



# AGM Presentation

November 2007

# Presentation Overview



Company Overview

Financial Overview

Our Business

Company Today

IPO objectives

- Merger & Acquisitions
- New Zealand Market
- Marketing

Going forward

2007/2008 Outlook / Conclusion



# Company Overview



- Tel.Pacific launched in 1996
- One of the market leaders in pre-paid calling cards
- Products available through more than 15,000 retail outlets
- Provides Services Australia wide
- 85 staff throughout Australia
- Hello Phone Card one of the pioneer brands in the calling card industry



# Financial Overview



# Summary



- Delivered on Prospectus forecast
- 40% growth in revenue to \$36.37m for 2007
- Proforma EBITDA of \$4.01m compared to \$2.68m in the previous year
- Strong cash flow, no current debt
- Terminated 667 million minutes in 2007, compared to 470 million FY06



# Prospectus forecast compared with actual

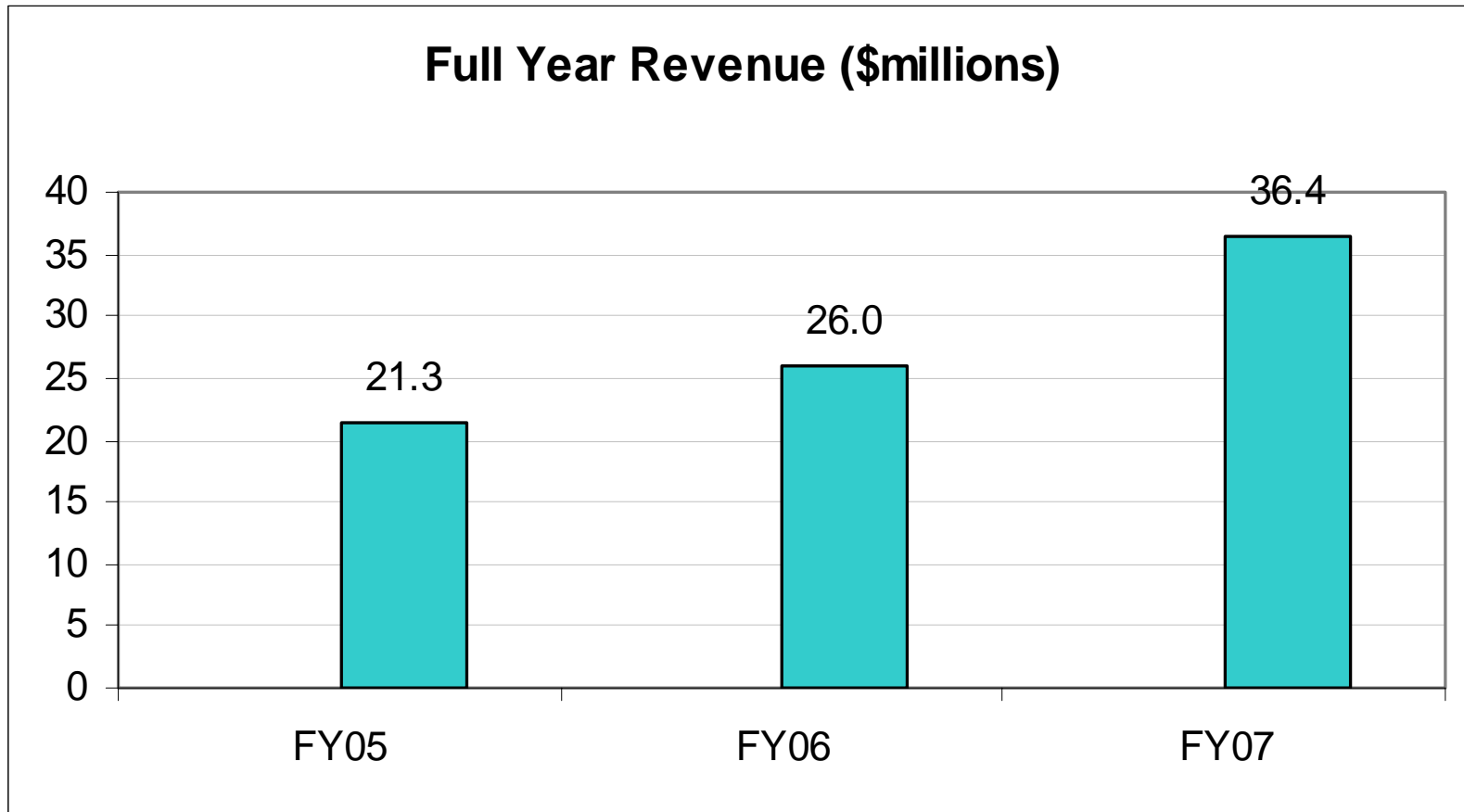


	2007 Forecast	2007 Actual
Revenue	36.3m	36.4m
Gross Profit	9.3m	9.8m
EBITDA	3.9m	4.0m
EBIT	3.3m	3.4m
NPAT	2.2m	2.3m
NPAT (including discontinued operations)	2.8m	3.1m



# Revenue

Full Year Revenue (\$millions)



# Business Overview



## Tel.Pacific's underlying strengths

### Sales Teams

- Capable of growing the business at an average annual growth in revenue in excess of 20% between FY2004 and FY2007
- Strongest direct sales force in the industry

### Marketing

- Quick and dynamic production
- Experienced and competitive
- Well developed systems
- Sophisticated analysis and management database system built in house since 2000

### Customer Service

- 24/7 customer service & retailer support with low cost to manage

### Products

- Strong brands awareness and loyal customer base
- Strong goodwill from channel partner and retailers

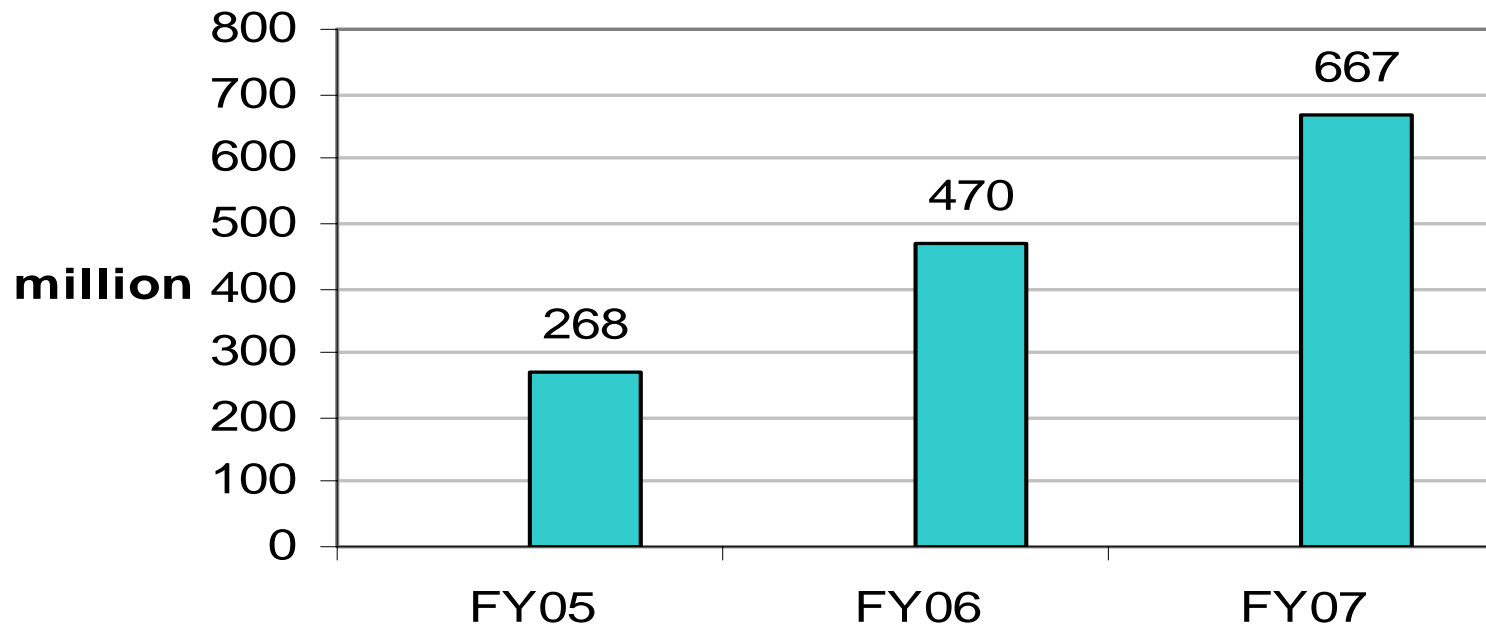




# Total terminated minutes



## Total terminated switched minutes



# Company Today



- Continued Organic Growth
- Strong Balance Sheet
- Significant Working Capital
- No Current Debt
- Strong Positive Cash flow
- A consolidator of the calling card market space
- Continued growth in the calling card industry
- Opportunities to expand locally and internationally
- Good record of growth and profitability
- Best position to capture the prepaid market through its wide distribution network



# IPO Objectives



# Acquisition



- November 20, 2007 – Acquired C2 Comms Calling Card brands and Assets
- Business previously achieved \$10 million in revenue & 120 million minutes, acquisition will assist growth & scale in the Tel.Pacific business
- Obtained the well recognised “Powered by AAPT” logo– only card on the market approved by AAPT Limited
- Acquired new distribution channel and partners not overlapping current channels
- Obtain 10 well recognised card brands – Click, Click Africa, Click Vietnam, South Asia, Snap, Compass, My Bull, Sweet Talk, True Time and My World
- Strong loyal customer base since 2003
- The existing services are handled by Tel.Pacific’s current systems and call centre team to reduce operating costs.



# New Zealand



- Existing opportunities to capitalise on adjacent New Zealand market, limited initial revenues expected this financial year.
- Tel.Pacific Limited opens a 100% subsidiary called Tel.Pacific New Zealand Limited.
- Auckland Office opens in October 2007.
- Card Systems and Call centre operation continues to use our existing services spreading fixed operating costs.



# Marketing



[www.rechargecentral.com.au](http://www.rechargecentral.com.au)

- Online Sales
- Virtual channel available Australia wide and internationally.
- An online platform for all products and players in the industry.



# Going Forward



- Well placed to identify and capitalise on growth opportunities – acquisition, geographic expansion, aggressive organic growth.
- Company continues to increase distribution outlets nationwide, growing the sales and support teams.
- Further development of our calling card website
- Increasing volume brings further economies of scale



# 2007/2008 Outlook



- Expect continued strong revenue growth comparable to last financial year.
- Revenue growth-both organic, and through acquisitions
- Acquisitions will not contribute to NPAT until 2009 due to implementation costs and delayed time frame
- Expect overall minutes to continue to grow
- Focus on improving product quality – key aspect for improving margins in ensuing years
- Continue search for further acquisitions
- Continue search for new products to distribute through existing channel

