

# **CPT Global Limited and Controlled Entities**

**ABN 16 083 090 895**

## **Financial Report**

**for the half year ended 31 December 2017**

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## Directors' Report

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

### DIRECTORS

The names and details of the company's directors in office during the half year and until the date of this report are as follows. Directors were in office for this entire period:

- § Fred S Grimwade (Non-Executive Chairman)
- § Gerard (Gerry) Tuddenham (Managing Director)
- § Alan Baxter (Non-Executive Director)
- § David Lynch (Managing Director (Acting), CEO Australia and Asia)

### REVIEW AND RESULTS OF OPERATIONS

I am pleased to report that the changes we have been making to stabilise and reinvigorate the business and drive performances are beginning to deliver improved results. The group returned to profitability for the 6 month period to 31 December 2017. The profit before tax of \$265,186 and the profit after tax of \$968 are the first unadjusted profits delivered by the Group since FY14. Although we need to sustain the performance and momentum, the result provides indication that the strategic, structural, cultural and operational changes implemented since we commenced a review process in FY16 are having the desired impact. We are on track to return the business to generating sustainable profits and returns for shareholders, notwithstanding that there are risks we need to manage closely.

With the business largely stabilised, our focus is now on driving the performance of our core service lines and focus areas within regions, leveraging our partnerships for growth, expanding our digital practice and continuing to reduce our expense base. The highlights of the results are:

- 7% revenue growth in the Australian region. Revenue growth has come from banking, Federal Government and insurance sectors as demand for our expertise increased. Percentage margins have decreased slightly, as we anticipated, as tier 1 financial institutions put downward pressure on rates. However, an increase in the volume of work has offset the lower margins;
- 11% revenue growth in North America. Two risk reward contracts commenced in the half with contracted maximum revenue of US\$2.8m. The North American pipeline is strong with several large time and materials contracts with good margins expected to commence in March and April. Gross profit margin in North America has declined marginally to \$1.72m in comparison to the comparative period (2016: \$1.76m) although the percentage margin is still very strong. For the prior half year period 31 December 2016, North American gross profit margin included the results of a very successful risk/reward contract which boosted the region's gross profit margin percentage well above historic levels;
- While European revenue was 44% down on the comparative period in part due to scaling back the business, fixed overhead costs have been reduced to the minimum costs required to maintain the corporate structure. The region now operates on a strategic account basis with variable costs limited to a small number of focused clients and pursuit of key/profitable opportunities. Revenue in the first half grew 28% in comparison to the second half of FY17, an encouraging sign for our European business albeit small in terms of overall contribution;
- Overhead and operating costs were \$0.58m lower than the comparative period due to the reduction in costs in Europe and cost controls across all regions; and
- The EBIT of \$0.33m at 31 December 2017 is a \$0.48m improvement on the comparative period (2016: \$0.14m EBIT loss).

Although the half year result is encouraging and reflects a continued improving trend, we still have much work to do to ensure we deliver a consistent return to our shareholders. We are not yet in a position to pay a dividend. We are optimistic that the momentum we have built in FY18 will continue as the sales pipeline in North America is strong, the Australian business continues to reshape and the cost base in Europe contained.

The half year result is the culmination of the repositioning effort and our consultants and employees who have all contributed to delivering great work for our clients. The dedication of the management team has been instrumental in turning the business around. The loyalty, work ethic and dedication of our people has been greatly appreciated by the Board.

## Directors' Report (cont.)

### Financial Performance

CPT's revenue for the half year ended 31 December 2017 was \$15.1 m, a 5% increase on the prior corresponding half year's revenue of \$14.4m. International revenue was steady at \$4.2m (2016: \$4.2m) while Australian revenue increased by 7% to \$10.8m (2016: \$10.1m). EBIT for the half year was \$0.33m (2016: \$0.14m loss).

The Company's current ratio has declined, and current liabilities now exceed current assets: 0.9:1 (2016: 1.04:1).

CPT posted a net profit before tax of \$0.27m for the half year ended 31 December 2017 (2016: \$0.18m loss). The profit after tax of \$1k (2016: \$0.32m loss) was due to tax expense in North America being negatively impacted by interest charges on intercompany loans being added back to taxable profit. We are working with our advisors in North America to minimise future exposure.

Earnings per share and diluted earnings per share was (0.0) and (0.0) cents per share (2016: (0.9) and (0.8) cents per share).

### Financial Position

CPT Global's balance sheet reflected net tangible assets of \$0.0m as at 31 December 2017 (\$0.3m at 30 June 2017). This is a direct result of the after-tax profit and the foreign exchange losses recognised in other comprehensive income:

- Unbilled revenue (WIP) has increased by \$0.4m as two risk/reward contracts in the United States were in progress at the period end with invoicing expected to commence in March 2018. At 31 December 2017, \$0.6m of WIP relates to risk/reward contracts (\$0.3m at 30 June 2017). Australian WIP has grown by \$0.2m as deliverables at a major government client were due shortly after the period end.
- The reduction in the deferred tax asset is largely due to the utilisation of tax losses in North America.
- The \$0.4m decrease in trade and other payables is a result of the growth in activity in Australia and North America which has resulted in an increase in payments due to consultants, employees & government which is offset by a reduction in the tax liability in Canada of \$0.6m.
- Borrowings at period end relate to the debtor funding provided by Scottish Pacific against the debtors of the Australian business. The increase in the facility utilised is due to the growth in revenue in Australia and the timing of the drawdown on the facility before period end.
- Current tax liabilities are the income tax payable in North America for the period to 31 December 2017.

### Cash Flow

CPT's net cash inflow for the half year resulted in an increase in cash holdings to \$1.8m at 31 December 2017 (\$1.7m 30 June 2017). The increase in cash is largely due to the drawdown against the debtor funding facility near period end. The cash outflow from operations has decreased \$0.1m from the comparative period. Operating cash flows are still negative, however, the net outflows are reducing as performance improves. The increase in work in progress during the period as two risk/reward contracts commenced also contributed to the operating cash outflow.

### Capital Management

No dividends will be declared for the half year to 31 December 2017.

Our debtor funding facility has a limit of \$5m of which \$2.7m was outstanding at 31 December 2017.

During the remainder of FY18 our focus will be on growing cash flow from operations to minimise the use of debtor facilities and the associated costs so that we can rebuild our cash position and start paying dividends again.

The Group has access to a \$1.2m term facility from the Export Finance and Investment Corporation to fund certain risk/reward contracts in the United States. The facility was signed on 23 February 2018.

### The Outlook

The Australian business remains on a growth trajectory, particularly within the banking sector, superannuation, insurance and federal/state government. We are also seeing growth in our mid-tier client base, especially in Victoria. The rate of growth is expected to be lower than the first half however as our major clients reorganise and undertake supplier rationalisation. These factors are expected to slow our growth, but the impact is expected to be relatively short term. Margin pressures continue in tier 1 clients, however, we continue to land new opportunities in tier 2 clients, including consulting and digital services. The Australian business will continue to provide a solid base for the Group.

## Directors' Report (cont.)

Revenue in the North American region is expected to continue to grow in the second half as two risk/reward contracts progress and significant new time and material contracts at two existing clients start towards the end of the 3<sup>rd</sup> quarter and into the 4<sup>th</sup> quarter. Due to the strength of the pipeline and the size and quality of the opportunities, CPT's priority in the second half of FY18 is to move key resources from Australia to North America to deliver contracts, close opportunities and open new opportunities. The size of the contracts and the margins they can deliver and the quality of the opportunities in the pipeline justify the investment.

In Asia we will continue to leverage our partner model to source opportunities. Projects will continue to be undertaken on an opportunistic basis in the short term.

The European region will continue to be run as part of the larger Northern Hemisphere region with laser focus on a small number of accounts. With the fixed cost reductions and structural changes we have made in Europe, we can adjust our strategy quickly if growth opportunities return.

The investment in partners and new digital revenue streams is delivering incremental revenue for the Group and opening opportunities with new clients. While the revenue is not yet significant to the Group, this is a growth area for the business, particularly in Australia and North America. We will continue to invest in our partners and skilling our consultants in these capabilities. Digital services is now a growth driver for the business. We aim for our digital service line to be self-funding by the end of the financial year, and to provide an engine for development of new business lines.

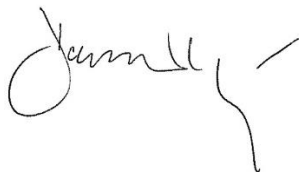
### ROUNDING

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 Financials/Directors' Report) Instrument 2016/191. The company is an entity to which the Legislative Instrument applies.

### AUDITORS DECLARATION

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

Signed in accordance with a resolution of the directors.



David Lynch  
Managing Director (Acting)  
Melbourne, 26 February 2018

**Auditor's Independence Declaration under Section 307C of the Corporations Act  
2001 to the directors of CPT Global Limited & Controlled Entities**

I declare that, to the best of my knowledge and belief, during the half year ended 31 December 2017 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.

*ShineWing Australia*

**ShineWing Australia**  
Chartered Accountants

*Rami Eltchelebi*

Rami Eltchelebi  
Partner

Melbourne, 26 February 2018

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

HALF-YEAR ENDED 31 DECEMBER 2017

	31 Dec 17	31 Dec 16
	\$'000	\$'000
Revenue	15,048	14,375
Other income	30	31
Salaries and employee benefits expense	(1,489)	(1,711)
Consultants benefits expense	(11,219)	(10,720)
Depreciation and amortisation expenses	(35)	(32)
Insurance expense	(124)	(138)
Finance costs	(143)	(114)
Occupancy expenses	(479)	(482)
Other expenses	(1,324)	(1,385)
<b>PROFIT / (LOSS) BEFORE INCOME TAX</b>	<b>265</b>	<b>(176)</b>
<b>INCOME TAX EXPENSE</b>	<b>(264)</b>	<b>(140)</b>
<b>PROFIT / (LOSS) AFTER INCOME TAX</b>	<b>1</b>	<b>(316)</b>
Other comprehensive income / (loss):		
Items that will not be subsequently reclassified to comprehensive income:		
Items that may be subsequently reclassified to comprehensive income:		
Exchange differences on translating foreign controlled entities	(333)	17
Total Other Comprehensive (Loss) / Income for the period, net of tax	(333)	17
<b>TOTAL COMPREHENSIVE (LOSS)</b>	<b>(332)</b>	<b>(299)</b>
<b>(LOSS) ATTRIBUTABLE TO MEMBERS OF CPT GLOBAL LIMITED</b>	<b>(332)</b>	<b>(316)</b>
<b>TOTAL COMPREHENSIVE (LOSS) ATTRIBUTABLE TO MEMBERS OF CPT GLOBAL LIMITED</b>	<b>(332)</b>	<b>(299)</b>
Basic earnings per share (cents per share)	0.0	(0.9)
Diluted earnings per share (cents per share)	0.0	(0.8)

The Consolidated Statement of Profit or Loss and Other Comprehensive Income is to be read in conjunction with the Notes to the Financial Statements.

## Consolidated Statement of Financial Position

AS AT 31 DECEMBER 2017

	As at 31 Dec 17 \$'000	As at 30 June 17 \$'000
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	1,834	1,656
Trade and other receivables	5,546	5,571
Unbilled revenue	1,231	792
Other current assets	56	103
<b>TOTAL CURRENT ASSETS</b>	<b>8,667</b>	<b>8,122</b>
<b>NON-CURRENT ASSETS</b>		
Deferred tax assets	880	1,067
Property, plant and equipment	8	43
Intangible assets	3 4,325	4,348
<b>TOTAL NON-CURRENT ASSETS</b>	<b>5,213</b>	<b>5,458</b>
<b>TOTAL ASSETS</b>	<b>13,880</b>	<b>13,580</b>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	5,600	6,007
Borrowings	5 2,725	1,640
Current tax liabilities	205	2
Provisions	952	982
<b>TOTAL CURRENT LIABILITIES</b>	<b>9,482</b>	<b>8,631</b>
<b>NON-CURRENT LIABILITIES</b>		
Deferred tax liability	17	233
Other long term provisions	87	91
<b>TOTAL NON-CURRENT LIABILITIES</b>	<b>105</b>	<b>324</b>
<b>TOTAL LIABILITIES</b>	<b>9,587</b>	<b>8,955</b>
<b>NET ASSETS</b>	<b>4,293</b>	<b>4,625</b>
<b>EQUITY</b>		
Issued capital	12,228	12,228
Reserves	1,106	1,439
Accumulated Losses	(9,041)	(9,042)
<b>TOTAL EQUITY</b>	<b>4,293</b>	<b>4,625</b>

The Consolidated Statement of Financial Position is to be read in conjunction with the Notes to the Financial Statements.



## Consolidated Statement of Changes in Equity

HALF-YEAR ENDED 31 DECEMBER 2017

	\$'000	\$'000	\$'000	\$'000	\$'000
Notes	Issued capital Ordinary	Accumulated Losses	Equity Reserve	Foreign Currency Translation Reserve	Total
Balance at 1 July 2016	12,195	(7,574)	1,691	(436)	5,876
Comprehensive income					
Loss for the year	-	(1,468)	-	-	(1,468)
Other comprehensive loss	-	-	-	184	184
<b>Total comprehensive income/(loss) for the year</b>	<b>-</b>	<b>(1,468)</b>	<b>-</b>	<b>184</b>	<b>(1,284)</b>
Transactions with owners, in their capacity as owners					
Issue of Shares	33	-	-	-	33
<b>Total transactions with owners, in their capacity as owners</b>	<b>33</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33</b>
<b>Balance as at 30 June 2017</b>	<b>12,228</b>	<b>(9,042)</b>	<b>1,691</b>	<b>(252)</b>	<b>4,625</b>
Balance at 1 July 2017	12,228	(9,042)	1,691	(252)	4,625
Comprehensive income					
Profit for the year	-	1	-	-	1
Other comprehensive loss	-	-	-	(333)	(333)
<b>Total comprehensive income/(loss) for the year</b>	<b>-</b>	<b>1</b>	<b>-</b>	<b>(333)</b>	<b>(332)</b>
Transactions with owners, in their capacity as owners					
Issue of Shares	-	-	-	-	-
<b>Total transactions with owners, in their capacity as owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Balance as at 31 December 2017</b>	<b>12,228</b>	<b>(9,041)</b>	<b>1,691</b>	<b>(585)</b>	<b>4,293</b>

The Consolidated Statement of Changes in Equity is to be read in conjunction with the Notes to the Financial Statements.

## Consolidated Statement of Cash Flows

HALF-YEAR ENDED 31 DECEMBER 2017

	31 Dec 17	31 Dec 16
	\$'000	\$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	15,198	15,193
Payments to suppliers and employees	(15,528)	(15,683)
Interest received	2	3
Finance costs paid	(131)	(114)
Income tax paid	(89)	(66)
<b>NET CASH FLOWS USED IN OPERATING ACTIVITIES</b>	<u>(548)</u>	<u>(667)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Sale of property, plant and equipment, software	21	-
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<u>21</u>	<u>-</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from borrowings	1,086	169
<b>NET CASH FLOWS FROM FINANCIAL ACTIVITIES</b>	<u>1,086</u>	<u>169</u>
<b>NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS HELD</b>	559	(498)
Add opening cash and cash equivalents brought forward	1,656	3,034
Effects of exchange rate changes on cash and cash equivalents	(381)	(24)
<b>CLOSING CASH AND CASH EQUIVALENTS CARRIED FORWARD</b>	<u><u>1,834</u></u>	<u><u>2,512</u></u>

The Consolidated Statement of Cash Flows is to be read in conjunction with the Notes to the Financial Statements.

## Notes to the Financial Statements

HALF-YEAR ENDED 31 DECEMBER 2017

### NOTE 1: BASIS OF PREPARATION OF THE HALF-YEAR FINANCIAL REPORT

#### Basis of Preparation

These general purpose interim financial statements for the half-year reporting period ended 31 December 2017 have been prepared in accordance with requirements of the Corporations Act 2001 and Australian Accounting Standard AASB 134: Interim Financial Reporting.

The interim financial report is intended to provide users with an update on the latest annual financial statements of CPT Global Limited and its controlled entities (referred to as "the 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 30 June 2017, together with any public announcements made during the following half-year.

#### 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, except in relation to the matters discussed below.

#### Critical Accounting Estimates and Judgements

The critical estimates and judgements are consistent with those applied and disclosed in the June 2017 annual report apart from accounting for foreign exchange gains and losses on intercompany loan accounts. For the period ended 31 December 2017, foreign exchange gains and losses on inter-company loan accounts (H1FY18: loss of \$333k) have been included in the net investment in subsidiaries and recognised in other comprehensive income. For the period ended 30 June 2017, foreign exchange gains and losses were recognised in the loss before income tax. The change in judgement is due to the company determining that intercompany loans will not be settled in the foreseeable future.

#### Working Capital Deficiency

The consolidated financial statements have been prepared on a going concern basis.

For the period ended 31 December 2017, the Group incurred an operating cash outflow of \$548k (2016: \$667). A cash flow forecast for the next 12 months prepared by management indicates the Group will have sufficient cash assets to be able to meet its debts as and when they are due, however, the Group is dependent upon the continued availability of the debtor financing facility and Efic term loan to maintain positive working capital.

At the date of this report, the directors have no reason to believe that the Group will not be able to settle its liabilities or realise its assets in the ordinary course of business.

#### Consolidated

	31 Dec 17	31 Dec 16
	\$'000	\$'000

### NOTE 2: DIVIDENDS

Distributions paid	-	-
Aggregate dividends declared post period end		
Fully franked ordinary dividend of 0.0 cents per share (2016: 0.0 cents per share franked at the tax rate of 30%).	-	-

## Notes to the Financial Statements (cont.)

### Consolidated

31 Dec 17      30 June 17  
\$'000      \$'000

#### NOTE 3: INTANGIBLE ASSETS

Goodwill at cost	9,659	9,659
Accumulated impairment losses	(5,502)	(5,502)
Total goodwill	4,157	4,157
Intellectual Property at cost	75	75
Software at cost	818	818
Accumulated amortisation and impairment	(725)	(702)
Total software	93	116
Total intangible assets	4,325	4,348

At 31 December 2017 there was an impairment indicator asset assessment undertaken of the goodwill allocated to the Australian CGU and goodwill is not impaired.

#### NOTE 4: CONTINGENT ASSETS AND LIABILITIES

Since the last annual reporting date, there has been no material change to any contingent liabilities or contingent assets

#### NOTE 5: BORROWINGS

31 Dec 17      30 June 17  
\$'000      \$'000

##### CURRENT

Secured borrowings	2,725	1,640
Total borrowings	2,725	1,640
Unutilised financing facilities		
Credit facility	5,000	5,000
Amount utilised	(2,725)	(1,640)
Amount unutilised	2,275	3,360

The parent entity has a debtors financing facility in place. The facility is secured by a first registered company charge (mortgage debenture) over the carrying value of the total assets of the parent entity. Interest is charged at a 5.5% margin above the 90 day Bank Bill Swap Rate. The maximum facility is \$5m.

On 23 February 2018, the Group entered into a 12 month term facility with the Export Finance and Investment Corporation to fund certain risk/reward contracts in the United States of America. The facility is secured by a first ranking charge over the assets of CPT Global International Pty Ltd, a second ranking charge over the assets of CPT Global Australia Pty Ltd and a third ranking charge over the assets of CPT Global Limited. Interest is charged at a 6.00% margin on the 90 day Bank Bill Swap Rate. The maximum facility is \$1.2m.

## Notes to the Financial Statements (cont.)

### NOTE 6: OPERATING SEGMENTS

	Australia		Europe		North America		Consolidated	
	Dec-17	Dec-16	Dec-17	Dec-16	Dec-17	Dec-16	Dec-17	Dec-16
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Segment Performance</b>								
<b>REVENUE</b>								
External Sales	10,847	10,138	518	920	3,683	3,317	15,048	14,375
<i>Reconciliation of segment revenue to group revenue</i>								
- Miscellaneous Revenue							31	31
<b>Total Group Revenue</b>							<b>15,079</b>	<b>14,406</b>
<b>Segment Gross Profit before tax</b>	<b>2,782</b>	<b>2,781</b>	<b>138</b>	<b>236</b>	<b>1,716</b>	<b>1,755</b>	<b>4,667</b>	<b>4,803</b>
<i>Reconciliation of segment result to group profit/loss before tax</i>								
Unallocated Items								
- Overheads							4,402	4,979
<b>Profit/(Loss) before tax</b>							<b>265</b>	<b>(176)</b>

	Australia		Europe		North America		Consolidated	
	Dec-17	June-17	Dec-17	June-17	Dec-17	June-17	Dec-17	June-17
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
<b>Segment Assets</b>	<b>4,948</b>	<b>4,409</b>	<b>458</b>	<b>340</b>	<b>1,365</b>	<b>1,610</b>	<b>6,771</b>	<b>6,359</b>
Segment asset increases for the period:								
- Capital Expenditure	-	-	-	-	-	-	-	-
	<b>4,948</b>	<b>4,409</b>	<b>458</b>	<b>340</b>	<b>1,365</b>	<b>1,610</b>	<b>6,771</b>	<b>6,359</b>
<i>Reconciliation of segment assets to group assets</i>								
Unallocated assets:								
- Goodwill	4,232	4,232					4,232	4,232
- Property, plant & equipment							101	159
- Other Assets							2,776	2,830
<b>Total Group Assets</b>							<b>13,880</b>	<b>13,580</b>

## Notes to the Financial Statements (cont.)

### NOTE 6: OPERATING SEGMENTS (continued)

	Australia		Europe		North America		Consolidated	
	Dec-17 \$'000	June-17 \$'000	Dec-17 \$'000	June-17 \$'000	Dec-17 \$'000	June-17 \$'000	Dec-17 \$'000	June-17 \$'000
Segment Liabilities	5,825	4,435	464	746	1,703	1,802	7,991	6,982
Segment liability increases for the period:								
-	-	-	-	-	-	-	-	-
	5,825	4,435	464	746	1,703	1,802	7,991	6,982
<i>Reconciliation of segment liabilities to group assets</i>								
Unallocated liabilities:								
- Provisions	1,731	1,893			(135)	79	1,596	1,972
- Other Liabilities								
<b>Total Group Liabilities</b>							<b>9,587</b>	<b>8,954</b>

### NOTE 7: SHARE-BASED PAYMENTS

On 27 November 2017, 800,000 performance shares were granted to directors to take up ordinary shares. The performance shares expire on 29 November 2020, vest over a two year period in two equal tranches and are contingent upon the Company's revenue levels and share price reaching targets in each of the 2018 and 2019 financial years.

The performance shares hold no voting or dividend rights, are not transferrable and will lapse in the event of the resignation of a director. At the date of this report, all directors in receipt of the performance shares remain employed by CPT.

The fair value of the performance shares, at the time they were granted, was determined to be \$78,300.

### NOTE 8: SUBSEQUENT EVENTS

On 23 February, CPT Global Limited entered a term loan facility with the Export Finance and Investment Corporation. A summary of the facility is included in Note 5.


There have been no other events after reporting date.

## Directors' Declaration

In accordance with a resolution of the directors of CPT Global Limited, the directors of the company declare that:

- (1) The financial statements and notes, as set out on pages 6 to 13, are in accordance with the Corporations Act 2001 including:
  - (i) complying with Accounting Standard AASB: 134: Interim Financial Reporting; and
  - (ii) 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.

On behalf of the Board

A handwritten signature in black ink, appearing to read 'D Lynch', with a horizontal line extending to the right.

David Lynch  
Managing Director (Acting)  
Melbourne, 26 February 2018

## **INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS OF CPT GLOBAL LIMITED AND CONTROLLED ENTITIES**

### **Report on the Half-year Financial Report**

#### *Conclusion*

We have reviewed the half-year financial report of CPT Global Limited ("the Company") and Controlled Entities ("the Group") which comprises the consolidated statement of financial position as at 31 December 2017, the consolidated statement of profit or loss and other comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the half-year then ended, and notes to the financial statements and the directors' declaration.

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 the Group is not 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 2017 and of its financial performance for the half-year ended on that date; and
- (ii) complying with Accounting Standard AASB 134 : *Interim Financial Reporting* and the *Corporations Regulations 2001*.

#### *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 Responsibilities for the Review of the Half-Year Financial Report*

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 half-year 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 2017 and its financial 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 the Group, 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*.

*ShineWing Australia*

**ShineWing Australia**  
Chartered Accountants



Rami Eltchelebi  
Partner

Melbourne, 26 February 2018

## Corporate Information

ACN 083 090 895  
ABN 16 083 090 895

### Directors

Fred Grimwade  
(Non-executive Chairman)

Gerard (Gerry) Tuddenham  
(Managing Director)

Alan Baxter  
(Non-executive Director)

David Lynch  
(Managing Director - Acting, CEO Australia and Asia)

### Company Secretary

Grant Sincock

### Principal Registered Office

Level 1, 4 Riverside Quay  
Southbank VIC 3006

Telephone: +61 (0)3 9684 7900

Facsimile: +61 (0)3 9684 7999

Internet: [www.CPTglobal.com](http://www.CPTglobal.com)

### Auditors

ShineWing Australia  
Level 10, 530 Collins Street  
Melbourne VIC 3000

### Share Register

### Boardroom Pty Ltd

Level 12, 225 George Street  
Sydney NSW 2000

Telephone: 1300 737 760

Facsimile: +61 (0)2 9290 9600

### Solicitors

Ernst & Young

### Bankers

ANZ Banking Group Limited

### ASX Code

CGO

### CPT Global on the Web

For an introduction to the company and access to company announcements, descriptions of our core business, services and careers, and our corporate governance policies and procedures visit our website at [www.CPTglobal.com](http://www.CPTglobal.com)