COMPUTACENTER - FINAL RESULTS 2024

March 18, 2025

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Computacenter plc
2024 Full Year results

Computacenter plc ('Computacenter' or the 'Group'), a leading independent technology and services provider, today announces audited results for the year ended 31 December 2024.

Financial highlights	**2024**	2023	Change	Change in constant currency[1]
Technology Sourcing gross invoiced income (*£m*)	**8,278.1**	8,444.9	-2.0%	0.1%
Services revenue (*£m*)	**1,638.4**	1,636.5	0.1%	2.1%
Gross invoiced income[1] (*£m*)	**9,916.5**	10,081.4	-1.6%	0.5%
Technology Sourcing revenue (*£m*)	**5,326.4**	5,286.3	0.8%	3.2%
Services revenue (*£m*)	**1,638.4**	1,636.5	0.1 %	2.1%
Revenue (*£m*)	**6,964.8**	6,922.8	0.6%	2.9%
Gross profit *(£m)*	**1,035.0**	1,044.0	-0.9%	1.2%
Gross margin *(%)*	**14.9%**	15.1%	-22bps	
Adjusted[1] operating profit *(£m)*	**246.7**	271.5	-9.1%	-6.8%
Adjusted[1] profit before tax (*£m*)	**254.0**	278.0	-8.6%	-6.3%
Adjusted[1] diluted earnings per share (*p*)	**159.9**	174.8	-8.5%	
Dividend per share (*p*)	**70.7**	70.0	1.0%	
Net cash inflow from operating activities *(£m*)	**417.1**	410.6	1.6%	
Adjusted[1] net funds (*£m*)	**482.2**	459.0	5.1%	
Statutory measures	**2024**	2023	Change	
Operating profit (*£m*)	**237.9**	268.8	-11.5%	
Profit before tax (*£m)*	**244.6**	272.1	-10.1%	
Diluted earnings per share (*p*)	**152.9**	173.2	-11.7%	
Net funds (*£m*)	**352.7**	343.6	2.6%	

[1]Alternative performance measures (APMs) and other terms are used throughout this announcement. These are defined in full in the Appendix to this announcement.

Mike Norris, Chief Executive Officer, commented:

"Computacenter delivered a solid performance in 2024 as a whole in the context of a tough first half comparative and a more challenging IT market. Encouragingly, the second half was the most profitable in our history and was derived from

our highest number of major customers. We executed well in North America, achieving another record year while Germany performed robustly. Technology Sourcing momentum improved through the year and we were particularly pleased with Professional Service's double-digit growth.

"Cash generation was strong, providing us with the capacity to continue to invest in leading systems and to deliver enhanced shareholder returns through the completion of a £200m buyback. Since 2013 we have distributed nearly £1 billion pounds to shareholders while making targeted acquisitions that have enhanced our global footprint, performance and business resilience as well as our long-term growth potential.

"We are well-placed for progress in 2025, entering the year with a strong order backlog across all regions, an exciting opportunity set and a continued focus on helping our customers realise the transformative benefits of IT."

Financial highlights

- Robust gross invoiced income and revenue performance with Technology Sourcing and Services ahead in constant currency
- Gross profit increased by 1.2% in constant currency with adjusted operating profit 6.8% lower in constant currency against strong comparatives, driven by another record year in North America, a robust performance in Germany, softer UK market conditions and increased Group-wide investment
- Improved momentum across the year with record H2 adjusted operating profit, up 11.2% in constant currency
- Strong balance sheet position with adjusted net funds of £482.2m, up £23.2m, after completion of £200m share buyback programme

Strategic and operational highlights

- Continued to deliver our strategic priorities of growing our target market customers, scaling our activities and empowering our people
- Good progress in growing the number of customers generating over £1m of gross profit p.a., with growth in North America, Germany and UK, adding a net 13 across the Group and major customers now totalling 192 (FY 2023: 179)
- Another record year in North America, driven by new hyperscale and enterprise customer wins; we remain excited about the scale of the long-term growth opportunity
- Strong Professional Services revenue growth of 11.9% in constant currency, ahead of market, with growth in Germany, UK and North America
- Product order backlog as at 31 December 2024 up 116% year on year in constant currency, and up 35% since 30 June 2024, driven by strong Technology Sourcing order intake in North America
- £36.8m of Group-wide investments (FY 2023: £28.1m) to improve our capabilities, enhance productivity and secure future growth

Shareholder returns

- Total dividend increased by 1% to 70.7p
- £200m share buyback programme completed in October; almost £1bn of capital distributed to shareholders since 2013

Outlook

- We exited 2024 in a robust position with a committed product order backlog which is significantly ahead of our position in December 2023, as well as at the end of June 2024, with all regions ahead. The size of the projects we are currently delivering gives us good momentum at the start of 2025.
- Looking to 2025 as a whole, we remain mindful of the uncertain macroeconomic and political environment. In North America, following a strong performance in 2024, we continue to be excited by the growth opportunities we see ahead. We have started the year positively and overall, we expect to make progress in FY 2025, with earnings per share benefiting further from the impact of the share buyback.

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About Computacenter

Computacenter is a leading independent technology and services provider, trusted by large corporate and public sector

organisations. We are a responsible business that believes in winning together for our people and our planet. We help our customers to Source, Transform and Manage their technology infrastructure to deliver digital transformation, enabling people and their business. Computacenter plc is a public company quoted on the London Stock Exchange (CCC.L) and a member of FTSE 250. Computacenter employs over 20,000 people worldwide.

DISCLAIMER - FORWARD LOOKING STATEMENTS

This announcement includes statements that are, or may be deemed to be, 'forward-looking statements'. These forward-looking statements can be identified by the use of forward-looking terminology, including the terms 'anticipates', 'believes', 'estimates', 'expects', 'intends', 'may', 'plans', 'projects', 'should' or 'will', or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this announcement and include, but are not limited to, statements regarding the Group's intentions, beliefs or current expectations concerning, amongst other things, results of operations, prospects, growth, strategies and expectations of its respective businesses.

By their nature, forward-looking statements involve risk and uncertainty because they relate to future events and circumstances. Forward-looking statements are not guarantees of future performance and the actual results of the Group's operations and the development of the markets and the industry in which they operate or are likely to operate and their respective operations may differ materially from those described in, or suggested by, the forward-looking statements contained in this announcement. In addition, even if the results of operations and the development of the markets and the industry in which the Group operates are consistent with the forward-looking statements contained in this announcement, those results or developments may not be indicative of results or developments in subsequent periods. A number of factors could cause results and developments to differ materially from those expressed or implied by the forward-looking statements, including, without limitation, those risks in the risk factor section of the Computacenter plc 2023 Annual Report and Accounts, as well as general economic and business conditions, industry trends, competition, changes in regulation, currency fluctuations or advancements in research and development.

Forward-looking statements speak only as of the date of this announcement and may, and often do, differ materially from actual results. Any forward-looking statements in this announcement reflect the Group's current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Group's operations, results of operations and growth strategy. Neither Computacenter plc nor any of its subsidiaries undertakes any obligation to update the forward-looking statements to reflect actual results or any change in events, conditions or assumptions or other factors unless otherwise required by applicable law or regulation.

Chief Executive Officer's review

Summary of 2024 performance

Computacenter delivered a solid performance in 2024 reflecting a combination of tough comparatives in the prior year, a more challenging backdrop for corporate IT demand across the year and our continuing commitment to invest in world-class, Group-wide systems. While it is disappointing not to deliver another year of growth after 19 consecutive years of increased earnings per share, 2024's performance was derived from a broader base of major customers generating over £1m of gross profit per annum, and we delivered our strongest-ever performance in the second half of the year, following a weaker first half. We ended 2024 with 192 major customers, an increase of 13 on 2023. Growing the number of major customers in our target market of large corporate and public sector customers ensures greater resilience and underpins Computacenter's long-term growth. We see significant opportunities for growth across all of our geographies.

Cash generation was strong. Even after completing a £200m share buyback programme, we ended the year with £482.2m of adjusted net funds, £23.2m ahead of 2023. Since 2013, Computacenter has distributed nearly £1bn in capital to shareholders via dividends and special returns, while continuing to invest organically for the long term and creating value through targeted acquisitions, which have increased our geographic diversity and long-term growth opportunity. Since our first acquisition in late 2018, North America has grown to become a material profit contributor, now accounting for nearly a quarter of Group operating profit (before central costs).

As outlined at our Capital Markets Day in June 2024 - 'Building Long-Term Value' - we continue to execute on our strategy

of growing our target market customers, scaling our activities and empowering our people. Our 20,000 colleagues worldwide drive our success through their commitment to our customers and I thank them all for their contribution.

Delivering digital transformation

In 2024, customers continued to pursue their digital transformation agenda, albeit with a degree of caution, given the uncertain macroeconomic and geopolitical backdrop. In Europe, our public sector business grew while corporate sector demand was more selective. Technology areas such as security were prioritised over, for example, workplace refreshes despite the ageing profile of PCs. Corporate and public sector organisations continue to assess the opportunities and returns that AI can deliver, with many now trialling and experimenting with new products. While some of this innovation is most immediately accessible through software, customers are also evaluating their own infrastructure requirements.

Hyperscalers meanwhile continue to allocate significant capital into AI-centric infrastructure. In North America, we have established a track record of delivering a high-quality service for hyperscale customers given our expertise in the areas of high-performance computing, networking, low-latency storage, data center infrastructure and software components. We won major new hyperscale business in the US during the year, helping to diversify our portfolio of hyperscale customers. Additionally, we won AI-related infrastructure projects in Europe and anticipate more in 2025.

Computacenter has always helped customers to evaluate new technologies, to navigate rising complexity of their IT estates and to achieve the return on investment they need. Our customers are looking to work with fewer suppliers, and for their partners to have a deep understanding of their requirements, as well as the scale, financial strength, flexibility and cost competitiveness to meet their specific needs. Our three core activities - Technology Sourcing, Professional Services and Managed Services - are all critical in helping customers to achieve their IT goals and in Computacenter they have a partner that can deliver for them across each.

A record second-half performance

In 2024, as anticipated, Technology Sourcing volumes, with some of our large customers normalised following an exceptional 2023, which especially impacted our first-half performance. It was therefore pleasing to win a number of new customers and large projects which meant, at a Group level, we delivered a much stronger result in the second half of the year. This was particularly evident in North America where we won two new hyperscale customers and continued to grow our enterprise business, resulting in another record year of operating profit from the region. We ended 2024 with a significantly stronger committed order backlog than both at the end of 2023 and June 2024. While North America was the single largest contributor to the growth in the backlog at a Group level, Germany, the UK and France were also ahead of the prior year.

In Services, Professional Services delivered a strong performance that was partly offset by a softer performance in Managed Services. We made a commitment from the start of 2024 to grow and enhance Professional Services by having a broader and scalable portfolio across all countries, based on a common operating framework and a stronger sales approach. We are starting to see the benefits of this approach, achieving double-digit revenue growth in 2024, with solid growth in our largest market in Germany, a strong return to growth in the UK and an excellent year in the US, leveraging our expertise in hyperscale data center deployment. Professional Services has been a strong driver of growth for Services over the last five years and we see it as an important future driver of revenue and profit growth for the Group.

Managed Services revenues declined during the year, albeit at a slower rate in the second half. This weaker revenue performance reflected the timing of certain contract losses, while the onboarding of some large contracts has taken longer than anticipated. Our margin was also impacted by two large underperforming contracts, one in Germany and one in the UK which, following remedial action, we do not expect to repeat at the same level in 2025. While it is disappointing when contracts do not meet our financial expectations, we have gained critical operational insights that will serve us well for

future contracts, and the rest of our portfolio is performing as anticipated.

To offer increased value to our customers we continue to invest in new and improved systems, greater automation and offshoring. We now have approximately 1,500 colleagues serving our customers from India. The market opportunity for Managed Services is substantial in our core areas of workplace, networking, infrastructure and cloud. These services are important to the longevity of our customer relationships, with more than three-quarters of our major European-headquartered customers contracting with us, supported by our Service Centers globally. Our Managed Services pipeline is significantly larger than a year ago and we are focused on contract conversion in the year ahead.

Diversified geographic exposure

While IT spending is expected to grow across all of our markets over the long term, our diversified geographic exposure provides us with greater protection from any short-term weakness in particular geographies. In 2024, another record year in North America and robust performance in Germany cushioned the impact of a weaker performance in the UK.

North America's performance was particularly impressive given an exceptionally strong comparative and starting the year knowing that we would need to win material new business to grow. We won significant new hyperscale and enterprise business and grew our order book substantially. We remain excited by the clear long-term growth opportunity in this highly fragmented market, as we continue to leverage Computacenter's broader capability and resources.

Germany's robust performance was also delivered against a strong comparative. This resilience is a function of deep capabilities across all major technology areas and our ability to support customers at every stage of the IT lifecycle. It also means we remain well-positioned in the context of a more uncertain political and macro environment in 2025.

Our UK performance was disappointing, with the market for hardware proving weaker than anticipated at the start of the year. While this outweighed the improvements we have made in how we approach the market, we delivered a more stable performance in the second half and ended the year with six more major customers. We are also encouraged by the excellent growth achieved in Professional Services revenue, positioning us well as market conditions improve. Our integrated offer remains compelling to our target market, as evidenced by some significant renewals including a six-year contract worth approximately £1bn with an existing customer, covering all three Service Lines.

Investing to secure future growth

We continue at pace with the rollout of our strategic initiatives which will improve our capabilities and productivity, enable us to further leverage AI solutions, underpin our systems for the future, and create competitive advantage. This investment of £36.8m (2023: £28.1m) increased operating costs by £8.7m year-on-year.

While moving all our Service Desks onto a common platform, we are migrating from our legacy service management tool to a new platform and building new functionality within it for our modern workplace solutions, such as Device Lifecycle Management. We are also upgrading all our Integration Centers across the world to a new standard. This includes the latest warehouse management software, a Group standard for configuration, new scanning functionality and a more sophisticated capability for courier integration. We have finished the rollout of our CRM system and will complete the implementation of a new configuration and pricing tool, and ultimately will upgrade our current ERP system to a new cloud-based version. At the same time, we continue to invest significantly to mitigate evolving cyber risks.

Continued cash generation and capital discipline

Given the Group's continued strong cash generation and robust balance sheet, we announced in late July 2024 that we would return up to £200m to shareholders via a share buyback programme. The programme was completed by the end of October, reducing the number of total voting rights by 6.9%. This is in line with our disciplined capital allocation policy to invest organically, make targeted acquisitions and distribute surplus capital while retaining a strong balance sheet. It brings

the total value of capital distributed to shareholders since 2013 to nearly £1bn.

Outlook

We exited 2024 in a robust position, with a committed product order backlog which is significantly ahead of our position in December 2023, as well as at the end of June 2024, with all regions ahead. The size of the projects we are currently delivering gives us good momentum at the start of 2025.

Looking to 2025 as a whole, we remain mindful of the uncertain macroeconomic and political environment. In North America, following a strong performance in 2024, we continue to be excited by the growth opportunities we see ahead. We have started the year positively and overall, we expect to make progress in 2025, with earnings per share benefiting further from the impact of the share buyback.

Looking further ahead, we remain excited by the pace of innovation and growth in demand for technology. Our strength in Technology Sourcing, Professional Services and Managed Services, combined with our global reach and our continued focus on retaining and maximising customer relationships over the long term, means we are well-placed to deliver profitable growth and sustained cash generation.

Technical guidance for 2025:

- Central costs (including group-wide investments) expected to be £50-55m
- Adjusted effective tax rate expected to be 29.5%-31.5%
- Capex expected to be c.£35m
- Dividend cover of 2-2.5x adjusted diluted EPS

Our strategic focus

Focus on Target Market Customers: We focus only on a target market of the largest corporate and public sector organisations in each of our sales countries. These target market customers require us to offer significant flexibility to meet their specific needs, while also being competitive in each part of our portfolio. We invest in sales and customer engagement teams to build long-term relationships which earn customer loyalty. We work hard to get to know our customers, understand their needs and put them at the heart of everything we do.

Build Service Line scale and competitive advantage: We want to be the logical choice for our target market customers in the activities on which we focus. Our Service Lines of Technology Sourcing, Professional Services and Managed Services are focused on building and leveraging capabilities to meet customer needs efficiently and consistently, and to build economic advantage.

Empower our People: We work hard to understand the needs of our customers and empower our customer-facing people to make responsible decisions that help us meet the needs of our customers faster. This is an essential part of our culture and helps to differentiate us from our competition, ensuring that we are focused on the needs of our target market customers and that our investments deliver an effective return. We empower our customer-facing people, while ensuring that all decisions are taken within a clear governance framework, supported by strong customer profitability reporting and clear remuneration plans.

We measure our strategic progress as follows:

Customer relationships: retain and maximise the relationships with our large corporate and public sector customers over the long term

In 2024, we finished with 192 customers generating over £1m of gross profit, a net increase of 13 from the previous year. We were pleased to resume growth in this important KPI during 2024. Furthermore, the growth was spread across Germany, North America and the UK, with a mix of existing and new customers and all resulting from organic growth. This broader base of major customers generated gross profit growth of 1.2% in 2024 in constant currency.

Services growth: lead with and grow Services

In 2024, we grew Services revenue by 2.1% in constant currency, in a market where several services competitors have seen revenue declines. Group Professional Services revenue grew by an excellent 11.9% in constant currency, with growth in Germany, UK, and North America. We have organised our Professional Services resources into a single Group Service Line, to provide the necessary focus and to leverage our success in Germany across the Group, and we are now starting to see the benefits of a more consistent approach. We believe there is a large market opportunity across our Professional Services portfolio and that we can grow Professional Services across the Group significantly. Group Managed Services revenue declined by 5.3% in constant currency. We renewed a number of large contracts during the year and ended the year with a significantly increased pipeline.

Productivity: increase the adjusted operating profit we retain as a proportion of our gross profit

Productivity is an important driver of value for the Group. We use gross profit conversion as the best overall productivity measure for our business across all our activities. It measures how much of our gross profit we convert into adjusted operating profit and helps measure how effectively we use our scale to improve operational leverage.

Gross profit conversion decreased to 23.8% in 2024 from 25.9% in 2023, driven by a 1.2% increase in gross profit and a 6.8% decrease in adjusted operating profit, all in constant currency. The decline in gross profit conversion was primarily driven by our UK performance and the increase in strategic investments, with Germany broadly similar to the prior year and North America continuing to improve. We believe this investment is essential to underpin our long-term competitiveness and we expect it to continue at a similar level in 2025. We believe our ambition of achieving gross profit conversion of over 30% in the medium term can be delivered through a combination of revenue growth and realising scale benefits from our Group Operating Model.

Summary of 2024 Group financial performance

Total gross invoiced income decreased by 1.6% on a reported basis and increased by 0.5% in constant currency. Total revenue was 0.6% higher and rose by 2.9% in constant currency. This performance reflected an exceptionally strong comparative in Technology Sourcing and, as expected, more normalised activity levels with some of our larger customers in 2024. This was largely offset by significant new customer wins during the year, resulting in a record performance in the second half. Gross profit decreased by 0.9% on a reported basis and increased by 1.2% in constant currency. Group gross margin, expressed as gross profit as a percentage of revenue, decreased by 22 basis points to 14.9%, reflecting a 31 basis points decrease in Technology Sourcing and an 11 basis points increase in Services.

Adjusted operating profit decreased by 9.1% on a reported basis and by 6.8% in constant currency, after a 4.0% increase in adjusted administrative expenses in constant currency. By geography, Germany was resilient, with adjusted operating profit broadly unchanged against a strong comparative, the UK declined, reflecting weaker market conditions than expected at the start of the year, and North America delivered another record performance. Group adjusted operating profit in the second half of 2024 was £165.6m, an increase of 11.2% or £16.7m in constant currency over the prior period (8.2% or £12.6m on a reported basis).

Adjusted profit before tax decreased by 8.6% on a reported basis, including a £7m adverse currency translation impact from stronger sterling, and by 6.3% in constant currency, helped by the stronger second half performance noted above. Adjusted diluted EPS decreased by 8.5%, with an increase in the adjusted effective tax rate to 29.3% (2023: 27.6%). Profit before tax decreased by 10.1%. The difference between profit before tax and adjusted profit before tax relates to the Group's net costs of £9.4m from exceptional and other adjusting items, related to the acquisitions in North America. Diluted EPS decreased by 11.7%.

We maintain a strong balance sheet, with adjusted net funds of £482.2m, an increase of £23.2m versus 2023, after completing a £200m share buyback during the year. The year-end adjusted net funds position benefited from strong collections and approximately £100m more of early customer payments than in the prior year.

Results	**2024 £m**	2023 £m	Change	Change in constant currency
Technology Sourcing gross invoiced income	**8,278.1**	8,444.9	-2.0%	0.1%
Services revenue	**1,638.4**	1,636.5	0.1%	2.1%
Total gross invoiced income	**9,916.5**	10,081.4	-1.6%	0.5%
Technology Sourcing revenue	**5,326.4**	5,286.3	0.8%	3.2%
Services revenue	**1,638.4**	1,636.5	0.1%	2.1%
Professional Services revenue[2]	**778.3**	711.2	9.4%	11.9%
Managed Services revenue[2]	**860.1**	925.3	-7.0%	-5.3%
Total revenue	**6,964.8**	6,922.8	0.6%	2.9%
Gross profit	**1,035.0**	1,044.0	-0.9%	1.2%
Adjusted total administrative expenses	**(788.3)**	(772.5)	2.0%	4.0%
Adjusted operating profit	**246.7**	271.5	-9.1%	-6.8%
Net adjusted finance income / (costs)	**7.3**	6.5	12.3%	12.3%
Adjusted profit before tax	**254.0**	278.0	-8.6%	-6.3%
Adjusted diluted earnings per share (p)	**159.9**	174.8	-8.5%	
Gross profit	**1,035.0**	1,044.0	-0.9%	
Total administrative expenses	**(798.9)**	(783.3)	2.0%	
Other income related to acquisition of subsidiary	**-**	5.3		
Gain related to acquisition of a subsidiary	**1.8**	2.8	-35.7%	
Operating profit	**237.9**	268.8	-11.5%	
Net finance income / (costs)	**6.7**	3.3	103.0%	
Profit before tax	**244.6**	272.1	-10.1%	
Diluted earnings per share (p)	**152.9**	173.2	-11.7%	

[2] At our Half Year results we reallocated certain Services revenues between Professional Services and Managed Services to better reflect the type of services provided to customers. There is no change to Total Services revenue.

Technology Sourcing

Group Technology Sourcing gross invoiced income increased by 0.1% in constant currency. After a 12.2% decline in the first half in constant currency, driven by the anticipated normalisation of Technology Sourcing activity, we delivered a much stronger second half, achieving 13.2% growth in constant currency, 10.6% on a reported basis, recouping all of the first-half decline. Gross margin decreased by 31 basis points, mainly due to the growth in North America.

Our committed product order backlog has grown significantly across the year, driven by notable Technology Sourcing wins in North America, and is significantly higher than the prior-year equivalent and the position at 30 June 2024. Our product order backlog measures the total value of committed outstanding purchase orders placed with our technology vendors against non-cancellable sales orders for delivery within 12 months. As at 31 December 2024, the product order backlog was £2,414.9m on a gross invoiced income basis, a 115.9% increase since 31 December 2023 (£1,118.9m) and a 34.7% increase since 30 June 2024 (£1,793.1m) in constant currency. The Technology Sourcing backlog, alongside the Managed Services contract base and the Professional Services forward order book, provide visibility of future revenues.

Our Circular Services business, which supports our customers' environmental goals, grew strongly. This year we

remarketed, redeployed or recycled over 895,000 devices, representing an increase of 15%.

Services

Total Services revenue increased by 2.1% in constant currency during the year. Services gross margin increased by 11 basis points, driven by a strong performance in Professional Services which offset the impact of two underperforming Managed Services contracts in Germany and the UK, as well as onboarding costs for contracts won towards the end of 2023.

Professional Services revenue grew by 11.9% in constant currency and accounted for 48% of total Services revenue. We delivered growth across all our larger geographies with Germany, our largest source of Professional Services revenue, continuing its strong performance and growing by 6.2% in constant currency, the UK increasing by 19.4% and North America by 30.2% in constant currency. Through our Group-wide approach in Professional Services we are starting to drive greater consistency across our geographies, which will help us continue to build scale, gain market share and drive efficiency across the portfolio.

Managed Services revenue declined by 5.3% in constant currency and accounted for 52% of total Services revenue. The revenue decline was primarily driven by the loss of low-margin contracts in France and exiting of non-core activities in the UK and Germany. We managed our margin well across our Managed Services portfolio, with the exception of the two underperforming contracts noted above, which we do not expect to repeat at the same level in 2025. During the year we renewed several large and strategically important contracts and invested in our sales development. As a result, we have grown our Managed Services pipeline substantially, with notable opportunities for our Device Lifecycle Management proposition, where we are responsible for the complete lifecycle of devices, from procurement to disposal. Our focus in 2025 is to convert the pipeline and improve our win rate to underpin growth further out, while continuing to improve our efficiency by leveraging our systems investments.

Trading reviews by geography

United Kingdom

Results	**2024 £m**	2023 £m	Change
Technology Sourcing gross invoiced income	**1,758.6**	1,938.1	-9.3%
Services revenue	**452.8**	441.9	2.5%
Total gross invoiced income	**2,211.4**	2,380.0	-7.1%
Technology Sourcing revenue	**705.3**	771.8	-8.6%
Services revenue	**452.8**	441.9	2.5%
Professional Services revenue[2]	**158.2**	132.5	19.4%
Managed Services revenue[2]	**294.6**	309.4	-4.8%
Total revenue	**1,158.1**	1,213.7	-4.6%
Gross profit	**230.8**	250.8	-8.0%
Adjusted administrative expenses	**(190.1)**	(192.0)	-1.0%
Adjusted operating profit	**40.7**	58.8	-30.8%

The UK delivered a weaker result in a market that was softer than expected at the start of the year, especially for hardware. Total gross invoiced income decreased by 7.1%, driven by a 9.3% decline in Technology Sourcing and 2.5% growth in Services revenue. Total revenue decreased by 4.6%. Gross profit decreased by 8.0%, with gross margin decreasing by 73 basis points, driven largely by an underperforming Managed Services contract. Administrative expenses decreased by 1.0% due to lower commissions and good cost control, resulting in adjusted operating profit decreasing by 30.8%. The second half of the year delivered a better result than the first half, with total gross invoiced income and revenue ahead of the prior period and gross profit broadly flat.

Customers exercised greater caution across the year, with purchasing decisions taking longer to conclude. This behaviour

was compounded by the general election in July. As a result of the more challenging backdrop, the competitive environment sharpened. We are however encouraged by the better momentum we demonstrated in the second half. We added six major customers, bringing the total to 54 at year end, matching the number achieved in 2021. During the year, we were also pleased to renew some very substantial contracts, including a six-year agreement worth approximately £1bn with a large UK customer covering all three Service Lines. We also grew our public sector business in 2024 and are optimistic about the technology transformation opportunities in this sector. We won large new customers to deliver high-performance AI-related infrastructure, based on our ability to deliver complex logistics and deployment solutions at pace.

Technology Sourcing

Technology Sourcing gross invoiced income decreased by 9.3%, with gross margin on a revenue basis, increasing by 35 basis points, largely reflecting a higher mix of software. Demand for workplace hardware remained relatively weak despite the ageing installed base of PCs following significant investment during the pandemic. The continuing adoption of Windows 11 and the end of support for Windows 10 in October 2025 is expected to provide an impetus for a device refresh in 2025. We ended the year more strongly, as we fulfilled parts of the AI data center projects noted above.

The product order backlog at 31 December 2024 was £426.7m, representing a 17.1% increase since 31 December 2023 (£364.3m).

Services

Services revenue increased by 2.5%, driven by excellent growth in Professional Services, up 19.4%, partly offset by a 4.8% decline in Managed Services. Gross margin decreased by 267 basis points driven by Managed Services, reflecting the onboarding of a large customer, which is now substantially complete, and the impact of an underperforming contract. Excluding the underperforming contract, Services gross margin increased year-on-year.

Professional Services had an excellent year after a challenging 2023. This was driven by good demand in networking, Windows 11-related consultancy projects and a large public sector customer. There is good demand for our skills and the pipeline for Professional Services is healthy.

In Managed Services, the onboarding of a large public sector contract, secured at the end of 2023, was extended and is expected to contribute more materially in 2025. We have taken remedial action to address an underperforming contract which we do not expect to repeat at the same level in 2025. We are seeing strong interest in our Device Lifecycle Management proposition, as evidenced by the six-year contract renewal referenced above.

Germany

Results	**2024 £m**	2023 £m	Change	Change in constant currency
Technology Sourcing gross invoiced income	**1,909.4**	2,111.5	-9.6%	-7.0%
Services revenue	**752.1**	765.7	-1.8%	0.9%
Total gross invoiced income	**2,661.5**	2,877.2	-7.5%	-4.9%
Technology Sourcing revenue	**1,234.6**	1,261.8	-2.2%	0.6%
Services revenue	**752.1**	765.7	-1.8%	0.9%
Professional Services revenue[2]	**407.5**	394.4	3.3%	6.2%
Managed Services revenue[2]	**344.6**	371.3	-7.2%	-4.6%
Total revenue	**1,986.7**	2,027.5	-2.0%	0.7%
Gross profit	**366.2**	374.5	-2.2%	0.5%
Adjusted administrative expenses	**(209.3)**	(211.5)	-1.0%	1.7%
Adjusted operating profit	**156.9**	163.0	-3.7%	-1.0%

Germany delivered a very solid performance for the year against a strong comparative, helped by a stronger second-half performance. Total gross invoiced income decreased by 4.9% in constant currency, driven by a reduction in Technology

Sourcing, and modest growth in Services revenue. Gross profit increased by 0.5% in constant currency with gross margin decreasing by four basis points, with a good margin performance in Technology Sourcing offset by a softer performance in Services. Good cost control led to administrative expenses increasing by 1.7% in constant currency, resulting in a decline in adjusted operating profit of 1.0% in constant currency. Adjusted operating profit in the second half increased by 11.8% in constant currency, 8.6% on a reported basis.

In the context of a challenging overall economic backdrop in Germany, we continue to benefit from the breadth and depth of our portfolio, our capabilities and the strength of our relationships with both public and corporate sector customers. As a result, we continued to broaden our portfolio with existing customers and expanded our customer base. At year end we had increased the number of major customers by three to 65. Looking ahead into 2025, we are mindful of the uncertain macro and political environment following recent elections.

Technology Sourcing

Technology Sourcing gross invoiced income decreased by 7.0% in constant currency against an exceptionally strong comparative, which included a large networking contract. We delivered solid growth in data center, security and workplace. Technology Sourcing gross margin increased by 20 basis points due to strong execution and product mix.

In addition to strong software demand, we continue to see a trend towards bundling procurements in bigger framework contracts, especially for global requirements of large international customers and infrastructure demand from our major public sector clients. Demand for security solutions remains buoyant, supported by new mandatory EU legislation aimed at enhancing cybersecurity and operational resilience across a number of sectors. We are also starting to see increasing demand for AI-related infrastructure. In particular, the pipeline is growing for on-premise data center infrastructure for data training purposes.

The demand for innovative and flexible workplace solutions with asset management, deployment and maintenance services and an increasingly international scope remains high. Following the successful implementation of the Device Lifecycle Management solution at a global customer in the financial sector, we have won further large and exciting projects in the industrial, retail and travel sectors.

The product order backlog at 31 December 2024 was £270.4m, a 17.5% increase in constant currency since 31 December 2023 (£230.1m).

Services

Services revenue increased by 0.9% in constant currency, with 6.2% growth in Professional Services outweighing a 4.6% decline in Managed Services. Services gross margin declined by 44 basis points, largely reflecting one underperforming Managed Services contract which we do not expect to repeat at the same level in 2025. Excluding the impact of this contract, Services gross margin increased. As anticipated, our Services performance improved in the second half of the year.

Professional Services saw continued strong demand from public sector customers for support, engineering and consultancy services. We also see continuing demand for project support and skills from our corporate customers, especially in networking and security, data center consolidation and cloud management, as well as for expanding modern workplace infrastructures. In addition, we are increasingly seeing a need for comprehensive advice on the use of AI in general and AI-related infrastructure.

In Managed Services, in the context of a large portfolio of contracts that performed as expected, it was disappointing that one contract impacted our performance for the year. We managed our margin well during the second half and onboarded a number of wins, including a long-term workplace contract with a global customer in the healthcare and agriculture sectors.

Looking ahead, we have a strong pipeline particularly in workplace and networking, where we are very well-positioned.

Western Europe

Results	**2024 £m**	2023 £m	Change	Change in constant currency
Technology Sourcing gross invoiced income	**971.7**	929.7	4.5%	7.4%
Services revenue	**228.6**	261.6	-12.6%	-10.4%
Total gross invoiced income	**1,200.3**	1,191.3	0.8%	3.5%
Technology Sourcing revenue	**590.7**	639.7	-7.7%	-5.2%
Services revenue	**228.6**	261.6	-12.6%	-10.4%
Professional Services revenue[2]	**62.2**	65.6	-5.2%	-2.7%
Managed Services revenue[2]	**166.4**	196.0	-15.1%	-12.9%
Total revenue	**819.3**	901.3	-9.1%	-6.7%
Gross profit	**118.5**	118.7	-0.2%	2.6%
Adjusted administrative expenses	**(104.8)**	(103.8)	1.0%	3.7%
Adjusted operating profit	**13.7**	14.9	-8.1%	-4.9%

Western Europe is a new reporting Segment, adopted at our half year results. It combines France, which we previously reported separately, with Belgium, Netherlands and Switzerland, which we have transferred from the previously reported International Segment. The International Segment aggregated selling entities with a number of purely operational support entities that provide Services to the Group's global customers. The change makes a clearer distinction between the countries in which we sell to customers and the other countries in which we operate directly to support those customers.

Total gross invoiced income increased by 3.5% in constant currency, with good growth in Technology Sourcing partly offset by a decline in Services revenue. Gross profit increased by 2.6% in constant currency, with gross margin increasing 129 basis points. Technology Sourcing gross margin increased by 177 basis points and Services gross margin was down 12 basis points. Administrative expenses increased by 3.7% in constant currency, resulting in adjusted operating profit declining by 4.9% in constant currency.

France delivered increased gross invoiced income driven by good growth in Technology Sourcing, partly offset by a decline in Services revenue, largely reflecting the termination of low-margin Managed Services contracts. Technology Sourcing growth was driven by an increase in sales of lower-margin workplace hardware and software. We onboarded several new Managed Services contracts in the public and private sectors during 2024, which we expect to deliver benefits in the coming years. In the second half of the year we were also pleased to win a multilingual service desk and managed network services contract for a large multi-national fintech business. We continue to build on our enhanced market position with combined strength in workplace, networking and data center. Looking forward, while our pipeline of opportunities in France is encouraging, we are also mindful of the increase in macroeconomic and political uncertainty.

Belgium delivered another strong performance, driven by growth in both Technology Sourcing and Managed Services. After the first full year targeting the public sector, we secured multi-year technology frameworks with the federal government and in the defence sector. We onboarded a multi-year outsourcing contract with a global customer in the financial settlement services industry and have a full Managed Services pipeline.

The Netherlands performed in line with our expectations, with the result significantly impacted by the loss of one of the largest public sector Technology Sourcing contracts in the second half of 2023. Excluding this, performance was stable year-on-year.

As of the beginning of 2025, Belgium and the Netherlands are operating as a single structure, fully integrated into the Computacenter operating model. We see benefits from creating a larger entity to better engage with our vendor partners and

to provide customers with better access to Computacenter's Group capabilities.

Switzerland delivered an improved performance against a weak comparative, driven by growth in Technology Sourcing and Services. Volumes increased for our main Services contracts and we secured a five-year contract extension with a key customer. Technology Sourcing volumes increased following new customer wins with international corporate customers and the public sector. We have also taken the decision to integrate our Swiss business into our German business, to help us make progress in acquiring target customers that are headquartered in Switzerland, as well as accelerate some prioritised vendor certifications.

The combined product order backlog at 31 December 2024 was £151.0m, a 16.2% increase in constant currency since 31 December 2023 (£130.0m).

North America

Results	**2024 £m**	2023 £m	Change	Change in constant currency
Technology Sourcing gross invoiced income	**3,632.8**	3,454.4	5.2%	8.1%
Services revenue	**180.8**	146.1	23.8%	27.1%
Total gross invoiced income	**3,813.6**	3,600.5	5.9%	8.9%
Technology Sourcing revenue	**2,790.6**	2,602.6	7.2%	10.3%
Services revenue	**180.8**	146.1	23.8%	27.1%
Professional Services revenue[2]	**150.4**	118.7	26.7%	30.2%
Managed Services revenue[2]	**30.4**	27.4	10.9%	13.9%
Total revenue	**2,971.4**	2,748.7	8.1%	11.2%
Gross profit	**280.7**	267.5	4.9%	7.8%
Adjusted administrative expenses	**(208.4)**	(202.5)	2.9%	5.9%
Adjusted operating profit	**72.3**	65.0	11.2%	13.9%

North America delivered another record year, supported by several significant new customer wins. Gross invoiced income increased by 8.9% in constant currency, driven by a strong performance in Technology Sourcing against a challenging comparative, as well as excellent Services revenue growth of 27.1%. Gross profit increase by 7.8% in constant currency, with gross margin decreasing by 29 basis points. Administrative expenses increased by 5.9% in constant currency, largely reflecting investment in sales capacity and increased commissions, resulting in adjusted operating profit growth of 13.9% in constant currency. Adjusted operating profit in the second half increased by 33.1% in constant currency, 29.4% on a reported basis.

By the end of the year, we added four major customers bringing the total to 51. We were pleased to continue to grow our business across healthcare, financial services, retail and state government, as well as adding two new large technology customers. These wins enabled us to more than offset the anticipated normalisation of volumes with an existing large customer. We continue to add targeted sales capacity to capitalise on the significant market opportunity. During the year we successfully migrated BITS and Pivot Phase 1 onto our Group-wide ERP system.

Technology Sourcing

Technology Sourcing gross invoiced income increased by 8.1% on a constant currency basis and gross margin in Technology Sourcing decreased by 75 basis points, largely due to increased hyperscale volumes in the second half of the year. Our strong track record of delivering IT infrastructure at scale and at speed is helping us to win new customers and broaden our hyperscale customer base. We won significant new business with two hyperscale customers, generating significant Technology Sourcing and Professional Services revenue. We also grew our volumes with enterprise customers during the year achieving growth in healthcare, financial services, retail and state government, helped by a strong focus on selling more to existing customers.

The product order backlog at 31 December 2024 was £1,566.7m, a 297.5% increase in constant currency since 31 December 2023 (£394.1m), reflecting the significant business won across the year against the low position at the end of 2023, following high levels of order completions. Our strong backlog positions us well for the year ahead and we remain excited by the pipeline of opportunities with both enterprise and hyperscale customers. In addition, in 2025 we will continue to invest in the business, building a new Integration Center in Atlanta to support our growth.

Services

Services revenue increased by 27.1% in constant currency, reflecting a 30.2% increase in Professional Services and a 13.9% increase in Managed Services. Services gross margin increased by 676 basis points, driven primarily by a large hyperscale project. We continue to focus on leveraging Group-wide tools, expertise and systems to deliver long-term Services growth.

Professional Services' excellent revenue growth was boosted by a very large data center project for a hyperscale customer, where we deployed over 250 engineers to help build the world's largest AI cluster. We also increased our business with enterprise customers, winning several larger projects. We continue to focus our efforts on driving efficiency and improving utilisation across our Professional Services business.

Managed Services revenue grew strongly following new customer wins, including a large global automotive manufacturer and a healthcare customer. This more than offset the lower-than-expected activity from two customers, coupled with the discontinuation of some services previously offered by our Canadian business.

Financial review

In 2024, the Group delivered a solid overall performance against a challenging prior year and in the context of a more cautious demand environment. After a subdued first half, the Group recovered with pleasing execution towards the end of the year leading to the most profitable six months in Computacenter's history. During the year, we continued to invest in Group-wide systems to improve our capabilities, enhance productivity and secure future growth. Our cash performance was excellent, driven by strong working capital management, resulting in adjusted net funds of £482.2m at the end of the year, even after returning £200m to shareholders via the share buyback programme. The year-end adjusted net funds position benefited from strong collections and approximately £100m more of early customer payments than in the prior year.

Gross profit

Gross profit fell by 0.9% in the year following the decline in gross invoiced income and a fall in gross margins. Group gross margin, expressed as gross profit as a percentage of revenue, decreased by 22 basis points to 14.9% (2023: 15.1%), with a decrease in Technology Sourcing gross margin outweighing a slight increase in Services margin.

Operating profit

Operating profit fell by 11.5% to £237.9m (2023: £268.8m). Adjusted operating profit fell by 9.1% to £246.7m (2023: £271.5m), and by 6.8% in constant currency.

Administrative expenses increased by 2.0% to £798.9m (2023: £783.3m). During the year, we increased our spend on strategic corporate initiatives by 31.0% to £36.8m (2023: £28.1m). Adjusted administrative expenses increased by 2.0% to £788.3m (2023: £772.5m), and by 4.0% in constant currency.

Group gross profit conversion, expressed as adjusted operating profit as a percentage of gross profit, fell to 23.8% (2023: 26.0%) partly reflecting the increase in investment during the year, which is detailed below.

Profit before tax

The Group's profit before tax for the year decreased by 10.1% to £244.6m (2023: £272.1m). Adjusted profit before tax decreased by 8.6% to £254.0m (2023: £278.0m) and declined by 6.3% in constant currency.

The difference between profit before tax and adjusted profit before tax relates to the Group's net costs of £9.4m (2023: £5.9m) from exceptional and other adjusting items, associated with the acquisition of BITS and the amortisation of acquired intangibles as a result of this and other North American acquisitions. Further information on these items can be found below.

Net finance income

Net finance income in the year amounted to £6.7m (2023: £3.3m).

Included within the net finance income were £5.8m of interest charged on lease liabilities recognised under IFRS 16 (2023: £4.7m) and exceptional interest costs of £0.6m relating to the unwinding of the discount on the contingent consideration for the purchase of BITS, which was excluded on an adjusted basis (2023: £3.2m).

On an adjusted basis, which excludes the £0.6m exceptional interest cost described above, net finance income was £7.3m (2023: £6.5m).

Taxation

The tax charge was £72.7m (2023: £72.7m unchanged) on profit before tax of £244.6m (2023: £272.1m). This represented a tax rate of 29.7% (2023: 26.7%).

The Group recorded a tax credit of £1.6m in 2024 related to the amortisation of acquired intangibles (2023: £4.0m). As we recognise the associated amortisation charge outside of our adjusted profitability (see exceptional and other adjusting items below), we also report the tax benefit on the amortisation outside of our adjusted tax charge.

The adjusted tax charge for the year was £74.3m (2023: £76.7m) on an adjusted profit before tax for the year of £254.0m (2023: £278.0m). The effective tax rate (ETR) was therefore 29.3% (2023: 27.6%), on an adjusted basis.

Overall, the adjusted ETR continues to trend upwards due to an increasing reweighting of the geographic split of adjusted profit before tax away from the United Kingdom to Germany and the United States, where tax rates are higher.

The adjusted ETR is within the full-year range of 28.5% to 30.5% that we indicated at the time of our 2024 Interim Results. We expect that the full year ETR in 2025 will increase within a range of 29.5% to 31.5% continuing to be subject to increasing upwards pressure, due to the changing geographical mix of profits, as noted above, and as governments across our primary markets come under fiscal and political pressure to increase corporation tax rates.

The Audit Committee and the Board reviewed and approved the Group Tax Policy during the year, with no material changes from the prior year. We make every effort to pay all the tax attributable to profits earned in each jurisdiction where we operate. We do not artificially inflate or reduce profits in one jurisdiction to provide a beneficial tax result in another and maintain approved transfer pricing policies and programmes, to meet local compliance requirements. Virtually all of the tax charge in 2024 was incurred in either the United Kingdom, Germany, France or the United States tax jurisdictions, as it was in 2023.

There are no material tax risks across the Group. Computacenter will recognise provisions and accruals in respect of tax where there is a degree of estimation and uncertainty, including where it relates to transfer pricing, such that a balance cannot fully be determined until accepted by the relevant tax authorities. For 2024, the Group Transfer Pricing Policy

implemented in 2013 resulted in a licence fee of £39.4m (2023: £36.9m), charged by Computacenter UK to Computacenter Germany, Computacenter France and Computacenter Belgium. The licence fee is equivalent to 1.2% of revenue and reflects the value of the best practice and know-how that is owned by Computacenter UK and used by the Group. It is consistent with the requirements of the Organisation for Economic Co-operation and Development (OECD) base erosion and profit shifting guidance. The licence fee is recorded outside the Segmental results found in note 4 to the summary financial information within this announcement, which analyses Segmental results down to adjusted operating profit.

Reconciliation to adjusted measures for the year ended 2024

		Adjustments			
	Reported full-year results £m	**Principal element on agency contracts £m**	**Amortisation of acquired intangibles £m**	**Exceptionals and others £m**	**Adjusted full-year results £m**
Revenue	**6,964.8**	**2,951.7**	**-**	**-**	**9,916.5**
Cost of sales	**(5,929.8)**	**(2,951.7)**	**-**	**-**	**(8,881.5)**
Gross profit	**1,035.0**	**-**	**-**	**-**	**1,035.0**
Administrative expenses	**(798.9)**	**-**	**10.6**	**-**	**(788.3)**
Gain related to acquisition of subsidiary	**1.8**	**-**	**-**	**(1.8)**	**-**
Operating profit	**237.9**	**-**	**10.6**	**(1.8)**	**246.7**
Finance income	**14.5**	**-**	**-**	**-**	**14.5**
Finance costs	**(7.8)**	**-**	**-**	**0.6**	**(7.2)**
Profit before tax	**244.6**	**-**	**10.6**	**(1.2)**	**254.0**
Income tax expense	**(72.7)**	**-**	**(1.6)**	**-**	**(74.3)**
Profit for the year	**171.9**	**-**	**9.0**	**(1.2)**	**179.7**

Reconciliation to adjusted measures for the year ended 2023

		Adjustments			
	Reported full-year results £m	Principal element on agency contracts £m	Amortisation of acquired intangibles £m	Exceptionals and others £m	Adjusted full-year results £m
Revenue	6,922.8	3,158.6	-	-	10,081.4
Cost of sales	(5,878.8)	(3,158.6)	-	-	(9,037.4)
Gross profit	1,044.0	-	-	-	1,044.0
Administrative expenses	(783.3)	-	10.8	-	(772.5)
Other income related to acquisition of subsidiary	5.3	-	-	(5.3)	-
Gain related to acquisition of subsidiary	2.8	-	-	(2.8)	-
Operating profit	268.8	-	10.8	(8.1)	271.5
Finance income	13.8	-	-	-	13.8
Finance costs	(10.5)	-	-	3.2	(7.3)
Profit before tax	272.1	-	10.8	(4.9)	278.0
Income tax expense	(72.7)	-	(4.0)	-	(76.7)

Profit for the year	199.4	-	6.8	(4.9)	201.3

The table below reconciles the tax charge to the adjusted tax charge for the years ended 31 December 2024 and 31 December 2023.

	2024 £m	2023 £m
Tax charge	**72.7**	72.7
Items to exclude from adjusted tax:		
Tax credit on amortisation of acquired intangibles	**1.6**	4.0
Adjusted tax charge	**74.3**	76.7
Effective tax rate	**29.7%**	26.7%
Adjusted effective tax rate	**29.3%**	27.6%

Profit for the year

The profit for the year decreased by 13.8% to £171.9m (2023: £199.4m). The adjusted profit for the year decreased by 10.7% to £179.7m (2023: £201.3m) and by 8.4% in constant currency.

Exceptional and other adjusting items

The net loss from exceptional and other adjusting items in the year was £7.8m (2023: loss of £1.9m). Excluding the £1.6m gain from the tax items noted above (2023: gain of £4.0m), the profit before tax impact was a net loss of £9.4m (2023: loss of £5.9m).

On the acquisition of BITS, the Group agreed contingent consideration which required it to pay BITS' former owners two earn-out payments, based on BITS' 2022, 2023 and H1 2024 earnings before interest, taxation, depreciation and amortisation (EBITDA) and indebtedness. The Group has now made the final payments to the vendors leading to a release of contingent consideration to the Consolidated Income Statement during the year of £2.2m (2023: £2.8m), net of £0.4m (2023: nil) of costs incurred as per the share purchase agreement. These related to the acquisition, are non-operational in nature and have therefore been classified as an exceptional item, consistent with the prior year.

The Group recorded exceptional interest costs of £0.6m (2023: £3.2m), as described under net finance income above.

In calculating our adjusted results we have continued to exclude the amortisation of acquired intangible assets as an 'other adjusting item'. This charge distorts the understanding of our Group and Segmental operating results, as it is non-cash, does not relate to operational performance, and is significantly affected by the timing and size of our acquisitions.

The amortisation of acquired intangible assets was £10.6m (2023: £10.8m), primarily relating to the amortisation of the intangibles acquired as part of the recent North American acquisitions.

Earnings per share

Diluted EPS decreased by 11.7% to 152.9p per share (2023: 173.2p per share). Adjusted diluted EPS decreased by 8.5% to 159.9p per share (2023: 174.8p per share).

	2024	2023
Basic weighted average number of shares (excluding own shares held) (m)	**110.6**	112.9
Effect of dilution:		

Share options	**1.1**	1.2
Diluted weighted average number of shares	**111.7**	114.1
Profit for the year attributable to equity holders of the Parent (£m)	**170.8**	197.6
Basic earnings per share (p)	**154.4**	175.0
Diluted earnings per share (p)	**152.9**	173.2
Adjusted profit for the year attributable to equity holders of the Parent (£m)	**178.6**	199.5
Adjusted basic earnings per share (p)	**161.5**	176.7
Adjusted diluted earnings per share (p)	**159.9**	174.8

Dividend

The Board recognises the importance of dividends to shareholders and the Group has a long track record of paying dividends and other special cash returns. The Group has already returned over £1.2bn since flotation through a combination of dividends and share buybacks, with no additional investment required from shareholders over that time.

We are committed to managing the cash position for shareholders. Our approach to capital management is to ensure that the Group has a robust capital base and maintains a strong credit rating, whilst aiming to maximise shareholder value. The Group is highly cash generative, enabling organic and inorganic investment in recent years to be funded from cash reserves.

Dividends are paid from the standalone balance sheet of the Parent Company and, as at 31 December 2024, the distributable reserves were £319.8m (31 December 2023: £474.1m).

The Board has consistently applied the Company's dividend policy, which states that the interim dividend will be approximately one third of the previous year's total dividend and that the total dividend paid will result in a dividend cover of two to 2.5 times based on adjusted diluted EPS.

The Board is therefore pleased to propose a final dividend for 2024 of 47.4p per share (2023: 47.4p per share). Together with the interim dividend, this brings the total ordinary dividend for 2024 to 70.7p per share, representing a 1.0% increase on the 2023 total dividend per share of 70.0p.

Subject to the approval of shareholders at our Annual General Meeting on 15 May 2025, the proposed dividend will be paid on Friday 4 July 2025. The dividend record date is set as Friday 6 June 2025 and the shares will be marked ex-dividend on Thursday 5 June 2025.

Share buyback

Given the Group's strong positive adjusted net funds position, Computacenter announced on 26 July 2024 that it would return up to £200m to shareholders via a share buyback programme, as detailed below. This is in line with our capital allocation policy to invest organically, make targeted acquisitions and distribute surplus capital while retaining a strong balance sheet.

On 26 July 2024, Computacenter plc commenced a share buyback programme to repurchase up to 11,414,110 of its ordinary shares. The maximum amount allocated to the programme was £200m. The sole purpose of the programme was to reduce the Company's share capital.

The programme completed on 30 October 2024, with a total of 7,897,178 shares purchased for a consideration of £198.7m. The programme incurred directly associated trading expenses of £1.3m and a further £0.2m of other associated expenses. The shares were initially purchased into treasury, with subsequent cancellations of 5,000,000 shares leading to a 6.9% reduction in total voting rights.

Central corporate costs

Central corporate costs primarily include the costs of the Board, related public company costs, Group Executive members not aligned to a specific geographic trading entity, and the cost of centrally-funded strategic initiatives that benefit the whole Group. Accordingly, these expenses are disclosed separately as central corporate costs, within the Segmental note. These costs are borne within the Computacenter (UK) Limited legal entity and have been removed for Segmental reporting and performance analysis but form part of the overall Group adjusted administrative expenses.

Total central corporate costs have increased by 16.2% to £50.9m (2023: £43.8m).

Within this:

- Board expenses, related public company costs, and costs associated with Group Executive members not aligned to a specific geographic trading entity, increased to £13.1m (2023: £12.8m);
- share-based payment charges associated with Group Executive members as identified above, including the Group Executive Directors, decreased to £1.0m in 2024 (2023: £2.8m); and
- strategic corporate initiatives (as described below) totalled £36.8m, up 31.0% over 2023 (£28.1m).

Investments

Customers choose Computacenter because of the quality of our people and service. To deliver high-quality service to our customers, we need to invest consistently in our systems and tools, Integration Centers and support operations, to provide us with competitive advantage and derive benefits from our Group scale, while ensuring consistency of service and agility.

In 2024, we spent £36.8m on strategic corporate initiatives, as we continued our investment in new systems, toolsets and cyber resilience. This compared to £28.1m in 2023, which in turn was almost double the spend in 2022.

Our spend in 2024 was spread across projects that will improve our capabilities and productivity and underpin our systems of the future.

Our systems need to be robust, secure and able to handle large volumes. They must also be simple to use and adaptable to most customer eventualities. We prioritise our plans for systems development, and other investments in time and capital, in response to the ever-changing environment in which we operate.

We have therefore continued to refine our systems investment roadmap through to the end of 2027, with a programme to replace legacy systems that enable our Technology Sourcing and Services businesses. Investing in best-of-breed tools will lower cost to serve, improve the quality of our offerings, and enhance our relevance to customers in the marketplace.

Cash flow

The Group delivered a net cash inflow from operating activities of £417.1m (2023: £410.6m). In the first half of 2024, we saw operating cash outflows as our working capital returned closer to our historical norms. Typically, the Group sees modest to neutral operating cash inflows in the first half of the year with substantial net operating cash inflows in the second half of the year.

During 2024, net operating cash inflows from working capital, including inventories, trade and other receivables, and trade and other payables, were £151.0m (2023: £136.7m).

The Group had £307.2m of inventory as at 31 December 2024, an increase of 42.2% on the balance as at 31 December 2023 of £216.0m. This temporary increase is due primarily to the timing of large projects in North America. The closing balance was materially lower than the high point of £532.6m at 30 September 2022, which was the height of the industry-wide supply chain issues experienced at the time. We expect that the stabilised levels of inventory will continue to remain well-managed, with highs and lows remaining within historical operational norms during 2025.

The year end adjusted net funds position benefited from strong collections and approximately £100m more of early customer payments than in the prior year.

After interest, tax and gross capital expenditure cashflows, our free cash inflow was £348.6m in the year (2023: £339.9m).

Capital expenditure in the year was £31.5m (2023: £35.1m) primarily representing investments in IT equipment and software tools, to enable us to deliver improved service to our customers.

The Group's Employee Benefit Trust (EBT) made market purchases of the Company's ordinary shares of £23.1m (2023: £38.0m) to satisfy maturing PSP awards and Sharesave schemes and to reprovision the EBT in advance of future maturities. During the year, the Company received savings from employees of £6.0m to purchase options within the Sharesave schemes (2023: £9.2m).

The Group made further payments on 2024 of £18.7m (2023: £17.4m) related to the previous BITS acquisition, in accordance with the share purchase agreement.

	31 December 2024 £m	31 December 2023 £m
Adjusted operating profit	**246.7**	271.5
Adjusting items	**(8.8)**	(2.7)
Operating profit	**237.9**	268.8
Other non-cash items and adjustments	**49.6**	47.3
Change in working capital	**151.0**	136.7
Change in pensions and provisions	**(1.3)**	(0.8)
Depreciation of right-of-use assets	**41.0**	41.4
Cash generated from operations	**478.2**	493.4
Interest and payments related to lease liabilities	**(47.4)**	(46.1)
Adjusted operating cash flow	**430.8**	447.3
Net interest received	**10.4**	10.5
Tax paid	**(61.1)**	(82.8)
Gross capital expenditure	**(31.5)**	(35.1)
Free cash flow	**348.6**	339.9
Dividends paid	**(78.9)**	(77.3)
Share buyback including expenses	**(200.2)**	-
Purchase of own shares net of proceeds	**(17.1)**	(28.8)
Acquisition of subsidiaries	**(18.7)**	(19.3)
Disposal of assets	**0.3**	-

Net cash flow	**34.0**	214.5
Net debt repayment	**(4.5)**	(6.9)
Increase in cash and cash equivalents	**29.5**	207.6
Effect of exchange rates on cash and cash equivalents	**(11.1)**	(0.8)
Cash and cash equivalents at the beginning of the year	**471.2**	264.4
Cash and cash equivalents at the year end	**489.6**	471.2
Opening net funds	**343.6**	117.2
Increase in cash and cash equivalents including impact of exchange rates	**18.4**	206.8
Movements in borrowings	**4.8**	7.9
Movements in lease liabilities	**(14.1)**	11.7
Closing net funds	**352.7**	343.6
Opening adjusted net funds	**459.0**	244.3
Increase in cash and cash equivalents including impact of exchange rates	**18.4**	206.8
Movements in borrowings	**4.8**	7.9
Closing adjusted net funds	**482.2**	459.0

We reduced loans during the year by a net £4.5m (2023: £6.9m). We made regular repayments towards the loan related to the construction of our German headquarters in Kerpen and the customer financing facility in Pivot.

The Group continued to manage its cash and working capital positions appropriately, using standard mechanisms, to ensure that cash levels remained within expectations throughout the year. From time-to-time, some customers request credit terms longer than our typical period of 30-60 days. In certain instances, we will arrange for the sale of the receivables on a true sale basis to a finance institution. We typically receive funds on 45-day terms from the finance institution, which will then recover payment from the customer on terms agreed with them. The cost of such an arrangement is borne by the customer, either directly or indirectly, enabling us to receive the full amount of payment in line with our standard terms.

The benefit to the cash and cash equivalents position of such arrangements as at 31 December 2024 was £44.6m (31 December 2023: £33.8m).

During 2024, we engaged in a limited invoice financing programme of trade receivables across the Group. The arrangements are on a non-recourse basis and are intended to manage working capital demands of specific customer projects or engagements. As at the year end, the amount outstanding was £2.5m.

Cash and cash equivalents and net funds

Cash and cash equivalents as at 31 December 2024 were £489.6m, compared to £471.2m at 31 December 2023. Net funds as at 31 December 2024 were £352.7m (31 December 2023: £343.6m).

Adjusted net funds as at 31 December 2024 were £482.2m (31 December 2023: £459.0m). Adjusted net funds is a non-GAAP measure and excludes lease liabilities of £129.5m as at 31 December 2024 (31 December 2023: £115.4m). This provides an alternative view of the Group's overall liquidity position, excluding the effect of the lease liabilities required to

be capitalised under the IFRS 16 accounting standard.

Net funds as at 31 December 2024 and 31 December 2023 were as follows:

	31 December 2024 £m	31 December 2023 £m
Cash and short-term deposits	**489.6**	471.2
Bank overdraft	**-**	-
Cash and cash equivalents	**489.6**	471.2
Bank loans - Pivot customer-specific facility	**(2.1)**	(4.5)
Bank loans - Kerpen building facility	**(5.3)**	(7.7)
Total bank loans	**(7.4)**	(12.2)
Adjusted net funds (excluding lease liabilities)	**482.2**	459.0
Lease liabilities	**(129.5)**	(115.4)
Net funds	**352.7**	343.6

For a full reconciliation of net funds and adjusted net funds, see note 9 to the summary financial information within this announcement.

The Group had five specific credit facilities in place during the year and no other material borrowings. There were no interest-bearing trade payables as at 31 December 2024 (31 December 2023: nil).

The Group's adjusted net funds position contains no current asset investments (31 December 2023: nil).

This Strategic Report was approved by the Board on 17 March 2025 and was signed on its behalf by:

MJ Norris
Chief Executive Officer

Consolidated Income Statement

For the year ended 31 December 2024

	Note	**2024 £m**	2023 £m
Revenue	4,5	**6,964.8**	6,922.8
Cost of sales	4	**(5,929.8)**	(5,878.8)
Gross profit	4	**1,035.0**	1,044.0
Administrative expenses		**(798.9)**	(783.3)
Other income related to acquisition of a subsidiary		**-**	5.3
Gain related to acquisition of a subsidiary		**1.8**	2.8

Operating profit		**237.9**	268.8
Finance income		**14.5**	13.8
Finance costs		**(7.8)**	(10.5)
Profit before tax		**244.6**	272.1
Income tax expense	7	**(72.7)**	(72.7)
Profit for the year		**171.9**	199.4
Attributable to:			
Equity holders of the Parent		**170.8**	197.6
Non-controlling interests		**1.1**	1.8
Profit for the year		**171.9**	199.4
Earnings per share:			
- basic	8	**154.4p**	175.0p
- diluted	8	**152.9p**	173.2p

All of the activities of the Group relate to continuing operations.

Consolidated Statement of Comprehensive Income

For the year ended 31 December 2024

	Note	**2024** **£m**	2023 £m
Profit for the year		**171.9**	199.4
Items that may be reclassified to the Consolidated Income Statement:			
(Loss)/gain arising on cash flow hedge		**(0.2)**	2.8
Income tax effect	7d	**(0.1)**	(0.9)
		(0.3)	1.9
Exchange differences on translation of foreign operations		**(17.2)**	(25.8)
		(17.5)	(23.9)
Items not to be reclassified to the Consolidated Income Statement:			
Remeasurement of retirement benefit obligation		**4.5**	(2.8)
Other comprehensive expense for the year, net of tax		**(13.0)**	(26.7)
Total comprehensive income for the year		**158.9**	172.7
Attributable to:			

Equity holders of the Parent	**157.8**	171.3
Non-controlling interests	**1.1**	1.4
Total comprehensive income for the year	**158.9**	172.7

Consolidated Balance Sheet

As at 31 December 2024

	Note	**2024 £m**	2023 £m
Non-current assets			
Property, plant and equipment		**90.7**	96.1
Right-of-use assets		**119.0**	104.5
Intangible assets		**317.5**	322.4
Investment in associate		**0.1**	0.1
Deferred income tax assets	7d	**6.3**	11.6
Trade and other receivables		**32.7**	21.1
Prepayments	5	**7.7**	10.3
		574.0	566.1
Current assets			
Inventories		**307.2**	216.0
Trade and other receivables		**1,656.8**	1,498.1
Income tax receivable		**20.4**	12.5
Prepayments	5	**172.3**	139.7
Accrued income	5	**137.5**	151.9
Derivative financial instruments		**8.2**	2.5
Cash and short-term deposits	9	**489.6**	471.2
		2,792.0	2,491.9
Total assets		**3,366.0**	3,058.0
Current liabilities			
Trade and other payables		**2,054.3**	1,674.5
Deferred income	5	**285.7**	234.6
Borrowings		**4.1**	4.8
Lease liabilities		**36.3**	37.3
Derivative financial instruments		**3.4**	6.3
Income tax payable		**21.0**	16.9
Provisions		**4.9**	2.2
		2,409.7	1,976.6
Non-current liabilities			
Borrowings		**3.3**	7.4
Lease liabilities		**93.2**	78.1

Retirement benefit obligation		**22.3**	26.2
Provisions		**7.8**	6.9
Deferred income tax liabilities	7d	**10.7**	13.4
		137.3	132.0
Total liabilities		**2,547.0**	2,108.6
Net assets		**819.0**	949.4
Capital and reserves			
Issued share capital		**8.9**	9.3
Share premium		**4.0**	4.0
Capital redemption reserve		**0.4**	-
Own shares held		**(246.5)**	(140.4)
Translation and hedging reserve		**9.7**	27.2
Retained earnings		**1,033.7**	1,041.6
Shareholders' equity		**810.2**	941.7
Non-controlling interests		**8.8**	7.7
Total equity		**819.0**	949.4

Approved by the Board on 17 March 2025.

MJ Norris
Chief Executive Officer

Consolidated Statement of Changes in Equity

For the year ended 31 December 2024

	Attributable to equity holders of the Parent								
	Issued share capital £m	**Share premium £m**	**Capital Redemp-tion reserve £m**	**Own shares held £m**	**Transla-tion and hedging reserves £m**	**Retained earnings £m**	**Share-holders' equity £m**	**Non-controlling interests £m**	**Total equity £m**
At 1 January 2024	**9.3**	**4.0**	**-**	**(140.4)**	**27.2**	**1,041.6**	**941.7**	**7.7**	**949.4**
Profit for the year	**-**	**-**	**-**	**-**	**-**	**170.8**	**170.8**	**1.1**	**171.9**
Other comprehensive (expense)/income	**-**	**-**	**-**	**-**	**(17.5)**	**4.5**	**(13.0)**	**-**	**(13.0)**
Total comprehensive (expense)/income	**-**	**-**	**-**	**-**	**(17.5)**	**175.3**	**157.8**	**1.1**	**158.9**
Reclassification	**-**	**-**	**-**	**8.5**	**-**	**(8.5)**	**-**	**-**	**-**

Transactions with owners:									
- Cost of share-based payments	-	-	-	-	-	**7.1**	**7.1**	-	**7.1**
- Tax on share-based payments	-	-	-	-	-	**(0.2)**	**(0.2)**	-	**(0.2)**
- Share buyback programme	-	-	-	**(198.7)**	-	-	**(198.7)**	-	**(198.7)**
- Expenses relating to share buyback programme	-	-	-	-	-	**(1.5)**	**(1.5)**	-	**(1.5)**
- Cancellation of shares	**(0.4)**	-	**0.4**	**84.2**	-	**(84.2)**	-	-	-
- Exercise of options	-	-	-	**23.0**	-	**(17.0)**	**6.0**	-	**6.0**
- Purchase of own shares	-	-	-	**(23.1)**	-	-	**(23.1)**	-	**(23.1)**
- Equity dividends	-	-	-	-	-	**(78.9)**	**(78.9)**	-	**(78.9)**
Total	**(0.4)**	-	**0.4**	**(114.6)**	-	**(174.7)**	**(289.3)**	-	**(289.3)**
At 31 December 2024	**8.9**	**4.0**	**0.4**	**(246.5)**	**9.7**	**1,033.7**	**810.2**	**8.8**	**819.0**
At 1 January 2023	9.3	4.0	75.0	(127.7)	50.7	854.4	865.7	6.3	872.0
Profit for the year	-	-	-	-	-	197.6	197.6	1.8	199.4
Other comprehensive (expense)	-	-	-	-	(23.5)	(2.8)	(26.3)	(0.4)	(26.7)
Total comprehensive (expense)/income	-	-	-	-	(23.5)	194.8	171.3	1.4	172.7
Transactions with owners:									
- Cost of share-based payments	-	-	-	-	-	7.7	7.7	-	7.7
- Tax on share-based payments	-	-	-	-	-	3.1	3.1	-	3.1
- Capital reduction	-	-	(75.0)	-	-	75.0	-	-	-
- Exercise of options	-	-	-	25.3	-	(16.1)	9.2	-	9.2

- Purchase of own shares	-	-	-	(38.0)	-	-	(38.0)	-	(38.0)
- Equity dividends	-	-	-	-	-	(77.3)	(77.3)	-	(77.3)
Total	-	-	(75.0)	(12.7)	-	(7.6)	(95.3)	-	(95.3)
At 31 December 2023	9.3	4.0	-	(140.4)	27.2	1,041.6	941.7	7.7	949.4

Consolidated Cash Flow Statement

For the year ended 31 December 2024

	Note	**2024 £m**	2023 £m
Operating activities			
Profit before taxation		**244.6**	272.1
Net finance income		**(6.7)**	(3.3)
Depreciation of property, plant and equipment		**21.5**	20.4
Depreciation of right-of-use assets		**41.0**	41.4
Amortisation of intangible assets		**18.8**	18.9
Gain related to acquisition of a subsidiary*	6	**1.8**	-
Share-based payments		**7.1**	7.7
Loss on disposal of property, plant and equipment		**0.3**	0.2
Net cash flow from inventories		**(92.8)**	189.2
Net cash flow from trade and other receivables (including contract assets)		**(225.7)**	107.7
Net cash flow from trade and other payables (including contract liabilities)*		**469.5**	(160.2)
Net cash flow from provisions and retirement benefit obligation		**(1.3)**	(0.8)
Other adjustments		**0.1**	0.1
Cash generated from operations		**478.2**	493.4
Income taxes paid		**(61.1)**	(82.8)
Net cash flow from operating activities		**417.1**	410.6
Investing activities			
Interest received		**11.7**	13.1
Contingent consideration		**(18.7)**	(17.4)
Purchases of property, plant and equipment		**(19.0)**	(21.9)
Purchases of intangible assets		**(12.5)**	(13.2)
Proceeds from disposal of property, plant and equipment		**0.3**	-
Net cash flow from investing activities		**(38.2)**	(39.4)

Financing activities			
Interest paid		**(1.3)**	(2.6)
Interest paid on lease liabilities		**(5.8)**	(4.7)
Purchase of non-controlling interest		**-**	(1.9)
Dividends paid to equity shareholders of the Parent		**(78.9)**	(77.3)
Share buyback programme		**(198.7)**	-
Expenses relating to share buyback programme		**(1.5)**	-
Proceeds from exercise of share options		**6.0**	9.2
Purchase of own shares		**(23.1)**	(38.0)
Repayment of borrowings		**(44.5)**	(69.8)
Payment of capital element of lease liabilities		**(41.6)**	(41.4)
Drawdown of borrowings		**40.0**	62.9
Net cash flow from financing activities		**(349.4)**	(163.6)
Increase in cash and cash equivalents		**29.5**	207.6
Effect of exchange rates on cash and cash equivalents		**(11.1)**	(0.8)
Cash and cash equivalents at the beginning of the year	9	**471.2**	264.4
Cash and cash equivalents at the year end	9	**489.6**	471.2

* The gain related to acquisition of a subsidiary was £2.8m in 2023 and was reported within 'net cash flow from trade and other payables (including contract liabilities)'. The prior year comparative has not been reclassified as it is immaterial and not significant to the understanding of the Consolidated Cash Flow Statement.

1 General information

Computacenter plc is a limited company incorporated and domiciled in England, whose shares are publicly traded. Its registered address is Hatfield Business Park, Hatfield Avenue, Hatfield, AL10 9TW.

2 Summary of material accounting policies

The accounting policies adopted are consistent with those of the previous financial year, as applied in the 2023 Annual Report and Accounts.

New or revised standards or interpretations

Some accounting pronouncements which have become effective from 1 January 2024 and have therefore been adopted do not have a significant impact on the Group's financial results or position, other than certain disclosure changes which are discussed below.

The Group has considered the impact of adoption of the amendments to IAS 7 and IFRS 7 on its industry-standard supply chain arrangements (SCAs) where suppliers have sold their debts due from the Group and which form part of doing business as a customer of those suppliers. The Group has assessed that as the SCAs do not have a material effect on the Group's payment terms and liquidity risk, enhanced disclosures under IFRS 7 are not required.

At its July 2024 meeting, the International Accounting Standards Board (IASB) agreed to publish the IFRS Interpretations Committee's (Committee) agenda decision clarifying certain requirements for segment disclosures. In light of the

Committee's agenda decision and to further enhance the disclosure of segment information, the Group has included some additional expense lines in note 4, which are part of the Segment performance measures provided to the Group's Chief Operating Decision Maker but not reported separately. The additional lines disclosed for the current and prior year are: 'cost of sales', 'costs of inventories recognised as an expense' and 'staff costs'.

IFRS 18 'Presentation and Disclosure in Financial Statements' will replace IAS 1 'Presentation of Financial Statements', effective for annual periods beginning on or after 1 January 2027. The Group is currently assessing the impact on its consolidated financial statements. From a high-level preliminary assessment performed, adoption of IFRS 18 is unlikely to have a material effect on net profit. However, the grouping of income and expense items into new categories will change how operating profit is reported within the Consolidated Income Statement. The Group intends to adopt IFRS 18 from its effective date of 1 January 2027.

Other new standards, interpretations or amendments not yet effective have not been early adopted and have not been disclosed, as they are not expected to have a material effect on the Group's consolidated financial statements. The Group anticipates that all relevant pronouncements will be adopted for the first period beginning on or after the effective date of the pronouncement.

2.1 Basis of preparation

The summary financial information set out above does not constitute the Group's Statutory Consolidated Financial Statements for the years ended 31 December 2024 or 2023. The summary financial information set out above is derived from the Statutory Consolidated Financial Statements for the Group for the year ended 31 December 2023, prepared in accordance with adopted IFRS, which have been delivered to the Registrar of Companies and those for 2024 will be delivered in due course. The auditor has reported on those accounts; their report was (i) unqualified, (ii) did not include a reference to any matters to which the auditors drew attention by way of any emphasis without qualifying their opinion and (iii) did not contain a statement under Section 498 (2) or (3) of the Companies Act 2006.

This preliminary announcement does not constitute the Group's full financial statements for 2024 within the meaning of Section 434 of the United Kingdom Companies Act 2006.

The Group's consolidated financial statements are prepared on the historical cost basis, other than derivative financial instruments and contingent consideration, which are stated at fair value.

The Group's consolidated financial statements are presented in pound sterling (£) and all values are rounded to the nearest hundred thousand, except when otherwise indicated.

In determining whether it is appropriate to prepare the financial statements on a going concern basis, the Group prepares a three-year Plan (the Plan) annually by aggregating top-down expectations of business performance across the Group in the second and third year of the Plan with a detailed 12-month bottom-up budget for the first year, which was approved by the Board. The Plan is subject to rigorous downside sensitivity analysis which involves flexing a number of the main assumptions underlying the forecasts within the Plan. The forecast cash flows from the Plan are aggregated with the current position, to provide a total three-year cash position against which the impact of potential risks and uncertainties can be assessed. In the absence of significant external debt, the analysis also considers access to available committed and uncommitted finance facilities, the ability to raise new finance in most foreseeable market conditions and the ability to restrict dividend payments.

The Directors have identified a period of not less than 12 months through to 17 March 2026, as the appropriate period for the going concern assessment and have based their assessment on the relevant forecasts from the Plan for that period. No

events or conditions beyond the assessment period that may cast significant doubt on the Group's ability to continue as a going concern have been identified.

The potential impact of the principal risks and uncertainties is then applied to the Plan. This assessment includes only those risks and uncertainties that, individually or in plausible combination, would threaten the Group's business model, future performance, solvency or liquidity over the assessment period and which are considered to be severe but reasonable scenarios. It also takes into account an assessment of how the risks are managed and the effectiveness of any mitigating actions.

For the current period, the combined effect of the potential occurrence of several of the most impactful risks and uncertainties in the downside sensitivity scenario relates to a modelled, but not predicted, continuing market downturn scenario, with slower-than-predicted recovery estimates, beginning in 2025. This scenario simulates a continued impact for some of our customers from a reduction in customer demand due to the current economic crisis, and ongoing impact on the Group's revenues from this instability in the global macroeconomic environment.

The supporting models of the Plan are subject to rigorous downside sensitivity analysis that involves flexing a number of the main assumptions underlying the forecasts within the Plan. The modelling resulted in a significant downturn in Group revenues and margins, leading to a substantial loss-making position over the assessment period.

This analysis results in a large risk impact adjustment to the cashflows over the assessment period, which is then compared to the cash position generated by the Plan, throughout the assessment period, to model whether the business will be able to continue in operation. Included within this sensitivity scenario is the modelled lack of access to our committed facility.

Under the sensitivity scenario, the business demonstrates modelled solvency and liquidity over the assessment period.

Our cash and borrowing capacity provides sufficient funds to meet the foreseeable needs of the Parent and Group. At 31 December 2024, the Group had cash and short-term deposits of £489.6m and bank debt, primarily related to the recently built headquarters in Germany and operations in North America, of £7.4m. On 9 December 2022, the Group entered into an unsecured multi-currency revolving loan facility of £200.0m. The facility had a term of five years, which has been extended to seven years by exercising two one-year extension options available on the first and second anniversary of the facility.

The Group has a resilient balance sheet position, with net assets of £819.0m as at 31 December 2024. The Group made a profit after tax of £171.9m, and delivered net cash flows from operating activities of £417.1m, for the year ended 31 December 2024.

As the analysis continues to show a strong forecast cash position, even under the severe economic conditions modelled in the sensitivity scenarios, the Directors continue to consider that the Parent and Group are well placed to manage business and financial risks in the current economic environment. Based on this assessment, the Directors confirm that they have a reasonable expectation that the Parent and Group will be able to continue in operation and meet their liabilities as they fall due over the period of not less than 12 months from the date of signing the consolidated financial statements and therefore have prepared the consolidated financial statements on a going concern basis.

2.2 Basis of consolidation

The Group's consolidated financial statements comprise the financial statements of the Parent Company and its subsidiaries as at 31 December each year. The financial statements of subsidiaries are prepared for the same reporting year as the Parent Company, using existing GAAP in each country of operation. Adjustments are made on consolidation for differences that may exist between the respective local GAAPs and IFRS.

All intra-group balances, transactions, income and expenses and profit and losses resulting from intra-group transactions have been eliminated in full.

Subsidiaries are consolidated from the date on which the Group obtains control and cease to be consolidated from the date on which the Group no longer retains control. Non-controlling interests represent the portion of profit or loss and net assets in subsidiaries that is not held by the Group and is presented separately from Parent shareholders' equity in the Consolidated Balance Sheet.

2.2.1 Foreign currency translation
Each entity in the Group determines its own functional currency and items included in the financial statements of each entity are measured using that functional currency. Transactions in foreign currencies are initially recorded in the functional currency at the exchange rate ruling at the date of the transaction, or where relevant, the rate of a specific forward exchange contract. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the Consolidated Balance Sheet date. All differences are taken to the Consolidated Income Statement, except foreign currency differences arising from the translation of qualifying cash flow hedges, which are recognised in the Consolidated Statement of Comprehensive Income, to the extent that the hedges are effective.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of initial transaction.

The functional currencies of the main overseas subsidiaries are euro (€) and US dollar ($). The Group's presentation currency is pound sterling (£). As at the reporting date, the assets and liabilities of overseas subsidiaries are translated into the presentation currency of the Group at the rate of exchange ruling at the Consolidated Balance Sheet date and their income statements are translated at the average exchange rates for the year. Exchange differences arising on the retranslation are recognised in the Consolidated Statement of Comprehensive Income. On disposal of a foreign entity, the deferred cumulative amount recognised in the Consolidated Statement of Comprehensive Income relating to that particular foreign operation is recognised in the Consolidated Income Statement.

2.3 Revenue
Revenue is recognised when the Group's performance obligations are fulfilled, to the extent of the amount which is expected to be received from customers as consideration for the transfer of goods and services to the customer.

In multi-element contracts with customers where more than one good (Technology Sourcing) or service (Professional Services and Managed Services) is provided to the customer, analysis is performed to determine whether the separate promises are distinct performance obligations within the context of the contract. To the extent that this is the case, the transaction price is allocated between the distinct performance obligations based upon relative standalone selling prices. The revenue is then assessed for recognition purposes based upon the nature of the activity and the terms and conditions of the associated customer contract relating to that specific distinct performance obligation.

The following specific recognition criteria must also be met before revenue is recognised:

2.3.1 Technology Sourcing
The Group supplies hardware, software and resold third-party services (together as 'goods') to customers that are sourced from and delivered by a number of suppliers.

Technology Sourcing revenue is recognised when the Group's performance obligations are fulfilled at a point in time when

control of the goods has been transferred to the customer. Typically, customers obtain control of the goods when they are delivered to and have been accepted at their premises, depending on individual customer arrangements. Invoices are routinely generated at despatch from our Integration Centers or, in the case of direct delivery by supplier, upon receipt at customer locations. At each reporting date, a process is undertaken to ensure revenue is not recognised for goods that have not been received by customers at that reporting date. Payment for the goods is generally received on, or before, industry-standard payment terms, ordinarily 30-60 days. Refer to note 3.2.1 for 'bill and hold' transactions.

Revenue is recorded at the price specified in sales invoices which is based on the customer contracts, net of any agreed discounts and rebates, and exclusive of value added tax on goods or services supplied to customers during the year.

In limited instances, the Group provides early-payment discounts or rebates to its customers, which create variability in the transaction price. In determining the variable consideration to be recognised, these discounts and rebates are estimated based on the terms of contractually agreed arrangements and the amount of consideration to which the Group will be entitled in exchange for supplying the goods or services. The level of estimation involved in assessing the variable consideration is minimal given the arrangements are generally prospective in nature and therefore deductions from revenue and trade receivables are appropriately accounted for at the point revenue is recognised.

Revenue is recognised to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur.

Technology Sourcing principal versus agent recognition

Management assesses the classification of certain revenue contracts for Technology Sourcing revenue recognition on either an agent or principal basis. Because the identification of the principal in a contract is not always clear, Management makes a determination by evaluating the nature of our promise to our customer as to whether it is a performance obligation to pass control of the specified goods or services ourselves, in which case we are the principal, or to arrange for those goods or services to be provided by the other party, where we are the agent. We determine whether we are a principal or an agent for each specified good or service promised to the customer, by evaluating the nature of our promise to the customer and if we control each specified good or service before it is delivered to the customer. We perform this evaluation by assessing the fact pattern of the arrangement against a non-exhaustive list of indicators that a performance obligation could involve an agency relationship:

- the vendor retains primary responsibility for fulfilling the sale;
- we take no inventory risk before or after the goods have been ordered, during shipping or on return;
- we do not have discretion to establish pricing for the vendor's goods, limiting the benefit we can receive from the sale of those goods; and
- our consideration is in the form of a, usually predetermined, commission.

2.3.2 Professional Services

The Group provides skilled professionals to customers either operating within a project framework or on a 'resource on demand' basis.

For contracts operating within a project framework, revenue is recognised based on the transaction price, with reference to the costs incurred as a proportion of the total estimated costs (percentage of completion basis) of the contract.

For those contracts which are 'resource on demand', where highly skilled employees work for a customer on projects and engagements managed by the customer, revenue is billed on a timesheet basis. The Group elects to use the practical expedient in IFRS 15.B16, as we have a right to consideration from our 'resource on demand' Professional Services

customers in an amount that corresponds directly with the value to our customer of the Group's performance completed to date. The practical expedient applied permits the Group to recognise these 'resource on demand' Professional Services revenues in the amount to which the entity has a right to invoice. Professional Services revenue is therefore recognised throughout the term of the contract, as services are delivered, with amounts recognised based on monthly invoiced amounts, as this corresponds to the service delivered to the customer and the satisfaction of the Group's performance obligations.

Under either basis, Professional Services revenue is recognised over time. The majority of the Group's Professional Services revenue is constituted by 'resource on demand' arrangements, is recognised in this manner and represents the primary area of growth in this business line. As the majority of Professional Services revenue is recognised as 'resource on demand', the overall balance of risks to recognition for this business is decreased compared to the scenario where the majority of Professional Services revenue would be recognised on a percentage of completion basis. This is due to the monthly timesheet nature of the billing which is agreed regularly with the customer as the service is delivered.

Payment for the Services, which are invoiced monthly, is generally on industry standard payment terms.
For contracts operating within a project framework, if the total estimated costs and revenues of a contract cannot be reliably estimated, revenue is recognised only to the extent that costs have been incurred and where the Group has an enforceable right to payment as work is being performed. A provision for forecast excess costs over forecasted revenue is made as soon as a loss is foreseen (see note 2.16 for further detail).

2.3.3 Managed Services
The Group sells maintenance, support and management of customers' IT infrastructures and operations.

The specific performance obligations and invoicing conditions in our Managed Services contracts are typically related to the number of calls, interventions or users that we manage and therefore the customer simultaneously receives and consumes the benefits of the services as they are performed. The Group elects to use the practical expedient in IFRS 15.B16, as we have a right to consideration from our Managed Services customers in an amount that corresponds directly with the value to our customer of the Group's performance completed to date. The practical expedient applied permits the Group to recognise Managed Services revenue in the amount to which the entity has a right to invoice. Managed Services revenue is therefore recognised throughout the term of the contract, as services are delivered, with amounts recognised based on monthly invoiced amounts, as this corresponds to the service delivered to the customer and the satisfaction of the Group's performance obligations.

Invoice payment is generally on industry standard payment terms.

On occasion, the Group may have a limited number of Managed Services contracts where revenue is recognised on a percentage of completion basis, which is determined by reference to the costs incurred as a proportion of the total estimated costs of the contract. If the total costs and revenues of a contract cannot be reliably estimated, revenue is recognised only to the extent that costs have been incurred and where the Group has an enforceable right to payment as work is being performed. A provision for forecast excess costs over forecasted revenue is made as soon as a loss is foreseen (see note 2.16 for further detail).

2.3.4 Contract assets and liabilities
A contract asset is recognised when the Group has a right to consideration for goods or services which have been transferred to the customer but have not been billed, therefore excluding receivable balances. Contract assets typically relate to longer-term Professional and Managed Services contracts where work has been performed but has not been invoiced to the customer, and are included within accrued income on the Consolidated Balance Sheet.

A contract liability is recognised when a customer pays the Group, or the Group has a right to consideration that is unconditional, before the transfer of the goods or services to which it relates. Contract liabilities typically relate to longer-term Professional and Managed Services contracts where consideration has been received under agreed billing timelines for which work has yet to be performed, and are included within deferred income on the Consolidated Balance Sheet.

Costs of obtaining and fulfilling revenue contracts

The Group operates in a highly competitive environment and is frequently involved in contract bids with multiple competitors, with the outcome usually unknown until the contract is awarded and signed.

When accounting for costs associated with obtaining and fulfilling customer contracts, the Group first considers whether these costs fit within a specific IFRS standard or policy. Any costs associated with obtaining or fulfilling revenue contracts which do not fall into the scope of other IFRS standards or policies are considered under IFRS 15. All such costs are expensed as incurred, other than the two types of costs noted below:

1. Win fees - The Group pays 'win fees' to certain employees as bonuses for successfully obtaining customer contracts. As these are incremental costs of obtaining a customer contract, they are deferred along with any associated payroll tax expense to the extent they are expected to be recovered. These balances are presented within prepayments in the Consolidated Balance Sheet. The win fee balance that will be realised after more than 12 months is disclosed as non-current.
2. Fulfilment costs - The Group often incurs costs upfront relating to the initial set-up phase of an outsourcing contract, which the Group refers to as 'Entry Into Service'. These costs do not relate to a distinct performance obligation in the contract, but rather are accounted for as fulfilment costs under IFRS 15 as they are directly related to the future performance on the contract. They are therefore capitalised to the extent that they are expected to be recovered. These balances are presented within prepayments in the Consolidated Balance Sheet.

Both types of assets resulting from capitalised win fees and Entry Into Service costs are amortised on a systematic basis that is consistent with the transfer to the customer of the goods and services to which the asset relates over the contract term. The amortisation charges on win fees and Entry Into Service costs are recognised in the Consolidated Income Statement within administrative expenses and cost of sales, respectively.

Any bid costs incurred by the Group's Central Bid Management Engines are not capitalised or charged to the contract, but instead directly charged to administrative expenses as they are incurred. These costs associated with bids are not separately identifiable nor can they be measured reliably, as the Group's internal bid teams work across multiple bids at any one time.

2.3.5 Finance income

Income is recognised as interest accrues.

2.4 Exceptional items

The Group presents those items of income and expense as exceptional items which, because of the nature and expected infrequency of the events giving rise to them, merit separate presentation to allow shareholders to understand the elements of financial performance in the year, so as to facilitate comparison with prior years and to assess trends in financial performance.

2.5 Adjusted measures

The Group uses a number of non-Generally Accepted Accounting Practice (non-GAAP) financial measures in addition to those reported in accordance with IFRS. The Directors believe that these non-GAAP measures, set out below, assist in

providing additional useful information on the underlying trends, performance and position of the Group. The non-GAAP measures are also used to enhance the comparability of information between reporting periods by adjusting for non-recurring or uncontrollable factors which affect IFRS measures, to aid the user in understanding the Group's performance.

Consequently, non-GAAP measures are used by the Directors and Management for performance analysis, planning, reporting and incentive-setting purposes. Adjusted measures have remained consistent with the prior year. However, as with all non-GAAP alternative performance measures, these adjusted measures present some natural limitations in their usage to understand the Group's performance. These limitations include the lack of comparability with non-GAAP and GAAP measures used by other companies and the fact that the results may, from time-to-time, contain the benefit of acquisitions made but exclude the significant costs associated with that acquisition or the amortisation of acquired intangibles. It is therefore not a complete record of the Group's financial performance as compared to its GAAP results. The exclusion of other adjusting items may result in adjusted earnings being materially higher or lower than reported earnings. In particular, when significant acquisition related charges are excluded, adjusted earnings will be higher than reported GAAP-compliant earnings.

These non-GAAP measures comprise: gross invoiced income, adjusted administrative expenses, adjusted operating profit or loss, adjusted profit or loss before tax, adjusted tax, adjusted profit or loss for the year, adjusted earnings per share, and adjusted diluted earnings per share. They are, as appropriate, each stated before: exceptional and other adjusting items including gain or loss on acquisitions, expenses related to material acquisitions, amortisation of acquired intangibles, utilisation of deferred tax assets (where initial recognition was as an exceptional item or a fair value adjustment on acquisition), and the related tax effect of these exceptional and other adjusting items, as Management does not consider these items when reviewing the underlying performance of the Segment or the Group as a whole.

Gross invoiced income is based on the value of invoices raised to customers, net of the impact of credit notes and excluding VAT and other sales taxes. This reflects the cash movements from revenue, to assist Management and the users of this announcement in understanding revenue growth on a 'Principal' basis and to assist in their assessment of working capital movements in the Consolidated Balance Sheet and Consolidated Cash Flow Statement. This measure allows an alternative view of growth in adjusted gross profit, based on the product mix differences and the accounting treatment thereon. Gross invoiced income includes all items recognised on an agency basis within revenue, on a gross income billed to customers basis, as adjusted for deferred and accrued revenue.

A reconciliation to adjusted measures is provided in the Financial review, which details the impact of exceptional and other adjusting items when comparing to the non-GAAP financial measures, in addition to those reported in accordance with IFRS. Further detail is also provided within note 4, Segment information.

2.6 Impairment of assets

The Group assesses at each reporting date whether there is an indication that an asset may be impaired. If any such indication exists, or when annual impairment testing for an asset is required, the Group makes an estimate of the asset's recoverable amount. Where an asset does not have independent cash flows, the recoverable amount is assessed for the cash-generating unit (CGU) to which it belongs. These assets are tested across an aggregation of CGUs that utilise the asset. The recoverable amount is the higher of the fair value less costs to sell and the value-in-use of the asset or CGU. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value-in-use, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. Impairment losses of continuing operations are recognised in the Consolidated Income Statement in those expense categories consistent with the function of the impaired asset.

For assets excluding goodwill, an assessment is made at each reporting date whether there is any indication that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. As the Group has no assets carried at revalued amounts, such reversal is recognised in the Consolidated Income Statement.

2.7 Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. Depreciation, down to residual value, is calculated on a straight-line basis over the estimated useful life of the asset as follows:

- freehold buildings: 25-50 years
- short leasehold improvements: shorter of seven years and period to expiry of lease
- fixtures and fittings:
- head office: 5-15 years
- other: shorter of seven years or period to expiry of lease
- office machinery and computer hardware: 2-15 years
- motor vehicles: three years

Freehold land is not depreciated. An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the item) is included in the Consolidated Income Statement in the year the item is derecognised.

2.8 Leases

2.8.1 Group as lessee

Recognition of a lease

The contracts are assessed by the Group, to determine whether a contract is, or contains, a lease. In general, arrangements are a lease when all of the following apply:

- it conveys the right to control the use of an identified asset for a certain period, in exchange for consideration;
- the Group obtains substantially all economic benefits from the use of the asset; and
- the Group can direct the use of the identified asset.
- The Group elects to separate the non-lease components.

Measurement of a right-of-use asset and lease liability

Right-of-use asset

The Group measures the right-of-use asset at cost, which includes the following:

- the initial amount of the lease liability, adjusted for any lease payments made at or before the lease commencement date;
- any lease incentives received; and
- any initial direct costs incurred by the Group, as well as an estimate of costs to be incurred by the Group in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying

asset to the condition required by the lease contract. Cost for dismantling, removing or restoring the site on which it is located and/or the underlying asset is only recognised when the Group incurs an obligation to do so.

The right-of-use asset is depreciated over the lease term, using the straight-line method.

Lease liability

The lease liability is initially measured at the present value of the unpaid lease payments, discounted using the interest rate implicit in the lease, or if the rate cannot be readily determined, the Group's incremental borrowing rate. Lease payments included in the measurement comprise fixed payments, variable lease payments that depend on an index or a rate, amounts to be paid under a residual value guarantee and lease payments in an optional renewal period, if the Group is reasonably certain to exercise an extension option, as well as penalties for early termination of a lease, if the Group is reasonably certain to terminate early. If there is a purchase option present, this will be included if the Group is reasonably certain to exercise the option.

Leases of low-value assets and short term

Leases of low-value assets (< £5,000) and short-term leases with a term of 12 months or less are not required to be recognised on the Consolidated Balance Sheet and payments made in relation to these leases are recognised on a straight-line basis in the Consolidated Income Statement.

2.8.2 Group as a lessor

The Group has entered into lease agreements as a lessor on certain items of IT equipment and software. Leases for which the Group is a lessor are classified as either operating or finance leases. The Group assesses whether it transfers substantially all the risks and rewards of ownership. Those leases that do not transfer substantially all the risks and rewards are classified as operating leases. Rental income arising from operating leases is accounted for on a straight-line basis over the lease term.

If an arrangement contains lease and non-lease components, then the Group applies IFRS 15 to allocate the consideration of the contract.

The Group applies the derecognition and impairment requirements in IFRS 9 to the net investment in the lease, as applicable.

In cases where the Group acts as an intermediate lessor, it accounts for its interests in both the head-lease and the sub-lease.

2.9 Intangible assets

2.9.1 Software and software licences

Software and software licences include computer software that is not integral to a related item of hardware. These assets are stated at cost less accumulated amortisation and any impairment in value. Amortisation is calculated on a straight-line basis over the estimated useful life of the asset. Currently software is amortised over four years.

The carrying values of software and software licences are reviewed for impairment when events or changes in circumstances indicate that the carrying value may not be recoverable. If any such indication exists and where the carrying values exceed the estimated recoverable amount, the assets are written down to their recoverable amount.

2.9.2 Software under development

Costs that are incurred and that can be specifically attributed to the development phase of management information systems for internal use are capitalised only if the expenditure can be measured reliably, the management information system is

technically and commercially feasible, future economic benefits are probable, and the Group intends to and has sufficient resources to complete development and to use the system.

Research expenditure and development expenditure that do not meet the criteria above are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Directly attributable costs that are capitalised typically include professional fees and cost of material/services consumed.

Capitalised development costs are recorded as intangible assets and amortised over their useful life from the point at which the management information system is ready for use.

Costs associated with maintaining in-use software programs are recognised as an expense as incurred.

2.9.3 Other intangible assets

Intangible assets acquired as part of a business combination are carried initially at fair value. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and any impairment in value. Intangible assets with a finite life have no residual value and are amortised on a straight-line basis over their expected useful lives, with charges included in administrative expenses as follows:

- existing customer relationships: 10-15 years
- tools and technology: seven years
- order backlog: within three months

The carrying value of intangible assets is reviewed for impairment whenever events or changes in circumstances indicate the carrying value may not be recoverable. Expected useful lives are reviewed on a yearly basis.

2.9.4 Goodwill

Business combinations are accounted for under IFRS 3 Business Combinations using the acquisition method. Any excess of the cost of the business combination over the Group's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities is recognised in the Consolidated Balance Sheet as goodwill and is not amortised. Any goodwill arising on the acquisition of equity-accounted entities is included within the cost of those entities.

After initial recognition, goodwill is stated at cost less any accumulated impairment losses, with the carrying value being reviewed for impairment at least annually and whenever events or changes in circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill is allocated to the related CGU monitored by Management, usually at business Segment level or statutory Company level as the case may be. Where the recoverable amount of the CGU is less than its carrying amount, including goodwill, an impairment loss is recognised in the Consolidated Income Statement.

2.10 Inventories

Inventories held for specific non-cancellable customer orders or projects are carried at the lower of cost and net realisable value, after making allowance for any obsolete or slow-moving items. Cost is determined using the specific identification of cost method.

Items held in inventory that are not specifically identified for a particular customer order or project are carried at the lower of weighted average cost and net realisable value, net of any allowance for obsolete or slow-moving items. Costs include

those incurred in bringing each product to its present location and condition, on a first-in, first-out basis.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs necessary to make the sale.

2.11 Financial assets

Financial assets, other than trade receivables, are recognised at their fair value, which initially equates to the sum of the consideration given and the directly attributable transaction costs. Subsequently, the financial assets are measured at either amortised cost or fair value, depending on their classification under IFRS 9. The classification depends on the Group's business model for managing the financial assets and the contractual terms of the cash flows.

2.11.1 Trade receivables

Trade receivables, which generally have 30- to 60-day credit terms, are initially recognised and carried at their original invoice amount less an allowance for any uncollectable amounts. The business model for trade receivables is that they are held for the collection of contractual cash flows, therefore they are subsequently measured at amortised cost. The trade receivables are derecognised on receipt of cash from the customer.

Trade receivables sold to a third party, including factoring, are derecognised when the criteria for derecognition under IFRS 9 are met. This involves evaluating the specific terms of the transaction to determine if the Group has substantially transferred associated risks and rewards, has relinquished control of, and has no material continuing involvement with the receivables. Upon derecognition, the difference between the carrying amount and the consideration received (net of transaction costs) is recognised in the Consolidated Income Statement as follows:

- within cost of sales , where the Group sells receivables as an integral part of delivering goods or services; or
- within administrative expenses, where the Group sells receivables for its cash flow management and this is not directly tied to revenue generation.

If derecognition criteria are not met or only partially met, the Group continues to recognise the trade receivables or the portion relating to its retained interest or residual involvement. A financial liability is recognised for the consideration received from the factoring party, measured initially at fair value and subsequently at amortised cost.

Given the short lives of the trade receivables, there are generally no material fair value movements between initial recognition and the derecognition of the receivable.

The Group assesses for doubtful debts (impairment) using the expected credit losses model, as required by IFRS 9. For trade receivables, the Group applies the simplified approach, which requires expected lifetime losses to be recognised from the initial recognition of the receivables. Material or high-risk balances are reviewed and provided for individually, based on a number of factors including:

- the financial strength of the customer;
- the level of default that the Group has suffered in the past;
- the age of the receivable outstanding; and
- the Group's trading experience with that customer.

2.11.2 Cash and cash equivalents

Cash and short-term deposits in the Consolidated Balance Sheet comprise cash at bank and in hand, and short-term deposits with an original maturity of three months or less.

For the purpose of the Consolidated Cash Flow Statement, cash and cash equivalents consist of cash and short-term deposits as defined above, net of outstanding bank overdrafts which form an integral part of the Group's cash management.

2.12 Financial liabilities

Financial liabilities are initially recognised at their fair value and, in the case of borrowings (including credit facility), net of directly attributable transaction costs.

The subsequent measurement of financial liabilities is at amortised cost, unless otherwise described.

2.13 Derecognition of financial assets and liabilities

2.13.1 Financial assets

A financial asset or, where applicable, a part of a financial asset or part of a group of similar financial assets, is derecognised where:

- the rights to receive cash flows from the asset have expired; or
- the Group retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a pass-through arrangement; or
- the Group has transferred its rights to receive cash flows from the asset and either (a) has transferred substantially all the risks and rewards of the asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset but has transferred control of the asset.

2.13.2 Financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired.

2.14 Derivative financial instruments and hedge accounting

The Group uses foreign currency forward contracts to hedge its foreign currency risks associated with foreign currency fluctuations affecting cash flows from forecast transactions and unrecognised firm commitments.

At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes identification of both the hedging instrument and the hedged item or transaction and then the economic relationship between the two, including whether the hedging instrument is expected to offset changes in cash flow of the hedged item. Such hedges are expected to be highly effective in achieving offsetting changes in cash flows. The Group designates the full change in the fair value of the forward contract (including forward points) as the hedging instrument.

Forward contracts are initially recognised at fair value on the date that the contract is entered into and are subsequently remeasured at fair value at each reporting date. The fair value of forward currency contracts is calculated by reference to current forward exchange rates for contracts with similar maturity profiles. Forward contracts are recorded as assets when the fair value is positive and as liabilities when the fair value is negative.

For the purposes of hedge accounting, hedges are classified as cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability, a highly probable forecast transaction, or the foreign currency risk in an unrecognised firm commitment.

Cash flow hedges that meet the criteria for hedge accounting are accounted for as follows: the effective portion of the gain

or loss on the hedging instrument is recognised directly in other comprehensive income in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the Consolidated Income Statement in administrative expenses.

Amounts recognised within the Consolidated Statement of Comprehensive Income are transferred to the Consolidated Income Statement, within administrative expenses, when the hedged transaction affects the Consolidated Income Statement, such as when the hedged financial expense is recognised.

If the forecast transaction or firm commitment is no longer expected to occur, the cumulative gain or loss previously recognised in equity is transferred to the Consolidated Income Statement within administrative expenses. If the hedging instrument matures or is sold, terminated or exercised without replacement or rollover, any cumulative gain or loss previously recognised within the Consolidated Statement of Comprehensive Income remains within the Consolidated Statement of Comprehensive Income until after the forecast transaction or firm commitment affects the Consolidated Income Statement.

Any other gains or losses arising from changes in fair value on forward contracts are taken directly to administrative expenses in the Consolidated Income Statement.

2.15 Fair value measurement

The Group measures certain financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data is available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

2.16 Provisions (excluding restructuring provision)

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Where discounting is used, the increase in the provision due to the passage of time is recognised as a borrowing cost.

Customer contract provisions

Management continually monitors the financial performance of contracts, and where there are indicators that a contract could result in a negative margin, the future financial performance of that contract will be reviewed in detail. If, after further financial analysis, the full financial consequence of the contract can be reliably estimated, and it is determined that the contract is potentially loss-making, then the best estimate of the losses expected to be incurred until the end of the contract will be provided for.

In establishing if future costs are forecast to exceed the future revenue, Management will take into account the anticipated

inflationary impact on the cost base, offset by any rights to increase pricing under Cost of Living Adjustment (COLA) clauses that have been incorporated in the customer contract.

The Group applies IAS 37 - 'Provisions, Contingent Liabilities and Contingent Assets' in its assessment of whether contracts are considered onerous and in subsequently estimating the provision. The Group's approach is to apply the full cost approach, which considers total estimated costs (i.e. directly attributable variable costs and fixed allocated costs) in the assessment of whether the contract is onerous or not and in the measurement of the provision.

A provision for onerous contracts is made as soon as a loss is foreseen and is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract, which is determined based on incremental costs necessary to fulfil the obligation under the contract. Before a provision is established, the Group recognises any impairment loss on the assets associated with that contract.

2.17 Pensions and other post-employment benefits

The Group operates a defined contribution pension scheme available to all UK employees and similar schemes are operating, as appropriate for the jurisdiction, for North America and Germany. Contributions are recognised as an expense in the Consolidated Income Statement as they become payable in accordance with the rules of the scheme. There are no material pension schemes within the Group's overseas operations.

The Group has an obligation to make a one-off payment to French employees upon retirement, the Indemnités de Fin de Carrière (IFC).

French employment law requires that a company pays employees a one-time contribution when, and only when, the employee leaves the company on retirement at the mandatory age. This is a legal requirement for all businesses which incur the obligation upon departure, due to retirement, of an employee.

Typically, the retirement benefit is based on length of service of the employee and his or her salary at retirement. The amount is set via a legal minimum, but the retirement premiums can be improved by the collective agreement or employment contract in some cases. For Computacenter's French employees, the payment is based on accrued service and ranges from one month of salary after five years of service to 9.4 months of salary after 47 years of service.

If the employee leaves voluntarily at any point before retirement, all liability is extinguished, and any accrued service is not transferred to any new employment.

Management continues to account for this obligation according to IAS 19 (revised).

2.18 Taxation

2.18.1 Current tax

Current tax assets and liabilities for the current and prior years are measured at the amount expected to be recovered from or paid to the tax authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the balance sheet date.

2.18.2 Deferred income tax

Deferred income tax is recognised on all temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the summary financial information within this announcement, with the following exceptions:

- where the temporary difference arises from the initial recognition of goodwill or from an asset or liability in a

transaction that is not a business combination, that at the time of the transaction affects neither accounting nor taxable profit or loss and does not give rise to equal taxable and deductible temporary differences;

- in respect of taxable temporary differences associated with investments in subsidiaries, associates and joint ventures, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future; and
- deferred income tax assets are recognised only to the extent that it is probable that taxable profit will be available in the future against which the deductible temporary differences, carried forward tax credits or tax losses can be utilised.

Deferred income tax assets and liabilities are measured on an undiscounted basis at the tax rates that are expected to apply when the related asset is realised or liability is settled, based on tax rates and laws enacted, or substantively enacted, at the balance sheet date.

Income tax is charged or credited directly to the Consolidated Statement of Comprehensive Income if it relates to items that are credited or charged to the Consolidated Statement of Comprehensive Income. Otherwise, income tax is recognised in the Consolidated Income Statement.

2.19 Share-based payment transactions

Employees (including Executive Directors) of the Group can receive remuneration in the form of share-based payment transactions, whereby employees render services in exchange for shares or rights over shares (equity-settled transactions).

The cost of equity-settled transactions with employees is measured by reference to the fair value of the awards at the date at which they are granted. The fair value is determined by utilising an appropriate valuation model. In valuing equity-settled transactions, no account is taken of any performance conditions, as none of the conditions set are market related.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the relevant employees become fully entitled to the award (vesting date).

The cumulative expense recognised for equity-settled transactions at each reporting date, until the vesting date, reflects the extent to which the vesting period has expired and the Directors' best estimate of the number of equity instruments that will ultimately vest. The Consolidated Income Statement charge or credit for a period represents the movement in cumulative expense recognised as at the beginning and end of that period. As the schemes do not include any market-related performance conditions, no expense is recognised for awards that do not ultimately vest.

Movements in the estimated employer's National Insurance liability related to the awards, carried on the Consolidated Balance Sheet, are recognised in the Consolidated Income Statement.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of earnings per share (see note 8).

The Group has an employee share trust for the granting of non-transferable options to Executive Directors and senior Management. Shares in the Group held by the employee share trust are treated as investment in own shares and are recorded at cost as a deduction from equity.

2.20 Own shares held

Computacenter plc shares held by the Group are classified in shareholders' equity as 'own shares held' and are recognised at

cost. Consideration received for the sale of such shares is also recognised in equity, with any difference between the proceeds from sale and the original cost being taken to reserves. No gain or loss is recognised in the performance statements on the purchase, sale, issue or cancellation of equity shares. These shares are held in the Computacenter Employee Benefit Trust, which is called 'Employee Share Ownership Plan' (ESOP). Computacenter being the sponsoring entity has control over the ESOP under IFRS 10, as Computacenter makes the decisions on how the ESOP operates per the following criteria:

- Computacenter has power over the relevant activities of the ESOP
- Computacenter has exposure, or rights, to variable returns from its involvement with the ESOP
- Computacenter has the ability to use its power over the ESOP to affect the amount of the ESOP returns

As the IFRS 10 criteria are satisfied, the ESOP is accounted for under IFRS 10 and is consolidated on the basis that the parent (Computacenter plc) has control, thus the assets and liabilities of the ESOP are included on the Company's Balance Sheet and the Group's Consolidated Balance Sheet. The shares held by the ESOP are presented as a deduction from equity within the Consolidated Statement of Changes in Equity, in the 'own shares held' column.

3 Critical accounting estimates and judgements

The preparation of the Group's consolidated financial statements requires Management to exercise judgement in applying the Group's accounting policies. It also requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, income and expenses.

Due to the inherent uncertainty in making these critical judgements and estimates, actual outcomes could be different.

During the year, Management reassessed the critical accounting estimates and judgements for the Group. This process included reviewing the last reporting period's disclosures, the key judgements required on the implementation of forthcoming standards and the current period's challenging accounting issues. Where Management deemed there is a change for an area of accounting to be considered a critical estimate or judgement, an explanation for this decision is provided in note 3.3.

3.1 Critical estimates

Estimates and underlying assumptions are reviewed on an ongoing basis, with revisions recognised in the year in which the estimates are revised and in any future years affected. There are no areas involving significant risk resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

3.2 Critical judgements

Judgements made by Management in the process of applying the Group's accounting policies, which have the most significant effect on the amounts recognised in the Group's consolidated financial statements, are as follows:

3.2.1 Bill and hold

The Group generates some of its revenue through its bill and hold arrangements with its customers. These arise when the customer is invoiced but the product is not shipped to the customer until a later date, in accordance with the customer's request in a written agreement. In order to determine the appropriate timing of revenue recognition, it is assessed whether control has transferred to the customer.

A bill and hold arrangement is only put in place when a customer lacks the physical space to store the product or the product previously ordered is not yet needed in accordance with the customer's schedule and the customer wants to

guarantee supply of the product. In order to determine whether an arrangement is bill and hold and control has been transferred to the customer, a customer request must have been approved and all of the below criteria must have been met:

a) the reason for the bill and hold arrangement must be substantive (for example, the customer has requested the arrangement);
b) the product must be identified separately as belonging to the customer;
c) the product currently must be ready for physical transfer to the customer; and
d) the Group cannot have the ability to use the product or to direct it to another customer.

Judgement is required to determine if all of the criteria (a) to (d) have been met, to recognise a bill and hold sale. This is determined by segregation and readiness of inventory and the review and approval of all customer requests, in order to assess whether the accounting policy had been correctly applied to recognise a bill and hold sale.

A total of £435.5m of product sold was held by the Group for bill and hold transactions where the Group retained the physical custody of the inventory as at 31 December 2024 (2023: £407.6m).

3.3 Change in critical estimates and critical judgements

The critical accounting estimates and judgements reported in the Group's 2023 Annual Report and Accounts are unchanged.

4 Segment information

The Segment information is reported to the Board and the Chief Executive Officer. The Chief Executive Officer is the Group's Chief Operating Decision Maker (CODM).

As disclosed in the 2023 Annual Report and Accounts, the Group had six operating and four reportable Segments: UK, Germany, France, North America, which were also the reportable Segments, along with the International Segment and Central Corporate Costs. During the first half of the year, Management reviewed the way it reported Segmental performance to the Board and the CODM. In accordance with IFRS 8, changes to the operating Segments were made to better reflect recent changes in management responsibility and how the Board and CODM will review information about the Group. These operating Segment changes are explained below:

· The entities within Belgium, the Netherlands and Switzerland have been transferred from the previously reported International Segment and into the France Segment which has been renamed 'Western Europe'. This change removes these entities that actively sell to local customers (selling entities) from the International Segment, placing them in a segment that is a purely selling entity segment.

  The previously reported International Segment aggregated selling entities with a number of purely operational support entities that provide Services to the Group's global customers. The change makes a clearer distinction between the countries in which we sell to customers and the other countries in which we operate directly to support those customers. The change anticipates further alignment of operations between teams within Belgium, the Netherlands and France.

  As a result, we now have four operating Segments describing the countries in which we actively sell i.e. our markets: the United Kingdom, Germany, Western Europe (France, Belgium, the Netherlands and Switzerland) and North America (the US and Canada). These are also our reportable Segments.

· The revised International operating segment now consolidates the other countries in which we operate in support

of our global customers.

- Finally, we have retained the Central Corporate Cost Segment, which continues to be disclosed in a separate column.

In addition to the above Segmental changes, the Group also performed an analysis of business activities included within the Services business. As a result of this analysis, from 1 January 2024 the Group has reallocated revenue of certain business activities from Managed Services to Professional Services. This reflects better where the customer relationship and operational responsibility lies and where the benefits should accrue. This change has no impact on the reported Group or total Services revenue. We have also revised comparative periods following the same analysis and reallocation criteria. This has resulted in 2023 Professional Services revenue increasing, and Managed Services decreasing, by £32.4m, primarily in the Germany segment.

The above changes in reporting of Segments and business activities within the Services business have no impact on reported Group results. To enable comparisons with prior-period performance, comparative information for the year ended 31 December 2023 has been restated in accordance with the revised Segmental and business reporting structure.

The Group has the same operating Segments and reporting Segments. The new Segmental reporting structure is the basis on which internal reports are now provided to the Chief Executive Officer, as the CODM, for assessing performance and determining the allocation of resources within the Group, in accordance with IFRS 8.25. Segmental performance is measured based on external revenues, gross profit, adjusted operating profit and adjusted profit before tax. Central Corporate Costs continue to be disclosed as a separate column within the Segmental note.

As disclosed in note 2, the Group has included in the Segment information below, additional expense lines of 'cost of sales', 'costs of inventories recognised as an expense' and 'staff costs'. This has no impact on the financial results or position of the Segments or the Group.

Segmental performance for the years ended 31 December 2024 and 31 December 2023 was as follows:

Year ended 31 December 2024

	UK £m	Germany £m	Western Europe £m	North America* £m	International £m	Central Corporate Costs £m	Total £m
Revenue							
Technology Sourcing revenue							
Gross invoiced income	**1,758.6**	**1,909.4**	**971.7**	**3,632.8**	**5.6**	**-**	**8,278.1**
Adjustment to gross invoiced income for income recognised as agent	**(1,053.3)**	**(674.8)**	**(381.0)**	**(842.2)**	**(0.4)**	**-**	**(2,951.7)**
Total Technology Sourcing revenue	**705.3**	**1,234.6**	**590.7**	**2,790.6**	**5.2**	**-**	**5,326.4**
Services revenue							

Professional Services	**158.2**	**407.5**	**62.2**	**150.4**	**-**	**-**	**778.3**
Managed Services	**294.6**	**344.6**	**166.4**	**30.4**	**24.1**	**-**	**860.1**
Total Services revenue	**452.8**	**752.1**	**228.6**	**180.8**	**24.1**	**-**	**1,638.4**
Total revenue	**1,158.1**	**1,986.7**	**819.3**	**2,971.4**	**29.3**	**-**	**6,964.8**
Results							
Cost of sales	**(927.3)**	**(1,620.5)**	**(700.8)**	**(2,690.7)**	**9.5**	**-**	**(5,929.8)**
Gross profit	**230.8**	**366.2**	**118.5**	**280.7**	**38.8**	**-**	**1,035.0**
Adjusted administrative expenses	**(190.1)**	**(209.3)**	**(104.8)**	**(208.4)**	**(24.8)**	**(50.9)**	**(788.3)**
Adjusted operating profit/(loss)	**40.7**	**156.9**	**13.7**	**72.3**	**14.0**	**(50.9)**	**246.7**
Adjusted net interest	**(0.7)**	**7.4**	**-**	**1.5**	**(0.9)**	**-**	**7.3**
Adjusted profit/(loss) before tax	**40.0**	**164.3**	**13.7**	**73.8**	**13.1**	**(50.9)**	**254.0**
Exceptional items:							
- unwinding of discount relating to acquisition of a subsidiary							**(0.6)**
- gain relating to acquisition of a subsidiary							**1.8**
- other income relating to acquisition of a subsidiary							**-**
Total exceptional items							**1.2**
Amortisation of acquired intangibles							**(10.6)**
Profit before tax							**244.6**

* Included within the North America Segment total revenue of £2,971.4m is an amount of £2,901.7m of revenue for the US.

The reconciliation of adjusted operating profit to operating profit as disclosed in the Consolidated Income Statement is as follows:

Year ended 31 December 2024

	Total £m
Adjusted operating profit	**246.7**

Amortisation of acquired intangibles	**(10.6)**
Exceptional items	**1.8**
Operating profit	**237.9**

Year ended 31 December 2024

	UK	Germany	Western Europe	North America*	International	Central Corporate Costs	Total
	£m	£m	£m	£m	£m	£m	£m
Other Segment information							
Property, plant and equipment	**29.7**	**38.8**	**8.3**	**7.7**	**6.2**	**-**	**90.7**
Right-of-use assets	**12.6**	**47.6**	**21.0**	**15.5**	**22.3**	**-**	**119.0**
Intangible assets	**68.4**	**16.3**	**13.4**	**217.7**	**1.7**	**-**	**317.5**
Capital expenditure:							
Property, plant and equipment	**4.3**	**7.2**	**2.9**	**1.5**	**3.1**	**-**	**19.0**
Right-of-use assets	**9.4**	**24.7**	**9.3**	**1.9**	**16.2**	**-**	**61.5**
Software	**11.1**	**0.3**	**0.5**	**0.3**	**0.3**	**-**	**12.5**
Costs of inventories recognised as an expense	**604.8**	**1,032.9**	**504.0**	**2,444.9**	**6.3**	**-**	**4,592.9**
Staff costs	**356.8**	**482.8**	**187.0**	**264.9**	**83.6**	**-**	**1,375.1**
Depreciation of property, plant and equipment	**6.4**	**7.0**	**2.2**	**3.7**	**2.2**	**-**	**21.5**
Depreciation of right-of-use assets	**5.5**	**19.0**	**6.4**	**5.4**	**4.7**	**-**	**41.0**
Amortisation of software	**6.0**	**0.3**	**0.3**	**1.3**	**0.3**	**-**	**8.2**
Share-based payments recognised in equity	**3.6**	**1.8**	**0.1**	**0.5**	**0.1**	**1.0**	**7.1**

* Included within the North America Segment Intangible assets of £217.7m is an amount of £215.0m of intangible assets for the US.

Year ended 31 December 2023

	UK	Germany	Western	North	International	Central	Total

			Europe			Corporate	
			(restated)	America*	(restated)	Costs	
	£m	£m	£m	£m	£m	£m	£m
Revenue							
Technology Sourcing revenue							
Gross invoiced income	1,938.1	2,111.5	929.7	3,454.4	11.2	-	8,444.9
Adjustment to gross invoiced income for income recognised as agent	(1,166.3)	(849.7)	(290.0)	(851.8)	(0.8)	-	(3,158.6)
Total Technology Sourcing revenue	771.8	1,261.8	639.7	2,602.6	10.4	-	5,286.3
Services revenue							
Professional Services (restated)	132.5	394.4	65.6	118.7	-	-	711.2
Managed Services (restated)	309.4	371.3	196.0	27.4	21.2	-	925.3
Total Services revenue	441.9	765.7	261.6	146.1	21.2	-	1,636.5
Total revenue	1,213.7	2,027.5	901.3	2,748.7	31.6	-	6,922.8
Results							
Cost of sales	(962.9)	(1,653.0)	(782.6)	(2,481.2)	0.9	-	(5,878.8)
Gross profit	250.8	374.5	118.7	267.5	32.5	-	1,044.0
Adjusted administrative expenses	(192.0)	(211.5)	(103.8)	(202.5)	(18.9)	(43.8)	(772.5)
Adjusted operating profit/(loss)	58.8	163.0	14.9	65.0	13.6	(43.8)	271.5
Adjusted net interest	5.5	1.0	(1.0)	1.7	(0.7)	-	6.5
Adjusted profit/(loss) before tax	64.3	164.0	13.9	66.7	12.9	(43.8)	278.0
Exceptional items:							
- unwinding of discount relating to acquisition of a subsidiary							(3.2)
- gain relating to acquisition of a subsidiary							2.8
- other income relating to acquisition of a subsidiary							5.3
Total exceptional items							4.9
Amortisation of acquired intangibles							(10.8)
Profit before tax							272.1

* Included within the North America Segment total revenue of £2,748.7m is an amount of £2,703.4m of revenue for the US.

The reconciliation of adjusted operating profit to operating profit as disclosed in the Consolidated Income Statement is as follows:

Year ended 31 December 2023

	Total £m
Adjusted operating profit	271.5
Amortisation of acquired intangibles	(10.8)
Exceptional items	8.1
Operating profit	268.8

Year ended 31 December 2023

	UK £m	Germany £m	Western Europe (restated) £m	North America* £m	International (restated) £m	Central Corporate Costs £m	Total £m
Other Segment information							
Property, plant and equipment	31.7	40.7	8.1	9.9	5.7	-	96.1
Right-of-use assets	9.0	45.4	20.3	18.8	11.0	-	104.5
Intangible assets	54.8	17.1	22.6	225.8	2.1	-	322.4
Capital expenditure:							
Property, plant and equipment	5.7	7.8	2.3	2.4	3.7	-	21.9
Right-of-use assets	3.5	13.2	9.6	2.8	4.7	-	33.8
Software	12.0	0.3	0.2	0.2	0.5	-	13.2
Costs of inventories recognised as an expense	661.1	1,053.1	579.4	2,272.2	12.8	-	4,578.6
Staff costs	346.5	482.5	186.2	237.4	84.9	-	1,337.5
Depreciation of property, plant and equipment	6.2	6.9	2.2	3.6	1.5	-	20.4
Depreciation of right-of-use assets	4.6	20.5	6.9	5.4	4.0	-	41.4
Amortisation of software	5.7	0.4	0.2	1.4	0.4	-	8.1
Share-based payments	2.7	1.8	0.1	0.3	-	2.8	7.7

recognised in equity

* Included within the North America Segment Intangible assets of £225.8m is an amount of £218.4m of intangible assets for the US.

Charges for the amortisation of acquired intangibles (where initial recognition was an exceptional item or a fair value adjustment on acquisition) are excluded from the calculation of adjusted operating profit. This is because these charges are based on judgements about their value and economic life, are the result of the application of acquisition accounting rather than core operations, and whilst revenue recognised in the Consolidated Income Statement does benefit from the underlying asset that has been acquired, the amortisation costs bear no relation to the Group's underlying ongoing operational performance. In addition, amortisation of acquired intangibles is not included in the analysis of Segment performance used by the CODM.

Information about major customers

Included in revenues arising from the North American Segment are revenues of approximately £1,095.5m (2023: £1,511.0m) which arose from sales to the Group's largest customer.

5 Revenue

Revenue recognised in the Consolidated Income Statement is analysed as follows:

	2024 **£m**	2023 £m
Revenue by type		
Gross invoiced income	**8,278.1**	8,444.9
Adjustment to gross invoiced income for income recognised as agent	**(2,951.7)**	(3,158.6)
Technology Sourcing revenue*	**5,326.4**	5,286.3
Services revenue		
Professional Services	**778.3**	711.2
Managed Services	**860.1**	925.3
Total Services revenue	**1,638.4**	1,636.5
Total revenue	**6,964.8**	6,922.8

* Included within the amount of Technology Sourcing revenue shown above is £70.0m (2023: £85.3m) recognised under IFRS 16. All other Technology Sourcing revenue is recognised at a point in time under IFRS 15 as described in our accounting policy 2.3.1.

Contract balances

The following table provides the information about contract assets and contract liabilities from contracts with customers.

	31 December 2024 **£m**	31 December 2023 £m

Trade receivables	**1,620.2**	1,471.8
Contract assets, which are included in prepayments	**9.4**	19.6
Contract assets, which are included in accrued income	**137.5**	151.9
Contract liabilities, which are included in deferred income	**285.7**	234.6

The prepayments balance within the Consolidated Balance Sheet, totalling £180.0m, comprises £9.4m in contract assets and £170.6m in other prepayments, including £45.5m for software licences, £23.0m for IT equipment paid in advance and £53.9m for subcontractor balances. Other prepayments have been classified as current assets in accordance with the Group's operating cycle and classification described below.

The Group has implemented an expected credit loss impairment model with respect to contract assets which are included in accrued income, using the simplified approach. These contract assets have been grouped on the basis of their shared risk characteristics and a provision matrix has been developed and applied to these balances to generate the loss allowance. The majority of these contract asset balances are with blue chip customers and the incidence of credit loss is low. There has therefore been no material adjustment to the loss allowance under IFRS 9. Specific provisions are made against material or high-risk balances based on trading experience or where doubt exists about the counterparty's ability to pay. The expected credit losses on contract assets which are within accrued income are considered to be immaterial.

Significant changes in contract assets and liabilities

Contract assets are balances due from customers under long-term contracts as work is performed and therefore a contract asset is recognised over the period in which the performance obligation is fulfilled. This represents the Group's right to consideration for the services transferred to date. Amounts are generally reclassified to trade and other receivables when these have been certified or invoiced to a customer. Refer to note 2.11.1 for credit terms of trade receivables.

The increase in trade receivables is mainly in the North American Segment and is driven by the impact of timing of large deals.

Win fees, deferred contract costs and fulfilment costs are included in the prepayments balance above. The Consolidated Income Statement impact of the win fees was a recognition of a net gain in 2024 of £1.5m, with a corresponding charge to income tax of £0.3m for the year. The Consolidated Income Statement impact of fulfilment costs was a recognition of a net cost in 2024 of £1.4m, with a corresponding tax credit of £0.5m for the year.

As at 31 December 2024, the win fee balance was £12.0m, the deferred contract costs balance was £3.7m and the fulfilment costs balance was £6.2m. No impairment loss was recorded for win fees, deferred contract costs or fulfilment costs during the year.

Revenue recognised in the reporting period from movement in accrued income balances was £9.4m, with a credit to foreign exchange of £4.9m. No impairment loss was recorded for accrued income during the year.

Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the period was £152.4m. No revenue was recognised in the reporting period from performance obligations that were satisfied or partially satisfied in previous periods.

Remaining performance obligations (work in hand)

Contracts which had remaining performance obligations as at 31 December 2024 and 31 December 2023 are set out in the table below. The table below discloses the aggregate transaction price relating to those remaining performance obligations,

excluding both (a) amounts relating to contracts for which revenue is recognised as invoiced and (b) amounts relating to contracts where the expected duration of the ongoing performance obligation is one year or less.

Managed Services

	Less than one year £m	One to two years £m	Two to three years £m	Three to four years £m	Four years and beyond £m	Total £m
As at 31 December 2024	**750.0**	**554.0**	**351.0**	**215.0**	**224.0**	**2,094.0**
As at 31 December 2023	747.4	528.4	370.3	194.6	152.0	1,992.7

The duration of most contracts is between one and five years. However some contracts will vary from these typical lengths. Revenue is typically earned over these varying timeframes.

Operating cycle and classification

In determining the classification of current assets and liabilities, the Group considers its normal operating cycle, defined as the period over which assets are acquired, transformed, and ultimately realised as cash, or liabilities are settled.

The Group operates across distinct business activities with different operating cycles. The normal operating cycle is defined by the contractual terms underlying each type of trading activity. All working capital items, including prepayments and deferred income related to these activities, are classified as current based on the expected realisation or settlement within the relevant contractual cycle. The Group's approach ensures that the balance sheet presentation reflects the timing of cash flows specific to each type of business activity.

Technology Sourcing

The normal operating cycle is aligned to the contractual terms of the arrangement, where the core activity of the resale of IT hardware, software, and related services typically operates on a short working capital cycle of less than 12 months. Where the sale of IT equipment is structured as a lease to customers, balances due over 12 months will be considered as non-current as these are outside the normal operating cycle for the sale of IT equipment. For the purchase and resale of multi-year agreements for software and resold services, the normal operating cycle is aligned to the contractual terms of the arrangement. Typically, these agreements involve prepayments and deferred income that are realised over multiple years, where the cash has already been settled.

Professional Services

The normal operating cycle is aligned to the contractual terms of the arrangement, where the Group provides skilled professionals to customers either operating within a project framework or on a 'resource on demand' basis, on a short working capital cycle of less than 12 months.

Managed Services

Service contracts for IT infrastructure and support are typically structured from three-to five-year periods. The normal operating cycle is aligned to the contractual terms of the arrangement.

6 Exceptional items

	2024	2023
	£m	£m
Operating profit		
Other income related to acquisition of a subsidiary	**-**	5.3
Gain related to acquisition of a subsidiary	**1.8**	2.8
Exceptional operating profit	**1.8**	8.1
Interest cost relating to acquisition of a subsidiary	**(0.6)**	(3.2)
Profit on exceptional items before and after tax	**1.2**	4.9

Included within 2024 are the following exceptional items:

- £0.6m relating to the unwinding of the discount on the contingent payment for the purchase of Business IT Source Holdings, Inc. (BITS) has been classified as exceptional interest cost. This is consistent with our prior-year treatment.
- £2.2m relating to a release of contingent consideration in relation to the BITS acquisition, net of £0.4m of costs incurred as per the share purchase agreement. As these relate to the acquisition and not operational activity within BITS and are of a one-off nature, they have been classified as an exceptional item.

7 Income tax

a) Tax on profit from ordinary activities

	2024	2023
	£m	£m
Current income tax		
On profits for the year:		
- UK corporation tax	**3.4**	13.6
- Foreign tax	**68.9**	64.0
Adjustments in respect of prior years	**(1.6)**	2.1
Total current income tax expense	**70.7**	79.7
Deferred income tax		
- origination and reversal of temporary differences	**0.7**	0.3
- change in tax rates	**0.7**	(0.5)
- adjustments in respect of prior years	**0.6**	(6.8)
Total deferred income tax expense/(benefit)	**2.0**	(7.0)

Tax charge in the Consolidated Income Statement	**72.7**	72.7

b) Reconciliation of the total tax charge

	2024	2023
	£m	£m
Profit before income tax	**244.6**	272.1
At the UK standard rate of corporation tax of 25% (2023: 23.5%)	**61.2**	63.9
Expenses not deductible for tax purposes	**4.6**	2.8
Non-deductible element of share-based payment charge	**0.4**	(0.1)
Adjustments in respect of prior years	**(1.0)**	(4.7)
Effect of tax rate differences in foreign jurisdictions	**6.4**	12.0
Change in tax rate	**0.7**	(0.5)
Other differences	**(0.1)**	(0.1)
Overseas tax not based on earnings	**1.5**	1.5
Current year losses for which no deferred tax asset can be recognised	**0.9**	-
Previously unrecognised tax losses used to reduce current tax expense	**(1.0)**	(0.9)
Tax effect of income not taxable in determining taxable profit	**(0.9)**	(1.2)
At effective income tax rate of 29.7% (2023: 26.7%)	**72.7**	72.7

Taxation for subsidiaries operating in other jurisdictions is calculated at the rates prevailing in the respective jurisdictions, these being a blended rate of 32% in Germany (2023: 31%) and a blended (Federal/State) rate of 28% in the US (2023: 26%), which mainly drive the 'Effect of tax rate differences in foreign jurisdictions' above.

c) Tax losses

Deferred income tax assets of £5.3m (2023: £3.7m) have been recognised in respect of losses carried forward, primarily in France and the US.

In considering the probable utilisation of the carried forward tax losses, and therefore the likely recoverability of these assets, the Group makes an assessment based upon a reasonably foreseeable timeframe, being typically up to three years, taking into account the future expected profit profile and business model of each relevant company or country. The reasonably foreseeable timeframe is derived based on the confidence the Group has in the performance of these companies or countries and therefore the reliability of forecasts over the timeframe in which the asset would be recovered. If the reasonably foreseeable timeframe is extended to five years for our French business, an additional £2.5m (2023: £2.3m) of deferred income tax asset would be recognised.

As at 31 December 2024, there were further unused tax losses across the Group of £271.4m (2023: £284.2m) for which no

deferred income tax asset has been recognised. Of these losses, £242.8m (2023: £256.1m) arise in France, £25.0m (2023: £26.4m) arise in Germany and £3.6m (2023: £1.8m) arise in the Netherlands. No deferred tax has been recognised on these losses due to the potential uncertainty around whether future taxable profits would be available against which these tax losses can be utilised. Following the merger of CC France SAS and Computacenter NS (CCNS), a request has been made to the French tax authorities to preserve the historic tax losses of CCNS (£164.3m) and a decision is pending in this regard. A significant proportion of the losses arising in Germany have been generated in statutory entities that no longer have significant levels of trade.

The Group has other temporary differences, primarily in France, of £24.1m (2023: £30.1m), for which no deferred tax asset has been recognised. These temporary differences mainly relate to the retirement benefit obligation which is of a long-term nature. The amount that would be recognised over our reasonably foreseeable timeframe of up to three years would therefore be immaterial.

In addition, there were unutilised capital tax losses as at 31 December 2024 of £7.4m (2023: £7.4m) but no deferred tax asset has been recognised as it is not considered probable that these losses will be utilised in the foreseeable future.

d) Deferred income tax

Deferred income tax as at 31 December 2024 and 31 December 2023 relates to the following:

	Consolidated Balance Sheet		**Consolidated Income Statement**		**Consolidated Statement of Comprehensive Income**	
	2024 £m	2023 £m	**2024 £m**	2023 £m	**2024 £m**	2023 £m
Deferred income tax assets/(liabilities)						
Property, plant and equipment	**(5.2)**	(3.1)	**(2.1)**	(2.1)	**-**	-
Right-of-use assets	**(28.6)**	(26.6)	**(16.6)**	4.2	**-**	-
Intangible assets	**(18.7)**	(19.9)	**1.6**	8.0	**-**	-
Inventories	**2.7**	2.5	**0.2**	(2.0)	**-**	-
Derivative financial instruments	**0.1**	0.1	**-**	-	**(0.1)**	(0.9)
Lease liabilities	**30.9**	27.9	**17.4**	(4.1)	**-**	-
Share-based payments	**5.2**	8.0	**(2.4)**	0.4	**-**	-
Tax losses carried forward	**5.3**	3.7	**1.7**	-	**-**	-
Other temporary differences	**3.9**	5.6	**(1.8)**	2.6	**-**	-
Deferred income tax (expense)/benefit			**(2.0)**	7.0	**(0.1)**	(0.9)
Net deferred income tax assets/(liabilities)	**(4.4)**	(1.8)				
Disclosed on the Consolidated Balance Sheet						
Deferred income tax assets	**6.3**	11.6				

Deferred income tax liabilities	**(10.7)**	(13.4)
Net deferred income tax assets/(liabilities)	**(4.4)**	(1.8)

Deferred tax is not recognised in respect of the Group's investments in subsidiaries where Computacenter is able to control the timing of remittance, or other realisation, of unremitted earnings and where remittance or realisation is not probable in the foreseeable future.

e) Factors affecting current and future tax charge

The March 2021 Budget announced that a UK Corporation tax rate of 25% will apply with effect from 1 April 2023, and this change was substantively enacted on 11 March 2021. The deferred income tax in the summary financial information within this announcement reflects this. The main rate of UK Corporation tax up to 31 March 2023 was 19%, as enacted in the Finance Act 2020.

The Group is within the scope of the Organisation for Economic Cooperation and Development (OECD) Pillar Two model rules. UK legislation has been enacted which introduces the OECD's Pillar Two model Income Inclusion Rules into UK law, where Computacenter plc is incorporated. Finance (No2) Act received Royal Assent on 11 July 2023 meaning the Income Inclusion Rule (IIR) and the UK's Domestic Top-up Tax (DTT) came into effect on 1 January 2024. Under the legislation, the Group is liable to pay a top-up tax for the difference between the Pillar Two Global anti-Base Erosion (GloBE) effective tax rate per jurisdiction and the 15% minimum rate.

The Group has estimated that the effective tax rates exceed 15% in all material jurisdictions in which it operates. For non-material jurisdictions where the weighted average effective tax rate was lower than 15% for the year ended 31 December 2024, the Group's assessment indicates that any adjustments required under the legislation are not material. Therefore, the Group does not expect to experience a material impact on its overall effective tax rate or on the income tax expense reported in the Consolidated Income Statement as a result of the OECD Pillar Two model rules. The Group continues to apply the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 issued in May 2023.

Draft legislation has now been published to introduce the OECD's Undertaxed Profits Rule (UTPR) to the UK. This is due to be in place for accounting periods commencing not before 31 December 2024.

f) Uncertain tax positions

The Group operates in numerous jurisdictions and has ongoing tax audits and open tax matters with certain tax authorities, which mainly relate to interpretation of how relevant tax legislation applies to the Group's transfer pricing arrangements. The matters under discussion can be complex and often take several years to resolve. The Group records a provision against uncertain tax positions based on Management's estimate of either the most likely amount or the expected value amount, depending on which method is expected to better reflect the resolution of the uncertainty.

The potential exposure of the Group to an unfavourable outcome in any uncertain tax matter is not expected to result in material additional tax expense or liabilities and therefore the amounts, where already recognised, are not material and are considered appropriate for the current status of the matters under review.

8 Earnings per share

Earnings per share amounts are calculated by dividing profit attributable to ordinary equity holders by the weighted average number of ordinary shares outstanding during the year (excluding own shares held).

To calculate diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential shares. Share options granted to employees where the exercise price is less than the average market price of the Company's ordinary shares during the year are considered to be dilutive potential shares.

	2024	2023
	£m	£m
Profit attributable to equity holders of the Parent	**170.8**	197.6

	2024	2023
	m	m
Basic weighted average number of shares (excluding own shares held)	**110.6**	112.9
Effect of dilution:		
Share options	**1.1**	1.2
Diluted weighted average number of shares	**111.7**	114.1

	2024	2023
	p	p
Basic earnings per share	**154.4**	175.0
Diluted earnings per share	**152.9**	173.2

9 Analysis of changes in net funds

	At 1 January 2024	**Cash flows in year**	**Non-cash flow**	**Exchange differences**	**At 31 December 2024**
	£m	**£m**	**£m**	**£m**	**£m**
Cash and short-term deposits	**471.2**	**29.5**	**-**	**(11.1)**	**489.6**
Cash and cash equivalents	**471.2**	**29.5**	**-**	**(11.1)**	**489.6**
Bank loans	**(12.2)**	**4.5**	**-**	**0.3**	**(7.4)**
Adjusted net funds (excluding lease liabilities)	**459.0**	**34.0**	**-**	**(10.8)**	**482.2**
Lease liabilities	**(115.4)**	**47.4**	**(64.9)**	**3.4**	**(129.5)**
Net funds	**343.6**	**81.4**	**(64.9)**	**(7.4)**	**352.7**

	At 1 January 2023	Cash flows in year	Non-cash flow	Exchange differences	At 31 December 2023
	£m	£m	£m	£m	£m
Cash and short-term deposits	264.4	207.6	-	(0.8)	471.2

Cash and cash equivalents	264.4	207.6	-	(0.8)	471.2
Bank loans	(20.1)	6.9	-	1.0	(12.2)
Adjusted net funds (excluding lease liabilities)	244.3	214.5	-	0.2	459.0
Lease liabilities	(127.1)	46.1	(30.7)	(3.7)	(115.4)
Net funds	117.2	260.6	(30.7)	(3.5)	343.6

10 Related-party transactions

During the year, the Group entered into transactions, in the ordinary course of business, with related parties. Transactions entered into are as described below:

Biomni Limited provides the Computacenter e-procurement system used by many of Computacenter's major customers. An annual fee has been agreed on a commercial basis for use of the software for each installation.

Both Peter Ogden and Philip Hulme are Directors of and have a material interest in Biomni Limited. Biomni Limited ceased to be a related party on 22 December 2023.

The table below provides the total amount of transactions that have been entered into with Biomni Limited for the relevant financial year:

	2024 £m	2023 £m
Biomni Limited		
Sales to related parties	**-**	-
Purchase from related parties	**-**	0.9

There was no outstanding balance as at 31 December 2024 (31 December 2023: nil).

During the year, sales of £13,000 were made to a Director of the Company and this balance remained unpaid as at 31 December 2024.

In addition to the above, relatives of a Director of the Company are employed by a subsidiary of the Company under normal terms and conditions and with remuneration commensurate with the role. Total remuneration for 2024 was £0.3m (2023: £0.2m).

Terms and conditions of transactions with related parties

Outstanding balances at the year end are unsecured and settlement occurs in cash. There have been no guarantees provided or received for any related-party receivables. The Group has not recognised any allowance for expected credit losses relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Compensation of key management personnel (including Directors)

The Board of Directors is identified as the Group's key management personnel. A summary of the compensation of key management personnel is provided below:

	2024 £m	2023 £m

Short-term employee benefits	**2.2**	3.7
Social security costs	**0.7**	0.9
Share-based payments	**-**	1.9
Pension costs	**0.1**	0.1
Total compensation paid to key management personnel	**3.0**	6.6

Appendix

Alternative performance measures

Alternative performance measures are used by the Group to understand and manage performance. These are not defined under International Financial Reporting Standards (IFRS) or UK-adopted International Accounting Standards (UK-IFRS) and are not intended to be a substitute for any IFRS or UK-IFRS measures of performance. They have been included as Management considers them to be important measures, alongside the comparable Generally Accepted Accounting Practice (GAAP) financial measures, in assessing underlying performance. Wherever appropriate and practical, we provide reconciliations to relevant GAAP measures. The table below sets out the basis of calculation of the alternative performance measures and the rationale for their use.

Measure	Description	Rationale
Adjusted net funds and net funds	Adjusted net funds or adjusted net debt includes cash and cash equivalents, other short- or long-term borrowings and current asset investments. Following the adoption of IFRS 16, this measure excludes all lease liabilities recognised under IFRS 16. Net funds is adjusted net funds including all lease liabilities recognised under IFRS 16.	The Group excludes lease liabilities from its non-GAAP adjusted net funds measure, to allow an alternative view of the Group's overall liquidity position excluding the effect of the lease liabilities required to be capitalised under the IFRS 16 accounting standard. A table reconciling this measure, including the impact of lease liabilities, is provided within note 9 to the summary financial information within this announcement.
Adjusted expense and profit measures	Adjusted administrative expense, adjusted operating profit or loss, adjusted profit or loss before tax, adjusted tax, adjusted profit or loss, adjusted earnings per share and adjusted diluted earnings per share are, as appropriate, each stated before: exceptional and other adjusting items, including gains or losses on business acquisitions and disposals, amortisation of acquired intangibles, utilisation of deferred tax assets (where initial recognition was as an exceptional item or a fair value adjustment on acquisition), and the related tax effect of these exceptional and other adjusting items. Recurring items include purchase price adjustments, including	Adjusted measures exclude items which in Management's judgement need to be disclosed separately by virtue of their size, nature or frequency, to aid understanding of the performance for the year or comparability between periods. Adjusted measures allow Management and investors to compare performance without these recurring or non-recurring items. Management does not consider these items when reviewing the underlying performance of a Segment or the Group as a whole. A reconciliation to adjusted measures is provided within the Financial review, which details the impact of exceptional and other

	amortisation of acquired intangible assets and adjustments made to reduce deferred income arising on acquisitions and acquisition-related items. Recurring items are adjusted each period, irrespective of materiality, to ensure consistent treatment. Non-recurring items are those that Management judge to be one-off or non-operational, such as gains and losses on the disposal of assets, impairment charges and reversals, and restructuring related costs.	adjusted items when compared to the non-GAAP financial measures, in addition to those reported in accordance with IFRS. Further detail is provided within note 4 to the summary financial information within this announcement.
Constant currency	We evaluate the long-term performance and trends within our strategic KPIs on a constant-currency basis. The performance of the Group and its overseas Segments are also shown, where indicated, in constant currency. The constant currency presentation, which is a non-GAAP measure, excludes the impact of fluctuations in foreign currency exchange rates.	We believe providing constant currency information gives valuable supplemental detail regarding our results of operations, consistent with how we evaluate our performance.
Free cash flow	Free cash flow is cash flow from operations minus net interest received, interest and payments related to lease liabilities, income tax paid and gross capital expenditure.	Free cash flow measures the cash generated by the operating activities during the period that is available to repay debt, undertake acquisitions or distribute to shareholders.
Gross invoiced income and IFRS revenue	Gross invoiced income is based on the value of invoices raised to customers, net of the impact of credit notes and excluding VAT and other sales taxes. Gross invoiced income includes all items recognised on an 'agency' basis within revenue, on a gross income billed to customers basis, as adjusted for deferred and accrued revenue. A reconciliation of revenue to gross invoiced income is provided within note 4 to the summary financial information within this announcement. IFRS revenue refers to revenue recognised in accordance with International Financial Reporting Standards, including IFRS 15 'Revenue from Contracts with Customers' and IFRS 16 'Leases'.	Gross invoiced income reflects the cash movements to assist Management and the users of the summary financial information within this announcement in understanding revenue growth on a 'principal' basis and to assist in their assessment of working capital movements in the Consolidated Balance Sheet and Consolidated Cash Flow Statement. This measure allows an alternative view of growth in adjusted gross profit, based on the product mix differences and the accounting treatment thereon.
Organic revenue and profit measures	In addition to the adjustments made for adjusted measures, organic measures: · exclude the contribution from discontinued operations, disposals and assets held for sale of standalone businesses in the current and prior period; · exclude the contribution from	Organic measures allow Management and investors to understand the like-for-like revenue and current-period margin performance of the underlying business. There have been no material acquisitions since 1 January 2023. Therefore, the result for the year did not have any benefit within revenue or

	acquired businesses until the year after the first full year following acquisition; and · adjust the comparative period to exclude prior-period acquired businesses if they were acquired part-way through the prior period. Acquisitions and disposals where the revenue and contribution impact would be immaterial are not adjusted.	adjusted profit before tax. The results of any acquisitions would be excluded where narrative discussion refers to 'organic' growth in future announcements.
Product order backlog	The total value of committed outstanding purchase orders placed with our technology vendors against non-cancellable sales orders received from our customers for delivery within 12 months, on a gross invoiced income basis.	The Technology Sourcing backlog, alongside the Managed Services contract base and the Professional Services forward order book, gives us visibility of future revenues in these areas.
Return on capital employed (ROCE)	ROCE is calculated as adjusted operating profit, divided by capital employed, which is the closing total net assets excluding adjusted net funds.	This is an indicator of the current period financial return on the capital invested in the Group.

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