



Company Announcements Office  
ASX Limited  
20 Bridge Street  
Sydney NSW 2000

26 August 2021

**RE: PRELIMINARY FINAL REPORT**

In accordance with Listing Rule 4.3A, please find following our Appendix 4E for the year ended 30 June 2021.

On Behalf of the Board of Ambertech.

Robert Glasson  
Company Secretary  
**Ambertech Limited**



**Ambertech Limited** and Controlled Entities ACN 079 080 158

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**Appendix 4E** Preliminary Final Report

Year Ended 30 June 2021

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**Highlights**

Revenue	\$80.1M
EBIT	\$6.4M
NPAT	\$5.1M
Final Dividend	1.6 cents

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Authorised for immediate release by the Board in accordance with ASX Listing Rule 4.3A.

## Results for Announcement to the Market

For the year ended 30 June 2021

### Key Information

The following information is provided to the ASX under listing rule 4.3A.

	2021 \$'000	2020 \$'000	Movement \$'000	%
Revenue from ordinary activities	80,145	58,720	21,425	36.5
Profit after income tax attributable to members	5,090	784	4,306	549.2

### Dividends

	Cents Per Share	Franked
<b>Year Ended 30 June 2021:</b>		
Final Dividend	1.6	100%
Interim Dividend	1.5	100%
<b>Year Ended 30 June 2020:</b>		
Final Dividend	0.3	100%

### Final Dividend Dates

Record Date for determining entitlement to the final dividend	20 September 2021
Payment Date of final dividend	5 October 2021
Election Date for determining participation in the DRP	21 September 2021

### Dividend Reinvestment Plan (DRP) Details

The Company's DRP will operate in respect of the final dividend for the year ended 30 June 2021.

Shares will be allotted at a 3% discount to the volume weighted average ex-dividend market price of the shares traded on the record date and the three business days following the record date.

## Results for Announcement to the Market continued

For the year ended 30 June 2021

Key Ratios	2021	2020
Net tangible assets per security	14.6 cents	10.5 cents
Basic Earnings Per Share	6.7 cents	1.4 cents
Diluted Earnings Per Share*	6.6 cents	1.4 cents

\* Adjusted for the dilutionary effect of Potential Shares (Options).

### Basis of Presentation

The Preliminary Final Report has been prepared in accordance with ASX Listing Rule 4.3A and is based on accounts which are in the process of being audited.

The preliminary financial report has been prepared in accordance with Australian Accounting Standards and Interpretations as issued by the Australian Accounting Standards Board and the Corporations Act 2001 as appropriate for-profit oriented entities. The preliminary financial report does not include all the notes of the type normally included in an annual financial report.

Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2020 and any public pronouncements made by the consolidated entity during the year in accordance with the continuous disclosure requirements of the Corporations Act 2001. Accounting policies have been consistently applied by the entities in the group and are consistent with those applied in the 30 June 2020 annual report.

### Further Explanation

Further information on the results of the company follows in the attached commentary.

## Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the year ended 30 June 2021

	2021 \$'000	2020 \$'000
<b>Revenues</b>	80,145	58,720
Cost of sales	(54,405)	(40,478)
<b>Gross Profit</b>	25,740	18,242
Other income	178	369
Employee benefits expense	(13,538)	(10,926)
Distribution costs	(1,664)	(1,408)
Marketing costs	(350)	(388)
Premises costs	(588)	(367)
Travel costs	(123)	(391)
Depreciation and amortisation expense	(1,569)	(1,358)
Finance costs	(1,147)	(1,467)
Other expenses	(1,540)	(1,132)
Acquisition and restructure costs	(100)	(705)
<b>Profit before income tax</b>	5,299	469
Income tax (expense)/benefit	(209)	315
<b>Profit after income tax for the year</b>	5,090	784
<b>Other comprehensive income</b>		
Exchange differences on translation of foreign operations	(1)	(61)
<b>Total comprehensive income for the year</b>	5,089	723
<b>Earnings per share</b>		
Basic earnings per share (cents)	6.7	1.4
Diluted earnings per share (cents)	6.6	1.4

## Consolidated Statement of Financial Position

As at 30 June 2021

	2021 \$'000	2020 \$'000
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	1,788	989
Trade and other receivables	14,804	14,397
Inventories	12,900	16,916
<b>TOTAL CURRENT ASSETS</b>	<b>29,492</b>	<b>32,302</b>
<b>NON-CURRENT ASSETS</b>		
Plant and equipment	435	717
Right-of-use asset	5,647	6,407
Intangible assets	1,118	1,068
Deferred tax assets	3,118	2,652
<b>TOTAL NON-CURRENT ASSETS</b>	<b>10,318</b>	<b>10,844</b>
<b>TOTAL ASSETS</b>	<b>39,810</b>	<b>43,146</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	7,323	10,437
Financial liabilities	2,676	4,770
Contract liabilities	1,428	3,331
Lease liabilities	1,199	938
Provisions	2,306	2,194
Current tax liabilities	703	-
<b>TOTAL CURRENT LIABILITIES</b>	<b>15,635</b>	<b>21,670</b>
<b>NON-CURRENT LIABILITIES</b>		
Contract liabilities	174	174
Provisions	235	179
Lease liabilities	8,345	9,408
Deferred tax liabilities	9	38
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>8,763</b>	<b>9,799</b>
<b>TOTAL LIABILITIES</b>	<b>24,398</b>	<b>31,469</b>
<b>NET ASSETS</b>	<b>15,412</b>	<b>11,677</b>
<b>EQUITY</b>		
Share capital	15,947	15,915
Reserves	(10)	(2)
Accumulated losses	(525)	(4,236)
<b>TOTAL EQUITY</b>	<b>15,412</b>	<b>11,677</b>

## Consolidated Statement of Changes in Equity

For the year ended 30 June 2021

	Share Capital \$'000	Foreign Currency Translation Reserve \$'000	Share Based Payments Reserve \$'000	Accumulated Losses \$'000	Total Equity \$'000
<b>Economic Entity</b>					
<b>Balance as at 30 June 2019</b>	11,138	52	6	(5,020)	6,176
Profit for the year	-	-	-	784	784
Exchange differences on translation of foreign operations	-	(61)	-	-	(61)
<b>Total comprehensive income for the year</b>	-	(61)	-	784	723
<b>Transactions with equity holders:</b>					
Share issue net of transaction costs	4,777	-	-	-	4,777
Costs of share based payments	-	-	1	-	1
<b>Balance as at 30 June 2020</b>	15,915	(9)	7	(4,236)	11,677
Profit for the year	-	-	-	5,090	5,090
Exchange differences on translation of foreign operations	-	(1)	-	-	(1)
<b>Total comprehensive income for the year</b>	-	(1)	-	5,090	5,089
<b>Transactions with equity holders:</b>					
Share issue net of transaction costs	25	-	-	-	25
Costs of share-based payments	7	-	(7)	-	-
Dividends	-	-	-	(1,379)	(1,379)
<b>Balance as at 30 June 2021</b>	<b>15,947</b>	<b>(10)</b>	<b>-</b>	<b>(525)</b>	<b>15,412</b>

## Consolidated Statement of Cash Flows

For the year ended 30 June 2021

	2021 \$'000	2020 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	87,350	63,783
Receipts from government grants	1,526	678
Payments to suppliers and employees	(76,159)	(57,189)
Interest received	5	13
Interest and other costs of finance paid	(1,147)	(1,467)
Goods and services tax remitted	(6,048)	(4,491)
<b>Net cash provided by operating activities</b>	<b>5,527</b>	<b>1,327</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Payments for plant and equipment	(253)	(200)
Payment for intangible assets	(224)	-
Payment for the acquisition of business	-	(4,611)
<b>Net cash used in investing activities</b>	<b>(477)</b>	<b>(4,811)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from borrowings	332	24
Repayment of borrowings	(2,426)	(861)
Repayment of leases	(802)	(656)
Proceeds from share issue	25	4,777
Dividends paid	(1,379)	-
<b>Net cash (used in)/ provided by financing activities</b>	<b>(4,250)</b>	<b>3,284</b>
<b>Net increase/(decrease) in cash and cash equivalents held</b>	<b>800</b>	<b>(200)</b>
Cash and cash equivalents at beginning of year	989	1,207
Effect of exchange rate changes on the balance of cash and cash equivalents held in foreign currencies at the beginning of the financial year	(1)	(18)
<b>Cash and cash equivalents at end of year</b>	<b>1,788</b>	<b>989</b>

## Cash Flow Information

For the year ended 30 June 2021

	2021	2020
	\$'000	\$'000
<b>Cash Flow Information</b>		
<b>Cash and cash equivalents</b>		
Cash and cash equivalents included in the statement of cash flows are comprised of the following amounts:		
Cash on hand	3	3
At call deposits with financial institutions	1,785	986
<b>Total cash and cash equivalents</b>	<b>1,788</b>	<b>989</b>
<b>Reconciliation of profit after income tax to net cash provided by operating activities</b>		
<b>Profit for the year</b>	5,090	784
Adjustments for:		
Depreciation and amortisation	1,569	1,358
Foreign exchange (gain)	(166)	(369)
Net (profit) on sale of plant and equipment	(1)	-
Non-cash share-based payments	-	1
Changes in operating assets and liabilities		
Decrease/(Increase) in trade and other receivables	313	(1,978)
(Increase) in prepayments	(690)	(842)
Decrease/(Increase) in inventories	4,011	(803)
(Decrease) in payables	(3,073)	(538)
(Decrease)/Increase in contract liabilities	(1,903)	3,505
Increase in provisions	169	525
Increase in income taxes payable	703	-
(increase) in deferred taxes	(495)	(316)
<b>Net cash provided by operating activities</b>	<b>5,527</b>	<b>1,327</b>

### Non-Cash Financing and Investing Activities

There were no non-cash financing or investing activities during the financial year.

## Further Explanation of the Results

For the year ended 30 June 2021

### Key Results Data

A summary of the results compared to the previous corresponding period, along with a half on half year analysis of the trends of the business is presented below:

	Half on Half				Year on Year	
	1H F2020	2H F2020	1H F2021	2H F2021	FY 2020	FY 2021
	\$M	\$M	\$M	\$M	\$M	\$M
Revenue	25.6	33.1	38.9	41.2	58.7	80.1
EBIT	(1.0)	3.0	3.8	2.6	1.9	6.4
NPBT	(1.8)	2.3	3.2	2.1	0.5	5.3
Jobkeeper	-	1.1	1.1	-	1.1	1.1
Normalised NPBT	(1.8)	1.2	2.1	2.1	(0.6)	4.2
NPAT					0.8	5.1
Dividend Payout					0.2	2.4
Payout Ratio					25%	47%

### Revenue

The second half of the financial year saw a continuation of the half on half revenue growth trend. The chart below shows the segment contribution to the growth year on year:



## Further Explanation of the Results (continued)

For the year ended 30 June 2021

### Revenue (continued)

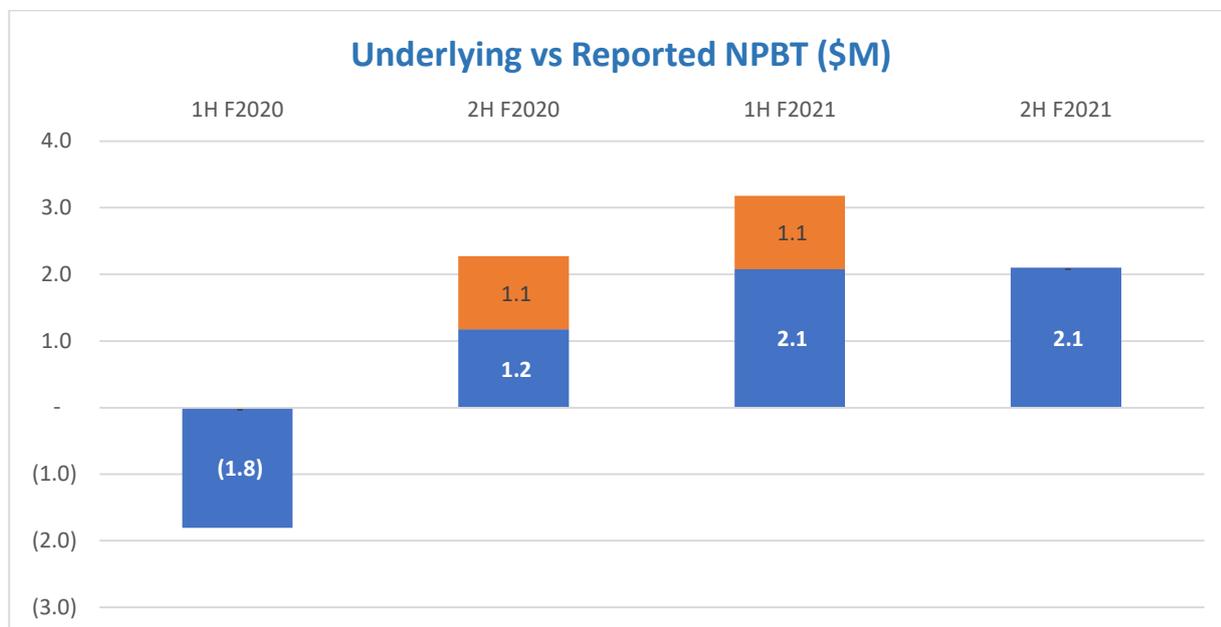
The major drivers of revenue growth were:

- Full year contribution of the brands acquired from the Hills AV business in December 2019;
- Successful supply of communication solutions to the defence industry;
- Sales to musical instrument retailers with strong on-line offerings during the COVID-19 pandemic; and
- Success of the introduction of Philips branded projectors in the consumer electronics retail market.

The business continues to achieve success across each of the markets for which we source, supply and support technology solutions. Opportunity to grow this revenue organically remains once COVID-19 impacted markets such as live entertainment and tertiary education are able to recover.

### Normalised NPBT

The chart below shows half on half profit before tax, as reported, and adjusted for the impact of the JobKeeper program. The chart demonstrates that the business was able to maintain the underlying level of profit in the second half of the financial year.

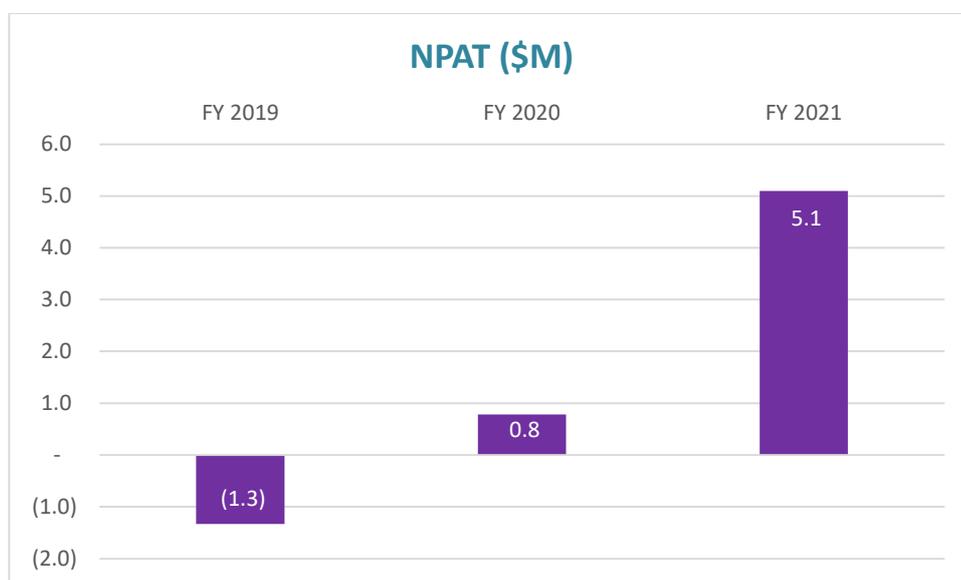


## Further Explanation of the Results (continued)

For the year ended 30 June 2021

### NPAT and Dividend Ratio

The reported results for the business have significantly improved since the successful acquisition of the Hills AV division in December 2019. This acquisition was a step in a strategic plan to become leaders in each of the markets in which we operate. The chart below shows the impact that this has had on our ability to leverage the infrastructure the business has in place.



The strong result has enabled the Board to reward shareholders with a total dividend payout of 3.1c per share in relation to the year ended 30 June 2021 (final dividend 1.6c). This equates to a payout ratio of 47%, which is in the target range of 45%-55% of net profit after tax. Investors should take note that all accumulated tax losses of the business have now been used and the entity will be back to paying tax in relation to the 2021 financial year.

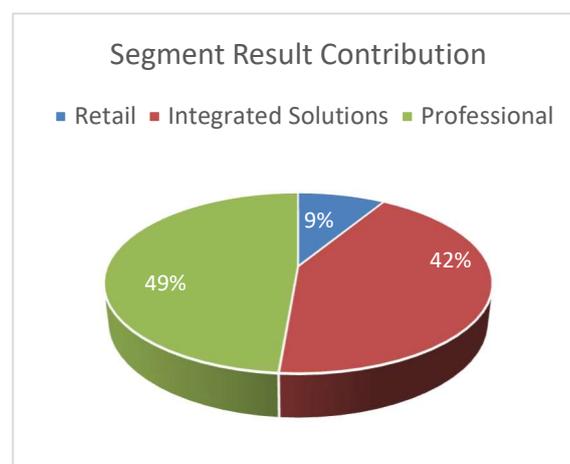
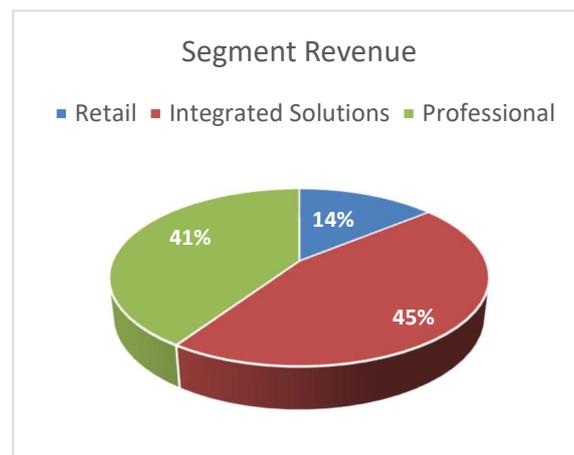
## Further Explanation of the Results (continued)

For the year ended 30 June 2021

### Segment Results

The table and charts below show the contribution from each of the primary business segments to revenue and profits for the year, compared to the prior year.

	<b>FY 2021</b>	<b>FY 2020</b>
	<b>\$'000</b>	<b>\$'000</b>
<b>Sales</b>		
Retail	11,282	9,041
Integrated Solutions	36,298	23,942
Professional	32,565	25,724
<b>Total Sales Revenue</b>	<b>80,145</b>	<b>58,707</b>
<b>Results</b>		
Retail	721	(186)
Integrated Solutions	3,548	1,212
Professional	4,049	731
<b>Segment Contribution</b>	<b>8,318</b>	<b>1,757</b>
Unallocated	(303)	1,537
<b>EBITDA</b>	<b>8,015</b>	<b>3,294</b>
Depreciation & Amortisation	(1,569)	(1,358)
<b>EBIT</b>	<b>6,446</b>	<b>1,936</b>
Net Interest	(1,147)	(1,467)
<b>NPBT</b>	<b>5,299</b>	<b>469</b>
Income Tax Expense/Benefit	(209)	315
<b>NPAT</b>	<b>5,090</b>	<b>784</b>



## Outlook for the business

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Whilst the return of the COVID-19 pandemic in delta form has created some uncertainty and variability of trading results in the short term, the general outlook for the 2022 financial year remains positive. Ambertech is well placed to continue to grow by enhancing results from our existing agencies, and through further exploring acquisition opportunities to cement our place as market leaders in each of our chosen markets.

The diversity of our business, leadership positions in certain segments and financial resources are strengths in the current climate. They position us to capitalise on opportunities that may arise.

Further information on the results will be contained in the Annual Report when it is released, and we will update the market further on results for the new financial year at the company's Annual General Meeting later in the year.

On behalf of the Board

A handwritten signature in black ink, appearing to read "R. Glasson", is positioned above the printed name and title.

Robert Glasson  
Company Secretary

For further information, please contact our Company Secretary, Mr Robert Glasson.