



ASX RELEASE

Annual General Meeting – 22 November 2018

Attached is a copy of the Chairman's Address which will be delivered today at the Annual General Meeting of Cabcharge Australia Limited held at The Westin Sydney.

Adrian Lucchese
Company Secretary



**Chairman's Address
Annual General Meeting
Thursday 22 November 2018
The Westin Sydney**

Ladies and gentlemen welcome to Cabcharge's 2018 Annual General Meeting.

This year's AGM is a special one in that we believe it marks the commencement of a new era under a new corporate identity if approved later in the meeting.

As the industry emerges from a period of regulatory change, we have redefined and reshaped the Cabcharge business in order to grow and keep pace with today's technological world. We support Taxi industry participants and travellers getting from A2B with a range of innovative payment products and services. Your Company also operates the 13cabs Network in several metropolitan and regional hubs across the country with close to 10,000 vehicles utilising Cabcharge's proprietary booking and dispatch services. In FY18 we reinvigorated the 13cabs brand creating a stronger identity to align our operations nationally. We also rebranded and refreshed our Cabcharge corporate accounts business and increased its salesforce.

Our balance sheet remains particularly strong as we diversify into new revenue opportunities including a Government Contract to transport school children in Adelaide; an on-demand public transport trial in New South Wales, and a courier service business in Brisbane. We also continue to deliver innovative payment solutions and software to a range of clients outside the Taxi Industry.

During FY19 we will continue our strategic investments in technology and marketing with an emphasis on the quality and consistency of our service offerings.

Name change

Your Company has evolved from producing the world's first electronic payment method pre-dating bank cards in Australia into a modern day disruptor offering the world's first digital payment method for Taxis in 2018.

While supporting the Taxi industry across Australia will remain at the core of our DNA, we believe the name A2B more accurately reflects the scope and nature of our activities – both present and importantly, in the future. The legacy of the Cabcharge brand will live on through our corporate accounts business, and our affiliated Taxi fleet will continue to be recognised as 13cabs and Silver Service.

The last resolution for today's meeting seeks your approval to change our corporate name. On behalf of the Board thank you for your feedback and support.

Positioned for growth

In FY18 the Board and Management followed through on a commitment to increase investments in marketing and technology and we are seeing the benefits with momentum



building across all core revenue streams including payment turnover and affiliated fleet. While there is some flexibility in our cost base, our immediate focus is on service improvements and innovative technology initiatives.

Total revenues increased by 22% following organic growth in payment turnover that has been well supported by the pleasing take-up of our handheld payment terminals and growth in affiliated fleet coupled with the acquisition of Yellow Cabs Queensland.

Cabcharge made a net profit after tax from continuing operations of \$13.6 million (calculated on an underlying basis) for the 2018 financial year and our reset earnings base which accounts for continued regulatory impacts and reflects our increased investment in people, marketing and technology.

While the regulatory environment is stabilising, the Company's FY18 statutory results were impacted by non-cash items including impairment charges on Taxi license plates of \$15.6 million. The introduction of service fee caps across various states had a \$8.3 million unfavourable impact on Taxi service fee income but this was partly offset by the overall growth in payment turnover.

Strategy

As we move into 2019, we have a reset business that is profitable, debt free, cash-generative, and is continuing to attract more Passengers, Drivers, Operators and Corporate Clients. The focus will remain on driving better travel experiences in a manner that benefits all stakeholders.

We recently completed the acquisition of Mobile Technologies International which provides exciting future prospects for our business to develop and scale our world-class technologies in other parts of the world and substantially increases our customer reach.

We are confident that we have positioned your Company for more growth in the face of increasing competition following strategic investments in our brands, technology and our people. In FY19 we will continue to evaluate acquisition opportunities that complement our core business, innovate our product offering or expand our operating footprint.

Governance

Cabcharge continues its commitment to good corporate governance, as reflected by its Board renewal program and updated skills matrix that seek alignment between our strategic initiatives and the mix of skills, attributes and expertise required of your Directors.

There have been a number of recent changes to the Board's composition, with Louise McCann and Clifford Rosenberg appointed as Non-executive Directors in August 2017. Both bring demonstrated expertise in marketing and technology-driven businesses in the digital sector.

The Board's longest serving Non-executive Director, Mr Donald McMichael, announced his retirement effective 30 June 2018. On behalf of the Board, I sincerely thank Donn for his significant and enduring contribution. Today, I will be seeking your support for my re-election



as Trudy Vonhoff, recently advised that she will retire today. We also thank Trudy for her excellent contribution during her tenure with the Company.

On the executive team, we were pleased to formally appoint Ton van Hoof as Chief Financial Officer on 15 May 2018. Ton joined Cabcharge in 2015 in the position of Group Financial Controller bringing a strong track record in leading finance transformation and integration initiatives across various regions. Ton has proven to be a valuable contributor as we navigate a changing market and regulatory framework in the personal transport sector.

Outlook

During my time at Cabcharge I have come to appreciate the significant contribution that the Taxi industry makes to Australian society. Demand for safe, convenient and affordable personal transport services continues to grow due to population increases and urbanisation. This brings both challenges and opportunities in equal measure and we face those challenges armed with world-class technology and a commitment to service quality.

I would like to thank my fellow Directors for their support to both the Company and myself over the last 12 months and to acknowledge the contribution made by your executive team and their staff, led by Andrew Skelton, during what has been yet another transformative year.