

 softcat

# Drive

Results for the year  
ended 31 July 2025

Graham Charlton, CEO

Katy Mecklenburgh, CFO

22 October 2025



# Softcat: the largest provider of technology solutions and services in the UK<sup>1</sup>, also operating across Ireland, the US and other international markets



We support SMB to enterprise-scale organisations across the corporate and public sectors to modernise and optimise their technology infrastructure. From the edge to the cloud, and from security through to data, AI, the network and workplace

Corporate and public sector customers

**10,186**

Employees at 31 July 2025

**2,768**

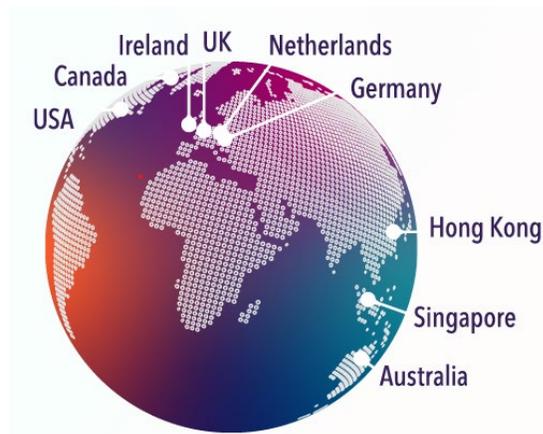


Offices across the UK&I, USA and Singapore

**12**

International branches

**5**

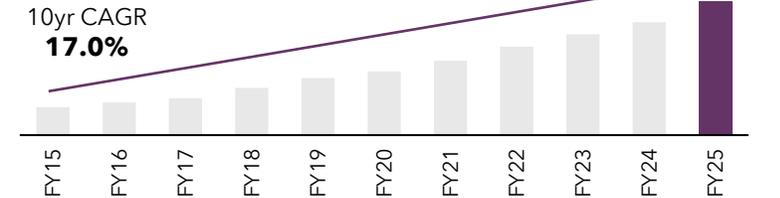


Gross invoiced income FY25<sup>2</sup>

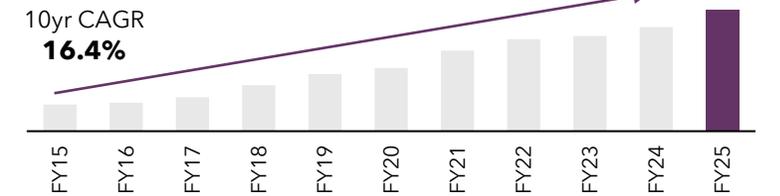
**£3.6bn**



Gross profit



Underlying operating profit



Employee engagement

**NPS: 55**

as surveyed in October 2024

Customer satisfaction

**NPS: 64**

as surveyed in May 2025

400+ vendors



1 Source: Channelweb CRN Top VARs 2025.

2 Gross invoiced income ('GII') is an alternative performance measure which correlates closely to the cash received by the business and therefore aids the user's understanding of working capital movements in the statement of financial position and the relationship to sales performance and the mix of products sold. GII reflects gross income billed to customers adjusted for deferred and accrued revenue as reported in the IFRS measure.

# FY 2025 Financial Review

Katy Mecklenburgh, CFO



# Consistent strategic execution driving further profitable growth



GII  
**£3.62bn**  
FY24: £2.85bn

↑ +26.8%

Gross profit  
**£494.3m**  
FY24: £417.8m

↑ +18.3%

Underlying  
operating profit<sup>1</sup>  
**£180.1m**  
FY24: £154.1m

↑ +16.9%

Underlying cash  
conversion<sup>2</sup>  
**95.6%**  
FY24: 95.9%  
*£182.3m closing cash*

Ordinary dividend  
**29.3p**  
FY24: 26.6p  
↑ +10.2%

Special dividend  
**16.1p**  
FY24: 20.9p  
↓ -23.0%

Customers<sup>3</sup>  
**10,186**  
FY24: 10,027  
↑ +1.6%

Gross profit per customer<sup>3</sup>  
**£48.5k**  
FY24: £41.7k  
↑ +16.5%

1 Underlying operating profit reflects statutory operating profit, adding back non-underlying costs. Non-underlying costs comprise items which, in the opinion of management, should be identified and excluded to provide a consistent and comparable view of the underlying performance of the Group's ongoing business.

2 Underlying cash conversion ratio comprises net cash generated from operating activities before taxation and any acquisition related cashflows, including deferred consideration outflows, net of capital expenditure, as a percentage of underlying operating profit.

3 During the year, we undertook an exercise to improve the quality of our customer data, which included aligning all trading entities with a relevant parent company where necessary, resulting in a small reduction in the overall customer number. For comparability, the customer data and associated average GP per customer in prior years have also been amended in line with the revised methodology.

# Summary income statement

£m	FY25	FY24	Change
Gross invoiced income	3,617.0	2,852.2	26.8%
Revenue	1,458.4	962.6	51.5%
Gross profit	494.3	417.8	18.3%
GP/GII %	13.7%	14.6%	(0.9%) pts
Admin. expenses	(314.2)	(263.7)	19.1%
Underlying operating profit	180.1	154.1	16.9%
Average headcount	2,639	2,459	7.3%
Gross profit per employee (£'000)	187.3	169.9	10.2%

- GII growth driven by 74.5% growth in hardware, supported by larger solutions projects in the second half, with services and software growing by 15.5% and 14.8%, respectively
- Revenue growth primarily reflects a higher mix of hardware, which is reported gross, alongside strong services growth reflecting product mix
- Broad-based growth in gross profit across all customer segments, with cyber security, datacentre and networking driving growth by technology area
- GP/GII reduced by 0.9% pts year on year, reflecting the dilutive impact of larger solutions projects at lower margin

# Summary income statement continued

£m	FY25	FY24	Change
Underlying operating profit	180.1	154.1	16.9%
OP/GP % <sup>1</sup>	36.4%	36.9%	(0.5%) pts
Non-underlying costs	(7.2)	-	
System development costs	(5.3)	-	
Oakland costs	(1.9)	-	
Statutory operating profit	172.9	154.1	12.2%
Net interest	5.3	5.3	
Tax	(45.2)	(40.4)	
Profit after tax	133.0	119.0	11.7%

- Slight reduction in OP/GP ratio reflecting investment back into the business for future growth and some one-off costs
- Non-underlying costs of £(7.2)m relating to new cloud-based system implementations and Oakland acquisition costs
- Net interest unchanged year on year, with higher interest income offset by an increase in lease liability interest costs following office relocations
- Effective tax rate of 25.4% and higher tax charge broadly in line with growth in statutory operating profit

# Well-diversified customer base and extensive customer offering

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

## Customer segment



- Enterprise: 19%
- SMB: 48%
- Public sector: 33%

## Product



- Software: 57%
- Hardware: 28%
- Services: 15%

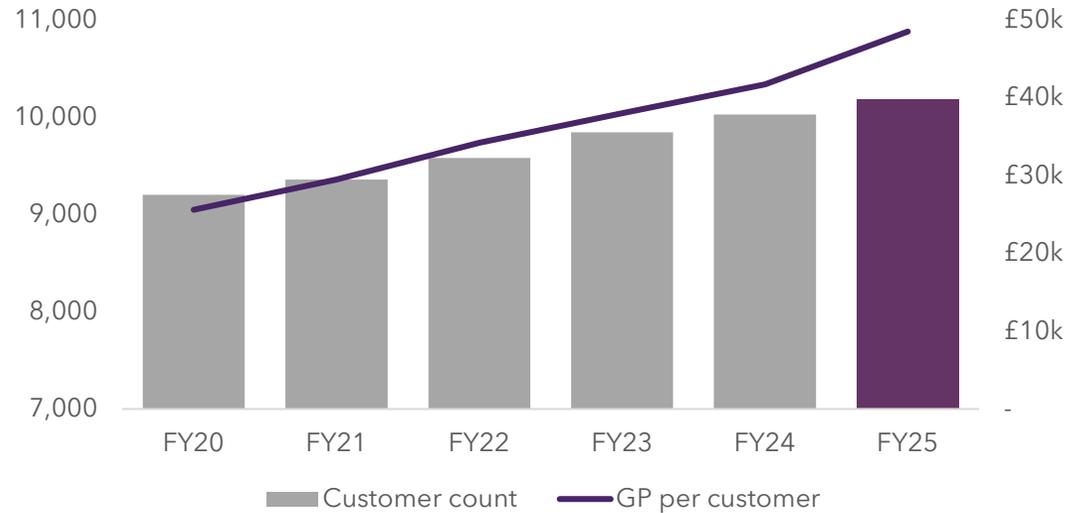
## Technology



- Public cloud and datacentre: 36%
- Networking and security: 31%
- Hybrid workplace: 33%

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

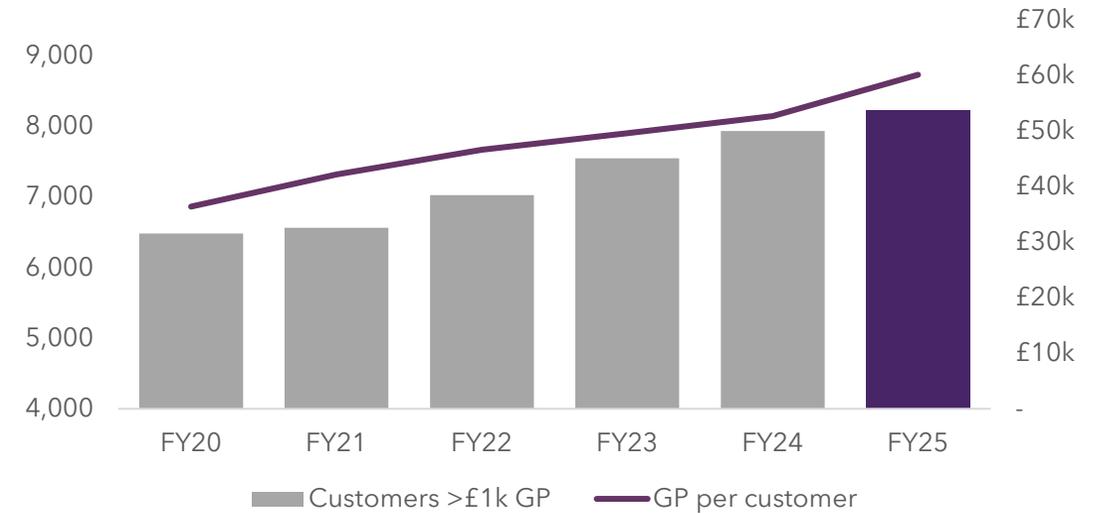
## Customer count and GP per customer<sup>1</sup>



	FY25	5yr CAGR
GP per customer	16.5%	13.6%
Customer count	1.6%	2.1%

- Customer count is defined as the number of customers 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<sup>1</sup>



	FY25	5yr CAGR
GP per customer	14.1%	10.6%
Customer count	3.7%	4.9%

- 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

<sup>1</sup> During the year, we undertook an exercise to improve the quality of our customer data, which included aligning all trading entities with a relevant parent company where necessary, resulting in a small reduction in the overall customer number. For comparability, the customer data and associated average GP per customer in prior years have also been amended in line with the revised methodology.

# Strong cash generation

£m	FY25	FY24
Underlying operating profit	180.1	154.1
Non-underlying costs	(7.2)	-
Operating profit	172.9	154.1
Depreciation and amortisation	10.5	6.6
Net movement in working capital	(4.8)	(9.4)
Net capital expenditure	(15.2)	(7.1)
Other	8.9	3.5
Cash from operations before tax, after capex	172.3	147.7
As % of underlying operating profit	95.6%	95.9%
Income taxes paid	(46.8)	(39.2)
Dividends paid	(95.7)	(76.0)
Acquisition of Oakland	(7.4)	-
Other	1.4	3.4
Net increase in cash during the year	23.8	35.8
Closing cash balance	182.3	158.5

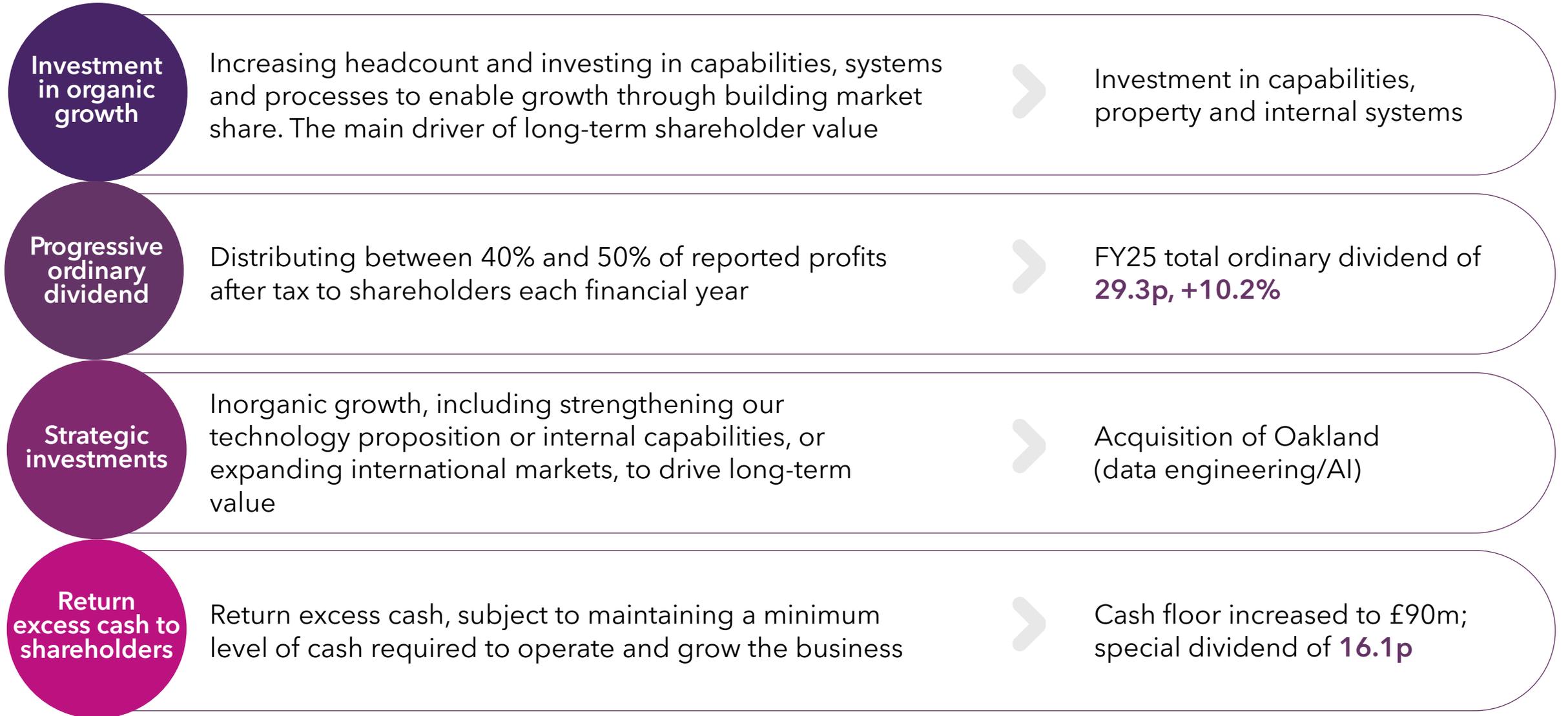
- Strong underlying cash conversion of 95.6%, slightly above the top end of our 85%-95% target range
- Good management of receivables and payables over the period
- Increased capex primarily reflecting the fit out of new offices
- Returned c.£96m of cash to shareholders in FY25

# Further ordinary dividend growth

£m	FY25	FY24
Interim	8.9p	8.5p
Final	20.4p	18.1p
<b>Total ordinary</b>	<b>29.3p</b>	<b>26.6p</b>
Special	16.1p	20.9p
<b>Total</b>	<b>45.4p</b>	<b>47.5p</b>
Ex-dividend date	6 November 2025	
Payment date	16 December 2025	

- Total ordinary dividend for the year of 29.3p, up 10.2% versus FY24 and in line with our normal policy of paying out between 40% and 50% of profit after tax as an ordinary dividend (FY25 basic EPS: 66.6p)
- The Group remains debt free. Moving forward we will raise the cash floor to £90m (from £75m)
- In line with our normal capital allocation framework, we are returning excess cash through a 16.1p special dividend
- Total value of dividends returned to shareholders since IPO is now £662m

# Disciplined approach to capital allocation



- Our FY26 outlook remains consistent with that provided in our FY25 trading update
- Excluding the significant incremental contribution from large projects in FY25:
  - Low double-digit GP growth and high single-digit underlying OP growth in FY26
- Including the significant incremental contribution from large deals in FY25:
  - High single-digit GP growth and low single-digit growth in underlying OP in FY26, giving a 2-year CAGR (FY24-26) of c.12% for GP and 9% for underlying OP growth
- Due to the phasing of larger solutions projects in both FY25 and FY26 underlying operating profit growth in FY26 will be first half weighted

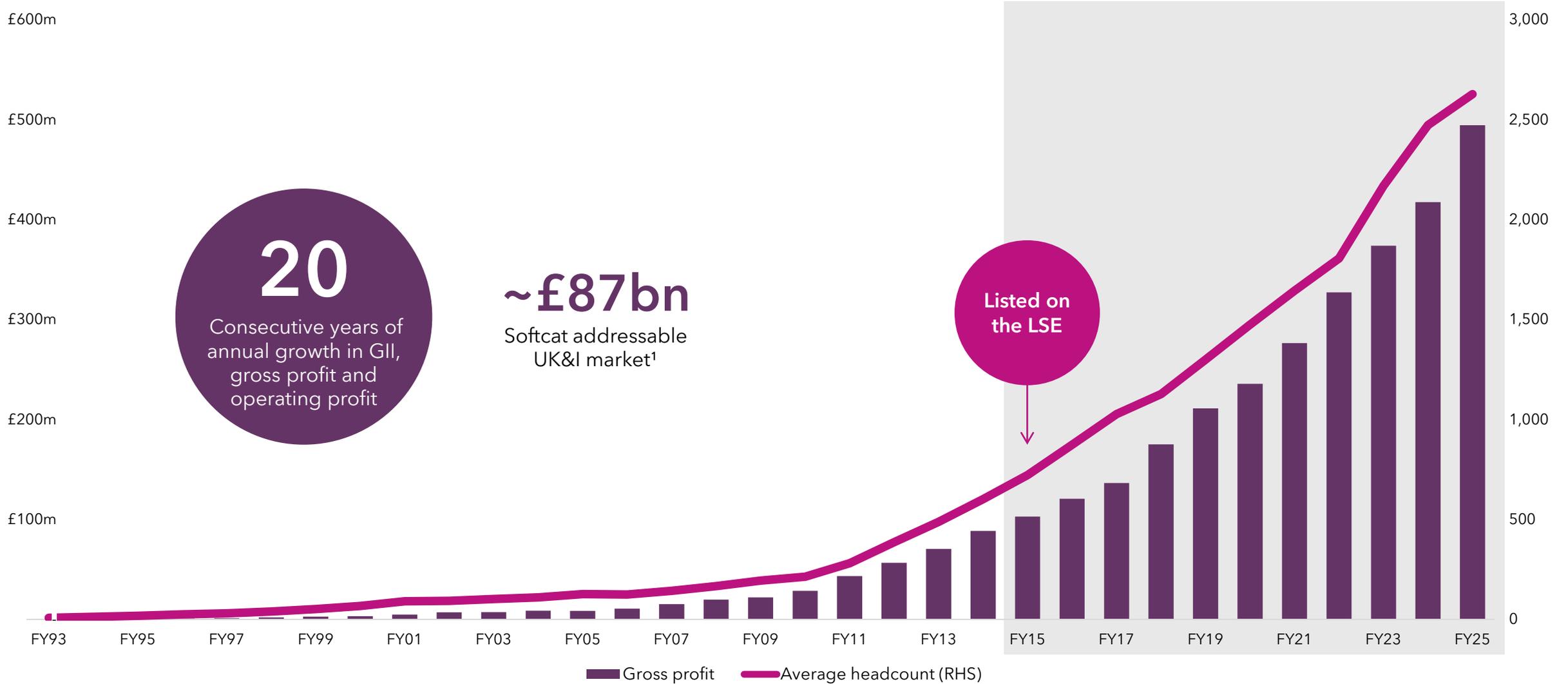


# Strategic update

Graham Charlton, CEO

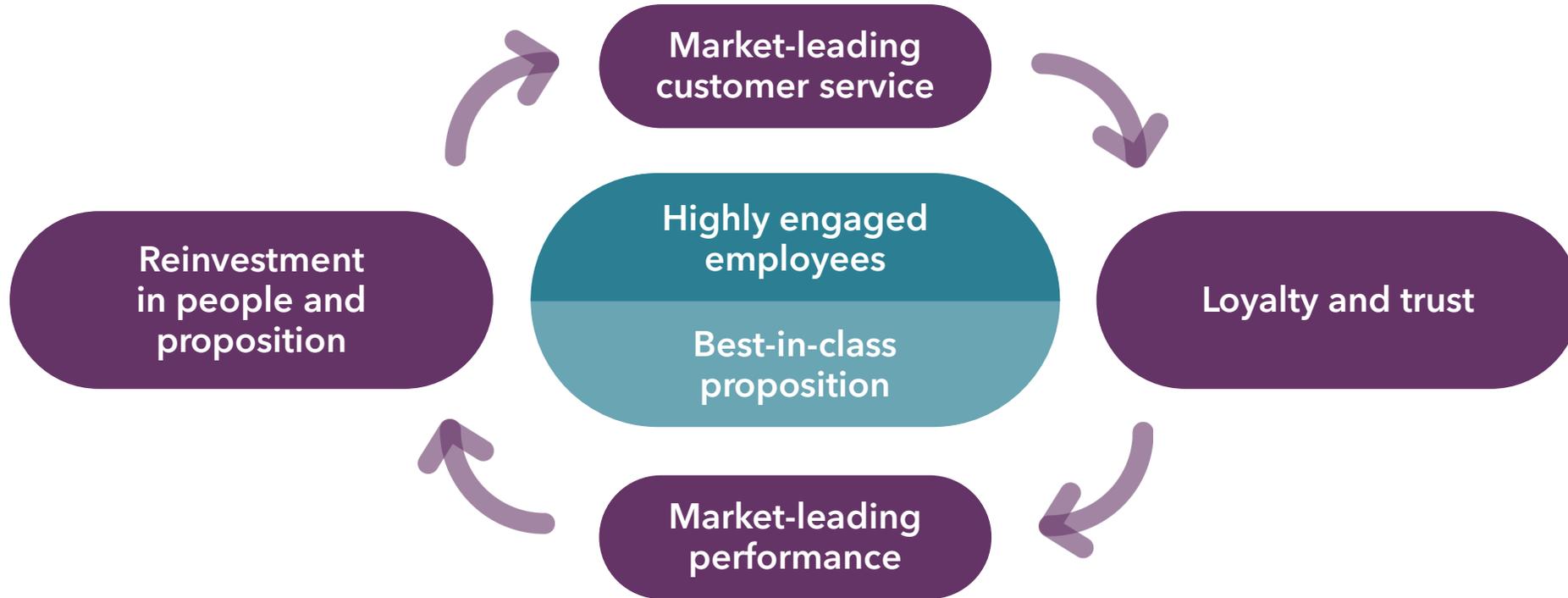


# Our track record of organic growth in the UK market



1 Total addressable market in UK & Ireland (2025), derived from internal analysis of various industry sources.

# A proven strategy for sustainable growth



Special culture



# Four engines to drive further scale and growth

## A special culture



A special place to work that will always put our people and culture first

## Sales and customer excellence



Shaping customer opportunity. Empowering our people

## The broadest offering



The most relevant and comprehensive product set, skills and capabilities

## Operational excellence



Modern systems and processes that provide the best employee experience, customer experience and insights

# A special culture: the essential elements



## Voice

Our people can tell us how they really feel



## Leadership accessibility

Our leaders are approachable and available



## Recognition

We recognise and reward great attitude and results



## Welcoming workplaces

Smart, professional, informal and busy



## The 'S' in ESG

We excel at the 'social' element of ESG



## Empowerment

We trust our people



## Keeping it simple

Plain language and straightforward methods wherever possible

Birmingham



Bristol



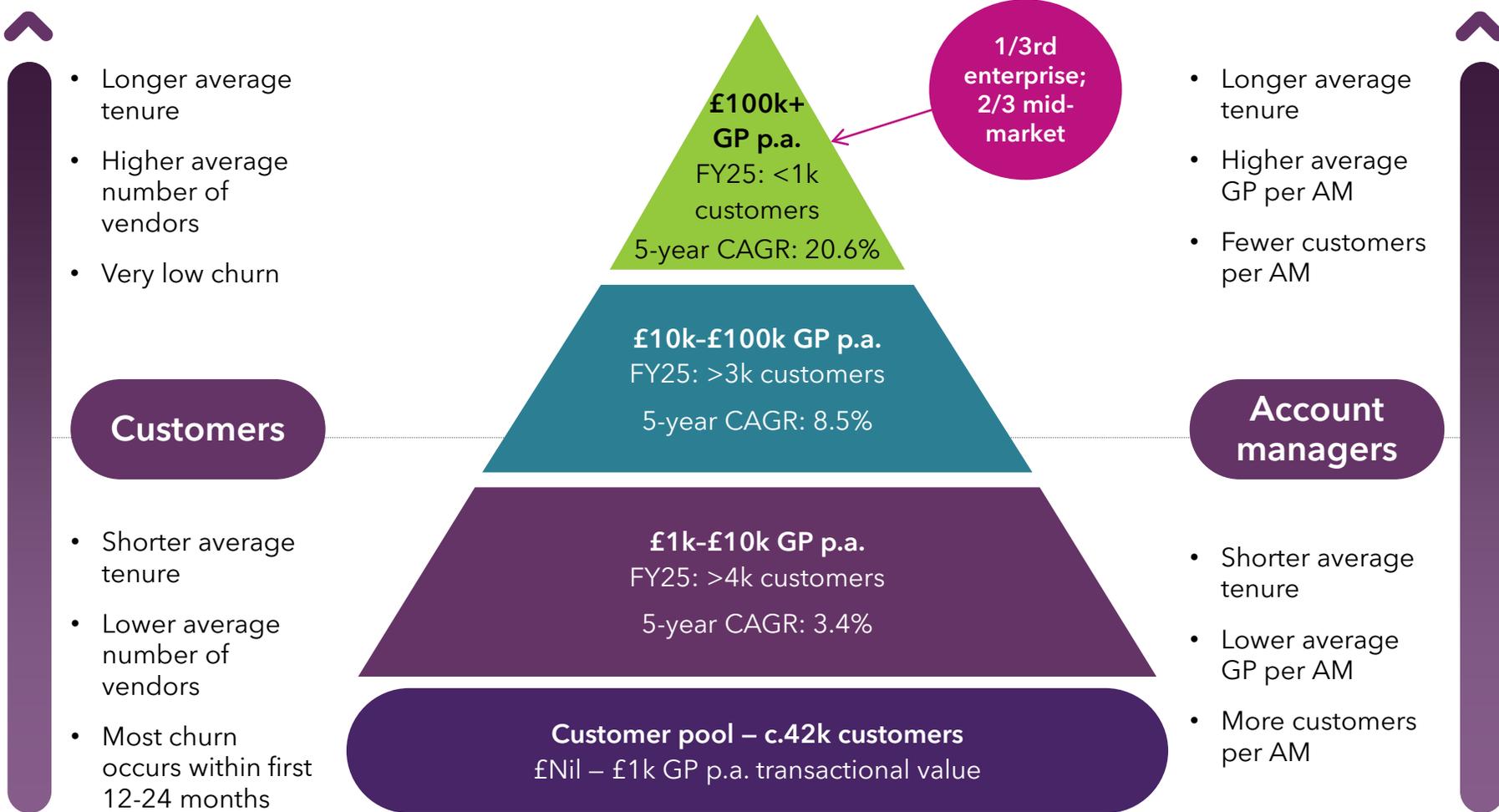
London



Manchester

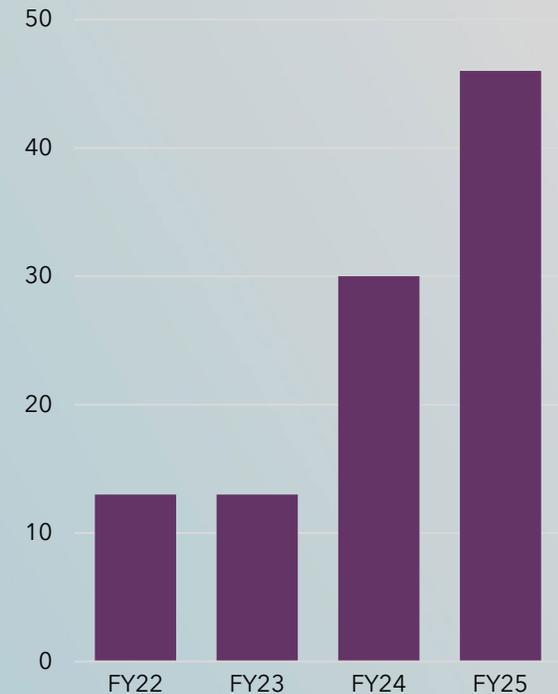


# Sales and customer excellence: adding value through deeper relationships



## Number of deals with GP >£0.5m in FY25

**46**  
+c.50% YoY



# Customer excellence: delivering exceptional customer service



## FY25 Customer Experience Survey results\*

Overall customer satisfaction

98%

NPS

+64

Technical attributes satisfaction

Overall account management

99%

Quality of advice and expertise

98%

Technology priorities

Data security 47%

Artificial intelligence 46%

End user devices and software 37%

Cloud security 36%

IT service management 27%

Strategic priorities (leadership contacts)

Leveraging technology to drive innovation 65%

Cost control and budgeting 63%

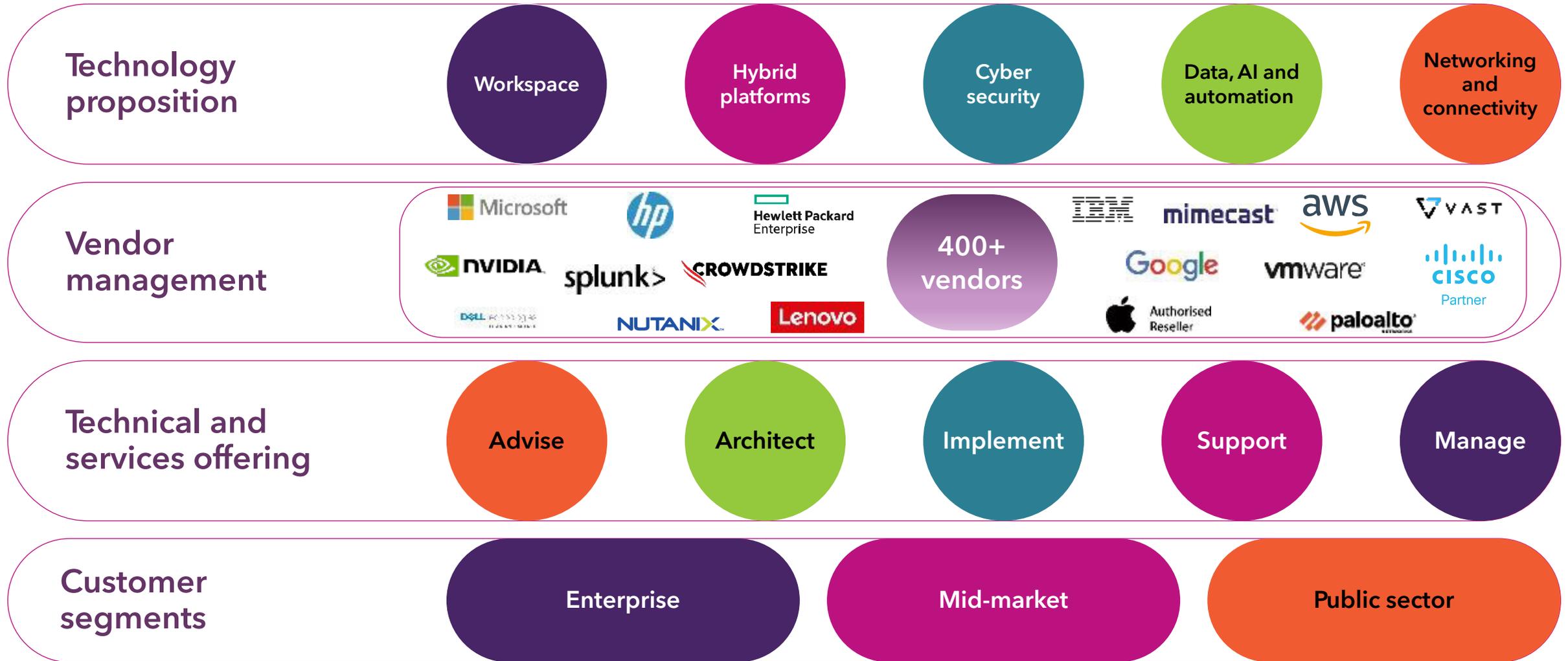
Maximising the impact of your current technology 53%

Governance, risk and compliance 48%

Efficiency challenges 41%

\* Record level of responses received in FY25 from over 6,000 customer contacts.

# The broadest offering: dimensions of our portfolio and capability



## Oakland



Strategic objective

Deeper capabilities in data and AI services

Cultural affinity

Execution and integration

Disciplined capital allocation

Revenue synergies

Delivering with Oakland

Rapidly expanded our data and AI service capabilities with a targeted acquisition that has captured customer and vendor attention

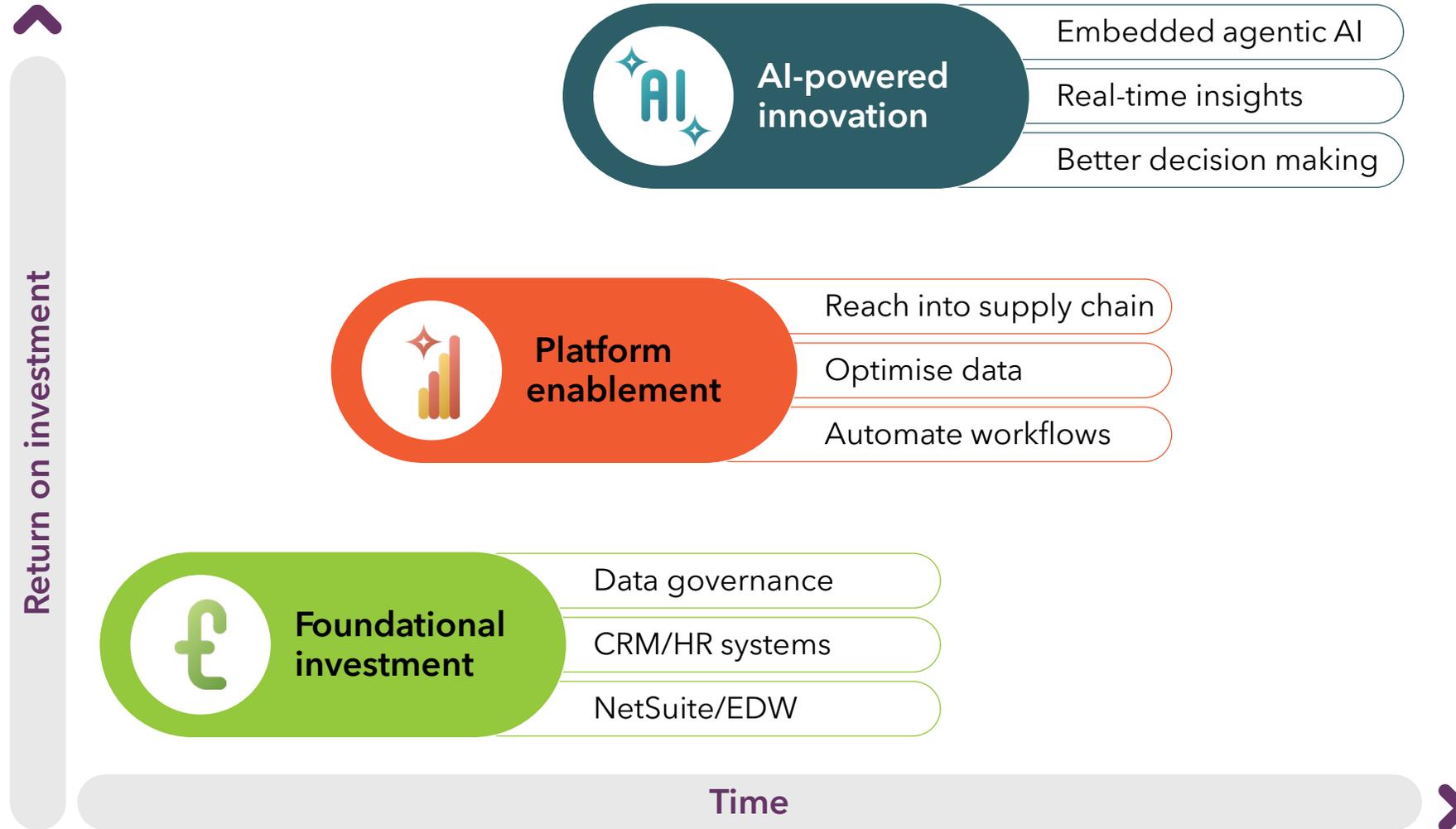
Common ethos and approach to people and culture has provided fertile ground for tight collaboration and integration

Structured and disciplined approach to deal execution and joint planning delivered to deadline and provide a strong platform for the new partnership

Clear ROI from strategic synergies coupled with performance-based variable consideration

Flow of opportunities in both directions; pipeline developing ahead of plan

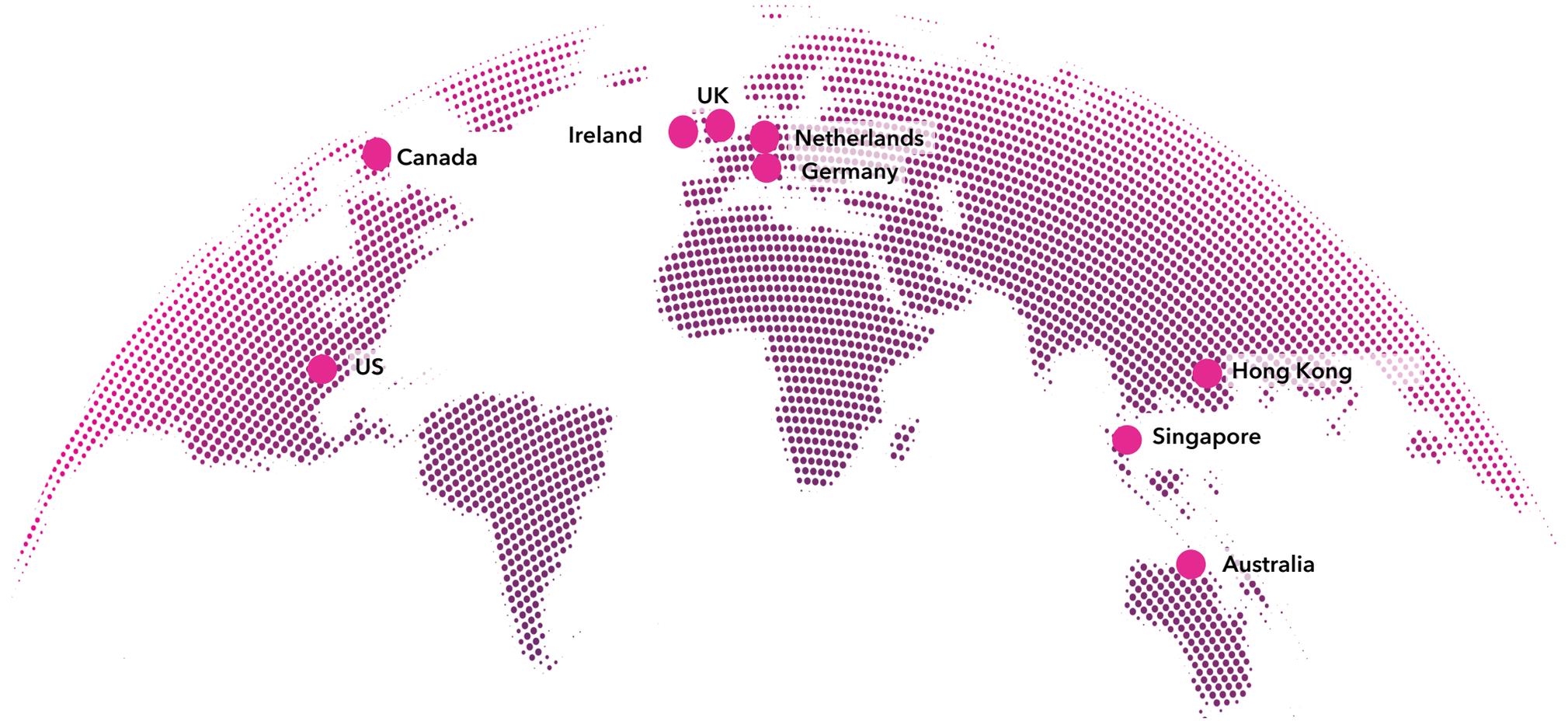
# Operational excellence: Softcat's transformation



## Near-term priorities

- Foundational investments to create unified modern systems and underpin ease of doing business
- CRM and HR system replacement projects to improve customer and employee experience
- Investment in NetSuite integrations (e.g. HighRadius automated credit assessment in FY25)
- Further investment in data strategy and data governance

# Softcat's operations in a global context





**Strong  
performance and  
forward  
momentum**

**Further strategic  
progress and  
investment**

**Expanding the  
horizons for our  
future ambition**

**Culture and  
people remain at  
the heart of  
everything we do**

# Q&A



# Appendix



Vision

**Sustainability**  
We strive for a sustainable future and one where our people and our planet can prosper

Strategy

**Environmental**

**Social**

**Governance**

- Softcat operations
- Supply chain
- Customer solutions

- People and community
- Education and economy
- Diversity and inclusion

- Risk
- Reporting
- Compliance

Goals

- Carbon neutral since 2021
- 100% renewable energy in offices where possible since 2023
- Net zero value chain by 2040

- Gender workforce mix of 40% by 2030
- Increase ethnic minority representation
- Increase management team diversity

- Maintain regulatory compliance
- Strong and effective governance
- Ethical and transparent

Updates and awards

- Industry-leading carbon neutral Cisco Support Service
- Financial Times European Climate Leaders 2024

- Increased gender and ethnic diversity in FY25
- £405k in charitable donations
- We feature on the GPTW lists below

- Completion of projects to comply with changes in legislation
- Good progress for more effective control environment



# Awards from our vendors and channel partners during FY25



EMEA Public Sector Partner of the Year	Cisco
UK&I Sustainability Partner of the Year	Cisco
UK&I Public Sector Partner of the Year	Cisco
UK&I SMB Partner of the Year	Cisco
EMEA Partner of the Year	SentinelOne
Services Partner of the Year Award	Infinigate
Partner Special Recognition Award	Neat
EMEA Growth Partner of the Year	Cohesity
Elite Partner of the Year	Samsung
Overall TOP ACS Partner of the Year UK&I	HP
Platinum Partner	IBM
Genius Partner status	Flexera
EMEA UCaaS Partner of the Year	Zoom
Automation Growth Partner of the Year	IBM
Gold Provider status	Cisco
International Partner of the Year	VAST Data
EMEA Growth Partner of the Year	Zscaler
Commercial Partner of the Year	Park Place Technologies
Public Sector Partner of the Year	Park Place Technologies
UK&I Partner of the Year	Nutanix

Tech Champion of the Year	Nutanix
International Partner of the Year	Nerdio
New Logo Partner of the Year 2024	Check Point
Harmony Partner of the Year 2024	Check Point
European Partner of the Year 2024	Nextthink
NextWave Diamond Innovator	Palo Alto Networks
2025 EMEA Partner of the Year	Rapid7
EMEA Partner of the Year	Dell
Most Significant Growth in Commercial EMEA	Veeam
Cloud Security Partner of the Year	Tenable
Partner of the Year	Tenable
North Europe Partner of the Year 2025	CrowdStrike
Platinum Partner Status in the US	HPE
Public Sector Partner of the Year	Splunk
SMB Partner of the Year	Lenovo
UKIMEA AI Partner of the Year	HPE
Agency Partner of the Year 2024	8x8
ASA Partner of the Year	NetApp
NetNew Logo Partner of the Year	NetApp
Commercial Partner of the Year	NetApp