

19 October 2020

Q320 Market Update

Dicker Data Limited (ASX: DDR) (Company), today provides an update on the Company's YTD results as at the end of the September quarter for FY20.

YTD Results end of Q320

The Company achieved the following results:

9 months to:	\$m Sep-20	\$m Sep-19	Increase
Total Revenue	1,481.5	1,289.1	14.9%
Profit before tax	60.8	47.4	28.3%

- Total revenue YTD to September 2020 is \$1,481.5m, up by 14.9%
- Net Profit before tax YTD to September 2020 is \$60.8m, up 28.3%
- Gross margins were maintained in line with half year results and some operating cost leverage was achieved
- The business continues to prove resilient to the negative economic impacts of COVID-19, recently included in the S&P/ASX 300 and S&P/ASX All Technology Indexes effective 21 September 2020
- Experiencing over and above forecasted revenue growth rates in the first half of the year, off the back of a significant mobilisation to remote working solutions, we see growth stabilising for the second half of the year to expected levels

Outlook

As we head into the final quarter for FY20, the demand continues to be strong with customers concentrating heavily on business growth strategies post COVID-19. The greatest opportunity for Dicker Data over the next quarter is supporting businesses with their return to work strategies and business continuity plans in a post COVID-19 environment. We are also seeing increased quoting activity and the resumption of larger infrastructure projects, previously put on hold.



As the leading value-added distributor of hardware, software, cloud and emerging technologies in Australia, one of Dicker Data's key priorities over the last few months has been to ensure continuity of service to our customers and be a reliable partner to our suppliers amid the global pandemic. With the recent surge in remote work, the Company experienced a rapid increase in demand for remote and virtual working solutions across our hardware, software and cloud portfolios, highlighting IT distribution's essential role in enabling business continuity.

Looking forward 12-24 months, the rollout of 5G connectivity is going to have a revolutionary effect within the technology industry driving the explosion of data and strong acceleration of Artificial Intelligence (AI) and machine learning technologies. Through our speciality in servicing the SMB market, we see tremendous opportunity with all our hardware and software vendors to continue assisting and supporting customers through this ongoing wave of digital transformation. Dicker Data will continue to evolve and differentiate its offerings and value proposition to both vendors and our extensive reseller partner base.

Another key catalyst for growth in the next 12 months is the development and investment of the new distribution centre at 238 Captain Cook Drive Kurnell, on track to be completed by the end of the year. The new distribution centre represents an increase in capacity of almost 80 percent and there is a further 20,000 sqm warehouse space approved as part of the Development Application to be built as part of a second stage providing future expansion options. The large-scale expansion will pave the way for substantial inventory growth and technology portfolio diversification to meet emerging needs of the Australian market.

For and on behalf of the Board,

David Dicker



Chairman & CEO

ABOUT DICKER DATA LIMITED

Dicker Data (ASX: DDR) is an Australian-owned and operated, ASX-listed technology hardware, software and cloud distributor with over 41 years of experience. Our sales and [presales](#) teams are experienced product specialists who are dedicated to helping you tailor solutions to suit your client's needs. As a distributor, we sell exclusively to our valued partner base of over 5,500 resellers. We pride ourselves on developing strong long-term relationships with our customers, and [helping them grow](#). This customer-first approach means we are proactive in engaging with our resellers and allows us to dynamically shift with changing market conditions, in turn helping to [increase profitability](#). Dicker Data distributes a [wide portfolio of products](#) from the world's leading technology vendors, including [Cisco](#), [Citrix](#), [Dell Technologies](#), [Hewlett Packard Enterprise](#), [HP](#), [Lenovo](#), [Microsoft](#), and other Tier 1 global brands. As the leading Australian distributor for many of these vendors, Dicker Data is dedicated to helping our partners deliver industry-leading solutions built on the world's best technologies. <https://www.dickerdata.com.au/>

