



ADVANCED SHARE REGISTRY LIMITED

Member of Securities Registrars Association of Australia Inc. ABN 14 127 175 946

110 Stirling Highway, Nedlands Western Australia 6009. PO Box 1156, Nedlands Western Australia 6909

Telephone: (08) 9389 8033, Facsimile: (08) 9262 3723, Website: www.advancedshare.com.au

Level 6, 225 Clarence Street, Sydney NSW 2000. PO Box Q1736, Queen Victoria Building, NSW 1230

Telephone: (02) 8096 3502, (02) 8003 6825

12 November 2014

Company Announcements Manager
Australian Securities Exchange
4th Floor
20 Bridge Street
SYDNEY NSW 2000

"Transmitted Electronically"

Dear Sirs,

Re: 2014 Chairman's AGM Presentation

Enclosed is the Chairman's Annual General Meeting Presentation.

Yours faithfully,

ALAN C WINDUSS
Company Secretary

Advanced Share Registry Ltd

Presentation to AGM 2014



Background of Advanced Share Registry Ltd

Established as a private company in 1994 by our managing director, Kim Chong.



Background of Advanced Share Registry Ltd

- Listed 10 June 2008. Market cap \$28M
- Always profitable and paid 2 dividends a year since listing
- We manage the company share registry for over 200 listed companies
- As a listed company we are fully aware of listing rules and corporate governance issues



Our most important asset.

- Our most important asset is our staff
- From the managing director to our newest recruit we have a very fine group of people working for us, many with long periods of service
- Often tested by difficult times such as the annual reporting season, always helpful to our clients



Too busy for a photo



Advanced Share Registry Ltd, financial metrics

- Turnover: \$5,173,083 in 2014 compared to \$5,114,392 in 2013
- Profit after tax: \$1,565,392 (30% of 2014 turnover) compared to \$1,569,592 (30% of 2013 turnover) in 2013
- Excellent margin results, mirrored in previous years but reflecting a steadily harder business environment overcome by slightly increasing client base and widening service offering over this period
- Balance sheet comparable with last year reflecting full payout and relatively low cost of technology and hardware



Further analysis Balance sheet

- Steadily building cash and assets outside the share registry business itself
- 2014 balance sheet comparable to 2013, reflecting that investment costs for equipment have been funded from cash flow
 - Differences are instructive:
 - intangibles reduced by \$200,000 amortisation, our total charge of depreciation and amortisation of \$300,000 is about 10% of costs, therefore margins are better than apparent
 - Retained earnings slightly reduced by maintenance of dividend
 - The 2009 Sydney office purchase has been a positive investment but is only reflected in the balance sheet at cost



Further analysis profit and loss

- Profit and loss
 - Turnover and profit remains essentially the same on the surface but we had to work harder to achieve this result
 - Cost increases offset by slight revenue increase
 - The revenue increase is despite clients increasingly seeking outside competitive quotes
 - Occupancy expenses have not increased despite moving to purpose built premises



What are the challenges and our responses to keep the business growing

CHALLENGES

- Traditionally share registry business drivers were:
 - NEW REVENUE: stock market turnover, new listings and corporate actions
 - COSTS: Technology steadily reducing costs
- In the last few years new revenue has not been available from the traditional sources because of the downturn in share market activity
- Technology has been able to provide some cost reduction however our cost base is now dominated by employment costs which cannot be reduced without harming service levels



What are the challenges and our responses to keep the business growing

RESPONSES

- Technology and professionalism of service are critical. We are continually improving our web based services to offer the best experience and range of services for both issuer clients and their shareholders that is provided by share registries in Australia
- We can then actively seek new clients from other providers on the basis of quality of service
- From July this year we have established high quality printing, finishing and posting services within our own office to broaden the type of services that we can ourselves complete
- Our move to new purpose built offices accomplished earlier this year gives much more space to offer these expanded services



New office

- The new purpose built Perth office has allowed us to expand our printing and finishing lines. We also have space for extra registry officers who may be required to service new clients
- The new Perth office is located in Nedlands which is convenient to the suburbs of West Perth and Subiaco where many clients have their own offices



Systems Overview

- In house technology
 - Maintained in house by 6 qualified staff with in excess of 50 collective years experience in our proprietary technologies
 - ASW has 20 years seamless operation and updates servicing listed companies
- Superior system compared to all other registries
 - Unique database structure allows better functionality and searches for clients and client shareholders
 - However we maintain personal touch, no automated phone systems



Digital access

- Shareholders access all company shareholdings managed by ASW by one HIN or SRN in one inquiry
- Shareholders can manage address changes , annual report requirement and banking details for dividend payments with one change for all holdings under a single HIN or SRN for companies we manage
- Electronic document lodgement available for issue entitlement forms, proxy forms and takeover acceptances
- Issuer client staff and directors have online access to all registry information and can receive daily or weekly updates on top shareholder lists or movement listings. Optionally these can be automatically emailed to a select list of staff or directors and even an SMS can be sent to alert movements on specified holdings
- Indefinite retention online of all historical records. Some of our companies have online data going back to 1982

Quick Response Codes



We can now integrate Quick Response (QR) Codes into documents sent out to shareholders.

The intention is to provide a more convenient and secure way for companies to communicate with their investors.

We are initially incorporating QR Codes on proxy forms however subject to security issues a wider range of applications may be found.

This QR code is an example code that will direct you to the ASW website.



Risk management

Proprietary software and internal staff programmers mean we can always meet ASX changes as required.

Off site disaster back up and our own emergency alternative site.

Scale capability not an issue, firstly because of data storage advances but also because of our unique method of storing data around a holder not the company. Historical transaction data dwarfs any individual company data set.

Our largest single client has 60,000 shareholders, including those with nil balances, collectively we hold data for the shareholdings of 3 million named holders and their addresses. All data is live and available to shareholders. Competitor registries archive data to offline storage after 2 years. We have clients who have shareholder live data going back to 1982.

In house print and post increases security and accuracy of mailing.

20 years of operation and we are as strong as ever.

In House printing and postage

We can print and collate in house black and white or colour documents with a range of finishes.

We can merge up to 9 separate documents and letters to a single envelope for efficient posting of multiple documents to shareholders. For example, a notice of meeting, proxy form and dividend cheque or statement for direct credited dividends.

Our state of the art folding equipment allows small documents to be sent in DL size envelopes allowing for cheaper postage rates.

Internal printing and postage ensures speedy processing and security, no external printing or document handling required.

Use of Australia Post compliant bar coding allows for accurate sorting and delivery of posted items by Australia Post.



Thank you for your time

