

7 May 2025

Redcentric plc
('Redcentric' or the 'Company')

Pre-Close Trading Update

Appointment of CEO

'Progress made across key financial metrics in FY25'

Redcentric plc (AIM:RCN), a leading UK IT managed services provider, announces a pre-close trading update for the financial year ended 31 March 2025 ('FY25' or the 'year') and the appointment of Michelle Senecal de Fonseca as the Company's new Chief Executive Officer, ('CEO').

FY25 Financial Highlights (unaudited)

	FY25 (£ million)	FY24 (£ million)	% Change
Revenue	170.0	163.1	+4.2%
Recurring Revenue	155.1	149.1	+4.0%
Recurring Revenue %	91.2%	91.4%	-0.2%
Adjusted EBITDA *	37.0	28.3	+30.7%
Adjusted Net Debt	41.8	42.0	-0.5%

**Adjusted EBITDA is EBITDA excluding exceptional items, share-based payments, and associated National Insurance.*

Summary

These results highlight the ongoing benefits of the Company's acquisition strategy and the positive impact of enhanced operational efficiencies. During FY25, the Company successfully completed the migration of the data centres business, a key milestone in Redcentric's transformation strategy. Segmental financial reporting will be introduced alongside the release of audited financial statements in August 2025.

The separation of the Company's two core business entities, Data Centres ('DC') and Managed Services Provision ('MSP'), presented operational and accounting complexities. While these challenges required considerable management focus, it was essential to establish two distinct and well-structured business units for the future and this initiative has been successfully concluded.

Adjusted net debt remained stable and showed a slight improvement compared to FY24, despite adverse year-end working capital movements and dividend payments of £5.7 million to shareholders during FY25.

FY25 Operational Highlights

- **Recurring revenue:** Recurring revenue grew 4% to £155.1 million, comprising 91.2% of the Group's total revenue, reinforcing Redcentric's resilient revenue base and high-quality offering.
- **Cost savings:** Completed integration programmes from prior acquisitions delivering annualised cost savings, as previously announced. Electricity conservation measures and lower commodity prices from April 2024 coupled with effective electricity cost management will yield further volume savings in future years.
- **VMware:** Following VMware's acquisition by Broadcom, Redcentric was appointed as one of only seven strategic partners in the UK. Customer engagement has been positive, and operational improvements have enhanced cost efficiency during the period.
- **Capital expenditure:** The Company continued to invest during FY25, capital expenditure of £11.5 million, effectively allocated to infrastructure security enhancements, systems development, and client-related contract investments. This was marginally below market expectations owing to the non-materialisation of a planned colocation deal and associated client-specific investment.
- **Financial:** The Company maintained its dividend at 3.6 pence per share, amounting to £5.7 million, and expects to continue this policy into FY26.

CEO Appointment

The Company is also pleased to announce the appointment of Michelle Senecal De Fonseca as CEO to the Company with immediate effect. Michelle has been a Non-Executive Director of the Company since February 2024 and is an experienced executive in the technology industry. She was previously Managing Director for Vodafone's Cloud and Hosting Services business, and served as vice Vice President for Sales and Services for

Vodafone's Cloud and Hosting Services business, and served as area vice president for Sales and Services for Northern Europe at Citrix Systems before becoming its Global Vice President for Strategic Alliances.

Michelle also currently serves as a Non-Executive Director on the boards of Alphawave IP Group PLC, GBG plc, ASU Global Foundation UK Limited and Women in Telecoms & Technology (WiTT) Limited.

The Board would like to extend its gratitude to Peter Brotherton for his leadership and invaluable contributions to the Company's growth and success. Peter has been instrumental in leading the Company's growth as a leading IT managed service provider and in establishing a highly successful UK data centre operation. As previously announced, Peter has agreed to remain available to the business in a strategic advisory capacity.

Richard McGuire, Chairman of Redcentric, said: "FY25 was a transformative year for the Company, a year in which it delivered significant revenue and EBITDA growth predominantly driven by prior strategic acquisitions and operational excellence. The entire Redcentric team successfully delivered the separation of our MSP and DC divisions, and Management's resilience and focus on cost efficiency have positioned the Company for continued success.

"Whilst the Board joins me in welcoming Michelle to her new role as CEO, they would also like to thank Peter for his strong leadership to date and we are pleased that he will remain with the Company for a period of time as a strategic advisor and support a seamless transition of CEO duties. I look forward to working with Michelle who has significant sector experience. In FY26, our aim is to build on the strong foundations laid during the year, to accelerate organic growth, streamline operations, and enhance returns for our shareholders."

Commenting on her appointment as CEO, Michelle Senecal De Fonseca, said: "I am honoured to be appointed to the role of CEO. My vision is to elevate our commitment to delivering unparalleled value to our clients by enhancing our service offerings, embracing cutting-edge technologies, and fostering a culture of innovation and collaboration. I am dedicated to empowering our talented team to drive operational excellence, strengthen client partnerships, and position Redcentric as the trusted partner for businesses navigating the complexities of the digital landscape. Together, we will shape a future where our clients thrive through transformative, reliable, and forward-thinking managed services."

- Ends -

The information contained within this announcement is deemed to constitute inside information as stipulated under the retained EU law version of the Market Abuse Regulation (EU) No. 596/2014 (the "UK MAR") which is part of UK law by virtue of the European Union (Withdrawal) Act 2018. The information is disclosed in accordance with the Company's obligations under Article 17 of the UK MAR. Upon the publication of this announcement, this inside information is now considered to be in the public domain.

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Notes to Editors:

Redcentric has a strong track record in delivering IT managed services provision that empowers businesses to scale, innovate and grow in a rapidly evolving digital landscape. As technology continues to advance the Company's goal is to be the go-to-all-in-one infrastructure and managed IT service provider for customers of all sizes offering an unmatched range of products and solutions. From infrastructure management and cloud services to cybersecurity and data analytics, Redcentric has a comprehensive suite of solutions designed to meet the diverse needs of modern businesses.

The Company operates through two distinct divisions:

Managed Services Provider ('MSP'): Servicing the private and public sectors with all their IT requirements. The MSP division acts as an outsourced IT department, handling day to day maintenance and security of customers' IT infrastructures. This allows customers to improve security and efficiency and focus on growing their core businesses.

Data Centres ('DC'): Portfolio of eight well invested data centres with 41MW of available capacity strategically located across the UK from London to West Yorkshire. DC serves a diverse blue chip customer base, providing critical services to Enterprise-grade clients and Government entities reliant on secure data centres and uninterrupted connectivity.

For additional information please visit www.redcentricplc.com

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