

RULE 4.2A.3

APPENDIX 4D

Half Year report

1. Company Details

Name of entity

Energy Technologies Limited

ABN or equivalent company
reference

38 002 679 469

Reporting Period ('current
period')

31 December 2016

Previous corresponding period
(previous period')

31 December 2015

2. Results for announcement to the market

2 Results for announcement to the market				%	\$A'000
2.1	Revenues from ordinary activities	Up	15.3%	to	6,121
2.2	Loss from ordinary activities after tax attributable to members	Down	31.9%	to	(1,819)
2.3	Loss for the period attributable to members	Down	31.9%	to	(1,819)
2.4 Dividends		Amount per security		Franked amount per security	
Final dividend ***		-		-	
Interim dividend		-		-	
2.5 Record date for determining entitlements to the dividend		No dividend proposed or paid.			

Brief explanation of any of the figures in 2.1 to 2.4 necessary to enable the figures to be understood

REVIEW AND RESULTS OF OPERATIONS

Half-year results

The group half year result for the period ended 31 December 2016 was very poor and continued to reflect the market downturn. EGY reported a consolidated loss after tax and minorities of \$1,819,383 (FY2015 Half Year \$1,379,079). EGY's wholly owned subsidiary Bambach Wires and Cables Pty Ltd (BWC) reported a loss after tax of \$1,205,344 (FY2015 Half Year \$1,093,353). Revenue from operating activities was below budget particularly in the first four months of the half, however picked up markedly in November and December as infrastructure projects came on stream and order intake compared to year on year increased markedly. Costs were negatively impacted over the period due to BWC ramping up in terms of both sales and production personnel and opening a new branch in South Australia. The company also continued to invest in new equipment to improve factory efficiency and successfully undertook a major refinancing arrangement which increased its working capital substantially. All these activities required initial expense with the aim of growing revenue and profitability in the future, but did of course negatively impact on the period in question.

The parent entity reported a loss after tax of \$605,944 (FY2015 Half Year \$284,870), of which \$348,437 is interest on debenture and convertible notes issued.

During the period the company raised \$4,916,000 through the issue of secured debenture notes and retired the NAB facility previously in place (refer Note 6). The surplus debenture funds were applied to the new equipment upgrade, increase in inventory levels at the main warehouse and all branches, including the new South Australian branch, and strengthening of working capital.

3.1 Net Tangible Assets per security	Current period	Previous corresponding period
Net tangible assets per security	(1.12) cents	(0.42) cents

4. Details of entities over which control has been gained or lost during the period

4.1 A	Name of entity	N/A
4.2 A	Date from which control was gained	
4.3 A	Where material to an understanding of the report – the contribution of such entity to the reporting entity's profit from ordinary activities during the period and the profit or loss of such entities during the whole of the previous corresponding period	

4.1 B	Name of entities	N/A
4.2 B	Date from which control was lost	
4.3 B	Where material to an understanding of the report – the contribution of such entities to the reporting entity's profit from ordinary activities during the period and the profit or loss of such entities during the whole of the previous corresponding period	

5. Details of Individual and Total Dividends

	Date dividend is payable	Amount per security	Franked amount per security at 30% tax	Amount per security of foreign source dividend
Dividend 1		¢	¢	¢

Total dividend per security:

	Current year	Previous year
Ordinary securities	¢	¢
Preference securities	¢	¢

6. Dividend reinvestment plan

Details of any dividend reinvestment plans in operation:

None

The last date for the receipt of an election notice for participation in any dividend or distribution reinvestment plan:
N/A

7. Details of Associates and Joint Ventures:

<i>Name of entity</i>	<i>Percentage holding 31/12/16</i>	<i>Percentage holding 31/12/15</i>
Dulhunty Poles Pty Limited	8.03%	36.82%

7.1 Where material to an understanding of the report - aggregate share of profits (losses) of these entities, details of contributions to net profit for each of these entities, and with comparative figures for each of these disclosures for the previous corresponding period:

N/A

8. For foreign entities, details of origin of accounting standards used in compiling the report (e.g. International Financial Reporting Standards)

Dulhunty Power International Limited which adopts Australian Accounting Standards

9. For all entities, if the accounts contain an independent audit report or review that is subject to a modified opinion, emphasis of matter or other matter paragraph, a description of the modified opinion, emphasis of matter or other matter paragraph:

Emphasis of Matter paragraph in relation to Going Concern

Sign here:

Date: 28 February 2017

A handwritten signature in black ink, appearing to read 'Alfred J Chown', with a long horizontal stroke extending to the right.

Alfred J Chown (Director)