



ASX ANNOUNCEMENT

CPT GLOBAL LIMITED (ASX: CGO)

22 February 2022

APPENDIX 4D & FINANCIAL REPORT FOR THE HALF YEAR ENDED 31 DECEMBER 2021

CPT Global Limited is pleased to provide the following information for the financial period ended 31 December 2021:

1. Appendix 4D Half Year Report; and
2. Financial Report for the Half Year Ended 31 December 2021.

This ASX Announcement has been approved for release by the Board of CPT Global Limited.

For further information please contact:

Luke Tuddenham

Managing Director

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Forward looking statements

Any forward-looking statements, including projections, guidance on future revenues, earnings and estimates, are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. Forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause CPT's actual results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied by these forward-looking statements. Neither CPT, nor any other person, gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward-looking statements in this announcement will actually occur. In addition, please note that past performance is no guarantee or indication of future performance.

Investors should consult with their own professional advisors in connection with any acquisition or dealing of securities.

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Appendix 4D: CPT Global Limited

RESULTS FOR ANNOUNCEMENT TO THE MARKET

Key Information

				Half-year Ended 31 December 2021	Half-year Ended 31 December 2020
				A \$000's	A \$000's
Revenues from ordinary activities	down	-12.1%	to	\$15,904	\$18,090
Net Profit (Loss) before tax attributable to members	up	-44.3%	to	\$1,661	\$2,981
Net Profit (Loss) after tax attributable to members	up	-47.0%	to	\$1,201	\$2,267

DIVIDENDS PAID AND PROPOSED

	Amount per Security	Franked Amount per Security	Tax rate for franking	Record Date
FY2021 Final dividend paid 30 September 2021	3.00 cents	3.00 cents	25%	2 September 2021
FY2022 Interim dividend payable 31 March 2022	1.5 cents	1.5 cents	25%	3 March 2022

DIVIDEND DETAILS

	Half-year Ended 31 December 2021	Half-year Ended 31 December 2020
	A \$000's	A \$000's
Ordinary share capital:		
Final dividend paid	\$1,209	\$478
Interim dividend payable	\$621	\$786

DETAILS OF DIVIDEND REINVESTMENT PLAN IN OPERATION

The Company's Dividend Reinvestment Plan (DRP) provides for a 2.5% discount on the Volume Weighted Average Price of ordinary shares for the 5 trading days commencing the second day after the the record date.

The last date for receipt of election notices for participation in the DRP for the FY2021 interim dividend is 18 March 2022

EARNINGS PER SHARE (EPS)

	Half-year Ended 31 December 2021	Half-year Ended 31 December 2020
Basic EPS	2.95 cents	5.77 cents
Diluted EPS	2.93 cents	5.77 cents

NTA BACKING

Net tangible asset backing per ordinary security	\$0.14	\$0.11
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February, 2022



CPT Global Limited

ABN 16 083 090 895

Financial Report

For the half year ended 31 December 2021



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Contents

Directors' Report	3
Auditors Independence Declaration	7
Consolidated Statement of Profit or Loss and Other Comprehensive Income	8
Consolidated Statement of Financial Position	9
Consolidated Statement of Changes in Equity	10
Consolidated Statement of Cash Flows	11
Notes to the Financial Statements	12
Directors' Declaration	16
Independent Audit Report	17

Directors' Report

Your directors submit the financial report of CPT Global ("the Company") and its controlled entities ("the Group") for the half year ended 31 December 2021.

DIRECTORS

The names and details of the Company's directors in office during the financial period and until the date of this report are as follows. Directors were in office for this entire period unless otherwise stated:

- Fred S Grimwade (Non-Executive Chairman)
- Luke Tuddenham (Managing Director). Appointed 1 November 2021
- Gerard (Gerry) Tuddenham (Director)
- Nigel Sandiford (Non-Executive Director)

OPERATING AND FINANCIAL REVIEW

The first half of FY2022 has been a period of consolidation after the record FY2021 results and the start of a period of change as the next chapter in the Company's life began under the leadership of Luke Tuddenham. The transition to Luke was seamless and he has brought considerable energy and drive to the role of Managing Director along with a bold vision to grow the business.



THE VISION

CPT Global Limited will be a world leader in solving clients' complex technical challenges in our niche markets.

 <p>How We Do It</p> <p>Attract and retain the world's best technical consultants and combine our IP, software and services to deliver end to end solutions to clients at scale.</p>	 <p>What We Do</p> <p>We're passionate about finding undiscovered savings, risks, and opportunities in technology to help clients get more value and performance out of their investments.</p>	 <p>Role of Software</p> <p>Codify our IP in order to scale our delivery capacity and drive annuity revenue in our core service lines: Optimisation, Modernisation and Assurance</p>
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Our immediate focus is building on the success of the last 2 years with new modernisation partnerships, enhanced service offerings and expanding into proprietary software.

Our objective is to deliver long term, sustainable, profitable growth.

To achieve this we are:

- commercialising our IP to:
 - substantially scale our delivery capacity; and
 - drive repeatable and annuity revenue;
- focusing on our core competencies and technical expertise as a differentiator and niche;
- partnering with global leaders in the modernisation space to drive growth;
- enhancing our service offerings with end-to-end solutions under our service lines of Optimisation, Modernisation and Assurance;

Directors' Report

- building the platform to facilitate and support growth; and
- pursuing opportunities that could fast-track our growth targets or complement our existing capabilities and expertise.

The software strategy we announced in FY2021 is a key component of our strategy and we are on track to beta test a tool in the testing and governance space in the 4th quarter of FY2022.

One of the most exciting developments in the last 6 months has been the change in how the major cloud providers are talking about mainframe modernisation and the solutions being brought to market. There is now a genuine recognition that migrating mainframe and other legacy workloads to the cloud requires a hybrid cloud solution that is flexible and tailored to clients' needs. Some mainframe workloads are still years away from becoming part of the cloud. This change in approach and the investments being made to service this market is a significant opportunity given our expertise, IP and client base. We are in discussions with cloud providers about where our services and expertise would compliment and enhance their services and we are in the process of entering into partnerships with the providers that we believe will be the leaders in mainframe modernisation in the coming years and that provide the best opportunity for mutual benefits.

Financial Performance and Position

The net profit for HY2022 is \$1.20m on revenue of \$15.9m. After the record profit in FY2021 it was important for us to consolidate the gains we made and provide a platform for Luke to build upon. This has been achieved. The net profit is the 6th best half year result of the last 20 years and the net profit margin of 7.6% is in the top 5 half year results of the last 20 years. This exceeded our expectations and was driven by significant growth in the USA.

The table below shows the performance of the business over the last 3 reporting periods and for the immediately preceding 6 month period (1 January 2021 to 30 June 2021).

	HY2022	FY2021	2 nd Half 2021	HY2021
	\$m	\$m	\$m	\$m
Revenue	15.9	33.3	15.2	18.1
Profit before tax	1.7	4.5	1.5	3.0
Tax expense	0.5	1.1	0.4	0.7
Net profit	1.2	3.4	1.1	2.3

Comparing the performance of the Group to the record half-year result in HY2021 is not a useful exercise as there were specific circumstances and conditions that drove that result to record highs that are not present in FY2022. As we have previously stated, that level of growth and profit were not sustainable and we expected revenue growth to be flat over FY2022. The performance of the business in the second half of FY2021 gives a much better point of comparison as it was more indicative of sustainable revenue and profit.

The table above shows that we grew the business in HY2022 compared to the second half of FY2021. This was a great result and exceeded our expectations.

The highlights of our performance in HY2022 were:

- revenue is up 50% in North America on the 2nd half of 2021 as we continued to expand our footprint in our 2 largest clients;
- revenue decreased 15% in Australia on the 2nd half of 2021 as a major project came to an end and our second largest client began scaling back head count as its major project nears completion in 2022. While we expected revenue at these clients to decrease, new clients or contracts had not been executed to replace these;
- margins in North America and Australia continue to hold up despite pressure from clients and the market for talent tightening;
- direct costs for commercialising IP amounted to \$50k;
- financing costs continued to decline as we have been able to fund the business from free cash flow and limit the use of our debtor financing facility. Finance costs are down 64% compared to HY2021;

Directors' Report

- the effective tax rate increased from 24% to 29%. The USA business contributed an increasing proportion of profit to the business and is taxed at approximately 30% (including state taxes) while the Australian business is taxed at 25%. In addition, tax losses in other regions have not been booked as deferred tax assets as the criteria for recognition has not been met.
- tight control over discretionary costs;
- travelling costs have increased, particularly for the North American sales team, however, we are yet to see clients mandate a return to office work on a part-time or full-time basis, especially for external consultants; and
- we managed our European, Canadian and Asian regions opportunistically in the first half of the financial period as we focussed our resources on the growth opportunities in Australia and the USA. Our consultants and sales teams in Europe and Canada continued to support the USA.

Basic earnings per share amounted to 2.95 cents per share (diluted earnings 2.93 cents per share).

CPT Global's performance over the last 2 years has resulted in a strengthening of the balance sheet with net tangible assets of \$5.6m as at 31 December 2021 compared to \$5.2m at 30 June 2021 and we had no external debt.

Movements in the balance sheet:

- Contract asset (WIP) has increased by \$0.2 million as risk/reward revenue was recognised in December but not due to be invoiced until March. 60% of WIP is time and materials that was invoiced in January.
- Trade and other receivables decreased \$0.2m which is consistent with the lower revenue in the business over the Christmas and New Year holiday periods.
- Other assets have increased by \$0.2m. This is the normal cycle of prepayments, particularly our global business insurance which we renewed in late October 2021.
- Trade and other payables increased by \$0.9m. This is a timing difference for recurrent monthly payments that were paid post 31 December 2021 whereas they had been settled by 30 June in FY2021.

Cash Flow

CPT had \$5.2 million in cash as at 31 December 2021 (\$4.3 million 30 June 2021), a net cash inflow of \$0.9 million for the half year. The increase in cash is less than the profit for the half year is due to the payment of the 2021 final dividend.

Our cash position provides the business with the ability to fund our growth strategies and software development and continue to pay dividends to investors at a payout ratio of 60%.

Capital Management

A fully franked interim dividend of 1.5 cents per share has been declared for the half year to 31 December 2021. This is an annualised yield of 4.6% (6.2% including franking credits) on a share price of \$0.65.

The total value of the dividend is \$621,456 and will be paid on 31 March 2022.

With the ongoing uncertainty in our markets and the strategic opportunities that are available to us, we have set the total dividend payout ratio at 52%. The payout ratio for the FY2021 dividends was 59%.

The dividend reinvestment plan will apply to the dividend. The DRP discount will be 2.5%.

No funds were drawn against our debtor funding at 31 December 2021 and \$0.7 million was available to draw on.

OUTLOOK

We are focussed on and committed to rolling our new strategy out across the business. Significant progress has been made in all streams of the strategy and the opportunities in mainframe modernisation and software are very exciting. However, it is early days and we do not expect to generate material revenue in FY2022. The benefits of the work being done in FY2022 to build a platform for the next stage of growth in the business will be realised in future financial years.

In the short term there will be a cost to pursuing a growth strategy and developing tools and software. This will be funded from profits for the remainder of the financial year although we do not expect these costs to be material based on current plans.

Directors' Report

We expect growth in the consulting business will be flat in the second half. The pipeline of opportunities is strong in the USA and Australia and there are opportunities to win net new accounts. However, the Australian business has completed contracts to replace and we do not expect the USA revenue to grow at the rate it has been given contracts for the 2022 calendar year at our largest clients were executed in late 2021. We remain optimistic about the growth opportunities but are also realistic about the likelihood of material growth with 4 months remaining in the financial year.

Covid-19 and the new ways of working are starting to feel like a new normal and how we do business in 2022. Travel is still restricted, whether by rule or by choice, which helps our bottom line but does have an impact on business development. However, the impact is difficult to quantify while the cost savings are real.

Our Canadian, European and Asian regions will be managed opportunistically and our consultants and sales teams will continue to support the USA.

While our intention is to grow dividends and increase the payout ratio over time, this needs to be balanced with investing in the growth and software strategies and maintaining a strong balance sheet to give us flexibility to manage the operating and business risks in Australia and the USA.

DIVIDEND

A fully franked interim dividend of 1.5 cents per share has been declared for the half year to 31 December 2021. The dividend will be franked at the Australian tax rate of 25% and will be paid on 31 March 2021.

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the half year ended 31 December 2021 has been received and can be found on page 7 of the directors' report.

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 Financial/Directors' Reports) Instrument 2016/191. The Company is an entity to which the Class Order applies.

Signed in accordance with a resolution of the directors.

A handwritten signature in black ink, appearing to read 'L Tuddenham', written over a horizontal line.

Luke Tuddenham
Managing Director
Aspen Colorado, 22 February 2022

AUDITOR'S INDEPENDENCE DECLARATION UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF CPT GLOBAL LIMITED

As lead auditor, I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2021 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
Chartered Accountants



R Blayney Morgan
Partner

Melbourne, 22 February 2022

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Consolidated Statement of Profit or Loss and Other Comprehensive Income

HALF YEAR ENDED 31 DECEMBER 2021

Notes

	31 Dec 21 \$'000	31 Dec 20 \$'000
Revenue	15,904	18,090
Other income	2	51
Salaries and employee benefits	(1,506)	(1,322)
Consultants benefits	(11,258)	(12,256)
Depreciation and amortisation	(9)	(94)
Insurance	(155)	(181)
Finance costs	(44)	(121)
Occupancy Costs	(129)	(108)
Other expenses	(1,143)	(897)
Foreign currency losses	(2)	(179)
PROFIT BEFORE INCOME TAX	1,661	2,981
INCOME TAX EXPENSE	(459)	(715)
PROFIT AFTER INCOME TAX	1,201	2,267
Other Comprehensive Income:		
Items that may be subsequently reclassified to comprehensive income		
Exchange differences on translating foreign controlled entities	(243)	(320)
Total Other Comprehensive Income for the year, net of tax	(243)	(320)
TOTAL COMPREHENSIVE INCOME FOR THE YEAR	958	1,947
PROFIT ATTRIBUTABLE TO MEMBERS OF CPT GLOBAL LIMITED	1,201	2,267
TOTAL COMPREHENSIVE INCOME ATTRIBUTABLE TO MEMBERS OF CPT GLOBAL LIMITED	958	1,947
Basic earnings per share (cents per share)	2.95	5.77
Diluted earnings per share (cents per share)	2.93	5.77

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

AT 31 DECEMBER 2021

	Notes	31 Dec 21 \$'000	30 June 21 \$'000
CURRENT ASSETS			
Cash and cash equivalents		5,197	4,264
Trade and other receivables		2,736	2,954
Contract assets		1,546	1,321
Other current assets		843	634
TOTAL CURRENT ASSETS		10,322	9,173
NON-CURRENT ASSETS			
Deferred tax assets		1,235	1,017
Property, plant and equipment		14	17
TOTAL NON-CURRENT ASSETS		1,249	1,035
TOTAL ASSETS		11,571	10,208
CURRENT LIABILITIES			
Trade and other payables		4,836	3,950
Current tax liabilities		159	46
Provisions		760	760
TOTAL CURRENT LIABILITIES		5,755	4,765
NON-CURRENT LIABILITIES			
Deferred tax liability		143	158
Provisions		47	62
TOTAL NON-CURRENT LIABILITIES		190	220
TOTAL LIABILITIES		5,945	4,976
NET ASSETS		5,626	5,232
EQUITY			
Issued capital		13,677	13,033
Reserves		806	1,049
Accumulated losses		(8,858)	(8,850)
TOTAL EQUITY		5,626	5,232

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 2021

	\$'000	\$'000	\$'000	\$'000	\$'000
	Issued	Accumulat	Equity	Foreign	
Notes	Capital	ed Losses	Reserve	Currency Translation Reserve	Total
Balance at 1 July 2020	12,396	(10,990)	1,706	(369)	2,743
Comprehensive Income					
Profit for the year	-	2,267	-	-	2,267
Other comprehensive Income	-	-	-	(320)	(320)
Total comprehensive income for the year	-	2,267	-	(320)	1,947
Transactions with owners, in their capacity as owners					
Share based payments	-	-	-	-	-
Dividends paid or provided for	-	(478)	-	-	(478)
Dividend re-investment	206	-	-	-	206
Issue of Shares	-	-	-	-	-
Total transactions with owners, in their capacity as owners	206	(478)	-	-	(272)
Balance at 31 December 2021	12,602	(9,202)	1,706	(688)	4,418
Balance at 1 July 2021	13,033	(8,850)	1,706	(657)	5,232
Comprehensive Income					
Profit for the year	-	1,201	-	-	1,201
Other comprehensive Income	-	-	-	(243)	(243)
Total comprehensive income for the year	-	1,201	-	(243)	958
Transactions with owners, in their capacity as owners					
Share based payments	-	-	-	-	-
Dividends paid or provided for	-	(1,209)	-	-	(1,209)
Dividend re-investment program	644	-	-	-	644
Issue of Shares	-	-	-	-	-
Total transactions with owners, in their capacity as owners	644	(1,209)	-	-	(565)
Balance at 31 December 2021	13,677	(8,858)	1,706	(900)	5,626

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 2021

	Notes	31 Dec 21 \$'000	31 Dec 20 \$'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		17,264	19,254
Payments to suppliers and employees		(14,542)	(18,083)
Interest received		2	12
Finance costs		(10)	(60)
Income tax (paid)/refunded		(578)	280
NET CASH FLOWS FROM OPERATING ACTIVITIES		2,136	1,403
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment, software		(5)	(6)
NET CASH FLOWS USED IN INVESTING ACTIVITIES		(5)	(6)
CASH FLOWS FROM FINANCING ACTIVITIES			
Repayments of borrowings		(602)	(364)
Payment of dividends on ordinary shares		(633)	(272)
NET CASH FLOWS USED IN FINANCING ACTIVITIES		(1,235)	(636)
NET INCREASE IN CASH AND CASH EQUIVALENTS HELD		896	761
Opening cash and cash equivalents		4,264	3,133
Effects of exchange rate changes on cash and cash equivalents		37	(79)
CLOSING CASH AND CASH EQUIVALENTS		5,197	3,815

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 2021

1. Basis of Preparation of the Half-Year Financial Statements

Basis of Preparation

These general purpose interim financial statements for the half-year reporting period ended 31 December 2021 have been prepared in accordance with requirements of the *Corporations Act 2001* and Australian Accounting Standard AASB 134 *Interim Financial Reporting*.

The interim financial statements are intended to provide users with an update on the latest annual financial statements of CPT Global Limited ("the Company") and its controlled entities ("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 these interim financial statements be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2021, 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 these interim financial statements as were applied in the most recent annual financial statements, except in relation to the matters discussed below. The changes in accounting policies specified below only apply to the current period.

Critical Accounting Estimates and Judgements

The critical estimates and judgements made by management in preparing these half year financial statements are consistent with those applied and disclosed in the June 2021 annual report.

Notes to the Financial Statements

Half-Year Ended 31 December 2021

2. DIVIDENDS

	As at 31 Dec 21 \$'000	As at 31 Dec 20 \$'000
(a) Dividends paid during the half year		
• <i>Prior year final</i>		
Franked dividends (3.00c per share) (2020: 1.25c per share)	1,209	478
	1,209	478
(b) Aggregate dividends declared post period end		
Fully franked interim dividend of 1.5 cents per share (2020: 2.00 cents per share).	621	786
	621	786

3. CONTINGENT LIABILITIES

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

4. BORROWINGS

	Note	As at 31 Dec 21 \$'000	As at 30 June 21 \$'000
CURRENT			
Secured borrowings	4(a)	-	-
Total current borrowings		-	-
Unutilised financing facilities			
Credit facility		5,000	5,000
Amount secured utilised	4(a)	-	-
		5,000	5,000

- (a) 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, which totalled \$2.6m at the end of the reporting period. Interest is charged at a 5.5% margin above the 90 day Bank Bill Swap Rate. The maximum facility is \$5m with the available facility based on the value of the Australian debtor book. At 31 December 2021, the available funding under the facility was \$0.7m.

5. SHARE CAPITAL

947,930 shares were issued on 30th September 2021 at \$0.6353 per share under the Dividend Reinvestment Plan. No other shares were issued during HY2022.

Ordinary shares on issue at 31 December 2021 were 41,254,481.

Notes to the Financial Statements

Half-Year Ended 31 December 2021

6. OPERATING SEGMENTS

Segment Performance

	Australia		Europe		North America		Consolidated	
	Dec-21	Dec-20	Dec-21	Dec-20	Dec-21	Dec-20	Dec-21	Dec-20
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
REVENUE								
External Sales	8,092	10,417	45	333	7,766	7,340	15,904	18,090
Total Group Revenue							15,904	18,090
Segment Gross Profit before tax	2,068	2,988	3	177	3,942	3,905	6,015	7,122
<i>Reconciliation of segment result to group profit/loss before tax</i>								
Unallocated Items								
- Overheads							(4,355)	(4,141)
Profit/ (Loss) before tax							1,661	2,981

Segment Assets

	Australia		Europe		North America		Consolidated	
	Dec-21	Jun-21	Dec-21	Jun-21	Dec-21	Jun-21	Dec-21	Jun-21
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Segment Assets	1,221	2,658	17	105	2,275	1,342	3,513	4,105
Segment asset increases for the period:								
- Capital Expenditure	-	-	-	-	-	-	-	-
	1,221	2,658	17	105	2,275	1,342	3,513	4,105
<i>Reconciliation of segment assets to group assets</i>								
Unallocated assets:								
- Property, plant & equipment							14	17
- Other Assets							7,368	6,009
Total Group Assets							10,895	10,132

Notes to the Financial Statements

Half-Year Ended 31 December 2021

6. OPERATING SEGMENTS (cont.)

Segment Liabilities

	Australia		Europe		North America		Consolidated	
	Dec-21	Jun-21	Dec-21	Jun-21	Dec-21	Jun-21	Dec-21	Jun-21
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Segment Liabilities	4,507	4,594	926	589	(1,114)	(1,263)	4,319	6,472
Segment liability increases for the period:								
-	-	-	-	-	-	-	-	-
	4,507	4,594	926	589	(1,114)	(1,263)	4,319	6,472
<i>Reconciliation of segment liabilities to group liabilities</i>								
Unallocated liabilities:								
- Provisions	849	863	-	-	101	117	950	862
Total Group Liabilities							5,269	7,334

7. SHARE-BASED PAYMENTS

On 25 November 2021, 1,000,000 performance rights were granted to Luke Tuddenham to take up ordinary shares. The performance rights vest on 1 November 2024 if Luke Tuddenham is still employed by the Company and the following performance hurdles have been met:

- at least 10% of the Company's revenue, as reported in the Company's 30 June 2024 Annual Report is earned from the sale, subscription or licensing of software and intellectual property; and
- the cumulative earnings per share (EPS) as reported in the Company's Annual Report for the 3 financial years ending on 30 June 2022, 30 June 2023 and 30 June 2024 is equal to or greater than the cumulative basic EPS target over the 3-year period from 1 July 2021 to 30 June 2024.

The performance shares hold no voting or dividend rights, are not transferrable and will lapse in the event of the Luke Tuddenham resigning. At the date of this report, Luke Tuddenham remains employed by CPT.

The fair value of the performance shares, at the time they were granted, was estimated to be \$650,479. The expense recognised in this financial report is \$18,585.

At 31 December 2021, there were 50,000 (2019: NIL) performance rights vested but not exercised.

There are no other options or performance rights granted by CPT Global Limited to any other party.

8. EVENTS AFTER THE REPORTING PERIOD

No events have occurred after the reporting period that would require disclosure in these financial statements,

Directors' Statement

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 8 to 15, 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 Group's financial position as at 31 December 2021 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 'Luke Tuddenham', written over a horizontal line.

Luke Tuddenham
Managing Director
Aspen Colorado, 22 February 2022

INDEPENDENT AUDITOR'S REVIEW REPORT

TO THE MEMBERS OF CPT GLOBAL LIMITED

Report on the Half-Year Financial Statements

Conclusion

We have reviewed the half-year financial statements of CPT Global Limited ("the Company") and its controlled entities ("the Group") which comprises the consolidated statement of financial position as at 31 December 2021, 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, a summary of significant accounting policies and other explanatory information, 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 accompanying half-year financial statements of Company does not comply with the *Corporations Act 2001*, including:

- giving a true and fair view of the Group's financial position as at 31 December 2021 and of its performance for the half-year ended on that date, and
- complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

Basis for Conclusion

We conducted our review in accordance with ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*. Our responsibilities are further described in the *Auditor's Responsibilities for the Review of the Financial Statements* section of our report. We are independent of the Company in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the Code) that are relevant to our audit of the annual financial statements in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

Responsibility of the Directors' for the Financial Statements

The directors of the Company are responsible for the preparation of the half-year financial statements 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 statements 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 Financial Statements

Our responsibility is to express a conclusion on the half-year financial statements based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial statements are 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 2021 and its performance for the half-year ended on that date and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

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A review of a half-year financial statements 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.



ShineWing Australia
Chartered Accountants



R Blayney Morgan
Partner

Melbourne, 22 February 2022

Corporate Information

ACN 083 090 895

ABN 16 083 090 895

Directors

Fred Grimwade

(Non-executive Chairman)

Luke Tuddenham

(Managing Director)

Gerard (Gerry) Tuddenham

(Director)

Nigel Sandiford

(Non-executive Director)

Company Secretary

Grant Sincock

Principal Registered Office

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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

Auditors

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Melbourne VIC 3000

Share Register

Boardroom Pty Ltd

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Telephone: 1300 737 760

Facsimile: +61 (0)2 9290 9600

Solicitors

Nicholson Ryan Lawyers

Bankers

ANZ Banking Group Limited

ASX Code

CGO