

CPT Global



Investor Brief 2023

Half-Year Financial Report
Ending 31 December 2022

Agenda



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About CPT Global



Company Overview

CPT Global Limited helps clients solve complex technical challenges that transform their IT environments.



Who we are

CPT Global is a publicly listed, global technology company that has served as a trusted advisor and long-term partner to Fortune 1,000 companies for nearly 30 years.



What we do

We're passionate about finding undiscovered savings, risks, and opportunities in technology to help clients get more value and performance out of their investments.



How we do it

Our team of 150+ technology experts, many with more than 20 years of experience, possess a broad range of transformation, assurance, and optimization skillsets.

Where We Operate

CPT has provided consulting and delivery services to clients in 35 countries around the world. We've helped customers improve their IT delivery, speed, and capability in industries such as finance, telecommunications, utilities, health, education, government, and logistics.

American Offices

New York
Toronto
Sao Paulo

European Offices

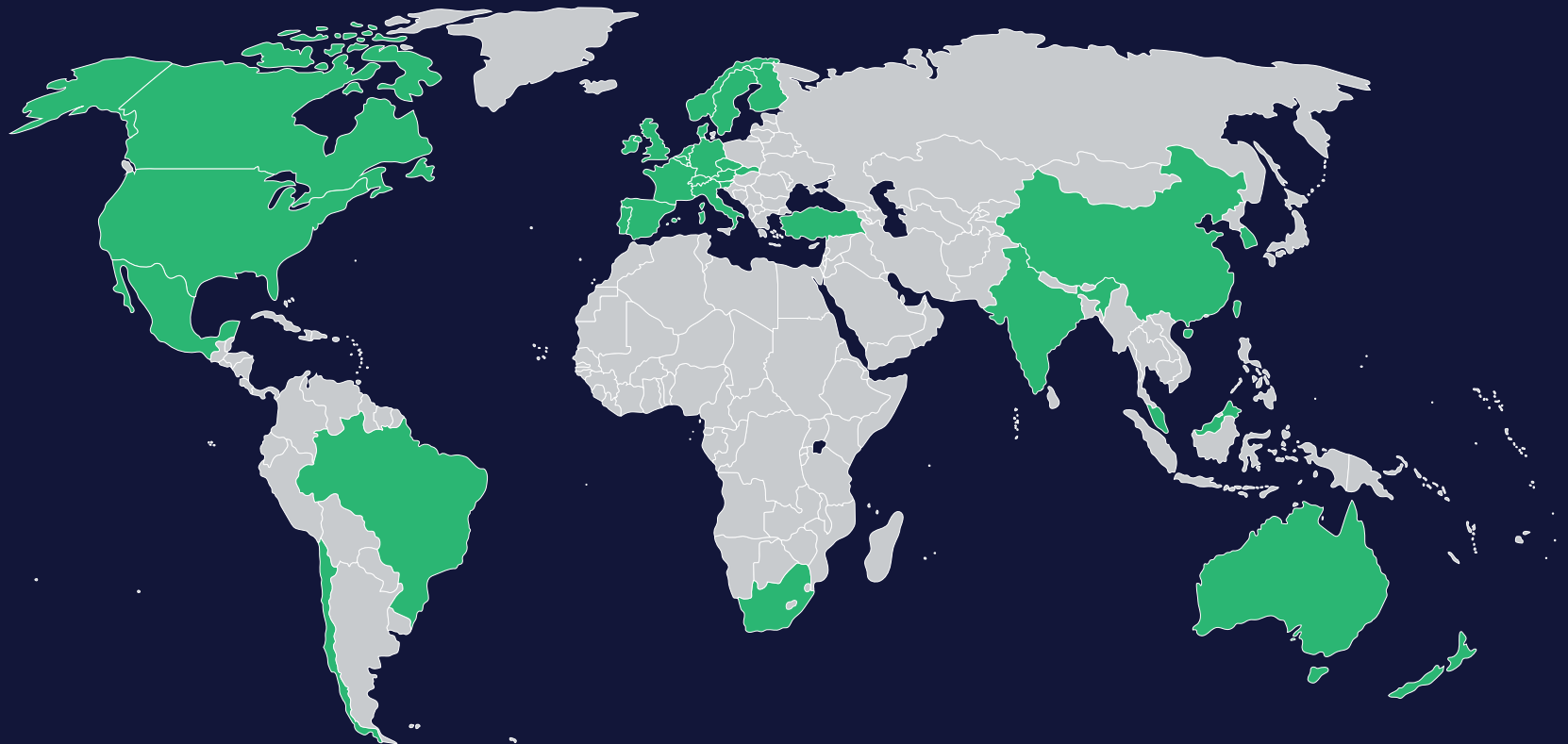
London
Munich
Paris
Milan

Asian Offices

Singapore

Australian Offices

Melbourne
Sydney
Canberra



● Countries CPT has worked in

Why CPT Stands Out

Above all, our dedication to building trusted client relationships sets us apart and informs everything we do.



Lasting relationships

Our clients have a long tenure with us. They trust our expert team to help them as they expand their operations.



Strategic execution

Helping clients achieve cost and efficiency improvements through our unique results-driven approach.



Partnership mindset

Acting as a truly independent partner committed to delivering success on our client's terms.



Proven Performance

Leading IT and transformation initiatives for many Fortune 1,000 companies and 80% of the world's largest banks.

2023 Half-Year Results



HY2023 Key Numbers

\$16.2M

Revenue

CPT's revenue continues to grow year over year.

\$5.9M

Margin

CPT's business is generating solid margin from major clients

\$839K

Net Margin

During the half year, investments on sales team, delivery and systems were made

Australia YoY

HY2023

\$8.6M
Revenue

\$2M
Margin

HY2022

\$8.1M
Revenue

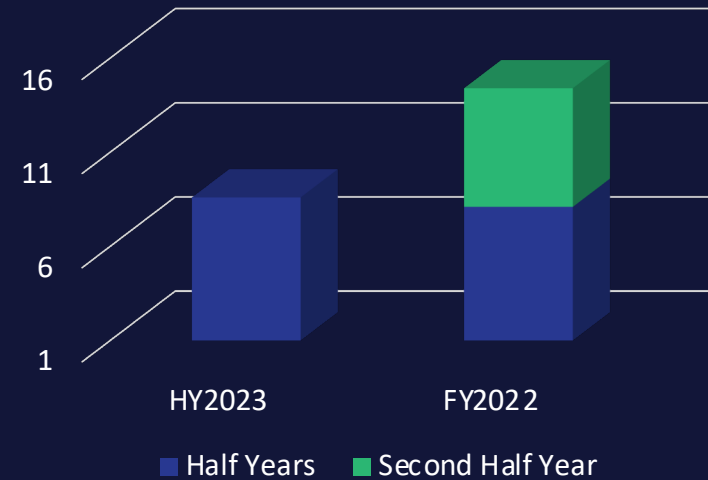
\$2.1M
Margin

FY2022

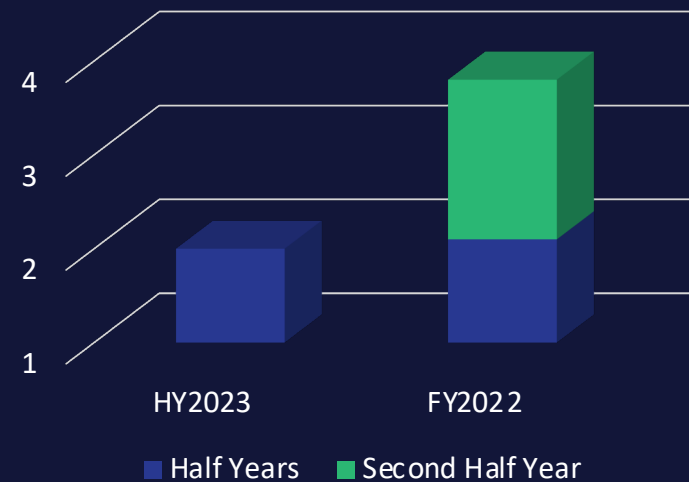
\$14.9M
Revenue

\$3.8M
Margin

Revenue Trends



Margin Trends



Northern Hemisphere YoY

HY2023

\$7.6M
Revenue

\$3.9M
Margin

HY2022

\$7.8M
Revenue

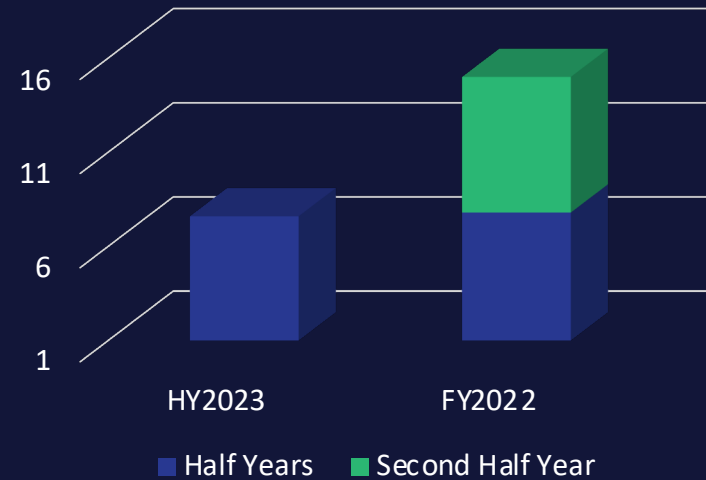
\$3.9M
Margin

FY2022

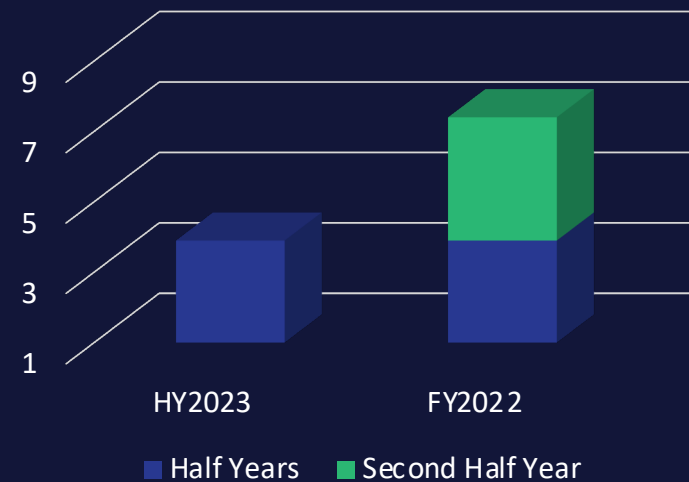
\$15M
Revenue

\$7.4M
Margin

Revenue Trends



Margin Trends



*Financials are in AUD

Case Studies



Notable Case Study



Large Canadian Bank

Background

CPT's client had outsourced their mainframe for over 20 years. During that time, the mainframe costs continued to spiral.

CPT was tasked with reviewing CPU usage and implementing CPU savings up to 4% of the total CPU capacity.

CPT was also asked to review the mainframe and recommend changes that could help increase efficiency.

CPT Discoveries

- Over 14 months, CPT identified savings of the total CPU capacity on site, that were easy to implement, low risk, and required no application changes.
- CPT identified a system issue that prevented the client from using more than 90% of their mainframe.
- With CPT assistance, the client avoided a hardware upgrade for two years: the first time in decades that the mainframe was not upgraded.

Results

8%

CPT assisted with implementing 8% of the CPU savings & verified the CPU savings.

10%

CPT resolved an issue & effectively increased the CPU capacity by 10% at no cost to the client.

\$6.8
mill

Avoiding the hardware upgrade, CPT was able to save the client \$6.8 million over two years.

Notable Case Study



Large U.S. Bank

Background

This well-known U.S. bank desired to modernize their large legacy mainframe custody application. This meant moving 44 of their data files from the old VSAM technology to DB2.

Some benefits of moving to DB2 include:

- Provides high level of scalability
- Provides a high degree of security
- Supports disaster recovery
- Is web-enabled with built in Java support
- Has support of rich suite of tools/products

CPT Results

- In just over 2 years, CPT moved all 44 VSAM data files – including their main high-volume transaction files – fully from VSAM to DB2
- To help achieve this, CPT leveraged their own proprietary code generator to produce DB2 table structure and data access programs
- CPT continuously identified and overcame deep technical roadblocks inherent in moving between these two technologies, such as uplifting old assembler modules, tailoring complex record locking, and replacing COBOL logic that worked with VSAM but not with DB2.

Benefits

50%

CPT identified opportunities to reduce QRTCB switching, resulting in a 50% savings in QRTCB-related CPU usage

A test environment with daily and nightly batch was not available so CPT constructed one from scratch at no additional cost

CPT's analysis and recommendations helped the bank eliminate many chronic mainframe abends from their custody application

Notable Case Study



Established Australian Energy Company

Background

CPT engaged with a top Australian Energy company, serving approximately 1.7 million customers for over 100 years.

The client was looking to move to an Agile and/or DevOps model. They needed a CRM solution as Call Centre staff had to search multiple systems for information while engaging with customers.

They also need to determine how to best test the Application and its integrations with existing systems.

CPT Deliverables

- CPT was engaged to manage testing on the Agile deliver of a case management tool using Salesforce
- We were also engaged to provide a testing strategy for the CRM Program initiative, and a high-level test approach
- CPT Senior Test Manager was embedded in the client's scrum team
- CPT produced both Test Strategy & Test Approach for Program

Results

As part of a CRM program, CPT provided Agile Test Management and team support to deliver a Case Management tool.

Case Management solution was successfully deployed, and the Test Strategy for the CRM Program was delivered.

CPT also delivered criteria for assessing automation frameworks, and a high-level test approach for the first iteration of the CRM.

Notable Case Study



Top Five Bank

Background

One of the top 5 banks in Canada, saw a sudden increase in their monthly mainframe bill.

The increase was in their legacy banking application which hadn't been changed in years.

They tried to internally find the root cause of this for 1.5 years but were not able to identify the problem.

CPT Discoveries

- CPT was called in and our team of technical experts were able to identify the problem within one week.
- The issue was caused by a hardware upgrade 1.5 years ago caused a legacy assembler macro to consume 26 more CPU than normal.
- CPT identified the code changes required: only 24 lines of code in one single macro needed for updating.

Results

\$480
K

CPT reversed the code implemented 1.5 years prior, which led to an annual savings of \$480K in CPU charges.

Reviewed current workload and made recommendations on how workload manager could be better implemented and used to increase efficiency.

Notable Case Study



Large New York Global Bank

Background

Over a number of years, the client has engaged CPT for technical support in the mainframe operations area and mainframe application areas, for both BAU activities and project specific resources.

The client has a large CA/Broadcom software deployment in the mainframe, midrange and open systems environments, which attracted a significant price increase over their previous agreements.

CPT Deliverables

- Work with the client to plan and execute the removal of all CA/Broadcom software from the environment within the 3-year license period.
- This includes a go to market strategy, vendor management, RFP creation, evaluation and business case creation.
- CPT worked closely with senior management to create a return on investment (ROI) model for the removal of the CA/Broadcom software.

Results

ROI outcomes didn't meet the bank's payback requirements. This led the bank to collaborate with a several other large organizations and present their collective concerns to senior management of CA/Broadcom, opening the path to renegotiate future pricing.

CPT identified quick wins & worked with teams to progress removal of these products. CPT resources have been engaged to support longer term product replacements.

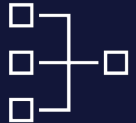
The Bank is now re-negotiating with CA/Broadcom to adjust forward product pricing, while simultaneously reducing the CA/Broadcom product footprint.

Strategy & Outlook



How CPT is Adapting

CPT is positioned to adapt to not only evolving technologies, but world and economic trends as well. While some factors are out of our control, we aim to create strategies that enable us to remain resilient to achieve long-term success.



Importance of Legacy Systems

CPT understands the importance of legacy software and how to respond to issues that may arise. We're committed to ensuring low risk coupled with high levels of comfort, reliability, and resiliency.

Our experts leverage deep mainframe knowledge to build trusted relationships with Fortune 1,000 clients and deliver the most optimal solutions to help businesses stay resilient and achieve their goals.



Risk Reward Pricing

We recognize that companies may desire to stay on legacy systems and avoid software updates when needed as a result of high costs and a poor economy.

To support these clients' initiatives, CPT offers a unique, outcome-based Risk Reward pricing model where fees are based on a share of client savings across system costs. This approach enables CPT to share project risks and ensure the client a clear ROI.



Recruiting Top Talent

This year, we doubled membership in our Mainframe Mentoring Program by hiring Jr. Consultants and having students from Victoria University participate in the Summer Tech Live program. Taking advantage of this key initiative, enables new talent to learn first-hand from our experts.

By strategically focusing on increasing recruitment and growing our mentoring program, we help ensure that our future consultants and leaders will possess the same unique skills, knowledge, and experience we currently offer clients.

How CPT is Adapting

CPT is well positioned for modernization at all stages of the process.



Modernization to the Cloud

It remains a priority of CPT to evolve with new technology trends, so we can ensure we are meeting the needs of our clients. We anticipate the demand for our services to continue increasing as we are seeing more companies ready to move their legacy systems to the cloud.

Our team of experts are well-positioned to help with this migration, as they are equipped with the knowledge and experience to identify and understand the complexities of legacy infrastructure and how to improve it.

We are proud that our hard work continues to be recognized within the industry. This year, CPT was named as a Product Challenger in the 2023 ISG Provider Lens Quadrant Report. We join billion-dollar SI and GSI companies, within the U.S. and European markets, who are well positioned to help with modernizing toward cloud-based technologies.



Testing Modernization

CPT recognizes that testing is more relevant than ever given the risks that are associated with moving from the legacy platform to the cloud. To address hesitation from our clients, we continue to grow our world-class partner network, which combines our consulting services and skills with industry leading partner solutions to help CPT deliver our clients success.

This past year, two of our partners, AWS and Google Cloud, announced Parallel Processing & Dual Run. These programs enable clients to simultaneously run workloads on their existing mainframe and on the cloud so they can begin migration without disrupting their business. Partnering with companies like this allows CPT to provide our clients with a strategy to modernize while reducing time, cost, and risk.

How CPT is Adapting

CPT is well positioned for modernization at all stages of the process.



Modernization in Place

Over 90% of FT1000 clients still utilize their legacy platforms for their core operations. They are hesitant to begin the modernization process with fears of cost, training of new platforms, and risks of migrating.

CPT has the experience and skills to still help these companies make their platforms more efficient without beginning the modernization process. By modernizing in place, we help in finding opportunity areas within the existing systems, that can cut down processing times, lower costs, and overall increase efficiency. Technology will continue evolving, so improving systems through modernizing in place, CPT is also helping clients remain proactive for when it's ultimately time to make the move toward cloud technologies.



Software Testing

CPT is constantly looking to scale our business so we can take on more clients while still achieving high success rates. We have created two software tools to help us execute this goal – Mainframe Modernization Assessment Tool, and the Test Coverage Tool.

Both tools work to extract and process the information used by CPT in both Phase I and Phase II engagements of work. This enables us to put our knowledge and skills into repeatable process allowing us to work in a faster manner and teach new talent the processes that have made CPT successful.

We've utilized the two graduates from our Summer Tech Live program to help in the creation of testing of these tools. We are confident in these two tools and are well positioned to use them once needed.

Appendix



Our Partner Network

We have developed a world-class partner network which combines our consulting services and skills with industry leading partner solutions to help CPT to deliver success to our clients.



Disclosure



This presentation contains general information about the activities of CPT Global (CPT) which is current as of February 2023. It is in summary form and does not purport to be complete. It presents financial information on both a statutory basis as well as information provided on a non-statutory basis.

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