

# **Australia Samly Holdings Group Limited**

**ABN 16 164 307 975**

## **APPENDIX 15-2**

### **PRELIMINARY FINAL REPORT**

## APPENDIX 15-2

### PRELIMINARY FINAL REPORT

Listee: Australia Samly Holdings Group Limited					
ACN: 164 307 975					
Half yearly:	No	Preliminary final	Yes	Financial year ended	30 June 2016

#### Results for announcement to the market

Extracts from this report for announcement to the market (see note 1).  
\$A'000

Sales (or equivalent operating) revenue ( <i>item 1.1</i> )	Down (1)%	To	\$14,239
Abnormal items after tax attributable to members ( <i>item 2.5</i> )	gain (loss) of		Nil
<b>Operating profit</b> (loss) after tax (before amortisation of goodwill) attributable to members ( <i>item 1.26</i> )	Up 102%	To	\$109
<b>Operating profit</b> (loss) after tax attributable to members ( <i>item 1.10</i> )	Up 102%	To	\$109
Extraordinary items after tax attributable to members ( <i>item 1.13</i> )	gain (loss) of		Nil
<b>Operating profit</b> (loss) and extraordinary items after tax attributable to members ( <i>item 1.16</i> )	Up 102%	To	\$109
<b>Dividends (distributions)</b>	Amount per security	Franked amount per security at 30% tax	
Final <b>dividend</b> ( <i>Preliminary final report only - item 14.4</i> )			
Interim <b>dividend</b> ( <i>Half yearly report only - item 14.6</i> )	Nil		Nil
		¢	¢

Previous corresponding period ( <i>Preliminary final report-item 14.5, half yearly report - item 14.6</i> )	Nil ¢	Nil ¢
<p><b>Record date</b> for determining entitlements to the <b>dividend</b>, (in the case of a <b>managed investment scheme</b>, prescribed interest scheme or similar scheme, distribution) (<i>see item 14.2</i>)</p> <p>Brief explanation of omission of directional and percentage changes to profit in accordance with Note 1 and short details of any bonus or cash issue or other item(s) of importance not previously released to the market:</p>	<div style="border: 1px solid black; padding: 10px; width: fit-content;">N/A</div>	

**Consolidated profit and loss account**

	Current period - \$A'000	Previous corresponding period - \$A'000
1.1 Sales (or equivalent operating) revenue	14,239	14,376
1.2 Other revenue	4	19
1.3 Other income	681	217
<b>1.4 Operating profit (loss) before abnormal items and tax</b>	<b>481</b>	<b>(4,584)</b>
1.5 Abnormal items before tax (detail in item 2.4)	-	-
<b>1.6 Operating profit (loss) before tax (items 1.4 + 1.5)</b>	<b>481</b>	<b>(4,584)</b>
1.7 Less tax	372	(37)
<b>1.8 Operating profit (loss) after tax but before outside equity interests</b>	<b>109</b>	<b>(4,621)</b>
1.9 Less outside <b>equity interests</b>	-	-
<b>1.10 Operating profit (loss) after tax attributable to members</b>	<b>109</b>	<b>(4,621)</b>
1.11 Extraordinary items after tax (detail in item 2.6)	-	-
1.12 Less outside <b>equity interests</b>	-	-
1.13 Extraordinary items after tax attributable to members	-	-
<b>1.14 Total operating profit (loss) and extraordinary items after tax (items 1.8 + 1.11)</b>	<b>109</b>	<b>(4,621)</b>

	Current period - \$A'000	Previous corresponding period - \$A'000
1.15 <b>Operating profit</b> (loss) and extraordinary items after tax attributable to outside <b>equity interests</b> (items 1.9 + 1.12)	109	(4,621)
1.16 <b>Operating profit (loss) and extraordinary items after tax attributable to members</b> (items 1.10 + 1.13)	109	(4,621)
1.17 Retained profits (accumulated losses) at beginning of financial period	(3,216)	1,444
1.18 If change in accounting policy as set AASB 108 Accounting Policies, Changes in Accounting Estimates and Errors, adjustments as required by that provision (include brief description)	N/A	N/A
1.19 Aggregate of amounts transferred from reserves	-	-
1.20 Total available for appropriation	(3,107)	(3,177)
1.21 <b>Dividends</b> provided for or paid	-	-
1.22 Aggregate of amounts transferred to reserves	(102)	(39)
1.23 <b>Retained profits (accumulated losses) at end of financial period</b>	(3,209)	(3,216)

**Profit restated to exclude amortisation of goodwill**

	Current period -\$A'000	Previous corresponding period - \$A'000
1.24 <b>Operating profit</b> (loss) after tax before outside <b>equity interests</b> (items 1- 8) and amortisation of goodwill	109	(4,621)

1.25	Less (plus) outside <b>equity interests</b>	-	-
1.26	<b>Operating profit</b> (loss) after tax (before amortisation of goodwill) attributable to members	109	(4,621)

**Intangible, abnormal and extraordinary items**

		<b>Consolidated - current period</b>			
		Before tax \$A'000	Related tax \$A'000	Related outside <b>equity interests</b> \$A'000	Amount (after tax) attributable to members \$A'000
2.1	Amortisation of goodwill	-	-	-	-
2.2	Amortisation of other intangibles	67	-	-	67
2.3	<b>Total amortisation of intangibles</b>	67	-	-	67
2.4	Abnormal items	-	-	-	-
2.5	<b>Total abnormal items</b>	-	-	-	-
2.6	Extraordinary items	-	-	-	-
2.7	<b>Total extraordinary items</b>	-	-	-	-

**Comparison of half year profits**

(Preliminary final report only)

Current year -\$A'000	Previous year - \$A'000
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3.1	Consolidated <b>operating profit</b> (loss) after tax attributable to members reported for the 1st half year (item 1.10 in the half yearly report)	385	(1,065)
3.2	Consolidated <b>operating profit</b> (loss) after tax attributable to members for the 2nd half year	(276)	(3,556)

### Consolidated balance sheet

(See note 5)

	At end of current period \$A'000	As shown in last annual report \$A'000	As in last half yearly report \$A'000	
<b>Current assets</b>				
4.1	Cash	2,896	748	4,139
4.2	Receivables	3,560	2,552	2,342
4.3	Investments	-	-	-
4.4	Inventories	1,749	3,593	3,028
4.5	Prepayments	410	1,755	1,804
	Other	-	-	-
4.6	<b>Total current assets</b>	8,615	8,648	11,313
<b>Non-current assets</b>				
4.7	Receivables	-	-	-
4.8	Investments	-	-	-
4.9	Inventories	-	-	-
4.10	Development properties	-	-	-

	At end of current period \$A'000	As shown in last annual report \$A'000	As in last half yearly report \$A'000
<b>Current assets</b>			
4.11 Other property, plant and equipment (net)	4,043	4,780	4,521
4.12 Intangibles (net)	678	786	738
4.13 Deferred tax asset	53	170	154
Other	32	50	40
4.14 <b>Total non-current assets</b>	4,806	5,786	5,453
4.15 <b>Total assets</b>	13,421	14,434	16,766
<b>Current liabilities</b>			
4.16 Accounts payable	2,404	4,209	4,389
4.17 Borrowings	6,833	5,190	6,274
4.18 Provisions	217	269	264
4.19 Deferred revenue	1,275	1,899	2,548
Income and other taxes	390	542	689
Other	-	-	-
4.20 <b>Total current liabilities</b>	11,119	12,109	14,164
<b>Non-current liabilities</b>			
4.21 Accounts payable	-	-	-
4.22 Borrowings	-	-	-
4.23 Provisions	-	-	-
4.24 Other (provide details if material)	-	-	-



	At end of current period \$A'000	As shown in last annual report \$A'000	As in last half yearly report \$A'000
<b>Current assets</b>			
4.25 <b>Total non-current liabilities</b>	-	-	-
4.26 <b>Total liabilities</b>	11,119	12,109	14,164
4.27 <b>Net assets</b>	2,302	2,325	2,602

**Consolidated balance sheet continued**

	<b>Equity</b>			
4.28	Capital	4,095	4,095	4,095
4.29	Reserves	1,416	1,446	1,465
4.30	Retained profits/ (accumulated losses)	(3,209)	(3,216)	(2,958)
4.31	<b>Equity</b> attributable to members of the parent entity	2,302	2,325	2,602
4.32	Outside <b>equity interests</b> in controlled entities	-	-	-
4.33	<b>Total equity</b>	2,302	2,325	2,602
4.34	Preference capital and related premium included as part of 4.32	-	-	-

**Development properties**

		Current period - \$A'000	Previous corresponding period - \$A'000
5.1	Opening balance	N/A	N/A
5.2	Expenditure incurred during current period	N/A	N/A
5.3	Expenditure written off during current period	N/A	N/A
5.4	Acquisitions, disposals, revaluation increments, etc.	N/A	N/A

5.5	Closing balance as shown in the consolidated balance sheet (item 4.1 1)	N/A	N/A
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### Consolidated statement of cash flows

(See note 6)

	Current period - \$A'000	Previous corresponding period - \$A'000
<b>Cash flows related to operating activities</b>		
6.1 Receipts from customers	14,639	15,113
6.2 Payments to suppliers and employees	(13,641)	(19,896)
6.3 <b>Dividends</b> received	-	-
6.4 Interest and other items of similar nature received	4	19
6.5 Interest and other costs of finance paid	(402)	(319)
6.6 Income taxes paid	(387)	(27)
6.7 Other (Insurance receipt)	-	-
6.8 <b>Net operating cash flows</b>	213	(5,110)
<b>Cash flows related to investing activities</b>		
6.9 Payment for purchases of property, plant and equipment	(67)	(285)
6.10 Proceeds from sale of property, plant and equipment	114	4
6.11 Payment for purchases of <b>equity</b> investments	-	-
6.12 Proceeds from sale of <b>equity</b> investments	-	-
6.13 Loans to other entities	-	-

	Current period - \$A'000	Previous corresponding period - \$A'000
6.14 Loans repaid by other entities	-	-
6.15 Other (provide details if material) Payments for purchase of intangibles	-	(115)
6.16 <b>Net investing cash flows</b>	47	(396)
<b>Cash flows related to financing activities</b>		
6.17 Proceeds from issues of <b>securities</b> (shares, options, etc.)	-	-
6.18 Proceeds from borrowings	7,206	4,719
6.19 Repayment of borrowings	(5,128)	(5,008)
6.20 <b>Dividends</b> paid	-	-
6.21 Other (provide details if material) Share issue transaction costs	-	-
6.22 <b>Net financing cash flows</b>	2,078	(289)
<b>Net increase (decrease) in cash held</b>	2,338	(5,795)
6.23 Cash at beginning of period	748	5,739
6.24 Exchange rate adjustments to item 6.23	(190)	804
6.25 <b>Cash at end of period</b>	2,896	748

### Non-cash financing and investing activities

*Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows are as follows. If an amount is quantified, show comparative amount below.*

None
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### Reconciliation of cash

Reconciliation of cash at the end of the period (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current period - \$A'000	Previous corresponding period- \$A'000
7.1 Cash on hand and at bank	2,896	748
7.2 Deposits at <b>call</b>	-	-
7.3 Bank overdraft	-	-
7.4 Other (provide details)	-	-
<b>7.5 Total cash at end of period</b> (item 6.25)	<b>2,896</b>	<b>748</b>

Ratios

		Current period	Previous corresponding period
<b>Profit before abnormals and tax / sales</b>			
8.1	Consolidated <b>operating profit</b> (loss) before abnormal items and tax (item 1.4) as a percentage of sales revenue (item 1.1)	3.38%	(31.84%)
<b>Profit after tax /equity interests</b>			
8.2	Consolidated <b>operating profit</b> (loss) after tax attributable to members (item 1. 10) as a percentage of equity (similarly attributable) at the end of the period (item 4.32)	4.74%	(198.75%)

Earnings per security (EPS)

		Current period	Previous corresponding period
9.1	Calculation of basic, and fully diluted, EPS in accordance with <i>AASB 107 Earnings per Share</i>		
	(a) Basic EPS	0.31c	(13.34)c
	(b) Diluted EPS (if materially different from (a))	0.31c	(13.34)c

NTA backing

	Current period	Previous corresponding period
(see note 6)		

10.1	Net tangible asset backing per <b>ordinary security</b>	4.69c	4.44c
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**Details of specific receipts/outlays, revenues/ expenses**

		Current period - \$A'000	Previous corresponding_ period- \$A'000
11.1	Interest revenue included in determining item 1.4	4	19
11.2	Interest revenue included in item 11.1 but not yet received (if material)	-	-
11.3	Interest expense included in item 1.4 (include all forms of interest, lease finance charges, etc.)	402	319
11.4	Interest costs excluded from item 11.3 and capitalised in asset values (if material)	-	-
11.5	Outlays (except those arising from the acquisition of an existing business) capitalised in intangibles (if material)	-	-
11.6	Depreciation and amortisation (excluding amortisation of intangibles)	532	477

**Control gained over entities having material effect**

(See note 8)

12.1	Name of entity (or group of entities)	None
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12.2 Consolidated <b>operating profit</b> (loss) and extraordinary items after tax of the entity (or group of entities) since the date in the current period on which control was acquired	N/A
12.3 Date from which such profit has been calculated	N/A
12.4 <b>Operating profit</b> (loss) and extraordinary items after tax of the entity (or group of entity) for the whole of the previous corresponding period	N/A

**Loss of control of entities having material effect**

(See note 8)

13.1 Name of entity (or group of entities)	None
13.2 Consolidated <b>operating profit</b> (loss) and extraordinary items after tax of the entity (or group of entities) for the current period to the date of loss of control	N/A
13.3 Date to which the profit (loss) in item 13.2 has been calculated	N/A
13.4 Consolidated <b>operating profit</b> (loss) and extraordinary items after tax of the entity (or group of entities) while controlled during the whole of the previous corresponding period	N/A
13.5 Contribution to consolidated <b>operating profit</b> (loss) and extraordinary items from sale of interest, leading to loss of control.	N/A



## Reports for industry and geographical segments

See attached

## Dividends (in the case of a trust, distributions)

14.1 Date the **dividend** (distribution) is payable

N/A

14.2 **Record date** to determine entitlements to the **dividend** (distribution) (ie. on the basis of registrable **transfers** received by 5.00 pm

N/A

14.3 If it is a final **dividend**, has it been declared?  
(*Preliminary final report only*)

N/A

## Amount per Security

		Amount per security	Franked amount per security at 36% tax	Amount per security of foreign source dividend
14.4	( <i>Preliminary final report only</i> ) <b>Final dividend:</b> Current year	0¢	0¢	0¢
14.5	Previous year	0¢	0¢	0¢
14.6	( <i>Half yearly and preliminary final reports</i> ) <b>Interim dividend:</b> Current year	0¢	0¢	0¢
14.7	Previous year	0¢	0¢	0¢

**Total Dividend (Distribution) per Security (Interim *plus* Final)**

*(Preliminary final report only)*

	Current year	Previous year
14.8 <b>Ordinary securities</b>	¢	¢
14.9 <b>Preference securities</b>	¢	¢

**Half Yearly Report - Interim Dividend (Distribution) on all securities or Preliminary Final Report - Final Dividend (Distribution) on all securities**

	Current period - \$A'000	Previous corresponding period - \$A'000
14.10 <b>Ordinary securities</b>	Nil	Nil
14.11 <b>Preference securities</b>	Nil	Nil
14.12 <b>Total</b>	Nil	Nil

The **dividend** or distribution plans shown below are in operation.

None
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The last date(s) for receipt of election notices for the **dividend** or distribution plans

N/A
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Any other disclosures in relation to **dividends** (distributions)

No dividends paid or declared during the current or previous financial year
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**Equity accounted associated entities and other material interests**

*Equity accounting information attributable to the economic entity's share of investments in associated entities must be disclosed in a separate note. See AASB 1016: Investments in Associates.*

**Investments in associated entities**

	Current period - \$A'000	Previous corresponding period- \$A'000
15.1 Statutory carrying value of investments in associated entities (SCV)	N/A	N/A
15.2 Share of associated entities' retained profits and reserves not included in SCV:		
Retained profits	N/A	N/A
Reserves	N/A	N/A
15.3 <b>Equity carrying value of investments</b>	N/A	N/A

**Material interests in entities which are not controlled entities**

*The economic entity has no interests (that is material to it) in the any other entities.*

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

Category of securities	Number issued	Number <b>quoted</b>	Par value (cents)	Paid-up value (cents)

17.1	<b>Preference securities</b> <i>(description)</i>	Nil	Nil	N/A	N/A
17.2	Issued during current period	Nil	Nil	N/A	N/A
17.3	<b>Ordinary securities</b>	34,636,500	34,636,500	N/A	100c
17.4	Issued during current period	-	-	N/A	
17.5	<b>Convertible fixed interest securities</b> <i>(description and conversion factor)</i>	Nil	Nil	N/A	N/A
17.6	Issued during current period	Nil	Nil	N/A	N/A
17.7	Options <i>(description and conversion factor)</i>	Nil	Nil	<i>Exercise price</i>	<i>Expiry date</i>
		Nil	Nil	N/A	N/A
17.8	Issued during current period	Nil	Nil	N/A	N/A
17.9	Exercised during current period	Nil	Nil	N/A	N/A
17.10	Expired during current period	Nil	Nil	N/A	N/A
17.11	Debentures <i>(totals only)</i>	Nil	Nil		
17.12	Unsecured notes <i>(totals only)</i>	Nil	Nil		

### Comments by directors

Comments on the following matters are required by **APX** or, in relation to the half yearly report, by AASB 134: Interim Financial Reporting. The comments do not take the place of the directors' report and statement (as required by the **Act**) and may be incorporated into the directors' report and statement. For both half yearly and preliminary final reports, if there are no comments in a section, state NIL. If there is insufficient space to comment, attach notes to this report.

### Basis of accounts preparation

*If this report is a half yearly report, it is a general purpose financial report prepared in accordance with the **Listing Rules** and AASB 134: Interim Financial Reporting. It should be read in conjunction with the last annual report and any announcements to the market made by the **listee** during the period. [Delete if preliminary final statement.]*

Material factors affecting the revenues and expenses of the economic **listee** for the current period

The gain of the consolidated entity after provide for income tax amounted to \$109,016, which was mainly resulted from the cutting down the marketing expenses. Total expenses reduced by \$4,901,231 or 39%.

A description of each event since the end of the current period which has had a material effect and is not related to matters already reported, with financial effect quantified (if possible)

None

Franking credits available and prospects for paying fully or partly franked **dividends** for at least the next year

Nil

Changes in accounting policies since the last annual report are disclosed as follows

*(Disclose changes in the half yearly report in accordance with AASB 134: Interim Financial Reporting. Disclose changes in the preliminary final report in accordance with AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors.)*

No changes

**Additional disclosure for trusts**

18.1 Number of units held by the management company or a **related party** of it N/A

A statement of the fees and commissions payable to the management company.

18.2 Identify: N/A

- initial service charges
- management fees
- other fees

**Annual meeting**

*(Preliminary final report only)*

The annual meeting will be held as follows:

Place	TBA
Date	TBA
Time	TBA
Approximate date the annual report will be available	26 September 2016

**Compliance statement**

1 This report has been prepared under accounting policies which comply with accounting standards as defined in the **Act** or other standards acceptable to **APX** (see note 13).

Identify other standards used

None

2 This report, and the financial statements prepared under the **Act** (if separate), use the same accounting policies.

3 This report does give a true and fair view of the matters disclosed (see note 2).

4 This report is based on financial statements to which one of the following applies.  
(Tick one)

The financial statements have been audited

The financial statements have been subject to review



The financial statements are in the process of being audited or subject to review

The financial statements have *not* yet been audited or reviewed

5 If the audit report or review by the auditor is not attached, details of any qualifications are will follow immediately they are available.

6 The entity has a formally constituted audit committee.

Sign here: .....  
(director/Company secretary)

Date: ..... 23/8/2016 .....

Print name: ..... 尹嫔 .....

**ATTACHMENT 1 – STATEMENT OF OTHER COMPREHENSIVE INCOME**

	Current period	Previous corresponding period
	\$A'000	\$A'000
<b>(Loss)/profit for the period</b>	<b>109</b>	<b>(4,621)</b>
<i>Items that may be reclassified to profit or loss</i>		
Exchange differences on transaction of foreign operations	(132)	982
Other comprehensive income for the period, net of tax	(132)	982
<b>Total comprehensive income for the period</b>	<b>(23)</b>	<b>(3,639)</b>



**ATTACHMENT 2 – STATEMENT OF CHANGES IN EQUITY**

	Issued capital	Foreign currency translation reserve	Retained profits	Surplus reserve	Total equity
<b>Consolidated</b>	<b>\$A'000</b>	<b>\$A'000</b>	<b>\$A'000</b>	<b>\$A'000</b>	<b>\$A'000</b>
Balance at 1 July 2014	4,095	221	1,444	204	5,964
Profit after income tax expense for the year	-	-	(4,621)	-	(4,621)
Other comprehensive income for the year, net of tax	-	982	-	-	982
Total comprehensive income for the year	-	982	(4,621)	-	(3,639)
<i>Transactions with owners in their capacity as owners:</i>					
Transfer to surplus reserve	-	-	(39)	39	-
<b>Balance at 30 June 2015</b>	<b>4,095</b>	<b>1,203</b>	<b>(3,216)</b>	<b>243</b>	<b>2,325</b>

  

	Issued Capital	Foreign currency translation reserve	Retained profits/ (Accumulated loss)	Surplus reserve	Total equity
<b>Consolidated</b>	<b>\$A'000</b>	<b>\$A'000</b>	<b>\$A'000</b>	<b>\$A'000</b>	<b>\$A'000</b>
Balance at 1 July 2015	4,095	1,203	(3,216)	243	2,325
Profit after income tax expense for the year	-	-	109	-	109
Other comprehensive income for the year, net of tax	-	(132)	-	-	(132)
Total comprehensive income for the year	-	(132)	109	-	(23)
<i>Transactions with owners in their capacity as owners:</i>					
Transfer to surplus reserve	-	-	(102)	102	-
<b>Balance at 30 June 2016</b>	<b>4,095</b>	<b>1,071</b>	<b>(3,209)</b>	<b>345</b>	<b>2,302</b>

### ATTACHMENT 3 - SEGMENT REPORTING

Management has determined the operating segments based on the reports reviewed by the Board that are used to make strategic decisions. The Board has determined that the group has three reportable segments operating in one geographical location being China.

Shenzhen Vitality Bio-health Technology  
Jiangsu Co., Ltd  
Shenzhen Shenxiantang Technology  
Development Co., Ltd  
Shenzhen Vitality Bio-health Technology  
Co., Ltd

Production companies:

- Shenzhen Vitality Bio-health Technology Co., Ltd the Group's main manufacturing entity since 2011.
- Shenzhen Vitality Bio-health Technology Jiangsu Co., Ltd has the manufacturing factory constructed in 2013.
- Shenzhen Shenxiantang Technology Development Co., Ltd's transactions are limited in 2013. The entity purchased finished goods from Shenzhen Vitality Bio-health Technology Co., Ltd and sold to retailers.

Shenzhen New Life Biological  
Technology Co., Ltd

New life: The entity purchases finished goods from the manufacturing entities and sells to retailers.

Shenzhen Samly Technology  
Development Co., Ltd

Technology: The entity was the main manufacturing entity before 2011. After Bio-health Technology became the main manufacturing entity in 2011, the entity purchases finished goods from the manufacturing entities and sells to retailers.

30 June 2016	Technology	New life	Production companies	Unallocated	Total
	\$A'000	\$A'000	\$A'000	\$A'000	\$A'000
Segment revenue	1,602	112	12,529	-	14,243
Segment result	(114)	(665)	1,046	(158)	109
Segment assets	273	147	12,941	60	13,421
Segment liabilities	933	54	9,939	193	11,119

30 June 2015	Technology	New life	Production companies	Unallocated	Total
	\$A'000	\$A'000	\$A'000	\$A'000	\$A'000
Segment revenue	1,746	189	12,205	255	14,395
Segment result	11	(38)	231	(4,825)	(4,621)

Segment assets	259	12	13,500	663	14,434
Segment liabilities	1,048	118	10,896	47	12,109