

BRONSON GROUP LIMITED
(FORMERLY KNOWN AS MULTI CHANNEL SOLUTIONS LIMITED)
(ABN 60 006 569 124)
AND CONTROLLED ENTITIES

APPENDIX 4D

HALF YEAR REPORT

PERIOD ENDING 31 DECEMBER 2014

RESULTS FOR ANNOUNCEMENT TO THE MARKET

Key Information	Half-year Ended 31 December 2014	Half-year Ended 31 December 2013	% Change
	\$	\$	
Revenue from ordinary activities	1,623,518	2,148,940	(24.45%)
Loss after tax from ordinary activities attributable to members	(941,872)	(3,184,328)	70.42%
Loss attributable to members	(941,872)	(3,184,328)	70.42%

COMMENTARY ON THE RESULTS FOR THE PERIOD

The commentary on the results for the period is contained in the "Review of Operations" included within the Directors' Report.

NET TANGIBLE ASSETS PER SHARE

	Half-year Ended 31 December 2014	Half-year Ended 31 December 2013
	Cents per Share	Cents per Share
Net tangible assets per share	(0.00495)	(0.06914)

Bronson Group Limited (Formerly Known as Multi Channel Solutions Limited)
ABN 60 006 569 124
and Controlled Entities
Interim Financial Report

DIRECTORS' REPORT

Your directors submit the financial report of the consolidated group for the half-year ended 31 December 2014.

Directors

The names of directors who held office during or since the end of the half-year:

Desmond Smale

Roger Smith

Clay Moore (Resigned 29 January 2015)

Chu Hon Tong (Appointed 29 January 2015)

Review of Operations

The consolidated loss for the 6 months to 31 December 2014 was \$941,872 as compared to a loss of \$3,184,328 for the corresponding 6 months to 31 December 2013. Revenue for the half-year was \$1,623,518 compared to \$2,148,940 for the corresponding period last year.

The revenue for the corresponding period last year included opening orders for a one off hair care range as well as one off sales of surplus stock held in the US. Removing the effects of these items the revenue for the current period was broadly in line with the prior period.

This loss for the current period was primarily attributed to a number of non-cash items including the impairment cost of \$230,137, provision for slow moving stock of \$298,340 and restructure consultancy fee of \$220,000. The loss was also impacted by interest cost of \$126,703 on debt, which was converted into shares at the end of December 2014. The debt conversion will reduce the interest cost significantly in the future period.

While overall business conditions remain tight, the decision to cease operations in the US and the enhancement of our management team has enabled the Company to focus solely on its Australian operation with a view to returning to consistent profitability in the short to medium term.

Corporate

At a General Meeting held on 16th December 2014, shareholders voted in favour of all resolutions which resulted in a significant portion of the Company's interest bearing liabilities converted into equity and a change of name for the Company to Bronson Group Limited.

Bronson Group Limited (Formerly Known as Multi Channel Solutions Limited)
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Auditor's Declaration

The lead auditor's independence declaration under s 307C of the *Corporations Act 2001* is set out on page 4 for the half-year ended 31 December 2014.

This report is signed in accordance with a resolution of the Board of Directors.



Director

Desmond Smale

Dated this 25th day of February 2015

**BRONSON GROUP LIMITED
ABN 60 006 569 124
AND ITS CONTROLLED ENTITIES**

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

SYDNEY

Level 40
2 Park Street
Sydney NSW 2000
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I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2014 there have been no contraventions of:

- (i) the auditor independence requirements as set out in the Corporations Act 2001 in relation to the review; and
- (ii) any applicable code of professional conduct in relation to the review.



HALL CHADWICK
Level 40, 2 Park Street
Sydney NSW 2000



DREW TOWNSEND
Partner

Date: 25 February 2015

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Bronson Group Limited (Formerly Known as Multi Channel Solutions Limited)
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**CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE
HALF-YEAR ENDED 31 DECEMBER 2014**

	Consolidated Group	
	31.12.2014	31.12.2013
	\$	\$
Revenue	1,623,518	2,148,940
Expenses		
Cost of product sold	878,185	1,187,492
Provision for slow moving stock	298,340	-
Advertising and media expenses	21,405	64,248
Travel expenses	5,366	18,984
Financial expenses	190,216	226,037
Depreciation and amortisation	3,781	33,320
Employee benefit expenses	337,005	446,707
Legal compliance and professional fees	320,209	44,053
Rental and operating lease expenses	88,182	86,492
Warehouse and distribution costs	144,620	186,123
Provision for profit drawing in advance	-	669,329
Bad debt	3,688	-
Impairment cost	230,137	2,317,956
Other expenses	44,256	52,527
Total Expenses	2,565,390	5,333,268
Loss before income tax	(941,872)	(3,184,328)
Income tax expense	-	-
Loss for the period	(941,872)	(3,184,328)
Other comprehensive income		
Items that will not be reclassified to profit or loss:		
Adjustments from translation of foreign controlled entities	(1,129)	(4,383)
Other comprehensive income for the period	(1,129)	(4,383)
Total comprehensive income for the period	(943,001)	(3,188,711)
Loss attributable to members of the parent entity	(941,872)	(3,184,328)
Non-controlling interests	-	-
	(941,872)	(3,184,328)
Total comprehensive income attributable to members of the parent entity	(943,001)	(3,188,711)
Non-controlling interests	-	-
	(943,001)	(3,188,711)
Earnings per share		
From continuing operations		
Basic earnings per share (cents per share)	(0.00513)	(0.06484)
Diluted earnings per share (cents per share)	(0.00513)	(0.03573)

The accompanying notes form part of these financial statements.

Bronson Group Limited (Formerly Known as Multi Channel Solutions Limited)
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Interim Financial Report

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2014

	Note	Consolidated Group	
		31.12.2014	30.06.2014
		\$	\$
CURRENT ASSETS			
Cash and cash equivalents		4,721	13,747
Trade and other receivables	10	671,130	607,155
Inventories		631,098	680,882
Other current assets	11	16,084	17,678
TOTAL CURRENT ASSETS		1,323,033	1,319,462
NON-CURRENT ASSETS			
Plant and equipment		34,392	37,227
Intangible assets	7	200,000	230,137
TOTAL NON-CURRENT ASSETS		234,392	267,364
TOTAL ASSETS		1,557,425	1,586,826
CURRENT LIABILITIES			
Trade and other payables		1,369,157	1,151,023
Short-term provisions		156,418	154,706
Financial Liabilities	5	735,751	766,361
TOTAL CURRENT LIABILITIES		2,261,326	2,072,090
NON-CURRENT LIABILITIES			
Financial Liabilities	5	748,519	3,180,538
TOTAL NON-CURRENT LIABILITIES		748,519	3,180,538
TOTAL LIABILITIES		3,009,845	5,252,628
NET ASSETS		(1,452,420)	(3,665,802)
EQUITY			
Issued capital		11,588,070	8,431,687
Reserves		(202,761)	180,923
Retained earnings		(12,837,800)	(12,278,483)
Parent interest		(1,452,491)	(3,665,873)
Non controlling interests		71	71
TOTAL EQUITY		(1,452,420)	(3,665,802)

The accompanying notes form part of these financial statements.

Bronson Group Limited (Formerly Known as Multi Channel Solutions Limited)
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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE HALF-YEAR ENDED
31 DECEMBER 2014

	Share Capital Ordinary	Accumulated (Losses)/ Profit	Option Reserve	Foreign Currency Translation Reserve	Non Controlling Interests	Total
	\$	\$	\$	\$	\$	\$
Balance at 1.7.2013	8,281,687	(8,813,505)	568,041	(191,792)	71	(155,498)
Loss attributable to members of parent entity	-	(3,184,328)	-	-	-	(3,184,328)
Shares issued during the period	-	-	-	-	-	-
Transfer of expired options from option reserve to accumulated losses	-	234,860	(234,860)	-	-	-
Options issued during the period	-	-	-	-	-	-
Total other comprehensive income for the period	-	-	-	(4,383)	-	(4,383)
Balance at 31.12.2013	8,281,687	(11,762,973)	333,181	(196,175)	71	(3,344,209)
Balance at 1.7.2014	8,431,687	(12,278,483)	382,555	(201,632)	71	(3,665,802)
Loss attributable to members of parent entity	-	(941,872)	-	-	-	(941,872)
Shares issued during the period	3,156,383	-	-	-	-	3,156,383
Transfer of expired options from option reserve to accumulated losses	-	382,555	(382,555)	-	-	-
Options issued during the period	-	-	-	-	-	-
Total other comprehensive income for the period	-	-	-	(1,129)	-	(1,129)
Balance at 31.12.2014	11,588,070	(12,837,800)	-	(202,761)	71	(1,452,420)

The accompanying notes form part of these financial statements.

Bronson Group Limited (Formerly Known as Multi Channel Solutions Limited)
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CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE HALF-YEAR ENDED
31 DECEMBER 2014

	Consolidated Group	
Note	31.12.2014	31.12.2013
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		
Receipts from customers	1,581,680	2,050,777
Payments to suppliers	(1,709,080)	(1,962,137)
Interest received	34	35
Interest paid	(164,562)	(179,431)
Other income	8,081	4,325
Net cash inflow/(outflow) from operating activities	(283,847)	(86,431)
CASH FLOWS FROM INVESTING ACTIVITIES		
Receipts/(payment) for plant and equipment	-	24,941
Payment for equipment	(946)	-
Net cash (outflow)/inflow from investing activities	(946)	24,941
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayment of convertible notes	-	(25,000)
Payments to related parties	(1,867)	(61,409)
Proceeds from issue of shares	225,000	-
Proceeds from borrowings	75,000	17,609
Net cash inflow/(outflow) from financing activities	298,133	(68,800)
Net increase/(decrease) in cash held	13,340	(130,290)
Cash at beginning of period	(452,643)	(445,785)
Effect of exchange rates on cash holdings in foreign currencies	621	2,274
Cash at end of period	9 (438,682)	(573,801)

The accompanying notes form part of these financial statements.

Bronson Group Limited (Formerly Known as Multi Channel Solutions Limited)
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Interim Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

NOTE 1: BASIS OF PREPARATION

These general purpose financial statements for the interim half-year reporting period ended 31 December 2014 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standards including AASB 134: Interim Financial Reporting. The group is a for profit entity for financial reporting purposes under Australian Accounting Standards.

This interim financial report is intended to provide users with an update on the latest annual financial statements of Bronson Group Limited and its controlled entities (the Group). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2014, together with any public announcements made during the half-year.

The interim financial statements were authorised for issue on 25 February 2015.

Going Concern

The financial statements have been prepared on the going concern basis, which assumes the continuity of normal business activities and the realisation of assets and settlement of liabilities in the ordinary course of business.

The net loss for the consolidated entity for the half year ended 31 December 2014 was \$941,872 and the working capital deficiency as at 31 December 2014 was \$938,298.

The Directors nevertheless believe that it is appropriate to prepare the financial report on a going concern basis for the following reasons:-

- The group's budget for the period from January 2015 to March 2016 shows a forecast profitable position reflecting the introduction of numerous new lines and the cessation of outflows to the USA.
- During the period, the Company was successful in converting approximately \$2.5m in interest bearing liabilities into equity. Whilst a portion of interest bearing debt remains on the balance sheet, this debt to equity conversion has materially reduced the Company's financing costs.
- The Group has raised funds during the half year through other loans to meet the company's ongoing working capital requirements and has the ability to raise further funding for its operations through the issue of further loans and/or equity from shareholders and other sophisticated investors should the need arise.

Principles of Consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (Bronson Group Limited) and all of the subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. The consolidation of a subsidiary is discontinued from the date that control ceases. Intercompany transactions, balances and unrealised gains or losses on transactions between Group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

Equity interests in a subsidiary not attributable, directly or indirectly, to the Group are presented as "non-controlling interests". The Group initially recognises non-controlling interests that are present ownership interests in subsidiaries and are entitled to a proportionate share of the subsidiary's net assets on liquidation at either fair value or at the non-controlling interests' proportionate share of the subsidiary's net assets. Subsequent to initial recognition, non-controlling interests are attributed their share of profit or loss

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

NOTE 1: BASIS OF PREPARATION

and each component of other comprehensive income. Non-controlling interests are shown separately within the equity section of the statement of financial position and statement of comprehensive income.

NOTE 2: LOSS FOR THE PERIOD

All the significant revenue and expense items for the period are disclosed on the face of the Statement of Comprehensive Income.

NOTE 3: DIVIDENDS

No dividends were paid or provided for the current period.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

NOTE 4: OPERATING SEGMENTS

Segment Information

Identification of reportable segments

The group has identified its operating segments based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Group is managed primarily on the basis of geographic segments. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are also similar with respect to the following:

- the products sold and/or services provided by the segment;
- the type or class of customer for the products or service;
- the distribution method; and
- external regulatory requirements.

Types of products and services by segment

(i) *USA*

Operation in USA was suspended during the period.

(ii) *Australia*

Marketing and distribution of consumer based products to the large retailers.

(iii) *Corporate*

Provide corporate and legal services to the Group.

Basis of accounting for purposes of reporting by operating segments

Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors as the chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

Inter-segment transactions

All such transactions are eliminated on consolidation in the Group's financial statements.

Segment assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Segment liabilities

Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Segment liabilities include trade and other payables and certain direct borrowings.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

NOTE 4: OPERATING SEGMENTS

	USA \$	Australia \$	Corporate \$	Total \$
Six Months Ended 31.12.2014				
Revenue				
External Sales	-	1,615,403	-	1,615,403
Interest Income	-	-	34	34
Other Revenue	-	8,081	-	8,081
Inter-Segment Sales	-	-	-	-
Total Segment Revenue	-	1,623,484	34	1,623,518
Inter-Segment Elimination	-	-	-	-
Total Group Revenue	-	1,623,484	34	1,623,518
Segment Net Profit/(Loss) (before tax)	(7,536)	(272,627)	(661,709)	(941,872)
Six Months Ended 31.12.2013				
Revenue				
External Sales	34,760	2,109,820	-	2,144,580
Interest Income	-	1	34	35
Other Revenue	-	4,325	-	4,325
Inter-Segment Sales	-	-	-	-
Total Segment Revenue	34,760	2,114,146	34	2,148,940
Inter-Segment Elimination	-	-	-	-
Total Group Revenue	34,760	2,114,146	34	2,148,940
Segment Net Profit/(Loss) (before tax)	(745,419)	63,475	(2,502,384)	(3,184,328)
(ii) Segment Assets				
As at 31.12.2014				
Segment Assets	971,160	8,530,517	207,790	9,709,467
Segment asset increases for the period				
Capital Expenditure	-	946	-	946
Inter-segment eliminations	(964,460)	(7,188,428)	(100)	(8,152,988)
Total Group Assets	6,700	1,343,035	207,690	1,557,425
As at 30.06.2014				
Segment Assets	857,371	8,645,982	232,242	9,735,595
Segment asset increases for the period				
Capital Expenditure	-	2,732	-	2,732
Inter-segment eliminations	(844,674)	(7,306,727)	(100)	(8,151,501)
Total Group Assets	12,697	1,341,987	232,142	1,586,826

Bronson Group Limited (Formerly Known as Multi Channel Solutions Limited)
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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2014

NOTE 4: OPERATING SEGMENTS

	USA \$	Australia \$	Corporate \$	Total \$
(iii) Segment Liabilities				
As at 31.12.2014				
Segment Liabilities	8,208,010	9,742,500	537,268	18,487,778
Inter-segment eliminations	(8,192,551)	(6,979,811)	(305,571)	(15,477,933)
Total Liabilities	15,459	2,762,689	231,697	3,009,845
As at 30.06.2014				
Segment Liabilities	8,085,556	9,587,126	3,056,391	20,729,073
Inter-segment eliminations	(8,068,066)	(6,979,811)	(428,568)	(15,476,445)
Total Liabilities	17,490	2,607,315	2,627,823	5,252,628

(iv) Major customers

In the Australia segment the Group supplies one external customer which accounts for 54.64% of external revenue (2013: 49.73%). The next most significant client accounts for 19.86 % (2013: 19.73%).

NOTE 5: BORROWINGS

	Consolidated Group	
	31.12.2014	30.06.2014
	\$	\$
CURRENT		
Bank overdraft	443,403	466,390
Trade finance	292,348	299,971
	<u>735,751</u>	<u>766,361</u>
NON CURRENT		
Convertible notes	-	1,915,000
Other loans	17,609	282,609
Loans from shareholders	730,910	802,777
Loan from related party	-	181,152
	<u>748,519</u>	<u>3,180,538</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

NOTE 6: CONTINGENT LIABILITIES

There are no contingent liabilities within the group at reporting date.

NOTE 7: INTANGIBLE ASSETS

Consolidated Group	
	31.12.2014 30.06.2014
	\$ \$
Goodwill at cost	- 14,791,630
Less accumulated impairment losses	- (14,791,630)
	- -
Patent & web design, at cost	- 76,965
Less accumulated impairment losses	- (76,965)
	- -
Supply agreement	200,000 230,137
Less accumulated impairment losses	- -
Net carrying value	200,000 230,137

NOTE 8: EVENTS SUBSEQUENT TO REPORTING DATE

The Company accepted the resignation of Mr. Clay Moore from the Board and appointed Mr Chu Hon Tong as a non-executive director on 29th January 2015.

NOTE 9: RECONCILIATION OF CASH

Consolidated Group	
	31.12.2014 31.12.2013
	\$ \$
Cash on hand	4,721 28,684
Bank overdraft	(443,403) (602,485)
	(438,682) (573,801)

NOTE 10: TRADE AND OTHER RECEIVABLES

Consolidated Group	
	31.12.2014 30.06.2014
	\$ \$
Trade receivables	696,323 691,568
Less provision for doubtful debts	- (54,161)
Less provision for settlement discount	(25,193) (30,252)
	671,130 607,155

Bronson Group Limited (Formerly Known as Multi Channel Solutions Limited)
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Interim Financial Report

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF-YEAR ENDED 31 DECEMBER 2013

NOTE 11: OTHER ASSETS

	Consolidated Group	
	31.12.2014	30.06.2014
	\$	\$
CURRENT		
Prepayments and deposits	16,084	17,678

NOTE 12: SUBSIDIARIES ACQUIRED/DISPOSED OF

There have been no subsidiaries acquired or disposed of during the 6 months period to 31 December 2014.

Bronson Group Limited (Formerly Known as Multi Channel Solutions Limited)
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DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 5 to 15 are in accordance with the *Corporations Act 2001*, including:
 - a. complying with Accounting Standard AASB 134: Interim Financial Reporting; and
 - b. giving a true and fair view of the consolidated entity's financial position as at 31 December 2014 and of its performance for the half-year ended on that date.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the Board of Directors.



Director

Desmond Smale

Dated this 25th day of February 2015

**BRONSON GROUP LIMITED
ABN 60 006 569 124
AND ITS CONTROLLED ENTITIES**

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
BRONSON GROUP LIMITED**

SYDNEY

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2 Park Street
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Australia

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Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of Bronson Group, which comprises the consolidated statement of financial position as at 31 December 2014, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity, and 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 Bronson Group Limited are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) 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 half-year financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of Bronson Group Limited's financial position as at 31 December 2014 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 Bronson Group 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 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.

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**BRONSON GROUP LIMITED
ABN 60 006 569 124
AND ITS CONTROLLED ENTITIES**

**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF
BRONSON GROUP 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 Bronson Group Limited is not in accordance with the Corporations Act 2001 including:

- (i) giving a true and fair view of Bronson Group Limited's financial position as at 31 December 2014 and of its performance for the half-year ended on that date; and
- (ii) complying with AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.

Emphasis of Matter

Without modifying our conclusion we draw attention to Note 1 to the financial report which indicates that the consolidated entity incurred a net loss of \$941,872 during the half year ended 31 December 2014 and, as of that date, the consolidated entity's total liabilities exceeded its total assets by \$1,452,420. This condition, along with other matters as set forth in Note 1, indicates the existence of a material uncertainty which may cast doubt about the consolidated entity's ability to continue as a going concern and therefore the consolidated entity may be unable to realise its assets and discharge its liabilities in the normal course of business and at the amounts stated in the half-year financial report.



HALL CHADWICK

Level 40, 2 Park Street

Sydney NSW 2000



DREW TOWNSEND

Partner

Date: 25 February 2015