



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

16 February 2018

Dear Sir/Madam

Please find following the Appendix 4D and Half-Year Financial Report of Ambertech Limited for the period ended 31 December 2017.

Kind regards

A handwritten signature in black ink, appearing to read "R. Glasson", written in a cursive style.

Robert Glasson
Company Secretary



Ambertech Limited and Controlled Entities
ACN 079 080 158

Appendix 4D and Half Year Report
Period Ended 31 December 2017

For Immediate Release 16 February 2018

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 2017

Key Information

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

	31 Dec 17 \$'000	31 Dec 16 \$'000	Movement	
			\$'000	%
Revenue from ordinary activities	27,293	26,236	1,057	4.03
Profit after income tax for the period attributable to members	488	461	27	5.86
Net profit for the period attributable to members	488	461	27	5.86

Dividend History

The Board has advised that there will be no interim dividend in respect of the period ended 31 December 2017.

	Amount	Franked
Interim dividends		
In respect of the half-year ended 31 December 2017	Nil	100%
In respect of the half-year ended 31 December 2016	Nil	100%
Final Dividends		
In respect of the year ended 30 June 2017	Nil	100%
In respect of the year ended 30 June 2016	Nil	100%

Key Ratios

	31 Dec 17	31 Dec 16
Net tangible assets per security	30.9c	33.0c

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 2017

Result for the year

	31 Dec 17 \$'000	31 Dec 16 \$'000	Change %
EBIT	803	717	12.0
Net finance costs	(327)	(306)	
Profit before income tax	476	411	15.8

The result for the half year ended 31 December 2017 was an improvement over the previous corresponding period. EBIT and NPBT growth was driven by a strong half year for our Lifestyle Entertainment Segment. Other segments of the business experienced a difficult first half, however we believe that there will be improvements in these areas in the second half of the financial year.

Inventory levels have increased in the period from June 17, due to increased levels of inventory in transit from overseas suppliers at this time of the year. Underlying (on hand) inventory levels continue to reduce as we look to consolidate efforts to increase return on inventory investments. Other key business metrics remained steady or improved over the period.

Further explanation of the result is included in the segment results below.



Segment Results

Lifestyle Entertainment Segment

Sales revenue up 6.1% to \$15,229,000 (Dec 16: \$14,357,000). **EBIT** up 53.0% to \$1,161,000 (Dec 16: \$759,000).

Sales and EBIT performance were improved for the period to December 2017. These improvements were underpinned by improved sales results from our dealer network in residential and commercial installation markets. During the period our sales to the major Consumer Electronics retailers remained steady, and we continue to maintain strong relationships with our retail partners to ensure ongoing successes.

Professional Segment

Sales revenue up 5.2% to \$10,562,000 (Dec 16: \$10,039,000). **EBIT** down 186% to \$(122,000) (Dec 16: \$142,000).

Our Professional segment had a number of successes during the period, which is highlighted by the improvement in sales revenue for the period. Despite this, the EBIT result for the period was down, primarily a result of the mix of business activities. In particular, our media systems group completed some "market-seeding" projects at lower margin this period, with the benefits of this intended to come in future periods. Our pipeline for project work is strong and we are hopeful of reflecting this in second half performance.

New Zealand Segment

Sales revenue down 14.2% to \$1,682,000 (Dec 16: \$1,960,000). **EBIT** down 233% to \$(110,000) (Dec 16: \$(33,000)).

The period to 31 December 2017 was a difficult one for our New Zealand operation with the domestic political and economic climate stifling business activity during the traditionally busy months in the lead up to Christmas. These factors appear to have now receded, and along with our focus on expanding our product offerings in New Zealand and leveraging more off our Australian operations we believe we can restore profitability to this segment.

Outlook for the business

The second half of the year has been more difficult for the business in recent years, however there is a strong forward order book at present and we remain very active in seeking new agencies to complement our portfolio. Our pipeline for completing capital equipment sales in our media systems area continues to be encouraging, across both our traditional media market and new growth area markets.

On behalf of the Board

Robert Glasson
Company Secretary

Financial Data

	31 Dec 17	31 Dec 16	Movement	
	\$'000	\$'000	\$'000	%
Sales Revenue				
Lifestyle Entertainment	15,229	14,357		
Professional	10,562	10,039		
New Zealand	1,682	1,960		
Inter-segment	(188)	(128)		
Total Sales Revenue	27,285	26,228	1,057	4.0
Segment Result				
Lifestyle Entertainment	1,161	759		
Professional	(122)	142		
New Zealand	(110)	(33)		
Unallocated/Corporate	(126)	(151)		
Earnings before interest and tax (EBIT)	803	717	86	12.0
Net interest expense	(327)	(306)		
Net profit before tax	476	411	65	15.8
Income tax benefit	12	50		
Net profit for the period	488	461	27	5.9
Key Ratios				
EBIT/Sales	2.9%	2.7%		
Inventory/Sales	22.7%	25.6%		
Receivables/Sales	17.1%	17.1%		
Basic earnings per share	1.6c	1.5c		

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 2017

**AMBERTECH LIMITED AND CONTROLLED ENTITIES
ACN 079 080 158**

**DIRECTORS' REPORT
FOR THE HALF-YEAR ENDED 31 DECEMBER 2017**

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 2017.

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 profit after providing for income tax for the period ended 31 December 2017 was \$488,000, up by \$27,000 on the previous corresponding period (2016: \$461,000). Revenue for the period was \$27,293,000 (2016: \$26,236,000). 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 2017.

Rounding of Amounts

The parent entity has applied the relief available to it under ASIC Corporations Instrument 2016/191 (Rounding in Financial/Directors' Reports). Accordingly, amounts in the financial statements have been rounded off to the nearest \$1,000.

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 16th day of February 2018
Sydney

DECLARATION OF INDEPENDENCE BY PAUL BULL TO THE DIRECTORS OF AMBERTECH LIMITED

As lead auditor for the review of Ambertech Limited for the half-year ended 31 December 2017, 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.



Paul Bull
Partner

BDO East Coast Partnership

Sydney, 16 February 2018

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 2017

	31-Dec-17 \$'000	31-Dec-16 \$'000
Revenues	27,293	26,236
Cost of sales	(18,792)	(17,653)
Gross Profit	8,501	8,583
Other income	-	-
Employee benefits expense	(4,634)	(4,519)
Distribution costs	(728)	(772)
Marketing costs	(482)	(695)
Premises costs	(980)	(997)
Travel costs	(216)	(211)
Depreciation and amortisation expense	(129)	(130)
Finance costs	(327)	(306)
Other expenses	(529)	(542)
Profit before income tax	476	411
Income tax benefit	12	50
Profit after income tax for the half-year	488	461
Other comprehensive income		
Exchange differences on translation of foreign operations	(49)	9
Total comprehensive income for the half-year	439	470
Earnings per share		
Basic earnings per share (cents)	1.6	1.5
Diluted earnings per share (cents)	1.6	1.5

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 2017

	Note	31-Dec-17 \$'000	30-Jun-17 \$'000
<u>ASSETS</u>			
CURRENT ASSETS			
Cash and cash equivalents		1,019	1,014
Trade and other receivables		10,978	7,728
Inventories		12,703	12,045
TOTAL CURRENT ASSETS		24,700	20,787
NON-CURRENT ASSETS			
Plant and equipment		906	987
Deferred tax assets		1,201	1,202
TOTAL NON-CURRENT ASSETS		2,107	2,189
TOTAL ASSETS		26,807	22,976
<u>LIABILITIES</u>			
CURRENT LIABILITIES			
Trade and other payables		8,450	6,600
Other financial liabilities		5,922	4,393
Provisions		1,647	1,614
TOTAL CURRENT LIABILITIES		16,019	12,607
NON-CURRENT LIABILITIES			
Provisions		128	143
Deferred tax liabilities		10	18
TOTAL NON-CURRENT LIABILITIES		138	161
TOTAL LIABILITIES		16,157	12,768
NET ASSETS		10,650	10,208
<u>EQUITY</u>			
Share capital		11,138	11,138
Reserves		(13)	33
Retained earnings		(475)	(963)
TOTAL EQUITY		10,650	10,208

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 2017

	Share Capital \$'000	Foreign Currency Translation Reserve \$'000	Share Based Payments Reserve \$'000	Retained Earnings \$'000	Total Equity \$'000
Balance as at 1 July 2017	11,138	33	-	(963)	10,208
Profit for the half-year	-	-	-	488	488
Exchange differences on translation of foreign operations	-	(49)	-	-	(49)
Total comprehensive income for the half-year	-	(49)	-	488	439
Transactions with equity holders:					
Costs of share based payments	-	-	3	-	3
Balance as at 31 December 2017	11,138	(16)	3	(475)	10,650
Balance as at 1 July 2016	11,138	31	-	(329)	10,840
Profit for the half-year	-	-	-	461	461
Exchange differences on translation of foreign operations	-	9	-	-	9
Total comprehensive income for the half-year	-	9	-	461	470
Transactions with equity holders:					
Costs of share based payments	-	-	-	-	-
Balance as at 31 December 2016	11,138	40	-	132	11,310

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 2017

	31-Dec-17	31-Dec-16
	\$'000	\$'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	27,122	27,063
Payments to suppliers and employees	(26,097)	(26,729)
Interest received	9	9
Interest and other costs of finance paid	(327)	(306)
Income taxes paid	-	-
Goods and services tax remitted	(2,193)	(2,016)
Net cash (used in) operating activities	(1,486)	(1,979)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for purchase of plant and equipment	(49)	(34)
Net cash (used in) investing activities	(49)	(34)
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from borrowings	1,541	2,008
Repayment of borrowings	-	(20)
Net cash provided by financing activities	1,541	1,988
Net increase in cash and cash equivalents held	6	(25)
Cash and cash equivalents at beginning of period	1,014	948
Effect of exchange rate changes on cash and cash equivalents	(1)	(6)
Cash and cash equivalents at end of period	1,019	917

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 2017

NOTE 1: STATEMENT OF COMPLIANCE

This general purpose interim financial report for the half-year ended 31 December 2017 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 2017 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 2017 are consistent with those applied in the annual financial report for the year ended 30 June 2017, 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.

NOTE 3: EVENTS SUBSEQUENT TO REPORTING DATE

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 2017

NOTE 4: DIVIDENDS

	31-Dec-17 \$'000	31-Dec-16 \$'000
Recognised as distributions to equity holders		
There was no fully franked final dividend paid during the half-year ended 31 December 2017.	-	-
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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 5: SEGMENT REPORTING

	Professional 31-Dec-17 \$'000	Lifestyle Entertainment 31-Dec-17 \$'000	New Zealand 31-Dec-17 \$'000	Eliminations 31-Dec-17 \$'000	Total 31-Dec-17 \$'000
Total segment revenue	10,551	15,053	1,681	-	27,285
Inter-segment revenue	11	176	1	(188)	-
<hr/>					
Revenue from external customers	10,562	15,229	1,682	(188)	27,285
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Result					
Segment EBIT	(122)	1,161	(110)	-	929
Unallocated/corporate result					(126)
EBIT					803
Net interest and finance costs					(327)
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Profit before income tax					476
Income tax benefit					12
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Profit for the half-year					488
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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 2017

NOTE 5: SEGMENT REPORTING (continued)

	Professional	Lifestyle Entertainment	New Zealand	Eliminations	Total
	31-Dec-16	31-Dec-16	31-Dec-16	31-Dec-16	31-Dec-16
	\$'000	\$'000	\$'000	\$'000	\$'000
Total segment revenue	10,039	14,242	1,947	-	26,228
Inter-segment revenue	-	115	13	(128)	-
Revenue from external customers	10,039	14,357	1,960	(128)	26,228
Result					
Segment EBIT	142	759	(33)	-	868
Unallocated/corporate result					(151)
EBIT					717
Net interest and finance costs					(306)
Profit before income tax					411
Income tax expense					50
Profit for the half-year					461

	Professional	Lifestyle Entertainment	New Zealand	Unallocated/ Corporate	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Total Segment Assets					
31 December 2017	7,855	14,902	1,827	2,223	26,807
30 June 2017	6,327	12,585	1,815	2,249	22,976
Total Segment Liabilities					
31 December 2017	3,709	5,211	780	6,457	16,157
30 June 2017	3,005	3,938	770	5,055	12,768

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 2017 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 16th day of February 2018
Sydney

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Ambertech Limited

Report on the Half-Year Financial Report

Conclusion

We have reviewed the half-year financial report of Ambertech Limited (the Company) and its subsidiaries (the Group), which comprises the consolidated statement of financial position as at 31 December 2017, 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 then ended, and notes comprising a statement of accounting policies and other explanatory information, and the directors' declaration.

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 the Group is not 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 2017 and of its financial performance for the half-year ended on that date; and
- (ii) Complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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 Group's financial position as at 31 December 2017 and its financial 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 the Group, 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 the Group, would be in the same terms if given to the directors as at the time of this auditor's review report.

BDO East Coast Partnership

A handwritten signature in black ink. The signature consists of the letters 'BDO' in a stylized, cursive font, followed by a large, flowing signature that appears to be 'P. Bull'.

Paul Bull
Partner

Sydney, 16 February 2018