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20 November 2014

The Manager, Listings (Melbourne)  
Australian Securities Exchange Limited  
Level 4  
Rialto North Tower  
525 Collins Street  
MELBOURNE VIC 3000

Dear Sir/Madam

**AGM ADDRESSES BY THE CHAIRMAN AND MANAGING DIRECTOR  
MANAGING DIRECTOR – NEW EMPLOYMENT CONTRACT**

**AGM Addresses**

In accordance with Listing Rule 3.13.3, we **attach** a copy of the addresses to be given by the Acting Chairman and the Managing Director at CSG Limited's Annual General Meeting today.

**Managing Director – New Employment Contract**

In accordance with Listing Rule 3.16.4, we **attach** as an Annexure a copy of the material terms of the Managing Director's new employment contract.

Yours faithfully,

Jillian Bannan  
Company Secretary  
CSG Limited



**CSG Annual General Meeting**  
**20 November 2014**  
**Speech by Philip Bullock – Acting Chairman**

Before I invite CSG's Managing Director, Julie-Ann Kerin to address you, I would like to congratulate management on achieving the growth targets that were set for the Company by the Board. The fact that there is solid growth on all key financial measures is testament to the hard work and single minded determination to make this Company succeed.

At the 2012 AGM, shareholders approved a Tax-Exempt Share Plan for employees and a Long Term Incentive Plan for executives which has resulted in the Company having more than 90% of staff as shareholders and management achieving Stage 1 of the Long Term Incentive Plan. The aligned interests of staff and shareholders is an achievement that the Board is very pleased with.

In addition, the Board is pleased to announce the extension of Julie-Ann Kerin's contract as Chief Executive Officer and Managing Director. She is currently employed under a service agreement until 31 January 2015 and today we have agreed to enter into a new continuing contract. In light of Julie-Ann's outstanding leadership today and given the achievements we have made, the Board is strongly of the view that she is the best person for the role. Securing Julie-Ann's services on an ongoing basis will provide the stability and strength to CSG's leadership team.

It now gives me great pleasure to introduce our Managing Director, Julie-Ann Kerin, to present to shareholders in relation to CSG's operational performance for the 2014 financial year.

**Speech by Julie-Ann Kerin – Managing Director**

Thank you for the introduction Phil and I would like to welcome you all here today.

This year CSG has delivered solid growth on all key financial measures. The results of 2014 confirm that our strategic five year plan for the business is on track and when fully executed will continue to deliver a positive outcome for shareholders.



Our focus for 2014 was to put in place the building blocks for the future growth of the Company. In 2014 we commenced our growth goals with revenue increasing by 10% on the previous year to \$199.2 million.

Our business transformation plan was a key focus as we prepared to rollout a world class cloud based IT platform across the whole business, we kicked off our new relationship with Samsung and began our vision of providing a full suite of technology products, financed by our own leasing company and fully backed by the high quality service CSG is recognised for.

### **Financial Achievements**

Our 2014 financial results were pleasing across all key areas. For the full year, our underlying EBITDA was \$29.1 million which represented a 26% growth on a proforma basis on the previous corresponding period. There was continued strength in underlying EBITDA margins which grew to 14.6% from 12.6% in 2013.

Underlying NPAT was up 22% to \$19.0 million and our CSG Finance lease receivables book exceeded expectations by growing by 40% to close at \$161.5 million.

Capital management has been a strong focus for the Board of CSG and we have returned to shareholders a total of \$109 million over the past two years in the form of share buybacks, capital returns and dividends.

In our Business Solutions business, we have begun the transformation of the business from a provider of print solutions to a single source technology solutions provider. Our goal in this business is to bring back consultancy and service to the small and medium enterprise customer. Fundamental to this vision is our all-encompassing leasing solution, which is now entering its second year in Australia, leveraging off the highly successful New Zealand business model and expertise.

The launch of the Samsung relationship in 2014 will provide a platform for increasing revenue from existing customers as well as finding paths into new customers with new products and services in 2015. In the launch phase the average sale of non-print products was \$30,000 in revenue per customer.



In New Zealand, we've also acquired the largest HP reseller and launched our relationship with 3D Systems, a leading global 3D printing company. This enables us to move into new markets, with new and different products.

We have also established a new online transactional model through our new website which is showing encouraging signs. The conversion of web to leads has doubled and we are reaching markets where we do not currently have a physical presence including Tasmania, regional New South Wales, regional Queensland and regional Victoria.

In the Enterprise Solutions business our new, disruptive business model is the basis for continued growth in the sales pipeline. We have established a new Print as a Service model which is predicated on the concept of delivering a service not a device. The model is based on annuity service fees, rather than the traditional transactional based model. In 2014, we have won contracts with new and existing customers including: the renewal of our contract with the University of Melbourne for a further three years, New Zealand Police, University of Sydney, Mirvac, Bank of New Zealand and the continued rollout into Queensland Department of Education.

In the first half of 2015, we have been appointed to the Whole of Queensland Government's Standing Offer Arrangement for the provision of print and imaging as a service. This effectively is a compulsory panel arrangement for all Queensland departments and agencies to use when they are buying print and imaging services.

It is a good win for our new offering of Print as a Service and confirms that our approach is consistent with customer demand. It will complement our Standing Offer Arrangement with the Queensland Department of Education to provide print services. There are only three companies on this panel and CSG is the only full service non-manufacturer. This contract provides us with an opportunity to manage any device as a service across Queensland Government.

We have also won another contract with a leading Australian University for the provision of managed print services. This will be rolled out in the second half of 2015. This is in line with our planned objective of winning one enterprise contract each half.

The pipeline in the enterprise business has continued to grow in line with expectations and we look forward to Enterprise Solutions growing in the coming years.



The CSG Finance business delivered a strong performance for 2014 supported by continued low level of bad debts, operational efficiencies and low interest rates. The Australian business continued to convert 95% of customers to CSG Finance and commenced financing non-print products from the Samsung range.

During the year we completed a refinancing of all facilities with two major banks.

In 2014, we commenced our business transformation plan and began rolling out our new mobile and cloud based IT platform which will transform the way we manage all aspects of our business at CSG. This platform will replace more than one hundred legacy systems and is built around the Salesforce.com platform.

Our dedicated staff have continued to be at the heart of everything we do. I would like to thank shareholders for their continued support of the Long Term Incentive Plan and the Tax-Exempt Share Plan for employees. The alignment of employee incentives with shareholder objectives certainly assists in bringing focus to the organisation.

## Outlook

The priorities for 2015 are in line with previously stated objectives:

- Continue to grow the product and services offerings for small and medium enterprise customers by launching our first phase of cloud applications in January of 2015.
- Launch the sale of non-print Samsung products in the New Zealand market.
- Further develop our online transactional model.
- Look for opportunities to grow the IT managed services business in New Zealand now that the NEC restraint is completed.
- Continue to build the pipeline and grow customers in the Enterprise Solutions business.
- Look for opportunities to work with other originators in the CSG Finance business.



### **Our full year guidance remains**

- Forecast underlying EBITDA (excluding LTIP) to be in the range of \$32 - \$34 million. This represents 10% to 17% growth on FY14.
- Targeting revenue of greater than \$220 million.
- Finance receivables expected to exceed \$180 million which represents growth of at least 10%.
- Capital expenditure to be in the range of \$2.5 million to \$3.5 million.
- Maintain \$25 million (9 cents per share) return to shareholders.

### **Conclusion**

Before I hand back to Phil, I would like to thank one of our founding Board Members, who is stepping down at this AGM, Ian Kew. Ian has been on the Board of CSG since 2007 and has made a significant contribution to the development of the Company. He's also brought his skills to be Chair of our Audit Committee. Ian, on behalf of our Chairman and also personally, I say thank you.

I would also like to welcome our new Board members, whose election is being voted on today. In the election of Stephen, Robin and Mark, we are gaining considerable depth and expertise for CSG and I look forward to working with you.

Thank you

**Annexure**  
**Managing Director/Chief Executive Officer Contract**

In accordance with ASX Listing Rule 3.16.4, a summary of the material terms of the new service agreement is as follows:

- Effective from 1 September 2014 with no fixed term.
- Total annual fixed remuneration of \$622,616 inclusive of superannuation and a company vehicle, subject to an annual review by the Board.
- Participation in a short term incentive plan with a short term incentive opportunity of up to \$200,000 per annum, subject to the achievement of pre-determined key performance indicators and the Company's Remuneration Policy.
- Participation in the long term incentive plan (LTIP), including in accordance with the grant approved by shareholders at the 2012 Annual General Meeting. In that regard, consistently with the Board's discretion under the original terms of grant:
  - if the Company terminates the services contract (other than for cause) Ms Kerin will be entitled to retain the Retention Award Performance Rights and may be entitled to retain some Stage 1, 2 and 3 Performance Rights in the LTIP (subject to the Board's assessment of performance over the period served); and
  - performance rights may be subject to accelerated vesting in certain circumstances of a change of control.
- Employment may be terminated by either party by giving 6 months' written notice.
- Employment may be terminated by the Company in the event of the employee's serious misconduct or non-rectified material breach.
- Ms Kerin will be subject to a 6 month post-employment restraint period.
- The employment arrangements are subject to compliance with all applicable laws, including the Corporations Act and the ASX Listing Rules.