



2 May 2018
Market Announcements Office
ASX Limited

MARKET RELEASE

MYOB Annual General Meeting Addresses

In accordance with Listing Rule 3.13.3, attached is a copy of the addresses to be given today at the Annual General Meeting of MYOB Group Limited by the Chairman, CEO and the Chairman of the Remuneration and Nomination Committee.

Ian Boylan
Company Secretary
MYOB Group Limited

Investor enquiries:

Christina Nallaiah
Head of Investor Relations
T: +61 2 9089 9122
M: +61 468 362 553
christina.nallaiah@myob.com

Supporting Resources

For more information on MYOB, please visit:

Investor Centre: <http://investors.myob.com.au/Investors/>
Website: <https://www.myob.com/au>

About MYOB

MYOB Group Ltd (ASX: MYO) is a leading provider of online business management solutions. It makes business life easier for approximately 1.2 million businesses and accountants across Australia and New Zealand by simplifying accounting, payroll, tax, practice management, CRM, job costing, inventory and more. MYOB operates across three core segments – Clients and Partners (business solutions to SMEs and Advisers); Enterprise Solutions (larger businesses) and Payment Solutions. It provides ongoing support through client service channels including a network of over 40,000 accountants, bookkeepers and other consultants. It is committed to ongoing innovation, particularly through its Connected Practice Strategy and through the development of the MYOB Platform. For more information, visit <http://investors.myob.com.au/Investors> or follow @MYOB on Twitter.



FY17 Annual General Meeting

2 May 2018

Presenters

Justin Milne | Non Executive Chairman

Tim Reed | Chief Executive Officer

Anne Ward | Non Executive Director

myob simplify
success

Important notice

The information contained in this document (including this notice) or discussed at this presentation (collectively, the Presentation) has been prepared by MYOB Group Limited and its related entities (MYOB).

The Presentation is subject to the conditions outlined below. Your receipt or viewing of the Presentation evidences your acceptance of those conditions and that you agree to be bound by them.

No offer of securities

The Presentation is not a prospectus, product disclosure statement, disclosure document or other offer document under Australian law or under any other law. It does not, and is not intended to, constitute an offer for subscription, financial product advice, invitation, solicitation or recommendation by any person or to any person with respect to the purchase or sale of any securities or financial products in any jurisdiction, and also does not form the basis of any contract or commitment to sell or apply for securities in MYOB or any of its subsidiaries.

The information contained in the Presentation has been prepared without taking account of any person's investment objectives, financial situation or particular needs and nothing contained in the Presentation constitutes investment, legal, tax or other advice. You must not rely on the Presentation but make your own independent assessment and rely upon your own independent taxation, legal, financial or other professional advice.

Financial data

All information in the Presentation is in Australian dollars.

Certain financial data included in the Presentation are "non-GAAP financial measures" under Regulation G of the U.S. Securities Exchange Act of 1934, as amended. These non-GAAP financial measures do not have a standardized meaning prescribed by Australian Accounting Standards and therefore may not be comparable to similarly titled measures presented by other entities, and should not be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards.

Although MYOB believes these non-GAAP financial measures provide useful information to users in assessing the financial performance and condition of its business, you are cautioned not to place undue reliance on any non-GAAP financial measures included in the Presentation.

Forward statements

No representation or warranty, expressed or implied, is made as to the accuracy, reliability, adequacy or completeness of the information and opinions contained in the Presentation.

The Presentation may contain certain forward looking statements, including estimates, projections and opinions (Forward Statements). We use words such as 'will', 'may', 'intend', 'seek', 'would', 'should', 'could', 'continue', 'plan', 'probability', 'risk', 'forecast', 'likely', 'estimate', 'anticipate', 'believe', or similar words to identify Forward Statements. Forward Statements may involve known and unknown risks and uncertainties and other factors, many of which are beyond the control of MYOB, and have been made based upon management's expectations and beliefs concerning future developments and their potential effect on us. No representation is made or will be made that any Forward Statements will be achieved or will prove to be correct. Actual future results and operations could vary materially from the Forward Statements. Circumstances may change and the contents of this Presentation may become outdated as a result.

Past performance

Past performance information given in this presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

Disclaimer

The information is supplied in summary form and is therefore not necessarily complete. The material contained in this presentation may include information derived from publicly available sources that have not been independently verified. No representation or warranty is made as to the accuracy, completeness or reliability of the information.

To the maximum extent permitted by law, MYOB and each of its affiliates, directors, employees, officers, partners, agents and advisers and any other person involved in the preparation of the Presentation disclaim all liability and responsibility (including without limitation, any liability arising from fault or negligence) for any direct or indirect loss or damage which may arise or be suffered through use or reliance on anything contained in, or omitted from, the Presentation. MYOB accepts no responsibility or obligation to inform you of any matter arising or coming to their notice, after the date of the presentation or this document, which may affect any matter referred to in the Presentation.

This Presentation should be read in conjunction with MYOB's other periodic and continuous disclosure announcements lodged with the ASX, which are available at www.asx.com.au.

MYOB Board of Directors



Justin Milne
INDEPENDENT NON-EXECUTIVE
DIRECTOR, CHAIRMAN



Tim Reed
EXECUTIVE DIRECTOR,
CHIEF EXECUTIVE OFFICER



Anne Ward
INDEPENDENT NON-EXECUTIVE
DIRECTOR



Andrew Stevens
INDEPENDENT NON-EXECUTIVE
DIRECTOR



Fiona Pak-Poy
INDEPENDENT NON-EXECUTIVE
DIRECTOR



Craig Boyce
NON-EXECUTIVE
DIRECTOR



Edward Han
NON-EXECUTIVE
DIRECTOR

- MYOB's Board of Directors is responsible for embedding a strong corporate governance structure and protecting the interests of its shareholders and other key stakeholders.
- The Board comprises of six Non-executive Directors (four of which are independent), and one Executive Director (the Chief Executive Officer).
- Details of each Director's qualifications, experience and special responsibilities are set out in the 2017 Annual Report – <https://2017.myobreports.com.au/>
- In April 2017, Paul Edgerley, (former Managing Director at Bain Capital from 1990 to 2016) stepped down from the MYOB Board of Directors. Paul held the position of Non-executive Director at MYOB since 2013.

Agenda

Chairman's Address	5
CEO's Address	10
Formal Business	27

Chairman's Address

Justin Milne



MYOB delivered strong growth in 2017 across all key financial and operational measures

Double digit Revenue, EBITDA and NPATA growth; with accelerating online subscriber growth

Revenue

\$416m

↑ 12% YEAR ON YEAR

Recurring revenue up 13% to \$400 million, or 96% of total revenue

Underlying EBITDA

\$190m

↑ 11% YEAR ON YEAR

Statutory EBITDA up 11% to \$182 million

NPATA

\$102m

↑ 10% YEAR ON YEAR

NPATA EPS up 8% to 16.9 cents

Online subscribers

399k

↑ 60% YEAR ON YEAR

Accelerating growth in online subscribers. On track for 1 million by 2020

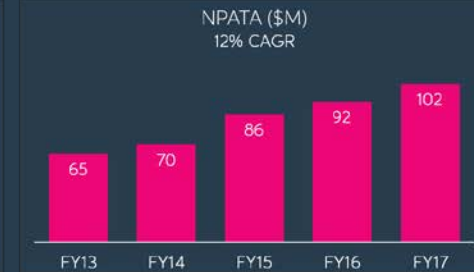
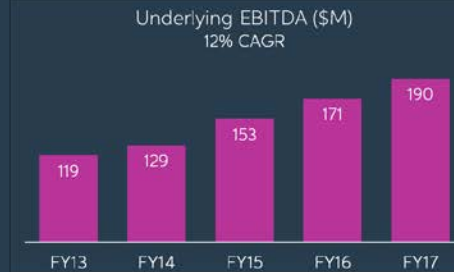


2017 Operational Highlights

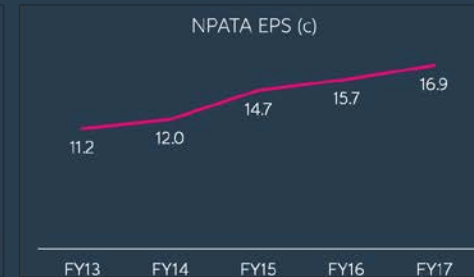
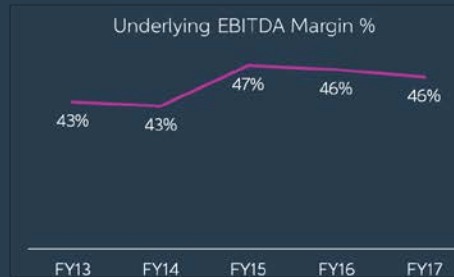
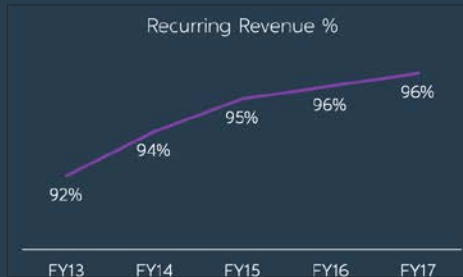
- ✓ Accelerated **growth in online subscribers** (new wins and migrations)
- ✓ Continued **uplift in customer lifetime value** (higher ARPU and retention rates; strong growth in Connected Services)
- ✓ **Total addressable market expanded** through acquisition of Paycorp (new payments revenue stream)
- ✓ MYOB recognised as a **market leader in ERP** in Australia and New Zealand
- ✓ **MYOB rebrand and marketing campaign** successfully completed
- ✓ **Board and management team strengthened** (four new additions); highly engaged MYOB team of 1,500+ employees

Compelling growth trajectory, led by high levels of recurring revenue, online subscriber growth and improved retention rates

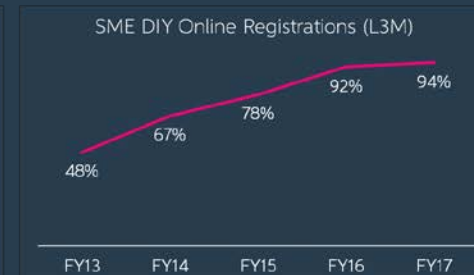
Consistent double digit growth across all key financial metrics



High levels of recurring revenue and industry leading margins



Acceleration in online subscriber growth continues

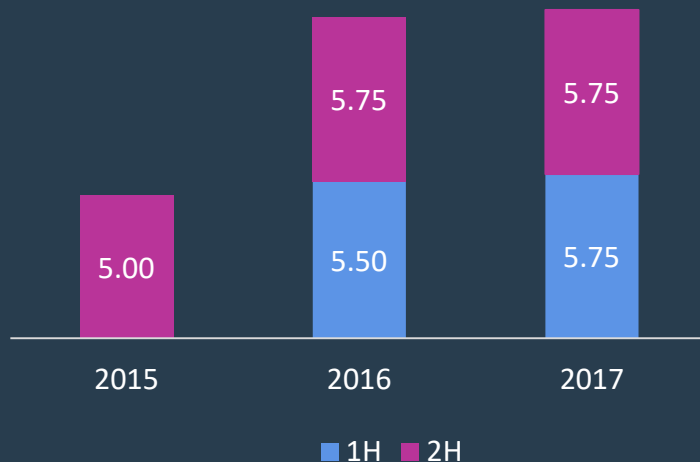


Note: 1. FY13-15 financial measures noted on a pro forma, like-for-like basis.

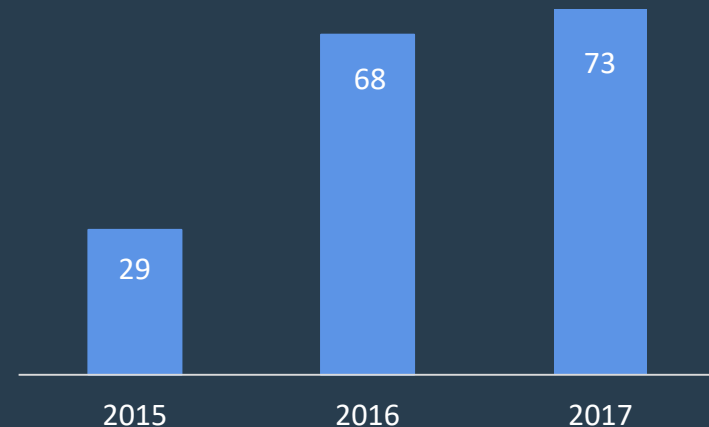
Capital Efficiency and Balance Sheet strength

Since listing in May 2015, MYOB has returned more than \$170 million of capital to its shareholders

Dividends declared (cents)



\$170m of capital returned to shareholders



- Full year dividends declared for FY17 total 11.5 cents per share
- This represents a dividend payout ratio of 68.6 per cent of FY17 Statutory NPATA
- Dividends are expected to be franked from 2H19 onwards
- In August 2017, MYOB announced an on market share buyback of up to 5 per cent (approximately \$100m) of the Company's issued capital, over a 12 month period.
- Funded from existing cash, the Company has acquired more than \$3m in FY17, with a further \$14m purchased in 1Q18

CEO's Address

Tim Reed

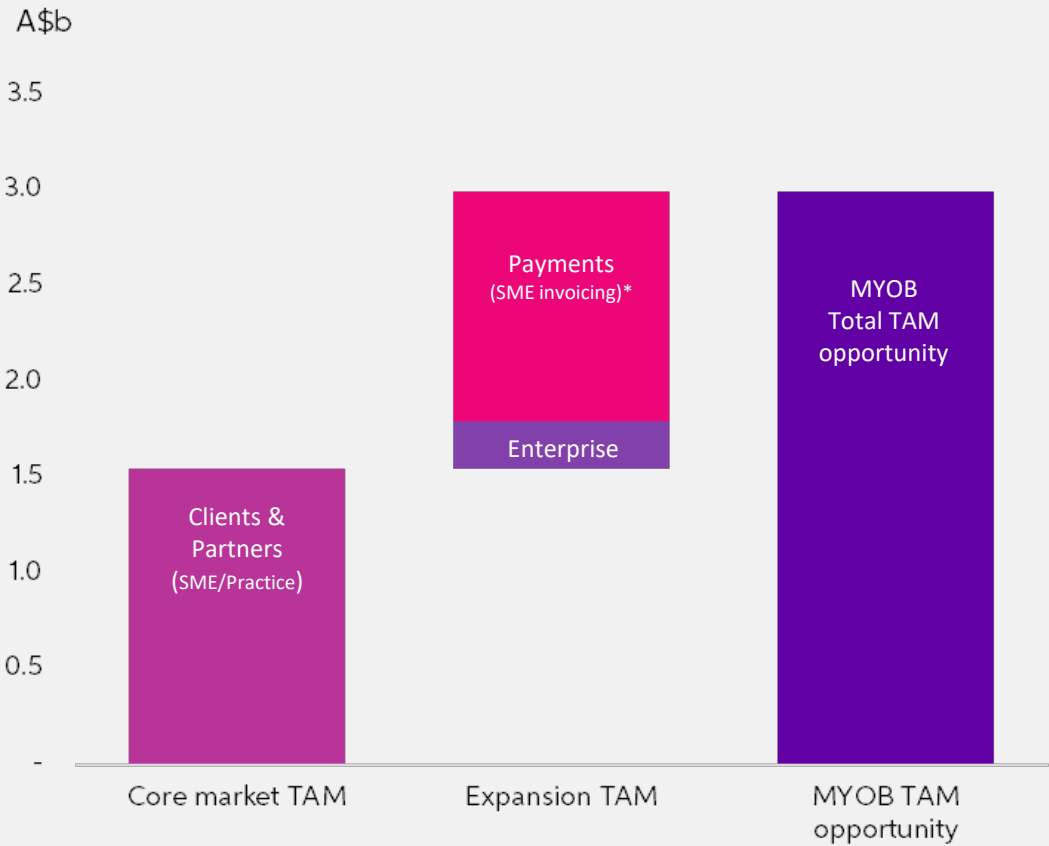


MYOB's strategy delivers long term value for shareholders



The market opportunity in Australia and New Zealand is significant

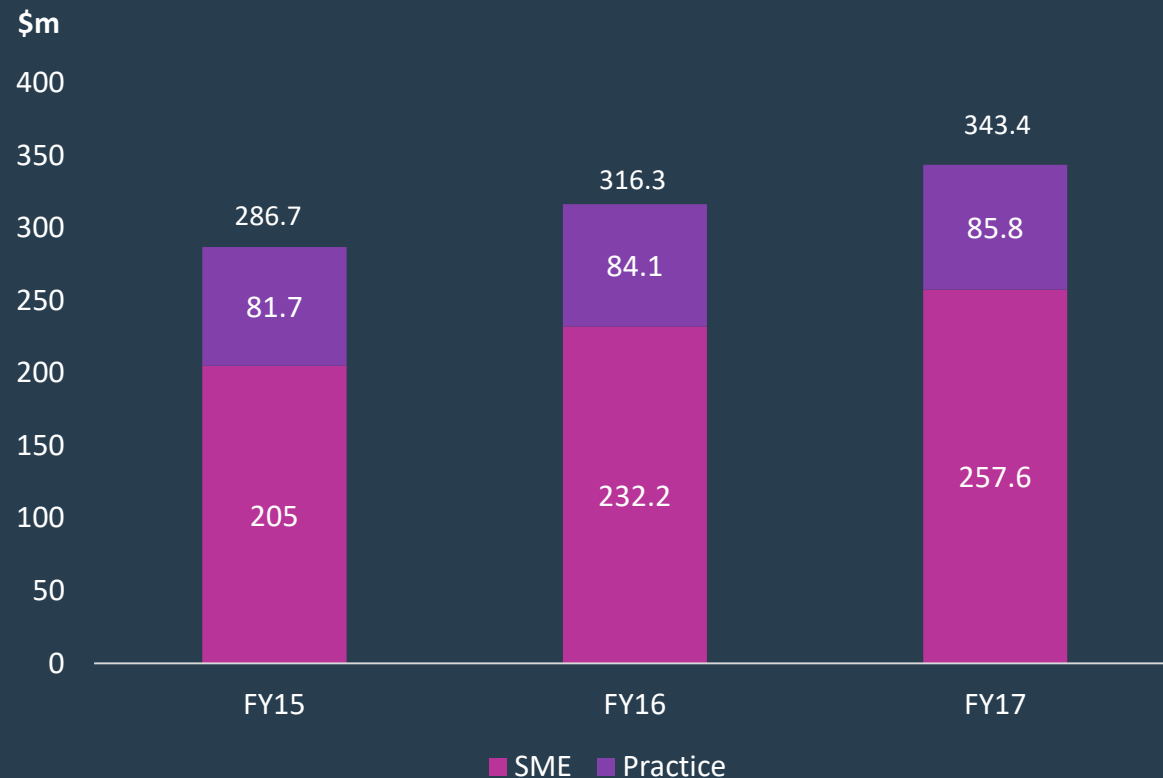
ESTIMATED TOTAL ADDRESSABLE MARKET (TAM)



* \$1.2 trillion of invoices raised annually on SME accounting software in Australia, conservatively assuming a 10bp net merchant fee

Clients & Partners

The Clients & Partners segment delivered 82% of total group revenues in FY17



\$1.5bn
TAM
opportunity

Source: TAM opportunity based on MYOB estimates using industry statistics

MYOB's vision for the accounting industry.

The Connected Practice.

Advisers

Accountants and Bookkeepers become **business coaches** and **compliance managers**

Transaction Processing

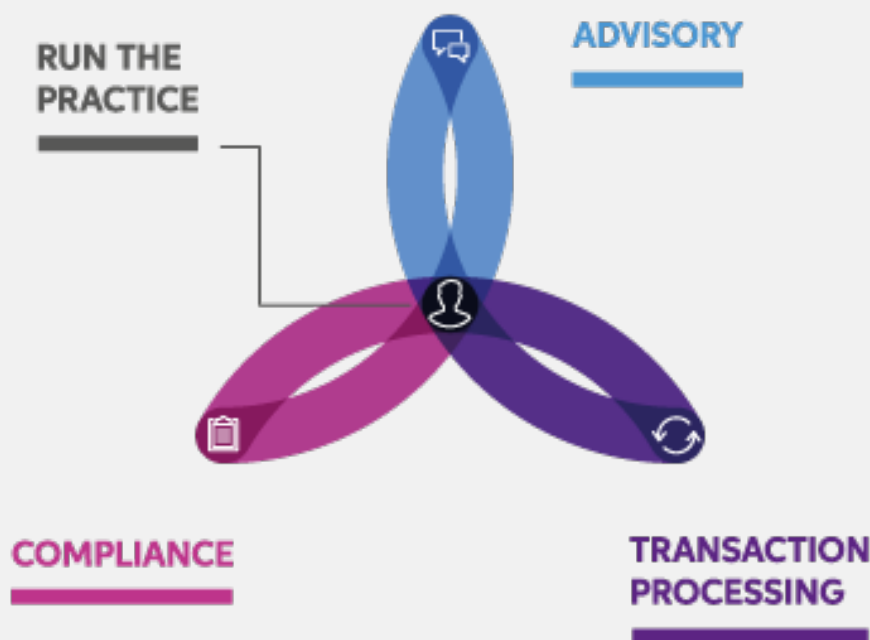
Become primary owner of automated transaction processing, configure systems, process only anomalies

Compliance

Review prefilled data; ensure deadlines met

Advisory

Review business performance and cashflow, recommend improvements, consult on key business decisions



SMEs

Things just get done

Mobile Moments

Quick and easy accounting on a mobile device e.g. get a bill, approve it, file it, account for it, schedule payment, all in 5-10 seconds on a mobile device

Track business performance

Leverage AI set up by adviser, SME views through any device

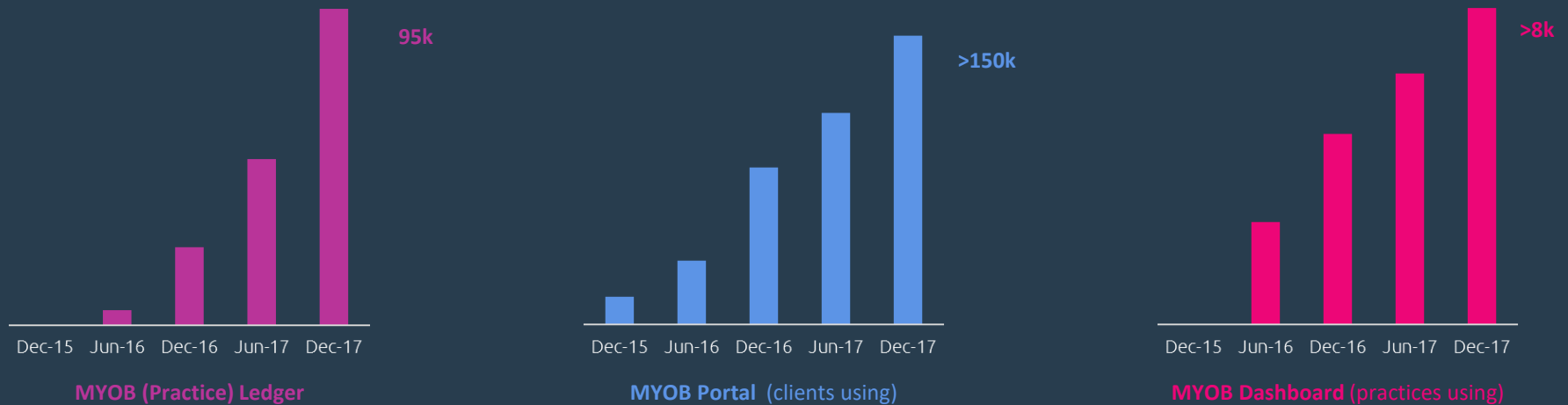
Interactions with adviser via MYOB apps

Questions, source docs, signing and compliance lodgment, all via a shared online workspace

The Connected Practice will deliver seamless connectivity across the ecosystem, to enable effective, insight-led decision making by businesses and their advisers, ultimately driving increased referrals of SME solutions for MYOB.

The **MYOB Platform** delivers the tools to Advisers and SMEs that make the Connected Practice a reality

MYOB Online Practice Tools



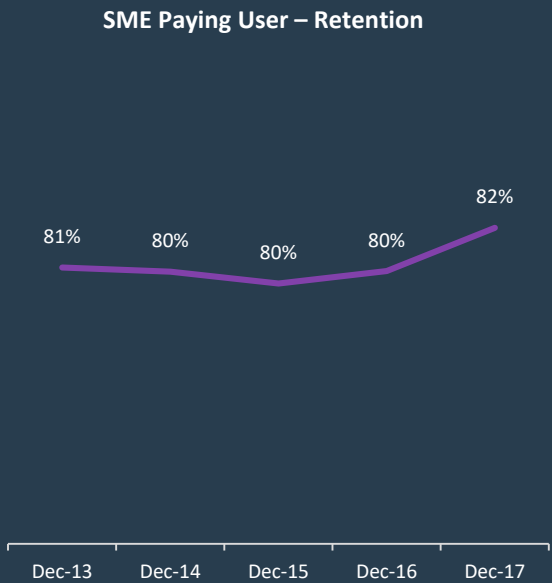
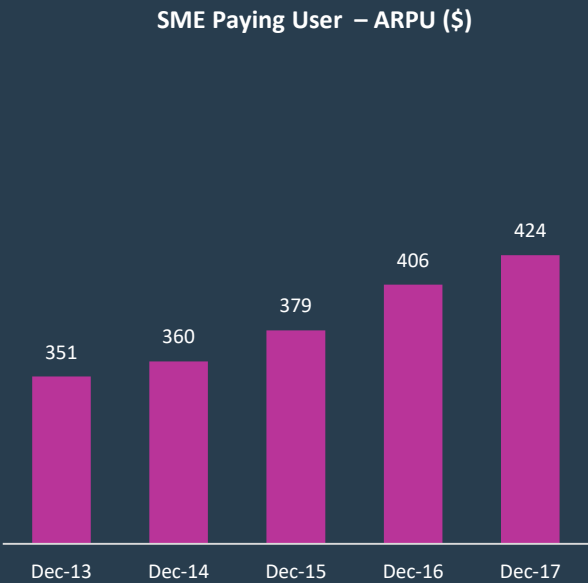
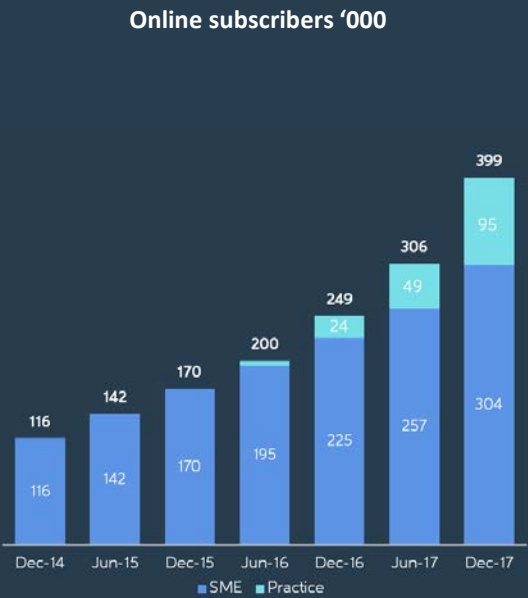
Investing for the Future

~50% of new SME sales come from Adviser referrals

A further ~25% of SME accounting software purchases are heavily influenced by their Adviser

MYOB's practice clients (AO/AE) using our rewards program, refer at a rate of 9x other advisers

Growth in Online Subscribers & Customer Lifetime Value: continued subscriber growth, higher ARPU and improved retention rates



Payments

Payments acquisition unlocks a \$1.2bn TAM opportunity



2017 (9 mths revenue)

Acquisition of Paycorp completed in April 2017

Integration into MYOB software complete

>16k PayDirect online transactions per month

2018

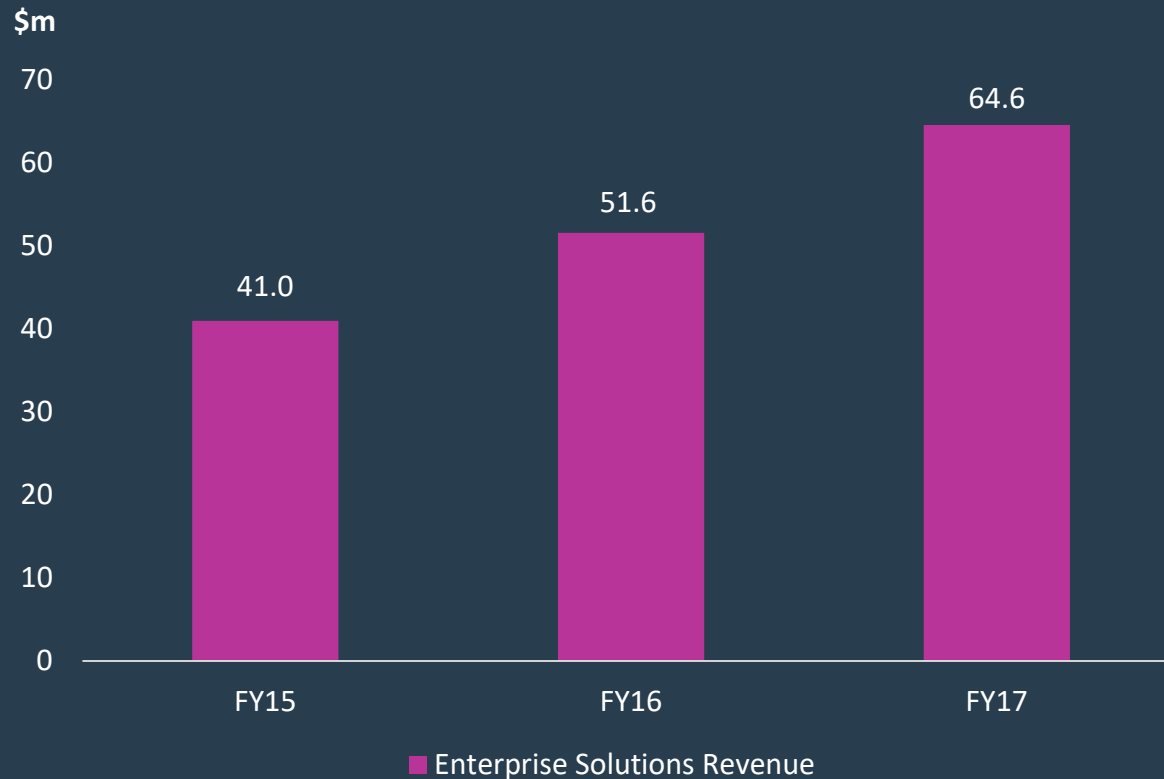
New payment types added to PayDirect to increase usage

Launch PayDirect in New Zealand

Creating a payments ecosystem

Enterprise Solutions

The **Enterprise Solutions** segment generated **16%** of total group revenues in FY17

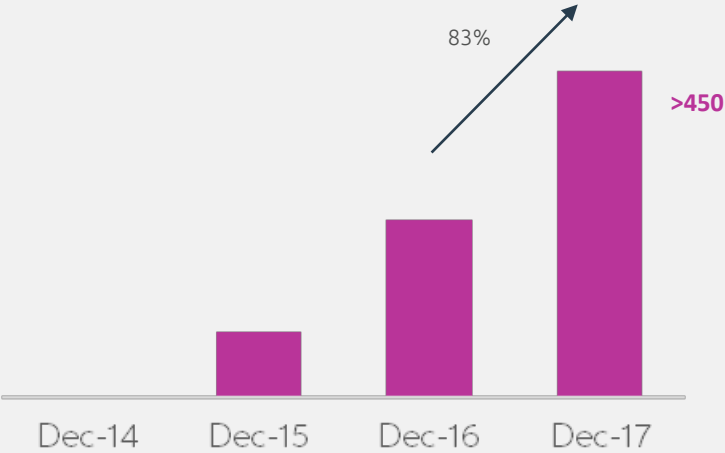


\$300m
TAM
opportunity
Tier 3 only*

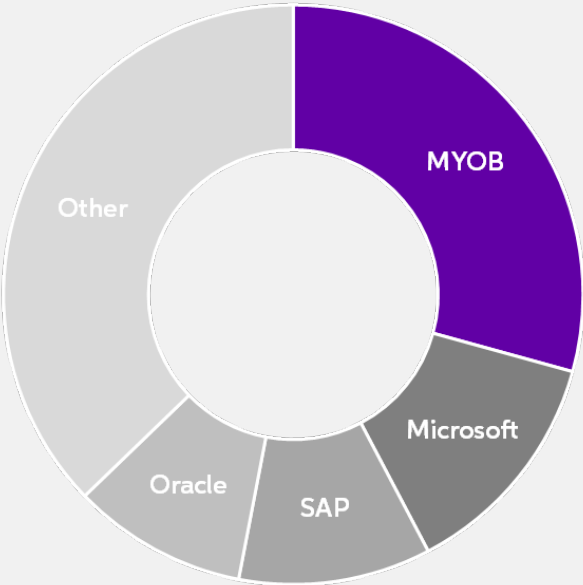
**TAM opportunity includes Tier 3 Enterprise ERP and HRM software only (Note MYOB operates in both Tier 2 and Tier 3 enterprise segments)*

Enterprise: #1 in ERP in Australia and New Zealand

MYOB Advanced Business Sites



ERP Market Share by Vendor¹



83% growth in **MYOB Advanced** ERP sites

MYOB is the #1 ERP Vendor in Australia and New Zealand

Note 1: Source – iStart ERP Buyers Guide 2017-18; based on ANZ ERP sites installed (Exo, Advanced and Greentree)

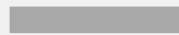
Strategic Acquisitions

Update on Reckon Accountant Group acquisition



Acquisition announced

17 November 2017
(subject to regulator approval)



ACCC status

Review period extended until 21 June 2018;
Statement of Issues (SOI) published



NZCC status

Review period extended until 21 June 2018



Regulator decision

Expected in 2Q18

FY18 Guidance

FY18 Guidance

The Connected Practice vision, together with the development of the MYOB Platform, is expected to continue accelerating online subscriber growth in 2018.

Organic revenue growth

We expect FY18 organic revenue growth to remain in the 8% – 10% range, with EBITDA margins of 43% – 45%.

With RAG¹, assuming a 2Q18 acquisition date we expect revenue growth to be 14% - 16%, with EBITDA margins of 41% – 43%.

R&D spend

We expect FY18 R&D investment to be approx. 16% of revenue.

We continue to pursue growth and investment opportunities whilst maintaining capital efficiency.

With RAG, acquisition transaction and integration costs relating to RAG (including accelerating Platform development) expected to be in the \$15m to \$20m range in FY18

Note: 1. "RAG" acquisition of Reckon Accountant Group assets, subject to regulatory approval

Formal Business

Item 1

Consideration of MYOB Annual Reports

To receive and consider the Financial Report, Directors' Report and Auditor's Report for the year ended 31 December 2017.

The Financial Report, Directors' Report and Auditor's Report (the 'Reports') for the year ended 31 December 2017 will be laid before the AGM. There is no requirement for a formal resolution on this item. However, the Chairman will allow reasonable opportunity for shareholders to ask questions and make comments on the operations and management with regard to the Reports. Shareholders will also be given a reasonable amount of time to ask the appointed Auditor representative questions about the content and conduct of the audit.

Address by Chair of Remuneration & Nomination Committee Anne Ward



Item 2

Adoption of the Remuneration Report

To consider and, if thought fit, to pass the following resolution as an ordinary resolution of the Company:

"That the Remuneration Report, which forms part of the Directors' Report for the year ended 31 December 2017, be adopted."

PROXY VOTES RECEIVED

FOR	AGAINST	OPEN*	ABSTAIN
353,335,183	114,537,034	134,425	2,342,810
75.50%	24.47 %	0.03 %	

* Open votes totaling 106,532 (0.02%) in favour of the Chairman (whether by election or default) will be voted in favour of Item 2.

Item 3

Re-election of Andrew Stevens

To consider and, if thought fit, to pass the following resolution as an ordinary resolution of the Company:

“That Andrew Stevens, a Non-Executive Director of the Company, and being eligible and offering himself for election, be re-elected as a Director of the Company.”

A summary of Mr Stevens’ background and experience is set out in the Explanatory Memorandum.

PROXY VOTES RECEIVED

FOR	AGAINST	OPEN*	ABSTAIN
487,945,459	356,865	148,960	117,265
99.90 %	0.07 %	0.03 %	

* Open votes totaling 121,067 (0.02%) in favour of the Chairman (whether by election or default) will be voted in favour of Item 3.

Item 4

Approval of the issue of shares to Tim Reed under the Unified Incentive Plan

To consider and, if thought fit, to pass the following resolution as an ordinary resolution of the Company:

“That, for the purposes of ASX Listing Rule 10.14 and for all other purposes, approval is given for the issue and allotment to Tim Reed of ordinary shares under the Unified Incentive Plan as described in the Explanatory Memorandum.”

PROXY VOTES RECEIVED

FOR	AGAINST	OPEN*	ABSTAIN
301,334,832	174,954,398	134,125	32,398
63.25 %	36.72 %	0.03 %	

* Open votes totaling 106,232 (0.02%) in favour of the Chairman (whether by election or default) will be voted in favour of Item 4.

Thank you

myob simplify
success



Annual General Meeting Addresses – MYOB Group Limited

2 May 2018

Addresses by:

Justin Milne, Chairman

Tim Reed, CEO

Anne Ward, Chair of the Remuneration & Nomination Committee

Chairman's Address

QUORUM - SLIDE 1

Good morning, Ladies and Gentlemen. My name is Justin Milne, Chairman of the Board of Directors of MYOB Group Limited ("MYOB").

It is now 10.00am, the appointed time for holding MYOB's FY17 Annual General Meeting. I am advised that a quorum of members is present and therefore call the meeting to order.

I thank you for attending today, and it is my pleasure to declare the Annual General Meeting now open. I would also like to welcome shareholders who have joined this meeting via our audio webcast facility. This facility is made available to all those who wish to listen in live to the AGM proceedings this morning.

For those of you in attendance here today, I would appreciate if all mobile phones can be switched to silent.

IMPORTANT NOTICE – SLIDE 2

INTRODUCTION OF THE MYOB BOARD, CFO AND COMPANY SECRETARY – SLIDE 3

Before proceeding with my address, I would like to introduce my fellow Directors, as well as the Company Secretary and Chief Financial Officer.

Starting on my left, I introduce:

- Tim Reed, Executive Director, Chief Executive Officer;
- Anne Ward, Independent Non-Executive Director;
- Andrew Stevens, Independent Non-Executive Director;
- Fiona Pak- Poy, Independent Non-Executive Director;
- Craig Boyce, Non-Executive Director;
- Richard Moore, Chief Financial Officer; and
- Ian Boylan, General Counsel and Company Secretary

Unfortunately, our final Non-Executive Director, Ed Han, is not able to attend the meeting today and sends his apologies.

Collectively as a group of leaders, the MYOB Board is committed to embedding a strong corporate governance structure and protecting the interests of the shareholders in our business. As a Board we meet on a regular basis, to discuss and address matters which influence the value of the business and impact our shareholders.

As you can see on the slide, the MYOB Board comprises of six Non-Executive Directors, four of which are independent, with one Executive Director, our Chief Executive Officer. The MYOB Board is structured to ensure that its membership provides the right balance of experience, qualifications and skills to facilitate constructive discussions and to enable effective decision making for the Company.

Also present this morning is Nadia Carlin, a partner with the Company's Auditor, PwC and Niro Ananda, a partner with the Company's legal adviser, Clayton Utz. Nadia will be available to answer questions on the audit process at the appropriate time. I thank them both for attending today.

AGENDA – SLIDE 4

The agenda for today's meeting will commence with my address, followed by our CEO, Tim Reed who will present an update on the business and our strategy for delivering long term value to our shareholders.

We will then proceed with the formal business of the meeting, and Anne Ward, Chair of the Remuneration and Nomination Committee, will speak to the FY17 Remuneration Report and the changes under the new Unified Incentive Plan.

We will have time for questions at the end, and we invite those of you in attendance here in person today to ask questions and to join the Board for light refreshments.

SECTION DIVIDER – CHAIRMAN'S ADDRESS - SLIDE 5

FINANCIAL HIGHLIGHTS - SLIDE 6

I am pleased to report that as a business, MYOB continues to deliver strong growth and solid returns year on year to its shareholders. The 2017 financial year, was no exception.

MYOB reported double digit growth across all key financial measures, driven by record growth in online subscribers.

- Revenue rose to \$416 million, up 12 per cent year on year.
- Recurring revenue increased to \$400 million, up 13 per cent on prior year, and represented 96 per cent of total revenue.
- Underlying earnings (EBITDA) was \$190 million in FY17, an increase of 11 per cent on prior year; and
- NPATA, our preferred measure of after-tax profit also increased by 10 per cent, reaching \$102 million for FY17.

MYOB considers NPATA (net profit after adding back the tax effected amortisation expense related to acquired intangibles) rather than NPAT, to be a more meaningful measure of after tax profit due to the large amount of non-cash amortisation of acquired intangibles that is reflected in NPAT.

Looking at the right-hand side of this slide, a key measure for our business is the growth in online subscribers. I am pleased to report that in 2017, we delivered record growth in online subscribers of

60 per cent, reaching 399,000 online subscribers in December 2017. This is an outstanding result and shows that the investment we continue to make in our product development, sales and marketing teams is continuing to drive strong outcomes for the business. In addition, the migration rate of active non-paying users to paying online subscribers has almost doubled in three years as customers join us in embracing the benefits and efficiencies of moving online. This is another great outcome for us.

As reported in our FY17 results, we have set a target for our online subscriber growth to reach one million online subscribers by 2020. We believe based on the sustainable growth trajectory to date, we can achieve this milestone.

2017 OPERATIONAL HIGHLIGHTS – SLIDE 7

I am pleased to share some of our key operational highlights for FY17.

- As previously noted, a key highlight has been **our accelerated growth in online subscribers**, which was led by an increase in new SME wins as well as an increase in migrations from our active non-paying users to paying online subscribers;
- **Customer Lifetime value** continues to increase, through the growth in our subscriber base, sustained ARPU increases and through achieving record retention rates;
- We **expanded our total addressable market**, as we entered into a new payments segment in 2017, adding a new revenue stream for MYOB through the acquisition of Paycorp. This is an exciting growth opportunity for MYOB, with an estimated \$1.2 billion added to our Total Addressable Market across Australia and New Zealand.
- The growth in our **Enterprise segment** was robust, with revenues contributing 25 per cent of total FY17 revenue. I'm pleased to report that MYOB's market leading online ERP solution has achieved rapid success in the market, and has been recognised by iStart, as the **#1 ERP vendor in Australia and New Zealand** based on the number of ERP sites installed;
- The success of the MYOB rebrand in 2017 has played an important role in increasing the funnel of new SME wins, and lifting our profile and brand across the next generation of SMEs;
- And finally, MYOB is a strong business and we continue to build on this, attracting top talent at the board, management and employee levels across the business. We are a strong team of over 1,500 employees and we have continued to strengthen our executive team and Board with four additions since the start of 2017 – Helen Lea, our Chief Employee Experience Officer; Hugh Fahy, GM of Engineering, Carolyn Luey our GM of Enterprise and New Zealand and Fiona Pak-Poy, Non-Executive Director.

COMPELLING GROWTH TRAJECTORY - MYOB'S FIVE YEAR GROWTH – SLIDE 8

This is a compelling slide, and shows our performance over the past five years – pre and post listing, using MYOB's key performance measures.

As you can see, the business has continued to consistently generate strong levels of growth year on year - achieving double digit Cumulative Annual Growth Rates (or CAGR) in revenues, EBITDA and NPATA over the past 5 year period.

We continued to increase recurring revenue to just over 96 per cent in FY17, with our earnings per share rising to 16.9 cents. Our EBITDA margins remain strong and well above comparative industry peers.

As previously mentioned, a key driver of our business is the growth in online subscribers, which grew by a record 60 per cent in FY17, increasing SME Paying Subscribers to 618,000, an increase of 6 per cent on the prior year. The percentage of new clients taking an online subscription has also hit an all time high at 94 per cent.

CAPITAL EFFICIENCY & BALANCE SHEET STRENGTH – SLIDE 9

On the back of strong financial results, and a healthy balance sheet, the Board was pleased to declare a final dividend for FY17 of 5.75c per share for the year, bringing the full year dividend to 11.5 cents per share. This represents a dividend payout ratio of 68.6 per cent of the full year 2017 Statutory NPATA.

Up until now, dividends paid have been unfranked due to large tax losses that the business carries. We expect, however, dividends to be franked from the second half of 2019 onwards.

As part of our commitment to optimise and manage our capital efficiently, we announced in August 2017 an on-market share buyback of up to 5 per cent of the Company's issued capital. Funded from existing cash, MYOB acquired more than \$3 million of shares in FY17, with a further \$14 million acquired in the first quarter of 2018. The dividend and the share buyback combined represents a total of \$184 million of capital returned to shareholders from listing to the first quarter 2018.

In 2017, we also saw a shift in our capital structure and liquidity, with our largest shareholder, Bain Capital gradually reducing their stake from 56 per cent at the start of the year, to holding 23 per cent of our register as at December 2017. On behalf of the other Directors, I would like to thank Bain Capital for their continued support and confidence in our business.

Before I conclude my address and hand the presentation over to our CEO, Tim Reed, I would like to thank each of our shareholders for their loyalty and support. There is much to look forward to in 2018 and I am excited about the vision we've set for the industry and our strategy to deliver this, and long term sustainable growth, for our clients, partners and shareholders.

I would also like to thank my fellow Directors and the MYOB management team, for their continued passion and commitment to building a strong and sustainable business that delivers long term value to our shareholders.

I will now hand over to our CEO, Tim Reed who will provide you with an update on our strategy and the operational performance of our business. Thank you.

CEO's Address

SLIDE 10

Thank you, Chairman

Good morning everyone. It is my pleasure to present to each of you today at our **FY17 Annual General Meeting**.

As Justin mentioned, we are very pleased with the company's performance during FY17 both financially and operationally. We have built a strong business and believe that we are in a position of strength to move ahead with our strategic plans. Today, I would like to take this opportunity to talk you through our strategy, the opportunity we have for growth across the business and our plans to continue to create long-term value for each of our shareholders.

MYOB STRATEGY – SLIDE 11

As set out in our recent FY17 investor presentation and within our 2017 Annual Report – we have articulated a clear strategy, which we believe will create and deliver long term value and growth for our business and for our shareholders.

At MYOB, our vision is to help businesses succeed. In everything we do, every day, we invest your capital towards this purpose, believing that in doing so we'll be able to create strong returns for shareholders. This is a great opportunity for me to explain how we intend to live this vision and deliver returns to you with the strategy we are currently executing.

Set out on this slide are the 5 pillars of our **Long-Term Growth Strategy**:

The first and second pillars represent the opportunity that we have to accelerate growth in our core business, which is essentially the revenue derived from our SMEs and Accounting Practices. The third and fourth pillars outline growth strategies underway to expand our total addressable market, and the fifth pillar speaks to having an eye out to continue to look for acquisitions which accelerate our strategies, whether through product, channel or a client-base that we believe is particularly strategic for our business.

TOTAL ADDRESSABLE MARKET – SLIDE 12

As I mentioned at the start of the presentation, we believe there is a significant opportunity for growth in the Australia and New Zealand – both in our core categories and through expansion into new areas.

Starting with our core SME and Practice segments, which for the purpose of our statutory accounts and therefore in this presentation, are titled Clients and Partners. Over 80 per cent of our total revenue is generated in this core segment. Currently the penetration level of online accounting is still relatively low at around the 40 per cent of all SMEs. We believe there is a significant opportunity for us to increase our online subscriber base over the coming years as the market penetration of online accounting grows to meet and ultimately pass the penetration of desktop accounting software, which peaked somewhere between 75 and 80%.

Online accounting is both higher value and easier to adopt than desktop software, giving us confidence that this market will double in size in the years ahead – representing a Total Addressable Market of around \$1.5 billion.

In addition to this opportunity, we believe our move into providing enterprise resource planning software to businesses of 20 to 1,000 employees (called here our Enterprise market) and payments integrated into invoices generated from online accounting platforms, approximately doubles the size of the total available market in which we compete. In both cases we believe these are conservative estimates with the Enterprise market only representing the opportunity for 20 – 199 employee businesses, despite the fact MYOB Advanced, our cloud based ERP solution, has been successfully deployed to much bigger businesses, and fees on payments made directly from invoices only assuming a 10 basis-point fee, despite the fact we are currently getting closer to 200 basis points for these services.

Over the next few slides I will talk through in more detail, each of these business segments.

CLIENTS & PARTNERS – SECTION DIVIDER – SLIDE 13

CLIENTS AND PARTNERS TAM OPPORTUNITY – SLIDE 14

Let me start with the revenue we generate from selling our solutions to SMEs and Accounting Practices. For the sake of clarity, however, let me just explain that when I talk about Clients I'm referring to SMEs, and when I talk about Partners I'm referring to Accountants and Bookkeepers – who we see as partners in our mission to help businesses succeed.

This segment generated 82 per cent of total group revenue in FY17, delivering \$343.4 million in revenue and achieving an 8 per cent growth on prior year.

Most of the growth in revenue in this segment has been driven by the increasing number of SMEs paying us a subscription for access to our accounting software. We have been increasing this by a combination of adding new clients, lowering the churn rate of existing clients and increasing the average revenue per client. We believe we'll be able to continue to drive continued growth from all three sources.

Within this segment, the revenue we generate from tools purchased by and used in the businesses of our partners, our Practice Solutions tools, is relatively stable. This is expected given it is a fully penetrated market.

In February this year we announced a 2020 goal of growing the number of online subscribers from the 399,000 that Justin shared with you earlier, on Dec 31st 2017, to over 1M by 2020. I'm pleased to confirm while it is early days we are comfortable reconfirming this target.

MYOB'S VISION FOR THE ACCOUNTING INDUSTRY – SLIDE 15

Our confidence in our performance over the upcoming years, is based on a clear and differentiated vision of our market, a vision which we have tested with our clients and partners, and is resonating extremely strongly. We call this vision for the future state of the accounting industry, *the **Connected Practice***.

The accounting profession, not unlike other sectors of the economy, has been filled with fear that robots would replace people, and the skills that our partners have spent decades refining, will be deemed useless. To form a view on this, several years ago as a leadership team, we examined over

20 mega trends that were being discussed to determine which we believed would shape the future of accounting, and came up with three: 1) Artificial Intelligence (or machine learning), 2) Data and Connectivity, and 3) Humans and the nature of work.

In short we think there will be three primary changes:

1. The time spent doing transaction processing and compliance will drop and the time spent undertaking adviser work will increase;
2. That the three business processes that we have assisted with for many years (transaction processing, compliance and advisory) that used to be done in parallel using separate software tools, will collapse into one business process completed in real time; and
3. That as this occurs, advisers will take over more transaction processing work from the business owner.

Both MYOB and external surveys tell us SMEs want this future, Advisers want this future – they simply need someone to provide the tools to allow this change to occur.

To this end, we have been focused on investing into the development of a single online platform referred to as the MYOB Platform, to create intelligent and intuitive tools that make business life easier for our SMEs and their Advisers.

THE MYOB PLATFORM – SLIDE 16

On this slide we've shown the uptake in on online adviser tools that are currently in market and you can see the continued growth in the usage of each of the modules that we have released to market. Across the board as I'm out talking to accountants, I am hearing about the value of what we're delivering is becoming more and more apparent to them.

Our strategy to differentiate from our competitors in this area is very important. We have market leading SME tools already available, we are building the market leading tools for advisers to increase the positive impact of referring our SME tools to their clients – good for their clients and now also, good for them. But perhaps as important as the calibre of these tools, we're also making it easy for these tools to be adopted, by ensuring as we release the new modules, they integrate into their existing on-premise solutions such that they don't lose the productivity and keep one integrated practice system, and the change management can be spread over a longer period of time.

To recap on these modules:

- **Practice Ledger** is the online replacement for ledgers within the desktop practice suite.
- **Portal launched in 2015**, allows accountants to securely share documents with their clients and take ATO digitally approved signatures even on mobile devices.
- **Dashboard launched in mid-2016** is a very powerful managing tool which provides accountants with a single screen view of all their clients and a real time status of deliverables they are working on or have outstanding with each client.
- This year, we've recently launched MYOB Advisor into the market – a tool that uses Artificial Intelligence and Natural Language Generation technologies to interpret the financial information and create a written report on the business performance in everyday, natural language.

We are **investing for the future**, and this investment will deliver the tools our clients and partners are seeking, and will drive long term sustainable growth for MYOB.

CUSTOMER LIFETIME VALUE – SLIDE 17

As is always the case with business investment, the proof is in the pudding. The proof that our strategy of investing in the next generation platform is and will drive our growth can be seen in the way we are growing our subscriber numbers, increasing average revenue per client and increasing retention. We measure all elements of each of these key drivers in great detail inside our business, and continually rank our investment opportunities – whether they be in sales, marketing or product - by the impact they have on these three drivers of economic value.

I'm thrilled with the results shown here, and am confident in our ability to continue to deliver on this core formula of success.

PAYMENTS – SECTION DIVIDER – SLIDE 18

PAYMENTS – SLIDE 19

The third Strategic Pillar and key element to driving long term shareholder value is Payments.

In April 2017, we acquired Paycorp and this is now fully integrated into our business. We've also rebranded Paycorp's existing offerings as MYOB PayBy. If you are interested, you can see our range of services at myobpayby.com.au. which includes payment gateway facilities for SMEs, cashflow benefits to SMEs, invoice tracking and more.

In FY17, Payments contributed \$6.3 million to group revenue, which is around 2 per cent of the total revenue for MYOB. This excludes revenue generated from MYOB PayDirect – this revenue is included within the SME revenue stream with Clients & Partners.

We are pleased to see the growth in our PayDirect online transactions continue, reaching more than 16,000 transactions per month at the end of FY17.

Whilst this is a relatively new revenue segment for us, we do believe it could be a considerable opportunity for MYOB. In fact, we've estimated the total opportunity for payments directly tied to invoices issued by small businesses at around \$1.2 billion. It's unlikely that we'll end up with a 100% market share of that, given we don't have a 100% market share in the online accounting market, but it does show the potential we have in this segment for significant growth.

Moving forward, we will continue to invest in expanding PayDirect online by putting in new payment types and adding enhancements to the functionality. We are also expanding it from just Australia to include our clients in New Zealand, and we're also looking at new opportunities to continue to build what was the existing Paycorp business, now called MYOB PayBy.

ENTERPRISE SOLUTIONS – SECTION DIVIDER – SLIDE 20

ENTERPRISE SOLUTIONS TAM OPPORTUNITY – SLIDE 21

As I mentioned earlier, Enterprise solutions is an exciting opportunity for MYOB. This is the fourth strategic pillar I referred to earlier, where we offer solutions to businesses that outgrow our SME solutions, and are typically larger in size around 20+ FTEs up to 1,000.

In FY17 the Enterprise Solutions segment generated 16 per cent of total revenue, delivering \$64.6 million in revenue and grew by 25 per cent on the prior year.

This market is highly fragmented and operates under three tiers. The top tier is led by the large ERP players such as Oracle and SAP, which we do not operate in. Our Enterprise solutions are sold to businesses in the Tier 3 (20 – 199 employees) and Tier 2 (200 – 999 employee) segments.

We've estimated that the TAM opportunity here to be more \$300 million in the Tier 3 segment; and believe this will be higher if we now include the Tier 2 segment, which we now operate in following the acquisition of Greentree in 2016. We've been unable to get external sources to quantify, so we have omitted this from the TAM of \$300M p.a. listed on this slide.

ENTERPRISE SOLUTIONS - 1 in ERP in Australia and New Zealand – SLIDE 22

We are really pleased with the recognition of our ERP solutions by iStart. As you can see on the right-hand side of the slide. The information submitted is not reflective of the entire market, rather those that volunteered their information to be included here, and is based on the number of sites installed.

You can see that the number of MYOB Advanced Business Sites has grown year on year and in FY17 is up 83% as we passed 450 sites. It is also pleasing to see that 58% of new businesses that took out an ERP solution with us in the FY17 period chose MYOB Advanced, and that's continuing to build as we continue to develop the skills in our partner community, and as we continue to develop the features within the MYOB Advanced product.

It is important to note, the competitors we have in our Clients & Partners segment, do not operate in the Payment or Enterprise segments – which remains a strong opportunity for us as we expand out these areas.

STRATEGIC ACQUISITIONS – SECTION DIVIDER – SLIDE 23

That brings me to the fifth part of our strategy to deliver long term value to shareholders, which is to continue to pursue strategic acquisitions. Our acquisition strategy is aimed at creating value to our core business, through added functionality, or through increasing our ability to scale a part of our business, or to expand our total addressable market. Over a number of years we have demonstrated the ability to successfully acquire and integrate numerous businesses that have created value for our business and client base.

UPDATE ON RECKON – SLIDE 24

Our most recent announcement to the market, was the proposed acquisition of Reckon's Accountant Group assets, announced on November 17, 2017. The acquisition is pending a regulatory decision from both the ACCC and the NZCC. To date, we've been collaborating with both regulators through their review period, which has now been extended until 21 June 2018. The outcome of this transaction is expected by 2Q 2018, as previously announced to the market.

The rationale for this acquisition remains unchanged. We see value in investing in strengthening and deepening our relationships with the accountant and adviser network, who are so fundamental to the growth of SMEs and our business.

Reckon have been public about the fact that they would not be able to afford to invest to rebuild their on-premise solutions in this area to take them to the cloud, and this provides us with an opportunity to help these accountants by offering a pathway to online and in doing so earn their

respect, share with them our vision of the Connected Practice and the MYOB Platform, and work to make them long-term MYOB partners who will in time refer our SME solutions.

FY18 GUIDANCE – SECTION DIVIDER – SLIDE 25

FY18 GUIDANCE – SLIDE 26

Let me close by restating our FY18 Guidance, which we announced to the market at the time of our FY17 results. Given the Reckon acquisition is awaiting a decision by the regulators, we had set out our guidance under two scenarios.

Firstly, in FY18 we expect that the Connected Practice vision, together with the development of the MYOB Platform, will continue to accelerate our online subscriber growth.

If the Reckon acquisition doesn't proceed, we expect that FY18 organic revenue will remain in the 8% to 10% range and EBITDA margins will be between 43% to 45%. R&D spend will be again approximately 16% of revenue and we will continue to pursue growth and investment opportunities while maintaining capital efficiency.

If the Reckon acquisition proceeds, we expect revenue growth to be in the 14% to 16% range, generating a higher revenue with the inclusion of revenue from the RAG clients – although this does depend on when the acquisition is approved. EBITDA margins will be down (in the 41% to 43% range) because as we said at the time, we will be reinvesting all of the EBITDA to accelerate the development of the platform and improve the relationships we have with those clients, knowing that in the long run they will be very profitable relationships for us.

On the right hand side, you can see that with the Reckon Accountants Group, the acquisition transaction and integration costs, as we announced at the time, would likely be \$50 million. We think that in 2018 about \$15 million to \$20 million of that will be deployed. Obviously, these are all based on our Q2 2018 timing expectation of regulatory decision.

We continue to expect that the acquisition will go ahead, with both the ACCC and NZCC now targeting a June 2018 response, however if there is any further change to this we will update the market accordingly.

CLOSING REMARKS

Before I hand the presentation back to our Chairman, I would like to take this opportunity to thank the MYOB management team and each of our team members across Australia and New Zealand for their outstanding commitment and contribution during 2017.

I would also like to thank our clients for their continued loyalty and trust towards our business and our solutions, and finally to our shareholders, who continue to support us and join us on the journey to achieving long term growth and value for the business.

I will now hand back to our Chairman for the formal section of the meeting.

Address from Chair of the Remuneration & Nomination Committee

On behalf of the Board, I am pleased to speak to MYOB's Remuneration Report for 2017. I will firstly touch on the remuneration outcomes for FY17 before discussing our strategy for the future.

In delivering the strong financial results for FY17, MYOB's key management personnel, or "KMP", achieved between 96 and 98% of their financial and operational targets. As a result, KMP received short term incentive payments equating to 71% of target. This level of attainment continues our pattern of disciplined evaluation of performance and responsible incentive levels, with previous payment levels of 71% in 2016 and 74% in 2015.

During FY17, MYOB also made grants of equity to senior management under the "loan-funded" Long Term Incentive Plan. The ultimate value of these grants will depend on MYOB's performance against certain shareholder metrics, with testing to occur in FY18 and FY19. It is also worth highlighting that none of the performance shares held by senior management (which were granted at the time of the IPO) converted to ordinary shares during FY17 because the relevant share price hurdles were not met.

As a Board, we are focussed on ensuring that MYOB's remuneration structure is best aligned to the Company's strategy and the creation of value for our shareholders. With this in mind, and as noted in the Remuneration Report, the Remuneration and Nomination Committee has recently undertaken a review of MYOB's remuneration strategy. This review included consideration of developing trends in the incentive landscape, as well as feedback from investors, remuneration experts and employees.

We also conducted a comprehensive benchmarking exercise to determine how MYOB's KMP remuneration compared to that of ASX listed companies of similar size and in similar industry sectors. This analysis informed decisions on both the fixed and variable reward available to KMP for the period ahead, to ensure a competitive remuneration proposition.

The outcome of the review is a Unified Incentive Plan. As its name suggests, the new plan unifies MYOB's short and long term incentive arrangements into one scheme, with annual performance metrics determining both a cash award and a deferred equity award for participants. The Unified Incentive Plan has been adopted for FY18 onwards and no new grants will be made under the "loan funded" LTIP.

The primary objective driving the review was to ensure that the remuneration structure is best aligned to strategy. In particular, we wanted a plan that aligned management performance with shareholder value in both the short and long-term, and we believe that the metrics selected and their relative weightings, reflect the trade-offs that we are asking management to navigate on an ongoing basis to secure the long term health of the organisation.

EBITDA less Capex is our financial metric, and represents Free Cash Flow. Revenue in our business has a high degree of predictability given the subscription model, and an increase in EBITDA reflects real growth. Deducting Capex from EBITDA ensures that performance is delivered within planned investment levels.

The second metric is online market share growth, which we believe is an excellent proxy for longer term shareholder value given the lifetime value of an online customer. The market share targets

are based on the relative growth in online ledgers. Targets are established relative to our key competitor and publicly disclosed information is used to evaluate our share of growth in the total online market. In our view this is a more stretching and relevant measure than a simple market share metrics as it acknowledges both the competitive dynamics and the priority of the online subscriber base.

The Unified Incentive Plan is far more straightforward than previous arrangements.

We believe that Management are more likely to be motivated by incentives that are clear and easy to understand. One set of focused performance measures, the removal of both the fair value calculations and the prior loan funding arrangements, are all positive simplifications. This will also make it easier for our investors (and the broader market) to understand our approach and the incentives provided to management.

This plan is significantly different to our prior incentive arrangements. We believe that the improved simplicity of the design, the strategic alignment of metrics selected and the degree of stretch in our target-setting process all operate in the best interests of longer term Company performance and shareholder value creation.

For further information on how the new approach works in practice, please refer to Item 4 of the Notice of Meeting. Item 4 explains the proposed long term incentives to be granted to Tim Reed in FY18 under the new Unified Incentive Plan.

As a Board, we believe that the new approach strikes a constructive balance between short and long term organisational performance, motivational value to participants and alignment with shareholder interests. However, we do recognise that such a different incentive design will bring new and different questions. Whilst the majority of our shareholders have voted in support of our remuneration report, we acknowledge that some investors are not fully satisfied with the new plan. We are therefore committed to continuing our engagement in the months ahead to ensure we understand shareholder priorities and that our reward structures reflect these.

On that note, I am happy to receive any questions before I pass back to Justin.

I will now pass back to Justin who will put the relevant Remuneration Report resolution to the meeting.