



AstiVita Renewables Ltd ABN 46 139 461 733

28 August 2013

Company Announcements
ASX Limited
Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir / Madam

Re: Appendix 4E Preliminary Final Report

The Directors of AstiVita Renewables Limited announce the financial results for the year ended 30 June 2013.

Find attached the Appendix 4E – Preliminary Final Report.

Yours faithfully

Geoff Acton
Company Secretary



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The 2013 trading loss of over \$4million is significantly in excess of Board's expectations and can only be partially explained by the current poor trading conditions.

This has highlighted the urgent need for AstiVita to complete its restructure to all areas of its business operations. The recent move to our new premises has brought immediate savings to our logistics operations with improved speed in sending orders and receiving goods. Nevertheless more issues have been found recently and are urgently been addressed.

Improved communication with our customers identified much needed changes to our product ranges and marketing material. Our website is currently undergoing a similar review.

On a positive note our number of active customers has increased by 50%.

We expect to introduce a number of new products and brands within the next 6 months, with selection based on feedback from our customers.

Whilst the Board is optimistic about the future financial results, a number of issues still need to be addressed within the next 6 months, which prevents us from providing specific guidance for the 2014 financial year.

I would like to thank our shareholders for their patience and understanding. I also want to apologise for not identifying early enough that the structural changes within our industry are permanent and fundamental in nature and were not just temporary negative trading conditions.

Lev Mizikovsky
Chairman

Appendix 4E – Preliminary Final Report

Name of Entity: **ASTIVITA RENEWABLES LIMITED**
 ABN: **46 139 461 733**
 Financial Year Ended: **30 June 2013**
 Previous Corresponding Period: **30 June 2012**

RESULTS FOR ANNOUNCEMENT TO THE MARKET

				\$'000
Revenue from ordinary activities	down	47.7%	to	12,850
Loss from ordinary activities after tax attributable to members	up	371.1%	to	2,718
Loss for the year attributable to members	up	371.1%	to	2,718

DIVIDENDS

No dividends have been paid during the current or previous reporting period and it is not proposed that dividends will be paid in respect of the current reporting period.

Dividend reinvestment plan

The dividend reinvestment plan has been suspended until further notice.

KEY FINANCIAL PERFORMANCE INDICATORS

	2013	2012
Net tangible asset backing		
Net tangible assets per ordinary security	24.25 cents	45.59 cents
Earnings per security		
Basic earnings per share (cents)	(10.34) cents	(2.43) cents
Diluted earnings per share (cents)	(10.34) cents	(2.43) cents
Weighted average number of shares	26,289,590	23,753,422
Gross profit margin		
Gross profit as a percentage of revenue from ordinary activities	25.27%	23.36%
(Loss) before tax as % of revenue		
(Loss) before tax from continuing operations as a percentage of revenue	(32.73%)	(3.74%)
(Loss) after tax as % of equity		
(Loss) for the year attributable to owners of AstiVita Renewables Limited as a percentage of total equity	(26.92%)	(4.80%)

ADDITIONAL INFORMATION

Entities over which control has been lost or gained

No change during the period.

Associates and joint venture entities

Not applicable.

AUDIT & COMPLIANCE STATEMENT

The preliminary final report of AstiVita Renewables Limited for the year ended 30 June 2013 has been based prepared in accordance with ASX listing rule 4.3A and has been based on the annual report which is in the process of being audited. There are no known likely disputes or qualifications at this time.

This report, and the financial statements upon which it is based, use the same accounting policies.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	2013 000's \$	2012 000's \$
Revenue	1	12,850	24,567
Other income	1	39	367
Changes in inventories of finished goods		(293)	(2,222)
Raw materials and consumables used		(9,310)	(16,606)
Employee benefits expense		(2,441)	(2,402)
Depreciation and amortisation expense		(140)	(82)
Other expenses		(4,910)	(4,541)
Finance costs		(1)	-
Loss before income tax		(4,206)	(919)
Income tax benefit	3	1,286	285
Loss for the year		(2,920)	(634)
Other comprehensive income			
Other comprehensive income for the year		-	-
Total comprehensive income for the year		(2,920)	(634)
Loss attributable to:			
Members of the parent entity		(2,718)	(577)
Non-controlling interest		(202)	(57)
		(2,920)	(634)
Total comprehensive income attributable to:			
Members of the parent entity		(2,718)	(577)
Non-controlling interest		(202)	(57)
		(2,920)	(634)
Earnings per share			
Basic earnings per share (cents)		(10.34)	(2.43)
Diluted earnings per share (cents)		(10.34)	(2.43)

NOTES TO THE CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

1 Revenue and Other Income

	2013 000's \$	2012 000's \$
Revenue from continuing operations		
- Bathroom and kitchen products	4,188	7,943
- Solarpower products	7,572	16,103
- Bompani products	1,058	398
- Interest	32	123
Total Revenue	12,850	24,567
Other Income		
- Insurance recovery	-	170
- Other income	39	73
- Net foreign exchange gains	-	124
Total other income	39	367
Total Revenue and Other Income	12,889	24,934

2 Expenses

The result for the year includes the following specific expenses:

	2013 000's \$	2012 000's \$
Loss on disposal of assets	15	-
Bad and doubtful debts	91	67
Defined contribution superannuation expense	177	172
Net foreign exchange losses	49	-
Freight out	592	807
Inventory write down	271	224
Warranty costs	686	163
Rental expense on operating leases		
- minimum lease payments	388	527

3 Income Tax Benefit

	2013 000's \$	2012 000's \$
Components of income tax benefit		
Current tax expense		
Local income tax - current period	-	-
Deferred tax expense		
Relating to origination and reversal of temporary differences and tax losses	(1,286)	(285)
Total income tax benefit	(1,286)	(285)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Note	2013 000's \$	2012 000's \$
ASSETS			
Current Assets			
Cash and cash equivalents		1,169	2,936
Trade and other receivables		2,232	3,405
Inventories		5,896	6,212
Current tax receivable		-	204
Other assets		220	191
Total Current Assets		9,517	12,948
Non-Current Assets			
Property, plant and equipment		232	218
Intangible assets		562	634
Deferred tax assets		1,742	456
Total Non-Current Assets		2,536	1,308
TOTAL ASSETS		12,053	14,256
LIABILITIES			
Current Liabilities			
Trade and other payables		1,678	1,960
Provisions		509	263
Total Current Liabilities		2,187	2,223
Non-Current Liabilities			
Provisions		15	22
Total Non-Current Liabilities		15	22
TOTAL LIABILITIES		2,202	2,245
NET ASSETS		9,851	12,011
EQUITY			
Issued capital	(a)	7,284	6,524
Retained earnings		2,812	5,530
Total equity attributable to equity holders of AstiVita Renewables Limited		10,096	12,054
Non-controlling interest		(245)	(43)
TOTAL EQUITY		9,851	12,011

(a) Changes in issued capital

On 13 March 2013 the company invited its shareholders to subscribe to a non-renounceable rights issue of ordinary shares at an issue price of \$0.13 per share on a one for one basis of 1 share for every fully or partly paid ordinary shares held, with such shares to be issued on 19 April 2013. The offer was approximately 50% subscribed.

Management completed an on-market share buy-back of 4,924,568 shares on 26 June 2013 as approved at an Extraordinary General meeting on 25 June 2013. Shares on issue after the buy-back and cancellation amounted to 31,114,866. Shares were bought back at \$0.16 cents. The completion of this on-market share buy-back resulted in the reduction of ordinary shares on issue by 14%. Settlement of the share buy-back was completed in July 2013.

CONSOLIDATED STATEMENT OF CASH FLOWS

	2013 000's \$	2012 000's \$
Cash flows from operating activities		
Receipts from customers (including GST)	15,257	29,809
Payments to suppliers and employees (including GST)	(18,734)	(26,967)
Interest received	32	112
Income tax refunded/(paid)	204	(1,438)
Insurance recovery	-	170
Net cash (outflow) inflow from operating activities	(3,241)	1,686
Cash flows from investing activities		
Proceeds from sale of plant and equipment	41	-
Payments for property, plant and equipment	(127)	(190)
Payment for intangible assets	(12)	(433)
Net cash (outflow) from investing activities	(98)	(623)
Cash flows from financing activities		
Proceeds from issue of shares	1,572	-
Dividends paid	-	(621)
Net cash inflow (outflow) from financing activities	1,572	(621)
Net increase (decrease) in cash and cash equivalents	(1,767)	442
Cash and cash equivalents at beginning of year	2,936	2,494
Cash and cash equivalents at end of financial year	1,169	2,936

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

2013

	Ordinary Shares 000's \$	Retained Earnings 000's \$	Total attributable to parent 000's \$	Non- controlling Interests 000's \$	Total 000's \$
Balance at 1 July 2012	6,524	5,530	12,054	(43)	12,011
Comprehensive income for the year					
Loss for the year	-	(2,718)	(2,718)	(202)	(2,920)
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	(2,718)	(2,718)	(202)	(2,920)
Transactions with owners in their capacity as owners					
Shares issued during the year	1,572	-	1,572	-	1,572
Shares bought back during the year	(812)	-	(812)	-	(812)
	760	-	760	-	760
Balance at 30 June 2013	7,284	2,812	10,096	(245)	9,851

2012

	Ordinary Shares 000's \$	Retained Earnings 000's \$	Total attributable to parent 000's \$	Non- controlling Interests 000's \$	Total 000's \$
Balance at 1 July 2011	6,206	7,046	13,252	14	13,266
Comprehensive income for the year					
Loss for the year	-	(577)	(577)	(57)	(634)
Other comprehensive income for the year	-	-	-	-	-
Total comprehensive income for the year	-	(577)	(577)	(57)	(634)
Transactions with owners in their capacity as owners					
Shares issued during the year	318	-	318	-	318
Dividends paid or provided for	-	(939)	(939)	-	(939)
	318	(939)	(621)	-	(621)
Balance at 30 June 2012	6,524	5,530	12,054	(43)	12,011

DIVIDENDS PAID

	2013 000's \$	2012 000's \$
2011 Final dividend of 4 cents (fully franked at 30%) per fully paid share paid 2 December 2011	-	939
Total	-	939
Dividends were paid as follows:		
Dividends paid in cash	-	621
Dividend re-investment plan	-	318
Total	-	939

SEGMENT INFORMATION

	AstiVita B&K		Solarpower		Bompani		Total	
	2013 000's \$	2012 000's \$	2013 000's \$	2012 000's \$	2013 000's \$	2012 000's \$	2013 000's \$	2012 000's \$
Revenue								
Revenue from external customers	4,188	7,943	7,572	16,103	1,059	398	12,819	24,444
Inter-segment revenue	116	-	-	-	-	-	116	-
Interest revenue	13	32	15	91	-	-	28	123
Total segment revenue	4,317	7,975	7,587	16,194	1,059	398	12,963	24,567
Other income	5	59	2	81	-	8	7	148
Other income - insurance recoveries	-	170	-	-	-	-	-	170
Total segment revenue & other income	4,322	8,204	7,589	16,275	1,059	406	12,970	24,885
Intersegment elimination							(116)	-
Unallocated revenue and other income							35	49
Total revenue and other income							12,889	24,934
Segment net profit/(loss) before tax	(1,801)	(827)	(802)	1,493	(578)	(163)	(3,181)	503
Corporate expenses							(863)	(1,340)
Depreciation and amortisation							(140)	(82)
Intersegment eliminations							(22)	-
(Loss) before income tax							(4,206)	(919)
Segment assets								
Total segment assets	3,132	5,771	4,388	7,999	1,590	1,101	9,110	14,871
Intersegment eliminations							(22)	(2,280)
Other unallocated assets								
- Cash and cash equivalents							422	152
- Trade and other receivables							-	1
- Other assets							7	-
- Current tax asset							-	204
- Property, plant and equipment							232	218
- Intangible assets							562	634
- Deferred tax assets							1,742	456
Total assets per the consolidated statement of financial position							12,053	14,256
Segment liabilities								
Total segment liabilities	1,081	1,920	1,310	4,119	2,304	1,236	4,695	7,275
Intersegment eliminations							(3,586)	(5,314)
Other unallocated assets								
- Trade and other payables							972	173
- Provisions							121	111
Total liabilities per the consolidated statement of financial position							2,202	2,245