



INVESTOR UPDATE

Vlad Mitnovetski COO
Mary Stojcevski CFO

March 2019

DICKER
DATA



COMPANY OVERVIEW

NUMBER 1 DISTRIBUTOR



ASX Listed

Dicker Data listed on the ASX in 2011.



AUD \$1.4b

Dicker Data is the largest Australian owned distributor with over \$1.4B revenue in 2018



Consistent Growth

Dicker Data has achieved consistent top and bottom line growth for 15+ years



Nimble and Agile

Dicker Data's success is built on our ability to adapt and change quickly.



442 Staff in ANZ

Dicker Data has a strong focus on people, culture and diversity

COMPANY HISTORY



**FOUNDED
JULY 1978**

1987

First Toshiba distributor in Australia

1993

First Compaq distributor in Australia

2000

Annual revenues exceed \$100M

2010

Relocated to new custom built facility

2011

Listed on the ASX (ASX: DDR)

2014

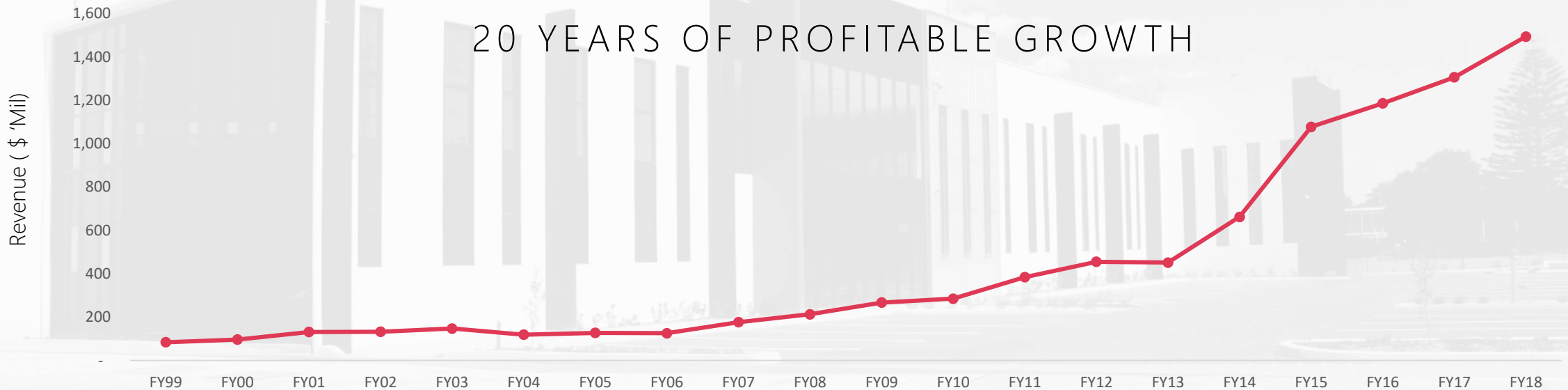
Acquired Express Data Holdings

2015

Ann. revenue exceeds \$1B
CloudPortal Launched

2017

Launched Australia's first IoT Community





David Dicker
Chairman and CEO
Founder



Fiona Brown
Non-Executive Director
Founder



Vlad Mitnovetski
COO



Mary Stojcevska
CFO



Ian Welch
CIO



Michael Demetre
Logistics Director

EXECUTIVE
TEAM

CORPORATE HEADLINES

CAPITAL STRUCTURE

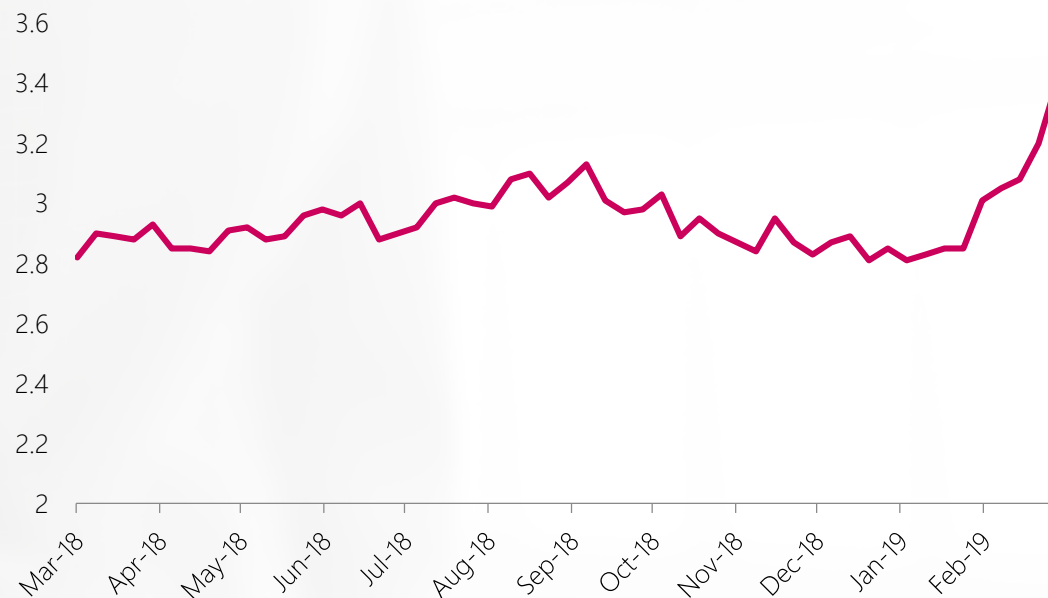
Share Price (1 March 2019)	\$3.41
Fully paid ordinary shares	160.7m
Options	0.0m
Market Capitalisation	\$548.0m
Cash (31 Dec 2018)	\$6.6m
Drawn Debt (31 Dec 2018)	\$109.6m

SHAREHOLDERS

Founder -David Dicker	60.6m	38%
Founder -Fiona Brown	54.0m	34%
Free Float	46.1m	29%

1 YEAR SHARE PRICE

ASX: DDR



A hand holding a pen over a bar chart with a donut chart in the background. The background features a grid pattern and several upward-pointing arrows, suggesting growth and progress.

FINANCIAL RESULTS

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RESULTS HIGHLIGHTS

14.4%
REVENUE INCREASE

16.0%
NPBT INCREASE

20.5%
NPAT INCREASE

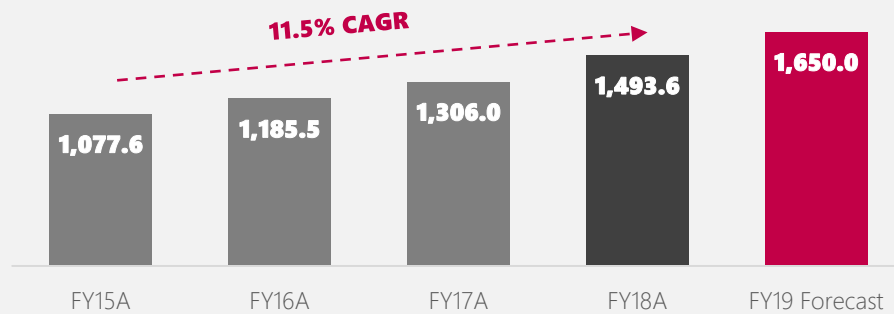
20.2%
EPS INCREASE

- Revenue for FY18 at \$1,493.6m, a growth of 14.4%
- Revenue CAGR at 11.5% and EBTIDA CAGR at 8.8% in the last 4 years since the Express Data acquisition.
- The 18 new vendors added during the FY17 and FY18 accounted for incremental revenue of \$66.4m in FY18.
- Existing vendors grew at 9.5% as existing vendor relationships were leveraged to gain access to new product lines or increased share.
- Net profit after tax increased by 20.5%
- Earnings per share for the year grew 20.2%

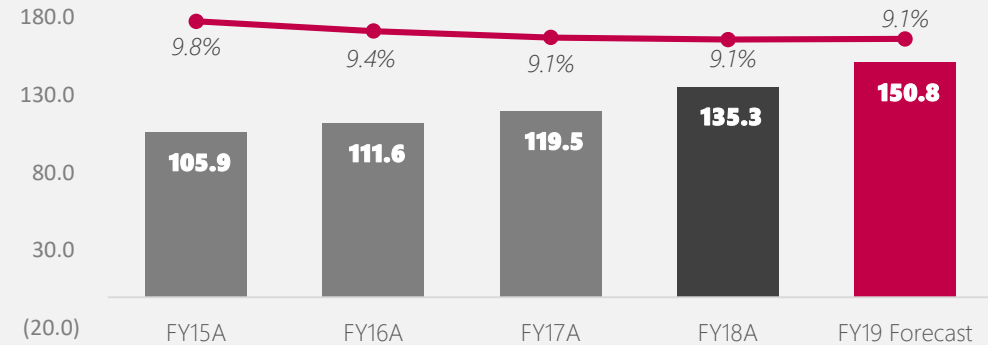
FINANCIAL TRENDS **FULL YEAR**



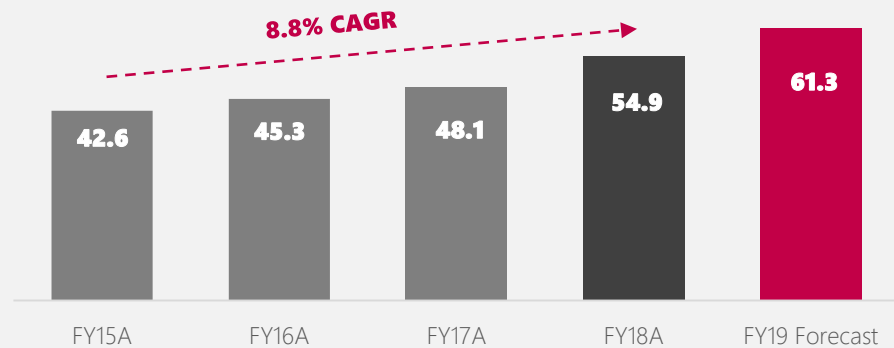
REVENUE (\$M)



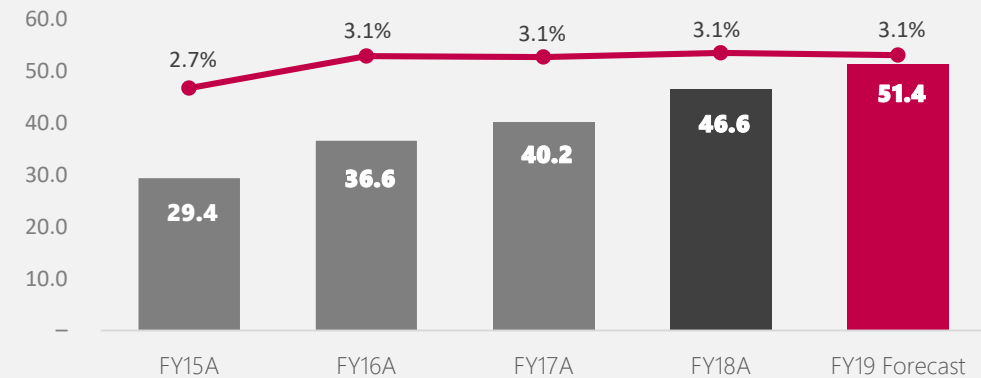
GROSS PROFIT (\$M) AND GROSS PROFIT MARGIN (%)



EBITDA (\$M)



NET PROFIT BEFORE TAX (\$M) AND NPBT MARGIN (%)



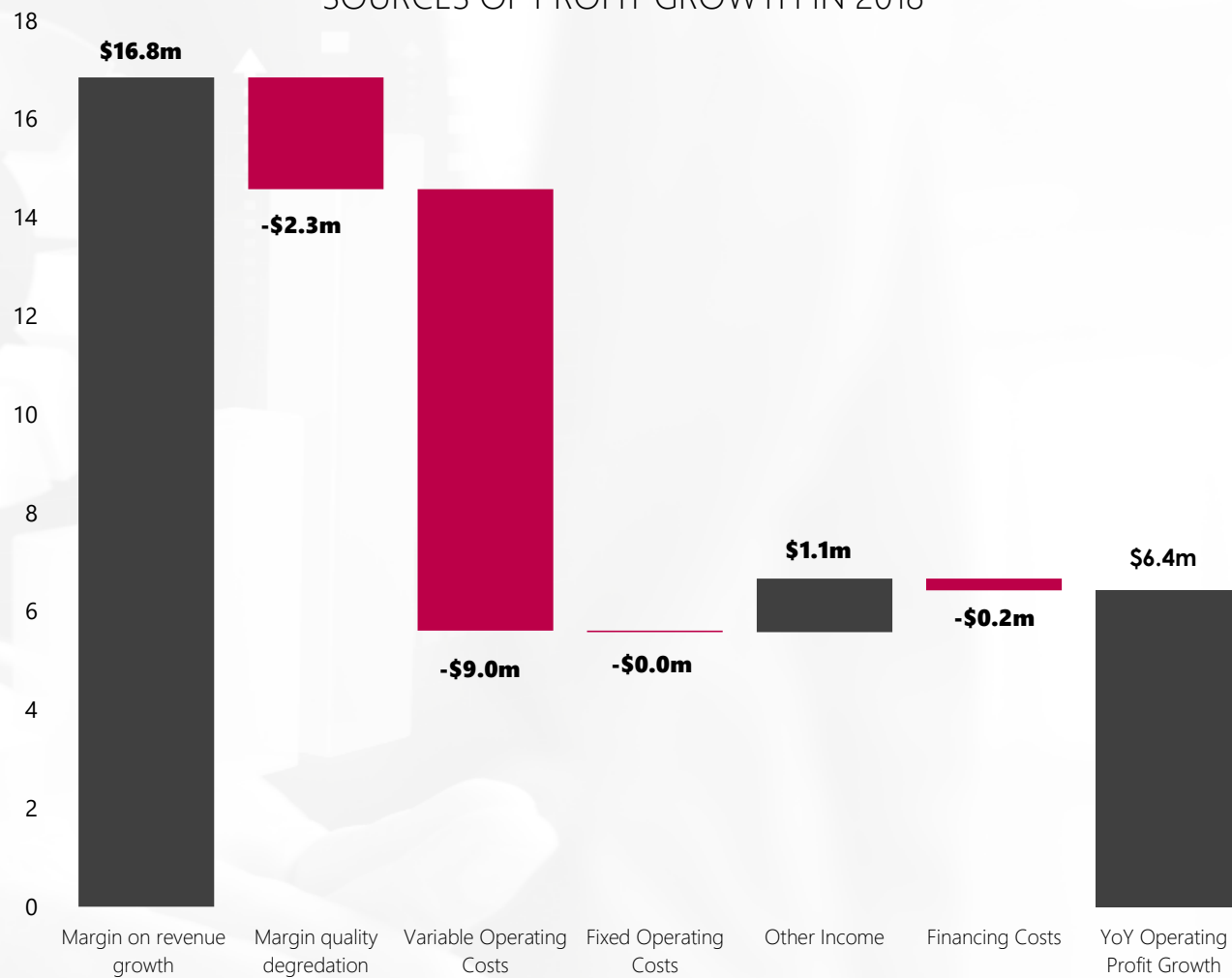
FY18 RESULTS **GROUP**

12 MONTHS TO:	DEC-18	DEC-17	VARIANCE
Total Revenue	1,493.6	1,306.0	14.4%
Gross Profit	132.4	117.8	12.4%
Gross Margin	8.9%	9.0%	
EBITDA	54.7	48.1	13.9%
Profit before tax	46.6	40.2	16.0%
PBT margin	3.1%	3.1%	
Net profit after tax	32.5	26.9	20.5%

- Revenue growth of 14.4% and in line with our guidance.
- Gross profit increased by 12.4% as we experienced a slight softening in margin quality due to product mix.
- Operating costs have decreased marginally as a proportion of revenue but the company continues to invest in headcount to facilitate growth.
- Profit before tax increased by 16.0% over the 2017 FY result.
- Net profit after tax increased by 20.5%

FY18 RESULTS **PBT WATERFALL**

SOURCES OF PROFIT GROWTH IN 2018



FY18 BALANCE SHEET

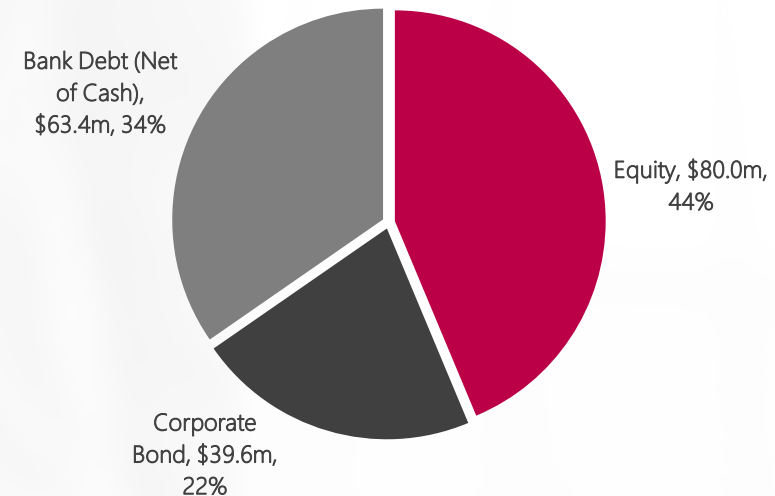
NET ASSETS (IN \$M)	DEC-18	DEC-17
Cash and equivalents	6.6	9.4
Other current assets	344.2	295.6
Goodwill & Intangibles	27.7	29.1
Other assets	50.3	50.2
Total Assets	428.8	384.3
Borrowings	70.0	55.0
Other current liabilities	233.0	208.9
Borrowings	39.6	39.4
Other long-term liabilities	6.3	6.1
Total liabilities	348.9	309.4
TOTAL NET ASSETS	80.0	74.9
Shareholders' Equity		
Share Capital	58.0	56.9
Reserves	0.5	0.1
Retained earnings	21.5	17.9
TOTAL EQUITY	80.0	74.9

RATIOS

Net Working Capital (\$m)	121.4	96.7
Debt to Equity	1.37x	1.26x
Debt Service Cover Ratio	9.41x	8.57x
Net Tangible Assets (\$m)	52.3	45.7

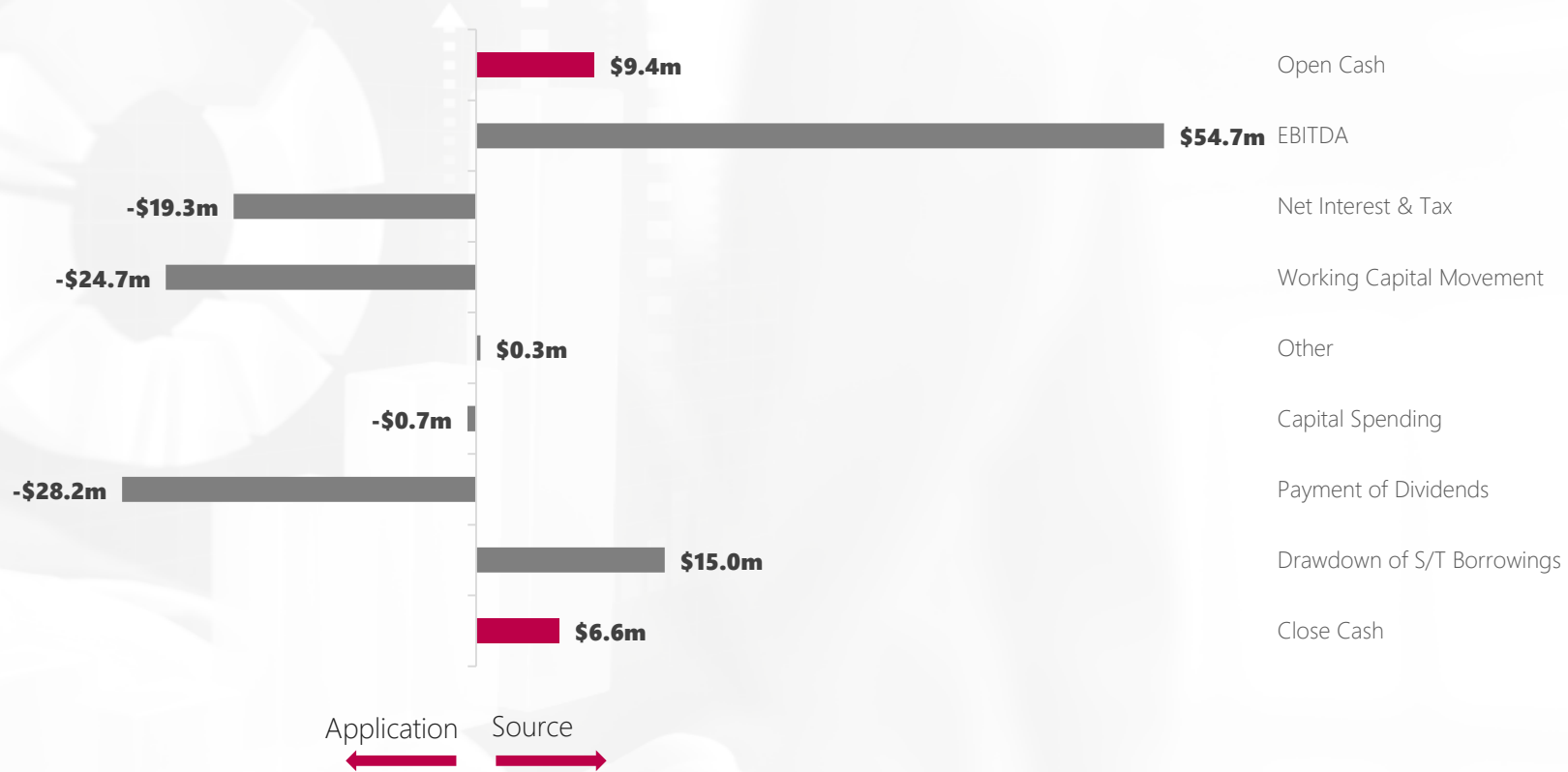
- The company has significantly increased working capital investment as it onboards new vendors.
- This has resulted in a cyclical increase in net debt.
- As a result the company's leverage has increased slightly, whilst continuing to improve ability to service that debt.

SOURCE OF CAPITAL DECEMBER 2018

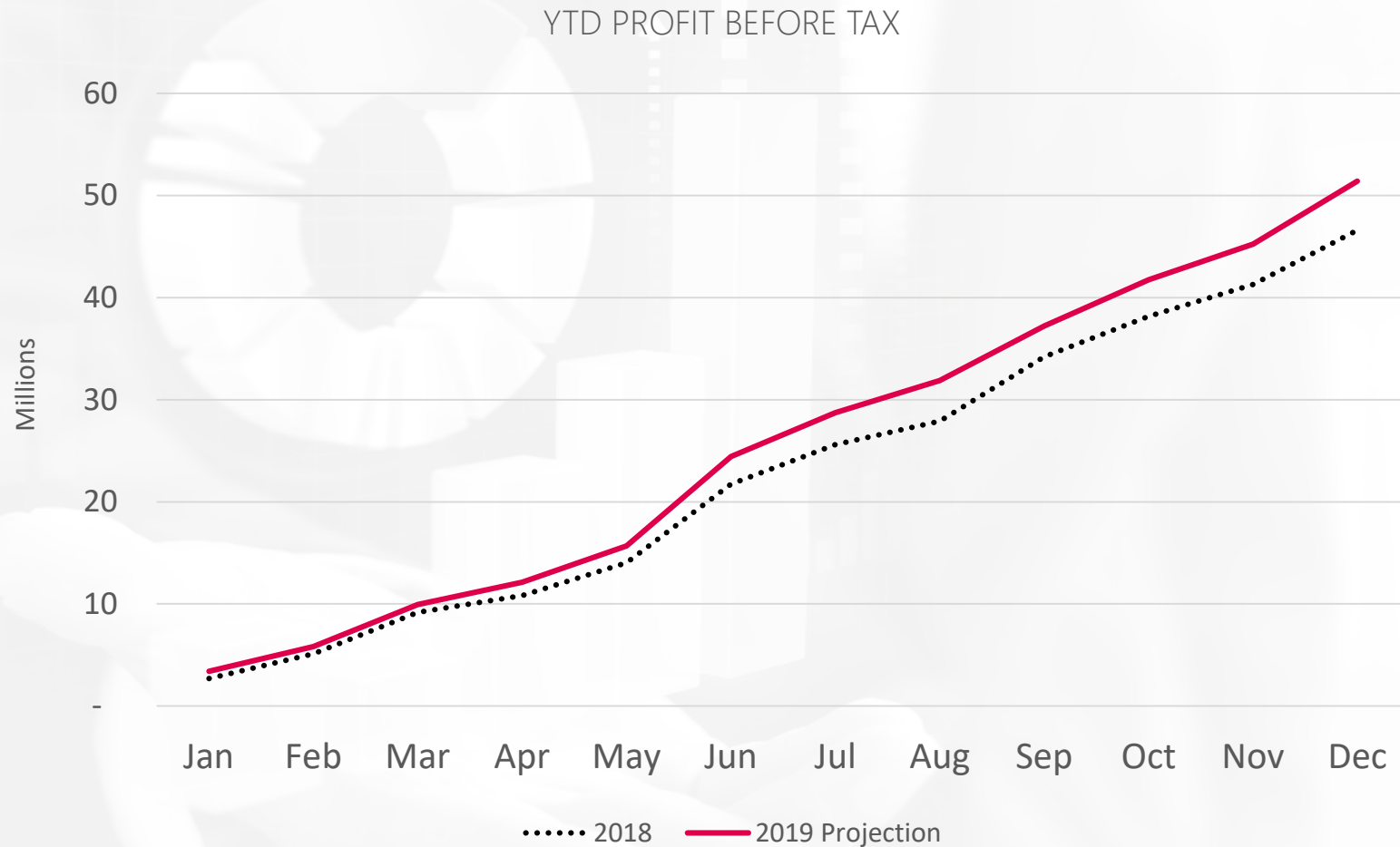


FY18 CASH FLOW

SOURCE AND APPLICATION OF CASH



FY19 GUIDANCE



- For FY19 profit before tax forecast at \$51.4m.
- Maintaining our recent track record of +10% growth

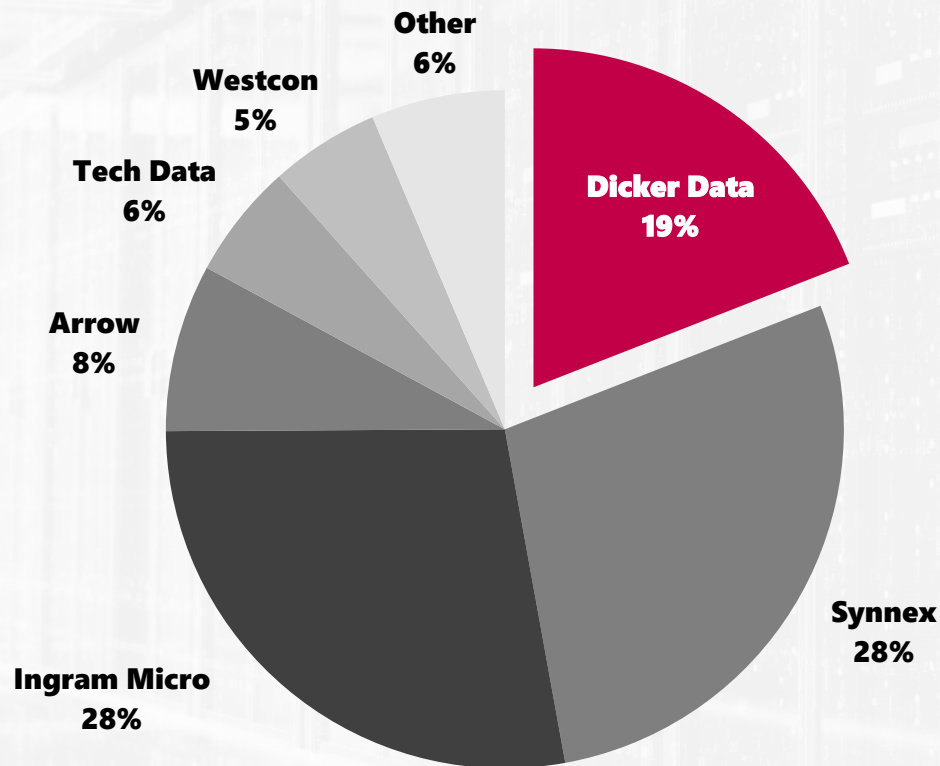


BUSINESS **UPDATE**

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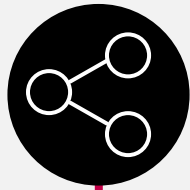
IT MARKET AND OUR STRATEGY

AUSTRALIAN IT DISTRIBUTION MARKET SHARE



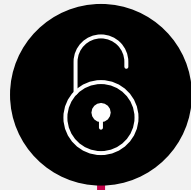
- Dicker Data is a leading Value Added Distributor
- Our speciality is servicing the mid-market and SMB communities with specific focus on pre-sales capabilities, value added services and emerging hybrid end to end technology solutions.
- In recent years targeting distribution agreements in software and high-end enterprise products and those that address the cloud computing environment.
- The industry is going through major transformation and evolving faster than ever, and we need to keep evolving to differentiate and offer a unique value proposition to both vendors and reseller partners.
- Dicker Data is perfectly positioned to assist all of its partners through the journey of digital transformation

OPPORTUNITIES 2019



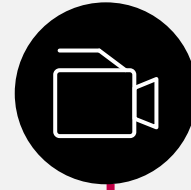
INTERNET OF THINGS

Our Australian-first IoT Community now has 150+ members.



SECURITY

Continuing to capitalise on the security opportunity e.g. NDBS.



PHYSICAL SECURITY

Moving into the surveillance camera market which aligns to electrical market play.



EDGE COMPUTING

Delivering technologies that enable intelligent edge computing.



DATA MANAGEMENT

Helping our partners analyse and get the most out of the data their customers generate.



DATA CENTRE

Continuing our push to distribute top to bottom of rack solutions.



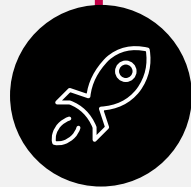
NETWORKING

Driving continued growth in the wireless and enterprise networking markets.



NEW WEBSITE

Launching a completely new online experience for our partners.



AUTOMATED CLOUD

Delivering pre-packaged cloud based solutions to enable ease of deployment.



FINANCIAL SERVICES

Introducing Dicker Data Financial Services – in house finance company to support DaaS and IaaS.

OUR VENDORS



• 2018 VENDOR **ADDITIONS**



Appointed as Sole Distributor
for Citrix Reseller Business (AU)

Appointed as a distributor for
Citrix CSP (ANZ)



COMMVault™

Appointed as distributor for the
entire Commvault portfolio
(AU)



Appointed as distributor for the
entire Dell EMC product
portfolio (NZ)



Appointed as distributor for the
Kyocera A3 and A4 Ecosys Print
and Consumables



Appointed as a distributor for
LG Commercial Displays (AU)



Appointed as a distributor for
the entire Micron Technology
range (AU)



Launched our strategic
partnership with the NBN Co to
acceleration the digital
transformation of Australian
businesses

• 2019 VENDOR **ADDITIONS**

Lenovo

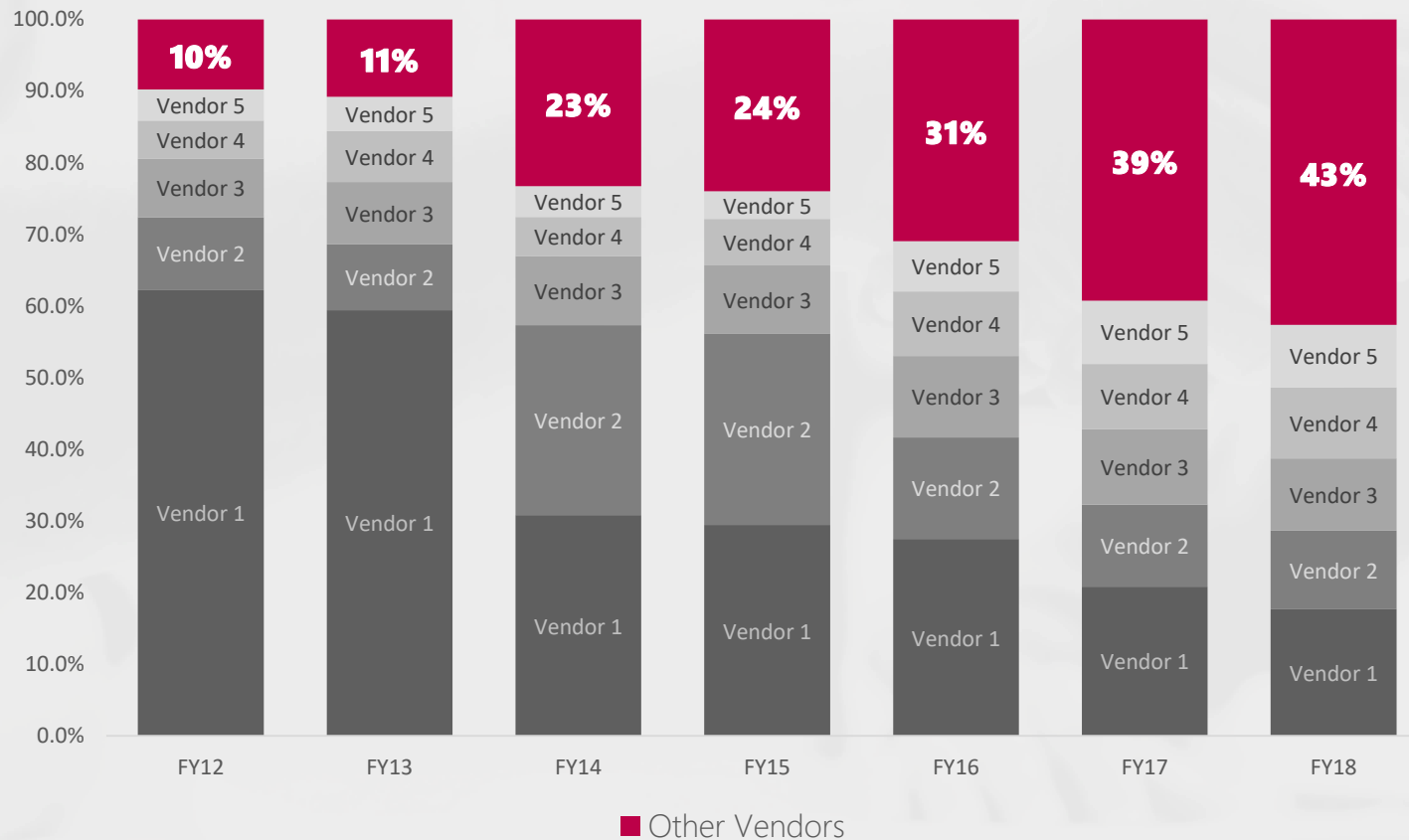
Appointed as the exclusive distributor for the Lenovo Datacentre Group (DCG) in New Zealand

NN NATIONAL
NARROWBAND
NETWORK
Co.

Appointed as a distributor of the NNN Co to bolster our IoT offerings

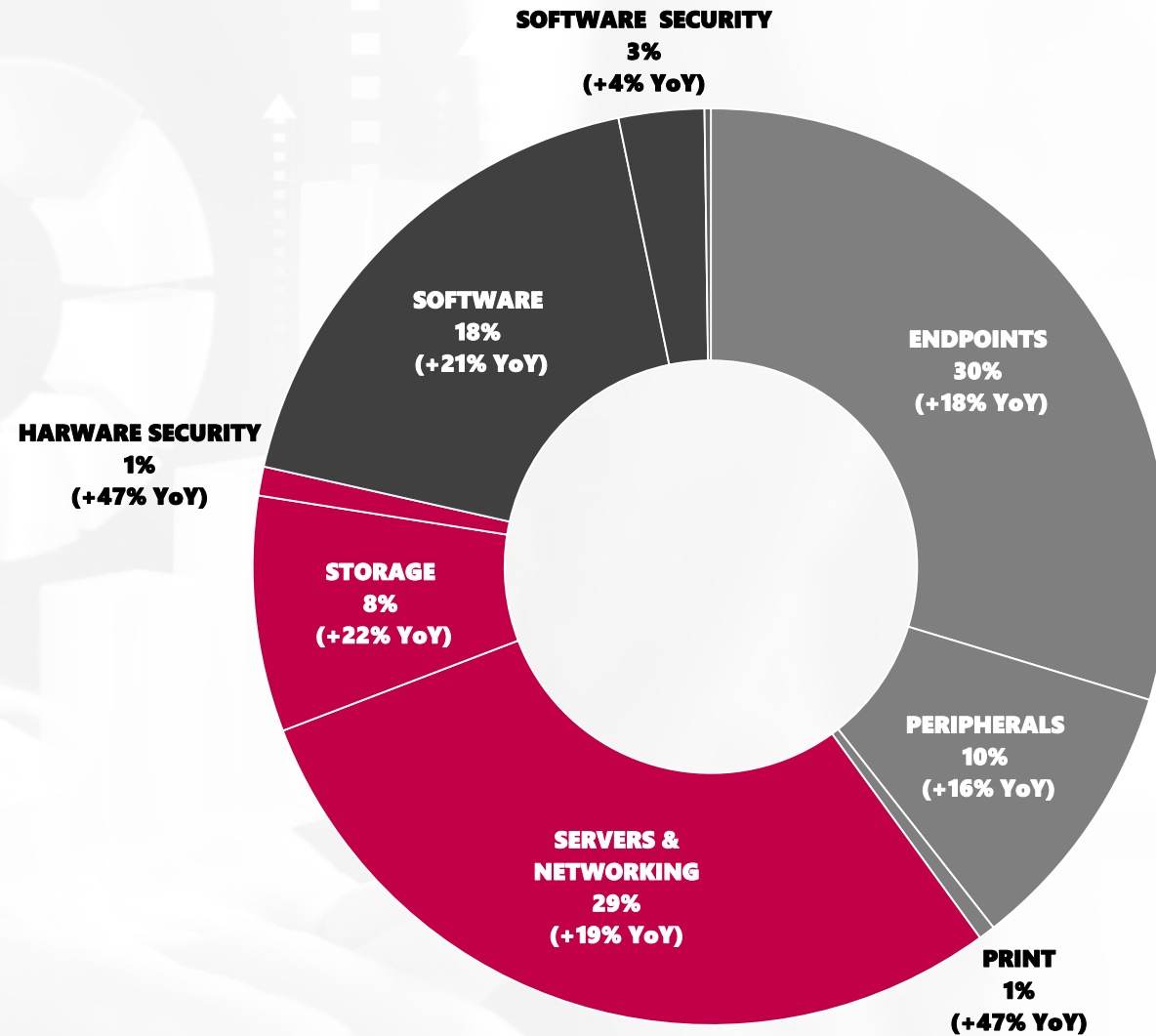
DIVERSE LONG-TERM **VENDOR RELATIONSHIPS**

MAJOR VENDORS OVER TIME (% OF SALES)



- Dicker Data has continued to introduce new vendors to **reduce reliance on any single vendor**
- **6 new vendors** in key strategic segments were added in FY18
- Top 5 vendors overall contribution has reduced from 90% in FY12 to 57% in FY18
- A key objective for FY19 is to **continue to diversify vendor concentration.**

PRODUCT CATEGORY SPLITS AND GROWTH



INDUSTRY RECOGNITION



ARN Hardware
Distributor of the Year



ARN Homegrown
Distributor of the Year



Aruba Top Distributor
Asia Pacific
FY16, FY17 and FY18



Citrix APJ and ANZ
Distributor of the Year

Citrix APJ Operational
Excellence & Partnership



Dell EMC
Distributor of the Year
& Special Contribution



HPE APAC Top
SMB/Mid-Market
Growth Distributor



Fujitsu Distributor
Of the Year 2018



Intel Distributor
of the Year



Lenovo PCG
Lenovo DCG
Distributor of the Year



Microsoft NZ Channel
Develop. Partner 2018



Reseller News
Software
Distributor of the Year



RSA APJ
Distributor of the Year



Storagecraft ANZ
Distributor of the Year



Veritas Pacific
Distributor of the Year



WatchGuard
Distributor of the Year

BUILDING UPDATE



- DA lodged as a State Significant Development last year with NSW Department of Planning and no major issues with the Department or Council based on feedback to date, therefore expect to have the DA approved as lodged
- DA still in progress – now expected to be approved in a couple of weeks
- Expected cost for the build is estimated to be approximately \$55m.
- Size of distribution centre will increase from 15,000 sqm to 29,000 sqm once the facility has been completed





THANK YOU

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