

**RESULTS FOR ANNOUNCEMENT TO THE MARKET**  
**APPENDIX 4D – INTERIM FINANCIAL REPORT**

<b>Statutory Earnings Highlights for the BWX Limited Group</b>			
	<b>1HFY16</b>	<b>1HFY17</b>	<b>% growth</b>
	<b>\$'m</b>	<b>\$'m</b>	
Revenue	27.5	37.5	36.4%
Gross profit	16.2	24.4	49.7%
Operating expenses	-6.5	-11.7	80.0%
EBITDA	9.8	12.8	30.6%
Profit (loss) from ordinary activities before income tax expense	9.0	12.0	33.3%
Profit (loss) from ordinary activities after income tax expense	6.3	8.2	30.2%
Total comprehensive income (loss) attributable to owners of the Company	6.3	8.2	30.2%
Gross margin	58.9%	65.1%	620 bpts
Basic EPS (cents per share)	8.01 <sup>(1)</sup>	8.93	11.5%
Diluted EPS (cents per share)	7.38 <sup>(1)</sup>	8.28	12.2%
Net tangible assets (cents per share)	11.65	20.17	73.1%
Net cash	3.9	0.2	(94.9)%

<sup>1</sup> EPS effected by issue of shares on 10 Nov 2016 as part of the IPO in 1HFY16

In accordance with the announcement dated 9 February 2017, the Company has declared an interim fully franked dividend of 2.5 cents per share, payable on 6 April 2017 with a record date of 3 March 2017. The dividend is payable in reference to the half year ended 31 December 2016.

Refer to the commentary on operating performance and the accompanying ASX announcement dated 9 February 2017 for a brief commentary on the results.

During the half year ended 31 December 2016, the company incorporated wholly owned subsidiary operating entities in the UK, being BWX Brands UK Limited and in Canada, being BWX Brands Canada Inc.

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**BWX LIMITED**

**ACN 163 488 631**

**HALF-YEAR REPORT**

**FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

To be read in conjunction with the annual report for the year ended 30 June 2016.

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## CORPORATE DIRECTORY

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### Directors

Mr Denis Shelley Non-Executive Chairman  
Mr John Humble Chief Executive Officer  
Mr Ian Campbell Non-Executive Director  
Mr Aaron Finlay Finance Director  
Mr Craig Bottomley Non-Executive Director

### Company Secretary

Mr Aaron Finlay

### Principal Place of Business

2 Darby Way  
Dandenong South VIC 3175  
Australia  
Website: [www.bwxltd.com](http://www.bwxltd.com)  
Tel: +61 3 8785 6300

### Registered Office

c/- Minter Ellison  
Level 23 Rialto Towers  
525 Collins Street  
Melbourne VIC 3000  
Australia

### Share Registry Details

Link Market Services Limited  
Tower 4  
727 Collins Street  
Melbourne VIC 3008  
Australia  
Tel (within Australia): 1300 554 474  
Tel (international): +61 1300 554 474  
Email: [registrars@linkmarketservices.com.au](mailto:registrars@linkmarketservices.com.au)  
Website: [www.linkmarketservices.com.au](http://www.linkmarketservices.com.au)

### Solicitors

Minter Ellison  
Level 23 Rialto Towers  
525 Collins Street  
Melbourne VIC 3000  
Australia

### Auditors

William Buck  
Level 20  
181 William Street  
Melbourne VIC 3000  
Australia

## DIRECTORS' REPORT

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The Directors present their report together with the consolidated financial statements of BWX Limited ("the Company") and its subsidiaries (collectively, the "Group") for the half-year ended 31 December 2016 and the auditor's report thereon.

### Directors

The Directors of the Company at any time during or since the end of the half-year are:

Mr Denis Shelley  
Mr John Humble  
Mr Ian Campbell  
Mr Aaron Finlay  
Mr Craig Bottomley

### Principal activities

BWX Limited is a vertically integrated developer, manufacturer, distributor and marketer of branded skin and hair care products with an emphasis on the natural segment of the beauty and personal care market. The company owns, produces and distributes under the Sukin, Derma Sukin, Usps, Edward Beale and Renew Skincare brands.

### Operating and financial review

The profit of the Group before depreciation and amortisation, finance costs, and income tax expense for the half-year amounted to \$12,752,228 (31 December 2015: \$9,784,364).

The profit of the Group for the half-year after providing for income tax amounted to \$8,207,591 (31 December 2015: \$6,318,645).

The net assets of the Group are \$96,060,700 as at 31 December 2016 (30 June 2016: \$90,764,441).

During the half year to 31 December 2016, BWX Limited has continued to consolidate the strength of its' branded business whilst actively migrating a further large portion of the Company's third party manufacturing activities. In line with the Company's previously stated goals the Company successfully continued to engineer a greater percentage of production capacity towards its' own branded products.

The acquisition of the Lightning Brokers business in March 2016 has strengthened the Company's relationships with retail partners and aligned the field sales team with the BWX Brands sales group, both of which have positively contributed towards strengthening the sales of Sukin branded product across the domestic market.

During the half year to 31 December 2016, with the increase in sales revenue predominately from the sales of Sukin branded product during the period, the Company has invested in both the domestic and international market opportunities, along with further developing the Company's capabilities with a view towards the future growth of the Company.

BWX Limited established BWX Brands UK Limited in August 2016 to directly service and manage key accounts such as Holland and Barrett and Boots, and to pursue further distribution of product in the United Kingdom. Similarly, in November 2016 the group established BWX Brands Canada Inc to facilitate the further distribution of product in the Canadian market.

In October 2016 BWX Limited established an international sales office as part of the Group's investment in and focus on the development of sustainable export markets.

## DIRECTORS' REPORT

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### Dividends paid or recommended

The following fully franked dividends were proposed and paid by the Directors during the half year ended 31 December 2016.

	Cents per share	Total amount \$'000	Date of payment
Final ordinary	4.80	4,396	12 Oct 2016

### Declared after end of year

After the balance sheet date, the following fully franked dividends were proposed by the Directors. The dividends have not been provided for and there are no income tax consequences.

	Cents per share	Total amount \$'000	Date of payment
Interim ordinary	2.50	2,307	6 April 2017

### Subsequent events

Apart from other matters disclosed in this report, there has not been any other matter or circumstance occurring subsequent to the end of the reporting period that has significantly affected, or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in the remainder of the current and future financial years.

### Auditor's independence declaration

The lead auditor's independence declaration for the half-year ended 31 December 2016 has been received and is attached to this Directors' Report.

Signed in accordance with a resolution of the Board of Directors.

### CEO and Finance Director declaration

The CEO and Finance Director have given a declaration to the Board concerning the Group's financial statements under section 295A(2) of the Corporations Act 2001 and recommendations 4.1 and 7.2 of the ASX Corporate Governance Council Principles of Good Corporate Governance and Best Practice Recommendations in regards to the integrity of the financial statements.

### Rounding

The amounts contained in this report and in the financial report have been rounded to the nearest \$1,000 (where rounding is applicable) under the option available to the Company under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191.



**Mr John Humble**  
**Chief Executive Officer**

Dated at Melbourne this 9<sup>th</sup> day of February 2017

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

I declare that, to the best of my knowledge and belief during the half-year ended 31 December 2016 there have been:

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

*William Buck*

**William Buck Audit [Vic] Pty Ltd**  
ABN 59 116 151 136

*NS*

**N. S. Benbow**  
Director

Dated this 9<sup>th</sup> day of February, 2017

**CHARTERED ACCOUNTANTS  
& ADVISORS**

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**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

	Half-year ended	
	31 December 2016 \$'000	31 December 2015 \$'000
Sales revenue	37,490	27,484
Cost of sales	(13,055)	(11,256)
<b>Gross profit</b>	<b>24,435</b>	<b>16,228</b>
Other income	74	82
Corporate and administrative expenses	(5,472)	(3,556)
Marketing, selling and distribution expenses	(4,887)	(1,852)
Occupancy expenses	(886)	(797)
Research and development and quality control expenses	(512)	(320)
<b>Operating profit</b>	<b>12,752</b>	<b>9,785</b>
Depreciation and amortisation	(432)	(248)
Finance expenses	(396)	(485)
<b>Profit before tax</b>	<b>11,924</b>	<b>9,052</b>
Income tax (expense)	(3,716)	(2,734)
<b>Total comprehensive income attributable to owners of the Company</b>	<b>8,208</b>	<b>6,319</b>
Basic earnings per share (cents)	8.93	8.01
Diluted earnings per share (cents)	8.28	7.38

The above Consolidated Statement of Comprehensive Income should be read in conjunction with the accompanying notes.

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**CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 DECEMBER 2016**

	Note	31 December 2016 \$'000	30 June 2016 \$'000
<b>Current assets</b>			
Cash and cash equivalents		8,279	2,651
Trade and other receivables		17,142	11,572
Inventories		11,543	11,251
<b>Total current assets</b>		<b>36,964</b>	<b>25,474</b>
<b>Non-current assets</b>			
Plant and equipment		3,455	3,229
Intangible assets and goodwill		76,920	76,925
Deferred tax assets		523	569
<b>Total non-current assets</b>		<b>80,898</b>	<b>80,723</b>
<b>Total assets</b>		<b>117,862</b>	<b>106,197</b>
<b>Current liabilities</b>			
Trade and other payables		5,075	3,062
Loans and borrowings	2	7,754	6,492
Current tax liabilities		7,299	4,329
Employee benefits		1,075	846
<b>Total current liabilities</b>		<b>21,203</b>	<b>14,729</b>
<b>Non-current liabilities</b>			
Loans and borrowings	2	447	550
Employee benefits		151	154
<b>Total non-current liabilities</b>		<b>598</b>	<b>704</b>
<b>Total liabilities</b>		<b>21,801</b>	<b>15,433</b>
<b>Net assets</b>		<b>96,061</b>	<b>90,764</b>
<b>Equity</b>			
Contributed equity	3	81,653	80,169
Reserves		639	637
Retained earnings		13,769	9,958
<b>Total equity</b>		<b>96,061</b>	<b>90,764</b>
Net tangible assets per share (cents)		20.17	14.64

The above Consolidated Statement of Financial Position should be read in conjunction with the accompanying notes.

**CONSOLIDATED STATEMENT OF CHANGES IN EQUITY  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

	Contributed equity	Performance Rights Reserve	Retained earnings / accumulated losses	Total
	\$'000	\$'000	\$'000	\$'000
Balance at 1 July 2015	58,024	411	(2,066)	56,369
Income for the period	-	-	6,319	6,319
Other comprehensive income for the period	-	-	-	-
<b>Total comprehensive income (expense)</b>	-	-	<b>6,319</b>	<b>6,319</b>
Transactions with owners in their capacity as owners	18,406	-	-	18,406
Vesting costs for share options and performance rights	-	117	-	117
<b>Balance at 31 December 2015</b>	<b>76,430</b>	<b>528</b>	<b>4,253</b>	<b>81,211</b>
Balance at 1 July 2016	80,169	637	9,958	90,764
Income for the year	-	-	8,208	8,208
Other comprehensive income for the year	-	-	-	-
<b>Total comprehensive income (expense)</b>	-	-	<b>8,208</b>	<b>8,208</b>
Transactions with employee loan plan shareholders	75	-	-	75
Shares issued, net of costs	963	-	-	963
Vesting costs for share options and performance rights	-	448	-	448
Share options and performance rights vested	446	(446)	-	-
Dividends paid	-	-	(4,397)	(4,397)
<b>Balance at 31 December 2016</b>	<b>81,653</b>	<b>639</b>	<b>13,769</b>	<b>96,061</b>

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

**CONSOLIDATED STATEMENT OF CASH FLOWS**  
**FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

	Half-year ended	
	31 December 2016 \$'000	31 December 2015 \$'000
<b>Cash flows from operating activities</b>		
Receipts from customers	35,045	32,672
Payments to suppliers and employees	(25,226)	(25,038)
Income taxes paid	(700)	-
Interest received	5	17
Interest paid	(396)	(349)
<b>Net cash flows from operating activities</b>	<b>8,728</b>	<b>7,302</b>
<b>Cash flows from investing activities</b>		
Acquisition of plant and equipment	(381)	(725)
Proceeds on sale of plant and equipment	-	5
Cash outflow on acquisition of business, net of cash acquired	-	(2,389)
Acquisition of intangible assets	(2)	-
<b>Net cash flows (used in) investing activities</b>	<b>(383)</b>	<b>(3,109)</b>
<b>Cash flows from financing activities</b>		
Proceeds from issue of share capital	-	20,000
Capital raising costs	(14)	(1,653)
Proceeds from (repayments of) loans and borrowings	1,618	(18,762)
Dividends paid	(4,321)	-
<b>Net cash flows (used in) financing activities</b>	<b>(2,717)</b>	<b>(415)</b>
Net increase in cash and cash equivalents	5,628	3,778
Cash and cash equivalents at beginning of the period	2,651	3,096
<b>Cash and cash equivalents at end of the period</b>	<b>8,279</b>	<b>6,874</b>

The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

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**1. Significant accounting policies**

**Statement of compliance**

The half-year financial report is a general purpose financial report prepared in accordance with the *Corporations Act 2001* and Australian Accounting Standard *AASB 134 "Interim Financial Reporting"*. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 "Interim Financial Reporting". The half-year report does not include notes of the type normally included in an annual financial report and should be read in conjunction with the most recent annual financial report and announcements made by the company up until the date of this report.

**Basis of preparation**

These consolidated financial statements have been prepared on the basis of historical cost. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the Group's annual financial report for the financial period ended 30 June 2016. These accounting policies are consistent with Australian Accounting Standards and with International Financial Reporting Standards.

**Adoption of new and revised Standards**

The Group has adopted all new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (the AASB) that are relevant to their operations and effective for the current reporting period.

The adoption of new and revised Standards and Interpretations has not materially affected the amounts reported for the current or prior corresponding period.

**2. Loans and borrowings**

	<b>31 December 2016 \$'000</b>	<b>30 June 2016 \$'000</b>
<b>Current</b>		
Bank loan	-	191
Trade finance facility	7,202	5,105
Equipment finance	552	196
Deferred consideration on purchase	-	1,000
	<b>7,754</b>	<b>6,492</b>
<b>Non-current</b>		
Equipment finance	447	550
	<b>447</b>	<b>550</b>

The Group maintains a \$10 million trade finance facility. The facility is secured by a mortgage over the assets of the consolidated group of companies. Indicative interest rates of 2.5% on the trade finance facility are charged. The interest rate applicable to the facility is variable and the Group does not hedge the interest rate.

The facility is subject to interest coverage, gross leverage and working capital covenants. The facility also imposes obligations on the Group with respect to reporting to the Commonwealth Bank. For the half year ended 31 December 2016 the Group has complied with its obligations under the facility.

Contingent consideration of \$1 million in relation to the acquisition of the Lightning Brokers business was paid during the period. As per the Asset Sale Agreement, the deferred

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**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

consideration was payable upon the Lightning business achieving an EBITDA greater than \$2,250,000 for the financial year ended 30 June 2016. The EBITDA for the purposes of the agreement was the sum of the Vendor's audited EBITDA for the nine months to the date of acquisition (31 March 2016) plus the EBITDA achieved by Lightning Distribution Pty Ltd for the three months from acquisition to 30 June 2016. The Directors had determined that Lightning achieved this target and accordingly the deferred consideration was settled by the issue of ordinary shares issued at the ASX quoted price for an ordinary share as at 30 September 2016 less adjustments for unrecovered acquisition debtors. The total consideration paid was \$978,694.

**3. Contributed equity**

**Issued capital**

	<b>31 December 2016 \$'000</b>	<b>30 June 2016 \$'000</b>
Ordinary shares, fully paid	81,653	80,169

**Movements in share capital**

	<b>Half-year ended 31 December 2016</b>		<b>Half-year ended 31 December 2015</b>	
	<b>Number</b>	<b>\$'000</b>	<b>Number</b>	<b>\$'000</b>
Balance at beginning of period	91,592,729	80,169	375,623,118	58,024
Shares issued during period				
- shares issued in consideration for services	-	-	270,000	59
- shares issued pursuant to information memorandum	-	-	13,333,333	20,000
- Deferred consideration on acquisition of Lightning Brokers	210,291	978	-	-
5:1 share consolidation	-	-	(300,714,474)	-
Shares issued under performance plan on 19 October 2015 (i)	-	-	2,050,000	-
Shares issued under performance plan on 22 December 2015 (i)	-	-	100,000	-
Shares issued under performance plan on 23 September 2016 (i)	493,000	-	-	-
Vesting of employee loan plan shares	-	444	-	-
Transaction costs relating to share issues	-	(14)	-	(1,653)
Transactions with employee loan plan shareholders (ii)	-	75	-	-
<b>Balance at end of period</b>	<b>92,296,020</b>	<b>81,653</b>	<b>90,661,977</b>	<b>76,430</b>

- (i) These shares were issued on 19 October 2015, 22 December 2015, and 26 September 2016, to directors and senior management, which are financed by the Group through

recourse loan agreements, which have non-interest bearing terms. The shares have all the rights and entitlements attached to ordinary shares, with the following exceptions:

- From their grant date the shares cannot be disposed or assigned until they have vested in accordance with performance milestones as disclosed in public announcements.
- In respect of vested Shares repayment of loan must be made within five years from when the Shares were issued. The borrower must repay the lesser of the outstanding value of the loan or the market value of the Shares acquired with the loan facility. If the borrower leaves employment with the Group, they must repay within 12 months from their termination date the lesser of the outstanding balance on the loan amount or the market value of the shares acquired with the loan facility.
- In respect of unvested Shares repayment of the loan must be made within five years from when the shares are issued. The borrower must repay the market value of the Shares unless the loan had previously been repaid in full. If the borrower leaves employment with the Group and holds unvested shares the borrower must repay the market value of the shares unless the loan has been previously repaid in full.
- With regards to the enforcement of loan repayments the board holds discretion to modify the repayment terms.

In assessing the accounting treatment of the transaction, the directors considered *AASB 2 share-based payments*, and determined that the arrangement constituted in economic substance the granting of performance options to employees and key management personnel, where, subject to the criteria set out above, the recipients have the entitlement to acquire the full economic benefit of the shares (being the right to unfettered dividend and capital return entitlements) by acquiring those shares at a price of \$1.50 per share on 19 October 2015, \$3.49 per share on 22 December 2015, and \$4.86 per share on 26 September 2016. A Black-Scholes option pricing model factoring in weighted average probabilities for the exercise of those shares was employed in determining the fair value of the arrangement that will vest to the reserve over the course of the completion of the performance milestones. For the period ended 31 December 2016 this was \$447,705.

- (i) Dividends declared on employee loan plan shares are not fully paid in cash per the employee loan plan agreement. The extent to which the Company pays cash on dividends is limited to the total tax payable on the dividend income in the shareholders' name, less the value of franking credits attributable to that dividend. Of the \$103,200 of dividends that were declared on employee loan plan shares in October 2016, \$28,011 was settled in cash, and the balance of \$75,189 was allocated against equity.

#### **4. Key management personnel**

Remuneration arrangements of key management personnel are disclosed in the annual financial report.

#### **5. Segment information**

The Group operates wholly in one business segment, being hair and beauty products. AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segments and to assess their performance.

Information reported to the Group's chief operating decision maker for the purposes of resource allocation and assessment of segment performance is focused on the Groups one business. Revenue per geographical region is shown below:

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE HALF-YEAR ENDED 31 DECEMBER 2016**

	31 December 2016 \$'000	31 December 2015 \$'000
<b>Net sales revenue</b>		
Australia	29,978	24,195
Overseas	6,868	3,289
	<b>36,846</b>	<b>27,484</b>

The Groups assets are predominantly held in Australia

**6. Contingencies and commitments**

The Group does not have any material contingent assets or liabilities that were not otherwise disclosed in the 30 June 2016 financial statements.

**7. Subsequent events**

*Dividends declared after end of year*

After the balance sheet date, the following fully franked dividends were proposed by the Directors. The dividends have not been provided for and there are no income tax consequences.

	Cents per share	Total amount \$'000	Date of payment
Interim ordinary	2.50	2,307	6 April 2017

There has not been any other matter or circumstance occurring subsequent to the end of the half-year that has significantly affected, or may significantly affect the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

**8. Fair value measurement**

Due to the nature of the Group's operating profile, the Directors and management do not consider that the fair values of the Group's financial assets and liabilities are materially different from their carrying amounts at 31 December 2016.

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## DIRECTORS' DECLARATION

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For the half year ended 31 December 2016, the Directors declare that:

- (a) 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; and
- (b) in the Directors' opinion, the attached financial statements and notes thereto are in accordance with the *Corporations Act 2001* and *Corporations Regulations 2001*, including compliance with Accounting Standards AASB 134 Interim Financial Statements and give a true and fair view of the financial position and performance of the consolidated entity for the half-year ended 31 December 2016.

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 John Humble  
Chief Executive Officer

Melbourne, 9<sup>th</sup> of February 2017

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

### Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of BWX Limited (the company) and the entities it controlled at the half-year's end or from time to time during the half year (the consolidated entity), which comprises the consolidated statement of financial position as at 31 December 2016, 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 the company 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 December 2016 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 BWX 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.

#### CHARTERED ACCOUNTANTS & ADVISORS

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**INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF BWX LIMITED  
(CONT)***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 BWX 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 December 2016 and of its performance for the half year ended on that date; and
- b) complying with Australian Accounting Standard 134 Interim Financial Reporting and the Corporations Regulations 2001.

*William Buck*

**William Buck Audit [Vic] Pty Ltd**  
ABN 59 116 151 136



**N. S. Benbow**  
Director

Dated this 9<sup>th</sup> day of February, 2017

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