



harristechnology
GROUP LIMITED

Managing Director's Presentation to Shareholders
2016 Annual General Meeting

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» Andrew Plympton

Chairman

- Brings a wealth of experience in a diverse range of commercial activities
- Over 35 years' experience in financial services industry and boards of ASX Companies



» Garrison Huang

CEO / Managing Director

- Majority shareholder of Anyware, MD of Anyware since 1997
- Appointed MD and CEO of Harris Technology in 2015
- Holds Bachelor's Degree in Engineering, Graduate Diploma in Computer Systems Engineering and Graduate Certificate in Marketing



» Bob Xu

Executive Director

- Has served as Business Director of Anyware Corporation since 2012
- Shareholder of Anyware, through associated entity AZA International
- Holds a Diploma in Mechanical Engineering from the Shanghai Aviation Technology Institute, and studied Engineering for four years at Tongji University



» Mark Goulopoulos

Non-Executive Director

- Associate Director of Wealth Management at Patersons Securities
- Over 15 years' experience as an investment adviser
- Co-founder of companies in the digital arena focussed on e-commerce / mobile applications



» Howard Chen

Non-Executive Director

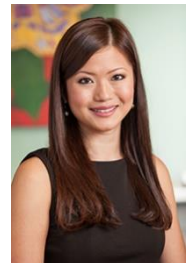
- Managing director of Ultra Imagination Technology Pty Ltd. owner of lifestyle tech brand "mbeat"
- Masters of Microelectronics degree from Griffith University; also a member of the Institution of Engineers Australia



» Alyn Tai

Company Secretary

- Practising lawyer
- Specialises in the areas of corporate and commercial law, and the provision of company secretarial and legal counsel services to ASX-listed entities



» Michael Fox

General Manager - HT Group

- Holds Graduate Certificate in Professional Management / Bachelor Business, Associate Diploma Business Management, completing Diploma in HR
- Over 20 years' experience in business management/operations for IT companies



» Amy Guan

Chief Financial Officer

- Bachelor of Law & Finance, Masters in Professional Accounting & CPA Qualified
- 8 year career in financial and senior financial positions
- Current CFO at Anyware Corporation, Harris Technology



» Tyson Gillespie

Chief Information Officer

- Over 20 years' experience in creative and development with Fairfax
- Expertise in software development and hardware management
- Brings a vast knowledge of design and technology experience to the group



» Dallas Everard

GM of eCommerce (Acting)

- Extensive experience as a Buyer over 15 year career with major retailers
- Senior manager with Harris Technology for over 9 years
- Holds an Advanced Diploma in Business Management



» Cameron Anstee

National Marketing Manager

- Over 20 years' experience in distribution, retail and marketing
- Considerable marketing and sales skill across a range of disciplines
- Holds Advanced Diploma in Marketing, Cert IV in Workplace Training



» Aaron Steel

YHD Operations Manager

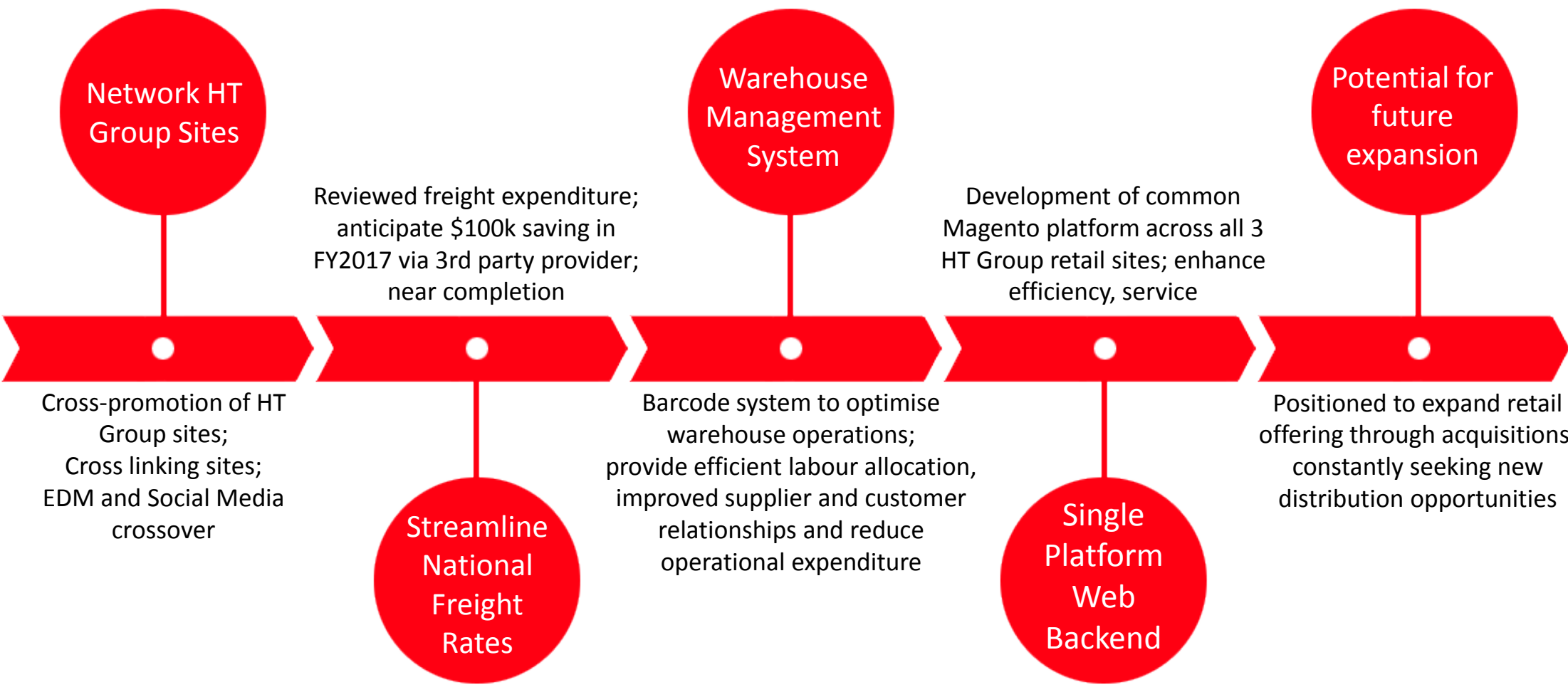
- 22 years career in retail, wholesale and distribution
- Heavily sales and product focused
- Exceptional skill and considerable experience in high-profile brand name product management





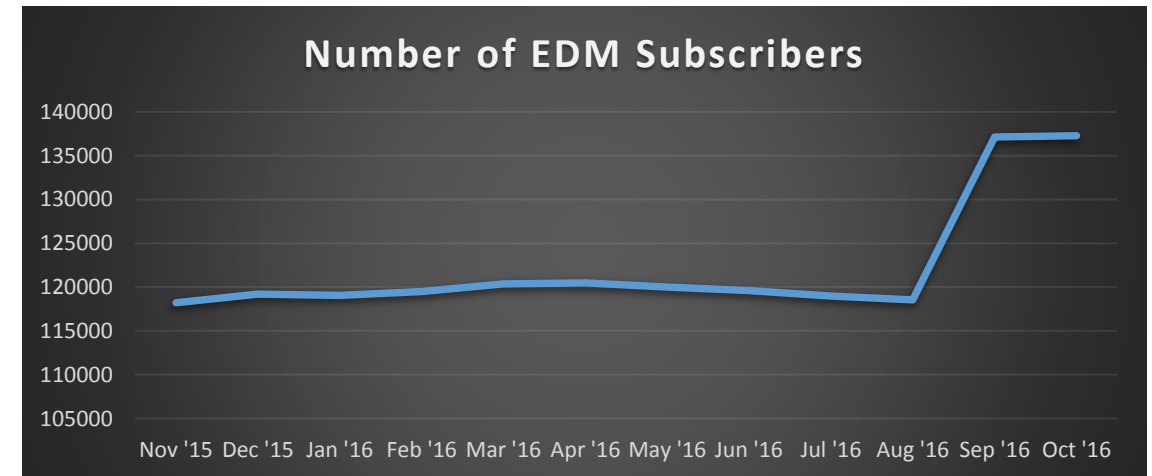
Key Group Improvements

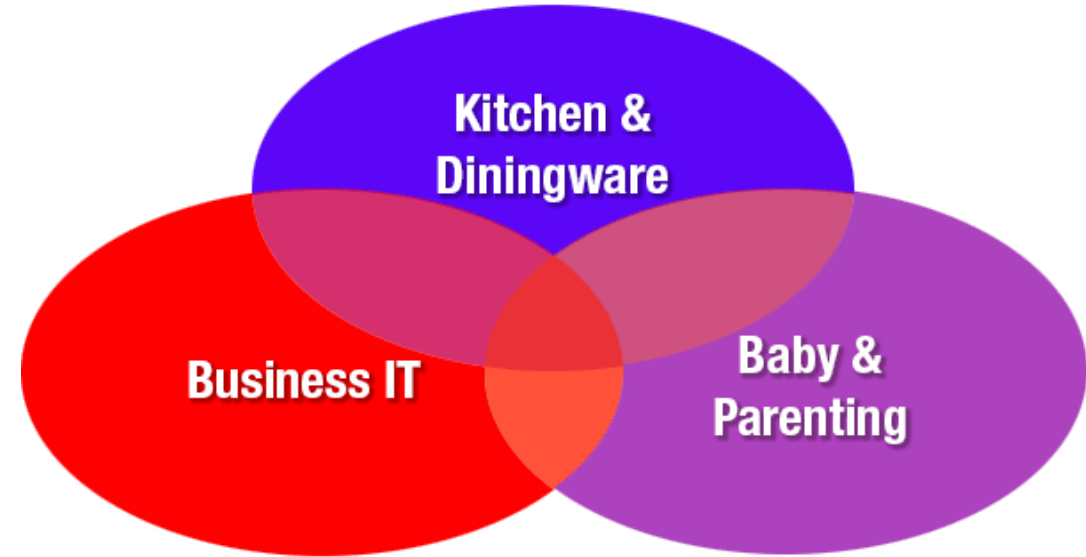
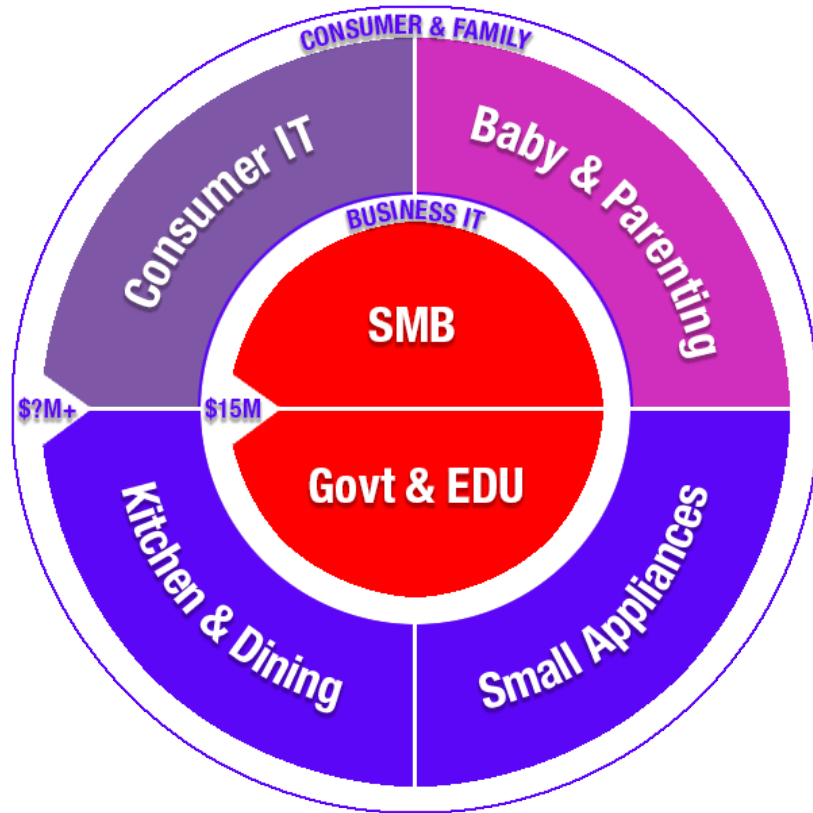
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	Jun-16				Sept-16	
	Your Home Depot	WowBaby	Warcom & Estore	HT	Combined BusTech	Group Total
Email Subscribers	35,000	9,000	71,000	22,000	93,000	137,000
Customer Database	108,000	7,800	117,000	467,000	551,800	667,600

In addition to the above the group has over 25,000 followers on Social Media and has appointed a Social Media Coordinator to manage each of the channels, enhance engagement and drive sales.





HT8's market offering now includes a diverse range of business segments, providing a stable platform for further expansion. Such diversity offers a degree of protection from potential threats such as Amazon.

Each segment offers crossover marketing opportunities, as illustrated above. Expanded database to be enhanced with demographic data to provide the right offers to the right customer at the right time



Improvements by Business

Electrical Wholesale Industry



The electrical wholesales industry is a multimillion dollar business we intend to tap into with an overlap of existing product.

We are projecting this project to increase Anyware's revenue by up to 5% over the coming FY 2016/17, while anticipating further increases as we build our product offering in the coming years.

Mass Merchant Growth



Building on our already successful mass merchant business, Anyware intends to sharpen its focus by increasing its network of dealers across Australia. Having recently employed a number of new agents to assist with business growth, we anticipate revenue growth by 10% within this channel.

Harvey Norman



JB HI-FI

Officeworks

New Key Brands / Categories

Anyware continues to drive new business through the addition of both emerging and established brands to enhance our product offering:



Promate are a company producing retail-friendly electronic accessories, dedicated to delivering the most specialised and original electronics peripherals solutions. Anyware and Promate recently signed an exclusive distribution agreement.



Since 2006, Pro'sKit has been supplying do-it-yourselfers and businesses in the electrical, electronics, security and networking industries with professional grade tools at unbeatable low prices.



Drobo makes award-winning data storage products for Small and Medium Businesses and Individual Professionals that provide an unprecedented combination of sophisticated data protection and management features, affordable capacity, and ease-of-use.



A subsidiary of tech giant ASUS, ASUSTOR is a leading innovator and provider of private cloud storage (network attached storage) and video surveillance (network video recorder) solutions.

HT (Warcom/Estore integration)



Completed integration of EStore & Warcom customer databases and email subscription lists into HT



Now sending emails to list 4X larger than previous HT-only list with consistent customer interaction across all 3 list segments (HT, EStore, Warcom)



Extended invitation to previous customers of Warcom and EStore via discount offer to encourage interaction with HT



October heralded the introduction of HT's new 'Installation Services' offering



On track for November are plans to introduce selected 'Cloud' services via one or more partners



Move into Anyware Rydalmere premises now complete; finalised Castle Hill lease agreement, representing significant cost benefit



Vendor partnership consolidation complete with new credit arrangements and purchasing agreements in place under new group



Partnering with selected vendors on bulk projects ahead of Christmas



Investment in key staff with industry experience



Exploring potential to import selected product lines representing margin increase



Move into Anyware Dandenong South premises now complete



WowBaby is implementing a Drop Ship or 'Just in Time' model (with selected distributors/vendors) in line with HT's business structure to minimise stock holding while offering maximum product selection, without delaying shipments to customer



Introduction of Baby Registry feature (coming soon)



Range review complete, identified several key categories of potential growth



Several recent brand additions include Merino Kids, The Gro Company, Mamaway, Munchkin, Bubba Blue; all are market leaders in their category



Development continuing on a 'Consumables strategy' to encourage repeat business. Already launched nappies, wipes, bin refills, etc.



Innovative eCommerce Strategy

Harris Technology plans to intensify our offering toward the next generation of online retail known as 'eCommerce 2.0.' We will invest in technology to truly bring the online shopping experience into the home:

Cross Border Direct Shipping with Local Presence



Utilising Anyware's existing infrastructure and knowledge of importing and distribution to deliver a "direct model" to the Your Home Depot and Wow Baby businesses. We will launch a business model called: "Cross Border Direct Shipping with Local Presence" (CBDSLPP). With a team based in China and the ability to sell directly online to consumers in Australia, this model's key benefits are:

- No stock holding required.
- Cost is most competitive.
- Business is direct to end user (Direct Model - almost Factory to Consumer)
- Existing local presence, including customer support call centre, where business can be operated with confidence and inspire trust and loyalty among consumers
- Existing Chinese partner's company structure and resources can be fully utilised.
- Scope to expand on range of market verticals such as furniture, travel goods, sporting goods etc.

Virtual Reality (VR)



- Users can view their potential purchase in full 3D from any angle
- Combines 360° product photography, custom software development and Google's 'Cardboard' headset technology
- HT Group to provide necessary hardware to customers (excluding smartphone)

Augmented Reality (AR)



- Preview how your new appliance, couch or baby's cot will look once positioned within your actual kitchen, lounge room or nursery
- Utilises the same technology made famous recently by the Pokémon Go smartphone app – to let consumers visually 'try before they buy'
- Customers use their existing camera phone to virtually place our products into their home environment
- Full 3D imaging allows the user to walk around to look at their potential purchase from any angle to ensure they have just the right colour or size to suit their taste

Hosted Crowdfunding



- With an established customer base and increasing traffic numbers, HT Group is poised to launch a Hosted Crowdfunding initiative
- Enable our partners – both domestic and international – the ability to launch their crowdfunded projects to an established Australian marketplace
- By leveraging traffic to HT Group sites these projects will receive exposure otherwise unavailable to them
- HT Group will benefit through increased traffic and involvement with cutting edge ideas, technologies and products



FY17 OUTLOOK

Summary

- ✓ First quarter provided a stable platform for FY17
- ✓ Forecast HT Group to be profitable for FY17
- ✓ Group margin to increase from current ~17% as YHD and Wow Baby businesses grow share as per current trend
- ✓ Introduction of eCommerce 2.0 strategies to begin Q1 2017

Summary

- ✓ **HT** to continue organic growth, drive digital marketing
- ✓ **Your Home Depot** stabilised; experiencing steady sales increase
- ✓ **Wow Baby** experiencing MoM improvement
- ✓ **Anyware** introducing new brands and categories to drive growth



Thank You