previous year's ordinary dividend as an interim dividend in the current year
- The Group remains debt free

# Disciplined approach to capital allocation

## Investment in organic growth

Expanding headcount and investing in capabilities, systems and processes to enable growth and gain market share. The main driver of long-term shareholder value

## Progressive ordinary dividend

Distributing between 40% and 50% of reported profits after tax to shareholders each financial year

## Strategic investments

Inorganic growth, including expansion into new technology areas or markets, to drive long-term value

## Return excess cash to shareholders

Return excess cash, subject to maintaining a minimum level of cash required to operate and grow the business

- We continue to expect to deliver another year of double-digit gross profit growth in FY2025, with operating profit growth now expected to be low double-digit, up from high single-digit previously, supported by an encouraging second half pipeline
- Softcat operates in a significant and growing market, and we continue to invest to capitalise on this exciting growth potential, to drive further market share gains

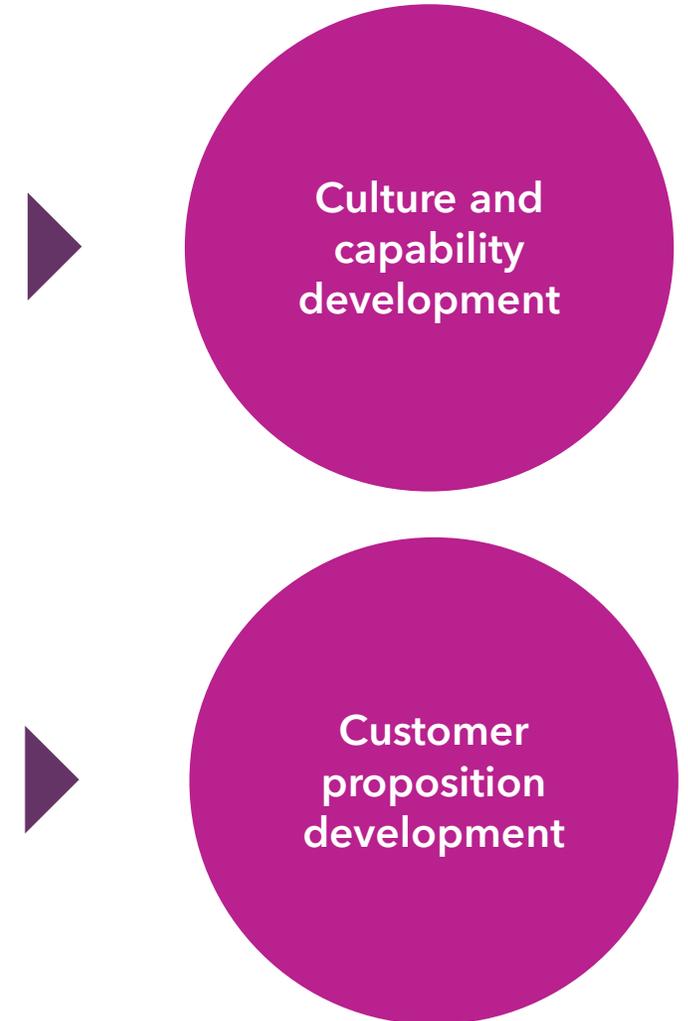
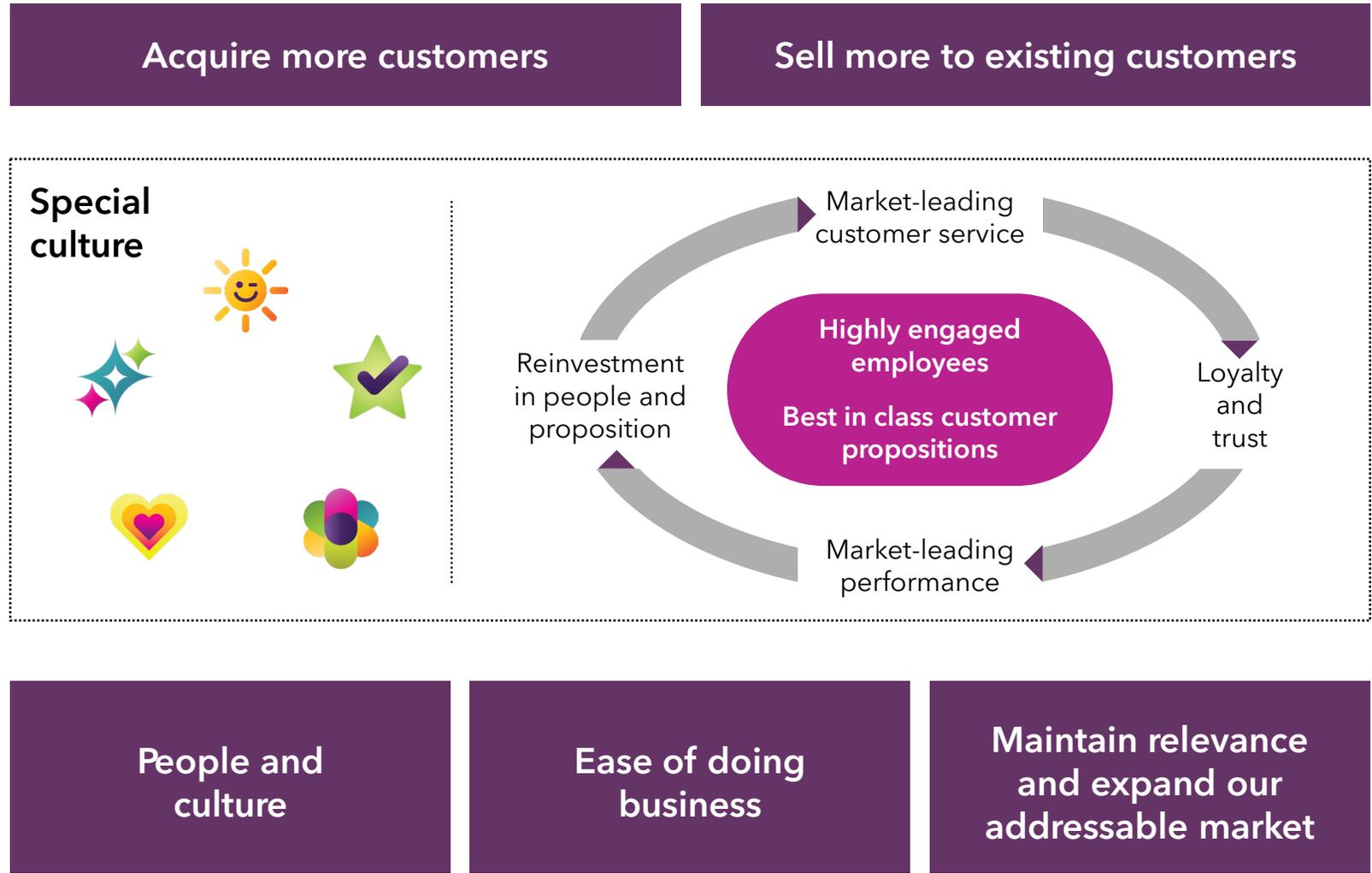


# Strategic update

Graham Charlton, CEO



# A proven strategy for sustainable growth



# The essential elements of our culture



Voice



Leadership Accessibility



Recognition



Welcoming Workplaces



The "S" in ESG



Empowerment



Keeping it Simple

Our people can tell us how they really feel

Our leaders are approachable and available

We recognise and reward great attitude and results

Smart, professional, informal and busy

We excel at the "social" element of ESG

We trust our people

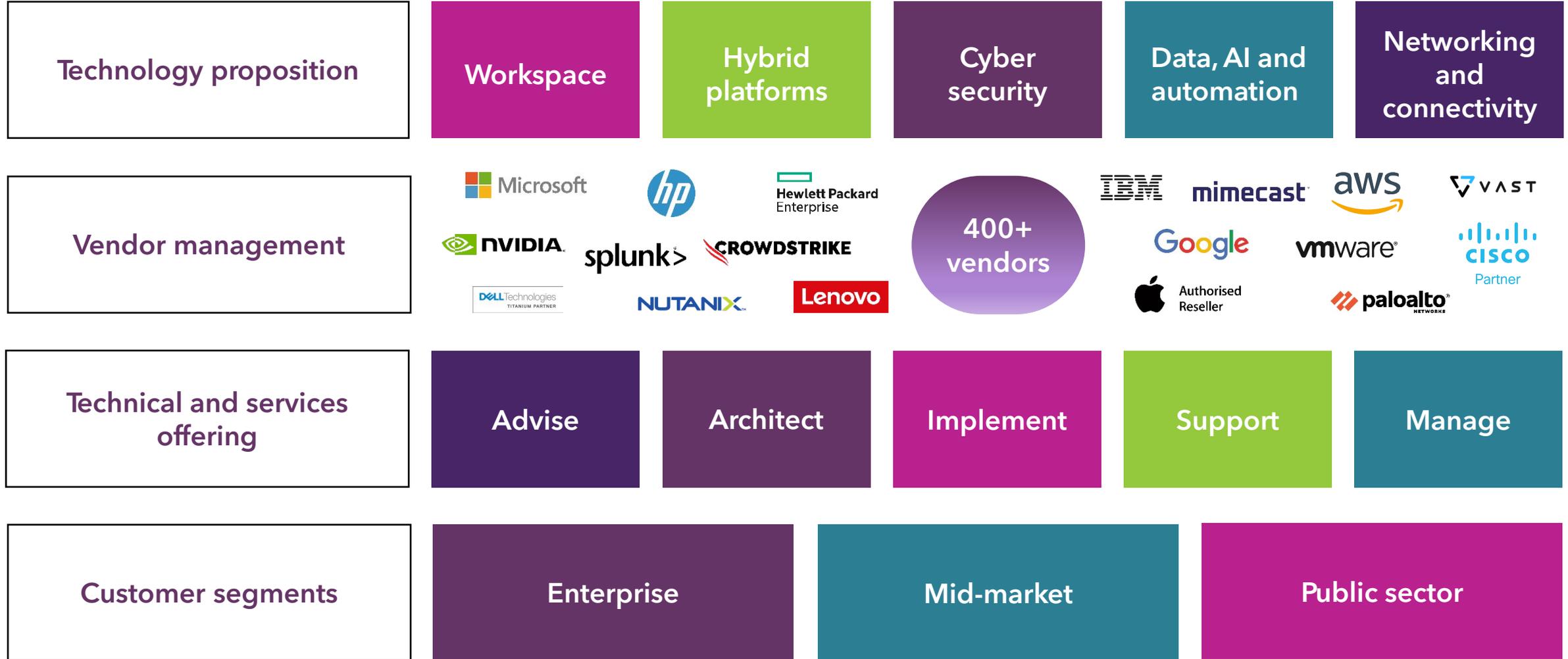
Plain language and straight forward methods wherever possible



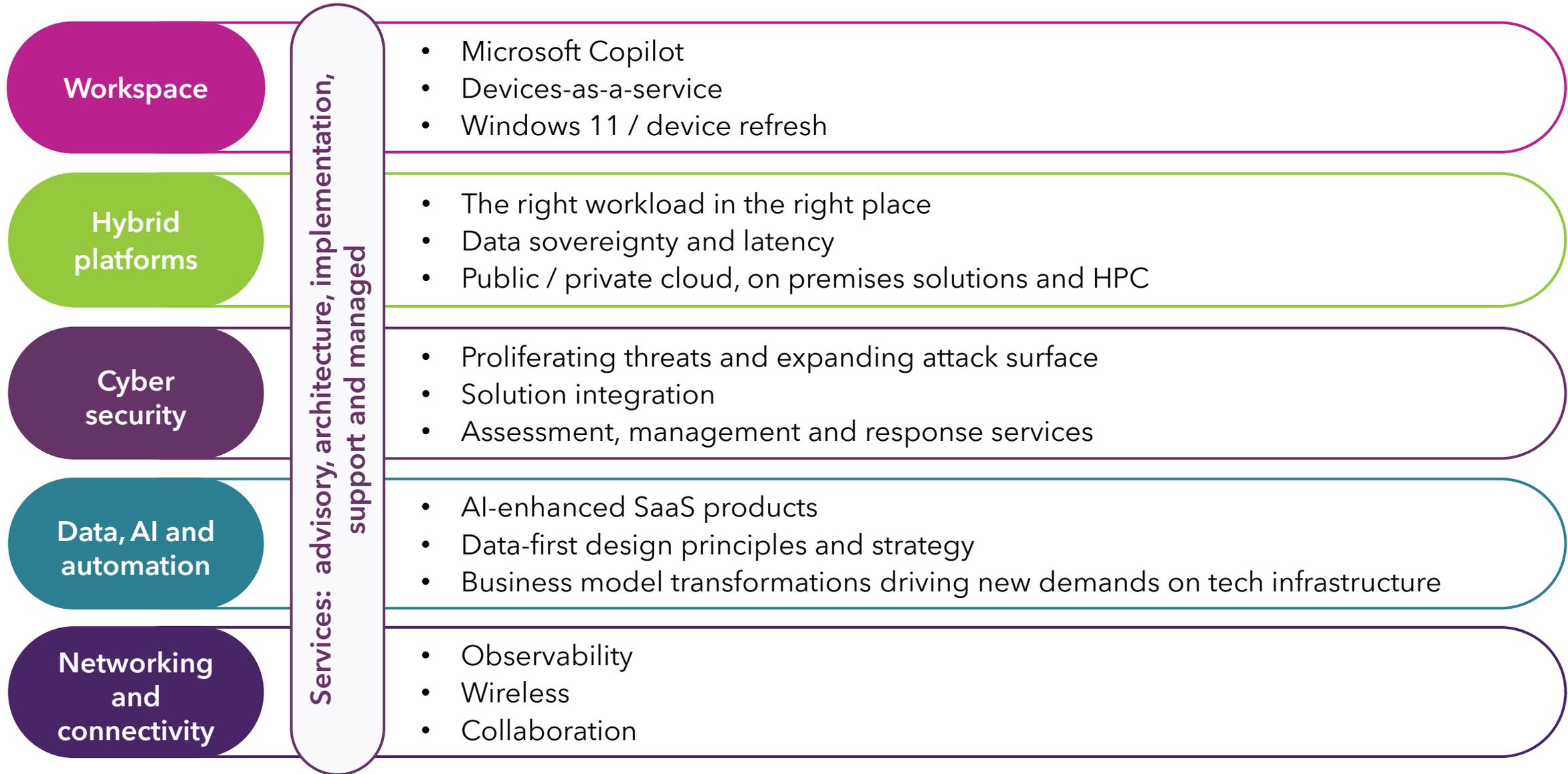
# The components of our customer proposition



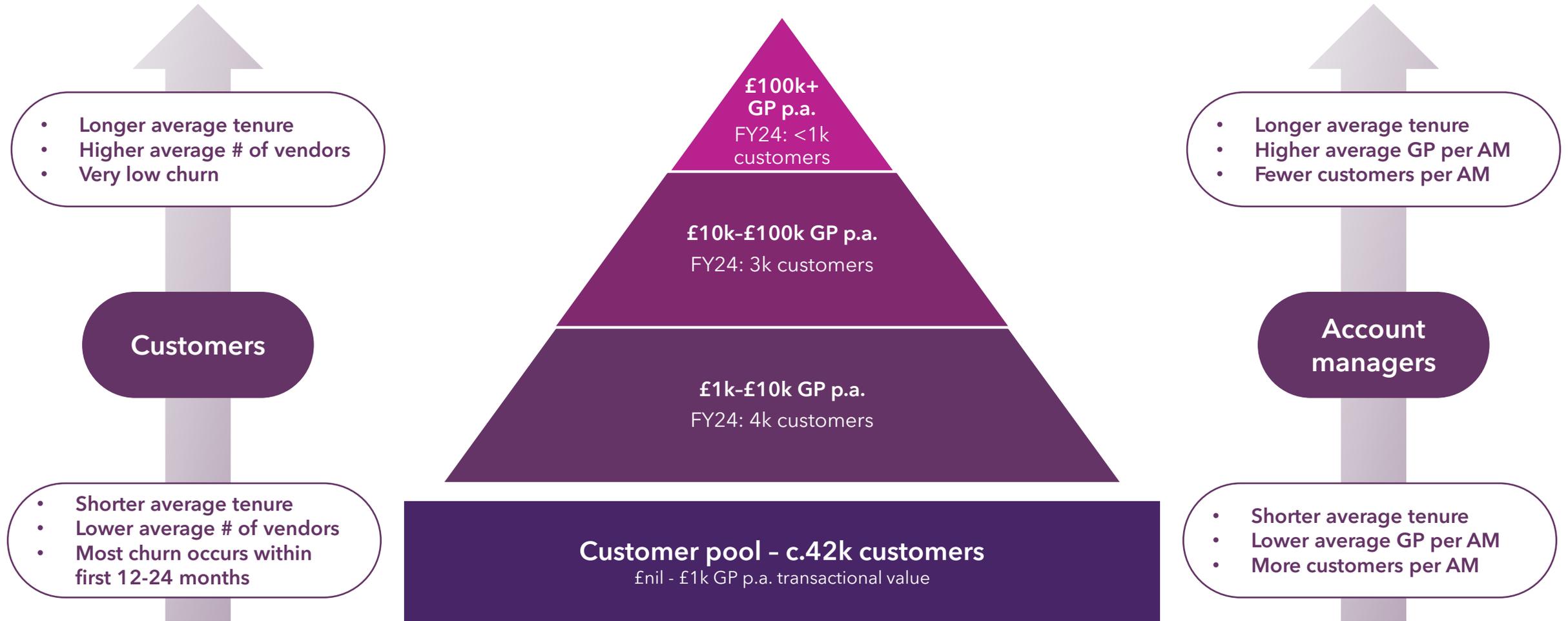
# The four dimensions of our offering and expertise



# Technology and services portfolio update



# Adding value for customers and Softcat through deeper relationships



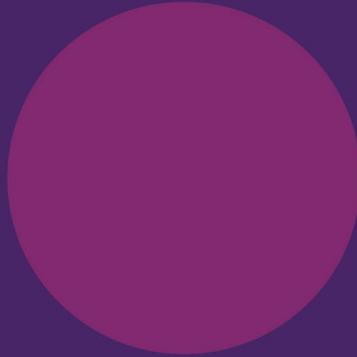
**Strong first half performance with positive momentum**

**Further strategic progress against clear and ambitious plans**

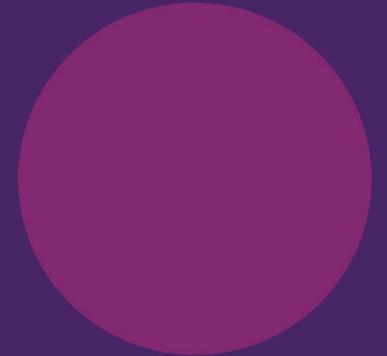
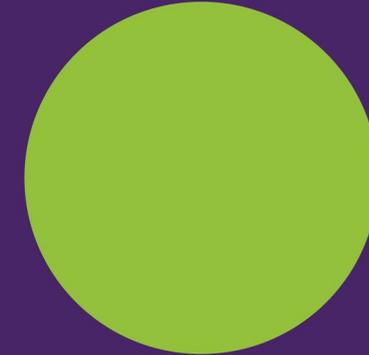
**Sustainability of growth continues to be based around our unique culture**

**Zero debt and strong cash generation**

SOFTCAT



Q&A



# Appendix



<h2>Vision</h2>	<h2>Sustainability</h2> <p>We strive for a sustainable future and one where our people and our planet can prosper</p>		
<h2>Strategy</h2>	<h3>Environmental</h3> <ul style="list-style-type: none"> <li>Softcat operations</li> <li>Supply chain</li> <li>Customer solutions</li> </ul>	<h3>Social</h3> <ul style="list-style-type: none"> <li>People and community</li> <li>Education and economy</li> <li>Diversity and inclusion</li> </ul>	<h3>Governance</h3> <ul style="list-style-type: none"> <li>Risk</li> <li>Reporting</li> <li>Compliance</li> </ul>
<h2>Goals</h2>	<ul style="list-style-type: none"> <li>✓ Carbon neutral since 2021</li> <li>✓ 100% renewable energy since 2023</li> <li>• Net zero value chain by 2040</li> </ul>	<ul style="list-style-type: none"> <li>• Gender workforce mix of 40% by 2030</li> <li>• Ethnic minority representation</li> <li>• Management Team diversity</li> </ul>	<ul style="list-style-type: none"> <li>• Regulatory compliance</li> <li>• Data protection and security</li> <li>• Transparency and influence</li> </ul>
<h2>Updates and awards</h2>	<ul style="list-style-type: none"> <li>✓ Industry-leading Carbon Neutral Cisco Support Service</li> <li>✓ Financial Times European Climate Leaders 2024</li> </ul>  	<ul style="list-style-type: none"> <li>• Best Workplace in Tech by GPTW and 5th Best Workplace overall</li> <li>• Four Equitable Workplace Awards</li> <li>• £542k in charitable donations</li> </ul>  	<ul style="list-style-type: none"> <li>• Improved international tax management</li> <li>• Ongoing data security and governance reviews</li> </ul>  