EXPERIENCE
is the difference

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ASX ANNOUNCEMENT

25 February 2021

ANNUAL REPORT

Dicker Data Limited (**Dicker Data**) (ASX:DDR) is pleased to release its Annual Report for the year ended 31 December 2020.

Authorised for release by the Board of Dicker Data Limited.

David Dicker
Chairman and CEO

For further information please contact:

Investor Relations
1800 688 586
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https://www.dickerdata.com.au/investor

About Dicker Data

Dicker Data (ASX: DDR) is an Australian-owned and operated, ASX-listed technology hardware, software, and cloud distributor with over 42 years of experience. Our sales and presales teams are experienced product specialists who are dedicated to helping you tailor solutions to suit your client's needs.

As a distributor, we sell exclusively to our valued partner base of over 6,000 resellers. We pride ourselves on developing strong long-term relationships with our customers, and helping them grow. This customer-first approach means we are proactive in engaging with our resellers and allows us to dynamically shift with changing market conditions, in turn helping to increase profitability.

Dicker Data distributes a wide portfolio of products from the world's leading technology vendors, including Cisco, Citrix, Dell Technologies, Hewlett Packard Enterprise, HP, Lenovo, Microsoft, and other Tier 1 global brands. As the leading Australian distributor for many of these vendors, Dicker Data is dedicated to helping our partners deliver industry-leading solutions built on the world's best technologies. https://www.dickerdata.com.au/

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ANNUAL REPORT

2020

Dicker Data Limited ABN 95 000 969 362

DICKER DATA

We listed DDR at 20 cents per share, on 24 January 2011, with a market cap of $25m. Ten years later our shares are trading around $12 and we have a market cap of $2b.

DAVID DICKER

CEO and Chairman

Dicker Data is an Australian owned and operated, ASX listed distributor of computer hardware, software and related products with over 42 years experience.

Incorporated in 1978, Dicker Data's mission is to inspire, educate and enable ICT resellers to achieve their full potential through the delivery of unparalleled service, technology and logistics. Dicker Data is Australia's largest locally owned and operated ICT distributor. Serving in excess of 6,900 active registered reseller partners annually, Dicker Data finished the FY20 year with revenues of $2.0bn. Since listing on the ASX in January 2011, Dicker Data has delivered consistently profitable results for shareholders whilst maintaining a 100% dividend payout policy.

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DICKER DATA

OUR ANZ VENDOR PORTFOLIO

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Life Is On APC by Schneider Electric
arcserve
aruba a Hewlett Packard Enterprise company
ASUS Inspiring Innovation • Persistent Perfection
audiocodes
AUTODESK

ATDEC Infinite Mounting Possibilities
AVIZIA
BARCO
belkin
BitTitan
BLUPEAK
Check Point SOFTWARE TECHNOLOGIES LTD

CISCO Partner Distributor
citrix
COHESITY
commBOX
COMMVAULT
COOLER MASTER
CRESTRON

alhua TECHNOLOGY
DICKER DATA SERVICES
DICKER DATA FINANCIAL SERVICES
digital matter
DELL Technologies AUTHORIZED DISTRIBUTOR
dynabook
ekahau WIRELESS DESIGN

FUJIFILM
FUJITSU
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Honeywell

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Interactive
JUNIPER driven by Mist AI
kaspersky
Kensington
Kingston TECHNOLOGY
KOFAX

kontakt.io
KYOCERA Document Solutions
LACIE
Lenovo
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Micron
Microsoft
NATIONAL NARROWBAND NETWORK Co.
nimblestorage a Hewlett Packard Enterprise company
NUANCE
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NVIDIA
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poly
printix
PURESTORAGE
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Quest

RSA
SAMSUNG
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SONY make.believe
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StorageCraft Authorised Distributor
STM AUSTRALIA
SUPERMICRO
Synology
Targus

TeamViewer
Telstra
TOSIBOX
tp-link
TREND MICRO

Trustwave an Optus company
veeam
VERITAS
wiise

DAVID DICKER
CEO and Chairman

CEO COMMENTARY

Again, we have had a record year compared to the previous one and the one before that, etc, etc. However last year was a significant result, not so much because we excelled, but because we achieved that excellence under very difficult conditions. This is all the more impressive and I really thank everyone. We have a tremendous group of people.

We have also finished our new facility and from what I have been told and seen from pictures, it looks fantastic. I'm hoping that travel sanity will return soon and I can end my exile in NZ and see it for myself.

One event that did happen and can never be repeated is our tenth anniversary as a public company. This date also marked the 100th anniversary of my Father's birthday. I sometimes wonder what he might think of it all.

We listed DDR at 20 cents per share, on 24 January 2011, with a market cap of $25m. Ten years later our shares are trading around $12 and we have a market cap of $2b. An original shareholder's stake of 10,000 shares at $2,000 would now be worth around $120,000. A very satisfying outcome.

BOARD OF DIRECTORS & SENIOR MANAGEMENT

DAVID DICKER

Chairman and
Chief Executive Officer

BOARD OF DIRECTORS
SENIOR MANAGEMENT

MARY STOJCEVSKI

Executive Director and
Chief Financial Officer

IAN WELCH

Executive Director, Chief Information Officer and Director of Operations

VLADIMIR MITNOVETSKI

Executive Director and
Chief Operating Officer

FIONA BROWN

Non-executive
Director

LEANNE RALPH

Non-executive
Director

MICHAEL DEMETRE

Executive Director and
Logistics Director

Resigned 24/12/2020

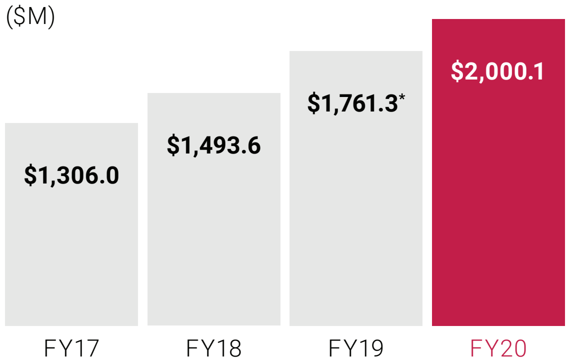
RESULTS SUMMARY

Key Financial Data	2020 $'000	2019 $'000
Total revenue from ordinary activities*	2,000,112	1,761,296
Gross profit	191,391	158,437
Earnings before interest, tax, depreciation [EBITDA]*	91,390	73,779
Net operating profit before tax**	81,859	64,104
Net profit before tax	81,859	75,873
Net profit after tax [NPAT]	57,182	54,311
Statutory earnings per share (cents)	33.95	33.69
Underlying earnings per share (cents)**	33.95	28.38
Dividends paid	59,546	43,518
Dividends per share (cents)	35.50	27.00

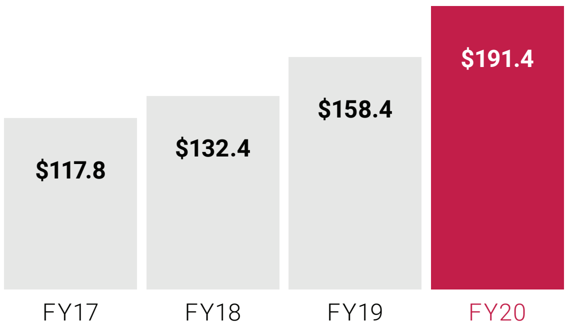
* 2019 - Total revenue excludes profit on sale of property of $12.2m
** 2019 - Net operating profit before tax excluding profit on sale of property of $12.2m and costs for Employee share Scheme of $450k

RESULTS HIGHLIGHTS

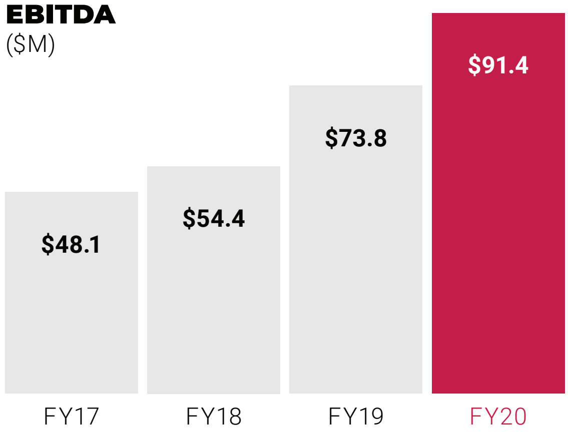
REVENUE
($M)



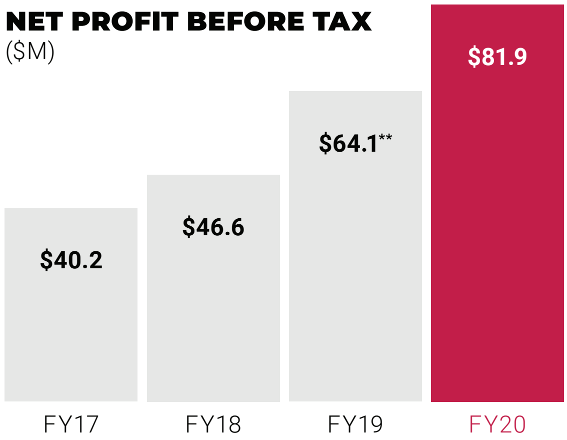
GROSS PROFIT
($M)



EBITDA
($M)



NET PROFIT BEFORE TAX
($M)



* FY19 - Revenue excludes Profit on sale of property of $12.2m
** FY19 - Operating Profit before tax excluding profit on sale of property of $12.2m and costs for Employee share Scheme of $450k

WHO WE ARE

over
6,900
active reseller partners in Australia & NZ

Established in 1978, Dicker Data (ASX: DDR) has grown to become Australia's largest value-add distributor of IT hardware, software, cloud and emerging technology solutions for the corporate and commercial ANZ market.

In operation for over 42 years, the company boasts a long history of strong revenue and profit growth, with a current market cap of close to $2.0b. With an experienced founder-led management team, the company made its mark on the ASX in January 2011 and has since delivered a financial return of over 60 times or 5,900 percent on initial investments in the company's IPO, all whilst paying out 100 percent of profits in dividends. Fast forward to 2020, Dicker Data was added to the S&P/ASX 300 Index and S&P/ASX All Technology Index.

Dicker Data is the vital link in the technology value and supply chain that supports over 6,900 IT reseller partners to design, configure, deliver and deploy the technology that helps address the challenges of today with the solutions of tomorrow, for hundreds of thousands of Australian and New Zealand (ANZ) end-user businesses each year.

As digital transformation is now a business reality, Dicker Data is a trusted advisor that provides technology driven solutions into all levels of Government, Enterprise, Small to Medium Businesses via its partner network to improve operational efficiency and deliver a superior experience for their customers.

Deemed as an essential service throughout the pandemic, Dicker Data is the catalyst for new technology adoption and continues to be one of the driving forces behind Australia's uptake of advanced technologies and digital solutions.

The company's consistent and strong results over the years consolidates its status as a true Australian success story.

Operating on the cutting-edge of technology and representing vendors from all walks of tech, Dicker Data continues to derive growth from new technical innovations, services and trends whilst leveraging its market position as the trusted advisor and enabler of business continuity to thousands of IT reseller partners and enterprises across ANZ.

Dicker Data is renowned for its customer centric approach offering agility, flexibility and foresight to build capabilities in adjacent sectors to identify the next source of growth. Dicker Data's performance-based culture, management incentives and shareholder alignment are key drivers to consistent growth and success.

founded
1978

DICKER DATA MILESTONES

1987
Appointed as first Toshiba distributor

2000
Annual revenue exceeds $100m

2011
Listed on the ASX (ASX: DDR)

over
77%
our resellers choose to purchase online

2020 INDUSTRY AWARDS

DISTRIBUTOR OF THE YEAR AUSTRALIA & NZ

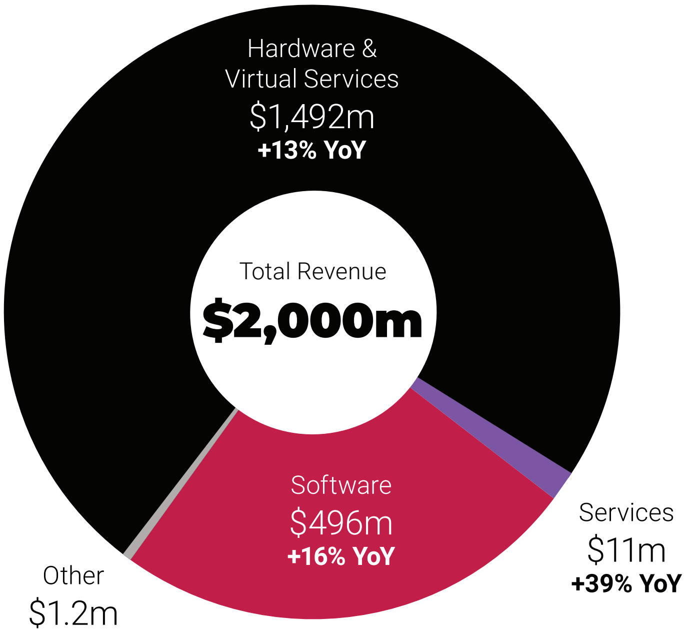
Life Is On | APC by Schneider Electric
aruba a Hewlett Packard Enterprise company
cisco Partner Distributor
citrix
DELL Technologies AUTHORIZED DISTRIBUTOR
hp
Lenovo
Lenovo Data Center Group
Microsoft
Telstra
TREND MICRO

ARN FROM IDG
Hardware Distributor of the Year
Software Distributor of the Year
Homegrown Distributor of the Year

86
vendors across Australia and NZ

2014	2015	2019	2020	2021
Acquired Express Data Holdings	Revenue exceeds $1b and CloudPortal Launched	Awarded Cisco Global Distributor of the Year	Annual Revenue exceeds $2b	Relocated to new facility

2020 IN REVIEW



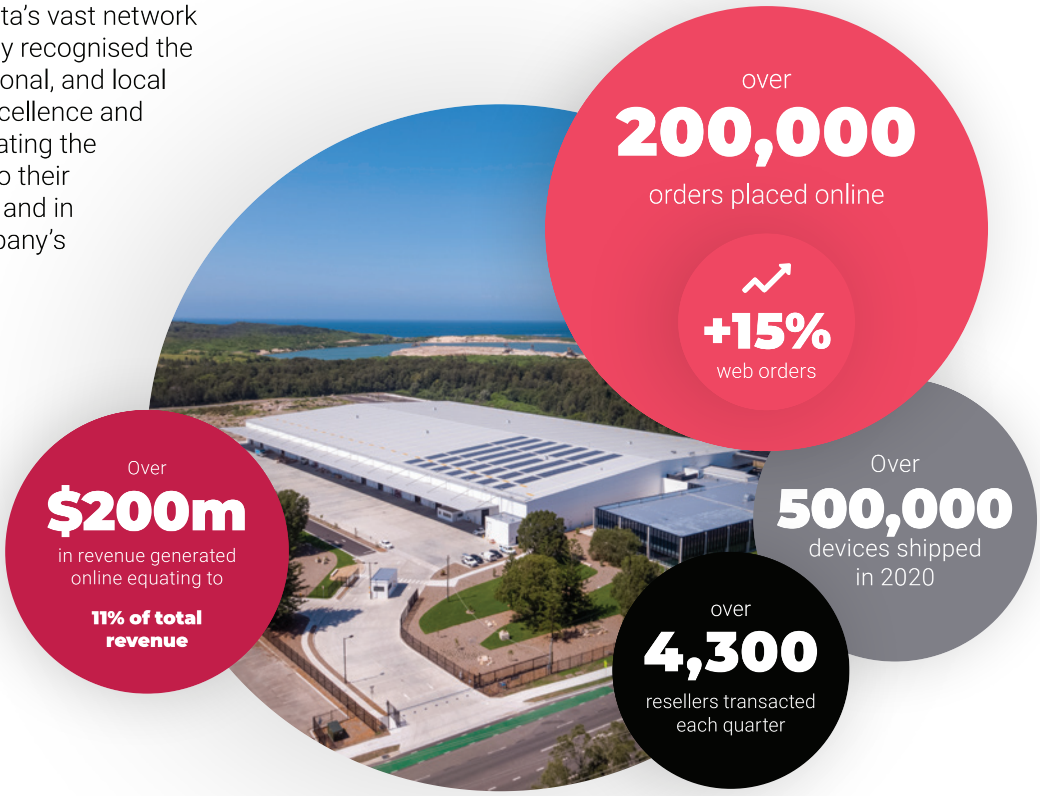
In a year of unprecedented disruption, Dicker Data responded swiftly to COVID-19 supply chain challenges to capitalise on the changing market dynamics and to cement its position as the leading technology distributor across ANZ.

Strategic inventory investments set the company apart as demand for devices and related peripherals surged amid Government enforced lockdowns, spurring the largest work from home movement in history. Manufacturers across the world struggled to keep up with demand, supply chain constraints were brought to light and companies scrambled to enable remote working at scale quickly.

In parallel to the unnatural demand and market disruption, Dicker Data remained focused on its objective of partnering with the world's leading technology suppliers to provide its reseller partners with access to the best range of solutions to solve the challenges faced by their end-users. Dicker Data's vast network of vendors have repeatedly recognised the company on a global, regional, and local level for its operational excellence and local expertise, demonstrating the value Dicker Data brings to their technology supply chains and in turn, reaffirming the company's competitive advantage.

In addition to the 8 new vendors onboarded in 2020, a large amount of focus and effort was placed on pursuing a new distribution agreement with industry heavyweight, VMware. Securing the deal in February 2021, the company expects to commence trading with VMware in the first half of 2021 and is buoyant about the outlook.

Despite the unforeseen conditions in 2020, Dicker Data forged ahead with the construction of its new headquarters, located at 238 Captain Cook Drive, Kurnell NSW 2231. The new facility saw total warehouse capacity increase by over 80% and total office floorspace more than double. The state-of-the-art facility was completed in late 2020 and the Dicker Data team completed the move into the facility in late February 2021.



2021 AND BEYOND

As Australia and New Zealand continue to deal with the threat of COVID-19, some semblance of 'normal' life is returning. As businesses invite employees to return to their workplaces, there's new expectations being placed on the role of technology to continue bridging the gap between onsite and remote work.

As hybrid work models are adopted, 5G will underpin the connectivity requirements for businesses and their employees and today's meeting rooms will need to be upgraded with the latest collaboration technology to enable a seamless experience, whether an employee is present physically or virtually. Security is high on the priority list as businesses look for measures to protect their corporate environments and employees from anywhere, anytime. Backup, storage, and management will continue to play a key role as businesses become increasingly reliant on using their data as a competitive advantage.

Dicker Data will continue to evolve and differentiate our offerings, as part of our commitment and role in supporting the A/NZ technology channel ecosystem including our vendors and reseller partners and being the catalyst for the adoption of new, cutting edge technologies.

COLLABORATION

ATDEC, BARCO, Cisco Partner Distributor, commBOX, Crestron, LG, lifesize, Microsoft, signagelive

SECURITY

Check Point, Cisco Partner Distributor, citrix, Forcepoint, kaspersky, Microsoft, RSA, TOSIBOX, Trend Micro, Trustwave an Optus company

DATA MANAGEMENT

COHESITY, COMMVAULT, DELL Technologies, Hewlett Packard Enterprise, Lenovo, PURESTORAGE, QNAP, StarWind, Synology, veeAM

NEW BUILDING UPDATE

Over
80%
increase in warehouse space*
*Stage One

Dicker Data acquired the 17ha site for the company's new headquarters and distribution facility approximately 5 years ago. Located at 238 Captain Cook Drive, Kurnell NSW, the company had a vision to create a unique campus-style facility to support its next phase of growth. The new facility embraces environmentally friendly initiatives and offers a modern workplace environment that's designed to attract and retain the best talent.

With an approved development application to construct 39,550 sqm of warehouse space and 7,995 sqm of office and amenities, Dicker Data commenced construction of its new facility in November 2019. Stage one of the development, comprising of 22,965 sqm of warehouse space and 5,960 sqm of office and amenities space, was completed in February 2021. Dicker Data is now fully operational from its new premises. As part of a stage two opportunity, for future expansion, the company has additional warehouse capacity of 16,585 sqm and office space of 2,035 sqm already approved in the Development Application.

The facility includes a dedicated configuration centre which enables end-to-end system building and deployment services for the company's partner network. Services offered include asset tagging, device imaging, hardware installation and pre-shipment testing to name some. Furthermore, new dedicated partner rooms for hire allow Dicker Data's customers to come onsite and complete work on their end-user's new systems prior to shipment.

A dedicated lobby-style foyer with two-story vertical gardens surrounds the commercial hub, providing a space for our staff, vendors and our customers to continue their learning and development and build upon business opportunities in a welcoming space that is optimised for collaboration.

As part of the company's commitment to ecology and sustainability, the building features solar panels, eight electric vehicle charging stations, recycled water systems and over 30,000 new seedlings and trees on the grounds surrounding the new facility. Original concrete structures found during excavation of the site have been retained and repurposed to create large outdoor planters, adding to the site landscape for staff and visitors to enjoy. To encourage the wellbeing and team culture, nature walks with barbecue areas and outdoor seating are available on site.

The development of the new Kurnell facility is a pivotal moment in the company's history and will play a significant role in next phase of growth.

CORPORATE SOCIAL RESPONSIBILITY

Our approach to Corporate Social Responsibility is based on our ethos to conduct business with respect for our planet and the human race.

We are committed to ensuring ethical business processes throughout our entire organisation and aim to foster community engagement, environmental sustainability and economic development.

$10K
the Foundation for National Parks & Wildlife

on-going donations through "buy a tree" scheme on Dicker Data Portal

$100K
donated to the **Australian Wildlife Conservancy** to provide wildlife safe habitats in the wake of the January 2020 bushfires

collected
255kg
food for Foodbank to prepare meals for charities

staff raised
$2,951
+ OVER 3 MILLION STEPS
STEPtember for people living with cerebral palsy

HPE and Services raised
$6,398
movember
for mens health

75
lives saved
through blood and plasma donations at Australian Red Cross Lifeblood

staff raised
$4,203
running in the city2surf

staff raised
$1,300
Dimmocks Retreat Wildlife Rehabilitation & Rescue

Dicker Data donated an additional
+$1,500

DIRECTORS' REPORT

The directors present their report, together with the financial statements, on the consolidated entity (referred to hereafter as the 'consolidated entity') consisting of Dicker Data Limited (referred to hereafter as the 'company' or 'parent entity') and the entities it controlled at the end of, or during, the year ended 31 December 2020.

The following persons were directors of Dicker Data Limited during the financial year end up to the date of this report. Directors were in office for this entire period unless otherwise stated.

DIRECTORS

David Dicker

Fiona Brown

Mary Stojcevski

Vladimir Mitnovetski

Ian Welch

Leanne Ralph

Michael Demetre
(Resigned 24/12/2020)

PRINCIPAL ACTIVITIES

The principal activities of the consolidated entity during the year were wholesale distribution of computer hardware, software and related products. There were no significant changes in the nature of the activities carried out during the year.

DIVIDENDS

Dividends paid during the financial year were as follows:

Record Date	Payment Date	Dividend /Share (in Cents)	Amount (in 000's)	Type	FY	Amount Franked
14-Feb-20	02-Mar-20	0.1300	$21,010	Final	2019	100%
14-May-20	01-Jun-20	0.0750	$12,727	Interim	2020	100%
14-Aug-20	01-Sep-20	0.0750	$12,902	Interim	2020	100%
16-Nov-20	01-Dec-20	0.0750	$12,907	Interim	2020	100%
Total		**0.3550**	**$59,546**			

The total dividends declared and paid during the financial year were 35.5 cents per share or a total of $59.5m, fully franked. (2019: 27.0 cents per share, $43.5m), representing an increase of 31.5%

Our dividend policy provides for fully franked dividends to be paid on a quarterly basis, with the intent to pay out 100% of the underlying after-tax profits from operations after taking into account projected capital expenditure and cash requirements. The Dividend Reinvestment Plan (DRP) introduced in March 2014 was retained for the 2020 year. Of the $59.5m dividends paid, $53.9m were paid as cash dividends and $5.6m participated in the DRP.

A final dividend for FY20 of 10.5 cents per share was declared on 9 February 2021 with a record date of 15 February 2021 and a payment date of 1 March 2021. With the three interim dividends paid during FY20, this will bring total dividends paid for the FY20 year to 33.0 cents per share. This is equal to the total dividend paid for the FY19 year which also included an additional special interim dividend paid for the realised profit on the sale of the building at 230 Captain Cook Drive, Kurnell. Excluding the FY19 special dividend, the FY20 dividend paid represents an increase over FY19 of 17.9%.

Type	FY	Payment Date	Dividend /Share (in Cents)	FY	Payment Date	Dividend /Share (in Cents)
Interim	2020	01-Jun-20	0.075	2019	03-Jun-19	0.050
Interim	2020	01-Sep-20	0.075	2019	02-Sep-19	0.050
Interim	2020	01-Dec-20	0.075	2019	02-Dec-19	0.050
Final	2020	01-Mar-21	0.105	2019	02-Mar-20	0.130
			0.330			**0.280**
Special Div				2019	04-Oct-19	0.050
TOTAL	**2020**		**0.330**	**2019**		**0.330**

OPERATING AND FINANCIAL REVIEW

A snapshot of the operations of the consolidated entity for the full year and the results of those operations are as follows:

	Dec 2020 (in 000's)	Dec 2019 (in 000's)	Increase $ (in 000's)	Increase %
Total revenue	$2,000,112	$1,773,515	$226,597	12.8%
Total revenues from ordinary activities *	$2,000,112	$1,761,296	$238,816	13.6%
Gross profit	$191,390	$158,437	$32,953	20.8%
Net operating profit before tax *	$81,859	$64,104	$17,755	27.7%
Net profit before tax	$81,859	$75,873	$5,986	7.9%
Net profit after tax attributable to members	$57,182	$54,311	$2,871	5.3%

* Dec-19 - revenue from ordinary activities excludes profit on sale for property of $12.2m
* Dec-19 - net operating profit before tax excluding profit on sale of property of $12.2m and cost of Employee Share Scheme of $450k

REVENUE

The revenue for the consolidated entity for the 12 months to 31 December 2020 was $2,000.1m (2019: $1,773.5m), up by $226.6m (+12.8%). Revenue from ordinary activities was $2,000.1m, (2019: $1,761.3m - excluding the profit on the sale property), an increase of $238.8m or 13.6%. At a country level, Australia grew $211.8m (+12.9%) and New Zealand grew $27.0m (+23.3%).

Total revenue from sales of goods and services, excluding other revenue was $1,998.8m (2019: $1,758.5m) up by $240.3m representing increase of 13.7%. Dicker Data has continued to add new vendors and increased the breadth of products offered by existing vendors whilst still driving growth. In 2020 a total of 8 new vendors were added, contributing incremental revenue of $9.8m. Existing vendors grew $230.5m (+13.1%) as vendor consolidation continues to provide access to new product sets or as full value was achieved from vendors added to the portfolio over the previous years with vendors onboarded in 2018 and 2019 adding $52.7m in YoY growth. Growth of existing vendors was also driven by the increase in demand for remote working solutions, surge in demand for virtual capabilities and accelerated digital transformation of businesses as a result of the COVID-19 pandemic.

At a sector level, the Company maintained strong growth across all business units, with hardware and support sales up $170.3m (+12.9%), software sales up $66.8m (+15.6%) and the services business unit up $3.1m (+38.7%). Within our software business the strongest growth came from our recurring revenue products increasing to $434.9m (2019: $366.5m) an increase of 18.7%.

GROSS PROFIT

Gross profit for the reporting period was up 20.8% at $191.4m (2019: $158.4m). Gross profit margins improved significantly in the current year at 9.6% (2019: 9.0%). The increase in profit margins is largely attributable to the increased focus on mid-market and SMB business and partly to some strategic buying decisions early on in the year.

EXPENSES

Operating Expenses
Operating costs for the reporting period were $101.0m (2019: $86.8m), an increase of $14.2m, up by 16.4%, and increasing as a proportion to revenue at 5.1% (2019: 4.9%).

The increase in costs is attributed primarily to an increase in salary related expenses. Excluding value of Employee Share Scheme costs in the previous year, salary costs were $86.2m (2019: $73.0m) an increase of $13.2m (+18.1%), increasing as a proportion of revenue to 4.3% (2019: 4.1%). The increase in salary costs is attributed to investment in additional headcount as a result of new vendor signings and growth in existing vendors. With strong performance based remuneration packages the increase in salary costs is driven by the increase in revenue and operating profit growth experienced. Headcount across the group finished at 525 (+8.2%) (2019: 485).

Other operating expenses increased by $1.3m but fell as a proportion of sales to 0.7% (2019: 0.8%).

Depreciation, Amortisation and Interest

Depreciation and amortisation for the reporting period was $6.4m, an increase of $1.8m. Included in this number is $1.4m for amortisation of customer contracts. The increase is also attributable to the growth in the Dicker Data Financial Services business and depreciation of equipment under operating leases of $1.4m. There was also some increases in plant and equipment depreciation with additional PP&E purchases with an increase of additional headcount in the financial year. With the adoption of the new accounting standard AASB16, depreciation on the Right of Use Assets (ROUA) for capitalised leases amounted to $3.1m.

Finance costs in the reporting period were $3.5m, significantly down from the prior year (2019: $5.7m), mainly attributed to the payout of a $40m corporate bond in March 2020. This was replaced with an increase in the Company's Westpac receivables facility to $180m limit, also providing participation in the lower variable interest rate environment. There was also a partial debt reduction throughout the year after raising $65m (before costs) in a share issue in May and June 2020.

PROFIT

Profit before tax finalised at $81.9m (2019: $75.9m) up by 7.9%. However in FY19 profit before tax included profit on sale of property of $12.2m and costs relating to share issue for Employee Share Scheme of $450k. On a comparable basis operating profit before tax in FY19 finalised at $64.1m, representing a 27.7% increase for FY20.

Net profit after tax increased to $57.2m (2019: $54.3m), up by 5.3%.

Weighted average earnings per share increased to 33.95 cents per share (2019: 33.69 cents), up by 0.8%. Earnings in FY19 included the profit on the sale of the building which was over and above operational earnings in the comparative period, as well as the impact of the incremental 10.5m shares issued during FY20. Underlying weighted average earnings per share, adjusted for the profit on the sale of the property in FY19 increased from 28.38 cents per share to 33.95 cents per share for FY20, representing an increase of 19.6%.

STATEMENT OF FINANCIAL POSITION

Total assets as at 31 December 2020 increased to $581.9m (2019: $507.5).

The statement of financial position reflected a very marginal increase in working capital investment as the company maintained very cautious working capital disciplines. Total investment in net working capital was $167.0m, up by $1.6m from previous year (2019: $165.4m). Cash finalised at $30.4m, up by $7.8m (2019: $22.6m). Trade and other receivables were up from the previous year to $327.0m (2019: $295.9m). The company showed a measured decrease in inventory with inventories finishing at $113.2m (2019: $120.4m), inventory days down to 22.8 days down (2019: 27.4 days). Trade and other payables were up to $273.2m (2019: $250.9m).

Property, plant and equipment increased to $78.0m during the period (2019: $32.0m) an increase of $46.0m as the company completed works on the new distribution centre and office complex.

Total liabilities as at 31 December 2020 were $420.3m, up from the prior period (2019: $412.5m).

Current borrowings comprising the drawn amount on the receivables purchase facility with Westpac was at $120.0m as at 31 December 2020, $30.0m higher than prior year (2019: $90.0m). However overall total borrowings were lower than FY19, with total debt in FY19 at $129.9m, reflecting the impact of the $40m corporate bond repayment and overall debt reduction.

Equity has increased to $161.6m during the year (2019: $95.1m) primarily due to the impact of the capital raising in May and Share Purchase Plan in June, with some contribution from DRP.

Equity Movement	(in 000's)
Equity 31 Dec 2019	95,067
Comprehensive Income for FY2020	56,818
Dividends Paid	(59,546)
Share Issue (DRP)	5,656
Share Capital Raising and SPP	63,618
Equity 31 Dec 2020	**161,613**

With the increase in equity from the capital raising and resulting lower debt, the debt to equity ratio improved to 0.74x (2019: 1.37x). The net tangible assets position continued to improve finalising at $136.7m (2019: $68.2m).

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

Capital Raise
On 7th May 2020 the Company completed a $50m share placement at an issue price of $6.70 per share, followed by a further $15m share purchase plan on 5 June 2020 at an issue price of $6.625 per share resulting in 9,726,837 new shares being issued. The net proceeds were invested in the construction of the new distribution centre and to support the growth of Dicker Data Financial Services and investment in working capital. The capital raise increased the public float in the Company to approximately 33% and provided financing headroom to facilitate capacity for future growth.

New Building Update
The construction of the new distribution centre at 238 Captain Cook Drive Kurnell was completed by the end of the year, with a practical completion date of 23 December 2020. The cost of the project, including fitout as at 31 December 2020 was $55.8m. All staff relocated to the new building in February 2021.

The size of the first stage of the new distribution centre is 28,925 sqm with 22,965 sqm of it being warehouse space. This is an increase of approx 10,000 sqm from the previous warehouse facility representing an increase in capacity of 80%. There is a further 18,620 sqm warehouse and office space approved as part of the Development Application to be built as part of a second stage providing future expansion options.

COVID-19 Update
On 31 January 2020, the World Health Organisation (WHO) announced a global health emergency because of a new strain of coronavirus (COVID-19 outbreak) and the risks to the international community as the virus spread globally beyond its point of origin. Because of the rapid increase in exposure globally, on 11 March 2020, the WHO classified the COVID-19 outbreak as a pandemic.

The business to date has proved resilient to the negative economic impact of COVID-19. For the first half of the financial year there was significant growth experienced due to increase in demand for remote working solutions, surge in demand for virtual capabilities and accelerated digital transformation of businesses as a result of the COVID-19 pandemic. In the second half of the year the Company continued to grow operations however at more normalised levels and within expected growth rates. The Company did not access any government COVID-19 related grants in the period or to the date of signing of this report. There is still significant uncertainty as to the full impact that the pandemic will have on the economy overall which could impact the Company's earnings in the new financial year, however our teams are now well positioned to ensure continuity of supply. The full impact of the COVID-19 outbreak continues to evolve at the date of this report.

MATTERS SUBSEQUENT TO THE END OF THE FINANCIAL YEAR

Rollover of Westpac Receivables Facility

The Westpac receivables facility was renewed on 12th February 2021 for a further 12 months with a limit of $180m. This rollover ensures the ongoing funding for the current financial year.

There were no other significant matters subsequent to the end of the financial year.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS OF OPERATIONS

The COVID-19 pandemic triggered unprecedented disruption to the lives of millions of people across the globe, however, it also cemented the power and role of technology in our lives. Whether we look at workplaces, schools, communities or everyday social interactions, all of them were upended in 2020, and all of them have used technology to bridge the gap and re-establish some form of normal. Businesses who were not digitally ready were exposed, and the pace of digital transformation in our economy has never been more rapid than what we saw in 2020.

As we move into 2021 and beyond, the digital transformation agendas of Australian and New Zealand businesses will continue to accelerate. The new hybrid working environment is driving the need for smart collaboration platforms that bridge the physical and virtual user experience. Connectivity and bandwidth are top of mind for governments, businesses, schools, communities and individuals as they embrace an always-on, connect-from-anywhere approach using technologies such as 5G. The Everything-as-a-Service (XaaS) movement is increasing commercial confidence in the adoption of technology via subscription models, which is an area that benefited many businesses throughout the pandemic as they scaled their subscription commitments to meet the changing needs of their business'.

Security will be a key area of focus for every business in 2021. The rapid shift to remote working that occurred as lockdowns swept across the country resulted in many businesses focusing on keeping their lights on whilst their security posture, both internal and external to their organisation, fell lower down the priority list. 2021 will be the year these businesses refocus on security, invest in the required technologies and ensure their corporate environments are protected against a rapidly evolving global cyberthreat landscape. Technologies such as Zero Trust will become more prevalent to protect both businesses and their employees as they connect to their corporate networks from anywhere, anytime.

We saw an unprecedented spike in demand for devices throughout 2020 and we expect this to continue through 2021. PC manufacturers are innovating at a rate not seen since the introduction of the personal computer as they vie for more market share and attempt to address the shortcomings of traditional devices in light of new technology, such as augmented reality (AR), that is gaining momentum and revolutionising the way consumers interact with products. We are anticipating a high level of growth in automation, machine learning and data capture and analysis tools as businesses and governments seek increased efficiency and productivity within their operations.

2021 presents an unparalleled opportunity for the entire technology sector, and in particular Dicker Data, as we continue in our role supporting the Australian and New Zealand technology channel ecosystem and being the catalyst for the adoption of these new, cutting edge technologies.

ENVIRONMENTAL REGULATION

The consolidated entity is subject to the requirements of the Product Stewardship (Televisions and Computers) Regulations 2011. There have been no instances of non-compliance throughout the year.

CORPORATE GOVERNANCE

Our policies in respect of corporate governance, code of conduct and whistleblower policy can be found at www.dickerdata.com.au/investor. This includes our Corporate Governance Statement.

DIRECTORS INFORMATION

+ SENIOR MANAGEMENT
o BOARD OF DIRECTORS

DAVID DICKER

Chairman and Chief Executive Officer

David is the co-founder of the company and has been a director of the company since its inception. David's role as CEO requires focus on Dicker Data's business strategy and decision making and under David's strategic guidance the company has enjoyed material growth, establishing Dicker Data as one of the leading Australia-based distributors of IT products.

INTEREST IN EQUITIES:

60,740,000	Ordinary shares in Dicker Data Ltd
10,000	Ordinary shares held by his wife

INTEREST IN CONTRACTS:
Nil

SPECIAL RESPONSIBILITIES:
Chairman and responsible for overall business management & strategy as Chief Executive Officer.

Member of the Audit and Risk Management Committee

OTHER CURRENT LISTED COMPANY DIRECTORSHIPS:
None

OTHER CURRENT LISTED COMPANY DIRECTORSHIPS HELD IN PREVIOUS 3 YEARS:
None

FIONA BROWN

Non-executive Director

Fiona Brown is the co-founder of Dicker Data and currently serves as Non-Executive Director of the company. Fiona has been involved with the business since it started in 1978 and has been a director of the company since 1983. As a Non-Executive Director, Fiona brings her knowledge and experience in the IT distribution industry for over 40 years, of which the first 26 years was in the role of General Manager of the business.

INTEREST IN EQUITIES:

53,792,531	Ordinary shares in Dicker Data Ltd
1,279,717	Ordinary shares held by Fi Brown Trust N01
97,495	Ordinary shares held by South Coast Developments Pty Ltd as trustee for the Brown Family Superfund

INTEREST IN CONTRACTS:
Nil

SPECIAL RESPONSIBILITIES:
Chair of the Audit & Risk Management Committee
Member of the Nomination and Remuneration Committee
Member of the Work Health and Safety Committee

OTHER CURRENT LISTED COMPANY DIRECTORSHIPS:
None

OTHER CURRENT LISTED COMPANY DIRECTORSHIPS HELD IN PREVIOUS 3 YEARS:
None

VLADIMIR MITNOVETSKI

Executive Director and Chief Operating Officer

Vlad joined the company in 2010 in his role as Category Manager. In this role he was responsible for the establishment and growth of key volume vendors and was instrumental in the introduction of new vendors to Dicker Data's portfolio. Vlad is a business technology professional with over 20 years of distribution industry experience. Vlad started his career at Tech Pacific and then Ingram Micro where he worked in various roles before progressing to business unit manager roles in enterprise and personal systems, working closely with many leading vendors. Vlad holds a bachelor of business degree from University of Technology and a master degree in Advanced Marketing and Management from the University of New South Wales. Vlad was appointed to the position of Chief Operating Officer on 8th September 2014.

INTEREST IN EQUITIES:

905,000	Ordinary shares in Dicker Data Ltd
25,953	Ordinary shares held by Mitnovetski Pty Ltd as Trustee for Mitnovetski Superannuation Fund
20,627	Ordinary shares held by his wife

INTEREST IN CONTRACTS:

Nil

SPECIAL RESPONSIBILITIES:

Responsible for the sales, vendor alliances and operations of the consolidated entity.

Member of the Audit and Risk Management Committee.

OTHER CURRENT LISTED COMPANY DIRECTORSHIPS:

None

OTHER CURRENT LISTED COMPANY DIRECTORSHIPS HELD IN PREVIOUS 3 YEARS:

None

MARY STOJCEVSKI

Executive Director and Chief Financial Officer

Mary joined Dicker Data as Financial Controller in 1999. Her responsibilities include all of the financial management, administration and compliance functions of the company. Prior to joining Dicker Data Mary had over 10 years experience in accounting and taxation. Mary holds a Bachelor of Commerce Degree with a major in Accounting from the University of New South Wales. Mary is also an Executive Director of the company and has been a director since 31 August 2010.

INTEREST IN EQUITIES:

54,748	Ordinary shares in Dicker Data Ltd
192,858	Ordinary shares held by Stojen Pty Ltd as trustee for Stojinvest Superannuation Fund

INTEREST IN CONTRACTS:

Nil

SPECIAL RESPONSIBILITIES:

Responsible for the overall financial management and compliance functions of the consolidated entity

OTHER CURRENT LISTED COMPANY DIRECTORSHIPS:

None

OTHER CURRENT LISTED COMPANY DIRECTORSHIPS HELD IN PREVIOUS 3 YEARS:

None

DIRECTORS INFORMATION

+ SENIOR MANAGEMENT
o BOARD OF DIRECTORS

IAN WELCH

Executive Director, Chief Information Officer and Director of Operations

o+

Ian joined Dicker Data in March 2013 as General Manager – IT before he was appointed Chief Information Officer on 6th August 2015. Prior to officially joining Dicker Data Ian spent more than 15 years consulting to Dicker Data in various roles. During this period Ian had been instrumental in establishing and maintaining the IT Systems for Dicker Data and as a result has a deep understanding of the business and all related processes. Ian started his career as an IT Professional working as consultant to businesses in various sectors. A large proportion of these were in the logistics space which have allowed Ian to develop a fundamental understanding of such operations. Ian is also an Executive Director of the company and was appointed 6th August 2015.

INTEREST IN EQUITIES:
64,528 Ordinary shares in Dicker Data Ltd

INTEREST IN CONTRACTS:
Nil

SPECIAL RESPONSIBILITIES:
Responsible for IT operations, systems and processes

OTHER CURRENT LISTED COMPANY DIRECTORSHIPS:
None

OTHER CURRENT LISTED COMPANY DIRECTORSHIPS HELD IN PREVIOUS 3 YEARS:
None

MICHAEL DEMETRE

Executive Director and Logistics Director

Resigned 24/12/2020

o+

Michael joined Dicker Data in 2001, where he later took up the position of Warehouse Storeman which he held for about 5 years. Michael's experience in the operations of the warehouse, general knowledge of the company and established relationships with other employees allowed him to undertake the position of Logistics Director and since taking on this role has overseen and been responsible for expansion of the company's logistic capabilities. He successfully held this position since 2007. Michael was also an Executive Director of the company since 21st September 2010 but resigned as Director on 24th December 2020.

INTEREST IN EQUITIES:
18,571 Ordinary shares in Dicker Data Ltd

INTEREST IN CONTRACTS:
Nil

SPECIAL RESPONSIBILITIES:
Responsible for the warehouse and logistics operations.

OTHER CURRENT LISTED COMPANY DIRECTORSHIPS:
None

OTHER CURRENT LISTED COMPANY DIRECTORSHIPS HELD IN PREVIOUS 3 YEARS:
None

LEANNE RALPH

Non-executive Director

Leanne was appointed as an independent non-executive director on 13 December 2019. Prior to her appointment Leanne was the founder and director of Boardworx Australia Pty Ltd, a provider of outsourced company secretarial services, until its sale in 2017. Leanne is a highly experienced governance professional with over 15 years in this field, having held the role of Company Secretary for a number of ASX-listed entities across a diverse range of industries. She currently holds the roles of Non-Executive Director of Raise Foundation, and is Company Secretary for various listed entities. Leanne's prior executive positions focussed on accounting and finance for almost 20 years, as CFO of International Brand Management Pty Ltd, a business of importing, wholesaling and retailing luxury fashion brands, and Principal Client Advisor with Altus Financial, providing management accountant and company secretarial services to clients. Leanne holds a Bachelor of Business with majors in Accounting and Finance, is a Graduate Member of the Australian Institute of Company Directors and a Fellow of the Governance Institute of Australia.

INTEREST IN EQUITIES:

3,140	Ordinary shares in Dicker Data Ltd
15,663	Ordinary shares held by related parties

INTEREST IN CONTRACTS:

Nil

SPECIAL RESPONSIBILITIES:

Chair of the Nomination & Remuneration Committee
Member of the Audit & Risk Management Committee

OTHER CURRENT LISTED COMPANY DIRECTORSHIPS:

None

OTHER CURRENT LISTED COMPANY DIRECTORSHIPS HELD IN PREVIOUS 3 YEARS:

None

ERIN MCMULLEN

Company Secretary

Erin McMullen was appointed to the position of Company Secretary on 6th November 2018. Erin has over 9 years' experience in company secretarial roles for various publicly listed and unlisted entities. Prior to this Erin worked in Executive Support and Managerial roles across a number of sectors.

DIRECTOR MEETINGS

The number of meetings of the company's board of directors and of each board committee held during the year and the number of meetings attended by each director were:

	Board		Audit and Risk Management Committee	
Directors	**Meetings eligible to attend**	**Meetings attended**	**Meetings eligible to attend**	**Meetings attended**
Mr David Dicker	12	12	2	2
Ms Fiona Brown	12	12	2	2
Mr Vladimir Mitnovetski	12	12	2	2
Ms Mary Stojcevski	12	12	-	-
Mr Michael Demetre (Resigned 24/12/20)	12	10	-	-
Mr Ian Welch	12	12	-	-
Ms Leanne Ralph	12	12	2	2

Note: The Nomination and Remuneration Committee was established 18 December 2020.

REMUNERATION REPORT (AUDITED)

All information in this remuneration report has been audited as required by section 308(3C) of the Corporations Act 2001. The remuneration report is set out under the following main headings:

a) Principles used to determine the nature and amount of remuneration

b) Details of remuneration

c) Service agreements

d) Share-based compensation

e) Additional information

f) Additional disclosures relating to key management personnel

a) Principles used to determine the nature and amount of remuneration

In determining the remuneration packages of its executives, the board adopts principles that ensures the level and composition of remuneration aligns with the interests of shareholders, and allows us to retain our high performing talent.

These key principles are:

- A focus on the performance of the business – executives are paid on the performance of the business;
- A minimum performance threshold has to be met before any performance awards are paid. This ensures the variable reward is only available when value has been created for shareholders and when profit is in line with the approved budget;
- The remuneration framework is simple, clear and transparent;
- Competitive remuneration packages to ensure the retention of highly skilled long-serving resources.

Executive remuneration and other terms of employment are reviewed annually by the board having regard to performance against goals set at the start of the year and relevant comparative information. Remuneration packages are set at levels that are intended to attract and retain executives capable of managing the company's operations, achieving the company's strategic objectives, and increasing shareholder wealth.

Executives Remuneration Framework

The executive pay and reward framework includes the following components:

- Base pay and benefits
- Performance-related bonuses
- Other remuneration such as superannuation.

The combination of these comprises the executive's remuneration.

Base pay

Base pay is structured as a total employment cost package which may be delivered as a combination of cash and prescribed non-financial benefits at the executive's discretion. There are no guaranteed base pay increases included in any senior executives' contracts.

Performance-related bonuses

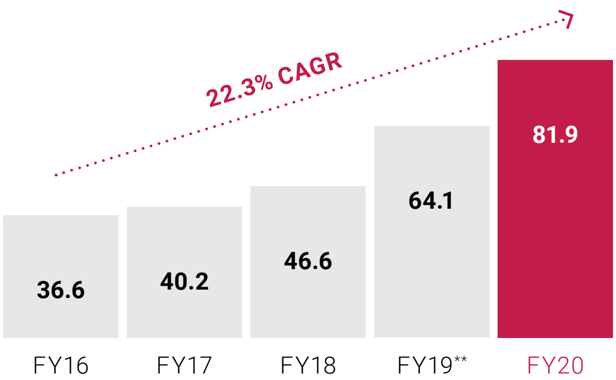
Performance-related cash bonus entitlements are linked to the achievement of financial and non-financial objectives which are relevant to meeting the company's business objectives. A major part of the bonus entitlement is determined by the actual performance against net profit margin targets.

Using a profit target ensures variable reward is only available when value has been created for shareholders and when profit is consistent with the business plan. Refer to individual service agreements below for a detailed explanation of the performance conditions.

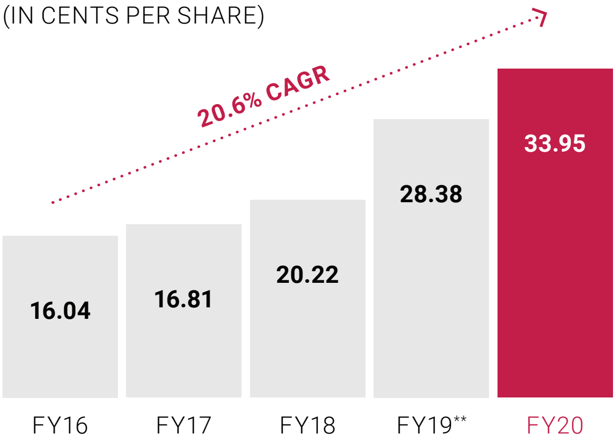
The executives' cash bonus entitlements are assessed and paid either monthly or quarterly based on the actual performance against the relevant monthly profit with reconciliation at the end of the financial year against full-year actual profit. The performance-related award is un-capped after the threshold performance metric has been achieved. The chairman and CEO is responsible for assessing whether an individual's targets have been met.

There are currently no long term incentive plans in place. The rationale for this approach to our remuneration framework is that all executives have significant individual DDR shareholdings and many continue to buy voluntarily, so there is already alignment between the interests of executives and shareholder interests. The graphs below demonstrate the alignment between executive pay, performance of the company and long-term shareholder value.

NET PROFIT BEFORE TAX
($M)



WEIGHTED AVERAGE EPS
(IN CENTS PER SHARE)



** FY19 - Operating Profit before tax excluding profit on sale of property of $12.2m and costs for Employee share Scheme of $450k

Non-executive directors

Fees and payments to non-executive directors reflect the demands which are made on, and the responsibilities of, the directors. The board determines remuneration of non-executive directors within the maximum amount approved by the shareholders from time to time. This maximum currently stands at $250,000 per annum in total for salary and fees, to be divided among the non-executive directors in such a proportion and manner as they agree. Leanne Ralph was appointed to the board as a non-executive independent director in December 2019. The other current non-executive director is Fiona Brown, who is also a major shareholder, and therefore not considered independent.

(b) Details of remuneration

Compensation paid to key management personnel is set out below. Key management personnel include all directors of the company and executives who, in the opinion of the board and CEO, have authority and responsibility for planning, directing and controlling the activities of the group directly or indirectly.

		SHORT TERM				SHORT TERM	LONG TERM	SHARE BASED PAYMENTS				
Directors	FY	Cash Salary & Fees $	Incentive Cash Bonus $	Super $	Non-Cash FBT $	Annual Leave $	Long Service Leave $	Shares $	Options $	Total $	Proportion of remuneration that is performance based %	% of value of remuneration that consists of share Based Payments %
EXECUTIVE DIRECTORS												
David Dicker Chief Executive Officer	Dec-20	-	-	-	-	-	-	-	-	-	-	-
	Dec-19	-	-	-	-	-	-	-	-	-	-	-
Vladimir Mitnovetski Chief Operating Officer	Dec-20	-	3,274,289	311,057	-	11,541	10,029	-	-	3,606,916	100.00%	0.00%
	Dec-19	-	2,562,326	243,421	-	-11,414	10,029	-	-	2,804,362	100.00%	0.00%
Mary Stojcevski Chief Financial Officer	Dec-20	203,077	1,227,858	135,939		3,846	3,342			1,574,062	85.42%	0.00%
	Dec-19	200,000	960,872	110,283	-	2,951	3,306	-	-	1,277,412	76.71%	0.00%
Ian Welch Chief Information Officer	Dec-20	253,846	818,572	101,880		10,577	4,178			1,189,053	75.38%	0.00%
	Dec-19	250,000	640,582	84,605	-	17,150	4,133	-	-	996,471	70.39%	0.00%
Michael Demetre Logistics Director (Resigned 24/12/2020)	Dec-20	228,461	818,572	99,468		-4,760	3,760			1,145,502	78.25%	0.00%
	Dec-19	225,000	640,582	82,230	-	-9,877	3,791	-	-	941,654	74.49%	0.00%
NON-EXECUTIVE DIRECTORS												
Fiona Brown	Dec-20	50,228	-	4,772	-	-	-	-	-	55,000	0.00%	0.00%
	Dec-19	50,228	-	4,772	-	-	-	-	-	55,000	0.00%	0.00%
Leanne Ralph	Dec-20	54,300		5,700						60,000	0.00%	0.00%
	Dec-19	2,107	-	200	-	-	-	-	-	2,308	0.00%	0.00%
TOTAL	**Dec-20**	**789,913**	**6,139,291**	**658,816**	-	**21,204**	**21,309**	-	-	**7,630,533**	-	-
	Dec-19	**727,335**	**4,804,362**	**525,511**	-	**-1,190**	**21,187**	-	-	**6,077,205**	-	-

* 100% of short-term incentive cash bonuses have vested

C) Service agreements

Terms of employment for the executive directors and other key management personnel are by way of Consultancy Agreement or an Executive Service Agreement (ESA). The contract details the base salary and performance-related bonuses.

Consultancy Agreement for David Dicker

The company has engaged Rodin FZC (a company incorporated in Dubai) to provide the services of David Dicker to act as the Chief Executive Officer and Executive Director of the company on an as-needed basis. The Consultancy Agreement is dated 26 October 2010. The engagement is for an indefinite term. Either party may terminate the agreement on the provision of 6 months' notice. No fee is payable by the company to Rodin FZC for the provision of the services. The agreement contains a number of post-termination restraints.

Deed of Adherence for David Dicker

The company and David Dicker have entered into a Deed of Adherence whereby Mr Dicker has agreed to adhere and comply with all covenants and obligations of Rodin FZC (a company incorporated in Dubai) set out in the Consultancy Agreement (between the company and Rodin FZC) to the maximum allowable extent permitted by law as if Mr Dicker was named as Rodin FZC therein. The Deed is dated 26 October 2010.

Executive Service Agreement for Vladimir Mitnovetski

The company has appointed Vladimir Mitnovetski as Chief Operating Officer and Director of the Board of the company by way of an Executive Service Agreement (ESA). The ESA is dated 1 September 2014. The appointment of Mr Mitnovetski is for an unspecified time. Either the company or Mr Mitnovetski may terminate the ESA with 3 months' notice. The remuneration payable to Mr Mitnovetski will be a performance based salary of the higher amount of either: (i) $50,000 per month; or (ii) 4% of net operating profit before tax in the quarter. Profit bonus is subject to the company achieving a net profit margin of 2.5% in a calendar quarter. Superannuation is uncapped and payable on total of base and performance payments at 9.5%. The ESA also contains a number of post-termination restraints.

Executive Service Agreement for Mary Stojcevski
The company has appointed Mary Stojcevski as Chief Financial Officer and Director of the Board of the company by way of an Executive Service Agreement (ESA). The ESA is dated 25 October 2010. The ESA confirms Ms Stojcevski's continuous service with the company commenced from 31 August 2010. The appointment of Ms Stojcevski is for an unspecified time. Either the company or Ms Stojcevski may terminate the ESA with 3 months' notice. The remuneration payable to Ms Stojcevski comprises of a base remuneration of $200,000 per annum. Ms Stojcevski is also entitled to a performance bonus equal to 1.5% of the company's net operating profit before tax. This is subject to net profit margin before tax not being less than 2.5%, unless otherwise agreed. Superannuation is uncapped and payable at 9.5% on total of base and performance payments. The ESA also contains a number of post-termination restraints.

Executive Service Agreement for Ian Welch
The company has appointed Ian Welch as Chief Information Officer and Director of the Board of the company by way of an Executive Service Agreement (ESA). The ESA is dated 1 September 2015. The ESA confirms Mr Welch's continuous service with the company commenced from 30 March 2013. The appointment of Mr Welch is for an unspecified time. Either the company or Mr Welch may terminate the ESA with 3 months' notice. The remuneration payable to Mr Welch comprises a base remuneration of $250,000 per annum. Mr Welch is also entitled to a performance bonus equal to 1% of the Company's net profit before tax. This is subject to net profit margin before tax not being less than 2.5%, unless otherwise agreed. Superannuation is uncapped and payable at 9.5% on total of base and performance payments. The ESA also contains a number of post-termination restraints.

Executive Service Agreement for Michael Demetre
The company has appointed Michael Demetre as Logistics Director and Director of the Board of the company by way of an Executive Service Agreement (ESA). The ESA is dated 25 October 2010. The ESA confirms Mr Demetre's continuous service with the company commenced from 21 September 2010. The appointment of Mr Demetre is for an unspecified time. Either the company or Mr Demetre may terminate the ESA with 3 months' notice. The remuneration payable to Mr Demetre comprises a base remuneration of $225,000 per annum. Mr Demetre is also entitled to a performance bonus equal to 1% of the company's net operating profit before tax. This is subject to net profit margin before tax not being less than 2.5%, unless otherwise agreed. Superannuation is uncapped and payable at 9.5% on total of base and performance payments. The ESA also contains a number of post-termination restraints.

As the net profit margin percentage performance threshold was achieved for FY20, each director received 100% of the performance bonus they were entitled to.

d) Share-based compensation
No shares, rights, or options were granted to directors or key management personnel during the year ended 31 December 2020, no rights or options vested or lapsed during the year, and no rights or options were exercised during the year by directors.

e) Additional information
Relationship between remuneration and company performance
The overall level of executive reward takes into account the performance over the financial year with greater emphasis given to improving performance over the prior year. Excluding profit on sale of property and employee share plan costs from the previous year operating profit for the consolidated entity grew by 27.7% during the year. On an average over the last 4 years operating profit grew by 27.1%. As a large proportion of the executive's remuneration package is based on net operating profit outcomes the average executive remuneration also increased. Since 2016, the net profit before tax has grown at an average rate of 27.1%, whilst the average executive remuneration has increased by an average of 17.6%. Shareholder wealth has increased at an average rate of 21.3% per annum over this period. For the financial year, underlying earnings per share increased by 19.6% whilst dividends paid to shareholders increased by 31.5%.

Voting & comments made at the company's 2019 Annual General Meeting (AGM)
At the 2019 AGM, 83.44% of the votes received supported the adoption of the remuneration report for the financial year ended 31 December 2019. The company did not receive any specific feedback at the AGM regarding its remuneration practices.

(f) Additional disclosures relating to key personnel shareholding
The number of shares in the company held during the financial year by each director and other members of key management personnel of the consolidated entity, including their related parties, is set out below:

December 2020	Balance at the start of the year	Additions	Disposals	Balance at the end of the year
ORDINARY SHARES				
David Dicker	60,563,495	186,505	-	60,750,000
Fiona Brown	54,602,140	567,603	-	55,169,743
Vladimir Mitnovetski	729,316	222,264	-	951,580
Mary Stojcevski	210,863	36,743	-	247,606
Ian Welch	60,000	4,528	-	64,528
Michael Demetre	18,571	-	-	18,571
Leanne Ralph	1,600	17,203	-	18,803
	116,185,985	**1,034,846**	**-**	**117,220,831**

December 2019	Balance at the start of the year	Additions	Disposals	Balance at the end of the year
ORDINARY SHARES				
David Dicker	60,563,495	-	-	60,563,495
Fiona Brown	54,045,303	556,837	-	54,602,140
Vladimir Mitnovetski	566,405	162,911	-	729,316
Mary Stojcevski	190,563	20,300	-	210,863
Ian Welch	30,000	30,000	-	60,000
Michael Demetre	18,571	-	-	18,571
Leanne Ralph	-	1,600	-	1,600
	115,414,337	**771,648**	**-**	**116,185,985**

This concludes the remuneration report which has been audited.

TRANSACTIONS WITH RELATED PARTIES

There were a number of related party transactions during the year with the entity Rodin Cars Ltd, a New Zealand based entity owned by David Dicker. The transactions included provision of marketing and IT services and sales of goods and services which are billed to Rodin Cars Ltd on a monthly basis at commercial market rates. Total amount billed to Rodin Cars Ltd for FY20 was $157,815. Dicker Data Financial Services Pty Ltd has also provided finance to Rodin Cars Ltd at arms length commercial rates. The amount payable as at 31 December 2020 was $1,015,412.32. The principal amount financed was $3,993,922.57. In addition to these transactions some payments have been made on behalf of director David Dicker throughout the year that were subsequently reimbursed, or funds were deposited in advance to cover these expenses. Total amount of funds paid on behalf of David Dicker by the Company as at 31 December 2020 was $2,780,466.46.

SHARE OPTIONS

There were no outstanding options at the end of this financial year.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The company has indemnified the directors and executives of the company for costs incurred, in their capacity as a director or executive, for which they may be held personally liable, except where there is a lack of good faith.

During the financial year, the company paid a premium in respect of a contract to insure the directors and executives of the company against a liability to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of liability and the amount of the premium.

INDEMNITY AND INSURANCE OF AUDITOR

The company has not, during or since the financial year, indemnified or agreed to indemnify the auditor of the company or any related entity against a liability incurred by the auditor.

During the financial year, the company has not paid a premium in respect of a contract to insure the auditor of the company or any related entity.

PROCEEDINGS ON BEHALF OF THE COMPANY

No person has applied to the Court under section 237 of the Corporations Act 2001 for leave to bring proceedings on behalf of the company, or to intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or part of those proceedings.

NON-AUDIT SERVICES

Details of the amounts paid or payable to the auditor for non-audit services provided during the financial year by the auditor are outlined in note 25 to the financial statements.

The directors are satisfied that the provision of non-audit services during the financial year, by the auditor (or by another person or firm on the auditor's behalf), is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in note 25 to the financial statements do not compromise the external auditor's independence requirements of the Corporations Act 2001 for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 Code of Ethics for Professional Accountants issued by the Accounting Professional and Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the company, acting as advocate for the company or jointly sharing economic risks and rewards.

OFFICERS OF THE COMPANY WHO ARE FORMER AUDIT PARTNERS OF BDO

There are no officers of the company who are former audit partners of BDO Audit Pty Ltd.

ROUNDING OF AMOUNTS

The company is of a kind referred to in ASIC Corporations (Rounding in Financial / Directors' Report) Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, the nearest dollar.

AUDITOR'S INDEPENDENCE DECLARATION

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 70.

AUDITOR

Accounting Firm BDO Audit Pty Ltd continues in office in accordance with section 327 of the Corporations Act 2001.

This report is made in accordance with a resolution of directors, pursuant to section 298(2)(a) of the Corporations Act 2001.

On behalf of the directors,

David Dicker
CEO and Chairman
Sydney, 25 February 2021

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

For The Year Ended 31 December 2020

	Note	CONSOLIDATED 31-Dec-20 ($'000)	CONSOLIDATED 31-Dec-19 ($'000)
REVENUE			
Sales revenue		1,998,785	1,758,521
Other revenue:			
Interest received		375	155
Recoveries		4	5
Profit on sale of property		-	12,219
Other revenue		948	2,615
	4	**2,000,112**	**1,773,515**
EXPENSES			
Changes in inventories		(7,187)	14,944
Purchases of inventories		(1,800,207)	(1,615,028)
Employee benefits expense		(86,232)	(73,481)
Depreciation and amortisation	5	(6,379)	(4,579)
Finance costs	5	(3,527)	(5,701)
Borrowing Costs		-	(421)
Other expenses		(14,721)	(13,376)
		(1,918,253)	**(1,697,642)**
Profit before income tax expense		**81,859**	**75,873**
Income tax expense	6	(24,677)	(21,562)
Profit after income tax expense for the year		**57,182**	**54,311**
Profit attributable to members of the company		**57,182**	**54,311**
Other comprehensive income, net of tax			
Items that may be reclassified subsequently to profit or loss			
Foreign Currency Translation		(364)	107
Total comprehensive income for the year		**56,818**	**54,418**
Total comprehensive income attributable to members of the company	4	**56,818**	**54,418**
WEIGHTED EARNINGS PER SHARE		**Cents**	**Cents**
Basic earnings per share	31	33.95	33.69
Diluted earnings per share	31	33.95	33.69

The statement of profit or loss and other comprehensive income is to be read in conjunction with the attached notes.

STATEMENT OF FINANCIAL POSITION

As at 31 December 2020

	Note	CONSOLIDATED 31-Dec-20 ($'000)	CONSOLIDATED 31-Dec-19 ($'000)
ASSETS			
Current Assets			
Cash and cash equivalents	10	30,368	22,573
Trade and other receivables	11	326,963	295,921
Inventories	12	113,246	120,433
Total Current Assets		**470,577**	**438,927**
NON-CURRENT ASSETS			
Right of Use Asset	15	2,276	5,191
Property, plant and equipment	13	78,024	31,981
Intangible assets	14	24,933	26,290
Deferred tax assets	8	6,135	5,151
Total Non-Current Assets		**111,368**	**68,613**
TOTAL ASSETS		**581,945**	**507,540**
LIABILITIES			
Current Liabilities			
Trade and other payables	16	273,193	250,932
Lease Liabilities	15	2,243	3,072
Borrowings	17	120,000	129,930
Current tax liabilities	7	4,937	8,849
Short-term provisions	18	13,354	10,082
Total Current Liabilities		**413,727**	**402,865**
Non-Current Liabilities			
Lease Liabilities	15	514	2,604
Deferred tax liabilities	9	4,154	4,809
Long-term provisions	18	1,937	2,196
Total Non-Current Liabilities		**6,605**	**9,609**
TOTAL LIABILITIES		**420,332**	**412,473**
NET ASSETS		**161,613**	**95,067**
EQUITY			
Equity attributable to Equity Holders			
Issued capital	19	131,790	62,516
Reserves	20	270	634
Retained profits		29,553	31,917
TOTAL EQUITY		**161,613**	**95,067**

The statement of financial position is to be read in conjunction with the attached notes

STATEMENT OF CHANGES IN EQUITY

For The Year Ended 31 December 2020

Consolidated	Note	Issued Capital (in 000's)	Retained Profits (in 000's)	Reserves (in 000's)	Total Equity (in 000's)
Balance at 1 January 2019		**57,982**	**21,453**	**527**	**79,962**
Adjustment in respect of first time adoption of AASB16		-	(329)	-	**(329)**
Adjusted Balance at 1 January 2019		**57,982**	**21,124**	**527**	**79,633**
Profit after income tax for the year		-	54,311	-	**54,311**
Other comprehensive income for the year net of tax		-	-	107	**107**
Total comprehensive income for the year		-	**54,311**	**107**	**54,418**
Transactions with the owners in their capacity as owners:		-	-	-	-
Share Issue (DRP)	19	4,084	-	-	**4,084**
Share Issue - Employee Share Scheme (ESS)		450	-	-	**450**
Dividends Paid	21	-	(43,518)	-	**(43,518)**
Balance at 31 December 2019		**62,516**	**31,917**	**634**	**95,067**

Consolidated	Note	Issued Capital (in 000's)	Retained Profits (in 000's)	Reserves (in 000's)	Total Equity (in 000's)
Balance at 1 January 2020		**62,516**	**31,917**	**634**	**95,067**
Profit after income tax for the year		-	57,182	-	**57,182**
Other comprehensive income for the year net of tax		-	-	(364)	**(364)**
Total comprehensive income for the year		-	**57,182**	**(364)**	**56,818**
Transactions with the owners in their capacity as owners:		-	-	-	-
Share Issue (DRP)	19	5,656	-	-	**5,656**
Share Issue - Capital Raising and Share Purchase Plan (SPP)		63,618	-	-	**63,618**
Dividends Paid	21	-	(59,546)	-	**(59,546)**
Balance at 31 December 2020		**131,790**	**29,553**	**270**	**161,613**

The statement of changes in equity is to be read in conjunction with the attached notes.

STATEMENT OF CASH FLOWS

For The Year Ended 31 December 2020

	Note	31-Dec-20 ($'000)	31-Dec-19 ($'000)
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers (inclusive of GST)		2,168,061	1,897,964
Payments to suppliers and employees (inclusive of GST)		(2,075,493)	(1,865,543)
Interest received	4	375	155
Interest and other finance costs paid		(3,338)	(5,581)
Income tax paid		(30,227)	(15,466)
NET CASH FROM OPERATING ACTIVITIES	29	**59,378**	**11,529**
CASH FLOWS FROM INVESTING ACTIVITIES			
Payments for property, plant and equipment		(48,122)	(10,136)
Proceeds from sale of property plant and equipment		64	36,000
Payments for intangibles		(3)	(2)
Payments associated with sale of property plant & equipment		-	(753)
NET CASH USED IN INVESTING ACTIVITIES		**(48,061)**	**25,109**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from share issue		63,618	-
Repayment of bond		(40,000)	-
Drawdown / (Repayments of borrowings)		30,000	20,000
Principal paid on lease liabilities		(3,061)	(1,574)
Interest paid on lease liabilities		(190)	(120)
Payment of dividends		(53,889)	(38,984)
NET CASH USED IN FINANCING ACTIVITIES		**(3,522)**	**(20,678)**
NET CASH FLOWS		7,795	15,960
Cash and cash equivalents at the beginning of the period		22,573	6,613
CASH AND CASH EQUIVALENTS AT THE END OF PERIOD	10	**30,368**	**22,573**

The statement of cash flows is to be read in conjunction with the attached notes.

NOTES TO THE FINANCIAL STATEMENTS

For The Year Ended 31 December 2020

1. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies adopted in the preparation of the financial statements are set out below and in the following notes. These policies have been consistently applied to all the years presented, unless otherwise stated.

New, revised or amending Accounting Standards and Interpretations adopted
The consolidated entity has adopted all of the new, revised or amending Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') that are mandatory for the current reporting period.

Any other new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

New Accounting Standards and Interpretations not yet Mandatory or early Adopted
Australian Accounting Standards and Interpretations that have recently been issued or amended but are not yet mandatory, have not been early adopted by the consolidated entity for the annual reporting period ended 31 December 2020, unless otherwise stated. The consolidated entity has not yet performed an assessment of the impact of these new or amended Accounting Standards and Interpretations.

Basis of preparation
These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board ('AASB') and the Corporations Act 2001, as appropriate for for-profit oriented entities. These financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board ('IASB').

Historical cost convention
The financial statements have been prepared under the historical cost convention, except for, where applicable, the revaluation of available-for-sale financial assets, financial assets and liabilities at fair value through profit or loss, certain classes of property, plant and equipment and derivative financial instruments.

Critical accounting estimates
The preparation of the financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the consolidated entity's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in the notes.

Parent entity information
In accordance with the Corporations Act 2001, these financial statements present the results of the consolidated entity only. Supplementary information about the parent entity is disclosed in note 27.

Principles of consolidation
The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of Dicker Data Limited ('company' or 'parent entity') as at 31 December 2020 and the results of all subsidiaries for the year then ended. Dicker Data Limited and its subsidiaries together are referred to in these financial statements as the 'consolidated entity'.

Subsidiaries are all those entities over which the consolidated entity has control. The consolidated entity controls an entity when the consolidated entity is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the consolidated entity. They are de-consolidated from the date that control ceases.

Intercompany transactions, balances and unrealised gains on transactions between entities in the consolidated entity are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the consolidated entity.

The acquisition of subsidiaries is accounted for using the acquisition method of accounting. A change in ownership interest, without the loss of control, is accounted for as an equity transaction, where the difference between the consideration transferred and the book value of the share of the non-controlling interest acquired is recognised directly in equity attributable to the parent.

Non-controlling interest in the results and equity of subsidiaries are shown separately in the statement of profit or loss and other comprehensive income, statement of financial position and statement of changes in equity of the consolidated entity. Losses incurred by the consolidated entity are attributed to the non-controlling interest in full, even if that results in a deficit balance.

Where the consolidated entity loses control over a subsidiary, it derecognises the assets including goodwill, liabilities and non-controlling interest in the subsidiary together with any cumulative translation differences recognised in equity. The consolidated entity recognises the fair value of the consideration received and the fair value of any investment retained together with any gain or loss in profit or loss.

Foreign Currency Translation
The financial statements are presented in Australian dollars, which is Dicker Data Limited's functional and presentation currency.

Foreign Currency Transactions
Foreign currency transactions are translated into Australian dollars using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at financial year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

Foreign Operations
The assets and liabilities of foreign operations are translated into Australian dollars using the exchange rates at the reporting date. The revenues and expenses of foreign operations are translated into Australian dollars using the average exchange rates, which approximate the rate at the date of the transaction, for the period. All resulting foreign exchange differences are recognised in other comprehensive income through the foreign currency reserve in equity.

The foreign currency reserve is recognised in profit or loss when the foreign operation or net investment is disposed of.

Current and Non-Current Classification
Assets and liabilities are presented in the statement of financial position based on current and non-current classification.

An asset is current when: it is expected to be realised or intended to be sold or consumed in normal operating cycle; it is held primarily for the purpose of trading; it is expected to be realised within twelve months after the reporting period; or the asset is cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current.

A liability is current when: it is expected to be settled in normal operating cycle; it is held primarily for the purpose of trading; it is due to be settled within twelve months after the reporting period; or there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current.
Deferred tax assets and liabilities are always classified as non-current.

Goods and Services Tax ('GST') and Other Similar Taxes
Revenues, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from, or payable to, the tax authority. In this case it is recognised as part of the cost of the acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to, the tax authority is included in other receivables or other payables in the statement of financial position.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the tax authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST recoverable from, or payable to, the tax authority.

Rounding of Amounts
The company is of a kind referred to in ASIC Corporations (Rounding in Financial / Directors' Reports) Instrument 2016/191, issued by the Australian Securities and Investments Commission, relating to 'rounding-off'. Amounts in this report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, the nearest dollar.

2. CRITICAL ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts in the financial statements. Management continually evaluates its judgements and estimates in relation to assets, liabilities, contingent liabilities, revenue and expenses. Management bases its judgements, estimates and assumptions on historical experience and on other various factors, including expectations of future events, management believes to be reasonable under the circumstances. The resulting accounting judgements and estimates will seldom equal the related actual results. The judgements, estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities (refer to the respective notes) within the next financial year are discussed at each note.

3. OPERATING SEGMENTS

Operating segments are presented using the 'management approach', where the information presented is on the same basis as the internal reports provided to the Chief Operating Decision Makers ('CODM'). The CODM is responsible for the allocation of resources to operating segments and assessing their performance.

Identification of Reportable Operating Segments
The consolidated entity is organised into two operating segments: Australian and New Zealand operations. These operating segments are based on the internal reports that are reviewed and used by the Board of Directors (who are identified as the Chief Operating Decision Makers ('CODM')) in assessing performance and in determining the allocation of resources. Operating segments have been aggregated where they are below the quantitative thresholds and where the aggregation criteria has been met per AASB8.

The CODM reviews EBITDA (earnings before interest, tax, depreciation and amortisation). Reportable revenue is for only the one product range being sale of IT goods and services. The accounting policies adopted for internal reporting to the CODM are consistent with those adopted in the financial statements.

The information reported to the CODM is on at least a monthly basis.

Intersegment Transactions
During the year there was no dividend paid from Dicker Data NZ Ltd to Express Data Holdings Pty Ltd (2019: $Nil).

Intersegment Receivables, Payables and Loans
Intersegment loans are initially recognised at the consideration received. Intersegment loans receivable and loans payable that earn or incur non-market interest are not adjusted to fair value based on market interest rates. Intersegment loans are eliminated on consolidation. No single customer represents more than 10% of revenue.

OPERATING SEGMENT INFORMATION

Consolidated - December 2020	Australia ($'000)	NZ ($'000)	Eliminations/ Unallocated ($'000)	TOTAL ($'000)
REVENUE				
Sale of goods	1,855,901	142,884	-	1,998,785
Other revenue:	-	-	-	-
Interest received	467	14	(106)	375
Recoveries	4	-	-	4
Other revenue	934	14	-	948
TOTAL REVENUE	**1,857,306**	**142,912**	**(106)**	**2,000,112**
EBITDA	88,485	2,905	-	91,390
Depreciation & Amortisation	(5,609)	(770)	-	(6,379)
Interest received	361	14	-	375
Finance costs	(3,423)	(210)	106	(3,527)
Profit before income tax	79,814	1,939	106	81,859
Income tax expense	(24,088)	(589)	-	(24,677)
Profit after income tax expense	55,726	1,350	106	57,182
Segment Current Assets	441,782	28,970	(175)	470,577
Segment Non Current Assets	109,858	1,510	-	111,368
SEGMENT ASSETS	**551,640**	**30,480**	**(175)**	**581,945**
Segment Current Liabilities	394,968	18,815	(56)	413,727
Segment Non Current Liabilities	6,091	514	-	6,605
SEGMENT LIABILITIES	**401,059**	**19,329**	**(56)**	**420,332**

OPERATING SEGMENT INFORMATION

Consolidated - December 2019	Australia ($'000)	NZ ($'000)	Eliminations/ Unallocated ($'000)	TOTAL ($'000)
REVENUE				
Sale of goods and services*	1,642,804	115,717	-	1,758,521
Other revenue:				
Recoveries	5	-	-	5
Profit on sale of property	12,219	-	-	12,219
Other revenue	2,417	199	-	2,615
Interest received	125	29	-	155
TOTAL REVENUE	**1,657,569**	**115,945**	**-**	**1,773,515**
EBITDA	84,199	1,799	-	85,998
Depreciation & Amortisation	(3,954)	(625)	-	(4,579)
Interest received	125	29	-	155
Finance costs	(5,646)	(55)	-	(5,701)
Profit before income tax	74,724	1,149	-	75,873
Income tax expense	(21,237)	(325)	-	(21,562)
Profit after income tax expense	53,487	825	-	54,311
Segment Current Assets	411,236	27,695	(3)	438,927
Segment Non Current Assets	66,465	2,148	-	68,613
SEGMENT ASSETS	**477,700**	**29,843**	**(3)**	**507,540**
Segment Current Liabilities	384,097	18,771	(3)	402,865
Segment Non Current Liabilities	8,581	1,028	-	9,609
SEGMENT LIABILITIES	**392,678**	**19,798**	**(3)**	**412,473**

*Revenue by product type and geographic location is disclosed at Note 4

4. REVENUE

Sales from contracts with customers

The company sells hardware, software (including software licensing), warranties, logistics and configuration services. The performance promise that is the responsibility of the company is to procure and supply or provide access to these products and services and revenue is recognised at the point of sale. Whilst each revenue stream represents a performance obligation, the performance obligation that is created is to deliver these goods and services hence the entity has determined point of sale as the most relevant way to recognise revenue per performance obligation. The company bears the inventory and credit risk and has pricing control for the products and services supplied. Amounts disclosed as revenue are net of sales returns and any customer rebates. Returns and customer rebates represent a variable consideration but do not represent a judgement by management. There is no constraint on the amount of revenue recognised. In some limited contractual agreements, the company acts as an agent. In such circumstances the revenue is recognised on a net basis.

Disaggregation of revenue

The group has disaggregated the revenue from customer contracts into various categories in the following table which is intended to:

- depict how the nature, amount, timing and uncertainty of revenue and cash flows are affected by economic data; and
- enable users to understand the relationship with revenue segment information provided in Note 3

For hardware products the performance obligation is satisfied when the products are delivered. For software, subscription and virtual products the performance obligation is satisfied when access is facilitated. For 3rd party warranties the performance obligations is satisfied when the hardware is allocated to a warranty. Services revenue is recognised when the service is performed.

YEAR TO 31 DECEMBER 2020

Product Type	Description	Revenue recognition (PIT/OT)	Agent/ Principal	AU	NZ	Consolidated
Infrastructure	Hardware products	Point in time	Principal	1,294,609	60,626	1,355,234
Virtual Services	Sales of 3rd party warranties and services	Point in time	Principal	131,319	5,025	136,345
Software	Perpetual & subscription licensing including cloud products	Point in time	Principal	418,673	77,245	495,918
Dicker Data Services	3rd party logistics and configuration services	Point in time	Principal	5,239	-13	5,226
Partner Services	Agent commission	Point in time	Agent	6,062	-	6,062
				1,855,902	**142,883**	**1,998,785**

YEAR TO 31 DECEMBER 2019

Product Type	Description	Revenue recognition (PIT/OT)	Agent/ Principal	AU	NZ	Consolidated
Infrastructure	Hardware products	Point in time	Principal	1,135,349	48,417	1,183,765
Virtual Services	Sales of 3rd party warranties and services	Point in time	Principal	135,137	2,360	137,497
Software	Perpetual & subscription licensing including cloud products	Point in time	Principal	364,186	64,933	429,119
Dicker Data Services	3rd party logistics and configuration services	Point in time	Principal	4,296	7	4,303
Partner Services	Agent commission	Point in time	Agent	3,837	-	3,837
				1,642,804	**115,717**	**1,758,521**

OTHER REVENUE

Interest
Interest revenue is recognised as interest accrues using the effective interest method. This is a method of calculating the amortised cost of a financial asset and allocating the interest income over the relevant period using the effective interest rate, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the net carrying amount of the financial asset.

Other Revenue
Other revenue is recognised when it is received or when the right to receive payment is established.

		CONSOLIDATED	
	Note	31-Dec-20 ($'000)	31-Dec-19 ($'000)
Sales from contracts with customers:			
Sale of goods and services		1,998,785	1,758,521
Other revenue:			
Interest		375	155
Recoveries		4	5
Profit on sale of property		-	12,219
Other revenue		948	2,615
Total Revenue		**2,000,112**	**1,773,515**

5. EXPENSES

Cost of Sales

Cost of goods sold are represented net of supplier rebates and settlement discounts. Supplier rebates can be paid monthly, quarterly or half yearly. At the end of the financial year an estimate of rebates due, relating to the financial year is accounted for based on best available information at the time of the rebate being paid. Estimate of rebates is based on information provided by our suppliers on our tracking to targets and on management's judgement based on historical achievements

Depreciation and amortisation

Depreciation is calculated on a straight line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives. Amortisation of intangibles is calculated on a straight-line basis over their expected useful lives, as either determined by management or by an independent valuation.

Finance costs

Finance costs attributable to qualifying assets are capitalised as part of the asset. All other finance costs are expensed in the period in which they are incurred, including:

- interest on any bank overdraft
- interest on short-term and long-term borrowings
- interest on finance leases

Defined contribution superannuation expense

Contributions to defined contribution superannuation plans are expensed in the period in which they are incurred.

Operating leases

Operating leases have been capitalised with recognition of a right-to-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets).

	Note	CONSOLIDATED 31-Dec-20 ($'000)	31-Dec-19 ($'000)
Depreciation			
Building		32	460
Plant and equipment		1,923	1,130
Right of use asset		3,065	1,603
Total depreciation		5,020	3,193
Amortisation			
Website development		-	11
Software		17	26
Customer contracts		1,342	1,349
Total amortisation		1,359	1,386
Total depreciation and amortisation		6,379	4,579
Finance costs			
Interest and finance charges paid / payable		3,527	5,701
Superannuation expense			
Defined contribution superannuation expense		5,884	5,048
Operating leases			
Property rental expense		24	49
Equipment rental expense		-	12
		24	61

6. INCOME TAX

The income tax expense or benefit for the period is the tax payable on that period's taxable income based on the applicable income tax rate for each jurisdiction, adjusted by changes in deferred tax assets and liabilities attributable to temporary differences, unused tax losses and the adjustment recognised for prior periods, where applicable. With the change in financial year, the Company has applied and has been approved for a substituted accounting period for the lodgement of its tax return based on the calendar year January to December.

Deferred tax assets and liabilities are recognised for temporary differences at the tax rates expected to apply when the assets are recovered, or liabilities are settled, based on those tax rates that are enacted or substantively enacted, except for:

- When the deferred income tax asset or liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and that, at the time of the transaction, affects neither the accounting nor taxable profits; or
- When the taxable temporary difference is associated with interests in subsidiaries, associates or joint ventures, and the timing of the reversal can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

The carrying amount of recognised and unrecognised deferred tax assets are reviewed each reporting date. Deferred tax assets recognised are reduced to the extent that it is no longer probable that future taxable profits will be available for the carrying amount to be recovered. Previously unrecognised deferred tax assets are recognised to the extent that it is probable that there are future taxable profits available to recover the asset.

Deferred tax assets and liabilities are offset only where there is a legally enforceable right to offset current tax assets against current tax liabilities and deferred tax assets against deferred tax liabilities; and they relate to the same taxable authority on either the same taxable entity or different taxable entity's which intend to settle simultaneously.

Dicker Data Limited (the 'head entity') and its wholly-owned Australian subsidiaries have formed an income tax consolidated group from 01 April 2014, under the tax consolidation regime. The head entity and each subsidiary in the tax consolidated group continue to account for their own current and deferred tax amounts. The tax consolidated group has applied the 'separate taxpayer within group' approach in determining the appropriate amount of taxes to allocate to members of the tax consolidated group. In addition to its own current and deferred tax amounts, the head entity also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from each subsidiary in the tax consolidated group. Assets or liabilities arising under tax funding agreements with the tax consolidated entities are recognised as amounts receivable from or payable to other entities in the tax consolidated group. The tax funding arrangement ensures that the intercompany charge equals the current tax liability or benefit of each tax consolidated group member, resulting in neither a contribution by the head entity to the subsidiaries nor a distribution by the subsidiaries to the head entity.

Income Tax Critical Judgements

The consolidated entity is subject to income taxes in the jurisdictions in which it operates. Significant judgement is required in determining the provision for income tax. There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The consolidated entity recognises liabilities for anticipated tax audit issues based on the consolidated entity's current understanding of the tax law. Where the final tax outcome of these matters is different from the carrying amounts, such differences will impact the current and deferred tax provisions in the period in which such determination is made.

		CONSOLIDATED	
		31-Dec-20 ($'000)	**31-Dec-19** ($'000)
(A)	The components of tax expense comprise:		
	Current tax	25,722	23,733
	Over/(Under) provision in respect of prior years	12	(1,361)
		25,734	**22,372**
	Deferred tax (expense/benefit)	(1,045)	(961)
	Over/(Under) provision in respect of prior years	(12)	24
	Over/(Under) provision in respect of prior years	-	127
		(1,057)	(810)
		24,677	**21,562**
	Deferred tax included in income tax expense comprises:		
	(Increase) Decrease in deferred tax assets	(509)	(1,492)
	Increase (Decrease) in deferred tax liabilities	(655)	401
	Deferred tax included in statement of changes in equity	118	130
		(1,045)	**(961)**

		CONSOLIDATED	
		31-Dec-20 ($'000)	**31-Dec-19** ($'000)
(B)	The prima facie tax payable on profit before income tax is reconciled to the income tax as follows:		
	Prima facie tax payable on profit before income tax at 30%	24,557	22,762
	ADD TAX EFFECT OF:		
	Under provision for income tax in prior year	3	(1,210)
	Non-deductible expenses	112	202
	Deferred Tax on intangibles	-	(187)
		24,672	21,567
	LESS TAX EFFECT OF:		
	Differences in overseas tax rates	5	(5)
	Income tax expense attributable to entity	**24,677**	**21,562**
	The applicable weighted average effective tax rates are as follows:	30.1%	28.4%

7. CURRENT TAX

Current tax liability	4,937	8,849

8. DEFERRED TAX ASSET

Deferred tax asset comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Provision for receivables impairment	695	142
Provision for employee entitlements	3,351	2,639
Accrued expenses	640	202
Inventory	728	682
Capitalised expenditure	8	63
Property Plant and Equipment	(344)	99
Capitalised right-of-use assets	583	1,324
Amounts recognised in equity:		
Share Issue Costs	474	-
Deferred tax asset	**6,135**	**5,151**
Movements in Deferred Tax Asset		
Opening Balance	5,151	3,682
Credited / (charged) to profit or loss	509	1,595
Credited / (charged) to equity	475	(126)
Closing Balance	**6,135**	**5,151**

	CONSOLIDATED	
	31-Dec-20 ($'000)	**31-Dec-19** ($'000)

9. DEFERRED TAX LIABILITIES

	31-Dec-20 ($'000)	31-Dec-19 ($'000)
The balance comprises temporary differences attributable to:		
Amounts recognised in profit or loss:		
Capitalised right-of-use assets	446	1,186
Prepayments	19	29
Accrued income	1,555	1,058
Intangible assets	2,134	2,536
Deferred tax liability	**4,154**	**4,809**
Movements in Deferred Tax Liability		
Opening Balance	4,809	4,407
Credited / (charged) to profit or loss	(655)	402
Closing Balance	**4,154**	**4,809**

10. CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

	31-Dec-20 ($'000)	31-Dec-19 ($'000)
Cash at bank	30,368	22,573

11. TRADE AND OTHER RECEIVABLES

Trade receivables are initially recognised at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment. Trade receivables are generally due for settlement within 30 days from end of month.

Other receivables are recognised at amortised cost, less any provision for impairment. Other receivables mainly includes vendor rebates receivable and are due to be paid within 3 months.

	31-Dec-20 ($'000)	31-Dec-19 ($'000)
Trade receivables	298,415	270,791
Less: Provision for impairment of receivables	(2,319)	(475)
	296,096	270,316
Other receivables	28,087	25,606
Related party receivable	2,780	-
	326,963	**295,921**

Impairment of receivables
The expected loss rates are based on the Group's movement of balances from one ageing category to the next to indicate increase in collection time which is an indicator of the probability of default. The value of debtors insurance is then applied to these balances to indicate the exposure at default. These loss rates are then applied to the individual ageing categories to calculate an expected credit loss.

The entity has used their ability to apply the effects of debtor's insurance as a suitable collateral to reduce the exposure of default.

The consolidated entity has recognised an increase in the provision of $1.8m (2019: $209k) in profit or loss in respect of impairment of receivables for the year ended 31 December 2020.

12. INVENTORIES

Finished goods are stated at the lower of cost or net realisable value. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts received or receivable.

Stock in transit is stated at the lower of cost and net realisable value. Cost comprises purchase and delivery costs, net of rebates and discounts received or receivable.

Net realisable value is the estimated selling price (plus any applicable supplier claims as per revenue recognition policy) in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

Impairment of Inventories
The provision for impairment of inventories assessment requires a degree of estimation and judgement. The level of the provision is assessed by taking into account the recent sales experience, the ageing of inventories and other factors that affect inventory obsolescence.

	CONSOLIDATED	
	31-Dec-20 ($'000)	**31-Dec-19** ($'000)
Finished Goods	114,956	121,822
Less: Provision for Impairment	(1,710)	(1,389)
	113,246	**120,433**

13. PROPERTY, PLANT AND EQUIPMENT

Land and buildings are carried at cost less subsequent depreciation for buildings and accumulated impairment for land and buildings. Each class of plant and equipment and property improvements is carried at cost less, where applicable, any accumulated depreciation and impairment losses.

Depreciation is calculated on a straight-line basis to write off the net cost of each item of property, plant and equipment (excluding land) over their expected useful lives as follows:

Buildings	-	40 Years
Property improvements	-	10 - 20 Years
Leasehold improvements	-	10 - 20 Years
Plant and equipment	-	2-10 Years
Plant and equipment under lease	-	2-10 Years
Motor vehicles	-	8 years

The residual values, useful lives and depreciation methods are reviewed, and adjusted if appropriate, at each reporting date.

Leasehold improvements and plant and equipment under lease are depreciated over the unexpired period of the lease or the estimated useful life of the assets, whichever is shorter.

An item of property, plant and equipment is derecognised upon disposal or when there is no future economic benefit to the consolidated entity. Gains and losses between the carrying amount and the disposal proceeds are taken to profit or loss. Any revaluation surplus reserve relating to the item disposed of is transferred directly to retained profits.

Estimation of Useful Lives of Assets
The consolidated entity determines the estimated useful lives and related depreciation and amortisation charges for its property, plant and equipment and finite life intangible assets. The useful lives could change significantly as a result of technical innovations or some other event. The depreciation and amortisation charge will increase where the useful lives are less than previously estimated lives, or technically obsolete or non-strategic assets that have been abandoned or sold will be written off or written down.

	CONSOLIDATED	
	31-Dec-20 ($'000)	**31-Dec-19** ($'000)
Freehold land	18,435	18,435
Building - at cost	53,360	9,335
Total land and buildings	**71,795**	**27,770**
Fitout & Leasehold improvements - at cost	4,174	1,807
Less accumulated depreciation	(1,568)	(1,594)
	2,606	213
Plant and equipment - at cost	6,881	5,475
Less accumulated depreciation	(3,266)	(1,488)
	3,615	3,987
Motor vehicles	252	252
Less accumulated depreciation	(244)	(241)
	8	11
Total plant and equipment	**6,229**	**4,211**
Total property, plant and equipment	**78,024**	**31,981**

Reconciliations
Reconciliations of the written down values at the beginning and end of the current and previous financial year are set out below:

	FREEHOLD LAND ($'000)	BUILDINGS ($'000)	FITOUT COSTS ($'000)	PLANT & EQUIPMENT ($'000)	MOTOR VEHICLES ($'000)	TOTAL ($'000)
Balance at 1 January 2019	25,339	19,074	1,174	1,163	15	46,765
Additions	-	5,958	17	4,126	-	10,101
Depreciation expense	-	(289)	(172)	(1,125)	(4)	(1,590)
Disposals	(6,904)	(15,408)	(806)	(181)	-	(23,299)
Effect of movements in exchange rate	-	-	-	4	-	5
Balance at 31 December 2019	**18,435**	**9,335**	**213**	**3,987**	**11**	**31,981**
Additions	-	44,025	2,425	1,672	-	**48,122**
Depreciation expense	-	-	(32)	(1,920)	(3)	**(1,955)**
Disposals	-	-	-	(114)	-	**(114)**
Effect of movements in exchange rate	-	-	-	(10)	-	**(10)**
Balance at 31 December 2020	**18,435**	**53,360**	**2,606**	**3,615**	**8**	**78,024**

14. INTANGIBLES

Intangible assets acquired as part of a business combination, other than goodwill, are initially measured at their fair value at the date of the acquisition. Intangible assets acquired separately are initially recognised at cost. Indefinite life intangible assets are not amortised and are subsequently measured at cost less any impairment. Finite life intangible assets are subsequently measured at cost less amortisation and any impairment. The gains or losses recognised in profit or loss arising from the de-recognition of intangible assets are measured as the difference between net disposal proceeds and the carrying amount of the intangible asset. The method and useful lives of finite life intangible assets are reviewed annually. Changes in the expected pattern of consumption or useful life are accounted for prospectively by changing the amortisation method or period.

Goodwill
Goodwill arises on the acquisition of a business. Goodwill is not amortised. Instead, goodwill is tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired and is carried at cost less accumulated impairment losses. Impairment losses on goodwill are taken to profit or loss and are not subsequently reversed.

Customer Contracts
Customer contracts acquired in a business combination are amortised on a straight-line basis over the period of their expected benefit, being their finite life which varies between 18 months and 12 years.

Software
Significant costs associated with software are deferred and amortised on a straight-line basis over the period of their expected benefit, being their finite life of 4 years.

Impairment of Intangibles
Goodwill and other intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount.

Recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. The value-in-use is the present value of the estimated future cash flows relating to the asset using a pre-tax discount rate specific to the asset or cash-generating unit to which the asset belongs. Assets that do not have independent cash flows are grouped together to form a cash-generating unit.

	CONSOLIDATED	
	31-Dec-20 ($'000)	**31-Dec-19** ($'000)
Goodwill	17,799	17,799
Customer contracts	17,657	17,657
Less: accumulated amortisation	(10,545)	(9,203)
Software - at cost	73	120
Less: accumulated amortisation	(51)	(83)
Total intangibles	**24,933**	**26,290**

	Goodwill ($'000)	**Customer Contracts** ($'000)	**Software** ($'000)	**Development Website** ($'000)	**Total** ($'000)
Balance at 1 January 2019	17,799	9,803	61	46	27,709
Additions	-	-	2	-	2
Amortisation expense	-	(1,349)	(26)	(11)	(1,386)
Disposal	-	-	-	(35)	(35)
Effect of movements in exchange rate	-	-	-	-	-
Balance at 31 December 2019	**17,799**	**8,454**	**37**	**-**	**26,290**
Additions	-	-	3	-	3
Amortisation expense	-	(1,342)	(17)	-	(1,359)
Disposals	-	-	-	-	-
Effect of movements in exchange rate	-	-	(1)	-	(1)
Balance at 31 December 2020	**17,799**	**7,112**	**22**	**-**	**24,933**

Goodwill and other Indefinite Life Intangible Assets Estimates
The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. These calculations require the use of assumptions, including estimated discount rates based on the current cost of capital and growth rates of the estimated future cash flows

The recoverable amount of the consolidated entity's goodwill has been determined by a value-in-use calculation using a discounted cash flow model, based on a 1 year EBITDA projection period approved by management and extrapolated for a further 4 years using a steady rate, together with a terminal value.

Management considers the cash generating units (CGU) of the group to be Australia and New Zealand. Goodwill has been allocated $10.5m and $7.3m, respectively.

The following key assumptions were used in the discounted cash flow model for each cash generating unit:

a. 9.15% (2019: 9.76%) post-tax discount rate; and

b. 2.5% (2019: 1.7%) for the Australian CGU and 2.5% (2019: 102.1%) for the New Zealand CGU in year 1 and 2.5% thereafter (2019: 2.5%) per annum EBITDA growth rate.

The discount rate of 9.15% post-tax reflects management's estimate of the time value of money and the consolidated entity's weighted average cost of capital, the risk free rate and the volatility of the share price relative to market movements. Management believes the projected EBITDA growth rate is reasonable based on forecasted organic and general market growth.

Based on the above, the recoverable amount of each cash generating unit exceeded the carrying amount and therefore no impairment of goodwill.

Sensitivity Analysis
As disclosed in note 2, the directors have made judgements and estimates in respect of impairment testing of goodwill. Management believes that any reasonable changes in the key assumptions on which the recoverable amount of division goodwill is based would not cause the cash-generating unit's carrying amount to exceed its recoverable amount. The sensitivities are as follows: (a) EBITDA would need to decrease by more than 75% to trigger impairment for the Australian CGU, and 64% for the New Zealand CGU, with all other assumptions remaining constant; b) The discount rate would be required to increase to 45.1% to trigger impairment for the Australian CGU, and 19% for the New Zealand CGU, with all other assumptions remaining constant.

15. LEASES

All leases are accounted for by recognising a right-of-use asset and a lease liability except for:

- Leases of low value assets; and
- Leases with a duration of 12 months or less

AASB16 was adopted 1 January 2019 without restatement of comparative figures. The following policies apply subsequent to the date of the initial application, 1 January 2019.

Lease Liabilities are measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the group's incremental borrowing rate on commencement of the lease is used. Key judgements used in the calculation of the lease liability include incremental borrowing rate of 2.9%. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term. Other variable lease payments are expensed in the period to which they relate.

On initial recognition the carrying value of the lease liability includes:

- amounts expected to be payable under any residual value guarantee;
- the exercise price of any purchase option granted in favour of the group if it is reasonable certain to assess that option; and
- any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of the termination option being exercised.

Right of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- lease payments made at or before the commencement of the lease;
- initial direct costs incurred; and
- the amount of any provision recognised where the group is contractually required to dismantle, remove or restore leased assets.

Subsequent to initial measurement lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are amortised on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term.

When the group revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted using a revised discount rate. The carrying value of the lease liabilities is similarly revised when the variable element of future lease payments dependent on a rate or index is revised, except the discount rate remains unchanged. In both cases an equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being amortised over the remaining revised lease term. If the carrying amount of the right-of-use asset is adjusted to zero, any further reduction is recognised in profit and loss.

Nature of leasing activities

The Company leases 4 properties in Australia and New Zealand for which the lease contracts provide for payments to increase each year by inflation or to be reset periodically to market rental rates. The table below reflects the current proportion of lease.

	Lease Contracts Number	Fixed Payments %	Variable Payments %	Sensitivity
Property leases with periodic uplift to market rentals	4	-	100	+/- 138

	31-Dec-20 ($'000)	31-Dec-19 ($'000)
Retained Earnings impact of adopting AASB 16	-	329

	CONSOLIDATED	
	31-Dec-20 ($'000)	31-Dec-19 ($'000)
Right-of-Use Asset		
Opening balance	5,191	2,000
Additions	-	4,794
Amortisation	(3,065)	(1,603)
Effect of modification to lease terms	-	-
Variable lease payment adjustment	178	-
Effect of movements in exchange rate	(28)	(28)
Closing balance	**2,276**	**5,191**

	CONSOLIDATED	
	31-Dec-20 ($'000)	**31-Dec-19** ($'000)
Lease Liabilities		
Opening balance	5,676	2,457
Additions	-	4,794
Interest Expense	190	120
Effect of modification to lease terms	-	-
Variable lease payment adjustment	178	-
Lease payments	(3,251)	(1,695)
Foreign exchange movements	(36)	(36)
Closing balance	**2,757**	**5,676**

Lease Commitments
The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset. A distinction is made between finance leases, which effectively transfer from the lessor to the lessee substantially all the risks and benefits incidental to ownership of leased assets, and operating leases, under which the lessor effectively retains substantially all such risks and benefits. Operating lease payments, net of any incentives received from the lessor, are charged to profit or loss on a straight-line basis over the term of the lease.

Lease Commitments		
Within 1 year	2,243	3,072
Between 1 to 5 Years	514	2,604
	2,757	**5,676**

16. TRADE AND OTHER PAYABLES

These amounts represent liabilities for goods and services provided to the consolidated entity prior to the end of the financial year and which are unpaid. Due to their short-term nature they are measured at amortised cost and are not discounted. The amounts are unsecured and are usually paid within 30 - 60 days of recognition.

Trade payables	250,319	228,405
Other payables	22,874	19,767
Related party payables	-	2,760
	273,193	**250,932**

17. BORROWINGS

Loans and borrowings are initially recognised at the fair value of the consideration received, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method.

Where there is an unconditional right to defer settlement of the liability for at least 12 months after the reporting date, the loans or borrowings are classified as non-current.

		CONSOLIDATED 31-Dec-20 ($'000)	CONSOLIDATED 31-Dec-19 ($'000)
	Current		
	Receivables facility	120,000	90,000
	Corporate bond	-	39,930
	Total current borrowings	**120,000**	**129,930**
(a)	Total current and non-current secured liabilities: Receivables facility	120,000	90,000
(b)	The receivables facility is secured by a fixed charge over all the debtors The Corporate Bond was an unsecured facility.		
(c)	Receivables facility limit	180,000	130,000

The drawn amount of these facilities as at the report date is as per Note 17 above.

Receivables Facility
The Westpac receivables facility was renewed on 12 March 2018 for a period of 3 years with an increased limit of $130,000 million. As of February 2020, this limit was increased to $180m, being an increase of $50m supported by the increase in the receivables balance. The Company believes that this increased facility provides the required debt capacity to fund its present needs. The Westpac receivables facility was renewed on 12th February 2021 for a further 12 months whilst maintaining the limit of $180m. This rollover ensures the ongoing funding for the current financial year. The Company may adjust the amount of debt (by taking on new debt or repaying present debt) in the future depending on funding needs and to optimise weighted average cost of capital.

Corporate Bond
The corporate bond was repaid on 16th March 2021, the repayment being facilitated by the increase in the Westpac receivables facility.

18. PROVISIONS

Provisions are recognised when the consolidated entity has a present (legal or constructive) obligation as a result of a past event, it is probable the consolidated entity will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting date, taking into account the risks and uncertainties surrounding the obligation. If the time value of money is material, provisions are discounted using a current pre-tax rate specific to the liability.

Current		
Employee benefits	13,127	9,866
Lease make-good provision	227	216
	13,354	**10,082**
Non Current		
Employee benefits	**1,937**	**2,196**

EMPLOYEE BENEFITS

Short-Term Employee Benefits
Liabilities for wages and salaries, including non-monetary benefits, annual leave and long service leave expected to be settled within 12 months of the reporting date are recognised in current liabilities in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled.

Other Long-Term Employee Benefits
The liability for annual leave and long service leave not expected to be settled within 12 months of the reporting date are recognised in non-current liabilities, provided there is an unconditional right to defer settlement of the liability. The liability is measured as the present value of expected future payments to be made in respect of services provided by employees up to the reporting date using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the reporting date on national government bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

Amounts not expected to be settled within the next 12 months
The current provision for employee benefits includes all unconditional entitlements where employees have completed the required period of service and also those where employees are entitled to pro-rata payments in certain circumstances. The entire amount is presented as current, since the consolidated entity does not have an unconditional right to defer settlement. However, based on past experience, the consolidated entity does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

The following amounts reflect leave that is not expected to be taken within the next 12 months:

	CONSOLIDATED	
	31-Dec-20 ($'000)	31-Dec-19 ($'000)
Employee benefits obligation expected to be settled after 12 months	**6,109**	**3,718**

Lease Make Good Provision
A provision has been made for the present value of anticipated costs for future restoration of leased premises. The provision includes future cost estimates associated with closure of the premises. The calculation of this provision requires assumptions such as application of closure dates and cost estimates. The provision recognised for each site is periodically reviewed and updated based on the facts and circumstances available at the time. Changes to the estimated future costs for sites are recognised in the statement of financial position by adjusting the asset and the provision. Reductions in the provision that exceed the carrying amount of the asset will be recognised in profit or loss.

19. ISSUED CAPITAL

Ordinary shares are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

	Dec 2020 Shares	Dec 2020 ($'000)	Dec 2019 Shares	Dec 2019 ($'000)
Ordinary shares - fully paid	172,134,046	131,790	161,615,513	62,516

Movements in ordinary share capital

DETAILS	DATE	ISSUE PRICE	NO OF SHARE	($'000)
Opening Balance	1-Jan-19		160,714,369	57,982
Issue of shares DRP	1-Mar-19	$3.09	104,227	323
Issue of shares DRP	3-Jun-19	$4.83	604,443	2,918
Issue of shares - Employee Share Scheme (ESS)	30-Aug-19	$6.66	67,500	450
Issue of shares DRP	2-Sep-19	$5.96	44,170	265
Issue of shares DRP	4-Oct-19	$7.37	44,923	332
Issue of shares DRP	2-Dec-19	$6.88	35,881	247
Balance	**31-Dec-19**		**161,615,513**	**62,516**
Issue of shares DRP	2-Mar-20	$6.89	614,980	4,235
Issue of shares - Capital Raising	7-May-20	$6.70	7,462,687	48,618
Issue of shares DRP	1-Jun-20	$7.04	69,531	491
Issue of shares - Share Purchase Plan (SPP)	5-Jun-20	$6.63	2,264,150	15,000
Issue of shares DRP	1-Sep-20	$7.52	62,756	474
Issue of shares DRP	1-Dec-20	$10.17	44,429	456
Balance	**31-Dec-20**		**172,134,046**	**131,790**

Ordinary Shares
Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have no par value and the company does not have a limited amount of authorised capital. On a show of hands every member present at a meeting in person or by proxy shall have one vote and upon a poll each share shall have one vote.

Capital Raise
On 7th May 2020 the Company completed a $50m share placement at an issue price of $6.70 per share, followed by a further $15m share purchase plan on 5 June 2020 at an issue price of $6.625per share resulting in 9,726,837 new shares being issued. The net proceeds were invested in the construction of the new distribution centre and to support the growth of Dicker Data Financial Services and investment in working capital. The capital raise increased the public float in the Company to approximately 33% and provided financing headroom to facilitate capacity for future growth.

Employee Share Scheme
There were no new shares issued under any employee share scheme during the FY20 financial year as per the previous year. During FY19 the Company announced that in recognition of all the work and contribution by our staff free shares were offered to all eligible employees. Under the share plan staff were offered $1,000 worth of new fully paid ordinary shares for nil monetary consideration. The issue price for the shares was $6.660 and all eligible staff received 150 shares each. Total number of new shares issued to staff under the Employee Share Scheme was 67,500 shares at a value of $450k.

Share Buy-Back
There is no current on-market share buy-back.

Capital Risk Management

The consolidated entity's objectives when managing capital is to safeguard its ability to continue as a going concern whilst enhancing long-term shareholder value through funding its business at an optimised weighted average cost of capital. In seeking to optimise its weighted average cost of capital, the consolidated entity may adjust its capital structure from time to time, including varying the amount of dividends paid to shareholders, by returning capital to shareholders, by issuing new shares or taking on or reducing debt. The consolidated entity is subject to certain financing arrangements and covenants and meeting these is given priority in all capital risk management decisions. There have been no events of default on the financing arrangements during the financial year.

The capital risk management policy remains unchanged from the 31 December 2019 Annual Report.

20. RESERVES

	CONSOLIDATED	
	31-Dec-20 ($'000)	**31-Dec-19** ($'000)
Capital Profits Reserve (Pre-CGT)	369	369
Foreign currency reserve	(99)	265
	270	**634**

Capital Profits Reserve (Pre-CGT)

The capital profits reserve records non-taxable profits on sale of investments.

Foreign currency reserve

The reserve is used to recognise exchange differences arising from translation of the financial statements of foreign operations to Australian dollars. It is also used to recognise gains and losses on hedges of the net investments in foreign operations.

Movements in reserves		
Opening Balance	634	527
Foreign currency translation	(364)	107
Closing Balance	**270**	**634**

21. DIVIDENDS

Dividends declared or paid during the financial year	**59,546**	**43,518**

Type	FY	Payment Date	Dividend per share (in cents)	Dividend per share (in 000's)	FY	Payment Date	Dividend per share (in cents)	Dividend per share (in 000's)
Final	2019	2-Mar-20	0.130	21,010	2018	1-Mar-19	0.070	11,250
Interim	2020	1-Jun-20	0.075	12,727	2019	3-Jun-19	0.050	8,041
Interim	2020	1-Sep-20	0.075	12,902	2019	2-Sep-19	0.050	8,071
Special Dividend	2020	-	-	-	2019	4-Oct-19	0.050	8,077
Interim	2020	1-Dec-20	0.075	12,907	2019	2-Dec-19	0.050	8,079
			0.355	**59,546**			**0.270**	**43,518**

The tax rate that dividends have been franked is 30% (2019: 30%)

Franking credit balance:

	CONSOLIDATED	
	31-Dec-20 ($'000)	31-Dec-19 ($'000)
Franking credits available for subsequent financial years based on a tax rate of 30% (2019: 30%)	12,704	12,754

The above amounts represent the balance of the franking account as at the end of the financial year adjusted for franking credits arising from:

- franking credits from dividends recognised as receivables at year end
- franking credits that will arise from payment of the current tax liability
- franking debits arising from payment of proposed dividends recognised as a liability

22. FAIR VALUE DISCLOSURES

When an asset or liability, financial or non-financial, is measured at fair value for recognition or disclosure purposes, the fair value is based on the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date; and assumes that the transaction will take place either: in the principle market; or in the absence of a principal market, in the most advantageous market.

Fair value is measured using the assumptions that market participants would use when pricing the asset or liability, assuming they act in their economic best interest. For non-financial assets, the fair value measurement is based on its highest and best use. Valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, are used, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

Assets and liabilities measured at fair value are classified, into three levels, using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. Classifications are reviewed each reporting date and transfers between levels are determined based on a reassessment of the lowest level input that is significant to the fair value measurement.

For recurring and non-recurring fair value measurements, external valuers may be used when internal expertise is either not available or when the valuation is deemed to be significant. External valuers are selected based on market knowledge and reputation. Where there is a significant change in fair value of an asset or liability from one period to another, an analysis is undertaken, which includes a verification of the major inputs applied in the latest valuation and a comparison, where applicable, with external sources of data.

Fair Value Measurement Hierarchy

The consolidated entity is required to classify all assets and liabilities, measured at fair value, using a three level hierarchy, based on the lowest level of input that is significant to the entire fair value measurement, being:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly; and

Level 3: Unobservable inputs for the asset or liability. Considerable judgement is required to determine what is significant to fair value and therefore which category the asset or liability is placed in can be subjective.

The fair value of assets and liabilities classified as level 3 is determined by the use of valuation models. These include discounted cash flow analysis or the use of observable inputs that require significant adjustments based on unobservable inputs.

The company has a number of financial instruments which are not measured at fair value in the statement of financial position, including cash, receivables, payables and borrowings. The fair value of these financial assets and financial liabilities approximates their carrying amount.

The fair value of Borrowings in Note 17, is estimated by discounting the future contractual cash flows at the current market interest rates for loans with similar risk profiles and has been measured under Level 2 of the hierarchy.

The carrying value of borrowings classified as financial liabilities measured at amortised cost approximates fair value.

23. FINANCIAL INSTRUMENTS

Derivative Financial Instruments
Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting date. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. Derivatives are classified as current or non-current depending on the expected period of realisation.

Investments and Other Financial Assets
Investments and other financial assets are initially measured at fair value. Transaction costs are included as part of the initial measurement, except for financial assets at fair value through profit or loss. They are subsequently measured at either amortised cost or fair value depending on their classification. Classification is determined based on the purpose of the acquisition and subsequent reclassification to other categories is restricted.

Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the consolidated entity has transferred substantially all the risks and rewards of ownership.

Impairment of Financial Assets
The consolidated entity assesses at the end of each reporting period whether there is any objective evidence that a financial asset or group of financial assets is impaired. Objective evidence includes significant financial difficulty of the issuer or obligor; a breach of contract such as default or delinquency in payments; the lender granting to a borrower concessions due to economic or legal reasons that the lender would not otherwise do; it becomes probable that the borrower will enter bankruptcy or other financial reorganisation; the disappearance of an active market for the financial asset; or observable data indicating that there is a measurable decrease in estimated future cash flows.

	CONSOLIDATED	
	31-Dec-20 ($'000)	**31-Dec-19** ($'000)
Financial Assets and Liabilities		
Financial Assets		
Cash and cash equivalents	30,368	22,573
Trade and other receivables	326,963	295,921
Total Financial Assets	**357,331**	**318,494**
Financial Liabilities		
Trade and other payables	273,193	250,932
Borrowings	120,000	129,930
Lease liabilities	2,757	5,676
Total Financial Liabilities	**395,950**	**386,538**

The amount of the impairment allowance for financial assets carried at cost is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the current market rate of return for similar financial assets.

Financial Risk Management Policies
The directors' overall risk management strategy seeks to assist the company in meeting its financial targets, whilst minimising potential adverse effects on financial performance. Although the company does not have any documented policies and procedures, the key management personnel manage the different types of risks to which the company is exposed by considering risk and monitoring levels of exposure to interest rate and credit risk and by being aware of market forecasts for interest rates. Ageing analyses and monitoring of specific credit allowances are undertaken to manage credit risk. Liquidity risk is managed through general business budgets and forecasts. The main purpose of non-derivative financial instruments is to manage foreign currency risk. The company had open forward contracts as at the end of the financial year to mitigate this risk. The directors and key management personnel meet on a regular basis to analyse financial risk exposure and to evaluate treasury management strategies in the context of the most recent economic conditions and forecasts.

Specific Financial Risk Exposures and Management
The main risks the company is exposed to through its financial instruments are:
- credit risk
- liquidity risk
- interest rate risk
- foreign exchange risk

Credit risk
Exposure to credit risk relating to financial assets arises from the potential non-performance by counterparties of contract obligations that could lead to a financial loss to the company. Credit risk is reviewed regularly by the directors and key management personnel. It predominantly arises from exposures to customers.

The Company's exposure to credit risk is limited due to debtor insurance which is held over its trade receivables. The insurance policy limits the exposure of the company to 10% of individual customer's balance plus the excess as specified in the policy after an aggregate first loss of $200,000. Receivables balances are monitored on an ongoing basis and as a result the Company's exposure to bad debts has not been significant.

It is the company's policy that all customers who wish to trade on credit terms are subject to credit verification procedures including an assessment of their credit rating, financial position, past experience and industry reputation. Credit limits are set for each individual customer in accordance with parameters set by the directors. These credit limits are regularly monitored. Customers that do not meet the company's strict credit policies and criteria may only purchase in cash or using recognised credit cards.

The company has no significant concentration of credit risk with any single counterparty or group of counterparties. The profile of all counterparties is largely the same being reseller partners and have been grouped together in assessing expected credit loss. Trade and other receivables that are neither past due or impaired are considered to be of high credit quality.

Credit Risk Exposures - The maximum exposure to credit risk by class of recognised financial assets at reporting date, excluding the value of any collateral or other security held, is equivalent to the carrying value and classification of those financial assets (net of any provisions) as presented in the statement of financial position.

Liquidity Risk
Liquidity risk arises from the possibility that the company might encounter difficulty in settling its debts or otherwise meeting its obligations related to financial liabilities. The company manages this risk through the following mechanisms:
- preparing forward-looking cash flow analyses in relation to its operational, investing and financing activities;
- monitoring undrawn credit facilities;
- obtaining funding from a variety of sources;
- maintaining a reputable credit profile; and
- managing credit risk related to financial assets.

The tables below reflect an undiscounted contractual maturity analysis for financial liabilities. Financial guarantee liabilities are treated as payable on demand since the company has no control over the timing of any potential settlement of the liability.

Cash flows realised from financial instruments reflect management's expectation as to the timing of realisation.

Actual timing may therefore differ from that disclosed. The timing of cash flows presented in the table to settle financial liabilities reflect the earliest contractual settlement dates and do not reflect management's expectations that banking facilities will roll forward.

	CONSOLIDATED	
	31-Dec-20 ($'000)	**31-Dec-19** ($'000)
Financial liability maturity analysis		
Financial liabilities due for payment		
Trade and other payables		
Within 6 Months	273,193	250,932
6 Months - 1 Year	-	-
1 - 2 Years	-	-
2 - 5 Years	-	-
	273,193	**250,932**
Borrowings		
Within 6 Months	120,000	132,060
6 Months - 1 Year	-	1,709
1 - 2 Years	-	2,404
2 - 5 Years	-	605
	120,000	**136,778**
Lease liabilities		
Within 6 Months	1,647	1,497
6 Months - 1 Year	596	1,575
1 - 2 Years	514	2,157
2 - 5 Years	-	447
	2,757	**5,676**
Total contractual outflows	**395,950**	**393,386**

Financial Assets Pledged as Collateral
Certain financial assets have been pledged as security for the debt and their realisation into cash may be restricted subject to terms and conditions attached to the relevant debt contracts. Refer to Note 16.

Interest Rate Risk
The company's main interest rate risk arises from borrowings. All borrowings are at variable interest rates and expose the company to interest rate risk which will impact future cash flows and interest charges and is indicated by the following floating interest rate financial liabilities

Interest Rate Risk

Floating rate instruments		
Receivable finance facility	120,000	90,000
Corporate Bond	-	39,930
	120,000	**129,930**

Due to the current interest rate environment the Company has not entered into any interest rate swap at any other time during the year. Management will continue to monitor the interest rate environment to determine whether entering into a new swap agreement will be prudent to do so in the future.

Sensitivity Analysis
The company has performed a sensitivity analysis relating to its exposure to interest rate risk at reporting date. If interest rates changed by -/+ 1% from the year end rates with all other variables held constant, post-tax profit would have been $840,000 lower/higher (2019: $909,510 lower/higher) as a result of higher/lower interest payments. The company constantly analyses its interest rate exposure. Within this analysis consideration is given to alternative financing and the mix of fixed and variable interest rates.

Foreign Exchange Risk
The consolidated entity undertakes certain transactions denominated in foreign currency and is exposed to foreign currency risk through foreign exchange rate fluctuations. Foreign exchange risk arises from future commercial transactions and recognised financial assets and financial liabilities denominated in a currency that is not the entity's functional currency. The risk is measured using sensitivity analysis and cash flow forecasting.

In order to protect against exchange rate movements, the consolidated entity has entered into forward foreign exchange contracts. These contracts are hedging highly probable forecasted cash flows for the ensuing financial year. Management has a risk management policy to hedge between 30% and 80% of anticipated foreign currency transactions for the subsequent 4 months.

The maturity, settlement amounts and the average contractual exchange rates of the consolidated entity's outstanding forward foreign exchange contracts at the reporting date was as follows:

	Sell Australian dollars		Average exchange rates		Sell New Zealand dollars		Average exchange rates	
	31st Dec 2020 ($'000)	**31st Dec 2019** ($'000)	**31st Dec 2020** ($'000)	**31st Dec 2019** ($'000)	**31st Dec 2020** ($'000)	**31st Dec 2019** ($'000)	**31st Dec 2020** ($'000)	**31st Dec 2019** ($'000)
Buy US dollars								
Maturity:								
0 - 3 months	29,794	24,101	0.7398	0.6886	2,496	1,325	0.6825	0.6576
0 - 3 months								
Buy Australian dollars								
Maturity:								
0 - 3 months	-	-	-	-	2,194	1,337	0.9415	0.9423
0 - 3 months	-	-	-	-	-	-	-	-

The carrying amount of the consolidated entity's foreign currency denominated financial assets and financial liabilities at the reporting date was as follows:

Consolidated	31-Dec-20 US$'000	31-Dec-20 NZ$'000
Cash at bank	304	3,872
Trade receivables	11,148	16,467
Trade payables	(22,327)	(15,458)
Net statement of financial position exposure	**(10,875)**	**4,881**

Based on the financial instruments held at 31 December 2020, a strengthening/weakening of AU$ against US$ and NZ$ would have resulted in the following changes to the Groups reported profit and loss and/or equity.

Sensitivity Analysis (Effects in Thousands)	EQUITY		PROFIT OR LOSS	
	Strengthening	Weakening	Strengthening	Weakening
US$ (5% movement)	-	-	544	(544)
NZ$ (5% movement)	(587)	587	(244)	244

24. KEY MANAGEMENT PERSONNEL COMPENSATION

Compensation

The aggregate compensation made to directors and other members of key management personnel of the consolidated entity is set out below:

	CONSOLIDATED	
	31-Dec-20 $	31-Dec-19 $
Short-term benefits	6,950,408	5,530,507
Long-term benefits	21,309	21,187
Post employment benefits	658,816	525,511
Total compensation	**7,630,533**	**6,077,205**

25. REMUNERATION OF AUDITORS

During the financial year the following fees were paid or payable for services provided by BDO, the auditor of the company, its network firms and unrelated firms:

Audit services - BDO		
Auditing or reviewing the financial report	**265,000**	**260,000**
Other services - BDO		
Indirect tax services	217,000	-
Tax and corporate services	235,000	207,000
	452,000	**207,000**
Other services - Other BDO Network Firms		
Tax & corporate services	**16,000**	**13,000**

The BDO entity performing the audit of the group transitioned from BDO East Coast Partnership to BDO Audit Pty Ltd on 1 August 2020. The disclosures include amounts received or due and receivable by BDO East Coast Partnership, BDO Audit Pty Ltd and their respective related entities.

26. CONTINGENT LIABILITIES

The directors are not aware of any contingent liabilities related to the Consolidated entity as at the report date.

Capital Commitments
Capital expenditure commitments contracted for at reporting date but not recognised as liabilities:

	CONSOLIDATED	
	31-Dec-20 ($'000)	**31-Dec-19** ($'000)
Property, plant and equipment	**3,507**	**37,914**

Lease Commitments

The determination of whether an arrangement is or contains a lease is based on the substance of the arrangement and requires an assessment of whether the fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset.

27. PARENT ENTITY INFORMATION

Set out below is the supplementary information about the parent entity:

Statement of profit or loss and other comprehensive income		
Profit after income tax	56,838	53,683
Total comprehensive income	56,838	53,683
Statement of financial position		
Total current assets	415,989	383,222
Total assets	537,413	457,614
Total current liabilities	390,564	377,318
Total liabilities	394,122	380,889
Equity		
Issued capital	131,790	62,515
Reserves	369	369
Retained profits	11,132	13,840
Total Equity	143,291	76,724

Guarantees Entered into by the Parent Entity in Relation to the Debts of its Subsidiaries
The parent entity and some of its subsidiaries are party to a deed of cross guarantee under which each company guarantees the debts of the others. No deficiencies of assets exist in any of these subsidiaries.

Capital Commitments – Property, Plant and Equipment
The parent entity had the capital commitments for property, plant and equipment as detailed in Note 26.

Significant Accounting Policies
The accounting policies of the parent entity are consistent with those of the consolidated entity, as disclosed in Note 1 and throughout the notes.

28. INTERESTS IN SUBSIDIARIES

The consolidated financial statements incorporate the assets, liabilities and results of the following wholly-owned subsidiaries in accordance with the accounting policy described in note 1:

NAME	Principal place of business / country of incorporation	OWNERSHIP INTEREST 2020 %	2019 %
Dicker Data New Zealand Ltd	New Zealand	100%	100%
Express Data Holdings Pty Ltd	Australia	100%	100%
Dicker Data Financial Services Pty Ltd	Australia	100%	100%

29. RECONCILIATION OF PROFIT AFTER INCOME TAX TO NET CASH

	CONSOLIDATED	
	31-Dec-20 ($'000)	31-Dec-19 ($'000)
Profit after income tax	57,182	54,311
Adjustments for:		
Depreciation	1,958	1,620
Amortisation on intangibles	1,359	1,388
Amortisation on Leased assets	3,065	-
Amortisation of borrowing costs	70	285
(Profit) / Loss on the Disposals of PPE	50	(11,915)
Changes in Assets & Liabilities:		
Decrease (increase) in current inventories	7,187	(14,944)
Decrease (increase) in current receivables	(32,886)	(57,389)
Decrease (increase) in deferred tax assets	(984)	(1,470)
(Decrease) increase in deferred tax liabilities	(655)	401
(Decrease) increase in payables & Other	22,450	29,801
(Decrease) increase in provisions	4,494	2,277
(Decrease) increase in current tax liabilities	(3,912)	7,164
Net cash from operating activities	**59,378**	**11,529**

30. NON-CASH INVESTING AND FINANCING ACTIVITIES

Shares issued under dividend reinvestments plan (DRP)	5,656	4,084

31. EARNINGS PER SHARE

Basic earnings per share
Basic earnings per share is calculated by dividing the profit attributable to the owners of Dicker Data Limited, excluding any costs of servicing equity other than ordinary shares, by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the financial year.

Diluted earnings per share
Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares and the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

Profit after income tax	57,182	54,311
Profit after income tax attributable to the owners of Dicker Data Limited		
Weighted average number of shares used as denominator	**Number**	**Number**
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	168,106,292	161,231,566
Weighted average number of ordinary shares and options granted are used as the denominator in calculating diluted earnings per share	168,106,292	161,231,566
	Cents	**Cents**
Basic earnings per share (cents)	33.95	33.69
Diluted earnings per share (cents)	33.95	33.69

32. RELATED PARTY TRANSACTIONS

Parent entity:
Dicker Data Limited is the parent entity.

Subsidiaries:
Interests in subsidiaries are set out in note 28.

Key management personnel:
Disclosures relating to key management personnel are set out in note 24 and the remuneration report in the directors' report.

Transactions with related parties:
There were a number of related party transactions during the year with the entity Rodin Cars Ltd, a New Zealand based entity owned by David Dicker. The transactions included provision of marketing and IT services and sales of goods and services which are billed to Rodin Cars Ltd on a monthly basis at commercial market rates. Total amount billed to Rodin Cars Ltd for FY20 was $157,815. Dicker Data Financial Services Pty Ltd has also provided finance to Rodin Cars Ltd at arms length commercial rates. The amount payable as at 31 December 2020 was $1,015,412.32. The principal amount financed was $3,993,922.57. In addition to these transactions some payments have been made on behalf of director David Dicker throughout the year that were subsequently reimbursed, or funds were deposited in advance to cover these expenses. Total amount of funds paid on behalf of David Dicker by the Company as at 31 December 2020 was $2,780,466.46.

33. SUBSEQUENT EVENTS

Rollover of Westpac Receivables Facility

The Westpac receivables facility was renewed on 12th February 2021 for a further 12months with a limit of $180m. This rollover ensures the ongoing funding for the current financial year.

DIRECTORS’ DECLARATION

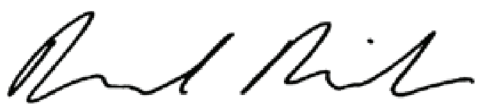
In the directors’ opinion:

- the attached financial statements and notes thereto comply with the Corporations Act 2001 (Cth), the Accounting Standards, the Corporations Regulations 2001 and other mandatory professional reporting requirements;
- the attached financial statements and notes thereto comply with International Financial Reporting Standards as issued by the International Accounting Standards Board as described in note 1 to the financial statements;
- the attached financial statements and notes thereto give a true and fair view of the consolidated entity’s financial position as at 31st December 2020 and of its performance for the financial year ended on that date;
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and
- There were reasonable grounds to believe that the Company and the controlled entities identified in Note 28 of the financial statements will be able to meet any obligations or liabilities to which they are or may become subject by virtue of the Deed of Cross Guarantee between the Company and those controlled entities pursuant to ASIC Class Order 98/1418.

This declaration has been made after receiving the declarations required to be made to the directors by the Chief Executive Officer and Chief Financial Officer in accordance with section 295A of the Corporations Act 2001 (Cth) for the financial year ended 31 December 2020.The directors have been given the declarations required by section 295A of the Corporations Act 2001.

Signed in accordance with a resolution of directors made pursuant to section 295(5)(a) of the Corporations Act 2001 (Cth).

On behalf of the directors



David Dicker
CEO and Chairman
Sydney, 25 February 2021

AUDITOR'S DECLARATION OF INDEPENDENCE

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Level 11, 1 Margaret St
Sydney NSW 2000
Australia

DECLARATION OF INDEPENDENCE BY TIM AMAN TO THE DIRECTORS OF DICKER DATA LIMITED

As lead auditor of Dicker Data Limited for the year ended 31 December 2020, I declare that, to the best of my knowledge and belief, there have been:

1. No contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the audit; and
2. No contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of Dicker Data Limited and the entities it controlled during the period.

Tim Aman

Tim Aman
Director

BDO Audit Pty Ltd

Sydney, 25 February 2021

INDEPENDENT AUDITOR'S REPORT

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Australia

INDEPENDENT AUDITOR'S REPORT

To the members of Dicker Data Limited

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of Dicker Data Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2020, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the financial report, including a summary of significant accounting policies and the directors' declaration.

In our opinion the accompanying financial report of the Group, is in accordance with the *Corporations Act 2001*, including:

(i) Giving a true and fair view of the Group's financial position as at 31 December 2020 and of its financial performance for the year ended on that date; and

(ii) Complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the Financial Report* section of our report. We are independent of the Group in accordance with the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of the Company, would be in the same terms if given to the directors as at the time of this auditor's report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENT AUDITOR'S REPORT

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Carrying value of goodwill

Key audit matter	*How the matter was addressed in our audit*
As disclosed in Note 14 to the financial report, Goodwill amounted to $17,799,000 at 31 December 2020. This was determined to be a key audit matter as the determination of the "Value in Use" of each cash generating unit (CGU) and whether or not an impairment charge is necessary involved judgements by management about the future growth rates of the business in each CGU, discount rates applied to future cash flow forecasts for each CGU and sensitivities of inputs and assumptions used in the cash flow models. Furthermore, the goodwill balance is material.	Our audit procedures to address the key audit matters included, but not limited to: • Evaluating and challenging the assumptions used in the discounted cash flow analysis, in particular the key assumptions for each CGU; • Recalculating management's discount rates based on external data (where available); • Applying a sensitivity analysis on the Group's discounted cash flow models for each cash generating unit to assess whether changes in the assumptions made would result in impairment; • Assessing the historical accuracy of management's forecasts in the context of the value in use model; and • Evaluating the adequacy of the disclosures in Note 14 about those assumptions to which the outcomes of the impairment test are most sensitive, that is, those that will have the most significant effect on the determination of the recoverable amount.

Other information

The directors are responsible for the other information. The other information comprises the information in the Group's annual report for the year ended 31 December 2020, but does not include the financial report and the auditor's report thereon.

Our opinion on the financial report does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the Financial Report

INDEPENDENT AUDITOR'S REPORT

The directors of the Company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

A further description of our responsibilities for the audit of the financial report is located at the Auditing and Assurance Standards Board website (http://www.auasb.gov.au/Home.aspx) at:

https://www.auasb.gov.au/admin/file/content102/c3/ar1_2020.pdf

This description forms part of our auditor's report.

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 24 to 28 of the directors' report for the year ended 31 December 2020.

In our opinion, the Remuneration Report of Dicker Data Limited, for the year ended 31 December 2020, complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

BDO Audit Pty Ltd

BDO

Tim Aman
Director

Sydney, 25 February 2020

SHAREHOLDER INFORMATION

Additional information required under ASX Listing Rule 4.10 and not shown elsewhere in this Annual Report is as follows. This information is current as at 3 February 2021.

ORDINARY SHARE CAPITAL

Analysis of numbers of equity security holders by size of holding:

Size of Holding	Number of Shareholders	Number of Shares	% of Issued Capital
100,001 and Over	45	138,407,604	80.41
10,001 to 100,000	732	15,762,531	9.16
5,001 to 10,000	898	6,678,664	3.88
1,001 to 5,000	3,660	8,768,076	5.09
1 to 1,000	6,437	2,517,171	1.46
Total	**11,772**	**172,134,046**	**100.00**

UNQUOTED OPTIONS

The Company had no unquoted options on issue as at 3 February 2021.

LESS THAN MARKETABLE PARCELS OF ORDINARY SHARES

There were 171 holders of less than a marketable parcel of ordinary shares. The number of shares in aggregate of these unmarketable parcels is 1,444.

20 LARGEST HOLDERS OF QUOTED EQUITY SECURITIES

Shareholder	Number of Ordinary Fully Paid Shares	% of Issued Capital
Mr David John Dicker	60,740,000	35.29
Ms Fiona Tudor Brown	53,754,532	31.23
J P Morgan Nominees Australia Pty Limited	5,118,586	2.97
Citicorp Nominees Pty Limited	3,744,300	2.18
Hsbc Custody Nominees (Australia) Limited	3,554,187	2.06
Fiona Brown	1,279,717	0.74
National Nominees Limited	1,123,931	0.65
Certane CT Pty Ltd	926,021	0.54
Mr Vladimir Mitnovetski	905,000	0.53
Jeremy And Lynette King Superannuation Pty Ltd	600,000	0.35
Neweconomy Com Au Nominees Pty Limited	416,017	0.24
HSBC Custody Nominees (Australia) Limited - A/C 2	395,848	0.23
Certane Ct Pty Ltd	375,480	0.22
Sandhurst Trustees Ltd	305,178	0.18
Bnp Paribas Noms Pty Ltd	305,080	0.18
Diales Pty Limited	270,000	0.16
Mrs Rochelle Gilmore	254,824	0.15
Mrs Leona Reddall & Mr Benjamin Reddall & Mr Matthew Reddall	241,685	0.14
Broadgate Investments Pty Ltd	233,155	0.14
Mcniven & Co Pty Ltd	217,034	0.13
TOTAL	**134,760,575**	**78.29**

SUBSTANTIAL HOLDERS

The names of the Substantial Shareholders listed in the Company's Register as at 3 February 2021:

Shareholder	Number of Ordinary Fully Paid Shares	% of Issued Capital
Mr David John Dicker	60,740,000	35.29
Ms Fiona Tudor Brown	53,754,532	31.23

VOTING RIGHTS

In accordance with the Constitution each member present at a meeting whether in person, or by proxy, or by power of attorney, or in a duly authorised representative in the case of a corporate member, shall have one vote on a show of hands, and one vote for each fully paid ordinary share, on a poll.

ON-MARKET BUY-BACKS

There is no current on-market buy-back in relation to the Company's securities.

Dicker Data Limited
ABN 95 000 9696 362

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