

2 November 2021

AMBERTECH EXECUTES GROWTH STRATEGY WITH KEY ACQUISITIONS

Ambertech Limited (ASX: AMO) (“Ambertech” or the “Company”) is pleased to announce that it has reached an agreement to acquire Audio Visual (AV) distribution business **Connected Media Australia (CMA)**. The acquisition, which is subject to certain conditions, is expected to complete by 15 November 2021, and includes the purchase of all the shares in CMA.

Ambertech and CMA believe that the sale will bring several benefits to dealers and suppliers, resulting from Ambertech’s market presence and resources. Initially, the brands represented by CMA will continue to be sold and supported through the existing CMA systems and processes.

Details of the CMA acquisition include:

- Consideration for the acquisition is anticipated to be, net cash, in the order of \$1.1M.
- Funding for the acquisition is by way of cash.
- Incremental revenue growth from the transaction is expected to be \$2.0M-\$3.0M annually, with ongoing growth potential.
- Completion of the transaction is expected to be on or about 15 November 2021, subject to final conditions being met.

Peter Amos, Managing Director of Ambertech, noted: “We are very pleased to be able to add leading brands such as RTI and Bluesound Professional to our portfolio. These brands allow Ambertech to offer an expanded solution for both residential and commercial AV installers. Ambertech acknowledges the fine work that the team at Connected Media Australia have done in recent years, and especially through the challenges wrought by COVID-19.”

Noise Toys Imports

Ambertech is also pleased to announce that it recently acquired the business of Musical Instrument (MI) distributor **Noise Toys Imports Pty Ltd (NTI)**. The acquisition was completed on 6 September 2021 and represents an important strategic plan to further grow the company’s MI business.

Under the terms of the agreement the brands distributed by NTI transferred to Ambertech. Reece Specis from NTI has joined the Ambertech team and will continue to work with the brands involved in the acquisition, ensuring continuity for customers and vendors.

The acquisition allows renowned guitar pedals brand Strymon join the company's MI portfolio, as well as Hotone guitar pedals, Richter guitar straps and Walla Walla guitars, plus the other brands from the Noise Toys Imports line up.

NTI' Reece Specis said the sale to Ambertech, with its strong focus on the MI industry and more than 30 years of experience, was a positive outcome for the NTI business. He said that both parties were determined to ensure minimal disruption for customers and vendors.

Details of the acquisition included:

- Consideration for the acquisition was, net cash, in the order of \$560,000 and includes:
 - o Inventory at valuation of \$370,000
 - o Other identifiable assets of \$25,000; and
 - o Goodwill of \$165,000.
- Funding for the acquisition was in cash.
- Incremental revenue growth is expected to be \$1.2M-\$1.5M annually, with ongoing growth potential

Peter Amos said the company was excited to have the opportunity to add the NTI business into its existing MI division. "We welcome the brands represented by NTI into our portfolio, offering our MI customers an expanded range of brands, and Reece joining our experienced team of MI staff," Mr Amos said. "We are focussed on building and growing our presence in the MI markets in Australia and New Zealand, and this is a great opportunity for us to build on the existing relationships we have. The NTI brands are a perfect complement to the musical instrument brands we currently represent."

Whilst neither acquisition is material in their own right, they are both considered as important steps in the continuation of Ambertech's growth strategy. Both are expected to be earnings per share accretive and have been funded by existing cash reserves.

On behalf of the Board of Ambertech Limited.

Yours sincerely,



Robert Glasson
Company Secretary
Ambertech Limited