

ASX ANNOUNCEMENT

Quarterly report for period ending 31 March 2019

Highlights:

- **Highest even monthly cash receipts achieved in March 2019 (up 127% on February 2019)**
- **Lowest ever quarterly cash burn (down 27.6% on Dec quarter)**
- **Significant and growing pipeline of development services work**
- **Building pipeline of near-term qualified subscription revenues**
- **On-track to achieve break-even in September quarter 2019**

30 April 2019 - CCP Technologies Limited (“the Company” or “Group”) (ASX:CT1) is pleased to provide the market with the quarterly cash flow report (Appendix 4C) and commentary for the period ending 31 March 2019.

The Company is very pleased to advise that the profit and loss performance and revenue prospects have each improved materially since the board and management changes were announced 8 February 2019.

In the seven remaining weeks of the March quarter under new stewardship the company has been able to achieve:

- Increased cash receipts quarter on quarter of 23.1%
- Decreased cash outflows of 27.6%
- Increased near term qualified revenue pipeline by 85%

The improving numbers are highly encouraging towards the achievement of this initial near term target from which the Company can scale.

Team

It is very pleasing to report that Kartheek Munigoti, who co-founded CCP and is the inventor of the IP behind the product, has transitioned seamlessly to the role of General Manager. Kartheek leads a talented team of professionals in Australia and India that have shown great dedication, commitment and enthusiasm towards building the revenues in pursuit of the near term breakeven objective as a first step in protecting and rebuilding shareholder value with the medium term vision to build a highly profitable IoT Group.

Sales pipeline update

The sales pipeline reported to the market previously included a tally of the total contract value of all sales prospects regardless of the stage that those sales were progressed to. As the company intends to update the market at least quarterly on the sales pipeline the board has formed the view that only sales that are in proposal stage or further progressed towards revenue will be reported to the market.

The near term qualified pipeline is currently \$1.8m that is categorised as follows:

Qualified leads:	\$976,000
Active trials:	\$466,000
Contract submitted:	\$365,000

The above figures do not include potential sales from In-direct channels or assertions based on potential rollouts across national and international site networks with specific clients.

Other sales initiatives

The group is developing a new online sales portal and reorientating its web presence for both the IoT product suite and development services to position the respective offerings for online sales and distribution. CCP's offerings are well-suited to ecommerce distribution that if successful would both significantly reduce the cost of sales as well as greatly expand the sales potential. Further updates will be provided to the market as these initiatives progress.

Corporate

A number of corporate opportunities have been reviewed and several are still under consideration. With the improving fundamentals and outlook for the Group the merits of any corporate transaction is being viewed on the ability to leverage both the existing product suite and the development team. Market updates will be provided when any specific discussion progresses to term sheet stage.

The board continues to dedicate their time and efforts without drawing fees and commits to doing so until such time as sustainable break even is achieved or a material transaction is closed.

We thank shareholders for their patience, interest and support as we continue to advance the prospects of their Company.

For further information please contact: enquiries@ccp-technologies.com

About CCP Technologies

CCP Technologies Limited offers an IoT technology solution comprising smart sensors that are placed in temperature controlled environments and push data to a cloud-based software platform that provides a dashboard for users to manage and monitor their produce or other temperature sensitive items for the purpose of compliance, consumer safety, energy efficiency and reduction of wastage. In addition to temperature the solution can be applied to movement tracking, gaseous environments, acidity, power usage and other applications to provide a fully automated, third party, real-time and historical reporting.

The Company's IT development division specialises in IoT software and hardware development and maintenance and can deliver an end-to-end service for IoT innovators and managers that is a unique outsource offering in the marketplace.

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

CCP Technologies Limited

ABN

58 009 213 754

Quarter ended ("current quarter")

31 March 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	188	491
1.2 Payments for		
(a) research and development	(29)	(76)
(b) product manufacturing and operating costs	(27)	(138)
(c) advertising and marketing	(7)	(53)
(d) leased assets	-	-
(e) staff costs	(180)	(714)
(f) administration and corporate costs	(232)	(698)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	-
1.5 Interest and other costs of finance paid		
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(287)	(1188)

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	(2)
(b) businesses (see item 10)		
(c) investments		
(d) intellectual property		
(e) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) property, plant and equipment		
(b) businesses (see item 10)		
(c) investments		
(d) intellectual property		
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities		
2.4 Dividends received (see note 3)		
2.5 Other (provide details if material)	-	-
2.6 Net cash from / (used in) investing activities	-	(2)

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	243	856
3.2 Proceeds from issue of convertible notes		
3.3 Proceeds from exercise of share options		
3.4 Transaction costs related to issues of shares, convertible notes or options	-	(2)
3.5 Proceeds from borrowings		
3.6 Repayment of borrowings		
3.7 Transaction costs related to loans and borrowings		
3.8 Dividends paid		
3.9 Other (provide details if material)	1	1
3.10 Net cash from / (used in) financing activities	244	855

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of quarter/year to date	162	454
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(287)	(1188)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	-	(2)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	244	855
4.5 Effect of movement in exchange rates on cash held	(2)	(2)
4.6 Cash and cash equivalents at end of quarter	117	117

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	48	73
5.2 Call deposits	69	89
5.3 Bank overdrafts		
5.4 Other (provide details)		
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	117	162

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	Nil
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	Nil
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

The amount at 6.1 includes payment of directors' fees and payments to a director related entity excluding reimbursement for administrative expenses and travel expenses.

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	Nil
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	Nil	Nil
8.2 Credit standby arrangements		
8.3 Other (please specify)		
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	10
9.2 Product manufacturing and operating costs	25
9.3 Advertising and marketing	2
9.4 Leased assets	-
9.5 Staff costs	160
9.6 Administration and corporate costs	200
9.7 Other – repayment of borrowings	-
9.8 Total estimated cash outflows	397

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	Nil	Nil
10.2 Place of incorporation or registration		
10.3 Consideration for acquisition or disposal		
10.4 Total net assets		
10.5 Nature of business		

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here:



Joint Company Secretary

Date: 30th April 2019

Print name: Phillip Hains

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.