

CHAIRMAN'S ADDRESS

Dear Shareholders

Welcome to the Ambertech Annual General Meeting for 2019. As we noted in the Annual Report trading conditions during the 2019 financial year were difficult, and this was reflected most in the less than satisfactory result from our Consumer Electronics retail group. Other operating divisions of Ambertech remain strong and are growing.

The Ambertech management team has made good progress in 2019 on business transformation, consolidating all areas of the business. Ambertech is now well positioned to build upon this for future growth. We continued to expand our distribution of audio and video product, and post year end we have entered into an agreement to purchase the Hills Audio-Visual business to add significant scale to this area of our business. You can read more about [here](#).

Ambertech is also at the forefront when it comes to innovative services, and yesterday jointly presented with the ACT Government a new Aerial Mesh Communications for firefighting solution that we believe will become the Emergency Services industry standard over the coming years. You can read more [here](#).

In addition to our recent announcement on the acquisition of the Hills Audio Visual business, there were several positives during the 2019 financial year which reflect the ongoing transformation of the Ambertech distribution model. These include:

- Significant growth (35.9%) in the Professional segment revenue. This growth is a consequence of the continued focus on areas where we can apply our value add through sales, marketing and engineering resources;
- Growth (14.5%) in recurring revenues from support contracts, including multi-year offerings. Future contracted revenue at balance date has also grown by more than 17%;
- Expansion in our dealer-based business as we continue to enlarge our product offering in the various channels we supply. We have seen strong growth in the MI and commercial installation markets as we increasingly become a supplier of choice, leveraging our strong brand management team; and
- Improved performance of the New Zealand operation as we continue to streamline costs and develop our customer base.

The pipeline for project business with our media systems partners is substantial, and we anticipate continued success in the area for the 2020 financial year. We hope to be in the position to make some positive announcements on major contracts in the coming months. We have a clear focus for the new financial year on margin restoration, cost control and customer satisfaction.

Finally, on behalf of the Board I would like to thank all the Ambertech team for their effort and contribution through this important growth period and to thank you, our shareholders, for your interest, your continued support and the trust you place in us and everyone in Ambertech to achieving long-term shareholder value.

Peter Wallace
Chairman, Ambertech Limited