CPT Global Limited

ABN 16 083 090 895

Annual Report

For the year ended 30 June 2018

+61 3 9684 7900
Info@cptglobal.com
www.cptglobal.com

Chairman's Statement

Dear Fellow CPT Global Shareholder,

After significant effort over the past three years to improve our financial performance I am pleased to report that CPT Global recorded a profit in the 2018 financial year. Our Australian operations continued to perform well and we experienced an improved contribution from our international business in particular North America.

The Australian business was able to grow both revenue and profitability in a challenging market through establishing and building client relationships. In particular, our operations servicing the Federal Government showed strong growth which is continuing. The Australian operations provide CPT with a stable platform for expansion and many of the skilled IT experts required to resource our international business. In 2018 six of our ten largest clients were based in Australia.

CPT's international business achieved a significant turnaround in 2018 with strong growth in North America while Europe returned to a modest profit after past losses. As a result the International operations delivered a substantially improved profit contribution to CPT and were key to our return to overall profitability. The pipeline of international business has strengthened over the past year and positions CPT well for 2019.

The North American operations delivered a substantial increase in both revenue and operating profit over the prior year. Good margins continued and despite high selling costs a number of new projects commenced with a healthy pipeline of potential new business. Four of CPT's ten largest clients are based in North America of which two were within our top five clients in 2018.

Our European and North American operations are now being managed together with a focus on selective marketing campaigns in Europe to win the most prospective opportunities. CPT is no longer making loses in Europe as a result of reduced costs, some active client engagements and sharing resources with our North American operations.

CPT operates in an exciting sector which presents many opportunities through the continuing development of the global IT industry and the adoption of cloud, proliferation of data and the growing need for advanced analytics and AI. Despite competition and ongoing change of client needs CPT is committed to adapting its business model in line with the market. Our strong reputation for delivering outcomes for clients and depth of experience positions us well to deliver future growth and improved returns. In the near term CPT's focus will remain on strengthening our core business, growing revenues, managing our cost base and also developing attractive new digitally oriented service offerings.

In 2018 our revenue grew by over 14% to $31m with increases in both Australia and North America. After three years of losses CPT recorded a net profit after tax of $0.8m compared to a net loss after tax of $1.5m in 2017. In light of our improved performance and current expectations for the year ahead CPT will pay a final fully franked dividend of 0.25cents per share. CPT ended the financial year with cash of $1.4m.

The past year marked a significant turnaround in CPT's performance with a return to profit following three years of losses. After continuing extensive business development efforts and a strong focus on costs CPT is generating profits and has built a promising business pipeline. We will work hard to maintain this positive momentum through 2019 despite the normal challenges and, subject to our financial position, will look to continue to pay dividends to our shareholders. Our improved financial performance is a result of the significant efforts and commitment of all of CPT Global's staff which is acknowledged and gratefully appreciated. I would like to thank all of our staff and my fellow directors including our Managing Director, Gerry Tuddenham, for their ongoing efforts in improving CPT's performance.

Fred S. Grimwade
Chairman

Managing Director's Review

Dear Fellow Shareholders,

I would like to thank all CPT Global shareholders for your continued support of the Group during the 2018 financial year and during the difficult financial years from 2015 to 2017. I would also like to welcome our new shareholders who have joined us during the year.

It is with great pleasure that I can inform shareholders that CPT Global returned to profit in 2018. The profit before tax of $1.3 million is the culmination of 3 years of hard work stabilising and reinvigorating the business and driving performance.

The profit was achieved with strong growth in revenue in North America and Australia and the benefit of the reduction in the cost base of our business over the last few years. $31.0 million revenue and the net profit before tax is a $2.6 million improvement on 2017. Net tangible assets grew 313% to $1.1 million on the back of the improved performance.

All regions contributed to the 2018 result with growth in segment profit driven by revenue growth, solid margins and lower costs. The exception was the European region where revenue was 1.7% lower than 2017 but the segment profit increased 30.0% due to the reduction in the cost base implemented in 2017.

We are committed to ensuring that the business continues to grow profitably by focussing on strategic clients and opportunities, driving revenue from partnerships and maintaining a disciplined approach to costs. As profits grow and cash flow improves, we will balance the needs of the business to invest for growth with repairing the balance sheet to reduce debt and build cash reserves.

Operating and Financial Review

CPT made a profit after tax of $0.8 million for the full financial year, a $2.2 million improvement on 2017. The profit was driven by a 14% growth in revenue and a reduction in the cost base of the Group.

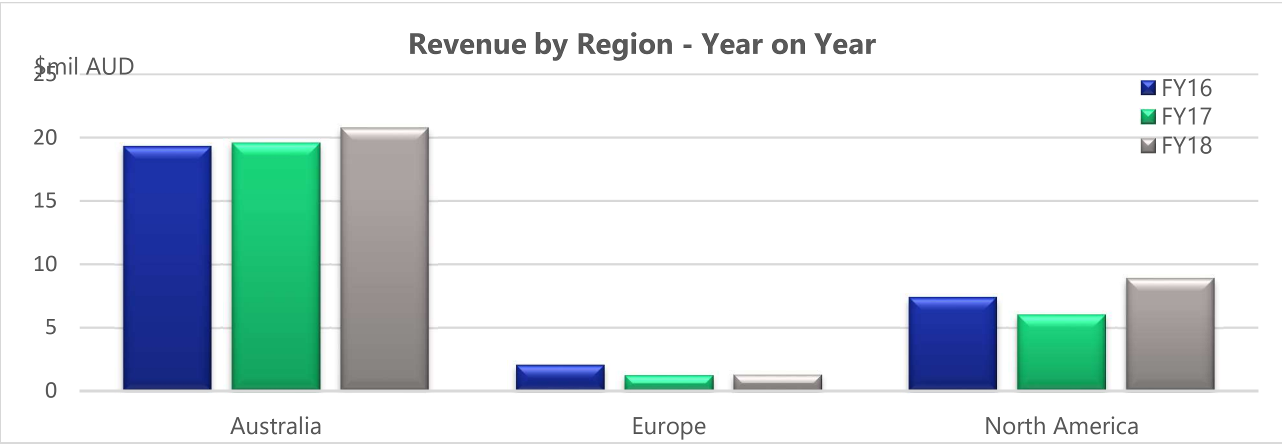
Our top 10 clients contributed 80% (2017: 80%) of our revenue, grew by 14% compared to the top 10 clients in 2017 and maintained margins in an environment in which pressure to reduce margins is part of the landscape.

Our success at growing within accounts by increasing consultant numbers on projects, expanding the scope of our services and cross selling services was demonstrated by 8 of the top 10 clients in 2017 being top 10 clients in 2018. The 2 new clients in the top 10 were new clients for CPT in 2018 and were the result of a digital consulting engagement with an Australian superannuation fund and a mainframe risk/reward engagement at a global bank based in New York. This shows that our traditional core services and new services are in demand and can grow and co-exist within CPT.

We derived $2.5 million in risk/reward revenue from 2 clients in the USA in 2018. We undertook a 4th phase risk/reward engagement at a health care insurance company and continued to expand our services to include time and materials engagements in mainframe capacity planning and midrange application performance. We started a risk/reward engagement in November 2017 at a global bank worth up to US$2.0 million. Both engagements are expected to be completed in the first half of the 2019 financial year.

Revenue in Australia grew by 5.1% in 2018 (2017: 4.3%) and revenue in North America grew by 47.6% (2017: -18.5%). Europe's revenue declined by 1.7% in 2018 (2017: -33.3%), however, the cost base has been reduced over the last 2 years which enabled the region to generate a small operating profit before tax, FX and intra group charges.

Table 1



Managing Director's Review

Europe

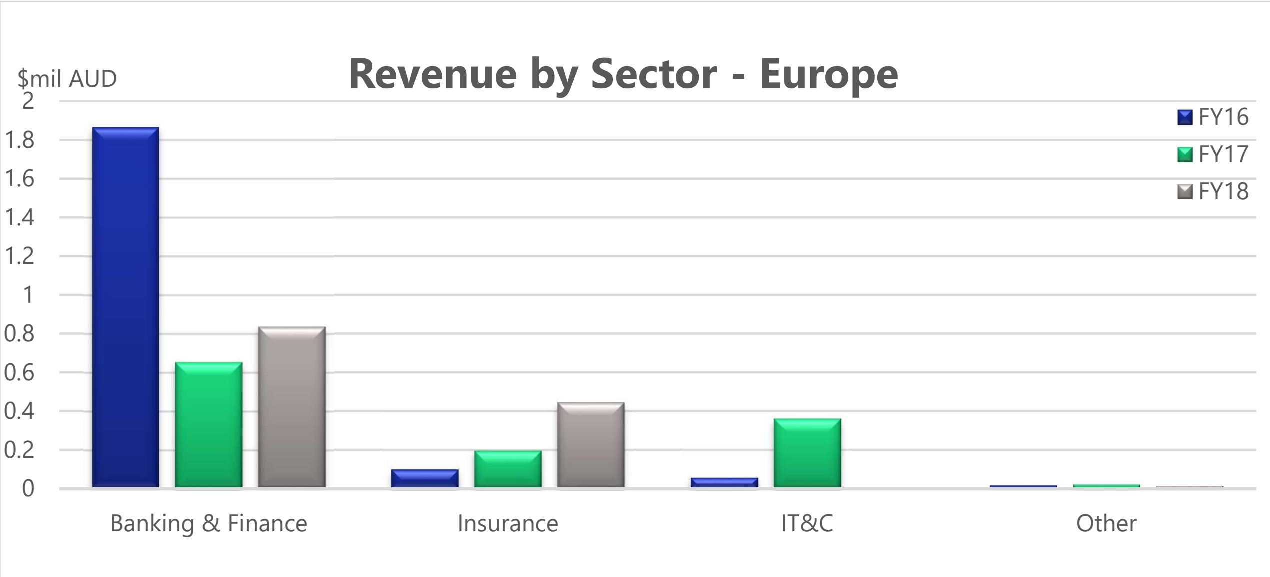
During 2018, Europe was run out of North America as part of the greater Northern Hemisphere region. Our presence within Europe was scaled back and fixed costs were cut to the minimum required to maintain the corporate structure and comply with relevant laws and regulation. Our strategy was to focus on a small number of key accounts and be opportunistic and agile in responding to opportunities.

Execution of the strategy was successful as operating losses in Europe were halted and the reduction in revenue kept to 1.7%.

Whilst revenue is historically low in Europe, we have been able to deploy consultants on projects in North America. This has enabled us to retain key European consultants and quickly scale up delivery in North America to meet demand.

Table 2 shows the reliance Europe has on banking and insurance and the challenges experienced in FY16, FY17 and FY18.

Table 2



North America

North America had its best year since 2014 with revenue growing 47.6% on 2017 and segment gross profit before tax growing 40.6% on 2017.

The soft finish to 2017 provided a challenge in the region but the pipeline was quite strong, particularly within existing accounts. Two risk/reward engagements commenced in November and revenue at our largest client in North America grew throughout the first half of the year and finished 2018 41% ahead of 2017 revenue. In February 2018 our presence at a global bank began expanding as we commenced new engagements with monthly revenue increasing 4-fold over the run rate in the previous 8 months. By year end revenue at the client was 118% ahead of 2017 revenue and contracts executed through to December 2018. The last quarter of 2018 was our best quarter for the year with the monthly revenue run rate 1.6 times the run rate of the first 3 quarters.

Four of our top 10 clients are based in North America (2017: 3) and delivered 86% (2017: 85%) of the revenue in the region.

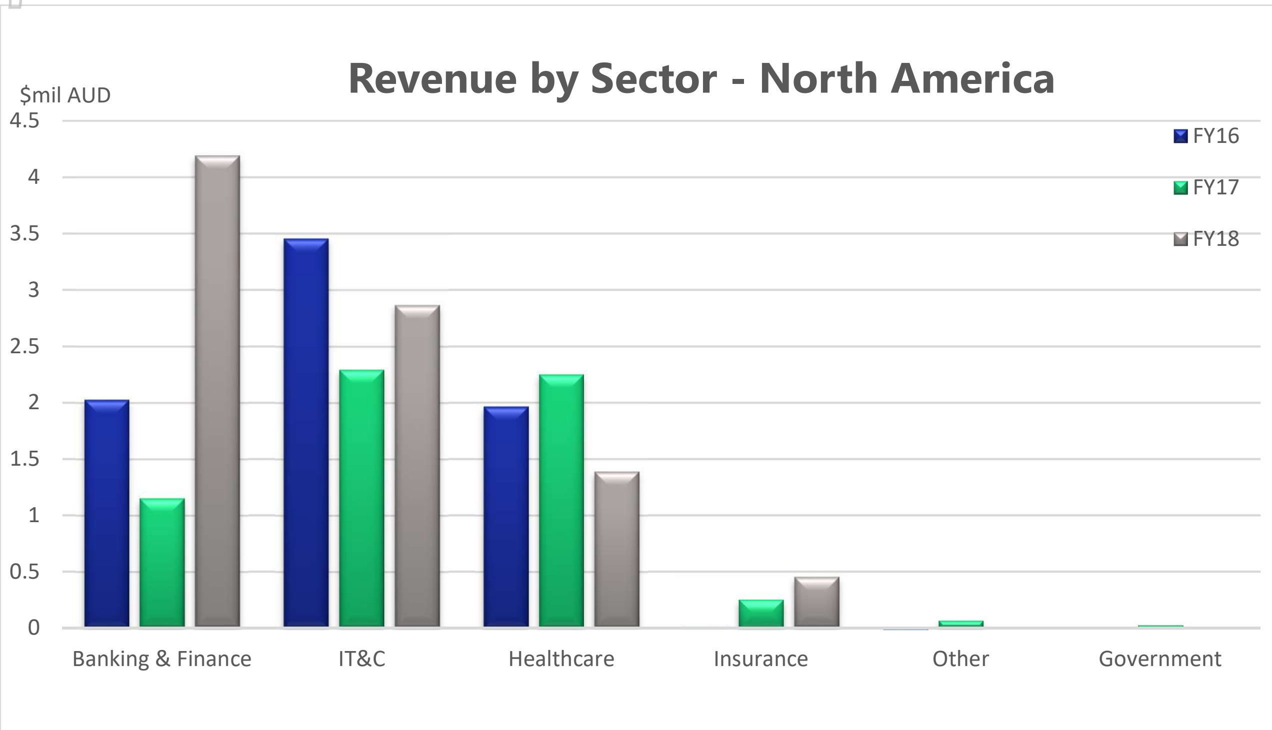
Revenue generated from risk/reward contracts increased $0.5 million over 2017 but as a proportion of revenue decreased from 36% to 29%. Margins in North America moved against the trend in the industry and were generally higher than recent years. This reflects the benefit of high margin risk/reward contracts but also demonstrates that there is demand for consultants with expertise in their domains who can produce high quality delivery and outcomes.

Overall, the turnaround in North America is very encouraging and the strong finish to the year and pipeline of work give us optimism for 2019.

Managing Director's Review

Table 3 shows that revenue is concentrated in three sectors but the mix of revenue varies significantly year on year. CPT's core strength in North America is mainframe in the banking & finance sector.

Table 3



Australia

The banking & finance and government sectors continue to be the growth and revenue engines of the Australian business, see table 4 below. Superannuation is emerging as a growth sector with revenue increasing 469% on 2017 and one superannuation client joining the top 10 global clients in 2018.

Revenue from Federal Government clients grew 27% in 2018 as additional projects and resources were added to existing contracts. A 6 month extension to our contract with our second biggest client takes our contracted work through to December 2018 with an increase in the scope of services and number of consultants engaged.

Growth in the banking & finance sector has been constrained with clients transforming the way they work based on agile at scale methodologies. During the transformation, freezes on head count are often employed while teams are restructured and redundancy programs implemented. We expect these restructures to be completed during the first half of 2019, after which we will be able to assess the ongoing impact on revenue and growth. Growth has been further constrained as tier 1 clients continue to put pressure on margins and rationalise supplier panels. While we have seen 20% growth in revenue at our largest client, an Australian bank, this was partially offset by lower revenues at a second Australian bank.

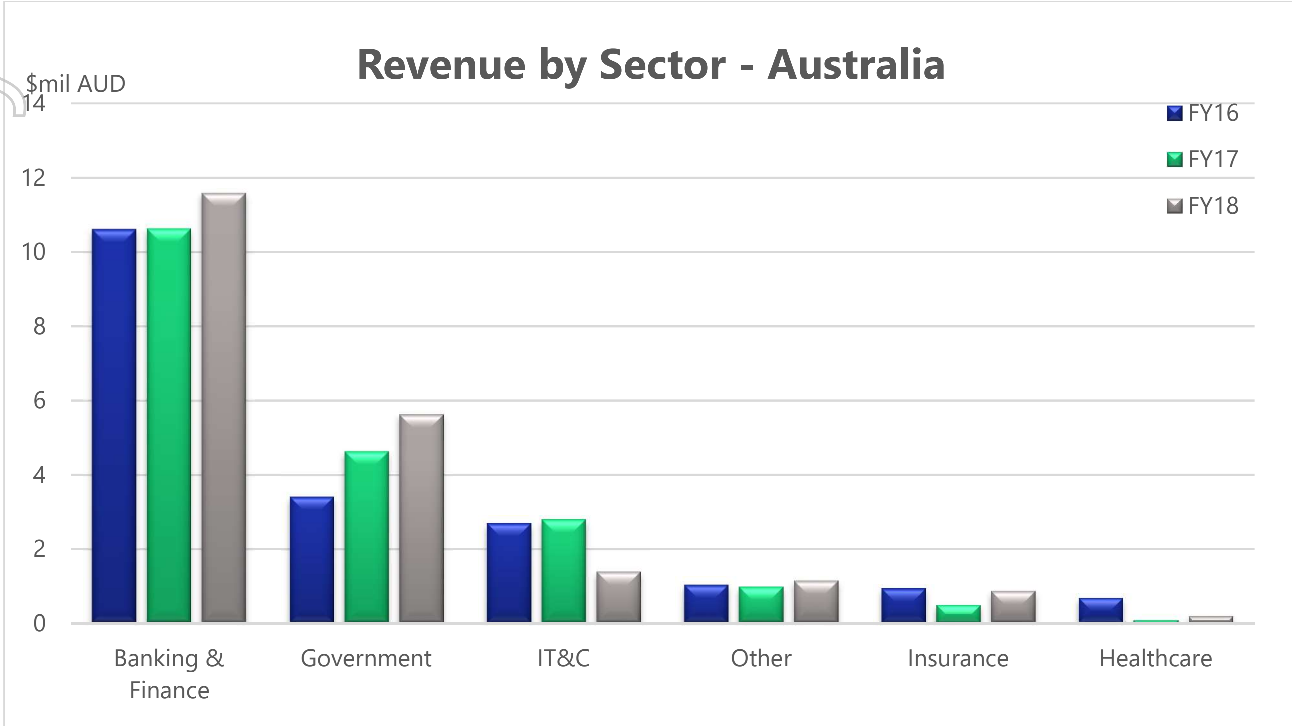
The drop in revenue in the IT&C sector is due to projects on one national telecommunications client completing and the company going through a restructure. We have maintained existing revenue and growing the account again are a focus for 2019.

Our digital consulting practice generated revenue of $1.0 million in the first full year of operation from a combination of digital strategy consulting and selling partner software and services.

The growth in the Australian business is profitable with margins decreasing slightly in the banking sector but maintained or increased in other sectors despite the general pressure on margins in the industry. Six of our top 10 clients by revenue are based in Australia.

Managing Director's Review

Table 4



Financial Results

Financial Performance

CPT Global's revenue for the year ended 30 June 2018 was $31.0 million, a 14.3% increase on 2017's revenue of $27.2 million. CPT Global's net profit after tax for the year ended 30 June 2018 was $0.8 million, an improvement of $2.2 million on the 30 June 2017 result.

The improvement in performance is a result of:

- profitable growth in the North American and Australian regions;
- an operating profit in Europe after several years of losses as the cost base of the region was reduced; and
- cost control across the Group.

Basic earnings per share amounted to 2.09 cents per share (diluted earnings 2.06 cents per share).

Financial Position

CPT Global's balance sheet reflected net tangible assets of $1.1 million as at 30 June 2018 (2017: $0.3 million). Net assets are $5.4 million (2017: $4.6 million)

- Unbilled revenue (WIP) has increased by $1.5 million. The increase in 2018 is due to 2 risk/reward contracts in progress in North America at year end with WIP of $1.9 million. At 30 June 2017, the WIP relating to risk/reward contracts was only $0.1 million;
- Trade and other receivables decreased $0.7 million despite the increase in revenue as the 2017 balance includes 2 overdue debtors with a balance of $1.7 million owing. This was paid in July 2018. Without the overdue payment in 2018, trade and other receivables increased in line with the increase in revenue;
- Trade and other payables increased by $0.7 million as consultant numbers increased with the growth in revenue, particularly in North America during the 4th quarter of 2018 and revenue received in advance increased $0.3 million. The percentage increase, 11.6%, is less than the growth in revenue which reflects the lower cost base of the business; and
- Borrowings at year end relate to the loan facility provided by Efic to fund the risk/reward contracts in North America.

Managing Director's Review

Cash Flow

CPT had $1.4 million in cash at 30 June 2018 ($1.7 million 30 June 2017) and a net cash outflow of $0.2 million for the financial year. We also had access to $1.7 million in additional funding in our facilities.

Our strong cash management processes, Australian debtor funding facility, early payment programs with clients in North America, Efic loan and the increase in revenue in Australia and North America all contributed to CPT being able to manage the cash flow challenges in 2018.

The decrease in cash at 30 June 2018 is due to the revenue locked up in WIP which will convert to cash in 2019 and the payment of our tax obligations in Canada under a payment plan agreed with the Canadian Revenue Authority.

Capital Management

A fully franked dividend of 0.25 cents per share will be paid for 2018.

Our debtor funding facility has a limit of $5.0 million of which there was no outstanding balance at 30 June 2018 and $1.1 million was available to draw on. Our facility with Efic has a limit of $1.2 million of which $0.5 million was drawn down at 30 June 2018 and $0.7 million was available to draw on.

During 2019 our focus will be on growing operating profit and cash flows to reduce our reliance on debtor facilities and the associated costs and repay other debts so that we can rebuild our cash position. We intend to pay dividends consistently and increase the payout ratio as our financial performance allows.

Our People

To CPT's people I thank you on behalf of the Board of directors and the executive team for the professional way in which you have continued to deliver the high quality of service to our clients and to the business during a difficult couple of years for CPT and a period of transition and transformation to becoming a digital services leader. Returning CPT to profit could not have been achieved without the loyalty and dedication of our employees and consultants.

Strategy

Our clients are operating in an environment in which innovation, disruption, digital transformation, speed to market, quality assurance and cost control are driving strategic and operational decision making. Our digital practice will become a core component of our services and drive new products, services and strategic alliances.

Our offering to our clients is enhanced by our existing partnerships and we continue to investigate opportunities to partner with world class software vendors and service providers.

Our core services of capacity planning, performance and testing will continue to be the backbone of the business with the focus on growing within our existing accounts and targeting a core group of strategic new accounts.

Customer facing web and mobile applications are driving an increase in transactions on mainframes and the release of the IBM mainframe z14 has seen delivered MIPS grow as clients move through the upgrade cycle faster than expected. A recent survey of CIOs suggests that MIPS have increased as much as 41% as mobile and other new technologies increase transactions on the mainframe. The speed of digital transformation is forcing companies to modernise their mainframe tools and integrate mainframe and non-mainframe DevOps processes. Our mainframe optimisation, tuning and cost reduction services combined with our strategic partners' modern DevOps toolsets will drive new services, products and opportunities.

The Outlook

The momentum we have built in North America and with the Federal Government in Australia is expected to continue through the first half of 2019 with major projects contracted and the 2 active risk/reward engagements coming to completion towards the end of the half year. However, we are fully aware that there is still a lot of work to do to shore up the balance sheet, build our cash reserves and continue to grow profit.

Managing Director's Review

The Australian business is expected to continue to grow steadily although this will be concentrated in the Government sector where revenue growth is expected to be strong and exceed the growth of 2018. Margins are expected to decline marginally on higher volumes in the sector. A major contract renewal is due at a government agency in late December, but we are optimistic of a 6 month extension. Revenue growth in the first half in the banking & finance sector is likely to be flat to negative as clients complete their transformations to new ways of working. Until these reorganisations are complete there is uncertainty about the impact on our business.

The momentum and pipeline in North America indicate a strong first half in 2019. With a contract renewal in December at our second biggest client in North America and risk/reward engagements due to complete in the first half, our focus is on locking the contract renewal in and moving the risk/reward engagements into new phases. As Canada starts down the path of introducing a real time payments platform, CPT is well placed to provide expert consulting services given our experience on the New Payments Platform released in Australia in 2018 and our existing relationships with Canada's major banks. We have started to provide strategic consulting services to two banks in Canada. Our focus in North America is to continue to grow within our existing clients, convert risk/reward clients to long term recurrent revenue and grow our other services at existing and new clients.

In Asia we will continue to use our partner model in the medium term to identify and convert opportunities. The pipeline in Asia is encouraging and projects will continue to be undertaken on an opportunistic basis in the short term.

Europe will continue to be managed as part of the greater Northern Hemisphere region with a scaled back presence and fixed cost base. This will allow us to adjust our strategy quickly as the need arises. Projects will be undertaken on an opportunistic basis in the short term.

Gerry Tuddenham
Managing Director
September 25, 2018

Content

Corporate Governance Statement

The Board of Directors of CPT Global is responsible for the corporate governance of the group. The Board guides and monitors the business and affairs of CPT Global on behalf of the shareholders by whom they are elected and to whom they are accountable.

The format of the Corporate Governance Statement is based on the Australian Stock Exchange Corporate Governance Council's (the Council's) "Corporate Governance Principals and Recommendations" (the Recommendations). In accordance with the Council's recommendations, the Corporate Governance Statement must contain certain specific information and must disclose the extent to which the company has followed the guidelines during the period. Where a recommendation has not been followed, that fact is disclosed, together with the reasons for the departure.

CPT Global’s Corporate Governance Statement is structured with reference to the Corporate Governance Council's principles and recommendations.

A summary of CPT Global’s corporate governance policies and practices can be found at www.cptglobal.com/investor-centre/.

Principle 1: Lay solid foundations for management and oversight

Functions reserved for the Board

The Board is responsible for governing the Company, providing leadership and monitoring CPT Global on behalf of its shareholders. In addition, the Board is responsible, along with management, for identifying areas of significant business risk and ensuring arrangements are in place to adequately manage those risks.

The Board has adopted a Charter that sets out, among other things, its specific powers and responsibilities and the matters delegated to the CEO and management and those reserved to the Board. Information regarding the Charter can be found at www.cptglobal.com/wp-content/uploads/2017/07/Board-Charter.pdf.

The senior executives of CPT Global are responsible for matters which are not specifically reserved for the Board. Senior executives manage the Company in accordance with the direction and strategy adopted by the Board.

Appointment and election of directors

Prior to the appointment of a new Director, CPT Global undertakes appropriate checks and internal investigations on the suitability of nominated directors.

CPT Global’s Constitution requires that an election of directors takes place each year. In addition, directors appointed during the year to fill a casual vacancy or as an addition to the existing directors during the year, must retire from office at the next annual general meeting following their appointment but are eligible for re-election by shareholders at that time.

The Notice of Meeting for an Annual General Meeting sets out the background, experience and skills of each director seeking election or re-election to the Board along with a recommendation of the Board in relation to the election or re-election. Security holders are provided with all material information in CPT Global’s possession relevant to a decision on whether or not to elect or re-elect a director.

Director agreements

CPT Global has written agreements with each director and senior executive setting out the terms of their appointment, including commencement and end date, terms of appointment, remuneration and obligations.

Company Secretary

The Company Secretary is charged with facilitating CPT Global’s corporate governance processes and so holds primary responsibility for ensuring that the Board processes and procedures run efficiently and effectively. The Company Secretary is accountable to the Board, through the Chairman, on all governance matters and reports directly to the Chairman as the representative of the Board. The Company Secretary is appointed and dismissed by the Board and all Directors have a right of access to the Company Secretary.

Corporate Governance Statement

Diversity policy

CPT Global has a diversity policy which provides equal opportunity to all appropriately skilled individuals with respect to their recruitment, remuneration, promotion, training and other employment practices. Diversity includes, but is not limited to, gender, age, ethnicity and cultural background. CPT Global is committed to diversity and recognises the benefits arising from employee and board diversity and the importance of benefiting from all available talent.

The diversity policy is currently under review by the Board. During the 2018 financial year the Board did not set measurable objectives to progress our diversity goals, however, gender balance is reported to the Board on a monthly basis.

Our progress with gender balance can be measured below:

	2018		2017	
	No.	%	No.	%
Women on the Board	0	0	0	0
Women in senior management roles	3	30	2	22
Women employees in the company	26	17	26	17

On 28 May 2018, CPT Global lodged its annual public report with the Workplace Gender Equality Agency pursuant to the requirements of the Workplace Gender Equality Act 2012 (the Act). The Act is designed to put a focus on promoting and improving gender equality and outcomes for both women and men in the workplace. All non-public sector employers with more than 100 employees are required to report annually under the Act.

The Act requires companies to provide access to the report to employees and shareholders via the usual means of communication with them.

A copy of the report is available on the Company's website at www.cptglobal.com/investor-centre. Note that this report reflects the employee numbers at a particular reporting date.

Evaluating the performance of the Board, its Committees, its directors and Senior Executives

The Board's Charter states that the Board will conduct annual reviews of both individual Board members, performance of the Board as a whole and the performance of Board Committees.

An annual performance evaluation of the Board and all Board members is conducted at the completion of each financial year.

The Board developed a questionnaire for all Board members to provide feedback on the role, composition, procedures and practices of the Board and its Committees. The results from the questionnaire are collated by the Company Secretary and discussed by the Board.

The initial results of the evaluation of the performance of the Board are due to be presented to the Board at the October 2018 meeting.

CPT Global undertakes an annual performance evaluation of its senior executives. This encompasses a review of each senior executives' achievement of their performance objectives and the establishment of future objectives. The determination of appropriate remuneration for each executive follows the performance evaluation.

The Remuneration Report includes more details on CPT Global's remuneration practices. An annual performance evaluation of the senior executive team was conducted following the completion of the financial year.

Corporate Governance Statement

Principle 2: Structure the Board to add value

Remuneration & Nomination Committee

The Board has a Remuneration and Nomination Committee which meets to ensure that the Board continues to operate within the established guidelines, including when necessary, selecting candidates for the position of director. The Committee is also responsible for ensuring that adequate resourcing levels are maintained, setting and monitoring employment conditions, reviewing the performance of executive directors and senior management and setting the scale of their remuneration. The Remuneration and Nomination Committee comprises all of the non-executive directors. The Remuneration and Nomination Committee comprised the following members throughout the year:

- Alan Baxter (Chairman)
- Fred Grimwade

The Board policy is that the Committee will only comprise independent non-executive directors. Due to the number of independent directors on the Board, CPT Global has not complied with corporate governance best practice, which recommends the Remuneration and Nomination Committee to have a minimum of three members.

For details of directors' attendance at meetings of the Remuneration & Nomination Committee, refer to page 29 of the Directors' Report.

A summary of the Committee's role and responsibilities can be found as an appendix to the Board Charter at www.cptglobal.com/wp-content/uploads/2017/07/Board-Charter.pdf.

Board Skills Matrix

The Remuneration & Nomination Committee maintain, on behalf of the Board, a capabilities matrix. The Board composition is reviewed at least annually against the matrix and the effect of a proposed new director on Board composition and balance is also assessed against the matrix. Succession planning in order for the Board to maintain appropriate experience, expertise and diversity is an important responsibility of the Remuneration & Nomination Committee. While important, the capabilities matrix is only part of the process for assessing proposed directors.

The Board has adopted the capabilities matrix, set out below, which sets out the mix of skills and diversity that the Board is looking to achieve in its membership. The skills matrix highlights the key skills and experience of the Board and the extent to which those skills are currently represented on the Board.

Skills/Experience

Total Number of Directors	**3**
Public Company Governance Experience with listed and other organisations subject to robust governance frameworks with an ability to assess the effectiveness of relevant governance processes	2
Executive Experience Experience in senior positions at executive levels	3
Strategy & Planning Ability to develop and implement successful strategy and deliver agreed strategic planning goals	3
Accounting, Finance & Capital & Debt Management Senior executive experience in financial accounting and reporting, capital management, taxation, internal controls and corporate financing arrangements	1
Risk Management Experience in the oversight and management of material business risk including membership of risk committees	2
IT Industry Experience Senior executive experience in the IT sector	2

Corporate Governance Statement

Consulting & Technology Services Experience Senior executive experience in consulting services, particularly in the IT sector	2
Mergers and acquisitions Senior executive experience in successfully undertaking mergers & acquisitions	3
Marketing & Sales Senior executive experience in selling IT consulting services and marketing	2
International market experience Senior executive experience in managing operations and subsidiaries in multiple countries	3
Occupational Health & Safety Experience in relation to workplace health and safety	0
Environment and Sustainability Experience in relation to environmental and social responsibility and community	0
Legal & Regulatory Experience in legal and regulatory matters	1
Human Resources Experience in relation to remuneration and incentive practices, succession planning and director appointment processes	2

Board skills and experience

The skills, experience and expertise relevant to the position of director held by each director in office at the date of the annual report is included in the directors' report on pages 18 and 19.

Director independence

A majority of the Board are independent. The following directors of CPT Global are considered independent:

Name	Position
Fred Grimwade	Non-executive Chairman
Alan Baxter	Non-executive Director

An independent director is a director who is not a member of management (a non-executive director) and who:

- holds less than five percent of the voting shares of CPT Global and is not an officer of, or otherwise associated, directly or indirectly, with a shareholder of more than five percent of the voting shares of CPT Global;
- within the past three years has not been employed in an executive capacity by CPT Global or another group member, or been a director after ceasing to hold any such employment;
- within the past three years has not been a principal or employee of a material professional adviser or a material consultant to CPT Global or another group member;
- is not a material supplier or customer of CPT Global or another group member, or an officer of or otherwise associated, directly or indirectly, with a material supplier or customer;
- has no material contractual relationship with CPT Global or another group member other than as a director of CPT Global;
- is free from any interest and any business or other relationship which could, or could reasonably be perceived to, materially interfere with the director's ability to act in the best interests of CPT Global; and
- has not had their independence compromised by the length of their tenure preventing them from being able to bring an independent judgement to bear on issues before the Board and to act in the best interests of CPT Global and its security holders.

Corporate Governance Statement

Materiality is considered from both the company and individual director perspective. The determination of materiality requires consideration of both quantitative and qualitative elements. An item is presumed to be quantitatively immaterial if it is equal or less than 5% of the appropriate base amount. It is presumed to be material (unless there is qualitative evidence to the contrary) if it is equal to or greater than 10% of the appropriate base amount. Qualitative factors considered include whether a relationship is strategically important, the competitive landscape, the nature of the relationship and the contractual or other arrangements governing it and other factors which point to the actual ability of the director in question to shape the direction of the company's strategy.

There are procedures in place, agreed by the Board, to enable directors, in furtherance of their duties, to seek independent professional advice at the company's expense.

The term in office held by each director in office at the date of this report is as follows:

Name	Term in office
Fred Grimwade	16 years
Alan Baxter	8 years
Gerry Tuddenham	20 years

The Board considers Fred Grimwade to be independent even though his tenure on the Board exceeds 10 years as the Board expects the Chairman to have a deep understanding of CPT Global and its business and with an interest in 2% of the shares of CPT Global, Mr Grimwade's interests are aligned with the interests of CPTs shareholders.

Director induction and professional development

CPT Global has a program for inducting new directors and provides appropriate professional development opportunities for directors to develop and maintain the skills and knowledge needed to perform their role as directors effectively. For more information on Director induction and education, see the Board Charter at www.cptglobal.com/wp-content/uploads/2017/07/Board-Charter.pdf.

Principle 3: Act ethically and responsibly

Code of conduct

The Board is committed to its core governance values of integrity, respect, trust and openness among and between board members, management, employees, clients and suppliers. These values are enshrined in the Board's Code of Conduct which requires all directors, management and employees to at all times:

- act honestly and in good faith;
- exercise due care and diligence in fulfilling the functions of office;
- avoid conflicts and make full disclosure of any possible conflict of interest;
- comply with both the letter and spirit of the law;
- encourage the reporting and investigation of unlawful and unethical behaviour; and
- comply with the share trading policy outlined in the Code of conduct.

Directors are obliged to be independent in judgement and ensure all reasonable steps are taken to ensure that the Board's core governance values are not compromised in any decisions the Board makes.

CPT Global's policy regarding directors and employees trading in its securities is set by the Finance and Audit Committee. The policy restricts directors and employees from acting on material information until it has been released to the market and adequate time has been given for this to be reflected in the securities price.

Information relating to the Code of Conduct and Trading Policy can be found at www.cptglobal.com/investor-centre.

Corporate Governance Statement

Principle 4: Safeguard integrity in corporate reporting

Finance and Audit Committee

The Board has a Finance and Audit Committee which operates under a charter approved by the Board. It is the Board's responsibility to ensure that an effective internal control framework exists within the entity and ensure compliance with ASX Listing Rule disclosure requirements. This includes internal controls to deal with both the effectiveness and efficiency of significant business processes, the safeguarding of assets, the maintenance of proper accounting records, external reporting and the reliability of financial information as well as non-financial considerations such as the benchmarking of operational key performance indicators. The Board has delegated the responsibility for the establishment and maintenance of a framework of internal control and ethical standards for the management of the consolidated entity to the Finance and Audit Committee.

The Committee also provides the Board with additional assurance regarding the reliability of financial information for inclusion in the financial reports. The Corporate Governance Principles recommend that all Finance and Audit Committee members are non-executive. CPT Global only has two non-executive directors therefore the managing director has also been appointed to the Finance and Audit Committee.

The members of the Finance and Audit Committee during the year were:

- Fred Grimwade (Chairman)
- Alan Baxter
- Gerry Tuddenham

Due to the size of the company and the Board of directors, CPT Global has not complied with corporate governance best practice, which recommends the Finance and Audit Committee have a different Chairman than the Board.

For details of directors' experience and qualifications refer to pages 18 and 19 of the Directors' Report. For details of attendance at meetings of the Finance and Audit Committee, refer to page 27 of the Directors' Report.

A copy of the Committee's Charter is included as an appendix to the Board Charter and can be found at www.cptglobal.com/investor-centre.

CEO & CFO declarations

For the annual and half-year results, the CEO and CFO have provided a written declaration to the Board stating that, in all material respects, the Company's financial report gives a true and fair view of CPT Global's financial position and operational results and are in accordance with relevant accounting standards and the financial records have been properly maintained in accordance with the Corporations Act 2001.

The declaration by the CEO and CFO states that it is founded on a sound system of risk management and internal compliance and control system and that the risk management and internal compliance and control systems to, the extent they relate to financial reporting, are operating effectively and efficiently in all material respects.

Auditors attendance at the AGM

The external auditor attends the Annual General Meeting to answer any questions concerning the conduct of the audit, the preparation and content of the Auditor's report, accounting policies adopted by the group and the independence of the auditor in relation to the conduct of the audit.

Principle 5: Make timely and balanced disclosure

Continuous disclosure policy

CPT Global is subject to continuous disclosure obligations under the ASX Listing Rules and the Corporations Act 2001. Subject to limited exceptions, CPT Global must immediately notify the market, through the ASX, of any information that a reasonable person would expect to have a material effect on the price or value of CPT Global's securities. CPT Global has a Continuous Disclosure Policy, a summary of which can be found at www.cptglobal.com/investor-centre.

Corporate Governance Statement

Principle 6: Respect the rights of security holders

Online information for security holders

CPT Global's corporate website has a dedicated Investors section which provides information on the Company, corporate governance and financial reports as well as providing access for security holders to contact the Company and Company Secretary by email.

The Corporate Governance tab sets out CPT Global's charters, policies, codes and ethical standards.

Promoting effective communication with security holders

The Board is committed to giving security holders and potential investors balanced and understandable information about the Company and corporate proposals. The Company communicates with security holders via the financial media for significant corporate events and meetings with security holders and potential investors are held on request. The Company responds to questions and enquiries made by security holders in a timely and transparent manner.

CPT Global has a Shareholder Communications Policy which can be found at www.cptglobal.com/investor-centre. The policy explains how information will be communicated to security holders and lists the following channels:

1. releases to the market via the ASX;
2. through the Company's web site;
3. directly to shareholders; and
4. at general meetings of the Company.

CPT Global's Shareholder Communications Policy works in tandem with Continuous Disclosure Policy

Security holders are entitled to vote on significant matters impacting on the business. The Board actively encourages security holders to attend and participate in the Annual General Meeting of CPT Global, to lodge inquiries and to be responded by the Board and or the CEO and can appoint proxies. The date of the AGM is published well in advance in the financial report and in the Notice of Meeting sent to security holders.

At the AGM, the Chairman encourages security holders to ask questions on each item of business and, after the formal business of the meeting, encourages security holders to ask general questions.

Communicating with security holders

Shareholders have the option to receive communications from and send communications to the Company and its security registry electronically.

Furthermore, the Company website has a "Contact" section which allows investors and others to communicate with and ask questions of the Company.

Principle 7: Recognise and manage risk

Policy for oversight and management of business risk

CPT Global believes that, given the size of the Board, it is crucial for all Board members to be a part of the risk management process, and as such the Board has not established a separate risk management committee. Instead sub-committees are convened as appropriate in response to issues and risks identified by the Board and the sub-committee further examines the issue and reports back to the Board.

Design and implementation of risk management and internal control systems

CPT Global takes a proactive approach to risk management. The Board is responsible for ensuring that risks, and opportunities, are identified on a timely basis and that the group's objectives and activities are aligned with the risks and opportunities identified by the Board.

Corporate Governance Statement

The main risks that could negatively impact on the performance of the Group's business include:

- the global economic environment;
- the availability of professional IT resources;
- the value of the Australian dollar;
- Government policy, budget and spending levels.

The Finance and Audit Committee is responsible for establishing and maintain a framework of internal control. The Board and the Audit Committee have a number of mechanisms in place to ensure that management's objectives and activities are aligned with the risks identified by the Board. These include:

- Board approval of a strategic plan, which encompasses the entity's vision, mission and strategy statements, designed to meet stakeholders' needs and manage business risk.
- Implementation of Board approved operating plans and budgets and Board monitoring of progress against these budgets, including the establishment and monitoring of Key Performance Indicators (KPI's) of both a financial and non-financial nature.
- The establishment of committees to report on specific business risks, including for example, such matters as the financial risks and concerns and occupational health and safety.

Due to the size of the company, CPT Global does not have an internal audit function.

In addition to their regular reporting on business risks, risk management and internal control systems, the CEO and Chief Financial Officer also provide the Board with assurance that the directors declaration provided with the annual report is founded on a sound system of risk management and internal control and that this system is operating effectively in all material respects in relation to the financial reporting risks. This assurance is provided prior to the meeting at which the directors are due to authorise and sign the company's financial statements.

The Board undertook a review of CPT Global's risk management framework during the reporting period and undertakes such reviews on an annual basis.

CPT Global does not have any material exposure to environmental and social sustainability risks.

Principle 8: Remunerate fairly and responsibly

The Remuneration Report (on pages 22 to 28 of this report) sets out details of CPT Global's policy and practices for remunerating directors and executives.

Information on the Remuneration & Nomination Committee is included under Principle 2 of this Corporate Governance Statement.

CPT Global does not have a policy on whether participants are permitted to enter into transactions which limit the economic risk of participating in the performance rights scheme.

Due to the number of independent directors on the Board, CPT Global has not complied with corporate governance best practice, which recommends the Remuneration & Nomination Committee to have a minimum of three members.

Information relating to the Remuneration & Nomination Committee and CPT Global's policy on share trading in relation to shares or equity-based products can be found at www.cptglobal.com/investor-centre.

Directors' Report

Your directors submit their report for the year ended 30 June 2018.

DIRECTORS

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

Names, qualifications, experience and special responsibilities

Fred S Grimwade
(Non-executive Chairman)

Fred chairs CPT's Finance and Audit Committee and is a member of the Remuneration Committee. He is a director of specialist corporate advisory and investment firm Fawkner Capital, and is a non-executive director of Select Harvests Limited, XRF Scientific Limited and Australian United Investment Company Limited. He is also a director of the Foundation for Rural and Regional Renewal.

Fred was a commercial lawyer at Mallesons Stephen Jaques, and later worked with Goldman, Sachs & Co. in New York and Sydney. He also served as Company Secretary and General Manager of Shareholder Relations at Western Mining Corporation. In 1996, he joined Colonial Mutual as Group Company Secretary and General Manager for Legal Affairs and subsequently became Head of Private Capital for Colonial First State Investments, one of Australia's largest fund managers. He was Managing Director of the Colonial Agricultural Company from 1998 to 2006 and a non-executive director of AWB Limited from 2008 to 2010. Fred is a senior fellow and life member of the Financial Services Institute of Australasia (Finsia) and was its joint president from 2005 to 2006. He is also a Fellow of the Australian Institute of Company Directors and a Fellow of Chartered Secretaries Australia.

Gerry Tuddenham
(Managing Director)

Gerry is the founder of and a major shareholder in CPT. He has more than 40 years experience in IT consulting and is a hands-on technologist with a reputation for delivering practical solutions. Gerry is widely known as a technical specialist in performance tuning, capacity planning and testing in IBM mainframes, with additional expertise in expert systems, transaction processors, middleware and database management systems. Gerry was the lead developer of the Expetune and Expetest utilities, which automate a number of intricate tuning and testing activities. He has worked internationally in a broad range of industries, with a focus on financial services and telecommunications. Gerry is a member of the Australian Institute of Company Directors. Gerry is a member of the Finance and Audit Committee.

Alan Baxter
(Non-executive Director)

Alan is a member of CPT's Finance and Audit Committee and also chairs the Remuneration Committee. He has a strong record of leading profitable growth initiatives, possessing a unique blend of business development skills, commercial acumen and technology expertise. Alan has some 40 years experience across all facets of the IT services industry and has held a number of senior executive roles at IBM and Unisys before his appointment as Chief Executive Officer of DMR Consulting (Asia Pacific). He subsequently moved to London where he became Chief Operating Officer of Fujitsu Consulting (formerly DMR Consulting). On his return to Australia he was appointed to several non-executive director roles. Alan is not a director of any other ASX listed entities.

Directors' Report

David Lynch
Resigned
17 August 2018
(CEO Australia & Asia)

David was the CEO Australia & Asia and acting CEO. David was widely regarded as one of the leading CIOs in the Asia Pacific region before he joined CPT Global in April 2016. Most recently, he led the digital transformation strategy and execution for DBS Bank in Hong Kong and Mainland China and established Hong Kong's first dedicated fintech startup accelerator in partnership with technology giants Amazon, Microsoft and Samsung. He is a passionate technologist, innovator and digital thought leader.

David lived and worked in Singapore, Shanghai and Hong Kong for 13 years prior to relocating to Australia and held CIO roles in General Motors, Standard Chartered and DBS Bank. He is also an angel investor and has supported multiple university alliances and talent programs over the course of his career.

In 2010, David was the inaugural winner of the Australia China Alumni award for corporate achievement. In 2015, he was the winner of the Customer Experience in Financial Services (CXFS) award.

COMPANY SECRETARY
Grant Sincock

Grant was appointed as Chief Financial Officer and Company Secretary in June 2015. Grant brings over 20 years of experience as a finance professional to CPT Global Limited, having been a partner at ShineWing Australia (formerly Moore Stephens Melbourne) where he held many senior executive positions, including: member of the Executive Board, Head of Corporate Finance and Head of Audit and Assurance. He is a member of Chartered Accountants Australia and New Zealand.

INTERESTS IN THE SHARES AND OPTIONS OF THE COMPANY AND RELATED BODIES CORPORATE

As at the date of this report, the interests of the directors in the shares and performance rights of CPT Global Limited were:

	Ordinary Shares	Performance Rights
Alan Baxter	-	50,000
Fred S Grimwade	718,200	50,000
Gerry Tuddenham	12,231,926	200,000

EARNINGS PER SHARE

	Cents
Basic earnings per share	2.09
Diluted earnings per share	2.06

DIVIDENDS

On 29 August 2018, a fully franked dividend of 0.25 cents per share was declared by the directors for the 2018 financial year. The total value of the dividend is $93,296 and will be paid on 19 November 2018.

The financial effect of the dividend will be recognised in the 2019 financial year as it was declared after the end of the 2018 financial year.

CORPORATE INFORMATION

Nature of operations and principal activities

The principal activities of the economic entity during the financial year were the provision of specialist IT consultancy services.

There have been no significant changes in the nature of those activities during the year.

Employees

The consolidated entity employed 150 employees and contractors as at 30 June 2018 (2017: 151 employees and contractors).

Directors' Report

OPERATING AND FINANCIAL REVIEW

The profit after income tax was $0.8m in 2018 compared to a net loss after tax of $1.5m in 2017. Revenue growth of 14% and an active reduction in our cost base were the key drivers of the result.

We derived $2.5 million in risk/reward revenue from 2 clients in the USA in 2018. We undertook engagements at a health care insurance company and a global bank. Both engagements are expected to be completed in the first half of the 2019 financial year.

Revenue in Australia grew by 5.1% in 2018 (2017: 4.3%) and revenue in North America grew by 47.6% (2017: -18.5%). Europe's revenue declined by 1.7% in 2018 (2017: -33.3%), however, the cost base has been reduced over the last 2 years which enabled the region to generate a small operating profit before tax, FX and intra group charges. Our top 10 clients contributed 80% (2017: 80%) of our revenue, grew by 14% compared to the top 10 clients in 2017 and maintained margins in an environment in which pressure to reduce margins is part of the landscape.

Financial Performance

CPT Global's revenue for the year ended 30 June 2018 was $31.0 million, a 14.3% increase on 2017's revenue of $27.2 million. CPT Global's net profit after tax for the year ended 30 June 2018 was $0.8 million, an improvement of $2.2 million on the 30 June 2017 result. The improvement in performance is a result of:

- profitable growth in the North American and Australian regions, particularly in the Banking and Government sectors;
- an operating profit in Europe after several years of losses as the cost base of the region was reduced and the reduction in revenue kept to 1.7% despite the reduced resources. Operating Europe as part of a larger Northern Hemisphere region facilitated more efficient management and allocation of resources; and
- cost controls implemented over the last 3 years which have been maintained across the Group and contributed to the reduction in the cost base.

Basic earnings per share amounted to 2.09 cents per share (diluted earnings 2.06 cents per share).

The net profit after tax includes tax expense of $0.5 million, an effective tax rate of 37%. This is higher than the marginal tax rate of 30% due to tax losses in Europe that we have not recognised on the balance sheet as deferred tax assets and interest expense that is not deductible in Canada for tax purposes.

Financial Position

CPT Global's balance sheet reflected net tangible assets of $1.1 million as at 30 June 2018 (2017: $0.3 million). Net assets are $5.4 million (2017: $4.6 million). The following is a summary of the most significant movements on balance sheet:

- Unbilled revenue (WIP) has increased by $1.5 million in 2018 due to 2 risk/reward contracts in progress in North America at year end with WIP of $1.9 million. At 30 June 2017, the WIP relating to risk/reward contracts was only $0.1 million. The balance of the movement is due to a decrease in the milestone contracts in Australia outstanding at year end.
- Trade and other receivables decreased $0.7 million despite the increase in revenue as the 2017 balance includes 2 overdue debtors with a balance of $1.7 million owing. This was paid in July 2018. Without the overdue payment in 2018, trade and other receivables increased in line with the increase in revenue. At 30 June 2018, 5.6% of debtors are in 60 days or greater, all of which have been collected in 2019;
- Trade and other payables increased by $0.7 million as consultant numbers increased with the growth in revenue, particularly in North America during the 4th quarter of 2018 and revenue received in advance increased $0.3 million. The percentage increase, 11.6%, is less than the growth in revenue which reflects the lower cost base of the business; and
- Borrowings at year end relate to the loan facility provided by Efic to fund the risk/reward contracts in North America. $1.7 million in undrawn funding from Efic and the debtor funding was available at year end.

Directors' Report

Cash Flow

CPT had $1.4 million in cash at 30 June 2018 ($1.7 million 30 June 2017) and a net cash outflow of $0.2 million for the financial year.

The decrease in cash at 30 June 2018 is due to the revenue locked up in WIP which will convert to cash in 2019 and the payment of our tax obligations in Canada.

Capital Management

A fully franked dividend of 0.25 cents per share will be paid for 2018.

There was no outstanding balance on our debtor funding business at 30 June 2018 and $1.1 million was available to draw on. During the year we secured a export finance facility with Efic which has a limit of $1.2 million of which $0.5 million was drawn down at 30 June 2018.

During 2019 our focus will be on growing operating profit and cash flows to reduce our reliance on debt facilities and the associated costs and repay other debts so that we can rebuild our cash position. We intend to pay dividends consistently and increase the payout ratio as our financial performance allows.

SIGNIFICANT CHANGES IN THE STATE OF AFFAIRS

No significant changes in the state of affairs of the company occurred during the financial year.

SIGNIFICANT EVENTS AFTER THE BALANCE DATE

On 29th August 2018 CPT Global Limited announced its intention to extend the on-market share buy back for a further twelve months until 28th August 2019. A maximum of 3,000,000 shares may be bought back during the buy-back period.

On 17 August 2018, David Lynch (Chief Executive Officer Australia and Asia) resigned.

Except for the above, no other matters or circumstances have arisen since the end of the financial year which significantly affected or may significantly affect the operations of the economic entity, the results of those operations, or the state of affairs of the economic entity in future financial years.

LIKELY DEVELOPMENTS AND EXPECTED RESULTS

Likely developments, future prospects and business strategies of the operations of the consolidated entity are detailed in the Chairman's Statement and Managing Director's Review on pages 1 and 2 respectively.

ENVIRONMENTAL REGULATION AND PERFORMANCE

The company's operations are not regulated by any significant environmental regulation under a law of the Commonwealth or of a State or Territory.

INDEMNIFICATION AND INSURANCE OF DIRECTORS AND OFFICERS

The company has paid premiums to insure the current directors and officers against liabilities for costs and expenses incurred by them in defending any legal proceedings arising out of their conduct while acting in the capacity of director and officer of the company, other than conduct involving a wilful breach of duty in relation to the company. The total premium paid was $48,675

Directors' Report

REMUNERATION REPORT

The Remuneration Report for the year ended 30 June 2018 outlines the Director and executive remuneration arrangements of CPT Global in accordance with the requirements of the Corporations Act 2001 and its regulations. For the purposes of this Report, key management personnel (KMP) of CPT Global are defined as those persons having authority and responsibility for planning, directing and controlling the major activities of CPT Global, directly or indirectly, including any Director of the parent company.

Persons to who the report applies

The remuneration disclosures in this Report cover the following persons:

Key Management Person	Position
Fred S Grimwade	Non-executive Chairman
Alan Baxter	Non-executive Director
Gerry Tuddenham	Managing Director
David Lynch	Chief Executive Officer Australia and Asia (resigned 17 August 2018)
Grant Sincock	Company Secretary and Chief Financial Officer
Luke Tuddenham	President North America

From 1 July 2017 Kevin Akom took on the role of General Manager – Strategic Client Relationships within the Australian region. This new role and its responsibilities do not meet the definition of Key Management Person and Kevin is therefore not included in the Key Management Person disclosures from 1 July 2018.

Remuneration policy

The Remuneration and Nomination Committee of the Board of Directors is responsible for determining and reviewing compensation arrangements for the directors, the managing director and the executive team. The Remuneration and Nomination Committee assesses the appropriateness of the nature and amount of remuneration of such officers on a periodic basis by reference to relevant employment market conditions with the overall objective of ensuring maximum stakeholder benefit from the retention of a high quality Board and executive team. The outcomes of the remuneration structure are expected to comply with Executive Share and Option Scheme Guidelines. The payment of bonuses, stock options and other incentive payments are reviewed by the Remuneration and Nomination Committee annually as part of the review of executive remuneration and a recommendation is put to the Board for approval. All bonuses, options and incentives must be linked to pre-determined performance criteria. The Board can exercise its discretion in relation to approving the incentives, bonuses and options and can recommend changes to the Committee's recommendations. Any changes must be justified by reference to measurable performance criteria. Details of such incentives awarded during the year are detailed below. Further details on the remuneration of directors and executives are provided in Note 27 to the financial statements.

To assist in achieving these objectives, the Remuneration and Nomination Committee links the nature and amount of executive directors' and officers' remuneration to the company's financial and operational performance and shareholders' value. The committee acknowledges that the creation of shareholder value has recently been inhibited by the global financial crisis and the tightening market conditions experienced within the IT industry.

Performance-based remuneration

Executives have short-term 'at risk' cash bonuses, the payment of which depends on the executive meeting their KPIs. Additional bonuses for exceptional performance in relation to the pre-agreed KPIs may be paid up to a maximum of 3 times the target bonus. The KPIs are set annually after consultation with the directors and executives. The measures are specifically tailored to the areas where each executive has a level of control. The KPIs target areas the Board believes hold the greatest potential for expansion and profit, covering financial and non-financial goals, for both the short and long-term. They can include financial, people, client, strategy and risk measures.

The directors are issued performance rights with vesting conditions tied to the share price of the company and the revenue growth of the international business.

Directors' Report

Company performance, shareholder wealth and director and executive remuneration

The remuneration policy has been tailored to increase goal congruence between shareholders, directors and executives. There have been two methods applied in achieving this aim, the first being annual salary reviews based on key performance indicators, and the second being the issue of shares and options to selected directors and executives to encourage the alignment of personal and shareholder interests. While losses have been incurred during the last 3 years and the share price has declined, there have been no increases in annual salary during annual reviews for executives and no options have vested as key performance indicators and performance hurdles have not been met.

The following table shows the net profit and dividends for the last five years for the listed entity, as well as the share price at the end of the respective financial years. The analysis reflects the losses made in the 2015, 2016 and 2017 financial years and is matched by a reduced share price and no dividends being paid. This performance has been attributed to the difficult trading conditions in Europe and the continued investment in overseas opportunities in which delays have been encountered in reaching contract finalisation and tightening margins across the business. There have were no increases in the compensation arrangements for directors and key management personnel during the 2015, 2016 and 2017 financial years and performance bonuses reflect the results of the Company. The board believes the remuneration policy is effective and can be linked to current years result.

	2014	2015	2016	2017	2018
Net profit/(loss)	$2.2m	($5.1m)	($3.9m)	($1.5m)	$0.8m
Share price at year end	$0.67	$0.52	$0.26	$0.16	$0.12
Dividends paid	4.5c	0.0c	0.0c	0.0c	0.25c

During the year, no shares were purchased as part of the share buyback. The share price during the year ranged from a low of $0.11 to a high of $0.19.

Remuneration of Non-executive Directors

Non-executive Directors are entitled to a fixed fee per annum for acting as a Director of CPT Global. No additional fees are paid for membership of an active committee.

Under CPT Global's Constitution, Non-executive Director's fees cannot exceed the aggregate cap approved by shareholders by an ordinary resolution. The current cap is $200,000 and was adopted at the 2006 AGM. The aggregate fees paid to Non-Executive directors in the 2018 financial year do not exceed the cap.

There has been no change to the fees paid to individual Non-executive Directors during or after the 2018 financial year.

Remuneration of Senior Executives

Both executive directors and the executives specified in this remuneration report, have their employment conditions formalised in contracts of employment and are permanent employees of CPT Global Limited.

The employment contracts are generally for a fixed term of 6 months to 1 year and contain the following common features:

- an annual review of the Base Salary which is dependent upon CPT Global's performance, the individual's performance and market changes. Any increase has to be approved by the Managing Director and the Remuneration and Nomination Committee;
- short term performance incentive payments quarterly, dependent upon CPT Global achieving its objectives and the individual achieving their KPIs;
- at CPT Global's discretion, allowances and adjustments to Base Salary may be paid when an Executive is required to travel on CPT Global business. Any adjustments must be agreed in advance, documented in writing and signed by the Executive and the Company;
- post-employment restraints covering non-solicitation of employees, contractors and clients and non-competition;
- CPT Global may at its discretion elect to make payment in lieu of notice when the contract is terminated by the employee or the Company;

Directors' Report

- a contract can be terminated immediately without notice by CPT Global for serious misconduct; and
- any options not vested as at the date of termination will lapse.

Specific details of each Senior Executive's contract of employment which applied at the end of the financial year ending 30 June 2018 are summarised in the tables on the following pages.

Summary of Contracts of Employment Applicable at 30 June 2018

Position	**Gerry Tuddenham** Managing Director	**David Lynch** CEO Australia & Asia
Fixed Remuneration		
Base Salary	$395,000	$410,000
Superannuation	$25,000	$25,000
Non-monetary benefits	Mobile telephone, car park, road tolls, petrol and salary sacrifice arrangements for motor vehicle and superannuation.	Mobile telephone, car park and salary sacrifice arrangements for motor vehicle and superannuation.
Performance Based Remuneration		
Annual target bonus	Nil	$50,000
Other benefits	Nil	Nil
Post-employment benefits	Nil	Nil
Post-employment restraint	6 months	6 months
Termination	4 weeks notice	4 weeks notice
Termination benefits	Nil	Nil

Position	**Grant Sincock** Chief Financial Officer & Company Secretary	**Luke Tuddenham** President North America
Fixed Remuneration		
Base Salary	$265,000	US$215,000
Superannuation	$25,000	US$18,050
Non-monetary benefits	Mobile telephone, road tolls and salary sacrifice arrangements for motor vehicle and superannuation.	Mobile telephone, car park, road tolls and salary sacrifice arrangements for motor vehicle and superannuation. Mr Tuddenham is also entitled to additional expatriate benefits for himself and his family.
Performance Based Remuneration		
Annual target bonus	$30,000	US$125,000
Other benefits	Nil	Nil
Post-employment benefits	Nil	Nil
Post-employment restraint	6 months	6 months
Termination	4 weeks notice	4 weeks notice
Termination benefits	Nil	Nil

Directors' Report

Details of remuneration for the year ended 30 June 2018

Details of the nature and amount of each element of the remuneration of each director of the company and executive officers of the company and the group receiving the highest remuneration for the financial year are as follows:

	Short-Term Benefits			Post Emp't Benefits	Other Long-Term Benefits		Total	Performance related
	Salary	Short-term Bonus	Other Benefits	Super	Long Service Leave	Share Based Payments		
	$	$	$	$	$	$	$	$
Directors								
Alan Baxter								
2018	**50,465**	**-**	-	**4,668**	**-**	**2,480**	**57,613**	**4.3%**
2017	50,459	-	-	4,707	-	89	55,255	0.2%
Fred Grimwade								
2018	**77,982**	**-**	-	**7,408**	**-**	**2,480**	**87,870**	2.8%
2017	77,982	-	-	7,408	-	89	85,479	0.1%
Gerry Tuddenham								
2018	**378,781**	**-**	**8,919**	**20,531**	**-**	**7,926**	**416,157**	**1.9%**
2017	398,241	-	10,370	25,000	9,068	4,233	446,912	0.9%
David Lynch								
2018	**412,000**	**50,000**	**7,882**	**25,000**	**6,008**	**19,814**	**520,704**	**9.6%**
2017	409,532	-	9,633	27,468	2,552	-	449,185	0.0%
Total Remuneration								
2018	**919,228**	**50,000**	**16,801**	**57,607**	**6,008**	**32,699**	**1,082,343**	**7.6%**
2017	936,214	-	20,003	64,583	11,620	4,411	1,036,831	0%
Executive Officers								
Kevin Akom								
2017	275,229	-	9,064	24,771	120	-	309,184	0.00%
Grant Sincock								
2018	**265,000**	**25,000**	**8,025**	**25,000**	**5,542**	**-**	**328,567**	**7.61%**
2017	264,854	-	9,885	26,882	3,469	-	305,090	0.00%
Luke Tuddenham								
2018	**315,113**	**180,000**	**301,629**	**27,220**	**6,663**	**-**	**830,625**	**21.67%**
2017	283,934	26,853	319,176	27,065	4,241	-	661,269	4.06%
Total Remuneration								
2018	**580,113**	**205,000**	**309,654**	**52,220**	**12,205**	**-**	**1,159,192**	**17.68%**
2017	824,017	26,853	338,125	78,718	7,830	-	1,275,543	2.1%

Notes

1. The elements of remuneration have been determined on the basis of the cost to the group.
2. Other Benefits for Mr Luke Tuddenham include expatriate costs

Directors' Report

Performance income as a proportion of total remuneration

Executive directors and executives are paid performance related bonuses based on set monetary figures, rather than proportions of salary since these payments are discretionary. This has led to the proportions of remuneration related to performance varying between individuals.

Performance Rights granted as remuneration

Terms and Conditions for Each Grant

	Vested No.	Granted No.	Grant Date	Value per Share at Grant Date $	Exercise Price $	Last Exercise Date
Gerry Tuddenham	-	200,000	27/11/17	$0.16	$0.00	27/11/20
Alan Baxter	-	50,000	27/11/17	$0.16	$0.00	27/11/20
Fred Grimwade	-	50,000	27/11/17	$0.16	$0.00	27/11/20
David Lynch	-	500,000	27/11/17	$0.16	$0.00	27/11/20
Total	-	800,000				

Further details on the service and performance criteria attached to these rights can be found in note 22.

	Balance at beginning of Period	Granted as Remuneration	Rights Exercised	Rights Lapsed /Cancelled	Balance at End of Period	Exercisable at End of Period	Vested and Unexercised at End of Period
Gerry Tuddenham	200,000	200,000	-	200,000	200,000	-	-
Alan Baxter	50,000	50,000	-	50,000	50,000	-	-
Fred Grimwade	50,000	50,000	-	50,000	50,000	-	-
David Lynch	0	500,000	-	-	500,000		
Total	300,000	800,000	-	300,000	800,000	-	-

The performance rights held by David Lynch lapsed on 17 August 2018 when his employment with the Company ended.

Directors' Report

Shareholdings of Key Management Personnel

Shares held by key management personnel directly, indirectly or beneficially including their related parties:

Shares held in CPT Global Limited	Balance 1 July 2017 Ord	Granted as Remuneration Ord	On Exercise of Options Ord	Net Change Other Ord	Balance 30 June 2018 Ord
Fred S Grimwade	718,200	-	-	-	718,200
Alan Baxter	-	-	-	-	-
Gerry Tuddenham	11,338,970	-	-	-	11,388,970
David Lynch	417,458	-	-	-	417,458
Specified Executives					
Grant Sincock	185,671	-	-	-	185,671
Luke Tuddenham	842,955	-	-	-	842,955
Total	13,503,254	-	-	-	13,503,254

Shares held in CPT Global Limited	Balance 1 July 2016 Ord	Granted as Remuneration Ord	On Exercise of Options Ord	Net Change Other Ord	Balance 30 June 2017 Ord
Fred S Grimwade	718,200	-	-	-	718,200
Alan Baxter	-	-	-	-	-
Gerry Tuddenham	11,338,970	-	-	-	11,388,970
David Lynch	363,110	-	-	54,348	417,458
Specified Executives					
Kevin Akom	565,013	-	-	-	565,013
Grant Sincock	185,671	-	-	-	185,671
Luke Tuddenham	842,955	-	-	-	842,955
Total	14,063,919	-	-	54,348	14,118,268

DIRECTORS' MEETINGS

The number of meetings of directors (including meetings of committees of directors) held during the year and the number of meetings attended by each director were as follows:

	Directors' Meetings		Finance and Audit Committee Meetings		Remuneration and Nomination Committee Meetings	
	Number eligible to attend	Number attended	Number eligible to attend	Number attended	Number eligible to attend	Number attended
Alan Baxter	12	11	2	2	2	2
Fred S Grimwade	12	12	2	2	2	2
Gerry Tuddenham	12	11	2	2	-	-
David Lynch	12	11	-	-	-	-

Directors' Report

Committee membership

As at the date of this report, the company had a Finance and Audit Committee and a Remuneration and Nomination Committee of the Board of Directors.

Members acting on the committees of the Board during the year were:

Finance and Audit	**Remuneration and Nomination**
Fred Grimwade (Chair)	Alan Baxter (Chair)
Alan Baxter	Fred Grimwade
Gerry Tuddenham	

PROCEEDINGS ON BEHALF OF COMPANY

No person has applied for leave of Court to bring proceedings on behalf of the company or intervene in any proceedings to which the company is a party for the purpose of taking responsibility on behalf of the company for all or any part of those proceedings. The company was not a party to any such proceedings during the year.

NON-AUDIT SERVICES

The Board of Directors, in accordance with advice from the Finance and Audit Committee, is satisfied that the provision of non-audit services during the year is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001. The directors are satisfied that the services disclosed below did not compromise the external auditor's independence for the following reasons:

- all non-audit services are reviewed and approved by the Finance and Audit Committee prior to commencement to ensure they do not adversely affect the integrity and objectivity of the auditor; and
- the nature of the services provided do not compromise the general principles relating to auditor independence in accordance with APES 110: Code of Ethics for Professional Accountants set by the Accounting Professional & Ethical Standards Board.

The following fees for non-audit services were paid/payable to ShineWing Melbourne during the year ended 30 June 2018:

- Taxation compliance and advice services $26,100

AUDITOR'S INDEPENDENCE DECLARATION

The lead auditor's independence declaration for the year ended 30 June 2018 has been received and can be found on page 29 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.

Gerry Tuddenham
Managing Director
Melbourne, 25 September 2018

ShineWing Australia
Accountants and Advisors
Level 10, 530 Collins Street
Melbourne VIC 3000
T +61 3 8635 1800
F +61 3 8102 3400
shinewing.com.au

AUDITOR'S INDEPENDENCE DECLARATION

UNDER SECTION 307C OF THE *CORPORATIONS ACT 2001*

TO THE DIRECTORS OF CPT GLOBAL LIMITED AND CONTROLLED ENTITIES

I declare that, to the best of my knowledge and belief, during the year ended 30 June 2018 there have been:

(i) No contraventions of the auditor independence requirements as set out in the *Corporations Act 2001* in relation to the audit, and

(ii) No contraventions of any applicable code of professional conduct in relation to the audit.

ShineWing Australia

ShineWing Australia
Chartered Accountants

Rami Eltchelebi
Partner

Melbourne, 25 September 2018

Consolidated Statement of Profit or Loss and Other Comprehensive Income

YEAR ENDED 30 JUNE 2018

	Notes	2018 $'000	2017 $'000
Revenue	3	**31,031**	**27,159**
Other income	3	**57**	**70**
Salaries and employee benefits expense		**(3,008)**	**(3,308)**
Consultants benefits expense		**(22,549)**	**(21,066)**
Depreciation and amortisation expenses	4	**(62)**	**(66)**
Insurance expense		**(277)**	**(274)**
Finance costs	4	**(260)**	**(244)**
Occupancy Costs		**(821)**	**(971)**
Other expenses		**(2,825)**	**(2,433)**
Foreign currency (Losses) Gains		**(42)**	**(194)**
PROFIT / (LOSS) BEFORE INCOME TAX	4	**1,244**	**(1,327)**
INCOME TAX EXPENSE	5	**(464)**	**(141)**
PROFIT / (LOSS) AFTER INCOME TAX		**780**	**(1,468)**
Other Comprehensive Loss:			
Items that may be subsequently reclassified to comprehensive income			
Exchange differences on translating foreign controlled entities		**41**	**184**
Total Other Comprehensive Income for the year, net of tax		**41**	**184**
TOTAL COMPREHENSIVE PROFIT / (LOSS) FOR THE YEAR		**821**	**(1,284)**
PROFIT / (LOSS) ATTRIBUTABLE TO MEMBERS OF CPT GLOBAL LIMITED		**780**	**(1,468)**
TOTAL COMPREHENSIVE PROFIT / (LOSS) ATTRIBUTABLE TO MEMBERS OF CPT GLOBAL LIMITED		**821**	**(1,284)**
Basic earnings per share (cents per share)	25	**2.09**	**(3.93)**
Diluted earnings per share (cents per share)	25	**2.06**	**(3.93)**

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 30 JUNE 2018

	Notes	2018 $'000	2017 $'000
CURRENT ASSETS			
Cash and cash equivalents	7	**1,440**	**1,656**
Trade and other receivables	8	**4,843**	**5,571**
Unbilled revenue	9	**2,283**	**792**
Other current assets	10	**240**	**103**
TOTAL CURRENT ASSETS		**8,806**	**8,122**
NON-CURRENT ASSETS			
Deferred tax assets	16	**1,259**	**1,067**
Property, plant and equipment	12	**17**	**43**
Intangible assets	13	**4,302**	**4,348**
TOTAL NON-CURRENT ASSETS		**5,578**	**5,458**
TOTAL ASSETS		**14,384**	**13,580**
CURRENT LIABILITIES			
Trade and other payables	14	**6,702**	**6,007**
Borrowings	15	**535**	**1,640**
Current tax liabilities	16	**578**	**2**
Provisions	17	**810**	**982**
TOTAL CURRENT LIABILITIES		**8,625**	**8,631**
NON-CURRENT LIABILITIES			
Deferred tax liability	16	**182**	**233**
Other long term provisions	17	**131**	**91**
TOTAL NON-CURRENT LIABILITIES		**313**	**324**
TOTAL LIABILITIES		**8,938**	**8,955**
NET ASSETS		**5,446**	**4,625**
EQUITY			
Issued capital	18	**12,228**	**12,228**
Reserves	19	**1,480**	**1,439**
Retained earnings		**(8,262)**	**(9,042)**
TOTAL EQUITY		**5,446**	**4,625**

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

YEAR ENDED 30 JUNE 2018

	Notes	$'000 Issued Capital	$'000 Retained Earnings	$'000 Equity Reserve	$'000 Foreign Currency Translation Reserve	$'000 Total
Balance at 1 July 2016		**12,195**	**(7,574)**	**1,691**	**(436)**	**5,876**
Comprehensive Income						
Profit for the year		-	(1,468)	-	-	(1,468)
Other comprehensive income	19	-	-	-	184	184
Total comprehensive income/(loss) for the year		-	(1,468)	-	184	(1,284)
Transactions with owners, in their capacity as owners						
Share based payments			-	-	-	-
Dividends paid or provided for		-	-	-	-	-
Issue of Shares		33	-	-	-	33
Total transactions with owners, in their capacity as owners		33	-	-	-	33
Balance at 30 June 2017		**12,228**	**(9,042)**	**1,691**	**(252)**	**4,625**
Balance at 1 July 2017		**12,228**	**(9,042)**	**1,691**	**(252)**	**4,625**
Comprehensive Income						
Profit for the year		-	780	-	-	780
Other comprehensive Income	19	-	-	-	41	41
Total comprehensive income for the year		-	780	-	41	821
Transactions with owners, in their capacity as owners						
Share based payments			-	-	-	-
Dividends paid or provided for		-	-	-	-	-
Issue of Shares		-	-	-	-	-
Total transactions with owners, in their capacity as owners		-	-	-	-	-
Balance at 30 June 2018		**12,228**	**(8,262)**	**1,691**	**(211)**	**5,446**

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

YEAR ENDED 30 JUNE 2018

	Notes	2018 $'000	2017 $'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers		35,979	28,851
Payments to suppliers and employees		(34,660)	(31,039)
Interest received		3	5
Finance costs		(104)	(166)
Income tax paid		(131)	9
NET CASH FLOWS (USED IN)/FROM OPERATING ACTIVITIES	20	1,087	(2,340)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from the sale of property, plant and equipment, software		10	(2)
NET CASH FLOWS (USED IN)/FROM INVESTING ACTIVITIES		10	(2)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from share issue		-	-
Repayments of borrowings	20	(1,297)	-
Proceeds from borrowings		-	735
Payment of dividends on ordinary shares		-	-
NET CASH FLOWS FROM FINANCING ACTIVITIES		(1,297)	735
NET DECREASE IN CASH AND CASH EQUIVALENTS HELD		(200)	(1,607)
Add opening cash & cash equivalents brought forward		1,656	3,034
Effects of exchange rate changes on cash and cash equivalents		(16)	229
CLOSING CASH AND CASH EQUIVALENTS CARRIED FORWARD	7	1,440	1,656

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

Notes to the Financial Statements
Year Ended 30 June 2018

1. Summary of Significant Accounting Policies

The consolidated financial statements comprise the financial statements of CPT Global Limited and its controlled entities (collectively referred to as 'the Group' or 'the Economic Entity'). The separate financial statements of the Parent Entity, CPT Global Limited, have not been presented within this financial report as permitted by the Corporations Act 2001.

The principal activities of the group during the financial year were the provision of specialist IT consultancy services. The registered address and principal place of business is level 3, 818 Bourke Street, Docklands, Victoria.

The financial report was authorised for issue on 25 September 2018 by the Board of Directors.

Basis of Preparation

These general purpose financial statements have been prepared in accordance with the Corporations Act 2001, Australian Accounting Standards and Interpretations of the Australian Accounting Standards Board and International Financial Reporting Standards as issued by the International Accounting Standards Board. The Group is a for-profit entity for financial reporting purposes under Australian Accounting Standards.

Material accounting policies adopted in the preparation of this financial report are presented below and have been consistently applied unless otherwise stated.

The financial report, except for the cash flow information, has been prepared on an accruals basis and is based on historical costs, modified, where applicable, by the measurement at fair value of selected non-current assets, financial assets and financial liabilities. All amounts are in Australian dollars unless otherwise stated.

The Group has not adopted any new or amending Australian Accounting Standards and New Interpretations during the year.

Accounting Policies

(a) Principles of consolidation

The consolidated financial statements incorporate all of the assets, liabilities and results of the parent (CPT Global Limited) and all of the subsidiaries (including any structured entities). Subsidiaries are entities the parent controls. The parent controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. A list of the subsidiaries is provided in Note 11.

The assets, liabilities and results of all subsidiaries are fully consolidated into the financial statements of the Group from the date on which control is obtained by the Group. Intercompany transactions, balances and unrealised gains or losses on transactions between group entities are fully eliminated on consolidation. Accounting policies of subsidiaries have been changed and adjustments made where necessary to ensure uniformity of the accounting policies adopted by the Group.

The financial statements of the subsidiaries used in the preparation of these consolidated financial statements have been prepared as of the same reporting date as the parent.

Notes to the Financial Statements

Year Ended 30 June 2018

1. Summary of Significant Accounting Policies (continued)

(b) Income Tax

The income tax expense/(revenue) for the year comprises current income tax expense/(benefit) and deferred tax expense/(benefit).

Current income tax expense charged to the profit or loss is the tax payable on taxable income for the current period. Current tax liabilities/ (assets) are therefore measured at the amounts expected to be paid to/(recovered from) the relevant taxation authority using tax rates (and tax laws) that have been enacted or subsequently enacted by the end of the reporting period.

Deferred income tax expense reflects movements in deferred tax asset and deferred tax liability balances during the year as well as unused tax losses.

Current and deferred income tax expense/(income) is charged or credited directly to equity instead of the profit or loss when the tax relates to items that are credited or charged directly to equity.

Deferred tax assets and liabilities are ascertained based on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred tax assets also result where amounts have been fully expensed but future tax deductions are available. No deferred income tax will be recognised from the initial recognition of an asset or liability, excluding a business combination, where there is no effect on accounting or taxable profit or loss.

Deferred tax assets and liabilities are calculated at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on tax rates enacted or substantively enacted at the end of the reporting period. Their measurement also reflects the manner in which management expects to recover or settle the carrying amount of the related asset or liability.

Deferred tax assets relating to temporary differences and unused tax losses are recognised only to the extent that it is probable that future taxable profits will be available against which the benefits of the deferred tax asset can be utilised.

Deferred tax assets and liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in controlled entities where the parent entity is able to control the timing of the reversal of the temporary differences, and it is probable that the differences will not reverse in the foreseeable future.

Current tax assets and liabilities are offset where a legally enforceable right of set-off exists and it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur. Deferred tax assets and liabilities are offset where a legally enforceable right of set-off exists, the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where it is intended that net settlement or simultaneous realisation and settlement of the respective asset and liability will occur in future periods in which significant amounts of deferred tax assets or liabilities are expected to be recovered or settled.

(c) Unbilled Revenue

Unbilled revenue is valued at cost plus profit recognised to date less any provision for anticipated future losses. Cost includes both variable and fixed costs relating to specific contracts, and those costs that are attributable to the contract activity in general and that can be allocated on a reasonable basis.

Profits are recognised on the stage of completion basis measured using the proportion of costs incurred to date as compared to expected total costs. Where losses are anticipated they are provided for in full.

Revenue has been recognised on the basis of the terms of the contract adjusted for any variations or claims allowable under the contract.

1. Summary of Significant Accounting Policies (continued)

(d) Property, Plant & Equipment

Each class of property, plant and equipment is carried at cost less accumulated depreciation and, where applicable impairment losses.

Property, Plant and equipment

The carrying amount of property, plant and equipment is reviewed annually by directors to ensure it is not in excess of the recoverable amount from these assets. When there are indications of any impairment, the recoverable amount is assessed on the basis of the expected net cash flows that will be received from the asset's employment and subsequent disposal. The expected net cash flows have been discounted to their present values in determining recoverable amounts. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are recognised in profit or loss during the financial period in which they are incurred.

Depreciation

The depreciable amount of all fixed assets is depreciated on a straight line basis over the asset's useful life to the Group commencing from the time the asset is held ready for use. Leasehold improvements are depreciated over the shorter of either the unexpired period of the lease or the estimated useful lives of the improvements.

The depreciation rates used for each class of depreciable assets are:

Class of Fixed Asset	***Depreciation Rate***
Leasehold improvements	2 – 5 years
Fixtures Fittings and Equipment	33% to 50%
Motor Vehicles	12% to 20%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains and losses on disposals are determined by comparing net proceeds with the carrying amount. These gains and losses are recognised in profit and loss.

(e) Operating Leases

Lease payments for operating leases, where substantially all the risks and benefits remain with the lessor, are recognised as expenses on a straight line basis over the lease term. Lease incentives under operating leases are recognised as a liability and amortised on a straight line basis over the least term.

(f) Financial Instruments

Recognition and measurement

Financial assets and financial liabilities are recognised when the entity becomes a party to the contractual provisions to the instrument. For financial assets, this is equivalent to the date that the company commits itself to either the purchase or sale of the asset (i.e. trade date accounting is adopted).

Financial instruments are initially measured at fair value plus transaction costs, except where the instrument is classified 'at fair value through profit or loss', in which case transaction costs are expensed to profit or loss immediately.

1. Summary of Significant Accounting Policies (continued)

Classification and subsequent measurement

Financial instruments are subsequently measured at fair value, amortised cost using the effective interest rate method, or cost.

Amortised cost is the amount at which the financial asset or financial liability is measured at initial recognition less principal repayments and any reduction for impairment, and adjusted for any cumulative amortisation of the difference between that initial amount and the maturity amount calculated using the effective interest method.

Fair value is determined based on current bid prices for all quoted investments. Valuation techniques are applied to determine the fair value for all unlisted securities, including recent arm's length transactions, reference to similar instruments and option pricing models.

The effective interest method is used to allocate interest income or interest expense over the relevant period and is equivalent to the rate that exactly discounts estimated future cash payments or receipts (including fees, transaction costs and other premiums or discounts) through the expected life (or when this cannot be reliably predicted, the contractual term) of the financial instrument to the net carrying amount of the financial asset or financial liability. Revisions to expected future net cash flows will necessitate an adjustment to the carrying value with a consequential recognition of an income or expense in profit or loss.

The Group does not designate any interests in subsidiaries, associates or joint venture entities as being subject to the requirements of accounting standards specifically applicable to financial instruments.

(i) Financial assets at fair value through profit or loss

Financial assets are classified at 'fair value through profit or loss' when they are either held for trading for the purpose of short-term profit taking, or when they are designated as such to avoid an accounting mismatch or to enable performance evaluation where a group of financial assets is managed on a fair value basis in accordance with a documented risk management or investment strategy. Such assets are subsequently measured at fair value with changes in carrying value being included in profit or loss.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market and are subsequently measured at amortised cost.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets that have fixed maturities and fixed or determinable payments, and it is the Group's intention to hold these investments to maturity. They are subsequently measured at amortised cost.

(iv) Financial liabilities

Non-derivative financial liabilities (excluding financial guarantees) are subsequently measured at amortised cost.

Impairment of Financial Instruments

At the end of each reporting period, the Group assesses whether there is objective evidence that a financial instrument has been impaired. In the case of available-for-sale financial instruments, a significant or prolonged decline in the value of the instrument is considered to determine whether impairment has arisen. In the case of loans and receivables, impairment is recognised when collectability is doubtful (refer to (g) for further details). Impairment losses are recognised in the profit and loss.

1. Summary of Significant Accounting Policies (continued)

Financial guarantees

Where material, financial guarantees issued, which require the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payment when due, are recognised as a financial liability at fair value on initial recognition.

The guarantee is subsequently measured at the higher of the best estimate of the obligation and the amount initially recognised less, when appropriate, cumulative amortisation in accordance with AASB 118: Revenue. Where the entity gives guarantees in exchange for a fee, revenue is recognised under AASB 118.

The fair value of financial guarantee contracts has been assessed using a probability weighted discounted cash flow approach. The probability has been based on:

- the likelihood of the guaranteed party defaulting in a year period;
- the proportion of the exposure that is not expected to be recovered due to the guaranteed party defaulting; and
- the maximum loss exposed if the guaranteed party were to default.

Derecognition

Financial assets are derecognised where the contractual rights to receipt of cash flows expires or the asset is transferred to another party whereby the entity no longer has any significant continuing involvement in the risks and benefits associated with the asset. Financial liabilities are derecognised where the related obligations are either discharged, cancelled or expired. The difference between the carrying value of the financial liability extinguished or transferred to another party and the fair value of consideration paid, including the transfer of non-cash assets or liabilities assumed, is recognised in profit or loss.

(g) Receivables

Trade receivables are a part of financial instruments (loans and receivables) and are initially recognised at fair value and are subsequently measured at amortised cost less any provision for impairment. Trade receivables are generally due for settlement within 30 days.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. An allowance account (provision for impairment of trade receivables) is used when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the recoverable amount.

The amount of the impairment loss is recognised in the profit or loss within other expenses. When a trade receivable for which an impairment allowance had been recognised becomes uncollectible in a subsequent period, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited against other expenses in the profit or loss.

(h) Impairment of assets

At the end of each reporting period, the Group reviews the carrying values of its tangible and intangible assets to determine whether there is any indication that those assets have been impaired. If such an indication exists, the recoverable amount of the asset, being the higher of the asset's fair value less costs to sell and value in use, is compared to the asset's carrying value. Any excess of the asset's carrying value over its recoverable amount is recognised as an expense in the profit and loss.

Notes to the Financial Statements
Year Ended 30 June 2018

1. Summary of Significant Accounting Policies (continued)

Impairment testing is performed annually for goodwill and other intangible assets with indefinite lives.

Where it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Non-financial assets, other than goodwill that suffered impairment, are reviewed for possible reversals of the impairment at the end of each reporting period.

(i) Intangibles

Goodwill
Goodwill is initially recorded at the amount by which the purchase price for a business combination exceeds the fair value attributed to the interest in the net fair value of identifiable assets, liabilities and contingent liabilities at the date of acquisition. Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisition of associates is included in investments in associates. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Intellectual Property
Intellectual property is recognised at the cost of acquisition and has an indefinite useful life. Intellectual property is tested annually for impairment and carried at cost less accumulated impairment losses. The intellectual property has an indefinite useful life as it has contributed to net cash inflows for 18 years and there is no limit to the period in which it could continue to contribute to net cash inflow.

Computer Software
Computer software is recognised at the cost of acquisition. Computer software costs have a finite useful life and are carried at cost less accumulated amortisation and any impairment losses. Computer software costs are amortised on a straight line basis over their useful life. The amortisation rate used for software costs varies from 14% to 50%.

(j) Foreign Currency Transactions and Balances

Functional and presentation currency

The functional currency of each of the Group's entities is the currency of the primary economic environment in which that entity operates. The consolidated financial statements are presented in Australian dollars which is the parent entity's functional and presentation currency.

Transaction and balances

Foreign currency transactions are translated into functional currency using the exchange rates prevailing at the date of the transaction. Foreign currency monetary items are re-translated at the year-end exchange rate. Non-monetary items measured at historical cost continue to be carried at the exchange rate at the date of the transaction. Non-monetary items measured at fair value are reported at the exchange rate at the date when fair values were determined.

Exchange differences arising on the translation of monetary items are recognised in the profit or loss, except where deferred in equity as a qualifying cash flow or net investment hedges. Exchange differences arising on the translation of non-monetary items are recognised directly in equity to the extent that the underlying gain or loss is directly recognised in equity, otherwise the exchange difference is recognised in the profit or loss.

Group companies

The financial results and position of foreign operations whose functional currency is different from the Group's presentation currency are translated as follows:

- assets and liabilities are translated at year-end exchange rates prevailing at the end of the reporting period;
- income and expenses are translated at average exchange rates for the period; and
- retained earnings are translated at the exchange rates prevailing at the date of the transaction.

Notes to the Financial Statements

Year Ended 30 June 2018

1. Summary of Significant Accounting Policies (continued)

On consolidation, exchange differences arising from translation of transactions considered to be net investment in foreign operations are transferred directly to the Group's foreign currency translation reserve in the statement of financial position. These differences are recognised in the profit or loss in the period in which the operation is disposed.

(k) Trade and other payables

Trade and other payables are a part of financial instruments (Non-derivative financial liabilities). These amounts represent liabilities for goods and services provided to the Group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

(l) Employee Benefits

Provision is made for the Group's liability for employee benefits arising from services rendered by employees to balance date. Employee benefits that are expected to be wholly settled within one year have been measured at the amounts expected to be paid when the liability is settled. Employee benefits payable later than one year have been measured at the present value of the estimated future cash outflows to be made for those benefits. Those cashflows are discounted using market yields on corporate bonds with terms to maturity that match the expected timing of cashflows.

(i) Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits and annual leave expected to be settled wholly within 12 months of the end of the reporting period are recognised in other payables in respect of employees' services up to the end of the reporting period and are measured at the undiscounted amounts expected to be paid when the liabilities are settled. When measuring sick leave entitlement, only the unutilised entitlement that is likely to be utilised over and above the leave entitlement that continues to accrue in the future periods is taken into account.

(ii) Long service leave

The liability for long service leave is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on corporate bonds with terms to maturity and currency that match, as closely as possible, the estimated future cash outflows.

(iii) Retirement benefit obligations

Contributions to defined contributions superannuation funds are recognised as an expense as they become payable.

(iv) Share based payments

Share-based compensation benefits are provided to certain employees via the CPT Share and Option Incentive Plan and an employee share scheme. Information relating to these schemes is set out in note 22.

The fair value of options granted under the CPT Share and Option Incentive Plan is recognised as an employee benefit expense with a corresponding increase in equity in the period the options are granted. The fair value is measured at grant date and recognised over the period during which the employees become unconditionally entitled to the options.

The fair value at grant date is independently determined using a Monte Carlo and American Binomial option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option.

Notes to the Financial Statements

Year Ended 30 June 2018

1. Summary of Significant Accounting Policies (continued)

The fair value of the options granted is adjusted to reflect market vesting conditions but excludes the impact of any non-market vesting conditions (for example, profitability and sales growth targets). Non-market vesting conditions are included in assumptions about the number of options that are expected to become exercisable. At the end of each reporting period, the entity revises its estimate of the number of options that are expected to become exercisable. The employee benefit expense recognised each period takes into account the most recent estimate. The impact of the revision to the original estimates, if any, is recognised in the profit and loss with a corresponding adjustment to equity.

(m) Provisions

Provisions are recognised when the Group has a legal or constructive obligation, as a result of past events, for which it is probable that an outflow of economic benefits will result and that outflow can be reliably measured. A provision for dividends is not recognised as a liability unless the dividends are declared, determined or publicly recommended on or before the end of the reporting period.

(n) Issued Capital

Issued and paid up capital is recognised at the fair value of the consideration received by the Group.

Any transaction costs arising on the issue of ordinary shares are recognised directly in equity as a reduction of the share proceeds received.

(o) Cash and Cash Equivalents

Cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within short-term borrowings in current liabilities on the statement of financial position.

(p) Revenue and Other Income

Revenue is measured at the fair value of the consideration received or receivable after taking into account any trade discounts and volume rebates allowed. Any consideration deferred is treated as the provision of finance and is discounted at a rate of interest that is generally accepted in the market for similar arrangements. The difference between the amount initially recognised and the amount ultimately received is interest revenue.

The following specific recognition criteria must also be met before revenue is recognised:

Sale of Goods

Significant risk and rewards of ownership of goods has passed to the buyer.

Rendering of Services

Where the contract outcome can be reliably measured, control of the right to be compensated for the services and the stage of completion can be reliably measured. Stage of completion is measured by reference to the labour hours incurred to date as a percentage of total estimated hours for each contract.

Where the contract outcome cannot be reliably measured, revenue is recognised only to the extent that costs are recoverable.

Interest

Interest revenue is recognised on a proportional basis taking into account the effective interest rates applicable to the financial assets.

All revenue is stated net of the amount of goods and services tax (GST).

Notes to the Financial Statements

Year Ended 30 June 2018

1. Summary of Significant Accounting Policies (continued)

(q) Borrowing Costs

All borrowing costs are expensed in the period in which they are incurred.

(r) Earnings per share ("EPS")

Basic EPS is calculated as net profit attributable to members, adjusted to exclude costs of servicing equity (other than dividends) and preference share dividends, divided by the weighted average number of ordinary shares, adjusted for any bonus element.

Diluted EPS is calculated as net profit attributable to members, adjusted for:

- costs of servicing equity (other than dividends) and preference share dividends;
- the after tax effect of dividends and interest associated with dilutive potential ordinary shares that have been recognised as expenses;
- other non-discretionary changes in revenues or expenses during the period that would result from the dilution of potential ordinary shares; and
- divided by the weighted average number of ordinary shares and dilutive potential ordinary shares, adjusted for any bonus element.

(s) Consumption Taxes (GST and VAT)

Revenues, expenses and assets are recognised net of the amount of GST and VAT, except where the amount of GST and VAT incurred is not recoverable from the taxation authority. In these circumstances the GST and VAT is recognised as part of the cost of acquisition of the asset or as part of an item of the expense. Receivables and payables in the statement of financial position are shown inclusive of GST and VAT.

Cash flows are presented in the statement of cash flows inclusive of GST and VAT. The GST and VAT components of cash flows arising from investing or financing activities which are recoverable from, or payable to, the taxation authority are presented as operating cash flows included in receipts from customers or payments to suppliers.

(t) Government Grants

Government grants are recognised at fair value where there is reasonable assurance that the grant will be received and all grant conditions will be met. Grants relating to expense items are recognised as income over the periods necessary to match the grant to the costs they are compensating.

(u) Comparative Figures

When required by accounting standards, comparative figures have been restated to conform to changes in presentation for the current financial year.

(v) Rounding of Amounts

The parent entity has applied the relief available to it under ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191 and accordingly, amounts in the financial report and directors' report have been rounded off to the nearest $1,000, or in certain cases the nearest dollar.

Notes to the Financial Statements
Year Ended 30 June 2018

1. Summary of Significant Accounting Policies (continued)

(w) Critical Accounting Estimates & Judgements

The directors evaluate estimates and judgements incorporated into the financial report based on historical knowledge and best available current information. Estimates assume a reasonable expectation of future events and are based on current trends and economic data, obtained both externally and within the Group.

Key estimates

(i) Impairment of Goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash-generating units (CGU) to which goodwill has been allocated. The value in use calculation requires the Group to estimate the future cash flows expected to arise from the CGU and a suitable discount rate in order to calculate the present value.

Refer to Note 13 for details of the assumptions used in this calculation and the potential impact of changes to the assumptions.

Key judgements

(i) Provision for impairment of receivables

The Group assesses the recoverability of each individual trade receivable account to determine whether a provision for impairment is required for any potentially non recoverable amounts.

(ii) Unbilled revenue

The Group measures unbilled revenue based on information available at the time of recognition. This information includes historical trends, data analysis, significant judgments from key management personnel as to the reasonable expectations of future events and completion of projects in progress. See Note 9 for further details.

(iii) *Deferred taxes*

In assessing whether future taxable amounts will be available to utilise temporary differences and losses, management review the past performance of the relevant company, the budgets for the forthcoming financial year, forecasts and sales pipelines.

(x) New Accounting Standards for Application in Future Period

Accounting Standards and Interpretations issued by the AASB that are not yet mandatorily applicable to the Group, together with an assessment of the potential impact of such pronouncements on the Group when adopted in future periods, are detailed below:

AASB 9: Financial Instruments and associated Amending Standards (applicable for annual reporting periods commencing on or after 1 January 2017).

The Standard will be applicable retrospectively (subject to the comment on hedge accounting below) and includes revised requirements for the classification and measurement of financial instruments, revised recognition and de-recognition requirements for financial instruments and simplified requirements for hedge accounting. The key changes made to the Standard that may affect the Group on initial application include certain simplifications to the classification of financial assets, simplifications to the accounting of embedded derivatives, upfront accounting for expected credit loss and the irrevocable election to recognise gains and losses on investments in equity instruments that are not held for trading in other comprehensive income. AASB 9 also introduces a new model for hedge accounting that will allow greater flexibility in the ability to hedge risk, particularly with respect to hedges of non-financial items.

The financial assets and liabilities of the Group consist of cash, receivables and payables. Therefore, the directors do not expect a material impact on transition to AASB 9.

Notes to the Financial Statements

Year Ended 30 June 2018

1. Summary of Significant Accounting Policies (continued)

AASB 15: Revenue from Contracts with Customers (applicable for annual reporting periods commencing on or after 1 January 2017).

This Standard, when effective, will replace the current accounting requirements applicable to revenue with a single, principles-based model. Except for a limited number of exceptions, including leases, the new revenue model in AASB 15 will apply to all contracts with customers as well as non-monetary exchanges between entities in the same line of business to facilitate sales to customers and potential customers. The core principle of AASB 15 is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for the goods or services.

To achieve this objective, AASB 15 provides the following five-step model:

- identify the contract(s) with a customer;
- identify the performance obligations in the contract(s);
- determine the transaction price;
- allocate the transaction price to the performance obligations in the contract; and
- recognise revenue when (or as) the performance obligation is satisfied.

The transitional provisions of this Standard permit an entity to either:

- Restate the contracts that existed in each prior period presented per AASB 108: Accounting Policies, Changes in Accounting Estimates and Errors (subject to certain practical expedients in AASB 15); or
- Recognise the cumulative effect of retrospective application to incomplete contracts on the date of initial application. There are also enhanced disclosure requirements regarding revenue.

The assessment of the impact of AASB 15 is that our time and materials, fixed price and milestone based contracts with clients contain performance obligations that are satisfied over time. Revenue will be recognised by measuring the progress towards complete satisfaction of the performance obligations as the services are delivered. The progress to completion will be measured using an input method whereby the stage of completion is measured by reference to the labour hours incurred to date as a percentage of total estimated hours for each performance obligation. This is how CPT currently recognises services revenue and will not result in a change in revenue recognition.

Risk/reward contracts are satisfied over time and revenue will be recognised by measuring the progress towards complete satisfaction of the performance obligations. The method of measuring progress will be determined using an output method as CPT has determined that an output method best reflects the pattern of transfer of value to the customer. The output is measured in either MIPS or MSUs saved for the customer and the progress is measured by reference to the MIPS or MSUs saved to date as a percentage of total estimated MIPS or MSUs for each performance obligation. The MIPS or MSUs saved to date is determined by identifying all opportunities identified at a point in time and weighting the likelihood of the client realising the savings based on fixed and measurable stages in in a risk/reward project. The weighting at each stage is based on CPT's experience over 18 years of completing risk/reward projects. This is how CPT currently recognises risk/reward revenue and will not result in a change in revenue recognition.

Notes to the Financial Statements

Year Ended 30 June 2018

1. Summary of Significant Accounting Policies (continued)

AASB 16: Leases (applicable to annual reporting periods beginning on or after 1 January 2019).

When effective, this Standard will replace the current accounting requirements applicable to leases in AASB 117: Leases and related Interpretations. AASB 16 introduces a single lessee accounting model that eliminates the requirement for leases to be classified as operating or finance leases.

. The main changes introduced by the new Standard include:

- recognition of a right-to-use asset and liability for all leases (excluding short-term leases with less than 12 months of tenure and leases relating to low-value assets);
- depreciation of right-to-use assets in line with AASB 116: *Property, Plant and Equipment* in profit or loss and unwinding of the liability in principal and interest components;
- variable lease payments that depend on an index or a rate are included in the initial measurement of the lease liability using the index or rate at the commencement date;
- by applying a practical expedient, a lessee is permitted to elect not to separate non-lease components and instead account for all components as a lease; and
- additional disclosure requirements.

The directors expect that the adoption of AASB 16 will result in lease assets and liabilities being recognised on balance sheet and a change in how related expenses are incurred. The financial impact of this has not yet been determined.

Notes to the Financial Statements

Year Ended 30 June 2018

2. PARENT INFORMATION

The following information has been extracted from the books and records of the parent and has been prepared in accordance with Accounting Standards.

STATEMENT OF FINANCIAL POSITION	2018 $'000	2017 $'000
ASSETS		
Current Assets	**381**	581
Non-Current Assets	**4,915**	5,114
Total Assets	**5,296**	5,695
LIABILITIES		
Current Liabilities	**2,392**	-
Non-Current Liabilities	**214**	342
Total Liabilities	**2,606**	342
EQUITY		
Issued Capital	**12,227**	12,227
Reserves	**1,608**	1,608
Accumulated losses	**(11,145)**	(8,482)
Total Equity	**2,690**	5,353

STATEMENT OF COMPREHENSIVE INCOME	2018 $'000	2017 $'000
Total loss	**(2,663)**	(3,184)
Total comprehensive loss	**(2,663)**	(3,184)

Guarantees

CPT Global Limited has not entered into any guarantees, in the current or previous financial year, in relation to the debts of its subsidiaries. Refer to Note 23 for details of bank guarantees in relation to leased offices.

3. REVENUE

	2018 $'000	2017 $'000
REVENUE		
Services Revenue	**31,031**	27,159
Total Revenue	**31,031**	27,159
OTHER INCOME		
Rent Income	**45**	50
Interest Income	**2**	5
Other Income	**10**	15
Total Other Income	**57**	70

Notes to the Financial Statements

Year Ended 30 June 2018

4. PROFIT OR LOSS FOR THE YEAR

	2018 $'000	2017 $'000
Profit or loss for the year also includes the following specific expense items:		
Finance costs:		
Interest expense on borrowings	**260**	244
Total finance costs	**260**	244
Foreign currency translation losses	**42**	194
Occupancy expenses	**821**	971
Depreciation and amortisation of non-current assets	**62**	66
Defined superannuation contribution expense – Others	**192**	213
Defined superannuation contribution expense – KMP	**109**	153

5. INCOME TAX (BENEFIT) / EXPENSE

	2018 $'000	2017 $'000
Tax expense comprises:		
Current tax	**483**	(43)
Deferred tax	**(46)**	(123)
Under/(over) provision of previous year	**27**	307
	464	141
The prima facie tax on losses before income tax is reconciled to the income tax as follows:		
Prima facie tax on losses before income tax at 30% (2017: 30%)	**373**	(398)
Tax effect of		
▪Goodwill impairment	**-**	-
▪Foreign exchange differences arising on consolidation	**85**	9
▪Tax on overseas income at a different rate	**46**	22
▪Other non-allowable items	**(20)**	(11)
▪Current year tax losses not brought to account	**110**	135
▪Unrealised foreign currency exchange profit/(loss)	**(377)**	78
▪Under provision of previous year	**27**	306
▪Non-deductible interest expense	**220**	-
Income tax expense attributable to the entity	**464**	141
The applicable weighted average effective tax rates are as follows:	**37%**	11%

Notes to the Financial Statements

Year Ended 30 June 2018

6. DIVIDENDS PAID OR PROVIDED FOR ON ORDINARY SHARES

	2018 $'000	2017 $'000
(a) Dividends paid during the year		
• *Current year interim*		
Franked dividends (0.0c per share) (2017: 0.0c per share)	-	-
• *Prior year final*		
Franked dividends (0.0c per share) (2017: 0.0c per share)	-	-
	-	-
(b) Dividends proposed and not recognised as a liability		
• Franked dividends (0.25c per share) (2017: 0.0c per share)	**93**	-
(c) Franking credit balance		
Balance of franking account at year end adjusted for franking credits arising from:		
• Franking debits arising from payment of proposed dividends	**2,300**	2,427
	2,300	2,427

7. CASH AND CASH EQUIVALENTS

	2018 $'000	2017 $'000
Cash at bank	**1,440**	1,656

Reconciliation of cash

Cash at the end of the financial year as shown in the statement of cash flows is reconciled to items in the statement of financial position as follows:

Cash and cash equivalents	**1,440**	1,656
	1,440	1,656

8. TRADE AND OTHER RECEIVABLES

	Notes	2018 $'000	2017 $'000
CURRENT			
Trade receivables	8(a)	**4,715**	5,569
Provision for impairment		**(67)**	-
		4,648	5,569
Borrowings	15(a)	**193**	-
Other receivables		**2**	2
		4,843	5,571

(a) Trade receivables are non-interest bearing and generally on 30 day terms. The average credit period on rendering of services is 64 days (2017: 72 days). An impairment of $67k (2017: $nil) has been recognised in trade receivables as detailed below.

Before accepting new customers, the Group assesses the creditworthiness of the potential client using information provided by independent rating agencies, publicly available information and its own trading record. The Group's client portfolio consists of leading blue chip companies, Fortune Global 500 companies and Government departments within Australia. The profile of the trade receivable balance as at the reporting date is as follows:

Of the trade receivable balance at the end of the reporting period, $421k (2017: $1,522k) and $429k (2017: $110k) are due from two leading banking institutions in Australia with S&P credit ratings of AA- and BBB+ respectively. $1,112k (2017: $1,447k) is due from an Australian federal government agency and $1,108k (2017: $334k) from a global financial organisation headquartered in New York with an S&P credit rating of A-1. All these receivables were collected subsequent to year end.

There are no other customers who represent more than 5% of the total balance of trade receivables.

Of the trade receivables balance at the end of the reporting period, a concentration of $2,737k (57%) relates to Australia (2017: $4,069k (75%)). The remaining amounts are not individually significant.

Trade receivables that are past due and are impaired

Included in the trade receivables balance is a debtor with a carrying amount of $78k (2017: $nil) which is past due at the end of the reporting period. A provision for impairment of $67k was recorded at year end to recognise management's assessment that this amount is unlikely to be recovered due to a dispute about the measurement of the benefits realised which has been complicated by a change in ownership at the client.

Trade receivables that are past due but not impaired

Included in the trade receivable balance are debtors with a carrying amount of $247k (2017: $130k) in the group which are past due at the end of the reporting period but have not been provided for as there has not been a significant change in credit quality and the amounts are still considered recoverable. Of the overdue balance, $235k (2017: $112k) relates to a client with an S&P credit rating of A-1 with whom the Group has traded with for more than one year with no history of delinquency. The nature of the client, namely a global financial institution gives further confidence that these past due balances are not impaired. The Group does not hold any collateral over these balances.

The ageing analysis of trade receivables is:

	2018 $'000	2017 $'000
1-3 months	**325**	130
Within initial trade terms	**4,323**	5,439
	4,648	5,569

Notes to the Financial Statements

Year Ended 30 June 2018

8. TRADE AND OTHER RECEIVABLES (Cont.)

The carrying value of trade and other receivables approximates its fair value. Trade and other receivables are recoverable within 12 months, hence the effects of discounting is immaterial.

9. UNBILLED REVENUE (CURRENT)

	2018	2017
	$'000	$'000
Unbilled revenue	**2,350**	792
Provision for impairment	**67**	-
Total	**2,283**	792

Unbilled revenue represents amounts relating to revenue recognised in accordance with the accounting policies detailed in Note 1(c) that had not been invoiced to the customer as at the end of the reporting period. Included in the Group's unbilled revenue balance is $nil (2017: $nil) relating to revenue that was recognised more than 12 months prior to the end of the reporting period. The balance has increased by $1.5m due to 2 risk/reward contracts in progress in North America at year end with WIP of $1.9m. At 30 June 2017, the WIP relating to risk/reward contracts was only $0.1m. The directors expect these balances to be billed in full in 2019.

The provision for impairment of unbilled revenue relates to the same client to which the trade receivable impairment described in Note 8 relates. It is management's assessment that this amount is unlikely to be recovered due to a dispute about the measurement of the benefits realised which has been complicated by a change in ownership at the client.

10. OTHER CURRENT ASSETS

	2018	2017
	$'000	$'000
Prepayments	**240**	103
	240	103

Prepayments consists of insurance policies, licence fees, subscriptions and other expenses.

11. INTERESTS IN SUBSIDIARIES

Name	Country of incorporation	Percentage of equity & voting interest held by the economic entity	
		2018	2017
		%	%
CPT Global Ltd	United Kingdom	**100**	100
CPT Global GmbH	Germany	**100**	100
CPT Global Inc	USA	**100**	100
CPT Global Consulting Corp	Canada	**100**	100
CPT Global France	France	**100**	100
CPT Global Australia Pty Ltd	Australia	**100**	100
CPT Global International Pty Ltd	Australia	**100**	100
CPT Global Pte Ltd	Singapore	**100**	100
CPT Global SRL	Italy	**100**	100
CPT Consultoria Global Em Informalica Ltda	Brazil	**100**	100

There are no known restrictions on the transfer of cash or assets within the group,
No subsidiaries were acquired or sold during the financial year.

Notes to the Financial Statements

Year Ended 30 June 2018

12. PROPERTY, PLANT AND EQUIPMENT

	2018 $'000	2017 $'000
Motor vehicles		
At cost	**108**	108
Disposals	**(75)**	-
Accumulated depreciation	**(33)**	(75)
	-	33
Office equipment		
At cost	**254**	254
Disposals	**(149)**	-
Accumulated depreciation	**(88)**	(244)
	17	10
Furniture, fixtures and fittings		
At cost	**64**	64
Disposals	**(60)**	-
Accumulated depreciation	**(4)**	(64)
	-	-
Improvements		
At cost	**39**	39
Disposals	**(39)**	-
Accumulated depreciation	**-**	(39)
	-	-
Leased plant and equipment		
At cost	**18**	18
Disposals	**(18)**	-
Accumulated depreciation	**-**	(18)
	-	-
Total property, plant and equipment	**17**	43

12. PROPERTY, PLANT AND EQUIPMENT (continued)

(a) Reconciliations

Reconciliations of the carrying amounts of property, plant and equipment at the beginning and end of the current financial year.

	2018 $'000	2017 $'000
Motor vehicles		
Cost at beginning of year	**108**	116
Purchases	**-**	-
Disposals	**75**	
Movements in exchange rate	**-**	(8)
Cost at end of year	**33**	108
Accumulated depreciation at beginning of year	**(75)**	(70)
Depreciation and effects of movements in exchange rate		(5)
Write back of accumulated amortisation on disposals	**42**	-
Accumulated depreciation at end of year	**(33)**	(75)
Carrying amount	**-**	33
Office Equipment		
Cost at beginning of year	**254**	253
Disposals	**(149)**	
Effects of movements in exchange rate	**-**	1
Cost at end of year	**105**	254
Accumulated depreciation at beginning of year	**(244)**	(236)
Depreciation and effects of movements in exchange rate	**7**	(8)
Write back of accumulated amortisation on disposals	**149**	
Accumulated depreciation at end of year	**(88)**	(244)
Carrying value	**17**	10
Furniture, fixtures and fittings		
Cost at beginning of year	**64**	64
Disposals	**(60)**	
Effects of movements in exchange rate	**-**	-
Cost at end of year	**4**	64
Accumulated depreciation at beginning of year	**(64)**	(64)
Write back of accumulated amortisation on disposals	**60**	
Depreciation	**-**	-
Accumulated depreciation at end of year	**(4)**	(64)
Carrying amount	**-**	-

Notes to the Financial Statements

Year Ended 30 June 2018

12. PROPERTY, PLANT AND EQUIPMENT (continued)

	2018 $'000	2017 $'000
Improvements		
Cost at beginning of year	**39**	39
Disposals	**(39)**	-
Cost at end of year	**-**	39
Accumulated depreciation at beginning of year	**(39)**	(39)
Write back of accumulated amortisation on disposals	**39**	-
Cost at end of year	**(39)**	(39)
Carrying amount	**-**	-
Leased plant and equipment		
Cost at beginning of year	**18**	18
Disposals	**(18)**	
Cost at end of year	**18**	18
Accumulated depreciation at beginning of year	**(18)**	(18)
Write back of accumulated amortisation on disposals	**18**	
Accumulated depreciation at end of year	**(18)**	(18)
Carrying amount	**-**	-

During the financial year, the lease on our head office in Melbourne expired and a new office was leased. Disposals of office equipment, furniture, fixtures and fittings and leased plant and equipment are the head office assets which were not taken to the new office. All these assets were fully depreciated.

Notes to the Financial Statements

Year Ended 30 June 2018

13. INTANGIBLE ASSETS

	2018 $'000	2017 $'000
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
Disposals	**(68)**	-
Write back of accumulated amortisation on disposals	**68**	-
Accumulated amortisation	**(680)**	(702)
Total software	**70**	116
Total intangible assets	**4,302**	4,348

Year ended 30 June 2017	Goodwill $'000	Intellectual Property $'000	Software $'000
Balance at the beginning of the year	4,157	75	162
Impairment charge	-	-	-
Amortisation charge	-	-	(46)
	4,157	75	116
Year ended 30 June 2018			
Balance at the beginning of the year	**4,157**	**75**	**116**
Impairment charge	**-**	**-**	**-**
Amortisation charge	**-**	**-**	**(46)**
	4,157	**75**	**70**

Intangible assets other than goodwill and intellectual property have finite useful lives. The current amortisation charges for intangible assets are included under depreciation and amortisation expense per the statement of comprehensive income. Goodwill and intellectual property have indefinite useful lives. These have been assessed as having indefinite useful lives because these intangible assets arose on the acquisition of businesses purchased as going concerns. These businesses continue to be operated within the CPT Global Group and there are no plans to cease any part of these operations.

Goodwill is allocated to cash-generating units, based on the Group's reporting segment.

	2018 $'000	2017 $'000
Australian Segment	**4,157**	**4,157**
	4,157	**4,157**

13. INTANGIBLE ASSETS (continued)

The recoverable amount of the cash-generating units is determined based on value-in-use calculations. Value-in-use is calculated based on the present value of the projected cash flows from that cash-generating unit over 5 years; periods beyond 5 years have been extrapolated using the terminal value growth rate of 4.0% (2017: 4.0%).

Key Assumptions

The following key assumptions were used in determining the recoverable amount of goodwill:

	Discount rate		Gross Margin		Sales Growth	
	2018	2017	2018	2017	2018	2017
Australian Segment	20.0%	20.0%	25.9%	25.7%	19.2%	9.1%

Management has based the value-in-use calculations on budgets and estimates for the CGU. The value-in-use is most sensitive to the following assumptions:

- Discount rate;
- Gross profit margins;
- Sales growth rates;
- Terminal growth rates; and
- Corporate costs.

Discount rate – the discount rate is a pre-tax rate and reflects the risks associated with a particular segment.
Gross profit margins – values assigned reflect past experience, margins on existing contracts and analysis of the market conditions.
Sales growth rates – reflects management's expectations of revenue growth in the context of the Group's Australian market strategy.
Terminal growth rates – reflect the managements expectation of revenue and profit growth in the periods beyond the 5 year forecast and are based on expected growth during the forecast period, long term historical growth, operating leverage and level of fixed and variable costs.
Corporate costs – corporate costs are allocated to the CGU based upon the CGU's proportional contribution to the revenue of the Group.

14. TRADE AND OTHER PAYABLES

	2018 $'000	2017 $'000
CURRENT		
Trade payables	**3,418**	3,642
Sundry payables and accrued expenses	**2,170**	1,690
Annual leave provision	**588**	667
Unearned revenue	**526**	8
	6,702	6,007

Due to the short-term nature of these payables, their carrying value is assumed to approximate to their fair value. There are no financial guarantees in place other than the bank guarantee for the head office lease as disclosed in Note 23.

15. BORROWINGS

	Note	2018 $'000	2017 $'000
CURRENT			
Secured borrowings	15(a)	**-**	1,640
Unsecured borrowings	15(b)	**535**	-
Total borrowings		**535**	1,640
Unutilised financing facilities			
Credit facility		**6,200**	5,000
Amount secured utilised	15(a)	**-**	(1,640)
Amount unsecured utilised	15 (b)	**(535)**	-
		5,665	3,360

(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 $5,296k 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 30 June 2018, the available funding under the facility was $1.1m.

(b) The parent entity entered into a $1.2m export contract loan agreement on 23 February 2018 with Efic. The loan is available to be drawn until 31 October 2018 and is repayable by 31 January 2019. Interest is charged at BBSY plus a margin of 6% and a commitment fee of 1% is payable on the undrawn facility. Each subsidiary of the parent is a guarantor of the loan. There is no other security attached to the loan.

16. TAX

	2018 $'000	2017 $'000
LIABILITIES		
Current		
Current tax liability	**578**	2
Non Current		
Deferred tax liabilities comprise:		
Prepayments	**3**	4
Section 481 tax adjustment	**6**	212
Unrealised foreign exchange gain	**173**	17
	182	233

The section 481 tax adjustment arose in the 2015 financial year when we converted from a cash basis to an accruals basis of calculating tax in the USA. The deferred tax liability is realised over 4 years.

Reconciliation of deferred tax liabilities		
Opening balance	**233**	437
Credited to the statement of comprehensive income	**-**	6
Credited to the statement of comprehensive Income as current tax	**(51)**	(210)
Closing balance	**182**	233

16. TAX (continued)

	2018	2017
ASSETS	**$'000**	**$'000**
Non Current		
Deferred tax assets comprise:		
Foreign currency losses	**346**	122
Borrowing costs	**361**	167
Employee entitlements	**459**	522
Accruals	**79**	109
Property, plant & equipment	**4**	5
Income losses	**-**	142
Capital losses	**10**	-
	1,259	1,067

		2018	2017
Reconciliation of deferred tax assets		**$'000**	**$'000**
Opening balance		**1,067**	1,400
Debited/(Credited) to the statement of comprehensive income	5	**192**	(333)
Closing balance		**1,259**	1,067

The future income tax benefit of the deferred tax assets will only be realised if the conditions of deductibility set out in Note 1(b) occur. Deferred tax assets not brought to account for which the benefits will only be realised if the conditions for deductibility set out in Note 1(b) occur amount to $1,054,806 (2017: $944,811). CPT Global's tax losses that have not been brought to account are generally not subject to restrictions. Of the losses not brought to account in FY18 97% relate to the UK.

17. PROVISIONS

	2018	2017
Current	**$'000**	**$'000**
Employee benefits – Long Service Leave	**810**	982
Total Current Provisions	**810**	982
Non-Current		
Employee benefits – Long Service Leave	**131**	91
Total Non-Current Provisions	**131**	91
Total Provision	**941**	1,073

A provision has been recognised for employee entitlements relating to long service leave. In calculating the present value of future cash flows in respect of long service leave, the probability of long service leave is being taken is based on historical data. The measurement and recognition criteria relating to employee benefits have been included in Note 1(l) to these financial statements.

Notes to the Financial Statements
Year Ended 30 June 2018

17. PROVISIONS (continued)

Analysis of Total Provisions	Long Service Leave	Total
	$'000	$'000
Opening balance at 1 July 2017	1,073	1,073
Provided for during the year	95	95
Taken during the year	(227)	(227)
Balance at 30 June 2018	**941**	**941**

18. ISSUED CAPITAL

(a) Issued and paid up capital	2018	2017
	$'000	$'000
37,318,525 (2017: 37,318,525) fully paid ordinary shares	**12,228**	12,228
	12,228	12,228

(b) Movements in shares on issue	2018		2017	
	Number of shares	$'000'	Number of shares	$'000
Beginning of the financial year	**37,318,525**	**12,228**	37,177,220	12,195
New shares issued	-	-	141,305	33
End of the financial year	**37,318,525**	**12,228**	37,318,525	12,228

(i) Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At shareholders' meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands. During the year ended 30th June 2018 no ordinary shares were bought back under the on market buyback (2017: Nil). Ordinary shares have no par value.

(ii) The on market buyback commenced on the 27th August 2002 with 3,000,000 shares being the maximum to be bought back of which 2,413,905 were outstanding as at 30 June 2018.

(c) Options

(i) For information relating to the CPT Global Limited employee option plan, including details of options issued, exercised and lapsed during the financial year and the options outstanding at year-end, refer to Note 22 Share based payments.

(ii) For information relating to share options issued to key management personnel during the financial year, refer to the Note 22 Share Based Payments.

Notes to the Financial Statements

Year Ended 30 June 2018

18. ISSUED CAPITAL (Continued)

(d) Capital Management

Management controls the capital of the group in order to maintain an appropriate debt to equity ratio, provide shareholders with adequate returns and ensure that the group can fund its operations and continue as a going concern.

The Group does not currently have significant debt capital employed in the business as indicated in the following table. Management effectively manages the group's capital by assessing the group's financial risks and adjusts its capital structure in response to changes in these risks and in the market. These responses include the management of debt levels, distributions to shareholders, share buy-backs and share issues.

There have been no changes in the strategy adopted by management to control the capital of the group since the prior year. This strategy is to ensure that the group's gearing ratio remains at an appropriate level between 0% and 50%.

The gearing ratios for the year ended 30 June 2018 and 30 June 2017 are as follows:

	2018 $'000	2017 $'000
Total borrowings	**535**	1,640
Less cash and cash equivalents	**(1,440)**	(1,656)
Net debt	**(905)**	(16)
Total equity	**5,446**	4,625
Total capital employed	**5,446**	4,625
Gearing ratio	**0%**	0%

A bank guarantee facility provided by the Company's banker is cash backed in the amount of $191k. The cash is not available for CPT Global to utilise until the bank guarantee is returned to our Banker at the end of the lease. The lease expires in May 2021.

19. RESERVES

(a) Foreign currency translation

The foreign currency translation reserve records exchange differences arising on translation of the financial statements of foreign subsidiaries.

(b) Equity reserve

The equity reserve is a non-distributable reserve used to record share based payment expense.

(c) Analysis of items of other comprehensive income by each class of reserve

	2018 $'000	2017 $'000
Foreign currency translation reserve		
Exchange difference on translating foreign controlled entities	**41**	184
Movement in foreign currency translation reserve	**41**	184
Total other comprehensive income for the year	**41**	184

Notes to the Financial Statements
Year Ended 30 June 2018

20. CASH FLOW INFORMATION

	2018 $'000	2017 $'000
(a) Reconciliation of the profit/(loss) after tax to the net cash flows from operations		
Net profit/(loss)	**780**	(1,468)
Non-Cash Items		
Depreciation and amortisation of non-current assets	**62**	66
Share based payment	**-**	-
Goodwill impairment	**-**	-
Changes in assets and liabilities		
Decrease/(increase) in trade and term receivables	**966**	(831)
Increase in prepayments	**(191)**	(9)
(Increase)/decrease in work in progress	**(1,492)**	1,134
(Increase)/decrease in deferred tax asset	**(191)**	103
Increase/(decrease) in trade payables and accruals	**839**	(1,475)
Increase in income taxes payable	**576**	21
(Decrease)/increase in deferred tax liabilities	**(51)**	26
(Decrease)/increase in employee entitlements	**(211)**	93
Net cash flow from operating activities	**1,087**	(2,340)

There were no acquisitions or disposals of subsidiaries in the 2018 financial year.

(a) Changes in liabilities arising from financing activities

	1 July 2017 $000	Cash flows	Non-cash changes Re-classification	30 June 2018 $000
Short term borrowings	1,640	(1,297)	192	535

21. EXPENDITURE COMMITMENTS

	2018 $'000	2017 $'000
(a) Lease expenditure commitments		
(i) Operating leases (non-cancellable):		
Minimum lease payments		
- not later than one year	**151**	259
- later than one year and not later than five years	**343**	-
	494	259

Note:
The property lease is non-cancellable with a remaining term of 35 months. Rent is payable monthly in advance and the amounts disclosed do not include GST. An option exists to renew the lease for a further period of 3 years.

Notes to the Financial Statements

Year Ended 30 June 2018

22. SHARE-BASED PAYMENTS

The following share-based payment arrangements existed at 30 June 2018:

Directors Performance Rights		Issue date	Expiry date	Exercise Price	As at 1 July 2017	Granted	Forfeited/ Exercised/ transferred/ expired	As at 30 June 2018
	(a)	29/11/16	29/11/19	$0.00	300,000	-	(300,000)	-
	(b)	27/11/17	27/11/20	$0.00	-	800,000	-	800,000
					300,000	800,000	(300,000)	800,000

(a) On 27 November 2017, at CPT Global's Annual General Meeting, this tranche of performances were rights were cancelled.

(b) On 27 November 2017, at the Company's Annual General Meeting, 800,000 performance rights were granted to directors to take up ordinary shares at an exercise price of $0.00 per share. The fair value of these performance rights at the date of grant was $78k. The fair value has been calculated using a combination of the Monte Carlo and American Binomial pricing methodologies for tranches using the following inputs:

Weighted average exercise price	$0.00
Maximum life of right	3 years
Underlying share price	$0.16
Expected share price volatility	68%
Risk free interest rate	1.79%
Dividend yield	0.0%

Share price volatility has been determined based on the historical volatility of CPT Global's shares. As the exercise price is $0.00, share price volatility does not have a material impact on the fair value of the performance rights.

500,000 of the performance rights were forfeited subsequent to year end on the resignation of David Lynch.

The issue of these performance shares in four tranches was contingent upon the following conditions being met:

No of Shares to be Issued	Conditions to be Met
225,000	The highest quoted (buy) price for CPT Global shares reaching or exceeding $0.25 for 5 consecutive business days during the period 27 November 2017 and 30 June 2018 (both dates inclusive)
175,000	The Company's after tax profit (as reported in the Company's 2018 annual report) reaching or exceeding $0.8m for the 2018 fiscal year
225,000	The highest quoted (buy) price for CPT Global shares reaching or exceeding $0.40 for 5 consecutive business days during the period 1 July 2018 and 30 June 2019 (both dates inclusive)
175,000	The Company's after tax profit (as reported in the Company's 2019 annual report) reaching or exceeding $2.0m for the 2019 fiscal year

Notes to the Financial Statements

Year Ended 30 June 2018

22. SHARE-BASED PAYMENTS (cont.)

The performance rights 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 options remain employed by CPT.

An amount of $26k pertaining to these entitlements has been included in the statement of comprehensive income for the period.

Information with respect to the number of performance rights granted is as follows:

	2018		2017	
	Number of options	Weighted average exercise price $	Number of options	Weighted average exercise price $
Outstanding at the beginning of the year	**300,000**	**0.00**	450,000	0.17
Granted	**800,000**	**0.00**	300,000	0.00
Forfeited	**-**	**-**	-	-
Exercised	**-**	**-**	-	-
Cancelled	**800,000**	**0.00**	300,000	0.00
Expired	**-**	**0.00**	150,000	0.17
Outstanding at year end	**800,000**	**0.00**	300,000	0.00

At 30 June 2018, there were NIL (2017: NIL) performance rights vested but not exercised.

There are no other options or performance rights granted by CPT Global Limited to any other party. Options do not confer on the holder any right to vote or participate in the dividends of the economic entity and are not transferable.

23. CONTINGENT LIABILITIES

Guarantees

CPT Global Limited has provided a guarantee $123k (2017: $191k) to third parties in relation to its performance and obligations in respect of property lease rentals. The guarantee is secured against a term deposit equal to the value of the guarantee. The guarantee is for the term of the lease. The guarantee for lease covers the next 35 months.

24. EVENTS AFTER THE REPORTING PERIOD

On 29th August 2018 CPT Global Limited announced its intention to extend the on-market share buy back for a further twelve months until 28th August 2019. A maximum of 3,000,000 shares may be bought back during the buyback period.

On 17 August 2018, David Lynch (Chief Executive Officer Australia and Asia) resigned.

Notes to the Financial Statements

Year Ended 30 June 2018

25. EARNINGS PER SHARE

(a) The following reflects the income and share data used in the calculations of basic and diluted earnings per share:	**2018 $'000**	**2017 $'000**
Net profit / (loss)	**780**	(1,468)
Adjustments:	**-**	-
Earnings used in calculating basic and diluted earnings per share	**780**	(1,468)
	Number of shares	**Number of shares**
Weighted average number of ordinary shares used in calculating basic earnings per share	**37,318,525**	37,318,525
Weighted average number of options outstanding	**591,667**	300,000
Adjusted weighted average number of ordinary shares used in calculating diluted earnings per share	**37,910,192**	37,618,525

26. AUDITORS' REMUNERATION

	2018 $'000	**2017 $'000**
Amounts received or due and receivable by ShineWing Australia and Mazars London for:		
• an audit or review of the financial report of the parent and any other entity in the Group	**161**	147
• other services in relation to the entity and any other entity in the Group		
- tax compliance	**26**	27
- other services	**-**	1

Other services relate to accounting and taxation services.

27. KEY MANAGEMENT PERSONNEL COMPENSATION

(a) Names and positions held of economic entity key management personnel in office at any time during the financial year are:

Key Management Person	**Position**
Fred S Grimwade	Non-executive Chairman
Alan Baxter	Non-executive Director
Gerry Tuddenham	Managing Director
David Lynch	Chief Executive Officer Australia and Asia(resigned 17 August 2018)
Grant Sincock	Company Secretary and Chief Financial Officer
Luke Tuddenham	President North America

27. KEY MANAGEMENT PERSONNEL COMPENSATION (continued)

From 1 July 2017 Kevin Akom took on the role of General Manager – Strategic Client Relationships within the Australian region. This new role and its responsibilities do not meet the definition of Key Management Person and Kevin is not be included in the Key Management Person disclosures from 1 July 2017.

b) Key Management Personnel Compensation

Refer to the Remuneration Report contained in the Director's Report for details of the remuneration paid to each member of the Group's key management personnel for the year ended 30 June 2018.

The totals of remuneration paid to key management personnel of the company and the Group during the year are as follows:

	2018	2017
	$000	$000
Short-term employee benefits	2,081	2,145
Post-employment benefits	109	143
Other long-term benefits	18	19
Share based payments	33	4
	2,242	2,313

28. RELATED PARTY DISCLOSURES

(a) Controlling Relationships

Interests in subsidiaries are set out in note 11. The parent entity and the ultimate controlling party of the group is CPT Global Limited. All transactions within the group were done on an arm's length basis.

(b) Key management personnel

Disclosures relating to key management personnel are set out in the Remuneration Report and note 27. Key management personnel include the board of directors and key executives who are accountable and responsible for the operational, management and strategic direction of the Group.

(c) Transactions with related parties

During the financial year there were no transactions with related parties.

29. OPERATING SEGMENTS

Identification of Reportable Segments

CPT Global Limited has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors (chief operating decision makers) in assessing the performance and determining the allocation of resources. The reportable segments disclosed are based on a geographical basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are also similar with respect to the following:

- services provided by the segment;
- the type of customer for the services provided; and
- external regulatory requirements

29. OPERATING SEGMENTS (continued)

Types of Services by Segment

Below outlines the major lines of services provided to customers for each reportable segment:

Australia

- Digital Consulting
- Capacity Planning
- Cost Reduction Sustainable
- Mainframe & Midrange performance
- Project & Program management
- Technical Support services
- Management IT (MIT)
- Management, Functional & Automation Testing

Europe

- Mainframe & Midrange performance
- Technical Support services

North America

- Mainframe & Midrange performance
- Management, Functional & Automation Testing

Basis of accounting for purposes of reporting by reportable segments

Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of CPT Global Limited.

Inter-segment transactions

Segment revenues, expenses and results exclude transfers between segments. The prices charged on intersegment transactions are the same as those charged for similar services to parties outside of the Group on an arm's length basis. These transfers are eliminated on consolidation.

Segment Assets and Liabilities

Segment assets and liabilities reported are based on the internal reports reviewed by the Board of Directors. Assets include trade debtors and unbilled revenue balances. Liabilities include trade creditors and accruals.

Unallocated items

The Board of Directors review segment performance to only the gross profit level. All other items of revenue and expenses are not allocated to operating segments as they are not considered part of the core operations of any segment. Liabilities are not reported by segment for internal reporting purposes for the Board of Directors and therefore have been treated as unallocated items.

Notes to the Financial Statements

Year Ended 30 June 2018

29. OPERATING SEGMENTS (continued)

Segment Performance

	Australia		Europe		North America		Consolidated	
	2018	2017	2018	2017	2018	2017	2018	2017
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
REVENUE								
External Sales	**20,798**	19,787	**1,294**	1,317	**8,939**	6,055	**31,031**	27,159
Total Group Revenue							**31,031**	27,159
Segment Gross Profit before tax	**5,261**	5,172	**351**	270	**4,405**	3,134	**10,075**	8,646
Reconciliation of segment result to group profit/loss before tax								
Goodwill impairment								
Unallocated Items								
- Overheads							**(8,831)**	(9,973)
Profit/ (Loss) before tax							**1,244**	(1,327)

Segment Assets

	Australia		Europe		North America		Consolidated	
	2018	2017	2018	2017	2018	2017	2018	2017
	$'000	$'000	$'000	$'000	$'000	$'000	$'000	$'000
Segment Assets	**3,085**	4,409	**485**	340	**3,554**	1,610	**7,124**	6,359
Segment asset increases for the period:								
- Capital Expenditure	**-**	-	**-**	-	**-**	-	**-**	-
	3,085	4,409	**485**	340	**3,554**	1,610	**7,124**	6,359
Reconciliation of segment assets to group assets								
Unallocated assets:								
- Goodwill	**4,232**	4,232	**-**	-			**4,232**	4,232
- Property, plant & equipment							**87**	159
- Other Assets							**2,941**	2,830
Total Group Assets							**14,384**	13,580

29. OPERATING SEGMENTS (Continued)

Segment Liabilities

	Australia		Europe		North America		Consolidated	
	2018 $'000	**2017 $'000**	**2018 $'000**	**2017 $'000**	**2018 $'000**	**2017 $'000**	**2018 $'000**	**2017 $'000**
Segment Liabilities	**5,396**	4,435	**398**	746	**1,434**	1,802	**7,228**	6,982
Segment liability increases for the period:								
-	**-**	-	**-**	-	**-**	-	**-**	-
	5,396	4,435	**398**	746	**1,434**	1,802	**7,228**	6,982
Reconciliation of segment liabilities to group liabilities								
Unallocated liabilities:								
- Provisions	**1,532**	1,893	**-**	-	**178**	79	**1,710**	1,972
- Other Liabilities	-	-	-	-	**-**	-	**-**	-
Total Group Liabilities							**8,936**	8,954

Major Customers

CPT Global Limited provides services to a range of clients in the financial services and telecommunications industries. CPT's top 10 clients account for 80% of the group's global revenue (2017: 80%), totalling $24,950k (2017: $21,845k). Two of CPT's client's contributed more than 10% of the annual revenue (26% - a major Australian bank and 16% - an Australian government department).

30. FINANCIAL INSTRUMENTS

Financial Risk Management

The group's financial instruments consist mainly of deposits with banks, accounts receivable and payable.

The main purpose of non-derivative financial instruments is to raise finance for group operations.

Derivatives may be used by the Group for hedging purposes. Such instruments include forward exchange and currency option contracts. The Group does not speculate in the trading of derivative instruments.

The board of directors is responsible for monitoring and managing financial risk exposures of the Group. The board reviews the effectiveness of internal controls relating to interest rate risk and foreign currency risk. The overall risk management strategy seeks to assist the Group in meeting its financial targets, while minimising potential adverse effects on financial performance in regard to financial and currency rate risk.

(i) Financial Risks

The main risks the group is exposed to through its financial instruments are interest rate risk, foreign currency risk, liquidity risk and credit risk.

Interest rate risk

The Group's exposure to interest rate risk, which is the risk that a financial instrument's value and cash flows will fluctuate as a result of changes in market interest rates and the effective weighted average interest rates on classes of financial assets and financial liabilities, is as follows:

Notes to the Financial Statements

Year Ended 30 June 2018

30. FINANCIAL INSTRUMENTS (Continued)

Economic Entity	Floating interest rate		Fixed interest rate maturing in 1 to 5 years		Non-interest bearing		Total carrying amount as per statement of financial position		Weighted average effective interest rate	
	2018 $'000	**2017 $'000**	**2018 $'000**	**2017 $'000**	**2018 $'000**	**2017 $'000**	**2018 $'000**	**2017 $'000**	**2018 %**	**2017 %**
(i) Financial assets										
Cash and cash equivalents	**1,440**	1,656	**-**	-	**-**	-	**1,440**	1,656	**0.17**	0.25
Trade receivables	**-**	-	**-**	-	**4,843**	5,571	**4,843**	5,571		
Total financial assets	**1,440**	1,656	**-**	-	**4,843**	5,571	**6,283**	7,227		
(ii) Financial liabilities at amortised cost										
Bank overdrafts	**-**	-	**-**	-	**-**	-	**-**	-		
Trade and sundry payables	**-**	-	**-**	-	**5,588**	5,322	**5,588**	5,322		
Borrowings	**535**	1,640	**-**	-	**-**	-	**535**	1,640	**10.3**	9.0
Total financial liabilities	**535**	1,640	**-**	-	**5,588**	5,322	**6,123**	6,962		

Interest rate risk arises on cash and cash equivalents and bank overdrafts. Interest rate risk is managed by monitoring and reviewing cash flow forecasts and the trade receivables balance of the Group.

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates for cash and cash equivalents as this is the only financial instrument materially exposed to floating interest rates. The analysis is based on actual monthly borrowing amounts throughout the year, as reported to management, with the stipulated change taking place at the beginning of the financial year and held constant throughout the reporting period. A 100 basis point increase or decrease has been used and represents management's assessment of the possible changes in interest rates. At the reporting date, if interest rates had been 100 basis points higher or lower and all other variables were held constant, the Group's profit before income tax would increase by $4k and decrease by $4k (2017: increase by $9k and decrease by $9k).

Foreign currency risk

The group is exposed to fluctuations in foreign currencies arising from the sale and purchase of services in currencies other than the group's functional currency, and the translation of foreign subsidiary results on consolidation.

30. FINANCIAL INSTRUMENTS (Continued)

The carrying amount of the Group's foreign currency denominated monetary assets and monetary liabilities at the end of the reporting period is as follows:

Economic Entity	Liabilities		Assets	
	2018	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**
Australian dollars	**-**	-	**-**	-
Brazillian real	**169**	159	**266**	175
US dollars	**-**	-	**-**	-
Sterling	**-**	-	**-**	-
Euro	**68**	36	**43**	117
Canadian dollars	**-**	-	**-**	-
Singapore dollars	**-**	-	**-**	-

The amounts disclosed above in relation to Australian dollars relate to intercompany payables and receivables in each of the foreign subsidiaries whose functional currency is not Australian dollars.

Foreign currency sensitivity analysis

The Group is mainly exposed to US dollars, Sterling, Euros and CAD.

The following table details the Group's sensitivity to a 10% increase and decrease in the Australian dollar against the relevant foreign currencies. 10% is the sensitivity rate used as it represents management's assessment of the possible change in foreign exchange rates. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 10% change in foreign currency rates. The sensitivity analysis includes external assets and liabilities as well as loans, receivables and payables balances with foreign subsidiaries where the denomination of the balance is in a currency other than the functional currency of the lender or borrower. A positive number indicates an increase in profit or loss and other equity where the Australian dollar strengthens against the respective currency. For a weakening of the Australian dollar against the respective currency there would be an equal and opposite impact on the profit and other equity, and the balances below would be negative.

Economic Entity	USD Impact		Sterling Impact		Euro Impact		CAD Impact	
	2018	**2017**	**2018**	**2017**	**2018**	**2017**	**2018**	**2017**
	$'000	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**	**$'000**
Profit or loss	**41**	(52)	**(42)**	(31)	**6**	(19)	**21**	(28)
Other equity	**(225)**	(259)	**(225)**	(174)	**(85)**	(85)	**16**	(5)

The above impacts are mainly attributable to the exposure of intercompany payables, receivables and loan balances at the end of the reporting period.

30. FINANCIAL INSTRUMENTS (Continued)

Liquidity risk

Liquidity risk is the risk the group will not be able to meet its financial obligations as they fall due.The group manages liquidity risk by monitoring forecast cash flows and ensuring that adequate unutilised borrowing facilities are maintained. Included in Note 15 is a listing of additional undrawn facilities that the Group has at its disposal to further reduce liquidity risk. The borrowing facilities may be drawn at any time and may be terminated by the financing provider with three months' notice. All facilities are subject to annual review.

The table below analyses the Group's financial liabilities. All such liabilities are classified as current and therefore have contractual maturity within 12 months from the reporting date.

	2018 $'000	2017 $'000
Trade payables	**3,418**	3,642
Sundry payables and accrued expenses	**2,170**	1,690
Borrowings	**535**	1,640
	6,123	6,972

For details of expenditure commitments and maturity profile of the lease liability, refer to Note 21. The trade and sundry payables listed above are due for payment within 3 months.

Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group and essentially arises from holdings of cash and deposits and trade receivables as well as from the parent's potential obligations under the indemnity guarantee provided to banks. The risk is largely managed through a policy of only dealing with creditworthy counterparties. Periodic assessments of debtor balances are undertaken and provisions for impairment are recognised where appropriate.

The maximum credit risk exposure is the carrying value of cash and deposits and trade receivables as disclosed in notes 7 and 8.

Directors' Statement

The directors of the company declare that:

1. the financial statements and notes, as set out on pages 30 to 70, are in accordance with the *Corporations Act 2001* and:
   a. comply with Australian Accounting Standards, which, as stated in accounting policy Note 1 to the financial statements, constitutes explicit and unreserved compliance with International Financial Reporting Standards (IFRS); and
   b. give a true and fair view of the financial position as at 30 June 2018 and of the performance for the year ended on that date of the company and economic entity.
2. the Chief Executive Officer and Chief Finance Officer have each declared that:
   a. the financial records of the company for the financial year have been properly maintained in accordance with section 286 of the *Corporations Act 2001*;
   b. the financial statements and notes for the financial year comply with Accounting Standards; and
   c. the financial statements and notes for the financial year give a true and fair view.
3. 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.

This declaration is made in accordance with a resolution of the Board of Directors.

Gerry Tuddenham
Managing Director
Melbourne, 25 September 2018

ShineWing Australia
Accountants and Advisors
Level 10, 530 Collins Street
Melbourne VIC 3000
T +61 3 8635 1800
F +61 3 8102 3400
shinewing.com.au

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

Report on the Audit of the Financial Report

Opinion

We have audited the financial report of CPT Global Limited ("the Company") and Controlled Entities ("the Group"), which comprises the consolidated statement of financial position as at 30 June 2018, 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 year then ended, and notes to the financial statements, including a summary of significant accounting policies, and the directors' declaration.

In our opinion, the accompanying financial report of the Group is in accordance with the *Corporations Act 2001*, including:

a) giving a true and fair view of the Group's financial position as at 30 June 2018 and of its financial performance for the year then ended; and

b) complying with Australian Accounting Standards and the *Corporations Regulations 2001*.

Basis for Opinion

We conducted our audit in accordance with Australian Auditing Standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Report* section of our report. We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants* ("the Code") that are relevant to our audit of the financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial report of the current period. These matters were addressed in the context of our audit of the financial report as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matter	How the matter was addressed during the audit
Impairment of Goodwill **Note 13** At 30 June 2018, the Group's Statement of Financial Position includes goodwill amounting to $4,157m relating to the Australian CGU. We have determined this is a key audit matter due to the judgement required by management in preparing a value in use model to satisfy the impairment test as prescribed in AASB 136	Our procedures included, amongst others, the following: • Enquired with management on the basis of assumptions applied in the value in use model to obtain an understanding of the key variables impacting on each CGU; • Obtained and evaluated the assumptions and methodology applied in management's value in use calculation including but not limited to revenue forecasts, discount rates and the allocation and recoverability of corporate overheads to subsidiaries;

Key Audit Matter	How the matter was addressed during the audit
Impairment of Assets, including the forecasting of future cash flows and applying an appropriate discount rate which inherently involves a high degree of estimation and judgement by management.	• Performed sensitivity analysis on the key assumptions and variables to determine various outcomes of the value in use model in assessing whether certain CGUs are impaired; and • Reviewed on the adequacy of the Group's disclosures about these assumptions to which the outcome of the impairment test is most sensitive, that is, those that have the most significant effect on the determination of the recoverable amount of assets.
Recognition and recoverability of Unbilled Revenue **Note 9** At 30 June 2018 the Group's Statement of Financial Position includes $2.283m of unbilled revenue for current projects. Given the nature of the Group's revenue there are significant estimates and judgements incorporated in management's measurement of unbilled revenue balances.	Our procedures included, amongst others, the following: • Reviewed unbilled revenue balances to ensure that amounts taken up as revenue are reasonable and could be supported by signed contracts, project status reports and timesheets; • Performed an ageing analysis of unbilled revenue balances; and • Reviewed post year-end subsequent billings and collections.

Information Other than the Financial Report and Auditor's Report Thereon

The directors are responsible for the other information. The other information comprises the information included in the Group's annual report for the year ended 30 June 2018, but does not include the financial report and our auditor's report thereon.

Our opinion on the financial report does not cover the other information and accordingly we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial report, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial report or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Report

The directors of the Company are responsible for the preparation of the 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 financial report that gives a true and fair view and is free from material misstatement, whether due to fraud or error.

In preparing the financial report, the directors are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or to cease operations, or have no realistic alternative but to do so.

ShineWing AUSTRALIA

Auditor's Responsibilities for the Audit of the Financial Report

Our objectives are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, we exercise professional judgement and maintain professional scepticism throughout the audit.

We identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

We obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

We conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

We evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them, all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial report of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

ShineWing AUSTRALIA

Report on the Remuneration Report

Opinion on the Remuneration Report

We have audited the Remuneration Report included in pages 22 to 27 of the directors' report for the year ended 30 June 2018.

In our opinion, the Remuneration Report of CPT Global Limited and Controlled Entities for the year ended 30 June 2018 complies with section 300A of the *Corporations Act 2001*.

Responsibilities

The directors of the Company are responsible for the preparation and presentation of the Remuneration Report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the Remuneration Report, based on our audit conducted in accordance with Australian Auditing Standards.

ShineWing Australia

ShineWing Australia
Chartered Accountants

Rami Eltchelebi
Partner

Melbourne, 25 September 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)

Company Secretary

Grant Sincock

Principal Registered Office

Level 3, 818 Bourke Street
Docklands VIC 3008
Telephone: +61 (0)3 9684 7900
Internet: www.CPTglobal.com

2018 Annual General Meeting

The Annual General Meeting of CPT Global Limited members will be held on Monday 26th November 2018 at 11.30 am at Boardroom's office at Level 7, 333 Collins Street, Melbourne, Victoria.

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

Nicholson Ryan Lawyers

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

ASX Additional Information

Additional information required by the Australian Stock Exchange Ltd and not shown elsewhere in this report is as follows. The information is current as at 14th of September 2018.

(a) Distribution of equity securities

The number of shareholders, by size of holding, in each class of share are:

			Ordinary shares		Preference shares	
			Number of holders	**Number of shares**	Number of holders	Number of shares
1	-	1,000	**61**	**42,519**	-	-
1,001	-	5,000	**309**	**849,022**	-	-
5,001	-	10,000	**154**	**1,201,378**	-	-
10,001	-	100,000	**255**	**8,411,406**	-	-
100,001		and over	**46**	**26,814,200**	-	-
			825	**37,318,525**	-	-
The number of shareholders holding less than a marketable parcel of shares are:			**234**	**372,677**	-	-

(b) Twenty largest shareholders

The names of the twenty largest holders of quoted shares are:

		Listed ordinary shares	
		Number of shares	**Percentage of ordinary shares**
1	TUDDY SUPER PTY LTD	8,582,356	23.0%
2	Sonda Fondo De Invesion Privado	2,664,993	7.1%
3	CLAPSY PTY LTD	2,421,764	6.5%
4	GNP NOMINEES	2,159,089	5.8%
5	MR LUKE TUDDENHAM	842,955	2.3%
6	MR VICTOR JOHN PLUMMER	812,413	2.2%
7	MR PHILIP ADAM	752,782	2.0%
8	MR FRED GRIMWADE	718,200	1.9%
9	MR PAWEL REJ & MRS MIROSLAWA REJ	665,317	1.8%
10	MR BEN TUDDENHAM	643,526	1.7%
11	MR KEVIN AKOM	565,013	1.5%
12	BNP PARIBAS NOMINEES PTY LTD	515,183	1.4%
13	PETHOL (VIC) PTY LTD	500,000	1.3%
14	FIVE TALENTS LIMITED	482,369	1.3%
15	MR DAVID LYNCH	417,458	1.1%
16	MRS ALISON BOLGER	362,550	1.0%
17	MR NEVILLE HASKETT & MRS VICKI HASKETT	355,000	1.0%
18	MRS JULIE ANN CAREY	326,000	0.9%
19	MR MICHAEL LAZORIK	300,000	0.8%
20	MR NIGEL SANDIFORD	224,219	0.6%
		24,311,187	65.1%

ASX Additional Information

(c) Shares held in escrow

As at 14th September 2018, there were no shares held in escrow.

(d) Substantial shareholders

The names of substantial shareholders who have notified the Company in accordance with section 671B of the Corporations Act 2001 are:

	Number of Shares
MR GERRY TUDDENHAM AND HIS ASSOCIATES (EXCLUDING HIS BENEFICIAL INTEREST IN THE CPT TRUST)	8,586,356
GNP NOMINEES PTY LTD AS TRUSTEE FOR THE CPT TRUST	2,159,089
SONDA FONDO DE INVERSION PRIVADO	2,664,993
CLAPSY PTY LTD	2,421,764

(e) Voting rights

All ordinary shares (whether fully paid or not) carry one vote per share without restriction. Performance rights do not carry voting rights.