



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

21 February 2014

Dear Sir/Madam

Please find following the Appendix 4D and Half-Year Financial Report of Ambertech Limited for the period ended 31 December 2013.

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 2013

For Immediate Release 21 February 2014

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 2013

Key Information

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

	31 Dec 13 \$'000	31 Dec 12 \$'000	Movement \$'000	%
Revenue from ordinary activities	26,550	26,942	(392)	(1.45)
Profit after income tax for the period attributable to members	294	288	6	2.08

Dividend History

The Board has advised that there will be no interim dividend in respect of the period ended 31 December 2013.

	Amount	Franked
Interim dividends		
In respect of the half-year ended 31 December 2013	Nil	100%
In respect of the half-year ended 31 December 2012	Nil	100%
Final Dividends		
In respect of the year ended 30 June 2013	Nil	100%
In respect of the year ended 30 June 2012	Nil	100%

Key Ratios

	31 Dec 13	31 Dec 12
Net tangible assets per security	36.7c	46.3c

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 2013

Segment Results

Lifestyle Entertainment Segment

Sales revenue down 0.7% to \$13,392,000 (Dec 12: \$13,482,000). **EBIT** up 180.7% to \$480,000 (Dec 12: \$171,000).

Ambertech's lifestyle entertainment segment distributes leading brands through a variety of channels. During the period under review our individual brand performance was strong compared to the previous corresponding period. We have now largely completed our consolidation of brand representation and are focused on core and growing brands.

Whilst we are reporting lower revenues compared to the previous corresponding half year period, the impact of prior period restructures has allowed us to begin to grow the EBIT result for this segment of our business.

Professional Segment

Sales revenue down 2.8% to \$11,530,000 (Dec 12: \$11,867,000). **EBIT** down 30.2% to \$319,000 (Dec 12: \$457,000).

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 was down slightly, with the mix of project contracts returning lower margins than the previous corresponding period, and EBIT results for the period reflect those margins.

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

New Zealand Segment

Sales revenue up 2.0% to \$1,702,000 (Dec 12: \$1,669,000). **EBIT** down 200.0% to \$(11,000) (Dec 12: \$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 begun to see market share gains that will return this segment of our business to positive EBIT results in future periods.

Reclassification of Rebates

The economic entity has amended the classification of rebates provided to customers for the half year ended 31 December 2013. The comparative numbers for revenue, sale of goods and services, and cost of sales have been amended by \$1,051,000 to reflect this change in classification. The change in classification does not impact the net profit of the economic entity in either 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 largely completed our restructure of brand representation whilst returning a profit result. 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 13 \$'000	31 Dec 12 \$'000	Movement \$'000	%
Sales Revenue				
Lifestyle Entertainment	13,392	13,482		
Professional	11,529	11,867		
New Zealand	1,702	1,669		
Inter-segment	(87)	(93)		
Total Sales Revenue	26,536	26,925	(389)	(1.4)
Segment Result				
Lifestyle Entertainment	480	171		
Professional	319	457		
New Zealand	(11)	11		
Unallocated/Corporate	(197)	(143)		
Earnings before interest and tax (EBIT)	591	496	95	19.1
Net interest	(141)	(206)		
Net profit/(loss) before tax	450	290	160	55.2
Income tax expense	(156)	(2)		
Net profit for the period	294	288	6	2.1
Key Ratios				
EBIT/Sales	2.2%	1.8%		
Inventory/Sales	27.1%	23.8%		
Receivables/Sales	15.7%	16.6%		
Basic earnings per share	1.0c	0.9c		

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 2013

AMBERTECH LIMITED AND CONTROLLED ENTITIES

ACN 079 080 158

DIRECTORS' REPORT

FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

Your directors submit the financial report of the consolidated entity comprising Ambertech Limited and the entities it controlled for the half-year ended 31 December 2013.

Directors

The names of the directors who held office during or since the end of the half-year:

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 2013 was \$294,000, in line with the previous corresponding period. Revenue for the period was \$26,550,000, in line with the previous corresponding period. 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 2013.

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 21st day of February 2014
Sydney

DECLARATION OF INDEPENDENCE BY ARTHUR MILNER TO THE DIRECTORS OF AMBERTECH LIMITED

As lead auditor for the review of Ambertech Limited for the half-year ended 31 December 2013, I declare that to the best of my knowledge and belief, there have been:

- no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- 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.



Arthur Milner

Partner

BDO East Coast Partnership

Sydney, 21 February 2014

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 2013**

	31-Dec-13	31-Dec-12
	\$'000	\$'000
Revenues	26,550	26,942
Cost of sales	(18,468)	(18,878)
Gross Profit	8,082	8,064
Other Income	40	81
Employee benefits expense	(4,236)	(4,423)
Distribution costs	(789)	(657)
Marketing costs	(629)	(708)
Premises costs	(952)	(920)
Travel costs	(261)	(271)
Depreciation and amortisation expenses	(148)	(179)
Finance costs	(229)	(224)
Other expenses	(428)	(473)
Profit before income tax	450	290
Income tax (expense)	(156)	(2)
Profit after income tax expense for the half-year	294	288
 Other comprehensive income		
Exchange differences on translation of foreign operations	73	12
Total comprehensive income for the half-year	367	300
 Earnings per share		
Basic earnings per share (cents)	1.0	0.9
Diluted earnings per share (cents)	1.0	0.9

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
FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

	31-Dec-13 \$'000	30-Jun-13 \$'000
<u>ASSETS</u>		
CURRENT ASSETS		
Cash and cash equivalents	1,163	2,843
Trade and other receivables	8,317	8,935
Current tax assets	11	10
Inventories	14,380	12,835
TOTAL CURRENT ASSETS	23,871	24,623
NON-CURRENT ASSETS		
Plant and equipment	1,688	1,794
Intangible assets	29	40
Deferred tax assets	2,288	2,421
TOTAL NON-CURRENT ASSETS	4,005	4,255
TOTAL ASSETS	27,876	28,878
<u>LIABILITIES</u>		
CURRENT LIABILITIES		
Trade and other payables	8,554	9,983
Other financial liabilities	3,857	3,844
Provisions	1,526	1,454
TOTAL CURRENT LIABILITIES	13,937	15,281
NON-CURRENT LIABILITIES		
Provisions	279	299
Other financial liabilities	75	91
Deferred tax liabilities	61	50
TOTAL NON-CURRENT LIABILITIES	415	440
TOTAL LIABILITIES	14,352	15,721
NET ASSETS	13,524	13,157
<u>EQUITY</u>		
Share capital	11,138	11,138
Reserves	4	(69)
Retained earnings	2,382	2,088
TOTAL EQUITY	13,524	13,157

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 2013**

	Share Capital \$'000	Option Reserve \$'000	Foreign Currency Translation Reserve \$'000	Retained Earnings \$'000	Total Equity \$'000
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
Balance as at 1 July 2012	11,138	-	(118)	4,285	15,305
Profit for the half-year	-	-	-	288	288
Exchange differences on translation of foreign operations	-	-	12	-	12
Total comprehensive income for the half-year	-	-	12	288	300
Transactions with equity holders:					
Costs of share based payments	-	-	-	-	-
Balance as at 31 December 2012	11,138	-	(106)	4,573	15,605

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 2013

	31-Dec-13 \$'000	31-Dec-12 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	32,469	28,201
Payments to suppliers and employees	(29,744)	(27,532)
Interest received	14	18
Interest and other costs of finance paid	(230)	(224)
Income taxes paid	-	-
Goods and services tax remitted	(4,131)	(1,984)
Net cash (used in) operating activities	(1,622)	(1,521)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for purchase of plant and equipment	(29)	(107)
Payments for intangible assets - web site costs	-	-
Net cash (used in) investing activities	(29)	(107)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	-	503
Repayment of borrowings	(5)	-
Net cash (used in) provided by financing activities	(5)	503
Net (decrease) in cash and cash equivalents held	(1,656)	(1,125)
Cash and cash equivalents at beginning of period	2,843	2,495
Effect of exchange rate changes on cash and cash equivalents	(24)	-
Cash and cash equivalents at end of period	1,163	1,370

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 2013**

NOTE 1: STATEMENT OF COMPLIANCE

This general purpose interim financial report for the half-year ended 31 December 2013 has been prepared in accordance with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Act 2001.

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 2013 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 2013 are consistent with those applied in the annual financial report for the year ended 30 June 2013, except as set out below:

Accounting Standards not Previously Applied

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:

(i) **AASB 10 Consolidation (effective from 1 January 2013)**

AASB 10 primarily deals with:

- (a) power over the investee;
- (b) exposure, or rights, to variable returns from its involvement with the investee; and
- (c) the ability to use its power over the investee to affect the amount of the investor's returns.

(ii) **AASB 12 Disclosure of Interests in Other Entities (effective from 1 January 2013)**

AASB 12 provides the disclosure requirements for entities that have an interest in a subsidiary, a joint arrangement, an associate or an unconsolidated structured entity. As such, it pulls together and replaces disclosure requirements from many existing standards.

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 2013**

NOTE 2: SIGNIFICANT ACCOUNTING POLICIES (continued)

- (iii) AASB 13 Fair Value Measurement (effective from 1 January 2013)

AASB 13:

- (a) defines fair value;
- (b) sets out in a single IFRS a framework for measuring fair value; and
- (c) requires disclosures about fair value measurements.

- (iv) AASB 119 Employee Benefits (effective from 1 January 2013) and AASB 2011-10 Amendments to Australian Accounting Standards arising from AASB 119 (effective from 1 January 2013). The amendments changed the definition of short-term employee benefits, from "due to" to "expected to" be settled within 12 months. This will require annual leave that is not expected to be wholly settled within 12 months to be discounted allowing for expected salary levels in the future period when the leave is expected to be taken.
- (v) AASB 2010-7 Amendments to Australian Accounting Standards arising from AASB 9 (December 2010) [AASB 1, 3, 4, 5, 7, 101, 102, 108, 112, 118, 120, 121, 127, 128, 131, 132, 136, 137, 139, 1023 & 1038 and Interpretations 2, 5, 10, 12, 19 & 127] (effective from 1 January 2013)
- (vi) AASB 2011-4 Amendments to Australian Accounting Standards to Remove Individual Key Management Personnel Disclosure Requirements [AASB 124] (effective from 1 July 2013)
- (vii) AASB 2012-2 Amendments to Australian Accounting Standards - Disclosures - Offsetting Financial Assets and Financial Liabilities [AASB 7 & AASB 132] (effective from 1 January 2013)
- (viii) AASB 2012-5 Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle [AASB 1, AASB 101, AASB 116, AASB 132 & AASB 134 and Interpretation 2] (effective from 1 January 2013)

New Accounting Standards issued but not yet effective

The following standards, amendments to standards and interpretations have been identified as those which may impact the economic entity in the period of initial application. They are available for early adoption at 31 December 2013, but have not been applied in preparing these financial statements.

- (i) AASB 9 Financial Instruments (effective from 1 January 2015)
- (ii) AASB 2012-3 Amendments to Australian Accounting Standards - Offsetting Financial Assets and Financial Liabilities [AASB 132] (effective from 1 January 2014)

NOTE 3: EVENTS SUBSEQUENT TO REPORTING DATE

Since the end of the financial year, no matters have arisen which significantly affected or may significantly affect the operations of the economic entity, the results of those operations or the state of affairs of the economic 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 2013

NOTE 4: DIVIDENDS

	31-Dec-13 \$'000	31-Dec-12 \$'000
Recognised as distributions to equity holders		
There was no fully franked final dividend paid during the half-year ended 31 December 2013.	-	-
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	-	-

NOTE 5: SEGMENT REPORTING

	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

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 2013

NOTE 5: SEGMENT REPORTING (continued)

	Professional 31-Dec-12 \$'000	Lifestyle Entertainment 31-Dec-12 \$'000	New Zealand 31-Dec-12 \$'000	Eliminations 31-Dec-12 \$'000	Total 31-Dec-12 \$'000
Total segment revenue	11,842	13,460	1,623	-	26,925
Inter-segment revenue	25	22	46	(93)	-
Revenue from external customers	11,867	13,482	1,669	(93)	26,925
Result					
Segment EBIT	457	171	11	-	639
Unallocated/corporate result					(143)
EBIT					496
Net interest and finance costs					(206)
Loss before income tax					290
Income tax expense					(2)
Loss for the half-year					288

	Professional \$'000	Lifestyle Entertainment \$'000	New Zealand \$'000	Unallocated/ Corporate \$'000	Total \$'000
Total Segment Assets					
31 December 2013	6,971	13,574	1,868	5,463	27,876
30 June 2013	11,604	11,727	1,857	3,619	28,807

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 *Corporate 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 2013 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 21st day of February 2014
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 2013, and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, notes comprising a statement of significant 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 disclosing entity's financial position as at 31 December 2013 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 2013 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

A handwritten signature in black ink, appearing to read 'BDO' on the top line and 'AM' on the bottom line.

Arthur Milner
Partner

Sydney, 21 February 2014