

For the six months ended 31 August 2024

DATATEC GROUP

Unaudited interim results





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 - Financial Results Summary
 - Overview
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2. Financial Results
3. Operational Review
4. Prospects & Outlook



01

Summary

Financial Results Summary

Overview

Current Trading



Datatec Group

Financial Results Summary

GROSS PROFIT

H1 FY 2025 ↑
\$432.7m

H1 FY 2024
\$417.9m

REVENUE

H1 FY 2025 ↓
\$2.61b

H1 FY 2024
\$2.76b



ADJUSTED EBITDA*

H1 FY 2025 ↑
\$106.0m

H1 FY 2024
\$89.4m

UNDERLYING EPS**

H1 FY 2025 ↑
11.4 US¢

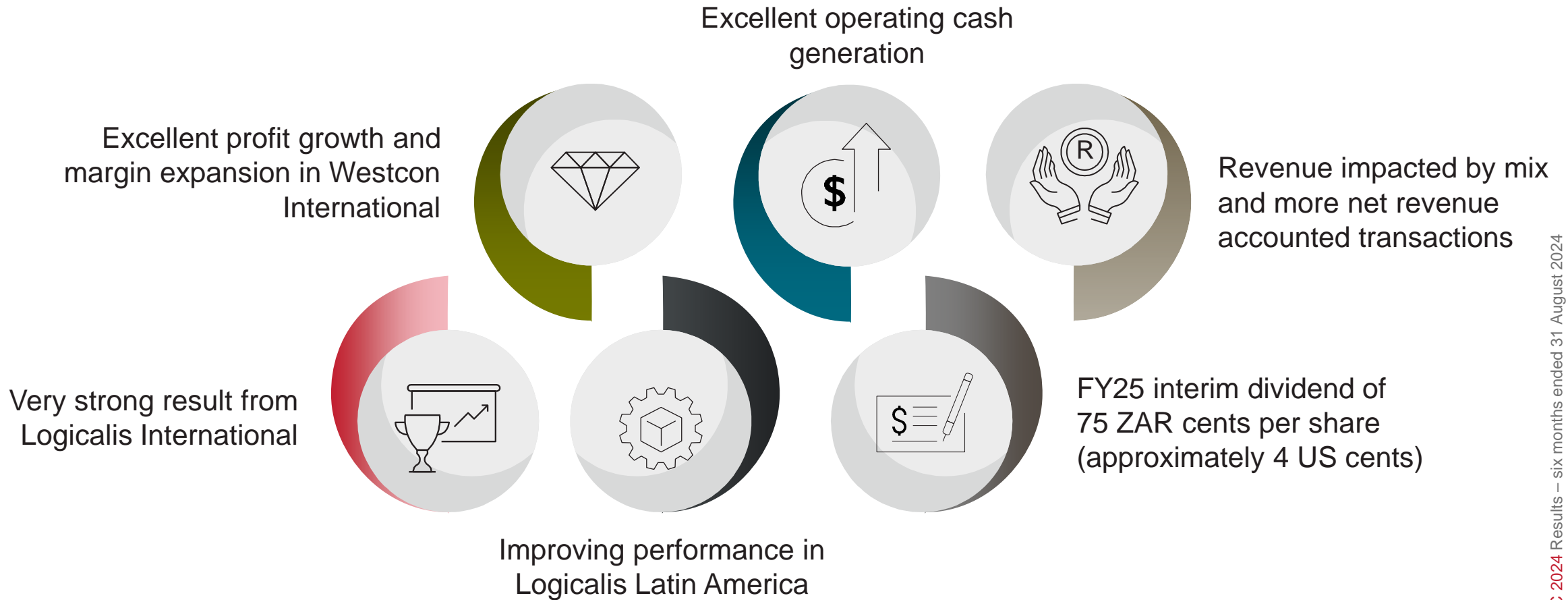
H1 FY 2024**
7.3 US¢

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

** Underlying earnings for H1 FY24 were recalculated to include unrealised foreign exchange movements.

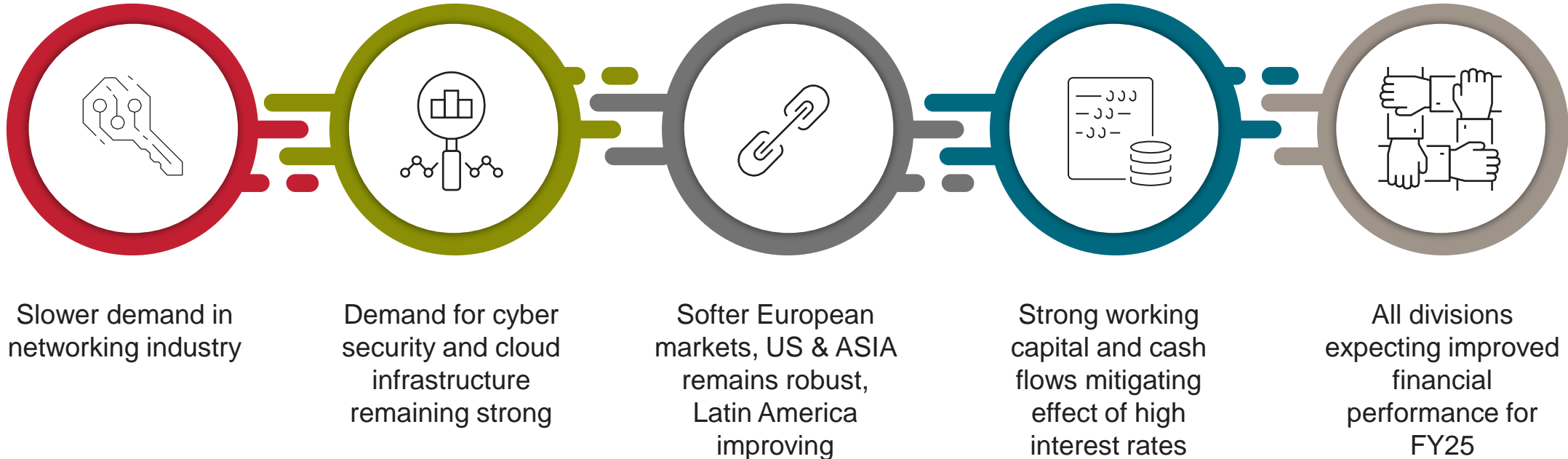
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Overview



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Current Trading



02

Financial Results



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Financial Performance

US\$m	H1 FY 2025	H1 FY 2024	% Movement
Revenue	2,612.1	2,762.7	(5.5%)
Gross profit	432.7	417.9	3.5%
Operating costs	(330.2)	(337.3)	(2.1%)
EBITDA	102.5	80.6	27.2%
EBITDA margin %	3.9%	2.9%	
Adjusted EBITDA*	106.0	89.4	18.5%
Adjusted EBITDA* margin %	4.1%	3.2%	
Depreciation & amortisation	(30.6)	(30.4)	1.0%
Operating profit	71.9	50.2	43.1%
Operating profit margin %	2.8%	1.8%	
Net finance costs	(28.8)	(25.1)	14.4%
Profit before tax	45.1	25.2	79.0%
Underlying EPS (US cents)	11.4	7.3**	56.2%
HEPS (US cents)	10.5	6.3	66.7%

Revenue decline due to change in product mix with more revenue reported on a net basis

EBITDA increases 27.2% year-on-year

Improved quality of earnings

Increased finance costs due to higher interest rates and average working capital requirements

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

** Underlying earnings for H1 FY24 were recalculated to include unrealised foreign exchange movements.

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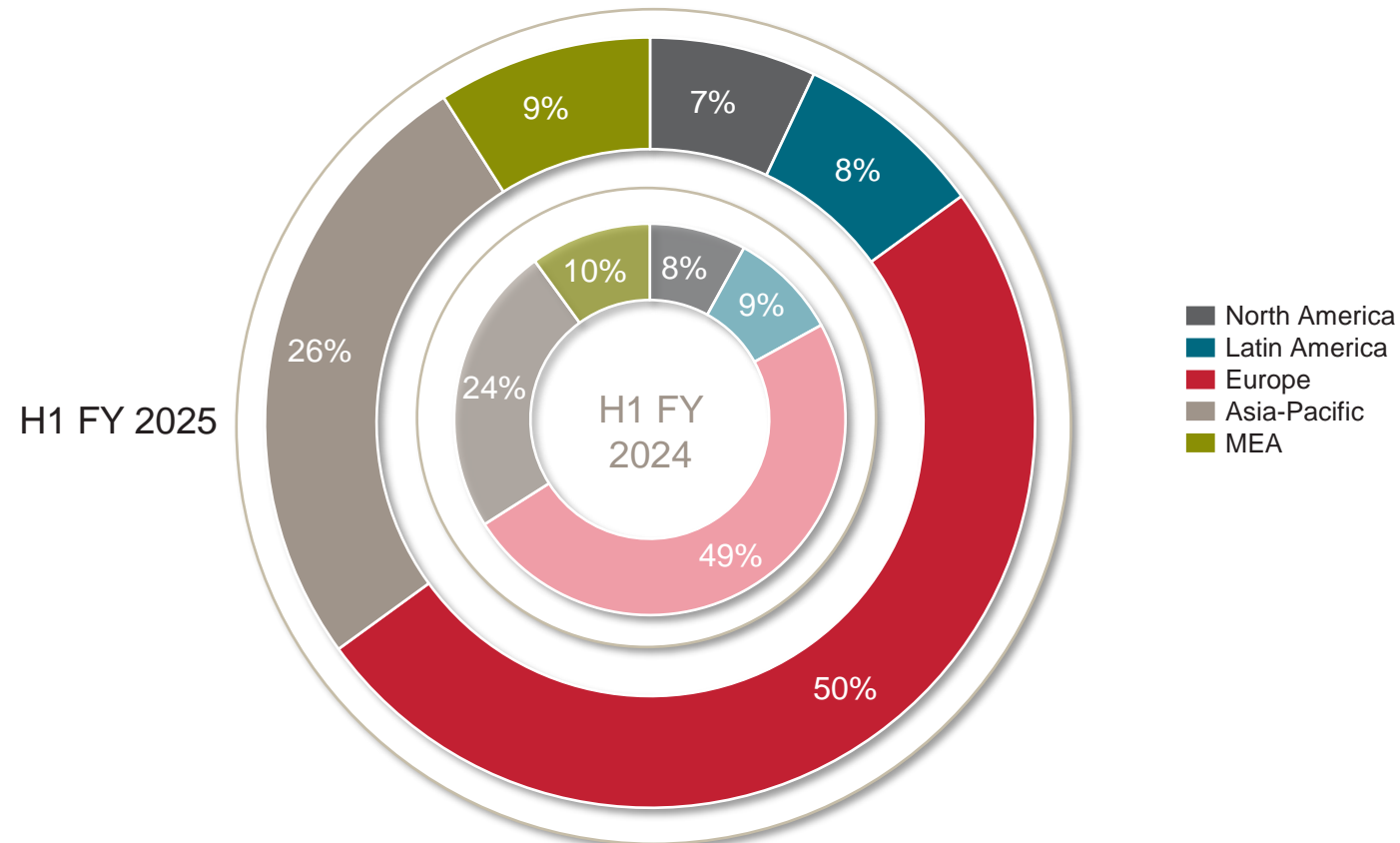
Financial Performance - Segmental

US\$m	Technology Distribution		ICT Solutions and Services			
	Westcon International		Logicalis International		Logicalis Latin America	
	H1 FY 2025	H1 FY 2024	H1 FY 2025	H1 FY 2024	H1 FY 2025	H1 FY 2024
Revenue	1,801.0	1,854.4	575.0	645.4	215.4	262.9
Gross profit	216.1	203.7	164.0	157.5	48.3	56.7
Operating costs	(146.6)	(144.0)	(126.8)	(131.7)	(40.3)	(50.9)
EBITDA	69.5	59.7	37.2	25.8	8.0	5.8
EBITDA margin %	3.9%	3.2%	6.5%	4.0%	3.7%	2.2%
Adjusted EBITDA*	71.2	62.2	38.4	28.4	5.6	6.0
Adjusted EBITDA* margin %	4.0%	3.4%	6.7%	4.4%	2.6%	2.3%
Operating profit	57.1	48.3	25.5	11.2	3.8	1.6
Operating profit margin %	3.2%	2.6%	4.4%	1.7%	1.8%	0.6%

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

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Revenue % contribution by geography

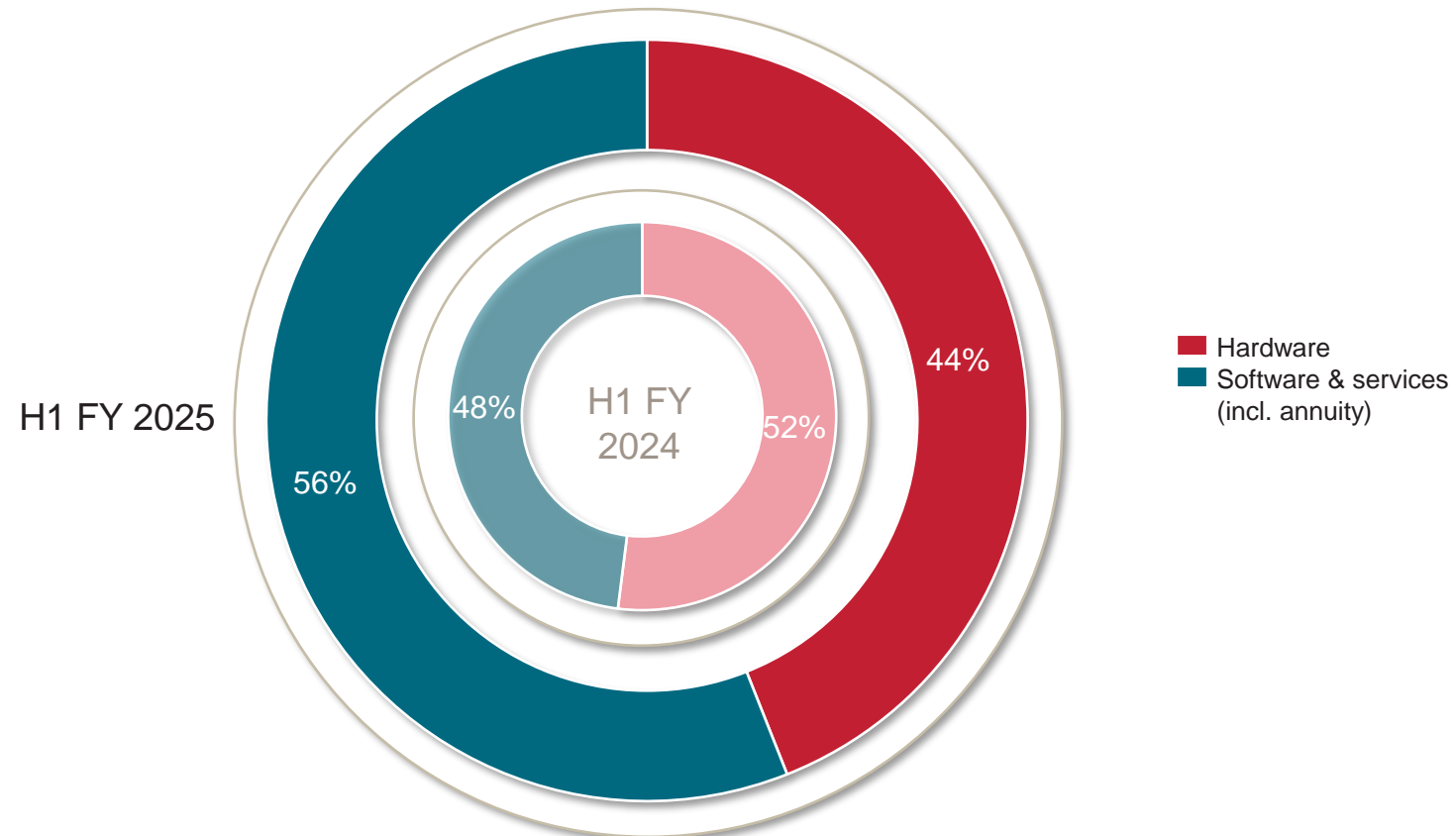


Latin America has been the most challenged region

Increased contribution from Europe and Asia-Pacific

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Revenue analysis: hardware vs software & services



More software being net revenue accounted

Change in mix to more services and software

Supply chain deemed at normal levels

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Balance sheet summary

US\$m	H1 FY 2025	H1 FY 2024	FY 2024
Assets	3,824.5	3,733.6	3,633.3
<i>Non-current assets</i>			
Goodwill	280.5	246.3	280.5
Acquired intangible assets & software	27.7	16.0	21.4
Other non-current assets	505.0	376.7	439.1
<i>Current assets</i>	3,011.3	3,094.6	2,892.3
Equity & liabilities	3,824.5	3,733.6	3,633.3
<i>Shareholders' funds</i>	491.9	476.4	501.2
<i>Non-controlling interests</i>	71.5	62.8	67.9
<i>Long-term liabilities</i>	340.7	240.9	234.6
<i>Current liabilities</i>	2,920.4	2,953.5	2,829.6
Net debt	(108.4)	(174.8)	(123.1)
Net debt excluding lease liabilities	(35.6)	(95.0)	(51.3)

Strong operating cash flows
due to good working capital
management

Reduction in net debt

Increased goodwill due to
acquisitions since H1 FY24

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Balance sheet summary - segmental

US\$m	Technology Distribution			ICT Solutions and Services					
	Westcon International			Logicalis International			Logicalis Latin America		
	H1 FY 2025	H1 FY 2024	FY 2024	H1 FY 2025	H1 FY 2024	FY 2024	H1 FY 2025	H1 FY 2024	FY 2024
Assets	2,106.2	2,066.2	1,974.1	1,151.0	1,086.6	1,095.1	458.9	528.8	463.6
<i>Non-current assets</i>									
Goodwill	3.5	-	3.5	211.6	210.3	210.3	34.7	36.0	35.7
Acquired intangible assets & software	4.2	-	5.1	9.3	11.1	10.3	5.1	4.9	6.0
Other non-current assets	300.0	196.5	242.0	146.0	113.2	130.6	46.1	52.7	50.0
<i>Current assets</i>	1,798.5	1,869.7	1,723.5	784.1	752.0	743.9	373.0	435.2	371.9
Liabilities	1,993.3	1,940.0	1,848.4	916.0	867.6	872.5	327.4	372.5	318.9
<i>Long-term liabilities</i>	178.1	121.7	112.9	127.1	66.2	68.2	29.5	48.6	49.6
<i>Current liabilities</i>	1,815.2	1,818.3	1,735.5	788.9	801.4	804.3	297.9	323.9	269.3
Net debt	(25.6)	(67.7)	(88.9)	(96.3)	(113.4)	(79.3)	(24.4)	(25.5)	5.2
Net debt excluding lease liabilities	(4.4)	(38.2)	(61.7)	(60.3)	(78.0)	(45.4)	(15.6)	(13.7)	13.0

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Cash flow

US\$m	H1 FY 2025	H1 FY 2024	FY 2024
EBITDA	102.5	80.6	177.6
<i>Working capital changes</i>	3.6	(19.2)	29.6
<i>Settlement of share-based payment liabilities</i>	(5.0)	(59.3)	(59.3)
<i>Other movements</i>	15.0	22.2	27.7
Cash generated from operations	116.1	24.3	175.6
<i>Net finance costs paid</i>	(29.5)	(25.4)	(55.5)
<i>Taxation paid</i>	(25.9)	(16.6)	(27.1)
Net cash inflow/(outflow) from operating activities	60.7	(17.7)	93.0
<i>Net cash outflow for acquisitions</i>	(1.4)	-	(17.6)
<i>Net cash outflow from other investing activities</i>	(13.6)	(22.1)	(38.9)
<i>Settlement of deferred purchase consideration</i>	(1.1)	-	(2.9)
<i>Dividend paid to shareholders</i>	(8.9)	(13.9)	(13.9)
<i>Dividend paid to non-controlling interests</i>	(1.8)	(0.3)	(2.8)
<i>Net cash (outflow)/inflow from other financing activities</i>	(28.3)	26.9	(8.9)
Increase in cash & cash equivalents	5.6	(27.9)	8.0
<i>Cash & cash equivalents at beginning of year</i>	515.5	512.8	512.8
<i>Translation difference on cash & cash equivalents</i>	4.7	2.2	(5.3)
Cash & cash equivalents at end of the period	525.8	487.1	515.5

Improved operating cash flows

\$59 million cash outflow in prior year for settlement of Westcon EAP scheme

\$9 million cash dividend paid to shareholders

03

Operational Review

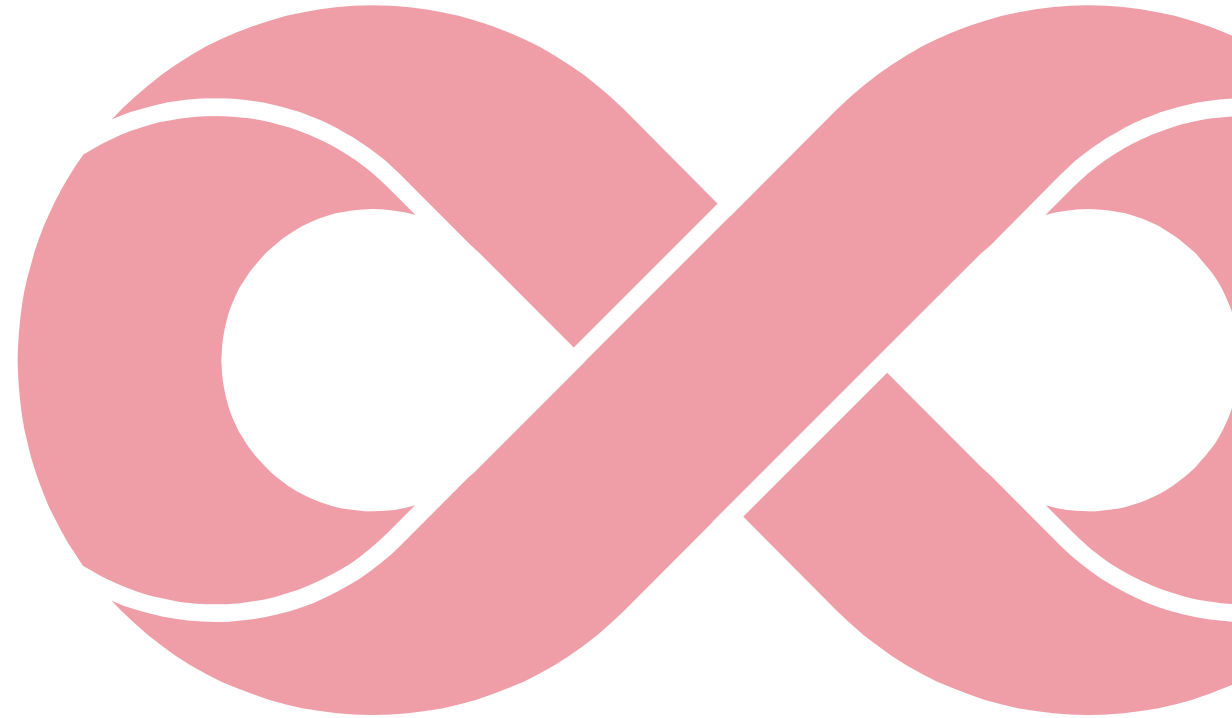




Westcon International



Partner Success. It's what we do.



Westcon International

Highlights



Adjusted EBITDA improved by 14%



Sustained demand for Cyber security products



Excellent net debt position



Softening demand for enterprise networking products

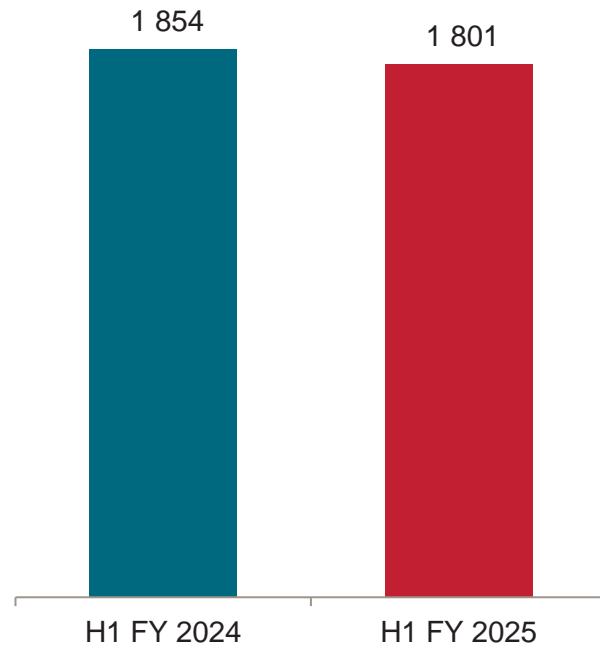


Growing contribution from Flex financial services

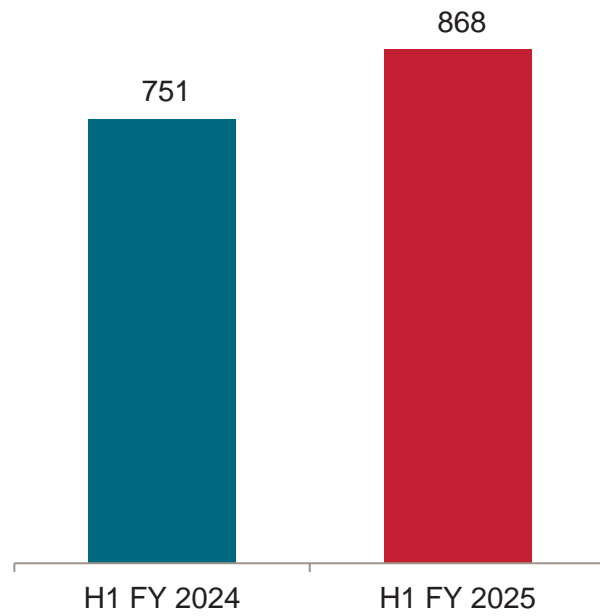
Westcon International

Revenue

Total revenue
US\$m



Recurring revenue
US\$m

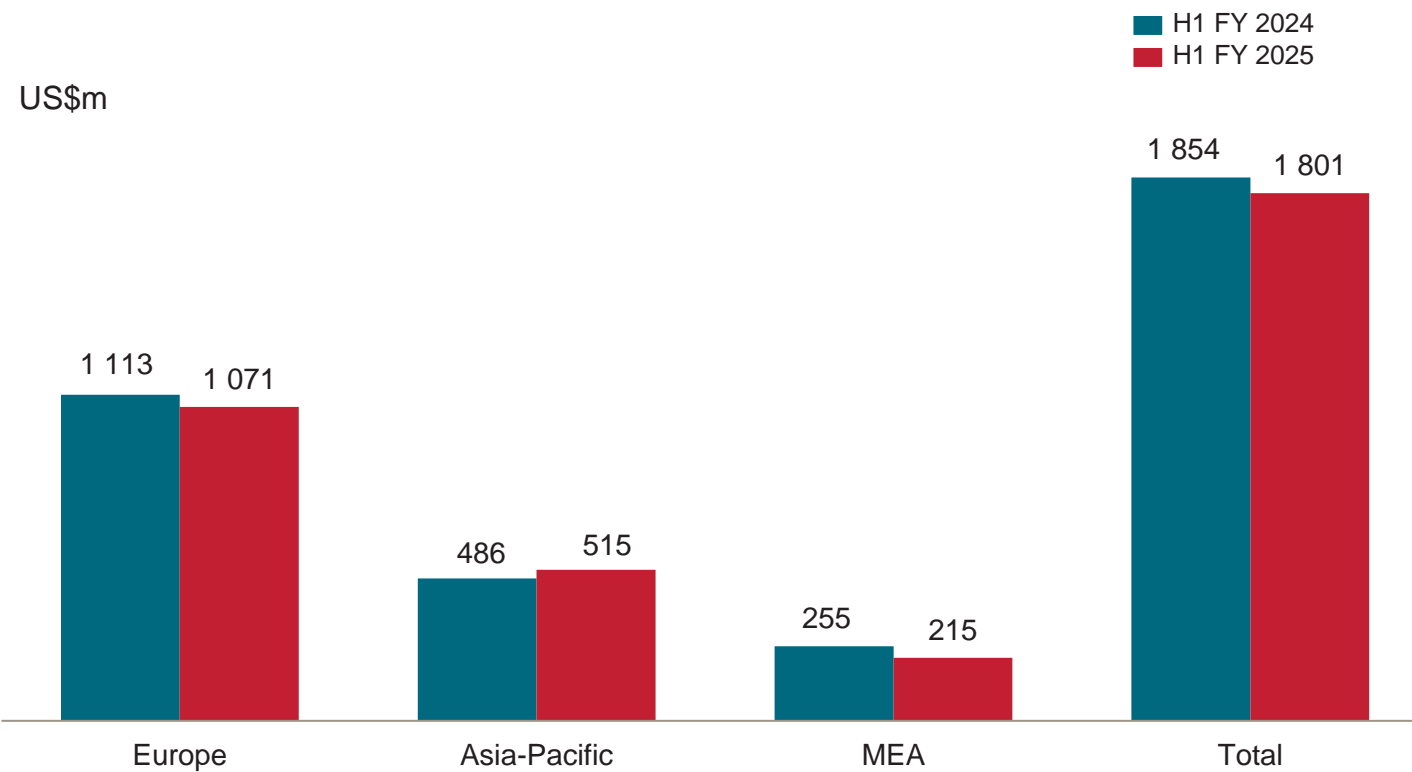


Revenue reduces due to lower Cisco demand and change in product mix driving a greater % of revenue reported on a net revenue basis

Recurring revenue increased 16% with growth across all regions

Westcon International

Revenue by geography



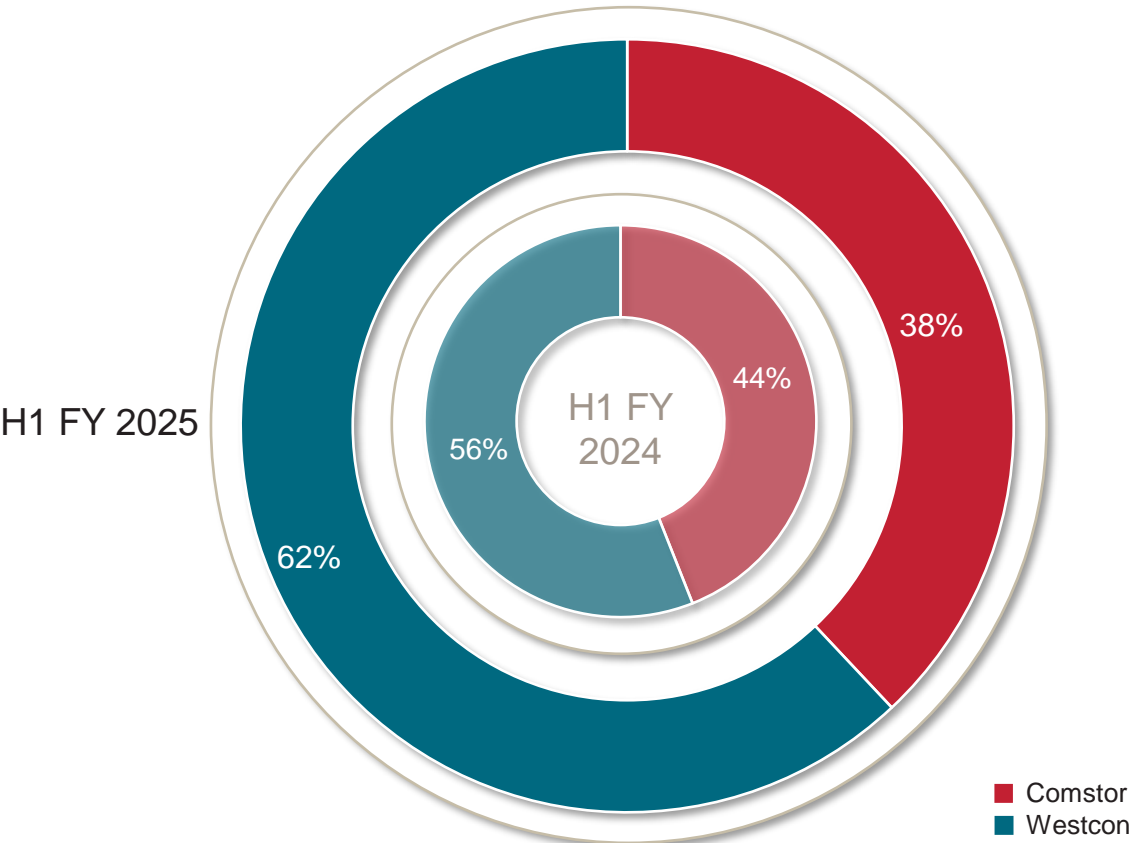
Revenue declines 3%

Strong growth in Asia-Pacific
offset by lower results in
Europe and MEA

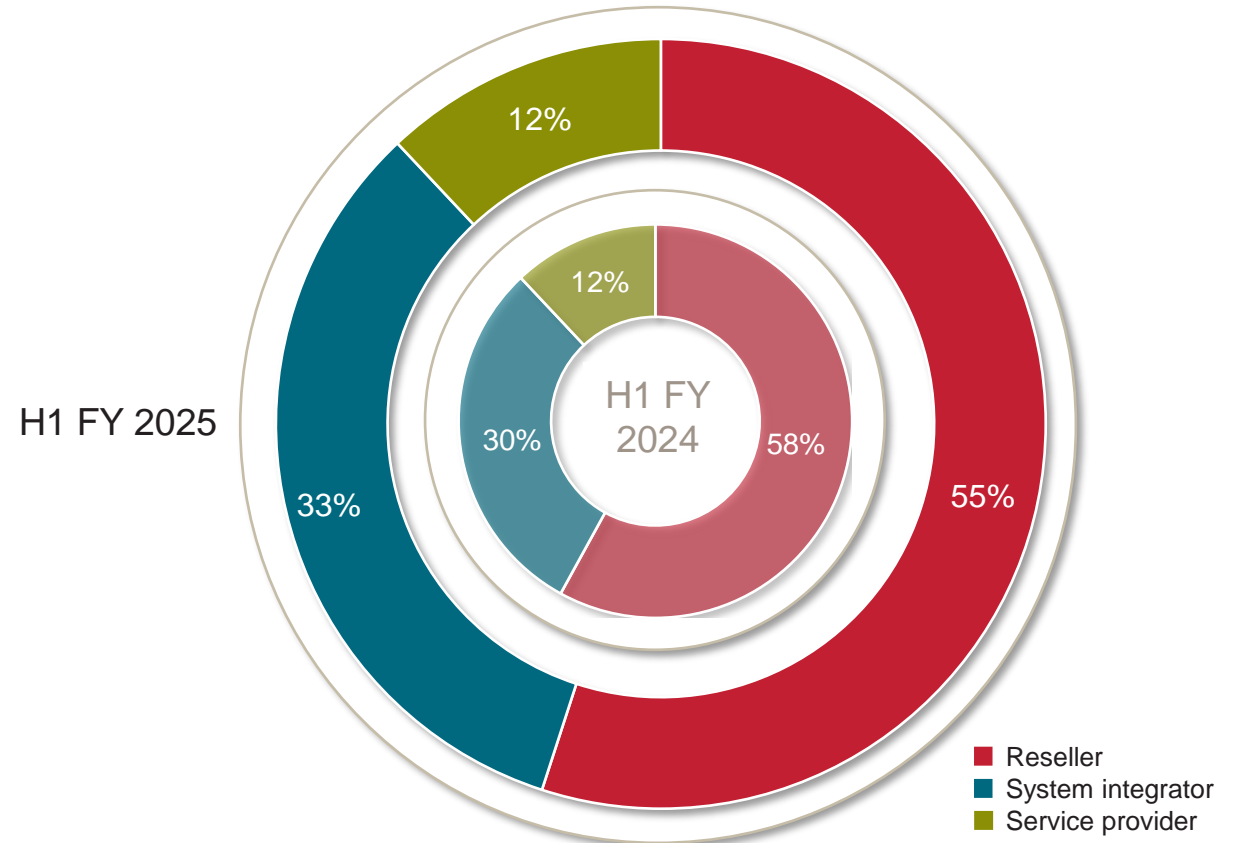
Westcon International

Revenue analysis

Revenue by business unit



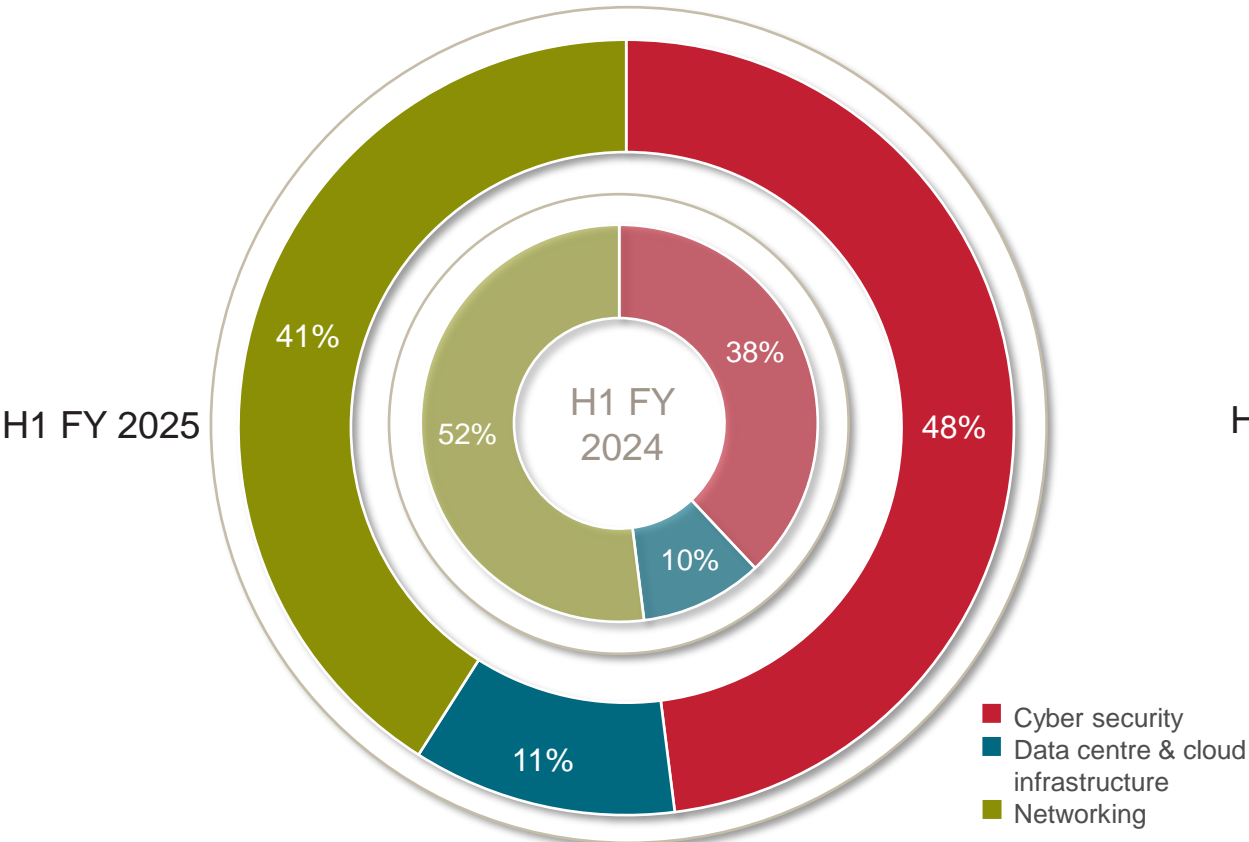
Revenue by customer



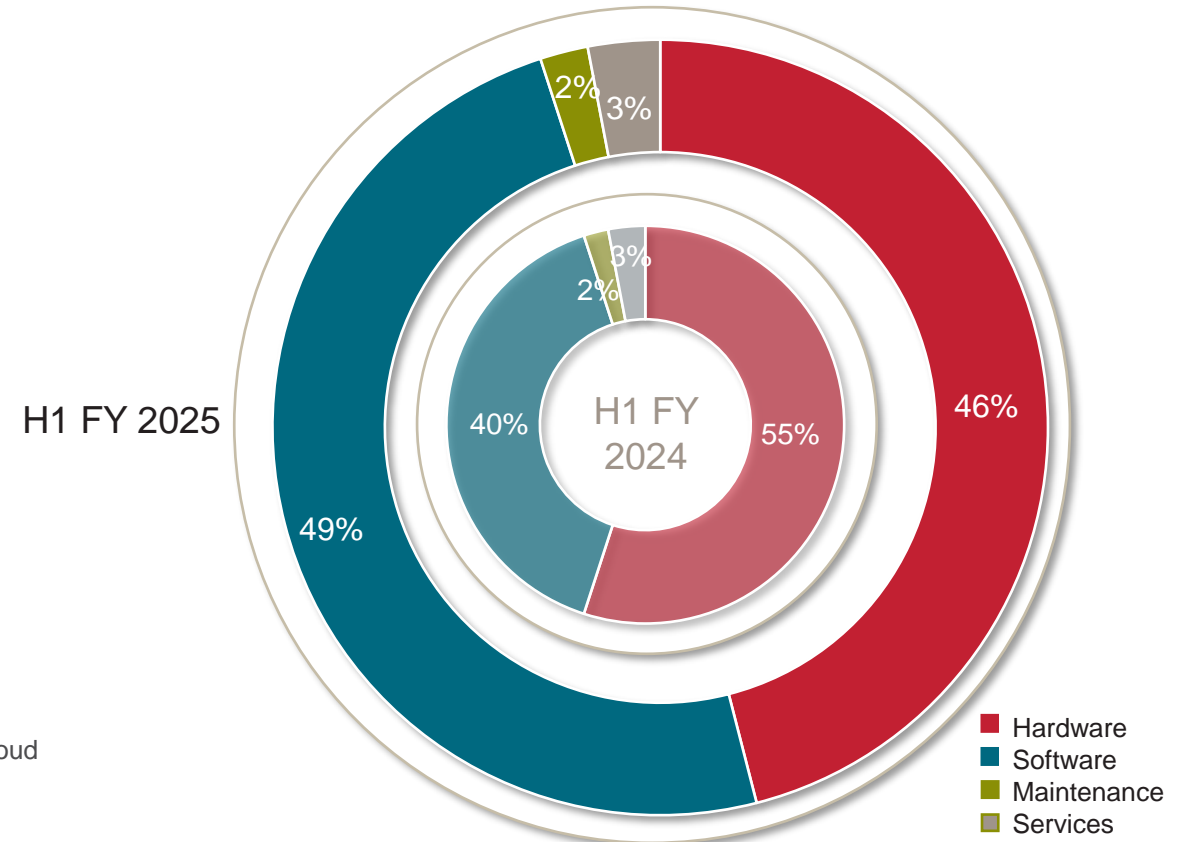
Westcon International

Revenue by technology category & segment

Revenue by technology category

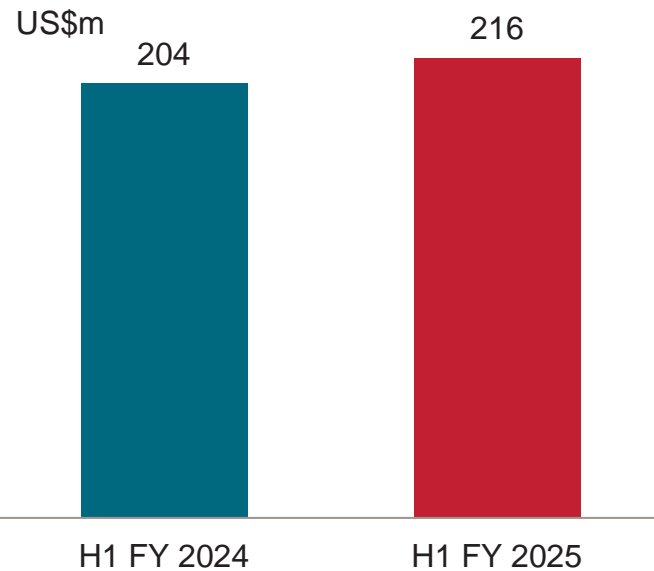


Revenue by segment



Westcon International

Gross profit

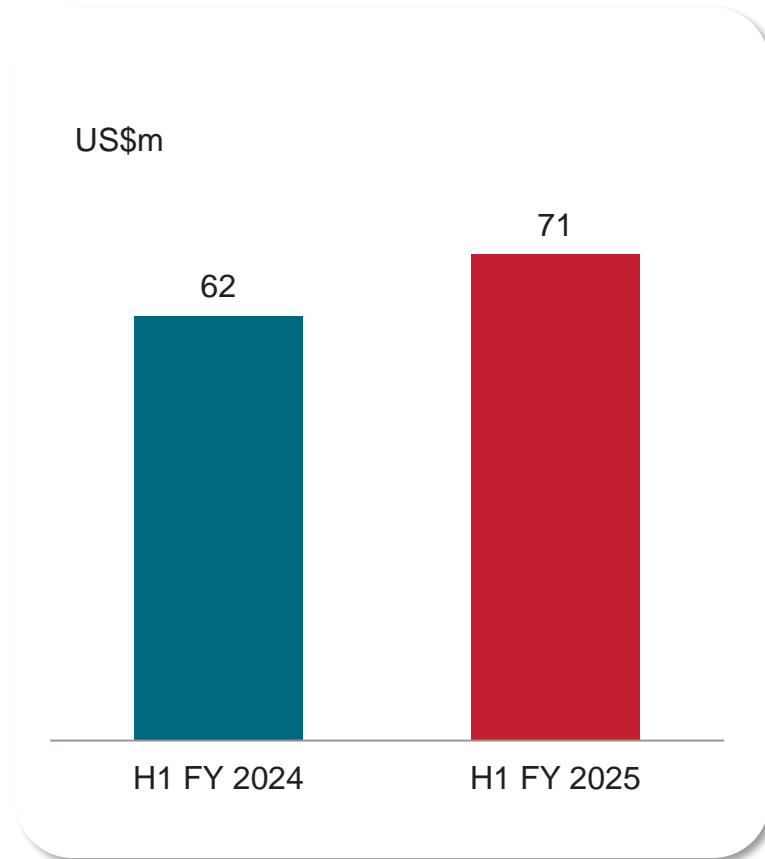


Gross profit increased 6%

Product mix and positive contribution from financial services contributes to margin expansion

Westcon International

Adjusted EBITDA

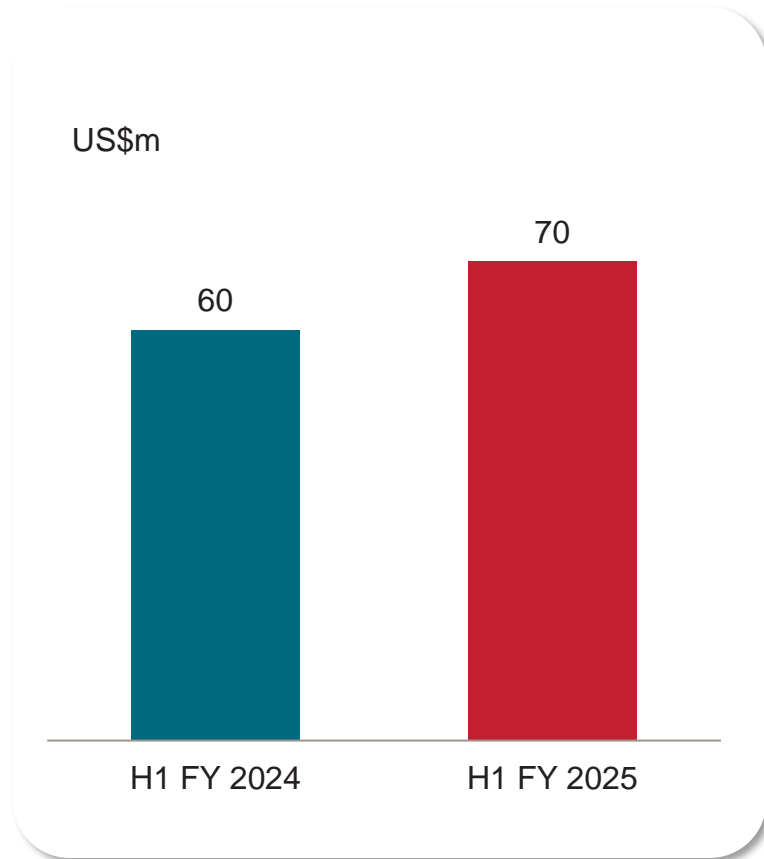


Adjusted EBITDA
increased 14.4%

Adjusted EBITDA margin
expanded to 4.0% from
3.4% in H1 FY 2024

Westcon International

EBITDA



EBITDA increased 16.5%

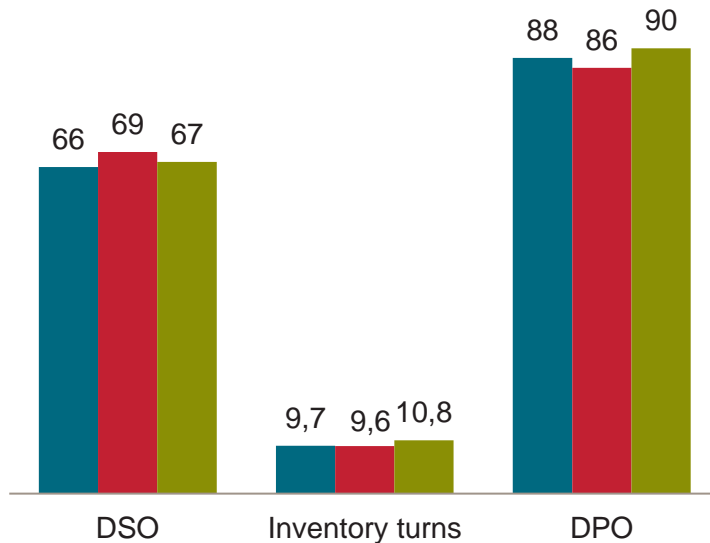
80% of the Gross Profit
improvement converted to
EBITDA

Westcon International

Working capital

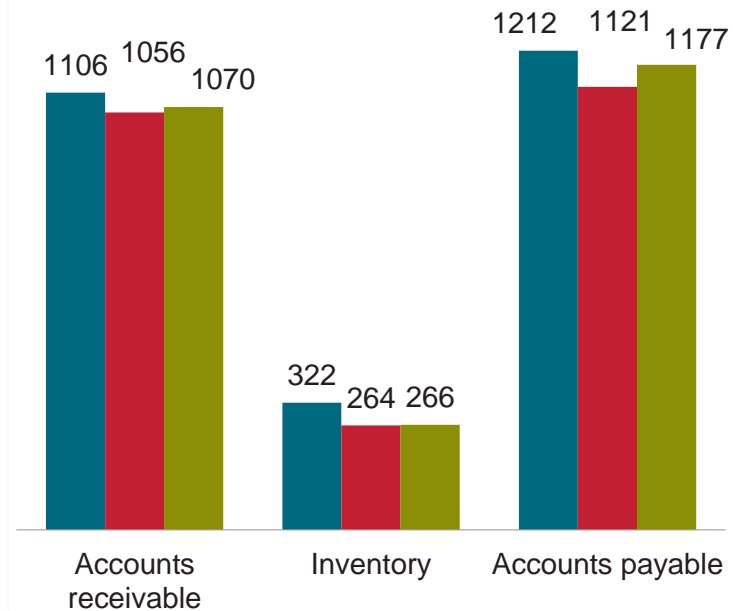
Days/turns

■ H1 FY 2024
■ FY 2024
■ H1 FY 2025



US\$m

■ H1 FY 2024
■ FY 2024
■ H1 FY 2025



5-day comparative
improvement in net working
capital days

Faster inventory turns and
higher days payable
outstanding

Net debt decreased
\$42 million due to strong
NWC performance

Westcon International

Outlook

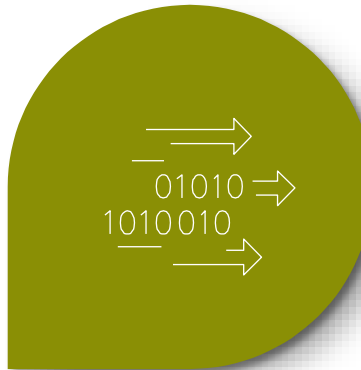
Uncertain economic
and geopolitical
environment persists



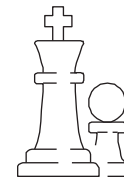
Softening demand,
particularly in Europe



01010 →
1010010 →



Digital platform
driving opportunities
and better execution



Clear strategy with
consistent execution

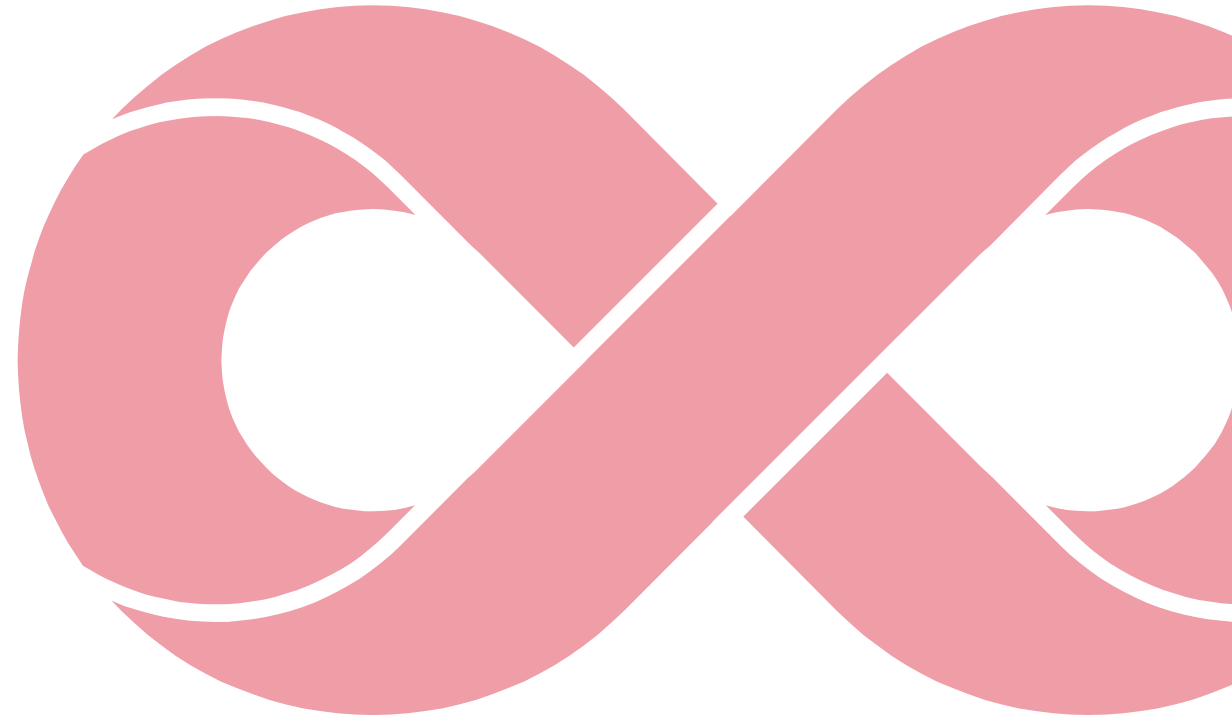
Logicalis Group





Logicalis International

 **LOGICALIS**
Architects of Change



Logicalis International

Highlights



Solid order
intake



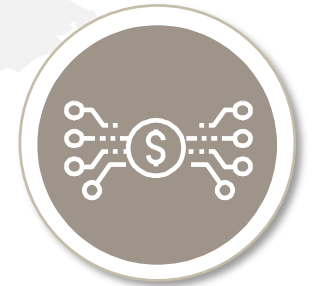
Strong growth in
cloud-based
revenues



Investment in
modern
technology



Supplier lead
times stable

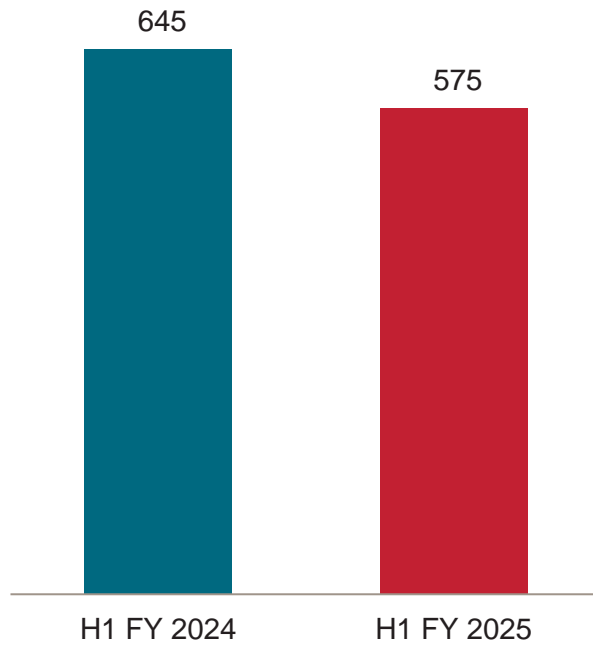


Net working
capital improving

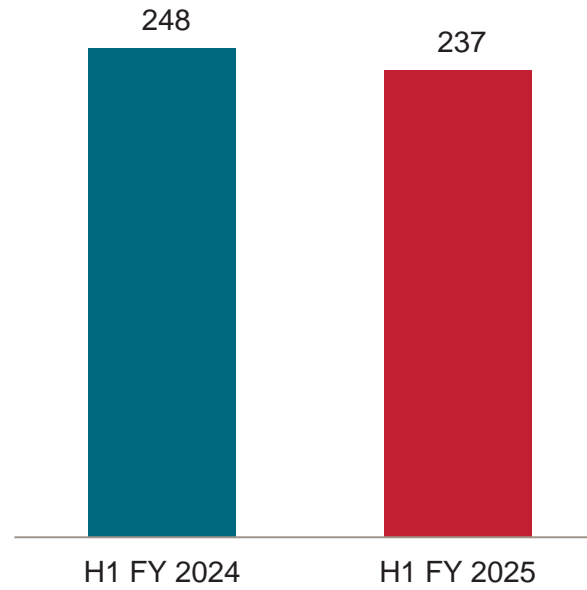
Logicalis International

Revenue

Total revenue
US\$m



Recurring revenue
US\$m

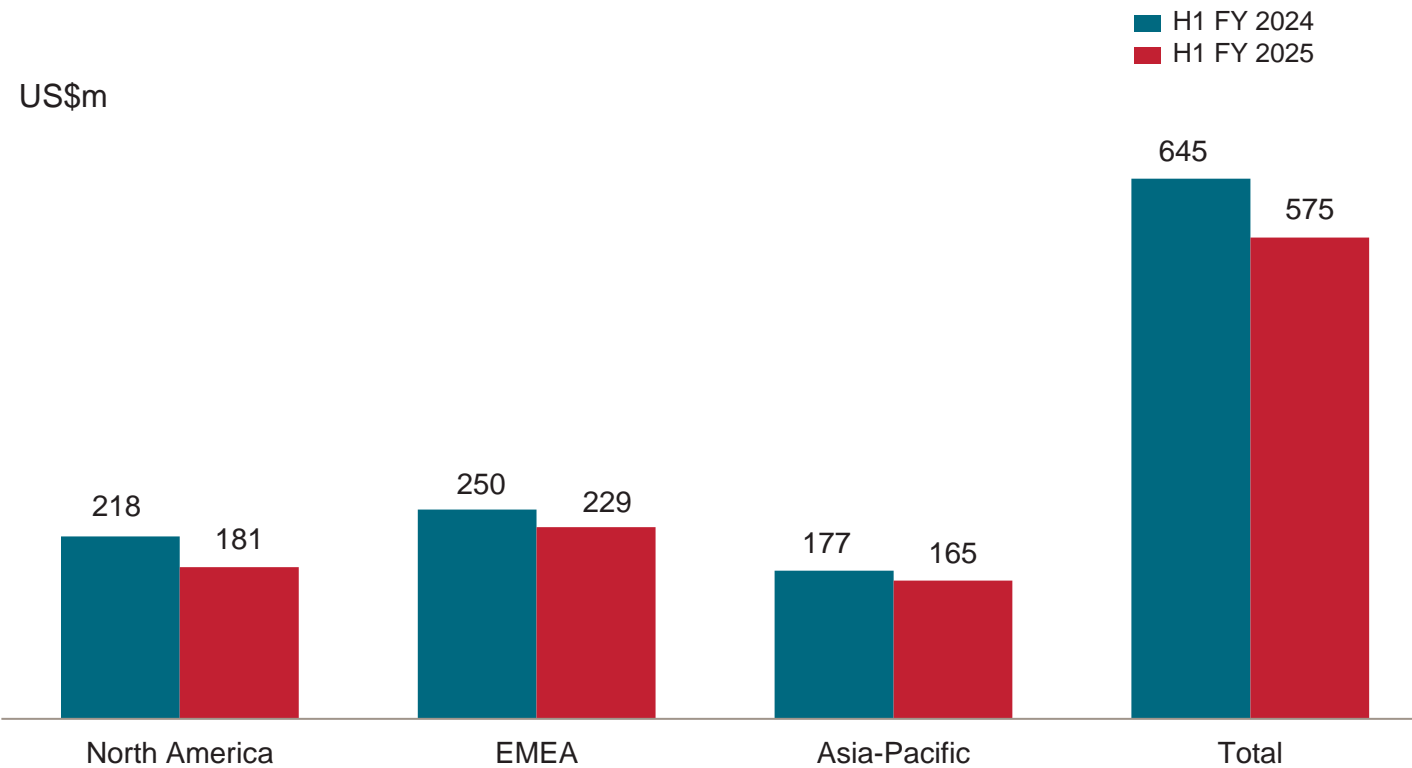


Lower revenue due to mix change with greater services and software

Underlying recurring revenue remains strong with higher proportion net revenue accounted

Logicalis International

Revenue by geography



Software and services mix
grew across all regions

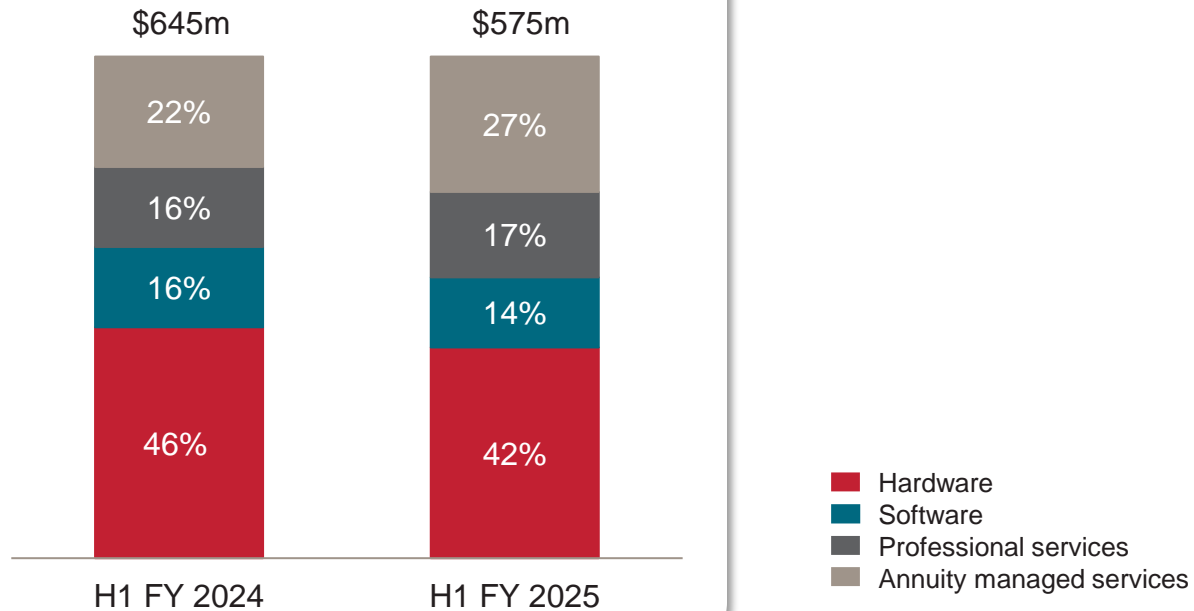
Growth in cloud revenue
across all regions with lower
transactional hardware sales

Logicalis International

Revenue by segment and cloud revenue

Revenue by segment

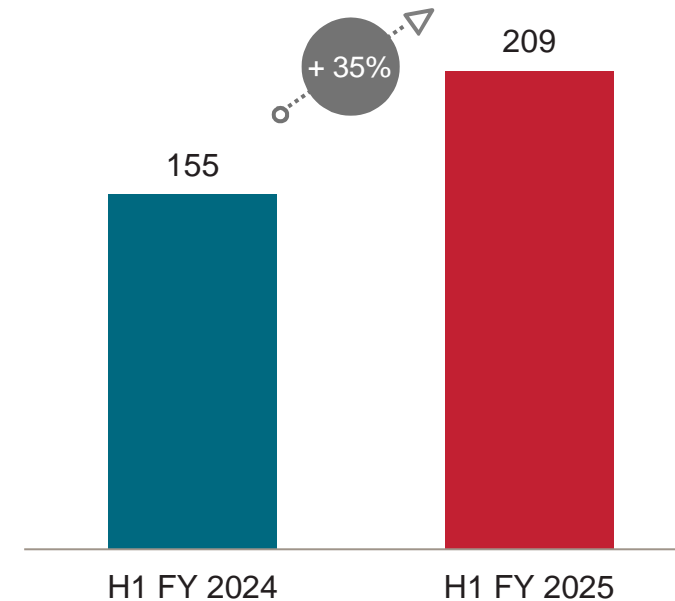
%



- Hardware
- Software
- Professional services
- Annuity managed services

Cloud revenue*

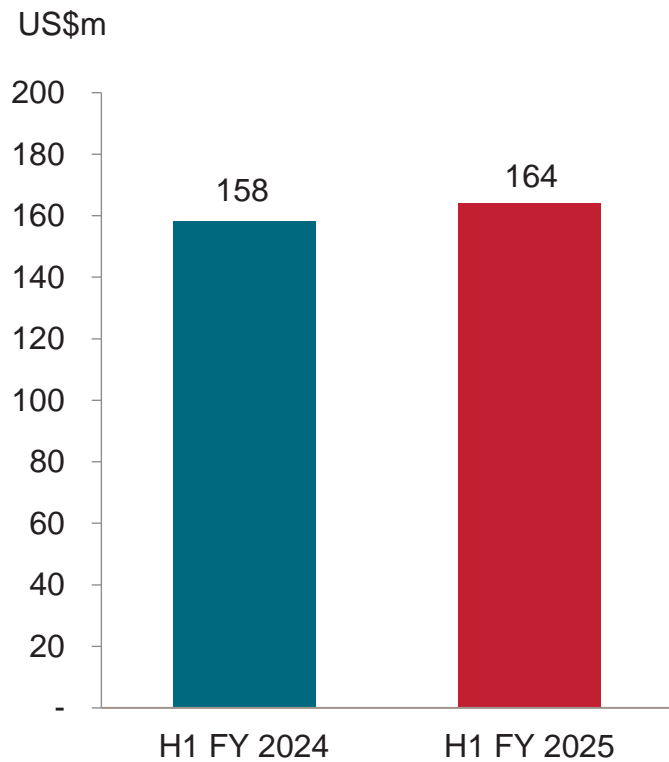
US\$m



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

Logicalis International

Gross profit



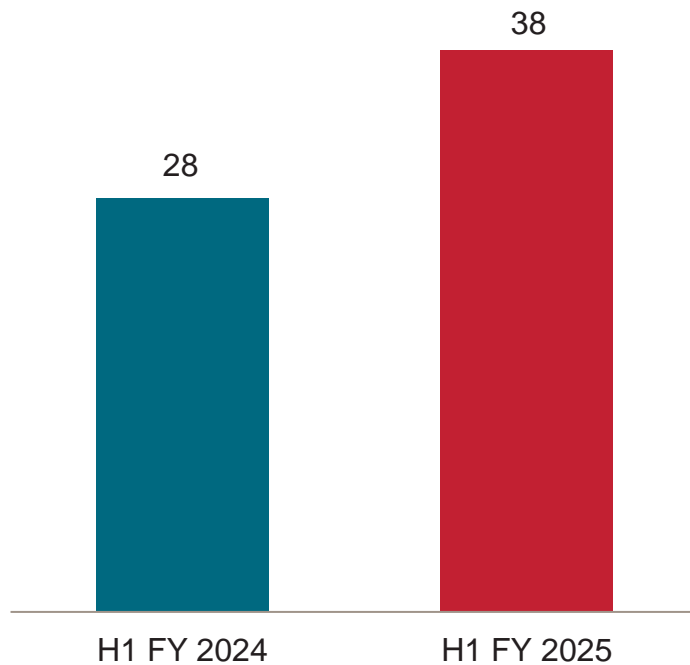
Improved gross margin %
from products and services

Increased contribution from
annuity services

Logicalis International

Adjusted EBITDA

US\$m



Adjusted EBITDA growth exceeded the increase in gross profit

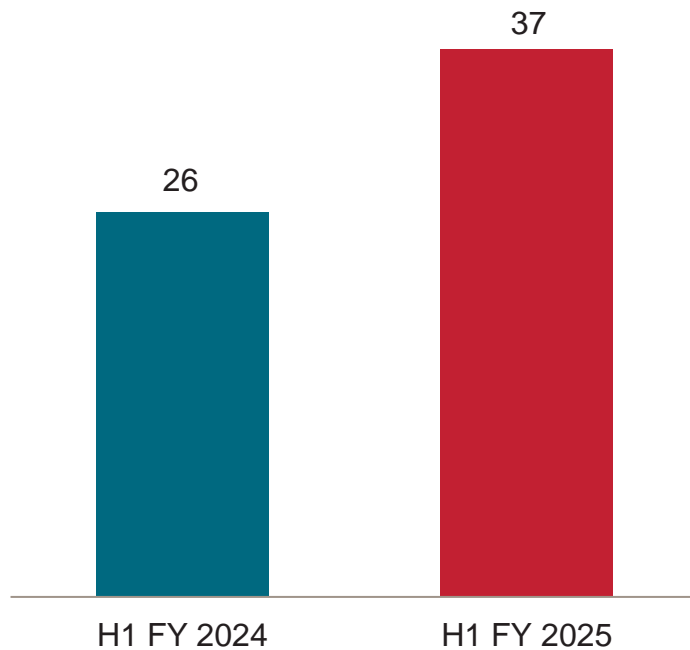
Significant improvement in adjusted EBITDA margin to 6.7%

Operating expenses fell year-on-year increasing efficiencies

Logicalis International

EBITDA

US\$m



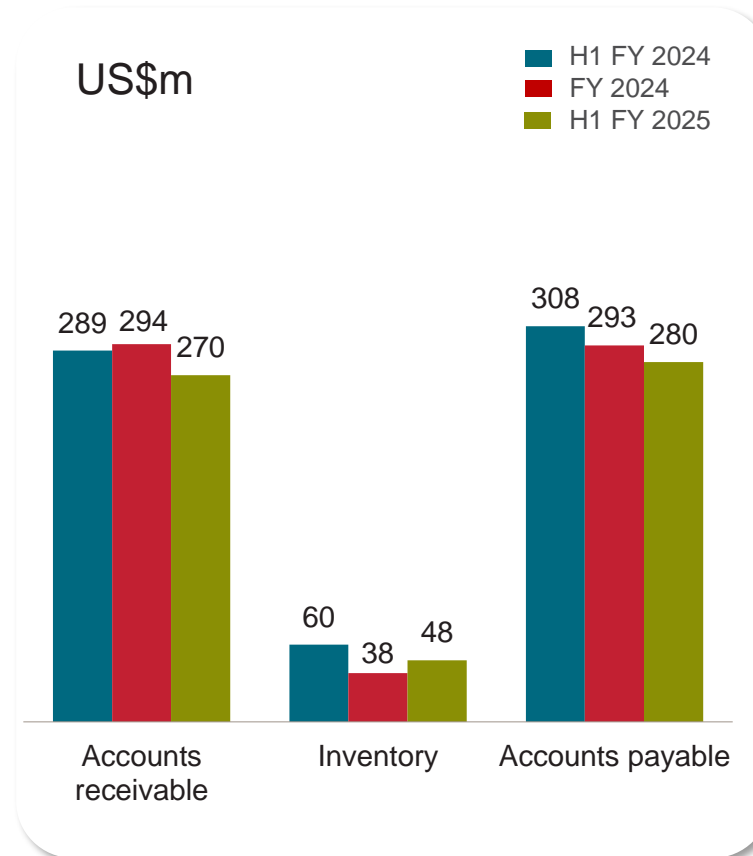
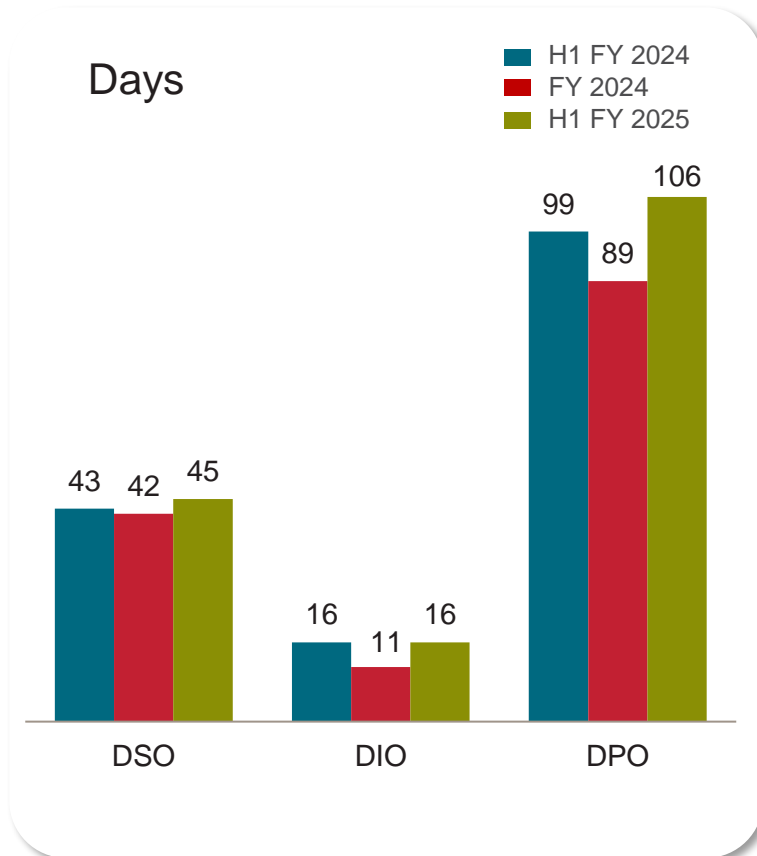
EBITDA growth driven by very strong performance in the US

Weak EBITDA performance in Germany but better in UK

Asia-Pacific EBITDA grew slightly while South Africa reduced EBITDA losses

Logicalis International

Working capital



Inventory days remain low

Net working capital remains stable

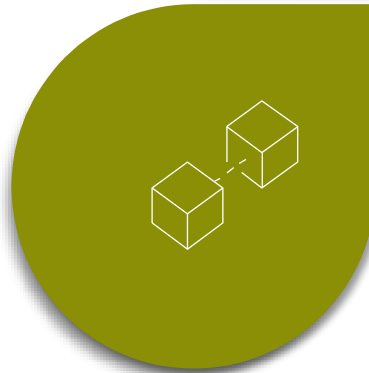
Logicalis International

Outlook

CAPEX is being
tightly controlled



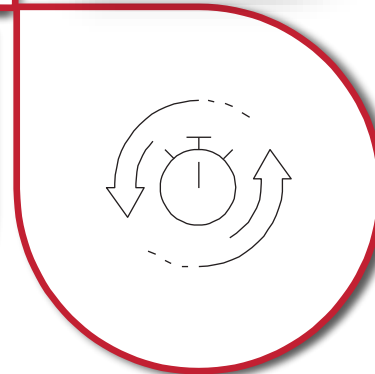
Hybrid infrastructure
increasingly used to
drive cloud solutions



Expanding use of
digital technologies

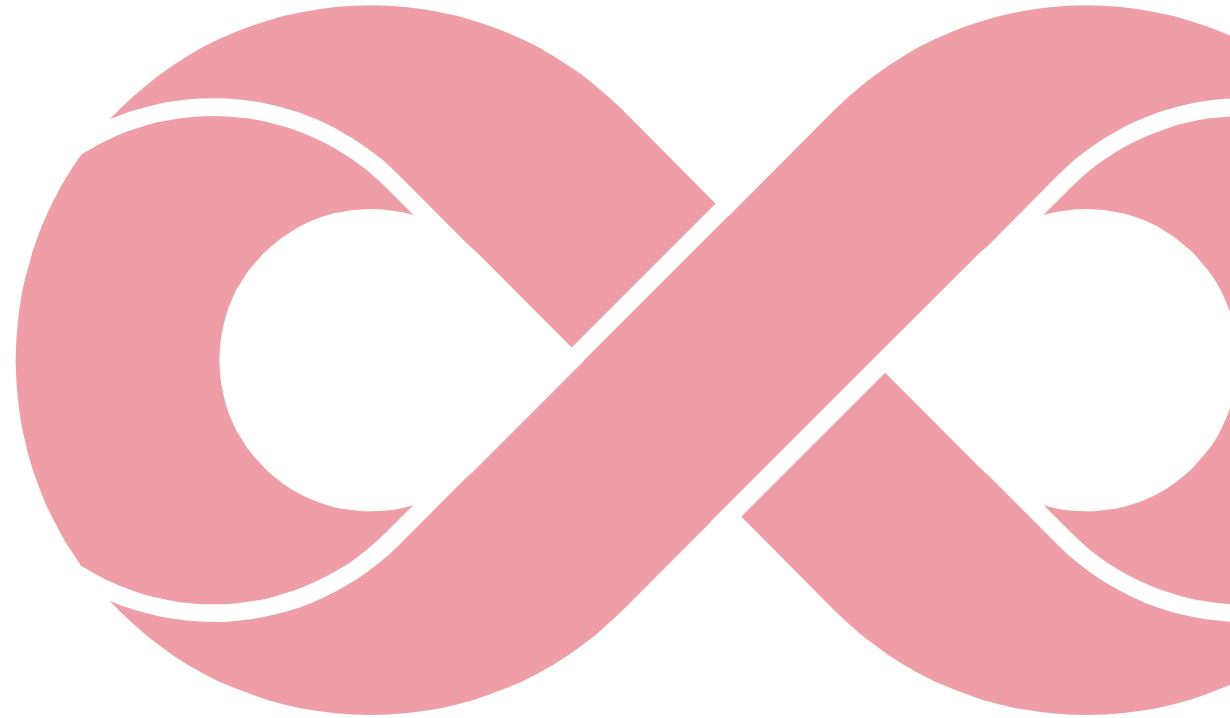


Supply chains back at
more normal levels





Logicalis Latin America



Logicalis Latin America

Highlights



Argentina's
economic scenario
improving



Reduction in
comparative debt
and interest costs



Significant year-
over-year profit
before tax growth



95% lower
negative foreign
exchange impact

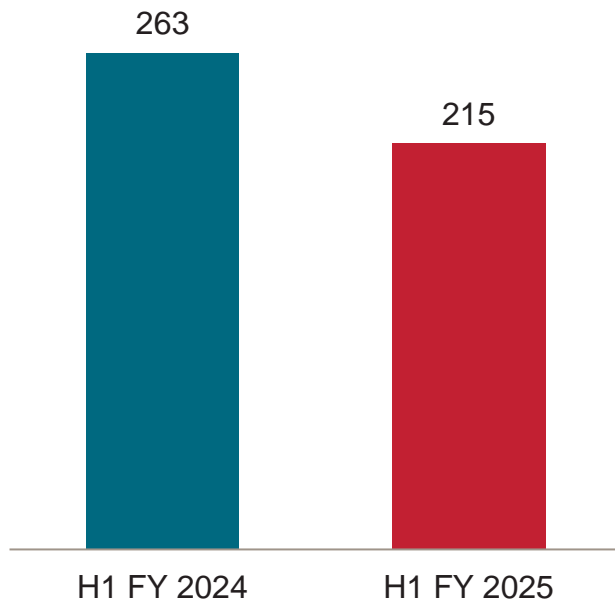


Strong recovery
in order intake
versus last year

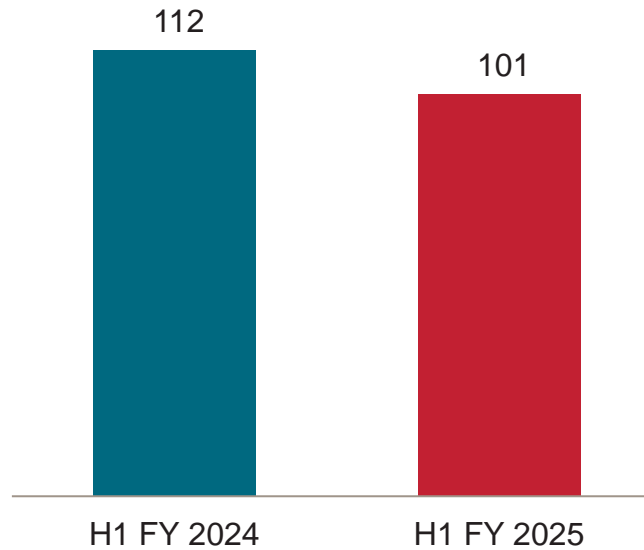
Logicalis Latin America

Revenue

Total revenue
US\$m



Recurring revenue
US\$m

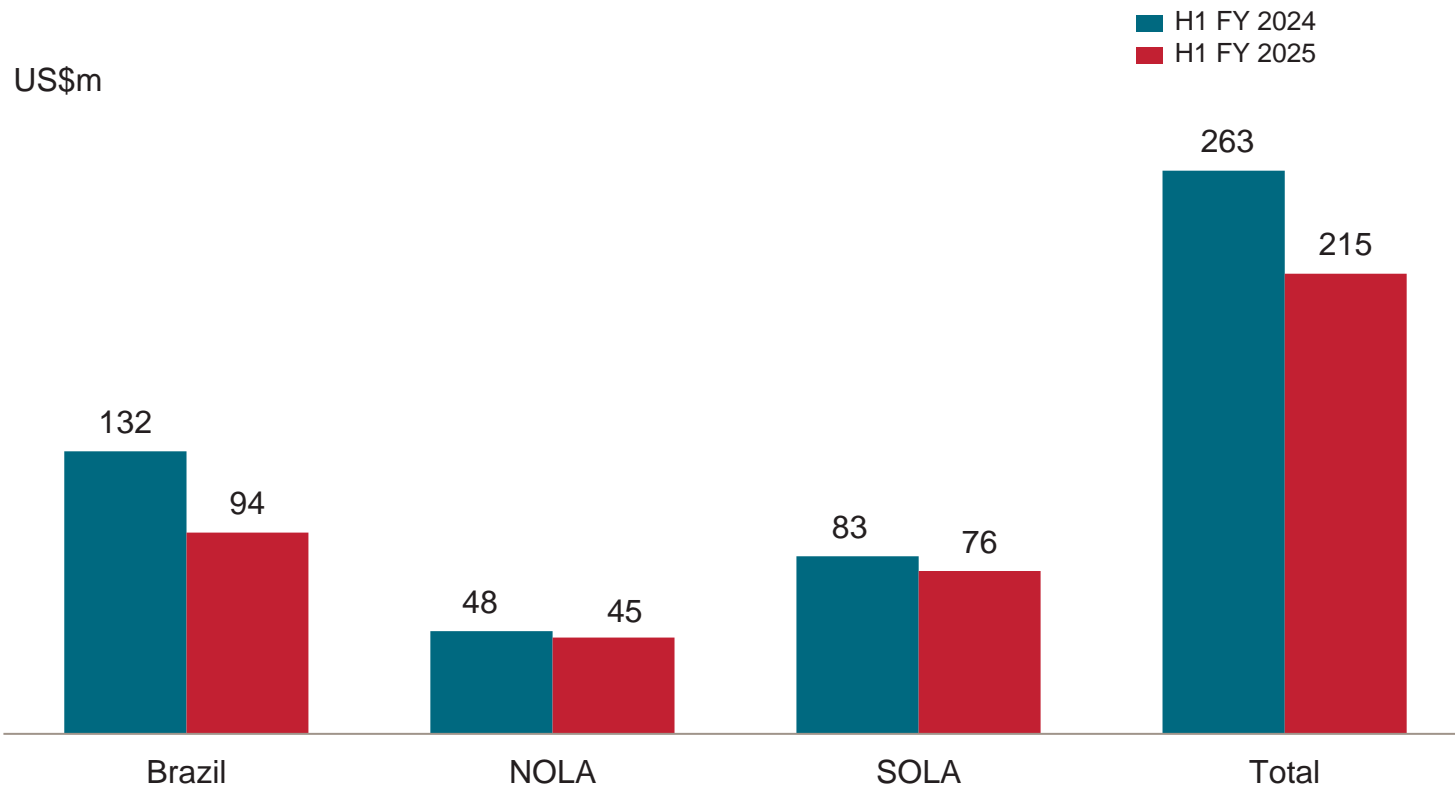


Lower opening backlog is
the main driver of the
reduced revenue

Recurring revenues fell as
certain multi-year contracts
were not renewed

Logicalis Latin America

Revenue by geography



Revenue decline mostly driven by Brazil and Chile (within SOLA)

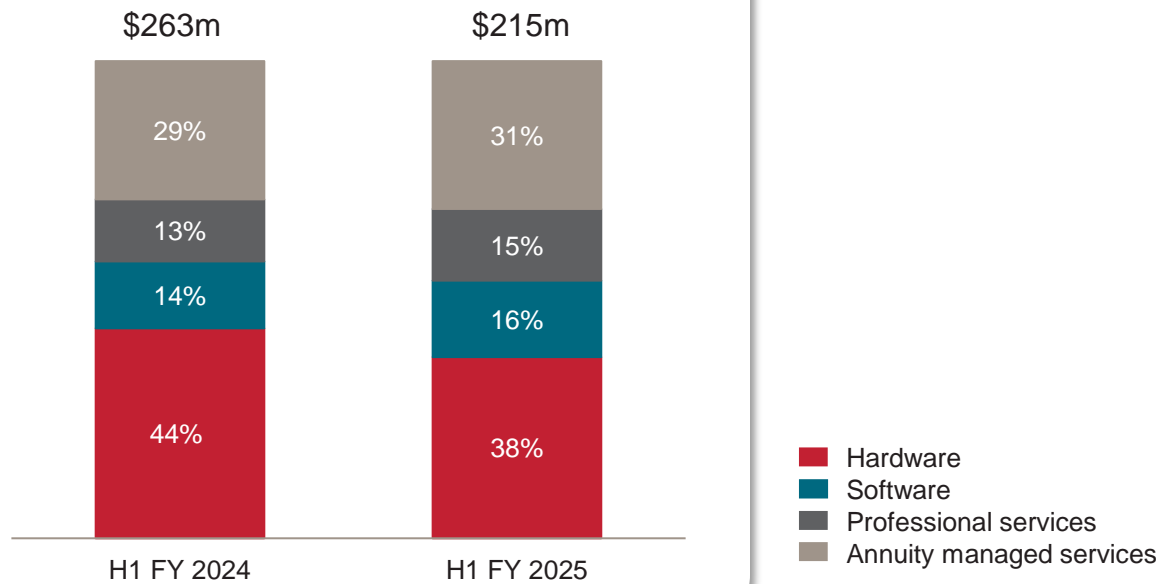
Brazil volume reduction influenced by the Telco market segment

Logicalis Latin America

Revenue by segment and cloud revenue

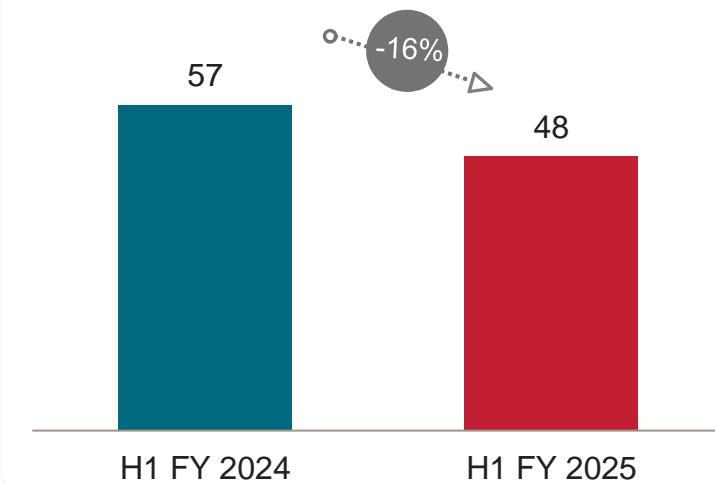
Revenue by segment

%



Cloud revenue*

US\$m

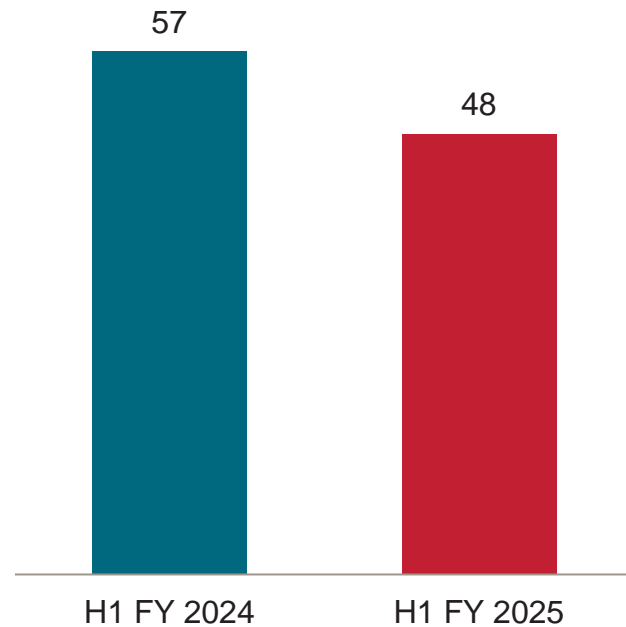


* Includes cloud revenue related to annuity services, professional services and product.

Logicalis Latin America

Gross profit

US\$m



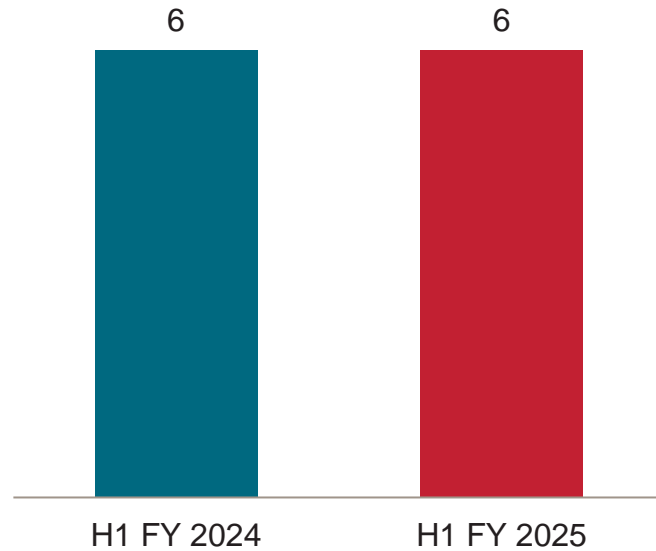
Gross profit decline directly linked to revenue decrease

Gross profit margin grew to 22.4% from previously 21.6%

Logicalis Latin America

Adjusted EBITDA

US\$m



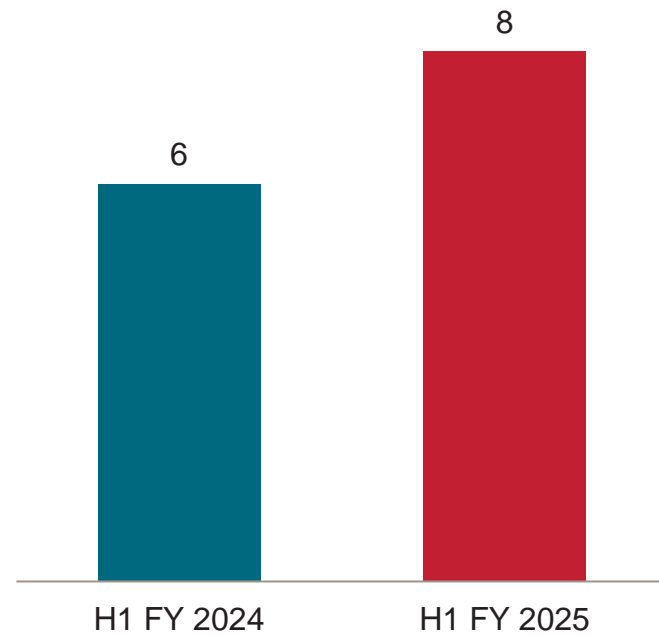
Operating costs reduce 21%
on year-on-year basis

Adjusted EBITDA was stable

Logicalis Latin America

EBITDA

US\$m



\$2 million growth in EBITDA

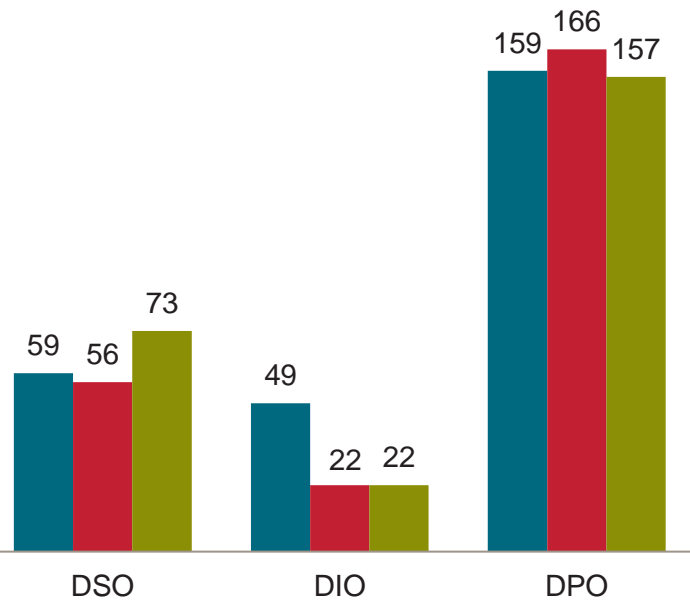
Includes one off
positive tax item

Logicalis Latin America

Working capital

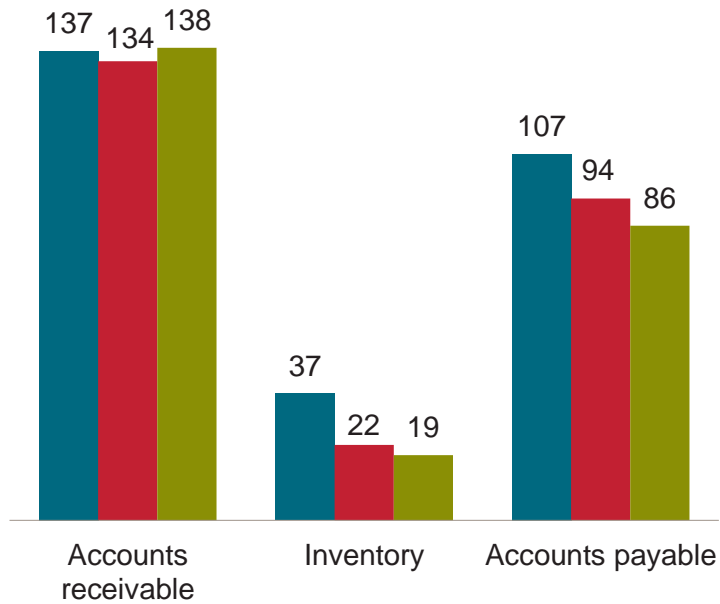
Days

■ H1 FY 2024
■ FY 2024
■ H1 FY 2025



US\$m

■ H1 FY 2024
■ FY 2024
■ H1 FY 2025



Improved inventory levels
due to better importation
conditions in Argentina

Logicalis Latin America

Outlook

Cloud, Security and expanding Mexico are main drivers of growth



High-interest rate environment likely to remain regionally



Brazil recovering with a more diversified business mix



Argentina trading scenario gradually improving



04

Prospects & Outlook

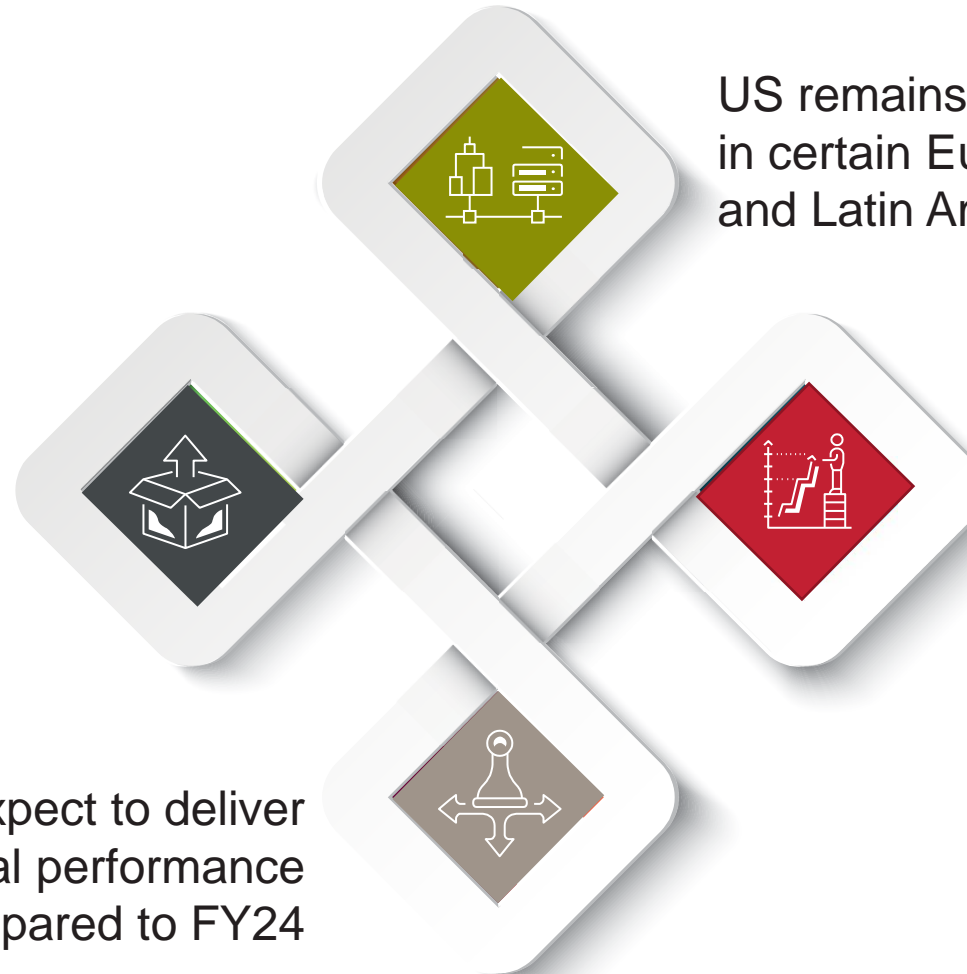


Datatec Group

Prospects & Outlook

Adoption of AI should lead to new cycle of PC and networking refresh

All divisions expect to deliver a better financial performance in FY25 compared to FY24



US remains robust, softness in certain European markets and Latin America improving

Value creation objectives of strategic review unchanged

THANK YOU



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