



Bronson Group Limited
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Chairman's Address to Annual General Meeting
Monday 30th November 2015, 11.00am Sydney time

Good Morning Ladies & Gentlemen,

Thank you for attending our Annual General Meeting and thank you to all shareholders who sent proxies due to their inability to attend today.

I would like to provide you with a brief review of the last financial year and an update on recent developments to date.

The after tax loss from ordinary activities for the year ended 30th June 2015 was \$1,476,795, a reduction of \$2,306,339 from the previous year. The significant reduction in loss is attributed to the major company restructure and overheads reduction. The reported loss was primarily attributed to a number of non-cash items including the impairment cost of \$267,618, provision for slow moving stock of \$406,944, restructure consultancy fee of \$220,000 and foreign currency loss of \$200,058 from the closure of the US division.

It is important to note that while the Company experienced a loss in financial year 2015, we achieved a breakeven for the last quarter as well as a profit, year to date for financial year 2016.

As mentioned in my letter of 21 October 2015, our diversification program is gaining traction with the addition of 64 new lines of Bath, Beauty and Hair Accessories for a national supermarket group. Stock is on the water as I write and we expect opening orders to be delivered in early December. Since then we have secured another 4 lines of Make up Brushes with this same group. We expect these 68 new lines to add significantly to revenue contribution.

Our activities with TVSN also represent a very important business pillar. The New York Lift and Incline Chair is now a regular, consistent seller on TVSN with sales

contributing significantly to revenue and profit. Brand extensions are in discussion, to broaden the category.

New lines such as Table Mate, Window Bully, Misty Mate and Pebble Bee have all launched in the past few months. All are brands from the US with proven Home Shopping success, some over many years. It is expected they will develop into regular consistent products on TVSN over the coming months.

Other new exciting products over a number of categories are at various stages of development with TVSN. Once again, many of these brands have international Home Shopping success to their credit.

Your Board remains optimistic about these initiatives and the new trend towards profitability.

Pierre Safi
Chairman