

SHAREHOLDER UPDATE

DECEMBER 2017

KEY HIGHLIGHTS

- **CCP is set for accelerated growth in 2018**
- **New sales channel partnerships announced**
- **More customers join the CCP network**

FROM THE CEO

For CCP, 2017 has been characterised as a foundational year. We've cemented our product capability, achieved market validation with a growing customer base, established key technology partnerships and, more recently, announced several sales channel partnerships.

On the back of solid business development progress, we have announced a successful Private Placement raising \$500,000, and a Share Purchase Plan (SPP). I'm delighted to see all the existing CCP shareholders who funded the May 2017 placement continuing to support CCP by leading the funding of this private placement. The Board sincerely appreciates their continued support.

CCP has a long tail of smaller shareholders. For this capital raise, we have elected to use an SPP to give all our smaller shareholders an equitable opportunity to increase their holding. The SPP is an attractive means for those smaller shareholders wanting to establish or maintain a meaningful shareholding in CCP.

In this Shareholder Update, I wanted to provide some brief commentary - in a conversational style - around our Investor Presentation which is available [here](#).

If you're an eligible shareholder, I hope you consider participating in the SPP. All the staff at CCP are enthusiastically committed to achieving our vision and I believe we have now established the basis upon which we will achieve accelerated growth.

As this will be the last Shareholder Update for 2017, I'll take this opportunity to wish all our shareholders, and their families, a very happy Christmas. We're set for an exciting year ahead.

THE CCP PLATFORM

The CCP Platform



Wireless smart IoT sensors monitor critical control points 24/7 . . .

. . . Customers access deep business intelligence through web or any mobile device



Governments around the world are tightening food safety regulations. In most countries, food safety compliance is mandatory across all sectors of the food industry. This creates a huge market opportunity for CCP.

CCP is using advanced IoT technologies to help food businesses meet their compliance requirements and to improve business efficiency. There are essentially two primary reasons why customers buy our solution:

- to manage food safety compliance, and
- to manage refrigeration performance.


Our solution provides peace of mind. Customers benefit from knowing that their coolers, freezers and other refrigeration equipment (i.e. what we refer to as 'monitoring points') are operating at correct temperatures. If something goes wrong, they are immediately notified so corrective actions can be taken; and this minimises business disruption.

In addition to supporting food safety compliance, CCP continually analyses and reports on refrigeration performance. Without continuous accurate monitoring, it's virtually impossible to measure the performance of refrigerated environments within a commercial kitchen, grocery store or other food business. By using CCP, customers can reduce costs through energy savings and achieving better perishable food shelf life. To date, our solution has prevented hundreds of thousands of dollars' worth of food loss. A terrific result.

However, it's worth keeping in mind, our platform monitors more than temperature. One customer is using CCP to monitor humidity in a wine cellar (holding millions of dollars' worth of stock). Our platform has proven capability to monitor a wide variety of critical control points, which presents various market opportunities for CCP.


SIGNIFICANT MOMENTUM

Significant Momentum




Partnerships


Progressing negotiations with a major Australian ASX-listed distributor



Distribution



Vodafone selected CCP for its NB-IoT network trial. Progressing global partnership discussions




Partnerships with Sigfox operators in Australia, US and Singapore



Sales growth

Monitoring points set to hit the 1,000 benchmark



In a short period of time, we've achieved significant momentum in our business; and we're on-track for continued growth. Our current technology is reliable and its design supports the rapid integration of new communication and sensing technologies as they emerge.

Our first generation 'smart tags' have been sold and deployed since Jan 2017. These tags monitor temperature, humidity and door events. An external probe is available to monitor ovens, liquid and other challenging environments.



With edge-computing design, our highly accurate tags continuously perform sophisticated data capture, processing and transmission functions. Unlike most wireless sensors, our tags store and process business rules on-board. This means that when temperatures or other parameters exceed certain tolerances, the tag itself generates an alert state and immediately transmits the alert.

This year, CCP announced new technology partnerships with Sigfox and Vodafone. Our new developed - second generation - Sigfox and NB-IoT smart tags will be available in December 2017, with full production scheduled for early January 2018. NB-IoT is used by Vodafone and a range of other global telecommunications service providers.

In addition, CCP is developing a LTE Cat M1 smart tag for release early in the new year. It will be compatible with the Telstra network and other global telecommunications service providers who use this protocol.



Our new Low Power Wide Area Networks (LPWANs) smart tags - supporting Sigfox, NB-IoT Cat M1 and other protocols - underpins global scalability and rapid sales growth. Discussions are underway with key telecommunication service providers in Australia, USA and Singapore to extend technology partnerships.

WE ARE ON TRACK



With more than 1,000 monitoring points in service, the CCP solution is customer validated. We have secured numerous major brands in Australia and the US as customers; and our sales pipeline includes approximately 50,000 monitoring points from our existing customer base. By enhancing our solution, we are also positioning CCP for a broader implementation across these customer sites.

TMT Analytics, who provides institutional-grade equities research for companies in the Technology, Media and Telecom sectors, issued a research report on CCP. The report highlights the importance of channel partnerships to expedite the Company's commercial roll-out. View the report [here](#).

PARTNERSHIP GROWTH

CCP has recently announced new channel partnerships with Dicker Data, Channon Refrigeration and Shamrock Group (US). Combined, these sales channel partners have the potential to reach millions of monitoring points.



Minneapolis-based refrigeration, ice and beverage product and service company, which will provide over 8,500 potential sales touch points.



Sydney-based specialist refrigeration company, Channon's Refrigeration, the agreement initially estimates sales of 2,000 monitoring points.



Australia's leading ASX-listed ICT distributor with 5,000 resellers in its network.


All shareholders should be aware material revenue flow is expected to lag agreements with resellers and distribution for at least one quarter. Planning and preparation is required to integrated business systems, complete training and conduct promotional activities before the sales process commences.

In our business model, revenues are only recognised after the solution is installed, trial period is complete (if any) and the service agreement has commenced. Being a SaaS model, revenue is typically monthly recurring over a 24-month period. While CCP acknowledges lifetime customer contract values, accounts reflect actual revenue received in the period. Recurring revenues will accumulate over time. However, in the long-term this creates a more predictable and sustainable business model.

WHY INVEST

Why Invest?

Market Validation of SaaS Model	Rapid revenue growth in the first 9 months. Trials with blue chip customers. Finalist in the Australian IoT awards.
Global Reach	Partnership agreements with Sigfox US, Thinxtra, UnaBiz & Vodafone for global deployment.
Competitive Advantage	High quality IoT platform with continuous monitoring at the lowest possible price.
Enormous Growth Potential	Current low penetration in the food industry which has addressable market of 470 million monitoring points in US and Australia.
Increasing Regulatory Environment	Temperature monitoring in the food industry is a regulatory requirement in Australia, US and other developed countries.
Experienced & Proven Management	The team has successfully developed and commercialised technology, with a strong track record in cold chain management solutions.



CCP has made solid business development progress. During the last 12 months, we have commercialised a new solution for the food industry - the world's largest industry - using IoT mega-trend technology.

We've designed, developed and commercialised a competitive solution; and achieved sales. Our 24-month Customer Contract Value (CCV) performance metric is anticipated to be over \$500,000 at the end of December 2017. Continuing to on-board more customers validates CCP's value proposition, solution capability, competitive advantage and SaaS business model.

It's now time to ramp-up. To do this, partnerships are vital for CCP. Technology partners will increase brand awareness and open the door to business opportunities. Sales channel partners are a more cost effective and faster way of reaching our global target markets. Recent announcements confirm our ability to secure major food industry value chain participants.

Funds raised under the Placement and SPP will be used to fund the expansion of CCP's sales and marketing effort in both domestic and overseas markets, as well as to support other working capital requirements.

CUSTOMER NEWS

Key sales and marketing activity in this reporting period focused on large enterprise opportunities, where the potential deal values are large but the sales cycles are longer.

Our CCP customer base continues to expand in both Australia and North America. We're particularly excited to have established a relationship with Palace Entertainment. Palace Entertainment is part of the Parques Reunidos group - one of the leading, fastest-growing leisure park operators in the world.

Take a look below at the following customer profiles to see how CCP is being used in the food industry.

Australian Profiles

Cape Schank



The National Golf Club, located at Cape Schanck on the Mornington Peninsula, has installed CCP's monitoring solution to keep a watchful eye over the Club's refrigeration units 24/7. The Club's restaurant delivers food service excellence every day, with food safety and minimising disruption remaining key priorities.

Supabarn Kingston



Canberra's recently opened Supabarn Kingston has installed CCP's wireless temperature monitoring solution to strengthen food safety and reduce business risk. The independent supermarket chain focusses on local-sourced produce, quality, price and service.



First Club from Channon's Refrigeration signed on

A major Sydney club has recently on-boarded a new customer contract, valued at over \$40,000 through the newly announced partnership with Channon Refrigeration. The major Sydney club has signed an initial deal through Channon's for over 100 monitoring points.

North American Profiles

Palace Entertainment



Palace Entertainment, an amusement and entertainment company that operates 40 amusement parks, water parks and family entertainment centres throughout the United States will implement the CCP solutions in all its locations. With plans to launch 20 more locations in the US within the next 5 years, this represents a huge growth opportunity for CCP, as its first national North American account in the United States.

Lobster Me



LoLobster ME Me, the fast-casual seafood restaurant currently runs 2 locations in Las Vegas and a third in San Francisco. Lobster Me is the second concept brand from owner and operator LEV Restaurant Group to implement CCP technology, following Jaburritos.

FOLLOW US

CCP is making changes to its corporate website (www.ccp-technologies.com) to make operational announcements more accessible. A consolidated news feed will show business-related activity from Australia (au.ccp-network.com) and North America (us.ccp-network.com) websites together with ASX announcements. We'll be regularly posting customer news and case studies on our websites, and we also invite you to connect with us on social media:



Website - CCP Technologies Limited (ASX:CT1)



Website - CCP Network (please note: automatic AU/US redirection)



Facebook - CCP Technologies



Facebook - CCP Network Australia



Facebook - CCP North America



LinkedIn - CCP Technologies



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