

25 January 2021

ASX ANNOUNCEMENT DECEMBER 2020 QUARTERLY ACTIVITIES REPORT

HIGHLIGHTS

***HT8 December 2020 quarter cash receipts were \$9.586 million (unaudited). This compared to December 2019 quarter cash receipts of \$2.35 million.**

***HT8 December 2020 quarter cash flow was positive \$421K (unaudited) – a very pleasing turnaround result.**

***Cash equivalents as at 31 December 2020 were \$2.2 Million (unaudited) and inventory of \$6M (unaudited).**

*** Revenue for the half year ended 31 December 2020 was \$19.39M (unaudited) compared to the corresponding prior year period of \$4.1M (373% increase period on period) and full year to June 2020 of \$13.6M.**



Online IT and Consumer Electronic goods retailer Harris Technology Group Limited (ASX: HT8) is pleased to provide its activity report for the December 2020 quarter:

Operations Update

Cash received from customers for the quarter of \$9.586 million (unaudited) was slightly in excess with the comparable figure for the September 2020 quarter.

Cash utilised in purchasing inventory in the December 2020 quarter was less than the cash utilised in the September 2020 quarter. This reflected the increase in spending on inventory in the September 2020 quarter as a result of the funds available to the company from the capital raising of \$3.5 million completed in August 2020. An additional warehouse was leased in Melbourne in order to hold the increased inventory.

Sales for the December 2020 quarter were maintained at approximately equivalent levels to the September 2020 quarter. As stated in the ASX announcement on 7 December 2020, record sales were achieved in the four-day period of the Amazon Australian Black Friday/Cyber Monday Sales Event in October 2020.

The gaming products business has grown with an additional specialist employee engaged to launch a new line of customised gaming PC systems.

As disclosed in the announcement to the ASX on 29 October 2020, the HT8 Pro-Hygiene business has slowed significantly due to an abundance of supply in the market and the easing of health restrictions across the country.

IT/Technology product revenues have increased in the quarter to offset the reduction in revenue from the Pro-Hygiene division.

Expenditure incurred during the quarter

Expenditure incurred during the quarter included the following:

Expenditure Category	Amount \$
Purchase of inventory	8,809,000
Advertising	2,000
Staff administrative and corporate costs	454,000
Total	9,265,000

Corporate

A new executive services agreement was signed with the CEO, Mr Garrison Huang. The agreement commenced on 1 January 2021 and continues indefinitely. The agreement provides for fixed remuneration and both short-term and long-term bonuses. The details are set out in the announcement to the ASX dated 22 December 2020.

Mr Alan Sparks was appointed as an additional non-executive director effective 1 December 2020.

The company's Annual General Meeting will be held on 5 February 2021. Shareholders are encouraged to participate virtually and post questions prior to the meeting using the online portal. The directors of HT8 encourage shareholders to vote early on the resolutions. The details of the AGM and voting information can be found via <http://ht8.com.au>

Related Party Payment

Section 6 of the appendix 4C released today discloses payments to related parties of \$5,600. These payments were non-executive director fees.

The release of this announcement was authorised by the Company's Chairman on behalf of the HT8 Board.

Andrew Plympton
Chairman

***About Harris Technology Group Limited**

Harris Technology Group Limited is a publicly listed company on Australia Stocks Exchange (ASX code: HT8). The company's main business is the e-commerce business of Harris Technology (HT) – www.ht.com.au. Harris Technology is a well-known brand with a 30+ year history in IT/CE retail market covering a very wide range of IT products for small and medium businesses in Australia. Harris Technology was previously owned by Officeworks under Westfamers and prior to this, it was owned by Coles Myer Group. Harris Technology no longer operates any physical shopfronts – all businesses of Harris Technology is conducted online both on www.ht.com.au and via the major online platforms such as Amazon, Kogan, Catch and eBay etc.