

Appendix 4D

Half Yearly Report

Name of Entity: PWR Holdings Limited
ABN: 85 105 326 850

1. Reporting Period

Reporting Period:	Half year ended 31 December 2015 (“current period”)
Previous Reporting Period	Half year ended 31 December 2014 (“previous corresponding period”)

2. Results for Announcement to the Market

A\$'000

Revenues from ordinary activities	Up	45.2%	to	18,472
Profit / (Loss) from ordinary activities after tax attributed to members ⁽ⁱ⁾	Down	70.7%	to	1,230
Net profit / (loss) for the period attributed to members ⁽ⁱ⁾	Down	70.7%	to	1,230

⁽ⁱ⁾ In 1HY FY16, one off costs associated with the IPO of A\$2.66 million were incurred. Excluding the impact of this amount, profit from ordinary activities after tax attributed to members was down 26.2% to A\$3.10 million, as outlined further below.

Dividends (distributions)	Amount per security	Franked amount per security
<i>Current period</i> Interim dividend	0.62 cents	100%
<i>Previous corresponding period</i> Interim dividend	N/A	N/A
Record date for determining entitlements to the dividend	31 March 2016	

Brief explanation of revenue, net profit and dividends (results commentary)

Revenue of the Group for the six months ended 31 December 2015 was \$18.47 million (31 December 2014: \$12.72 million), an increase of 45.2%. Growth in revenue compared to the comparative period was primarily due to the contribution of the C&R Racing business which was acquired in late March 2015. Favourable movement in exchange rates also impacted revenue compared to the previous corresponding period.

The net profit after tax of the Group for the six months ended 31 December 2015 was \$1.23 million (31 December 2014: \$4.20 million), including the recognition of \$2.67 million (\$1.87 million after tax) of one-off expenses in relation to the initial public offering of the Company as outlined below.

EBITDA for 1H FY16 was \$5.32 million compared to \$5.81 million for 1H FY15. EBITDA margins were 28.8% and 45.7% respectively. The lower EBITDA margin and profit in 1H FY16 compared to the comparative period was primarily driven by: the acquisition of C&R Racing which has lower operating margins; a higher margin Original Equipment Manufacturing contract delivered in 1H FY15; investment in new engineering and production personnel; and integration of C&R Racing.

Further information on results and operations is included in the Directors' Report.

Subsequent to the end of the reporting period, the directors have declared a fully franked interim dividend for the half year ending 31 December 2015 of 0.62 cents per ordinary share to be paid on 8 April 2016, a total estimated distribution of \$620,000 based on the number of ordinary shares on issue as at 31 March 2016, representing 50% of statutory NPAT.

3. Net Tangible assets per security

	Current period	Previous corresponding period
Net tangible assets per security	\$0.16	\$11.42

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

Control gained over entities

Name of entities	Nil
Date(s) from which control was gained	N/A
Contribution to consolidated profit/(loss) from ordinary activities after tax by the controlled entities since the date(s) in the current period on which control was acquired.	N/A
Profit/(loss) from ordinary activities after tax of the controlled entities for the whole of the previous corresponding period.	N/A

Loss of control of entities

Name of entities	Nil
Date(s) from which control was lost	N/A
Contribution to consolidated profit/(loss) from ordinary activities after tax by the controlled entities to the date(s) in the current period when control was lost.	N/A
Profit/(loss) from ordinary activities after tax of the controlled entities for the whole of the previous corresponding period.	N/A

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
Interim Current period dividend	8 April 2016	0.62 cents	100%	-
Previous corresponding period	Nil	N/A	N/A	N/A

6. Dividend reinvestment plan

Details of any dividend reinvestment plans in operation

N/A

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:

Name of associate or joint venture entity	Percentage holding	
	Current period	Previous corresponding period
Nil	Nil	Nil

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)

N/A

9. Description of dispute or qualification if the accounts have been audited or subject to review

N/A

This report is based on:

Accounts that have been subject to review.

A handwritten signature in cursive script, appearing to read 'Kees Weel'.

Kees Weel

Managing Director

Dated this 26th day of February 2016



**PWR Holdings Limited
and its controlled entities**

ACN:105 326 850

Interim Financial Report

For the six months ended 31 December 2015

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**PWR Holdings Limited
and its controlled entities**

Directors Report

For six months ended 31 December 2015

The directors present their report together with the financial report of PWR Holdings Limited (the “Company”) and its controlled entities (the “Group”) for the six months ended 31 December 2015 and the review report thereon.

Directors

The directors of the Company at any time during or since the end of the period are:

Director	Period of Directorship
Kees Cornelius Weel <i>Managing Director</i>	Since 30 June 2003
Robert Edward Thorn <i>Independent, Non-Executive Director and Chairman</i>	Since 7 August 2015
Jeffrey Ian Forbes <i>Independent, Non-Executive Director</i>	Since 7 August 2015
Teresa Gayle Handicott <i>Independent, Non-Executive Director</i>	Since 1 October 2015
Paul Anthony Weel <i>Executive Director</i>	From 18 September 2009 to 24 September 2015

The Company’s registered office and principal place of business is 103 Lahrs Road, Ormeau, Queensland 4208.

Operating and financial review

The principal activities of the Group during the course of the half year were the design, engineering, production, testing, validation and sales of customised aluminium cooling products and solutions to the motorsports, automotive original equipment manufacturing (“OEM”), automotive aftermarket, emerging technologies and industrial industries for domestic and international markets.

Revenue of the Group for the six months ended 31 December 2015 was \$18.47 million (31 December 2014: \$12.72 million), an increase of 45.2%. Growth in revenue compared to the comparative period was primarily due to the contribution of the C&R Racing business which was acquired in late March 2015. Favourable movement in exchange rates also impacted revenue compared to the previous corresponding period.

The net profit after tax of the Group for the six months ended 31 December 2015 was \$1.23 million (31 December 2014: \$4.20 million), including the recognition of \$2.67 million (\$1.87 million after tax) of one-off expenses in relation to the initial public offering of the Company as outlined below.

EBITDA¹ for 1H FY16 was \$5.32 million compared to \$5.81 million for 1H FY15. EBITDA margins were 28.8% and 45.7% respectively. The lower EBITDA margin and profit in 1H FY16 compared to the comparative period was primarily driven by: the acquisition of C&R Racing which has lower operating margins; a higher margin OEM contract delivered in 1H FY15; investment in new engineering and production personnel; and integration of C&R Racing.

The outlook for the business remains positive and the Company believes that it is on track to meet its prospectus forecast.

¹ Earnings Before Interest, Tax, Depreciation and Amortisation (“EBITDA”) is a non-IFRS term which has not been subject to audit or review but has been determined using information presented in the Company’s interim financial statements.

**PWR Holdings Limited
and its controlled entities**

Directors Report

For six months ended 31 December 2015

Operating and financial review (cont)

Operating cash flow for the half was strong at \$4.78 million compared to \$3.90 million for 1H FY15. The balance sheet remains strong with cash of \$3.17 million and no core debt.

During the six months ended 31 December 2015, the Group:

- Developed new aftermarket replacement products for the mining industry and commenced selling to that market;
- Undertook measured capital investment to expand tanking and production capabilities together with investment in new engineering and production personnel to ensure capability to meet future growth;
- Continued the integration of the C&R Racing business, which included a restructure and refocusing of the management, sales and accounting teams, and implementation of PWR's global ERP system;
- Completed an initial public offering and repaid debt as outlined below; and
- Appointed new directors as outlined below.

Initial Public Offering

In October 2015, the Company issued a prospectus for the purposes of an initial public offering of 54.5 million shares at an offer price of \$1.50 per share, comprising the sell-down of 38.4 million existing shares by existing shareholders and the issue of 16.1 million new shares. As a result of the initial public offering:

- The Company listed on the Australian Securities Exchange (ASX code: PWH) on 18 November 2015;
- The Company raised \$24.15 million;
- The Group repaid debt of £7.20 million (A\$13.83 million) and US\$4.95 million (A\$6.47 million); and
- The Company incurred \$3.78 million before tax in costs in relation to the transaction, of which \$1.12 million was allocated to equity and \$2.66 million was recorded as an expense.

Director appointments

On 7 August 2015, Bob Thorn and Jeff Forbes were appointed as Directors of the Company and Lisa Dalton was appointed as Company Secretary.

On 24 September 2015, Paul Weel resigned as a Director of the Company.

On 1 October 2015, Teresa Handicott was appointed as a Director of the Company.

There were no other significant changes in the nature of the activities of the Group during the period.

Events subsequent to reporting date

The Board declared an interim dividend of 0.62 cents per share. The financial effect of the 2016 declared interim dividend has not been brought to account in the consolidated financial statements for the half-year ended 31 December 2015.

Other than the matters noted above, there has not arisen in the interval between the end of the period and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Company, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group, in future periods.

**PWR Holdings Limited
and its controlled entities**

Directors Report

For six months ended 31 December 2015

Lead auditor's independence declaration

The lead auditor's independence declaration is set out on page 5 and forms part of the directors' report for the six months ended 31 December 2015.

Signed in accordance with a resolution of the directors:



Kees Weel

Managing Director

Dated at Brisbane, this 26th day of February 2016.



Bob Thorn

Chairman

Dated at Brisbane, this 26th day of February 2016.



Lead Auditor's Independence Declaration under Section 307C of the *Corporations Act 2001*

To: the directors of PWR Holdings Limited

I declare that, to the best of my knowledge and belief, in relation to the review for the half-year ended 31 December 2015 there have been:

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

A handwritten signature in black ink that reads 'KPMG'.

KPMG

A handwritten signature in black ink that reads 'Jason Adams'.

Jason Adams
Partner

Brisbane
26 February 2016

**PWR Holdings Limited
and its controlled entities**

**Consolidated Statement of Profit or Loss
and Other Comprehensive Income**

For the six months ended 31 December 2015

	<i>Note</i>	31 Dec 2015	31 Dec 2014
		\$	\$
Revenue		18,471,610	12,720,387
Other income		85,000	72,411
Raw materials and consumables used		(5,462,342)	(2,414,034)
Changes in inventories of finished goods and work in progress		1,201,688	(36,633)
Employee expenses		(7,035,210)	(3,663,866)
Depreciation and amortisation		(568,200)	(336,801)
Occupancy expenses		(749,472)	(414,308)
Initial public offering costs	5	(2,665,936)	-
Other expenses		(1,189,278)	(453,743)
Results from operating activities		<u>2,087,860</u>	<u>5,473,413</u>
Finance income		3,061	329,217
Finance costs		(351,058)	(99,242)
Net finance income/(costs)		<u>(347,997)</u>	<u>229,975</u>
Profit before income tax		1,739,863	5,703,388
Income tax expense		(509,829)	(1,500,922)
Profit for the period		<u>1,230,034</u>	<u>4,202,466</u>
Other comprehensive income			
Items that are or may be reclassified to profit or loss:			
Exchange differences on translating foreign operations		440,031	152,887
Total comprehensive income for the period		<u>1,670,065</u>	<u>4,355,353</u>
Basic and diluted earnings per share		<u>1.40 cents</u>	<u>5.01 cents</u>

The accompanying notes are an integral part of these interim financial statements.

**PWR Holdings Limited
and its controlled entities**

Consolidated Statement of Financial Position

For the six months ended 31 December 2015

	<i>Note</i>	31 Dec 2015	30 June 2015
		\$	\$
Assets			
Current assets			
Cash and cash equivalents		3,172,616	1,005,861
Trade and other receivables		3,194,212	4,314,617
Inventories		6,492,063	5,106,744
Current tax assets		-	170,388
Other assets including derivatives		799,072	1,411,715
Total current assets		<u>13,657,963</u>	<u>12,009,325</u>
Non-current assets			
Property, plant and equipment		5,509,959	4,727,525
Intangible assets		14,330,868	14,172,286
Deferred tax assets		2,100,715	656,145
Total non-current assets		<u>21,941,542</u>	<u>19,555,956</u>
Total assets		<u>35,599,505</u>	<u>31,565,281</u>
Liabilities			
Current liabilities			
Trade and other payables		1,972,947	1,849,531
Loans and borrowings	6	796,603	5,579,444
Employee benefits		822,729	868,600
Current tax liabilities		598,078	-
Provisions		119,402	99,688
Total current liabilities		<u>4,309,759</u>	<u>8,397,263</u>
Non-current liabilities			
Loans and borrowings	6	878,421	17,794,203
Employee benefits		115,830	115,960
Total non-current liabilities		<u>994,251</u>	<u>17,910,163</u>
Total liabilities		<u>5,304,010</u>	<u>26,307,426</u>
Net assets		<u>30,295,495</u>	<u>5,257,855</u>
Equity			
Issued capital	7	25,920,826	2,553,251
Reserves		971,494	531,463
Retained earnings		3,403,175	2,173,141
Total equity		<u>30,295,495</u>	<u>5,257,855</u>

The accompanying notes are an integral part of these interim financial statements.

**PWR Holdings Limited
and its controlled entities**

Consolidated Statement of Changes in Equity

For the six months ended 31 December 2015

<i>Note</i>	Share capital	Foreign currency translation reserve	Retained earnings	Total equity
	\$	\$	\$	\$
Balance at 1 July 2015	2,553,251	531,463	2,173,141	5,257,855
Total comprehensive income for the period				
Profit for the period	-	-	1,230,034	1,230,034
Other comprehensive income	-	440,031	-	440,031
Total comprehensive income	-	440,031	1,230,034	1,670,065
Transactions with owners, recorded directly in equity				
Share issued during the period, net of costs 7	23,367,575	-	-	23,367,575
Total transactions with owners	23,367,575	-	-	23,367,575
Balance at 31 December 2015	25,920,826	971,494	3,403,175	30,295,495
Balance at 1 July 2014	1	110,299	6,563,966	6,674,266
Total comprehensive income for the period				
Profit for the period	-	-	4,202,466	4,202,466
Other comprehensive income	-	152,887	-	152,887
Total comprehensive income	-	152,887	4,202,466	4,355,353
Transactions with owners, recorded directly in equity				
Total transactions with owners	-	-	-	-
Balance at 31 December 2014	1	263,186	10,766,432	11,029,619

The accompanying notes are an integral part of these interim financial statements.

**PWR Holdings Limited
and its controlled entities**

Consolidated Statement of Cash Flows

For the six months ended 31 December 2015

	<i>Note</i>	31 Dec 2015	31 Dec 2014
		\$	\$
Cash flows from operating activities			
Cash receipts from customers		19,056,771	12,595,509
Cash paid to suppliers and employees		<u>(13,248,541)</u>	<u>(6,238,222)</u>
Cash generated from operating activities		5,808,230	6,357,287
Interest paid		(278,849)	(51,322)
Income tax paid		<u>(752,041)</u>	<u>(2,409,438)</u>
Net cash from operating activities		<u>4,777,340</u>	<u>3,896,527</u>
Cash flows from investing activities			
Government grant income received		40,000	60,000
Interest received		3,061	12,020
Payments for property, plant and equipment (net of asset finance)		<u>(261,828)</u>	<u>(520,112)</u>
Net cash used in investing activities		<u>(218,767)</u>	<u>(448,092)</u>
Cash flows from financing activities			
Proceeds from issue of shares	7	24,150,000	-
Payments for issue of shares	7	(3,783,685)	-
Repayment of borrowings	6	(22,451,143)	-
Loans to related parties		-	(893,583)
Payment of finance lease liabilities		<u>(386,400)</u>	<u>(284,784)</u>
Net cash used in financing activities		<u>(2,471,228)</u>	<u>(1,178,367)</u>
Net increase in cash and cash equivalents		2,087,345	2,270,068
Cash and cash equivalents at 1 July		1,005,861	1,638,984
Effect of exchange rate fluctuations on cash held		79,410	(31,358)
Cash and cash equivalents at 31 December		<u>3,172,616</u>	<u>3,877,694</u>

The accompanying notes are an integral part of these interim financial statements.

**PWR Holdings Limited
and its controlled entities**

Notes to the consolidated interim financial statements

For the six months ended 31 December 2015

1. Reporting entity

PWR Holdings Limited (the “Company”) is a Company domiciled in Australia.

These condensed consolidated interim financial statements of the Company as at and for the six months ended 31 December 2015 comprise the Company and its subsidiaries (together referred to as the “Group” and individually as “Group Entities”).

The Group is involved in the design, engineering, production, testing, validation and sales of customised aluminium cooling products and solutions to the motorsports, automotive original equipment manufacturing, automotive aftermarket, emerging technologies and industrial industries for domestic and international markets.

The consolidated annual financial statements of the Group as at and for the year ended 30 June 2015 are available upon request from the Company’s registered office at 103 Lahrs Road, Ormeau, Queensland 4208.

2. Basis of preparation

These interim financial statements are general purpose financial statements prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*, and with IAS 34 *Interim Financial Reporting*.

They do not include all of the information required for a complete set of annual financial statements. However, selected explanatory notes are included to explain events and transactions that are significant to understanding the changes in the Group’s financial position and performance since the last annual consolidated financial statements as at and for the year ended 30 June 2015.

The accounting policies applied in these interim financial statements are the same applied in the Group’s consolidated financial statements as at and for the year ended 30 June 2015.

These interim financial statements were approved by the Board of Directors on 26 February 2016.

3. Use of estimates and judgements

In preparing these interim financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements as at and for the year ended 30 June 2015.

**PWR Holdings Limited
and its controlled entities**

Notes to the consolidated interim financial statements

For the six months ended 31 December 2015

4. Operating segments

The Group determines its operating segments based on information presented to the Managing Director being the chief operating decision maker. During the period, the Group changed its internal reporting structure which resulted in a change to the composition of its reportable segments. Operating segments are now based on the Group's operating divisions as opposed to their geographical location.

Intersegment revenues are determined based on cost plus a margin. Segment profit before interest and tax is determined after the elimination of intercompany transactions.

	PWR Performance Products		C&R Racing		Total	
	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014	31 Dec 2015	31 Dec 2014
	\$	\$	\$	\$	\$	\$
External revenues	12,234,025	12,720,387	6,237,585	-	18,471,610	12,720,387
Inter-segment revenues	2,378,137	-	231,982	-	2,610,119	-
Segment revenue	14,612,162	12,720,387	6,469,567	-	21,089,729	12,720,387
Segment profit/(loss) before interest and tax	4,253,230	5,495,831	501,175	-	4,754,405	5,495,831

	31 Dec 2015	31 Dec 2014
	\$	\$
Reconciliation of reportable segment profit or loss		
<i>Profit before tax</i>		
Total profit before tax for reportable segments	4,754,405	5,495,831
Net finance income/(costs)	(347,997)	207,923
Unallocated corporate expenses	(2,666,545)	(366)
Consolidated profit before tax	1,739,863	5,703,388

5. Significant items

During the period, the Company incurred \$3.78 million before tax in one-off costs in relation to the initial public offering undertaken by the Company, of which \$1.12 million was allocated to equity and \$2.66 million was recorded as an expense. These non-recurring expenses are included in "Initial Public Offering Expenses" in the Consolidated Statement of Profit or Loss and Other Comprehensive Income.

6. Loans and borrowings

During the period, the Group repaid in full its foreign currency debt facilities of £7.20 million (A\$13.83 million) and US\$4.95 million (A\$6.47 million). The repayment was funded by the proceeds of the initial public offering undertaken by the Company during the period.

**PWR Holdings Limited
and its controlled entities**

**Notes to the consolidated interim financial statements
For the six months ended 31 December 2015**

7. Capital and reserves

Share capital	31 Dec 2015		31 Dec 2014	
	No. of shares	\$	No. of shares	\$
<i>Ordinary shares</i>				
Balance at 1 July	1,000,000	2,553,251	965,000	1
Share subdivision (i)	82,900,000	-	-	-
Issued for initial public offering (ii)	16,100,000	24,150,000	-	-
Transaction costs recognised during the period, net of tax	-	(782,425)	-	-
Balance at 31 December	<u>100,000,000</u>	<u>25,920,826</u>	<u>965,000</u>	<u>1</u>

(i) Share subdivision

In October 2015, the Company subdivided its shares, with the existing 1,000,000 shares split into 83,900,000 shares.

(ii) Initial public offering

In October 2015, the Company issued a prospectus for the purposes of an initial public offering of 54.5 million shares at an offer price of \$1.50 per share, comprising the sell-down of 38.4 million existing shares by existing shareholders and the issue of 16.1 million new shares. As a result:

- The Company listed on the Australian Securities Exchange (ASX code: PWH) on 18 November 2015;
- The Company raised \$24.15 million;
- The Group repaid debt of £7.20 million (A\$13.83 million) and US\$4.95 million (A\$6.47 million);
- The Company incurred \$3.78 million before tax in costs in relation to the transaction, of which \$1.12 million was allocated to equity and \$2.66 million was recorded as an expense.

Dividends

No dividends were recognised by the Company during the current or prior period.

Subsequent to half year end, the Company declared the following dividends:

	Cents per share	Total amount \$	Franked/unfranked	Date of payment
2016 Interim Dividend	0.62	620,000	Franked	8 April 2016
Total amount		<u>620,000</u>		

8. Subsequent events

Subsequent to the end of the reporting period, the Company declared an interim dividend of 0.62 cents per share.

Other than the matters noted above, there has not arisen in the interval since the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely, in the opinion of the directors of the Group, to affect significantly the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

Directors' declaration

In the opinion of the directors of PWR Holdings Limited (the "Company"):

- (a) the consolidated financial statements and notes, set out on pages 6 to 12 are in accordance with the Corporations Act 2001, including:
 - (i) giving a true and fair view of the Group's financial position as at 31 December 2015 and of its performance for the six month period ended on that date; and
 - (ii) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the Corporations Regulations 2001;
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

Signed in accordance with a resolution of the directors:



Kees Weel

Managing Director

Dated at Brisbane, this 26th day of February 2016.



Bob Thorn

Chairman

Dated at Brisbane, this 26th day of February 2016.



Independent auditor's review report to the members of PWR Holdings Limited

We have reviewed the accompanying interim financial report of PWR Holdings Limited, which comprises the consolidated statement of financial position as at 31 December 2015 and 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 1 to 8 comprising a summary of significant accounting policies and other explanatory information and the directors' declaration of the Group comprising the company and the entities it controlled at the half-year's end or from time to time during the half-year.

Directors' responsibility for the interim financial report

The directors of the company are responsible for the preparation of the interim 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 interim financial report that is free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the interim 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 the Group's financial position as at 31 December 2015 and its performance for the half-year ended on that date; and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As auditor of PWR Holdings Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of an interim 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*.



Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the interim financial report of PWR Holdings Limited is not in accordance with the *Corporations Act 2001*, including:

- (a) giving a true and fair view of the Group's financial position as at 31 December 2015 and of its performance for the half-year ended on that date; and
- (b) complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

KPMG

Jason Adams
Partner

Brisbane
26 February 2016