



AstiVita Limited ABN 46 139 461 733

27 August 2014

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

Dear Sir / Madam

**Re: Appendix 4E Final Report and 2014 Annual Report**

The Directors of AstiVita Limited announce the financial results for the year ended 30 June 2014.

Find attached the Appendix 4E Final Report and the 2014 Annual Report will follow shortly.

Yours faithfully

A handwritten signature in blue ink, appearing to read "Geoff", written over a light blue horizontal line.

**Geoff Acton**  
Company Secretary



### ASTIVITA RECOVERY HAS STARTED

AstiVita announced today an after tax loss of \$1.49 million, an improvement of 48.9% compared to a loss of \$2.92 million for the 30 June 2013 financial year.

	<b>2014</b>	<b>2013</b>
	\$'000	\$'000
1 <sup>st</sup> half trading loss	(768)	(1,252)
2 <sup>nd</sup> half trading loss	(730)	(1,668)
<b>Totals</b>	<b>(1,498)</b>	<b>(2,920)</b>
2 <sup>nd</sup> half trading loss	(730)	
Add back Bompani amortisation	242	
2 <sup>nd</sup> half trading loss after adjustments	(488)	

The table highlights the significant improvement in the AstiVita trading performance for the second half of 2014. The Company achieved positive cash flow since May and repaid borrowings of the Rainrose Pty Ltd loan of \$300,000 since June 2014. Sales have increased 10% in the second half of 30 June 2014 compared to the second half of 30 June 2013.

#### **Bompani Brand**

The Board has considered an amortisation period of 2 years is appropriate for the Bompani brand and regulatory approvals as we place less reliance on this brand and focus on our AstiVita and AstiSola branded products.

#### **Product Rationalisation**

##### **TOTO**

The Board of AstiVita has taken the decision to relinquish the TOTO distributorship in Australia. AstiVita has invested significant money and time with advertising, approvals, marketing material and set up costs. Unfortunately, the product range could not gain traction in the Australian market place due to the pricing of the products not being competitive against major industry players.

##### **Rosieres Appliances**

As mentioned we are partially replacing our Bompani brand within the Australian market with the exclusive distributorship of Rosieres Appliances. Rosieres Appliances is the oldest European manufacturer of appliances since 1854. We expect to commence sales of Rosieres Appliances before December 2014, the balance of the range will be sold mainly under the AstiVita name with bulk of the turnover coming from products made in Italy.

AstiVita has developed a clear strategy to acquire more customers throughout Queensland, New South Wales and Victoria. Critical to this strategy is providing customers with products that offer competitive advantage against the major players within the industry.

The appointment of Sean Baldwin in March 2014 as General Manager has had a positive impact on the business.

#### **Future Outlook / Guidance**

The Board recognises that there is still significant improvements required but are starting to see genuine signs of recovery across many parts of the business.

The Board thanks the understanding and patience of our shareholders and sincerely hopes that we return to profitability in the near future.

Lev Mizikovsky  
Non-executive Chairman

## Preliminary Final Report

Name of Entity: **ASTIVITA LIMITED**

ABN: **46 139 461 733**

Financial Year Ended: **30 June 2014**

Previous Corresponding Period: **30 June 2013**

### RESULTS FOR ANNOUNCEMENT TO THE MARKET

**Current year  
A'000**

Revenues from continuing operations	Up	2.89%	to	\$13,222
Loss from continuing operations after tax	Reduced By	48.7%	to	\$ 1,498
Loss for the period attributable to owners	Reduced By	48.7%	to	\$ 1,498

### **Dividends Paid or Proposed**

The Board considers that no final dividend will be paid.

**FINANCIAL STATEMENTS****Consolidated statement of comprehensive income**

	<b>Current Year \$'000</b>	<b>Previous Corresponding Year - \$'000</b>
Revenues from continuing operations	13,222	12,850
Other income	50	39
Changes in inventories of finished goods	-	(293)
Raw materials and consumables used	(9,642)	(9,310)
Employee benefits expenses	(1,772)	(2,441)
Depreciation and amortisation expense	(428)	(140)
Other expenses	(3,321)	(4,910)
Finance costs	(91)	(1)
<b>Loss before income tax</b>	<b>(1,982)</b>	<b>(4,206)</b>
Income tax benefit	484	1,286
<b>Loss for the year</b>	<b>(1,498)</b>	<b>(2,920)</b>
<b>Other comprehensive income</b>		
Other comprehensive income for the year	-	-
<b>Total comprehensive income for the year</b>	<b>(1,498)</b>	<b>(2,920)</b>
<b>Loss attributable to:</b>		
Members of the parent entity	(1,498)	(2,718)
Non-controlling interest	-	(202)
	<b>(1,498)</b>	<b>(2,920)</b>
<b>Total comprehensive loss is attributable to:</b>		
Members of the parent entity	(1,498)	(2,718)
Non-controlling interest	-	(202)
	<b>(1,498)</b>	<b>(2,920)</b>
<b>Earnings per share</b>		
Basic earnings per share (cents)	(4.81)	(10.34)
Diluted earnings per share (cents)	(4.81)	(10.34)

## Notes to the consolidated statement of comprehensive income

	Current Year \$'000	Previous Corresponding Year - \$'000
<b>Revenue and Other Income</b>		
<b>Revenue from continuing operations</b>		
Bathroom products	4,654	4,188
Solarpower products & REC's income	6,677	7,572
Kitchen appliances	1,882	1,058
<b>Other revenue</b>		
Interest	9	32
<b>Revenue from continuing operations</b>	<b>13,222</b>	<b>12,850</b>
<b>Other Income</b>		
Other income	33	39
Net gain on disposal of property, plant and equipment	5	-
Net foreign exchange gains	12	-
<b>Total Revenue and Other Income</b>	<b>50</b>	<b>39</b>
<b>Expenses</b>		
The result for the year includes the following specific expenses:		
Loss on disposal of assets	-	15
Bad and doubtful debts	78	91
Defined contribution superannuation expense	135	177
Net foreign exchange loss	5	49
Freight out	598	592
Inventory write downs	502	271
Warranty costs	299	686
Rental expense on operating leases – minimum lease payments	442	388
<b>Income Tax Benefit</b>		
Components of income tax benefit		
<b>Current tax expense</b>		
Local income tax – recognised in current tax for prior periods	97	-
<b>Deferred tax expense</b>		
Relating to origination and reversal of temporary differences and tax losses	(581)	(1,286)
<b>Total income tax benefit</b>	<b>(484)</b>	<b>(1,286)</b>

**Consolidated statement of financial position  
30 June 2014**

	<b>At end of current year \$'000</b>	<b>As shown in last Annual Report - \$'000</b>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	348	1,169
Trade and other receivables	3,426	2,232
Inventories	5,498	5,895
Other assets	286	220
<b>Total Current Assets</b>	<b>9,558</b>	<b>9,516</b>
<b>Non-current Assets</b>		
Property, plant and equipment	359	232
Intangible assets	719	562
Deferred tax assets	2,292	1,742
<b>Total Non-current Assets</b>	<b>3,370</b>	<b>2,536</b>
<b>Total Assets</b>	<b>12,928</b>	<b>12,052</b>
<b>LIABILITIES</b>		
<b>Current Liabilities</b>		
Trade and other payables	821	1,677
Provisions	319	509
<b>Total Current Liabilities</b>	<b>1,140</b>	<b>2,186</b>
<b>Non-Current Liabilities</b>		
Borrowings	3,108	-
Provisions	10	15
Deferred tax liabilities	72	-
<b>Total Non-Current Liabilities</b>	<b>3,190</b>	<b>15</b>
<b>Total Liabilities</b>	<b>4,330</b>	<b>2,201</b>
<b>Net Assets</b>	<b>8,598</b>	<b>9,851</b>
<b>Equity</b>		
Issued Capital	7,284	7,284
Retained earnings	1,314	2,812
<b>Total equity attributable to equity holders of AstiVita Limited</b>	<b>8,598</b>	<b>10,096</b>
Non-controlling interests	-	(245)
<b>Total Equity</b>	<b>8,598</b>	<b>9,851</b>

**Consolidated statement of cash flows**

	<b>Current Year \$A'000</b>	<b>Previous Corresponding Year - \$A'000</b>
<b>Cash flows from Operating Activities</b>		
Receipts from customers (GST Inclusive)	13,176	15,256
Payments to suppliers and employees (GST Inclusive)	(15,994)	(18,734)
Interest received	9	32
Income tax refunded/(paid)	6	204
Insurance recovery	-	1
Interest paid	(91)	
<b>Net cash (outflow) inflow from operating activities</b>	<b>(2,894)</b>	<b>(3,241)</b>
<b>Cash flows from Investing Activities</b>		
Payment for property, plant and equipment	(229)	(127)
Proceeds from sale of property, plant and equipment	6	41
Payment for intangible assets	-	(12)
<b>Net cash (outflow) from investing activities</b>	<b>(223)</b>	<b>(98)</b>
<b>Cash flows related to Financing Activities</b>		
Proceeds from issue of shares	-	1,572
Loans from / (to) related parties	3,108	-
Share buy-back payment (cash component)	(812)	-
<b>Net cash inflow (outflow) from financing activities</b>	<b>2,296</b>	<b>1,572</b>
Net increase/(decrease) in cash and cash equivalents	(821)	(1,767)
Cash and cash equivalents at beginning of year	1,169	2,936
<b>Cash and cash equivalents at end of financial year</b>	<b>348</b>	<b>1,169</b>
<b>Reconciliation of cash at the end of period</b>		
Cash on hand and at bank	307	1,169
Short term bank deposits	41	-
	<b>348</b>	<b>1,169</b>

**Consolidated Statement of Changes In Equity**  
**For the Year Ended 30 June 2014**

	<b>Issued Capital</b>	<b>Retained Earnings</b>	<b>Total Attributable to parent</b>	<b>Non- Controlling Interests</b>	<b>Total</b>
	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>	<b>\$'000</b>
Balance at 1 July 2013	7,284	2,812	10,096	(245)	9,851
<b>Comprehensive income for the year</b>					
Loss for the year	-	(1,498)	(1,498)	-	(1,498)
Other comprehensive income for the year	-	-	-	-	-
<b>Total comprehensive loss for the year</b>	-	(1,498)	(1,498)	-	(1,498)
<b>Transaction with owners in their capacity as owners</b>					
Shares issued during the year	-	-	-	-	-
Shares bought back during the year	-	-	-	-	-
Adjustment of non-controlling interests	-	-	-	245	245
	-	-	-	<b>245</b>	<b>245</b>
<b>Balance at 30 June 2014</b>	<b>7,284</b>	<b>1,314</b>	<b>8,598</b>	<b>-</b>	<b>8,598</b>
Balance at 1 July 2012	6,524	5,530	12,054	(43)	12,011
<b>Comprehensive income for the year</b>					
Loss for the year	-	(2,718)	(2,718)	(202)	(2,920)
Other comprehensive income for the year	-	-	-	-	-
<b>Total comprehensive loss for the year</b>	-	(2,718)	(2,718)	(202)	(2,920)
<b>Transaction with owners in their capacity as owners</b>					
Shares issued during the year	1,572	-	1,572	-	1,572
Shares bought back during the year	(812)	-	(812)	-	(812)
	<b>760</b>	<b>-</b>	<b>760</b>	<b>-</b>	<b>760</b>
<b>Balance at 30 June 2013</b>	<b>7,284</b>	<b>2,812</b>	<b>10,096</b>	<b>(245)</b>	<b>9,851</b>



## Segment Information

During the year, the Group has reassessed its segment disclosure obligations in accordance with AASB 8 Operating Segments following the business restructure undertaken in the first half of this financial year. The Chief Operating Decision Maker (“CODM”) being the Non-executive Chairman and the Board assessed the Group performance as a single segment being the importation and supply of household products throughout Australia (eg. Bathroom and kitchen products, hot water systems and photovoltaic panels).

### (a) Major customers

Revenues of approximately \$3,440,000 (2013: \$5,736,000) are derived from three customers (2013: two customers).

### Comparison of half year losses

	Current Year \$A'000	Previous Corresponding Year - \$A'000
Consolidated loss after tax attributable to owners reported for the first half year	(768)	(1,252)
Consolidated loss after tax attributable to owners for the second half year	(730)	(1,668)

### Issued and quoted securities at end of current period

Category of securities	Total Number	Number Quoted	Issue Price Per Security	Amount Paid Up Per Security
<b>Ordinary securities</b>	<b>31,114,866</b>	31,114,866	-	-
Changes during current period		-		
(a) increases through issues	-	-	-	-
(b) Decreases through returns of capital, buybacks, redemptions	-	-	-	-

## COMMENTARY ON RESULTS

### RATIOS

#### Earning per Security (EPS)

	Current period	Previous corresponding
Basis EPS	(4.81 cents)	(10.34 cents)
Diluted EPS	(4.81 cents)	(10.34 cents)
Weighted Average Number of Ordinary Shares	31,114,866	26,289,590

#### Loss before tax/ Revenue

Consolidated loss from continuing operations before tax as a percentage of revenue	14.99%	32.73%
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#### Loss after tax/ equity interests

Consolidated net loss after tax as a percentage of equity	17.42%	29.64%
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#### Net Tangible Assets

Net tangible assets backing per ordinary security	17.96 cents	28.71 cents
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## AUDIT & COMPLIANCE STATEMENT

This report has been prepared in accordance with AASB Standards, other AASB authoritative pronouncements and Urgent Issues Group Interpretations or other standards acceptable to ASX.

This report, and the accounts upon which the report is based (if separate), use the same accounting policies.

This report does give a true and fair view of the matters disclosed.

**This report is based on accounts, which are in the process of being audited.**

The entity has formally constituted audit committee.

## OTHER INFORMATION

### Annual Meeting

(Preliminary final report only)

The annual meeting will be held as follows:

Place GAMBAROS Restaurant

Date Friday, November 28

Time 10:00 am

Approximate date the annual report will be available 27 August 2014



GEOFF ACTON  
Company Secretary

Date:- 27 August 2014