

# Annual General Meeting 2005

29 November 2005

## Chairman and Managing Director Addresses



## In Attendance

Chairman - John Read

Managing Director - Jonathan Kahn

Non- executive Directors – Peter Frampton, Elliott Kaplan

Company Secretary and CFO – Mark Saus

Auditor – Philip Meade, HLB Mann Judd



# Meeting Format

Chairman's Welcome

Advice of Quorum

Managing Director's Address

Questions

Motions before Meeting

Close



## Managing Director's Address

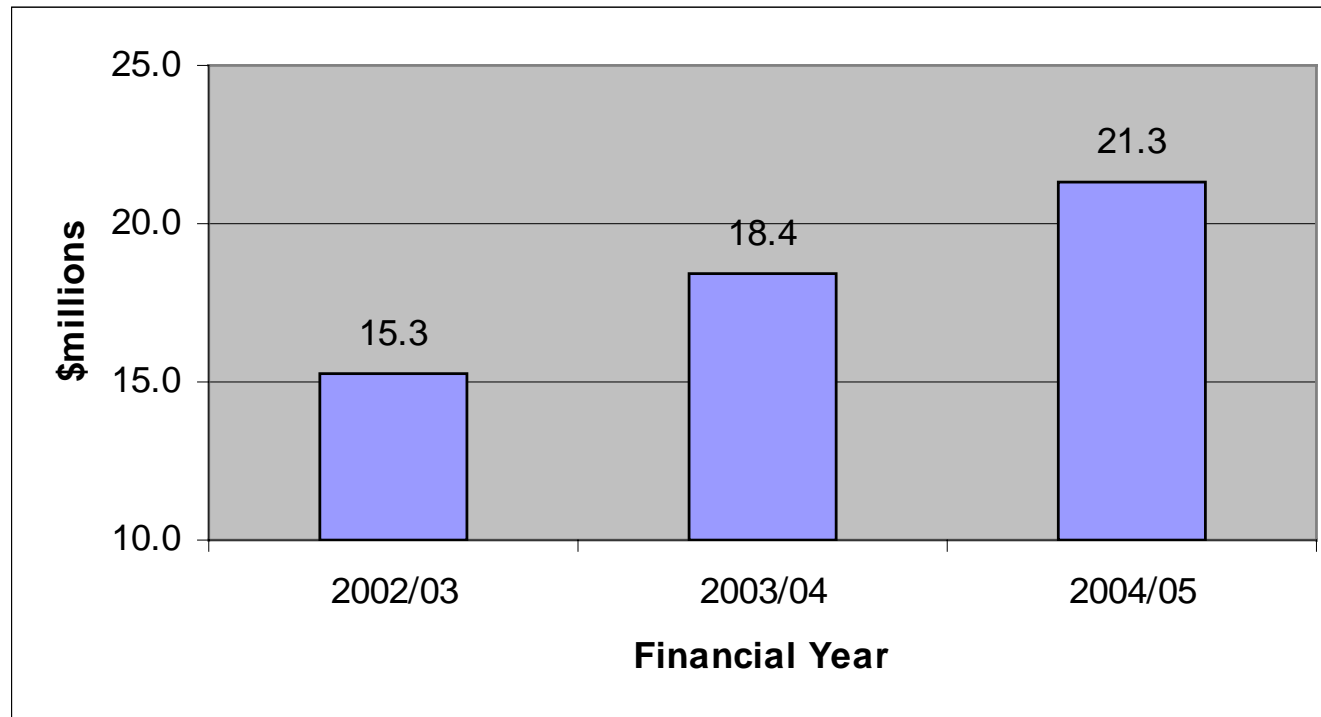
### **2005 Highlights**

- successful float of company – oversubscribed
- continued growth in revenue
- revenue growth up 15.9% to \$21.3m
- Profit before tax grew by 4.1% to \$2.55m
- EPS normalised of 4.5 cents per share



# Managing Director's Address

## Revenues 2003 to 2005



## Managing Director's Address

- exceeded Prospectus profit forecast
- continued strategy of consolidating the fragmented packaging distribution market
- made further acquisitions



## Managing Director's Address

### **First quarter performance to 30 September 2005**

- Revenue up 18.5% over corresponding period last year
- Revenue is above Prospectus forecast
- Tougher retail trading conditions (Pro – Pac supply to “Pick & Pack” operators servicing retailers)



## Managing Director's Address

### **Margin Pressure**

- competitive market-forced to match competitors' pricing
- increased cost of petrochemical based products
- product mix changes



## Managing Director's Address

### **Overheads**

- increased oil prices have increased freight costs
- significant investment in IT and CRM systems which will improve future performance



## Managing Director's Address

### **Profit before tax**

- First quarter Profit before tax of \$550,000 below pro-rata Prospectus forecast for above reasons



# Managing Director's Address

## Outlook

- Expect continued sales growth for the remainder of the fiscal year
- Improved profitability over 1<sup>st</sup> quarter result



# Managing Director's Address

## Growth Strategy

- **continued product development**
  - **Pad Loc** launched November 2005
  - **Retail Pac** launched November 2005
- **acquisitive**
  - consolidation of industrial packaging market
  - continue to assess opportunities – price must improve earnings
- **cross selling**
  - acquisitions offer opportunities to cross-sell to expanded customer base



## Managing Director's Address

### **Dividends**

- 0.5 cent special dividend in respect of 2005 financial year to be paid in March 2006
- expect to pay dividends in accordance with the Company's dividend policy stated in the Prospectus

