

BRONSON GROUP LIMITED

A.C.N. 006 569 124

ASX APPENDIX 4D

HALF-YEAR FINANCIAL REPORT TO 31 DECEMBER 2017

1. DETAILS OF REPORTING PERIOD

Name of Entity	Bronson Group Limited ("the Company")
ABN	60 006 569 124
Reporting Period	31 December 2017
Previous Corresponding Period	31 December 2016

2. RESULTS FOR ANNOUNCEMENT TO THE MARKET

	31 Dec 2017 \$	31 Dec 2016 \$	Increase/ (Decrease) %	Amount change \$
Revenues from ordinary activities	-	-	-	-
Profit/(Loss) after tax from ordinary activities attributable to members	(424,057)	(64,000)	562.59%	(360,057)
Profit/(Loss) after tax attributable to members	(424,057)	(64,000)	562.59%	(360,057)

	Amount Per Security	Franked Amount Per Security
Final Dividend	Nil	Nil
Interim Dividend	Nil	Nil
Previous Corresponding Period	Nil	Nil
Record Date for Determining Entitlements	Not Applicable	

Commentary on results:

For further information, refer to the review of activities contained in the directors' report, which forms part of the attached Interim Financial Report.

3. NET TANGIBLE ASSETS PER SHARE

	31 December 2017	31 December 2016
Net tangible asset backing per ordinary security	(0.000014) cents	(0.014)cents

4. DETAILS OF ENTITIES OVER WHICH CONTROL HAS BEEN GAINED OR LOST DURING THE PERIOD

Control gained over entities

Name of entity (or group of entities)	N/A
Date control gained	N/A
Contribution of such entities to the reporting entity's profit/(loss) from ordinary activities during the period (where material)	N/A
Consolidated profit/(loss) from ordinary activities of the controlled entity (or group of entities) whilst controlled during the whole of the previous corresponding period (where material)	N/A

Loss of control over entities

Name of entity (or group of entities)	N/A
Date control lost	N/A
Contribution of such entities to the reporting entity's profit/(loss) from ordinary activities during the period (where material)	N/A
Consolidated profit/(loss) from ordinary activities of the controlled entity (or group of entities) whilst controlled during the whole of the previous corresponding period (where material)	N/A

5. DIVIDEND DETAILS

No dividend has been paid or recommended to be paid for the half-year ended 31 December 2017.

6. DETAILS OF DIVIDEND REINVESTMENT PLANS

N/A

7. DETAILS OF ASSOCIATE AND JOINT VENTURE ENTITIES

N/A

8. FOREIGN ENTITIES

Not Applicable

9. AUDIT

This report has been based on accounts that have been subject to an audit review. The accounts have been prepared on the going concern basis - refer to Note 1c of the attached financial statements.



Peter Wall
Non-Executive Chairman

28 February 2018

BRONSON GROUP LIMITED

A.B.N. 60 006 569 124

INTERIM FINANCIAL REPORT

FOR THE HALF-YEAR ENDED

31 DECEMBER 2017

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CORPORATE DIRECTORY

Directors

Peter Wall – Non-Executive Chairman

Adam Blumenthal – Non-Executive Director

Graham Durtanovich – Non-Executive Director

Amit Edri – Managing Director

Company Secretary

Stephen Buckley

Registered office

Level 2,

46-50 Kings Park Road

West Perth 6005

Ph: +61 8 6189 1155

Fax: +61 8 9200 3742

Website: www.bronsongroup.com.au

Auditors

Hall Chadwick

Level 40

2 Park Street

Sydney NSW 2000

Share Registry

Automatic Registry Services

Level 2

267 St Georges Terrace

Perth WA 6000

Ph: 1300 288 664 (within Australia) +61 2 9698 5414

Bankers

National Australia Bank

1232 Hay Street

West Perth WA 6005

Securities Exchange Listing

Australian Securities Exchange Limited

ASX Code – BGR

Bronson Group Limited
ABN (60 006 569 124)
and Controlled Entities

DIRECTORS' REPORT

Your directors submit the financial report of the consolidated group for the half-year ended 31 December 2017.

Directors

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

Name	Status	Appointed/Resigned
Mr Peter Wall	Non-Executive Chairman	Appointed 2 June 2017
Mr Adam Blumenthal	Non-Executive Director	Appointed 2 June 2017
Mr Graham Durtanovich	Non-Executive Director	Appointed 2 June 2017
Mr Amit Edri	Managing Director	Appointed 11 September 2017

Company Secretary

Mr Stephen Buckley (appointed 2 June 2017)

Review of Operations

The company was placed in administration on the 9 June 2016 and was dormant throughout for the 2017 Financial year. On 10 July 2017 a binding Heads of Agreement was signed with Pharmaceutical Development Company (Pty) Ltd ("PDC") which has obtained and will be operating a renewable 10 year licence (Licence) granted by the Government of Lesotho on 28 February 2017. The Licence authorises PDC to cultivate, manufacture, supply, research, hold and transit cannabis, cannabis plant and cannabis resin as well as import cannabinoid seed for medical, scientific or other lawful use.

On 24 October 2017 Bronson Group Limited (BGR) terminated the agreement with Pharmaceutical Development Company (Pty) Ltd (**PDC**) as BGR was unable to satisfy all of the re-compliance requirements set by the ASX. As such, the parties to the agreement have agreed to mutually terminate the Agreement with no acknowledgement of fault by either party.

BGR continues to focus on additional project opportunities, both in the cannabis sector and elsewhere.

Auditor's Independence Declaration

The lead auditor's independence declaration under s 307C of the *Corporations Act 2001* is set out on page 5 for the half-year ended 31 December 2017.

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



Director

Peter Wall

Dated 28 February 2018

BRONSON GROUP LIMITED
ABN 60 006 569 124

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

SYDNEY

Level 40
2 Park Street
Sydney NSW 2000
Australia

Ph: (612) 9263 2600
Fx: (612) 9263 2800

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2017 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: 28 February 2018

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Bronson Group Limited
ABN (60 006 569 124)
and Controlled Entities

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE HALF-YEAR ENDED
31 DECEMBER 2017

	Note	Consolidated Group	
		31.12.17	31.12.16
		\$	\$
Revenue		-	-
Interest income		-	-
Accounting and Audit		9,516	30,000
Corporate Costs		133,622	-
Legal compliance and professional fees		140,385	34,000
Travel		69,831	-
Other expenses		70,703	-
Loss before income tax		(424,057)	(64,000)
Income tax expense		-	-
Net (Loss) for the period		(424,057)	(64,000)
 Earnings per share			
From continuing and discontinued operations:		-	-
– basic earnings per share (cents)		(0.0065)	(0.00017)
– diluted earnings per share (cents)		(0.0065)	(0.00017)

The accompanying notes form part of these financial statements.

Bronson Group Limited
ABN (60 006 569 124)
and Controlled Entities

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2017

	Note	Consolidated Group	
		31.12.17	30.06.17
		\$	\$
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents		110,922	213,328
Trade and other receivables		-	35,655
Other current assets		49,090	-
TOTAL CURRENT ASSETS		160,012	248,983
NON-CURRENT ASSETS			
TOTAL ASSETS		160,012	248,983
LIABILITIES			
CURRENT LIABILITIES			
Trade and other payables		125,503	90,702
TOTAL CURRENT LIABILITIES		125,503	90,702
TOTAL NON-CURRENT LIABILITIES		-	-
TOTAL LIABILITIES		125,503	90,702
NET ASSETS		34,509	158,281
EQUITY			
Issued capital		13,038,070	12,738,070
Reserves		285	-
Retained earnings		(13,003,846)	(12,579,789)
TOTAL EQUITY		34,509	158,281

The accompanying notes form part of these financial statements.

Bronson Group Limited
ABN (60 006 569 124)
and Controlled Entities

Consolidated Group	Note	Ordinary Share Capital \$	Reserve	Retained Earnings \$	Total \$
Balance at 1.7.16		11,988,070	-	(15,083,488)	(3,095,418)
Comprehensive income					
Loss for the period				(64,000)	(64,000)
Balance at 31.12.16		11,988,070	-	(15,147,488)	(3,159,418)
Balance at 1.7.17		12,738,070	-	(12,583,415)	158,281
Loss attributable to members of parent entity		-		(424,057)	(424,057)
Option Reserve		-	285	-	285
Shares issued during the period		300,000			
Balance at 31.12.17		13,038,070	285	(13,003,846)	34,509

Bronson Group Limited
ABN (60 006 569 124)
and Controlled Entities

CONSOLIDATED STATEMENT OF CASH FLOWS

FOR THE HALF-YEAR ENDED
31 DECEMBER 2017

	Consolidated Group	
	31.12.17	31.12.16
	\$	\$
CASH FLOWS FROM OPERATING ACTIVITIES		-
Receipts from customers	-	-
Payments to suppliers	412,806	-
Interest received	(340)	-
Net cash (used in)/provided by operating activities	412,466	-
 CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of non-current assets	-	-
Net cash (used in)/provided by investing activities	-	-
 CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from issue of shares	310,000	-
Proceeds from issue of options	60	-
Net cash (used in)/provided by financing activities	310,060	-
 Net decrease in cash held	102,406	-
Cash and cash equivalents at beginning of period	213,328	-
Cash and cash equivalents at end of period	110,922	-

The accompanying notes form part of these financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

FOR THE HALF-YEAR ENDED 31 DECEMBER 2017

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

a. **Basis of Preparation**

These general purpose interim financial statements for half-year reporting period ended 30 June 2017 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard 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 (referred to as the “consolidated group” or “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 31 December 2017, together with any public announcements made during the following half-year.

These interim financial statements were authorised for issue on 28 February 2018.

b. **Accounting Policies**

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements.

The Group has considered the implications of new or amended Accounting Standards, but determined that their application to the financial statements is either not relevant or not material.

c. **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 after income tax for the consolidated entity for the six months to 31 December 2017 was \$424,057, and as at 31 December 2017, total assets exceeded total liabilities by \$34,509.

The company will raise further funds to meet the companies' cash requirements, if and when required. In Dec 17 quarter the company raised \$300,000 in order to continue to review potential opportunities to add shareholder value.

NOTE 2: CONTINGENT LIABILITIES

There has been no change in contingent liabilities since the last annual reporting period.

NOTE 3: EVENTS AFTER THE END OF THE INTERIM PERIOD

The directors are not aware of any significant events since the end of the interim period.

**Bronson Group Limited
ABN (60 006 569 124)
and Controlled Entities**

DIRECTORS' DECLARATION

In accordance with a resolution of the directors of Bronson Group Limited, the directors of the company declare that:

1. The financial statements and notes, as set out on pages 6 to 10 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 2017 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.



Peter Wall

Non-Executive Chairman

Dated 28 February 2018

BRONSON GROUP LIMITED
ABN 60 006 569 124

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

SYDNEY

Level 40
2 Park Street
Sydney NSW 2000
Australia

Ph: (612) 9263 2600
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Report on the Half-year Financial Report

We have reviewed the accompanying half-year financial report of Bronson Group Limited, which comprises the statement of financial position as at 31 December 2017, the statement of profit or loss and other comprehensive income, statement of changes in equity, and statement of cash flows for the period 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 interim 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 2017 and its performance for the period 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

**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 2017 and of its performance for the period ended on that date; and
- (ii) complying with AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.

Material Uncertainty Related to Going Concern

We draw attention to Note 1 in the financial report, which indicates that the group incurred a loss of \$424,057 for the half year ended 31 December 2017. As stated in Note 1 this event or condition, along with other matters as set forth in Note 1 indicate that a material uncertainty exists that may cast significant doubt about the group's ability to continue as a going concern. Our conclusion is not modified in respect of this matter.



HALL CHADWICK
Level 40, 2 Park Street
Sydney NSW 2000



DREW TOWNSEND
Partner

Dated: 28 February 2018