

Interim Results

Six months to December 2022

Virtual Presentation

Thursday 9th March 2023

Time: 10h00 - 11h00

 Presentation starts soon



Mustek

Interim results for the
Six months ended
31 December 2022



Mustek



Mustek Limited

Presenters

- Hein Engelbrecht (Group CEO)
- Shabana Aboo Baker Ebrahim (Group FD)



Overview

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



Group Structure

Mustek Limited

Distribution

Training

Manufacturing

Service and
Support

Mustek
Rectron

Mecer Inter-Ed

YOA
Continuous Power
Systems
Mustek

Sizwe
Khauleza
Mustek
Rectron

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 ADVANTECH 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

Mustek

Group Brand Portfolio (continued)

Network/
Infrastructure/
Servers



Sustainable
energy



Security &
Compliance



Training
&
Enablement



Group – salient features

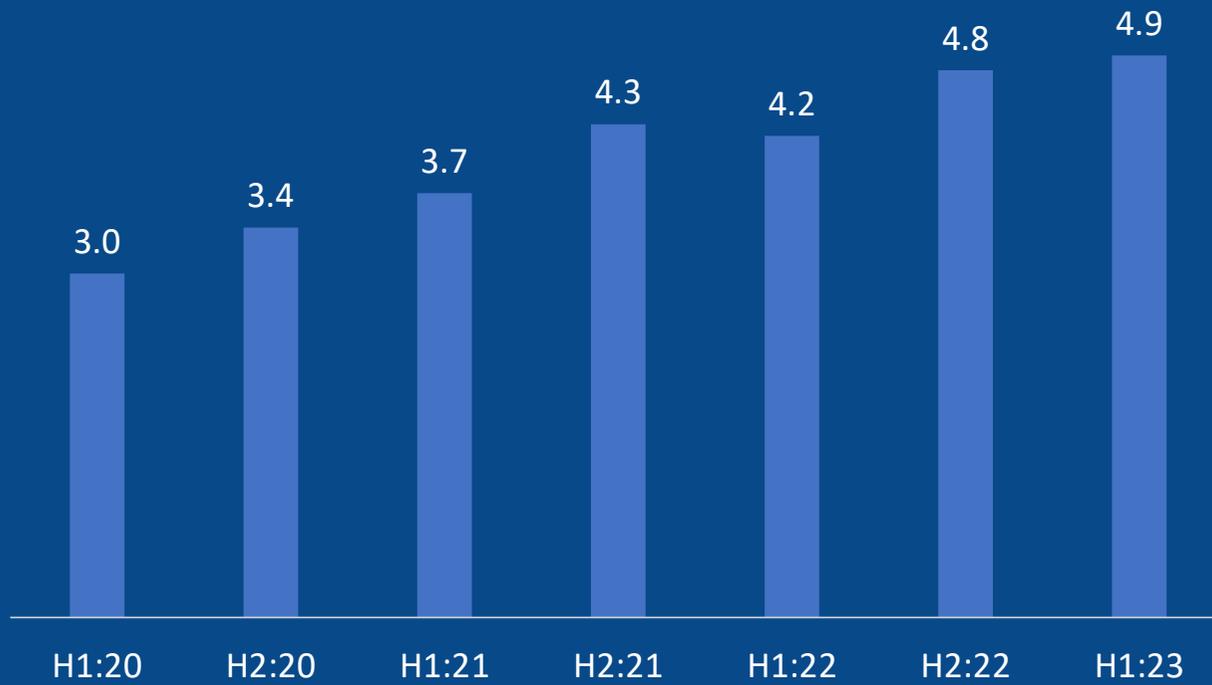
- Revenue at R4.91 bn (up 18%)
- EBITDA at R268m (down 3%)
- HEPS of 222 cents (down 6.5%)
- NAV per share of R25.75 (up 14%)
- Cash used in operations R125m



Financial Summary

	H1:20	H2:20	H1:21	H2:21	H1:22	H2:22	H1:23
Revenue (R billion)	3.0	3.4	3.7	4.3	4.2	4.8	4.9
Gross Profit (R million)	432	479	516	672	677	596	691
GP %	14.4%	14.1%	13.9%	15.6%	16.2%	12.5%	14.1%
EBITDA (R million)	142	105	236	280	277	179	268
Net profit (R million)	54	35	140	157	152	73	129
HEPS (cents)	76	51	202	240	237	120	222
NAV/share (cents)	1 540	1 598	1 761	2 046	2 259	2 395	2 575

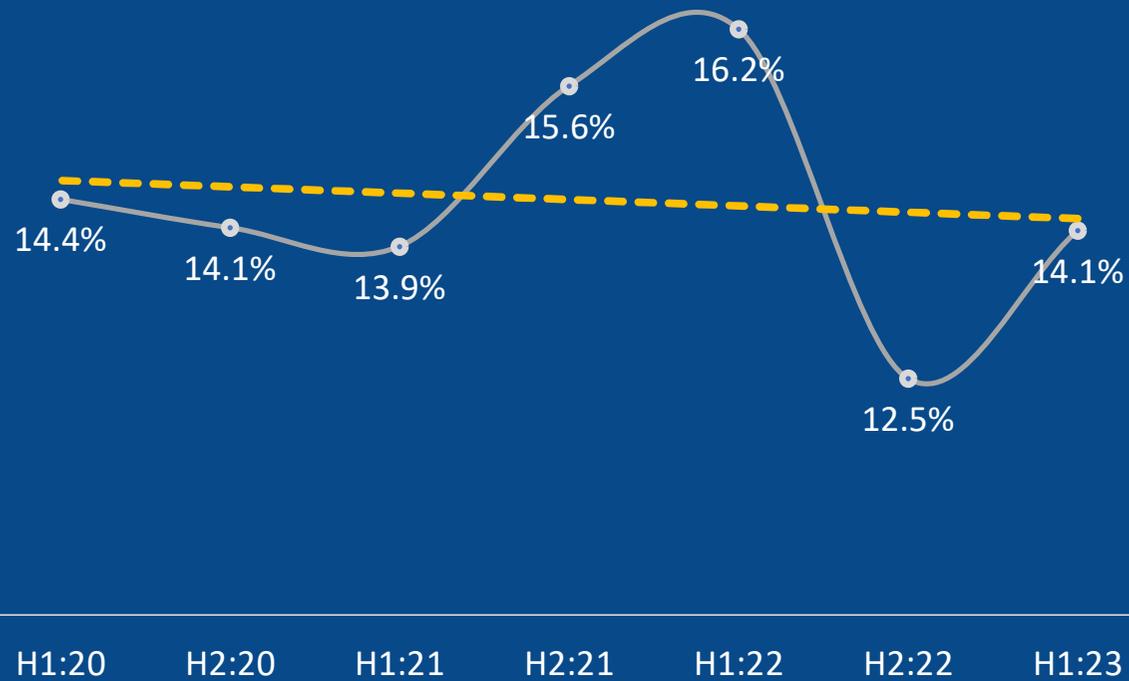
Revenue R(billion)



- Organic growth and relevance
- Green energy products
- Notebook market under strain



Gross Profit Margin



- Margin pressure from reducing high mobility stock
- Rest of margins stable
- Margin stabilisation

Opex as % of sales



- Absolute increase of 11%
- Opex mostly fixed and well controlled
- Higher than inflationary increases on some expenses

HEPS (cents)

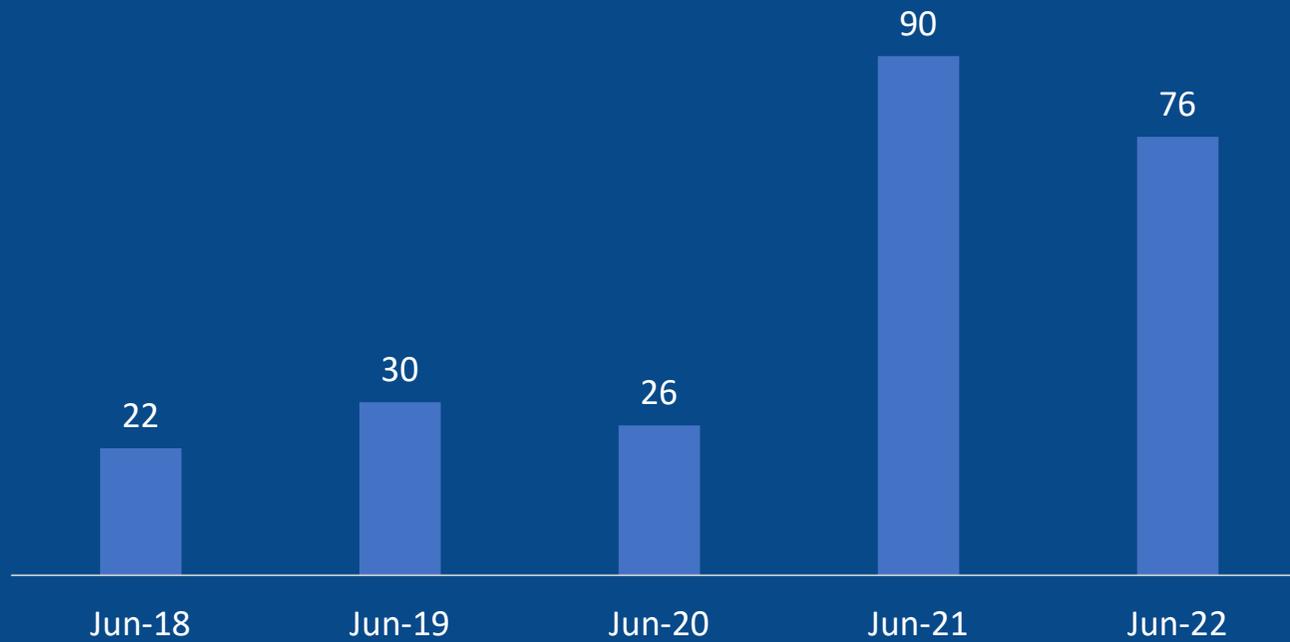


- Recovery from H2:2022

# of shares	70 m	70 m	70 m	66m	61m	59m	58 m
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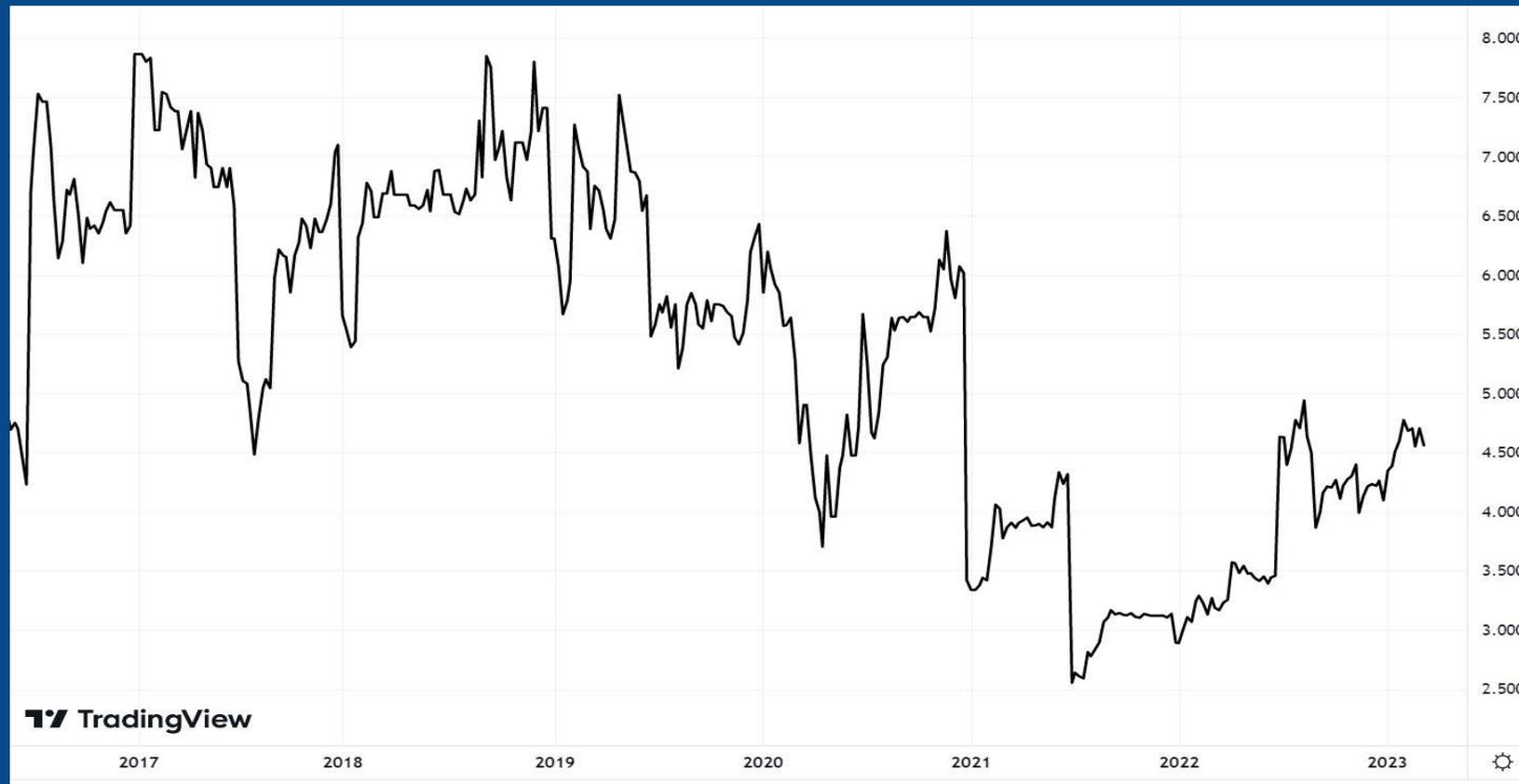


Dividends per share (cents)

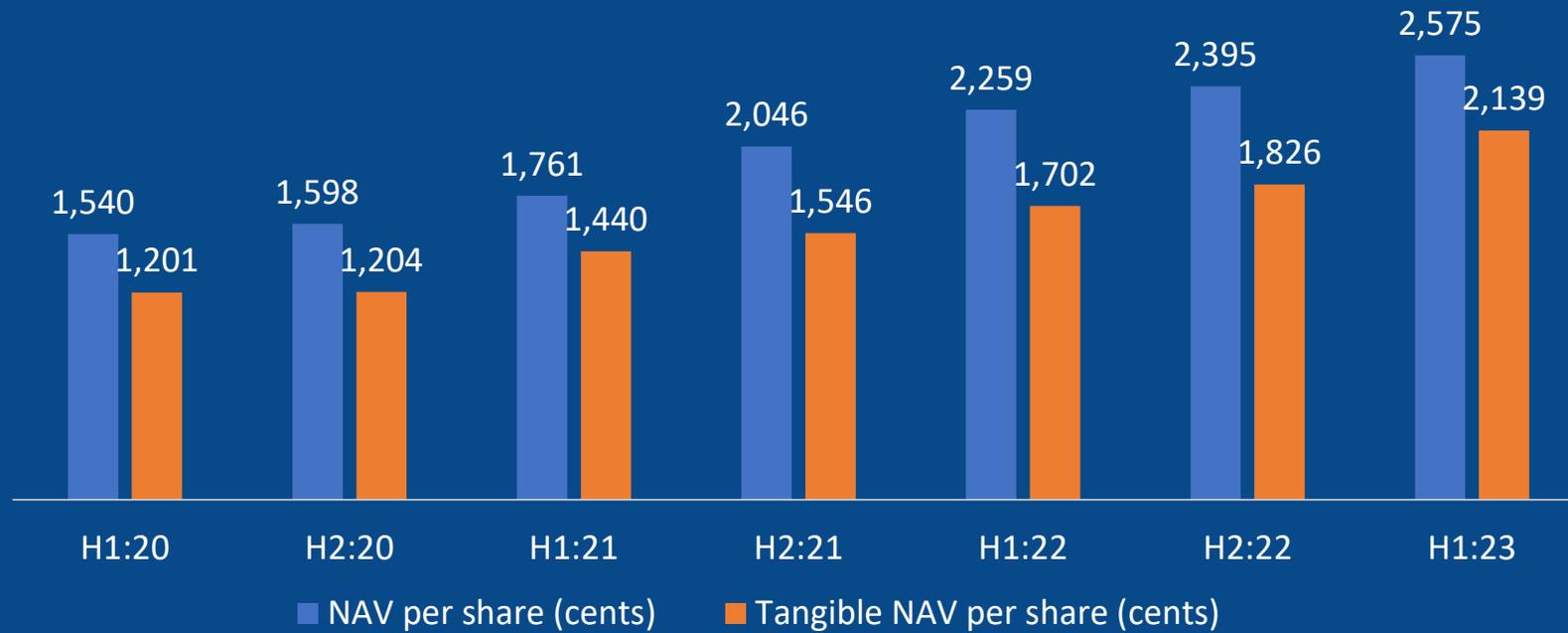


- Year-end
- Pay out ratio – 20%

PE Ratio

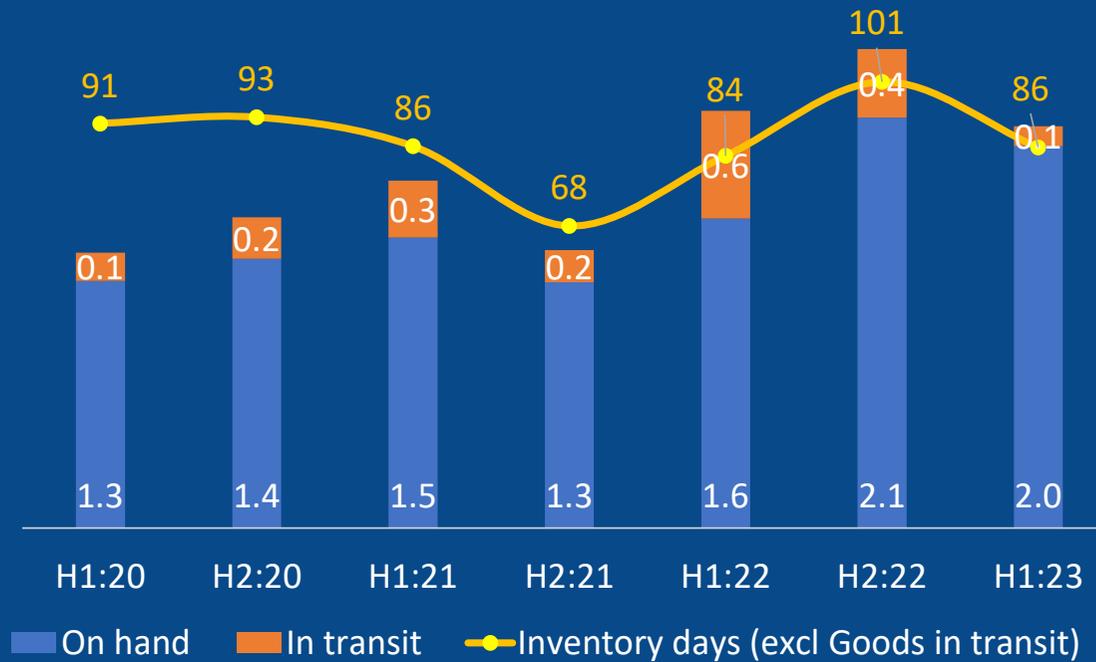


NAV and TNAV per share



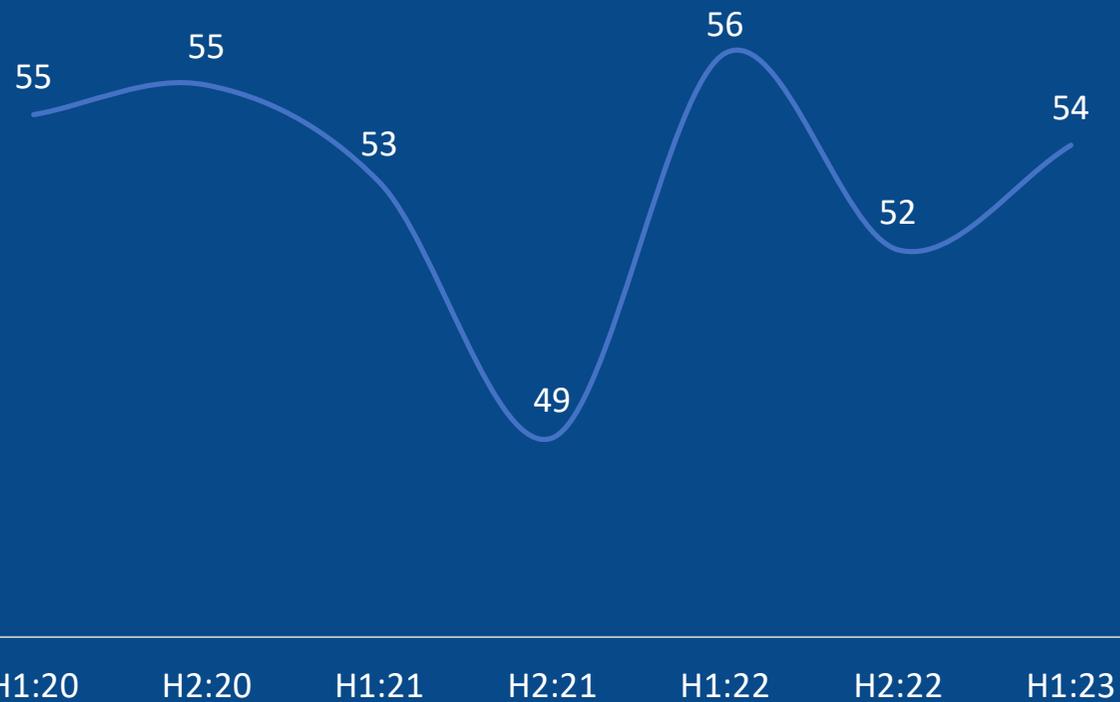
Inventory

Inventory R (billion) vs Inventory days



- Stock management remains a focus
- Lead times improving
- Supply chain continues easing

Trade Receivable Days



- Carefully managed and in line

Cash Flow

	H1:20	H2:20	H1:21	H2:21	H1:22	H2:22	H1:23
EBITDA (R million)	142	105	236	280	277	179	268
Cash generated from ops (R million)	5	495	-114	545	284	20	-125
CFO (excl div paid) (R million)	-61	422	-188	429	205	-73	-210

Strategic Priorities

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



Opportunities

- Green energy
- Cybersecurity and cloud solutions
- Increased infrastructure and network size
- New brands
- Drone technology solutions
- IT Training



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