PaperlinX Limited
Annual General Meeting

23rd October 2015

Chairman’s address

Robert Kaye SC

Year in review

- 2015 was a challenging and transformative year
- Worsened trading conditions in Europe impacted profitability of European operations
- In response the Board conducted a Strategic Review
- Culminated in the decisions to withdraw from European region and divest the Canadian business
- Exclusive focus on viable Spicers businesses in Australia, New Zealand and Asia – a profitable platform from which to become a broader wholesale and distribution business

Europe & Canada

Q2 2015

- Declining European paper demand & changing supplier model
- Restraint of supplier credit terms
- Pressure on liquidity positions of UK & Benelux operations
- Strategic Review commenced in response

Q3 2015

- Further decline in Commercial Print returns
- Withdrawal of supplier credit insurance cover
- Pressure on UK & Benelux solvency
- Long term financial support required, even after significant prior restructuring
- No buyers identified for these businesses
- Spicers Canada had reached inflection point, divested to support overall financial position

Q4 2015

- Board determined substantial financial support for UK & Benelux not in Group's best interests
- Key financier terminated facilities in UK & Benelux due to covenant breaches
- Businesses in UK, Benelux, Austria placed into administration
- Businesses in Poland, Spain, Scandinavia and Ireland were divested

2015 Group results

- Group revenue was $2.0 billion, includes $1.6 billion of discontinued revenue
- Statutory loss after tax of $(392.3) million for year ended 30 June 2015 compared to loss of $(63.3) million (pcp) including loss from discontinued operations of $(365.6) million consisting of:
  - Europe region operating losses, asset impairments and restructuring costs prior to withdrawal
  - Losses on exit or disposal of European operations
  - Impairment of goodwill and loss on disposal of the Canadian business
- Continuing revenue for the ANZA businesses was $404.0 million (down from $424.0 million pcp) mainly due to ongoing structural decline in the Commercial Print segment
- Underlying EBIT[1] profit for the ANZA businesses of $14.7 million ($15.3 million pcp), with EBIT margin of 3.6% maintained in a challenging and competitive market
- The net assets of the Group as at 30 June 2015 were $128.7 million including net cash of $43.0 million
- Largest funding facility (in Australia) extended to March 2018

(1) Non-IFRS measure – refer Appendix

Growth strategy

- The ANZA business is profitable and viable and represents a solid platform for further growth
- Continued diversification is essential to future sustainability
- Immediate focus is to develop ANZA business through organic growth and acquisitions eg. Sign & Display acquisition in New Zealand
- Additional focus on addressing the Group's capital structure – constructive dialogue with various stakeholders seeking a joint mandate for a way forward

Right-sizing cost base

- **Corporate costs reduced to reflect smaller footprint**
  - Executive management changes and streamlined structure
  - Board fees and executive salaries reduced
  - Other corporate costs significantly reduced

PaperlinX to Spicers

- Spicers Limited – new name, new era
    - Asking shareholders to support a change in corporate name to Spicers Limited
    - Aligns identity of the parent company with operating companies
- A fresh start to transform into a broader wholesale and distribution business

Managing Director and CEO’s address

Andy Preece

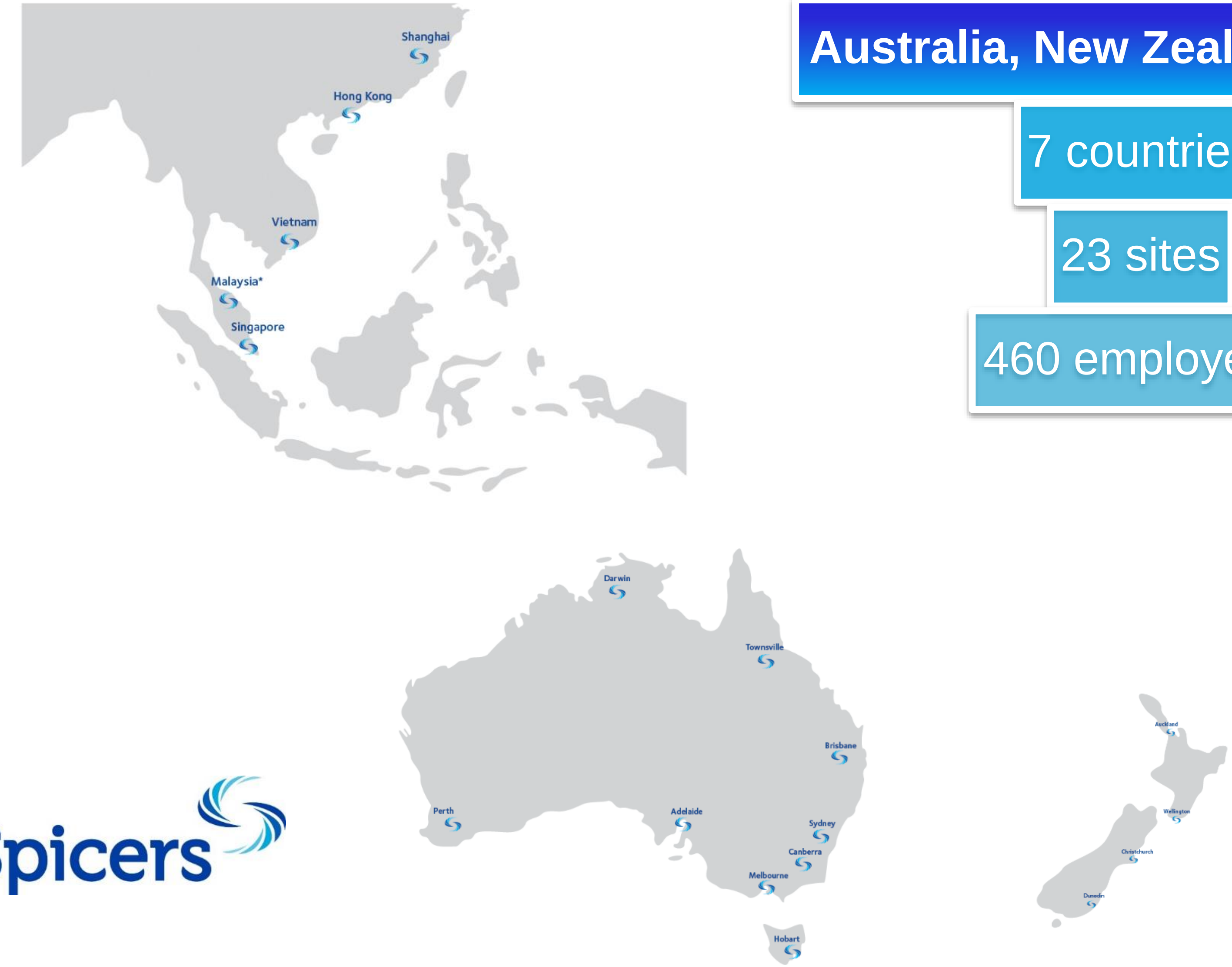
Our business – Spicers

Australia, New Zealand & Asia

7 countries

23 sites

460 employees



Spicers

Spicers today

Commercial Print

Sign & Display

Industrial Packaging

ANZA 2015 performance

Australia, New Zealand & Asia

	FY15	FY14	% change
Net Sales revenue	$403.96m	$424.01m	(5)
Underlying EBIT[1]	$14.67m	$15.34m	(4)
Underlying EBIT/Sales[1]	3.6%	3.6%	(0) bpts
Expenses/Sales	18.5%	18.6%	(10) bpts

(1) Non-IFRS measure – see Appendix

Diversified performance

Sign & Display and Industrial Packaging segments

- Revenue of $60.8m in FY15, up 33% on prior year, mainly due to Sign & Display
  - Represents approximately 20% of total margin
- Diversified margin up 36%
- Acquired Total Supply in New Zealand in October 2014

Spicers strategy

Drive overall profitability by

- Managing paper business returns via
  - gross margin best practice
  - ongoing right-sizing of costs
  - growth of niche paper segments

- Diversifying into growth sectors
  - Acquire and grow organically in Sign & Display and Industrial Packaging segments
  - Targets already identified in Australia and New Zealand

Develop into broader wholesale and distribution business

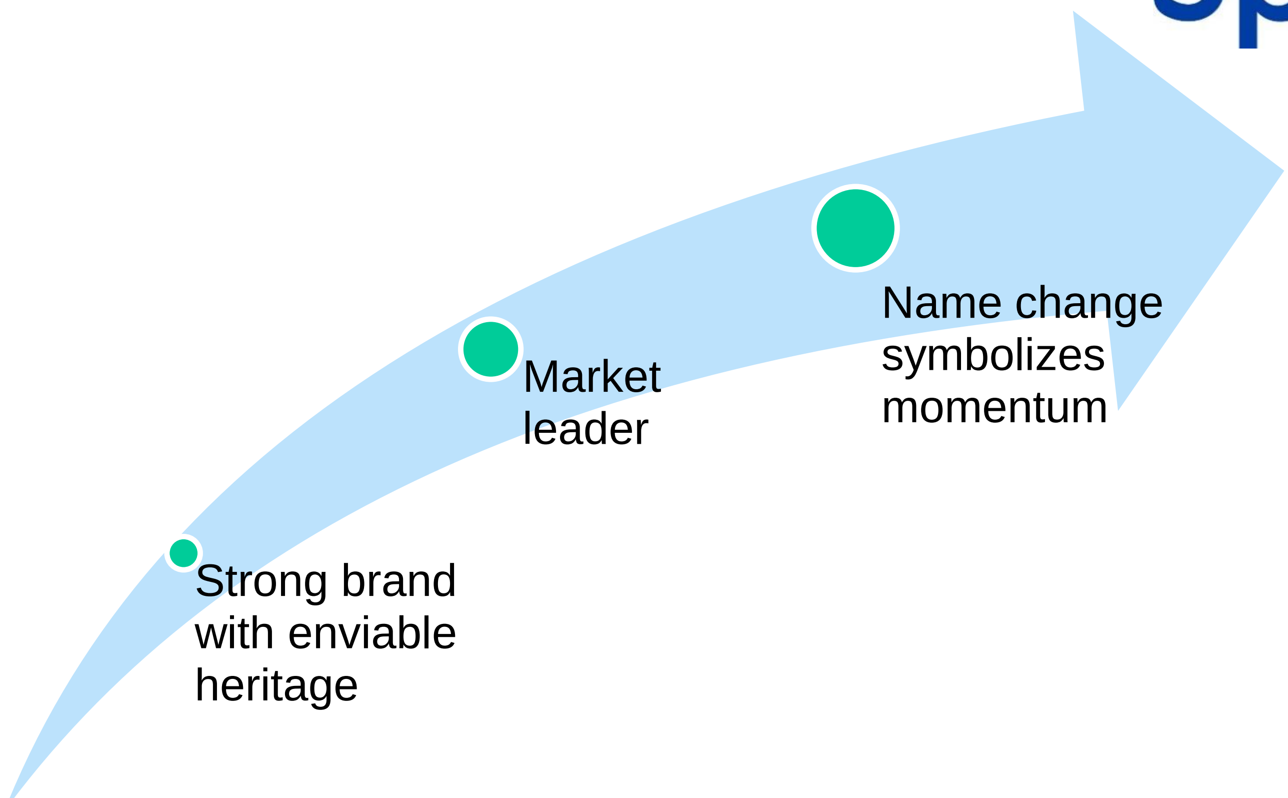
Driving growth

Acquisitions in non-paper segments provide accelerated growth

Total Supply is New Zealand's foremost sign industry supplier supplying everything a sign company needs to be at the cutting edge of sign technology

New skills and experience	New client base	New supply relationships	Opportunities to leverage existing warehousing & logistics

Spicers Limited



FY16 Q1 trading update

- New Zealand is performing well due to the successful integration of the Total Supply business acquired in October 2014
- Asia's performance has stabilised
- The Australian business has had a difficult start to the year due to continued depreciation of AUD against USD causing margin contraction. A price increase in October is beginning to flow through
- Corporate costs are down reflecting the removal of European-based personnel
- Conditions in paper markets remain very challenging in all locations for our Commercial Print business

Summary

- FY15 dramatic and transformative year
- Now focused on profitable businesses
- Further diversification is imperative – via organic growth and acquisition opportunities
- Continuing focus on cost reductions and right-sizing paper operations
- Fully engaged management team
- Solid foundation and clear strategy for sustainable profitability

Adoption of Remuneration Report

That the Remuneration Report for the year ended 30 June 2015 be adopted.

Re-election of Director, Mr Robert Kaye

That Mr Robert Kaye, who retires in accordance with rule 3.6 of the Company's Constitution, and being eligible, offers himself for re-election as a Director, be re-elected as a Director of the Company.

Change of Company Name

That for the purpose of section 157(1) of the *Corporations Act 2001* (Cth) and for all other purposes, the Company's name be changed from PaperlinX Limited to Spicers Limited and that, for the purpose of section 136(2) of the Corporations Act and for all other purposes, all references to PaperlinX Limited in the Company's constitution be replaced with references to Spicers Limited.

APPENDIX

2015 results summary

The following table shows sales revenue and EBIT before significant items[(1)] of the period by segment

Results for the year ended 30 June 2015	Sales Revenue		EBIT before significant items *(1)*	
		Restated *(2)*		Restated *(2)*
	2015	2014	2015	2014
Segments	$000	$000	$000	$000
Australia, New Zealand, Asia	403,961	424,012	14,667	15,341
Corporate/Unallocated	-	-	(11,515)	(11,812)
Total continuing operations pre Europe exit	**403,961**	**424,012**	**3,152**	**3,529**
Europe	1,344,959	2,000,391	(42,751)	(25,942)
Canada	272,729	411,995	8,591	15,468
Other and Group Eliminations	(2,071)	(3,185)	(268)	(234)
Total EBIT before significant items *(1)*	**2,019,578**	**2,833,213**	**(31,276)**	**(7,179)**

The following table shows a reconciliation of EBIT before significant items [(1)] to statutory loss for the period

Results for the year ended 30 June 2015	2015	2014
		Restated *(2)*
	$000	$000
Total EBIT before significant items *(1)*	**(31,276)**	**(7,179)**
Significant items (pre-tax) - continuing	(13,603)	(18,561)
Significant items (pre-tax) - discontinued	(333,058)	(14,027)
Loss before interest and tax	**(377,937)**	**(39,767)**
Net interest	(10,489)	(12,693)
Tax expense	(3,900)	(11,147)
Statutory loss for the period	**(392,326)**	**(63,607)**

(1) Non-IFRS measure – refer Appendix

(2) Restated – refer Appendix

Appendix

1. Definition of Non-IFRS measures:

PaperlinX financial results are reported under International Financial Reporting Standards (IFRS). Information provided in this presentation also includes certain non-IFRS measures. These measures are presented to enable understanding of the underlying performance of the Company without non-trading items. Non-IFRS measures have not been subject to audit or review.

The non-IFRS measures used throughout this presentation are defined as:

– EBIT (Earnings Before Interest and Tax) before significant items: Statutory profit/(loss) before interest, tax and significant items.

2. Restated Comparative Data:

The prior year comparative data has been re-presented to reflect the sale/loss of control of the operations in Canada, Poland, Spain, Scandinavia, Ireland, United Kingdom, Netherlands, Austria, Belgium and Czech Republic as discontinued operations from the start of the comparative period.