



23 May 2019

Company Announcements Office  
Australian Securities Exchange Limited  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sirs,

**Re: Announcement to the market**

In accordance with Australian Stock Exchange (ASX) Listing Rule 4.2A, Sietel Limited has attached its Half Year Report and Appendix 4D for the half year period ended 31 March 2019.

Yours sincerely  
Sietel Limited

Richard Rees  
Managing Director

# Appendix 4D

## Half-year report

### Period ended 31 March 2019

Name of entity

**SIETEL LIMITED**

ABN or equivalent company reference

**75 004 217 734**

Half yearly (tick)

Preliminary final (tick)

Financial year ended ('current period')

**31 MARCH, 2019**

#### Results for announcement to the market

\$A'000

Revenues from ordinary activities	Up	37%	to	5,284
Profit (loss) from ordinary activities after tax attributable to members	Up	46%	to	972
Net profit (loss) for the period attributable to members	Up	46%	to	972

<b>Dividends (distributions)</b>	Amount per security	Franked amount per security
<b>Ordinary</b>		
Final dividend	N/A	NIL
Interim dividend	N/A	NIL
Previous corresponding period	N/A	NIL
<b>Preference</b>		
Paid 5 Jan 2019 (Record date: 2 Jan 2019)	5 ¢	NIL

Record date for determining entitlements to the dividend.

**Ordinary – N/A**  
**Preference – 2 January 2019**

A brief explanation of any of the figures reported above necessary to enable the figures to be understood.

The directors are pleased to announce an operating profit for half year ended 31 March 2019 of \$972,226.

## Ratios and Other Measures

	Current period	Previous Corresponding Period
<b>Profit before tax / revenue</b> Consolidated profit (loss) from ordinary activities before tax as a percentage of revenue	15.80%	16.13%
<b>Profit after tax / <sup>+</sup>equity interests</b> Consolidated net profit (loss) from ordinary activities after tax attributable to members as a percentage of equity (similarly attributable) at the end of the period	1.42%	1.01%

## Earnings per security (EPS)

$$\begin{aligned}
 \text{Basic EPS} &= \frac{\text{Profit/loss for the period}}{\text{No. Of ordinary securities}} = \frac{972,226}{8,007,479} = 12.14\text{¢} \\
 \text{Diluted EPS} &= \frac{\text{Profit/loss for the period}}{\text{No. Of ordinary securities} + \text{Preference securities}} = \frac{972,226}{8,007,479+75,000} = 12.03\text{¢}
 \end{aligned}$$

<b>NTA backing</b>	Current period	Previous Corresponding Period
Net tangible asset backing per <sup>+</sup> ordinary security	855 CENTS	822 CENTS

# **SIETEL LIMITED**

**ACN 004 217 734**

## **INTERIM FINANCIAL REPORT FOR THE HALF-YEAR ENDED 31 MARCH 2019**

**SIETEL LIMITED**

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**SIETEL LIMITED**  
**DIRECTORS' REPORT FOR THE HALF YEAR ENDED 31 MARCH 2019**

The directors of the Company in office at the date of this report are:  
Delwyn Garland Rees, Geoffrey Lloyd Rees and Richard Rees.

It is recommended that the half-year financial report be read in conjunction with the annual report for the year ended 30 September 2018 and considered together with any public announcements made by Sietel Limited during the half-year ended 31 March 2019 and to the date of this report in accordance with the continuous disclosure obligations of the ASX listing rules.

**REVIEW OF OPERATIONS**

All investment properties owned by the Chief Entity have been tenanted for the half year.

Cook's Body Works Pty Ltd, continued to occupy one of the Chief Entity's properties in the Moorabbin area.

Cook's Body Works Pty Ltd has experienced improved results with increased demand for its products, thereby assisting with the objective of returning the company to long term profitability.

Cook's management have worked successfully on expansion of the customer base and product offering to improve sale and margin performance of the business.

The Company's management assisted by the non-executive directors have reviewed various investment options in the real estate, equities, direct investment and product development markets over the half year with the objective of improving the medium to long term performance of the group.

The directors continue to review the balances of investment fund allocation between cash equivalents and longer term investments such as equities, real estate and operating businesses via subsidiary companies with the objective of achieving long term profitable performance, but realising current gains as opportunities arise.

The subsidiary, Alliance Appliances Australia Pty Ltd has continued to design and develop products for manufacture by third party offshore manufacturers and commence small scale importation and distribution of a very limited range of domestic gas water heaters and BBQ's into the Australian market.

The Cylinder Company operated in line with budget during the half year.

**DIRECTORS' REPORT (cont.)**

**OPERATING RESULTS**

The consolidated profit of the Consolidated Entity, after providing for an income tax revenue of \$137,571 (2018 \$44,369 tax revenue), amounted to \$972,226 (2018 \$664,133).

**SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS**

There have been no significant changes in the state of affairs of the Consolidated Entity during this period.

**DIRECTORS' INTEREST IN ORDINARY SHARES AS AT 31 MARCH 2019**

<b>Director</b>	<b>Ordinary Shares in name of Director  Mar-19</b>	<b>Ordinary Shares in name of Director  Sep-18</b>	<b>Ordinary shares in which Directors may have relevant interest Mar-19</b>	<b>Ordinary shares in which Directors may have relevant interest Sep-18</b>
D. G. Rees	66,211	66,211	5,310,694	5,310,694
R. Rees	533,932	533,932	6,112,339	6,112,339
G. Rees	2,000	2,000	4,594,063	4,594,063

**DIRECTORS' MEETINGS**

During the financial half-year the attendance at Directors' meetings was as follows:

	Meetings held	Meetings attended
D.G. Rees	3	3
R. Rees	3	3
G. L. Rees	3	3

**DIRECTORS' REPORT (cont.)**

**AUDITOR'S INDEPENDENCE DECLARATION**

The auditor's independence declaration for the half-year ended 31 March 2019 is included on page 9 of the Interim Financial Report.

This report is signed in accordance with a resolution of the Directors made pursuant to s.306(3) of the Corporations Act 2001.

On behalf of the Board



Mr. D. G. Rees  
Director



Mr. R. Rees  
Director

Moorabbin, 23 May, 2019



**AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE  
CORPORATIONS ACT 2001 TO THE DIRECTORS OF SIETEL LIMITED**

I declare that, to the best of my knowledge and belief, during the half-year ended 31 March 2019 there have been:

- a. no contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the review, and
- b. no contraventions of any applicable code of professional conduct in relation to the review.



**Nexia Melbourne Audit Pty Ltd**  
Melbourne



**Geoff S. Parker**  
Director

Dated this 23<sup>rd</sup> day of May 2019



**SIETEL LIMITED**  
**CONSOLIDATED INTERIM STATEMENT**  
**OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE HALF-YEAR ENDED 31 MARCH 2019**

	<b>Half-Year Ended 31 March 2019</b>	<b>Half-Year Ended 31 March 2018</b>
	\$	\$
Revenues from ordinary activities	5,284,183	3,843,105
Expenses from ordinary activities	(4,449,528)	(3,223,341)
Finance costs	-	-
<b>Profit (loss) from ordinary activities before income tax expense</b>	<b>834,655</b>	<b>619,764</b>
Income tax (expense)/revenue relating to ordinary activities	137,571	44,369
<b>Profit (loss) from ordinary activities after income tax expense</b>	<b>972,226</b>	<b>664,133</b>
<b>Other Comprehensive Income</b>		
<b>Items that may be reclassified subsequently to profit or loss</b>		
Gain (loss) on financial assets at fair value through other comprehensive income	(440,485)	308,912
Deferred tax on (gain) loss on financial assets at fair value through other comprehensive income	13,301	50,609
<b>Total other comprehensive income</b>	<b>(427,184)</b>	<b>359,521</b>
<b>Total Comprehensive Income for the period</b>	<b>545,042</b>	<b>1,023,654</b>
<b>Earnings per share (EPS)</b>		
Basic EPS (cents per share)	12.14	8.29
Diluted EPS (cents per share)	12.03	8.22
<b>Profit for the period attributable to:</b>		
Owners of the Parent	972,226	664,133
	<b>972,226</b>	<b>664,133</b>
<b>Total comprehensive income for the period attributable to:</b>		
Owners of the Parent	545,042	1,023,654
	<b>545,042</b>	<b>1,023,654</b>

**SIETEL LIMITED**  
**CONSOLIDATED INTERIM STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2019**

	<u>As At</u> <u>31-Mar-19</u> \$	<u>As At</u> <u>30-Sep-18</u> \$
<b>Current Assets</b>		
Cash and cash equivalents	2,797,929	2,158,459
Trade and other receivables	1,035,250	900,719
Inventories	547,773	569,304
Other current assets	364,404	366,394
Current tax receivables	513,570	319,312
<b>Total Current Assets</b>	<b>5,258,926</b>	<b>4,314,188</b>
<b>Non-Current Assets</b>		
Financial assets	32,579,659	31,960,079
Property, plant and equipment	2,554,154	2,713,919
Investment property	31,394,401	31,901,908
Deferred tax assets	953,835	847,020
<b>Total Non-Current Assets</b>	<b>67,482,049</b>	<b>67,422,926</b>
<b>Total Assets</b>	<b>72,740,975</b>	<b>71,737,114</b>
<b>Current Liabilities</b>		
Trade and other payables	1,325,583	880,573
Other liabilities	363,838	333,298
Provisions	1,081,070	1,071,804
<b>Total Current Liabilities</b>	<b>2,770,491</b>	<b>2,285,675</b>
<b>Non-Current Liabilities</b>		
Deferred tax liabilities	1,489,836	1,512,083
<b>Total Non-Current Liabilities</b>	<b>1,489,836</b>	<b>1,512,083</b>
<b>Total Liabilities</b>	<b>4,260,327</b>	<b>3,797,758</b>
<b>Net Assets</b>	<b>68,480,648</b>	<b>67,939,356</b>
<b>Equity</b>		
Issued capital	4,257,129	4,257,129
Reserves	6,419,556	6,846,740
Retained earnings	57,803,963	56,835,487
<b>Total Shareholders' Equity</b>	<b>68,480,648</b>	<b>67,939,356</b>

**SIETEL LIMITED**  
**CONSOLIDATED INTERIM STATEMENT OF CHANGES IN EQUITY**  
**FOR THE HALF-YEAR ENDED 31 MARCH 2019**

<b><u>Economic Entity</u></b>	<b>Issued Capital</b>	<b>Reserves</b>	<b>Retained Earnings</b>	<b>Total Equity</b>
Balance at 1 October 2017	4,257,129	4,968,647	55,608,910	64,834,686
Net profit (loss) for the period	-	-	664,133	664,133
Other comprehensive income	-	359,521	-	359,521
Dividends paid	-	-	(3,750)	(3,750)
Balance at 31 March 2018	<u>4,257,129</u>	<u>5,328,168</u>	<u>56,269,293</u>	<u>65,854,590</u>
Balance at 1 October 2018	4,257,129	6,846,740	56,835,487	67,939,356
Net profit (loss) for the period	-	-	972,226	972,226
Other comprehensive income	-	(427,184)	-	(427,184)
Dividends paid	-	-	(3,750)	(3,750)
Balance at 31 March 2019	<u>4,257,129</u>	<u>6,419,556</u>	<u>57,803,963</u>	<u>68,480,648</u>

**SIETEL LIMITED**  
**CONSOLIDATED INTERIM STATEMENT OF CASH FLOWS**  
**FOR THE HALF-YEAR ENDED 31 MARCH 2019**

	<b>Half-Year Ended</b>	<b>Half-Year Ended</b>
	<b><u>31 March 2019</u></b>	<b><u>31 March 2018</u></b>
	\$	\$
<b>Cash flows from Operating Activities</b>		
Receipts from customers	4,351,790	3,137,324
Payment to suppliers & employees	(3,239,582)	(2,566,305)
Income tax paid	(172,447)	(228,101)
Interest received	21,238	96,090
Dividends received	764,150	622,241
Borrowing costs	-	-
<b>Net cash provided by (used in) operating activities</b>	<b><u>1,725,149</u></b>	<b><u>1,061,249</u></b>
<b>Cash flows from Investing Activities</b>		
Proceeds from sale of property, plant & equipment	-	3,500
Proceeds from sale of investment properties	-	-
Proceeds from sale of financial assets	38,444	117,191
Payment for property, plant & equipment	(10,893)	(412,775)
Payment for investment properties	(23,443)	(1,914,969)
Payment for financial assets	(1,086,037)	(1,591,689)
<b>Net cash provided by (used in) investing activities</b>	<b><u>(1,081,929)</u></b>	<b><u>(3,798,742)</u></b>
<b>Cash flows from Financing Activities</b>		
Proceeds from borrowings	-	-
Dividends paid	(3,750)	(3,750)
<b>Net cash provided by (used in) financing activities</b>	<b><u>(3,750)</u></b>	<b><u>(3,750)</u></b>
Net increase (decrease) in cash flows	639,470	(2,741,243)
Cash at beginning of period	2,158,459	7,508,887
<b>Cash at end of period</b>	<b><u><u>2,797,929</u></u></b>	<b><u><u>4,767,644</u></u></b>

**SIETEL LIMITED**  
**CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 MARCH 2019**

**1. Summary of Significant Accounting Policies**

The significant accounting policies that have been adopted in the preparation of this half-year financial report are the same accounting policies and methods of computations as those applied in the most recent annual financial report, unless otherwise stated.

It is recommended that the half-year financial report be read in conjunction with the annual report for the year ended 30 September 2018 and considered together with any public announcements made by Sietel Limited during the half-year ended 31 March 2019 and to the date of this report in accordance with the continuous disclosure obligations of the ASX listing rules.

**Basis of Preparation of Half-Year Report**

This general purpose interim financial report for the half-year ended 31 March 2019 has been prepared in accordance with AASB 134 Interim Financial Reporting and the Corporations Act 2001.

The half-year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and operating, financing and investing activities of the consolidated entity as the full financial report.

**2. Dividends Paid**

**Half Year Ended 31 March 2019**

<b>Class</b>	<b>Date Paid</b>	<b>Amount Per Security</b>	<b>Total</b>
Ordinary – 8,007,479 shares	N/A	N/A	N/A
Preference – 75,000 shares	5 January 2019	5 ¢	\$3,750

**Half Year Ended 31 March 2018**

<b>Class</b>	<b>Date Paid</b>	<b>Amount Per Security</b>	<b>Total</b>
Ordinary – 8,007,479 shares	N/A	N/A	N/A
Preference – 75,000 shares	5 January 2018	5 ¢	\$3,750

**SIETEL LIMITED**  
**CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 MARCH 2019**

**3. Controlled Entities and Segment Reporting**

(a) Entities controlled by ultimate parent entity Sietel Ltd and contribution to Consolidated Profit(Loss)

Name of Controlled Entity of Sietel Limited	Beneficially Owned by Sietel Ltd		Contribution to consolidated operating Profit/(loss) after income tax attributable to members of the chief entity		Investment by Sietel Ltd at cost	
	2019	2018	2019	2018	2019	2018
	%	%	\$	\$	\$	\$
<b>Continuing operations</b>						
Cooks Body Works Pty Ltd <sup>(1)</sup>	100	100	5,786	(309,600)	290,000	290,000
The Cylinder Co Pty Ltd <sup>(1)</sup>	100	100	(103)	(6,975)	60	60
ABN 17 006 852 820 Pty Ltd <sup>(1)</sup>	100	100	(1,617)	(1,738)	481,713	481,713
Alliance Appliances Australia P/L <sup>(1)</sup>	100	100	(89,934)	(102,897)	237,000	237,000
Sietel Limited <sup>(1)</sup>	N/A	N/A	1,058,094	1,085,343	-	-
<b>Total</b>			<b>972,226</b>	<b>664,133</b>	<b>1,008,773</b>	<b>1,008,773</b>

<sup>(1)</sup>Companies incorporated in Australia.

(b) Segment Reporting

	Revenue		Results		Assets		Liabilities		Depreciation	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Continuing operations</b>										
Investments	2,742	2,637	1,056	1,084	68,728	66,057	3,537	2,706	653	619
Operations	2,542	1,206	(84)	(420)	4,013	2,873	723	370	48	56
<b>TOTAL</b>	<b>5,284</b>	<b>3,843</b>	<b>972</b>	<b>664</b>	<b>72,741</b>	<b>68,930</b>	<b>4,260</b>	<b>3,076</b>	<b>701</b>	<b>675</b>

**4. Related Party Transactions**

The Group has had no material or unusual related party transactions during the half-year ended 31 March 2019. Arrangements with related parties continue to be in place and transactions for the half-year to 31 March 2019 are similar in nature to those for the year ended 30 September 2018.

Full details of the Group's related party transactions for the year ended 30 September 2018 can be found in the Group's 2018 Annual Report.

**5. Subsequent Events**

No other matter or circumstance has arisen since 31 March 2019 that has significantly affected or may significantly affect the operating results or state of affairs of the company in the near future.

**SIETEL LIMITED**  
**CONDENSED NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS**  
**FOR THE HALF-YEAR ENDED 31 MARCH 2019**

**6. Capital Commitments**

	<b><u>Half Year Ended</u></b> <b><u>31 March 2019</u></b>	<b><u>Year Ended</u></b> <b><u>30 Sept 2018</u></b>
Capital Commitments		
OneVentures Innovation and Growth Fund II	118,048	120,300
OneVentures Nominees Vaxxas Bare Trust - B	63,221	63,221
OneVentures Fund	446,465	498,383
	<b><u>627,734</u></b>	<b><u>681,904</u></b>



**SIETEL LIMITED  
DIRECTORS' DECLARATION  
FOR THE HALF-YEAR ENDED 31 MARCH 2019**

In the Directors' opinion:

- a) The attached financial statements and notes thereto comply with Accounting Standard AASB134 Interim Financial Reporting;
- b) The attached financial statements and notes thereto comply with *Corporations Act 2001* on Interim Financial Reporting;
- c) The attached financial statements and notes thereto give a true and fair view of the financial position and performance of the consolidated entity;
- d) 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 s.303(5) of the Corporations Act 2001.

On behalf of the Directors



Mr. D.G. Rees  
Director



Mr. R. Rees  
Director

Moorabbin,  
23 May 2019

## INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF SIETEL LIMITED

### Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Sietel Limited, which comprises the condensed consolidated statement of financial position as at 31 March 2019, the condensed consolidated statement of profit or loss and other comprehensive income, condensed consolidated statement of changes in equity and condensed consolidated statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration.

### Directors' Responsibility for the Half-Year Financial Report

The directors of the consolidated entity 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 gives a true and fair view and 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 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 March 2019 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 Sietel 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* has been provided to the directors of Sietel Limited.



## 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 Sietel 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 March 2019 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*.



**Nexia Melbourne Audit Pty Ltd**  
Melbourne



**Geoff S. Parker**  
Director

Dated this 23<sup>rd</sup> day of May 2019

