



## AGM Presentation 2023

ASX:AMO  
23 November 2023

# A leading value-added distributor of high-technology audio visual, broadcast and communications solutions

## INTEGRATED SOLUTIONS



### Commercial Installations

A range of exclusive brands focusing on commercial and educational clients



### Residential Installations

A range of exclusive brands complementary to the residential installation space.



### Specialist Hi-Fi

Renowned high-fidelity brands for personal audio devices, advanced home audio components and digital accessories.

## PROFESSIONAL



### Media Systems

Supply, installation and support of systems for the Broadcast and Post-Production industry



### Defence Law Enforcement Security

Specific products focussed on defence, law enforcement, emergency services.



### Professional Products

Products for professional users across music, studios, broadcasters and post-production.



### Musical Instruments

Guitars, instruments and music technology for musicians of all levels.

## RETAIL



### Home Entertainment

Exclusive brand representation in areas where product differentiation is clear in capability and value, including remote controls, portable projectors, TV stands and headphones.



Unmatched after sales support, with +35 years experience



140 staff servicing a wide-range of customers across Aus and NZ



Centralised, highly skilled operational, customer service and technical support staff



Recognised as industry preferred supplier across multiple segments

# 2023 Highlights

**\$84.2m**

Revenue  
up 9.4% on pcp

**\$4.9m**

EBITDA

**\$1.9m**

NPAT

**\$2.1c**

EPS

**1.5c**

Dividend per  
share

**Convoy**

Business acquired  
and integrated

**\$10m<sup>1</sup>**

Headroom to  
pursuit further  
M&A

**Strong**

Working capital  
position

# FY23 Financial snapshot

(A\$m)	FY23	FY22
Revenue	84.2	77.0
Cost of Goods	(55.5)	(50.0)
Gross Profit	28.7	27.0
<i>GP Margin (%)</i>	34.1%	35.1%
<b>EBITDA</b>	<b>4.9</b>	<b>7.5</b>
<i>EBITDA Margin (%)</i>	5.8%	9.7%
EBIT	3.8	6.2
<i>EBIT Margin (%)</i>	4.5%	8.1%
<b>NPBT</b>	<b>2.7</b>	<b>4.6</b>
<b>NPAT</b>	<b>1.9</b>	<b>3.7</b>
Adjusted NPAT (Jobseeker FY22)	1.9	3.1
EPS (cents)	2.1	4.2
Div PS (cents)	1.5	3.1

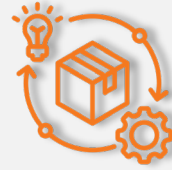
(A\$m)	FY23	FY22
Current Assets	42.9	35.1
Current Liabilities	23.2	14.4
<b>Working Capital</b>	<b>19.7</b>	<b>20.7</b>
<b>Adjusted Working Capital (excluding cash)</b>	<b>18.1</b>	<b>18.5</b>
Non-Current Assets	9.4	9.4
Non-Current Liabilities	6.6	7.9
Net Assets	22.5	22.2
Intangibles	(4.7)	(4.3)
Net Tangible Assets	17.8	17.9
(A\$m)	FY23	FY22
Cash provided by Operating Activities	0.4	1.9
Cash used in Investing Activities	(3.0)	(2.0)
Cash provided by Financing Activities	2.0	0.6
<b>Net (decrease)/ increase in cash</b>	<b>(0.6)</b>	<b>0.5</b>

# Strategic updates and priorities



## Business development investment

Continued investment in business development activity, strengthening relationships & increasing barrier to entry. Ongoing belief in value add via marketing, training, service and technical support



## Growth of Australian Monitor

Ability to leverage established infrastructure and knowledge base, to develop AMO owned Australian Monitor Brand for new export markets



## M&A

Proven track record of M&A with successful integration, including the successful integration of January 2023 Convoy acquisition. Further growth via the addition of new brands, & business acquisition



## Expansion into aligned verticals

Opportunities are developing for expansion into aligned verticals. Witnessing competitive advantage as diversified business technology converges across multiple markets.



## Brand development

Significant growth potential with existing portfolio with largely exclusive representation of leading brands. Business structure ensures that individual brand focus is retained as business grows

# Diversified brand portfolio drives competitive advantage

*Ambertech is well-positioned to capitalise across differentiating segments as a complete supplier, leveraging our full-service distribution model*

Suppliers are expanding across multiple markets via product development and business acquisition

Dealer networks are expanding capabilities to service multiple markets

Competitors don't traverse the breadth of Ambertech's offering to market

Ambertech is uniquely positioned to understand and support each of these markets as a complete supplier



# Continued focus on growth via brand development



Ambertech's strong reputation is attracting market leading brands to seek representation



Expansion into aligned verticals becoming realistic with new suppliers recognising our business expertise and market reputation



Current brand portfolio consists of brands at various development cycle stages



Over 25% of current brands retain high growth capacity with potential to deliver further revenue growth in coming years



Ongoing evaluation of emerging brands to bring new technologies and solutions to market



Business structure ensures that individual brand focus is retained as business grows

# Increasing scale with a disciplined acquisition strategy

**Adding further scale in a sustainable manner by targeting opportunities, which:**

- Increase market share and footprint in current markets
- Enhance value proposition and cater to evolving customer needs
- Gain technological competence and owned IP to foster sustainable growth
- Achieve economies of scale through operational efficiencies and improved customer satisfaction
- Limit brand conflict and retain focus on individual brands through growth journey

**Demonstrated track-record of successful integrations**

Acquisition	Date	Market	Acquisition Price	Goodwill	Annual Revenue <sup>^</sup>
Hills AV Business	Nov 2019	Commercial AV	\$4.6m	\$0.8m	\$25M
Noise Toys	Sep 2021	Musical Instruments	\$0.6m	\$0.2m	\$2M
Connected Media Australia	Oct 2021	Commercial & Residential AV	\$1.3m	\$0.3m	\$3M
Convoy International	Jan 2023	Specialist HiFi	\$2.8m	\$0.5m	\$5M

<sup>^</sup> Based on preliminary FY24 brand estimates.



# Own brand development and expansion

## Developing AMO owned Australian Monitor Brand for new export markets:

- **Engineered in Australia, Australian Monitor is a leader in commercial AV amplifiers and speakers**
- **Currently over 90% of sales are domestic**
- **Significant opportunity to leverage international relationships for this brand**
- **Growth in international sales to assist with scale and pricing of manufacture**



# Momentum continues with further wins

## YTD Project Wins and agency gains

### Integrated Solutions



### Professional

- **Contract for the supply of \$3m worth of SSL consoles delivered in H1 FY2024**
- **Ongoing contribution of the Network Ten contract. Revenue in the order of \$12m over 5 years with \$4.0M due in FY2024**
- **Major law enforcement agency contract for \$2.2M**
- **Several upgrades with national broadcasters.**

### Major Retail

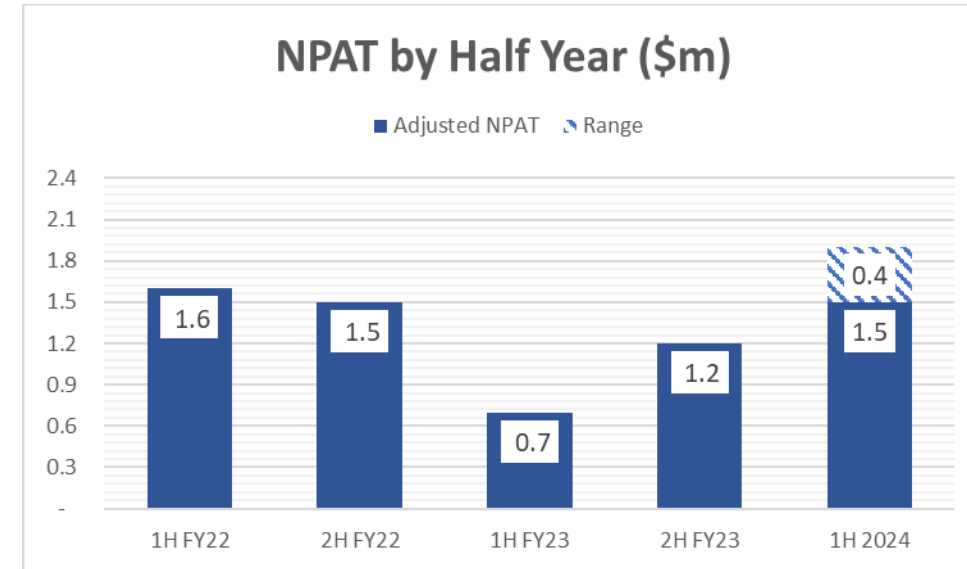
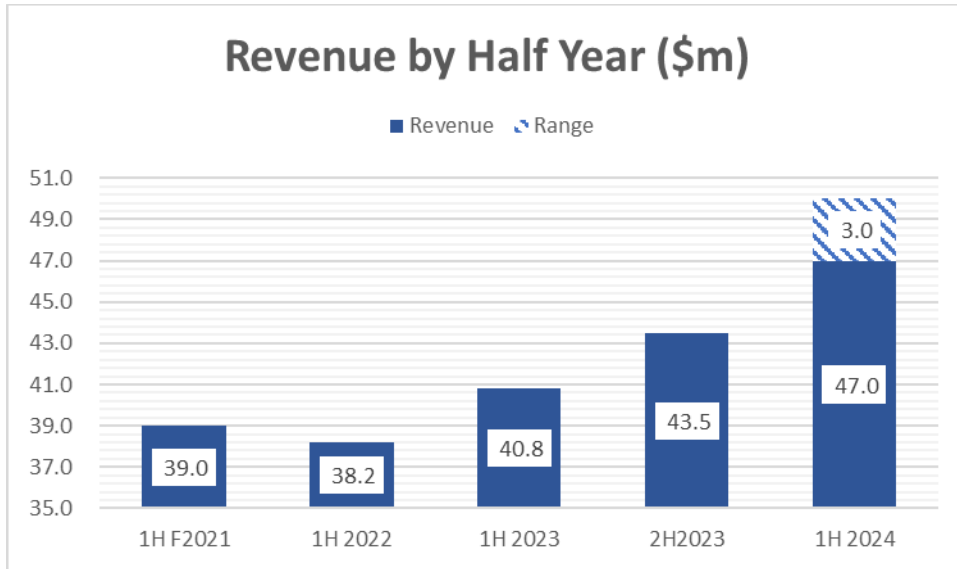


# FY24 updates and outlook

## Continuing to execute on our expansion objectives

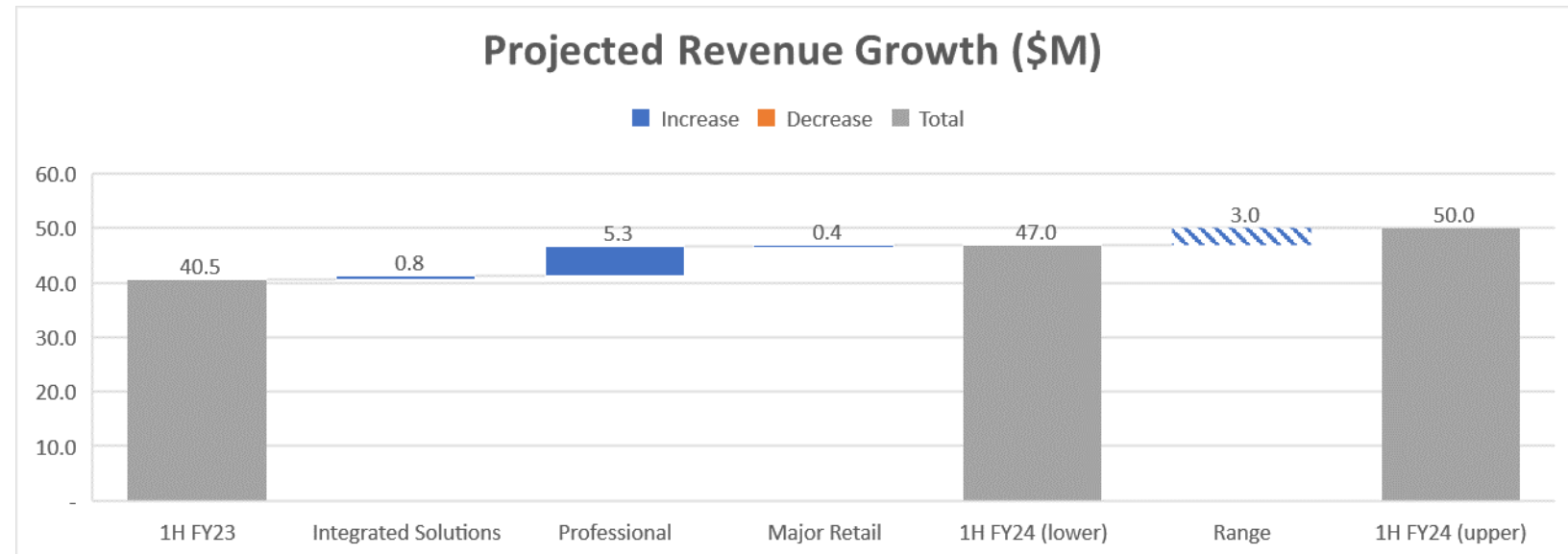
- **YTD FY24 has started strongly with multiple project milestones completed and new wins secured.**
- **Dealer based business continues to grow despite ongoing economic challenges.**
- **Strong pipeline of Defence, Law Enforcement and Emergency Services work for future periods.**
- **Current expectations for 1H FY24:**
  - **Revenue forecast in the range of \$47m to \$50m (Dec 22: \$40.5m).**
  - **EBIT forecast in the range of \$2.8m to \$3.4m (Dec 22: \$1.5m).**
  - **NPAT forecast in the range of \$1.5m to \$1.9m (Dec 22: \$0.7m).**
  - **Ongoing dividend payout commitment (target payout ratio of min 50% of NPAT)**

# Projected Growth



1H FY22 & 2H FY22 adjusted for Covid-19 support payments received.

Strong project contribution this half and growth across the business.





## Appendices



# Capital Structure

Capital Structure	
Share price (22 November 2023)	\$0.21
52-week range	\$0.20/\$0.355
Shares on Issue	95.2M
Options on Issue	3.5M
Market capitalisation	\$20.0M
Net debt (30 June 2023)	\$4.7M
Enterprise Value	\$24.7M

Substantial Shareholders	%
Appwam Pty Limited	29.8%
Wavelink Systems	7.8%
Amos Super Fund	5.6%
Greig & Harrison	5.5%
Sub-total	48.7%
Top 20	69.9%

## Future performance

This Presentation contains certain “forward looking statements”. Forward looking statements can generally be identified by the use of forward looking words such as, “expect”, “anticipate”, “likely”, “intend”, “should”, “could”, “may”, “predict”, “plan”, “propose”, “will”, “believe”, “forecast”, “estimate”, “target”, “outlook”, “guidance” and other similar expressions within the meaning of securities laws of applicable jurisdictions and include, but are not limited to, indications of, or guidance or outlook on, future earnings or financial position or performance of Ambertech, the outcome and effects of the Offer and the use of proceeds, including the impact of the acquisition. The forward looking statements contained in this Presentation are not guarantees or predictions of future performance and involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of Ambertech, and may involve significant elements of subjective judgement and assumptions as to future events which may or may not be correct. Refer to the risks section of this Presentation for a summary of certain general and Ambertech specific risk factors that may affect Ambertech. There can be no assurance that actual outcomes will not differ materially from these forward-looking statements. A number of important factors could cause actual results or performance to differ materially from the forward looking statements, including the risk factors set out in this Presentation. Investors should consider the forward looking statements contained in this Presentation in light of those disclosures. The forward looking statements are based on information available to Ambertech as at the date of this Presentation. Except as required by law or regulation (including the ASX Listing Rules), Ambertech undertakes no obligation to provide any additional or updated information whether as a result of new information, future events or results or otherwise. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward looking statements.

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