







# Our business model

The Group has a decentralised business model which empowers its divisional management teams to make operational decisions that are best suited to their individual operating needs but within a strategic operating and financial framework set by the Group to ensure sustained value for all stakeholders.

## Key resources

 <p><b>Financial capital</b></p> <p><b>Equity</b> <b>US\$501 million</b> (attributable to equity holders of the parent)</p> <p><b>Net debt</b> <b>US\$123 million</b></p>	 <p><b>Natural capital</b></p> <ul style="list-style-type: none"> <li>Responsible business strategy</li> <li>Environmental performance and initiatives</li> </ul>	 <p><b>Human capital</b></p> <p><b>Employees</b> <b>Over 11 000</b></p> <ul style="list-style-type: none"> <li>31% female</li> <li>Employees' engagement, skills and knowledge</li> <li>Board diversity and succession planning</li> </ul>
 <p><b>Social and relationship capital</b></p> <ul style="list-style-type: none"> <li>Stakeholder relationships</li> <li>Strong compliance and governance culture</li> </ul>	 <p><b>Intellectual capital</b></p> <ul style="list-style-type: none"> <li>Technical expertise</li> <li>Diverse experience</li> <li>Strategic partnerships</li> </ul>	 <p><b>Manufactured capital</b></p> <ul style="list-style-type: none"> <li>Data centres</li> <li>Warehouses (distribution centres)</li> </ul>

### Key partners and relationships

#### Key partners

- Cisco
- HPE
- Microsoft
- Palo Alto Networks

#### Key relationships

- Shareholders
- Employees
- Customers
- Vendors
- CSR beneficiaries
- Financial institutions and providers of financing
- Governments and regulators

### Key revenue segments

#### Categories

- Product sales – Westcon International
- Services and annuity revenue – Logicalis International and Logicalis Latin America

#### Geographic

- North America
- Latin America
- Europe
- Asia-Pacific
- MEA

### Key revenue drivers

- Volumes
- Exchange rates (in relation to the US Dollar)

## Impact of activities on future availability of resources

- Improvements to EBITDA and working capital will reduce net debt over time
- Business activities have an impact on availability of natural resources, the impact of which is being managed through Responsible Business practices

## Constraints on availability of resources

- Limited borrowings facilities

## Our activities

The Group's offering spans various sectors of the ICT market.

**Westcon Comstor**

Partner Success. It's what we do.

### Westcon International

- Technology distribution
- Westcon International's principal revenue stream is product sales
- Alternative financing expertise

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### Logicalis International

- Digital services provider
- Logicalis International's principal revenue stream is product sales

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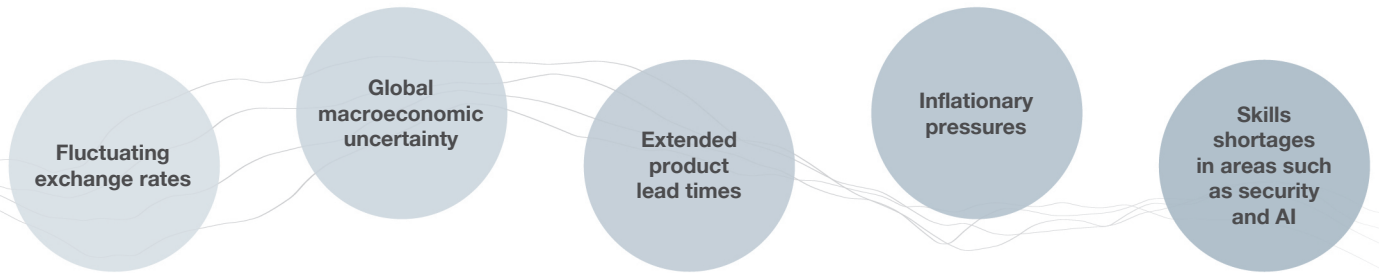
### Logicalis Latin America

- Digital services provider
- Logicalis Latin America's principal revenue stream is product sales

## How we create value

We are improving shareholder returns by optimising our business for the current environment which includes cost and liquidity management. We are committed to conducting our business in a responsible and sustainable way. This commitment applies to our planet, our communities and to our people. We continue to pursue organic and acquisition expansion activities.

## What impacts our ability to create value?



## Key outcomes for stakeholders

### Financial capital



- Increase in uEPS to 20.2 US cents
- Increase in gross margins
- Decrease in backlog – US\$706.2 million at year-end (FY23: US\$1 179 million)
- Strong balance sheet
- Increase in net debt
- Increase in net asset value per share to 221 US cents
- FY24 final dividend declared

### Social and relationship capital



- Shareholder consultation
- Over 10 000 people impacted through community support interventions
- Contributed ZAR8.9 million to education interventions in South Africa through the Datatec Foundation
- Invested over US\$500 000 in community support initiatives through the Datatec Africa Flagship Project, subsidiary community interventions and emergency response
- WestconGroup SA and Logicalis SA - maintained Level 1 BBBEE status
- Datatec’s consolidated BBBEE status reduced to Level 4

### Natural capital



- Measures taken to proactively minimise the environmental impact of business activities
- Datatec’s carbon reduction targets were validated by the Science-Based Targets Initiative (“SBTi”)
- Achieved a score of B (Management Band) on CDP (formerly Carbon Disclosure Project)
- Published the Group’s first TCFD report

### Intellectual capital



- Scarce technical skills retained
- Strategic partnerships and relationships enhanced
- Supply chain constraints largely resolved during the year
- Positive feedback from vendor satisfaction surveys

### Human capital



- Increased employee base
- Increase in salaries and benefits
- Invested close to US\$3 million on career development, training, and accreditations
- 12 “Great Place to Work” accreditations

### Manufactured capital



- Reduced floor space in operations where possible
- Increased revenues from product sales, services and annuity services

• Short-term value created • Short-term value preserved • Short-term value eroded ● Long-term value created ● Long-term value preserved

Shareholders Financial institutions and providers of financing Employees Customers Vendors Governments and regulators CSR beneficiaries

## Governance and ethics

Datatec’s business model is underpinned by its commitment to maintaining the highest standards of ethics and business conduct and to being honest, transparent, socially responsible corporate citizens. Corporate governance is viewed as a tool that contributes to improved operational decision-making and business performance.