



DATATEC GROUP RESULTS

For the year ended 28 February 2023

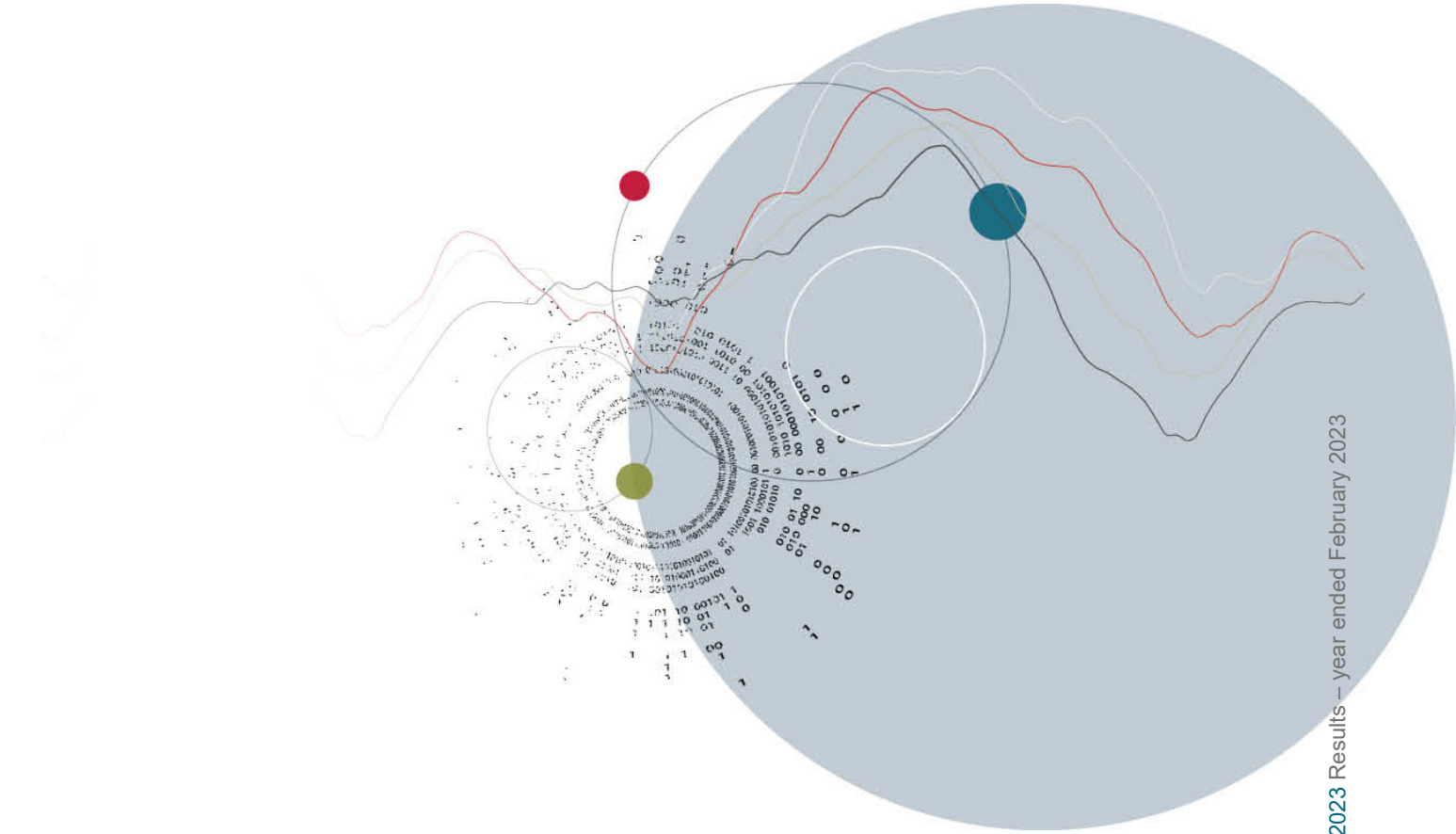


Agenda

- Summary
 - Overview
 - Current Trading
- Financial Results
- Operational Review
- Prospects & Outlook

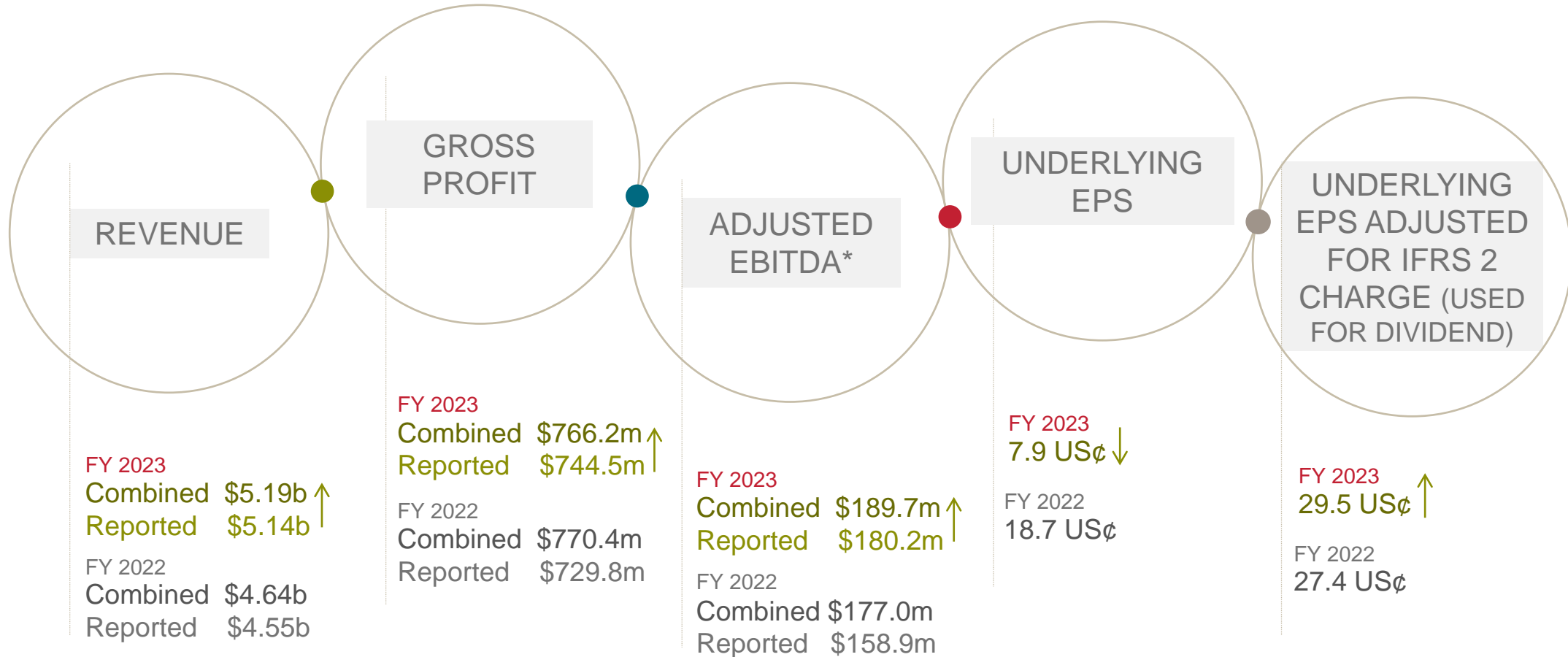
Summary

Overview,
Current trading



Datatec Group

Financial results summary



* Excludes restructuring costs, share-based payments, one-off tax items impacting EBITDA, and acquisition, integration and corporate actions costs
FY 2022 excludes restructuring costs and share-based payments

Reported numbers exclude Analysys Mason as a discontinued operation

Datatec Group

Overview



Datatec Group

Current trading

Strong demand for cyber security, networking, cloud infrastructure

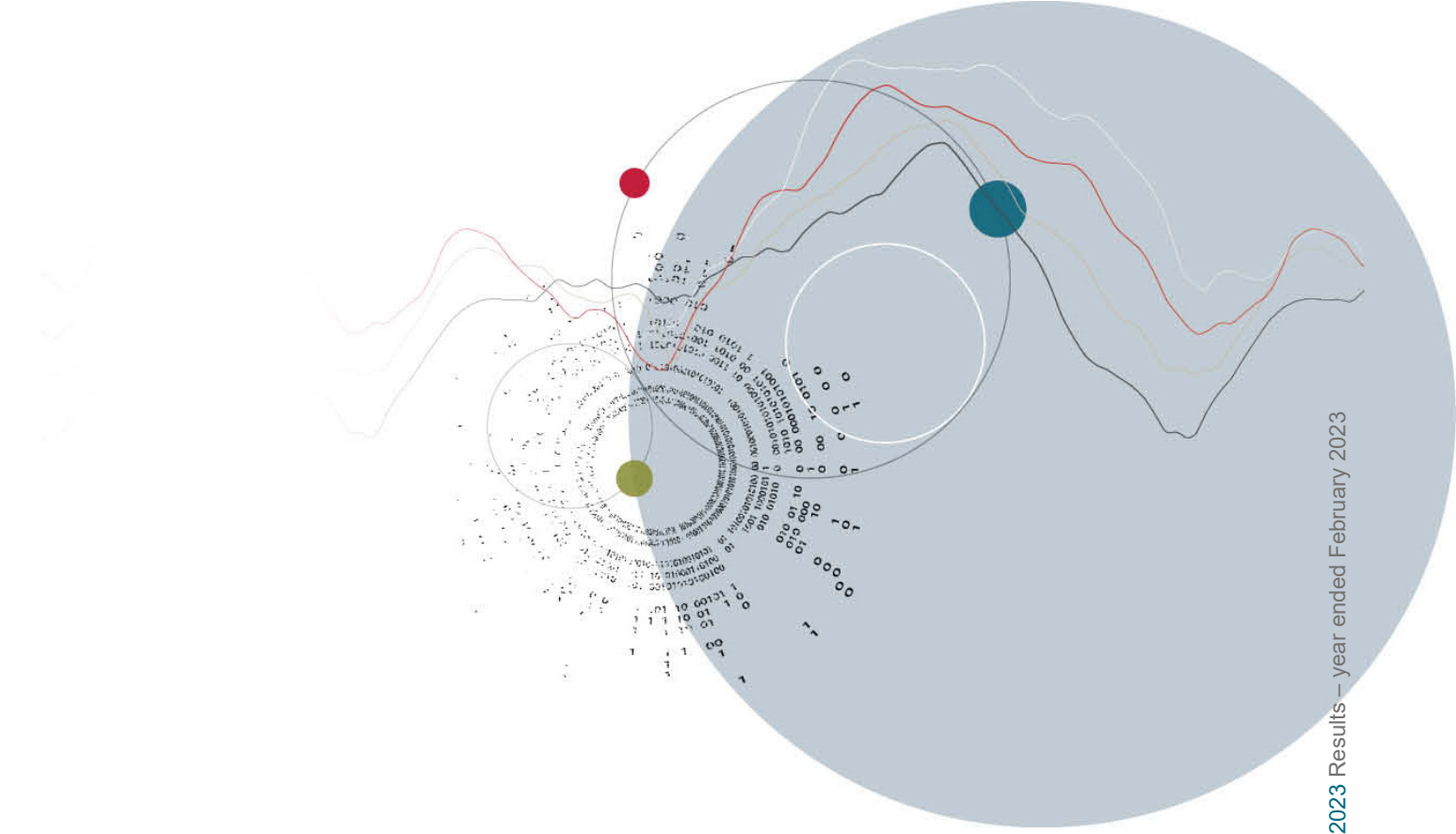
Growth in software mix and managed services

Supply chain issues and backlog improving

Excellent working capital enables strong balance sheet

All divisions expecting to deliver improved performance in FY24

Financial Results



Datatec Group

Financial performance

US\$m	FY 2023 Reported	Analysys Mason	FY 2023 Combined [^]	FY 2022 Combined [^]	% Movement
Revenue	5,143.1	51.8	5,194.9	4,636.8	12%
Gross profit	744.5	21.7	766.2	770.4	(1%)
Operating costs	(646.2)	(15.0)	(661.2)	(615.9)	7%
EBITDA	98.3	6.7	105.0	154.5	(32%)
EBITDA margin %	1.9%	12.9%	2.0%	3.3%	
Adjusted EBITDA*	180.2	9.5	189.7	177.0	7%
Adjusted EBITDA* margin %	3.5%	18.3%	3.7%	3.8%	
Depreciation & amortisation	(68.2)	(0.9)	(69.1)	(72.4)	(5%)
PPE, right-of-use assets & intangible assets impairments	(11.6)	-	(11.6)	-	
Operating profit	18.5	5.8	24.3	82.1	(70%)
Operating profit margin %	0.4%	11.2%	0.5%	1.8%	
Net finance costs	(38.1)	(0.2)	(38.3)	(31.3)	22%
(Loss)/profit before tax	(20.0)	8.5	(11.5)	50.9	(123%)
Underlying EPS (US cents)	6.1	1.8	7.9	18.7	
HEPS (US cents)	(10.8)	1.5	(9.3)	16.2	

* Excludes restructuring costs, share-based payments, one-off tax items impacting EBITDA, and acquisition, integration and corporate actions costs

FY 2022 excludes restructuring costs and share-based payments

[^] Including Analysys Mason discontinued operations

● Strong revenue growth driven by Westcon, strong USD impacting gross margin

● Increased share-based payment charges reflects improved Westcon performance

● Increased finance costs due to higher cost of debt

● Share-based payment charges impacted all earnings metrics

Datatec Group

Financial performance - segmental

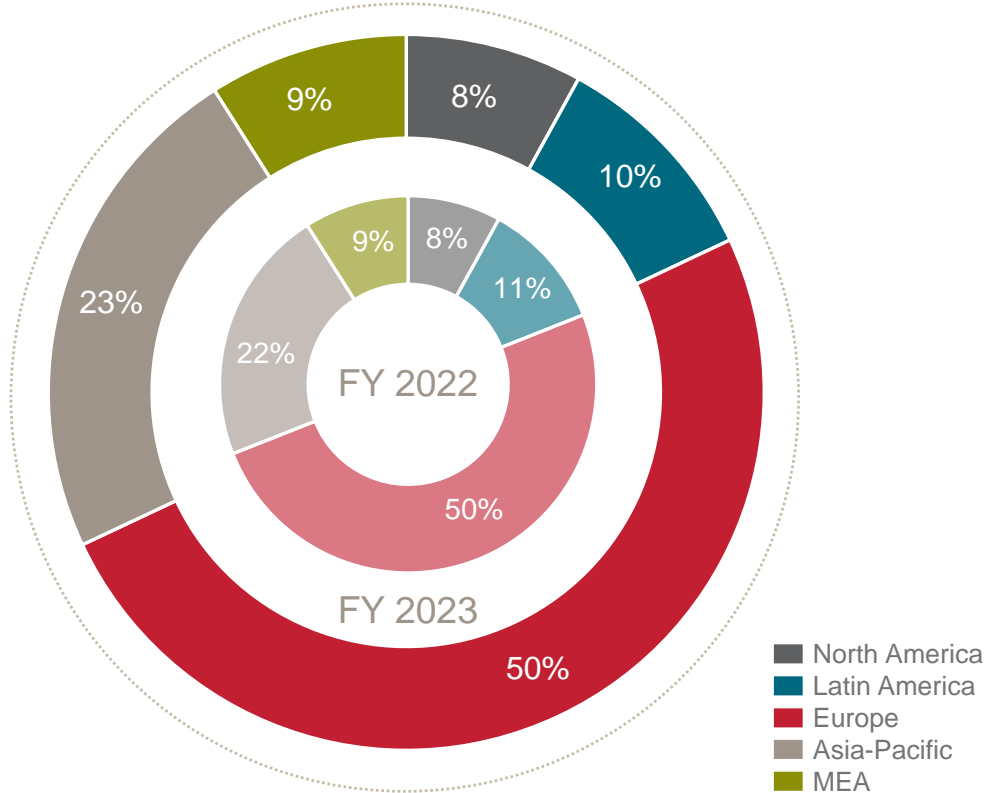
US\$m	Technology Distribution		ICT Solutions and Services			
	Westcon International		Logicalis International		Logicalis Latin America	
	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022
Revenue	3,420.6	2,890.4	1,231.5	1,133.3	491.0	522.7
Gross profit	328.7	319.0	306.3	304.3	109.5	106.5
Operating costs	(280.3)	(250.9)	(255.8)	(240.3)	(88.3)	(78.0)
EBITDA	48.4	68.1	50.5	64.0	21.2	28.5
EBITDA margin %	1.4%	2.4%	4.1%	5.6%	4.3%	5.5%
Adjusted EBITDA*	95.1	78.6	66.2	64.9	24.9	27.9
Adjusted EBITDA* margin %	2.8%	2.7%	5.4%	5.7%	5.1%	5.3%
Operating profit	21.7	43.6	6.6	27.9	13.8	21.0
Operating profit margin %	0.6%	1.5%	0.5%	2.5%	2.8%	4.0%

* Excludes restructuring costs, share-based payments, one-off tax items impacting EBITDA, and acquisition, integration and corporate actions costs
 FY 2022 excludes restructuring costs and share-based payments

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Revenue % contribution by geography – continuing operations

Revenue contribution by geography



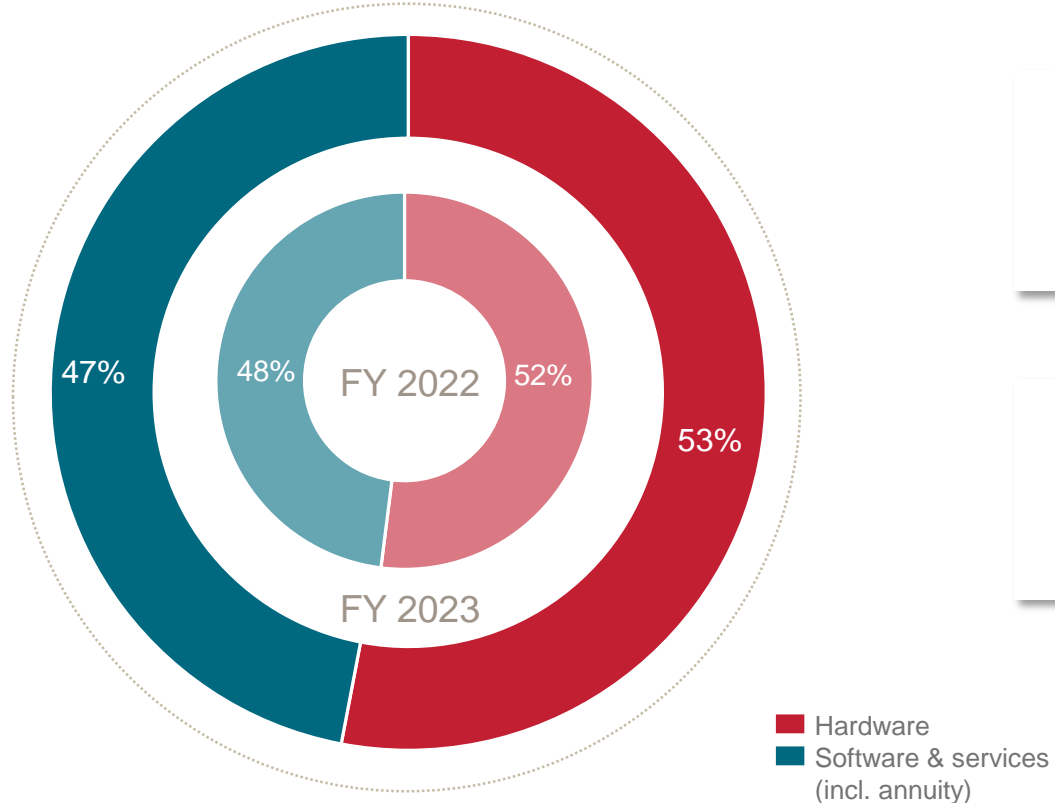
Latin America has been the most challenged region

Increased contribution from Asia-Pacific

Datatec Group

Revenue analysis: hardware vs software & services – continuing operations

Revenue contribution by segment



Increased software and services

Business becoming less asset intensive

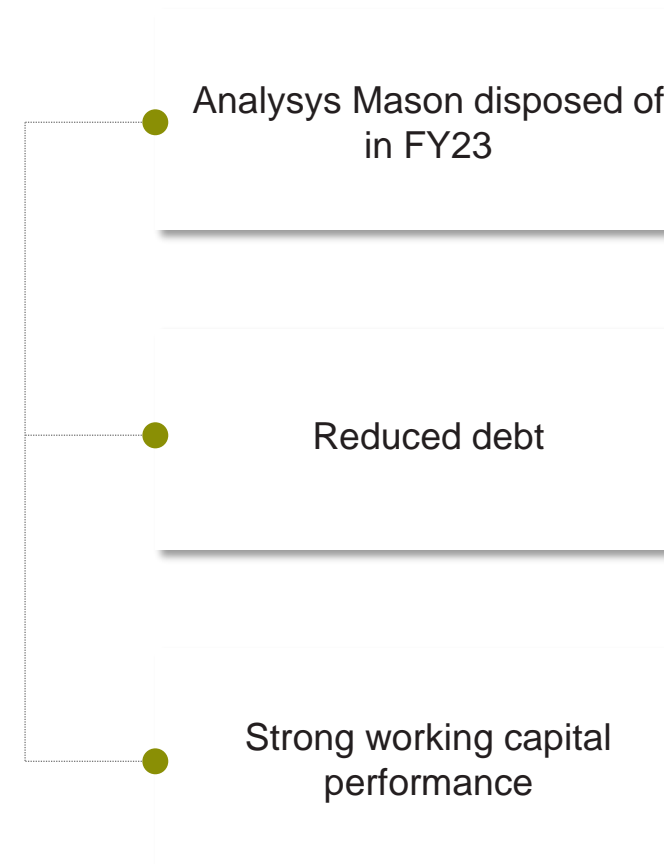
Hardware impacted by supply chain constraints

Expecting software to move towards half of the revenue mix

Datatec Group

Balance sheet summary

US\$m	FY 2023	FY 2022
Assets	3,626.3	3,012.2
Non-current assets		
Goodwill	245.4	262.6
Acquired intangible assets & software	16.0	28.1
Other non-current assets	349.2	322.4
Current assets	3,015.7	2,399.1
Equity & liabilities	3,626.3	3,012.2
Shareholders' funds	472.0	563.4
Non-controlling interests	60.3	67.5
Long-term liabilities	223.2	225.1
Acquisition-related liabilities	3.9	4.1
Current liabilities	2,866.9	2,152.1
Net debt	(106.6)	(130.1)
Net debt excluding lease liabilities	(34.2)	(35.7)



Datatec Group

Balance sheet summary - segmental

US\$m	Technology Distribution		ICT Solutions and Services			
	Westcon International		Logicalis International		Logicalis Latin America	
	FY 2023	FY 2022	FY 2023	FY 2022	FY 2023	FY 2022
Assets	1,935.2	1,443.3	1,087.6	976.8	507.7	390.9
Non-current assets						
Goodwill	-	-	209.7	203.6	35.7	35.8
Acquired intangible assets & software	-	-	12.2	20.9	3.8	3.7
Other non-current assets	178.1	157.1	112.3	111.3	41.6	37.1
Current assets	1,757.1	1,286.2	753.4	641.0	426.6	314.3
Liabilities	1,845.6	1,325.8	865.7	745.5	354.7	241.2
Long-term liabilities	122.0	97.6	71.1	74.6	26.0	34.5
Acquisition-related liabilities	-	-	3.9	4.1	-	-
Current liabilities	1,723.6	1,228.2	790.7	666.8	328.7	206.7
Net debt	(68.4)	(85.0)	(88.0)	(110.9)	(25.2)	(40.4)
Net debt excluding lease liabilities	(38.6)	(51.3)	(55.5)	(67.0)	(18.1)	(30.3)

Datatec Group

Cash flow (combined results including discontinued operations)

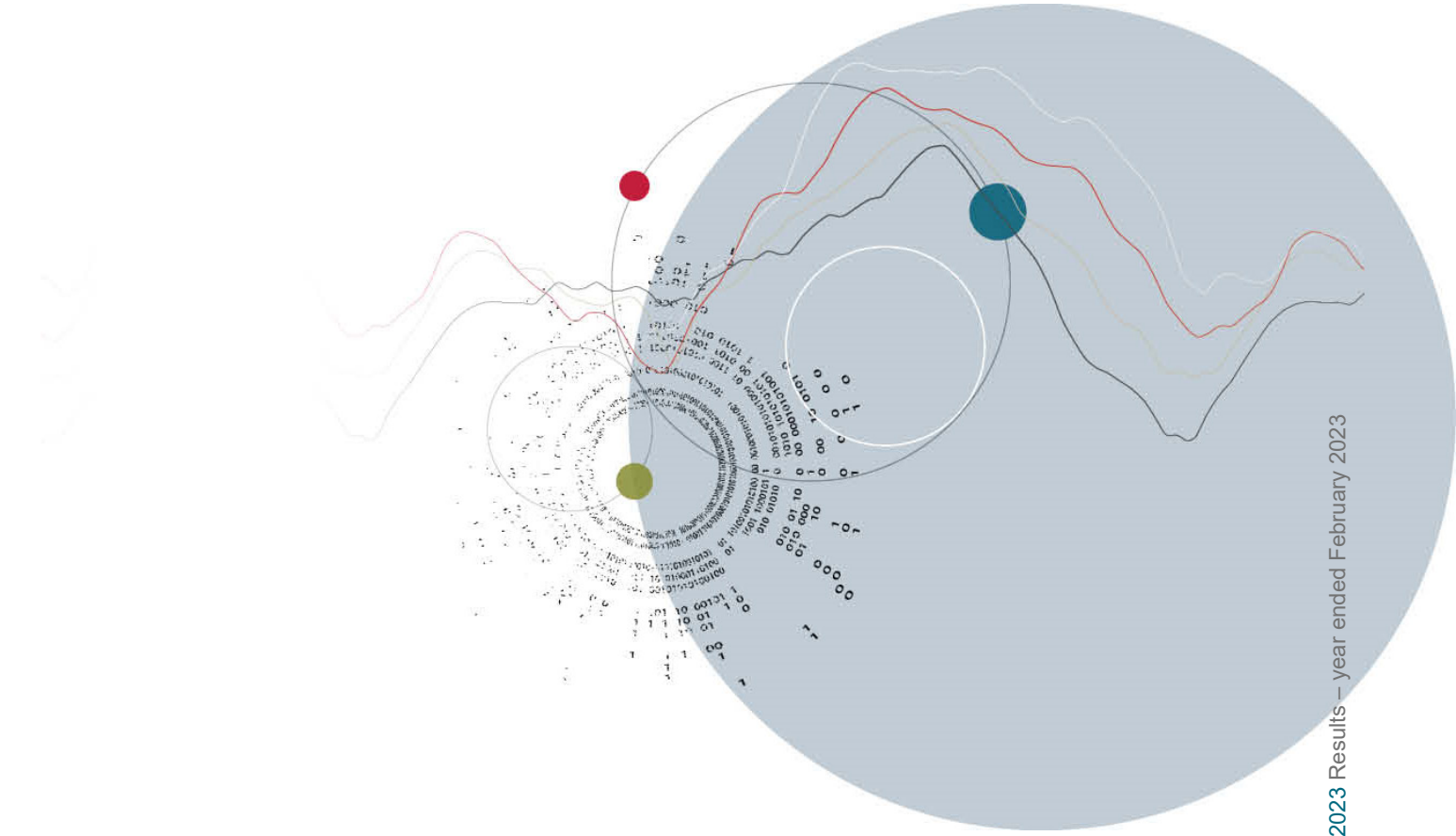
US\$m	FY 2023	FY 2022
EBITDA	105.0	154.5
Working capital changes	(25.5)	(83.8)
Other working capital changes	7.3	(7.0)
Other movements	86.6	33.0
Cash generated from operations	173.4	96.7
Net finance costs paid	(38.6)	(31.2)
Taxation paid	(24.2)	(26.3)
Net cash inflow from operating activities	110.6	39.2
Net cash outflow for acquisitions	(16.0)	(6.6)
Settlement of acquisition-related option	-	(5.9)
Settlement of deferred purchase consideration	(4.4)	(2.0)
Net proceeds on disposal of Analysys Mason	128.4	-
Disposal-related costs	(4.6)	-
Net cash outflow from other investing activities	(31.3)	(27.1)
Dividend paid to shareholders	(154.4)	(43.1)
Net cash inflow/(outflow) from other financing activities	67.5	(20.6)
Increase/(decrease) in cash & cash equivalents	95.8	(66.1)
Cash & cash equivalents at beginning of year	416.0	478.8
Translation difference on cash & cash equivalents	1.0	3.3
Cash & cash equivalents at end of period - combined	512.8	416.0

Cash flows include Analysys Mason discontinued operations

Much improved operating cash generation, despite supply chain constraints and strong growth

Significant dividends paid to shareholders

Operational Review



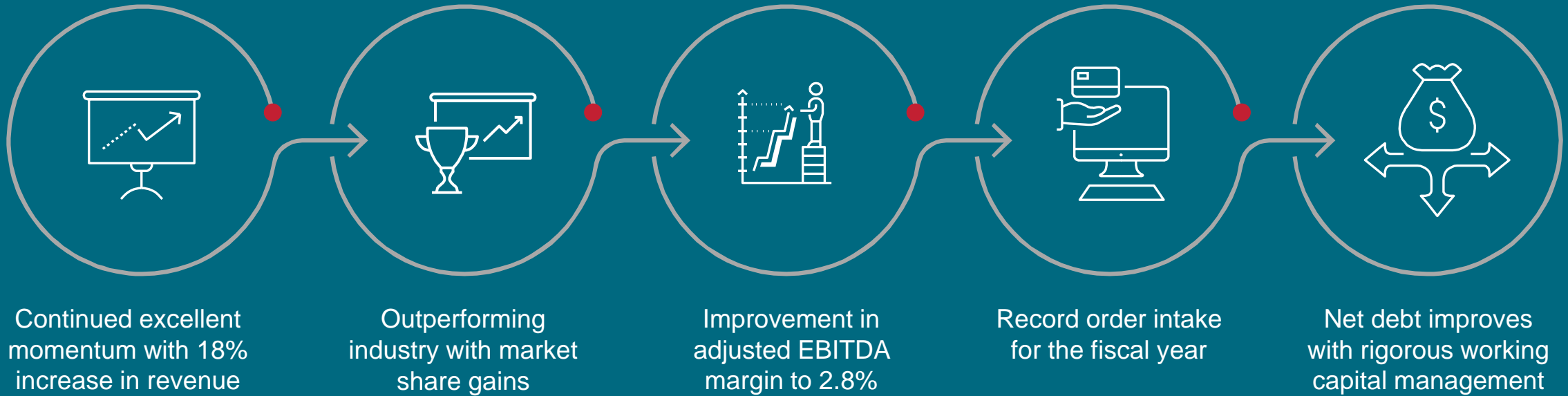
Westcon International



Partner Success. It's what we do.

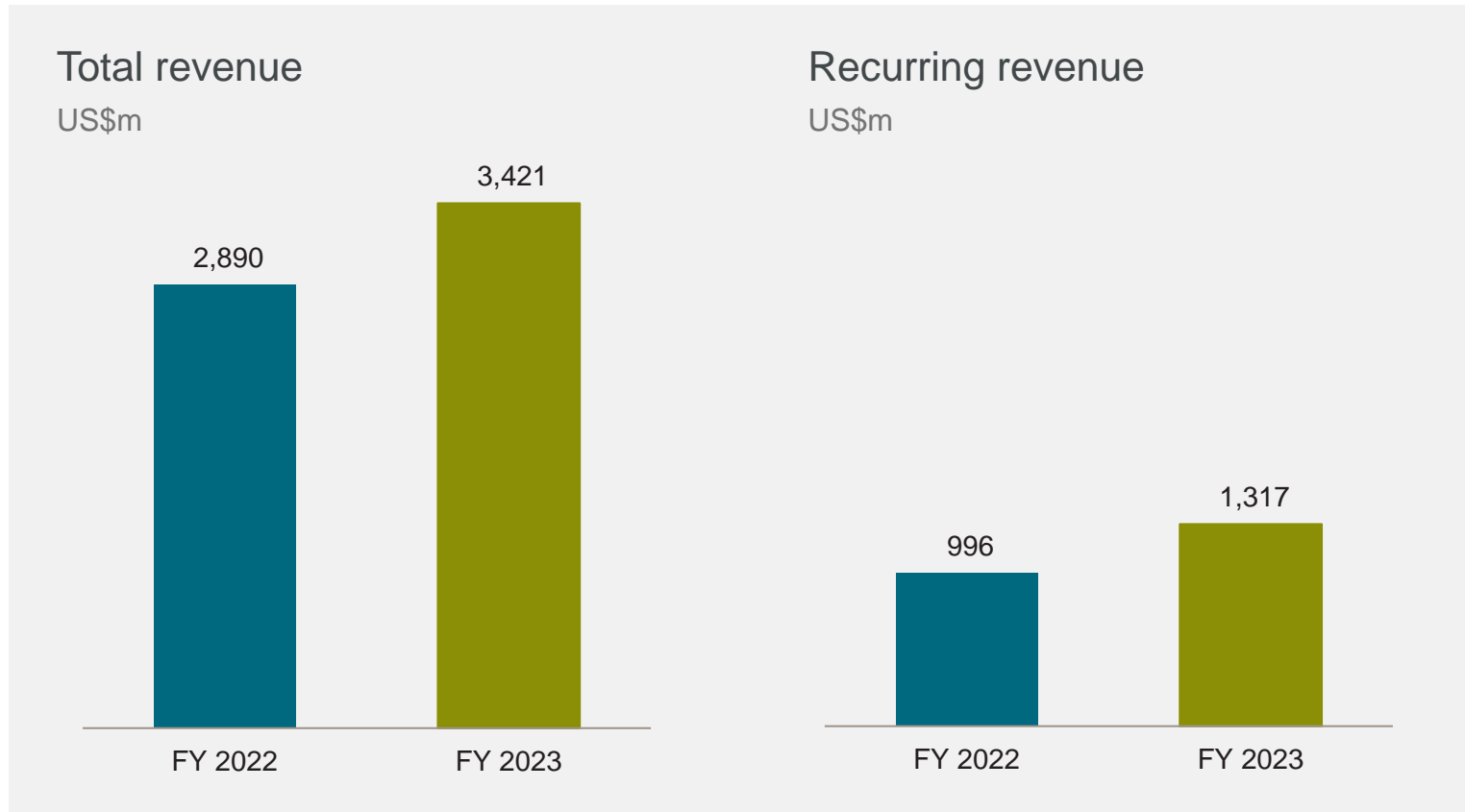
Westcon International

Highlights



Westcon International

Total revenue

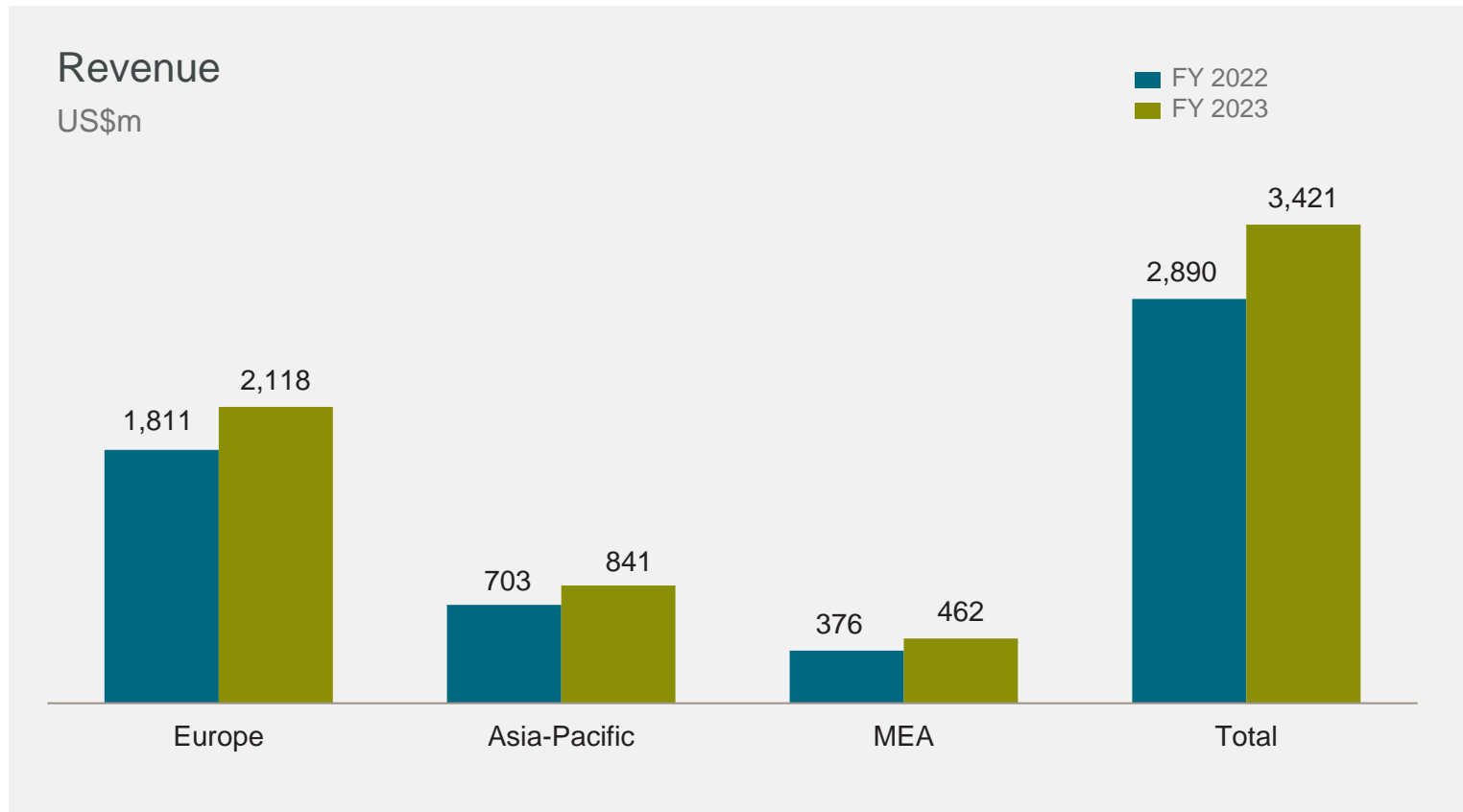


Backlog unwind boosted hardware revenues

Strong underlying recurring revenue growth of 32%

Westcon International

Revenue by geography

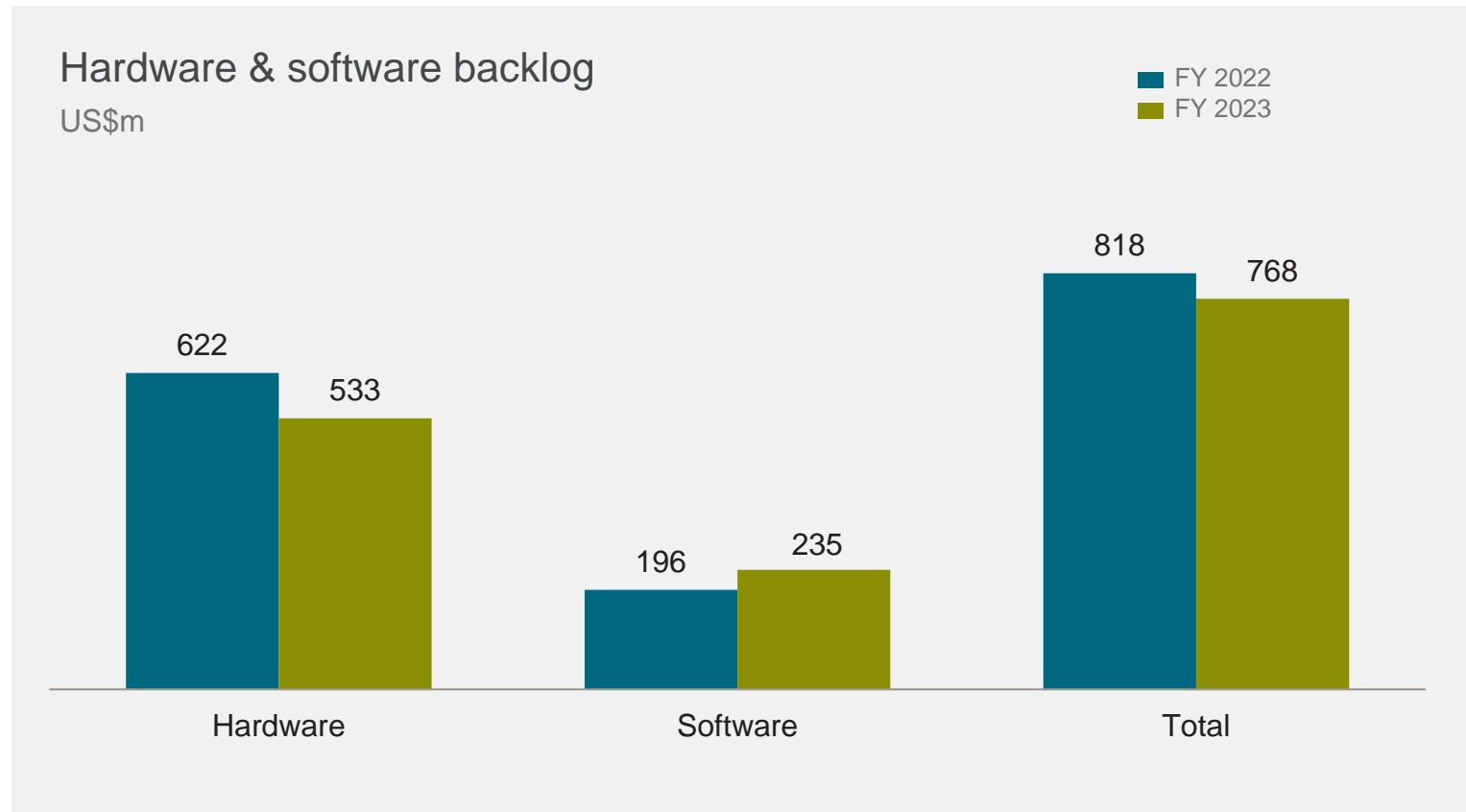


Reported revenue increased 18% and in constant currency 25%

Double digit growth across all regions

Westcon International

Hardware & software backlog (on a net revenue basis)



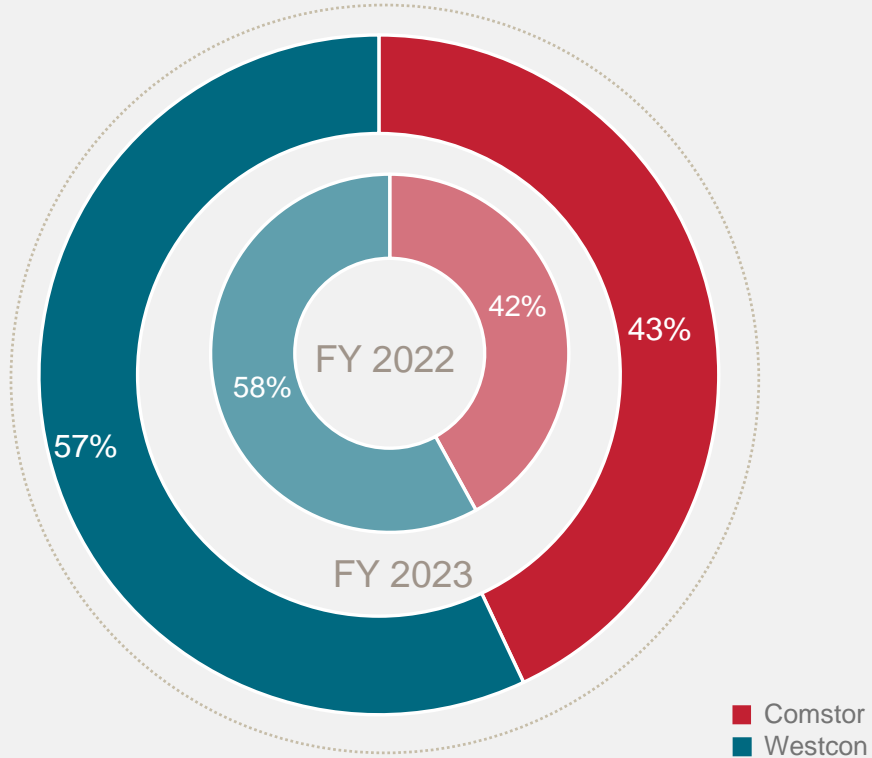
Backlog declines 6%

Improved hardware shipments and strong growth in software orders

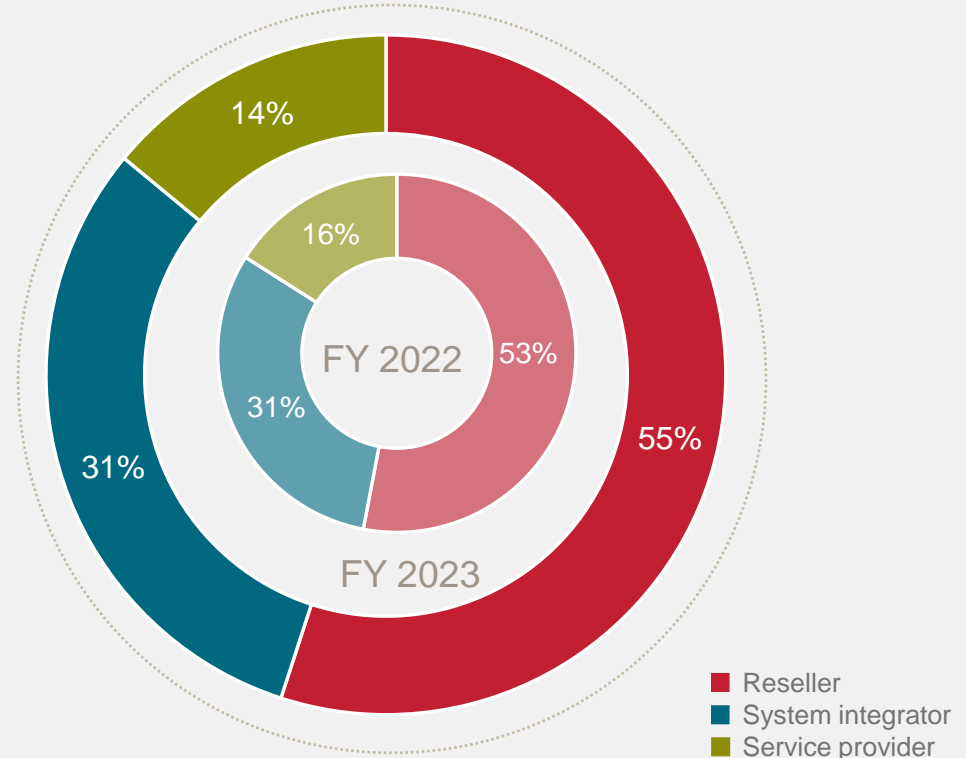
Westcon International

Revenue Analysis

Revenue by business unit



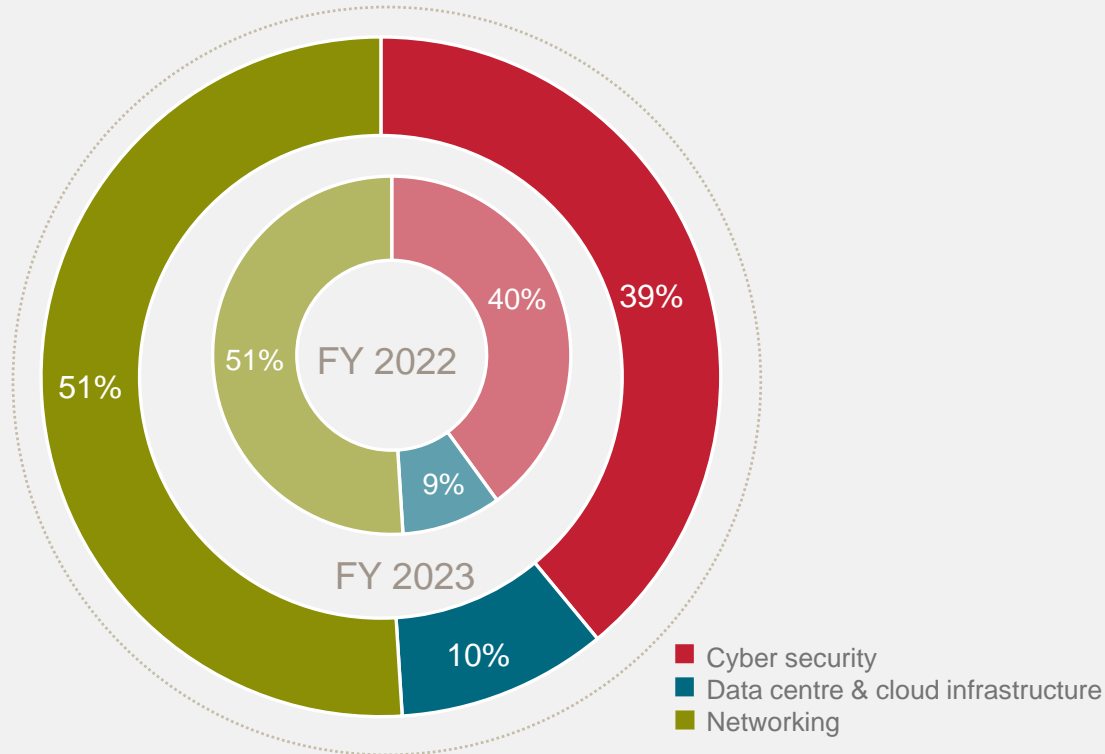
Revenue by customer



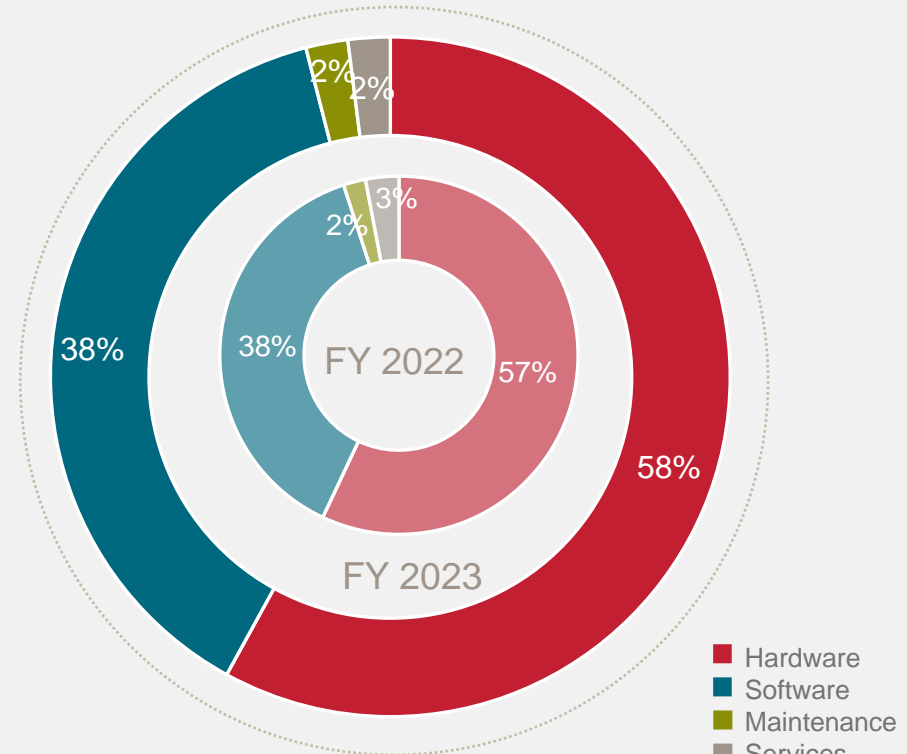
Westcon International

Revenue by technology category & segment

Revenue by technology category

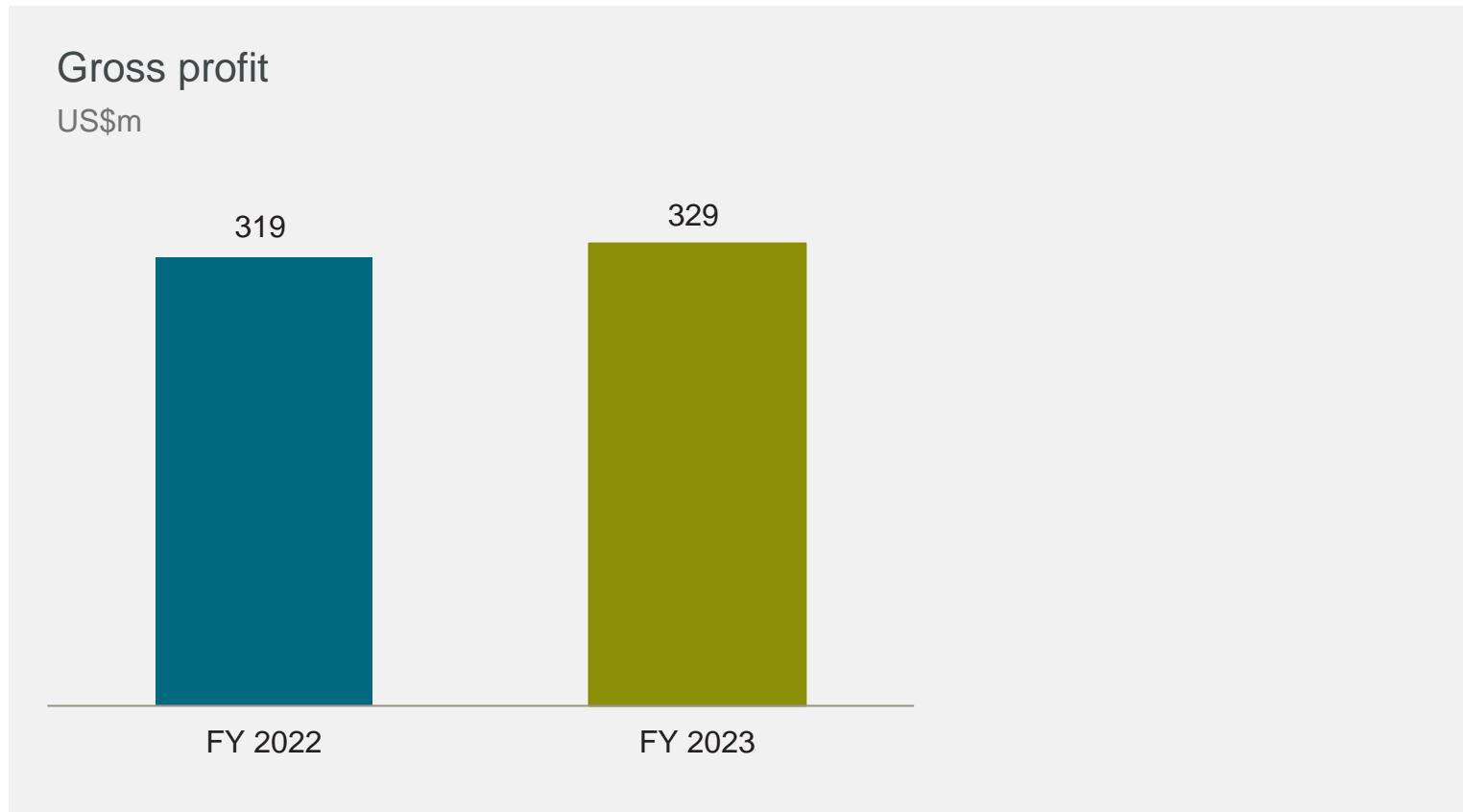


Revenue by segment



Westcon International

Gross profit

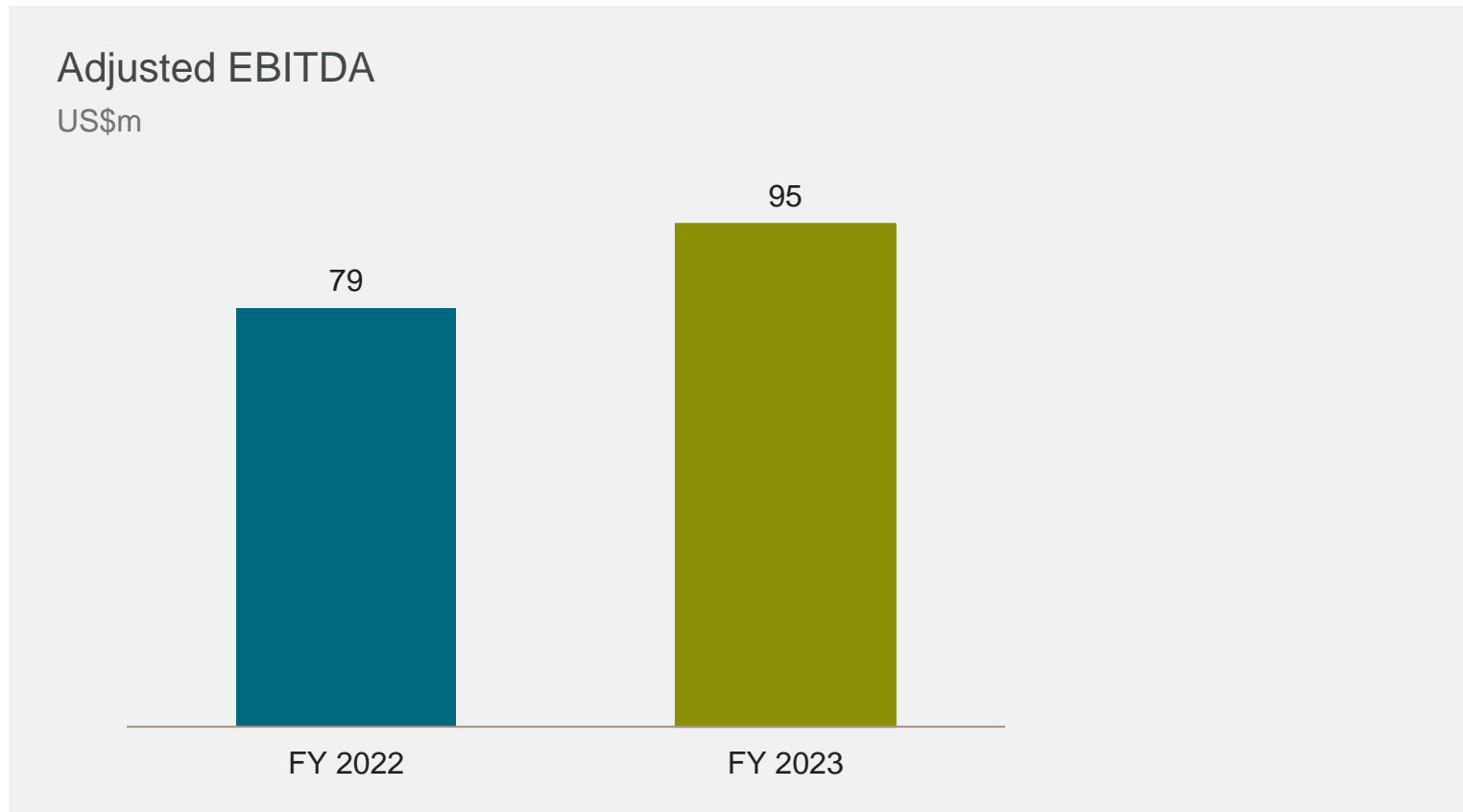


Strong US dollar was headwind to gross profit growth at 3%

Forex gains in operating expenses helped to compensate

Westcon International

EBITDA

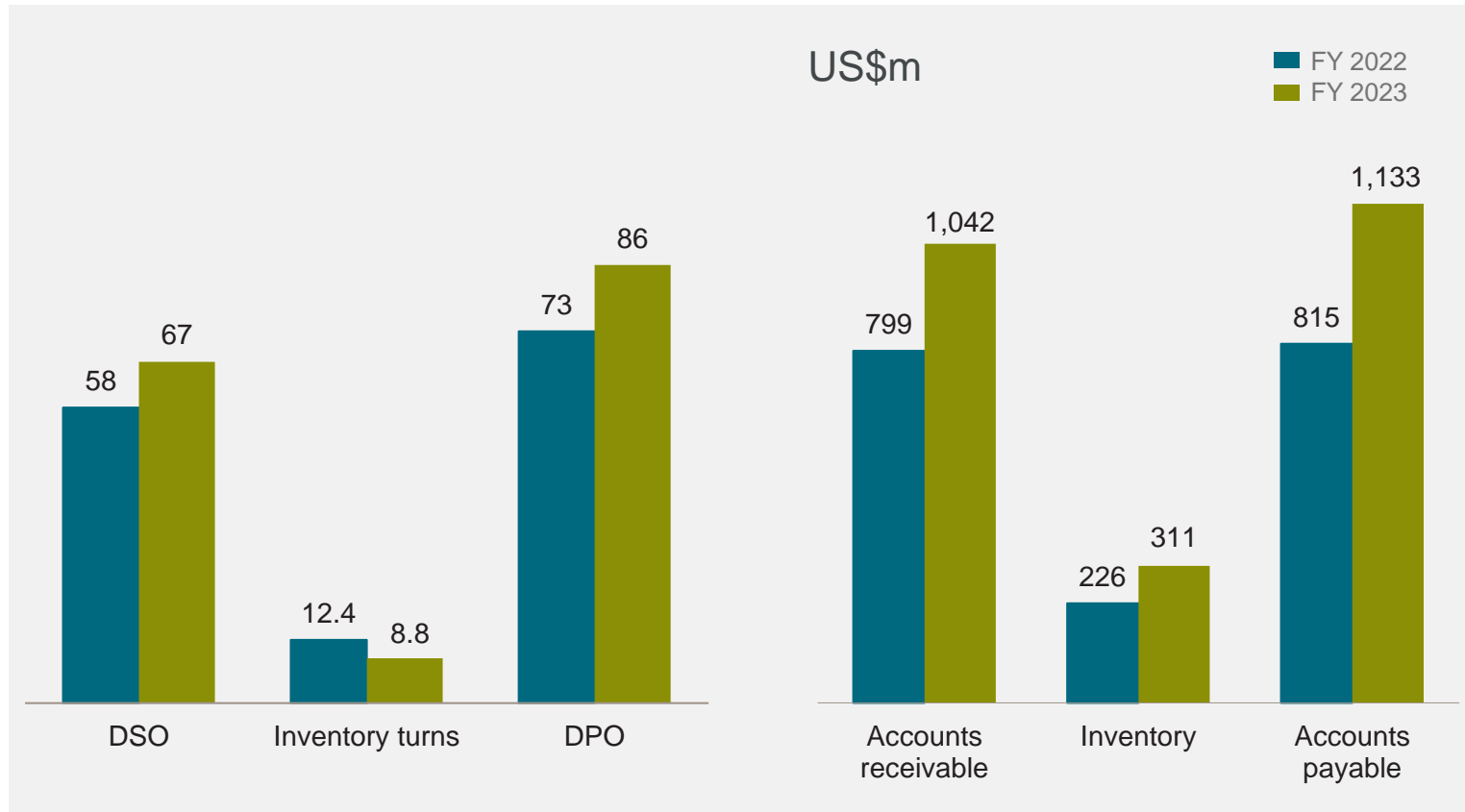


Adjusted EBITDA excludes IFRS 2 charge

Adjusted EBITDA increased 21% with growth in all regions

Westcon International

Working capital

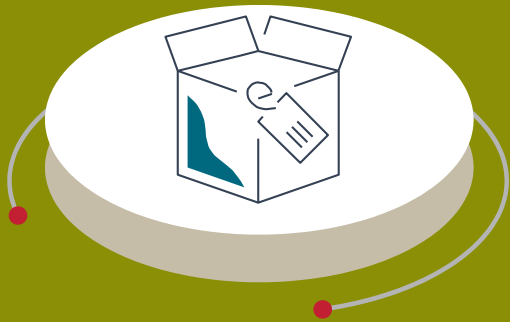


Total NWC days increased from 15 to 23 days

Increases in receivables and inventory assets were partially offset by greater accounts payable and DPO

Overall net debt decreased by \$17m

Westcon International Outlook



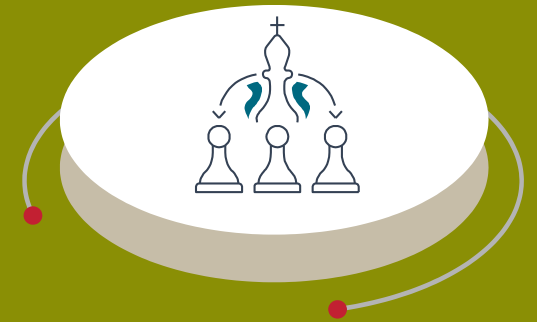
Strong demand for
cyber security and
network technology
solutions



Uncertain economic
environment with weak
demand for PC's &
endpoint devices



Transformation into
best in class data-
driven Specialist
Distributor



Clear strategy with
solid execution is
yielding excellent
results

Logicalis Group

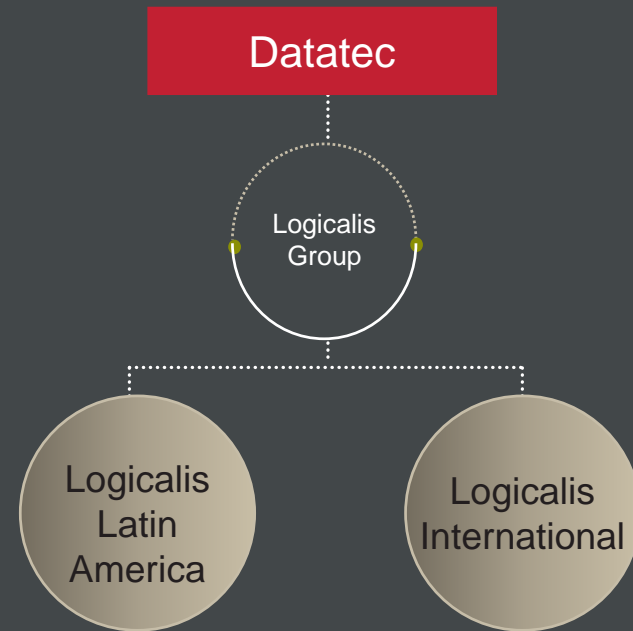
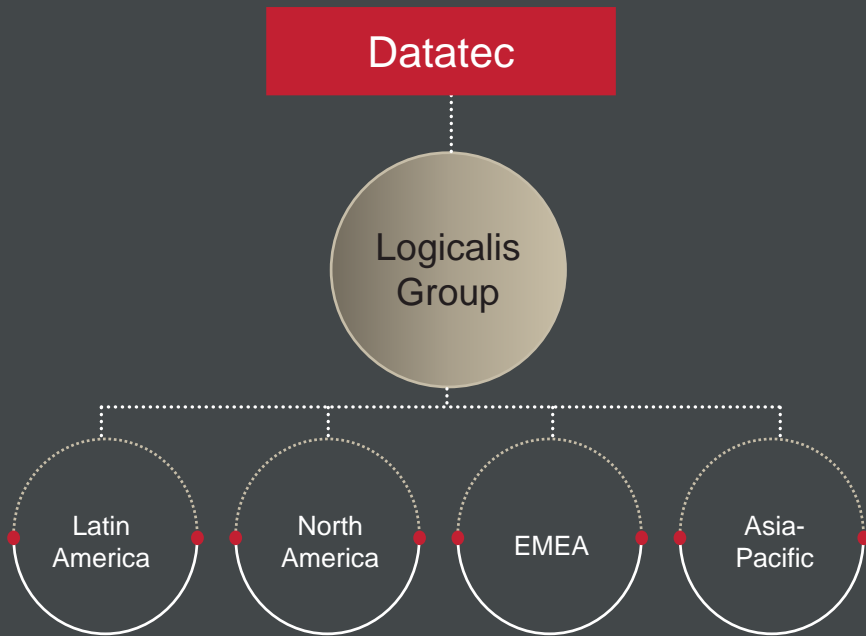


Logicalis

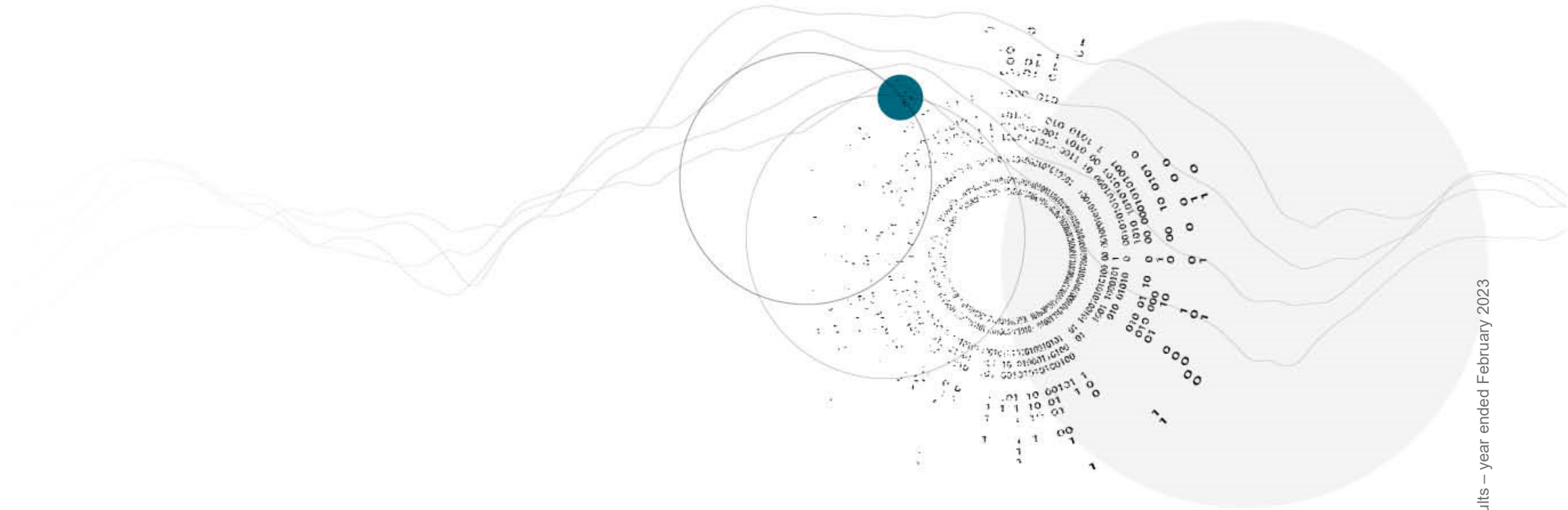
Change in reporting

Previously
Logicalis Group reported

Currently
Logicalis Latin America &
Logicalis International reported

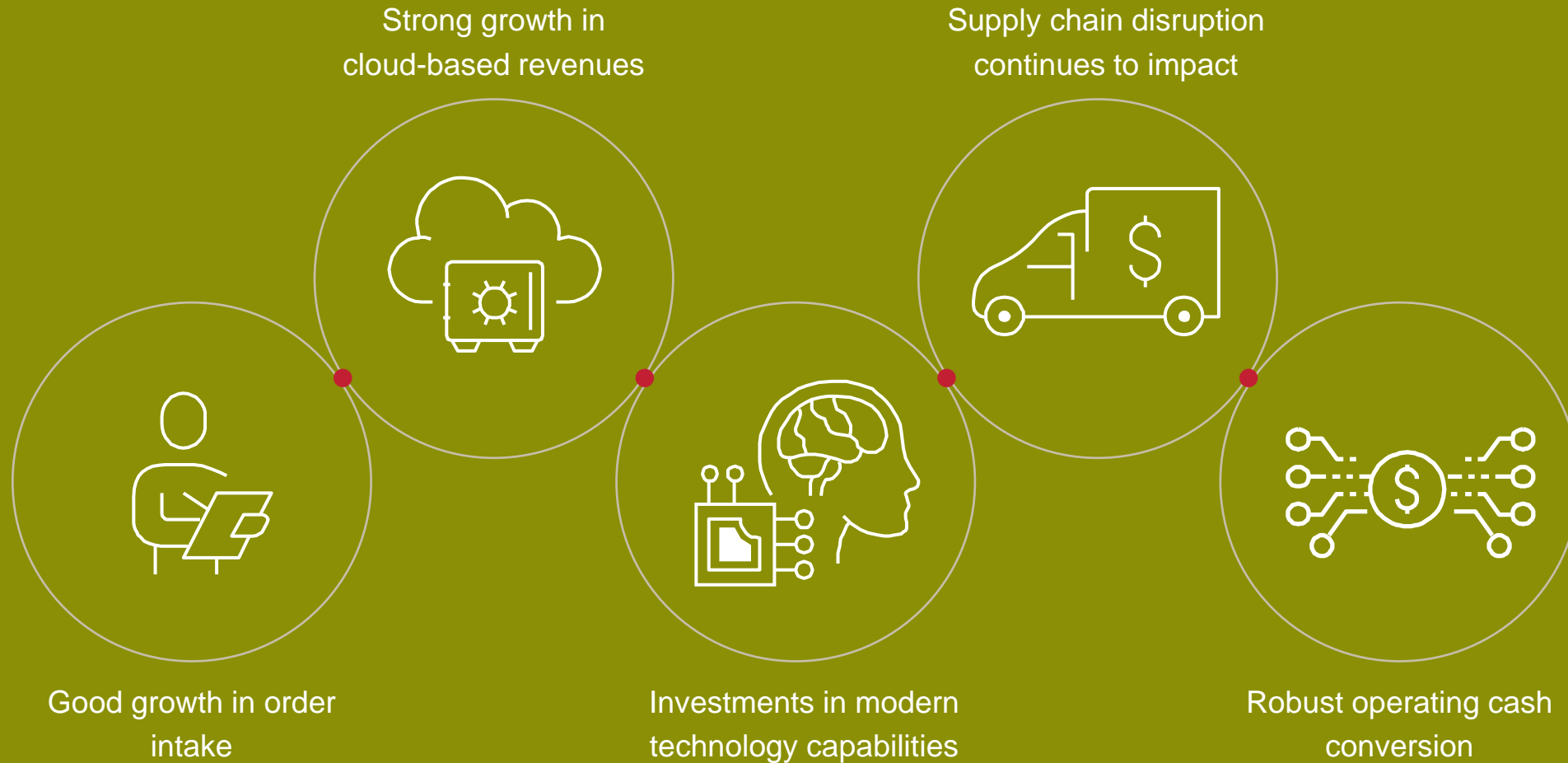


Logicalis International



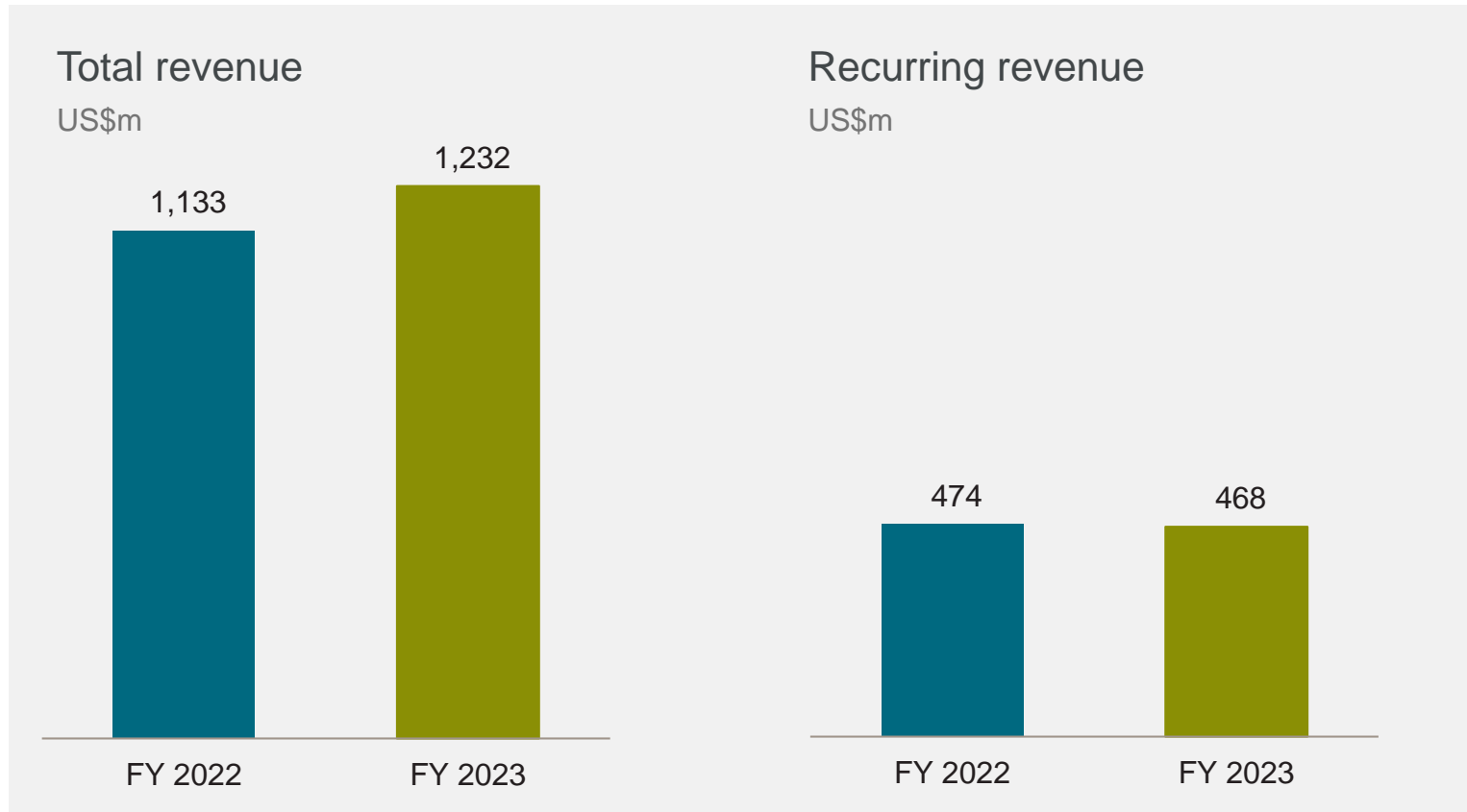
Logicalis International

Highlights



Logicalis International

Total revenue

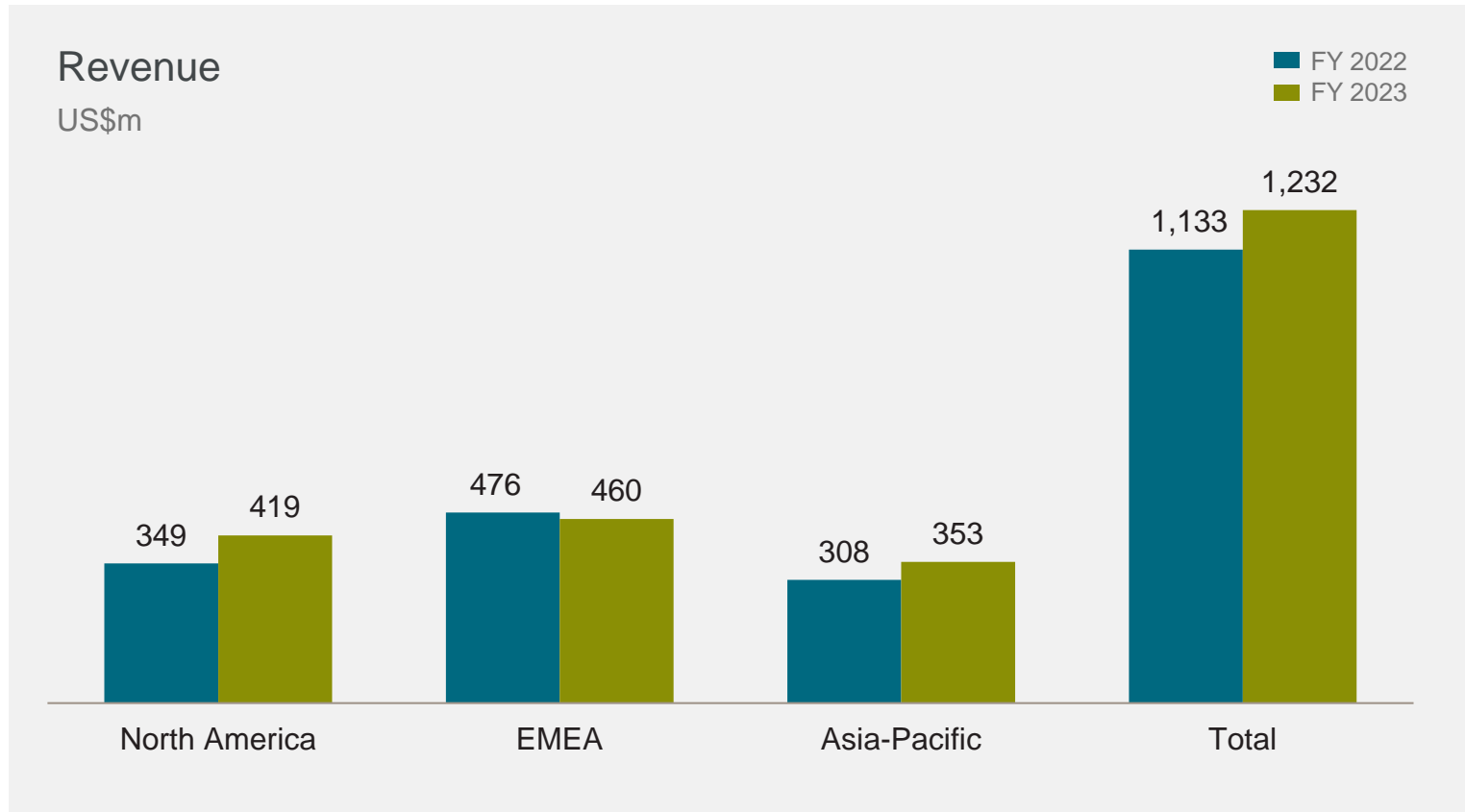


Revenue growth driven by recovery in product sales

Recurring revenues remains stable

Logicalis International

Revenue by geography

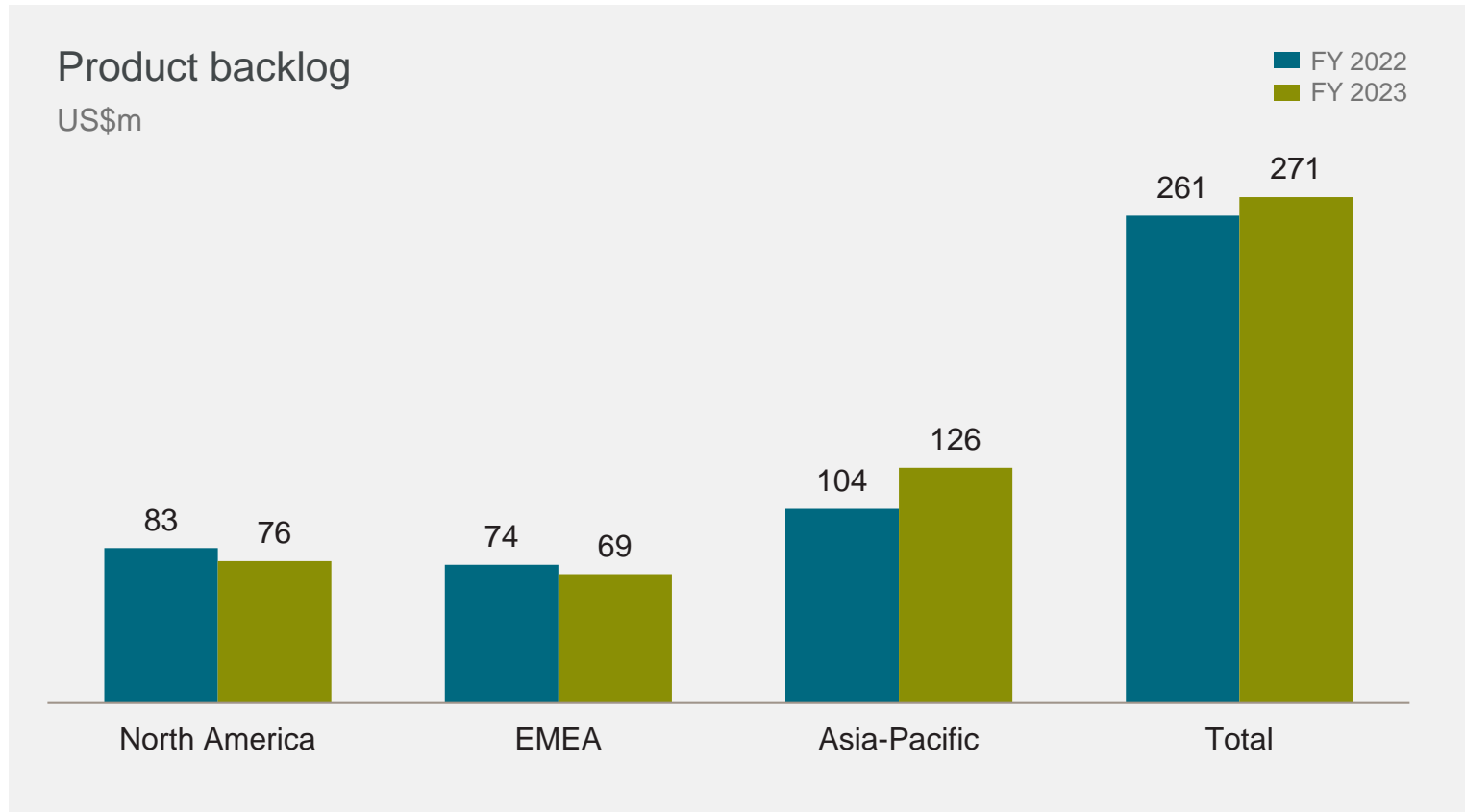


Revenue growth driven by
US and Asia

Europe most impacted by
supply chain and strong
US dollar

Logicalis International

Product backlog (on a net revenue basis)



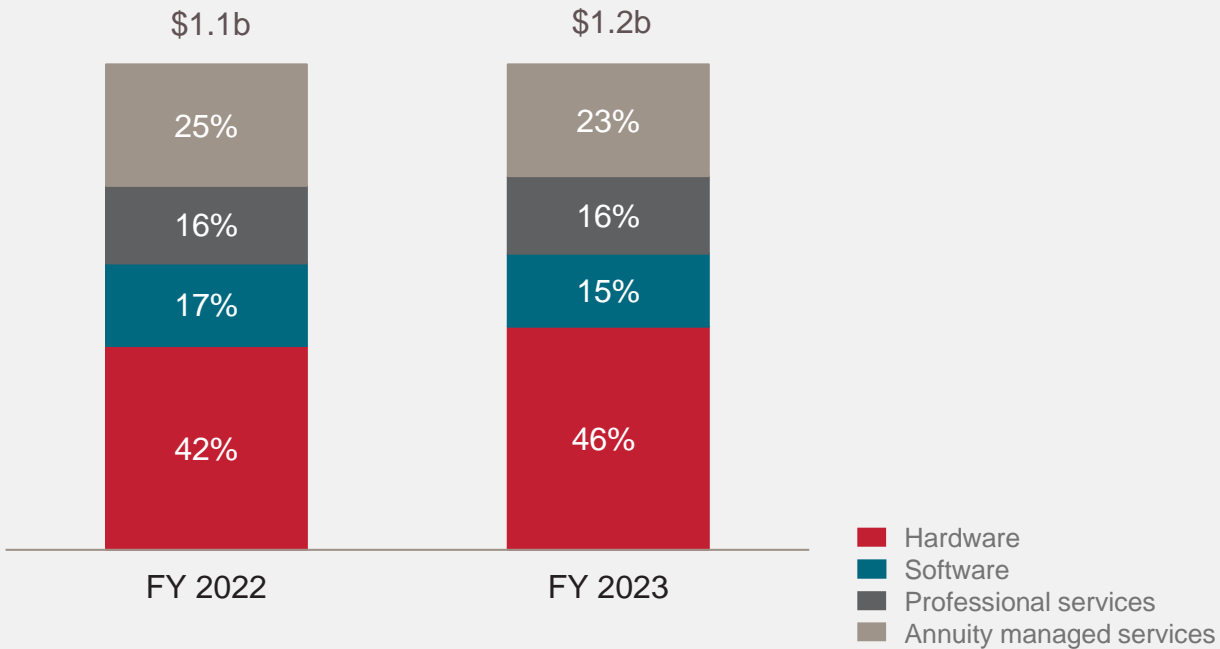
Product backlog remains high but has peaked

Strong order intake in Asia driving backlog growth

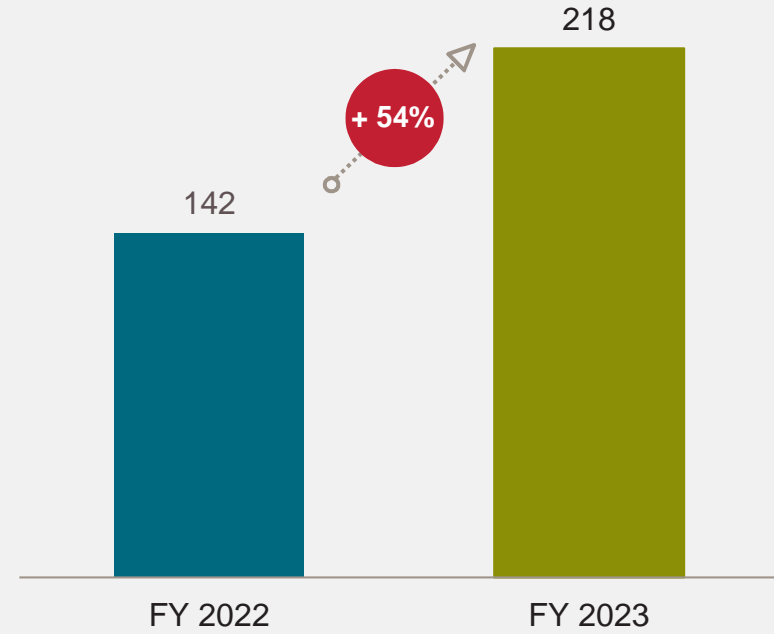
Logicalis International

Revenue by segment

Revenue by segment
%



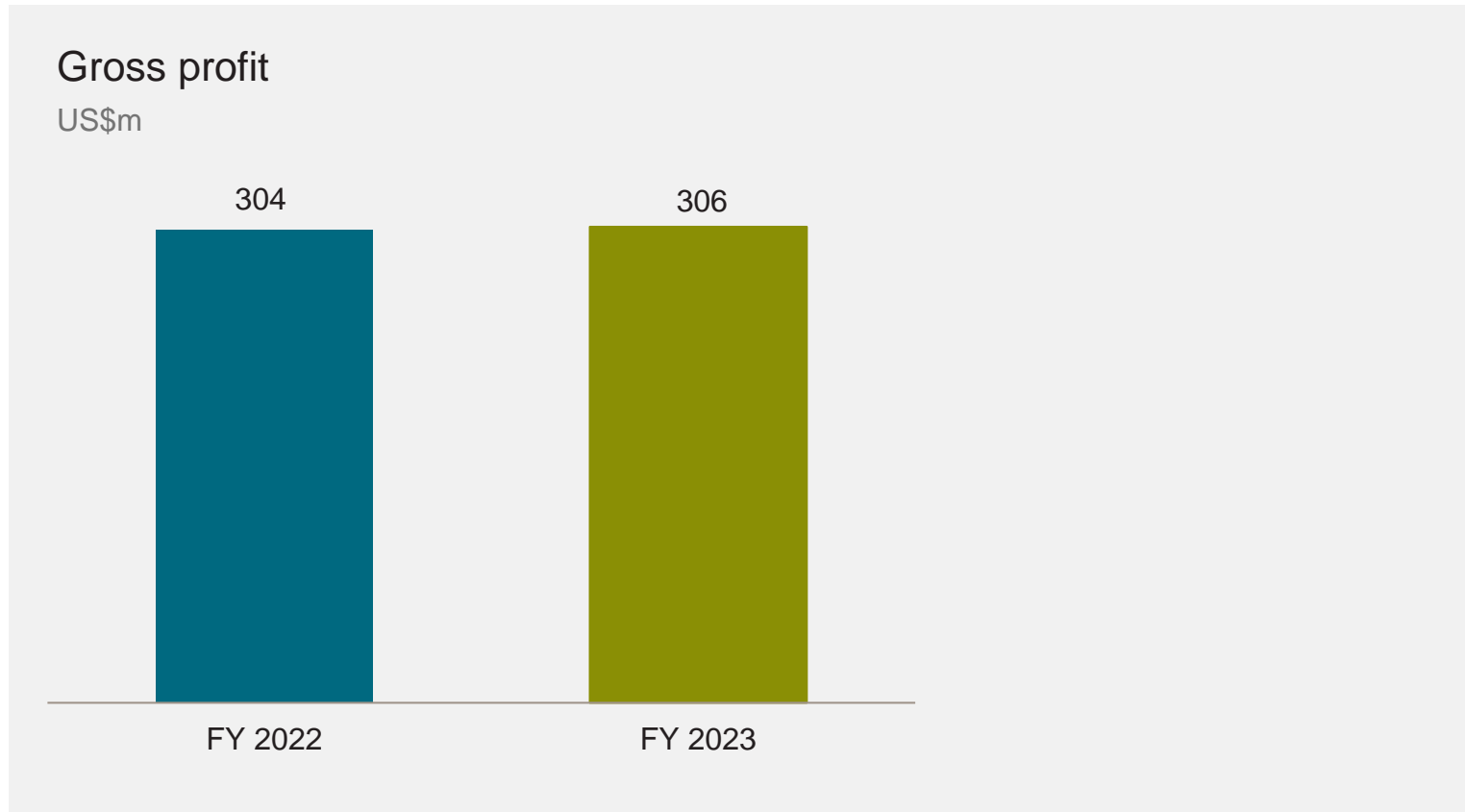
Cloud revenue*
US\$m



* Includes cloud revenue related to annuity services, professional services and product.

Logicalis International

Gross profit

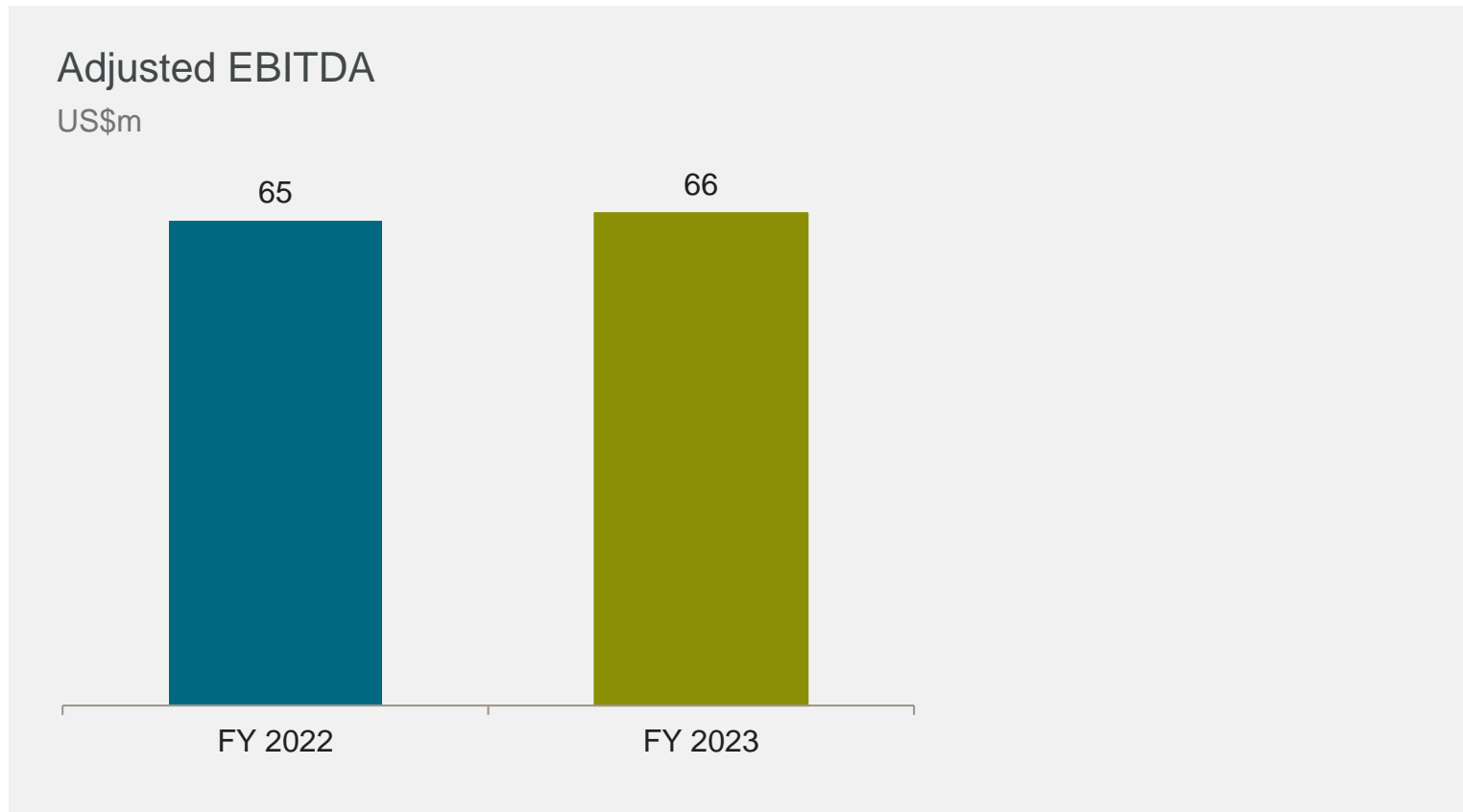


Product recovery contributes lower gross profit % profile

Strong US dollar reduces value of services in other local currency

Logicalis International

EBITDA

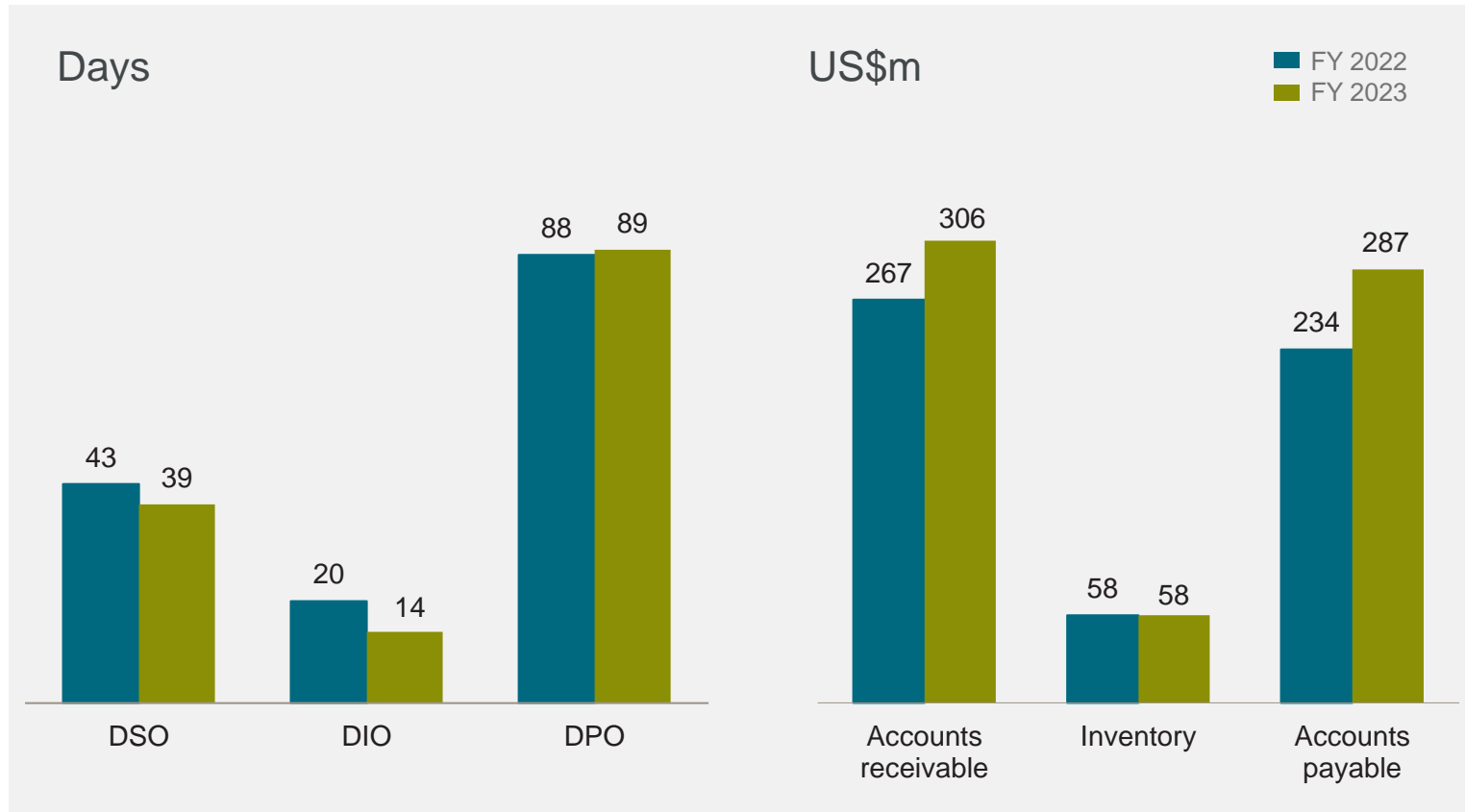


Adjusted EBITDA excludes \$12.5m of restructuring charges

EBITDA impacted by weaker UK and Germany performance

Logicalis International

Working capital



Big improvement in inventory days

Decrease in net working capital of \$14m

Increase in receivables driven by strong year end

Logicalis International Outlook

Low growth in many markets
with growing global uncertainty

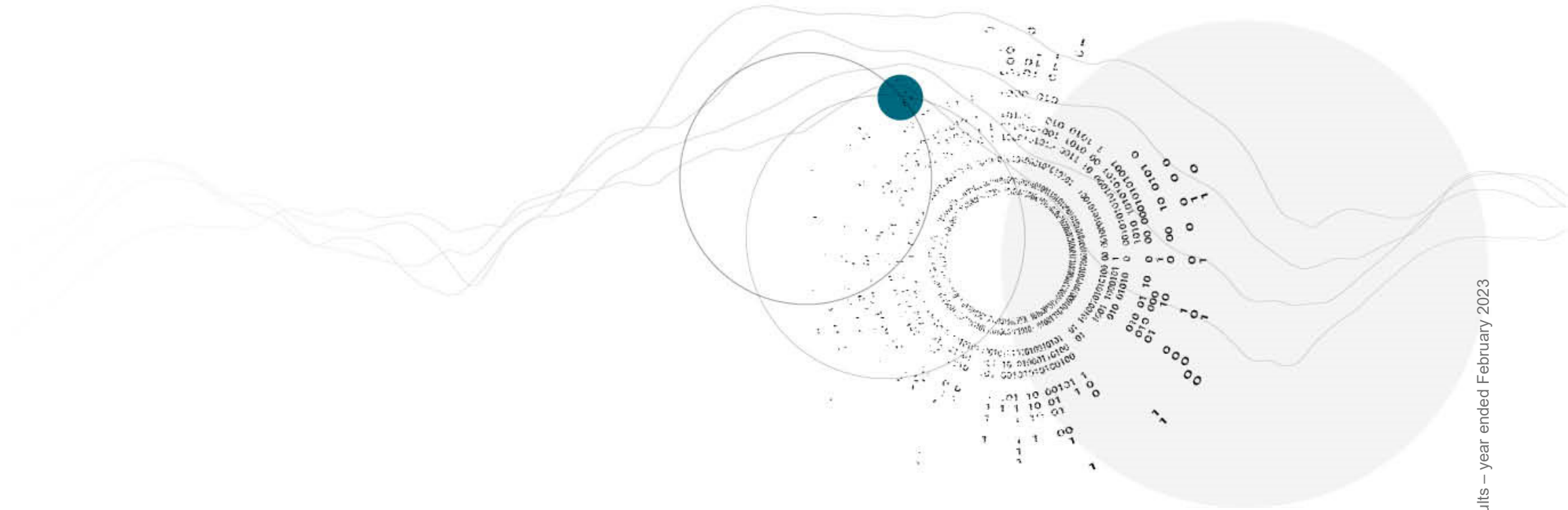
Backlog and supply chain
disruption improving but not
yet normalised



Expanding use of digital
technologies continues

Hybrid infrastructure
increasingly used to
complement cloud solutions

Logicalis Latin America



Logicalis Latin America

Highlights

Net debt and interest costs
reduction of a fifth

Improving business mix
and gross margins



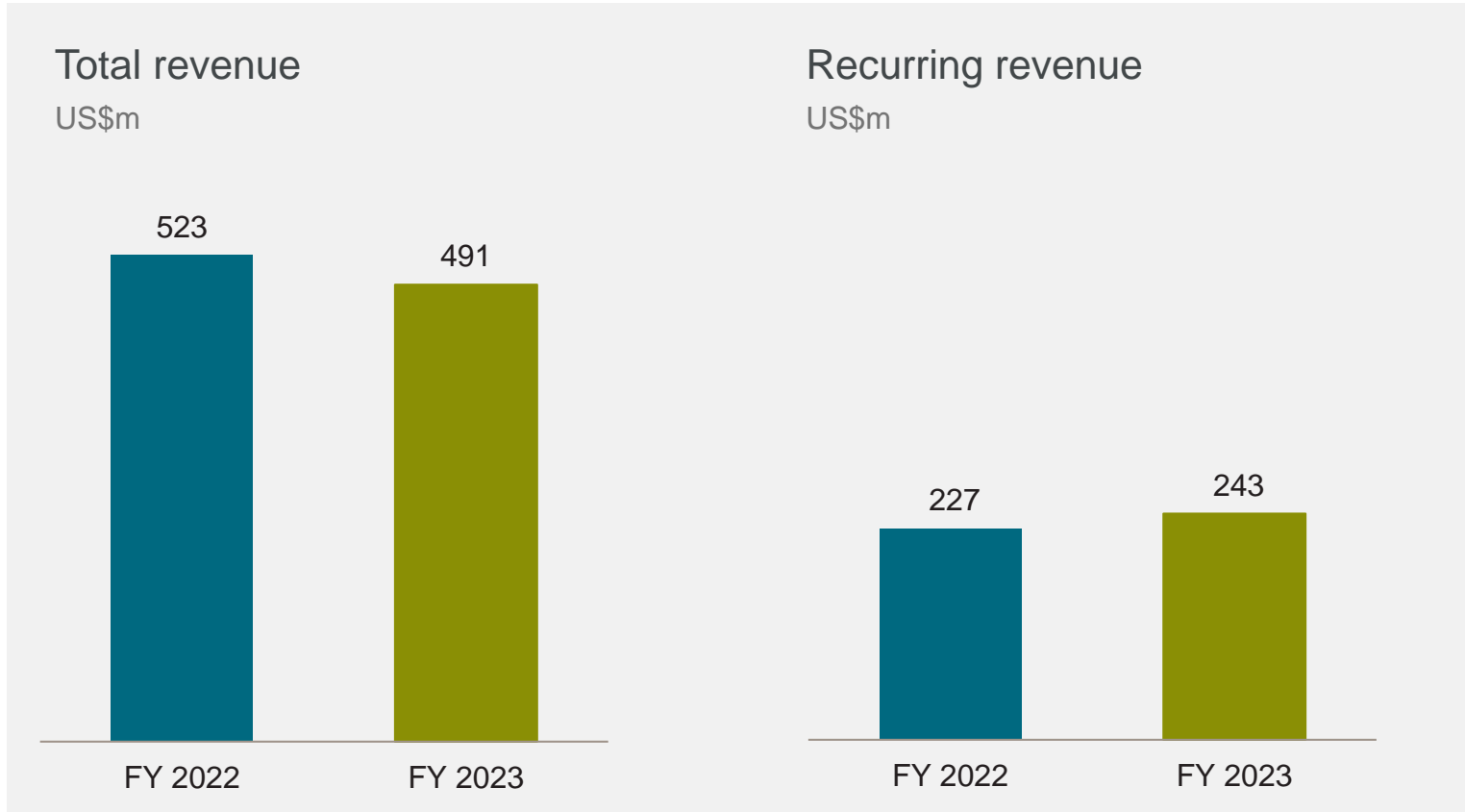
Challenging region,
especially in Argentina

Rigorous working capital
management

Services and recurring
revenue growth

Logicalis Latin America

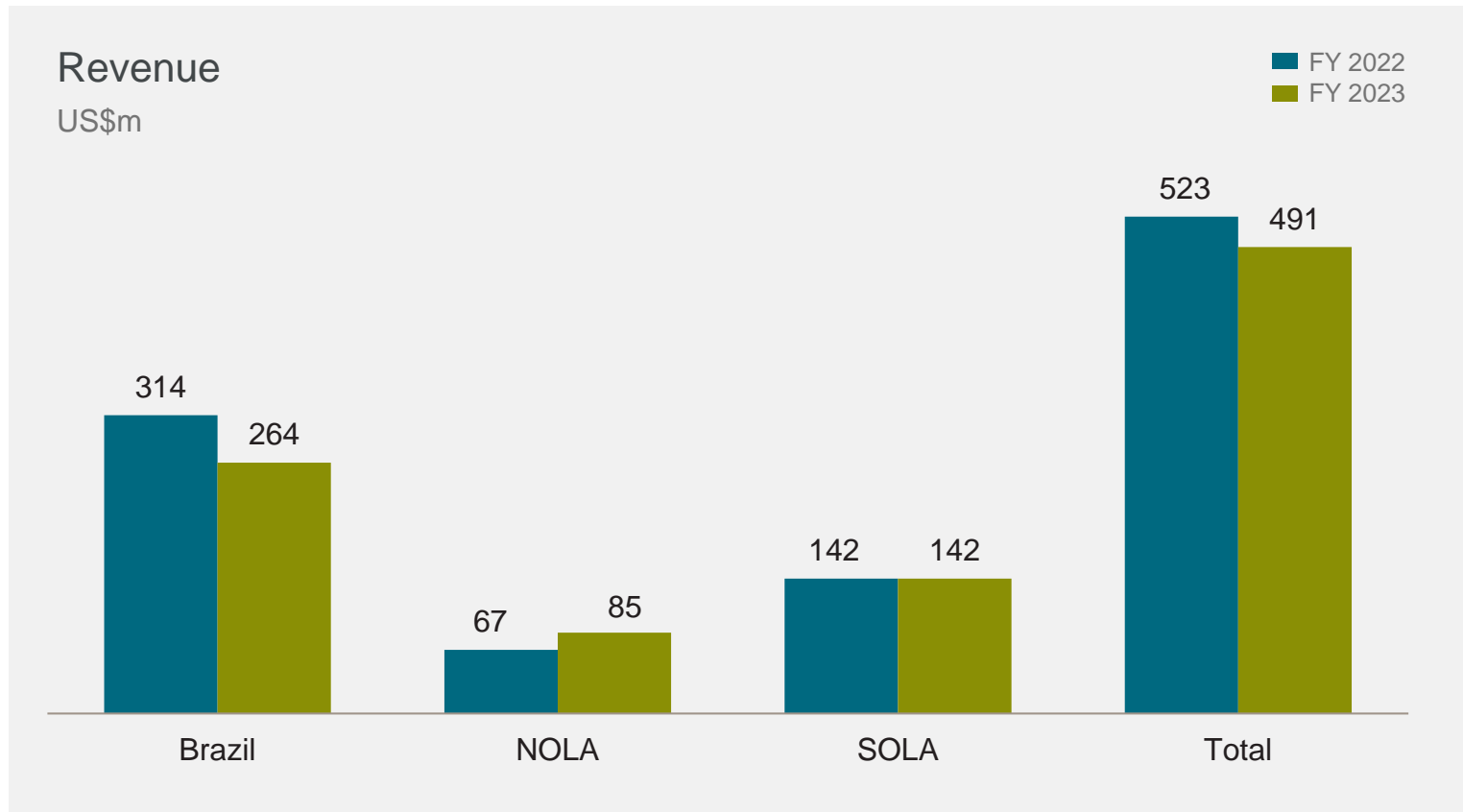
Total revenue



- Product lead times continues to impact recognised revenue
- Increased managed services driving recurring revenue growth

Logicalis Latin America

Revenue by geography

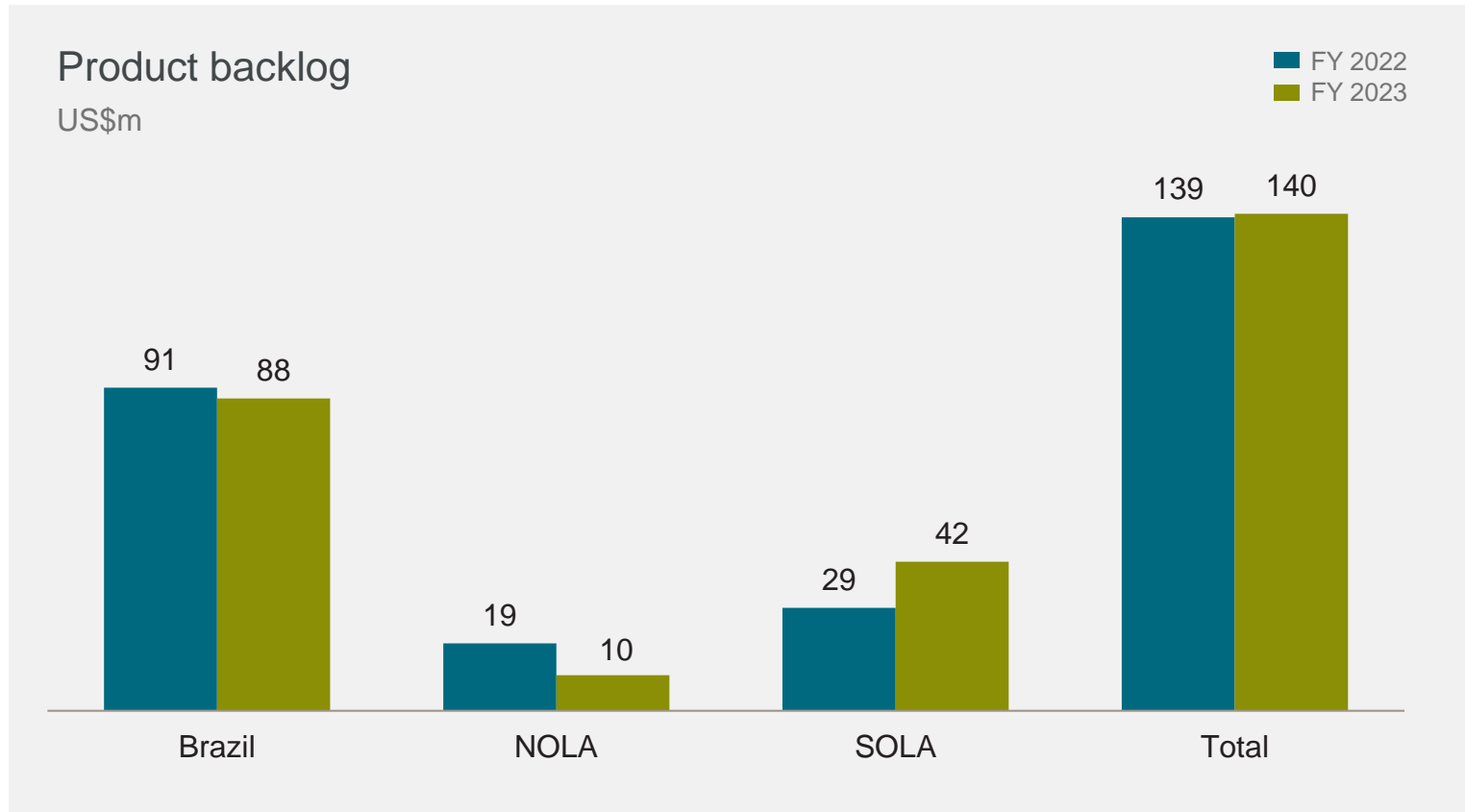


Supply chain disruption has been major drag on revenue recognition

Biggest impact in Brazil with slowdown in large customer capex

Logicalis Latin America

Product backlog (on a net revenue basis)

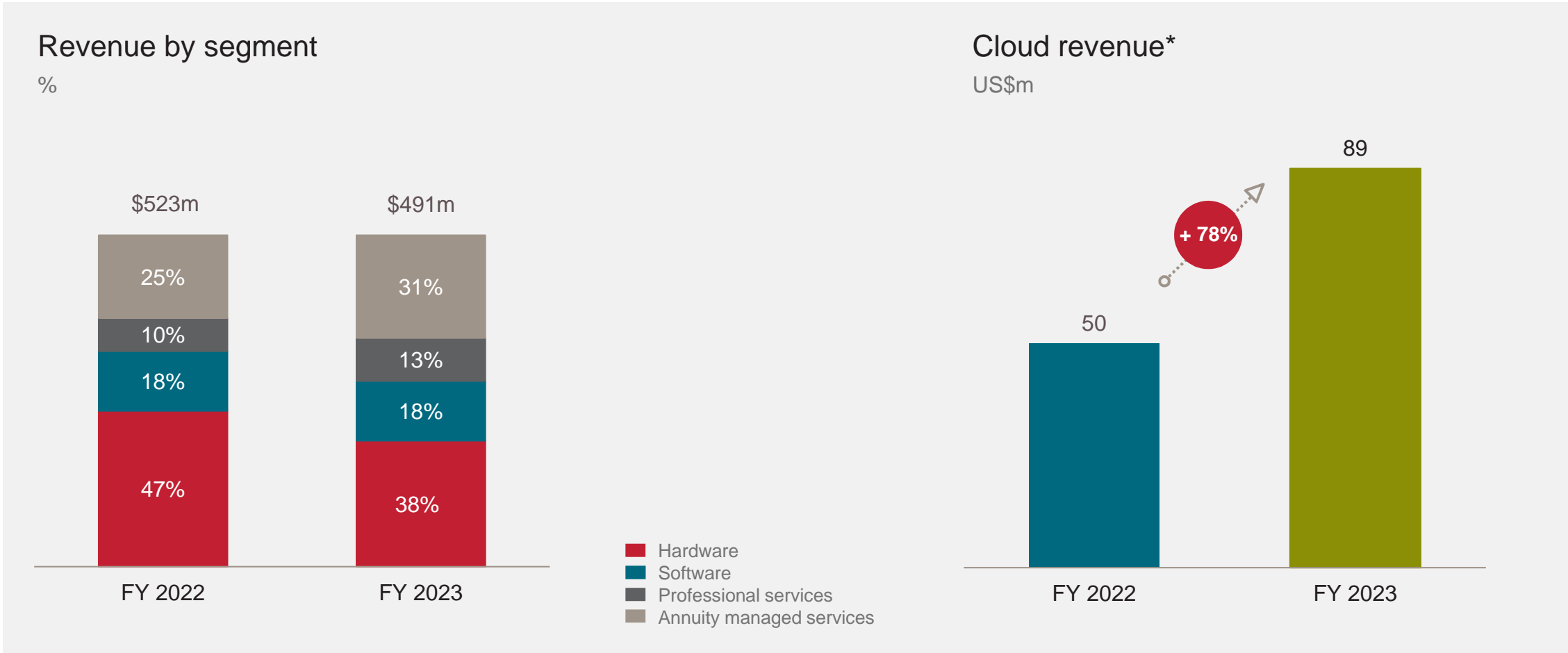


Stabilising of backlog and supply chain issues

SOLA had largest increase with importation challenges in Argentina

Logicalis Latin America

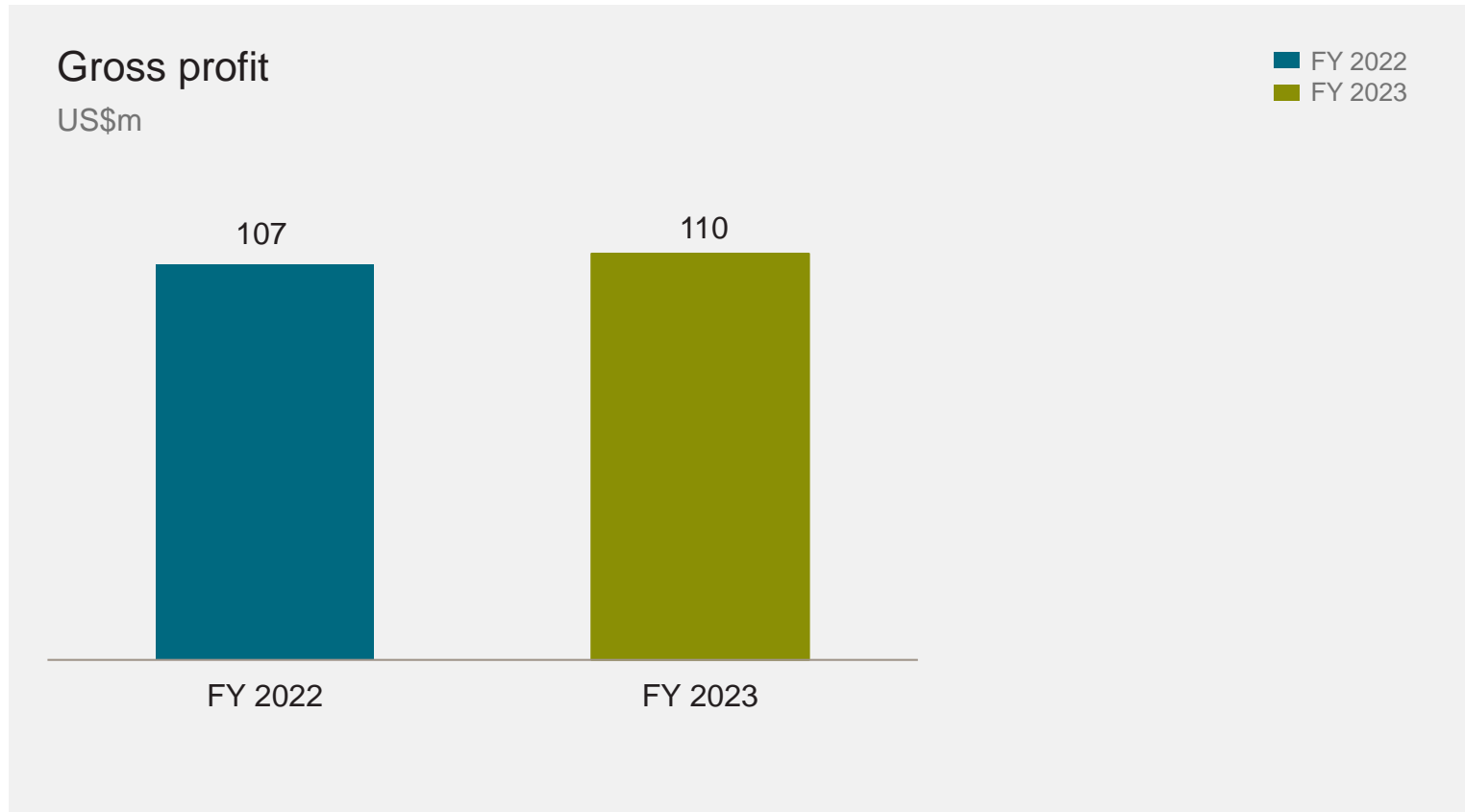
Revenue by segment



* Includes cloud revenue related to annuity services, professional services and product.

Logicalis Latin America

Gross profit



Much better relative performance compared to the decline in revenue

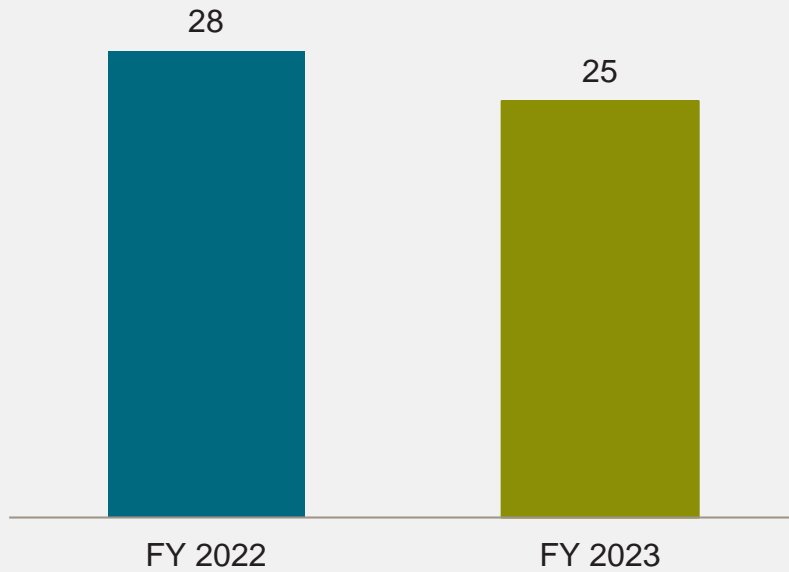
Strong annuity gross margin growth

Logicalis Latin America

EBITDA

Adjusted EBITDA

US\$m

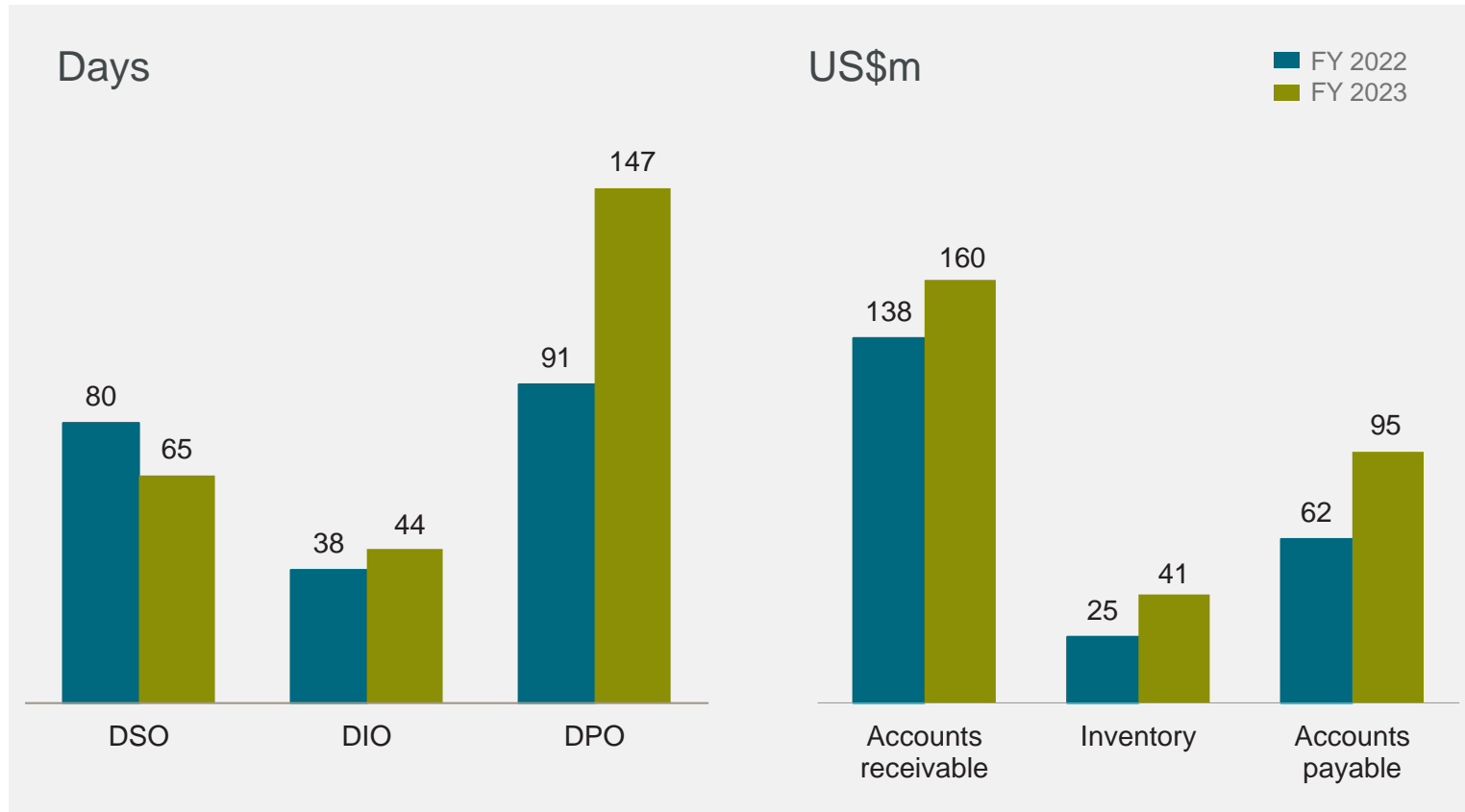


EBITDA affected by lower revenues

Adjusted EBITDA excludes elements of restructuring

Logicalis Latin America

Working capital



Big improvement in net working capital days

Expansion in DPO with lower DSO reduced debt

Partial shipments have exacerbated inventories

Logicalis Latin America

Outlook

Growth in Latin America is projected to remain low

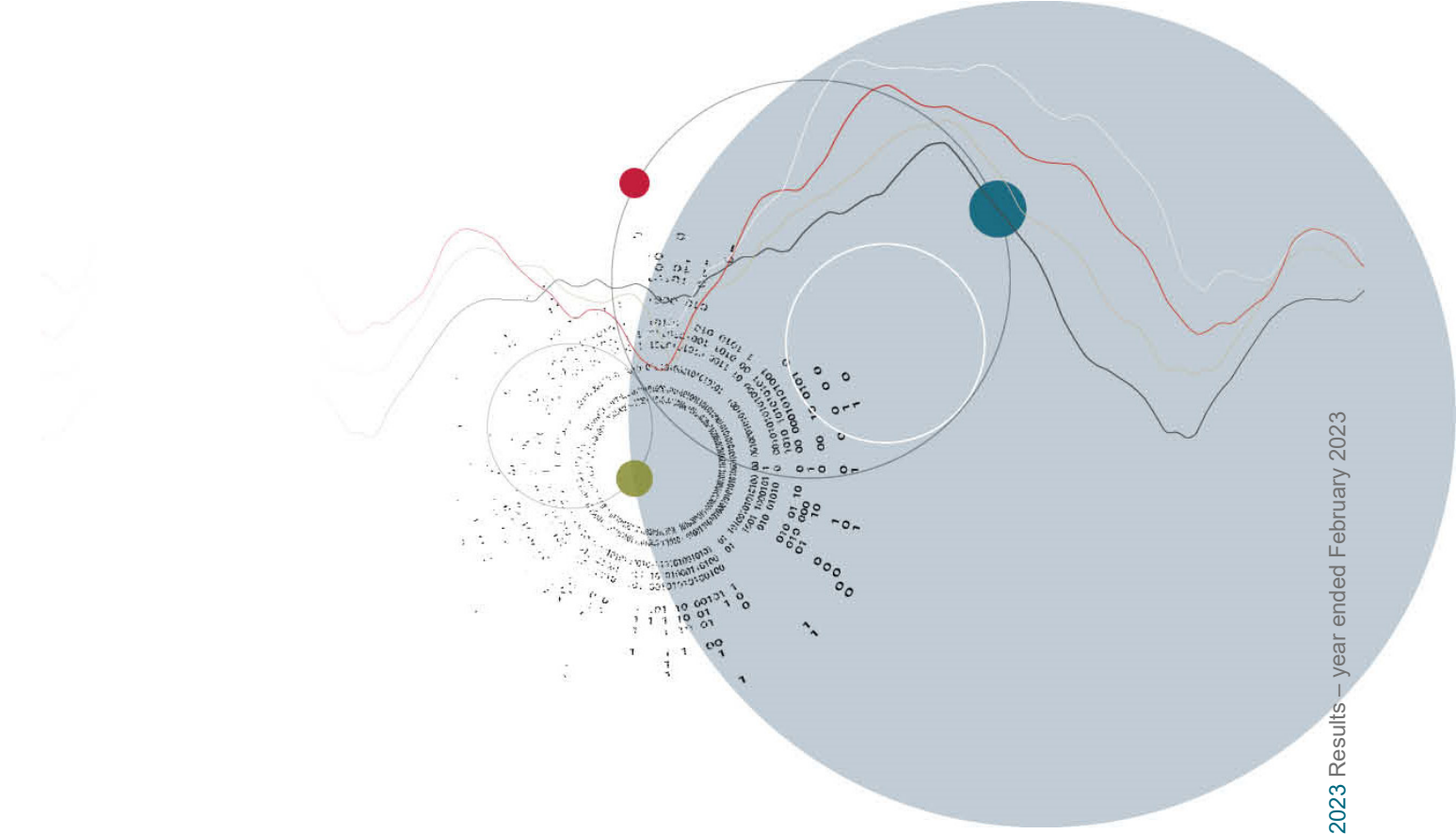
Region is picking up pace in the use of digital technologies



Longer hardware lead-times continue to impact near term

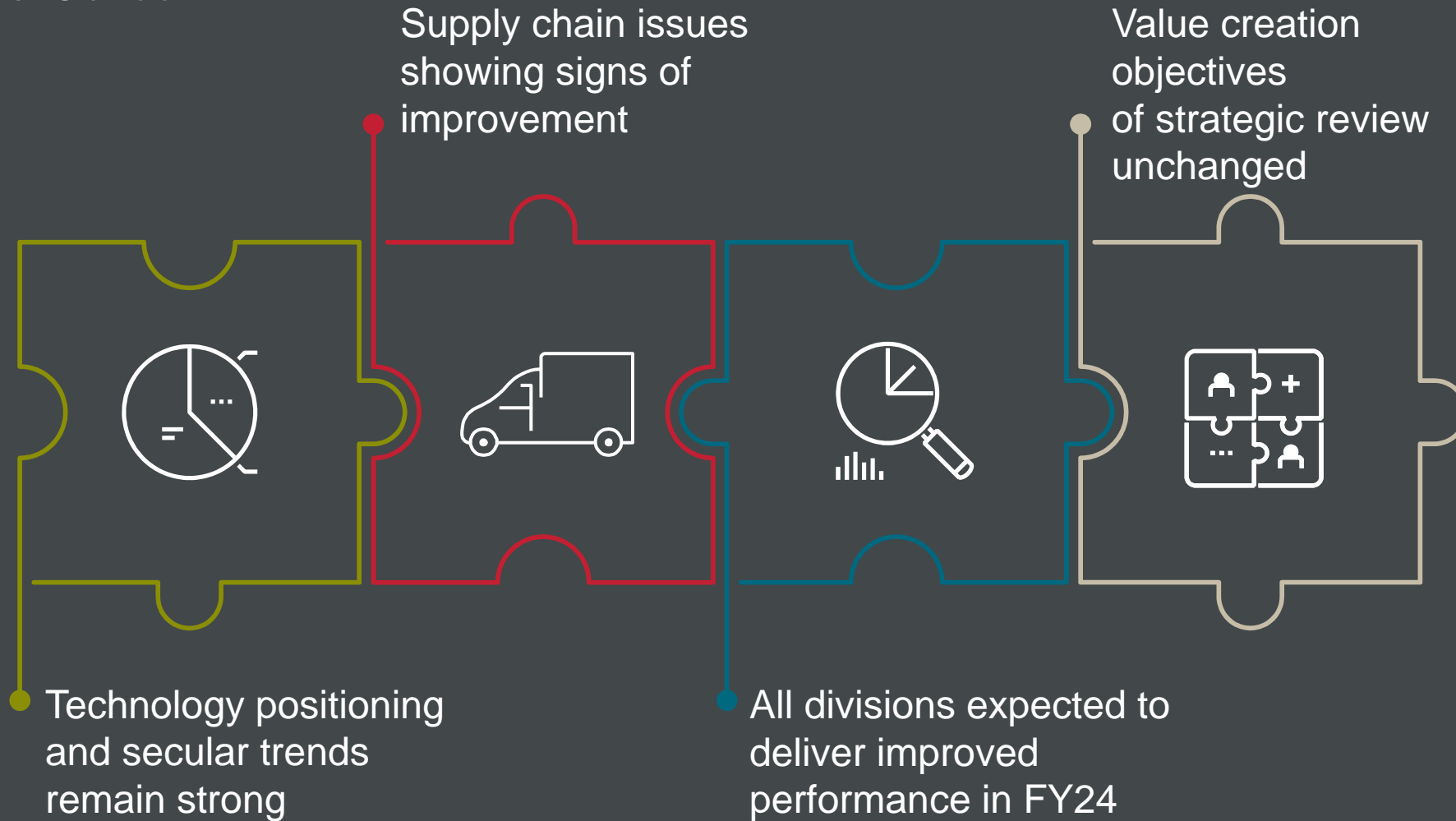
Growth in services and software-based solutions

Prospects & Outlook



Datatec Group

Prospects & Outlook



Questions?