

**Time to rethink
business as usual**

Introduction

Business practices are unlikely to ever fully return to what they once were. As we emerge from this difficult chapter of world history, businesses have a unique opportunity to capitalise on the 'forced experiments' and look to leverage learnings to build more successful, resilient organisations. By rethinking 'business as usual', they will be able to better respond to the evolving world around them. Working with a trusted partner, they can be safe in the knowledge that they'll be able to maximise their opportunities for long-term success.

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Highlights



Revenue

\$1.45bn

2020 \$1.7bn

Annuity services

\$405m

2020 \$415m

Gross profit

\$368m

2020 \$441m

EBIT

\$40.3m

2020 \$72.3m

People

6,400+

Countries

27

Comments on figures

1. Resilient financial performance
2. Increasing annuity services mix in line with strategy
3. Improved liquidity

Rethinking the way we work

An introduction by Bob Bailkoski
Chief Executive Officer



Chief Executive's review



As we emerge from a period of global socioeconomic volatility, we have an opportunity to capitalise on the 'forced experiments' of the last year and consider their learnings from such a challenging period.

By taking the time to investigate and analyse the results from digital transformation efforts, businesses can embed successes into future business practices and understand areas where they struggled.

Indeed, agile business practices are becoming increasingly relevant as the pace of change increases across the board, driving flexibility and resilience.

Businesses now have an opportunity to rethink what were originally seen as 'temporary' measures and start to create a holistic approach for the future of work and business, which is hybrid by design.

Logicalis helps businesses rethink their approach to digital transformation strategy to take a hybrid approach with agility, scalability, and innovation at the core, building resilient businesses for the future. Turning change into opportunity takes vision, and as Architects of Change™, we help customers realise their digital vision by crafting, executing, and supporting their transformation efforts. A key enabler for innovation and creativity, our own agile business model allows us to adapt and evolve, much in the same way that we help our customers to adapt and evolve their own businesses, providing a blueprint for continued success.

Taking a hybrid approach that puts growth and resilience at the heart of our customers' digital transformation journey, we use our technical expertise and business knowledge to provide lifecycle solutions and services. Aligning our customers' digital transformation roadmap, our approach transforms businesses through technology and offers scalable results to create a blueprint for continued success.

Going forward it's critical that businesses take the time to rethink the way they work and use this opportunity to leverage learnings and build more successful, resilient businesses that will thrive in the ever-more digital world. I urge business leaders to take this moment to assess where they are and rethink their businesses to respond to the evolving world around them, safe in the knowledge that with a trusted partner, this moment of change will deliver incredible opportunities for long-term success.

Bob Bailkoski
Chief Executive Officer



"Adaptability is critical for businesses to be able to gain a competitive edge and thrive in the modern business environment. Adopting agile methods of operation and collaboration helps businesses to surface innovation, empower employees and connect with customers."

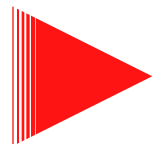
More businesses are realising this and as our customers' needs evolve, we are here to deliver end-to-end lifecycle solutions that deliver continuous business value."

Michael Chanter
COO, Logicalis Group

FY22 strategic priorities

- ▶ Support our customers as they begin or continue their digital transformation journey
- ▶ Develop new lifecycle solutions built around the hardware and software of Logicalis' most strategic vendors to enable digital transformation
- ▶ Scale new solutions globally to deliver the best outcomes to customers
- ▶ Continue to build a global services organisation to deliver exceptional, best-in-class services to our customers no matter where they are located

**It's time to rethink
business as usual...**



Rethink

infrastructure and design for flexibility

To be able to extract the best value from employees and technology, remote working strategies need to be carefully considered and designed.

Existing remote work strategies were mostly implemented as a response to work from home orders and are unlikely to be able to support a hybrid workforce in the long term. Whilst the temporary measures did well to sustain businesses, they lack the flexible, adaptable infrastructure required to sustain hybrid working practices.

As we all take stock of any temporary solutions that were built, organisations that wish to stay ahead of the crowd need to build a foundation of agility and create a fully-fledged hybrid workforce strategy that tackles everything from employee experience to organisational enablement.

The key element here is cloud. A robust cloud structure and strategy will flex with a hybrid approach. It's time for businesses to rethink their digital infrastructure and cloud strategy. Only by doing this will they be able to optimise operations to unlock future capability.

Delivering greater business agility, and flexibility to scale operations, cloud offers a huge range of benefits for businesses. From a more engaged workforce with better balance, operational efficiencies, and opportunities to innovate, it provides a strong foundation to build a flexible business infrastructure which can outpace competitors.



"To succeed in the post pandemic digital economy, businesses need to ensure they adopt a strategic people-first approach to digital transformation. Cloud provides an adjustable, agile infrastructure that can be easily scaled with the added benefit of a flexible pay-as-you-go model. As a result, businesses can simultaneously optimise cost and maximise ROI whilst benefitting from flexible, agile environments to support business goals. A trusted partner can guide businesses through the lifecycle from strategy, cloud migration, managed services with ongoing optimisation and evolution to deliver continued success."

Toby Alcock
CTO, Logicalis Group

These days the question is less 'if' a business will move to the cloud but 'when' and 'how' it will get there and pursuing the right cloud strategy with an upfront view of costs and risks is critical. A move towards a flexible infrastructure built on a robust cloud strategy must be done in the right way to avoid risk and a lengthy project. With the right blend of specialist skills, delivering a modern cloud-first platform is not only feasible but accelerated adoption of hybrid or multi-cloud environments will mean that businesses can quickly realise the benefits.

As Architects of Change™, we know what is required for a successful move to the cloud and can provide proven cloud transformation that delivers business value at scale. Our cloud offering helps businesses to transform with a scalable and secure cloud platform delivered in a fast, cost effective and controlled way. Our tried and tested approach delivers value at speed, with low risk, so leaders know that it will be done right, first time, in record time.

Rethink infrastructure and design for flexibility

Case study:

Data Interchange

Data Interchange connects businesses globally through process optimisation and supply chain integration with their electronic data interchange (EDI) software. They were looking to rapidly adopt public cloud to enable technological innovation and ensure business resiliency to help in their development strategy, supporting the company to further commit to providing their customers with the best EDI products and services. The Logicalis Production Ready Cloud platform was used to deploy a secure Azure environment that accounted for scale, security, governance, networking, and identity. Through this they were able to benefit from increased business agility and responsiveness to realise the value of both migrations and new workloads into Azure, leveraging the cloud to support their development strategy and offerings to customers.

Rethink

security for adaptability

Security is one of the biggest challenges that any organisation can face. As businesses look to adopt a hybrid approach, the lack of a clearly definable network perimeter has undoubtedly increased the risk of threat and attack substantially.

With increased risk comes the need for increased monitoring across a seemingly never-ending number of data collection points across a wide range of applications and accessible platforms. Research from Cisco shows that 66% of breaches take months or even years to discover. Additionally, the risk of human error and increasing pressure on internal resources can make it difficult to create a comprehensive security approach that not only tackles the external threat, but is easy to manage and administer internally too.

Securing a borderless workforce quickly and against a volatile opponent is a particularly difficult challenge. Organisations need to rethink traditional security systems to better allocate resource and respond to cybersecurity risks and attacks.

We need to explore, discover, and devise new ways in which technology can help, by removing the human element, where possible and desirable, and by limiting and swiftly rectifying the damage done when human error occurs. Likewise, we need to leverage ever-improving machine learning and artificial intelligence (AI) software to help augment human capability.



“Cybercriminals and their strategies for attack are continually evolving. In response, organisations must continually evolve to counteract attacks and minimise any disruption and downtime. Doing this in a cost effective and optimised manner can be a challenge. Businesses should give careful consideration to the value of establishing a partnership security expert and experienced managed services provider who can provide advice and guidance no matter what stage a business is currently at. These partners are able to provide a holistic and integrated service that offers continuous protection well into the future.”

Simon Sharkey

Cloud & Hybrid IT Practice Lead, Logicalis UK&I

Businesses need to work with specialists that can help them understand the nature of the threats they face, and the weak links in their defences that offer criminals easy ways in. This means closely examining all aspects of security from a technology, process, and people perspective, to identify actual and potential weaknesses. From these learnings, robust, practical, fit-for-purpose security architectures and policies can be built.

A successful security strategy is more than a product or service; it's a process. And like the methods used to attack you, it will never stop evolving. The only effective approach to security is a holistic, architectural approach – one that is manageable, adaptable, resilient, and responsive.

When moving to a hybrid approach, getting the security approach right is business critical. Business leaders need to consider how to keep employees and customers safe no matter where they are, taking a holistic approach to security. Logicalis' security solution, Secure OnMesh, offers a scalable, cost effective platform with a single overview of security systems, enhanced by AI and machine learning. Rapid change is constant when it comes to cybersecurity and therefore leaders should keep their businesses safe with a machine learning enhanced security platform.

Rethink security for adaptability

Case study:

ESW

Global ecommerce platform ESW (eShopWorld) sought a cloud security strategy that would live up to the payment card industry's strict compliance and governance standards. ESW partnered with Logicalis to pursue a solution that would support the modernisation of their technology and ensure adherence to Payment Card Industry (PCI) compliance and governance requirements. Through a three-phased onboarding approach, Logicalis implemented a solution that rapidly captured anomalies and detected threats. With its PCI service transitioned to Secure OnMesh, ESW looks forward to expanding Sentinel's show-stopping security measures throughout its business.

Rethink

the modern workspace to empower employees

The 'forced experiment' of the last year and a half has undoubtedly shown that employees are not less productive outside of the office. In fact, many remote workers go above and beyond, reporting higher productivity and thrive when given radical flexibility to focus on consistently delivering desired outcomes in a way that works for them.

However, there is a gap between what the XYZ generations want from their working environment and what leaders believe they should provide. Senior leaders need to create a balance between the needs of the business and employees to address this. For long-term success the focus needs to shift to employees themselves. Enhancing employee experiences will deliver benefits to both the businesses and employees, creating a happy medium. By adapting to modern generational attitudes to work, businesses can empower employees and connect them to their business. However, if the model is to truly succeed and businesses are to reap these considerable benefits, it's important to rethink if and how traditional office-based working practices fit.

Businesses need to avoid the temptation of replicating the traditional office environment remotely with a narrow focus on technology. A move towards hybrid working is not just about replacing like for like with more modern workplace technologies. Instead it should be considered a shift in business practices to accommodate and encourage collaboration and innovation no matter where an employee is based. Best achieved through a human-centric approach that tackles overall employee experience, businesses need to leverage the power of workplace technologies to drive collaboration, innovation, and productivity through flexibility



"A human-centric, people-first approach is critical in shaping workspaces for today. Enhancing employee experience not only helps with morale, productivity, and talent retention but also creates clear business benefits with improved customer service and increased innovation. Businesses need to make use of cutting-edge technologies to create flexible, adaptable, and secure workspaces that provide employees with the right environment to thrive. As the wider market becomes increasingly competitive, an empowered workforce can be the difference between leading the pack or falling behind."

Damian Zammit

Director of Services, Logicalis Australia

and agility. Enabled by digital technology, a modern workspace encompasses all the technology needed for an employee to do their work without the need to be in a physical workspace.

Turning the traditional office on its head, taking a modern approach to workspaces offers something for every working style no matter where an employee is based or how they want to work. As Architects of Change™ we're already helping customers to shape the ways they enable their employees to work, focused on human-centric employee experiences powered by modern workplace technology.

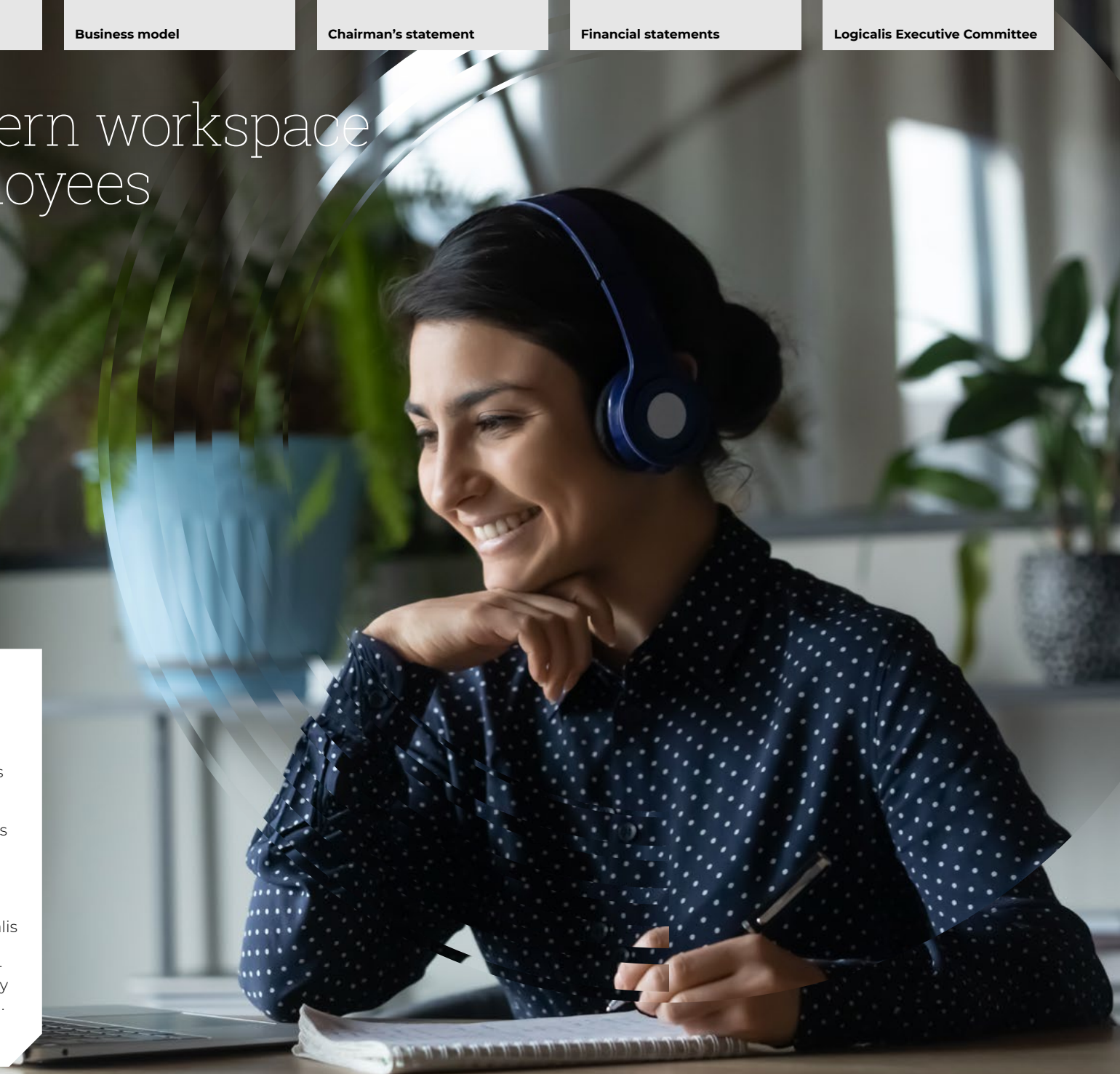
With the flexibility of working style and technology tools to foster workplace collaboration, increase employee productivity, and instil greater business agility, a hybrid approach puts employee experience at the front to create a cost effective work environment that allows businesses to succeed.

Rethink the modern workspace to empower employees

Case study:

Star Health

Community care provider Star Health found themselves struggling to maintain their quality of service during the pandemic. With face-to-face meetings being a critical element to the healthcare and wellbeing services that Star Health provide, they needed an alternative solution for their care workers to continue to reach the communities who needed them. With Logicalis' help, they decided to move to a cloud-based platform with Office 365 and MS Teams for video conferencing. Logicalis worked with Star Health to design a modern, flexible network to support their cloud-first strategy with a one-stop-shop solution – all fully monitored and managed by Logicalis managed services for complete peace of mind.



Rethink

operational efficiency to unlock resource

A hybrid workplace approach offers many benefits, chief among them the opportunity to unlock potential already held within businesses through operational efficiencies.

In a fiercely competitive marketplace, businesses need to focus resources on delivering exceptional customer experiences through empowered employees, underpinned by a secure and agile infrastructure.

One of the quickest ways to improve operational efficiency and leverage technical expertise is through managed services. Additionally, there is a widening skills gap which makes it difficult for companies to gain or retain expertise within operations. With IT functions becoming pivotal to business operations and competitive advantage, an increasingly viable option is to augment and supplement digital skills through managed services.

Outsourcing the management of IT is a proven way to increase service levels, and in many cases decrease costs, but only if it's done right. Managed services offer an opportunity to access the latest technologies, align cost to need, improve existing infrastructure, and free up resource to focus on strategic business initiatives in one hit. Helping to keep businesses focused on scaling for the path ahead, they guarantee performance and maximise value to give confidence that systems are optimised and running in a cost effective and efficient manner.



"A move to hybrid working offers a range of benefits for businesses but still leaves the question of how to maintain the optimum environment once the correct infrastructure is in place. Managed services help businesses to remain focused on growth whilst leaving the complexity of managing IT systems to experts who can extract the maximum return on investment from technologies."

Markus Erb

Group VP of Services, Logicalis Group

Appointing a managed services partner can future proof operations using best-in-breed technology with low capital outlay. This releasing of resource can unlock potential across the business to focus on new emerging technology and extract value from legacy data and systems across the business.

Rethinking the way that businesses optimise their operations to unlock potential is almost limitless. Managed services provide more than just Software-as-a-Service but Architecture-as-a-Service, giving businesses the tools for competitive advantage. Unleashing existing capability within the business, they free up existing potential and provide a cost effective option for businesses that wish to gain competitive advantage and look to reimagine the way they operate.

When rethinking operational efficiency for the hybrid model, managed services offer a way to infuse expertise into operations whilst freeing up internal resource for other projects. Logicalis' managed services offering allows leaders to remain focused on scaling their business whilst leaving the complexity of managing IT systems up to experts who can maximise their value to deliver long-term sustainable growth and a blueprint for future success.

Rethink operational efficiency to unlock resource

Case study:

Jersey Electricity

Jersey Electricity (JE) is the largest supplier of electricity in the Channel Islands, but core security systems had become a business risk. Time consuming to maintain, they were taking energy away from identifying potential network and endpoint vulnerabilities.

Following long discussions, Logicalis proposed a solution that considered JE's cloud-first strategy whilst protecting the current business critical system workloads on-premise. Recognising Logicalis' expertise and strong relationship with Microsoft, JE agreed to a plan to migrate to a modern defence platform in less than three months. Delivered on time and within budget, the solution provides greater visibility, high fidelity logging and information, for faster response and meaningful outputs, all at a similar budget to the legacy platform.

Rethink

connecting with customers

With the world moving towards hybrid working, how can you continue to connect with customers? Many businesses have traditionally relied on face-to-face sales interactions to build customer relationships, based on the relationships that sales executives have with the customers themselves.

Market forces are driving a more volatile and competitive environment. With increased competition and evolving customer behaviour, there is a race to leverage the latest technologies to create a competitive edge.

With the power to force business decision making, customers are truly in the driving seat when it comes to the buying process. Therefore, it's more important than ever that businesses truly understand their customers.

We are at a turning point that presents an opportunity to consider not only how we interact with customers on a digital level but how we use data gathered to better connect with customers. The key is to leverage the data that these digital interactions provide to build better experiences. Turning data into meaningful information and actionable insights that helps businesses make better informed and, perhaps more importantly, customer-led decisions.

To extract the greatest value from the raw material that sits beneath the surface, businesses need to mine, refine, and distribute data effectively, whilst keeping it secure. Only once they've managed to decode the Big Data analytics will they be ready to release the true power of data to drive their digital transformation forwards.



"Connecting with customers on a deeper level is more important than ever. To remain at the cutting edge of their industry, leaders need to leverage emerging technologies to develop a better understanding of their customers and deliver seamless experiences from start to finish. Naturally this will in turn positively affect sales relationships and deliver on the bottom line, but it all begins with unlocking the value of existing enterprise data."

Stephen Buhagiar

Group VP of Solutions, Logicalis Group

Data gives us the opportunity to gain more customer intelligence to build a better understanding of their behaviour with more accurate profiles for better relationships. This can be further improved by leveraging various online channels and collaboration tools to offer trackable digital interaction with successful patterns scaled across the business. It allows businesses to deliver personalised engagements, further improving customer relationships and boosting sales conversion rates, converting positive sales relationships into bottom-line revenues. All of this provides a seamless experience for customers with the benefit of being able to leverage more customer data to better inform and tailor future customer offerings.

In rethinking how we connect with customers it's important to remember that customer connections go beyond an initial sale and, to create a truly resilient businesses, leaders need to maintain that customer relationship through ongoing dialogue and seamless experience. Responding to this evolution of the customer relationship, leaders can build better relationships with seamless customer experiences and more effective engagement to build stronger, binding customer connections.

Rethink connecting with customers

Case study:

The Women's Foundation

The Women's Foundation (TWF) in Hong Kong has traditionally held large-scale events to drive advocacy for improving the lives of women and girls through community, education and research programmes. However, with COVID-19 restrictions in place, TWF turned to Logicalis for a virtual solution that would make the International Women's Day lunch, the organisation's major yearly fundraising event, a success.

With Logicalis' help, Cisco Webex events provided an easy-to-use virtual meeting platform solution to give the same level of guest experience and sponsor engagement as they would have provided at an in-person event.

Rethink

connectivity to create productivity and scalability

A key element to hybrid working practices is the emergence of next-generation wireless technologies such as 5G and WiFi 6. In the evolving work climate, they offer faster speeds, greater capacity, and reduced network congestion which in turn deliver efficiencies. Together, this improved connectivity not only offers the freedom for employees to work as they need within hybrid work, but also the possibility of accelerated business transformation.

Businesses that act quickly to integrate these technologies and new levels of connectivity into their networks early will set themselves up to dominate the competition. Creating a more resilient delivery, these highly connected networks can be used to unlock the potential of business models and drive efficiency.

The technologies enabling hyper-connectivity can be used to transform any industry. Anything from agriculture to production facilities can be reimagined to bring in improved productivity, flexibility, and scalability.

To unlock these efficiencies and build true scalability, businesses need to harness the potential of the Internet of Things (IoT) through in-depth understanding of business operations and be equipped to handle large volumes of collected information to support decision making. Combined with connectivity, this allows businesses to optimise and automate processes, reduce operating costs, and create flexibility for new products and services to be delivered at scale.



“As the world becomes ever more connected, interest in the efficiencies that IoT can bring is rising across every industry. Many businesses already understand the potential value that IoT can bring but struggle with the complexity of building the business case and making it a reality. For IoT to succeed, businesses need to bring together stakeholders from sales, operations and IT that may not have always worked together, to invest in key foundations such as cloud, connectivity, analytics, and security. With an expert partner who can guide the process, they can look to identify and expand business efficiencies, grow new revenue streams, and transform the way they engage with their customers, supported by a practical roadmap that delivers value quickly.”

Richard Simmons

Group VP of Technology – IoT, Logicalis Group

For example, the shipping industry is already making great strides with improved connectivity and IoT. Typically a complex and dangerous environment, the automation of loading and unloading of containers at port provides an ideal solution. Using IoT to power the entire system, connecting every element from devices, vehicles, and data to the cloud, businesses can oversee operations in real time with live monitoring to catch safety risks ahead of time. These autonomous operations are able to use the right data to make the right decision at the right time.

No matter what industry a business operates in, they have an opportunity to gain competitive advantage through next-generation wireless technologies. The connected workplace has the potential to revolutionise entire industries as they are freed from the fixed processes of the past.

Many businesses understand the value that IoT can bring but the challenge lies in its implementation. Naturally complex, a trusted, experienced partner can help a business to navigate the process and create a practical roadmap to deliver value quickly and demonstrate potential for continued success.

Rethink connectivity to create productivity and scalability

Case study:

Major retailer

A major retailer had begun testing a 'grab and go' model with stores that didn't need attendants or cashiers for payments. With early tests looking promising, they wanted to expand this model to gather more data on this new model. Logicalis was able to step in and help with both the implementation and execution of these new autonomous stores. Putting together a multidisciplinary retail team, Logicalis was able to define the most appropriate strategy from store design to technological infrastructure to support this new model. The result was that customers were able to take what they wanted from shelves in store and leave with the product, immediately being billed via an app. The back office function to support this covered everything from smart turnstiles to log the products leaving the store, to depth cameras and scales all orchestrated by software. The innovative service has been very successful for the retailer, reducing the cost of operation and making autonomous stores viable.

Rethink

what responsible business looks like



"Customers are increasingly holding organisations accountable for their social and environmental impact, and in some countries, will only work with companies which meet particular global standards and indices. These expectations are also driven by consumers, as well as employees who increasingly prioritise working for an organisation whose values align with their own.

True Responsible Business is so much more than just ticking boxes or doing good to sell an image. It is an opportunity to create truly meaningful, sustainable impact, for our company and for the world. And that is at the heart of our agenda at Logicalis."

Charissa Jaganath

Head of Responsible Business

Business leaders need to rethink what modern responsible business practices look like.

At Logicalis, we've recognised that to stand apart as a modern leader in business, our Responsible Business agenda needs to go beyond just run-of-the-mill philanthropic 'social responsibility'.

In early 2021, we committed to developing and executing a revised global Responsible Business strategy that includes consideration of our environmental performance as an organisation, our social and community development responsibilities, as well as our goal to be a great place to work; all of which is supported by a strong governance and ethics framework. We recognise that, executed well, this strategy has the potential to deliver impactful, sustainable value for the organisation, the communities in which we operate, and the planet.

Built on sustainability frameworks such as the Global Reporting Initiative and the Sustainable Development Goals and operating across 27 countries, Logicalis' Responsible Business is guided by one, simple principle: that as Logicalis, we are dedicated to conducting our business in a responsible and sustainable way. This commitment applies to our planet, our communities, and to our people in the continued creation of a Great Place to Work.

Our strategy and 2022 priorities focus on:

- ▶ Working to improve our environmental performance across the Group and to contribute to a cleaner, healthier planet
- ▶ Creating Architects of Change™ through education via the execution of three business-aligned community education programmes
- ▶ Driving the creation of strategic accountability and actions across the world to ensure that we continue to create an inclusive work environment, celebrate diversity, and engage and empower our people to reach their full potential

It's time to rethink how you partner and who you partner with



"With the move to hybrid practices, business leaders can sometimes assume that enterprise needs will be met by merely adopting modern technology. However, for the modern digital-first enterprise, technology adoption is not enough. It is equally important to find the right partners who can offer specialist expertise needed to unlock technology value and create a competitive edge.

A strategic technology partner will have a deep understanding of business outcomes and be able to help at every stage of the enterprise digital transformation journey, both now and in the future."

Michael Chanter
COO, Logicalis Group

The technology landscape is increasingly complex with the market evolving continuously. In response technology is advancing at speed, and at times creating more complexity and uncertainty.

With so much choice when it comes to the solutions which tackle the modern approach to work, making the right decision on which solutions to implement and the best way to manage them is vital. On top of this, recent events have shown that businesses need to be prepared for the unexpected and must be able to adapt to a constantly evolving 'new normal' state.

Market followers may be able to hang on and survive but will always be playing catch-up. Businesses that want to succeed and thrive will be those with leaders who have a clear vision of how to adapt, using their technologies, systems, and people to help them turn change into an opportunity to stay ahead of the curve.

The answer is to partner with an organisation that can help businesses tackle their need for change. However, *how* you partner is just as important as *who* you partner with. Rather than tackling individual elements, it's important to examine the business potential that can be unlocked by partnering with an organisation that can act as a strategic guide to provide lifecycle solutions and managed services. Acting hand in glove with your own organisation, a trusted strategic advisor can create a blueprint for success through end-to-end solutions at any stage of transformation and continue the success for years to come through managed services, operating as an extension of your own in-house team.

At Logicalis we partner with a wide range of trusted organisations to create tailored solutions for our clients. Strategically partnered with Cisco and Microsoft, Logicalis works with an established vendor ecosystem to deliver bespoke, tailored solutions that benefit from the best solutions and services available. Our strategic partner relationships allow us to jointly invest in future-facing initiatives and co-innovate to create solutions that are delivered together for the benefit of our customers.

As we look ahead, businesses need to be able to manage market volatility with agility and scale. Guidance from an expert partner will be a must and specialist expertise in the form of a trusted partner and managed services provider will help businesses to come out on top.

It's time for businesses to rethink.

Rethink everything from the way they operate and where their staff are, to how they engage with customers and unlock potential. It's time to rethink who you partner with to architect this change and build a better world.

Logicalis at a glance

As Architects of Change™, we accelerate our customers' progress on a truly global scale.

Our services for digital transformation:

Cloud

- ▶ Cloud advisory and solution design services
- ▶ Private, public and hybrid cloud solutions

Security

- ▶ Security advisory services
- ▶ Managed security services

Modern workspace

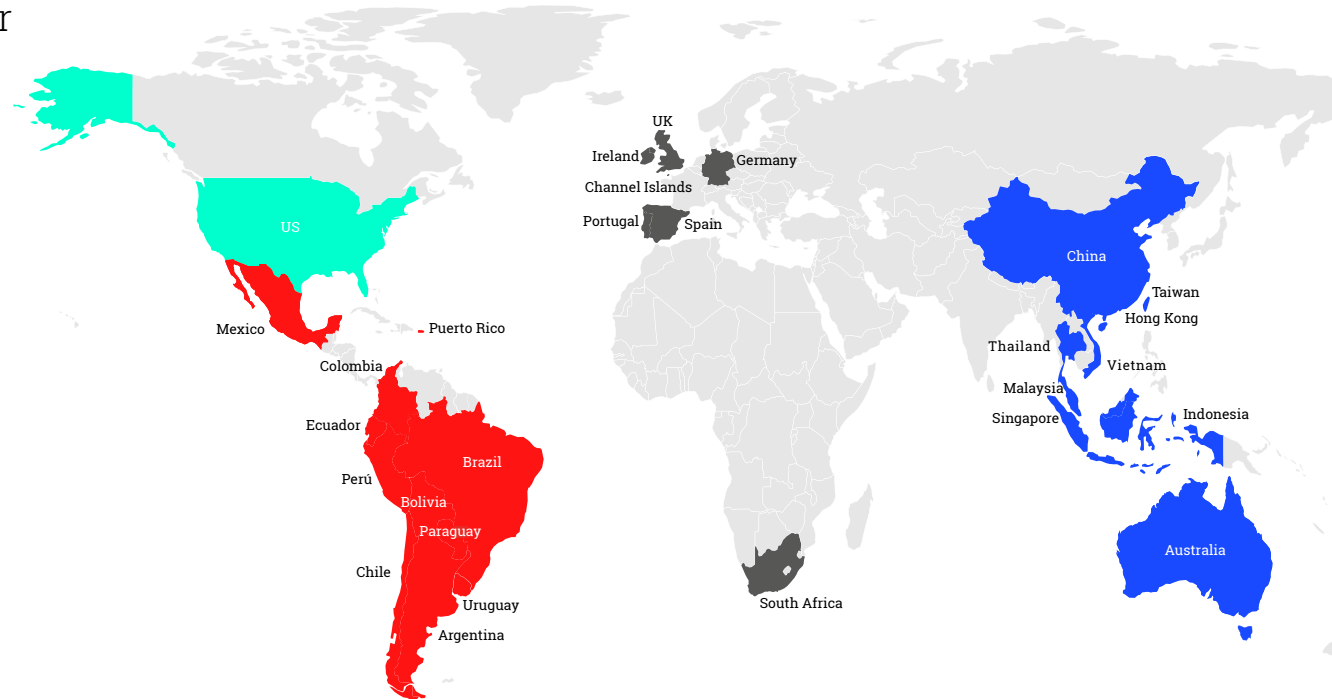
- ▶ Virtual desktop infrastructure
- ▶ Workplace and collaboration applications
- ▶ Cloud advisory and solution design services

Data & IoT

- ▶ IoT solutions (sensors, devices, connectivity, security)
- ▶ Real-time analysis and managed services
- ▶ Enterprise data management
- ▶ Data analytics tools and consultancy

Services

- ▶ Lifecycle services
- ▶ Modern managed services



Our revenue % by segment

Product



Maintenance and managed services



Professional services



● 2021
● 2020

Percentage of total revenue

Latin America
(31%)

People: 3,000
Offices: 18

Presence in Argentina, Bolivia, Brazil, Chile, Colombia, Ecuador, Mexico, Paraguay, Peru, Puerto Rico and Uruguay.

North America
(24%)

People: 700
Offices: 17

Presence in the US.

EMEA
(29%)

People: 1,600
Offices: 20

Presence in Channel Islands, Germany, Ireland, Portugal, South Africa, Spain and the UK.

Asia Pacific
(16%)

People: 1,100
Offices: 21

Presence in Australia, China, Hong Kong, Indonesia, Malaysia, Singapore, Taiwan, Thailand and Vietnam.

Looking ahead – how we help our customers

We asked our regional CEOs their thoughts on how Logicalis helps customers transform:



“The fact that Logicalis is a global organisation is such an asset for our customers. Being able to provide consistent high-quality service across the globe means they can rely on our global team to execute locally and create a clear, streamlined, competitive advantage.”

Bob Bailkoski
CEO, Logicalis Group,
and Logicalis EMEA



“Digital transformation is a business agenda and it's great to see so many businesses unlock their true potential through business-led digital transformation. We have a strong proposition that helps our customers to extract value from their technological investments to create future-facing businesses with a blueprint for continued success. We look forward to helping more businesses evolve in this way.”

Rodrigo Parreira
CEO, Logicalis Latin America



“As Architects of Change™, our customers are focused on attracting, delighting, and retaining their own customer base through leveraging new technologies to be innovative and more effective. Our deep-level capabilities and strategic partnerships bring digital transformation to them.”

Jon Groves
CEO, Logicalis US



“We are living in an increasingly competitive world and we're able to help customers differentiate their businesses through digital transformation. By providing them with holistic solutions to digitally transform their business we offer a roadmap to success with support and solutions for everything from application structures and modern workspaces to securing employees and ongoing managed services.”

Chong-Win Lee
CEO, Logicalis Asia



“Our customers continue to seek a valued partner to enable their strategic business outcomes that are critical as the economy recovers from the pandemic. As Architects of Change™, we are able to help them realise their investment in IT transformation to support their agility, growth, and efficiency to succeed.”

Anthony Woodward
CEO, Logicalis Australia

Our business model

Combining a strategic approach with unparalleled expertise, as Architects of Change™ we rapidly create a blueprint for organisational transformation to unlock continued business success.

▶ Our key differentiators

Global presence, local execution

A leading global managed services provider, Logicalis has over 6,400 Architects of Change™, operating across 27 countries. Enabling customers to navigate the complex technology landscape, they help to create a clear path for success following a consistent approach to build long-term value for over 10,000 customers across the world.

End-to-end capabilities

Offering unique consulting capabilities as well as managed services to implement and run cloud solutions end to end, Logicalis combines strategy with technical excellence to rapidly build and refine a blueprint for transformation which unlocks continued business success.

Value-driven engagement

Our repeatable model is focused on simplicity, speed, and agility to help clients deliver core business value faster and with less risk.

Industry specialists

Using deep technological expertise and industry knowledge of key drivers such as cloud, modern workspace, security, and data management and IoT, our over 6,400 employees choreograph digital transformation that addresses customer priorities across a wide range of industries including financial services, public sector, manufacturing, retail, mining and more. All of this is supported by our strategic partnerships with Cisco and Microsoft and our global network of vendors.

▶ Key resources

Financial

- ▶ Net debt: \$123 million
- ▶ Working capital: \$125 million

Human

- ▶ 6,400+ employees
- ▶ Employees' time, skills, and knowledge

Social and relationship

- ▶ Customer relationships
- ▶ Vendor relationships
- ▶ Stakeholder relationships

Intellectual

- ▶ Technical expertise
- ▶ Sector experience
- ▶ Strategic partnerships

Natural

- ▶ Carbon energy management
- ▶ Energy management
- ▶ Recycling initiatives

Manufactured

- ▶ Data centres

▶ Key partnerships and relationships

Partners

- ▶ Cisco
- ▶ Microsoft

Relationships

- ▶ Customers
- ▶ Employees

▶ Key revenue segments

Categories

- ▶ Annuity services
- ▶ Direct product sales

Geographical

- ▶ Latin America
- ▶ US
- ▶ EMEA
- ▶ Asia Pacific

Vendors

- ▶ Cisco
- ▶ Microsoft



▶ Key revenue drivers

- ▶ Managed services
- ▶ Digital transformation projects
- ▶ Multinational deals

Our business model continued

► Our activities

Extensive service portfolio

Cloud solutions

Security expertise

Network infrastructure expertise

Digital workplace

IoT, data analytics and AI expertise

Acquisition activities

Green IT solutions

► How Logicalis creates value

As Architects of Change™ Logicalis adds value by delivering complex IT solutions and services to deliver business transformation for its clients and society.

We provide a single source to navigate the intricacies of global business and we are continually expanding our partnership ecosystem with vendors and core partners, and building long-term relationships.

► What impacts our ability to create value

- ▶ Fluctuating exchange rates
- ▶ Global macroeconomic uncertainty

► Key outcomes for stakeholders

Shareholders

- ▶ Increased services and annuity revenue contribution

Employees

- ▶ Recognition of employees through performance rewards
- ▶ Investment in business and technical expertise for employees

Customers

- ▶ A dedicated, committed partnership and superior customer experience

Vendors

- ▶ Recognition by vendors through partner awards and joint investment
- ▶ Committed and strategic long-term profitable vendor relationships

Corporate social responsibility beneficiaries

- ▶ Improved quality of life for local communities
- ▶ More inclusive and diverse workplace

Environment

- ▶ Energy savings and reduced carbon footprint
- ▶ Environmental certifications

Government and regulators

- ▶ Compliance with regulatory requirements
- ▶ \$14 million in taxes

Financial institutions and debt funders

- ▶ \$16 million interest paid to debt providers

Chairman's statement



Logicalis is the largest contributor to the Group in terms of profitability. It also has the widest geographical exposure.

Revenue from operations decreased by 13.8% to US\$1.5 billion (FY20: US\$1.7 billion). Revenue increased in Europe in absolute terms due to large contracts secured in the Spanish and German operations and contributions from the Cilnet and Orange Networks acquisitions completed during FY20. The decrease elsewhere was attributable to the difficult trading conditions caused by the COVID-19 pandemic as well as worsening exchange rates in many regions which exacerbated the decline in revenue in US\$ terms.

Even though global trading uncertainties are expected to persist for the short to medium term, Logicalis is confident in its ability to continue to respond to market needs caused by COVID-19 disruptions. The technology segments that Logicalis specialises in are key parts of cloud infrastructure and the remote access computing solutions necessary for enterprises to adjust.

Logicalis continues to develop its capabilities within cloud, IoT, software, security, data management, and intelligent networks in support of its strategy to provide full lifecycle services around IT infrastructure solutions to its customers. Each region has delivered compelling offers to customers and markets aligned to managing business through the COVID-19 pandemic disruptions during the last 12 months, including rapid remote deployment of essential solutions and services. These are designed to support customers in the areas that are most relevant to them right now, including secure remote working solutions, collaboration packages, and improvements to IT resilience. Furthermore, Logicalis introduced its first globally scalable solution during the year which enables rapid deployment of workloads onto the public cloud.

The trend towards digitisation is set to continue and the structural shift away from many forms of traditional hardware to increasing software and services with growing annuity revenue is already benefitting Logicalis as they provide many of the products and services required to support a remote IT network-based way of doing business.

I would like to express my thanks to all the employees at Logicalis whose commitment, often in the face of very real personal challenges, has contributed to Logicalis' success. They have shown great resilience since the onset of the pandemic and I commend them for adapting so quickly, whether remotely or on-site. Our number one focus remains the safety and wellbeing of our colleagues and customers, and we continue to deploy protocols that are adjusted to local governmental guidelines in all the regions that we operate.

Jens Montanana
Chairman

Income statement – unaudited

USD millions	Continuing operations 2021	Continuing operations 2020
Revenue	1,450.0	1,682.4
Cost of sales	(1,082.5)	(1,241.2)
Gross profit	367.5	441.1
Administrative expenses	(285.6)	(317.3)
EBITDA	81.9	123.8
Depreciation of property, plant and equipment	(35.1)	(42.1)
Amortisation of intangible fixed assets	(6.5)	(9.4)
Operating profit	40.3	72.3
Net finance costs	(15.9)	(15.0)
Datatec management fees	(7.5)	(8.5)
Share of associate income	0.4	(0.2)
Goodwill adjustments	(3.5)	(3.6)
Profit before tax	13.8	45.0
Tax on profit on ordinary activities	(13.8)	(21.9)
Profit for the year	0.0	23.1

Balance sheet – unaudited

USD millions	2021	2020
Intangible assets net book value	20.8	21.4
Associates	2.1	0.6
Goodwill net book value	176.4	171.8
Goodwill and other intangible assets	199.3	193.8
Property, plant and equipment	36.7	40.5
Capitalised lease assets	49.6	39.8
Deferred tax asset	29.5	27.7
Total non-current assets	315.1	301.8
Inventories	58.3	78.7
Trade and other receivables	698.6	714.8
Foreign corporation tax recoverable	12.5	11.3
Cash and cash equivalents	154.3	144.7
Total current assets	923.7	949.5
Total assets	1,238.8	1,251.3
Trade and other payables	(649.3)	(624.1)
Bank overdrafts and loans	(126.5)	(132.1)
Current tax liabilities	(5.5)	(6.0)
Obligations under finance leases	(22.7)	(25.9)
Provisions	0.0	(0.1)
Liability for share-based payments	(1.0)	(1.1)
Other short-term liabilities	(26.4)	(50.8)
Total current liabilities	(831.4)	(840.1)
Net current assets	92.3	109.4
Amounts owed to holding company and fellow subsidiaries	(17.5)	(17.4)
Obligations under finance leases	(40.0)	(63.1)
Liability for share-based payments	(3.0)	(3.8)
Deferred tax liabilities	(20.3)	(21.4)
Provisions	(1.7)	(1.4)
Other long-term liabilities	(50.6)	(13.7)
Total non-current liabilities	(133.1)	(120.8)
Total liabilities	(964.5)	(960.9)
Net assets	274.3	290.4
Share capital and share premium	132.8	132.8
Foreign currency exchange and other non-distributable reserves	(118.8)	(119.5)
Retained earnings	208.8	211.9
Attributable to equity holders of the parent	222.8	225.2
Non-controlling interest	51.5	65.2
Total equity	274.3	290.4

Logicalis Executive Committee



Full biographies are on the following page

Logicalis Executive Committee continued

1. Bob Bailkoski Chief Executive Officer

Bob joined Logicalis Group in November 2015, having previously worked for software company Monitise plc. He was appointed CEO in March 2020 and is enjoying working with colleagues to deliver incredible business outcomes to Logicalis' customers.

2. Stuart Radcliffe Chief Financial Officer

Stuart initially joined Logicalis in March 2017 before being appointed Chief Financial Officer for Logicalis Group in October 2018. With over 20 years of experience in the ICT sector, Stuart is helping to develop international strategy, setting the global business model and driving value for all stakeholders.

3. Michael Chanter Chief Operations Officer

With over 20 years' strategy and leadership experience in the technology sector, Michael joined Logicalis in 2013 and served as Chief Executive for Logicalis Australia prior to his appointment as Logicalis Group COO in December 2020. As head of the Global Operations team, Michael is responsible for global go-to-market strategy and the development of innovative, scalable solutions that accelerate our customers' digital transformation journey.

4. Marco de Lima VP, Head of Corporate Development and M&A, Datatec Ltd

Marco was appointed Director of Group Strategy and Corporate Development at Datatec in November 2018, simultaneously joining the Logicalis Executive Board. He has over ten years' experience within Datatec in various divisional and Group corporate finance, business development, and M&A roles.

5. Rodrigo Parreira CEO, Latin America

Rodrigo joined PromonLogicalis as Executive Director in 2008, when Logicalis acquired Promon Tecnologia. Since then, he has worked in various roles across the business including COO, and subsequently CEO, of Logicalis Southern Cone before being promoted to CEO, Logicalis Latin America in March 2012. He continues to grow the Latin American business and enable digital transformation for customers.

6. Jon Groves CEO, Logicalis US

Jonathan Groves joined Logicalis as Chief Executive Officer for Logicalis US in March 2020, from ConvergeOne. Responsible for the strategic direction and performance of Logicalis US, he leads the US executive team providing digital enablement services to help customers harness digital technology.

7. Chong-Win Lee CEO, Logicalis Asia

Chong-Win Lee joined Logicalis in December 2017 as CEO for Asia and is responsible for all subsidiaries in the region with over 700 employees. He drives strategy alongside go-to-market opportunities in alignment with digital transformation opportunities in the region.

8. Anthony Woodward CEO, Logicalis Australia

Anthony Woodward joined as Chief Executive Officer for Logicalis Australia in July 2021. Prior to joining Logicalis he was founder and CEO of Bulletproof (now part of AC3). In his role as CEO for Logicalis Australia, he is focused on driving transformational change by bring to life our mission as Architects of Change™.

9. Justin Kearney SVP, Human Resources

With over 20 years of HR leadership experience, Justin Kearney joined Logicalis in 2013. In his role as SVP of Human Resources at Logicalis Group, he leads the HR function, ensuring the development of skills and expertise to help our customers to digitally transform.

Logicalis Statutory Board

- ▶ Bob Bailkoski
- ▶ Stuart Radcliffe

Jens Montana Chairman

Jens is the founder and chief architect behind Datatec, which he established in 1986. In 1994, Jens became Chairman and Chief Executive Officer of Datatec, which is listed on the Johannesburg Stock Exchange. He was appointed Chairman of Logicalis in March 2007, having previously served on the several Boards and subcommittees of various public companies.

Mark Rogers Non-Executive Director

Mark joined Logicalis in 2003, taking on a number of roles including Chief Financial Officer, European Operations and Chief Operating Officer for Logicalis Group before becoming CEO for Logicalis Group in March 2015. In March 2020, Mark stepped down from his role as CEO to become a Non-Executive Director on the Logicalis Board. Prior to Logicalis, Mark spent 20 years at Racal Electronics/Thales, of which 13 years were at Finance Director level.

Carlos Pingarilho Non-Executive Director

Carlos joined Logicalis as Chief Technical Officer, Latin America in 2008, when Logicalis acquired Promon Tecnologia, where he was responsible for technology direction for the Brazilian IT operation. In February 2012, he became Executive Vice-President, Latin America and, in March 2018, he moved back to Promon and was appointed CEO of the holding company in 2018, simultaneously becoming a Non-Executive Director on the Logicalis Board.

Ivan Dittrich Non-Executive Director

Ivan re-joined Datatec in 2016 from Vodacom, where he had been Group Chief Financial Officer from June 2012 to July 2015. Prior to that, he held a number of senior executive positions at Datatec, including Group Chief Financial Officer from May 2008 to June 2012.

Principal trade subsidiaries

Statutory Name	Country of Incorporation	% held 2021	% held 2020
Holding Company			
Logicalis Group Limited	England and Wales	100%	100%
Subsidiaries of Logicalis Group Limited			
Logicalis Group Services Limited (Dissolved 13 October 2020)	England and Wales	–	100%
Logicalis UK Limited*	England and Wales	100%	100%
Promon-Logicalis Latin America Limited*	England and Wales	65%	65%
Logicalis Limited	England and Wales	100%	100%
Logicalis Group Finance Limited*	England and Wales	100%	100%
Logicalis Networks GmbH*	Germany	100%	100%
Logicalis GmbH*	Germany	100%	100%
ITUMA GmbH*	Germany	51%	51%
Orange Networks GmbH*	Germany	100%	100%
Orange Networks 365 GmbH (Dissolved 1 March 2020)	Germany	–	100%
Logicalis Guernsey Limited*	Guernsey	100%	100%
Logicalis Ireland Limited*	Ireland	100%	100%
Logicalis Solutions Limited*	Ireland	100%	100%
Logicalis Technical Services Limited*	Ireland	100%	100%
Logicalis Technology Limited*	Ireland	100%	100%
Logicalis Channel Islands Limited*	Jersey	100%	100%
Logicalis Jersey Limited*	Jersey	100%	100%
Logicalis Spain, S.L.*	Spain	100%	100%
Logicalis Portugal S.A (formerly known as Cilnet – Comunicações e Projectos Especiais S.A)*	Portugal	70%	70%
Virtualization LDA*	Portugal	53%	53%
DX Net*	Portugal	36%	36%
Logicalis South America, Inc.*	US	65%	65%
PLLAL International LLC*	US	65%	65%
Logicalis US Holdings, Inc.*	US	100%	100%
Logicalis, Inc.*	US	100%	100%
Logicalis Australia Holdings Pty Ltd (formerly known as Thomas Duryea Holdings Pty Limited)*	Australia	100%	100%
Logicalis Australia Pty Ltd (formerly known as Thomas Duryea Logicalis Pty Limited)*	Australia	100%	100%
Corporate Network Integration Pty Ltd*	Australia	100%	100%
Logicalis Argentina S.A.*	Argentina	65%	65%
Nubeliu Argentina S.R.L.*	Argentina	65%	51%
Logicalis Andina Bolivia LAB. Ltda.*	Bolivia	65%	65%
PromonLogicalis Tecnologia e Participações Limitada*	Brazil	65%	65%
PTLS Serviços de Tecnologia e Assessoria Técnica Limitada*	Brazil	65%	65%
Nubeliu Consultoria e Licenciamento de Software Limitada*	Brazil	65%	51%
WeService Serviços e Tecnologia Ltda*	Brazil	65%	65%
Logicalis Latin America Holding S.A.	Brazil	65%	–
NubeliU Limited*	Cayman Islands	65%	51%

Principal trade subsidiaries continued

Statutory Name	Country of Incorporation	% held 2021	% held 2020
Logicalis Chile S.A.*	Chile	65%	65%
Coasin Chile S.A.*	Chile	65%	65%
C2 Mining Solutions*	Chile	65%	65%
Logicalis Colombia S.A.S.*	Colombia	65%	65%
Logicalis República Dominicana S.A.S.*	Dominican Republic	65%	–
Logicalis Ecuador S.A.*	Ecuador	65%	65%
Logicalis Mexico, S.de R.L. de C.V.*	Mexico	65%	65%
Logicalis Paraguay S.A.*	Paraguay	65%	65%
Logicalis Andina S.A.C.*	Peru	65%	65%
Logicalis Puerto Rico Inc.*	Puerto Rico	65%	65%
Logicalis Uruguay S.A.*	Uruguay	65%	65%
Logicalis Inc. S.A.*	Uruguay	65%	65%
NetStar Group Holding Limited*	British Virgin Islands	100%	100%
Logicalis Shanghai Limited*	China	100%	100%
Logicalis Pte Limited (Xiamen)*	China	100%	100%
Logicalis Hong Kong Limited*	Hong Kong	100%	100%
PT Packet Sytems Indonesia*	Indonesia	53.5%	53.5%
PT iZeno Teknologi Indonesia*	Indonesia	64%	–
Logicalis Malaysia Sdn Bhd*	Malaysia	100%	100%
Logicalis Asia Pacific MSC Sdn. Bhd. (formerly known as Thomas Duryea Logicalis Asia Pacific MSC Sdn. Bhd.)*	Malaysia	100%	100%
iZeno Sdn Bhd.*	Malaysia	65%	–
Logicalis Singapore Pte. Limited*	Singapore	100%	100%
iZeno Private Ltd*	Singapore	65%	–
Logicalis Vietnam Company Limited*	Vietnam	100%	–
Nubeliu I LLC*	US	64%	51%
Nubeliu II LLC*	US	64%	51%

Note: * indicates a subsidiary which is owned indirectly via an intermediate holding company.



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