

29 April 2025

SysGroup plc
("SysGroup" or the "Group")

Year End Trading Update

SysGroup plc (AIM:SYS), the technology services provider specialising in digital and AI transformation for UK SMEs, is pleased to provide a trading update for the year ended 31 March 2025 ("FY25").

Group Trading Performance

The Group expects to report revenues of £20.5m (FY24: £22.7m) and Adjusted EBITDA¹ of £0.9m (FY24: £2.0m) in line with market expectation.

The Group ended the year with a strong gross cash balance of £8.7m (FY24: £1.9m) and a net cash² position of £3.6m (FY24: net debt² of £3.4m), excluding contingent consideration of £0.1m (FY24: £1.8m). Following a fund raising of £10.6m³ in H1, the Group has made the following capital investments: (i) £1.8m relating to the final earn-out payment for the 2022 Truststream Security acquisition; (ii) £0.7m in capital expenditure, including investment in our bespoke AI service desk platform; and (iii) £0.3m for the acquisition of the trade and assets of Crossword Consulting Limited.

Heejae Chae, Executive Chair, commented:

Over the past year, we have made substantial investments to position the Group as a leading provider of end-to-end solutions for SMEs on their AI and machine learning journey.

Our rapid progress in hyper-scale cloud saw us achieve AWS Advanced Partner status within six months - a significant milestone that reflects our technical strength and execution capabilities. We are making strong progress towards becoming the 13th AWS Managed Service Provider in the UK. This milestone will enable us to deliver the scalable, future-proof cloud foundations SMEs need to launch and accelerate their AI journey. We have also strengthened our cybersecurity offering, becoming one of only three UK-based Advanced Partners for Rubrik, a leader in data security and cloud data management. Our acquisition of Crossword Security Consulting further expands our capabilities into Cybersecurity-as-a-Service, penetration testing, and virtual CISO services, allowing cross-selling opportunities.

Internally, we are transforming into an AI-led organisation, showcasing the innovation we deliver to our clients. Backed by a strong balance sheet, we remain well-positioned to drive growth both organically and through strategic acquisitions.

Our investments in people and capabilities have positioned us for continued progress in the new financial year. We are building a robust pipeline and deepening our customer relationships to become the partner of choice across their entire technology estate, supporting their growth journey. Over the past year, we have focused on consolidating our customer base to align with our strategic vision of partnering with SME clients committed to future investment. We look forward to providing further details on our strategy and momentum in our full year-end results announcement in July.

Notes

1. Adjusted EBITDA is earnings before interest, taxation, depreciation, amortisation of intangible assets, exceptional items and share based payments.
2. Net cash/debt represents cash balances less bank loans and lease liabilities
3. Net of advisor fees

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About SysGroup

SysGroup plc is a leading managed service provider of end-to-end, future-proof technology solutions for UK SMEs, specializing in cybersecurity, cloud services, connectivity, and digital transformation. We empower businesses to scale and innovate through partnerships with world-class technology providers, delivering resilient, AI-ready infrastructures for the data-driven economy.

The Group has offices in Manchester, Edinburgh, London and Newport.

For more information, visit <http://www.sysgroup.com>

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