

## Appendix 4C

### Quarterly report for entities subject to Listing Rule 4.7B

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

**Name of entity**

**CCP Technologies Limited**

**ABN**

**58 009 213 754**

**Quarter ended ("current quarter")**

**30 June 2017**

<b>Consolidated statement of cash flows</b>	<b>Current quarter \$A'000</b>	<b>Year to date ( 12 months) \$A'000</b>
<b>1. Cash flows from operating activities</b>		
1.1 Receipts from customers	15	89
1.2 Payments for		
(a) research and development	(55)	(270)
(b) product manufacturing and operating costs	(22)	(117)
(c) advertising and marketing	(182)	(391)
(d) leased assets	-	-
(e) staff costs	(327)	(1,033)
(f) administration and corporate costs	(105)	(653)
1.3 Dividends received (see note 3)		
1.4 Interest received	2	8
1.5 Interest and other costs of finance paid	-	(4)
1.6 Income taxes paid		
1.7 Government grants and tax incentives		
1.8 Other (provide details if material)		
<b>1.9 Net cash from / (used in) operating activities</b>	<b>(674)</b>	<b>(2,371)</b>
<b>2. Cash flows from investing activities</b>		
2.1 Payments to acquire:		
(a) property, plant and equipment	(5)	(9)
(b) businesses (see item 10)		
(c) investments		

Consolidated statement of cash flows	Current quarter \$A'000	Year to date ( 12 months) \$A'000
(d) intellectual property		
(e) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) property, plant and equipment		
(b) businesses (see item 10)		
(c) investments		
(d) intellectual property		
(e) other non-current assets		
2.3 Cash flows from loans to other entities		
2.4 Dividends received (see note 3)		
2.5 Other (provide details if material)	-	-
<b>2.6 Net cash from / (used in) investing activities</b>	<b>(4)</b>	<b>(9)</b>

<b>3. Cash flows from financing activities</b>		
3.1 Proceeds from issues of shares	1,324	4,324
3.2 Proceeds from issue of convertible notes		
3.3 Proceeds from exercise of share options		
3.4 Transaction costs related to issues of shares, convertible notes or options	-	(273)
3.5 Proceeds from borrowings	-	170
3.6 Repayment of borrowings	-	(175)
3.7 Transaction costs related to loans and borrowings		
3.8 Dividends paid		
3.9 Other (provide details if material)		
<b>3.10 Net cash from / (used in) financing activities</b>	<b>1,324</b>	<b>4,046</b>

<b>4. Net increase / (decrease) in cash and cash equivalents for the period</b>		
4.1 Cash and cash equivalents at beginning of quarter/year to date	1,076	63
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(674)	(2,371)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	(4)	(9)
4.4 Net cash from / (used in) financing activities (item 3.10 above)	1,324	4,046

<b>Consolidated statement of cash flows</b>		<b>Current quarter \$A'000</b>	<b>Year to date ( 12 months) \$A'000</b>
4.5	Effect of movement in exchange rates on cash held	3	(4)
<b>4.6</b>	<b>Cash and cash equivalents at end of quarter</b>	<b>1,725</b>	<b>1,725</b>

<b>5. Reconciliation of cash and cash equivalents</b> at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	<b>Current quarter \$A'000</b>	<b>Previous quarter \$A'000</b>
5.1 Bank balances	63	79
5.2 Call deposits	1,662	997
5.3 Bank overdrafts		
5.4 Other (provide details)		
<b>5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)</b>	<b>1,725</b>	<b>1,076</b>

**6. Payments to directors of the entity and their associates**

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

<b>Current quarter \$A'000</b>
105
Nil

Fees paid to Executive Directors and their related entities \$76K.  
Fees paid to Non-Executive Directors and their related entities \$17K.  
Rent paid on a commercial basis to an entity related to Directors in respect of business premises \$12K.

**7. Payments to related entities of the entity and their associates**

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

<b>Current quarter \$A'000</b>
Nil

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

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9. <b>Estimated cash outflows for next quarter</b>	\$A'000
9.1 Research and development	50
9.2 Product manufacturing and operating costs	50
9.3 Advertising and marketing	20
9.4 Leased assets	-
9.5 Staff costs	350
9.6 Administration and corporate costs	150
9.7 Other – repayment of borrowings	-
<b>9.8 Total estimated cash outflows</b>	<b>650</b>

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

### Compliance statement

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

Sign here: *Gary Taylor*  
Company Secretary

Date: 27 July 2017

Print name: Gary Taylor

### Notes

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

#### Note 1 – Acquisition of CCP Group

The Acquisition of CCP Group consisting of CCP Holdings Pty Limited and its wholly owned subsidiaries and Cold Chain Partners Pty Limited was completed on 13 September 2016. This results CCP shareholders holding a controlling interest in the Company after the transaction. As a result, it has been determined that the transaction will be accounted for as a 'reverse acquisition' in accordance with the requirements of *AASB 3 Business Combinations* (AASB 3) and is therefore accounted for as a continuation of the financial statements of CCP Group. The Statement of Cash Flows therefore represents the cash flow of CCP Group for the 9 months ended 31 March 2017 plus the cash flows of CCP Technologies Limited (formerly Agenix Limited) and its subsidiaries for the period 13 September 2016 to 31 March 2017.

#### Note 2 – Acquisition of CCP Network North America Inc.

On 8 January 2017, CCP Technologies Limited acquired a 100% equity interest in CCP Network North America Inc for the consideration of \$USD 1.00. At time of acquisition CCP Network North America Inc held cash which is included in the Appendix 4C at Item 2.5. No other assets were acquired.

#### Note 3 – Establishment of CCP IOT Technologies Private Limited

On 7 February 2017, CCP IOT Technologies Private Limited (CCP IOT) was incorporated in India, as a wholly owned subsidiary of CCP Technologies Limited Since incorporation CCP IOT had been in the process of obtaining all necessary regulatory approvals in India. All approvals have now been obtained and operations commenced in May 2017.

## **Additional Information**

### **Quarterly Cash Burn**

Cash used in operating activities for the quarter was approximately \$674,000 compared with a budget of \$650,000. Unexpected delays in completing Stage 2 of the installation of the CCP Solution and associated data analytics to a USA food industry consulting firm has resulted in cash receipts from customers being less than budget in the amount of \$AUD 65,000 (\$USD 50,000). These proceeds are now expected to be received in the 2018 Financial Year.

### **Staffing**

The Group adopts an approach that staffing costs are met by a mixture of employees and contractors depending on the nature, scope and likely length of service. This is completed by utilising both full time and part time staff either as employees or contractors.

At 30 June 2017, the Group had the following head count:

Australia	9 (5 F/T, 1 P/T, 3 Contractors)
USA	6 (6 Contractors)
India	15 (15 Employees)

Following the establishment of CCP IoT Technologies Pvt Limited in India all staff are now employees rather than contractors.