# DICKER
## DATA

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4 August 2023

# H1 FY23 Market Update

AUSTRALIA, Sydney – 4 August 2023: Dicker Data (ASX: DDR) (Company) today announces an update on its earnings result and operational trading performance for the half year ended 30 June 2023 (H123).

### H1 2023 Results

Summary of results and highlights for H1 2023 are as follows:

| Unaudited Results 6 months to: | $m Jun-23 | $m Jun-22 | $m Increase | % Increase |
|---|---|---|---|---|
| Revenue | 1,596 | 1,459 | 137 | 9.4% |
| EBITDA* | 71 | 61 | 10 | 16.4% |
| Net Profit Before Tax | 54 | 50 | 4 | 8.0% |

*Add back one-off acquisition and restructure costs*

- Strong revenue growth for the half year with unaudited revenue finalising at $1,596m, an increase of 9.4%.
- The increase in revenue is partly attributed to a full six-month contribution from the Hills acquisition which was completed on 1 May 2022, with the balance attributable to organic growth from existing and new vendors.
- The first half revenue contribution from the DAS business was $73m, which included addition of new vendors in this segment. As forecasted this business unit was able to deliver profit contribution for Q223, capitalising on cost synergies and accelerated top line growth resulting in improvement in profitability for the quarter and well placed for future growth.
- The benefit of a widely diverse business has meant that whilst there was decline in demand for personal computing devices, the Company was able to capitalise on the demand for networking and storage products, as well as increase in our software business, and growth in our access and surveillance business.
- The gross profit for the half year finalised at 9.4%, significantly up on the corresponding period last year of 8.8%.
- With strong gross profit contribution, EBITDA grew 16.4% to finalise at $71m.
- Profit before tax finalised at $54m, up 8.0% on prior period.

**Operational Update**

Following almost three years of continuous supply chain disruption and chip shortages, H123 exhibited the strongest signals yet of a normalising supply-side market. Revenue finalised 9.4% higher than H122 at $1,596m, representing a new Company record for the half year period. Outstanding backorders have decreased as supply improved, adding to the total closed revenue in1H23. However, the total value of open backorders still remains well above $200m. Gross profit surged to 9.4% for the half, up from 8.8% in the prior corresponding period. Profit before tax also grew in the half, up 8.0% on the previous period.

Demand from the Company's base of over 10,200 partners across ANZ has remained strong, however, the performance of certain technology segments, such as devices, continued to be impacted by accelerated technology refresh cycles undertaken by businesses and governments in recent years to enable hybrid work. Due to the highly diversified range of technologies represented, the Company was able to offset the decline in certain technology segments with growth in others, such as networking, datacentre infrastructure and software. Software continues to outperform expectations, delivering 21% growth in the half.

The Company marked its first full year of operating in the access and surveillance market in May, under the DAS banner. The DAS business across ANZ delivered $73m in the first half and, as forecasted, yielded a profitable result in Q223. Following a period of focus on operational improvements and the business realising the full potential of the shared services model offered within the Dicker Data business, DAS is now in acceleration mode and is expected to continue delivering top and bottom-line growth.

The appetite for digital transformation amongst Australian and New Zealand businesses remains strong and the Company stands to continue benefitting from the demand. The investment into building a highly diversified range of technologies and brands underpinned the Company's resiliency in the first half and has solidified the Company's position as the leading technology distributor in both Australia and New Zealand. The Company also continues to benefit from market convergence as the role of technology in helping businesses and governments achieve their goals grows.

Cybersecurity continues to be a key focus for all sectors in 2023, with intelligent solutions such as Zero Trust and SASE enabling secure, compliant, and protected technology environments. Cyber-attacks continue to increase as businesses and consumers centre more of their lives around technology, in turn driving awareness and demand for modern cybersecurity solutions. We are anticipating a high level of growth in the adoption of automation, machine learning and data capture and analysis tools as businesses and governments prioritise efficiency and productivity within their operations.

**Interim Financial Report**

The audited Appendix 4D and Interim Financial Report for FY23 will be released on Wednesday, 30 August 2023 where full details of the FY23 half year results will be provided.

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**Webcast**

The Company will host a teleconference and webcast of its FY23 half year results on Wednesday, 30 August 2023 at 11.00am AEST. The teleconference and webcast will be hosted by the following members of the Dicker Data Board:

- David Dicker, Chairman and Chief Executive Officer
- Mary Stojcevski, Executive Director and Chief Financial Officer
- Vlad Mitnovetski, Executive Director and Chief Operating Officer

Shareholders can register for the conference call with the below links:

Conference Call Registration: https://s1.cconf.com/diamondpass/10031991-c2s9hm.html

Audio Webcast with synchronised slides: https://webcast.openbriefing.com/ddr-hyr-2023/

Authorised for release by the Board of Dicker Data Ltd.

David Dicker
Chairman & CEO

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**ABOUT DICKER DATA**

Dicker Data (ASX: DDR) is an Australian-owned and operated, ASX-listed technology hardware, software, cloud, cybersecurity, access control and surveillance distributor with over 45 years of experience. Our sales and presales teams are experienced product specialists who are dedicated to helping you tailor solutions to suit your client's needs.

As a distributor, we sell exclusively to our valued partner base of over 10,200 resellers across ANZ. We pride ourselves on developing strong long-term relationships with our customers, and helping them grow. This customer-first approach means we are proactive in engaging with our resellers and allows us to dynamically shift with changing market conditions, in turn helping to increase profitability.

Dicker Data distributes a wide portfolio of products from the world's leading technology vendors, including Cisco, Citrix, Dell Technologies, Hewlett Packard Enterprise, HP, Lenovo, Microsoft, and other Tier 1 global brands. As the leading Australian distributor for many of these vendors, Dicker Data is dedicated to helping our partners deliver industry-leading solutions built on the world's best technologies. https://www.dickerdata.com.au/

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