

# CEO's review

**At BTG we're driven by a clear vision: to help organisations succeed in a world of change, through trusted partnerships and transformative technology. I'm proud to say that in 2024/25 we lived up to this vision. Thanks to our great people, our loyal customers and our vendors, we helped more businesses and public sector organisations than ever meet their objectives through innovative IT solutions.**

In doing so we achieved another strong set of financial results, with demand for our broad suite of products and services remaining robust even in a challenging trading environment. Gross invoiced income rose by 15.2% to a record-high £2.1 billion, and operating profit increased by 17.1% to £66.4 million, extending our run of double-digit growth.

The strong performance demonstrates the resilience of our two businesses, Bytes and Phoenix, and the hard work done by our teams to maintain close, enduring partnerships with our customers by providing the straightforward expert and honest advice that we have become known for. Our high customer NPS score of 79 reflects this.

Sam Mudd CEO



## A growth company with a proven strategy

Expanding our business, year after year, is not something new for us – even before our initial public offering (IPO) in 2020 we had a long track record of growth, in line with our proven strategy. Our ultimate strategic goal each year is to grow organically by winning new customers and doing more with our existing customers. In 2024/25, we achieved both of those aims, with 656 new customers delivering £4.3 million gross profit, and existing customers generating £13.2 million additional gross profit.

Despite increasing competition, we had notable successes with public sector tenders, retaining and gaining customer contracts. An example is our partnership with East Suffolk and North Essex NHS Foundation Trust. A relationship nurtured over several years led to collaboration on a major project designed to transform the way that staff and patients interact, for a better service for all. You can read more about that work on page 14.

I'm also delighted that at the end of April 2025, Phoenix was granted a Royal Warrant for the supply of IT Managed Services to The King. I'm extremely proud of the Phoenix team's commitment to excellence, sustainability and service that led to this prestigious award.



By Appointment to  
His Majesty The King  
Supplier of IT Managed Services  
Phoenix Software Limited  
York

What gives me great confidence about our prospects is that even though we've been growing year on year, we still have plenty of room to expand. Many vendors have in recent years pivoted to a 'partner-first strategy', which serves us well. We are strongly focused on software solutions, which, according to market intelligence firm IDC, is the fastest-growing segment of the IT industry today. Our share of the overall total addressable market in the UK is still only around 4%.

## Our strategy

We aim to grow organically by **winning new customers and doing more for existing customers**. We will complement this approach, as appropriate, with carefully selected acquisitions that boost our value.

Along with consistently **expanding our solutions capabilities** and **broadening and deepening our vendor partnerships**, we pursue our strategy by focusing on three key areas: **putting customers first, investing in our people and our business, and investing in innovation.**

## Putting customers first

We focus relentlessly on our customers, helping them find innovative ways to use technology to improve the way they work, to control costs and to deliver a better service to their own clients.

**Read more about how we are helping our customers on page 14.**

## Investing in our people and our business

Our people drive our success. We need to retain our exceptional employees to continue to sell effectively and, to meet our growth ambitions, we need to keep increasing our headcount.

**Read more about how we are growing great people on page 15.**

## Investing in innovation

From AI to cybersecurity, technology is advancing rapidly. We invest in innovation to help our customers stay ahead of the pace of change, manage the risks and make the most of the benefits.

**Read more about how we are investing in innovative services on page 16.**

## Investment case

### 01

#### Proven track record and growth strategy

We have a long track record of strong financial performance, driven by highly motivated employees delivering the latest technology to a diverse and loyal customer base. Our growth strategy supports strong free cash flow that allows us to invest in our businesses.

**5-year GP CAGR 15.6%**

**Customers served in 2024/25 5,913**

### 02

#### Attractive market positioning

We have strategic partnerships with many of the world's leading software vendors and distribution channels. This includes a long and deeply embedded relationship with Microsoft, as one of its largest UK partners by revenue.

**More than 1,000 vendors and distributors**

**One of the biggest UK partners with Microsoft by revenue**

### 03

#### Compelling growth opportunity

We operate in a vast, growing market, boosted by technological tailwinds from digital transformation agendas, cloud products, cybersecurity, and productivity and AI-enabled tools. Our share of our total addressable market is around 4%, so we have plenty of room to grow.

**Strong GII growth at a record £2.1bn 15.2%**

### 04

#### Strong team culture

Our dynamic culture, based on trust, collaboration and innovation, drives our operational excellence and high employee retention rates, and increases sales productivity, customer satisfaction and repeat business.

**Employee net promoter score (eNPS) 57**

## Expanding our solutions capabilities and vendor partnerships

To take advantage of this big opportunity, and in support of our main strategic goal, we are focused on increasing our services capabilities and broadening our vendor partnerships. The pace at which technology is advancing today is remarkable, especially in areas such as AI. From our experience of using Microsoft's Copilot AI companion in our own business, we can see the potential to transform for the better the way that people work.

But these innovations are complicated, which can make it hard for our customers to find the best solutions for their businesses. By building our own advisory and support services around the wide suite of software solutions we offer – especially in the key areas of cloud computing, security and AI – we can help our customers better understand and benefit from the latest technologies.

In 2024/25, we continued to grow our range of professional and managed IT services. At Bytes, this included a successful launch of a new Microsoft 24x7 CSP support service, and significant investments in our procurement advisory services division. At Phoenix, we launched a new managed-cost management and optimisation service for Microsoft's Azure cloud platform, and expanded our AI teams and our security operations centre. We also focused on enhancing our technical capabilities, working with our long-standing vendors to attain top accreditations, and working more strategically with newer ones, such as Service Now, Palo Alto Networks and Commvault, to ensure we can support our customers' expanding technology needs. This deep knowledge of our vendors' software is crucial in enabling us to give our customers the best advice on the choice of software solutions and the interoperability of different vendors' products.

And it's reflected in how some of the world's largest tech companies regularly ask us to join their exclusive partner advisory councils and pilot programmes. It shows that they value our partnership, commitment, technical skills, the business we influence for them and, most importantly, how we work collaboratively and sometimes exclusively together on opportunities.

## The advantages of an experienced management team

Maintaining close relationships with vendors and customers is easier when you have extensive experience and continuity in your business. This is especially true of our management teams, which have many decades of software and solutions reselling experience and, crucially, the passion,

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expertise and credibility to further grow our company. Jack Watson and Clare Metcalfe, who have both been with us for many years, are strong leaders of Bytes and Phoenix, respectively. I am really pleased with what they and their teams achieved in 2024/25, from delivering double-digit profit growth in their businesses, to broadening our customer base and being among Microsoft's top partners for the rollout of Copilot in the UK.

### Maintaining our strong, inclusive culture

As one of the country's largest IT resellers, we continue to attract talented, skilled people who want to be a part of our journey of success, and we now have more than 1,200 colleagues. As we do every year, we worked hard to ensure our unique culture that has brought us so far is maintained, even as we become a bigger company. To harness the strengths of our two businesses, and protect our culture as we grow, we will appoint our first Chief People Officer (CPO) in the 2025/26 financial year.

People are at the heart of business, and I am committed to improving this year's eNPS results which, while still above the industry average, have fallen from their previous high level of 71 to 57. This change, we think, reflects a turbulent year both externally, with the weak economy and political uncertainty, but also internally, with the necessary transformation and structural changes in our operations and leadership teams. That said, we can be very proud of our high rank in the Great Place to Work survey for the 'Large Company' category – Phoenix at 9th and Bytes at 85th – and our FTSE Women Leaders Review 2024 report, in which BTG was named the most improved company in the FTSE 250 in the 'Women on Boards' category.

At a time when progress against the basic principles of diversity and inclusion is being questioned, challenged or blocked, it is good to celebrate such moments with our FTSE peers. As a female CEO, I intend to use my high profile to continue to identify and remove any barriers to participation and career progression at BTG, and will ensure that diversity, equality and inclusion remain central themes for our business. By doing so, we can fully embrace our colleagues' unique differences, which lead to better ideas and insights, and support our strong, innovative culture.

### Increasing our geographical footprint

As our headcount has grown, we've made it a priority to provide the right office environments in the right areas. We want to offer an exciting and vibrant working space for all our staff, filled with areas to collaborate and socialise. Following the work done at Phoenix's offices in York, we carried out a similar transformation at Bytes's Leatherhead office this year. Also at Leatherhead, we acquired two other buildings in our business park to cater for our further expansion. We opened new offices in Portsmouth and Sunderland to be closer to our customers and hire staff from those areas, and we expanded our London office.

### A commitment to sustainability

As a responsible business, we are committed to ensuring that our growth does not come at the expense of the environment. While we're not a big greenhouse gas (GHG) emitter ourselves, the software and services we provide do have an impact on the planet, especially through the energy required to power AI solutions and cloud storage. In 2024/25, we reached a crucial milestone on our path to net zero, with the SBTi validating our GHG emissions targets. Our efforts to reduce our carbon footprint this year included installing solar panels at our York office and expanding our EV scheme.

### Looking ahead

Turning to the future, we expect that the macroeconomic conditions will remain challenging and uncertain, but we know from experience that when times are tough, organisations look to technology to make them more efficient and resilient. And our sector has tailwinds: we are still in the early stages of the take up of AI-powered platforms and products, while the need for ever more sophisticated cybersecurity and cloud-based products will only increase. With a great team behind me, I am excited to grow our business further by meeting customers' evolving needs as we continue through 2025 and beyond.



**Sam Mudd**

Chief Executive Officer  
12 May 2025