

3 November 2016

Market Announcements Office  
Australian Stock Exchange

Dear Sir

**2016 AGM ADDRESS TO SHAREHOLDERS**

The Company will address shareholders today at its Annual General Meeting, held at 10am at 3 Minna Close, Belrose NSW.

Attached is a copy of the Chairman's address, the Managing Director's address and the AGM slides.

Yours faithfully



Daniel Wall  
Company Secretary

3 November 2016

**AGM 2016  
CHAIRMAN'S ADDRESS TO SHAREHOLDERS**

Good morning and welcome to Infomedia Limited's 2016 Annual General Meeting.

My name is Bart Vogel and it is my absolute pleasure to be here this morning as your Chairman. On behalf of the Infomedia Limited Board, I would like to thank you for your support of Infomedia Limited in the 2015/2016 Financial Year.

You will have noticed that the 2016 Annual Report before the meeting was signed by Fran Heron, our former Chairman. Fran retired from the Board at the end of August, in line with her goal of guiding the company through this transition year. I want to extend my sincere appreciation to Fran, on behalf of the Board, management and the shareholders for 16 years of outstanding service to the company.

**A Year of Transition**

2016 has been a year of transition for Infomedia. The company has continued to evolve from its inception in the late 1980's, as a founder-led, electronic parts catalogue publishing business to that of a global, publicly listed software as a service (SaaS) company.

At this time last year, your Board made a commitment to change. That change was essential and has resulted in a process of renewal for Infomedia. We highlighted the need to substantially lift the level of investment in product development and indicated that the appointment of a new Chief Executive Officer (CEO) was a priority.

In March 2016, Jonathan Rubinsztein commenced in the role of Managing Director and Chief Executive Officer (CEO). Jonathan's extensive experience as an entrepreneur and later as a corporate executive in the technology sector, made him an ideal candidate to take Infomedia forward.

In April 2016, Infomedia appointed Richard Leon as Chief Financial Officer (CFO). Richard brings significant depth to the role having previously been the CFO of Altium Limited. Jonathan, Richard and the management team have taken substantial steps in driving Infomedia towards its future growth as a software as a service or SaaS company.

In May 2016, Jonathan completed a full strategic review of Infomedia's operations and organisational capabilities culminating in a commitment to improve in five key areas. The approach included simplifying the business, driving sales performance, prioritising delivery, aligning Infomedia's internal culture to growth and providing greater transparency. Jonathan will say more about his progress in each of these areas when he addresses the AGM.

The Infomedia Board is fully supportive of these initiatives and we are confident they will result in the company continuing to deliver strong underlying revenue growth in the high single digits, in line with industry growth rates.

In July 2016, Infomedia made the long overdue move to our new development campus and headquarters in Belrose, North of Sydney.

### **FY2016 Financial Results**

I would like to comment on our 2016 results. Our results reflect both the ongoing sales momentum and the accelerated investment in product development. Our sales revenue was \$68m, an increase of 13% on the previous corresponding period. Net profit after tax was \$10.3m, down from \$13.2m in the previous year, and in line with the guidance we provided in May around the investments we have made in the past year.

The renewed emphasis on sales and delivery during the year resulted in Infomedia securing a significant contract with Nissan Europe to deliver our world-leading Superservice product suite across their European dealership network. We look forward to a long and successful relationship with this leading automaker.

The Board believes the FY16 Results reflect the hard work involved in implementing the change to build a foundation for future growth in revenue and productivity.

### **Future Outlook**

As I look to the future of the business, I am optimistic. The financial position of Infomedia remains strong with net current assets of \$13.2m at 30 June 2016 including cash and equivalents of \$14.7m. Infomedia carries no debt.

Revenue growth should maintain current momentum as the benefits of investment and structural changes flow through. We see continuing top line growth in every region and importantly, in every product line. Infomedia has a strong pipeline of opportunities across the globe and we are encouraged by the progress we are making in each of our product segments.

### **Strategic Focus**

Infomedia operates in an exciting, but highly competitive global industry. Opportunity is present and attainable in each of our markets and in each of our current products. However, to secure this growth in our core business we need to invest in our product development and our execution capability. This continued investment is necessary in order to realise sustainable growth for our shareholders, deliver value to our existing and future customers and attract talented employees.

Whilst the core of today's business offers organic growth potential, the Board will consider M&A opportunities as they arise. We have growth options in a number of near adjacency areas - from

new geographies, to new products, new global Automaker (OEM) customers, and new channels to market. The most powerful path to growth however, remains in executing on our core promise to our existing loyal customers.

### **Board Renewal**

In October, I took over the role of Chairman and have enjoyed my interaction with the management team, the Board and shareholders as we shape the exciting future of this business. I look forward to an ongoing open and collegiate interaction with shareholders as we grow the business.

I would like to thank my fellow Directors for their dedication and contribution during the year. Let me make special mention of Paul Brandling who joined our Board just 5 weeks ago. Paul is the former CEO of Hewlett Packard in Australia and South Pacific, and has a great track record and reputation in the IT and software industry. Paul is on the board of Integrated Research, another listed Australian software company...but more importantly, Paul is a motor vehicle fanatic at heart. I am confident he will make a huge contribution to Infomedia.

On behalf of the Board, I would also like to thank Jonathan and the management team for their keen focus and perseverance to drive change in the business during the year. To every one of Infomedia's talented employees in Australia and overseas, I extend our thanks on behalf of the Board for your commitment, particularly during uncertain times of change, to Infomedia's renewal and growth.

Thank you again for your support. I will now hand over to Jonathan to present an overview of the business and our work to build a stronger Infomedia.

ENDS



Good morning. Thank you Bart.

It is my pleasure to be here this morning to overview Infomedia's 2016 financial year performance and talk about some of the changes implemented at Infomedia since I joined the company in March this year.

Before, I preview the highlights I thought I might take a moment and speak about Infomedia in terms of what I like about the company and why I joined in the role of CEO.

Infomedia is a fantastic company and it has a leadership position in a high value add segment of the global automotive industry. We are a rare example of an Australian technology company that has an international footprint. At the heart of our business, we sell software as a service to our customers, global Automotive manufactures' and their dealerships. More than 90% of our Revenue is recurring.

I am really excited by the opportunity to be part of Infomedia. The challenge in this phase of our development is all about execution. I now believe we have the team to deliver on this challenge.

- FY15/16 was a year of significant change:
  - Leadership changes in Management and Board
  - Accelerated investment in product development
  - Process simplification
  - Focus on sales and growth strategy
- Revenue increase in all regions and across all products
- Management implemented five-point plan to deliver efficiencies (May 2016)
- Strong pipeline growth across all three regions
  - Existing contracts renewed, growth in new markets
- New partnerships and agreement with new auto manufacturer (Nissan Europe)

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So let's take a look at some highlights for the year ...

Since I joined in March and our CFO Richard Leon joined in April, we have continued to focus on delivering long term sustainable growth in the business.

Our earnings for FY16 came in where we expected and in line with our indication to the market in May.

The second half of FY16, from January to the end of June ... was a period of tremendous change. We delivered a clear and necessary strategy for the near term based on the 5 key areas of improvement; to simplify the business, drive our sales, prioritise delivery to our customers, align the culture of Infomedia to accountability and growth and provide greater transparency to our employees, our customers and our shareholders.

There are a lot of positives emerging as a result of the work we have put in since April ... and we are feeling confident that this strategy is gaining traction and we see growth in both our sales and improved efficiencies.

Some of the initiatives undertaken include product enhancements and platform integration in our Superservice product.

What we do INFOMEDIA™

 <p>Automaker</p>	<p>Offering</p> <ul style="list-style-type: none"> <li>• Data licence agreements</li> <li>• Channel support</li> <li>• Market endorsement</li> <li>• Data management</li> </ul>	<p>Product</p> <ul style="list-style-type: none"> <li>• Electronic Parts Catalogue</li> <li>• Service quoting system</li> <li>• Vehicle inspection system</li> </ul>	
 <p>Dealer</p>	<p>Offering</p> <ul style="list-style-type: none"> <li>• Subscription based products</li> <li>• Training</li> <li>• Support</li> </ul>	<p>Product</p> <ul style="list-style-type: none"> <li>• Electronic Parts Catalogue</li> <li>• Service quoting system</li> <li>• Vehicle inspection system</li> </ul>	
 <p>Independent motor trade</p>	<p>Offering</p> <ul style="list-style-type: none"> <li>• Subscription based products</li> <li>• Training</li> <li>• Support</li> </ul>	<p>Product</p> <ul style="list-style-type: none"> <li>• Mechanical EPC</li> <li>• Collision EPC</li> <li>• Vehicle inspection system</li> </ul>	

Our software helps drive business performance, customer retention and profits

I'd like to spend a little time talking about our products.

As I mentioned, Infomedia sells software as a service to our customers, global Automotive manufactures' and their dealerships.

We have an enviable competitive advantage in that more than 90% of our Revenue is recurring.

We operate in 2 key markets, Parts and Services, within the Original Equipment Manufacturer (OEM) or Automaker industry. Our customers are global Automakers, their dealerships and the Independent motor trade. We sell three core products, an electronic parts catalogue to the Parts sector, as well as a service quoting system and a vehicle inspection system to the Services sector.

Infomedia's software supports our customers to drive business performance, customer retention and profits.

- Revenue \$68m up 13% on pcp
- NPAT \$10.3m down 22% pcp
  - Investment in product development and sales capacity
  - FX contract losses
- Result reflects:
  - Investment in future growth
  - Restructuring costs linked to centralising support functions
- Cash of \$14.7m
- No debt

	2016	2015	
	AUD 000's	AUD 000's	%
Revenue	68,087	60,385	12.8
NPAT	10,323	13,232	(22.0)
Earnings per share (cents)	3.33	4.30	(22.5)
Dividend per share (cents)	2.65	3.64*	(27.2)

\*excludes special dividend of 0.25 cents

Turning to the financial highlights for the 12 months ending 30 June 2016 ...I'd like to highlight 3 areas: Revenue strength, Expense discipline and our cash position:

### Revenue strength

- Over 80% revenue outside of Australia
- Over 90% revenue represented by recurring revenue
- We have had a solid exit monthly recurring revenue at June 2016

### Expense discipline

- Accelerated investment in sales capacity and product delivery during FY16
- Sets up the starting expense run-rate heading into FY17
- FY17 investment is still needed to continue to drive growth. Costs will be managed so as not to exceed the rate of revenue growth

### Strong cash position

Finally, we have closed the year strongly with a 14.7m cash flow position

- Revenue increases across all three regions
- Regional management will be measured on growth in local currency
- More focussed approach to hedging introduced for FY17

	2016	2015	%
Revenue by geographical location			
	000's	000's	
Asia Pacific (AUD)	15,749	14,882	5.8
EMEA (EUR)	19,958	18,943	5.4
Americas (USD)	16,044	15,312	4.8
Group revenue (AUD)	68,087	60,385	12.8

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As a result of a number of the initiatives I mentioned previously, we are seeing an increase in revenue across all three regions in which we operate ...Asia Pacific, Europe and the Americas.

We will now measure the performance of our regional operations in local currency.



I previously mentioned the 5 keys areas that we are focussed on across the business and I would like to spend sometime on each of these to highlight the progress that has been made in the time that I have been on board.

The first of these initiatives is simplifying Infomedia's business ...

We are confident we have identified areas that could have been working better ... and have taken steps to improve our operations including ...

Improving how we operate from end to end ... we are very focussed on our customer and with that in mind we look at the operation from design - to build and then to release of product ... .... What can we do ... for our customers, the manufacturer, the dealer and the driver

We've Centralised marketing

We've Simplified structures

In summary, I am aiming to create a scalable structure to support future profitable growth.

Creating a focussed sales organisation INFOMEDIA™

- IFM focussed on two core markets, Parts and Service, within the global auto industry
- Introduction of Product leaders working closely with Regional leads to bring IFM closer to the customer
- Seeing increase in Superservice sales in the US (2H17 revenue impact)
- Engaged additional industry partners to expand global sales coverage
- Stronger pipeline across all regions in all three products (EPC, Menus & Triage)
- Several contract wins, largest with Nissan Europe (Menus)

In terms of driving our sales performance ...

We have seen an increase in sales across all regions in all products. In August, we announced we had signed a contract with a new original equipment manufacturer or Automaker Nissan Europe ... to roll out our Superservice product to a large number of their dealers across the European continent.

We've also saw renewal of a number of existing contracts with global Automakers.

We are making strides in leveraging opportunities with our Automaker relationships across all regions.

And we see a strong pipeline.

Our ability to execute and deliver to the demand will be key to our ongoing success.



So what are we doing to prioritise delivery?

In the period ending 30 June 2016, we completed integration with Dealer management system or DMS provider Reynolds & Reynolds and we are certified.

We are integrating with a number of DMS providers across Europe ... keeping in mind the US and Europe operate quite differently. The US is dominated by a few large DMS providers. In Europe, the market is more disparate.

We see our level of DMS integration across all three regions as a competitive advantage.

During the period we also entered into partnerships Pentana and Autoloop who resell our products and provide IFM greater global reach.

We also introduced offshoring of some of our technology initiatives, enabling the company to scale up or down to meet demand.

However, the core development of our software remains with our in house technology team.



A lot of effort is going on behind the scenes to align Infomedia's culture to growth. Culture while difficult to measure, is at the heart of the success of every growing company.

Instead of me telling you this ... I'd like to give you an opportunity to hear it for yourselves.

The last six months have been challenging for our employees. Change can be difficult. But I am very proud of what we are beginning to create which is a culture of autonomy and accountability.

Our plan is to grow this company and create a company that is recognised globally for quality.

We are determined to develop a culture that supports the infrastructure for that growth and we will do that by being:

Outcome focussed...Customer focussed...

Focussed on growth ... at every level of our company ... from the mail room to the Board room (that might be the email room)

Committed to better engagement

INFOMEDIA™

01 Simplify the business

02 Drive sales performance

03 Prioritise delivery

04 Align culture to growth

05 Provide transparency

- New leadership actively engaged with the investor community
- Strategy presented in May - committed to improve in 5 key areas
- Clear strategy to engage with employees, customers and shareholders

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And finally, the fifth area of focus for Richard and I in particular is transparency ...

When Richard and I arrived earlier this year, we spent a lot of time talking to our employees and our customers. We received feedback from shareholders and I have talked personally with our larger shareholders and the equity analysts.

The reactions were direct and constructive and the strategy we introduced and have been discussing this morning was created to address a lot of the feedback we received.

There has been leadership change at management and Board level. We have a strategy and resources in place to communicate with the market. We are conscious of managing expectations and ensuring the information we deliver is meaningful.

And we have an ongoing commitment to improve our communications at every level ... (from our manufacturer customers to the end user of our products).

Growth will take time. But we are encouraged by what we are seeing to date.

- Automotive Parts & Services is a growing and exciting industry
  - Strong pipeline of customer demand
  - New opportunities emerging
- 2015/2016 has been a year of change and transition
- Near term strategy is delivering results - realising full benefit will take time
  - Seeing renewed momentum in sales of all products in all regions
  - Execution is critical
  - Lag to revenue; focus on exit monthly recurring revenue (MRR)
- Increased investment remains critical to growth
  - Product development progress
  - Increased sales capacity

So in summary ...

Infomedia is in an exciting industry ... there is a strong pipeline and new opportunities are emerging.

There is momentum and a renewed energy and focus across the team .... And we are seeing growth in all regions in which we operate.

The investment we have put in is starting to pay off ... we are making progress in our product development and we are increasing our sales capacity.

We have challenges ... and growth will take time but the opportunity is there and ours for the taking and that is precisely why I joined this company.

- Near term focus continues to be improvement in five key areas
- We continue to renew existing contracts, win contracts and see a solid pipeline in all regions
  - As expected Q1 monthly recurring revenue (MRR) growth has been modest, revenue momentum gaining in Q2
- Maintain FY17 revenue growth to be in the high single digits, in line with the industry growth rate, as per previous guidance
- Modest margin improvement through disciplined cost control; current costs contained to FY16 run-rate
- Beyond FY17, IFM will continue to focus on growth opportunities through:
  - Product enhancements
  - Adjacencies
  - Acquisitions

Looking ahead ...

Our efforts will continue in the 5 key areas

We are continuing to renew contracts, win contracts and see a solid pipeline in all regions.

As previously indicated, revenue growth will be in the high single digits in line with industry growth.

Beyond that we will continue to look at product enhancements and improve end to end platform integration for our customers.

I thank you for your time this morning.

I'd now like to pass back to your Chairman, Bart Vogel.

Thank you



Global leaders in parts and service software



Annual General Meeting

3 November 2016

## Voting Entitlement

The persons entitled to vote on this poll are all shareholders, representatives and attorneys of shareholders, and proxyholders who hold **GREEN** admission cards. You must lodge your voting card for your votes to be counted.

## Shareholders

On the reverse of your **GREEN** admission card is your voting paper which details the resolutions being put to this poll. Please mark the '**FOR**', '**AGAINST**' or '**ABSTAIN**' box for each resolution in accordance with your voting intentions.

## Directed Proxy Holders

If you are a **proxyholder** and have **only directed votes** as shown on the summary of votes attached to your **GREEN** admission card, please print your name, sign the voting paper and lodge it in the ballot box.

## Undirected Proxy Holders

If you are a **proxyholder** with **open votes**, please mark a box beside the resolution to indicate how you wish to cast any Open votes.

## Results

The results of the poll will be published to the ASX as soon as practicable after today's meeting

## Voting Assistance

If you require voting assistance, please proceed to the Registration Desk and representatives of Boardroom will assist

# Proxy Voting Summary



RESOLUTION	TOTAL PROXY VOTES	FOR*	AGAINST
1. Adoption of Remuneration Report	164,878,081	139,008,297 (84.31%)	25,869,784 (15.69%)
2. Election to Director: Paul Brandling	167,143,004	166,515,859 (99.62%)	627,145 (0.38%)
3. Election to Director: Clyde McConaghy	167,202,351	166,453,670 (99.55%)	748,681 (0.45%)
4. Increase to Director Fee Cap	167,120,243	163,777,253 (98%)	3,342,990 (2%)
5. Revised Infomedia Constitution	166,960,491	166,208,981 (99.55%)	751,510 (0.45%)

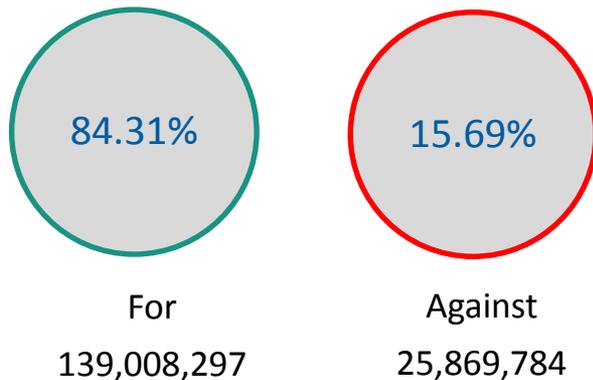
**Note:** \*Figures include all votes open to the Chairman which have been directed in favour of all resolutions

To pass the following advisory resolution:

*That the Remuneration Report for the year ended 30 June 2016 be adopted.*

### Proxy Summary

A total of 164,878,081 valid proxies were received, of which:

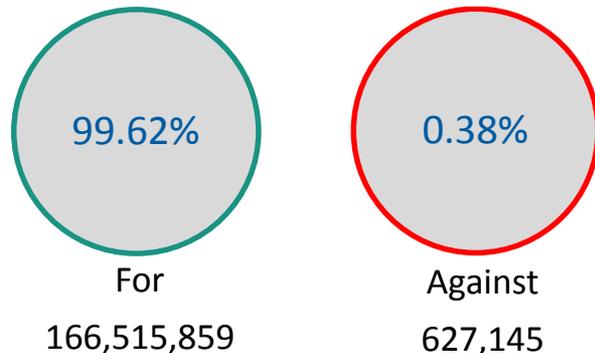


To pass the following ordinary resolution:

*That Mr. Paul Brandling, a Director who was appointed since the last AGM to fill a casual vacancy, and who is retiring from office in accordance with Rule 7.1(d) of the Company's Constitution, be elected as a Non-Executive Director of the Company.*

### Proxy Summary

A total of 167,143,004 valid proxies were received, of which:



# Resolution 3

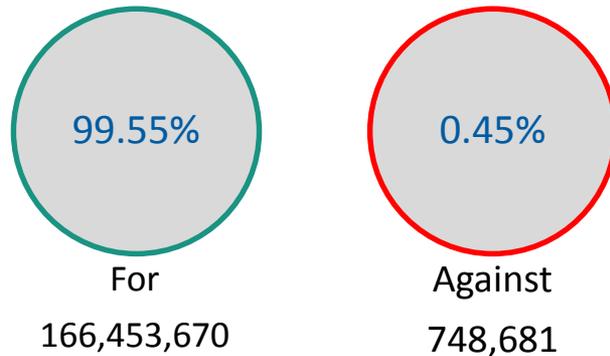
## Re-election of Mr. Clyde McConaghy

To pass the following ordinary resolution:

*That Mr. Clyde McConaghy, a Director retiring from office by rotation in accordance with Rule 7.1(f) of the Company's Constitution, be re-elected as a Non-Executive Director of the Company.*

### Proxy Summary

A total of 167,202,351 valid proxies were received, of which:



# Resolution 4

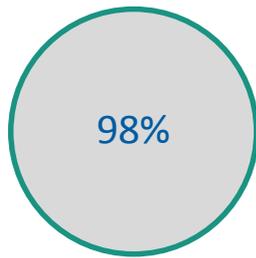
## Increase of Non-Executive Director Aggregate Fee Cap

To pass the following ordinary resolution:

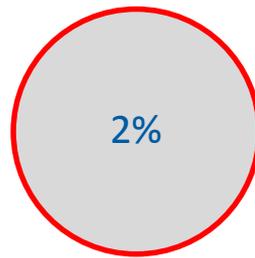
*That for the purposes of rule 7.3(b) of the Company's existing Constitution (and rule 7.3(b)(i) of the revised Constitution as contemplated by Resolution 5 below), Listing rule 10.17 and for all other purposes, the maximum aggregate annual Director's fees payable to Non-Executive Director's be increased by \$100,000 from \$450,000 per annum with effect immediately following the close of the Company's 2016 AGM.*

### Proxy Summary

A total of 167,120,243 valid proxies were received, of which:



For  
163,777,253



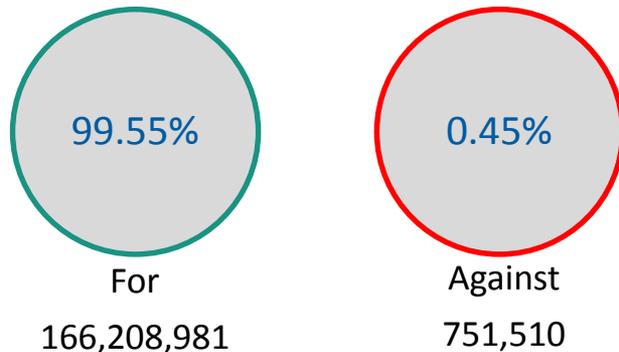
Against  
3,342,990

To pass the following special resolution:

*That, pursuant to section 136 of the Corporations Act 2001 (Cth), the Infomedia Constitution tabled by the Chairman at the AGM be adopted, reflecting the amendments summarised in the Explanatory Note to this Notice of Meeting, with effect from the close of the Company's 2016 AGM.*

### Proxy Summary

A total of 166,960,491 valid proxies were received, of which:



- Voting will close in 15 Minutes
- Please complete your voting cards and place them in the ballot boxes at the Registration Table
- The results of the poll will be published to the ASX later today

Thank you