



**Company Announcements Office
Australian Stock Exchange
4th Floor, 20 Bridge Street
Sydney NSW**

26 February 2015

Dear Sir/Madam

Please find following the Appendix 4D and Half-Year Financial Report of Ambertech Limited for the period ended 31 December 2014.

Kind regards

**Robert Glasson
Company Secretary**



Ambertech Limited and Controlled Entities

ACN 079 080 158

Appendix 4D and Half Year Report

Period Ended 31 December 2014

For Immediate Release 26 February 2015

Results for Announcement to the market

Further Explanation of the Results

Outlook for the business

Financial Data

Half Year Financial Report



Results for Announcement to the Market

For the period ended 31 December 2014

Key Information

The following information is provided to the ASX under listing rule 4.2A.

	31 Dec 14 \$'000	31 Dec 13 \$'000	Movement \$'000	%
Revenue from ordinary activities	26,875	26,550	325	1.22
Profit after income tax for the period attributable to members	3	294	(291)	(98.98)
Net profit for the period attributable to members	3	294	(291)	(98.98)

Dividend History

The Board has advised that there will be no interim dividend in respect of the period ended 31 December 2014.

	Amount	Franked
Interim dividends		
In respect of the half-year ended 31 December 2014	Nil	100%
In respect of the half-year ended 31 December 2013	Nil	100%
Final Dividends		
In respect of the year ended 30 June 2014	Nil	100%
In respect of the year ended 30 June 2013	Nil	100%

Key Ratios

	31 Dec 14	31 Dec 13
Net tangible assets per security	32.3c	36.7c

Further Explanation of the results follows in the attached commentary and Half Year Financial Report



Further Explanation of the Results

For the period ended 31 December 2014

Segment Results

Lifestyle Entertainment Segment

Sales revenue up 10.2% to \$14,761,000 (Dec 13: \$13,392,000). **EBIT** down 27.9% to \$346,000 (Dec 13: \$480,000).

Ambertech's lifestyle entertainment segment distributes leading brands through a variety of channels. During the period under review our individual brand performance continued to improve and as a result revenue was up on the prior corresponding period. We are now in the process of finalising our new go to market strategy for this segment of our business to improve EBIT performance in the future.

Professional Segment

Sales revenue down 8.1% to \$10,598,000 (Dec 13: \$11,530,000). **EBIT** down 32.9% to \$214,000 (Dec 13: \$319,000).

Ambertech's professional segment continues to enhance its reputation as a preferred supplier of high technology equipment in Australia. During the period under review revenue and EBIT were lower due to timing of project work.

Results in this segment can fluctuate depending on the number of projects completed during the period under review.

New Zealand Segment

Sales revenue down 3.9% to \$1,636,000 (Dec 13: \$1,702,000). **EBIT** down 518.0% to \$(68,000) (Dec 13: \$(11,000)).

Ambertech has focused on expanding our product offerings in New Zealand and leveraging more off our Australian operations in order to restore profitability to this segment. During the period under review we have continued to see market share gains, however the timing of project work contributed to the loss reported for the period.

Outlook for the business

The Board and management of Ambertech continue to focus on returning the business to more consistent revenue and profit results. During the period under review we have completed our restructure of brand representation whilst working towards a new operating structure for the future of the business. During the second half of the financial year we will continue to fine-tune aspects of the business to facilitate growth in existing and new markets across each of our market segments.

On behalf of the Board

Robert Glasson
Company Secretary



Financial Data

	31 Dec 14 \$'000	31 Dec 13 \$'000	Movement	
			\$'000	%
Sales Revenue				
Lifestyle Entertainment	14,761	13,392		
Professional	10,598	11,529		
New Zealand	1,636	1,702		
Inter-segment	(131)	(87)		
Total Sales Revenue	26,864	26,536	328	1.2
Segment Result				
Lifestyle Entertainment	346	480		
Professional	214	319		
New Zealand	(68)	(11)		
Unallocated/Corporate	(33)	(197)		
Earnings before interest and tax (EBIT)	459	591	(331)	(56.0)
Net interest expense	(440)	(141)		
Net profit/(loss) before tax	19	450	(431)	(95.8)
Income tax expense	(16)	(156)		
Net profit for the period	3	294	(291)	(99.0)
Key Ratios				
EBIT/Sales	1.0%	2.2%		
Inventory/Sales	24.4%	27.1%		
Receivables/Sales	18.5%	15.7%		
Basic earnings per share	0.0c	1.0c		

For further information, please contact our Company Secretary, Mr Robert Glasson.



AMBERTECH LIMITED AND CONTROLLED ENTITIES
ACN 079 080 158

HALF-YEAR FINANCIAL REPORT
PERIOD ENDED 31 DECEMBER 2014

AMBERTECH LIMITED AND CONTROLLED ENTITIES

ACN 079 080 158

DIRECTORS' REPORT

FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

Your directors submit the financial report of Ambertech Limited (referred to hereafter as the consolidated entity) comprising Ambertech Limited and the entities it controlled for the half-year ended 31 December 2014.

Directors

The following persons were directors of Ambertech Limited during the whole of the financial half-year and up to the date of this report, unless otherwise stated.

Peter Francis Wallace
Peter Andrew Amos
Edwin Francis Goodwin
Thomas Robert Amos
David Rostil Swift

Review of Operations

A review of the operations of the consolidated entity during the half-year and the results of these operations are set out in the attached Appendix 4D.

Results of Operations

The consolidated result after providing for income tax for the period ended 31 December 2014 was \$3,000, down on the previous corresponding period (2013: \$294,000) mainly due to increased finance costs and lower margins. Revenue for the period was \$26,875,000 (2013: \$26,550,000). Further information on the operating results are included in the attached Appendix 4D.

Dividend

There were no dividends paid or declared during the half-year ended 31 December 2014.

Rounding of Amounts

The company is an entity to which Class Order 98/100 applies and, in accordance with this class order, amounts in this report and the financial report have been rounded off to the nearest thousand dollars unless otherwise indicated.

Auditor's Independence Declaration

The auditor's independence declaration under section 307C of the Corporations Act 2001 is set out on page 2.

Signed in accordance with a resolution of directors.



P F Wallace
Chairman of Directors



P A Amos
Managing Director

Dated this 26th day of February 2015
Sydney

DECLARATION OF INDEPENDENCE BY TIM SYDENHAM TO THE DIRECTORS OF AMBERTECH LIMITED

As lead auditor for the review of Ambertech Limited for the half-year ended 31 December 2014, 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 review; and
2. No contraventions of any applicable code of professional conduct in relation to the review.

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



Tim Sydenham
Partner

BDO East Coast Partnership

Sydney, 26 February 2015

AMBERTECH LIMITED AND CONTROLLED ENTITIES

ACN 079 080 158

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

	31-Dec-14 \$'000	31-Dec-13 \$'000
Revenues	26,875	26,550
Cost of sales	(18,956)	(18,468)
Gross Profit	7,919	8,082
Other income	-	40
Employee benefits expense	(4,275)	(4,236)
Distribution costs	(910)	(789)
Marketing costs	(521)	(629)
Premises costs	(958)	(952)
Travel costs	(233)	(261)
Depreciation and amortisation expense	(139)	(148)
Finance costs	(440)	(229)
Other expenses	(424)	(428)
Profit before income tax	19	450
Income tax expense	(16)	(156)
Profit after income tax expense for the half-year	3	294
Other comprehensive income		
Exchange differences on translation of foreign operations	25	73
Total comprehensive income for the half-year	28	367
Earnings per share		
Basic earnings per share (cents)	0.0	1.0
Diluted earnings per share (cents)	0.0	1.0

The above consolidated statement of profit or loss and other comprehensive income should be read in conjunction with the accompanying notes.

AMBERTECH LIMITED AND CONTROLLED ENTITIES
ACN 079 080 158
CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2014

	Note	31-Dec-14 \$'000	30-Jun-14 \$'000
<u>ASSETS</u>			
CURRENT ASSETS			
Cash and cash equivalents		1,623	511
Trade and other receivables		9,955	8,242
Current tax assets		11	11
Inventories		13,088	13,760
TOTAL CURRENT ASSETS		24,677	22,524
NON-CURRENT ASSETS			
Plant and equipment		1,481	1,575
Intangible assets		20	25
Deferred tax assets		2,376	2,387
TOTAL NON-CURRENT ASSETS		3,877	3,987
TOTAL ASSETS		28,554	26,511
<u>LIABILITIES</u>			
CURRENT LIABILITIES			
Trade and other payables		8,030	8,258
Other financial liabilities	3	6,215	4,007
Provisions		1,743	1,706
TOTAL CURRENT LIABILITIES		15,988	13,971
NON-CURRENT LIABILITIES			
Provisions		254	240
Other financial liabilities		43	58
Deferred tax liabilities		2	3
TOTAL NON-CURRENT LIABILITIES		299	301
TOTAL LIABILITIES		16,287	14,272
NET ASSETS		12,267	12,239
<u>EQUITY</u>			
Share capital		11,138	11,138
Reserves		38	13
Retained earnings		1,091	1,088
TOTAL EQUITY		12,267	12,239

The above consolidated statement of financial position should be read in conjunction with the accompanying notes.

AMBERTECH LIMITED AND CONTROLLED ENTITIES
ACN 079 080 158

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

	Share Capital \$'000	Option Reserve \$'000	Foreign Currency Translation Reserve \$'000	Retained Earnings \$'000	Total Equity \$'000
Balance as at 1 July 2014	11,138	-	13	1,088	12,239
Profit for the half-year	-	-	-	3	3
Exchange differences on translation of foreign operations	-	-	25	-	25
Total comprehensive income for the half-year	-	-	25	3	28
Transactions with equity holders:					
Costs of share based payments	-	-	-	-	-
Balance as at 31 December 2014	11,138	-	38	1,091	12,267
Balance as at 1 July 2013	11,138	-	(69)	2,088	13,157
Profit for the half-year	-	-	-	294	294
Exchange differences on translation of foreign operations	-	-	73	-	73
Total comprehensive income for the half-year	-	-	73	294	367
Transactions with equity holders:					
Costs of share based payments	-	-	-	-	-
Balance as at 31 December 2013	11,138	-	4	2,382	13,524

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

AMBERTECH LIMITED AND CONTROLLED ENTITIES
ACN 079 080 158
CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

	31-Dec-14	31-Dec-13
	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	27,981	32,469
Payments to suppliers and employees	(26,566)	(29,744)
Interest received	11	14
Interest and other costs of finance paid	(440)	(230)
Income taxes paid	-	-
Goods and services tax remitted	(2,008)	(4,131)
Net cash (used in) operating activities	(1,022)	(1,622)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for purchase of plant and equipment	(40)	(29)
Net cash (used in) investing activities	(40)	(29)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	5,822	-
Repayment of borrowings	(3,641)	(5)
Net cash provided by (used in) financing activities	2,181	(5)
Net increase/(decrease) in cash and cash equivalents held	1,119	(1,656)
Cash and cash equivalents at beginning of period	511	2,843
Effect of exchange rate changes on cash and cash equivalents	(7)	(24)
Cash and cash equivalents at end of period	1,623	1,163

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

AMBERTECH LIMITED AND CONTROLLED ENTITIES
ACN 079 080 158

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

NOTE 1: STATEMENT OF COMPLIANCE

This general purpose interim financial report for the half-year ended 31 December 2014 has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001, as appropriate for for-profit oriented entities. Compliance with AASB 134 ensures compliance with International financial Reporting Standard IAS 34 'interim financial reporting'.

This interim financial report does not include all the notes of a type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the most recent annual financial report for the year ended 30 June 2014 and any public announcements made by Ambertech Limited during the interim financial reporting period in accordance with the continuous disclosure requirements of the Corporations Act 2001.

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied in preparing this financial report for the half-year ended 31 December 2014 are consistent with those applied in the annual financial report for the year ended 30 June 2014, 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 new, revised or amending Accounting Standards or Interpretations that are not yet mandatory have not been early adopted.

Any significant impact on the accounting policies of the consolidated entity from the adoption of these Accounting Standards and Interpretations are disclosed in the relevant accounting policy. The adoption of these Accounting Standards and Interpretations did not have any significant impact on the financial performance or position of the consolidated entity.

The following new Accounting Standards and Interpretations are most relevant to the consolidated entity:

AASB 2012-3 Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities

The consolidated entity has applied AASB 2012-3 from 1 July 2014. The amendments add application guidance to address inconsistencies in the application of the offsetting criteria in AASB 132 'Financial Instruments: Presentation', by clarifying the meaning of 'currently has a legally enforceable right of set-off'; and clarifies that some gross settlement systems may be considered to be equivalent to net settlement.

AASB 2013-3 Amendments to AASB 136 - Recoverable Amount Disclosures for Non-Financial Assets

The consolidated entity has applied AASB 2013-3 from 1 July 2014. The disclosure requirements of AASB 136 'Impairment of Assets' have been enhanced to require additional information about the fair value measurement when the recoverable amount of impaired assets is based on fair value less costs of disposals. Additionally, if measured using a present value technique, the discount rate is required to be disclosed.

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (continued)

AASB 2014-1 Amendments to Australian Accounting Standards (Parts A to C)

The consolidated entity has applied Parts A to C of AASB 2014-1 from 1 July 2014. These amendments affect the following standards: AASB 2 'Share-based Payment': clarifies the definition of 'vesting condition' by separately defining a 'performance condition' and a 'service condition' and amends the definition of 'market condition'; AASB 3 'Business Combinations': clarifies that contingent consideration in a business combination is subsequently measured at fair value with changes in fair value recognised in profit or loss irrespective of whether the contingent consideration is within the scope of AASB 9; AASB 8 'Operating Segments': amended to require disclosures of judgements made in applying the aggregation criteria and clarifies that a reconciliation of the total reportable segment assets to the entity's assets is required only if segment assets are reported regularly to the chief operating decision maker; AASB 13 'Fair Value Measurement': clarifies that the portfolio exemption applies to the valuation of contracts within the scope of AASB 9 and AASB 139; AASB 116 'Property, Plant and Equipment' and AASB 138 'Intangible Assets': clarifies that on revaluation, restatement of accumulated depreciation will not necessarily be in the same proportion to the change in the gross carrying value of the asset; AASB 124 'Related Party Disclosures': extends the definition of 'related party' to include a management entity that provides KMP services to the entity or its parent and requires disclosure of the fees paid to the management entity; AASB 140 'Investment Property': clarifies that the acquisition of an investment property may constitute a business combination.

NOTE 3: Other Financial Liabilities

On 4 August 2014, the consolidated entity announced that management has successfully negotiated a new two year finance facility with Bibby Financial Services. The new facility is an invoice discounting solution with approval up to \$6M and replaces the Commonwealth Bank of Australia as the primary lenders to the business. Funds drawn down from Bibby Financial services were utilised to completely repay the CBA commercial bills \$3,625,000 at the end of July 2014. Subsequently further funds have been drawn down from the Bibby facility resulting in a balance at 31 December 2014 of \$5,767,000.

	Dec-14 \$'000	Jun-14 \$'000
CBA commercial bills	-	3,625
Bibby Financial Services	5,767	-
Other interest bearing liabilities	<u>448</u>	<u>382</u>
Other financial liabilities	6,215	4,007

NOTE 4: EVENTS SUBSEQUENT TO REPORTING DATE

Since the end of the financial period, no matters have arisen which significantly affected or may significantly affect the operations of the consolidated entity, the results of those operations or the state of affairs of the consolidated entity in future financial years.

AMBERTECH LIMITED AND CONTROLLED ENTITIES
ACN 079 080 158

**NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014**

NOTE 5: DIVIDENDS

	31-Dec-14 \$'000	31-Dec-13 \$'000
Recognised as distributions to equity holders		
There was no fully franked final dividend paid during the half-year ended 31 December 2014.	-	-
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Declared before the interim report is authorised for issue but not recognised as distributions to equity holders at the end of the period		
Fully franked interim dividend	-	-
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NOTE 6: SEGMENT REPORTING

	Professional 31-Dec-14 \$'000	Lifestyle Entertainment 31-Dec-14 \$'000	New Zealand 31-Dec-14 \$'000	Eliminations 31-Dec-14 \$'000	Total 31-Dec-14 \$'000
Total segment revenue	10,598	14,705	1,561	-	26,864
Inter-segment revenue	-	56	75	(131)	-
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Revenue from external customers	10,598	14,761	1,636	(131)	26,864
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Result					
Segment EBIT	214	346	(68)	-	492
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Unallocated/corporate result					(33)
EBIT					459
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Net interest and finance costs					(440)
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Profit before income tax					19
Income tax expense					(16)
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Profit for the half-year					3
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AMBERTECH LIMITED AND CONTROLLED ENTITIES
ACN 079 080 158

NOTES TO AND FORMING PART OF THE FINANCIAL REPORT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

NOTE 6: SEGMENT REPORTING (continued)

	Professional 31-Dec-13 \$'000	Lifestyle Entertainment 31-Dec-13 \$'000	New Zealand 31-Dec-13 \$'000	Eliminations 31-Dec-13 \$'000	Total 31-Dec-13 \$'000
Total segment revenue	11,503	13,351	1,682	-	26,536
Inter-segment revenue	27	41	20	(88)	-
Revenue from external customers	11,530	13,392	1,702	(88)	26,536
Result					
Segment EBIT	319	480	(11)	-	788
Unallocated/corporate result					(197)
EBIT					591
Net interest and finance costs					(141)
Profit before income tax					450
Income tax expense					(156)
Profit for the half-year					294

	Professional \$'000	Lifestyle Entertainment \$'000	New Zealand \$'000	Unallocated/ Corporate \$'000	Total \$'000
Total Segment Assets					
31 December 2014	7,148	13,731	1,949	5,726	28,554
30 June 2014	7,698	13,711	1,968	3,134	26,511

AMBERTECH LIMITED AND CONTROLLED ENTITIES

ACN 079 080 158

DIRECTORS' DECLARATION

In the directors' opinion:

- the attached financial statements and notes thereto comply with the *Corporations Act 2001*, Australian Accounting Standard AASB 134 '*Interim Financial Reporting*', the *Corporations Regulations 2001* and other mandatory professional reporting requirements;
- the attached financial statements and notes thereto give a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the financial half-year ended on that date; and
- there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors made pursuant to section 303(5) of the *Corporations Act 2001*



P F Wallace
Chairman of Directors



P A Amos
Managing Director

Dated this 26th day of February 2015
Sydney

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Ambertech Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Ambertech Limited, which comprises the consolidated statement of financial position as at 31 December 2014, 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 half-year ended on that date, notes comprising a statement of accounting policies and other explanatory information, and the directors' declaration of the consolidated entity comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' Responsibility for the Half-Year Financial Report

The directors of the company are responsible for the preparation of the half-year 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 half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of Ambertech Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of Ambertech Limited, would be in the same terms if given to the directors as at the time of this auditor's review report.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Ambertech Limited is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*

BDO East Coast Partnership

The image shows a handwritten signature in black ink. Above the signature, the letters 'BDO' are written in a simple, hand-drawn style.

Tim Sydenham
Partner

Sydney, 26 February 2015