

**CSM Group Limited**

**Preliminary Annual Financial Result 2018 (unaudited)**

**Preliminary Financial Results (unaudited)**

For the year ended 30 June 2018

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	30.6.2018 US\$'000	30.6.2017 US\$'000
<b>Continuing Operations</b>		
Revenue	-	-
Cost of goods sold	-	-
<b>Gross Profit</b>	-	-
Other income	-	-
Administrative expenses	(444)	(422)
<b>Operating loss</b>	(444)	(422)
Finance income	19	14
Exchange gain / (loss)	(11)	78
<b>Loss before income tax</b>	(436)	(330)
Income tax expense	-	-
<b>Loss from continuing operations</b>	(436)	(330)
<b>Discontinued Operation</b>		
Loss from discontinued operation	(106)	(858)
<b>Net loss for the year attributable to shareholders</b>	(542)	(1,188)
<b>Other comprehensive income</b>		
<b>Items that may be reclassified subsequently to profit or loss</b>		
Exchange differences on translation of overseas subsidiaries	2	17
Other comprehensive income for the year, net of tax	2	17
<b>Total comprehensive loss for the year attributable to shareholders</b>	(540)	(1,171)
<b>Total comprehensive loss for the year attributable to shareholders arises from:</b>		
Continuing operations	(436)	(330)
Discontinuing operations	(104)	(841)
	(540)	(1,171)
<b>Earnings per share for loss attributable to shareholders for continuing operations:</b>		
Basic loss per share (cents per share)	(0.1052)	(0.0796)
Diluted loss per share (cents per share)	(0.1052)	(0.0796)

CSM Group Limited  
 Consolidated Statement of Changes in Equity (unaudited)  
 For the year ended 30 June 2018

	Share Capital	Foreign Currency Translation Reserve	Accumulated Losses	Total Equity
	US\$'000	US\$'000	US\$'000	US\$'000
<b>Balance as at 1 July 2016</b>	<b>32,355</b>	<b>(491)</b>	<b>(28,207)</b>	<b>3,657</b>
Net loss attributable to shareholders	-	-	(1,188)	(1,188)
Other comprehensive income	-	17	-	17
Total comprehensive loss	-	17	(1,188)	(1,171)
<b>Balance as at 30 June 2017</b>	<b>32,355</b>	<b>(474)</b>	<b>(29,395)</b>	<b>2,486</b>
Net loss attributable to shareholders	-	-	(542)	(542)
Other comprehensive income	-	2	-	2
Total comprehensive loss	-	2	(542)	(540)
<b>Balance as at 30 June 2018</b>	<b>32,355</b>	<b>(472)</b>	<b>(29,937)</b>	<b>1,946</b>

**Consolidated Statement of Financial Position (unaudited)**

As at 30 June 2018

	<b>30.6.2018</b>	30.6.2017
	<b>US\$'000</b>	US\$'000
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	-	-
Intangible assets	-	-
<b>Total Non-Current Assets</b>	<b>-</b>	<b>-</b>
<b>Current assets</b>		
Cash and cash equivalents	1,792	1,961
Trade and other receivables	84	97
Inventories	-	228
Property, plant and equipment	-	348
Taxation receivable	166	174
<b>Total Current Assets</b>	<b>2,042</b>	<b>2,808</b>
<b>TOTAL ASSETS</b>	<b>2,042</b>	<b>2,808</b>
<b>LIABILITIES</b>		
<b>Current liabilities</b>		
Trade and other payables	96	322
<b>Total Current Liabilities</b>	<b>96</b>	<b>322</b>
<b>TOTAL LIABILITIES</b>	<b>96</b>	<b>322</b>
<b>EQUITY</b>		
Share capital	32,355	32,355
Reserves	(30,409)	(29,869)
<b>Total Equity</b>	<b>1,946</b>	<b>2,486</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,042</b>	<b>2,808</b>

	30.6.2018 US\$'000	30.6.2017 US\$'000
<b>OPERATING ACTIVITIES</b>		
Receipts from customers	414	482
Interest received	21	19
Payments to suppliers and employees	(991)	(920)
Income tax paid	(5)	(3)
<b>Net cash outflows from operating activities</b>	<b>(561)</b>	<b>(422)</b>
<b>INVESTING ACTIVITIES</b>		
Disposal of property, plant and equipment	363	128
Purchase of property, plant and equipment	-	(7)
Purchase of intangible assets	-	-
<b>Net cash outflows from investing activities</b>	<b>363</b>	<b>121</b>
<b>Net decrease in cash and cash equivalents</b>	<b>(198)</b>	<b>(301)</b>
Cash and cash equivalents at the beginning of the year	1,961	2,231
Effect of exchange rate changes	29	31
<b>Cash and cash equivalents at end of year</b>	<b>1,792</b>	<b>1,961</b>

The Group has identified its operating segments based on the internal reports reviewed and used by the Board of Directors in assessing performance and in determining the allocation of resources.

The Group is organised into the following main operating segments:

- China Scrap Metals Resources Pty Limited (CSM Ltd Australia) includes the now discontinued business operation in Australia that was involved in the processing of scrap metal for export sale to Chinese markets.
- Holding company New Zealand includes holding company costs and head office charges.

Revenue is allocated based on the country where the sale is generated. Expenses are allocated based on the country where the expense is incurred.

Total assets and liabilities are allocated based on where those assets and liabilities are located.

	Year ended 30 June 2018			Year ended 30 June 2017		
	CSM Ltd Australia	Holding Company New Zealand	Total	CSM Ltd Australia	Holding Company New Zealand	Total
	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000	US\$'000
Total inter-segment revenue	-	-	-	-	72	72
Total external sales revenue	394	-	394	479	-	479
Total EBITDA	(172)	(444)	(616)	(390)	(422)	(812)
Amortisation	-	-	-	(3)	-	(3)
Depreciation	-	-	-	(133)	-	(133)
Impairment recovered / (Impairment)	14	-	14	(247)	-	(247)
Provision for closedown costs	-	-	-	(95)	-	(95)
Finance income	2	19	21	5	14	19
Exchange gain / (loss)	50	(11)	39	5	78	83
<b>Loss before taxation</b>	<b>(106)</b>	<b>(436)</b>	<b>(542)</b>	<b>(858)</b>	<b>(330)</b>	<b>(1,188)</b>
Income tax expense	-	-	-	-	-	-
<b>Net loss for the year</b>	<b>(106)</b>	<b>(436)</b>	<b>(542)</b>	<b>(858)</b>	<b>(330)</b>	<b>(1,188)</b>
Allocated non-current segment assets	-	-	-	-	-	-
Additions to non-current assets	-	-	-	27	-	27
Allocated segment liabilities	-	96	96	233	89	322

The "Total EBITDA" measure above excludes foreign exchange gains / losses as well as net finance income and depreciation.