

Results Announcement Virtual Presentation

Wednesday 14 September 2022

Time: 11h00

Presentation starts soon





Results of the Year ended 30 June 2022



Mustek Limited

Presenters

- Hein Engelbrecht (Group CEO)
- Neels Coetzee (Mustek MD)
- Shabana Aboo Baker Ebrahim (Group FD)



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Group – salient features

- Revenue at R8.9 bn (up 12%)
- EBITDA at R456m (down 12%)
- HEPS of 357 cents (down 19%)
- NAV per share of R23,95 (up 17%)
- Cash generated from Ops at R303m (down 30%)
- DPS 76 cents (down 15%)



Overview

- Established in 1987
- Listed on JSE in 1997
- Distributor of ICT products and services
- Head office in Midrand



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Group Structure

Mustek Limited

Distribution

Mustek
Rectron

Training

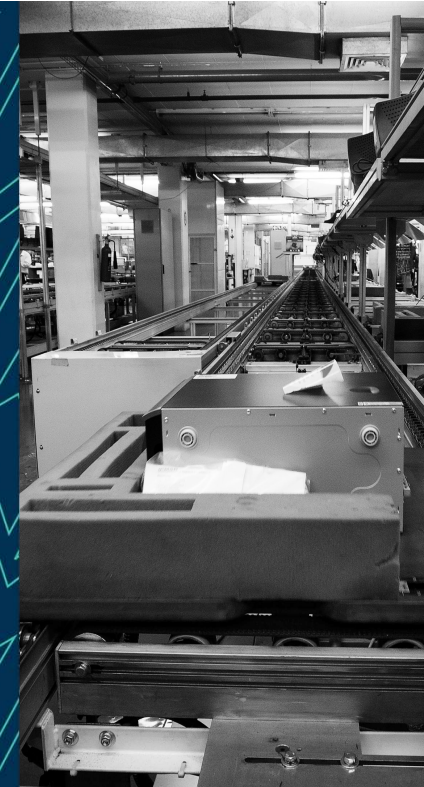
Mecer Inter-Ed

Manufacturing

YOA
Continuous Power
Systems
Mustek

Service and
Support

Sizwe
Khauleza
Mustek
Rectron



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Group Brand Portfolio

Edge/
Client

acer ASUS Apple Authorized Reseller AVer brother at your side Canon cricut dynabook
dji EPSON FUJITSU HSM hp HUAWEI intel Lenovo logitech
msi MECER NComputing POSIFLEX SAMSUNG TOSHIBA

Gaming

acer ADVA TECH ASUS AORUS CHENBRO COOLER MASTER
CORSAIR ekwb G.SKILL GIGABYTE HYPERICE MSI
NZXT PNY RCT VANTEC

Software/
Cloud

A Acronis BLACKFOG Bitdefender HUAWEI HUAWEI CLOUD ivanti
Microsoft NET Trace SAMSUNG Knox SIGNIFLOW

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Group Brand Portfolio (continued)

Network/
Infrastructure/
Servers/
Sustainable
energy



Security &
Compliance



Training
&
Enablement



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Covid-19

- Installed base has increased
- Supply chain easing but still constrained
- New replacement cycle

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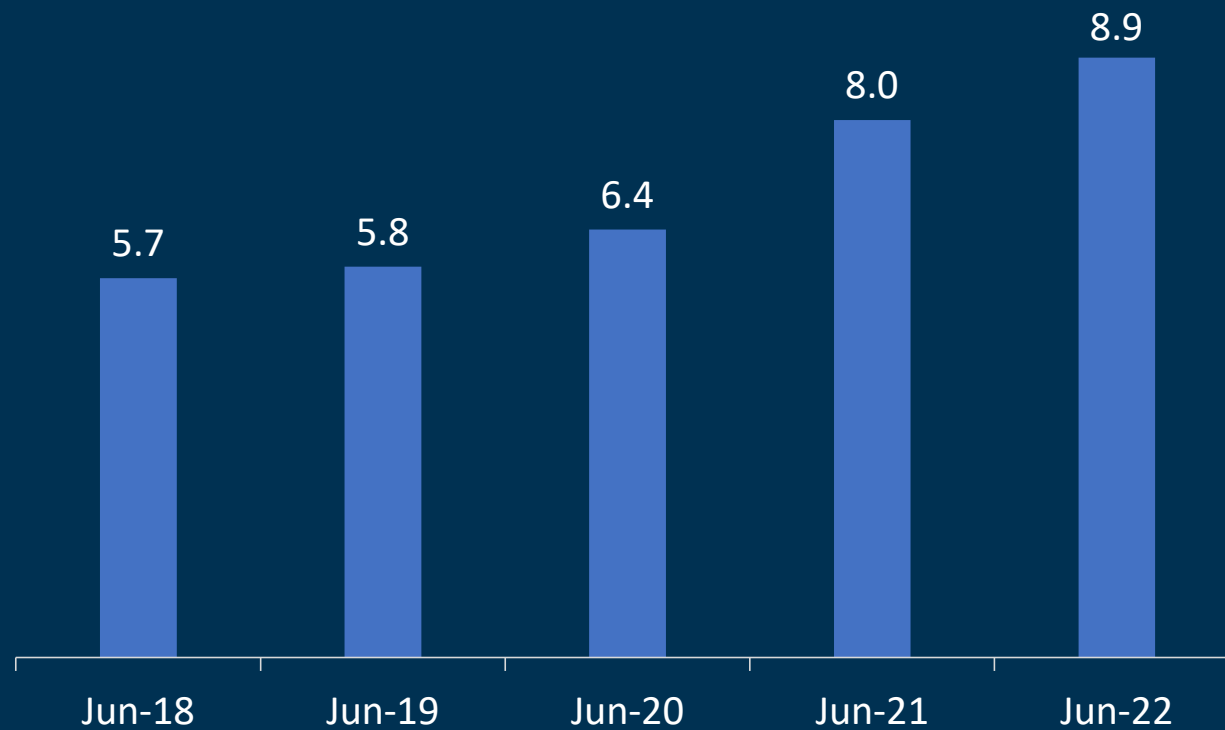
Financial Summary

	FY18	FY19	FY20	FY21	FY22
Revenue (R billion)	5.7	5.8	6.4	8.0	8.9
Gross Profit (R million)	795	818	910	1 188	1 273
GP %	14.0%	14.0%	14.2%	14.9%	14.3%
EBITDA (R million)	194	243	247	516	456
Net profit (R million)	81	107	88	296	225
HEPS (cents)	104	139	127	442	357
NAV/share (cents)	1 349	1 494	1 598	2 046	2 395
Return On Equity*	8%	10%	8%	24%	16%

ROE = Net profit / ((CY equity + PY equity)/2)



Revenue R(billion)



- Organic growth and relevance
- Demand still buoyant
- Product portfolio
- Availability of inventory

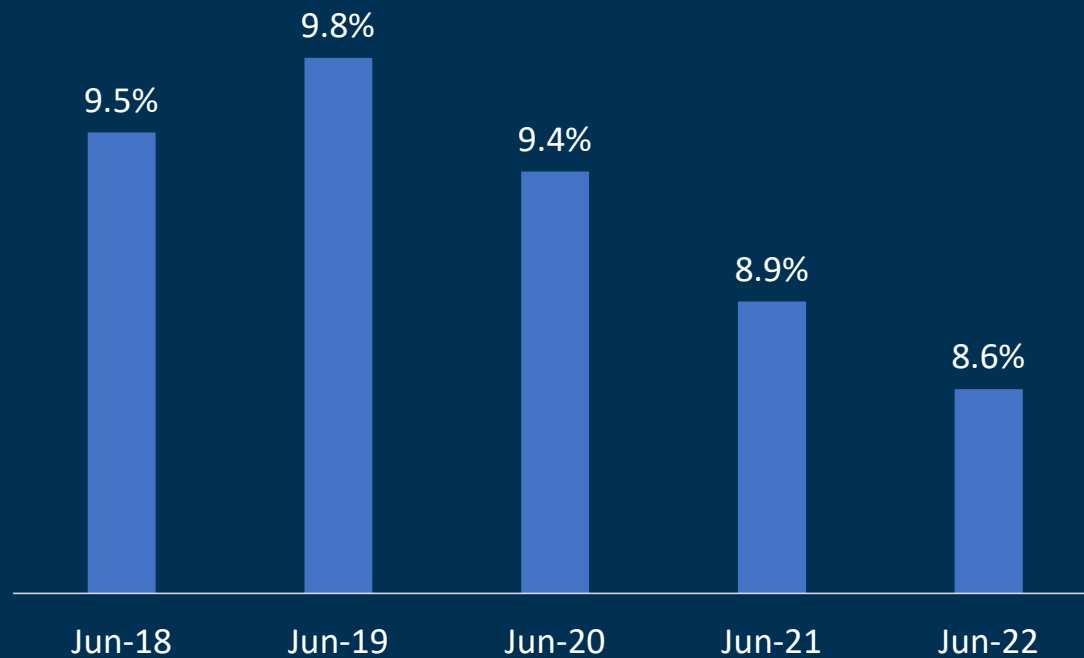
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Gross Profit Margin



- Oversupply of entry level notebooks
- Slight tail off of pricing power

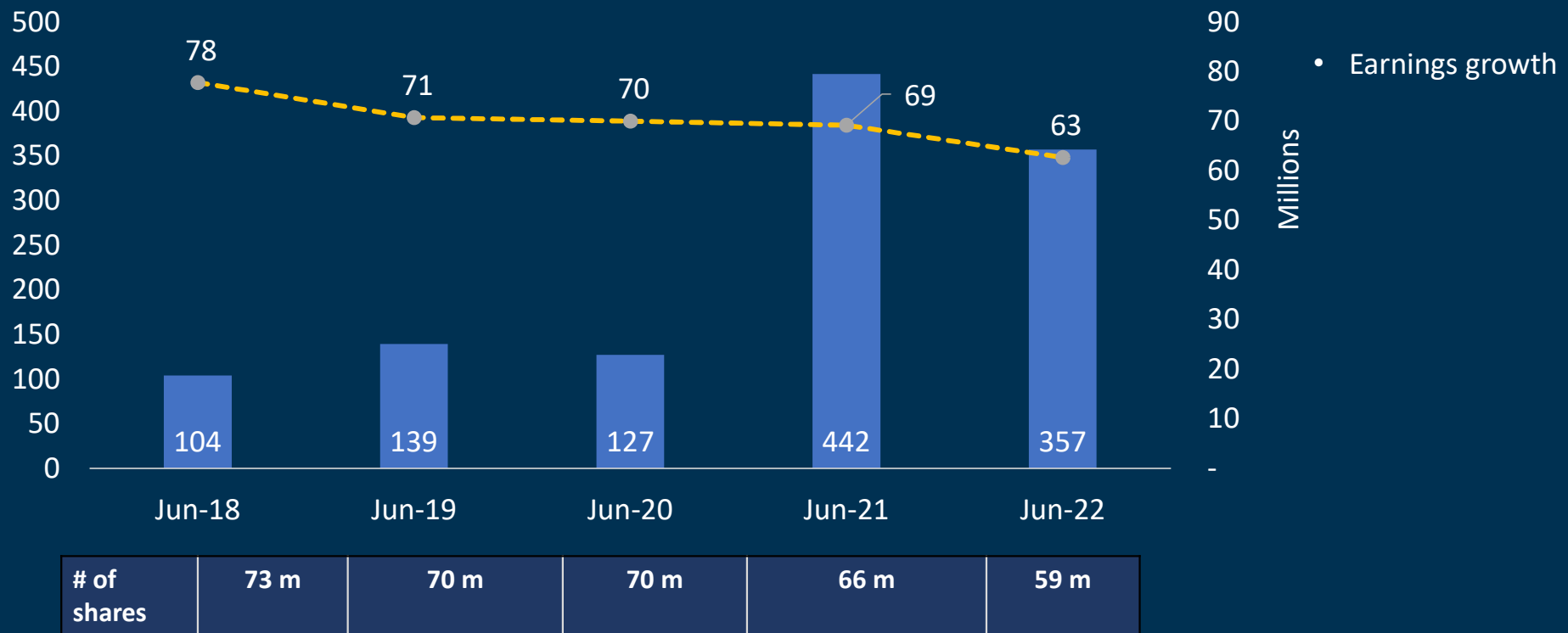
Opex as % of sales



- Opex mostly fixed and well controlled
- Higher than inflationary increases on some expenses
- Absolute increase 7%

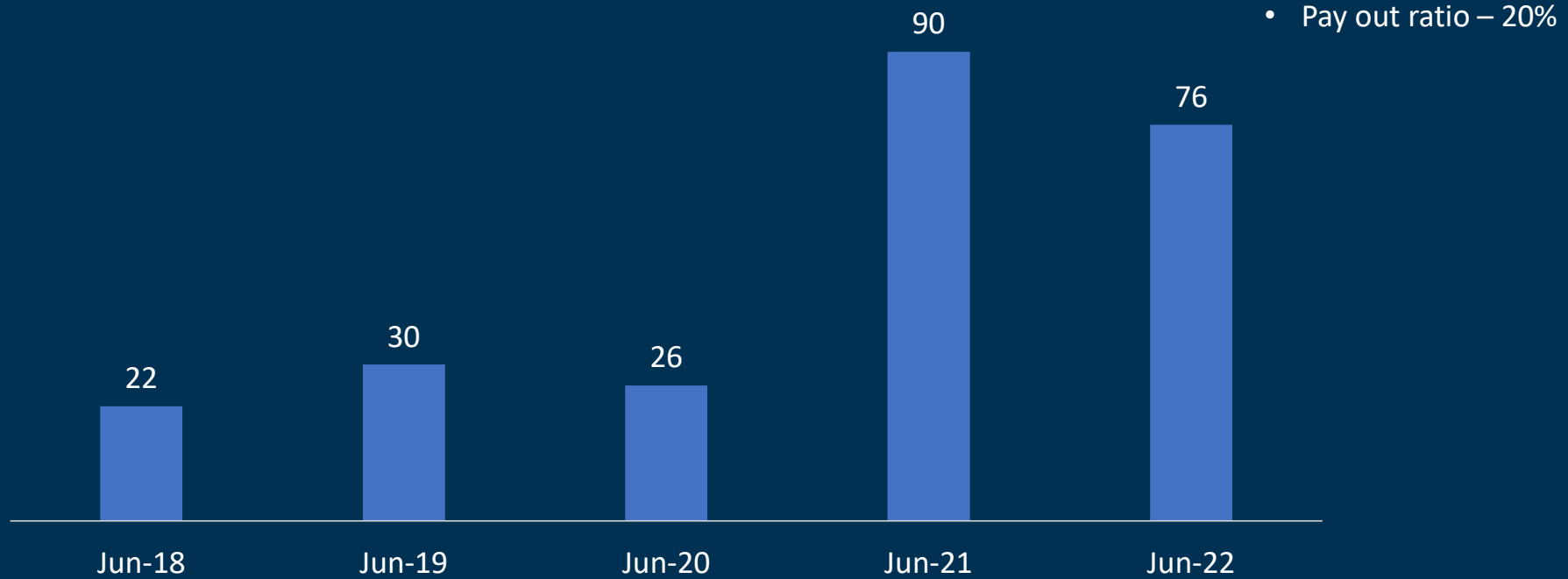
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HEPS (cents) vs W.Ave. Shares (m)

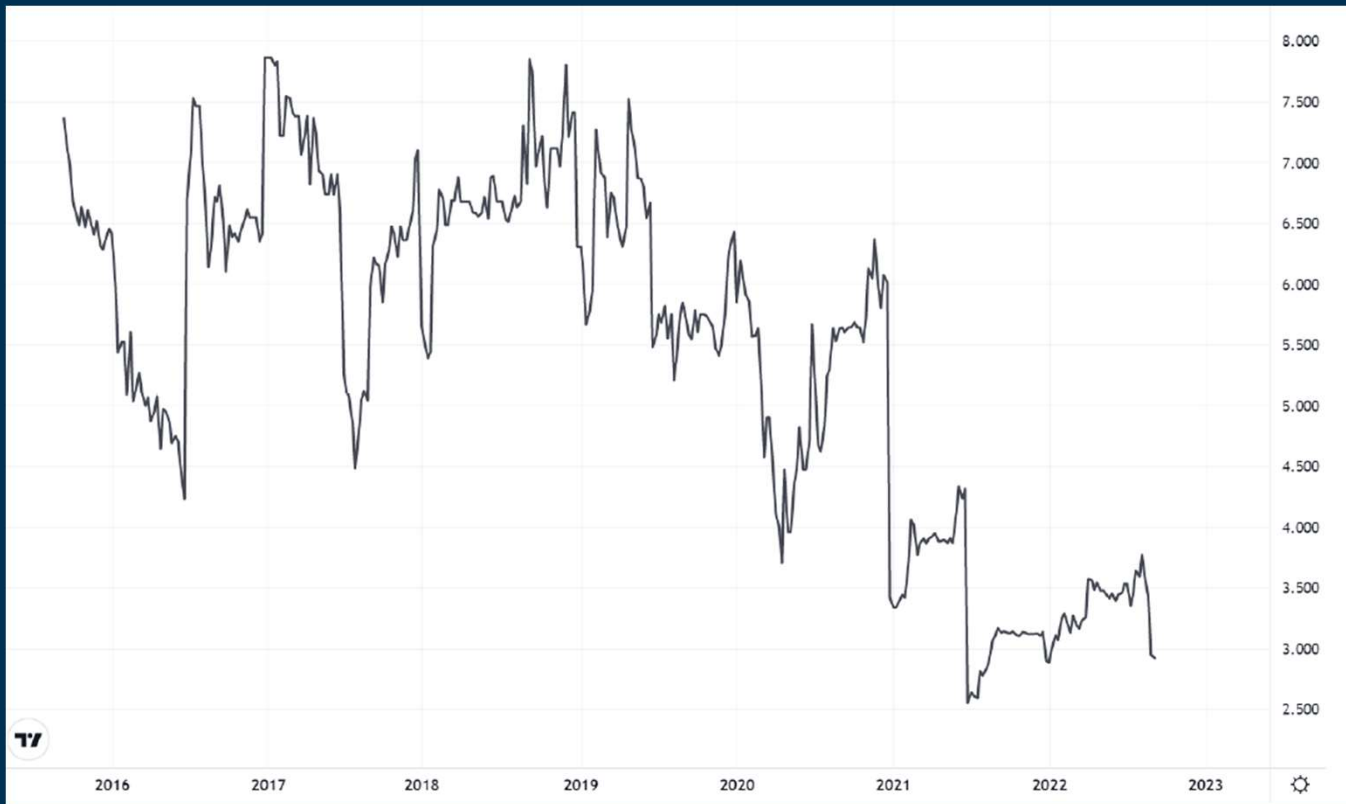


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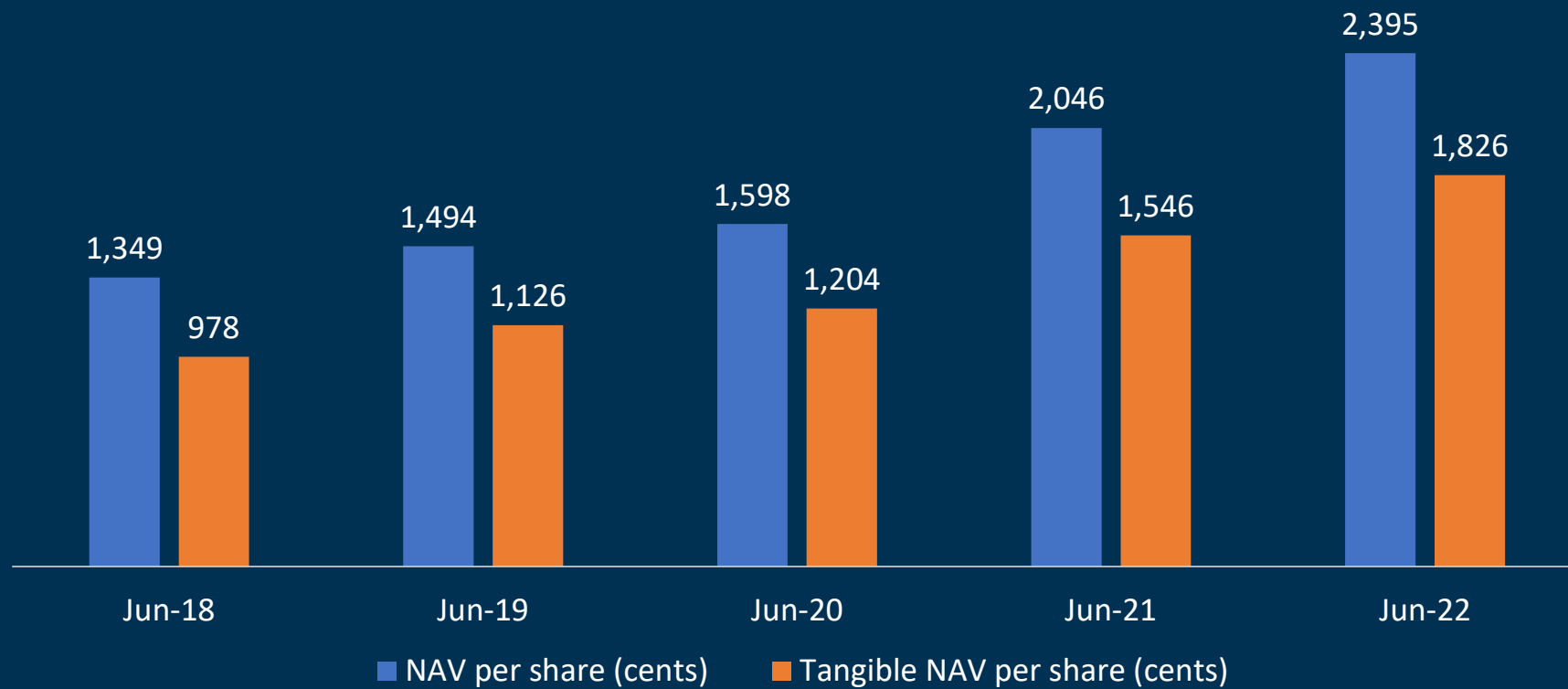
Dividends per share (cents)



PE Ratio

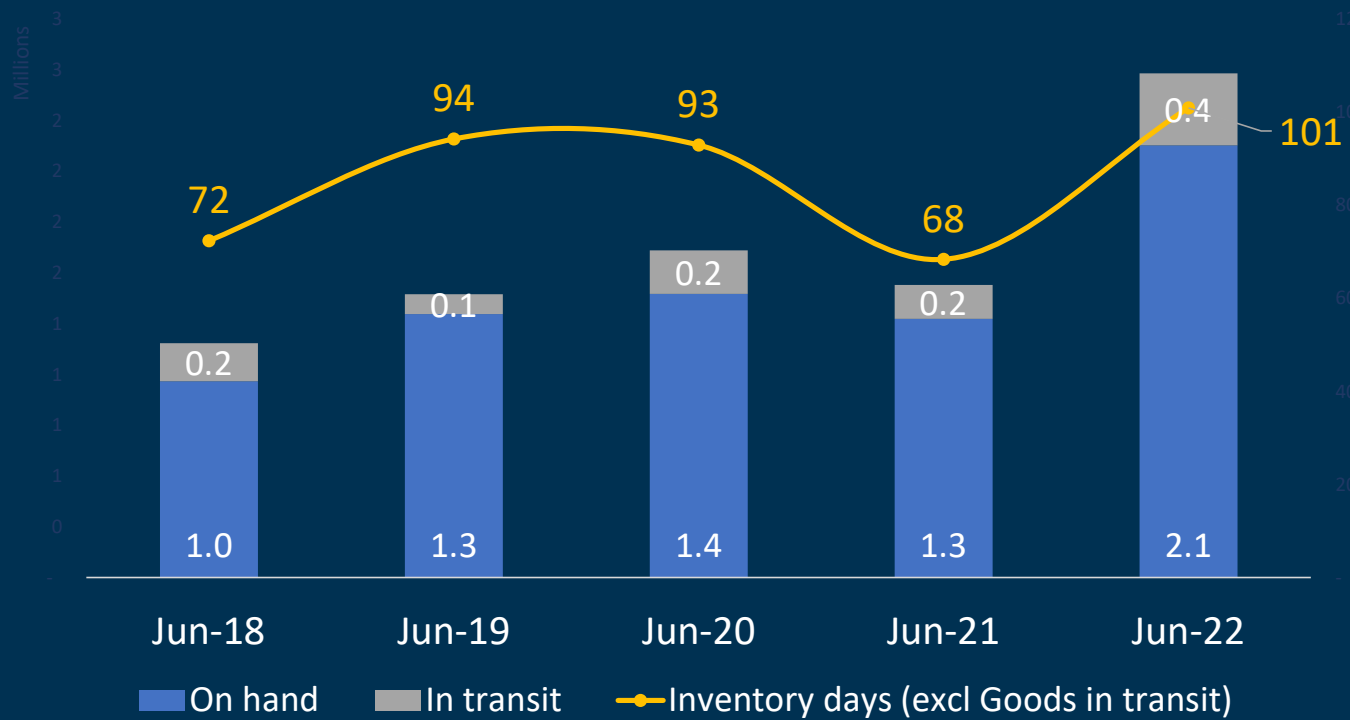


NAV and NTAV per share



Inventory

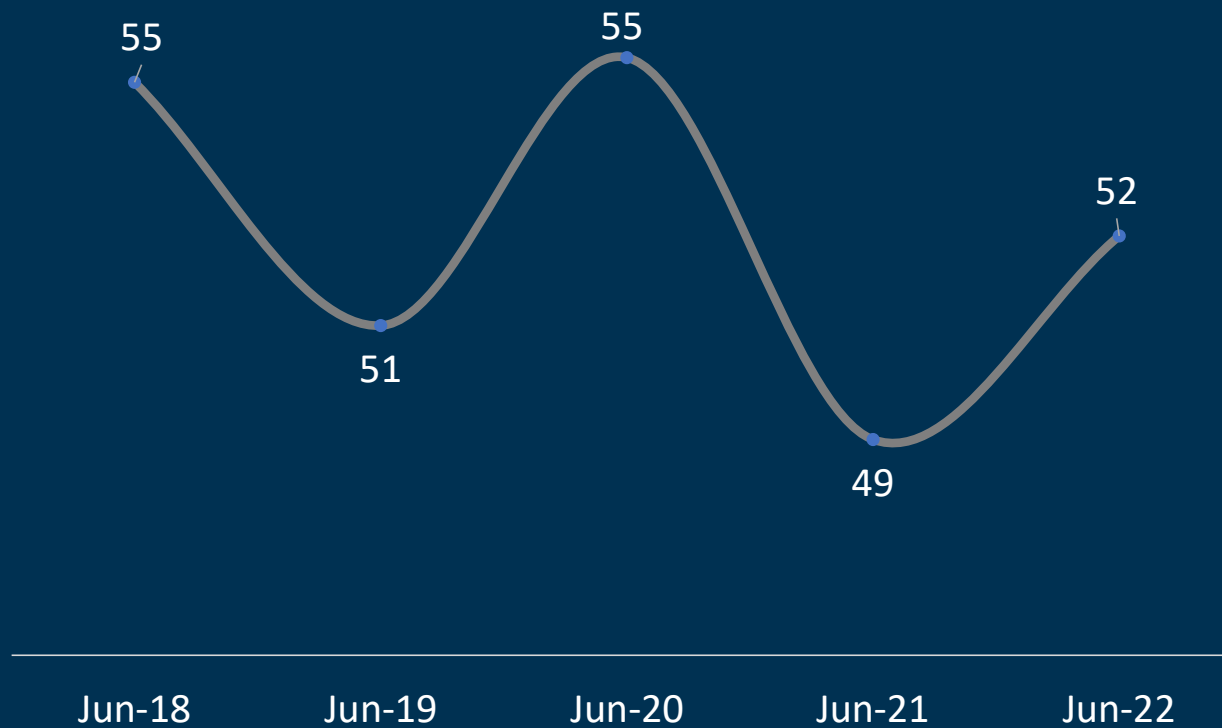
Inventory R (billion) vs Inventory days



- Big orders received earlier than expected
- Lead times improving
- Supply chain easing but still constrained



Trade Receivable Days



- Carefully managed
- debtors

Cash Flow

	FY18	FY19	FY20	FY21	FY22
EBITDA (R million)	194	243	247	516	456
Cash generated from ops (R million)	250.4	-16.2	500	431.3	303.4
CFO (R million)	149.3	-171.4	339.5	220.8	71.8

Strategic Priorities

- Unlock earnings potential of investments in associates
- Working capital management
- Evaluate new products with growth potential and phase out non-performers
- Software distribution
- IT Training
- Complete ERP implementation
- Maintain BBBEE Level 1



Opportunities

- Cybersecurity and cloud solutions
- Increased infrastructure and network size
- Sustainable energy
- New brands
- IT Training



Presenters



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