



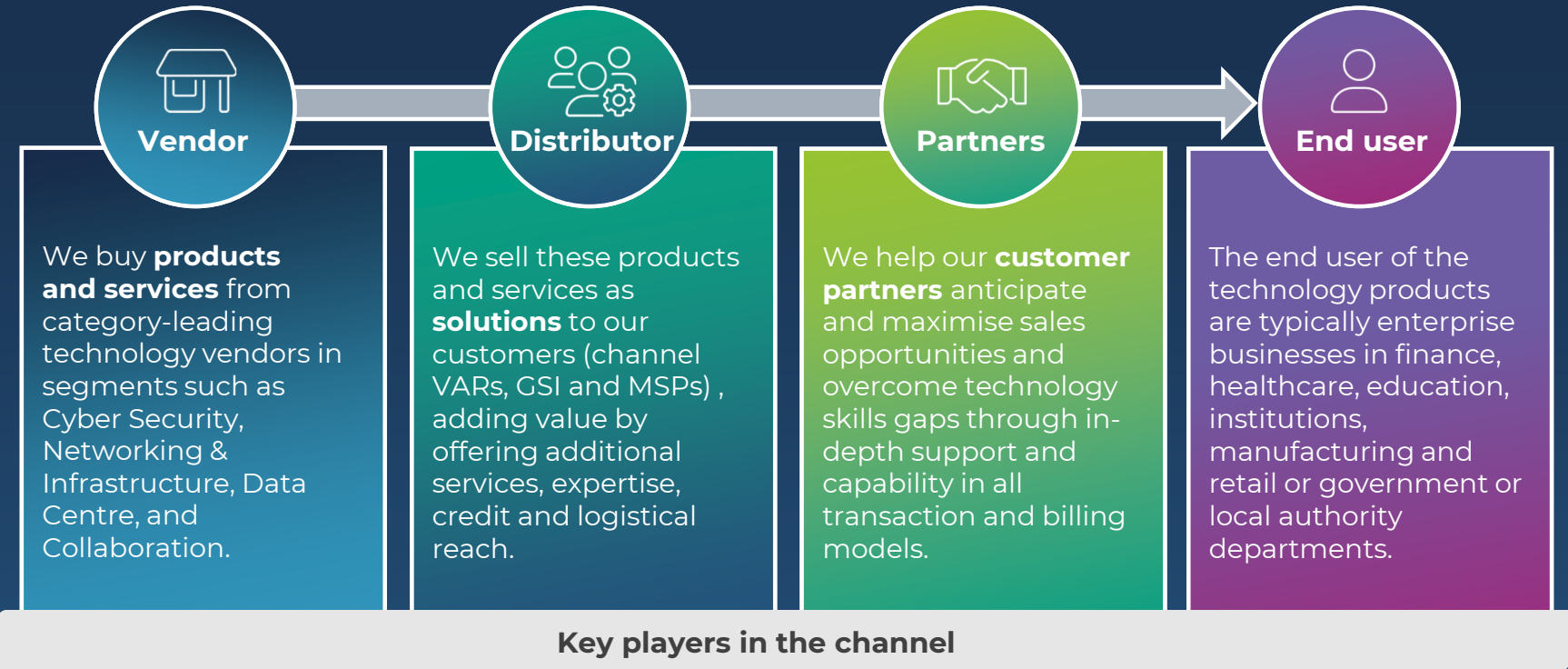
# **Datatec Investor Presentation** **Westcon International**

January 2023

[www.westconcomstor.com](http://www.westconcomstor.com)

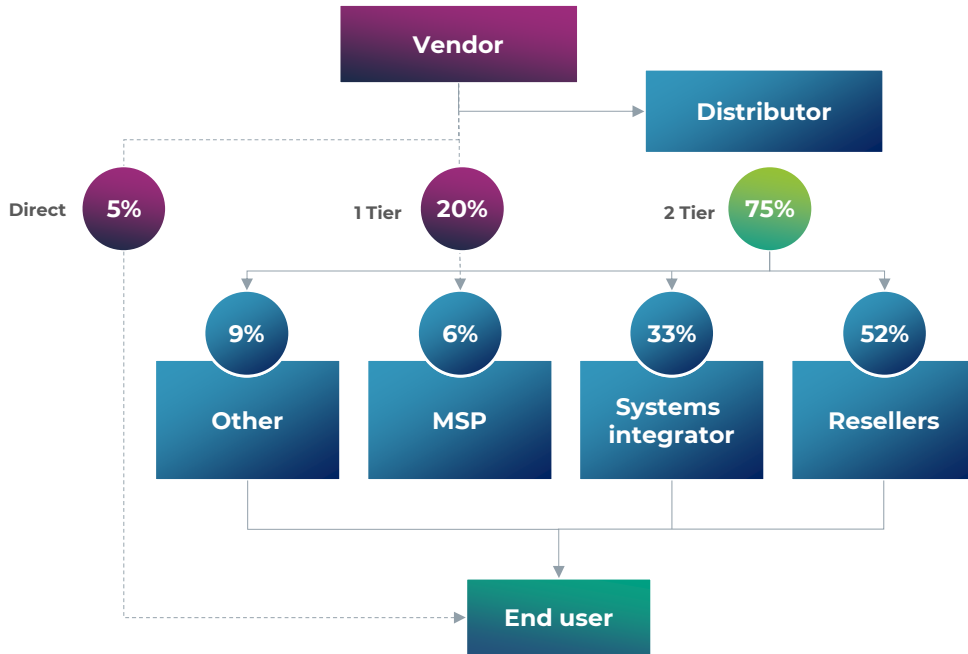
Westcon  Comstor

# What is Information Technology Distribution?



# Distribution route to market

The 2-Tier distribution model is the principal route to market for Cyber Security and Networking solutions vendors.



Note:  
Direct, T1, and T2 reflects EMEA and APAC only. However, the T1 split (Reseller, MSSP, SI) is based on global channel figures

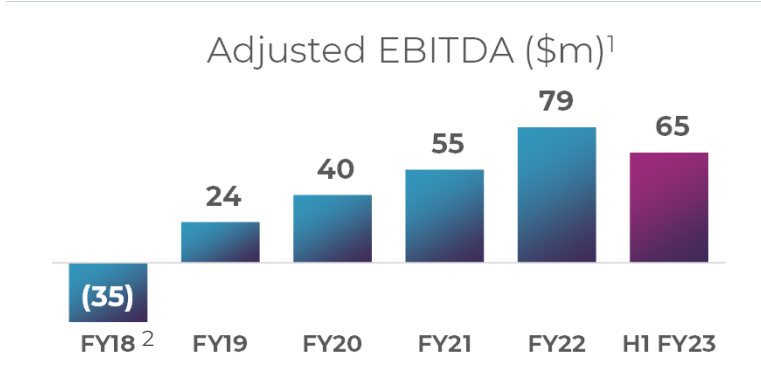
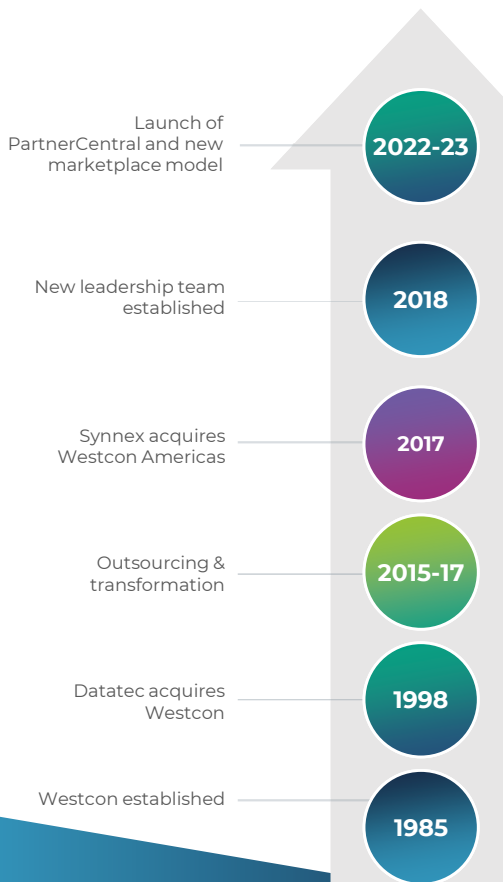


# Goals and strategic foundations FY'23-FY'27

Westcon International has embarked on an aggressive 5-year growth plan to cement its position as leader in the market place



# Evolution of Westcon International



## Westcon International today

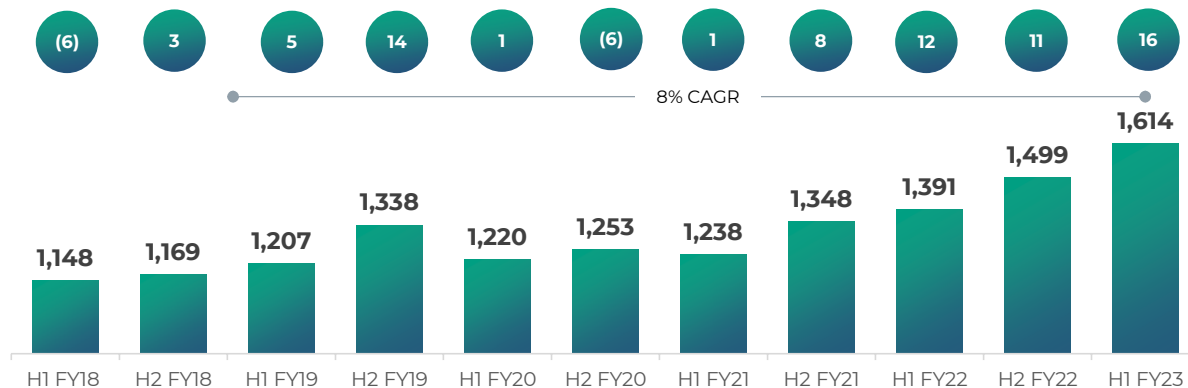
- 50+ countries with a physical presence
- 3600 people
- 15 international logistics centres & stocking facilities
- 12000+ customers

<sup>1</sup> Adjusted EBITDA excludes restructuring, share-based compensation expense and from FY 2023 only, one-off tax items impacting EBITDA.  
<sup>2</sup> FY18 Proforma numbers shown for the continuing operations following sale of the Westcon Americas in FY18.

# Financial performance

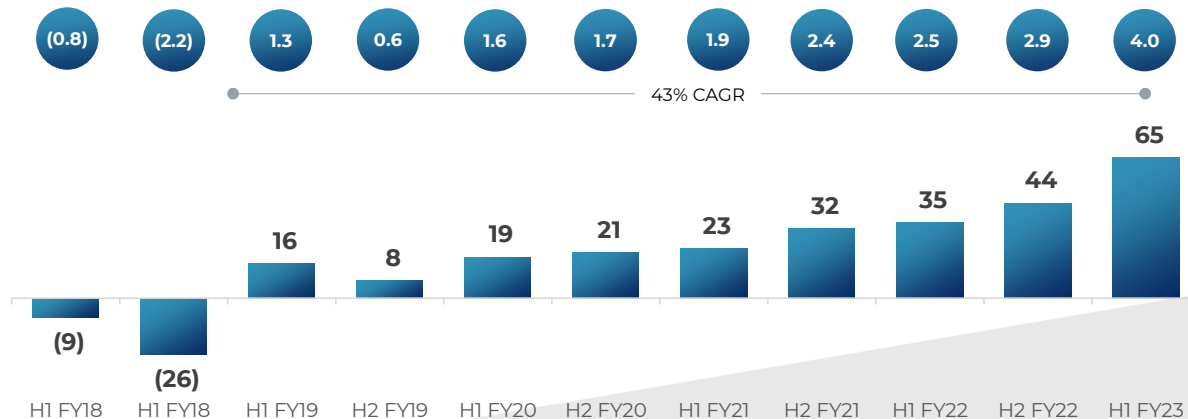
## Net Revenue (\$m)

Total YoY Growth (%)



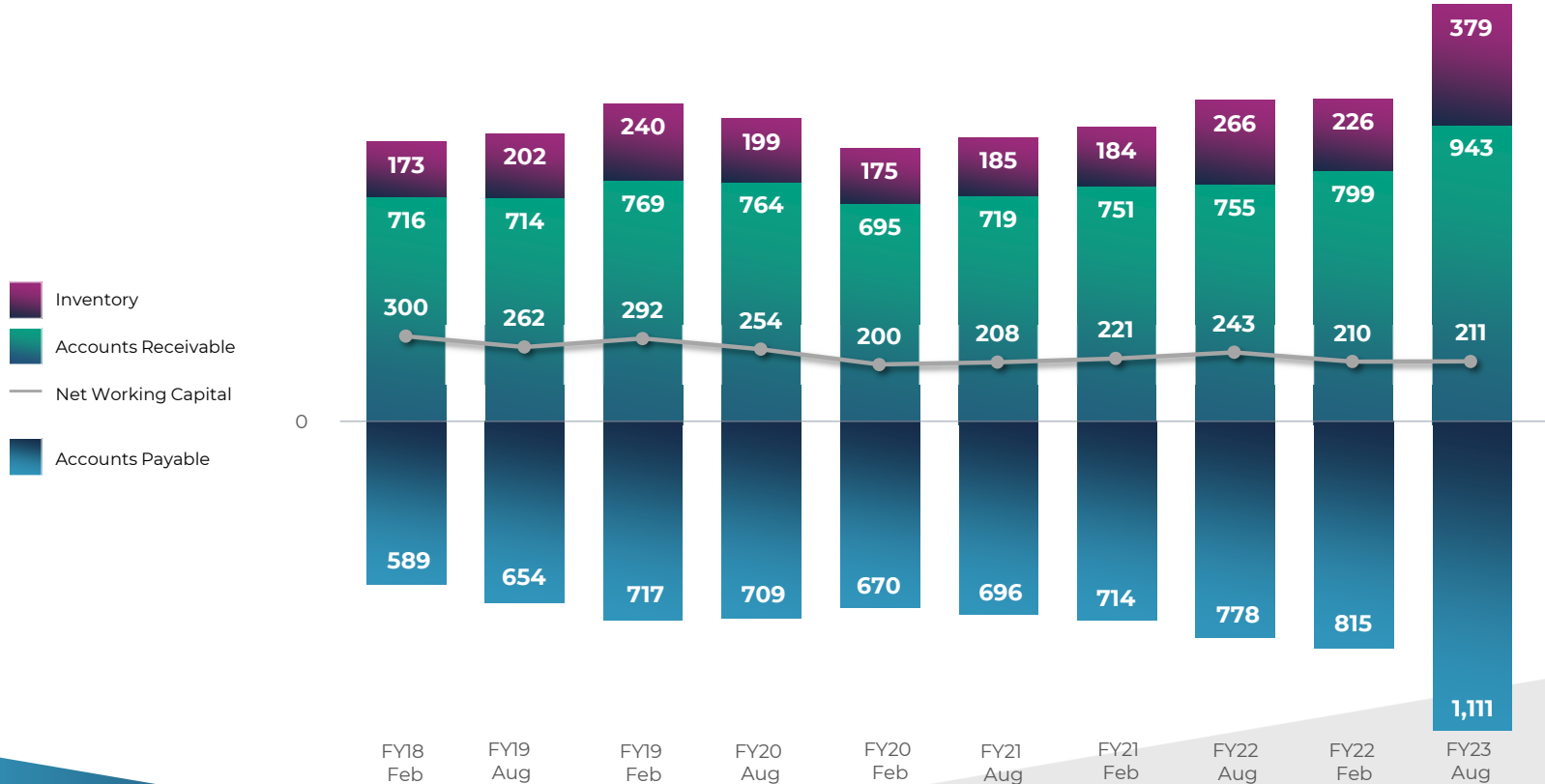
## Adjusted EBITDA (\$m)

Margin (%)

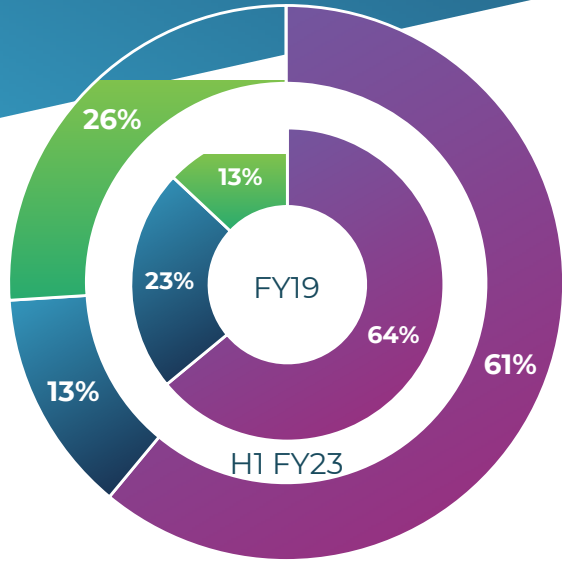


# Financial performance

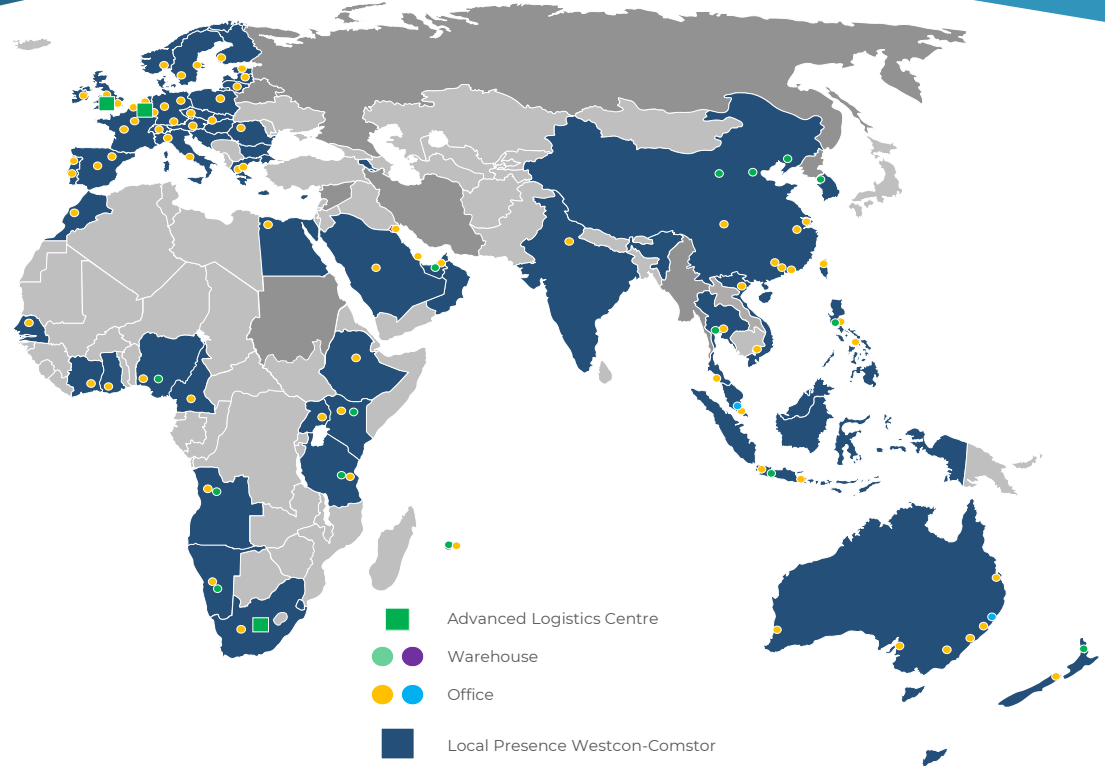
## Working Capital (\$m)



# International market coverage

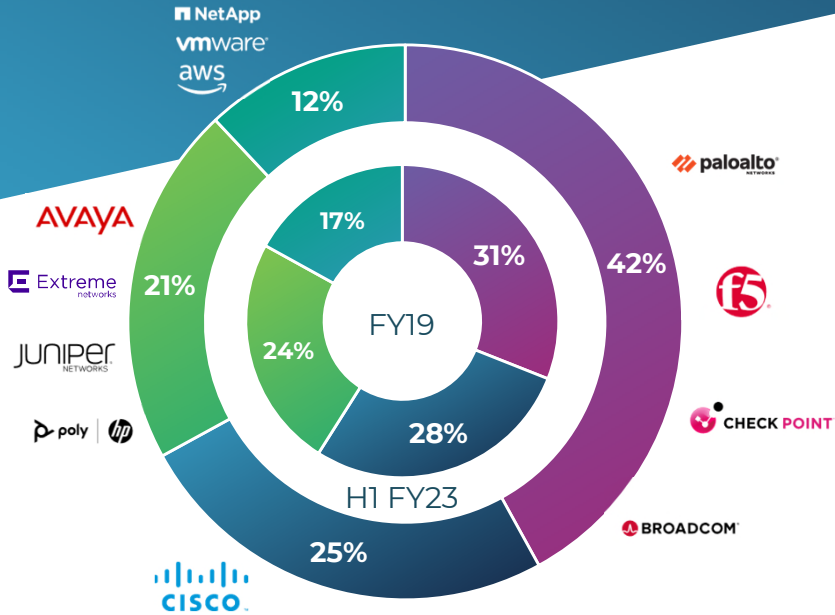


## Revenue by Region

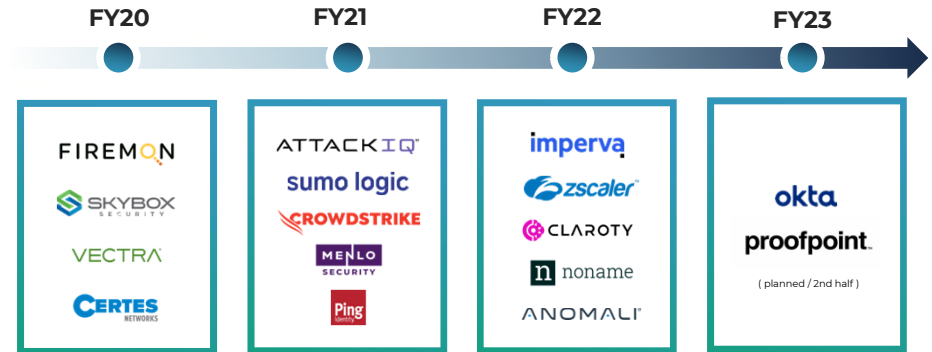




# Technology segments



Successfully expanding the portfolio with high-growth, cyber security and cloud-based enterprise networking vendors



## Revenue by technology

- Networking
- Security
- Unified Communications
- Cloud Infrastructure

# Strong partnerships with industry-leading vendors

Westcon International's world-class portfolio of global and local, established and emerging vendors



## Foundation vendors

**Mutually strategic** relationships, executive engagement at a global and regional level with international coverage



## Accelerate vendors

Strong regional relationships with core and emerging vendors but revenue, scale and coverage is not as complete



## Next Generation vendors

Hyper-growth and emerging technology vendors. Our engagement is early in their GTM evolution, often as sole or preferred route to market

Examples:

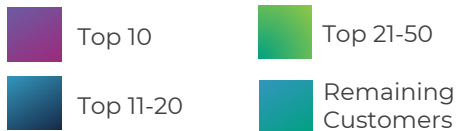
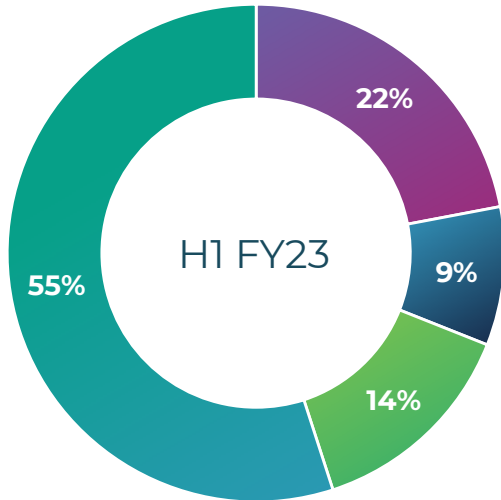


## Local vendors

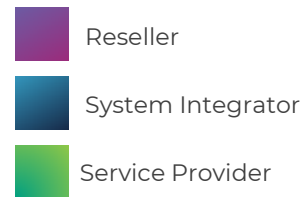
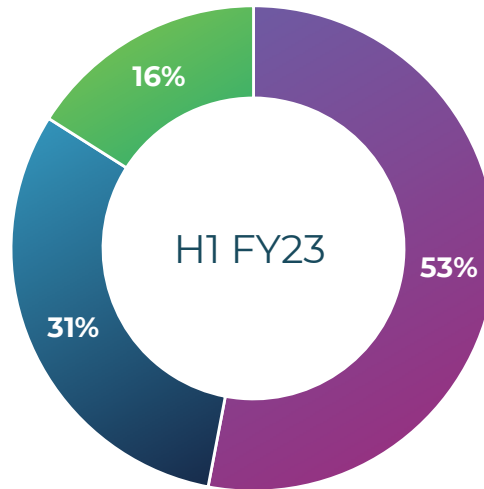
Strong local/sub-regional vendors where commercial opportunity works for both parties but regional expansion is not expected

# Customer revenue profile

## Revenue\* by customer ranking



## Revenue\* by customer type



\* Based on gross revenue mix

## What makes the difference?

- Balanced customer mix and strong retention
- Focus on MSPs: shift to XaaS means that VARs are becoming MSPs.
- Westcon-Comstor propositions and solutions meet the needs of partners in a changing marketplace.
- Westcon International's Partner Success programme helps partners be successful – As a result, Westcon is primed for success.
- Ability to manage global deployments and international business

# Extensive network of customer partners



## Global accounts

Global system integrators & service providers. 21 of the world's largest IT organisations



## Regional SI/SP

The largest regional SI and tier-2 service providers



## Enterprise resellers

Corporate resellers and local SI organisations

**12,000+** unique customers over last 12 months

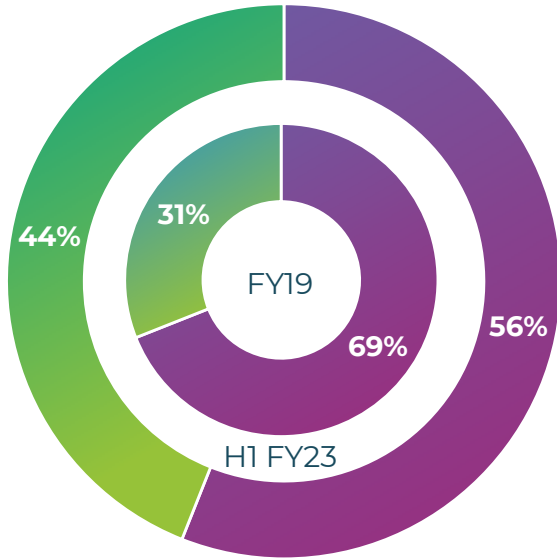


## VARs & resellers

Local IT resellers and VARs

# Changing market dynamics

## Net Revenue Profile



## Hardware vs software, recurring and services revenue



- Solutions are increasingly disaggregated delivered through devices and software, subscriptions and require greater orchestration in design, delivery and deployment.
- Subscription renewals, re-signing and refreshing are data-dependent and time-bound sales activities. Vendors are not equipped to manage this complexity and choreography.
- The partners require additional support as the sales processes migrate to include recurring offers and CX motions; requiring data at critical times in the lifecycle of the solution.
- The channel is expecting and demanding a more digital interaction and foundation to their distributor engagement.
- Margins continue to face downward pressure. A more internal, digital supported model is required with sales data available on any device for sellers.
- Customers segmentation based on a cost-to-service model needs to provide improved experience through digital interactions.

# Channel Transformation

## Traditionally

High % HW sales

High inventory

MDF – New Product Focused

CAPEX transactions

Rebates on new sales

Reactive Selling

Enablement = Functions & Features

## Future

High % SW, SaaS & Cloud sales

New revenue streams

OPEX transactions

Lifecycle Management

Proactive Selling

Customer Retention focused

Data Driven

## LAER

has become the industry model and is recognised as the new GTM Lifecycle model for subscription offers



REQUIRES A NEW SET OF METRICS, MEASURES, PROCESSES AND BEHAVIOURS

### End-Users are changing

- Driven by Business Outcomes
- IT Departments priorities are changing
- OPEX and solutions flexibility is a priority
- Self serve and simple to use solutions
- Line of business is buying.

### Vendors are evolving

- Focusing on Software & Cloud solutions
- Aiming for recurring and consumption revenue
- New metrics and priority on recurring revenue
- New renewals & customer success workflow models/teams

# Technology providers require digitally enabled platforms

Westcon International strives to be a leader in the use of digital technologies, data analytics and insights in order to deliver superior experiences and positive business outcomes for our partners, their end customers, our vendors and our employees.

- **PartnerCentral** – Our global digital marketplace and systems capability for device, subscription, recurring offers and cloud solutions. Account administration and virtual sales support
- **Sales Process Optimisation – MS Dynamics** Sales Process Automation technology combined with Customer Services modules and Internal data and AI capability to drive greater sales efficiency and productivity
- **Data & Analytics** – through an established and consistent virtualised data architecture we connect our own data, Vendor data and Third-Party data to deliver insight-based tools and programs that create enhanced value for customers, vendors and our people

## What makes the difference?

- Westcon International's digital capability is unique in the market
- Our Hybrid cart capabilities in PartnerCentral allow for our vendors to position a combination of Physical and As-a-service offerings in one transaction
- We use our data to provide our partners with insights to help them grow their business
- Our Sales Process Optimisation helps us be proactive and provide partners with a great experience



**Achieving digital and data leadership**

# Our Digital Ecosystem



- Vendor Integrations
- Vendor Product Data
- Vendor Partner Data
- Vendor Sales Data

## VENDORS



- Insights
- Intelligent Demand
- PowerBI
- Predictive Selling

## DATA AND ANALYTICS



- Partner Reporting & Insights
- Partner Learning
- Admin Dashboard
- Vendor Partner Portals
- AIM & EDI
- Advanced Search
- Hybrid Cart
- Partner Dashboard

## PARTNERCENTRAL



- RenewView
- Zero Touch Quote
- Dynamics
- CSO and POG
- SLM
- 1VOE
- Marketo
- Auto SBA
- 1View Quote

## SALES PROCESS OPTIMISATION



## Vendors

PartnerCentral can increase a vendor's reach, provide increased visibility on vendor solutions and promotions, and provide an frictionless and simplified end-to-end sales experience.



Vendor Integrations

Vendor Product  
Data

Vendor Partner  
Data

Vendor Sales  
Data

**Data and**

**Analytics**

Extensive data and analytics about how partners engage with PartnerCentral give us valuable insights on the partner journey, enabling us to become a truly data driven organisation.



Insights

Intelligent Demand

Next Generation  
Analytics Tools

Predictive Selling

## Sales Process

## Optimisation

Becoming a digitally enabled sales company is one of the top priorities in our strategy. Through Sales Process Optimisation, we redefine and align our sales processes globally, establishing a frictionless end-to-end sales capability through state-of-the-art digital tools.



MS Dynamics

Solutions Lifecycle  
Management

Marketo

TView Quote

SAP

RenewView

Zero Touch Quote

CSO and POG

TView Order Entry

Auto SBA

# PartnerCentral

PartnerCentral is a single platform for partner to buy and manage hardware, software and services. But there is so much more! We also give partners the data and insights, learning and vendor content they need to keep pace and grow their business.



Partner Reporting  
& Insights

Partner Learning

Admin Dashboard

Vendor Partner  
Portals

AIM & EDI

Advanced Search

Hybrid Cart

Partner Dashboard

# Building a responsible business

We are dedicated to conducting our business in a responsible and sustainable way



## Our people

Supporting a diverse, equitable and inclusive workforce and making sure we're recognised as a great place to work



## Our communities

Supporting education in the community and uplifting minority groups through business-aligned programmes



## Our planet

Working to improve our environmental performance and contribute to a healthier, cleaner planet

## What makes the difference?






### ESG Strategy – including:

- Net Zero by 2050 and carbon neutral by 2030
- Diversity, Equity & Inclusion programme: One Westcon
- Employee Resource Groups
- Award-winning apprenticeship programmes
- Community work (Migrant Leaders, volunteer days)

# Awards and recognition

FY23 YTD:  
30 vendor and industry awards won so far

## Highlights:

-  Cisco Distributor of the Year – Middle East, Australia, Philippines, Sweden, Belgium, Germany, Netherlands
-  Palo Alto Networks EMEA Distributor of the Year
-  Juniper Networks Worldwide Partner of the Year
-  Extreme Networks International Distributor of the Year
-  Poly Distributor of the Year – MENA



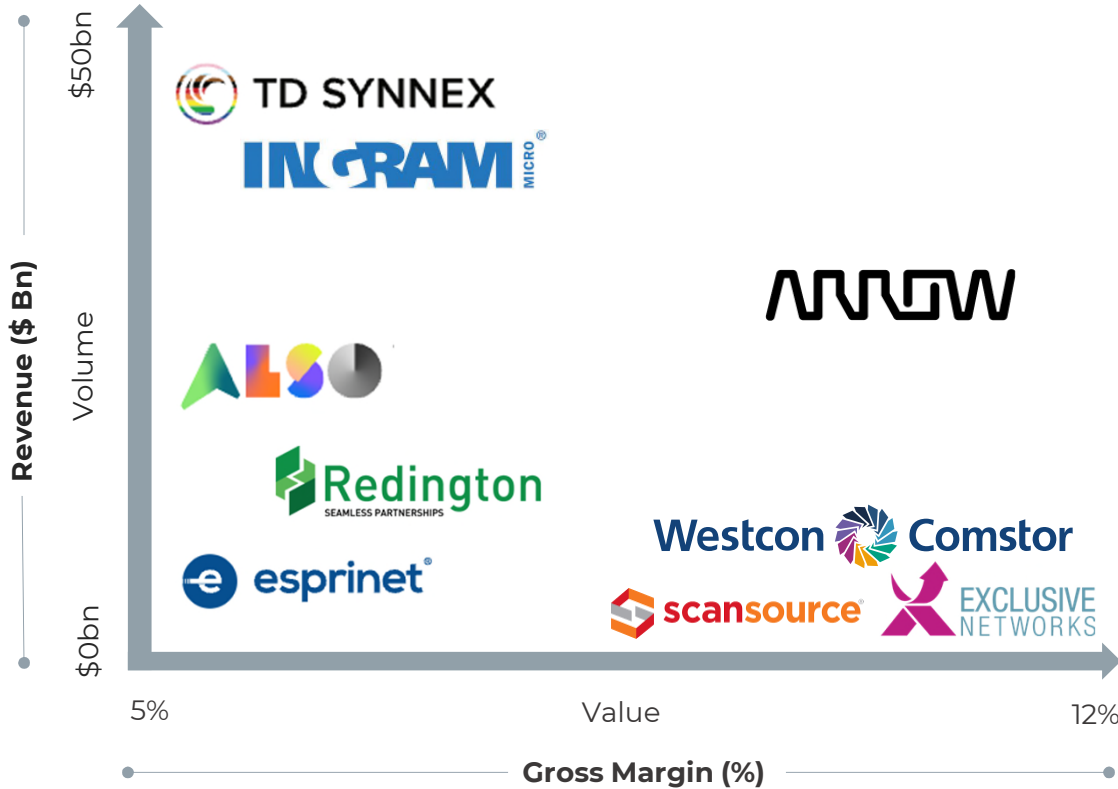
**CRN  
CHANNEL  
AWARDS  
2022**

**WINNER**  
Security Distributor  
of the Year  
Westcon Comstor

### UK: 3 CRN awards

- Networking/Comms Distributor of the Year 2022
- Security Distributor of the Year 2022
- Distributor of the Year 2022 (over £250m) \*Highly Commended\*

# Competitive positioning



What makes  
the difference?

Westcon International is strategically positioned as a specialist value-added distributor with global reach

# Strong leadership team



**Jens Montanana**  
Executive Chairman



**David Grant**  
Chief Executive Officer



**Callum McGregor**  
Chief Financial Officer



**Rakesh Parbhoo**  
Senior Vice President,  
Westcon-Comstor Middle  
East and Africa & Chief  
Technology Officer



**Willem J. H. de Haan**  
Executive Vice President  
Comstor Europe &  
Comstor International



**René Klein**  
Executive Vice President  
Westcon Europe



**Simon Thompson**  
Senior Vice President  
Global Accounts,  
Westcon-Comstor



**Patrick Aronson**  
Executive Vice President,  
Westcon-Comstor Asia  
Pacific & Chief Marketing  
Officer



**Donna Bain**  
Senior Vice President,  
People and Development



**Dwight Pitter**  
Chief Information Officer



**Kevin Brzezinski**  
Senior Vice President  
Operations

## What makes the difference?

- Leading 3,600 skilled employees across 50 countries
- A wealth of industry insight, technical expertise and decades of distribution experience
- Dedicated to delivering outstanding performance, customer satisfaction and partner success





Thank you