



ASX ANNOUNCEMENT

20 October 2015

2015 Annual General Meeting Chairman address

Good morning Ladies and Gentlemen,

I am your Chairman, John Porter, and I would like to welcome you all here today to the Annual General Meeting of Enero.

I have been advised that we have the necessary quorum of Shareholders present and I declare the meeting open.

I will now introduce my fellow directors; Chief Executive Officer Matthew Melhuish; Deputy Chairman Roger Amos; non-Executive Director Susan McIntosh; non-Executive Director Max Johnston; and non-Executive Director Russel Howcroft.

Seated in the front row we have members of the Enero Executive team; Company Secretary Brendan York; Group Strategy and Operations Director Stephen Watson; and Group Human Resources Director Katie McGrath.

Our external auditors KPMG are here today and are available to answer any shareholder questions on the audit of Enero Group's 2015 Financial Statements.

The notice convening this Meeting has been sent to all registered shareholders. If there is no objection, I will take the Notice of meeting as read.

I am pleased to report that the Group continues to make progress towards its strategic goals. This completed year demonstrates further evidence that the Group has a level of reliability to shareholders by delivering a satisfying increase in Operating EBITDA and margin.

As a group, we continue to have excellent capabilities across public relations, research and insight, strategy, creative ideation, data and production. Our 11 businesses, in 8 countries and 15 cities, have over 550 staff worldwide. Our exposure to international markets, particularly the UK, Europe and USA gives us leverage to seek out larger scale revenue opportunities and tap some of the best talent pools in the world.

The Group reported a 2% increase in Operating EBITDA to \$9.2 million this financial year, notwithstanding an 8% reduction in net revenue. While the reduction in revenue is disappointing, management are working hard to stabilise the baseline revenue and develop a stronger new business pipeline in each of the business units. The marketing services industry continues to deal with a high level of change, through digital and data, changing consumer behaviour and the ongoing convergence of technology and marketing service businesses.

We will continue to carefully assess growth opportunities both via investments in people ahead of the revenue curve or possible bolt on acquisitions, however we are focused on ensuring the structure of the group maintains its simplicity.

While the Enero share price has declined since the last time I reported to shareholders, the Board believes the business has the same level, if not more, of capability, momentum and drive as it did a year ago. This group of businesses remain a strong portfolio of assets.

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We have expanded our Board this year. I would like to welcome Russel Howcroft as our new non-Executive Director who joined the Board in May 2015. Russel brings a wealth of networks and experience in the industry and brings a valuable set of skills to our Board to help drive forward our strategic goals.

Thank you my fellow Board members for your continued input and counsel to the Group throughout this last year.

On behalf of the Board, I would like to thank the Executive team and all the employees of Enero's group businesses for all your efforts throughout the year.

Finally, thank you to our shareholders for your continued support and belief in our long term vision for the Group.

I will now hand over to Matt to speak in more detail about the Company as well as show some of the great work the people in our Group have been doing over the past twelve months.

Thank you

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