

CSM Group Limited

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

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	30.6.2018 US\$'000	30.6.2017 US\$'000
Continuing Operations		
Revenue	-	-
Cost of goods sold	-	-
Gross Profit	-	-
Other income	-	-
Administrative expenses	(430)	(422)
Operating loss	(430)	(422)
Finance income	19	14
Exchange gain / (loss)	(153)	78
Loss before income tax	(564)	(330)
Income tax expense	-	-
Loss from continuing operations	(564)	(330)
Discontinued Operation		
Loss from discontinued operation	(105)	(858)
Net loss for the year attributable to shareholders	(669)	(1,188)
Other comprehensive income		
Items that may be reclassified subsequently to profit or loss		
Exchange differences on translation of overseas subsidiaries	2	17
Other comprehensive income for the year, net of tax	2	17
Total comprehensive loss for the year attributable to shareholders	(667)	(1,171)
Total comprehensive loss for the year attributable to shareholders arises from:		
Continuing operations	(564)	(330)
Discontinuing operations	(103)	(841)
	(667)	(1,171)
Earnings per share for loss attributable to shareholders for continuing operations:		
Basic loss per share (cents per share)	(0.1361)	(0.0796)
Diluted loss per share (cents per share)	(0.1361)	(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
Balance as at 1 July 2016	32,355	(491)	(28,207)	3,657
Net loss attributable to shareholders	-	-	(1,188)	(1,188)
Other comprehensive income	-	17	-	17
Total comprehensive loss	-	17	(1,188)	(1,171)
Balance as at 30 June 2017	32,355	(474)	(29,395)	2,486
Net loss attributable to shareholders	-	-	(669)	(669)
Other comprehensive income	-	2	-	2
Total comprehensive loss	-	2	(669)	(667)
Balance as at 30 June 2018	32,355	(472)	(30,064)	1,819

Consolidated Statement of Financial Position (unaudited)

As at 30 June 2018

	30.6.2018 US\$'000	30.6.2017 US\$'000
ASSETS		
Non-current assets		
Property, plant and equipment	-	-
Intangible assets	-	-
Total Non-Current Assets	<u>-</u>	<u>-</u>
Current assets		
Cash and cash equivalents	1,653	1,961
Trade and other receivables	81	97
Inventories	-	228
Property, plant and equipment	-	348
Taxation receivable	166	174
Total Current Assets	<u>1,900</u>	<u>2,808</u>
TOTAL ASSETS	<u>1,900</u>	<u>2,808</u>
LIABILITIES		
Current liabilities		
Trade and other payables	81	322
Total Current Liabilities	<u>81</u>	<u>322</u>
TOTAL LIABILITIES	<u>81</u>	<u>322</u>
EQUITY		
Share capital	32,355	32,355
Reserves	(30,536)	(29,869)
Total Equity	<u>1,819</u>	<u>2,486</u>
TOTAL EQUITY AND LIABILITIES	<u>1,900</u>	<u>2,808</u>

	30.6.2018 US\$'000	30.6.2017 US\$'000
OPERATING ACTIVITIES		
Receipts from customers	414	482
Interest received	21	19
Payments to suppliers and employees	(996)	(920)
Income tax paid	(5)	(3)
Net cash outflows from operating activities	(566)	(422)
INVESTING ACTIVITIES		
Disposal of property, plant and equipment	365	128
Purchase of property, plant and equipment	-	(7)
Purchase of intangible assets	-	-
Net cash outflows from investing activities	365	121
Net decrease in cash and cash equivalents	(201)	(301)
Cash and cash equivalents at the beginning of the year	1,961	2,231
Effect of exchange rate changes	(107)	31
Cash and cash equivalents at end of year	1,653	1,961

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 US\$'000	Holding Company New Zealand US\$'000	Total US\$'000	CSM Ltd Australia US\$'000	Holding Company New Zealand US\$'000	Total US\$'000
Total inter-segment revenue	-	-	-	-	72	72
Total external sales revenue	394	-	394	479	-	479
Total EBITDA	(174)	(430)	(604)	(390)	(422)	(812)
Amortisation	-	-	-	(3)	-	(3)
Depreciation	-	-	-	(133)	-	(133)
Impairment recovered / (Impairment)	17	-	17	(247)	-	(247)
Provision for closedown costs	-	-	-	(95)	-	(95)
Finance income	2	19	21	5	14	19
Exchange gain / (loss)	50	(153)	(103)	5	78	83
Loss before taxation	(105)	(564)	(669)	(858)	(330)	(1,188)
Income tax expense	-	-	-	-	-	-
Net loss for the year	(105)	(564)	(669)	(858)	(330)	(1,188)
Allocated non-current segment assets	-	-	-	-	-	-
Additions to non-current assets	-	-	-	27	-	27
Allocated segment liabilities	-	81	81	233	89	322

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