



TD SYNEX

Investor Presentation

June 2024

Safe harbor statement

Statements in this presentation regarding TD SYNEX that are not historical facts are “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Such forward-looking statements are inherently uncertain, and shareholders and other potential investors must recognize that actual results may differ materially from TD SYNEX expectations as a result of a variety of factors. These forward-looking statements may be identified by terms such as believe, foresee, expect, may, will, provide, could and should and the negative of these terms or other similar expressions. These forward-looking statements include, but are not limited to, statements about our strategy, demand, plans and positioning, cash flow, capital allocation, as well as guidance related to the third quarter of 2024. Such forward-looking statements are based upon management’s current expectations and include known and unknown risks, uncertainties and other factors, many of which TD SYNEX is unable to predict or control, that may cause TD SYNEX actual results, performance, or plans to differ materially from any future results, performance or plans expressed or implied by such forward-looking statements. Please refer to the documents filed with the Securities and Exchange Commission, specifically our most recent Form 10-K and subsequent SEC filings, for information on risk factors that could cause actual results to differ materially from those discussed in these forward-looking statements. Statements included in this presentation are based upon information known to TD SYNEX as of the date of presentation and TD SYNEX assumes no obligation to update information contained in this presentation except as otherwise required by law.

FQ2'2024 snapshot

Return to y/y non-GAAP gross billings⁽¹⁾ growth, continued margin expansion and accelerated capital returns



\$19.3B

NON-GAAP GROSS BILLINGS⁽¹⁾
+3% y/y



6.98%

NON-GAAP GROSS MARGIN⁽¹⁾
+ 9 bps y/y



2.78%

NON-GAAP OPERATING MARGIN⁽¹⁾
+11 bps y/y



\$2.73

NON-GAAP DILUTED EPS⁽¹⁾
+12% y/y



~25%

STRATEGIC TECHNOLOGIES
AS A PERCENTAGE OF NON-GAAP GROSS
BILLINGS⁽¹⁾⁽²⁾



\$288M

RETURNED TO SHAREHOLDERS
+ 210% y/y

FQ2'2024

Benefited from improving IT spending environment and end-to-end technology portfolio

	Q2 FY24	B/(W) vs PY
Revenue (\$B)	\$13.9	(1)% / (1)% ⁽²⁾
Non-GAAP gross billings (\$B) ⁽¹⁾	\$19.3	3% / 3% ⁽²⁾
Operating Income (\$M)	\$264	4%
Non-GAAP operating income (\$M) ⁽¹⁾	\$388	3% / 3% ⁽²⁾
Operating Margin	1.89%	9 bps
Non-GAAP operating margin ⁽¹⁾	2.78%	11 bps
Diluted earnings per share	\$1.66	18%
Non-GAAP diluted earnings per share ⁽¹⁾	\$2.73	12%

Key takeaways

- 1 Non-GAAP gross billings⁽¹⁾ above the mid point of the outlook range, with y/y growth across Endpoint Solutions, Advanced Solutions and Strategic Technologies
- 2 Non-GAAP operating income⁽¹⁾ growth in line with topline growth, driven by balanced investments in Strategic Technology areas
- 3 Robust earnings per share generation driven by topline growth, resilience in margins, and share repurchases

FQ3'2024 outlook



	Q3 FY24E
Revenue (\$B)	\$13.3 – \$14.9
Non-GAAP gross billings (\$B) ⁽¹⁾	\$18.9 – \$20.1
Net income (M)	\$152 – \$194
Non-GAAP net income (M) ⁽¹⁾	\$219 – \$261
Diluted EPS	\$1.77 – \$2.27
Non-GAAP diluted EPS ⁽¹⁾	\$2.55 – \$3.05
Estimated outstanding diluted weighted avg. shares (M)	85.0
Interest expense, net (M)	\$75
Tax rate	23%

Technology and product solutions

Endpoint solutions (ES)



PCS



MOBILE



PRINT



PERIPHERALS



OTHER

Advanced solutions (AS)



HYPERSCALE
INFRASTRUCTURE



CLOUD



SERVERS



NETWORKING



STORAGE



SOFTWARE



OTHER

Strategic technologies



CLOUD



SECURITY






DATA/AI/IOT



HYPERSCALE
INFRASTRUCTURE

FQ2'2024

Results by technology category⁽²⁾

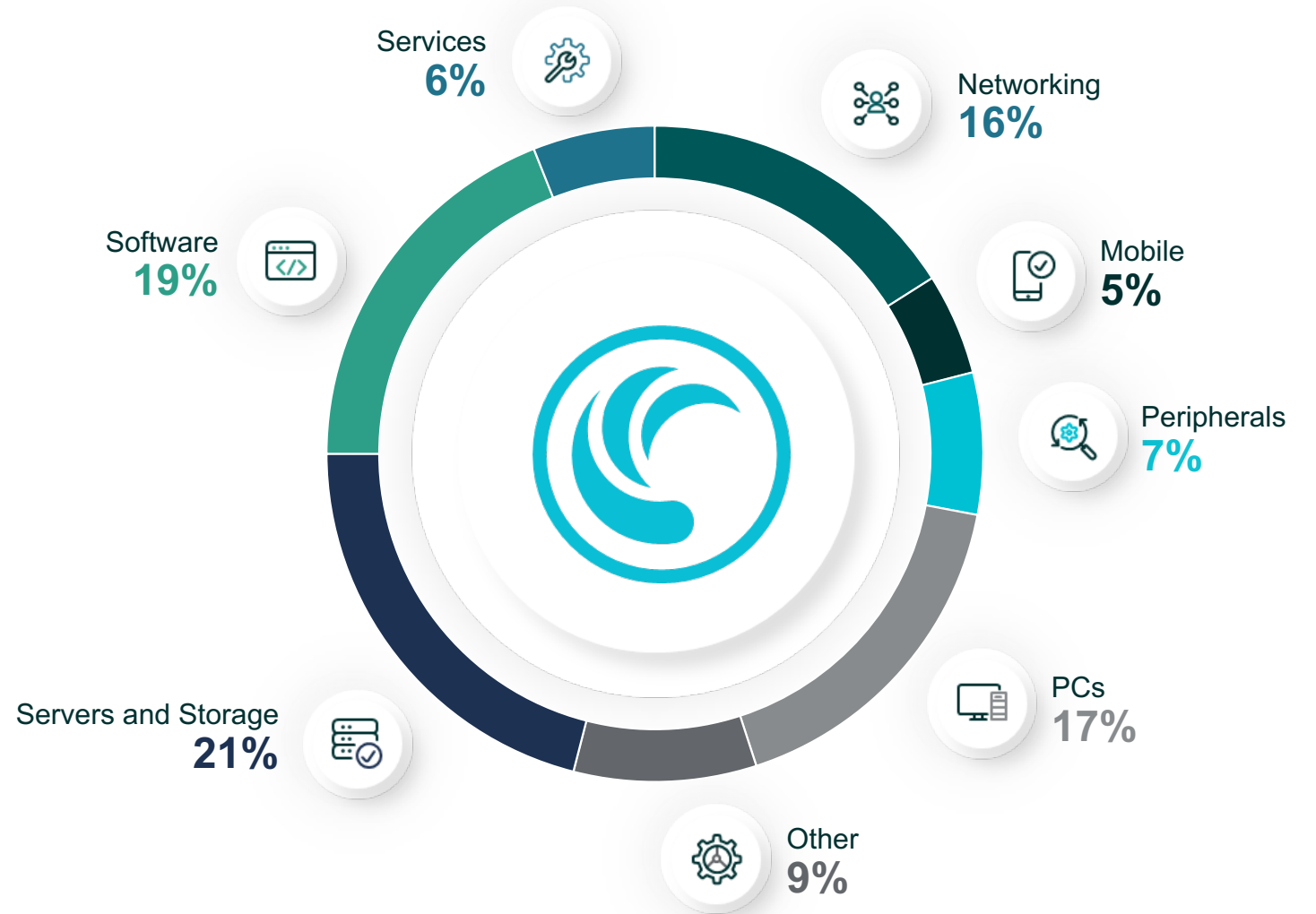
	 Revenue	 Non-GAAP gross billings⁽¹⁾	 Gross profit
Endpoint solutions (ES)	\$6.7B revenue Flat y/y	\$7.8B non-GAAP gross billings ⁽¹⁾ +1% y/y	\$341M 5% gross margin
Advanced solutions (AS)	\$7.2B revenue (1)% y/y	\$11.5B non-GAAP gross billings ⁽¹⁾ +5% y/y	\$632M 9% gross margin
Strategic technologies		\$4.8B non-GAAP gross billings ⁽¹⁾ +15% y/y	

Key takeaways

- ES saw low single digit growth in Mobile, Print and PCs, offset by softness in demand for Peripherals and some components
- AS achieved growth across most product categories, partially offset by continued tough y/y compares in Networking
- Strategic technologies portfolio saw accelerated y/y growth in the mid-teens, and represented 25%⁽²⁾ of non-GAAP gross billings⁽¹⁾ up from 22% in the prior year period

Balanced end-to-end portfolio

Approximate % of total non-GAAP gross billings⁽¹⁾ by product category⁽²⁾ for FQ2'2024



(1) Non-GAAP measure. See the appendix to this presentation for definitions of non-GAAP measures and reconciliation of such measures to GAAP
(2) Metrics are approximations, subject to certain allocations and other factors and may also change if the company aligns their products and services differently

Well-positioned to leverage growing AI market

Creating industry-leading aggregated AI solutions for the channel

Strong vendor partnerships

Launched IBM® watsonx™ Gold 100 Program to accelerate AI opportunities for partners, including enablement and training resources, business planning, marketing, demand generation, expert services and pre-sales support

Industry recognition

Received Microsoft's Global Copilot Seats Champion Award for Q3 FY24 following successful channel launch activities

AI lifecycle solutions for the datacenter

Named a design partner for NVIDIA's HGX product line, allowing Hyve to offer solutions optimized for H100, H200 and Blackwell GPUs and announced the integration of Intel® Xeon® 6 processors into Hyve-designed motherboards and systems

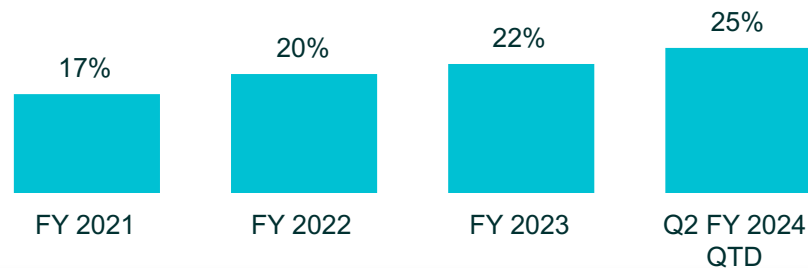


Delivering on our plan

Expanding our presence in strategic technologies and delivering strong returns to shareholders

Continued strategic technologies execution

Strategic technologies as a percentage of non-GAAP gross billings⁽³⁾



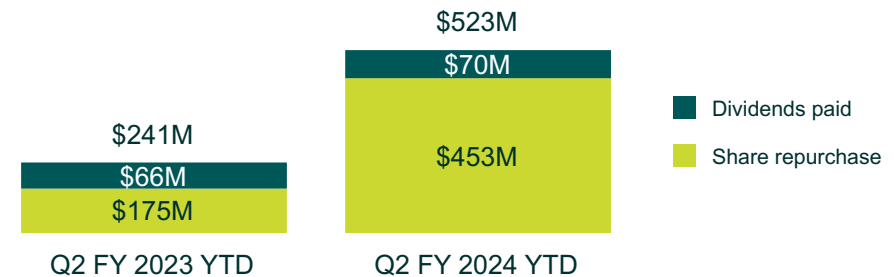
Continued expansion in **strategic technologies**
Cloud, Data/AI/IoT, Security and Hyperscale Infrastructure

Mix shift driving
gross margin expansion

Strategic technologies represented
25%⁽³⁾ of FQ2'24 non-GAAP gross billings⁽¹⁾

Cash flow + capital allocation

Cash returned to shareholders⁽²⁾



\$191M of free cash flow (FCF)⁽¹⁾ generated YTD, continue to expect to generate **~\$1.2B in FY2024**

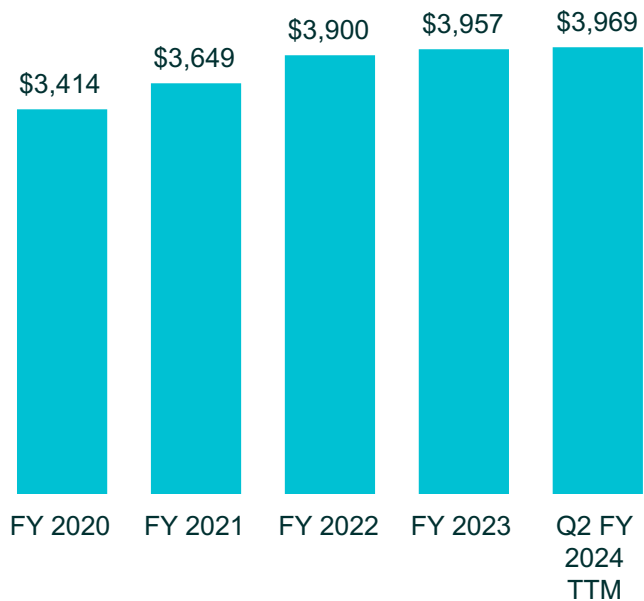
Executed shareholder returns at
274% of YTD free cash flow⁽¹⁾

Over the medium-term, expect to allocate capital according to our framework, inclusive of targeted return to shareholders of **50%** of free cash flow⁽¹⁾

Attractive long term growth in profitability

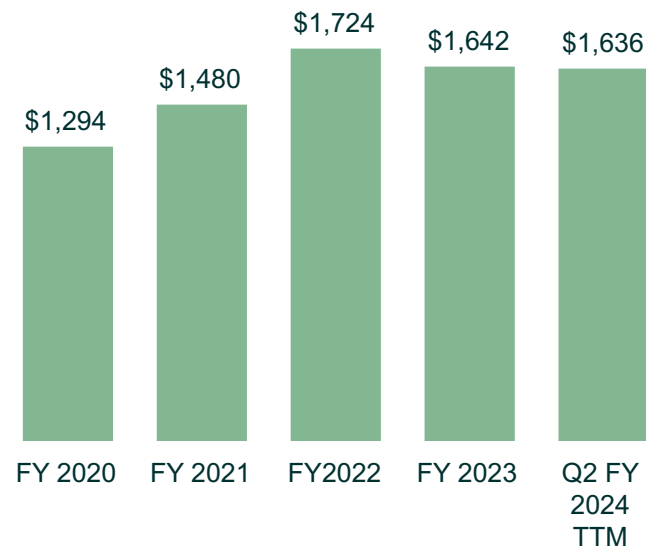
Gross profit⁽¹⁾

4% CAGR



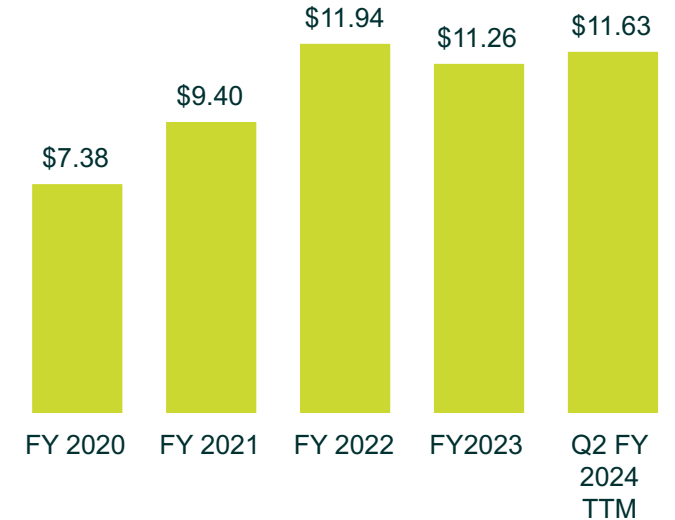
Non-GAAP operating income^(1,2)

7% CAGR



Non-GAAP diluted EPS⁽²⁾

14% CAGR



Strong investment grade balance sheet

Capital structure provides ample liquidity and flexibility

Significant liquidity

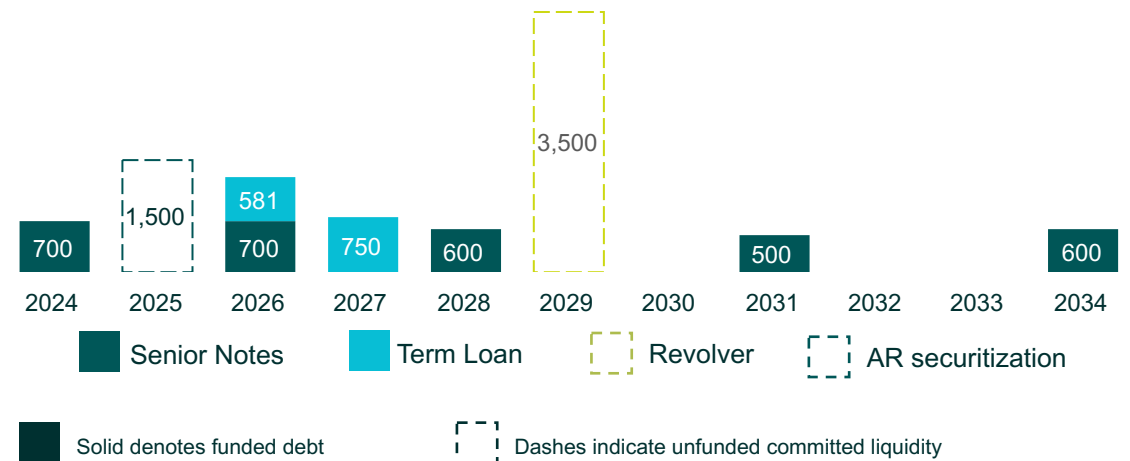
	May 2024
Cash	\$1,174M
Unsecured revolver	\$3,500M
A/R securitization	\$1,500M
Total liquidity	\$6,174M

Investment grade balance sheet – FQ2'2024

Total debt leverage	\$4.6B	2.6x
Net debt leverage	\$3.4B	2.0x

~4.3% Average cost of funded debt

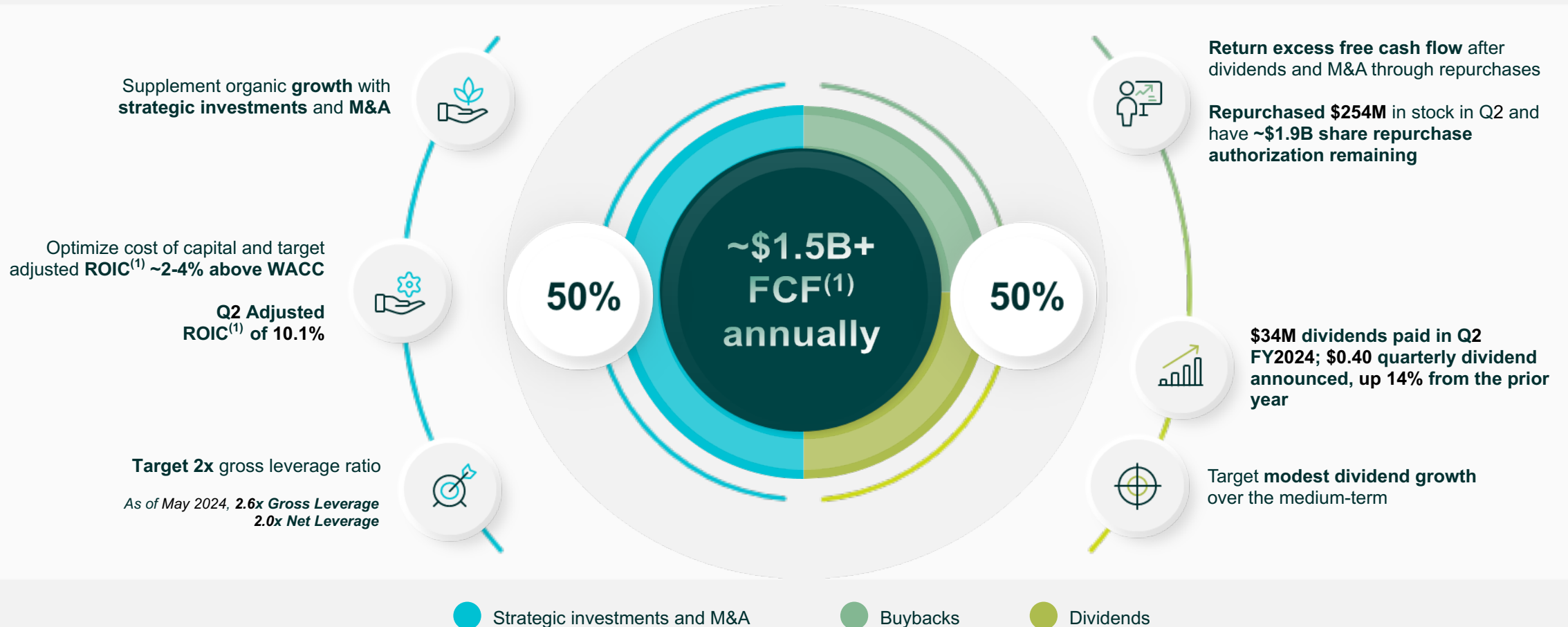
Long dated, well-laddered capital structure (\$M)



Expect to pay off \$700M of 2024 notes by August, reducing debt leverage levels to 2.3x by year-end

Significant FCF potential with a focus on shareholder returns

Medium-term target capital allocation



Why own TD SYNEX?



Attractive core business capitalizing on strategic technologies

Industry leader levered to secular IT spending growth and megatrends

Non-GAAP Gross billings⁽¹⁾ from strategic technologies represent 25%⁽²⁾ of company total, growing mid-teens y/y

Successful merger integration continues to provide opportunities for margin optimization and revenue synergies



Significant cash flow engine creates financial flexibility

Strong investment grade balance sheet

Target **~\$1.5B** of FCF⁽¹⁾ in medium-term

Limited capital intensity



Target shareholder return of 15-20%

Target TSR of **15-20%** in medium-term

Target modest dividend growth over the medium-term

~\$1.9B share repurchase authorization

A differentiated investment opportunity...



Leading global IT solutions distributor with significant breadth and depth of capabilities



Central role in IT ecosystem positions us well for future models of consumption



Attractive cash-generative business model supported by investment grade balance sheet



Portfolio squarely aligned with technology megatrends, driving growth and margin uplift



Multiple incremental levers to drive continued growth

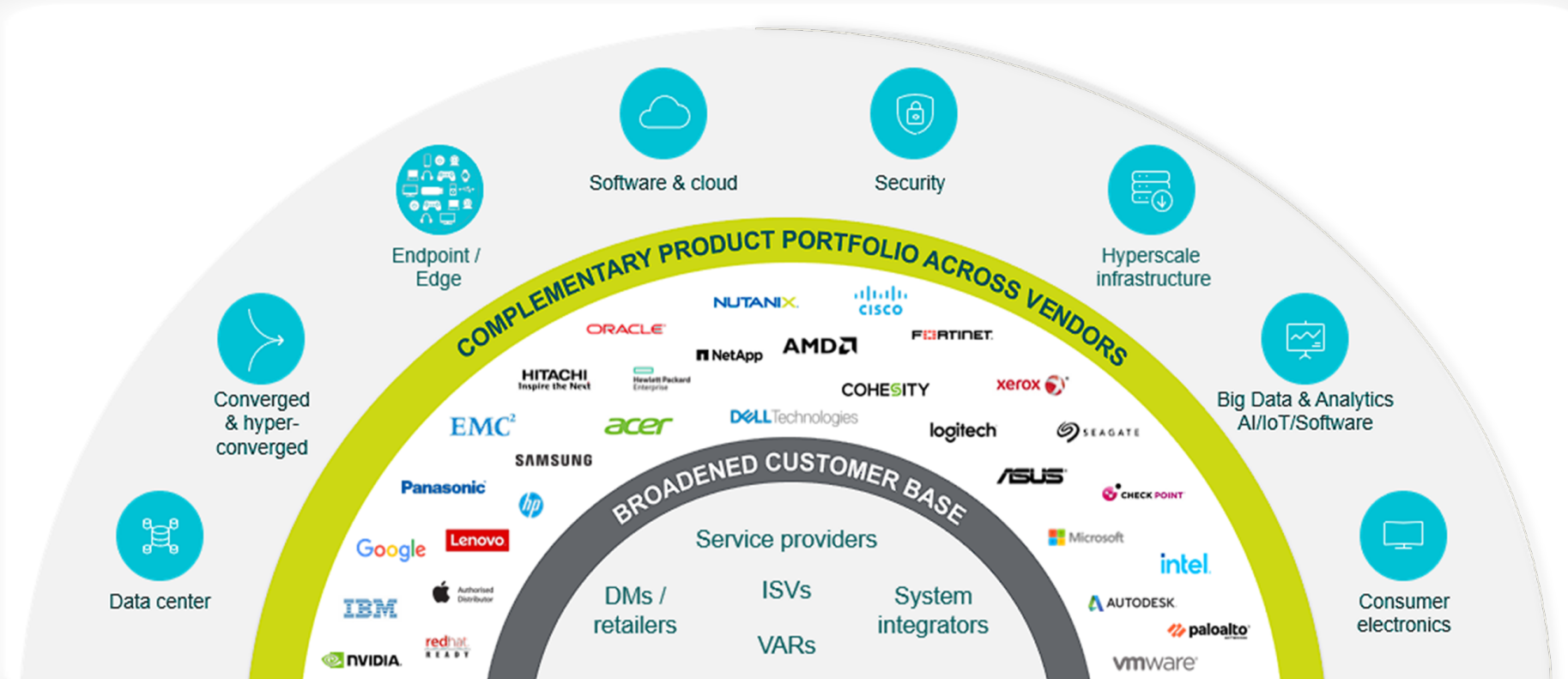


Compelling total shareholder return profile driven by organic growth and attractive capital allocation policy

Appendix

TD SYNnex

Connecting the global IT system

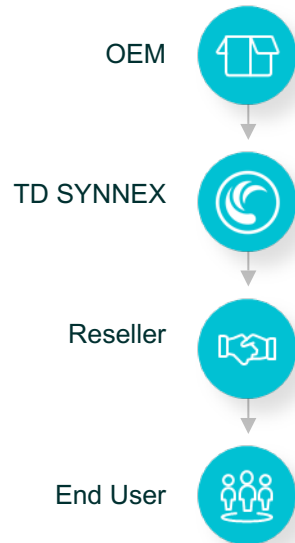


GLOBAL IT PLATFORMS

SPECIALIZED SKILLS

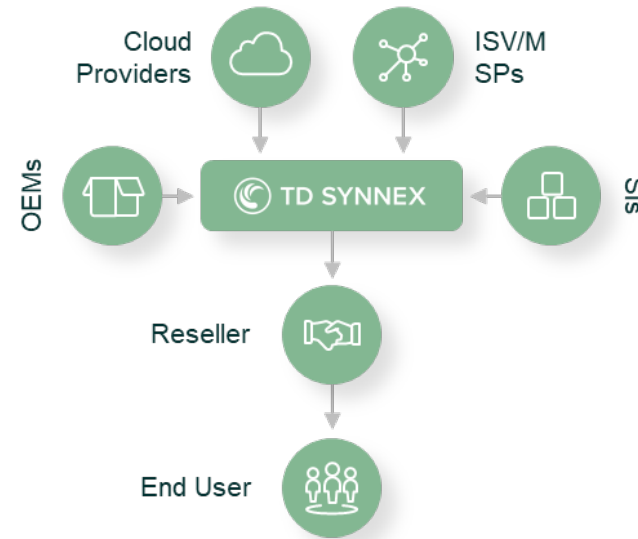
Well positioned to benefit from industry evolution

Linear Model



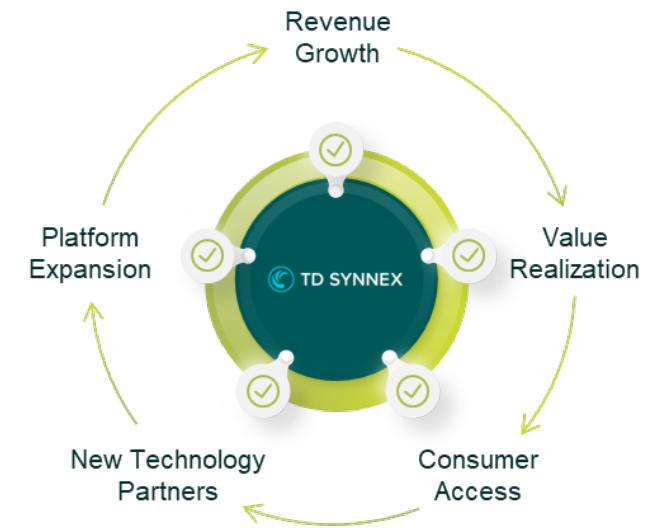
Inventory financing
Logistics management

Solutions Aggregation



Reduces solution building cost for resellers
Accelerated time to market

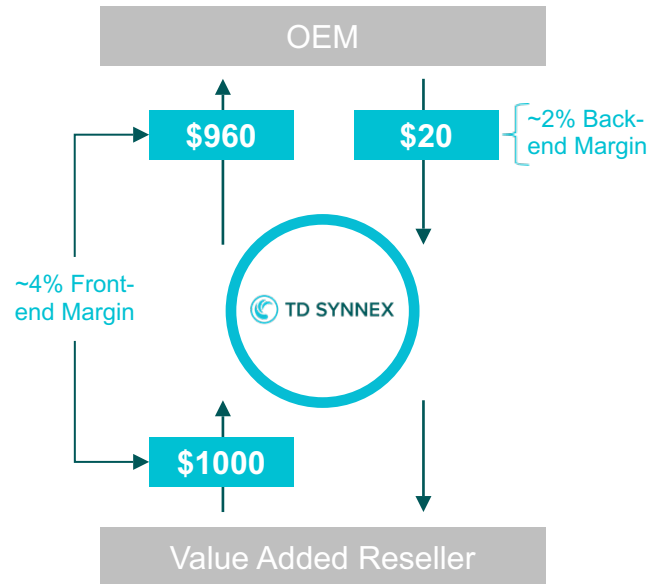
Ecosystem Orchestration



Expands ecosystem addressable market
As a service capabilities

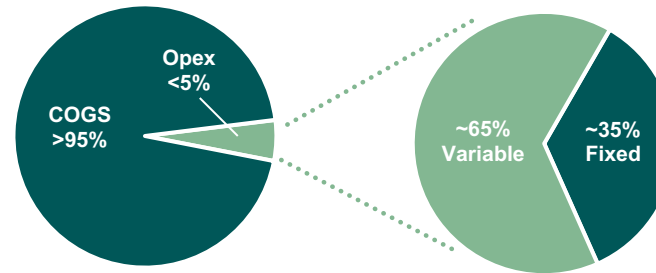
Attractive business model with variable cost structure and limited capital intensity

Illustrative Business Model



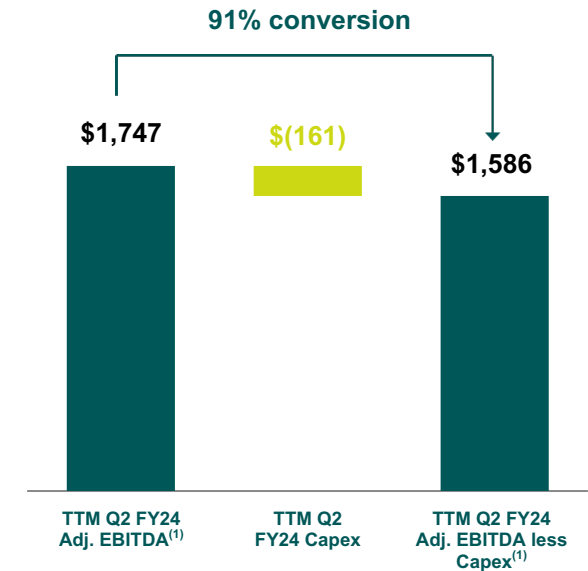
High-ROIC⁽¹⁾ model with consistent spread and minimal inventory risk

Highly Variable Cost Structure



Highly variable cost structure provides flexibility

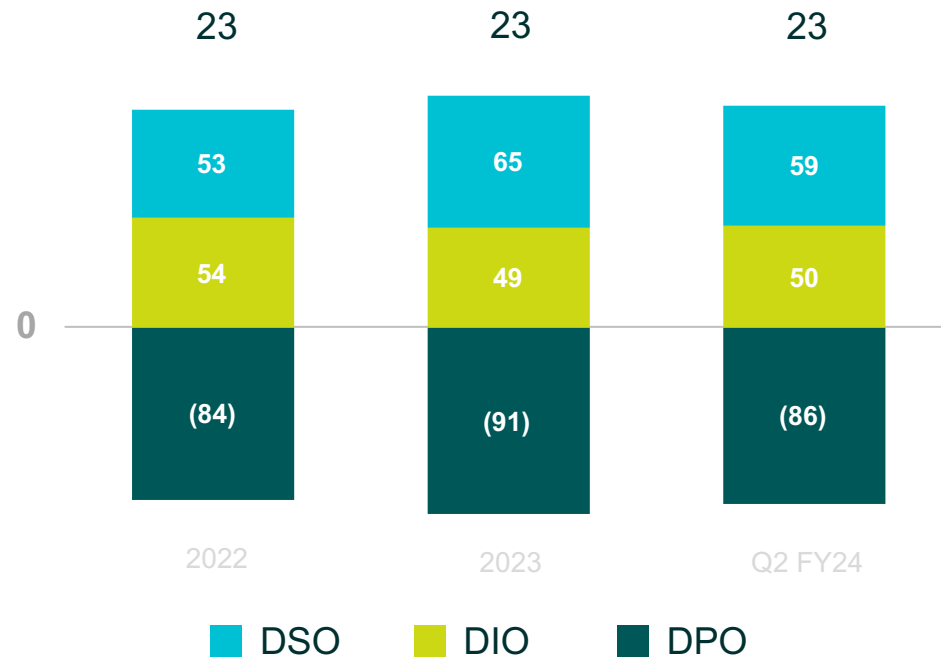
TTM Adj. EBITDA less Capex (\$M)⁽¹⁾



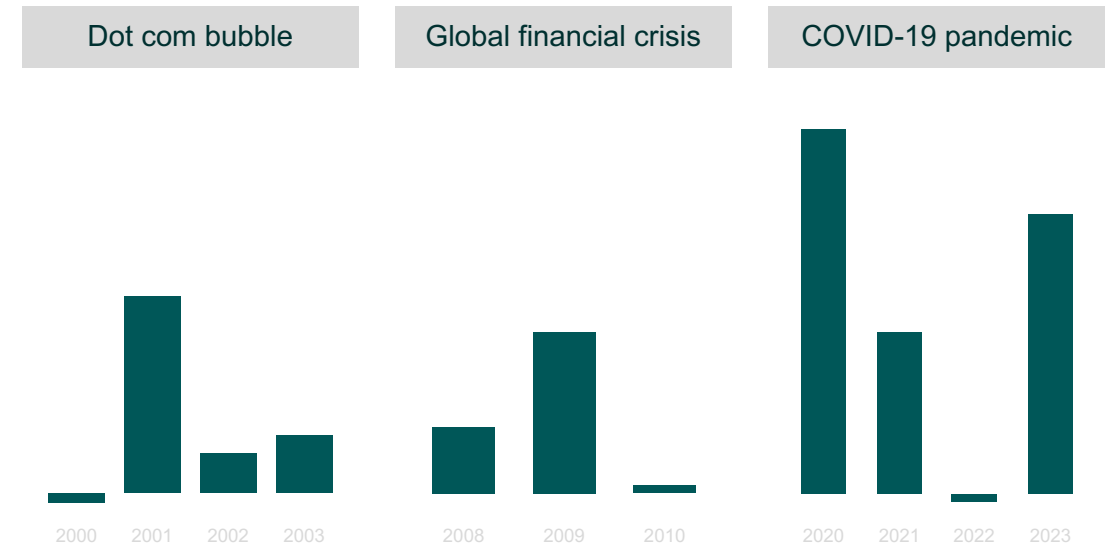
Capex-light business model leads to the retention of the majority of our Adj. EBITDA⁽¹⁾

Stable cash conversion cycle with countercyclical benefits

Steady cash conversion cycle (days)



Countercyclical cash generation



During recessionary environments when revenues decline, balance sheet unwinds to generate cash

ESG highlights



Environmental

Commitment to Science-Based Target initiative (SBTi) Business Ambition Pledge with net zero targets approved by SBTi

Planning to achieve net-zero greenhouse gas emissions by 2045

Incorporating circular economy principles into product life cycle management strategy

Deploying environmental management systems and engaging in projects that support our decarbonization journey such as renewables, energy conservation measures and waste minimization projects

Over 40 Green Teams in place globally to support sustainability efforts



Social

Company: Seeking to increase our gender diversity with **50%** of our workforce and **40%** of leadership roles being filled by women by **2030**. Aiming to grow our diversity through increased representation of underrepresented groups by **2025**

Culture: Doubling co-worker participation in Business Resource Groups by 2025.

Proactively addressing our global pay equity position to ensure fairness for all.

Community: Helping bridge the digital divide by providing devices, digital skills training, internet connectivity and technical support to underserved communities. Committed to increasing the diversity of our partner ecosystem.



Governance

Strong corporate governance based on our values of Inclusion, Collaboration, Integrity and Excellence

Comprehensive ethics and compliance program and well-established governance policies and principles

Corporate responsibility oversight by cross-functional steering committee

Non-GAAP financial measures

In addition to the financial results presented in accordance with GAAP, TD SYNEX refers to revenues on a constant currency basis which adjusts for the translation effect of foreign currencies so that certain financial results can be viewed without the impact of fluctuations in foreign currency exchange rates, thereby facilitating period-to-period comparisons of our performance. Financial results adjusted for constant currency are calculated by translating current period activity using the comparable prior year periods' currency conversion rate. TD SYNEX uses non-GAAP gross billings, which adjusts revenues to exclude costs related to sales of third-party supplier service contracts, software as a service arrangements and certain fulfillment contracts. Non-GAAP gross billings are a useful non-GAAP metric in understanding the volume of our business activity and serve as an important performance metric in internally managing our operations. TD SYNEX uses non-GAAP gross profit and non-GAAP gross margin which exclude purchase accounting adjustments. TD SYNEX uses non-GAAP operating income, non-GAAP operating margin, non-GAAP net income, and non-GAAP diluted earnings per share, which are non-GAAP financial measures that exclude acquisition, integration and restructuring costs, the amortization of intangible assets, share-based compensation expense, purchase accounting adjustments, legal settlements and other litigation, net and the related tax effects thereon and an income tax capital loss carryback benefit. Further, the Company uses adjusted earnings before interest, taxes, depreciation and amortization ("Adjusted EBITDA") which excludes interest expense and finance charges, net, the provision for income taxes, depreciation, amortization of intangibles, other income (expense), net, acquisition, integration and restructuring costs, share-based compensation expense and purchase accounting adjustments. In prior periods, TD SYNEX has excluded other items relevant to those periods for purposes of its non-GAAP financial measures.

Acquisition, integration and restructuring costs, which are expensed as incurred, primarily represent professional services costs for legal, banking, consulting and advisory services, severance and other personnel-related costs, share-based compensation expense and debt extinguishment fees that are incurred in connection with acquisition, integration, restructuring, and divestiture activities. From time to time, this category may also include transaction-related gains/losses on divestitures/spin-off of businesses, costs related to long-lived assets including impairment charges and accelerated depreciation and amortization expense due to changes in asset useful lives, as well as various other costs associated with the acquisition or divestiture.

TD SYNEX's acquisition activities have resulted in the recognition of finite-lived intangible assets which consist primarily of customer relationships and vendor lists. Finite-lived intangible assets are amortized over their estimated useful lives and are tested for impairment when events indicate that the carrying value may not be recoverable. The amortization of intangible assets is reflected in the Company's Statements of Operations. Although intangible assets contribute to the Company's revenue generation, the amortization of intangible assets does not directly relate to the sale of the Company's products. Additionally, intangible asset amortization expense typically fluctuates based on the size and timing of the Company's acquisition activity. Accordingly, the Company believes excluding the amortization of intangible assets, along with the other non-GAAP adjustments, which neither relate to the ordinary course of the Company's business nor reflect the Company's underlying business performance, enhances the Company's and investors' ability to compare the Company's past financial performance with its current performance and to analyze underlying business performance and trends. Intangible asset amortization excluded from the related non-GAAP financial measure represents the entire amount recorded within the Company's GAAP financial statements, and the revenue generated by the associated intangible assets has not been excluded from the related non-GAAP financial measure. Intangible asset amortization is excluded from the related non-GAAP financial measure because the amortization, unlike the related revenue, is not affected by operations of any particular period unless an intangible asset becomes impaired or the estimated useful life of an intangible asset is revised.

Share-based compensation expense is a non-cash expense arising from the grant of equity awards to employees and non-employee members of the Company's Board of Directors based on the estimated fair value of those awards. Although share-based compensation is an important aspect of the compensation of our employees, the fair value of the share-based awards may bear little resemblance to the actual value realized upon the vesting or future exercise of the related share-based awards and the expense can vary significantly between periods as a result of the timing of grants of new stock-based awards, including grants in connection with acquisitions. Given the variety and timing of awards and the subjective assumptions that are necessary when calculating share-based compensation expense, TD SYNEX believes this additional information allows investors to make additional comparisons between our operating results from period to period.

Purchase accounting adjustments are primarily related to the impact of recognizing the acquired vendor and customer liabilities related to the merger with Tech Data at fair value. These adjustments benefited our non-GAAP operating income through the third fiscal quarter of fiscal 2023 based on historical settlement patterns with our vendors and in accordance with the timing defined in our policy for releasing vendor and customer liabilities we deem remote to be paid.

Legal settlements and other litigation, net includes a benefit recorded in other income (expense), net during the fourth quarter of fiscal 2022 resulting from a decrease in our accrual for a legal matter in France.

In connection with the merger with Tech Data, the Company restructured its foreign financing structure, as well as select legal entities in anticipation of legally integrating legacy Tech Data and SYNEX foreign operations. In addition to the treasury efficiencies, these restructurings resulted in a one-time domestic capital loss which would offset certain domestic capital gains when carried back under United States tax law, resulting in an income tax capital loss carryback benefit.

Trailing fiscal four quarters ROIC is defined as the last four quarters' tax effected operating income divided by the average of the last five quarterly balances of borrowings and equity, net of cash. Adjusted ROIC is calculated by excluding the tax effected impact of non-GAAP adjustments from operating income and by excluding the cumulative tax effected impact of current and prior period non-GAAP adjustments on equity.

TD SYNEX also uses free cash flow, which is cash flow from operating activities, reduced by purchases of property and equipment. TD SYNEX uses free cash flow to conduct and evaluate its business because, although it is similar to cash flow from operations, TD SYNEX believes it is an additional useful measure of cash flows since purchases of property and equipment are a necessary component of ongoing operations. Free cash flow reflects an additional way of viewing TD SYNEX's liquidity that, when viewed with its GAAP results, provides a more complete understanding of factors and trends affecting its cash flows. Free cash flow has limitations as it does not represent the residual cash flow available for discretionary expenditures. For example, free cash flow does not incorporate payments for business acquisitions. Therefore, TD SYNEX believes it is important to view free cash flow as a complement to its entire Consolidated Statements of Cash Flows.

TD SYNEX management uses non-GAAP financial measures internally to understand, manage and evaluate the business, to establish operational goals, and in some cases for measuring performance for compensation purposes. These non-GAAP measures are intended to provide investors with an understanding of TD SYNEX's operational results and trends that more readily enable investors to analyze TD SYNEX's base financial and operating performance and to facilitate period-to-period comparisons and analysis of operational trends, as well as for planning and forecasting in future periods. Management believes these non-GAAP financial measures are useful to investors in allowing for greater transparency with respect to supplemental information used by management in its financial and operational decision-making. As these non-GAAP financial measures are not calculated in accordance with GAAP, they may not necessarily be comparable to similarly titled measures employed by other companies. These non-GAAP financial measures should not be considered in isolation or as a substitute for the comparable GAAP measures, and should be read only in conjunction with TD SYNEX's Consolidated Financial Statements prepared in accordance with GAAP. A reconciliation of TD SYNEX's GAAP to non-GAAP financial information is set forth in the supplemental tables at the end of this presentation.

Reconciliation of GAAP to Non-GAAP financial measures

TD SYNEX
(Currency in thousands)
(Amounts may not add or compute due to rounding)

	Three Months Ended							
	Consolidated		Americas		Europe		Asia-Pacific and Japan	
	May 31, 2024	May 31, 2023	May 31, 2024	May 31, 2023	May 31, 2024	May 31, 2023	May 31, 2024	May 31, 2023
Revenue in constant currency								
Revenue	\$ 13,947,908	\$ 14,062,124	\$ 8,557,573	\$ 8,699,342	\$ 4,426,775	\$ 4,461,461	\$ 963,560	\$ 901,321
Impact of changes in foreign currencies	37,809	—	57	—	1,065	—	36,687	—
Revenue in constant currency	\$ 13,985,717	\$ 14,062,124	\$ 8,557,630	\$ 8,699,342	\$ 4,427,840	\$ 4,461,461	\$ 1,000,247	\$ 901,321
Y/Y revenue (decline) growth	(0.8)%		(1.6)%		(0.8)%		6.9 %	
Y/Y revenue (decline) growth in constant currency	(0.5)%		(1.6)%		(0.8)%		11.0 %	

Reconciliation of GAAP to Non-GAAP financial measures

TD SYNnex
(Currency in thousands)
(Amounts may not add or compute due to rounding)

	Three Months Ended							
	Consolidated		Americas		Europe		Asia-Pacific and Japan	
	May 31, 2024	May 31, 2023	May 31, 2024	May 31, 2023	May 31, 2024	May 31, 2023	May 31, 2024	May 31, 2023
Non-GAAP gross billings in constant currency								
Revenue	\$ 13,947,908	\$ 14,062,124	\$ 8,557,573	\$ 8,699,342	\$ 4,426,775	\$ 4,461,461	\$ 963,560	\$ 901,321
Costs incurred and netted against revenue related to sales of third-party supplier service contracts, software as a service arrangements and certain fulfillment contracts	5,356,701	4,653,782	3,689,627	3,138,885	1,435,171	1,316,485	231,903	198,412
Non-GAAP gross billings	\$ 19,304,609	\$ 18,715,906	\$ 12,247,200	\$ 11,838,227	\$ 5,861,946	\$ 5,777,946	\$ 1,195,463	\$ 1,099,733
Impact of changes in foreign currencies	41,331	—	(5)	—	(1,615)	—	42,951	—
Non-GAAP gross billings in constant currency	\$ 19,345,940	\$ 18,715,906	\$ 12,247,195	\$ 11,838,227	\$ 5,860,331	\$ 5,777,946	\$ 1,238,414	\$ 1,099,733
Y/Y non-GAAP gross billings growth	3.1 %		3.5 %		1.5 %		8.7 %	
Y/Y non-GAAP gross billings in constant currency growth	3.4 %		3.5 %		1.4 %		12.6 %	

Reconciliation of GAAP to Non-GAAP financial measures

TD SYNEX
(Currency in thousands)
(Amounts may not add or compute due to rounding)

Non-GAAP gross profit and non-GAAP gross margin	Three Months Ended	
	May 31, 2024	May 31, 2023
Revenue	\$ 13,947,908	\$ 14,062,124
Gross profit	\$ 973,547	\$ 963,410
Purchase accounting adjustments	—	5,170
Non-GAAP gross profit	\$ 973,547	\$ 968,580
Gross margin	6.98 %	6.85 %
Non-GAAP gross margin	6.98 %	6.89 %

Reconciliation of GAAP to Non-GAAP financial measures

TD SYNEX
(Currency in thousands)
(Amounts may not add or compute due to rounding)

Non-GAAP operating income and non-GAAP operating margin	Three Months Ended	
	May 31, 2024	May 31, 2023
Revenue	\$ 13,947,908	\$ 14,062,124
Operating income	\$ 263,948	\$ 252,883
Acquisition, integration and restructuring costs	37,885	36,829
Amortization of intangibles	72,759	73,519
Share-based compensation	13,430	7,648
Purchase accounting adjustments	—	5,170
Non-GAAP operating income	\$ 388,022	\$ 376,049
Impact of changes in foreign currencies	(84)	—
Non-GAAP operating income in constant currency	\$ 387,938	\$ 376,049
Operating margin	1.89 %	1.80 %
Non-GAAP operating margin	2.78 %	2.67 %
Y/Y non-GAAP operating income growth	3.2 %	
Y/Y non-GAAP operating income in constant currency growth	3.2 %	

Reconciliation of GAAP to Non-GAAP financial measures

TD SYNEX
 (Currency in thousands)
 (Amounts may not add or compute due to rounding)

Free cash flow	Three Months Ended		Six Months Ended	
	May 31, 2024	May 31, 2023	May 31, 2024	May 31, 2023
Net cash (used in) provided by operating activities	\$ (114,708)	\$ 707,545	\$ 270,001	\$ 604,750
Purchases of property and equipment	(37,822)	(30,331)	(78,910)	(67,609)
Free cash flow	<u>\$ (152,530)</u>	<u>\$ 677,214</u>	<u>\$ 191,091</u>	<u>\$ 537,141</u>

Reconciliation of GAAP to Non-GAAP financial measures

TD SYNEX
 (Currency in thousands)
 (Amounts may not add or compute due to rounding)

	Three Months Ended	
	May 31, 2024	
Non-GAAP income before income taxes, non-GAAP provision for income taxes and non-GAAP effective tax rate		
Income before income taxes	\$	184,156
Acquisition, integration & restructuring costs		37,885
Amortization of intangibles		72,759
Share based compensation		13,430
Non-GAAP income before income taxes	\$	308,230
Provision for income taxes	\$	40,551
Income taxes related to the above		30,818
Non-GAAP provision for income taxes	\$	71,369
Effective tax rate		22.02 %
Non-GAAP effective tax rate		23.15 %

Reconciliation of GAAP to Non-GAAP financial measures

TD SYNEX
(Per share amounts)
(Amounts may not add or compute due to rounding)

Non-GAAP diluted EPS ⁽¹⁾	Three Months Ended			
	May 31, 2024	February 29, 2024	November 30, 2023	August 31, 2023
Diluted EPS ⁽¹⁾	\$ 1.66	\$ 1.93	\$ 2.06	\$ 1.49
Acquisition, integration & restructuring costs	0.44	0.36	0.52	0.79
Amortization of intangibles	0.84	0.81	0.79	0.79
Share-based compensation	0.15	0.20	0.22	0.09
Purchase accounting adjustments	—	—	—	0.03
Income taxes related to the above	(0.36)	(0.31)	(0.46)	(0.41)
Non-GAAP diluted EPS ⁽¹⁾	\$ 2.73	\$ 2.99	\$ 3.13	\$ 2.78

⁽¹⁾ Diluted EPS is calculated using the two-class method. Unvested restricted stock awards granted to employees are considered participating securities. For purposes of calculating Diluted EPS, net income allocated to participating securities was immaterial in all periods presented.

Reconciliation of GAAP to Non-GAAP financial measures

TD SYNEX
(Per share amounts)
(Amounts may not add or compute due to rounding)

	Fiscal Years Ended			
	November 30, 2023	November 30, 2022	November 30, 2021	November 30, 2020
Non-GAAP diluted EPS⁽¹⁾				
Diluted EPS	\$ 6.70	\$ 6.77	\$ 6.24	\$ 6.46
Acquisition, integration & restructuring costs	2.28	2.40	2.51	0.19
Amortization of intangibles	3.14	3.11	1.66	0.78
Share-based compensation	0.53	0.41	0.52	0.34
Purchase accounting adjustments	0.16	1.17	0.45	—
Legal settlements and other litigation, net	—	(0.11)	—	—
Income taxes related to the above	(1.55)	(1.73)	(1.27)	(0.38)
Income tax capital loss carryback benefit	—	(0.09)	(0.71)	—
Non-GAAP diluted EPS ⁽¹⁾	\$ 11.26	\$ 11.94	\$ 9.40	\$ 7.38

⁽¹⁾ Diluted EPS is calculated using the two-class method. Unvested restricted stock awards granted to employees are considered participating securities. For purposes of calculating Diluted EPS, net income allocated to participating securities was immaterial in all periods presented.

Calculation of financial metrics

TD SYNnex
(Currency in thousands)
(Amounts may not add or compute due to rounding)

ROIC	May 31, 2024	
Operating income (trailing fiscal four quarters)	\$	1,093,507
Income taxes on operating income ⁽¹⁾		(220,648)
Operating income after taxes	\$	872,859
Total invested capital comprising equity and borrowings, less cash (last five quarters average)	\$	11,281,778
ROIC		7.7 %
Adjusted ROIC		
Non-GAAP operating income (trailing fiscal four quarters)	\$	1,635,994
Income taxes on non-GAAP operating income ⁽¹⁾		(365,917)
Non-GAAP operating income after taxes	\$	1,270,077
Total invested capital comprising equity and borrowings, less cash (last five quarters average)	\$	11,281,778
Tax effected impact of cumulative non-GAAP adjustments (last five quarters average)		1,272,871
Total non-GAAP invested capital (last five quarters average)	\$	12,554,649
Adjusted ROIC		10.1 %

⁽¹⁾ Income taxes on GAAP operating income was calculated using the effective year-to-date tax rates during the respective periods. Income taxes on non-GAAP operating income was calculated by excluding the tax effect of taxable and deductible non-GAAP adjustments using the effective year-to-date tax rate during the respective periods.

Reconciliation of GAAP to non-GAAP financial measures

TD SYNEX

(Currency in millions, except per share amounts)
(Amounts may not add or compute due to rounding)

Net income and diluted EPS ⁽¹⁾	Forecast Three Months Ending August 31, 2024	
	Low	High
Net income	\$ 152	\$ 194
Amortization of intangibles	75	75
Share-based compensation	12	12
Income taxes related to the above	(20)	(20)
Non-GAAP net income	<u>\$ 219</u>	<u>\$ 261</u>
Diluted EPS ⁽¹⁾	\$ 1.77	\$ 2.27
Amortization of intangibles	0.87	0.87
Share-based compensation	0.14	0.14
Income taxes related to the above	(0.23)	(0.23)
Non-GAAP diluted EPS ⁽¹⁾	<u>\$ 2.55</u>	<u>\$ 3.05</u>

(1) Diluted EPS is calculated using the two-class method. Unvested restricted stock awards granted to employees are considered participating securities. Net income allocated to participating securities is estimated to be approximately 0.9% of the forecast net income for three months ending August 31, 2024.

Reconciliation of GAAP to non-GAAP financial measures

TD SYNEX
 (Currency in billions)
 (Amounts may not add or compute due to rounding)

Non-GAAP gross billings	Forecast	
	Three Months Ending August 31, 2024	
	Low	High
Revenue	\$ 13.3	\$ 14.9
Costs incurred and netted against revenue related to sales of third-party supplier service contracts, software as a service arrangements and certain fulfillment contracts	5.6	5.2
Non-GAAP gross billings	\$ 18.9	\$ 20.1

Calculation of financial metrics

TD SYNEX
(Currency in thousands)
(Amounts may not add or compute due to rounding)

Leverage ratio		May 31, 2024	February 29, 2024	November 30, 2023	August 31, 2023
Total borrowings	(a)	\$ 4,595,698	\$ 4,009,106	\$ 4,082,778	\$ 4,079,182
Less: cash and cash equivalents	(b)	1,173,648	1,030,946	1,033,776	1,250,872
Net debt	(c)=(a)-(b)	\$ 3,422,050	\$ 2,978,160	\$ 3,049,002	\$ 2,828,310
Trailing four quarters Adjusted EBITDA	(d)	1,747,399	1,733,081	1,749,538	1,813,985
Debt to Adjusted EBITDA leverage ratio	(e)=(a)/(d)	2.6	2.3	2.3	2.2
Net debt to Adjusted EBITDA leverage ratio	(f)=(c)/(d)	2.0	1.7	1.7	1.6

Excludes unrealized synergies

TD SYNEX results

TD SYNEX
(Currency in millions)
(Amounts may not add or compute due to rounding)

	Three Months Ended						
	May 31, 2024	February 29, 2024	November 30, 2023	August 31, 2023	May 31, 2023	February 28, 2023	November 30, 2022
Revenue	\$ 13,947.9	\$ 13,975.3	\$ 14,407.3	\$ 13,960.6	\$ 14,062.1	\$ 15,125.4	\$ 16,248.0
Cost of revenue	(12,974.4)	(12,969.5)	(13,388.7)	(12,989.3)	(13,098.7)	(14,121.8)	(15,188.2)
Gross profit	973.5	1,005.8	1,018.6	971.3	963.4	1,003.6	1,059.7
Operating expenses:							
Selling, general and administrative expenses	(671.7)	(671.5)	(685.2)	(659.4)	(673.7)	(654.2)	(675.5)
Acquisition, integration and restructuring expenses	(37.9)	(31.6)	(46.6)	(71.6)	(36.8)	(51.2)	(50.1)
	(709.6)	(703.2)	(731.8)	(731.0)	(710.5)	(705.4)	(725.6)
Operating income	<u>\$ 263.9</u>	<u>\$ 302.6</u>	<u>\$ 286.8</u>	<u>\$ 240.3</u>	<u>\$ 252.9</u>	<u>\$ 298.2</u>	<u>\$ 334.2</u>
Adjustments							
Acquisition, integration and restructuring expenses	37.9	31.6	46.6	71.6	36.8	51.2	50.1
Amortization of intangibles	72.8	72.9	73.2	74.0	73.5	73.0	75.1
Purchase accounting adjustments	—	—	—	2.4	5.2	7.5	17.7
Stock-based compensation expense	13.4	17.5	20.0	8.5	7.6	13.1	18.6
Non-GAAP operating income	<u>388.0</u>	<u>424.6</u>	<u>426.6</u>	<u>396.8</u>	<u>376.0</u>	<u>442.9</u>	<u>495.6</u>
Depreciation	28.4	27.4	29.1	26.5	26.1	25.5	24.6
Adjusted EBITDA	<u>\$ 416.4</u>	<u>\$ 452.0</u>	<u>\$ 455.7</u>	<u>\$ 423.3</u>	<u>\$ 402.1</u>	<u>\$ 468.4</u>	<u>\$ 520.1</u>

Legacy SYNEX results

SYNNEX CORPORATION

(Currency in millions)

(Unaudited)

(Amounts may not add or compute due to rounding)

	Three Months Ended						
	August 31, 2021	May 31, 2021	February 28, 2021	November 30, 2020	August 31, 2020	May 31, 2020	February 29, 2020
Revenue	\$ 5,207.1	\$ 5,856.8	\$ 4,939.0	\$ 6,118.8	\$ 5,306.4	\$ 4,470.9	\$ 4,081.0
Cost of revenue	(4,894.4)	(5,527.7)	(4,634.4)	(5,752.2)	(5,008.9)	(4,196.3)	(3,825.9)
Gross profit	312.6	329.2	304.6	366.7	297.5	274.6	255.1
Operating expenses:							
Selling, general and administrative expenses	(160.3)	(175.3)	(162.8)	(160.5)	(163.8)	(186.4)	(154.4)
Acquisition, integration and restructuring expenses	(4.1)	(5.9)	—	(5.8)	(1.3)	(0.1)	(0.3)
	(164.4)	(181.3)	(162.8)	(166.3)	(165.1)	(186.5)	(154.7)
Operating income	\$ 148.2	\$ 147.9	\$ 141.7	\$ 200.4	\$ 132.4	\$ 88.1	\$ 100.4
Adjustments							
Acquisition, integration and restructuring expenses	4.1	5.9	—	5.8	1.3	0.1	0.3
Amortization of intangibles	9.4	9.4	9.4	10.0	10.0	9.9	10.2
Stock-based compensation expense	6.5	6.8	4.9	4.4	5.0	3.6	4.6
Non-GAAP operating income	168.2	170.0	156.0	220.6	148.6	101.8	115.5
Depreciation	5.6	5.7	5.5	7.3	5.9	5.8	5.9
Adjusted EBITDA	\$ 173.9	\$ 175.6	\$ 161.5	\$ 227.9	\$ 154.6	\$ 107.6	\$ 121.4

Legacy Tech Data results

TIGER PARENT (AP) CORPORATION AND SUBSIDIARIES
(Currency in millions)
(Unaudited)
(Amounts may not add or compute due to rounding)

	Three Months Ended						
	August 31, 2021	May 31, 2021	February 28, 2021	November 30, 2020	August 31, 2020	May 31, 2020	February 29, 2020
Revenue	\$ 9,132.1	\$ 9,570.6	\$ 10,306.6	\$ 9,842.1	\$ 8,384.8	\$ 8,123.9	\$ 9,646.6
Cost of revenue	(8,558.7)	(9,004.2)	(9,686.7)	(9,280.0)	(7,900.5)	(7,594.5)	(9,002.6)
Gross profit	573.4	566.4	620.0	562.1	484.2	529.4	644.0
Operating expenses:							
Selling, general and administrative expenses	(447.2)	(461.7)	(481.9)	(438.9)	(424.1)	(426.2)	(432.6)
Acquisition, integration and restructuring expenses	(35.4)	(31.1)	(38.2)	(31.2)	(184.9)	(14.8)	(12.4)
Legal settlements and other litigation, net	(5.2)	—	1.7	—	(39.3)	—	0.4
Gain on bargain purchase	—	—	2.0	28.2	—	—	—
Gain on sale of fixed assets	—	—	7.6	7.9	—	—	—
	(487.8)	(492.8)	(508.8)	(434.0)	(648.2)	(441.0)	(444.6)
Operating income	<u>\$ 85.6</u>	<u>\$ 73.5</u>	<u>\$ 111.2</u>	<u>\$ 128.1</u>	<u>\$ (164.0)</u>	<u>\$ 88.4</u>	<u>\$ 199.4</u>
Adjustments							
Acquisition, integration and restructuring expenses	35.4	31.1	38.2	31.2	184.9	14.8	12.4
Amortization of intangibles	41.0	29.9	39.7	39.2	46.8	24.3	25.1
Purchase accounting adjustments	22.7	32.6	32.6	34.0	25.8	—	—
Stock-based compensation expense	1.5	1.4	1.4	2.1	1.3	5.6	7.8
Non-GAAP operating income	186.2	168.5	223.2	234.6	94.8	133.1	244.7
Depreciation	20.3	20.4	20.1	19.3	20.1	18.2	16.8
Adjusted EBITDA	<u>\$ 206.5</u>	<u>\$ 188.9</u>	<u>\$ 243.2</u>	<u>\$ 254.0</u>	<u>\$ 114.9</u>	<u>\$ 151.3</u>	<u>\$ 261.4</u>

Combined legacy SYNEX and legacy Tech Data results

Combined (Legacy SYNEX and Legacy Tech Data)
(Currency in millions)
(Unaudited)
(Amounts may not add or compute due to rounding)

	Three Months Ended						
	August 31, 2021	May 31, 2021	February 28, 2021	November 30, 2020	August 31, 2020	May 31, 2020	February 29, 2020
Revenue	\$ 14,339.2	\$ 15,427.4	\$ 15,245.6	\$ 15,960.9	\$ 13,691.2	\$ 12,594.8	\$ 13,727.6
Cost of revenue	(13,453.1)	(14,531.9)	(14,321.1)	(15,032.2)	(12,909.4)	(11,790.8)	(12,828.5)
Gross profit	886.0	895.6	924.5	928.8	781.8	804.0	899.1
Operating expenses:							
Selling, general and administrative expenses	(607.5)	(637.0)	(644.7)	(599.4)	(587.9)	(612.6)	(587.0)
Acquisition, integration and restructuring expenses	(39.5)	(37.0)	(38.2)	(37.0)	(186.2)	(14.9)	(12.7)
Legal settlements and other litigation, net	(5.2)	—	1.7	—	(39.3)	—	0.4
Gain on bargain purchase	—	—	2.0	28.2	—	—	—
Gain on sale of fixed assets	—	—	7.6	7.9	—	—	—
	(652.2)	(674.1)	(671.6)	(600.3)	(813.4)	(627.5)	(599.3)
Operating income	\$ 233.8	\$ 221.5	\$ 252.8	\$ 328.5	\$ (31.6)	\$ 176.5	\$ 299.8
Adjustments							
Acquisition, integration and restructuring expenses	39.5	37.0	38.2	37.0	186.2	14.9	12.7
Amortization of intangibles	50.4	39.3	49.1	49.2	56.8	34.2	35.3
Purchase accounting adjustments	22.7	32.6	32.6	34.0	25.8	—	—
Stock-based compensation expense	8.0	8.2	6.3	6.5	6.3	9.2	12.4
Non-GAAP operating income	354.4	338.6	379.0	455.2	243.4	234.9	360.2
Depreciation	25.9	26.1	25.6	26.6	26.0	24.0	22.7
Adjusted EBITDA	\$ 380.4	\$ 364.6	\$ 404.6	\$ 481.8	\$ 269.5	\$ 258.9	\$ 382.9

Combined legacy SYNEX and legacy Tech Data results

Combined (Legacy SYNEX and Legacy Tech Data)
(Currency in millions)
(Unaudited)
(Amounts may not add or compute due to rounding)

	Trailing Twelve Months for Periods Ended			
	November 30, 2023	November 30, 2022	November 30, 2021	November 30, 2020
Revenue	\$ 57,555.4	\$ 62,343.8	\$ 60,623.5	\$ 55,974.5
Cost of revenue	(53,598.6)	(58,443.6)	(56,974.2)	(52,560.9)
Gross profit	3,956.8	3,900.2	3,649.2	3,413.7
Operating expenses:				
Selling, general and administrative expenses	(2,672.6)	(2,627.0)	(2,545.0)	(2,386.9)
Acquisition, integration and restructuring expenses	(206.2)	(222.3)	(216.9)	(250.8)
Legal settlements and other litigation, net	—	—	(3.5)	(38.9)
Gain on bargain purchase	—	—	2.0	28.2
Gain on sale of fixed assets	—	—	7.6	7.9
	(2,878.8)	(2,849.3)	(2,755.7)	(2,640.5)
Operating income	\$ 1,078.0	\$ 1,050.9	\$ 893.5	\$ 773.2
Adjustments				
Acquisition, integration and restructuring expenses	206.2	222.3	216.9	250.8
Amortization of intangibles	293.7	299.2	215.9	175.5
Purchase accounting adjustments	15.0	112.7	116.3	59.8
Stock-based compensation expense	49.3	39.0	37.4	34.4
Non-GAAP operating income	1,642.2	1,724.0	1,479.9	1,293.7
Depreciation	107.2	99.8	104.0	99.3
Adjusted EBITDA	\$ 1,749.4	\$ 1,823.9	\$ 1,584.0	\$ 1,393.1

Reconciliation of GAAP to non-GAAP financial measures

TD SYNEX
(Currency in millions)
(Amounts may not add or compute due to rounding)

	Trailing Twelve Months for Periods Ended
	May 31, 2024
Adjusted EBITDA less Capex	
Operating income	\$ 1,093.5
Adjustments	
Acquisition, integration and restructuring expenses	187.8
Amortization of intangibles	292.8
Purchase accounting adjustments	2.4
Stock-based compensation expense	59.5
Non-GAAP operating income	1,636.0
Depreciation	111.4
Adjusted EBITDA	\$ 1,747.4
Purchases of property and equipment	\$ (161.3)
Adjusted EBITDA less Capex	\$ 1,586.1
Conversion percentage	91 %

THANK YOU

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