

CSM GROUP LIMITED
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The Company is pleased to release its unaudited preliminary results for the year ended 30 June 2018.

Updated Preliminary Financial Statements for the year ended 30 June 2018 (unaudited)

CSM GROUP LIMITED		
Updated Results for Release to the Market		
Reporting Period	12 Months to 30 June 2018	
Previous Reporting Period	12 Months to 30 June 2017	
	Amount US \$000's	Percentage change
Revenue from ordinary activities - Discontinued activities	\$394	(17.75) %
Profit (Loss) from ordinary activities after tax attributable to security holder	(\$669)	43.69 %
Net Profit (Loss) attributable to security holders	(\$667)	43.04 %
Interim Dividend	It is not proposed to pay a dividend	
Record date	N/a	
Dividend date	N/a	

The Company's Presentation Currency is US Dollars

Results

The Group's preliminary financial results for 2018 are attached.

These attached results include:

- Statement of comprehensive income
- Statement of movements in equity
- Statement of financial position
- Statement of cashflows
- Segmental information

The Group's result shows a net loss of US\$669,000 for the year ended 30 June 2018. The total comprehensive loss for the year to 30 June 2018 is USD \$667,000. The company holds its cash reserves in Australian dollars as that is the currency where its major expenditure occurs but it reports in the Group's presentation currency of US Dollars.

The Company had 414,550,000 ordinary shares on issue during the reporting period. No shares were issued during the reporting period.

The net tangible assets per share as at 30 June 2018 is USD 0.44 cents (2017: USD 0.60 cents).

The basic and diluted loss per share for the 30 June 2018 period was:

- Continued activities USD 0.1361 cents (2017: USD 0.0796 cents).
- Discontinued activities USD 0.0253 cents (2017: USD 0.2070 cents).
- Total USD 0.1614 cents (2017: USD 0.2866 cents).

Directors' Report

CSM Group Operations

Following the decision last financial year to cease operations at its wholly owned subsidiary China Scrap Metal Resources Pty Ltd ("CSM Pty") the company has continued to wind down that business and proceed to a voluntary winding up of that entity.

The financial results reflect the decision to minimise costs, wind down and exit the Australian operation, CSM Pty.

The wind down has taken the following steps:

- CSM Pty has sold all of its scrap metal inventory.
- CSM Pty has sold all of its property, plant and equipment as the operations were wound down.
- CSM Pty employees' service with CSM Pty ceased on 30 September 2017.
- CSM Pty undertook a land reinstatement programme in respect of the site in Lara, to return the site to the state it was in as at the commencement of the lease.
- The Lara site has been formally handed back to the landlord.

As cash has been realised from the sale of inventory, property, plant and equipment and local liabilities satisfied, surplus funds have been transferred to the parent company, CSM Group.

Future Options

Following the winding up of CSM Pty, the Company will revert to operating as a listed shell, with considerable cash resources and no debt. The Company has no term liabilities, and will have limited ongoing liabilities, most of which are associated with maintaining a listing on the NZAX market.

The options available for CSM Group include:

- finding a business operation to invest in;
- undertaking a reverse listing of a business seeking a stock exchange listing;
- the voluntary liquidation of the Company, and the distribution of the net proceeds of the liquidation to the shareholders of the Company.

No decision has yet been made as to which course of action the Company shall take in the future.

Result

The financial result for the Group for the year ended 30 June 2018 is a loss of USD \$669,000.